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Randall & Quilter Investment Holdings Ltd.

Loss Portfolio Transfer & Reinsurance Business Transfer with Delvag Versicherungs-AG

7 September 2021

Randall & Quilter Investment Holdings Ltd. (AIM-RQIH) (“R&Q”), the leading non-life global specialty insurance company focusing on Program Management and Legacy Insurance businesses, is pleased to announce that with the close assistance of Black Forest Reinsurance Consulting (“BFRC”) and the placement broker, Guy Carpenter & Company Gmbh, Munich, it has transacted a Loss Portfolio Transfer of reinsurance business with Delvag Versicherungs-AG, Germany (“Delvag”) an insurance captive fully owned by Lufthansa Group.

The reinsurance is being provided by R&Q’s A.M. Best A- (Excellent) rated carrier in Malta, Accredited Insurance (Europe) Limited (“Accredited”).

With this transaction Delvag reaches economic finality of a third-party reinsurance portfolio amounting to circa EUR 22million of reserves that has no active client relationships and that was underwritten from 1969 onwards. Further, this transaction also encompasses the mutual interest to undertake an Insurance Business Transfer of the portfolio to Accredited, subject to regulatory approvals.

Paul Corver, Group Head of M&A at R&Q explained: “We are delighted to have completed another Loss Portfolio Transfer with the mutual intention to follow on with a Reinsurance Business Transfer from Germany to Malta. We have assumed numerous portfolios of business from across Europe into our rated Maltese platform which provides complete finality to the cedant along with the accompanying cost and capital efficiencies. We are very pleased to have executed this transaction with Delvag. Once again it proves R&Q’s capabilities to utilize its international team to provide full finality legacy solutions across the US and Europe and here in particular in the DACH region. We look forward to working closely with BFRC to conclude further legacy deals in the near future.”

Andreas Brügel, Director Reinsurance at Delvag explained: “After Delvag’s decision to cease writing third-party reinsurance business after 50 years this portfolio transfer was the logical consequence to free-up Solvency II capital. This fundamentally supports the reinsurance department’s new strategy to concentrate on providing services as a Group captive instead of primarily acting as a third-party business writer. The strategic alignment of Delvag’s Aviation and Marine department remains unaffected by this transaction”

Ends

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Notes to Editors:

About R&Q

R&Q is a non-life global specialty insurance company operating two core, highly complementary, businesses: Program Management and Legacy Insurance. Both these businesses are leaders in markets with high barriers to entry and significant secular growth opportunities. Legacy Insurance generates profits and capital extractions from expert management of legacy non-life insurance portfolios. Program Management generates commission income from its licensed (and rated) carriers in the US, EU and the UK, writing niche and profitable program business, largely on behalf of highly rated reinsurers.

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