

30 January 2018, Budapest

**Strategic cooperation between CIG Pannónia Life Insurance Plc and KONZUM Plc.**

**CIG Pannónia Life Insurance Plc. (registered seat: H-1033 Budapest, Flórián tér 1.; company registry number: Cg.01-10-045857; hereinafter: “the Company” or “CIG Pannónia”) hereby notifies its shareholders and other capital market participants that the Board of Directors of the Company – after the General Meeting decision – decided today on concluding a strategic cooperation agreement with KONZUM Plc.**

According to the decision of the General Meeting of the Company held on 30 January 2018, the Company increases its share capital in-private. The Company aims to strengthen its capital position and to reach new sales channels in order to increase its business acquiring capacity through developing a strategic partnership with KONZUM Plc. This could be a significant new source of finance and guarantee for the stability of the Company and for the possible acquisition plans and or the long-term development.

The cross-shareholding is a substantial condition for the partnership. The Company issues a total number of 23,466,020 pieces (that is twenty-three million, four hundred and sixty-six thousand and twenty pieces) of registered dematerialized series “A” ordinary shares representing voting rights of nominal value of HUF 40 (that is forty Hungarian Forints) per share and HUF 350 (that is three hundred and fifty Hungarian Forints) issue price per share. Only KONZUM Plc. is entitled to subscribe the newly issued shares, so it acquires a 24.85 percent ownership in CIG Pannónia Life Insurance Plc. In order to establish the strategic cooperation, CIG Pannónia – with the authorisation of the General Meeting will purchase 1,368,851 pieces of shares from KONZUM PE Private Equity Fund, that means a 6.16 percent shareholding in KONZUM Plc.

According to the strategic agreement the parties, as members of the domestic stockmarket, mutually facilitate the economic activity and the successful and profitable operation of each other and the improvement of their market position. Their primary objective is to maximise the shareholders interest. They mutually approve as fundamental principles the transparent operation through high level corporate governance, the maintenance of stock exchange presence with proper liquidity and high level of free float, and the ensurance of sustainable growth.

CIG Pannónia Life Insurance Plc.

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