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**M.9939 - SAMPO / RMI / HASTINGS**

**SECTION 1.2**

**Description of the concentration**

1. Hastings is a company with trading subsidiaries providing insurance products in the UK only and is a listed company on the London Stock Exchange. Sampo is an insurance company with activities in Scandinavia and the Baltics. Sampo holds a 0.04% stake in Hastings. RMI is an investment company based in South Africa and indirectly holds a 29.7% share in Hastings. RMI has controlling and non-controlling interests in other financial companies, including a South African insurance company, which is active outside the EEA.
2. Sampo and RMI have incorporated a jointly owned bidco, which has announced a firm intention to make a recommended offer for the entire issued and to be issued share capital of Hastings not already owned or controlled by Sampo or RMI pursuant to Rule 2.7 of the City Code on Takeovers and Mergers. The parties intend that the proposed acquisition will be implemented by way of a Court-sanctioned scheme of arrangement pursuant to the UK Companies Act. As part of the Transaction, the bidco will acquire the shares already controlled by RMI. Assuming that the offer is successful, the proposed acquisition will constitute a concentration within the meaning of Article 3(1)(b) EUMR.
3. The Transaction offers Sampo and RMI the opportunity to extend their existing activities in the insurance sector to the UK through acquiring control over a fast growing, agile, data and digitally focused general insurance provider. The Transaction meets the key criteria of Sampo's and RMI's disciplined capital development strategy and will result in value through additional scale and capital diversification.
4. Given the significant retail P&C insurance experience and expertise of Sampo, through its subsidiaries If P&C and Topdanmark, and RMI, through its ownership of OUTsurance and existing shareholding in Hastings, the intention is to combine this knowledge to drive the strategic direction of Hastings for the long term. Sampo and RMI intend to bring to bear their respective experience as long-standing owners and operators of insurance and financial services businesses in different geographies and different sectors to create long term value for the benefit of the Hastings business.