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Global insurance broker Ardonagh secures investment from Stone Point Capital valuing the Group at $14 billion

Investment funds managed by Stone Point Capital to become a significant shareholder in Ardonagh alongside existing shareholders MDP and HPS

Stone Point's investment values Ardonagh at $14 billion

Landmark transaction caps a transformational year for the Group and reflects the strength of its global growth strategy

The Ardonagh Group ("Ardonagh" or "the Group"), one of the world's largest independent insurance distribution platforms and a top 20 global broker, today announces an equity investment from funds managed by US-based private equity firm Stone Point Capital LLC ("Stone Point"), a leading alternative investment management firm focused on the global financial services and related industries. The investment values Ardonagh at $14 billion.

Completion is expected to take place in mid-2025, at which point Stone Point will become a significant shareholder in Ardonagh, alongside Madison Dearborn Partners ("MDP"), HPS Investment Partners ("HPS"), as well as co-investors including a wholly owned subsidiary of the Abu Dhabi Investment Authority ("ADIA") and several other large global institutions.

The transaction caps a pivotal year for the Group, which completed a milestone refinancing in March, followed by the completion of the merger of its personal lines business into Markerstudy[1] in June and the take-private of Australia's PSC Insurance Group ("PSC") in October.

Founded in 2017 through the merger of several UK insurance businesses to create a diversified group providing wholesale, retail and specialist insurance solutions, Ardonagh has since transformed into a top 20 global broking group placing $18 billion of premiums and operating across the entire insurance distribution value chain.

The Group's global expansion began in 2020 with the acquisition of Arachas, which has grown into one of the leading insurance intermediaries in Ireland. Since then, Ardonagh has invested in leading insurance businesses in diverse geographies, most recently completing the A$2.3 billion landmark take-private of PSC in Australia. The deal saw PSC merge with Envest to create one of the largest platforms in the APAC region and significantly bolstered Ardonagh's position in the UK regional market and the London Market.

As of today, the UK remains the Group's largest single market operating under a number of leading brands and is balanced by fast-growing platforms in Europe, APAC and Latin America which together account for over 50% of the Group's global property and casualty (P&C) revenues.

Ardonagh's position in the global specialty market was significantly enhanced in 2021 by the acquisition of BGC's insurance operations and organic growth initiatives which have transformed its specialty wholesale proposition, operating under the Price Forbes brand, into the largest independent broker at Lloyd's with 2,000 people placing $7 billion in gross written premiums.

With the added support of Stone Point, Ardonagh remains well placed to capture numerous growth opportunities in the global P&C insurance market through its platform of businesses which each have a strong regional in-market presence.

David Ross, CEO of The Ardonagh Group, said: "Stone Point's investment in the Group marks a new phase in our extraordinary journey over the past few years to become the $14 billion business we are today. Their support reflects conviction in the strength of Ardonagh's business and continued momentum and redoubles our commitment to independence in a consolidating market.

"We look ahead to a future backed by partners whose deep understanding of our industry, expertise and networks will be invaluable as we capitalise on Ardonagh's unique position in the global insurance market to deliver value to our clients, shareholders and people."

Jim Carey, Co-CEO of Stone Point, commented: "We are thrilled to partner with the Ardonagh management team alongside MDP and HPS. We believe that Ardonagh is a leading platform in the global insurance distribution space, with an impressive track record of both organic and inorganic growth."

Vahe Dombalagian, Managing Partner of Madison Dearborn Partners, added: "We welcome Stone Point to what has been a highly successful investment partnership and are confident that the Stone Point team will be tremendously additive to Ardonagh's continued growth and success."

Scot French, a Governing Partner of HPS, said: "We are excited to continue our longstanding partnership with Ardonagh and are thrilled that Stone Point, with a world class reputation in financial services, is investing in Ardonagh. We view their participation as a testament to Ardonagh's success and a benefit to the company in terms of the operational and strategic expertise they bring to bear."

The transaction is subject to customary closing conditions including regulatory approvals.

Fenchurch Advisory Partners, Goldman Sachs Investment Banking & Co. LLC and Morgan Stanley & Co. LLC are acting as financial advisors to Ardonagh. Paul, Weiss, Rifkind, Wharton & Garrison LLP is acting as legal advisor to Ardonagh, while Debevoise & Plimpton LLP is acting as legal advisor to Stone Point.

[1]A party related to Ardonagh has retained a minority stake in the combined Markerstudy Group.

ENDS

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NOTES TO EDITORS

THE ARDONAGH GROUP

The Ardonagh Group is one of the world's largest independent insurance distribution platforms and a top 20 global broker. We are a collection of best-in-class entrepreneurial and specialist brands with a combined workforce of over 10,000 colleagues and a network spanning 200+ locations in more than 30 countries. Across our portfolio, we offer a highly diversified range of insurance-related products and services across the full insurance value chain globally. From complex multinational corporations to individuals purchasing personal insurance policies, our understanding of the communities we serve, together with our scale and breadth, allows us to work with our insurer partners to deliver a broad range of product and risk solutions that meet customer needs.
www.ardonagh.com

STONE POINT CAPITAL LLC

Stone Point is an alternative investment firm based in Greenwich, CT, with more than $50 billion of assets under management. Stone Point targets investments in companies in the global financial services industry and related sectors. The firm invests in alternative asset classes, including private equity through its flagship Trident Funds and credit through commingled funds and separately managed accounts. In addition, Stone Point Capital Markets supports the firm, portfolio companies and other clients by providing dedicated financing solutions.
For more information, please visit www.stonepoint.com.

MADISON DEARBORN PARTNERS

Madison Dearborn Partners, LLC ("MDP") is a leading private equity investment firm based in Chicago. Since MDP's formation in 1992, the firm has raised aggregate capital of more than $31 billion and has completed over 160 platform investments. MDP invests across four dedicated industry verticals, including financial services, basic industries, health care, and technology & government. For more information, please visit www.mdcp.com

HPS INVESTMENT PARTNERS

HPS Investment Partners, LLC is a leading global, credit-focused alternative investment firm that seeks to provide creative capital solutions and generate attractive risk-adjusted returns for our clients. We manage various strategies across the capital structure, including privately negotiated senior debt; privately negotiated junior capital solutions in debt, preferred and equity formats;

liquid credit including syndicated leveraged loans, collateralized loan obligations and high yield bonds; asset-based finance and real estate. The scale and breadth of our platform offers the flexibility to invest in companies large and small, through standard or customized solutions. At our core, we share a common thread of intellectual rigor and discipline that enables us to create value for our clients, who have entrusted us with approximately $148 billion of assets under management as of September 2024. For more information, please visit www.hpspartners.com.