



To NASDAQ Copenhagen

Announcement no. 14 - 2020

18 November 2020

RECOMMENDED CASH OFFER FOR RSA INSURANCE GROUP PLC BY REGENT BIDCO LIMITED (a wholly-owned subsidiary of Intact Financial Corporation) AND ASSOCIATED SEPARATION OF RSA'S SCANDINAVIAN BUSINESS

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION RELATING TO TRYG A/S.

The boards of Regent Bidco Limited ("**Bidco**"), a wholly-owned subsidiary of Intact Financial Corporation ("**Intact**"), Tryg A/S ("**Tryg**"), and RSA Insurance Group plc ("**RSA**"), are pleased to announce that they have reached an agreement on the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued share capital of RSA (the "**Acquisition**"), and the associated separation of RSA's Scandinavian business following completion.

Pursuant to the transaction, Intact will acquire RSA's Canadian, UK and International operations. Tryg will acquire RSA's Swedish and Norwegian Businesses, and Intact and Tryg will co-own RSA's Danish Business on a 50/50 economic basis.

Highlights of the Acquisition

- The cash consideration (which excludes RSA's interim dividend) under the terms of the Acquisition values the entire issued and to be issued share capital of RSA at approximately £7.2bn on a fully diluted basis.
- The total consideration comprises of £4.2bn to be contributed by Tryg, and £3.0bn to be contributed by Intact.
- The Acquisition represents a unique opportunity for Tryg to acquire a high quality non-life insurance business, becoming the largest P&C insurance company in Scandinavia.
- Synergies are expected to reach DKK 900m (pre-tax) in 2024, driven by Tryg's proven experience and integration expertise.
- Deliver value for shareholders with expected ~7% ROI and high teens EPS accretion by 2023.
- Significant long-term potential to increase the ordinary dividend.



- Tryg intends to launch a Rights Issue for an aggregate amount of approximately DKK 37bn (the "**Rights Issue**"). The Rights Issue will be fully underwritten by Morgan Stanley & Co. International plc ("**Morgan Stanley**") and Danske Bank A/S ("**Danske Bank**").
- As part of the capital raise, TryghedsGruppen has provided an irrevocable undertaking to commit ~DKK 6bn, with the aim to increase to ~DKK 9bn following additional asset sales, and subscribe for further new shares in rights issue (in addition to above) on cash neutral basis. TryghedsGruppen's shareholding is expected to stand at ~45% at closing (based on the current Tryg share price), increasing to >50% over the medium-term.
- The Acquisition is currently expected to complete during the second quarter of 2021, subject to receipt of the relevant approvals or clearances from the RSA shareholders, the Tryg shareholders and the relevant regulatory, antitrust authorities, the completion of the Tryg Rights Issue and the satisfaction or (where capable of waiver) the waiver of the other conditions.

All related material can be downloaded on <https://tryg.com/en/potential-cash-offer-rsa-insurance-group-plc> shortly after the time of release.

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