

5 July 2019

Strong growth to continue following support for Convertible Notes extension

Highlights

- Existing noteholders, including Executive Chairman Tony Leibowitz and Non-Executive Director Adam Davey, agree to extend maturity of \$2.2 million of convertible notes to 30 June 2021,
- The extension to the convertible notes' maturity ensures the Company remains well funded to execute its strategic initiatives to drive strong growth and long-term shareholder value.
- UK business continues to deliver strong growth of gross written premiums (GWP), with an ~85% retention rate being achieved on annual policies, and new business continuing to be written at increasing rates

Ensurance Limited (ASX: ENA) ('Ensurance' or 'the Company') is on track to maintain its significant growth trajectory across its UK business, after it signed agreements with the noteholders of \$2.2 million of convertible notes to extend the maturity date to 30 June 2021.

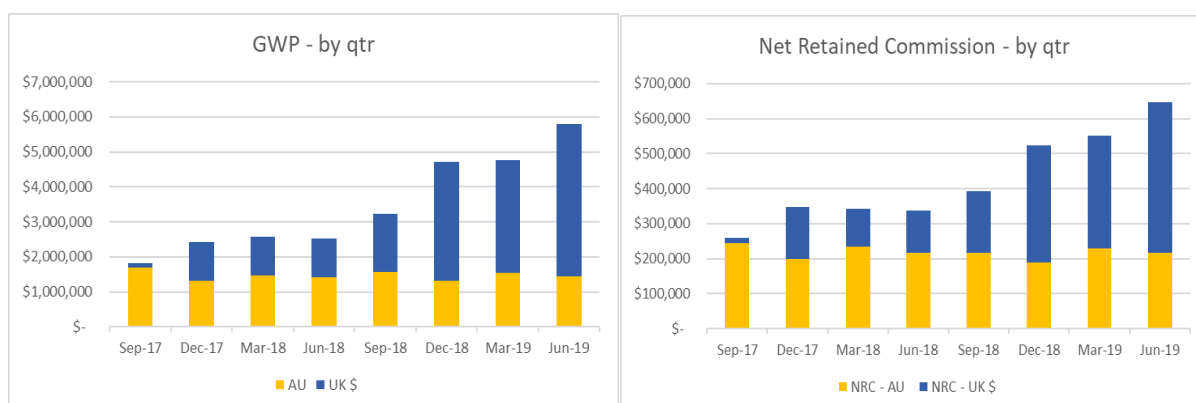
The extension to the convertible notes' maturity ensures the Company remains well funded to execute its strategic initiatives to drive strong growth and long-term shareholder value.

Commenting on the extension to the convertible notes Ensurance Limited Chairman, Mr Tony Leibowitz said, "Over the past two years, Ensurance has successfully built up a quality mixture of expertise, relationships and most importantly exceptional capacity by working with best-of-breed capacity providers such as Lloyd's UK.

"Securing this two-year extension is a significant endorsement of Ensurance and the growth trajectory that we are on. As we advance towards our next phase of growth, today's announcement marks a significant milestone for the Company as it represents a strong vote of confidence by our lenders in our long-term success. We are committed to value-accretive measures that can continue to deliver long-term value for our shareholders, particularly as we look to expand our specialist insurance offerings over the coming years."

The Company's recent growth has been driven largely by the success of its UK operations, where it is regarded as a highly progressive and diversified managing general agent (MGA), despite the relative infancy of the company in its MGA lifecycle. Ensurance in the UK delivered its first premium in July 2017 and has been on an upward trajectory since, with the Company's growth in premiums written largely driven by revenue from annual renewable policies.

As reported in the last Quarterly Report of the Company (refer ASX announcement dated 30 April 2019) the UK business continues to deliver strong growth of gross written premiums (GWP), with an ~85% retention rate being achieved on annual policy renewals (i.e. income from policy is maintained year on year), and new business continuing to be written at increasing rates.



Following the launch of its Latent Defects Insurance in Australia recently, Ensurance is now in an exceptionally strong position to execute its next phase of growth and recognises the need to continue to retain capital in the business to support its aggressive expansion plans, especially in the UK.

The agreements signed represent an extension to the maturity date for the majority of the Company's existing \$2.5 million in convertible notes, which had original maturity dates ranging from July 2019 to April 2020.

The agreements, which were supported by all major noteholders, provides strong validation of Ensurance's strategic direction and long-term growth potential, and includes \$0.2 million of notes held by Executive Chairman Tony Leibowitz and Non-Executive Director Adam Davey, subject to shareholder approval. Under the agreement, noteholders will be granted an additional option of one for every four shares that will be issued upon the convertible notes' maturity.

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