23 August 2024

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

PSC INSURANCE GROUP LIMITED (PSI) – 2024 FULL YEAR RESULTS INVESTOR PRESENTATION

Please find attached our Investor Presentation referred to in our 2024 Full Year Results announcement covering letter.

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

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

Stephen Abbott

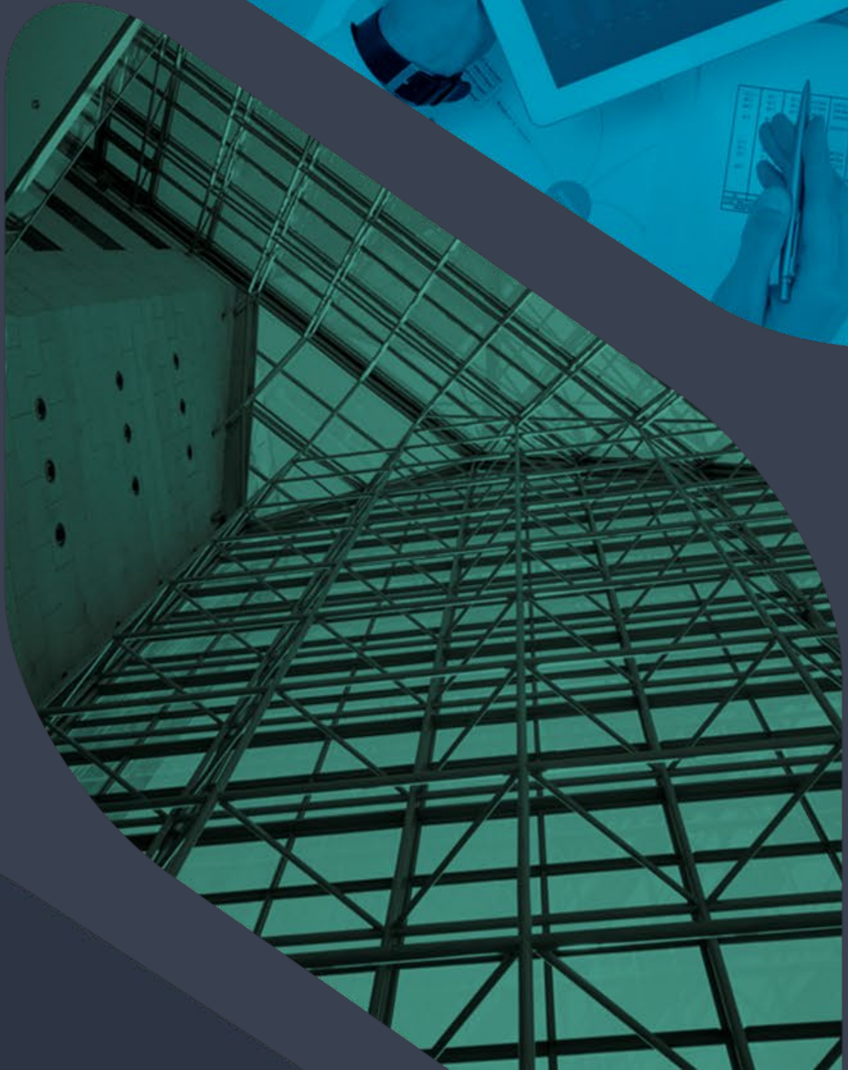
Company Secretary

PSC INSURANCE GROUP

2024

FINANCIAL 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 23 August 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.

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.

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.

NOT AN OFFER

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FINANCIAL YEAR HIGHLIGHTS

Underlying revenue up **16% to $343.6m**

Underlying EBITDA up **15% to $127.1m**[1]

Underlying NPATA up **11% to $87.0m**

Underlying EPS of **8% to 24.0 cps**

Scheme of Arrangement **The Ardonagh Group**

Good performance and momentum across the Group, upper end of NPATA guidance.

Good organic EBITDA growth of 8%, in a year where we have commenced or invested in a number of start-up businesses. Excluding their impact, the organic growth was 9%.

Acquisitions in FY24 continued; AU & NZ Broking, AU Agency, UK retail. 14 acquisitions and $50m in capital commitments.

Scheme of Arrangement announced 8th May with The Ardonagh Group. No final dividend as this would result in commensurate reduction to scheme consideration.

 1. Adjusted for AASB16 impact of ~($0.2m) to ensure like for like comparison

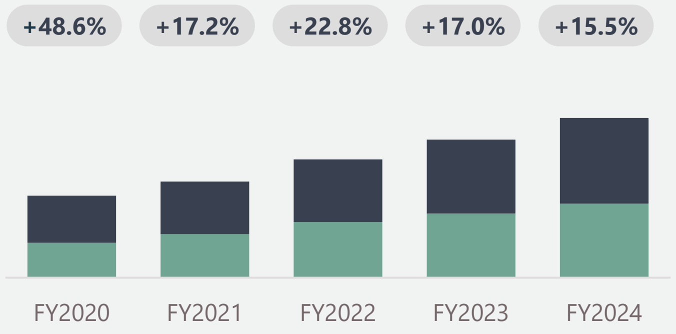
TRACK RECORD OF GROWTH

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

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

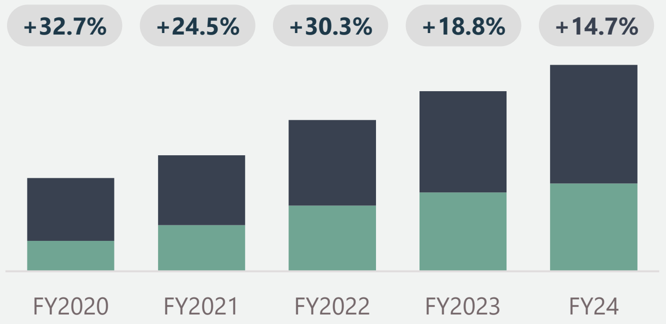
Underlying Revenue ($m)

5-year CAGR: 23.6%



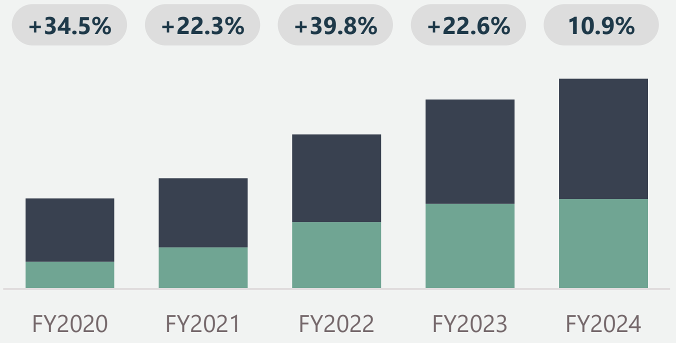
Underlying EBITDA ($m)

5-year CAGR: 24.0%



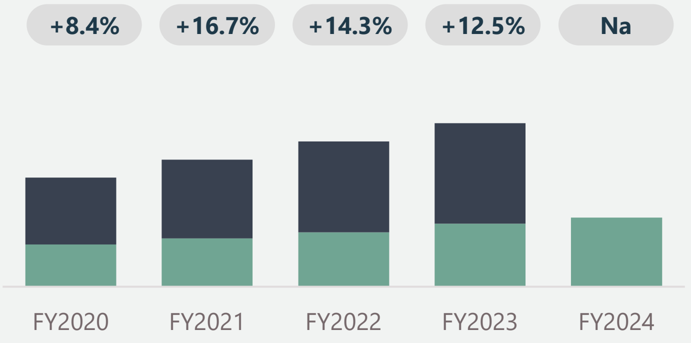
Underlying NPATA ($m)

5-year CAGR: 25.6%



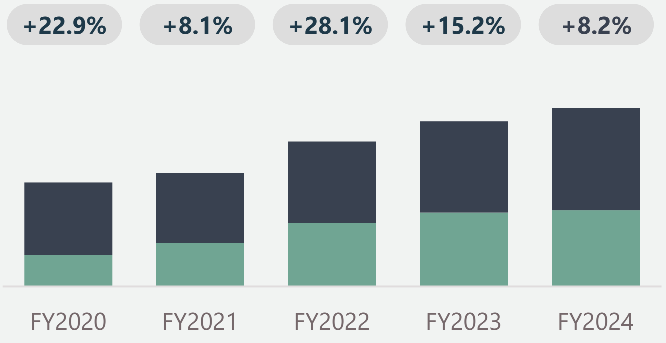
Dividends (CPS)

5-year CAGR: 13.4%[1]



Earnings per share (CPS)

5-year CAGR: 16.2%



 [1] 5 year CAGR to FY23 given no final dividend

FINANCIAL RESULTS SUMMARY

Results On Plan and Well Positioned

($m)	FY24	FY23	Growth
Underlying Revenue	343.6	297.5	15.5%
Underlying Costs	(216.5)	(186.4)	
Underlying EBITDA, ex AASB 16	**127.1**	**111.0**	14.5%
Net AASB16	(0.2)	(0.4)	
Underlying EBITDA	**126.9**	**110.6**	14.7%
Interest	(12.0)	(9.0)	
Depreciation	(2.3)	(2.1)	
Amortisation	(20.5)	(14.7)	
Non-Operating Items	(5.2)	(5.2)	
Net Profit Before Tax	**86.8**	**79.7**	8.9%
Tax	(29.0)	(23.3)	
NPAT	**57.8**	**56.4**	2.4%
Underlying NPATA	**87.0**	**78.4**	10.9%
Underlying EPS	**$0.240**	**$0.222**	8.2%

- Operating revenue growth of 16%, underlying EBITDA growth of 15% and underlying NPATA growth of 11%
- Good organic growth of 8% ($9.1m) + acquisition growth of $7.0m
- Statutory NPAT up noting similar impact from non-operating items and a higher amortisation charge
- Good underlying earnings performance driving underlying EPS growth of 8% to 24.0 cps – impacted by higher UK company tax rate

PSC INSURANCE GROUP

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FINANCIAL YEAR **OVERVIEW**

PSC INSURANCE GROUP

SEGMENT RESULTS

Distribution and UK (International) Performing Well; Multiple New Businesses in Agency

DISTRIBUTION (AUSTRALIA/NZ)

Insurance broking, including PSC Network Partners, life broking and workers comp consulting.

- $147.7m Revenue
- $63.4m EBITDA

AGENCY/SPECIALTY (AUSTRALIA)

Underwriting agencies including Chase Construction, Chase Complex Risks (Breeze), Chase Professional Risks (Ensurance), online travel, medical, Chase P&E, Chase Credit, Chase A&H.

- $26.6m Revenue
- $12.2m EBITDA

UNITED KINGDOM (INTERNATIONAL)

Wholesale, retail (commercial broking) and agency businesses including Paragon, Carrolls, Breeze (UK), PSC UK Insurance Brokers UK, Chase UK, Ensurance UK and the Asian operations.

- $167.1m Revenue
- $56.0m EBITDA

GROUP

Group income and investments (book value $79m), including BP Marsh and the East Melbourne premises.

- $2.2m Revenue
- -$4.5m EBITDA

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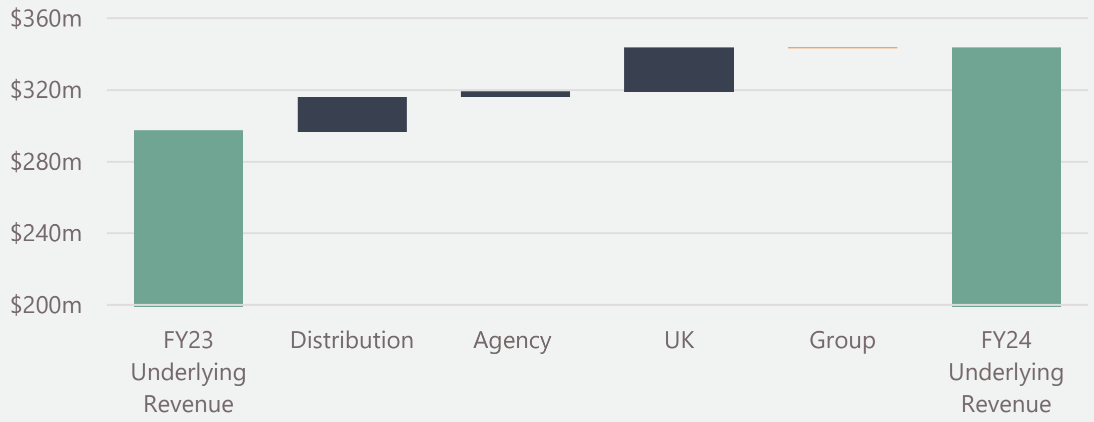
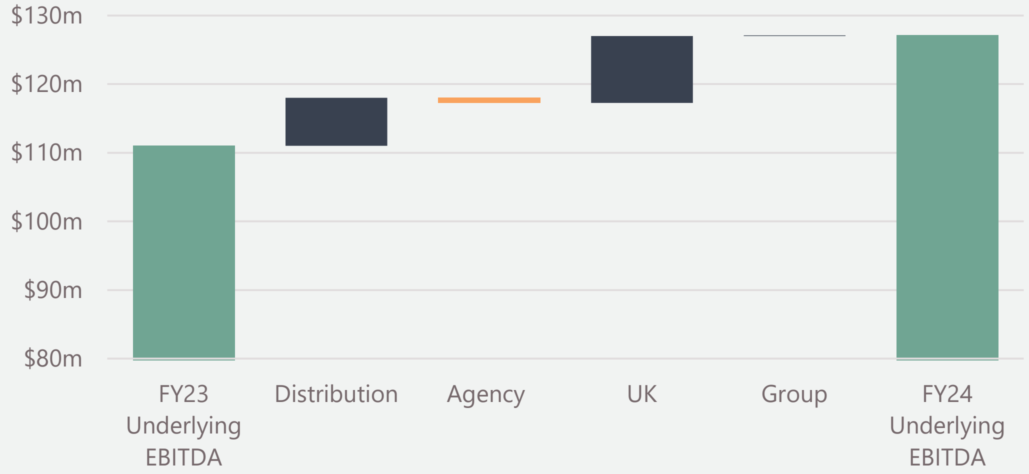
SEGMENT GROWTH

Strength in Business Model – Diversified Growth

Revenue growth by segment



EBITDA by segment



Distribution
15% revenue and 12% earnings growth, with 7% organic earnings growth.

Agency (Specialty)
12% revenue growth and -6% earnings growth, completed Ensurance and commenced 3 new businesses.

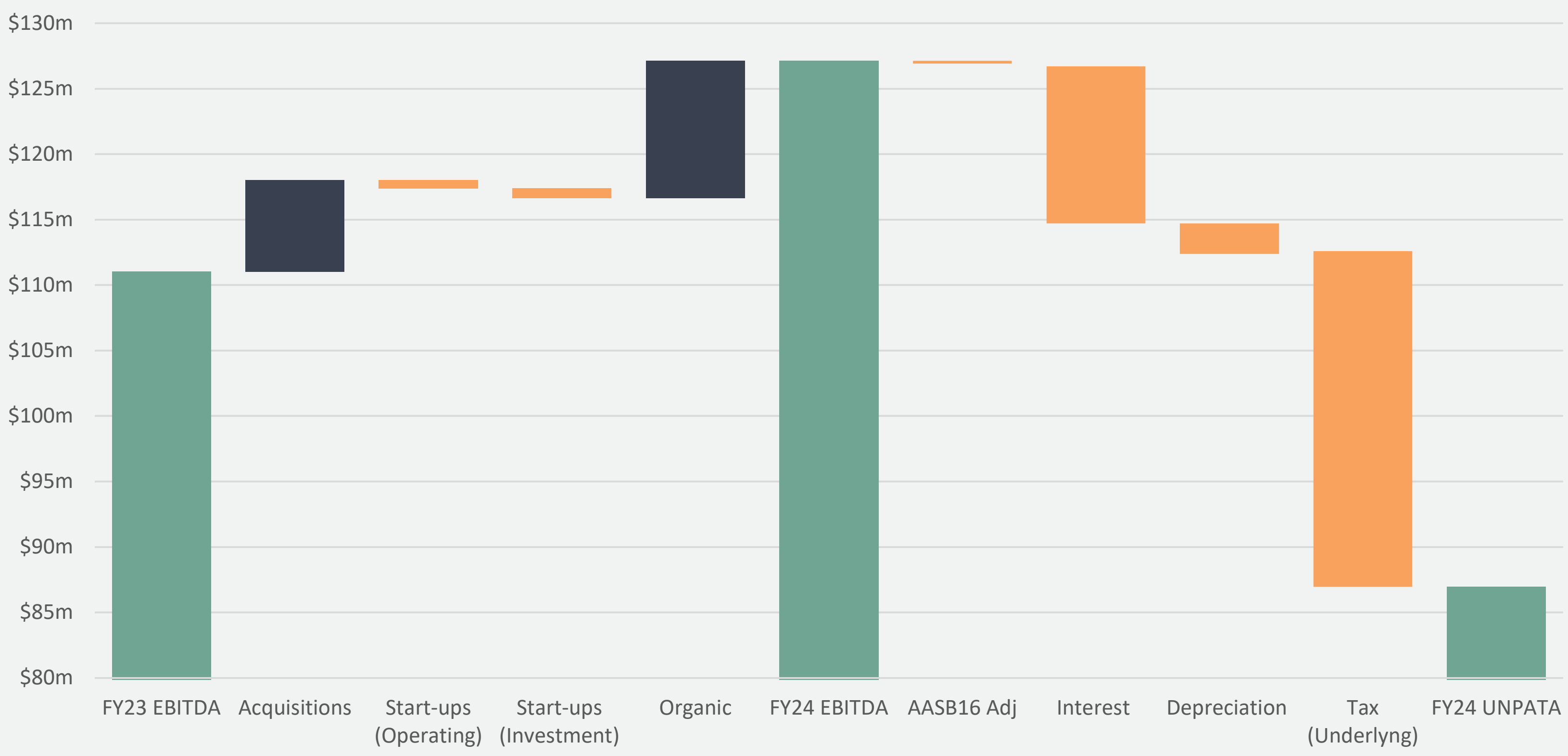
UK
17% revenue growth and 21% earnings growth, with 13% organic earnings growth.

Group
Similar net contribution from prior year.

GROWTH DRIVERS

Sound organic growth; New businesses; Incremental acquisitions

FY23 to FY24 Underlying Earnings



- Acquisitions contributed +$7.0m in incremental EBITDA
- Largest contributions from AU and UK broking businesses – 14 acquisitions completed and $50m in committed capital deployed
- Good organic growth of +8% (+$9.1m), after the impact of -$1.4m from start-up businesses
- Interest costs up with higher rates; average tax up due to increase in UK rates

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SUMMARY

Good Year with Earnings in Guidance; Simple Strategy – Organic Growth via Operational Focus & Accretive Acquisitions

FY24 EARNINGS

- Underlying EBITDA up 15% to $127.1m and Underlying NPATA up 11% to $87.0m.
- Group in strong position for continued growth.

VALUE CREATION

- Since listing in 2015, PSI has provided a strong return for Shareholders based on the Scheme cash consideration of $6.19.
- Maintained a simple strategy of organic growth via operational focus and accretive, complementary acquisitions.

SCHEME OF ARRANGEMENT

- If the scheme is implemented, it is expected that the combination with The Ardonagh Group will allow PSC to continue to grow with a like-minded, global business.
- Great outcomes for our Clients and Staff.

SCHEME MEETINGS

- Scheme Booklet has been issued.
- Scheme meetings to be held on 26th September for Shareholders to vote on the scheme.

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APPENDICES

PSC INSURANCE GROUP

DETAILED SEGMENT RESULTS

Strength in Business Model – Diversified Growth

FY24 ($m)	Distribution	Agency	UK	Group	Total
Underlying Revenue	147.7	26.6	167.1	2.2	343.6
% of Group Revenue	43%	8%	48%	1%	
Underlying EBITDA	63.4	12.2	56.0	(4.5)	127.1
% of Group Underlying EBITDA	50%	10%	44%	(4%)	

FY23 ($m)	Distribution	Agency	UK	Group	Total
Underlying Revenue	128.2	23.7	142.3	3.3	297.5
% of Group Revenue	43%	8%	48%	1%	
Underlying EBITDA	56.4	13.0	46.2	(4.6)	111.0
% of Group Underlying EBITDA	51%	12%	42%	(4%)	

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BALANCE SHEET

Good liquidity position; undrawn debt capacity; low leverage

($m)	FY24	FY23
Cash	71.2	71.4
Working Capital	36.9	36.1
Total Liquidity	**108.1**	**107.4**
Intangible Assets	543.6	519.9
Investments	104.6	85.1
Fixed Assets, Net	39.3	35.4
Vendor Obligations	(22.6)	(21.9)
Deferred Tax, Net	(44.8)	(40.7)
Debt	(213.2)	(213.7)
Other	(19.4)	(15.9)
Net Assets	**495.7**	**455.7**
Equity:		
Share Capital	453.1	426.0
Retained Profits	59.6	53.1
Reserves	(17.1)	(23.3)
Total Equity	**495.7**	**455.7**

- Liquidity and cashflow position remains strong
- Acquisition activity in the period funded from retained cash-flow, driving improved return on equity
- Undrawn debt limits ~ $69m in the bank syndicate (maturity being November 2026) and strong ability to increase funding through the Note Facility
- Proforma net leverage ratio of ~1.4 times, well below target range of 2.0-2.5 times

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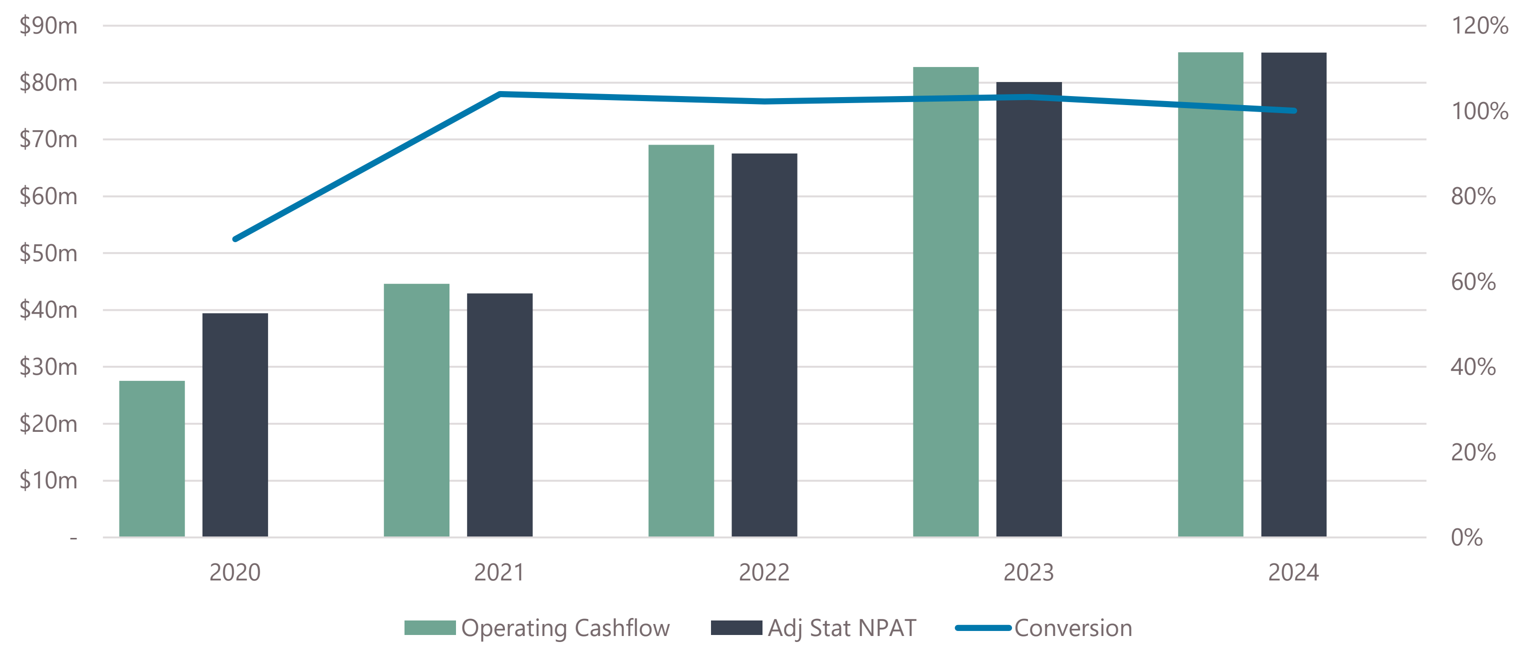
CASH CONVERSION PROFILE

Good cash conversion profile

Statutory operating cashflow and cash conversion ($m, %)



- Operating cashflow up to $85m ($74m adjusted for leases and capex)
- Cash conversion[1] 100%

 1. Statutory cash conversion = Operating Cashflow /(Statutory NPAT + Non-Cash Items)

STATUTORY NPAT RECONCILIATION

Fair value gain in BP Marsh investment, increase in share based payments given Scheme

Fair value of investments resulted in a gain of $17.9m, driven by strong increase in BP Marsh (share price movement from £3.85 to £5.175).

Other non-operating charges relate to ~ $3.8m in acquisition and advisor costs and a ~ $3.4m in restructure and non-recurring costs.

Fair value of deferred acquisition consideration resulted in a charge of $6.0m. $9.7m charge relating to the Group's LTI program ($6.0m accelerated due to the proposed Scheme).

($m)	FY24	FY23	%	Change
Statutory NPAT	57.8	56.4	2.4%	+1.4
Amortisation	20.5	14.7		
Non-Recurring Revenue and Costs - Tax Adjusted	8.7	7.3		
Underlying NPATA	**87.0**	**78.4**	**10.9%**	**+8.5**

TAX RECONCILIATION

Average tax rate up given UK company tax rate increase

	2024	2023
Net Profit Before Tax	86.8	79.7
Items Excluded from Operating	5.3	5.2
Net Profit Before Tax (Operating)	**92.1**	**84.9**
Tax Expense	29.0	23.3
Items Excluded from Operating (Tax Effect)	(3.4)	(2.1)
Adjusted Operating Tax Expense	**25.6**	**21.2**
Average Tax Rate	27.8%	24.9%
NPATA Rec:		
Net Profit Before Tax (Operating)	92.1	84.9
Adjusted Operating Tax Expense	(25.6)	(21.2)
Amortisation	20.5	14.7
Underlying NPATA	**87.0**	**78.4**

Underlying tax rate increased to 28%

The UK corporate tax rate increased from 19% to 25% from April 1, 2023 which has been the driver in the average tax rate

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