Insr Insurance Group ASA

Listing of 12,857,142 Consideration Shares
Listing of 57,200,000 Private Placement Shares

Repair Offering of up to 5,714,285 Offer Shares
Subscription price: NOK 7.00 per Offer Share
Subscription Period: from 4 December 2017 to 13 December 2017 at 12:00 CET

The information in this prospectus (the "**Prospectus**") relates to (i) the contemplated listing of 57,200,000 shares with a par value of NOK 0.80 each (the "**Private Placement Shares**") to be issued by Insr Insurance Group ASA ("**Insr**" or the "**Company**", and together with its subsidiaries, the "**Group**"), and (ii) the contemplated listing of 12,857,142 shares with a par value of NOK 0.80 each (the "**Consideration Shares**") to be issued by Insr. The Private Placement Shares will be issued to investors having been conditionally allocated the Private Placement Shares in the private placement announced on 29 August 2017 (the “**Private Placement**”). The Private Placement Shares are expected to be issued on or about 29 November 2017. The Consideration Shares will be issued to Alpha Insurance A/S as part of the settlement for the Company's acquisition of 100% of the shares in Nemi Forsikring AS (the "**Acquisition**"). The Consideration shares will be issued on the closing date of the Acquisition expected to take place on or about 30 November 2017. The contemplated listing of the Private Placement Shares and the Consideration Shares is expected to take place on or about 29 November 2017 and on or about 30 November 2017 respectively.

In addition, the Prospectus relates to the offering by the Company of up to 5,714,285 new shares with a par value of NOK 0.80 each (the "**Offer Shares**") at a subscription price of NOK 7.00 per Offer Share (the "**Repair Offering**") directed at shareholders of the Company as of 29 August 2017, as registered in the Norwegian Central Securities Depositary (the "**VPS**") on 31 August 2017 (the "**Record Date**") who have not been allocated shares in the Private Placement and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (the "**Eligible Shareholders**"). Each Eligible Shareholder will be granted one non-transferable allocation right (the “**Allocation Rights**”) for each 7.01 existing share registered as held by such Eligible Shareholder as of the Record Date. The number of Allocation Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Allocation Right. Each Allocation Right gives the right to subscribe for, and be allocated, one Offer Share in the Repair Offering. Over-subscription will be permitted; however, there can be no assurance that Offer Shares will be allocated for such subscriptions. Offer Shares will not be allocated to subscribers without Allocation Rights. The subscription period (the "**Subscription Period**") for the Repair Offering will commence at 09:00 hours (CET) on 4 December 2017 and end at 12:00 hours (CET) on 13 December 2017. The Company's shares (the "**Shares**") are listed on Oslo Børs under the ticker code "INSR".

Allocation Rights that are not used to subscribe for Offer Shares before the expiry of the Subscription Period will have no value and will lapse without compensation to the holder.

Assuming duly payment of the Offer Shares subscribed for and allocated in the Repair Offering, delivery of the Offer Shares in the VPS is expected to take place on or about 21 December 2017, following and subject to the registration of the share capital increase pertaining to the Offer Shares in the Norwegian Register of Business Enterprises. Trading in the Offer Shares on the Oslo Børs is expected to commence on or about 22 December 2017, under the ticker code "INSR"

Investing in the Offer Shares involves a high degree of risk. Prospective investors should read the entire document and, in particular, consider Section 2 "Risk Factors" beginning on page 26 when considering an investment in the Company.

The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and are being offered and sold: (i) in the United States only to persons who are QIBs in reliance on an exemption from the registration requirements under the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S. The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. See Section 21 "Selling and Transfer Restrictions".

Manager

ABG Sundal Collier ASA

The date of this Prospectus is 28 November 2017

IMPORTANT INFORMATION

For the definitions of terms used throughout this Prospectus, see Section 23 "Definitions and glossary of terms" of this Prospectus.

This Prospectus has been prepared in order to provide information about the Company and its business in relation to the listing of the Private Placement Shares and the Consideration Shares, and the offering and listing of the Offer Shares. This Prospectus has been prepared solely in the English language.

This Prospectus serves as a listing prospectus in relation to the Private Placement Shares and the Consideration Shares. This Prospectus does not constitute an offer to buy, subscribe or sell any other securities other than the Offer Shares to be issued in connection with the Repair Offering.

The Company has furnished the information in this Prospectus. This Prospectus has been prepared in compliance with the Norwegian Securities Trading Act Chapter 7 and related legislation, including the EC Commission Regulation EC/809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 regarding information contained in prospectuses, as amended, and as implemented in Norway (the "**Prospectus Directive**"). The Company falls under the definition of a small and medium-sized enterprise under the Prospectus Directive due to its market capitalisation. Thus, the Prospectus has been prepared in accordance with the proportionate schedules for small and medium-sized enterprises pursuant to EC Commission Regulation 486/2012 regarding the format and content of the prospectus, the base prospectus, the summary and the final terms and in regards the disclosure requirements. Consequently, the Company has applied checklist annex XXVI and annex III for this Prospectus.

The Financial Supervisory Authority of Norway (the "**Norwegian FSA**") has reviewed and approved this Prospectus in accordance with the Norwegian Securities Trading Act sections 7-7 and 7-8. The Prospectus was approved on 28 November 2017. The Norwegian FSA's control and approval in this respect is limited to whether the issuer has included descriptions according to a pre-defined list of content requirements. The Norwegian FSA has not verified or approved the accuracy or completeness of the information provided in this Prospectus. It is the Company's responsibility to ensure that the information in the prospectus is accurate and complete. Furthermore, the Norwegian FSA has not made any sort of control or approval of the corporate matters described in or otherwise included in the Prospectus.

All inquiries relating to this Prospectus should be directed to the Company or ABG Sundal Collier ASA (the "**Manager**"). No other person has been authorised to give any information, or make any representation, on behalf of the Company in connection with the listing of the Private Placement Shares and the Consideration Shares, or the Repair Offering and, if given or made, such other information or representation must not be relied upon as having been authorized by the Company or the Manager.

The information contained herein is as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Company subsequent to the date of this Prospectus. Any new material information and any material inaccuracy that might have an effect on the assessment of the Shares arising after the publication of this Prospectus and before the listing of the Offer Shares on Oslo Børs, will be published and announced promptly as a supplement to this Prospectus in accordance with section 7-15 of the Norwegian Securities Trading Act. Neither the delivery of this Prospectus nor the completion of the listing at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof, or that the information set forth in this Prospectus is correct as of any time since its date.

The distribution of this Prospectus and sale of the Offer Shares in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of the Offer Shares to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company and the Manager require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions.

The Offer Shares are subject to restrictions on transferability and resale, and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The Offer Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). Outside the United States, the Offer Shares are being offered to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. For further information on the manner of distribution of the Offer Shares and the selling and transfer restrictions to which they are subject, see Section 21 "Selling and Transfer Restrictions".

The content of this Prospectus is not to be construed as legal, business or tax advice. Each reader of this Prospectus should consult with its own legal, business or tax advisor as to legal, business or tax aspects of an investment in the Company's Shares. If you are in any doubt about the content of this Prospectus you should consult your stockbroker, bank manager, lawyer, accountant or other professional adviser.

The Manager makes no representation or warranty, whether express or implied, as to the accuracy or completeness of the information contained in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Manager.

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

TABLE OF CONTENTS

1. SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7) below. This summary contains all the Elements required to be included in a summary for this type of securities and the issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introduction and Warnings

A.1	***Warning***	This summary should be read as an introduction to the Prospectus. Any decision to invest in the Offer Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation in its Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	***Resale or final placement of securities by financial intermediaries***	Not applicable; financial intermediaries are not entitled to use this Prospectus for subsequent resale or final placement of securities.

Section B - Issuer

B.1	***Legal and commercial name***	Insr Insurance Group ASA is the Company's legal name and Insr is the Company's commercial name.
B.2	***Domicile/Legal form/Legislation/Country of incorporation***	Insr is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The Company was incorporated in Norway on 8 June 2009, and the Company's registration number in the Norwegian Register of Business Enterprises is 994 288 962.
B.3	***Current operations, principal activities and markets***	Insr is an insurance company within nonlife insurance and has a licence as an insurance company from the Norwegian FSA. 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. On 18 August 2017, Insr entered into a share purchase agreement with Alpha Insurance A/S pursuant to which the Company has agreed to acquire 100% of the shares in Nemi Forsikring AS from Alpha Insurance A/S. Alpha Insurance A/S is wholly owned by Alpha Holding A/S, a privately held Danish insurance group.
B.4a	***Significant recent trends affecting the issuer and the industry in which it operates***	The Company has not experienced and is not aware of any trends that are material to the Company between 30 September 2017 and the date of this Prospectus, nor is the Company aware of such trends that may, or are expected to be, material to the Company for the rest of the current financial year. The Company has not experienced and is not aware of any uncertainties, demands, commitments or events, that are reasonably likely to have a material effect on the Company's prospects between 31 December 2016 and the end of the financial year ending 31 December 2017, other than the Company entering into the share purchase agreement for the acquisition of 100% of the Shares in Nemi Forsikring AS and conditionally allocating the Private Placement Shares and the Consideration Shares, and the Company's board of directors resolving to effect the Repair Offering.
B.5	***The Group***	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 Support 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, Insr Claims AS, Vardia Eksterne Kanaler AS and Vardia Fordel AS (a dormant company).
B.6	***Persons having an interest in the issuer's capital or voting rights***	As of the date of this Prospectus, the Company has 1,451 shareholders. Major shareholders do not have different voting rights. 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 Prospectus the following shareholder has publicly reported holdings exceeding 5%: • Investment AB Öresund has reported holdings corresponding to a total of 10,459,714 shares, corresponding to 16.4 % of the issued share capital. Investment AB Öresund will have a holding of 22,159,714 shares, corresponding to 16.5% of Company's issued share capital, following the issuance of the Private Placement Shares and the issuance of the Consideration Shares. • Kistefos AS has reported that it has been allocated 12,000,000 Private Placement Shares and that it following the issuance of the Private Placement Shares will have a holding of

	12,000,000 shares, corresponding to 8.9% of the Company's issued share capital following the issuance of the Private Placement Shares and the issuance of the Consideration Shares. • HDI V.a.G. has reported that it has been allocated 11,000,000 Private Placement Shares and that it following the issuance of the Private Placement Shares will have a holding of 11,000,000 shares, corresponding to approx. 8.2% of the Company's issued share capital following the issuance of the Private Placement Shares and the issuance of the Consideration Shares. • Alpha Insurance A/S has reported that it following the issuance of the Consideration Shares will have a holding of 12,857,142, shares corresponding to 9.6% of the issued share capital following the issuance of the Private Placement Shares and the issuance of the Consideration Shares.
B.7 Selected historical key financial information	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 nine-month periods ended 30 September 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**". PWC issued its audit reports on the 2015 Annual Financial Statements and the 2016 Annual Financial Statements with reservations There have been no significant changes to the financial and trading position of the Company since 30 September 2017 and up to the date of this Prospectus. The following selected financial information has been extracted from the Company's Financial Statements.

Condensed statement of profit and loss and other comprehensive income

In NOK millions	Three months ended 30 September		Nine months ended 30 September		Year ended 31 December		
	2017 *(unaudited)*	**2016** (unaudited)	**2017** (unaudited)	**2016** (unaudited)	**2016** *(audited)*	**2015** (adjusted)*	**2015** (audited)
Gross premiums earned	165.8	201.8	486.4	615.7	819.0	751.7	1,315.9
Reinsurance share	(97.9)	(158.0)	(326.7)	(447.3)	(582.8)	(541.8)	(966,8)
Premiums earned for own account	**67.9**	**43.8**	**159.6**	**168.3**	**236.2**	**209.9**	**349,1**
Allocation return on investment transferred from the non-technical account							**2,5**
Other insurance-related income	**0.4**	**0.6**	**1.3**	**2.1**	**2.7**	**12.2**	**12,2**
Claims							
Gross claims incurred	(104.1)	(160.4)	(336.9)	(527.6)	(615.7)	(683.5)	(1,261.9)
Reinsurance share of gross claims incurred	56.7	119.6	214.7	388.2	456.8	493.8	947.5
Claims incurred for own account	**(47.4)**	**(40.7)**	**(122.2)**	**(139.3)**	**(158.9)**	**(189.7)**	**(314.4)**
Operating expenses							
Sales costs	(24.8)	(51.3)	(70.6)	(127.7)	(114.3)	(267.3)	(349.8)
Insurance-related administrative costs	(37.3)	(34.6)	(88.5)	(106.9)	(204.6)	(84.4)	(119.6)
Commission received**	53.8	21.7	97.2	81.3	80.5	121.4	227.1
Total operating expenses for own account**	**(8.2)**	**(64.2)**	**(61.9)**	**(153.3)**	**(238.4)**	**(230.3)**	**(242.3)**
Unexpired risk reserve	**(0.9)**	**0.0**	**(0.9)**	**0.0**	**(1.3)**	**0.0**	**0,0**
Change in security reserve							**(14.8)**
Technical result**	**11.7**	**(60.5)**	**(24.1)**	**(122.2)**	**(159.7)**	**(198.0)**	**(207.6)**
Net financial income							
Interest income and dividends etc. on financial assets	3.8	0.0	2.7	2.4	4.0	1.1	1.1
Total financial income	**3.8**	**0.0**	**2.7**	**2.4**	**4.0**	**1.1**	**1.1**
Allocated return on investment transferred to the technical account							**(2.5)**
Other income	0.0	0.0	0.0	0.0	0	1.0	1.0
Other expenses	(3.5)	0.0	(2.6)	0.0	(15.5)	(5.0)	(5.0)
Non-technical result	**0.3**	**0.0**	**0.1**	**2.4**	**(11.5)**	**(3.0)**	**(5.5)**
Profit/(loss) before tax**	**12.0**	**(60.6)**	**(24.0)**	**(119.8)**	**(171.2)**	**(201.0)**	**(213.1)**
Tax	0.0	0.0	0.0	0.0	0	3.4	3.4
Profit from continued operations**	**12.0**	**(60.6)**	**(24.0)**	**(119.8)**	**(171.2)**	**(197.6)**	**(209.7)**
Profit from discontinued operations	0.0	0.0	0.0	136.1	137.2	(76.8)	0.0
Profit before other income and expenses	**12.0**	**(60.6)**	**(24.0)**	**16.3**	**(34.0)**	**(274.4)**	**(209.7)**
Other income and expenses							
Exchange rate differences	0.0	1.5	0.0	1.4	2.9	(2.4)	(2.4)
Total other income and expenses	**0.0**	**1.5**	**0.0**	**1.4**	**2.9**	**(2.4)**	**(2.4)**
Profit/ loss from operations**	**12.0**	**(59.1)**	**(24.1)**	**17.7**	**(31.0)**	**(276.8)**	**(212.1)**

*The changes in the 2015 audited numbers and the 2015 adjusted numbers (which are comparative figures derived from the 2016 Annual Financial Statements), are in relation to the sale of the Swedish Portfolio in relation to the changes in the precepts for annual report for general insurance companies (*Forskrift om årsregnskap for skadeforsikringsforetak*) in relation to the security provision and the allocated return on investment transferred to the technical account.
**An update of estimates for reinsurance commissions for 2016 positively impacted total operating expenses for own account and the result with NOK 33.9 million. Reinsurance commissions for 2016 were re-estimated by NOK 33.9 million with effect in the third quarter of 2017.

Statement of financial position

In NOK millions	As of 30 September		Year ended 31 December		
	2017 *(unaudited)*	**2016** *(unaudited)*	**2016** *(audited)*	**2015** *(adjusted)**	**2015** *(audited)*
Goodwill	64.8	78.5	64.8	54.1	54.1
Other intangible assets	49.1	67.6	60.2	72.9	72.9
Total intangible assets	**113.9**	**146.1**	**125.1**	**127.0**	**127.0**
Investments					
Investments in shares and parts	2.0	0.5			
Bonds and other fixed-income securities	196.7	153.4	119.4	190.0	190.0
Total investments	**198.7**	**154.0**	**119.4**	**190.0**	**190.0**
Reinsurers' part of gross technical provisions					
Reinsurance share of gross premium provisions	177.3	268.4	252.2	559.0	559.0
Reinsurance share of unexpired risk reserve	2.7	0	3.8	0.0	0.0
Reinsurance share of gross claims provisions	296.3	374.8	345.3	551.7	551.7
Total reinsurance share of gross technical provisions	**476.3**	**643.2**	**601.3**	**1,110.7**	**1,110.7**
Receivables					
Receivables in connection with direct insurance and reinsurance	272.9	263.4	270.9	526.0	526.0
Receivables in connection with associates	0.0	0.0	0.0	0.0	0.0
Other receivables	51.4	83.4	56.1	67.1	67.1
Total receivables	**324.3**	**346.8**	**327.0**	**593.1**	**593.1**
Other assets					
Plant and equipment	2.4	4.2	3.8	4.3	4.3
Cash and bank deposits	207.0	56.4	101.7	126.5	126.5
Total other assets	**209.4**	**60.6**	**105.6**	**130.8**	**130.8**
Prepaid expenses and earned income not received					
Prepaid costs and earned income not received	11.7	87.3	3.6	41.4	189.0
Total prepaid expenses and earned income not received	**11.7**	**87.3**	**3.6**	**41.4**	**189.0**
Total assets	**1,334.3**	**1,437.9**	**1,281.9**	**2,193.0**	**2,340.6**

*The changes in the 2015 audited numbers and the 2015 adjusted numbers (which are comparative figures derived from the 2016 Annual Financial Statements), are in relation to the sale of the Swedish Portfolio in relation to the changes in the precepts for annual report for general insurance companies (*Forskrift om årsregnskap for skadeforsikringsforetak*) in relation to the security provision and the allocated return on investment transferred to the technical account. Please refer to section 4.2.2 "Presentation of the Swedish Portfolio" and 11.2 "Summary of accounting policies and principles" in the Prospectus for details regarding the Company's sale of the Swedish Portfolio.

In NOK millions	As of 30 September		Year ended 31 December		
	2017 *(unaudited)*	**2016** (unaudited)	**2016** *(audited)*	**2015** *(adjusted)**	**2015** *(audited)*
Paid-in equity					
Share capital	50.9	35.8	35.8	35.8	35.8
Share premium	1,019.0	907.3	907.3	907.3	907.3
Total paid-in equity	7.1	6.9	5.5	4.1	4.1
Total paid-in equity	**1,077.1**	**950.1**	**948.7**	**947.2**	**947.2**
Provision for Guarantee scheme	25.3	20.2	22.0	14.4	14.4
Other equity	(924.1)	(848.9)	(896.7)	(858.2)	(757.3)
Total equity	**178.3**	**121.4**	**74.0**	**103.5**	**204.4**
Subordinated loan	**74.1**	**74.0**	**74.0**	**73.9**	**73.9**
Technical provisions					
Gross premium reserve	330.3	364.1	341.1	752.8	752.8
Unexpired risk reserve	5.1	0.0	5.0	0.0	0.0
Gross claims reserve	402.9	486.8	438.3	704.5	704,5
Security reserve					46.7
Total technical provisions	**738.3**	**850.9**	**784.4**	**1 457.3**	**1,504.0**
Financial liabilities					
Other liabilities	19.4	52.0	85.2	59.0	59.0
Tax Payable	0.0	7.4	0.0	0.0	0.0
Liabilities in connection with direct insurance and reinsurance	239.0	190.6	194.0	345.3	345.3
Total financial liabilities	**258.4**	**250.0**	**279.3**	**404.3**	**404.3**
Accrued costs and received unearned income	85.2	141.6	70.3	154.0	154.0
Total equity and liabilities	**1,334.3**	**1,437.9**	**1,281.9**	**2,193.0**	**2,340.6**

*The changes in the 2015 audited numbers and the 2015 adjusted numbers (which are comparative figures derived from the 2016 Annual Financial Statements), are in relation to the sale of the Swedish Portfolio in relation to the changes in the precepts for annual report for general insurance companies (*Forskrift om årsregnskap for skadeforsikringsforetak*) in relation to the security provision and the allocated return on investment transferred to the technical account. Please refer to section 4.2.2 "Presentation of the Swedish Portfolio" and 11.2 "Summary of accounting policies and principles" in the Prospectus for details regarding the Company's sale of the Swedish Portfolio.

Statement of cash flow

In NOK millions	Three months ended 30 September		Nine months ended 30 September		Year ended 31 December		
	2017 *(unaudited)*	**2016** (unaudited)	**2017** (unaudited)	**2016** (unaudited)	**2016** *(audited)*	**2015** *(adjusted*)*	**2015** *(audited)*
Net cash flow from operating activities	24.8	(56.7)	58.2	(142.2)	(124.8)	(306.5)	(496,3)
Net cash flow from investing activities	29.2	45.2	(79.7)	71.2	102.9	(215.7)	(25,9)
Net cash flow from financing activities	0.0	0.3	126.8	0.0	0.0	462.1	462,1
Cash flow effect from revaluation of cash and cash equivalents	0.0	0.0	0.0	0.8	(2.9)	1.7	(1,7)
Net cash flow for the period	**54.1**	**(11.2)**	**105.2**	**(70.1)**	**(24.8)**	**(58.5)**	**(58,5)**
Hereof discontinued operations	0.0	(9.5)	0.0	(19.8)	(31.9)	(33.4)	0,0
Cash and cash equivalents at the beginning of the period	152.9	67.6	101.7	126.5	126.5	185.0	185,0
Cash and cash equivalents at the end of the period	207.0	56.4	207.0	56.4	101.7	126.5	126,5
Net cash flow for the period	**54.1**	**(11.2)**	**105.2**	**(70.1)**	**(24.8)**	**(58.5)**	**(58,5)**
Cash in bank and liquidity funds	207.0	56.4	207.0	56.4	101.7	126.5	126,5
Total cash and cash equivalents	**207.0**	**56.4**	**207.0**	**56.4**	**101.7**	**126.5**	**126,5**

*The changes in the 2015 audited numbers and the 2015 adjusted numbers (which are comparative figures derived from the 2016 Annual Financial Statements), are in relation to the sale of the Swedish Portfolio in relation to the changes in the precepts for annual report for general insurance companies (*Forskrift om årsregnskap for skadeforsikringsforetak*) in relation to the security provision and the allocated return on investment transferred to the technical account. Please refer to section 4.2.2 "Presentation of the Swedish Portfolio" and 11.2 "Summary of accounting policies and principles" in the Prospectus for details regarding the Company's sale of the Swedish Portfolio. NOK 2.4 million reported as financing activities in the third quarter report for 2016 have been restated as investing activities, to correspond with current reporting.

Statement of changes in equity

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 January 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 December 2015	**103.5**	**35.8**	**907.3**	**4.1**	**(858.2)**	**0.0**	**0.0**	**14.4**
Equity as of 1 January 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 December 2016	**74.0**	**35.8**	**907.3**	**5.5**	**(896.7)**	**0.0**	**0.0**	**22.0**
Equity as of 1 January 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
Subscribed Equity	116.7	0.0	116.7	0.0	0.0	0.0	0.0	0.0
Equity issue related costs	(5.0)	0.0	(5.0)	0.0	0.0	0.0	0.0	0.0
Expensed stock options	1.2	0.0	0.0	1.2	0.0	0.0	0.0	0.0
Changes in provisions in 2016	0.0	0.0	0.0	0.0	(3.3)	0.0	0.0	3.3
Other comprehensive income/(cost)	(0.0)	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0
Net profit/(loss)	(24.0)	0.0	0.0	0.0	(24.0)	0.0	0.0	0.0
Profit from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.4	0.0	0.0	0.4	0.0	0.0	0.0	0.0
Equity as of 30 September 2017	**178.3**	**50.9**	**1 019.0**	**7.1**	**(924.1)**	**0.0**	**0.0**	**25.3**

The changes in equity table above is based on the 2015 adjusted values.

B.8	***Selected key pro forma financial information***	The Acquisition triggers the requirement of pro forma financial information. The unaudited condensed pro forma financial information in this Prospectus (the "**Pro Forma Financial Information**") has been prepared assuming the Acquisition will be completed. The Pro Forma Financial Information has been prepared for illustrative purposes only, to show how the Acquisition 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 Acquisition occurred at the balance sheet date.

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.

Income statement 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 account	**-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 before 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**

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 Transactions 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		156,225	D	221,035
Other intangible assets	60,247	29,814	0		50,000	E, F	140,061
Total intangible assets	**125,056**	**29,814**	**0**		**206,225**		**361,095**
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	I	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**		**376,625**		**2,642,503**

Equity and liabilities						
Total paid-in equity	**948,699**	**277,360**	**0**	**213,040**	**H**	**1,439,099**
Total equity	**73,970**	**200,400**	**-82,264**	**337,656**	**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 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**	**376,625**		**2 642,503**

B.9 Profit forecast or estimate

Not applicable. No profit forecast or estimate are made.

B.10 Qualifications in the audit report on the historical financial information

The Company's auditor PWC issued its audit report on the 2015 Annual Financial Statements with reservations. The following reservations were 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."*

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."*
B.11 Working capital	The Company is of the opinion that the working capital available to the Company is sufficient for the Company's

	present requirements, for a period covering at least 12 months from the date of this Prospectus.

Section C - Securities

C.1	***Type and class of securities admitted to trading and identification number***	The Company has one class of Shares in issue and all Shares in that class provide equal rights in the Company. Each of the Shares carries one vote. The Shares have been created under the Norwegian Public Limited Companies Act and are registered in book-entry form with the VPS under ISIN NO 0010593544.
C.2	***Currency***	The Offer Shares are issued in NOK.
C.3	***Number of shares and par value***	The share capital of the Company is NOK 50,891,602.40 divided into 63,614,503 Shares, each with a nominal value of NOK 0.80 each. The Company will following the issuance of the Private Placement Shares and the Consideration Shares have a share capital of NOK 106,937,316 divided into 133,671,645 Shares, each with a nominal value of NOK 0.80 each. The Company will through the issuance of the Offer Shares increase the number of Shares with maximum 5,714,285 Shares. Following the issuance of the Private Placement Shares, the Consideration Shares and the Offer Shares the Company will have a share capital of maximum NOK 111,580,744 divided on maximum 139,385,930 Shares.
C.4	***Rights attached to the securities***	The Company has one class of Shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all Shares in that class provide equal rights in the Company. Each of the Shares carries one vote.
C.5	***Restrictions on free transferability***	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.
C.6	***Admission to trading***	The Company's shares were admitted to trading on Oslo Børs on 8 April 2014.
C.7	***Dividend policy***	The Company is licensed as an insurance company by the Norwegian FSA 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. The Company has not paid any dividends for the years ended 31 December 2016 or 2015.

Section D - Risks

D.1 Key information on the key risks that are specific to the issuer or its industry	• The Company is exposed to significant competition. • The Company is exposed to legal and regulatory requirements. • 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 exposed to potential catastrophes, natural disaster and terrorist-related events that may cause the Company to incur substantial losses. • The Company is exposed to changes in the availability of or cost of reinsurance coverage and credit risk on the reinsurers. • 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. • The Company is exposed to underwriting and reserve risk. • The Company relies on service providers. • The Company is exposed to changes in its relationships with insurance distributors. • The Company's success depends on retaining key personnel and attracting highly skilled individuals. • The Company is exposed to a potential loss of reputation. • The Company is exposed to difficulties in implementing profitability measures. • The Company is exposed to potential litigation. • The Company is exposed to risk related to the receipt of dividends and other funds from operating subsidiaries • The Company is exposed to interest rate volatility and other risks related to its investment portfolio. • 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. • Should any of the Closing Conditions for the Acquisitions not be satisfied or waived prior to 31 December 2017, the Acquisition will not be completed and Insr will not achieve the expected benefits of the Acquisition. • Insr and Nemi Forsikring AS may not achieve the expected benefits of the Acquisition

D.3	***Key information on the key risks that are specific to the securities***	• The Company is exposed to fluctuations in the price of the Shares. • Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares • Pre-emptive rights or similar rights to subscribe for Shares could be unavailable to U.S. shareholders or other shareholders • Investors could be unable to exercise their voting rights for Shares registered in a nominee account • The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions • 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 • Insr could be unable to recover losses in civil proceedings in jurisdictions other than Norway • Norwegian law could limit shareholders' ability to bring an action against the Company • 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 • Market interest rates could influence the price of the Shares • The Company is subject to provisions on ownership control

Section E – Offer

E.1	***The total net proceeds and an estimate of the total expenses***	The gross proceeds to the Company from the Private Placement will amount to NOK 400,400,000. The costs and expenses of, and incidental to, the issuance and listing of the Private Placement Shares amount to approximately NOK 11,250,000. Based on this, the net proceeds to the Company amount to approximately NOK 389,150,000. The gross proceeds to the Company from the Repair Offering will be up to NOK 40 million. The Company's total costs and expenses of, and incidental to, the Repair Offering are estimated to amount to approximately NOK 1.4 million. Based on this the net proceeds to the Company NOK 38.6 million assuming the Repair Offering is fully subscribed.
E.2a	***Reasons for the Private Placement and the Repair Offering and use of***	The net proceeds from the Private Placement will be used to finance the cash portion of the purchase price for the Nemi Shares of NOK 230,000,000, to strengthen the Company’s capital position, and to potentially

	proceeds	reduce the reinsurance cession. 1 April 2017, Insr reduced its quota share cession from 75% to 50% for covered products. The Company expects to similarly reduce Nemi's cession. Surplus capital facilitates growth and potentially further reinsurance cession reductions. The reasons for the Repair Offering is to give Eligible Shareholders the right to subscribe for new Shares at the same subscription price as shareholders that were allocated Private Placement Shares, and to strengthen the Company's equity and potentially reduce the Company's reinsurance cession.
E.3	***Terms and conditions of the Private Placement Repair Offering***	The Private Placement relates to the contemplated listing of 57,200,000 shares with a par value of NOK 0.80 each. The Repair Offering is an offer to increase the share capital of the Company with a minimum of NOK 0.80 and a maximum of NOK 4,571,428 by the issuance of minimum 1 and maximum 5,714,285 new shares each with of nominal value NOK 0.80. The Repair Offering is conditional upon completion of the Private Placement and the Acquisition prior to the start of the Subscription Period (defined below). The Repair Offering is directed towards shareholders of the Company as of 29 August 2017 (as registered in the Norwegian Central Securities Depository (VPS) on 31 August 2017), (the "**Record Date**") who have not been allocated shares in the Private Placement and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action ("**Eligible Shareholders**"). The Company's Eligible Shareholders shall receive allocation rights pro rata to their registered holding of shares in the Norwegian Central Securities Depository ("**VPS**") on the Record Date. The Eligible Shareholders shall receive 1 allocation right per each 7.01 share held at the Record Date. The number of allocation rights will be rounded down to nearest whole subscription right. The Allocation Rights shall not be tradable. Allocation of new new Shares shall be made by the Company's board of directors. The following allocation criteria shall apply: i. Allocation will be made to subscribers on the basis of granted Allocation Rights which have been validly exercised during the subscription period. Each Allocation Right will give the right to subscribe for and be allocated one (1) new share. ii. If not all Allocation Rights are validly exercised in the Subscription Period, subscribers having exercised their Allocation Rights and who have over-subscribed will

	have the right to be allocated remaining new shares on a pro rata basis based on the number of Allocation Rights exercised by the subscriber. In the event that pro rata allocation is not possible, the Company will determine the allocation by lot drawing. iii. Other than what is set out in ii above, subscription without Allocation Rights will not be allowed. The subscription price in the Repair Offering shall be NOK 7.00 per share. The subscription amount shall be paid in cash. The Subscription Period shall commence on 4 December 2017 and end at 12:00(CET) on 13 December 2017. The due date for payment of the new Shares is 15 December 2017. Assuming duly payment of the Offer Shares subscribed for and allocated in the Repair Offering, delivery of the Offer Shares in the VPS is expected to take place on or about 21 December 2017, following and subject to the registration of the share capital increase pertaining to the Offer Shares in the Register of Business Enterprises. Trading in the Offer Shares on the Oslo Børs is expected to commence on or about 22 December 2017, under the ticker code "INSR" The new Shares will give full shareholder rights in the Company, including the right to dividends, from the time the share capital increase is registered with the Norwegian Register of Business Enterprises.
E.4 ***Material interests in the Private Placement and the Repair Offering***	The Manager has provided from time to time, and may provide in the future, investment services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Manager does not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Manager will receive commissions and fees in connection with the Private Placement and the Repair Offering and, as such, have an interest in the Repair Offering. The investors having being conditionally allocated shares in the Private Placement will have an interest in the Private Placement
E.5 ***Selling shareholders and lock-up agreements***	There are no selling shareholders in the Private Placement or the Repair Offering. Alpha Insurance A/S has agreed to a lock-up period of 6 months for the Consideration Shares.
E.6 ***Dilution resulting***	The immediate dilution for the existing shareholders not participating in the Private Placement is approximately

	from the Private Placement, the issuance of the Consideration Shares and the Repair Offering	47.3%. The aggregate dilution for the existing shareholders not participating in neither the Private Placement nor the Repair Offering is approximately 49.7% (assuming full subscription in the Repair Offering). The immediate dilution for the existing shareholders following the issuance of the Consideration Shares is approximately 16.8%. The aggregate dilution for the existing shareholders not participating in neither the Private Placement nor the Repair Offering, and after the issuance of the Consideration Shares, is approximately 54.4% (assuming full subscription in the Repair Offering) while the aggregate dilution for shareholders not participating in the Private Placement, but participating in the Repair Offering is 47.9% (assuming full subscription in the Repair Offering). The immediate dilution for the shareholders not participating in the Repair Offering is approximately 4.10% (assuming full subscription in the Repair Offering).
E.7	***Estimated expenses charged to investor***	No expenses or taxes will be charged by the Company or the Managers to the applicants in the Repair Offering or the Private Placement.

2. RISK FACTORS

An investment in the Company and the Shares (including the Offer Shares), involves inherent risks. Before making an investment decision with respect to the Offer Shares, investors should carefully consider the risk factors set forth below and all information contained in this Prospectus or incorporated by reference. The risks and uncertainties described in this Section 2 are the principal known risks and uncertainties faced by the Group as of the date hereof that the Company believes are relevant to an investment in the Offer Shares.

An investment in the Offer Shares 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 Offer 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 Offer Shares, resulting in the loss of all or part of an investment in the Offer 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 2 is as of the date of this Prospectus.

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

2.1.1 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/or financial condition.

2.1.2 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 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/or 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 condition.

2.1.3 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 Norwegian FSA may impose stricter capital requirements for the Company pursuant to the specific risks relating to the Company's operations under the Pillar II assessment.

2.1.4 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 on 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.

2.1.5 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 accident 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 conditions.

Losses related to Catastrophe insurance 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.

2.1.6 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, 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.

2.1.7 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/or 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.

2.1.8 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 continuously 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 Prospectus, 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 results of operations and financial conditions.

2.1.9 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 become 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.

2.1.10 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.

2.1.11 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 operation and financial conditions.

2.1.12 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.

2.1.13 The Company is exposed to difficulties in implementing profitability measures

Insr continuously strives for increased profitability, taking measures to both increase income and reduce costs. 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 increased risk associated with possible profitability measures. This could ultimately have a material adverse effect on Insr's operations, business, financial conditions and prospects.

2.1.14 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.

2.1.15 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.

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

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

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.

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.

2.2 Risk relating to the Shares

2.2.1 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 Prospectus, 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.

2.2.2 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 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.

2.2.3 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 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.

2.2.4 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.

2.2.5 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.

2.2.6 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.

2.2.7 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.

2.2.8 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.

2.2.9 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) 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.

2.2.10 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

2.2.11 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 enterprises 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 Norwegian FSA. 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 a 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.

2.3 Risks related to the acquisition of 100% of the shares in Nemi Forsikring AS ("Nemi")

2.3.1 Completion risks

On 18 August 2017, Insr entered into a share purchase agreement with Alpha Insurance A/S pursuant to which the Company has agreed to acquire 100% of the shares in Nemi Forsikring AS from Alpha Insurance A/S. Completion of the acquisition is subject to the following remaining conditions being satisfied or waived on the date of closing of the acquisition:

- The parties shall have complied in all material respects with their obligations under the Share Purchase Agreement.
- Alpha's warranties shall be correct in all material respects.
- No material adverse change shall have occurred since the signing of the Share Purchase Agreement.
- The share capital increase related to the issuance of the Private Placement Shares shall have been registered with the Norwegian Register of Business Enterprises.

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 acquisition will not be completed and Insr will not achieve the expected benefits of the acquisition.

2.3.2 Insr and Nemi may not achieve the expected benefits of the Acquisition

Insr may face risks and challenges when integrating Nemi into its existing business. The Acquisition 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 Acquisition 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 Acquisition 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.

2.4 Risks related to Nemi's business

In addition to the risks described under section 2.1 "Risks related to the Company's business and the insurance industry", which also affect Nemi's business, Nemi is subject to the risk 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.

3. RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared in connection with the listing of the Private Placement Shares, the listing of the Consideration Shares and the Repair Offering.

The Board of Directors of Insr Insurance Group ASA accepts responsibility for the information contained in this Prospectus. 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 Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Oslo, 28 November 2017

Åge Korsvold
Chairman

Ragnhild Wiborg
Board member

Christer Karlsson
Board member

Mernosh Saatchi
Board member

Ulf Spång
Board member

Terje Moen
Employee representative

4. PRESENTATION OF INFORMATION

4.1 Date of information

The information contained in this Prospectus is current as at the date of the Prospectus and is subject to change or amendment without notice. In accordance with section 7-15 of the Norwegian Securities Trading Act, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares between the time of approval of this Prospectus by the Norwegian FSA and before the end of the Subscription Period or the listing of the Offer Shares on Oslo Børs, will be included in a supplement to this Prospectus. Except as required by applicable law and stock exchange rules the Company does not undertake any duty to update the information in this Prospectus. The publication of this Prospectus 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 Prospectus.

4.2 Presentation of financial information

4.2.1 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 nine-month periods ended 30 September 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 Prospectus, see Section 22.1 "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. PWC issued its audit reports on the 2015 Annual Financial Statements and the 2016 Annual Financial Statements with reservations (see section 4.2.5 "Auditor's qualifications as to the 2015 Annual Financial Statements" and 4.2.6 "Auditor's qualifications as to the 2016 Annual Financial Statements" of this Prospectus).

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

4.2.2 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.

The 2016 Annual Financial Statements cover the relevant periods for which pro forma financial information is required, and in accordance with IFRS 5, the results of the operations related to the Swedish Portfolio, have been reported on separate lines in the Company’s income statement and the statement of cash flows.

Pursuant to the guidance on historical financial information and pro forma financial information in share prospectuses, issued by the Norwegian FSA, the Company has concluded that the pro forma financial information that would otherwise be published would not be of additional significance to evaluate the performance of the Swedish Portfolio. The 2016 Annual Financial Statements were released prior to the publication of this Prospectus, and provide sufficient information of the continuing business of the Company following the completion of the sale of the Swedish Portfolio, and to a sufficient extent covers the information that would have been provided as pro forma financial information.

4.2.3 Pro forma financial information

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

The Pro Forma Financial Information has been prepared for illustrative purposes only, to show how the Acquisition 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 Acquisition occurred at the balance sheet date.

4.2.4 Nemi's financial statements

The audited financial statements for Nemi for the years ended 31 December 2015 and 2016 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 nine-month periods ended 30 September 2017, with comparable figures for 2016, have been prepared in accordance with IAS 34 (as defined in the Norwegian regulation of annual accounts for non-life insurance companies § 6-2).

Nemi's annual financial statements for the year ended 31 December 2015 and 2016 have been audited by BDO AS and KPMG AS respectively, as set forth in the auditor's report included together with Nemi's annual financial statements. Nemi's financial statements are incorporated by reference in this Prospectus (see section 22.1 "Incorporated by reference").

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

4.2.5 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 were 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."

4.2.6 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 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 completed an improvement plan, and based on the current status, the Company expects a clean auditor’s report for the financial year ended 31 December 2017.

4.3 Rounding

Percentages and certain amounts included in this Prospectus 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.

4.4 Industry and market data

This Prospectus 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 Prospectus, 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 Prospectus.

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 Prospectus 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 Prospectus, 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 2 "Risk Factors" and elsewhere in this Prospectus.

4.5 Forward-looking statements

This Prospectus contains forward-looking statements. All statements contained in this Prospectus 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 2 "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 Prospectus or to conform these statements to actual results or revised expectations.

Forwards-looking statements are found in Sections 5 "The Acquisition", 7 "Industry and Market", 8 "Business", 9 "Presentation of Nemi", 13 "Board of Directors, Management, employees and corporate governance" and 15 "Corporate information and description of the share capital".

4.6 No advice

The contents of this Prospectus 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 Offer 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 Offer 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 Offer Shares for an indefinite period of time.

5. THE ACQUISITION

5.1 Background and rationale for the Transaction

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

Nemi is a non-life insurance company operating in the Norwegian market providing a range of simple and standardized insurance products to both private and commercial customers. It has around 50,000 private and 4,500 commercial customers. Nemi has realised considerable growth over recent years, with gross written premium increasing from NOK 510 million in 2014 to NOK 689 in 2016.

The Acquisition fits well with the wholesale and multi-brand strategy of Insr, as further described in section 8.1 "Introduction" of this Prospectus.

The Acquisition will boost the size of Insr's insurance operation. 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 both significant volume, competence and its brand to Insr's multi-brand and wholesale strategy, and Insr will retain Nemi as a brand in the market and towards insurance customers. Nemi has a well-managed agent network, and 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 an additional 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. For further information about Nemi see section 9 "Presentation of Nemi".

Through the Acquisition 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. A merged reinsurance programme is likely to achieve improved terms. The Company expects to realize around NOK 60 million of synergies within operating costs. In addition, annual savings on claims for own account of around NOK 20 million are expected, partly due to price and portfolio measures, partly improved reinsurance terms.

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.

5.2 Overview and financing of the Acquisition

The agreed consideration for the acquisition of 100% of the shares in Nemi (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 12,857,142 new ordinary Shares at a subscription price of NOK 7.00 per share (the "**Consideration Shares**") to Alpha.

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

To finance the Acquisition, to strengthen the Company's capital position and to potentially reduce the Company's reinsurance cession, the Company successfully placed a private placement on 29 August 2017, and conditionally allocated 57,200,000 new Shares (the "**Private Placement Shares**") at a subscription price of NOK 7.00 per share, raising gross proceeds of NOK 400,400,000. The Private Placement Shares have been allocated subject to the conditions for closing of the Acquisition, other than the issuance of the Private Placement Shares, being satisfied or waived. The main conditions for completion of the Acquisition have been fulfilled as further described below in section 5.3 "Conditions for closing of the Acquisition" and the Private Placement Shares is expected to be issued on 29 November 2017.

For a further description of the issuance and listing of the Consideration Shares and the Private Placement Shares see section 19 "Listing of the Consideration Shares" and section 18 "Listing of the Private Placement Shares".

Insr will, subject to the issuance of the Private Placement Shares and completion of the Acquisition, 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 as further described in section 20 "The terms of the Repair Offering".

5.3 Conditions to closing of the Acquisition

The main conditions for completion of the Acquisition have been fulfilled, following approval of the issuance of the Consideration Shares and the Private Placement Shares at the Company's extraordinary general meeting on 26 September 2017 (the "**EGM**"), and the approval of the Acquisition by the Norwegian competition authority and the Norwegian FSA on 31 August 2017 and 28 November 2017 respectively.

Completion of the Acquisition is subject to the following additional conditions being satisfied or waived (the "**Closing Conditions**") at or prior to the date of closing of the Acquisition:

(i) The share capital increase related to the issuance of the Private Placement Shares have been registered in the Norwegian Register of Business Enterprises (the "**NRBE**").

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

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

(iv) Alpha's warranties shall be correct in all material respects.

All the Closing Conditions other than item (i) have been fulfilled at the date of this Prospectus and are expected to be fulfilled at the date of closing of the Acquisition.

5.4 Timeline

Insr expects that the share capital increase related to the issuance of the Private Placement Shares will be registered in the NRBE on or about 29 November 2017, and the Private Placement Shares will be delivered to the investors against payment on or about 30 November 2017, and that closing of the Acquisition and the issuance of the Consideration Shares will take place on or about 30 November 2017.

5.5 Other terms for the Acquisition

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 Acquisition, 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.

5.6 Agreements for the benefit of close associates

Neither the Board Members nor the management of Insr or Nemi will receive any benefits from the Acquisition.

5.7 Expenses

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

Costs attributable to the issuance of the Consideration Shares, the Private Placement Shares and the Offer Shares, will be borne by the Company. The total costs are expected to amount to approximately NOK 11 million.

5.8 Subsequent merger

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

6. DIVIDENDS AND DIVIDEND POLICY

6.1 Dividend policy

The Company is licensed as an insurance company by the Norwegian FSA 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.

6.2 Dividends in 2015 and 2016

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

6.3 Legal constraints on the distribution of dividends

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

- Dividends 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 8.14 "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 Norwegian FSA if it proposes to distribute dividends in excess of 50% of the Company's profits according to its latest approved accounts. The Norwegian FSA 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.

6.4 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) 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.

7. 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.

7.1 The general insurance market in Norway

7.1.1 Market size and growth

As at 30 June 2017, the Norwegian general insurance industry premium portfolio, excluding marine insurance, was NOK 55.9 billion, according to Finans Norge ("**FNO**"). Motor insurance was by far the largest line of business, representing 37.3% 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 30 June 2017:

Line of business	Premium portfolio (NOK billion)	Percentage of premium portfolio
Motor total	20. 8	37. 3
Private fire & special perils	11. 4	20.4
Commercial fire & special perils	7.5	13. 5
Special(1)	4. 5	8.1
Workers' compensation	2.3	4.1
Accident	1.1	1.9
Medical treatment & critical illness	2.0	3.6
Other(2)	6.2	11. 1
Total	**55.9**	**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) The premium portfolio ("bestandpremie") statistic from FNO is defined such that the amount reported at any given time is a good estimate for full year earned permium

7.1.2 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	25.5
If	31.5	29.8	28.9	27.0	25.7	25.1	24.8	23.7	22.6	21.9	21.2	21.1
Tryg	17.5	18.1	17.8	17.3	17.1	16.4	15.3	14.7	15.3	13.4	13.4	13.2
SpareBank1	10.0	10.0	9.8	9.8	10.3	10.3	10.1	10.4	10.1	10.0	10.2	10.4
Other	9.8	11.1	13.9	17.5	19.2	21.9	24.5	26.2	28.2	29.5	29.6	29.8
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) Q2 12017

The general insurance market in Norway is characterized by high concentration, with the top four insurers collectively accounting for approximately 70.2% of the Norwegian market as at 30 June 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 30 June 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.

7.2 The general insurance market in Denmark

7.2.1 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.

7.2.2 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	16.8
Codan	12.5	12.6	12.3	11.6	11.2	10.9
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	45.1
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)

1) Q3 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 54.9% as at Q3 2016. In Denmark, Insr's largest competitors are Tryg, Topdanmark, Codan and Alm. Brand, which held market shares of 17.8%, 16.8%, 10.9% and 9.5% respectively as by Q3 2016.

8. BUSINESS

8.1 Introduction

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

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. In 2016, the Company changed its name from Vardia Insurance Group ASA to Insr Insurance Group ASA to mark the repositioning of the Company as primarily a wholesale insurer. Insr believes there is a strong and growing interest in distributing insurance without the significant overhead of being a regulated insurance company, and that incumbent insurers are reluctant to cannibalise their own direct distribution through facilitating a disruption in client distribution. Insr targets this partner/white label opportunity. Insr is building a robust insurance platform, being agnostic regarding which distribution models and channels will succeed going forward.

The Acquisition will boost the size of Insr's insurance operation. Nemi is a company with a similar size and business profile, and is a strong and clear match with Insr. Both Insr and Nemi have achieved growth and improvement in operational quality, as measured by e.g. the combined ratio, through recent years. For the nine months period ended on 30 September 2017 the gross combined ratio of Insr and Nemi are 102% and 98% respectively, compared to gross combined ratios of 123.8% and 103% respectively for the nine months period ended 30 September 2016.

Nemi will add both significant volume, competence and its brand to Insr's multi-brand and wholesale strategy, and Insr will retain Nemi as a brand in the market and towards insurance customers. Nemi has a well-managed agent network, and 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 an additional 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. For further information about Nemi see Section 9 "Presentation of Nemi".

Through the Acquisition 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. A merged reinsurance programme is also likely to achieve improved terms. The Company expects to realize around NOK 60 million of synergies within operating costs. In addition, annual savings on claims for own account of around NOK 20 million are expected, partly due to price and portfolio measures, partly improved reinsurance terms.

Based on Insr's cost reduction plans and expected cost synergies, Insr targets a gross combined ratio in the medium term of 90-92%. Insr aims for low double digit portfolio growth in the medium term, harvesting the strong interest in the wholesale proposition.

The merger will affect the operations of the Company and Nemi. Mid- and back-office functions will be merged. Duplicate specialists and management functions will be removed. The merged company will use Nemi's IT platform.

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. 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 Support 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, Insr Claims AS, Vardia Eksterne Kanaler AS and Vardia Fordel AS (a dormant company). The Company will following the completion of the Acquisition, also be the owner of 100% of the shares in Nemi.

The Group is, and will following the completion of the Acquisition continue to be, 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**	**Q3 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	67.9
Profit from continued operations	(46.4)	(27.9)	(16.3)	(92.5)	(46.3)	(13.0)	(60.6)	(51.4)	(19.5)	(14.4)	12.0
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)	129.9	(59.1)	(48.7)	(21.6)	(14.4)	12.0

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**	**Q3 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	69.8
Cost ratio f.o.a. [3]	83.9	84.4	22.5	180.0	89.0	59.4	146.6	125.4	66.3	55.8	12.1
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	81.9

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

3 An update of estimates for reinsurance commissions for 2016 positively impacted total operating expenses for own account and the result with NOK 33.9 million. Reinsurance commissions for 2016 were re-estimated by NOK 33.9 million with effect in the third quarter of 2017. Please see section 11.2 "Summary of accounting policies and principles" for more information.

8.2 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 Norwegian FSA to operate as an insurance company, subject to capitalisation.

2011

April	•	Final approval from the Norwegian FSA 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 internally 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 Norwegian FSA 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 raised gross proceeds of NOK 38,645,000 in a private placement of 7,729,000 new shares at a subscription price of NOK 5 per share increasing the share capital with NOK 77,290. The remaining amount of NOK 38,567,710 amounted to share premium.
April	•	The Company raised gross proceeds of NOK 31,635,825 in a private placement of 6,327,165 new shares at a subscription price of NOK 5 per share increasing the share capital with NOK 63,271.65. The remaining amount of NOK 31,572,553.35 amounted to share premium.
May	•	SIG signed strategic cooperation and partnership agreement with Komplett.no.
June	•	Vardia Forsikringsagentur A/S established in Denmark.
September	•	The Company raised gross proceeds of 76,198,000 in a private placement of 12,290,000 shares at a subscription price of NOK 6.20 per share increasing the share capital with NOK 122,900. The remaining amount of 76,075,100 amounted to share premium.
November	•	SIG changes name and converts into Vardia Insurance Group ASA.
	•	The share capital was increased by NOK 959,630 to NOK 1,919,260 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.
	•	The Company carried out a consolidation of the Company's shares, whereby 4 existing shares with nominal value NOK 0.02

each were replaced by one new share with nominal value NOK 0.08.

- Signed strategic partnership agreement with OK in Denmark

April
- The Company is listed on Oslo Børs
- The Company raised NOK 175,000,020 through the issuance of 5,833,334 new shares in the initial public offering, at a subscription price of NOK 30 per new share increasing the share capital with NOK 466,666.70. The remaining amount of NOK 174,533,353.30 amounted to share premium.

December
- The Company raised gross proceeds of NOK 1,244,690 after the exercise of 97,853 stock options at a subscription price of NOK 12.72 per share increasing the share capital with NOK 7,828.24. The remaining amount of NOK 1,236,861.76 amounted to share premium.

<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 Norwegian FSA from these requirements until 31 May 2015

April
- Rune Olsen Arneberg is appointed as new CEO in the Company.

June
- The Company raised gross proceeds of NOK 375,000,000 in a fully underwritten rights issue of 275,000,000 new shares and a fully underwritten private placement of 100,000,000 new shares at a subscription price of NOK 1 per share increasing the share capital with NOK 30,000,000. The remaining amount of NOK 345,000,000 amounted to share premium.
- The Company obtains an exemption from the solvency margin requirements from the Norwegian FSA

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 raised gross proceeds of NOK 39,625,000 through a private placement of 39,625,000 new shares, at a subscription price of NOK 1.00 per share increasing the share capital with NOK 3,250,000. The remaining amount of NOK 36,375,000 amounted to share premium. 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

2016

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 Norwegian FSA
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 Norwegian FSA.
	• The Company acquires 100 % of the shares in Vardia Norge AS.
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)
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 shares, whereby 10 existing shares with nominal value NOK 0.08 each were replaced by one new share with nominal value NOK 0.80.

2017

February	• The Company raised gross proceeds of NOK 126,000,000 through a private placement of 18,000,000 new shares at a subscription price of NOK 7.00 each increasing the share capital with NOK 14,000,000. The remaining amount of NOK 112,000,000 amounted to share premium. The purpose of the private placement was to reduce reinsurance as well as general corporate purposes.
May	• The Company raised gross proceeds of NOK 5,784,628 in a repair offering of 827,804 new shares at a subscription price of NOK 7.00 per share increasing the share capital with NOK 662,243.2. The remaining amount of NOK 5,132,384.80 amounted to share premium. The purpose of the repair offering was to give eligible shareholders the right to subscribe for new Shares at the same subscription price as shareholders that were allocated shares in the previous private placement and to strengthen the Company's equity. The cash received in the repair offering was used for investments in IT-systems, reduction of the Company's reinsurance cession and for general corporate purposes.
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 Acquisition.
	• The Acquisition was approved by the Norwegian competition authority.
September	• The Company's EGM conditionally resolved to issue the Private Placement Shares and the Consideration Shares and authorised the issuance of the Offer Shares in the Repair Offering.
November	• The Norwegian FSA approved the Acquisition.

8.3 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 corporate headquarter in Oslo, to further reduce complexity and streamline the Company's operations.

8.4 Operation

8.4.1 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, with Oslo as headquarters, Porsgrunn the insurance service centre and IT support in 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.

The merger will affect the operations of the Company and Nemi. Mid- and back-office functions will be merged. Duplicate specialists and management functions will be removed. The merged company will use Nemi’s IT platform, and a dedicated team is looking into preparing for IT migration. The headquarter will remain in Oslo. Other decisions on locations have not yet been taken. The Company has not assumed any synergies in Nemi's client-facing activities and aim to keep these fairly unchanged.

8.4.2 Norway

In the Norwegian market, Insr commenced operations in 2009 as an insurance agent, distributing insurance 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 Tide Forsikring, 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 white label distribution partners who wish to offer insurance solutions to their customers under their own brands. Insr will continue to sell retail insurance under the Vardia brand, and after the Acquisition, also the Nemi brand. But portfolio growth is expected to primarily come through insurance sold with partner branding, based on the partners' retail relationships. The Company has built up sales and support functions as well as infrastructure to service clients that distribute insurance.

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.

Relationships to policyholders, including renewal rights of the portfolio ("end-consumer ownership"), resides with the insurance partner, and not with the Company. Accordingly, going forward, Insr's customers will be the distribution partners. The partner may choose to handle all customer-facing activities, or to outsource e. g. claims handling and customer services to Insr. Insr's customer service centre is set up to answer with the correct partner labelling.

Marketing of the retail brands Vardia and Nemi will mainly be through agents.

For the nine-month period till 30 September 2017, Insr's Norwegian operations had gross earned premiums of NOK 449.6 million and earned premium for own account of NOK 148.4 million, with a loss ratio for own account of 76%.

8.4.3 Denmark

The Company established Vardia Forsikringsagentur A/S in June 2013 as a wholly owned subsidiary of the Company. The Company is considering to apply to the Norwegian FSA for the establishment of a branch in Denmark during 2018.

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. For the nine-month period till 30 September 2017 Insr's Danish operations had gross earned premium of NOK 36.8 million and earned premium for own account of NOK 11.2 million with a loss ratio for own account of 84%.

8.4.4 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.

8.4.5 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.

8.4.6 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 naturally 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 claims, the net retention is now NOK 2,500,000. For all Employee Benefit programs, the net exposure is now NOK 2,500,000 pr. single event.

The quota share and XL agreements 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	**50% 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 both reduces credit risk and 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.

Nemi's reinsurance program follows the calendar and will be cancelled with effect 31 December 2017, to facilitate a combined reinsurance program for Nemi and Insr. Nemi currently cedes 75-80% through a quota share program. It is expected that Nemi's ceded shares will be reduced to a similar level as Insr's through the combined reinsurance program. For further information about Nemi's current reinsurance program see section 9.2.7 "Reinsurance".

8.5 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 to 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 Norwegian FSA 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 stages with limited premium portfolio is 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.

8.5.1 Insr's Own Risk and Solvency Assessment

The Company performs risk and solvency assessments at least once a year.

8.6 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.

8.7 Employees

The following table illustrates the number of employees as per the date of this Prospectus 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).

8.8 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 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.

IT systems following acquisition

Nemi has invested heavily in a well-functioning IT platform, including the portfolio system TIA, a Danish system used by several medium-sized insurance companies in Scandinavia and elsewhere. After the Acquisition, Insr’s business will be migrated to this platform. A detailed plan for the migration is being worked out to minimise additional costs and risks during the transition phase.

8.9 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.

8.10 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 Prospectus, 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 agreement to purchase of 100% of the shares in Nemi from Alpha entered into on 18 August 2017

For a detailed description of the Acquisition please see section 5 of this Prospectus "The Acquisition".

8.11 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 of 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.

8.12 Research, development, patents, contracts and licences

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

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.The Company is also dependent on its insurance license from the Norwegian FSA as described under section 8.14.2 "License requirements".

Nemi is dependent on its agreements with TIA Technology A/S (TIA), CSC Solutions Norge AS (CSC) and Beta Re AG (Beta Re). TIA is the provider of Nemi's insurance system. CSC provides the system for reinsurance and liability claims, and Beta Re is Nemi's reinsurance broker.

In connection with the closing of the Acquisition, Insr and Alpha will enter into a transitional services agreement, whereby each of Insr and Alpha have agreed to provide certain transitional services to the other party. The transitional services include consultancy services, general transitional back-up services and claims handling.

Other than described above, neither Insr nor Nemi are parties to any contracts that are material to either company's business of profitability.

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

8.13 Investments

8.13.1 Principal historical investments

This section describes the Company's investments since 1 January 2015 until the date of this Prospectus.

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 197 million by 30 September 2017.

(In NOK millions, except percentages)	**As of 30 September**				**Year ended 31 December**			
	2017		**2016**		**2016**		**2015**	
Money market funds	197	**100%**	153	**100%**	119	100%	190	100%
Total:	197	**100%**	153	**100%**	**119**	**100%**	**190**	**100%**

Goodwill in 2015:

Vardia Eksterne Kanaler AS

Vardia Eksterne Kanaler AS (previously Saga Forsikring AS) was purchased for NOK 56.6 million in August 2015.

Book value of equity was NOK 4.1 million but was reduced to NOK 0.9 million due to accounting errors in Vardia Eksterne Kanaler AS. NOK 13.3 million of the purchase price was allocated to customer relationships and NOK 42.4 million was allocated to goodwill. Goodwill includes intangible values from competent sales/underwriting staff and cost synergies.

Rein Forsikring AS

In January 2015, Insr purchased the remaining 85% of the shares in Rein Forsikring AS to become the sole owner of that company. The purchase price was NOK 11.6 million, and Rein Forsikring AS had a negative equity of NOK 0.17 million. Total allocated to goodwill was NOK 11.8 million, based on expectations of benefitting from the competent sales/underwriting staff and cost synergies.

Goodwill in 2016:

Vardia Norge AS

In April 2016, Insr purchased 100% of the shares in Vardia Norge AS.

The purchase price was NOK 5.5 million. The book value of Vardia Norge AS group's equity was negative NOK 12.8 million. Total allocated to goodwill was NOK 18.3 million. Intangible values included in the goodwill was competent sales/underwriting and claims handling staff and a significant cost savings potential.

Goodwill in 2017:

Nemi Forsikring AS

Insr has agreed to purchase Nemi. The goodwill arising from the purchase of Nemi is NOK 156.2 million. Significant cost synergies and other benefits from the acquisition, exceeding the value of the goodwill arising, are presented in section 5.1 "Background and rationale for the Transaction". For further information please see section 12 of this Prospectus ("Unaudited Condensed Pro Forma Financial Information").

Other intangibles 2015-17 - IT-Systems:

Insr has continuously invested in the development of the main IT systems CPS and CCS. The IT systems developed for the Swedish business was sold together with the Swedish Portfolio.

The table below shows Insr's goodwill and investments in intangible assets for the financial years ended 31 December 2015 and 2016:

(In NOK thousands)

Insr	**Customer relationships**	**IT-systems**	**Trademarks**	**Goodwill**	**In total**
2015					
Balance per 1 January 2015		55,573	412		55,985
Investments in subsidiaries	13,294			54,137	67,431
Investments in intangible assets		30,946			30,946
Depreciation	-2,215	-25,112			-27,327
Balance per 31 December 2015	**11,079**	**61,407**	**412**	**54,137**	**127,035**
2016					
Balance per 1 January 2016	11,079	61,407	412	54,137	127,035
Investments in subsidiaries		8,438		18,271	26,709
Divested business		−1,757			-3,757
Depreciation	-2,315	−15,015		-7,598	-24,928
Balance per 31 December 2016	**8,764**	**51,073**	**412**	**64,810**	**125,059**

8.13.2 Principal investment in progress and planned principal investments

As of the date of this Prospectus, the Company's management has not made any firm commitments to make any principal future investments, other than the Acquisition (as described under section 5 of this Prospectus). The Company has been informed by Nemi that Nemi has not made any firm commits to make any principal future investments.

8.14 Regulatory overview

8.14.1 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 8.14.3 below for details. Insurance companies fall within the definition of "financial enterprises".

8.14.2 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 above)

16. Miscellaneous financial loss
17. Legal expenses
18. Assistance

Additionally, the Company is licensed to provide insurances within the following life insurance classes, with maximum one year's 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

8.14.3 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 Norwegian FSA. 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, the requirement of a 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.

8.14.4 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 provisions, 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.

Available capital as of 31 December 2016 was NOK 183.4 million, against an SCR of NOK 115.4 million, giving a solvency ratio of 159%. The solvency ratio for Insr as of 30 September 2017 was 215% with an SCR of NOK 129.2 million. For further information on the Company's solvency capital requirement (SCR), please see note 6 to the 2016 Financial Statements and page 6 of the Company's Interim Financial Statements.

After the Acquisition is completed, Insr intends to merge Nemi and Insr with Insr as the acquiring entity. From the Acquisition 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, i.e. available own funds and regulatory capital requirements will be calculated for the consolidated group as a whole. In addition, Insr and Nemi must comply with regulatory capital requirements on a standalone basis. The consolidation will include subsidiaries of Insr that are currently not encompassed by consolidation. This weakens MCR and SCR ratios compared to Insr's ratios on a standalone basis. It is estimated that the consolidated financial group will have an SCR ratio of 189% and an MCR ratio of 436% per 30 November 2017 (provided that the planned capital increases are effected as planned), compared to an SCR ratio of 529% and MCR ratio of 1,555% for Insr on a standalone basis.

9. PRESENTATION OF NEMI

The information relating to Nemi presented herein, has been extracted from a presentation of Nemi provided by Alpha and publicly available sources, including annual reports and interim reports. Please see https://www.nemiforsikring.no/ for further information. Neither the Company nor the members of the Board of Directors have independently verified the information.

9.1 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 Norwegian FSA. 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.

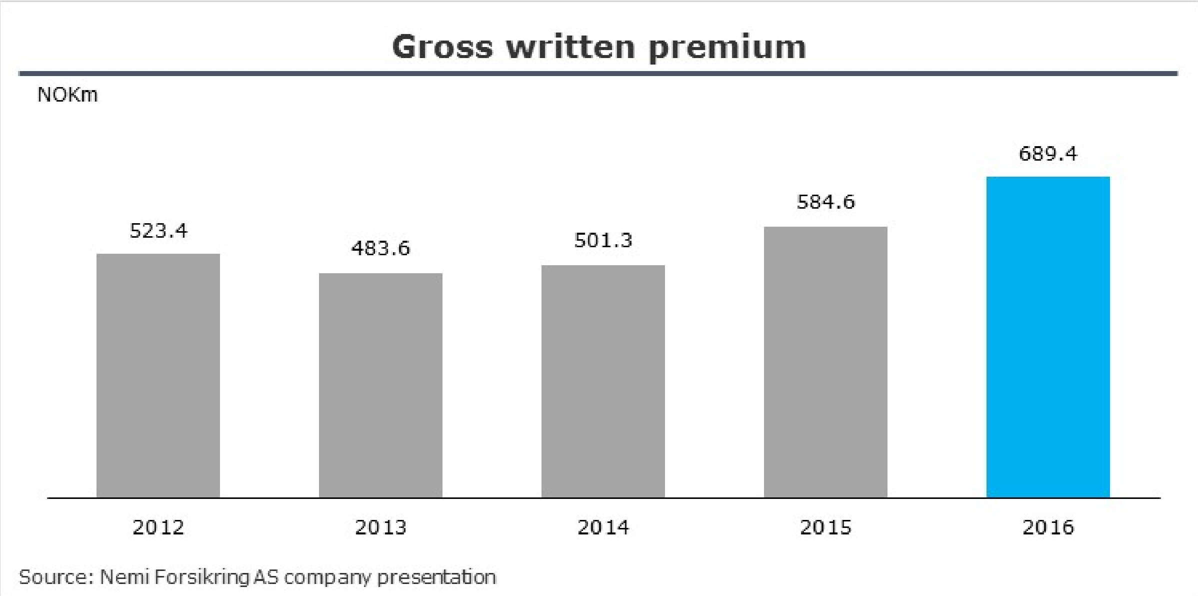
Nemi's headquarter is located at Østensjøveien 43, 0667 Oslo, Norway, and Nemi's website can be found on www.nemiforsikring.no.

9.2 Business overview

9.2.1 Introduction

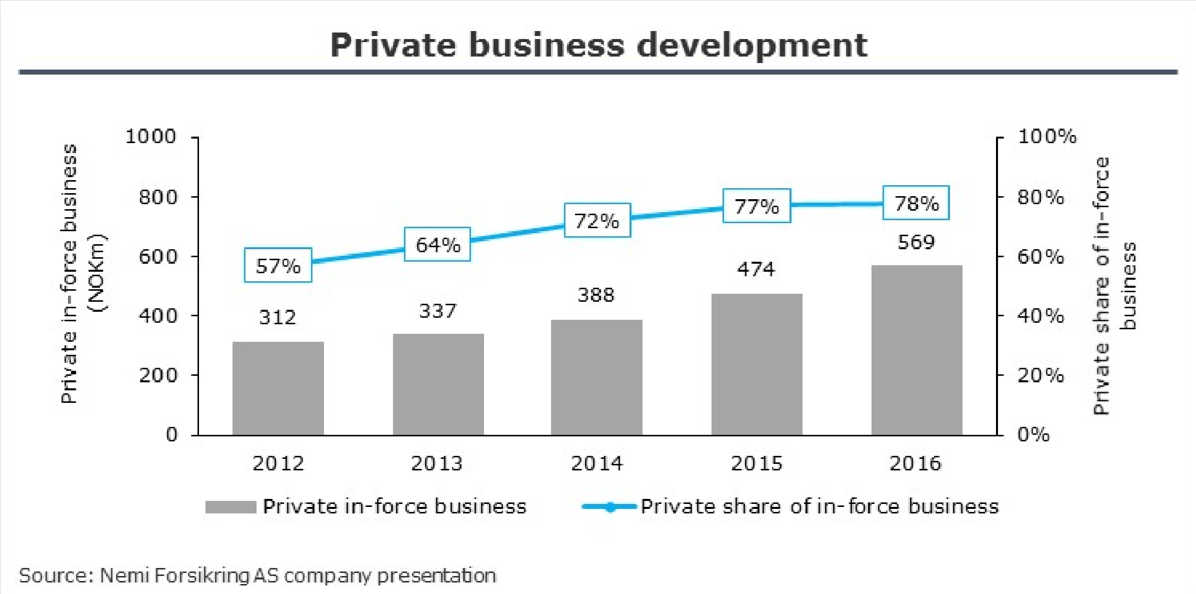
Nemi provides simple and standardized insurance products to both private and commercial customers in the Norwegian market. According to Nemi's website, its customer portfolio constitutes 50,000 private customers and 4,500 commercial customers and Nemi has an overall market share of approximately 1.3%[1].

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 the 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.

9.2.2 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.

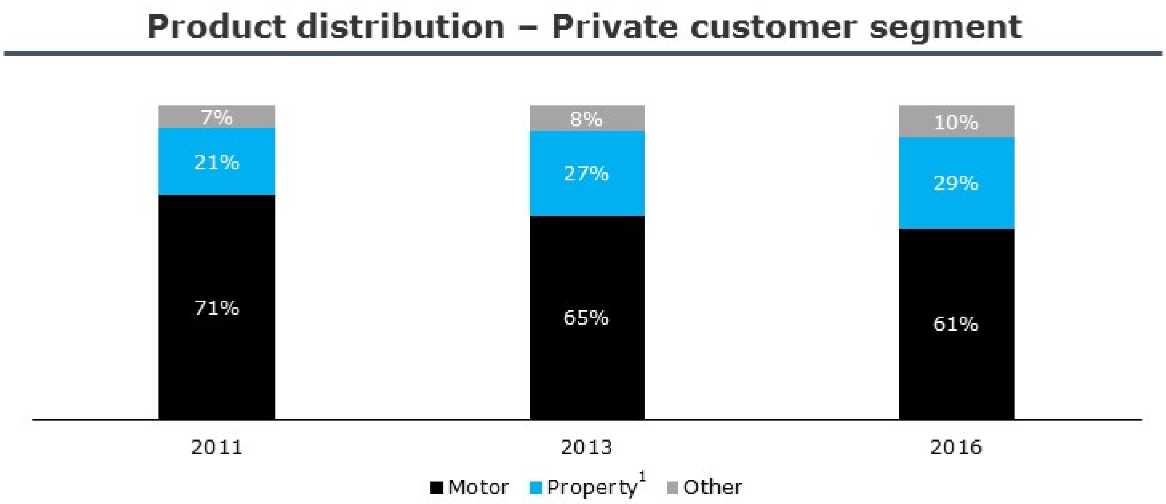
Boat: Third party liability insurance is not mandatory for boats. However, customers can choose between hull, third party liability insurance and cover against personal injury.

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

9.2.3 Commercial customer segment

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

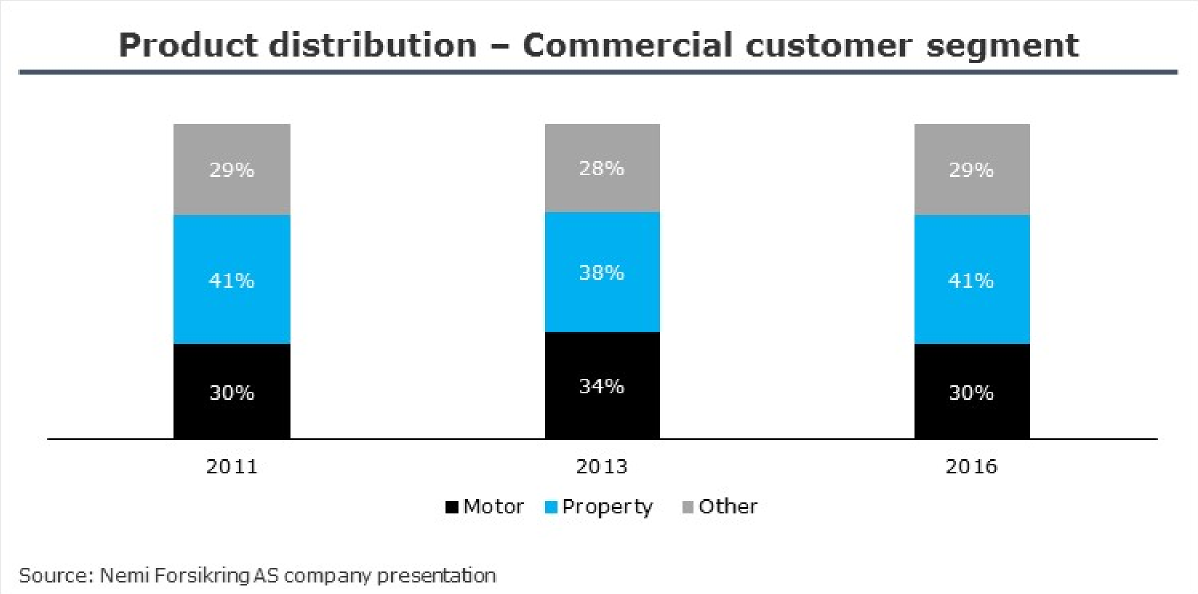
Motor: This includes hull, third party liability insurance and personal injury. Customers can choose between mandatory cover as well as cover against collision and other risks related to the use of automobiles, lorries, buses and working machines.

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.



9.2.4 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 a 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.

9.2.5 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 a better claims handling process and contributed to a reduction of the claims ratio.

9.2.6 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.

9.2.7 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.

9.2.8 Dependence on contracts

Nemi is dependent on its agreements with TIA Technology A/S (TIA), CSC Solutions Norge AS (CSC) and Beta Re AG (Beta Re).

TIA is the provider of Nemi's insurance system. CSC provides the system for reinsurance and liability claims, and Beta Re is Nemi's reinsurance broker.

9.3 Board of directors, management and employees

9.3.1 Board of directors

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

Name	Title
Leif Corinth-Hansen	Chairman
Bo Lundqvist	Deputy chairman
Jens Eric Jepsen Christensen	Board member
Morten Helge	Board member
Fredrik Hesselberg-Meyer	Employee representative
Lars Døviken	Employee representative

9.3.2 Management

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

Name	Title
Jan Tore Flaglien	CEO
Flemming Holm	CFO
Linda Mulehamn	Director Price & Product
Simen Hønsi	Director IT & Business Development
Trude M. Berntzen	Director Customer Service
Samuel Norstad	Director Sale & Distribution
Morten H-Meyer	Director Claims

9.3.3 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

9.4 Ownership structure

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

9.5 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, nor of any such proceedings that are pending or threatening Nemi.

9.6 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.

9.7 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.

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. The audited financial statements for Nemi for the year ended 31 December 2015 and the year ended 31 December 2016 has 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 nine-month periods ended 30 September 2017, with comparable figures for 2016, have been prepared in accordance with IAS 34 (as defined in the Norwegian regulation of annual accounts for non-life insurance companies § 6-2).

Nemi's financial statements are incorporated by reference in this Prospectus (see section 22.1 "Incoporated by reference").

In the unaudited condensed pro forma financial information for Insr (see section 12 of this Prospectus), the financial information of Nemi for 2016 and the first nine months of 2017 has been harmonized to that of Insr (IFRS). The main effects are described below.

Nemi has capitalized customer acquisition cost under NGAAP, as opposed to Insr, who has expensed customer acquisition cost in the profit and loss when incurred. When converting Nemi's NGAAP financial statements for 2016 to IFRS (as applied by Insr), deferred customer acquisition costs have therefore been expensed. As a result, "Other prepaid expensed and earned, unrecognized inc." is reduced by NOK 45.708 million (decreasing equity) as of 31 December 2016, as further illustrated in section 12 "Unaudited condensed pro forma financial information". Furthermore, the effect as of 30 September 2017 would have been NOK 28.053 million. There is no tax effect related to this adjustment due to the utilization of unrecognized tax losses carry forward.

Nemi has recognized deferred tax assets under NGAAP, for the year ended 31 December 2016. Insr has not recognized deferred tax assets in their annual financial statements under IFRS as adopted by EU, for the year ended 31 December 2016. When converting Nemi's NGAAP financial statements for 2016 to IFRS (as applied by Insr), deferred tax assets have therefore not been recognized. As a result, "Tax assets" is reduced by NOK 36.556 million (decreasing equity) as of 31 December 2016, as further illustrated in section 12 "Unaudited condensed pro forma financial information". Furthermore, the effect as of 30 September 2017 would have been NOK 55.556 million.

Going forward, the treatment of customer acquisition costs will follow Insr's accounting principles, and deferred tax assets will be considered according to IAS 12.

9.7.1 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 nine months ended 30 September 2017 (with comparable figures for the three and nine months period ended 30 September 2016).

In NOK millions	**Three months ended 30 September**		**Nine months ended 30 September**		**Year ended 31 December**	
	2017 *(unaudited)*	**2016** (unaudited)	**2017** (unaudited)	**2016** (unaudited)	**2016** *(audited)*	**2015** (audited)
Premiums earned	168.1	165.5	510.0	471.3	641.4	533.4
Reinsurance share	(124.7)	(124.4)	(380.1)	(354.1)	(482.2)	(431.7)
Premiums earned for own account	**43.4**	**41.1**	**(130.0)**	**117.2**	**159.1**	**101.7**
Other insurance related income	1.3	1.2	3.3	3.4	4.9	5.0
Gross claims paid	(139.2)	(152.2)	(350.7)	(340.2)	(483.0)	(416.1)
Reinsurance share	95.0	110.0	240.1	267.0	354.8	304.4
Sum claims incurred for own account	**(44.2)**	**(42.2)**	**(110.6)**	**(73.1)**	**(128.1)**	**(111.7)**
Sales costs	(13.1)	(17.5)	(43.6)	(66.5)	(88.2)	(78.3)
Change in prepaid sales cost	(5.8)	(4.6)	(17.7)	2.8	1.9	11.8
Insurance related SGA incl. Comm. Received	(33.4)	(29.2)	(90.2)	(82.0)	(100.6)	(112.4)
Commissions reinsurance	31.0	34.3	104.8	96.4	131.9	111.1
Sum insurance related opex FOA	**(21.4)**	**(16.9)**	**(46.7)**	**(49.2)**	**(54.9)**	**(67.9)**
Changes in security reserve	0.0	(0.3)	0.0	(0.0)	0.0	1.3
Technical result	**(20.9)**	**(17.1)**	**(24.0)**	**(1.8)**	**(19.0)**	**(71.5)**
Non-technical result	0.6	1.4	2.0	3.7	4.2	1.8
Profit/loss before tax	**(20.3)**	**(15.7)**	**(22.0)**	**2.0**	**(14.7)**	**(69.7)**
Tax	(0.0)	0.0	19.0	19.0	19.0	(19.0)
Profit/loss	**(20.3)**	**(15.7)**	**(3.0)**	**21.0**	**4.3**	**(88.7)**

9.7.2 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 September 2017 (with comparable figures as of 30 September 2016).

In NOK millions	**As of 30 September**		**Year ended 31 December**	
	2017 *(unaudited)*	**2016** (unaudited)	**2016** *(audited)*	**2015** *(audited)*
Assets				
Sum intangibles	30.0	30.0	29.8	24.4
Bonds and other fixed-income securities	134.3	164.9	**139.4**	**188.5**
Other financial investments	15.9	5.8	5.3	5.1
Sum investments	150.6	171.0	145.1	194.0
Reinsurance share of unpaid gross premium	246.7	263.4	**277.4**	**234.8**
Reinsurance share of gross compensation reserves	148.3	173.6	170.9	151.7
Reinsurance part of gross technical reserves	**395.0**	**437.0**	**448.3**	**386.5**
Sum claims and receivables	**268.4**	**253.0**	**297.3**	**248.5**
Tangible fixed assets	2.7	3.9	3.9	4.8
Cash and investments	21.9	27.0	36.7	39.5
Tax assets	55.6	36.6	36.6	17.6
Other assets	5.9	5.9	5.9	5.9
Sum other assets	**86.1**	**73.4**	**83.0**	**67.7**
Other prepaid expensed and earned, unrecognized inc.	41.2	64.9	62.6	69.2
Total assets	**971.3**	**1,029.2**	**1,066.2**	**990.3**
Equity and liabilities				
Paid-in equity	277.4	277.4	277.4	277.4
Earned equity	(80.0)	(60.3)	(77.0)	(81.2)
Sum equity	197.4	217.1		
Provision for unpaid gross premiums	336.5	351.9	373.6	325.6
Provision for non-diluted risk	0.2	0.3	0.2	0.3
Gross replacement provision	275.5	304.4	301.6	306.2
Total gross insurance liabilities	**612.2**	**656.5**	**675.4**	**632.1**
Pension liabilities and other	2.9	2.8	2.9	2.8
Premium deposit from reinsurance comp.	5.7	4.2	4.2	1.3
Other liabilities	20.5	20.5	30.8	9.0
Accrued cost and received non earned income	95.9	112.9	114.6	104.2
Total equity and liabilities	**971.3**	**1,029.2**	**1,066.2**	**990.3**

9.7.3 Solvency position

For information on Nemi'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 nine months of 2017.

At year-end 2016, available capital was NOK 176.8 million, whilst the SCR was NOK 119.8 million, giving a solvency ratio of 148%. The solvency ratio as of 30 September 2017 was 132% with an SCR of NOK 111.6 million.

9.7.4 Trend information

Insr is not aware of Nemi having experienced any trends that are material to Nemi between 31 December 2016 and the date of this Prospectus, nor is the Company aware of such trends that may, or are expected to be, significant to the Nemi for the rest of the current financial year.

Insr is not aware of Nemi having experienced or being aware of any uncertainties, demands, commitments or events that are reasonably likely to have a material effect on Nemi's prospects between 31 December 2016 and the end of the financial year, other than Nemi entering into the Share Purchase Agreement.

9.7.5 Significant change

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

Insr intends to merge Nemi into Insr as soon as possible after the Acquisition. Nemi's financial position on a stand-alone basis will therefore cease to be important.

10. CAPITALISATION AND INDEBTEDNESS

The information presented below should be read in conjunction with the other parts of this Prospectus, in particular Section 11 "Selected Financial Information of Insr", Section 12 "Unaudited Condensed Pro Forma Financial Information", the Audited Annual Financial Statements for 2015 and 2016 of the Company (See Section 22.1 "Incorporation by reference"), the Interim Financial Statements of the Company (see Section 22.1 "Incorporation by reference") and the unaudited interim financial statements of Nemi as of and for the three months and nine months ended 30 September for 2017 (See Section 22.1 "Incorporation by reference").

This Section provides information about the Group's unaudited consolidated capitalisation and unaudited net financial indebtedness on an actual basis as at 30 September 2017 and, in the "As adjusted at the date of the Prospectus" columns, the Group's unaudited consolidated capitalisation and net financial indebtedness as at the date of the Prospectus, on an adjusted basis, to give effect to the Acquisition and the Private Placement Shares as if these transactions had happened on 30 September 2017:

(i) The acquisition of all outstanding shares in Nemi for a total consideration of NOK 320 million (the Acquisition) of which NOK 230 million is settled by cash and NOK 90 million by issuing 12,857,142 new ordinary shares at a subscription price of NOK 7.00 per share. As a result of the Acquisition, Nemi will become a wholly-owned subsidiary of the Company (for further information, please see Section 5 "The Acquisition"); and

(ii) The private placement of 57,200,000 Private Placement Shares at a subscription price of NOK 7.00 per share with gross proceeds of NOK 400.4 million (the Private Placement Shares) (for further information, please see Section 18 "Listing of the Private Placement Shares").

For the purpose of this chapter, the Acquisition and the issuance of the Private Placement Shares are hereinafter jointly referred to as the "**Transactions**". For more details on the rationale behind the pro forma adjustments, and the IFRS adjustments to the NGAAP financial information of Nemi, included in the tables below, please refer to Section 12 "Unaudited Condensed Pro Forma Financial Information".

As a result of the Transactions, the Company's share capital will be NOK 106,937,316 consisting of 133,671,645 Shares, each with a par value of NOK 0.80 each.

Other than as set forth as above, there has been no material change to the Group's unaudited consolidated capitalisation and unaudited net financial indebtedness since 30 September 2017.

10.1 Capitalisation

In NOK thousand	As at 30 September 2017		Adjustments			As adjusted at the date of the Prospectus
	Insr	Nemi (NGAAP)	Nemi IFRS adjustments	Group Acquisition adjustments	Private Placement	
Indebtedness:						
Total current debt:						
Guaranteed and secured						
Guaranteed but unsecured						
Secured but unguaranteed						
Unguaranteed and unsecured*	996,720	597,445		13,000[(ii)]	11,464[(iii)]	1,618,629
Total non-current debt:						
Guaranteed and secured						
Guaranteed but unsecured						
Secured but unguaranteed						
Unguaranteed and unsecured**	74,128	72,015				146,143
Total indebtedness	**1,070,848**	**669,460**		**13,000**	**11,464**	**764,772**
Shareholders' equity:						
Share capital	50,891	150,360		(150,360)[(vi)]	56,046[(v)]	106,937
Share premium	1,019,036	127 000		(127,000)[(vi)]	434,354[(v)]	1,453,390
Other equity***	(891,671)	(79, 976)	(83,609)[(i)]	150,585[(iv,vii)]	(11,464)[(v)]	(916,315)
Total shareholders' equity	**178,256**	**197,384**	**(83,609)**	**(126,775)**	**478,936**	**644,192**
Total capitalisation	**1,249,104**	**866,844**	**(83,609)**	**(113,775)**	**490,400**	**2,408,964**

* Current "Unguaranteed and unsecured" for Insr as of 30 September 2017 comprises current Total technical provisions of NOK 738,3 million and Total financial liabilities of NOK 258,4 thousand. Current "Unguaranteed and unsecured" for Nemi as of 30 September 2017 comprises current technical provisions of NOK 540,223**** thousand and Total financial liabilities of NOK 57,222 thousand.

** Non-current "Unguaranteed and unsecured" for Insr as of 30 September 2017 relates to the bond issued with booked value NOK

74,128 thousand. Non-current "Unguaranteed and unsecured" for Nemi as of 30 September 2017 comprises non-current technical provision of NOK 72,015**** thousand.

***"Other equity" for Insr as of 30 September 2017 comprises Other paid-in-equity, Provision for Guarantee scheme and Other equity.

**** Current technical provisions (NOK 540,223 thousand) + non-current technical provision (NOK 72,015 thousand) = Total technical provisions (NOK 612,238 thousand)

Adjustments made:

i. IFRS adjustment impact equity by NOK 83.609 million;

Valuation allowance deferred tax asset	NOK 55.556 million
Expensed Deferred Customer Acquisition Costs	NOK 28.053 million
Sum	**NOK 83.609 million**

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

ii. The Acquisition for a total consideration of NOK 320.000 million settled in cash (NOK 230.000 million) and by issuing 12,857,142 new Shares in the Company at a subscription price of NOK 7.0 per share to Alpha (NOK 90.000 million). In connection with the transaction NOK 13.000 million were incurred as transaction costs and included as unguaranteed and unsecured current debt and reduction in other equity.

iii. Private placement of 57,200,000,000 new Shares at a subscription price of NOK 7.0 per share with gross proceeds of NOK 400.400 million. In connection with the private placement, NOK 11.464 million were incurred as equity issuance costs and included as unguaranteed and unsecured current debt and reduction in other equity.

iv. The Company has performed a preliminary purchase price allocation in which the identifiable assets, liabilities and contingent liabilities of Nemi have been identified and have been the subject to fair value adjustment of Nemi's intangible assets and resulted in total equity adjustment of NOK 206.225 million.

v. Adjustment (ii) and (iii) above results in a total equity adjustment of NOK 490.400 million (of which NOK 56.046 million is allocated to Share capital and NOK 434.354 million is allocated to share premium). The total amount of NOK 490.400 million is the total proceeds arising from the Private Placement (NOK 400.400 million) and the issuance of the Consideration Shares (NOK 90.000 million); equity issuance costs (NOK 11.464 million) have been deducted from Other equity.

vi. Elimination of share capital (NOK 150.360 million) and share premium (NOK 127.000 million) in Nemi.

vii. Adjustments (ii), (iv) and (vi) above results in total adjustment of NOK 150.585 million in other equity.

Fair value adjustment (iv)	NOK 206.225 million
Transaction costs (ii)	NOK -13.000 million
Total consideration (ii)	NOK -320.000 million
Share capital of Nemi (vi)	NOK 150.360 million
Share premium of Nemi (vi)	NOK 127.000 million
Sum	**NOK 150.585 million**

10.2 Net financial indebtedness

In NOK thousand	As at 30 September 2017		Adjustments			As adjusted at the date of the Prospectus
	Insr	Nemi (NGAAP)	Nemi IFRS adjustments	Group Acquisition adjustments	Private Placement	
(A) Cash	206,961	21,905		(230,000)(i)	400,400(ii)	399,266
(B) Cash and cash equivalents						
(C) Trading securities*	198,725	150,609				349,334
(D) Liquidity (A)+(B)+(C)	**405,686**	**172,514**		**(230,000)**	**400,400**	**748,600**
(E) Current financial receivables**	**272,904**	**266,577**				**539,481**
(F) Current bank debt						
(G) Current portion of non-current debt						
(H) Other current financial debt***	258,402	57,221		13,000(i)	11,464(ii)	340,087
(I) Current financial debt (F)+(G)+(H)	**258,402**	**57,221**		**13,000**	**11,464**	**340,087**
(J) Net current financial indebtedness (I)-(E)-(D)	**(420,188)**	**(381,870)**		**243,000**	**(388,936)**	**(947,994)**
(K) Non-current bank loans						
(L) Bond issued****	74,128					74,128
(M) Other non-current loans						
(N) Non-current financial indebtedness (K)+(L)+(M)	**74,128**					**74,128**
(O) Net financial indebtedness (J)+(N)	**(346,060)**	**(381,870)**		**243,000**	**(388,936)**	**(873,866)**

* "Trading securities" of NOK 198,725 thousand as of 30 September 2017 comprises Insr's surplus liquidity that are placed in money market fund with low risk that are highly liquid. For Nemi "trading securities" of NOK 266,577 thousand comprises of Nemi's surplus liquidity that are placed in money market fund with low risk that are highly liquid.

**" "Current financial receivables" for Insr is NOK 272,904 thousand as of 30 September 2017 after adjusting for other receivables of NOK 51,374 thousands in accordance with IAS 32. For Nemi "Current financial receivables" is NOK 266,577 thousand as of 30 September 2017 after adjusting for other receivables of NOK 1,814 thousands in accordance with IAS 32.

*** "Other current financial debt" for Insr of NOK 258.402 million as of 30 September 2017 comprises Other liabilities of NOK 19.4 million and Liabilities in connection with direct insurance and reinsurance of NOK 239 million.

**** The bond issued with booked value NOK 74.128 thousand is the obligation loan issued by Insr on 3 July 2015.

Adjustments made:

i. The Acquisition for a total consideration of NOK 320.000 million settled in cash (NOK 230.000 million) and by issuing 12,857,142 new Shares in the Company at a subscription price of NOK 7.0 per share to the Alpha (NOK 90.000 million). In connection with the transaction NOK 13.000 million were incurred as transaction costs and included as unguaranteed and unsecured current debt and reduction in other equity.

ii. Private placement of 57,200,000,000 new Shares at a subscription price of NOK 7.0 per share with gross proceeds of NOK 400.400 million. In connection with the private placement, NOK 11.464 million were incurred as equity issuance costs and included as unguaranteed and unsecured current debt and reduction in other equity.

10.3 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus.

10.4 Contingent and indirect indebtedness

As of 30 September 2017 and as of the date of the Prospectus, the Group did not have any contingent or indirect indebtedness.

11. SELECTED FINANCIAL INFORMATION OF INSR

11.1 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 issued its audit reports on the 2015 Annual Financial Statements and the 2016 Annual Financial Statements with reservations (see section 4.2.5 and 4.2.6 of this Prospectus).

PwC has not audited, reviewed or produced any report on any other information provided in this Prospectus, except the auditor assurance report relating 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 Prospectus.

11.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgements, please refer to note 1 of the 2016 Annual Financial Statements incorporated by reference in this Prospectus. An update of estimates for reinsurance commissions for 2016 positively impacted total operating expenses for own account and the result with NOK 33.9 million. Reinsurance commissions for 2016 were re-estimated by NOK 33.9 million with effect in the third quarter of 2017. The Norwegian FSA is of the opinion that the change in accounting estimate was not appropriately disclosed in the Company's interim financial statements for the three-month and nine-month periods ended 30 September 2017. The process with the Norwegian FSA is pending.

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).

11.3 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 nine months ended 30 September 2017 (with comparable figures for the three and nine months period ended 30 September 2016).

In NOK millions	**Three months ended 30 September**		**Nine months ended 30 September**		**Year ended 31 December**		
	2017 *(unaudited)*	**2016** (unaudited)	**2017** (unaudited)	**2016** (unaudited)	**2016** *(audited)*	**2015** (adjusted)*	**2015** (audited)
Gross premiums earned	165.8	201.8	486.4	615.7	819.0	751.7	1,315.9
Reinsurance share	(97.9)	(158.0)	(326.7)	(447.3)	(582.8)	(541.8)	(966.8)
Premiums earned for own account	**67.9**	**43.8**	**159.6**	**168.3**	**236.2**	**209.9**	**349,1**
Allocation return on investment transferred from the non-technical account							**2,5**
Other insurance-related income	**0.4**	**0.6**	**1.3**	**2.1**	**2.7**	**12.2**	**12,2**
Claims							
Gross claims incurred	(104.1)	(160.4)	(336.9)	(527.6)	(615.7)	(683.5)	(1,261.9)
Reinsurance share of gross claims incurred	56.7	119.6	214.7	388.2	456.8	493.8	947.5
Claims incurred for own account	**(47.4)**	**(40.7)**	**(122.2)**	**(139.3)**	**(158.9)**	**(189.7)**	**(314.4)**
Operating expenses							
Sales costs	(24.8)	(51.3)	(70.6)	(127.7)	(114.3)	(267.3)	(349.8)
Insurance-related administrative costs	(37.3)	(34.6)	(88.5)	(106.9)	(204.6)	(84.4)	(119.6)
Commission received**	53.8	21.7	97.2	81.3	80.5	121.4	227.1
Total operating expenses for own account**	**(8.2)**	**(64.2)**	**(61.9)**	**(153.3)**	**(238.4)**	**(230.3)**	**(242.3)**
Unexpired risk reserve	**(0.9)**	**0.0**	**(0.9)**	**0.0**	**(1.3)**	**0.0**	**0,0**
Change in security reserve							**(14.8)**
Technical result**	**11.7**	**(60.5)**	**(24.1)**	**(122.2)**	**(159.7)**	**(198.0)**	**(207.6)**
Net financial income							
Interest income and dividends etc. on financial assets	3.8	0.0	2.7	2.4	4.0	1.1	1.1
Total financial income	**3.8**	**0.0**	**2.7**	**2.4**	**4.0**	**1.1**	**1.1**
Allocated return on investment transferred to the technical account							**(2.5)**
Other income	0.0	0.0	0.0	0.0	0	1.0	1.0
Other expenses	(3.5)	0.0	(2.6)	0.0	(15.5)	(5.0)	(5.0)
Non-technical result	**0.3**	**0.0**	**0.1**	**2.4**	**(11.5)**	**(3.0)**	**(5.5)**
Profit/(loss) before tax**	**12.0**	**(60.6)**	**(24.0)**	**(119.8)**	**(171.2)**	**(201.0)**	**(213.1)**
Tax	0.0	0.0	0.0	0.0	0	3.4	3.4
Profit from continued operations**	**12.0**	**(60.6)**	**(24.0)**	**(119.8)**	**(171.2)**	**(197.6)**	**(209.7)**
Profit from discontinued operations	0.0	0.0	0.0	136.1	137.2	(76.8)	0.0
Profit before other income and expenses**	**12.0**	**(60.6)**	**(24.0)**	**16.3**	**(34.0)**	**(274.4)**	**(209.7)**
Other income and expenses							
Exchange rate differences	0.0	1.5	0.0	1.4	2.9	(2.4)	(2.4)
Total other income and expenses	**0.0**	**1.5**	**0.0**	**1.4**	**2.9**	**(2.4)**	**(2.4)**
Profit/ loss from operations**	**12.0**	**(59.1)**	**(24.1)**	**17.7**	**(31.0)**	**(276.8)**	**(212.1)**

*The changes in the 2015 audited numbers and the 2015 adjusted numbers (which are comparative figures derived from the 2016 Annual Financial Statements), are in relation to the sale of the Swedish Portfolio in relation to the changes in the precepts for annual report for general insurance companies (*Forskrift om årsregnskap for skadeforsikringsforetak*) in relation to the security provision and the allocated return on investment transferred to the technical account. Please refer to section 4.2.2 "Presentation of the Swedish Portfolio" and 11.2 "Summary of accounting policies and principles" in the Prospectus for details regarding the Company's sale of the Swedish Portfolio.
**An update of estimates for reinsurance commissions for 2016 positively impacted total operating expenses for own account and the result with NOK 33.9 million. Reinsurance commissions for 2016 were re-estimated by NOK 33.9 million with effect in the third quarter of 2017.

11.4 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 September 2017 (with comparable figures as of 30 September 2016).

In NOK millions	**As of 30 September**		**Year ended 31 December**		
	2017 *(unaudited)*	**2016** (unaudited)	**2016** *(audited)*	**2015** *(adjusted)**	**2015** *(audited)*
Goodwill	64.8	78.5	64.8	54.1	54.1
Other intangible assets	49.1	67.6	60.2	72.9	72.9
Total intangible assets	**113.9**	**146.1**	**125.1**	**127.0**	**127.0**
Investments					
Investments in shares and parts	2.0	0.5			
Bonds and other fixed-income securities	196.7	153.4	119.4	190.0	190.0
Total investments	**198.7**	**154.0**	**119.4**	**190.0**	**190.0**
Reinsurers' part of gross technical provisions					
Reinsurance share of gross premium provisions	177.3	268.4	252.2	559.0	559.0
Reinsurance share of unexpired risk reserve	2.7	0	3.8	0.0	0.0
Reinsurance share of gross claims provisions	296.3	374.8	345.3	551.7	551.7
Total reinsurance share of gross technical provisions	**476.3**	**643.2**	**601.3**	**1,110.7**	**1,110.7**
Receivables					
Receivables in connection with direct insurance and reinsurance	272.9	263.4	270.9	526.0	526.0
Receivables in connection with associates	0.0	0.0	0.0	0.0	0.0
Other receivables	51.4	83.4	56.1	67.1	67.1
Total receivables	**324.3**	**346.8**	**327.0**	**593.1**	**593.1**
Other assets					
Plant and equipment	2.4	4.2	3.8	4.3	4.3
Cash and bank deposits	207.0	56.4	101.7	126.5	126.5
Total other assets	**209.4**	**60.6**	**105.6**	**130.8**	**130.8**
Prepaid expenses and earned income not received					
Prepaid costs and earned income not received	11.7	87.3	3.6	41.4	189.0
Total prepaid expenses and earned income not received	**11.7**	**87.3**	**3.6**	**41.4**	**189.0**
Total assets	**1,334.3**	**1,437.9**	**1,281.9**	**2,193.0**	**2,340.6**

In NOK millions	**As of 30 September**		**Year ended 31 December**		
	2017 *(unaudited)*	**2016** (unaudited)	**2016** *(audited)*	**2015** *(adjusted)**	**2015** *(audited)*
Paid-in equity					
Share capital	50.9	35.8	35.8	35.8	35.8
Share premium	1,019.0	907.3	907.3	907.3	907.3
Total paid-in equity	7.1	6.9	5.5	4.1	4.1
Total paid-in equity	**1,077.1**	**950.1**	**948.7**	**947.2**	**947.2**
Provision for Guarantee scheme	25.3	20.2	22.0	14.4	14.4
Other equity	(924.1)	(848.9)	(896.7)	(858.2)	(757.3)
Total equity	**178.3**	**121.4**	**74.0**	**103.5**	**204.4**
Subordinated loan	**74.1**	**74.0**	**74.0**	**73.9**	**73.9**
Technical provisions					
Gross premium reserve	330.3	364.1	341.1	752.8	752.8
Unexpired risk reserve	5.1	0.0	5.0	0.0	0.0
Gross claims reserve	402.9	486.8	438.3	704.5	704,5
Security reserve					46.7
Total technical provisions	**738.3**	**850.9**	**784.4**	**1,457.3**	**1,504.0**
Financial liabilities					
Other liabilities	19.4	52.0	85.2	59.0	59.0
Tax Payable	0.0	7.4	0.0	0.0	0.0
Liabilities in connection with direct insurance and reinsurance	239.0	190.6	194.0	345.3	345.3
Total financial liabilities	**258.4**	**250.0**	**279.3**	**404.3**	**404.3**
Accrued costs and received unearned income	85.2	141.6	70.3	154.0	154.0
Total equity and liabilities	**1,334.3**	**1,437.9**	**1,281.9**	**2,193.0**	**2,340.6**

*The changes in the 2015 audited numbers and the 2015 adjusted numbers (which are comparative figures derived from the 2016 Annual Financial Statements), are in relation to the sale of the Swedish Portfolio in relation to the changes in the precepts for annual report for general insurance companies (*Forskrift om årsregnskap for skadeforsikringsforetak*) concerning the security provision and the allocated return on investment transferred to the technical account. Please refer to section 4.2.2 "Presentation of the Swedish Portfolio" and 11.2 "Summary of accounting policies and principles" in the Prospectus for details regarding the Company's sale of the Swedish Portfolio.

11.5 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 nine months ended 30 September 2017 (with comparable figures for the three and nine months ended 30 September 2016). See Section 11.8 "Liquidity and capital resources" for more information on the Company's liquidity and capital resources.

In NOK millions	**Three months ended 30 September**		**Nine months ended 30 September**		**Year ended 31 December**		
	2017 *(unaudited)*	**2016** (unaudited)	**2017** (unaudited)	**2016** (unaudited)	**2016** *(audited)*	**2015** *(adjusted*)*	**2015** *(audited)*
Net cash flow from operating activities	24.8	(56.7)	58.2	(142.2)	(124.8)	(306.5)	(496,3)
Net cash flow from investing activities	29.2	45.2	(79.7)	71.2	102.9	(215.7)	(25,9)
Net cash flow from financing activities	0.0	0.3	126.8	0.0	0.0	462.1	462,1
Cash flow effect from revaluation of cash and cash equivalents	0.0	0.0	0.0	0.8	(2.9)	1.7	(1,7)
Net cash flow for the period	**54.1**	**(11.2)**	**105.2**	**(70.1)**	**(24.8)**	**(58.5)**	**(58,5)**
Hereof discontinued operations **	0.0	(9.5)	0.0	(19.8)	(31.9)	(33.4)	0,0
Cash and cash equivalents at the beginning of the period	152.9	67.6	101.7	126.5	126.5	185.0	185,0
Cash and cash equivalents at the end of the period	207.0	56.4	207.0	56.4	101.7	126.5	126,5
Net cash flow for the period	**54.1**	**(11.2)**	**105.2**	**(70.1)**	**(24.8)**	**(58.5)**	**(58,5)**
Cash in bank and liquidity funds	207.0	56.4	207.0	56.4	101.7	126.5	126,5
Total cash and cash equivalents	**207.0**	**56.4**	**207.0**	**56.4**	**101.7**	**126.5**	**126,5**

*The changes in the 2015 audited numbers and the 2015 adjusted numbers (which are comparative figures derived from the 2016 Annual Financial Statements), are in relation to the sale of the Swedish Portfolio in relation to the changes in the precepts for annual report for general insurance companies (*Forskrift om årsregnskap for skadeforsikringsforetak*) concerning the security provision and the allocated return on investment transferred to the technical account. Please refer to section 4.2.2 "Presentation of the Swedish Portfolio" and 11.2 "Summary of accounting policies and principles" in the Prospectus for details regarding the Company's sale of the Swedish Portfolio. NOK 2.4 million reported as financing activities in the third quarter report for 2016 have been restated as investing activities, to correspond with current reporting.

11.6 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 nine months period ended 30 September 2017 (with comparable figures for the nine months ended 30 September 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 January 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 December 2015	**103.5**	**35.8**	**907.3**	**4.1**	**(858.2)**	**0.0**	**0.0**	**14.4**
Equity as of 1 January 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 December 2016	**74.0**	**35.8**	**907.3**	**5.5**	**(896.7)**	**0.0**	**0.0**	**22.0**
Equity as of 1 January 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
Subscribed Equity	116.7	0.0	116.7	0.0	0.0	0.0	0.0	0.0
Equity issue related costs	(5.0)	0.0	(5.0)	0.0	0.0	0.0	0.0	0.0
Expensed stock options	1.2	0.0	0.0	1.2	0.0	0.0	0.0	0.0
Changes in provisions in 2016	0.0	0.0	0.0	0.0	(3.3)	0.0	0.0	3.3
Other comprehensive income/(cost)	(0.0)	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0
Net profit/(loss)	(24.0)	0.0	0.0	0.0	(24.0)	0.0	0.0	0.0
Profit from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.4	0.0	0.0	0.4	0.0	0.0	0.0	0.0
Equity as of 30 September 2017	**178.3**	**50.9**	**1 019.0**	**7.1**	**(924.1)**	**0.0**	**0.0**	**25.3**

The changes in equity table above is based on the 2015 adjusted values.

11.7 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 nine months ended 30 September 2017 (with comparable figures for the three and nine months ended 30 September 2016).

In NOK millions	**Norway**						**Denmark**					
	Three months ended 30 September		**Nine months ended 30 September**		**Year ended 31 December**		**Three months ended 30 September**		**Nine months ended 30 September**		**Year ended 31 December**	
	2017	**2016**	**2017**	**2016**	**2016**	**2015***	**2017**	**2016**	**2017**	**2016**	**2016**	**2015***
Gross written premiums	153.0	188.1	449.6	503.0	776.7	719.8	12.8	13.7	36.8	43.8	42.3	31.8
Premiums earned for own account	62.0	40.1	148.4	156.7	221.9	201.8	5.3	3.7	11.2	11.8	14.3	8.1
Other income	(0.6)	0.6	0.3	2.1	2.7	12.2	0.0	0.0	0.0	0.0	0.0	0.0
Incurred claims and operating expenses f.o.a.	(48.4)	(99.0)	(163.6)	(276.6)	(361.8)	(338.7)	(7.2)	(6.0)	(20.4)	(16.0)	(35.5)	(81.4)
Technical result	**13.6**	**(58.3)**	**(14.9)**	**(117.9)**	**(137.2)**	**(124.7)**	**(1.9)**	**(2.3)**	**(9.3)**	**(4.3)**	**(21.2)**	**(73.3)**

*The figures in the table above are based on the 2015 adjusted values.

11.8 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.

11.8.1 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 bond 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 September 2017 and the funds raised through the Private Placement 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 sources 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, NOK 126 million through a private placement 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.

11.8.2 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.

11.8.3 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.

11.8.4 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 nine-month period ended on 30 September 2017 (with comparable figures from 2016) extracted from the Interim Financial Statements:

In NOK millions	**Nine months ended 30 September**		**Year ended 31 December**	
	2017 (unaudited)	**2016** (unaudited)	**2016** (audited)	**2015** (audited)
Cash from/(used in) operating activities	58.2	(142.2)	(124.8)	(306.5)
Cash from/(used in) investing activities	(79.7)	71.2	102.9	(215.7)
Cash from/(used in) financing activities	126.8	0	0	462.1
Net change in bank deposits, cash and equivalents	105.2	(70.1)	(24.8)	(58.5)
Hereof discontinued operations	0.0	(19.8)	(31.9)	(33.4)
Cash and cash equivalents at end of period	207.0	56.4	101.7	126.5

11.8.5 Cash flows from/(used in) operating activities

Nine months ended 30 September 2017 compared to nine months ended 30 September 2016

Net cash inflow from operating activities for the nine months ended 30 September 2017 was NOK 58.2 million compared to an outflow of NOK (142.2) million for the nine months ended 30 September 2016, an increase of NOK 200.4 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, an improvement of NOK 181.7 million. The decreased outflow from 2015 to 2016 is primarily related to reducing the cost base and improving claims ratios.

11.8.6 Cash flow from/(used in) investing activities

Nine months ended 30 September 2017 compared to nine months ended 30 September 2016

Net cash outflow from investing activities for the nine months ended 30 September 2017 was NOK (79.7) million compared to an inflow of NOK 71.2 million for the nine months ended 30 September 2016, a decrease of NOK 146.1 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 net cash inflow from investing activities was positively affected by the sale of the Swedish portfolio. In 2015, NOK 189 million were invested in money market funds, compared to NOK 139 million in 2016.

11.8.7 Cash flow from/(used in financing activities)

Nine months ended 30 September 2017 compared to nine months ended 30 September 2016

Net cash inflow from financing activities for the nine months ended 30 September 2017 was NOK 126.8 million compared to NOK 0 for the nine months ended 30 September 2016, an increase of NOK 126.8 million. In 2017, the net cash inflow from investing activities was positively affected by the Company raising gross proceeds of NOK 126 million through the private placement in February.. No new financing took place during the first 9 months 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, net cash inflow from financing activities were positively affected by a share issue and issue of a subordinated loan. The effect from discontinued operations were NOK (19.8) million in 2016 and NOK (33.4) million in 2015.

11.8.8 Net cash flow since 30 September 2017

Net cash flow from operating activities for the 2 months after 30 September 2017 is expected to be in line with previous months. The cash flows from the Acquisition and the issuance of the Private Placement Shares to fund this will come on closing, expected to take place on or about 29 November 2017 and on or about 30 November 2017 respectively. No other major investment or financing activities have occurred in the period.

11.9 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 Prospectus, with the exception of the Company's obligation to pay Nemi's current owner Alpha Group NOK 230 million in cash as well as a NOK 90 million share compensation under the Share Purchase Agreement, as described in section 5.1 "the Acquisition" of this Prospectus.

11.10 No off-balance sheet arrangements

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

11.11 Trend information

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

The Company has not experienced and is not aware of any uncertainties, demands, commitments or events, that are reasonably likely to have a material effect on the Company's prospects between 31 December 2016 and the end of the financial year, other than the Company entering into the Share Purchase Agreement and conditionally allocating the Private Placement Shares and the Consideration Shares, and the EGM's authorisation of the issuance of the Offer Shares in the Repair Offering.

11.12 Significant changes

There have been no significant changes to the financial and trading position of the Company since 30 September 2017 and up to the date of this Prospectus.

12. UNAUDITED CONDENSED PRO FORMA FINANCIAL INFORMATION

12.1 General Information

As discussed in Section 5 "The Acquisition", 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 Acquisition is expected to be completed on or about 30 November 2017. The closing of the Acquisition is subject to the Closing Conditions described under Section 5.3 being satisfied or waived prior to 31 December 2017. The Acquisition triggers the requirement of pro forma financial information. The unaudited condensed pro forma financial information in this Prospectus (the "**Pro Forma Financial Information**") has been prepared assuming the Acquisition will be completed.

To secure financing of the cash portion of the purchase price for the Nemi Shares, 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.

12.2 Purpose of the 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 the 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 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 12.5 "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.

12.3 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 Prospectus, see section 22.1 "Incorporated by reference". 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.

12.4 Unaudited condensed Pro Forma Financial Information

The notes to the unaudited 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 12.4.3 "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 affect 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 databases and customer relationships.

The consideration for the shares is NOK 230 million in cash, in addition to the issuance of 12,857,142 ordinary Shares at an estimated value of NOK 7.00 resulting in a total purchase price of NOK 320 million. The Company has provisionally determined that much of the excess value based on the Purchase Price compared to book values as of 30 September 2017 relates to customer relationships and database value. The remaining value is allocated to goodwill.

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

All numbers in NOK thousands	
Book value of equity (NGAAP)	197,384
Expensed Deferred tax assets	-55,556
Expensed Deferred Acquisition Costs	-28,053
Book value of equity (IFRS)	**113,775**

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%)	-12 500
Utilization of tax loss carry-forward in Nemi	12,500
Book value of equity	113,775
Fair value of assets and liabilities	**163,775**
Estimated fair value of consideration	320,000
Less fair value of assets and liabilities	163,775
Goodwill	**156,225**

12.4.1 Unaudited condensed pro forma income statement for the year ended 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.

Income statement 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 account	**-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 before 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 million. The amortization effect for 2016 is NOK 4.643 million, 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 million. The amortization effect for 2016 is NOK 5.833 million, 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 million. No tax has been calculated on the acquisition costs as these are not tax deductible.

This pro forma adjustment will not have continuing impact.

12.4.2 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 Transactions 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		156,225	D	221,035
Other intangible assets	60,247	29,814	0		50,000	E, F	140,061
Total intangible assets	**125,056**	**29,814**	**0**		**206,225**		**361,095**
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	I	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**		**376,625**		**2,642,503**

Equity and liabilities						
Total paid-in equity	**948,699**	**277,360**	**0**	**213,040**	**H**	**1,439,099**
Total equity	**73,970**	**200,400**	**-82,264**	**352,161**	**H**	**544,267**
Subordinated loan	**73,959**	**0**	**0**	**0**		**73,959**
Total technical provisions	**784,362**	**675,405**	**0**	**0**		**1 459,767**
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**	**376,625**		**2,642,503**

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	156,225					156,225
Other intangible assets		32,500	17,500			**50,000**
Cash and cash equivalents					170,400	**170,400**
Total paid-in equity					213,040	**213,040**
Total equity					352,161	**352,161**
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 156.225 million and will be subject to annual impairment test in accordance with IAS 36.

This pro forma adjustment will have continuing impact.

Significant cost synergies and other benefits from the acquisition, exceeding the value of the goodwill arising, are presented in section 5.1 "Background and rationale for the Transaction".

Pro forma adjustment E: Customer relationships

The estimated fair value of Customer relationships in Nemi in the preliminary PPA is NOK 32.500 million. 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 million. 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 million (Pro forma adjustment C) and equity issuance costs of NOK 11.464 million.

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 million 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 Forsikring AS	-127,000
Share premium	
Issuance of 70,057,142[2] new shares (Share premium)	434,354
Share capital	
Issuance of 70,057,142[3] new shares (Nominal Value)	56,046
Elimination of the share capital of Nemi Forsikring AS	-150,360
Sum pro forma adjustment to Paid-in equity	**213,040**
Other equity	
Fair value adjustment of Nemi Forsikring AS intangible assets	206,225
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 Forsikring AS	150,360
Other paid-in-equity of Nemi Forsikring AS	127,000
Sum pro forma adjustment to Other equity	**139,121**
Total pro forma adjustment to Total equity	**352,161**

This pro forma adjustment will have continuing impact.

12.4.3 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

[2] Consideration shares (12,857,142) + shares from commitment private placement (57,200,000)

incorporate the Company's accounting principle related to capitalization of sales costs and made a valuation allowance for NOK 36.556 million of the deferred tax asset recognized 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 as adopted by EU. When converting Nemi's NGAAP financial statements for 2016 to IFRS (as applied by Insr) deferred customer acquisition costs have been expensed.

The pro forma adjustment to sales expenses relates to capitalized sales costs (deferred Acquisition Costs) of NOK 45.708 million in the income statement and NOK 45.708 million 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 Company has not recognized deferred tax assets in their annual financial statements under IFRS as adopted by EU, for the year ended 31 December 2016. When converting Nemi's NGAAP financial statements for 2016 to IFRS (as applied by Insr), deferred tax assets have not been recognized. 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 million in the income statement and NOK 36.556 min the statement of financial position.

12.5 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 12 "Unaudited Condensed Pro Forma Financial Information", and that such basis is consistent with the accounting policies of the Company. 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) is included as Appendix B to this Prospectus and will be available for inspection at the Company's offices according to section 22.2 "Documents on display".

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

13.1 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.

13.2 Board of directors

13.2.1 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 Prospectus, 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 2018
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.

13.2.2 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 Solutions AS (Board member), Aweco AS (Board member), AS Rolf Kjøde (Board member), Kjøde Transport (Board member), RK Offshore AS (Board member), 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 (Chairman), 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 ASA (Board member), Skandiabanken ASA (Board member), Gränges AB (Board member), RECSilicon ASA (Board member), IM Skaugen (Board member), Sevan Drilling, Kistefos AS (Board member), Norske Skogindustrier ASA (Board member).*
Previous directorships and senior management positions last five years..	*Wiborg Kapitalförvaltning (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 a 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 closely 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 estate 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.*

13.2.3 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	Previous 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	Previous 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	Employee representative	NOK 0
In total:		**NOK 2,077,083**

13.2.4 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 Prospectus:

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

13.3 Management

13.3.1 Overview

The management of the Company consists of five individuals. The names of the members of the management as at the date of this Prospectus 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.

13.3.2 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 Insr, 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.*

13.3.3 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(i)	EVP Corporate Services	0	0	0	0
Ivar S. Williksen(ii)	CEO	219,240	4,163,330(iii)	0	4,382,570
Rune O. Arneberg(ii)	Interim-CEO	2,550,100	560,484(iv)	65,978	3,176,562
Ivar K. Z. Pedersen(ii)	Chief accountant	923,627	42,376	32.911	998,914
Terje Finholdt(ii)	Former CFO	1,635,315	752,158(v)	49,510	2,436,983
In total:		**13,030,973**	**5,803,427**	**839,788**	**19,632,173**

(i) Management for hire from 1.10.16 to 31.12.16, full time employee from 01.01.17.
(ii) Former member of the Management
(iii) Mainly severance pay and termination payment
(iv) Mainly termination payment and car allowance
(v) Termination payment

13.3.4 Shares held by the members of the management

The Shares held by the members of the Management at the date of this Prospectus is presented in the table below:

Name	**Total number of Shares**
Espen Hustad	301,985
Jonas Billberg	17,000
Bård Standal	2,000

Jan Petter Myhrstad	16,738[1]
Ingvild Gråberg	0

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

At the date of this Prospectus, the members of the management hold 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 Private Placement Shares:

Name of manager	**Conditionally allocated Private Placement Shares**	**Shares post the Private Placement Shares**
Espen Husstad	71,428	373,413
Jonas Billberg	15,000	32,000

13.3.5 Share option program

The Company has a share option program for employees, including members of the management. The exercise period of the options are described below. The exercise price correspond to the market price at the date of grant. No consideration has been paid by the recipients for the options. If the employment is terminated, unvested options will lapse. Vested options must, in the same situation, be exercised within a certain period after the termination date.

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

Date issued	**26 Feb 2014**	**23 Sept 2015**	**15 Oct 2015**	**1 Mar 2016**	**20 Sep 2016**	**16 Oct 2016**	**13 Jun 2017**	**Total issued**
Strike price in NOK	**31.6**	**16.7**	**16.2**	**9.04**	**8.54**	**7.94**	**7.15**	
Espen Husstad		300,000*			300,000		300,000	600,000
Bård Standal				150,000	150,000		50,000	350,000
Jonas Billberg			70,000	80,000	150,000		50,000	350,000
J. P. Myhrstad	2,500					50,000	50,000	102,500
Ingvild Gråberg						50,000	50,000	100,000

* Cancelled June 13 2017

The Company has in addition issued options 90,000 options and 20,000 options to employees not being members of management on 27 February 2017 and 13 June 2017 respectively. The options issued on 27 February 2017 has a strike price of NOK 7.19 and the options issued on 13 June 2017 has a strike price of NOK 7.15.

The options issued on 26 February 2015 have all vested and may be exercised until 31 August 2019. The options issued on 15 October 2015 may be exercised as follows: 1/3 from 1 June 2016 until 31 August 2021, 1/3 from 1 June 2017 until 31 August 2021 and 1/3 from 1 June 2018 until 31 August 2021.

The options issued on 1 March 2016, 20 September 2016, 16 October 2016 and 27 February 2017 may be exercised as follows: 1/3 from 1 June 2017 until 31 August 2022, 1/3 from 1 June 2018 until 31 August 2022 and 1/3 from 1 June 2019 until 31 August 2022.

The options issued on 13 June 2017 may be exercised as follows: 1/3 from 1 June 2018 until to 31 August 2023, 1/3 from 1 June 2019 until 31 August 2023 and 1/3 from 1 June 2020 to 31 August 2023.

The share option program shall be compliant and practiced in accordance with article 275 of the annex enclosed to regulation on complementary rules of Solvency II of 21 December 2015 no. 1807 cf. section 15-9 of the regulation on financial enterprises and financial groups of 9 December 2016 no. 1502 and the Company's remuneration policy.

13.4 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:

13.4.1 Management

Name of director	Position	Shares	Average price	Price in the Private Placement
Espen Husstad	CEO	33,010	NOK 6.05	NOK 7.00
Jonas Billberg	Deputy CEO	10,000	NOK 5.70	NOK 7.00

13.4.2 The Board of Directors

Name of director	Position	Shares	Average price	Price in the Private Placement
Christer Karlsson	Board member	6,000	NOK 13.51	NOK 7.00
Terje Moen	Employee representative	1,954	NOK 9.71	NOK 7.00

13.5 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.

13.6 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 Prospectus.

13.7 Loans and guarantees

There are no loans or guarantees from the Company to members of the management or Board of Directors as of the date of this Prospectus.

13.8 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. 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.

13.9 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' follow-up 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, in particular to which extent other services other rendered by the auditor or the audit firm represent a threat to the independence of the auditor

13.10 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.

13.11 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 or other duties. There are no family relationships between the Board Members and members of Management.

13.12 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 Prospectus:

- 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.

13.13 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.

14. RELATED PARTY TRANSACTIONS

No related party transactions have been entered into by the Company since 31 December 2016.

15. CORPORATE INFORMATION AND DESCRIPTION OF THE SHARE CAPITAL

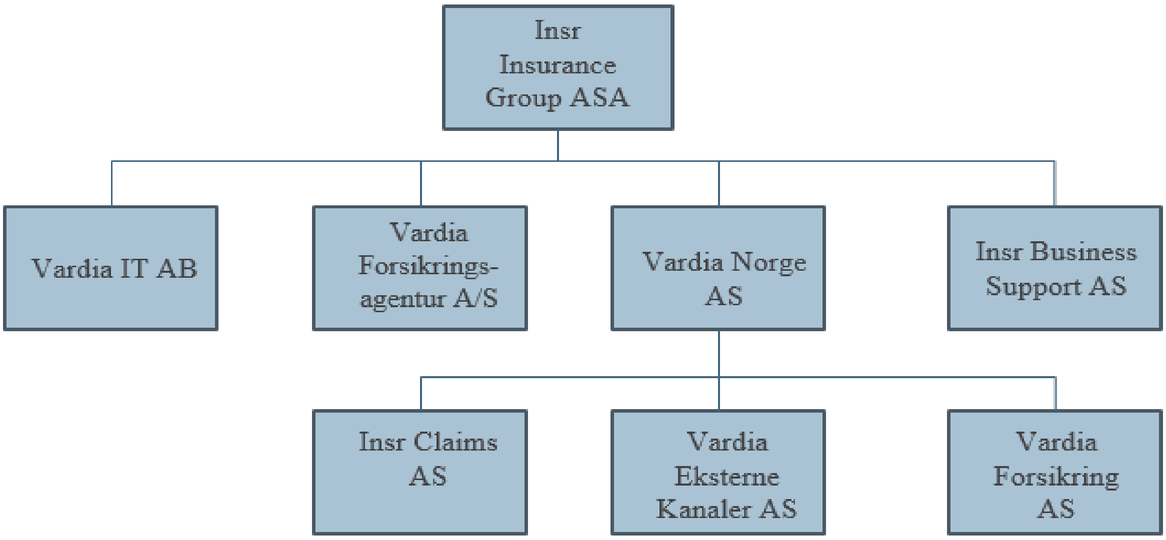
15.1 General corporate information

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.

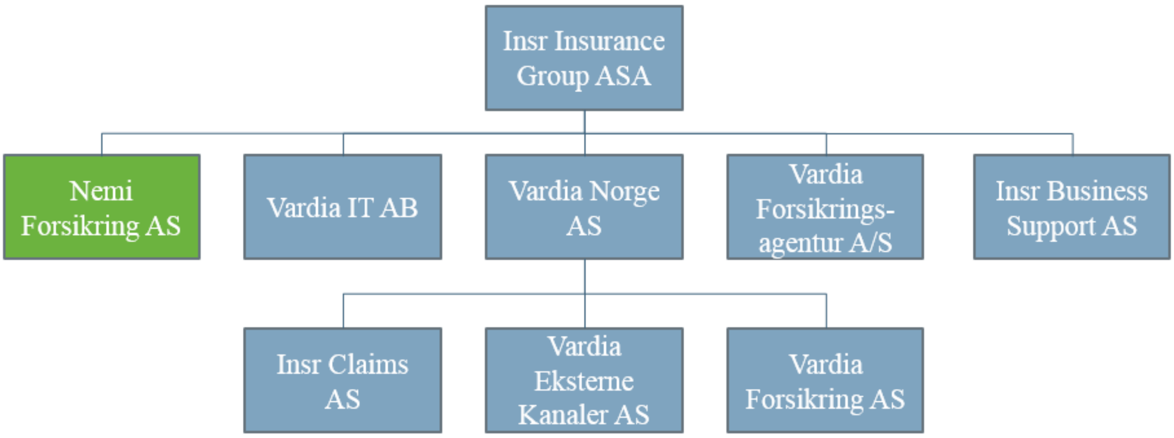
The Company's registered office is located at Haakon VII's gate 2, P.O. Box 1860 Vika, 0124 Oslo, Norway and the Company's main telephone number at that address is +47 415 21 490. The Company's website can be found at www.insr.io. The content of www.inrs.io is not incorporated by reference into or otherwise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

15.2 Group structure

The Company is the Group's parent company, and serves as an operational insurance company. Below is an overview of the current group structure as of the date of this Prospectus:



Below is an overview of the group strcture after the Acquisition:



All the group companies are wholly owned, directly or indirectly by the Company. Except Vardia IT AB (incorporated under the laws of Sweden) and Vardia Forsikringagentur A/S (incorporated under the laws of Denmark), all of the Company's subsidaries are incorporated under the laws of Norway.

15.3 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 since 1 January 2014:

Date	Type of change	Share capital increase (NOK)	Share capital (NOK)	Subscrip-tion 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	466,666.72	2,571,530.80	30.00	0.08	5,833,334	32,194,135
2014	Share capital increase	7,828.24	2,579,359.04	12.72	0.08	97,853	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

The Company’s share capital will be increased through the issuance of the Private Placement Shares and the Consideration Shares. For further information about the issuance and listing of the Private Placement Shares and the Consideration Shares see section 18 “Listing of the Private Placement Shares” and section 19 “Listing of the Consideration Shares”. The Company will, following issuance of the Private Placement Shares and the Consideration Shares, have a share capital of NOK 106,937,316 divided into 133,671,645 Shares of a nominal value of NOK 0.80 each.

Insr will as further described in section 20 "The terms of the Repair Offering" offer up to 5,714,285 new shares in the Repair Offering subject to the issuance of the Private Placement Shares and completion of the Acquisition.

As of the date of this Prospectus, there are 1,322,500 options to acquire shares in the

Company as further described in section 13.3.5 "Share option program".

15.4 Listing

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

15.5 Shareholders

The Company has one class of Shares.

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

Name	%	Holding
Carnegie Investment Bank AB (nominee)	16.57	10,542,182
Avanza Bank AB (nominee)	7.36	4,681,288
Nordnet Bank AB (nominee)	4.63	2,946,636
Skandinaviska Enskilda Banken AB (nominee)	3.96	2,516,721
DNB Bank AB (nominee)	3.90	2,483,751
Nordea Bank AB (nominee)	3.34	2,125,357
Nomura International PLC (nominee)	3.24	2,059,050
Nordnet Bank AB (nominee)	3.12	1,985,120
Saxo Bank A/S (nominee)	2.95	1,879,499
Custos Equity AS	2.95	1,876,193
Canica AS	2.91	1,851,567
Danske Bank A/S (nominee)	2.56	1,626,380
Aakvik Holding AS	2.30	1,462,543
Norway Marine Insurance	2.18	1,386,335
Nilwama AS	1.85	1,177,553
Svenska Handelsbanken AB (nominee)	1.52	964,449
Gyljandi AS	1.40	890,978
Busebakk AS	1.34	853,313
Hetlands Gecco Management AS	1.32	840,961
Swedbank AB (nominee)	1.19	758,106
Total number owned by top 20	70.59	44,907,982
Total number owned by remaining shareholders	29.41	18,706,521
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 Prospectus the following shareholder has publicly reported holdings exceeding 5%:

- Investment AB Öresund has reported holdings corresponding to a total of 10,459,714 Shares, corresponding to 16.4 % of the issued share capital. Investment AB Öresund will have a holding of 22,159,714 shares, corresponding to 16.5% of Company's issued share capital, following the issuance of the Private Placement Shares and the issuance of the Consideration Shares.
- Kistefos AS has reported that it has been allocated 12,000,000 Private Placement Shares and that it following the issuance of the Private Placement Shares will have a holding of 12,000,000 Shares, corresponding to 8.9% of the Company's issued share capital following the issuance of the Private Placement Shares and the issuance of the Consideration Shares.
- HDI V.a.G. has reported that it has been allocated 11,000,000 Private Placement Shares and that it following the issuance of the Private Placement Shares will have a holding of 11,000,000 Shares, corresponding to approx. 8.2% of the Company's issued share capital following the issuance of the Private Placement Shares and the issuance of the Consideration Shares.
- Alpha Insurance A/S has reported that it following the issuance of the Consideration Shares will have a holding of 12,857,142, Shares corresponding to 9.6% of the issued share capital following the issuance of the Private Placement Shares and the issuance of the Consideration Shares.

The Shares have not been subject to any public takeover bids during the last financial year and the current financial year.

15.6 Own Shares

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

15.7 Convertible instruments, warrants and share options

As of the date of this Prospectus, the Company does not have in issue any options (other than what is described in section 13.3.5 "Options Program"), warrants, convertible debt securities, exchangeable debt securities or equity and debt securities with warrants attached.

15.8 Outstanding authorisations

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

On 26 September 2017, the EGM granted the Board of Directors with an additional authority to increase the Company's share capital with up to NOK 4,571,428 to carry out the Repair Offering. See section 20 "The Terms of the Repair Offering".

15.9 Shareholder agreements

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

15.10 The Articles of Association

The Company's Articles of Association are incorporated by reference in this Prospectus. 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 insurance and reinsurance.

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 restrictionson the transfer of Shares, or a right of first refusal for the shareholders. 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 13.8 "Nomination committee".

15.11 Certain aspects of Norwegian corporate law

15.11.1 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.

15.11.2 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 for new Shares, to approve a merger or demerger, to amend the Company's articles of association, to increase or reduce the share capital or authorise an increase or reduction in the share capital, to issue or 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.

15.11.3 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.

15.11.4 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.

15.11.5 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.

15.11.6 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.

15.11.7 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.

15.11.8 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.

15.11.9 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.

15.11.10 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 more than 90% 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 more than 90% 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.

16. SECURITIES TRADING IN NORWAY

16.1 Introduction

Oslo Børs was established in 1819 and is the principal market in which shares, bonds and other financial instruments are traded in Norway. Oslo Børs is operated by Oslo Børs ASA, which also operates the regulated marketplace Oslo Axess.

Oslo Børs has entered into a strategic cooperation with the London Stock Exchange group with regards to, *inter alia*, trading systems for equities, fixed income and derivatives.

16.2 Trading and settlement

Trading of equities on Oslo Børs is carried out in the electronic trading system Millenium Exchange. This trading system was developed by the London Stock Exchange, and is in use by all markets operated by the London Stock Exchange as well as by the Borsa Italiana and the Johannesburg Stock Exchange.

Official trading on Oslo Børs takes place between 09:00 hours (CET) and 16:20 hours (CET) each trading day, with pre-trade period between 08:15 hours (CET) and 09:00 hours (CET), closing auction from 16:20 hours (CET) to 16:25 hours (CET) and a post-trade period from 16:25 hours (CET) to 17:30 hours (CET). Reporting of after exchange trades can be done until 17:30 hours (CET).

The settlement period for trading on Oslo Børs is two trading days (T+2). This means that securities will be settled on the investor's account in the VPS two days after the transaction, and that the seller will receive payment after two days.

Oslo Clearing ASA, a wholly-owned subsidiary of SIX x-clear Ltd, a company in the Six Group, has a license from the Norwegian FSA to act as a central clearing service, and has from 18 June 2010 offered clearing and counterparty services for equity trading on Oslo Børs.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, market-making activities do not as such require notification to the Norwegian FSA or Oslo Børs except for the general obligation of investment firms being members of Oslo Børs to report all trades in stock exchange listed securities.

16.3 Information, control and surveillance

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance. Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company (i.e. precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. Oslo Børs may levy fines on companies violating these requirements.

16.4 The VPS and transfer of shares

The Company's shareholder register is operated through the VPS. The VPS is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

The entry of a transaction in the VPS is generally prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

16.5 Shareholder register – Norwegian law

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the issuer and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote on shares at general meetings on behalf of the beneficial owners.

16.6 Foreign investment in Norwegian shares

Foreign investors may trade shares listed on Oslo Børs through any broker that is a member of Oslo Børs, whether Norwegian or foreign.

16.7 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in an issuer with its shares listed on a regulated market in Norway (with Norway as its home state, which is the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that issuer, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify Oslo Børs and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the Company's share capital.

16.8 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in section 3-2 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

16.9 Mandatory offer requirements

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a Norwegian issuer with its shares listed on a Norwegian regulated market to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that issuer. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the issuer and Oslo Børs decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify Oslo Børs and the issuer in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the issuer or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer is subject to approval by Oslo Børs before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is required to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, Oslo Børs may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains unfulfilled, exercise rights in the issuer, such as voting on shares at general meetings of the issuer's shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his duty to make a mandatory offer, Oslo Børs may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a Norwegian issuer with its shares listed on a Norwegian regulated market is required to make an offer to purchase the remaining shares of the issuer (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40% or more of the votes in the issuer. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the issuer. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group that has passed any of the above-mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, required to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

16.10 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a Norwegian issuer who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

17. TAXATION

*The following is a summary of certain Norwegian tax considerations relevant to the acquisition, ownership and disposition of shares by holders that are residents of Norway for purposes of Norwegian taxation ("**Resident Shareholders**") and holders that are not residents of Norway for such purposes ("**Non-resident Shareholders**").*

The summary is based on applicable Norwegian laws, rules and regulations as they exist as at the date of this Prospectus. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis for the same tax year. The summary is of a general nature and does not purport to be a comprehensive description of all the tax considerations that may be relevant to the shareholders and does not address foreign tax laws.

Please note that special rules apply for shareholders that cease to be tax resident in Norway or that for some reason are no longer considered taxable to Norway in relation to their shareholding. As will be evident from the description, the taxation will differ depending on whether the investor is a corporation or a natural person.

Each shareholder should consult with and rely upon their own tax adviser to determine the particular tax consequences for him or her and the applicability and effect of any Norwegian or foreign tax laws and possible changes in such laws.

For the purpose of the summary below, a reference to a shareholder or company being Norwegian or foreign, refers to tax residency rather than nationality.

17.1 Taxation of dividends

17.1.1 Resident corporate shareholders

Norwegian corporate shareholders (i.e. limited liability companies, mutual funds, savings banks, mutual insurance companies or similar entities resident in Norway for tax purposes) are generally exempt from tax on dividends received on shares in Norwegian limited liability companies, pursuant to the Norwegian participation exemption method (Norwegian: "*Fritaksmetoden*"). However, 3% of dividend income is generally deemed taxable as general income at a flat rate of 24%, implying that dividends distributed from the Company to Norwegian corporate shareholders are effectively taxed at a rate of 0.72%.

17.1.2 Resident personal shareholders

Personal Norwegian shareholders being natural are in general tax liable to Norway for their worldwide income. Dividends distributed to Norwegian personal shareholders who are individuals resident in Norway for tax purposes, are taxed as ordinary income at a flat rate of 24%, then calculated with a factor of 1.24, resulting in an effective tax rate of 29.76%. However, this will only apply to the extent the dividends exceed a statutory tax-free allowance (Norwegian: "*Skjermingsfradrag*").

The allowance is calculated on a share-by-share basis, and the allowance for each share is equal the cost price of the share multiplied by a determined risk-free interest rate based on the effective rate after tax of interest on treasury bills (Norwegian: "Statskasseveksler") with three months maturity. The allowance is allocated to the shareholder owning the share on 31 December in the relevant income year. Norwegian personal shareholders who transfer shares during an income year will thus not be entitled to deduct any calculated allowance related to the year of transfer. The Directorate of Taxes announces the risk free-interest rate in January the year after the income. The risk-free interest rate for 2016, was 0.40%.

Any part of the calculated allowance in a given year exceeding dividend distributed on the same share ("excess allowance") can be carried forward and set off against future dividends received on, or capital gains upon realization of the same share. Furthermore, excess allowance can be added to the cost price of the share and included in basis for calculating the allowance on the same share the following year.

17.1.3 Non-resident Shareholders

Dividends distributed to shareholders not resident in Norway for tax purposes are in general subject to withholding tax at a rate of 25%, unless otherwise provided for in an applicable tax treaty or the recipient is covered by the specific regulations for corporate shareholders tax-resident within the EEA (see the section below for more information on the EEA exemption). The company distributing the dividend is responsible for the withholding. Norway has entered into tax treaties with approximate 80 countries. In most tax treaties, the withholding tax rate is reduced to 15%.

In accordance with the present administrative system in Norway, the Norwegian distributing company will normally withhold tax at the regular rate or reduced rate according to an applicable tax treaty, based on the information registered with the VPS with regard to the tax residency of the Non-resident Shareholder. Dividends paid to Non-resident Shareholders in respect of nominee- registered shares will be subject to withholding tax at the general rate of 25% unless the nominee, by agreeing to provide certain information regarding beneficial owners, has obtained approval for a reduced or zero rate from the Central Office for Foreign Tax Affairs ("**COFTA**") (Norwegian: "*Sentralskattekontoret for utenlandssaker"*).

Non-resident Shareholders who are exempt from withholding tax and shareholders who have been subject to a higher withholding tax than applicable in the relevant tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding tax. The application is to be filed with COFTA.

If a shareholder is engaged in business activities in Norway, and the shares are effectively connected with such business activities, dividends distributed to such shareholder will generally be subject to the same taxation as that of Norwegian shareholders, cf. the description of tax issues related to Resident Shareholders above.

Non-resident Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the ability to effectively claim refunds of withholding tax.

17.1.4 Non-resident Shareholders tax-resident within the EEA

Non-resident Shareholders who are natural persons tax-resident within the EEA ("**Foreign EEA Personal Shareholders**") are upon request entitled to a deductible allowance. The shareholder shall pay the lesser amount of (i) withholding tax according to the rate in an applicable tax treaty or (ii) withholding tax at 25% of taxable dividends after allowance. Foreign EEA Personal Shareholders may carry forward any unused allowance, if the allowance exceeds the dividends.

Non-resident Shareholders that are corporations tax-resident within the EEA for tax purposes ("**Foreign EEA Corporate Shareholders**") are exempt from Norwegian tax on dividends distributed from Norwegian limited liability companies, provided that the Foreign EEA Corporate Shareholder in fact is genuinely established within the EEA and performs real economic activity within the EEA.

17.2 Taxation upon realization of shares

17.2.1 Resident corporate Shareholders

Norwegian corporate shareholders are generally exempt from tax on capital gains upon the realization of shares in Norwegian limited liability companies. Losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purposes.

17.2.2 Resident personal Shareholders

Norwegian shareholders being natural persons are taxable in Norway for capital gains upon the realization of shares, and have a corresponding right to deduct losses that arise upon such realization. The tax liability applies irrespective of time of ownership and the number of shares realised. Gains are taxable as general income in the year of realization, and losses can be deducted from general income in the year of realization. Such capital gain or loss is included in or deducted from the basis for computation of ordinary income in the year of disposal at a rate of 24% then calculated with a factor of 1.24, resulting in an effective tax rate of 29.76%.

The taxable gain or loss is calculated per share as the difference between the consideration received and the cost price of the share, including any costs incurred in relation to the acquisition or realization of the share. Any unused allowance on a share (ref. above) may be set off against capital gains related to the realization of the same share, but may not lead to or increase a deductible loss i.e. any unused allowance exceeding the capital gain upon the realization of the share will be lost. Furthermore, unused allowance may not be set of against gains from realization of other shares.

If a shareholder disposes of shares acquired at different times, the shares that were first acquired will be deemed as first sold (the FIFO-principle) when calculating a taxable gain or loss.

17.2.3 Non-resident Shareholders

As a general rule, capital gains generated by Non-resident Shareholders are not taxable in Norway unless

(i) the shares are effectively connected with business activities carried out or managed in Norway (in which case capital gains will generally be subject to the same taxation as that of Norwegian Shareholders, cf the description of tax issues related to Norwegian Shareholders above), or

(ii) the shares are held by an individual who has been a resident of Norway for tax purposes with unsettled/postponed exit tax calculated on the shares at the time of cessation as Norwegian tax resident.

17.3 Net wealth tax

Norwegian limited liability companies and certain similar entities are exempt from Norwegian net wealth tax.

For other Resident Shareholders (i.e. Shareholders who are natural persons), the shares will form part of the basis for the calculation of net wealth tax. The current marginal net wealth tax rate is 0.85% of taxable values.

Listed shares are valued at 90% of their quoted value on 1 January in the assessment year (the year following the income year).

17.4 Inheritance tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway. However, the heir acquires the donor's tax input value of the shares based on principles of continuity. Thus, the heir will, upon realization of the shares, be taxable for any increase in value in the donor's ownership, at the time of the heir's realization of the shares. However, the principles of continuity only apply if the donor was taxable into Norway. In the case of gifts distributed to other persons than heirs according to law or testament, the recipient will be able to revalue the received shares to market value. The same apply if the recipient receives shares from a foreign donor and the assets are included in the Norwegian tax jurisdiction.

17.5 Stamp duty

There is currently no Norwegian stamp duty or transfer tax on the transfer or issuance of shares.

18. LISTING OF THE PRIVATE PLACEMENT SHARES

18.1 Background

To finance the Acquisition, 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 the same date, through the conditional allocation of 57,200,000 new Shares at a subscription price of NOK 7.00 per share (previously defined as the Private Placement Shares), raising gross proceeds of NOK 400,400,000.

The conditions for completion of the Private Placement have now been fulfilled. The Manager will pre-fund the subscription amount on or about 29 November 2017 and the share capital increase related to the issuance of the Private Placement Shares is expected to be registered in the NRBE on or about 29 November 2017. The Private Placement Shares are expected to be delivered to the investors against payment of the subscription price from on or about 30 November 2017 and the first day of listing of the Private Placement Shares is expected to be on or about 29 November 2017.

The Private Placement Shares will represent approximately 47.3 % of the issued shares in the Company at the expected issue date.

The Private Placement Shares will rank *pari passu* in all respects with the other existing Shares and will carry full shareholder rights in the Company from the time of registration of the share capital increase pertaining to the issue of the Private Placement Shares in the NRBE. The Private Placement Shares will be eligible for any dividends which the Company may declare after said registration. All Shares, including the Private Placement Shares, will have voting rights and other rights and obligations which are standard under the Norwegian Public Companies Act, and are governed by Norwegian law. Please refer to Section 15 "Corporate Information and description of the share capital" for a more detailed description of the Shares.

The Private Placement Shares will be registered on the same ISIN as the existing Shares, being ISIN number NO0010593544, and will be listed on Oslo Børs under ticker code "INSR". The Company's registrar is DNB Bank ASA, DNB Markets Registrars department, Dronning Eufemias gate 30, 0021 Oslo, Norway. The Shares will be eligible for trading on Oslo Børs as of the date of the issuance.

The subscription price was the result of a pre-sounding with potential investors prior to the launch of the Private Placement.

The Board of directors resolved to raise the new equity through a private placement as this enabled the Company to raise the new equity quickly and on better terms than what would have been possible in a preferential rights issue. The Board considered this to be in the best interest of the Company and of the shareholders. Through the Private Placement, the Company also strengthens its shareholder base.

18.2 The Private Placement Shares

Following completion of the Private Placement, the Company will have a share capital of NOK 96,651,602.4 divided on 120,814,503 Shares each with a par value of NOK 0.80.

The Company has only one class of shares outstanding and all Shares are freely transferable.

18.3 Dilution

The immediate dilution for the existing shareholders not participating in the Private Placement is approximately 47.3%.

18.4 Resolution regarding the issuance of the Private Placement Shares

At the extraordinary general meeting held on 26 September 2017 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 (defined in the notice), 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.*

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

(v) *§ 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.*

(vi) *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.*

18.5 Proceeds and expenses related to the listing of the Private Placement Shares

The gross proceeds to the Company from the Private Placement will amount to NOK 400,400,000. The costs and expenses of, and incidental to, the listing of the Private Placement Shares amount to approximately NOK 11,250,000. Based on this, the net proceeds to the Company amount to approximately NOK 389,150,000.

18.6 Use of proceeds

The net proceeds of the Private Placement will be used to finance the cash portion of the purchase price for the Nemi Shares of NOK 230,000,000, to strengthen the Company's capital position, and to potentially reduce the reinsurance cession. 1 April 2017, Insr reduced its quota share cession from 75% to 50% for covered products. The Company expects to similarly reduce Nemi's cession. Surplus capital may be utilised to facilitate further growth and potentially further reinsurance cession reductions.

18.7 Jurisdiction and governing law

The Private Placement Shares will be issued in accordance with the rules of the Norwegian Public Limited Liability Companies Act.

18.8 Interests of natural and legal persons in the Private Placement

The Manager or its affiliates have provided from time to time, and may provide in the future, investment services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Manager does not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Manager has received a management fee in connection with the Private Placement which comprises a an amount equal to a determined percentage of the gross proceeds raised in the Private Placement and, as such, did have an interest in the Private Placement.

As the recipients of the Private Placement Shares, the investors having been allocated the Private Placement Shares also have an interest in the Private Placement.

Beyond the above-mentioned, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Private Placement.

18.9 Participation of Company's Management, Board of Directors and major existing shareholders in the Private Placement

The following members of the Company’s management, supervisory or administrative bodies and major existing shareholders participated in the Private Placement:

Management	**Allocation (shares)**
Espen Husstad	71,428
Jonas Billberg	15,000

Board of Directors	**Allocation (shares)**
Christer Karlsson	50,000
Ragnhild Wiborg	10,000
Ulf Spång	300,000

Major Existing Shareholders	**Allocation (shares)**
Investment AB Öresund	11,700,000

19. LISTING OF THE CONSIDERATION SHARES

19.1 Background

On 18 August 2017, Insr announced that it had entered into a Share Purchase Agreement pursuant to which the Company has agreed to acquire 100% of the shares in Nemi from Alpha for a total purchase price of NOK 320,000,000.

NOK 90,000,000 of the purchase price for the Nemi Shares shall be settled through the issuance of 12,857,142 new ordinary Shares in Insr to Alpha at a subscription price of NOK 7.00 per share (previously defined as the Consideration Shares) as further described in section 5 "The Acquisition". The Consideration Shares shall be subscribed for at the closing date of the Acquisition. The Acquisition is expected to be closed on or about 30 November 2017. The share capital increase related to the issuance of the Consideration Shares is expected to be registered in the NRBE on or about 30 November 2017. The Consideration Shares are expected to be issued to Alpha on or about 30 November 2017 and listed on Oslo Børs on or about 30 November 2017.

The Consideration Shares will rank *pari passu* in all respects with the other existing Shares and will carry full shareholder rights in the Company from the time of registration of the share capital increase pertaining to the issue of the Consideration Shares in the NRBE. The Consideration Shares will be eligible for any dividends which the Company may declare after said registration. All Shares, including the Consideration Shares, will have voting rights and other rights and obligations which are standard under the Norwegian Public Companies Act, and are governed by Norwegian law. Please refer to Section 15 "Corporate Information and description of the share capital" for a more detailed description of the Shares.

Alpha has agreed to a lock-up period of 6 months for the Consideration Shares, meaning that Alpha cannot divest the Consideration Shares before 6 months after completion of the Acquisition.

19.2 The Consideration Shares

Following the issuance of the Private Placement Shares and the Consideration Shares, the Company will have a share capital of NOK 106,937,316 divided on 133,671,645 Shares each with a par value of NOK 0.80.

The Company has only one class of shares outstanding and all Shares are freely transferable.

19.3 Dilution

The dilution for the existing shareholders from the issuance of the Consideration Shares relative to the Shares outstanding prior to the issuance of the Private Placement Shares is approximately 16.8%. The aggregate dilution for the existing shareholders not participating in the Private Placement after the issuance of the Consideration Shares is approximately 52.4%.

19.4 Resolution regarding the issuance of the Consideration Shares

At the extraordinary general meeting held on 26 September 2017 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.

(iv) *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 (defined in the notice), 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 (defined in the notice) have been satisfied or waived.*

19.5 Expenses related to the listing of the Consideration Shares

The costs and expenses of, and incidental to, the listing of the Consideration Shares amount to approximately NOK 500,000. The Company or the Manager will not charge any expenses or taxes to Alpha.

19.6 Jurisdiction and governing law

The Consideration Shares will be issued in accordance with the rules of the Norwegian Public Limited Liability Companies Act.

19.7 Interests of natural and legal persons in the issuance of the Consideration Shares

As the recipients of the Consideration Shares, Alpha has an interest in the issuance of the Consideration Shares.

Beyond the above-mentioned, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons in the issuance of the Consideration Shares.

19.8 Participation of the Company's Management, Board of Directors and major existing shareholders in the Consideration Shares

All the Consideration Shares will be issued to Alpha and neither any existing major shareholders nor any members of the Board of Directors or the management will receive any Consideration Shares.

20. THE TERMS OF THE REPAIR OFFERING

20.1 Overview

The Repair Offering comprises an offering of up to 5,714,285 new Shares each with a nominal value of NOK 0.80 (the "**Offer Shares**"), at a subscription price of NOK 7.00 per Offer Share, corresponding to gross proceeds of up to NOK 39,999,995. The Repair Offering is conditional upon completion of the Private Placement and the Acquisition prior to the start of the Subscription Period (defined below).

The Repair Offering is directed towards shareholders of the Company as of the end of trading on 29 August 2017 (as registered in VPS as of the end on 31 August 2017) (the "**Record Date**"), who have not been allocated shares in the Private Placement and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action ("**Eligible Shareholders**"). The Board considers that it is in the best interest of the Company and of the shareholders that the Repair Offering is not carried out as a preferential rights issue.

Eligible Shareholders will be granted non-transferable allocation rights (the "**Allocation Rights**") that, subject to applicable laws, provide rights to subscribe for and be allocated Offer Shares. Over-subscription will be permitted; however, there can be no assurance that Offer Shares will be allocated for such subscriptions.

Allocation Rights and Offer Shares will not be granted, issued or offered in certain jurisdictions or to residents of certain jurisdictions. For further information see Section 20.16 "Selling and Transfer Restrictions". The reasons for the Repair Offering are to give Eligible Shareholders the right to subscribe for new Shares at the same subscription price as shareholders that were allocated Private Placement Shares in the Private Placement and to strengthen the Company's equity.

The shares to be issued in the Repair Offering will rank *pari passu* in all respects with the other existing Shares and will carry full shareholder rights in the Company from the time of registration of the share capital increase pertaining to the Offer Shares in the NRBE. The Offer Shares will be eligible for any dividends which the Company may declare after said registration. All Shares, including the Offer Shares, will have voting rights and other rights and obligations which are standard under the Norwegian Public Companies Act, and are governed by Norwegian law. Please refer to Section 15 "Corporate Information and description of the share capital" for a more detailed description of the Shares.

The Offer Shares will be registered on the same ISIN as the existing Shares, being ISIN number NO0010593544, and will be listed on Oslo Børs under ticker code "INSR". The Company's registrar is DNB Bank ASA, DNB Markets Registrars department, Dronning Eufemias gate 30, 0021 Oslo, Norway. The Offer Shares will be eligible for trade on Oslo Børs as of the date of the issuance.

The subscription price in the Repair Offering is equal to the subscription price for the Private Placement. The subscription price for the Private Placement was the result of a pre-sounding with potential investors prior to the launch of the Private Placement.

20.2 Authorisation regarding the Repair Offering

At the extraordinary general meeting held on 26 September 2017, the Board of Directors was granted the authorization to increase the share capital by up to NOK 4,571,428 through the issuance of up to 5,714,285 million new Shares to carry out the Repair Offering.

20.3 Resolution regarding the Repair Offering

On 27 November 2017, the Board of Directors passed the following resolution to increase the share capital of the Company and to issue the Offer Shares on the basis of the authorisation granted by the extraordinary general meeting held on 26 September 2017:

(i) *The share capital is increased with minimum NOK 0.80 and maximum NOK 4,571,428 by issuance of minimum 1 and maximum 5,714,285 new shares each with of nominal value NOK 0.80, subject to completion of the Private Placemen and the Acquisition.*

(ii) The share capital increase is directed towards shareholders of the Company as of 29 August 2017 (as registered in the Norwegian Central Securities Depository (VPS) on 31 August 2017), (the "**Record Date**") who have not been allocated shares in the Private Placement and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action ("**Eligible Shareholders**"). *The Company's Eligible Shareholders shall receive allocation rights pro rata to their registered holding of shares in the Norwegian Central Securities Depository ("**VPS**") on the Record Date. The Eligible Shareholders shall receive 1 allocation right per each 7.01 share held at the Record Date. The number of allocation rights will be rounded down to nearest whole subscription right.*

(iii) *The allocation rights shall not be tradable.*

(iv) *Allocation of new shares shall be made by the Company's board of directors. The following allocation criteria shall apply:*

i. Allocation will be made to subscribers on the basis of granted allocation rights which have been validly exercised during the subscription period. Each allocation right will give the right to subscribe for and be allocated one (1) new share.

ii. If not all allocation rights are validly exercised in the subscription period, subscribers having exercised their allocation rights and who have over-subscribed will have the right to be allocated remaining new shares on a pro rata basis based on the number of allocation rights exercised by the subscriber. In the event that pro rata allocation is not possible, the Company will determine the allocation by lot drawing.

iii. Other than what is set out in ii above subscription without allocation rights will not be allowed.

(v) *The subscription price in the rights issue shall be NOK 7.00 per share. The subscription amount shall be paid in cash.*

(vi) *The subscription period shall commence on 4 December 2017 and end at 12:00 (CET) on 13 December 2017.*

(vii) *The due date for payment of the new shares is 15 December 2017.*

(viii) *The new shares will give full shareholder rights in the Company, including the right to dividends, from the time the share capital increase is registered with the Norwegian Register of Business Enterprises.*

(ix) *The Company's Company's estimated costs in connection with the capital increase are NOK 1,400,000.*

(x) *The Company's articles of association section 1-3 shall be amended to reflect the new number of shares and the new share capital after the capital increase*

The Norwegian FSA will have to approve the share capital increase and such approval is expected to be given on or about 15 December 2017.

20.4 Timetable

The timetable below provides certain indicative dates for the Repair Offering, assuming duly payment of the Offer Shares subscribed for and allocated in the Repair Offering:

Last day of trading in the Shares including Allocation Rights	29 August 2017
Ex. Rights trading in the Shares commenced on Oslo Børs	30 August 2017
Record Date	31 August 2017
Subscription Period commences:	4 December 2017 at 09:00 hours (CET)
Subscription Period ends:	13 December 2017 at 12:00 hours (CET)
Allocation of the Offer Shares:	14 December 2017 (expected)
Distribution of the allocation letters:	14 December 2017 (expected)
Payment Date:	15 December 2017
Registration of the share capital increase in the Register of Business Enterprises	On or about 21 December 2017 (expected)
Delivery Date for the Offer Shares:	On or about 21 December 2017 (expected)
Listing and commencement of trading in the Offer Shares on Oslo Børs	On or about 22 December 2017 (expected)

20.5 Allocation Rights

Eligible Shareholders will be granted non-transferable Allocation Rights giving a right to subscribe for, and be allocated, Offer Shares in the Repair Offering. Each Eligible Shareholder will, subject to applicable securities laws, be granted 1 (one) non-transferable Allocation Right per 7.01 existing Shares registered as held by such Eligible Shareholder as of the Record Date. The number of Allocation Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Allocation Right.

The Allocation Rights will be registered in the VPS on ISIN NO0010593544 and will be distributed to each Eligible Shareholder's VPS account on or about 4 December 2017.

Each Allocation Right will, subject to applicable securities laws, give the right to subscribe for and be allocated one Offer Share in the Repair Offering. Over-subscription (i.e. subscription for more Offer Shares than the number of Allocation Rights allocated to the subscriber) will be permitted; however, there can be no assurance that Offer Shares will be allocated for such subscriptions.

The Allocation Rights must be used to subscribe for Offer Shares before the end of the Subscription Period (i.e. before 13 December 2017 at 12:00 hours (CET)). Allocation Rights that are not exercised before 13 December 2017 at 12:00 hours (CET) will have no value and will lapse without compensation to the holder. Holders of Allocation Rights should note that subscriptions for Offer Shares must be made in accordance with the procedures set out in this Prospectus, and that holding of Allocation Rights in itself does not represent a subscription for Offer Shares.

Shareholders resident in jurisdictions where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Offer Shares (the "Ineligible Shareholders") will not receive Allocation Rights. Eligible Shareholders should be aware that the exercise of Allocation Rights by holders who are located in countries outside of Norway may be restricted or prohibited by applicable securities laws. Please refer to Section 16 "Selling and Transfer Restrictions" for a further description of such restrictions.

20.6 Record Date

Allocation Rights will be allocated to Eligible Shareholders based on their holding of Shares as registered in VPS at the end of the Record Date, i.e. on 31 August 2017.

Provided that the delivery of traded Shares was made with ordinary T+2 settlement in the VPS, Shares that were acquired until and including 29 August 2017 will give the right to receive Allocation Rights, whereas Shares that were acquired from and including 30 August 2017 will not give the right to receive Allocation Rights.

20.7 Subscription Period

The Subscription Period for the Repair Offering will commence at 09:00 hours (CET) on 4 December 2017 and end at 12:00 hours (CET) on 13 December 2017.

The Subscription Period may not be shortened or extended.

20.8 Subscription Price

The subscription price in the Repair Offering is NOK 7.00 per Offer Share (the "**Subscription Price**").

20.9 Subscription Procedures

Subscriptions for Offer Shares must be made by submitting a correctly completed subscription form included in Appendix A (the "**Subscription Form**") to the subscription office (the "**Subscription Office**") listed below during the Subscription Period or may, for subscribers who are residents of Norway with a Norwegian personal identification number, be made online as further described below.

Correctly completed Subscription Forms must be received by the Subscription Office at the following addresses or email address by, or in the case of online subscriptions be registered by, no later than 12:00 hours (CET) on 13 December 2017:

ABG Sundal Collier ASA
Munkedamsveien 45D
P.O. Box 1444 Vika
N-0115 Oslo
Norway
Phone: + 47 22 01 61 73
Email:
subscription@abgsc.no
www.abgsc.com

Subscribers who are Norwegian citizens may also subscribe for Offer Shares in the Repair Offering through the VPS online subscription system (or by following the link on www.abgsc.com which will redirect the subscriber to the VPS online subscription system). All online subscribers must verify that they are Norwegian residents by entering their national identity number (Norwegian: personnummer). In addition, the VPS online subscription system is only available for individual persons and is not available for legal entities, legal entities must thus submit a Subscription Form in order to subscribe for Offer Shares.

Neither the Company nor the Manager may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Manager. Subscription Forms received by the Manager or subscriptions registered in the VPS, after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and the Manager, without notice to the subscriber.

Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the Manager or registered in the VPS. The subscriber is responsible for the correctness of the information filled into the Subscription Form or registered when subscribing online in the VPS. By signing and submitting a Subscription Form or submitting an online subscription in the VPS, each subscriber confirms and warrants to have read this Prospectus and to be eligible to subscribe for Offer Shares under the terms set forth herein.

There is no minimum subscription amount for which subscriptions in the Repair Offering must be made. Oversubscription (i.e. subscription for more Offer Shares than the number of Allocation Rights held by the subscriber entitles the subscriber to be allocated) will be permitted; however, there can be no assurance that Offer Shares will be allocated for such subscriptions.

Multiple subscriptions (i.e. subscriptions on more than one Subscription Form) are allowed. Please note, however, that each separate Subscription Form submitted by the same subscriber with the same number of Offer Shares subscribed for on both Subscription Forms will only be counted once, unless otherwise explicitly stated in one of the Subscription Forms. In the case of multiple subscriptions through the VPS online subscription system or subscriptions made both on a Subscription Form and through the VPS online subscription system, all subscriptions will be counted.

20.10 Payment Date for the Offer Shares

The payment date for the Offer Shares in the Repair Offering is 15 December 2017 (the "**Payment Date**").

When subscribing for Offer Shares in the Repair Offering, each subscriber with a Norwegian bank account must provide a one-time irrevocable authorization to the Manager to debit a specified bank account with a Norwegian bank for the total subscription amount payable for the Offer Shares allocated to such subscriber. Accounts will be debited on or about the Payment Date, and there must be sufficient funds in the stated bank account from and including the date falling 2 banking days prior to the Payment Date. The Manager reserves the right (but has no obligation) to make up to three debit attempts within seven working days after the Payment Date if there are insufficient funds in the account on the first debiting date.

The subscriber furthermore authorizes the Manager to obtain confirmation from the subscriber's bank that the subscriber has disposal over the indicated account as well as a confirmation that there are sufficient funds in the account to cover the payment.

Subscribers who do not have a Norwegian bank account must ensure that payment for the allocated Offer Shares is made on or before the Payment Date.

Details and instructions regarding the settlement of allocated Shares can be obtained by contacting the Manager's settlement department on telephone: +47 22 01 61 73.

Should any subscriber have insufficient funds in his or her account, should payment be delayed for any reason, if it is not possible to debit the account or if payments for any other reasons are not made when due, overdue interest will accrue and other terms will apply as further set out below.

Overdue and late payment will be charged with interest at the applicable rate under the Norwegian Act on Interest on Overdue Payment on 17 December 1976 No. 100, currently 8.5% per annum. If the subscriber fails to comply with the terms of payment, the Offer Shares will not be delivered to the subscriber.

The Company and the Manager reserve the right to, at the cost and risk of the subscriber, cancel the allocation and to reallocate, sell, assume ownership of or otherwise dispose of all or parts of the allocated Offer Shares on such terms and in such manner as the Manager may decide in accordance with applicable Norwegian law and otherwise based on the Board of Directors' discretion, without further notice to the subscriber in question in accordance with section 10-12, fourth paragraph of the Norwegian Public Limited Liability Companies Act if payment has not been received within the third day after the Payment Date.

Any excess amount paid by an Eligible Shareholder will be returned as soon as possible following the Payment Date.

20.11 Allocation

Allocation of the Offer Shares is expected to take place on or about 14 December 2017.

The allocation of Offer Shares to subscribers in the Repair Offering shall be made pursuant to the following criteria:

i. Allocation will be made to subscribers on the basis of granted Allocation Rights which have been validly exercised during the Subscription Period. Each Allocation Right will give the right to subscribe for and be allocated one (1) Offer Share.

ii. If not all Allocation Rights are validly exercised in the Subscription Period, subscribers having exercised their Allocation Rights and who have over-subscribed will have the right to be allocated remaining Offer Shares on a pro rata basis based on the number of Allocation Rights exercised by the subscriber. In the event that pro rata allocation is not possible, the Company will determine the allocation by lot drawing.

iii. Other than what is set out in ii above subscription without Allocation Rights will not be allowed.

20.12 Participation of major existing shareholders and members of the Company's management, supervisory or administrative bodies in the Repair Offering

The Company is not aware of whether any major shareholders of the Company or members of the Company's management, supervisory or administrative bodies intend to subscribe for Offer Shares in the Repair Offering, or whether any person intends to subscribe for more than 5% of the Repair Offering.

20.13 Delivery and listing of the Offer Shares

All subscribers subscribing for Offer Shares must have a valid VPS account, see Section 20.14 for further information.

Delivery of the Offer Shares will take place following registration of the share capital increase pertaining to the Offer Shares in the NRBE which is expected on or about 21 December 2017 or at the latest on 13 March 2018. Delivery of the Offer Shares issued in the Repair Offering is expected to take place by registration of the Offer Shares in the VPS on or about 21 December 2017, but in no event later than 13 March 2018.

The Offer Shares will be listed on Oslo Børs as soon as the Offer Shares have been registered in the VPS.

The Offer Shares may not be traded on Oslo Børs before they are fully paid, issued and registered in the VPS.

20.14 Mandatory anti-money laundering procedures and VPS account

The Repair Offering is subject to the Norwegian Act on Money Laundering No. 11 of 6 March 2009 and the Norwegian Money Laundering Regulations No. 302 of 13 March 2009 (collectively the "**AML Legislation**").

All subscribers who are not registered as existing customers with the Manager must verify their identity to the Manager in accordance with requirements of the AML Legislation, unless an exemption is available.

Subscribers that have designated an existing Norwegian bank account and an existing VPS account on the Subscription Form are exempted, provided the aggregate subscription amount is less than NOK 100,000, unless verification of identity is requested by the Manager. The verification of identification must be completed prior to the end of the Subscription Period. Subscribers who have not completed the required verification of identification will not be allocated Offer Shares.

Furthermore, participation in the Repair Offering is conditional upon the subscriber holding a VPS account. The VPS account number must be stated on the Subscription Form. VPS accounts can be established with authorised VPS registrars which can be Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian FSA.

Establishment of VPS account requires verification of identification to the VPS registrar in accordance with the AML Legislation.

20.15 Financial intermediaries

All persons and entities holding Shares or Allocation Rights through financial intermediaries should read this Section 20.15 "Financial intermediaries". All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise of Allocation Rights should be determined by the financial intermediary in accordance with its usual customer relations procedure; or as it otherwise notifies each shareholder.

Neither the Company nor the Manager is liable for any action or failure to act by a financial intermediary through whom shareholders of the Company hold their Shares.

20.15.1 Allocation Rights

If an Eligible Shareholder held the Shares through a financial intermediary on the Record Date, the financial intermediary will customarily give each Eligible Shareholder details of the aggregate number of Allocation Rights to which each Eligible Shareholder will be entitled. The relevant financial intermediary will customarily supply each Eligible Shareholder with this information in accordance with its usual customer relations procedures. Eligible Shareholders should contact their financial intermediary if they have received no information with respect to the Repair Offering.

Shareholders who hold their Shares through a financial intermediary and who are Ineligible Shareholders will not be entitled to exercise their Allocation Rights transferred to the financial intermediary.

20.15.2 Subscription Period

The time until which notification of exercise instructions may be validly given may be earlier if Shares are held through a financial intermediary. This depends on the financial intermediary.

20.15.3 Subscription

If Eligible Shareholders hold their Allocation Rights through a financial intermediary and wish to exercise their Allocation Rights, they should instruct their financial intermediary in accordance with the instructions received from such financial intermediary. The financial intermediary will be responsible for collecting exercise instructions from the Eligible Shareholders and for informing the Manager of their exercise instructions.

20.15.4 Method of payment

Eligible Shareholders holding their Allocation Rights through a financial intermediary should pay the Subscription Price for the Offer Shares that they are allocated in accordance with the instructions received from that financial intermediary. The financial intermediary must pay the Subscription Price to the Manager, who will in turn pay it to the Company. Payment for the Offer Shares must be made to the Manager no later than the Payment Date. Accordingly, financial intermediaries may require payment to be provided to them prior to the Payment Date.

20.16 Selling and transfer restrictions

Please see Section 21 "Selling and Transfer Restrictions".

20.17 The Offer Shares

The Offer Shares will be ordinary Shares in the Company with a nominal value of NOK 0.80 each, and will be issued electronically in the VPS in registered form in accordance with the Norwegian Public Limited Liability Companies Act.

The Offer Shares will rank pari passu in all respects with the existing Shares and will carry full shareholder rights in the Company from the time of registration of the share capital increase pertaining to the Repair Offering in the Register of Business Enterprises, which is expected to occur on or about 21 December 2017. The Offer Shares will be eligible for any dividends which the Company may declare after said registration. All Shares, including the Offer Shares, will have voting rights and other rights and obligations which are standard under the Norwegian Public Limited Liability Companies Act, and are governed by Norwegian law. Please refer to Section 12 "Corporate Information and description of the share capital" for a more detailed description of the Shares.

The Offer Shares will, upon delivery, be registered on the same ISIN as the existing Shares, being ISIN NO0010593544, and will be listed on Oslo Børs under ticker code "INSR". The Company's registrar is DNB Bank ASA.

20.18 Share capital following the Repair Offering

The Company will through the issuance of the Offer Shares increase the number of Shares with maximum 5,714,285 Shares. Following the issuance of the Private Placement Shares, the Consideration Shares and the Offer Shares the Company will have a share capital of maximum NOK 111,580,744 divided on maximum 139,385,930 Shares.

The Company has only one class of shares outstanding and all Shares are freely transferable.

20.19 Use of proceeds

The cash received as proceeds from the Repair Offering will be used to strengthen the

Company’s capital position, and to potentially reduce the reinsurance cession

20.20 Dilution

20.21 The aggregate dilution for the existing shareholders not participating in neither the Private Placement nor the Repair Offering, and after the issuance of the Consideration Shares is approximately 54.4% (assuming full subscription in the Repair Offering), while the aggregate dilution for shareholders not participating in the Private Placement, but participating in the Repair Offering is 47.9% (assuming full subscription in the Repair Offering). The immediate dilution for the shareholders not participating in the Repair Offering is approximately 4.10% (assuming full subscription in the Repair Offering).Manager and advisors

ABG Sundal Collier ASA acts as Bookrunner and Manager for the Repair Offering.

Advokatfirmaet Wiersholm AS acts as Norwegian legal counsel to the Company.

20.22 Net proceeds and expenses related to the Repair Offering

The gross proceeds to the Company from the Repair Offering will be up to NOK 40 million. The Company's total costs and expenses of, and incidental to, the Repair Offering are estimated to amount to approximately NOK 1.4 million. Based on these assumptions the net proceeds to the Company will be NOK 38.6 million assuming the Repair Offering is fully subscribed.

No expenses or taxes will be charged by the Company or the Manager to the applicants in the Repair Offering.

20.23 Interests of natural and legal persons involved in the Offering

The Manager or its affiliates have provided from time to time, and may provide in the future, investment services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Manager does not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Manager will receive a management fee in connection with the Repair Offering which comprises an amount equal to a determined percentage of the gross proceeds raised in the Repair Offering and, as such, has an interest in the Repair Offering. See Section 20.22 "Net proceeds and expenses related to the Repair Offering" for information on expenses related to the Repair Offering.

Beyond the above-mentioned and the fact that Eligible Shareholders will have an interest in the Repair Offering, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Repair Offering.

20.24 Publication of information relating to the Repair Offering

In addition to press releases, which will be posted on the Company's website, the Company will use Oslo Børs' information system (www.newsweb.no) to publish information relating to the Repair Offering. The result of the Repair Offering is expected to be announced on or about 14 December 2017.

20.25 Jurisdiction and governing law

The Offer Shares will be issued in accordance with the rules of the Norwegian Public Limited Liability Companies Act.

Subscriptions for Offer Shares in the Repair Offering are subject to Norwegian law.

20.26 Supplementary Prospectus

In the event a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus arises which is capable of affecting the assessment of the Offer Shares and which arises between the time that the Prospectus is approved and the end of the Subscription Period or listing of the Offer Shares, the Company shall publish a supplementary prospectus.

Any supplementary prospectus will be published in the same manner as this Prospectus.

21. SELLING AND TRANSFER RESTRICTIONS

21.1 General

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares offered hereby.

Other than in Norway, the Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

21.2 Selling restrictions

21.2.1 United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A; or (ii) to certain persons in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, each Manager has represented and agreed that it has not offered or sold, and will not offer or sell, any of the Offer Shares as part of its allocation at any time other than to QIBs in the United States in accordance with Rule 144A or outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the Offer Shares will be restricted and each purchaser of the Offer Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 18.3.1 "—Transfer restrictions—United States".

Any offer or sale in the United States will be made by affiliates of the Manager who are broker-dealers registered under the U.S. Exchange Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of Offer Shares within the United States by a dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A of the U.S. Securities Act and in connection with any applicable state securities laws.

21.2.2 United Kingdom

This Prospectus and any other material in relation to the Offering described herein is only being distributed to, and is only directed at persons in the United Kingdom who are qualified investors within the meaning of Article 2(1)I of the Prospectus Directive ("**qualified investors**") that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (ii) high net worth entities or other persons falling within Article 49(2)(a) to (d) of the Order; or (iii) persons to whom distributions may otherwise lawfully be made (all such persons together being referred to as "**Relevant Persons**"). The Offer Shares are only available to, and any investment or investment activity to which this Prospectus relates is available only to, and will be engaged in only with, Relevant Persons). This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Persons who are not Relevant Persons should not take any action on the basis of this Prospectus and should not rely on it.

21.2.3 European Economic Area

In relation to each Relevant Member State, an offer to the public of any Offer Shares which are the subject of the offering contemplated by this Prospectus may not be made in that Relevant Member State, other than the offering in Norway as described in this Prospectus, once the Prospectus has been approved by the competent authority in Norway and published in accordance with the Prospectus Directive (as implemented in Norway), except that an offer to the public in that Relevant Member State of any Offer Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

a) to legal entities which are qualified investors as defined in the Prospectus Directive;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Manager for any such offer, or in any other circumstances falling within Article 3(2) of the Prospectus Directive; provided that no such offer of Offer Shares shall require the Company or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer to the public**" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Securities to be offered so as to enable an investor to decide to purchase any Offer Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State.

This EEA selling restriction is in addition to any other selling restrictions set out in this Prospectus.

21.2.4 Additional jurisdictions

21.2.4.1 Canada

This Prospectus is not, and under no circumstance is to be construed as, a prospectus, an advertisement or a public offering of the Offer Shares in Canada or any province or territory thereof. Any offer or sale of the Offer Shares in Canada will be made only pursuant to an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable provincial securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made.

21.2.4.2 Hong Kong

The Offer Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the Offer Shares may be issued or may be in the possession of any person for the purposes of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public of

Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Offer Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

21.2.4.3 Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may they be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

21.2.5 Other jurisdictions

The Offer Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Japan, Australia or any other jurisdiction in which it would not be permissible to offer the Offer Shares.

In jurisdictions outside the United States and the EEA where the Offering would be permissible, the Offer Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

21.3 Transfer restrictions

21.3.1 United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each purchaser of the Offer Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, and are subject to significant restrictions on transfer.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares was located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States and has not purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus.
- The Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above restrictions.
- The purchaser acknowledges that the Company, the Manager and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Offer Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Offer Shares.
- The purchaser is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, as the case may be, such Shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The Offer Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares, as the case may be.
- The Company shall not recognise any offer, sale pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.
- The purchaser acknowledges that the Company, the Manager and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

21.3.2 European Economic Area

- Each person in a Relevant Member State (other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway) who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with each Manager and the Company that:
- it is a qualified investor as defined in the Prospectus Directive; and
- in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Offer Shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Manager has been given to the offer or resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Directive as having been made to such persons.
- For the purposes of this representation, the expression an "**offer**" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

22. ADDITIONAL INFORMATION

22.1 Incorporation by reference

The following table sets forth an overview of documents incorporated by reference in this Prospectus. No information other that the information referred to in the table below is incorporated by reference. Where parts of a document are 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 Prospectus, or the corresponding information is covered elsewhere in this Prospectus.

Section in Prospectus	Disclosure Requirement of the Prospectus	Reference document and link
Section 9	Audited, Annual Financial Statement 2015 of Nemi	https://www.nemiforsikring.no/lastned/4608/
Section 9	Audited, Annual Financial Statement 2016 of Nemi	https://www.nemiforsikring.no/lastned/5167/
Section 9	Unaudited, Interim financial statements for Nemi for the three and nine months period ended 30 September 2017	https://www.nemiforsikring.no/lastned/5435/
Section 11	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 11	Audited, Annual Financial Statement 2016 of Insr	Insr Insurance Group ASA – Annual Report 2016: http://insr.io/wp-content/uploads/2016/10/Annual-Report-2016-Norwegian-1.pdf
Section 11	Unaudited, Interim financial statements for Insr for the three and nine months period ended 30 September 2017	Insr Insurance Group ASA – Third quarter and first nine months of 2017: http://insr.io/wp-content/uploads/2016/10/Q3-2017-Insr-Interim-Report-2.pdf
Section 15	Articles of Association	Insr Insurance Group ASA – Articles of Association: http://insr.io/wp-content/uploads/2016/10/2017-05-24-Insr-Insurance-Group-ASA-Vedtekter.pdf

22.2 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 Prospectus.

- The Company's Articles of Association and Certificate of Incorporation.
- The Company's, and its subsidiaries', audited annual financial statements for the years ended 31 December 2016 and 2015.
- The notice and the minutes from the extraordinary general meeting of the Company held on 26 September 2017.
- Independent assurance report on pro forma financial information
- This Prospectus.

23. DEFINITIONS AND GLOSSARY

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

2010 PD Amending Directive	Directive 2010/73/EU amending the Prospectus Directive.
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.
Acquisition	Insr's acquisition of the Nemi Shares from Alpha
Allocation Rights	Non-transferable allocation rights granted to shareholders of the Company as of 29 August 2017, as registered in the Norwegian Central Securities Depositary on 31 August 2017 who did not participate in the Private Placement.
Alpha	Alpha Insurance A/S
Articles of Association	The articles of association of the Company.
Annual Financial Statements.	The Company's audited financial statements as of, and for the years ended, 31 December 2016 and 2015.
Board Members	The members of the Board of Directors.
Board or Board of Directors	The board of directors of the Company.
CAGR	Compound annual growth rate.
Catastrophes	Events including among others windstorms, severe hail, severe winter weather, other weather related events, floods, fires, industrial explosions and other man-made disasters, such as terrorist attacks
CEO	The Company's chief executive officer.
CET	Central European time.
Closing Conditions	The conditions being satisfied or waived in order to complete the Acquisition
COFTA	The Norwegian Central Office for Foreign Tax Affairs.
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
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance dated 30 October 2014.

EC Regulation 809/2004	EEA Directive implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.
EEA	The European Economic Area.
Eligible Shareholders	Shareholders of the Company as of 29 August 2017, as registered in the Norwegian Central Securities Depositary (the "VPS") on 31 August2017 who did not participate in the Private Placement.
EU	The European Union.
FEA	The Act on financial institutions and financial groups Financial Enterprises Act 2015.
F.O.A	For own account.
Financial Statements	The Annual Financial Statements and Interim Financial Statements
FNO	Finans Norge
Foreign EEA Corporate Shareholders	Non-resident Shareholders that are corporations tax-resident within the EEA for tax purposes.
Foreign EEA Personal Shareholders	Non-resident Shareholders who are natural persons tax-resident within the EEA.
Forward-looking statements	All statements other than statements as to historic facts or present facts and circumstances, typically indicated by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," and similar expressions.
General Meeting	The Company's general meeting of shareholders.
Gjensidige	Gjensidige Forsikring ASA.
Group	The Company and its subsidiaries.
HDI	HDI V.a.G
IAS 34	International Accounting Standard 34 Financial Reports
IFRS	International Financial Reporting Standards as adopted by the EU.
Insr	Insr Insurance Group ASA, or the Company.
ISIN	Securities number in the Norwegian Central Securities Depository (VPS).
Interim Financial Statements	The Company's unaudited interim financial statements as of, and for the three month and nine month period ended, 30 September 2017
Management	The Group's senior management team.

Manager	ABG Sundal Collier ASA.
Nemi	Nemi Forsikring AS
Nemi Shares	All outstanding shares in Nemi
NOK	Norwegian Kroner, the lawful currency of Norway.
Non-resident shareholders	Shareholders who are not resident in Norway for tax purposes.
Norwegian FSA	The Financial Supervisory Authority of Norway (Norwegian: "Finanstilsynet").
Norwegian corporate shareholders	Shareholders who are limited liability companies and certain similar corporate entities resident in Norway for tax purposes.
Norwegian personal shareholders	Personal shareholders resident in Norway for tax purposes.
Norwegian Pool	The Norwegian Natural Perils Pool.
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (Norwegian: "Verdipapirhandelloven").
NRBE	The Norwegian Register of Business Enterprises (Norwegian: "Foretaksregisteret").
Offer Shares	Up to 5,714,285 new shares with a par value of NOK 0.80 to be offered by the Company in the Repair Offering.
Öresund	Investment AB Öresund
Order	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended.
Oslo Børs	Oslo Børs ASA or, as the context may require, Oslo Børs, a Norwegian regulated stock exchange operated by Oslo Børs ASA.
Payment Date	15 December 2017
Private Placement	A private placement directed towards existing shareholders of the Company and new investors completed on 29 August 2017 consisting of the Private Placement Shares.
Private Placement Shares	57,200,000 ordinary Shares issued by the Company contemplated to be listed in the Private Placement.
Prospectus	This prospectus.
Prospectus Directive	Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State.
Purchase Price	NOK 320,000,000
PwC	PricewaterhouseCoopers AS.

QIBs	Qualified institutional buyers, as defined in Rule 144A.
Record Date	31 August 2017.
Relevant Member State	Each Member State of the EEA which has implemented the Prospectus Directive.
Relevant Persons	Persons in the UK that are (i) investment professionals falling within Article 19(5) of the Order or (ii) high net worth entities, and other persons to whom the Prospectus may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order.
Repair Offering	The offering by the Company of up to 5,714,285 new shares at a subscription price of NOK 7.00 each.
Resident Shareholders	Shareholders that are residents of Norway for purposes of Norwegian taxation
Rule 144A	Rule 144A under the U.S. Securities Act.
SFA	The Securities and Futures Act of Singapore.
Share(s)	Shares in the share capital of the Company, each with a nominal value of NOK 0.80 or any one of them.
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.
Subscription Period	08:30 hours (CET) on 4 December 2017 until 12:00 hours (CET) on 13 December 2017.
Subscription Form	The subscription form included in Annex A
Subscription Office	The office where the subscription for the Offer Shares in the Repair Offering shall take place.
Swedish Portfolio	The Company's Swedish insurance portfolio in Sweden.
UK	United Kingdom
USD	United States Dollar, the lawful currency of the United States of America.
U.S. Exchange Act	The United States Securities Exchange Act of 1934, as amended.
U.S. Securities Act	The United States Securities Act of 1933, as amended from time to time.
VPS	The Norwegian Central Securities Depository (Norwegian: "Verdipapirsentralen").
XL	Excess of loss coverage

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SUBCRIPTION FORM INSR INSURANCE GROUP ASA REPAIR OFFERING

For information regarding the repair offering (the "**Repair Offering**") with non-transferable allocation-rights ("**Allocation Rights**") for shareholders of Insr Insurance Group ASA (the "**Company**") as of 29 August 2017, as registered in the Norwegian Central Securities Depositary (the "VPS") on 31 August 2017 (the "Record Date") who did not participate in the Private Placement and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (the "Eligible Shareholders"),.please see the prospectus dated 28 November 2017 (the "**Prospectus**"). Terms defined in the Prospectus shall have the same meaning when used herein. Subscription Forms may be mailed or delivered in the period from 4 December 2017 at 09:00, CET to 13 December 2017 at 12:00, CET (the "**Subscription Period**"), to: ABG Sundal Collier ASA, P.O. Box 1444 Vika, N-0115 Oslo, Norway, e-mail subscription@abgsc.no. Accurately completed Subscription Forms must be received by the Manager by 12:00, CET, on 13 December 2017. It is not sufficient for the Subscription Form to be postmarked within the Subscription Period. Norwegian subscribers may also subscribe for Offer Shares on the following Internet page: www.abgsc.no within the Subscription Period. Neither the Company nor the Manager may be held responsible for delays in the mail system or for non-receipt of Subscription Forms forwarded to the Manager. The Company and the Manager reserve the right to disregard improperly completed, delivered or executed Subscription Forms, or any subscription which may be unlawful. A subscription is irrevocable and may not be withdrawn, cancelled or modified once it has been received by the Manager. The minutes from the extraordinary general meeting of the Company held on 26 September 2017, the Company's articles of association and its annual reports for the years 2015 and 2016 are available at the Company's web page www.insr.io. The resolution to increase the share capital by the Board of Directors is included in the Prospectus.

Each Eligible Shareholders will receive one non-transferable Allocation Right per each 7.01 share held at the Record Date. The number of Allocation Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Allocation Right. The Allocation Rights will be registered on each Eligible Shareholder's VPS account. Each Allocation Right carries the right to subscribe for one (1) Offer Shares. No fractions of Offer Shares will be issued. The Subscription Price is NOK 7.00 per Offer Share. The Allocation Rights are non-transferable. The Allocation Rights are registered with the VPS under the International Securities Identification Number (ISIN) NO0010593544. Over-subscription is permitted; however there can be no assurance that Offer Shares will be allocated for such subscriptions. If the Allocation Rights are not fully utilized by Elliglble Shareholders, the remaining Offer Shares will be allocated in accordance with the criteria described in the Prospectus under the heading "Terms of the Subequent Offering" "Allocation". Notifications of allotments are expected to be mailed on or about 14 December 2017.

By signing the Subscription Form, the subscriber grants the Manager an irrevocable one-time authorisation to debit the allotted subscription amount in NOK from the bank account designated by the subscriber. The amount will be debited on or before 15 December 2017 (the "**Payment Date**"), and there must be sufficient funds in the stated bank account from and including two banking days prior to the Payment Date. If there are insufficient funds in a subscriber's bank account or it is impossible to debit a bank account for the amount the subscriber is obligated to pay, or payment is not received by the Manager according to other instructions, the allotted Offer Shares will be withheld. Interest will, in such event, accrue at the applicable rate according to the Norwegian Act on Interest on Overdue Payments 1976, currently 8.50 percent per annum. The Manager reserves the right to make up to three debits in the period up to seven days after the Payment Date, if there are insufficient funds on the account on the debiting date. If payment is not made within three days after the due date, the Manager reserves the right without further notice to take over the allocated Offer Shares and/or, at the cost of the applicant to sell the allocated Offer Shares on such terms and in such manner as it decides in accordance with applicable regulations. The original applicant remains liable for payment of the Subscription Price multiplied by the allocated Offer Shares, together with any interest, costs, charges and expenses accrued, and payment may be enforced for any such amount outstanding. <u>Subscribers who do not have a Norwegian bank account must contact the Manager to arrange for payment.</u>

SPECIFICATION OF THE SUBSCRIPTION

Assuming that payment from all subscribers are made when due, delivery of the Offer Shares is expected to take place on or about 21 December 2017. A subscriber will not under any circumstances be entitled to sell or transfer its Offer Shares until these shares have been paid in full by such subscriber and registered on the subscribers' VPS accounts. Assuming timely payment by all subscribers, the Company expects that the Offer Shares will be listed on Oslo Børs on or about 22 December 2017. The Offering may, in certain jurisdictions, be restricted by law. For more information on applicable selling and transfer restrictions in respect of the Rights and the Offer Shares, see the Prospectus under the heading "Selling and Transfer Restrictions."

No. of Allocation Rights	Subscribes for (number of shares)		(For official use: Serial no.)
↳	Subscription price per share		Total amount to be paid
	NOK 7.00	=	NOK

One-time authorisation for debiting account (must be filled in):

The undersigned hereby grants an irrevocable authorisation to the Manager to debit the Norwegian bank account set out herein for the allotted amount (the value in NOK of: number of allotted shares * NOK 7.00)

Bank account (11 digits)

Place and date of subscription.
(Must be dated within the Subscription Period.)

Binding signature. The subscriber must be of age.
When signed on behalf of another person, evidence of authority must be provided.

DETAILS RE SUBSCRIBER (REQUIRED INFORMATION)

Subscriber's VPS account no.	PLEASE NOTIFY THE REGISTRAR OF ANY CHANGES
Subscriber's first name	
Subscriber's surname/firm etc.	
Street address etc. (private subscribers; home address)	
Postal code and area	
Date of birth and national ID number	
Dividends to be credited to bank account (11 digits)	
Nationality	
Telephone (at day time)/e-mail	

ADDITIONAL GUIDELINES FOR SUBSCRIBERS

Regulatory issues: In accordance with the Markets in Financial Instruments Directive ("MiFID") of the European Union, Norwegian law imposes requirements in relation to business investments. In this respect, the Manager must categorize all new clients in one of three categories: eligible counterparties, professional clients and non-professional clients. All subscribers in the Offering who are not existing clients of the Manager will be categorized as non-professional clients. Subscribers can, by written request to the Manager, ask to be categorized as a professional client if the subscriber fulfils the applicable requirements of the Norwegian Securities Trading Act. For further information about the categorization, the subscriber may contact ABG Sundal Collier ASA, P.O. Box 1444 Vika, N-0115 Oslo, Norway. **The subscriber represents that he/she/it is capable of evaluating the merits and risks of a decision to invest in the Company by subscribing for Offer Shares, and is able to bear the economic risk, and to withstand a complete loss, of an investment in the Offer Shares.**

Selling Restrictions: The attention of persons who wish to subscribe for Offer Shares is drawn to Section 21 "Selling and Transfer Restrictions" of the Prospectus. The Company is not taking any action to permit a public offering of the Allocation Rights or the Offer Shares (pursuant to the exercise of the Allocation Rights or otherwise) in any jurisdiction other than Norway. Receipt of the Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, the Prospectus is for information only and should not be copied or redistributed. Persons outside Norway should consult their professional advisors as to whether they require any governmental or other consent or need to observe any other formalities to enable them to subscribe for Offer Shares. It is the responsibility of any person wishing to subscribe for Offer Shares under the Offering to satisfy himself as to the full observance of the laws of any relevant jurisdiction in connection therewith, including obtaining any governmental or other consent which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The Allocation Rights and Offer Shares have not been registered, and will not be registered, under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, exercised, pledged, resold, granted, delivered, allocated, taken up, transferred or delivered, directly or indirectly, within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Allocation Rights and Offer Shares have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan, Hong Kong, Singapore or the United Kingdom and may not be offered, sold, exercised, pledged, resold, granted, allocated, taken up, transferred or delivered, directly or indirectly, in or into Australia, Canada, Japan, Hong Kong, Singapore or the United Kingdom or in any other jurisdiction in which it would not be permissible to offer the Allocation Rights or the Offer Shares unless otherwise described in Section 21 of the Prospectus. A notification of exercise of Allocation Rights and subscription of Offer Shares in contravention of the above restrictions may be deemed to be invalid. By subscribing for the Offer Shares, persons effecting subscriptions will be deemed to have represented to the Company that they, and the persons on whose behalf they are subscribing for the Offer Shares, have complied with the above selling restrictions. Persons effecting subscriptions on behalf of any person located in the United States will be responsible for confirming that such person, or anyone acting on its behalf, has executed the investor letter in the form to be provided by the Manager upon request.

Execution Only: The Manager will treat the Subscription Form as an execution-only instruction. The Manager is not required to determine whether an investment in the Offer Shares is appropriate or not for the subscriber. Hence, the subscriber will not benefit from the protection of the relevant conduct of business rules in accordance with the Norwegian Securities Trading Act.

Information exchange: The subscriber acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Commercial Banks Act and foreign legislation applicable to the Manager there is a duty of secrecy between the different units of each of the Manager. This may entail that other employees of the Manager may have information that may be relevant to the subscriber and to the assessment of the Offer Shares, but which the Manager will not have access to in their capacity as Manager for the Offering.

Information barriers: The Manager is a securities firm that offers a broad range of investment services. In order to ensure that assignments undertaken in the Manager's corporate finance departments are kept confidential, the Manager's other activities, including analysis and stock broking, are separated from the Manager's corporate finance departments by information walls. Consequently the subscriber acknowledges that the Manager's analysis and stock broking activity may conflict with the subscriber's interests with regard to transactions in the Shares, including the Offer Shares.

VPS account and mandatory anti-money laundering procedures: The Offering is subject to the Norwegian Money Laundering Act of 6 March 2009 No. 11 and the Norwegian Money Laundering Regulations of 13 March 2009 No. 302 (collectively, the "Anti-Money Laundering Legislation"). Subscribers who are not registered as existing customers of the Manager must verify their identity to the Manager in accordance with requirements of the Anti-Money Laundering legislation, unless an exemption is available. Subscribers who have designated an existing Norwegian bank account and an existing VPS account on the Subscription Form are exempted, unless verification of identity is requested by the Manager. Subscribers who have not completed the required verification of identity prior to the expiry of the Subscription Period will not be allocated Offer Shares. Participation in the Offering is conditional upon the subscriber holding a VPS account. The VPS account number must be stated in the subscription form. VPS accounts can be established with authorised VPS registrars, who can be Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. Establishment of a VPS account requires verification of identity to the VPS registrar in accordance with the Anti Money Laundering Legislation. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Financial Supervisory Authority of Norway.

Terms and conditions for payment by direct debiting - securities trading: Payment by direct debiting is a service the banks in Norway provide in cooperation. In the relationship between the payer and the payer's bank the following standard terms and conditions apply:

a) The service "Payment by direct debiting – securities trading" is supplemented by the account agreement between the payer and the payer's bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions.

b) Costs related to the use of "Payment by direct debiting – securities trading" appear from the bank's prevailing price list, account information and/or information given in another appropriate manner. The bank will charge the indicated account for costs incurred.

c) The authorisation for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank that in turn will charge the payer's bank account.

d) In case of withdrawal of the authorisation for direct debiting the payer shall address this issue with the beneficiary. Pursuant to the Norwegian Financial Contracts Act the payer's bank shall assist if the payer withdraws a payment instruction that has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.

e) The payer cannot authorise payment of a higher amount than the funds available on the payer's account at the time of payment. The payer's bank will normally perform a verification of available funds prior to the account being charged. If the account has been charged with an amount higher than the funds available, the difference shall immediately be covered by the payer.

f) The payer's account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorisation for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorisation has expired as indicated above. Payment will normally be credited the beneficiary's account between one and three working days after the indicated date of payment/delivery.

g) If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Norwegian Financial Contracts Act.

Overdue and missing payments: Overdue payments will be charged with interest at the applicable rate under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100; 8.5% per annum as of the date of the Prospectus. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions in the Public Limited Companies Act and at the discretion of the Manager, not be delivered to the subscriber. The Manager reserve the right to, at any time and at the risk and cost of the subscriber, re-allot, cancel or reduce the subscription and the allocation of the allocated Offer Shares, or, if payment has not been received by the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares in accordance with applicable law. If Offer Shares are sold on behalf of the subscriber, such sale will be for the subscriber's account and risk and the subscriber will be liable for any loss, costs, charges and expenses suffered or incurred by the Company and/or the Manager as a result of, or in connection with, such sales. The Company and/or the Manager may enforce payment for any amounts outstanding in accordance with applicable law.

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Norway

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

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 12 of the Prospectus 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 12.3 of the Prospectus.

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 12 of the Prospectus, 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' 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 Pro Forma Financial Information

The Board of Directors' and Management are responsible for compiling the 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 unaudited pro forma financial information on the basis stated in Section 12.3 of the Prospectus 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 pro forma financial information included in a Prospectus 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 12.3 of the Prospectus; 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 November 2017
PricewaterhouseCoopers AS

Magne Sem

Magne Sem
State Authorised Public Accountant (Norway)