

05 November 2018

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

**PSC INSURANCE GROUP LIMITED (PSI) 2018 ANNUAL GENERAL MEETING OF SHAREHOLDERS –
CHAIRMAN'S WELCOME AND PRESENTATION INCLUDING EARNINGS GUIDANCE FOR FY19**

Attached for immediate release is a copy of the Chairman's Welcome and Presentation being presented at today's Annual General Meeting commencing at 9.30 am.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S. Abbott', with a stylized flourish at the end.

Stephen Abbott

Company Secretary

PSC INSURANCE GROUP LIMITED – 2018 AGM – 5 NOVEMBER 2018

Chairman's Welcome – 2018

Good morning to all my fellow shareholders, and welcome to our third annual general meeting of PSC Insurance Group Ltd 2018

My name is Brian Austin and I am the Chairman of PSC Insurance Group.

On my left are my fellow Directors of the Board of PSC.

- Paul Dwyer - Deputy Chairman and Managing Director
- John Dwyer - Executive Director
- Tony Robinson – Non Executive Director and Chair of Audit & Risk management committee and Remuneration & Nomination Committee, and
- Mel Sims – Non Executive Director (based in UK)
- Stephen Abbott – Company Secretary

Also present at our meeting today we have our Auditors, Pitcher Partners represented by Mr Stephen Schonberg.

And Daniel Reid and his team from Link Market services whom you will have met at the door.

Additionally, I would like acknowledge the attendance of some of our senior and business management team,

- Rohan Stewart - Group Chief Executive Officer
- Joshua Reid - Chief Financial Officer
- Julia Mitchell - Group Manager Governance & Compliance
- Patrick Miller - CEO of PSC Insurance Broking
- Tony Walker - CEO of PSC Connect
- As well as other staff members and fellow shareholders

Welcome Everyone.

Following on from what I had mentioned in the Annual Report 2018 your company has had another successful year. Our existing businesses have performed well and the businesses acquired throughout the FY18 year have also made solid contributions within the group.

We take this opportunity of welcoming all new business units and staff to our company, and trust they too become empowered in making solid and continued contributions within the group.

Our business has grown organically as well as through acquisitions and this we believe will continue as our business continues to grow and evolve.

Our Managing Director, Mr Paul Dwyer, will run through the 2018 year in review. Mr Joshua Reid will provide information on the financial performance for 2018. He will be followed by our Group CEO, Mr Rohan Stewart. Rohan will discuss our business strategy and outlook.

After their presentations are concluded we will move to the formal part of the meeting to present the various resolutions as per the agenda items for consideration

I am pleased to convey that all key group stakeholders within PSC remain highly invested and motivated to ensure our continued success and again I remind all shareholders that there are few investments on the ASX with better alignment between its owners and management than PSC. The Board, Senior Management and Staff account for the majority of the equity of the group so clearly interests are well aligned to deliver results for all shareholders.

This does differentiate us from others.

I am also pleased that the dividend continues to increase as our business grows for the benefit of all shareholders.

We continue to make the experience and service delivery to all our customers our number one goal and this core value is delivered throughout all our business units on a daily basis.

Customer satisfaction and retention is of paramount importance to us all at PSC as this is our DNA as insurance practitioners. Being able to deliver great outcomes and service for customers does lead to investment returns and growth to our company for shareholders.

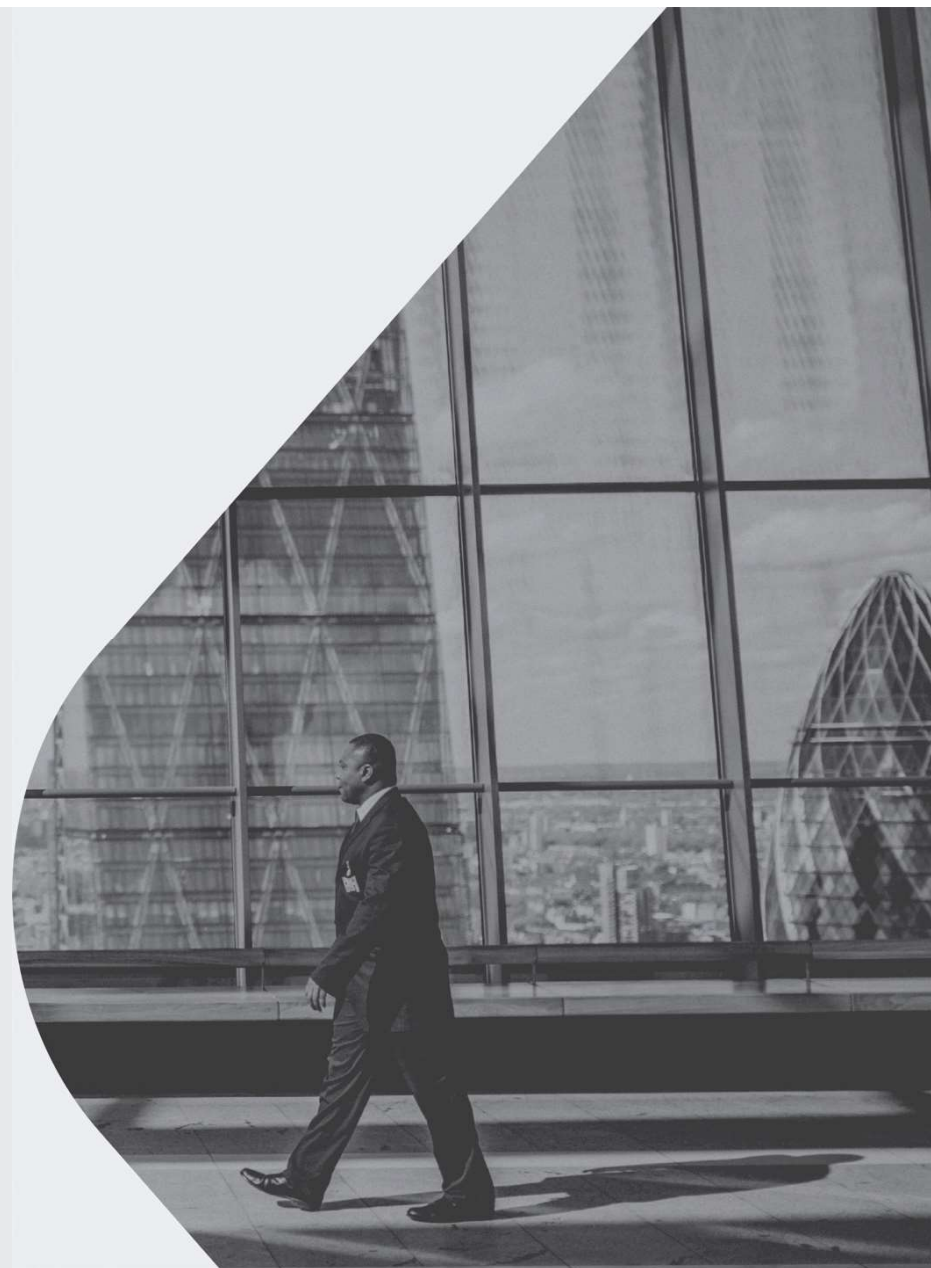
I will now hand you over to Paul Dwyer, and I will join you again toward the end of the meeting to run through the formal business of the day.

Thank you.



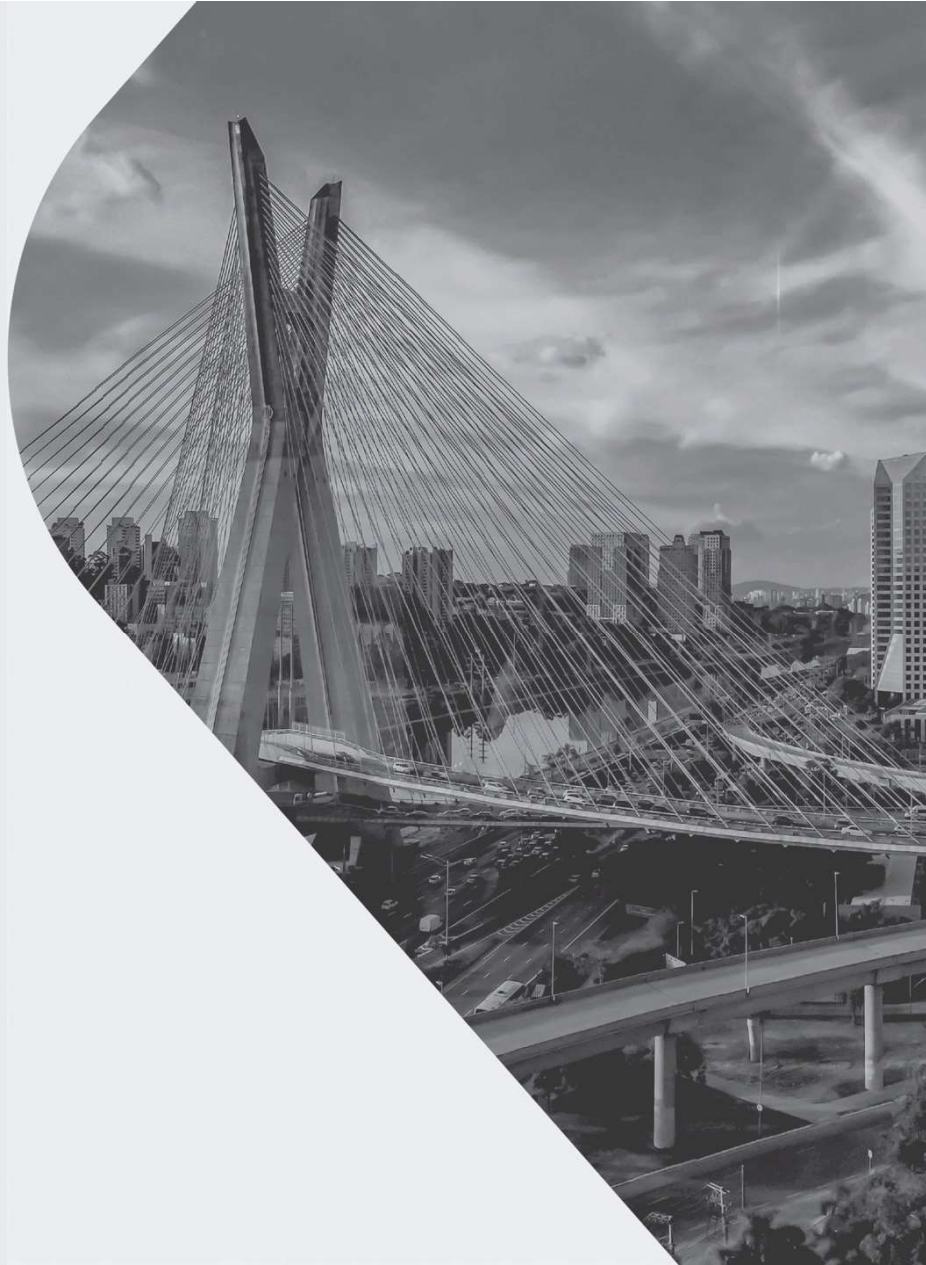
ANNUAL GENERAL MEETING

NOVEMBER 5, 2018



CHAIRMAN'S WELCOME

BRIAN AUSTIN | CHAIRMAN



Agenda

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AGM INTRODUCTION

Brian Austin, Chairman

THE YEAR IN REVIEW

Paul Dwyer, Deputy Chairman & Managing Director

FY18 FINANCIAL RESULTS

Joshua Reid, Group Chief Financial Officer

BUSINESS STRATEGY / OUTLOOK

Rohan Stewart, Group Chief Executive Officer

AGM FORMAL BUSINESS

Brian Austin, Chairman

Board of Directors



Brian Austin
Non-Executive Chairman

Paul Dwyer
Deputy Chairman
& Managing Director

Tony Robinson
Non-Executive Director

John Dwyer
Executive Director

Mel Sims
Non-Executive Director

SENIOR MANAGEMENT TEAM

Rohan Stewart
Group
Chief Executive Officer

Joshua Reid
Group
Chief Financial Officer

Julia Mitchell
Group Manager
Governance & Compliance

John Dwyer
Executive
Director

Stephen Abbott
Company
Secretary

YEAR IN REVIEW

PAUL DWYER | DEPUTY CHAIRMAN & MANAGING
DIRECTOR



FY2018 Highlights



Continued enhancement of client proposition; expanded workers compensation offering, new digital platforms, 24/7 emergency assistance, investment in claims service and increased compliance resources.



Completion of the IMGA and Medisure businesses, specialist healthcare broking and agency businesses. We also completed acquisitions of businesses and teams into several broking offices.



Commenced operations in the UK for Chase Underwriting.



Continued strong financial performance in revenue and profitability, including strong organic growth in earnings.



Post balance date, we completed a 19.6% investment in B P Marsh & Partners plc. They are a specialist investor in insurance distribution businesses and we expect to collaborate together over time.



Further in the UK, we completed the 70% acquisition of Turner Insurance Services. A position in the UK retail broker market was a natural strategic progression.



The Group retains a shareholding in the Johns Lyng Group of a little under 7%. JLG completed a successful IPO which resulted in a fair value gain of ~ \$17m.

Foundations

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Board and staff remaining heavily invested – promotes alignment between management and all shareholders.



Modest remuneration structures relative to 'market' – promotes alignment between management and all shareholders.



Organic growth focus – 1) business management 2) new businesses 3) medium term improved acquisition performance.



A diverse portfolio of insurance services and intermediated businesses – by maturity, by geography and within our operating group.



Acquisitions are important to our growth – an ability to improve performance and grow the business is our focus.



Efficient conversion of growth to profits, and profits to cash. Strong dividend payer.



Executive team changes – shows depth of team – FY18 changes of role for Rohan Stewart, Julia Mitchell and Noel Lenihan. Issue of loan funded shares under the Group LTIP to 18 of our senior executives.

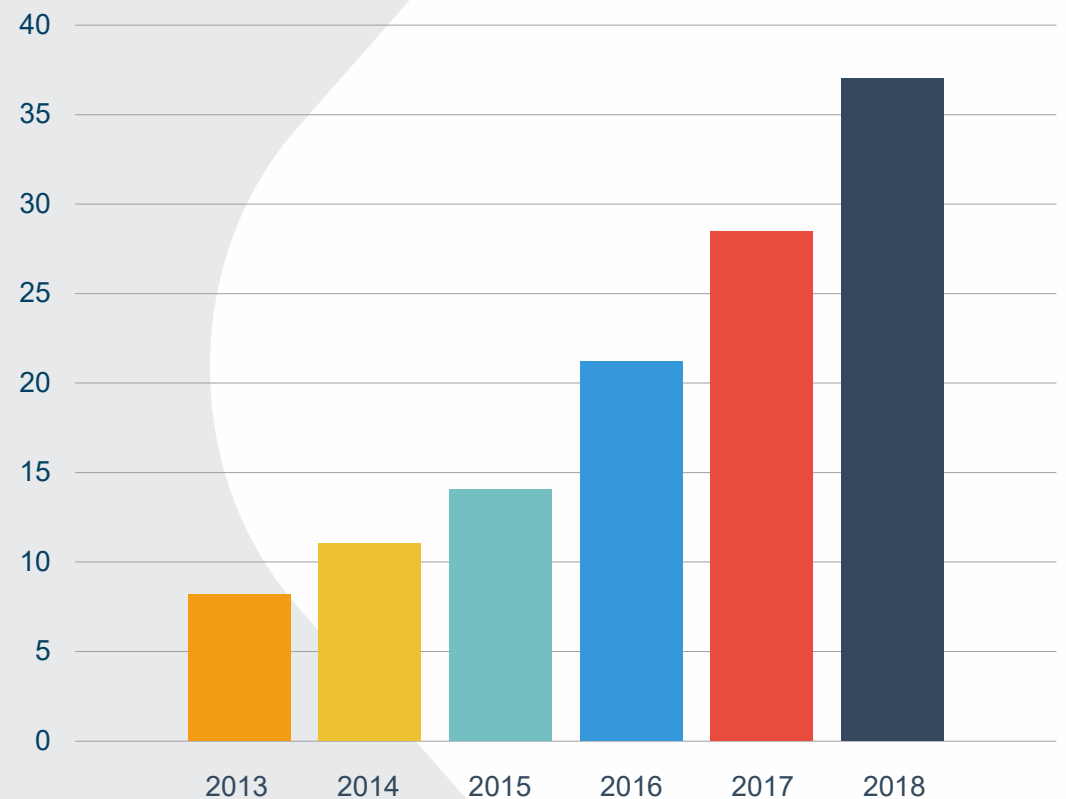
FY18 FINANCIAL RESULTS

JOSHUA REID | GROUP CHIEF FINANCIAL OFFICER



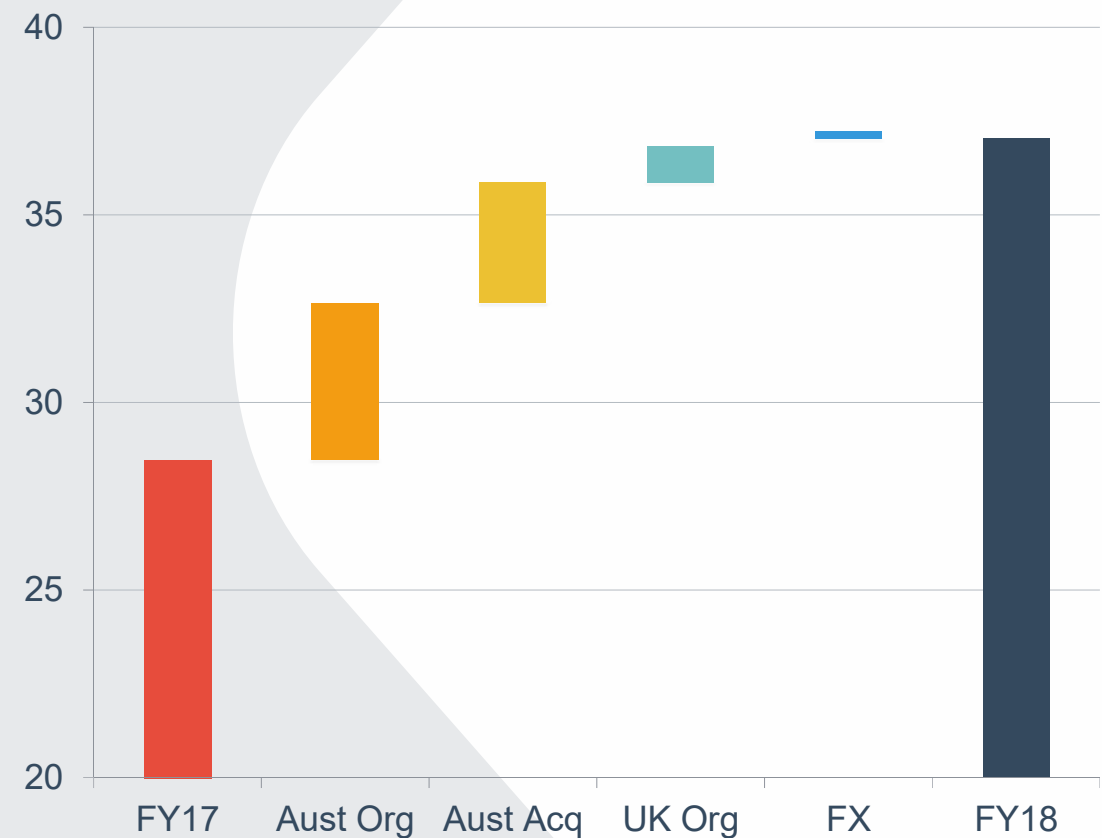
Underlying EBITDA

- Underlying EBITDA up 30% to \$37.0 million (~ \$8.5m).
- Compound growth has been 35% over the last 5 years.
- We have grown profitably and efficiently over this period from a combination of organic and acquired growth.
- Organic growth in FY2018 was 18% (~ \$5.2m).

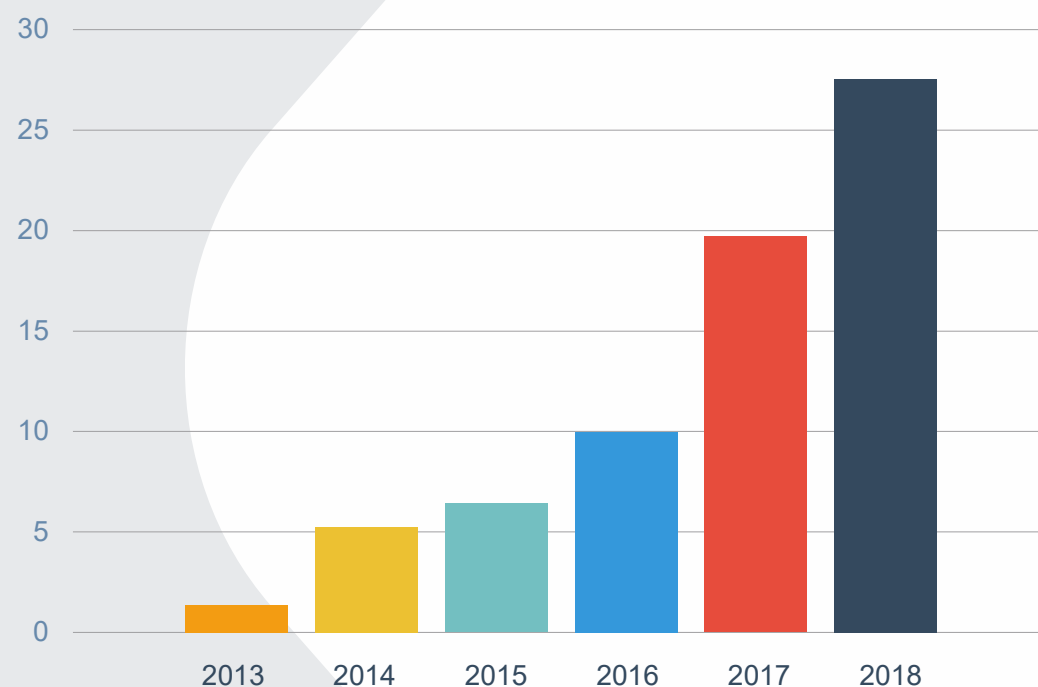
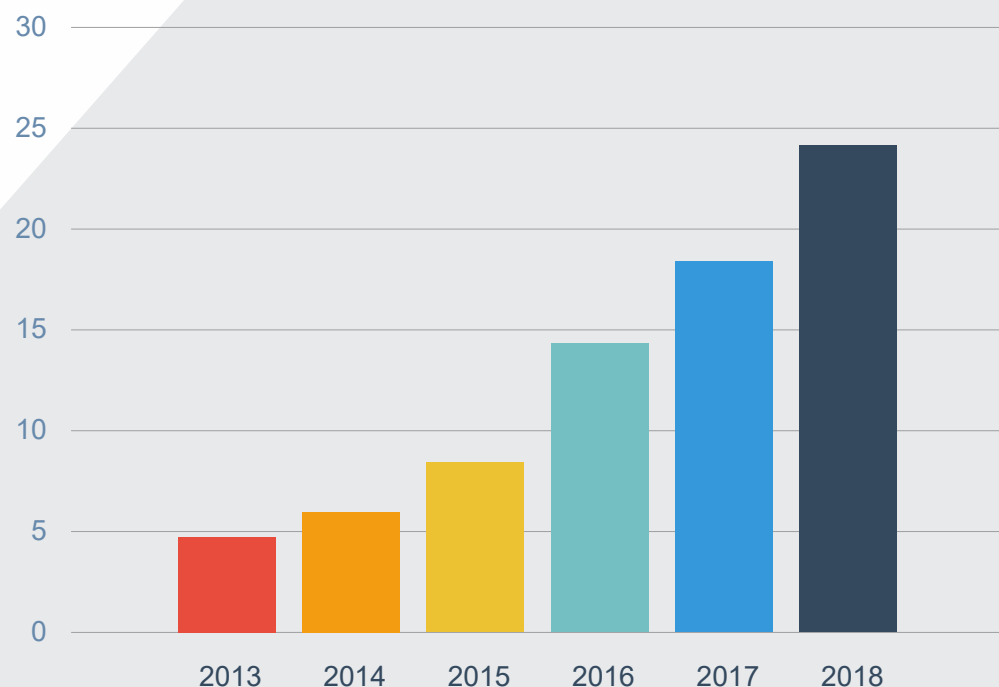


Underlying EBITDA

- The Australian operations contributed \$4.2m of the growth, with particularly strong performances from PSC Connect and Chase Underwriting.
- The UK operations contributed \$1.0m of the growth, with a strong result from Breeze Underwriting and Carroll Holman.
- Acquired incremental EBITDA was \$3.2m. All businesses performing well and to expectations.

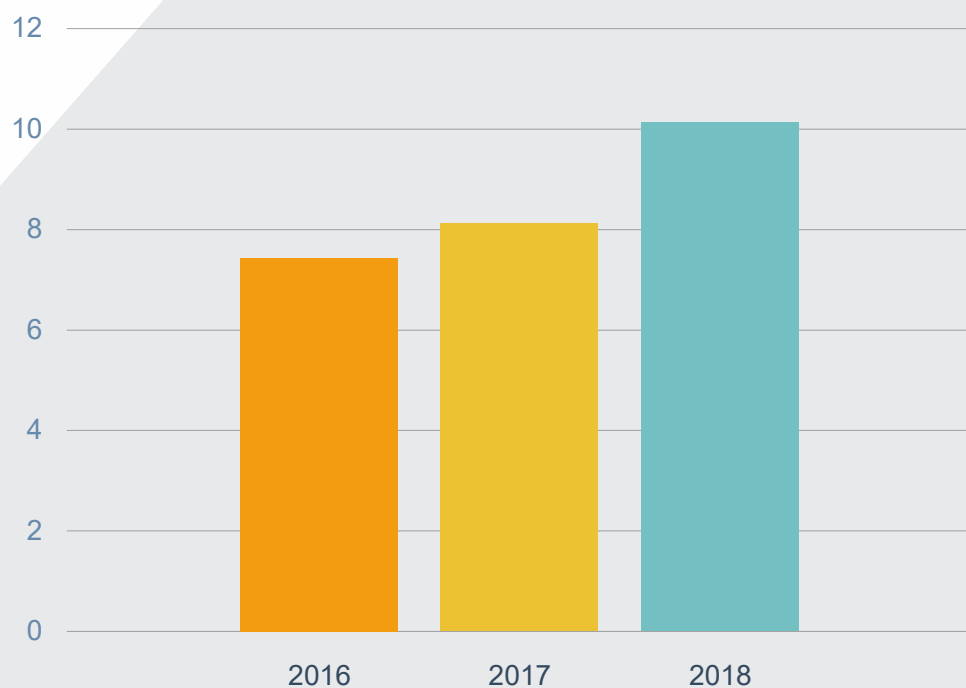


Underlying NPATA & Statutory NPAT

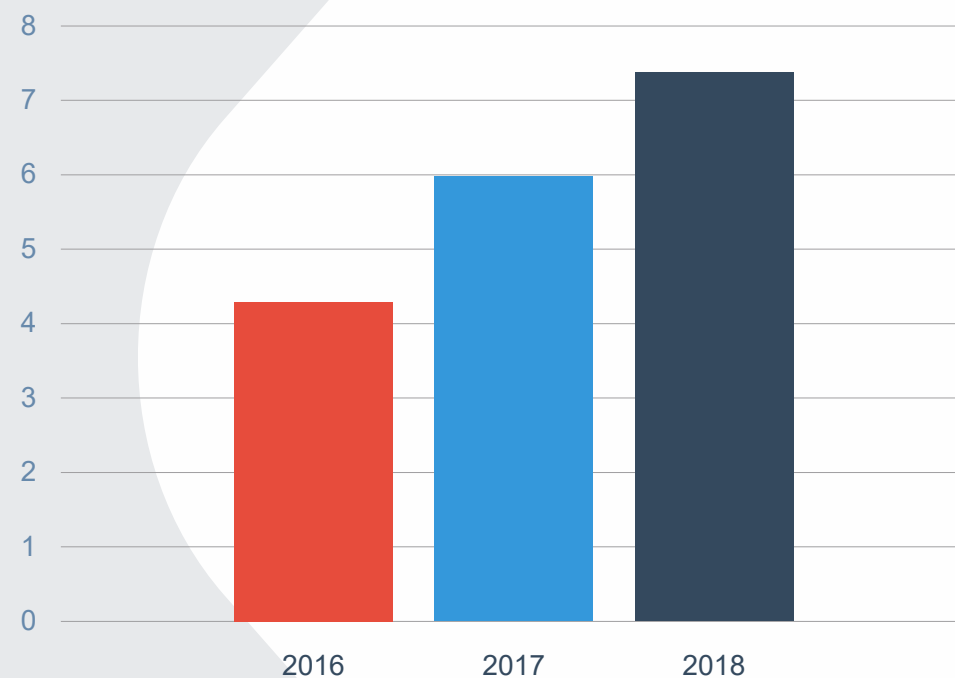


- Underlying NPATA up 31% to \$24.2 million and Statutory Net Profit After Tax attributable to Members up 40% to \$27.6 million.
- Fair value impact of change in investment values are excluded from our underlying measure.

Underlying EPS & DPS



- Underlying earnings per share up 25% to 10.1 cps
(Shares calculated on a fully diluted weighted average outstanding basis)



- Dividend per share (declared basis) up 24% to 7.4 cps.

Balance Sheet



- The Group is well capitalised.
- Book equity has increased from \$78m to \$145m as a result of a completed capital raising of \$55m and retained profits.
- Book value gearing ($\text{Gross Debt} / (\text{Gross Debt} + \text{Equity})$) has reduced from 36% to 27%.
- The balance sheet is well positioned to fund future growth.

BUSINESS STRATEGY

ROHAN STEWART | GROUP CHIEF EXECUTIVE OFFICER



Key Principles



Owner of insurance distribution assets, predominantly across Australia and UK

Acquisitions are an important strategy: businesses that can be improved

New businesses will always remain a focus across all areas of the Group



The Group Today



Decentralised business function. Over 40 operating businesses, each with dedicated operator/manager focused on their clients, staff and business growth.



Supported by centralised group and administrative function, including the board and senior executive, finance, tax, compliance, payments and treasury.



Australian centred and focused, with a meaningful presence in the UK. We continue to see good growth opportunities in Australia.



UK will remain a focus given its global importance to the insurance industry, the value add to our Australian clients and our experience and networks in those markets.



UK contributed 18% of underlying EBITDA in FY18. At the IPO, this was ~ 25%. We anticipate over time this will be in the 20-30% range.



The Group has 3 meaningful investments on balance sheet; BP Marsh, Johns Lyng Group and the East Melbourne premises. We do not expect the number of investments to grow materially.

Operating Groups



DISTRIBUTION

Insurance Broking, including Broker Networks (Connect, Reliance Partners), life broking and workers compensation consulting



AGENCY

Underwriting Agencies including Chase, Breeze, Online Travel, Medical, and claims services



UK

The UK businesses including Carroll Holman, Breeze (UK), APG, Turner, EBOL and Chase



ANCILLIARY

Group income and investments

Business Positions

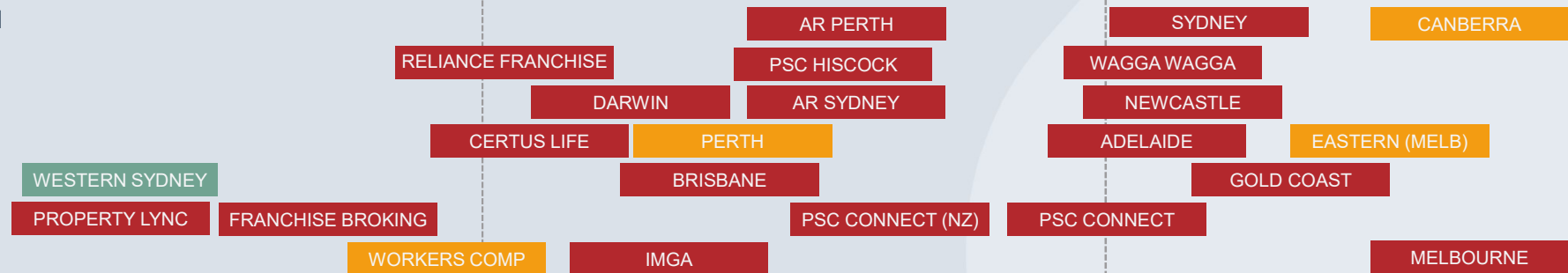
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EARLY PHASE

EMERGING

MATURE

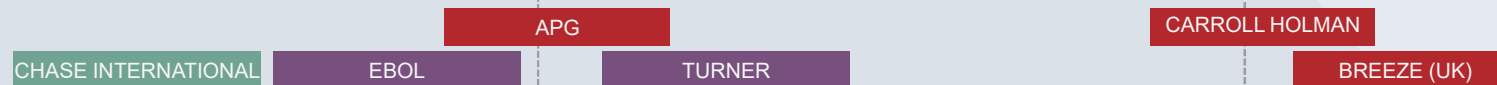
DISTRIBUTION



AGENCY



UK



KEY: STARTUP ACQUISITION EXISTING INCLUDES ACQUISITION

BUSINESS OUTLOOK

ROHAN STEWART | GROUP CHIEF EXECUTIVE OFFICER



Business Outlook



- We anticipate that underlying EBITDA will be better than \$43 million in financial year 2019.
- The underlying EBITDA will exclude the fair value movement and include the yield in the Group's investment assets.
- The Group remains well positioned for future success, with an increasingly strong market position and sound balance sheet.

FORMAL BUSINESS

BRIAN AUSTIN | CHAIRMAN



Summary of Agenda Items

Non-voting agenda item

- **Agenda item 1 – Consider the financial statements for the year ended 30 June 2018**

Resolutions to be voted upon

- **Agenda item 2 - Remuneration Report**
- **Agenda item 3 - Re-election of Director – Mr John Dwyer**
- **Agenda item 4 - Re-election of Non-executive Independent Director – Mr Antony Robinson**
- **Agenda item 5 - Financial Assistance – Online Insurance Brokers Pty Ltd**
- **Agenda item 6 - Financial Assistance – Insurance Marketing Group of Australia Pty Ltd**
- **Agenda item 7 - Financial Assistance – Medisure Indemnity Australia Pty Ltd**
- **Agenda item 8 - Financial Assistance – RP-Hoxton Park Pty Ltd**

Consider the financial statements for the year ended 30 June 2018



- To receive and consider the Financial Report and the Reports of the Directors and the Auditor for the financial year ended 30 June 2018.

Resolution – Remuneration report



- The Remuneration Report, as set out in the Directors' Report, for the year ended 30 June 2018 be adopted.

Summary of Proxy instructions held by the Chairman

	For	Open	Against	Abstain	Total
Votes	48,890,467	465,708	4,563,375	778,950	54,698,500
Percentage	89.39%	0.85%	8.34%	1.42%	100.00%
Percentage of non-excluded shares voted					54.60%

Resolution – Re-election of Director



- That Mr John Dwyer, being a director since the Company's listing, be re-elected as a director of the Company.

Summary of Proxy instructions held by the Chairman

	For	Open	Against	Abstain	Total
Votes	199,876,945	461,708	30,610	20,000	200,389,263
Percentage	99.74%	0.23%	0.02%	0.01%	100.00%
Percentage of non-excluded shares voted					81.50%

Resolution – Re-election of Non-executive Independent Director



- That Mr Antony Robinson, being a non-executive independent director since the Company’s listing, be re-elected as a director of the Company.

Summary of Proxy instructions held by the Chairman

	For	Open	Against	Abstain	Total
Votes	197,934,191	461,708	1,247,747	745,617	200,389,263
Percentage	98.78%	0.23%	0.62%	0.37%	100.00%
Percentage of non-excluded shares voted					81.50%

Special resolution – Financial assistance – Syndicated Facility – Online Insurance Brokers Pty Ltd

- That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Online Insurance Brokers Pty Ltd (ACN 095 612 276) (OIB) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (Company) in connection with the acquisition by the Company of the entire issued share capital of OIB, in the manner described in the notes to the Notice of Annual General Meeting.

Summary of Proxy instructions held by the Chairman

	For	Open	Against	Abstain	Total
Votes	199,907,555	461,708	0	20,000	200,389,263
Percentage	99.76%	0.23%	0.00%	0.01%	100.00%
Percentage of non-excluded shares voted					81.50%

Special resolution – Financial assistance – Syndicated Facility – Insurance Marketing Group of Australia Pty Ltd

- That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Insurance Marketing Group of Australia Pty Ltd (ACN 088 790 327) (IMGA) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (Company) in connection with the acquisition by the Company of the entire issued share capital of IMGA, in the manner described in the notes to the Notice of Annual General Meeting.

Summary of Proxy instructions held by the Chairman

	For	Open	Against	Abstain	Total
Votes	199,907,555	461,708	0	20,000	200,389,263
Percentage	99.76%	0.23%	0.00%	0.01%	100.00%
Percentage of non-excluded shares voted					81.50%

Special resolution – Financial assistance – Syndicated Facility – Medisure Indemnity Australia Pty Ltd

- That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), Medisure Indemnity Australia Pty Ltd (ACN 116 319 567) (MIA) be and is authorised to provide financial assistance to PSC Insurance Group Limited (ACN 147 812 164) (Company) in connection with the acquisition by the Company of the entire issued share capital of MIA, in the manner described in the notes to the Notice of Annual General Meeting.

Summary of Proxy instructions held by the Chairman

	For	Open	Against	Abstain	Total
Votes	199,907,555	461,708	0	20,000	200,389,263
Percentage	99.76%	0.23%	0.00%	0.01%	100.00%
Percentage of non-excluded shares voted					81.50%

Special resolution – Financial assistance – Syndicated Facility – RP-Hoxton Park Pty Ltd Pty Ltd

- That subject to compliance with the procedures set out in section 260B of the Corporations Act 2001 (Cth), RP-Hoxton Park Pty Ltd (ACN 164 472 744) (**RP-HP**) be and is authorised to provide financial assistance to PSC Reliance Franchise Partners Pty Ltd (ACN 087 819 805) (**PSC RFP**) in connection with the acquisition by PSC RFP of the remaining 50% of the issued share capital of RP-HP in the manner described in the notes to the Notice of Annual General Meeting.

Summary of Proxy instructions held by the Chairman

	For	Open	Against	Abstain	Total
Votes	199,907,555	461,708	0	20,000	200,389,263
Percentage	99.76%	0.23%	0.00%	0.01%	100.00%
Percentage of non-excluded shares voted					81.50%



CLOSE & QUESTIONS