

26 April 2016

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

ACQUISITION OF JOHN HOLMAN & SONS (HOLDINGS) LIMITED – UK BASED LLOYDS INSURANCE BROKING BUSINESS

PSC Insurance Group Limited (PSC) (ASX: PSI) via subsidiary Insurance Holdings Limited (IHL), the parent company of Carroll & Partners Limited, Carroll London Markets (CLM) and Breeze Underwriting Limited (BUL), completed the acquisition of John Holman & Sons (Holdings) Limited, the parent company of Lloyd's broker John Holman & Sons Ltd (JHS) on Friday 22 April 2016 after closing of the ASX.

The acquisition is an important step in the growth of PSC's UK operations, providing a greater presence in the London market, bringing benefits to our clients and trading partners with a wider product and service offering.

JHS has a long and successful trading history as a Lloyd's broker supporting regional UK brokers with an excellent reputation spanning a number of decades. CLM and JHS complement each other well, bringing different strengths to the combined table.

The pertinent details of the transaction are:

- Purchase price - £2.5 million + net assets
- Initial payment - £1.5 million, being 50% of the anticipated total purchase price, including net assets
- Net asset adjustment – an additional payment for net assets payable within 90 days after receipt of agreed opening balance sheet
- Final payment – is based on a rise and fall formula by reference to the income of the business for the 12 month period post completion compared to the agreed income which approximates the 12 month period prior to completion.
- Expected revenue – is approximately £2.3 million
- Profit commissions – profit commissions for periods prior to the Completion Date will be

payable to the vendor for a period of 3 years.

The JHS business will merge operations with CLM and BUL and will be managed by Noel Lenihan, the existing IHL Managing Director.

Please direct any queries to Paul Dwyer, Managing Director, on 0409 995 105.

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