



Farqad Al Sane – GIG Chairman



Khaled Al Hasan – GIG CEO

FAIRFAX to acquire KIPCO's stake in Gulf Insurance Group (GIG)

Kuwait City, 20 April 2023: Gulf Insurance Group (GIG), one of the leading insurance groups in the Middle East and North Africa region has commented today on the binding agreement made between its major shareholders', Kuwait Projects Company (Holding) – KIPCO and FAIRFAX Financial Holdings Limited - FAIRFAX.

FAIRFAX will acquire all of KIPCO's share in Gulf Insurance Group, representing 46.32% at an amount of KD 263.7 million (equivalent to US\$ 860 million) at KD 2 per share. This will make FAIRFAX the largest shareholder of the company with an aggregate ownership of 90.01%.

This move further benefits GIG in many ways with FAIRFAX's extensive global insurance experience in over 40 countries. FAIRFAX's substantial presence across 5 continents enables the Group to further enhance its exciting customer experience with increased focus on digitalized products and services while addressing the need for innovative insurance solutions for customers through multiple global network backed by FAIRFAX's strong underwriting expertise.

FAIRFAX is a holding company, which through its subsidiaries, is primarily engaged in property and casualty insurance and reinsurance and the associated investment management. Its corporate objective is to achieve a high rate of return on invested capital and build long-term shareholder by running FAIRFAX and its subsidiaries for the long-term benefit of customers, employees, shareholders and the communities where it operates. FAIRFAX operates on a decentralized basis, with each management team responsible for developing and applying a focused underwriting strategy relevant to the market in which they operate.

Mr. FARQAD ABDULLAH AL-SANE, Chairman of GIG said,

"This marks yet another development in Gulf Insurance Group's way forward. The transformation and growth of GIG has been significant with an unmatched support of our major shareholders – KIPCO from 1997 and FAIRFAX from 2010. This transaction shows FAIRFAX's long-term commitment to the Group that makes GIG further stronger and pave the way for a sustainable future enhancing its scale and impact. We are very excited and looking forward to the new opportunities we will be experiencing on this journey."

On his part, **Group CEO of GIG, Mr. KHALED SAOUD AL HASAN said,**

"Since 1997, as a strategic investor, KIPCO's role has been predominant and we wholeheartedly recognize their extensive and impeccable experience helping GIG to emerge as one of the top insurance player in the MENA region. The exponential growth the Group delivers is a great testament to the strategic alignments and collaborations. It is very evident that the total business portfolio has largely been expanded since FAIRFAX's investment in GIG during 2010, displaying a distinguished performance at all levels of our operation. We remain focused and continue our business as usual to deliver unprecedented growth while benefitting from FAIRFAX's global expertise and international exposure."

The transaction is subject to customary closing conditions, including the receipt of concerned regulatory approvals, and is expected to finalize within this year.

- Ends -

About GIG:

GIG is the largest insurance Group in Kuwait in terms of written and retained premiums, with operations in life and non-life as well as Takaful insurance. GIG has become one of the largest insurance networks in the Middle East and North Africa with companies in Kuwait, Bahrain, Jordan, Egypt, Turkey, Algeria, UAE, KSA, Oman, Qatar, Syria, Iraq and Lebanon. Its reported consolidated assets stand at US\$ 4.4 billion as at 31 December 2022.

KIPCO – Kuwait Projects Company – is Gulf Insurance Group's largest shareholder, followed by the Canadian-based Fairfax Financial Holdings Ltd.

The Group enjoys the privilege of being the first triple-rated insurance Group in Kuwait. The Group holds a Financial Strength Rating of 'A' (Excellent) and issuer credit rating of 'a' with Stable outlook from A.M. Best Europe – Rating Services Limited, a Financial Strength Rating of "A" with Stable outlook from Standard & Poor's and an Insurance Financial Strength Rating (IFSR) of 'A3' from Moody's Investors Service carrying a Positive outlook.

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