



EGM ACQUISITION OF NEMI FORSIKRING AND PRIVATE PLACEMENT

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Espen Husstad, CEO

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Highlights

Acquisition of Nemi Forsikring

- Excellent strategic fit & significant synergies
- Nemi:
 - *P&C insurer with portfolio very similar to Insr's*
 - *Improved portfolio quality and claims ratios recent years*
 - *75-80% quota share reinsurance*

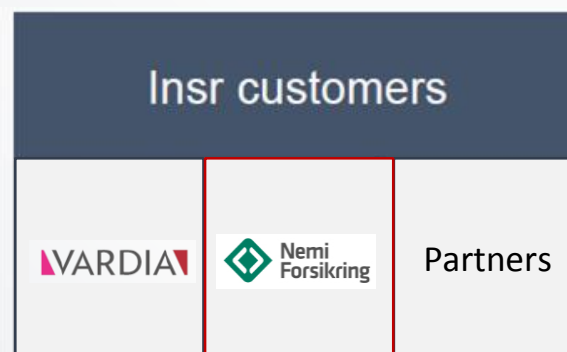
Private Placement & Repair Issue

- Private placement up-sized due to high demand and good potential uses of capital
- Strengthened owner base
- Repair issue after Closing

Merger fits well with multi-brand strategy



- Focus on underwriting and risk assessment
- Plug and play insurance solutions



- Customers handle retail distribution
- Customers take distribution cost risk and define retail consumer experience

- **NEMI natural addition**
- **Strong franchise/ tied agent player**

Attractive transaction both strategically and financially

- **Strengthened competence base and reduced enterprise risk**
 - Double portfolio results in better data quality for analysis, improved portfolio, and risk reducing portfolio diversification
 - Larger competence base, use best processes and systems to gain further market share through flexible and attractive offering to partners
- **Significant synergies on top of strategic benefits**
 - Double portfolio gives scale economics on costs
 - Annual synergy potential estimated at appr. NOK 60 mn unlocked through integration one off cost estimated to appr. NOK 40 mn
 - Potential to improve claims ratios further
 - Reduce Nemi's reinsurance quota and improve terms
 - Utilise large (~NOK 1 bn) combined deferred tax asset
- **Target combined ratio (gross) in the level of 90-92% near term**
 - Claims ratio ~70% & Cost ratio ~20-22%

Transaction structure and financing

- Purchase Price NOK 320 mn
 - NOK 230 mn in cash
 - NOK 90 mn in new Insr shares
- Private placement of around NOK 400 mn
- Largest owners post transaction
 - Investment AB Öresund (~17%)
 - Alpha Group (~10%)
 - Kistefos AS (~9%)
 - German insurance group HDI V.a.G (~8%)
- Closing of transaction expected in Q4, subject to approvals from Norwegian Financial Supervisory and Competition Authorities
- Repair issue of up to NOK 40 mn after Closing, ~7 shares per right, subscription price NOK 7 per share

Integration process

- Integration project office with participation from both companies established
- Special focus on IT-platform with dedicated project group
- Continuous Top management and Board oversight



- Proven track record of company transformations

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

Flexible and agile business model supporting challenger position

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Management with proven track record and extensive insurance expertise

Financially and operationally restructured; ready for disciplined growth