

2022 AGM Chairman's Address

Good afternoon and welcome to the Ensurance 2022 Annual General Meeting.

It is my great pleasure to report on what has been a highly successful and transformative year for the Company.

Following the acquisition of TK Specialty Risks Pty Ltd (**TKSR**) effective 1 July 2021, Ensurance launched its Australian operations and immediately set about expanding into the East Coast with new offices in Sydney and Melbourne joining existing offices in Adelaide and Perth. As a result of the TKSR acquisition, we were also fortunate to secure Tom Kent as CEO of the Company.

Tom, who also became a significant shareholder in Ensurance, has been a key driver of the Company's growth and success this year and I would like to personally thank him for the enormous energy and enthusiasm he has brought to the Company.

The risks facing businesses are growing and changing by the day, with events such as cyber-attacks, fraud and terrorism receiving growing media attention – and rightly so.

For Ensurance, these growing risks represent opportunities, as we deliver tailored insurance products to niche markets, underpinned by agreements with leading underwriters. Our traditional intermediated model, in which our products are distributed via qualified insurance brokers, continues to be our core focus and we now deal with more than 200 broking businesses and over 1200 individual brokers around Australia.

Ensurance is perfectly positioned to capitalise on market segments and opportunities that the larger insurance companies are not covering. We will also scale-up and release new products into our existing customer base. Most notably, off the back of environmental and social

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23 November 2022

initiatives globally, we have launched an Environmental Impairment Liability division to service an emerging market which will no doubt grow significantly over time.

The Company has seen strong growth across most of its key market segments during the year, positioning Ensurance as a business with solid and growing long-term revenue and cash-flow.

In summary, the key achievements for the 12 months to 30 June 2022 include:

- A 61 per cent increase in revenue to \$7.3 million for FY22, underpinning our maiden annual after-tax profit of \$273,745 a strong turnaround from the \$1.3 million loss reported last year.
- An increase in Gross Written Premium under management to \$57 million.
- The Company becoming debt-free following the early repayment of a \$2.5 million loan.
- The signing of a 3-year agreement for delegated underwriting authority with leading insurer Liberty Specialty Markets.
- The rapid expansion of our operations with the opening of Melbourne and Sydney underwriting offices joining established offices in Adelaide and Perth and the appointment of new senior staff to our management team.

Subsequent to the end of the financial year, we signed a non-binding term sheet to sell our UK operations to leading ASX-listed insurance group PSC Insurance (ASX: PSI) for \$8.2 million, comprising \$6.15 million in cash and \$2.05 million in PSC shares. Completion of the transaction remains subject to regulatory approvals in the UK and is expected to take a further 3-6 months.

The proceeds of the sale, which has since been formalised in a binding agreement announced on 4th November 2022, will be used to support the continued organic expansion of the Company's Australian operations and to target suitable business acquisitions in the domestic market. Ensurance is also undertaking a thorough exploration of new and alternative distribution models to complement our existing product suite, creating additional revenue lines for the business.

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23 November 2022

I am pleased to say that the business has continued to perform strongly in the first part of the 2023 financial year, with another significant increase in revenue and profitability reported for the September quarter, with particularly strong growth seen in construction related Professional Indemnity and Cyber Security insurance.

In conclusion, the Company remains positive about its position and the growth opportunities ahead. The next 12 months and beyond look to be an exciting time for the Company, and I look forward to sharing in our continued growth and success with all of you.

I would like to thank our management team and hard-working staff across Australia for their significant efforts over the course of the year.

My thanks also to our shareholders for their continued support.

Tony Leibowitz
Chairman

ENDS

This release has been authorised by the Board.

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