

19 July 2017

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

PSC INSURANCE GROUP LTD (PSI) – ACQUISITIONS UPDATE

PSC Insurance Group Limited is pleased to announce the signing of transaction documents on a number of acquisitions.

National Franchise Insurance Brokers (NFIB)

NFIB is a Perth based insurance broking business, specialising in services to franchise groups and their franchisees. The services are delivered via a unique online platform, which provides efficiencies for the clients and the business. Given PSI's national footprint and scale, NFIB will be able to expand its client reach and sales capability and will strengthen PSI's capability and services to franchise and affinity groups throughout Australia.

Key terms of the transaction are:

- Deposit : an initial deposit of \$0.2 million has been paid.
- Deferred Consideration : quarterly instalments will be paid over a 12 month period, based on the revenue received. Total consideration is expected to be approximately \$1.2 million.

Riley & Associates (R&A)

R&A are a Gold Coast based insurance broking business. R&A will integrate within our existing team and business in the Gold Coast. This acquisition as a 'bolt on' will make a further contribution to an already well performing business unit within the Group.

The purchase price is approximately \$1.2 million, payable \$0.8 million upfront and the balance on an adjustable basis after 12 months.

We are delighted to have both teams joining the Group.

Earnings Impact

We anticipate a combined EBITDA contribution from these two businesses to exceed \$0.5 million on an annualised basis.

Clover.com.au Pty Ltd (Clover)

PSC Insurance Group Limited has made an investment of \$1.1 million for a 16% ownership interest in Clover. Clover is an early stage personal financial advisory and planning business, utilising technology to attract clients and to deliver its services. Clover is in the early 'post revenue' phase of its evolution and this funding round will be used to expand and fund its marketing.

The technology platform is complimentary with existing general insurance online platforms within the Group, being PSC Direct, Online Insurance Brokers (travel insurance) and now the NFIB platform. The investment will enhance the Group's ability to evolve its online capability and use of technology to reach our existing and future client base.

Outlook

The pipeline continues to look strong, with more announcements expected in coming months.

Please direct any queries to Joshua Reid, Chief Financial Officer, on (03) 9044 4796.