



B. P. MARSH
& PARTNERS PLC

Full Year Results

For the year ending 31 January 2022

Dan Topping, Chief Investment Officer
Jon Newman, Group Finance Director

Monday 13th June 2022



Our Purpose

B.P. Marsh is a specialist private equity investor in early stage financial services businesses which are based in the UK and internationally



Our Team

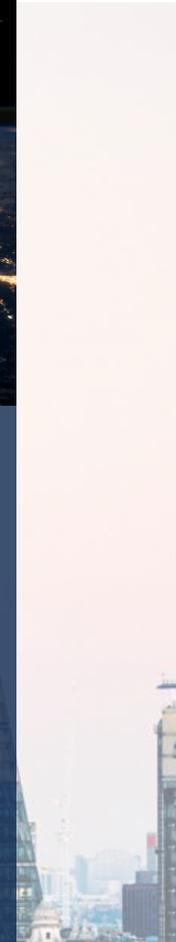
We are a complementary team of highly experienced leaders in the financial services industry, with deep sector knowledge acquired over several decades



Our Story

B.P. Marsh was founded in 1990 and has since invested in **54** companies

We have **15** investments in our current portfolio based in the UK and around the world



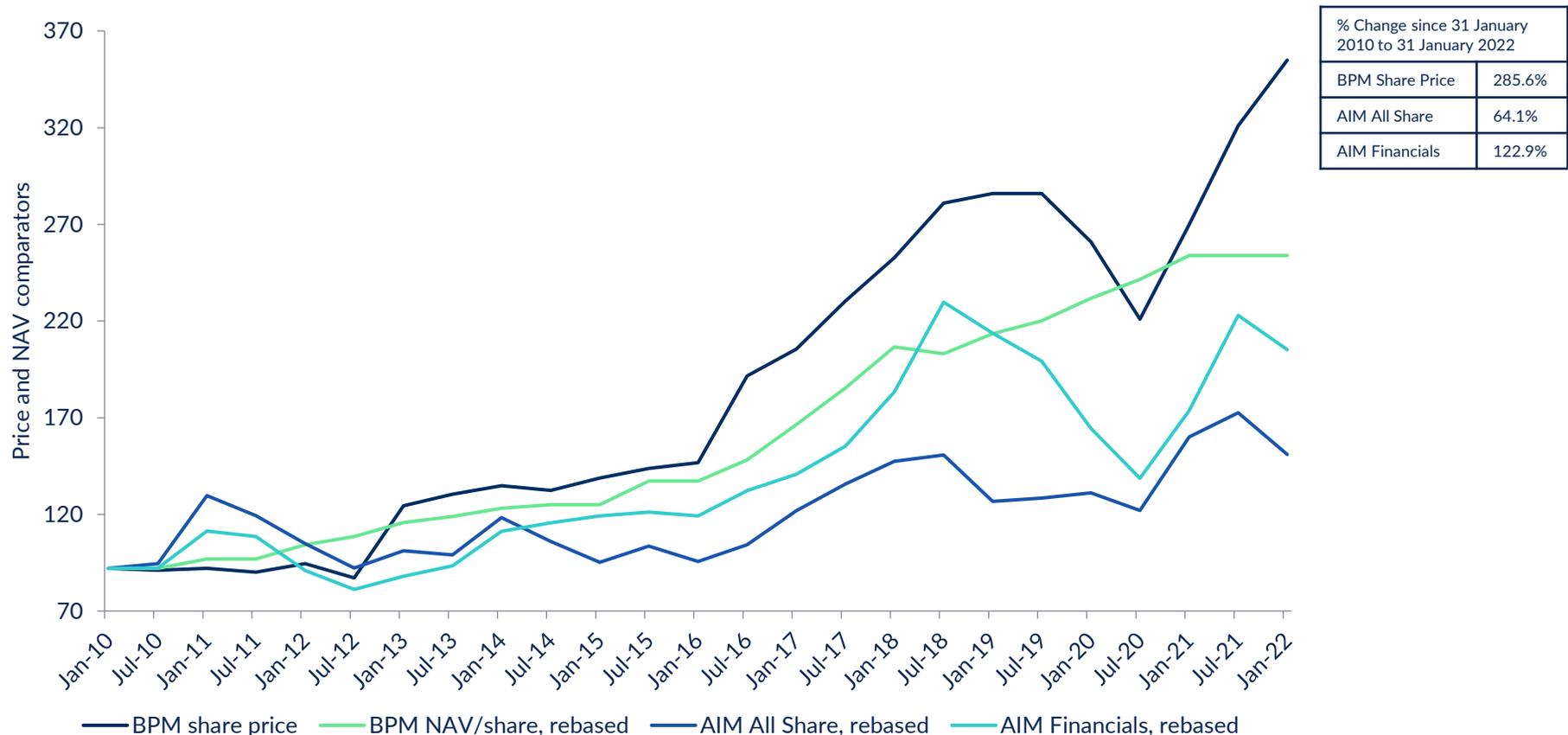
Our Investment Strategy

We take a long term view, with an average holding period of **7.3** years making an initial investment of up to **£5m** for minority equity positions (20-40% shareholdings)

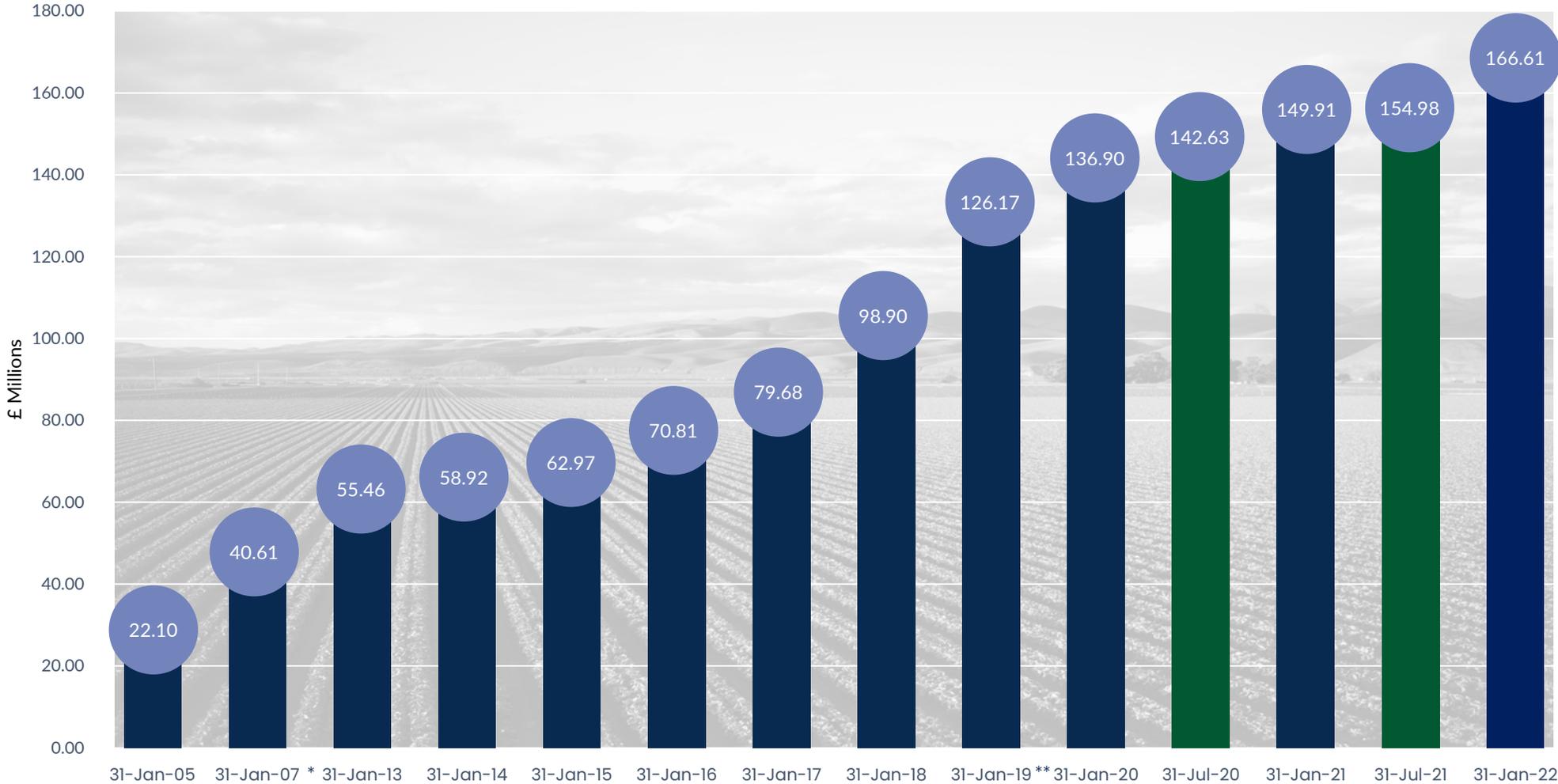
Summary: Year Ending 31 January 2022

- As at 31 January 2022 – 15 investments in the portfolio with a NAV of **£166.6m** (31 January 2021 **£149.9m**)
- Total Shareholder return of **11.7%** for the year to 31 January 2022
- Dividend of **2.78p** per share declared for the year ended 31 January 2022, to be paid in **July 2022**, subject to Shareholder Approval
- Increase in Equity Portfolio Value of **14.7%** in year to 31 January 2022 to **£149.3m**
- Loan Book value of **£10.4m**
- **£8.6m** cash available as at 31 January 2022

Change 31 January 2010 to 31 January 2022



Performance: Net Asset Value (NAV)

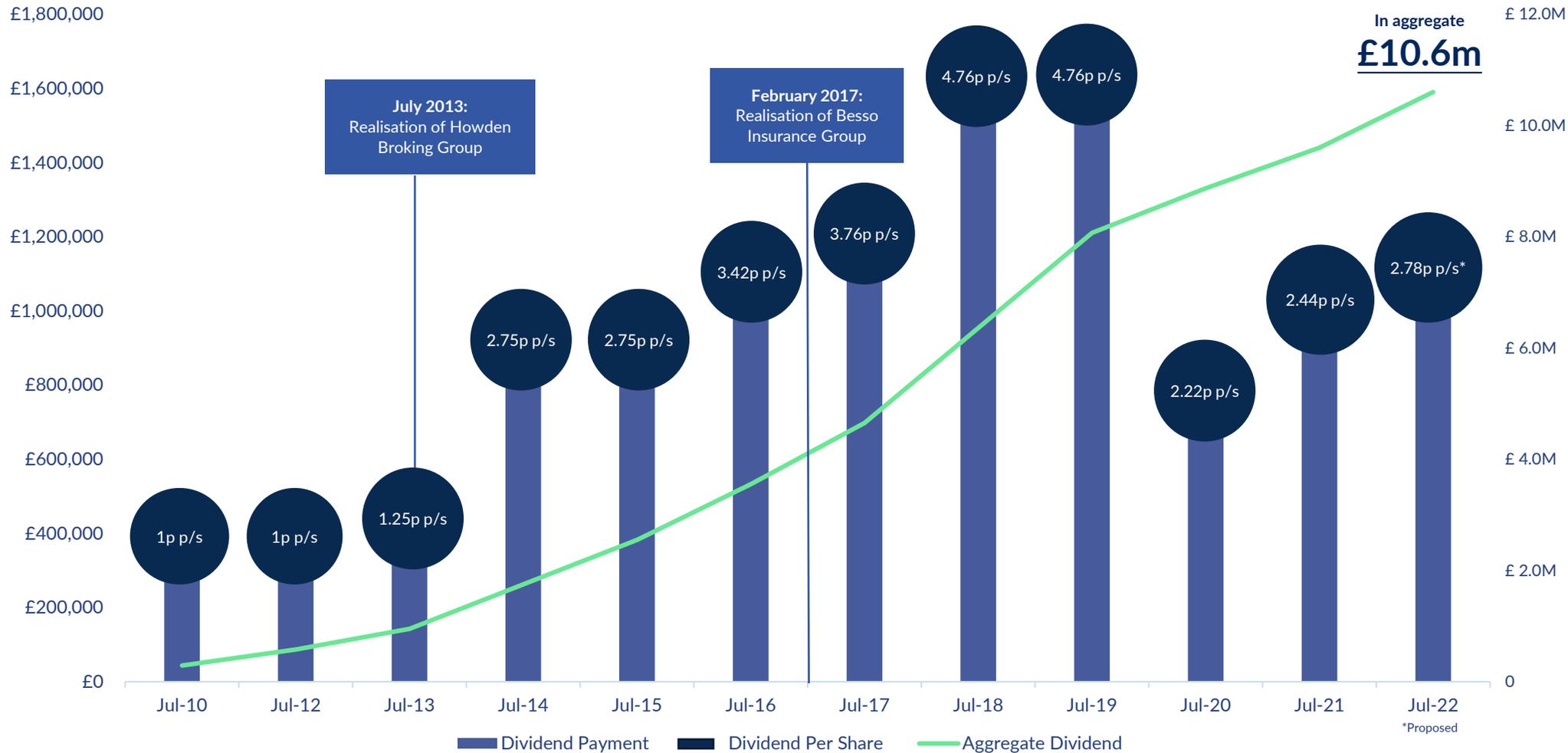


■ Full Year
■ Half Year

*NB: The valuation at 31 January 2007 includes £10.1m net proceeds raised on AIM

**NB: The valuation at 31 January 2019 includes £16.6m net proceeds raised on Share Placing and Open Offer

Dividends



- Dividend of **£1m** declared, to be paid in July 2022
- Aim to maintain £1m dividend for the next two years. In aggregate this represents c. 100% of the realised underlying profit in the year to 31 January 2022
- In the event that the Group successfully realises further investments in the portfolio the level of dividend will be revisited by the Board
- Since flotation, the Group has paid and proposed aggregate dividends of **£10.6m** equivalent to **32.9p** per share, being **23.5%** of the flotation price
- The Board aims to strike a balance between rewarding shareholders and reinvesting cash to deliver long-term growth



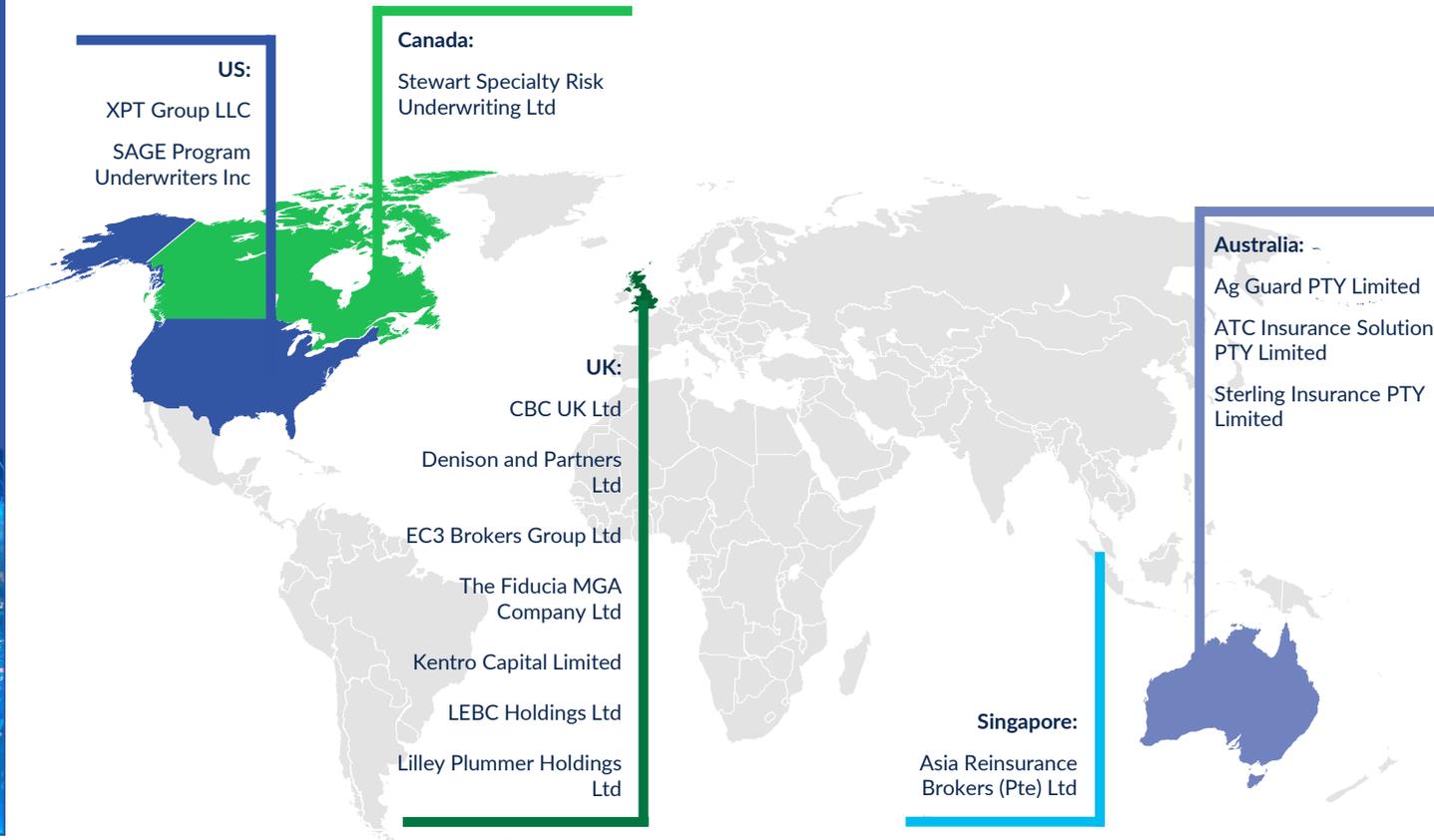
- B.P. Marsh and its portfolio companies **have performed well** for the financial year to 31 January 2022
- During the financial year in question, the Group has made a **number of successful disposals**, which has seen a significant increase in liquidity with **£14.7m** currently available for new investments
- The Group has a healthy pipeline of new business opportunities with a renewed focus on new business following the major shock of Covid
- One recent new investment in **Denison and Partners Ltd** completed, post year-end
- The Group is well known in the sectors in which it specialises
- B.P. Marsh continues to focus on investing in niche **SME businesses** in the **financial services** space, managed by capable management teams
- The consolidation activity that has taken place over the last couple of years continues to impact the insurance market
- The Group **continues** to see **new business opportunities** emanating from this consolidation activity
- Our insurance intermediary investments continue to see **rate increases** across the sectors in which they operate
- Whilst there are some signs that rate increases are slowing across some classes of business, overall, it seems that price increases will continue throughout 2022
- The Group also continues to monitor possible effects that the conflict in Ukraine will have on the insurance market

Our Current International Portfolio

B.P. Marsh's international strategy is focused on areas where we see:

- Sufficient opportunity for business development in partnership with a London-based investor
- A suitably developed regulatory and compliance environment

The geographic spread of our portfolio provides sufficient diversification to minimise any impact of country-specific risk



B.P. Marsh is well known within our sectors of specialisation

We are currently in detailed discussions with a number of new investment opportunities within our space

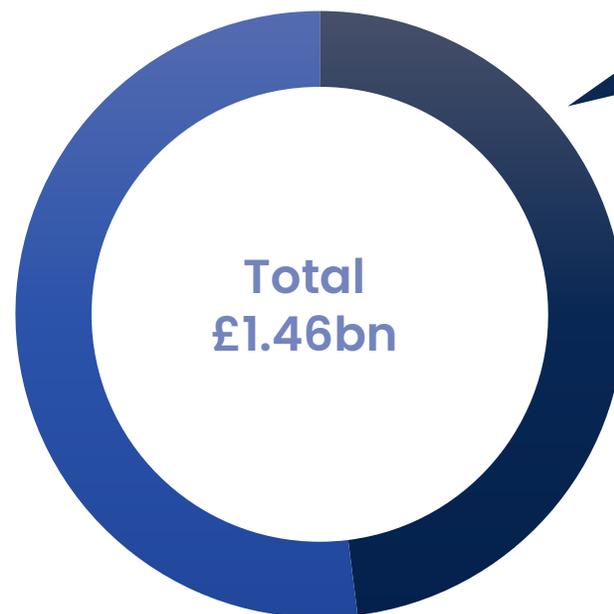
Whilst there are no guarantees that these discussions will convert into investments, we remain confident that the Group will secure a number of new high growth investments over the rest of our current financial year

Insurance Intermediary Overview

B.P. Marsh's insurance intermediary portfolio companies are budgeting to produce c. **£1.46bn** of aggregate Gross Written Premium (GWP) in 2022

The Group's broking investments are budgeting to place c. **£703m** of GWP, producing c. **£59m** of brokerage in 2022, accessing specialty markets across the globe

The Group's Managing General Agents (MGAs) are budgeting to underwrite c. **£761m** of GWP, producing c. **£74m** of commission income in 2022, across many specialist product areas, on behalf of more than 50 insurers



■ Brokers ■ MGAs

Overview: Managing General Agencies (“MGAs”) Investments

- B.P. Marsh’s MGAs are budgeting to underwrite aggregate GWP of more than **£761m** in 2022
- This will produce more than **£74m** of commission income and EBITDA of **£23m** in 2022
- These MGAs focus on profitable underwriting in a market where access to insurer capital is restricted

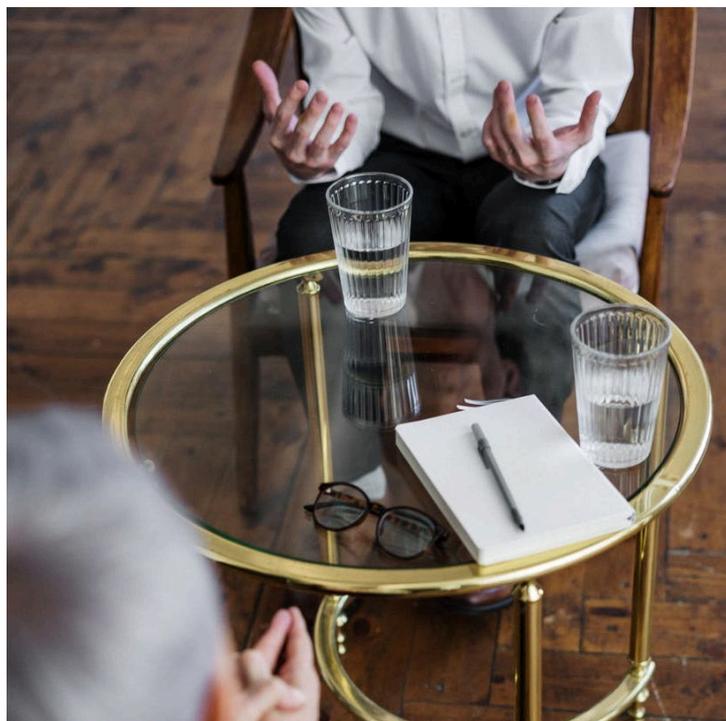
MGAs	Date of Investment	Jurisdiction	Equity % at 31 January 2022	Valuation at 31 January 2022	Cost of Investment	% of NAV at 31 January 2022
Kentro	Aug-14	UK	19.34%	£51,460,000	£15,126,554	30.9%
XPT	Jun-17	USA	28.18%	£18,597,000	£7,330,052	11.2%
ATC	Jul-18	Australia	25.56%	£12,940,000	£6,476,595	7.8%
SSRU	Jan-17	Canada	30.00%	£8,145,000	£19	4.9%
Fiducia	Nov-16	UK	35.18%	£4,228,000	£227,909	2.5%
Ag Guard	Jul-19	Australia	41.00%	£3,562,000	£1,465,071	2.1%
Sterling	Jun-13	Australia	19.70%	£2,829,000	£1,945,411	1.7%
Sage	Jun-20	USA	30.00%	£1,550,000	£202,758	0.9%
Total				£103,311,000	£32,774,369	62.0%

Overview: Broking Investments

- Since inception, much of B.P. Marsh's growth has been underpinned by a successful track record of investing in brokers, both in the Lloyd's and London market, as well as internationally
- Our Broking investments are, in the aggregate, budgeting to place **more than £703m** of GWP in 2022
- This will produce **more than £59m** of brokerage and EBITDA of more than **£15m**, accessing specialty markets around the world
- The majority of our broking investments are relatively recent, having completed in the past five years. We are now seeing strong returns from a number of these investments and expect them to develop further as part of our long-term investment strategy

Brokers	Date of Investment	Jurisdiction	Equity % at 31 January 2022	Valuation at 31 January 2022	Cost of Investment	% of NAV at 31 January 2022
CBC	Feb-17	UK	47.06%	£9,404,000	£803,500	5.6%
Summa (sold March 2022)	Jan-05	Spain	77.25%	£8,104,000	£6,096,143	4.9%
Lilley Plummer Risks	Oct-19	UK	30.00%	£2,629,000	£1,008,242	1.6%
Asia Reinsurance Brokers	Apr-16	Singapore	25.00%	£461,000	£1,551,084	0.3%
EC3	Dec-17	UK	35.00%	£440,000	£6,500,000	0.3%
Total				£21,038,000	£15,958,969	12.7%

Overview: IFA Investments - LEBC Holdings Limited (“LEBC”)



IFA	Date of Investment	Jurisdiction	Equity % at 31 January 2022	Valuation at 31 January 2022	Cost of Investment	% of NAV at 31 January 2022
LEBC Holdings Limited	April-07	UK	59.34%	£25,000,000	£12,373,657	15.0%

- B.P. Marsh has been invested in LEBC, the **Independent Financial Advisory** company providing expert financial advice to individuals, since **April 2007**
- In January 2022, the Group announced that Tavistock Investments Plc had agreed to acquire the 21% stake in LEBC owned by the McVitie Estate. FCA approval for this transaction was received in **April 2022**
- This **consideration of £10.0m** for these shares in LEBC implies a **100% equity valuation for LEBC of £44.5m**, underpinning the Company's own valuation of LEBC
- As at 31 January 2022 the IRR to B.P. Marsh is **14.28%**, incl. loans
- For its year ending 30 September 2021, LEBC produced an adjusted EBITDA of **£3.2m**, which represents a considerable year on year performance swing
- LEBC has continued to build on this performance and the group expects further year on year growth in LEBC's financial year to 30 September 2022



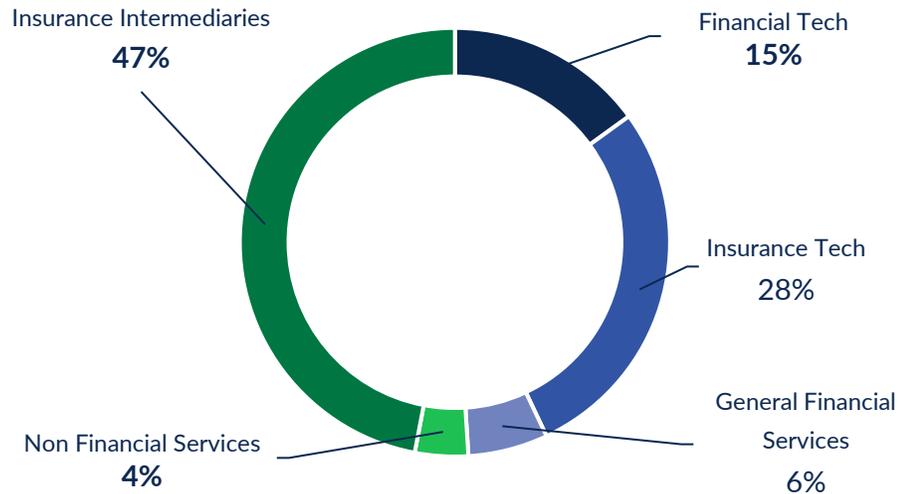


B . P . M A R S H
& P A R T N E R S P L C

New Business Approach

Investment Origination

New Investment Opportunities to 31 January 2022, by sector:



Our key investment sourcing channels

Personal Connections

Fiducia was founded by a long standing contact of B.P. Marsh. The investment originated from the maintenance of this relationship over time



Direct

A direct opportunity arose from CBC's Chairman approaching the B.P. Marsh team to assist in their MBO from an unaligned shareholder



Joint Ventures

A joint venture opportunity arose with Besso, seeing both businesses invest in Sterling



Insurance Network

Through B.P. Marsh's extensive insurance network, we were introduced to Kentro's management team and began the investment process



48 new investment opportunities in the year

38% of these new investment enquiries emanated from referrals or introductions from our existing network

44% of these opportunities were international



Kentro
Originally B.P. Marsh only took a 5% shareholding in Kentro for £1.5m. This was outside our usual investment criteria. Over time, B.P. Marsh provided follow on funding and now has a 19.05% shareholding

Besso
B.P. Marsh remained invested in Besso for 21 years, from 1995 to 2016. Throughout this period, we supported Besso to bring about significant growth, producing an IRR of 21.90%

SSRU
When B.P. Marsh invested in the business we provided backing over and above financial support. This allowed SSRU to quickly expand into one of Canada's largest independent MGAs



1

Initial Assessment

- Strong network of industry contacts brings new opportunities
- Each opportunity is scrutinised by the New Business Department
- The opportunity is then championed by the New Business Department, who are responsible for managing the investment process through to the Investment Committee and the PLC Board



2

Due Diligence and Completion

- Work to flexible timelines
- In-house comprehensive fact-finding and due diligence process - three-year historic and forecast P&L, balance sheet, cash flow forecasts required
- Financial, legal and commercial due diligence carried out as needed
- In-depth modelling is undertaken
- Final negotiation
- Completion



3

Post Transaction Support

- Business plan implemented
- Post-investment plan compiled by BPM team
- NED on the board and regular communication with the team
- Strategic support when necessary
- Secretarial and administrative support, with one of the BP Marsh team being seconded if needed
- Hiring expertise to strengthen the team
- Follow-on funding



4

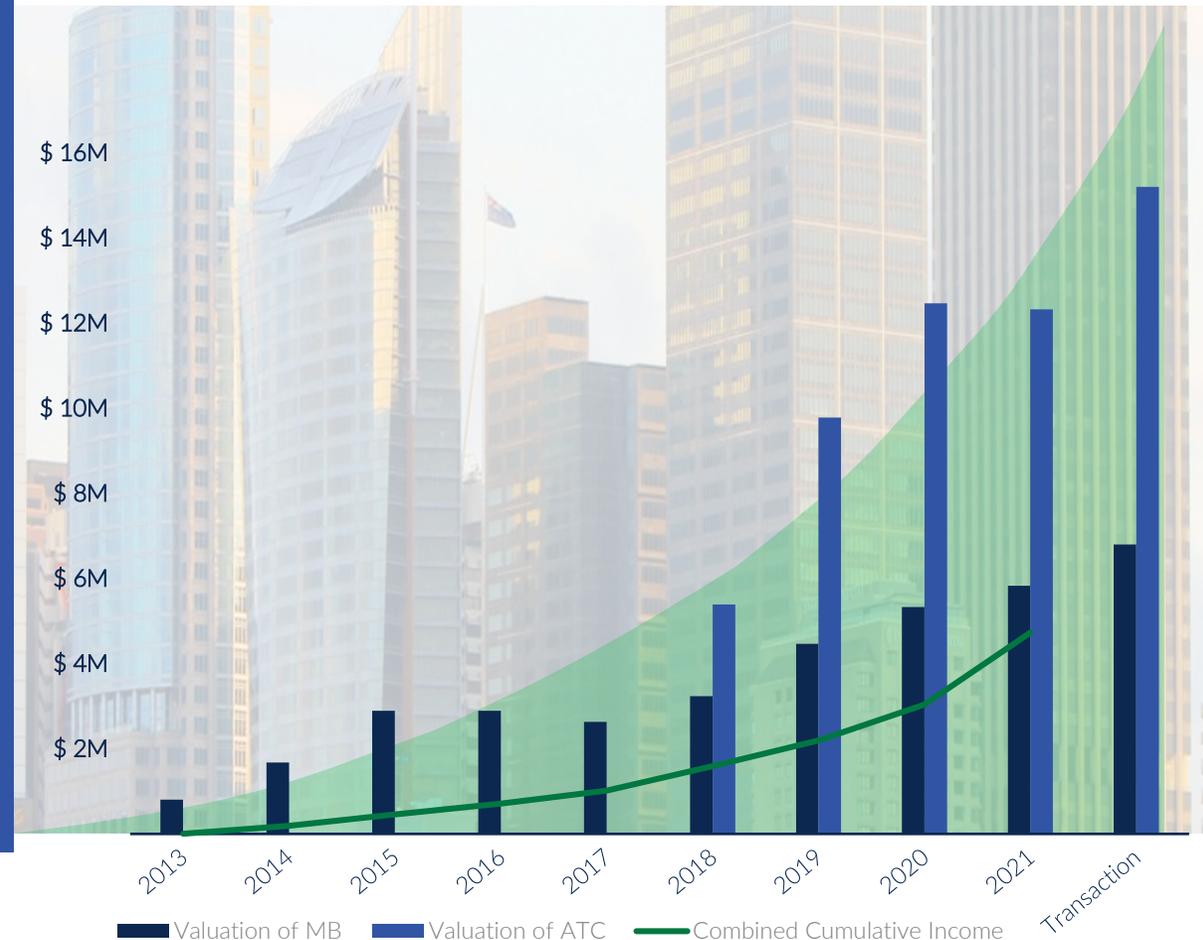
Exit Strategy

- Consider exit strategy when the business is ready to move to the next level
- Advise on which investment partners to take on in the next phase of the business
- Develop a strategic plan to see the investee company into the future
- Exit the business through IPO, trade sale or to a new financial investor

Disposal: MB Prestige Holdings PTY Limited (“MB”)

DISPOSAL

- In August 2021, MB, a high value motor MGA was acquired by ATC Insurance Solutions PTY Limited (“ATC”), the Melbourne-headquartered MGA and Lloyd’s Coverholder, in which B.P. Marsh is also a shareholder
- The idea for this proposal was brought about by B.P. Marsh, who saw an opportunity to bring value to two portfolio companies at once
- B.P. Marsh invested in MB in 2013, providing an equity investment of **AU\$0.8m (c. £0.5m)** for a **40%** equity position, alongside loan funding of **AU\$1.4m (c. £0.78m)**, which was subsequently repaid
- The investment in MB produced a **29%** IRR since 2013 (inclusive of income and fees) with the transaction representing a **c. 9x** multiple of the equity invested
- ATC paid **AU\$17m (c. £9m)** for **100%** of MB, of which **AU\$6.8m (c. £3.6m)** was consideration due to B.P. Marsh. This consideration was paid in newly issued shares in ATC, increasing B.P. Marsh’s shareholding by **5.6%** to **25.6%**
- With this merger, B.P. Marsh has demonstrated its unique and flexible approach both in terms of size and structure
- The combination of MB and ATC is transformational for both businesses, creating one of the largest independently owned underwriting agencies in Australia, handling gross written premium of c. **AU\$134m (c. £75m)**



Disposal: Walsingham Motor Insurance Limited (“Walsingham”)

DISPOSAL

- In December 2021, the Group sold its stake in Walsingham, the London based MGA, which specialised in UK Courier and Taxi Fleet Insurance
- The Group received total consideration of **£4.7m in cash** for its **40.5% shareholding** in Walsingham
- Additionally, the Group received a further **£0.2m** consideration in cash from the disposal of its **20% shareholding** in Walsingham Holdings Limited
- This resulted in total proceeds of **£4.9m**, alongside the repayment of **£0.3m** in loans
- Walsingham has been acquired by Humn.ai Limited, a London based insurance provider producing real-time data driven fleet insurance
- The Group originally invested in Walsingham in December 2013, and has supported its growth in Gross Written Premium from start up to over **£26m**
- The total consideration received represents an IRR of **22% (inclusive of all income and fees)** and a money multiple of **8x**
- The transaction also represented a **25% uplift** over the valuation at 31 July 2021 of **£3.9m**
- The disposal of Walsingham is in keeping with B.P. Marsh's strategy of investing over the long term period in start-up and early stage businesses with ambitious management teams

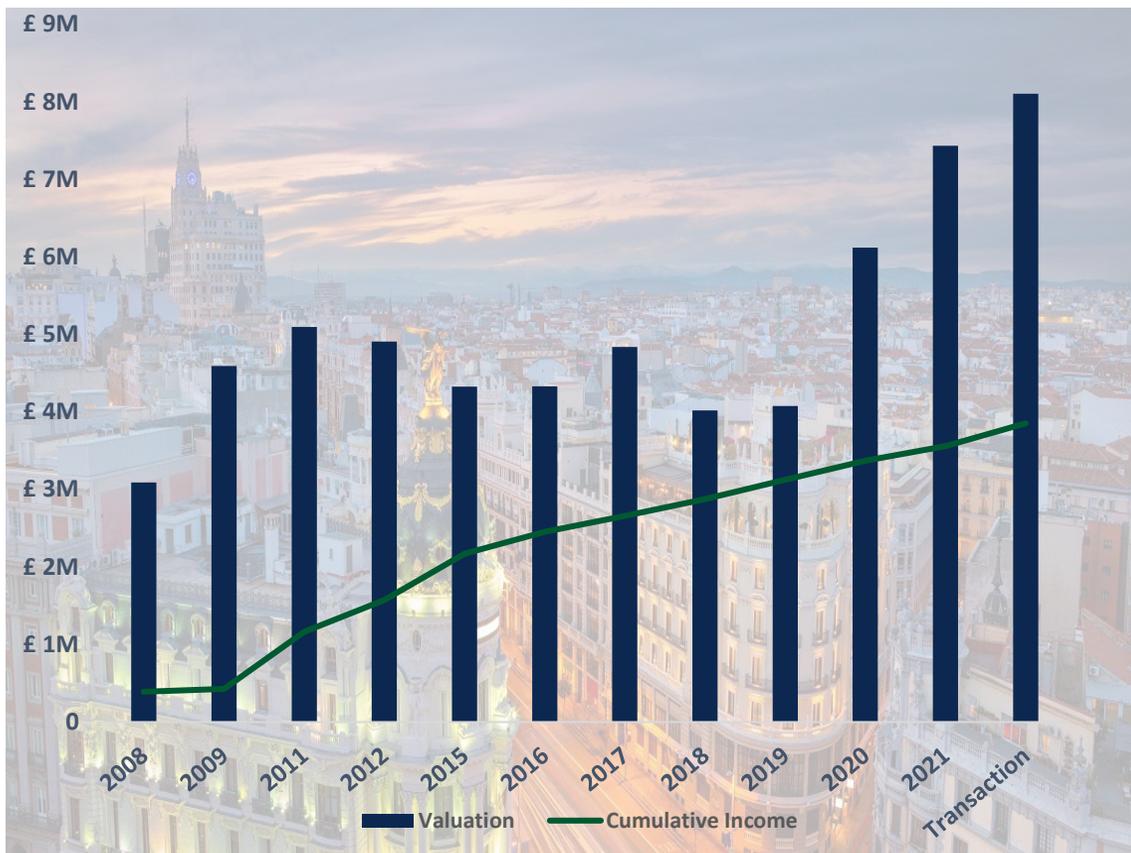


Commenting on this disposal, Jon Newman, the Group’s Finance Director and Nominee Director on the Board of Walsingham, stated:-

"The sale of our stake in Walsingham is another example of B.P. Marsh being able to identify niche opportunities to back successful management teams and to successfully realise value for our shareholders. This demonstrates the benefits of our investment process which has proven successful over a number of years."

Disposal Post Year End: Summa Insurance Brokerage, S.L. ("Summa")

DISPOSAL



- In January 2022, the Group agreed to sell its **77.25%** shareholding in Summa to Acrisure España S.L., part of Acrisure LLC, the global financial services business
- The sale completed in March 2022, when the Group received cash proceeds of **£9.6m** in relation to the disposal, comprising of:
 - **£8.1m** after transaction costs, for its **77.25%** shareholding in Summa (as at 31 July 2021, the most recent published valuation, the Group valued its shareholding in Summa at **£8.0m**)
 - **£1.5m** in full for the Group's outstanding loan to Summa
- The Group assisted Summa's Management team in the formation of Summa, back in 2005
- During this time, Summa grew to revenues of over **€11.5m**, with offices and franchises throughout Spain
- The sale of Summa realised cash proceeds to B.P. Marsh, whilst allowing Summa to move into its next phase of growth under new ownership
- This transaction represented an IRR of **5.5% (inclusive of all income and fees)** and a money multiple of **1.3x**



Commenting on this disposal, Dan Topping, the Group's Chief Investment Officer, stated:-

"In isolation this return can be seen as below B.P. Marsh's portfolio expectations, however the Group sees this return as a testament to Summa's Management team, considering the effect that the 2008 global financial crisis had on the Spanish economy, and then the Covid-19 Pandemic."

Kentro Capital Limited ("Kentro"), formerly Nexus Underwriting Management Limited



CURRENT INVESTMENT

B.P. Marsh's valuation has increased from £1.5m in 2014 (for a 5% shareholding) to £51.5m at as 31 January 2022 (for a shareholding of 19.3%)

During this period, B.P. Marsh invested a further £13.6m

As at 31 January 2022 the IRR to B.P. Marsh is 30%, incl. loans

In the financial year, Nexus secured a £70m banking facility from Barings LLC, the global investment manager

From this £70m facility, £50m will be term debt, with the remaining £20m available for new acquisitions

As part of this fundraising, Nexus repaid in full B.P. Marsh's £4m Loan Facility, which was used to acquire a further £4m of shares from a founding shareholder

On investment: 5% shareholding at £1.5m

13.4% shareholding valued at £6.0m

18.6% shareholding valued at £13.9m

17.6% shareholding valued at £20.5m

18.1% shareholding valued at £30.1m

18.1% shareholding valued at £40m

17.5% shareholding valued at £40.9m

19.3% shareholding valued at £51.5m



Kentro in numbers:-

- Managed Gross Written Premium of over \$600m
- Nexus is a top 10 global MGA
- Xenia is one of the largest independent UK trade credit brokers
- 23 acquisitions made since formation
- 16 offices across 9 countries
- 300+ employees with 250+ employee shareholders
- 30% EBITDA Compound Annual Growth Rate since formation



XPT Group LLC (“XPT”)

CURRENT INVESTMENT

B.P. Marsh originally invested £4.8m in June 2017

A further investment of £2.5m was made in January 2019, with a loan of £1.5m provided in April 2019

The Group has agreed to invest a further £2.8m in convertible loan stock and equity, subject to Senior Lender approval

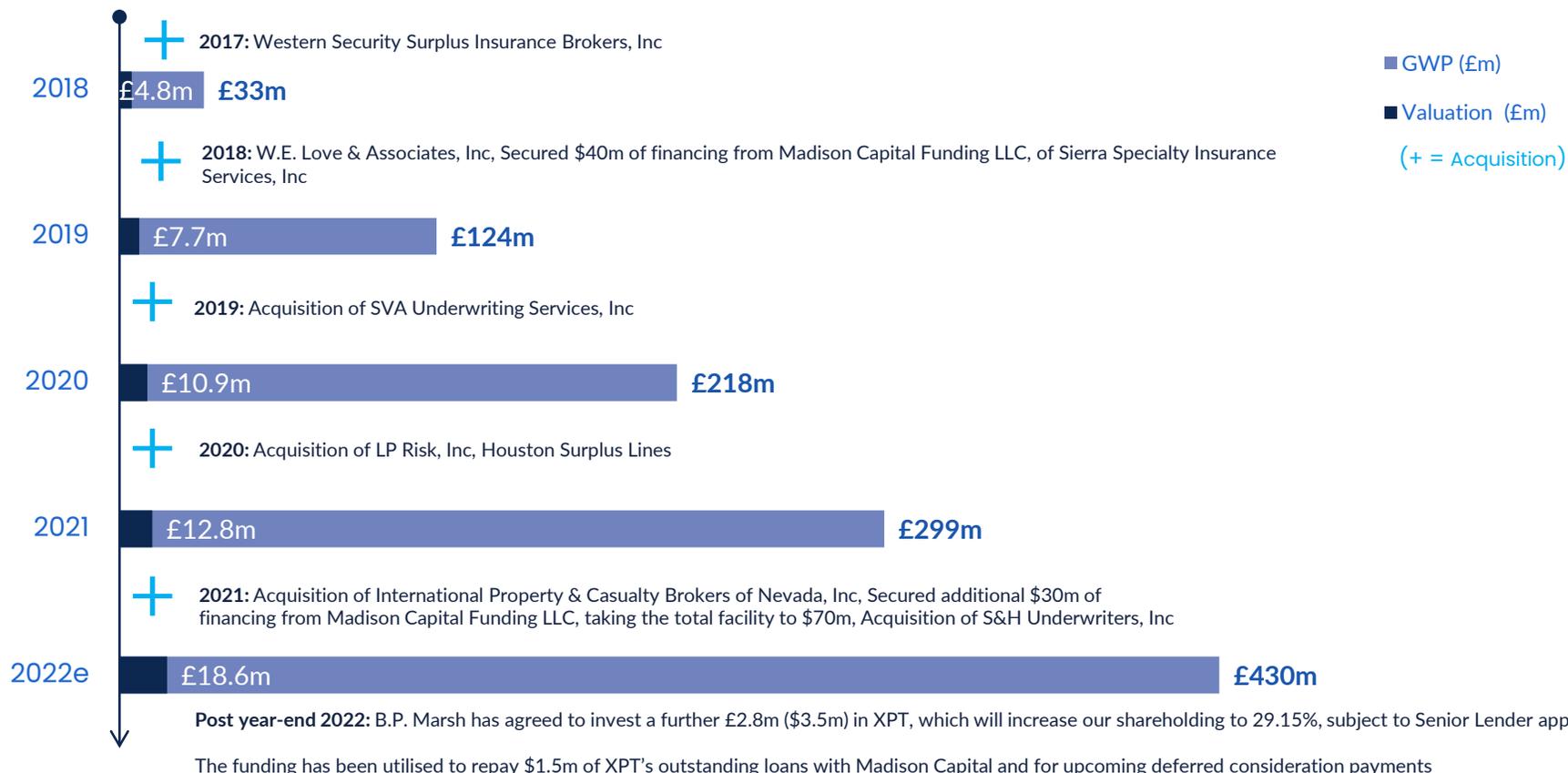
Including this investment, B.P. Marsh have provided XPT £11.6m in total

B.P. Marsh’s current shareholding is 28.18%

As at 31 January 2022 the IRR to B.P. Marsh is 38.51%, incl. loans



XPT Group growth and valuation history



Investment Summary - The Fiducia MGA Company Limited ("Fiducia")

CURRENT INVESTMENT



- B.P. Marsh first invested in Fiducia, the UK Marine Cargo MGA, in November **2016**
- To date the Group has provided **£0.23m** in equity, with current loan balance with the Group being **£2.4m**
- As at 31 January 2022, the Group's **35.2%** shareholding was valued at **£4.2m**
- Fiducia has experienced strong growth over the last number of years with Gross Written Premium now in excess of **£20m**
- The Group is confident that Fiducia will continue on this growth trajectory, and will exceed **£25m** of Gross Written Premium in its current financial year to **30 December 2022**
- Since formation, Fiducia has had in place strong underwriting controls which focus on the underlying profitability of their book of business
- Such an underwriting strategy is beginning to bear fruit as Fiducia is now beginning to receive regular material profit commissions
- As at 31 January 2022 the IRR to B.P. Marsh is **30.32%**, incl. loans

Investment Summary - CBC UK Limited ("CBC")

CURRENT INVESTMENT



- CBC, in which B.P. Marsh first invested in 2017, continues to perform well
 - In CBC's last financial year, an EBITDA of **£2.2m** was achieved, which represented a **33%** year on year increase
 - The positive performance has continued into CBC's current financial year
 - CBC secured a **£3m** in financing facilities from Coutts & Company following an introduction from the Group
 - This financing was used to repay **£2m** of debt provided by B.P. Marsh
 - All additional funds are being utilised for growth and CBC have hired a number of new producers
- This includes:-
 - A **Global Risk team**, led by Mark Winston, who have been together for over **30** years
 - A new head of CBC's **Art & Private** Client division, Chris Tully, has been appointed. Chris Tully is highly experienced and well recognised throughout the industry
 - A new UK team, led by Peter Harris, with a focus on UK retail commercial property business, with a large proportion of the portfolio being within the leisure and hospitality sectors
 - CBC continue to be in the market to hire new producers and have an active pipeline of opportunities
 - As at **31 January 2022** the IRR to B.P. Marsh is **30.79%**, incl. loans



Investment Summary - Ag Guard PTY Limited ("Ag Guard")

CURRENT INVESTMENT



- Since our investment in **2019**, Ag Guard continues to perform well, producing significant year on year growth
- During our financial year, Ag Guard entered into a new strategic partnership with Elders Insurance (Underwriting Agency) Pty Limited ("Elders"), owned by QBE Insurance Group Limited ("QBE"), one of Australia's largest general insurers
- Ag Guard now provide specialist crop insurance products for both the broadacre and cotton crop sectors
- The new partnership with Elders and QBE has been transformational for Ag Guard , with GWP expected to be above **AU\$ 40m** in their year to **30 June 2022**
- In comparison, Ag Guard produced GWP of c. **AU\$ 7m** in its last financial year to **30 June 2021**
- The Group's valuation of its **41%** in Ag Guard has increased to **£3.5m**
- As at 31 January 2022 the IRR to B.P. Marsh is **53.12%**, incl. loans



Ag Guard

Investment Summary - EC3 Brokers Limited ("EC3")



CURRENT INVESTMENT



- The Group first invested in EC3, the Lloyd's independent specialist insurance and reinsurance broker, in 2017
 - The performance of EC3 has been adversely affected by the Covid-19 pandemic since 2020
 - EC3's contingency division provided large event cancellation insurance to the entertainment industry, business which was non-existent during Covid-19
 - Once the entertainment industry began to reopen, the contingency division left to join a rival broker. The Group assisted EC3 in the negotiations with this rival broker, which led to a settlement being reached
 - The above has resulted in a reduction in the Group's valuation of EC3 to 31 January 2022 of £6.1m over the Year. The reduction in valuation since 31 July 2021 was £3.4m
- B.P. Marsh has continued to support EC3 during this difficult period, and has assisted EC3 in the following ways:-
 - Review of revolving revenue forecasts and cash flow to ensure that the business always met its capital requirements
 - Continued strategic support regarding the future growth potential of EC3
 - Provision of £1.5m in equity financing (for a further 15% stake), alongside external debt financing
 - Supported the refinancing of EC3's bank debt
 - The establishment by EC3 of a new US Property wholesale division, which is now gaining considerable traction

The above demonstrates the Group's investment approach, being to support its investee companies in times of difficulty

Given the Group's long-term mantra, we have the ability to trade through difficult periods as the one experienced by EC3

The Group believes that EC3 is well positioned to grow in the future



Investment Summary - Stewart Specialty Risks Underwriting Ltd ("SSRU")



"When establishing SSRU, I wished to build a 'one stop shop' for clients operating in a number of niche sectors across Canada. The continued expansion of SSRU's product offering, alongside its "anywhere/any time" working structure and robust IT systems have seen SSRU being able to fulfil this wish in providing impeccable service to its clients

From the outset, B.P. Marsh understood and encouraged SSRU's business model and culture, which has been central to our success since formation

Since B.P. Marsh provided start-up capital to SSRU, the business has seen considerable growth, both in Gross Written Premium and underlying profitability, outperforming its business plan

I look forward to B.P. Marsh's continued support over the years to come, and working closely with them to continue SSRU's growth trajectory"

Stephen Stewart - Founder & CEO



SSRU Investment in numbers:-

- Growth in Gross Written Premium from start-up to a current budget of over **CA\$ 70m** in four years
- Growth in EBITDA to **CA\$ 4.6m** in 2021, with further growth year on year expected
- Nominal **£19** investment for **30%** stake now valued at **£8.1m**
 - IRR of **121.25%**

Dan Topping (Chief Investment Officer) stated:-

"B.P. Marsh prides itself on maintaining a close working relationship with the directors and senior executives of our investee companies.

They are our first port-of-call for any ideas or proposals regarding the management and future of their company

We are proud to maintain positive relations with the management teams allowing us to openly discuss all business matters to the benefit of both investor and investee"

Financial Highlights - Year Ended 31 January 2022

Net Asset Value (NAV) of
£166.6m
 +£11.6m over six months
 +£16.7m over year

31 July 2021: £155.0m
 31 January 2021: £149.9m

NAV per share of
462.7p +11.1% over year
 (455.6p* diluted)

31 July 2021: 430.4p (424.6p diluted)
 31 January 2021: 416.4p (411.3p diluted)

11.7% Total Shareholder Return
 Including dividend of £0.9m paid July 2021

Consolidated Profit before Tax:
£19.4m

Six months ended 31 July 2021: £6.2m
 Year ended 31 January 2021: £13.7m

Underlying Profit before Tax:
£3.2m

Six months ended 31 July 2021: £0.9m
 Year ended 31 January 2021: £0.9m

Final dividend of
2.78p per share
 (£1.0m)

To be paid on 29 July 2022 to shareholders registered at close of business on 1 July 2022

* In 12 June 2021 certain performance criteria were met in respect of a long-term incentive plan. When the joint share ownership arrangements are eventually exercised this could dilute the NAV per share to 455.6p

Average compound NAV growth of

8.4% p.a.

since flotation and

11.6% p.a.

since 1990*

Excl. £10.1m raised on flotation and £16.6m raised in the July 2018 Share Placing and Open Offer

Loan Portfolio

£10.4m

31 July 2021: £16.7m
31 January 2021: £17.1m

Net Loans Repaid

£7.8m

Key repayments

- £4.0m Kentro
- £2.0m Paladin
- £1.1m MEP (previously provided against)

£8.6m cash

at 31 January 2022

Current cash balance of £17.5m**

Group is debt free - £1.0m loan repaid

Equity Investment:

£8.0m

- £4.0m Kentro
- £3.6m ATC
- £0.4m Paladin

Equity Proceeds received:

£8.8m

- £4.9m Walsingham
- £3.6m MB
- £0.3m Paladin (shares held under Option)

Discount to NAV (diluted)

37%

Based on share price of 289p per share on 9 June 2022

*This excludes any value for the Group itself

** £14.7m net of £2.8m investment in XPT due to complete shortly

B.P. Marsh's expertise and experience puts us in a prime position to support SME financial intermediaries to reach the next level

Our investments continue to achieve attractive returns over long periods with low risk for investors

The share price is currently at a significant discount to NAV

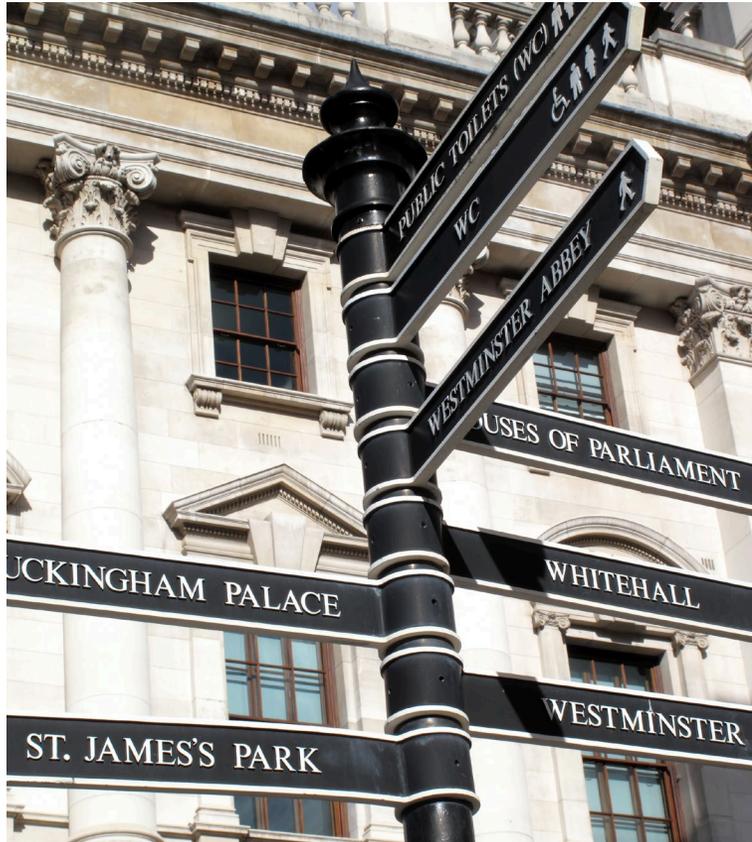


The global insurance market continues to be a promising destination for investors and investees through all phases of business growth

Our position as capital provider of choice for the sector in which we operate offers us unparalleled access to new opportunities

Through an extensive network of brokers, insurers, and investors, we have global coverage to find the right opportunities

We're farmers not hunters. We grow businesses in a financially sustainable and secure way



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Equity Investments - Underwriting Agencies

Investment	Sector	Jurisdiction	Fair market value 31 January 2022 (£'000)	Equity As at 31 January 2022	Cost of equity investment (£'000)	Year of initial investment	Movement in year to 31 January 2022 (£'000)	Movement in Year to 31 January 2022 (%)
Nexus	MGA	UK	51,460	19.3%	15,126	2014	6,554	14.6%
ATC	MGA	Australia	12,940	25.6%	6,477	2018	2,483	23.7%
SSRU	MGA	Canada	8,145	30.0%	-	2017	2,474	43.6%
Fiducia	MGA	UK	4,228	35.2%	228	2016	915	27.6%
Ag Guard	MGA	Australia	3,562	41.0%	1,465	2019	2,072	139.1%
Sterling	MGA	Australia	2,829	19.7%	1,945	2013	80	2.9%
Sage	MGA	USA	1,550	30%	203	2020	343	28.4%
Criterion	MGA	Singapore	-	29.4%	50	2018	-	-

Equity Investments - Brokers and Other

Investment	Sector	Jurisdiction	Fair market value 31 January 2022 (£'000)	Equity As at 31 January 2022	Cost of equity investment (£'000)	Year of initial investment	Movement in year to 31 January 2022 (£'000)	Movement in Year to 31 January 2022 (%)
Summa	Insurance Broking	Spain	8,104	77.3%	6,096	2005	669	9.0%
Paladin (CBC)	Insurance Broking	UK	9,404	47.1%	804	2017	648	7.4%
EC3 Brokers	Insurance Broking	UK	440	35.0%	6,500	2017	(6,060)	(93.2%)
LPR	Insurance Broking	UK	2,629	30.0%	1,008	2019	325	14.1%
ARB	Insurance Broking	Singapore	461	25.0%	1,551	2016	(84)	(15.4%)
LEBC	IFA	UK	25,000	59.3%	12,374	2007	-	-
XPT	Insurance Group	USA	18,597	28.2%	7,330	2017	5,785	45.2%
Portfolio Value/Total			149,349		61,157		16,204	14.7%*

*adjusted for £8.0m new investment and £8.8m disposals during year

Loan Portfolio



Investment	31 January 2022 (£'000)	31 July 2021 (£'000)	31 January 2021 (£'000)
Broucour	1	21	37
Fiducia	2,449	2,545	2,545
Kentro	-	4,000	4,000
LEBC	1,500	1,500	1,500
Lilley Plummer Risks	200	-	-
Paladin (CBC)	3,096	5,096	5,096
Sage	111	108	-
SSRU	-	-	171
Summa	1,521	1,664	2,056
Walsingham	-	286	286
XPT	1,487	1,442	1,452
Total	10,365	16,662	17,143

Portfolio as at 31 January 2022



<p>Agri Services Company PTY Limited 41.0%</p>	<ul style="list-style-type: none">• Investment date: July 2019• Ag Guard is an Australian-based MGA which provides insurance to the Agricultural Sector
<p>Asia Reinsurance Brokers (Pte) Limited 25.0%</p>	<ul style="list-style-type: none">• Investment date: April 2016• ARB is a Singapore-headquartered independent specialist reinsurance and insurance risk solutions provider
<p>ATC Insurance Solutions PTY Limited 20.0%</p>	<ul style="list-style-type: none">• Investment date: July 2018• ATC is an Australian-based MGA and Lloyd's Coverholder. ATC specialises in Accident & Health, Construction & Engineering, Trade Pack and Sports insurance
<p>CBC UK Limited 47.1%</p>	<ul style="list-style-type: none">• Investment date: February 2017 (through Paladin Holdings Limited)• CBC is a Retail and Wholesale Lloyd's Insurance Broker, offering a wide range of services to commercial and personal clients as well as broking solutions to intermediaries

Portfolio as at 31 January 2022 Continued



Criterion Underwriting (Pte) Limited 29.4%	<ul style="list-style-type: none">• Investment date: July 2018• Criterion is a start-up Singapore-based Managing General Agency providing specialist insurance products to a variety of clients in the Cyber, Financial Lines and Marine sectors in Far East Asia
EC3 Brokers Limited 35.0%	<ul style="list-style-type: none">• Investment date: December 2017• EC3 is an independent specialist Lloyd's broker and reinsurance broker and provides services to a wide array of clients across several sectors, including construction, casualty and cyber & technology
The Fiducia MGA Co Limited 35.2%	<ul style="list-style-type: none">• Investment date: November 2016• Fiducia is a UK Marine Cargo Underwriting Agency, with registered Lloyd's Coverholder status which specialises in the provision of insurance solutions across a number of Marine risks including Cargo, Transit Liability, Engineering and Terrorism Insurance
LEBC Holdings Limited 59.3%	<ul style="list-style-type: none">• Investment date: April 2007• LEBC is a national Independent Financial Advisory company providing services to individuals, corporates and partnerships, principally in employee benefits, investment and life product areas

Portfolio as at 31 January 2022 Continued



<p>Lilley Plummer Holdings Limited 30.0%</p>	<ul style="list-style-type: none"> • Investment date: October 2019 • Lilley Plummer Risks is a specialist marine Lloyd's broker, based in London providing a wide range of services for the maritime industry such as Marine and Hull Insurance, P & I cover and Cargo Insurance
<p>Kentro Capital Limited* 19.3%</p> <p>*(formerly Nexus Underwriting Management Limited)</p>	<ul style="list-style-type: none"> • Investment date: August 2014 • Kentro is the holding company for Nexus Underwriting Management Limited and Xenia Broking Group Limited, founded in 2008. Through its operating subsidiaries, it specialises in Directors & Officers, Professional Indemnity, Financial Institutions, Accident & Health, Trade Credit Insurance and Political Risks Insurance
<p>Sage Program Underwriters, Inc 30.0%</p>	<ul style="list-style-type: none"> • Investment date: June 2020 • Based in Bend, Oregon and founded in 2020 by CEO Chuck Holdren, Sage provides Workers Compensation insurance to niche industries, including inland delivery and field sport sectors
<p>Summa Insurance Brokerage S.L. 77.3%</p>	<ul style="list-style-type: none"> • Investment date: January 2005 • We provided finance to a Spanish management team in order to acquire and consolidate regional insurance brokers in Spain • The Summa investment was sold in March 2022

Portfolio as at 31 January 2022 Continued



<p>Stewart Specialty Risk Underwriting Ltd 30.0%</p>	<ul style="list-style-type: none">• Investment date: January 2017• SSRU is a recently established Specialty Casualty Underwriting Agency, based in Toronto, Canada. It provides specialist insurance products to a wide array of clients in the Construction, Manufacturing, Onshore Energy, Public Entity and Transportation sectors
<p>Sterling Insurance PTY Limited 19.7%</p>	<ul style="list-style-type: none">• Investment date: June 2013 (through Neutral Bay Investments Limited)• Sterling is a Sydney-based specialist underwriting agency offering a range of insurance solutions within the Liability sector, specialising in niche markets including hard-to-place and complex risks
<p>XPT Group LLC 28.2%</p>	<ul style="list-style-type: none">• Investment date: June 2017• XPT Group is a New York-based specialty lines insurance distribution group looking to build a wholesale insurance broking and underwriting agency platform across the U.S. Specialty Insurance Sector

Consolidated Statement of Financial Position (IFRS) at 31 January 2022



	31 January 2022 (Audited)	31 July 2021 (Unaudited)	31 January 2021 (Audited)
Tangible and intangible assets	96	107	123
Right of use asset	836	919	1,001
Investments at fair value – Equity Portfolio	149,349	136,205	130,951
Debtors / Loans receivable	12,205	19,522	20,231
Cash and treasury funds	8,628	1,057	709
Creditors < 1 year (Loans and tax and other payables)	(1,837)	(1,636)	(2,169)
Creditors > 1 year (Loans and tax & other payables)	(772)	(856)	(939)
Net Assets (excl. Deferred tax)	168,505	155,318	149,907
Deferred Taxation provision	(1,898)	(338)	-
NET ASSETS 11.1% increase in year to 31 January 2022 after dividend (11.7% before dividend)	166,607	154,980	149,907

Consolidated Statement of Comprehensive Income (IFRS) at 31 January 2022



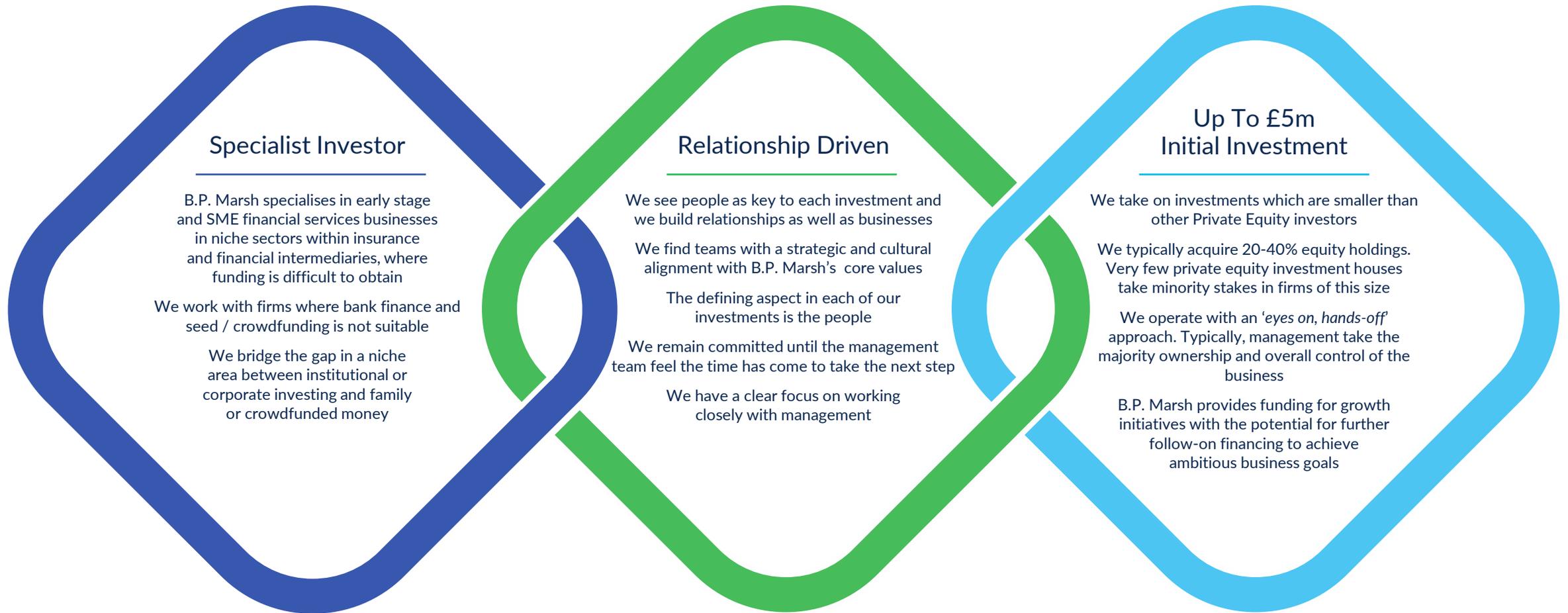
	Audited year to 31 January 2022 £'000	Unaudited 6 months to 31 July 2021 £'000	Audited year to 31 January 2021 £'000
Gains on investments (realised and unrealised)	19,142	5,315	12,877
Amounts recovered from / (impairment of) investments and loans	1,117	-	37
Operating income	4,077	2,658	4,504
Total income	24,336	7,973	17,418
Operating expenses and FX movement	(4,863)	(1,697)	(3,619)
Net financial (expenses)/income	(78)	(40)	(64)
Profit before tax	19,395	6,236	13,735
Taxation	(1,911)	(344)	(14)
Post tax profit for period	17,484	5,892	13,721
Earnings per share – basic	48.6p	16.4p	38.2p
Earnings per share – diluted	47.3p*	16.2p*	38.2p

*calculation includes 1,461,302 shares held under joint ownership arrangements proportioned over the period from the vesting date of 12 June 2021

Consolidated Statement of Cash Flows (IFRS) at 31 January 2022



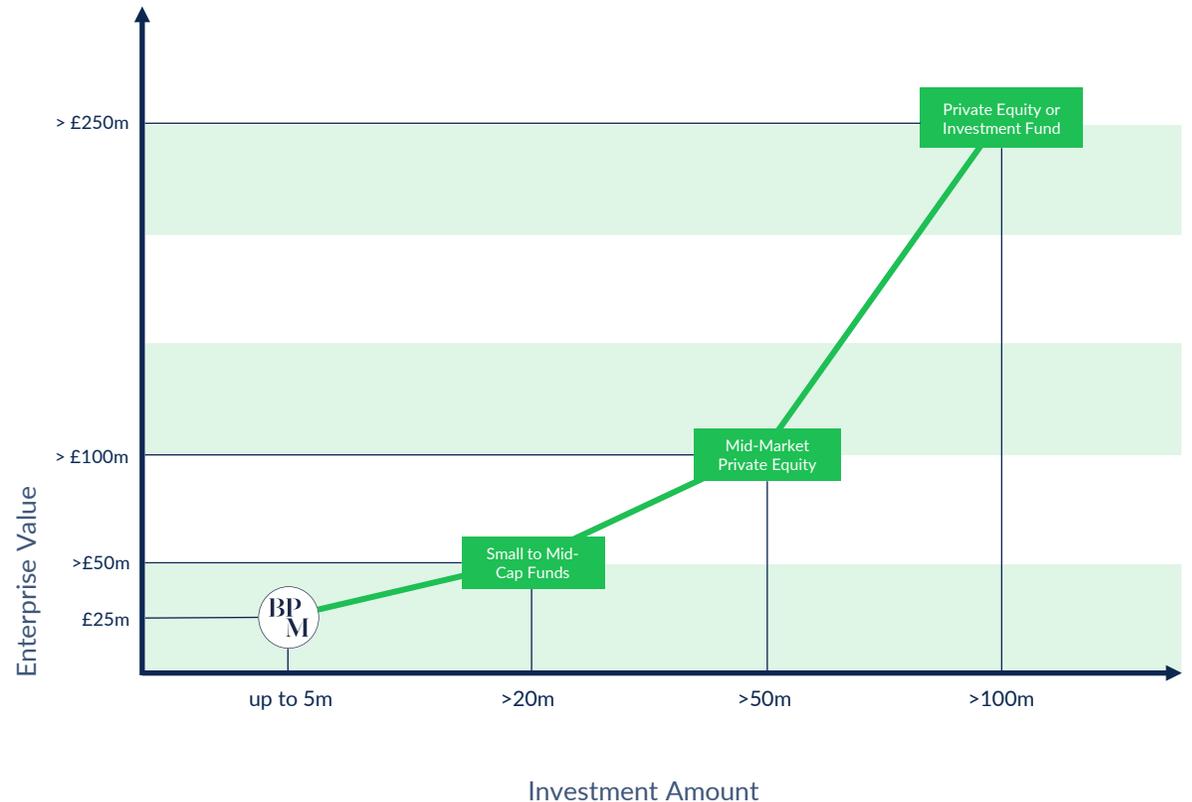
	Audited year to 31 January 2022 £'000	Unaudited 6 months to 31 July 2021 £'000	Audited year to 31 January 2021 £'000
Net cash from operating activities	1,507	874	408
FX Movement	(35)	(2)	(81)
Taxation	(13)	(6)	234
Purchase of property, plant and equipment	(6)	-	(5)
Equity investments made	(8,011)	(200)	(2,408)
Net proceeds on sale of equity investments	8,755	261	-
Net loans repaid by/(granted to) investee companies	7,837	418	1,796
Net financial (expenses)/income	(78)	(40)	(64)
(Repayment) / advances of borrowings	(1,000)	-	1,000
Net decrease in lease liabilities	(159)	(79)	(160)
Dividends paid	(878)	(878)	(798)
Increase/(decrease) in cash in the period	7,919	348	(78)
Cash at beginning of period	709	709	787
Cash and cash equivalents at period end	8,628	1,057	709



Bridging the Gap



- B.P. Marsh specialises in providing early-stage finance, investing in businesses with an enterprise value of between £0 and c. £25m
 - Our flexible approach to investment translates into us operating in a niche segment where funding is difficult to obtain
 - The Group's primary competitors would typically require an enterprise value of at least £50m before an opportunity becomes of interest
 - B.P. Marsh is able to tailor its investment model to suit each opportunity, offering funding to businesses which fall outside the criteria of traditional private equity houses
 - Opportunities come from specialists in their own field looking to go it alone, management teams wanting to engineer a buyout, or existing businesses seeking growth capital
 - Investing in businesses at this value stage can be high risk, however, the valuation multiples used are often lower, meaning we can often secure an advantageous price, whilst also providing the investment capital required
- With the support of B.P. Marsh, these businesses develop over time achieving considerable growth in value
 - These investments then attract the interest of mid-market private equity houses, eventually being sold through competitive run processes
 - The Group see this investment approach as 'Bridging the Gap'



B.P. Marsh & Partners PLC Board



Brian Marsh
Executive Chairman
55+ years of experience

- Founded B.P. Marsh in 1989
- Previously Chairman and major shareholder of the Nelson Hurst & Marsh Group
- Bought and sold many financial services businesses throughout distinguished career



Alice Foulk
Managing Director
10+ years of experience

- Joined B.P. Marsh in 2011, appointed Managing Director in 2016
- Central to the management of B.P. Marsh, ensuring objectives and goals are achieved



Dan Topping
Chief Investment Officer
15+ years of experience

- Joined B.P. Marsh in 2007 and appointed Chief Investment Officer in 2016
- Responsibility for the investment strategy at B.P. Marsh; sourcing structuring, developing, supporting and monitoring the Portfolio



Jon Newman
Group Finance Director
20+ years of experience

- Joined B.P. Marsh in 1999 and appointed Group Finance Director in 2003
- Oversees all financial activities at B.P. Marsh, alongside assisting with the financial strategy across the Portfolio of Investments



Pankaj Lakhani
Non-Executive Director
40+ years of experience

- Worked for several Lloyd's insurance broking and underwriting firms
- Finance Director at Victor O. Schinnerer & Co Ltd (trading as Admiral/Encon Underwriting Agencies)
- Joined B.P. Marsh as an NED in 2015



Nick Carter
Non-Executive Director
50+ years of experience

- Held variety of senior management positions at Nelson Hurst & Marsh Limited, Citicorp Insurance Brokers
- Consultant at both Alexander Forbes Pty. Ltd and Prime Professions Ltd
- Joined B.P. Marsh as an NED in 2019

Highly experienced and respected senior team, with deep industry knowledge across the financial services industry

c.30 years' average experience

B.P. Marsh & Company Limited Board



Brian Marsh
Executive Chairman
55+ years of experience



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Alice Foulk
Managing Director
10+ years of experience



- Joined B.P. Marsh in 2011, appointed Managing Director in 2016
- Central to the management of B.P. Marsh, ensuring objectives and goals are achieved

Abi Barber
Investment Director
8+ years of experience



- Joined B.P. Marsh in 2013 and became Investment Director in 2019, with a seat on the B.P. Marsh & Company Board
- Focus on investments in Australia, as well as Lilley Plummer Risks, Fiducia and XPT, working for the CIO

Francesca Lowley
Group Management Accountant
8+ years of experience



- Joined B.P. Marsh in 2013 and became Group Management Accountant in 2019, joining the B.P. Marsh & Company Board
- Produces Group Management Accounts alongside assisting in the routine running of the Finance department

c.15 years
average tenure

Oliver Bogue
Investment Director
10+ years of experience



- Joined B.P. Marsh in 2011, as assistant to the Group Company Secretary
- Appointed Investment Director in 2016, working for the CIO, joining the B.P. Marsh & Company Board

c.18 years
average experience

Minority Investor Protections



- B.P. Marsh believes that day-to-day operational control of the business is the domain of the executive management team. However, our position is well protected and portfolio investments are actively monitored
- From the time of investment, we outline the matters which would require consent from the Group, above certain agreed thresholds, before an investee company may proceed. These can include:
 - Alterations to share capital
 - Acquisitions
 - Capital expenditure or asset disposals of any nature outside pre-agreed limits
 - Capital protection
 - Appointments of directors and senior executives
 - Remuneration of directors and senior executives
 - Any material additional borrowing
 - Changes in the nature of the company's business
 - Application for a flotation
 - Dividend payments or other distributions including bonuses
- The Group has an extensive track record of working within companies as partners and places significant emphasis around investing time up-front in building relationships



Key Shareholders as at 27th May 2022

Directors

Brian Marsh OBE	41.80%*
Alice Foulk	Less than 0.5%
Daniel Topping	Less than 0.5%
Jonathan Newman	Less than 0.5%
Pankaj Lakhani	Less than 0.5%
Nicholas Carter	Less than 0.5%

Group Company Secretary

Sinead O’Haire	Less than 0.5%
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*includes 3.94% via the Marsh Christian Trust

Major Shareholders (>3%)

PSC UK Pty Limited	19.71%
Mr. Martin MacLeish	4.80%
Hargreaves Lansdown Asset Mgt	4.28%
JTC Employer Solutions*	3.85%
Interactive Investor	3.71%
James Sharp & Co	3.44%

*Trustee of the Company’s Joint Share Ownership Plan



Joint Share Ownership Plan (JSOP)

A **3.9%** three-year JSOP was created in June 2018 to incentivise and retain the management team and staff

1,461,302 new shares were issued at the market price of 281p at close on 12 June 2018 on a partly-paid basis

Subject to share price hurdle of **313p** and specific performance criteria

These shares were issued into joint beneficial ownership of employees and the newly formed Trustees of B.P. Marsh Employee's Share Trust (the "Trust")

On 12 June 2021 the performance criteria were met. Whilst these shares remain in the Trust, they hold no voting or dividend rights and are therefore non-dilutive until they are sold

1,206,888 of the **1,461,302** shares are jointly owned by employees and the Trust. **254,414** shares were forfeited by departing employees, with the Trust having full ownership

On a sale in excess of **281p** per share the Group is entitled to receive up to **£4.1m**. The dilutive NAV per share includes the **1,461,302** shares but also the **£4.1m** receivable

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