



B. P. MARSH
& PARTNERS PLC

Interim Results

For the 6 month period ending 31 July 2022

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

Thursday 19th October 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

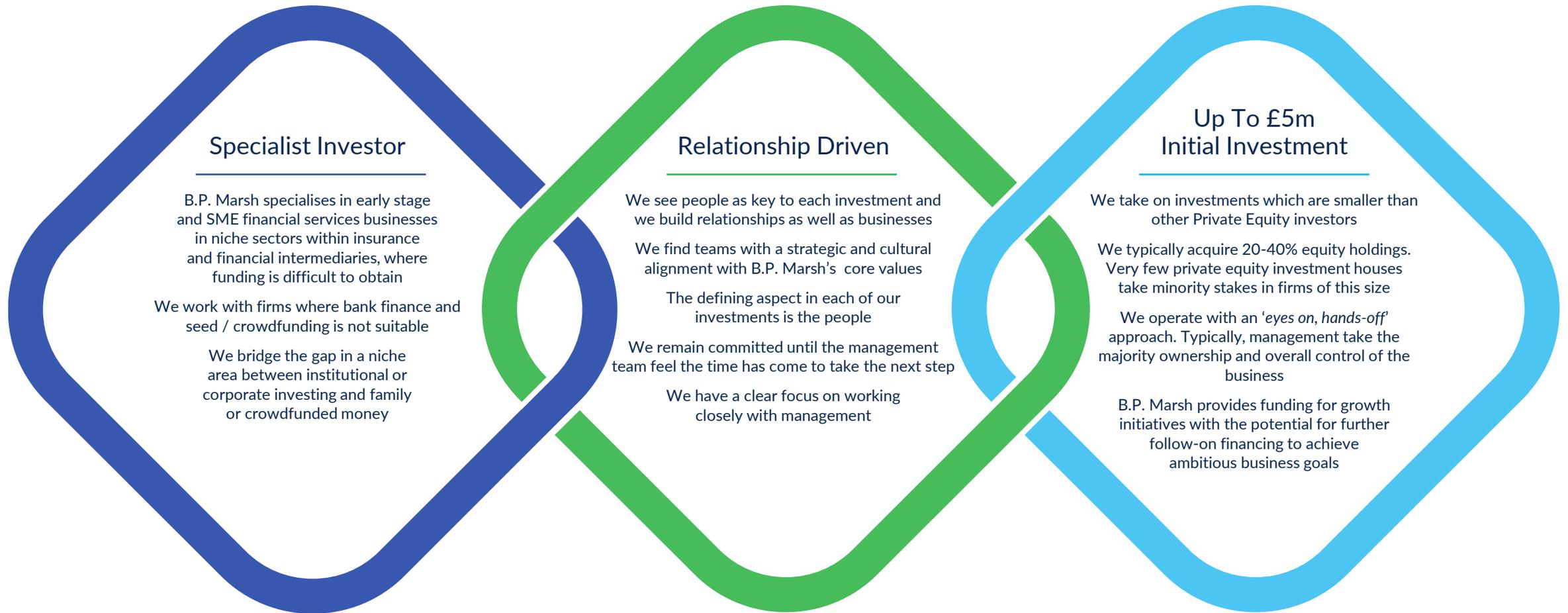
B.P. Marsh was founded in 1990 and has since invested in **54** companies

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



Our Investment Strategy

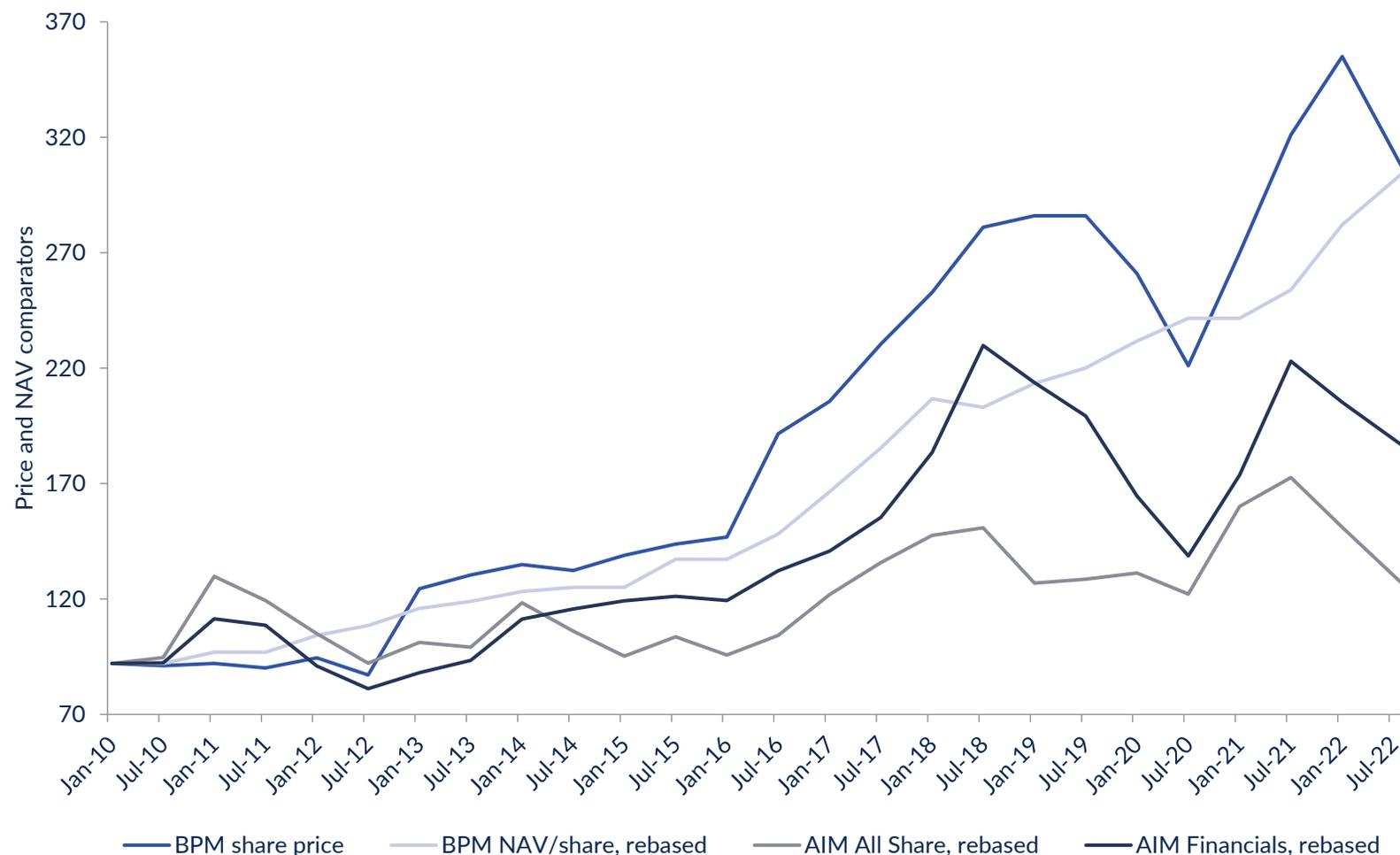
We take a long term view, with an average holding period of **7.3** years making an initial investment of up to **£5m** for minority equity positions (20-40% shareholdings)



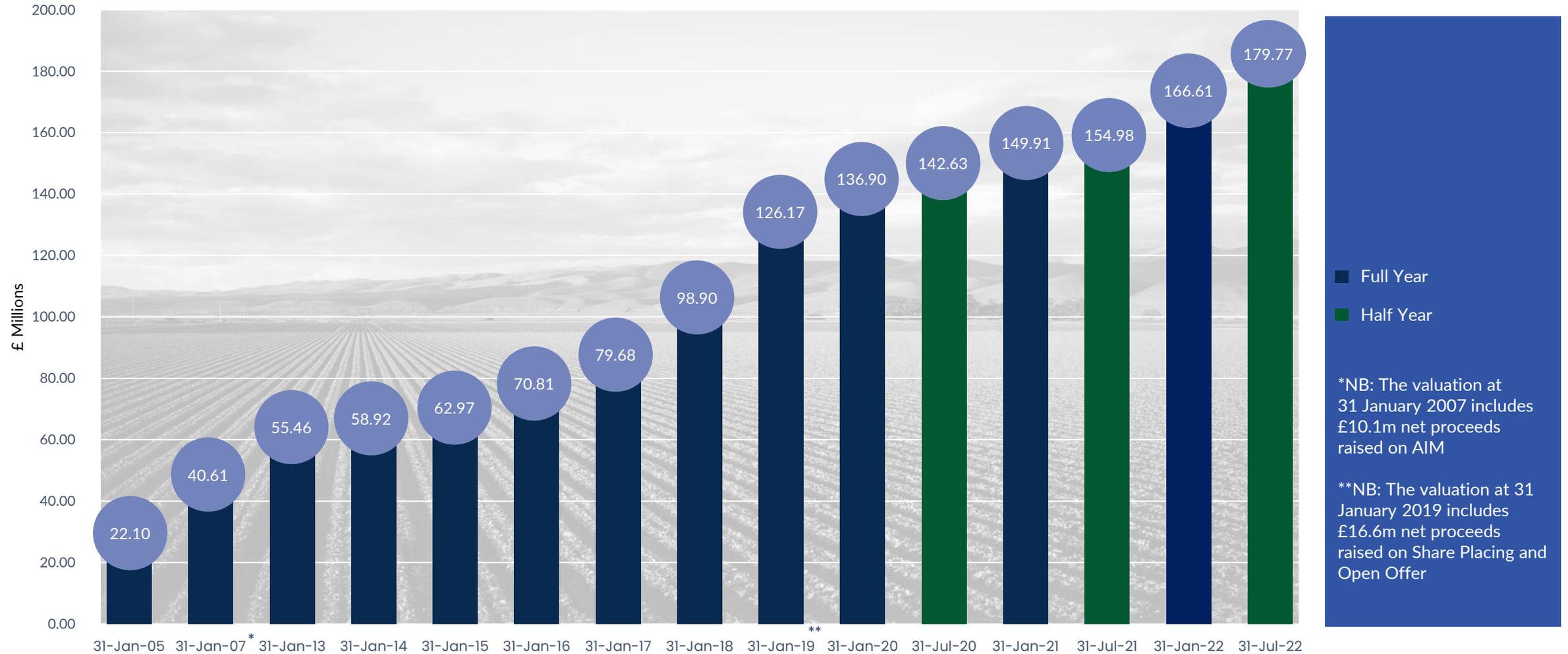
Summary: Period Ending 31 July 2022

- As at 31 July 2022 – 15 investments in the portfolio with a NAV of **£179.8m** (31 January 2022 **£166.6m**)
- Total Shareholder return of **8.5%** for the six month period to 31 July 2022
- Dividend of **2.78p** per share declared for the year ended 31 January 2022 and paid in **July 2022**
- Increase in Equity Portfolio Value of **11.4%** in period to 31 July 2022 to **£160.4m**
- **£5.8m** of NAV increase relates to weakening of Pound Sterling
- Loan Book value of **£9.2m**
- **£14.1m** cash and treasury funds available as at 31 July 2022

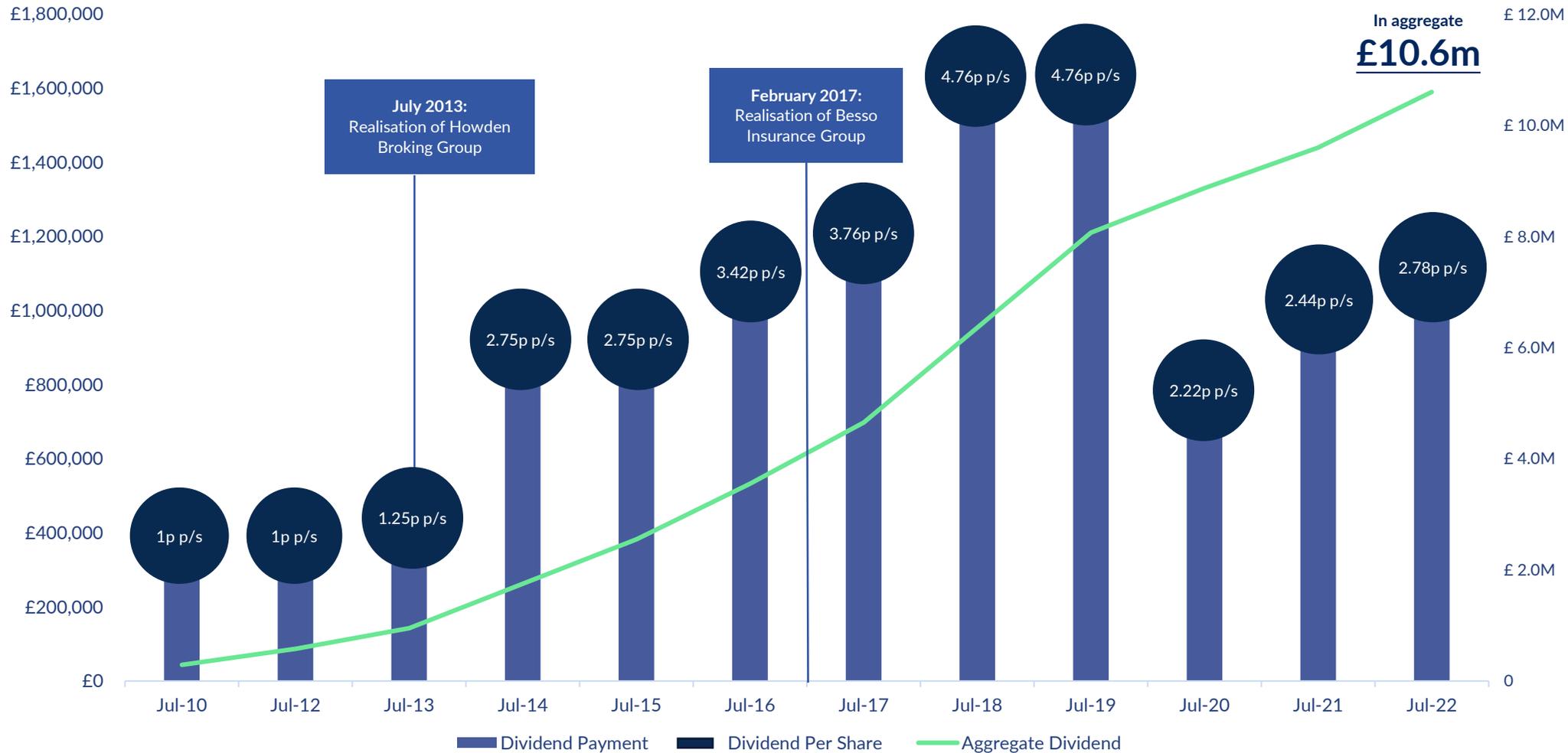
Change 31 January 2010 to 31 July 2022



Performance: Net Asset Value (NAV)



Dividends



- Dividend of **£1m** declared for year ending 31st January 2022 and 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 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 strongly** in the 6 month period to 31 July 2022
- Following a number of **successful disposals**, the Group currently has **£12.7m** in liquidity
- The Group continues its renewed focus on new business, and has a healthy pipeline of new opportunities
- One new investment in **Denison and Partners Ltd** completed within the period
- It is the Group's expectation that a number of opportunities under review will complete within a reasonable time frame
- The Group has a clear and consistent strategy of investing and supporting '*people*' businesses in the financial intermediary sector, delivering long term attractive returns to our shareholders
- The Group is well known in the sectors in which it specialises
- The Group continues to work closely with its investee companies' respective Management Teams, providing advice and support, to assist in long term growth
- The Management teams the Group support are experienced and well-rooted in their local markets
- The Group believes that the portfolio is well positioned to take advantage of the ever changing environment. Whilst the Group understands the political and macro-economic challenges facing our businesses, they are operating from a position of strength
- The Insurance sector, in which the Group invests, continues to see **rate increases**, across most the lines in which our investee companies operates
- The pace of these increases continue to slow across the industry, although the Group **does not anticipate** the market returning to the low pricing of the last soft market in the short to medium term

Disposals - An Overview

- The Group's Valuation Committee is responsible for determining the valuation of the Group's equity investments, and undertakes this process on a semi-annual basis
- The Group adopts various valuation methodologies derived from relevant market transaction multiples
- Given the unquoted and illiquid nature of the Group's investments, a significant number of complex judgements are made by the Valuation Committee in reaching the valuations made
- The Group's valuations are reviewed by the auditors as part of the interim and full results process
- As can be demonstrated by past disposals made, the Group believes that the valuations reached are fair and reasonable

Investment	Disposal Date	Cost of Investment	Valuation prior to disposal date	Equity proceeds received	Internal rate of return on Sale	Multiple on Invested Capital
Besso Insurance Group Limited	Feb-2017	£2,827,858	£20,177,000	£22,007,796	21.98%	7.78
Trireme Insurance Group Limited	April-2017	£1,849,304	£2,529,000	£2,959,696	15.63%	1.60
MB Prestige Holdings PTY Limited	Aug-2021	£479,707	£3,327,000	£3,764,957	29.42%	7.85
Walsingham Motor Insurance Limited	Dec-2021	£600,302	£3,904,000	£4,857,921	22.14%	8.09
Summa Insurance Brokerage, S.L.	Mar-2022	£6,096,143	£7,984,000	£8,123,838	5.53%	1.33

Insurance Price Changes

B.P. Marsh continues to monitor trends in the rate of pricing for insurance business placed in the UK

Rates continue to increase, but at a slower pace

Pace of rate increases has now slowed for the sixth consecutive quarter

Rate of price increases in the UK had been higher than in other world territories, however, the UK is now experiencing a faster decline than other regions

Rate increases in the UK have declined by 16 points (27% to 11%) from Q3 of 2021, whereby the decline in the US was 4 points (14% to 10%)

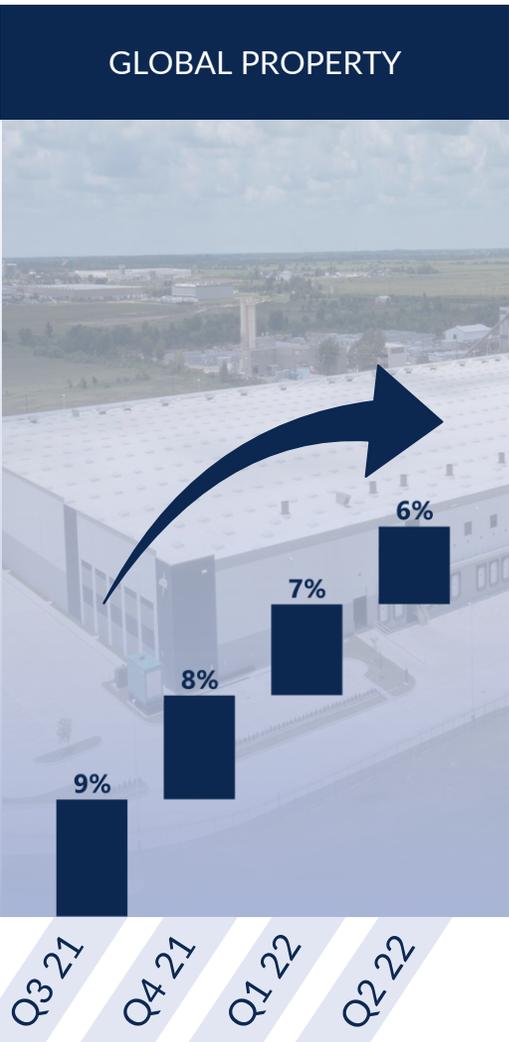
Price increases remain highest in Financial and Professional lines, however, this is mainly driven by rises in the Cyber Market

B.P. Marsh expects rate increases to continue to slow in the areas which the Group's portfolio operate

Rates will also be affected by the macroeconomic challenges facing the world economy, challenges which are likely to see increased costs for the insurance market

Whilst the full picture of how these challenges will affect the insurance market is unknown, in the short to medium term, the Group believes that increased rates will be at least adequate to match increased costs

Overall, the Group does not anticipate the market returning to the pricing of the last soft market in the short to medium term

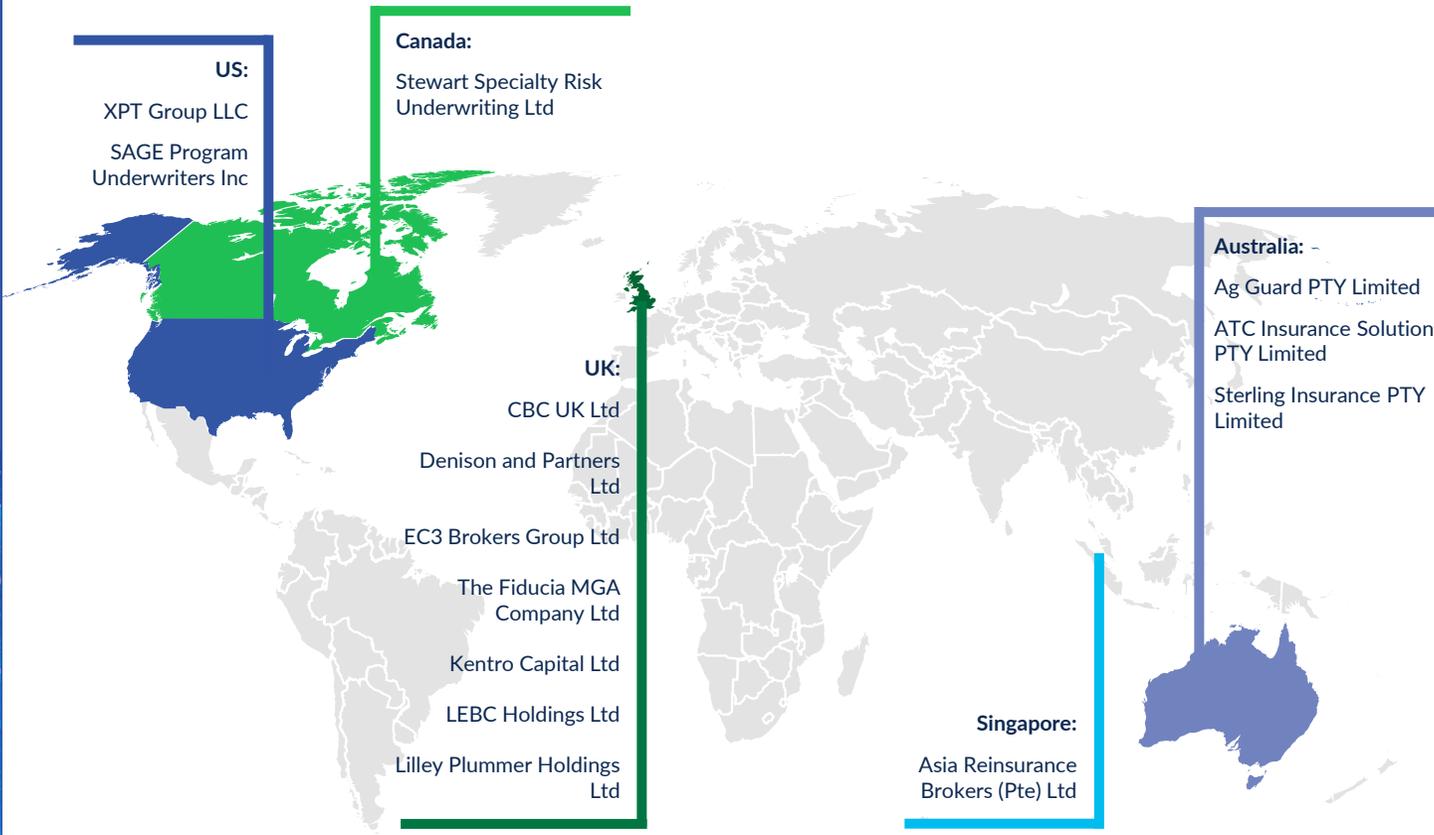


Our Current International Portfolio

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 within a reasonable timeframe

Insurance Intermediary Overview

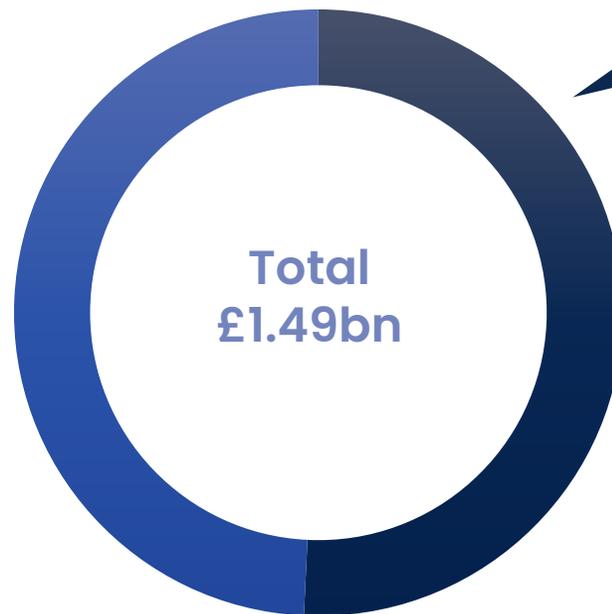
B.P. Marsh's insurance intermediary portfolio companies are budgeting to produce c. **£1.49bn** of aggregate Gross Written Premium (GWP) in 2022 (compared to **£1.34bn** in 2021*)

*Please note that the comparative 2021 figures are on a 'like for like' basis, adjusted for disposals

The Group's broking investments are budgeting to place c. **£758m** of GWP, producing c. **£60m** of brokerage in 2022, accessing specialty markets across the globe

The Group's Managing General Agents (MGAs) are budgeting to underwrite c. **£736m** of GWP, producing c. **£88m** of commission income in 2022, across many specialist product areas, on behalf of more than 50 insurers

MGAs
£736m
49%



Brokers
£758m
51%

■ Brokers ■ MGAs

Overview: Managing General Agencies (“MGAs”) Investments

- B.P. Marsh’s MGAs are budgeting to underwrite aggregate GWP of more than **£736m** in 2022 (2021: £703m*)
- This will produce more than **£88m** (2021: £75m*) of commission income and EBITDA of **£30m** (2021: £23m*) in 2022
- These MGAs focus on profitable underwriting in a market where access to insurer capital is restricted
- *Please note that the comparative 2021 figures are on a ‘like for like’ basis, adjusted for disposals

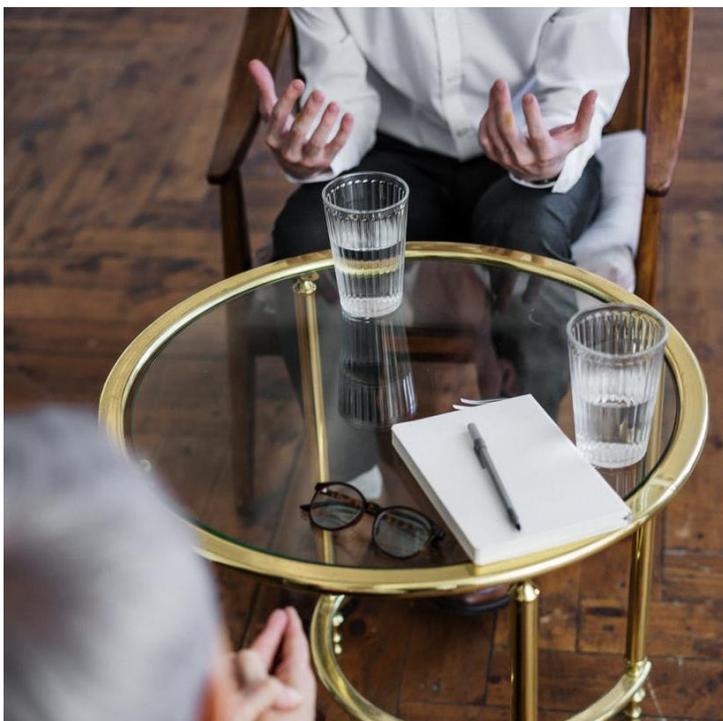
MGAs	Date of Investment	Jurisdiction	Equity % at 31 July 2022	Cost of Investment	Valuation at 31 July 2022	% of NAV at 31 July 2022	Current Internal rate of return	Current Multiple on Invested Capital
Kentro	Aug-14	UK	19.01%	£15,126,554	£51,522,000	28.7%	27.90%	3.4
XPT	Jun-17	USA	29.15%	£10,138,626	£29,910,000	16.6%	43.36%	3.0
ATC	Jul-18	Australia	25.56%	£6,476,595	£17,237,000	9.6%	50.48%	2.7
SSRU	Jan-17	Canada	30.00%	£19	£11,494,000	6.4%	119.56%	(NA – over 1000x)
Ag Guard	Jul-19	Australia	41.00%	£1,465,071	£5,425,000	3.0%	65.22%	3.7
Fiducia	Nov-16	UK	35.18%	£227,909	£3,929,000	2.2%	26.48%	17.2
Sterling	Jun-13	Australia	19.70%	£1,945,411	£3,245,000	1.8%	9.77%	1.7
Sage	Jun-20	USA	30.00%	£202,758	£1,907,000	1.1%	199.65%	9.4

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 £758m** of GWP in 2022 (2021: £637m*)
- This will produce **more than £60m** (2021: £48m*) of brokerage and EBITDA of more than **£14m** (2021: £11.7m*), accessing specialty markets around the world
- *Please note that the comparative 2021 figures are on a 'like for like' basis, adjusted for disposals

Brokers	Date of Investment	Jurisdiction	Equity % at 31 July 2022	Cost of Investment	Valuation at 31 July 2022	% of NAV at 31 July 2022	Current Internal rate of return	Current Multiple on Invested Capital
CBC	Feb-17	UK	47.06%	£803,500	£9,893,000	5.5%	29.06%	12.3
Lilley Plummer Risks	Oct-19	UK	30.00%	£1,008,242	£4,101,000	2.3%	72.52%	4.1
Denison and Partners	Mar-22	UK	40.00%	£132,000	£132,000	0.1%	256.94%	1.0
Asia Reinsurance Brokers	Apr-16	Singapore	25.00%	£1,551,084	-	0.0%	-	-
EC3	Dec-17	UK	35.00%	£6,500,000	-	0.0%	-	-

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



IFA	Date of Investment	Jurisdiction	Equity % at 31 July 2022	Valuation at 31 July 2022	Cost of Investment	% of NAV at 31 July 2022	Current Internal rate of return	Current Multiple on Invested Capital
LEBC Holdings Limited	April-07	UK	59.34%	£21,603,000	£12,373,657	12.0%	12.1%	1.7

- B.P. Marsh has been invested in LEBC, the **Independent Financial Advisory** company providing expert financial advice to individuals, since **April 2007**
- For its year ending 30 September 2021, LEBC produced an adjusted EBITDA of **£3.2m**, which represents a positive year on year performance swing, increasing from **£0.3m**
- Over the course of LEBC’s year ending 30 September 2022, LEBC has continued its restructuring program, which has involved:-
 - The strengthening of LEBC’s core Management team
 - Implementing succession planning for advisors nearing retirement age
 - The building of an Employee Benefits Platform
 - The continued improvement of LEBC’s internal processes, to ensure best practice
- This restructuring has taken longer to implement than Management expected
- Whilst underlying profit continues to grow, this has impacted the rate of growth and this is reflected in the Group’s valuation of LEBC as at 31 July 2022
- As at 31 July 2022 the IRR to B.P. Marsh is **12.12%**, incl. loans



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

B.P. Marsh's valuation has increased from £1.5m in 2014 (for a 5% shareholding) to £51.5m at as 31 July 2022 (for a shareholding of 19.0%)

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

As at 31 July 2022 the IRR to B.P. Marsh is 27.90%, incl. loans

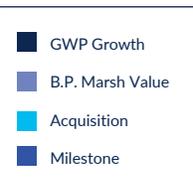
Nexus secured a £70m banking facility from Barings LLC, the global investment manager in October 2021

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

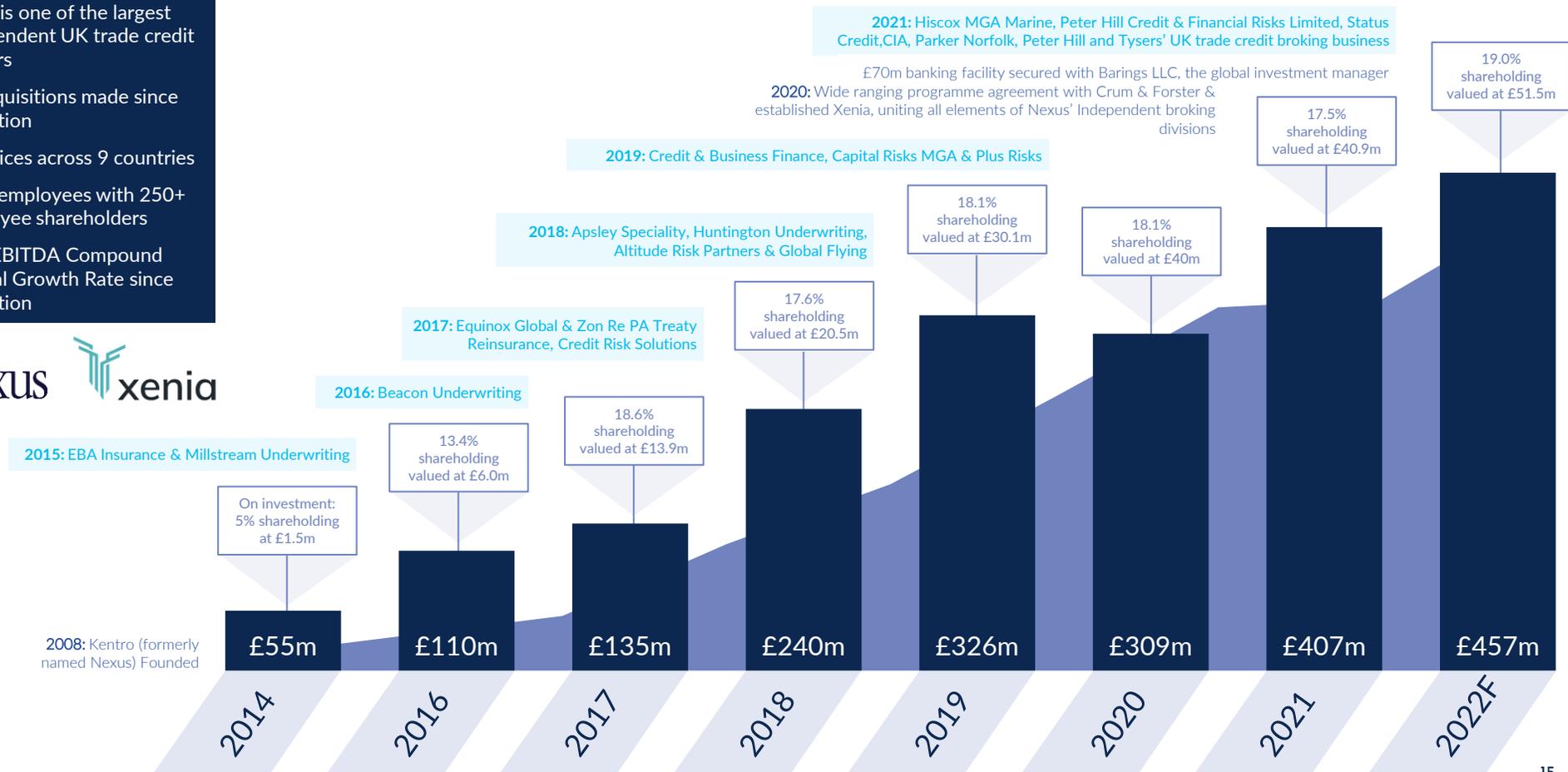
As part of this fundraising, Nexus repaid in full B.P. Marsh's £4m Loan Facility, which was used to acquire a further £4m of shares from a founding shareholder

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



2008: Kentro (formerly named Nexus) Founded



KENTRO

XPT Group LLC ("XPT")



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

In June 2022 the Group invested a further £2.8m in convertible loan stock and equity

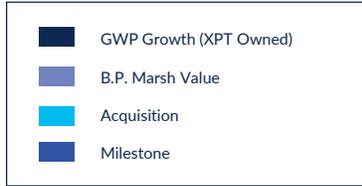
Including this investment, B.P. Marsh have provided XPT £11.6m in total

B.P. Marsh's current shareholding is 29.15%

As at 31 July 2022 the IRR to B.P. Marsh is 46.36%, incl. loans

XPT in numbers:

- 2022 forecast Gross Written Premium of US\$500m
- GWP growth since formation represents a 57.4% CAGR
- 2021 Adjusted EBITDA of US\$11.5m
- 17 Office locations across the US
- 11 acquisitions made to date
- 250+ employees
- Serving over 8 industries across the US



IBI INSURANCE BROKERS INCORPORATED 2022: IBI Insurance Brokers Incorporated

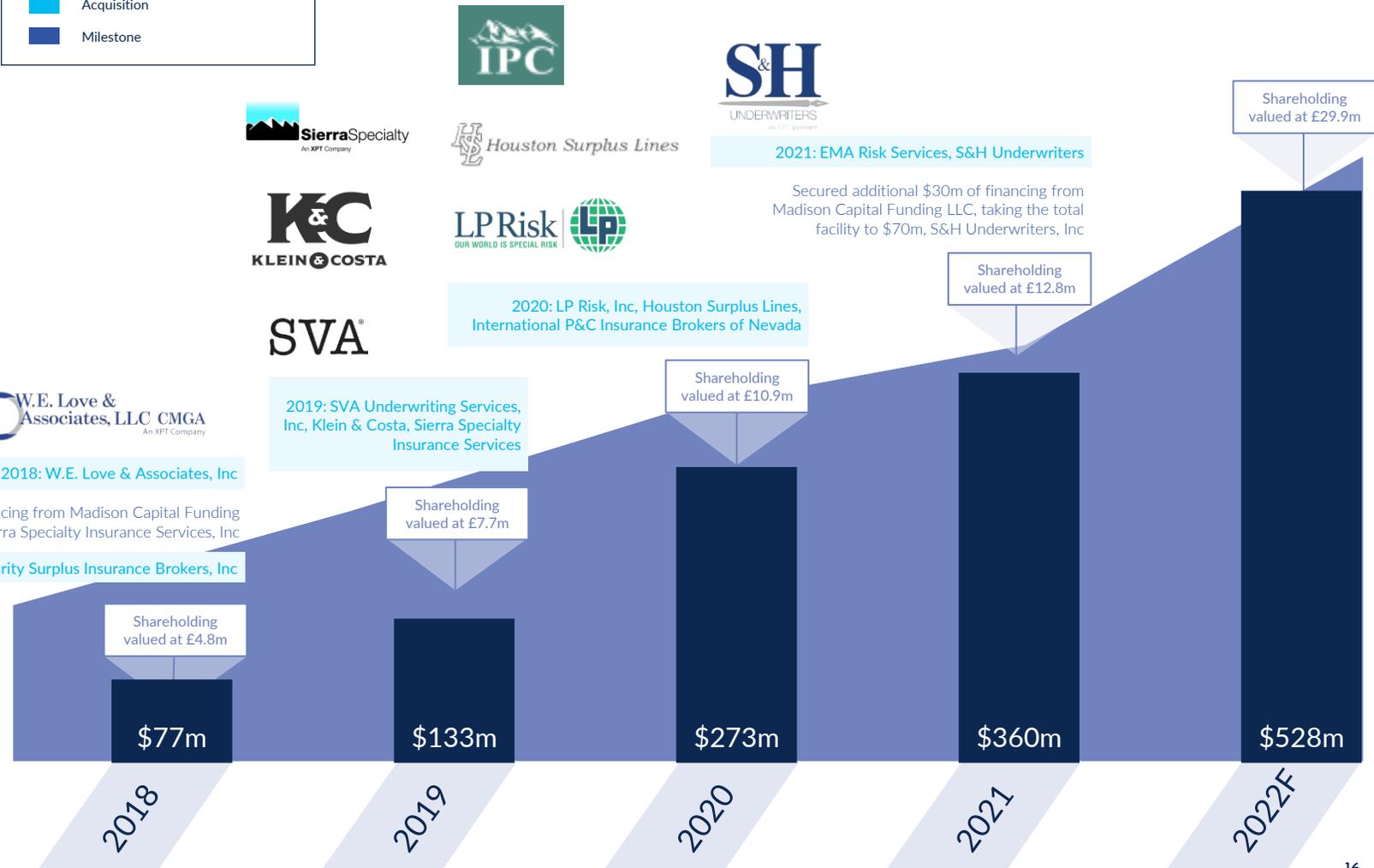
B.P. Marsh invested a further £2.8m (\$3.5m) in XPT, which increased our shareholding to 29.15%



2018: W.E. Love & Associates, Inc

Secured \$40m of financing from Madison Capital Funding LLC, of Sierra Specialty Insurance Services, Inc

2017: Western Security Surplus Insurance Brokers, Inc



Investment Summary - ATC Insurance Solutions PTY Limited("ATC")

CURRENT INVESTMENT



- The Group first invested in ATC in July 2018, taking a **20%** equity stake for **AU\$ 5.1m (c. £2.9m)**
- Since this date, the Group has provided further investment of **AU\$ 6.7m (c. £3.6m)**, via the sale of its shares in MB Prestige Holdings PTY Limited
- The Group now has a **25.56%** equity stake in ATC, having provided **AU\$ 11.8m (c. £6.5m)**
- From the time of our original investment, through to 31 July 2022, our valuation in ATC has risen significantly, with the Group's **25.56%** now valued at **AU\$ 30.0m (£17.2m)**
- When the Group originally invested in ATC, the business reported GWP of **AU\$ 61m**. In ATC's year ending 30 June 2022, ATC achieved GWP of **AU\$ 132m**
- ATC is now one of the largest Lloyd's underwriting agencies in Australia.
- ATC currently has capacity arrangements with several Lloyd's syndicates and offers an extensive range of products in Construction, Plant and machinery, Sports, Accident & Health, Prestige Vehicle, Cyber and Medical
- ATC has always looked to develop its product offerings to ensure that it can meet the diverse insurance needs of its ever-expanding client base
- The Group's valuation of its **25.56%** in ATC has increased to **£17.2m**
- As at 31 July 2022 the IRR to B.P. Marsh is **50.48%**, 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
- Ag Guard's strategic partnership with Elders Insurance (Underwriting Agency) Pty Limited ("Elders"), owned by QBE Insurance (Australia) Limited ("QBE"), has been transformational for the business
- In Ag Guard's last financial year to June 2022, the business produced GWP of over **AU\$ 40m**, an increase from **AU\$ 7m** in its last financial year to June 2021
- In Ag Guard's current financial year to June 2023, further GWP growth is expected, with the Group expecting Ag Guard to at least achieve its current budget of **AU\$ 59m**
- Ag Guard provides specialist crop insurance products for the broadacre and cotton crop sectors
- The latest in its suite of rural products, Ag Guard recently launched a lifestyle farm insurance offering, Farmstyle Insurance, which is a package product tailored for small or lifestyle farmers across Australia. The product is currently being sold directly online and is underwritten by QBE
- Since formation Ag Guard has continued to expand its product offering, enabling the business to work with all elements of the Australian agricultural market
- This expansion, alongside exceptional growing conditions and high commodity prices, means that the Group has high expectations for Ag Guard in its financial year to 30 June 2023
- The Group's valuation of its **41%** in Ag Guard has increased to **£5.4m**
- As at 31 July 2022 the IRR to B.P. Marsh is **65.22%**, incl. loans



Ag Guard

Stewart Specialty Risk Underwriting Ltd (SSRU)

CURRENT INVESTMENT



- SSRU is a start-up Managing General Agent (MGA) investment, providing a variety of Property and Casualty products to a wide array of clients in the Construction, Manufacturing, Onshore Energy, Public Entity and Transportation sectors, which launched in January 2017
- B.P. Marsh provided a loan facility of **£275,000 (c. CA\$450,000)** and took an equity shareholding of **30%** at a nominal value of **£19 (CA\$30)**
- In 2021 SSRU produced GWP of **c. CA\$50m** and were budgeting **CA\$71m** of GWP in 2022
- SSRU has continued to show substantial growth, and by July 2022 SSRU had produced over **CA\$50m** of GWP, being its whole 2021 result in seven months
- SSRU are now looking to produce GWP of **CA\$85m** in 2022, which would represent a 70% year on year increase
- Growth has been achieved via organic growth across its existing commercial casualty and property book and through establishing a new program focused on residential condominiums across Canada (excluding Quebec)
- SSRU is now one of the largest owner-operated MGAs in Canada
- EBITDA has grown to **c. CA\$4.6m** for **2021**, and SSRU are seeing substantial growth in 2022, with projected EBITDA being over **CA\$8.0m**
- B.P. Marsh's current **30%** shareholding in SSRU is valued at **£11.5m** as at 31 July 2022
- As at 31 July 2022 the IRR to B.P. Marsh is **120.90%**, incl. loans



Investment Summary - EC3 Brokers Limited ("EC3")

CURRENT INVESTMENT

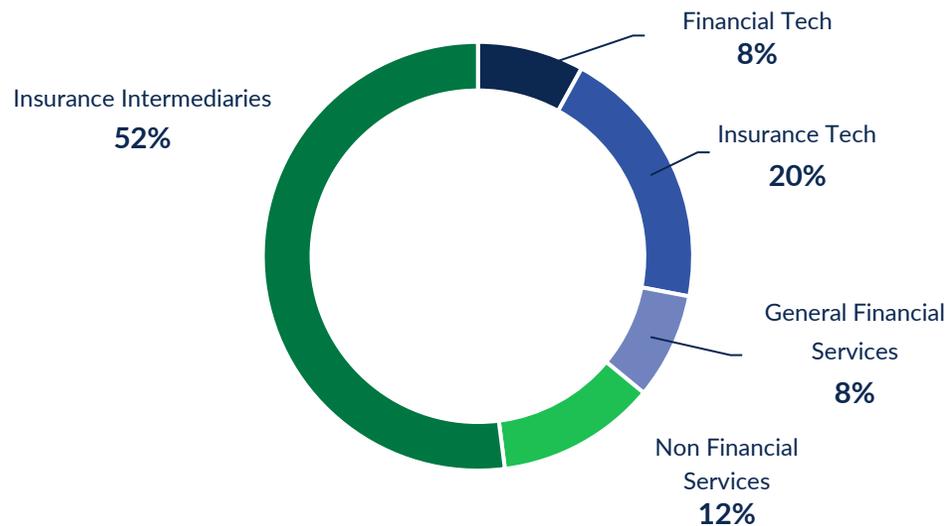


- The Group first invested in EC3, the Lloyd's independent specialist insurance and reinsurance broker, in 2017
 - The performance of EC3 has been adversely affected by the Covid-19 pandemic since 2020
 - EC3's contingency division provided large event cancellation insurance to the entertainment industry, 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 had already decided to reduce EC3's value by £6.1m in its last financial year to 31 January 2022
 - Given the continued uncertainty, the Group has decided to reduce its value of EC3 further to zero (a six-month reduction of £0.4m)
- 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
 - Supported EC3's Management in their discussions with all creditors
 - Continued strategic support regarding the future potential of EC3



Investment Origination

New Investment Opportunities to 31 July 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



41

new investment opportunities in the period (Same period in 2021: 31)

48%

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

44%

of these opportunities were international

Financial Highlights - Period ended 31 July 2022 (unaudited)



Net Asset Value (NAV) of
£179.8m
+£13.2m over six months
+£24.8m over year

31 July 2021: £155.0m
31 January 2022: £166.6m

Consolidated Profit before Tax:
£17.0m

Six months ended 31 July 2021: £6.2m
Year ended 31 January 2022: £19.4m

NAV per share of
499.0p +7.9% over six months
(490.8p* diluted)

31 July 2021: 430.4p (424.6p diluted)
31 January 2022: 462.7p (455.6p diluted)

Underlying Profit before Tax:
£0.7m

Six months ended 31 July 2021: £0.9m
Year ended 31 January 2022: £3.2m

**8.5% Total
Shareholder Return**

Including dividend of £1.0m paid
July 2022

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

Paid on 29 July 2022 to shareholders registered
at close of business on 1 July 2022

* On 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 490.8p

Average compound NAV growth of

8.6% p.a.

since flotation and

11.7% 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

£9.2m

31 July 2021: £16.7m
31 January 2022:
£10.4m

Net Loans Repaid

£1.3m

Key repayments

- £1.5m Summa (on completion of sale)

£14.1m cash

and treasury balances at 31 July 2022

Current liquidity of £12.7m - 18 October 2022

Group is debt free

Equity Investment:

£2.9m

- £2.8m XPT
- £0.1m Denison & Partners

Equity Proceeds received:

£8.2m

- £8.1m Summa
- £0.1m MB (post sale distribution)

Discount to NAV (diluted)

42%

Based on share price of 284p per share on 17 October 2022

*This excludes any value for the Group itself

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 July 2022 (£'000)	Equity As at 31 July 2022	Cost of equity investment (£'000)	Year of initial investment	Movement in Period to 31 July 2022 (£'000)	Movement in Period to 31 July 2022 (%)
Nexus	MGA	UK	51,522	19.0%	15,126	2014	62	0.1%
ATC	MGA	Australia	17,237	25.6%	6,477	2018	4,297	33.2%
SSRU	MGA	Canada	11,494	30.0%	-	2017	3,349	41.1%
Ag Guard	MGA	Australia	5,425	41.0%	1,465	2019	1,863	52.3%
Fiducia	MGA	UK	3,929	35.2%	228	2016	(299)	(7.1%)
Sterling	MGA	Australia	3,245	19.7%	1,945	2013	416	14.7%
Sage	MGA	USA	1,907	30%	203	2020	357	23.0%
Criterion	MGA	Singapore	-	29.4%	50	2018	-	-

Equity Investments - Brokers and IFA

Investment	Sector	Jurisdiction	Fair market value 31 July 2022 (£'000)	Equity As at 31 July 2022	Cost of equity investment (£'000)	Year of initial investment	Movement in Period to 31 July 2022 (£'000)	Movement in Period to 31 July 2022 (%)
Paladin (CBC)	Insurance Broking	UK	9,893	47.1%	804	2017	489	5.2%
LPR	Insurance Broking	UK	4,101	30.0%	1,008	2019	1,472	56.0%
Denison and Partners	Insurance Broking	UK	132	40.0%	132	2022	-	-
EC3 Brokers	Insurance Broking	UK	-	35.0%	6,500	2017	(440)	(100.0%)
ARB	Insurance Broking	Singapore	-	25.0%	1,551	2016	(461)	(100.0%)
LEBC	IFA	UK	21,603	59.3%	12,374	2007	(3,397)	(13.6%)
XPT	Insurance Group	USA	29,910	29.2%	10,139	2017	8,504	39.7%
Portfolio Value/Total			160,398		58,002		16,212	11.4%*

*adjusted for £2.9m new investment and £8.2m disposals during year

Loan Portfolio



Investment	31 July 2022 (£'000)	31 January 2022 (£'000)	31 July 2021 (£'000)
Broucour	-	1	21
Denison and Partners	150	-	-
Fiducia	2,428	2,449	2,545
Kentro	-	-	4,000
LEBC	1,500	1,500	1,500
Lilley Plummer Risks	300	200	-
Paladin (CBC)	3,096	3,096	5,096
Sage	117	111	108
Summa	-	1,521	1,664
Walsingham	-	-	286
XPT	1,563	1,487	1,442
Total	9,154	10,365	16,662

Portfolio as at 31 July 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 25.6%</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 July 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
Denison and Partners Ltd 40.0%	<ul style="list-style-type: none">• Investment date: March 2022• Denison and Partners is a start-up London-based Lloyd's Insurance Broker, established by Alasdair Ritchie, with a focus on delivering (re)insurance delegated authority solutions and services to Managing General Agencies, Coverholders and (re)insurers.
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



Portfolio as at 31 July 2022 Continued

<p>LEBC Holdings Limited 59.3%</p>	<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
<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* 19.0%</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

Portfolio as at 31 July 2022 Continued

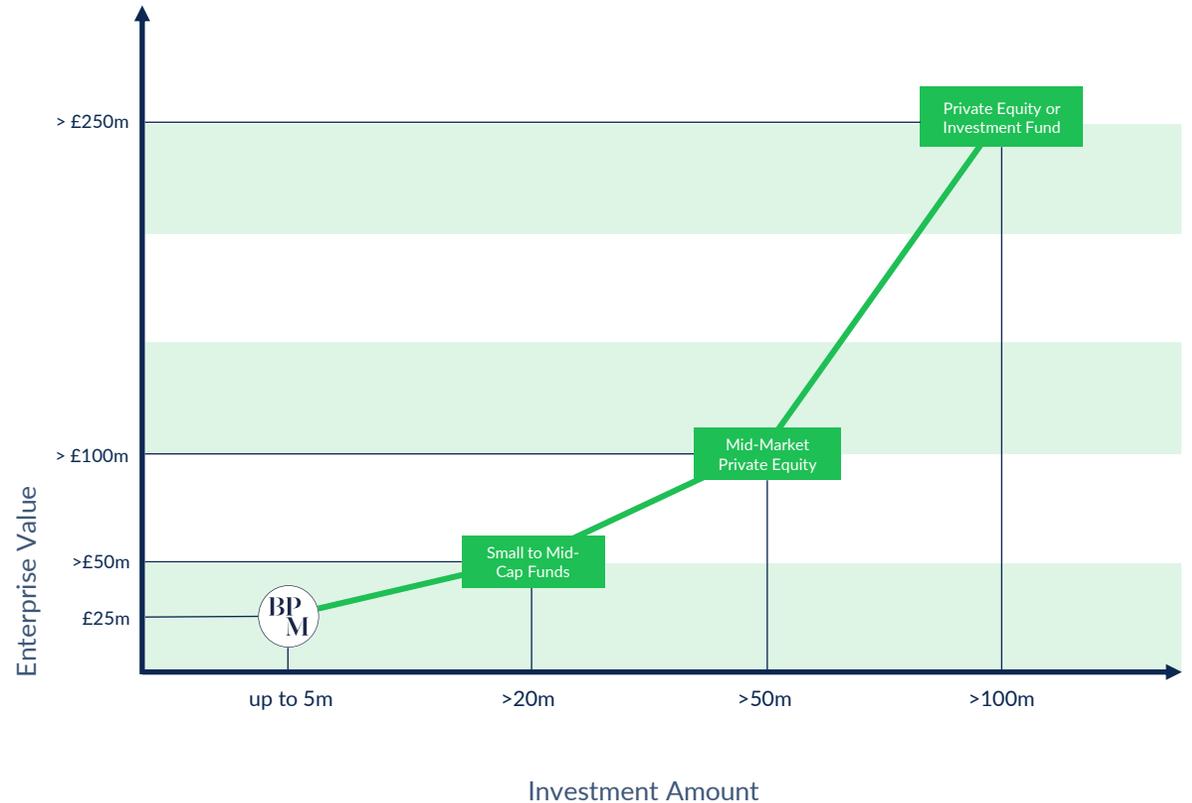


<p>Stewart Specialty Risk Underwriting Ltd 30.0%</p>	<ul style="list-style-type: none">• Investment date: January 2017• SSRU is a recently established Specialty Casualty Underwriting Agency, based in Toronto, Canada. It provides specialist insurance products to a wide array of clients in the Construction, 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 29.2%</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

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'





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 19.01% 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

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



	31 July 2022 (Unaudited)	31 July 2021 (Unaudited)	31 January 2022 (Audited)
Tangible and intangible assets	90	107	96
Right of use asset	754	919	836
Investments at fair value – Equity Portfolio	160,398	136,205	149,349
Debtors / Loans receivable	10,868	19,522	12,205
Cash and treasury funds	14,121	1,057	8,628
Creditors < 1 year (Loans and tax and other payables)	(991)	(1,636)	(1,837)
Creditors > 1 year (Loans and tax & other payables)	(684)	(856)	(772)
Net Assets (excl. Deferred tax)	184,556	155,318	168,505
Deferred Taxation provision	(4,791)	(338)	(1,898)
NET ASSETS 7.9% increase in six months to 31 July 2022 after dividend (8.5% before dividend)	179,765	154,980	166,607

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



	Unaudited 6 months to 31 July 2022 £'000	Unaudited 6 months to 31 July 2021 £'000	Audited year to 31 January 2022 £'000
Gains on investments (realised and unrealised)	16,367	5,315	19,142
Amounts recovered from / (impairment of) investments and loans	7	-	1,117
Operating income	2,542	2,658	4,077
Total income	18,916	7,973	24,336
Operating expenses and FX movement	(1,944)	(1,697)	(4,863)
Net financial income/(expenses)	35	(40)	(78)
Profit before tax	17,007	6,236	19,395
Taxation	(2,910)	(344)	(1,911)
Post tax profit for period	14,097	5,892	17,484
Earnings per share – basic	39.1p	16.4p	48.6p
Earnings per share – diluted	37.6p*	16.2p*	47.3p*

*calculation includes 1,443,147 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 July 2022



	Unaudited 6 months to 31 July 2022 £'000	Unaudited 6 months to 31 July 2021 £'000	Audited year to 31 January 2022 £'000
Net cash from operating activities	(91)	874	1,507
FX Movement	40	(2)	(35)
Taxation	(17)	(6)	(13)
Purchase of property, plant and equipment	(9)	-	(6)
Equity investments made	(2,941)	(200)	(8,011)
Net proceeds on sale of equity investments	8,259	261	8,755
Purchase of equity treasury investments	(2,506)	-	-
Net loans repaid by/(granted to) investee companies	1,300	418	7,837
Net financial (expenses)/income	(21)	(40)	(78)
(Repayment)/advances of borrowings	-	-	(1,000)
Net decrease in lease liabilities	(83)	(79)	(159)
Dividends paid	(1,001)	(878)	(878)
Increase in cash in the period	2,930	348	7,919
Cash at beginning of period	8,628	709	709
Cash and cash equivalents at period end	11,558*	1,057	8,628

* £14.1m including equity treasury balances of £2.5m

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
25+ 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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Chief Investment Officer
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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
9+ 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

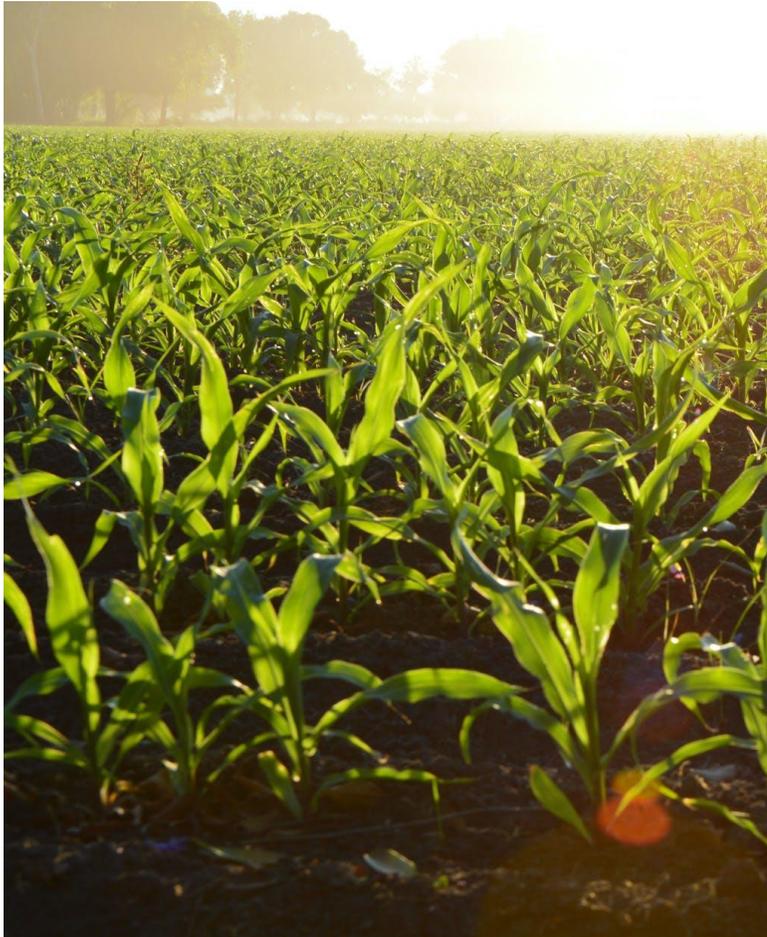
Oliver Bogue
Investment Director
10+ years of experience



- 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 30 September 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	4.32%
JTC Employer Solutions*	3.85%
Interactive Investor	3.73%
James Sharp & Co	3.56%

*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. In April 2022, **18,155** of these shares were transferred to the Company's HMRC Approved Share Incentive Plan, leaving **236,259** unallocated shares remaining

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



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

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Tavistock
Telephone: 020 7920 3150