

## **Gulf Insurance Group to acquire AXA's operations in the Gulf region**

### **One of the largest acquisitions in the Region (US \$ 474.75 Million)**

**Kuwait City, 30 November 2020** - Gulf Insurance Group (gig), one of the leading insurance service providers in the Middle East and North Africa, announced the signing of an agreement with AXA to acquire its insurance operations in the Gulf region. The agreement includes AXA's shareholding in AXA Gulf (Bahrain, UAE, Oman & Qatar), AXA Cooperative Insurance Company (KSA) and AXA Green Crescent Insurance Company (UAE).

As part of the transaction, gig will also acquire Yousuf Bin Ahmed Kanoo's (YBA Kanoo) shareholding in AXA Gulf. Under the terms of the agreement, Gulf Insurance Group will acquire AXA's operations in the Gulf region for a total cash consideration of (US \$ 474.75 million), making it one of the largest insurance acquisitions in the region.

With an extensive presence in the region for 70 years, AXA is the largest international composite insurer across five markets with a wide range of insurance products and services for corporate and individual customers with predominant focus on Health and Property & Casualty.

Being part of Gulf Insurance Group's broader strategy and in line with its vision, this acquisition will allow the Group to become one of the largest insurers and the most diversified in the region. Combining the human capital and operating models of both AXA and Gulf Insurance Group in the region will pave the way for a tremendous potential for growth across the MENA region.

**Group CEO of Gulf Insurance Group, Mr. Khaled Saoud Al Hasan said,** "This acquisition marks yet another step in Gulf Insurance Group's expansion journey. The regional experience of KIPCO and the international exposure of Fairfax make us well-positioned to take AXA's Gulf operations to the next level. This transaction will bring us into new insurance markets in Oman and Qatar, and increase our operations in Saudi Arabia, Bahrain and the UAE. Once this transaction is complete, over 3.5 million clients in the Gulf region will have access to our client-centric services and our combined revenue will make us one of the largest insurance companies in the Middle East. I would also like to seize this opportunity to extend my gratitude to the Group Chairman and Board members for their support towards this acquisition project."

On his part, **AXA CEO, Mr. Thomas Buberl said,** "We are convinced that AXA's operations in the region will benefit from Gulf Insurance Group's leadership and scale to further pursue their focus on delivering growth and excellent customer service."

Commenting on the acquisition, **KIPCO's Vice Chairman (Executive), Mr Faisal Al Ayyar** said:

“Since we acquired Gulf Insurance Group in 1997, our insurance business has grown exponentially both in terms of operations and reputation. The quality services that we provide our clients were further enhanced when we forged a partnership with Fairfax in 2010. This latest acquisition of AXA’s operations in the Gulf will increase our market share in countries in which we have a presence and will give us a foothold in new markets, paving the path for us to become one of the largest insurance players in the Gulf region.”

“As a significant shareholder of gig, we are excited and supportive of the tremendous long term opportunity that this acquisition presents for gig in the Gulf region,” **said Prem Watsa, Chairman and CEO of Fairfax**. “This transaction will be transformative for gig and significantly increases its GWP.”

The transaction is subject to customary closing conditions including regulatory approvals and is expected to close by 3Q, 2021.

Gulf Insurance Group is a consistent market leader in Kuwait, Bahrain, and Jordan. Being the first triple rated insurance Group in Kuwait, gig also has a strong presence in Egypt, Turkey, Algeria, Iraq, Syria, Lebanon, Saudi Arabia, and Emirates.

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#### **Notes to Editors:**

Gulf Insurance Group 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. Gulf Insurance has become one of the largest insurance networks in the Middle East and North Africa with companies in Kuwait, Jordan, Bahrain, Egypt, Turkey, Algeria, Syria, Iraq, Lebanon, Saudi Arabia, and Emirates. Its reported consolidated assets stand at US\$ 2.8 billion as of 30 September 2020.

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

Gulf Insurance 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 negative 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 negative outlook.

#### **For Further information:**

Corporate Communications & Investor Relations

T: +965 2296 1825

[Corp.Comm.&InvestorRelations@gig.com.kw](mailto:Corp.Comm.&InvestorRelations@gig.com.kw)