

MARKET RELEASE

27 February 2024

Steadfast Group is pleased to announce the 1H24 result with underlying EBITA up 21.4% and underlying NPAT up 17.5%

1H24 financial highlights^{1,2}

- Underlying revenue of \$790.4m, up 19.3%
- Underlying EBITA of \$229.0m, up 21.4%
- Underlying NPAT of \$106.0m, up 17.5%
- Underlying diluted EPS (NPAT) of 10.2 cents per share (cps), up 12.2%
- Underlying NPATA of \$130.0m, up 16.9%
- Interim dividend (fully franked) of 6.75 cps, up 12.5%

Statutory net profit after tax was \$100.4m compared with \$84.7m in 1H23.

Managing Director & CEO Robert Kelly commented "Once again, our underlying earnings growth for the half year was driven by sustained organic growth from higher prices from insurers and volume increases in the Group's insurance broking and underwriting agencies, and continued delivery of our acquisition strategy.

Consistent with our growth strategy, Steadfast Group acquired Sure Insurance, a business that is complementary to the existing portfolio. This acquisition, together with our Trapped Capital acquisitions made during the half year, further enhances Steadfast Group as the largest general insurance broker network and the largest group of insurance underwriting agencies in Australasia.

Additionally, we are progressing well with the implementation of our US expansion strategy with the acquisition of ISU Group with its established and trusted network and experienced management team."

Strong growth in the Group's underlying EBITA

The Group delivered strong underlying EBITA growth in 1H24 of 21.4% to \$229.0m driven by:

- organic growth of 13.4% from the continued uplift in premiums by insurers and increased volume; and
- supported by acquisition growth of 8.0%.

Balance sheet

Steadfast Group's balance sheet remains well positioned, with a consolidated gearing ratio (excluding premium funding borrowings) of 18.8%, well below the Board's maximum of 30.0%. As of today, the Group has \$378.4m of available capacity to fund future corporate activity, with significant headroom in its debt covenants.

Steadfast broking delivers growth of 14.3% in gross written premium (GWP)

The Steadfast Network delivered a GWP increase to \$6.3b in 1H24 on a like for like basis. Growth in revenue resulted in excellent underlying EBITA growth of 23.1% from equity brokers.

¹ Unless otherwise denoted, all comparatives are for the six month period ended 31 December 2022.

² Statutory results have been adjusted to exclude non-trading items in order to present a more meaningful analysis of the operating performance of the business.

Steadfast Underwriting Agencies delivers \$1.1b of GWP in 1H24

Steadfast Underwriting Agencies continues to perform strongly with sustained organic growth, generating \$1.1b of GWP, an uplift of 8.5% over 1H23.

GWP growth led to underlying EBITA growth of 11.8%, demonstrating the ability of our agencies to produce sustainable profit margins despite expenses returning to normal after the easing of Covid restrictions, and increased spend on compliance and claims staff.

Interim dividend up 12.5%

The Board has declared a fully franked interim dividend of 6.75 cps, up from 6.0 cps in 1H23.

The interim dividend dates are as follows:

- Ex-dividend date of 4 March 2024
- Record date of 5 March 2024
- Dividend Reinvestment Plan (DRP) record date of 6 March 2024
- Payment date of 28 March 2024

The interim dividend is eligible for Steadfast Group's DRP at no discount. For more information on the interim dividend and the DRP, please refer to Steadfast Group's Appendix 3A.1: Notification of dividend, lodged with the ASX on 27 February 2024 and available on the investor website.

Trapped Capital acquisitions update

- Steadfast anticipates completing \$280m of Trapped Capital acquisitions (excluding Sure Insurance) in FY24, of which \$215m have been completed to date.
- The Trapped Capital Project will continue to increase Steadfast's equity holdings in the Steadfast Network.
- For further information, please refer to the Investor Presentation lodged with the ASX today.

FY24 guidance upgrade

On 16 November 2023, Steadfast upgraded its FY24 guidance range to reflect current positive trading results, the Sure Insurance acquisition and equity raise.

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

The guidance is subject to:

- Insurers maintaining current premium rate increases.
- Completion of a further \$65m 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.

Conference call and webcast

Robert Kelly, Managing Director & CEO, and Stephen Humphrys, Chief Financial Officer, will host a conference call and webcast at 10:30am (AEDT) on Wednesday, 28 February 2024.

To participate in the call, please pre-register for dial in details [here](#).

To access the live webcast, please click [here](#).

A replay of the webcast will be made available on the investor website approximately 48 hours after the initial broadcast.

This announcement is authorised by the Steadfast Board of Directors.

For more information, please contact:

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All references in this announcement to either dollars or \$ are to Australian dollars.

Steadfast Group, established in 1996, is the largest general insurance broking network and the largest underwriting agency group in Australasia. The network provides services to broker businesses across Australia, New Zealand, Asia and London. In FY23, Steadfast Network brokers and underwriting agencies generated billings of approximately \$14 billion. Steadfast also operates as a co-owner and consolidator through its equity interests in a number of broker businesses, underwriting agencies and other complementary businesses. Steadfast Group also owns ISU Group, an independent insurance agency network in the USA generating billings of approximately USD\$6 billion and has a 60% equity stake in UnisonSteadfast, a global general insurance broker referral network with 271 brokers in 115 countries.

For further information, please visit investor.steadfast.com.au