FY19 results and equity raising — Investor presentation

21 August 2019

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Financial data

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.

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Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figure set out in this presentation.

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Executive summary

Strong FY19 performance, FY20 guidance & proposed equity raising

- Strong FY19 performance, with **17.8%** growth in underlying EBITA
  - Driven by both organic growth **+10.9%** and acquisition growth **+6.9%**
  - Record premium for both the Steadfast Network and Underwriting Agencies
- Continued track record of value accretive transactions
  - $136 million gross acquisition spend in FY19, including IQumulate, CBN and HMIA
  - Announced IBNA Takeover Offer and possible Steadfast Network PSF rebate acquisition ("PSF Rebate Acquisition")[1] transactions
- Final FY19 dividend of **5.3** cps (fully franked) **+12.8%**; total FY19 dividend of **8.5** cps (fully franked) **+13.3%**
- FY20 guidance[1]:
  - **$215-$225** million in Underlying EBITA
  - **$100-$110** million in Underlying NPAT
  - **5-10%** growth in underlying diluted EPS (NPAT)
- Proposed fully underwritten placement to raise approximately $100 million and accompanying Share Purchase Plan

[1] Refer to slide 19 for assumptions

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Financial highlights

Strong performance in-line with upgraded guidance

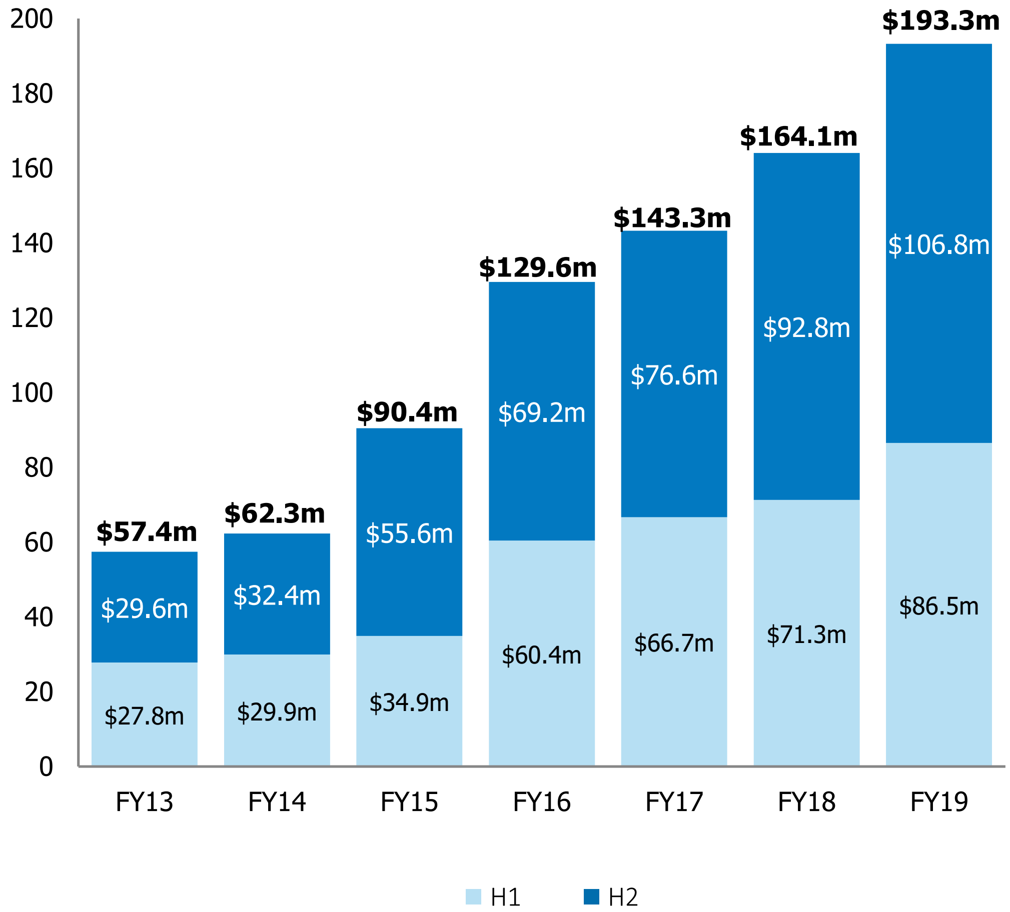
FY19 Underlying earnings[1]

- EBITA[2] **+17.8%** to **$193.3m**
- NPAT **+19.0%** to **$89.2m**
- NPATA[3] **+17.3%** to **$114.1m**
- Diluted EPS (NPAT) **+16.0%** to **11.27 cps**
- Final dividend **+12.8%** to **5.3 cps**
- Total dividend **+13.3%** to **8.5 cps**

FY19 Statutory earnings

- NPAT **+36.9%** to $103.8m

Underlying EBITA[2] ($m)



1. For statutory reconciliation, refer to slides 47 and 48 of the Analyst Pack.
2. Excludes impact from dividend income and mark-to-market adjustments for Johns Lyng Group investment.
3. Calculated on a consistent basis since IPO.

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Operational highlights

Record premium for Steadfast Network

Steadfast Network

- GWP **+16%** to **$6.1 billion**
  - Driven by price and volume increases, growth from authorised representatives (AR) and new network brokerages
  - **6%** organic growth for year following price increases in business pack, ISR and professional risks
  - 398 brokerages in the Network excluding IBNA (+21 compared to pcp)
- Takeover offer for IBNA could add up to **79** new Network brokerages and **$1.25 billion** of GWP if IBNA transaction completes with 100% acceptance
- Steadfast Client Trading Platform (SCTP) FY19 GWP of **$440 million**, **+91%** compared to pcp

Gross written premium ($bn)

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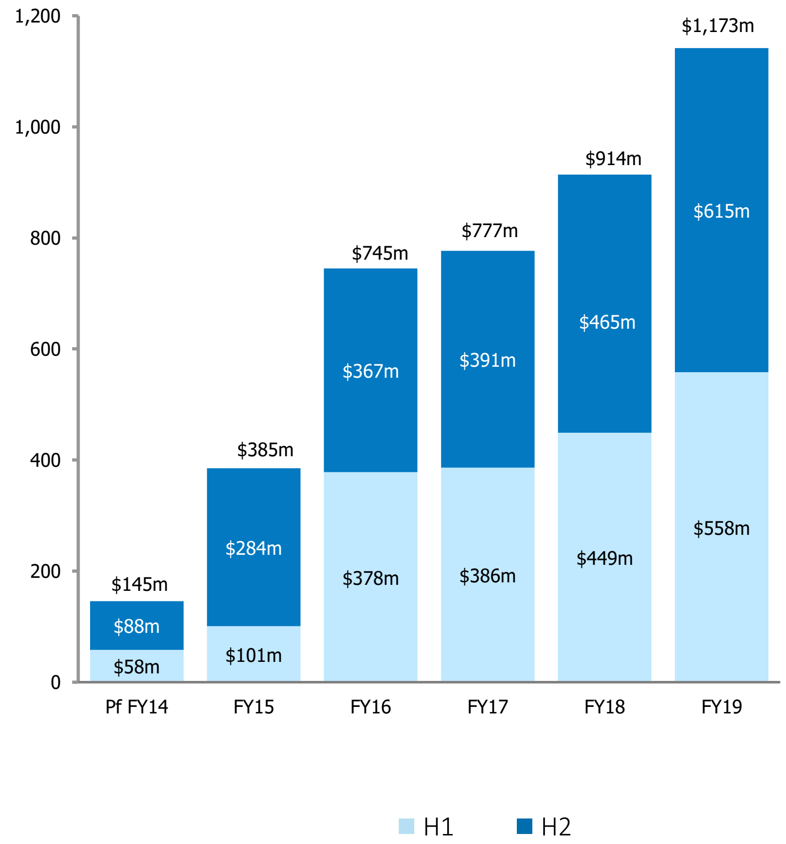
Operational highlights

Record premium for Underwriting Agencies

Steadfast Underwriting Agencies

- Steadfast Underwriting Agencies GWP +28% to **$1.2 billion**
  - 22% organic growth driven by price and volume uplift
  - Property and business lines particularly strong
- Price rises by insurers created significant opportunities for agencies. The close alignment of capacity providers and technology to products is optimising the opportunity
- London 'super' binder – pressure on remuneration offset by increase in volume
- Four of the London 'super' binder insurance classes are now live on SCTP
- Increasing return from 'greenfield' agencies with innovative products

Gross written premium ($m)



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Our insurTech

Steadfast Client Trading Platform and INSIGHT

Steadfast Client Trading Platform (SCTP)

- **8** business lines and **13** insurer and underwriting agency partners live on SCTP
- SCTP delivers strong client outcomes, addressing several issues raised by the Hayne Royal Commission
  - Genuine contestable marketplace, generating improved pricing competition, coverage and marketing each time a policy is quoted or renewed
- 80% of Steadfast Network GWP could potentially be transacted on SCTP in Australia, of which 60% is our target to be transacted through SCTP in the next 4 years
- Potential addition of 79 IBNA brokerages and ~$1.25bn of GWP to Australian network which expands potential user base for SCTP (if IBNA transaction completes with 100% acceptance)
- SCTP usage up 91%, with over 300 brokerages using the platform
- Latest developments:
  - Allianz live on business pack
  - Berkley live on liability
  - Chubb in pilot on business pack
  - Investment required to develop auto-rater for insurers for liability and PI
  - NZ roll-out

INSIGHT (client relationship management and back office system for brokers)

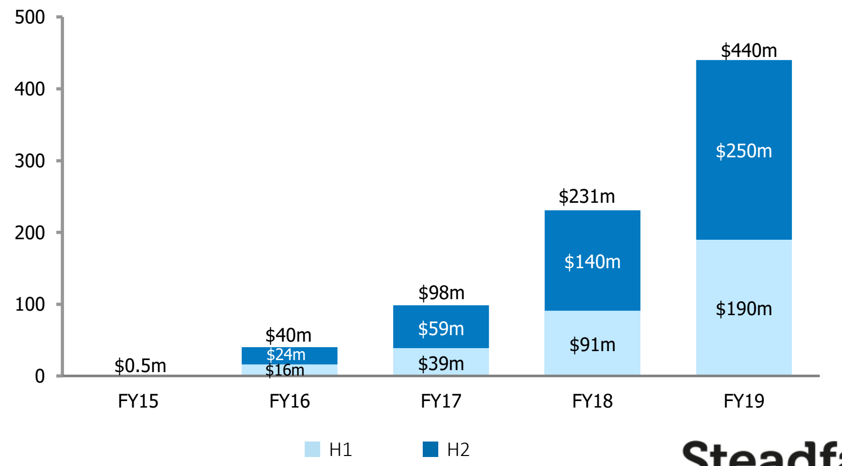
- **112** brokerages live on INSIGHT, with over 2,500 licenced users
- Additional **34** brokerages committed to migrate onto INSIGHT, ongoing discussions with another **88** brokerages

$440m
GWP transacted through SCTP in FY19

+91%
year-on-year growth in GWP transacted through SCTP

300+
brokerages have used the SCTP

Steadfast Client Trading Platform (SCTP)
Gross Written Premium ($m)



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FY19 financial summary & FY20 outlook

Group financial performance

Strong underlying earnings growth

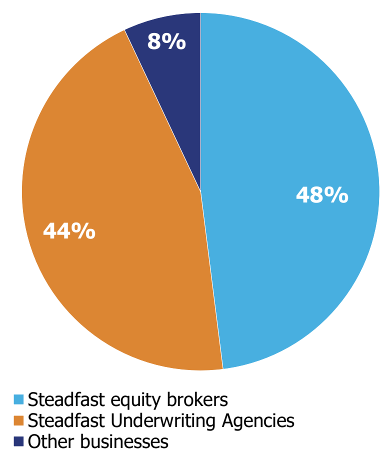
12 months to 30 June $ million	Underlying FY19[1]	Underlying FY18	Year-on-year growth %
Revenue[1,2] ($m)	688.3	567.0	21.4%
EBITA[2] ($m)	193.3	164.1	17.8%
NPAT[1] ($m)	89.2	75.0	19.0%
Diluted EPS (NPAT) (cents)	11.27	9.71	16.0%
NPATA[3] ($m)	114.1	97.3	17.3%
Diluted EPS (NPATA) (cents)	14.42	12.60	14.4%

- Growth across Steadfast Group driven by:
  - Premium price and volume uplift
  - Organic and acquisition growth from equity brokers
  - Particularly strong organic growth from Steadfast Underwriting Agencies
- Full conversion of NPATA into cash
- Statutory NPAT of $103.8m, including $14.6m of net non-trading gains

Cash flow summary $ million	FY19
Operating cash flow	117.7

Full conversion of NPATA into cash

FY19 underlying EBITA mix



[1] Underlying financial data reconciled to statutory data on slides 47 and 48 of the Analyst Pack
[2] Excludes impact from dividend income and mark-to-market adjustments for Johns Lyng Group investment.
[3] Calculated on a consistent basis since IPO.

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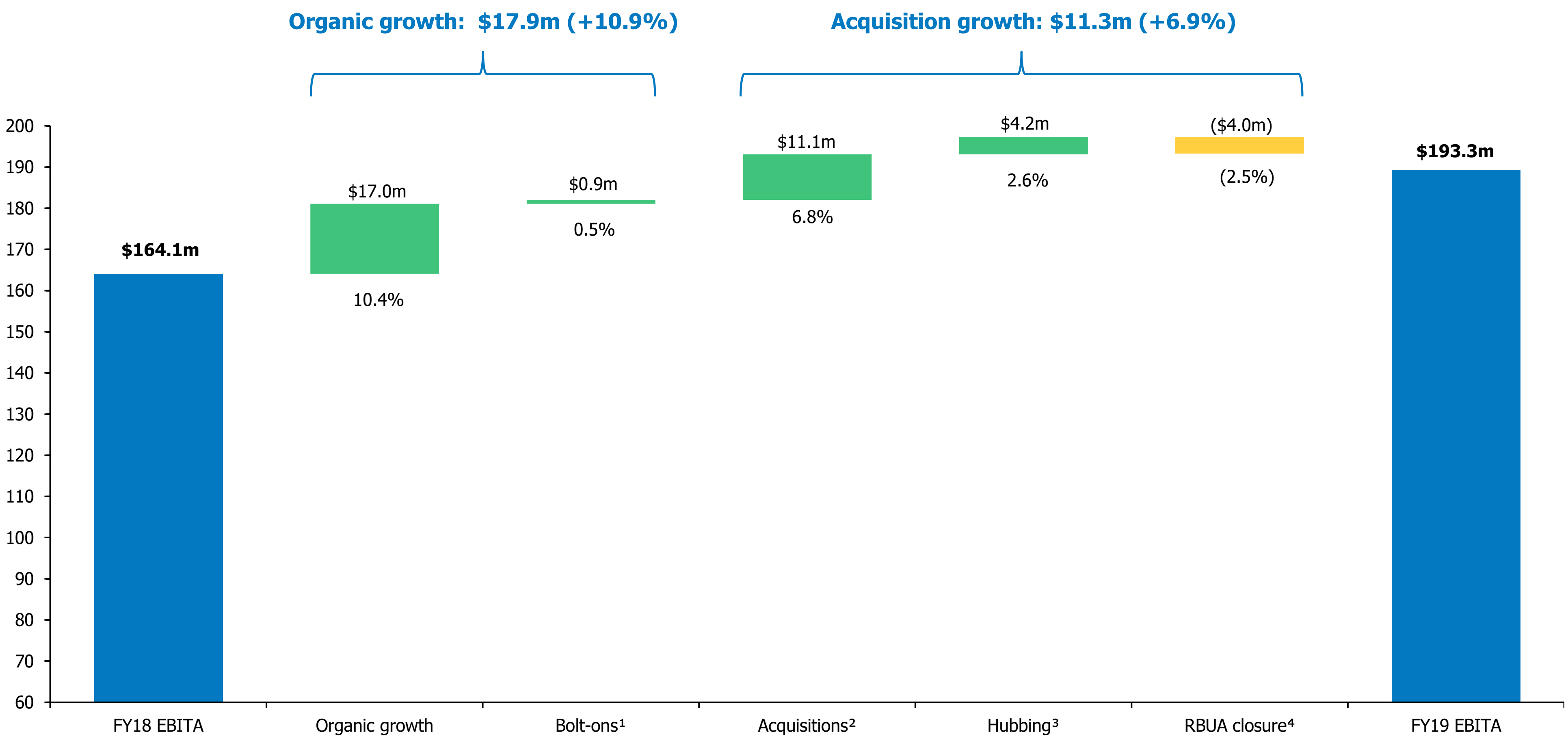
Drivers of 17.8% growth in underlying EBITA

Organic and acquisition growth



[1] Acquisitions completed by existing equity businesses.
[2] New equity businesses.
[3] When two or more equity businesses are merged to create sales and back office cost efficiencies.
[4] Residential Builders Underwriting Agency (RBUA) closed in Feb 2018.

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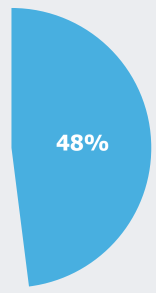
Equity brokers

Organic and acquisition growth

Equity brokers – consolidated & equity accounted (assuming 100% ownership)

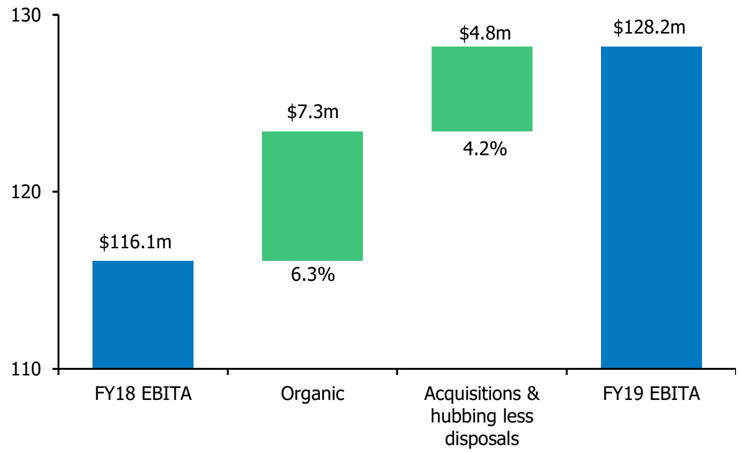
12 months to 30 June $ million	Underlying FY19	Underlying FY18	Year-on-year growth %	Organic growth %	Growth from acquisitions & hubbing %[1]
Net fees & commissions[2]	383.4	334.8	14.5%	7.3%	7.2%
Net revenue[2]	433.0	380.0	13.9%	7.0%	6.9%
EBITA	**128.2**	**116.1**	**10.5%**	**6.3%**	**4.2%**
Net revenue[2] ('traditional' brokers only)	310.4	281.3	10.3%	5.1%	5.2%
EBITA ('traditional' brokers only)	**99.3**	**89.7**	**10.8%**	**5.1%**	**5.7%**



Share of FY19 underlying EBITA

- EBITA of **$128.2m (+10.5%)** from all equity brokers
  - Driven by both organic and acquisition growth
  - Growth in net fees & commissions driven by hardening market and volume growth
  - Fee & commission split of ~30%/70% in-line with historic average
- EBITA from 'traditional' brokers of **$99.3m (+10.8%)** (excludes AR networks and wholesale, life insurance and trade credit brokers)

EBITA growth: FY18 – FY19



[1] Acquisition growth includes the net effect of acquisitions, divestments and increased equity stakes.
[2] Net of third party payments.

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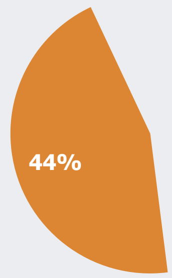
Steadfast Underwriting Agencies

Strong organic growth driven by price and volume

Steadfast Underwriting Agencies – consolidated & equity accounted (assuming 100% ownership)

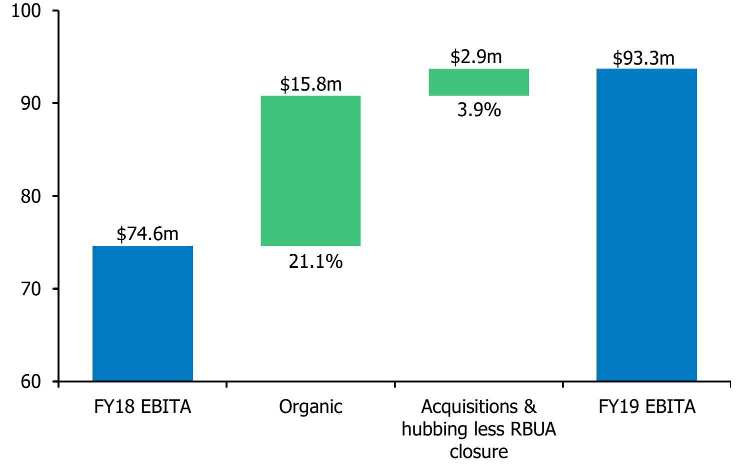
12 months to 30 June $ million	Underlying FY19	Underlying FY18	Year-on-year growth %	Organic growth %	Growth from acquisitions & hubbing%[1]
Net fees & commissions[2]	188.3	154.3	22.0%	17.6%	4.4%
Net revenue[2]	194.0	159.1	21.9%	17.7%	4.2%
EBITA	93.3	74.6	25.0%	21.1%	3.9%



Share of FY19 underlying EBITA

- Net revenue growth driven by strong price and volume increases
  - Insurers continuing to increase premiums providing opportunities for agencies
- Strong performance led to underlying EBITA growth of **25.0%**

EBITA growth: FY18 – FY19



[1] Acquisition growth includes the net effect of acquisitions, divestments and increased equity stakes.
[2] Net of third party payments.

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Statutory balance sheet

Strong balance sheet with capacity for future growth

$ million	30 Jun 19	30 Jun 18
Cash and cash equivalents	117	77
Cash held on trust	427	311
Premium funding receivables	76	-
Trade & other receivables[2]	172	157
Total current assets	**792**	**544**
Goodwill	945	816
Identifiable intangibles	193	172
Equity accounted investments	128	146
Other (including PPE, deferred tax assets)	99	68
Total non-current assets	**1,365**	**1,201**
Total assets	**2,157**	**1,745**
Trade & other payables[2]	510	362
Borrowings	26	1
Premium funding borrowings and payables	70	-
Deferred consideration	28	3
Other (including tax payable, provisions)	41	36
Total current liabilities	**675**	**402**
Borrowings	311	218
Deferred consideration	6	1
Deferred tax liabilities – customer relationships	49	45
Remaining deferred tax liability & other	21	22
Total non-current liabilities	**387**	**286**
Total liabilities	**1,062**	**688**
Net assets	**1,095**	**1,057**
Non-controlling interests	80	59

Corporate debt facilities, $ million	Maturity	Total	Available at 30 Jun 2019
Facility A	Aug 2021	335	69
Facility B	Aug 2021	50	21
	Total available	**385**	**90**

- Increased debt facilities by $100m to $385m in October 2018
- Maturity date extended by one year to August 2021
- Significant headroom in financial debt covenants
- Unutilised debt facility of **$90m** available at 30 June 2019 for future growth
- Total Group gearing within Board approved maximum:

Gearing ratio	Actual	Max
Total Group[1]	23.9%	30.0%

Total Borrowings, $ million	Total
Group facility borrowings	291
Subsidiary borrowings	46
Total	**337**

[1] Calculated as corporate plus subsidiary debt but excluding premium funding debt/(corporate plus subsidiary debt but excluding premium funding debt plus equity).
[2] Previously grossed up for insurance premiums due from client to broker, presented on a net basis from FY19

Acquisition of IQumulate

Impact on balance sheet and statutory profit

$ million	Group 30 Jun 19	IQumulate 30 Jun 19 Pro forma impact	Group 30 Jun 19 Pro forma
Cash and cash equivalents	117		117
Cash held on trust	427		427
Premium funding receivables	76	+445	521
Trade & other receivables	172		172
Total current assets	**792**	**+445**	**1,237**
Goodwill	945		945
Identifiable intangibles	193		193
Equity accounted investments	128		128
Other (including PPE, deferred tax assets)	99		99
Total non-current assets	**1,365**	**0**	**1,365**
Total assets	**2,157**	**+445**	**2,602**
Trade & other payables	510		510
Borrowings	26		26
Premium funding borrowings and payables	70	+445	515
Deferred consideration	28		28
Other (including tax payable, provisions)	41		41
Total current liabilities	**675**	**+445**	**1,120**
Borrowings	311		311
Deferred consideration	6		6
Deferred tax liabilities – customer relationships	49		49
Remaining deferred tax liability & other	21		21
Total non-current liabilities	**387**	**0**	**387**
Total liabilities	**1,062**	**+445**	**1,507**
Net assets	**1,095**	**0**	**1,095**
Non-controlling interests	80		80

- Steadfast Group acquired the remaining 50% of Macquarie Premium Funding (renamed IQumulate) late in FY19 to hold 100% - now held on balance sheet as a subsidiary

Impact on balance sheet

- The acquisition and funding model change will result in up to ~$515 million of premium funding borrowings and payables (with corresponding receivables) on the Group balance sheet post FY19 year-end (~$70 million at 30 June 2019)
  - Liabilities only relate to IQumulate receivables, no recourse to Steadfast Group
- Credit risk is mitigated by:
  - Cancellation of policy with funds returning to IQumulate
  - Risk of default carried by trade credit insurers
- Corporate debt financiers carve out IQumulate for financial covenants and lending limits as premium funding secured only over assets held by IQumulate

Impact on statutory profit

- Accounting standards changed on 1 July 2018 to bring forward revenue recognition for IQumulate
- This will be reversed in FY20 as new funding arrangements take effect – this will negatively impact statutory NPAT in FY20 by $3m
- This one-off impact will not be included in the calculation of FY20 underlying earnings

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Acquisition of professional services fees from IBNA and Network brokerages

Impact on statutory results

IBNA

- As previously announced, proposed takeover offer for IBNA for consideration of up to $70m in Steadfast Group shares
  - Up to 21.4m shares to be issued based on a volume weighted average share price of $3.28 (as at 26 June 2019)[1]
- IBNA shareholders will receive 2.54 new Steadfast Group shares for every 1 IBNA share (based on the IBNA register as at close of business on 20 August 2019)
- If all IBNA shareholders accepted the offer, there would be c$8m in annualised underlying EBITA after factoring in costs to service a larger Network
- FY20 guidance assumes a minimum of 80% take up by IBNA shareholders

Steadfast Network brokerages

- Possible acquisition of PSF fee rebate revenue stream from Steadfast Network brokerages ("PSF Rebate Acquisition")[2]
- Subject to eligibility requirements, proposed that brokerages would have the option of cash or shares as consideration
- Should it proceed and all brokerages take up this offer, Steadfast estimates that total consideration of $120 million would be payable and it is expected that the acquisition would add c$14.4 million in annualised underlying EBITA

Impact of acquisition of IBNA and PSF Rebate Acquisition on statutory results

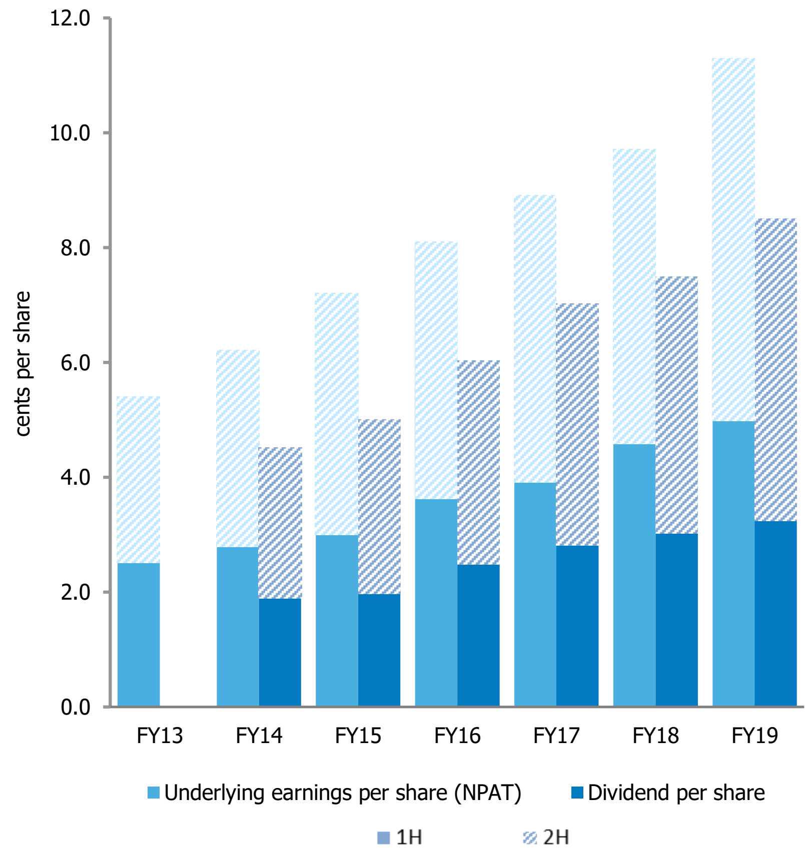
- Typically an acquisition of a business would give rise to intangible assets (customer list, goodwill etc)
- However, it is anticipated that any consideration paid will be expensed under Australian Accounting Standards in the Group's FY20 statutory accounts (and could lead to a statutory loss)
  - This statutory loss will be added back as a non-trading item to calculate underlying FY20 earnings
  - This will not impact Steadfast's ability to pay franked dividends in FY20 under its dividend policy
- If both transactions had 100% take up, the statutory expense would be expected to be $190m
- Corporate debt financiers have accepted this 'add back' when calculating FY20 financial covenants

[1] Assuming IBNA transaction completes with 100% acceptance.
[2] The PSF Rebate Acquisition and its structure should it proceed, remains subject to further consideration and approval of the Board.

Final FY19 dividend

Final dividend up 13%

- Final FY19 dividend of **5.3** cps (fully franked), up from 4.7 cps in FY18, **+12.8%**
- Total FY19 dividend of **8.5** cps (fully franked), **+13.3%**
  - Final dividend payout ratio of 76%, within target of 65% to 85% of underlying NPAT
- Dividend Reinvestment Plan (DRP) to apply to the FY19 final dividend; no discount
  - DRP shares will be a new issue
- Key dates for final FY19 dividend:
  - Ex date: 23 August 2019
  - Dividend record date: 26 August 2019
  - DRP record date: 27 August 2019
  - Payment date: 20 September 2019



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FY20 guidance

Continued growth in earnings

Outlook and assumptions

- Strategic partners continuing to drive moderate premium price increases;
- Increased contribution from insurTech;
- Ongoing technology investment;
- Minimum 80% acceptance of IBNA takeover offer;
- PSF Rebate Acquisition proceeds with minimum 33% take up by Network brokers (20% requesting cash)[1]; and
- Completion of a fully underwritten placement to raise approximately $100 million and accompanying Share Purchase Plan[2].

Guidance[2,3]	
Underlying EBITA	$215 million - $225 million
Underlying NPAT	$100 million - $110 million
Underlying diluted EPS (NPAT)[4] growth	5% - 10%

[1] The PSF Rebate Acquisition and its structure should it proceed, remains subject to further consideration and approval of the Board
[2] Also see pages 48-52 of the 2019 Annual Report and key risks on slides 28 to 38 of the FY19 investor presentation
[3] Excludes impact from accounting treatment of acquisition of PSF from IBNA and Steadfast Network brokerages, and change to IQumulate funding model
[4] Includes allowance for issue of new shares for the equity raising and IBNA and Steadfast Network transactions

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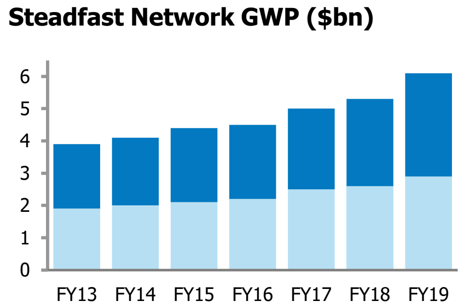
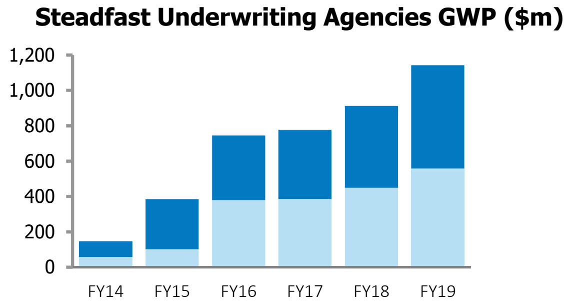
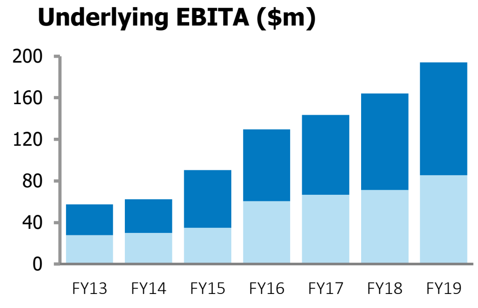
Steadfast track record & details of the equity raising

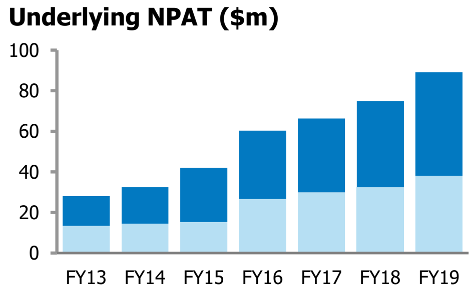
Steadfast Group

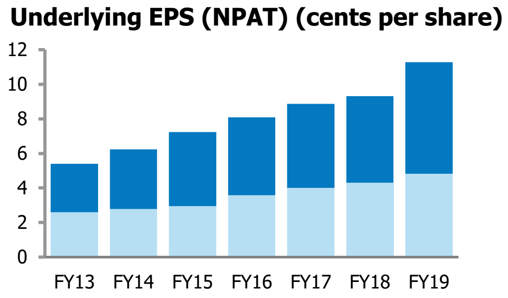
Our track record since listing on the ASX

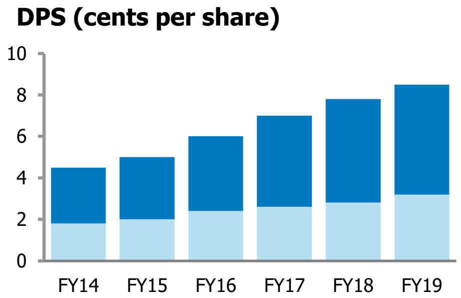


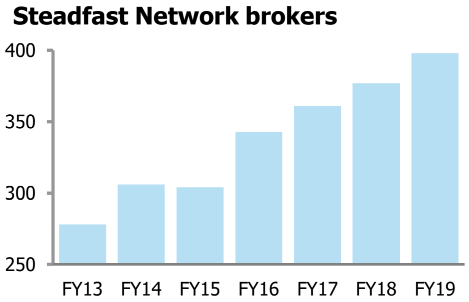


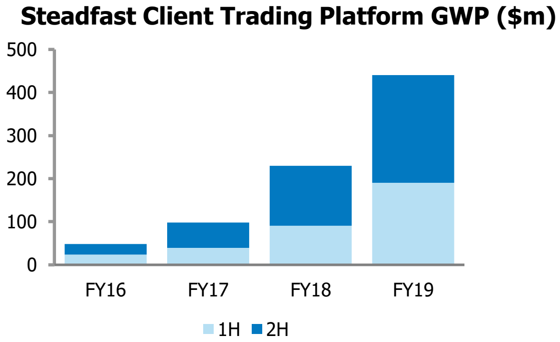


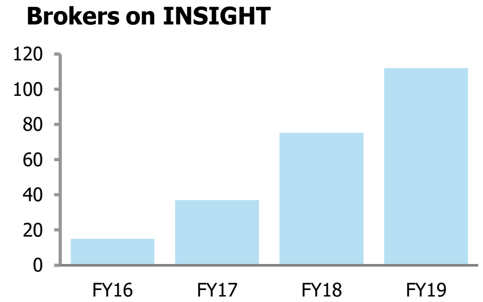












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Steadfast Group's acquisition track record

- Steadfast Group has a proven track record of successfully completing strategic acquisitions
- Established capabilities to evaluate and execute M&A opportunities for long-term growth, including brokers, agencies and complementary businesses
- Due diligence criteria include cultural and strategic fit as well as financial impacts

Acquisitions made ($m)

Financial Year	Acquisitions	Free Cash Flow	Acquisition spend in excess of Free Cash Flow
FY19	136.1	50.3	85.8
FY18	136.1	33.6	102.5

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Use of net proceeds available from equity raising - placement

- Steadfast Group is expected to have a further $89 million available for future acquisitions following the placement
- Steadfast's potential acquisition pipeline is strong with the group actively considering a number of M&A opportunities, including brokers, agencies and complementary businesses
- Steadfast remains the natural acquirer for Steadfast brokerages, and the IBNA transaction expands this opportunity

Potential use of funds[1]	
Consideration for possible PSF Rebate Acquistion[2]	$8 million
Costs of transactions	$3 million
Available for committed expenditure, future acquisitions and general corporate purposes	$89 million
Total	**$100 million**

Source of funds	
Equity raising - placement	$100 million
Total	**$100 million**

[1] Any proceeds under the non-underwritten SPP which is capped at $20m will be available for future acquisitions and general corporate purposes. Steadfast may (in its absolute discretion), in a situation where total demand exceeds $20 million, decide to increase the amount to be raised under the SPP to reduce or eliminate the need for scale back.
[2] Assumes PSF Rebate Acquisition proceeds and 33% take-up by Steadfast Network brokerages, of which 20% request cash

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Pro forma debt capacity

Debt facility	As at 30 June 2019	Activity post 30 June 2019 and future outflows	Incl. activity since 30 June 2019 and proposed placement
Available at 30 June 2019	$90m	$90m	$90m
Drawn down for acquisitions and corporate activity since 30 June 2019		($31m)	($31m)
Deferred acquisition payments at 30 June 2019		($34m)	($34m)
Net available from proposed placement			$89m
Pro forma available at 30 June 2019	**$90m**	**$25m**	**$114m**
Gearing ratio[1]	**23.9%**	**27.2%**	**21.2%**

[1] Calculated as corporate plus subsidiary debt but excluding premium funding debt/(corporate plus subsidiary debt but excluding premium funding debt plus equity).

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Equity raising – Placement and SPP overview

Placement offer structure and size	▪ Fully underwritten institutional Placement expected to raise approximately $100 million ("Placement")

Offer price	▪ The final Placement issue price ("Offer Price") is expected to be announced to ASX on Thursday, 22 August 2019 prior to resumption of trading in Steadfast Group shares
	▪ The Offer Price will be determined via an institutional bookbuild, subject to an underwritten floor price of $3.28 per new share ("Floor Price")
	  ▪ The Floor Price represents a 6.5% discount to the closing price of $3.51 (adjusted for the final dividend) on 20 August 2019
	  ▪ The Floor Price represents the same price at which Steadfast Group shares will be issued under the takeover offer for IBNA and the proposed PSF Rebate Acquisition

Ranking	▪ New shares issued under the Placement will rank equally with existing shares on issue ▪ As the New Shares will be allotted after the record date, they will not be entitled to the FY19 final dividend
Underwriting	▪ The Placement is fully underwritten

Share Purchase Plan	▪ Following completion of the Placement, Steadfast Group will offer eligible existing Australian and New Zealand shareholders the opportunity to apply for new Steadfast Group shares through a non-underwritten SPP without brokerage fees. The application for new shares under the SPP will be capped at a maximum allowed of $15,000 per shareholder ▪ New shares under the SPP will be issued at the lower of (i) the Offer Price under the Placement and (ii) a 1% discount to the volume weighted average price (VWAP) of Steadfast Group shares on the ASX over a 5 trading day period ending on the close of the SPP offer period (Thursday 12 September 2019) ▪ The SPP will not be underwritten and will be subject to a $20 million cap[1] ▪ New shares issued under the SPP will rank equally with existing shares on issue. As the new shares will be allotted after the dividend record date, they will not be entitled to the FY19 final dividend ▪ A SPP booklet containing further details of the SPP will be provided to eligible shareholders following the completion of the Placement

[1] Steadfast may (in its absolute discretion), in a situation where total demand exceeds $20 million, decide to increase the amount to be raised under the SPP to reduce or eliminate the need for scale back

Equity raising timetable[1]

Event	Date (2019)[2]
Record date for SPP	Tuesday, 20 August 2019 (7:00pm)
Trading halt and announcement of the Placement	Wednesday, 21 August 2019
Placement bookbuild	Wednesday, 21 August 2019
Announcement of the outcome of the Placement	Thursday, 22 August 2019
Trading halt lifted	Thursday, 22 August 2019
Dividend ex-date	Friday, 23 August 2019
Dividend record date	Monday, 26 August 2019
Settlement of new shares issued under the Placement	Monday, 26 August 2019
Allotment and normal trading of new shares issued under the Placement	Tuesday, 27 August 2019
Expected SPP offer opening date	Thursday, 29 August 2019 (9:00am)
Expected SPP offer closing date	Thursday, 12 September 2019 (5:00pm)
Issue and allotment of new shares under the SPP	Thursday, 19 September 2019
SPP holding statements despatched and trading of new shares under the SPP commences	Friday, 20 September 2019

[1] The above timetable is indicative and subject to variation. Steadfast reserves the right to alter the timetable at its absolute discretion and without notice, subject to ASX Listing Rules and Corporations Act 2001 (Cth) and other applicable law

[2] All dates and times refer to Australian Eastern Standard Time ("AEST")

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Appendix

Key risks

1.1 INTRODUCTION

The future performance of Steadfast and the future investment performance of the Steadfast Shares may be influenced by a range of factors, many of which are outside the control of Steadfast and its directors. A non-exhaustive list of key risks, including those specific to Steadfast and those of a more general nature, is set out below. Steadfast's business, financial condition, or results of operations (and the market price of its shares) could be materially and adversely affected by any of these risks, either individually or in combination.

Before investing in Steadfast, you should consider whether such an investment is suitable for you in light of your investment objectives, financial situation, taxation position and particular needs.

1.2 RISKS SPECIFIC TO STEADFAST

Set out below are the key risks specific to an investment in Steadfast.

(a) Loss of Steadfast Network Brokers

Steadfast Network Brokers are able to leave the Steadfast Network at any time. When an individual broker leaves, this results in a reduction in SDF PSF revenue for Steadfast. Additionally, the size and strength of the Steadfast Network is an important factor in attracting new brokers and underwriting agencies (to which the Steadfast Network Brokers are an important source of business). A loss of a number of Steadfast Network Brokers may make it more difficult to attract new brokers and underwriting agencies to the Steadfast Network. Reduced SDF PSF revenue and reduced ability to attract new brokers and underwriting agencies to the Steadfast Network could adversely impact Steadfast's financial position and performance.

(b) Reliance on strategic partners

Steadfast is continually adding new strategic partners and attempts to maintain and strengthen relationships with strategic partners, many of which are longstanding. If, however, strategic partners are lost and not replaced within an appropriate timeframe, SDF PSF revenue would potentially be lower, and the earnings of operating businesses and other Steadfast Network Brokers would potentially be adversely affected due to potential loss of commissions and fees due to lower gross written premium.

(c) Adverse movements in GWP and premium rates

The Steadfast Group has a number of revenue sources linked to the size and growth of GWP in Australian and New Zealand insurance markets. GWP and claims trends in general insurance are cyclical in nature. Classes of general insurance, in particular commercial long-tail classes, may be subject to rapid escalation in the cost of claims and/or falls in premium rates, creating significant losses for general insurers in a given market. The causes of such adverse trends cannot be predicted nor in general controlled and may adversely impact Steadfast's financial position and performance.

Key risks (continued)

1.2 RISKS SPECIFIC TO STEADFAST

(d) Reduction in rates for Steadfast PSF, commission rates or dividends

Steadfast derives revenue from a variety of sources including Steadfast PSF paid to Steadfast from strategic partners such as insurers. The Steadfast PSF is normally calculated based on a percentage of the GWP placed by a strategic partner through the Steadfast Network. Steadfast also derives revenue by receiving dividends from operating businesses that derive their income from commission-based businesses. Commissions are calculated as a percentage of the total base premium for products placed through a strategic partner. There is a risk that strategic partners (e.g. insurers) may seek to reduce Steadfast PSF rates paid to Steadfast. Insurers may also seek to reduce rates of commission paid to Steadfast Network Brokers. Either of these scenarios would adversely impact Steadfast's financial position and performance.

(e) Increased competition or market change

Existing market participants and new entrants in insurance broking and underwriting agency businesses may begin competing with Steadfast or disrupting the current industry market through:

- increased competition from new entrants and existing market participants in markets in which operating businesses operate, including increased commoditisation of business insurance products;
- changes in the remuneration model for, or the use of, insurance brokers or underwriting agencies;
- increased competition or a change in the market structure for premium funding may adversely impact upon Steadfast's IQumulate Premium Funding business; or
- more customers buying direct from our strategic partners and other insurers via the internet or other technology,
- any of which may adversely impact Steadfast's financial performance, and may result in reduced GWP or operating margins.

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Key risks (continued)

1.2 RISKS SPECIFIC TO STEADFAST (cont'd)

(f) Regulatory risk

Steadfast, its operating entities, and Steadfast Network Brokers are required to individually comply with their Australian financial services licence requirements and financial services regulations. There are penalties for non-compliance with these requirements including that a licence may be suspended or withdrawn and proceedings may be commenced by regulators or other parties and monetary penalties may be imposed. This may have an adverse impact on Steadfast's earnings and/or financial position and performance. Regulatory changes may impact Steadfast and/or its operating entities through costly and burdensome regulation and may have consequences which cannot be foreseen.

The Hayne Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry has recommended that the Australian Government, in consultation with ASIC, review the effectiveness of measures that have been implemented by regulatory bodies and financial services entities to improve the quality of financial advice. This review is to be undertaken by December 2022 and will consider whether each remaining exemption to the ban on conflicted remuneration (specifically commissions) remains justified, including the exemptions for general insurance products and consumer credit insurance products. Any changes resulting from the review may impact Steadfast Group's remuneration structure.

(g) Loss of capacity for underwriting agencies

Unexpected loss of underwriter capacity, whereby an underwriter fails to renew a binder or withdraws capacity for strategic reasons (such as exiting lines of business or a specific country exit) is likely to result in significant loss of income.

Further risk may be as a result of an underwriter withdrawing capacity due to uneconomic underwriting results. This would severely constrain the ability of underwriting agencies to write new business and may restrict them from renewing existing business. Any such scenario would have an adverse impact on the financial performance of Steadfast's underwriting business.

(h) Investment impairment

The Steadfast Board regularly monitors impairment risk. Where the value of an asset is assessed to be less than its carrying value, Steadfast is obliged to recognise an impairment expense in its profit and loss account.

Asset impairment charges may result from the occurrence of unexpected adverse events that impact the expected performance of assets owned by Steadfast. Assets are tested for impairment more frequently if events or changes in circumstances indicate that they might be impaired. This could result in the recognition of impairment expense that could be significant and could adversely impact Steadfast's financial position.

Key risks (continued)

1.2 RISKS SPECIFIC TO STEADFAST (cont'd)

Steadfast's balance sheet includes a significant level of investments and intangible assets recognised as a result of its various acquisitions. Investments and intangible assets must be regularly tested for impairment. Impairment results from a decrease in value indicated by a permanent decline in profits below the level that supports the value of the investment or asset. In the event that any of Steadfast's investments or intangible assets are found to be impaired to a level below their carrying value, Steadfast would need to write down the value of the intangible asset. This will result in the recognition of an impairment expense which may adversely impact Steadfast's financial position and performance.

(i) Business model of acquiring and holding equity in operating businesses

An important part of Steadfast's business model and its growth strategy is to acquire and hold equity in operating businesses. Steadfast may fail to effectively implement growth strategies or devote sufficient resources to new business initiatives or select and pursue sub-optimal corporate strategies, business models, financial structures or allocation of capital that could, in each case, inhibit the growth of the business. Steadfast's business model and growth strategy involves certain risks which may adversely impact Steadfast's financial position and performance, including:

- possible difficulties for Steadfast in managing the operating businesses including an inability to maintain the required level of oversight and reporting;
- integration or transition to new owners may be disruptive and costly;
- there may be potential unknown or contingent liabilities in an operating business that were not identified through the due diligence conduct by Steadfast or adequately addressed in the acquisition agreements, which Steadfast may assume by acquiring the operating business;
- Steadfast is reliant on partners (including management who hold an equity stake within the operating businesses) who may not perform satisfactorily; and
- there may be insufficient funding made available to all Steadfast's businesses so that Steadfast Group is unable to pursue the business opportunities it identifies.

There can be no assurance that the anticipated benefits and synergies expected to result from all or some of these acquisitions will be realised. The ability to realise these benefits will depend in part upon whether the acquired businesses can be integrated in an efficient and effective manner.

Key risks (continued)

1.2 RISKS SPECIFIC TO STEADFAST (cont'd)

(j) People risk

Steadfast is reliant on its key employees and key employees within the management team or the operating businesses may retire or resign. Material business interruption and loss of key customer relationships may follow the loss, particularly if the individuals involved are sufficiently key and/or numerous.

(k) Technology and cyber security risk

Whilst Steadfast has procedures in place to manage its information technology systems, there is a risk that Steadfast or any of its operating businesses may experience targeted cybercrime, data loss, fraud or system breakdown. The failure of key internal and cloud systems would be likely to be detrimental to Steadfast or any of its operating businesses, their performance and ability to deliver services to client and may also have an adverse impact on Steadfast's reputation.

Steadfast's market-leading technology including the Virtual Underwriter, INSIGHT and UnderwriterCentral systems is key to supporting the network broker and underwriting agency operations. Failures or delays in implementation of, or migration of Steadfast Network Brokers to, such systems, may adversely impact Steadfast business growth, reputation and relationships with Steadfast's strategic partners. A major issue or outage at a critical time would be likely to adversely impact Steadfast's financial position and performance.

(l) Damage to the Steadfast brand

Steadfast's success is heavily reliant on its reputation and branding. Maintaining the strength of the Steadfast brand is critical to retaining and expanding the Steadfast Network, solidifying Steadfast's business relationships and successfully implementing its business strategy. The promotion and enhancement of the Steadfast brand will also depend, in part, on its success in continuing to provide a high quality customer experience to those Steadfast Network Brokers that rely on Steadfast for the provision of support services.

Issues or events which place Steadfast's reputation at risk may impact on Steadfast's future growth and profitability, for example, by impacting Steadfast's ability to attract and retain brokers or by causing the loss of brokers. Any factors that diminish Steadfast's reputation or branding could impede its ability to compete successfully and future business plans and performance.

Key risks (continued)

1.2 RISKS SPECIFIC TO STEADFAST (cont'd)

(m) Fraudulent or inappropriate conduct by employees

Steadfast has appropriate policies and procedures implemented in relation to the risk of fraud. However, particularly in relation to businesses where Steadfast does not control the day-to-day operations (including Steadfast Network Brokers in which Steadfast has an equity interest, joint ventures or other contract-based arrangements), there is a risk that funds of the business of those held on behalf of clients may be the subject of fraudulent behaviour. Any such fraudulent behaviour would likely have an adverse impact of Steadfast's financial position and performance.

Steadfast is also at risk of employees throughout the Steadfast Group, including its operating businesses and Steadfast Network Brokers, acting in a way which is not consistent with the behaviours, culture and values of the Steadfast Group. This may adversely impact Steadfast's financial position, performance and reputation.

(n) Dividends

The payment of dividends on Steadfast's shares is dependent on a range of factors including Steadfast's profitability, the availability of cash and capital requirements. Any future dividend levels will be determined by the Steadfast board having regard to its operating results and financial position at the relevant time. There is no guarantee that any dividend will be paid by Steadfast or, if paid, that they will be paid at previous levels.

(o) International expansion

One potential source of Steadfast's long-term growth is its continued international expansion. This carries the inherent risk of known and unknown market factors (such as cultural differences, regulatory restrictions and economic conditions) which could mean that the expansions will not be successful.

While Steadfast expects any proposed expansion of operations will become profitable over time, it may incur significant expenses and capital expenditures in connection with building its presence in those markets. International expansion may result in a loss of management focus on domestic operations which may result in missed opportunities, or adversely impact Steadfast's ability to address operational issues.

(p) Ongoing disputes

Steadfast may from time to time be involved in legal, regulatory and other proceedings and disputes arising from its businesses and operations, including shareholder actions, and disputes with joint venture partners, contractors and other counterparties. These disputes may lead to legal, regulatory and other proceedings, and may cause Steadfast to incur significant costs, delays and other disruptions to its business and operations. In addition, regulatory actions and disputes with governmental authorities may result in fines, penalties and other administrative sanctions. Involvement in any such dispute may adversely impact the financial position and performance of Steadfast.

Key risks (continued)

1.3 GENERAL AND INDUSTRY RISKS

(a) Dilution

If shareholders do not participate in the SPP then their percentage shareholding in Steadfast will be diluted. Even if a shareholder does take up their full entitlement under the SPP, their percentage shareholding in Steadfast may be diluted by the Placement and may also be diluted by the SPP because participation is limited to a fixed amount and shareholders are not entitled to participate in the SPP on a pro rata basis relative to their existing shareholdings.

(b) Underwriting of the Placement

The underwriting agreement relating to the Placement sets out various events, the occurrence of which will entitle an underwriter to terminate its obligations under the underwriting agreement. Accordingly, there is a risk that one or more underwriter may terminate its obligations under the underwriting agreement if any such events occur.

In general terms, these events include (but are not limited to the following):

- Steadfast being removed from the official list of ASX or the Placement Shares being suspended from quotation on ASX;
- ASX refusing to grant official quotation of the Placement Shares;
- Steadfast being unable to issue the Placement Shares on the allotment date;
- Steadfast altering its capital structure or its constitution without the prior consent of the underwriters;
- A material adverse change in the assets, liabilities, financial position or performance, profits, losses or prospects of the Steadfast group;
- a change in senior management or the board of directors of Steadfast;
- Steadfast breaching the underwriting agreement or any of the representations or warranties given by it under that agreement; or
- A market disruption occurs in specified jurisdictions, including the suspension of trading of securities on a relevant exchange, a general moratorium on commercial banking activities in that country, an adverse change or disruption to the existing financial markets, political or economic conditions of that country, or an outbreak or escalation of hostilities.

Key risks (continued)

1.3 GENERAL AND INDUSTRY RISKS (cont'd)

(c) Investment in capital markets

The price of Steadfast shares on the ASX may rise or fall due to numerous factors, including:

- Australian and international general economic conditions, including inflation rates, the level of economic activity, interest rates and currency exchange rates;
- Tensions and acts of terrorism in Australia and around the world; and
- Investor perceptions in the local and global markets for listed securities.

Steadfast shares may trade below the offer price and no assurances can be given that Steadfast's market performance will not be materially adversely affected by any such market fluctuations or factors. Neither Steadfast, nor any of tits directors or any other person, guarantees Steadfast's market performance.

(d) Reduction in GWP in the insurance market

Steadfast has a number of revenue sources linked to the size and growth of GWP in the insurance market, including dividends from its operating businesses, which are influenced by the financial performance of operating businesses and Steadfast PSF revenue from strategic partners. GWP is influenced by factors including pricing decisions by insurers and the level of demand for general insurance products. Any softening in local and global economic conditions is likely to lead to a softening in the level of GWP. A reduction in GWP in the insurance market would likely adversely impact Steadfast's financial position and performance.

(e) Tax changes

Any changes to the taxation of shares (including the taxation of dividends) and the taxation of companies (including the existing rate of company income tax) may adversely impact on Steadfast shareholder returns, as may a change to the tax payable by Steadfast shareholders in general. Any other changes to Australian tax law and practice that impact Steadfast, or the insurance industry generally, could also have an adverse effect on Steadfast shareholder returns.

Key risks (continued)

1.3 GENERAL AND INDUSTRY RISKS (cont'd)

(f) Economic conditions

The operating and financial performance of Steadfast is influenced by a variety of general economic and business conditions, including levels of consumer spending, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on Steadfast's operating and financial performance and financial position.

Steadfast's future possible revenues and share prices can be affected by any and all of these factors, which are beyond the control of Steadfast.

Steadfast relies on access to debt financing. The ability to secure financing, or financing on acceptable terms, may be affected by volatility in the financial markets, globally or within a particular geographic region, industry or economic sector. For these reasons, financing may be unavailable or the cost of financing may be significantly increased. An inability to obtain, or increase in the costs of obtaining, financing on acceptable terms could adversely impact Steadfast's financial position and performance. Steadfast is exposed to movements in interest rates through its debt facility. Whilst it intends to fix some of its debt, there will remain exposure to interest rate movements which may adversely impact Steadfast's financial position and performance.

(g) Changes to accounting standards

Changes to Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act could affect Steadfast's reported results of operations in any given period or Steadfast's financial condition from time to time.

(h) Technological developments

Insurance providers are increasingly seeking to reduce administrative costs and heighten efficiency through the use of technology. Both Australian and international insurers have been investing heavily in insurance technology (insurTech). insurTech has, until now, primarily been directed toward retail clients. However, the commercial insurance sector may be susceptible to technological disruption, with commercial insurers increasingly willing to explore new ways of maximising value.

Approximately 84% of Steadfast Network Brokers' clients are small-to-medium enterprises (SMEs) and 12% are retail. Commercial insurers are actively investing in insurTech which would allow them to deal directly with SMEs and retail clients. The use of social media to facilitate direct interaction with the end customer is also causing increased competition for customer attention among both traditional insurers and new entrants to the insurance market, and the ability to provide targeted and customised insurance products and services (with fewer barriers to entry than previously existed) may lead to an erosion in the role that insurance brokers and other intermediaries currently play. Any such developments could have an adverse impact on Steadfast's financial condition and market share.

Key risks (continued)

1.4 RISKS RELATING TO TAKEOVER OFFER

In addition to the risks specific to Steadfast and general and industry risks referred to above, there are additional risks that investors should consider given the Takeover Offer. They can be outlined as follows:

(a) Analysis of IBNA

Steadfast has undertaken limited financial, operational, business and other analysis in respect of IBNA in order to determine its attractiveness to Steadfast and whether to pursue the Takeover Offer. There is therefore a possibility that risks may exist in relation to IBNA of which Steadfast may be unaware, including latent, future or otherwise unknown claims or liabilities. While IBNA has given customary warranties as to its business operations and the accuracy and completeness of its disclosure materials in the Bid Implementation Agreement, investors should be wary that Steadfast will have limited recourse to enforce a breach of these warranties at such future time that it owns all or a substantial majority of the IBNA Shares (depending on the outcome of the Takeover Offer).

It is possible that the analysis undertaken by Steadfast and the best estimates assumptions made by Steadfast draw conclusions and forecasts which are inaccurate, or which are not realised in due course (whether because of flawed methodology, misinterpretation of economic circumstances or otherwise).

To the extent that the actual results achieved by the acquisition of IBNA are weaker than those indicated by Steadfast's analysis, there is a risk that there may be an adverse impact on the financial position and performance of those businesses, and if the Takeover Offer completes, this may therefore have an adverse impact on the financial position and performance of Steadfast.

(b) Integration of IBNA brokers

There is a risk that the integration of IBNA Brokers into Steadfast and the operations of service arrangements may encounter unexpected challenges or issues including a failure to procure suitable IT integration or support or that this process takes longer than anticipated, diverts management attention or does not deliver the benefits expected to be derived from the transaction. Any of these possibilities may have an adverse impact on Steadfast's operating and financial performance.

Key risks (continued)

1.4 RISKS RELATING TO TAKEOVER OFFER (cont'd)

(c) Potential termination of Steadfast Licence Agreements

The Steadfast Licence Agreement is able to be terminated for convenience by either party on 60 days' notice. There is a risk that IBNA Brokers who join the Steadfast Network may terminate their Steadfast Licence Agreements, which would adversely affect Steadfast's ability to realise operational benefits from the acquisition of IBNA, resulting in a reduction in Steadfast PSF, and could adversely affect Steadfast's financial position and performance.

(d) IBNA Restructure

Steadfast understands that the Restructure of IBNA's share capital was to be undertaken on 19 August 2019. However, Steadfast was not involved in the implementation of the Restructure, and there is a risk that IBNA Members may be dissatisfied with or otherwise seek to challenge the outcome of the Restructure. Any such scenario could cause Steadfast to incur additional costs in relation to the Takeover Bid and may result in delays or disruption to the Takeover Bid.

(e) Acquisition of less than 100% of IBNA Shares

It is possible that Steadfast could acquire less than 100% of IBNA Shares under the Takeover Offer.

The impact of Steadfast acquiring less than 100% of IBNA Shares will depend on the ultimate level of ownership acquired but, in any event, the existence of a minority interest in IBNA may have an impact on Steadfast's capacity to realise operational benefits from the acquisition of IBNA.

1.5 RISKS RELATING TO PROPOSED PSF REBATE ACQUISITION

In addition to the risks specific to Steadfast, the IBNA Takeover Offer and general and industry risks referred to above, there are additional risks that investors should consider given the proposed PSF Rebate Acquisition.

Steadfast has undertaken financial, operational, business and other analysis in respect of the proposed PSF Rebate Acquisition, based on the knowledge and information obtained through the existing operation of its broker network and the expression of interest process, in order to determine its value to Steadfast. It is possible that the analysis undertaken by Steadfast and the best estimates assumptions made by Steadfast draw conclusions and forecasts which are inaccurate, or which are not realised in due course (whether because of flawed methodology, misinterpretation of economic circumstances or otherwise).

To the extent that the proposed PSF Rebate Acquisition achieves a weaker outcome than anticipated from Steadfast's analysis, there is a risk that there may be an adverse impact on Steadfast's financial position and performance, and therefore on the return Steadfast receives from undertaking the proposed PSF Rebate Acquisition.

Steadfast
THE STRENGTH YOU NEED

International offer restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (Alberta, British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of Alberta, British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

International offer restrictions

Canada (Alberta, British Columbia, Ontario and Quebec provinces) (cont'd)

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the *Securities Act* (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that:

(a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation;

(b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and

(c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than:

(a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action.

These rights are in addition to and not in derogation from any other right the purchaser may have.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

International offer restrictions

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Luxembourg

This document has not been, and will not be, registered with or approved by any national securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in Luxembourg except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in Luxembourg is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

International offer restrictions

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

International offer restrictions

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company’s shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering material relating to the New Shares (i) constitutes a prospectus or a similar notice as such terms are understood under art. 652a, art. 752 or art. 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of art. 27 *et seqq*. of the SIX Listing Rules or (ii) has been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations. This document is personal to the recipient and not for general circulation in Switzerland.

International offer restrictions

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. The New Shares have not been, and will not be, registered under the US Securities Act and the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable US state securities laws.