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Tower Limited **Youi NZ Portfolio – anticipated incremental financial impact**

Tower Limited's (NZX/ASX: TWR) review of analyst reports on the recently announced Youi NZ portfolio acquisition indicates divergent views on the incremental financial contribution to Tower.

To provide investors, shareholders and analysts further clarity, Tower advises the following internal view on the anticipated financial impact in the first 12 months post-acquisition:

- Net Earned Premium \$19.5m
- Underwriting Profit \$6.0m
- Underwriting NPAT \$4.3m

The company's analysis is based on (i) conservative retention assumptions, and (ii) management expense synergies of the ability to integrate the Youi portfolio into the larger Tower portfolio with minimal incremental cost, and (iii) estimated integration costs.

From an accounting perspective, it is intended to amortise the \$13m purchase over five years, resulting in anticipated total reported NPAT impact of \$2.2m in the first 12 months post-acquisition.

ENDS

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