21 February 2024

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

PSC INSURANCE GROUP LTD (PSI) – FY24 HALF-YEAR RESULTS PRESENTATION

Please find attached our FY24 Half-Year Results Presentation.

As announced to the market on 15 February 2024, a shareholder and investor conference call will commence at 9.00 am today. Investor presentations commence today and will continue over the next two weeks.

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

PSC INSURANCE GROUP

2024

HALF-YEAR
RESULTS

Tony Robinson (Managing Director)
John Dwyer (Executive Director)
Joshua Reid (Chief Financial Officer)

SUMMARY INFORMATION

This document has been prepared by PSC Insurance Group Limited (ACN 147 812 164) (PSC).

It is a presentation of general financial and commercial information about PSC's activities current as at 21st February 2024. It is information in a summary form and does not purport to be complete.

It is to be read in conjunction with PSC's other announcements released to ASX (available at www.asx.com.au). It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with professional advice, when deciding if an investment is appropriate.

FORWARD LOOKING STATEMENTS

This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of PSC, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that the actual outcomes will not differ materially from these statements. Neither PSC nor any other person gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. Except as required by applicable law or the ASX Listing Rules, PSC disclaims any obligation or undertaking to publicly update any forward looking statements, whether as a result of new information or future events.
Statements about past performance are not necessarily indicative of future performance.

TERMINOLOGY

This presentation uses Underlying NPATA and Underlying EBITDA and other related measures to present a clear view of the underlying profit from operations.

Underlying NPATA comprises consolidated profit after tax and before amortisation expense adjusted for value adjustments for the carrying value of assets or associates, contingent consideration adjustments, and other revenue and costs considered non-operating in nature or related to acquisition activities. It is used consistently and without bias year on year for comparability.

These measures are not audited by the Group's auditors. A reconciliation to statutory profit is provided in this Presentation.

NOT AN OFFER

This document does not constitute an offer, invitation, solicitation, recommendation, advice or recommendation with respect to issue, purchase, or sale of any shares or other financial products in PSC.

This document does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any "US person" (as defined in Regulation S under the US Securities Act of 1933, as amended (Securities Act) (US Person)).

Securities may not be offered or sold in the United States or to US Persons absent registration or an exemption from registration. PSC shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States.

FINANCIAL HIGHLIGHTS

Sound Results in Period; Upgraded Guidance; Businesses Well Positioned for Growth

Underlying EBITDA
Up 12%

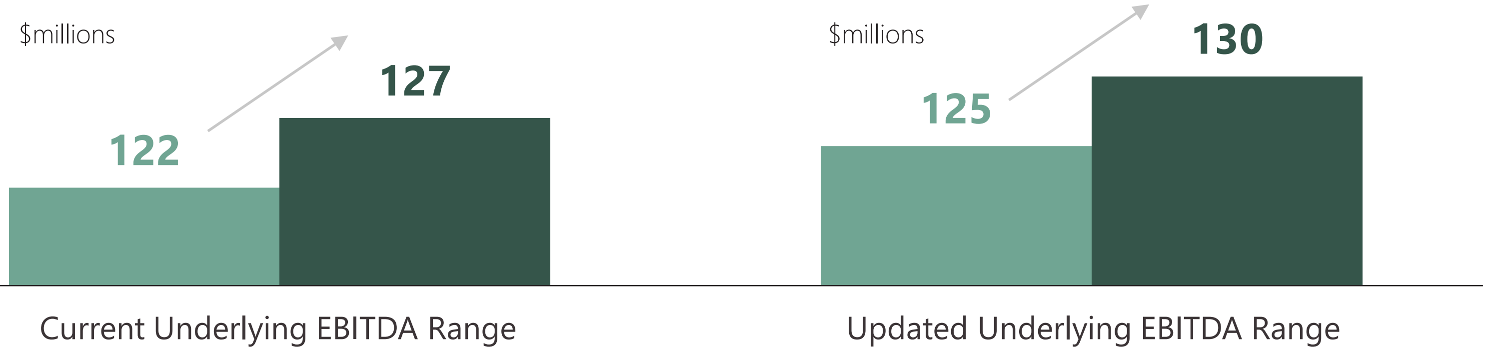
Underlying NPATA
Up 6%

Underlying revenue
Up 15%

EPS growth of
Up 3%

Interim dividend increase to 5.7 cps
Up 10%

UPDATED GUIDANCE RANGE



PSC INSURANCE GROUP

FINANCIAL RESULTS SUMMARY

Sound Results in Period; Upgraded Guidance; Businesses Well Positioned for Growth

Good **revenue** growth of 15% and **EBITDA** growth of 12%.

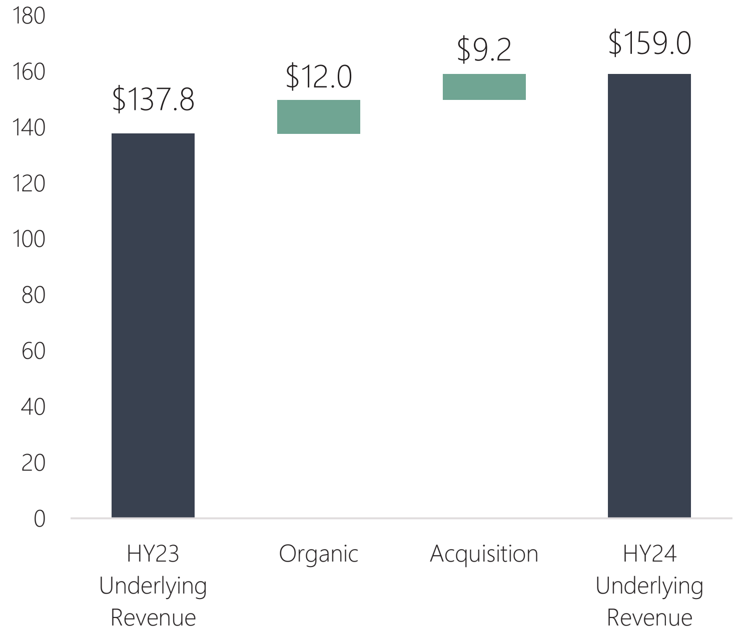
Organic revenue growth of $12m (+9%) and **organic EBITDA** growth of $2.2m (+5%)

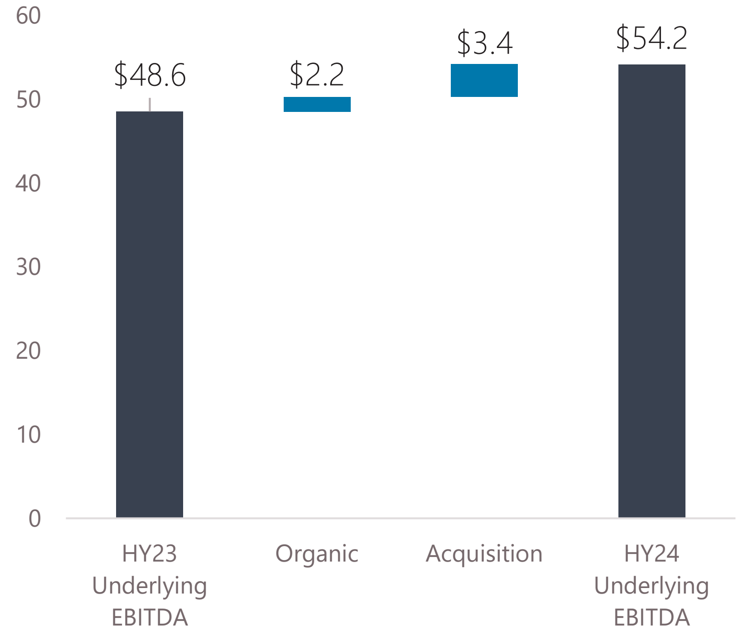
Acquisitions contributed revenue growth of $9.2m and EBITDA growth of $3.4m

($m) – Half-Year	2024	2023	Growth
Underlying Revenue	159.0	137.8	15%
Underlying Costs	-104.8	-89.2	
Underlying EBITDA	54.2	48.6	12%
Net AASB16 adjustment	-0.1	-0.0	
Interest	-6.0	-4.0	
Depreciation	-1.1	-1.0	
Amortisation	-8.3	-6.9	
Non-Operating Revenue	11.4	0.1	
Non-Operating Costs	-7.5	-7.3	
Net Profit Before Tax	42.6	29.4	45%
Tax	-12.8	-7.9	
NPAT	29.8	21.5	39%
Underlying EBITDA (AASB 16 Adj.)	**54.1**	**48.6**	**11%**
Underlying EBITDA	54.2	48.6	12%
Underlying NPATA	**37.1**	**35.2**	**6%**

GROWTH DRIVERS

Strong Organic Growth in Australia; Weaker Conditions in UK; Acquisitions Performing Well





- Acquisitions contributed $9.2m in incremental revenue and $3.4m incremental EBITDA. All acquisitions performing as planned – PSC AMGI and Turner Rawlinson (UK Retail) performing strongly. Ensurance UK integration has been challenging as expected and we expect growth in coming periods.

- Good organic growth in most areas of the Group, with revenue growth of $12m (+9%) and EBITDA growth of $2.2m (+5%). Strong organic performance across AU Distribution (+10%), sound performance in AU Agency, with UK down on prior year, with weak market conditions in 3 of Paragon's business lines (Cyber, D&O, M&A) the driver (-$3.5m), which are expected to recover over the next 12 months.

- The sterling appreciated 9% against the A$ and 6% against the US$ in the period. The revenue impact of this was ~ +$5.6m and EBITDA impact ~ +$0.6m.

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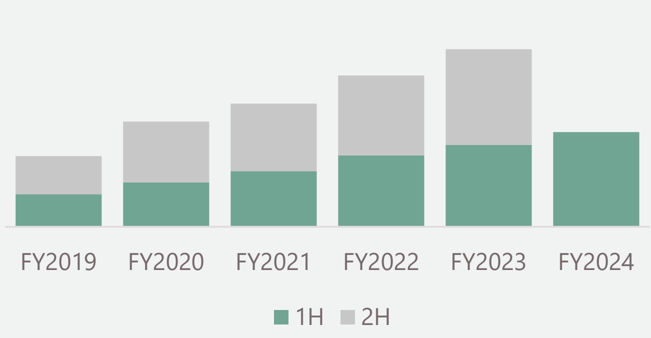
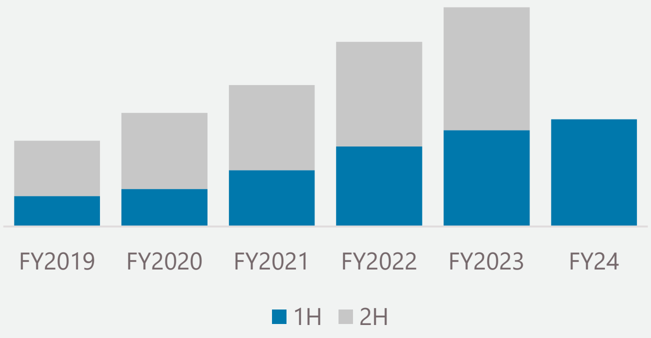
TRACK RECORD OF GROWTH CONTINUES

Strong Record of Growth

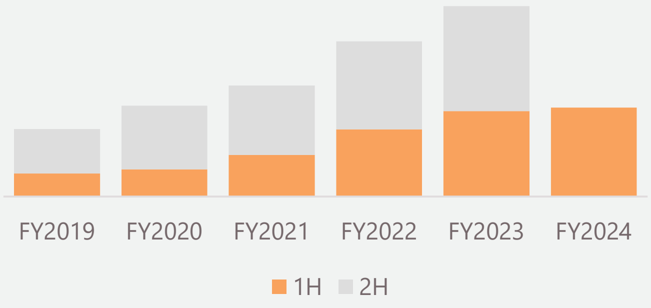
Underlying Revenue ($m)



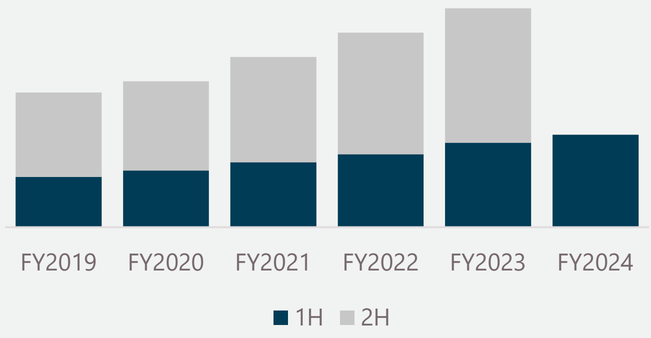
Underlying EBITDA ($m)



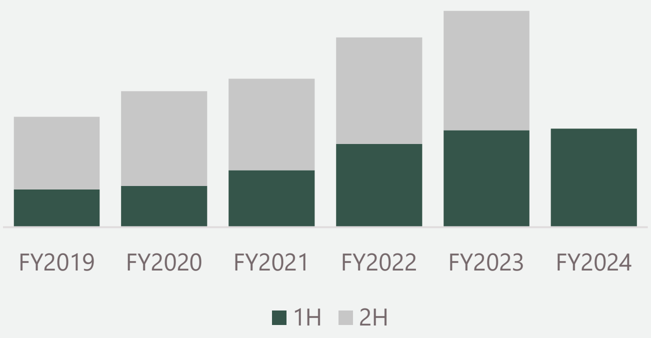
Underlying NPATA ($m)



Dividends (CPS)



Earnings per share (CPS)



SEGMENT RESULTS

Strong Performance in Australia and Weaker Market Conditions in the UK

DISTRIBUTION

(AUSTRALIA)

Distribution EBITDA up $4.0m (18%). Broking businesses and Networks performing well.

AGENCY

(AUSTRALIA)

Agency EBITDA up $0.5m (11%), driven by good performance from Chase Underwriting and initial contribution from Ensurance (Chase Professional Risks).

UNITED KINGDOM

(INTERNATIONAL)

UK EBITDA up $0.5m (2%). Incremental acquisition contribution was $1.5m principally from the acquisitions of Ensurance UK and Turner Rawlinson and Giles Gowers (UK Retail). Organic growth (-$1.0m) impacted principally by market driven conditions in Cyber, D&O and M&A (Paragon -$2.3m on prior period).

GROUP

Group EBITDA contribution up on prior period.

SEGMENT RESULTS

($m) – FY24	Distribution	Agency	UK	Group	TOTAL
Underlying Revenue	67.0	11.6	78.8	1.6	159.0
	42%	7%	50%	1%	
Reported NPAT	14.3	2.0	12.0	1.5	29.8
Reported EBITDA	26.7	5.4	22.9	6.9	61.9
Underlying EBITDA (AASB16 Adj.)	26.1	5.1	24.9	-1.9	54.2
% of Total	**48%**	**10%**	**46%**	**-4%**	
Underlying EBITDA Growth: PCP	**18%**	**11%**	**2%**		**12%**
EBITDA Growth	**4.0**	**0.5**	**0.5**	**0.6**	**5.6**
Organic	2.2	0.1	-1.0	1.0	2.2
Acquisition	1.9	0.4	1.5	-0.4	3.4

($m) – FY23	Distribution	Agency	UK	Group	TOTAL
Underlying Revenue	57.0	10.3	68.9	1.6	137.8
	41%	8%	50%	1%	
Reported NPAT	11.4	3.2	13.9	-7.0	21.5
Reported EBITDA	21.2	4.8	22.7	-4.4	44.4
Underlying EBITDA (AASB16 Adj.)	22.0	4.6	24.4	-2.5	48.6
% of Total	**45%**	**10%**	**50%**	**-5%**	

CONTINUE TO EXECUTE ON AND GROW PIPELINE OF OPPORTUNITIES

1H 2024 Acquisitions

$m	Revenue	Costs	EBITDA	Comments	Upfront	Purchase Price
Giles Gowers	2.9	1.7	1.2	UK Retail	4.9	9.6
Ensurance	4.9	3.2	1.7	AU Agency	25.2	25.2
Worldwide	1.3	0.7	0.6	Irish Wholesale	3.2	4.6
Other Acquisitions	3.1	1.4	1.7	6 portfolio bolt-in's	5.7	7.6
	12.2	**7.0**	**5.2**		**39.0**	**47.0**
Margin			43%			
Multiple			9.0x			

Ensurance
(Chase Professional Risks) - Completed in November, an addition to AU Agency with the addition of PI – strong medium term growth prospects.

Giles Gowers
Addition to the UK Retail business. GG specialises in HNW clients.

Worldwide Insurance
A mainly wholesale Irish broker, supporting trades and tour operators. Long term association with Carrolls and builds out our Irish business.

Other Portfolio Acquisitions
Completed 6 portfolio acquisitions, integrated into the AU (5) and NZ (1) broking businesses.

Blended acquisition multiple of 9.0x.

PSC APEX

Where we are & where we are going

APEX UPDATE

- >90% Multi Quote request success (up from 70% at inception)
- Average of 85% quotes that can be bound are contained within all multi quote tasks (50% at inception)
- Launched Quote Tracker Dashboard (a central lens for our people to track quotes and status)
- Consistently improved insurer mapping errors (20% improvement across the board)

SHORT TERM ROADMAP

- Deployment of product e-Forms
- Quote template enhancements (policy comparisons)
- "What you told me" data export (for client risk review & confirmation)
- Automation of renewal data import into e-forms (assisting brokers and clients for efficiency in pre-renewal)
- PSC data warehouse (PSC hold all client & risk data previously held only with the insurer)

PREMIUM PLACED

- Since inception APEX has facilitated placement of over $136m in GWP over 81,500 individual policies
- **Business Package** - $69m & 35,000 policies
- **Commercial Motor** - $23.5m & 11,100 policies
- **Homeowners** - $25.5m & 13,500 policies
- **Landlords** - $10m & 11,000 policies
- **Private Motor** - $8.5m & 11,000 policies

MEDIUM TERM ROADMAP

- New products to APEX (Residential and Commercial Strata, Workers Compensation & Farm Packages)
- Adding Global Transport and NTI to commercial motor.
- Directly connecting to insurers (360, Clover & BlueZebra completed & QBE in progress)
- Additional revenue streams (bypassing Sunrise Exchange & increasing operational efficiencies)
- CRM functionality (automated debtor management)

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START-UP & EARLY STAGE OPPORTUNITIES

Eldin Risk Partners (Start-Up)

40% ownership

Eldin Risk is a global aggregated buying program that leverages the combined insurance spend of its clients. Eldin Risk targets investors in Private Equity, Infrastructure and Real Estate and their portfolio companies.

Operations commenced in March 2023 – the team and platform is now built with 3 client mandates won.

Chase Plant & Equipment (Start-Up)

70% ownership

A new agency business, leveraging off the success and distribution of the Chase Underwriting construction business.

Market leading capacity and operations commenced in December 2023.

Chase Credit Risk (Start-Up)

70% ownership

A new agency business specialising in credit enhancement via the partial risk sell-down of bilateral loans from the banking market to specific insurance markets.

We are partnering with an experienced executive. Commenced in December 2023 and initial goal is to finalise underwriting capacity.

PARAGON PERFORMANCE

Paragon

£'000	Revenue	Costs	EBITDA
Dec-23	20.5	13.9	6.5
Dec-22	21.9	13.5	8.4
Growth	-1.4	0.5	-1.9
	-7%		
FX	-0.9		-0.9
Growth (C-C)	-0.6		-1.0
	-3%		

Revenue is down 7% on prior period - unfavourable US$ and weak market conditions in Cyber, D&O and M&A (revenue impact - £2.4m (-A$3.2m), EBITDA impact - **£2.3m (-A$3.5m))**. Revenue is down 3% on a constant currency basis. EBITDA down A$2.3m overall, other areas performing solidly.

Cyber rates in USA and early adoption of a 'war' clause in London impacted, as did weak M&A activity and continued weakness in D&O rates. We are beginning to see some improvement in these conditions in the second half.

Positive client growth since June-23 (+3%).

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B.P. MARSH

B.P. MARSH
& PARTNERS PLC

B.P. Marsh announced/ completed 2 material divestments – Nexus/ Kentro ~ £52m and CBC/Paladin ~ £41m. The Group will have ~ £75m in funds available.

B.P. Marsh have announced increased dividends and share buy-back as increased capital return measures and is in a very **strong position** to support existing investee companies and undertake new investments in line with their stated strategy.

Share price was **+18%** in the period.

PSC's investment is **+87%** over ~ 5.5 year holding period and was valued at **~$63m** at balance date.

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STATUTORY NPAT RECONCILIATION

($m)	2024	2023	Growth
Statutory NPAT	29.8	21.5	39%
Amortisation	8.3	6.9	
Revenue excluded from Underlying - Tax Adjusted	-7.9	-0.1	
Expenses excluded from Underlying - Tax Adjusted	6.9	6.8	
Underlying NPATA	37.1	35.2	6%
W.avg. Shares (m)	361.9	351.5	
Underlying EPS	10.3 cents	10.0 cents	3%
Average Tax Rate	30%	27%	

Revenue excluded from Underlying Earnings: represents gains in the fair value adjustments on investments and profit on sale of shares. B.P. Marsh increased strongly in the period.

Main expenses excluded from Underlying Earnings:

- ~ $3.6m relating to deferred consideration fair value changes (good performance from PSC AMGI and Turner Rawlinson).
- ~ $1.9m relating to implied option costs from the Group LTIP.
- ~ $2.9m relating to professional fees relating mainly to acquisition activity.

Underlying NPATA up 6% to $37.1m and underlying EPS up 3% to 10.3 cents per share.

Average statutory tax rate of 30% is up on prior given the increase in the UK company tax rate (19% to 25%) and higher contribution from Australian businesses.

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OPERATING CASH FLOW RECONCILIATION

($m)	HY2024	HY2023
Statutory NPAT	29.8	21.5
Non-Cash Items	5.8	15.1
Change in Working Capital	15.2	20.2
Operating Cash Flow	50.8	56.8

After-tax operating cash flow down on prior period to ~$51m given higher tax payments and increase in working capital (timing only).

As previous, first half strongest cash period as revenue booked in peak June period is collected.

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BALANCE SHEET

($m)	Dec-23	Jun-23	Dec-22	Comments
Cash - Own	66.6	71.4	94.1	Acquisition activity funded with cash balances in the period
Working Capital	18.2	36.1	8.9	Higher working capital balances than Dec-22 period (lower cash conversion)
Total Liquidity	**85.0**	**107.4**	**103.0**	
Intangible Assets	547.7	519.9	478.9	Increases include Ensurance, Giles Gowers, Worldwide + bolt-in's
Investments	102.5	85.1	68.9	BP Marsh $63m; AMA $6m; includes equity accounted investments
Fixed Assets, Net	33.9	35.4	35.1	Includes East Melb, PPE
Vendor Obligations	-27.9	-21.9	-39.6	
Deferred Tax, Net	-42.3	-40.7	-28.9	
Borrowings	-212.0	-213.7	-187.5	$63m in undrawn limits
Other	-13.6	-15.9	-17.8	
Net Assets	**473.4**	**455.7**	**412.1**	
Equity:				
Share Capital	449.2	426.0	419.0	Increases due to acquisition consideration (Ensurance)
Retained Profits	52.7	53.1	37.1	Seasonal - 1H lower profit half, higher cash half
Reserves/NCI	-28.5	-23.3	-44.0	
	473.4	**455.7**	**412.1**	

Working capital balances ~ $9m higher than Dec-22 period (higher tax payments and higher receivables balance) - temporarily lower cash conversion.

~ $25m in net cash (~ $35m gross cash) deployed on acquisitions in the period

The Group gearing position is strongly placed for 'business as usual' M&A activity (see slide 17).

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FUNDING CAPACITY

Strong current funding position

	HY2024	Scenario
Debt	212.0	
Property Debt	-7.6	
Cash	-66.6	
Working Capital 'Float'	20.0	
Vendor Obligations	27.9	
Adjusted Net Debt	**185.7**	**335.7**
Underlying EBITDA (Guidance Mid-Point)	**127.5**	**142.5**
Leverage Ratio	**1.46**	**2.36**

Current leverage ratio of 1.46 times is well below target range.

Our net debt adjusts for cash balance net of a working capital 'float' and adds vendor obligations.

The hypothetical 2024 scenario approximates $150m in acquisitions and $15m in incremental EBITDA

Hypothetical scenario increases leverage to 2.36 times – strong position.

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OUTLOOK

Guidance for Full Year Upgraded

The Group upgrades its market guidance of underlying EBITDA to an updated range of $125-130m (from $122-127m) and underlying NPATA to an updated range of $83-87m (from $82-86m).

GUIDANCE - UNDERLYING EBITDA

Previous Guidance	Revised Guidance
$122-127m	$125-130m

GUIDANCE - NPATA

Previous Guidance	Revised Guidance
$82-86m	$83-87m

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APPENDIX

DISTRIBUTION

BROKING

- Numerous smaller acquisitions adding scale to the businesses and performing well eg: PSC AMGI and PSC Trade Credit
- Harmonising sales and marketing processes across all branches
- Rapid development of broking support in Manila

NETWORKS

- Apex is a differentiator in the market which we expect will assist growth as it matures
- NZ Broking : strong organic and acquisition revenue growth (NZ$6m+ for full year) : new broking platform delivered in 2H expected to drive margin improvements
- The AR network continues to be an important source of bolt-on acquisitions (4 completed in the 1H)

WORKERS COMPENSATION SERVICES

- Strong revenue and earnings growth on the prior year
- Upgrade to the SafeX platform completed in the period + increasing usage of Manila resources expected to generate growth and efficiencies
- Good level of new client wins; sourced both directly and via Broking (increasing collaboration)

LIFE BROKING

- Strong revenue and EBITDA growth on the prior period : revenue $2.5m+ expected for full year
- An increasing value add for our Broking and Networks clients as cross sell success increasing

AGENCY

- Chase Construction : good organic growth; +12% revenue and EBITDA
- Travel Insurance : upgrade to on-line platform impacted growth; revenue -26% (-$0.3m revenue and EBITDA)
- Breeze/Medisure : good growth

- Chase Professional Risks : Ensurance completed in November
- 3 start up's across 3 new products : looking to increase diversity and growth prospects of the specialty business over the medium term : Chase Plant & Equipment, Chase Credit Risk and Chase Accident & Health

Travel Insuranz DON'T WORRY. JUST TRAVEL. | Chase UNDERWRITING | insure4less online travel insurance | BREZE UNDERWRITING | Medisure indemnity australia

UNITED KINGDOM

PARAGON

- Won the business of 2 large US law firms in competitive tenders : will add to 2nd half results
- Strong focus on sales process across the US to deepen relationships : this has immediately grown the US Healthcare book and deeper US M&A distribution channels
- Focus on reduced cost growth in light of headwinds in the Cyber and D&O books

PSC UK INSURANCE BROKERS

- Strong mainly acquisition based growth : +20% revenue and +27% EBITDA (in sterling)
- Turner Rawlinson – integrated; good growth evident
- Giles Gower acquisition completed : HNW specialty will add value across the branches
- New IT resource to drive productivity across the Acturis platform

CARROLLS

- Strong organic growth : +11% revenue and +20% EBITDA (in sterling)
- Growing margin as on-line distribution (quote and bind) continues
- Increasing joint business opportunities with Paragon : Paragon product specialty + Carrolls depth in retail distribution

MGA'S

- Chase UK and Ensurance UK integration continues : change of management and improved capacity relationship
- Breeze had good organic growth : +9% revenue and +10% EBITDA (in sterling)
- Breeze launched its first on-line product in the period : looking at further opportunities