



3 May 2022

The Manager
Market Announcements Office
Australian Securities Exchange Ltd
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

FOR RELEASE TO THE MARKET

Presentation to Macquarie Australia Conference

Attached for immediate release in relation to AUB Group Limited (**ASX: AUB**) is the presentation to the Macquarie Australia Conference on Tuesday 3 May 2022.

ENDS

This release has been authorised by the Chair of the AUB Board.

For further information, contact Richard Bell, Group General Counsel and Company Secretary, on +61 2 9935 2222 or richardb@aubgroup.com.au.

About AUB Group

AUB Group Limited is an ASX200 listed group comprising insurance brokers and underwriting agencies operating in ~500 locations across Australia and New Zealand. Over 3,000 team members work with our 850,000 clients to place more than \$4.0bn in insurance premiums with local and foreign insurers.

AUB Group Limited

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Macquarie Australia Conference

3 May 2022



Mike Emmett

CEO and Managing Director



Mark Shanahan

CFO



STRATEGY DELIVERING STRONG RESULTS

Performance on track; executing on ambitious growth agenda; guidance affirmed



- 1** Australian Broking performing strongly, driven by network optimisation benefits, hardening rates and contributions from recent acquisitions
- 2** Focus on Agencies resulting in strong performance in revenue and margin from organic growth and acquisitions
- 3** Continued maturing of technology solutions including development of the new Aurora broking platform which utilises ExpressCover and the recently acquired iaAnyware while rollout of Sentinel, the Agency solution is nearing completion
- 4** Network optimisation continues with multiple consolidations underway to deliver scale and capability uplift
- 5** Disciplined M&A executed across a number of bolt-ons as well as strategic equity 'step-ups'
- 6** FY22 Guidance affirmed – underlying NPAT from continuing operations forecast to be between \$72.0mn-\$74.0mn (growth of 19.0%-22.3% over FY21, excluding JobKeeper and Altius)

AUB GROUP – AN OVERVIEW¹

AUB Group Limited is an ASX200 listed group comprising insurance brokers and underwriting agencies, helping our clients to safeguard a stronger, protected future



AUSTRALIAN BROKING

- Full complement of services and technology supporting the Austbrokers network of 50 brokerages
- Established complementary capabilities in Life Insurance Broking, Premium Funding, Claims Management, Legal Services, Loss Adjustment, and Investigations
- Austplacements: supports complex placements for member brokers in local and international markets
- The Insurance Alliance: a non-equity membership network for independent brokers seeking to take advantage of the AUB Group capabilities and offerings has grown to 7 members since the August '21 launch

AGENCIES

- Design, distribute and manage insurance products and portfolios via 27 agencies on behalf of locally licensed insurers and Lloyd's syndicates
- Agencies include the 360 Underwriting, SURA Specialty and Longitude Strata portfolios

NEW ZEALAND

- AUB operates NZbrokers, the largest broker management group in NZ with 49 members (including 42 non-equity members)
- In addition, AUB has equity investments in 5 major broking partners, 2 underwriting agencies, and 1 direct insurance platform in New Zealand

BIZCOVER

- BizCover is Australia's leading digital SME insurance platform with multi-channel presence and a comprehensive insurance offering
- ExpressCover is Australia's newest SME insurance platform utilising the BizCover quote and bind engine
- Investments underway in AU&NZ Insurtech platforms to assist brokers and agencies

\$4.0BN+ GWP

INSURANCE BROKING OF \$3.4BN VIA EQUITY AND
NETWORK PARTNERS | SPECIALIST AGENCIES \$0.6BN

~850K
CLIENTS

~1.6MN
POLICIES

>500
LOCATIONS

55

EQUITY-PARTNER BROKING
BUSINESSES

27

AGENCIES

35YRS

OF ACTIVE PARTNERSHIP
EXPERIENCE

15

STRATEGIC INSURANCE
PARTNERSHIPS AND
ACCESS TO
INTERNATIONAL
PLACEMENTS VIA
AUSTPLACEMENTS

>3,000
STAFF

Helping our clients to safeguard a stronger, protected future...

OUR STRATEGIC AGENDA

Grow networks of pre-eminent brokerages and agencies in our target geographies to deliver continued growth and margin improvement



Our overarching market focus...



Leading group of Insurance Brokers and Agents...



...offering General and Specialist products and industry solutions...



...to Commercial customers of all sizes...



...across all target geographies.

...drives how we design, prioritise and invest in strategic initiatives in FY22...

- 1** Create a portfolio of Agencies offering risk products relevant to our clients and their insurance needs
- 2** Central services leveraging our scale and reach to optimise margins for network members
- 3** Expand our portfolio of risk assessment and loss adjustment services that support clients and brokers
- 4** Partner with and/or invest in wholesale brokerages, to assist with complex placements (particular focus on Lloyd's placements)

...to deliver growth and improved profitability

	1H22 Margin	Growth since 1H19	Target
Australian Broking	31.1%	+610bps (25.0%)	35%
BizCover	37.0%	+100bps (36.0%) 1H21 ^{1,4}	38%
Agencies	32.6%	+440bps (28.2%)	45%
New Zealand Broking <small>(excl NZ Tech Investment²)</small>	31.5%	-10bps (31.6%)	38%
Group Total ^{1,3} <small>(excl NZ Tech Investment²)</small>	32.0%	+590bps (26.1%)	

FY22 PRIORITIES UPDATE

A focus on execution of strategic priorities is the primary driver for performance improvement over recent years



FY22 Priority

1

REINVIGORATE INSURANCE AGENCIES

2

OPTIMISE OUR NETWORK

3

EXECUTE ON STRATEGICALLY ALIGNED ACQUISITIONS

4

DELIVER MARKET LEADING TECHNOLOGY CAPABILITIES

5

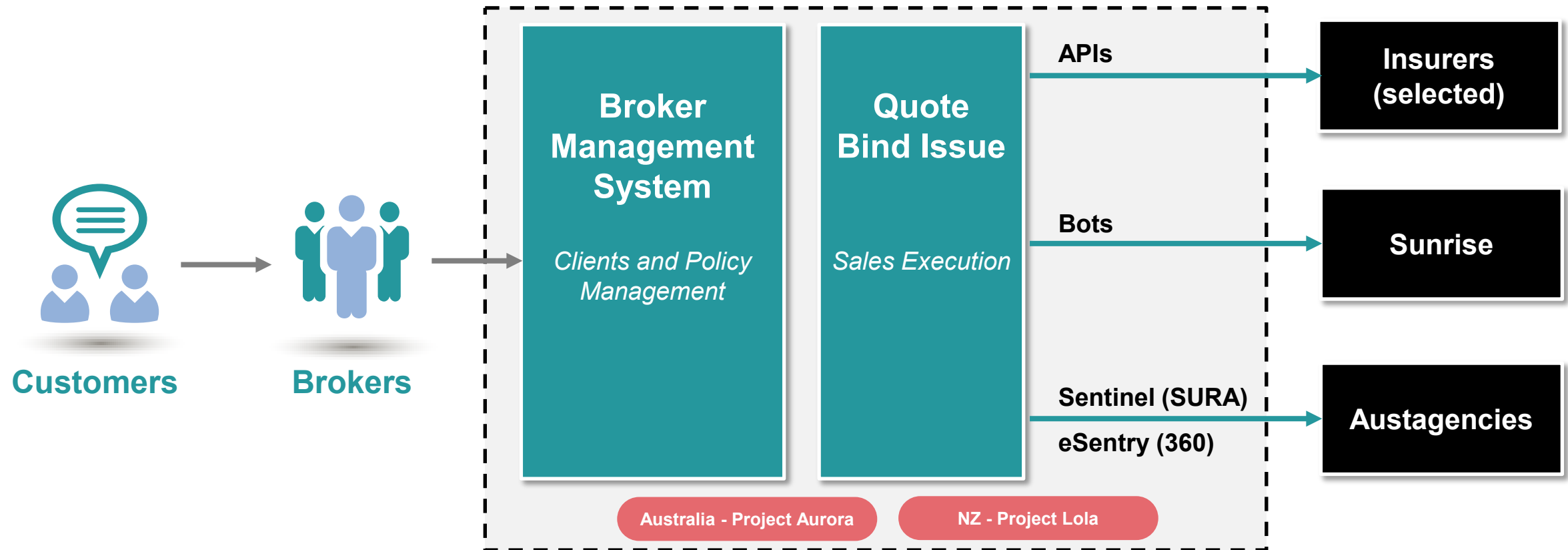
ENHANCE PARTNER PROPOSITION

PROGRESS UPDATE

- Increase GWP by 62% (\$562mn) for the 12 months to CY21 and +~\$100mn increase in Austbrokers penetration
- Acquired Anchorage Marine within General Commercial and launched new agencies including 360 Landlords and SURA Technology Risks
- Consolidation of WRI into Comsure to expand our leading Motor Dealers broking footprint, Nexus into Insurance Advisernet Equity Partners, Rosser into 360 Commercial, and exited from SURA Strata and Expert Strata to focus on Longitude
- AUB acquired iaAnyware, 360 Commercial acquired Anchorage Marine, SRG Group acquired Gibbscorp, Finsura acquired Vaughan & Monaghan and AUB made multiple equity-step-ups across the portfolio
- Strategic planning underway to commence development of Aurora, the new Austbrokers solution leveraging ExpressCover and the recently acquired iaAnyware.
- 3 additional agencies have gone LIVE with Sentinel, with an additional 2 expected before end of FY22, bringing the roll-out to completion
- Lola, the NZ broking solution is under development with roll-out to commence in H1 of FY23.
- Ongoing focus to partner with and/or invest in wholesale brokerages, to assist with complex placements (with a particular focus on Lloyd's placements)

TECHNOLOGY LANDSCAPE

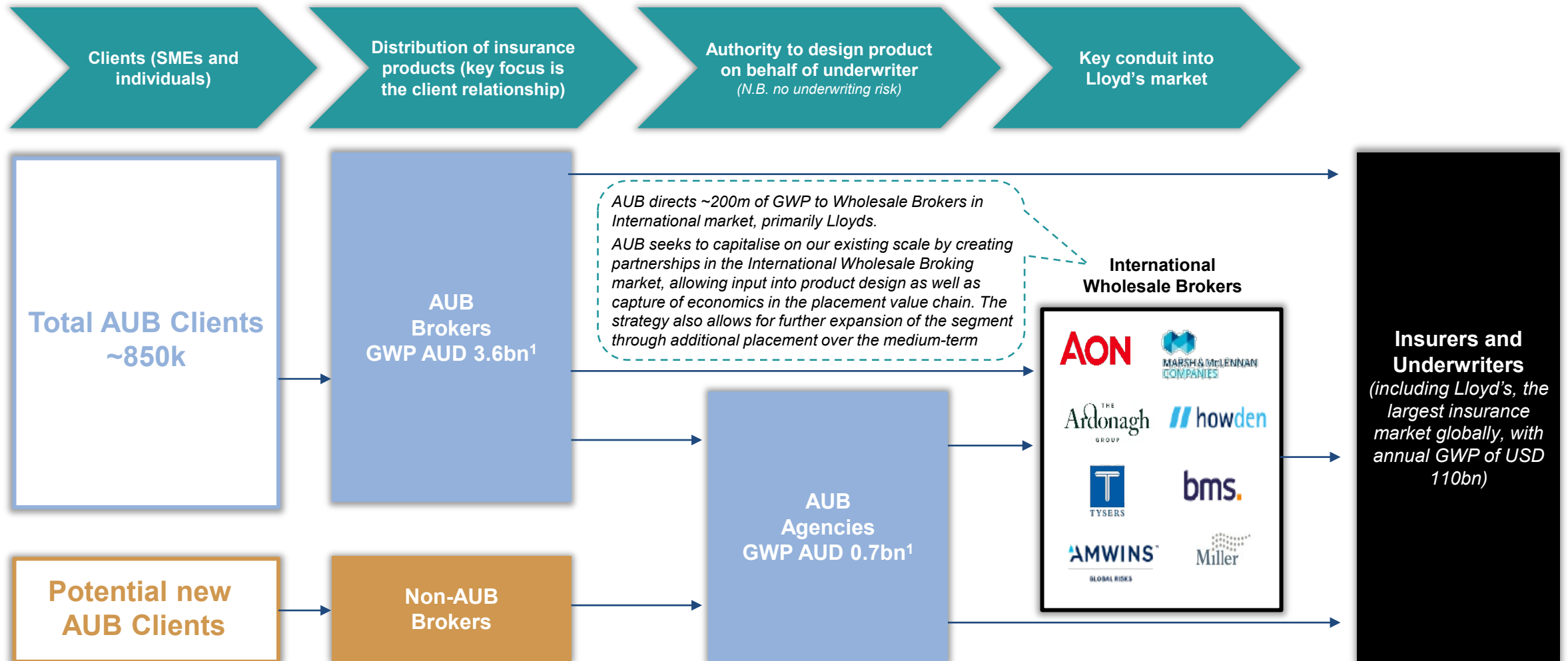
AUB's rapidly evolving technology landscape capitalises on our scale and investment influence to deliver best-in-class outcomes for our clients and brokers



The business has a number of targeted initiatives underway, designed to implement best-practice technology solutions that uplift efficiency and drive sales effectiveness for our brokers and agencies, while improving user experience for the benefit of our brokers, clients and underwriting partners

EXPANDING ACROSS THE VALUE-CHAIN

Broader engagement with International Wholesale Broking remains an ongoing area of focus as we seek to expand our role across the broking value chain

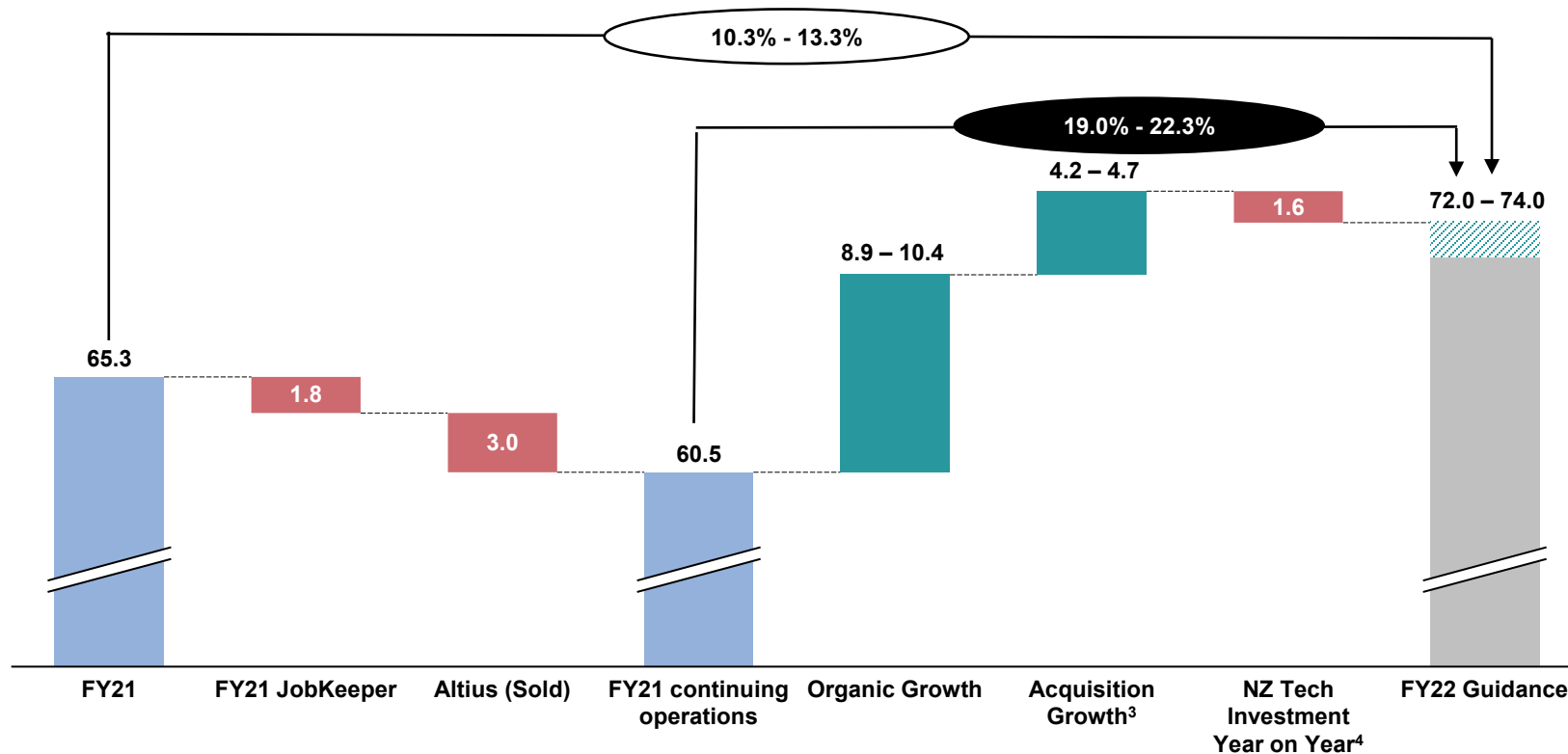


FY22 GUIDANCE AFFIRMED

Underlying NPAT for FY22 is forecast to be between \$72.0mn - \$74.0mn, representing growth of 19.0% - 22.3% over FY21 continuing operations



FY22 Underlying NPAT^{1,2} growth on PY \$mns



1. Underlying NPAT is used by management and the board to assess operational performance and excludes non-operational items, such as profits and losses on sale of equity interests, fair value adjustments to carrying values on ownership changes, changes to estimates or payments of deferred contingent consideration amounts, impairment adjustments and amortisation of intangible assets

2. AUB Group has complied with IFRIC's latest change in accounting policy interpretation with respect to configuration costs of Software as a Service (SaaS) arrangements.

3. Acquisition growth includes the net effect of acquisitions, divestments, bolt-ons and increased equity stakes. Excludes major acquisitions and Altius (Sold)

4. Represents the forecast change in Project Lola costs incurred vs prior comparative period to transform the NZ broking experience via a new platform

Questions?



Mike Emmett

CEO and Managing Director



Mark Shanahan

CFO



Thank You

SUMMARY INFORMATION

This document has been prepared by AUB Group Limited (ABN 60 000 000 715) (AUB). It is a presentation of general background information about AUB's activities current at the date of the presentation. It is information in a summary form and does not purport to be complete. It is to be read in conjunction with AUB's other announcements released to ASX (available at www.asx.com.au). It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with professional advice, when deciding if an investment is appropriate.

TERMINOLOGY

This presentation uses Underlying NPAT to present a clear view of the underlying profit from operations. Underlying NPAT comprises consolidated profit after tax adjusted for value adjustments for the carrying value of associates, after tax profits on the sale of portfolios, interests in associates and controlled entities, contingent consideration adjustments, and income tax credits arising from the recognition of deferred tax assets. It is used consistently and without bias year on year for comparability. A reconciliation to statutory profit is provided in the appendix to this Presentation.

FORWARD LOOKING STATEMENTS

This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of AUB, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that the actual outcomes will not differ materially from these statements. Neither AUB nor any other person gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. Except as required by applicable law or the ASX Listing Rules, AUB disclaims any obligation or undertaking to publicly update any forward-looking statements, whether as a result of new information or future events.

Statements about past performance are not necessarily indicative of future performance.

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