
ASX: ENA

03 November 2021

Presentation: Investor Briefings

Ensurance Limited (ASX:ENA or the Company) is pleased to advise that Tom Kent, the Managing Director of Ensurance Australia Pty Ltd, will speak at the following investor briefings over the coming days:

- Coffee Microcaps Morning Meeting on November 4th at 9am (AEDT)
- Strawman Monthly Meeting on November 5th at 1:15pm (AEDT)

A copy of the presentation is attached.

This release was approved by the Board.

ENDS

For further information please contact:

Tony Leibowitz
Executive Chairman
t Leibowitz@ensurance.com.au
PH: 02 9167 8060

Sam Hallab
Director, Company Secretary
s Hallab@ensurance.com.au
PH: 02 9167 8050





Ensurance
Limited

**September Quarter
Investor Presentation**
ASX: ENA

November 2021

Disclaimer

Summary Information

The information provided in this presentation is selective and may not be complete or accurate for your particular purposes and should not be construed as a recommendation to invest. The information is given in good faith and is believed to be accurate at the time of compilation. Neither Ensurance Limited, its subsidiaries nor its directors or employees make any representation or warranty as to the accuracy, reliability, timeliness or completeness of the information.

Not Financial or Product Advice

This presentation has been prepared for use in conjunction with a verbal presentation and should be read in that context. The purpose of this presentation is to provide information only and the contents of the presentation does not purport to provide investment advice. We suggest that parties consult a financial advisor prior to making any investment decision. The presentation does not take into account the investment objectives, financial situation or particular needs of any person and should not be used as the basis for making investment, financial or other decisions.

Forward Looking Statements

This presentation includes forward looking statements. The forward looking statements reflect the Company's views and assumptions with respect to future events as at the date of this presentation. Actual and future results could differ due to various factors, many of which are beyond our control. Given these uncertainties, no one should place undue reliance on any forward looking statements.

Disclaimer

To the extent permissible by law, Ensurance Limited and its directors and employees disclaim all liability (whether arising in contract, tort, negligence or otherwise) for any error, omission, loss or damage (whether direct, indirect, consequential or otherwise).

A platform for growth



Cash flow positive and maiden profit

- We are now cashflow positive and we recorded our maiden quarterly profit in our recent quarterly results (Q1 FY2022)
- This is testament to our prudent management and a focus on profitable growth



High-margin, low-risk model

- The underwriting agency model delivers high-margin revenue, with low churn, and with no on-balance sheet risk for any insurance policies sold



Strong partnerships with leading global insurers and local broker networks

- We have ongoing agreements with leading insurers like AXA XL, AXA UK and Lloyd's which are normally hard-to-secure, and grant us significant capacity to provide specialised underwriting to our broker networks
- We have strong relationships with a diverse range of brokers across both the UK and Australian markets



Established position in growth sectors

- We offer a suite of insurance products, including construction and public & products liability
- More recently we have expanded into terrorism , cyber and sabotage insurance and this emerging segment is expected to grow into the future



Ability to quickly develop and launch new products to market

- Our specialist capability as an underwriting agency allows us to develop and launch new products to market quickly and we can provide a higher level of service than major insurance companies

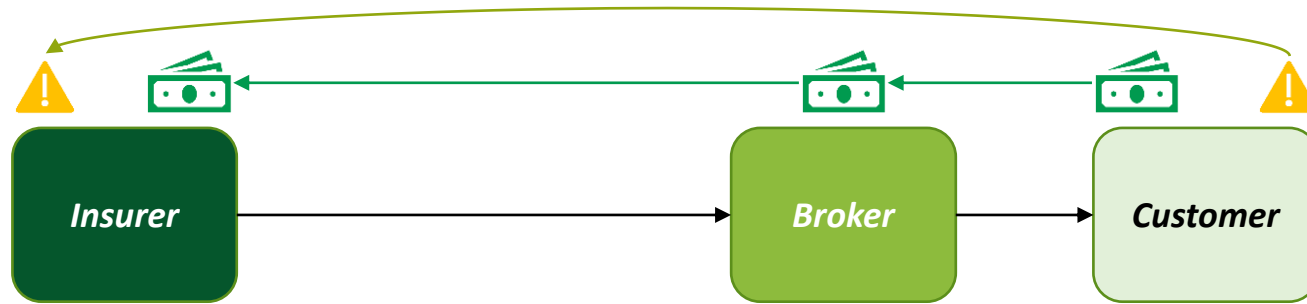


Proven ability to acquire and integrate to enter new markets

- Our acquisition and integration of TKSR to establish an Australian presence is proof that we can acquire to enter new markets and/or insurance segments
- We will continue to seek earnings accretive acquisition opportunities

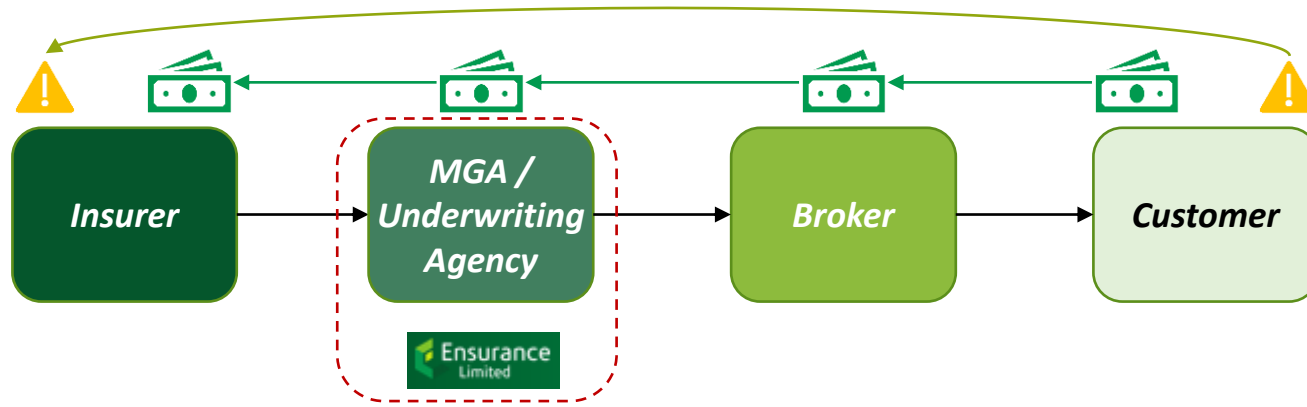
What is a Managing General Agent (MGA)?

Insurance: The traditional broker based distribution model



- The traditional model has revolved around insurers moving into a particular geography and incurring significant capital expenditure in order to gain a foothold in these regions

Insurance: The MGA model



- The MGA model utilises insurance premiums to remunerate third party staffing in a more economical fashion
- MGA's provide insurers with access to new geographies and/or products that are either emerging or too small to service under their traditional model



Premium



Risk Liability

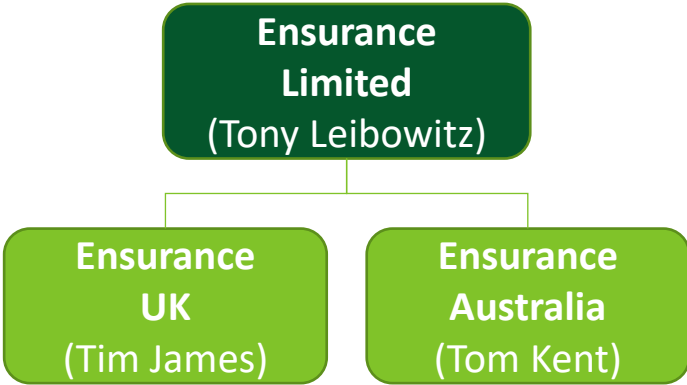
Overview of Ensurance

Our business model

We are a specialty underwriter providing insurance underwriting on behalf of larger insurers in niche sectors

- We underwrite insurance products on behalf of larger insurance partners
- We are paid a commission by the insurer in return for management of the portfolio
- As a facilitator of these insurance arrangements, we do not carry any of the claims payment liabilities as these are retained by the insurer

Our business structure



UK: established in 2017

- Strong presence in construction related insurance products
- Emerging presence in terrorism and sabotage insurance segments

Australia: established in 2021

- Established via acquisition of boutique underwriting agency, TK Specialty Risks Pty Ltd (TKSR)
- Strong presence in professional indemnity insurance segment

Key shareholder information

| | |
|------------------------------------|---|
| ASX Code | ENA |
| Ordinary shares on issue | 89,684,937 |
| Market capitalisation | \$24.7m |
| Shares held by top 20 shareholders | 69.85% |
| Shares held by Board & management | 30.72% |
| Substantial shareholders | Kalonda Pty Ltd (15.87%) Mr Vaughan Thales Kent (14.14%) BNP Paribas Nominees Pty Ltd (5.63%) |

Our leadership team

Board of Directors

Tony Leibowitz | Executive Chairman



- Director since September 2017
- 30 years corporate finance, investment banking and broad commercial experience
- Proven track record of generating significant shareholder value, most notably as Chairman of Chandler Macleod Ltd and Pilbara Minerals Ltd (PLS)

Tony Wehby | Non-executive Director



- Director since May 2018
- Experience non-executive director, currently chair of Kingston Resources Ltd (ASX: KSN) and Deputy Chair of Royal Rehab
- Previously a partner at PwC for more than 19 years as a senior leader in its Corporate Finance business

Samir (Sam) Hallab | Non-executive Director, Company Secretary



- Director since July 2021 and Company Secretary since 2017
- 35 years experience in the financial sector as a senior executive and board member
- Previously a partner of Sothertons Chartered Accountants for more than 10 years, leader of audit and business services

Senior Executives

Tim James | CEO, Ensurance UK



- Joined Ensurance in 2016 to establish the UK operations and built a team of underwriters with significant credibility and strong industry relationships to help grow the business
- Over 30 years global experience in underwriting and distribution, with previous roles as a director of HSB (owned by Munich RE)

Tom Kent | Managing Director, Ensurance Australia



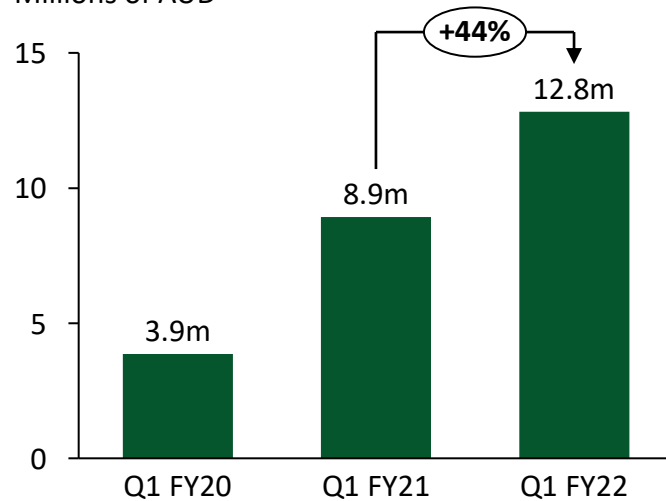
- Founded TKSR, which was acquired by Ensurance in 2021
- Grew TKSR YoY since inception in 2015 and has developed strong relationships with leading insurer partners in Australia
- Independent Director of Lawguard Management Pty Ltd, which holds \$40m of FUM

Our recent performance

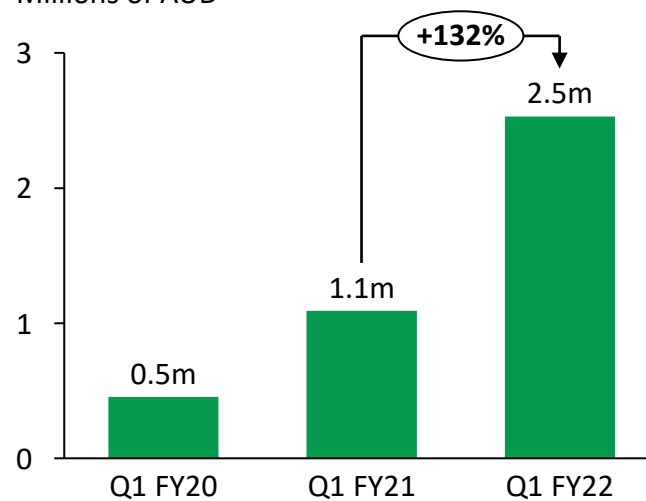
September Quarterly Results: Record increases across all financial metrics

- ✓ Now cashflow positive and maiden quarterly profit achieved
- ✓ Revenue up 131.9% on Prior Corresponding Period (PCP)
- ✓ Insurance premiums under management increased up 43.6% on PCP

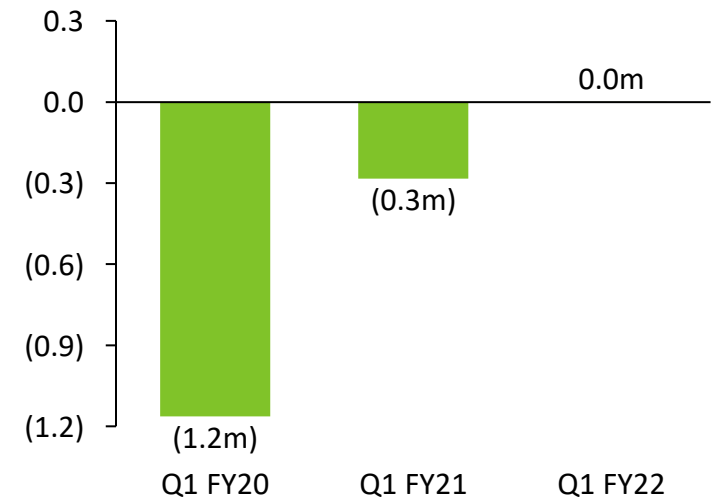
Gross Written Premium
Millions of AUD



Revenue
Millions of AUD

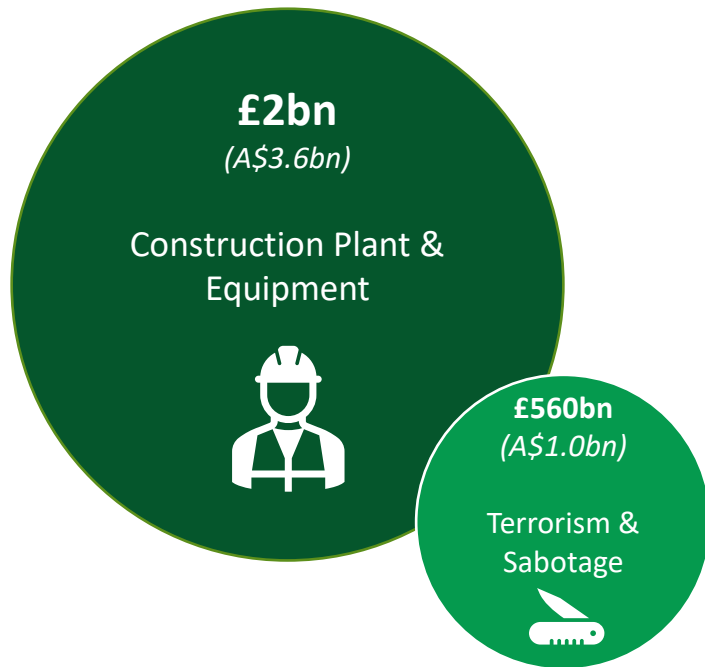


Profit/(Loss) before income tax
Millions of AUD



Addressable market size

Estimated U.K. Market



Estimated Australian Market



- Ensurance's operations in the UK and Australia give the company access to a market **worth a combined \$6.8b AUD¹**
- The acquisition of TKSR unlocked the Australian market and provides us with exposure to an additional \$1.5b AUD through the new financial lines suite of products added to Ensurance's portfolio

Source: 1. Global Data (UK values converted to AUD at 0.55 GBP to 1 AUD)

Industry models and trends

Managing General Agent (MGA) Business Models

Independent MGA



- Utilise specialist underwriting capability to offer insurers a new risk category or improve their existing underwriting efficiency
- Provide insurers with access to different end-customer risks via access to new geographies or broker relationships that the insurer cannot service

Broker owned MGA



- Provide brokers with backward integration opportunities in value chain and allow them to capture larger share of end-to-end revenue from servicing a particular end customer

Insurer owned MGA



- Often an independent MGA that has been acquired by an insurer to add flexibility and breadth to their product offerings
- This pathway is a well trodden exit path for Independent MGAs

The Insurance Cycle

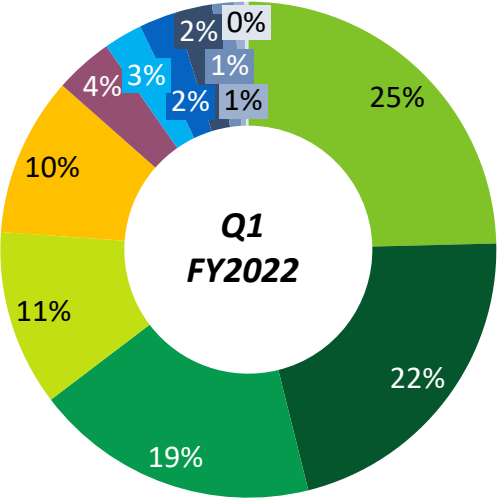


- The insurance market is cyclical in nature, and can fluctuate between a hard market (expensive) and a soft market (cheap)
- Broadly speaking, the various types of insurance products move in a counter-cyclical fashion. This is a key reason why we have built the company with a diverse suite of products within our portfolio

Source: Berkley Australia; L.E.K Consulting "Independent MGAs: The Future of Underwriting or a Flash in the Pan?" September 2019

Diversity of revenue streams and partnerships

Managed Premium by Product



| | |
|---|---------------------------------------|
| Professional & Medical Indemnity (24.61%) | Homebuild (2.52%) |
| International Engineering (21.51%) | Directors & Officers (2.42%) |
| Contractors All Risk (Project-Based) (18.55%) | Terrorism (2.41%) |
| Contractors Plant & Equipment (11.48%) | Cyber (1.46%) |
| Contractors All Risk (Annual) (10.38%) | Information & Media Liability (0.63%) |
| Casualty & General Liability (3.79%) | Inspection (0.26%) |

Established Global Partnerships

| | | | | | |
|---|-------------------------------------|--|---|-------------------------|--|
|  | AXA | U.K Construction, Plant and Equipment and Construction All Risks |  | AXA XL | Homebuild Insurance |
|  | Lloyd's | Terrorism and Sabotage Insurance |  | Beazley | Cyber Insurance |
|  | British Engineering Services | Engineering Inspection and Insurance |  | MGAM Limited | Online, U.K Liability Insurance |
|  | AXA | Professional Indemnity, Director and Officer Liability and Cyber |  | CFC Underwriting | Professional Indemnity, Director and Officer Liability and Cyber |
| <i>Partnerships via TKSR acquisition</i> | | | | | |

- We are partnered with several leading insurers, such as AXA, which provide us with a delegated authority to underwrite policies
- These agreements are normally difficult to secure, indicating our capacity to develop specialised products within niche sectors
- The company is in the process of finalising several additional capacity agreements to further increase its portfolio of offerings, including capacity to underwrite Construction and CPE risks internationally

Where to from here?



Leverage our UK
business into
Australia

- The Australian business will begin to roll-out products from the UK subsidiary in 2022
- Our established UK operations, now joined by an Australian presence, provide us with deep relationships and expertise in the insurance market which we can leverage across sectors and geographies



Deploy funds
from recent
\$2m placement

- Our recent capital raise provides us with funds to continue our aggressive growth strategy, incorporating geographical expansion, roll-out of expanded product suite and hiring of key underwriting personnel
- Continue to enhance and work on software solutions to create efficiencies across the group



Grow Presence
in Australia

- We have appointed Nick Beswick to the role of Manager of the Professional Risks Division. Nick will start with us on 1 January 2022 and is currently the Product Leader for Professional Indemnity (PI) for AXA XL in Australia. Nick has over 30 years experience in the insurance industry
- We will continue to assess organic and acquisitive opportunities that are earnings accretive



Ensurance
Limited

Tony Leibowitz
Executive Chairman

tleybowitz@ensurance.com.au

02 9167 8050

<https://www.ensurance.com.au/>