

Generali to become majority shareholder in its Indian insurance joint ventures as the first international player to step-up to majority in both the Indian Life and P&C insurance sector

- Generali will become the majority shareholder of Future Generali India Insurance Company Limited and Future Generali India Life Insurance Company Limited
- The move is in line with Generali's 'Lifetime Partner 24: Driving Growth' strategy to strengthen its presence in fast-growing markets
- Follows the announcement in 2021 by the Indian Government to permit the increase of Foreign Direct Investment limit in the insurance sector from 49% to 74%
- Strong market opportunity thanks to India being one of the fastest-growing economies in Asia: the size of the insurance market is around € 21 billion (March 2021), with an expected double-digit annual growth rate

Milan – Generali has signed agreements to become the majority shareholder in both its Life and P&C joint ventures in India. Both transactions are subject to the approval of relevant regulators.

In the P&C business, Generali has agreed to acquire from Future Enterprises Limited 25% of the shares of Future Generali India Insurance (FGII) for a consideration of around € 145 million. After closing, Generali will hold a stake of around 74% in FGII. FGII is among the fastest growing general insurance companies in the market with a diversified product and distributor portfolio; as of March 2021 (fiscal year end for Indian insurance companies), it reported around € 450 million of premiums.

Regarding the Life business, an agreement has been signed to acquire the entire stake (around 16%) held by Industrial Investment Trust Limited (IITL) in Future Generali India Life (FGIL) for a consideration of around € 26 million. FGIL reported around € 150 million of gross written premiums as of March 2021. In addition, Generali will subscribe to a preferential allotment of shares in FGIL (around € 21 million). As a result, following the closing of the transaction and completion of the preferential allotment, Generali will hold a stake of around 68% in FGIL, which may increase further to 71% by the end of 2022, following further preferential allotment of shares.

The transactions are fully in line with the 'Lifetime Partner 24: Driving Growth' strategy, strengthening Generali's position in fast-growing markets and confirms the Group's commitment to deliver profitable growth whilst creating value for customers, consistent with Generali's Lifetime Partner ambition. Generali is the first player among international insurers to step-up to a majority stake in both its Indian insurance Joint Venture companies since the new foreign ownership cap came into effect. Following the completion of all the

components of the transaction, the total estimated impact on the Group's Regulatory Solvency Ratio will be approximately -4 p.p. in 2022.

Jaime Anchústegui Melgarejo, CEO International, Generali Group, said: *"Increasing Generali's stake in our Indian Life and P&C insurance businesses represents a further step ahead in our growth journey in this high potential market. With an expected double-digit annual growth rate, India's insurance market offers considerable opportunities, and we look forward to deepening our presence in this geography, becoming Lifetime Partners to an increasing share of Indian customers."*

Rob Leonardi, Regional Officer, Generali Asia, said: *"We're excited that we are now able to consolidate our position in our Life and P&C insurance businesses, as it has always been our intention to increase our presence in India. Once the transactions are completed, we plan to do so in a way that will create more value for our more than 4 million customers, agents, partners and distributors."*

India is one of the fastest growing insurance markets in the world, with nominal GWP growth at 10%+ CAGR over 2022-2030^{1,2}. It is uniquely attractive, thanks to its high real GDP growth (8% YoY growth expected in 2021-2022², among the highest of south-eastern Asian countries), low insurance penetration levels (with GWP representing only 4.2%³ of GDP as at 2020³) and private consumption and disposable incomes (expected to grow around 7% over the next 5 years²).

Citigroup and Alvarez & Marsal acted as financial advisors to Generali on the transactions.

THE GENERALI GROUP

Generali is one of the largest global insurance and asset management providers. Established in 1831, it is present in over 50 countries in the world, with a total premium income of € 70.7 billion in 2020. With more than 72,000 employees serving more than 68 million customers, the Group has a leading position in Europe and a growing presence in Asia and Latin America. Commitment to sustainability is one of the enablers of Generali's strategy, inspired by the ambition to be the Lifetime Partner to its customers, offering innovative and personalized solutions thanks to an unmatched distribution network.

¹ Based on Munich Re Insurance Industry Outlook premium net of inflation estimates. Applies inflation estimates to Munich Re premium growth.

² Inflation, real GDP, disposable income and private consumption estimates as per Economist Intelligence Unit.

³ As per Swiss Re 3/2021 Sigma Report.