

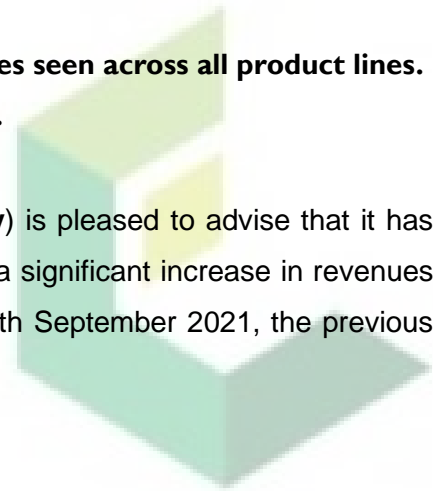
Ensurance delivers a strong first FY23 quarter with positive revenue and profit result

Continued strong growth for specialist insurance products as the Company's expanding Australian footprint delivers increased revenue and profit margins

Highlights:

- ✓ **FY2023 first quarter revenue increases to \$2.1M, a 35% increase year-on-year.**
- ✓ **Unaudited quarterly profit of \$265,532, compared to a profit \$271 for the previous corresponding period (PCP).**
- ✓ **Gross Written Premium (GWP) of \$16.4M for the quarter.**
- ✓ **Strong performance by the recently expanded professional risks division with a 43% increase in GWP.**
- ✓ **Strong growth seen in construction-related Professional Indemnity and SME Cyber Security insurance.**
- ✓ **New product development is progressing in Australia with new inclusions expected to be finalised in the coming months.**
- ✓ **Strong growth outlook with hardening insurance rates seen across all product lines.**
- ✓ **Disposal of the UK operations continues to progress.**

Ensurance Limited (ASX: ENA) (**Ensurance or the Company**) is pleased to advise that it has made a strong start to the 2023 financial year (FY2023), with a significant increase in revenues and profitability for the September 2022 Quarter compared with September 2021, the previous corresponding period (PCP).



Revenue for the September Quarter was \$2.1 million, a 35% increase over the PCP, resulting in a profit before income tax of \$265,532 (PCP: profit \$271). The increase in profit margin reflects top line growth delivered through footprint expansion and stronger earnings margins resulting from the 3-year contract with Liberty Specialty Markets secured in the June 2022 Quarter.

The September Quarter marked the Company's Australian professional risks division's first quarter in full operation, which saw Gross Written Premiums (GWP) in Australia increase by 43%. Growth in the construction-related Professional Indemnity and Small to Medium Enterprise Cyber Security classes was particularly strong.

During the quarter, GWP for the Company's UK division increased by 22% over the PCP due to strong uptake of Terrorism and Construction products.

The disposal of the UK operations continues to progress and is currently in the final stages of due diligence.

The September Quarter demonstrated another period of strong growth and positive cash-flow for the Company with Ensurance CEO, Tom Kent, commenting "This has been a very successful period for Ensurance, with the September Quarter delivering our second consecutive quarter with revenues exceeding \$2 million and a positive profit result."

"This growth is being driven by the expansion of our professional risks division in Australia as well as increased margins stemming from the recently-secured contract with Liberty Specialty Markets."

"We have seen very pleasing growth from our Australian professional risks division in its first full quarter of operations – with a 43% increase in Gross Written Premiums over the previous corresponding period – as well as strong performance from our UK operations."

While the disposal of the UK operations continues to progress, the Board and management team continues to review strategic acquisitions in Australia that are both complementary to our existing business and earnings accretive. Profitability and shareholder value are key tenets of the Board of Directors."

“New product development remains a focus of our Australian operations, with a number of new and diverse inclusions set for release in the coming months.”

“We also continued to consolidate areas of our IT and back-office support during the Quarter to increase operational efficiencies as we prepare for business growth.”

“Looking to the future, the outlook for growth continues to be strong given hardening insurance rates being seen across the key product lines in which the Company operates.”

September Quarter Summary

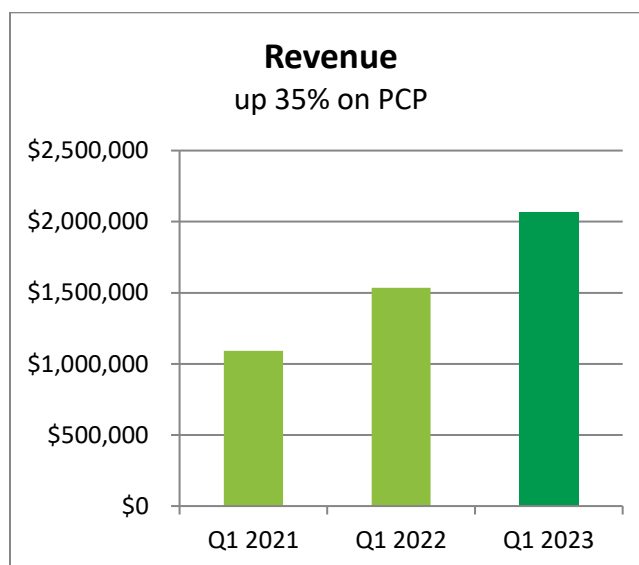
Financial Results

Quarterly financial results are laid out below in two sections; (i) a comparison of quarter-on-quarter growth against the corresponding quarters from the previous two financial years, and (ii) a data set of year-to-date financials, compared with the same data from the previous year. Financial results and Quarterly Activity Reports are presented on a consolidated basis in Australian Dollars (AUD).

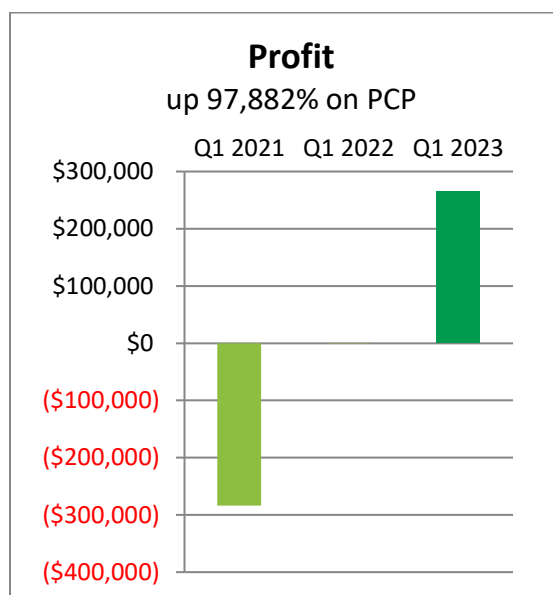
(i) Previous Corresponding Period (PCP) Analysis

QUARTERLY RESULTS	Q1 2021	Q1 2022	Q1 2023	% Change from PCP
Fees and Commissions	955,480	1,516,035	2,062,655	+ 36 %
Other Income	135,314	18,112	955	- 95 %
Revenue	1,090,794	1,534,147	2,063,610	+ 35 %
Profit / (loss) before income tax	-283,747	271	265,532	+ 97,882 %
Gross Written Premium	8,926,571	12,819,840	16,428,630	+ 28 %

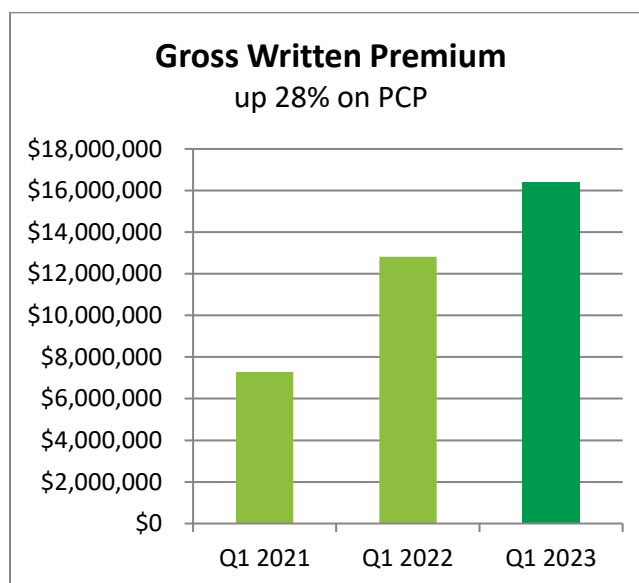
Company Revenue – Q1 difference by corresponding reporting period



Group profit / (loss) – Q1 difference by corresponding reporting period



Company Gross Written Premium – Q1 difference by corresponding reporting period

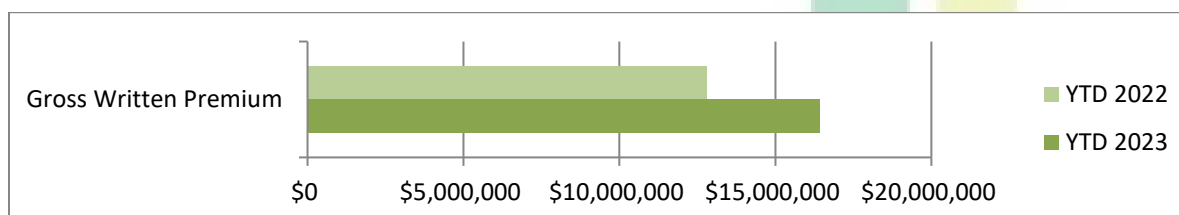


(ii) Year to Date (YTD) Analysis

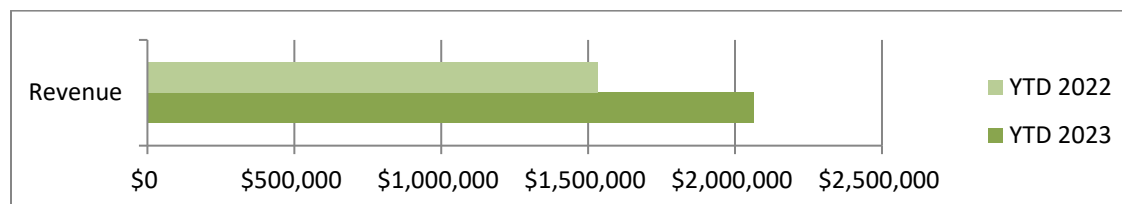
	Revenue	Profit Margin	Gross Written Premium
YTD 2023	\$2,063,610	12.87%	\$16,428,630
YTD 2022	\$1,534,147	0.02%	\$12,819,840
YTD 2021	\$1,090,794	N/A	\$8,926,571
Increase on YTD	(+ 35%) + \$529,463	+ 64,250%	(+ 28%) +\$3,608,790

Year to Date (YTD)

Company Gross Written Premium – YTD Q1 Results



Company Revenue – YTD Q1 Results



Related Party Transactions

Payments to related parties of the Company and their associates in section 6 of Appendix 4C, amounted to \$127K for the September 2022 quarter. This includes the Non-Executive Chairman's salary of \$44K, Executive Director salary of \$63K and Non-Executive Director fees of \$20K.

Summary of Cash Position and Expenditure during the Period

The Company held cash and cash equivalents at the end of the quarter of \$1.17M. Quarterly operating expenditure during the quarter was \$2M. This included \$1.39M in staffing costs.

In financing activities, a repayment of \$36K was paid to Close Brothers Premium Finance.

ENDS

This release has been authorised by the Board.

For further information please contact:

Tony Leibowitz
Chairman
tleibowitz@ensurance.com.au
Ph: +61 2 9167 8050

Sam Hallab
Director & Company Secretary
shallab@ensurance.com.au
Ph: + 61 2 9167 8050



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")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,313	2,313
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(1,388)	(1,388)
(f) administration and corporate costs	(617)	(617)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(2)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other income	-	-
1.9 Net cash from / (used in) operating activities	307	307

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(1)	(1)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets (Rental Bond)	(23)	(23)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(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 (2021 Income tax paid for TKSR)	(99)	(99)
2.6	Net cash from / (used in) investing activities	(123)	(123)

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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
3.6	Repayment of borrowings	(36)	(36)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	(36)	(36)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,019	1,019
4.2	Net cash from / (used in) operating activities (item 1.9 above)	307	307
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(123)	(123)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(36)	(36)
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	1,166	1,166

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	1,122	972
5.2	Call deposits	44	47
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,166	1,019

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	127
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>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>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)	36	36
7.4	Total financing facilities	36	36
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.		
	7.3 Unsecured loan from Close Brothers Premium Finance. Term until 29 December 2022 at an interest rate of 6.33% pa.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	307
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,166
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,166
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1) <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>	N/A
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? <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
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? <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
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? <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
<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: 31 October 2022

Authorised by: the Board of Ensurance Ltd

(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.