HOWDEN

M&A

What's the point?!

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Pace of growth

Multiple arbitrage

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Revenue synergies

Cost savings

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M&A – what are we trying to buy and where?

Bolt-ons everywhere

Platforms where required

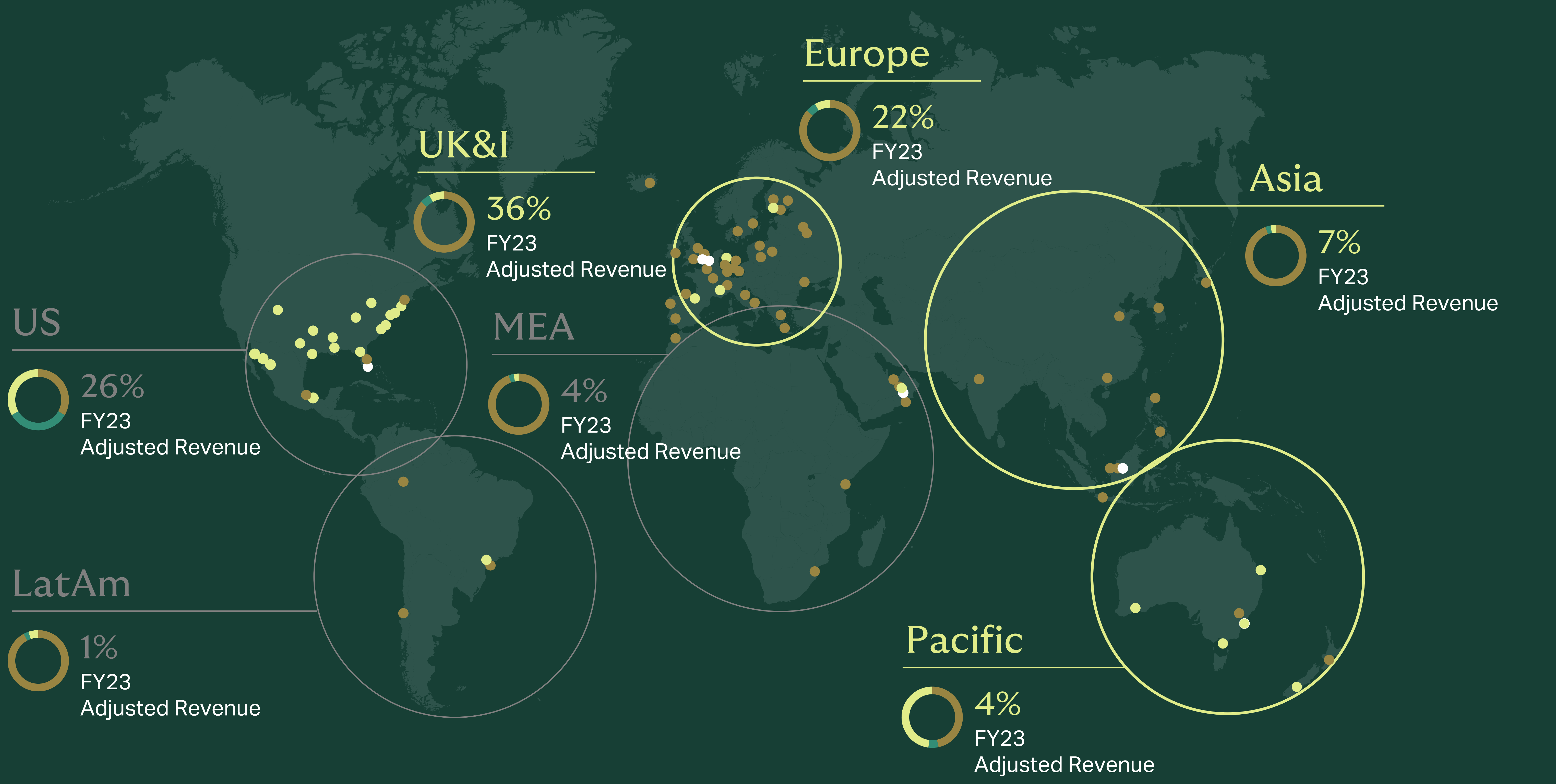
International offices

Howden Group office location

- Howden
- DUAL
- Speciality hub

Howden Group portfolio breakdown

- Reinsurance
- Insurance broking
- Underwriting



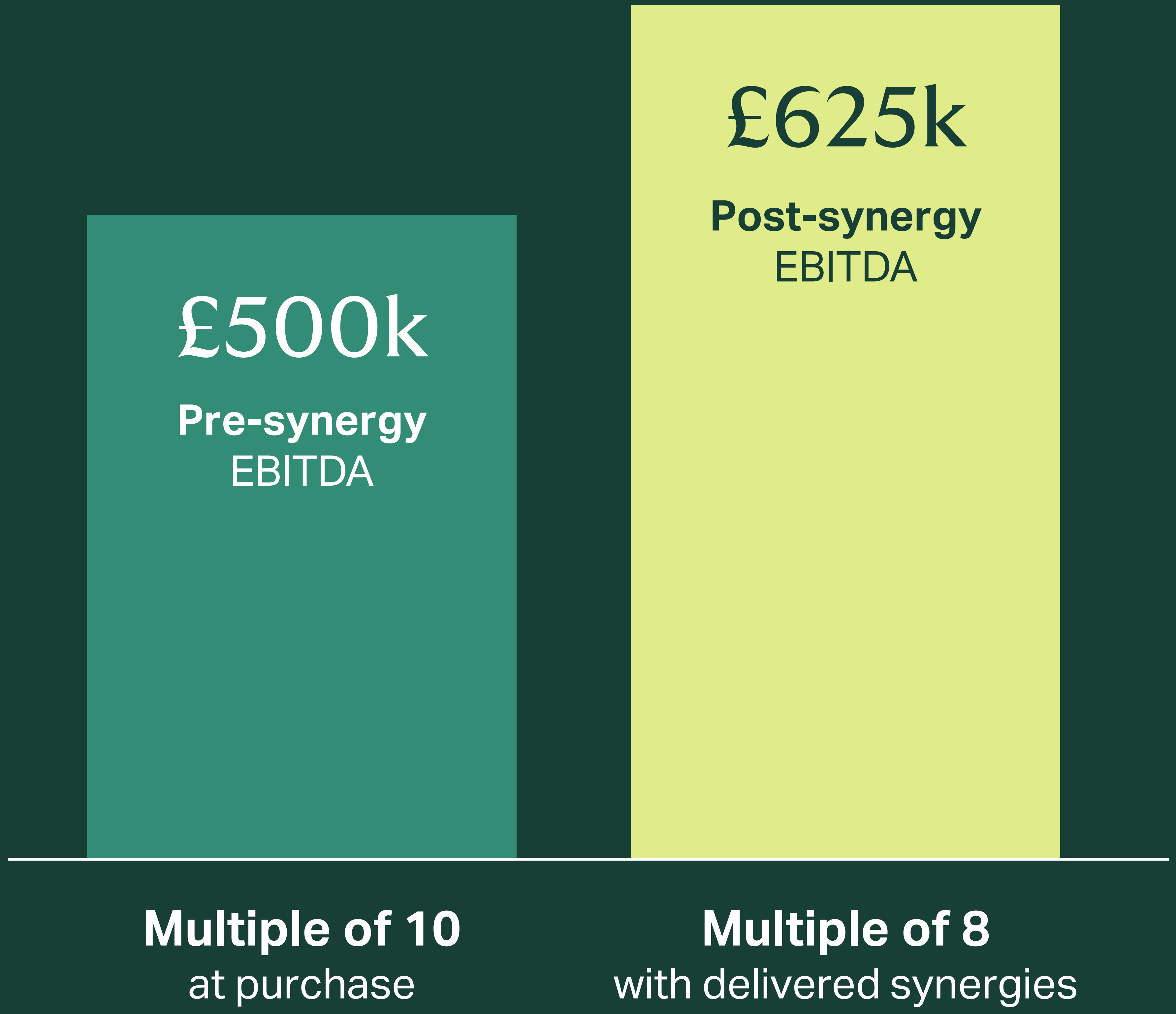
What does a typical deal look like?

70% | **Paid upfront** in cash

20% | **Deferred** consideration

10% | Rolled into **Howden equity**

What does a typical deal look like?

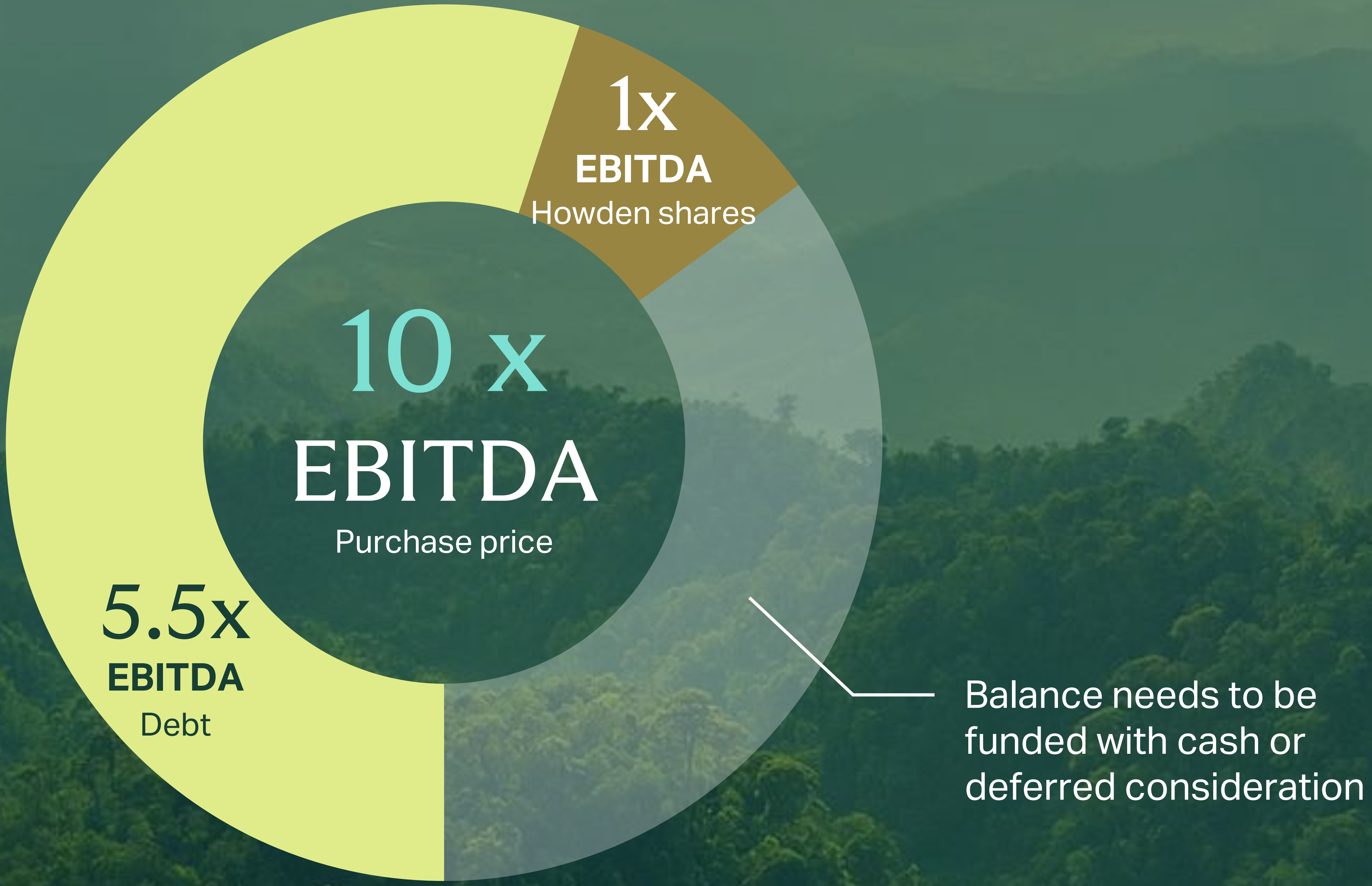


Value Creation versus Integration

Value Creation

Integration Workload

What can stop us from growing?



Failure to integrate

M&A – So what does good look like?

This is a journey, not a destination

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M&A – what about the numbers?

FY21	FY22	FY23	FY24
19 deals	44 deals	57 deals	37 deals
£64.5m EBITDA	**£142m** EBITDA 13 UK asset deals	**£117m** EBITDA 17 smaller UK asset deals	**£62m** EBITDA 9 UK asset deals and 4 deals signed / not completed YTD 22 Feb 2024. Plus, expecting to acquire c.30 further of deals with £25m of EBITDA

So, how do Central Functions fit in?


I never said
it would be easy…
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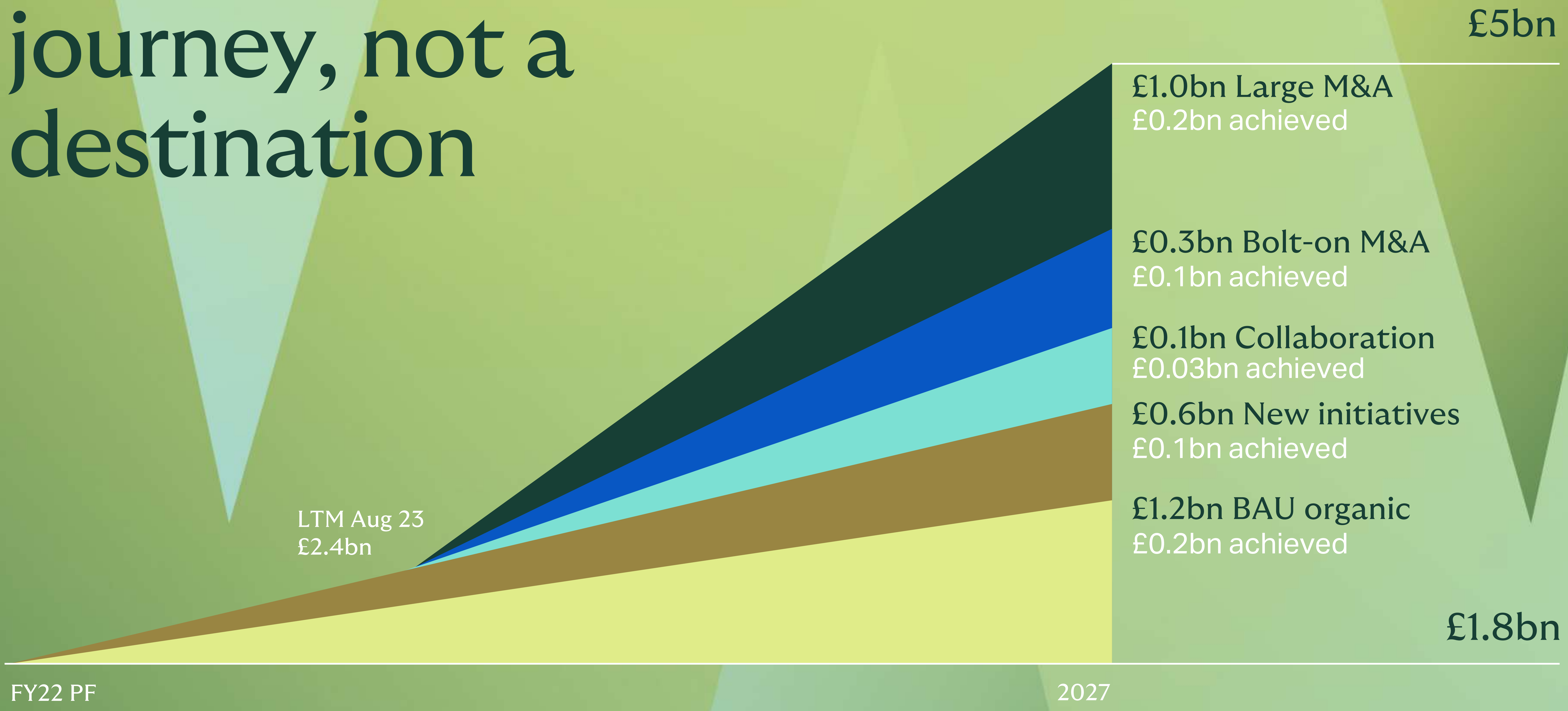
M&A – This is a journey, not a destination

FY22 PF

2027

M&A – This is a journey, not a destination



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