



# Interim Report

## THIRD QUARTER 2021

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INSR INSURANCE GROUP ASA

## Q3 Highlights

- Total insurance risk transfer agreements signed with DARAG in August:
  - A Loss Portfolio Transfer (LPT) agreement in force
  - A Portfolio Transfer Agreement (PTA) conditional on approval from regulators and novation of reinsurance contracts.
- Net result negative in Q3 at NOK 43.4 million. Negative at NOK 64.3 million YTD
- Result from implementing the LPT agreement negative at NOK 46.9 million in Q3 and YTD
- Portfolio transfer to Storebrand develops according to plan. Supports Q3 result with NOK 18.9 million and YTD result with NOK 50.9 million
- Solvency ratio (SCR) at 200 %. Minimum Capital Requirement margin (MCR margin) at 125% (due to the absolute MCR requirement of 41 MNOK)

## Consolidated Key Figures

The Norwegian and Danish business have the same status and are shown combined with no split on continued and discontinued operations from Q3 2021. Comparable figures are changed correspondingly.

<i>(MNOK except otherwise stated)</i>	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Gross premium earned	33,7	280,7	257,4	909,4	1 153,7
Other insurance-related income	0,7	0,3	1,4	0,7	4,9
Gross claims incurred	(35,9)	(173,7)	(258,4)	(685,2)	(875,5)
Sales costs	(0,0)	(28,5)	(5,5)	(79,1)	(105,5)
Insurance-related administration costs	(20,8)	(79,0)	(89,2)	(189,9)	(279,2)
<b>Gross underwriting result</b>	<b>(22,3)</b>	<b>(0,3)</b>	<b>(94,3)</b>	<b>(44,1)</b>	<b>(101,7)</b>
<b>Reinsurance result</b>	<b>12,8</b>	<b>(20,2)</b>	<b>46,9</b>	<b>(14,8)</b>	<b>(29,7)</b>
<b>Net underwriting result</b>	<b>(9,5)</b>	<b>(20,5)</b>	<b>(47,4)</b>	<b>(59,0)</b>	<b>(131,4)</b>
Income from portfolio transfer 1)	18,9	0,0	50,9	0,0	139,9
Result from Loss portfolio transfer (LPT) 2)	(46,9)	0,0	(46,9)	0,0	0,0
Asset write offs	0,0	0,0	0,0	(231,9)	(272,6)
Investment income	1,1	3,8	1,2	17,0	18,3
Other items 3)	(7,1)	(0,7)	(22,1)	(47,5)	(60,0)
<b>Net result</b>	<b>(43,4)</b>	<b>(17,4)</b>	<b>(64,3)</b>	<b>(321,4)</b>	<b>(305,9)</b>
<b>Solvency ratio</b>	<b>200 %</b>	<b>100 %</b>	<b>200 %</b>	<b>100 %</b>	<b>108 %</b>

1) Commissions from the portfolio transfer to Storebrand. 2) Result related to the LPT agreement with DARAG. 3) Includes costs for stay-on packages and termination of IT contracts related to the wind down, interest paid, currency effects, other income and costs, and other comprehensive income (OCI).

# Message from the CEO

As presented in the Q2 report, on the 14<sup>th</sup> of August 2021, Insr signed two agreements with DARAG Deutschland AG. The first agreement, the LPT (Loss portfolio transfer) makes DARAG the reinsurer of all insurance risk in Insr from the 1<sup>st</sup> of April 2021. The second agreement, the PTA (Portfolio Transfer agreement), describes the transfer of all remaining risk related to the insurance business in Insr to DARAG. The PTA with DARAG, together with earlier signed and approved agreements with Storebrand and AmTrust, mean that Insr has new carriers for all its remaining insurance risks.

Since the signing of the agreements with DARAG, the main focus in the company has been on the winding down of the insurance business with the ambition to return the insurance license to the Norwegian FSA before the end of 2021.

However, Insr is still an insurance company, and when focusing on the result for Q3, it is a loss of 43.4 MNOK. This is heavily influenced by effects from the LPT agreement with DARAG, which amounts to -46.9 MNOK, and the process to wind down the insurance business in general. With very little insurance business remaining, Gross Premium Earned was at 33.7 MNOK compared to 280.7 MNOK in Q3 2020. With such little business remaining and still costs needed to run and wind down the business, the gross UW result was at -22.3 MNOK. The result is positively impacted by contributions from commissions connected to the portfolio transfer to Storebrand and a positive reinsurance result. The solvency ratio was at 200% at the end of Q3, and the MCR margin was at 125%.

The PTA with DARAG is subject to approval of the regulators in Norway and Germany, and also to novation (transfer) of reinsurance agreements to DARAG. That is expected to happen before the

end of 2021, also allowing for Insr to return the insurance license during 2021. During Q3, the entire Insr organisation has focused on the work needed to be able to transfer all insurance risk out from the company. There is much complexity in this work and a need for a strong continuous focus.

Currently, the company is in a good place to fulfil the tasks needed to reach the ambition of handing in the insurance license during 2021.

To pick some main areas for going forward, these are, as for Q3:

- In co-operation with DARAG, Insr will focus on making a successful transfer of the historical insurance business to DARAG in line with the LPT- and PTA-agreements
- The active insurance portfolio is still being transferred to Storebrand and that work will continue until the end of November
- Despite on a limited scale, there is still operations that need to be run, not the least on financial reporting, IT, customer service and risk and compliance
- There are also some contractual conflicts that will need to be closed.

Many good colleagues have left Insr for new tasks during my 12 months as CEO of the company, and there is now a rather small group working to fulfil the remaining tasks. I see a strong wish and focus to take the Insr journey to the very special goal line – wind down the insurance business and return the insurance license.

When that is done the most likely next step will be a delisting of the company from the Oslo Stock exchange and a closure of the company. However, this will be depending on decisions by the shareholders.

Chief Executive Officer

# Financial Results

The net result for the third quarter amounted to NOK -43.4 million (NOK -17.4 million).

The nature of the business has changed significantly since third quarter 2020, due to the wind down decision. The main drivers of the third quarter 2021 is related to result from the LPT agreement with DARAG, amounted to NOK -46.9 million, and commissions from the portfolio transfer to Storebrand, amounted to NOK 18.9 million, with no comparable figures in third quarter 2020.

The importance of the ordinary insurance business decreased significantly in third quarter 2021

compared to 2020. Gross premium earned in third quarter amounted to NOK 33.7 million (280.7 million). Gross claims incurred amounted to NOK -35.9 million (NOK -173.7 million). Reinsurance result amounted to NOK 12.8 million (NOK -20.2 million). Operating expenses amounted to NOK 20.8 million (NOK 79.0 million), decreased in line with the winding process.

The third quarter investment income amounted to NOK 1.1 million (NOK 3.8 million).

The net result for the first nine months (YTD) amounted to NOK -64.3 million (NOK -321.4 million).

# Financial position and Liquidity

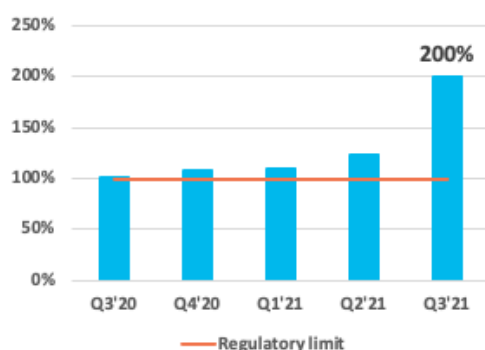
## Consolidated financial position and solvency capital

As of September 30, 2021, total assets amounted to NOK 813,3 million (NOK 1 656.8 million at year end 2020). Total equity amounted to NOK 98.0 million (NOK 162.1 million at year end 2020).

The risk position has changed significantly in third quarter hence the LPT agreement with DARAG. The insurance risk has decreased to 0 and market risk decreased significantly. Counterparty risk has increased relatively to other risk factors. The

solvency ratio (SCR margin) at the end of the quarter was 199.6% and solvency minimum capital requirement (MCR margin) was 124.9%, both above the regulatory requirement at 100%. The nominal margin to the minimum requirements decreased, amounted to NOK 28.6 million and NOK 10.2 million respectively. The minimum capital requirement (MCR margin) is measured towards the nominal minimum requirement, amounting to NOK 41 million

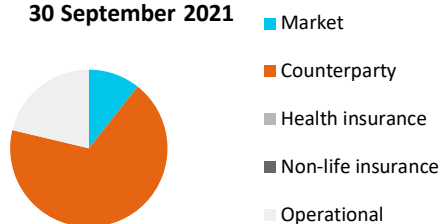
### Solvency Ratio



### Split of eligible capital (MNOK)

Core Tier 1	43
Tier 1 Hybrid	0
Tier 2	14
Tier 3	0
<b>Eligible capital</b>	<b>57</b>

**Solvency Capital Requirement  
30 September 2021**



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

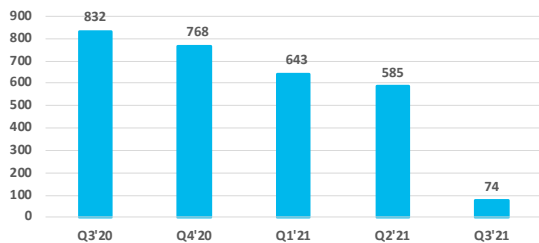
## Change in investments portfolio including cash

Change in the investment portfolio including cash flow was negative at NOK 511 million (negative NOK 109 million) in the third quarter and negative at NOK 694 million (negative NOK 240 million) YTD. The main reason for the negative change in third quarter was the cash distribution to DARAG hence the LPT agreement, amounted to NOK 431

million. In addition, come negative cashflow from paid claims and operating costs.

The investment portfolio, including cash in bank, amounted to NOK 74 million at the end of Q3 2021.

### Investment Portfolio incl. cash (MNOK)



## Subsequent events

No subsequent event to report.

# Outlook

Winding down of the insurance operations is progressing according to plan, and Insr plans to close the insurance operations during 2021 and return the insurance licence before the end of the year. All Norwegian standard insurance policies are being renewed or amended in Storebrand until the end of November when that process is finalized. The transaction agreements that have been entered into with DARAG facilitate a transfer of the remaining parts of the Company's insurance portfolio including the Company's affinity business.

The Board aims to maximise shareholder value and seek the best solution for the company and its shareholders. The Board's immediate priority is still to ensure an orderly exit from the insurance industry to secure that the shareholders will continue to be in control of the company. The Board is focused on that the limited resources in the company can focus on the wind down of the insurance business and the return of the insurance license.

During 2020 and 2021, the Company has reviewed several options for a new future for Insr, in one shape or form. However, until now, no option has materialized.

Assuming that the Company succeeds in closing the insurance business and returning the license, the main hypothesis for the Board, is that the next steps are a delisting of the Company from the Oslo Stock Exchange, a closure of the company and a payment of the remaining funds to the shareholders.

There is potentially value for a buyer of the Company in the listing on the Oslo Stock Exchange and the deferred losses. However, the likelihood that any of these potential values will be made available to Insr's shareholders are uncertain and constrained by Norwegian tax regulations. .

The Board see delisting and closure of Insr as a company as the most likely way forward. However, if opportunities should present themselves along the way, these will be reviewed. Potential decisions about delisting and closure of the Company will need to be taken by the shareholders in Extra General Meetings and would also be dependent on that all outstanding issues for the Company can be solved.

The solvency ratio (SCR) is 200 % and the solvency minimum capital requirement (MCR margin) is 125 % at the end of Q3 2021. As long as Insr carries the license as an insurance company, there will be a need to follow and report on the solvency level. Until then, the solvency situation will be challenging, not the least due to that small sums have a large impact on the solvency level. From a risk point of view, it is important for Insr's solvency position and financial situation to be able to hand in the insurance license before year-end 2021.

As reported earlier, Insr is in a tight financial situation. The agreements with DARAG reduce the insecurity to a considerable extent, but they do not change the financial expectations for Insr in any material way compared to information given earlier. The current expected end game is a small positive net equity, in line with or marginally better than what was communicated in Q4 2020. There is however still noticeable insecurity to the number, not the least based on how the exit from insurance develops. Small deviations from expectations have a significant impact on the outcome.

The Administration and the Board continue to have a strong focus on handling the remaining tasks in a cost efficient way to be able to exit the insurance business with control of the solvency situation and to have good control of the financial situation in Insr.

Oslo, 16 November 2021

The Board of Directors  
Insr Insurance Group ASA

# Group Financial Statements

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

	Note	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
<b>Premium income</b>			<i>Restated</i>		<i>Restated</i>	<i>Restated</i>
Gross premium earned		33 734	280 668	257 368	909 428	1 153 653
Reinsurance share of premium	4	(108 604)	(90 061)	(176 588)	(324 100)	(412 774)
<b>Premium earned for own account</b>		<b>(74 870)</b>	<b>190 607</b>	<b>80 780</b>	<b>585 328</b>	<b>740 880</b>
Other insurance-related income	2	22 799	301	65 618	651	144 808
<b>Net premium incl. other insurance related income</b>		<b>(52 071)</b>	<b>190 908</b>	<b>146 398</b>	<b>585 979</b>	<b>885 688</b>
<b>Claims</b>						
Gross claims incurred		(35 873)	(173 749)	(258 388)	(685 173)	(875 530)
Reinsurance share of gross claims incurred	4	70 879	50 019	163 014	244 019	304 913
<b>Claims incurred for own account</b>		<b>35 006</b>	<b>(123 730)</b>	<b>(95 375)</b>	<b>(441 154)</b>	<b>(570 617)</b>
<b>Operating expenses</b>						
Sales costs		(3 215)	(28 549)	(18 808)	(79 130)	(105 530)
Insurance-related administration costs		(20 815)	(79 015)	(89 211)	(189 921)	(279 167)
Commission received		3 683	19 861	13 637	65 255	78 162
<b>Total operating expenses for own account</b>		<b>(20 346)</b>	<b>(87 703)</b>	<b>(94 382)</b>	<b>(203 796)</b>	<b>(306 535)</b>
<b>Unexpired risk</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Technical result</b>		<b>(37 412)</b>	<b>(20 525)</b>	<b>(43 358)</b>	<b>(58 971)</b>	<b>8 535</b>
<b>Non-technical result</b>						
Investment income		1 757	3 333	905	15 698	16 617
Interest income and other income	6	(630)	484	259	1 325	1 633
Interest expense and other expenses	6	(7 136)	(496)	(22 314)	(46 788)	(59 684)
Write-down of intangible assets		0	0	0	(231 933)	(272 600)
<b>Non-technical result</b>		<b>(6 008)</b>	<b>3 321</b>	<b>(21 151)</b>	<b>(261 698)</b>	<b>(314 033)</b>
<b>Result before tax</b>		<b>(43 420)</b>	<b>(17 204)</b>	<b>(64 509)</b>	<b>(320 669)</b>	<b>(305 497)</b>
Tax		0	0	0	0	0
<b>Net result from total operations before OCI</b>		<b>(43 420)</b>	<b>(17 204)</b>	<b>(64 509)</b>	<b>(320 669)</b>	<b>(305 497)</b>
Currency translation effects		4	(202)	170	(731)	(364)
<b>Total other comprehensive income (loss)</b>		<b>4</b>	<b>(202)</b>	<b>170</b>	<b>(731)</b>	<b>(364)</b>
<b>Total comprehensive income (loss)</b>		<b>(43 416)</b>	<b>(17 406)</b>	<b>(64 339)</b>	<b>(321 400)</b>	<b>(305 861)</b>
Diluted weighted average number of shares	3	148 167	148 167	148 167	148 167	148 167
<b>Diluted earnings (loss) per share</b>	3	<b>(0,29)</b>	<b>(0,12)</b>	<b>(0,43)</b>	<b>(2,17)</b>	<b>(2,06)</b>

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

<b>ASSETS</b>	<b>Note</b>	<b>30.09.2021</b>	<b>30.9.2020</b>	<b>31.12.2020</b>
<b>Intangible assets</b>				
Other intangible assets		0	43 387	0
<b>Total intangible assets</b>		<b>0</b>	<b>43 387</b>	<b>0</b>
<b>Investments</b>				
Investments in shares and parts	6	0	243,233	148
Bonds and other fixed-income securities	5, 6	36 862	734 152	631 572
<b>Total investments</b>		<b>36 862</b>	<b>734 395</b>	<b>631 720</b>
<b>Reinsurance share of gross technical provisions</b>				
Reinsurance share of gross premium provisions	4	9 734	142 834	102 441
Reinsurance share of gross claims provisions	4	579 438	322 998	292 439
<b>Total reinsurance share of gross technical provisions</b>		<b>589 172</b>	<b>465 832</b>	<b>394 881</b>
<b>Receivables</b>				
Receivables in connection with direct insurance and reinsur	6	88 264	299 252	207 127
Receivables in connection with associates		23 855	122 922	103 325
Other receivables	2, 6	36 638	59 074	164 927
<b>Total receivables</b>		<b>148 757</b>	<b>481 247</b>	<b>475 379</b>
<b>Other assets</b>				
Cash and cash equivalents	6	37 164	98 104	136 188
Plant and equipment		0	9 713	0
<b>Total other assets</b>		<b>37 164</b>	<b>107 817</b>	<b>136 188</b>
<b>Prepaid expenses and earned income not received</b>				
Prepaid costs and earned income not received	6	1 337	22 478	18 592
<b>Total prepaid expenses and earned income not received</b>		<b>1 337</b>	<b>22 478</b>	<b>18 592</b>
<b>Total assets</b>		<b>813 292</b>	<b>1 855 156</b>	<b>1 656 760</b>



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

	Note	30.09.2021	30.9.2020	31.12.2020
<b>Paid-in equity</b>				
Share capital		118 534	118 534	118 534
Share premium		1 542 267	1 542 267	1 542 267
Sub.loan classified as equity		0	0	75 000
Other paid-in equity		75 000	0	0
<b>Total paid-in equity</b>		<b>1 735 801</b>	<b>1 660 801</b>	<b>1 735 801</b>
<b>Other equity</b>				
Other reserves		(1 728 297)	-1 692 075	(1 665 170)
Provision for Natural Perils Fund		34 219	11 310	8 142
Provision for Guarantee scheme		0	37 314	27 057
Provision for Guarantee scheme		56 227	57 363	56 227
<b>Total equity</b>		<b>97 951</b>	<b>74 713</b>	<b>162 056</b>
<b>Subordinated loans</b>	6	<b>75 995</b>	<b>150 787</b>	<b>75 773</b>
<b>Technical provisions</b>				
Gross premium reserve	4	9 734	507 105	385 433
Gross claims reserve	4	579 438	779 613	735 637
<b>Total technical provisions</b>		<b>589 172</b>	<b>1 286 718</b>	<b>1 121 070</b>
<b>Accrued liabilities</b>				
Pension liabilities		3 073	3 018	3 073
<b>Total Accrued liabilities</b>		<b>3 073</b>	<b>3 018</b>	<b>3 073</b>
<b>Financial liabilities</b>				
Liabilities in connection with direct insurance and reinsurance	6	8 049	141 989	96 793
Other liabilities	6	9 515	114 460	99 282
<b>Total financial liabilities</b>		<b>17 564</b>	<b>256 450</b>	<b>196 075</b>
<b>Accrued costs and received unearned income</b>	6	<b>29 536</b>	<b>83 469</b>	<b>98 713</b>
<b>Total liabilities</b>		<b>715 340</b>	<b>1 780 443</b>	<b>1 494 704</b>
<b>Total equity and liabilities</b>		<b>813 291</b>	<b>1 855 157</b>	<b>1 656 760</b>

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

	Share capital	Share premium	loans class. as equity	Other paid in Equity	Other equity	Other reserves	Natural Perils Pool	Guarantee scheme	Total
<b>Equity as at 1st January 2020</b>	<b>118 534</b>	<b>1 542 267</b>	<b>75 000</b>	<b>0</b>	<b>(1 372 161)</b>	<b>9 185</b>	<b>38 686</b>	<b>57 363</b>	<b>468 873</b>
Changes in provisions					12 874	(108)	(11 630)	(1 136)	0
Option expenses					2 080	(935)			1 146
Result from continued operations					(225 033)				(225 033)
Result from disc. Operations					(80 464)				(80 464)
Other changes					(364)				(364)
Other result components					(2 101)				(2 101)
<b>Equity as at 31st December 2020</b>	<b>118 534</b>	<b>1 542 267</b>	<b>75 000</b>	<b>0</b>	<b>(1 665 169)</b>	<b>8 142</b>	<b>27 056</b>	<b>56 227</b>	<b>162 056</b>
<b>Equity as at 1st January 2021</b>	<b>118 534</b>	<b>1 542 267</b>	<b>75 000</b>	<b>0</b>	<b>(1 665 169)</b>	<b>8 142</b>	<b>27 056</b>	<b>56 227</b>	<b>162 056</b>
Changes in provisions					(7 163)	34 219	(27 056)		0
Option expenses					8 375	(8 142)			233
Profit before OCI					(64 509)				(64 509)
Other result components					170				170
Converting Tier 1 Loan to equity			(75 000)	75 000					0
<b>Equity as at 30th September 2021</b>	<b>118 534</b>	<b>1 542 267</b>	<b>0</b>	<b>75 000</b>	<b>(1 728 296)</b>	<b>34 219</b>	<b>0</b>	<b>56 227</b>	<b>97 951</b>

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

	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
<b>Cash flow from operations</b>					
Paid in premiums	38 860	235 900	168 461	889 779	1 118 037
Paid claims	(84 163)	(205 221)	(404 869)	(782 606)	(1 048 498)
Received from (Paid to) reinsurers	(413 200)	863	(352 922)	(14 596)	92 041
Paid operating expenses	(106 848)	(130 254)	(231 434)	(306 660)	(425 966)
Interest income/-expense	(1 335)	(1 163)	(4 120)	(6 312)	(7 061)
Other including traffic insurance tax	50 508	(11 189)	131 970	(23 497)	(33 567)
<b>Net cash flow from operations</b>	<b>(516 178)</b>	<b>(111 064)</b>	<b>(692 913)</b>	<b>(243 893)</b>	<b>(305 014)</b>
<b>Cash flow from investment activities</b>					
Investments in assets	0	0	0	(19 507)	260 100
Investments in fixed income funds	480 451	110 100	597 952	160 100	(19 507)
<b>Net cash flow from investment activities</b>	<b>480 451</b>	<b>110 100</b>	<b>597 952</b>	<b>140 593</b>	<b>240 593</b>
<b>Cash flow from financial activities</b>					
Repayment of lease liabilities	(1 439)	(2 010)	(15 254)	(5 535)	(7 568)
Receipts of repayment on lease receivables	341	879	10 616	3 084	3 973
<b>Net cash flow from financing activities</b>	<b>(1 098)</b>	<b>(1 131)</b>	<b>(4 638)</b>	<b>(2 451)</b>	<b>(3 595)</b>
Exchange rate differences on cash and cash equivalents	121	(770)	575	(620)	(272)
<b>Net cash flow for the period</b>	<b>(36 704)</b>	<b>(2 865)</b>	<b>(99 023)</b>	<b>(106 371)</b>	<b>(68 288)</b>
Cash and cash equivalents at the beginning of the period	73 868	100 969	136 188	204 475	204 475
Cash and cash equivalents at the end of the period	37 164	98 104	37 164	98 104	136 188
<b>Net cash flow for the period</b>	<b>(36 704)</b>	<b>(2 865)</b>	<b>(99 023)</b>	<b>(106 371)</b>	<b>(68 288)</b>
<b>Specification of cash and cash equivalents</b>					
Cash in bank	29 259	86 413	29 259	86 413	123 626
Restricted cash	7 905	11 690	7 905	11 690	12 562
<b>Total cash and cash equivalents</b>	<b>37 164</b>	<b>98 104</b>	<b>37 164</b>	<b>98 104</b>	<b>136 188</b>

# Notes to the Financial Statements

## NOTE 1 Accounting principles

These interim accounts have been prepared according to IFRS and IAS 34 Interim Financial Reporting.

All business in Insr, both the Norwegian and the Danish, are from this Q3 report considered to be discontinued operations and presented combined. Comparable figures are restated correspondingly. Restated figures only have effect at presentation of the consolidated income statement, but with no effect at net result. The restated figures do not have any effect at equity or any other lines at the consolidated statement of financial position. Apart from that, these interim accounts are in line with the principles described in the annual report for 2020. For further information, please see the annual report.

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

The interim financial statements are not audited.

## NOTE 2 Other insurance related income

Other insurance related income (NOK 1,000)	9 months 2021	FY 2020
Gross gain from sale of customer portfolio *	59 858	139 854
Other insurance related income	5 760	4 954
<b>Total other insurance related income</b>	<b>65 618</b>	<b>144 808</b>

### \* Net gain from sale of customer portfolio:

Gross gain from sale of customer portfolio	59 858
Other provision	5 890
Gains transferred to sales partners booked as sales cost	(13 383)
Other effects to profit and loss accounts	(1 461)
<b>Net gain from sale of customer portfolio</b>	<b>50 904</b>

Seller`s credit on sale of customer portfolio (NOK 1,000)	30.09.21
Book value as at 31.12.2020	150 000
Commission invoiced Storebrand	(195 619)
Estimate change of income from transaction	50 904
Other changes	16 069
<b>Book value as at 30.9.2021</b>	<b>21 354</b>

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

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

After 9 months Insr has invoiced commission of MNOK 195.6, which is MNOK 50.9 higher than the estimated as of 31.12.20.

### NOTE 3 Earnings (loss) per share

(NOK 1,000)	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Net result incl. comprehensive income	(43 416)	(17 406)	(64 339)	(321 400)	(305 861)
<b>Basic earnings (loss) per share and diluted</b>	<b>(0,29)</b>	<b>(0,12)</b>	<b>(0,43)</b>	<b>(2,17)</b>	<b>(2,06)</b>

(NOK 1,000)	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Net result incl. comprehensive income	(43 416)	(17 406)	(64 339)	(321 400)	(305 861)
Weighted average of ordinary shares (in 1,000)	148 167	148 167	148 167	148 167	148 167
Diluted weighted average of shares (in 1,000)	148 167	148 167	148 167	148 167	148 167
<b>Earnings (loss) per share diluted</b>	<b>(0,29)</b>	<b>(0,12)</b>	<b>(0,43)</b>	<b>(2,17)</b>	<b>(2,06)</b>

### NOTE 4 Loss Portfolio Transfer

Insr Insurance Group ASA signed two agreements with DARAG Deutschland AG at 13 August 2021:

- A Loss Portfolio Transfer (LPT): Transfer all insurance risk to DARAG with a quota share reinsurance.
- A Portfolio Transfer Agreement (PTA): Transfer fronting liabilities to customers and reinsurers.

The LPT was set in force at signing, and the PTA is conditional on approval from regulators in Norway and Germany and novation of reinsurance contracts.

The cash consideration at completion of the LPT amounted to NOK 321.4 million and DKK 79.7 million.

The agreed insurance risk transfer related to the LPT is from 1 April 2021. Hence the result effect of the LPT is a combination of the balance sheet status at 31 March 2021 and reversal of the insurance result between 1 April 2021 and 13 August 2021. The net negative result effect of the LPT at completion amounts to NOK 46.9 million charged to reinsurance share of premiums and claims.

Net premiums and claims in the balance sheet is 0 at 30.9.2021, hence the total insurance risk transfer agreed in the LPT with DARAG:

Balance sheet effects	30.09.2021
Reinsurance share of gross premium provision	9 734
Reinsurance share of gross claims provision	579 438
Gross premium provision	-9 734
Gross claims provision	-579 438
<b>Net premiums and claims provision</b>	<b>0</b>

### NOTE 5 Bonds and other fixed-income securities

The value of the investment portfolio as of September 30th, 2021, was NOK 36.9 million, invested in Norwegian money market funds. The funds are managed externally.

## Note 6 Financial assets and liabilities

Financial assets	Fair value level	Book value 30.09.2021	Market value 30.09.2021	Book value 31.12.2020	Market value 31.12.2020
Investments in shares and parts	2	0	0	148	148
Bonds and other fixed-income securities	1	36 862	36 862	631 572	631 572
Other financial assets	2	0	0	0	0
Receivables in connection with direct insurance and r	2	88 264	88 264	207 127	207 127
Other receivables	2	36 638	36 638	164 927	164 927
Prepaid costs and earned income not received	2	1 337	1 337	18 592	18 592
Cash and cash equivalents	1	37 164	37 164	136 188	136 188
<b>Total financial assets</b>		<b>200 264</b>	<b>200 264</b>	<b>1 158 554</b>	<b>1 158 554</b>

Financial liabilities	Fair value level	Book value 30.09.2021	Market value 30.09.2021	Book value 31.12.2020	Market value 31.12.2020
Subordinated loans	2	75 995	75 995	75 773	75 773
Other liabilities	2	9 515	9 515	99 282	99 282
Premium deposits from reinsurance companies	2	-	-	-	-
Liabilities in connection with direct insurance and reir	2	8 049	8 049	96 793	96 793
Accrued costs and received unearned income	2	29 536	29 536	98 713	98 713
<b>Total financial liabilities</b>		<b>123 095</b>	<b>123 095</b>	<b>370 561</b>	<b>370 561</b>

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

## Note 7 Subsequent Events

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

# Additional Financial Data

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

Insr ASA Condensed Income Statement (NOK 1,000)					
	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
<b>Premium income</b>					
Gross premium earned	33 734	280 668	257 368	909 429	1 153 653
Reinsurance share of premium	(108 604)	(90 060)	(176 588)	(324 099)	(412 774)
<b>Premium earned for own account</b>	<b>(74 870)</b>	<b>190 608</b>	<b>80 780</b>	<b>585 330</b>	<b>740 879</b>
Other insurance-related income	22 799	301	60 703	651	119 808
<b>Net premium incl. other insurance related income</b>	<b>(52 071)</b>	<b>190 909</b>	<b>141 484</b>	<b>585 981</b>	<b>860 687</b>
<b>Claims</b>					
Gross claims incurred	(35 873)	(173 749)	(258 388)	(685 173)	(883 427)
Reinsurance share of gross claims incurred	70 879	50 018	163 014	244 020	304 914
<b>Claims incurred for own account</b>	<b>35 006</b>	<b>(123 731)</b>	<b>(95 375)</b>	<b>(441 153)</b>	<b>(578 513)</b>
<b>Operating expenses</b>					
Sales costs	(3 215)	(27 993)	(18 808)	(94 319)	(124 293)
Insurance-related administration costs	(20 769)	(76 064)	(88 424)	(180 933)	(259 090)
Commission received	3 683	19 861	13 637	65 255	78 163
<b>Total operating expenses for own account</b>	<b>(20 301)</b>	<b>(84 196)</b>	<b>(93 595)</b>	<b>(209 997)</b>	<b>(305 220)</b>
<b>Unexpired risk</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Technical result</b>	<b>(37 366)</b>	<b>(17 018)</b>	<b>(47 486)</b>	<b>(65 169)</b>	<b>(23 046)</b>
<b>Non-technical result</b>					
Investment income	1 757	(4 207)	905	8 158	15 081
Interest income and other income	(631)	1 117	377	3 277	4 296
Interest expense and other expenses	(7 136)	1 579	(17 674)	(44 710)	(109 704)
Write-down of tangible and intangible assets	0	0	0	(218 290)	(258 957)
<b>Non-technical result</b>	<b>(6 009)</b>	<b>(1 511)</b>	<b>(16 392)</b>	<b>(251 565)</b>	<b>(349 284)</b>
<b>Result before tax</b>	<b>(43 375)</b>	<b>(18 529)</b>	<b>(63 878)</b>	<b>(316 734)</b>	<b>(372 330)</b>
Tax	0	0	0	0	0
<b>Net result</b>	<b>(43 375)</b>	<b>(18 529)</b>	<b>(63 878)</b>	<b>(316 734)</b>	<b>(372 330)</b>

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

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

<b>ASSETS</b>	<b>30.09.2021</b>	<b>31.12.2020</b>
<b>Investments</b>		
Investments in shares and parts	0	148
Bonds and other fixed-income securities	36 862	631 572
<b>Total investments</b>	<b>36 862</b>	<b>631 720</b>
<b>Reinsurance share of gross technical provisions</b>		
Reinsurance share of gross premium provisions	9 734	102 441
Reinsurance share of gross claims provisions	579 438	292 439
<b>Total reinsurance share of gross technical provisions</b>	<b>589 172</b>	<b>394 881</b>
<b>Receivables</b>		
Receivables in connection with direct insurance and reinsurance	112 119	207 127
Receivables in connection with associates	7 306	103 325
Other receivables	36 649	174 220
<b>Total receivables</b>	<b>156 074</b>	<b>484 673</b>
Cash and cash equivalents	33 383	130 162
<b>Total other assets</b>	<b>33 383</b>	<b>130 162</b>
<b>Prepaid expenses and earned income not received</b>		
Prepaid costs and earned income not received	1 337	18 592
<b>Total prepaid expenses and earned income not received</b>	<b>1 337</b>	<b>18 592</b>
<b>Total assets</b>	<b>816 828</b>	<b>1 660 028</b>

<b>Insr ASA Condensed Statement of Financial Position</b>		
<b>EQUITY AND LIABILITIES</b>	<b>30.09.2021</b>	<b>31.12.2020</b>
<b>Paid-in equity</b>		
Share capital	118 534	118 534
Share premium	1 542 267	1 542 267
Sub.loan classified as equity	0	75 000
Other paid-in equity	75 000	0
<b>Total paid-in equity</b>	<b>1 735 801</b>	<b>1 735 801</b>
<b>Other equity</b>	<b>(1 724 739)</b>	<b>(1 662 073)</b>
Other reserves	34 219	8 142
Provision for Natural Perils Fund	0	27 057
Provision for Guarantee scheme	56 227	56 227
<b>Total equity</b>	<b>101 509</b>	<b>165 153</b>
<b>Subordinated loans</b>	<b>75 995</b>	<b>75 773</b>
<b>Technical provisions</b>		
Gross premium reserve	9 734	385 433
Gross claims reserve	579 438	735 637
<b>Total technical provisions</b>	<b>589 172</b>	<b>1 121 070</b>
<b>Accrued liabilities</b>		
Pension liabilities	3 073	3 073
<b>Total Accrued liabilities</b>	<b>3 073</b>	<b>3 073</b>
<b>Financial liabilities</b>		
Liabilities in connection with direct insurance and reinsurance	8 049	96 793
Other liabilities	9 494	99 453
<b>Total financial liabilities</b>	<b>17 543</b>	<b>196 246</b>
<b>Accrued costs and received unearned income</b>	<b>29 536</b>	<b>98 713</b>
<b>Total liabilities</b>	<b>715 319</b>	<b>1 494 875</b>
<b>Total equity and liabilities</b>	<b>816 828</b>	<b>1 660 028</b>



# Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Disclaimer

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

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