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NEWS RELEASE

Euroins acquires a Georgian insurer further expanding in Eastern Europe

Bulgaria's [Euroins Insurance Group \(EIG\)](#), a leading independent insurance group in CEE and SEE, has acquired IC Group, one of the leading insurers in Georgia. The regulatory approval for the purchase agreement has already been granted.

After closing the transaction, which includes an increase of IC Group's capital, [EIG](#) will own over 50% of the Georgian insurer and will consolidate the results of its new entity within the third quarter of 2018.

IC Group has been operating since 2005 and is among the leading Georgian insurance companies, providing almost all types of insurance products. In addition to that, it is one of the largest players on the health insurance market. The company is expected to record gross written premiums (GWP) of EUR 5.4 million (45% growth y-on-y) in 2018. IC Group has over 100 employees.

The acquisition of the Georgian insurer is in line with EIG's strategy to expand its operations in Eastern Europe and the CIS region where the markets have an enormous potential for growth taking into account the low penetration of insurance products. In Georgia, particularly, the positive regulatory reforms and the mandatory third-party liability (TPL) insurance in both the motor and the construction industry, that is expected to be enforced till the end of 2018, will further boost the insurance business in the country.

The Georgian insurance market recorded double digit growth in premium (+12.3% y-o-y) in 2017 and is expected to double its size over the next 3 years driven by the introduction of the mandatory MTPL insurance in the country and the positive economic development of the country. The Georgian economy rose by 5% in 2017 and is expected to grow by at least 4.6% this year.

„The purchase of the Georgian IC Group will help us expand and diversify our business geographically. EIG would be among the first international insurance groups with presence in Georgia. We will also enhance our regional profile as the acquisition will strengthen our market position in the CIS region. EIG remains committed to investing in



the Georgian market and in the operational capabilities of IC Group, as it clearly sees potential for further development and growth in the Black Sea state,” explained Jeroen Karel van Leeuwen, chief operating officer of EIG.

In July 2018 the financial regulator in Ukraine gave nod to EIG to acquire ERV Ukraine, the travel insurance business of Germany-based ERGO, part of Munich-Re, one of the major reinsurance groups on the global market. The purchase agreement was signed in April this year. The shares are expected to be transferred till the end of the third quarter of the year.

In the last couple of years EIG acquired: Germany-based Talanx Group’s subsidiaries in Bulgaria and Ukraine, operating under HDI brand; Dutch insurer Achmea’s insurance business in Bulgaria, known under Interamerican brand; as well as Australian group QBE’s operations in Romania and Bulgaria. In 2017 Bulgaria-based company purchased the non-life insurance portfolio of ATE Insurance Romania, a subsidiary of Greece’s Piraeus Bank, and acquired a significant stake in OOO RSO Euroins, a Russian insurer.

Euroins Insurance Group

Euroins Insurance Group (EIG) is one of the largest independent insurance groups operating in the CEE and SEE insurance markets. The company is focused on providing a full range of insurance products in the areas of general, health and life insurance. Bulgaria-based group operates in 8 European countries and owns insurance subsidiaries in four of them – Bulgaria, Romania, FYROM and Ukraine. The insurance group has been operating in Greece since 2014. It has over 2.5 million clients and 1600 employees. In 2017, the international credit rating agency Fitch assigned Euroins Romania, the largest company within EIG, an insurer financial strength (IFS) rating of 'BB-' with stable outlook. EIG is a subsidiary of Eurohold Bulgaria – a leading Bulgarian company, listed on BSE-Sofia and WSE. Eurohold Bulgaria operates across the CEE and SEE, focused on non-banking financial services and asset management.

www.eig.bg www.eurohold.bg

IC Group

IC Group has been successfully operating on the insurance market since 2005 and is among the leading Georgian insurance companies. IC Group provides almost all types of insurance products and is particularly active in health, motor and property lines. Currently the company has more than one hundred highly qualified employees, some of them with more than 20 years’ experience in insurance business.

www.icgroup.ge