

12 November 2019

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

PSC INSURANCE GROUP LTD (PSI) – CARROLL INSURANCE GROUP

PSI are pleased to announce the acquisition and completion of Carroll Insurance Group (CIG).

CIG is a direct and wholesale broking business, operating in the Lloyd's and London markets.

CIG is a highly complementary acquisition and represents a 'bolt-in' with the Group's existing Carroll Holman Insurance Brokers business in London. CIG has 18 staff, and we expect that synergies can be realised given an increase in products and capability across the combined operation.

The CIG business is well known to PSI, with the Carroll Holman management having facilitated a management buyout of business assets in 2007 from CIG. This Carroll Holman business was acquired by PSI in June 2012. Peter Carroll the principal of CIG will be entering into a consultancy arrangement post completion and joining the board of Carroll Holman.

Key terms of the transaction are:

- 100% of the share capital was acquired for ~ £3.4 million (~ A\$6.3 million), excluding net assets.
- 70% of the consideration is payable in cash on completion (~ £2.4 million), with the balance after 12 months, with the final 30% adjustable, dependent on the revenue after 12 months.

We anticipate the incremental revenue from CIG to be ~ £2.0 million pa.

The acquisition has been funded from existing cash resources.

We are delighted to welcome the CIG team to the Group.

Please direct any queries to Tony Robinson, Managing Director on 0407 355 616 or Joshua Reid, Chief Financial Officer on (03) 8593 8303.

Yours faithfully,



Stephen Abbott

Company Secretary