

Insurance House set for growth after investor merger

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Merged investment firm Quintet Yorkway is set to support further Insurance House Group growth through acquisitions as the equity investor looks at expanding its exposure to broking.

Yorkway Partners, which in 2018 acquired an interest in the Melbourne-based insurance firm, has this month merged with Quintet Partners, creating a group with expanded access to capital from a larger network of investors.

Executive Chairman Paul Batchelor says Insurance House is well placed for growth and Quintet Yorkway is ready to assist with the right opportunities.

“Part of the strategy is to grow not just organically but through acquisitions,” he says. “We are willing to back them to buy whatever works strategically. We are very interested to continue investing in insurance broking and insurance agency underwriting.”

Mr Batchelor, a former CEO of AMP and co-founder of Yorkway, sits on the board of Insurance House, which includes broking, the ProRisk underwriting agency and an authorised representative network.

The insurance group has more than 200 staff across 12 offices and more than 40 authorised partners, and has a strong focus on SME and regional markets.

“It is now a very large profitable business, which has a strong technology base after a lot of investment in technology, and the ability to grow quite rapidly,” Mr Batchelor says.

Quintet Yorkway, which also has a small passive investment in Coverforce, lists financial services as one of its target sectors. Investments are funded by a combination of specialist funds and a network of more than 100 investors.

Mr Batchelor says investments have continued to perform relatively well during the coronavirus pandemic, and areas that experienced downturns in March and April have improved since as the economy re-opens faster than expected.

“If you look at the insurance broking side of the business there is a bit more positive sentiment out there,” he said. “We are certainly seeing a bit of a recovery coming through.”

Mr Batchelor says any further investments in broking style businesses would be made through Insurance House, but opportunities in other related areas where there are no issues for Insurance House, could be looked at for separate investment.

Yorkway is the largest investor in privately owned Insurance House, with a holding thought to be around 20%.