



Admiral to acquire RSA's UK direct Home and Pet Insurance Personal Lines Operations

7 December 2023 8:00 AM GMT

Acquisition of renewal rights, brand and transfer of people

Enhances Admiral's presence in UK Home and Pet markets in line with diversification strategy

Represented c.£165 million of gross written premiums in 2022

Admiral Group plc ("Admiral") today announces that it has reached an agreement to acquire the UK direct Home and Pet personal lines insurance operations of RSA Insurance Group Limited ("RSA"). The consideration payable at completion is £82.5 million, with a further potential payment of up to £32.5 million depending on the number of policies successfully migrated to Admiral.

The acquisition is closely aligned to Admiral's strategy to diversify its product offering and build multi-product customer relationships in its core markets. It will strengthen Admiral's home business and accelerate its direct pet proposition launched in 2022.

The transaction will see Admiral welcome c.300 new colleagues as well as the transfer of the renewal rights and the "MORE THAN" brand. Policies are expected to start renewing from Q3 2024. This acquisition does not include liabilities relating to existing policies, which will remain with RSA.

RSA's direct UK Home and Pet personal lines operations generated c.£165 million of gross written premiums in 2022.

The transaction is expected to complete in Q2 2024 and will be funded through existing resources and credit facilities. The estimated pro forma Group's Solvency II ratio at completion would remain well in excess of target levels.

Milena Mondini de Focatiis, Chief Executive Officer, Admiral Group, said:

"Increased scale in home and pet not only supports Admiral's diversification strategy, but also supports our aim to provide customers with a stronger multi-product offering, choice and convenience. We look forward to welcoming our new colleagues and the additional expertise they bring.

"Our capability and culture will ensure MORE THAN and RSA customers that join Admiral will continue to receive the high-quality cover and customer service they expect. Consistency and continuity for our new and existing customers during this migration will be our priority.

"With this acquisition, we continue to fulfil our purpose to help more people look after their future."

Ken Norgrove, Chief Executive Officer, RSA UK&I, commented:

"This transaction aligns with our strategic ambition and I'm confident that Admiral's shared values and track record in delivering excellence for customers makes them a perfect fit for our direct UK Personal Lines business. Our primary focus now is on delivering an orderly transition that supports our colleagues and customers."

Barclays is acting as financial adviser and Clifford Chance is acting as legal adviser to Admiral Group in connection with the Transaction.