

4 November 2022

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

PSC INSURANCE GROUP LIMITED (PSI) – ACQUISITION UPDATE

PSI are pleased to provide the market with an update on the following transactions:

1. *Ensurance UK Ltd (“ENAUK”)*

Further to our announcement of 22nd July 2022, we are very pleased to announce we have signed binding transaction documents for the purchase of 100% of the share capital of ENAUK. The purchase price will be payable 75% in cash and 25% in PSI shares on completion.

Completion is subject to customary closing conditions, principally appropriate regulatory approvals from the FCA, which we expect to be achieved in Q3 of financial year 2023.

ENAUK is an underwriting agency business based in London, specialising in the construction industry. Given this specialisation, ENAUK is highly complementary with our existing Chase Underwriting UK business, which similarly specialises in construction insurances.

The acquisition provides additional scale, markets, distribution and an experienced team.

2. *Charter-Union Insurance Brokers Ltd (Hong Kong) (“CUIB”)*

The Group completed the acquisition of 100% of the share capital of CUIB on 31st August 2022. CUIB is a Hong Kong based general insurance broking business. The total consideration was paid with an initial payment of 70% of the total expected purchase price in cash, with the balance adjustable and payable over 3 years in cash.

With the addition of CUIB, the Group now has a good operating platform and scale in Hong Kong, with ~ A\$7 million in revenue and total capital invested of ~ A\$13 million. The strategy in the coming years is to grow organically and continue to learn more about the market and its inherent opportunities.

3. *PSC Trade Credit Risk*

The Group are pleased to announce the acquisition of the business assets of Trade Credit Risk Pty Ltd (“TCR”) and partnering with the founder to grow the business. PSC are taking a 90% equity interest, with an agreement to purchase the remaining equity over 5 years. The total consideration was paid with an initial payment of 80% payable on completion, with the balance adjustable and payable over 2 years. The payments on completion are predominantly cash, with 10% payable in PSI shares.

A key attraction of TCR is the introduction of a new specialisation in to the Group, which will be a great addition for our clients and adds to the expanding capability of our general insurance franchise in Australia.

Estimated Financial Impact

The aggregate purchase price of these acquisitions is expected to be ~ \$22 million, with upfront cash payments of ~ \$15 million.

We expect all acquisitions to contribute positively to the performance in financial year 2023, with an expectation of an incremental EBITDA of ~ \$1.4 million this financial year and an annualised initial pro-forma contribution of ~ \$2.4 million.

Authorised for release to the ASX by the PSC Insurance Group Ltd Board.

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

A handwritten signature in black ink, appearing to read 'S. Abbott'.

Stephen Abbott
Company Secretary