

Sica | Fletcher Agency & Broker Buyer Index

YTD JUNE 2023 DEAL ACTIVITY

S | F Agency & Broker Buyer Index

2023 – Sica Fletcher Agency & Broker Buyer Index



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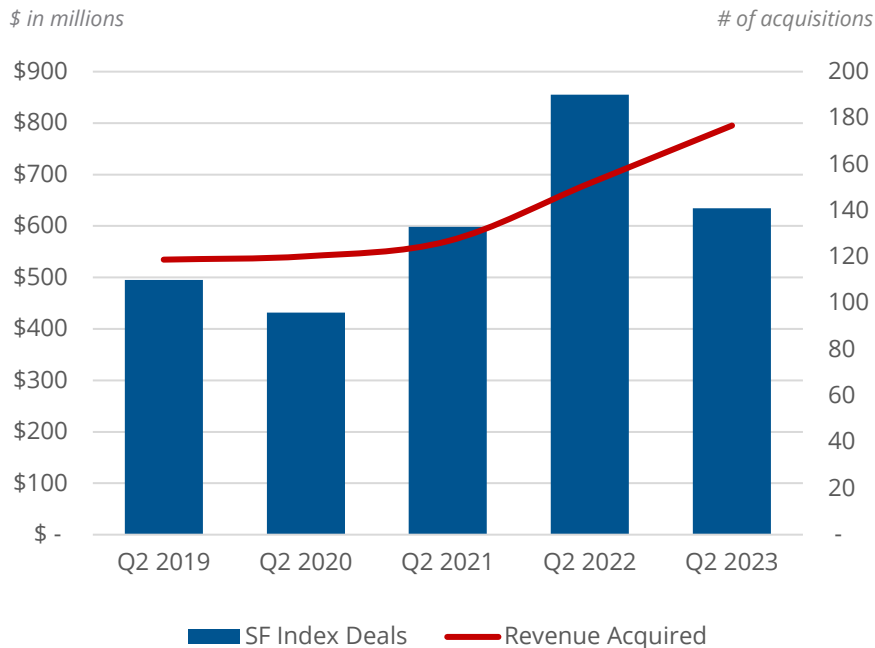
YTD JUNE 2023 DEAL ACTIVITY

The Sica | Fletcher Agency & Broker Buyer Index now tracks 22 of the most active acquirers in the insurance brokerage space.

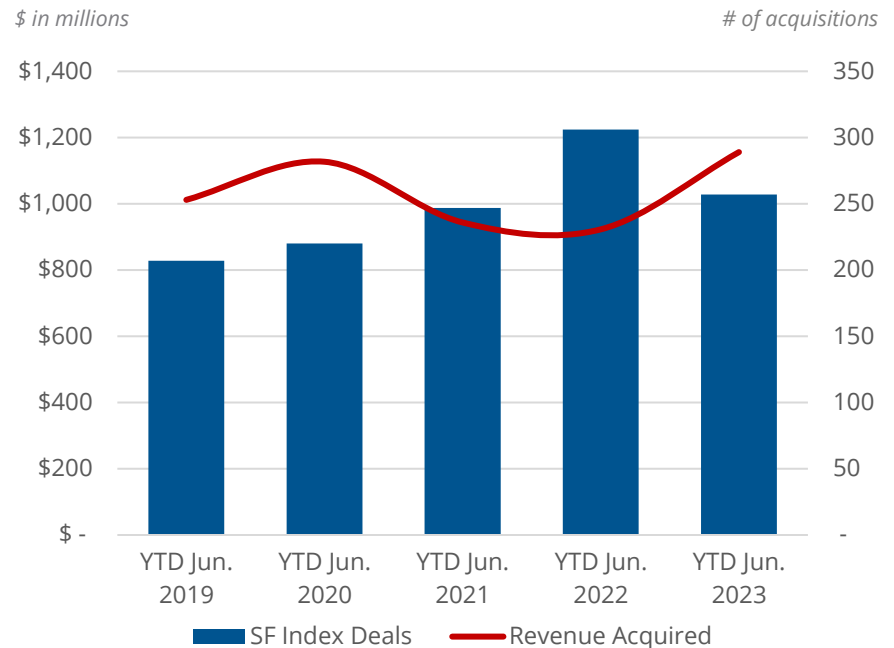
In addition to tracking the number of deals, each Index member provides the aggregate revenue acquired each quarter.



Summary SF Index – Q2 Historical View



Summary SF Index – June YTD Historical View



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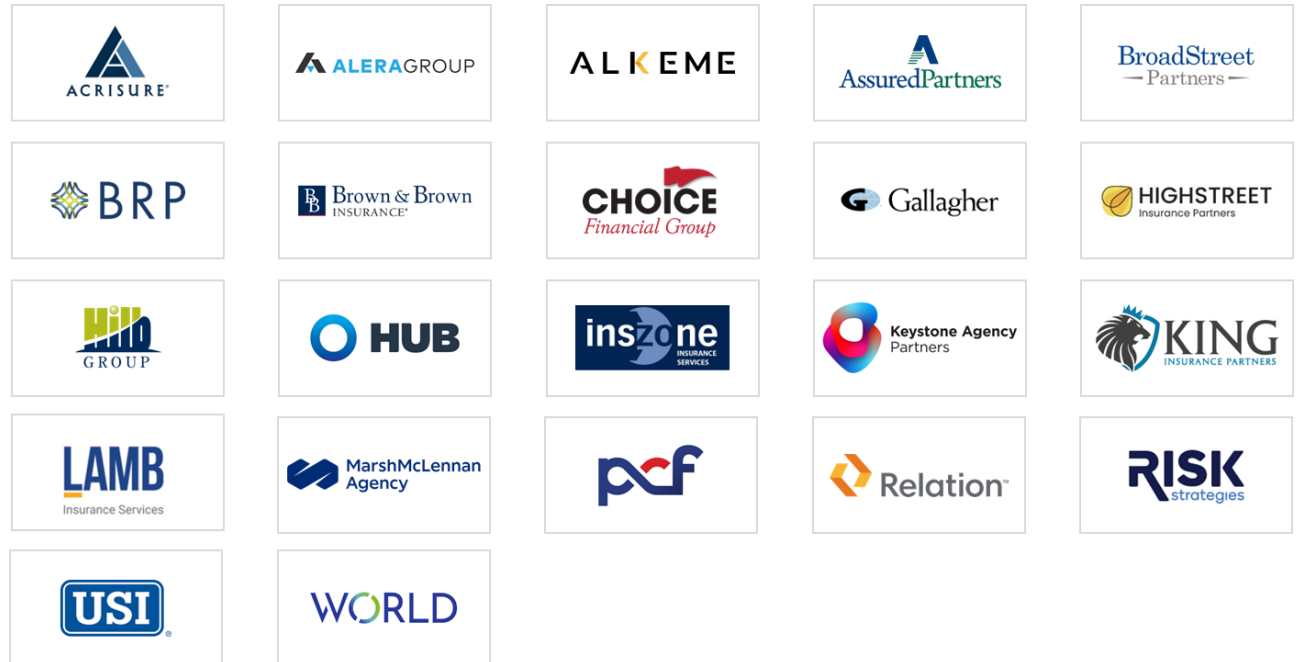
YTD JUNE 2023 DEAL ACTIVITY

After a slow first quarter highlighted by concerns of rising interest rates and the overall macroeconomic outlook, M&A activity has picked up. While still not at 2022 levels, in Q2 2023 overall deal volume increased by 16% over Q1 2023.

During Q2 2023, SF Index members acquired 141 Agents/Brokers, compared to 190 for the same period in 2022 (a 26% decrease). On a year-to-date basis, SF Index members acquired 257 Agents/Brokers, 16% less than the number acquired in the first half of 2022.

257

Agencies acquired by
SF index members in
YTD June 2023



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YTD JUNE 2023 DEAL ECONOMICS

\$1.16 billion

Total revenue acquired by
SF Index – YTD June 2023

In the first half of 2023, SF Index members acquired \$1.16 billion of agency and broker revenue, a notable increase over the same period in 2022; however, one large transaction during the quarter materially skewed reported revenue for the first half of the year.

\$5.64 million

Average revenue of agency acquired
SF Index – YTD June 2023

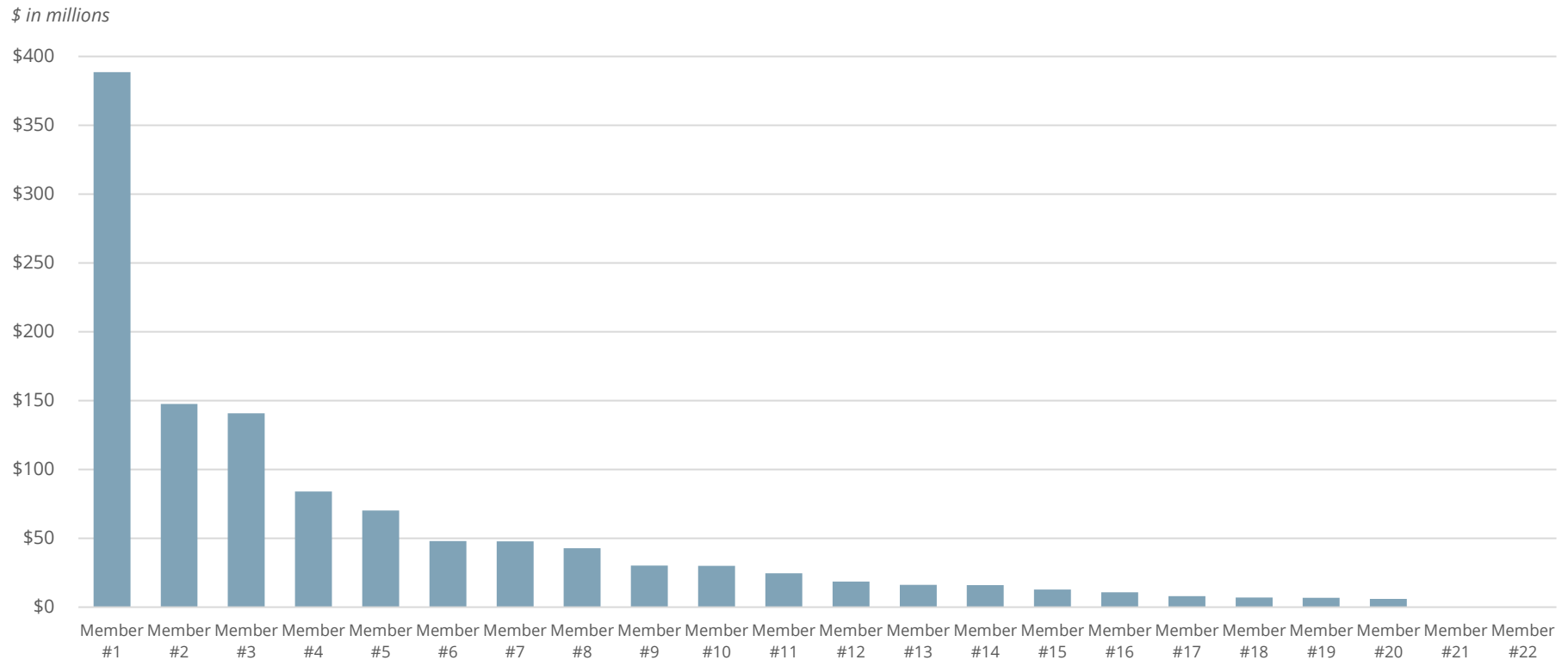
During the first half of 2023, the average size of agency acquired was \$5.64 million (this measure was \$3.60 million in the first half of 2022).

Note: Revenue information estimated for three SF Index members.

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YTD JUNE 2023 DEAL ECONOMICS

The anonymous breakdown of the \$1.16 billion in revenue acquired during YTD June 2023 by SF Index members is as follows:



Note: Revenue information estimated for three SF Index members.

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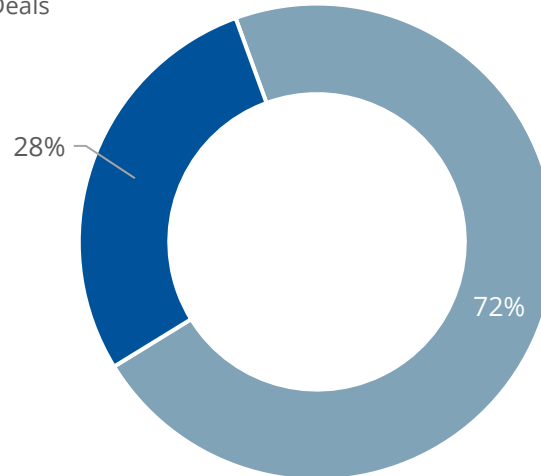
YTD JUNE 2023 DEAL ACTIVITY



The SF Index accounted for 72% of all deal activity in the agency and brokerage space as of YTD June 2023.

YTD June 2023 Announced Transactions

Remaining Announced Deals
(YTD June 2023)



Sica Fletcher Buyer Index
(YTD June 2023)

Note: While S&P Global reports a total deal volume of 192 transactions during Q2 2023, 82 transactions by SF Index members were not reported to S&P. Sica Fletcher index data is received directly from and validated by Index members, whereas S&P Global data is obtained from third party sources and press releases.

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YTD JUNE 2023 DEAL ACTIVITY

Who's Buyin' – YOY Comparison

In terms of deal volume, Hub led the group for YTD June 2023.

BroadStreet, Risk Strategies, Assured, Gallagher and World experienced the largest increase in deal volume for the first half of 2023, exceeding their pace by more than 50% vs 2022.

While half of Sica | Fletcher Index Members increased deal volume during YTD June 2023 the other half continued their strategic slow-down, completing 60% less deals than in YTD June 2022.

Q2 2023 Rank	Q2 2022 Rank	Deals by SF Index Member	# of Deals, YTD Jun. 2023	# of Deals, YTD Jun. 2022
1	3	Hub International	28	34
2	5	BroadStreet Partners	26	16
3	15	Risk Strategies	23	8
4	12	Assured Partners	22	10
5	7	Gallagher	21	14
6	6	Inszone Insurance	18	15
7	8	World Insurance Associates	17	11
8	8	Keystone	15	11
9	2	Acrisure	12	43
10	19	Alkeme	11	2
11	4	High Street	10	28
11	14	Hilb Group	10	9
13	12	Alera Group	9	10
14	8	USI	8	11
15	18	Choice Financial Group	7	3
16	1	PCF	6	54
17	16	Brown & Brown	4	7
17	16	King Insurance Partners	4	7
17	8	Relation	4	11
20	20	Marsh & McLennan	2	1
21	20	Baldwin Risk Partners	0	1
21	22	Lamb	0	0

Total Acquisitions – SF Index Members – YTD June 2023

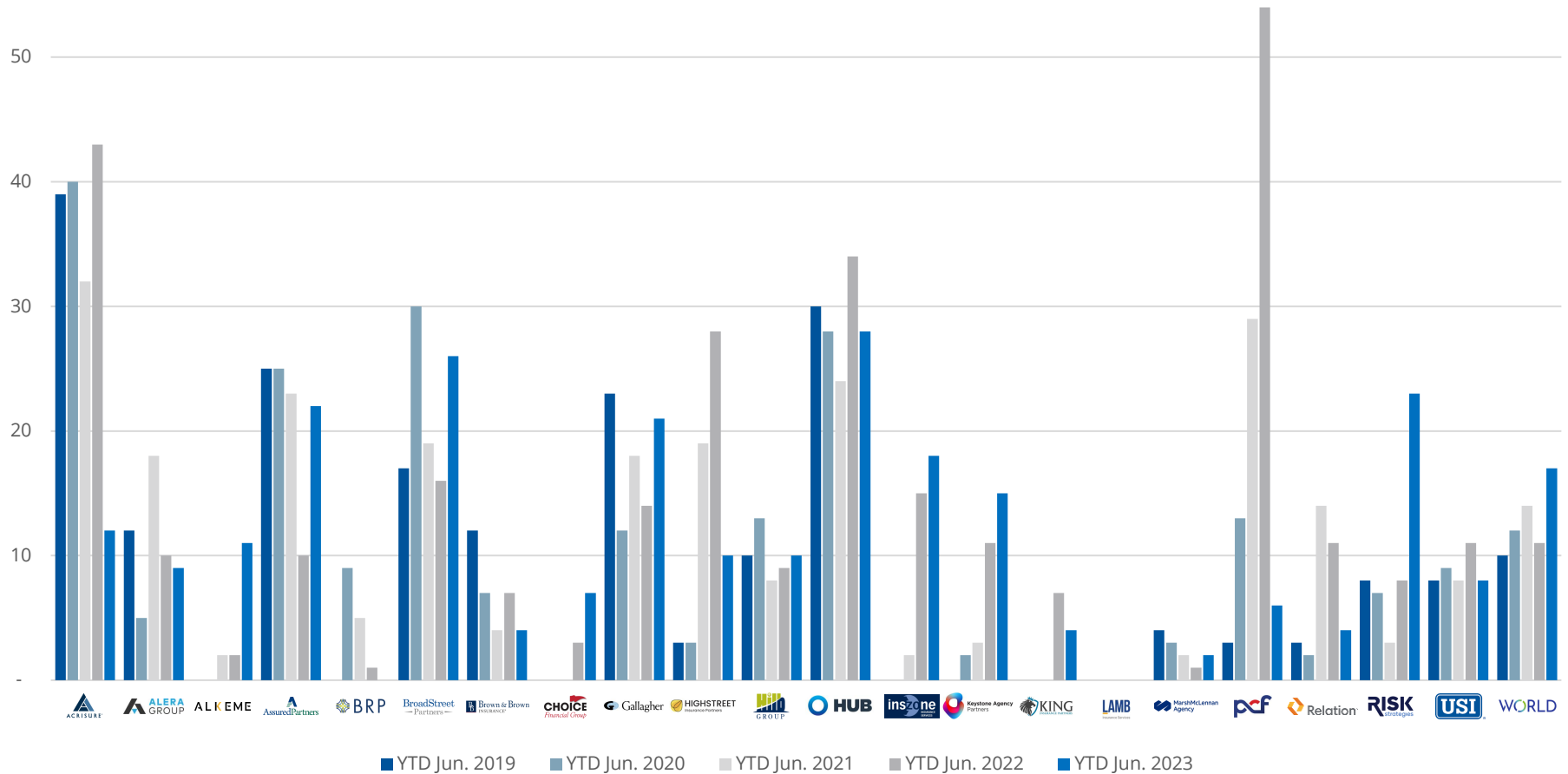
257 Transactions

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YTD JUNE 2023 DEAL ACTIVITY

Who's Buyin' - Five Year View - YTD June 2018 through YTD June 2023

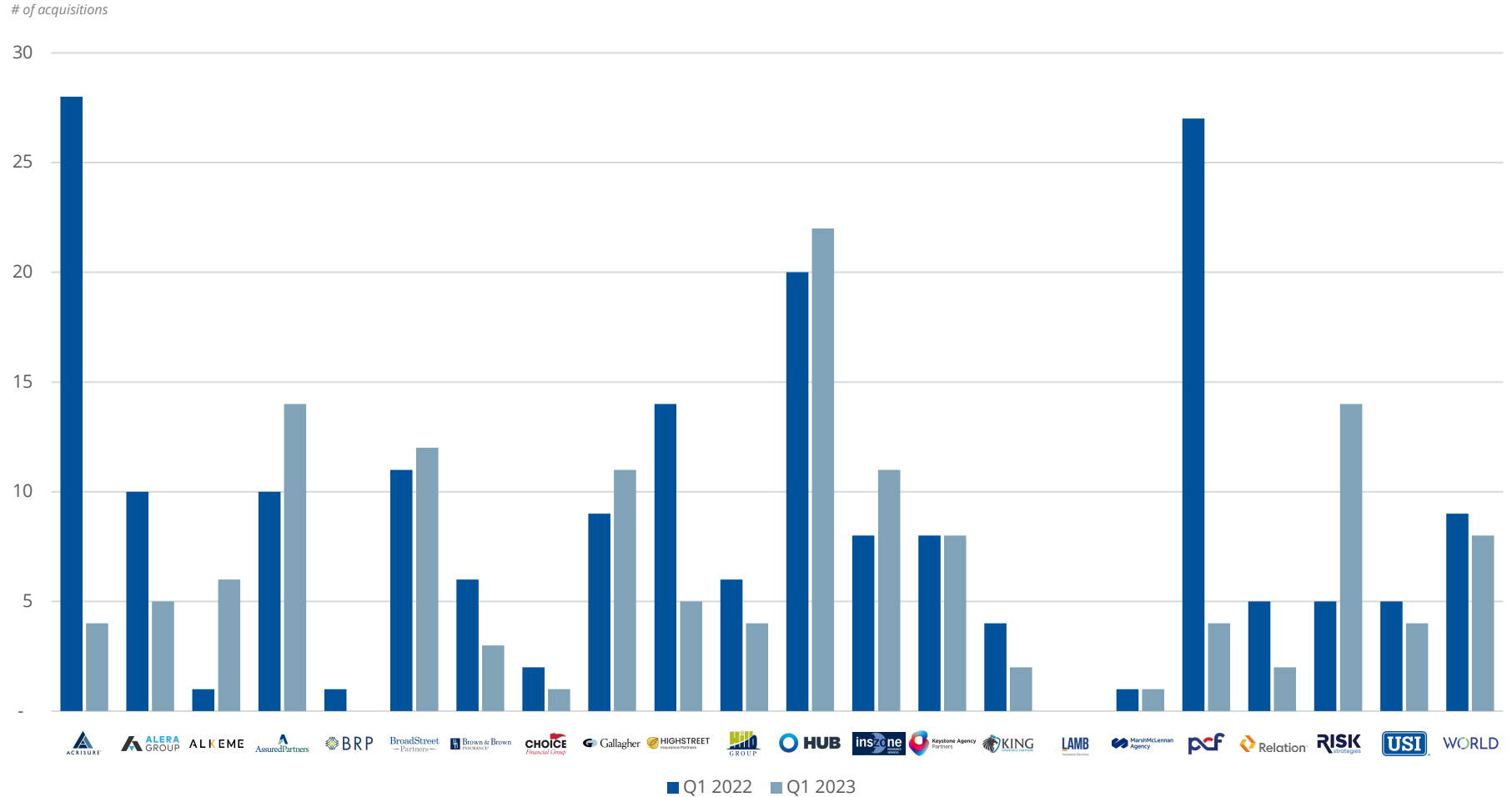
of acquisitions



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Q2 2023 DEAL ACTIVITY

Who's Buyin' - 2nd Quarter Year over Year - Q2 2022 vs. Q2 2023



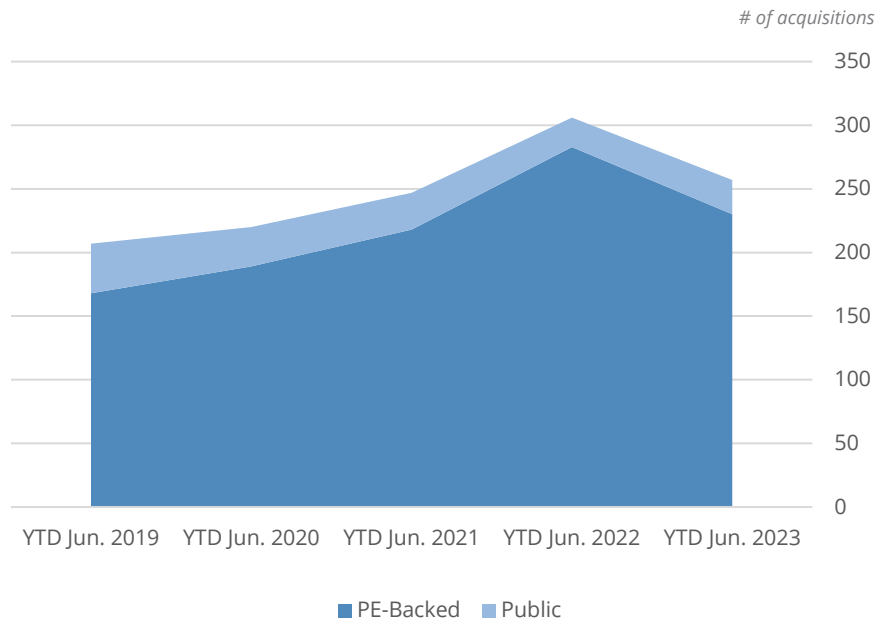
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YTD JUNE 2023 DEAL ACTIVITY

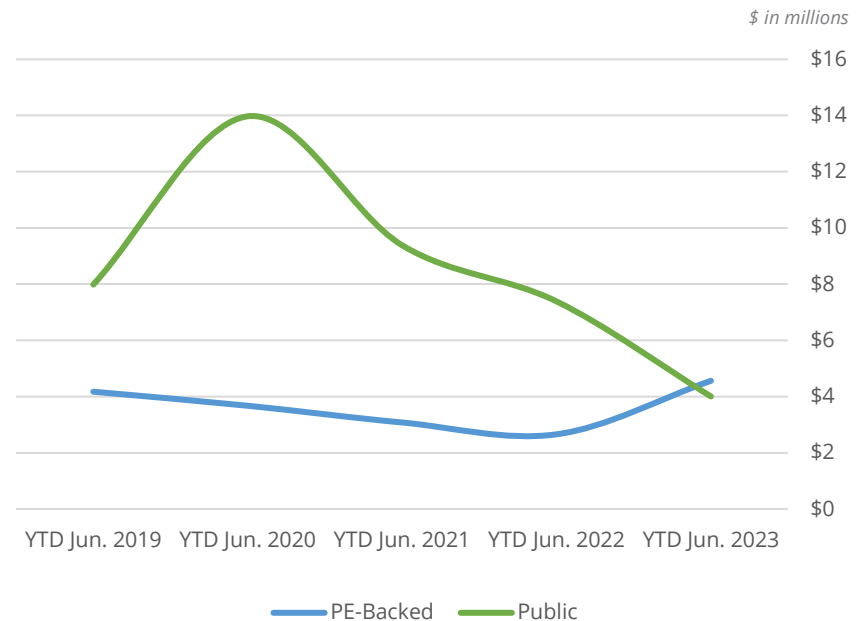
Public vs. PE-Backed Analysis – Year Over Year

Private Equity-backed firms have dominated the space consistently for a few years now in terms of the number of transactions and represent over 91% of SF Index transactions during YTD June 2023. The size of publicly-traded deals drove higher average revenue figures for public brokers even though they represented less than 9% of total deal volume.

Number of Acquisitions – PE vs. Public



Average Revenue Acquired – PE vs. Public




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YTD JUNE 2023 DEAL ACTIVITY

Public vs. PE-Backed Analysis – YTD June 2023

Public Companies – 27 Acquisitions

 -	 4	 21	 2
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PE-Backed Companies – 230 Acquisitions

 12	 9	 11	 22	 26	 7	 10	 10	 28
 18	 15	 4	 -	 6	 4	 23	 5	 17

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YTD JUNE 2023 DEAL ACTIVITY

Notable Top 100 Transactions

<p>SICA FLETCHER, LLC Facilitated the transaction and acted as exclusive financial & strategic advisor:</p>  <p>In its recapitalization by:</p>  <p>SICA FLETCHER Opportunities Abound</p>	<p>SICA FLETCHER, LLC Is pleased to announce its role as strategic advisor to:</p>  <p>In its management and partner-led buyout from:</p>  <p>SICA FLETCHER Opportunities Abound</p>	<p>SICA FLETCHER, LLC Is pleased to announce its role as exclusive financial and strategic advisor to:</p>  <p>In its partnership with and majority investment by:</p>  <p>SICA FLETCHER Opportunities Abound</p>
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Recent Transactions

<p>SICA FLETCHER, LLC Is pleased to announce its role as exclusive financial and strategic advisor to:</p>  <p>In its sale to:</p>  <p>SICA FLETCHER Opportunities Abound</p>	<p>SICA FLETCHER, LLC Is pleased to announce its role as exclusive financial and strategic advisor to:</p>  <p>In its sale to:</p>  <p>SICA FLETCHER Opportunities Abound</p>	<p>SICA FLETCHER, LLC Is pleased to announce its role as exclusive financial and strategic advisor to:</p>  <p>In its sale to:</p>  <p>SICA FLETCHER Opportunities Abound</p>	<p>SICA FLETCHER, LLC Is pleased to announce its role as exclusive financial and strategic advisor to:</p>  <p>In its sale to:</p>  <p>SICA FLETCHER Opportunities Abound</p>	<p>SICA FLETCHER, LLC Is pleased to announce its role as exclusive financial and strategic advisor to:</p>  <p>In its sale to:</p>  <p>SICA FLETCHER Opportunities Abound</p>
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