Steadfast Group Limited and controlled entities

Appendix 4D (rule 4.3A)
Preliminary final report for the half year ended 31 December 2022

Results for announcement to the market
(All comparisons to half year ended 31 December 2021)

	2022 $'m	Up/Down $'m	Movement %
Revenues from ordinary activities	546.2	84.3	18
Underlying EBITA before non-trading items	188.6	34.7	23
Underlying net profit after tax (NPAT) attributable to shareholders (Note 1)	90.2	13.9	18
Statutory NPAT attributable to shareholders (Note 1)	84.7	(20.2)	(19)
Total comprehensive income attributable to shareholders	87.2	(17.8)	(17)

Note 1:

The table below reconciles underlying to statutory NPAT, identifying non-trading items:

	2022 $'m	2021 $'m
Underlying NPAT	90.2	76.3
Adjustments for non-trading items (net of tax and non-controlling interests):		
Deferred consideration expense for outperforming acquisitions	(8.3)	(1.4)
Mark-to-market gains from revaluation of investment in JLG	1.8	15.2
Net gain from change in value or sale of investments	1.0	18.2
Impairment of intangibles	-	(3.5)
Other non-trading items	-	0.1
Statutory NPAT	84.7	104.9

Some of the financial data in the table above is disclosed on an underlying basis to provide a more meaningful analysis of the Group's financial results from normal operating activities. The adjustments to statutory NPAT have been extracted from the books and records that have been reviewed. Underlying NPAT has been disclosed in accordance with ASIC's Regulatory Guide RG230.

Dividend information

	Amount per share Cents	Franked amount per share Cents	Tax rate for franking credit %
Interim 2023 dividend per share	6.0	6.0	30

Interim dividend dates

Ex-dividend date	27 February 2023
Record date	28 February 2023
Payment date	22 March 2023

The Company's Dividend Reinvestment Plan (DRP) will operate by purchasing ordinary shares on market. No discount will be applied. The last election notice for participation in the DRP in relation to this interim dividend is 1 March 2023.

A copy of the full terms and conditions for the DRP is available at http://investor.steadfast.com.au/Investor-Centre/?page=Dividends.

	31 Dec 2022 $	30 Jun 2022 $
Net tangible assets per ordinary share*	0.02	0.01

* Net tangible assets per ordinary share are based on 1,038,561,895 shares on issue at 31 December 2022. There has been an increase of 60,967,950 in ordinary shares on issue since 30 June 2022.

Other information

As at the end of the reporting period, Steadfast Group Limited held an interest in the following associates and joint ventures:

	Ownership interest %
Associates	
Ausure Group Pty Ltd - associates thereof	18.5%
Baileys Insurance Ltd	43.5%
Baileys Premium Ltd	40.0%
Blackburn (Insurance Brokers) Pty Ltd and Liability Brokers Pty Ltd	40.0%
Collective Insurance Brokers Pty Ltd	49.0%
Covercorp Pty Ltd	49.0%
Coverforce Partners Pty Ltd – associates & joint ventures thereof	45.9%
Emergence Insurance Group Pty Ltd	50.0%
Flame Security International Pty Ltd	26.3%
Finpac Insurance Advisors Pty Ltd	49.0%
HJS Unit Trust	33.3%
J.D.I (YOUNG) Pty Ltd	25.0%
Johansen Insurance Brokers Pty Ltd	48.4%
Listsure Pty Ltd	29.8%
McLardy McShane Partners Pty Ltd and McLardy McShane Insurance Brokers Pty Ltd	37.0%
McKillops Insurance Brokers Pty Ltd	49.0%
Melbourne Insurance Brokers Pty Ltd	49.0%
Meridian Lawyers Limited	25.0%
Origin Insurance Brokers Pty Ltd	49.0%
QUS Pty Ltd	45.0%
Rothbury Group Limited and its subsidiaries and associates	43.4%
RSM Group Pty Ltd	49.0%
Sapphire Star Pty Ltd	30.0%
Southside Insurance Brokers Pty Ltd	49.0%
SRB Management Pty Ltd and its subsidiaries	50.0%
Steadfast Life Pty Ltd	50.0%
Sterling Insurance Pty Limited	39.5%
Transport Plus Insurance Brokers Pty Ltd	49.0%
Watkins Taylor Stone Insurance Brokers Pty Ltd and D&E Watkins Unit Trust	35.0%
Joint ventures	
Ausure Protect Pty Ltd	50.0%
ABICO Insurance Brokers and its related entities (ABICO)	50.0%
Ausure City & Rural Pty Ltd	50.0%
BAC Insurance Brokers Pty Ltd	50.0%
Blend Insurance Solutions Pty Ltd	50.0%
Clubs New Zealand Insurance Services Ltd	50.0%
Quantaco Insurance Pty Ltd	50.0%
Rhymemat Pty Ltd	34.0%
Steadfast Valuation Holdings Pty Ltd and its subsidiaries	50.0%
U-Cover Pty Ltd	50.0%
U-Plus Pty Ltd	50.0%
Xenia Mutual Management Pty Ltd	50.0%

The aggregate share of profits after tax of associates and joint ventures accounted for using the equity method is $14.8 million.

Additional Appendix 4D disclosure requirements can be found in the Directors' Report and the 31 December 2022 financial statements and accompanying notes.

This report is based on the consolidated financial statements which have been reviewed by KPMG.

Attachment A

Steadfast Group Limited
Half Year Report – 31 December 2022

Steadfast
THE STRENGTH YOU NEED

Steadfast Group
Half Year Report
2023

Contents

Directors' Report

The Directors present their report together with the consolidated financial statements of Steadfast Group Limited (Steadfast or the Company), its subsidiaries and interests in associates and joint ventures (collectively Steadfast Group or the Group) for the half year ended 31 December 2022 (1H23) and the Auditor's Review Report thereon.

Directors

The Directors of the Company at any time during or since the end of the half year are as follows.

Name	Date of appointment
Chair	
Frank O'Halloran, AM	21 October 2012
Managing Director & CEO	
Robert Kelly, AM	18 April 1996
Other Directors	
David Liddy, AM (Deputy Chair)	1 January 2013
Vicki Allen	18 March 2021
Joan Cleary	28 July 2022
Gai McGrath	1 June 2018
Anne O'Driscoll	1 July 2013
Greg Rynenberg	10 August 1998

Operating and financial review

A. Operating results for the half year

The trading results for the half year are summarised as follows (refer Note 4 and Note 5):

	31 Dec 2022 $'m	31 Dec 2021 $'m
Underlying net profit after income tax (NPAT) attributable to owners of Steadfast Group Limited	**90.2**	76.3
Adjustments for non-trading items (net of tax and non-controlling interests):		
Deferred consideration expense for outperforming acquisitions	**(8.3)**	(1.4)
Mark-to-market gains from revaluation of investment in JLG	**1.8**	15.2
Net gain from change in value or sale of investments	**1.0**	18.2
Impairment of intangibles	**-**	(3.5)
Other non-trading items	**-**	0.1
Statutory NPAT attributable to owners of Steadfast Group Limited	**84.7**	104.9
Underlying diluted earnings per share (cents per share)	**9.06**	8.41
Statutory diluted earnings per share (cents per share)	**8.50**	11.56

The underlying profit attributable to the Group after income tax, before non-trading items, was $90.2 million compared to $76.3 million in 31 December 2021. The increase was mainly due to:

- organic growth driven by price increases by insurers and volume increases;
- full period contribution from Coverforce and other acquired businesses; and
- acquisition of Insurance Brands Australia and interests in other Network brokers, including from the Trapped Capital project.

The underlying NPAT reflects the basis upon which performance is measured and monitored by the Board and management. Underlying NPAT has been disclosed in accordance with ASIC's Regulatory Guide RG230. The adjustments to profit have been extracted from the reviewed books and records. Underlying NPAT is disclosed to provide a more meaningful analysis of the Group's financial results from normal operating activities.

B. Review of financial condition

I. Financial position

The increase in total assets of the Group during the half year to 31 December 2022 was mainly attributable to the acquisition of businesses throughout the period as detailed in Note 10 to the financial statements, as well as increased premium funding receivables.

The increase in the total liabilities was mainly attributable to the assumption of the liabilities of the acquired businesses as well as additional borrowings to fund certain acquisitions and increased premium funding borrowings to service additional lending.

The increase in the Group's equity during the half year largely reflects the scrip issued and capital raised to fund acquisitions and the retention of profits net of dividends paid.

II. Cash from operations

Net cash inflows from operating activities of $138.7 million (excluding trust account and premium funding movements) reflected the continued full conversion of profits into cash flows. After funding dividends to shareholders, the remaining free cash flow is available for corporate activities, including acquisitions of further business interests.

III. Capital management

At 31 December 2022, the Company had 1,038.6 million ordinary shares on issue, up from the 977.6 million ordinary shares on issue at 30 June 2022, principally as a result of the institutional placement of 43.8 million shares ($225.0 million) in August 2022 to fund acquisitions and 14.1 million shares ($72.8 million) issued to vendors of Insurance Brands Australia and other businesses. Additionally, 1.7 million shares ($8.4 million) were issued in October 2022 for the Share Purchase Plan (SPP), and 1.4 million shares ($7.2 million) were issued under the September 2022 Dividend Reinvestment Plan (DRP). The Company continues to acquire shares on market to provide for potential share issues to employees, including Key Management Personnel (KMP), under equity-based incentive schemes.

The Group leverages its equity, adopting a maximum 30.0% total gearing ratio (excluding premium funding borrowings). At 31 December 2022, the Group's gearing ratio was 19.1% (30 June 2022: 19.0%). Refer Note 9C.

The Group has a $660.0 million multibank syndicated facility with a combination of three year and five year tranches. At balance date, the Group had the ability to borrow a further $235.0 million from this facility.

At 31 December 2022, the Warehouse Trust limit for IQumulate Premium Funding Pty Ltd was $570.0 million (including a $60.0 million overdraft facility) with an availability period to July 2023 (previously July 2022). The premium funding borrowings, secured primarily by the premium funding receivables, have a one-year term (renewed on an annual basis) to attract a lower cost of borrowing which is standard commercial practice for this sector. Whilst the contractual availability period ends in July 2023, the premium funding borrowings have been classified as non-current in the statement of financial position as the contractual maturity date includes an amortisation period giving the Group 12 months to repay from the date of the last maturing premium funding loan in the Warehouse Trust.

The corporate debt and premium funding facilities are not cross collateralised.

Events after the reporting period

Subsequent to 31 December 2022, the Board declared an interim dividend of 6.0 cents per share, fully franked. The dividend will be paid on 22 March 2023.

Likely developments

The Group's ongoing business strategy is to grow shareholder value through maintaining and growing its market position in the provision of insurance and related services, with a core focus on general insurance intermediation.

The Board has provided the following FY23 upgraded guidance:

- Underlying EBITA of $420.0 million to $430.0 million
- Underlying NPAT of $198.0 million to $208.0 million
- Underlying diluted EPS (NPAT) growth of 10% to 15%
- Underlying NPATA of $242.0 million to $252.0 million

This guidance is subject to:

- expectation of continued premium rate increases by insurers;
- completion of a further $43 million of Trapped Capital acquisitions in FY23;
- no material economic impacts from current global uncertainties; and
- key risks as set out in the 2022 Annual Report (pages 48 - 49)

Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration is set out on page 12 and forms part of the Directors' Report for the half year ended 31 December 2022.

Rounding

The Group is of the kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities & Investments Commission. In accordance with that Instrument, amounts in the Directors' Report and financial report have been rounded to the nearest hundred thousand dollars, unless otherwise stated.

Signed at Sydney on 21 February 2023 in accordance with a resolution of the Directors.

Frank O'Halloran, AM
Chair

Robert Kelly, AM
Managing Director & CEO

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Steadfast Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Steadfast Group Limited for the half year ended 31 December 2022 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG	David Kells *Partner*
	Sydney
	21 February 2023

At Steadfast, we create long-term value for all our stakeholders through our strategic business activities and our focus on the key drivers of sustainable performance.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2022

	Notes	31 Dec 2022 $'m	31 Dec 2021 $'m
Fee and commission income		**605.1**	478.0
Less: brokerage commission paid		**(144.5)**	(110.8)
Net fee and commission income		**460.6**	367.2
Premium funding interest income		**47.1**	38.3
Share of profits of associates & joint ventures	11	**14.8**	9.8
Fair value gain on listed investment		**2.6**	21.7
Net gain from change in ownership on equity businesses		**9.2**	21.2
Other income		**11.9**	3.7
		546.2	461.9
Employment expense		**(227.3)**	(178.8)
Operating, brokers' support service and other expenses		**(74.9)**	(54.2)
Selling expense		**(30.5)**	(20.5)
Amortisation expense	7	**(30.2)**	(24.7)
Depreciation expense		**(12.2)**	(10.6)
Impairment expense – non-financial assets	7	**-**	(3.6)
Finance cost		**(12.8)**	(8.0)
		(387.9)	(300.4)
Profit before income tax expense		**158.3**	161.5
Income tax expense		**(58.0)**	(45.0)
Profit after income tax expense for the period		**100.3**	116.5
PROFIT FOR THE PERIOD IS ATTRIBUTABLE TO:			
Non-controlling interests		**15.6**	11.6
Owners of Steadfast Group Limited	4	**84.7**	104.9
		100.3	116.5

	Notes	31 Dec 2022 $'m	31 Dec 2021 $'m
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss			
Net movement in foreign currency translation reserve		**2.5**	0.2
Income tax expense on other comprehensive income		**-**	(0.1)
Total other comprehensive income for the period, net of tax		**2.5**	0.1
Total comprehensive income for the period, net of tax		**102.8**	116.6
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD IS ATTRIBUTABLE TO:			
Non-controlling interests		**15.6**	11.6
Owners of Steadfast Group Limited		**87.2**	105.0
		102.8	116.6
EARNINGS PER SHARE			
Basic earnings per share (cents per share)	5	**8.52**	11.57
Diluted earnings per share (cents per share)	5	**8.50**	11.56

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position

As at 31 December 2022

	Notes	31 Dec 2022 $'m	30 June 2022 $'m
ASSETS			
Current assets			
Cash and cash equivalents		**250.7**	279.8
Cash held on trust		**842.8**	665.2
Trade and other receivables	12	**199.8**	206.1
Premium funding receivables	12	**692.1**	575.7
Other		**26.8**	11.0
Total current assets		**2,012.2**	1,737.8
Non-current assets			
Goodwill	7	**1,886.3**	1,494.1
Intangible assets	7	**340.5**	265.5
Investments in associates & joint ventures	11	**229.4**	210.3
Property, plant and equipment		**61.5**	59.3
Right-of-use assets		**53.9**	45.3
External shareholder loans		**31.0**	31.9
Loans to associates & joint ventures		**9.6**	3.4
Other financial assets		**38.6**	33.0
Deferred tax assets		**29.4**	29.4
Other		**8.3**	6.5
Total non-current assets		**2,688.5**	2,178.7
Total assets		**4,700.7**	3,916.5

	Notes	31 Dec 2022 $'m	30 June 2022 $'m
LIABILITIES			
Current liabilities			
Payables on broking/underwriting agency operations		**815.3**	648.7
Trade and other liabilities		**136.7**	121.4
Premium funding payables		**150.0**	139.5
Corporate and subsidiary borrowings	8	**5.5**	10.2
Premium funding borrowings	8	**39.7**	32.1
Lease liabilities		**17.2**	14.7
Deferred consideration	10	**85.3**	51.9
Provisions		**49.3**	47.0
Income tax payable		**37.3**	29.5
Total current liabilities		**1,336.3**	1,095.0
Non-current liabilities			
Corporate and subsidiary borrowings	8	**495.2**	409.4
Premium funding borrowings	8	**522.2**	434.8
Deferred tax liabilities		**119.4**	98.0
Lease liabilities		**43.9**	37.5
Provisions		**13.5**	11.6
Deferred consideration	10	**15.6**	15.7
Other payables		**0.6**	0.6
Total non-current liabilities		**1,210.4**	1,007.6
Total liabilities		**2,546.7**	2,102.6
Net assets		**2,154.0**	1,813.9
EQUITY			
Share capital	9	**1,949.1**	1,638.9
Treasury shares held in trust	9	**(15.7)**	(15.9)
Revaluation reserve		**12.1**	12.1
Other reserves	9D	**(44.0)**	(42.7)
Retained earnings		**100.5**	92.1
Equity attributable to the owners of Steadfast Group Limited		**2,002.0**	1,684.5
Non-controlling interests		**152.0**	129.4
Total equity		**2,154.0**	1,813.9

The above Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity

For the half year ended 31 December 2022

31 Dec 2022	Equity attributable to owners of Steadfast Group Limited						Non-controlling interests	Total equity
	Share capital $'m	Treasury shares held in trust $'m	Revaluation reserve $'m	Other reserves $'m	Retained earnings $'m	Total $'m	$'m	$'m
Balance at 1 July 2022	**1,638.9**	**(15.9)**	**12.1**	**(42.7)**	**92.1**	**1,684.5**	**129.4**	**1,813.9**
Profit after income tax expense for the period	**-**	**-**	**-**	**-**	**84.7**	**84.7**	**15.6**	**100.3**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**2.5**	**-**	**2.5**	**-**	**2.5**
Total comprehensive income for the period	**-**	**-**	**-**	**2.5**	**84.7**	**87.2**	**15.6**	**102.8**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:								**-**
Issue of share capital (Note 9)	**310.2**	**-**	**-**	**-**	**-**	**310.2**	**-**	**310.2**
Shares acquired and held in trust (Note 9)	**-**	**(5.4)**	**-**	**-**	**-**	**(5.4)**	**-**	**(5.4)**
Share-based payments on executive shares and employee share plans	**-**	**-**	**-**	**3.6**	**-**	**3.6**	**-**	**3.6**
Shares (allotted)/ allocated (Note 9)	**-**	**5.6**	**-**	**(5.6)**	**-**	**-**	**-**	**-**
Non-controlling interests of acquired entities (Note 10)	**-**	**-**	**-**	**-**	**-**	**-**	**4.4**	**4.4**
Revaluation of put options over non-controlling interests (Note 10G)	**-**	**-**	**-**	**(0.1)**	**-**	**(0.1)**	**-**	**(0.1)**
Change in equity interests in subsidiaries without loss of control	**-**	**-**	**-**	**(1.7)**	**-**	**(1.7)**	**19.9**	**18.2**
Final dividend declared and paid (Note 6)	**-**	**-**	**-**	**-**	**(76.3)**	**(76.3)**	**(17.3)**	**(93.6)**
Balance at 31 December 2022	**1,949.1**	**(15.7)**	**12.1**	**(44.0)**	**100.5**	**2,002.0**	**152.0**	**2,154.0**

	Equity attributable to owners of Steadfast Group Limited						Non-controlling interests	Total equity
31 Dec 2021	Share capital $'m	Treasury shares held in trust $'m	Revaluation reserve $'m	Other reserves $'m	Retained earnings $'m	Total $'m	$'m	$'m
Balance at 1 July 2021	1,178.3	(13.9)	12.1	(51.1)	33.4	1,158.8	108.2	1,267.0
Profit after income tax expense for the period	-	-	-	-	104.9	104.9	11.6	116.5
Other comprehensive income for the period, net of tax	-	-	-	0.1	-	0.1	-	0.1
Total comprehensive income for the period	-	-	-	0.1	104.9	105.0	11.6	116.6
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:								
Issue of share capital (Note 9)	460.6	-	-	-	-	460.6	-	460.6
Shares acquired and held in trust (Note 9)	-	(6.5)	-	-	-	(6.5)	-	(6.5)
Share-based payments on executive shares and employee share plans	-	-	-	2.7	-	2.7	-	2.7
Shares (allotted)/ allocated (Note 9)	-	4.7	-	(4.9)	-	(0.2)	-	(0.2)
Transfer between other reserves and retained earnings	-	-	-	1.1	(1.1)	-	-	-
Non-controlling interests of acquired entities (Note 10)	-	-	-	-	-	-	2.0	2.0
Revaluation of put options over non-controlling interests (Note 10G)	-	-	-	(1.9)	-	(1.9)	-	(1.9)
Change in equity interests in subsidiaries without loss of control	-	-	-	4.6	-	4.6	8.8	13.4
Final dividend declared and paid (Note 6)	-	-	-	-	(61.0)	(61.0)	(13.8)	(74.8)
Balance at 31 December 2021	1,638.9	(15.7)	12.1	(49.4)	76.2	1,662.1	116.8	1,778.9

The above Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements,

Consolidated Statement of Cash Flows

For the half year ended 31 December 2022

	Notes	31 Dec 2022 $'m	31 Dec 2021 $'m
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**594.2**	478.1
Payments to suppliers and employees, and Network broker rebates		**(410.4)**	(324.1)
Dividends received from associates and joint ventures		**13.6**	9.4
Interest received		**8.1**	1.6
Interest and other finance cost paid		**(10.6)**	(6.7)
Income taxes paid		**(56.2)**	(44.5)
Net cash from operating activities before customer trust account and premium funding movements		**138.7**	113.8
Net cash outflow from premium funding customers		**(109.8)**	(88.3)
Net movement in customer trust accounts (net cash receipts/payments on behalf of customers)		**106.9**	56.8
Net cash from operating activities	15	**135.8**	82.3
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisitions of subsidiaries and business assets		**(334.9)**	(243.2)
Cash acquired from acquisitions of subsidiaries and business assets	10	**86.6**	101.0
Payments for investments in associates and joint ventures	11	**(9.3)**	(50.1)
Payments for step-up investment in subsidiaries on hubbing arrangements		**(7.8)**	(20.5)
Dividends received from listed investment		**0.2**	0.1
Payments for additional shares in other financial assets		**(3.0)**	(5.1)
Payments for deferred consideration of subsidiaries, associates and business assets	10	**(26.9)**	(36.9)
Proceeds from disposal of investment in subsidiaries, net of cash disposed		**-**	1.7
Proceeds from part disposal of investment in subsidiaries on hubbing arrangements		**16.1**	23.7
Proceeds from disposal of investment in associates		**2.2**	1.2
Payments for property, plant and equipment		**(5.3)**	(1.5)
Payments for intangible assets		**(4.4)**	(0.1)
Net cash used in investing activities		**(286.5)**	(229.7)

	Notes	31 Dec 2022 $'m	31 Dec 2021 $'m
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		**233.4**	253.1
Payments for transaction costs on issue of shares		**(4.5)**	(4.3)
Dividends paid to owners of Steadfast, net of Dividend Reinvestment Plan		**(69.1)**	(57.1)
Dividends paid to non-controlling interests		**(17.3)**	(13.8)
Proceeds from borrowings (excluding premium funding)	8	**103.3**	447.2
Repayment of borrowings (excluding premium funding)	8	**(22.2)**	(369.3)
Net cash inflow from premium funding borrowings	8	**95.0**	52.1
Payments for purchase of treasury shares	9	**(5.4)**	(6.5)
Repayment of related party loans		**7.1**	0.8
Payments for related party loans		**(11.2)**	(5.6)
Repayment of non-related party loans		**1.1**	1.9
Payments for non-related party loans		**(2.4)**	(7.6)
Payment of lease liabilities		**(9.1)**	(7.7)
Net cash from financing activities		**298.7**	283.2
Net increase in cash and cash equivalents		**148.0**	135.8
Cash and cash equivalents at the beginning of the financial period		**945.0**	736.9
Effect of movements in exchange rates on cash held		**0.5**	0.3
Cash and cash equivalents at the end of the financial period		**1,093.5**	873.0

The above Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

Note 1. General information

This general purpose financial report is for the half year ended 31 December 2022 and comprises the consolidated financial statements for Steadfast Group Limited (Steadfast or the Company) and its subsidiaries and the Group's interests in associates and joint ventures (Steadfast Group or the Group). These financial statements are presented in Australian dollars, which is Steadfast's functional and presentation currency.

The Company is a for-profit listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Level 4, 99 Bathurst Street, Sydney NSW 2000.

This general purpose financial report was authorised for issue by the Board on 21 February 2023.

This report should be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the Company during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Note 2. Significant accounting policies

A. Statement of compliance

This financial report has been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board as appropriate for for-profit entities, and the Australian Securities Exchange (ASX) Listing Rules.

International Financial Reporting Standards (IFRS) refer to the overall framework of standards and pronouncements approved by the International Accounting Standards Board. IFRS forms the basis of the Australian Accounting Standards. This financial report of the Group complies with IFRS.

B. Basis of preparation of the financial report

The significant accounting policies adopted in the preparation of this financial report have been applied consistently by all entities in the Group and are the same as those applied for the previous reporting period unless otherwise noted. These financial statements have been prepared under the historical cost convention, modified, where applicable, by the measurement at fair value of certain non-current assets, financial assets and financial liabilities.

I. Rounding

The Group is of the kind referred to in the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission. In accordance with that Instrument, amounts in this financial report have been rounded to the nearest hundred thousand dollars, unless otherwise stated.

II. Australian Accounting Standards issued and not yet effective

The Group has not early adopted nor applied any new, revised or amending Australian Accounting Standards and Interpretations that are not yet mandatory for the half year ended 31 December 2022.

The Group intends to adopt new, revised or amending Australian Accounting Standards and Interpretations in the operating year commencing 1 July after the effective date of these standards and interpretations as set out in the table below. Additional disclosures as a result of adopting these new accounting standards will be provided in accordance with the disclosure requirements. The Group does not expect any material impact on the financial position or performance of the Group as a result of applying the new accounting standards.

Title	Description	Effective date	Operating year	Note
AASB 17	Insurance Contracts	1 January 2023	30 June 2024	(i)

Table note

i. AASB 17 Insurance Contracts was issued in July 2017 as a replacement for AASB 4 Insurance Contracts and is applicable to general, life and health insurance businesses. As the Group does not assume or retain significant underwriting risk on insurance contracts or reinsurance contracts issued on behalf of licensed insurers as an intermediary, there is no significant financial impact expected from AASB 17 on the Group.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenues and expenses. Management bases its judgements, estimates and assumptions on historical experience and on various other factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates may differ from the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) during the half year ended 31 December 2022 are discussed below.

The Group has considered the impact of economic conditions such as inflation and the rising interest rate environment when preparing the consolidated financial statements and related note disclosures, including the impact on the Group's forecast cash flows and liquidity. While the effects of these uncertainties do not change the significant estimates, judgements and assumptions considered by management in the preparation of the consolidated financial statements, they increase the level of estimation uncertainty and the application of further judgement within these identified areas.

A. Goodwill

Goodwill is not amortised but assessed for impairment annually or more frequently when there is evidence of impairment.

The recoverable amount of goodwill is estimated using the higher of fair value or the value in use of the relevant Cash Generating Unit (CGU) deducting the carrying amount of the identifiable net assets of the CGU. Key assumptions used in the calculation of recoverable amounts are the discount rates, terminal value growth rates and inputs to revenue and expense growth assumptions.

B. Intangible assets

The carrying amounts of intangible assets with finite lives are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated on the same basis as goodwill above.

An impairment loss is recognised if the carrying amount of the intangible asset exceeds its recoverable amount.

C. Equity-accounted investments

Equity-accounted investments are carried at the lower of the equity-accounted amount and the recoverable amount.

The carrying amounts of equity-accounted investments are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated on the same basis as goodwill above.

An impairment loss is recognised if the carrying amount of the equity-accounted investment exceeds its recoverable amount.

D. Expected credit loss provision

The expected credit loss (ECL) provision is estimated based on the analysis of aged receivables, as the Group assumes that the credit risk on fee and commission receivables increases significantly if it is more than 90 days past due, as well as based on assumptions made on forward-looking information. For the premium funding businesses, the ECL provision is based on historical analysis of credit losses for loans in arrears, having considered whether this remains appropriate.

E. Fair value of assets acquired

The Group measures the net assets acquired in a business combination at their fair value at the date of acquisition. If new information obtained within one year from the acquisition date, about facts and circumstances that existed at the acquisition date, identifies adjustments to the fair value, then the amounts recognised at the acquisition date will be retrospectively revised.

Fair value is estimated with reference to market transactions for similar assets or discounted cash flow analysis.

F. Fair value of assets and liabilities

The Group's assets and liabilities are measured at fair value (including costs to dispose) at the end of each reporting period. The following table gives information about how the fair value of assets and liabilities is determined, including the valuation techniques and inputs used. For the Group's assets and liabilities where a fair value methodology is not noted below, their carrying amounts provide a reasonable approximation of their fair values.

Fair values are categorised into different levels in a fair value hierarchy, based on the inputs used in the valuation techniques, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data.

Asset or liability	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Deferred consideration	Level 3	The fair value is calculated based on a contracted multiple, typically of forecast EBITA or fees and commissions	Forecast EBITA or fees and commissions	The estimated fair value would increase/decrease if the forecast EBITA or fees and commissions were higher/lower
Land and buildings	Level 3	The fair value is determined using an independent appraisal by qualfied property valuers. The last appraisal was performed for year ended 30 June 2021, which has formed the basis of management's valuation for the current period. Their valuation is based on the use of capitalisation of net income (discounted cash flow) and direct comparison approaches. An updated valuation will be conducted during the current financial year	Forecast cash flows and market value are driven largely by market yield. Yield is impacted by numerous factors including rental growth, occupancy rates and rental incentives which are all driven by supply and demand forces. Forecast cash flows are also impacted by the discount rate adopted.	The estimated fair value would increase/decrease if market yields were higher/lower The estimated fair value would decrease/increase if the discount rate used was higher/lower
Interest rate swaps (trade and other liabilities)	Level 2	The fair value is calculated using the present value of the estimated future cash flows based on observable yield curves	Not applicable	Not applicable
Investment in listed shares (other financial assets)	Level 1	The fair value is calculated based on the number of shares multiplied by the quoted closing price on the ASX at balance date	Not applicable	Not applicable

G. Climate change

Climate change, together with increased urbanisation, is a global risk that is material for the insurance industry including insurers' operations, customers and the whole economy. Climate change may increase the frequency and severity of acute weather-related events such as floods, bushfires and storms, as well as giving rise to changes such as rising sea levels, increased heat waves and droughts.

The principal activities of the Group are the provision of services to Steadfast Network brokers, the distribution of insurance policies through insurance brokerages and underwriting agencies, and related services. As such the Group is not exposed to climate change risk to the same extent as insurers that underwrite the risk of an insurance policy. Whilst the potential risks and related opportunities from climate change are considered as part of the Group's asset impairment review methodology and processes, based on what is currently known, it is not expected that climate risks will have a significant impact on the Group's principal activities, particularly from an asset impairment standpoint.

Note 4. Operating segments

The Group's corporate structure includes equity investments in insurance intermediary entities (insurance broking and underwriting agencies), premium funders and complementary businesses. Discrete financial information about each of these entities is reported to management on a regular basis and, accordingly, management considers each entity to be a discrete business operation.

The Group distributes insurance and issues premium funding products primarily in Australia and New Zealand. The Group is also expanding its footprint in the United Kingdom and Singapore, and has a controlling interest in UnisonSteadfast, a network headquartered in Germany. Regarding geographical information, the revenue and non-current assets attributed to geographies outside of Australasia are currently immaterial to the Group and hence no separate geographical disclosure has been made.

The financial performance of the Group's operating segments is regularly provided to the Chief Operating Decision Maker (considered to be the Managing Director & CEO) for each discrete business operation. The table below presents the financial performance for the Group's insurance intermediaries and premium funders on an aggregated basis as each discrete business operation within these operating segments is considered to have similar economic characteristics. The financial performance of each of these operating segments is presented on an unconsolidated basis, that is, gross of transactions between reportable segments. Intercompany eliminations between insurance intermediaries and premium funders are disclosed separately below.

Half year to 31 Dec 2022	Insurance intermediary $'m	Premium funding $'m	Other $'m	Intercompany eliminations $'m	Total underlying $'m	Re-classifications $'m[1]	Non-trading items $'m[2]	Total statutory $'m
Total revenue	**615.9**	**46.3**	**5.5**	**(4.9)**	**662.8**	**(129.6)**	**13.0**	**546.2**[3]
Total expenses	**(480.1)**	**(40.5)**	**(12.3)**	**4.9**	**(528.0)**	**141.7**	**(1.6)**	**(387.9)**
Share of EBITA from associates and joint ventures	**17.5**	**0.1**	**1.2**	**-**	**18.8**	**(18.8)**	**-**	**-**
Financing expense - associates	**(0.6)**	**(0.1)**	**-**	**-**	**(0.7)**	**0.7**	**-**	**-**
Amortisation expense - associates	**(0.6)**	**(0.1)**	**(0.3)**	**-**	**(1.0)**	**1.0**	**-**	**-**
Net profit/(loss) before income tax	**152.1**	**5.7**	**(5.9)**	**-**	**151.9**	**(5.0)**	**11.4**	**158.3**
Income tax (expense)/benefit	**(45.2)**	**(1.7)**	**0.4**	**-**	**(46.5)**	**5.0**	**(16.5)**	**(58.0)**
Net profit/(loss) after income tax	**106.9**	**4.0**	**(5.5)**	**-**	**105.4**	**-**	**(5.1)**	**100.3**
Non-controlling interests	**(15.4)**	**0.2**	**-**	**-**	**(15.2)**	**-**	**(0.4)**	**(15.6)**
Net profit after income tax attributable to owners of Steadfast Group Limited	**91.5**	**4.2**	**(5.5)**	**-**	**90.2**	**-**	**(5.5)**	**84.7**

[1] Much of the reclassification relates to commissions paid by the Group's underwriting agencies. Such commisions are netted off against revenue in the statutory numbers, and are disclosed as expenses in the underlying numbers.
[2] Refer Note 5B for a breakdown of non-trading item adjustments.
[3] Total statutory revenue includes all income net of brokerage commission as set out in the statement of profit or loss and other comprehensive income.

Half year to 31 Dec 2021	Insurance intermediary $'m	Premium funding $'m	Other $'m	Intercompany eliminations $'m	Total underlying $'m	Re-classifications $'m	Non-trading items $'m	Total statutory $'m
Total revenue	483.4	37.4	3.8	(3.7)	520.9	(101.3)	42.3	461.9
Total expenses	(368.7)	(31.9)	(9.6)	3.7	(406.5)	109.6	(3.5)	(300.4)
Share of EBITA from associates and joint ventures	13.3	-	0.4	-	13.7	(13.6)	(0.1)	-
Financing expense - associates	(0.3)	-	-	-	(0.3)	0.3	-	-
Amortisation expense - associates	(1.0)	-	-	-	(1.0)	1.0	-	-
Net profit/(loss) before income tax	126.7	5.5	(5.4)	-	126.8	(4.0)	38.7	161.5
Income tax (expense)/benefit	(37.3)	(1.9)	(1.1)	-	(40.3)	4.0	(8.7)	(45.0)
Net profit/(loss) after income tax	89.4	3.6	(6.5)	-	86.5	-	30.0	116.5
Non-controlling interests	(10.4)	0.2	-	-	(10.2)	-	(1.4)	(11.6)
Net profit after income tax attributable to owners of Steadfast Group Limited	79.0	3.8	(6.5)	-	76.3	-	28.6	104.9

Note 5. Earnings per share

A. Reporting period value

	Half year to 31 Dec 2022 Cents	Half year to 31 Dec 2021 Cents
Basic earnings per share	**8.52**	11.57
Diluted earnings per share	**8.50**	11.56
Excluding non-trading items, the underlying earnings per share would be as follows:		
Basic earnings per share	**9.07**	8.42
Diluted earnings per share	**9.06**	8.41

B. Reconciliation of earnings used in calculating earnings per share

	Half year to 31 Dec 2022 $'m	Half year to 31 Dec 2021 $'m
Profit after income tax	**100.3**	116.5
Non-controlling interests	**(15.6)**	(11.6)
Profit after income tax attributable to the owners of Steadfast Group Limited for calculation of statutory basic and diluted earnings per share	**84.7**	104.9
Adjustments for non-trading items (net of tax and non-controlling interest):		
Deferred consideration expense for outperforming acquisitions	**8.3**	1.4
Mark-to-market gains from revaluation of listed investment in JLG	**(1.8)**	(15.2)
Net gain from change in value or sale of investments	**(1.0)**	(18.2)
Impairment of intangibles	**-**	3.5
Other non-trading items	**-**	(0.1)
Underlying profit after income tax attributable to the owners of Steadfast Group Limited for calculation of underlying basic and diluted earnings per share	**90.2**	76.3

C. Reconciliation of weighted average number of shares used in calculating earnings per share

	Half year to 31 Dec 2022 Number in 'm	Half year to 31 Dec 2021 Number in 'm
I. Weighted average number of ordinary shares issued		
Weighted average number of ordinary shares issued	**998.2**	910.2
Weighted average number of treasury shares held in trust	**(3.6)**	(3.8)
Weighted average number of ordinary shares used in calculating basic earnings per share	**994.6**	906.4
II. Weighted average number of dilutive potential ordinary shares		
Weighted average number of ordinary shares	**994.6**	906.4
Dilutive potential ordinary shares issuable under share-based payments arrangements	**1.5**	1.2
Weighted average number of ordinary shares used in calculating diluted earnings per share	**996.1**	907.6

The weighted average number of ordinary shares or dilutive potential ordinary shares is calculated by taking into account the period from the issue date of the shares to the reporting date unless otherwise stated as below:

Steadfast operates share-based payment arrangements (being an employee conditional rights scheme, a short-term incentive plan and a long-term incentive plan) where eligible employees may receive conditional rights instead of cash. One conditional right will convert to one ordinary share subject to vesting conditions being met. These share-based payment arrangements are granted to employees free of cost and no consideration is payable on conversion to Steadfast's ordinary shares. These arrangements have a dilutive effect to the basic earnings per share (EPS).

Note 6. Dividends

A. Dividends on ordinary shares

	Cents per share	Total amount $'m	Payment date	Tax rate for franking credit	Percentage franked
31 December 2022					
2022 final dividend	**7.8**	**76.3**	**9 September 2022**	**30%**	**100%**
31 December 2021					
2021 final dividend	7.0	61.0	10 September 2021	30%	100%

It is standard practice that the Board declares the dividend for a period after the relevant reporting date. A dividend is not accrued until it is declared and so the dividends for a period are generally recognised and measured in the financial reporting period following the period to which the dividends relate.

B. Dividend policy

The Company targets a dividend payout ratio in the range of 65% to 85% of underlying NPAT attributable to shareholders of the Company with a minimum dividend payout ratio of 50% of net profit after tax and before amortisation, impairment and other non-trading items (NPATA).

C. Dividend Reinvestment Plan

A DRP allows equity holders to elect to receive their dividend entitlement in the form of the Company's ordinary shares. The price of DRP shares is the average share market price calculated over the pricing period (which is at least five trading days) less any discount as determined by the Board for each dividend payment date.

D. Dividend not recognised at reporting date

On 21 February 2023, the Board resolved to pay the following dividend. As this occurred after the reporting date, the dividends declared have not been recognised in this financial report.

	Cents per share	Total amount $'m	Expected payment date	Tax rate for franking credit	Percentage franked
2023 interim dividend	**6.0**	**62.3**	**22 March 2023**	**30%**	**100%**

The Company's DRP will operate by the issue of new shares. No discount will be applied. The last election notice for participation in the DRP in relation to this interim dividend is 1 March 2023.

Note 7. Intangible assets and goodwill

A. Composition

31 December 2022	Customer relationships $'m	Capitalised software $'m	Other intangible assets $'m	Total intangible assets $'m	Goodwill $'m
At cost	**535.2**	**88.3**	**8.1**	**631.6**	**1,936.7**
Accumulated amortisation and impairment	**(237.0)**	**(46.8)**	**(7.3)**	**(291.1)**	**(50.4)**
	298.2	**41.5**	**0.8**	**340.5**	**1,886.3**

B. Movements

31 December 2022	Customer relationships $'m	Capitalised software $'m	Other intangible assets $'m	Total intangible assets $'m	Goodwill $'m
Balance at the beginning of the financial period	**225.9**	**38.8**	**0.8**	**265.5**	**1,494.1**
Additions	**5.9**	**6.6**[1]	**-**	**12.5**	**-**
Additions through business combinations	**90.7**	**2.6**	**-**	**93.3**	**397.4**
Reduction upon loss of control	**(1.1)**	**-**	**-**	**(1.1)**	**(6.0)**
Amortisation expense	**(23.6)**	**(6.6)**	**-**	**(30.2)**	**-**
Net foreign currency exchange difference	**0.4**	**0.1**	**-**	**0.5**	**0.8**
Balance at the end of the financial period	**298.2**	**41.5**	**0.8**	**340.5**	**1,886.3**

[1] *Comprises $6.1m of internally developed software and $0.5m of acquired software.*

C. Composition

30 June 2022	Customer relationships $'m	Capitalised software $'m	Other intangible assets $'m	Total intangible assets $'m	Goodwill $'m
At cost	439.7	79.1	8.1	526.9	1,544.6
Accumulated amortisation and impairment	(213.8)	(40.3)	(7.3)	(261.4)	(50.5)
	225.9	38.8	0.8	265.5	1,494.1

D. Movements

30 June 2022	Customer relationships $'m	Capitalised software $'m	Other intangible assets $'m	Total intangible assets $'m	Goodwill $'m
Balance at the beginning of the financial year	167.8	33.5	0.7	202.0	1,082.2
Additions	5.3	16.8[1]	0.1	22.2	-
Additions through business combinations	94.9	-	-	94.9	424.5
Reduction upon loss of control	(1.9)	(0.1)	-	(2.0)	(8.6)
Amortisation expense	(40.0)	(11.5)	-	(51.5)	-
Impairment expense	(0.3)	-	-	(0.3)	(3.3)
Net foreign currency exchange difference	0.1	0.1	-	0.2	(0.7)
Balance at the end of the financial year	225.9	38.8	0.8	265.5	1,494.1

[1] *Comprises $16.5m of internally developed software and $0.3m of acquired software.*

Note 8. Borrowings

The Group has two types of borrowings, as follows:

I. Corporate and subsidiary borrowings - Bank loans and lines of credit in corporate and subsidiaries for the purpose of carrying out the Group's principal activities including the distribution of insurance policies through insurance brokerages and underwriting agencies and related services, as well as acquisitions and bolt-ons. These loans are secured against the Group's assets, excluding IQumulate Premium Funding Pty Ltd (IQumulate).
II. Premium funding borrowings - Borrowings and issuance of notes to finance only the premium funding businesses (predominantly IQumulate). These loans have recourse only to the assets of the premium funding business.

These two types of borrowings are not cross-collateralised, and therefore are shown separately.

The Group complied with all debt covenants during the reporting period.

A. Corporate and subsidiary borrowings

I. Bank loans

	31 Dec 2022 $'m	30 Jun 2022 $'m
Current	**5.5**	10.2
Non-current	**496.2**	410.4
	501.7	420.6
Capitalised transaction costs	**(1.0)**	(1.0)
	500.7	419.6

II. Bank facilities available

	31 Dec 2022 $'m	30 Jun 2022 $'m
a. Bank facilities drawn down or applied		
Bank loans - corporate facility	**419.0**	340.0
Bank loans - subsidiaries	**82.7**	80.6
Total bank loans	**501.7**	**420.6**
Lines of credit - corporate facility	**6.0**	5.2
	507.7	425.8
b. Bank facilities not drawn down or applied		
Bank loans - corporate facility	**231.0**	310.0
Bank loans - subsidiaries	**10.9**	10.7
Lines of credit - corporate facility	**4.0**	4.8
Lines of credit - subsidiaries	**1.5**	13.7
	247.4	339.2
c. Total bank facilities available		
Bank loans	**743.6**	741.3
Lines of credit	**11.5**	23.7
	755.1	765.0

III. Corporate facility details

At 31 December 2022:

- the Company had a $660.0 million multibank syndicated facility (corporate facility) (June 2022: $660.0 million); and
- $419.0 million of the $660.0 million facility had been drawn down which, together with $6.0 million for bonds and rental guarantees, leaves $235.0 million available in the corporate facility for future drawdowns (30 June 2022: $314.8 million).

IV. Key terms and conditions of corporate facility

The $660.0 million corporate facility includes the following tranches:

- a revolving (partly drawn) $320.0 million tranche for three years, maturing November 2024;
- a fully drawn (term loan) $140.0 million tranche for three years, maturing November 2024; and
- a fully drawn (term loan) $200.0 million tranche for five years, maturing November 2026.

Other key terms of the corporate facility are:

- variable interest rate – based on BBSY plus an applicable margin for all tranches of the corporate facility; and
- the facility is guaranteed by certain wholly-owned subsidiaries and is secured over all of the present and future acquired property of the Company and the guarantors (other than certain excluded property), which is standard in facilities of this nature.

The Company has entered into two interest rate swaps, with face values of $150.0 million and $62.5 million, where the Company swaps the floating rate payment into fixed rate payments, which mature in January 2023 and January 2025 respectively. The swaps were designed to hedge interest costs associated with the underlying corporate debt obligations.

B. Premium funding borrowings

	31 Dec 2022 $'m	30 Jun 2022 $'m
I. Premium funding borrowings		
Current	**39.7**	32.1
Non-current	**522.2**	434.8
	561.9	466.9
II. Premium funding borrowings available		
Premium funding borrowings drawn down or applied	**561.9**	466.9
Premium funding borrowings not drawn down or applied	**48.9**	72.3
	610.8	539.2

The Group's premium funding subsidiary, IQumulate, has a Warehouse Trust to finance its Australian lending operation through the issuance of notes. During the financial period, the Warehouse Trust limit increased to $570.0 million (including a $60.0 million overdraft facility) from $500.0 million with an availability period to July 2023. Whilst the contractual availability period ends in July 2023, the premium funding borrowings have been classified as non-current in the statement of financial position as the contractual maturity date includes an amortisation period giving the Group 12 months to repay from the date of the last maturing premium funding in the Warehouse Trust. In addition, IQumulate has a separate facility of $40.0 million in NZD which is due to mature in May 2023. Those borrowings are classified as current liabilities.

IQumulate continues to hold trade credit insurance coverage, and recourse to the assets is limited to IQumulate only and is not cross-collateralised with other borrowings in the Group.

C. Reconciliation of movements of liabilities and cash flows arising from financing activities

	Bank loans - corporate facility $'m[1]	Bank loans - subsidiaries $'m	Bank loans - corporate facility and subsidiaries $'m	Premium funding borrowings $'m	Total borrowings $'m
31 December 2022					
Balance at the beginning of the financial period	**339.0**	**80.6**	**419.6**	**466.9**	**886.5**
Proceeds from borrowings	**99.0**	**4.3**	**103.3**	**95.0**	**198.3**
Repayment of borrowings	**(20.0)**	**(2.2)**	**(22.2)**	**-**	**(22.2)**
Balance at the end of the financial period (net of capitalised transaction costs)	**418.0**	**82.7**	**500.7**	**561.9**	**1,062.6**

[1] The opening balance comprises $340.0m drawn down less capitalised transaction costs of $1.0m. The closing balance comprises $419.0m drawn down less capitalised transaction costs of $1.0m.

Note 9. Notes to the Statement of Changes in Equity

A. Share capital

	Half year to 31 Dec 2022 Number of shares 'm	Year to 30 Jun 2022 Number of shares 'm	Half year to 31 Dec 2022 $'m	Year to 30 Jun 2022 $'m
Reconciliation of movements				
Balance at the beginning of the financial period	**977.6**	871.5	**1,638.9**	1,178.3
Shares issued for:				
Institutional and retail share placement	**45.5**	56.1	**233.4**	253.1
Scrip issued to vendors for acquisitions	**14.1**	49.2	**72.8**	206.7
Dividend Reinvestment Plan	**1.4**	0.8	**7.2**	3.9
Less: Transaction costs, net of income tax	**-**	-	**(3.2)**	(3.1)
Balance at the end of the financial period	**1,038.6**	977.6	**1,949.1**	1,638.9

The following ordinary shares were issued during the financial period as a result of the capital raise, acquisition and DRP:

- 43.8 million ordinary shares were issued under the institutional placement, 10.9 million ordinary shares as scrip consideration for the acquisition of IBA and 3.2 million ordinary shares as scrip consideration for the acquisition of Perryman O'Grady Philpott Pty Ltd.
- 1.7 million ordinary shares were issued under the Share Purchase Plan.
- 1.4 million ordinary shares were issued under the DRP.

Ordinary shares in the Company have no par value and entitle the holder to participate in dividends as declared from time to time. All ordinary shares rank equally with regard to the Company's residual assets.

B. Treasury shares held in trust

	Half year to 31 Dec 2022 Number of shares 'm	Year to 30 Jun 2022 Number of shares 'm	Half year to 31 Dec 2022 $'m	Year to 30 Jun 2022 $'m
Reconciliation of movements				
Balance at the beginning of the financial period	**3.9**	3.9	**15.9**	13.9
Shares acquired	**1.0**	1.3	**5.4**	6.5
Shares allocated to employees	**(1.6)**	(1.4)	**(5.8)**	(4.9)
Shares allotted through the Dividend Reinvestment Plan	**-**	0.1	**0.2**	0.4
Balance at the end of the financial period	**3.3**	3.9	**15.7**	15.9

Treasury shares are ordinary shares of the Company, bought on market by the trustee (a wholly-owned subsidiary of the Group) of an employee share plan, to meet future obligations under that plan when conditional rights vest and shares are allocated to participants.

C. Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, maintain an optimal capital structure to minimise the cost of capital and continue its listing on the ASX, within the risk appetite approved by the Board.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, take on borrowings or sell assets to reduce debt.

The Group monitors capital on the basis of its total gearing ratio excluding premium funding borrowings, as these borrowings are secured only against the assets of the premium funder. The total gearing ratio is calculated as total borrowings of the Company and its subsidiaries divided by total equity and total borrowings of the Company and its subsidiaries. Currently the total gearing ratio excluding premium funding borrowings is 19.1% compared with the maximum gearing ratio determined by the Board of 30.0%.

The total gearing ratio has been calculated both including and excluding the premium funding borrowings as follows:

	Note	31 Dec 2022 $'m	30 Jun 2022 $'m	Maximum Board approved
Total borrowings of the Company and its subsidiaries (excluding premium funding borrowings)	8	**507.7**	425.8	
Total Group equity		**2,154.0**	1,813.9	
Total Group equity and total borrowings of the Company and its subsidiaries		**2,661.7**	2,239.7	
Total gearing ratio excluding premium funding borrowings		**19.1%**	19.0%	**30.0%**
Total borrowings of the Company and its subsidiaries (including premium funding borrowings)	8	**1,069.6**	892.7	
Total Group equity		**2,154.0**	1,813.9	
Total Group equity and total borrowings of the Company and its subsidiaries		**3,223.6**	2,706.6	
Total gearing ratio including premium funding borrowings		**33.2%**	33.0%	

D. Nature and purpose of reserves

I. Other reserves

Other reserves includes three components as below:

- Foreign currency translation reserve: records the foreign currency differences from the translation of the financial information of foreign operations that have a functional currency other than Australian dollars.
- Share-based payments reserve: used to recognise the fair value at grant date of equity settled share-based remuneration provided to employees.
- Other reserves: used to recognise other movements in equity including the cumulative net change in fair value of hedging instruments; the present value of liabilities in respect of put options issued to the minority shareholders of certain subsidiaries over those subsidiaries' shares; and the net effect on disposal of partial equity ownership in subsidiaries without loss of control.

II. Revaluation reserve

The revaluation reserve is used to record the movement in the fair value of the Group's property following Board valuation based on independent appraisal.

Note 10. Business combinations

Acquisitions for the half year ended 31 December 2022

During the half year ended 31 December 2022, the Group completed a number of acquisitions in accordance with its strategy. The following disclosures provide the provisional financial impact to the Group at the acquisition date. Only significant acquisitions are disclosed separately. Other acquisitions are disclosed in aggregate.

Acquisition of subsidiaries

The following tables provide:

- detailed information on the acquisition of Insurance Brands Australia Pty Ltd and its subsidiaries (IBA) on 17 August 2022; and
- aggregated information for 12 other acquired businesses (Other acquisitions).

Note 10F details the ownership interest in businesses acquired which became subsidiaries of the Group.

A. Consideration paid/payable

	Half year to 31 Dec 2022			
	IBA $'m	Other acquisitions $'m	Total $'m	Year to 30 Jun 2022 $'m
Cash	228.7	103.4	332.1	296.4
Consideration shares	57.7[i]	22.3	80.0	206.7
Deemed consideration[ii]	-	22.0	22.0	34.2
Deferred consideration[iii]	25.5[iv]	14.0	39.5	26.0
	311.9	161.7	473.6	563.3

Table notes

i. This amount represents shares issued as consideration for the acquisition of IBA. Shares were issued to IBA shareholders at a fair value of $5.31 per share, whereas the valuation of these shares was calculaled at $5.14 (being the institutional placement bookbuild price).

ii. This amount represents the fair value of the original investments at the date the Group gained control of an entity which was previously an associate of the Group.

iii. Pursuant to the Share Purchase Agreements, some of the consideration will be settled based on future years' actual financial performance and thus was recognised as deferred consideration by the Group. The deferred consideration is estimated based on a multiple of forecast revenue and/or earnings. Any variations at the time of settlement will be recognised as an expense or income in the consolidated statement of profit or loss and other comprehensive income. The deferred consideration shown above represents:
- $12.1 million of deferred consideration for which the maximum payment is variable and not capped; and
- $27.4 million of deferred consideration which is limited.
The deferred consideration excludes the present value of liabilities ($25.9 million) in respect of put options issued to the minority shareholders of certain subsidiaries over those subsidiaries' shares (refer Note 10G).

iv. This amount represents $25.0 million in potential earn out payments and $0.5 million with respect to working capital adjustment payment.

B. Identifiable assets and liabilities acquired

	31 Dec 2022			
	IBA $'m	Other acquisitions $'m	Total $'m	Year to 30 Jun 2022 $'m
Cash and cash equivalents[1]	66.8	19.8	86.6	103.7
Trade and other receivables[2]	10.0	4.4	14.4	15.1
Property, plant and equipment	0.4	0.2	0.6	2.6
Right-of-use assets	3.6	2.3	5.9	6.0
Deferred tax assets	-	0.9	0.9	6.5
Identifiable intangibles[3]	53.5	39.8	93.3	94.9
Investment in associates & joint ventures	1.0	-	1.0	75.2
Other assets	3.0	0.7	3.7	2.6
Trade and other payables	(59.2)	(19.2)	(78.4)	(104.8)
Income tax payable	(0.4)	(0.2)	(0.6)	(4.8)
Lease liabilities	(4.0)	(2.3)	(6.3)	(6.4)
Provisions	(3.7)	(2.4)	(6.1)	(7.0)
Deferred tax liabilities	(17.2)	(12.4)	(29.6)	(35.0)
Other liabilities	(3.5)	(1.3)	(4.8)	(7.6)
Total net identifiable assets acquired	50.3	30.3	80.6	141.0

[1] Includes cash held on trust.
[2] Trade receivables comprise contractual amounts and are expected to be fully recoverable.
[3] Identifiable intangibles are measured at fair value by reference to a discounted cash flow model.

If new information obtained within one year from the acquisition date, about facts and circumstances that existed at the acquisition date, identifies adjustments to the above amounts, then the acquisition accounting will be revised. In the current year, there were no revisions relating to prior year acquisitions.

C. Goodwill on acquisition

	Half year to 31 Dec 2022			
	IBA $'m	Other acquisitions $'m	Total $'m	Year to 30 Jun 2022 $'m
Total consideration paid/payable	311.9	161.7	473.6	563.3
Total net identifiable assets acquired	(50.3)	(30.3)	(80.6)	(141.0)
Non-controlling interests	-	4.4	4.4	2.2
Goodwill on acquisition[1]	261.6	135.8	397.4	424.5

[1] The majority of goodwill relates to acquired subsidiaries' ability to generate future profits with the skills and technical talent of their work force as well as the benefits from the combination of synergies. None of the goodwill recognised is expected to be deductible for tax purposes.

D. Financial performance of acquired subsidiaries

The contribution to the financial performance of the Group by acquired subsidiaries for the period since acquisition is outlined in the table below.

	Half year to 31 Dec 2022		
	IBA $'m	Other acquisitions $'m	Total $'m
Revenue	24.8	8.3	33.1
EBITA	6.9	6.0	12.9
Profit after income tax	3.7	3.7	7.4

If the acquisitions of subsidiaries occurred on 1 July 2022, the Group's underlying revenue from acquisitions for the half year ended 31 December 2022 would have further increased by $16.5 million to $562.7 million, underlying EBITA would have further increased by $4.8 million to $206.1 million and underlying profit after income tax would have further increased by $1.9 million to $102.2 million.

E. Acquisition-related costs

The Group incurred acquisition-related costs of $0.1 million on legal, accounting and consulting with respect to the IBA acquisition. These costs have been included in 'Operating, brokers' support service and other expenses'. A further $3.2 million (net of tax) in respect of the capital raise and scrip issue attributable to the IBA acquisition was capitalised to share capital.

F. Subsidiaries acquired

The table below outlines the subsidiaries acquired during the half year ended 31 December 2022. Some acquisitions represent portfolio or business purchases by subsidiaries and are therefore not included in this table.

		Ownership interest	
Name of subsidiaries acquired	Table note	31 Dec 2022 %	30 Jun 2022 %
Austinsure Limited		100.00	-
Fenchurch Insurance Brokers Pty Ltd	(i)	72.50	22.50
Insurance Brands Australia Pty Ltd and its subsidiaries		100.00	-
Perryman O'Grady Philpott Pty Ltd		80.00	-
Trans-West Insurance Brokers Pty Ltd		100.00	-
Woodleigh Fields Pty Ltd (Breakwater Insurance Brokers)		100.00	-

Table note

i. During the period, the Group acquired additional shares in Fenchurch Insurance Brokers Pty Ltd (Fenchurch). As a result, Fenchurch, which was previously an associate, became a subsidiary of the Group, at 70.00% ownership interest. Subsequently, Fenchurch had an additional step up to 72.50% in December 2022. The consideration paid/payable disclosed in section A relates to the initial step up to 70.00%.

G. Deferred consideration reconciliation

The following table shows a reconciliation of movements in deferred consideration.

	31 Dec 2022 $'m	30 Jun 2022 $'m
Balance at the beginning of the financial period	**67.6**	68.6
Settlement of deferred consideration	**(26.9)**	(48.5)
Non-cash settlement of deferred consideration	**-**	(0.5)
Additions from acquisitions in business combinations	**39.5**	26.0
Additions from subsidiary business combinations	**-**	1.8
Additions from issuance of put options over non-controlling interests	**0.1**	1.9
Additions from acquisitions of associates	**10.0**	2.4
Additions from acquisitions of intangibles	**1.4**	1.1
Additions from step-up investments	**0.6**	2.0
Net loss in profit or loss on settlement or reassessment	**8.6**	12.8
Balance at the end of the financial period	**100.9**	67.6
Disclosed as:		
Deferred consideration current:		
Put options over non-controlling interests[1]	**25.9**	25.8
Other	**59.4**	26.1
Deferred consideration non-current:		
Other	**15.6**	15.7
Balance at the end of the financial period	**100.9**	67.6

[1] *This deferred consideration will only be payable if the put option is exercised by the minority shareholder. If the option remains unexercised, the financial liability will be derecognised against equity through other reserves at the expiry date.*

The balance of deferred consideration at the end of the financial period represents:

	31 Dec 2022 $'m	30 Jun 2022 $'m
Amount payable is limited	**28.3**	1.6
Amount payable is not capped	**59.9**	62.8
Amount payable is fixed	**12.7**	3.2
	100.9	67.6

Note 11. Investments in associates & joint ventures

Reconciliation of movements of associates & joint ventures

	31 Dec 2022 $'m	30 Jun 2022 $'m
Balance at the beginning of the financial period	**210.3**	115.6
Additions - cash	**9.3**	62.7
Additions - non-cash	**14.6**	10.0
Additions - scrip issued	**-**	38.3
Step-up investment to subsidiaries	**(3.8)**	(13.8)
Other adjustments	**(2.9)**	(0.7)
	227.5	212.1
Share of EBITA from associates & joint ventures	**20.9**	36.0
Less share of:		
Finance cost	**(0.6)**	(0.7)
Amortisation expense	**(1.0)**	(2.3)
Income tax expense	**(4.5)**	(7.1)
Share of associates & joint ventures' profit after income tax	**14.8**	25.9
Dividends received/receivable	**(13.6)**	(26.9)
Net foreign exchange movements	**0.7**	(0.8)
Balance at the end of the financial period	**229.4**	210.3

Note 12. Trade and other receivables

Trade and other receivables	31 Dec 2022 $'m	30 Jun 2022 $'m
Fee and commission receivables	126.4	137.8
Less: expected credit loss provision[1]	(5.2)	(3.6)
Net fee and commission receivables	121.2	134.2
Other receivables	78.6	71.9
	199.8	206.1

[1] *$0.6 million of the increase in the ECL provision during the period is attributable to business acquisitions.*

Premium funding receivables	31 Dec 2022 $'m	30 Jun 2022 $'m
Premium funding receivables	693.4	576.9
Less: expected credit loss provision	(1.3)	(1.2)
	692.1	575.7

Note 13. Contingencies

Contingent liabilities

Macquarie Bank put options

The Group has granted options to Macquarie Bank Limited (Macquarie) to enable Macquarie to put shares held by other shareholders in associates to the Group at fair value if Macquarie enforces its security over those shares. These have been granted in relation to shares held by other shareholders in associates over which Macquarie holds a security interest to secure indebtedness by those shareholders. The Group expects no material net exposure from this arrangement as the contingent liabilities have contingent assets (being rights to shares held by the relevant shareholders) approximating similar values.

Bank guarantee

In the normal course of business, certain controlled entities in the Group have provided security for bank guarantees principally in respect of their contractual obligations on commercial leases.

Note 14. Events after the reporting period

On 21 February 2023, the Board declared an interim dividend for FY23 of 6.0 cents per share, fully franked. The dividend will be paid on 22 March 2023. The Company's DRP will operate by purchasing ordinary shares on market. No discount will be applied. The last election notice for participation in the DRP in relation to this interim dividend is 1 March 2023.

Note 15. Notes to the Statement of Cash Flows

Reconciliation of profit after income tax to net cash from operating activities

	Half year to 31 Dec 2022 $'m	Half year to 31 Dec 2021 $'m
Profit after income tax expense for the period	**100.3**	116.5
Adjustments for		
Depreciation, amortisation and gain/loss on disposal of property, plant and equipment	**42.4**	35.2
Share of profits of associates and joint ventures	**(14.8)**	(9.8)
Income taxes paid	**(56.2)**	(44.5)
Dividends received from associates/joint ventures	**13.6**	9.4
Fair value gain on listed investments	**(2.6)**	(21.7)
Net gain from investments	**(9.2)**	(21.2)
Share-based payments and incentives accruals	**(6.1)**	5.4
Impairment expense	**-**	3.6
Interest income on loans	**(0.4)**	(0.1)
Capitalised interest on loans	**2.1**	1.3
Change in operating assets and liabilities		
Decrease in trade and other receivables	**20.1**	22.5
Decrease in deferred tax assets	**2.8**	6.3
Increase in other assets	**(14.9)**	(13.9)
Increase/(decrease) in trade and other payables	**5.1**	(45.9)[1]
Increase in income tax payable	**64.4**	41.5
Decrease in deferred tax liabilities	**(9.2)**	(2.8)
(Decrease)/increase in provisions	**(1.6)**	0.5
Net cash from operating activities	**135.8**	82.3

[1] *Cash inflow from premium funding borrowings was reclassified from operating activities to financing activities in FY22. 1H22 comparatives have been restated accordingly.*

Note 16. Related party transactions

A. Transactions with subsidiaries

All transactions that have occurred among the subsidiaries within the Group have been eliminated on consolidation.

B. Transactions with other related parties

The following transactions occurred with related parties:

	Half year to 31 Dec 2022 $'000	Half year to 31 Dec 2021 $'000
I. Sale of goods and services		
Professional service fees received from associates and joint ventures on normal commercial terms	**43**	95
Commission income received/receivable from associates and joint ventures on normal commercial terms	**150**	820
Professional service fees received by Director's related entities on normal commercial terms	**8**	8
II. Payment for goods and services		
Commission expense paid/payable to associates on normal commercial terms	**11,850**	7,892
Professional service fees paid to associates and joint ventures	**1,061**	374
III. Receivable from and payable to related parties		
The following balances are outstanding at the reporting date in relation to transactions with related parties:		
a. Current receivables		
Receivables from associates and joint ventures	**639**	247
Dividend receivable from associates and joint ventures	**194**	1
Trade receivables from Director's related entities	**9**	8
b. Current payables		
Payables to associates and joint ventures	**3,298**	2,544
IV. Loans to/from related parties		
Loans to associates and joint ventures	**9,609**	3,869

Note 17. Parent entity information

The financial information provided in the table below is for Steadfast Group Limited, the parent entity of the Group.

A. Statement of comprehensive income

	Half year to 31 Dec 2022 $'m	Half year to 31 Dec 2021 $'m
Profit after income tax	**129.6**	95.4
Other comprehensive gain/(loss)	**3.0**	(0.6)
Total comprehensive income	**132.6**	94.8

B. Statement of financial position

	31 Dec 2022 $'m	31 Dec 2021 $'m
Current assets	**116.1**	94.3
Total assets	**2,617.7**	2,202.1
Current liabilities	**53.5**	57.8
Total liabilities	**490.1**	423.7
Net assets	**2,127.6**	1,778.4
Total equity of the parent entity comprising:		
Share capital	**1,949.1**	1,638.9
Share-based payments reserve	**9.4**	7.8
Retained earnings	**157.0**	119.6
Revaluation reserve	**12.1**	12.1
Total equity	**2,127.6**	1,778.4

Directors' Declaration

1. In the opinion of the Directors of Steadfast Group Limited (the Company):
   a. the consolidated financial statements and notes that are set out on pages 14 to 41 are in accordance with the *Corporations Act 2001*, including:
      i. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the six month period ended on that date; and
      ii. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
   b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed at Sydney on 21 February 2023 in accordance with a resolution of the Directors:

Frank O'Halloran, AM
Chair

Robert Kelly, AM
Managing Director & CEO

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KPMG

Independent Auditor's Review Report

To the shareholders of Steadfast Group Limited

Conclusion

We have reviewed the accompanying ***Half Year Financial Report*** of Steadfast Group Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half Year Financial Report of Steadfast Group Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group's*** financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Half Year Financial Report*** comprises:

- Consolidated Statement of Financial Position as at 31 December 2022;
- Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the half year ended on that date;
- Notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The ***Group*** comprises Steadfast Group Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG

Responsibilities of the Directors for the Half Year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Half Year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Half Year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half Year Financial Report

Our responsibility is to express a conclusion on the Half Year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Half Year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Half Year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

David Kells
Partner

Julia Gunn
Partner

Sydney

21 February 2023

Corporate Directory

Directors
Frank O'Halloran AM (Chair)
Robert Kelly AM (Managing Director & CEO)
Vicki Allen
Joan Cleary
David Liddy AM
Gai McGrath
Anne O'Driscoll
Greg Rynenberg

Company secretaries
Linda Ellis
Peter Roberts

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Stock Listing
Steadfast Group Limited ordinary shares are listed on the Australian Securities Exchange (ASX code: SDF).

Glossary of Terms

Term	Explanation
AGM	Annual General Meeting
CGU	Cash Generating Unit
Client	Customer of broker/underwriting agency
CPS	Cents per share
DPS	Dividend per share
DRP	Dividend Reinvestment Plan
EBITA	Earnings before interest (including premium funding interest income and expense), tax and amortisation. To ensure comparability, underlying EBITA also deducts the interest expense on lease liabilities and depreciation of right-of-use assets
EPS	Earnings per share
Equity brokers	An insurance broker that is a member of the Steadfast network, where Steadfast holds an equity interest
Group	Steadfast Group Limited (ABN 98 073 659 677, AFSL 254928)
GWP	Gross Written Premium – the amount paid by customers for insurance policies excluding taxes and levies
Hubbing	The merger of two or more insurance intermediary businesses
IFRS	International Financial Reporting Standards
NCI	Non-controlling interests
Network	The collective reference to the distribution network that comprises all Steadfast network brokers
Network broker	An insurance broker who is a member of the Steadfast network, where Steadfast has no equity interest
Non-trading items	Includes revenue and/or expense items that are typically one-off in nature and are not reflective of the Group's normal operating activities
NPAT	Net profit after tax
NPATA	Net profit after tax adjusted for (post non-controlling interests) amortisation of customer relationships
PSF	Professional services fee
Rebate	An annual payment made to Steadfast network brokers, at the discretion of the Board
Strategic partner	Preferred product partners underwriting or arranging the general insurance policies and premium funding products which are placed by Steadfast network brokers
Trapped Capital	A project initiated by the Group to offer network members the ability to sell equity in their business to the Group
Underlying earnings	Underlying earnings refers to statutory earnings adjusted for non-trading items
Underlying NPAT	Underlying NPAT refers to statutory net profit adjusted for non-trading items
Underwriting agency	Underwriting agencies act on behalf of general insurers to design, develop and provide specialised insurance products and services for specific market segments