



North American Agent & Broker Merger & Acquisition Update 1st Quarter 2025

April 2025

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1st Quarter 2025 Agent M&A Report



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Observations & Comments – Q1 2025

- The pace of deal activity in the insurance distribution space continues to slow as Q1 '25 activity fell 15% in comparison to Q1 '24. The 141 transactions announced was the lowest since the depths of the global pandemic in Q2 '20. This marks the 9th consecutive quarter of deal volume below the long-term trend line.
- There were 46 distinct buyers identified in this quarter:
 - ❖ 25 were private equity; one announcing their first deal.
 - ❖ 17 were privately held; five announcing their first.
- On a trailing 4-quarter basis, the most active buyers include:
 - ❖ BroadStreet Partners leading the group with 81 reported deals compared to the previous 5-year average of 58.
 - ❖ Hub International followed with 61 reported deals (previous 5-year average of 65) and Inszone Insurance Services recorded 44 (32 previous 5-year average). All others logged less than 35 deals over this period.

Observations & Comments – Q1 2025

(continued)

- In the last four quarters, these three firms made up 25% of the total deal volume. These were the same firms that comprised the top three buyers in the previous 4-quarter period at which time they did 23% of all deals.
- There were 156 distinct buyers over the past eight quarters: 54% did 1 deal, 10% did 2 deals, and 5% did three. That leaves 32% (50) that did four or more deals (“Active Buyers”).
- The pace of deals continues to soften, which could continue due to current economic uncertainty as presently exists. Nonetheless, we think that with 27 active private equity backed brokers and other very active buyers, we will continue to see a deal pace that exceeds pre-pandemic levels.
- We’re aware of several private equity-backed firms actively seeking to recapitalize or sell the firm.
- We also anticipate seeing more large privately-owned agencies sell (see Woodruff-Sawyer)

Highlights of Q1 2025 M&A Activity

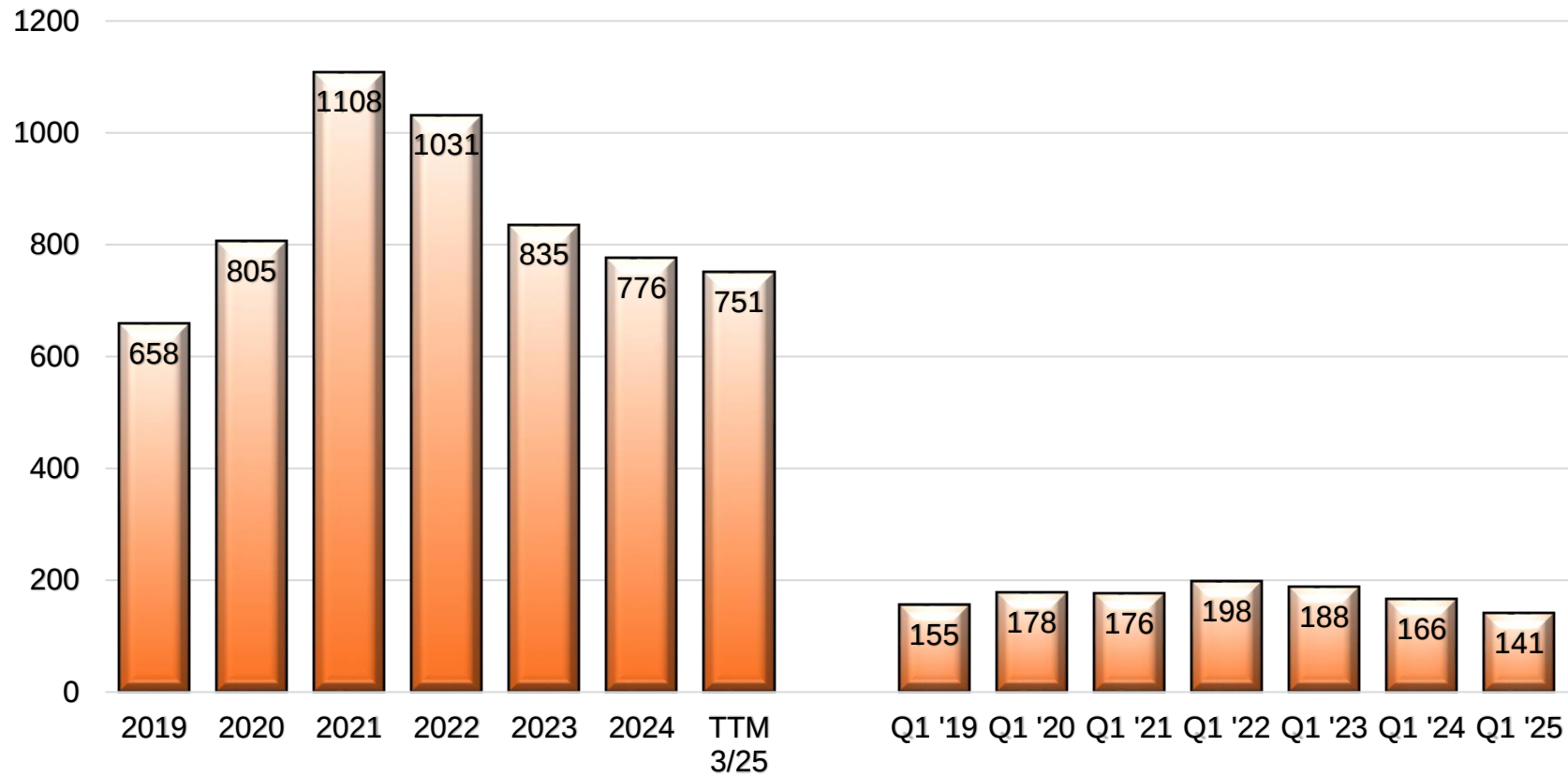
- 141 total transactions in Q1 '25, down 15% from 166 in Q1 '24 and 25% from 188 in Q1 '23
 - 131 retail P&C and L&H, wholesale, and TPA transactions in Q1 '25, down 15% from 154 in Q1 '24
- BroadStreet Partners continues to lead all buyers in Q1 deals with 18 in Q1 '25, which is a third of the total in Q1 '22 and yet 22% above the previous 5-year average
- Following was World Insurance Associates at 10 deals in Q1 '25; much higher than the single deal reported in Q1 '24 and yet more than double their previous 5-year average. There were 8 other firms that did at least 5 deals in Q1 '25
- In addition to World Insurance Associates, King Risk Partners also saw a significant increase in activity closing 7 deals in Q1 '25 v. 1 in Q1 '24
- Historically very active buyers Inszone Insurance Services, Broadstreet Partners, One Digital, ALKEME and Arthur J. Gallagher all did fewer deals in Q1 '25 v. Q1 '24

Highlights of Q1 2025 M&A Activity

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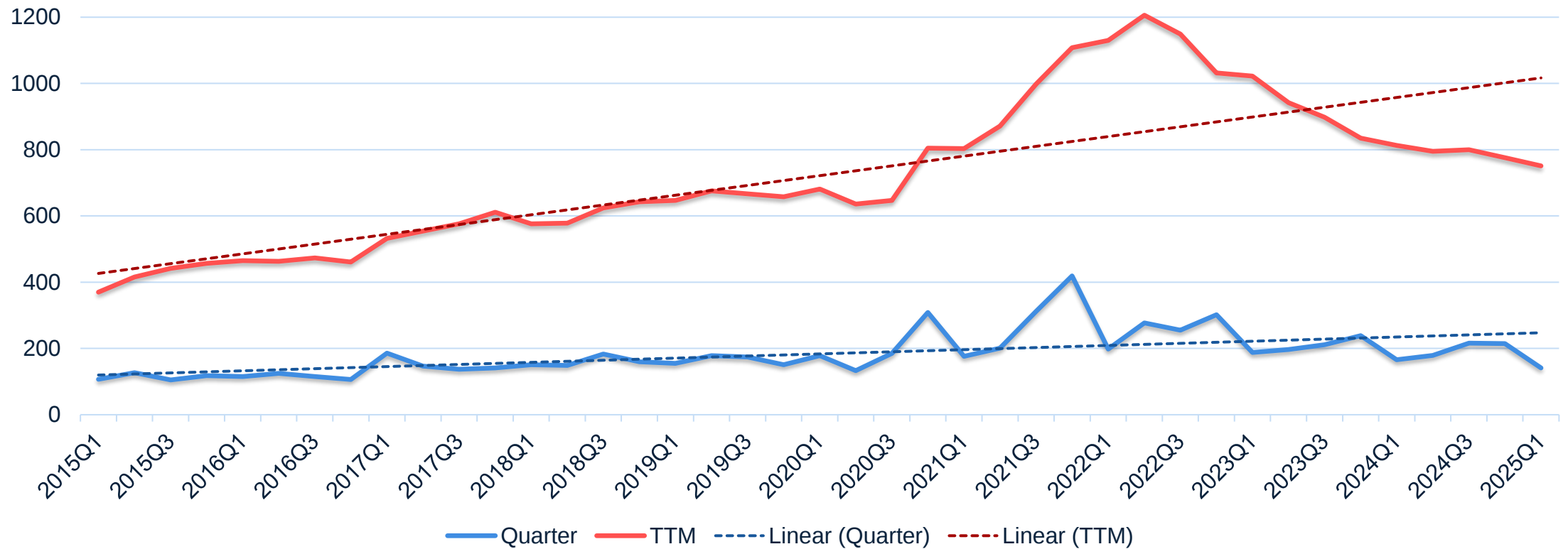
- While Gallagher's recent pace may have slowed slightly, it's worth highlighting their very large acquisitions of AssuredPartners (pending approval) and Woodruff-Sawyer, both top 100 firms.
- Private Equity-Backed / Hybrid ("PE/Hybrid") buyers were responsible for 73% of all announced transactions in Q1 '25, slightly higher than 72% and Q1 '24
- Privately-owned buyers reported 25 deals in Q1 '25 versus 39 in Q1 '24
- Publicly traded brokers reported 13 transactions in Q1 '25 compared to 15 in Q1 '24

Agency Acquisitions By Year and Quarter

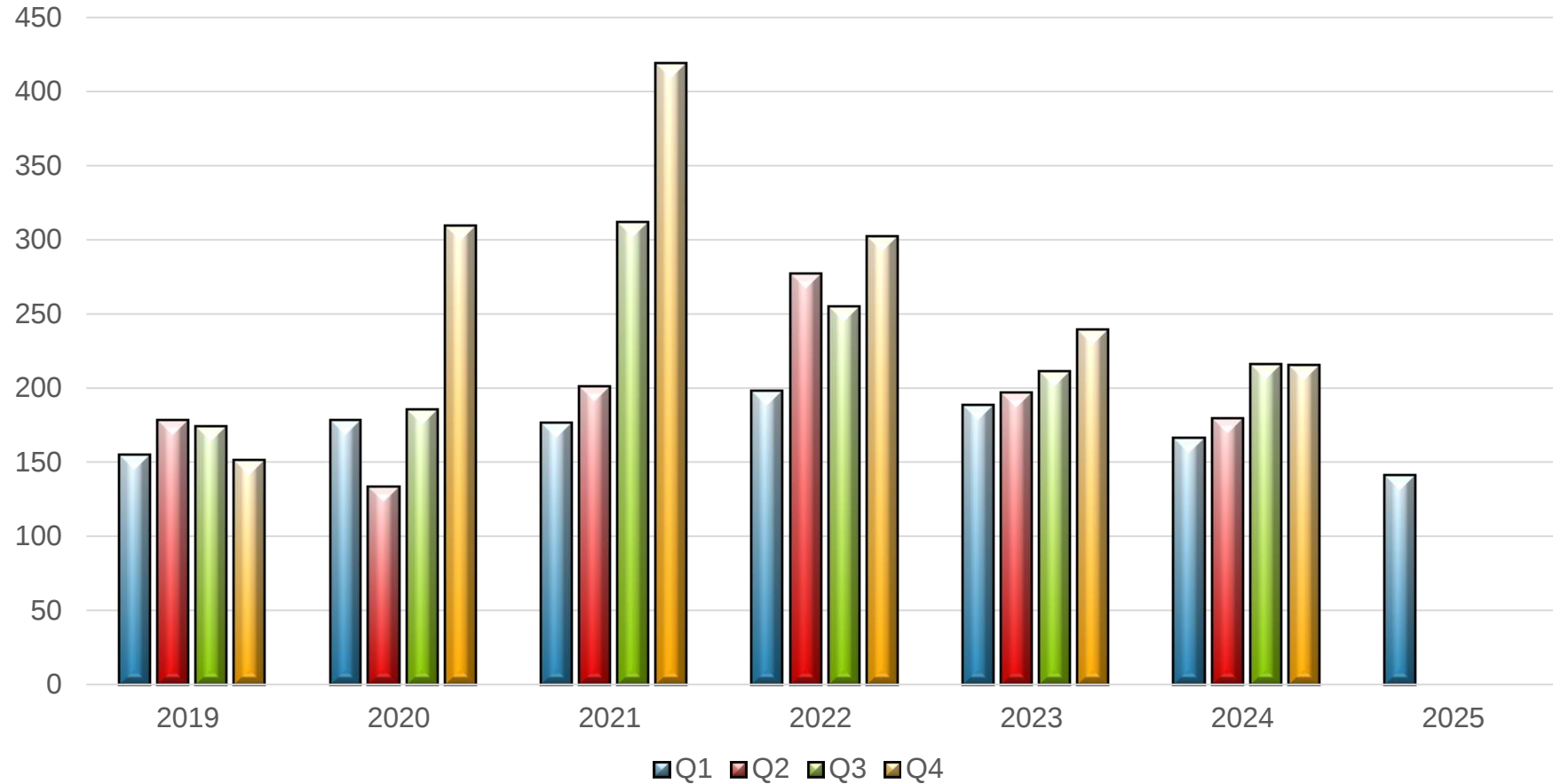


Summary Information

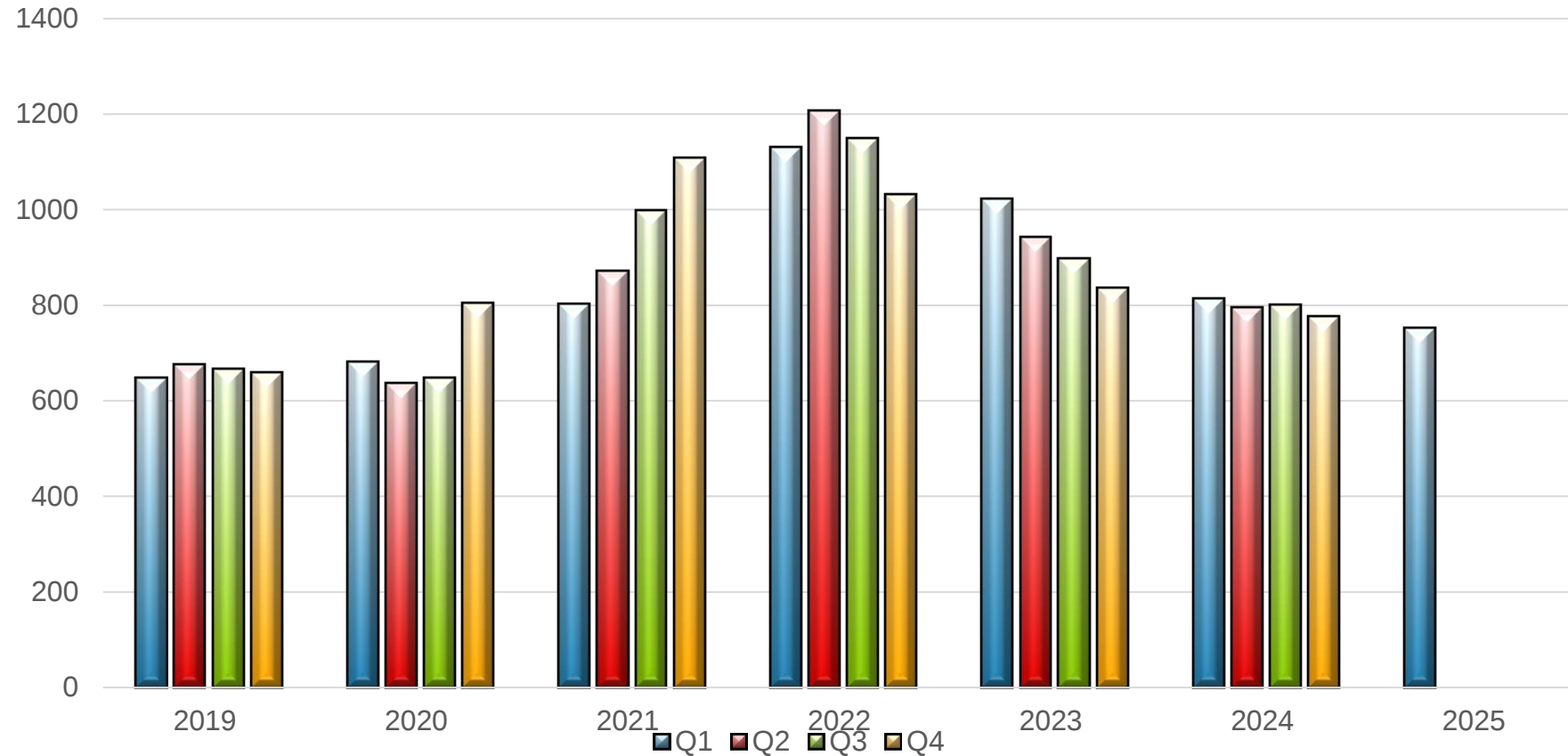
Quarterly M&A Activity



Quarterly M&A Activity



Quarterly Rolling 12-Month M&A Activity



Most Active Buyers

Active Acquirers With 5 or More Deals in Q1 2025

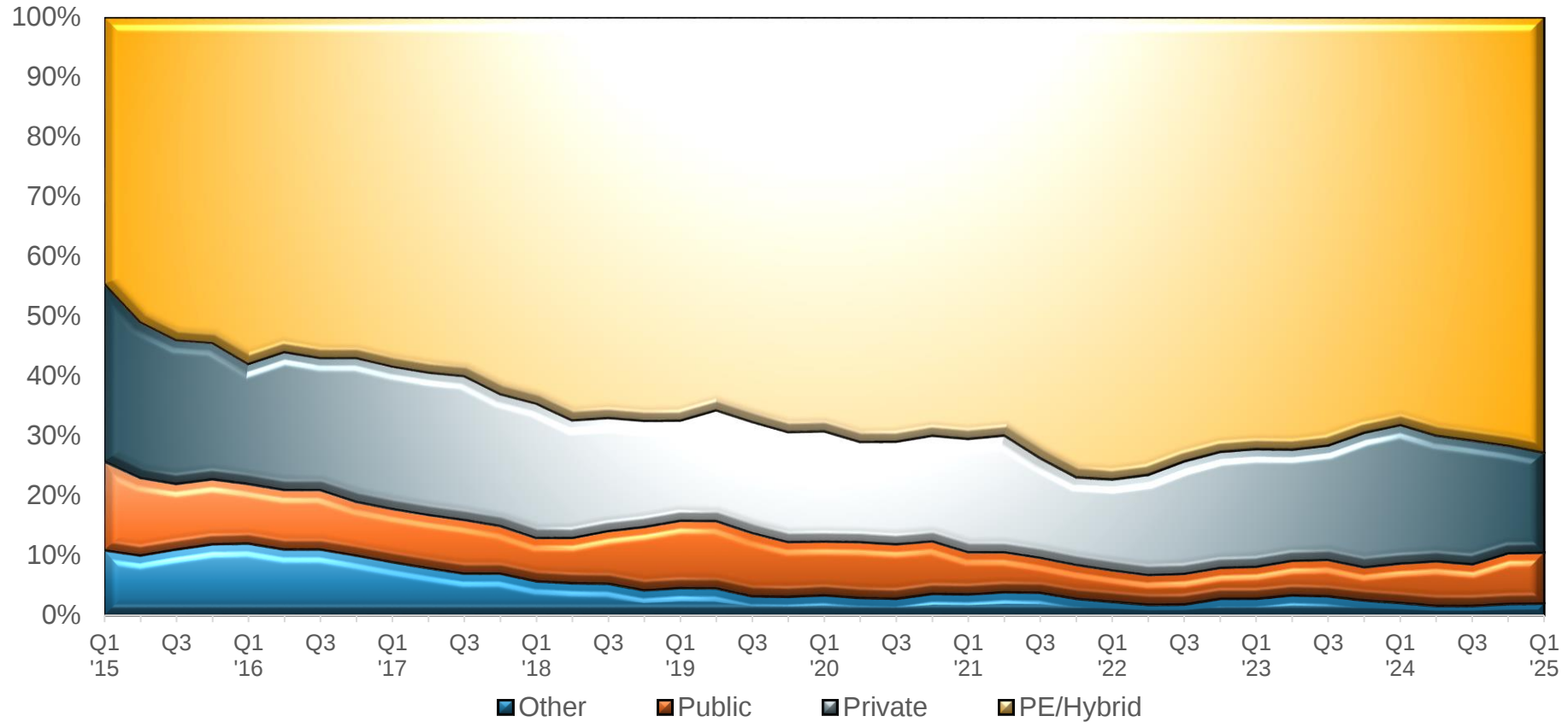
Buyer	Buyer Type	Q1 '20	Q1 '21	Q1 '22	Q1 '23	Q1 '24	Q1 '25
BroadStreet Partners	PE-Hybrid	16	12	5	14	27	18
World Insurance Associates	PE-Hybrid	4	6	3	9	1	10
Hub International	PE-Hybrid	17	13	14	7	9	9
Keystone Agency Partners	PE-Hybrid	0	2	3	7	8	8
King Risk Partners	PE-Hybrid	0	0	2	4	1	7
Inszone Insurance Services	PE-Hybrid	4	2	12	8	11	7
Gallagher	Public	6	4	4	7	7	6
AON/NFP	Public	1	0	4	5	2	6
High Street Partners	PE-Hybrid	0	4	12	5	4	5
Trucordia (PCF)	PE-Hybrid	9	12	26	1	0	5
Sub-totals		57	55	85	67	70	81
All Others		121	121	113	121	96	60
Totals for Year		178	176	198	188	166	141

Most Active Buyers

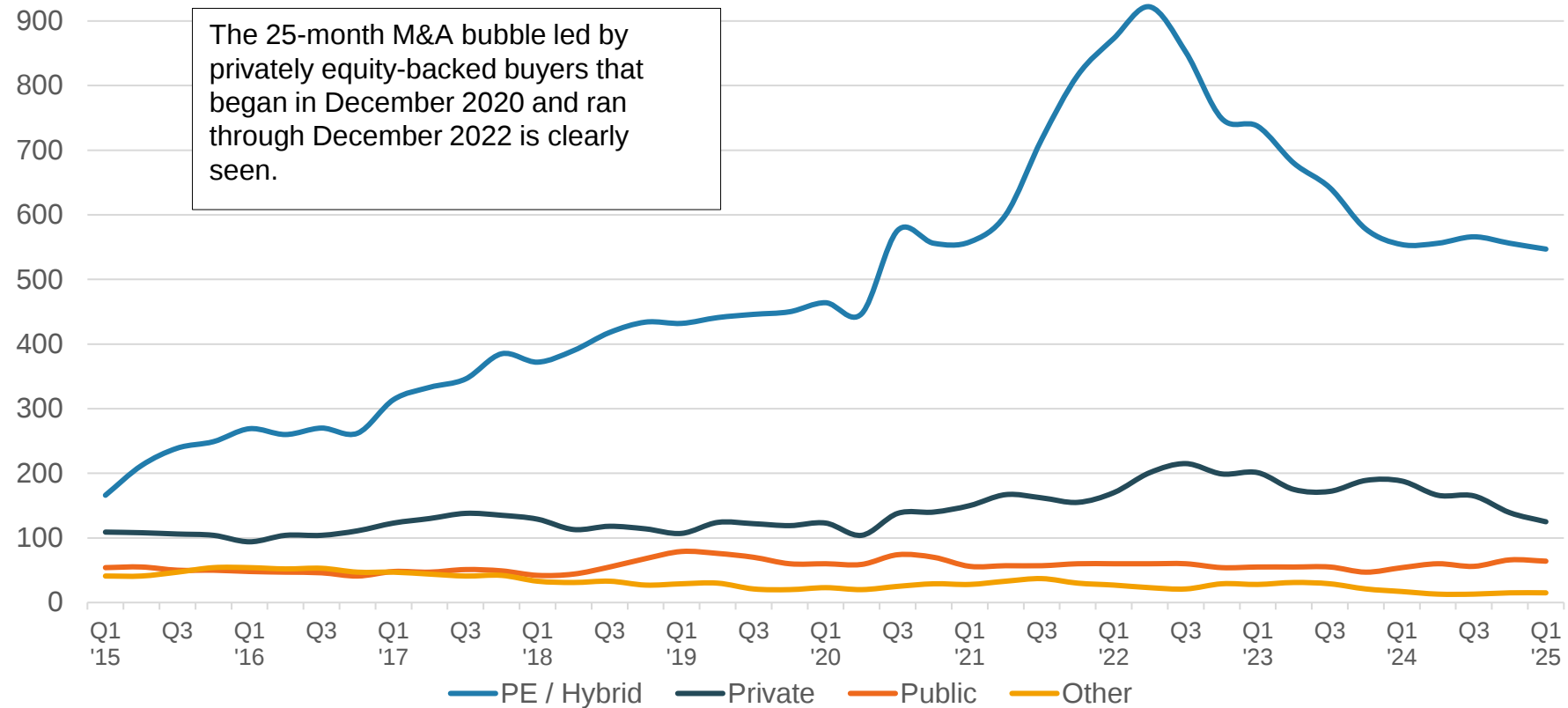
Buyers With 20 or More Deals in Past 12 Months

Buyer	Buyer Type	2020	2021	2022	2023	2024	TTM 3/25
BroadStreet Partners	PE-Hybrid	59	45	35	59	90	81
Hub International	PE-Hybrid	65	62	70	66	61	61
Inszone Insurance Services	PE-Hybrid	10	12	42	46	48	44
Patriot Growth Insurance Services	PE-Hybrid	21	31	32	36	35	31
Gallagher	Public	23	25	26	36	31	30
Keystone Agency Partners	PE-Hybrid	7	22	29	29	29	29
Leavitt Group	Private	12	24	20	34	30	26
King Risk Partners	PE-Hybrid	0	4	14	10	19	25
World Insurance Associates	PE-Hybrid	42	53	39	36	16	25
High Street Partners	PE-Hybrid	9	71	44	24	23	24
Acrisure	PE-Hybrid	108	122	107	36	24	24
Trucordia (PCF)	PE-Hybrid	36	99	71	2	16	21
Sub-total		392	570	529	414	422	421
All Others		413	542	503	421	354	330
Totals for Year		805	1,112	1,032	835	776	751

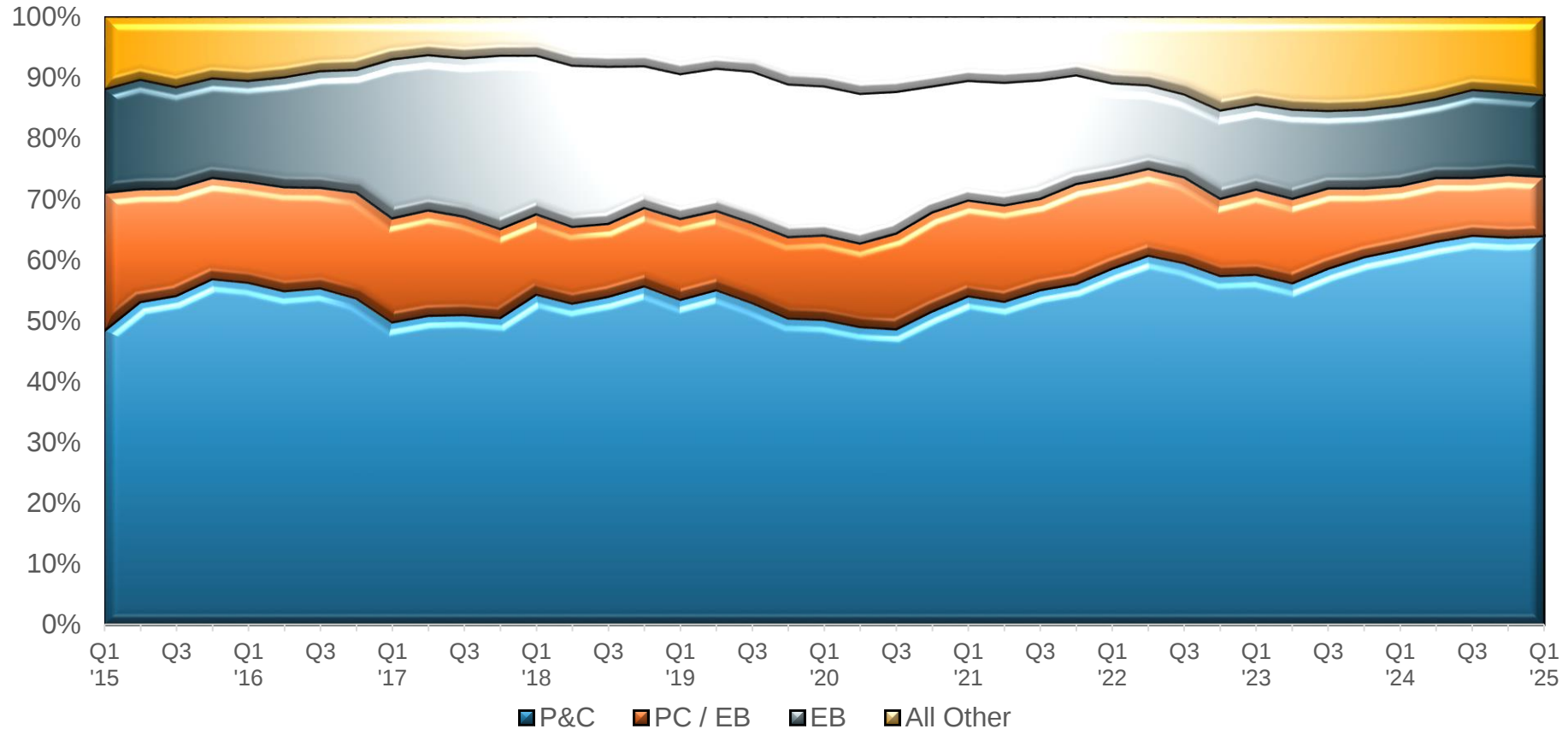
Rolling 12-Month Activity by Buyer Type (% Total)



Rolling 12-Month # Transaction by Buyer Type



Rolling 12-Month Activity by Seller Type (% Total)



Large Broker Transactions in Q1 2025

Seller	Buyer	Estimate 2024 Revenue	Date
Woodruff-Sawyer (San Francisco, CA)	Arthur J. Gallagher	\$268 million	March 2025

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