



19 August 2021

The Ardonagh Group Half Year 2021 Results

- **Organic income growth of 10% with a growing international presence**
- **Additional committed Capex, Acquisition and Re-organisation Facility and equity capital raise supporting M&A and investment strategy**

The Ardonagh Group ('Ardonagh' or 'Group') today announces its results for the six months ended 30 June 2021.

Income rose by 33.4% to £443.2 million and Adjusted EBITDA by 53.4% to £153.3 million. The results were underpinned by 10% organic income growth in the quarter and strong M&A momentum in particular for the Ardonagh Specialty and International platforms.

Operating cash conversion for the last 12 months was maintained at 97% which resulted in strong cash flow.

Ardonagh today further announces that its existing shareholders have subscribed for £350 million of additional equity combined with a £550m additional committed Capex, Acquisition and Re-organisation Facility backed by existing lenders. This combined funding will enable the Group to continue executing its M&A and investment strategy at pace both in the UK and internationally.

Ardonagh CEO David Ross commented: "This is an exceptionally strong set of results as the business and our clients rebound from the economic impacts of Covid-19 with vigour and confidence. It reflects the dedication of our 7,000 people and the delivery of our strategy from the leadership teams across all operating segments.

"The first half of the year marked significant international expansion with the launch of Ardonagh Global Partners and Ardonagh Europe forming our new International platform and we were pleased to welcome new colleagues from Australia, Ireland, Germany, Chile, Bermuda and the United States as well as the UK.

"Our substantial investment in data and technology across the Group culminated with the launch of a Global Data and Risk Management Centre in July 2021 which will industrialise and optimise data collection and analytics across the Group to the benefit of clients, carriers and colleagues.

"In Specialty we announced an agreement to acquire the insurance operations of BGC Partners, a transformational acquisition and our largest to date. Upon completion of this acquisition, Ardonagh Specialty will become the largest privately owned London wholesale broker placing over \$5 billion of insurance premium annually, providing a natural alternative for clients and producers who value both independence and scale. We also launched Inver Re, a new reinsurance broker which will harness the scale and reach of the Group and use sophisticated data science to provide new levels of risk insight and analysis.

THE ARDONAGH GROUP
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THE Ardonagh GROUP

“The further firepower provided by our investors is a ringing endorsement of all we have built and a strong vote of confidence in the future trajectory of our Group and the remarkable people behind it.

“We enter the remainder of the year with unparalleled breadth and diversity – a leader in each of the sectors in which operate and a phenomenal platform for growth with the virtuous circles of operational, organic and inorganic excellence at the heart of the business.”

Quarter 2 YTD (£m)	Reported Result YTD ⁽¹⁾⁽²⁾			
	2021	2020	Variance	
			£m	%
Income	433.2	324.8	108.4	33.4%
Operating Costs	(279.9)	(224.9)	(55.0)	(24.5%)
Adj. EBITDA	153.3	99.9	53.3	53.4%
<i>Margin %</i>	<i>35.4%</i>	<i>30.8%</i>	<i>460 bps</i>	

¹⁾ Reported result which includes acquisitions and disposals from the completion date.

²⁾ “Adjusted EBITDA” or “Adj. EBITDA” defined as EBITDA after adding back discontinued operations, restructuring costs, Transformational Hires, Business Transformation Costs, Legacy Costs and Other Costs, regulatory costs, acquisition and financing costs, profit/loss on disposal of businesses or investments, share of operating profit/loss from associate, reduction/increase in the value of contingent consideration, as applicable. Adjusted EBITDA is stated before exceptional costs and one-off items as determined by management.

-ENDS-

Note to Editors

THE ARDONAGH GROUP

The Ardonagh Group is the UK’s largest independent insurance distribution platform and a top 20 broker globally. We are a collection of best-in-class entrepreneurial and specialist brands with a network of more than 100 locations and a combined workforce of more than 7,000 people. Across our portfolio, we offer a highly diversified range of insurance-related products and services across the full insurance value chain in the UK, Ireland and broader international markets. From complex multinational corporations to individuals purchasing personal insurance policies, our understanding of the communities we serve, together with our scale and breadth, allows us to work with our insurer partners to deliver a broad range of product and risk solutions that meet customer needs.

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