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ASX Announcement

16 May 2022

The Manager
Market Announcements Office
Australian Securities Exchange Ltd
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Letter to Ineligible Shareholders

Attached is a letter to be despatched later today to ineligible shareholders in respect of the Entitlement Offer announced by AUB Group Limited (AUB) on Monday, 9 May 2022.

ENDS

This release has been authorised by the Chair of the AUB Board.

For further information, contact Michael Brown, Investor Relations, Pegasus Advisory, on +61 (0)400 24 80 80 or mbrown@pegasusadvisory.com.au.

About AUB Group

AUB Group Limited (ASX: AUB) is an ASX200 listed group comprising brokers and underwriting agencies operating across ~500 locations across Australia and New Zealand. Over 3,000 team members work with our 850,000 clients to place more than AUD4.0bn in insurance premiums with local and foreign insurers.

IMPORTANT NOTICES

This announcement is not financial product or investment advice, a recommendation to acquire securities or accounting, legal or tax advice. It does not constitute an invitation or offer to apply for securities. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and



seek legal and taxation advice appropriate for their jurisdiction. AUB is not licensed to provide financial product advice in respect of an investment in securities.

This announcement may contain certain forward-looking statements. The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "outlook", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and quidance on, future earnings, financial position, dividends and performance are also forward-looking statements as are statements regarding AUB's future operations and projects, the outcome of the Offer, the outcome of the Acquisition (including potential or expected synergies) and the use of proceeds. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks (including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the hostility between Russia and Ukraine and the risks set out in Appendix B: Key Risks section of the Investor Presentation announced on the same date as this announcement), uncertainties and other factors, many of which are beyond the control of AUB, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and their differences may be material. Investors are strongly cautioned not to place undue reliance on forward-looking statements, including in respect of AUB's future financial performance and outlook, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19 and the hostility between Russia and Ukraine. Neither AUB, nor the underwriters, nor any other person, gives any representation, warranty or assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward-looking statement will occur.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States or any other jurisdiction where it would be unlawful. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.



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16 May 2022

Dear Shareholder

AUB entitlement offer - notification to ineligible shareholders

On Monday, 9 May 2022, AUB Group Limited (ABN 60 000 000 715) ("AUB") announced a fully underwritten pro rata accelerated non-renounceable entitlement offer to eligible shareholders (the "Entitlement Offer") to subscribe for new AUB fully paid ordinary shares ("New Shares") on the basis of 1 New Share for every 5.2 existing ordinary shares ("Shares") in AUB held at 7.00pm (Sydney time) on Wednesday, 11 May 2022 ("Record Date") and an institutional placement to institutional investors (the "Placement" and together with the Entitlement Offer, the "Offer"). The New Shares under the Offer will be offered at an offer price of \$19.50 per New Share.

The proceeds from the Offer will be used to part fund the proposed acquisition of Tysers and to repay debt. More detail is provided in AUB's Investor Presentation lodged with the Australian Securities Exchange ("ASX") on Monday, 9 May 2022.

Goldman Sachs Australia Pty Limited and Macquarie Capital (Australia) Limited are the joint lead managers, lead bookrunners and underwriters of the Offer (the "Joint Lead Managers").

You are receiving this letter as, according to our records, you did not satisfy the eligibility criteria to participate in the Entitlement Offer. Further information on the Entitlement Offer, including the eligibility criteria to participate and how your Entitlements will be dealt with, is set out below.

The Entitlement Offer

The Entitlement Offer comprises an offer to Eligible Institutional Shareholders (as defined below) ("Institutional Entitlement Offer") and an offer to Eligible Retail Shareholders (as defined below) ("Retail Entitlement Offer").

The Entitlement Offer is being made by AUB without a disclosure document in accordance with section 708AA of the Corporations Act 2001 (Cth) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (the "Act").

(a) Institutional Entitlement Offer

On Tuesday, 10 May 2022, AUB announced that it had successfully completed the Institutional Entitlement Offer. Through the Institutional Entitlement Offer, AUB has now raised gross proceeds of approximately A\$232 million¹.

¹ AUB also raised approximately A\$71 million under the Placement.



Shareholders who were eligible to participate in the Institutional Entitlement Offer ("Eligible Institutional Shareholders") were those:

- (i) to whom ASX Listing Rule 7.7.1(a) did not apply;
- (ii) who successfully received an offer under the Institutional Entitlement Offer (as the Joint Lead Managers determined in their discretion); and
- (iii) who, if they were a nominee, were only an Eligible Institutional Shareholder to the extent that they held securities for beneficiaries who would have been Eligible Institutional Shareholders, had they held the securities themselves.

(b) Retail Entitlement Offer

The Retail Entitlement Offer, which is expected to raise approximately A\$47 million, is being made to Eligible Retail Shareholders.

A booklet in relation to the Retail Entitlement Offer was lodged with ASX on Monday, 16 May 2022 ("Offer Booklet") and will be made available to Eligible Retail Shareholders.

Shareholders who are eligible to participate in the Retail Entitlement Offer ("Eligible Retail Shareholders") are those who:

- (i) are registered as a holder of Shares as at 7.00pm (Sydney time) on the Record Date;
- (ii) have a registered address on the AUB share register in Australia or New Zealand;
- (iii) are not in the United States and are not acting for the account or benefit of persons in the United States (to the extent such persons hold Shares and are acting for the account or benefit of a person in the United States);
- (iv) did not receive an offer to participate (other than as nominee) or were otherwise ineligible to participate in the Institutional Entitlement Offer; and
- (v) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Why am I not eligible to participate?

The restrictions upon eligibility to participate in the Entitlement Offer arise because of the legal and regulatory requirements in certain countries, the relatively small number of shareholders or Shares that are held by shareholders in certain countries, the relatively low value of New Shares to which shareholders would otherwise be entitled in certain countries and the potential cost of complying with regulatory requirements in certain countries.

AUB has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Act, that it would be unreasonable to make offers under the Retail Entitlement Offer to shareholders of AUB in countries other



than Australia and New Zealand and, in respect of the Institutional Entitlement Offer, certain additional countries, due to the legal limitations and potential cost of complying with regulatory requirements in those countries.

Accordingly, AUB wishes to advise you that it will not be extending the Entitlement Offer to you, and you will not be able to subscribe for New Shares under the Entitlement Offer.

No action required

This notice is to inform you about the Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You are not required to do anything in response to this letter.

The Joint Lead Managers and each of their affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers, agents and representatives disclaim any duty or liability (including for negligence) in respect of any determination as to eligibility, to the maximum extent permitted by law.

As the Retail Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were eligible. New Shares equivalent to the number of New Shares you would have been entitled to if you were an Eligible Retail Shareholder will be allocated to the Joint Lead Managers (in their capacity as underwriters) or to persons from whom the Joint Lead Managers have procured subscriptions for New Shares (including any sub-underwriters), pursuant to the underwriting arrangements between AUB and the Joint Lead Managers.

If you have any questions in relation to any of the above matters, please contact the AUB Shareholder Information Line on 1300 650 320 (within Australia) or +61 1300 650 320 (outside Australia) at any time from 8.30am to 5.00pm (Sydney time) Monday to Friday during the Retail Entitlement Offer period (excluding public holidays).

On behalf of the Board and management of AUB, thank you for your continued interest in AUB.

Yours sincerely

David Clarke

Chair

AUB Group Limited



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This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or in any other jurisdiction in which such an offer or solicitation would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia or New Zealand. In particular, the New Shares to be offered and sold in the Entitlement Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("Securities Act"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered or sold, to persons that are not in the United States and that are not acting for the account or benefit of a person in the United States (to the extent such persons hold Shares for the account or benefit of a person in the United States), in each case in "offshore transactions" (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

The Joint Lead Managers and their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers, agents and representatives disclaim any duty or liability (including for negligence) in respect of any determination as to eligibility to participate in the Entitlement Offer, to the maximum extent permitted by law.

The provision of this document is not, and should not be considered as, a securities recommendation or financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.