Qudos Insurance

QUDOS INSURANCE A/S

The Solvency and Financial Condition Report

(for the financial year ended 31 December 2017)

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Summary

Qudos Insurance A/S ("the 'Company') is a private limited non-life insurance company incorporated in Denmark. Qudos Insurance is 100% owned by QIC Holdings ApS, "QICH".

This document sets out the solvency and financial condition of the Company and its direct holding company QIC Holdings ApS at December 31, 2017 in accordance with the EU Solvency II Regulation.

2017 was a year of transition, where the Company has undergone significant changes to focus and prepare the business for a new strategy. In March 2017, Qudos Insurance was acquired by New Nordic Holding. The underlying vision and idea is for Qudos Insurance to serve as the platform for a Nordic insurance strategy. As part of the new focused Nordic strategy a number of agents have been cancelled and thus classified as discontinued business.

The continued business realized a profit of 5 mDKK compared to a loss in 2016 of 95 mDKK. The performance improved mainly due to increases in premiums levels, adoption of new pricing, changes to policy terms and conditions and renegotiation of agent commissions, broker fees etc.

The discontinued business incurred a loss of 111 mDKK mainly due to significant under-reserving at year-end 2016 and contractual commitments in relation to cancelled agent business. The overall result for 2017 shows a loss of 90 mDKK after tax compared to a loss of 136 mDKK in 2016.

The result is considered unsatisfactory but necessary to prepare the company for the future.

As part of the transformation Qudos Insurance has cancelled non-profitable business and as such no longer writes any general motor business in the UK – a business segment that previously was a large part of the overall business but also the main problem that resulted in losses. Also, other non-profitable agents/binders have been cancelled. All in all, Qudos has gone from 31 active binders at the peak in 2016 to now 12.

Further, Qudos has undergone a clean-up process. All insurance programs have undergone a detailed reserve review, and consequently many of the related reserves on these programs have been strengthened significantly as they were under-reserved by the end of 2016.

The organization has been strengthened in key areas with the recruitment of Robert Thornedahl as new Managing Director and other key employees. Qudos will continue to strengthen key positions in the company.

Investment Performance

Qudos' investment strategy underwent a change in 2017 to address the sub-standard historical performance and the large portion of assets in negatively yielding instruments.

New Nordic Capital, an insurance industry focused asset manager specialized in cross-asset investing and managers of fixed-income and alternative assets, took full control of Qudos' investable assets in March 2017 with the aim of optimizing returns, subject to constraints, and moving the book out of negatively yielding assets.

Qudos' investment activities reported an overall result of -1.6 mDKK for 2017, up from -16.4 mDKK in 2016. The encouraging results were driven in large part by the change in asset management where, despite the capital restrictions, a satisfactory return was generated.

Capital Performance

The Company closely monitors its capital adequacy ratio and expect this ratio would continue to steadily improve throughout 2018.

The capital situation of Qudos Insurance has improved significantly under the new ownership. As such, the capital solvency Adequacy ratio (SCR ratio) has improved from end of 2016 at a level of 101 % to end 2017 at 122%. The improvements during 2017 are many but primarily driven by:

1. Capital injection in March 2017 of 22,5 mDKK – impacted the SCR ratio positively by expected 10%
2. Increase of reserves during the year 2017 – impacted negatively on the SCR ratio by 36%
3. Capital injection by the end of year 2017 of 44,7 mDKK – impacted the SCR ratio positively by 22%
4. Reduction in business volume - impacted the SCR ratio positively by 10%
5. Actively increased market risk - impacted the SCR ratio negatively by 3-4%
6. Back book transaction and entering in to a portfolio transfer agreement - impacted the solvency ratio by 12%

At year-end, the excess capital (own fund less solvency capital requirement) amounted to 37 mDKK, corresponding to a solvency ratio of 122. The Company uses the standard formula under Solvency II to calculate the Solvency Capital Requirement.

During 2017, Qudos negotiated a back-book portfolio transfer agreement with a specialized reinsurance/run-off company that was signed after the balance sheet date. The securitization agreement resulted in a transfer of a gross run off portfolio of approximately 240 mDKK and net 82 mDKK. The transfer of the portfolio is now awaiting regulatory approval. Further to this, Qudos is in the process of transferring additional up to 550 mDKK run off portfolios that in relative size will impact the SCR ratio positively by additional 20-30%.

Overall, Management expects that based on these actions and on the continued business performing at the expected level, the SCR ratio by year-end will be at a level of 130-140%.

The Solvency II position at December 31, 2017:

Solvency Capital Requirement, "SCR"	136 mDKK
Eligible Own Funds	166 mDKK
Surplus	30 mDKK
SCR Coverage (Own Funds/SCR)	122 %

A: Business and Performance

A.1 Business

Company name and legal entity

This report covers Qudos Insurance A/S, (the 'Company'), a limited liability company incorporated in Denmark.

The Company is a wholly-owned subsidiary of QIC Holdings ApS "QICH", a private limited company incorporated in Denmark and with the ownership of the Company as its sole purpose.

Supervisory Authority

The Danish Financial Supervisory Authority ("DFSA")
Århusgade 110
DK-2100 Copenhagen Ø
Denmark

Telephone: +45 3355 8282
Website: www.finanstilsynet.dk

External Auditor

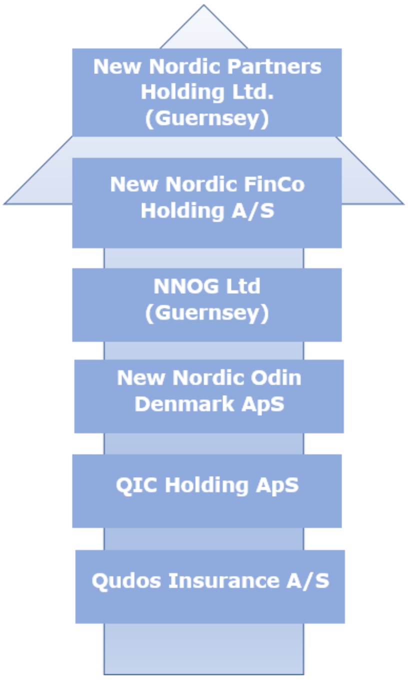
PricewaterhouseCoopers, PwC
Strandvejen 44
DK-2900 Hellerup
Denmark

Telephone: +45 3945 3945
Website: www.pwc.dk

Holders of Qualifying Holdings

In March 2017, New Nordic Odin Denmark ApS ("New Nordic") acquired QICH from the previous majority owner Echelon Financial Holdings Inc. ("Echelon").

New Nordic Odin Denmark ApS is a private limited company registered and domiciled in Denmark operating as an insurance management holding company and is ultimately owned by New Nordic Holding Limited, a private limited company registered and domiciled in Guernsey.



A.2 Underwriting Performance

Qudos Insurance' business model is to write direct non-life insurance as program business through a network of managing agents. The network of managing agents provides all policy and claim management support required by the Company. They also manage the network of producing sales agents and brokers. All activities provided by managing agents are carried out in compliance with the standards and guidelines of the Company and under the control of the Company.

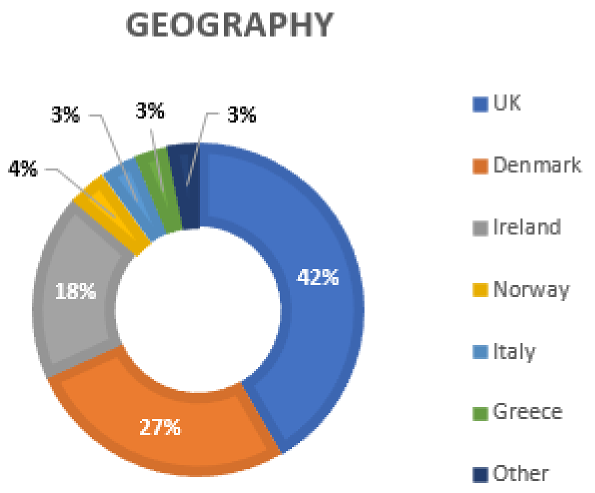
Continued business is business written by MGAs under an active and ongoing Binder. Ceased business is written under terminated Binders or programs in run off.

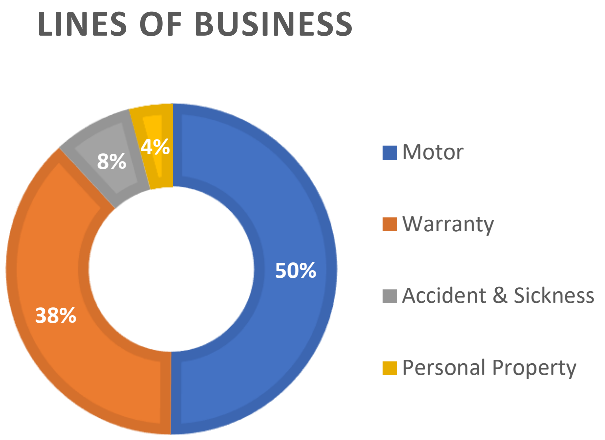
The continued business realized a profit of 5 mDKK compares to a loss in 2016 of 95 mDKK. Main contributors to the result are:

- Increase in premium levels
- Adoption of new pricing
- Changes to policy terms and conditions
- Renegotiation of Agent commissions and broker fees

The discontinued business incurred a loss of 111 mDKK mainly due to significant under-reserving at year-end 2016 and contractual commitments in relation to cancelled agent business.

Breakdown of aggregate premium revenues distributed by geography and lines of business:





A.3 Investment Performance

The portfolio underwent a structural shift with the newly appointed asset manager, New Nordic Capital, at the helm from March 2017, and several fixed income assets posted very strong returns for 2017. A key shift saw approximately 20% of the portfolio move in to sovereign debt qualifying for a capital charge exemption under Solvency II, with a key focus on peripheral sovereigns, such as Portugal and Spain.

Investments	**2017**	**2016**
Interest income and dividend etc.	5.839	14.095
Currency and marketable securities adjustments	-3.687	-27.142
Interest expenses	-794	-419
Administrative expenses relating to investment activities	-2.958	-2.976
Return on investments, total	**-1.600**	**-16.442**

Exposures to covered bonds made up almost 50% of the investable assets. A portion of the portfolio was re-positioned with an emphasis on Danish Mortgage Backed Securities to gain exposure to assets with a favourable treatment under Solvency II and yield pick-up relative to sovereign alternatives.

Strategic allocation was made in high yield assets with the aim of optimizing yield to SCR and risk, as well as equities where exposures were gained through capital efficient derivative exposures. These exposures provided an uplift to the portfolio and helped improve the 2017 return of investable assets, during New Nordic Capital's nine-month tenure, to 1.6%.

A.4 Performance of other Activities

Assets held temporarily

Qudos Insurance A/S entered into an agreement to purchase non-listed shares prior to end December 2017. This agreement was conditioned upon several key elements and conditions being delivered and met. After the balance sheet date, it became clear that these conditions would not be met. As such, these shares were disposed of after the balance sheet date and exchanged to other assets at the same value as the purchase price.

Deferred tax	**2017**	**2016**
Net income before tax	-107.913	-128.150
Deferred tax	12.500	-

Recognized as:

Deferred tax assets as at 1 January	-	7.794
Deferred tax related to profit/loss for the year	18.106	-
Actual tax – contribution from joint taxed companies	-5.606	-
Deferred tax assets as at 31 December	12.500	-

Qudos deferred tax assets consist of taxable loss carried forward within the joint taxation with its sister companies.

The basis for revaluing the deferred tax assets is:
- Qudos is jointly taxed with profit making sister companies from 24 August 2017.
- The taxable loss is recognized within the period of joint taxation.
- Qudos' sister companies expect to utilize the tax loss carried forward within the joint taxation.
- Qudos' sister companies realized a taxable profit in 2017 and has a history of positive income. An amount of 5 million DKK at tax value is expected to be utilized for 2017.
- The basis for sister companies' utilization are based on annual budgeted taxable profits of approximately 10-15 million DKK per year, resulting in utilization of taxable losses under the joint taxation within a period of less than 4 years relating to the remainder of 7.5 million DKK.

A.5 Any Other Information

Nothing to report.

B. System of Governance

B.1 General Information on the System of Governance

Qudos Insurance A/S is a registered limited liability insurance company domiciled in Copenhagen, Denmark and is carrying out its business under the supervision of the Danish Financial Supervisory Authority, "Finanstilsynet".

The Company is subject to risk management requirements of the Danish Financial Business Act and Solvency II, that requires governance measures to be implemented in Qudos Insurance A/S.

The Company has implemented such governance measures in a way that:

- reflects the nature, scope and complexity of a company and the risks that a company faces according to the principle of proportionality.
- Implement the key control functions: Risk Management, Actuarial Function, Compliance Function and the Internal Audit Function, having adopted the 3-line of defense system in the corporate management structure.
- Ensures the segregation of functions.
- has adopted a risk approach to management.
- has adopted an approach to securing personal data compliance in the day-to-day as well as in the overall management.

Board of Directors

Qudos Insurance A/S is governed by a two-tier management system consisting of a Board of Directors and a Management Board. The Board of Directors consists of minimum four members. The Board of Directors evaluates annually its overall qualifications to ensure that all members of the Board of Directors are sufficiently competent and skilled. The Board of Directors is specially focused on qualifications for: management experience, economic experience, insurance experience, accounting experience, finance experience, experience of Mergers and Acquisitions as well as legal and international experience.

The responsibilities and duties of the Board of Directors and the Management Board are defined in the Rules of Procedure for the Board of Directors and an Annual Cycle for the Board of Directors, an instruction and an authorization provided to the Management Board.

The Board has planned its main activities according to the following schedule:

- February: Status;
- May: Risks and Capital;
- August: Policies and Reporting; and
- November: Strategy, Budget and Planning

Audit Committee

The Board of Directors has set up an Audit Committee. The Chairman of the committee is a member of the Board of Directors. The tasks of the Committee are set out in the Audit Committee Charter which is based on the Executive Order on Audit Committees in Undertakings and Groups and is subject to supervision by the Danish Financial Supervisory Authority.

The tasks of the committee include monitoring of:

a) the financial reporting processes
b) the internal control system and Risk Management System
c) the statutory audit of the financial statement, and
d) the auditor’s independence

The Audit Committee holds at least quarterly meetings in connection with the reporting to the Company’s Board of Directors.

The Management Board

The Management Board is responsible for the day-to-day management of the Company and is responsible to ensure that the daily activities in the Company runs as smoothly as possible. Members are experienced within the general insurance industry and within their respective field of work.

Remuneration Policy

The Remuneration policy in Qudos is intended to optimize long-term value creation at group level. Qudos Insurance A/S will annually publish information on the remuneration policy and practice for the Board of Directors and the Management Board in accordance with the rules of the Danish Financial Business Act §77 d, paragraphs 2-4 and in the annual report and at Qudos’ general meeting. The Board of Directors monitors that the remuneration policy is up to date and complied with. Amendments, if any, will be submitted to the general meetings for adoption. A variable salary is dealt with in accordance with the conditions of section 77 (a-e) of the Danish Financial Business Act.

Employees training and knowledge

Qudos aims to ensure that the management of the organization is based on a framework which includes the rooting of common values, a common business understanding and the shared responsibility for creating value. The company aims to be a dynamic company where each employee is committed, seeks influence and assumes responsibility for the organization and execution of his or her duties. In developing our business, it is essential that we are able to attract and retain qualified employees.

Whistleblower line

Qudos Insurance A/S has a whistleblower line, which allows employees, customers and business partners to report any serious wrongdoings or suspected irregularities. Reporting takes place - in confidence if so preferred, to the external and independent consultancy company Deloitte.

Speculation Control

Speculation Control is carried out in accordance with FIL § 77 by an external and independent consultancy company, Deloitte on behalf of Qudos Insurance A/S.

B.2 Fit and Proper requirements

The Board of Directors, the Directors as well as entities and persons holding a key function have all or will be submitted to pass the fit and proper assessment by the regulators. The assessment includes an evaluation of the person's professional and formal qualifications, knowledge and relevant experience considering the appropriate diversity of qualifications, knowledge and relevant experience and the assessment of a person's honesty and financial soundness based on evidence regarding their character, personal behaviour and business conduct including any criminal, financial and supervisory aspects relevant.

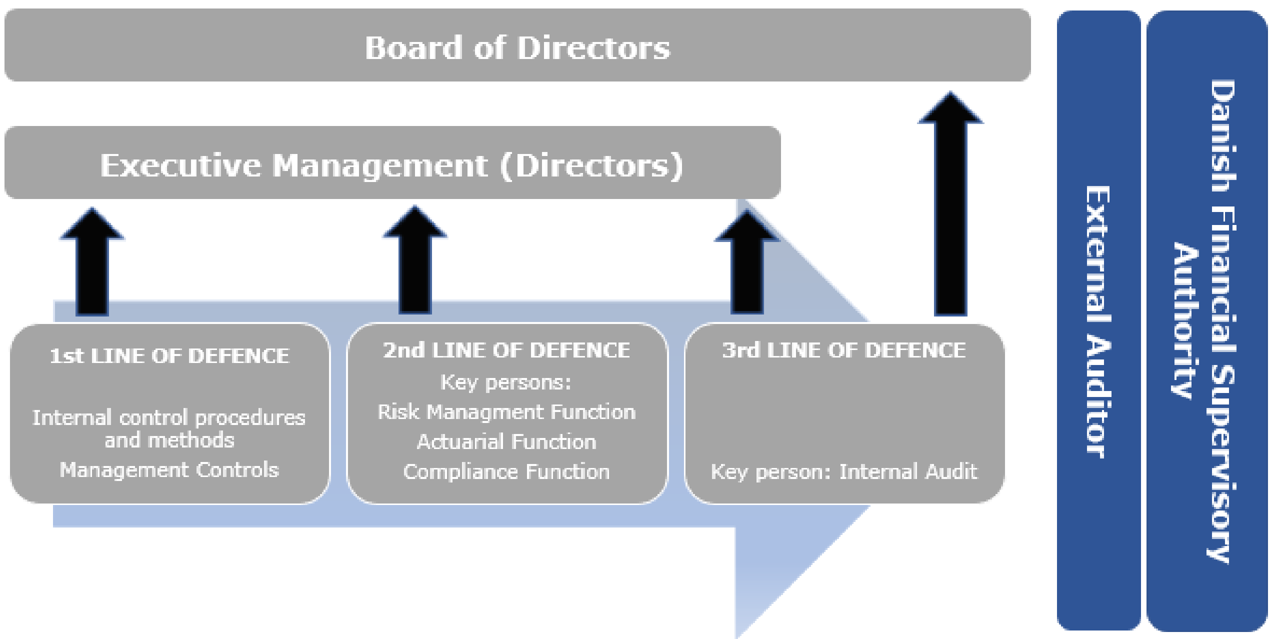
B.3 Risk Management System including the Own Risk and Solvency Assessment

The Board of Directors, the CEO and the Management are actively involved in the assessment of the risks, the risk profile, the risk appetite, the solvency capital requirement, the solvency requirement, security level, review of use and need for capital among other in relation with the annual (or more frequently if triggered by a new development) preparation and filing of the Own Risk and Solvency Assessment "ORSA" report.

In preparing the ORSA for 2017, operational input from the Management team was collected but the effort and process of prioritizing risks and completing a capital assessment was concentrated with the CEO, the Group CFO with technical assistance from the Chief Actuary.

B.4 – B.6 Internal Control System, the Actuarial Function and the Internal Audit Function

The Company is continuously building towards developing a robust risk assessment framework adopting the 3-line of defense model:



The first line of defence is the daily operations of the Company who manage risks within their line of business through internal control, validation and verification procedures. The second line of defence is specialized control functions such as the actuarial function, risk management function and compliance function which monitor risks and report to the Executive Management. The Internal Audit function is the third line of defence, operating independently from operational units and the 2nd line of defence functions.

Key control functions: Risk Management, Compliance, Internal Audit and Actuarial

Qudos Insurance has adopted policies covering each key control function implementing regulatory requirements. It follows from the Commission Delegated Regulation (EU) 2015/35, Article 268, that *"Insurance and reinsurance undertakings shall incorporate the functions and the associated reporting lines into the organisational structure in a way which ensures that each function is free from influences that may compromise the function's ability to undertake its duties in an objective, fair and independent manner…"*. The functions cooperate and interact closely and frequently.

Risk Management Function	**Actuarial Function**
The Risk Management Function shall assist the administration, the management or the supervisory body and other functions in the effective operation of the risk management system. The Risk Management Function provides detailed reporting on risk exposures and advise on risk management matters including in relation to strategic affairs such as corporate strategy, mergers and acquisitions and major projects and investments. The Risk Management Function shall design, implement, verify, test, improve and document any internal model, liaise closely with the users of the outputs of the internal model and co-operate closely with the actuarial function. *The function is today placed with the Corporate Compliance Officer.*	*The Actuarial Function shall produce an annual written report to the administrative management or supervisory body. The Actuarial Function shall among other assess whether the methodologies and assumptions used in the calculation of the technical provisions are appropriate for the specific lines of business of the undertaking and for the way the business is managed, having regard to the available data. Shall among other opine on the risk profile, the underwriting policy and the sufficiency of premium to cover future claims and expenses.* *The Actuarial Function is today placed with the Chief Actuary.*
Compliance Function	**Internal Audit Function**
The Compliance Function shall establish a compliance policy and a compliance plan. The Compliance Function shall among other assist the Management and the Board of Directors in discovering Legal risks and ensuring Qudos Insurance' compliance with applicable laws, regulations and administrative provisions.	*The Internal Audit Function shall among other evaluate the adequacy and effectiveness of the internal control system of governance. The findings and recommendations on the adequacy and effectiveness of the governance, risk management and internal controls in carrying out its goals and objectives are reported to the administration, management or Board of Directors at least annually.* *The persons carrying out the internal audit function shall not assume any responsibility for any other functions. However, by using the principle of proportionality, the persons may also carry out other key functions, where it is appropriate, there is no conflict of interest and the costs imposed would be disproportionate with respect to the administrative expenses. cf. Commission Delegated Regulation (EU) 2015/35, Article 271.*

The function is today placed with the Corporate Compliance Officer.	*The function was earlier outsourced to the former parent company. The function is now outsourced to KPMG.*

B.7 Outsourcing Policy

The Company outsources the management of its investments to an independent investment manager contracted according to standards and guidelines approved by the Board of Directors.

Furthermore, the company´s Internal Audit function has been outsourced.

From time to time, the Company also outsources for specific technical support related to its information technology platform, management of its corporate data base and systems related to its financial and planning system. Those arrangements have been structured within the Company's standards and guidelines specific to each service.

B.8 Any other information

In the current situation, where no materially different new types of risks are being underwritten, and where the Board of Directors together with the Management are staffed by professional and experienced people closely monitoring the development of the Company and given the nature, scale and complexity of the inherent risks underwritten by the Company the system of governance is estimated to be adequate.

However, there is room for improvement with respect of constitution of functions, separation of functions, review of policies, procedures and controls.

C. Risk Profile

The objective of the risk management is to ensure that the risks measured and accounted for reflects and influence the business strategy, the risk profile, the operations and the capital resources of Qudos Insurance A/S.

At least once annually, the Board of Directors specify and approves the policy, the guidelines and the reporting requirements governing the risk management system of the Company. The Board of Directors also assess the risks and evaluate whether the risks are acceptable on an on-going basis as well as part of the Own Risk and Solvency Assessment, "ORSA"-process which takes place at least annually or in the event of a major change. A major change is defined as a change that will impact the SCR by more than 10% and/or the SCR-ratio by more than 5%.

Risk appetite

The Board of Directors determines the maximum risks the Company may undertake within the respective areas, such as the Company's policies and acceptable risk levels in the form of net exposure per risk and per event, for underwriting, reinsurance, investments, etc. as well as the established guidelines and contingency plans within IT and counterparty risks.

The company's management and minimizing of business risks is divided into the following general categories:

- Underwriting Risk
- Asset-Liability Risk
- Investment Risk incl. Market Risks
- Liquidity Risk
- Credit Risk
- Concentration Risk
- Operational Risk
- Strategic Risk
- Group Risk and other Risk

Capital Management

The Capital Management is based on achieving the objectives of securing a solid capital position and to generate a return on the invested capital.

Qudos Insurance A/S is regulated by the Solvency II regime. The capital base is monthly measured against the capital requirement calculated based on the standard formula. At least annually the Board of Directors specify and approves the Capital policy and a Contingency Capital Plan.

C.1 Underwriting Risk

The underwriting risks assumed includes the acceptance and follow-up of policies, claims handling, reserving risk and reinsurance risk. The company assesses insurance risk based on statistical risk type analyses, which are incorporated in pricing. To limit the risk the company has established necessary and relevant procedures for all major business processes and implements follow-ups and control hereof. The financial statement is influenced by estimates that affect assets, debt and the result for the period and future periods. The estimates are most important for premium and claims provisions. The size of the claims reserves, to cover future payment of losses that have occurred, is determined both through individual assessment of each claim and actuarial calculations. An important part of the company's risk management is the use of reinsurance. To have sufficient protection against natural disaster risks, this exposure is measured constantly.

C.2 Investment Risk including Market risk

Market risk represents the risk of losses due to changes in the market value of the company's assets and liabilities, as a result of changes in market conditions. Market risk includes, among other elements, changes in interest rates, equities and currencies.

At least annually the Board of Directors specify and approves the Investment Policy. The status and the development in the investment portfolio is monitored and reported to the Board of Directors and the Management monthly.

C.3 Credit risk/Counterparty risk

Credit risk is the risk of losses caused by one or more counter-parties' breach of their payment obligations. The company is exposed to credit risk in both its insurance and investment business. Within insurance, the reinsurance companies' ability to pay is the most important risk factor. This risk is minimized by the purchase of reinsurance cover from reinsurance companies with a minimum rating of A-(S&P), or by the retention of deposits equal to the premium provisions and claims provisions.

To limit the risk in the investment business the investments are made in bonds and shares with high credit ratings, which is also the case for deposits with credit institutions.

C.4 Liquidity risk

Liquidity risk is the risk of a duration mismatch between cash in and out flows. The assets of Qudos Insurance A/S are either highly liquid or with a cash flow corresponding to liabilities becoming due. This is monitored monthly.

Asset-Liability Risk

Asset-Liability Risk is the risk of a duration mismatch between assets and liability. In Qudos Insurance A/S assets and liabilities are matched to minimize risk and there are no interrelated dependencies between asset and liability classes or between insurance and reinsurance obligations. All assets are valued at fair market value where the estimation of the fair market value is derived from widely accepted closing values on recognized trading markets or have been estimated using standards and procedures consistent with international financial reporting standards established by the International Accounting and Standard Board. This is monitored monthly.

C. 5 Operational risk

Operational risk is the risk of incurring a loss due to insufficient or faulty procedures or human or systematic errors. Operational risk includes the risk of breakdowns in the IT systems. In practice, this work is organized through a structure of policies, procedures and guidelines that cover the various aspects of the company’s operations. For all main areas, there are established policies and procedures documenting processes, controls and reconciliation processes performed locally and from a central position. This management framework is frequently controlled and changed where necessary.

C. 6 Other Material Risks

Concentration Risk

Measures have been implemented to identify sources of concentration risk and to limit concentration within established limits. The risk is mitigated in accordance with the guiding mix on risk concentration in the Standard model of the Solvency II regime.

C. 7 Any other Information

Group Risk and other risk

Outsourced activities provided by a group related company is supervised in the same manner as if the activity was outsourced to a third party.

D. Valuation for Solvency Purposes

D.1 Assets

At year-end 2017, all assets have been valued at their fair market value where the estimation of the fair market value is derived from widely accepted closing values on recognized trading markets or have been estimated using standards and procedures consistent with international financial reporting standards established by the International Accounting and Standard Board. The valued of the reported assets by major classes of assets being as follows:

Assets as at 31 December 2017

	2017	**2016**
Software	2.516	2.687
IMMATERIAL ASSETS, TOTAL	**2.516**	**2.687**
Office equipment etc.	1.804	263
TANGIBLE ASSETS, TOTAL	**1.804**	**263**
Investment funds	67.067	-
Bonds	197.501	352.434
Other financial investment assets, total	264.568	352.434
INVESTMENT ASSETS, TOTAL	**264.568**	**352.434**
Reinsurers' share of premium provisions	145.018	250.145
Reinsurers' share of claims provisions	493.524	511.724
Reinsurers' share of provisions for insurance contracts, total	**638.542**	**761.869**
Amounts receivable from intermediaries	121.407	178.310
Amounts receivable in connection with direct insurance contracts, total	**121.407**	**178.310**
Amounts receivable from insurance companies	112.992	-
Amounts receivable from affiliated companies	2.507	2.195
Other amounts receivable	4.164	314
AMOUNTS RECEIVABLE, TOTAL	**879.611**	**942.688**

	2017	2016
Assets held temporarily	104.226	-
Deferred tax assets	12.500	-
Cash and bank deposits	214.118	421.506
OTHER ASSETS, TOTAL	**330.844**	**421.506**
Accrued interest income	1.766	1.723
Other prepayments	21.817	4.022
PREPAYMENTS AND ACCRUED INCOME, TOTAL	**23.583**	**5.745**
TOTAL ASSETS	**1.502.926**	**1.725.323**

In general, the valuation methods used in the Annual Report are aligned with the valuation principles under Solvency II. The main exceptions are:

- Immaterial assets are valued at zero under Solvency II
- Solvency II incorporates the expected profit in the capital base at the time when the insurance is incurred

The reconciliation between valuation in the annual report and under Solvency II can be seen in Section E1 of this report where the breakdown of the Company's Own Funds used to assess the capital adequacy are identified.

For other classes of assets, the following methods and assumptions have been used:

Intangible assets

Software is measured at cost less depreciation on a straight-line basis and net of any impairment. Depreciation on a straight-line basis is calculated based on the expected useful life, as a principal rule 3 years, and the residual value, which is annually revalued. If there is an indication of impairment, the book value is written down to its recoverable amount.

Tangible assets

Office equipment is measured at cost less depreciation on a straight-line basis and net of any impairment. Depreciation on a straight-line basis is calculated based on the expected useful life, 3 years as a principal rule, and the residual value, which is annually revalued. If there is an indication of impairment, the book value is written down to its recoverable amount.

Financial assets

Financial assets at fair value with any value adjustment taken to the profit and loss account are financial assets which are either included in a trading portfolio, are derivatives or at the time of their first recognition are included in this classification because the assets are managed and measured on a fair value basis.

Measurement of fair value

The calculation at fair value is based on the listed prices of transactions in active markets. If there is an active market for bonds etc., the measuring is generally based on the closing price at the Balance Sheet date. If there is no closing price, another public price is used which is believed to be the most appropriate. Valuation methods or other publicly available information are used to value listed securities where the closing price does not reflect the fair value.
Valuation methods are based, as far as possible, on publicly available market data. If there is no active market for the financial instrument, depending on the nature of the asset or liability, the calculation is based on underlying parameters such as interest and foreign exchange rates, volatility or comparison with the market prices or corresponding instruments.

The settlement date is used as the timing of the recognition of all instruments.

Reinsurers' share

Reinsurers' share of provisions for unearned premiums represents the proportion of reinsurance premiums paid which, net of commission received and based on the spread of risk during the period of cover, relate to the period after the end of the financial year.

Reinsurers' share of provisions for outstanding claims has been calculated as the amounts expected to be received from reinsurance companies according to the reinsurance contracts concluded.

D.2 Technical Provisions

Technical Provisions as at 31 December 2017

	2017	**2016**
Premium provisions, gross	331.325	451.732
Profit margin - Non-life contracts	24.087	21.969
Claims provisions, gross	910.771	974.285
Risk margin - Non-life contracts	18.229	24.835
TECHNICAL PROVISIONS, TOTAL	1.284.413	1.472.821

The following methods and assumptions have been used by Qudos Insurance for the value of the technical provisions:

Provisions for insurance contracts

The provisions for insurance contracts are discounted based on a yield curve published by EIOPA.

Provisions for unearned premiums

These provisions represent the proportion of premiums collected which, based on the spread of risk during the period of cover, relates to the period after the end of the financial year. The provisions for unearned premiums cover future payments of claims not yet incurred in the remaining period of risk as well as administration costs of the insurance contracts written. Therefore, they are calculated per line of business at the present value of these amounts, as a minimum. The sufficiency of the provisions is regularly tested based on the current expectations of future cash flow.

Provisions for outstanding claims

Provisions for outstanding claims cover future payments of claims incurred and their administration.

Provisions for outstanding claims are assessed for each line of business either on a claim by claim basis (individual provisions) or by using statistical methods (collective as well as incurred but not reported (IBNR) and incurred but not enough reported (IBNER) provisions). Claims exceeding a fixed amount, dependent on the line of business, are assessed individually and provisions for smaller claims are assessed collectively. IBNR provisions cover expenses on post-notified large claims. IBNER provisions cover individually assessed claims which have been reported but which have been inadequately provided for. The IBNR and IBNER provisions are calculated using in-house developed models. Inflation is taken into account when calculating the value of the provisions. Future inflation is implicitly included in a number of the statistical models as the average of the actual inflation in the period of record used. Therefore, an expected higher future inflation rate would generally be included in the provisions with a specific time delay.

For most of our contracts it is agreed that the claims handling is carried out by our agents, and for this they are remunerated through their commission.

The provisions for outstanding claims include the amounts that are expected to be included to cover direct and indirect expenses on settlement of the liabilities.

The technical provisions are discounted based on the estimated duration of the provisions and interest rates based on interest rate curves for the different currencies the provisions are denominated in.

The sufficiency of the provisions is regularly tested based on the current expectations of future cash flow.

Risk margin

The risk margin comprises the amount which the company in a hypothetical situation is expected to have to pay to a third party to take over the risk that the realized future costs deviate from the estimated level stated under unearned premium and claims provisions at the end of the accounting period.

The risk margin is measured as the present value of the future cost of capital related to maintaining the solvency capital required for settlement of the company’s current liabilities and risks.

The measurement is based on the company’s solvency capital requirement and is consistent with the Solvency II principles, as the future solvency capital requirements are calculated by the current solvency capital requirement written down proportionally by the remaining share of the expected cash flow for the unearned premium and claims provisions. The risk margin development tracks the development in the company’s solvency capital requirement. The calculation of the Risk Margin is based on the Cost-of-Capital rate of 6% under Solvency II.

General Accounting policies used in Qudos Insurance

The Annual Report has been prepared in accordance with the Executive Order on Financial Reports presented by Insurance Companies and Lateral Pension Funds issued by the Danish FSA. The Executive Order has been adapted to the new EU Solvency II rules, which took effect from 1 January 2016.

Solvency II lays down the basic principles for calculation of the technical insurance provisions:

- Best estimate of the present value of expected future cash flows for insurance contracts written and a profit margin as a separate item reflecting the expected profit over the remaining period of written contracts;

- A risk margin to cover the risk of deviation between best estimate and the final execution of future cash flows; and
- An interest rate curve laid down for the Solvency II regime. Qudos Insurance uses the interest rate curve without adjustments.

Profit margin

Solvency II incorporates the expected profit in the capital base at the time when the insurance is incurred. From an accounting standpoint, the expected profit on incurred insurance contracts must be reflected in the balance sheet as a separate item under the technical insurance provisions and referred to the profit margin. The profit margin is booked over the term of the insurance until all obligations under such insurance contracts have been met.

Profit margin is the expected profit over the remaining period for all written insurance contracts. Profit margin is calculated as the difference between premiums for future periods of all written insurance contracts, and the expected payments included in the unearned premium provisions.

The Company's models for calculation of the premium provisions and profit margin have been established in accordance with the § 69 in the accounting policies. No profit margin was recognised in the opening balance 1 January 2015 and 1 January 2016. At 31 December 2016, a profit margin of TDKK 21,969 was recognised in the balance sheet reflecting the embedded profit in the unearned premium provisions. At 31 December 2017, a profit margin of TDKK 24.087 has been recognised in the balance sheet reflecting the embedded profit in the unearned premium provisions.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and where the asset has a value that can be measured reliably. Liabilities are recognised in the balance sheet when the company has a legal or constructive obligation due to a previous event, when it is probable that future economic benefits will flow from the Company and where the value of the liability can be measured reliably. The recognition and measurement take into consideration predictable losses and risks which have occurred prior to the presentation of the Report and which provide evidence of conditions that existed at the balance sheet date.

D.3 Other Liabilities

No other information.

D.4 Alternative Methods for Valuation

Qudos Insurance does not use any alternative methods for valuation.

D.5 Any other information

No other information.

E. Capital Management

E.1 Own Funds

The Board of Directors considers the development of the Solvency Capital Requirement and the capital buffer on a quarterly basis. Qudos Insurance targets a SCR ratio of 130% on a continuous basis (planning period of 3 years). Given the current capital situation of Qudos Insurance, the capital planning and emergency capital planning is an active and revolving plan under implementation. Qudos Insurance is subject to a conservative risk profile until the SCR target ratio has been met.

Qudos Insurance equity and Own Funds	**2017**	**2016**
Equity at 31 December	144.416	167.054
Profit margin, Solvency purpose	24.087	24.701
Intangible assets	-2.516	-2.687
Other adjustments	60	680
Own funds at 31 December	**166.047**	**189.748**

Qudos Insurance' Own Funds comprises 92,5% Tier 1 Capital with no restrictions affecting availability and 17,5% Tier 3 Capital.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The Solvency Capital Requirement is calculated net of re-insurance and using the Solvency II standard model.

The Minimum Capital Requirement is in accordance with the Solvency II
At the end of the reporting period 31/12 2017 (31/12 2016) Qudos Insurance' Solvency Capital Requirement (SCR) is 136.620 mDKK (188.577 mDKK). The Minimum Capital Requirement (MCR) is 47.029 mDKK (84.860 mDKK) respectively.

The impact of the business rationalization measures implemented in 2016 and 2017 are expected to gradually improve the capital adequacy ratio of Qudos Insurance such that Qudos Insurance is expected to close 2018 with a capital adequacy ratio of min. 130%.

E.3 Use of the Duration-based Equity Risk Sub-module in the calculation of the Solvency Capital Requirement

Not relevant for Qudos Insurance.

E.4 Differences between the Standard Formula and any Internal Model used

Qudos Insurance use the EIOPA Solvency II Standard Formula and does not use an internal model to calculate the Solvency Capital.

E.5 Non-compliance with the MCR and Non-compliance with the SCR

Qudos Insurance is compliant with the Minimum Capital Requirement and the Solvency Capital Requirement and has not previously been non-compliant with any of these.

E.6 Any Other Information

No other information.

ANNEX: Quantitative Reporting Templates (QRTs), Solvency II:
S. 02.01.01 – Balance sheet
S. 05.01.02 – Premiums, claims and expenses by line of business
S. 05.02.01 – Premiums, claims and expenses by country
S. 17.01.02 – Non-Life Technical Provisions
S. 23.01.01 – Own Funds
S. 25.01.21 – Solvency Capital Requirement – for undertakings on Standard Formula
S. 28.01.01 – Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity

S.02.01: Balance sheet

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Account number	Fund number			
	Assets		Solvency II value	Statutory accounts value
			C0010	C0020
10010000	Goodwill	R0010		0
10020000	Deferred acquisition costs	R0020		0
10030000	Intangible assets	R0030	0	2.516.443
10040000	Deferred tax assets	R0040	12.500.000	12.500.000
10050000	Pension benefit surplus	R0050	0	0
10060000	Property, plant & equipment held for own use	R0060	1.804.133	1.804.133
10070000	Investments (other than assets held for index-linked and unit-linked contracts)	R0070	368.793.550	368.793.550
10070010	Property (other than for own use)	R0080	0	0
10070020	Holdings in related undertakings, including participations	R0090	0	0
10070030	Equities	R0100	0	0
10070040	Equities — listed	R0110	0	0
10070050	Equities — unlisted	R0120	0	0
10070060	Bonds	R0130	301.726.377	301.726.377
10070070	Government Bonds	R0140	43.139.342	43.139.342
10070080	Corporate Bonds	R0150	258.587.035	258.587.035
10070090	Structured notes	R0160	0	0
10070100	Collateralised securities	R0170	0	0
10070110	Collective Investments Undertakings	R0180	67.067.173	67.067.173
10070120	Derivatives	R0190	0	0
10070130	Deposits other than cash equivalents	R0200	0	0
10070140	Other investments	R0210	0	0
10080000	Assets held for index-linked and unit-linked contracts	R0220	0	0
10090000	Loans and mortgages	R0230	0	0
10090010	Loans on policies	R0240	0	0
10090020	Loans and mortgages to individuals	R0250	0	0
10090030	Other loans and mortgages	R0260	0	0
10100000	Reinsurance recoverables from:	R0270	638.541.963	638.541.963
10100010	Non-life and health similar to non-life	R0280	638.541.963	638.541.963
10100020	Non-life excluding health	R0290	638.527.787	638.527.787
10100030	Health similar to non-life	R0300	14.176	14.176
10100040	Life and health similar to life, excluding health and index-linked and unit-linked	R0310	0	0
10100050	Health similar to life	R0320	0	0
10100060	Life excluding health and index-linked and unit-linked	R0330	0	0
10100070	Life index-linked and unit-linked	R0340	0	0
10110000	Deposits to cedants	R0350	0	0
10120000	Insurance and intermediaries receivables	R0360	121.406.562	121.406.562
10130000	Reinsurance receivables	R0370	112.992.359	112.992.359
10140000	Receivables (trade, not insurance)	R0380	6.670.264	6.670.264
10150000	Own shares (held directly)	R0390	0	0
10160000	Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0	0
10170000	Cash and cash equivalents	R0410	214.118.081	214.118.081
10180000	Any other assets, not elsewhere shown	R0420	23.582.825	23.582.825
11000000	**Total assets**	**R0500**	1.500.409.738	1.502.926.182

	Liabilities		Solvency II value	Statutory accounts value
20010000	Technical provisions — non-life	R0510	1.260.325.883	1.260.325.883
20020000	Technical provisions — non-life (excluding health)	R0520	1.233.726.354	1.233.726.354
20020010	Technical provisions calculated as a whole	R0530	0	
20020020	Best Estimate	R0540	1.215.778.108	
20020030	Risk margin	R0550	17.948.246	
20030000	Technical provisions — health (similar to non-life)	R0560	26.599.529	26.599.529
20030010	Technical provisions calculated as a whole	R0570	0	
20030020	Best Estimate	R0580	26.318.281	
20030030	Risk margin	R0590	281.248	
20040000	Technical provisions — life (excluding index-linked and unit-linked)	R0600	0	0
20050000	Technical provisions — health (similar to life)	R0610	0	0
20050010	Technical provisions calculated as a whole	R0620	0	
20050020	Best Estimate	R0630	0	
20050030	Risk margin	R0640	0	
20060000	Technical provisions — life (excluding health and index-linked and unit-linked)	R0650	0	0
20060010	Technical provisions calculated as a whole	R0660	0	
20060020	Best Estimate	R0670	0	
20060030	Risk margin	R0680	0	
20070000	Technical provisions — index-linked and unit-linked	R0690	0	0
20070010	Technical provisions calculated as a whole	R0700	0	
20070020	Best Estimate	R0710	0	
20070030	Risk margin	R0720	0	
20080000	Other technical provisions	R0730		0
20090000	Contingent liabilities	R0740	0	
20100000	Provisions other than technical provisions	R0750	0	0
20110000	Pension benefit obligations	R0760	0	0
20120000	Deposits from reinsurers	R0770	0	0
20130000	Deferred tax liabilities	R0780	0	0
20140000	Derivatives	R0790	0	0
20150000	Debts owed to credit institutions	R0800	0	0
20160000	Financial liabilities other than debts owed to credit institutions	R0810	0	0
20170000	Insurance & intermediaries payables	R0820	39.774.627	39.774.627
20180000	Reinsurance payables	R0830	0	0
20190000	Payables (trade, not insurance)	R0840	34.322.542	34.322.542
20200000	Subordinated liabilities	R0850	0	0
20200010	Subordinated liabilities not in Basic Own Funds	R0860	0	0
20200020	Subordinated liabilities in Basic Own Funds	R0870	0	0
20210000	Any other liabilities, not elsewhere shown	R0880	0	0
21000000	**Total liabilities**	R0900	1.334.423.052	1.334.423.052
30000000	**Excess of Assets over Liabilities**	**R1000**	165.986.687	168.503.130

S.05.01: Premiums, claims and expenses by line of business

		Direct business and accepted proportional reinsurance							
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
Premiums written									
Gross – Direct Business	R0110	5.981.442	70.427.588	0	132.960.289	186.825.625	0	265.673.719	202.011.680
Gross – Proportional reinsurance accepted	R0120	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R0130								
Reinsurers' share	R0140	0	26.183	0	67.647.350	93.825.887	0	94.286.475	95.113.169
Net	R0200	5.981.442	70.401.405	0	65.312.939	92.999.738	0	171.387.244	106.898.512
Premiums earned									
Gross – Direct Business	R0210	6.099.792	65.714.243	0	246.408.735	338.546.898	0	151.520.948	133.952.116
Gross – Proportional reinsurance accepted	R0220	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R0230								
Reinsurers' share	R0240	0	11.992	0	144.338.830	202.861.085	0	22.831.331	59.986.123
Net	R0300	6.099.792	65.702.252	0	102.069.905	135.685.813	0	128.689.617	73.965.993
Claims incurred									
Gross – Direct Business	R0310	3.918.680	64.473.897	0	199.363.169	271.681.470	0	72.171.863	52.558.057
Gross – Proportional reinsurance accepted	R0320	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R0330								
Reinsurers' share	R0340	0	0	0	110.473.926	154.766.427	0	16.950.178	21.113.202
Net	R0400	3.918.680	64.473.897	0	88.889.243	116.915.043	0	55.221.685	31.444.855
Changes in other technical provisions									
Gross – Direct Business	R0410	0	0	0	0	0	0	0	0
Gross – Proportional reinsurance accepted	R0420	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R0430								
Reinsurers' share	R0440	0	0	0	0	0	0	0	0
Net	R0500	0	0	0	0	0	0	0	0
Expenses incurred	R0550	2.013.584	27.722.448	0	39.030.151	51.904.356	0	83.197.979	31.274.868
Administrative expenses									
Gross – Direct Business	R0610	395.694	4.262.892	0	15.984.567	21.961.582	0	9.829.184	8.689.491
Gross – Proportional reinsurance accepted	R0620	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R0630								
Reinsurers' share	R0640	0	0	0	0	0	0	0	0
Net	R0700	395.694	4.262.892	0	15.984.567	21.961.582	0	9.829.184	8.689.491
Investment management expenses									
Gross – Direct Business	R0710	0	0	0	0	0	0	0	0
Gross – Proportional reinsurance accepted	R0720	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R0730								
Reinsurers' share	R0740	0	0	0	0	0	0	0	0
Net	R0800	0	0	0	0	0	0	0	0
Claims management expenses									
Gross – Direct Business	R0810	0	0	0	0	0	0	0	0
Gross – Proportional reinsurance accepted	R0820	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R0830								
Reinsurers' share	R0840	0	0	0	0	0	0	0	0
Net	R0900	0	0	0	0	0	0	0	0
Acquisition expenses									
Gross – Direct Business	R0910	1.617.890	23.459.557	0	57.825.362	80.001.731	0	82.189.180	46.025.513
Gross – Proportional reinsurance accepted	R0920	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R0930								
Reinsurers' share	R0940	0	0	0	34.779.778	50.058.957	0	8.820.384	23.440.137
Net	R1000	1.617.890	23.459.557	0	23.045.584	29.942.775	0	73.368.796	22.585.377
Overhead expenses									
Gross – Direct Business	R1010	0	0	0	0	0	0	0	0
Gross – Proportional reinsurance accepted	R1020	0	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance accepted	R1030								
Reinsurers' share	R1040	0	0	0	0	0	0	0	0
Net	R1100	0	0	0	0	0	0	0	0
Other expenses	R1200								
Total expenses	R1300								

				Accepted non-proportional reinsurance				
Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
5.582.347	33.128.033	825.139	0					903.415.861
0	0	0	0					0
				0	0	0	0	0
15.710	0	184.696	0	0	0	0	0	351.099.469
5.566.637	33.128.033	640.443	0	0	0	0	0	552.316.392
6.607.963	28.080.216	916.497	0					977.847.407
0	0	0	0					0
				0	0	0	0	0
7.195	0	166.919	0	0	0	0	0	430.203.474
6.600.768	28.080.216	749.578	0	0	0	0	0	547.643.932
3.245.153	15.658.638	792.851	0					683.863.778
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	303.303.733
3.245.153	15.658.638	792.851	0	0	0	0	0	380.560.045
0	0	0	0					0
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
3.563.625	13.765.575	492.145	0	0	0	0	0	252.964.732
428.659	1.821.567	59.453	0					63.433.090
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	0
428.659	1.821.567	59.453	0	0	0	0	0	63.433.090
0	0	0	0					0
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0					0
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
3.134.965	11.944.008	432.692	0					306.630.898
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	117.099.256
3.134.965	11.944.008	432.692	0	0	0	0	0	189.531.642
0	0	0	0					0
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
								0
								252.964.732

S.05.02: Premiums, claims and expenses by country

		Home Country	Top 5 countries (by amount of gross premiums written) – non-life obligations					
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
	R0010	DK: Denmark	GB: United Kingdom	GR: Greece	IE: Ireland	IT: Italy	NO: Norway	Total Top 5 and home
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written								
Gross – Direct Business	R0110	241.233.128	370.302.692	29.381.693	170.496.653	32.083.010	33.128.648	876.625.824
Gross – Proportional reinsurance accepted	R0120	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance acceptec	R0130	0	0	0	0	0	0	0
Reinsurers' share	R0140	104.516.047	135.389.809	5.690.413	104.889.147	0	0	350.485.417
Net	R0200	136.717.081	234.912.883	23.691.279	65.607.505	32.083.010	33.128.648	526.140.407
Premiums earned								
Gross – Direct Business	R0210	177.843.384	427.795.649	25.578.644	275.749.752	10.163.056	29.934.869	947.065.354
Gross – Proportional reinsurance accepted	R0220	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance acceptec	R0230	0	0	0	0	0	0	0
Reinsurers' share	R0240	72.667.054	179.335.055	8.402.983	168.539.757	0	0	428.944.849
Net	R0300	105.176.330	248.460.594	17.175.661	107.209.995	10.163.056	29.934.869	518.120.505
Claims incurred								
Gross – Direct Business	R0310	93.311.224	365.183.211	22.903.149	146.624.726	11.659.368	15.267.060	654.948.738
Gross – Proportional reinsurance accepted	R0320	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance acceptec	R0330	0	0	0	0	0	0	0
Reinsurers' share	R0340	30.695.599	174.629.666	5.845.839	92.132.628	0	0	303.303.733
Net	R0400	62.615.625	190.553.544	17.057.310	54.492.098	11.659.368	15.267.060	351.645.005
Changes in other technical provisions								
Gross – Direct Business	R0410	0	0	0	0	0	0	0
Gross – Proportional reinsurance accepted	R0420	0	0	0	0	0	0	0
Gross – Non-proportional reinsurance acceptec	R0430	0	0	0	0	0	0	0
Reinsurers' share	R0440	0	0	0	0	0	0	0
Net	R0500	0	0	0	0	0	0	0
Expenses incurred	R0550	11.536.724	27.751.160	1.659.290	17.887.923	659.279	1.941.879	61.436.254
Other expenses	R1200							0
Total expenses	R1300							61.436.254

		Home Country	Top 5 countries (by amount of gross premiums written) – life obligations					
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
	R1400	DK: Denmark						Total Top 5 and home country
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written								
Gross	R1410	0						0
Reinsurers' share	R1420	0						0
Net	R1500	0	0	0	0	0	0	0
Premiums earned								
Gross	R1510	0						0
Reinsurers' share	R1520	0						0
Net	R1600	0	0	0	0	0	0	0
Claims incurred								
Gross	R1610	0						0
Reinsurers' share	R1620	0						0
Net	R1700	0	0	0	0	0	0	0
Changes in other technical provisions								
Gross	R1710	0						0
Reinsurers' share	R1720	0						0
Net	R1800	0	0	0	0	0	0	0
Expenses incurred	R1900	0						0
Other expenses	R2500							0
Total expenses	R2600							0

S.17.01: Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance							
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Technical provisions calculated as a whole	R0010	0	0	0	0	0	0	0	0
Direct business	R0020	0	0	0	0	0	0	0	0
Accepted proportional reinsurance business	R0030	0	0	0	0	0	0	0	0
Accepted non-proportional reinsurance	R0040								
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	0	0	0	0	0	0	0	0
Technical provisions calculated as a sum of BE and RM									
Best Estimate									
Premium provisions									
Gross — Total	R0060	1.292.447	10.974.299	0	44.827.367	76.826.840	0	57.621.125	119.070.848
Gross — Direct Business	R0070	1.292.447	10.974.299	0	44.827.367	76.826.840	0	57.621.125	119.070.848
Gross — accepted proportional reinsurance business	R0080	0	0	0	0	0	0	0	0
Gross — accepted non-proportional reinsurance business	R0090								
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	R0100	0	14.176	0	24.346.752	36.639.559	0	17.902.798	66.062.925
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	R0110	0	14.176	0	24.346.752	36.639.559	0	17.902.798	66.062.925
Recoverables from SPV before adjustment for expected losses	R0120	0	0	0	0	0	0	0	0
Recoverables from Finite Reinsurance before adjustment for expected losses	R0130	0	0	0	0	0	0	0	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	14.176	0	24.346.752	36.639.559	0	17.902.798	66.062.925
Net Best Estimate of Premium Provisions	R0150	1.292.448	10.960.123	0	20.480.614	40.187.281	0	39.718.327	53.007.923
Claims provisions									
Gross — Total	R0160	4.407.783	9.643.752	0	345.142.959	482.617.899	0	36.405.619	29.512.638
Gross — Direct Business	R0170	4.407.783	9.643.752	0	345.142.959	482.617.899	0	36.405.619	29.512.638
Gross — accepted proportional reinsurance business	R0180	0	0	0	0	0	0	0	0
Gross — accepted non-proportional reinsurance business	R0190								
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	R0200	0	0	0	192.950.681	273.573.109	0	12.374.747	14.625.604
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	R0210	0	0	0	192.950.681	273.573.109	0	12.374.747	14.625.604
Recoverables from SPV before adjustment for expected losses	R0220	0	0	0	0	0	0	0	0
Recoverables from Finite Reinsurance before adjustment for expected losses	R0230	0	0	0	0	0	0	0	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	0	0	0	192.950.681	273.573.109	0	12.374.747	14.625.604
Net Best Estimate of Claims Provisions	R0250	4.407.783	9.643.751	0	152.192.278	209.044.790	0	24.030.872	14.887.034
Total Best estimate — gross	R0260	5.700.231	20.618.050	0	389.970.325	559.444.739	0	94.026.744	148.583.486
Total Best estimate — net	R0270	5.700.231	20.603.874	0	172.672.892	249.232.072	0	63.749.199	67.894.958
Risk margin	R0280	88.224	193.024	0	6.908.192	9.659.815	0	728.675	590.709

Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Accepted non-proportional reinsurance: Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
0	0	0	0	0	0	0	0	0
0	0	0	0					0
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	0
671.867	19.743.193	297.300	0	0	0	0	0	331.325.287
671.867	19.743.193	297.300	0					331.325.287
0	0	0	0					0
				0	0	0	0	0
8.505	0	43.108	0	0	0	0	0	145.017.822
8.505	0	43.108	0	0	0	0	0	145.017.822
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
8.505	0	43.108	0	0	0	0	0	145.017.822
663.362	19.743.193	254.193	0	0	0	0	0	186.307.465
2.370.703	24.559	645.190	0	0	0	0	0	910.771.102
2.370.703	24.559	645.190	0					910.771.102
0	0	0	0					0
				0	0	0	0	0
0	0	0	0	0	0	0	0	493.524.141
0	0	0	0	0	0	0	0	493.524.141
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	493.524.141
2.370.703	24.559	645.190	0	0	0	0	0	417.246.961
3.042.571	19.767.753	942.490	0	0	0	0	0	1.242.096.389
3.034.065	19.767.753	899.382	0	0	0	0	0	603.554.426
47.451	492	12.914	0	0	0	0	0	18.229.494

S.17.01: Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance							
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Amount of the transitional on Technical Provisions									
TP as a whole	R0290	0	0	0	0	0	0	0	0
Best Estimate	R0300	0	0	0	0	0	0	0	0
Risk margin	R0310	0	0	0	0	0	0	0	0
Technical provisions - total									
Technical provisions - total	R0320	5.788.454	20.811.074	0	396.878.517	569.104.554	0	94.755.419	149.174.195
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default — total	R0330	0	14.176	0	217.297.433	310.212.668	0	30.277.545	80.688.529
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	5.788.455	20.796.898	0	179.581.084	258.891.886	0	64.477.874	68.485.666
Line of Business: further segmentation (Homogeneous Risk Groups)									
Premium provisions — Total number of homogeneous risk groups	R0350	2	3	0	7	14	0	19	4
Claims provisions — Total number of homogeneous risk groups	R0360	2	4	0	9	18	0	23	5
Cash-flows of the Best estimate of Premium Provisions (Gross)									
Cash out-flows									
Future benefits and claims	R0370	1.292.447	10.974.299	0	44.827.367	76.826.840	0	57.621.125	119.070.848
Future expenses and other cash-out flows	R0380	0	0	0	0	0	0	0	0
Cash in-flows									
Future premiums	R0390	0	0	0	0	0	0	0	0
Other cash-in flows (incl. Recoverable from salvages and subrogations)	R0400	0	0	0	0	0	0	0	0
Cash-flows of the Best estimate of Claims Provisions (Gross)									
Cash out-flows									
Future benefits and claims	R0410	4.407.783	9.643.752	0	345.142.959	482.617.899	0	36.405.619	29.512.638
Future expenses and other cash-out flows	R0420	0	0	0	0	0	0	0	0
Cash in-flows									
Future premiums	R0430	0	0	0	0	0	0	0	0
Other cash-in flows (incl. Recoverable from salvages and subrogations)	R0440	0	0	0	0	0	0	0	0
Percentage of gross Best Estimate calculated using approximations	R0450	22,6736%	53,2267%	0,0000%	11,4951%	13,7327%	0,0000%	42,8894%	0,0848%
Best estimate subject to transitional of the interest rate	R0460	0	0	0	0	0	0	0	0
Technical provisions without transitional on interest rate	R0470	0	0	0	0	0	0	0	0
Best estimate subject to volatility adjustment	R0480	0	0	0	0	0	0	0	0
Technical provisions without volatility adjustment and without others transitional measures	R0490	0	0	0	0	0	0	0	0

				Accepted non-proportional reinsurance				
Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
3.090.021	19.768.244	955.404	0	0	0	0	0	1.260.325.883
8.505	0	43.108	0	0	0	0	0	638.541.963
3.081.516	19.768.244	912.296	0	0	0	0	0	621.783.920
1	1	2	0	0	0	0	0	
1	1	2	0	0	0	0	0	
671.867	19.743.193	297.300	0	0	0	0	0	331.325.287
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
2.370.703	24.559	645.190	0	0	0	0	0	910.771.102
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
22,0822%	99,8758%	31,5441%	0,0000%	0,0000%	0,0000%	0,0000%	0,0000%	
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0

S.23.01: Own funds

		Total	Tier 1 — unrestricted	Tier 1 — restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Ordinary share capital (gross of own shares)	R0010	433.433.289	433.433.289		0	
Share premium account related to ordinary share capital	R0030	0	0		0	
Initial funds, members' contributions or the equivalent basic own — fund item for mutual and mutual-type undertakings	R0040	0	0		0	
Subordinated mutual member accounts	R0050	0		0	0	0
Surplus funds	R0070	-289.017.051	-289.017.051			
Preference shares	R0090	0		0	0	0
Share premium account related to preference shares	R0110	0		0	0	0
Reconciliation reserve	R0130	9.070.448	9.070.448			
Subordinated liabilities	R0140	0		0	0	0
An amount equal to the value of net deferred tax assets	R0160	12.500.000				12.500.000
Other items approved by supervisory authority as basic own funds not specified above	R0180	0	0	0	0	0

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

		Total
		C0010
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	0

Deductions

		Total	Tier 1 — unrestricted	Tier 1 — restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Deductions for participations in financial and credit institutions	R0230	0	0	0	0	0

		Total	Tier 1 — unrestricted	Tier 1 — restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Total basic own funds after deductions	R0290	165.986.687	153.486.687	0	0	12.500.000

S.25.01: Solvency Capital Requirement — Only SF

Article 112	Z0010	2: Regelmæssig indberetning
Ring Fenced Fund/Matching adjustment portfolio or remaining part	Z0020	
Fund/Portfolio number	Z0030	

					Only relevant for public disclosure	
		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios	Simplifications	USP
		C0030	C0040	C0050	C0120	C0090
Market risk	R0010	22.651.525	22.651.525	0		
Counterparty default risk	R0020	23.328.218	23.328.218	0		
Life underwriting risk	R0030	0	0	0		
Health underwriting risk	R0040	7.892.760	7.892.760	0		
Non-life underwriting risk	R0050	123.618.410	123.618.410	0		
Diversification	R0060	-32.127.102	-32.127.102			
Intangible asset risk	R0070	0	0			
Basic Solvency Capital Requirement	R0100	145.363.812	145.363.812			

S.25.01: Solvency Capital Requirement — Only SF

Calculation of Solvency Capital Requirement		C0100
Adjustment due to RFF/MAP nSCR aggregation	R0120	0
Operational risk	R0130	29.790.871
Loss-absorbing capacity of technical provisions	R0140	0
Loss-absorbing capacity of deferred taxes	R0150	-38.534.030
Capital requirement for business operated in accordance with Art. 4 of Directive	R016	0
Solvency Capital Requirement excluding capital add-on	**R0200**	**136.620.653**
Capital add-ons already set	R0210	0
Solvency capital requirement for undertakings under consolidated method	**R0220**	**136.620.653**

Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	0
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	0
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	0
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	
Net future discretionary benefits	R0460	0

Below this line only groups need to hand in information		
Minimum consolidated group solvency capital requirement	R0470	47.029.177

Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	0
Capital requirement for other financial sectors (Non-insurance capital requirements) — Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	0
Capital requirement for other financial sectors (Non-insurance capital requirements) — Institutions for occupational retirement provisions	R0520	0
Capital requirement for other financial sectors (Non-insurance capital requirements) — Capital requirement for non-regulated entities carrying out financial activities	R0530	0
Capital requirement for non-controlled participation requirements	R0540	0
Capital requirement for residual undertakings	R0550	0

Overall SCR		
SCR for undertakings included via D and A	R0560	0
Solvency Capital Requirement	**R0570**	**136.620.653**

S.28.01: Minimum Capital Requirement — Only life or only non-life insurance or reinsurance acti

		C0010	Suggested value
Linear formula component for non-life insurance and reinsurance obligations	R0010	**47.029.177**	56.524.486

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	6.567.232	0
Income protection insurance and proportional reinsurance	R0030	20.603.874	0
Workers' compensation insurance and proportional reinsurance	R0040	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	172.672.892	0
Other motor insurance and proportional reinsurance	R0060	249.232.072	0
Marine, aviation and transport insurance and proportional reinsurance	R0070	0	0
Fire and other damage to property insurance and proportional reinsurance	R0080	108.679.421	0
General liability insurance and proportional reinsurance	R0090	67.894.958	0
Credit and suretyship insurance and proportional reinsurance	R0100	3.034.065	0
Legal expenses insurance and proportional reinsurance	R0110	19.767.753	0
Assistance and proportional reinsurance	R0120	899.382	0
Miscellaneous financial loss insurance and proportional reinsurance	R0130	0	0
Non-proportional health reinsurance	R0140	0	0
Non-proportional casualty reinsurance	R0150	0	0
Non-proportional marine, aviation and transport reinsurance	R0160	0	0
Non-proportional property reinsurance	R0170	0	0

		C0040	Suggested value
Linear formula component for life insurance and reinsurance obligations	R0200	**0**	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation — guaranteed benefits	R0210	0	
Obligations with profit participation — future discretionary benefits	R0220	0	
Index-linked and unit-linked insurance obligations	R0230	0	
Other life (re)insurance and health (re)insurance obligations	R0240	0	
Total capital at risk for all life (re)insurance obligations	R0250		0

S.28.01: Minimum Capital Requirement — Only life or only non-life insurance

		C0070
Overall MCR calculation		
Linear MCR	R0300	47.029.177
SCR	R0310	136.620.653
MCR cap	R0320	61.479.294
MCR floor	R0330	34.155.163
Combined MCR	R0340	47.029.177
Absolute floor of the MCR	R0350	0
Minimum Capital Requirement	R0400	**47.029.177**