



Evolve  
Capital Partners

# QUARTERLY DEALS & MARKET UPDATE

## Insurance

March 2020



*Benefits Administrators*



*Data & Analytics Solutions*



*Insurance Brokers*



*Multi-Line Insurance*



*Online Platforms*



*P&C Insurance*



*P&C Specialty*



*Software Solutions*



*Title Insurance*



*Traditional / Life Insurance*

Specialized investment bankers at the intersection of finance and technology

# Overview of Evolve Capital Partners

## ABOUT EVOLVE CAPITAL PARTNERS

- Evolve Capital Partners (Evolve) is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology.
- We are dedicated investment bankers focused on evolving industries, and we support sustainable growth through transformational M&A / financing transactions.
- Evolve is a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements.
- We also provide structured financial advisory services — our investment banking practice provides a comprehensive suite of solutions to businesses.
- With over 30 engagements executed by its leaders, Evolve has served as a proud partner, bringing renewed value to companies at the intersection of finance and technology.
- Founded in 2012 and based in New York, NY.

## HIGH-TOUCH INVESTMENT BANKING

*Few investment banks have transaction experience across both corporate and asset finance.*



### Our Clients

- Corporations
- Management Teams
- VC & PE Backed Companies
- Independent Directors / Boards



### Investment Banking Advisory

- M&A
- Strategic Alliances
- Capital Raises and Asset Finance
- Financial Restructuring



### Industry Focus

*Finance and Technology Firms*

**Securities**

**Financial Services**

**Financial Management**

**Specialty Finance**

**Enterprise Software**

**Analytics**

**Payments**

**Lending**

**Insurance**

**BPO**

**IoT**

**B2B**

## We Focus Exclusively on Finance and Technology-Related Firms

### Securities



### Payments



### Insurance



### BPO



## Capabilities

### M&A Advisory

*Sales / Recaps*

*Acquisitions*

*Divestiture*

*Strategic Advisory*

### Specialty Finance / Alternative Lending



### Enterprise Software / Data & Analytics



### Bank Technology / Solutions



### Healthcare Tech



## Financing

*Private Placements*

*Debt Capital*

*Restructuring*

### Financial Management Solutions



## Market Summary and Key Multiples

### Industry Stock Market Performance of Evolve Sector Coverage

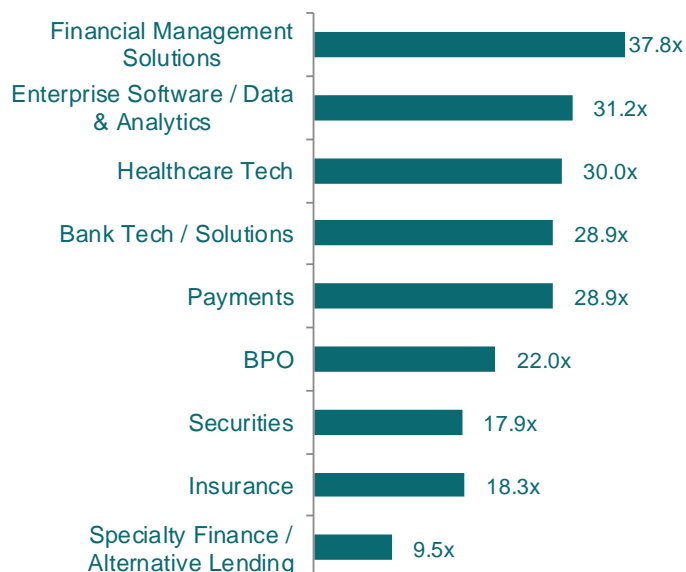
#### Indexed Price Performance \*

Sector	3 Months	1 Year	3 Years
Bank Tech / Solutions	1.8%	13.4%	51.1%
BPO	(8.5%)	(4.7%)	38.3%
Enterprise Software / Data & Analytics	(2.9%)	9.3%	43.0%
Financial Management Solutions	(3.2%)	12.4%	97.5%
Healthcare Tech	(2.2%)	0.9%	45.9%
Insurance	(9.3%)	4.8%	30.9%
Payments	(5.5%)	4.7%	79.8%
Securities	(5.7%)	(1.1%)	15.1%
Specialty Finance / Alternative Lending	(9.1%)	(5.0%)	19.7%

\* Equal weighting method.

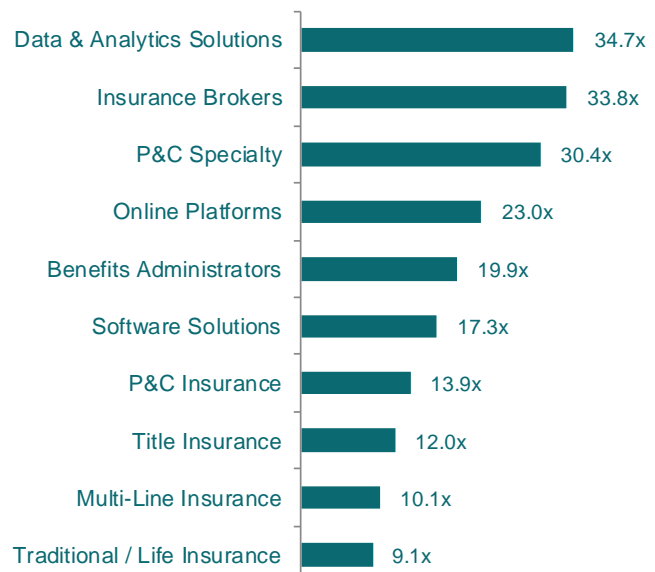
### Industry-wide Multiples and Subsector Multiples

#### Sector 2021E Price / Earnings Multiples



#### Insurance

#### 2021E Price / Earnings Multiples



Data as of February 28, 2020  
Source: Pitchbook

## Stock Comparables – Insurance Sub-Sectors (1/3)

(All figures in millions of USD, except per share data. Data as of February 28, 2020)

### Insurance Brokers

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
							Revenue:		Earnings								
					Revenue	EBITDA	CY 2020	CY 2021	LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
Marsh & McLennan Companies	\$104.56	87.2%	\$52,688	\$65,907	\$16,652	\$3,571	12%	7%	0%	NA	21%	4.0x	3.9x	3.7x	18.5x	16.2x	14.8x
Aon	\$208.00	87.3%	\$48,169	\$44,050	\$11,013	\$2,734	2%	6%	12%	45%	25%	4.0x	4.0x	3.8x	16.1x	13.8x	12.6x
Willis Towers Watson	\$189.25	85.6%	\$24,360	\$30,360	\$9,039	\$2,285	6%	7%	38%	42%	25%	3.4x	3.4x	3.2x	13.3x	13.2x	12.1x
Arthur J. Gallagher & Company	\$97.49	89.1%	\$18,352	\$22,755	\$7,120	\$1,280	3%	7%	17%	32%	18%	3.2x	3.2x	3.0x	17.8x	17.5x	14.0x
Brown & Brown Insurance	\$43.01	88.3%	\$12,110	\$13,322	\$2,385	\$718	18%	8%	15%	45%	30%	5.6x	5.6x	5.2x	18.5x	18.7x	17.2x
Goosehead Insurance Agency	\$54.24	93.5%	\$1,992	\$2,009	\$78	\$21	NA	35%	NA	NA	26%	25.6x	24.0x	17.8x	97.2x	87.0x	56.9x
MEAN							8%	12%	17%	41%	24%	7.6x	7.3x	6.1x	30.2x	27.7x	21.3x
MEDIAN							6%	7%	15%	43%	25%	4.0x	4.0x	3.7x	18.1x	16.8x	14.4x

### Online Platforms

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
							Revenue:		Earnings								
					Revenue	EBITDA	CY 2020	CY 2021	LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
ehealth	\$117.35	77.1%	\$2,711	\$2,726	\$339	\$10	84%	32%	NA	100%	3%	8.0x	5.9x	4.5x	NMF	31.9x	20.8x
MoneySupermarket.com Group	\$4.00	75.1%	\$2,147	\$2,116	\$493	\$176	5%	6%	10%	70%	36%	4.3x	4.3x	4.0x	12.0x	11.7x	11.2x
EverQuote	\$40.62	84.2%	\$1,062	\$1,062	\$215	(\$12)	NA	33%	NA	93%	(6%)	4.9x	4.4x	3.3x	NMF	NMF	77.9x
QuinStreet	\$12.88	75.2%	\$666	\$601	\$483	\$16	9%	11%	NA	12%	3%	1.2x	1.2x	1.1x	37.7x	12.4x	10.5x
GoCompare.com	\$1.06	76.1%	\$443	\$537	\$198	\$45	NA	5%	NA	70%	23%	2.7x	2.6x	2.5x	11.9x	12.9x	10.5x
iSelect	\$0.21	40.2%	\$47	\$40	\$99	\$5	(14%)	3%	NA	31%	5%	0.4x	0.4x	0.3x	8.5x	2.8x	2.6x
MEAN							21%	15%	10%	63%	11%	3.6x	3.1x	2.6x	17.5x	14.3x	22.3x
MEDIAN							7%	9%	10%	70%	4%	3.5x	3.4x	2.9x	11.9x	12.4x	10.8x

### Software Solutions

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
							Revenue:		Earnings								
					Revenue	EBITDA	CY 2020	CY 2021	LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
Guidewire Software	\$109.61	88.3%	\$9,052	\$8,466	\$696	\$15	(8%)	10%	NA	54%	2%	12.2x	12.6x	11.4x	NMF	NMF	76.3x
Sapiens International	\$23.12	86.1%	\$1,157	\$1,188	\$312	\$51	NA	18%	0%	39%	16%	3.8x	3.7x	3.1x	23.5x	21.6x	17.5x
Ebix	\$26.44	41.4%	\$809	\$1,501	\$571	\$166	18%	9%	(0%)	66%	29%	2.6x	2.6x	2.3x	9.0x	8.3x	7.9x
Crawford & Company	\$6.83	63.3%	\$381	\$641	\$1,065	\$106	NA	3%	NA	29%	10%	0.6x	0.6x	0.6x	6.0x	5.9x	5.1x
Majesco	\$6.68	62.5%	\$289	\$247	\$144	\$18	NA	NA	NA	49%	13%	1.7x	NA	NA	13.5x	12.5x	NA
MEAN							5%	10%	(0%)	47%	14%	4.2x	4.9x	4.4x	13.0x	12.1x	26.7x
MEDIAN							5%	10%	(0%)	49%	13%	2.6x	3.1x	2.7x	11.3x	10.4x	12.7x

### Title Insurance

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
							Revenue:		Earnings								
					Revenue	EBITDA	CY 2020	CY 2021	LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
Fidelity National Financial	\$38.76	78.7%	\$10,683	\$12,089	\$8,469	\$1,594	9%	2%	20%	NA	19%	1.4x	1.5x	1.4x	7.6x	7.9x	9.0x
First American	\$57.10	86.0%	\$6,424	\$9,287	\$6,199	\$1,082	7%	1%	26%	NA	17%	1.5x	1.5x	1.5x	8.6x	8.8x	9.3x
Old Republic International	\$19.72	81.8%	\$5,991	\$7,080	\$7,214	\$1,362	14%	(4%)	29%	NA	19%	1.0x	1.0x	1.1x	5.2x	NA	NA
Stewart Title Guaranty Company	\$36.18	81.3%	\$857	\$757	\$1,940	\$144	(0%)	0%	21%	NA	7%	0.4x	0.4x	0.4x	5.3x	4.1x	6.2x
MEAN							8%	(0%)	24%	NA	16%	1.1x	1.1x	1.1x	6.7x	7.0x	8.1x
MEDIAN							8%	1%	24%	NA	18%	1.2x	1.2x	1.2x	6.4x	7.9x	9.0x

### Data & Analytics Solutions

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
							Revenue:		Earnings								
					Revenue	EBITDA	CY 2020	CY 2021	LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
RELX (London)	\$24.07	87.8%	\$46,534	\$54,794	\$10,046	\$3,607	1%	4%	11%	65%	36%	5.5x	5.5x	5.2x	15.2x	15.7x	14.3x
Verisk Analytics	\$155.11	90.3%	\$25,295	\$28,510	\$2,607	\$1,019	9%	10%	1%	63%	39%	10.9x	11.0x	10.0x	28.0x	23.4x	21.4x
Fair Isaac	\$376.03	86.1%	\$10,961	\$11,848	\$1,196	\$297	11%	12%	20%	71%	25%	9.9x	10.4x	9.3x	39.9x	34.5x	27.9x
CoreLogic	\$45.37	87.7%	\$3,583	\$5,248	\$1,762	\$355	(2%)	(2%)	(12%)	50%	20%	3.0x	3.0x	3.1x	14.8x	10.7x	10.2x
LiveRamp Holdings	\$35.44	56.0%	\$2,387	\$1,629	\$353	(\$164)	60%	26%	NA	57%	(46%)	4.6x	3.8x	3.0x	NMF	NMF	58.9x
MEAN							16%	10%	5%	61%	15%	6.8x	6.7x	6.1x	24.5x	21.1x	26.5x
MEDIAN							9%	10%	6%	63%	25%	5.5x	5.5x	5.2x	21.6x	19.5x	21.4x

Source: Pitchbook



## Stock Comparables – Insurance Sub-Sectors (2/3)

(All figures in millions of USD, except per share data. Data as of February 28, 2020)

### Benefits Administrators

	Stock Price	% of 52-Wk. High	Market Value	Enterprise Value	LTM		Growth Rates:			LTM Margins:		EV / Revenue			EV / EBITDA		
					Revenue	EBITDA	Revenue:		Earnings LT	Gross	EBITDA	LTM	CY 2020	CY 2021	LTM	CY 2020	CY 2021
							CY 2020	CY 2021									
Workday	\$173.25	76.4%	\$39,848	\$39,473	\$3,440	(\$184)	28%	20%	NA	71%	(5%)	11.5x	10.9x	9.1x	NMF	53.0x	41.2x
Paychex	\$77.48	85.6%	\$27,768	\$28,081	\$4,034	\$1,655	15%	6%	12%	68%	41%	7.0x	7.0x	6.6x	17.0x	17.4x	15.8x
HealthEquity	\$70.99	80.0%	\$5,032	\$6,168	\$407	\$94	86%	54%	24%	63%	23%	15.2x	11.6x	7.5x	65.9x	31.6x	23.3x
TriNet Group	\$52.86	68.7%	\$3,634	\$3,809	\$3,856	\$325	(73%)	8%	52%	18%	8%	1.0x	4.1x	3.8x	11.7x	10.0x	9.5x
Insperty	\$67.27	46.4%	\$2,649	\$2,575	\$4,315	\$215	12%	7%	34%	17%	5%	0.6x	0.6x	0.6x	12.0x	10.3x	9.8x
Benefitfocus	\$12.48	24.6%	\$409	\$559	\$283	(\$15)	15%	6%	NA	52%	(5%)	2.0x	1.9x	1.8x	NMF	37.3x	24.0x
MEAN							14%	17%	30%	48%	11%	6.2x	6.0x	4.9x	26.6x	26.6x	20.6x
MEDIAN							15%	8%	29%	57%	7%	4.5x	5.5x	5.2x	14.5x	24.5x	19.6x

### P&C Insurance

	Stock Price	% of 52-Wk. High	Market Value	LTM		Growth Rates:			LTM Net Income %	Market Value / Rev.		Price / Earnings		Price Book	ROE %
						Revenue	Earnings	LT							
				Revenue	Net Income	CY 2020	CY 2021								
Chubb	\$145.03	79.6%	\$65,540	\$34,186	\$4,454	(9%)	7%	3%	13%	2.2x	2.1x	15.6x	13.2x	1.2x	8%
Progressive Casualty Insurance	\$73.16	93.3%	\$42,772	\$36,292	\$3,137	15%	13%	21%	9%	1.2x	1.0x	11.7x	13.7x	NA	27%
Travelers Companies	\$119.81	85.2%	\$30,555	\$31,581	\$2,603	(4%)	6%	(2%)	8%	1.0x	1.0x	12.3x	11.6x	1.2x	10%
The Hartford Financial Services	\$49.95	66.4%	\$17,895	\$20,740	\$2,064	8%	4%	14%	10%	0.9x	0.8x	8.8x	9.4x	1.1x	14%
Cincinnati Financial	\$93.24	86.5%	\$15,169	\$7,924	\$1,997	3%	7%	31%	25%	2.7x	2.5x	9.9x	21.4x	1.5x	23%
RSA Insurance Group	\$6.69	81.9%	\$6,898	\$9,039	\$338	(10%)	(1%)	NA	4%	0.8x	0.8x	14.2x	11.8x	1.3x	8%
ZhongAn	\$4.21	68.5%	\$6,185	\$1,816	(\$146)	37%	26%	NA	(8%)	3.1x	2.5x	NMF	NMF	2.7x	(5%)
The Hanover Insurance Group	\$118.54	68.6%	\$4,557	\$4,891	\$425	2%	6%	11%	9%	1.0x	0.9x	14.1x	14.0x	1.6x	11%
Selective Insurance Group	\$55.78	86.1%	\$3,328	\$2,846	\$272	3%	6%	13%	10%	1.3x	1.2x	13.0x	13.2x	1.5x	13%
Mercury General	\$43.31	69.8%	\$2,398	\$3,973	\$320	10%	3%	12%	8%	0.6x	0.6x	8.0x	13.4x	1.3x	18%
Employers Holdings	\$38.54	78.9%	\$1,212	\$835	\$157	3%	(10%)	9%	19%	1.5x	1.6x	8.3x	14.1x	1.0x	15%
State Auto Financial	\$24.98	77.3%	\$1,090	\$1,408	\$87	3%	9%	(5%)	6%	0.8x	0.8x	12.7x	17.0x	1.1x	10%
MEAN						5%	6%	11%	9%	1.4x	1.3x	11.7x	13.9x	1.4x	13%
MEDIAN						3%	6%	12%	9%	1.1x	1.0x	12.3x	13.4x	1.3x	12%

### Traditional / Life Insurance

	Stock Price	% of 52-Wk. High	Market Value	LTM		Growth Rates:			LTM Net Income %	Market Value / Rev.		Price / Earnings		Price				
				Revenue	Net Income	Revenue		Earnings		CY 2020	CY 2021	LT	CY 2020	CY 2021	CY 2020	CY 2021	Book	ROE %
Cigna	\$182.94	86.4%	\$67,931	\$153,743	\$5,104	186%	12%	11%	3%	0.5x	0.4x	13.0x	12.8x	1.5x	15%			
MetLife	\$42.72	83.2%	\$39,124	\$69,620	\$5,721	(4%)	3%	2%	8%	0.6x	0.6x	6.3x	7.7x	0.6x	9%			
Manulife Financial	\$16.85	73.0%	\$32,839	\$58,627	\$4,091	110%	(29%)	9%	7%	0.5x	0.8x	7.9x	7.1x	1.0x	14%			
Aflac	\$42.85	74.9%	\$30,960	\$22,223	\$3,304	3%	(1%)	6%	15%	1.4x	1.4x	9.9x	9.9x	1.1x	12%			
Prudential Financial	\$75.45	79.8%	\$29,954	\$64,807	\$4,140	(11%)	6%	26%	6%	0.5x	0.5x	7.9x	6.4x	0.5x	7%			
Sun Life Financial	\$43.31	80.7%	\$25,465	\$29,892	\$1,972	47%	(10%)	9%	7%	0.8x	0.9x	12.7x	10.7x	1.6x	14%			
Great-West Lifeco	\$23.58	87.8%	\$21,844	\$33,673	\$1,777	32%	(1%)	(0%)	5%	0.5x	0.5x	11.4x	9.9x	1.4x	12%			
Legal & General Group	\$3.35	77.5%	\$19,989	\$62,699	\$2,498	NA	0%	15%	4%	1.4x	1.3x	7.7x	7.3x	1.8x	22%			
Aviva	\$4.52	70.9%	\$17,732	\$59,712	\$2,978	NA	0%	10%	5%	0.3x	0.3x	6.4x	6.9x	0.8x	13%			
Swiss Life Holding	\$452.65	65.2%	\$14,405	\$23,393	\$1,139	31%	(14%)	7%	5%	0.8x	1.0x	12.0x	11.1x	0.9x	8%			
Principal Financial Group	\$44.39	79.3%	\$12,193	\$16,222	\$1,394	15%	4%	6%	9%	0.7x	0.7x	8.6x	7.7x	0.8x	11%			
Globe Life	\$92.66	77.4%	\$9,964	\$4,528	\$761	5%	4%	11%	17%	2.2x	2.1x	13.6x	13.1x	1.4x	11%			
Lincoln Financial Group	\$45.39	85.2%	\$8,868	\$17,258	\$886	10%	5%	(5%)	5%	0.5x	0.5x	10.4x	4.4x	0.5x	6%			
Standard Life Aberdeen	\$3.56	67.3%	\$8,290	\$2,627	\$1,690	(13%)	(6%)	NA	64%	4.0x	4.2x	9.6x	15.4x	0.9x	8%			
Aegon	\$3.56	81.4%	\$6,198	\$50,044	\$480	(0%)	3%	(17%)	1%	0.3x	0.2x	10.5x	4.9x	0.3x	3%			
Primerica	\$111.34	67.2%	\$4,577	\$2,101	\$366	5%	7%	21%	17%	2.2x	2.1x	13.3x	11.9x	2.8x	24%			
American National Insurance Co	\$98.36	80.2%	\$2,645	\$4,070	\$620	NA	NA	20%	15%	NA	NA	NA	NA	0.4x	11%			
Hansard Global	\$0.48	76.6%	\$66	\$63	\$6	95%	56%	(11%)	9%	0.5x	0.3x	9.7x	7.6x	1.9x	(74%)			
MEAN						34%	2%	7%	11%	1.0x	1.1x	10.1x	9.1x	1.1x	7%			
MEDIAN						10%	3%	9%	7%	0.6x	0.7x	9.9x	7.7x	0.9x	11%			

Source: Pitchbook

## Stock Comparables – Insurance Sub-Sectors (3/3)

(All figures in millions of USD, except per share data. Data as of February 28, 2020)

### Multi-Line Insurance












	Stock Price	% of 52-Wk. High	Market Value	LTM		Growth Rates:			LTM Net Income %	Market Value / Rev.		Price / Earnings		Price Book	ROE %		
				Revenue	Net Income	Revenue		Earnings LT		CY 2020	CY 2021	CY 2020	CY 2021			CY 2020	CY 2021
Zurich Insurance Group	\$382.78	80.3%	\$56,673	\$72,088	\$4,147	4%	4%	1%	6%	1.2x	1.1x	14.1x	12.6x	1.6x	14%		
AXA France Assurance	\$23.09	85.5%	\$55,146	\$134,856	\$1,614	NA	1%	(22%)	1%	0.5x	0.5x	10.0x	7.4x	0.7x	10%		
American International Group	\$42.16	83.6%	\$36,501	\$49,792	\$3,326	4%	(4%)	(7%)	7%	0.7x	0.8x	10.9x	9.6x	0.6x	7%		
Allstate	\$105.25	81.0%	\$33,355	\$44,675	\$4,678	(11%)	6%	17%	10%	0.9x	0.9x	9.0x	10.2x	1.4x	23%		
American Financial Group	\$92.42	71.9%	\$8,349	\$8,237	\$897	(28%)	2%	15%	11%	1.6x	1.6x	9.4x	10.3x	1.3x	13%		
MEAN						(8%)	2%	1%	7%	1.0x	1.0x	10.7x	10.1x	1.1x	13%		
MEDIAN						(3%)	2%	1%	7%	0.9x	0.9x	10.0x	10.2x	1.3x	13%		

### P&C Specialty

	Stock Price	% of 52-Wk. High	Market Value	LTM		Growth Rates:			LTM Net Income %	Market Value / Rev.		Price / Earnings		Price Book	ROE %		
				Revenue	Net Income	Revenue		Earnings LT		CY 2020	CY 2021	CY 2020	CY 2021			CY 2020	CY 2021
Markel (Insurance Services)	\$1,181.60	71.6%	\$16,285	\$9,524	\$1,792	26%	9%	42%	19%	1.9x	1.7x	11.8x	29.4x	1.5x	18%		
W.R. Berkley	\$67.14	77.5%	\$12,315	\$7,933	\$682	(14%)	8%	2%	9%	1.9x	1.7x	17.9x	19.7x	2.0x	12%		
Assurant	\$120.59	80.4%	\$7,214	\$10,073	\$364	25%	7%	(2%)	4%	0.7x	0.7x	20.7x	13.6x	1.3x	9%		
RLI	\$80.38	80.8%	\$3,611	\$1,007	\$192	31%	9%	6%	19%	3.3x	3.1x	21.6x	29.7x	3.7x	21%		
Argo Group International Holding	\$56.26	84.6%	\$1,941	\$1,979	(\$8)	75%	3%	NA	(0%)	0.6x	0.6x	19.3x	16.5x	1.1x	2%		
ProAssurance	\$27.15	64.6%	\$1,460	\$1,010	\$1	(4%)	(3%)	(64%)	0%	1.7x	1.8x	NMF	81.5x	1.0x	(3%)		
Amerisafe	\$65.17	87.7%	\$1,258	\$370	\$93	(11%)	(5%)	11%	25%	3.7x	4.0x	17.5x	22.5x	2.9x	22%		
Global Indemnity	\$31.76	84.0%	\$454	\$542	(\$32)	NA	NA	NA	(6%)	NA	NA	NA	NA	0.6x	(4%)		
MEAN						18%	4%	(1%)	9%	2.0x	1.9x	18.2x	30.4x	1.8x	9%		
MEDIAN						25%	7%	4%	6%	1.9x	1.7x	18.6x	22.5x	1.4x	10%		

Source: Pitchbook

## Key M&A Transaction Activity Summary

Date	Target	Acquirer(s)	Sector	Value (\$mm)	Transaction Comments
3/9/2020	 Willis Towers Watson	 AON	Insurance Brokers	\$30,000	<ul style="list-style-type: none"> <li>Willis Towers Watson is a global insurance broker, advisor and solution provider</li> <li>The acquisition will make Aon the world's largest insurance broker and improve economy of scale amidst falling margins of the industry</li> </ul>
2/27/2020	 F&G ANNUITIES & LIFE	 FIDELITY NATIONAL FINANCIAL	Traditional / Life Insurance	\$2,700	<ul style="list-style-type: none"> <li>FGL Holdings offers fixed annuities, life insurance products and reinsurance solutions in the US</li> <li>FGL Holdings will leverage the scale and platform of Fidelity to accelerate growth</li> </ul>
2/20/2020	 ONE INC	 Great Hill PARTNERS	Software Solutions	NA	<ul style="list-style-type: none"> <li>One Inc offers a digital payments platform designed to integrate with insurance core systems</li> <li>The recapitalization enables One Inc to refocus on insurance-specific payments and generate strong returns</li> </ul>
2/3/2020	 GRP Global Risk Partners	 SEARCHLIGHT	Insurance Brokers	NA	<ul style="list-style-type: none"> <li>GRP is a UK insurance intermediary, operating retail broking, specialist MGA and Lloyd's businesses</li> <li>The transaction will support GRP's acquisition-led growth strategy</li> </ul>
1/2/2020	 xagent	 BOLD PENGUIN	Online Platforms	NA	<ul style="list-style-type: none"> <li>xagent is a single-entry multi-quote platform for standard and surplus lines business insurance</li> <li>Bold Penguin plans to integrate the xagent solution for agents with its own exchange</li> </ul>
12/4/2019	 indio	 APPLIED	Software Solutions	NA	<ul style="list-style-type: none"> <li>Indio operates an online platform that simplifies insurance application and renewal process for insurance brokers</li> <li>Applied Systems plans to integrate Indio into its agency management system Epic</li> </ul>

Source: Pitchbook and Media Reports



## Key Financing Transaction Activity Summary

Date	Target	Sector	Amount (\$mm)	Type	Key Investor(s)
2/27/2020		Software Solutions	\$55	Venture Round	  
2/17/2020		Data & Analytics Solutions	\$20	Series B	
1/9/2020		P&C Insurance	\$32	Series B	
1/3/2020		P&C Insurance	\$50	Series C	
12/17/2019		Insurance Brokers	\$100	Series D	
12/3/2019		P&C Insurance	\$20	Series A	  

Source: Pitchbook and Media Reports

## IPO Activity Summary

Company	IPO Date	Amount Raised (\$mm)	IPO Price	Current Market Price	Total Return
 ProSight <sup>®</sup> Society Insurance	7/24/2019	\$110	\$17.17	\$13.40	(4%)
 PALOMAR SPECIALTY	6/28/2018	\$84	\$54.57	\$50.81	182%
 EVERQUOTE	4/26/2018	\$85	\$35.21	\$40.62	126%
 goosehead INSURANCE	4/17/2018	\$85	\$40.52	\$54.24	442%
 众安保险 ZhongAn Insurance	9/27/2017	\$1,1524	\$3.46	\$4.21	(45%)
 ASR nederland	6/9/2016	\$1,153	\$37.14	\$33.12	50%
 HealthEquity <sup>™</sup> Building Health Savings <sup>™</sup>	7/6/2015	\$127	\$62.89	\$70.99	407%
 trupanion <sup>™</sup> Medical insurance for your pet.	7/17/2014	\$71	\$34.08	\$30.74	207%
 TriNet	3/26/2014	\$240	\$54.75	\$52.86	230%
 BENEFITFOCUS <sup>®</sup>	9/17/2013	\$131	\$23.98	\$12.48	(53%)
 iSelect always get it right	6/24/2013	\$199	\$0.37	\$0.21	(87%)
 GUIDEWIRE	1/24/2012	\$115	\$121.83	\$109.61	743%
 QUINSTREET	2/10/2010	\$150	\$15.74	\$12.88	(14%)

Market data as of February 28, 2020

Source: Pitchbook, NASDAQ

## Select Wall Street Research Updates and Commentary



### Update from Morgan Stanley, February 2020

Aon reported 4Q19 adjusted EPS of \$2.53, above \$2.50 MSe and \$2.47 consensus. Results were aided by stronger organic growth (+7.0% vs +5.8% MSe), and lower tax rate (15.7% vs. 19.5% MSe) which drove a \$0.12 benefit compared to our estimate. Adj. operating margin of 27.9% narrowly missed our expected 28.2%. Strong core operations were somewhat offset by unfavorable FX, which negatively impacted 4Q EPS by \$0.04, in-line with guidance.



### Update from Credit Suisse, March 2020

With eHealth's business primarily driven by seniors and individuals enrolling into health insurance online or via call centers, any impact from the coronavirus situation worsening should be insignificant. The company has noted in the past that it has infrastructure in place which should allow brokers/agents to work remotely. Importantly, for EHTH, the busiest time of the year (4Q) is still far out. By way of background, roughly 55% of the company's revenues are attributable to 4Q, primarily due to the timing of the Annual Enrollment Period (Oct 15<sup>th</sup> – Dec 7<sup>th</sup>). The company currently has 200 people in China (Xiamen), whose primary role is to analyze the data received from different carrier partners, standardize it, and then integrate it into the company's decision-making. We believe the focus of these individuals is non-client facing in nature (data analysis, increasing process efficiency, etc.) and has virtually no immediate impact on the company's customer enrollment and services.



### Update from Cormark Securities, February 2020

Manulife reported Q4 core EPS of \$0.73, which missed our estimate of \$0.76 and consensus of \$0.75. **The result this quarter delivered solid core EPS growth of 12% Y/Y, although Q4/18 was weighed down by loss on seed money investments in the firm's surplus portfolio. Excluding for this loss, core EPS would have been up a much more modest 3% Y/Y.** This result included \$100 MM in after-tax core investment gains (the company recognizes up to \$400 MM each year and did so in 2019). The firm hiked its dividend to \$0.28/share, which was up 12% and a penny higher than our estimate. Our core EPS estimates remain relatively unchanged for 2020. Meanwhile, our core EPS estimates for 2020 goes up by 1% to reflect the impact of elimination of the discount on DRIP. We continue to value the shares 1.1x our 2021 estimated book value, which means our target price remains unchanged at \$31.00 and we reiterate our Buy recommendation.



### Update from Raymond James, January 2020

We are reiterating our Strong Buy rating on shares of Old Republic International (ORI). **The company beat our EPS estimate because of better-than-expected top and bottom-line results in the Title Insurance segment.** The positive 4Q19 results were overshadowed by a significant increase in the commercial auto (CA) and general liability (GL) claims ratios, which increased 810 bp and 2210 bp, respectively, on a y/y basis in 4Q19. Management has implemented aggressive rate increases in CA, GL and D&O to the point where it is possible to get the combined ratio down to 95% target in the next 24 months (the GI combined ratio was 97.5% in 2019 vs. 97.2% in 2018), where every 50 basis point improvement in the combined ratio is equivalent to ~\$0.05 per share. We continue to view ORI as a compelling stock considering its discounted valuation and dividend yield of 3.5%.



### Update from Raymond James, January 2020

We are reiterating our Outperform rating on Marsh & McLennan (MMC). While the company reported its worst organic growth result of ~2.6% in 4Q19 since at least 3Q17, MMC reported 100 bp of operating margin improvement and management outlined an expectation of 3-5% organic growth in 2020. In addition, management increased the run-rate savings target from the JLT integration to at least \$350 million from \$250 million prior; having achieved \$125 million in 2019. Looking forward, we are adjusting our estimates to reflect JLT's seasonal weakness in 1Q20 and some integration savings in 2021.

# Appendix – Coverage Universe Components

The coverage universe for various sectors is as follows:

- 1 **Payments:**  
PINX:EDNMY, NYS:ADS, NYS:FLT, NYS:WEX, NYS:SHOP, NAS:PYPL, NYS:SQ, PINX:ADYYF, LON:BOKU, NYS:PAGS, NAS:STNE, NYS:EB, NAS:PYPL, NYS:AXP, NYS:MA, NYS:V, NAS:PMTS, NAS:CATM, NYS:DBD, NYS:EVRI, BSP:CIEL3, PAR:WLN, NAS:NEWT, NAS:QIWI, NAS:UEPS, ETR:WDI, NYS:DLX, NYS:EVTC, NYS:GPN, CATS:3769, LON:PAY, NYS:SQ, NYS:TSS, NAS:IIIV, NAS:EVOP, NAS:ACIW, NAS:EPAY, NAS:FISV, NAS:JKHY, NYS:FIS, GREY:INGIF, HKG:327, SHE:2152, NYS:NCR, NYS:PAR, TSE:LSPD, IDX:MCAS, NAS:EEFT, NAS:MGI, NYS:GDOT, ASX:OFX, NYS:WU
- 2 **Bank Technology Solutions:**  
NAS:INTC, NAS:PYPL, NYS:AXP, NYS:IBM, BOM:532466, BOM:538835, NAS:EPAY, NAS:FISV, NAS:JKHY, PINX:CSVI, SWX:CLXN, NYS:FIS, TKS:6457, NYS:QWTO, SES:5CP, SWX:TEMN, STO:INTRUM, NYS:EFX, LON:EXPN, NYS:FICO, NYS:TRU, NAS:ASPS, NAS:CSGP, NAS:RDFN, NAS:RP, NAS:ZG, NYS:BKI, NYS:CLGX, NYS:FNF, TSE:REAL, NYS:STC, AMS:WKL, PAR:SOP, NAS:MITK, NAS:NTWK, NAS:PEGA, PINX:ASOZY
- 3 **Specialty Finance / Alternative Lending:**  
NAS:ASFI, NAS:ECPG, NAS:NAVI, NAS:PFMT, NAS:PRAA, NAS:PRGX, NYS:NNI, NAS:CPSS, NAS:CACC, LON:FCH, NAS:MRLN, TSE:CHW, NYS:CIT, ASX:Z1P, NAS:ATLC, NAS:EZPW, NYS:AAN, NAS:FCFS, NAS:SLM, NAS:TBBK, NAS:WRLD, TSE:ECN, NYS:CURO, NAS:GSKY, NYS:AAN, NYS:COF, NYS:DFS, LON:IPF, NYS:OMF, LON:PFG, NYS:RM, NYS:SC, NYS:SYF, LON:TCS, NAS:RCII, NYS:AL, NYS:CAI, TSE:EFN, ASX:FXL, NYS:FLY, NYS:TGH, NYS:URI, NAS:CASH, PINX:DHCPQ, NYS:OCN, NYS:PFSI, NAS:TREE, ETR:FRU, STU:MBC, NYS:XRF, NYS:ELVT, NYS:ENVA, NYS:LC, NYS:ONDK, NYS:YRD
- 4 **Securities:**  
AMS:FLOW, PAR:VIL, IEXG:IBKR, NAS:BGCP, NAS:TW, NAS:VIRT, LON:IGG, NYS:LM, NYS:IVZ, NAS:WETF, NYS:BLK, NYS:BEN, NYS:AB, MEX:FINAMEXO, NAS:INTL, SWX:CFT, MIL:MB, PAR:BNP, NSE:ICIBANK, NSE:IIFL, PINX:HSNGY, ETR:COM, NYS:AXP, NYS:BAC, LON:BARC, TSE:BMO, TSE:CM, NYS:C, LON:CBG, ASX:CBA, SES:D05, NYS:FI, LON:HSBA, NYS:JPM, NYS:BAC, NYS:HSBC, LON:LLOY, NYS:MTB, ASX:NAB, NYS:PNC, TSE:RY, LON:RBS, TSE:TD, NYS:USB, NYS:WFC, LON:BME, BSP:B3SA3, PAR:ENX, NAS:CME, NAS:NDAQ, PINX:HKXCY, ETR:DB1, ASX:ASX, BATS:CB0E, NYS:ICE, LON:LSE, SES:S68, TSE:X, NAS:VALU, NAS:MORN, NSE:CRISIL, NYS:FDS, NYS:INFO, NYS:MCO, NYS:MSCI, NYS:IT, NAS:FORR, NYS:RELX, NYS:SPGI, TSE:TRI, LON:NUM, NAS:COWN, ETR:DBK, SWX:CSGN, NYS:GHL, NYS:JPM, NYS:JMP, ASE:LTS, NYS:LAZ, ASX:MQG, NYS:MS, TKS:8604, NYS:PJC, NYS:RFJ, NYS:SF, NYS:GS, SWX:UBSG, NYS:AB, NYS:AMP, NYS:APAM, NYS:BLK, NYS:BK, NYS:CNS, NYS:BEN, LON:HL, NYS:IVZ, NYS:JHG, NAS:NTRS, NAS:SEIC, NAS:UMBF, NYS:MTB, NAS:TROW, NAS:VRTS, NYS:WDR, NAS:WETF, NYS:SCHW, LON:CMCX, NAS:ETFC, NYS:GCAP, NAS:MKTX, TKS:8628, NAS:VIRT, IEXG:IBKR, NAS:TIGR, NAS:FHL, TKS:8698, LON:PLUS, SWX:SQN, NAS:AMTD, NAS:YIN, AMS:KA, NAS:LPLA, NYS:AMK, NAS:SEIC, ASX:BVS, NYS:BR, ASX:CPU, NYS:ENV, LON:SNN, NYS:STT, LON:TCAP, PINX:FDRVF, LON:SOG, CSE:SIM, PAR:LIN, NAS:SSNC, LON:ALFA, ASX:IRE, SWX:TEMN
- 5 **Insurance:**  
NAS:BNFT, NAS:HQY, NAS:PAYX, NAS:WDAY, NYS:NSP, NYS:TNET, NAS:VRSK, NYS:RAMP, LON:REL, NYS:CLGX, NYS:FICO, NAS:WLTW, NYS:AON, NYS:AJG, NYS:BRO, NYS:MMC, NAS:GSHD, PINX:AZSEY, PINX:AXAHY, NYS:ALL, NYS:AFG, NYS:AIG, SWX:ZURN, NAS:EVER, NAS:EHTH, NAS:QNST, LON:GOCO, ASX:ISU, LON:MONY, NAS:CINF, NAS:SIGI, NAS:STFC, NYS:CB, NYS:EIG, NYS:MCY, NYS:PGR, LON:RSA, NYS:THG, NYS:HIG, NYS:TRV, HKG:6060, NAS:AMSF, NAS:GBLI, NYS:ARGO, NYS:AIZ, NYS:MKL, NYS:PRA, NYS:RLI, NYS:WRB, NAS:SPNS, NAS:MJCO, NAS:EBIX, NYS:CRD.B, NYS:GWRE, NYS:FNF, NYS:FAF, NYS:ORI, NYS:STC, PINX:AEQOF, NAS:ANAT, NAS:PFG, NYS:AFL, LON:AV, NYS:CI, TSE:GWO, LON:HSD, LON:LGEN, NYS:LNC, TSE:MFC, NYS:MET, NYS:PRI, NYS:PRU, LON:SLA, TSE:SLF, SWX:SLHN, NYS:GL
- 6 **BPO:**  
PINX:TLPFY, NAS:SYKE, NAS:TTEC, BSP:QUAL3, NAS:CPSI, NAS:HMSY, NAS:HQY, NAS:MDRX, NAS:NXGN, NAS:RCM, NYS:CSLT, NAS:BNFT, NAS:ADP, NAS:CSOD, NAS:PAYX, NYS:NSP, NYS:TNET, MIL:BET, BOM:507685, NYS:ATO, PINX:CGEMY, NAS:OSPN, NAS:CTSH, NAS:DOX, NAS:EXLS, TSE:OTEX, NAS:VRTU, NSE:HCLTECH, NSE:HEXAWARE, NSE:INFY, NSE:MINDTREE, NSE:TCS, NSE:TECHM, NYS:ACN, LON:APTD, NYS:CACI, NYS:DXC, NYS:UIS, NYS:WNS, LON:IBPO, BOM:526299, BOM:532809, NAS:PRGX, LON:CPI, TSE:GIB.A, NYS:G
- 7 **Financial Management Solutions:**  
NAS:BL, NAS:COUP, NAS:INTU, ASX:RKN, NAS:DOCU, LON:SGE, NYS:AVLR, ASX:XRO, NAS:MSTR, NAS:SPLK, NYS:TDC, NAS:AMSWA, NAS:APPN, NAS:EPAY, NYS:PLAN, PINX:BPRMF, LON:APTD, NAS:PEGA, NAS:QADA, NSE:RAMCOSYS, ASX:TNE, BSP:TOTS3, NYS:TYL, NAS:ADP, NAS:CSOD, NYS:CDAY, NAS:PAYX, NAS:PCTY, NAS:WDAY, NYS:HRB, NYS:NSP, NYS:PAYC
- 8 **Enterprise Software / Data & Analytics:**  
ETR:SAP, NAS:VERI, NAS:MSTR, TSE:OTEX, NAS:SPLK, PINX:STWRY, NYS:AYX, NAS:WDAY, NYS:MDLA, NAS:CDLX, NYS:CLDR, LON:EXPN, NYS:FICO, NYS:NEWR, NYS:ORCL, NYS:CRM, NYS:VMW, HEL:NOKIA, GREY:SSNLF, NAS:AMBA, NAS:AMZN, NAS:CMCSA, NAS:GOOGL, NAS:GRMN, NAS:IDCC, NAS:LOGM, NAS:MSFT, NAS:QCOM, NAS:SLAB, NAS:TMUS, NYS:T, NYS:FIT, NYS:GLOB, NYS:S, NYS:VZ, ETR:SAP, NYS:ZUO, NYS:ORCL, NYS:IBM, NYS:CRM, NAS:ADBE, NAS:MSFT, NYS:VMW, NAS:SYMC, NAS:PEGA, NAS:FORR, NAS:VRNT, NAS:VRSK, TSE:AIM, NYS:CLGX, NYS:EFX, NYS:IT, NYS:IBM, NYS:RAMP, LON:REL, NYS:TDC, NYS:NLSN, NYS:TRU
- 9 **Healthcare Tech:**  
LON:EMIS, NAS:CERN, NAS:CPSI, NAS:HSTM, NAS:MDRX, NAS:NXGN, ETR:COP, NAS:NH, NYS:EVH, NAS:HIIQ, NAS:MGLN, NAS:NUAN, NYS:ANTM, NYS:CNC, NYS:HUM, NYS:MMS, NYS:MOH, NYS:GTS, NYS:UNH, NYS:WCG, NAS:STRM, NAS:TRHC, NAS:HCAT, NAS:INOV, NAS:OMCL, NYS:VCRA, LON:CRW, NAS:STRM, NYS:PHR, NAS:HMSY, NAS:CHNG, NAS:RCM, NAS:SREV





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## KEY SENIOR PROFESSIONAL

### Alexander Koles

Founder, CEO, Managing Director  
[akoles@evolve-capital.com](mailto:akoles@evolve-capital.com)

Mr. Koles has over 15 years of financial advisory experience including advising middle-market and multinational firms on merger and acquisition strategies and execution, restructurings and capital raises. Prior to founding Evolve Capital Partners, he worked at a number of leading investment banks in leadership roles focused on restructuring transactions. He started his career at Merrill Lynch as an investment banker in the corporate finance group.

## CONTACT

### Evolve Capital Partners

1350 Avenue of the Americas  
2nd Floor  
New York, NY 10019  
T: (646) 688-2792  
[evolve-capital.com](http://evolve-capital.com)