

05 September 2022

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

PSC INSURANCE GROUP LTD (PSI) – “CASHLESS EXERCISE” OF 8,000,000 31/12/2022 OPTIONS AT VARIOUS EXERCISE PRICES

Mr Antony (Tony) Robinson (Managing Director) notified the company on 30 August 2022 that he wished to exercise 8,000,000 31/12/2022 options issued to him on 16 May 2019 by way of cashless exercise. These options were issued under the company’s Long Term Incentive Plan (LTIP) and were approved by shareholders at the EGM held 31 March 2020. The cashless exercise is permitted under the company’s LTIP whereby, on exercise of the options, the company will only allot and issue or transfer that number of plan shares to the participant that are equal in value to the difference between the exercise price otherwise payable in relation to the options and the then market value of the plan shares as at the time of the exercise.

PSI has today lodged an Appendix 2A for the issue of the resulting 2,796,725 shares. The details of the calculation are:

- Value of PSI ordinary shares and calculation of the margin:
 - VWAP of PSI shares on the 5 trading days to 30 August 2022
 - Calculated VWAP – \$5.0449 (market value)

| | Block A | Block B | Block C | Block D | TOTAL |
|--|------------------|----------------|----------------|----------------|------------------|
| Number of options able to be exercised on or before 31/12/2022 | 3,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 8,000,000 |
| Option exercise price per option | \$3.00 | \$3.25 | \$3.50 | \$3.75 | |
| Current PSI share price, per share (5 day VWAP calculation at the date of exercise.) | \$5.0449 | \$5.0449 | \$5.0449 | \$5.0449 | |
| Margin | \$2.0449 | \$1.7949 | \$1.5449 | \$1.2949 | |
| Total value of margin | \$7,157,150 | \$2,692,350 | \$2,317,350 | \$1,942,350 | \$14,109,200 |
| Number of shares | 1,418,690 | 533,678 | 459,345 | 385,013 | 2,796,725 |

Mr Robinson has agreed to enter into a voluntary escrow arrangement that will see the full 2,796,725 shares issued as a result of the exercise held in escrow to 31 March 2024. This information is included in the Appendix 2A.

Following the exercise of these options, it is further proposed that a resolution will be put to shareholders at the 2022 AGM, to be held 10 November 2022, to issue Mr Robinson a further 2,000,000 options. These options will attract an exercise price of \$6.50 each, have a two year exercise period from date of shareholder approval and be subject to Mr Robinson's continuing employment with PSI.

Also lodged today in relation to the issue of 2,796,295 FPO is:

- Appendix 3Y – Change in Director's Interest Notice

Please direct any queries about this notice to Stephen Abbott, Company Secretary, on (03) 8593 8333.

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a horizontal line and the letters 'H'.

Stephen Abbott
Company Secretary