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**QUARTER 1 2021 RESULTS**

19 MAY 2021

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Note that the acquisition of Bennetts Motorcycling Services Limited ("Bennetts") by Ardonagh was subject to a merger inquiry by the Competition and Markets Authority ("CMA"), which decided on 16 September 2020 that the merger would be referred for a phase 2 investigation unless Ardonagh offered acceptable undertakings to address its competition concerns. In response, Ardonagh offered to divest Bennetts and unwind the Transaction (the "UIL"), which was accepted by the CMA on 20 November 2020 (please refer to the CMA's merger inquiry website for further details). Consequently, Ardonagh ran a competitive process for the sale of Bennetts and entered into a binding agreement for the divestment of Bennetts to Right Choice Holdings Limited on 26 March 2021, a process overseen by a Monitoring Trustee reporting to the CMA. Right Choice received regulatory approval and the disposal completed on 13 May 2021. In this presentation of information to 31 March 2021, Bennetts is being treated as a financial asset held for sale, and has therefore been excluded from the financial reporting contained herein.

Note that the Company regularly reviews acquisition targets and its financing arrangements and may from time to time announce new acquisitions or amendments to the financing arrangements in line with its business strategy.



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**Q1 2021 UPDATE**

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## Continued strong business performance with LTM PF Adj. EBITDA now £332m *+15.5% organic Adj. EBITDA growth in Q1'21 combined with strong M&A momentum*

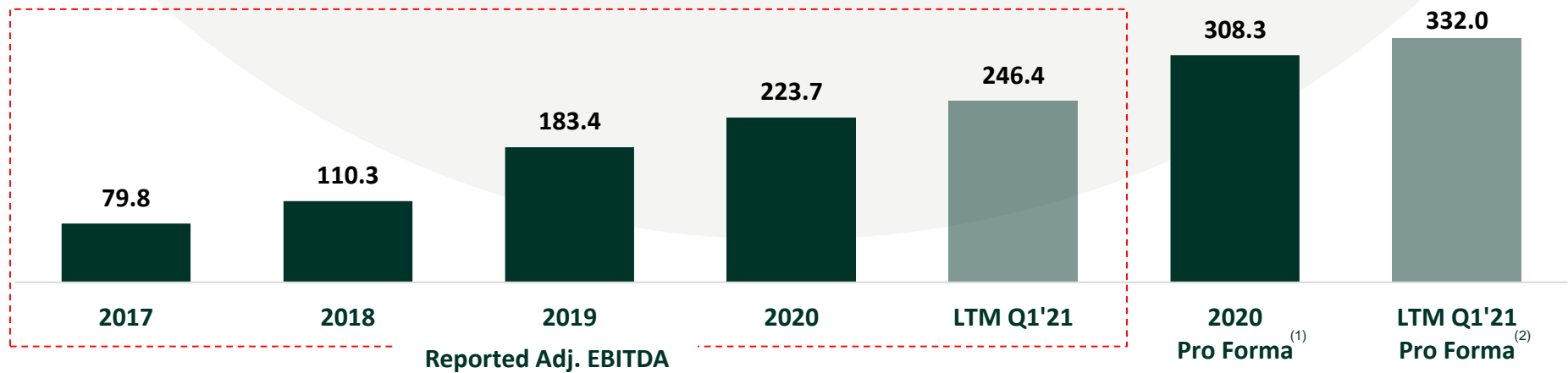
- 1. LTM Q1'21 PF Adj. EBITDA now £332m (USD \$437m)<sup>(1)</sup> up +£24m (USD \$31m) from £308m (USD \$406m) for FY20, and pro forma income now over £909m (USD \$1.20bn)<sup>(1)</sup> up 9% vs. FY20 pro forma**
  - *Continued organic income growth +2.1%<sup>(2)</sup> for the quarter vs. prior year*
  - *Particularly strong growth in Specialty driven by continued successful producer hiring programme, with further growth expected from maturing producer cohorts within the business and from our robust pipeline of hires*
  - *Continued delivery of cost savings and cost synergies with a further £32m of savings well under way and expected to be delivered before the end of the year*
  - *High margin income growth driven by additional carrier management contracts, facilities and other revenue synergies from closer cooperation across the group and integration within platforms*
  
- 2. Continued M&A activity with a robust forward-looking pipeline**
  - *Acquisition of £40m Adj. EBITDA including cost synergies post 31 Dec'20, at an average multiple of 6.6x*
  - *Launch of Ardonagh Global Partners to invest in leading platforms operating in markets and product verticals outside of the UK and Europe*
  
- 3. Continued strong cash flow performance and significant Available Liquidity maintained**
  - *Operating Cash Conversion maintained at 97% for LTM Q1'21, with Free Cash Flow strongly positive*
  - *Total senior net leverage maintained at 5.6x*

1) Pro forma for all material acquisitions completed/ contractually committed as at 19 May'21, excluding Bennetts.  
Translated at EUR/ GBP FX 1.1221; AUD/ GBP 1.8187; US/ GBP 1.3171

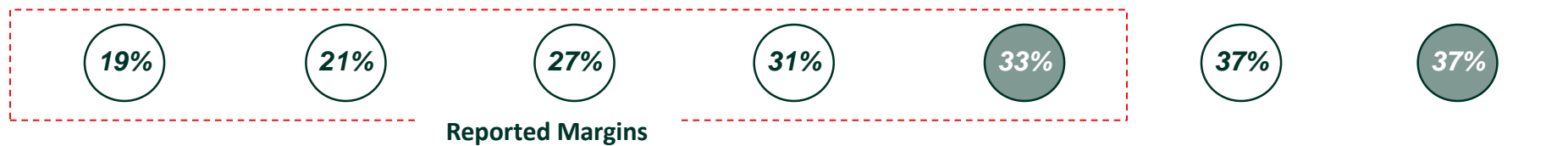
2) No adjustment for COVID

Strong profit, margin and cash improvement since Ardonagh was established in 2017  
*Significant further growth expected from initiatives already underway*

Adj. EBITDA (£m)



Adj. EBITDA Margin (%)



Operating Cash Conversion (%)



1) Pro forma for all material completed/ contractually committed acquisitions to 24 Mar'21, excluding Bennetts. Arachas translated at actual average EUR/ GBP FX 1.12. Includes annualisation of cost savings and synergies from completed actions and actions expected to be completed during 2021

2) Pro forma for all material completed/ contractually committed acquisitions to 19 May'21, excluding Bennetts. Arachas translated at EUR/ GBP FX 1.1221; Resilium AUD/ GBP 1.8187; AccuRisk US/ GBP 1.3171

Disciplined and highly selective M&A process with strong momentum  
 21 investments since 31 Dec'20 and a robust forward-looking pipeline

First Quarter 2021 Acquisitions:

January	February	March	April	May
   	   	    	   	 

1) Book purchase  
 2) Exchanged 10 May, completion subject to regulatory approval



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**FINANCIAL UPDATE**

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## Accelerating growth in first quarter of 2021 – LTM Adj. EBITDA now £280.6m

*Underpinned by organic Adj. EBITDA growth of +15.5%*

£m	Reported Result Q1 <sup>(1)</sup>				Reported <sup>(1)</sup> LTM Q1'21
	2021	2020	Variance		
			£m	%	
<b>Income</b>	<b>199.7</b>	<b>160.1</b>	<b>39.6</b>	<b>24.8%</b>	<b>753.4</b>
Staff Expenses	(92.1)	(77.2)	(14.8)	(19.2%)	(353.0)
Operating Expenses	(41.4)	(39.2)	(2.1)	(5.4%)	(154.0)
<b>Adj. EBITDA</b>	<b>66.3</b>	<b>43.6</b>	<b>22.7</b>	<b>52.0%</b>	<b>246.4</b>
<i>Margin %</i>	<i>33.2%</i>	<i>27.2%</i>	<i>600 bps</i>		<i>32.7%</i>
Non-recurring Costs <sup>(3)</sup>	(20.2)	(8.7)	(11.5)	(133.2%)	
<b>EBITDA</b>	<b>46.1</b>	<b>34.9</b>	<b>11.2</b>	<b>31.9%</b>	
<i>Pro Forma Result <sup>(2)</sup></i>					
<b>Adj. EBITDA</b>	<b>70.2</b>	<b>60.7</b>	<b>9.4</b>	<b>15.5%</b>	<b>280.6</b>
<i>Margin %</i>	<i>33.4%</i>	<i>29.1%</i>	<i>420 bps</i>		<i>33.2%</i>
Non-recurring Costs	(19.0)	(11.7)	(7.2)	(61.5%)	
<b>EBITDA</b>	<b>51.2</b>	<b>49.0</b>	<b>2.2</b>	<b>4.5%</b>	

1) Reported result includes acquisitions from the completion date  
 2) Pro forma for all material acquisitions completed as at 31 Mar'21, excluding Bennetts.  
 Arachas translated at EUR/ GBP FX 1.1221; Resilium AUD/ GBP 1.8187; AccuRisk US/ GBP 1.3171

3) Non-recurring P&L charges in Q1'21 include £6m related to M&A/ disposals, £4m ETV provision, £1m COVID related costs and £1m non-cash equity incentive scheme accounting

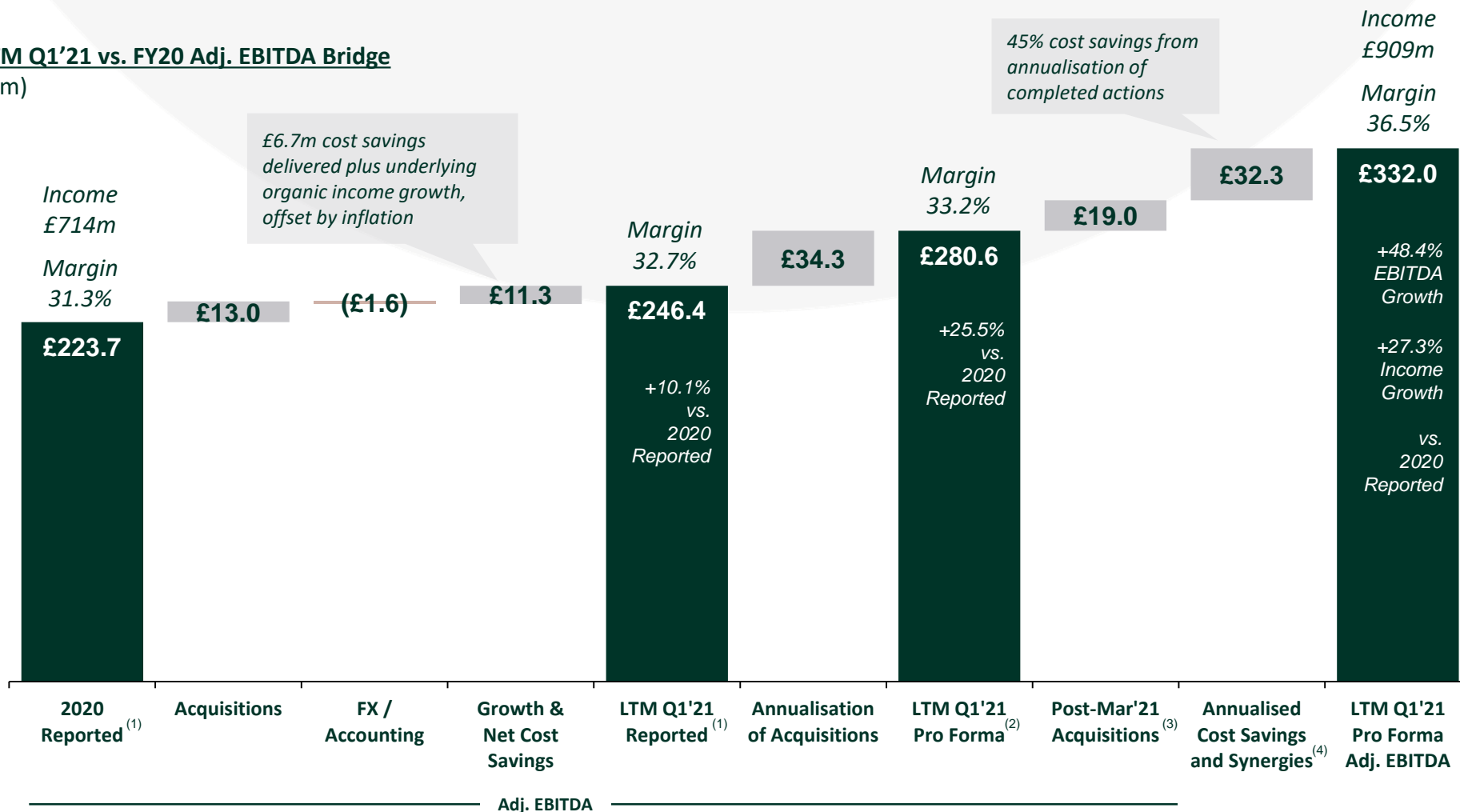


# LTM Q1'21 Pro Forma Adj. EBITDA increased to £332.0m

*Including all acquisitions that have been completed to 19 May 2021*

## LTM Q1'21 vs. FY20 Adj. EBITDA Bridge

(£m)



1) Reported result includes acquisitions from the completion date  
 2) Pro forma for all material acquisitions completed as at 31 Mar'21, excluding Bennetts. Arachas translated at EUR/ GBP FX 1.1221; Resilium AUD/ GBP 1.8187; AccuRisk US/ GBP 1.3171

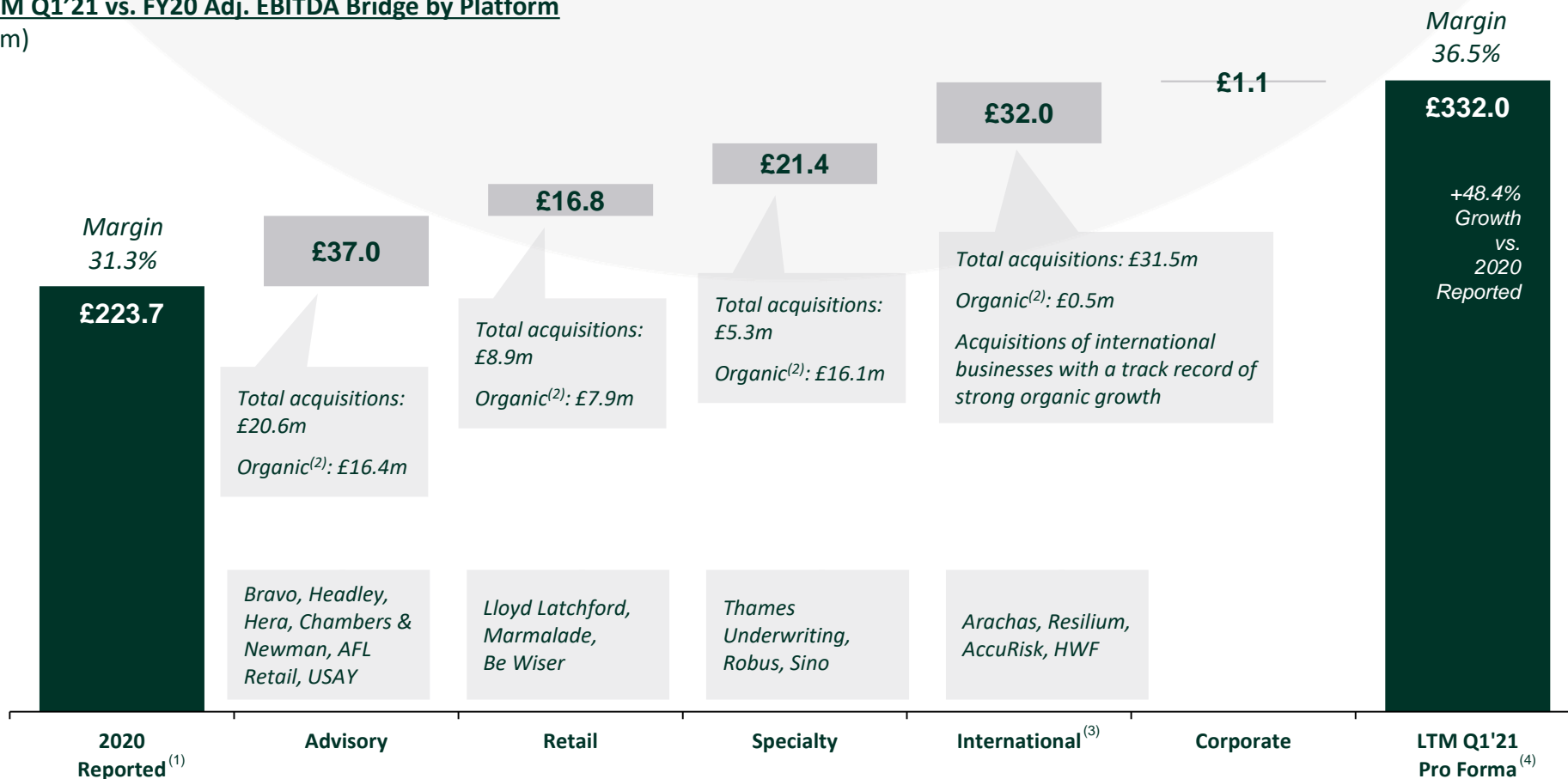
3) Pro forma for all material acquisitions completed/ contractually committed between 31 Mar'21 and 19 May'21  
 4) Annualisation of cost savings and synergies from completed actions and actions expected to be completed during 2021

## Organic Adj. EBITDA growth across the business

*Combined with robust M&A investment across all Platforms*

### LTM Q1'21 vs. FY20 Adj. EBITDA Bridge by Platform

(£m)



1) Reported result includes acquisitions from the completion date  
 2) Includes cost savings and cost synergies  
 3) Arachas translated at EUR/ GBP FX 1.1221; Resilium AUD/ GBP 1.8187; AccuRisk US/ GBP 1.3171

4) Pro forma for all acquisitions completed/ contractually committed to 19 May'21 and including annualisation of cost savings and synergies from completed actions and actions expected to be completed during 2021

## Operating cash conversion maintained at 97% for LTM Q1'21

*Free Cash Flow strongly positive and closing Available Cash of £120.0m*

£m	Quarter 1			LTM
	2021	2020	Var	Q1'21
Adjusted EBITDA	66.3	43.6	22.7	246.4
Working Capital Movement	(16.6)	(16.0)	(0.6)	(4.8)
Maintenance Capex	(0.8)	(0.8)	0.0	(3.6)
<b>Operating Cash Flow</b>	<b>48.8</b>	<b>26.7</b>	<b>22.1</b>	<b>238.0</b>
<i>Operating Cash Conversion</i>	<i>74%</i>	<i>61%</i>	<i>12%</i>	<b>97%</b>
Transformational Hires	(0.1)	(0.7)	0.5	(2.7)
Project Capex	(2.7)	(2.9)	0.2	(14.4)
Business Transformation	(5.6)	(6.8)	1.2	(23.8)
<b>Investment Spend</b>	<b>(8.4)</b>	<b>(10.3)</b>	<b>2.0</b>	<b>(41.0)</b>
Legacy Costs and Other Costs	(3.9)	(3.6)	(0.2)	(13.6)
Lease Payments	(4.0)	(2.9)	(1.2)	(13.9)
Interest Paid	(50.9)	(46.9)	(4.0)	(103.4)
<b>Free Cash Flow<sup>(1)</sup></b>	<b>(18.4)</b>	<b>(37.1)</b>	<b>18.7</b>	<b>66.1</b>
M&A, Equity, Debt Purchase	(150.5)	(28.7)	(121.8)	(778.8)
Financing and Associated Costs	148.5	69.5	79.0	821.1
Regulatory (incl. ETV redress)	(14.1)	(10.3)	(3.8)	(43.5)
<b>Net Cash Flow<sup>(2)</sup></b>	<b>(34.5)</b>	<b>(6.6)</b>	<b>(28.0)</b>	<b>64.9</b>
Opening Available Cash	154.6	61.7	92.9	55.1
<b>Closing Available Cash</b>	<b>120.0</b>	<b>55.1</b>	<b>64.9</b>	<b>120.0</b>

- Operating cash conversion of 74% in Q1'21, well above prior year, despite the impact of COVID-19
- 97% cash conversion maintained for LTM Q1'21
- Free Cash Flow<sup>(1)</sup> +£66.1m for LTM Q1'21, with Q1'21 +£18.7m improved vs. prior year, primarily driven by growth in Adj. EBITDA and improved operating cash conversion
- Semi-annual Unitranche cash interest paid on 14 Jan'21 of £49.3m, with next interest payment due on 14 Jul'21 (cash of £49.9m expected to be paid)
- Financing and associated costs includes £150m CAR funds drawn in Q1'21 net of financing costs
- ETV costs of £14.1m paid during Q1'21, with £9.5m provision remaining as at 31 Mar'21
- Closing Available Cash of £120.0m

1) Free Cash Flow defined as cash flow after investments and interest, but before ETV costs, proceeds from disposals, M&A and other financing cash flows

2) Movement in Available Cash as set out on page 8 of The Ardonagh Group Q1'21 Interim Report

## Continuous organic de-leveraging, offset by acquisitions marginally increasing leverage

*Available Liquidity maintained at over £290m*

£m	Mar'20 OM	Sep'20	Pro forma Dec'20	Mar'21	Pro forma Mar'21
Available Cash <sup>(1)</sup>	55.1	103.6	154.6	120.0	120.0
Cash Pro Forma for Completed M&A	-	(27.0)	-	-	-
<b>Available Cash</b>	<b>55.1</b>	<b>76.6</b>	<b>154.6</b>	<b>120.0</b>	<b>120.0</b>
SSRCF @ £191.5m	-	-	-	-	-
Unitranche Term Facilities <sup>(2)</sup>	1,575.0	1,571.1	1,572.9	1,591.3	1,591.3
CAR (£300m)	-	-	50.0	200.0	300.0
Pro Forma for Completed M&A <sup>(3)</sup>	-	-	114.5	-	20.1
Lease Liabilities	55.5	48.4	49.9	52.7	52.7
<b>Total Senior Net Debt</b>	<b>1,575.4</b>	<b>1,542.9</b>	<b>1,632.7</b>	<b>1,723.9</b>	<b>1,844.0</b>
Senior PIK Toggle Notes <sup>(4)</sup>	400.0	404.5	404.5	430.4	430.4
<b>Total Net Debt</b>	<b>1,975.4</b>	<b>1,947.5</b>	<b>2,037.2</b>	<b>2,154.4</b>	<b>2,274.4</b>
LTM Pro Forma Adjusted EBITDA	275.5	275.4	308.3	313.0	332.0
Pro Forma Cash Interest	97.8	99.0	107.4	111.8	113.1
Total Senior Net Leverage	5.7x	5.6x	5.3x	5.5x	5.6x
Total Net Leverage	7.2x	7.1x	6.6x	6.9x	6.9x
Cash Interest Cover	2.8x	2.8x	2.9x	2.8x	2.9x
<i>Undrawn SSRCF</i>	<i>191.5</i>	<i>191.5</i>	<i>191.5</i>	<i>191.5</i>	<i>191.5</i>
<i>Undrawn CAR Facility<sup>(5)</sup></i>	<i>300.0</i>	<i>300.0</i>	<i>135.5</i>	<i>100.0</i>	<i>-</i>
<i>Available Liquidity including undrawn CAR facility<sup>(6)</sup></i>	<i>546.6</i>	<i>568.1</i>	<i>481.5</i>	<i>411.5</i>	<i>291.5</i>

1) Available Cash as set out on page 8 of The Ardonagh Group Q1'21 Interim Report  
2) €180m EUR Facility translated at EUR/ GBP FX 1.12 for 31 Dec'20 and 1.1221 for 31 Mar'21  
3) Additional CAR draw required post 31 Mar'21 to fund M&A completed/ contractually committed to 19 May'21  
4) PIK Toggle notes translated at hedged USD/ GBP FX of 1.2361

5) Pro forma for CAR draw to fund completed/ contractually committed M&A  
6) Available Liquidity defined as Available Cash plus Available RCF plus Available CAR, less pro forma for completed/ contractually committed M&A



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**APPENDIX**

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## Q1'21 Reported Performance by Platform

£m	Reported Result Q1 <sup>(1)</sup>			LTM Reported <sup>(2)</sup>	2020 Reported <sup>(1)</sup>	LTM vs. 2020 Reported <sup>(1)</sup>
	2021	2020	Variance			
<b>Income</b>						
Advisory	77.4	59.2	30.6%	295.2	277.1	6.5%
Retail	57.5	58.7	(2.2%)	243.3	244.6	(0.5%)
Specialty	50.2	41.1	22.0%	177.7	168.6	5.4%
International <sup>(2)</sup>	14.7	-	-	36.6	21.9	66.8%
Corporate	0.0	0.9		0.6	1.6	
<b>Total</b>	<b>199.7</b>	<b>160.1</b>	<b>24.8%</b>	<b>753.4</b>	<b>713.8</b>	<b>5.6%</b>
<b>Adj. EBITDA</b>						
Advisory	26.0	17.5	8.4	97.5	89.0	9.5%
Retail	21.8	20.8	1.1	100.2	99.2	1.1%
Specialty	15.6	8.7	6.9	50.2	43.3	16.0%
International <sup>(2)</sup>	6.2	(0.3)	6.5	15.4	8.9	73.7%
Corporate	(3.4)	(3.1)	(0.3)	(17.0)	(16.7)	
<b>Total</b>	<b>66.3</b>	<b>43.6</b>	<b>22.7</b>	<b>246.4</b>	<b>223.7</b>	<b>10.1%</b>

1) Reported result includes acquisitions from the completion date

2) Translated at Actual FX