

ASX Announcement

5 September 2024

UPDATE ON SCHEME OF ARRANGEMENT – FULL YEAR RESULTS AND INDEPENDENT EXPERT CONFIRMATION

PSC Insurance Group Limited ACN 147 812 164 (ASX:PSI) (**PSC**) refers to the proposed acquisition of PSC by Rosedale Bidco Pty Ltd ACN 677 065 548 (**The Ardonagh Group**) by way of scheme of arrangement (**Scheme**) for \$6.19 cash per PSC share,¹ as first announced to ASX on 8 May 2024, and the Scheme Booklet in relation to the Scheme released to ASX on 22 August 2024 (**Scheme Booklet**).

Financial Statements for the twelve months ended 30 June 2024

On 23 August 2024, PSC released its audited financial statements for the financial year ended 30 June 2024 (**FY24 Full Year Results**) to ASX.

As set out in section 6.4.5 of the Scheme Booklet, the PSC Board has sought confirmation from FTI Consulting (Australia) Pty Ltd (**Independent Expert** or **FTI**), that the FY24 Full Year Results do not change FTI's previously stated opinion:

- that the Scheme is 'in the best interests' of PSC shareholders as a whole in the absence of a superior offer because the Cash Consideration component of the Scheme is 'fair' and, as a result, the Scheme is also 'reasonable'.

A letter from FTI, confirming that PSC's FY24 Full Year Results do not change the Independent Expert's opinion set out in the Independent Expert's Report contained in Annexure 3 to the Scheme Booklet, is attached to this announcement.

The Independent Expert's confirmation should be read in context with the full Independent Expert's Report.

PSC shareholders are encouraged to read PSC's FY24 Full Year Results before deciding on how to vote on the Scheme.

Directors' recommendation and voting intentions

The PSC Directors continue to unanimously recommend PSC shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PSC shareholders.² Each PSC Director intends to vote, or procure the voting of, all PSC shares held or controlled by them in favour of the Scheme, subject to the same qualification.

¹ Excluding the Rolling PSC Shareholders who will receive scrip consideration in respect of a portion of their shares as detailed in the Scheme Booklet. The A\$6.19 per share consideration will be reduced by the amount per share of any future dividend or capital return declared or paid by PSC. No further dividends or capital returns are contemplated.

² PSC shareholders should consider this recommendation in light of the fact that certain PSC Directors may have differing interests from other PSC shareholders as outlined in Section 1 of the Scheme Booklet.

Details of the Scheme Meetings

The Scheme Meetings will be conducted as hybrid meetings. PSC shareholders will be able to attend the applicable meeting in person at Pullman Melbourne on the Park, 192 Wellington Parade, East Melbourne VIC 3002 or may participate online at <https://meetings.linkgroup.com/psischeme24> (for the General Scheme Meeting) or <https://meetings.linkgroup.com/psiroll24> (for the Rollover Shareholders Scheme Meeting).

The General Scheme Meeting will be held at 9.30am (AEST) on 26 September 2024, with the Rollover Shareholders Scheme Meeting to follow at 11.00am (AEST).

All PSC Shareholders who are registered on PSC's share register at 7.00pm (AEST) on 24 September 2024 will be entitled to attend and vote at the applicable Scheme Meeting.

PSC shareholders are encouraged to vote at the applicable Scheme Meeting in person or online, or by lodging a proxy form or direct vote prior to the Scheme Meeting. Further information about how to participate in and vote at the Scheme Meetings, and how to lodge a proxy form or direct vote, are set out in the Scheme Booklet.

Shareholder Information Line

For more information, please refer to the Scheme Booklet. If PSC shareholders have any questions in relation to the Scheme Booklet, the Scheme or their shareholding, they are encouraged to contact PSC's Scheme Information Line on 1800 774 615 (within Australia) or +61 1800 774 615 (outside Australia), Monday to Friday (excluding public holidays), between 8.30am and 5.30pm (AEST).

Authorised for release by

Stephen Abbott

Company Secretary

– ENDS –

5 September 2024

The Directors
PSC Insurance Group Limited
96 Wellington Parade
East Melbourne, VIC, 3002

Attention: Joshua Reid, Chief Financial Officer, joshua.reid@pscinsurance.com.au
Tony Robinson, Managing Director, trobinson@pscinsurance.com.au

Dear Directors

Independent Expert's Report for PSC Insurance Group Limited – Confirmation of Opinion post audited financial statements for 30 June 2024

1. Background

On 8 May 2024 PSC Insurance Group Limited (PSC) announced that it had entered into a scheme implementation deed with an entity wholly owned by The Ardonagh Group (**Ardonagh**). Under the terms, Ardonagh intends to acquire all of the issued ordinary shares in PSC pursuant to a proposed scheme of arrangement (**Scheme**). The consideration being offered by Ardonagh consists of:

- the shareholders of PSC that are not Rollover Shareholders (**General Shareholders**) receiving cash of \$6.19 per share for their PSC shares (Cash Consideration); and
- certain directors and senior management of PSC (**Rollover Shareholders**) receiving scrip in Ardonagh for a portion of their PSC shares and the Cash Consideration of \$6.19 per share for the balance of their PSC shares.

The directors of PSC (**Directors**) engaged FTI Consulting (Australia) Pty Ltd (**FTI Consulting**) to prepare an independent expert's report stating our opinion as to whether the Scheme is 'in the best interests' of General Shareholders, and the Rollover Shareholders to the extent that they are receiving the Cash Consideration, as a whole (**Shareholders**) and to set out our reasons for that opinion (i.e., if it is 'fair and reasonable' in the absence of a superior offer emerging) to assist Shareholders in their decision of whether to approve the Scheme. In this regard, the Scheme is subject to receiving the approval of the General Shareholders and Rollover Shareholders at scheme meetings that are expected to be held at 9.30 am and 11.00 am respectively (Melbourne time) on 26 September 2024 at Pullman Melbourne on the Park, 192 Wellington Parade, East Melbourne VIC 3002.

FTI Consulting provided an Independent Expert's Report dated 16 August 2024 (**IER**) that formed part of the scheme booklet prepared by PSC's board of directors that was sent to Shareholders. The audited Financial Statements for 30 June 2024 of PSC were not available as at the date of the IER and the expressed opinions in the IER were subject to the following qualification:

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“... we will also consider the veracity of the opinions currently expressed in this IER, and advise the Shareholders accordingly, after the audited financial information of PSC as at the Valuation Date [i.e., 30 June 2024] becomes available...”

On 23 August 2024, PSC released four ASX announcements¹ indicating that its audit process had been completed. We have reviewed these ASX announcements and requested further information to supplement our analysis of the audited Financial Statements for 30 June 2024 of PSC with reference to the opinions previously expressed in the IER.

2. Conclusion

It remains our opinion that the Scheme is ‘in the best interests’ of Shareholders as a whole in the absence of a superior offer because the Cash Consideration component of the Scheme is ‘fair’ and, as a result, the Scheme is also ‘reasonable’ based on our review of the audited Financial Statements for 30 June 2024 of PSC.

Our opinion is based solely on the information available as at the date of this letter.

This letter should be read in conjunction with and not independently of the IER including the contained limitations and disclosures at Section 8 which apply in full to this letter.

Yours faithfully

FTI Consulting (Australia) Pty Limited

FTI Consulting (Australia) Pty Limited

¹ Appendix 4E and 2024 Annual Report, 2024 Full Year Results Shareholder and Investor Presentation, FY24 Appendix 4G and the 2024 Full Year Results Announcement