Cover·More
GROUP LIMITED

13 November 2015

The Manager
Company Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney, NSW 2000

ASX ANNOUNCEMENT
Via Electronic Lodgement

Dear Sir/Madam

COVER-MORE GROUP LIMITED (ASX Code: CVO) – ANNUAL GENERAL MEETING ADDRESSES TO SHAREHOLDERS

Cover-More Group Limited will address shareholders today at its Annual General Meeting to be held in the Fort Macquarie room at the InterContinental Hotel, 117 Macquarie Street, Sydney NSW 2000, commencing 10am (AEDT).

A live webcast of the meeting can be viewed here or accessed through the Cover-More website, www.covermore.com/content/20/en/media-releases.html.

Attached is a copy of the Chairman's address, Group Chief Executive Officer's address and the Annual General Meeting presentation.

For further information, please contact:

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Yours faithfully,

Mark Steinberg
Company Secretary

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Cover-More Group AGM 2015 address: Chairman Louis Carroll

Good morning everyone and welcome to the second Annual General Meeting of Cover-More Group Limited.

My name is Louis Carroll and I am the Non-Executive Chairman of Cover-More Group Limited.

I believe we have the necessary quorum present, so we can proceed. I now officially declare our meeting open.

Before I proceed with the formal part of our meeting, I would like to introduce my fellow directors.

- Peter Edwards, Managing Director and Group Chief Executive Officer
- Sam Mostyn, Independent Non-Executive Director
- Lisa McIntyre, Independent Non-Executive Director
- Stephen Loosley, Independent Non-Executive Director and
- Trevor Matthews, Independent Non-Executive Director.

I also introduce William Easton who, with your approval will join our Board today as an Independent Non-Executive Director. William is unable to attend in person today however, you will see a brief video address from William later in the proceedings.

I would also like to introduce our Group Chief Financial Officer and Company Secretary, Mark Steinberg.

Also present today is Scott Fergusson from the company's auditors, PricewaterhouseCoopers.

I will provide an overview of the 2015 year, and then, before the formal business of the meeting I will ask our Group Chief Executive Officer, Peter Edwards, to detail key highlights of our Group performance in the 2015 financial year and describe the strategic direction and outlook for 2016.

By any measure, Cover-More's financial results for FY2015 were strong.

We delivered double digit NPATA growth in a tough operating environment, given the subdued trading conditions in Australia, our major market.

These results clearly demonstrate three significant features of Cover-More Group.

1. The increasing **resilience and scalability** of our business model.
2. The increasing **channel and geographic diversification** of our revenue streams.
3. The **potency** of our ability to deliver unique benefits to our retail agency and intermediary partners globally.

The key financial highlights of FY15 that I wish to point out are:

- 8.9% growth in gross sales to $466.8 million
- 7.2% higher earnings before interest, tax, depreciation and amortisation, EBITDA, of $52.0 million, compared with last year

- 10.3% higher net profit after tax before acquired amortisation, NPATA, of $31.1 million, compared with FY14
- 14.9% growth in operating cash flow before capital expenditure to $54.8 million and
- 93.1% conversion of EBITDA into cash flow, after capital expenditure.

This allowed your Board to declare a fully franked dividend of 4.1 cents per share bringing total FY15 dividends to 9.1 cents per share.

The business maintained a conservative gearing level, with net debt at the end of the financial year being 0.6 x EBITDA.

I want to point out that this strong set of financial results was achieved in a difficult operating environment. During FY15, the Australian dollar depreciated from 94 to 76 US cents, a 19% depreciation.

A lower Australian dollar increases the costs of claims overseas which creates margin pressure.

Outbound travel in Australia in FY15 grew by only 1.8%, which is the slowest growth in the past decade, and underscores the performance of our travel insurance business in Australia which grew at more than three times the underlying market growth rate.

Operationally, the business aligned to highly developed strategic priorities which encompass best-practice thinking around true **customer value**, **scalable operational platforms**, **digital transformation** and **investment for growth**.

Asia remains a high-priority, high-potential regional market for Cover-More—as it does for all Australian business. As Prime Minister Malcolm Turnbull said to the Melbourne Institute's 2015 Economic and Social Outlook conference earlier this month: 'for the first time in 300 years … the number of Asian middle class consumers equals the number in Europe and North America combined.'

So, I am pleased to report that in FY15, our Asian operations grew gross sales by 22% and EBITDA by 50%. Asia now delivers 15% of Group EBITDA on a pre-corporate allocations basis.

Our business in India continues to demonstrate very pleasing growth and while our travel insurance penetration into China is slower, more resource intensive and more complex than we hoped, we are pleased that in FY15 we launched our first e-commerce travel insurance offering in a country with more than 590 million active internet users.

Across our operations, Cover-More Group continues to focus on improving customer and channel profitability as well as new business acquisitions with a healthy customer acquisition pipeline in place that stretches through Asia to the United States and Canada.

Again, I will leave it to Peter Edwards to describe customer acquisition in more detail shortly. Suffice it to say, that the business is well positioned and sufficiently agile to enter new, and large, global markets.

While I may have only taken up the role of Chairman for Cover-More Group this year, my association with Cover-More goes back for more than 25 years.

In 1988 I founded the travel assistance company that was subsequently purchased by Cover-More in 1997 and is at the heart of Cover-More's medical assistance offering.

I have been on the board of Cover-More for the past twelve years and have seen the business evolve and corporatise over this time.

As your Chairman, I aim to continue to ensure the board focuses on entrepreneurship and innovation, two key characteristics that have driven the evolution of Cover-More.

In the past decade, I have seen the business develop to become increasingly customer focused, more diversified across both channel and geography and technologically savvy.

Let me provide some recent examples.

Firstly, **customer focus**.

In response to the April 2015 Nepal earthquake, Cover-More chartered an airbus and sent a team of people including trauma counsellors and emergency medical personnel to assist with trauma counselling, repatriation and medical care of affected travellers.

Cover-More was the only travel insurance business to do this and this holistic approach to the wellness of travellers illustrates Cover-More's long-term commitment to medical excellence and making travellers feel safe overseas.

Of particular note is the role that technology played as Cover-More was able to use our Global SIM card to locate travellers quickly and deliver exceptional customer service and care.

Secondly, **diversification**. Cover-More grew revenue and EBITDA in the Asia region by 22% and 50% in FY15. Standout successes in the past 12 months include India, growing at 33%, New Zealand, growing at 35% and the UK growing at 28%.

The success of Cover-More in overseas markets illustrates that our customer-focused approach, technology and understanding of travellers is best practice globally and not merely strong in Australia.

Our increasing offshore success also underscores the inherent strength of Cover-More's business model. Because of this, we are able to enter new global markets with significantly reduced risk—it is a compelling feature of our growth aspirations.

Over time, the importance of these markets outside Australia will continue to increase.

Next, **technology**. Significant investment over the past 12 months in building a single view of the customer. In FY16, Cover-More is rolling out the *MyCover-More* platform, which is a key step in driving a broader and deeper relationship with customers and which will create exciting growth opportunities for the business over the next three years.

Since 2008, the business has grown revenue and EBITDA by an average of 10.3% and 22.4% respectively. Through a continued focus on the customer, diversification and technology, your Board and I believe the business can continue to deliver strong growth and innovation well into the future.

I thank our customers and shareholders for their continued support for Cover-More. I would also of course like to thank all the employees and management at Cover-More on whom we depend for our success.

I will now hand over to the Cover-More Group CEO, Peter Edwards, who will discuss the company's performance, strategic direction and prospects in more detail.

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Cover-More Group AGM 2015 address: Group Chief Executive Officer, Peter Edwards

Thank you Louis and good morning everyone.

Next month on the 19th December, it will be exactly two years since Cover-More Group listed on the ASX—and I am very pleased to report that in our second year as a listed company, Cover-More again delivered double digit growth in our travel insurance activities and consolidated earnings.

Importantly, our FY15 results demonstrate that Cover-More continues to establish a long-term pathway for growth through the quality and diversity of those earnings.

Cover-More continues to win new partners globally by doing three things very well.

1. Providing tangible innovation for travellers.
2. Driving commercial alignment deep into our relationships with business partners.
3. Remaining agile in a global operating environment that is increasingly and rampantly volatile.

Today while I will look back over our FY15 performance, I want to spend time describing our strategic priorities and to share with you our crystallising plans to enter the North American travel insurance market and the global e-commerce market.

I'll begin with an overview of the 12 months ending 30 June 2015.

In a year when growth in outbound leisure departures in our major market of Australia fell from 7.3% to 1.8%, Cover-More was able to deliver double digit growth across all our travel insurance activities.

In a year when the Australian dollar fell by 19% against the US dollar, a currency in which a significant proportion of our claims are paid, we were able to deliver double digit NPAT earnings growth.

We have a resilient business and business model, which is capital light, scalable and repeatable. This will enable Cover-More to continue our drive for growth and diversification: by country, by channel, by partner, by market and by income source.

Our relentless pursuit in this regard will ensure that Cover-More continues to evolve as an Australian company which increasingly participates on a global stage and, in doing so, delivers consistent growth in revenue and earnings for our shareholders.

In Australia, in FY15, we faced softer underlying market growth impacted by lower levels of consumer sentiment and currency depreciation. Nonetheless, our Australian business has historically grown at above market rates and we outperformed the market again in FY15 with gross sales growth of 6.3%, more than three times leisure travel growth rates.

This reflects our ability to grow sales through our focus on driving commercial advantage with our partners, our investments in technological innovation and our genuine focus on the customer experience.

In the past 12 months, we secured some noteworthy new partnerships and a number of firsts for our group. These provide us with excellent momentum as we progress into FY16.

I want to start by talking about Virgin Australia, our first airline partner in Australia.

Our partnership with Virgin went live in the early hours of Friday morning, the 30th October.

I would like to take this opportunity to acknowledge the efforts of our joint project team in achieving this on-boarding in just five months. However, Cover-More also acknowledges that our real work is just beginning as we set about delivering a significant difference to Virgin Australia's ancillary revenue generation.

We aim to do that through our intrinsic focus on customisation, the customer experience and online optimisation and the priority we bring to transparency and shared decision-making through our aligned interest model.

I look forward to what I believe will be an enduring and mutually-rewarding relationship with Virgin Australia.

In the coming year, we also expect to incorporate Virgin's Velocity frequent flyer program into the travel insurance relationship in Australia.

In terms of other new partnerships we also secured In FY15, Cover-More entered into an exclusive arrangement with *helloworld*, Australia's second largest travel agency group—and we also secured partnerships with P&O Cruises, Captain's Choice, Luggage Direct and Travelex.

Activities in New Zealand and the United Kingdom reflected healthy progress with these businesses recording growth of 34.5% and 28.3% respectively.

In terms of other new partnerships we started working with New Zealand's largest general insurer, IAG NZ and their brands: State, NZI and AMI—and we also acquired our first banking partner.

In the UK, we began working with AJ Gallagher, Low Cost Travel Group, Baxter Hoare, My Vacations and Original Travel.

Our result **in Asia**, with EBITDA growth of 50% on a like-for-like basis, was achieved despite our businesses there facing a number of unanticipated challenges such as Schengen visa issues in India and the Malaysia Airlines tragedy in early FY15.

Our business in Asia now contributes 15% of group profit on a like-for-like basis compared to approximately 10% in FY14. We are stretching our international boundaries.

In India in FY15, we secured new partnerships with American Express and Travel Air, the largest retail travel agency in Bangalore. We are also breaking into the intermediary channel in India and I draw a parallel to our strategy in Australia where we built off initial strength in the agency channel to extend market leadership across other intermediary channels—and we only commenced this in 2012.

Cover-More's expansion into China has been slower and more difficult than anticipated. We continued to face delays in deploying our travel insurance solution.

A strategic refocus on higher-margin assistance business led to a reduction in volume however, importantly, we improved gross profit by 47% year-on-year.

Nonetheless, we remain confident that China, alongside India, will be two powerhouses of the region and we are investing to build out the management depth and capability in our China business.

A new Director of Sales has been appointed for China as well as a new Regional Sales Director for Asia, both of whom bring significant experience in the Asian region. We anticipate the announcement of a new CEO for our China business in the next week.

Finally, our **medical assistance** sales grew to $66 million. During the first half of FY15 our medical assistance sales grew consistent with historic rates however, the loss of a key contract in our employee assistance business in the second half impacted assistance results and led to a more modest growth rate year-on-year of 1.9%.

Despite slower revenue growth, gross profit across these activities increased by 12% in absolute terms, underpinned by operational integration and productivity initiatives.

And over the past 18 months, gross profit in these activities has improved by a commendable 8.7 percentage points.

We also launched our new Travel GP service under an exclusive agreement with Telstra Health's ReadyCare telemedicine service.

This allows us to connect overseas travelling Australians with an Australian-based GP if that is the most appropriate form of medical assistance required. It is the comfort of the familiar that we aim to provide to travellers overseas.

Cover-More is the only travel insurance provider in Australia to offer this—and it is further evidence of our success in offering differentiation.

And in our usual manner, we consider there to be much more we can do to enhance the traveller experience and increase the share of the traveller's wallet for our distribution partners.

Cover-More continues to invest to grow at above market levels in Australia allowing Cover-More to deepen relationships with end customers and deliver unique and compelling customer value.

I now want to point out the strength of Cover-More's business fundamentals.

Our business continues to demonstrate:

- **consistent double-digit growth in travel insurance gross sales** over several years, continuing in FY15
- **diversified revenue streams** across segment, channel, as Asia now comprises 15% of group EBITDA and Health comprises 37%
- **attractive margins**
  - our scalable operating model continues to deliver cost benefits and FY15 saw NPAT growth of 13.7%
  - we continue to deliver productivity gains in our Assistance business with EBITDA earnings up 13.5%
- **strong cash flow**
  - cash flow growth after Capex of +11.5%
  - operating cash flow after CAPEX of $48.4 million and 93.1% cash conversion
- **capital light**
  - $6.4 million of capital investment in FY15 versus $4.3 million in FY14, reflecting group investment in the Cover-More technology platform to support growth, most notably the commencement of the *MyCover-More* solution for customers.

In summary, Cover-More continues to be a fast growing, capital light, agile business with a unique and innovative business model.

I want to pause here to reflect on where Cover-More has come from…to demonstrate how our business has evolved over the past five years. And it is our sheer determination to evolve on our own terms, to face the future with energy and excitement, not inertia, that will see our business continue to grow.

Five years ago, Cover-More's business was dependent on a single distribution channel largely in one country. Our operating infrastructure was aligned to the retail channel and was limiting growth.

We had little, if any, online presence and small, sub-scale businesses in the United Kingdom and New Zealand.

We had no presence in south-east Asia, India or China.

Our distribution partnership looked like this.

[Cover-More's distribution 2010: slide #11]

Our focus in Australia centred primarily on the retail agency channel.

Five years later, the picture is very different.

[Cover-More today: slide #12]

Cover-More has a single, scalable and sophisticated global operating platform.

We have innovative, proprietary online optimisation technology in IMPULSE.

We have expanding operations in Australia, China, India, Malaysia, New Zealand and the United Kingdom.

We are on the cusp of entering the North American market and also the global e-commerce market.

We are listed on the Australian Securities Exchange, part of the ASX200 and have for the second year on the ASX posted double digital growth results.

In 2015, our distribution partnerships are both retail and intermediated—including household brand names such as Flight Centre, Medibank, Virgin, Australia Post, NRMA Insurance and Air New Zealand.

Our online business is strong and allows us a controlled test platform as we further finesse our new '*keep travelling*' customer value proposition.

Cover-More's employee assistance business, DTC, services seven of the 10 largest companies in Australia.

Cover-More's execution of the key diversification aspects of our business back in 2011, has delivered the resilience reflected in our FY15 trading results; notwithstanding the backdrop of very difficult trading conditions.

With a capital-light, scalable and repeatable business model, the only things constraining what Cover-More might look like in 2020 are the limits of our own imagination and our ongoing ability to execute.

We continue to focus on five core strategic growth priorities. Let me go through those and then I will discuss the prominence of each in our outlook for FY16.

1. Customer experience.

In what is a golden era of customisation, we know that Cover-More's continuing success will be centred on the customer experience.

Our genuine focus on the customer—rather than the product—means we are able to de-commoditise our travel insurance and assistance offering to build out unique and compelling value to travellers.

Cover-More believes in making the end-customer experience simpler, faster, richer and more compelling across all parts of our businesses in a way that will continue to differentiate us from competitors and provide increased levels of customer advocacy and loyalty.

And it is this foundation that will continue to shape Cover-More's business into tomorrow.

2. Partner relationships.

We focus on helping our existing partners build more successful businesses financially and build deeper relationships with their own customers or employees.

In providing products and services to our business partners, we go to great lengths to reinforce their brand values. The imperative to deliver both peace-of-mind and assistance services in times of need are always foremost in our minds.

Cover-More is focused on driving commercial advantage with our partners through economic alignment, clarity of strategic aspirations and a focus on unlocking residual commercial value within their businesses and with their customer data.

So while we are specialists in creating and delivering best practice solutions for travellers, our commercial focus is on delivering enhanced profit solutions and more enduring customer relationships for our partners.

It sets Cover-More apart from those with whom we compete.

3. Digital transformation.

Digital transformation and our intelligent use of data will play a significant role in Cover-More's future.

Today we live in a world where we are probably one iPhone away from connecting most people in the entire world to each other—and with that comes increasingly sophisticated and demanding consumers who will not tolerate cumbersome, out-dated or impersonal customer experiences.

Just consider that since 2013, Facebook and Google have become two of Australia's most influential brands, Apple has released five more iPhones, Airbnb has become a $20 billion company, Uber has disrupted the global taxi industry and big data is poised to reshape the way we live, work and think.

Cover-More understands the sheer, fascinating commercial power of data—of our own data and the customer data of our distribution partners.

As we look to the future, we will not only be able to drive greater revenue and earnings for our distribution partners through the optimisation of data to drive sales conversion—more importantly, Cover-More sees that the true power of data can be unleashed in designing and delivering superior customer value propositions and building a stand-alone business around that. That is what we propose to do.

As a long-time CEO of Google, Eric Schmidt, said '*there were five exa-bytes of information created between the dawn of civilisation through 2003, but that much information is now created every two days.*'

Cover-More does not intend to be an observer in this era of big data. We aim to be a leader, a facilitator and a ground breaker.

We continue to accelerate digital transformation, building on our industry-leading e-commerce technology platforms, such as IMPULSE. This increasingly involves unlocking and maximising the value of data—we aim to leverage customer data from our partner relationships and drive commercialised data outcomes.

4. Efficiency.

Cover-More continues to have a singular focus on sharing common platforms, simplifying our processes and eliminating waste. We have already seen this bear fruit, for example the ability to rapidly scale up our travel insurance operations in several markets and also through the margin improvements in our medical assistance businesses.

5. Investing for growth.

We will continue to invest resources to diversify our markets and channels, acquiring new business, new partners and new resources.

New business wins have provided momentum to our business entering the new financial year and we expect that all of these contracts, as they scale up, will support Cover-More continuing to grow at double-digit levels throughout FY16.

I want to punctuate my address with a closer look at why Cover-More travel insurance is different.

Cover-More always places the customer experience and the well-being of our customers at the centre of our decision-making and since Saturday 25 April 2015, one single word emerged that, even on its own, dramatically demonstrates our powerful customer focus and how we are different from every other travel insurance provider in the world.

That word? Nepal.

I would now like to share a brief video that presents an overview of our response to our customers who were trapped in Nepal at the time of the devastating earthquake in April.

Cover-More's response to the devastating earthquake that decimated the fragile, mountainous country was unique, spontaneous and defining.

We were the only travel insurance provider to charter an airbus and send an assistance team in to bring travellers home—and not just our customers and our partners' customers but customers of other insurers, frightened people who just wanted to return home safely to family and loved ones.

We were the only travel insurance provider who could employ our own custom Global SIM to locate affected customers in the region and reach out to them and organise their evacuation from Kathmandu.

We were the only travel insurance provider who sent a team into Nepal including experienced trauma counsellors from DTC who were able to help people come to terms with what had happened, with what they had witnessed and for some, an overwhelming sense of fragility and survivor guilt.

What makes Cover-More different?

We are a group of committed and expert individuals who focus on being able to deliver unique care to travellers, employees and communities in difficulty, in danger or in despair.

We do that in a sustainably commercial framework with an adept and implacable focus on the customer and pathways to growth.

I'll turn now to the outlook for FY16 and how our business is performing to date in the new financial year.

It's pleasing to note that Q1 FY16 gross travel insurance sales across the group recorded growth of 10.2%. Within this Australia, our largest market, has delivered a pleasing year-on-year growth rate of 8.5%, exceeding the 6.3% year-on-year growth we experienced over the course of FY15.

In the domestic market this has been achieved in weaker trading conditions impacted by subdued consumer sentiment, a depreciating Australian dollar and softer levels of outbound travel growth.

Additionally, we continued selectively repricing to recover margins. This is ongoing with a view of fully restoring margins over time.

The Virgin integration, while in its early days, is operating in accordance with expectations.

In New Zealand, sales growth has been flat due to changes in our business partner's online booking and purchase paths.

While such changes would typically have quite a dramatic effect on conversion rates, we have been able to leverage our digital and e-commerce optimisation expertise to mitigate the impact of this enforced change.

As I mentioned earlier, we are in the process of implementing an innovative partnership with a financial institution in New Zealand to deliver integrated and white-label insurance solutions. Additionally, we continue to implement the corporate travel product for a broker partner in this market. Both these initiatives remain on track.

The United Kingdom has achieved double-digit growth rates well ahead of our FY15 performance and we continue to look for opportunities to build out scale in this market.

In India, we continue growing at very strong rates, with Q1 growth rates in excess of 60% year-on-year.

Over the past eighteen months we have invested to build out the required capability to migrate the Indian business into the e-commerce and intermediary channels. This strategy has paid off as we have just secured our first intermediary channel partner in the region, Goibibo, which is one of the top three online travel aggregators in India.

There are strong parallels between what we are achieving in India and the strategy we embarked on five years ago in Australia. That is, we are building off initial strength in the agency channel to extend market leadership across other intermediary channels. Our progress reflects the successful deployment of this repeatable model in India.

In south-east Asia, we have been impacted as a result of the uncertainty experienced by our key trading partner. Nonetheless, we have re-secured this business and expect performance to improve in the near-term as their business begins to normalise.

Our business in China has stabilised after a disappointing FY15 performance with margins continuing to improve in our China medical assistance business. We are confident in the long term potential of this region and we are investing to build out management depth and capability. We are in the late stages of appointing a new CEO to lead our China business and we expect an imminent announcement on this.

Finally, revenue from our medical assistance business has been lower than the prior corresponding period in trading to date. This has been driven by the continuing impact of a key contract loss in our employee assistance business which we discussed with the market at our full year FY15 announcement.

In addition there has been a decline in external case volumes in our travel assistance business. However, case volumes relating to the Cover-More travel insurance business remain strong reflecting the top-line sales growth in travel insurance.

As we look ahead for the remainder of FY16, we expect that our sales growth will continue at similar rates to those which have been achieved in the first quarter. While we remain cognisant of the potential impacts of consumer sentiment remaining subdued, we nonetheless anticipate continuing our track record of growing at rates ahead of the underlying market.

Of note, we are seeing discernible trends towards an increase in the purchase lead-times of travel insurance, which we measure by number of days in advance of travel. This has increased by up to 15% in some of our partners and of course increases the period for which we are on-risk for cancellation related coverage.

We will continue to take corrective actions to restore margins and do not expect any adverse impact on volumes.

We have a firm view that our economies of scale, costs to operate and the nature of our distribution relationships place us in an advantageous position against our competitors as the Australian currency begins to stabilise. We are well placed to benefit from any currency gains, should they materialise.

We expect H2 to reflect a healthy contribution from new business wins, portfolio optimisation and re-pricing efforts.

A prominent feature of our full-year FY16 result will be the contribution from international operations.

Our Indian business continues to grow impressively and growth in the first half of the year should significantly exceed H2 FY15. The contributions from Goibibo and other anticipated intermediated partners will add to already impressive underlying momentum.

We also expect momentum in south-east Asia to improve with the stabilisation of our major trading partner and new contract wins through the dedicated sales focus Cover-More now has in that region.

Turing to the United States, I am pleased to announce that we have exchanged letters of intent with a major insurance player as we work towards a contract finalisation with this partner.

We are pursuing a JV model to leverage our partner's established brand and infrastructure—which speaks to the agility and scope of our business model. Operations are still anticipated to commence in Q4 FY16.

Planning and execution continue with a European-based global insurance partner to deploy a Global Direct online business model across a number of key geographies. We expect this deployment to commence in Q4 FY16 with a profit contribution in FY17.

Finally, we have commenced the process of developing commercially viable solutions to harness our customer data and to provide travellers with unique and enriched experiences through integrated partnerships. While we do not anticipate any direct financial impact in the course of this financial year, we are laying the groundwork for FY17 and beyond.

Cover-More continues to grow and to win new partners globally by doing three things very well.

1. Providing tangible innovation for travellers.
2. Driving alignment deep into our relationships with business partners.
3. And remaining agile in a global operating environment with a model that is scalable, repeatable and proven.

We will continue to leverage structural growth trends and our specialised expertise, scale advantages, data and proprietary systems to deliver strong earnings growth and shareholder returns in FY16 and beyond.

I take this opportunity to thank the members of my team, the employees of Cover-More globally and our shareholders for their support.

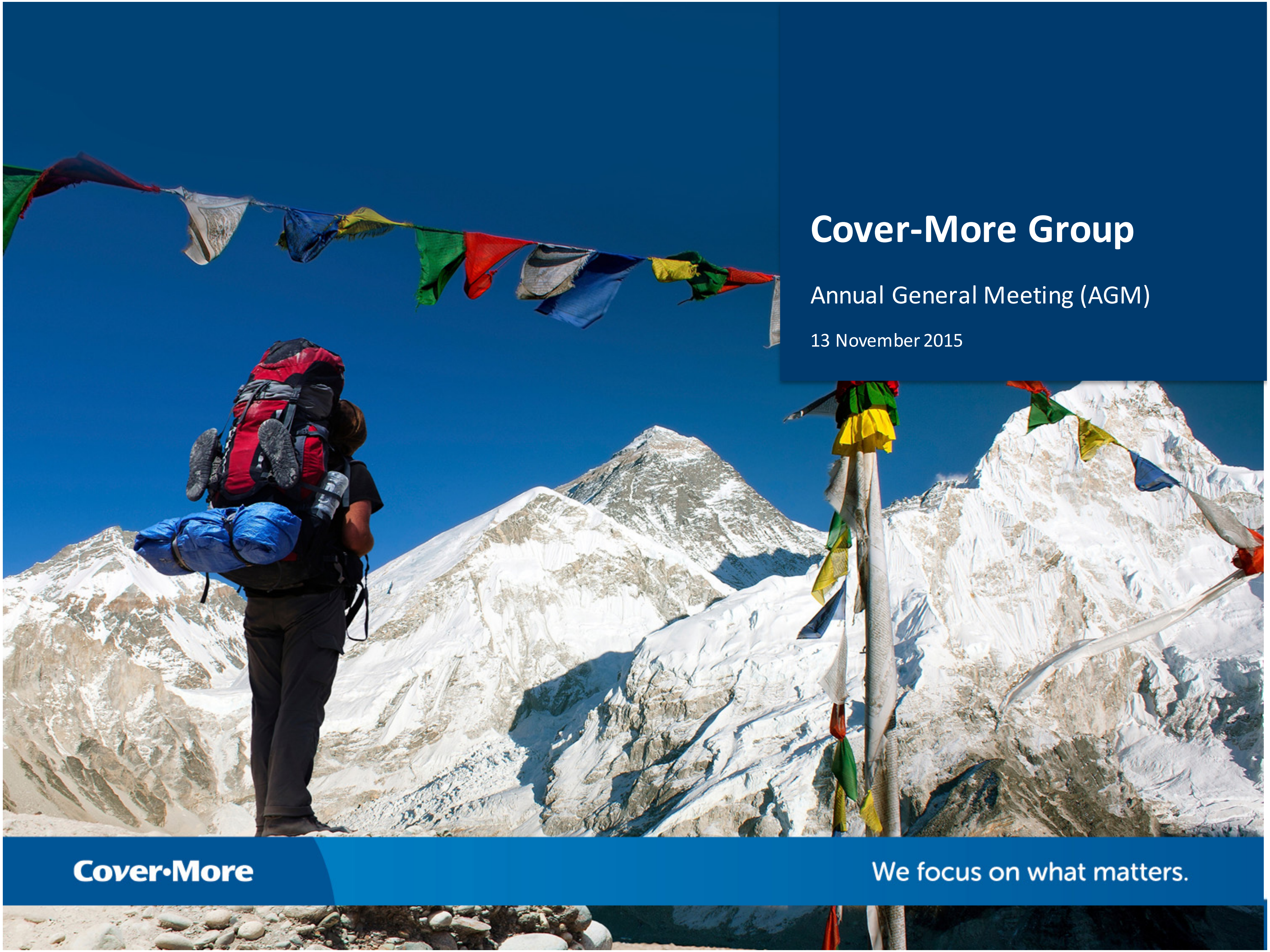
Thank you.

ENDS

Cover-More Group

Annual General Meeting (AGM)

13 November 2015



Cover-More

We focus on what matters.

Opening address

Mr Louis Carroll

Chairman, Cover-More Group

Results overview: highlights

Strong financial performance with gross revenue growth of 8.9% and NPAT growth of 13.7% in FY15. Exceptional operating cashflow conversion (before capex) of 105.4%

	FY15 $m	Proforma[1] FY14 $m	yoy growth %	
Gross Travel Insurance Sales	400.8	363.9	10.1	⬆
Gross Medical Assistance Sales	66.0	64.8	1.9	⬆
Total - Gross Sales	**466.8**	**428.7**	**8.9**	⬆
Net Travel Insurance Sales	156.9	149.1	5.2	⬆
Net Medical Assistance Sales	66.0	64.8	1.9	⬆
Total - Net Sales	**222.9**	**213.9**	**4.2**	⬆
EBITDA	**52.0**	**48.5**	**7.2**	⬆
EBITA	47.1	43.5	8.3	⬆
EBIT	39.5	35.7	10.6	⬆
NPAT	25.8	22.7	13.7	⬆
NPATA	31.1	28.2	10.3	⬆
Earnings per share (cents)[2]	9.8	8.9	10.3	⬆
Dividend per share (cents)[3]	9.1	7.2	26.4	⬆
Net borrowings	32.1	25.0	28.4	–
Operating free cash flow before capital expenditure	54.8	47.7	14.9	⬆
Operating free cash flow after capital expenditure	48.4	43.4	11.5	⬆
Cash conversion ratio (before capex)	105.4%	98.4%		⬆
Cash conversion ratio (after capex)	93.1%	89.5%		⬆

[1] Excluding underwriter profit share

[2] Earnings per share calculated on the basis of NPATA

[3] FY15 dividend

Cover-More’s evolution

Customer focus

- In response to the April 2015 Nepal earthquake, Cover-More chartered an airbus and sent a team of people including trauma counsellors and emergency medical personnel to assist with trauma counselling, repatriation and medical care of affected travellers.
- Cover-More was the only travel insurance business to do this and this holistic approach to the wellness of travellers illustrates Cover-More’s long-term commitment to medical excellence and making travellers feel safe overseas.
- Of particular note is the role that technology played as Cover-More was able to use our Global SIM card to locate travellers quickly and deliver exceptional customer service and care.

Diversification

- Cover-More grew revenue and EBITDA in the Asia region by 22% and 50% in FY15. Standout successes in the past 12 months include India, growing at 33%, New Zealand, growing at 35% and the UK growing at 28%.
- The success of Cover-More in overseas markets illustrates that our customer-focused approach, technology and understanding of travellers is best practice globally and not merely strong in Australia.
- Our increasing offshore success also underscores the inherent strength of Cover-More’s capital-light, scalable and repeatable business model. Because of this, we are able to enter new global markets with significantly reduced risk—it is a compelling feature of our growth aspirations.

Technology

- Significant investment over the past 12 months in building a single view of the customer. In FY16, Cover-More is rolling out the *MyCover-More* platform, which is a key step in driving a broader and deeper relationship with customers and which will create exciting growth opportunities for the business over the next three years.
- Since 2008, the business has grown revenue and EBITDA by an average of 10.3% and 22.4% respectively. Through a continued focus on the customer, diversification and technology, your Board and I believe the business can continue to deliver strong growth and innovation well into the future.

AGM address

Mr Peter Edwards

Group Chief Executive Officer, Cover-More Group

Results overview: highlights

Insurance Australia tripled market growth; NZ and UK continue double-digit growth

Australia /NZ/UK		

	Australia	• Gross travel insurance sales **growth +6.3%** compared to market (+1.8%)[1]
		• Claims cost increase in H2 FY15 of 5.9ppt due to currency and mix change. H2 FY15 included three quarters of claims cost increase related to FX which is progressively being re-priced
		• Direct 'costs to operate' reduced by 1.1ppt through productivity improvements
		• Median claims settlement timeframe improvement of 25%. Introduction of Net Promoter Score measurement across activities to 'claims officer' level to improve customer experience
		• New partners:
		    • Secured first Australian airline partner, **Virgin Australia** (commencing Oct 15) expected to incorporate frequent flyer programme, **Velocity**
		    • Secured new partnerships with **P&O Cruises**, **Captain's Choice**, **Luggage Direct** and **Travelex**
		    • Secured five-year exclusive partnership with **Helloworld**
		• Commenced integration of major retail partner (integration on hold; expect to resume in H2 FY16)
		• Performed due diligence on two acquisitive opportunities which were subsequently not completed

	NZ	• Sales **growth +34.5%** through full year impact of Air NZ
		• Achieved clear market share leadership[2]
		• Commencing roll out of new Corporate Travel Insurance programme
		• New partners:
		    • Secured and integrated **IAG NZ** (including AMI, NZI and State brands)
		    • Secured first bank partner with a planned integration of IMPULSE across their CRM platform

	UK	• Sales **growth +28.3%** (+31.6% pcp H2) and gross profit improvement of 11.2ppt • Sales growth in **Direct sales +35%** pcp • New partners: • Secured partnerships with **AJ Gallagher**, **Low Cost Travel Group**, **Baxter Hoare**, **My Vacations** and **Original Travel** • Three acquisitive opportunities reviewed: two discounted, one in continuing discussions

[1]Australian Bureau of Statistics data relating to leisure travel - incorporating Holiday, Visiting Friends/Family and Other categories as of August 2015; [2]Management estimates

Results overview: highlights

Increasing offshore focus: Asia EBITDA grew by 50%[1] and now makes up 15%[1] of Group profits

Asia

India

- Sales **growth of +32.5%** (+43.2% pcp H2) and gross profit improvement of 1.2ppt
- New partners:
  - Secured American Express, Travel Air (Bangalore's largest retail agency)
  - Advanced discussions with airline and online travel agency partners
  - Expansion to new intermediary channels reflects successful deployment of Cover-more international market strategy
- Commenced shared services activities for other Cover-More Group businesses

South-east Asia

- Sales **growth +12.8%** (+16.9% pcp H2) and underlying gross profit growth of +30.0% despite ongoing trading difficulties faced by major trading partner
- New partners:
  - Secured and commenced partnership with Sinar Mas, one of the largest conglomerates in Indonesia (commenced Jul 15)
- Actively supporting MAS corporate reorganisation - greater clarity on outcomes expected in H1 FY16

China

- Decline in sales volume across core medical assistance business
- Continued to face delays in deployment of travel insurance solution
- Notwithstanding poor sales execution, the business achieved underlying +47% gross profit growth pcp
- New Director of Sales appointed in China
- New Regional Sales Director appointed with strong Asia, Technology and Travel Insurance experience. Responsibility for Singapore, Malaysia, Indonesia and China
- Expect to announce the appointment of new CEO in China

[1] Adjusted on like-for-like basis to account for change in FY15 accounting treatments relating to reallocation of shared services overheads and Group Corporate costs to Asia business

Results overview: highlights

Assistance earnings +13.5% with gross profit improvements up +4.1ppt, offsetting lower sales growth +2%

Medical Assistance

- Sales **growth of +1.9%** (H1 +6.7%, H2 -2.9%)
  - Travel medical assistance sales growth of +6.4%
  - Employee assistance sales growth flat against pcp due to loss of major contract with effect in H2
- Direct costs to operate reduced by 4.1ppt, leading to gross profit growth of +12.0%. Consolidated gross profit improvement of 8.7ppt since operational integration and productivity initiatives commenced 18 months ago
- New partners:
  - Secured new global agreement with major financial institution in employee assistance
  - Secured agreements to provide Cover-More's travel medical capabilities to further financial and educational institutions
- Response to tragic events showcased best-in-class assistance capabilities across both businesses (Nepal, Martin Place siege, major sporting codes)
- Launched Travel GP in partnership with Telstra Health's ReadyCare

Group

Dividend

- Dividend of 4.1 cents per share (fully franked), bringing total dividends to 9.1 cents per share (fully franked) declared for FY15

People

- Will Easton, Managing Director of Emerging Markets for Facebook (former Managing Director of Facebook Australia, senior executive with Google and Microsoft) appointed to Cover-More Group Board with effect from 1 September 2015

Cover-More business

Cover-More continues to be a fast growing, capital light business with a unique and innovative business model

Consistent growth

- Gross revenue growth of 10.3% p.a. and net revenue growth of 14.2% p.a since 2008
- Strong EBITDA growth of 22.4% p.a. since 2008

Diversified revenue streams

- Increasing diversification across segment, channel, geography
- Asia comprises 15%[1] of Group EBITDA; Health comprises 37%

Scalable model with attractive margins

- Short tail insurance; able to adjust pricing to maintain margins to cover forex affected claims costs
- Scalable operating model delivered cost benefits in FY2015 resulting in NPAT growth of 13.7%

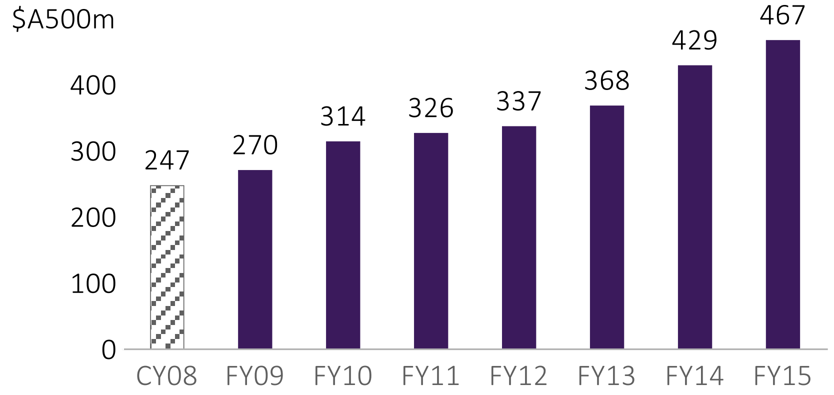
Strong cash flow conversion

- Cash flow growth (after Capex) of +11.5%
- Operating cash flow after Capex of $48.4m and 93.1% cash

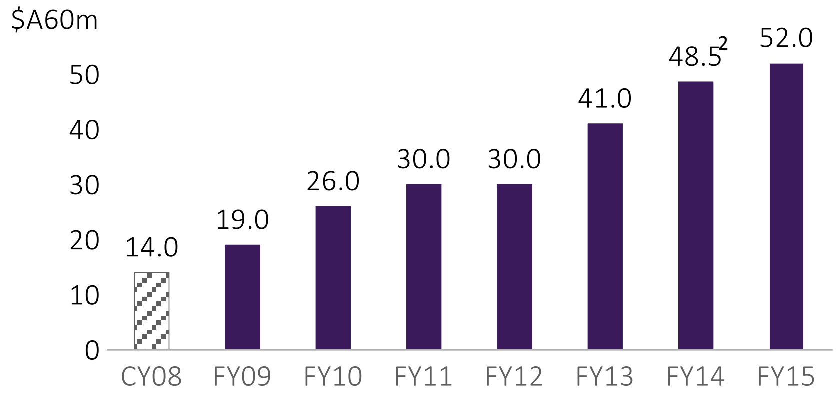
Capital light

- $6.4m in capital investment in Fy15 versus $4.3m in FY14, reflecting group investment in the Cover-More technology platform to support growth, most notably the commencement of the *MyCover-More* solution for customers

Pro-forma consolidated gross revenue (A$m)[1]



Pro-forma consolidated EBITDA (A$m)[1]



[1]FY14 financial information is presented on a pro-forma basis

[2]FY14 result excludes $3.4m from one-off GLA underwriting profit share related to FY12 financial year. This is not expected to be re-occurring.

Cover-More five years ago

Cover-More's offshore business increasing in scale and expected to drive continued growth

		Build operating platform	Secure underwriting partner	Establish distribution	Embed technology	Drive scale and optimise	Expand distribution
Description	**FY10 GWP (US$)**	Deploy scalable operating platform	Underwriting relationship with scale player	Establish foundation distribution strategy	Embed IMPULSE with key partners	Grow volume, refine operations and optimise	Secure new distribution partners
Australia	$523m	●	●	◕	○	◔	◔
NZ	$81m	◕	◑	◑	○	○	◔
India	$204m	○	○	○	○	○	○
China	$279m	○	○	○	○	○	○
Southeast Asia[2]	$310m	○	○	○	○	○	○
UK	$571m	◕	●	◔	○	○	○
US	$1,950m	○	○	○	○	○	○
Canada	$1,234m	○	○	○	○	○	○
Europe[3]	$1,350m	○	○	○	○	○	○

Description		Set up capital-light operating platform	Underwriting relationship with global insurer	Establish digital distribution (SEO, SEM, Social Media)	Embed IMPULSE in Direct channel	Grow volumes, refine operations and optimise	Expand digital distribution
Global Direct	$9.0b	○	○	○	○	○	○

1. Finaccord and Euromonitor sources; [2]Includes Malaysia, Singapore and Indonesia; [3]Includes Germany, France, Spain, Norway, Denmark, Sweden and Finland; converted at FY15 EUR-US rates; [4]Total Global Direct market size is an approximation calculated as the equivalent of the total GWP across channels of Cover-More's other existing or target markets

Cover-More's distribution: 2010

Travel retail

Online and white label distribution

FLIGHT CENTRE The Airfare Experts

HARVEY world travel The Travel Professionals

The Jetset Travelworld Group

cruiseabout

TRAVEL ASSOCIATES

My Adventure Store

TRAVELLERS CHOICE

MAGELLAN travel group The true spirit of travel

Escape Travel the holiday people

Student Flights go your own way

CHUBB

ace insurance

ZURICH

Cover-More TRAVEL INSURANCE

eurocross assistance

Travel Medical and Employee Assistance

Cover-More today

Cover-More's offshore business increasing in scale and expected to drive continued growth

		Build operating platform	Secure underwriting partner	Establish distribution	Embed technology	Drive scale and optimise	Expand distribution
Description	**FY16 GWP (US$)[1]**	Deploy scalable operating platform	Underwriting relationship with scale player	Establish foundation distribution strategy	Embed IMPULSE with key partners	Grow volume, refine operations and optimise	Secure new distribution partners
Australia	$926m	●	●	●	◑	◕	◑
NZ	$122m	●	●	●	◔	◑	◑
India	$630m	●	●	●	◔	◑	◑
China	$1.0b	●	●	◔	◔	○	○
Southeast Asia[2]	$674m	●	●	●	◔	◑	◔
UK	$941m	●	●	◑	◔	◔	◔
US	$2.5b	◔	◔	◔	○	○	○
Canada	$2.3b	◔	◔	◔	○	○	○
Europe[3]	$2.2b	○	○	○	○	○	○
Description	**FY16 GWP (US$)[4]**	Set up capital-light operating platform	Underwriting relationship with global insurer	Establish digital distribution (SEO, SEM, Social Media)	Embed IMPULSE in Direct channel	Grow volumes, refine operations and optimise	Expand digital distribution
Global Direct	$11.3b	◑	◑	◔	○	○	○

1. Finaccord and Euromonitor sources; [2]Includes Malaysia, Singapore and Indonesia; [3]Includes Germany, France, Spain, Norway, Denmark, Sweden and Finland; converted at FY15 EUR-US rates; [4]Total Global Direct market size is an approximation calculated as the equivalent of the total GWP across channels of Cover-More's other existing or target markets

Cover-More's distribution: 2015

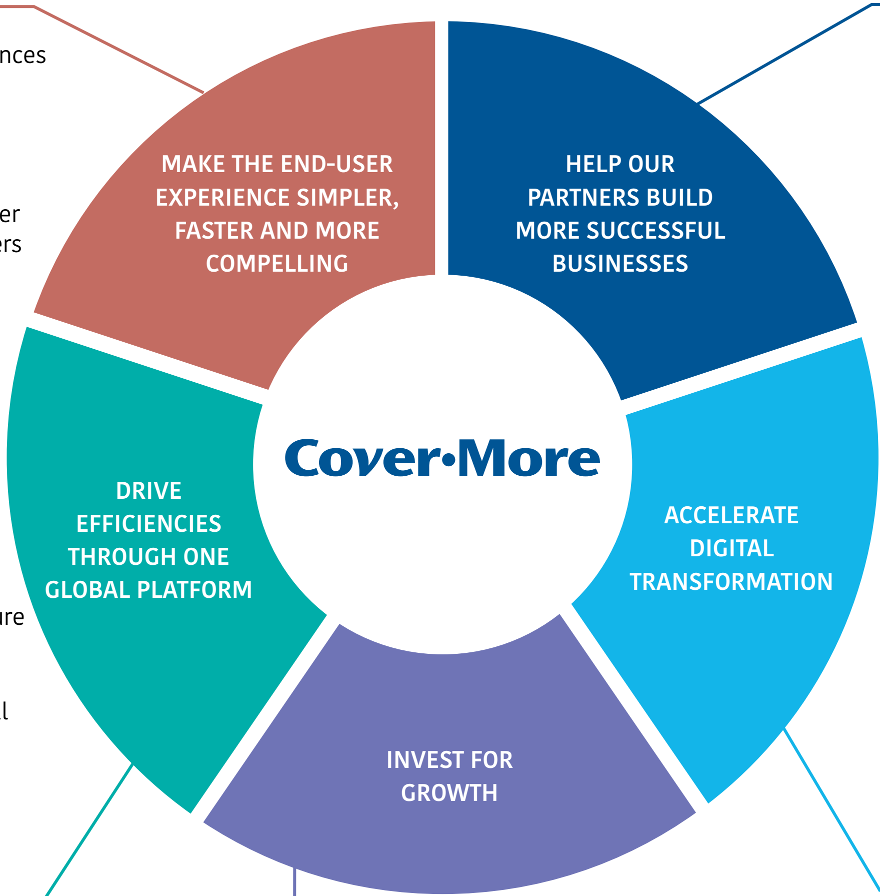
Travel retail

Online and white label distribution

Travel Medical and Employee Assistance

Strategic priorities: overview

Cover-More's strategic priorities expected to deliver continued growth in sales and profitability while building the longer-term foundation for Cover-More's future



Make the end-user experience simpler, faster and more compelling

- Redefine the expectations and experiences of our customers in travel and health
- Create innovative products (including ancillary) to deepen the customer relationship
- Increase engagement with our customer base of 1.4m employees + 2.2m travellers
- Fully leverage our data capabilities to improve customer experience

Help our partners build more successful businesses

- Create valued partner relationships by identifying opportunities to capture new revenue for our partners and expanding opportunities to align economic interests to develop a true partnership approach
- Strengthen the relationships our distribution partners have with their customers
- Help our corporate partners build healthier, happier and more engaged workforces
- Optimise the distribution potential of our end user networks

Accelerate digital transformation

- Invest in technology platforms that facilitate innovative distribution and meet the needs of the digital consumer of the future
- Deliver optimised e-Commerce outcomes for our partners
- Strengthen our direct e-Commerce business
- Leverage customer data from relationships and drive commercialised data outcomes

Invest for growth

- Invest in the capability to support our growth aspirations
- Grow Cover-More's presence in global markets
- Secure strategic distribution partners across key growth markets

Drive efficiencies through one global platform

- Strengthen the underlying infrastructure to support our business ambitions
- Continue to evolve our single global operating platform to drive operational efficiency, risk mitigation and best practice across the business
- Ensure the global platform supports a single view of customer, customer service objectives and product/service speed to market for the travel and health businesses

Nepal

[redacted]

Q1 Trading Update

Australia/ NZ/UK	• Australian gross travel insurance sales growth rate in Q1 FY16 ahead of H2 FY15 and continuing to outperform soft external market conditions (+2.2% pcp growth in industry outbound traveller numbers in Q1 FY16 year to date)[1]
	    • Lower AUD continues to impact offshore claims cost
	    • Strong focus on recovering margin through re-pricing
	    • Virgin Australia implementation has gone live as of late October
	• Flat growth in NZ compared to pcp due to Air New Zealand booking path change
	    • Corporate travel and financial institution initiatives remain on track
	• UK gross insurance sales growth rate in Q1 FY16 ahead of H2 FY15
	    • Acquisitive opportunity still under review

Asia	• India sales growth rate in Q1 FY16 well ahead of H2 FY15. Secured agreement with first major intermediary partner in India with Goibibo, one of the top three travel aggregators in India
	    • First online travel agency relationship in Cover-More Group
	    • First expansion outside of retail agency channel in Cover-More India
	• Southeast Asia sales lower than pcp as major partner emerges from restructure
	    • Contract with Malaysia Airlines renewed
	    • Momentum expected to improve as Malaysia Airlines stabilises
	• China sales volumes in medical assistance business ahead of pcp
	    • Continued improvement in gross margins
	    • Build out of senior leadership team in China continuing; CEO China appointment imminent

Medical Assistance	• Medical assistance sales lower primarily due to impact of contract losses in second half of FY15 in employee assistance and a decline in travel assistance case volumes related to external clients. Case volumes supporting the Cover-More travel insurance business remain healthy • Commenced ReadyCare services with positive customer feedback and improved costs to operate

[1]Australian Bureau of Statistics data relating to July 2015 to September 2015 leisure travel - incorporating Holiday, Visiting Friends/Family and Other categories; current as of November 2015

Outlook

- **FY16 outlook:**
  - Remainder of FY16 sales growth expected to follow Q1 trend
  - Increase in travel insurance purchase lead-times and continued weakening of the Australian dollar necessitates ongoing margin recovery actions
  - Economies of scale, costs to operate and nature of distribution relationships place Cover-More in strong position as AUD currency stabilises. H2 trading expected to benefit from new client wins, portfolio optimisation and repricing efforts.

- **Australia:**
  - Sales growth expected to continue to outperform underlying market with further growth expected from new contract wins, optimisation of existing partnerships and selective portfolio repricing.
  - Focus on restoring margin to offset increases in lead-time and continuing currency depreciation which will continue to impact claims costs.
- **Asia:**
  - Momentum continuing in FY16. Impressive performance in India with growth significantly exceeding H2 FY15.
  - First intermediary partner, Goibibo, secured in India.
  - Southeast Asia momentum expected to improve with stabilisation of major trading partner and new contract wins through dedicated sales focus.
- **US:**
  - Letter of intent signed and contract execution phase entered with US based partner.
  - JV model to accelerate growth and leverage partner's established brand and infrastructure.
  - Resources committed to project and operations anticipated to commence in Q4 FY16.
- **Cover-More Global Direct:**
  - Planning and execution continues with global insurance partner to deploy established online model across multiple geographies.
  - Expected to be operational in new geographies in Q4 FY16 with a profit contribution in FY17.
- **Data:**
  - Increasing role and value of data to provide travellers with enhanced experiences in integrated partnership with our distributors.

Continue to leverage structural growth trends, specialised expertise, scale advantages, data and proprietary systems to deliver strong earnings growth and shareholder returns in FY16 and beyond.

Formal business

Mr Louis Carroll

Chairman, Cover-More Group

Formal business

Agenda Item 1:

Consideration of Financial Statements

Formal business

Agenda Item 2

Items for Shareholder Approval

Election of Directors

Agenda item 2: Resolution 1

Re-Election of Director
Ms Lisa McIntyre
Independent Non-Executive Director

Re-election of Ms Lisa McIntyre Independent Non-Executive Director

Proxy and direct votes (combined)

For	Against	Open
243,402,085	444,918	140,560
99.76%	0.18%	0.06%

Agenda item 2: Resolution 2

Election of Director
Mr William Easton
Independent Non-Executive Director

Election of Mr William Easton
Independent Non-Executive Director

Proxy and direct votes (combined)

For	Against	Open
243,682,588	158,599	140,560
99.88%	0.07%	0.06%

Formal business

Agenda Item 3

Adoption of Remuneration Report

(non-binding resolution)

Adoption of Remuneration Report (non-binding resolution)

Proxy and direct votes (combined)

For	Against	Open
234,952,245	4,184,938	140,560
98.19%	1.75%	0.06%

Formal business

Agenda Item 4

Approval of Cover-More Group Incentive Plan

Approval of Cover-More Group Incentive Plan

Proxy and direct votes (combined)

For	Against	Open
232,428,662	6,717,617	140,560
97.13%	2.81%	0.06%

Formal business

Agenda Item 5

FY15 Deferred STI: Grant of Rights and issue of shares to the Group Chief Executive Officer (Group CEO), Mr Peter Edwards

FY15 Deferred STI: Grant of Rights and issue of shares to the Group Chief Executive Officer (Group CEO), Mr Peter Edwards

Proxy and direct votes (combined)

For	Against	Open
227,243,387	11,958,588	140,963
94.94%	5%	0.06%

Formal business

Agenda item 6

FY15 LTI: Grant of Rights and issue of Shares

to the Group CEO, Mr Peter Edwards

FY15 LTI: Grant of Rights and issue of Shares to the Group CEO, Mr Peter Edwards

Proxy and direct votes (combined)

For	Against	Open
230,988,864	8,213,111	140,963
96.51%	3.43%	0.06%

Formal business

Agenda item 7

FY16 LTI: Grant of Rights and issue of Shares

to the Group CEO, Mr Peter Edwards

FY16 LTI: Grant of Rights and issue of Shares to the Group CEO, Mr Peter Edwards

Proxy and direct votes (combined)

For	Against	Open
230,988,864	8,213,111	140,963
96.51%	3.43%	0.06%

Questions

Please complete and submit your voting card

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