
Danish report of 8 September 2023 – translation made on 19 September 2023

Report under section 125(4) of the Danish Bankruptcy Act

Alpha Insurance A/S in bankruptcy, CVR no (business registration no) 21064440

The Bankruptcy Division of the Danish Maritime and Commercial High Court - K 1623/18-B

As the trustee of the above bankruptcy estate I hereby present my report under section 125(4) of the Danish Bankruptcy Act regarding the affairs of the bankruptcy estate.

Firstly, I refer to my previous report under section 125(1) of the Bankruptcy Act of 29 May 2018, the report under section 125(2) of the Bankruptcy Act of 7 September 2018 as well as my previous reports under section 125(4) of the Bankruptcy Act of 7 March 2019, 6 September 2019, 6 March 2020, 8 September 2020, 8 March 2021, 8 September 2021, 8 March 2022, 8 September 2022 and most recently of 8 March 2023.

The estate's assets at this point in time are as follows:

1. ASSETS

1.1 Accounts

Firstly, it is noted that when the bankruptcy order was issued on 8 May 2018, Alpha Insurance A/S (now in bankruptcy) ("Alpha" or the "bankruptcy estate") had a total of 37 open bank accounts with Sydbank A/S, 13 bank accounts with DNB, including eight in Norway and five in the UK, and six accounts with UBS in Switzerland.

As the trustee decided to continue the operations in the bankruptcy estate in collaboration with the

Guarantee Fund for Non-life Insurers for the purpose of a controlled winding-up of the insurance activities, the trustee decided to keep a number of the bankruptcy estate's bank accounts as there was still a need to make payments to and from the bankruptcy estate's accounts in connection with the day-to-day operations.

Since the issue of the bankruptcy order the trustee has closed 20 bank accounts with Sydbank A/S that the trustee found were no longer relevant to the winding-up of the insurance activity. The trustee has opened five new bank accounts with Sydbank A/S for the day-to-day operations. It means that the bankruptcy estate now has 22 open bank accounts (including custody accounts) with Sydbank A/S. The trustee has closed all the accounts with DNB in Great Britain.

In the previous period, the trustee has opened two new bank accounts with DNB in Norway, which means that there are now 11 open bank accounts with DNB in Norway. The trustee has also started closing all the bankruptcy estate's commitments with UBS in Switzerland, see paragraph 5.1.1 for more details.

It is noted that the trustee is assessing on an ongoing basis whether there is any need to keep the individual bank accounts in connection with winding up the insurance activity in the bankruptcy estate. It is expected that more bank accounts can be closed as the insurance activities are wound up/terminated.

1.2 Registered assets

The registered assets have been provided as security for the insurance obligations in compliance with section 167(4) of the then current Danish Financial Business Act, see paragraph 2.1 below. The registered assets also cover the necessary costs relating to closing out the portfolio as specified.

The registered assets as at 31 July 2023 were booked at:

1. Deposits

The bankruptcy estate's deposits in the bank as at 8 May 2018 amounted to DKK 61,277,557. As at 31 July 2023, the bankruptcy estate's deposits amounted to DKK 748,950,508.

It has been taken into account in connection with the calculation that approximately DKK 765,210,000 in total has been paid to the Guarantee Fund for Non-life Insurers and that a fee on account has been paid to the trustee.

Moreover, the reason for the increase in the deposits from the time of the bankruptcy is primarily a result of the bankruptcy estate's sale and maturity of securities, interest income and gains of DKK 617,410,000 (item 2), payments of reinsurance receivables of DKK 942,170,000 (item 4) and payments of receivables from coverholders/claims examiners of DKK 172,050,000 in total (item 5). The reason for the deviation compared to item 5 below is that bigger actual payments have been made to the bankruptcy estate than what was booked in respect of the individual items. The deviation will presumably be eliminated over time.

Expenses relating to continuing the operations of the bankruptcy estate in the amount of approximately DKK 183,790,000 in total have also been paid throughout the entire period after the issue of the bankruptcy order.

Reinsurance premium and profit commission of DKK 19,620,000 have also been paid (item 4).

Finally, other costs have been paid, and translation adjustments of DKK 11,180,000 have been made.

DKK 748,950,508.00

2. Securities

As at 8 May 2018, the bankruptcy estate's securities were booked at DKK 659,853,899. As at 31 July 2023, the bankruptcy estate's portfolio of securities amounted to DKK 1,940,956.

The reduction in the portfolio of securities is a result of the bankruptcy estate's sale and maturity of shares and bonds and relating interest which amount to approximately DKK 657,912,944 in total. It is noted that bonds of approximately DKK 15,290,000 were called in the previous period. The proceeds from the securities have been included in the deposits in item 1 above.

DKK 1,940,956.00

3. The part of the reinsurance of the provision for claims outstanding (expected receivable)

The bankruptcy estate has a booked asset consisting of expected claims against reinsurers, which is the part of the reinsurance of

the expected calculated provisions for unearned premiums and the provisions for claims outstanding (items 28 and 29).

The value of the asset may vary depending on the fluctuations in the calculation of the bankruptcy estate's provisions for unearned premiums and the provisions for claims outstanding (items 28 and 29) that are made regularly. When a loss has been established, notified and examined and the receivable from the reinsurer has consequently become a fact, the receivable will be included in item 4 below. As at 8 May 2018, the receivable amounted to DKK 1,266,860,089. As at 31 July 2023, the receivable amounted to DKK 798,944,504.

The primary reason for the difference in the value of the receivable is a reduction in the provisions for claims outstanding of DKK 421,720,000 (item 29), a reduction in the provisions for unearned premiums of DKK 218,200,000 and a reduction in the provisions for major claims outstanding of DKK 292,240,000, translation adjustments of DKK 34,900,000 and various adjustments, including of profit commission of DKK 85,340,000 in total.

DKK 798,944,504.00

4. Receivables from reinsurers (actual receivable)

The bankruptcy estate has an actual receivable from reinsurers which amounted to DKK -2,315,273 as at 8 May 2018. It means that at the time the bankruptcy estate owed the reinsurers. As at 31 July 2023, the receivable amounted to DKK 215,981,828.

The primary reason for the difference is that the bankruptcy estate's reinsurance receivable relating to return premiums has increased by DKK 322,300,000, that the reinsurers have paid DKK 942,170,000 in total (DKK 45,400,000 during the past six months) to the bankruptcy estate which has been added to the deposits (item 1), and that the part of the reinsurance relating to the provisions for claims outstanding has increased by DKK 913,330,000 because a number of claims have been processed which resulted in the loss on the insurance contracts having been determined and calculated (the provisions for claims outstanding in item 29 were written down at the same time).

There have also been translation adjustments of DKK 14,630,000 in total, total payments of premiums and profit commission of DKK 19,620,000 to the reinsurers and various adjustments of approximately DKK 106,780,000 have been made.

DKK 215,981,828.00

5. Receivables from coverholders and claims examiners

On 8 May 2018, the receivable amounted to DKK 244,299,656. At that point in time debt to coverholders and claims examiners was included in this item. A division has now been made, and the debt can now be found in item 32. As at 31 July 2023, the booked receivable amounted to DKK -36,300,081 and there was therefore a debt to coverholders and claims examiners according to the bookkeeping. The reason is that the bankruptcy estate is awaiting reporting which is expected to eliminate the item over time and there will consequently be a positive receivable.

The primary reason for the reduction in the receivable from the time of the bankruptcy is that the trustee has made a technical bookkeeping amendment to the bankruptcy estate's booked receivables with the result that the bankruptcy estate's outstanding payable premiums are now being deducted from the provisions (item 30) under section 5, para (4), of the then current Statutory Order on registration of assets in insurance companies and company pension funds. As the bankruptcy estate's outstanding payable premiums are paid to the bankruptcy estate, the funds will be added to the deposits (item 1).

The bankruptcy estate has received payments of DKK 178,250,000 in total (compared to the booked items) which have been included in the deposits (item 1), including, *inter alia*, as a result of the trustee's collection of premiums owed by coverholders and funds in claims examiners' claim accounts of DKK 107,290,000, payments of claims for contribution and settlement amounts of DKK 52,320,000 in total and repaid premium tax and profit commission of DKK 18,640,000 in total.

The bankruptcy estate has also paid claims handling costs of DKK 57,740,000.

Finally, a number of technical bookkeeping amendments have been made regarding, *inter alia*, loss on receivables, adjustments for time lag and translation adjustments of DKK 160,080,000 in total. For the time being the asset is included at a value for memory purposes of

DKK 1.00

6. Fee from Danish Labour Market Insurance for work carried out

The trustee has carried out work relating to Labour Market Insurance in connection with its payments to claimants in the period until Labour Market Insurance was able to arrange for the administration of the industrial injury portfolio. The trustee has invoiced the work that amounted to DKK 93,750 inclusive of VAT which has been included in the deposit in the account (item 1).

DKK 0.00

7. Unearned coverholder commission

The bankruptcy estate has a claim for unearned coverholder commission against the coverholders that previously sold insurance on Alpha's behalf. The total claim amounted to approximately DKK 282,000,000 which the trustee started to collect. As at 31 July 2023, the bankruptcy estate had collected approximately DKK 6,986,540 which is part of the deposit in the account (item 1). Court cases are still pending in this regard, see paragraph 5.1.3.1 below, and the extent to which the former coverholders will be able to pay the bankruptcy estate's claims in full is also uncertain, which is why for now the calculated asset is included at a value for memory purposes of

DKK 1.00

Registered assets in total DKK 1,765,817,798.00

The above calculation does not take into account any discounting of the assets.

1.3 Unencumbered assets

The unencumbered assets are to be used to pay all the bankruptcy estate's other creditors, including the

ordinary creditors relating to the operations, as well as the part of the insurance claims that will perhaps not be covered by the registered assets, see paragraph 1.2 above.

The unencumbered assets as at 31 July 2023 were booked at:

8. Deposit in client account

As at 31 July 2023, the deposit amounted to DKK 57,653,784.64. It is noted that the deposit has increased by approximately DKK 20 million during the past six months, see below. It is also noted that the expenses relating to the unencumbered assets have regularly been paid out of the deposit, including payment of the admitted and filed claims under section 94, negative interest as well as the payment of the current expenses relating to the unencumbered assets.

The primary reason for the increase during the past six months is that the bankruptcy estate has received DKK 7,590,000 under a settlement agreement entered into with a former agent that had not reported the insurance sold on behalf of Alpha and had also not paid the premiums to Alpha. It is currently being investigated whether the amount relates to the unencumbered or the registered assets, see paragraph 5.1.3. Moreover, the Danish Tax Agency has refunded VAT for 2019 and 2020 and payroll tax for 2020 of DKK 9,827,015 in total. The amount awaits the calculation of the split/division between the unencumbered and the registered assets, see paragraph 5.1.4.9. The bankruptcy estate has also received a dividend amount of DKK 2,823,823.08 from the bankruptcy estate of Beta Re AG (paragraph 13).

It is also noted that the deposit includes paid excess amounts of a total of DKK 136,373.86 (after deduction of paid expenses) about which discussions are currently taking place with the Guarantee Fund for Non-life Insurers about whether it has a right as a secured creditor to the paid excess amounts relating to losses that the Guarantee Fund has covered, see paragraph 5.1.3.

Finally, total expenses of DKK 7,525,443.78 relating to the administration of the Danish industrial injury portfolio, including the claims handling, have been paid so far. This amount will subsequently

be paid by either the registered assets or by the Guarantee Fund for Non-life Insurers, see paragraph 5.1.6.1, when it has been finally clarified whether the Guarantee Fund for Non-life Insurers holds a special position in the bankruptcy estate.

DKK 57,653,784.64

9. Receivable from New Nordic Holding Limited

The bankruptcy estate has entered into a settlement agreement with New Nordic Holding Limited on payment of DKK 65,000,000 plus interest of 10% annually in full and final settlement of the outstanding balance. DKK 68,383,561.64 inclusive of interest was subsequently deposited into the bankruptcy estate's account and is part of the deposit in the client account (item 8).

DKK 0.00

10. Receivables from consolidated companies

The bankruptcy estate has receivables of DKK 99,047,370 in total from the consolidated companies, Alpha Holding A/S in bankruptcy, Ahpla ApS in bankruptcy and Ahpla SPV ApS in bankruptcy. As bankruptcy proceedings have been commenced against all consolidated companies and only limited or no dividend is expected, the asset has, for the time being, been included at a value for memory purposes of

DKK 1.00

11. Receivable from Intercede 2408 Limited

As at 31 July 2023, the booked receivable amounted to DKK 42,709,725 inclusive of interest. As, according to information received, the company (despite re-establishment) does not have any funds, the actual value of the asset is still uncertain. For this reason the asset is included for the time being at a value for memory purposes of

DKK 1.00

12. Staff loan

An employee with Alpha received a loan from Alpha of DKK 1,500,000 before the bankruptcy. A payment agreement was entered into after the bankruptcy with monthly payments of DKK 25,000 and annual addition of interest of 3%. On 3 November 2020, an agreement was concluded on the payment of DKK 800,000 in full and final repayment of the amount outstanding which the bankruptcy estate has received. DKK 1,575,000 in total has consequently been deposited into the bankruptcy estate's account and is part of the deposit in the client

account (item 8). DKK 0.00

13. Receivable from Beta Re AG

The receivable as at 8 May 2018 was booked at DKK 8,000,000. After the bankruptcy the trustee entered into a payment agreement with Beta Re AG about paying off the debt. Instalments of DKK 640,000 in total (DKK 726,844.34 inclusive of interest) had been paid as at 31 July 2023, and the bankruptcy estate has received a dividend amount of DKK 2,823,823.08 which is included in the deposit in the client account (item 8). Moreover, the trustee is currently waiting to receive payment of EUR 180,000 under a settlement agreement with the former owner of Beta Re AG. Reference is also made to paragraph 5.2.2 below for a detailed account.

DKK 0.00

14. Furniture and fittings

The bankruptcy estate's tools and equipment consist of various office furniture, computers, monitors and other office supplies. The tools and equipment as at 31 July 2023 were booked at DKK 0. When the company went bankrupt, the assets were valued at DKK 277,600 by SFT Group ApS at a forced sale. But the assets are still being used in the day-to-day operations, which is why for the time being the asset has been included at the valuation

DKK 277,600.00

15. Rent deposit

The bankruptcy estate's offices were rented. As at 8 May 2018, the rent deposit was booked at DKK 2,120,056. The asset was booked at DKK 939,227 as at 31 July 2023.

The general reason for the difference in the period is that the bankruptcy estate had rented out rooms to INSR and ASG Forsikring-sagentur A/S (now in bankruptcy) and they both paid deposits for the leased premises. The room that was rented out to ASG Forsikring-sagentur A/S (now in bankruptcy) has been deleted from the bankruptcy estate's lease and the deposit has been adjusted. Qudos Insurance A/S in bankruptcy and Gefion Finans A/S in bankruptcy that have sublet a part of the leased premises have also paid a part of the deposit. It is noted that the bankruptcy estate is obliged to repair the leased premises, which is why, for the time being, the asset is included

at value for memory purposes of	DKK	1.00
16. Receivable regarding sublet premises		
Before the bankruptcy Alpha sublet premises to CBL Insurance Services ApS (now in the process of being compulsorily dissolved). No rent was paid for 2018. The receivable as at 8 May 2018 was booked at DKK 86,614. A settlement agreement on the payment of DKK 28,871.40 inclusive of VAT in full and final payment of the receivable was subsequently concluded. The settlement amount has been paid into the bankruptcy estate's account and is included in the deposit in the client account (item 8).	DKK	0.00
17. Vehicles		
When the bankruptcy order was issued the bankruptcy estate owned a Mercedes-Benz, model Viano, 3.0 CDI MPV Lang Aut. The vehicle was sold for DKK 150,000 exclusive of VAT on 8 June 2018 and the amount has been paid into the bankruptcy estate's account and is included in the deposit in the client account (item 8).	DKK	0.00
18. Intangible assets		
The intangible assets relate to software equipment used in the operation of the bankruptcy estate. The asset as at 31 July 2023 was booked at DKK 0, which is why it is assessed that the asset has no value.	DKK	0.00
19. Art and designer furniture		
The bankruptcy estate owns designer furniture and art, including paintings. The bankruptcy estate has sold art by Maria Rubinke and the bankruptcy estate has received proceeds of DKK 13,440 exclusive of VAT which is included in the deposit in the client account (item 8).		
The asset was booked at DKK 70,000 as at 31 July 2023. The assets were valued in connection with the issue of the bankruptcy order at DKK 318,600 by SFT Group ApS at a forced sale, which is why for the time being the asset is included at the valuation less the proceeds in connection with the bankruptcy estate's sale.	DKK	305,160.00

20. Sale of various minor assets

The trustee has sold three iPhones X, one iPhone 8, one Google Pixie, one Samsung S7 Edge, one Lenovo ThinkCentre, one Fujitsu Siemens Esprimo, two Lenovo ThinkPads, two Dell monitors, two Lenovo ThinkPad Ultra Dock, one Canon printer and mice and keyboards. The bankruptcy estate has received total proceeds of DKK 24,920 exclusive of VAT for the sale of such items which are included in the deposit in the client account (item 8).

DKK 0.00

21. Sale of furniture

The bankruptcy estate has sold four desks and five chairs. The assets were sold for DKK 11,500 in total exclusive of VAT. Two conference tables, six chairs, one carpet, one wine refrigerator, one printer, 19 shelving units and four drawer units were also sold for DKK 19,500 in total exclusive of VAT. The amounts are included in the deposit in the client account (item 8).

DKK 0.00

22. Repayment from Dagbladet Børsen (a Danish newspaper)

The trustee has terminated the bankruptcy estate's newspaper subscription and has consequently received a repayment of DKK 6,586.07 which has been deposited into the bankruptcy estate's account and is part of the deposit in the client account (item 8).

DKK 0.00

23. Repaid taxes from Italy

The bankruptcy estate has received repaid taxes from Italy of EUR 878,879.39 (translated into DKK 6,557,670.68). The amount of DKK 6,557,670.68 has subsequently been deposited into the bankruptcy estate's account and is included in the deposit in the client account (item 8).

DKK 0.00

24. Repaid duties from the Danish Motor Vehicle Agency

The bankruptcy estate has received a repayment of prepaid duties of DKK 2,402.50 (for the period from 3 April 2018 to 31 August 2018) regarding a previously leased Porsche from the Danish Motor Vehicle Agency. The amount has been paid into the bankruptcy estate's account and is included in the deposit in the client account (item 8).

DKK 0.00

25. Claims for repayment

The bankruptcy estate has raised claims for repayment against the former members of the management and their connected persons for paid private expenses, see paragraph 3 below. DKK 25,710 and DKK 100,000 have consequently been paid into the bankruptcy estate's account and are included in the deposit in the client account (item 8). For the time being the asset is included at a value for memory purposes of

DKK 1.00

26. Legal action against a former coverholder in Great Britain

Prior to the bankruptcy, Alpha issued a writ of summons against a former coverholder in Great Britain, claiming payment of approximately DKK 125 million (subsequently adjusted to DKK 116,794,647.06) in consequence of the coverholder, according to Alpha, having breached the parties' contractual relationship. The bankruptcy estate subsequently became a party to the legal action, see paragraph 5.1.4.7 below. The opposing party admitted a claim of DKK 2,151,899.79 during the final hearing, and the amount has been paid into the bankruptcy estate's account and is included in the deposit in the client account (item 8). Appeal proceedings regarding two other subdivided claims are currently pending. It is noted that the coverholder went into administration in July 2023. For the time being the asset is included at a value for memory purposes of

DKK 1.00

27. Claim for damages against two former members of the management and the company's former auditor

The trustee has lodged a writ of summons on behalf of the bankruptcy estate against the former members of the management and the company's former auditor, see paragraph 5.2.4 below. For the time being the asset is included at a value for memory purposes of

DKK 1.00

Unencumbered assets in total

DKK 58,236,549.64

2. LIABILITIES**2.1 Liabilities relating to the registered assets**

The liabilities that are assumed on the existing basis to have a priority right to receive cover from the

bankruptcy estate's registered assets are listed below, see paragraph 1.2 above.

For the sake of completeness, it must be emphasised that it is assumed below that both the insurance claims and the claims for return premium can be paid by the registered assets. But the trustee knows that on 10 March 2020 the EFTA Court delivered a judgment regarding Gable Insurance AG in bankruptcy that could change this starting point, see paragraph 5.1.6.2 below. But the consequences and scope of the decision are not yet clear, which is why the classification in the calculation below is maintained for the time being.

28. Expected claims for return premium

The provisions for unearned premiums have been calculated as a premium paid by the policyholders, but which Alpha had not yet earned because of the bankruptcy which is why the amount is expected to be offset by claims for the return of premiums raised by policyholders. The booked provisions for unearned premiums amounted to DKK 555,790,663 as at 8 May 2018. As at 31 July 2023, the booked provisions for unearned premiums amounted to DKK 265,935,389.

The primary reason for the difference in the period is accrual of premium until the termination of the policies prescribed by law (11 August 2018), transfers of portfolios and that the various guarantee fund schemes are repaying the premiums to the policyholders. It is expected that these repayments and the consequent decrease in the provisions for unearned premiums will be offset by corresponding claims from the various guarantee fund schemes. Translation adjustments are also to be taken into account.

It must be emphasised that the trustee's immediate opinion is that the claims for repayment of premiums have become barred by limitation. The trustee does not therefore expect any further claims for return premium which is why going forward the item is included without any value.

DKK 0.00

29. Expected insurance claims

The provisions for claims outstanding are the amount set aside to cover the policyholders'/the claimants' insurance claims. The claim is a calculated value and may consequently vary depending on the actual insurance claims. As at 8 May 2018, the provisions for claims

outstanding were booked at DKK 2,176,518,057. As at 31 July 2023, the booked provisions amounted to DKK 1,684,016,198.

The primary reason for the difference in the amount in the period is that the various guarantee fund schemes have made payments and that the provisions for claims outstanding have been adjusted on an ongoing basis.

It is noted for the avoidance of doubt that there could be expected insurance claims that have also been proved by a creditor under the registered assets (item 31), which is why there may be a certain overlap between items 29 and 31. It is expected that this overlap will be eliminated over time.

DKK 1,684,016,198.00

30. Deduction of half of the outstanding payable premiums

Under section 5, para (4), of the then current Statutory Order on registration of assets in insurance companies and company pension funds, the bankruptcy estate is entitled to deduct up to half of the outstanding payable premiums. As at 31 July 2023, the receivable amounted to DKK 39,475,762. As the bankruptcy estate's outstanding payable premiums are paid to the bankruptcy estate the funds will be added to the deposits (item 1). As at 31 July 2023, the deduction amounted to

DKK -19,737,881.00

31. Claims proved so far in respect of the registered assets

As at 31 July 2023, claims proved in respect of the registered assets amounted to DKK 2,894,799,520.59 in total. It is noted that this is only a provisional calculation of the proved claims as the various guarantee fund schemes are still making payouts and updating their proofs of claim on an ongoing basis. In addition, some creditors have proved current claims as well as expected future claims. This creates significant uncertainty as to the final calculation of the claims under the registered assets, and it must also be expected that several claims have been proved twice. The trustee therefore expects to receive additional/adjusted proofs of claim. It is expected that this overlap will be eliminated over time.

DKK 2,894,799,520.59

32. Debt to coverholders and claims examiners

As at 31 July 2023, the bankruptcy estate had booked debt to

DKK 75,775,847.00

coverholders and claims examiners of DKK 75,775,847. The debt was previously included in item 5.

Liabilities in total

DKK 4,634,853,684.59

It is noted in respect of the above calculation that later on in the estate administration the expected claims for the return of premiums and the insurance claims will likely be replaced by actual claims (as stated in items 28 and 29 above) as the claims for repayment of premiums are calculated and the insurance claims are finalised, including from the Guarantee Fund for Non-life Insurers and other national guarantee fund schemes that are subrogated to the policyholders' and the claimants' claims against the bankruptcy estate under the registered assets, see paragraph 5.1.4.4 below. The various guarantee fund schemes are still making payouts.

As at 31 July 2023, the various guarantee fund schemes have reported to the bankruptcy estate that a total of DKK 1,252,240,156 has been paid to cover both the accepted insurance claims and the claims for the return of premiums.

The trustee also assumes that some creditors have proved claims twice which obviously affects the calculation of the expected liabilities. This is why the trustee does not expect that there will be liabilities of approximately DKK 4.6 billion linked to the registered assets when the bankruptcy estate is wound up. It is the trustee's preliminary estimate that the liabilities linked to the registered assets will be less than DKK 3.5 billion when the bankruptcy estate is wound up.

2.2 Other liabilities relating to the unencumbered assets

The liabilities covered by the bankruptcy estate's unencumbered assets are specified below, see paragraph 1.3 above.

Proofs of claim lodged under section 82 of the Bankruptcy Act	DKK	606,217,577.99
Proofs of claim lodged under section 93 of the Bankruptcy Act	DKK	76,140.00
Proofs of claim lodged under section 94 of the Bankruptcy Act (paid)	DKK	1,388,181.13
Proofs of claim lodged under section 95 of the Bankruptcy Act	DKK	34,101,391.31
Proofs of claim lodged under section 97 of the Bankruptcy Act	DKK	126,325,853.32
Proofs of claim lodged under section 98 of the Bankruptcy Act	DKK	155,553,209.41
Other liabilities in total	DKK	923,662,353.16

It is noted that the claims proved under section 94 of the Bankruptcy Act were paid to the creditors

following the examination of claims on 20 August 2019 when the filed claims were admitted.

3. LITIGATION REGARDING AVOIDANCE AND CLAIMS FOR REPAYMENT

As stated in previous reports, the trustee has concluded the investigations relating to avoidance in the bankruptcy estate. Reference is generally made to the previous reports on this subject which also contain detailed accounts of the bankruptcy estate's repayment claims. The bankruptcy estate has received DKK 125,710 in total in this connection.

As for the bankruptcy estate's possible claim for avoidance of DKK 562,500 which was subsequently reduced as part of the trustee's further investigations to DKK 284,715, it is noted that the suspension agreement is still in force. In the previous period, the trustee continued to have talks and correspondence on an ongoing basis with the beneficiary about the possible claim for avoidance.

Litigation, the bankruptcy estate's claim for repayment against two connected persons of former members of the management

On 16 March 2021, the bankruptcy estate lodged a writ of summons against a connected person of a former member of the management, claiming repayment of payments received of DKK 274,120 in total plus interest as from the various dates of payment. Moreover, the bankruptcy estate lodged a writ of summons on 28 April 2021 against another connected person of a former member of the management with a claim for amounts received of DKK 596,947 in total plus interest (the claim was adjusted to DKK 589,025 in the course of the pre-complaint dealings).

The District Court of Helsingør found by its judgment of 21 October 2022 (the first case) that the spouse of the former member of the management was not to repay the DKK 589,025 as the court found that the matter was not subject to section 210 of the Danish Companies Act. The trustee appealed against the judgment to the Danish Eastern High Court on 3 November 2022 as the trustee was of the opinion that the judgment was wrong and contrary to other case law by the Danish High Court and as the trustee found that the court did not take a position on the basic theme of the case.

In the previous period, the trustee participated in an interim hearing in the case (on 20 February 2023) in which connection the parties agreed at the request of the Danish Eastern High Court that there was a need for a preliminary reference to the Court of Justice of the European Union (CJEU) of the interpretation of Article 23(1) of the second company directive (Directive 77/91/EEC) which stipulates that "A company may not advance funds, nor make loans, nor provide security, with a view to the acquisition of its shares by a third party" which was amended by Directive 2006/68/EC of 6 September 2006 to the current wording "Where Member States permit a company to, either directly or indirectly, advance funds or make

loans or provide security, with a view to the acquisition of its shares by a third party [...]". The parties filed orders for reference with the Danish Eastern High Court in that connection.

On 28 April 2023, the Danish Eastern High Court informed the parties that the question of whether a preliminary reference is to be made should be moved to after the trial hearing. The trial hearing is scheduled for 25 June 2024. The parties then informed the High Court that they agreed to move any preliminary reference to after the trial hearing.

The work relating to the above case is therefore still being performed.

As for the other case, it is noted that by a judgment of 21 November 2021 (the other case) the District Court of Helsingør found that the co-habitant of the member of the management was not to be liable for payment of DKK 274,120 in particular because (based on a witness statement by a former member of the management) the court found that it was customary in the insurance business that spouses and cohabitants participate in business trips and dinners and as the purpose of the participation was to create relations with business associates. The court found therefore that the expenses paid were not clearly private.

As mentioned in the most recent report, the trustee decided due to the litigation costs not to appeal against the judgment as the relatively limited value of the subject-matter of DKK 274,120 has been taken into account. The judgment is therefore final and the case has been closed.

4. CRIMINAL OFFENCES

It is regularly investigated in connection with the estate administration whether there is any basis for the trustee filing a police report under section 110(4) of the Bankruptcy Act. The trustee's examinations in this regard have been concluded for the time being and reference is made to previous reports.

5. THE ESTATE ADMINISTRATION AND THE TIME SPENT IN THE PAST PERIOD

The trustee's work in the period from 1 February 2023 and until 31 July 2023 has primarily focused on the following tasks:

5.1 The time spent on the registered assets and the relating liabilities

5.1.1 *Securities*

The bankruptcy estate's portfolio of securities still primarily consists of corporate bonds and government bonds that were booked as at 31 July 2023 at DKK 1,940,956 in total, see paragraph 1.2, item 2.

In the previous period, the trustee had discussions over the telephone and correspondence with the bankruptcy estate's bankers (Sydbank A/S, UBS and DNB in Norway) about the possibilities of low-risk investments/fixed-term accounts in order to get better payment of interest of the bankruptcy estate's funds. It is noted in this connection that DNB could offer the best solution/payment of interest to the bankruptcy estate.

The trustee has therefore arranged for the transfer of the amount below to DNB to be paid into the newly opened custody accounts with a fixed term of six months for the time being (expiry November 2023):

- DKK 110 million
- NOK 90 million
- EUR 40 million
- GBP 18 million
- USD 2.5 million

The result of the transfer of the significant funds is that the bankruptcy estate's commitment with UBS has been significantly reduced, and as a consequence the trustee has started to terminate all the bankruptcy estate's commitments with UBS. Only the transfer/move of one bond is currently outstanding.

In future, the administration of the bankruptcy estate's portfolio of securities will therefore only be in cooperation with Sydbank A/S.

In the previous period, the trustee also continued to manage the portfolio of securities and regularly assessed the bankruptcy estate's securities investment policy, including also in respect of the need for liquidity to pay for the day-to-day operations. A usual withdrawal of approximately DKK 15,290,000 was made from the company's custody account in the previous period which has been added to the deposit including for transfer to the newly opened custody accounts with DNB.

The ongoing management of the portfolio of securities is still taking place.

Approximately 26 hours have been spent on such work by lawyers since the most recent report.

5.1.2 Reinsurance

The bankruptcy estate's most important asset in the registered assets is still the receivables relating to the bankruptcy estate's reinsurance contracts, the reinsurance part of the provisions for unearned premiums and the provisions for claims outstanding respectively, and the receivables from the reinsurers, see paragraph 1.2, items 3 and 4.

The trustee's work relating to the reinsurance has generally resulted in the payment of approximately DKK 942,170,000 in total to the bankruptcy estate from the reinsurers since the company went bankrupt (calculated as at 31 July 2023). DKK 45,400,000 has been paid by the reinsurers in the previous period of six months.

In the previous period, the handling of the bankruptcy estate's reinsurance still focused on calculating and collecting the bankruptcy estate's reinsurance receivable on an ongoing basis. Dealing with the reinsurance still involves complicated issues, which the trustee is assessing and handling on an ongoing, and daily, basis. In that connection the trustee has continued to have discussions with the reinsurers and the bankruptcy estate's employees on a daily basis regarding calculations, reconciliation and payment of receivables from reinsurers to the bankruptcy estate as well as other operational matters. It is expected that this work will be performed as long as there are open claims with reinsurance coverage.

In the previous period, the trustee conducted a close examination of a number of custody accounts in the reinsurers' names including to clarify the position of such accounts in respect of the bankruptcy estate, ie whether the funds are part of the bankruptcy estate's assets or whether the bankruptcy estate will just have an unsecured claim on the funds in such custody accounts. This work is still taking place.

The trustee is still focused on ensuring that to the extent possible the payments from the reinsurers are made directly to the bankruptcy estate and not through the bankruptcy estate's insurance brokers. As mentioned in the most recent report, there have been some challenges with a number of Asian reinsurers with implementing the direct payment from the reinsurers to the bankruptcy estate, and the trustee found that it was necessary to go back to the starting point that payments are first made to the insurance broker that then makes the payment to the bankruptcy estate, including also that communication is made through the broker and not directly with the reinsurers.

In the previous period, the trustee continued to be in dialogue with a broker about one single reinsurer that has not paid directly to the bankruptcy estate as expected. The trustee is still waiting for payment

from the reinsurer and is still in dialogue with the broker. The trustee has gone through the contractual basis and calculated the bankruptcy estate's entire receivable from the reinsurer and has also taken the initial steps in that connection to commence arbitration proceedings.

The trustee has also dealt with and made sure on an ongoing basis that major claims are reported to the reinsurers efficiently and on time which secures the bankruptcy estate's collection of its receivable from reinsurers.

It is noted in this connection that several major claims must be indexed annually to take into account the price development from the date of the loss until a final payout is made. In the previous period, the trustee updated the indexing of a number of major claims as a consequence of additional payouts and subsequently sent out collections to the relevant reinsurers. The English courts have decided that in addition to coverage of the claims concerning a number of English major claims the claimants are to receive a lifelong periodic payment order (PPO). The trustee will collect coverage from the reinsurers on an ongoing basis and the trustee is also still looking into the possibility of transferring claims with PPOs due to the very long run-off which often spans 30-50 years.

Finally, the trustee has continued the work of looking into the possibilities of commutation where the run-off can be determined with a high degree of probability. At this point in time the trustee is focusing on the commutation of the so-called "quota share contracts". It is noted that the indexation mentioned above will affect the maximum amount to some degree for which the reinsurers are liable under the "quota share contracts". This issue is therefore part of the trustee's discussions and considerations in connection with the commutation negotiations.

But where a loss has developed into an PPO, the loss is kept out of commutation as the run-off result is unpredictable and may vary by several million Danish kroner. Moreover, a number of major claims will also be kept out of the commutation if the uncertainty as to the final amount of loss is too big. In any case the final commutation amount will depend, however, on a negotiation and an agreement between the bankruptcy estate and the individual reinsurers.

In the previous period, the trustee also held status meetings on a regular basis to ensure progress in the commutation process and determine reserves. The trustee also started new negotiations and continued negotiations with a number of reinsurers concerning commutation agreements, including discussions with the reinsurers and drafted commutation offers. This work is still taking place.

In addition, the trustee is regularly assessing and considering the process relating to collection of the bankruptcy estate's receivables from reinsurers, including also considering the ongoing contractual relationships with the various reinsurers. In the previous period, the trustee participated in a meeting in

Madrid with a Spanish reinsurer partly for the purpose of solving specific issues relating to the reporting and non-payment of the bankruptcy estate's receivable from reinsurers and partly ensuring ongoing collaboration and communication.

On behalf of the bankruptcy estate, the trustee has also prepared arbitration proceedings about a receivable from a reinsurer outside of Denmark. The bankruptcy estate had to deal with a number of formalities in that connection. Due to a third party's affairs, the start-up of the matter has made slow progress.

Approximately 703 hours have been spent by lawyers on such work since the most recent report.

5.1.2.1 Danish industrial injury

The trustee has continued to have correspondence and discussions on an ongoing basis with the bankruptcy estate's external claims examiner about clarifying the practical and general questions relating to the claims examiner's work for the bankruptcy estate/the Guarantee Fund.

The general tendency in respect of the open claims for the portfolio of Danish industrial injury is that their development is negative/the provisions increase, which is also reflected in the bankruptcy estate's ongoing reporting to the relevant reinsurers. The reinsurers follow the development closely and have several questions to the bankruptcy estate that are especially about the reason for the increases in covered losses and reserves.

In the previous period, the trustee continued to have discussions and meetings with the external claims examiner concerning calculating losses with incomplete information, ie unknown losses, losses without a policy number or losses where it has not been possible to identify the claimant, including matters in respect of coordinating the claims handling.

This work is still taking place.

Approximately 49 hours have been spent on such work by lawyers since the most recent report.

5.1.3 Receivables from coverholders, claims examiners, etc

The bankruptcy estate's receivables from coverholders and claims examiners under the registered assets amounted to DKK -36,300,081 as at 31 January 2023, see paragraph 1.2, item 5, which means that according to the bookkeeping there was a debt to the coverholders and claims examiners. The reason is that the bankruptcy estate is awaiting reporting from the claims examiners which is expected to eliminate the item over time and there will consequently be a positive receivable. It is primarily a consequence of a

period deferment in the reporting.

If the missing reporting is disregarded, the item mainly covers the bankruptcy estate's receivable consisting of the premium receivables from coverholders, including the instituted legal proceedings against coverholders and claims examiners, see paragraph 5.1.3.1 for details. As written in recent reports, the trustee has collected all funds in loss accounts.

In the previous period, the trustee continued to deal with the collection of outstanding excess amounts from policyholders in 41 cases in total. Only one case is currently open (five cases were closed in the previous period). The trustee has collected a total excess amount of DKK 241,047 so far (DKK 136,373.86 after a deduction of paid expenses).

The collected excess is currently deposited in the bankruptcy estate's client account, see paragraph 1.3, item 8. It is still being investigated whether the amount is a registered asset or an unencumbered asset. If the amount is a registered asset, the amount will subsequently be reclassified/moved. There are also discussions with the Guarantee Fund for Non-life Insurers about whether the Guarantee Fund has a right as a secured creditor to the excess amounts of the insurance claims that the Guarantee Fund for Non-life Insurers has covered.

Finally, the trustee has entered into a settlement agreement in the previous period on behalf of the bankruptcy estate with a former coverholder on payment of DKK 7,590,000 relating to concluded insurance contracts that were not previously reported to Alpha just as no premiums were paid for the concluded insurance contracts to Alpha. For the time being, the amount is included in the deposit in the unencumbered funds, see paragraph 1.3, item 8, until it has been finally clarified whether the premiums are part of the unencumbered or registered assets. This work is still taking place.

The work regarding the bankruptcy estate's receivables is therefore still ongoing.

Approximately 32 hours have been spent by lawyers on such work since the most recent report.

5.1.3.1 Reclaiming unearned coverholder commission

The trustee has raised claims on behalf of the bankruptcy estate for repayment of unearned coverholder commission against a number of the bankruptcy estate's former coverholders. At this point in time a total of three legal actions are pending (two were closed in the previous period) regarding claims for unearned coverholder commission against former coverholders. A detailed account of these cases is provided below.

1) Legal action brought against a former coverholder in Denmark

On 7 May 2021, the trustee brought a legal action on behalf of the bankruptcy estate against a former coverholder, claiming payment of DKK 6,275,043.76 and NOK 85,570.59 (approximately DKK 63,200).

The case was brought before the Copenhagen City Court, but it was subsequently requested that it was to be committed to the Danish Maritime and Commercial High Court which was done by a ruling of 8 September 2021.

The parties held settlement discussions in the previous period. On 7 July 2023, the parties entered into a settlement agreement on the coverholder paying DKK 1,675,000 in total to the bankruptcy estate in full and final settlement of the case. It is noted that the settlement amount was fixed according to the same principles used in the judgment of the Danish Maritime and Commercial High Court of 8 March 2023, see paragraph 5.1.3.1, item 3, below.

The bankruptcy estate received the settlement amount on 14 July 2023 after which the bankruptcy estate withdrew the case.

The case has therefore now been closed.

2) Legal action brought against a former coverholder in Great Britain

On 6 May 2021, the trustee brought a legal action on behalf of the bankruptcy estate against a former coverholder, claiming payment of GBP 615,541.28 (approximately DKK 5,500,000).

In the previous period, the trustee drafted the final questions for the expert and the trustee has spent time on contacting experts and discussions with the opposing party. On 29 June, the Danish Maritime and Commercial High Court appointed the final expert in the case.

It is noted that after the cut-off date of this report, 15 August 2023, the trustee received the expert's answers to the questions for the expert.

For the time being, an interim hearing has been scheduled for 1 September 2023 after which the trustee expects to send supplementary questions to the expert.

The case is consequently still stayed pending the expert valuation.

3) Legal action brought against a former coverholder in Denmark

On 8 September 2021, the trustee brought a legal action on behalf of the bankruptcy estate against a former coverholder, claiming payment of DKK 970,308.20.

The case was brought before the Copenhagen City Court, but it was subsequently requested that it was to be committed to the Danish Maritime and Commercial High Court which was done by a ruling of 30 November 2021.

The final hearing took place on 10 and 11 January 2023.

On 8 March 2023, a judgment was delivered in the case, according to which the coverholder was ordered to pay the bankruptcy estate DKK 382,937.92 plus statutory interest as from 14 May 2021 as well as costs of DKK 69,500. The amount corresponds to the bankruptcy estate being successful to the extent that the policyholder had filed a claim for repayment of premium.

The case was not subsequently appealed against and the judgment is therefore final. It is noted that the bankruptcy estate received the judgment debt on 13 April 2023.

4) Legal action brought against a former coverholder in Italy

On 7 May 2022, the trustee brought a legal action on behalf of the bankruptcy estate against a former coverholder, claiming payment of EUR 47,032.00 (approximately DKK 350,000). The amount claimed was subsequently increased to EUR 576,831.42 (approximately DKK 4,292,000) as the trustee learned of an additional premium receivable from the coverholder.

In the previous period, the trustee spent time on participating in interim hearings and on drafting additional pleadings.

The case has currently been set down for trial on 10 and 11 June 2024.

5) Legal action brought against a former coverholder in French Polynesia

The trustee brought a legal action on behalf of the bankruptcy estate against a former coverholder residing in French Polynesia, claiming payment of EUR 662,693.59 (approximately DKK 4,930,000).

On 27 January 2023, the opposing party filed the defence in the case. The case was subsequently committed to the Danish Maritime and Commercial High Court.

In the previous period, the trustee spent time on going through the opposing party's defence and participating in interim hearings.

The opposing party has claimed in the case that the forum is not Denmark, which is why the trustee has spent quite some time on going through and drafting pleadings concerning this issue.

It is noted that the deadline for the opposing party to file an additional pleading concerning the issue of forum was 10 July 2023. But no pleading was filed within the deadline, and the Danish Maritime and Commercial High Court has therefore ruled that the forum is the Danish Maritime and Commercial High Court.

Finally, the trustee participated in settlement negotiations which, however, were in vain at this point in time.

The case is currently stayed pending the ruling on the issue of forum.

6) Claim for unearned coverholder commission from a former coverholder in Germany

The subject-matter of the case is a claim for unearned coverholder commission of EUR 500,403 (approximately DKK 3,724,000). The work on the matter has mainly consisted of clarifying the cashflows between the parties. The legal steps have yet been taken.

The trustee has sent the case files to the bankruptcy estate's correspondence lawyer and answered questions from the lawyer concerning the cash flows and the business structure.

It is noted that the coverholder has disputed the bankruptcy estate's claim for unearned coverholder commission by referring to the cash flows.

The coverholder has claimed that the coverholder paid a net premium to Alpha in return for the right to issue an insurance certificate and that it was therefore the profit from the re-sale of the insurance certificate that was actually the coverholder's commission. The coverholder has also raised a counterclaim of EUR 911,093.05 by referring to a number of unsold insurance certificates at the time of the issue of the bankruptcy order. The trustee has gone through the underlying data of the counterclaim and has identified significant discrepancies, which is why the bankruptcy estate has disputed the counterclaim.

Due to limitation of actions, the bankruptcy estate's correspondence lawyer has entered into a suspension agreement on behalf of the bankruptcy estate with the coverholder. The suspension agreement will expire

on 6 November 2023.

The trustee's work relating to claiming back the coverholders' unearned commission is therefore still taking place.

Approximately 356 hours have been spent by lawyers on such work since the most recent report.

5.1.4 *The work relating to dealing with the operations*

5.1.4.1 *Claims handling*

As previously stated, the trustee decided after the issue of the bankruptcy order to continue the operations of the bankruptcy estate together with the Guarantee Fund for Non-life Insurers to minimise the bankruptcy estate's liabilities and to secure the bankruptcy estate's receivables from the reinsurers, see paragraph 1.2, items 3 and 4, which are still the bankruptcy estate's most important asset.

The claims handling by the existing claims examiners has continued to the extent possible so that the ongoing claims handling in compliance with the existing claims handling agreements continues to the widest extent possible. Some loss portfolios were subsequently transferred to new claims examiners.

The trustee's claims handling in the previous period continued to be extensive as the trustee's work consisted of ensuring continuous proper claims handling. This work will be performed as long as there are open claims.

It is noted in that connection that currently 64 insurance portfolios out of 90 insurance portfolios in total still have open claims of which several insurance portfolios were already run-off cover for claims raised before the company went bankrupt.

As at 31 July 2023, there was a total of 2,410 open losses and a significant number of insurance claims including large and complicated personal injury cases are still to be examined which require the trustee's ongoing involvement, including also in respect of determining the reserves that are of great importance to the bankruptcy estate's receivable from reinsurers.

The trustee's work has also included in-depth discussions and correspondence with the attached claims examiners regarding the process of rejecting claims notified after the expiry of the policies, the procedure

for reporting the accepted claims to the Guarantee Fund for Non-life Insurers and/or other national guarantee fund schemes and to the bankruptcy estate for the purpose of registration in the register of debts and claims. This work is still taking place.

Approximately 668 hours have been spent by lawyers on such work since the most recent report.

5.1.4.2 Position on other bilateral agreements

In the previous period, the trustee continued to spend time on administering and approving payments regarding the contracts to which the bankruptcy estate has become a party because of the continued operations. This work will be performed as long as the bankruptcy estate has operations.

The trustee also continued to spend time on reviewing the costs that Alpha has paid regarding the service charges of the leased premises and other operating expenses because Qudos Insurance A/S in bankruptcy and Gefion Finans A/S in bankruptcy are to pay a proportionate part of the service charges of the leased premises and other operating expenses because of the subleases with Alpha and the agreement on apportionment of costs between Alpha, Qudos Insurance A/S in bankruptcy and Gefion Finans A/S in bankruptcy.

The trustee has therefore handled the re-invoicing from Alpha to Qudos Insurance A/S in bankruptcy and from Alpha to Gefion Finans A/S in bankruptcy in respect of the proportionate part of the costs paid in the previous period that Qudos Insurance A/S in bankruptcy and Gefion Finans A/S in bankruptcy are to pay according to the sublease and the agreement on apportionment of costs.

Reference is made to the previous reports in which the work is described in detail. The work will be performed as long as the lease is maintained and the premises are sublet to Qudos Insurance A/S in bankruptcy and Gefion Finans A/S in bankruptcy.

Approximately 56 hours have been spent by lawyers on such work since the most recent report.

5.1.4.3 The bankruptcy estate's employees

In the previous period, the trustee continued to deal with usual employee matters as in any other operating business, including regarding illness, holiday, resignations, etc.

In addition, the trustee has received a resignation from an employee in the bankruptcy estate's finance department who will leave on 31 August 2023. The trustee has also dismissed an employee in the legal department who will leave on 31 October 2023.

Approximately 38 hours have been spent by lawyers on such work since the most recent report.

5.1.4.4 Talks with guarantee funds

In the previous period, the trustee continued to have regular talks with the Guarantee Fund for Non-life Insurers, green card agencies, including the Danish Motor Insurers' Bureau (DFIM), and other national guarantee fund schemes, including the Financial Service Compensation Scheme ("FSCS") (UK), FGAO (France), CONSAP-F.G.V.S. (Italy) and the Norwegian guarantee fund.

The talks are primarily still about the payment of the policyholders'/the claimants' claims, including the procedure for exchanging insurance claims/claims for return premium between the various guarantee funds and the bankruptcy estate, talks about the calculation of the policyholder's claim for return premium and the process of notifying the bankruptcy estate of insurance claims/claims for return premium. This work will be performed as long as there are open claims subject to coverage by guarantee funds.

It is noted in that connection that the various guarantee funds are still examining and paying out insurance claims/claims for return premium to the policyholders/claimants, and the trustee is still involved on an ongoing basis in the guarantee funds' processing and payouts of the reported insurance claims/claims for return premium.

Moreover, the trustee has had in-depth discussions on an ongoing basis with the various guarantee funds regarding the filing of their subrogation claims against the bankruptcy estate, including in particular in respect of the bankruptcy estate's requirements as to the proof of the trustee's subsequent examination of the claims. The discussions are still taking place.

Finally, the trustee has also had talks with public authorities in other European countries on a continuous basis.

The trustee's talks and coordination with the various guarantee funds are still taking place and will take place as long as there are open insurance claims in the jurisdictions of the various guarantee fund schemes.

Approximately 35 hours have been spent by lawyers on such work since the most recent report.

5.1.4.5 Correspondence with policyholders and claimants

In the previous period, the trustee continued to have regular correspondence with the policyholders and

the claimants about their claims for return of premiums and insurance claims against Alpha.

It is noted that at the end of July 2023 the trustee had received more than 6,500 inquiries in the email inbox that the trustee's office is dealing with on an ongoing basis. Add to this that a large number of emails was also sent to the trustee's office, inquiries over the telephone, post and service of documents.

In the previous period, the emails were still primarily questions from the policyholders about when they can expect to receive the payouts from their claims for return of premiums from the guarantee funds and/or the bankruptcy estate as well as questions about specific insurance claims handled by the attached claims examiners or attorneys. The trustee coordinates and discusses the status with the various guarantee fund schemes on an ongoing basis, and the trustee is also registering the filed claims in the register of debts and claims.

It is noted that FSCS is still repaying premiums on a regular basis. FSCS, the Guarantee Fund for Non-life Insurers, FGAO, CONSAP-F.G.V.S. and the Norwegian guarantee fund make regular payouts of accepted insurance claims to claimants.

In the previous period, the trustee continued to regularly update the bankruptcy estate's website (www.alphagroup.dk) with relevant information to the policyholders and the claimants about their insurance products and other relevant information about the estate administration.

It is noted in this connection that the trustee has closed the web form for filing claims for return premium, see paragraph 5.1.5.1 below for details.

Approximately 89 hours have been spent by lawyers on such work since the most recent report.

5.1.4.6 Legal actions brought against the bankruptcy estate after the issue of the bankruptcy order

In the previous period, the trustee continued to spend time on the legal actions brought against Alpha after the issue of the bankruptcy order.

The legal actions have primarily been brought before the claimant's/the policyholder's home court and the legal actions are therefore still primarily being handled by external attorneys in compliance with the agreements entered into between the relevant claims examiners and the bankruptcy estate. It is noted in this connection that several writs of summons are also still being served on the attached claims examiners that previously had a very independent role in handling the legal actions. Several writs of summons are also being served on the trustee's office.

In the previous period, the trustee and the bankruptcy estate's employees continued to have extensive correspondence and discussions with the attached claims examiners and the lawyers handling the legal actions in question to ensure in that way that the legal actions are being handled in accordance with the bankruptcy estate's instructions.

To the extent that new legal actions are brought against the bankruptcy estate after the issue of the bankruptcy order the trustee is still instructing the attorneys to request a dismissal of the cases by stating that the writ of summons has been lodged after the issue of the bankruptcy order and without the underlying claim having been examined, which is why the legal action has not been brought in compliance with the rules of part 16 of the Bankruptcy Act regarding examination of claims and in compliance with the rules of the Solvency II Directive.

In this way the trustee makes sure to the widest extent possible that the creditors against the bankruptcy estate are being treated the same way across the various jurisdictions. It is noted that the trustee is closely following how these legal actions are being dealt with and regularly requests to be informed of the status of the current legal actions. The trustee is also contributing with relevant material and case law in the court cases on an ongoing basis. Legal proceedings are initiated against the bankruptcy estate on an ongoing basis, including before the French courts in particular. The clarification of the facts in the legal actions brought after the issue of the bankruptcy order is still taking place.

Avoidance proceedings commenced against the bankruptcy estate in Auckland, New Zealand

On 26 October 2022, a law suit was filed against the bankruptcy estate before a court in Auckland, New Zealand, by a bankrupt reinsurer residing in New Zealand, claiming avoidance of two payments to Alpha, including a payment to Alpha made on 16 February 2018 of EUR 25 million and a payment of EUR 397,000 to Alpha made on 14 February 2018.

In the previous period, the trustee had in-depth discussions, meetings over the telephone and correspondence with the bankruptcy estate's correspondence lawyer in New Zealand concerning the case including for the purpose of clarifying the facts concerning the reinsurer and the calculation of the balance between the parties. It is noted that the trustee has also hired actuary assistance for the case and that the trustee has made financial statements and calculations for the case.

The case has been scheduled for a trial hearing on 6-9 November 2023 and the exchange of pleadings is expected to take place up to the trial hearing.

Approximately 98 hours in total have been spent by lawyers on legal actions brought after the issue of the bankruptcy order since the most recent report.

5.1.4.7 Legal actions to which the bankruptcy estate has become a party or which have been brought by the bankruptcy estate

In the previous period, the trustee continued to spend time on the legal actions to which Alpha was a party before the issue of the bankruptcy order and on the legal actions brought by the trustee on behalf of the bankruptcy estate. Please find below an account of the court cases that do not concern unearned coverholder commission (described in paragraph 5.1.3.1).

The trustee has corresponded and has had talks with the attorneys about the individual cases, and the trustee continues to be involved in the handling of the various legal actions.

1) Legal action brought against a former coverholder and claims examiner in Great Britain before the issue of the bankruptcy order

Alpha had brought a legal action before it went bankrupt against a former coverholder and claims examiner in Great Britain. The case is generally about damages in contract. On 24 August 2018, the bankruptcy estate became a party to the case, see section 136(1) of the Danish Administration of Justice Act.

The claim for payment was adjusted up to the trial hearing before the district court where the claim for payment raised amounted to DKK 116,794,647.06 plus statutory interest from the institution of the case that is composed of three claims in part, including DKK 95,322,423.53 relating to the agreement on a call for tenders for equipment insurance, DKK 1,765,947.10 relating to the agreement on a call for tenders for motor racing insurance and DKK 19,706,276.43 relating to the agreement on a call for motorcycle insurance.

On 19 January 2021, the Copenhagen City Court delivered its judgment in the case and the court found that the coverholder had committed a material breach of the parties' agreement on a call for tenders for equipment insurance. But the court did not find that the loss suffered by Alpha had been proved, which is why the coverholder was not liable for the claim. As for the agreement on a call for tenders for motorcycle insurance, the court found that the coverholder had breached the agreement and the coverholder was ordered to pay DKK 9,991,866.65 to the bankruptcy estate and legal costs of DKK 462,500.

On 2 February 2021, the coverholder appealed against the judgment on the agreement on a call for tenders for motorcycle insurance to the Danish Eastern High Court.

On 5 February 2021, DKK 2,151,899.79 was paid into the bankruptcy estate's account for an accepted claim in part regarding the agreement on a call for tenders for motor racing insurance.

On 15 March 2021, the trustee filed the notice of appeal in the case and at the same time requested an expert valuation in light of the bankruptcy estate's loss on the effected equipment insurance.

The case is still stayed pending the expert survey and valuation, including the appointment of a relevant expert which has turned out to be a very complicated process as there are no relevant trade associations so far that have been able to assist with proposing a suitable expert. The work of proposing a relevant expert is therefore still taking place.

It is noted that the coverholder went into administration on 17 July 2023. The trustee is currently in the process of uncovering whether, and the extent to which, this has any consequences for the pending appeal proceedings.

2) Legal action brought against a former coverholder in Germany *after* the issue of the bankruptcy order

On 3 May 2019, the trustee brought a legal action on behalf of the bankruptcy estate against a former coverholder in Germany claiming payment of EUR 891,073 which was part of the total insurance premium owed by the former coverholder to Alpha. The legal action was brought before the Copenhagen City Court as this is the venue agreed on between the parties.

On 2 June 2020, the trial hearing was held before the Copenhagen City Court.

On 30 June 2020, the Copenhagen City Court delivered its judgment in the case where the former coverholder was ordered to pay EUR 2,212,952.33 to Alpha plus statutory interest under the Danish Interest Act as from 10 February 2019. Alpha was also awarded legal costs of DKK 456,718.75.

The former coverholder subsequently appealed against the judgment in its entirety within the period allowed for appeal. The trustee then drafted and filed the defence in appeal proceedings in the case which subsequently resulted in the former coverholder withdrawing the appeal.

On 26 April 2021, the parties entered into an instalment agreement on the payment of the awarded judgment amount of EUR 2,212,952.33.

As at 31 July 2023, the bankruptcy estate had received EUR 348,000 (approximately DKK 2,627,400) in total. The trustee is checking on an ongoing basis whether the bankruptcy estate receives the instalments in compliance with the payment terms of the instalment agreement.

3) Legal action brought against a former coverholder in Great Britain after the issue of the bankruptcy order

On 26 March 2020, the trustee brought a legal action on behalf of the bankruptcy estate against a former coverholder in England, claiming payment of GBP 4,536,923.95, which was the former coverholder's non-payment of insurance premium to Alpha. Due to the jurisdiction clause of the parties' Binder Agreement, the legal action was brought before Business and Property Courts of England and Wales Commercial Court. The bankruptcy estate engaged an English lawyer to safeguard Alpha's interests in the case.

The parties subsequently entered into a settlement agreement in the case on payment of GBP 3,560,000 (approximately DKK 31,630,900) and GBP 600,000 (approximately DKK 5,330,000) of which GBP 600,000 was to be paid by several instalments.

So far, the bankruptcy estate has received GBP 3,935,000 (approximately DKK 33,375,000). The next instalment of GBP 112,500 must be paid on 31 December 2023 after which the last instalment to be paid will be GBP 112,500.

The trustee is checking on an ongoing basis whether the bankruptcy estate receives the instalments in compliance with the payment terms of the instalment agreement.

Approximately 71 hours have been spent by lawyers on the above legal actions since the most recent report.

5.1.4.8 Compliance and audits

In the previous period, the trustee continued to carry out audits of several of the bankruptcy estate's attached claims examiners where claims handling is still taking place. It is noted that the audits of the claims examiners are conducted once annually by external or internal auditors. The internal audit is being conducted by the bankruptcy estate's employees in the legal department.

Audits of three claims examiners have been conducted in 2023. Audits of an additional five claims examiners are planned for 2023.

In the previous period, the trustee and the bankruptcy estate's employees thus had ongoing discussions and correspondence with the claims examiners about coordinating and conducting the audits of the

various claims examiners, including drawing up specific instructions for the auditors with guidelines for conducting the audit of the various claims examiners. In addition to focusing on the quality and progress of the claims handling by the claims examiners, the trustee has updated the instructions based on the experience gained from the audits that were previously carried out.

In the previous period, the trustee also spent time on updating the previously implemented supervision concept to ensure that Alpha's actions comply with GDPR law.

In the previous period, the trustee also continued to draw up and update data processing agreements with the bankruptcy estate's business associates to make sure that the business associates comply with their obligations under the General Data Protection Regulation to the widest extent possible. In this connection the work relating to supervision and updating the risk assessment of the claims examiners, drawing up and updating the data processing agreements and coordination, including considerations about deletion dates, matters regarding termination of agreements, return of data, etc, has continued to be significant. This work will be performed as long as the external claims examiners examine claims.

It is noted in this connection that in the previous period the trustee learned of two potential security breaches, which is why the trustee has spent time on close examinations and dealing with such security breaches.

The work has continued to consist of assessing existing data processing agreements entered into with the bankruptcy estate's other suppliers and business associates (service and IT providers, etc.)

Approximately 153 hours have been spent by lawyers on such work since the most recent report.

5.1.4.9 Audit and bookkeeping

As stated in previous reports, the bankruptcy estate stopped collaborating with KPMG P/S at the end of 2020. The bankruptcy estate then entered into an agreement with Deloitte Statsautoriseret Revisionspartnerselskab ("Deloitte") about the future accounting assistance to the bankruptcy estate. But KPMG Accor Tax Partnerskab is still assisting the bankruptcy estate with a number of specific tax matters.

In the previous period, the trustee had discussions and correspondence with Deloitte about the preparation of the annual report and the trustee has also had discussions and correspondence with KPMG Tax about the bankruptcy estate's VAT liability and payroll tax liability for 2019 and 2020.

It is noted in this connection that by a letter of 23 May 2022 KPMG Tax asked the Danish Tax Agency on behalf of the bankruptcy estate to reopen the bankruptcy estate's VAT liability for 2019 and asked for a refund of VAT of DKK 7,635,361. Moreover, by a letter of 10 February 2023 KPMG Tax asked the Danish Tax Agency on behalf of the bankruptcy estate to reopen the bankruptcy estate's VAT liability and payroll liability for 2020 and asked for refunds of VAT of DKK 808,790 and payroll tax of DKK 899,100. The Danish Tax Agency subsequently stated that the Agency agreed with the calculation and has therefore refunded the amounts for 2019 and 2020 to the bankruptcy estate.

The trustee is currently in the process of calculating the distribution/split between the registered and the unencumbered assets that provide the basis for the bankruptcy estate's requests so that the amount flows to the respective assets.

It is noted in respect of the bookkeeping that the trustee's employees are still assisting daily with approving payments by the bank and declaring direct and indirect taxes on an ongoing basis.

As for the periodical reporting of direct and indirect taxes abroad, the trustee has continued to correspond with the external tax consultants and tax authorities that handle the declaration of direct and indirect taxes abroad on an ongoing basis.

Reclaiming premium taxes/IPT

In the previous period, the trustee continued to be in dialogue with the tax authorities in Great Britain, Germany and France for the purpose of reclaiming premium tax.

It is noted in this connection that in the previous period the British and French tax authorities both rejected the bankruptcy estate's claim for reclaim of premium taxes.

The trustee has therefore appealed against the British tax authorities' rejection of the bankruptcy estate's claim for a refund. It is noted that the trustee has spent a significant amount of time on obtaining documentation by way of payment receipts and other material to prove the bankruptcy estate's claim for a refund. Moreover, the process has been quite complex and the bankruptcy estate has received local legal advisory services.

In the previous period, the trustee also started on drafting the appeal against the French tax authorities' rejection of the bankruptcy estate's claim for a refund.

It is noted in respect of the reclaim of premium tax in Germany that, as also described in previous reports, the German tax authorities have been informed that a German coverholder has already requested refund

of premium tax and that it cannot be ruled out that this request relates to the same premium tax period as the period for which the trustee has also requested a refund. The dialogue with the German tax authorities is still taking place, also because the German coverholder has rejected to share the information about the policies in respect of which refunds of premium taxes has been requested.

Since the most recent report, approximately 179 hours have been spent by lawyers of which approximately 107 hours have been spent by the trustee's accounts officer on the audit and the bookkeeping.

5.1.5 General work on planning the notification process and the examination of claims process

In the previous period, the trustee continued to spend time on developing and maintaining the bankruptcy estate's register of debts and claims for the purpose of registering the claims under the registered assets, including the policyholders' claims for return of premiums and the claimants' insurance claims against the bankruptcy estate. It is noted that if needed the bankruptcy estate continues to hire external consultancy assistance from IT developers in this regard. IT experts from the trustee's office also continue to provide assistance.

In the previous period, the trustee also started to plan the examination of claims of the claims filed under the registered assets. In this connection the trustee has conducted close examinations of the formal requirements to the recommendations, particularly the foreign policyholders/claimants, about whether the recommendations are to be sent by registered letter, etc. This work is still taking place.

It is noted that at this point in time 18,313 claims in total have been registered in the bankruptcy estate's register of debts and claims under the registered assets. The filed claims include filed claims for return premium and insurance claims, complaints and other claims filed under the registered assets.

The work has been described in detail below, see paragraphs 5.1.5.1-5.1.5.3.

5.1.5.1 Web form, repayments

In the previous period, the trustee continued to spend time on handling the filed claims for return of premiums against the bankruptcy estate and the Guarantee Fund for Non-life Insurers filed via a shared web form. Reference is made to the previous reports for a detailed account in this regard.

It is noted that the trustee and the Guarantee Fund for Non-life Insurers decided to close the web form on 11 May 2023 because no further claims were filed via the form and partly because new claims for return premium would be barred by limitation in the trustee's opinion. But it is still possible to file claims

for return premium against the bankruptcy estate by writing to the trustee's email address (debts@poulschmith.dk).

It is noted that as at 31 January 2023 22,857 claims for return premium had been filed in total via the form and that no further claims were filed up to the closing of the form. However, to this number should be added mass reporting of claims for return of premium, so-called bulks, where for example a coverholder has reported bulks of claims by the policyholder against the bankruptcy estate and perhaps the Guarantee Fund for Non-life Insurers in connection with moving a portfolio to a new insurer.

In the previous period, the trustee continued to have in-depth discussions with Topdanmark Forsikring A/S, including their associated IT consultants, about the transfer of data from the web form to the bankruptcy estate's register of debts and claims. It is noted that the trustee has prepared a specific format for the loading so that it is ensured that the trustee has the necessary information for the future examination of claims, including a calculation of the amount of the claim for return premium, whether FSCS and/or the Guarantee Fund for Non-life Insurers have made any payouts, the status of the processing of the claim, etc. The work in this connection is still taking place.

Additional information will be added to the loaded claims in the next period as the claims for return premium covered by the guarantee funds are closed and paid by the Guarantee Fund for Non-life Insurers to the respective policyholders.

It is noted that the trustee does not yet know when the examination of the filed insurance claims and claims for return premium can be expected to start.

Approximately 36 hours have been spent by lawyers on such work since the most recent report.

5.1.5.2 Notification of claims from claims examiners

As written in previous reports, the trustee has prepared a specific notification format and a guide for the claims examiners to be used when notifying the bankruptcy estate of accepted insurance claims not covered by the guarantee funds to the bankruptcy estate.

The notification procedure has been planned in such a way that the admitted and final insurance claims not covered by the guarantee funds will be registered through a semi-automatic process in the bankruptcy estate's register of debts and claims for claims filed under the registered assets. The trustee is assessing the need for adjustments and development of the notification process on a regular basis.

In the previous period, the trustee held meetings with the claims examiners about the status for filing approved insurance claims with the bankruptcy estate. Several claims examiners have informed the trustee in this connection that the number of insurance claims not covered by the guarantee funds is limited, which is why the claims examiners only expect to file a limited number of losses for registration in the register of debts and claims. The trustee is currently in the process of verifying whether this is correct which includes going through the information in the bordereaux. This work is still taking place.

The trustee has also learned that one claims examiner has been of the opinion, despite the bankruptcy estate's instructions, that loss that could not be covered by the guarantee funds was to be rejected. The trustee is currently in the process of uncovering the scope in more detail for the purpose of reopening the claims handling of the insurance claims in question and updating the processes so that the trustee makes sure to the maximum extent possible that this does not happen again in the future claims handling.

The trustee still expects a significant number of proofs of claim in future and has therefore intensified the focus on the reporting from the respective claims examiners.

Approximately 38 hours have been spent by lawyers on such work since the most recent report.

5.1.5.3 Web form for complaints (complaint form)

As mentioned in previous reports, the bankruptcy estate's complaints are dealt with through the complaint form at the bankruptcy estate's website that links up to a form hosted by the trustee so that the complaints are automatically registered in the bankruptcy estate's register of debts and claims.

The complaints have mainly been complaints about situations where the claims examiner has rejected coverage, including because it was a claim based on a terminated policy (a loss suffered after 11 August 2018) and/or that the claimant disagrees with the claims examiner about the payout.

The processing of the complaints is planned in such a way that at first the complaints are considered by the bankruptcy estate's employees who, if necessary, will get input from the claims examiner in question about the specific complaint to determine whether the complaint is justified and is therefore to be referred to the claims examiner with instructions for re-processing, or whether the complaint is unjustified and must therefore be formally rejected at the trustee's future examination of claims. The bankruptcy estate's employees will then prepare a recommendation for each complaint, and the trustee will subsequently formally examine the claims in compliance with the rules of part 16 of the Bankruptcy Act.

As at 31 July 2023, a total of 74 complaints had been made and registered in the bankruptcy estate through the complaint form. It is noted that in connection with the complaint handling procedure the

trustee reclassified several cases as they were not complaints about rejected insurance coverage but filing of claims for return premium. The processing of the complaints is therefore still taking place.

In the previous period, the trustee started to process the complaints, see also paragraph 5.1.7.

Approximately 98 hours have been spent by lawyers on such work since the most recent report.

5.1.6 *The creditors' special status, if any, in relation to receivables from reinsurers and other assets*

5.1.6.1 *The Danish Guarantee Fund for Non-life Insurers*

1. Examination of claims concerning the legal position in the bankruptcy estate of the Guarantee Fund for Non-life Insurers in relation to reinsurance payments

As stated in previous reports, the Danish Guarantee Fund for Non-life Insurers has filed a preliminary claim against the bankruptcy estate of approximately DKK 1.8 billion. The Guarantee Fund for Non-life Insurers has claimed in the same connection that the filed claim takes precedence over the other insurance creditors' claims against the bankruptcy estate with the result that to a wide extent the Guarantee Fund for Non-life Insurers must be paid before such insurance creditors.

The trustee planned a process in agreement with the Guarantee Fund for Non-life Insurers for the purpose of examining the filed claim as the trustee disagrees with the points of view made by the Guarantee Fund for Non-life Insurers, including the interpretation of current law. In this connection it has been agreed with the Guarantee Fund for Non-life Insurers that it is most expedient if the examination of claims is based on some specific reinsurance payments to the bankruptcy estate that concern losses covered by the Guarantee Fund for Non-life Insurers.

Overall, the trustee's opinion is that the point of view presented by the Guarantee Fund for Non-life Insurers is fundamentally in conflict with the principle of equal treatment under bankruptcy law and is not supported by any authority.

On 21 September 2022, the trustee formally rejected the claim filed by the Guarantee Fund for Non-life Insurers. On 5 October 2022, an examination of claims meeting was held where the trustee maintained the rejection.

On 1 November 2022, the Guarantee Fund for Non-life Insurers lodged a writ of summons against the bankruptcy estate.

Pleadings were exchanged in the case in the previous period. On 17 March 2023, the trustee filed the defence in the case on behalf of the bankruptcy estate. On 2 May 2023, the Guarantee Fund for Non-life Insurers filed the reply, and on 26 June 2023 the trustee filed the rejoinder in the case on behalf of the bankruptcy estate.

The work in the case is still taking place.

Approximately 229 hours have been spent by lawyers on such work since the most recent report.

2. Examination of claims concerning whether it is possible for the Guarantee Fund for Non-life Insurers to take out capital under the then current section 54 of the Danish Workers' Compensation Act

As stated in previous reports, the Guarantee Fund filed a claim against the bankruptcy estate of DKK 488.2 million on 14 March 2022 with precedence over all the other creditors against the bankruptcy estate, including other insurance creditors, so that the Guarantee Fund is paid before such creditors.

In agreement with the Guarantee Fund for Non-life Insurers the trustee has planned, in the same way as described in item 1 above, a process for the purpose of examining the filed claim as the trustee disagrees with the points of view made by the Guarantee Fund for Non-life Insurers, including the interpretation of current law.

On 4 January 2023, the trustee sent a reasoned letter of rejection on behalf of the bankruptcy estate to the Guarantee Fund for Non-life Insurers regarding the claim filed. On 1 June 2023, an examination of claims meeting was held at the trustee's office where the trustee maintained the rejection of the claim.

On 27 June 2023, the Guarantee Fund for Non-life Insurers lodged a writ of summons against the bankruptcy estate.

The bankruptcy court subsequently fixed a deadline of 27 September 2023 for the bankruptcy estate to file the defence.

Approximately 41 hours have been spent by lawyers on such work since the most recent report.

3. Examination of claims concerning whether it is possible for the Guarantee Fund for Non-life Insurers to receive payment for its costs from the bankruptcy estate

As stated in previous reports, the Guarantee Fund for Non-life Insurers filed a claim on 9 July 2022 of

approximately DKK 38.5 million against the bankruptcy estate with a number of reservations to file additional claims for costs. On 9 December 2022, the Guarantee Fund for Non-life Insurers adjusted its filed claim to be approximately DKK 91.3 million with a calculation of the costs and other claims.

In agreement with the Guarantee Fund for Non-life Insurers the trustee has planned, in the same way as for the other two cases, a process for the purpose of examining the filed claim as the trustee disagrees with the points of view made by the Guarantee Fund for Non-life Insurers, including the interpretation of current law.

The process going forward was discussed in the previous period. The discussions are still being held.

Approximately 37 hours have been spent by lawyers on such work since the most recent report.

5.1.6.2 Decision by the EFTA Court of 10 March 2020

As written in previous reports, the trustee learned that a court in Liechtenstein had asked the EFTA Court for an advisory opinion about the interpretation of the Solvency II Directive, including the issue of whether claims for return premium raised after the commencement of the bankruptcy proceedings should be deemed to be a preferential claim within the meaning of the Directive. The EFTA Court delivered its decision in the case on 10 March 2020.

The EFTA Court ruled in its decision that claims for return premium raised after liquidation has started (the bankruptcy proceedings) are not covered by the definition of an insurance claim of the Solvency II Directive (Article 268(1)(g)).

In the previous period, the trustee continued to study the scope of the decision, including in respect of the importance of the decision to the bankruptcy proceedings of Alpha and the legal position of the creditors. The work in this connection is still going on.

Approximately 89 hours have been spent by lawyers on such work since the most recent report.

5.1.7 Examination of claims

In the previous period, the trustee examined the filed complaint claims and drafted preliminary recommendations.

It is noted that several complaints were reclassified in connection with the examination of claims as the claims were actually claims filed for return of premium. An examination of claims meeting before the

bankruptcy court has not yet been convened. A detailed account of the complaints is provided in paragraph 5.1.5.3 above.

The work has also included general planning of the examination of claims, including dealing with the many foreign creditors and carrying out (future) mass examination of claims.

The trustee expects to be able to convene the first examination of claims meeting during 2024 as the language requirements and method of delivery, etc are still unclarified.

Approximately 198 hours have been spent by lawyers on such work since the most recent report.

It means that approximately 3,319 hours in total have been spent on work relating to the registered assets of which approximately 107 hours have been spent by the trustee's employee skilled in accounts.

5.2 The time spent on the unencumbered assets and the claims filed in respect of the unencumbered assets

5.2.1 *Receivable from Intercede 2408 Limited*

As written in previous reports, Intercede 2408 Limited ("Intercede") owes the bankruptcy estate an amount of DKK 42,709,725 according to a loan agreement of 21 December 2012 between the parties.

Intercede is a subsidiary of CBL Corporation Limited that entered into solvent liquidation on 18 February 2018 and which was subsequently declared bankrupt on 19 May 2019 and whose subsidiaries also include the reinsurer CBL Insurance Limited that went bankrupt on 12 November 2018.

It was established in connection with the estate administration that on 21 December 2012 CBL Insurance Limited (now in bankruptcy) issued a guarantee in security of Intercede's repayment of the loan to Alpha.

Alpha's loan to Intercede was extended several times, and according to the agreement the loan was to be repaid on 1 November 2020. However, the trustee established that CBL Insurance Limited's (now in bankruptcy) guarantee in security of Intercede's repayment to Alpha was not extended in connection with the extension of the loan and that the guarantee thus expired in 2017.

Intercede was dissolved on 6 August 2019 by a compulsory strike-off from the British Companies House.

The consequence of the dissolution was that Intercede was no longer a legal entity and that Intercede's assets, if any, became the property of the British Crown that is believed to have frozen any assets. As CBL Insurance Limited's (now in bankruptcy) guarantee expired in 2017, the trustee abandoned pursuing the claim against CBL Insurance Limited (now in bankruptcy).

Intercede was subsequently re-established, and the trustee took steps to recover the receivable from Intercede assisted by a British lawyer. The liquidator of Intercede was subsequently appointed and the trustee is currently awaiting the result of the liquidator's examinations of Intercede's possible assets.

Approximately 18 hours have been spent by lawyers on such work since the most recent report.

5.2.2 *Receivable from Beta Re AG*

When Alpha went bankrupt it had a receivable of DKK 11,817,420.24 from Beta Re AG ("Beta Re").

After the issue of the bankruptcy order, an agreement was entered into on payment of the receivable and the bankruptcy estate received payment of DKK 726,844.34 (inclusive of interest) in that connection.

On 9 March 2021, bankruptcy proceedings were commenced against Beta Re in Switzerland and in that connection the trustee filed Alpha's claim with the Swiss authority that administers the bankruptcy estate of Beta Re.

It was decided in connection with the bankruptcy proceedings against Beta Re, including based on an examination of the payments to and from Beta Re in the period leading up to the company going bankrupt, that the cashflows of Beta Re were to be examined further. The result of this examination was that the Swiss authority raised a claim for repayment against the former management and owner of Beta Re, and in the subsequent period discussions were held between the Swiss bankruptcy authority and the former management and owner of Beta Re about the exact amount of the claim.

On 21 July 2023, a settlement agreement on payment of EUR 180,000 to Alpha which falls due for payment on 31 August 2023 was entered into. The trustee is therefore currently waiting to receive the settlement amount.

It is also noted that on 21 June 2023 Alpha received a dividend amount of DKK 2,823,823.08 from the bankruptcy estate of Beta Re.

Approximately 20 hours have been spent by lawyers on such work since the most recent report.

5.2.3 *Litigation regarding claims for avoidance and repayment*

In the previous period, the trustee spent time on the legal actions that have been brought with claims for repayment of expenses paid of a private nature against two connected persons of two former members of the management. An account of the trustee's work can be found in paragraph 3.

The trustee's work is still taking place.

Approximately 25 hours have been spent by lawyers on such work since the most recent report.

5.2.4 *Investigations relating to management and auditor liability*

As stated in previous reports, the trustee identified a number of issues at the beginning of the estate administration that gave rise to further investigations. The trustee had been in dialogue with the Guarantee Fund for Non-life Insurers regarding the identified issues and had also obtained external expert accounting assistance for the investigations.

It is the trustee's general opinion that unwarrantable/incorrect recognition and valuations of a number of assets and liabilities have systematically been made that have had a decisive effect on Alpha's financial ratios and solvency ratio. It is also the trustee's opinion that the operations in Alpha continued beyond the point of no return, which has resulted in Alpha, and ultimately the creditors, having suffered a significant loss.

As stated in previous reports, the trustee lodged a writ of summons on 3 March 2021 on behalf of the bankruptcy estate against two former members of the management and the company's former auditor with a preliminary claim for payment of an amount of approximately DKK 208 million. The case was brought before the Copenhagen City Court and is still pending, see immediately below.

On 1 February 2023, the management filed a preliminary rejoinder in the case and on 30 June 2023 the former auditor of the company filed the rejoinder in the case. The trustee is currently waiting to receive the deadlines for the further exchange of pleadings in the case and the trustee is also still waiting to receive a date for the trial hearing. The court has previously announced that it is expected that the trial hearing in the case will take place during the first six months of 2025.

As for the complaint to the Danish Disciplinary Board on Auditors, it is noted that the respondent's deadline to file a defence was 1 March 2023 which was subsequently postponed to 30 June 2023 when the respondent filed the defence in the case. In the previous period, the trustee started drafting the reply which is to be filed on 1 October 2023.

The work relating to the above matters is consequently still taking place.

Approximately 24 hours have been spent by lawyers on such work since the most recent report.

5.2.5 *Examination of claims*

As stated in paragraph 5.1.5, the trustee started the practical work in the previous period of planning the future examination of claims and carried out research of a more legal nature about how to deal with the foreign creditors. The investigations are still being conducted.

The time spent by lawyers has therefore been included in paragraph 5.1.5 above.

5.2.6 *Other estate administration*

Since the most recent report approximately 117 hours have been spent by lawyers on the general estate administration, including corresponding with the creditors and the bankruptcy court, registering the proved claims in the bankruptcy estate's register of debts and claims under the unencumbered assets and on preparing this report.

It means that approximately 204 hours have been spent by lawyers on the unencumbered assets since the most recent report.

6. SUMMARY OF THE TIME SPENT

It means that approximately 3,523 hours in total have been spent on the estate administration, including approximately 3,212 hours by lawyers and approximately 107 hours by members of the finance department on work relating to the registered assets, see paragraph 1.2, and approximately 204 hours by lawyers relating to the unencumbered assets, see paragraph 1.3, in the period from 1 February 2023 and up to 31 July 2023.

7. INTERIM FEE

The trustee has not asked the bankruptcy court to pay any interim fee since the most recent report.

8. THE FUTURE ESTATE ADMINISTRATION AND THE WINDING-UP OF THE BANKRUPTCY ESTATE

The estate administration in the next period will still focus on the operations of the bankruptcy estate as the continuation of the operations is still necessary to secure the bankruptcy estate's assets and limit its liabilities. It is noted in this connection that there are still significant open insurance claims that must be handled before the bankruptcy estate can be wound up.

As a consequence of the many estimates relating to both the calculation of the assets and the liabilities, it is still not yet possible to estimate the expected dividend in the bankruptcy estate, including the cover from the registered assets and the unencumbered assets.

It is also not possible to estimate when it can be expected that the bankruptcy estate will be wound up.

9. NEXT CREDITOR INFORMATION

The next creditor information under section 125(4) of the Bankruptcy Act will be sent on 8 March 2024 at the latest to the bankruptcy court and the creditors.

Copenhagen, 8 September 2023

Boris Frederiksen
Partner, Attorney