Enact Completes Sixth Mortgage Insurance Linked Note Credit Risk Transaction as Part of its Diversified Credit Risk Transfer Program

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Secures $248 million of fully collateralized excess of loss insurance coverage from its Triangle Re Insurance Linked Note platform

RALEIGH, N.C., Nov. 15, 2023 (GLOBE NEWSWIRE) -- **Enact Holdings, Inc. (Nasdaq: ACT) (Enact),** a leading provider of private mortgage insurance through its insurance subsidiaries, announced that its flagship legal entity, Enact Mortgage Insurance Corporation, has secured $248 million of fully collateralized excess of loss reinsurance coverage through the issuance of an insurance-linked note ("ILN") transaction with Triangle Re 2023-1 Ltd. ("Triangle Re 2023-1"). This ILN transaction provides coverage on a portfolio of existing seasoned mortgage insurance policies written from July 1, 2022 through June 30, 2023.

Triangle Re 2023-1 funded its reinsurance obligations by issuing four classes of mortgage ILNs, which have a 10-year legal maturity and a 5-year call option to qualified institutional investors in an unregistered private offering. The ILNs are non-recourse to Enact Holdings, Inc., or its subsidiaries and affiliates.

The mortgage insurance-linked notes issued by Triangle Re 2023-1 consist of the following four classes:

- $106 million Class M-1A Notes with an initial interest rate of one-month SOFR plus 340 basis points
- $69 million Class M-1B Notes with an initial interest rate of one-month SOFR plus 525 basis points
- $55 million Class M-2 Notes with an initial interest rate of one-month SOFR plus 650 basis points
- $18 million Class B-1 Notes with an initial interest rate of one-month SOFR plus 740 basis points

"This Triangle Re transaction marks the sixth ILN issuance for Enact and we're very pleased with the placement which saw strong interest from investors and reinsurers", said Rohit Gupta, President and CEO of Enact. "This transaction builds on the success of our CRT program, demonstrates our ability to access the capital markets, and further enhances the flexibility and efficiency of our capital structure for the benefit of our customers and shareholders."

Safe Harbor Statement
This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. These forward-looking statements may address, among other things, our expected financial and operational results, the related assumptions underlying our expected results, and the quotations of management. These forward-looking statements are distinguished by use of words such as "will," "may," "would," "anticipate," "expect," "believe," "designed," "plan," "predict," "project," "target," "could," "should," or "intend," the negative of these terms, and similar references to future periods. These views involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. Our forward-looking statements contained herein speak only as of the date of this press release. Factors or events that we cannot predict, including uncertainty around Covid-19 and the effects of government and other measures seeking to contain its spread; risks related to an economic downturn or recession in the United States and in other countries around the world; changes in political, business, regulatory, and economic conditions; changes in or to Fannie Mae and Freddie Mac (the "GSEs"), whether through Federal legislation, restructurings or a shift in business practices; failure to continue to meet the mortgage insurer eligibility requirements of the GSEs; competition for customers; lenders or investors seeking alternatives to private mortgage insurance; an increase in the number of loans insured through Federal government mortgage insurance programs, including those offered by the Federal Housing Administration; and other factors described in the risk factors contained in our 2022 Annual Report on Form 10-K and other filings with the Securities and Exchange Commission, may cause our actual results to differ from those expressed in forward-looking statements. Although Enact believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, Enact can give no assurance that its expectations will be achieved and it undertakes no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise, except as required by applicable law.

About Enact Holdings, Inc.
Enact (Nasdaq: ACT), operating principally through its wholly-owned subsidiary Enact Mortgage Insurance Corporation since 1981, is a leading U.S. private mortgage insurance provider committed to helping more people achieve the dream of homeownership. Building on a deep understanding of lenders' businesses and a legacy of financial strength, we partner with lenders to bring best-in-class service, leading underwriting expertise, and extensive risk and capital management to the mortgage process, helping to put more people in homes and keep them there. By empowering customers and their borrowers, Enact seeks to positively impact the lives of those in the communities in which it serves in a sustainable way. Enact is headquartered in Raleigh, North Carolina.

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