



30 March 2020

The Manager
Market Announcements Office
Australian Securities Exchange Ltd
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

FOR RELEASE TO THE MARKET

COVID-19 UPDATE - AUB GROUP LIMITED

The Board and Management of AUB Group Limited (**ASX: AUB**) have been reviewing the impact of the COVID-19 pandemic on the financial results and resources of the company, in particular liquidity, and accordingly we announce the following.

Earnings Guidance

The performance of the Group in 1H20 was strong, leading AUB to upgrade its FY20 earnings guidance as announced to the market on 25 February 2020. The Group continues to make significant progress against FY20 Strategic Initiatives with the aim of driving improved long-term earnings growth. However, in light of recent developments and the rapidly changing market conditions resulting from the COVID-19 pandemic, the Board considers it prudent to withdraw earnings guidance at this time. Given the evolving situation, AUB is not in a position to provide an estimate of the financial impacts of the COVID-19 pandemic on the Group's results.

Interim Dividend

The Board also considers it prudent to defer payment of the interim dividend of 14.5 cents per share announced to the market on 25 February 2020 and will suspend the Dividend Reinvestment Plan, with a new dividend payment date of 3 September 2020. The deferral of the payment of the interim dividend of \$10.7 million is precautionary and reflects the focus of the Board and Senior Management on maintaining strong liquidity and preserving cash and long-term shareholder value.

MGA Whittles Group

The parties have agreed not to proceed to completion of the proposed transaction announced to the market on 17 February 2020. This will result in AUB Group not paying the cash consideration of \$29.1 million, nor issuing the consideration shares, and further AUB will not be required to repay the existing debt facilities of MGA Whittles Group which would have been required if the deal completed. MGA remains an important part of the AUB Group network and AUB retains its existing 49.9% shareholding in MGA. MGA will continue its strong governance, management team and operating profile. The parties intend to revisit the proposal as soon as practicable and remain firmly committed to the existing partnership in the interim.

AUB Group Limited

Level 10, 88 Phillip Street,
Sydney, NSW, 2000.

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Further Disclosures

AUB will continue to closely monitor developments related to COVID-19, and will provide further disclosures in line with its obligations.

Our focus continues to be on the health and safety of our staff and their families and our pandemic management plan has been implemented across our network of businesses.

The AUB Group network is working with our clients, their insurers and the broader industry to achieve the best possible outcomes in these unprecedented circumstances.

This release has been authorised by the AUB Board.

All enquiries regarding this announcement should be made to AUB's Group CEO and Managing Director, Mike Emmett on 0411 010 101 or CFO, Mark Shanahan on 0437 443 778.

ENDS

About AUB Group Limited

AUB Group Limited is Australasia's largest equity-based insurance broker network driving approximately A\$3.2 billion GWP across its network of 93 businesses, servicing 600,000 clients and over one million policies across more than 450 locations.

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