

8 January 2018

ENSURANCE UK ACHIEVES SIGNIFICANT MILESTONES IN SHORT TIME-FRAME

Milestones achieved by Ensurance UK (since being incorporated in August 2016):

- **Receipt of Financial Conduct Authority (FCA) approval – now a fully authorised Managed General Agent (MGA – an underwriting agency)**
- **Generated first cashflow at beginning of FY2018;**
- **Signed 50 new TOBA's (Terms of Business Arrangements) with major clients/brokers including large internationals – on target to sign 65 strategic brokers;**
- **Partnered with Swiss Re Corporate Solutions – allows Ensurance to offer insurance products across UK and parts of EU, targeting construction and engineering contracts up to £100m;**
- **Partnered with XL Caitlin to provide construction insurance product to high net worth domestic clients;**
- **Lloyd's of London coverholder approval within only six months of launch - allows Ensurance to issue insurance documents on behalf of Lloyd's syndicates;**
- **Partnered with Abbey Legal/Markel International for Legal Expenses insurance;**
- **Agreed service agreement with British Engineering Services - a leader in engineering inspection services to offer statutory inspection services to clients;**
- **Appointed as the lead market for residential development insurance by a leading global broker;**
- **Secured white label agreement with private clients MGA to provide residential development insurance;**
- **In principle agreement for Casualty capacity subject to completion of due diligence;**
- **Achieved go live with policy administration system Ebix eGlobal;**
- **Attracted a highly respected executive team, with significant experience in Construction and Engineering insurance market**

The Board of Ensurance Limited (ASX: ENA) (ENA or the Company) wishes to provide an update on the Company's United Kingdom-based operations.

Since incorporation on 10 August 2016, Ensurance UK Limited (EUK) – which specialises in construction and engineering insurance – has expanded its footprint and reach significantly into major global markets of United Kingdom and Europe.

Formed as a Managing General Agency (MGA – an underwriting agency), EUK has provided the Group with the ability to enter and write business in its chosen territories and, in turn, creates significantly more opportunities to increase the Group's revenue and sales pipeline.

The new underwriting capacity and products from the London market provides the Group access to global markets and, importantly, will lead to a material increase in brokers joining the platform resulting in expected material increase in revenue.

FCA Approval

On 22 December 2017, EUK received FCA approval. The **Financial Conduct Authority (FCA)** is a [financial regulatory](#) body in the [United Kingdom](#), but operates independently of the UK government. The FCA regulates financial firms providing services to consumers and maintains the integrity of the UK's financial markets. It focuses on the regulation of conduct by both retail and wholesale financial services firms. "This is a major milestone for EUK as it now means that the company is a fully authorised MGA, all within less than 18 months since being incorporated," Ensurance Executive Chairman Tony Leibowitz said.

New Talent

EUK has recently secured some highly experienced new talent with Jim Connolly joining as Chief Operating Officer (COO) in 2017 to assist in growth plans as well as introduce Latent Defects and Property Owners to the Ensurance lines of business.

Mr Connolly brings extensive experience in the sector, having held the position of Insurance and Risk Manager for Canary Wharf Holdings and Land Securities and most recently Construction Specialist for JLT Dubai.

In addition, we have identified exceptional underwriting talent in the Property Owners and Casualty sector that will join EUK in early 2018.

New Office

EUK recently signed a five-year lease for 2nd Floor 10 Philpott Lane, London EC3M 8AA.

This quality space situated ideally in the heart of the London insurance market is an ideal platform from which to deliver EUK's exciting growth plans.

The team moved into this premises on the 22nd December 2017.

Revenue

Since entering the UK market, EUK has reported gross written premiums (GWP) of £614,201.36 (A\$1.1 million).

EUK has been received very positively with all major construction brokers seeking to secure Terms of Business Agreements (TOBA's) in order to access the exclusive capacity offered by EUK's experienced underwriting team.

It is well on the path to reaching its initial target of signing 65 strategic brokers, having already signed 50 new TOBA's with major clients/brokers including large internationals.

For FY2018, EUK is expected to generate around \$1.4 million revenue from 50 signed-up brokers, contributing significantly to the Ensurance Group's cash flow for FY2018.

The pipeline is strong with great opportunities to develop long term portfolios across all product lines while also looking to ensure new lines of business that complement the core construction focus. These lines of business include, but are not limited to, cyber liability, marine cargo and directors and officer's liability insurance (D&O).

EUK also has a number of Insurers and MGA's engaged in discussions regarding white label opportunities which, due to the exclusive nature of the Ensurance proposition and the fact that we operate as a non-broker owned non-conflicted virtual insurer, makes EUK a strong partner.

Since establishing the business, EUK has achieved a significant number of milestones including writing first income within 12 months of setting up operations.

The next 12 months promises to provide further growth for EUK as it further expands its reach into the United Kingdom and European Union.

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