

Ensurance delivers 30% increase in revenue for FY 2023 Year to Date.

*Sale of Ensurance UK operations to PSC Insurance complete,
increasing cash balance at Quarter-end to \$5.89 million.*

Highlights:

- ✓ **Year to Date (YTD) Revenue of \$2.39m up 30% and Gross Written Premium (GWP) of \$15.5m up 22%.**
- ✓ **FY2023 third quarter fees and commissions of \$661,839, up 17% on Previous Corresponding Period (PCP).**
- ✓ **GWP of \$4.3M for the quarter, 14% up on the PCP.**
- ✓ **Strategic investment in innovative car insurance retailer, KOBIA Insurance, provides exposure to a significant growth opportunity in the multi-billion-dollar Australian car insurance market.**
- ✓ **New range of environmental insurance products launched to assist Australian small-to-medium sized enterprises (SME's) with their Environmental, Social and Governance (ESG) requirements.**
- ✓ **Disposal of the UK operations complete, supporting Ensurance's strategy to grow its Australian business and capitalise on domestic growth opportunities.**

Ensurance Limited (ASX: ENA) (**Ensurance or the Company**) is pleased to report another positive and productive quarter, with the March quarter providing strong growth in Gross Written Premiums from the Company's Australian operations; the completion of the sale of its UK operations; and the launch of new products into the Environmental Liability market.

Commenting on the March quarter, Ensurance CEO, Tom Kent, said:

“The March Quarter has provided another pleasing result for the Company, marked by continued steady growth from our Australian operations, as well as completion of the divestment of our UK operations.

The proceeds of the sale have strengthened our balance sheet and positioned Ensurance to continue to execute our growth strategy and pursue strategic growth opportunities when they arise.

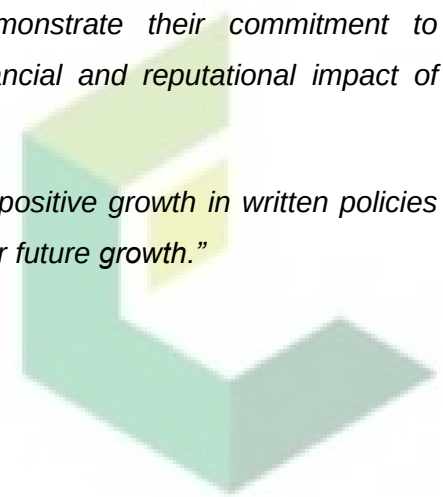
One of the key growth opportunities that we were able to secure during the quarter was a strategic investment in KOBA Insurance – a new, start-up, car insurance provider offering an innovative per-kilometre premium model.

As part of this strategic alliance with KOBA, Ensurance will have the right to distribute KOBA's products, which offer the potential to significantly reduce insurance costs for low-usage drivers.

In addition, we were also very pleased to launch a new range of environmental insurance products designed to assist Australian small-to-medium enterprises with their environmental, social and governance (ESG) requirements, reflecting our commitment to target and capitalise on emerging and strategic markets in Australia.

ESG has become a critical consideration for Australian companies across all business sectors, with environmental insurance helping companies to demonstrate their commitment to environmental responsibility and minimise the potential financial and reputational impact of environmental incidents.

The launch of these new products combined with continued positive growth in written policies across our existing product suite provide strong foundations for future growth.”



March Quarter Summary

Financial Results

Quarterly financial results are presented below in two sections:

- (i) Summary of key financial metrics based on Previous Corresponding Period (PCP); and
- (ii) Year to Date (YTD) Analysis.

Financial results and Quarterly Activity Reports are presented on a consolidated basis in Australian Dollars (AUD).

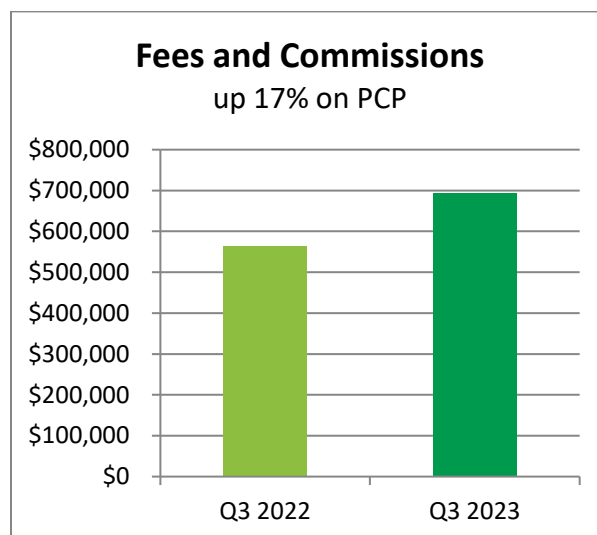
The below figures and graphs relate to the continuing operations (Australian operations). This is due to the settlement of the sale of Ensurance UK Limited (UK) for \$8.2M (less settlement adjustments) on 10th March 2023.

Please note that these figures have not been audited.

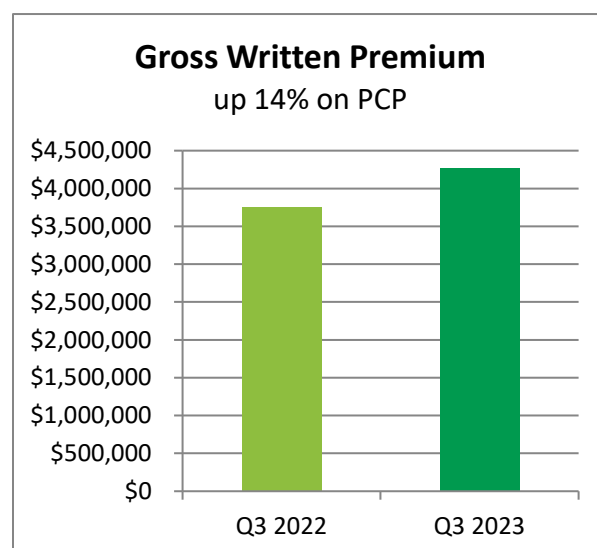
(i) Summary of key financial metrics

	Q3 2022	Q3 2023	% Change from PCP
Fees and Commissions	\$564,920	\$661,839	17 %
Other Income	\$158	\$31,785	20,017 %
Gross Written Premium	\$3,750,589	\$4,269,327	14 %
Proceeds from sale of business	-	\$5,270,081	N/A
Investing Activities (KOBA)	-	(\$400,000)	N/A
Cash at quarter end	\$1,613,886	\$5,891,250	265 %

Fees & Commissions from continuing operations – Q3 difference to PCP



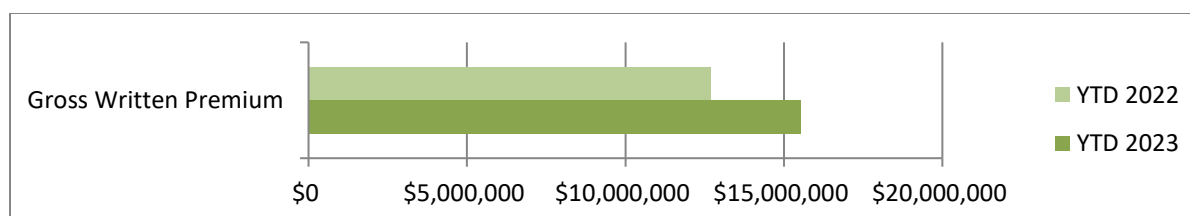
Gross Written Premium from Continuing Operations – Q3 difference to PCP



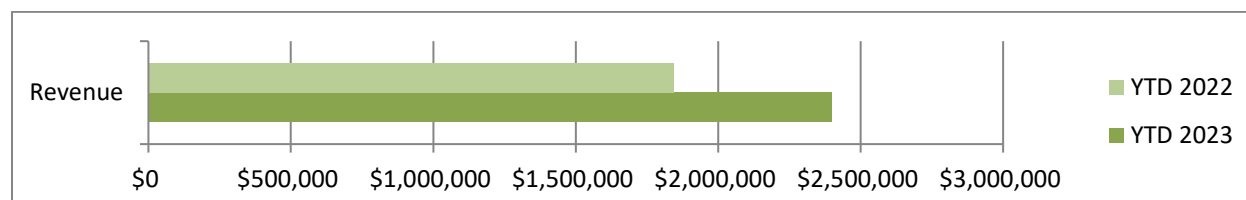
(ii) Year to Date (YTD) Analysis

	Revenue	Gross Written Premium
YTD 2023	\$2,399,818	\$15,538,579
YTD 2022	\$1,842,917	\$12,690,129
Increase on YTD	(+ 30%) + \$ 556,901	(+ 22%) + \$ 2,848,450

Gross Written Premium – YTD Q3 Results



Revenue – YTD Q3 Results



Corporate & Operational Update

The March quarter saw several significant business development initiatives, most notably the Company announcing a \$1.5M strategic investment in innovative car insurance retailer, KOBA Insurance, providing exposure to a significant growth opportunity in the multi-billion-dollar Australian car insurance market.

Ensurance's investment in Koba will total up to A\$1.5 million via a Simple Agreement for Future Equity (SAFE), a common investment mechanism for start-up technology companies.

Under the SAFE, Ensurance will make a cash payment to Koba in exchange for a contractual right to convert that amount into shares upon pre-agreed milestones. Under the terms of the agreement, the investment will be made in up to five separate tranches over a two-year period.

Ensurance's Chief Executive Officer, Tom Kent, will join the Koba Board as a Non-Executive Director, with Koba to also benefit from access to Ensurance's established back-office systems and support to help enhance its offering and expand its market share.

The investment provides Ensurance with exposure to a significant growth opportunity in the A\$3 billion Gross Written Premium car insurance market, with approximately three million Australian customers switching car insurance providers each year.

Material terms relating to the transaction were provided in the Company's ASX Announcement dated 31 March 2023.

Environmental and Casualty

During the quarter, the Company launched a new environmental insurance product range designed to assist Australian small-to-medium enterprises (SME's) with their ESG requirements. The products have been well received by the Company's insurance broker distribution partners and the Company anticipates increased interest on the back of EIL market growth at 10% year on year, combined with an increase for regulatory and contractual obligations within the SME sector.

The Environmental Impairment Liability (EIL) products are underwritten by Liberty Mutual Insurance Company, conducting business as Liberty Specialty Markets (Liberty), as a variation to the existing Binding Authority Agreement dated 3 March 2022 (refer ASX announcement 7 March 2022).

Liberty is a market leader in EIL products for the medium to large commercial market. Their dedicated underwriting team is one of the most experienced in the region, and have been underwriting these products in Australia for more than 15 years.

For further information on the new Ensurance environmental products please refer to ASX announcement 5 April 2023.

Professional Risks

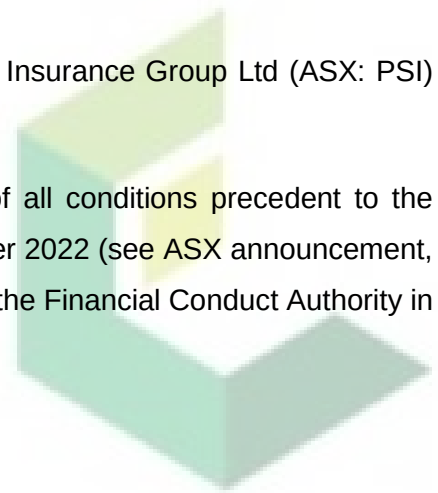
The Professional Risks division continues to invest in its long-term growth strategy and capability. Product development activities continue with the development of several new products now in advanced stages.

The Australian Professional Indemnity insurance market continues to show signs of softening, however, rate increases of 10-15% are achievable across the construction related Professional Indemnity (PI) sector. Whilst this increased interest in the PI sector may reflect the healthy state of the market as judged by these carriers, the sector is likely to see an increase in competition in target market segments. The Professional Risks team reports strong support of its products with a marked increase in business within the Victorian market. In recognition of this growth, the Company signed a lease in the Melbourne CBD and appointed a Senior Underwriter to the team commencing July this year.

Ensurance UK

The sale of the Company's UK operations to ASX-listed PSC Insurance Group Ltd (ASX: PSI) was completed during the March Quarter.

The completion of the transaction followed the satisfaction of all conditions precedent to the binding Sale & Purchase Agreement (SPA) signed in November 2022 (see ASX announcement, 4 November 2022), including receipt of regulatory approval by the Financial Conduct Authority in the UK, and other standard closing conditions.



Under the terms of the SPA, consideration for the sale of 100% of the issued share capital of Ensurance UK Limited was A\$8.2 million (excluding any settlement adjustments), payable as 75% cash and 25% in fully paid ordinary shares of PSC at a deemed issue price to be determined by the average closing price of PSC shares for the 10 days prior to completion (to be held in escrow for a period of 12 months).

The final cash value received by Ensurance reflects costs associated with the orderly handover of the UK business and includes HR, administration and insurance-related expenses.

Issue of shares under ENA Incentive Share Plan

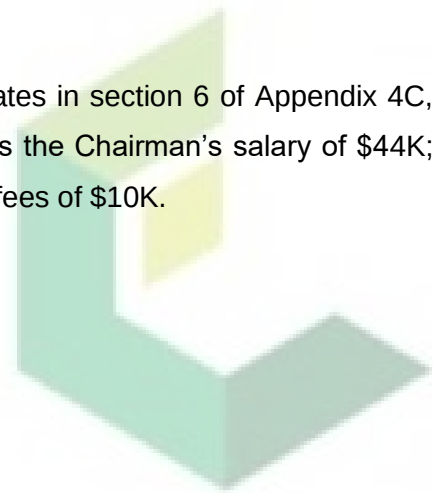
During the Quarter, Ensurance issued 200,000 fully paid ordinary shares at nil consideration to Mr. Tim James, under the Ensurance Limited Employee Securities Incentive Plan approved by shareholders at the 2022 Annual General Meeting.

The issue of these shares was brought forward from the target issue date of 18th June 2023 as a consequence of the sale of Ensurance UK (refer ASX announcement dated 4 November 2022).

The Company did not seek shareholder approval in relation to the issue as the Shares were issued under the Company's Employee Securities Incentive Plan which is an exception to Listing Rule 7.1 by virtue of Listing Rule 7.2 (exception 13).

Related Party Transactions

Payments to related parties of the Company and their associates in section 6 of Appendix 4C, amounted to \$135K, for the March 2023 quarter. This includes the Chairman's salary of \$44K; Executive Director salary of \$81K and Non-Executive Director fees of \$10K.



Summary of Cash Position and Expenditure during the Period

The Company held cash and cash equivalents at the end of the quarter of \$5.89M. Quarterly operating expenditure during the quarter was \$984K. This included \$699K in staffing costs.

In investing activities, the first payment of \$400K was made for the investment in KOBA. Ensurance also received \$5.27M for the sale of Ensurance UK Limited.

ENDS

This release has been authorised by the Board.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Ensurance Limited (ASX: ENA)

ABN

80 148 142 634

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	744	2,668
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(699)	(1,923)
(f) administration and corporate costs	(285)	(763)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other income (Net cash from discontinued operations)	543	662
1.9 Net cash from / (used in) operating activities	312	657
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(5)	(8)
(d) investments	(400)	(400)
(e) intellectual property	-	-

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets (Rental Bond)	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	5,270	5,270
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other		
	- Cash included from sale of Ensurance UK Limited	(442)	(442)
	- Net cash used in discontinued operations	-	(3)
	- 2021 Income tax paid for TKSR	-	(99)
2.6	Net cash from / (used in) investing activities	4,423	4,318
3. Cash flows from financing activities			
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(7)	(23)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Net cash used in discontinued operations)	-	(79)
3.10	Net cash from / (used in) financing activities	(7)	(102)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,163	1,019
4.2	Net cash from / (used in) operating activities (item 1.9 above)	312	657
4.3	Net cash from / (used in) investing activities (item 2.6 above)	4,423	4,318
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7)	(102)
4.5	Effect of movement in exchange rates on cash held	-	(1)
4.6	Cash and cash equivalents at end of period	5,891	5,891

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,891	1,163
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term Deposits)	4,000	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,891	1,163

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	135
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (Principal Finance Loan)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	312
8.2	Cash and cash equivalents at quarter end (item 4.6)	5,891
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	5,891
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023

Authorised by: the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.