

3 July, 2023

### **Tower to sell Solomon Islands business**

Tower announces the conditional sale of its Solomon Islands business to Trans Pacific Assurance Limited. The sale price is around SBD \$17m, subject to adjustments for changes to gross written premiums (GWP), exchange rates and capital requirements, between now and the completion date. The sale is expected to complete in 2023.

Tower's Solomon Islands business is its smallest Pacific operation. In the financial year to 30 September 2022, Tower's Solomon Islands business generated GWP of NZD \$2.9m and net profit after tax of NZD \$0.1m. As at 30 September 2022, it had net assets of NZD \$2.6m.

Tower Chief Executive Blair Turnbull says Tower remains focused on delivering its personal lines and SME customer experience in the Pacific, enabled through Tower's leading digital and data offering, while tightening its risk appetite.

"In delivering our strategy, we concluded that this sale to Trans Pacific would enable us to better streamline our operations and complete our Pacific digital transformation. The sale provides good value for Solomon Islands staff, customers, and Tower shareholders," he says.

Tower is continuing to invest in its Pacific business with the roll out of its My Tower online sales and service platform and the rebrand of its Tonga, American Samoa and Samoa businesses to Tower following its acquisition of minority interests in National Pacific Insurance in 2021. Tower's Suva operations hub now has 200 staff serving both Pacific and New Zealand customers.

Trans Pacific is a privately owned general insurer operating in Papua New Guinea. Trans Pacific sees the acquisition of Tower's Solomon Islands' business as being a good fit with its existing operations, due to the geographical proximity between Papua New Guinea and Solomon Islands, and the similar risk profiles.

Trans Pacific will be offering roles to Tower's four Solomon Islands staff members.

The transaction is subject to conditions, including approval by authorities in New Zealand, Solomon Islands and Papua New Guinea and confirmation of coverage from Trans Pacific's reinsurers.

#### **ENDS**

This announcement has been authorised by Tower Chief Executive, Blair Turnbull.

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