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ASX Announcement

30 September 2022

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

AUB Group completes acquisition of Tysers

AUB Group Limited (***AUB***) is pleased to announce that it has today completed its acquisition of leading Lloyd's wholesale broker Tysers (***Acquisition***) following the satisfaction of all relevant conditions precedent, including regulatory approvals[1]. Details of the Acquisition were announced on 9 May 2022 (***Initial Announcement***).[2]

In accordance with the terms of the Acquisition and as previously announced, AUB confirms that it has now issued 9,018,974 new shares (***New Shares***) to Tysers' former owner, Odyssey Investment Partners. The New Shares will be escrowed for a 24-month period.

AUB has drawn down AUD598 million of its new AUD675 million multi-currency debt facility. AUB expects leverage to reduce over the next 12 months.

Additional deferred consideration of up to GBP100 million (AUD170 million) may also be payable two years post completion, dependent on Tysers' achievement of agreed revenue growth targets. This potential for deferred consideration together with the 24-month escrow relating to the New Shares provides strong alignment to drive the successful integration of Tysers, realisation of expected synergies and achievement of key business metrics and performance hurdles.

CEO and Managing Director Mr Mike Emmett said: "We are very pleased to welcome the Tysers team. Given Tysers' position as a leading specialist wholesale insurance broker in the largest insurance market in the world, we are excited in the step change Tysers will bring to AUB in terms of capturing further

Note: AUD denominated financials derived from GBP in this announcement have been translated at GBP:AUD of 1.70.

[1] The acquisition of Tysers (Bermuda) Ltd requires the approval of the Bermuda Monetary Authority. As this was not obtained sufficiently in advance of the planned date for completion of the Acquisition, the parties have agreed to defer the acquisition of Tysers (Bermuda) Ltd until this approval is obtained. Completion of the acquisition of Tysers (Bermuda) Ltd is intended to follow shortly after the necessary approval has been obtained, with the consideration to be paid in respect of the acquisition of Tysers (Bermuda) Ltd being GBP1 under the terms of the sale agreement.

[2] Refer to the ASX Announcement and Investor Presentation released by AUB on 9 May 2022.

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economics in the insurance broking value chain, accelerating scale in AUB Agencies and supporting our clients with international placement needs."

"I have known Tysers and its executive team for an extensive period of time and AUB has been working with Tysers for many years providing our clients access to Lloyd's market for specialist insurance. I have always been very impressed with the quality of the franchise, the knowledge and expertise of the team, and its deep client relationships. The acquisition is not only strategically aligned and financially compelling, but strengthens our operational platform and delivers material scale. We look forward to optimising Tysers' contribution as part of the AUB Group, a successful integration and delivering on the expected synergies."

The Acquisition will be discussed during AUB's AGM, which will be held on Thursday 3 November 2022 at 10:00am (AEDT).

END

The release of this announcement was authorised by the AUB Board.

For further information, contact Richard Bell, Group General Counsel and Company Secretary, on +61 2 9935 2222 or richardb@aubgroup.com.au.

About AUB Group

AUB Group Limited (ASX: AUB) is an ASX200 listed group comprising insurance brokers and underwriting agencies operating in ~520 locations across Australia and New Zealand. Over 3,000 team members work with our 900,000 clients to place more than $4.4bn in insurance premiums with local and foreign insurers.