

Current Report No 18/2016
Date: 25 August 2016

Investment in the Company by Fairfax Financial Holdings Limited

The Board of Directors of Astarta Holding N.V. ("**Company**") informs that the Company received information that on 24 August 2016 two major shareholders of the Company, Albacon Ventures Limited ("**Albacon**") and Aluxes Holding Limited ("**Aluxes**"), entered into a share purchase agreement ("**Share Purchase Agreement**") providing for investment in the Company by Fairfax Financial Holdings Limited ("**Fairfax**"), a holding company listed on the Toronto Stock Exchange, which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management.

Under the Share Purchase Agreement Fairfax shall acquire from Albacon 450,000 shares in the Company and from Aluxes 2,047,500 shares in the Company, representing in total 9.99% of the total voting rights of the Company ("**Sale of Shares**"). The Sale of Shares is subject to customary conditions precedent that must be satisfied or waived by February 24, 2017, including obtaining approvals from the Antimonopoly Committee of Ukraine. Fairfax shall also have the right to acquire from Aluxes an additional 2,497,800 shares in the Company, representing approximately 9.99% of the voting rights in the Company which can only be exercised 61 days after the Sale of Shares ("**First Tranche Call Option**"), and (ii) to acquire from Aluxes a further 1,951,583 shares in the Company, representing approximately 7.8% of the voting rights in the Company, which can only be exercised after the 61st day after acquisition of shares as a result of the First Tranche Call Option ("**Second Tranche Call Option**"). Aluxes also has the right to put the above shares to Fairfax should Fairfax not exercise its rights above. In addition, Albacon has granted a tag along right to Fairfax in case Albacon sells a certain percentage of its shares in the Company to a third party.

In connection with acquisition of shares in the Company by Fairfax, the Company and Fairfax entered into a Relationship Agreement conditional upon completion of the Sale of Shares. Pursuant to the Relationship Agreement, among other things the Company has undertaken to send out a notice to convene a general meeting of shareholders and put the appointment of a board member designated by Fairfax on the agenda of that general meeting, if so requested by Fairfax. Furthermore Fairfax has been granted the right to nominate the chairman of the board. In addition, the Company has agreed that any issue of shares or other equity securities convertible into or exchangeable for, or grant of any right to subscribe for, shares or other equity securities, would require prior consent of Fairfax, other than issuances pursuant to employee compensation schemes, issuances authorized by shareholders at a general meeting or to avoid bankruptcy and other legal proceedings.

Legal grounds: article 17 paragraph 1 of the EU Regulation No 596/2014 of The European Parliament And Of the Council of 16 April 2014 on market abuse (market abuse regulation)

SIGNATURES OF INDIVIDUALS AUTHORIZED TO REPRESENT THE COMPANY:

Date:	Name:	Title:	Signature:
25-08-2016	Viktor Ivanchyk	Proxy	Viktor Ivanchyk