



Acquisition of esure in the UK

Creating a top-3 UK Personal Lines platform
and diversifying the Group profile

14 April 2025

ageas[®]

has agreed to acquire

esure

from

 **BainCapital**

Transaction Overview

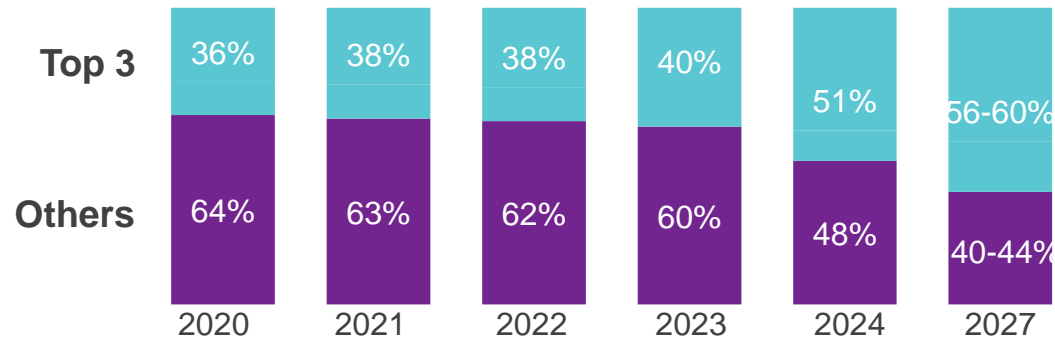
- esure: digitally enabled motor and home focused personal lines insurer in the UK
- Cash purchase price of EUR 1.5 bn
 - EUR 1.2 bn additional Inflows
 - > EUR 115 run-rate of pre-tax cost synergies
- Financed through a combination of surplus cash and newly issued senior and hybrid debt and / or equity
- Subject to regulatory approvals
- Closing expected in H2 2025

➤ Attractive strategic & financial rationale

Strategic Rationale Ageas Group

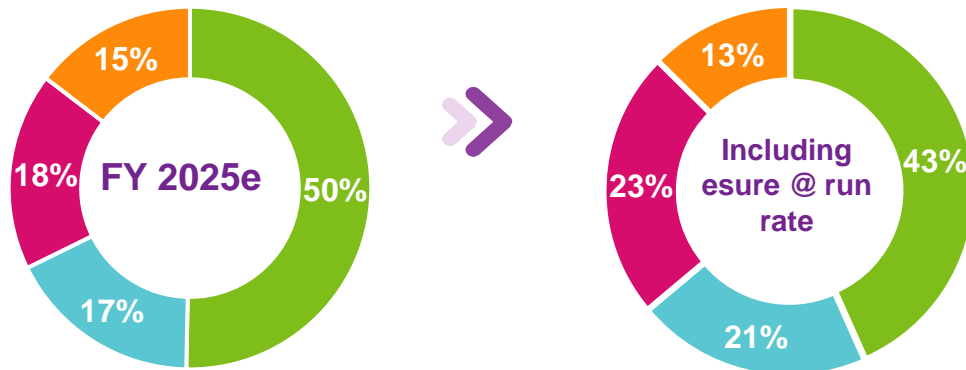
Taking top 3 position in sizeable and consolidating market

UK Motor & Home market share (%)



Further diversifying and increasing upstream

■ Belgium ■ Reinsurance ■ Europe ■ Asia



Financial Rationale

- Attractive run rate **returns >12%** unlevered ROI thanks to material cost **synergies** (> EUR 115 mio pre-tax)
- Group **ROE** uplift after integration of **>1%**
- Immediately supports **cash remittances**
- >10% accretive to **HFCF** post integration
- Sizable **capital** benefits
- **Low complexity** implementation



ensure acquisition



**Profitable
growth**



5% uplift in Group Inflows

split Life / Non-Life
to 60/40



**Technical insurance &
Operational excellence**



Accelerated implementation of
EIS platform and digitisation

20% reduction in
cost/policy in UK



**Distribution excellence &
Customer experience**



Diversifying distribution
footprint in UK

Digital-first customer journey

M&A Principles



In market consolidation
accelerating value creation and
generating synergies

Re-inforce leadership positions
Consolidated & cash-generative



Strong Shareholder Value Creation

Driven by EUR >115 mio pre-tax run-rate annual cost synergies

EPS growth

6-8% confirmed
Accretive beyond



Accretive to Holding Free Cash Flow

100% pay-out

HFCF

HFCF per share up ~10%
after 2027

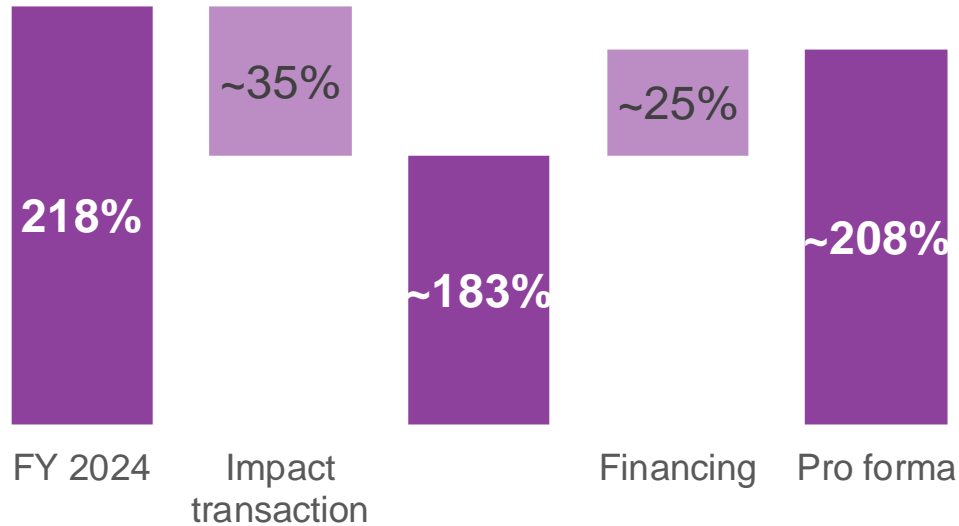


Accretive for Shareholders

Shareholder
Remuneration

Progressive DPS +6%
confirmed over Elevate27

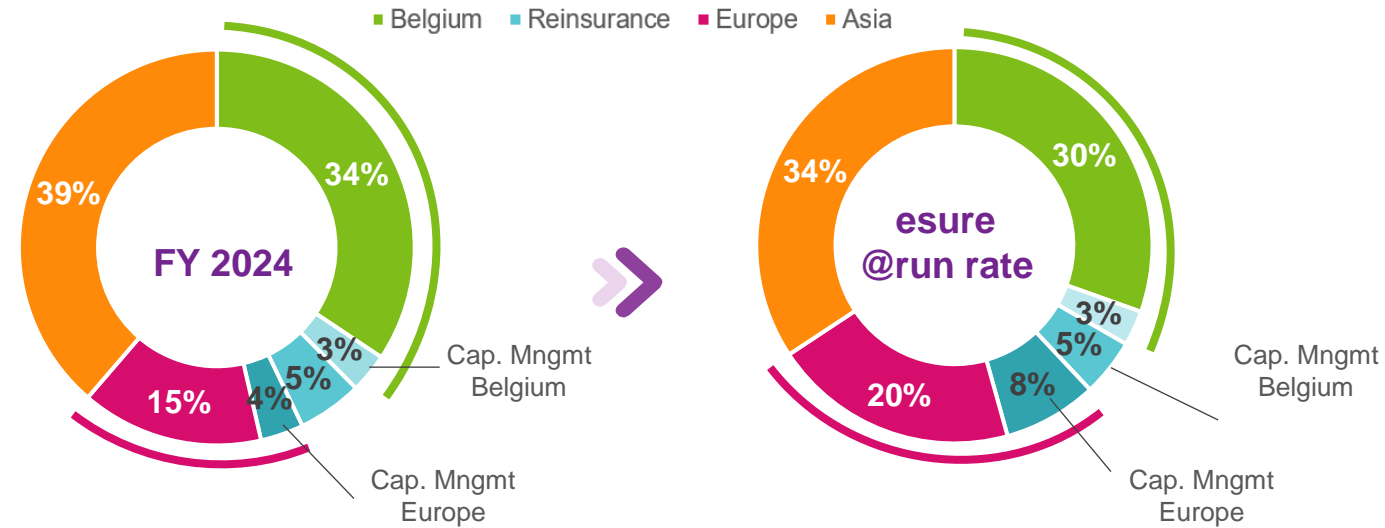
Robust and sustainable capital position maintained



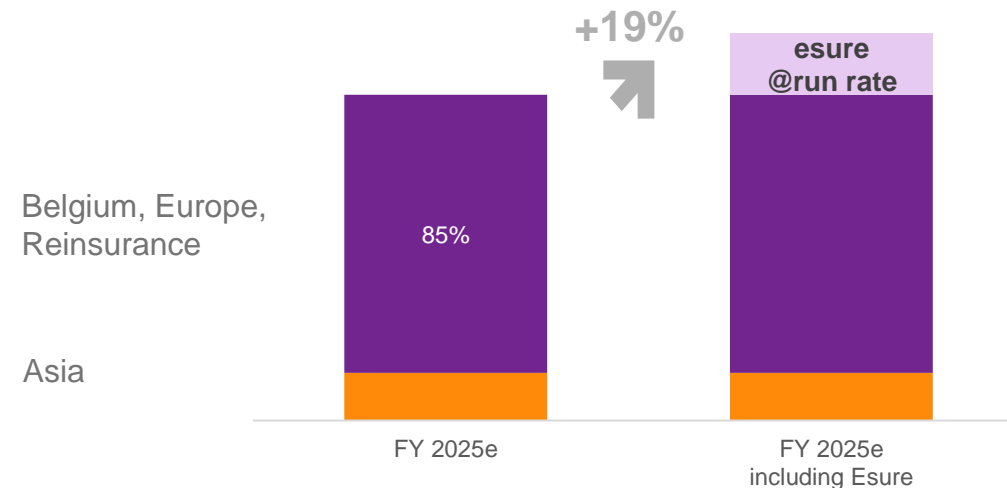
- Solvency ratio down ~10pp
- EUR 1 bn Own Funds instruments included in financing mix
- ± EUR 145 mio capital synergies after integration from
 - Non-Life underwriting risk diversification (35-45%)
 - Inclusion in PIM
- Leverage ratio between 20 and 23%

- **Adding 19% cash flows to the Group from a controlled entity**
- strengthening our upstream
- **Europe (incl. capital mgmt) Net Operating Result up**
- from 19% to 28%
- **Resulting into more balanced geographical and segment distribution**
- across Belgium, Europe, Asia and Reinsurance

Net Operating Result



Upstream



Connect21:

Launch new strategy

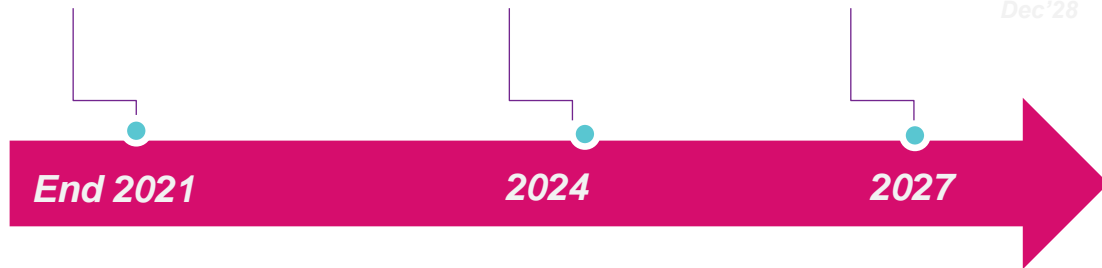
Impact24:

Over-delivery against our strategy

Elevate27:

Accelerated profitable growth

Dec'28



- **Focused** on personal lines
- **Top quartile capabilities** in technical insurance, data and technology
- **Competitive cost base**
- **Delivering** for customers, brokers, our people and shareholders
- **Meeting all of our 2027 objectives** three years early
- **20%** growth in each of the last 2 years
- Discounted **92% COR**

- **New strategy launched in 2021** – creating personal lines focus
- **Over-delivery on our new strategy end 2024** – strong profitable growth
- **Proving our execution capabilities** – rationalize, simplify and turnaround the business
- **Making first inorganic step** – acquisition and 20-year partnership with Saga



Strong strategic rationale to strengthen our UK business

Our UK Elevate27 ambition

Podium player



Strategic complementarity of e-sure

Creating a Top 3 UK Personal Lines P&C business – in a consolidating market

Future proof distribution



Accelerating expansion in PCW distribution (85%-90% of market new business)

Broadening customer footprint



Accelerating broadening of customer footprint into complementary demographic profiles

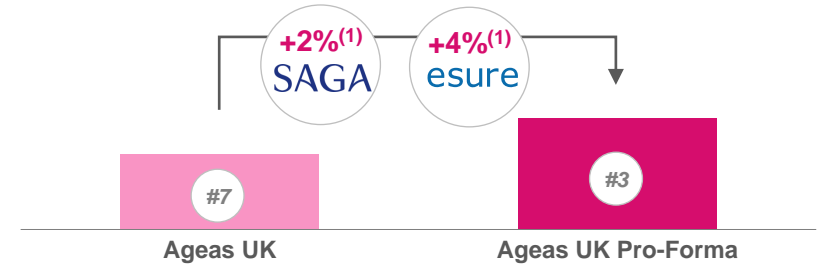
State-of-the art data & technology player



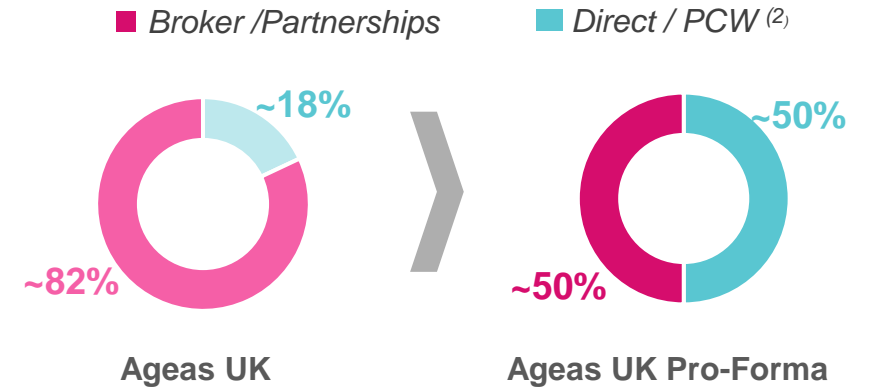
Fast-tracks Ageas UK's Migration to full EIS Platform

Material synergies can be unlocked

Establishes Ageas as a **top-3 UK personal lines** P&C platform



Accelerates **diversification of our distribution towards PCW** (85-90% of new personal lines sales)



Strengthening our customer reach

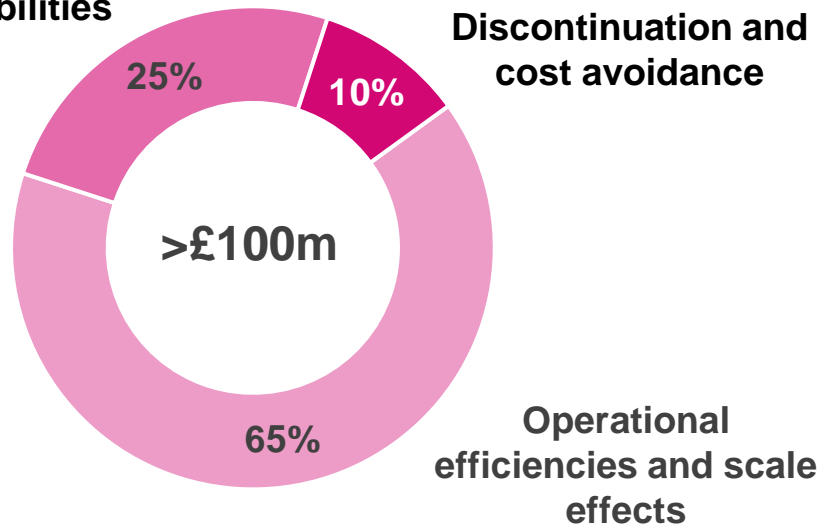


>7.5mio in-force policies and stronger brand presence



Combination of similar businesses offering synergies in excess of market benchmarks

Leveraging combined capabilities



Discontinuation and cost avoidance

Operational efficiencies and scale effects

>£100m

➤ Operational efficiencies and scale effects

- Operations: leveraging scale, efficiency and digitized tech back-bone
- De-duplication of activities in support functions
- Technology: Leveraging the EIS underwriting and claims platform to reduce technology costs and unlock efficiencies across the business

Dec'28

➤ Leveraging combined capabilities – 'best of breed'

- Adopting the best capabilities of both organizations

➤ Discontinuation/cost avoidance afforded by facilities/property and product duplication

➤ **Costs to achieve of ~ £130 mio**

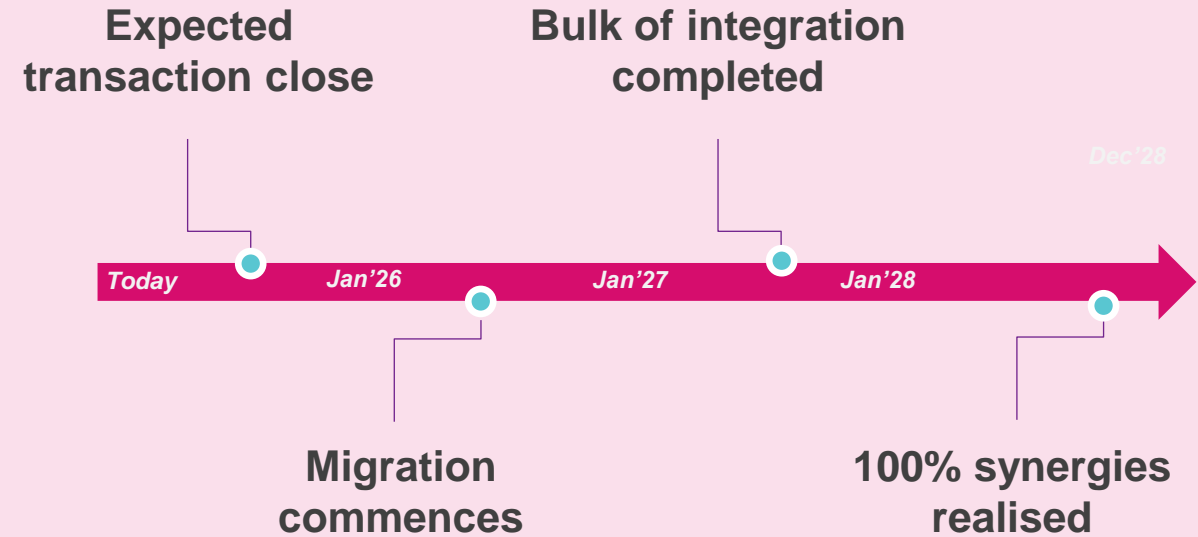
IT integration costs, redundancy and retention, program management and other professional and advisory fees

➤ **Saga transition** – a planning that accommodates the safe integration of the Saga business

➤ **Confidence in our execution**, building upon our strong execution track record in UK and on M&A in Group

➤ **Delivery** of integration in all material respects by end 2027

➤ **All synergies realized by end 2028**



	In November 2023 Ageas UK announced its ambition for 2027 ⁽¹⁾		FY 2024 Results		New 2028 ambition after Saga and esure
GWP <i>Personal lines</i>	>£1.5bn	✓	>£1.5bn		~£3.25bn
Combined ratio <i>Pre capital management</i>	<94% Undiscounted	✓	92% Discounted 94%-95% Undiscounted	➤	<< 92% Discounted
Net Operating Result <i>Pre capital management</i>	>£100m	✓	>£100m		~£300m
Capabilities	<ul style="list-style-type: none"> • PCW Penetration • Improved Brand Positioning • Enhance Tech Capabilities 	✓			<ul style="list-style-type: none"> • PCW-led distribution • Expanded brand portfolio • Full EIS migration

➤ Committed to our Elevate27 financial objectives and assuring growth beyond



- Fully aligned with Ageas's strategic priorities under Elevate27
- Create the 3rd largest UK personal lines platform with diversified distribution
- Generate significant operational synergies and capital benefits
- Re-balance our Group profile towards businesses with high cash conversion

Key metrics (run-rate after integration)

Value creation through
> EUR 115 mio cost synergies

> 12% unlevered
Return on Investment

HFCF per share
up 10%

>1pp uplift
in Return on
Shareholders' Equity



Q&A

