



18 October 2018

Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

2018 AGM ADDRESSES TO SHAREHOLDERS & UPGRADE TO FY19 GUIDANCE

The Company will address shareholders today at its Annual General Meeting to be held at 10am at the Hilton Hotel, 488 George Street, Sydney NSW.

Attached is a copy of the Chairman's address, Managing Director & CEO's address and AGM presentation.

Yours faithfully

A handwritten signature in blue ink that reads "Linda Ellis".

Linda Ellis
Group Company Secretary & Corporate Counsel

Steadfast Group Limited
ABN: 98 073 659 677 ACN: 073 659 677
Level 3, 99 Bathurst Street, Sydney NSW 2000
t 02 9495 6500 f 02 9495 6565 www.steadfast.com.au

STRENGTH WHEN YOU NEED IT



2018 AGM Chairman's Address

18 October 2018

Ladies and gentleman,

The end of financial year 2018 marks our fifth anniversary of listing on the Australian Securities Exchange (ASX). Our journey began with a challenging IPO that involved the due diligence and acquisition of over 60 Steadfast Network brokers. The Steadfast team is extremely proud of our performance since listing. We have a record of continually increasing shareholder value by delivering on our mission of profitable growth as a market leader and innovator in insurance broking.

Since listing our market capitalisation has grown from \$550 million to over \$2.1 billion, our share price from \$1.15 to over \$2.74 and our total dividend from 4.5 cents to 7.5 cents per share.

On behalf of the Board, I am pleased to report that FY18 was another record year in which Steadfast Group delivered strong revenue and profit growth. In particular:

- Underlying revenue was up 16% year-on-year to \$583 million;
- Underlying earnings before interest tax and amortisation (EBITA) was up 16% to \$166 million;
- Underlying net profit after tax (NPAT) was up 13% to \$75 million, excluding non-trading net gains;
- Underlying earnings per share (NPAT) was up 10% to 9.7 cents per share; and
- Statutory NPAT was up 14% to \$76 million.

Organic and acquisition growth

Our record result was driven by organic and acquisition growth across Steadfast Group. We recorded strong underlying organic EBITA growth of 10% from our equity in Steadfast Network brokers and an excellent performance by our specialised Steadfast Underwriting Agencies. Our results were assisted by insurers raising premium prices to improve their performance.

We achieved acquisition growth of 6% from the brokers and underwriting agencies that we acquired during FY18. Whitbread Insurance Group, which includes Axis Underwriting Services, was our largest acquisition in the year and it continues to perform strongly.

Dividend

The strong performance in FY18 allowed the board to declare a fully franked total FY18 dividend of 7.5 cents per share for the year, which is up 7% from last year. This represents a payout ratio of 79%, balancing a healthy return for our shareholders with ongoing investment in the business.

Capital management

We have a prudent approach to capital management with the board setting a maximum Group gearing ratio of 30% including subsidiary borrowings. As at 30 June 2018, the actual corporate gearing ratio was 14% and the subsidiary gearing ratio was 3.5%. Since the year-end we have acquired several insurance broking businesses and one specialised motor agency investing a total of \$90 million. Today we have in place long-term debt facilities of \$385 million with over \$100 million available to fund future growth.

Corporate social responsibility and diversity

Steadfast continues to promote corporate responsibility and diversity and in FY18 we raised close to \$1 million for charitable causes. This includes industry aligned sponsorships, money raised at our annual Steadfast Convention charity dinner and donations by the Steadfast Foundation. We further support our community by offering a programme encouraging our staff to volunteer for a charity of their choice.

We continue to promote our diverse work force, with females constituting 59% of our employees Group-wide and 40% of management positions. Nearly half of our work force was born outside of Australia, with 24% coming from a non-English speaking background.

Governance

The board continues to be focused on governance and risk management, adhering to ASX corporate governance council principles. We have detailed frameworks in place and conduct regular reviews of our major businesses. I am pleased to report that there were no material departures from the governance principles or frameworks in FY18.

We welcomed Gai McGrath to the board in June this year. Her extensive financial services and legal experience has further added to the strength of our existing board capability and our succession planning.

Shortly, shareholders will have the opportunity to ask questions and vote on the Remuneration Report. The board firmly believes in our executive incentive structure which rewards strong consistent growth in EPS and relative total shareholder return (TSR). Our executive team is incentivised to grow EPS by more than 5% per annum with long-term incentives also including a reward for outperformance against non-mining ASX 200 companies based on TSR.

Conclusion

Robert Kelly will provide more detail on our strong start to FY19 and outlook for the full year. He will also address the progress of our key strategic initiatives, particularly monetising our insurTech and international growth strategies, which are being implemented for the benefit of our Network and shareholders to create long term value.

In closing, I would like to thank all those who have contributed to another strong year for Steadfast Group, including our valued employees, led by our highly experienced and hardworking Managing Director & CEO Robert Kelly.

I would also like to thank our Network brokers, underwriting agencies, strategic partners, shareholders and end customers. I extend my gratitude to my fellow Directors for their strong commitment to governance and for their contribution to another record year.

I will now hand over to Robert to address the meeting.

Thank you.

2018 AGM Managing Director & CEO's address

18 October 2018

Thank you Frank, and good morning everyone.

Strong FY18 results celebrate five years since listing

As Frank has mentioned, we reported a record FY18 performance driven by organic and acquisition growth while increasing the already excellent margins for our broker and underwriting businesses.

Our FY18 results also mark five years since we listed on the ASX. During this time, we have grown underlying EBITA from \$57 million to \$166 million and underlying NPAT from \$28 million to \$75 million. We are also pleased to have delivered underlying EPS (NPAT) growth of 80%.

Steadfast Network and Underwriting Agencies GWP growth

The Steadfast Network is the largest general insurance broker network in Australasia with 377 brokers and over 1,900 offices. In FY18, 16 brokers joined the Network with over 140 brokers having joined since we listed. They have been attracted by the 160 products and services that we offer and the ethical way in which we operate to support them in delivering excellent outcomes for their clients. The Network's gross written premium increased by 6% this year to \$5.3 billion representing around 30% of the Australian intermediated general insurance market.

Steadfast Underwriting Agencies is the largest underwriting agency group in Australasia with 25 agencies offering over 100 specialised products. They had an outstanding year, delivering GWP of \$914 million, an increase of 18% over FY17. Each of our agencies has a strong track record and expertise in the niche markets that they serve. We expect another strong performance from our agencies in FY19 as they continue to benefit from insurers raising premium prices to their technical levels.

International reach

A key growth strategy for the Group is extending our international reach. We now have 53 network brokers in our international jurisdictions of New Zealand and Asia. These markets are attractive as they offer a strong regulatory framework and there is demand from brokers to join our network to benefit from the products, services and technology we offer. We have achieved this through our capital-light, revenue-first approach to gain a solid understanding of the market and ensure we deliver a sustainable long-term return on investment.

We have also increased our international reach by acquiring a 40% stake in unisonSteadfast which is one of the world's largest general insurance broker networks with 200 brokers in 130 countries. This gives us the opportunity to offer unisonSteadfast brokers many of the products and services

we provide to the Steadfast Network. We have held meetings with global insurers as we look to aggregate the premium across the unisonSteadfast network to offer them enhanced access to their global premium pool while improving terms for brokers and their clients. We expect the benefits to gradually flow in the medium to long term.

Monetising our insurTech

We offer market-leading technology exclusively to Steadfast Network brokers. This technology supports Steadfast brokers in achieving great outcomes for their clients. The Steadfast Client Trading Platform (SCTP) is a contestable digital marketplace giving brokers automated access to all insurer partners on the platform. It offers our brokers a single screen comparing policies and prices from insurer partners for the benefit of our brokers and their clients.

We have been talking to you about the SCTP for some time and we are now monetising this technology. Those of you who attended our May investor day or noted our presentation lodged on the ASX saw us demonstrate the power of platform. Importantly, we've also had excellent feedback from brokers using it.

The SCTP is now live across six of our insurance lines with 14 insurer and underwriting agency partners connected and over \$230 million of GWP transacted through the platform in FY18. The SCTP will reduce distribution costs for our insurer partners, give clients increased competition for their business and significantly boost policy coverage.

INSIGHT is our client data management system which gives brokers a single view of their client's business creating significant time and cost savings compared to existing platforms. 75 brokers are now live on the platform with a further 50 currently contracted to join.

Outlook

We are seeing increasing broker usage of the SCTP and have budgeted for a small positive EBITA contribution to Steadfast Group in FY19, growing to a targeted \$23 million per annum in five years based on \$2.3 billion of GWP transacted through the platform by that time. We will continue to invest in our technology in the coming years as it is a key strategy for evolving our service offering to Steadfast Network brokers and their clients and it positions us as a global leader in insurTech.

Upgrading FY19 guidance

Our brokers and underwriting agencies have made a strong start to the year. We are seeing better than expected first quarter organic growth supported by mid-single digit price rises by insurers. We have completed several acquisitions which will make a contribution to FY19 and continue to have a strong pipeline. This has been partially offset by the mark-to-market of our small strategic investment in the ASX listed Johns Lyng Group.

Based on the first quarter of the financial year, I am pleased to upgrade our FY19 guidance to underlying EBITA ranging between \$190 million and \$200 million and underlying NPAT ranging between \$85 million and \$90 million. This upgrade is also subject to the assumptions made in our FY18 results presentation.

Our FY19 first half/second half earnings split is expected to be 42%/58% (43%/57% in FY18) due to seasonality, acquisitions and growing use of the SCTP.

Thank you

I would like to thank our employees, Steadfast Network brokers, Steadfast Underwriting Agencies and strategic partners for their contribution to an excellent performance in FY18 and over our last five years as a listed company. I would also like to thank our Directors and shareholders for their strong support of our strategy to grow shareholder value.

As I have outlined, we have several exciting growth strategies underway and I look forward to working to achieve them in the years ahead to drive further shareholder value.

I will now hand you back to Frank.

18 October 2018

Steadfast Group Limited 2018 Annual General Meeting



2018 Annual General Meeting

Agenda

- Chairman's address
- Managing Director & CEO's address
- 2018 Annual General Meeting resolutions

Chairman

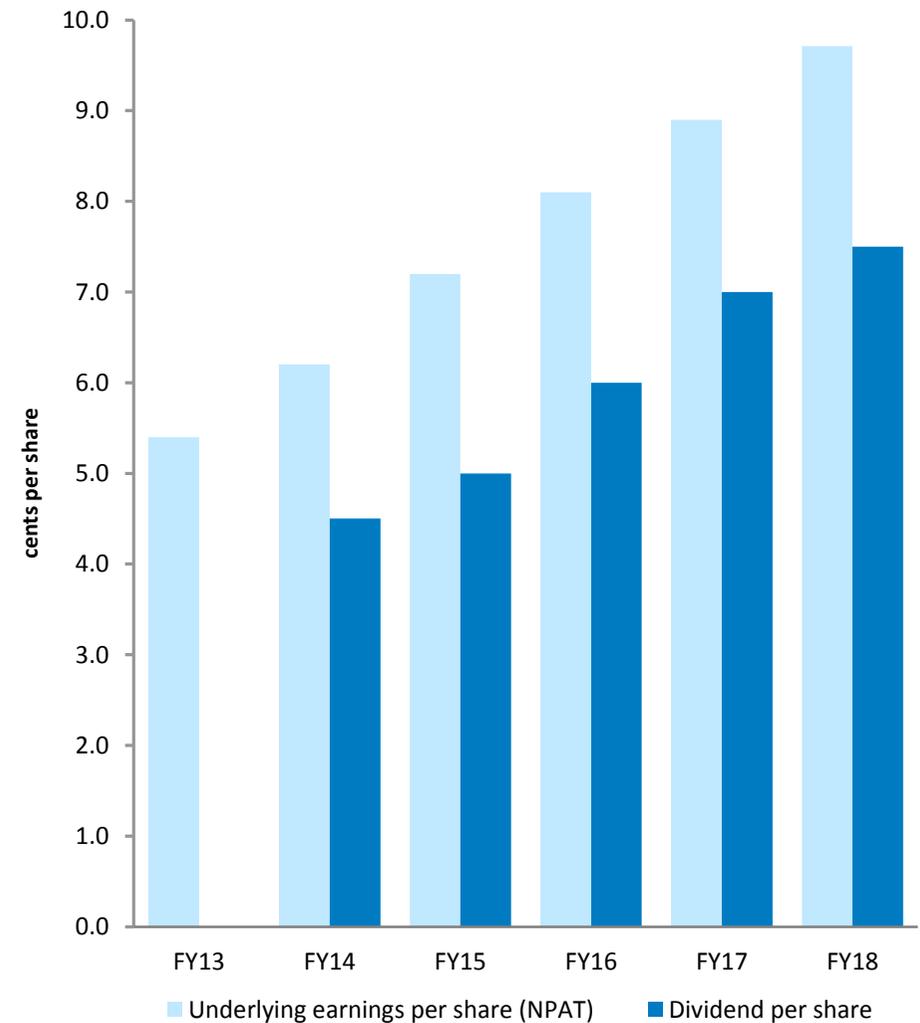
Frank O'Halloran, AM

Financial highlights

Strong FY18 performance

FY18 financial highlights

- Underlying revenue **+16%** to **\$583** million
- Underlying EBITA **+16%** to **\$166** million
- Underlying NPAT **+13%** to **\$75** million
- Underlying EPS (NPAT) **+10%** to **9.7** cents per share
- Statutory NPAT **+14%** to **\$76** million
- Total dividend (fully franked) **+7%** to **7.5** cents per share



Steadfast Group

Board of Directors



Frank O'Halloran, AM, Non-executive Chairman

- Former Chief Executive Officer of QBE Group
- Over 35 years' experience at QBE, including 14 years as CEO
- Inducted into the International Insurance Hall of Fame in 2010



**Anne O'Driscoll, Non-executive Director
Chair of Audit & Risk Committee**

- Over 30 years of business experience
- Previous finance and strategy roles at IAG and CFO at Genworth Australia
- Board member for Infomedia, CommInsure (CBA's insurance subsidiaries) and MDA National Insurance



Robert Kelly, Managing Director & CEO

- Co-founded Steadfast in April 1996
- Over 45 years experience in general insurance broking
- Ranked 2nd most influential person in insurance in Australia by *Insurance News*
- Received ACORD Rainmaker Award in 2014 and Lex McKeown Trophy in 2016



Philip Purcell, Non-executive Director

- Over 43 years' experience in the insurance and legal industries
- Previously a partner at Dunhill Madden Butler, PriceWaterhouseCoopers Legal and Ebsworth & Ebsworth
- Held two board positions with GE Australia



**David Liddy, AM, Non-executive Director
Chair of Remuneration & Succession Planning Committee**

- Over 44 years' experience in banking
- Previously Managing Director of Bank of Queensland
- Director of EML Payments Limited



Greg Rynenberg, Non-executive Director

- Over 40 years of experience in general insurance broking
- Qualified Practising Insurance Broker
- Managing Director of East West Group, a non-equity Steadfast Network Broker, and owner of an underwriting agency
- Named NIBA Queensland Broker in 2014



Gai McGrath, Non-executive Director

- Over 32 years' financial services and legal experience
- Director of Genworth Mortgage Insurance Australia, IMB Bank and Investa Listed Funds Management Limited

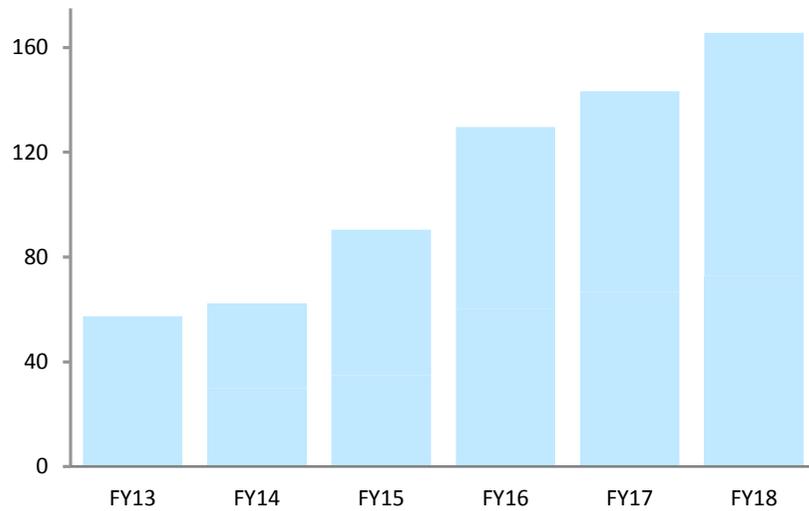
Managing Director & CEO

Robert Kelly

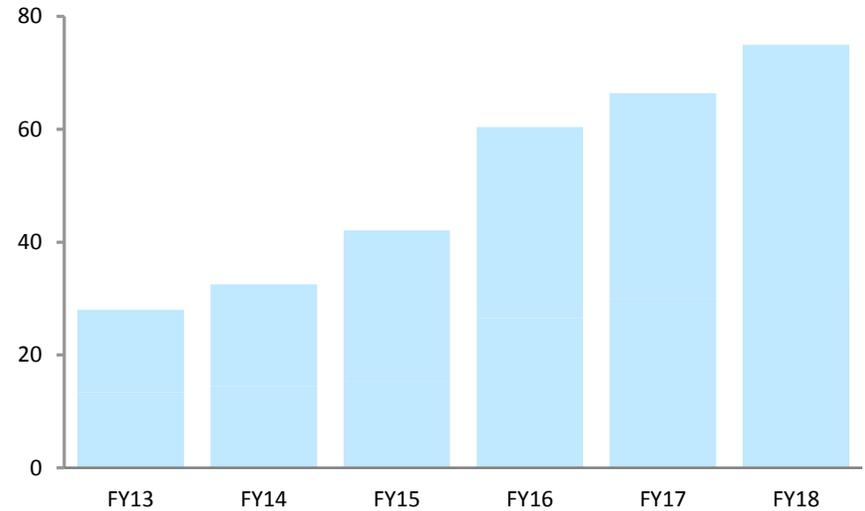
Steadfast Group

Five years listed on the ASX

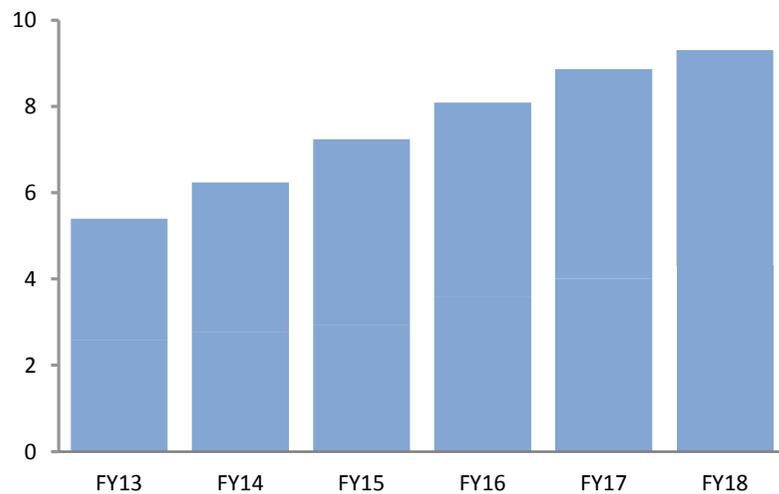
Underlying EBITA (\$m)



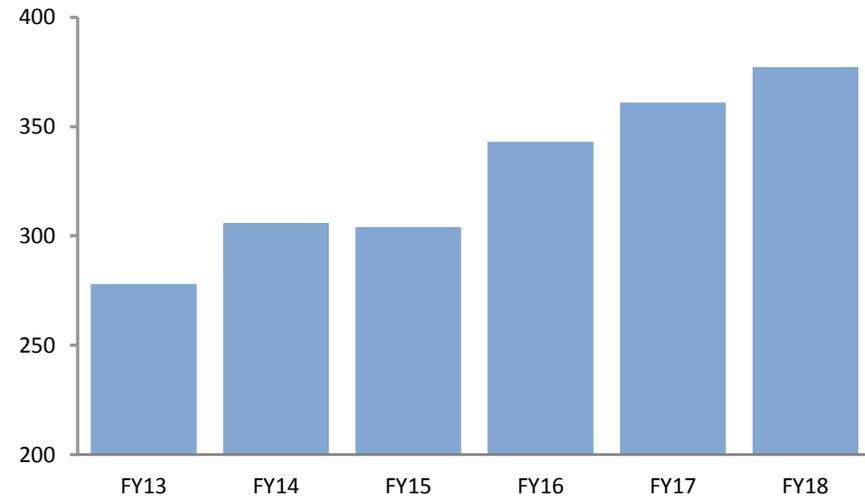
Underlying NPAT (\$m)



Underlying earnings per share (NPAT) (cents per share)



Steadfast Network brokers



Steadfast Network and Underwriting Agencies

GWP growth

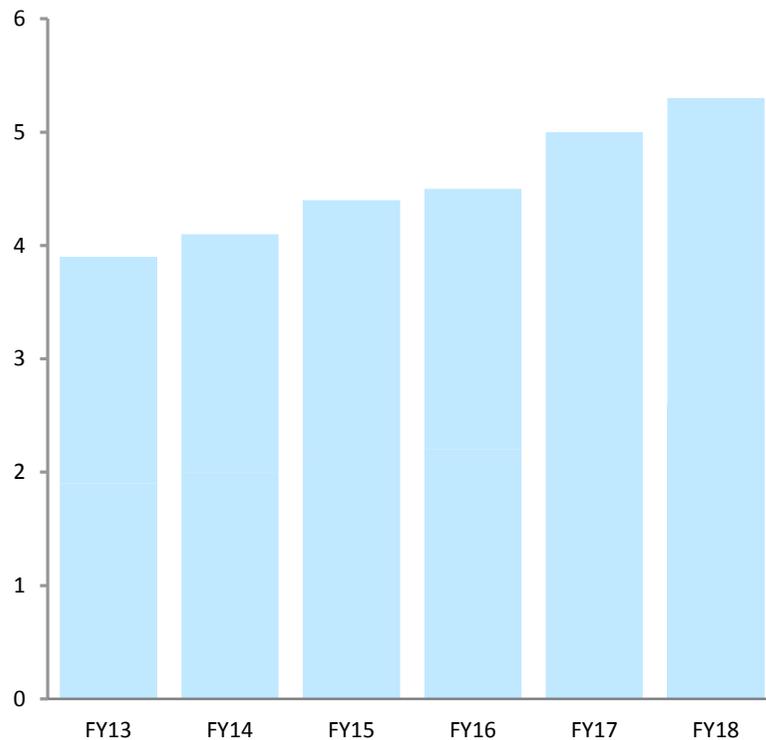
Steadfast Network

- **\$5.3 billion** GWP, +6%
- **377** brokers in the Network
 - **16** new brokers joined in FY18

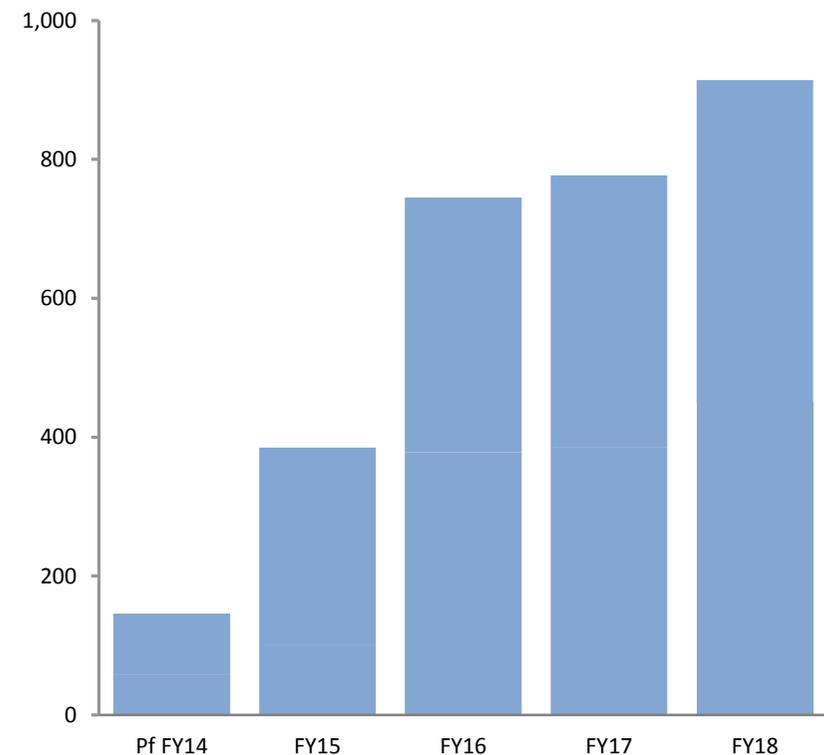
Steadfast Underwriting Agencies

- **\$914 million** GWP, +18%
- **25** agencies
 - Over **100** niche products

Steadfast Network GWP (\$bn)



Steadfast Underwriting Agencies GWP (\$m)



Key growth strategies

Growing our international reach and monetising our insurTech

International reach

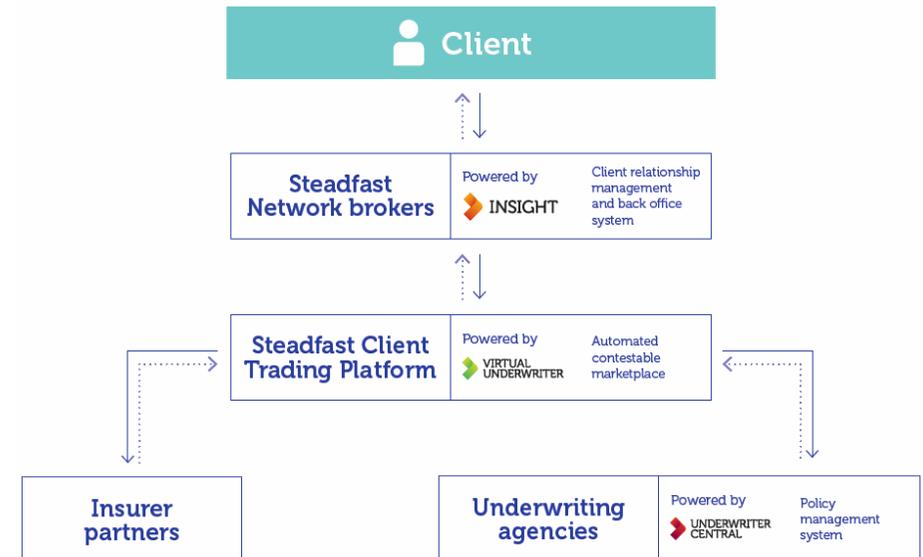
- **53** brokers in New Zealand and Asia
- unisonSteadfast
 - Over **200** brokers in **130** countries
 - Create new revenue streams and offer brokers Steadfast products and services in the medium-to-long term

unisonSteadfast network



Monetising our insurTech

- Steadfast Client Trading Platform (SCTP)
 - Over **\$230 million** of GWP transacted in FY18
- INSIGHT
 - **75** brokers live, further **50** contracted



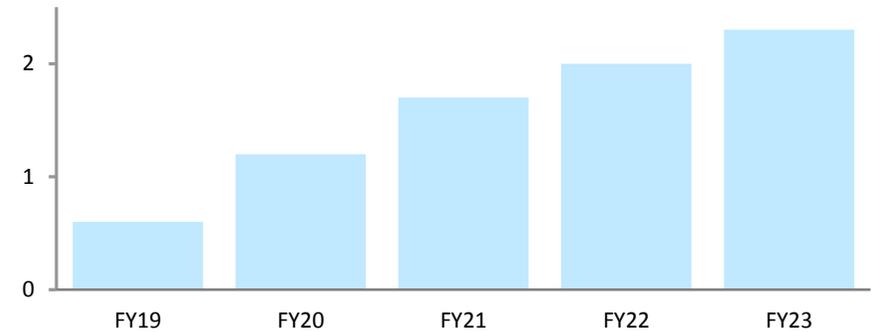
Outlook

Increasing SCTP usage and contribution to Steadfast Group

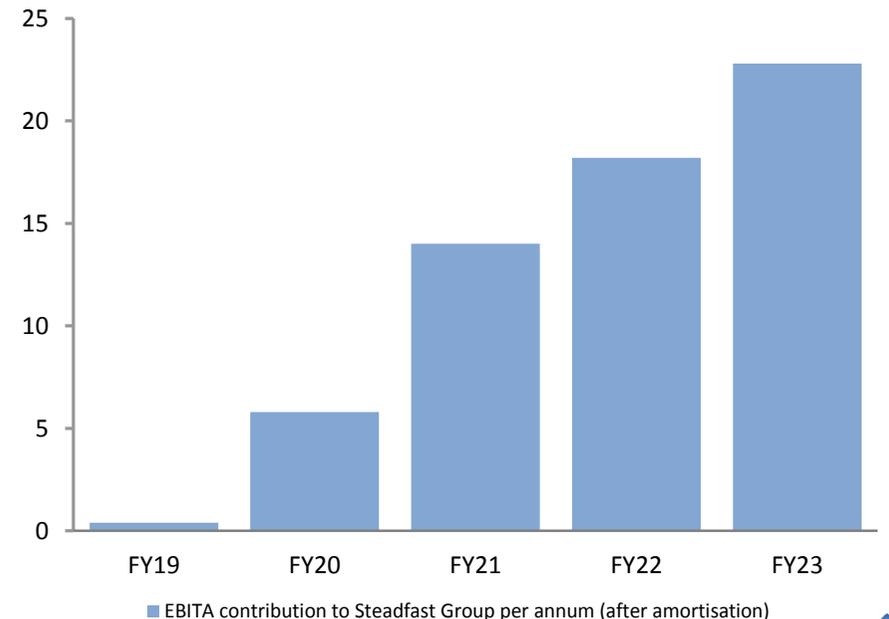
Steadfast Client Trading Platform (SCTP) - five year target

- ~\$2.3 billion of GWP expected to be transacted through SCTP in FY23
- ~\$23 million additional EBITA contribution per annum in FY23 (after amortisation of ~\$6m per annum) to Steadfast Group
- Ongoing investment in technology

GWP transacted through SCTP (\$bn)



Additional EBITA contribution to Steadfast Group from SCTP (\$m)



Upgraded FY19 guidance

Upgrading FY19 guidance based on strong first quarter

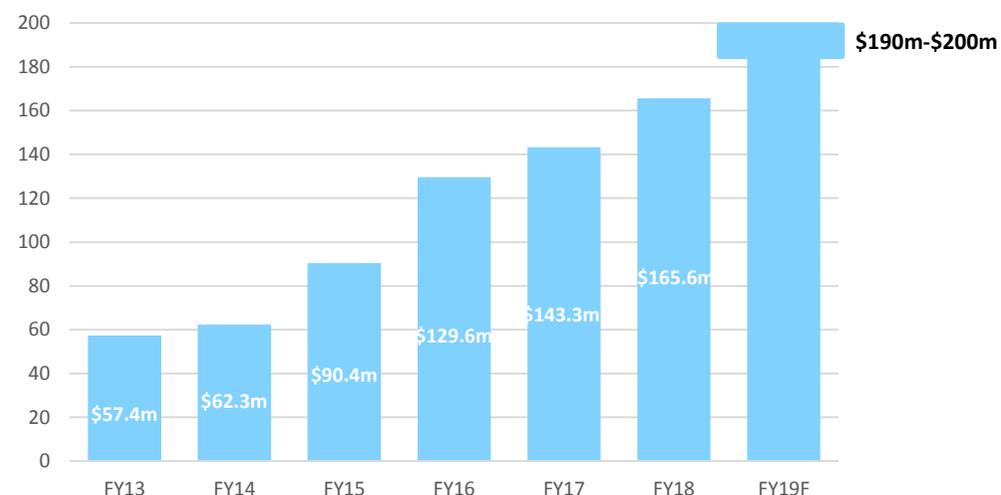
- Upgraded FY19 guidance¹:

	Underlying EBITA	Underlying NPAT
August 2018 guidance range	\$185m - \$195m	\$82.5m - \$87.5m
Upgraded guidance range	\$190m - \$200m	\$85m - \$90m

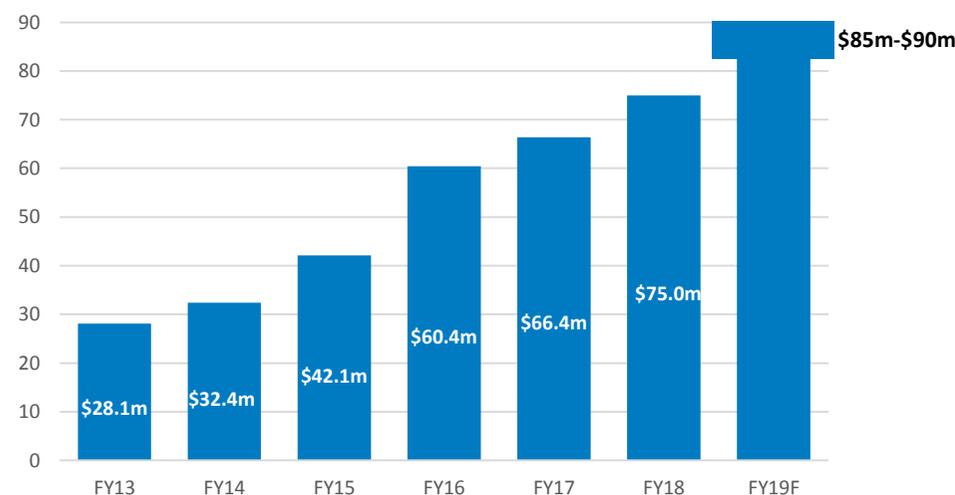
- Upgraded FY19 guidance based on first quarter of trading:

- Better than expected first quarter organic growth supported by mid-single digit price rises;
 - \$90m of acquisitions now completed and current pipeline; and
 - Current share price of our small strategic investment in Johns Lyng
- FY19 guidance subject to assumptions listed in FY18 results presentation¹:
 - Insurers continuing to drive moderate premium price increases
 - Increasing contribution from SCTP
 - Ongoing technology investment
 - FY19 1H/2H earnings split expected to be c.42%/58% (FY18: 43%/57%)
 - Due to seasonality, acquisitions, growing use of SCTP
 - Debt capacity increased to \$385m with over \$100m available to fund future growth

Underlying EBITA (\$m)²



Underlying NPAT (\$m)²



¹ Also refer to the key risks on pages 37 – 39 of the Steadfast Group 2018 Annual Report.

² FY13 and FY14 are pro-forma; FY15-FY18 are underlying.

Important notice

This presentation has been prepared by Steadfast Group Limited (“Steadfast”).

This presentation contains information in summary form which is current as at 18 October 2018. This presentation is not a recommendation or advice in relation to Steadfast or any product or service offered by Steadfast or its subsidiaries and associates. It is not intended to be relied upon as advice to investors or potential investors, and does not contain all information relevant or necessary for an investment decision or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act 2001 (Cth). It should be read in conjunction with Steadfast’s other continuous and periodic disclosure announcements filed with the Australian Securities Exchange, ASX Limited, and in particular the Steadfast Group 2018 Annual Report. These disclosures are also available on Steadfast’s website at investor.steadfast.com.au.

To the maximum extent permitted by law, Steadfast, its subsidiaries and associates and their respective directors, employees and agents disclaim all liability for any direct or indirect loss which may be suffered by any recipient through use of or reliance on anything contained in or omitted from this presentation. No recommendation is made as to how investors should make an investment decision. Investors must rely on their own examination of Steadfast, including the merits and risks involved. Investors should consult with their own professional advisors in connection with any acquisition of securities.

The information in this presentation remains subject to change without notice. Steadfast assumes no obligation to provide any recipient of this presentation with any access to any additional information or to notify any recipient or any other person of any other matter arising or coming to its notice after the date of this presentation.

To the extent that certain statements contained in this presentation may constitute “forward-looking statements” or statements about “future matters”, the information reflects Steadfast’s intent, belief or expectations at the date of this presentation. Steadfast may update this information over time. Any forward-looking statements, including projections or guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are outside Steadfast’s control and may cause Steadfast’s actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Any forward-looking statements, opinions and estimates in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Neither Steadfast, nor any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. In addition, please note that past performance is no guarantee or indication of future performance. Possible factors that could cause results or performance to differ materially from those expressed in forward-looking statements include the key risks on pages 37-39 of Steadfast Group’s 2018 Annual Report.

Certain non-IFRS financial information has been included within this presentation to assist in making appropriate comparisons with prior periods and to assess the operating performance of the business. Steadfast uses these measures to assess the performance of the business and believes that the information is useful to investors. Non-IFRS information, including underlying P&L items, pro-forma P&L items, underlying earnings before interest expense, tax and amortisation of acquired intangibles (EBITA), underlying NPAT, underlying net profit after tax but before (pre tax) amortisation (NPATA¹), underlying EPS (NPAT) (NPAT per share) and underlying EPS (NPATA) (NPATA per share), have not been subject to review by the auditors. FY13 and FY14 results are pro-forma and assume the Pre-IPO Acquisitions and the IPO Acquisitions were included for the full reporting period (all of the IPO Acquisitions completed on 7 August 2013). Prior period underlying EPS (NPAT) and underlying EPS (NPATA) have been adjusted to reflect the re-basing of EPS post the February/March 2015 1:3 rights issue. All references to Aggregate refer to the 100% aggregation of all investees’ results regardless of Steadfast’s ownership interest.

This presentation does not constitute an offer to issue or sell securities or other financial products in any jurisdiction. The distribution of this presentation outside Australia may be restricted by law. Any recipient of this presentation outside Australia must seek advice on and observe any such restrictions. This presentation may not be reproduced or published, in whole or in part, for any purpose without the prior written permission of Steadfast.

Local currencies have been used where possible. Prevailing current exchange rates have been used to convert local currency amounts into Australian dollars, where appropriate. All references starting with “FY” refer to the financial year ended 30 June. All references starting with “1H” refers to the financial half year ended 31 December. “2H” refers to the financial half year ended 30 June.

¹ Calculated on consistent basis since IPO