

Niva Bupa's majority shareholder, True North, to sell controlling stake to joint venture partner, Bupa

- True North will continue as a minority joint venture partner to the business
- As the original founding shareholder, Bupa set to assume a majority shareholding in the business for its next stage of growth

Mumbai, September 29, 2023: True North has agreed to sell a significant part of its stake in Niva Bupa, a leading Indian health insurance company, to its joint venture partner, Bupa, for around INR 2700 Cr [around £267m GBP equivalent], subject to IRDAI approval.

This transaction will mean Bupa becomes Niva Bupa's majority shareholder. True North is set to sell around 20% of its stake in the business to Bupa, increasing Bupa's shareholding to approximately 63%. On approval, the share transfer will be one of the largest transactions in the Indian insurance industry by a global player since the IRDAI permitted foreign entities to own up to 74% of an Indian insurer.

Bupa, an international healthcare company headquartered in the UK, was a founding shareholder when the business was first established in India in 2008. True North, one of India's most experienced private equity firms, became Niva Bupa's majority shareholder in 2019. Since 2019 True North has worked closely with Bupa on implementing a successful strategy for Niva Bupa. The joint venture partners have worked closely to put Niva Bupa on a strong growth trajectory, adding innovative new products, setting up a multi-channel distribution network and making the business increasingly customer-centric.

In FY 23, Niva Bupa became the third-largest retail health insurer, achieving more than INR 4,000 Crore GWP and expanding its presence to nearly every district in the country. True North believes that the time is right for Bupa to take a majority shareholding in the business to propel Niva Bupa to its next stage of growth. Future growth options could also include the public listing of the business. The move comes as India's insurance industry is experiencing strong growth amidst increasing awareness and demand for health insurance.

Divya Sehgal, Partner, True North, stated, *"We are elated to see Niva Bupa's transformation in the last few years. The company's premium crossed 4000 Crore last year, a significant increase from 1000 crore at the time of our initial transaction in 2019. Niva Bupa's market share has also more than doubled in this tenure, a further testament to the firm's exceptional management and its bright future. Bupa has consistently proven to be a strong partner on this journey, and we are confident that this decision will further strengthen our collaboration and drive continued success for Niva Bupa."*

Iñaki Ereño, Group CEO of Bupa said: *"Since founding the company as a joint venture, we are immensely proud of how we have helped Niva Bupa grow into such a flourishing and successful business over the years. In becoming a majority shareholder, we are building on the foundation of our strong partnership with True North. We look forward to using our market expertise and global scale to help Niva Bupa continue to grow and serve even more customers with their healthcare needs."*

Krishnan Ramachandran, Managing Director and CEO of Niva Bupa said: *"I am very excited by this vote of confidence in the health insurance opportunity in India and in the future of Niva Bupa. It gives renewed energy to both the employees and stakeholders of Niva Bupa to pursue growth and deliver on our purpose, which is to give every citizen of India the confidence to access the best healthcare. This also*

enhances our ability to bring global best practices to our business in order to provide an outstanding customer experience.”

About True North

Founded in 1999, True North is one of India's most respected home-grown private equity firms with a focus on investing in and transforming mid-sized profitable businesses into large, well-established businesses that are valuable, enduring and socially responsible. True North has successfully launched six separate investment funds with a combined corpus of ~ USD 3 billion, including co-investments. True North's deep insights and understanding of India have added value to more than 50 businesses over the last 20 years across sectors such as consumer, financial services, healthcare, and Technology.

For more details, visit [True North](#).

About Bupa

Bupa's purpose is helping people live longer, healthier, happier lives and making a better world. Bupa is an international healthcare company serving over 43 million customers worldwide. With no shareholders, Bupa reinvests profits into providing more and better healthcare for the benefit of current and future customers. Bupa directly employs around 82,000 people, principally in the UK, Australia, Spain, Chile, Poland, New Zealand, Hong Kong SAR, Türkiye, Brazil, Mexico, the US, Middle East and Ireland. Bupa also has an associate business in Saudi Arabia.

For more information, visit www.bupa.com.

About Niva Bupa

Niva Bupa is committed to offering every Indian the confidence to access the best healthcare - 'Zindagi Ko Claim Kar Le'. The company currently has over 200 offices pan India. It additionally offers health insurance through its 20+ bank partners spread across 45,000+ branches. Niva Bupa currently covers 10 million lives and has 10,000+ hospitals as part of its network where customers can avail cashless treatment. The company has been empowering consumers since 2010 with innovative products and solutions across all age groups in urban & rural markets. It is one of the fastest-growing health insurance companies with an annual average of 90%+ claim settlement ratio. With an employee base of over 7500 people, Niva Bupa is an 'Employer of Choice' with a strong value-based culture and a sustainable business model to build a healthier future.

Editor's note: Kotak Investment Banking is the exclusive financial advisor to True North and Niva Bupa, while Rothschild & Co is the exclusive advisor to Bupa on the transaction.

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