



B. P. MARSH  
& PARTNERS PLC

# Interim Results

For the six month period ended 31 July 2024

Dan Topping, Chief Investment Officer  
Francesca Chappell, Chief Finance Officer

23<sup>rd</sup> October 2024



## 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

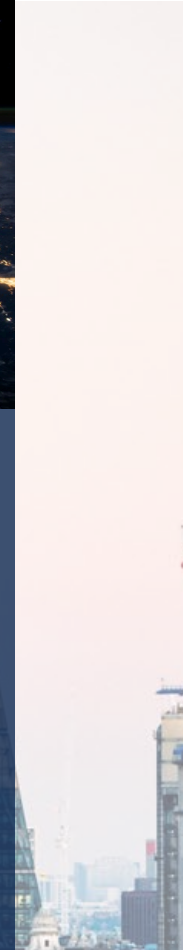
We are a complementary team of highly experienced leaders in the financial services industry, with deep sector knowledge acquired over several decades



## Our Story

B.P. Marsh has commenced business in 1994 and has since invested in **61** companies

We have **19** 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 **6.9** years making an initial investment of up to **£5m** for minority equity positions (20-40% shareholdings)

# B.P. Marsh & Partners PLC Board



**Brian Marsh**  
Executive Chairman  
55+ years of experience

- Founded B.P. Marsh in 1994
- Previously Chairman and major shareholder of Nelson Hurst & Marsh Group, an insurance broker and underwriting agency
- Investor in many financial services businesses throughout distinguished career



**Alice Foulk**  
Managing Director  
10+ years of experience

- Joined B.P. Marsh in 2011 and appointed as a Director of B.P. Marsh & Company Limited in 2015
- Appointed Managing Director in 2016, joining the B.P. Marsh & Partners PLC Board
- 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 Director in 2011. In 2016 Dan was appointed as Chief Investment Officer.
- Responsibility for the investment strategy at B.P. Marsh; sourcing structuring, developing, supporting and monitoring the Portfolio



**Francesca Chappell (née Lowley)**  
Chief Finance Officer  
10+ years of experience

- Joined B.P. Marsh in 2013 and appointed as a Director of B.P. Marsh & Company Limited in 2018
- Appointed as Chief Finance Officer in 2024, joining the B.P. Marsh & Partners PLC Board
- Oversees all financial activities at B.P. Marsh, alongside assisting with the financial oversight across the Portfolio of Investments



**Pankaj Lakhani**  
Non-Executive Director  
40+ years of experience

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



**Nick Carter**  
Non-Executive Director  
50+ years of experience

- Joined B.P. Marsh as an NED in 2019
- Held a variety of senior management positions at a number of Lloyd's brokers over a 50 year period
- Consultant at numerous Lloyd's broking operations

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



- Founded B.P. Marsh in 1989
- Previously Chairman and major shareholder of Nelson Hurst & Marsh Group, an insurance broker and underwriting agency
- Investor in many financial services businesses throughout distinguished career

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- Joined B.P. Marsh in 2007 and appointed Chief Investment Officer in 2016
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**Alice Foulk**  
Managing Director  
10+ years of experience



- Joined B.P. Marsh in 2011 and appointed as a Director of B.P. Marsh & Company Limited in 2015
- Appointed Managing Director in 2016, joining the B.P. Marsh & Partners PLC Board
- Central to the management of B.P. Marsh, ensuring objectives and goals are achieved

**Oliver Bogue**  
Investment Director  
10+ years of experience



- Joined B.P. Marsh in 2011 as assistant to the Group Company Secretary, and appointed as an Investment Director in 2016, working for the CIO
- Appointed as a Director of B.P. Marsh & Company Limited in 2018

**Abi Benson**  
Investment Director  
10+ years of experience



- Joined B.P. Marsh in 2013 and became an Investment Director in 2018
- Appointed as a Director of B.P. Marsh & Company Limited in 2018

**Francesca Chappell (née Lowley)**  
Chief Finance Officer  
10+ years of experience



- Joined B.P. Marsh in 2013 and appointed as a Director of B.P. Marsh & Company Limited in 2018
- Appointed as Chief Finance Officer in 2024, joining the B.P. Marsh & Partners PLC Board
- Oversees all financial activities at B.P. Marsh, alongside assisting with the financial oversight across the Portfolio of Investments

c. 18 years  
average experience

# Period Ending 31 July 2024 Results

Consolidated profit before tax of

**£29.0m**

Six months ended 31 July 2023: £15.6m

Year ended 31 January 2024: £43.6m

Available Capital

**£80.2m**

£4.3m as at 31 July 2023

£40.5m as at 31 January 2024

Total Shareholder Returns

**12.1%**

7.9% in six months to 31 July 2023

Net Asset Value (NAV) of

**£252.9m**

+£23.7m, or 10.3% over six months

+£49.4m, or 24.3% over twelve months

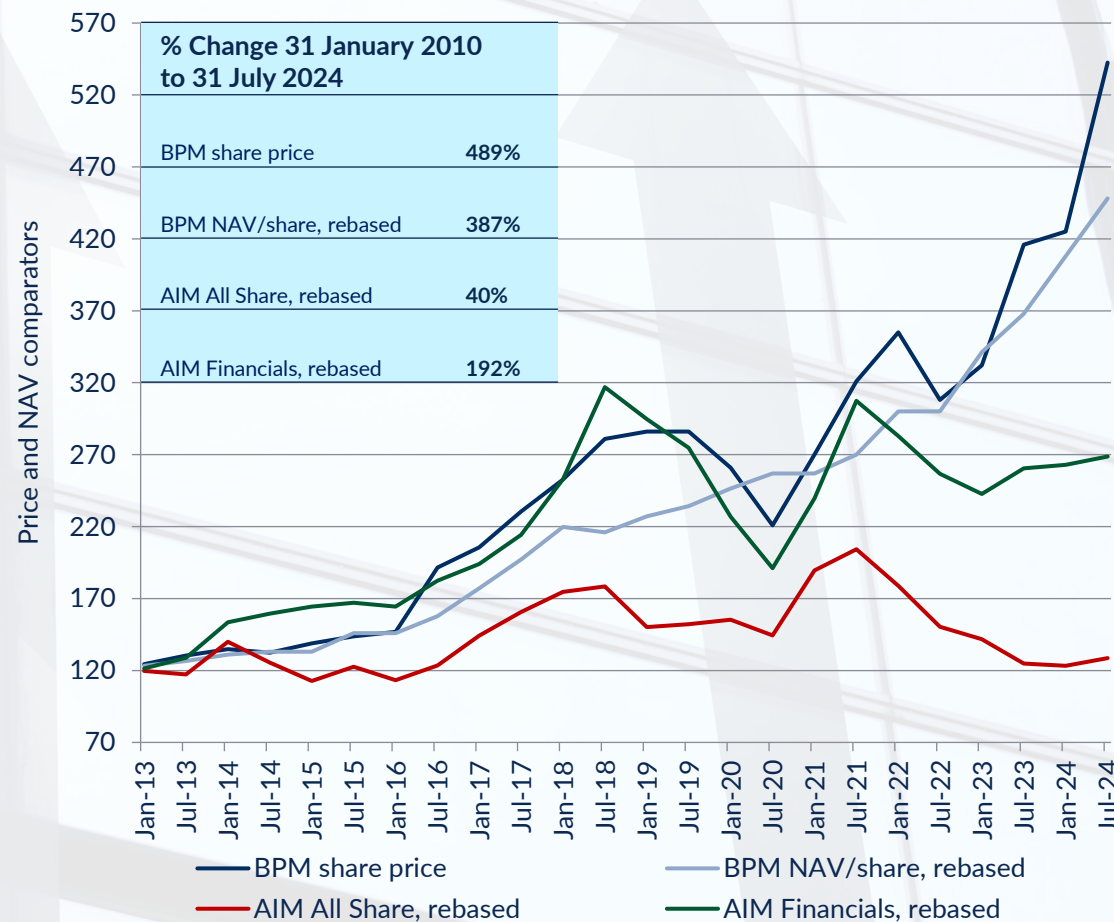
Equity Portfolio Value of

**£153.4m**

+£29.7m, or 24.0% over six months

+£58.6m, or 61.8% over twelve months

Change 31 January 2013 to 31 July 2024



# Financial Highlights - Period Ended 31 July 2024 (unaudited)

Net Asset Value (NAV) of

**£252.9m**

+£23.7m over six months

+£49.4m over year

31 July 2023: £203.5m

31 January 2024: £229.2m

NAV per share of

**690.8p** +9.8% over six months

(658.5p\* diluted)

(658.5p\* diluted)

31 July 2023: 567.3p (556.3p\* diluted)

31 January 2024: 629.0p (626.9p\* diluted)

Final dividend of

**5.36p** per share (£2.0m)

Paid on 26 July 2024 to shareholders registered at close of business on 28 June 2024

£1.0m (2.68p per share) paid in March 2024

£1.0m (2.68p per share) paid in May 2024

Total Shareholder Return of

**12.1%**

Including NAV uplift and total dividend of £4.0m paid Mar 2024/May 2024/Jul 2024

Consolidated Profit before Tax:

**£29.0m**

Six months ended 31 July 2023: £15.6m

Year ended 31 January 2024: £43.6m

Underlying Profit before Tax:

**£0.9m**

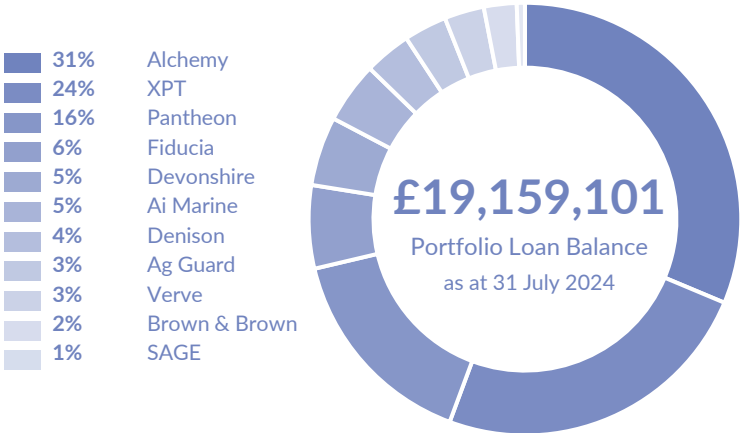
Six months ended 31 July 2023:

£0.8m

Year ended 31 January 2024: £0.1m

\*Please refer to Slide 45 in the appendices for details of dilutive share options

# Summary Financial Position - Period Ended 31 July 2024



**£19.2m**  
Net Loans Granted  
31 Jan 2024: £28.9m

**Loans Granted in the Period**

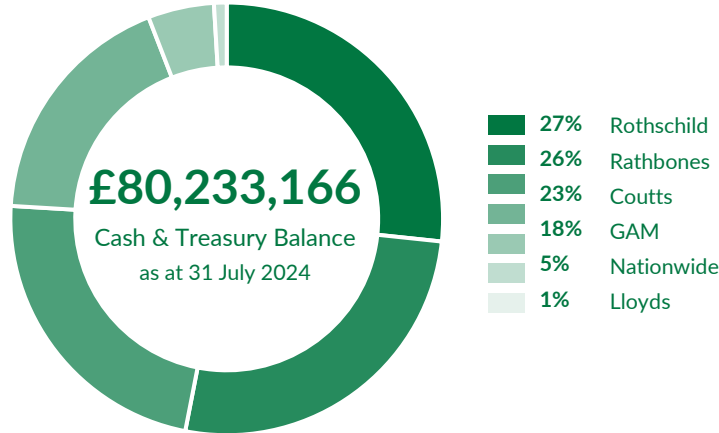
<b>£0.4m</b> Ai Marine	<b>£1.0m</b> Devonshire
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**Key Repayments in the Period**

<b>£3.3m</b> LEBC	<b>£0.3m</b> Fiducia
<b>£5.9m</b> Paladin/CBC	<b>£1.5m</b> Pantheon

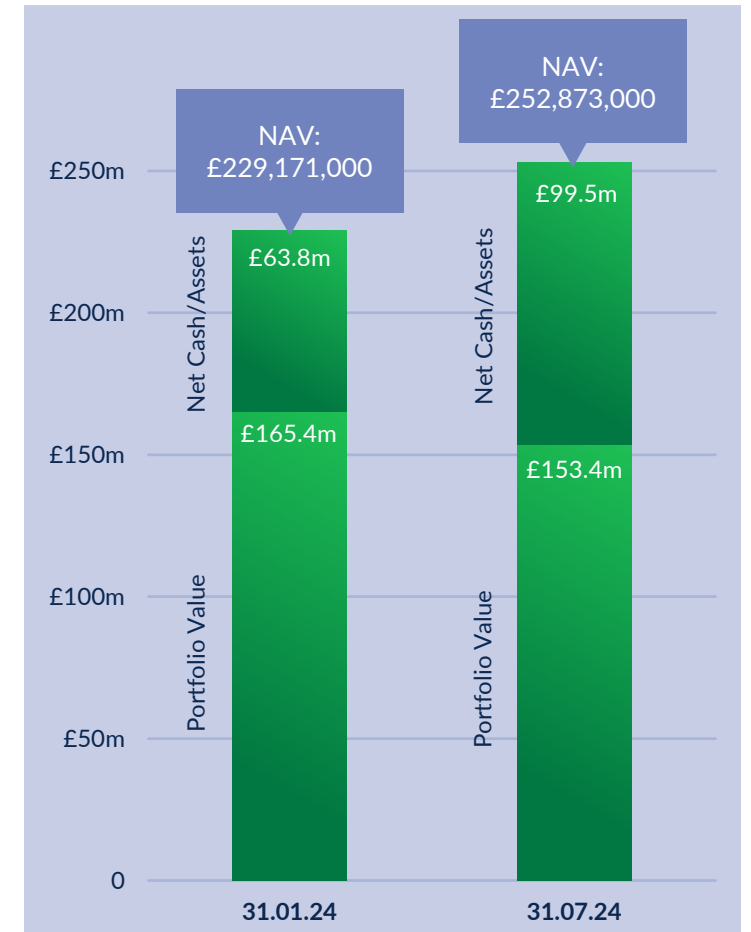
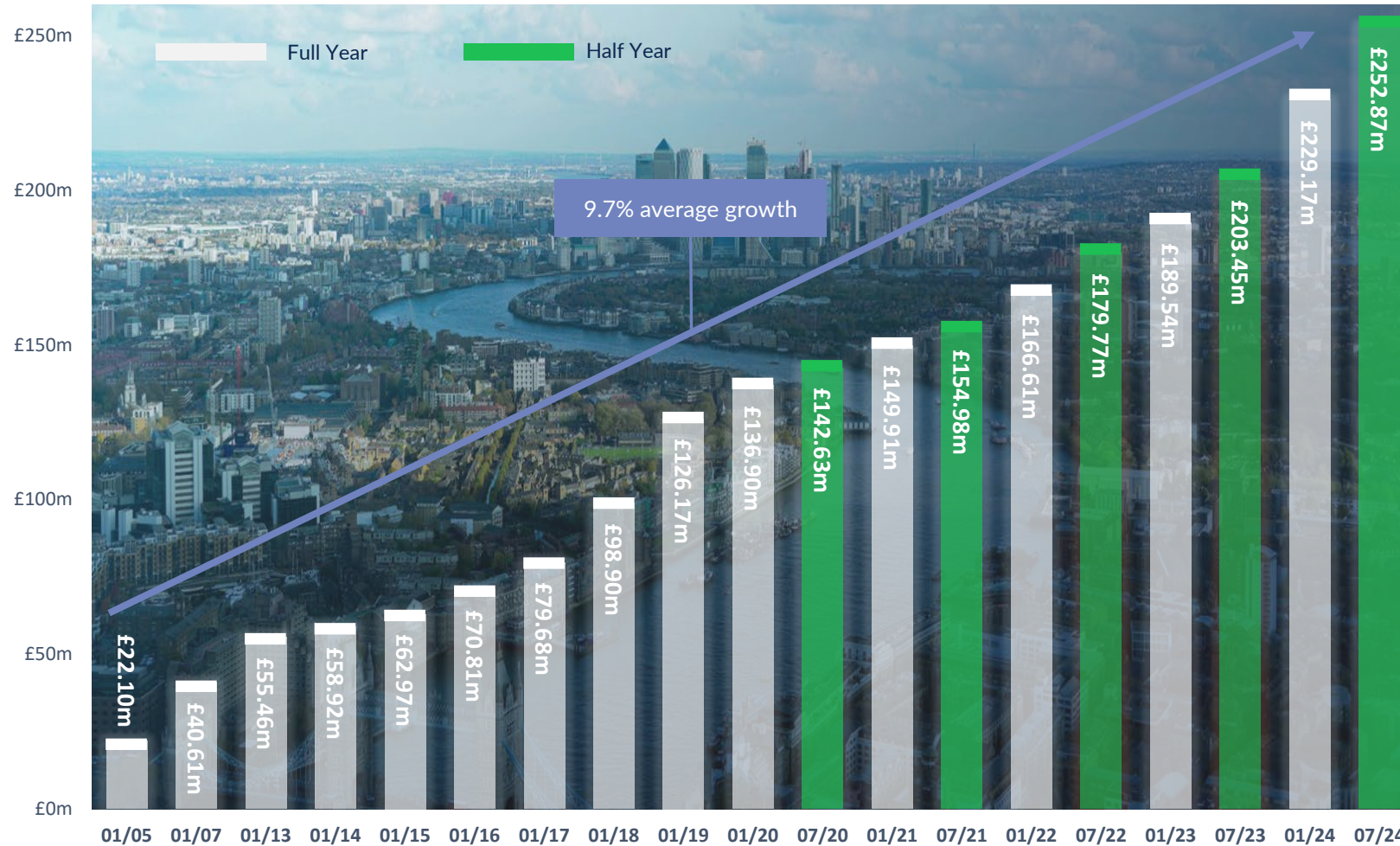
NB: £(0.03)m FX movement and £0.06m loans provided against in the period

<b>£80.2m</b> Total Liquidity	<b>£0.7m</b> Cash Balance	<b>£79.5m</b> Treasury Balance
	31 Jan 2024: £1.9m	31 Jan 2024: £38.6m



**Average Return on Treasury Funds: 4.65%**

# Performance: Net Asset Value (NAV)

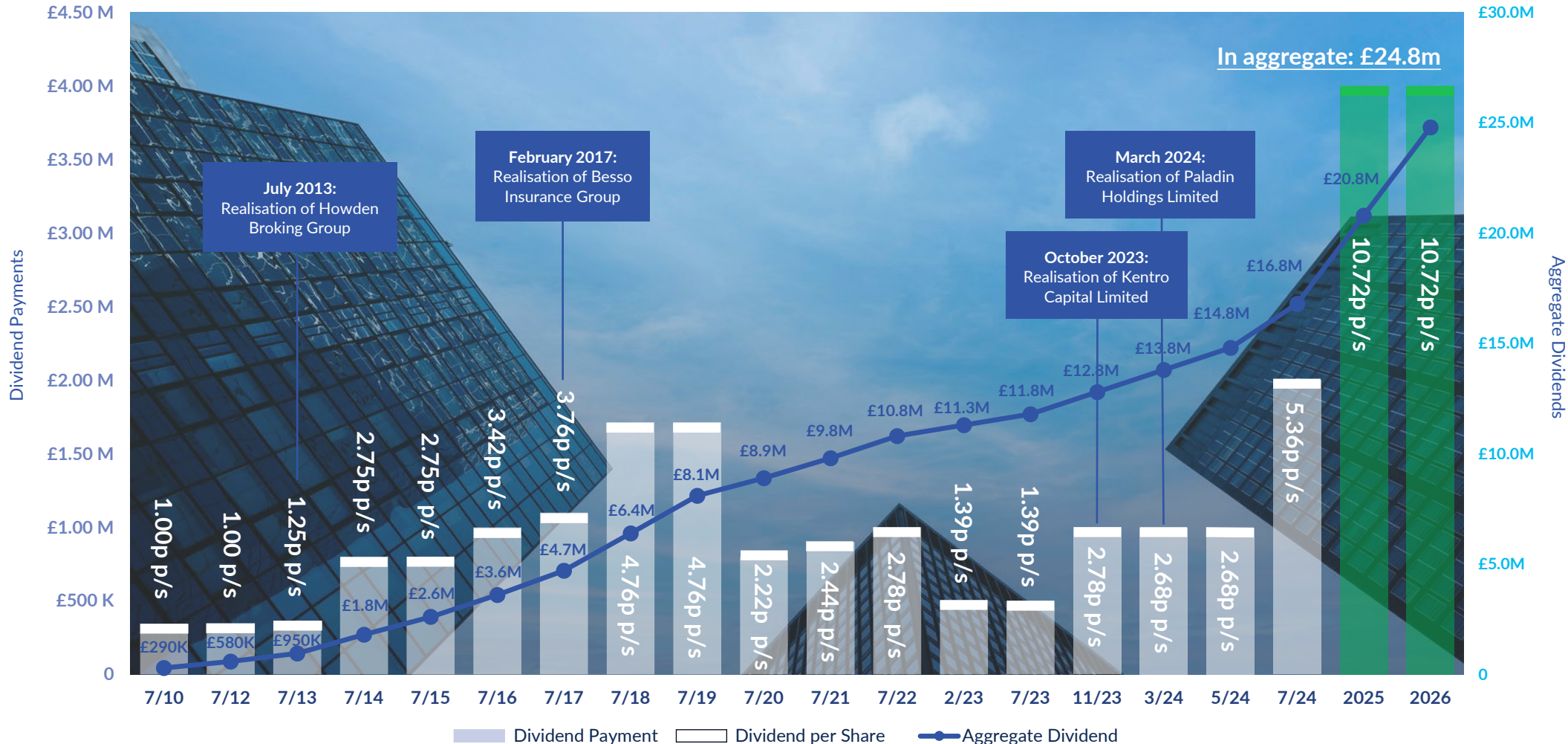


\*NB: The valuation at 31 January 2007 includes £10.1m net proceeds raised on AIM

\*\*NB: The valuation at 31 January 2019 includes £16.6m net proceeds raised on share placing and open offer



# Dividends



The Group paid an interim dividend of **£1.0m** in March 2024

Following the completion of the sale of Paladin Holdings Limited/CBC UK Limited, the Group paid a further dividend of **£1.0m** in May 2024

In July 2024 the Group paid a Final Dividend of **£2.0m** for the Year to 31 January 2024

The Board has proposed further dividends of **£4m** per annum for the next **2 years**. This would increase the aggregate dividend to **£24.8m** by 2026

By 2026, the Company expects to distribute a total of **£24.8m** to shareholders in Dividends since Flotation or **70.61p** per share (Flotation Price **140p** per share)

# Disposal: Paladin Holdings Limited / CBC UK Limited ("CBC")



On 22 March 2024, the Group completed the sale of Paladin Holdings Limited, the holding company of CBC, to Specialist Risk Group Limited

## Sale of Paladin/CBC: £44.0m

- £3,500 Initial Equity Investment
- IRR of 45.1% incl. income and fees

The investment and subsequent sale of the Group's holding in CBC is another example of B.P. Marsh's successful strategy of partnering with entrepreneurial management teams to assist their growth prior to a management-led exit

The Group originally invested £3,500 in Paladin/CBC alongside loan funding of £4,000,000 for a 35% shareholding in February 2017

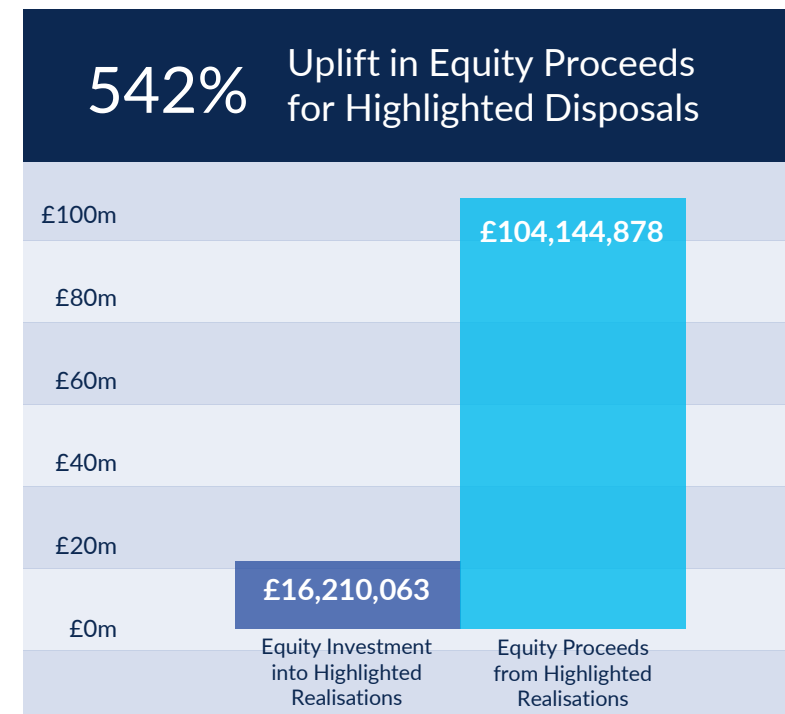
Through further funding since 2014, this shareholding increased to 43.8%

The Group supported CBC in its growth in revenue from £5.5m in 2017 to over £21m in 2023

CBC's EBITDA has grown from £(50)k in 2016 to an adjusted EBITDA of £10m in 2023

# Portfolio Realisation Highlights

Investee Company	Jurisdiction	Date of Investment	Date of Disposal	Equity Investment	Equity Proceeds	IRR
CBC PARTNERSHIP	UK	17.02.17	22.03.24	£3,500	£44,015,762	47.79%
KENTRO	UK	13.08.14	22.05.23	£15,126,554	£51,522,000	23.66%
WMOIL	UK	02.12.13	22.12.21	£600,302	£4,857,921	22.14%
MB GROUP	Australia	31.08.13	31.08.21	£479,707	£3,764,957	29.42%



# New Investment - Devonshire UW Limited (“Devonshire”)

NEW INVESTMENT

Investment Date

March 2024

Equity Stake

30%

Cost of Equity

£300,000

Loan Facility

£1,600,000

31 July 2024 Valuation

£300,000

A Managing General Agency specialising in underwriting transactional liability risks globally, excluding the US

Founded by four experienced industry practitioners, Natasha Attray, James Dodd, James Fletcher, and Charles Turnham

Collective 30 years of transactional liability underwriting experience

Provides risk solutions for large M&A transactions for brokers, corporates, private equity firms and other specialist investors

Backed by Lloyd’s capacity with support from a strong panel of A-rated capacity providers



DEVONSHIRE

UNDERWRITING

“We are excited to enter into this partnership with B.P. Marsh, a strong team with a proven record of sound investments and sustainable strategic partnerships.”

Our goal is to be a market-leading, trusted transactional risks underwriter focusing on challenging legal risks, respected for our deep expertise and execution record, and valued as a key strategic partner for our brokers and clients.”

James Dodd, Founder

# Post-Period End New Investment - CEE Specialty s.r.o. ("CEE")

## NEW INVESTMENT

Investment Date

September 2024

Equity Stake

44%

Cost of Equity

£2,354,134  
(€2,819,852)

31 July 2024 Valuation

N/A

CEE, an underwriting agency, focuses on marine hull, bonds and liability insurance, targeting business in Central and Eastern Europe

Founded by two experienced industry practitioners, James Grindley and Tomáš Maršálek

Over **40** years of combined experience in the financial sector

Founded in 2019, B.P. Marsh offered exclusive support to allow the founders of CEE to undertake an MBO

CEE is based in Prague and Czech Republic, with a branch office in Bucharest, Romania. It has a total of 15 insurance professionals



"We are delighted to have B.P. Marsh as a partner in CEE Specialty to support us in achieving our long-term ambitions and goals set out in our business plan. In addition to B.P. Marsh's financial investment, their team brings significant insurance experience and expertise.

Over the coming years, CEE Specialty is looking to continue its profitable growth by further expanding and diversifying its array of marine, bond and liability products."

Tomáš Maršálek, Founder

# Post-Period End New Investment - Volt UW Limited ("Volt Underwriting")

## NEW INVESTMENT

Investment Date  
**October 2024**

Equity Stake  
**25.5%**

Cost of Equity  
**£25.50**

Loan Facility  
**£2,500,000**

31 July 2024 Valuation  
**N/A**

Volt Underwriting is an agency specialising in energy insurance in both the renewable and non-renewable sectors

The co-founders, Chris Allison, Andrew Tokley and Kevin Cleary each have over **25** years experience working in senior leadership positions at various underwriting-led businesses; including large (re)insurance companies, Lloyd's syndicates and MGAs

Volt Underwriting has a clear focus on insuring property risks associated with power generation and midstream energy

Volt Underwriting is a Lloyd's Coverholder, and has secured A-rated capacity from Lloyd's



"We look forward to working with B.P. Marsh, as we enter the next phase of our careers in establishing Volt. Alongside B.P. Marsh, our goal is to build Volt into a successful best-in-class MGA, with Energy being our marquee product line, with other synergistic product offerings being developed over time.

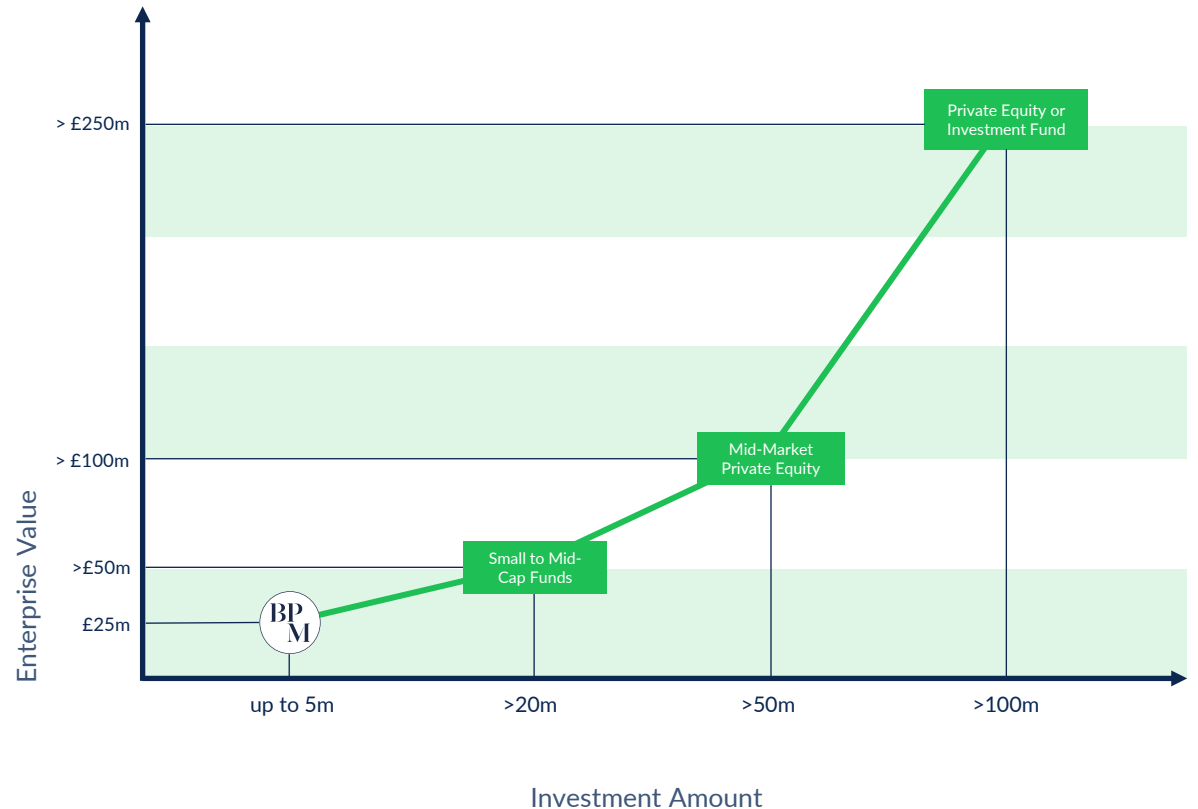
B.P. Marsh has a proven record of investments in our space, and we believe that they are the perfect partners to help Volt achieve its long-term goals."

Chris Allison, Founder

# Bridging the Gap

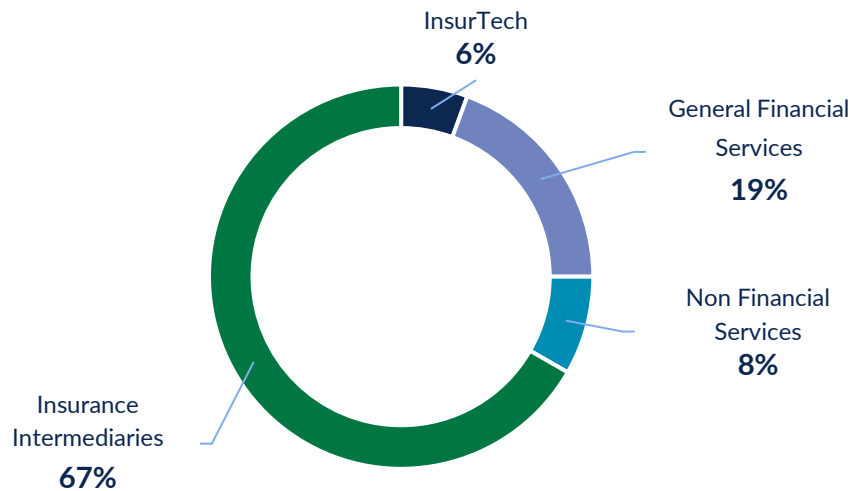


- B.P. Marsh specialises in providing early-stage finance, investing in businesses with an enterprise value of between £0 and c. £25m
  - Our flexible approach to investment translates into us operating in a niche segment where funding is difficult to obtain
  - The Group's primary competitors would 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 is often perceived as 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 various parties including trade buyers and mid-market private equity houses, eventually being sold through competitively run processes
  - The Group see this investment approach as 'Bridging the Gap'



# New Investment Origination

## New Investment Opportunities to 31 July 2024, by sector



## Our key investment sourcing channels



**34** new investment opportunities in the period

**44%** of these new investment enquiries emanated from referrals or introductions from our existing network

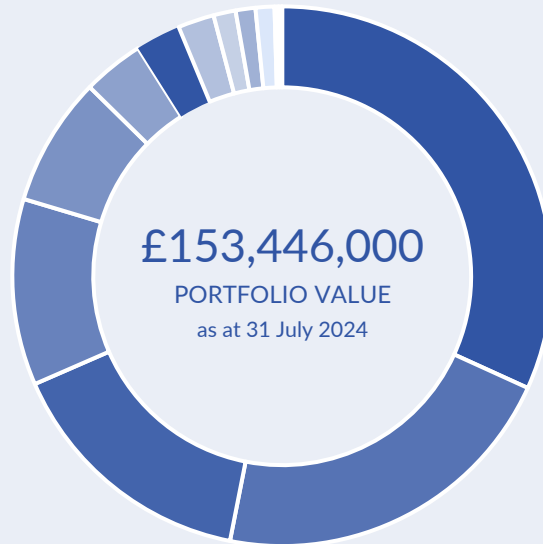
**41%** of these opportunities were international



# Portfolio Overview as at 31 July 2024



- 32% XPT
- 21% Pantheon
- 15% ATC
- 11% LPR
- 18% SSRU
- 4% Fiducia
- 3% LEBC
- 3% Sterling
- 1% SAGE
- 1% Ag Guard
- 1% ARB
- 0% Verve
- 0% Devonshire
- 0% Ai Marine



xpt

PANTHEON  
SPECIALTY

ATC  
INSURANCE SOLUTIONS

LILLEY PLUMMER RISKS  
LIMITED

SSRU

FIDUCIA  
THE FIDUCIA MGA COMPANY LTD

STERLING  
INSURANCE

SAGE  
Program Underwriters

Ag Guard

ARB ASIA  
REINSURANCE  
BROKERS

VERVE

DEVONSHIRE  
UNDERWRITING

Ai MARINE

£47.6m

Total Invested

£153.4m

Equity Value of Portfolio

14

Number of Active Investments

£19.2m

Loans

1

Realisation

1

New Investment

In the period to 31 July 2024

4

Brokers in Portfolio

11

Underwriting Agencies in Portfolio

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

## CURRENT INVESTMENT

Investment Date

**July 2018**

Equity Stake

**25.39%**

Cost of Equity

**£3,345,230\***

31 July 2024 Valuation

**£23,566,000**

IRR to 31 July 2024

**38.1%**

A Managing General Agency with a specialism in Accident & Health, Construction & Engineering, Trade Pack, Sports and niche motor insurance

In its 12-months to 30 June 2024, ATC achieved:

Gross Written Premium

**AU\$ 185m**

Revenue

**AU\$ 29.5m**

EBITDA

**AU\$ 14.9m**

At investment, ATC produced GWP of

**AU\$ 61m**

ATC currently budgeting GWP of over

**AU\$ 225m**



ATC is one of the largest Lloyd's underwriting agencies in Australia

Currently has capacity arrangements with several Lloyd's syndicates and offers an extensive range of products

ATC always looks to develop its product offerings to ensure that it can meet the diverse insurance needs of its ever-expanding client base

\*Equity investment is reported as the combined initial equity investment into ATC and MB Prestige Holdings PTY Limited

# Investment Summary - Pantheon Specialty Group Limited ("Pantheon")



## CURRENT INVESTMENT

Investment Date

**June 2023**

Equity Stake

**32%**

Cost of Equity

**£7,300,025**

31 July 2024 Valuation

**£32,694,000**

IRR to 31 July 2024

**870.4%**

Pantheon is an independent specialist broker with the team recognised as leading London Market Casualty brokers, specialising in complex liability placements worldwide

Current valuation represents a

**48%**

uplift in value over the prior 6 months valuation at 31 January 2024



**PANTHEON**  
SPECIALTY

In its 12-month to 31 December 2024, Pantheon is expecting to achieve:

Revenue

**c. £22m**

Adjusted EBITDA

**c. £16m**

Pantheon has made several strategic hires to support growth

Since Pantheon was established just over one year ago, it is already recognised as a leading London market casualty broker

The business is well positioned to continue its positive growth since formation

# Investment Summary - Lilley Plummer Risks Limited ("LPR")

## CURRENT INVESTMENT

Investment Date

**October 2019**

Equity Stake

**30%**

Cost of Equity

**£308,000**

31 July 2024 Valuation

**£17,132,000**

IRR to 31 July 2024

**90.35%**

Marine broker, who has expanded its product offering into several niche and diverse areas, including Political Violence and Terrorism, North American Property, Aviation and Accident and Health

In its 12-month to 31 December 2024, LPR is expecting to achieve:

Revenue

**c. £12.7m**

EBITDA

**c. £5.0m**

(Adjusted EBITDA c. £7.0m)

Current valuation represents a

**27.4%**

uplift in value over the prior 6 months valuation at 31 January 2024



**LILLEY PLUMMER RISKS  
LIMITED**

LPR made several strategic hires to support growth

Part of LPR's on-going strategy to build the business into a multi-line specialist insurance broker

The business is well positioned to continue its positive growth since formation

LPR continues to actively explore new opportunities in the market through team hires and acquisitions as part of its commitment to achieving accelerated growth and its ambitious budget for the 2024 financial year

# Investment Summary - 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

In February 2023 the Group provided further loan funding of **£4.9m**

In October 2023 the Group made a further equity investment of **£2.9m**

In May 2024 the Group invested a further **£0.8m** in equity

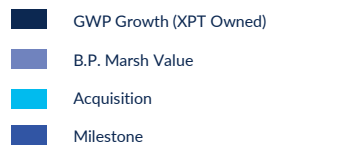
Including these investments, B.P. Marsh have provided XPT **£20.2m** in total

B.P. Marsh's shareholding as at 31 July 2024 is **27.5%**

As at 31 July 2024 the IRR to B.P. Marsh is **31.04%**, incl. loans

## XPT in numbers:

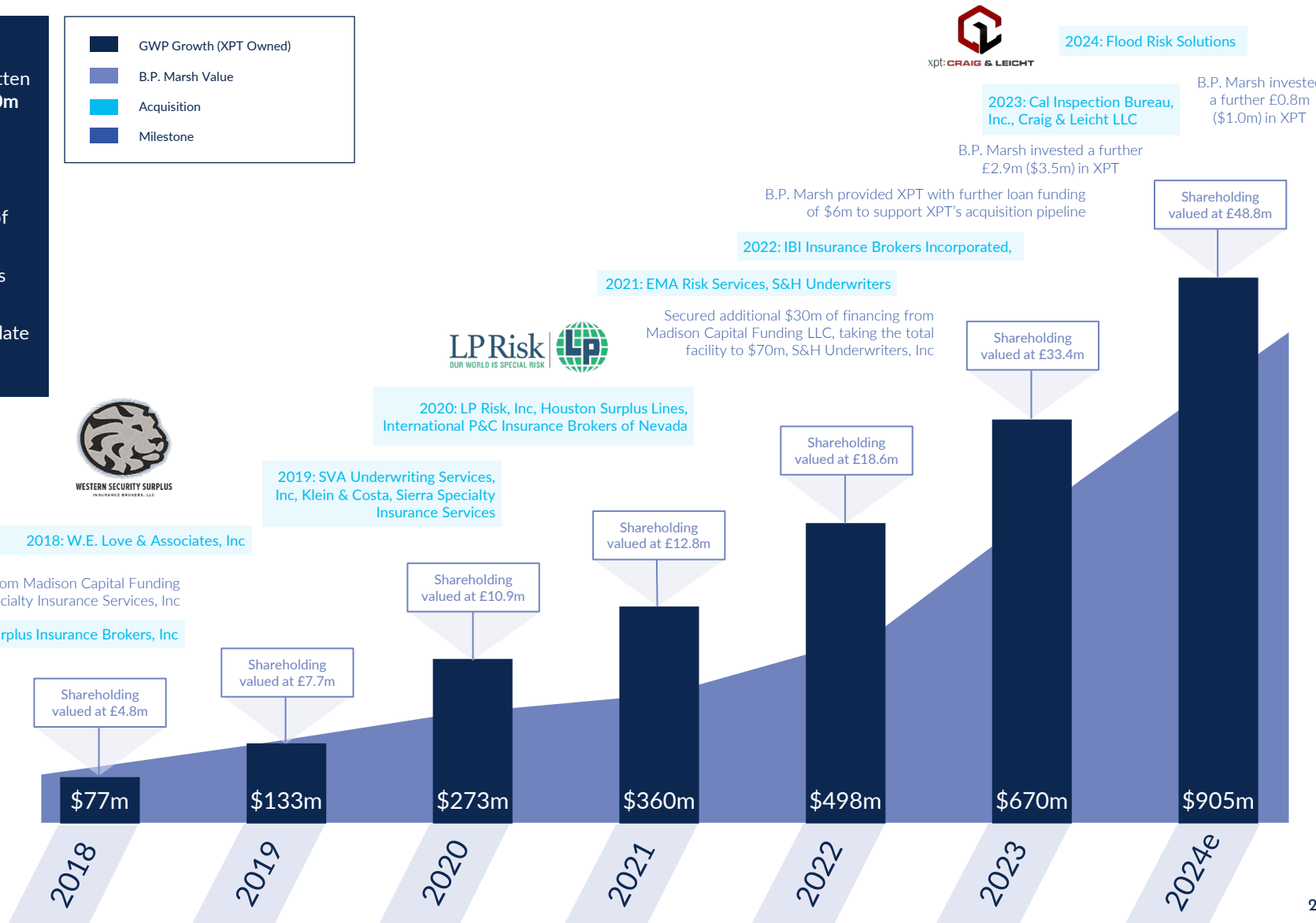
- 2024 forecast Gross Written Premium of over **US\$900m**
- GWP growth since formation represents a **54.1% CAGR**
- 2023 Adjusted EBITDA of **US\$15.2m**
- 22 Office locations across the US
- 16 acquisitions made to date
- 250+ employees



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





## 2024 Share Buy-Back Programme in the Period

New Share Buy-Back Policy  
Announced:  
11 June 2024

Shares Purchased: 63,132

Total Spent: £326,379

Average Price Per Share: 517p per  
share

It is the Board's ongoing aim to strike a balance between long term capital growth and providing meaningful returns to Shareholders.

**£24.8m** in dividends proposed to be distributed since 2010

- £1.0m Special Dividend paid in November 2023
- £4.0m paid/payable in 2024
- £4.0m p.a. Dividend proposed for next 2 years

The Board has agreed an upper purchase threshold of a 10% discount to the diluted NAV per Share, allowing the Company to buy-back shares up to a maximum price of £5.93 per share, subject to MAR restrictions

12.1% return to shareholders during period through NAV growth and dividends

Board continues to strike a balance between:-

- Shareholder Returns
- Retaining funds to grow NAV

# Reducing the Discount between Share Price and NAV per Share

The Group is committed to actively reducing the discount to NAV, ensuring the market valuation more accurately reflects the full intrinsic value of its assets, including its portfolio and cash holdings

The Group announced its appointment of Singer Capital Markets on 17 September as joint corporate broker alongside Panmure Liberum to broaden market reach, enhance investor engagement and drive a reduction in the discount to NAV

## Share Buy-Back Programme To Date

First incepted: August 2012

Shares Purchased: 664,792

Total Spent: £1,928,391

Average Price Per Share: 312p per share

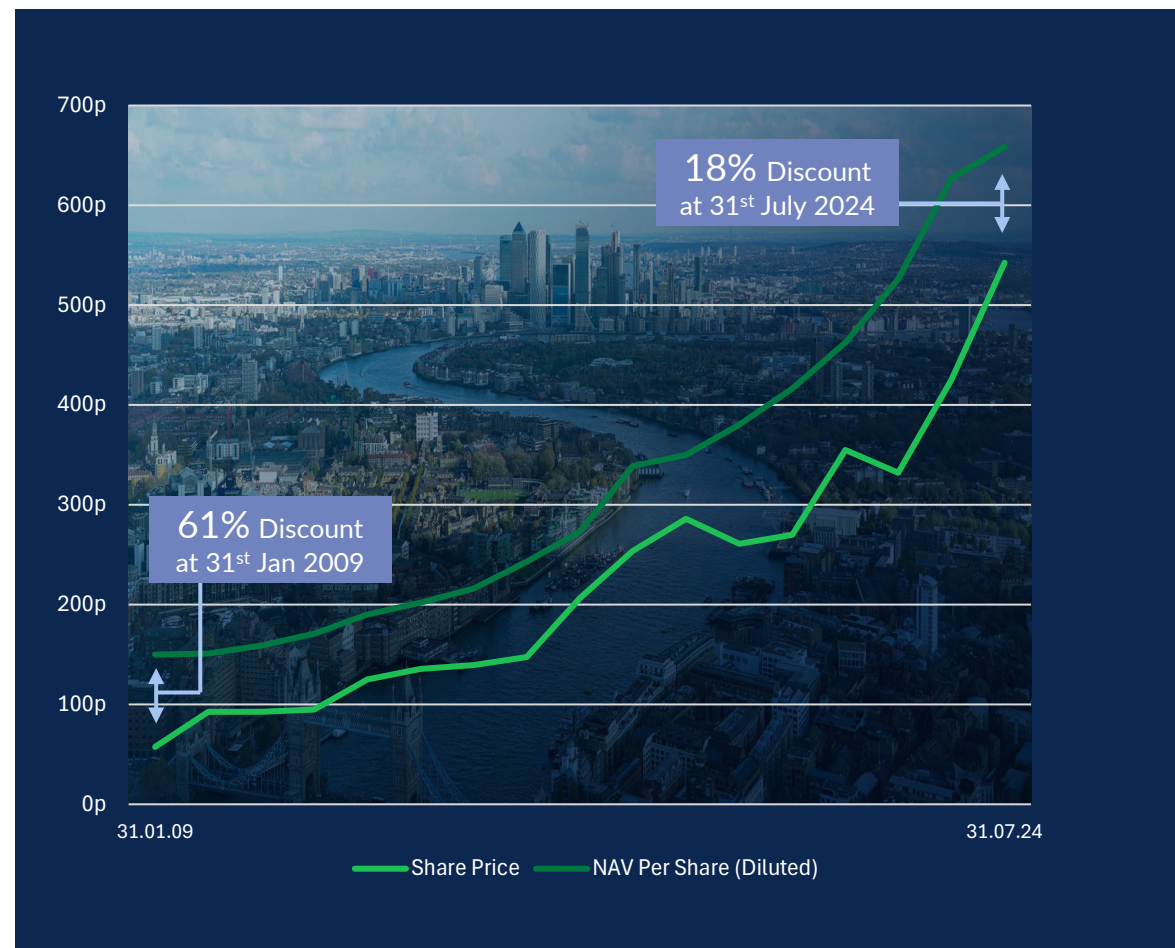
Profit since inception of share buy back policy at 31.07.24 share price: £1,627,504

## Dividends

£4m distribution proposed for year 31<sup>st</sup> January 2025 (10.72p per share)

The Group has distributed 49.17p per share to shareholders since its flotation, equal to 9.2% of the current share price (535p)

This represents a return of 35.1% of its flotation price in dividends



# Summary



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

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

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

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

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

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

Net Asset Value:  
**£252.9m**

Profit Before Tax:  
**£29.0m**

Available Capital:  
**£80.2m**

Total Shareholder Returns:  
**12.1%**





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# Loan Portfolio



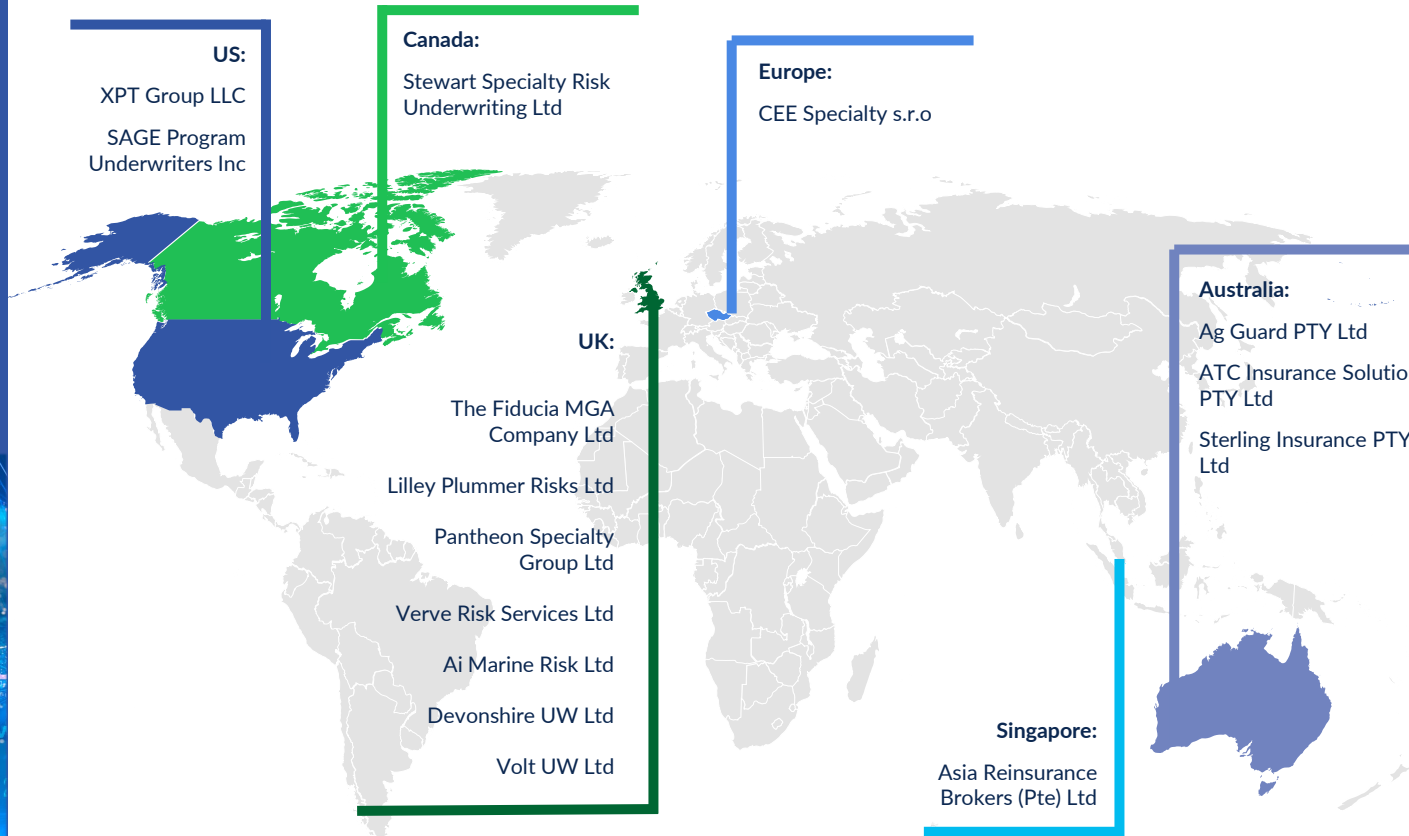
Investment	31 July 2024 (£'000)	31 January 2024 (£'000)	31 July 2023 (£'000)
Ag Guard	615	621	653
Ai Marine	875	500	-
Alchemy	6,000	6,000	-
Brown & Brown	469	524	-
Denison and Partners	670	670	670
Devonshire	990	-	-
Fiducia	1,191	1,481	1,771
LEBC	-	3,300	3,000
Paladin (CBC)	-	5,901	5,096
Pantheon	3,000	4,536	500
Sage	117	117	118
Verve	569	569	569
XPT	4,663	4,684	5,457
<b>Total</b>	<b>19,159</b>	<b>28,903</b>	<b>17,834</b>

# 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

# Portfolio as at 31 July 2024



<p>Agri Services Company PTY Limited <b>Shareholding: 41.0%</b></p>	<ul style="list-style-type: none"><li>• Investment date: July 2019</li><li>• Ag Guard is an Australian-based MGA which provides insurance to the Agricultural Sector</li></ul>
<p>Ai Marine Risk Limited <b>Shareholding: 30.0%</b></p>	<ul style="list-style-type: none"><li>• Investment date: December 2023 (through Dempsey Group Limited)</li><li>• Ai Marine is a Marine Hull Insurance MGA focussing on the UK &amp; Europe, Middle-East and Asia-Pacific regions</li></ul>
<p>Asia Reinsurance Brokers (Pte) Limited <b>Shareholding: 25.0%</b></p>	<ul style="list-style-type: none"><li>• Investment date: April 2016</li><li>• ARB is a Singapore-headquartered independent specialist reinsurance and insurance risk solutions provider</li></ul>
<p>ATC Insurance Solutions PTY Limited <b>Shareholding: 25.4%</b></p>	<ul style="list-style-type: none"><li>• Investment date: July 2018</li><li>• ATC is an Australian-based MGA and Lloyd's Coverholder. ATC specialises in Accident &amp; Health, Construction &amp; Engineering, Trade Pack and Sports insurance</li></ul>

## Portfolio as at 31 July 2024 Continued

<p>Criterion Underwriting (Pte) Limited  <b>Shareholding: 29.4%</b></p>	<ul style="list-style-type: none"> <li>• Investment date: July 2018</li> <li>• Criterion is a Singapore-based Managing General Agency</li> </ul>
<p>Devonshire UW Limited  <b>Shareholding: 30.0%</b></p>	<ul style="list-style-type: none"> <li>• Investment date: March 2024</li> <li>• Devonshire is a London-based Underwriting Agency specialising in transactional risks</li> </ul>
<p>The Fiducia MGA Co Limited  <b>Shareholding: 35.2%</b></p>	<ul style="list-style-type: none"> <li>• Investment date: November 2016</li> <li>• 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</li> </ul>
<p>LEBC Holdings Limited  <b>Shareholding: 61.9%</b></p>	<ul style="list-style-type: none"> <li>• Investment date: April 2007</li> <li>• LEBC is a holding company that, until April 2024, owned two businesses that were national Independent Financial Advisory companies providing services to individuals, corporates and partnerships, principally in employee benefits, investment and life product areas</li> </ul>

# Portfolio as at 31 July 2024 Continued



<p>Lilley Plummer Holdings Limited <b>Shareholding: 28.4%</b></p>	<ul style="list-style-type: none"><li>• Investment date: October 2019</li><li>• Lilley Plummer Risks is an independent Lloyd's broker that provides a wide array of offerings in several diverse and niche areas</li></ul>
<p>Pantheon Specialty Group Limited <b>Shareholding: 32.0%</b></p>	<ul style="list-style-type: none"><li>• Investment date: June 2023</li><li>• Pantheon was founded by Robert Dowman in 2023 and acquired 100% of Denison And Partners Limited. Mr. Dowman has over 30 years of experience in the Insurance Industry, seen as a leading London Market Casualty Broker</li></ul>
<p>Sage Program Underwriters, Inc <b>Shareholding: 30.0%</b></p>	<ul style="list-style-type: none"><li>• Investment date: June 2020</li><li>• 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</li></ul>
<p>Stewart Specialty Risk Underwriting Ltd <b>Shareholding: 28.4%</b></p>	<ul style="list-style-type: none"><li>• Investment date: January 2017</li><li>• 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</li></ul>

# Portfolio as at 31 July 2024 Continued



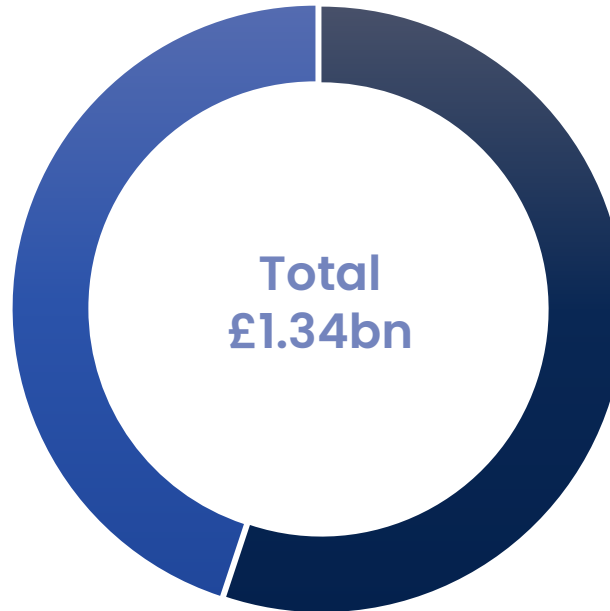
<p>Sterling Insurance PTY Limited <b>Shareholding: 19.7%</b></p>	<ul style="list-style-type: none"><li>• Investment date: June 2013 (through Neutral Bay Investments Limited)</li><li>• Sterling is a Sydney-based specialist underwriting agency offering a range of insurance solutions within the Liability sector, specialising in niche markets including hard-to-place and complex risks</li></ul>
<p>Verve Risk Services Limited <b>Shareholding: 35.0%</b></p>	<ul style="list-style-type: none"><li>• Investment date: April 2023</li><li>• Verve Risk Services is a Managing General Agency specialising in Professional and Management Liability for the insurance industry, operating in the USA, Canada, Bermuda, Cayman Islands and Barbados.</li></ul>
<p>XPT Group LLC <b>Shareholding: 27.5%</b></p>	<ul style="list-style-type: none"><li>• Investment date: June 2017</li><li>• 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</li></ul>

# Insurance Intermediary Overview

B.P. Marsh's insurance intermediary portfolio companies are budgeting to produce c. **£1.34bn** of aggregate Gross Written Premium (GWP) in 2024

The Group's Managing General Agents (MGAs) are budgeting to underwrite c. **£605m** of GWP, producing c. **£71m** of commission income in 2024, across many specialist product areas, on behalf of more than 50 insurers

MGAs  
£605m  
45%

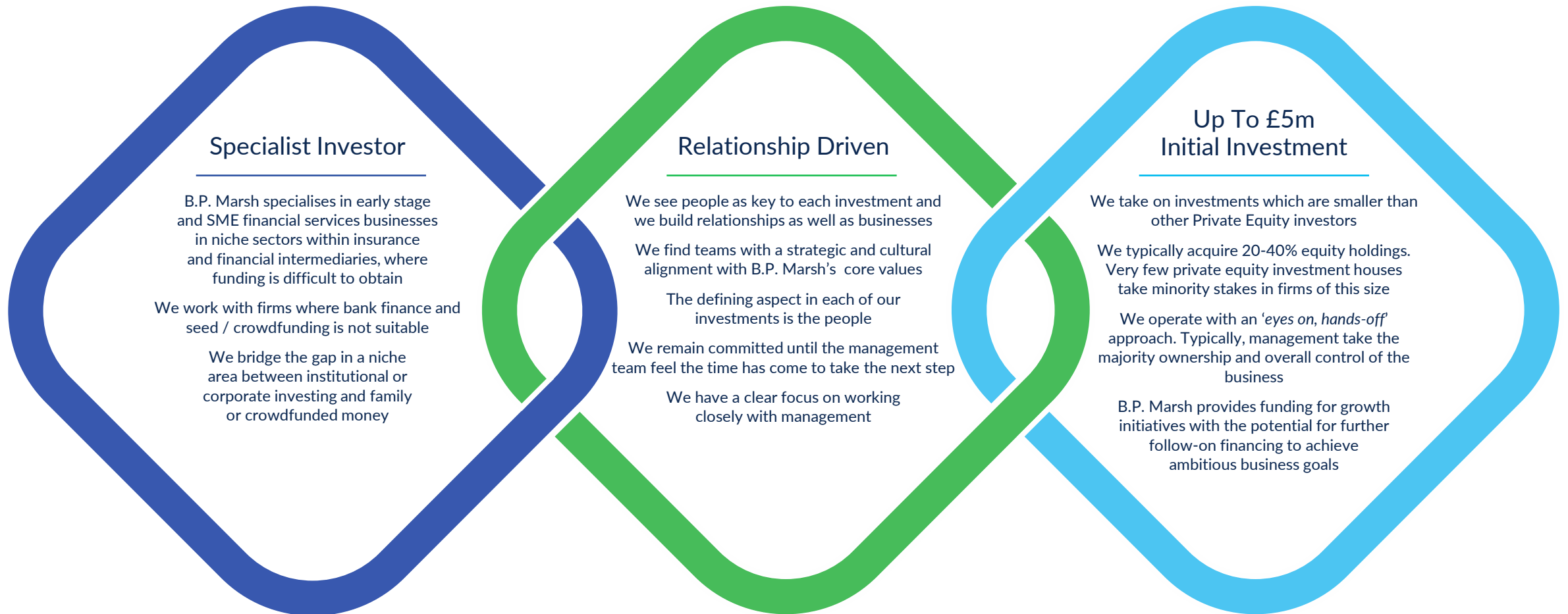


Brokers  
£739m  
55%

The Group's broking investments are budgeting to place c. **£739m** of GWP, producing c. **£69m** of brokerage in 2024, accessing specialty markets across the globe

■ Brokers ■ MGAs







**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 sold our 18.98% shareholding for £51.5m (received in October 2023)

**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

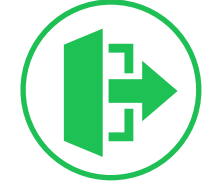
- Work to flexible timelines
- In-house comprehensive fact-finding and due diligence process - three-year historic and forecast P&L, balance sheet, cash flow forecasts required
- Financial, legal and commercial due diligence carried out as needed
- In-depth modelling is undertaken
- Final negotiation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

# Market Overview



B.P. Marsh continues to monitor trends in the rate of pricing for insurance business placed in the areas where the portfolio operates

Global commercial insurance rates were flat in the second quarter to 2024. This is the first time since the third quarter of 2017 that global insurance rates have not increased

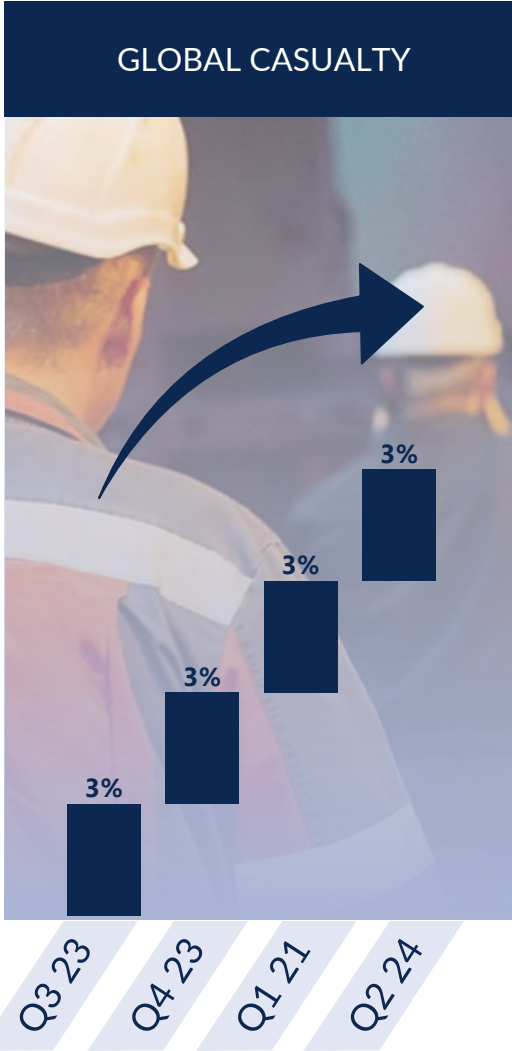
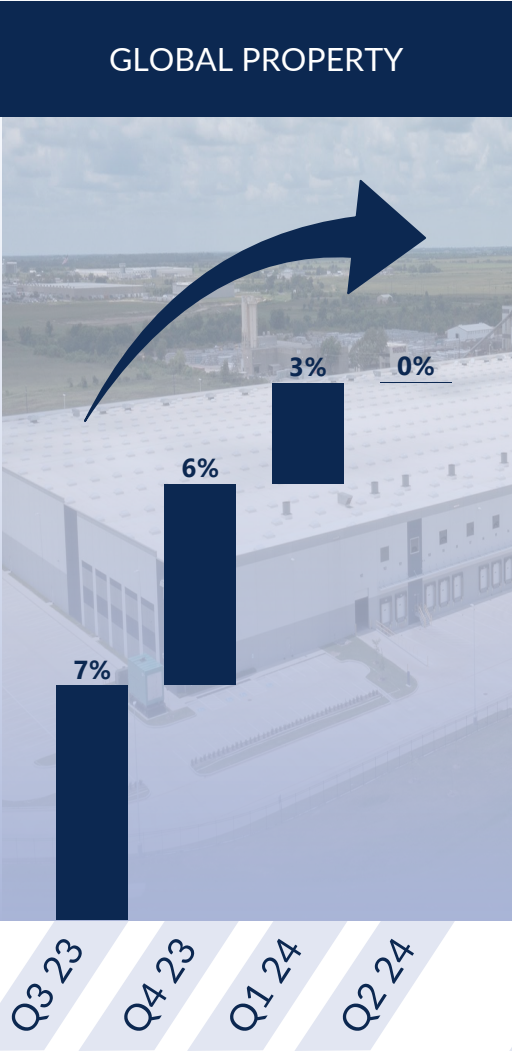
Rate increases were less consistent across all lines and regions in which our portfolio operates. Rates are still increasing across certain product lines and in regions across the world

For Q2 2024 rates decreased in the UK by 3%, compared to an increase of 1% in the US and 1% in Europe

Price increases were highest in Casualty lines, increasing 3% in Q2 2024

Generally, the slowing of rate increases is due to overall market capacity increasing, via new market entrants and existing carriers increasing their exposure

Overall, whilst the market is softening, the Group does not see the market returning to the pricing of the last soft market in the short to medium term. Given the portfolio predominantly operates in specialist risk areas, rates tend to be less volatile and therefore we remain confident that our portfolio is suitably prepared to weather a softening market



\*As of 2022 Q3, Marsh's index published a global cyber insurance pricing figure, separating cyber data from financial and professional lines data.

# Overview: Managing General Agencies ("MGAs") Investments

- B.P. Marsh's MGAs are budgeting to underwrite aggregate GWP of circa £605m in 2024
- This will produce circa £71m of commission income
- These MGAs focus on profitable underwriting in a market where access to insurer capital is restricted

\*ATC's equity investment is reported as the combined initial equity investment into ATC and MB Prestige Holdings PTY Limited

\*\* Investments made post period-end

MGAs	Date of Investment	Jurisdiction	Equity % at 31 July 2024	Cost of Investment	Valuation at 31 July 2024	% of NAV at 31 July 2024	Internal rate of return to 31 July 2024	Multiple on Invested Capital
ATC INSURANCE SOLUTIONS	Jul-18	Australia	25.4%	£3,345,230*	£23,566,000	9.3%	38.1%	7.0x
SSRU	Jan-17	Canada	28.4%	£19	£11,870,000	4.7%	89.3%	N/A (over 1000x)
FIDUCIA THE FIDUCIA MGA COMPANY LTD	Nov-16	UK	35.2%	£227,909	£5,631,000	2.2%	24.1%	24.7x
Ag Guard	Jul-19	Australia	41.0%	£1,465,071	£1,818,000	0.7%	11.2%	1.2x
STERLING INSURANCE	Jun-13	Australia	19.7%	£1,945,411	£3,326,000	1.3%	9.0%	1.7x
SAGE Program Underwriters	Jun-20	USA	30.0%	£202,758	£2,036,000	0.8%	79.3%	10.0x
VERVE	Apr-23	UK	35.0%	£430,791	£365,000	0.1%	6.8%	0.8x
Ai MARINE	Dec-23	UK	30.0%	£30,000	£30,000	0.01%	38.5%	1.0x
DEVONSHIRE	Mar-24	UK	30.0%	£300,000	£300,000	0.1%	39.2%	1.0x
CEE Specialty	Sep-24**	Czech Republic	44.0%	£2,354,134	N/A	N/A	N/A	N/A
VOLT UW	Oct-24**	UK	25.5%	£25.50	N/A	N/A	N/A	N/A

# 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 markets, as well as internationally
- Our Broking investments are, in the aggregate, budgeting to place **more than £739m** of GWP in 2024
- This will produce **more than £69m** of brokerage, accessing specialty markets around the world

Brokers	Date of Investment	Jurisdiction	Equity % at 31 July 2024	Cost of Investment	Valuation at 31 July 2024	% of NAV at 31 July 2024	Internal rate of return to 31 July 2024	Multiple on Invested Capital
	Jun-17	USA	27.5%	£13,842,158	£48,788,000	19.3%	31.0%	3.5x
	Jun-23	UK	32.0%	£7,300,025	£32,694,000	12.9%	870.4%	4.5x
	Oct-19	UK	28.4%	£308,242	£17,132,000	6.8%	90.4%	55.6x
	Apr-16	Singapore	25.0%	£1,551,084	£1,734,000	0.7%	5.4%	1.1x

# Consolidated Statement of Financial Position (IFRS) at 31 July 2024



	31 July 2024 (Unaudited)	31 July 2023 (Unaudited)	31 January 2024 (Audited)
Tangible and intangible assets	59	72	65
Right of use asset	425	590	507
Investments at fair value – Equity Portfolio	153,446	185,815	165,382
Debtors / Loans receivable	28,944	20,156	31,830
Cash and treasury funds	80,233	4,337	40,513
Creditors < 1 year (Loans and tax and other payables)	(838)	(1,406)	(2,023)
Creditors > 1 year (Loans and tax & other payables)	(315)	(505)	(416)
Net Assets (excl. Deferred tax)	261,954	209,059	235,858
Deferred Taxation provision	(9,081)	(5,604)	(6,687)
<b>NET ASSETS</b> 10.3% increase in six months to 31 July 2024 after dividend (12.1% adjusting for dividend)	<b>252,873</b>	<b>203,455</b>	<b>229,171</b>

# Consolidated Statement of Comprehensive Income (IFRS) at 31 July 2024



	Unaudited 6 months to 31 July 2024 £'000	Unaudited 6 months to 31 July 2023 £'000	Audited year to 31 January 2024 £'000
Gains on investments (realised and unrealised)	29,664	14,714	43,674
(Provision against) / amounts recovered from investments and loans	(1,369)	12	24
Operating income	4,212	3,955	7,468
Total income	32,507	18,681	51,166
Operating expenses and FX movement	(4,939)	(3,193)	(8,214)
Net financial income/(expenses)	1,480	70	666
Profit before tax	29,048	15,558	43,618
Taxation	(2,428)	(6)	(1,089)
Post tax profit for period	26,620	15,552	42,529
Earnings per share – basic	72.0p*	43.3p	114.7p*
Earnings per share – diluted	68.4p**	41.6p**	114.0p**

\*Calculation includes the remaining 802,440 (31 January 2024: 1,206,888) allocated shares held under joint ownership arrangements as these were considered dilutive as at 31 July 2024 due to dividend and voting rights.

\*\*Calculation includes all remaining 1,038,699 (31 July 2023 and 31 January 2024: 1,443,147) shares (allocated and unallocated) held under joint ownership arrangements proportioned over the period from the vesting date of 12 June 2021. The calculation for the 31 July 2024 diluted earnings per share also includes 1,682,500 options granted as part of the Company's Share Option Plan as these became dilutive for the Group as at 31 July 2024 based upon the performance conditions attached to the options.

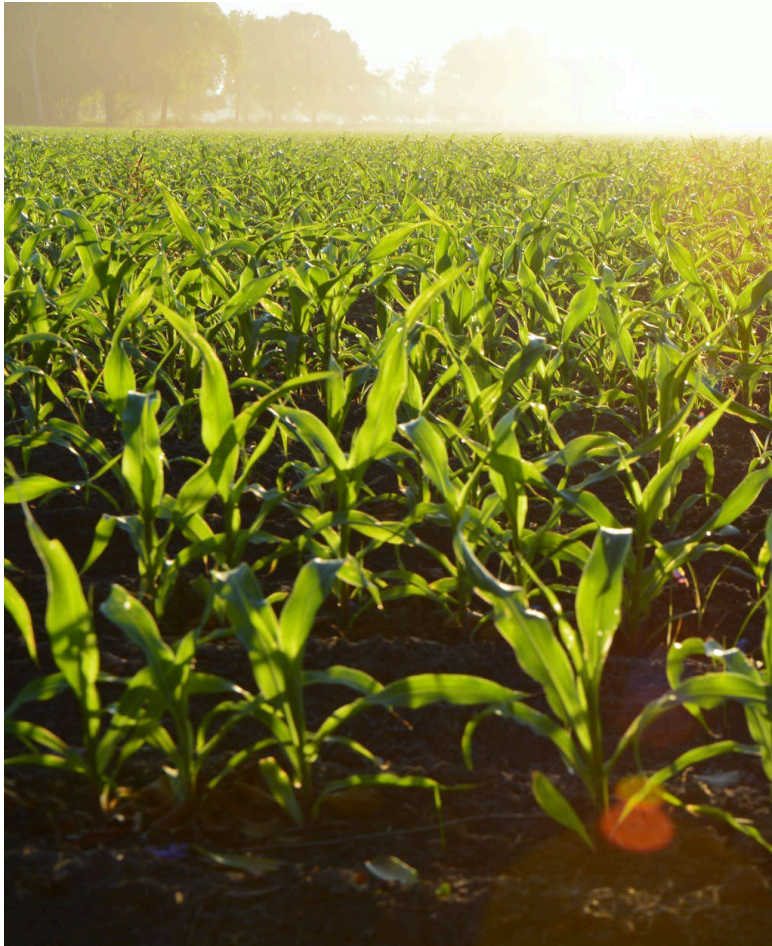




# Consolidated Statement of Cash Flows (IFRS) at 31 July 2024

	Unaudited six months to 31 July 2024 £'000	Unaudited 6 months to 31 July 2023 £'000	Audited year to 31 January 2024 £'000
Net cash (used by)/from operating activities	(772)	213	(1,075)
FX Movement	(3)	(49)	(53)
Taxation	(34)	(33)	(33)
Purchase of property, plant and equipment	(5)	(7)	(13)
Equity investments made	(9,500)	(431)	(3,364)
Net proceeds on sale of equity investments	42,079	791	53,117
Net sale of equity treasury investments	79	600	1,130
Net loans repaid by / (granted to) investee companies	9,700	(6,592)	(17,630)
Net financial income/(expenses)	1,480	(20)	48
Net decrease in lease liabilities	(92)	(87)	(175)
Dividends paid	(3,964)	(1,000)	(2,028)
Payments made to repurchase company shares	(327)	(692)	(1,053)
Cash received in respect of JSOP shares sold	1,157	-	-
Increase/(decrease) in cash in the period	39,798	(7,307)	28,871
Cash at beginning of period	40,435	11,564	11,564
Cash and cash equivalents at period end	80,233*	4,257*	40,435*

\*Total cash as at 31 July 2024 was £80.2m with no equity treasury balances held (31 July 2023: £4.3m including equity treasury balances of £0.1m, 31 January 2024: £40.5m including equity treasury balances of £0.1m)



- 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



# Environmental, Social and Governance Policy

- B.P. Marsh is committed to being a responsible investor with Environmental, Social and Governance (ESG) focused principles incorporated throughout our investment strategy
- The Group has a strong ambition to be an exemplary ESG leader within the sub-sector in which we invest
- Commencing in 2022, the Group has carried out annual surveys of its portfolio companies to assess their impact on the greater environment and society in which they operate
- The results revealed that many of our portfolio companies shared our view of the importance of prioritising sustainability, socially responsible practices, and good governance
- The Group also carefully considers its suppliers both prior to and during engagement and notes that many of these are already ahead of the curve in the implementation of ESG policies
- B.P. Marsh recognises that a focus on ESG is an ongoing commitment and, as such, the Group continues to assess its position and review best practice as it arises. Please see below some examples of the ongoing practices at B.P. Marsh towards this commitment

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>• Facilitation and active encouragement towards the recycling of appropriate materials and reduction of waste where possible to lower the environmental footprint of B.P. Marsh</li> <li>• Use of teleconferencing software to limit regional and international travel when possible</li> <li>• Implementation of Corporate Policy that all unavoidable business flights are offset at the time of booking by using the online platform created by Ecologi Action Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Adoption of Diversity Policy in 2021 that respects the increasingly diverse society in which we operate</li> <li>• All staff offered private medical insurance, income protection and life cover following one year of service</li> <li>• Facilitation for all staff to continually develop their knowledge and skillset through attendance of industry events, formal qualifications, and electronic training sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Incorporation of earlier assessment of ESG risks and opportunities in the investment process and extension of Company Secretary services to Portfolio Companies</li> <li>• B.P. Marsh adheres to the existing Quoted Companies Alliance (“QCA”) Corporate Governance Code and publishes a Compliance Statement annually.</li> <li>• The Group will be using the transition period before implementation of the 2023 QCA Corporate Governance Code to ensure that it is in a position to apply the new standards for the financial year ending 31 January 2026</li> </ul>



# Key Shareholders as at 30 September 2024

## Directors

Brian Marsh OBE	38.2%
Alice Foulk	Less than 0.5%*
Daniel Topping	Less than 0.5%*
Francesca Chappell	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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\*Does not include shares beneficially owned through the Company's Joint Share Ownership Plan

## Major Shareholders (>3%)

PSC UK Pty Limited	19.90%
Mr. Martin MacLeish	5.04%
Hargreaves Lansdown Asset Mgt	4.79%
Interactive Investor	3.98%
JTC Employer Solutions**	2.73%
Mr. Colin Thompson	3.61%
James Sharp & Co	3.20%

\*\*Trustee of the Company's Joint Share Ownership Plan

## Share Option Plan (SOP) and Joint Share Ownership Plan (JSOP)

On 6 September 2023 the Board adopted a new nil-cost Share Option Plan for selected employees and executive directors over **4.5%** of shares (**1,682,500** shares)

The number of options expected to vest (split 50% in September 2026, and 50% in September 2027), subject to NAV increasing from £189.5m by 31 January 2026 are as follows (adjusted for dividend distributions):

**100%** - **10%** NAV compound growth  
**50%** - **9.25%** NAV compound growth  
**25%** - **8.5%** NAV compound growth

As at 31 July 2024 the SOP became **4.5%** dilutive for the Group based upon the full NAV performance conditions being achieved

A **3.9%** three-year JSOP was created in June 2018 within an Employee Benefit Trust to incentivise and retain the management team and staff, which vested in June 2021

**1,206,888** of **1,461,302** issued shares are jointly owned by employees and the Trust, and **236,259** forfeited shares are owned in full by the Trust. **404,448** shares were sold during the period, leaving **1,038,699** shares remaining within the Trust at 31 July 2024

Employees are entitled to any gain on shares sold by the Trust in excess of **312.6p**

In October 2023 the 1,206,888 allocated Trust shares were granted voting and dividend rights and are now included within shares in issue, whereas the forfeited shares are treated as part of diluted shares in issue (previously all shares were treated as part of diluted shares in issue)

The Group issued these shares to the Trust at **281p** per share, and the Group is entitled to receive up to **£4.1m** when the shares are eventually sold. **£1.2m** was received during the period in respect of shares sold. The diluted NAV per share of 658.5p at 31 July 2024 includes **£2.9m** receivable and the undiluted NAV per share of 690.8p includes **£2.2m** receivable



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

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