

***The information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the UK Market Abuse Regulation. With the publication of this announcement, this information is now considered to be in the public domain.***

**R&Q Insurance Holdings Ltd**  
**Update on proposed sale of Accredited**

**13 June 2024**

R&Q Insurance Holdings Ltd (AIM: RQIH) ("**R&Q**" or "**the Company**") notes the recent press speculation.

As announced on 20 October 2023, R&Q entered into a conditional agreement with funds advised by Onex Corporation to sell 100% of the equity interest in Randall & Quilter America Holding Inc., the holding company of the Company's program management business, Accredited. R&Q today provides an update on the proposed Sale. Capitalised terms used in this announcement have the meanings given to them in the circular sent to shareholders on 14 December 2023 (the "**Circular**") and/or the announcement issued by R&Q on 24 April 2024.

As announced on 24 April 2024, R&Q entered into the Lock-Up Agreement with certain of its lenders and creditors following which the Company and those Locked-Up Parties moved into the negotiation of the documentation necessary to implement the proposed Restructuring. The period of intensive discussion with its lenders, regulators and other stakeholders (both before and after the signing of the Lock-Up Agreement) has resulted in the Company incurring significant additional unexpected costs and expenses (either on its own behalf or on behalf of or due to the requirements of other stakeholders). In addition, as announced on 22 December 2023, the Company has been constrained since that time in relation to its ability to consummate external legacy transactions. These factors, as well as further adverse reserve development and a degree of general stress to the Company's businesses during this period, have had a material impact on the Company's stability as a business and as a going concern.

Despite this, in recent weeks, R&Q has been progressing discussions with Onex and its other stakeholders with a view to finalising matters so as to complete the Sale. During these discussions, Onex provided R&Q with an alternative transaction structure to that of the original Sale (the "**Alternative Proposal**") that could be implemented in the event that the closing conditions to the original Sale were not able to be satisfied. R&Q and Onex have continued to discuss implementing the Sale on its original terms.

The Board is currently exploring and evaluating all options that may be available to the Company, including alternative transactions (including the Alternative Proposal) and potential sources of liquidity, whilst continuing to work to complete the original Sale.

Shareholders should note that the implementation of the Alternative Proposal would involve the parent company, R&Q Insurance Holdings Ltd., filing for a provisional liquidation in Bermuda and then completing the sale of Accredited to Onex through that process. The provisional liquidators would then look to realise value from the Group's remaining assets. The Directors believe that in such circumstances there would be very little, if any, chance of any value accruing to the Company's shareholders.

As stated in the Circular, if the Sale does not proceed on its original terms and the Available Net Cash Proceeds are not available to facilitate a financial de-leveraging of R&Q, R&Q will not be able to repay its debt facilities as they become due, and R&Q would therefore be unable to continue as a going concern.

In the event that the Company were to enter provisional liquidation, R&Q would request that trading in the Company's ordinary shares on AIM be suspended immediately. Notwithstanding any suspension of trading in the Company's ordinary shares, the Company would continue to make notifications as and when there are matters requiring disclosure in accordance with the Company's obligations under the AIM Rules for Companies and/or the UK Market Abuse Regulation.

Further announcements will be made, as appropriate, in due course.

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