

31 October 2017

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

**PSC INSURANCE GROUP LTD (PSI) – COMPLETION OF CAPITAL RAISING**

PSI advises that it has successfully completed a capital raising via a placement of 18,334,000 fully paid ordinary shares (**Shares**) to selected institutional and sophisticated investors to raise \$55 million at \$3.00 per Share (**Placement**). The Placement was lead managed by Bell Potter Securities Limited.

PSI acknowledges the show of support and confidence in the business and strategy.

The funds will be used over time to fund the continued growth of the business both organically and by acquisitions in accordance with its growth strategy.

The Shares issued under the Placement will rank equally with all Shares on issue. The Placement will be made under PSI's existing capacity under Listing Rule 7.1 and accordingly will not require shareholder approval.

PSI comment as follows:

- We anticipate that underlying EBITDA for the first half of financial year 2018 to be up more than 20% on the first half of financial year 2017.
- \$43 million in gross proceeds were raised in December 2015 at IPO. These funds have been well invested, noting underlying EBITDA growing from \$14.1 million for financial year 2015 to \$28.5 million for financial year 2017. We intend to invest the new capital in a prudent manner to grow the Group over the medium and long term.
- This capital raising does not impact the alignment of the Group between management and shareholders. Board shareholders have not sold any Shares since listing and continue to take modest remuneration. We believe this structure best encourages decisions that grow value over the long term.
- In addition to the capital raising, the Group has varied funding options via its Syndicated Facility Agreement and now liquid ASX investments. This capacity places the Group in a strong funding position to realise further growth opportunities.

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