

06 November 2017

Market Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

**PSC INSURANCE GROUP LIMITED (PSI) 2017 ANNUAL GENERAL MEETING OF SHAREHOLDERS –  
PRESENTATION AND CHAIRMAN'S SCRIPT**

Attached for immediate release is a copy of the Presentation and Chairman's script being presented at today's Annual General Meeting.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S. Abbott', with a stylized flourish at the end.

Stephen Abbott

Company Secretary



# ANNUAL GENERAL MEETING

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NOVEMBER 6, 2017

# CHAIRMAN'S WELCOME



BRIAN AUSTIN

# Board of Directors

...

**Paul Dwyer**

Managing Director

**Brian Austin**

Non-Executive Chairman

**Tony Robinson**

Non-Executive Director

**John Dwyer**

Executive Director

**Mel Sims**

Non-Executive Director

## SENIOR MANAGEMENT TEAM

**Paul Dwyer**

Managing Director

**Rohan Stewart**

Chief Operating Officer

**Joshua Reid**

Chief Financial Officer

**John Dwyer**

Head of Governance  
& Compliance

**Stephen Abbott**

Company Secretary

## BUSINESS MANAGEMENT TEAM

**Adam  
Burgess**

CEO  
Agency & Wholesale

**David Wyner**

CEO  
Reliance Franchise Partners

**Julia Mitchell**

National Claims Manager  
PSC Claims Solutions

**Noel Lenihan**

CEO  
PSC United Kingdom

**Pat Miller**

CEO  
PSC Insurance Brokers

**Tony Walker**

CEO  
PSC Connect

# YEAR IN REVIEW



RESULTS ALIGNING TO LONG TERM STRATEGY AND VISION

# Highlights

- Strong earnings growth, underlying EBITDA doubled from financial year 2015 to financial year 2017
- Dividend increase to 6.0 cents per share (up 62%).
- Successfully integrated the investments of financial year 2016 into the Group, with all making sound contributions and with an expectation of improvement over time
- Continued to work on the pipeline of future growth opportunities, with a number of new investments announced, main of which being Online Insurance Brokers, BCS Broking, and after balance date the Insurance Marketing Group of Australia and Medisure Insurance Agency businesses
- Increased our investments in existing and new businesses with an on-line presence
- Refinanced into a new long term syndicated debt facility with Commonwealth Bank and Macquarie Bank

# FY17 FINANCIAL RESULTS

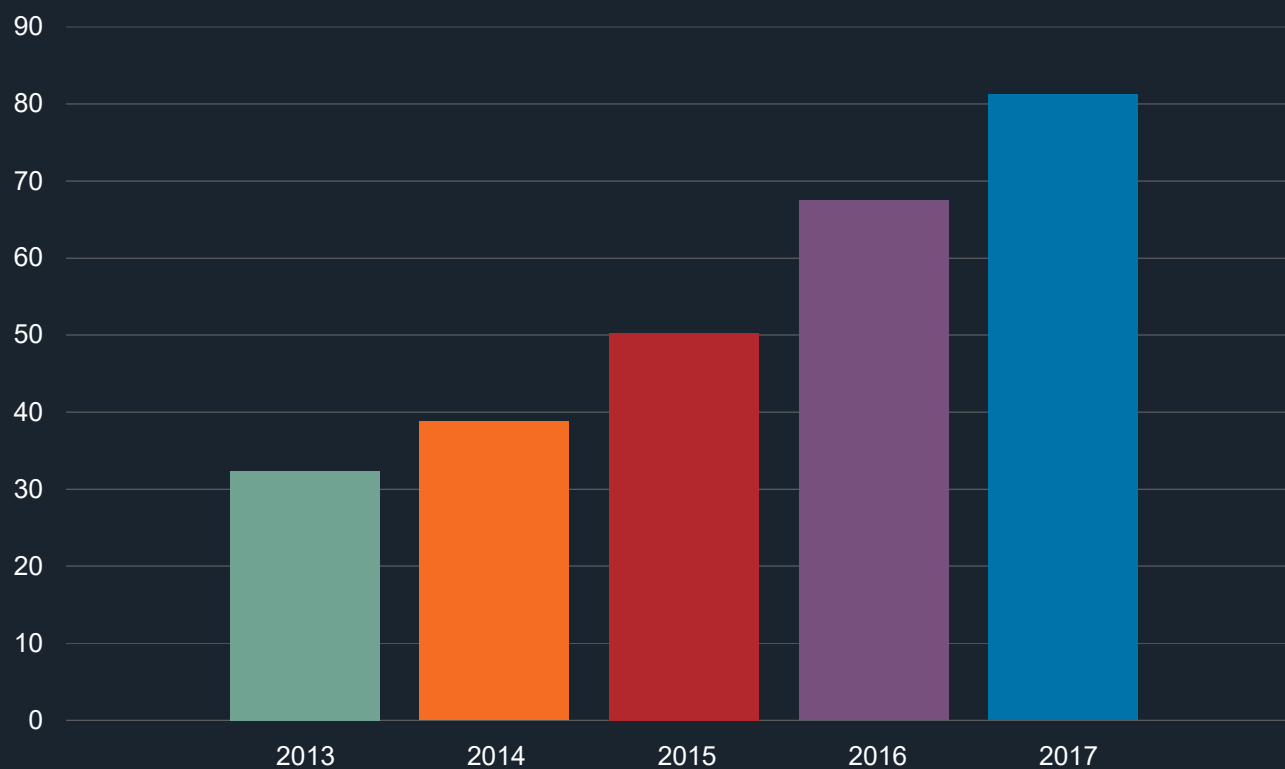


OUR CURRENT POSITION

# Revenue

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- Underlying revenue up 20% pcp (+\$13.8m) to \$81.3m. 5 year compound annual growth rate (CAGR) 30%.





# Revenue

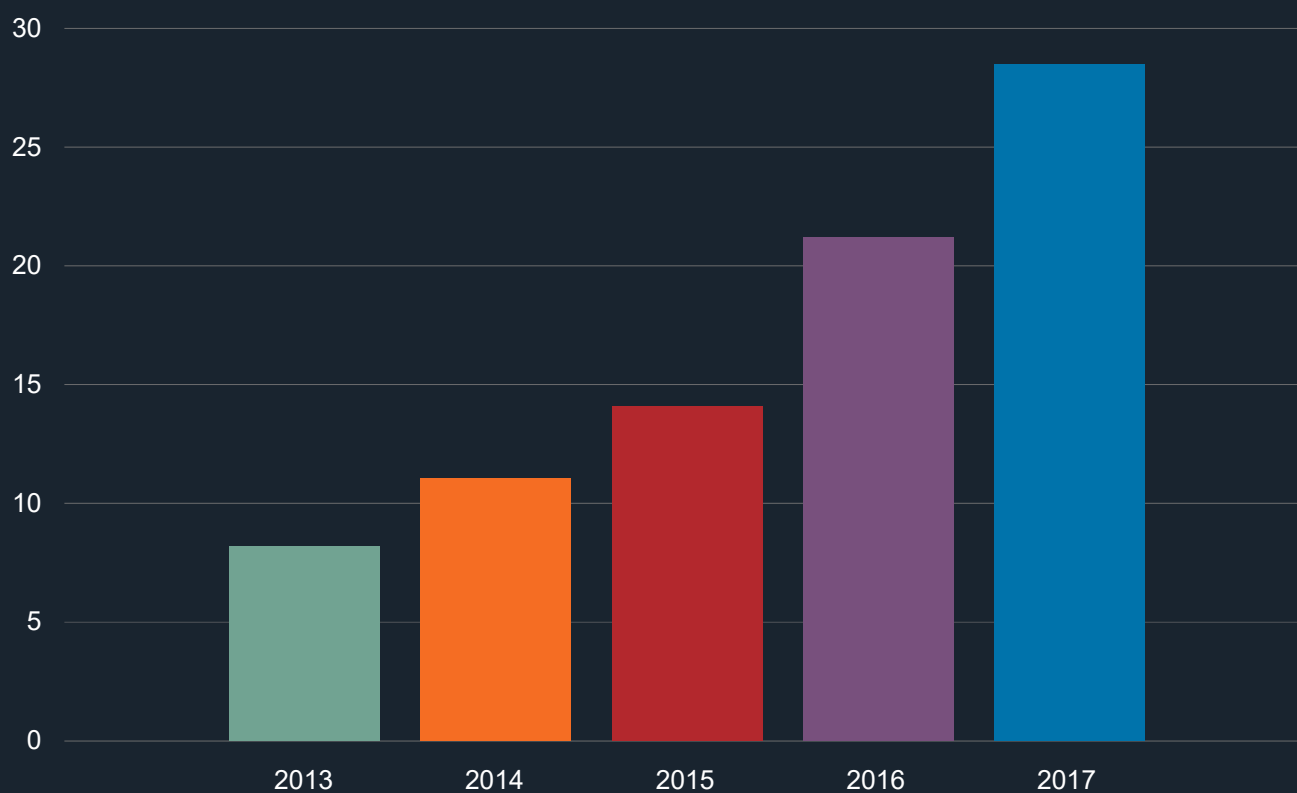
...

- Excluding acquisitions, organic growth in Australia was 9%. Reasonable growth in Australian broking businesses, strong growth in Australian network and agency businesses
- Revenue growth from Australian acquisitions was strong, with 12 month contributions from businesses acquired in FY16, these were an operational focus, immaterial contributions from investments completed in FY17
- Organic growth in UK was impacted by the 21% depreciation in the sterling
- Strong revenue growth from the 12 month contribution of the Holmans acquisition in the UK

# EBITDA

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- Underlying EBITDA up 34% on pcp (+\$7.3m) to \$28.5m. 5 year CAGR 38%.

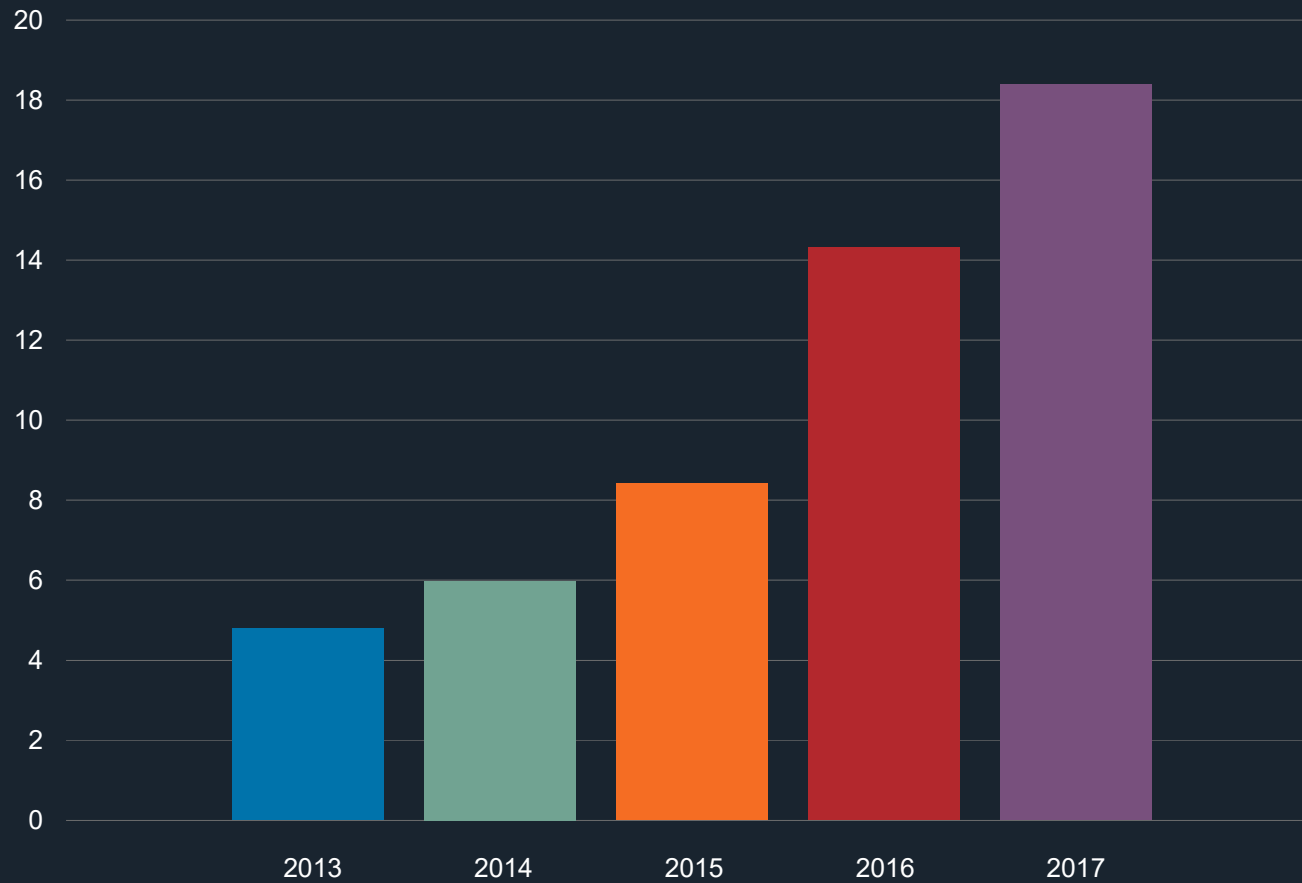


# EBITDA

...

- Excluding acquisitions, organic growth in Australia was 23%. The Group benefitted from its increasing scale, improving both revenue and margin
- Material contribution from annualised impact of prior year investments, in particular, the Reliance related businesses. All are performing to expectation
- In the UK, strong performance from the Lloyds wholesale broking business, with 15% organic growth and strong performance from the Holman acquisition. The reinsurance broking business was impacted by the loss of a larger client and a conservative position taken on future revenue on longer dated treaty and binder contracts
- The weaker sterling impacted EBITDA by \$1.1m on a prior period comparison basis

# Underlying NPATA



# Underlying NPATA & Statutory NPAT

...

- Underlying NPATA up 28% (+\$4.1m) to \$18.4m
- Statutory NPAT attributable to members of \$19.7m up very materially on prior period (\$10.0m), given IPO related costs in the prior period and higher NCI share

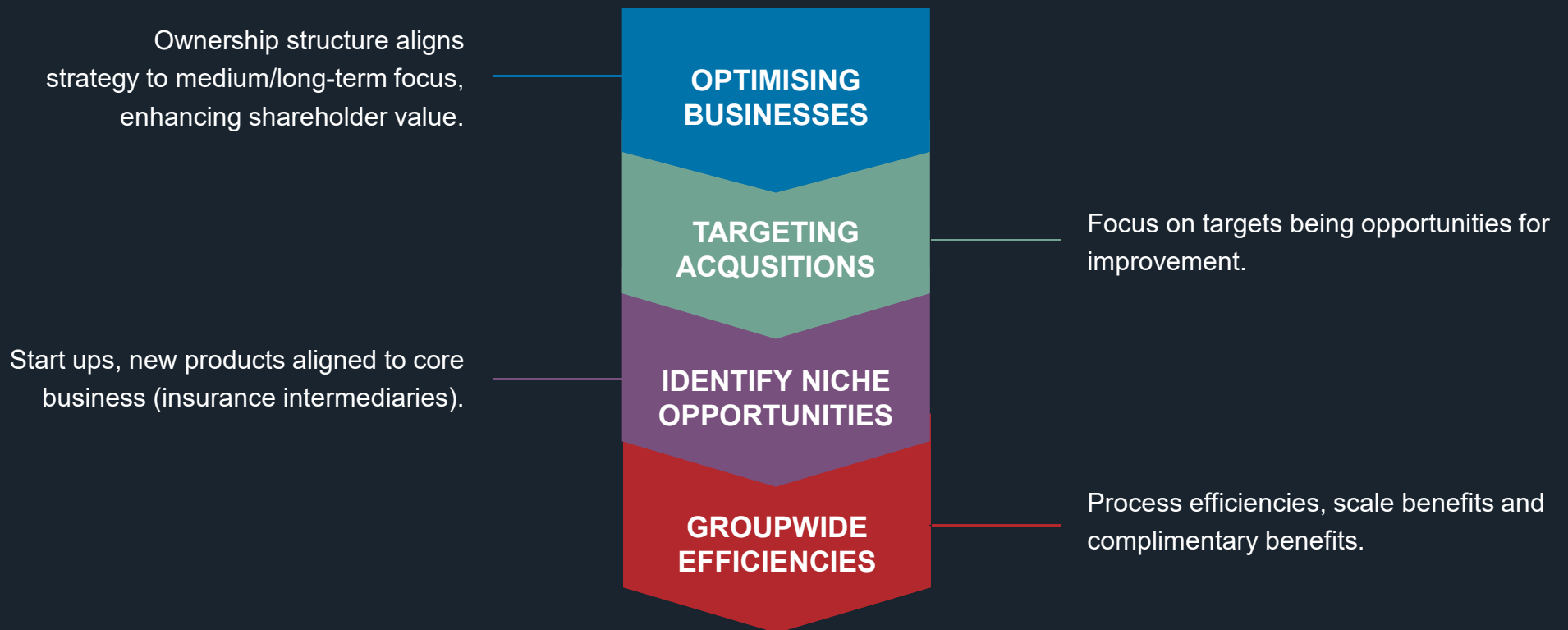
# BUSINESS STRATEGY



CONSISTENCY & DIVERSITY

# Levers for Sustainable Growth

...



# Business Timeline

...



**2006:**

PSC Tartakover  
(now PSC Eastern)



**2007:**

PSC Leonard Brown  
(now PSC Canberra)



**2008:**

PSC Coastwide  
(now PSC Gold Coast)




**2009:**

PSC Horsell (now PSC Melbourne, PSC Sydney, PSC Adelaide, Breeze Underwriting), CTM Insurance Brokers (now PSC Canberra), PSC Newcastle



# Business Timeline

...

**2010:**


Worldwide Sports Insurance  
(now part of PSC Sydney)  
PSC Wagga, PSC Connect,  
PSC Blackadder  
(now part of PSC Darwin)

**2012:**

PSC Connect NZ,  
Carroll & Partners  
(now Carroll Holman UK)

**2011:**

BM Insurance Brokers  
(now PSC Darwin),  
PSC McKenna Hampton  
Perth,  
Herberts Aust  
(now part of PSC Gold  
Coast)


**2013:**

Chase Underwriting  
PSC Gordon Wilson  
(now PSC Brisbane)

# Business Timeline

...

## 2014:




Certus Life,  
Johns Lyng Group,  
WMS (now part of PSC Gold Coast)

## 2015:




Alsford Page & Gems,  
PSC Direct,  
Denson (now part of PSC Melbourne),  
Hamilton (now part of PSC Canberra),  
TA Management (now Certus Life Melbourne)

## 2016:



Reliance Group (now PSC Perth, PSC Australian Reliance NSW,  
PSC Reliance Partners),  
Hiscock Insurance Brokers (now PSC Hiscock),  
EIB Insurance Brokers (now part of PSC Adelaide),  
Holman (now part of Carroll Holman UK).

## 2017:



Online Insurance Brokers,  
BCS Broking,  
RP Hoxton Park  
(now part of PSC Newcastle),  
Riley & Associates  
(now part of PSC Gold Coast),  
National Franchise Insurance Brokers,  
IMGA Group, comprising Insurance  
Marketing Group of Australia and  
Medisure, PSC Property Lync.

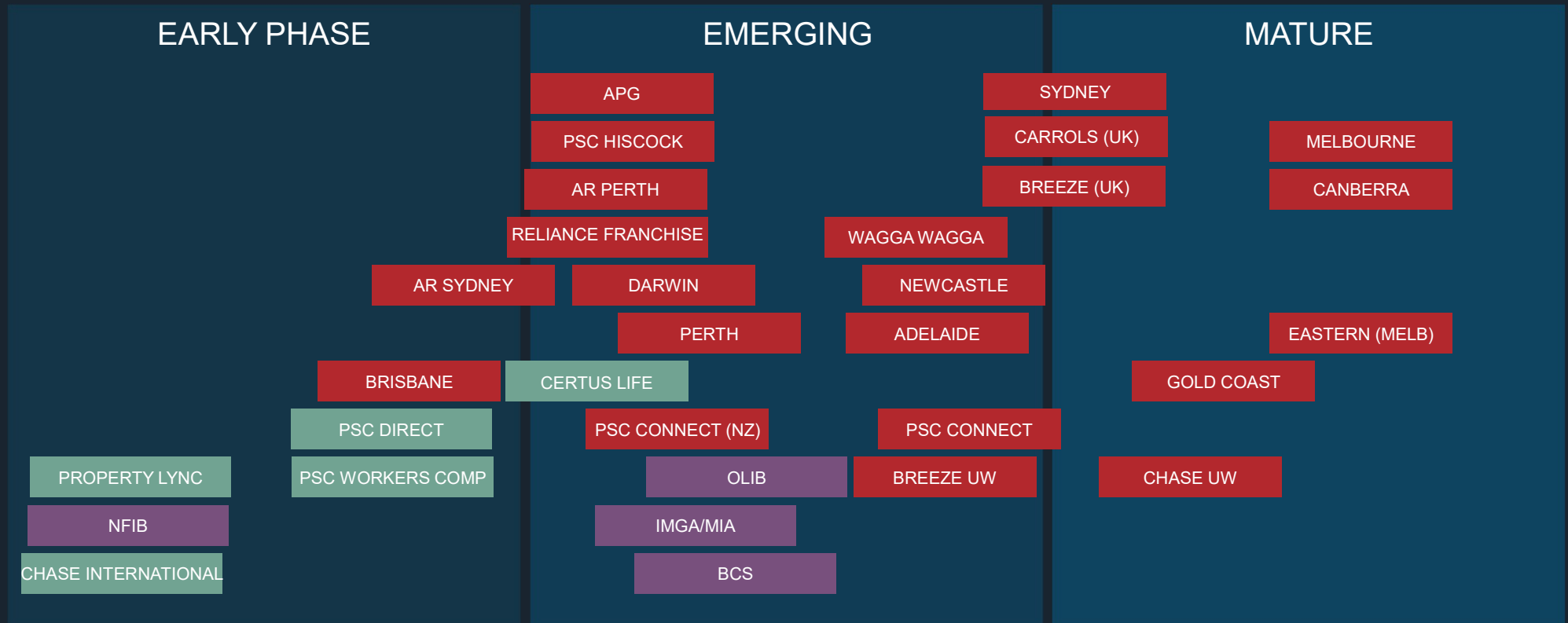
# Our Businesses & Brands

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# Current Business Positions

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## KEY:

STARTUP

ACQUISITION

EXISTING

**NOTES:** Canberra includes Hamilton; Gold Coast includes Riley; Newcastle includes RP Hoxton Park; Adelaide includes EIB; Breeze UW incorporates Connect UW; Chase UW incorporates Chase Surety.

# OUTLOOK



# Business Outlook

...

- The 2016 AGM commemorated the first 10 years of PSC's history. We are focussed on the next decade of growth and success
- We successfully raised \$55m last week. The Group additionally has excess capacity in its debt facility. This places the Group in a strong position to grow over the medium term
- We anticipate that underlying EBITDA for the first half of financial year 2018 to be up more than 20% on the first half of financial year 2017. Revenue and EBITDA are ahead of budget for the first quarter
- The Group will report a material fair valuation upgrade on our investment in the Johns Lyng Group in this half year
- Medium term focus on DPS, EPS and RoE growth. The capital in to the Group is likely to reduce RoE this financial period, however we expect this to normalise as the capital is deployed

# Conclusion

...

- FY17 was another good year for the Group
- The Group has very strong alignment between shareholders and the executive. We believe this enhances decision making for long term value. We are seeking acquisition and start up investment opportunities in the insurance sector in our key markets, which can deliver medium and long term earnings growth
- We are well funded and have good cash conversion, and anticipate this to be a good platform for continued growth

# FORMAL BUSINESS



AGM RESOLUTIONS



## Consider the financial statements for the year ended 30 June 2017

...

- To receive and consider the Financial Report and the Reports of the Directors and the Auditor for the financial year ended 30 June 2017

# Summary of resolutions to be voted upon

...

1. **Agenda item 2 - Remuneration Report**
2. **Agenda item 3 - Re-election of Director** – Mr Brian Austin
3. **Agenda item 4 - Financial Assistance** – Online Insurance Brokers Pty Ltd
4. **Agenda item 5 - Financial Assistance** – Insurance Marketing Group of Australia Pty Ltd
5. **Agenda item 6 - Financial Assistance** – Medisure Indemnity Australia Pty Ltd

# Resolution – Remuneration report

...

- The Remuneration Report, as set out in the Directors' Report, for the year ended 30 June 2017 be adopted.

## Summary of Proxy instructions

	<b>For</b>	<b>Open</b>	<b>Against</b>	<b>Abstain</b>	<b>Total</b>
Votes	48,151,380	145,300	4,000	0	48,300,680
Percentage	99.69%	0.30%	0.01%	0.00%	100.00%
Percentage of non-excluded shares voted					57.04%

# Resolution – Re-election of Director

## ...

- That Mr Brian Austin, being a non-executive director since the Company's listing, be re-elected as a director of the Company.

### Summary of Proxy instructions

	<b>For</b>	<b>Open</b>	<b>Against</b>	<b>Abstain</b>	<b>Total</b>
Votes	190,120,564	155,300	50,4950	0	190,326,359
Percentage	99.89%	0.08%	0.03%	0.00%	100.00%
Percentage of non-excluded shares voted					84.22%

# Special resolution – Financial assistance – Syndicated Facility – Online Insurance Brokers Pty Ltd

...

- That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Online Insurance Brokers Pty Ltd (ACN 095 612 276) (OIB) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (Company) in connection with the acquisition by the Company of the entire issued share capital of OIB, in the manner described in the notes to the Notice of Annual General Meeting.

## Summary of Proxy instructions

	For	Open	Against	Abstain	Total
Votes	190,166,059	160,300	0	0	190,326,359
Percentage	99.92%	0.08%	0.00%	0.00%	100.00%
Percentage of non-excluded shares voted					84.22%

# Special resolution – Financial assistance – Syndicated Facility – Insurance Marketing Group of Australia Pty Ltd

...

- That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Insurance Marketing Group of Australia Pty Ltd (ACN 088 790 327) (IMGA) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (Company) in connection with the acquisition by the Company of the entire issued share capital of OIB, in the manner described in the notes to the Notice of Annual General Meeting.

## Summary of Proxy instructions

	For	Open	Against	Abstain	Total
Votes	190,166,059	160,300	0	0	190,326,359
Percentage	99.92%	0.08%	0.00%	0.00%	100.00%
Percentage of non-excluded shares voted					84.22%

# Special resolution – Financial assistance – Syndicated Facility – Medisure Indemnity Australia Pty Ltd

...

- That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Medisure Indemnity Australia Pty Ltd (ACN 116 319 567) (MIA) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (Company) in connection with the acquisition by the Company of the entire issued share capital of MIA, in the manner described in the notes to the Notice of Annual General Meeting.

## Summary of Proxy instructions

	For	Open	Against	Abstain	Total
Votes	190,166,059	160,300	0	0	190,326,329
Percentage	99.92%	0.08%	0.00%	0.00%	100.00%
Percentage of non-excluded shares voted					84.22%

# CLOSE & QUESTIONS







**PSC Insurance Group Limited**

**2017 Annual General Meeting**

**06 November 2017**

**Chairman's Script**

**[SLIDE 1 (Annual General Meeting)]**

**Stephen Abbott (Company Secretary) to call the commencement of the meeting.]**

**Brian Austin**

**[SLIDE 2 (Chairman's Welcome)]**

I have been advised we have a quorum for today's meeting.

On behalf of the PSC Board, I would like to welcome all shareholders to the 2017 Annual General Meeting of PSC Insurance Group Ltd.

**[SLIDE 3 (Board of Directors / Senior Management Team)]**

Good morning fellow shareholders, and welcome to our second annual general meeting of PSC Insurance Group Ltd 2017

My name is Brian Austin and I am the Chairman of PSC.

On my right are my fellow Directors of PSC.

Mr Paul Dwyer – Our Managing Director

Mr John Dwyer – Executive Director.

Mr Tony Robinson – Non Executive Director and Chair of Audit & Risk Management Committee and Remuneration and Nomination Committee, and

Mr Mel Sims - Non Executive Director based in the UK

Mr Stephen Abbott - Company Secretary.

Also present at the meeting we have Mr Frank Russo from our auditors, Pitcher Partners.

And Daniel Reid and his team from Link Market services whom you will have met at the door.

Additionally, I would like acknowledge the attendance of some of our senior and business management team,

- Rohan Stewart, our Chief Operating Officer
- Joshua Reid, our Chief Financial Officer
- Adam Burgess, our CEO of Agencies and Wholesale
- Pat Miller, our CEO of PSC Insurance Brokers
- Tony Walker, our CEO of PSC Connect
- As well as staff members and fellow shareholders

Welcome everyone.

**[SLIDE 3 (Chairman's Introduction)]**

As I previously had mentioned in the 2017 Annual Report our company has had another successful year. Statutory Revenue was up 25% to \$84.5 million, Statutory EBITDA was up 64% to \$30.3 million and Statutory NPAT attributable to members' was up 98% to \$19.7 million.

I am also pleased that the dividend has increased as well.

Our Managing Director will run through the 2017 year in review, and detail aspects of our business strategy and discuss the outlook, and our CFO will run through the financial performance for 2017 shortly.

After their presentations are concluded we will move to the formal part of the meeting to present the various resolutions and agenda items for consideration.

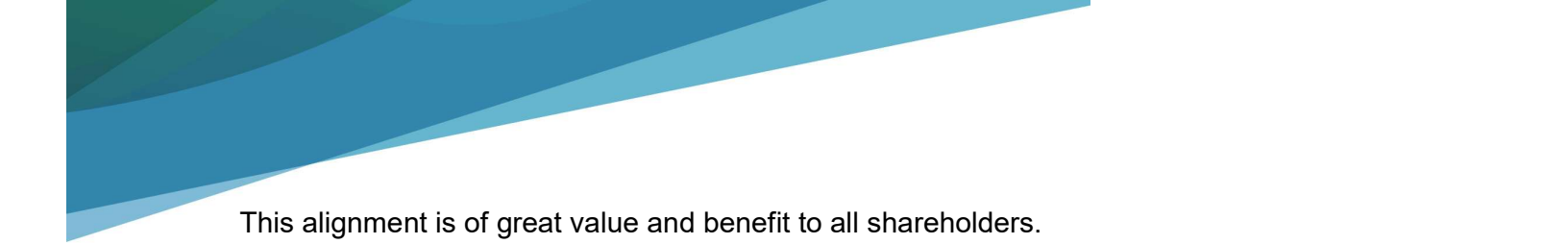
More generally our Company is unique and in a great industry, the Insurance Industry.

We often discuss that not much happens on a daily basis without the need for some form of Insurance. We are a needed and important Industry and are there to assist customers when incidents arise, or where they just need protection for a perceived risk exposure.

I have worked my entire career in Insurance, from both Underwriting and Broking, as have my family and this is a similar story as well for John and Paul Dwyer, my fellow Directors.

The Industry and hence our PSC business is in our DNA, like many of our colleagues within the business. It remains our true focus and drives our great Culture and Values.

The very strong level of board and staff ownership in the Company does differentiate us, and we believe enhances the ability to make the best decisions for the long term value of the Company.



This alignment is of great value and benefit to all shareholders.

Customers and customer experience in dealing with our company remains our focal point and will continue to be so. Our motto of “We make it Personal” is reinforced throughout our entire organisation every day.

I have seen our Company grow from very humble beginnings to a Company today with a Market Capitalisation in excess of \$730 million. I and the Board are very proud of this. This is testament to all the staff in the group, many of whom have been with us from the beginning.

This dedication and loyalty from so many in the Group has taken us where we are today. I am sure the new members to the group will also gain much pride as we advance further together.

Our inspiration and Journey is far from over as with enthusiasm, pride and dedication from all within PSC we will continue to strive to deliver great service to Customers and deliver investment returns for Shareholders.

I will now hand you over to Paul Dwyer, and I will join you again toward the end of the meeting to run through the formal business of the day.

Thank you.

**Paul Dwyer**

**[SLIDES 4 to 5 (Year in review) – Paul Dwyer]**

**[SLIDES 6 to 12 (Financials) – Josh Reid]**

**[SLIDES 13 to 19 (Business strategy) – Paul Dwyer]**

**[SLIDES 20 to 22 (Outlook / Conclusion) – Paul Dwyer]**

**Brian Austin**

**[SLIDE 23 (Formal business)]**

- Thank you Paul.
- I will now move to the formal part of the meeting.

## **[Agenda Item 1]**

### **[SLIDE 24 (Consider financial statements)]**

- The first item on the Agenda is:  
'To receive and consider the Financial Report and the Reports of the Directors and the Auditor for the financial year ended 30 June 2017'.
- This item does not require a vote; however, the reports are open for discussion. I now invite shareholders to comment or ask questions on the reports. Would you please begin the question by clearly stating your name.

### **(Questions / discussion)**

#### **Brian Austin**

Thank you.

The remaining items of business are two ordinary resolutions and three special resolutions for your consideration.

### **[SLIDE 25 (Summary of resolutions to be voted upon)]**

The voting process is:

- All resolutions will first be voted on by a show of hands. Only those holding a Yellow voting card can vote on a show of hands. When called upon please raise your Yellow voting card.
- The Resolutions for Agenda items 4,5 and 6 are Special Resolutions requiring at least 75% of votes on a show of hands in favour or if the vote goes to a poll, 75 % of the votes cast for the resolution in favour.
- Should a resolution not be passed on a show of hands it will go to a poll. In the event of a Poll the results of the Poll will be announced to the ASX after the meeting.
- Voting exclusions are place for Agenda item 2. Refer to the notice of meeting for specific details but in general these are:
  - The Board and closely related parties are not eligible to vote except where they hold Proxies for shareholders eligible to vote —.



## [Agenda Item 2]

### [SLIDE 26 (Resolution – Remuneration report)]

- The second item on the agenda is:  
“The Remuneration Report for the year ended 30 June 2017 be adopted.”
- Does any shareholder wish to speak in relation to the Resolution or ask any questions?

### (Questions / discussion)

#### Brian Austin

- I now call for a vote on the resolution:
- Those in favour of the Resolution please raise your Yellow voting card.
- Those against the Resolution please raise your Yellow voting card.
- [Chairman to then announce the resolution passed are failed.]
- [If passed on a show of hands:]
  - I now declare the Resolution carried.
- [If failed on a show of hands:]
  - The Resolution has failed on a show of hands and will therefore go to a Poll
  - [Once Poll is conducted move onto next item]
- I now pass the Chair over to Mr Tony Robinson to conduct the voting for the next Resolution.



### [Agenda Item 3]

#### [SLIDE 27 (Resolution – Re-election of director – Mr Brian Austin)]

##### Tony Robinson

- The third item on the agenda is:  
“That Mr Brian Austin, being a non-executive director since the Company’s listing, be re-elected as a director of the Company.”

Does any shareholder wish to speak in relation to the Resolution or ask any questions?

##### (Questions / discussion)

##### Tony Robinson

- I now call for a vote on the resolution:
- Those in favour of the Resolution please raise your Yellow voting card.
- Those against the Resolution please raise your Yellow voting card.
- [Chairman (Tony Robinson) to then announce the resolution passed are failed.]
- [If passed on a show of hands:]
  - I now declare the Resolution carried.
  - Congratulations Brian on your re-election
  - I will now hand the Chair back to Mr Austin
- [If failed on a show of hands:]
  - The Resolution has failed on a show of hands and will therefore go to a Poll.
  - [Once Poll is conducted move onto next item]
  - I will now hand the Chair back to Mr Austin

## [Agenda Items 4,5 and 6]

### Brian Austin

- The next 3 items on the agenda are all similar resolutions, the difference being the entity to which they relate. In the Notice of Meeting they were covered together in the explanatory notes in detail. They are to be passed by Special Resolution which requires a vote in favour of 75% of members present at the meeting, or if goes to a poll 75% of votes cast.
- I ask that if any shareholder has a question or questions on the next three resolutions they ask them now as each of the Resolutions is essentially the same and the intention is to vote each Special Resolution in succession.
- Are there any questions?

### (Questions / discussion)

## [Agenda Item 4]

### [SLIDE 28 (Resolution – Financial assistance – Syndicated Facility – Online Insurance Brokers Pty Ltd)]

The fourth item on the agenda for today's meeting is:

“That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Online Insurance Brokers Pty Ltd (ACN 095 612 276) (**OIB**) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (**Company**) in connection with the acquisition by the Company of the entire issued share capital of OIB, in the manner described in the notes to the Notice of Annual General Meeting.”

### Brian Austin

- I now call for a vote on the resolution:
- Those in favour of the Resolution please raise your Yellow voting card.
- Those against the Resolution please raise your Yellow voting card.
- [Chairman to then announce the resolution passed are failed.]
- [If passed on a show of hands:]
  - I now declare the Resolution carried.
- [If failed on a show of hands:]
  - The Resolution has failed on a show of hands and will therefore go to a Poll
  - [Once Poll is conducted move onto next item]

## [Agenda Item 5]

### [SLIDE 29 (Resolution – Financial assistance – Syndicated Facility – Insurance Marketing Group of Australia Pty Ltd)]

The fifth item on the agenda for today's meeting is:

"That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Insurance Marketing Group of Australia Pty Ltd (ACN 088 790 327) (**IMGA**) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (**Company**) in connection with the acquisition by the Company of the entire issued share capital in IMGA, in the manner described in the notes to the Notice of Annual General Meeting."

#### Brian Austin

- I now call for a vote on the resolution:
- Those in favour of the Resolution please raise your Yellow voting card.
- Those against the Resolution please raise your Yellow voting card.
- [Chairman to then announce the resolution passed are failed.]
- [If passed on a show of hands:]
  - I now declare the Resolution carried.
- [If failed on a show of hands:]
  - The Resolution has failed on a show of hands and will therefore go to a Poll
  - [Once Poll is conducted move onto next item]

## [Agenda Item 6]

### [SLIDE 30 (Resolution – Financial assistance – Syndicated Facility – Online Insurance Brokers Pty Ltd)]

The sixth, and final item on the agenda for today's meeting is:

"That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Medisure Indemnity Australia Pty Ltd (ACN 116 319 567) (**MIA**) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (**Company**) in connection with the acquisition by the Company of the entire issued share capital of MIA , in the manner described in the notes to the Notice of Annual General Meeting."

#### Brian Austin

- I now call for a vote on the resolution:



- Those in favour of the Resolution please raise your Yellow voting card.
- Those against the Resolution please raise your Yellow voting card.
- [Chairman to then announce the resolution passed are failed.]
- [If passed on a show of hands:]
  - I now declare the Resolution carried.
- [If failed on a show of hands:]
  - The Resolution has failed on a show of hands and will therefore go to a Poll
  - [Once Poll is conducted move onto next item]
- This concludes the formal part of the meeting.

#### [SLIDE 31 (Close and questions)]

- Before closing the meeting, I ask, 'Are there any final questions from shareholders?'

#### (Questions / discussion)

#### Brian Austin

- I would like to thank our shareholders for their continuing support for PSC and for having faith in the Board and management team.
- I would also like to again thank all our staff for their outstanding contribution to the continuing growth of the company.
- Finally, I would like to thank my colleagues on the Board for their support, guidance and diligence in the governance of the Company.
- There being no further business, I now declare the Annual General Meeting closed.