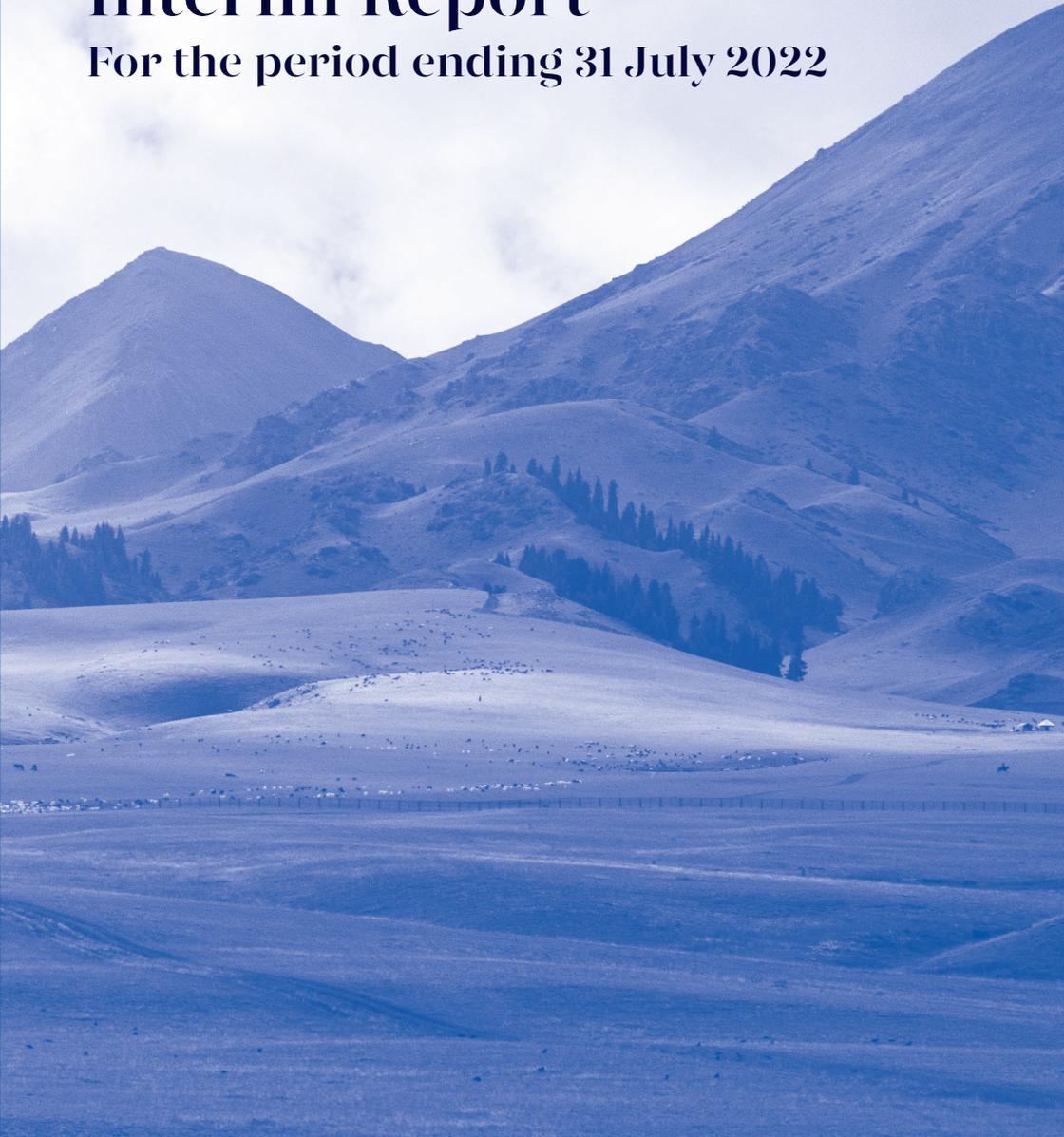


B . P . M A R S H
& P A R T N E R S P L C



Interim Report

For the period ending 31 July 2022





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Group Profile

B.P. Marsh & Partners PLC is a specialist investor in early stage and growing financial services intermediary businesses. Whilst it is open to proposals to invest in all facets of the non-risk bearing financial services market, the Group considers its focus to be on insurance intermediaries, an area in which it has a great deal of experience. The Group will consider opportunities globally, and currently has a significant presence in North America and Australia.

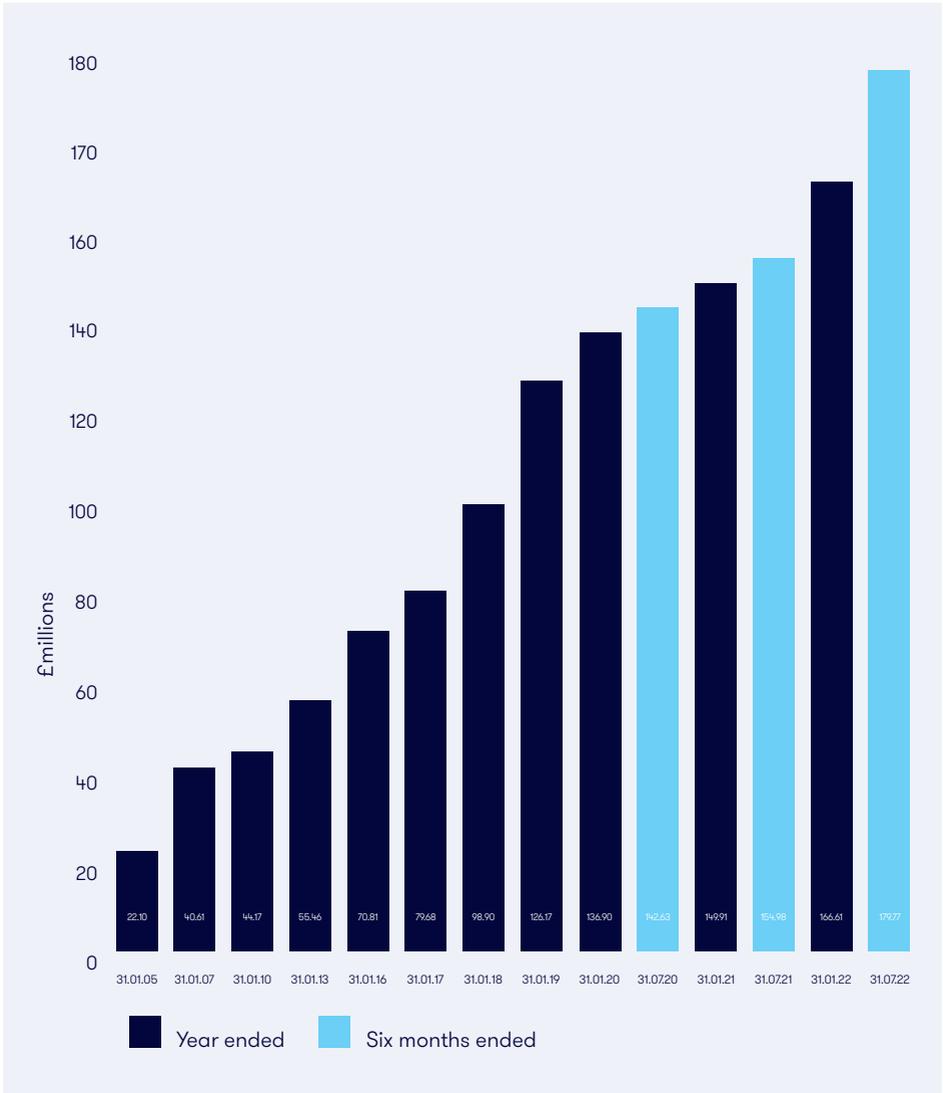
The Group's aim is to be the capital provider of choice for the early-stage and growing financial services intermediary sector and to deliver to its investors long-term capital growth alongside a sustainable distribution policy.

The Group considers this to be achievable through partnering with strong management teams to back credible business opportunities to which the Group can provide strategic and financial assistance. The Group therefore considers the people element of its business as vital to its success.

The Group invests amounts of up to £5m in the first round financings and takes a flexible approach to investment structures, reviewing companies ranging from start-ups to those that have developed to the next stage of growth. The Group initially only takes minority equity positions and does not seek to impose exit pressures, preferring to be able to take a long-term view where required and work alongside management to a mutually beneficial exit route that maximises value.

B.P. Marsh has invested in over 50 businesses since it was founded in 1990 and its management team has a wealth of experience and a well-developed network within the Financial Services sector.

Group Valuations



NB: The valuation at 31 January 2007 includes £10.1m net proceeds raised on AIM. The valuations from and including 31 January 2019 include £16.6m net proceeds raised in the July 2018 Share Placing and Open Offer.

Statement by the Chairman and Managing Director

Interim Results

B.P. Marsh & Partners Plc (AIM: BPM), the specialist investor in early stage financial services businesses, announces its unaudited Group Interim Results for the six months to 31 July 2022 (the "Period").

"I am delighted the Company has achieved such a strong set of results, highlighting the success of our investment strategy. These results are a testament to the hard work that goes on across our team and at all of our investee companies.

"Our performance demonstrates the benefits of having a diverse portfolio both by business line and geography and shows that the financial intermediary space continues to have room for young, dynamic entrepreneurial businesses.

"Following a series of disposals in the past 12 months, we are actively seeking new investment opportunities to add to our portfolio while further supporting our investee companies fund their growth plans."

Brian Marsh OBE, Chairman

The financial highlights for the Period are:

- Net Asset Value at 31 July 2022 £179.8m (31 July 2021: £155.0m; 31 January 2022: £166.6m)
- Net Asset Value per share 499.0p* (31 July 2021: 430.4p; 31 January 2022: 462.7p)
- Consolidated profit before tax of £17.0m for the Period (six months to 31 July 2021: £6.2m; year ending 31 January 2022: £19.4m)
- Total Shareholder return of 8.5% for the Period including the dividend paid in July 2022 (16.6% for the 12 months since 31 July 2021, inclusive of the July 2022 dividend paid)
- Group liquidity of £14.1m as at 31 July 2022
- Current liquidity £12.7m

* The diluted Net Asset Value per share is 490.8p including shares held within an Employee Benefit Trust which have met certain performance criteria (31 July 2021: 424.6p; 31 January 2022: 455.6p).

Statement by the Chairman and Managing Director

Chairman's Statement

During the Period, the Group's Net Asset Value ("NAV") has grown by £13.2m from £166.6m to £179.8m which together with the dividend paid in July 2022, represents an increase of 8.5%. This equals a NAV per share of 499.0p, an increase of 36.3p from 31 January 2022.

The Group was pleased to announce that it had completed a new investment during the Period in Denison and Partners Ltd ("Denison and Partners") led by Alasdair Ritchie. The Company is confident that Denison and Partners will be a valuable addition to the Portfolio. Furthermore during the Period the Group provided an additional \$3.5m (£2.8m) to XPT Group LLC ("XPT") through a mixture of redeemable shares and equity. XPT will use the additional funding to support its positive growth trajectory.

Additionally during the Period the Group also finalised the disposal of its Spanish Broking consolidator, Summa Insurance Brokerage S.L. delivering net cash proceeds of £9.6m.

Elsewhere in the Portfolio Kentro Capital Limited ("Kentro") (formerly Nexus Underwriting Management Limited) continues to deliver its successful strategy and remains one of the 10 largest independent Managing General Agencies in the world.

However, EC3 Brokers Group Limited ("EC3") continues to experience difficulty, and we are working closely with the management team

at EC3 to provide appropriate support and, out of caution, have written this investment down.

Post Period-end the Group provided a AU\$1.2m (£0.7m) loan to Ag Guard PTY Limited to support their growth objectives as they develop a new product for QBE Insurance (Australia) Limited.

There is a healthy new business pipeline currently being considered by the Group, however we also have a number of opportunities for follow-on funding within our existing portfolio. As such, the Group's current cash balance is likely to be deployed through a mixture of new investments and into the Group's current portfolio.

We are conscious that we are entering a world that comes with challenges, including the rising cost of living crisis with inflation at a 40 year high and the ongoing conflict in Ukraine. The Team at B.P. Marsh continue to review the impact these macro-events could have on both the business and our underlying portfolio and work with our partners to deliver the long term growth we are well experienced in achieving.

The Period under review has predominantly been a time of "business as usual" with the Group demonstrating that it is able to deliver on its business aims. We have a positive outlook for the rest of the year and are confident we will be able to deliver the Group's long term strategy.

Brian Marsh OBE, Chairman
Alice Foulk, Managing Director
17 October 2022

Chief Investment Officer's Portfolio Update and Outlook

Over the Period, the valuation of the Group's equity portfolio has increased by 11.4% adjusting for additions and disposals, with NAV increasing by 7.9%.

Over the past 12 months, the equity portfolio has increased by 23.2% adjusting for additions and disposals, with NAV increasing by 16.0%.

The Period under review continues to demonstrate the Group's successful investment strategy. Our diverse portfolio across the insurance intermediary sector, both by line of business written and geography, has resulted in sustained resilience, notwithstanding the wider economic challenges.

This has resulted in the Group producing a stellar set of results in the Period to 31 July 2022, with the majority of B.P. Marsh's portfolio companies showing substantial growth.

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, across the UK, North America, Australia and elsewhere.

The Group believes that the portfolio is well positioned to take advantage of the ever-changing environment and, whilst our portfolio businesses are not immune from the current widely-reported global political and macro-economic headwinds, the Group believes that most are operating from a position of strength.

Overall, the Group is looking to continue its 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 remains positive about the prospects for the Company throughout the remainder of its current financial year to 31 January 2023.

New Business

Following a number of successful disposals, the Group currently has £12.7m of liquidity, which is available for further investment within the existing portfolio and for new investments.

The Group continues its renewed focus on new business and it is the Board's expectation that some of these will complete in a reasonable time frame. B.P. Marsh continues to focus on investing in niche SME businesses in the financial services space, managed by capable management teams.

The Group has a healthy pipeline of new business opportunities having received 41 in the Period (for the six months to 31 July 2021 the Group received 31 proposals). Continued M&A activity at the larger end of the insurance market tends to lend itself to creation of opportunities at the smaller end of the market. These opportunities fit in the Company's investment model, and we therefore remain prepared to take advantage of this phase in the insurance cycle.

Chief Investment Officer's Portfolio Update and Outlook

Outlook

The Insurance sector continues to see rate increases across most of the lines in which our investee companies operate. The pace of these increases is slowing 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.

The Group continues to monitor the macro-economic challenges facing the world economy, the Group and our underlying investee companies. This includes inflation at its highest rate for two generations, increased interest rates and political uncertainty. The effect of these challenges is likely to be increased costs for the insurance market, mainly due to the impact of economic stimulus packages linked to Covid-19, supply chain issues and the increases in energy prices due to the ongoing conflict in the Ukraine. The impact will develop in different ways, varying by business lines and region.

In the short to medium term, the Group remains of the view that increased insurance rates will at least match any cost increases. Additionally, sections of the industry which are most exposed to inflationary costs should also be the first parts of the industry to receive increased premium, linked to inflation. As such, with inflation on one side and increased yield on the other, the net impact should be positive.

Portfolio Update

New Investments

Denison and Partners Limited – London, United Kingdom

As previously announced in March 2022, the Group acquired a 40% Cumulative Preferred Ordinary shareholding in Denison and Partners, providing funding of up to £802,000, via equity and debt.

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.

Alasdair Ritchie has several decades of experience in (re)insurance providing boutique risk management and transfer solutions to a wide array of clients.

Date of initial investment: March 2022

31 July 2022 valuation: £0.1m

Equity stake: 40.0%

Chief Investment Officer's Portfolio Update and Outlook

Follow-on Investments and Funding

XPT Group LLC ("XPT") – New York, USA + 22.7 pence NAV per share uplift in Period

The Group's investment in XPT, the specialty lines insurance distribution company, continues to perform well, with the business on track to produce Gross Written Premium of over US\$500m in its financial year which ends on 31 December 2022 (2021: US\$400m).

In the Period, the Group provided XPT with further funds of US\$3.5m.

This was provided via:

- Redeemable shares - US\$2.8m; and
- Equity - US\$0.7m.

Following this further investment, the Group's shareholding in XPT rose from 28.18% to 29.15%. Including this investment, B.P. Marsh has provided XPT with £11.7m in total.

Additionally, during the Period, XPT acquired Insurance Brokers, Inc. ("IBI"), the wholesale insurance broker and general agency, based in Indiana, USA.

IBI is XPT's 11th acquisition since its formation in 2017. Over this time, XPT has built a national US presence, with 17 office locations across the US and employing over 250 people.

Date of initial investment: June 2017
31 July 2022 valuation: £29.9m
Equity stake: 29.2%

Agri Services Company PTY Limited ("Ag Guard") – Sydney, Australia + 5.0 pence NAV per share uplift in Period

In 2019 the Group invested in Ag Guard, a Managing General Agency which provides insurance to the Australian Agricultural Sector.

Since investment Ag Guard has performed 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 previous financial year to June 2021. In Ag Guard's current financial year to June 2023, further GWP growth is expected, with Ag Guard on track to achieve their budget of AU\$ 59m.

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.

Chief Investment Officer's Portfolio Update and Outlook

Since formation Ag Guard has continued to expand its suite of products, and now offers over four products to the Australian Agricultural market, with a number of others in the pipeline.

Post Period-end, the Group has provided Ag Guard with a loan of AU\$ 1.2m (£0.7m), which was fully drawn down on completion. The purpose of this loan was to allow Ag Guard to retain suitable levels of working capital whilst also developing their IT systems to support their core business and to develop new product offerings.

Date of initial investment: July 2019

31 July 2022 valuation: £5.4m

Equity stake: 41.0%

Investee Company Disposal

Summa Insurance Brokerage, S.L ("Summa") - Spain

As previously reported, in March 2022 the Group sold its 77.25% holding in Summa to Acrisure España S.L., part of Acrisure LLC, the global financial services business.

The Group received cash proceeds of £9.6m in relation to the disposal, comprising of:

- £8.1m net of transaction costs, for its 77.25% shareholding in Summa; and
- £1.5m being the Group's outstanding loan to Summa.

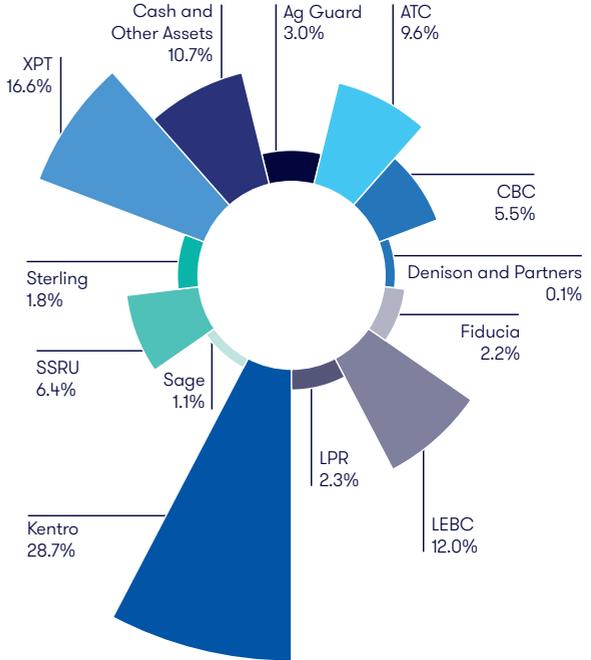
This transaction represented an IRR of 5.5% (inclusive of all income and fees) and a money multiple of 1.3x. In isolation this return can be seen as below B.P. Marsh's portfolio expectations, however the Group sees this return as a testament to Summa's Management team, considering the effect of the 2008 global financial crisis on the Spanish economy, and then the Covid-19 Pandemic.

Chief Investment Officer's Portfolio Update and Outlook

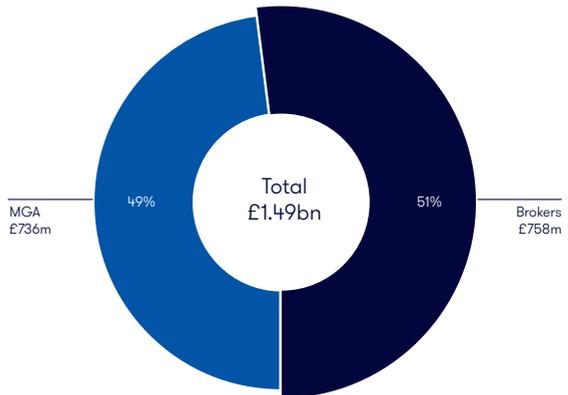
NAV breakdown by portfolio company

The composition of B.P. Marsh's underlying portfolio company exposure can be found here:

The Group's current investments are in the Insurance Intermediary sector, with the exception of the independent financial adviser LEBC.



These insurance investments are budgeting to produce in the aggregate £1.49bn of insurance premium during 2022 (2021: £1.34bn*), and this is a breakdown between brokers and MGAs



Chief Investment Officer's Portfolio Update and Outlook

Insurance Brokers

Investments:

Broking Investments	Date of Investment	Jurisdiction	Equity % 31 Jul 2022	Valuation 31 Jul 2022	Cost of Investment	% of NAV 31 Jul 2022
CBC	Feb 2017	UK	47.06%	£9,893,000	£803,500	5.5%
Lilley Plummer Risks	Oct 2019	UK	30.00%	£4,101,000	£1,008,242	2.3%
Denison and Partners	Mar 2022	UK	40.00%	£132,000	£132,000	0.1%
Asia Reinsurance Brokers	Apr 2016	Singapore	25.00%	-	£1,551,084	0.0%
EC3	Dec 2017	UK	35.00%	-	£6,500,000	0.0%
Total	-	-	-	£14,126,000	£9,994,826	7.9%

The Group's Broking investments are budgeting to place over £758m of GWP (*2021: £637m), producing over £60m (*2021: £48m) of commission income in 2022, accessing specialty markets around the world.

Underwriting Agencies / Managing General Agents ("MGAs")

Investments:

MGA Investments	Date of Investment	Jurisdiction	Equity % 31 Jul 2022	Valuation 31 Jul 2022	Cost of Investment	% of NAV 31 Jul 2022
Kentro	Aug 2014	UK	19.01%	£51,522,000	£15,126,554	28.7%
XPT	Jun 2017	USA	29.15%	£29,910,000	£10,138,626	16.6%
ATC	Jul 2018	Australia	25.56%	£17,237,000	£6,476,595	9.6%
SSRU	Jan 2017	Canada	30.00%	£11,494,000	£19	6.4%
Ag Guard	Jul 2019	Australia	41.00%	£5,425,000	£1,465,071	3.0%
Fiducia	Nov 2016	UK	35.18%	£3,929,000	£227,909	2.2%
Sterling	Jun 2013	Australia	19.70%	£3,245,000	£1,945,411	1.8%
Sage	Jun 2020	USA	30.00%	£1,907,000	£202,758	1.1%
Total	-	-	-	£124,669,000	£35,582,943	69.4%

The Group's MGAs are budgeting to place over £736m of GWP (*2021: £703m), producing over £88m (*2021: £75m) of commission income in 2022, across over 30 product areas, on behalf of more than 50 insurers.

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

Chief Investment Officer's Portfolio Update and Outlook

IFA Investment

Investment:

IFA Investment	Date of Investment	Jurisdiction	Equity % 31 Jul 2022	Valuation 31 Jul 2022	Cost of Investment	% of NAV 31 Jul 2022
LEBC Holdings Limited	Apr 2007	UK	59.34%	£21,603,000	£12,373,657	12.0%

LEBC Holdings Limited ("LEBC") – United Kingdom

- 9.1 pence NAV per share reduction in Period

B.P. Marsh continues to support its only non-insurance investment LEBC, through a period of restructuring, 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; and
- The continued improvement of LEBC's internal processes, to maintain best practice.

This restructuring process is taking longer to implement than management anticipated. Whilst underlying profitability continues to grow, this has impacted the rate of growth and is reflected in the Group's valuation of LEBC as at 31 July 2022.

Date of initial investment: April 2007

31 July 2022 valuation: £21.6m

Equity stake: 59.3%

Chief Investment Officer's Portfolio Update and Outlook

Portfolio Company Highlights

ATC Insurance Solutions PTY Limited ("ATC")

– Melbourne, Australia

+ 11.5 pence NAV per share uplift in Period

ATC continues to perform within the Group's expectations, with strong year on year growth. ATC is now one of the largest Lloyd's Coverholders and independent underwriting agencies in Australia, providing insurance for construction & engineering, plant & equipment, accident & health, sports injury and high value motor.

ATC also provides trade pack insurance, which contains specialist insurance for electrical and renewable energy contractors such as public liability insurance, general property cover, and income protection policies.

The Group has now invested £6.5m in ATC and currently has a 25.56% shareholding. Since investment, through to 31 July 2022, our valuation in ATC has risen significantly, with the Group's 25.56% now valued at £17.2m, an increase of 166%.

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 continues to look at opportunities to develop its product offerings to ensure that it can grow with the diverse insurance needs of its ever-expanding client base.

Date of initial investment: July 2018

31 July 2022 valuation: £17.2m

Equity stake: 25.6%

Stewart Speciality Risk Underwriting Ltd ("SSRU") – Toronto, Canada

+ 8.9 pence NAV per share uplift in Period

The Group's Canadian investment, SSRU, an MGA 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, continues to show substantial growth.

SSRU are now looking to produce GWP of c. CA\$85m in 2022, which would represent a 70% year on year increase.

This level of 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 independent MGAs in Canada.

Date of initial investment: January 2017

31 July 2022 valuation: £11.5m

Equity stake: 30.0%

Chief Investment Officer's Portfolio Update and Outlook

Lilley Plummer Risks Limited / Lilley Plummer Holdings Limited ("LPR") – London, United Kingdom

+ 3.9 pence NAV per share uplift in Period

LPR, the Group's specialist marine Lloyd's broker, continues to perform well and has had a positive first 6 months of 2022.

This positive performance is down to LPR growing its client base, winning new business and continuing to respond to the demand for coverage in war stricken areas.

The Group fully expects LPR to continue on its current growth trajectory.

Date of initial investment: October 2019

31 July 2022 valuation: £4.1m

Equity stake: 30.0%

CBC UK Limited / Paladin Holdings Limited ("CBC") – London, United Kingdom

+ 1.3 pence NAV per share uplift in Period

CBC, the London based retail and wholesale Lloyd's insurance broker, continues to perform significantly ahead of prior year.

During the Period, CBC hired an experienced Australian PI broking team comprising of four individuals who specialise in wholesale Australian PI, D&O and Financial Instructions business, which will substantially enhance CBC's international presence.

Date of initial investment: February 2017

31 July 2022 valuation: £9.9m

Equity stake: 47.1%

Chief Investment Officer's Portfolio Update and Outlook

Kentro Capital Limited (“Kentro”) – London, United Kingdom formerly Nexus Underwriting Management Limited (“Nexus”)

+ 0.2 pence NAV per share uplift in Period

In the Period, Nexus rebranded as Kentro, the new holding company for both Nexus, the specialty MGA, and Xenia Broking Holdings Limited (“Xenia”), the leading credit insurance and surety distribution specialist. These two businesses will operate as distinct, independent brands under Kentro.

Nexus received a 5-star rating in the annual Insurance Times MGA Survey, in which 1,300 brokers are asked to rate 43 MGAs. In the past two years Nexus have achieved 4-stars, slightly improving the overall score each time, and this year Nexus was one of only 7 MGAs to receive the top rating of 5 stars.

The Group first invested in Kentro in 2014, when the business was writing Gross Written Premium of c. £55.0m. Since investment, Kentro has grown consistently and is now on track to write Gross Written Premium of close to £450.0m in 2022, making Nexus one of the top 10 largest MGAs globally. Kentro has completed 23 acquisitions since formation, 15 of them since the Group invested. Kentro employs over 300 people, 250 of whom are also shareholders, working across 16 offices in 9 countries.

Date of initial investment: August 2014

31 July 2022 valuation: £51.5m

Equity stake: 19.0%

Daniel Topping,
Chief Investment Officer
17 October 2022

Group Finance Director Update

The Group's equity investment portfolio has continued to increase in value, rising by 11.4% to £160.4m (31 Jan 2022 £141.2m) adjusting for £5.3m of net investment realisations. Overall, the Net Asset Value of the Group increased by £13.2m (7.9%) to £179.8m, compared with an increase of £5.1m (3.4%) in the same period in 2021. Including the dividend paid in July 2022 of £1.0m, this represented an overall return of 8.5% for the Period.

Whilst the investment portfolio has continued to perform well over the Period, the Group has also benefitted from the weakening of Pound Sterling in its overseas investments, with £5.8m of the increase in Net Asset Value attributed to foreign exchange gains. Excluding this, the overall return including the dividend paid in July 2022 was 5.0%.

Over the year to 31 July 2022 the Net Asset Value has increased by £24.8m or 16.0%. Including the £1.0m dividend paid in July 2022 this represents an overall return of 16.6%.

The Net Asset Value of £179.8m at 31 July 2022 represents a total increase in Net Asset Value of £150.6m since the Group was originally formed in 1990 having adjusted for the original capital investment of £2.5m, the £10.1m net proceeds raised on AIM in 2006 and the £16.6m net proceeds raised through the Share Placing and Open Offer in July 2018. The Directors note that the Group has delivered an annual compound growth rate of 8.6% in Group Net Asset Value

after running costs, realisations, losses, distributions and corporation tax since flotation and 11.7% since 1990.

Income from the portfolio for the Period was slightly lower at £2.5m versus £2.7m in H1 2021 as a result of the sale of the Group's shareholdings in Walsingham Motor Insurance Ltd in December 2021 and Summa in March 2022.

A significant proportion of the increase in operating expenses to £2.1m in the Period from £1.6m in H1 2021 reflects a combination of a full return to office working versus remote working in H1 2021 including the ability to travel to meet with the management teams in person after almost two years of restricted travel due to the Covid-19 pandemic, and legal and professional fees being expensed in relation to the various new investment and follow-on transactions (although these were covered by fees charged to the relevant investee company).

The Group's strategy is to cover expenses from the portfolio yield. On an underlying basis, excluding investment activity (unrealised gains on equity revaluation, provision against loans receivable from investee companies and treasury portfolio movement), this was achieved with a pre-tax profit of £0.7m for the Period (H1 2021: £0.9m).

Group Finance Director Update

Loan Portfolio

In addition to the provision of equity to the investment portfolio, the Group often provides loan financing either as part of the original investment structure, or for follow-on funding to enable further growth through acquisitions or working capital for recruitment and product development.

The loan portfolio was £9.2m at 31 July 2022 (31 July 2021: £16.7m, 31 January 2022: £10.4m). During the Period the Group received £1.5m in loan repayments from the sale of Summa in March 2022 and has provided £0.3m in loans to two investee companies.

Liquidity

As at the Period-end, the Group had total available cash and treasury funds of £14.1m (31 Jan 2022: £8.6m), pursuant to the receipt of £9.6m in total from the sale of Summa in March 2022, £2.8m provided in follow-on funding into XPT in June 2022, £1.0m in dividend paid in July 2022 and the investment into Denison and Partners in March 2022.

Since the Period-end, the Group has provided loans of £0.7m to Ag Guard, £0.2m to LPR and £0.2m to Denison and Partners to continue their growth plans. Adjusting for working capital, the current total available cash and treasury funds are £12.7m.

Diluted Net Asset Value per share

The Net Asset Value per share at 31 July 2022 is 499.0p (31 July 2021: 430.4p, 31 January 2022: 462.7p). As part of a long-term share incentive plan for certain directors and employees of the Group, in June 2018 1,461,302 shares were issued to an Employee Benefit Trust at 281 pence per share.

On 12 June 2021 (the “vesting date”) the performance criteria were met for 1,206,888 of 1,461,302 shares held under joint share ownership arrangements within the Employee Benefit Trust, after which the members of the scheme became joint beneficial owners of the shares and became entitled to any gain on sale of the shares in excess of 312.6 pence per share.

Whilst these shares remain within the Employee Benefit Trust, they do not have voting or dividend rights. However, if the shares are sold in the future in excess of 281 pence per share, the Group would be entitled to receive £4,106,259 and these shares would become entitled to voting and dividend rights and therefore would become dilutive.

Overall, this would therefore dilute the Net Asset Value per share as at 31 July 2022 to 490.8p (31 July 2021: 424.6p, 31 January 2022: 455.6p).

Jonathan Newman,
Group Finance Director
17 October 2022

Consolidated Statement of Comprehensive Income

For the period ended 31 July 2022

	Unaudited 6 months to 31 July 2022		Unaudited 6 months to 31 July 2021		Audited Year to 31 January 2022	
	£'000	£'000	£'000	£'000	£'000	£'000
Gains on investment						
Realised gains on disposal of equity investments (net of costs)	155		1		2,938	
Release of provision made against equity investments and loans	7		-		1,117	
Unrealised gains on equity investment revaluation	16,212		5,314		16,204	
		16,374		5,315		20,259
Income						
Dividends	1,636		1,562		1,903	
Income from loans and receivables	326		575		1,092	
Fees receivable	580		521		1,082	
		2,542		2,658		4,077
Operating income		18,916		7,973		24,336
Operating expenses		(2,066)		(1,633)		(4,770)
		16,850		6,340		19,566
Operating profit						
Financial income	77		-		-	
Financial expenses	(42)		(40)		(78)	
Exchange movements	122		(64)		(93)	
		157		(104)		(171)
Profit on ordinary activities before taxation		17,007		6,236		19,395
Income taxes		(2,910)		(344)		(1,911)
Profit on ordinary activities after taxation attributable to equity holders		£14,097		£5,892		£17,484
Total comprehensive income for the period		£14,097		£5,892		£17,484
Earnings per share – basic (pence)		39.1p		16.4p		48.6p
Earnings per share – diluted (pence)		37.6p		16.2p		47.3p

The result for the period is wholly attributable to continuing activities.

Consolidated Statement of Financial Position

As at 31 July 2022

	Unaudited 31 July 2022		Unaudited 31 July 2021		Audited 31 January 2022	
	£'000	£'000	£'000	£'000	£'000	£'000
Assets						
Non-current assets						
Property, plant and equipment	90		107		96	
Right-of-use asset	754		919		836	
Investments – equity portfolio	160,398		136,205		141,245	
Loans and receivables	4,149		15,584		7,231	
		165,391		152,815		149,408
Current assets						
Investments – assets held for sale	-		-		8,104	
Investments – treasury portfolio	2,563		-		-	
Trade and other receivables	6,719		3,938		4,974	
Cash and cash equivalents	11,558		1,057		8,628	
		20,840		4,995		21,706
Liabilities						
Non-current liabilities						
Lease liabilities	(684)		(856)		(772)	
Deferred tax liabilities	(4,791)		(338)		(1,898)	
		(5,475)		(1,194)		(2,670)
Current liabilities						
Trade and other payables	(820)		(473)		(1,670)	
Lease liabilities	(171)		(163)		(167)	
Loans and other payables	-		(1,000)		-	
		(991)		(1,636)		(1,837)
Net assets		£179,765		£154,980		£166,607
Capital and reserves – equity						
Called up share capital	3,747		3,747		3,747	
Share premium account	29,346		29,346		29,342	
Fair value reserve	96,286		75,549		84,975	
Reverse acquisition reserve	393		393		393	
Capital redemption reserve	7		7		7	
Capital contribution reserve	72		71		72	
Retained earnings	49,914		45,867		48,071	
		£179,765		£154,980		£166,607
Shareholders' funds – equity						
Net Asset Value per share – undiluted (pence)	499.0p		430.4p		462.7p	
Net Asset Value per share – diluted (pence)	490.8p		424.6p		455.6p	

The Interim Consolidated Financial Statements were approved by the Board of Directors and authorised for issue on 17 October 2022 and signed on its behalf by:

Directors & Company Secretary

Brian Marsh OBE

Executive Chairman, aged 81 (R) (I) (V) (N)

Brian started his career in insurance broking and underwriting in Lloyd's and the London and overseas market over 55 years ago and was, from 1979 to 1990, chairman of Nelson Hurst & Marsh (Holdings) Ltd, before founding the Group. Brian has over 30 years' experience in building, buying and selling financial services businesses particularly in the insurance sector. Brian's considerable experience being Chairman of numerous companies in Financial Services means he is well suited as the Executive Chairman of B.P. Marsh. Brian is a member of the Remuneration (appointed 2 February 2022), Investment, Valuation, and Nomination Committees.

Alice Foulk BA (Hons)

Managing Director, aged 35 (I) (V) (N) (D)

Alice joined B.P. Marsh in September 2011 having started her career at a leading Life Assurance company. In February 2015 Alice was appointed as a director of B.P. Marsh and in January 2016 was appointed Managing Director where she is responsible for the overall performance of the Company and monitoring the Company's overall progress towards achieving its objectives and goals, as set by the Board. Alice is a member of the Investment, Valuation, Nomination and Disclosure Committees.

Daniel Topping MCSI, FCG

Chief Investment Officer, aged 38

(I) (V) (N) (D) (E)

Daniel was appointed as a director of B.P. Marsh in March 2011 having joined the Group in February 2007, following two years at an independent London accountancy practice. Daniel graduated from the University of Durham in 2005 and is a member of the Securities and Investment Institute and the Chartered Governance Institute. In January 2016 Daniel was appointed as Chief Investment Officer of the Group and is therefore the Senior Executive with overall responsibility for the portfolio and investment strategy for the Group, working alongside the Board and Investment Directors to find, structure, develop, support and monitor the portfolio. Daniel currently has multiple nominee appointments across the investment portfolio. During the Year, Daniel served as a member of the Investment, Valuation, Disclosure, Nomination and Environmental, Social and Governance Committees.

Jonathan Newman ACMA, CGMA, MCSI

Group Finance Director, aged 47 (I) (V) (D)

Jonathan is a Chartered Management Accountant with over 20 years' experience in the financial services industry. He joined the Group in November 1999, having started his career at Euler Trade Indemnity, and was appointed a director of B.P. Marsh in September 2001 and Group Finance Director in December 2003. Jonathan is responsible for the Group's finance function, provides strategic financial advice to all companies

Directors & Company Secretary

within the Group's portfolio, evaluates new investment opportunities and is a member of the Investment, Valuation and Disclosure Committees. Jonathan has four nominee directorships over two investee companies.

Pankaj Lakhani FCCA

Non-executive Director, aged 68 (R) (A) (V) (N)

Pankaj joined B.P. Marsh in May 2015 and has over 30 years' experience within the global insurance sector, having worked at Marsh McLennan Group, Nelson Hurst & Marsh Group, Admiral Underwriting and Victor O. Schinnerer. Pankaj is Chairman of both the Remuneration and Audit Committees and is also a member of the Valuation and Nomination Committees.

Nicholas Carter

Non-executive Director, aged 79 (R) (A) (E)

Nicholas was appointed to the Board of B.P. Marsh on 1 May 2019 and has over 50 years' experience in the Lloyd's Insurance Market having held a variety of positions within Nelson Hurst & Marsh Limited, Citicorp Insurance Brokers Limited and Nelson Hurst Plc. Upon joining the Group Nicholas was appointed a member of the Remuneration Committee and Audit Committee and also joined as member of the Environmental Social and Governance Committee on its inception.

Sinead O'Haire, LLB (Hons), FCG

**Chief Legal Officer & Group
Company Secretary (N) (D) (E)**

Sinead joined B.P. Marsh in 2009 and was appointed Group Company Secretary in June 2011. Sinead attends all Board and Committee meetings and works closely with the Chairman's Office and Board in all matters of governance and to oversee the effective functioning and leadership of the Company, as well as ensuring compliance with the stock market regulations. Sinead is responsible for negotiating and finalising the legal aspects of new investments, any follow-on funding and eventually the exit process.

KEY

- (R) Member of the Remuneration Committee during the Period
- (A) Member of the Audit Committee during the Period
- (I) Member of the Investment Committee during the Period
- (V) Member of the Valuation Committee during the Period
- (N) Member of the Nominations Committee during the Period
- (D) Member of the Disclosure Committee during the Period
- (E) Member of the Environmental, Social and Governance Committee during the Period

Portfolio Valuations

These investments have been valued in accordance with the accounting policies on Investments set out in note 1 of the Interim Consolidated Financial Statements.

As at 31 July 2022 the Group's equity interests were as follows:

Ag Guard PTY Limited

(www.agguard.com.au)

Ag Guard is a Managing General Agency, which provides insurance to the agricultural sector, based in Sydney, Australia. The Group holds its investment through Ag Guard's Parent Company, Agri Services Company PTY Limited.

Date of investment: July 2019

Equity stake: 41%

31 July 2022 valuation: £5,425,000

Asia Reinsurance Brokers Pte Limited

(www.arbrokers.asia)

ARB is an independent specialist reinsurance and insurance risk solutions provider headquartered in Singapore.

Date of investment: April 2016

Equity stake: 25%

31 July 2022 valuation: £0

ATC Insurance Solutions PTY Limited

(www.atcis.com.au)

ATC is a Managing General Agency and Lloyd's Coverholder, specialising in accident & health, construction & engineering, trade pack, motor and sports insurance headquartered in Melbourne, Australia.

Date of investment: July 2018

Equity stake: 25.56%

31 July 2022 valuation: £17,237,000

CBC UK Limited

(www.cbcinsurance.co.uk)

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. The Group holds its investment in CBC through CBC's parent company, Paladin Holdings Limited.

Date of investment: February 2017

Equity stake: 47.1%

31 July 2022 valuation: £9,893,000

Criterion Underwriting Pte Limited

Criterion was established to provide specialist insurance products to a variety of clients in the cyber, financial lines and marine sectors in Far East Asia, based in Singapore.

Date of investment: July 2018

Equity stake: 29.4%

31 July 2022 valuation: £0

Portfolio Valuations

Denison and Partners Limited

(www.denisonpartners.com)

Denison and Partners is a start-up London-based Lloyd's Insurance Broker delivering (re)insurance delegated authority solutions and services to MGAs, Coverholders and (re)insurers.

Date of investment: March 2022

Equity stake: 40%

31 July 2022 valuation: £132,000

EC3 Brokers Limited

(www.ec3brokers.com)

EC3 is an independent specialist Lloyd's broker and reinsurance broker, that provides services to a wide array of clients across a number of sectors, including construction, casualty and cyber & technology. The Group holds its investment through EC3's Parent Company, EC3 Brokers Group Limited.

Date of investment: December 2017

Equity stake: 35%

31 July 2022 valuation: £0

The Fiducia MGA Company Limited

(www.fiduciamga.co.uk)

Fiducia is a UK marine cargo Underwriting Agency and Lloyd's Coverholder which specialises in the provision of insurance solutions across a number of marine risks including, cargo, transit liability, engineering and terrorism Insurance.

Date of investment: November 2016

Equity stake: 35.2%

31 July 2022 valuation: £3,929,000

Kentro Capital Limited

(www.kentrocapi.com)

Kentro is an independent Managing General Agency and Broker specialising in the provision of directors & officers, professional indemnity, financial institutions, accident & health, trade credit, political risks insurance, surety, bond and latent defect insurance, both in the UK and globally.

Date of investment: August 2014

Equity stake: 19.0%

31 July 2022 valuation: £51,522,000

LEBC Holdings Limited

(www.lebc-group.com)

LEBC is an Independent Financial Advisory company providing services to individuals, corporates and partnerships, principally in employee benefits, investment and life product areas.

Date of investment: April 2007

Equity stake: 59.3%

31 July 2022 valuation: £21,603,000

Lilley Plummer Risks Limited

(www.lprisks.co.uk)

Lilley Plummer Risks is a specialist marine Lloyd's broker that provides products across the marine insurance market. The Group holds its investment in Lilley Plummer Risks through its holding company Lilly Plummer Holdings Limited.

Date of investment: October 2019

Equity stake: 30%

31 July 2022 valuation: £4,101,000

Portfolio Valuations

Sage Program Underwriters, Inc.

(www.sageuw.com)

Sage provides specialist insurance products to niche industries, initially in the inland delivery and field sport sectors based in Bend, Oregon.

Date of investment: June 2020

Equity stake: 30%

31 July 2022 valuation: £1,907,000

XPT Group LLC

(www.xptspecialty.com)

XPT is a wholesale insurance broking and Underwriting Agency platform across the U.S. Specialty Insurance Sector operating from many locations in the United States of America.

Date of investment: June 2017

Equity stake: 29.2%

31 July 2022 valuation: £29,910,000

Stewart Specialty Risk Underwriting Ltd

(www.ssrucanada.ca)

SSRU is a Managing General Agency, providing insurance solutions to a wide array of clients in the construction, manufacturing, onshore energy, public entity and transportation sectors based in Toronto, Canada.

Date of investment: January 2017

Equity stake: 30%

31 July 2022 valuation: £11,494,000

Sterling Insurance PTY Limited

(www.sterlinginsurance.com.au)

Sterling is a specialist Underwriting Agency offering a range of insurance solutions within the Liability sector, specialising in niche markets including mining, construction and demolition based in Sydney Australia. The Group holds its investment in Sterling via a joint venture with Besso Insurance Group Limited, Neutral Bay Investments Limited.

Date of investment: June 2013

Equity stake: 19.7%

31 July 2022 valuation: £3,245,000

Company Information

Directors

Brian Marsh OBE *Chairman*

Alice Foulk *Managing Director*

Jonathan Newman *Group Finance Director*

Daniel Topping *Chief Investment Officer*

Pankaj Lakhani *Non-executive*

Nicholas Carter *Non-executive*

Company Secretary

Sinead O'Haire

Company Number

05674962

Registered Office

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Auditors

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London, EC4A 3AQ

Broker and Nominated Adviser

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One New Change

London, EC4M 9AF

Registrar

Equiniti Limited

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