



RNS Offer Update

Update re Recommended Cash Offer for RSA Insurance

Released 13:34:42 31 March 2021

RNS Number : 1607U
Intact Financial Corporation
31 March 2021

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION.

FOR IMMEDIATE RELEASE

31 March 2021

Intact Financial Corporation

Recommended Cash Offer for RSA Insurance Group plc

Intact Financial Corporation Completes CAN\$250 million Fixed-To-Fixed Rate Subordinated Notes Offering

Further to the publication of the scheme document in relation to the recommended cash offer for RSA Insurance Group plc (the "**Acquisition**") on 16 December 2020 (the "**Scheme Document**"), and the announcement by Intact Financial Corporation ("**Intact**") on 26 March 2021 of its offering of CAN\$250 million principal amount of 4.125% fixed-to-fixed rate subordinated notes, series 1, due 31 March 2081 (the "**Notes**") by way of private placement to accredited investors that are not individuals in each of the provinces of Canada (the "**Private Placement**"), Intact announced today that it has completed the Notes offering.

The Notes were offered through an underwriting syndicate co-led by CIBC Capital Markets, National Bank Financial Markets and TD Securities.

The net proceeds from the Private Placement will be used by Intact to fund a portion of the purchase price for the Acquisition, and in connection therewith to replace approximately £142 million of the Intact Bridge Facilities, leaving approximately £245.7 million committed amount outstanding under the Intact Bridge Facilities. If the Acquisition is not completed, the net proceeds of the Private Placement will be used by Intact for general corporate purposes.

The Notes will be converted automatically into Non-Cumulative Class A Shares, series 10 of Intact upon certain bankruptcy or insolvency related events as specified in the trust indenture for the Notes.

The Notes have been given a rating of BBB (high) with a Stable trend by DBRS Limited, a rating of Baa3 with a Stable outlook by Moody's Investors Service, Inc. and a rating of BBB by Fitch Ratings, Inc.

The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**"), and may not be offered or sold in the United States or to or for the account or benefit of U.S. persons absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act. This announcement shall not constitute an offer to sell or the solicitation of an offer to buy such securities in the United States or in any other jurisdiction where such offer is unlawful.

A copy of this announcement will be uploaded to Intact's website at www.intactfc.com by 12 noon (UK time) on the business day following the date of this announcement.

Capitalised terms not defined here in have the same meanings given to them in the Scheme Document.

Enquiries:

Intact Financial Corporation

Ken Anderson, SVP, Investor Relations & Corporate Development + 1 855 646 8228 ext 87383
Ryan Penton, Director, Investor Relations + 1 416 316 3495
Diane Flanagan, VP, Corporate Affairs & Communications + 1 647 456 7931

Barclays (lead financial adviser to Intact)

+ 44 (0) 20 7623 2323
Derek Shakespeare
Mike Lamb
Jacquelyn Titus
Krit Chaiwatanatorn
Kunal Bidani

Tulchan Communications (communications adviser to Intact)

+ 44 (0) 20 7353 4200
Simon Pilkington
Tom Murray
Sheebani Chothani

Further Information

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Intact and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Intact for providing advice in relation to the Offer or any other matters referred to in this announcement.

In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, Barclays will continue to act as exempt principal trader in RSA securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

This announcement has been prepared in accordance with English law and the Code, and information disclosed may not be the same as that which would have been prepared in accordance with laws outside of the United Kingdom. The release, distribution or publication of this announcement in jurisdictions outside of the United Kingdom may be restricted by laws of the relevant jurisdictions, and therefore persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. The Acquisition will be made solely through the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any voting decision in respect of, or other response to the Acquisition should be made only on the basis of the information in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document).

Cautionary note about forward-looking statements

This news release includes "forward looking statements". The forward-looking statements contained in this announcement include statements relating to the use of the net proceeds of the Private Placement, and other statements other than historical facts. Forward looking statements often use words such as "believe", "expect", "estimate", "intend", "anticipate" and words of a similar meaning. You should not place undue reliance on these forward-looking statements, which reflect the current views of Intact, are subject to risks and uncertainties about Intact and are dependent on many factors, some of which are outside of Intact's control. There are important factors, risks and uncertainties that could cause actual outcomes and results to be materially different. Except as required by law, Intact undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

OUPJBMTTMTJJBMB

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

© 2021 London Stock Exchange plc. All rights reserved.