



Enstar to Sell Starstone Lloyd's Managing Agency to Newly Formed Venture Inigo

November 17, 2020

HAMILTON, Bermuda, Nov. 17, 2020 (GLOBE NEWSWIRE) -- Enstar Group Limited (NASDAQ: ESGR) ("Enstar") and Stone Point Capital LLC ("Stone Point") today announced they have signed definitive agreements to sell StarStone Underwriting Limited ("SUL"), the Lloyd's managing agency, together with the right to operate Lloyd's Syndicate 1301, to Inigo Limited ("Inigo"), a new specialty re/insurance holding company.

Enstar, Stone Point and Dowling funds will receive \$30 million of consideration from the sale of SUL in the form of Inigo shares upon closing. In addition, Enstar and Stone Point will commit to invest up to \$27 million and \$18 million respectively into Inigo.

Inigo is led by founders Richard Watson, Russell Merrett and Stuart Bridges and will operate as a Lloyd's specialty insurer writing a streamlined portfolio of insurance and reinsurance risks and will receive certain transitional services and staff from Enstar.

In conjunction with the transaction, Enstar, Stone Point and Dowling Capital will retain the economics of Syndicate 1301's 2020 and prior years' underwriting portfolios as this business runs off.

The Inigo investment is expected to close in late 2020 and the SUL sale is expected to close in the first half of 2021, subject to regulatory approvals and satisfaction of customary conditions.

Dominic Silvester, Enstar's Chief Executive Officer, said: "This transaction optimises and capitalises on StarStone International's assets at Lloyd's and provides an opportunity to participate in a new venture with proven leadership at a time of favourable market conditions. This is a positive outcome for SUL, and we look forward to working with the Inigo management team as they launch this new business."

The SUL sale follows the previously announced decision by Enstar and Stone Point to place StarStone's International business into an orderly run-off and review strategic alternatives for the business. In addition to the SUL sale, Enstar and Stone Point recently agreed to a renewal rights transaction for StarStone's European Financial Lines business, as well as the sale of Belgian-based underwriting agent Vander Haeghen, part of the StarStone International Group.

About Enstar

Enstar is a NASDAQ-listed leading global insurance group that offers innovative capital release solutions through its network of group companies in Bermuda, the United States, the United Kingdom, Continental Europe, Australia, and other international locations. A market leader in completing legacy acquisitions, Enstar has acquired over 100 companies and portfolios since its formation in 2001. For further information about Enstar, see www.enstargroup.com.

About Stone Point

Stone Point Capital LLC is a financial services-focused private equity firm. The firm has raised and managed eight private equity funds – the Trident Funds – with aggregate committed capital of more than \$25 billion. Stone Point targets investments in companies in the global financial services industry and related sectors. For further information about Stone Point, please visit www.stonepoint.com.

Cautionary Statement

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements regarding the intent, belief or current expectations of Enstar and its management team. Investors are cautioned that any such forward-looking statements speak only as of the date they are made, are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. In particular, Enstar, Stone Point and Inigo may not be able to complete the proposed transaction on the terms summarized above or other acceptable terms, or at all, due to a number of factors, including but not limited to the failure to obtain regulatory approvals or to satisfy other closing conditions. Due to the global uncertainty, Enstar is unable to predict the longer-term effects of the pandemic on its business at this time. Important risk factors regarding Enstar can be found under the heading "Risk Factors" in Enstar's Form 10-K for the year ended December 31, 2019 and in Enstar's Form 10-Q for the three months ended June 30, 2020 and are incorporated herein by reference.

Furthermore, Enstar undertakes no obligation to update any written or oral forward-looking statements or publicly announce any updates or revisions to any of the forward-looking statements contained herein, to reflect any change in its expectations with regard thereto or any change in events, conditions, circumstances or assumptions underlying such statements, except as required by law.

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Source: Enstar Group Limited