

Steadfast Group

1H24 Results

Investor Presentation

27 February 2024



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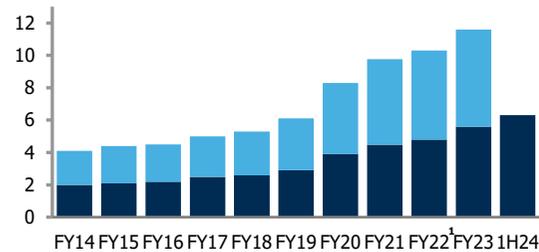


1H24 Highlights

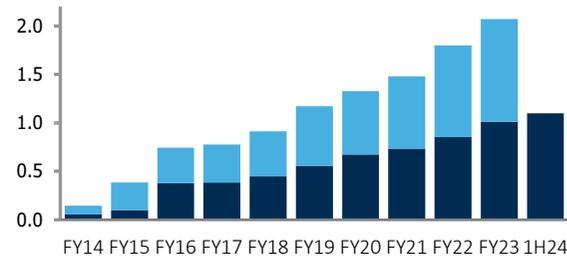
Continued strong track record since listing on ASX

Steadfast Group

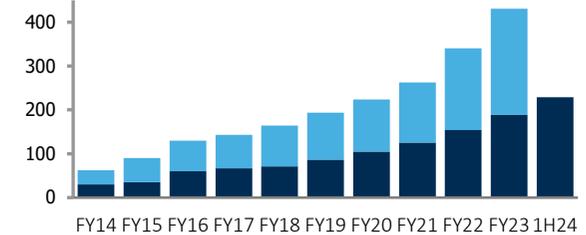
Steadfast Network GWP (\$b)



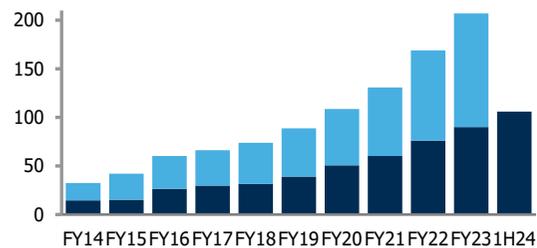
Steadfast Underwriting Agencies GWP (\$b)



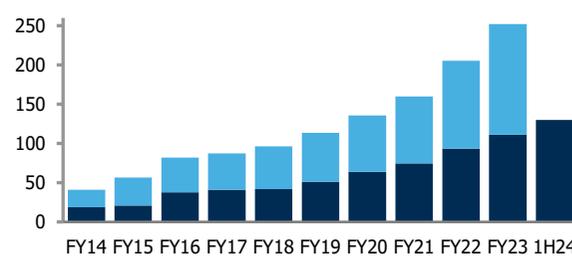
Underlying EBITA (\$m)



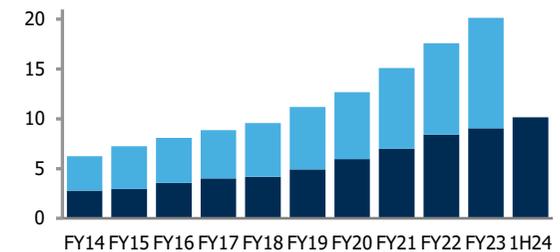
Underlying NPAT (\$m)



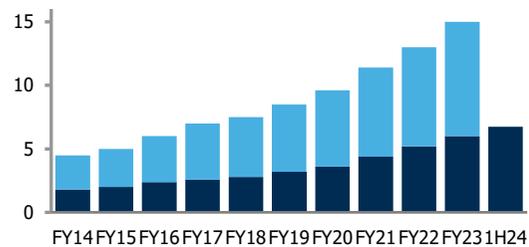
Underlying NPATA (\$m)



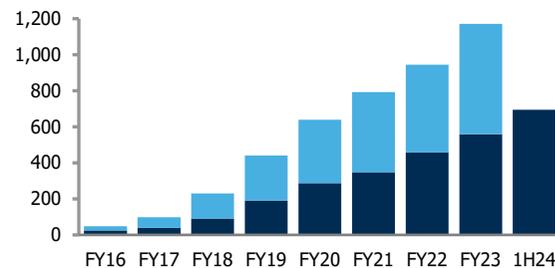
Underlying diluted EPS (NPAT) (cents per share)



Dividend per share (cents per share)



Steadfast Client Trading Platform GWP (\$m)



Brokers migrated to INSIGHT²



■ H1 ■ H2

Steadfast Group

Increase in underlying EBITA of 21.4% pcp and underlying NPAT of 17.5%

Broker and underwriting agency growth

- Steadfast broking's aggregate underlying EBITA **+23.1%** (refer slide 9)
- Underwriting agencies' aggregate underlying EBITA **+11.8%** (refer slide 10)

Acquisition growth

- Completed EPS accretive acquisitions for a net cost of **\$331.7m** (refer slide 6)
- On target to complete \$280m of Trapped Capital acquisitions in FY24

Future growth

- As at today, debt facility capacity of **\$378.4m** available to fund acquisitions (plus free cash flow)



Underlying earnings¹ (refer slide 15)

- EBITA **+21.4%** to **\$229.0m** (1H23 \$188.6m)
- NPAT **+17.5%** to **\$106.0m** (1H23 \$90.2m)
- NPATA **+16.9%** to **\$130.0m** (1H23 \$111.1m)
- Diluted EPS (NPAT) **+12.2%** to **10.2 cps** (1H23 9.1 cps)
- Interim dividend **+12.5%** to **6.75 cps** fully franked (1H23 6.0 cps)

Statutory earnings¹

- NPAT of **\$100.4m** (1H23 \$84.7m) (refer slide 16)



¹ For reconciliation of underlying to statutory earnings, refer to slides 16 and 44.

Steadfast Group

On target to complete \$280m of Trapped Capital acquisitions in FY24

Trapped Capital acquisitions update

1H24	Annualised EBITA	Acquisition cost
Sure Insurance acquisition (initial payment)	\$14.4m	\$148.8m
27 completed Trapped Capital acquisitions	\$18.5m	\$182.9m
		\$331.7m

2H24 to date	Estimated Annualised EBITA	Estimated Acquisition cost
3 completed acquisitions	\$3.0m	\$32.2m
12 term sheets signed and due diligence commenced	\$6.3m	\$56.7m
6 term sheets issued	\$2.7m	\$27.3m
28 other opportunities	\$22.4m	\$228.0m

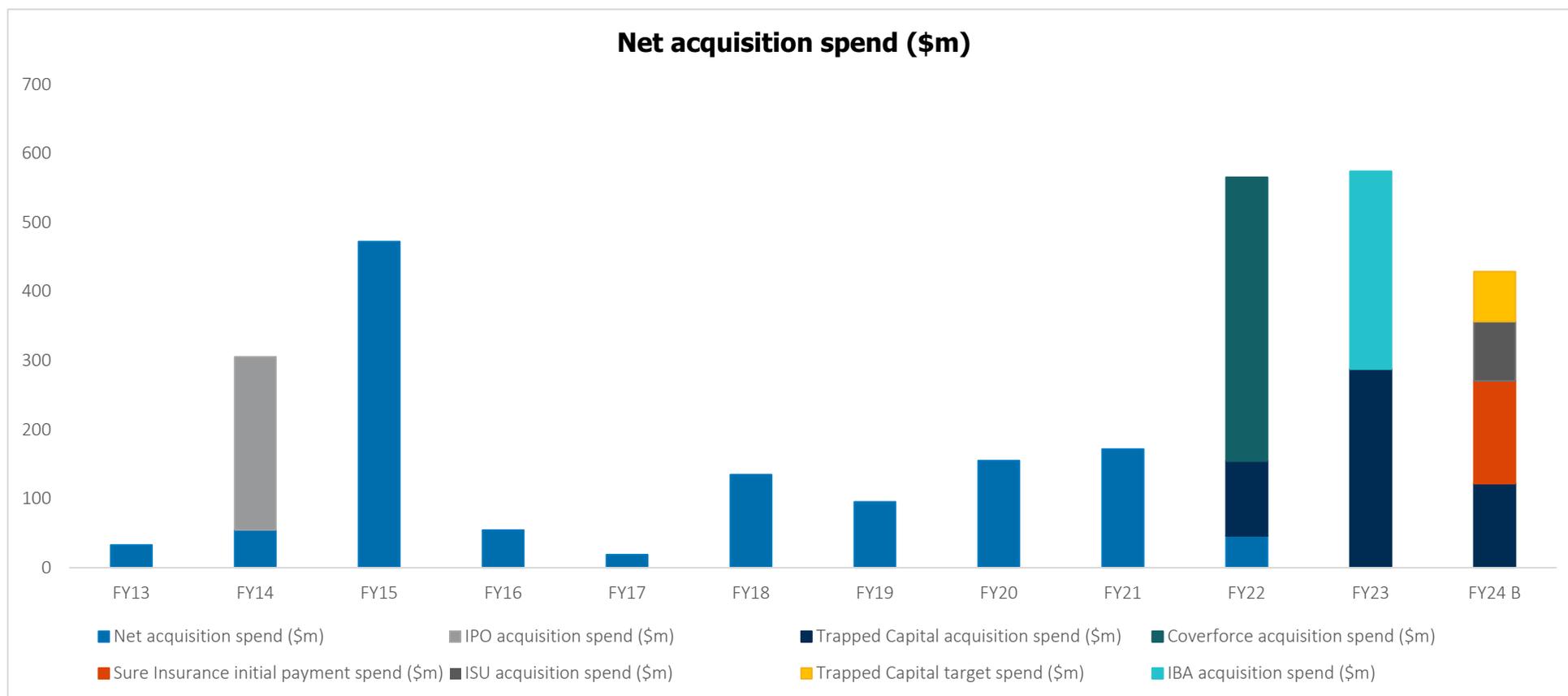
\$215m of Trapped Capital acquisitions completed year to date

\$312.0m Trapped Capital pipeline of opportunities

Steadfast's acquisition track record

Steadfast has a proven track record of successfully completing earnings accretive acquisitions

- Steadfast's FY24 guidance includes completing \$280m of acquisitions, excluding Sure Insurance
- FY24 year to date Steadfast has completed \$215m of acquisitions, including ISU Group and excluding Sure Insurance
- Steadfast expects to meet the \$280m acquisition target, in addition to Sure Insurance

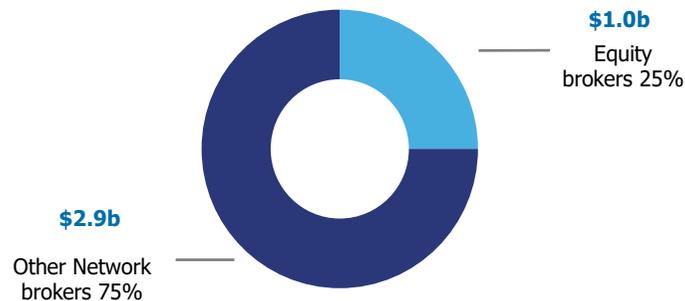


Increasing Steadfast Group's share of growing Network GWP

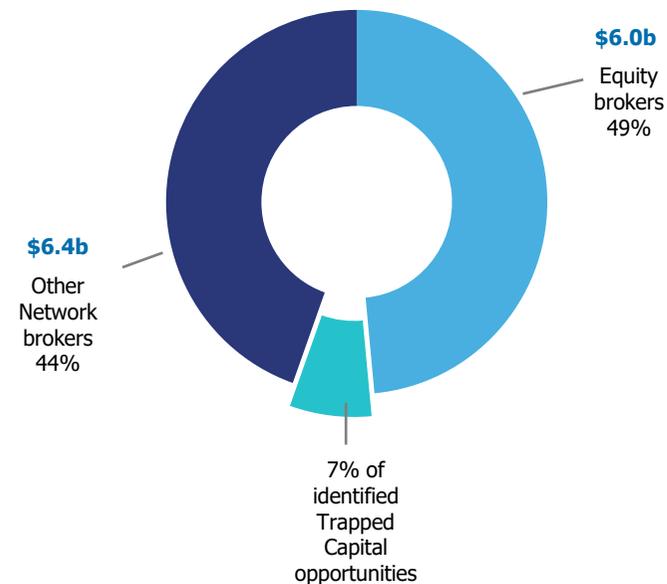
Steadfast Network

- Since IPO, Steadfast has successfully implemented the dual strategies of growing our Network as well as increasing equity stakes in the Network
- Trapped Capital Project will continue to increase Steadfast's equity holdings

FY13 (IPO)
Steadfast Network total GWP = \$3.9b



CY23
Steadfast Network GWP = \$12.4b



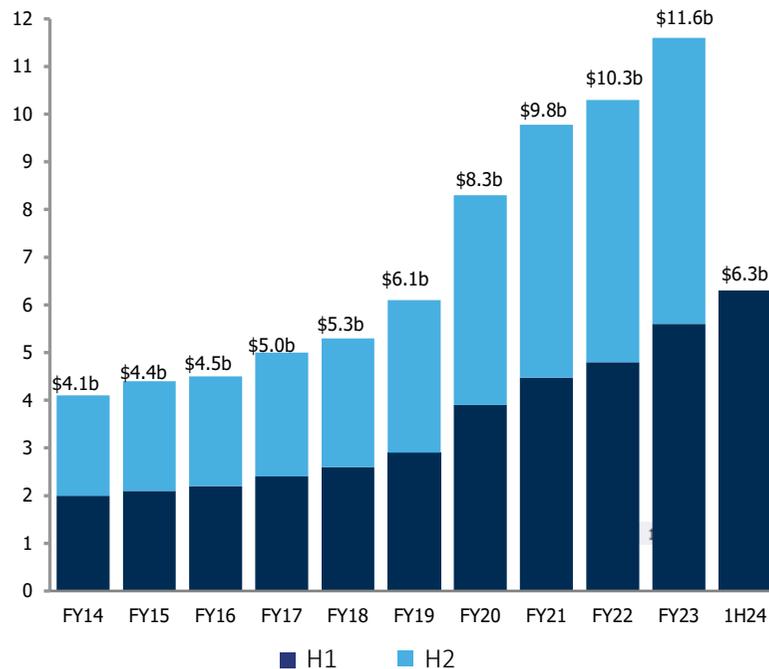
Steadfast broking

Sustained growth and further Network acquisitions

Financial highlights – 1H24

- Steadfast Network GWP **+14.3%** to **\$6.3b** is driven by **10.6%** organic growth for the period:
 - Price increases by insurers across all non-statutory lines
 - Volume increase of c.3%
- Network GWP is 85% commercial lines, 15% retail
- Steadfast equity brokers (including network) underlying EBITA of **\$185.9m, +23.1%** (refer slide 18)

Network gross written premium



1H24 vs 1H23

GWP of **\$6.3b vs \$5.6b**

+10.6% organic growth

+2.5% AR network

+1.2% new brokers

+14.3% total growth

Operational highlights

- Change in Steadfast Network with new brokers joining and numerous mergers and sales; network brokers now at **425** (refer slide 32)
 - 330** brokers in the Australian Network
 - 66** brokers in the New Zealand Network
 - 29** brokers in the Singapore Network
- Investment activity in Steadfast Network brokers in 1H24
 - 18** new equity holdings including bolt-ons, and **6** step downs in equity holdings, and **8** step ups in equity holdings
 - Steadfast now has equity interests in **69** brokers
- Steadfast Client Trading Platform GWP **\$692m**, 1H24, **+24%**, rolling 12-month GWP **\$1,304m**, to 31 December 2023, **+24%**

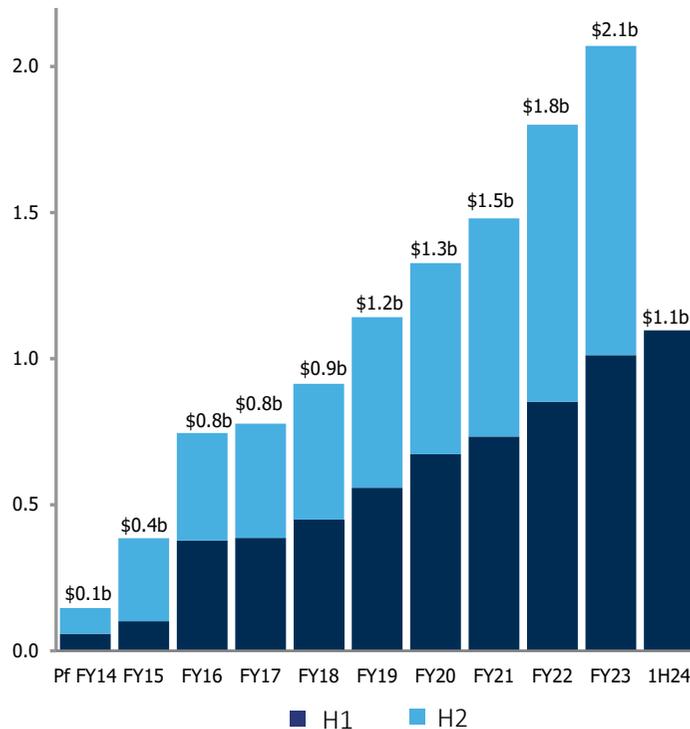
Steadfast Underwriting Agencies

Sustained growth driven by price and volume

Financial highlights – 1H24

- Steadfast Underwriting Agencies GWP **+8.5%** to **\$1.1b**
 - Driven by price and volume uplift
 - Property line pricing remains strong
 - Capacity constraints in certain lines
- Opportunities for agencies as insurers are repositioning product lines and approach to distribution
- Underlying EBITA of **\$91.8m, +11.8%**

Gross written premium



1H24 vs 1H23

GWP of \$1.1b vs \$1.0b
+6.2% organic growth
+2.3% acquisition growth

+8.5% total growth

Operational highlights

- Use of robotics across five underwriting agencies to improve efficiency in the administration of policy renewals
- Long-term strategy of closely aligning capacity providers, technology and strong service ethic
- Benefited from higher premium pricing from strategic partners and market share gains
- Participating on the SCTP across four product lines – Commercial Property & ISR, Strata, Liability and Professional Indemnity
- Enhanced in-house data and analytics capabilities for underwriting agencies and insurers
- 30 agencies offering over 100 niche products (refer slide 38). All agencies are available to the entire intermediated insurance market; none are exclusive to Steadfast

1H24 operating update

Reinsurance market

- The trend of higher retentions and significant rate increases by reinsurers was evidenced in the 1 January 2024 reinsurance renewal period, particularly in those areas requiring rectification due to poor loss ratios.
- Approximately 10% of claims from the recent severe tropical cyclone Kirrily will go back to the Cyclone Reinsurance Pool due to the 48-hour time limit of claims initiating from the cyclone. This is expected to add further pressure to reinsurance pricing.

Customer advocacy

- Steadfast reduced the commission rate on household products to assist policyholders with increasing cost of premiums as cost of living pressure continues
- Launch of new insurance valuation tool iValueProperty to assist Network brokers in advising their clients to reduce the risk of under-insurance.
- Network brokers' compliance with Steadfast Code of Conduct continues to be audited to ensure brokers meet expectations of their clients.

Technology offering

- Expanded www.insurance.com.au product range allowing consumers to 'self-serve' various insurance policies.
- Accelerated growth in SCTP product range with consistent annual pcp growth across all product lines.

International expansion strategy

- Steadfast's international executive team has been formalised, with former Steadfast Group COO Samantha Hollman transitioning to CEO International, appointment of Nick McKee as COO International and the promotion of Eimear McKeever to CFO International.
- In October 2023, Steadfast acquired 100% of an agency network, ISU Group in United States of America.
- Ongoing discussions on the phased rollout of Steadfast Network services to ISU members and potential to invest in independent agencies within the ISU Network.

Acquisitions

- Completed the acquisition of Sure Insurance, a leading specialist insurance provider, focused on delivering property cover to Regional Queensland. Sure strengthens and diversifies Steadfast's position as the leading underwriting agency offering in Australasia.
- Execution of Trapped Capital continues with 18 new equity holdings including bolt-ons, and 6 step downs in equity holdings, and 8 step ups in equity holdings completed in 1H24.

Environmental, Social and Governance

- Steadfast remains focused on meeting our Carbon Neutral Transition Plan objectives, implementing ESG initiatives and improving our ESG data collection processes.
- ESG audit of Network brokers is to commence during 2H24, with a view to rollout recommendations for Network brokers to reduce their carbon footprint.

Our insurTech

Continued broker take-up of our technology platforms

Steadfast Client Trading Platform (SCTP)

- SCTP delivers strong client outcomes
 - Genuine contestable marketplace, generating improved pricing competition, coverage and marketing each time a policy is quoted or renewed
 - Provides alignment of client and broker interests given fixed commission rates
- Tailored policy wording based on claim dispute (triage) results
- Steadfast remains focused on improving SCTP by adding more product lines, new insurers and the expansion of auto-rating capabilities. Latest developments include:
 - Continued development of auto-rating capability for insurers for Liability and PI
 - Next commercial product line under development is Farm, expected to launch in FY24
- **9** insurance lines and **19** insurer and underwriting agency partners currently live on SCTP

INSIGHT (broker management system)

- **216** brokers live (after merging of brokers) on INSIGHT, with over **6,600** user licences
- Additional **13** brokers committed to migrate onto INSIGHT; ongoing discussions with another **25** brokers

\$692m

GWP transacted through SCTP in 1H24

+23.8%

1H24 growth in GWP transacted through SCTP

\$1,304m

GWP transacted through SCTP in rolling 12 months to 31 Dec 2023

+24.7%

Rolling 12 months growth in GWP transacted through SCTP

Steadfast Client Trading Platform
Gross Written Premium

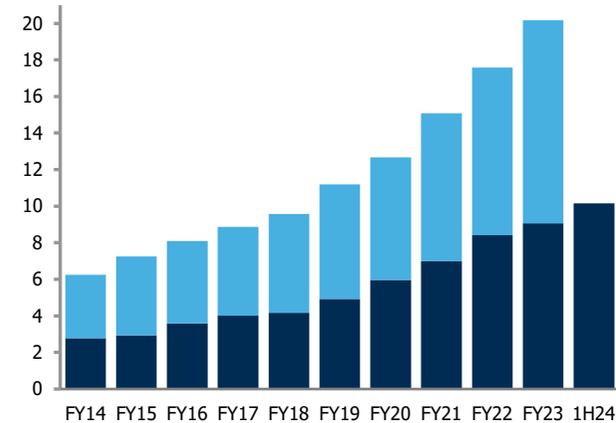


Interim dividend up 12.5%

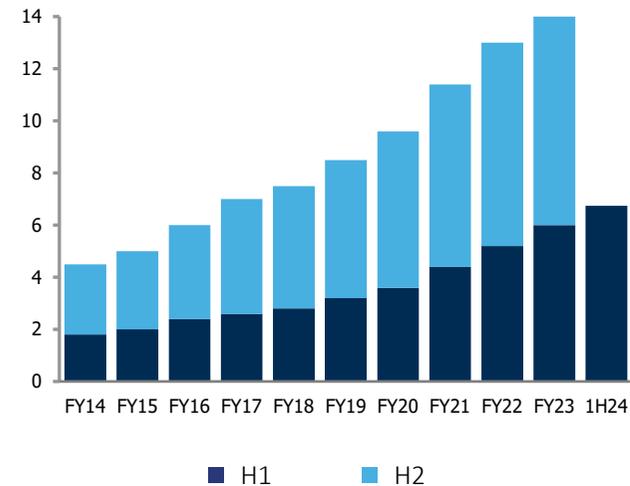
Interim 1H24 dividend

- Interim 1H24 dividend of **6.75** cps (fully franked), up from 6.0 cps in 1H23, **+12.5%**
- Dividend Reinvestment Plan (DRP) to apply to interim 1H24 dividend
 - The DRP will operate by the on-market purchase of shares. No discount will apply.
- Key dates for final 1H24 dividend:
 - Ex dividend date: 4 March 2024
 - Dividend record date: 5 March 2024
 - DRP record date: 6 March 2024
 - Payment date: 28 March 2024

Underlying diluted EPS (NPAT) (cents per share)



Dividend per share (cents per share)





1H24 Financial Summary

Group financial performance

Strong underlying earnings growth

Underlying earnings

6 months to 31 December	Underlying 1H24 ¹	Underlying 1H23 ¹	Period-on-period growth %
Revenue (\$m)	790.4	662.8	19.3%
EBITA (\$m)	229.0	188.6	21.4%
NPAT (\$m)	106.0	90.2	17.5%
Diluted EPS ² (NPAT) (cents)	10.2	9.1	12.2%
NPATA (\$m)	130.0	111.1	16.9%
Diluted EPS (NPATA) (cents)	12.5	11.2	11.7%

- Growth across Steadfast Group driven by:
 - Organic growth from insurance broking and underwriting agencies – price and volume
 - Continuation of hardening premium rates
 - Acquisition growth – Trapped Capital and Sure Insurance
- Diluted EPS growth impacted by new shares issued to fund new acquisitions

¹ Underlying financial data reconciled to statutory data on slides 16 and 44.

² Weighted average share count used to calculate diluted EPS 1H24 1,043.0m (1H23 996.1m).

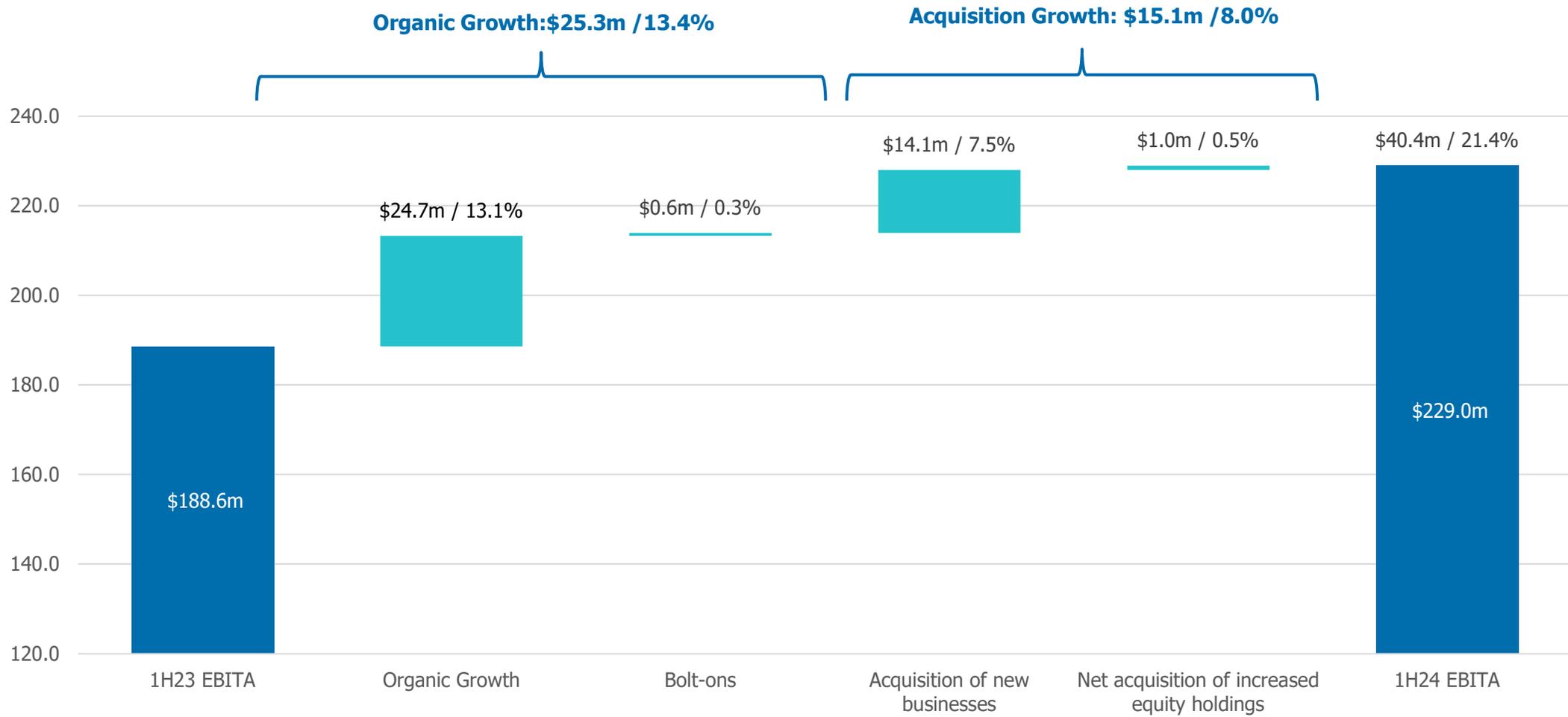
Reconciliation of underlying NPAT to statutory NPAT

6 months to 31 December \$ million	1H24	1H23
Underlying¹ net profit after tax (NPAT)	106.0	90.2
Adjustments for non-trading items (net of tax and non-controlling interest):		
Deferred / contingent consideration expense (where actual earnout was more than expected)	(11.6)	(9.7)
Deferred / contingent consideration income (where actual earnout was less than expected)	2.4	1.4
Mark-to-market gains from revaluation of listed investments	3.3	1.8
Impairment of investments in associates and joint ventures	(0.4)	-
Other non-trading items	0.7	1.0
Statutory NPAT	100.4	84.7

¹ The Board has determined that any outflow of resources in relation to the PSC matter would be considered a "non-trading" item and not impact the calculation of underlying earnings. Any outflow of resources would reduce net assets and decrease statutory profits.

Drivers of 21.4% growth in underlying EBITA

Organic and acquisition growth



Steadfast broking

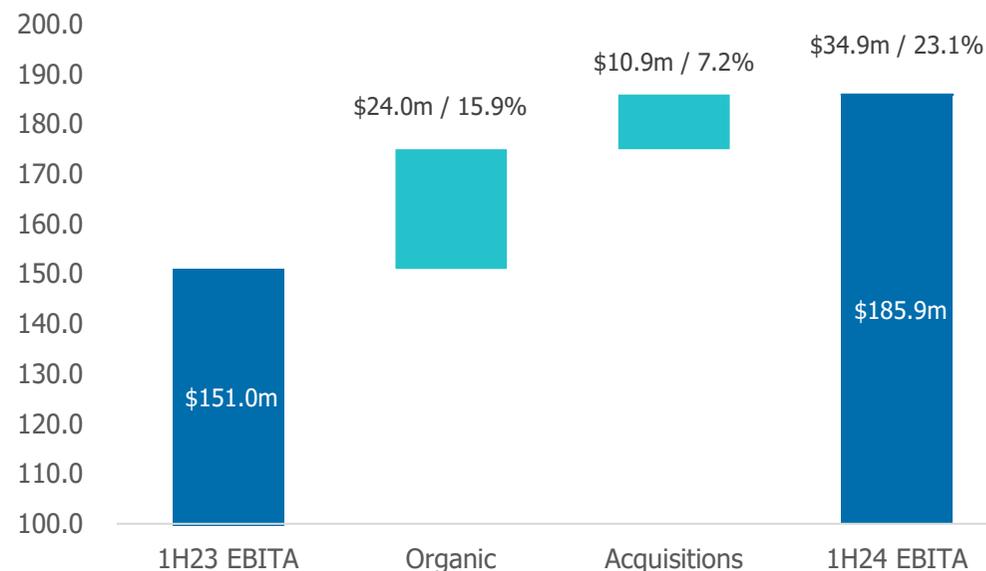
Organic and acquisition growth

Equity brokers and network - consolidated & equity accounted (assuming 100% ownership)

6 months to 31 December \$ million	Underlying 1H24	Underlying 1H23	Period-on-period growth %	Organic growth %	Growth from acquisitions %
Net revenue	506.7	413.2	22.6%	13.3%	9.4%
EBITA	185.9	151.0	23.1%	15.9%	7.2%

- Underlying EBITA of **\$185.9m (+23.1%)** from all equity brokers and Network
 - Driven by organic growth and complemented by Trapped Capital acquisitions
 - Growth in revenue driven by hardening market and solid volume growth
 - Increased interest income from cash holdings
 - Fee & commission split of ~30%/70% in-line with historic average
 - Actual equity ownership of 1H24 EBITA is 76% (1H23 77%)

EBITA growth



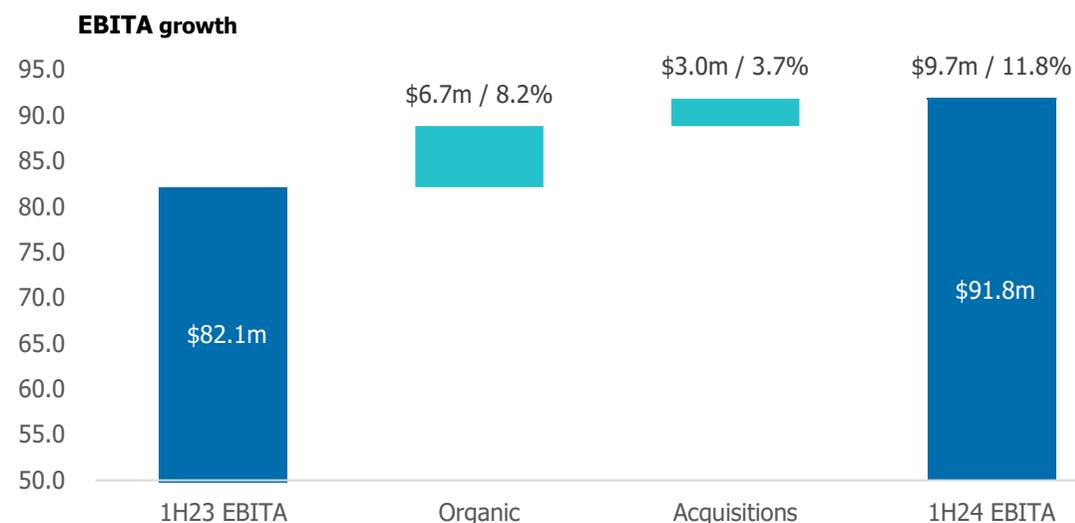
Steadfast Underwriting Agencies

Organic growth driven by price and volume

Steadfast Underwriting Agencies – consolidated & equity accounted (assuming 100% ownership)

6 months to 31 December \$ million	Underlying 1H24 ¹	Underlying 1H23 ¹	Period-on-period growth %	Organic growth %	Growth from acquisitions %
Net revenue	192.7	163.7	17.7%	13.8%	3.9%
EBITA	91.8	82.1	11.8%	8.2%	3.7%

- Continued strong performance across the agency business driven by organic growth
- Continued increase in premiums by insurers and volume uplift
- Strong performance led to underlying EBITA growth of **11.8%**
- As forecast, investment in people and systems to enhance offering
- Actual equity ownership of 1H24 EBITA is 91% (1H23: 91%)



¹ Excludes additional income to underwriting agencies for performance.

Strong conversion of profits to cash

1H24 cash flow statement

Cash flow summary¹ \$ million	1H24	2H23	1H23
Pre-tax cash flow from operating activities	\$213.7	\$228.9	\$194.9
Less lease obligation payments	(\$10.9)	(\$9.4)	(\$9.1)
Less tax	(\$91.5)	(\$49.4)	(\$56.2)
Post-tax cash flow from operating activities	\$111.3	\$170.1	\$129.6
	\$281.4m		
NPATA	\$130.0	\$141.0	\$111.1
	\$271.0m		
\$ million	1H24	2H23	1H23
Adjusted net cash from operating activities	\$111.3	\$170.1	\$129.6
Cash used for dividends, net of DRP	(\$93.5)	(\$62.3)	(\$69.1)
Free cash flow	\$17.8	\$107.8	\$60.5
	\$125.6m		

**> 100% conversion
of underlying NPATA to cash in
CY23**

- Free cash flow fully utilised in further acquisitions
- Maintained strong working capital position
- 1H24 cash conversion impacted by FY23 tax adjustment, full year profit converted to cash

¹ Refer slide 47 for the detailed cash flow statement.

Conservatively geared balance sheet

Statutory balance sheet

\$ million	31 Dec 23	30 Jun 23
Cash and cash equivalents	273	259
Cash held on trust	975	879
Premium funding receivables	834	662
Trade & other receivables	281	281
Total current assets	2,363	2,081
Goodwill	2,319	1,986
Identifiable intangibles	407	347
Investments in associates & joint ventures	224	223
Other (including PPE, deferred tax assets)	276	248
Total non-current assets	3,226	2,804
Total assets	5,589	4,885
Trade & other payables	1,121	1,030
Corporate & subsidiaries borrowings	4	4
Premium funding borrowings and payables	219	252
Deferred consideration	120	87
Other (including tax payable, provisions)	107	125
Total current liabilities	1,571	1,498
Corporate & subsidiaries borrowings	576	515
Premium funding borrowings	593	407
Deferred consideration	96	26
Deferred tax liabilities – customer relationships	107	91
Remaining deferred tax liability & other	109	103
Total non-current liabilities	1,482	1,142
Total liabilities	3,053	2,640
Net assets	2,536	2,245
Non-controlling interests	234	204
Shareholders equity	2,302	2,041

Corporate debt facility (excludes premium funding) increased and extended August 2023 as follows:

\$ million	Maturity	Total
Revolving	Aug 2026	385
Term	Aug 2026	175
Term	Nov 2026	200
Term	Aug 2028	100
Total available		860

- Interest rate position positively geared as cash held on trust exceeds borrowings
- Ability to access accordion facility for a further \$300.0m
- Significant headroom in corporate debt covenants
- Corporate debt capacity of \$351.5m available as at 31 December 2023 (\$378.4m as of today) for future growth
- Total Group gearing excluding premium funding within Board approved maximum:

Gearing ratio ¹	Actual	Max
Total Group	18.8%	30.0%

Total borrowings and lines of credit

\$ million	Total
Group facility borrowings	509
Subsidiary borrowings	80
Total	589

- IQumulate premium funding Australian facilities were increased to \$660m and extended to mature in July 2024 (one year term is standard industry practice)

¹ Gearing calculated as debt/(debt + equity). Debt defined as corporate debt + subsidiary debt excluding premium funding debt.



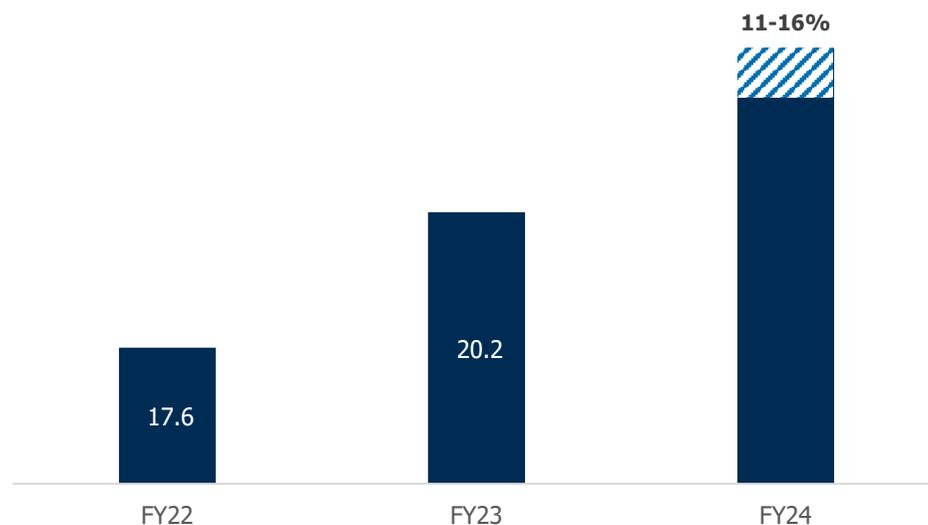
Outlook

FY24 guidance

Steadfast FY24 guidance

	Upgraded FY24 guidance range
Underlying EBITA	\$520m - \$530m
Underlying NPAT	\$240m - \$250m
Underlying diluted EPS (NPAT) growth	11% - 16%
Underlying NPATA	\$290m - \$300m

FY24 guidance underlying diluted EPS (NPAT) (CPS) growth breakdown



- The guidance is subject to:
 - Insurers maintaining current premium rate increases
 - Completion of a further \$65.0m of Trapped Capital acquisitions from the date of this report to 30 June 2024
 - No material adverse impacts from current geopolitical uncertainties
 - Key risks as set out in the 2023 Annual Report (pages 49 to 51)

Run-rate contribution of acquisitions to FY25 UNPAT¹

- Run-rate impact of all expected FY24 acquisitions (including ISU Group and Sure Insurance) expected to contribute c. 4% UNPAT growth in FY25



Appendices

[Steadfast Group \(slide 25\)](#)

[Steadfast Network \(slide 30\)](#)

[Steadfast Underwriting Agencies \(slide 37\)](#)

[Our InsurTech \(slide 39\)](#)

[1H24 detailed financials \(slide 43\)](#)



Steadfast
Group

Business units focused on the intermediated general insurance market

Steadfast Group as at 31 December 2023



Size and scale

Steadfast Group as at 31 December 2023

Largest general insurance broker network in Australasia

\$12.4_b

Annual GWP¹

425

Steadfast Network brokers

Largest group of underwriting agencies in Australasia

\$2.1_b

Annual GWP¹

30

Underwriting agencies

Steadfast Network collects professional services and other fees

Complementary businesses

IQumulate
Premium Funding

90% owned Premium Funder

Steadfast Life

Specialist life insurance broker, 50% owned

Steadfast
BUSINESS SOLUTIONS

Back-office service provider, 100% owned

Steadfast
TECHNOLOGIES

Technology service arm, 100% owned

Steadfast
WORKPLACE RISK

Work health consultancy, 57% owned

Steadfast Re
Reinsurance Brokers

Reinsurance broker, 50% owned

MERIDIAN
LAWYERS

Legal practice, 25% owned

Steadfast
RISK GROUP

Risk consulting, 85% owned

goldseal

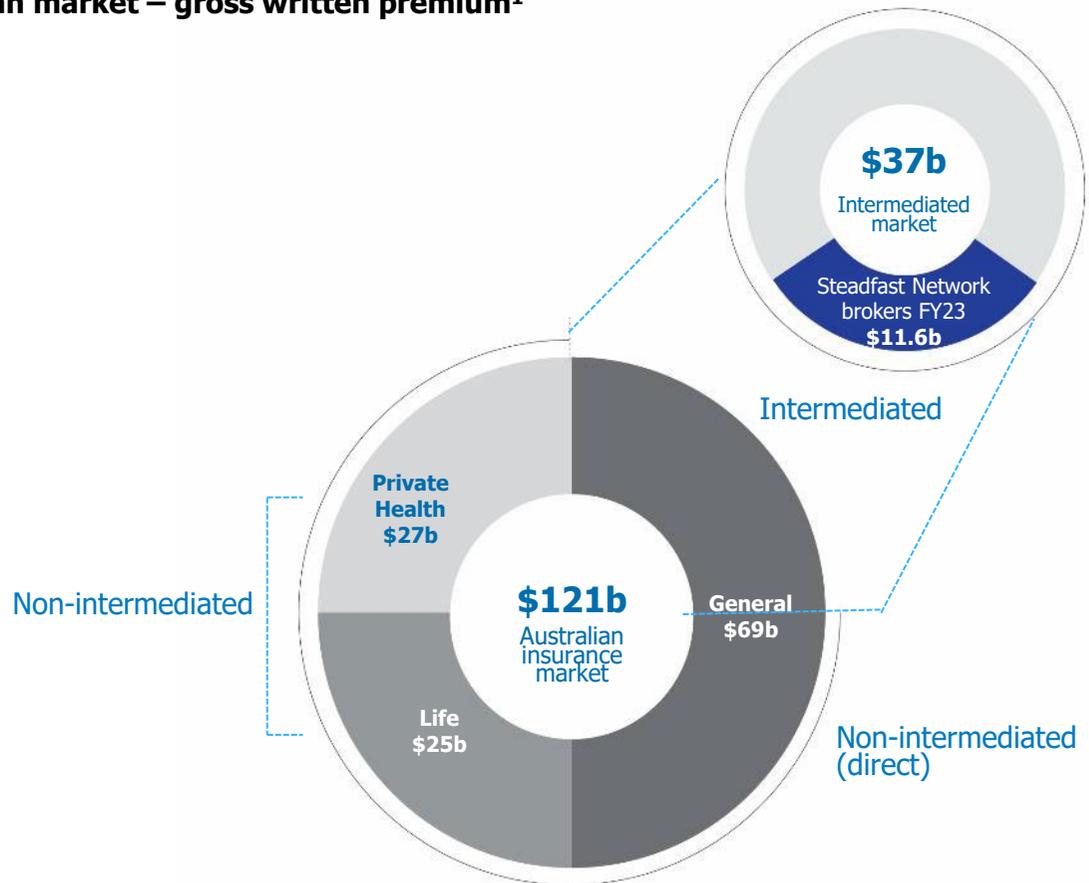
Compliance, Training, Customer Experience and HR Management, 100% owned

¹ For calendar year 2023.

Our market

\$37b of intermediated general insurance GWP written in FY23

Australian market – gross written premium¹

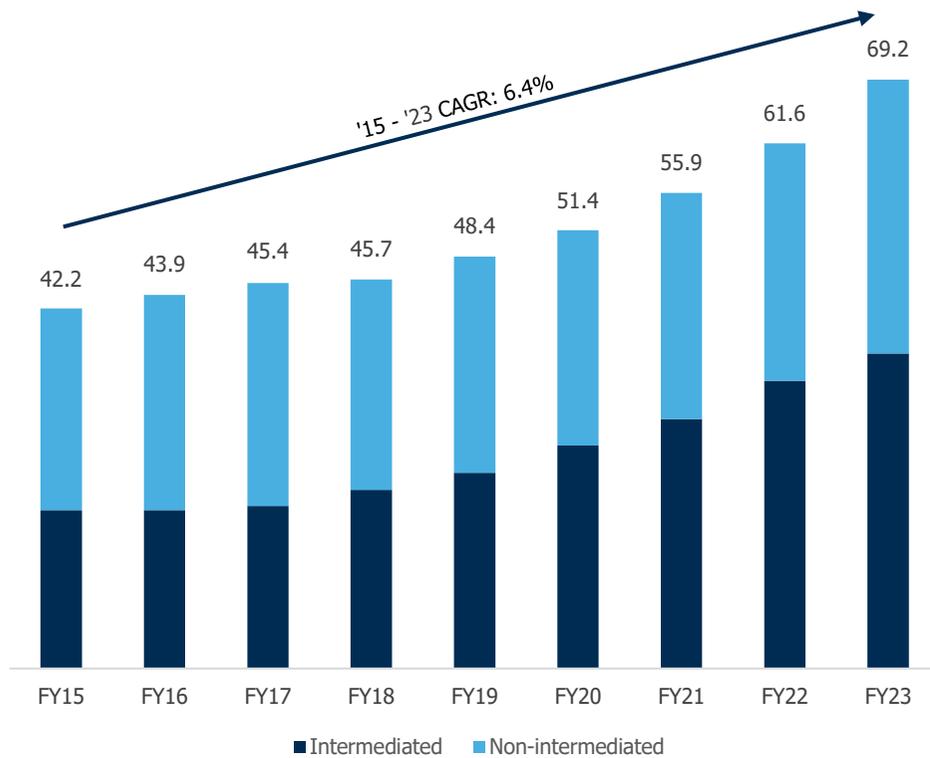


Steadfast Group is focused on the intermediated general insurance market, with a primary focus on SME

¹ APRA Quarterly General Insurance Performance Statistics for Year end June 2023 (released August 2023), Steadfast Group and APRA Intermediated General Insurance Performance Statistics for Year end June 2023 (released September 2023).

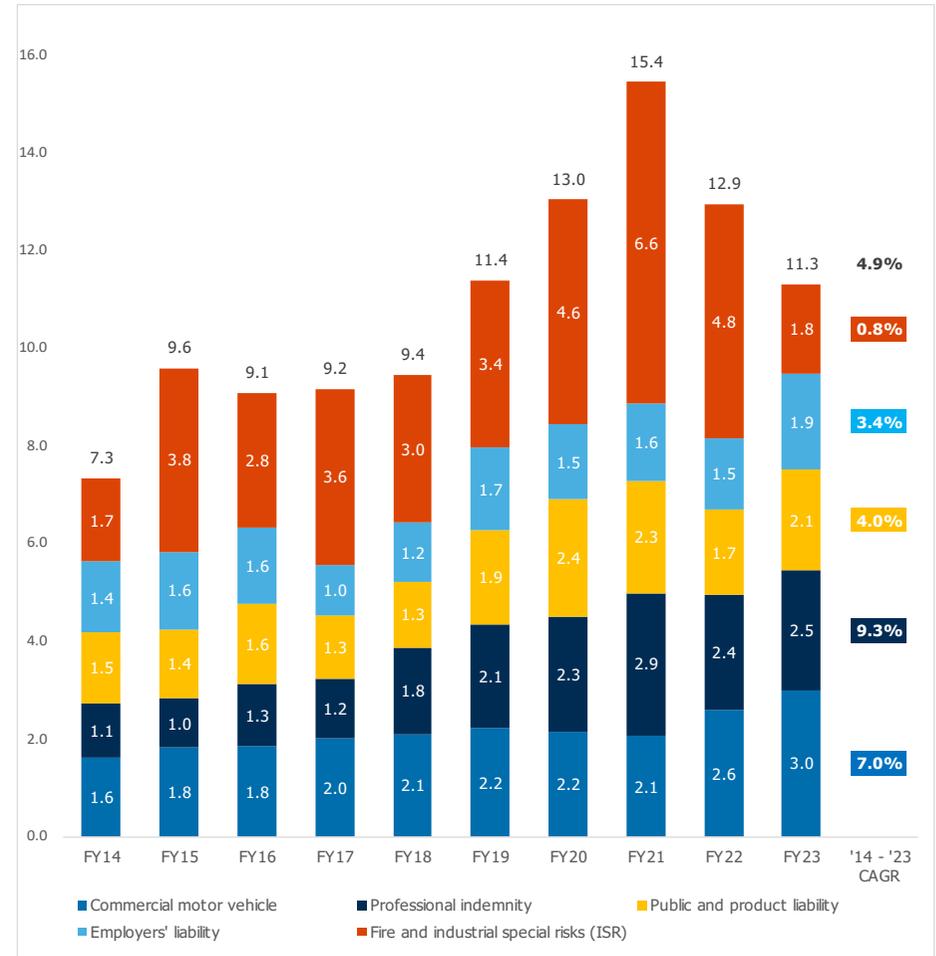
Industry overview and market opportunity

Intermediated vs non-intermediated GWP (\$b)¹



- Intermediated general insurance has grown from 44% in FY15 to 53% of the general insurance market in FY23

Commercial gross claims (\$b)²



¹ APRA Intermediated General Insurance Statistics (released September 2023).

² APRA Quarterly General Insurance Performance Statistics December 2022 to June 2023 (released September 2023).



Steadfast
Network

Largest general insurance broker network in Australasia

Steadfast Network

Steadfast Network

The Steadfast Network has 425 general insurance brokers in Australia, New Zealand and Singapore who receive superior market access, exclusive products and services backed by the size and scale of the Steadfast Group. Brokers in the Network have access to over 160 products and services which support their business and allow them to focus on their clients' insurance and risk management needs. Key benefits of being a Steadfast Network broker include improved policy wordings, broker services, exclusive access to Steadfast's technology and triage support for challenging claims.

Insurer partners have access to over \$12.4b of GWP from the small-to-medium enterprise market through the Steadfast Network.

Steadfast Group also owns 100% of ISU Group, that operates an insurance agency network in the United States of America. Broker numbers are disclosed separately to Steadfast Network on slide 35.

Additionally, Steadfast Group holds a 60% stake in UnisonSteadfast which is separate from the Steadfast Network. UnisonSteadfast broker numbers are disclosed separately to the Steadfast Network (see slide 36 for more detail).

Exclusive to Steadfast Network brokers



Scale and strength
Size gives us strong relationships with insurer partners.



Products and services
Access to over 160 services supporting their business & clients.



Technology
Specialised technology services.



Helplines
Legal, contractual liability, compliance, human resources & technical.



Steadfast triage
Provides expert support across claims, ethics & placement.



Training and networking events
Market-leading professional development through face-to-face & webinars.



Erato PI program
Professional indemnity cover for Steadfast Network brokers.



Marketing
Sales and marketing support.



Policy wordings
Market-leading wordings utilising broker & triage input.



Market access
Access to the leading insurance providers from Australia & around the world.

Strategy

- Be the best solution for our clients' needs
- Operate a network that is stronger together and the network of choice for brokers
- Build and develop strong relationships with insurers and other strategic partners
- Develop leading technology solutions to enable brokers to obtain competitive pricing and terms to retain and attract their clients
- Grow international presence

Major insurer partners



Steadfast Network

\$12.4b
GWP in CY23

425
brokers in the Network

Premium funding partners



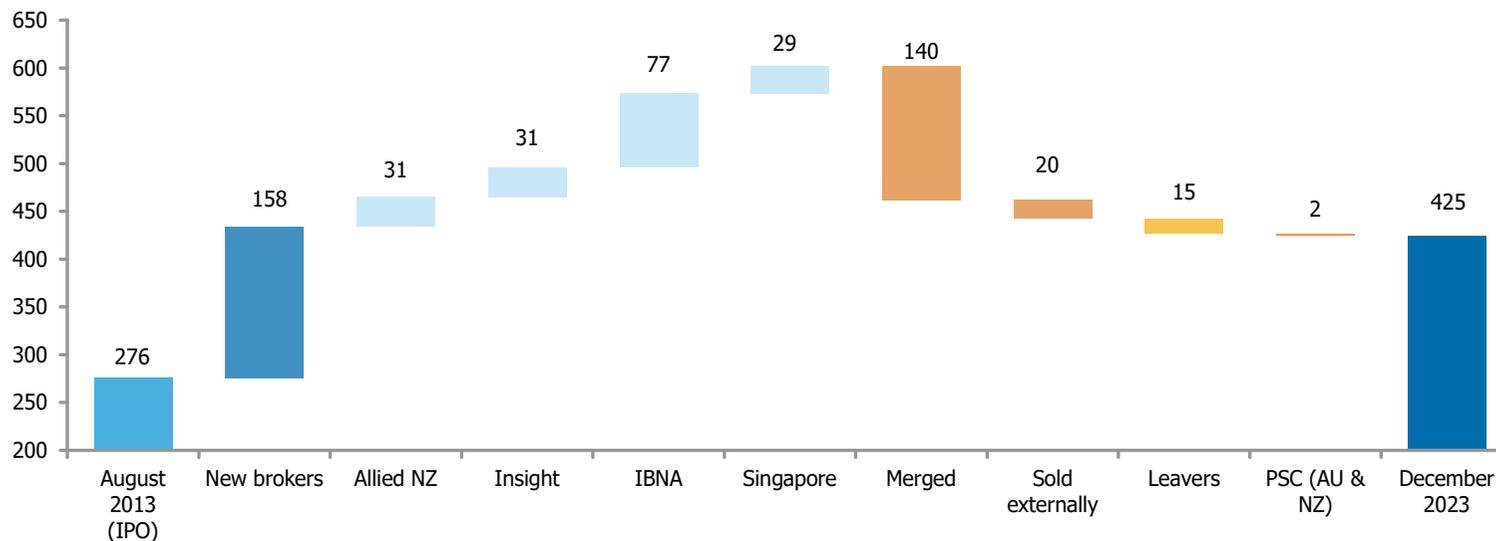
Other strategic partners



Steadfast Network

326 brokers have joined the Steadfast Network since IPO

Number of Steadfast Network brokers¹



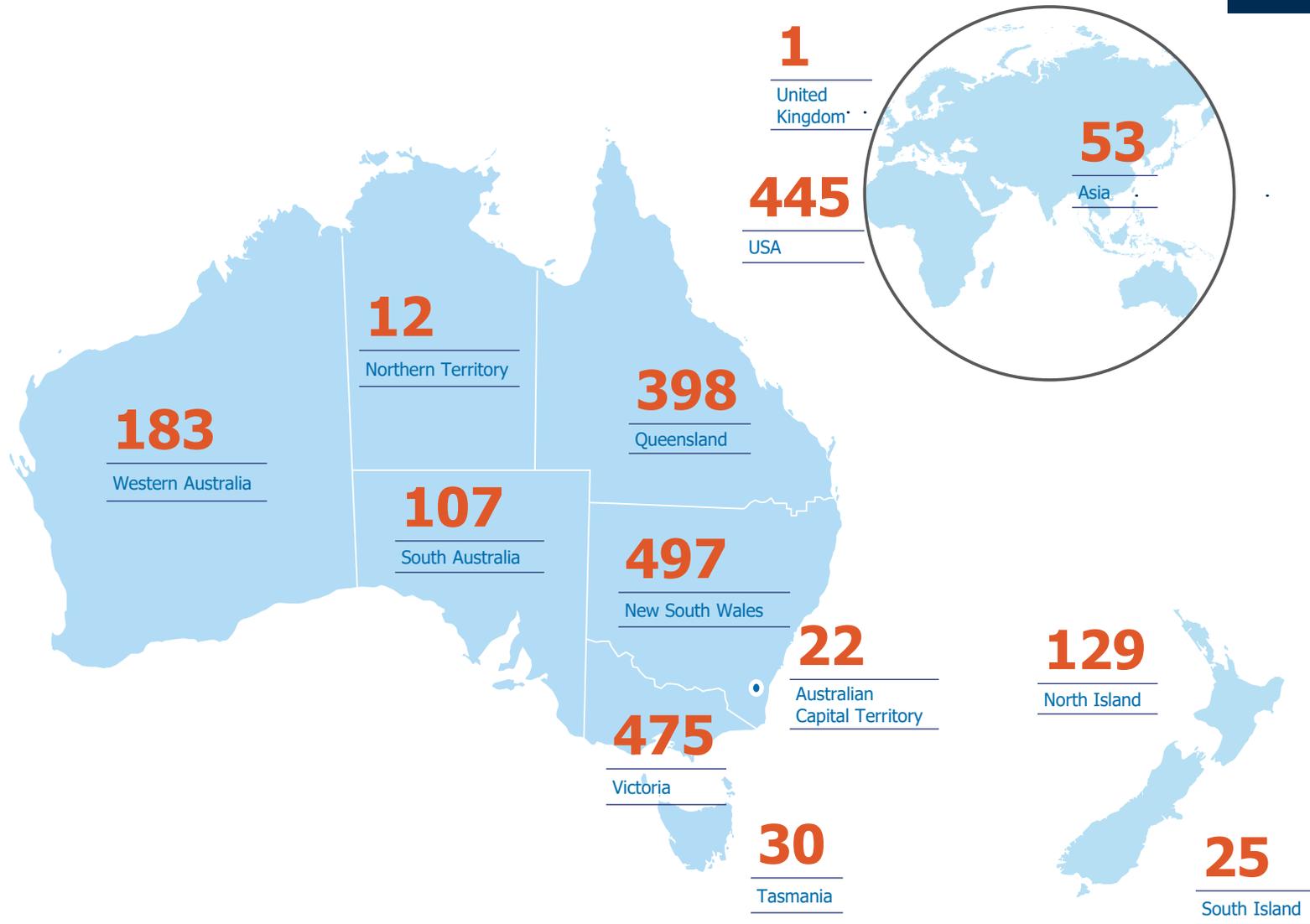
- In 1H24, 11 brokers joined, 5 brokers merged and 7 brokers have left
- 326 brokers joined and 17 brokers have left the Network since the IPO
- 140 brokers merged and 20 brokers were sold to third parties since the IPO
- Over 160 products and services available to the Network
- SCTP and INSIGHT initiatives generating heightened interest in Network value proposition worldwide

¹ Excludes ISU Group and UnisonSteadfast.

Steadfast Network

Worldwide broker offices (excluding UnisonSteadfast)

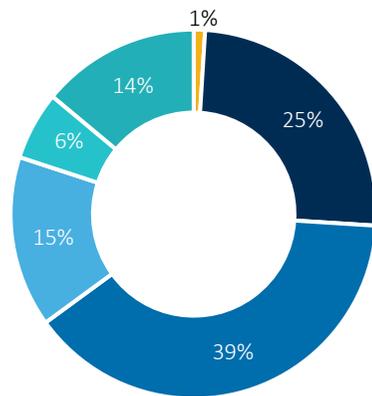
2,377 broker offices across Australia, New Zealand, Asia, Europe and USA



Steadfast Network

Australia – resilient SME client base

GWP mix¹



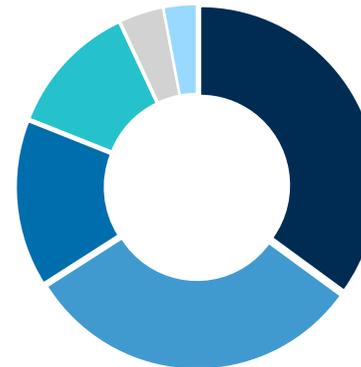
- Micro (Policy size <\$650)
- Small Enterprise (Policy size \$650 - \$5,000)
- Small Enterprise (Policy size \$5,000 - \$50,000)
- Medium Enterprise (Policy size \$50,000 - \$250,000)
- Corporate (Policy size >\$250,000)
- Retail

Diversified by product line



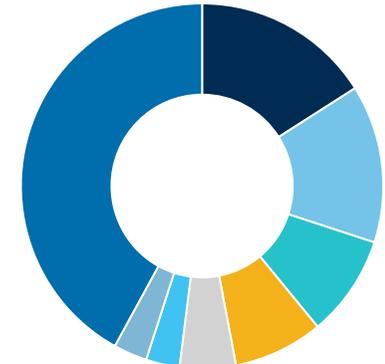
- Business pack 17%
- Retail 11%
- Commercial motor 12%
- ISR 9%
- Strata 10%
- Liability 9%
- Professional Risks 9%
- Statutory Covers 7%
- Rural & Farm 5%
- Construction & Engineering 5%
- Other 6%

Diversified by geography



- VIC 35%
- NSW 31%
- QLD 15%
- WA 12%
- SA 4%
- TAS 3%
- ACT/NT 0%

Diversified by insurer



- QBE 16%
- CGU 14%
- Allianz 9%
- Vero 8%
- Chubb 5%
- Zurich 3%
- AIG 3%
- Various underwriting agencies, small insurers, Lloyd's and other small brokers 42%

¹ Based on 1H24 GWP.

International footprint

Steadfast Network model replication

1. New Zealand

- 66 brokers in the Network
- NZ\$795m of GWP in CY23
- Steadfast Underwriting Agencies building market presence utilising Network distribution
- Strong buy-in from insurer partners
- SCTP introduced

2. Asia

- Targeted Singapore initially
- 29 brokers in the Singapore network
- Two equity investments in Network brokers by Steadfast Group
- Seven insurer partners have agreed to:
 - pay Professional Services fees
 - issue improved policy wordings

3. London

- Office to serve demand for Lloyd's products
 - risks suited to Lloyd's market
 - London 'super' binder

4. United States of America

- 225 ISU Network members
- Operating in 40 states across the USA
- Strong insurer support with approximately 75 carrier partners



International footprint

UnisonSteadfast

- Steadfast Group has an equity ownership stake of **60%** in UnisonSteadfast
 - One of the world's largest global general insurance broker networks, offering multi-jurisdictional coverage
 - Supervisory board contains three Steadfast Group representatives
 - Medium to long-term strategy

600+
Referrals between the Steadfast
Network brokers and
UnisonSteadfast



UnisonSteadfast global network





Steadfast Underwriting Agencies

Steadfast Underwriting Agencies

Steadfast underwriting agency offering that now spans across 30 agencies, providing over 100 niche products



Solutions for novated lease, motor fleet and motor vehicle financing



Complete farm package



Caravans, campervans, cabins, trailers and horse floats



Commercial and residential strata



Accident and health



Residential and commercial strata



Marine hull and other marine industry



Specialised and exotic motorcar and motorcycle



Emerging risks



Bare essentials strata policies



Heavy motor transport



Business interruption focused on SMEs



Residential real estate vendor financing



High-value homes



Building and construction industry



SME insurance programs



On and off road motorcycle insurance



Marine Insurance



Liability specialists



Art and jewellery specialists



Professionals including engineers, architects and doctors



Professional indemnity, medical malpractice, general liability, management liability, cyber, & property for SME



Specialised equipment, tradesmen, small business and marine transit



Marine hull, cargo and transit



Professional liability specialists



Strata insurance



Sports and leisure-related businesses



Hard-to-place and complex risks including environmental liability



Home & contents, residential strata



Mobile plant and equipment

Steadfast aims to highlight each agency's specialised service by preserving its brand and unique offering which is important as approximately half of our agencies' business is placed on behalf of non-Steadfast Network brokers

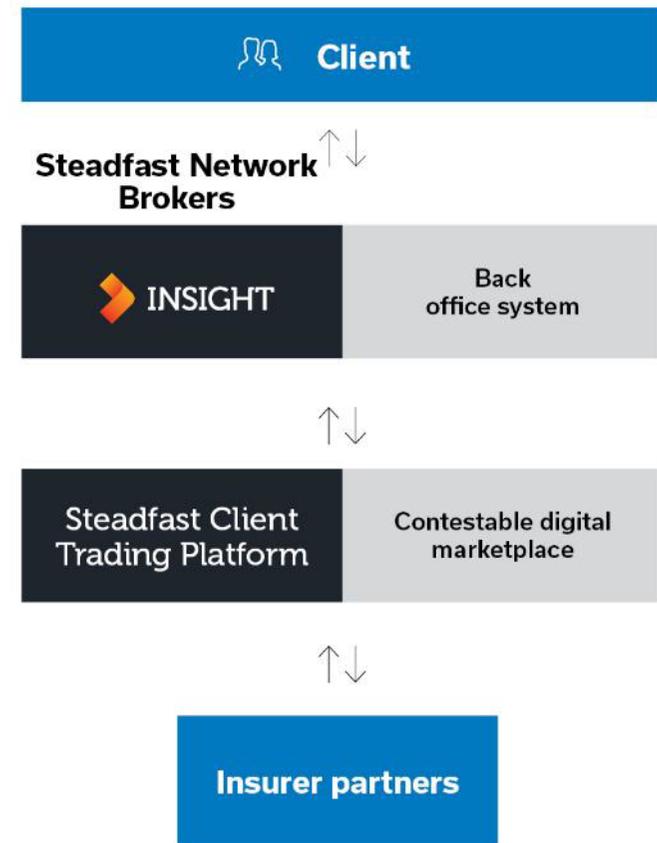


Our insurTech

Our insurTech

Steadfast Client Trading Platform – benefits for clients, brokers and insurers

- Market-leading technology – exclusive to Steadfast Network brokers, clients and participating insurers
- **Benefits for clients:**
 - Genuine contestable marketplace generating improved pricing, competition and coverage, and alignment of client and broker interests through fixed commission rates
 - Market-leading policy wordings
 - Instant policy issue, maintenance and renewal – all on a market contestable basis
 - Supported by Steadfast claims triage
- **Benefits for brokers:**
 - Automated market access to leading insurers at no access cost
 - Bespoke market-leading policies
 - Fixed commission rates, same for all insurers
 - In-depth data analytics
 - Stimulates advisory discussions with clients
- **Benefits for insurers:**
 - Automated access to Steadfast Network for all policies placed on the platform
 - Significantly reduced technology and distribution costs
 - Data analytics and market insights, live 24/7
 - Updated policy wordings, based on prior claims scenarios



Our insurTech

Insurer and underwriting agency partners on the SCTP

Business pack



Professional risks



Liability



Commercial property & ISR



Commercial motor



Domestic home, motor & landlords



Strata



Our insurTech

Steadfast Technologies

Steadfast Client Trading Platform

SCTP is a digital marketplace which provides Steadfast Network insurance brokers with access to a variety of insurance products based on a single agreed question set. The system is integrated with a group of leading insurers and provides an efficient way to rapidly receive a range of insurance quotes in a single view.

It displays a comprehensive, side-by-side comparison showing the differences in each insurer's terms, products and services for each quote.

The SCTP has been seamlessly integrated with insurer and broker back-office management systems, including Steadfast's INSIGHT broker platform. This eliminates costly, time consuming and error prone data re-entry into multiple systems.

Key advantages:

- **Rapidly generates and compares quotes from different insurer partners without re-keying data into multiple insurer systems**
 - **Real-time, straight-through processing throughout the life of a policy**
 - **Increased client insights from data analytics**
-

INSIGHT

INSIGHT is an insurance broking platform with a powerful search engine which gives brokers a single view of their clients and an instant view of their business at any time. It is cloud-based, accessible from anywhere and designed as an open platform to enable connectivity to other business applications if required.

There has been strong interest from Steadfast Network brokers wanting to utilise INSIGHT to help manage their business. Steadfast Group is making a significant investment to roll out the platform as it will deliver substantial efficiencies and cost savings for brokers who will be able to remove their dependency on legacy systems.

Key advantages:

- **Controls, analyses and reports all data**
 - **Automated data recovery and back up**
 - **Open to interface with other business systems, accounting or other software packages**
-



1H24 Detailed Financials

1H24 detailed financials

Reconciliation of statutory to underlying earnings

6 months ended 31 December 2023 \$ million	Total statutory	Reclassifications	Non-trading items	Total underlying
Net fee and commissions income	549.7	111.1	0.3	661.1
Premium funding interest income	60.3	-	-	60.3
Share of profits from associates and joint ventures	17.9	(3.1)	(0.8)	14.0
Fair value gain on listed investment	4.7	-	(4.7)	-
Net gain from other investments	(7.4)	-	7.4	-
Other income	27.9	41.0	0.1	69.0
Revenue	653.1	149.0	2.3	804.4
Less: share of profits from associates and joint ventures	(17.9)	3.1	0.8	(14.0)
Revenue – consolidated entities	635.2	152.1	3.1	790.4
Employment expenses	(285.6)	16.5	-	(269.1)
Occupancy expenses	-	(17.2)	-	(17.2)
Operating, brokers' support service and other expenses including Corporate Office	(143.7)	(156.2)	2.3	(297.6)
Expenses – Consolidated entities	(429.3)	(156.9)	2.3	(583.9)
EBITA – Consolidated entities	205.9	(4.8)	5.4	206.5
Share of EBITA from associates and joint ventures	25.9	(2.6)	(0.8)	22.5
Total EBITA	231.8	(7.4)	4.6	229.0
Finance costs – consolidated entities	(21.9)	1.6	-	(20.3)
Finance costs – associates and joint ventures	(1.3)	-	-	(1.3)
Amortisation expense – consolidated entities	(33.6)	6.1	-	(27.5)
Amortisation expense – associates and joint ventures	(1.2)	0.2	-	(1.0)
Income tax benefit/(expense) – consolidated entities	(48.7)	0.4	1.2	(47.1)
Income tax benefit/(expense) – associates and joint ventures	(5.5)	(0.9)	-	(6.4)
Net profit after tax	119.6	-	5.8	125.4
Non-controlling interests	(19.2)	-	(0.2)	(19.4)
Net profit after tax attributable to owners of Steadfast Group Limited (NPAT)	100.4	-	5.6	106.0

1H24 detailed financials

Statement of underlying income

6 months ended 31 December 2023 \$ million	Underlying 1H24	Underlying 1H23	Period-on-period growth %	Organic growth % ²	Acquisitions & hubbing growth % ³
Fees and commissions ¹	661.1	573.5	15.3%	7.3%	8.0%
Interest Income	23.8	8.6	177.3%	166.7%	10.6%
Other revenue	105.5	80.7	30.8%	27.5%	3.3%
Revenue – Consolidated entities	790.4	662.8	19.3%	11.8%	7.5%
Employment expenses	(269.1)	(212.8)	26.5%	15.5%	10.9%
Occupancy expenses	(17.2)	(14.4)	19.6%	7.2%	12.4%
Other expenses including Corporate Office ¹	(297.6)	(265.8)	12.0%	8.6%	3.4%
Expenses – Consolidated entities	(583.9)	(493.0)	18.5%	11.6%	6.9%
EBITA – Consolidated entities	206.5	169.8	21.6%	12.5%	9.1%
Share of EBITA from associates and joint ventures	22.5	18.8	19.7%	21.7%	-2.0%
EBITA	229.0	188.6	21.4%	13.4%	8.0%
Net financing expense	(21.6)	(12.1)	77.6%		
Amortisation expense – consolidated entities	(27.5)	(23.6)	16.9%		
Amortisation expense – associates	(1.0)	(1.0)	4.3%		
Income tax expense	(53.5)	(46.5)	14.8%		
Net profit after tax	125.4	105.4	19.0%		
Non-controlling interests	(19.4)	(15.2)	28.5%		
Net profit attributable to Steadfast members (NPAT⁴)	106.0	90.2	17.5%		
Amortisation expense – consolidated entities ⁵	23.0	19.9	15.2%		
Amortisation expense – associates ⁶	1.0	1.0	4.3%		
Net Profit after Tax and before Amortisation (NPATA^{4,7})	130.0	111.1	16.9%		

¹ Wholesale broker and agency commission expense (paid to brokers) is included in revenues and other expenses so impact to EBITA is nil (\$127.1m in 1H23; \$134.1m in 1H24).

² Includes bolt-on acquisitions.

³ Acquisition growth includes the net effect of acquisitions, divestments and increased equity stakes. Includes growth from associates converted to consolidated entities.

⁴ Excludes impact from mark-to-market adjustments of \$4.7m (pre tax) 1H24 and \$2.6m (pre tax) 1H23 for the Johns Lyng Group investment.

⁵ For controlled entities, the amortisation of customer list add back is before 30% tax but after non-controlling interests, to reflect Steadfast Group's proportional share. The balance sheet includes a deferred tax liability to reflect the future non-tax deductibility of amortisation expense.

⁶ For associates, amortisation of customer list is not tax effected (per Accounting Standards).

⁷ Calculated on a consistent basis since IPO.

1H24 detailed financials

Statement of income (underlying)

\$ million	Underlying 1H24	Underlying 2H23	Underlying 1H23	Underlying 2H22	Underlying 1H22	Underlying 2H21
Fees and commissions ¹	661.1	638.1	573.5	540.7	452.9	410.4
Interest Income	23.8	14.8	8.6	2.2	1.7	1.6
Other revenue	105.5	93.8	80.7	72.1	66.3	50.1
Revenue – Consolidated entities	790.4	746.7	662.8	615.0	520.9	462.1
Employment expenses	(269.1)	(240.9)	(212.8)	(185.2)	(165.3)	(145.6)
Occupancy expenses	(17.2)	(15.9)	(14.4)	(13.2)	(12.0)	(11.7)
Other expenses including Corporate Office ¹	(297.6)	(268.0)	(265.8)	(244.4)	(203.4)	(180.1)
Expenses – Consolidated entities	(583.9)	(524.8)	(493.0)	(442.8)	(380.7)	(337.4)
EBITA – Consolidated entities	206.5	221.9	169.8	172.2	140.2	124.7
Share of EBITA from associates and joint ventures	22.5	20.2	18.8	14.3	13.7	12.6
EBITA³	229.0	242.1	188.6	186.5	153.9	137.3
Net financing expense	(21.6)	(18.2)	(12.1)	(9.3)	(7.1)	(5.4)
Amortisation expense – consolidated entities	(27.5)	(26.8)	(23.6)	(21.3)	(19.0)	(16.3)
Amortisation expense – associates	(1.0)	(1.2)	(1.0)	(1.0)	(1.0)	(1.0)
Income tax expense	(53.5)	(56.5)	(46.5)	(45.8)	(40.3)	(32.4)
Net profit after tax	125.4	139.4	105.4	109.1	86.5	82.2
Non-controlling interests	(19.4)	(22.6)	(15.2)	(16.4)	(10.2)	(11.9)
Net profit attributable to Steadfast members (NPAT⁴)	106.0	116.8	90.2	92.7	76.3	70.3
Amortisation expense – consolidated entities ²	23.0	23.1	19.9	18.1	16.3	14.0
Amortisation expense – associates ²	1.0	1.1	1.0	1.0	1.0	1.0
Net Profit after Tax and before Amortisation (NPATA^{3,4})	130.0	141.0	111.1	111.8	93.6	85.3
Weighted average share #	1,043.0	1,027.1	996.1	961.2	907.6	866.1
Underlying diluted EPS (NPAT) (cents per share)	10.2	11.1	9.1	9.2	8.4	8.1
Underlying diluted EPS (NPATA) (cents per share)	12.5	13.4	11.2	11.1	10.3	9.9

¹ Wholesale broker and agency commission expense (paid to brokers) is included in revenues and other expenses so impact to EBITA is nil (\$127.1m in 1H23; \$134.1m in 1H24).

² For controlled entities, the amortisation of customer list add back is before 30% tax but after non-controlling interests, to reflect Steadfast Group's proportional share. The balance sheet includes a deferred tax liability to reflect the future non-tax deductibility of amortisation expense. For associates, amortisation of customer list is not tax effected per Accounting Standards.

³ Calculated on a consistent basis since the IPO.

⁴ Excludes the impact from mark-to-market adjustments for the Johns Lyng Group investment.

1H24 detailed financials

Statutory cash flow statement

\$ million	1H24	1H23
Cash flows from operating activities		
Net cash from operating activities before customer trust account and premium funding movements	122.2	138.7
Net movement in customer trust accounts	77.4	106.9
Net movement in premium funding	(213.9)	(109.8)
Net cash from operating activities	(14.3)	135.8
Cash used in acquisitions of subsidiaries and business assets	(262.9)	(334.9)
Cash acquired in acquisitions	30.2	86.6
Cash used in other investing activities	(114.5)	(38.2)
Net cash used in investing activities	(347.2)	(286.5)
Proceeds from issue of shares	348.1	233.4
Dividends paid	(93.5)	(69.1)
Other	216.8	134.4
Net cash from financing activities	471.4	298.7
Net increase in cash and cash equivalents	109.9	148.0
Cash and cash equivalents at 31 December	1,248.4	1,093.5
split into: Cash held in trust	975.2	842.8
Cash on hand (net of overdraft)	273.2	250.7

¹ Excludes movement in trust accounts and premium funding.

\$17.8m free cash flow in 1H24 \$ million	
Cash from operations ¹	213.7
Less lease obligation payments	(10.9)
Adjusted operating cashflow	202.8
Less Tax	(91.5)
Dividends paid, net of DRP	(93.5)
Free cash flow from operating activities	17.8

**> 100% conversion
of underlying NPATA to cash**

Australian General Insurance Statistics¹

Premiums and claims by class of business

Premiums and claims by class of business	Houseowners/householders		Domestic motor vehicle		CTP motor vehicle	
	Year End June 2022	Year End June 2023	Year End June 2022	Year End June 2023	Year End June 2022	Year End June 2023
Gross written premium (\$m)	11,415	13,017	12,212	13,983	3,373	3,530
Number of risks ('000)	12,924	+1.1% 13,063	17,522	+0.5% 17,602	18,486	+5.6% 19,518
Average premium per risk (\$)	883	+12.8% 996	697	+14.0% 794	182	-0.9% 181
Outwards reinsurance expense (\$m)	4,162	4,085	2,277	2,470	1,104	1,034
Gross earned premium (\$m)	11,349	12,631	11,750	13,061	3,340	3,461
Cession ratio	37%	32%	19%	19%	33%	30%
Gross incurred claims (current and prior years) net of non-reinsurance recoveries revenue (\$m)	10,580	8,908	8,528	9,817	1,848	2,462
Gross earned premium (\$m)	11,349	12,631	11,750	13,061	3,340	3,461
Gross loss ratio	93%	71%	73%	75%	55%	71%
Net incurred claims (current and prior years) (\$m)	5,375	6,597	6,876	8,294	1,122	1,692
Net earned premium (\$m)	7,187	8,546	9,473	10,591	2,236	2,427
Net loss ratio	75%	77%	73%	78%	50%	70%
Underwriting expenses (\$m)	2,012	2,154	2,003	1,903	363	373
Net earned premium (\$m)	7,187	8,546	9,473	10,591	2,236	2,427
U/W expense ratio	28%	25%	21%	18%	16%	15%
Net U/W combined ratio	103%	102%	94%	96%	66%	85%

¹ Source: Australian Prudential Regulation Authority (APRA) Quarterly General Insurance Performance Statistics June 2023.

Australian General Insurance Statistics¹

Premiums and claims by class of business

Premiums and claims by class of business	Commercial motor vehicle		Fire and ISR		Public and product liability		Professional indemnity	
	Year End June 2022	Year End June 2023	Year End June 2022	Year End June 2023	Year End June 2022	Year End June 2022	Year End June 2022	Year End June 2023
Gross written premium (\$m)	3,412	3,991	6,944	8,170	3,346	3,739	3,869	3,670
Number of risks ('000)	2,012	+5.5% 2,122	1,815	-0.1% 1,814	9,597	-2.4% 9,368	775	-4.3% 742
Average premium per risk (\$)	1,696	+10.9% 1,881	3,826	+17.7% 4,504	349	+14.5% 399	4,992	-0.9% 4,946
Outwards reinsurance expense (\$m)	609	644	3,048	3,509	981	1,028	1,250	1,347
Gross earned premium (\$m)	3,275	3,685	6,950	7,907	3,202	3,521	3,438	3,610
Cession ratio	19%	17%	44%	44%	31%	29%	36%	37%
Gross incurred claims (current and prior years) net of non-reinsurance recoveries revenue (\$m)	2,218	2,540	4,633	1,714	1,625	1,953	2,219	2,360
Gross earned premium (\$m)	3,275	3,685	6,950	7,907	3,202	3,521	3,438	3,610
Gross loss ratio	68%	69%	67%	22%	51%	55%	65%	65%
Net incurred claims (current and prior years) (\$m)	1,708	2,144	1,684	880	1,401	1,730	1,129	1,375
Net earned premium (\$m)	2,667	3,041	3,902	4,398	2,221	2,492	2,187	2,262
Net loss ratio	64%	71%	43%	20%	63%	69%	52%	61%
Underwriting expenses (\$m)	616	677	1,307	1,467	607	668	295	350
Net earned premium (\$m)	2,667	3,041	3,902	4,398	2,221	2,492	2,187	2,262
U/W expense ratio	23%	22%	33%	33%	27%	27%	13%	15%
Net U/W combined ratio	87%	93%	77%	53%	90%	96%	65%	76%

¹ Source: Australian Prudential Regulation Authority (APRA) Quarterly General Insurance Performance Statistics June 2023.

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Certain non-IFRS financial information has been included within this presentation to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. Steadfast uses these measures to assess the performance of the business and believes that the information is useful to investors. Non-IFRS information, including underlying income statement items, pro forma income statement items, underlying earnings before interest expense (after premium funding interest income and expense), tax and amortisation of acquired intangibles (EBITA), underlying NPAT, underlying net profit after tax but before (pre tax) amortisation (NPATA), underlying EPS (NPAT) (NPAT per share) and underlying EPS (NPATA) (NPATA per share), have not been subject to review by the auditors. FY13 and FY14 results are pro forma and assume the Pre-IPO Acquisitions and the IPO Acquisitions were included for the full reporting period (all of the IPO Acquisitions completed on 7 August 2013). Prior period underlying EPS (NPAT) and underlying EPS (NPATA) have been adjusted to reflect the re-basing of EPS post the February/March 2015 1:3 rights issue. All references to Aggregate refer to the 100% aggregation of all investees' results regardless of Steadfast's ownership interest. Underlying EPS (NPAT) and underlying EPS (NPATA) for FY20 have been calculated as if all shares issued in FY20 pursuant to the IBNA acquisition and PSF Rebate acquisition were issued on 1 July 2019. To ensure comparability, underlying EBITA also deducts the interest expense on lease liabilities and depreciation of right-of-use assets from 1 July 2019.

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Prevailing current exchange rates have been used to convert local currency amounts into Australian dollars, where appropriate. All references starting with "FY" refer to the financial year ended 30 June. All references starting with "1H" refers to the financial half year ended 31 December. "2H" refers to the financial half year ended 30 June.



Questions



Steadfast 
THE STRENGTH YOU NEED