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

FOR RELEASE TO THE MARKET

AUB Group announces sale of Altius Group shareholding to The Riverside Company

AUB Group Limited (**ASX: AUB**), Australasia's largest equity-based insurance broker network, today announced it has entered into a sale agreement to sell its total shareholding in Altius Group Holdings Pty Limited (**Altius**) to The Riverside Company. Completion is subject to customary change of control consents and is expected before the end of April 2021.

In order to facilitate the sale process AUB Group acquired additional equity from a minority shareholder which increased the AUB shareholding in Altius from 56.9% to 75.4%.

On completion, AUB Group will receive cash proceeds of approximately \$57m (this number is net of tax, transaction and other relevant costs and includes AUB Group's entitlement to pre-disposal dividends for profits recognised up to the date of sale).

The proceeds of the sale will be used to reduce AUB Group corporate borrowings providing additional balance sheet headroom for future M&A and strategic investments. Post receipt of the proceeds, the group's gearing ratio will be 31% and the leverage ratio will be 2.09:1.

Mike Emmett, AUB Group CEO and MD, said "We're pleased with the outcome of this process. I'd like to thank Derick Borean and the Altius team for the professional way in which they have continued to lead and operate the business throughout this process. This sale reflects AUB's strategy to refocus on the core businesses of Insurance Broking and Underwriting Agencies and completes the exit from Health and Rehabilitation Services. I'm delighted with the strongly improved performance of Altius over the last year and look forward to their continued success in future as part of the Riverside family."

The sale will result in a post-tax profit on disposal of \$10m after expensing \$5.4m related to the increased value of a put and call option in favour of an existing Altius minority shareholder in the current financial year. Neither of these amounts will be reflected in Underlying Net Profit After Tax.

AUB Group Limited

Level 14, 141 Walker Street
North Sydney NSW 2060

ABN 60 000 000 715
ACN 000 000 715

aubgroup.com.au



The impact of this transaction on FY21 performance has been factored into previous FY21 earnings guidance.

ENDS

This release has been authorised by the Chairman of the AUB Board.

For further information, contact David Franks, Joint Company Secretary, on +61 2 8098 1169 or davidf@aubgroup.com.au.

About AUB Group

AUB Group Limited is Australasia's largest equity-based insurance broker network driving approximately A\$3.6 billion GWP, servicing 700,000 clients and over one million policies across more than 450 locations.

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