

Market Release

28 August 2024

Steadfast Group is pleased to announce its FY24 result with underlying EBITA up 22.7% and underlying NPAT up 21.8%

FY24 financial highlights



Statutory NPAT¹ of

\$228.0m

(FY23 \$189.2m)



Underlying revenue of

\$1,676.2m

up 18.9%



Underlying EBITA of

\$528.5m

up 22.7%

Underlying NPAT of

\$252.2m up 21.8%

Underlying NPATA of

\$302.4m up 20.0%

Underlying diluted EPS (NPAT) of

23.4 cps up 16.2%

Final dividend (fully franked) of

10.35 cps up 15.0%

Managing Director & CEO Robert Kelly commented "I am pleased to report that FY24 continues our year-on-year record of accretive growth and profits since listing in August 2013.

These results are the consequence of the strategic execution of our proven business model, the depth and strength of our executive team, strong trading performance of our equity-owned businesses, accretive acquisitions made during the year, continued price increases by insurers and focus on organic growth within our businesses."

¹ Details of the non-trading items are included in the Directors' Report on page 46 of the Group's 2024 annual report

Strong growth in the Group's underlying EBITA

The Group delivered strong underlying EBITA growth in FY24 of 22.7% to \$528.5m driven by:

- organic growth of 12.5% from the continued uplift in premiums by insurers and increased volume; and
- acquisition growth which contributed 10.2%.

Balance sheet

Steadfast Group's balance sheet remains well positioned, with a consolidated gearing ratio (excluding premium funding borrowings) of 20.2%, well below the Board's maximum of 30.0%. In order to fund future corporate activities, as of today, Steadfast can borrow a further \$366m and still remain within the maximum gearing ratio of 30.0% and maintain significant headroom in its debt covenants.

Steadfast Australasian Network brokers deliver growth of 12.1% in gross written premium (GWP)

<p>The Steadfast Networks delivered an increase of 12.1% GWP to \$13.0b in FY24 on a like for like basis.</p>	<p>Revenue growth resulted in excellent underlying EBITA growth of 19.6% from equity brokers.</p>
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Steadfast Underwriting Agencies deliver \$2.3b of GWP in FY24

Steadfast Underwriting Agencies continue to perform strongly with sustained organic growth, generating \$2.3b of GWP, an uplift of 13.4% over FY23.

GWP growth from increased volume and continued increases in premiums by insurers has led to underlying EBITA growth of 18.9%. During the year, Steadfast continued its investment in anticipation of the changes in the regulatory environment for underwriting agencies effective from 1 July 2025.

Acquisitions update

Steadfast continued to execute its disciplined acquisition strategy to support its long-term growth and returns. Steadfast has a significant acquisition pathway from its Australasian Network brokers.

In FY24, Steadfast completed 48 earnings accretive investments for a total outlay of \$457.8m, including the acquisition of ISU Group, a network of independent agencies in the United States of America, and the underwriting agency, Sure Insurance.

International expansion strategy

In October 2023, Steadfast acquired 100% of ISU Group, a network of independent agencies in the United States of America. ISU Group was established in 1979 and has 228 members

located across 40 states, generating US\$7 billion of GWP.

Pleasingly, ISU exceeded the budgeted FY24 profit expected at the time of purchase.

Steadfast will focus on the development of network capability in the newly acquired ISU Group. Steadfast's expansion into the US market presents us with the opportunity to deliver Steadfast's strategy and unique business model to a market 12.5 times the size of Australia.

Final dividend up 15.0% period-on-period

The Board has declared a fully franked final dividend of 10.35 cps, up from 9.0 cps (+15.0%) on the final dividend for FY23.

The final dividend dates are as follows:

- Ex-dividend date of 3 September 2024
- Record date of 4 September 2024
- DRP record date of 5 September 2024
- Payment date of 24 September 2024

The final dividend is eligible for Steadfast Group's DRP at no discount. For more information on the final dividend and the DRP, please refer to Steadfast Group's Appendix 3A.1: Notification of dividend, lodged with the ASX on 28 August 2024 and available on the investor website.

FY25 guidance

Steadfast provides the following FY25 guidance range:

	FY25 guidance range
Underlying EBITA	\$590m - \$600m
Underlying NPAT	\$290m - \$300m
Underlying diluted EPS (NPAT) growth	12% - 16%
Underlying NPATA	\$340m - \$350m

The guidance is subject to:

- Insurance premium increases of 7% – 9% from insurer partners
- \$300m of acquisitions throughout FY25
- Key risks as set out in the 2024 Annual Report (pages 50 to 51)

Webcast details

Robert Kelly, Managing Director & CEO, and Stephen Humphrys, Chief Financial Officer, will host a webcast at 10:00am (AEST) 29 August 2024.

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, operates international general insurance broking and agency networks located across Australia, New Zealand, Singapore and the United States of America. Steadfast provides products and services to support the broking and agency networks businesses. Steadfast also operates as a co-owner through its equity interests in a number of broker businesses, underwriting agencies (also known as managing general agencies) and other complementary businesses. Steadfast also owns a portfolio of 29 underwriting agencies, and has a 60% equity stake in UnisonSteadfast, a global general insurance broker referral network with 294 brokers in 110 countries. Steadfast is also a licensed Lloyd's of London broker.

Steadfast Group ranks 17th in Best's Review's Top Global Insurance Brokers ranking.

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