

Allianz SE

Group Communications and Corporate Responsibility

Media Release

Jubilee Insurance and Allianz forge strategic partnership

- Partnership covers general insurance in five East African countries
- It aims to expand and broaden the insurance markets across East Africa
- Transaction is subject to regulatory approvals

Nairobi/Kenya, September 29, 2020

Jubilee Holdings Limited (“JHL” or “Jubilee Insurance”), East Africa’s largest insurance group, and Allianz, one of the world’s leading insurers and asset managers, have signed an agreement to establish a strategic partnership in the five African countries where Jubilee Insurance currently operates. The partnership covers the general insurance business (also known as the property & casualty insurance segment) in Kenya, Tanzania and Uganda as well as the short-term insurance segment in Burundi and Mauritius. JHL will retain ownership of its Life and Pensions operations and its Medical insurance business in Kenya, Uganda and Tanzania.

In the proposed partnership structure, Allianz will acquire controlling stakes in each of these businesses for total consideration of KES 10.8 billion (EUR 84 million, USD 100 million) while JHL will retain a significant minority stake. JHL’s subsidiary in Kenya, Jubilee General Insurance Limited is the future joint venture company which will also acquire the business of Allianz Insurance Company of Kenya Limited.

The transaction, which will require regulatory approvals in the five markets as well as a restructuring of JHL’s subsidiaries in Uganda and Tanzania into separate general insurance units, will result in Allianz becoming co-shareholder alongside JHL in five general insurance subsidiaries of the JHL Group, holding between 51 percent and 66 percent in each company. On a preliminary pro-forma basis, these general insurance companies represent 12.3 percent of JHL’s total consolidated net assets of KES 32.3 billion (EUR 252 million, USD 299 million) as at June 30, 2020.

Allianz, with its headquarters in Germany, serves more than 100 million retail and corporate customers in more than 70 countries worldwide and has over a century of history in Africa, where it has built a meaningful footprint across the continent. It is currently present in 12 countries in Africa and serves customers in 49 African markets. Globally, Allianz achieved

total revenues of EUR 142 billion (KES 18 trillion, USD 168 billion) and an operating profit of EUR 11.9 billion (KES 1.5 trillion, USD 14 billion) in 2019.

Founded in Kenya in 1937 by the Aga Khan Development Network (AKDN), JHL is a multinational financial services holding company with operations in Kenya, Uganda, Tanzania, Burundi and Mauritius and is now an affiliate of the Aga Khan Fund for Economic Development (AKFED). JHL is the largest insurer in East Africa and the general insurance market leader in the Ugandan and Tanzanian markets, as well as regionally across East Africa, with gross written premiums of KES 38.2 billion (EUR 299 million, USD 353 million) and a pre-tax profit of KES 5 billion (EUR 39 million, USD 46 million) in the financial year ended on December 31, 2019.

Through this partnership, Jubilee Insurance and Allianz aim to jointly expand and broaden insurance markets across East Africa, leveraging Jubilee Insurance's deep regional knowledge, extensive networks and brand reputation with the global expertise and capacity of the Allianz Group. The partnership intends to further reinforce JHL's regional leadership position by bringing international best practices to its customers in East Africa, addressing evolving insurance risks with relevant products, and will support Allianz ambitions to reshape its footprint and gain market leadership in key markets on the African continent.

"We are very pleased with this historic development for Jubilee Insurance," said JHL Chairman Nizar Juma. He added, "Over the past decade, we have been approached by a number of international insurers looking to partner with Jubilee to expand into East Africa. With Allianz, we have now identified a partner whose strategic aims are aligned to JHL's and whose expertise in the general insurance business is able to enhance the range and depth of products and risk management solutions that we can offer to our customers." This strategic partnership will also allow JHL to offer innovative, affordable and technically advanced products to a growing section of the regional population, supporting the ambition to increase insurance awareness and accessibility. Jubilee will, of course, continue to serve its Life and Medical insurance clients with increased focus on these rapidly growing insurance segments across its core markets.

"Allianz is a leading insurer and investor in key markets in the CIMA (Conférence Interafricaine des Marchés d'Assurance) zone and enjoys strong positioning in Morocco, Nigeria and Ghana. We are keen to enter these key East African markets with substantial market share at the outset and JHL is the best partner to help us achieve this ambition in East Africa," said Coenraad Vrolijk, Regional CEO and Regional Executive Board Member of Allianz Africa. He continued, "we believe this partnership will foster growth in these markets by delivering innovative solutions and superior quality service made possible by the combined expertise of both organizations." Allianz brings 130 years of experience in insurance to this partnership as well as a long-standing presence on the African continent.

In addition, the partnership will foster synergies with existing Allianz investments like Africa Re, BIMA and Safeboda, which currently have operations in many African markets. It will also provide opportunities to deploy Allianz global insurance solutions to support the growing multinational and cross-border business sector in East Africa.

"Allianz has expertise across a wide spectrum of clients and insurance needs. As our corporate clients expand outside the East African region, they demand an insurer that provides comprehensive and effective expertise and solutions to all their insurance needs, with best practice in underwriting and claims processing," said Julius Kipngetich, JHL's Regional CEO. On the other end of the spectrum, the partnership enables Jubilee Insurance

to draw on Allianz proven expertise in retail, digital insurance, and in microinsurance deployed in several developing markets across the world.

“We are excited to begin the process of marrying the best of Jubilee and Allianz together in each of these countries and in so doing to establish Allianz as a meaningful presence in East Africa,” concluded Nandini Wilcke, Regional Head of Mergers, Acquisitions and Transformation and General Counsel of Allianz Africa.

A signing ceremony was held in Nairobi today to mark the strategic partnership, in which Oliver Baete, CEO of Allianz SE and Sultan Ali Allana, Director and Head of Financial Services, Aga Khan Fund for Economic Development (AKFED) participated remotely.

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About Allianz (www.allianz.com)

The Allianz Group is one of the world's leading insurers and asset managers with more than 100 million retail and corporate customers in more than 70 countries. Allianz customers benefit from a broad range of personal and corporate insurance services, ranging from property, life and health insurance to assistance services to credit insurance and global business insurance. Allianz is one of the world's largest investors, managing 766 billion euros on behalf of its insurance customers. Furthermore, our asset managers PIMCO and Allianz Global Investors manage almost 1.7 trillion euros of third-party assets. Thanks to our systematic integration of ecological and social criteria in our business processes and investment decisions, we hold the leading position for insurers in the Dow Jones Sustainability Index. In 2019, over 147,000 employees achieved total revenues of 142 billion euros and an operating profit of 11.9 billion euros for the Group.

About Allianz Africa (www.allianz-africa.com)

In Africa, Allianz is currently present in 12 countries and accompanies clients in 49 markets. Its 2,908 employees achieved regional revenues of 663 million euros in 2019. Allianz also provides micro-insurance for 1.7 million low-income families and individuals in Africa.

About Jubilee Holdings Limited (www.jubileeinsurance.com)

Jubilee Holdings Limited and its subsidiaries comprise the Jubilee Group. The group was established in August 1937 by the AKDN, as the first locally incorporated insurance company based in Mombasa. Jubilee Group has spread its sphere of influence throughout the region to become the largest composite insurer in East Africa, handling both long-term and short-term insurance. Today, Jubilee Group is the largest insurer in East Africa with over 500,000 clients. Jubilee Group is also the largest provider of medical insurance across East Africa that serves many of the region's blue-chip companies.

Jubilee Group has a network of offices spanning Kenya, Uganda, Tanzania, Mauritius and Burundi. It is the only ISO certified insurance group whose parent company is listed on the three East Africa stock exchanges – The Nairobi Securities Exchange (NSE), Dar es Salaam Stock Exchange and Uganda Securities Exchange. Its regional offices are highly rated on leadership, quality and risk management and have been awarded an AA-credit rating in Kenya and Uganda, and an A+ credit rating in Tanzania.

These assessments are, as always, subject to the disclaimer provided below.

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