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ASX/MEDIA ANNOUNCEMENT

December 2019 Quarterly Review STRONG PERFORMANCE

- Record quarter, with GBP 5.2 million in Gross Written Premiums invoiced, representing a 177% increase on the prior comparative period and fourth consecutive quarter of growth.
- Strong revenue growth expected to continue as investment into UK operations yields results.
- Restructuring activities near completion, with disposal of non-core Australian brokerage business complete and significant cost efficiencies delivered.
- Corporate overheads, excluding interest, reduced by over 50% since FY18.
- Clear pathway to positive cashflows.
- Well supported entitlement offer brings significant funds.

Ensurance Limited (ASX: ENA) ('Ensurance' or 'the Company') is pleased to provide the following update on operations and company activity for the quarter ended 31 December 2019.

The Company delivered a record quarter for Gross Written Premiums invoiced, totalling just over GBP 5.2 million – a 177% increase on the prior comparative period. The strong result follows four consecutive quarters of revenue growth.

Restructuring positions Ensurance for long-term value creation

Following the restructure of the Company's board – including the appointment of Mr Tony Leibowitz as Executive Chairman in October 2017 – and the completion of a strategic review, Ensurance has achieved a number of key milestones and established a growing international business.

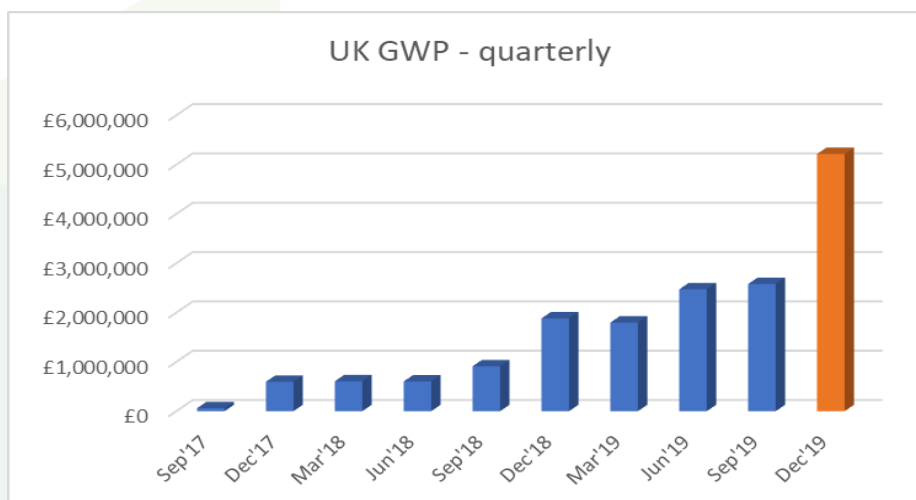
Over the last two years, the Company has implemented a number of key cost saving initiatives and completed significant restructuring activity – including the disposal of its non-core Australian brokerage business, leaving Ensurance well positioned for strong growth and on a clear path to positive cash flows.

The Company is confident that with this activity nearing completion, the resulting redeployment of capital into its UK operations and significant work that has been undertaken to build out the business operationally has delivered a well-established business in the local insurance market. Furthermore, the restructured business offers scalable growth which is leveraged to the large and growing global insurance market and is positioned to deliver sustainable long-term value for shareholders.

UK business poised for significant growth, with a clear pathway to positive cash flows

For the December 2019 quarter, Ensurance UK's operations invoiced GBP 5.2m in Gross Written Premiums (GWP) – representing more than the total GWP invoiced by the business in its first full year of operations. This significant growth – which is expected to continue at a strong rate – has resulted from focussed investment into strategic hires, the development of specialist new products and the implementation of best practice operations, processes and policy. This considered build out has allowed Ensurance UK to establish and maintain a strong reputation within the global insurance industry and ensured it has been able to secure A-grade paper from global leaders - such as Lloyds, Swiss Re and AXA XL.

The record quarter follows four consecutive quarters of revenue growth, demonstrating the Company's investment into its UK operations is beginning to yield results. The Company expects this growth to continue at an accelerated rate, supported by the release of new products targeting new and growing markets, and the impact of annual insurance policy renewal cycles, as potential new customers approach their annual renewal date. This is significant, because as insurance policies are sold annually, customers are only presented with the opportunity to switch policies and providers when their policy is up for renewal. With many of Ensurance UK's products released less than 12 months ago, the opportunity to capture new customers has only now started to present itself, and the Company expects this will continue to contribute to a strong growth in GWP and revenue from 1H 2020.



The business also boasts a strong rate of policy renewals of over 85%, providing it with a strong base of recurring revenues, on which it can grow.

Ensurance UK is now a well-established and growing business with over 9 products, 12 specialist underwriting staff and has over 1,300 policies in force. Its recently opened Manchester office expands the Company's presence outside of London, to leverage the strength of local specialist underwriting relationships, and providing access to high quality regional broker networks. The Company is continuing to develop and is preparing to launch new products, targeting new and growing markets, including opportunities in Europe, the US and Australia.

Restructuring delivers significant operational efficiency and significant savings

Since July 2018, Ensurance has reduced corporate overheads, excluding interest, by over 50% and disposed of the Company's non-core Australian brokerage business. Further restructuring initiatives have been identified and are well underway to finalise the process. This, in combination with the implementation of a range of additional cost saving initiatives have delivered long term efficiencies to the business.

Well supported entitlement Issue delivers significant funds

The Company's entitlement offer to eligible shareholders closed on 29 November 2019, raising over \$3.79 million before costs. The offer was well supported by eligible shareholders, underwriters Blue Ocean Equities Pty Ltd and sub-underwriters.

Tony Leibowitz, Executive Chairman states: "We have reached a critical inflection point for Ensurance after having successfully established our UK operations into a fast-growing business, and we have stripped out unnecessary costs after disposal of non-core businesses to focus on delivering on growth and returns in the long term. I'm incredibly proud of our executive team and the hard work that has supported these efforts over the past 2 years. Strong growth is already being delivered through our focus on our UK operations, and we see huge potential to continue to expand our operations, launch new products and target new markets globally. I am pleased that our resulting efforts have now set the business up structurally for success, so that it is primed to deliver long term value for shareholders."

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