



Enstar Announces \$3.12 Billion LPT Transaction with Aspen

January 10, 2022

HAMILTON, Bermuda, Jan. 10, 2022 (GLOBE NEWSWIRE) -- Enstar Group Limited (NASDAQ: ESGR) announced today that one of its wholly owned subsidiaries has reached an agreement for a ground-up loss portfolio transfer with Aspen Insurance Holdings Limited for its 2019 and prior business (the "LPT").

In the LPT transaction, Enstar's subsidiary will reinsure losses incurred on or prior to December 31, 2019 on Aspen's diverse mix of property, liability and specialty lines across the U.S., U.K. and other jurisdictions.

Enstar will assume net loss reserves of \$3.12 billion in the LPT transaction, which is subject to a limit of \$3.57 billion. The existing adverse development cover between the parties that closed in June 2020, under which Enstar assumed \$770 million of loss reserves (the "ADC"), will be absorbed into this LPT.

Completion of the transaction is subject to regulatory approvals and satisfaction of various other closing conditions, during which time the ADC will remain in place. Premium and reserves under the LPT will be adjusted at closing for claims paid on and after the October 1, 2021 effective date. The transaction is expected to close in the first half of 2022.

Dominic Silvester, Enstar's Chief Executive Officer, said: "The expansion of our reinsurance of Aspen's legacy reserves is a great opportunity for us to play a larger role in managing a portfolio we know well. This transaction, which reflects our strong partnership with Aspen, provides an attractive growth opportunity and reaffirms our position as the preferred partner for global insurers seeking the transfer of significant legacy business."

Mark Cloutier, Aspen's Executive Chairman and Group Chief Executive Officer, said:

"Continuing to build capital strength, flexibility and efficiency is an important part of our strategy and we are therefore pleased to announce this loss portfolio transfer with Enstar, which is a natural evolution of our previous reinsurance agreement and builds upon our strong relationship.

This transaction will positively impact our capital position and enable us to further deploy into the continued attractive market environment while significantly improving the protection of our balance sheet and future earnings from the potential impact of the recent soft market cycle.

In addition, this transaction allows us to take forward our repositioned underwriting portfolio while continuing to focus on servicing the needs of our clients."

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 110 companies and portfolios since its formation in 2001. For further information about Enstar, see www.enstargroup.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, the parties may not be able to complete the transaction described above due to the failure of the closing conditions being satisfied or for other reasons. In the event the transaction does not close, the ADC would remain in place. Important risk factors regarding Enstar can be found under the heading "Risk Factors" in our Form 10-K for the year ended December 31, 2020 and in our Form 10-Q for the three and nine months ended September 30, 2021 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