

4 May 2023

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

PSC INSURANCE GROUP LTD (PSI) – INVESTOR PRESENTATION

Please find following a copy of the investor presentation being presented today at the Macquarie Australia Conference.

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



2023

MACQUARIE AUSTRALIA CONFERENCE

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 4th May 2023. 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.

LEADING MULTI-NATIONAL INSURANCE BROKER



Recurring revenue – non-discretionary business expense



Market leading profit margins – efficient and disciplined



Strong cash conversion



Client First Focus



High alignment between shareholders, board and staff



Strong compounding returns of 25%+ over 8 years

EMPOWERING BUSINESS UNIT

Broker autonomy is key to PSC's success – senior management and group functions act to support brokers.



Hierarchy reflects client-broker relationship is key:

Corporate provides leadership in strategy and financing to enable and drive growth

Centralised administration and finance supports service delivery and accountability

Fixed pay structure of brokers eliminates remuneration conflicts

Business unit structure allows brokers autonomy within manageable units

ALIGNMENT OF OUTCOMES

Ownership



Alignment drives strategy, key behaviours and disciplines.



Group has rolled out LTI program to ~70 executives.



DIVERSIFIED BUSINESS MODEL



Earnings spread
across 6 geographies,
operating 50 separate
business units,
supported by
centralised resources.

UK
30%

~**60%** Wholesale*
30% Retail*
10% Agency*

Europe, Hong Kong & Bermuda
2% each

Australia
60%

~**70%** Broking
20% Agency
10% Network

New Zealand
3%

FOCUS ON ORGANIC GROWTH

EBITDA (\$m)



Since listing > 7 years ago, CAGR of EBITDA ~30%, with ~35% of growth organic and ~65% acquisition.



Organic across jurisdictions and cycles, aided by efficiency, new business start-ups and increased market share.

	Org	Acq	Increase	Total	CAGR
FY15				14.1	
FY16	3.7	3.4	7.1	21.2	
FY17	3.7	3.6	7.3	28.5	
FY18	5.3	3.2	8.5	37.0	
FY19	2.5	3.8	6.3	43.3	
FY20	-3.0	17.4	14.4	57.7	
FY21	6.3	8.0	14.3	72.0	
FY22	9.6	11.9	21.5	93.5	31%
Growth	28.1	51.3	79.4		
% Total	35%	65%			

DISCIPLINED CAPITAL ALLOCATION

(\$m)



Since listing, the Group has deployed capital of ~ \$430m and generated incremental returns of ~ 12% on invested funds, a buffer of ~ 4% over our WACC.



This is across > 50 individual transactions – our “brick by brick” acquisition strategy manages risk and aids in integration.

GROWTH % TOTAL

Average Return	Average WACC	Excess Return
12%*	8%*	4%

*Pre-Tax

Capital*

Increment

FY15	53.1	
FY16	86.5	
FY17	113.6	
FY18	148.5	
FY19	189.3	
FY20	377	
FY21	475.3	
FY22	489.7	436.6

| *Capital = Net Debt + Equity

PERFORMANCE & OUTLOOK



Performance to March continues to be strong with underlying EBITDA being 21% up on prior period.



A good Q3; given Q4 prominence for Australian businesses we are maintaining existing guidance.



THANK YOU

Q&A