



September 2022

# Bell Potter Emerging Leaders Conference

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**Joshua Reid** (Chief Financial Officer)





## SUMMARY INFORMATION

This document has been prepared by PSC Insurance Group Limited (ACN 147 812 164) (PSC). It is a presentation of general financial and commercial information about PSC's activities current as at 6 September 2022. It is information in a summary form and does not purport to be complete. It is to be read in conjunction with PSC's other announcements released to ASX (available at [www.asx.com.au](http://www.asx.com.au)). It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with professional advice, when deciding if an investment is appropriate.



## TERMINOLOGY

This presentation uses Underlying NPATA and Underlying EBITDA and other related measures to present a clear view of the underlying profit from operations. Underlying NPATA comprises consolidated profit after tax and before amortisation expense adjusted for value adjustments for the carrying value of assets or associates, contingent consideration adjustments, and other revenue and costs considered non-operating in nature or related to acquisition activities. It is used consistently and without bias year on year for comparability. These measures are not audited by the Group's auditors. A reconciliation to statutory profit is provided in this Presentation.



## FORWARD LOOKING STATEMENTS

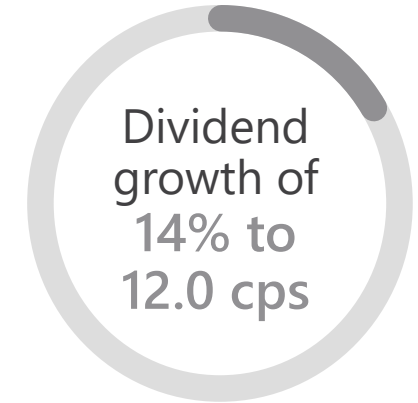
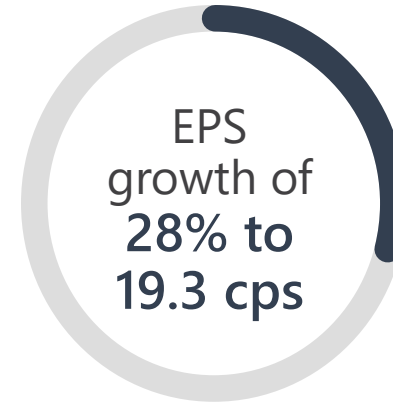
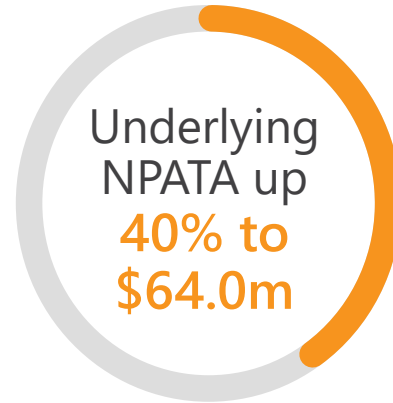
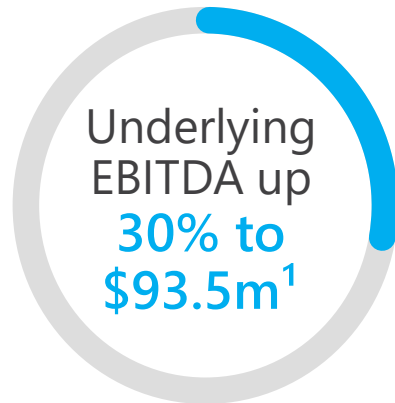
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# FINANCIAL YEAR 2022 HIGHLIGHTS



Well-positioned to continue growth in FY23, proforma FY22 EBITDA of approximately \$96m as base for FY23<sup>2</sup>



Acquisitions in FY22 expand Australian broking business franchise; 'UK retail' focus has been integration



Broad based organic EBITDA growth of 13%



Continue to grow and develop our people and broking capability

# EXECUTIVE SUMMARY



## STRONG 2022 FINANCIAL PERFORMANCE

Results ahead of the guidance of underlying EBITDA of \$87-92m and underlying NPATA of \$57-61m.

**\$254.3m Underlying Revenue**  
**\$93.5m Underlying EBITDA<sup>1</sup>**  
**\$64.0m Underlying NPATA**  
**EPS of 19.3 cps**



## ORGANIC GROWTH BETTER THAN EXPECTED

Broad based growth with very strong performances from Australian Agency and UK domestic Wholesale.

**\$9.6m in organic EBITDA growth (13%)**

Market conditions continue to be broadly supportive



## ACQUISITIONS PERFORMING WELL

12 acquisitions completed in FY22, the most material were Alliance and AWIB, and all are performing well.

**Incremental EBITDA growth \$11.9m**  
**“Buy the profits, merge the businesses, recruit the people”**



## SUSTAINABLE & DIVERSIFIED MOAT TO CONTINUE GROWTH

Recurring revenue base and good cash conversion, with geographic and business diversity; we see a clear path to the FY25 goal.

Our moat is a very strong partnership of capable people and a great depth in leadership focused on a client first approach

# TRACK RECORD OF GROWTH



Continuation of a long track record of growth, with ~ 20%+ CAGR across all financial metrics a testament to PSC's empowered business model.

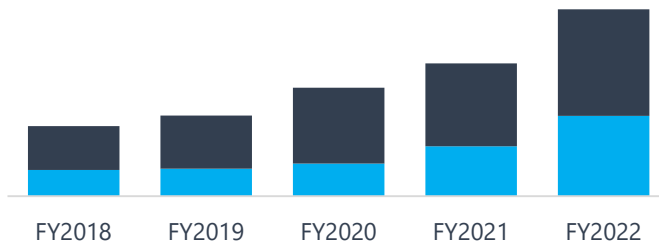
- 1H
- 2H
- Full year

X% Growth rate y.o.y

## Underlying NPATA (\$m) >

**5-year CAGR: 28.2%**

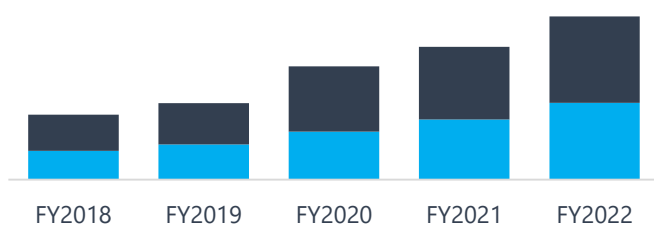
+30.9%   +15.1%   +34.5%   +22.3%   +39.8%



## Underlying Revenue (\$m) >

**5-year CAGR: 25.6%**

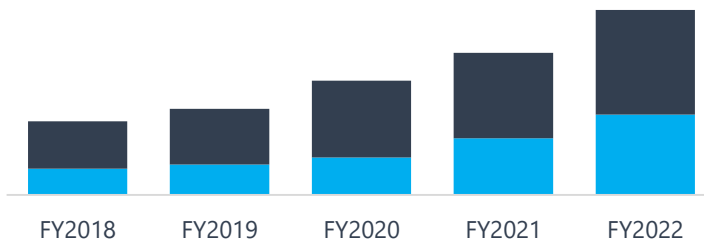
+24.4%   +17.7%   +48.6%   +17.2%   +22.8%



## Underlying EBITDA (\$m) >

**5-year CAGR: 26.7%**

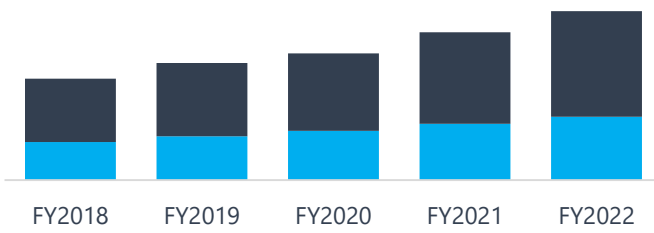
+30.0%   +16.9%   +32.7%   +24.5%   +30.3%



## Dividends (CPS) >

**5-year CAGR: 14.9%**

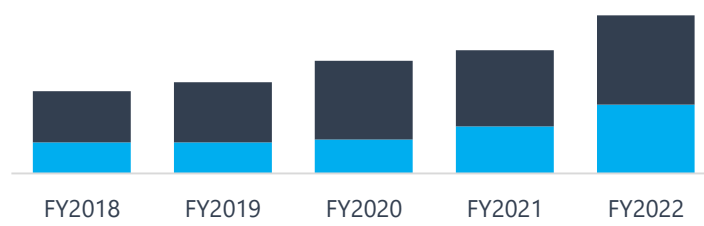
+20.0%   +15.3%   +8.4%   +16.7%   +14.3%



## Earnings per share (CPS) >

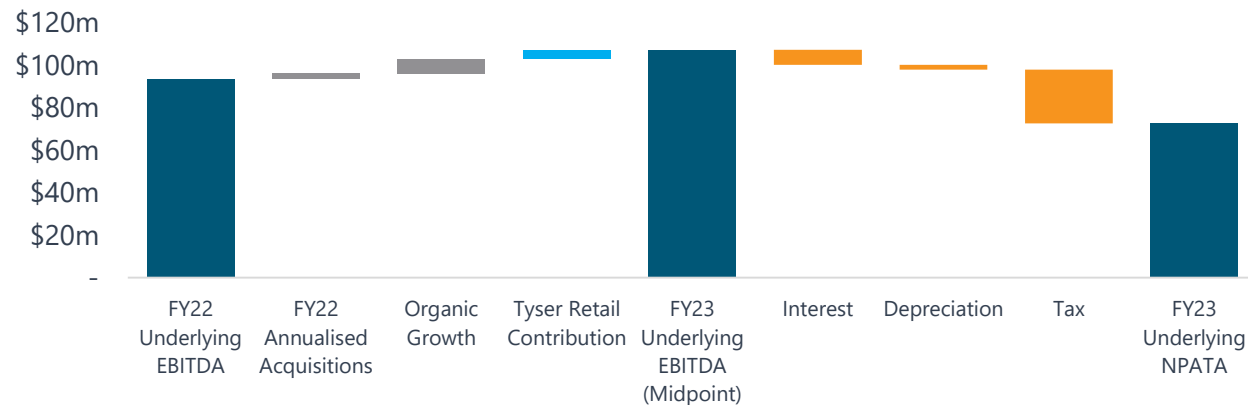
**5-year CAGR: 18.8%**

+25.1%   +11.1%   +22.9%   +8.1%   +28.1%



# OUTLOOK

## Underlying FY22 to FY23 Earnings Guidance



Underlying EBITDA  
**\$105-110m**



Underlying NPATA  
**\$70-73m**



EPS  
**\$0.20-\$0.21**



The annualised impact of acquisitions completed in FY22 is ~ \$2.6m



We expect continued organic growth as market conditions broadly remain favourable, partially offset by higher than historic cost pressures



We expect the Tyser UK retail JV with AUB to complete prior to calendar year end, producing an expected FY23 EBITDA of \$4-5m as our 50% share over a six month period



Additional incremental acquisition activity is not included in this guidance range

# EXECUTION & DISCIPLINE

More Impact than the 'Cycle'



## CULTURE

Retain and grow the PSC DNA:

- Driven to succeed
- Respect for others
- Empowering our people



## PEOPLE

- Client focus and broker autonomy
- Senior management & group functions act to support brokers servicing the clients



## DISCIPLINES

- Client First
- Structure
- Growth
- Autonomy
- Costs
- Behaviours
- Activities



## BUILD CAPABILITY

- Growing the Group means growing the capability
- Develop existing people and teams
- Find new people and teams
- Processing efficiencies



## DIVERSE OPERATIONS

- Manageable business units
- Multi-national and multi-discipline
- Recurring income and good cash conversion