

10 November 2022

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

**PSC INSURANCE GROUP LIMITED (PSI) 2022 ANNUAL GENERAL MEETING OF SHAREHOLDERS –  
CHAIRMAN'S WELCOME AND PRESENTATION**

Attached for immediate release are:

- Chairman's Welcome, and
- Presentation

being presented at today's Annual General Meeting commencing at 9.30 am at the Pullman Hotel  
192 Wellington Parade, East Melbourne Victoria.

Yours faithfully,

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

Stephen Abbott  
Company Secretary  
Ph 03 8593 8333

## **PSC INSURANCE GROUP LTD – 2022 AGM – 10 NOVEMBER 2022**

### **Chairman's Welcome - 2022**

Good morning and welcome to the Annual General Meeting of PSC Insurance Group Ltd for 2022.

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

We as a Board are very happy to be back holding a physical Meeting this year with shareholders after having endured two years of virtual meetings with imposed Covid restrictions.

I am very happy to welcome all our shareholders attending today, and thank you for your attendance.

Here today are my fellow Directors of the Board:

- Paul Dwyer – Deputy Chairman
- Tony Robinson – Managing Director.
- Mel Sims – Non-Executive Director.
- Joanne Dawson – Non-executive Director, who Chairs our Board Audit & Risk Management Committee
- James Kalbassi – Executive Director

Not able to be with us in person today but as you have seen prior to the start of the meeting have joined by video conference are:

- Tara Falk – Executive Director
- John Dwyer – Executive Director

Tara is in London and John is in New South Wales.

Stephen Abbott joins us today as our Company secretary.

I would like to welcome the attendance of some of our senior management team:

- Joshua Reid – CFO, who will be speaking today
- Noel Lenihan – CEO PSC UK (Wholesale / Retail)
- Ben Goodall – CEO Australian Broking.
- Tony Walker – CEO Networks

I would also like to welcome from our auditors, EY, Tim Dring and Murray Anderson as well as representatives of our share registry Link Market Services.

I am pleased to advise that your company has once again achieved another record underlying earnings result for the financial year ended June 2022 as our company continues to grow.

At 30 June 2022 the PSC Group had:

- Approx 750 employees
- Approx 220 ARs
- \$2.4 billion in GWP

- All of our operations are over some 30 offices in 6 countries.

Tony Robinson, our Managing Director will further discuss the Financial Results together with Joshua Reid our CFO.

Our Strategy continues to be simple – Grow our business by a continual focus on what is best for our clients and in turn our shareholders and staff. We continue to make it personal over all our business units. We continue to grow organically as well as via targeted and balanced acquisitions.

As I am sure all of our shareholders would be aware that Financial Year 22 commenced with continued Covid Lockdowns which restricted travel within our business globally as well as impacting our personal and business lives. Our teams throughout our businesses continued to conduct work remotely with superb focus to all our clients. I am happy to advise with the easing of these restrictions our business units are returning to some sort of normality and our people are returning to the offices and face to face meetings and interactions with our customers.

We continue to make acquisitions. Key amongst these in FY22 are:

- Alliance Insurance Brokers primarily based in Melbourne
- Alan Wilson Insurance Brokers based in Gippsland Victoria
- Post year end we have also concluded an acquisition of Charter Union Insurance Brokers in Hong Kong which will boost our Hong Kong operations in a very positive way.

We also undertook a very successful capital raise in March this year from which the funds received have been used, and will be used, to fund acquisitions, three of which we announced to the market late last week.

In the following presentation, as mentioned previously, Tony will talk about the Group's strategy and Josh will cover the financial performance after which I will join again for the formal business of the meeting

Thank you to my fellow Directors for their continued commitment and support and together we thank all our PSC staff and ARs for their continued and passionate support in delivering for our customers. We also thank our clients for their loyalty.

I now hand over to Tony Robinson.

Thank you.



2022

# ANNUAL GENERAL MEETING



# AGENDA

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## AGM INTRODUCTION

**Brian Austin**  
Chairman

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## GROUP PRESENTATION

**Tony Robinson**  
Managing Director

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**Joshua Reid**  
Chief Financial Officer

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## AGM FORMAL BUSINESS

**Brian Austin**  
Chairman

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01

# CHAIRMAN'S WELCOME

BRIAN AUSTIN | CHAIRMAN



# BOARD OF DIRECTORS



**Brian Austin**  
Non-Executive  
Chairman



**John Dwyer**  
Executive  
Director



**Paul Dwyer**  
Non-Executive  
Deputy Chairman



**Mel Sims**  
Non- Executive  
Director



**Tony Robinson**  
Managing  
Director



**Jo Dawson**  
Non- Executive  
Director



**Tara Falk**  
Executive  
Director



**James Kalbassi**  
Executive  
Director

# SENIOR MANAGEMENT TEAM



**Joshua Reid**  
Chief Financial Officer



**Julia Mitchell**  
Group Manager  
Governance & Compliance



**David Hosking**  
AU / NZ / HK  
Chief Executive Officer



**Rohan Stewart**  
Group Manager  
People & Innovation



**Noel Lenihan**  
PSC UK  
Chief Executive Officer



**Stephen Abbott**  
Company Secretary



**Angus McPhie**  
Paragon  
Managing Director

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# STRATEGY OVERVIEW

TONY ROBINSON | MANAGING DIRECTOR



# RESILIENT BUSINESS MODEL

Well placed for current macro-economic challenges



## Inflation

Increasing inflation will likely impact the cost of future claims and therefore insurance premiums



## Exchange Rate Volatility

Paragon earn > 60% of revenue in US Dollars, the weakness in the sterling against the US Dollar is providing a short-term benefit for the Group



## Interest Rates

The Group holds insurer monies on trust which exceed the level of debt



## Non-Discretionary

Business insurance is a non-discretionary expense, leading to a strong recurring income stream for the Group

# CAPITAL RAISE & INVESTING

Over 50% of Capital Deployed or Committed

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Institutional Placement of \$80m completed in March 2022 to support future acquisition activity



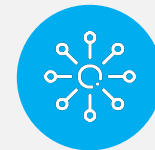
Progressing strongly in deploying this capital with ~ \$45m deployed or committed, with incremental annualised EBITDA in excess of \$5m



Progressing well in discussions with AUB in formalising the Tysers retail broking JV



Competition for assets remains high with prices being elevated, especially in the UK



Maintaining capital allocation discipline and cultural fit remaining key initial filter to ensure commercial and long-term alignment

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# OUR PERFORMANCE

JOSHUA REID | CHIEF FINANCIAL OFFICER



# TRACK RECORD OF GROWTH



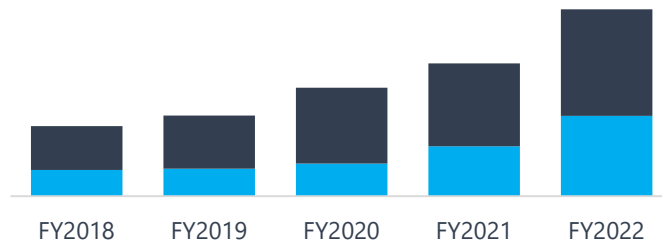
Continuation of a long track record of growth, with ~ 20%+ CAGR across all financial metrics a testament to PSC's empowered business model.

- 1H
- 2H
- Full year
- X% Growth rate y.o.y

## Underlying NPATA (\$m) >

**5-year CAGR: 28.2%**

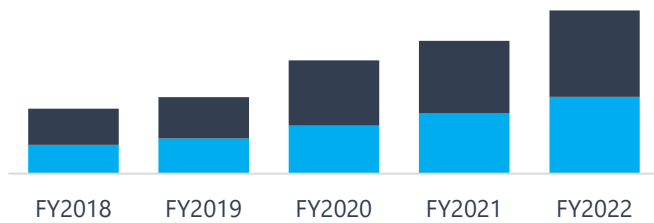
+30.9%   +15.1%   +34.5%   +22.3%   +39.8%



## Underlying Revenue (\$m) >

**5-year CAGR: 25.6%**

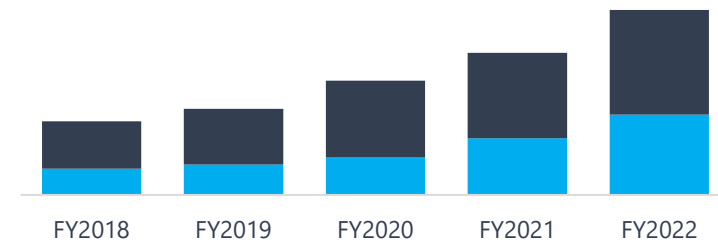
+24.4%   +17.7%   +48.6%   +17.2%   +22.8%



## Underlying EBITDA (\$m) >

**5-year CAGR: 26.7%**

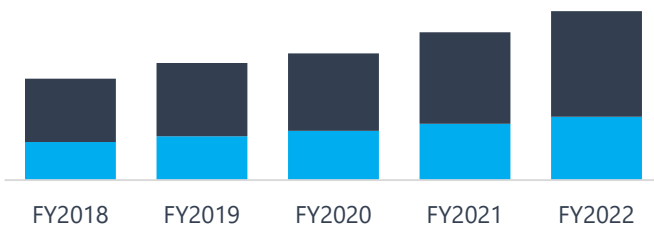
+30.0%   +16.9%   +32.7%   +24.5%   +30.3%



## Dividends (CPS) >

**5-year CAGR: 14.9%**

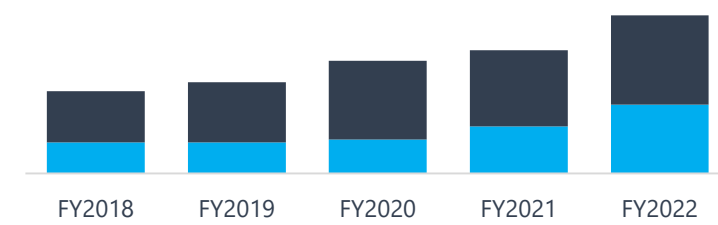
+20.0%   +15.3%   +8.4%   +16.7%   +14.3%



## Earnings per share (CPS) >

**5-year CAGR: 18.8%**

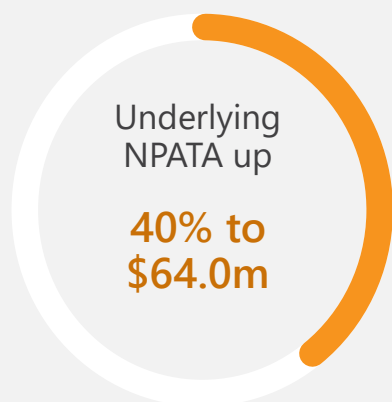
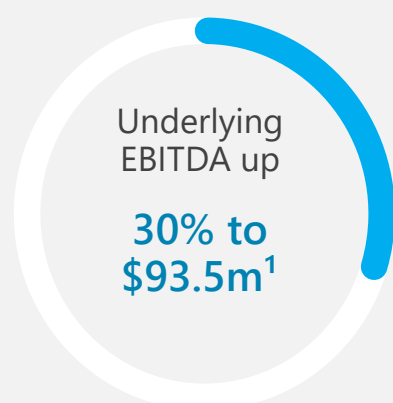
+25.1%   +11.1%   +22.9%   +8.1%   +28.1%



# FINANCIAL YEAR HIGHLIGHTS

Strong operating performance.

Driven by UK retail broking acquisitions and strong organic growth.



**Reported NPAT decreased to \$27m (from \$41m),** negatively impacted by non-operating items, primarily ~\$5m fair value losses on investments and ~\$17m in revaluation of deferred payment obligation due to underlying strong performance of acquisitions.



# BALANCE SHEET



**Book equity**  
increased in FY22  
due to Placement of  
share to support  
continued growth

**\$409m**



**Operating  
Cash up**

**39% to  
\$61m**



**Cash  
Conversion**  
Strong cash  
conversion at

**~100%**



**Gearing** at balance  
date ~ 1.4x, well  
positioned for  
growth



**Investment  
Assets**  
Market value of  
investments on  
balance sheet of

**\$55m**

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# OUTLOOK

TONY ROBINSON | MANAGING DIRECTOR



# OUTLOOK



Previous guidance of underlying EBITDA of \$105-110m and underlying NPATA of \$70-73m re-affirmed. The economic impact of the Tysers retail JV with AUB is assumed from 1 January.



Strong first quarter of trading across all key businesses and Segments.



Well placed to face the current macro-economic challenges.



We are deploying our capital in a disciplined manner with a long term focus. We welcome the Alan Wilson Insurance Brokers, Charter Union Insurance Brokers, Trade Credit Risk and Insurance UK teams in to our Group.



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# FORMAL BUSINESS

BRIAN AUSTIN | CHAIRMAN

# SUMMARY OF AGENDA ITEMS



## NON VOTING AGENDA ITEM:

Consider the financial statements for the year ended 30 June 2022



## RESOLUTIONS TO BE VOTED UPON

### Resolution 1

Remuneration Report

### Resolution 2

Re-election of Executive Director – Ms Tara Falk

### Resolution 3

Re-election of Non-Executive Director – Mr Melvyn Sims

### Resolution 4

Approval of amendment to Long Term Incentive Plan Rules – Maximum Award Allocation

### Resolution 5

Approval of issue of securities under the Company's Long Term Incentive Plan

### Resolution 6

Approval of the grant of Options (and the issue of Shares on exercise of Options) to Antony Robinson

### Resolution 7

Approval of the prior issue of Shares under the Institutional Placement – Refresh 15% placement capacity

# CONSIDER THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

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Non Voting



To receive and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.



**Note:** there is no requirement for Shareholders to approve these reports.

# RESOLUTION 1

## Remuneration report

Voting



That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report, as set out in the Directors' Report, for the year ended 30 June 2022.



**Note:** This resolution is advisory only and does not bind the Company or Directors. This resolution is subject to voting exclusions as set out in the Notice of Meeting.

### Summary of Proxy instructions held by the Chairman

|  | For                | Open             | Against           | Abstain          | Total              |
|--|--------------------|------------------|-------------------|------------------|--------------------|
| <b>Votes</b>                                   | <b>112,401,471</b> | <b>1,277,209</b> | <b>12,372,080</b> | <b>2,721,535</b> | <b>128,772,295</b> |
| <b>Percentage</b>                              | <b>87.29%</b>      | <b>0.99%</b>     | <b>9.61%</b>      | <b>2.11%</b>     | <b>100.00%</b>     |
| <b>Percentage of non-excluded shares voted</b> |                    |                  |                   |                  | <b>57.75%</b>      |

# RESOLUTION 2

## Re-election of Executive Director – Tara Falk

Voting



That, for the purposes of clause 15.6 of the Constitution and ASX Listing Rule 14.4, and for all other purposes Ms Tara Falk, being an Executive Director, who retires by rotation and being eligible offers herself for re-election, be re-elected as a Director of the Company.

### Summary of Proxy instructions held by the Chairman

|  | For                | Open             | Against           | Abstain          | Total              |
|--|--------------------|------------------|-------------------|------------------|--------------------|
| <b>Votes</b>                                   | <b>239,995,682</b> | <b>1,255,709</b> | <b>14,261,776</b> | <b>2,712,310</b> | <b>258,225,477</b> |
| <b>Percentage</b>                              | <b>92.94%</b>      | <b>0.49%</b>     | <b>5.52%</b>      | <b>1.05%</b>     | <b>100.00%</b>     |
| <b>Percentage of non-excluded shares voted</b> |                    |                  |                   |                  | <b>73.27%</b>      |

# RESOLUTION 3

## Re-election of Non-Executive Director – Melvyn Sims

Voting



That, for the purposes of clause 15.6 of the Constitution and ASX Listing Rule 14.4, and for all other purposes Mr Melvyn Sims, being a Non-Executive Director, who retires by rotation and being eligible offers himself for re-election, be re-elected as a Director of the Company.

### Summary of Proxy instructions held by the Chairman

|   | For         | Open      | Against    | Abstain   | Total       |
|---|-------------|-----------|------------|-----------|-------------|
| Votes                                   | 228,898,490 | 1,252,339 | 25,362,338 | 2,712,310 | 258,225,477 |
| Percentage                              | 88.65%      | 0.48%     | 9.82%      | 1.05%     | 100.00%     |
| Percentage of non-excluded shares voted |             |           |            |           | 73.27%      |

# RESOLUTION 4

## Amendment to Long Term Plan Rules

Voting



That, for the purposes of clause 4 of the Long Term Incentive Plan Rules, and for all other purposes, Shareholders approve the amendment to clause 4 of the Long Term Incentive Plan Rules to approve the Maximum Award Allocation under the Plan, on the terms and conditions set out in the Explanatory Note.



This resolution is subject to voting exclusions as set out in the Notice of Meeting

### Summary of Proxy instructions held by the Chairman

|  | For                | Open             | Against           | Abstain          | Total              |
|--|--------------------|------------------|-------------------|------------------|--------------------|
| <b>Votes</b>                                   | <b>109,531,912</b> | <b>1,252,165</b> | <b>12,384,235</b> | <b>5,603,963</b> | <b>128,772,295</b> |
| <b>Percentage</b>                              | <b>85.06%</b>      | <b>0.97%</b>     | <b>9.62%</b>      | <b>4.35%</b>     | <b>100.00%</b>     |
| <b>Percentage of non-excluded shares voted</b> |                    |                  |                   |                  | <b>57.75%</b>      |

# RESOLUTION 5

## Approval of issue of securities under LTI Plan



That, the Company's Long Term Incentive Plan be approved and that Shareholders approve the issue of securities under the Long Term Incentive Plan on the terms and conditions in the Explanatory Note for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes.



This resolution is subject to voting exclusions as set out in the Notice of Meeting

Voting



### Summary of Proxy instructions held by the Chairman

|  | For               | Open           | Against           | Abstain          | Total              |
|--|-------------------|----------------|-------------------|------------------|--------------------|
| <b>Votes</b>                                   | <b>85,762,436</b> | <b>658,816</b> | <b>14,934,992</b> | <b>5,603,401</b> | <b>106,959,645</b> |
| <b>Percentage</b>                              | <b>80.18%</b>     | <b>0.62%</b>   | <b>13.96%</b>     | <b>5.24%</b>     | <b>100.00%</b>     |
| <b>Percentage of non-excluded shares voted</b> |                   |                |                   |                  | <b>53.17%</b>      |



# RESOLUTION 6

## Approval of Option to Antony Robinson

Voting



It That, for the purpose of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 2,000,000 Options (and the issue of Shares on exercise of Options) to Mr Antony Robinson in accordance with the Company's Long Term Incentive Plan and on the terms and conditions set out in the Explanatory Note.



This resolution is subject to voting exclusions as set out in the Notice of Meeting

### Summary of Proxy instructions held by the Chairman

|   | For         | Open    | Against    | Abstain   | Total       |
|---|-------------|---------|------------|-----------|-------------|
| Votes                                   | 108,354,010 | 758,816 | 14,836,802 | 4,822,667 | 128,772,295 |
| Percentage                              | 84.14%      | 0.59%   | 11.52%     | 3.75%     | 100.00%     |
| Percentage of non-excluded shares voted |             |         |            |           | 57.75%      |

# RESOLUTION 7

## Approval of Placement Shares: refresh 15% placement capacity

Voting



That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the prior issue of 17,777,778 fully paid ordinary shares issued under the institutional placement that was announced on 11 March 2022 and with Shares issued under the institutional placement on 17 March 2022, on the terms and conditions set out in the Explanatory Note.



This resolution is subject to voting exclusions as set out in the Notice of Meeting.

### Summary of Proxy instructions held by the Chairman

|  | For                | Open              | Against        | Abstain           | Total              |
|--|--------------------|-------------------|----------------|-------------------|--------------------|
| <b>Votes</b>                                   | <b>201,155,868</b> | <b>33,036,782</b> | <b>118,319</b> | <b>18,914,508</b> | <b>253,225,477</b> |
| <b>Percentage</b>                              | <b>79.43%</b>      | <b>13.05%</b>     | <b>0.05%</b>   | <b>7.47%</b>      | <b>100.00%</b>     |
| <b>Percentage of non-excluded shares voted</b> |                    |                   |                |                   | <b>72.88%</b>      |



# CLOSE AND QUESTIONS