

i n s r
u r e

April 2019



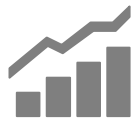
Set for profit in '19

Insr Intro

Q4 & 2018 Highlights

Outlook & Conclusion

Insr in brief



Norwegian company, listed OSE 2014

Non-life insurance; retail & SME
Portfolio Q4 '18 NOK 1.5 bn

Operating in Norway and Denmark

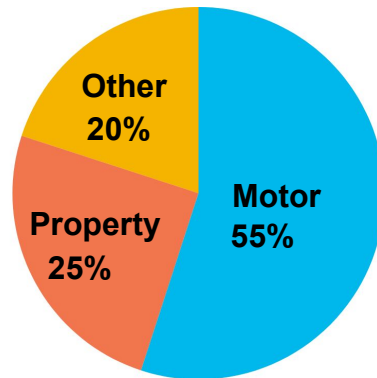
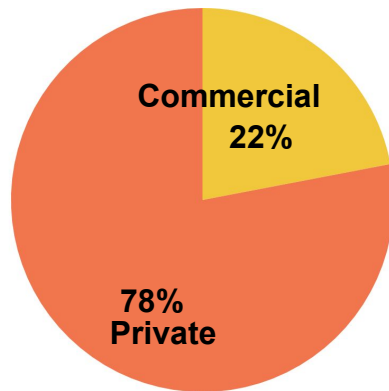
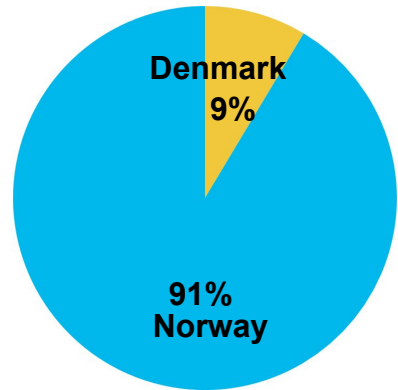
Equity NOK 381 mn, assets NOK 2.6 bn

Solvency ratio 153 %

Market Cap (share @ NOK 8) NOK 1.08 bn

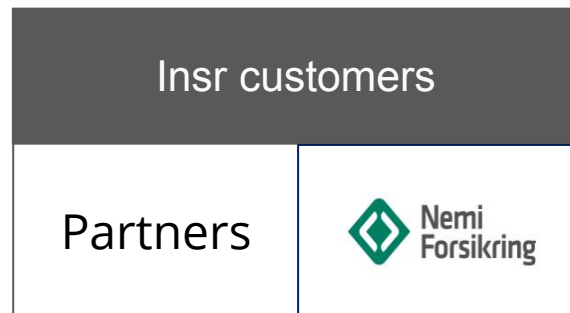
Approximately 150 colleagues

Business



- Partnerships & cooperation core business model
- Distribution strategy highly flexible, supports growth
 - No longer Vardia's costly customer acquisition model
- Customer (concept) universe
 - Tied agents (Nemi), Associations, Companies (e.g. power & retail), Aggregators & Web services (e.g. finance & bank-sites)

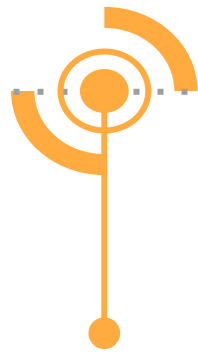
Strategic Platform



- Being regulated is complex, expensive & capital intensive
 - Partners avoid complexity and focus on end-consumer
 - Insr is insurance specialist & risk carrier
 - Insr's business model adapt to & accelerate value chain break-up
- Distribution
 - Plug and play insurance solutions; flexible insurance concepts & cooperation models
 - Partners handle retail distribution

Turnaround 2016-2018 completed

- Avoid public administration
- Define sustainable strategy (wholesale partnerships)



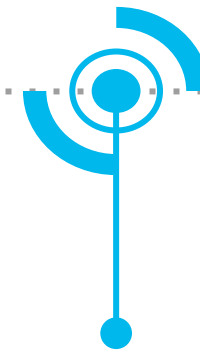
2016

2017



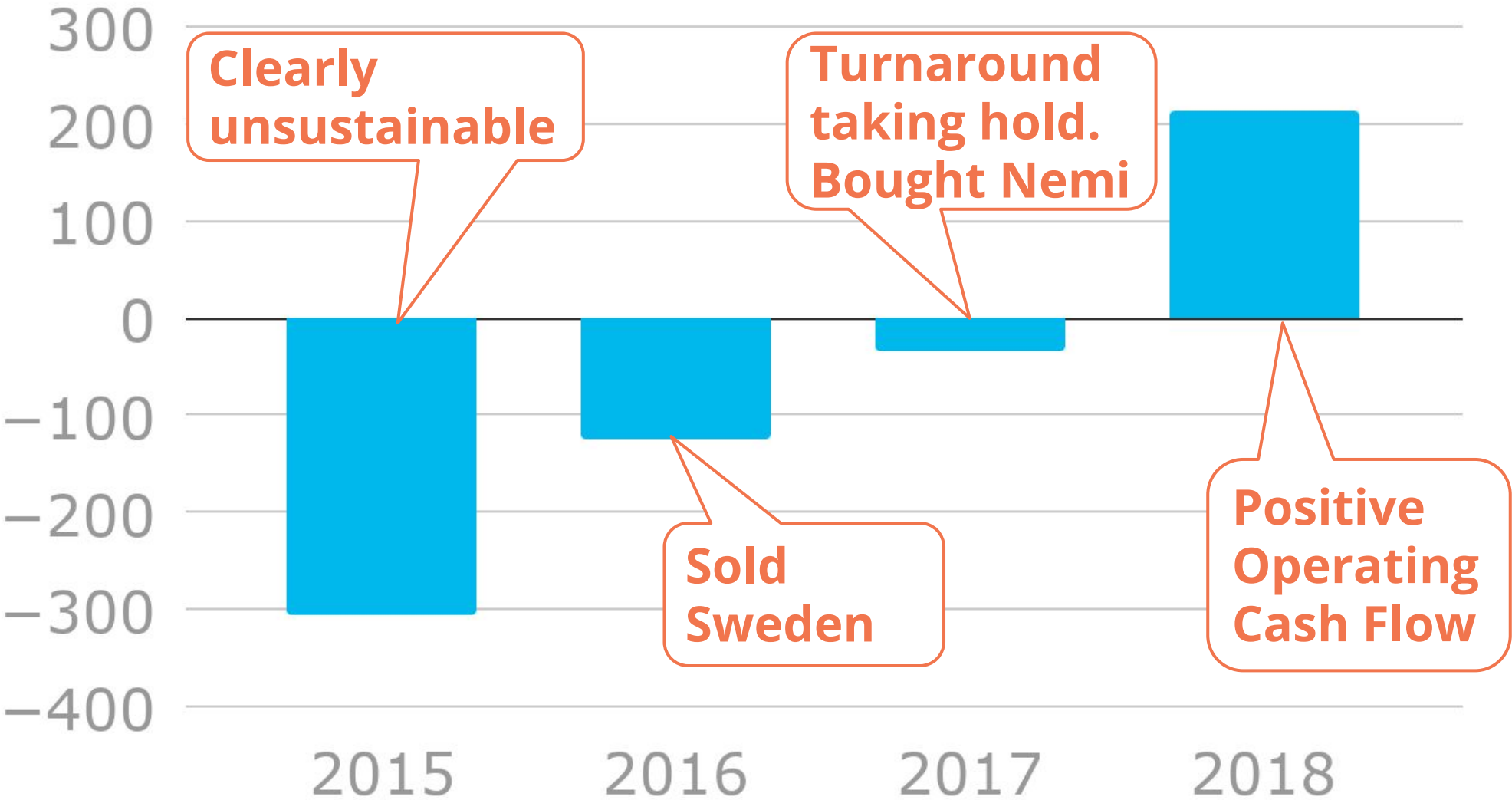
- Get wholesale customers
- Fix capitalization
- Fix scale (Nemi)

- Clean audit
- Price increases
- Integrate and migrate

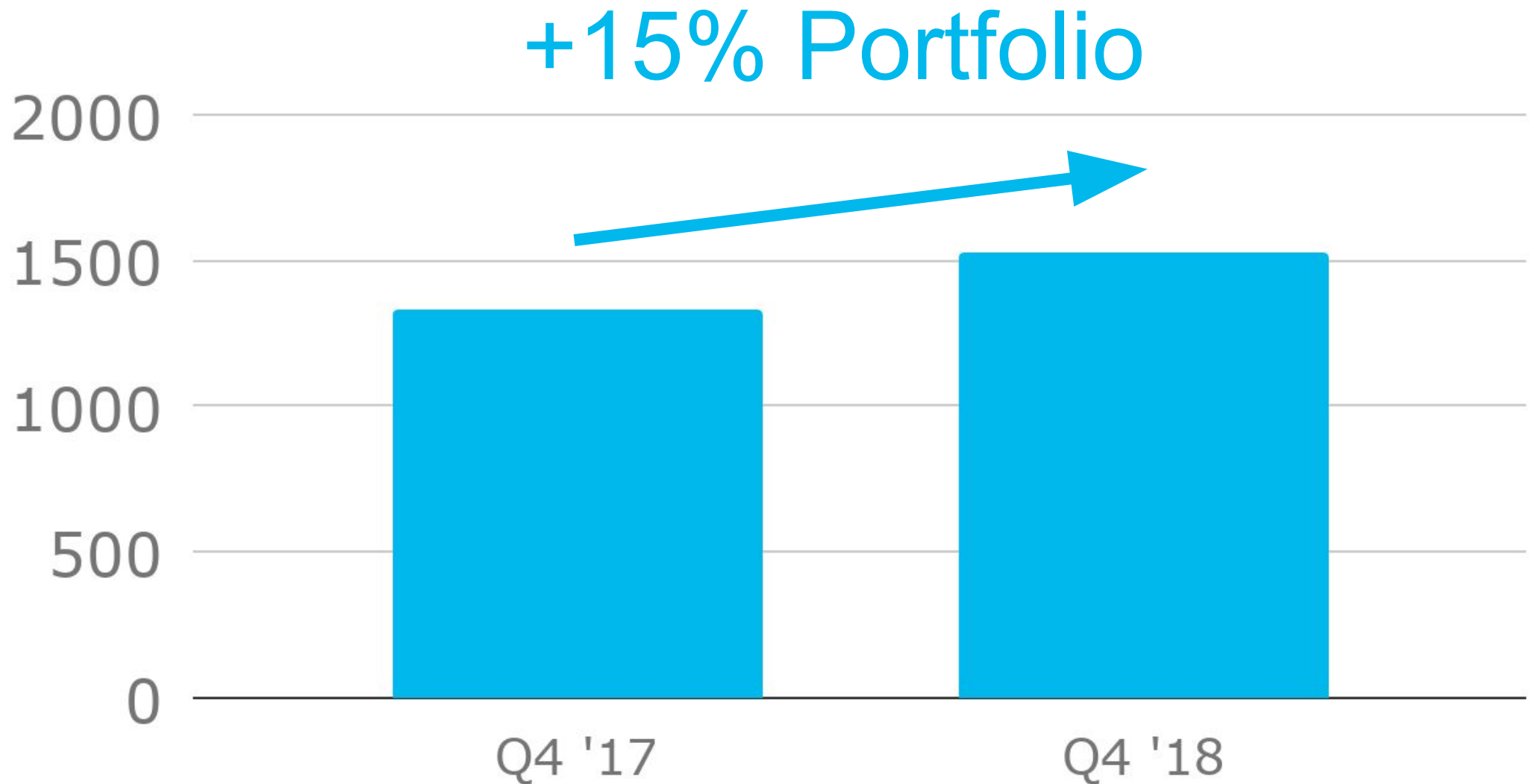


2018

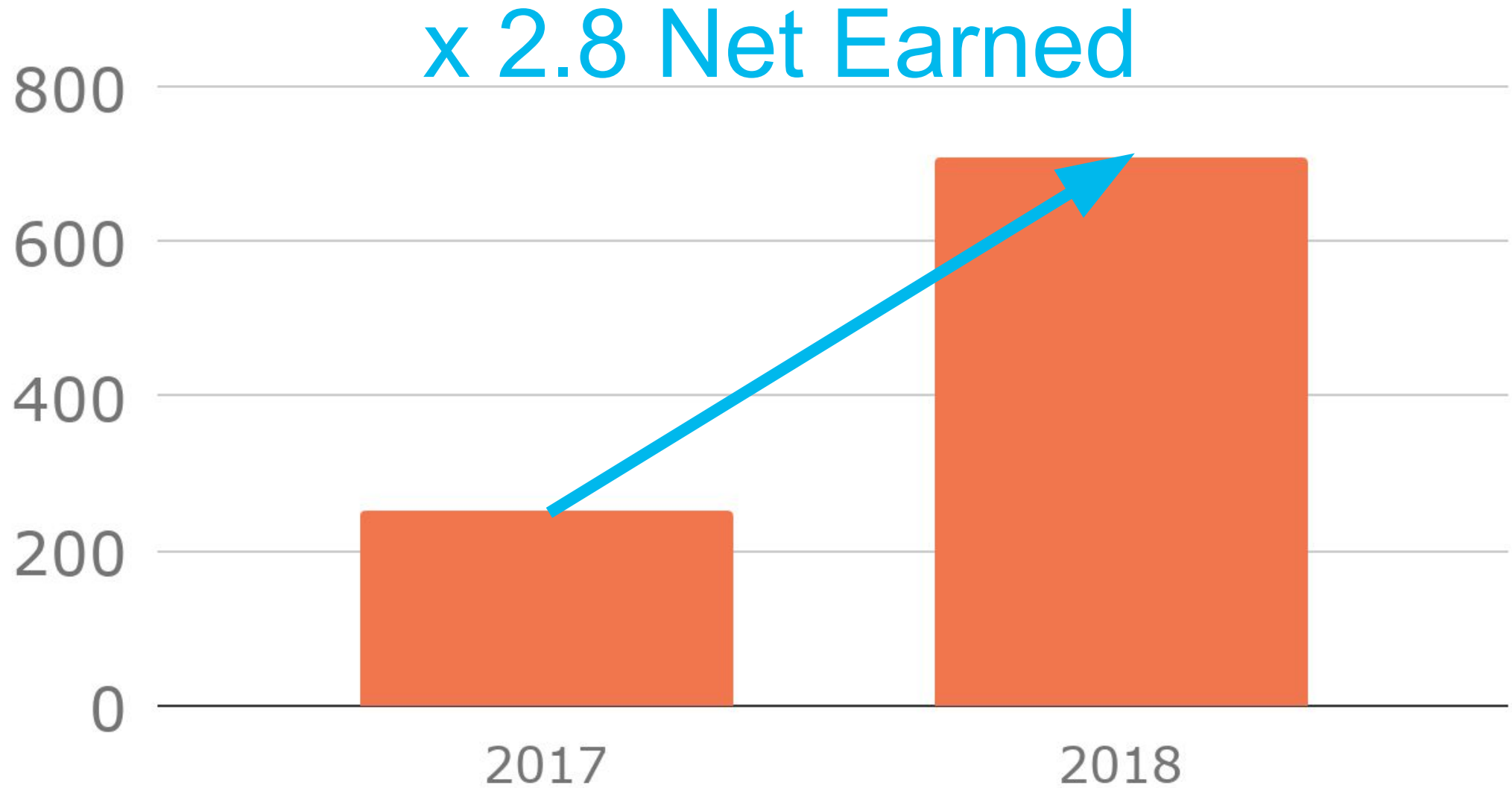
Operating cash burn ended



Strong growth in 2018

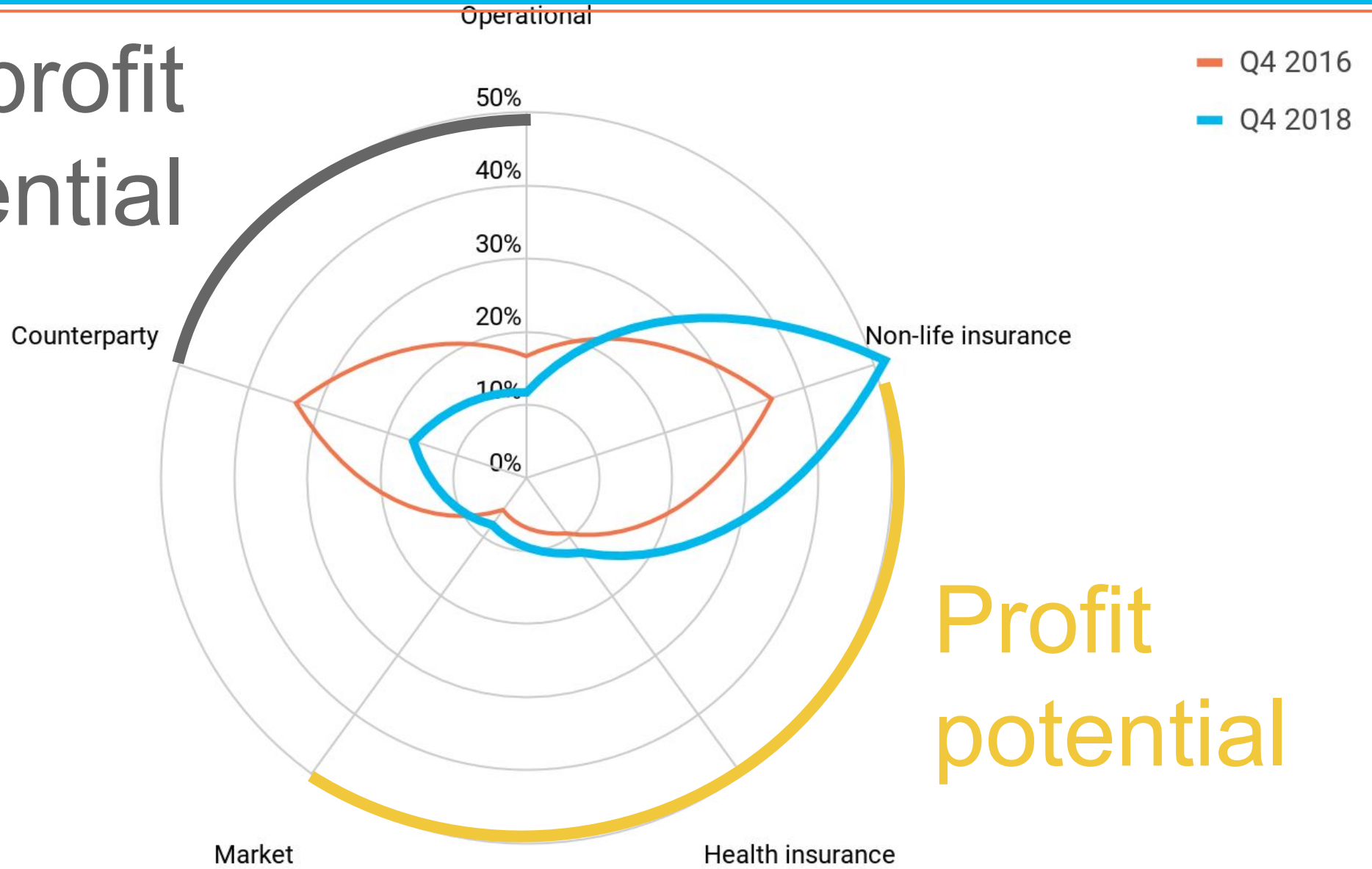


Tripled retained revenues

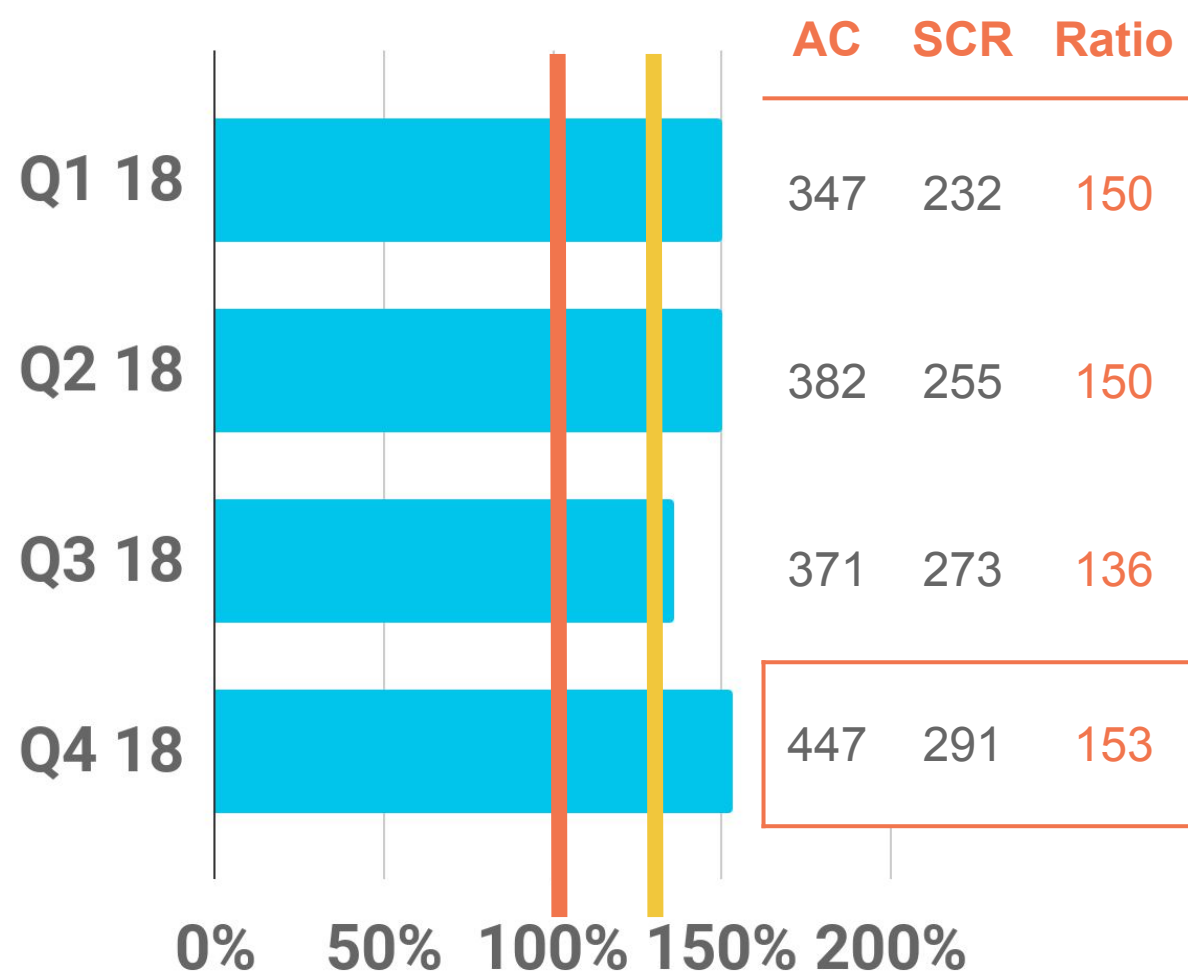


Shifting to risk with return potential

No profit potential



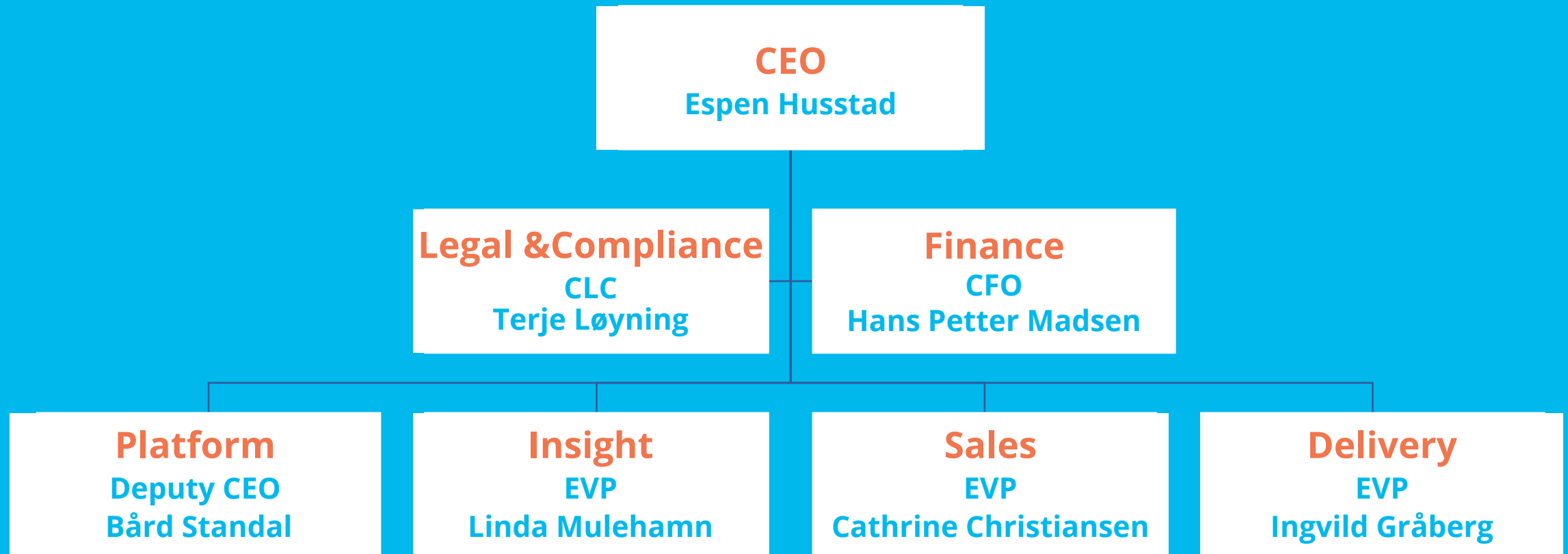
Solid capital base & strong owners



- Solvency ratio 153%
 - Capital above SCR NOK 155 mn
- Financial flexibility from reinsurance
 - Reduced to 40% quota from 01.01.2019
 - Strong panel
- Proven ability of capital raising
 - 3x share capital @market in 2017
 - NOK 75 mn Tier 1 2018; N +3.75%
- Strong owners
 - a. o. Øresund & HDI/Talanx

* Solvency capital and ratios corrected for 2014/15 error
See Annual report Note 22

Group management



Chairman of the Board:
Board Members:

Åge Korsvold
Ragnhild Wiborg, Mernosh Saatchi, Øystein Engebretsen, Ulf Spång,
Benedicte Gedde-Dahl, Christoffer Rudbeck

Company values

Transparent
Accountable
Challenger
Collaborative

Insr Intro

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Nemi integration completed

Positive operating cash-flow 2018

No capital erosion in Q4


NOK 75 million Tier 1 bond

Quota share reduced to 40%

Standal Deputy CEO. From 1.4.19 Madsen CFO

Previous periods NOK 28 mn correction to equity

On track to medium term targets

Targets	Outcome 2018
Low double digit growth	+15% 
Combined Ratio 90-92%	Gross 108% Net 111% Motor claims 46 mn non-rec. cost
Solvency margin > 130%	153% 

Q4 results

<i>(MNOK except otherwise stated)</i>	Q4 2018	Proforma Q4 2017
Gross premium earned	383,9	340,1
Gross claims incurred	(318,4)	(259,1)
Sales costs	(45,1)	(80,1)
Administration costs	(62,1)	(171,0)
Gross underwriting result	(41,6)	(170,2)
Reinsurance share of premium	(179,8)	(215,8)
Reinsurance share of claims	155,5	163,5
Commissions received	48,5	46,3
Reinsurance result	24,2	(6,0)
Net underwriting result	(17,4)	(176,2)
Investment Return	5,0	(0,2)
Other items	(3,8)	(37,8)
Net result	(13,9)	(173,5)

Preliminary 2018

<i>(MNOK except otherwise stated)</i>	2018	Proforma FY 2017
Gross premium earned	1 455,8	1 341,0
Gross claims incurred	(1 175,0)	(946,7)
Sales costs	(180,1)	(194,3)
Administration costs	(216,7)	(353,7)
Gross underwriting result	(116,0)	(153,7)
Reinsurance share of premium	(747,8)	(922,6)
Reinsurance share of claims	610,2	618,2
Commissions received	179,0	212,4
Reinsurance result	41,4	(92,0)
Net underwriting result	(74,6)	(246,6)
Investment Return	10,1	5,0
Other items	(8,2)	(35,8)
Net result	(70,4)	(277,4)

Correction of errors in previous periods

Discovered after preliminary 2018

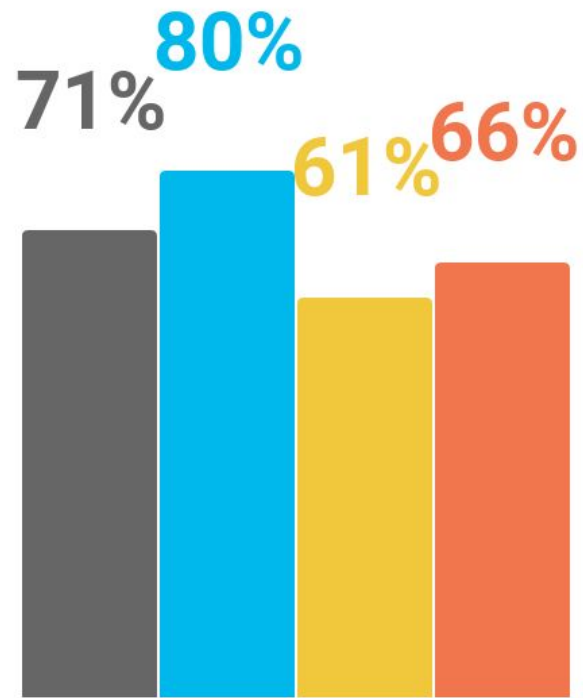
Reinsurance liabilities underestimated

2014 & '15 errors in small portfolio

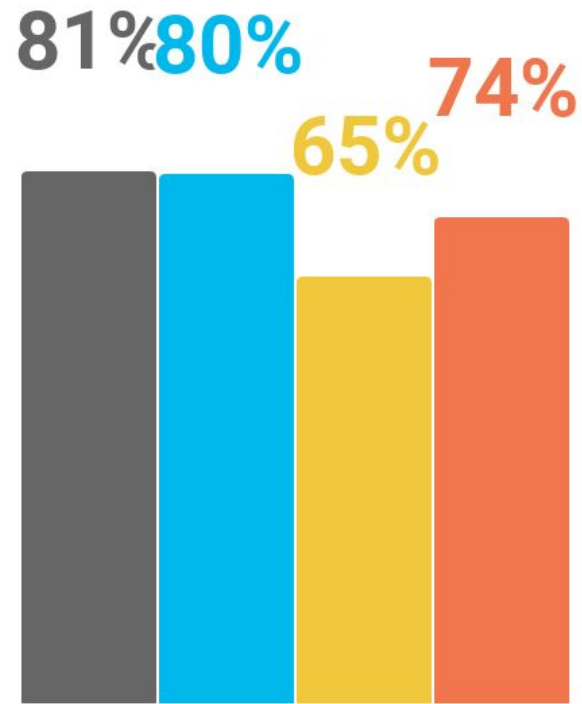
Visible with improved tool & routines

NOK 28.5 mn deducted from equity

Loss ratio



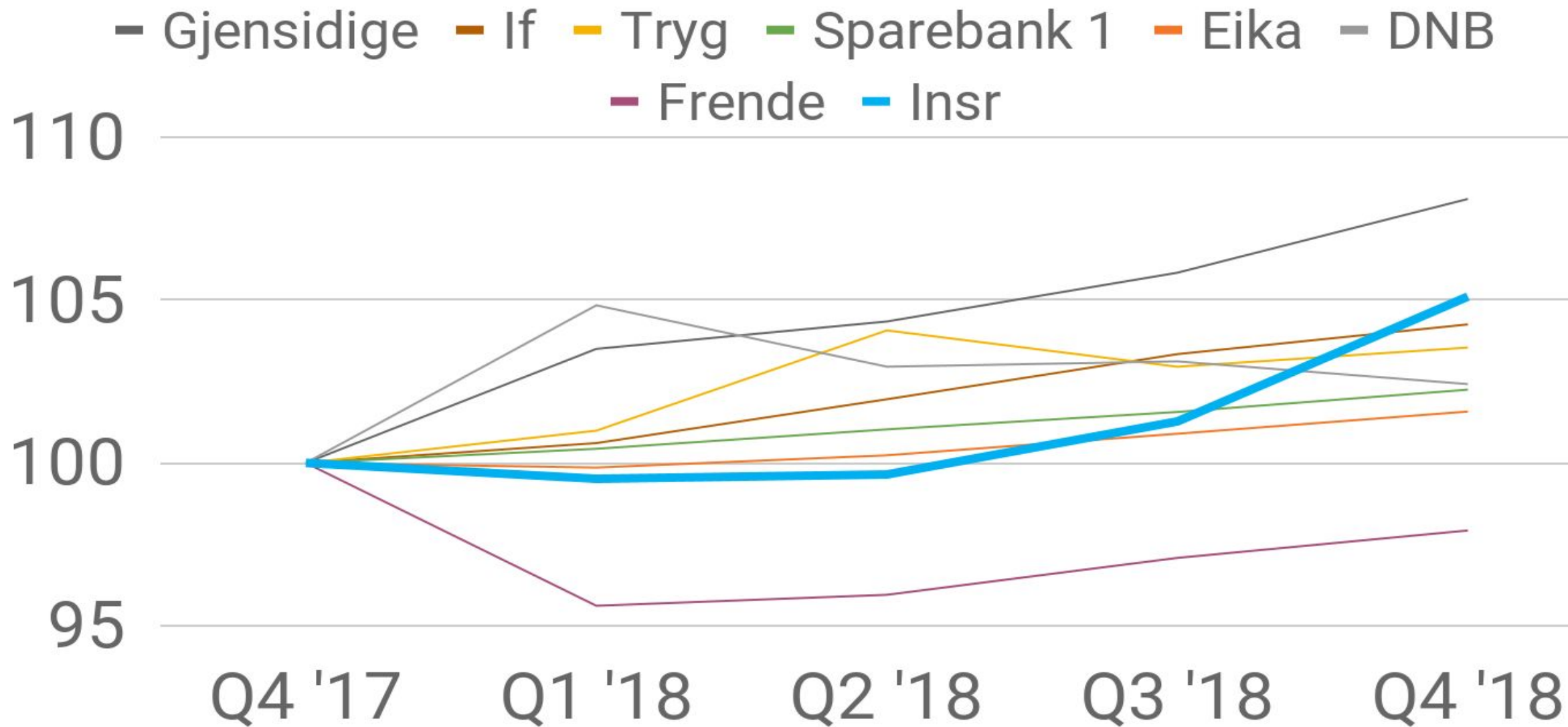
FY 17



FY 18

- Insr gross
- Insr net
- Norwegian market
- Norw. mkt. w. o. Run-off

Ongoing motor repricing



2018 non-recurring

Migration, double processes, continued finance clean-up	MNOK 40
Swedish IT write-off	MNOK 5.6
Total non-recurring costs	MNOK ≈ 46

Insr Intro

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Summary

2016-2018 turnaround completed

Cash flow positive

Double digit growth

On track to cost and claims targets

Prices are increasing

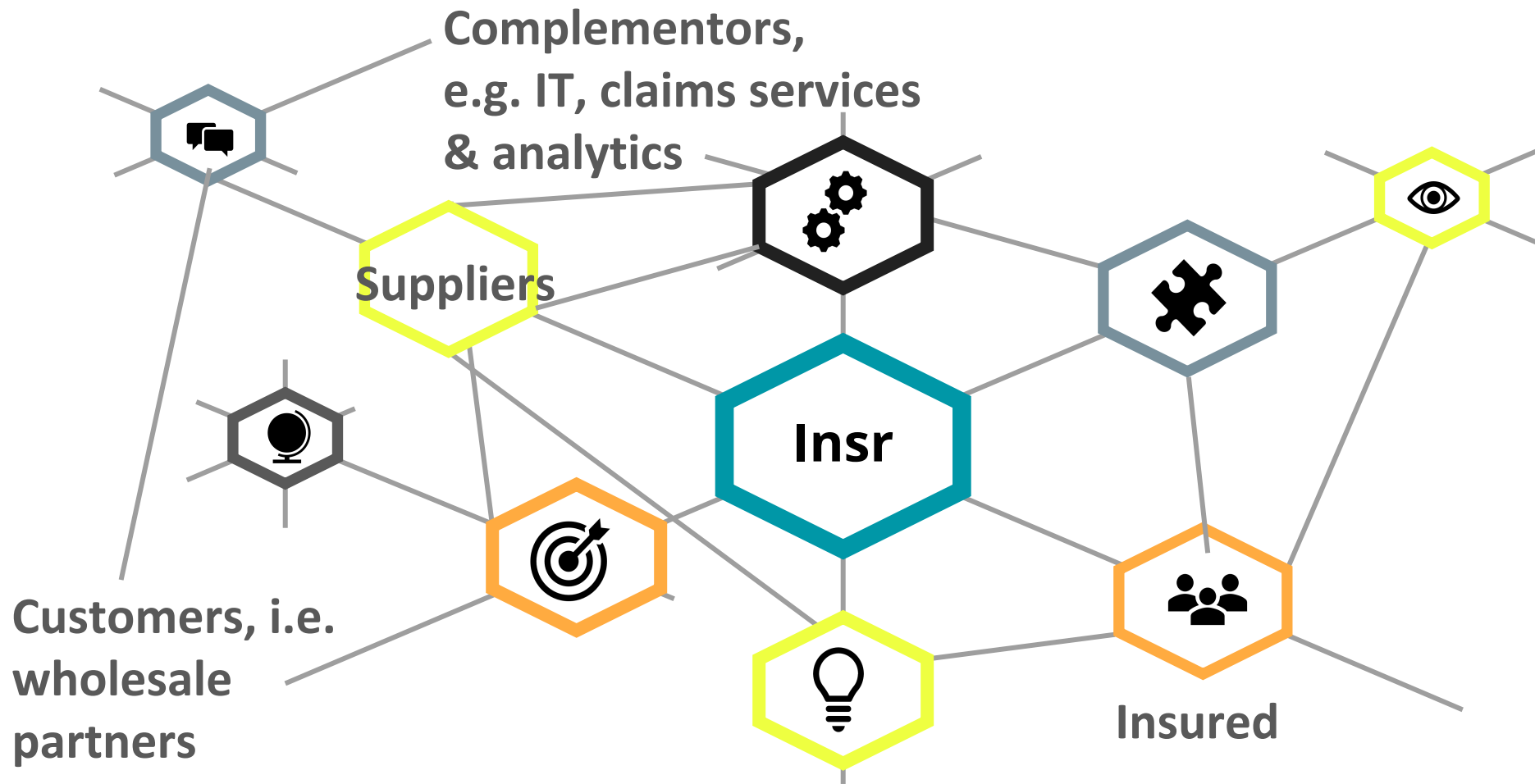
2019 Expectations

Cost ratio continuing downwards

Loss ratio downwards

Set for profitability in '19

Ecosystem Platform



Medium term targets

Portfolio growth

Low double digit

Gross combined ratio

90 - 92%

Solvency ratio

Above 130%

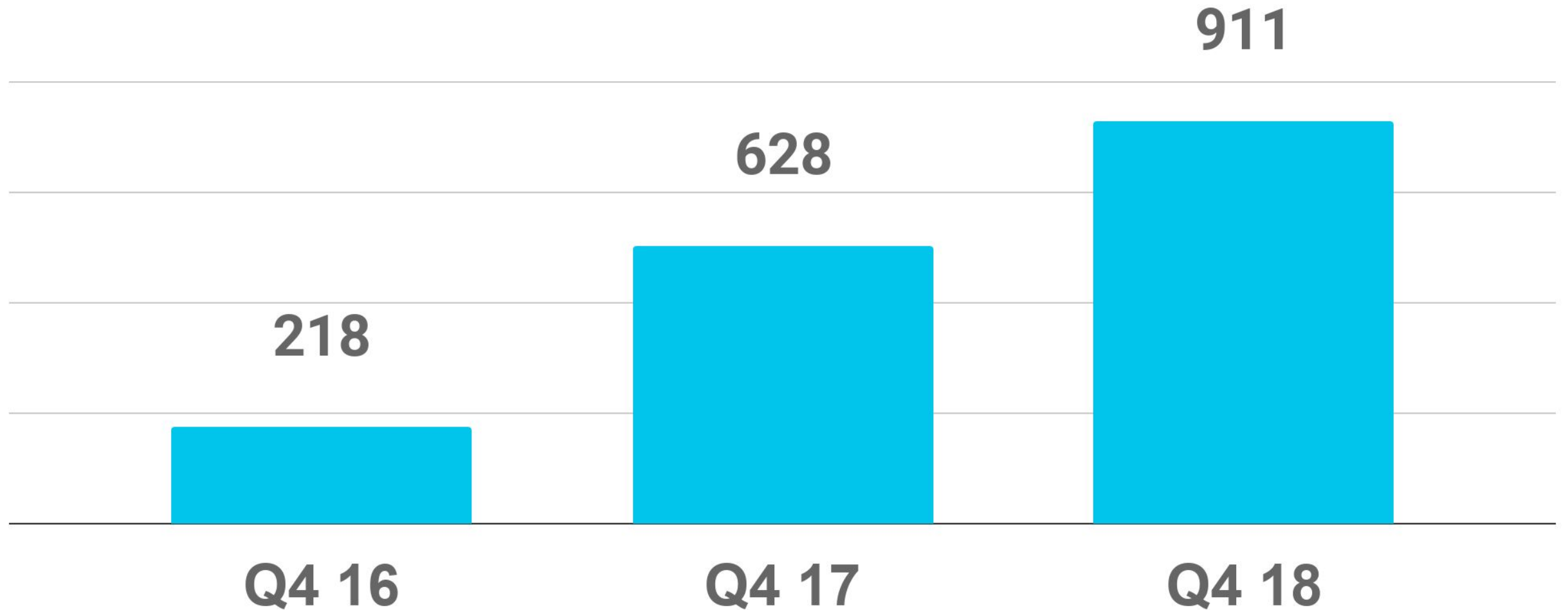
Appendix

Intangible costs

Gross writedown and writeoff	MNOK 28
- Capitalised IT	MNOK 5
Net reduction (cost)	MNOK 23

i.e. 1.6%-pts without solvency impact

Investment assets growing



Tier 1 Bond December '18

Solvency II Tier 1 capital

NOK 75 mn

Perpetual; 5Y call

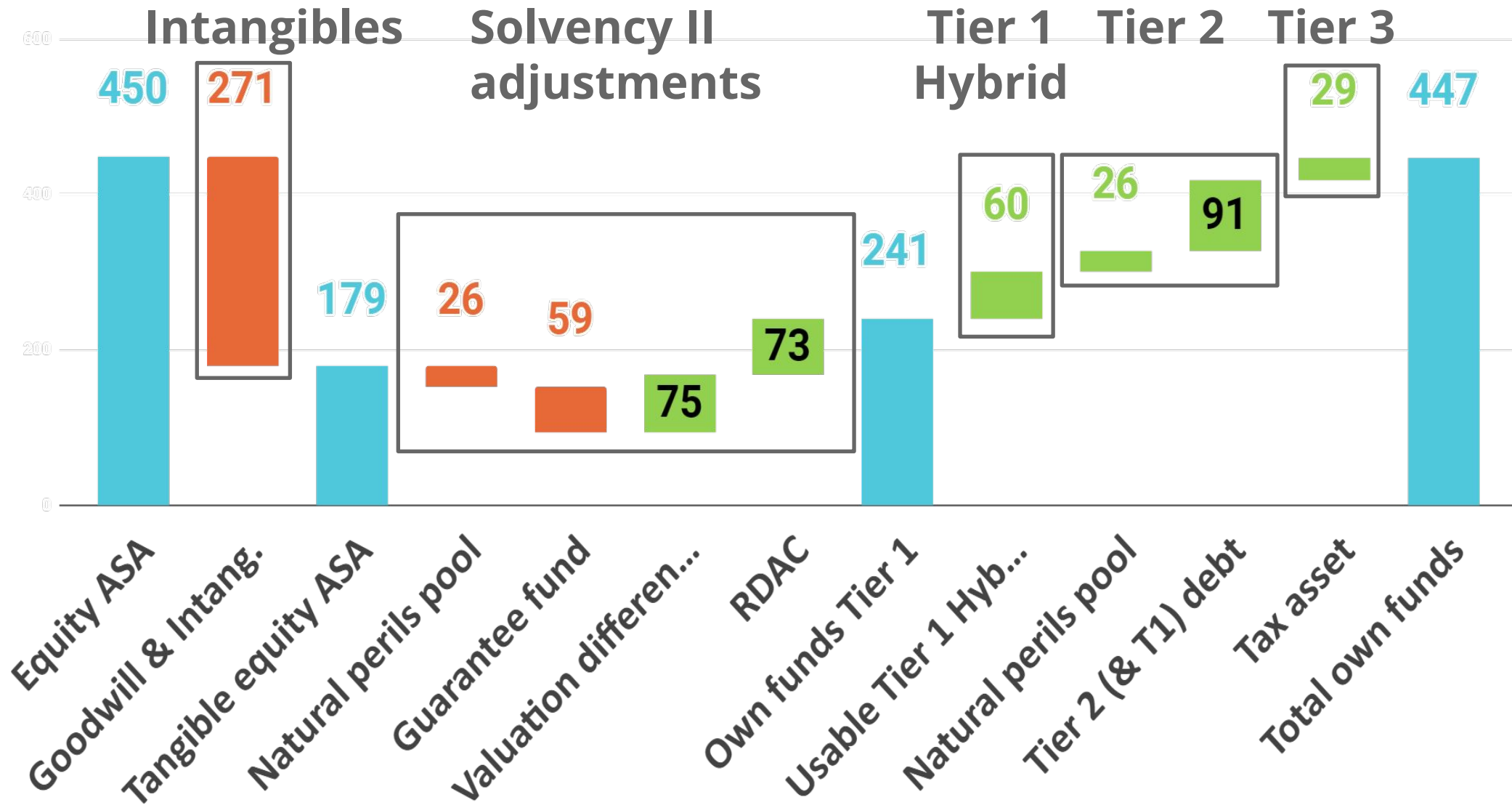
Deeply subordinated

3m NIBOR +3.75%

Continued reduced reinsurance

	UWY 2016	UWY 2017	UWY 2018	UWY 2019
Insr	75%	50%	50%	40%
Nemi	75%	75%		

Solvency Capital vs. IFRS



Capital Markets ½-Day November 27th

We look forward to
welcoming you!

Established player in an industry with high entry barriers and attractive dynamics

Flexible and agile business model supporting challenger position

insure

Management with proven track record and extensive insurance expertise

Financially and operationally restructured; ready for disciplined growth

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