

2 November 2018

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

PSC INSURANCE GROUP LTD (PSI) – ACQUISITIONS UPDATE

Acquisitions Update

PSI are pleased to announce the following acquisitions.

Workers Compensation Services (WCS)

WCS have been operating since 2010 as a specialist provider of workers compensation insurance advisory and injury management services. WCS have a highly experienced team and provide services to government and private sector clients.

The acquisition of WCS will enhance and strengthen our existing workers compensation consulting capability. This will be a highly complementary fit and value added service for the Group's existing clients, particularly in our Broking businesses.

Key terms of the transaction are:

- PSI's existing 75% owned subsidiary, PSC Workers Compensation (PSCW), are buying the business of WCS and all staff are expected to transition.
- PSCW will acquire the business of WCS for \$3.0 million.
- 70% of the Total Consideration is payable in cash on completion, with the balance after 12 months, with the final 30% adjustable, dependent on the revenue after 12 months.
- PSI will continue to own 75% of the enlarged PSCW, with key staff holding the balance of the equity, including 2 incoming team members from WCS.

PSI are delighted to welcome the WCS team to the Group.

Certus Life Expansion

PSI have added to its life insurance broking and services capability (Certus Life) by the acquisition of a small portfolio and the addition of two highly experienced team members.

Increasingly our general insurance business clients in the Broking businesses expect PSI to be able to provide life insurance advice and services, particularly around business and asset protection. This acquisition enhances and strengthens our ability to deliver this service.

Key terms of the transaction are:

- PSI has acquired the portfolio for \$800,000.

- 70% of the Total Consideration is payable in cash on completion, with the balance after 12 months, with the final 30% adjustable, dependent on the revenue after 12 months.

PSI are delighted to welcome the new team members to the Group.

Earnings Impact of Acquisitions

We anticipate the incremental consolidated EBITDA from these acquisitions to initially exceed \$0.6m on an annualised basis.

Please direct any queries to Joshua Reid, Chief Financial Officer, on (03) 8593 8303.