

Insr: Q1 2021 results – Wind down in good progress

Oslo, May 12th, 2021

Insr Insurance Group ASA (OSE: INSR) announces results for first quarter 2021.

A presentation of the results by the Group's senior management will take place today at 08:30 CET - see details below.

Insr is in a special situation, with the task of and focus on winding down the insurance business. The key parts in that process are to transfer all customers to new insurance carriers, transfer data to the relevant parties and close all business relationships.

The net result in Q1 2021 is negative at NOK 24.8 million (negative at NOK 26.6 million in Q1 2020). It is strongly influenced by the process to wind down the business. The insurance business in Norway in isolation presents a decent first quarter with a gross loss ratio of 78,3%. The net loss, is however below the company's expectations. Two main factors explain the negative result. The first is that the costs become high in relation to the decreasing insurance income. The second reason is that we have made a reserve strengthening in Denmark due to claims adjustments of several cases in workers compensation above expectations. This has a negative effect in profit and loss amounting to NOK 14.3 million. It is likely that the negative result in Q1 will, at least partly, have a negative impact on the available equity at the end of the wind down process.

The negative result in Q1 has had a negative effect on the solvency ratio, and to fulfil the solvency ratio requirements, the Tier1 loan amounting to NOK 75 million, has been fully utilized. Hence the solvency ratio is 109.9% at the end of Q1 2021 compared to 107.9% at the end of 2020. As communicated earlier, there is a risk that the solvency ratio will go below 100% in 2021. The result development in Q1 has increased that risk. With the limited size of the business, the sensitivity to changes in the capital situation is large.

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

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

Niclas Ward, CEO, comments: *The task for the company continues to be clear - winding down the insurance business in a controlled manner, and there is a strong focus to succeed, for the benefit of customers, shareholders and employees. The Q1 results were more negative than expected and it is still too early to say what the end state will be, but everybody on the Insr team is working hard to reach the best possible solution.*

Q1 2021 Financial Highlights:

- Premium earned for own account (net) was NOK 107 mn (NOK 188 mn)
- Gross loss ratio in Norway was 78.3% (82.8%)
- Net result in Norway was a loss of NOK 11 mn (loss of NOK 23 mn)
- Total result, incl. run-off in Denmark, was a loss of NOK 25 mn (loss of NOK 27 mn)
- The solvency ratio was 109.9%. At the end of Q4 2020, the solvency ratio was 107.9%.

Presentation details

Niclas Ward (CEO) and Hans Petter Madsen (CFO) will present results on May 12th at 08:30 CET through participative webcast only.

Click on the following link to follow the May 12th Q1 2021 presentation.

[Webcast presentation LIVE from 08:30](#)

The interim report and webcast presentation for the first quarter of 2021 are attached to this release. The webcast presentation is not intended to be a stand-alone presentation and should be read in conjunction with management's comments and the quarterly report.

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Insr Insurance Group ASA was established in 2009 and listed on the Oslo Stock Exchange, with headquarters in Oslo. The company's main task and focus going forward are to wind down the insurance business.