

R&Q Insurance Holdings Ltd

R&Q agrees sale of Inceptum

24 June 2024

R&Q Insurance Holdings Ltd (AIM: RQIH) ("**R&Q**" or "**the Company**") today announces an agreement to sell Inceptum Insurance Company Limited ("**Inceptum**"), a legacy general insurance company located in the UK and regulated by the PRA and FCA, to Marco Capital Holdings Limited ("**Marco**"), a Malta based legacy acquisition group (the "**Transaction**").

The Transaction is conditional on the completion of the previously announced sale of the shares in Accredited to Onex. The Transaction also includes and is subject to the completion of certain reinsurance agreements, between R&Q entities, Accredited Insurance Europe Ltd ("**AIEL**"), and R&Q Re (Bermuda) Ltd and Inceptum being novated to Marco Re Limited ("**Marco Re**"). The Transaction has already received necessary R&Q board approvals, but is subject to change of control approval by the PRA and other regulatory approvals as required for the reinsurance agreements.

The agreement represents the sale of 100% of the shares of Inceptum to Marco, alongside the novation of any related reinsurance arrangements with other R&Q entities (including AIEL). As at 31 December 2023, Inceptum had estimated net assets of £19m. In the year to 31 December 2023, Inceptum generated a loss of £2m.

R&Q will receive £11.25m for the sale of the shares in Inceptum, payable in cash. Inclusive of the impact of the novation of the reinsurance arrangements, the Transaction is expected to generate approximately £13m of liquidity for the Company.

The cash proceeds from the sale of the shares in Inceptum will be received on completion, anticipated to be Q3 2024.

-Ends-

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