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## **NEWS RELEASE**

### **Eurohold's shareholders will vote for a capital hike and a bond issue**

*Euroins's shareholders will decide about delisting the company's shares on October 2*

Financial group Eurohold Bulgaria AD, one of the largest Bulgarian public-listed companies, will hold an extraordinary meeting of its shareholders on October 2<sup>nd</sup>, 2017, with reference to the management's plans for a capital hike and a bond issue with the aim to finance the company's operations on the middle term. Bulgarian insurance company Euroins AD, part of Eurohold Bulgaria AD, will also hold an extraordinary meeting on October 2<sup>nd</sup>, 2017, in order to ask its shareholders to vote for delisting of the company's shares.

According to the first proposal to its shareholders, Eurohold Bulgaria AD will seek to increase its capital by more than BGN 40 million to approximately BGN 202 million via the issuance of 40 336 250 shares with a nominal value of BGN 1 each and issued at a price of BGN 1.3 apiece. If all the shares are subscribed for and fully paid for the company will generate over BGN 52 million. Euro-Finance AD will be the investment intermediary of the emission. The capital increase will be considered successful if at least the half of the new shares (20 168 125) are subscribed for and fully paid for. In this case the company would generate a little over BGN 26 million. A prospect will be published in which there will be detailed information on how the generated proceeds will be used by the holding company.

The second proposal to be approved by Eurohold's shareholders at the upcoming meeting is about a permission to issue up to EUR 100 million in bonds under the corporate Euro Medium Term Note Programme (EMTN) approved by the Central Bank of Ireland in November 2016. The EMTN programme allows the Bulgarian financial group to raise funds when it is necessary via the issuance of bonds listed on the Irish Stock Exchange. The holding company issued successfully the first tranche (EUR 40 million) under the programme in December 2016. The nominal value of the planned new bond issue will be at the amount between EUR 40 million and EUR 100 million and will carry an interest rate of maximum 8% annually and a maturity of 5 years.

Eurohold Bulgaria AD is one of the first Eastern European companies that launched EMTN Programme. Such a programme is a popular funding source for the corporate sector in the developed countries and allows bond issuers to enter foreign markets more easily to get capital. The EMTN programme provides the issuer with significant flexibility with reference to the terms of the bonds to be issued within the framework, including the size of the bond issues, the interest rates, the maturity and etc.

At the first half of August Euroins Insurance Group (EIG), Eurohold's insurance subholding, acquired almost 800 000 shares from minority shareholders of its Sofia-based subsidiary Euroins in a buyout bid priced at BGN 1.3. In this way the majority

owner increased its share in the Bulgarian insurance company up to 95% of the share capital. In relation with this acquisition and the plans to delist the insurance company from the Bulgarian Stock Exchange (BSE), Euroins's management invite its shareholders at a general meeting to be held on October 2<sup>nd</sup> in order to ask them to vote for delisting of the shares. A new statute of Euroins will also be subject to a vote at the extraordinary meeting.

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### **Eurohold Bulgaria AD**

*Eurohold Bulgaria is a leading Bulgarian company, listed on the BSE-Sofia and the WSE. The holding company operates across CEE and SEE, focused on non-banking financial services and asset management. Eurohold Bulgaria is a majority shareholder of Euroins Insurance Group (EIG), one of the largest independent insurance groups operating in the CEE and SEE insurance markets. EIG operates in seven 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 million clients, 1600 employees and annual revenues of EUR 300 million.*

[www.eurohold.bg](http://www.eurohold.bg) [www.eig.bg](http://www.eig.bg)