

29 October 2024

**B.P. Marsh & Partners Plc**  
**("B.P. Marsh", "the Company" or "the Group")**

**Sale of Lilley Plummer Holdings Limited ("Lilley Plummer Risks" or "LPR")**

B.P. Marsh & Partners Plc (AIM: BPM), the specialist venture capital investor in early-stage financial services businesses, is pleased to announce the disposal of its fully diluted 28.4% shareholding in Lilley Plummer Holdings Limited, the 100% owner of specialist Lloyd's broker Lilley Plummer Risks Limited.

**Highlights:**

- £21.65m (net of all transaction costs) cash consideration to be received from the disposal of its 28.4% holding acquired for a Net Equity Investment of £0.3m in Lilley Plummer Risks
- £4.5m uplift (26%) from £17.1m valuation as at 31 July 2024 and £8.1m uplift (60%) from £13.5m valuation as at 31 January 2024
- Money multiple on Equity Investment of 71.4x
- Internal rate of return to B.P. Marsh of 93.5%

**Sale of Shareholding in Lilley Plummer Risks**

B.P. Marsh has agreed to dispose of its shareholding in Lilley Plummer Risks, the London-based Lloyd's Broker, pursuant to an agreement by which Clear London Markets Limited ("Clear Insurance") has agreed to acquire the entire issued share capital of Lilley Plummer Risks. Clear Insurance is majority owned by Goldman Sachs.

**Background to the Investment**

B.P. Marsh invested in Lilley Plummer Risks in October 2019, when the Company acquired a 30% equity stake for a total cash consideration of £1m, in a mixture of Redeemable and Non-Redeemable Preference shares. The Redeemable Shares (£0.7m) of the Group's investment were redeemed in June 2023.

As a start-up business, Lilley Plummer Risks achieved brokerage of £1.8m and EBITDA of £0.4m in its first full year to 31 December 2020. In its year ending 31 December 2024, Lilley Plummer Risks is forecasting to achieve brokerage of £12.7m and an adjusted EBITDA of £6.1m.

**The Transaction**

Upon completion, the Group will receive £21.65m in cash (net of all transaction costs). This represents a £4.5m uplift (26%) from the £17.1m valuation as at 31 July 2024.

Subject to adjustments at completion, and combined with current cash and equivalent resources, B.P. Marsh expects to have funds available of approximately £100.0m (after transaction costs and tax).

Abigail Benson, the Company's Nominee Director on the Board of Lilley Plummer Risks, will resign from this role on completion of the sale.

**Commenting on this disposal, the Group's Chief Investment Officer, Dan Topping stated:**

*"It has been a pleasure to work with Stuart Lilley, Dan Plummer and the team at Lilley Plummer Risks over the last five years.*

*The Group's founding investment in Lilley Plummer Risks, and its eventual sale, is testament to our approach in seeking partnerships with skilled management teams to create and ultimately realise value for our shareholders.*

*We are delighted to have been part of the growth of Lilley Plummer Risks and wish the whole team all the very best for the next chapter in their growth and development in partnership with Clear Insurance."*

**Commenting on this disposal, Stuart Lilley (CEO) and Dan Plummer (Managing Director), added:**

*"It has been a privilege to have been a part of the B.P. Marsh portfolio over the last five years.*

*As valued partners, Dan and Abi have been instrumental in helping the business grow to a level that leads us into an exciting new chapter with The Clear Group and Goldman Sachs.*

*We would like to sincerely thank everyone at B.P. Marsh for all their expert guidance and friendship since forming LPR back in October 2019 and wish them all the very best for the future."*

### **Use of Proceeds**

The Board of B.P. Marsh intends to continue to strike a balance between utilising funds for investment for long-term capital growth opportunities across the existing portfolio and new ventures, whilst providing shareholders with a meaningful ongoing return.

Given the cash realisation following the disposal of Lilley Plummer Risks and the strong capital position of the Group, it is the Board's intention to distribute a further £7m by way of dividends over the next three years, which will be allocated as follows:-

- In the year ending 31 January 2026 it has been agreed to increase the previously announced dividend allocation from £4m to £5m;
- In the year ending 31 January 2027 it has been agreed to increase the previously announced dividend allocation from £4m to £5m; and
- In the year ending 31 January 2028 it has been agreed to extend the dividend policy and pay an additional £5m.

We believe this proposal is consistent with the Group's long term capital management strategy which allows the Company to maintain its existing investment strategy whilst also rewarding shareholders.

In the year ended 31 January 2024 Lilley Plummer Risks contributed £0.4m income and the Board is confident it will be able to replace the historical contribution from Lilley Plummer Risks as a result of reinvestment of the proceeds which will be received.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

For further information, please visit [www.bpmarsh.co.uk](http://www.bpmarsh.co.uk) or contact:

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### **Notes to Editors:**

B.P. Marsh's current portfolio contains sixteen companies. More detailed descriptions of the portfolio can be found at [www.bpmarsh.co.uk](http://www.bpmarsh.co.uk).

Since formation over 20 years ago, the Company has assembled a management team with considerable

SINCE FORMATION OVER 50 years ago, the Company has assembled a management team with considerable experience both in the financial services sector and in managing private equity investments. Many of the directors have worked with each other in previous roles, and all have worked with each other for over ten years.

- Ends -

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