



Houlihan
Lokey

InsurTech Market Update

2025 Recap
and 2026 Update

InsurTech Sector Update

Introduction

As we have closed out a dynamic 2025, new and powerful forces are clearly reshaping the insurtech landscape. This is no longer a story of incremental change; we are witnessing a fundamental shift in how the industry operates, driven by the real-world adoption of AI.

The scale of this transformation is staggering. Consider that in just two years, generative AI platforms have grown from a niche tool to a daily resource for nearly 1 billion users. For a complex, data-centric industry like insurance, this is not a trend—it is a paradigm shift. AI is fundamentally altering the architecture of risk assessment, underwriting, and claims processing, as well as customer engagement, experience, and retention. We believe the winners will be those who harness this technology to create proprietary, data-driven advantages.

From an investment standpoint, 2025 marked a return to a healthy, sustainable rhythm. After the market turbulence of the past few years, both M&A and growth equity activity have stabilized to pre-COVID-19 levels, validated by several landmark transactions. Notably, the public markets saw a fresh cohort of tech-forward distributors go public in the U.S.—a testament to the strong investor appetite for innovation in this sector, even as broader markets showed volatility.

Our conviction in this space has never been stronger. We see two powerful currents driving value:

- 1. Disruptive Innovation:** Novel, tech-first companies are leveraging AI and proprietary data to build significant moats and redefine what is possible in insurance.
- 2. Accelerated Adoption:** Traditional carriers, brokers, MGAs, and agencies and related service businesses are now aggressively adopting these technologies, unlocking significant growth and margin improvement—driving a new phase of competitive differentiation.

We continue to be highly active in the sector, and the current environment is creating compelling opportunities. We welcome a discussion about the transactions shaping the market, our outlook for 2026, or the ecosystem more broadly.

All the best,



Mike Capocci
Global InsurTech Lead
Michael.Capocci@HL.com



Alec Ellison
Global Head of FinTech
Alec.Ellison@HL.com

Executive Summary

InsurTech Market Status Update



High-growth tech innovation, adoption, and spend continue in the insurance end market with an intense focus on AI-led capabilities



M&A and funding deal volumes appear to be stabilizing around pre-COVID-19 levels, showing broader sector resilience.



The IPO market is open, with several notable IPOs in 2025 with strong contribution from insurance distribution.



There is strong investor and consolidator appetite for high-quality and strategically relevant assets.



Tech-enabled MGAs and claims services are garnering significant attention and value uplift compared to traditional players.



AI centricity has been a main catalyst for transaction activity, with related software and data/analytics solutions garnering significant investor and consolidator attention.

Macro Environment Considerations



GenAI and agentic AI are dramatically reconfiguring how customers engage and how insurance companies operate throughout the value chain.



Recent premium trending (average): up for personal home and auto, flat for commercial auto, down for workers' compensation and cyber.



Property claims volume is down meaningfully in 2025; however, severity continues to rise.



Interest rate volatility and uncertainty are impacting insurance products and leverage in dealmaking in different ways.



The evolution of climate and cyber landscapes is causing a seismic shift in insurance and risk strategies.



There is a generational shift in the workforce, and access to skilled talent is exacerbated as AI is both augmenting and replacing human capital.



Table of Contents

| | | |
|----|--|-------|
| 01 | Houlihan Lokey InsurTech Advisory | 4–8 |
| 02 | Insurance End Market Update and Key Investment Perspectives | 9–23 |
| 03 | InsurTech Vendor Market Maps | 24–29 |
| 04 | InsurTech Market Activity Update: Investors, Acquirers, and Transactions | 30–43 |
| 05 | InsurTech Market Activity Update: Public Company Performance | 44–52 |
| 06 | Appendix: Houlihan Lokey Platform and FinTech Practice Overview | 53–60 |



Houlihan Lokey
InsurTech Advisory

01

Highly Collaborative, Cross-Functional Global InsurTech Team

Global InsurTech Leadership



Mike Capocci
 Director
 Global InsurTech Lead
 New York
Michael.Capocci@HL.com



Alec Ellison
 Managing Director
 Global Head of FinTech
 New York
Alec.Ellison@HL.com

Europe InsurTech Coverage Partners



Paul Tracey
 Managing Director
 FinTech
 London



Tim Shortland
 Managing Director
 FinTech
 London

Europe Insurance Co-Leads



Mark Fisher
 Managing Director
 FinTech
 London



Tobias Schultheiss
 Managing Director
 FinTech
 Frankfurt

Insurance Services Partners



James Anderson
 Managing Director
 Global Co-Head of
 Financial Services



David Helms
 Managing Director



Andrew Cochran
 Managing Director



Jay Poorman
 Managing Director



Rocky Golem
 Managing Director



Alex Weiss
 Managing Director

Technology End Market Partners



Andrew Atherton
 Managing Director
 Governance, Risk,
 and Compliance



Chris Gough
 Managing Director
 PropTech



Luiz Greca
 Managing Director
 Healthcare



Shane Kaiser
 Managing Director
 Transportation



Keith Skirbe
 Managing Director
 Cyber



Kevin Walsh
 Managing Director
 Vertical Software/HCM

Mission-Critical Enabler of the InsurTech Ecosystem

Selected Houlihan Lokey Insurance Technology and
Services Clients and Counterparties⁽¹⁾

Consolidators and Targets



Financial Investors



⁽¹⁾ Includes selected parties in completed transactions executed by current Houlihan Lokey team members while at other firms.

How We Cover InsurTech

The range of technology business models that comprise insurtech is critical to understanding market activity, investor/acquirer appetite, and key factors influencing valuation.

| | Software and Data/Analytics | Digital Distribution | Tech-Enabled Services | Digital Carriers |
|--------------------------------|--|---|---|--|
| Business Model Overview | Develop and sell software and data solutions that enable traditional and digital carriers, brokers, MGAs, and enterprises. | Monetize technology capabilities/infrastructure for insurance distribution. | Sell insurance services leveraging proprietary in-house and third-party technology. | Sell insurance policies and hold (or reinsure) related risk via owned technology infrastructure. |
| Key Segments | Front-Office Software Core Systems Software Data/Analytics | Marketplace and PCW Embedded/Integrated Digital Brokers/MGAs/Agencies | Tech-Enabled Services (Claims, TPAs, Brokers, BPO) | Digital Carriers |
| Selected Vendors | | | | |
| Lines of Business | Property and Casualty | | Life and Annuity/Pension | Health and Employee Benefits |
| | Personal | | | Commercial |

← A single insurtech may embody multiple business models and insurance lines of business. →

Deep Insurance Technology and Services Domain Expertise and Advisory Success

Houlihan Lokey has driven exceptional client outcomes throughout the insurtech ecosystem.

Sellside and Buyside M&A

Equity and Debt Capital

IPO Advisory

Restructuring

Valuation and Fairness

Board and Special Situations

Tombstones included herein represent transactions closed from 2017 forward.

*Selected transactions were executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company.

| | | | | | | | | | |
|--|--|--|---|--|--|---|---|--|---|
| Aurelius Group has been acquired by Bishop Street Underwriters, a portfolio company of RedBird Capital Sellside Advisor | Auxo has been acquired by Alpha, a portfolio company of Bridgepoint Sellside Advisor | Bishop Street Underwriters, a portfolio company of RedBird Capital, has acquired Avid Insurance Buyside Advisor | Sapiens has been acquired by Advent Fairness Opinion | Datavant, a portfolio company of New Mountain Capital, has acquired Ontellus, a portfolio company of Aquiline and Capstreet Buyside Advisor | The Difference Card, a portfolio company of Northlane Capital Partners, has been acquired by Stone Point Capital Sellside Advisor | Bishop Street Underwriters, a portfolio company of RedBird Capital, has acquired Landmark Underwriting Buyside Advisor | Digital Media Solutions has sold substantially all its U.S. assets and international equity interests, pursuant to Section 363 of the U.S. Bankruptcy Code and raised an exit facility provided by Wingspire Capital to support the new owners, led by BlackRock, Bain Capital, Blackstone, and Abris Partners Company Advisor | NSM Insurance Group, a portfolio company of Carlyle, has sold its U.S. commercial insurance division to New Mountain Capital Sellside Advisor | Acture, a portfolio company of IK Partners, has been acquired by Riveon Capital Sellside Advisor |
| Minuteman Adjusters has been acquired by Davies Sellside Advisor* | Keylane, a portfolio company of Waterland, has been acquired by Pollen Street Sellside Advisor — Keylane P&C — | Keylane, a portfolio company of Waterland, has been acquired by Pollen Street Sellside Advisor — Keylane L&P — | Simplicity Group, a portfolio company of Lee Equity Partners, has announced new investment from Skyknight Capital and Dragoner Investment Group Sellside Advisor* | THL Partners has made a majority investment in YA Group Buyside Advisor* | Atec, a portfolio company of Kester Capital, has been acquired by Perwyn Sellside Advisor | GGW Group, a portfolio company of Hg, has secured an investment from Permira Sellside Advisor | Doma has been acquired by Title Resources Group, a portfolio company of Centerbridge Special Committee Advisor & Fairness Opinion | Ryze Claim Solutions announces recapitalization by Bain Capital Buyside Advisor* | North Risk, a portfolio company of Polaris Management, has been acquired by Howden Group Holdings Sellside Advisor |
| DOXA Insurance Holdings, a portfolio company of Century Partners, has been acquired by Goldman Sachs Sellside Advisor* | AccuRisk Holdings has been acquired by Ryan Specialty, LLC Sellside Advisor | Levine Leichtman Capital Partners has invested in Cleversoft Group GmbH Financing Advisor | Doma Holdings, Inc. has sold certain branches of its West Coast local retail title operations to Williston Financial Group, LLC, a portfolio company of Golden Gate Capital Sellside Advisor | Klap Verzekeringmakelaar, a portfolio company of Nedvest Capital Beher, has been acquired by The Ardagh Group Sellside Advisor | Verb. Inc. has been acquired by Paycor, Inc. Sellside Advisor | Accuserve, a portfolio company of Aquiline, has been recapitalized by Flexpoint Ford Sellside Advisor* | Alacrity Solutions, a portfolio company of Kohlberg & Co., has been acquired by BlackRock Recapitalization* | Reed Group, a subsidiary of The Guardian Life Insurance Company of America, has been acquired by Alight Solutions Sellside Advisor | Patra Corp has received growth capital from FTV Capital Sellside Advisor* |
| Delwinds Insurance Acquisition Corporation has merged with FOXO Fairness Opinion | Riverside has sold Actineo to Verisk Sellside Advisor* | CIC Plus, LLC has been acquired by Experian Holdings, Inc. Sellside Advisor | Tempcover, a portfolio company of Connection Capital, has been acquired by RVU Sellside Advisor | TheGuardantors has received a Series C preferred investment led by Portage Ventures Financial Advisor & Placement Agent | SambaSafety, a portfolio company of ABRYS Partners, has been acquired by Stone Point Capital Sellside Advisor | M2NS Corporation, DBA AuSuM Systems has been acquired by Insurity, Inc., a portfolio company of GI Partners Sellside Advisor | HazardHub, Inc. has been acquired by Guidewire Software, Inc. Sellside Advisor | Beyontec Solutions has been acquired by Azenio Software, a portfolio company of Apex Partners Sellside Advisor | EIS Group has received investment from TPG Sellside Advisor* |
| Title365, a division of Xome & Mr. Cooper, has been acquired by Blend Sellside Advisor | Allied Benefit Systems, Inc. has been recapitalized by Stone Point Capital Sellside Advisor | Penguin Portals Limited, including Confused.com, Rastreator, LeLynx and Premafin, has been acquired by RVU Sellside Advisor | Hg has sold Eucon to VHV Gruppe Sellside Advisor* | Connecture has been acquired by Francisco Partners Financial Advisor | Advysen has been acquired by Zywave, a portfolio company of Clearlake Sellside Advisor | Protection America, Inc. has participated in the Matic Insurance Services, Inc. Series B financing round Placement Agent | Simplicity Group, a portfolio company of Aquiline Capital Partners, has been recapitalized by Lee Equity Partners Sellside Advisor* | Driveway Software, Inc. has been acquired by Earnix Ltd. Sellside Advisor | edriving, a portfolio company of CIP Capital, has been acquired by Sclera Sellside Advisor |
| RetireUp, LLC has been acquired by Tegra118, a portfolio company of Motive Partners Sellside Advisor | General Atlantic has sold ControlExpert to Allianz Sellside Advisor* | RGI, a portfolio company of Corsair Capital, has acquired Novum Buyside Advisor* | ACTINEO has partnered with Riverside Financial Advisor* | Eli Global has sold Finanzten to Allianz X Sellside Advisor* | Defaqto, a portfolio company of Synova Capital, has been acquired by SimplyBiz Group plc Sellside Advisor | QuoteWizard has been acquired by LendingTree Sellside Advisor* | BlackFin Capital Partners has sold Finanzten to Eli Global Sellside Advisor* | BenefitMall, a portfolio company of Carlyle, has been acquired by Trust Insurance Sellside Advisor* | Sellside Advisor Ardian has sold RGI to Corsair Capital Sellside Advisor* |

Proven Excellence Across a Range of Transaction Dynamics and Business Models

Selected recent insurtech transactions advised by Houlihan Lokey.

| Transaction | Transaction | Transaction | Transaction | Transaction | Transaction | Transaction | Transaction | Transaction | |
|--|--|--|--|--|--|--|---|---|--|
| Bishop Street Underwriters, a portfolio company of Redbird Capital, has acquired Avid Insurance Buyside Advisor | Sapiens has been acquired by Advent Fairness Opinion | Aurelius Group has been acquired by Bishop Street Underwriters, a portfolio company of Redbird Capital Sellside Advisor | The Difference Card, a portfolio company of Northlane Capital Partners, has been acquired by Stone Point Capital Sellside Advisor | Auxo has been acquired by Alpha, a portfolio company of Bridgepoint Sellside Advisor | Datavant, a portfolio company of New Mountain Capital, has acquired Ontellus, a portfolio company of Aquiline and Capstreet Buyside Advisor | NSM Insurance Group, a portfolio company of Carlyle, has sold its U.S. commercial insurance division to New Mountain Capital Sellside Advisor | Acture, a portfolio company of IK Partners, has been acquired by Rivean Capital Sellside Advisor | Keylane, a portfolio company of Waterland, has been acquired by Pollen Street Sellside Advisor — P&C and L&P Businesses — | |
| Target Description | Avid Insurance is an MGA platform for a variety of personal lines, specialty, and commercial products. | Sapiens offers core system software solutions across P&C, workers' compensation, and life insurance. | Aurelius Group offers software solutions and tech-enabled brokerage services for sports and special events insurance. | The Difference Card provides healthcare cost containment solutions and services for employer groups. | Auxo offers enterprise solutions across cloud, data, and AI for insurance and financial services. | Ontellus offers health records retrieval and claims intelligence solutions. | The U.S. commercial insurance brokerage division of NSM. | Acture is a leading provider of outsourced holistic employee welfare solutions. | Keylane offers cloud-based policy admin software across P&C and L&P. |
| Announced Date | October 2025 | August 2025 | July 2025 | July 2025 | June 2025 | June 2025 | February 2025 | December 2024 | August 2024 |
| Deal Value and Type | Not Disclosed Strategic Acquisition | ~\$2,500M PE Buyout | Not Disclosed Strategic Acquisition | Not Disclosed PE Buyout | Not Disclosed Strategic Acquisition | Not Disclosed Strategic Acquisition | Not Disclosed PE Buyout | Not Disclosed PE Buyout | Not Disclosed PE Buyout |
| Geography | | | | | | | | | |
| Houlihan Lokey Banker Role | Buyside Advisor to Bishop Street | Special Committee Advisor to Sapiens | Sellside Advisor to Aurelius Group | Sellside Advisor to The Difference Card and Northlane | Sellside Advisor to Auxo | Buyside Advisor to Datavant | Sellside Advisor to NSM and Carlyle | Sellside Advisor to Acture and IK Partners | Sellside Advisor to Keylane and Waterland |



Insurance End Market
Update and Key Investment
Perspectives

02

Significant Tech Adoption Occurring Throughout the Insurance Value Chain

Insurance End Market Update (Pages 11–16)



Reinforced Ecosystem

The insurance ecosystem is being strengthened by asset growth, AI-driven productivity, and premium expanding at a CAGR of ~9%.



Strong P&C Performance

P&C insurers are delivering their best underwriting performance in a decade, with a projected 2024 combined ratio of 96.5%, while the L&A and health sectors remain stable.



Diverging Premium Trends

Premium trends vary across P&C lines, with homeowners and private passenger auto insurance premiums surpassing inflation by more than 7% since 2022.



Amplified Tech Spending in Insurance

Tech spending and adoption in North America and Europe are being accelerated by AI, with an estimated \$190 billion in tech spend projected for 2029 across the two regions.



AI-Driven Transformation, With Investor Focus on Growth AND Profit

AI is the primary driver of technology transformation in today's market, with value creation anchored in both growth and profitability.



Accelerated AI Investment

Stakeholders are increasing investments in generative and agentic AI to optimize workflows, resulting in at least 33% growth in use of AI within the insurance industry.

Key Technology Investment Perspectives (Pages 17–23)



Growth in Data and Analytics

There is rapid growth in data and analytics, fueled by new, proprietary datasets and predictive analytics for engagement, underwriting, pricing, and claims, with at least 15% market growth in insurance analytics as industry leaders utilize more data in decision-making processes.



Core System Modernization

Modernizing core systems is key to improving customer service, claims optimization, and policy administration, via AI wraps or enhancing underlying infrastructure from the ground up as technology capabilities rapidly evolve.



Tech-Led Front-Office Empowerment

Front-office software and digital distribution remain a key focus, as distribution models and channels continue to evolve, becoming more complex and intertwined in the process.



Accelerating MGA Growth

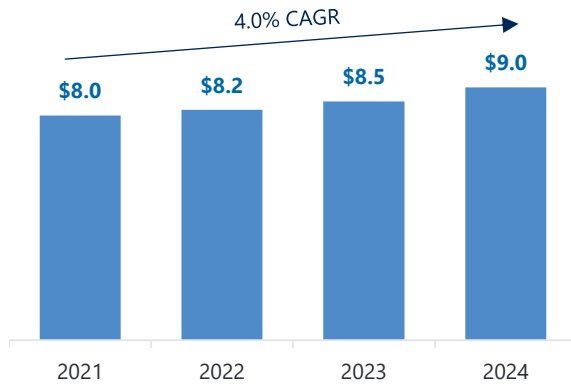
MGAs are experiencing mid-teens growth and increasing their share in the P&C market, with 60% of premiums originating from smaller MGAs who have less than \$500 million in GWP.



Insurance Ecosystem Is Bolstered by Asset Growth, AI-Led Productivity Optimization, and Continued Premium Growth Across Most Lines

All-Time-High Insurer Assets in 2024

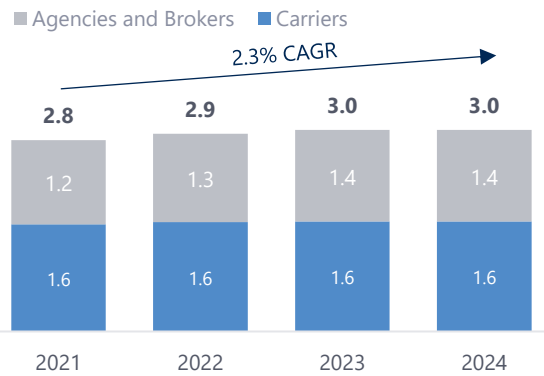
Insurance Industry Cash and Invested Assets (\$ in Trillions)



- An all-time high of **\$9.0 trillion** of cash and invested assets held by U.S. insurance companies was reached in 2024, an increase of 4.4% YoY.
- CAGR of **4.0%** from 2021 to 2024, a ~12.5%-dollar value increase.
- Hold **~71%** in interest-bearing or linked assets (e.g., bonds, mortgages, and other loans), standing to face headwinds from anticipated interest rates cut in coming months.

Despite Growing Employment, Industry Facing Labor Challenges

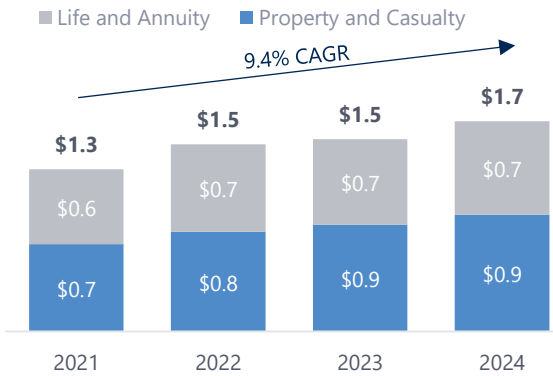
Insurance Employment, U.S. Market (Annual Average in Millions)



- AI adoption is helping to optimize productivity challenges caused by skill gaps, an aging workforce, and recruiting challenges.
- Record employment in the insurance industry reached **3 million** in the U.S. in 2024; YoY growth of ~1.0%.
- Women hold **59%** of insurance roles (across sales/agents, underwriting, claims adjusters, examiners, and investigators, and claims and policy processing clerks) compared to 47% for all industries.

9%+ Annual Premium CAGR

Direct Written Premium (\$ in Trillions)



- Direct written premium reached an all-time high of **\$1.7 trillion** in 2024.
- Recent uplift in part driven by **inflationary impact of claims activity**.
- The top 10 insurers represented **51%** of P&C direct premiums written in 2024, in line with the same composition in 2008 of 49%.
- The top 10 insurers represented **47%** of L&A direct premiums written in 2024, showing incremental diversification since 2008's 58%.

Regulatory Environment Intensifying Across Multiple Key Facets of Insurance



Complex topics are further complicated by numerous regulatory bodies with varying agendas, timelines, and jurisdictions.

Sources: NAIC, iii., AgentSync.

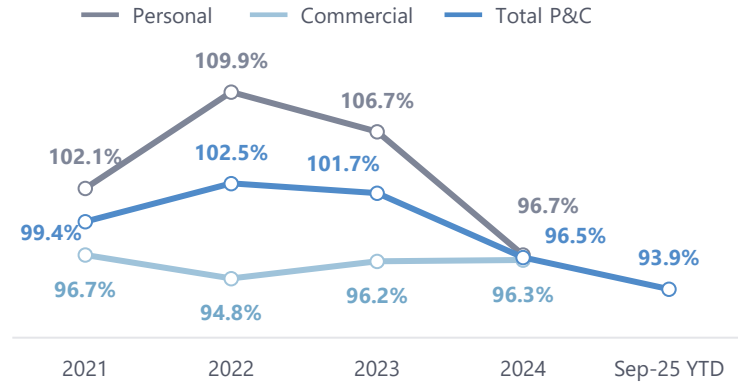


Insurance Ecosystem Experiencing Performance Bifurcation by Line of Business

P&C insurance lines have seen a strong uptick in underwriting performance in the past two years, while underwriting performance within life and annuity as well as health insurance remains relatively stable.

P&C Insurers Achieve Best Underwriting Results in Over a Decade

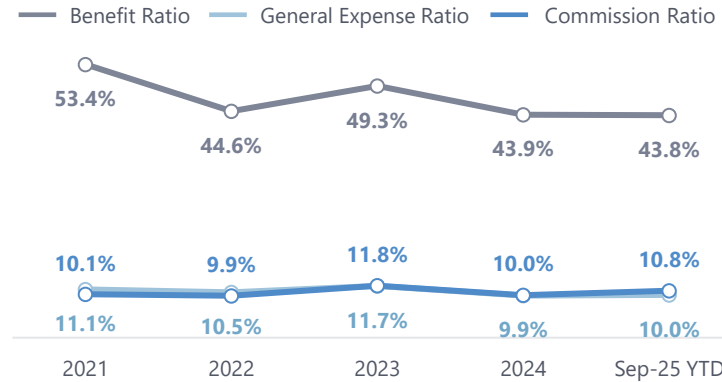
Net Combined Ratio (U.S.)



- Aggregated U.S. P&C lines posted a net combined ratio of 96.5% in 2024, marking the best annual performance since 2013.
- The drastic improvement is largely attributable to a 10-percentage-point YoY improvement in personal lines of business (private auto, homeowners, and farmowners insurance).
- By contrast, the aggregated commercial business lines' net combined ratio was 96.3% in 2024, a slight deterioration from the 96.2% recorded in 2023.
- While property claims volume is down in 2025, severity is potentially very high.

Life Insurers' Operating Ratios Remain Stable Following Post-COVID-19 Normalization

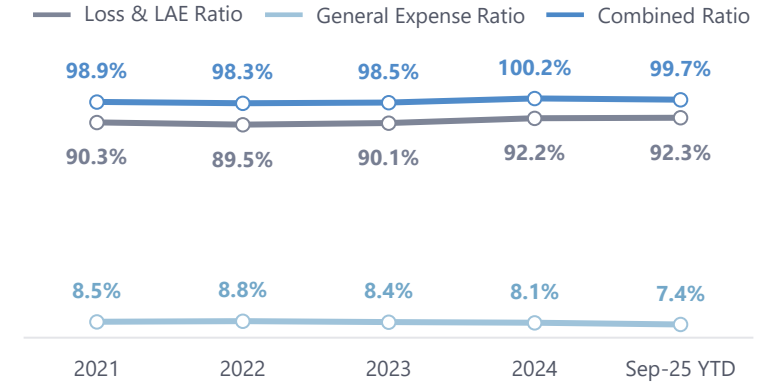
Operating Ratios (U.S.)⁽¹⁾



- U.S. life insurers' operating ratios have remained stable over the past few years, with modest volatility and no material structural deterioration through September 2025 YTD.
- Benefit ratios have declined from 2021 peaks, reflecting normalization of mortality experience following pandemic-driven volatility.
- General expense ratios have remained well controlled, stabilizing at 10% in the past two years, indicating continued operating discipline despite inflationary cost pressures.

Health Insurers' Combined Ratios Remain Stable as Expense Discipline Offsets Loss Trends

Combined Ratio (U.S.)⁽²⁾



- U.S. health insurers' combined ratios have remained relatively stable, with a modest upward trend.
- In the past two years, loss and LAE ratios have increased gradually while general expense ratios have trended downward, highlighting continued administrative efficiency, scale benefits, and disciplined cost management.
- Overall, loss ratio pressure has slightly outpaced expense improvements, resulting in modestly higher—yet stable and profitable—combined ratios.

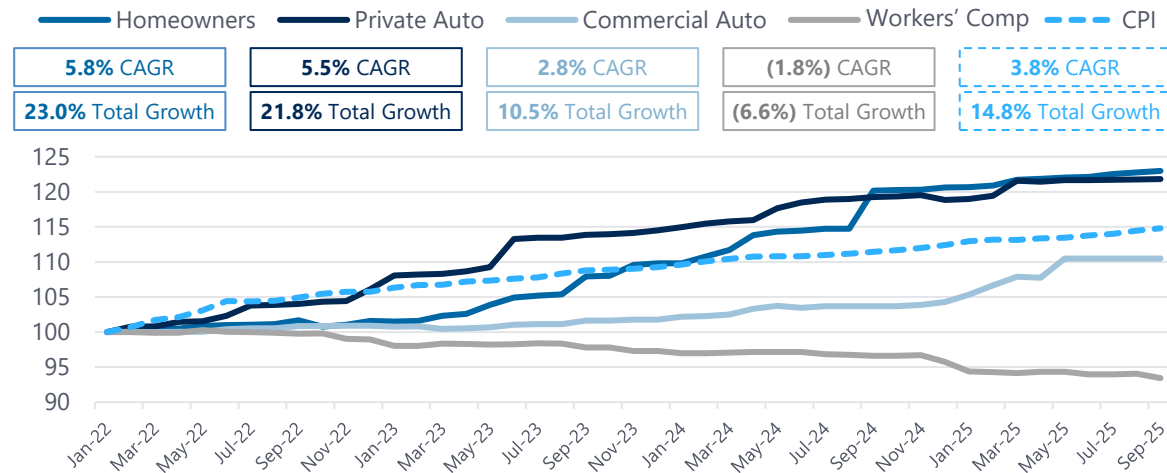
Source: S&P Global.
 (1) Benefit Ratio measures benefit pay as a % of premiums and annuity considerations. General Expense Ratio measures general insurance expenses as a % of premiums and annuity considerations. Commission Ratio measures commissions as a % of premiums and annuity considerations.
 (2) Combined Ratio is the sum of the Loss & LAE Ratio and the General Expense Ratio. Loss & LAE Ratio measures net claims adjustment expenses as a % of premiums.



Insurance Premium Trending Is Disparate Across P&C Lines of Business

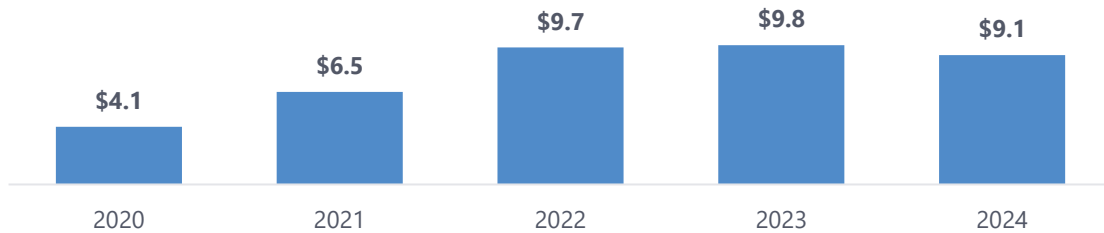
Since 2022, Growth in U.S. P&C Insurance Premiums for Homeowners and Private Passenger Auto Have Exceeded Inflation by 7%+

Average Premium Pricing vs. CPI (Re-Based to 100 as of January 1, 2022)



2024 Marks the First YoY Decline in Cyber Insurance DWP on Record, Driven Largely by Pricing Compression

U.S. Direct Written Premium (Includes Alien Surplus Lines, \$ in Billions)



Sources: FRED, NAIC.

Homeowners and Private Passenger Auto

Key insurance-specific dynamics beyond general economic inflation:

- Social inflation (claim litigation, increased liability awards, shifting settlement terms).
- Increasing levels of severe weather and natural catastrophes.
- Increasing complexity of repairs and availability of supplies.
- Rising reinsurance costs.
- Market concentration: fewer providers for certain markets leading to less competition, fewer options, and higher prices.

Commercial Auto

Key dynamics contributing to lower premium growth than private auto:

- Broad adoption of telematics, GPS tracking, and driver monitoring enabling more precise risk selection.
- Increased penetration of advanced vehicle safety features across commercial fleets, lowering accident frequency and loss severity.
- More centralized fleet oversight, including standardized driver training and maintenance programs, improving loss predictability.
- Greater use of self-insurance, captives, and alternative risk transfer by large fleet operators moderating premium growth.

Workers' Compensation

Key factors driving negative CAGR of 1.8% (decrease) since 2022:

- Improved management practices, including the use of RMIS capabilities to enable better workforce visibility and communication.
- Remote and hybrid work leading to decrease in claims.
- High-risk industries, such as healthcare and energy, exhibiting better risk management using modern solutions.
- Fierce competition among carriers.

Cyber

Key dynamics driving stagnating and declining cyber insurance DWP:

- Following rapid growth from 2020 to 2022 driven by an increasingly complex and volatile cyberthreat landscape, the U.S. cyber market witnessed its first-ever reduction in DWP in 2024, declining 7% YoY.
- With the number of policies in force decreasing only slightly (0.03%) from 2023 to 2024, pricing compression accounts for the majority of the decline in DWP.
- Increased competition from new entrants, better risk modeling, stabilizing loss ratios, and improved preventative policyholder security/controls continue to moderate premiums.

Tech Spend and Adoption in U.S. and Western Europe Amplified by AI Threat and Enablement

Strong forces driving technology modernization as spending patterns indicate clear allocation of new spend on external vendor solutions, with a rapidly evolving focus on AI.

Factors Driving Accelerating External Spend

New Opportunities and AI

- New product opportunities emerging; speed of development and launch is critical.
- Existing product evolution and velocity of updates.
- Greater data depth, accuracy, portability, and analytics to improve the entire value chain.
- Access to new/incremental demand via digital distribution partners.
- Emerging use cases and rapidly evolving utilization of AI capabilities putting pressure on inadequate operating and data infrastructure.

Evolving Competition

- Rise of digital-native and digital-first carriers, MGAs, and brokers.
- Third-party software, data, and tech services have never been more accessible.
- De-bundling (and re-bundling) of both product suites and workflow segments.
- Technology-spurred arms race is underway.

Legacy Constraints in Part Mitigated by AI

- Complex, disjointed legacy systems cannot address modern needs and are costly to maintain.
- IT turnover and related skilled IT labor shortages (and/or cost inefficiencies).
- Increasing cyber risk and exposure.
- Evolving regulatory landscape and operational burden.
- Inconsistent data across disparate repositories.
- AI functioning as a “wrap” layer on legacy systems helps prolong viability.

Shifting Environment

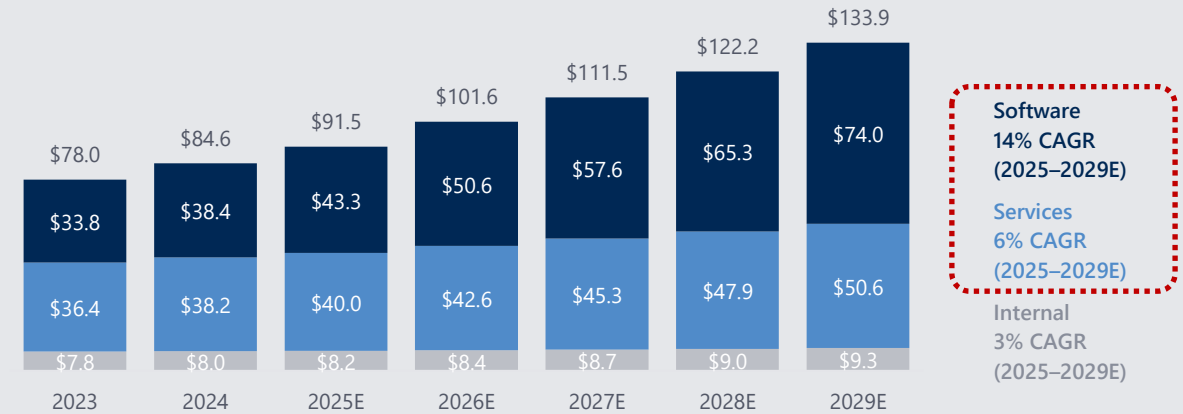
- Engagement and product shift to digital—but human touch is still required.
- “Digital-native, mobile-first” with Amazon’s benchmark of immediacy/personalization.
- Risk environment evolving from changes in climate, driving, cyber, mortality, and more.
- Cohort of aging agents, brokers, and executives.

Sources: Gartner, Datos Insights.



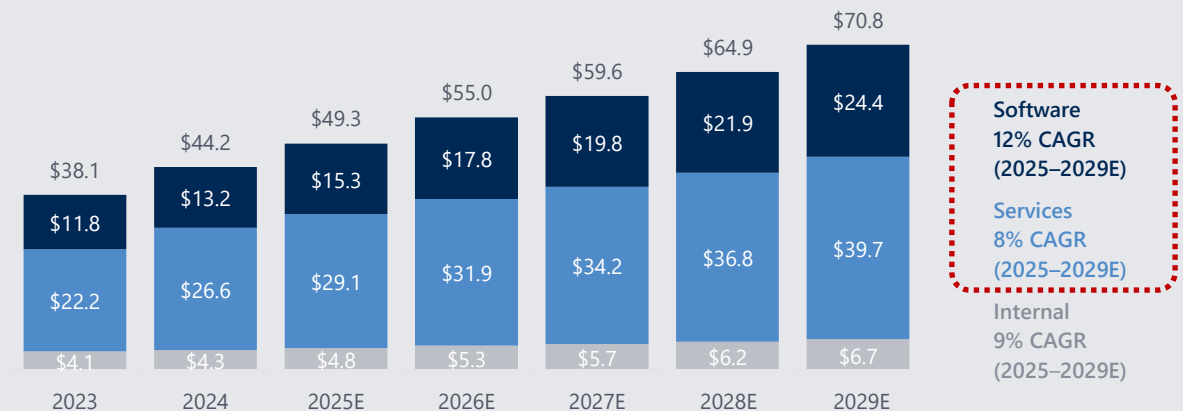
\$125 Billion of External Tech Spend by 2029 in North America

U.S. and Canada Insurer, Reinsurer, Broker Enterprise IT Spend (P&C and Life, \$ in Billions)



\$64 Billion of External Tech Spend by 2029 in Europe, Dominated by Western Region

European Insurer, Reinsurer, Broker Enterprise IT Spend (P&C and Life, \$ in Billions)





Technology Transformation Is Compounding via AI

The insurance ecosystem is experiencing rapid acceleration in new/modern technologies across all parts of the value chain; data-first solutions are emerging as mission-critical in order to support and enable AI capabilities.



| | "InsurTech 1.0" | "InsurTech 2.0" | Key "3.0" Topics |
|--------------------------------|---|--|--|
| Financial | Growth at All Costs, Rapid Scaling No. 1 Priority | No. 1 Profitable Underwriting No. 2 Growth | Growth and Profit Joint No. 1 |
| Lines of Business | Focus on Simpler, Lower-Ticket Personal Lines | Bigger-Ticket, More Complex Commercial and Specialty Lines | Cyber, Parametric, Flood and Broader E&S, Reinsurance |
| Customer Acquisition | High, Volatile CAC | Sustainable, Predictable CAC | Customer Ownership Amid Multi-Channel Acquisition; Human-Optimized Digital Journey |
| Distribution | Direct-to-Consumer, Online Marketplaces | Agent Empowerment, MGAs, and Embedded Channel | Vertical Integration, Multi-Channel, AI-Enabled |
| Key Areas of Innovation | Customer Acquisition, LOB Unbundling | Workflow Unbundling; Post-Bind (Especially Claims), New Datasets, and Payments | GenAI, Novel Datasets and Data Portability, Customer Tailoring |
| Product | Commoditized, Standard Rates and Forms | Actuarial-Led R&D, Underwriting Innovation, and Claims Automation | Connectivity and True Vendor Integration |
| Ecosystem | Point Solutions | Marketplaces and APIs | Data Pooling and Cooperation; Carrier-Broker Connectivity |
| Founders/Management | Generalist Tech Entrepreneurs | Industry Vets and Startup Talent | Industry Vets and Focused-Tech Entrepreneurs |
| Balance Sheet Risk | Full Stack Carrier Models | Tech-Driven MGAs/Enhanced Underwriting | New Product Appetite, Increase in MGA Risk-Taking, and Ability to Better Address Cat Zones |

Sources: Insurance Journal, Insurance Thought Leadership.

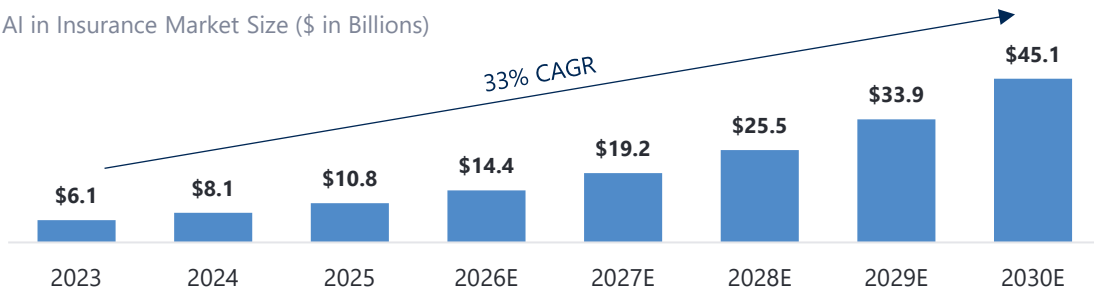


Accelerating Adoption of AI in Insurance

Insurance stakeholders are investing heavily in novel AI capabilities to optimize workflow and outcomes throughout the value chain.

Rapid Growth in the Use of AI in Insurance

AI in Insurance Market Size (\$ in Billions)



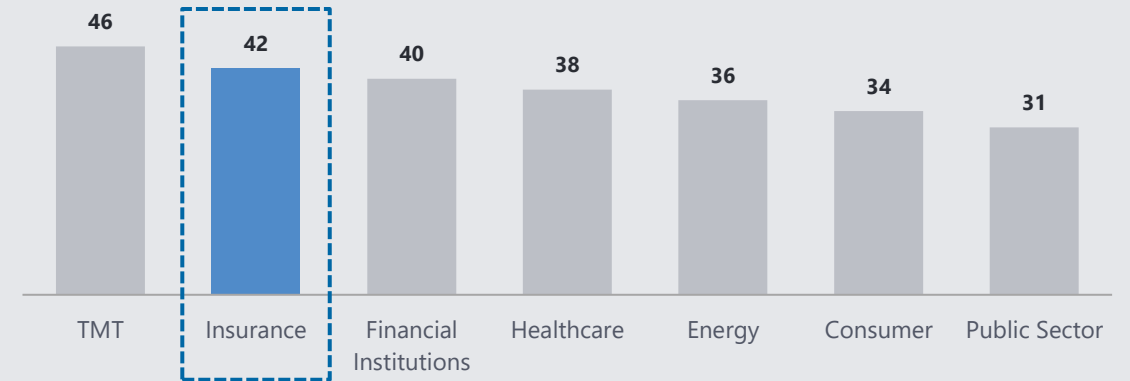
| | | |
|---|---|--|
| <p>33% YoY Growth in AI Adoption in the Insurance Industry (2025E)</p> | <p>70% Of Insurance Executives See AI as a Key Part of Their Companies' Strategies</p> | <p>27% Increase in Agent Productivity for Insurance Companies That Use AI</p> |
| <p>30% Increase in Customer Satisfaction for Insurance Companies That Use AI</p> | <p>95% Of Insurance Customer Interactions Will Be Facilitated by AI by 2025</p> | <p>74% Of Consumers Say They Would Be Happy to Receive Insurance Advice From AI</p> |

AI technologies could add up to \$1.1 trillion in annual value for the global insurance industry: Approximately \$400 billion from pricing, underwriting, and promotion technology upgrades, and \$300 billion from AI-powered customer service and personalized offerings.

Sources: McKinsey, Precedence Research, SmartTek, WorldMetrics, RTS Labs, Plat AI, The Zebra, BCG.

Insurance Is an Early Leader in AI Adoption, With Use Cases Focused on Core Capabilities

AI Maturity Scores

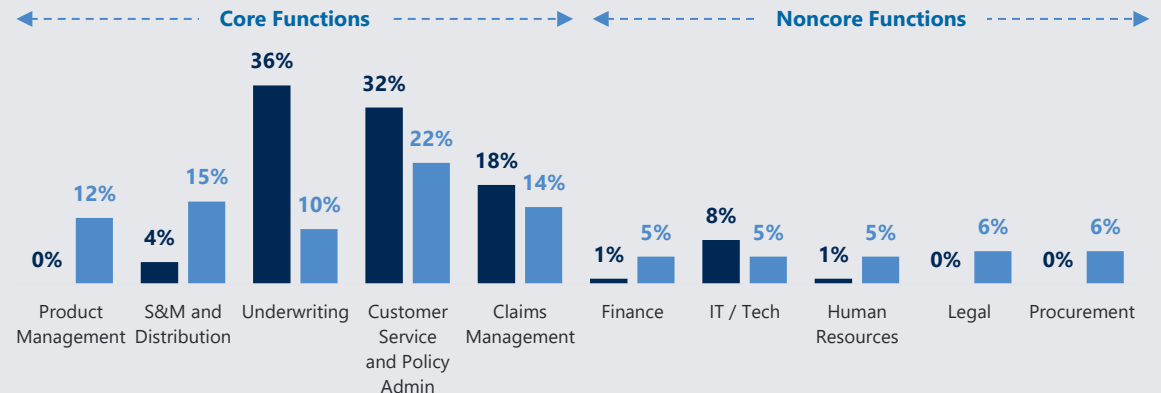


Leaders Are Focusing AI Investment on Optimizing Core Insurance Functions

Share of AI Value (Revenue Gains and Cost Reductions) Captured Across Functions (%)

■ AI Leaders ■ AI Laggards

AI leaders have gained their edge through a targeted approach, driving 90% of AI value from core functions.



Investment Perspectives

Importance of Data and Analytics Dramatically Accelerating

AI capabilities are a key battleground for vendor and ecosystem participants alike, with the ability to materially impact outcomes.

Themes Driving Investment in Data and Analytics

New Datasets and Enhanced Intake

- Ability to analyze a greater swath of datasets from both traditional and new/alternative sources is quickly emerging as a key differentiator for leading players to optimize key points on the value chain, such as underwriting/pricing and claims, as well as to avoid adverse selection.
- Data intake enhancement across various methods of submission ensures better, more accurate source data and more efficient customer engagement.

Predictive Analytics And GenAI

- Fueled by advancements in computing power and accessibility of both structured and unstructured data, predictive analytics and GenAI are being aggressively adopted.
- Key uses today include fraud prevention and risk assessment, with increasing utilization for customer targeting, lifecycle management/personalization, and enhanced self-service.

UW And Pricing Enhancement

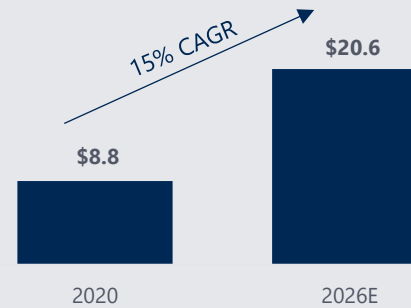
- Responding quickly to market movement with the latest risk and pricing data is imperative in a dynamic internal and external environment.
- Vendors offer real-time creation of personalized product offerings and pricing that account for a wide variety of customer risk factors while allowing carriers and brokers to monitor deployed rates and adapt new pricing strategies.

Sources: MarketsandMarkets, Majesco.



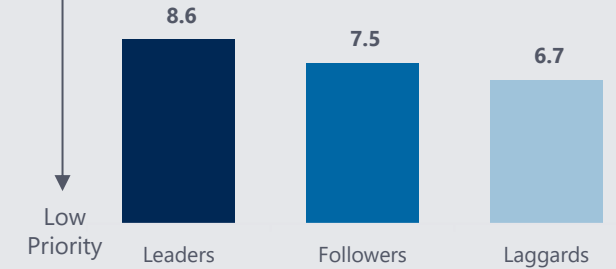
Rapid Growth in Analytics

Insurance Analytics Market (\$ in Billions)



Use of New Data Sources for Pricing

High Priority / Low Priority, Leaders Use ~28% More Data Points for Pricing



Representative Transactions

Significant capital-raise activity compared to outright acquisitions.

| Transaction Type | Company | Transaction Details |
|----------------------------------|------------------|---|
| NEW DATASETS AND ENHANCED INTAKE | INDICO DATA | raised capital from GUIDEWIRE & others |
| | Roots Automation | raised capital from Harbert Management Corporation & others |
| PREDICTIVE ANALYTICS AND GENAI | CLARA Analytics | raised capital from SPRING LAKE EQUITY PARTNERS Nationwide & others |
| | GRADIENT AI | raised capital from CENTANA GROWTH PARTNERS & others |
| UW AND PRICING ENHANCEMENT | FEDERATO | raised capital from Goldman Sachs & others |
| | CyberCube | received an investment from spectrum equity |

| Company | Transaction Details |
|------------|---------------------------------|
| Cytora | acquired by APPLIED |
| DigitalOwl | acquired by datavant |
| PLANCK | acquired by APPLIED |
| Praedikat | acquired by MOODY'S |
| earnix | received an investment from TPG |
| QQuantee | acquired by GUIDEWIRE |

= Houlihan Lokey Transaction

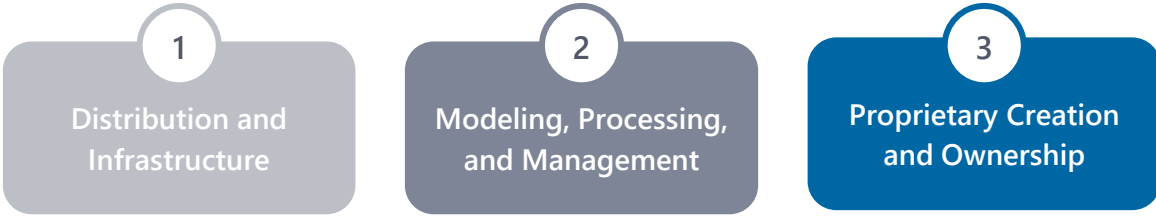


Investment Perspectives

Proprietary Datasets Emerging as a Key Differentiator for Optimizing AI-Led Insurance Outcomes

Vertically Focused AI Platforms Leveraging Proprietary Datasets Are Structurally Defensible Amid a Commoditizing AI Landscape

Data/Information and Analytics Providers Generally Create Value in Three Ways:



AI models are only as good as the data they are trained on or have access to. The more proprietary, difficult-to-compile, or challenging-to-replicate the data is, the greater potential impact.



Clean, structured, domain-specific data is the fuel for GenAI and agentic AI models, yet the vast majority of data remains user-created, unstructured, and in novel formats.

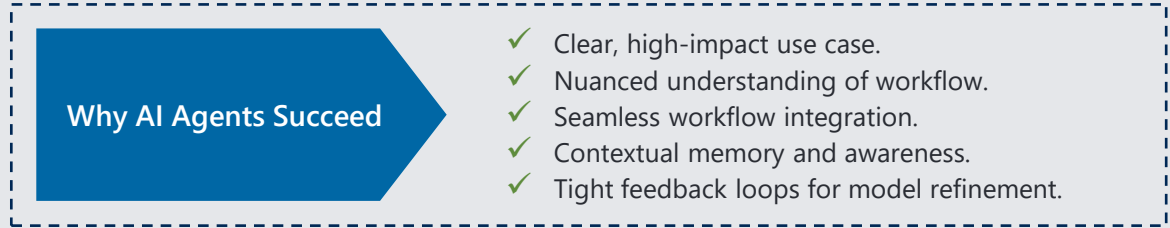


Verticalized, proprietary datasets created from disparate, unstructured sources are scarce and well insulated from broader AI disruption and are set to benefit from the moat established by inherent domain expertise.

What Drives the Success of AI Agents?



- ✗ Lack of clear use case.
- ✗ Poor integration with existing systems.
- ✗ Low user trust.
- ✗ High maintenance costs.
- ✗ Unclear tangible value.



- ✓ Clear, high-impact use case.
- ✓ Nuanced understanding of workflow.
- ✓ Seamless workflow integration.
- ✓ Contextual memory and awareness.
- ✓ Tight feedback loops for model refinement.

The rise of agentic AI reinforces (rather than undermines) vertical software moats, as autonomous decision-making depends on proprietary, industry-specific data and embedded workflow logic that horizontal platforms cannot replicate.

Key Takeaways for Insurance

- Insurance data is fragmented, unstructured, and highly contextual, favoring platforms with proprietary access to claims, underwriting, and policy workflows.
- Stringent regulatory, actuarial, and explainability requirements constrain generic AI adoption, reinforcing reliance on trusted, industry-specific platforms embedded in core insurance workflows.
- Embedding agentic AI into mission-critical insurance processes (claims, pricing, fraud, underwriting) creates measurable loss and expense ratio improvements, while real-world outcomes continuously reinforce data advantages and switching costs.



Investment Perspectives

Core System Modernization in the AI Era

Modernization of insurance core systems is critical to sustainably compete for and serve customers in the current environment, particularly given the new requisite AI compatibility.

Themes Driving Investment in Core Systems

Claims Optimization

- Tech-led automation can dramatically improve the speed, accuracy, and cost of claims processing from FNOL to subrogation—improving customer satisfaction and profitability.
- Computer vision (especially for physical damage) and new data and analytics drive automated estimation and empower adjuster productivity to drive faster repair and procurement processes.

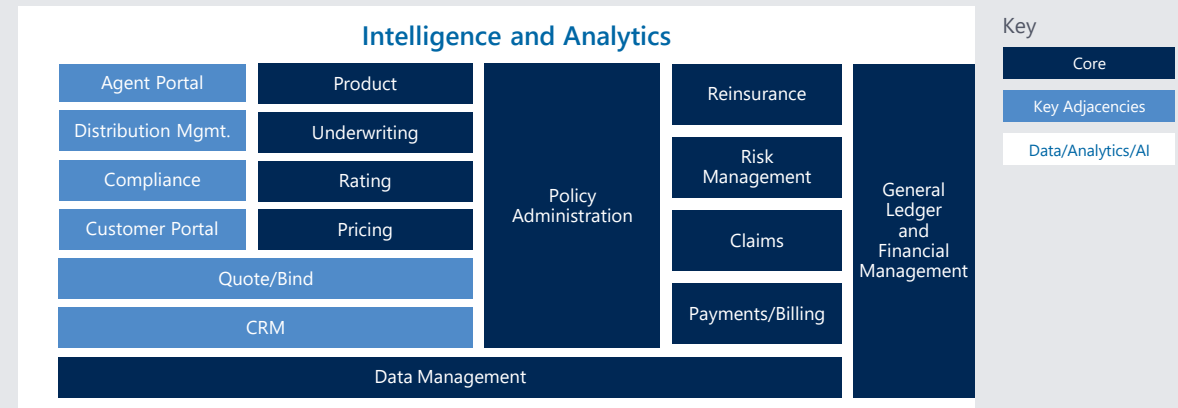
Policy Admin Enhancement

- Modular and microservice-oriented core software helps carriers move more quickly and flexibly to improve administration and product development outcomes.
- Enhances ability to launch new insurance products quickly as well as more readily adapt and integrate emerging and new vendor solutions.
- Can reduce the burden of development on IT and drop development cycles from months to days through low/no-code capabilities.

Risk Management and Compliance

- Increasing complexity of the overarching risk environment across multiple facets requires enhanced monitoring and management capabilities.
- Regulatory and compliance, cyber exposure, ESG, and climate change, for example, are each shifting risk dynamics for enterprises and insurers.
- Software- and data-led solutions help optimize risk management programs and alleviate operational burdens while enhancing outcomes.
- Convergence of risk management (RMIS) and policy admin represents a large emerging opportunity.

Core Comprises Numerous Adjacent, Increasingly Integrated Functions⁽¹⁾



Representative Transactions

| | | | | |
|----------------------------|---|---|---|--|
| <p>CLAIMS OPTIMIZATION</p> | <p>acquired by Nearmap</p> <p>Property Claims Data and Technology</p> | <p>acquired by CCC</p> <p>AI-Powered Claims Management</p> | <p>acquired by datavant</p> <p>Health Records and Claims Intelligence Platform</p> | <p>raised capital from ICONIQ & KLEINER PERKINS</p> <p>AI-Powered Claims Automation</p> |
| | <p>acquired by Advent</p> <p>Multi-Line Policy Admin Software</p> | <p>acquired by Keylane</p> <p>Pension Tech and Policy Admin Software</p> | <p>acquired by majesco</p> <p>Pension and Benefits Admin Software</p> | <p>acquired by POLLEN STREET</p> <p>P&C and L&P Policy Admin Software</p> |
| | <p>acquired by Duck Creek Technologies</p> <p>Risk Management and Loss Control Solutions</p> | <p>acquired by EAM</p> <p>GRC Solutions for the Insurance Industry</p> | <p>acquired by H & Altaline</p> <p>Insurance Compliance Platform</p> | <p>acquired by riskconnect</p> <p>RMIS Analytics, Claims, and Policy Solutions</p> |

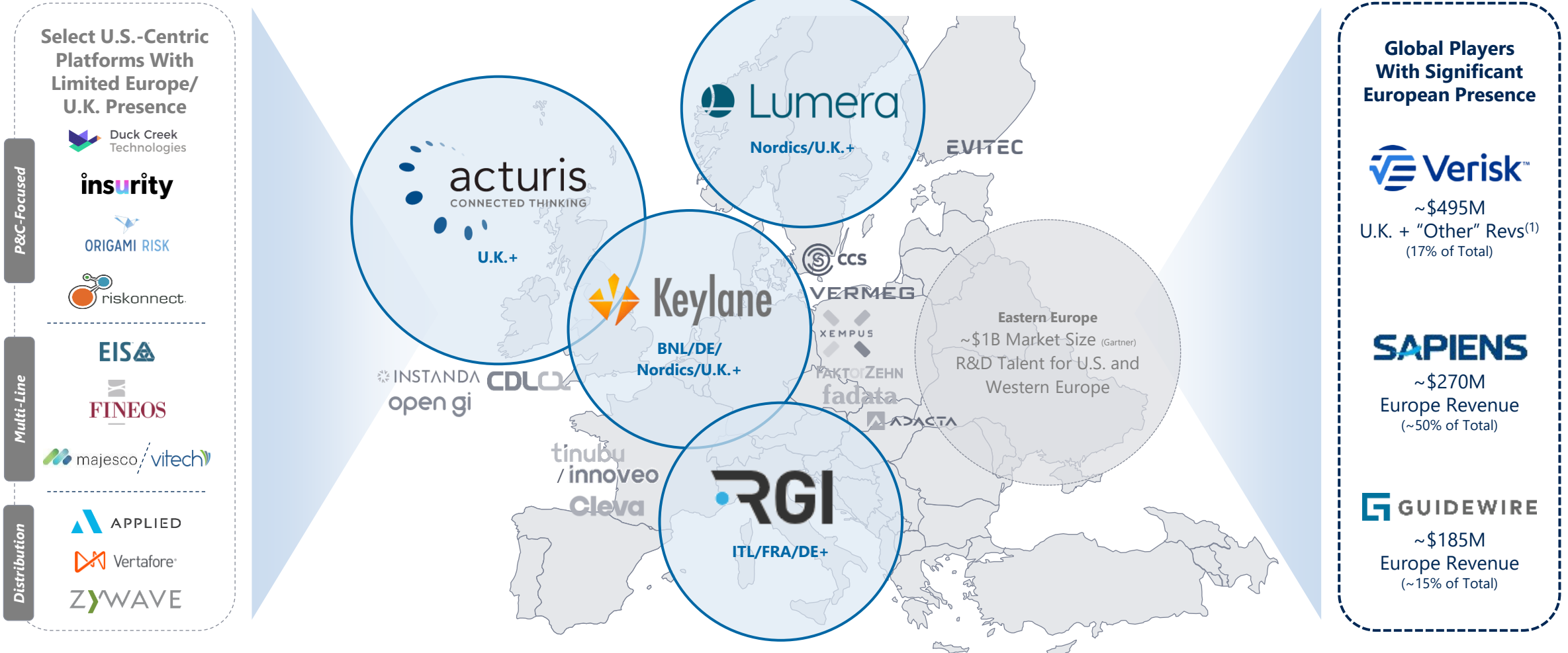
= Houlihan Lokey Transaction

(1) Houlihan Lokey adaptation of graphic originally developed by Novarica.

Investment Perspectives

European and U.K. Regional Insurance Core Software Champions Have Emerged

- Scaled independent platforms are surfacing across the European/U.K. market landscape, followed by a tail of smaller and/or emerging vendors largely fragmented by geographic or product focus.
- Small handful of U.S. players with a meaningful presence in the broader region, with many notable players lacking a material footprint.



Sources: Public filings,
 (1) Comprising \$214M in the U.K. and \$281M from Other Countries, broadly defined. Remainder of revenue (83%) is attributable to the U.S.

Investment Perspectives

Core System Modernization Spotlight on Insurance Payments

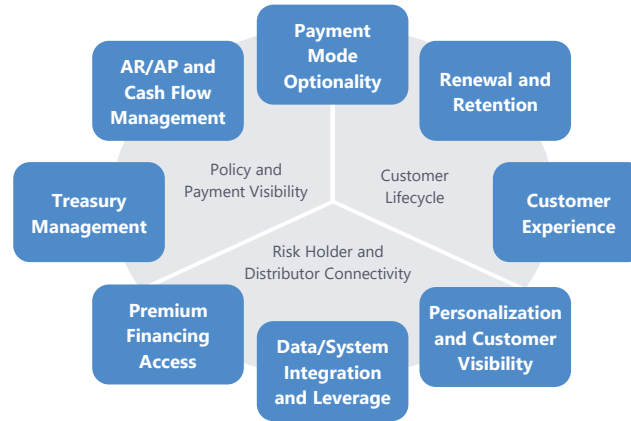
Comprising a complex intertwined network of agents, brokers, adjusters, carriers/payers, and providers/vendors, the insurance payments ecosystem is undergoing significant technology- and software-led modernization.

Themes Driving Investment in Insurance Payments

- Fragmentation of distribution and claims workflow creating challenges for traditional billing and payment workflow beyond product complexity such as PAYG, UBI, and premium financing.
- Digital and automated collection, sending, and settlement of premium, commission, and claim payments can improve customer experience and retention as well as cash flow dynamics for agents, brokers, and carriers.
- Persistence of physical check payment offers a long-term transition opportunity.

Payment Innovation

Payments Workflow Touches Many Points of the Insurance Journey



Surge in Payments-Related Strategic Activity Within Insurance Software Platforms

APPLIED
Applied Announces Launch of Applied Pay
The only natively integrated payments solution for the insurance industry is now live

GUIDEWIRE
Deliver Modern Payment Experiences with Guidewire and One Inc's New Guidewire Marketplace Apps

insurity
Insurity to Provide Sure Claims Payments as a Standalone Offering, Allowing Insurers to Go Live with the Cloud-Based Solution in Just 4 Weeks

CCC
CCC Announces Plan To Deliver Enterprise Payments Platform To The P&C Insurance And Automotive Ecosystem

Duck Creek Technologies
Duck Creek to acquire Imburse Payments, a modern payments platform

OneShield
OneShield and One Inc Partner on Insurance Industry Payment Solution Ecosystem with Input 1, Expanding Insurance Payment Capabilities

Significant Payment Volumes at Stake

\$1.5 Trillion Annual Premium Volume⁽¹⁾
P&C, Life, and Annuity (in the U.S.)

→ Premium Billing and Payments

- + Commission Distribution
- + Claims
- + Refunds/Reimbursements
- + Financing
- + Vendors and Payroll

With Significant Downstream Payment Volumes

Representative Transactions

| | |
|---|--|
| The Difference Card acquired by STONE POINT CAPITAL Employer Healthcare Payment Platform | sureti acquired by Checkbook P&C Claims Payment Solutions |
| ONE INC received an investment from NORDIC CAPITAL Insurance Payments Software | Functional Finance raised capital from WALKABOUT & others VENTURES SaaS for Insurance Financial Ops |
| Vitesse raised capital from KKR Insurance Treasury and Payment Technology | epay policy received an investment from LLR Insurance Payments Software |

= Houlihan Lokey Transaction



Investment Perspectives

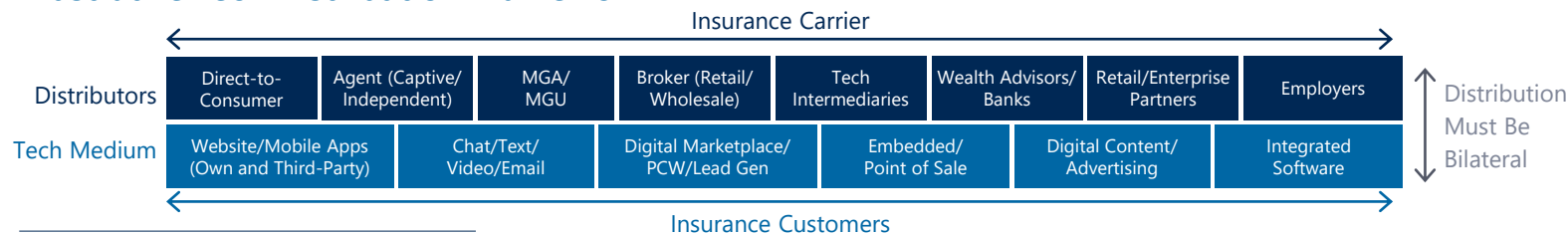
Front-Office and Distribution Optimization

Distribution is increasingly complex yet remains rich with technology-led opportunities.





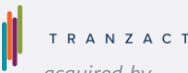











Themes Driving Front-Office Software and Digital Distribution Investment


- | | |
|-------------------------|--|
| Embedded and Integrated | <ul style="list-style-type: none"> Leverage existing customer relationships and buying processes of insurance-relevant products to include insurance as a feature, unlocking high-margin and high-growth revenue opportunities for partners and insurers alike. “Vertical integration” is emerging via distribution and administration capabilities built into vertical software platforms, adding incremental revenue and enterprise functionality. |
| Digital Engagement | <ul style="list-style-type: none"> Carriers and brokers are increasing investment in optimizing customer experience to build stronger brand loyalty and better retention and identify cross-sell/upsell opportunities. Enhanced retention and LTV and better alignment of risk holding can be achieved by modern, multi-channel digital communication and personalization/consumer analytics as well as enhanced self-service capabilities. |
| Agent Empowerment | <ul style="list-style-type: none"> Despite pressure from direct-to-consumer, the complexity of the insurance-buying process drives persistent consumer demand for value-added human touch. Software and data are helping agents enhance engagement and relevancy across all digital channels as well as automate low-value and repetitive activities (e.g., form filling). |
| Customer Acquisition | <ul style="list-style-type: none"> Rate volatility and increases often lead to increased price comparison shopping and carrier switching. Carriers investing for growth are focused on multi-channel digital/media, which is easier to both manage and determine the ROI of than traditional media. Digital channels are to be optimized for both new customer acquisition and re-acquisition/renewal. |
| Personalization | <ul style="list-style-type: none"> Insurers are using data and analytics to tailor customer interactions across channels, enabling more relevant outreach, messaging, and service experiences throughout the policyholder lifecycle. Dynamic engagement tools allow distributors to personalize how and when customers are engaged, from quotes and onboarding to claims and renewals—improving customer experience while supporting retention and lifetime value. |

Illustrative Tech Distribution Framework



Representative Transactions

| | |
|---|--|
|  <i>acquired by</i>  Insurance Digital Marketing Technology |  <i>acquired by</i>  Customer Communications Management Software |
|  <i>acquired by</i>  Insurance Distribution and Marketing Solutions |  <i>acquired by</i>  Workflow Optimization Platform for Insurance Professionals |
|  <i>acquired by</i>  Risk Processing and Workflow Optimization Software |  <i>raised capital from</i>  Digital Commercial Insurance Marketplace |
|  <i>acquired by</i>  Sports Insurance MGA |  <i>raised capital from</i>  Commercial Insurance Marketplace |

 = Houlihan Lokey Transaction

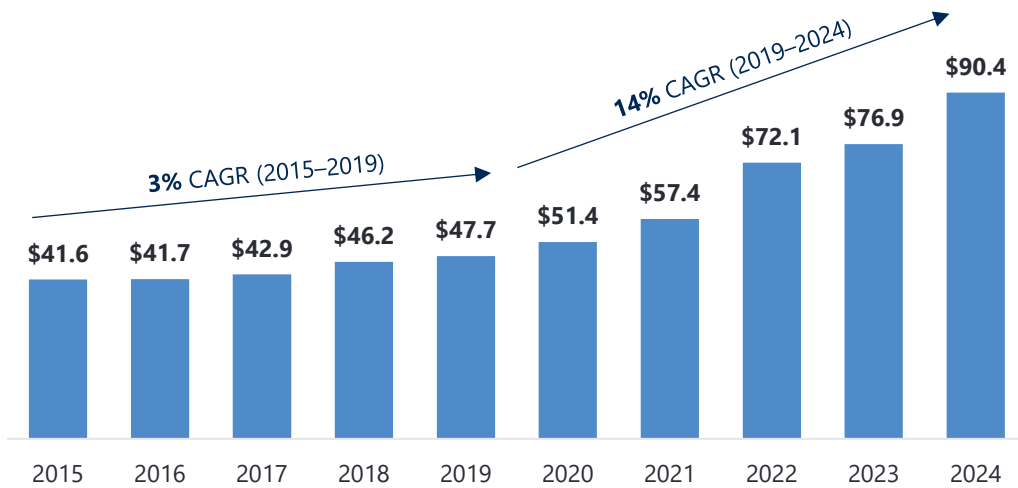
Investment Perspectives

Accelerating MGA Growth

Collective MGA growth in the mid-teens, with the majority of premium driven by MGAs with less than \$500 million GWP.

Accelerated Recent MGA Growth, Spurred by New MGA Entities and Technology Leverage

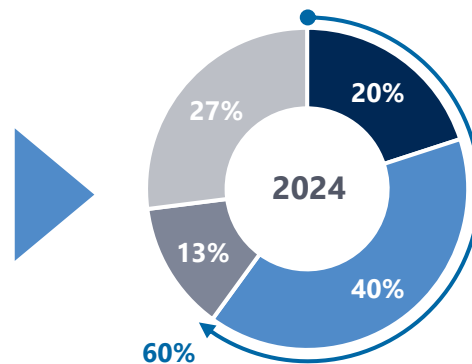
Direct Written Premium (\$ in Billions)



- Historically, MGAs won share through specialization, offering carriers deep expertise in specific product lines or niche risks (e.g., E&S, specialty, cyber, marine) where broad-based carriers lacked underwriting precision.
- However, recent high-growth MGAs have differentiated themselves through technology adoption—utilizing richer datasets, automated underwriting, and digital workflows to improve risk selection and operating efficiency.
- Tech-enabled MGAs scale faster by improving broker connectivity, offering digital submissions, quicker quote/bind cycles, and real-time data sharing.
- As a result, modern MGAs with strong tech stacks are capturing outsized premium growth and becoming preferred partners for both carriers and brokers alike.

Premium Distribution by MGA Size

Smaller MGAs continue to dominate the market, with the majority of premium revenue (60%) attributable to MGAs with less than \$500 million in total premium.



MGA Size (\$ in Premium):

- < \$100M
- \$100M-\$500M
- \$500M-\$1B
- \$1B+



Representative Transactions

| | |
|---|--|
| IPO'd on the NYSE Residential and Commercial Flood MGA | acquired by CVC Homeowners MGA |
| acquired by AQUILINE Marine MGA | raised capital from Community FINANCIAL SYSTEM, INC. Deposit Replacement and Rent Guarantee MGA |
| acquired by BISHOP STREET UNDERWRITERS Specialty MGA | acquired by ACRIURE Specialty and P&C MGA |
| raised capital from a consortium of investors Parametric Insurance for Digital Disruptions | acquired by NMC NEW MOUNTAIN CAPITAL Specialty MGA |



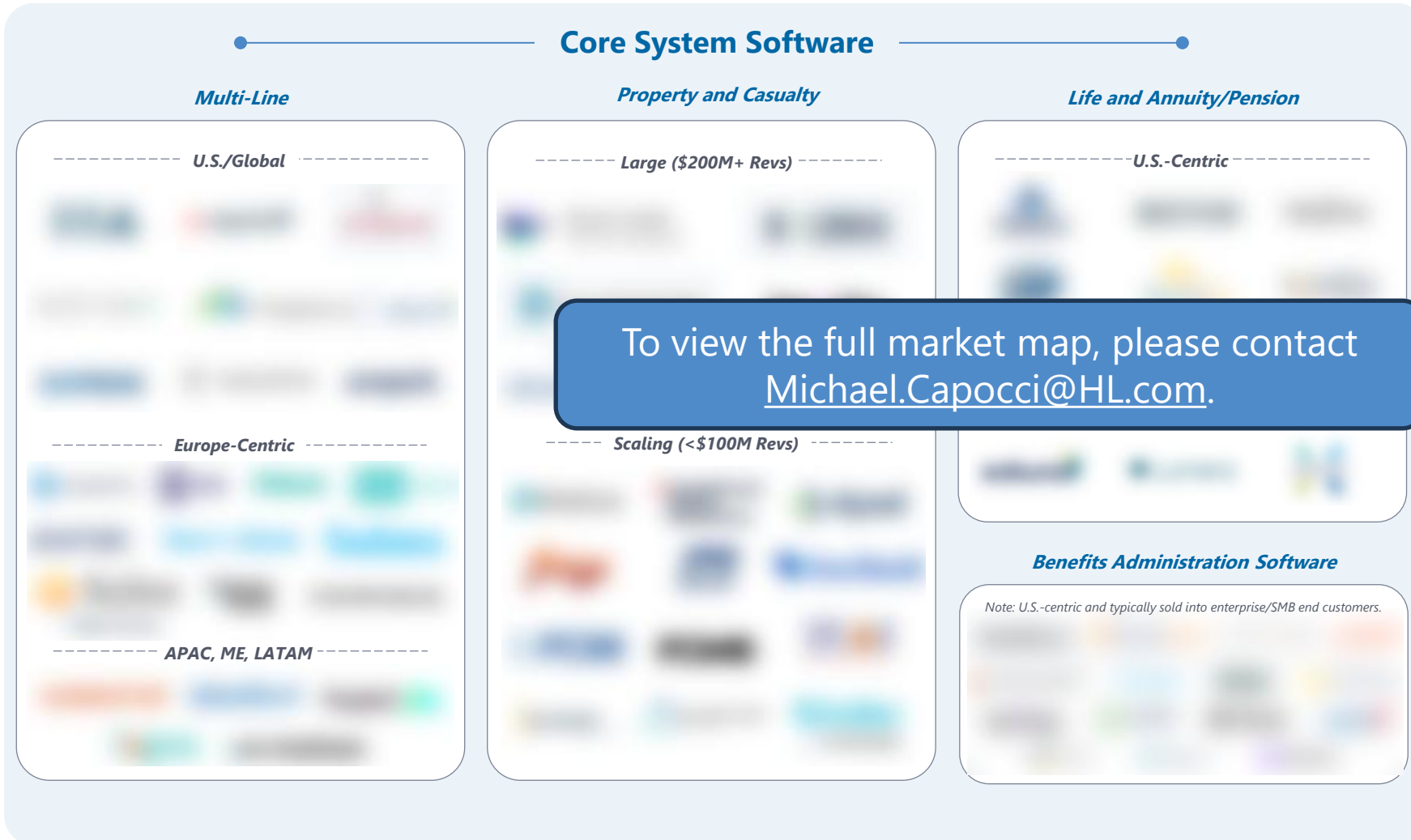
= Houlihan Lokey Transaction



InsurTech Vendor
Market Maps

03

InsurTech Landscape: Core System Software



Illustrative Transactions

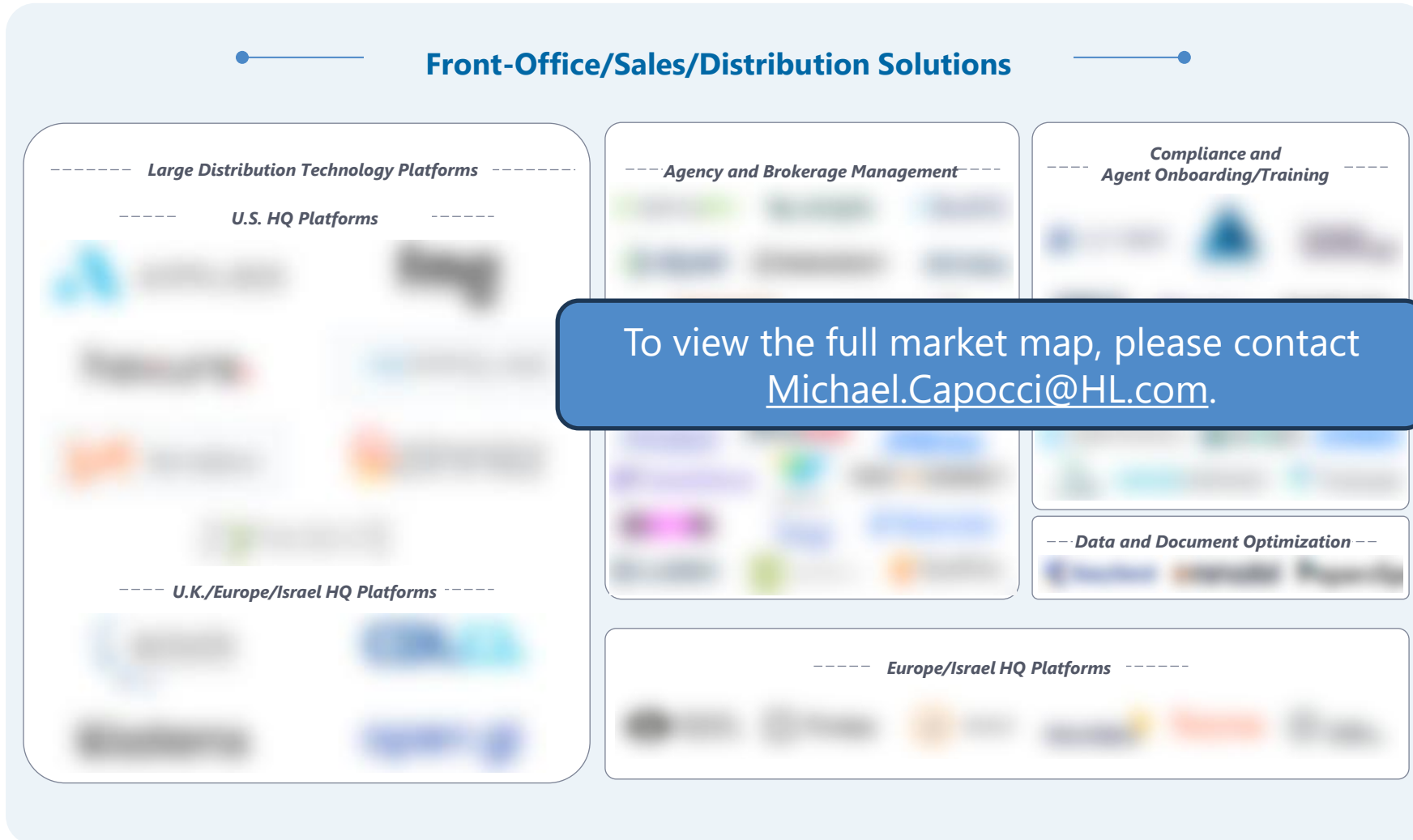
Strategic Consolidation

| | |
|---|---|
| <p>has been acquired by</p> <p>2025</p> | <p>has been acquired by</p> <p>2025</p> |
| <p>has been acquired by</p> <p>2024</p> | <p>has been acquired by</p> <p>2024</p> |

Private Equity/Growth Capital

| | |
|--|---|
| <p>has been acquired by</p> <p>Pending</p> | <p>has raised capital from</p> <p>& others 2025</p> |
| <p>has been acquired by</p> <p>2025</p> | <p>has been acquired by</p> <p>2024</p> |
| <p>has been acquired by</p> <p>2024</p> | <p>has been acquired by</p> <p>2024</p> |

InsurTech Landscape: Front-Office/Sales/Distribution Solutions



Illustrative Transactions

| Strategic Consolidation | Private Equity/ Growth Capital |
|--|--|
|  SURANCEBAY <small>EXCEEDING ALL EXPECTATIONS</small> has been acquired by  Verisk® 2025 |  REG TECHNOLOGIES has been acquired by  AKKR 2025 |
|  ZELROS has been acquired by  earnix 2025 |  SMART COMMUNICATIONS has been acquired by  CINVEN 2025 |
| Cytora has been acquired by  APPLIED® 2025 |  fmg has been acquired by  GTCR 2025 |
|  Surefyre has been acquired by  Vertafore® 2024 |  AUCTIVO has been acquired by  EAM 2025 |
| PLANCK has been acquired by  APPLIED 2024 |  CoverForce has raised capital from  INSIGHT PARTNERS & others 2025 |

InsurTech Landscape: Payments, Data and Analytics, and Node Solutions



To view the full market map, please contact Michael.Capocci@HL.com.

Illustrative Transactions

earnix
has received an investment from
TPG 2025

Federatō
has raised capital from
Goldman Sachs & others 2025

Assured
has raised capital from
KLEINER PERKINS & ICONIO 2025

OVERHAUL
has raised capital from
Springcoast PARTNERS & others 2025

itel
has been acquired by
nearmap 2025

The Difference Card
has been acquired by
STONE POINT CAPITAL 2025

SIMPLITIUM (Nasdaq Cat Risk Modeling)
has been acquired by
Verisk 2025

CyberCube
has been acquired by
spectrum equity 2025

roots
has raised capital from
Harbert Management Corporation & others 2024

DigitalOwl
has been acquired by
datavant 2025

EvolutionQ
has been acquired by
CCC 2024

Gamma
has been acquired by
KatRisk 2025

epay
received an investment from
LLR Partners 2025

CAPEANALYTICS
has been acquired by
MOODY'S 2025

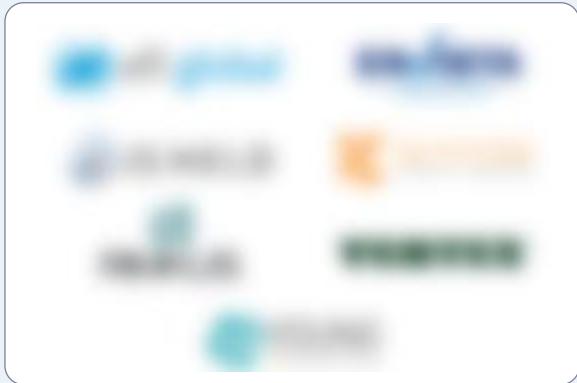
InsurTech Landscape: Digital and Tech-Enabled Distribution



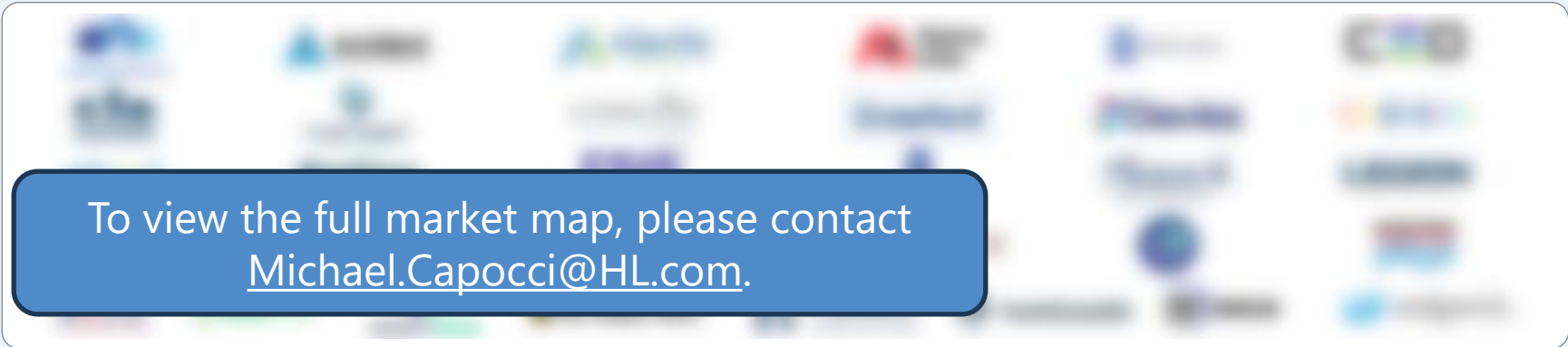
InsurTech Landscape: Tech-Enabled Services

Tech-Enabled Services

Specialized Consulting and Engineering

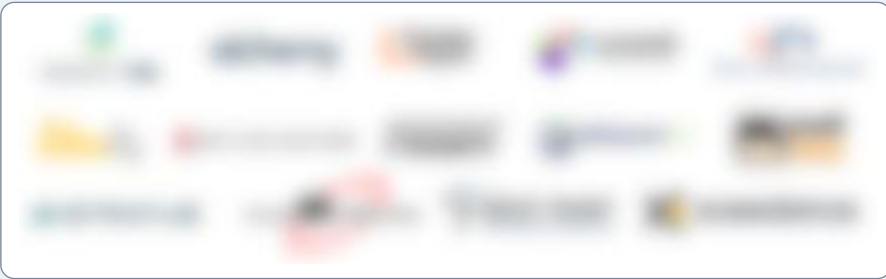


Insurance Claims Services

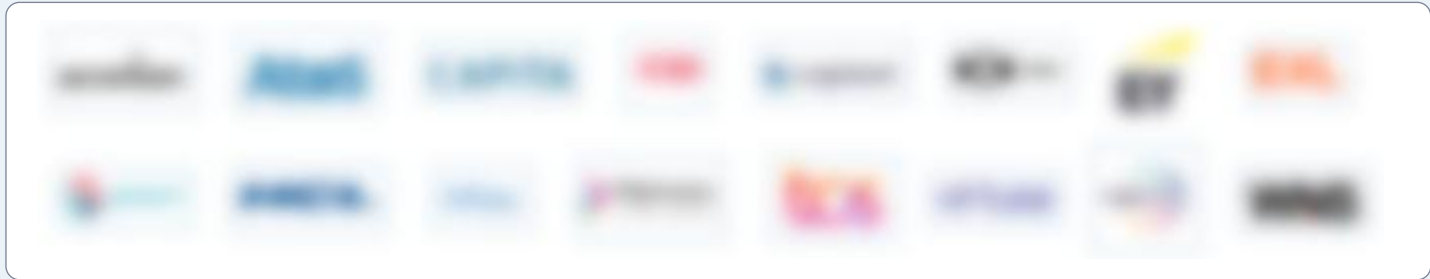


To view the full market map, please contact Michael.Capocci@HL.com.

Insurance-Focused Services/BPO/TPA



Diversified IT Services, Consulting, BPO, SIs





InsurTech Market Activity
Update: Investors, Acquirers,
and Transactions








































04

Recent Strategic and Investor-Led InsurTech Investment Activity

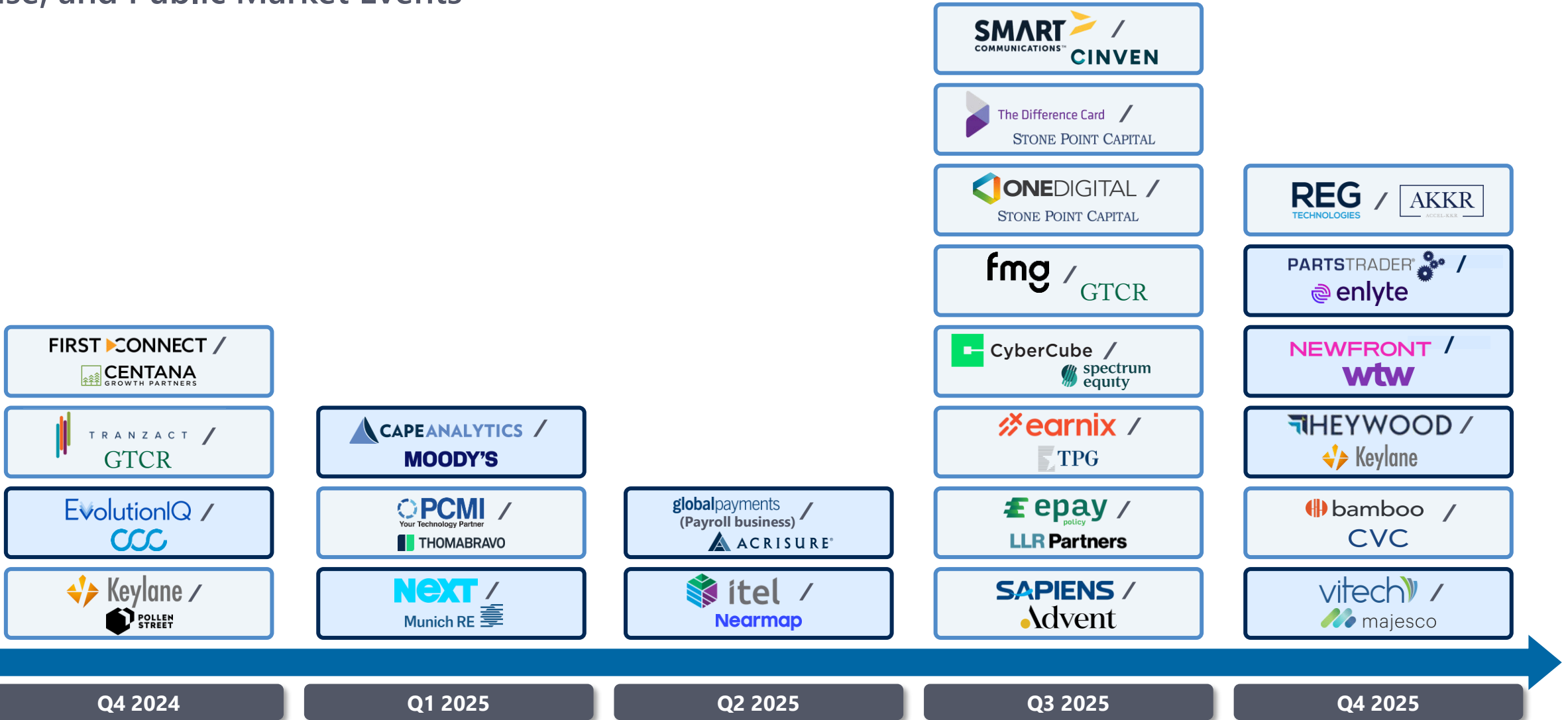
Strategic Consolidation

| | | | |
|---|---|---|---|
|  acquired by  Dec-25 |  acquired by  Dec-25 |  acquired by  Dec-25 |  acquired by  Nov-25 |
|  acquired by  Oct-25 |  acquired by  Sep-25 |  acquired by  Jul-25 |  acquired by  May-25 |
|  acquired by  Apr-25 |  acquired by  Apr-25 |  (Nasdaq Cat Risk Modeling) acquired by  Apr-25 |  acquired by  Apr-25 |
|  acquired by  Apr-25 |  acquired by  Apr-25 |  acquired by  Mar-25 |  acquired by  Mar-25 |
|  acquired by  Jan-25 |  acquired by  Jan-25 |  acquired by  Dec-24 |  acquired by  Sep-24 |

PE Buyouts and Growth Capital

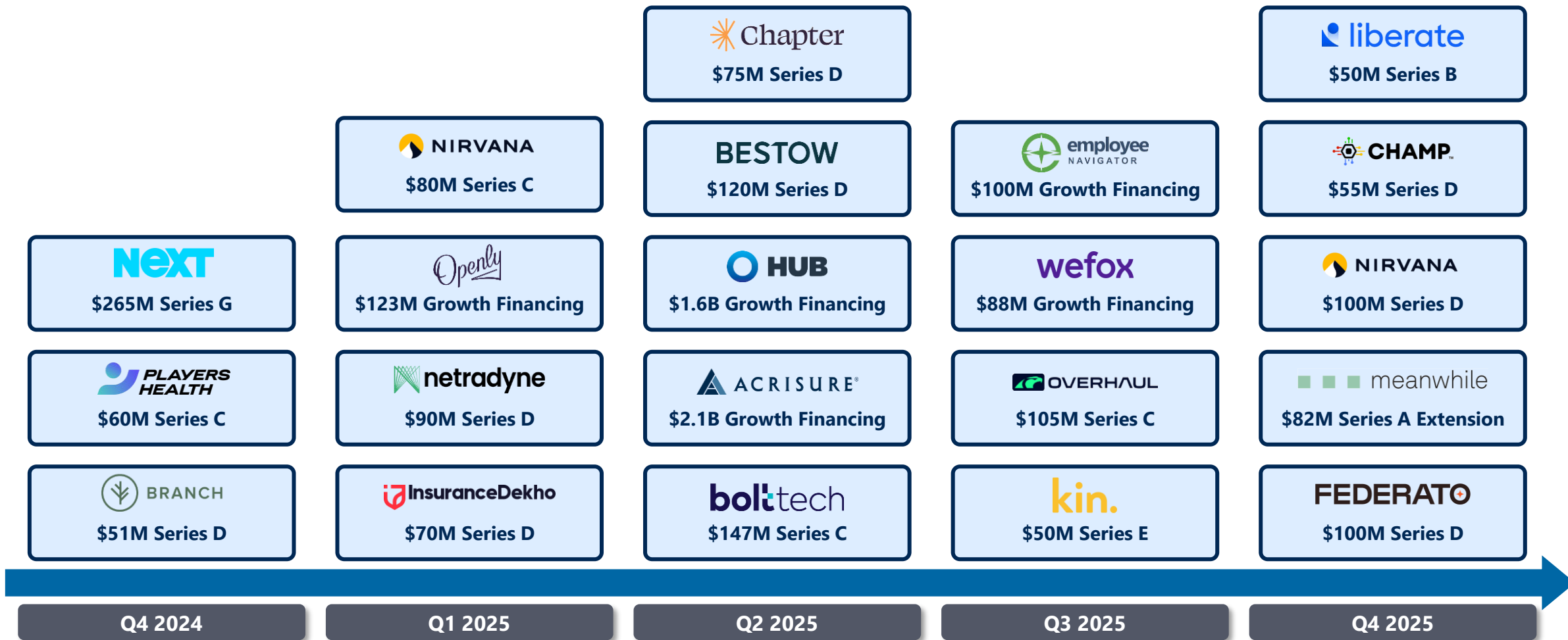
| | | | |
|---|---|---|--|
|  raised capital from  Dec-25 |  acquired by  Dec-25 | Federatō raised capital from  Nov-25 |  acquired by  Oct-25 |
|  raised capital from  Oct-25 |  received an investment from  Sep-25 |  acquired by  Sep-25 |  raised capital from  Sep-25 |
|  received an investment from  Sep-25 |  acquired by  Aug-25 |  received an investment from  Aug-25 |  acquired by  Aug-25 |
|  acquired by  Jul-25 |  raised capital from  Mar-25 |  acquired by  Mar-25 |  raised capital from  Mar-25 |
|  raised capital from  Jan-25 |  acquired by  Nov-24 |  acquired by  Nov-24 |  acquired by  Aug-24 |

InsurTech Investment Activity Has Been Bolstered by Recent Marquee M&A, Recap, Growth Capital Raise, and Public Market Events



Key: Strategic Consolidation Private Equity Buyout/Recap

InsurTech Investment Activity Has Been Bolstered by Recent Marquee M&A, Recap, Growth Capital Raise, and Public Market Events

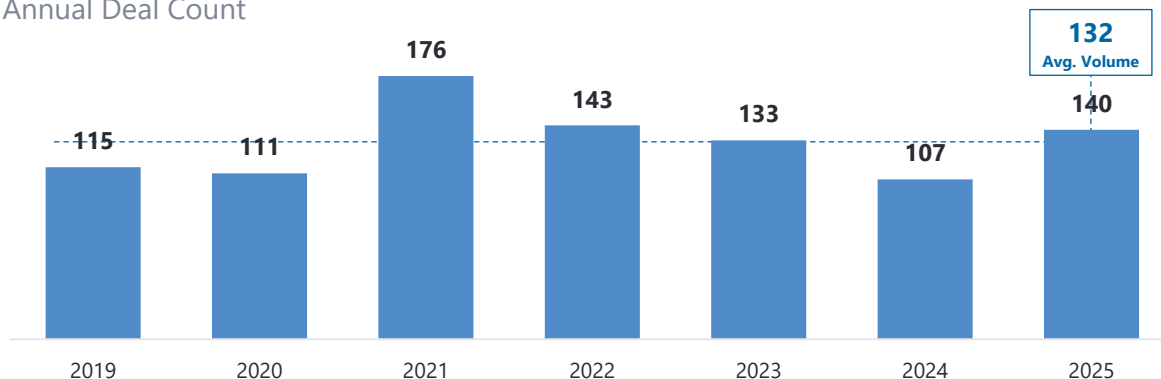


InsurTech M&A and Capital Raises:

M&A Volumes Rise Slightly Above Pre-COVID-19 Levels While Growth and Venture Remain Slightly Subdued

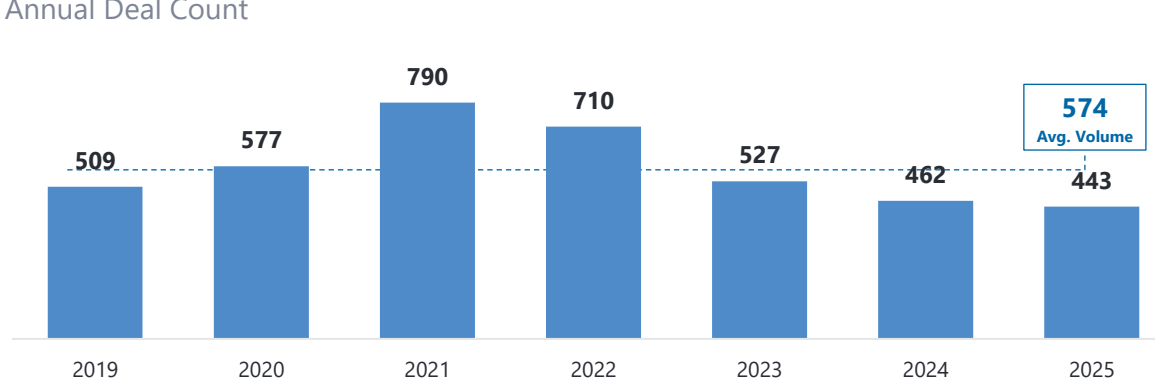
Mergers and Acquisitions

Annual Deal Count



Growth and Venture Capital

Annual Deal Count



Representative M&A Transactions (2025)

| Strategic Acquisitions | | PE Buyout/Investments | |
|---|--------------------|-----------------------|----------------------|
| EIS | PARTSTRADER | Clearwater UW | REG TECHNOLOGIES |
| VAVE | NEWFRONT | bamboo | accuQuote |
| HEYWOOD | ELITECOVER | ONEDIGITAL | ISC |
| Intangic | vitaance | CyberCube | SAPIENS |
| DigitalOwl | Cytora | epay | SMART COMMUNICATIONS |
| SURANCEBAY | ontellus | The Difference Card | wefox Italia |
| ZELROS | INNOVEO | fmg | COMMAND |
| Advantage | CARDELA LABS | PCMI | Heymondo |
| esure | ACORN | | |
| SIMPLITIUM | | | |
| Bees360 (Property Claims Inspection Services) | Quantee | | |
| covie | NEXT | | |
| FloodFlash | CIS Claim Services | | |
| StartSure | Rhino/JETTY | | |
| VisCalc | MYPOLICY | | |
| CAPEANALYTICS | sureti | | |
| Accolade | | | |

Representative Growth and Venture Transactions (2025)

| | | | | | | | | |
|------------|-----------------|-------------|----------------------|-------------|--------------------|----------------|-------------|-------------|
| CHAMP | NIRVANA | Ben | parametrix insurance | Bennie | KINETIC | Modern Life | FEDERATO | Anzen |
| clearcover | INDICO DATA | MGT | STAND | INSTANDA | xceedance | NN NAVA | FurtherAI | |
| meanwhile | Leap | reserv | kin. | earnix | employee NAVIGATOR | OVERHAUL | beam | Cover Whale |
| INSHUR | wefox | Ledgebrook | DESCARTES | ZORO | baobab | boltech | Kota | ACRISURE |
| HUB | BESTOW | STEADILY | Chapter | marshmallow | dalma. | InsuranceDekho | CoverForce | |
| Coalition | Assured | CompScience | napo | COVU | HQVI | comulate | SELECTQUOTE | |
| Openly | The Helper Bees | Naked | netradyne | Parsyl | ICEYE | Matic | JONES | |

Source: PitchBook (latest insurtech reporting as of December 31, 2025).

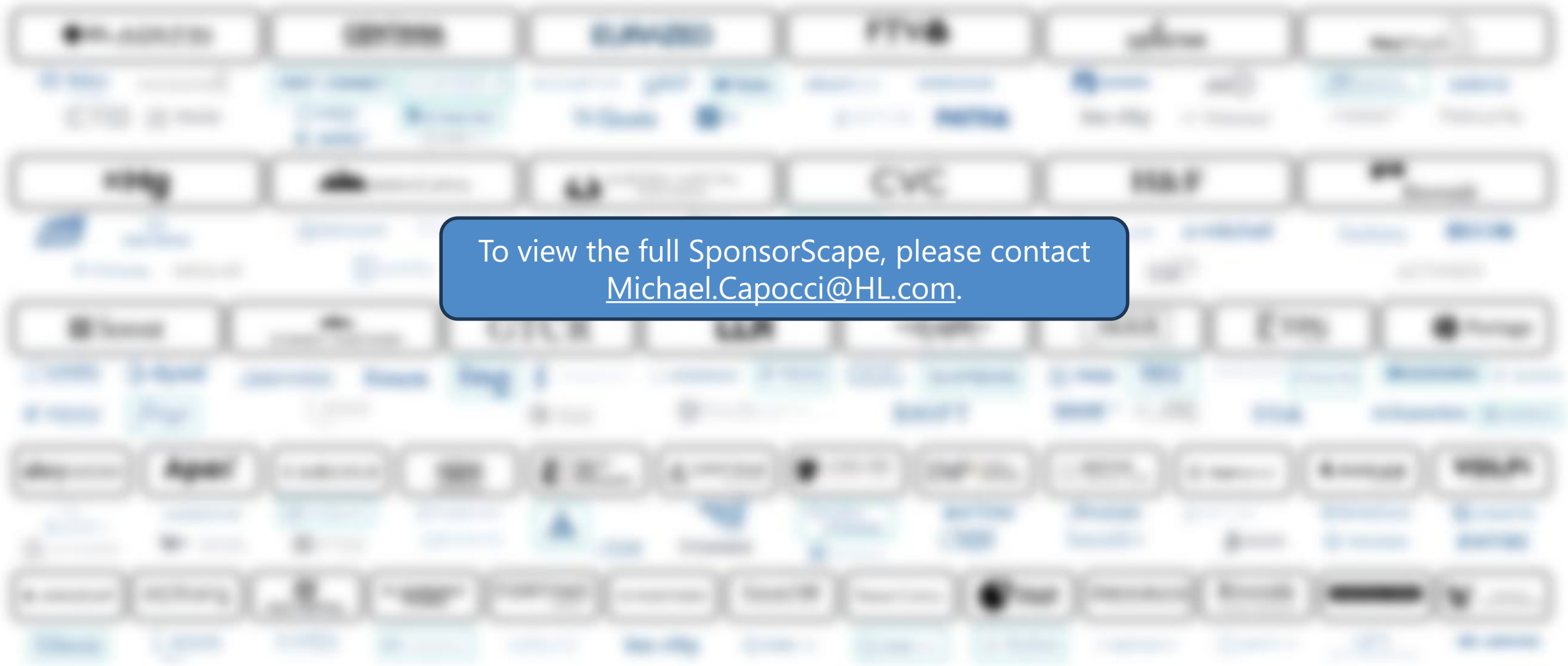
InsurTech SponsorScape Investor Field Is Broad and Diversified

Illustrative Majority and Growth Investors

To view the full SponsorScape, please contact Michael.Capocci@HL.com.

InsurTech SponsorScape Investor Field Is Broad and Diversified (cont.)

Illustrative Majority and Growth Investors (cont.)

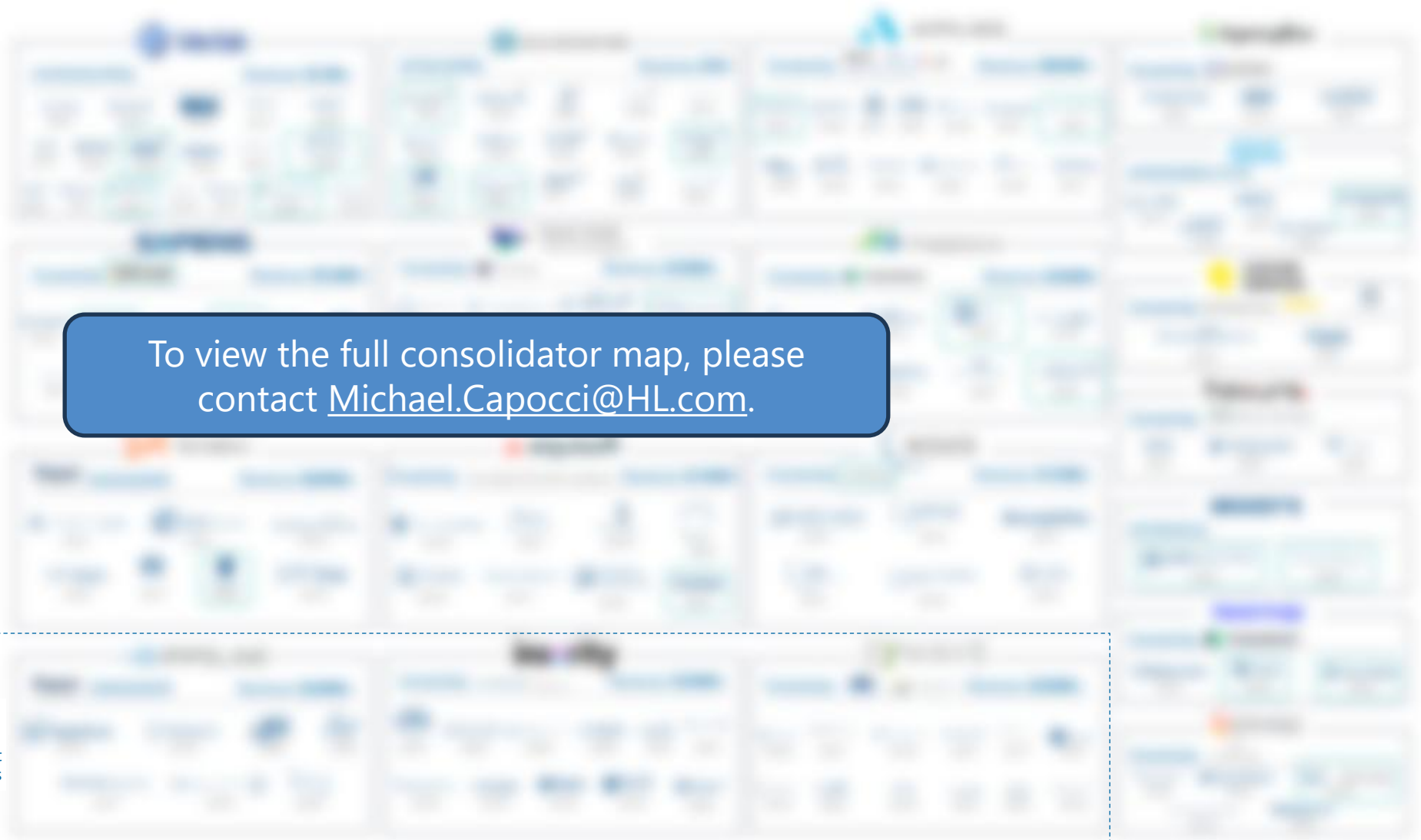


To view the full SponsorScape, please contact Michael.Capocci@HL.com.

Strategic Consolidation Remains Active

Major Platforms Bolster Their Platforms via M&A, and Emerging Businesses Scale Inorganically

Representative Insurance Software and Data/Analytics Consolidators



To view the full consolidator map, please contact Michael.Capocci@HL.com.

Limited M&A in the Past Four Years

DEALS SINCE 2024

*Denotes Minority Investment

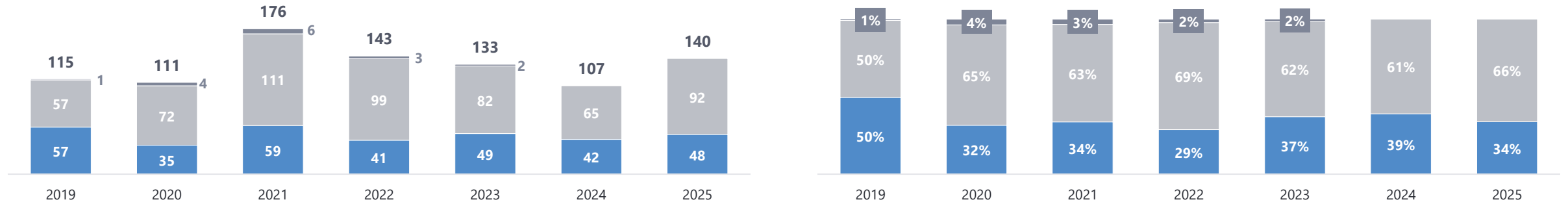
Note: Selected, nonexhaustive acquisitions depicted from January 2014 to December 2025.

InsurTech Mergers and Acquisitions

InsurTech M&A volumes reach L3Y high, well above pre-COVID-19 levels.

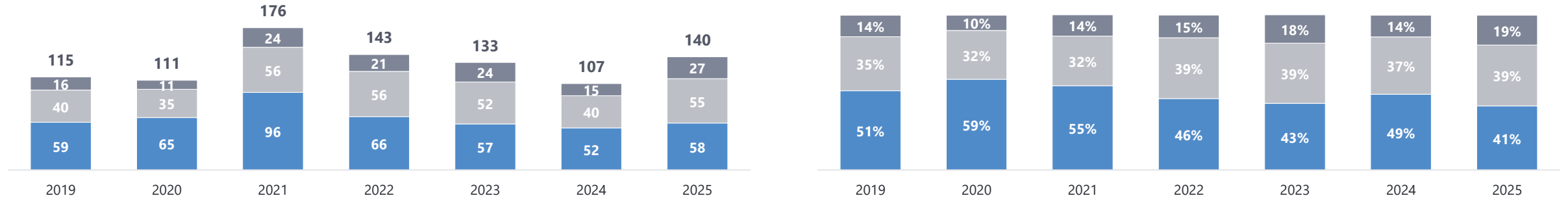
M&A Deal Count and Contribution by Type

■ PE Buyout and Bolt-Ons ■ Strategic Acquisition ■ De-SPAC



M&A Deal Count and Contribution by Target Region⁽¹⁾

■ North America ■ EUR and U.K. ■ Other



Source: PitchBook (latest insurtech reporting as of December 31, 2025).

Notes: Completed deals only. Data is nonexhaustive but highly representative of market trends.

(1) Other includes Central America, South America, Asia, Africa, the Middle East, and Oceania.

Selected 2025 InsurTech M&A Activity

M&A rebounds following subdued activity in 2024; volumes well above pre-COVID-19 levels.

| Date | Target | Target Country | Target Description | Acquirer | Acquirer Type | Acquirer Country | EV (\$M) |
|--------|---------------------|----------------|--|------------------------------|---------------|------------------|----------|
| Dec-25 | EIS | | Tech-enabled MGA focused on affinity distribution. | Acrisure | Strategic | | -- |
| Dec-25 | PARTSTRADER | | Digital marketplace for the collision repair industry. | Enlyte | Strategic | | -- |
| Dec-25 | VAVE | | Tech-focused underwriting MGA for cat-exposed E&S property risk. | Acrisure | Strategic | | -- |
| Dec-25 | NEWFRONT | | Tech-enabled business insurance broker. | Willis Towers Watson | Strategic | | \$1,300 |
| Dec-25 | THEYWOOD | | Pension administration, data, and member engagement technology. | Keylane | Strategic | | -- |
| Dec-25 | ELITECOVER | | Tech-enabled commercial auto insurance broker and MGU. | Roadzen | Strategic | | -- |
| Dec-25 | mTek | | Digital distribution platform for general and life insurance products. | Bolttech | Strategic | | -- |
| Dec-25 | REG | | Compliance and regulatory software for the insurance and financial services sector. | Accel-KKR | PE | | -- |
| Nov-25 | Clearwater UW | | Tech-enabled MGA serving the marine insurance market. | Aquiline | PE | | -- |
| Nov-25 | vitech | | Cloud-native pension and benefits administration software. | Majesco | Strategic | | -- |
| Oct-25 | Intangic | | Technology-risk platform offering predictive analytics and cyber-risk pricing. | Searchlight Cyber | Strategic | | -- |
| Oct-25 | vitaance | | Digital solution that unifies employee benefits and insurance in a single platform. | PIB Group | Strategic | | -- |
| Oct-25 | PRONAVIGATOR | | AI-enabled knowledge management platform for the P&C insurance industry. | Guidewire | Strategic | | -- |
| Oct-25 | alchemy | | Specialist insurtech consultancy. | NTT Data | Strategic | | -- |
| Oct-25 | SquareRisk | | Digital native and AI-enabled wholesale marketplace for specialty insurance. | Bold Penguin | Strategic | | -- |
| Oct-25 | Avid | | Tech-enabled MGA. | Bishop Street Underwriters | Strategic | | -- |
| Oct-25 | bamboo | | Data-enabled homeowners insurance distribution platform. | CVC Capital Partners | PE | | \$1,750 |
| Oct-25 | accuQuote | | Online life insurance brokerage platform. | Abacus Global Management | PE | | -- |
| Sep-25 | COO | | Full-service digital agency for life insurance. | Optifino | Strategic | | -- |
| Sep-25 | CyberCube | | Cyber risk modeling and analytics platform. | Spectrum Equity | PE | | -- |
| Sep-25 | DigitalOwl | | AI-driven medical data analysis solutions to optimize the insurance claims process. | Datavant | Strategic | | \$200+ |
| Sep-25 | ONEDIGITAL | | Tech-enabled brokerage services for employee benefits and P&C insurance. | Stone Point, CPP Investments | PE | | -- |
| Sep-25 | Cytora | | AI-enabled risk digitization platform. | Applied Systems | Strategic | | -- |
| Sep-25 | SAYATA | | AI-enabled digital marketplace and agency operations for commercial insurance. | Penn-America Underwriters | Strategic | | -- |
| Aug-25 | SAPIENS | | Multi-line insurance core system software. | Advent International | PE | | \$2,418 |
| Aug-25 | vouch | | Digital insurer for startups and small businesses. | Hiscox | Strategic | | -- |
| Aug-25 | epay | | Integrated payment solutions for the insurance industry. | LLR | PE | | -- |
| Aug-25 | prima | | Digital MGA for P&C insurance. | AXA | Strategic | | \$1,000+ |
| Aug-25 | SMART | | Customer communication management software for insurance and other financial services. | Cinven | PE | | \$1,800 |
| Aug-25 | The Difference Card | | Tech-enabled provider of healthcare cost containment solutions. | Stone Point Capital | PE | | -- |
| Jul-25 | fmg | | Marketing automation software for financial advisors and insurance professionals. | GTCR | PE | | -- |

Sources: PitchBook, S&P Capital IQ, Mergermarket.com, other publicly available company filings, industry news reports.
 Note: Deals are listed chronologically based on transaction announcement.

Selected 2025 InsurTech M&A Activity (cont.)

M&A rebounds following subdued activity in 2024; volumes well above pre-COVID-19 levels.

| Date | Target | Target Country | Target Description | Acquirer | Acquirer Type | Acquirer Country | EV (\$M) |
|--------|---|----------------|--|---------------------------|---------------|------------------|----------|
| Jul-25 | SURANCEBAY <small>EXCEEDING ALL EXPECTATIONS</small> | | Licensing, onboarding, appointment, and compliance software for the life and annuity industry. | Verisk | Strategic | | \$163 |
| Jul-25 | ontellus | | Health records retrieval and claims intelligence solutions. | Datavant | Strategic | | -- |
| Jul-25 | S&B MITCHELL <small>INSURANCE BROKER, INC.</small> | | P&C insurance agency. | COVU | Strategic | | -- |
| Jul-25 | BOXX <small>INSURANCE</small> | | Cyber insurance and security solutions. | Zurich | Strategic | | -- |
| Jun-25 | Auctivo | | GRC software platform for insurance and other highly regulated industries. | Equality Asset Management | PE | | -- |
| Jun-25 | wefox Italia | | Digital insurance distribution platform. | JC Flowers | PE | | -- |
| May-25 | globalpayments <small>(Payroll business)</small> | | Payroll, HR, and billing technology solutions. | Acrisure | Strategic | | \$1,100 |
| May-25 | itel | | Property claims solutions. | Nearmap | Strategic | | \$1,300 |
| May-25 | Gamma <small>PROPERTY RISK ASSESSMENT</small> | | Location intelligence and property risk solutions. | KatRisk | Strategic | | -- |
| Apr-25 | ZELROS | | GenAI-driven insurance recommendation platform. | Earnix | Strategic | | -- |
| Apr-25 | innoveo | | Insurance core system and underwriting software. | Tinubu Square | Strategic | | -- |
| Apr-25 | Advantage <small>PO</small> | | Policy administration and underwriting workbench software. | Sapiens | Strategic | | \$56 |
| Apr-25 | CAFDELA LABS | | Process automation and customer engagement software. | Sapiens | Strategic | | \$22 |
| Apr-25 | esure | | Digital personal lines insurer. | Ageas | Strategic | | \$1,700 |
| Apr-25 | SIMPLITIUM | | SaaS platform offering risk modeling for catastrophes. | Verisk | Strategic | | -- |
| Apr-25 | Bees360 <small>(Property Claims Inspection Services)</small> | | Bees360's advanced drone-based property claims inspection services. | Eberl | Strategic | | -- |
| Mar-25 | COMMAND <small>INSURANCE INVESTIGATION</small> | | Insurance investigation and compliance services. | Incline Equity | PE | | -- |
| Mar-25 | Quantee | | Pricing and risk assessment software. | Guidewire | Strategic | | -- |
| Mar-25 | covie | | Insurance verification platform. | The Guarantors | Strategic | | -- |
| Mar-25 | NEXT | | Digital insurer for small businesses. | Munich Re | Strategic | | \$2,600 |
| Mar-25 | PCMI <small>Your Technology Partner</small> | | Policy administration software for the automotive and consumer product markets. | Thoma Bravo | PE | | -- |
| Feb-25 | FloodFlash | | Parametric flood insurance provider. | NormanMax | Strategic | | -- |
| Feb-25 | CIS Claim Services | | CIS Group's claims management business. | Xceedance | Strategic | | -- |
| Feb-25 | StartSure | | Online insurance provider for small businesses and startups. | Vouch | Strategic | | -- |
| Feb-25 | Heymondo | | Travel insurance platform. | JC Flowers | PE | | -- |
| Feb-25 | Rhino | | Security deposit insurance solutions for renters. | Jetty | Strategic | | -- |
| Jan-25 | VisCalc <small>AN AIG COMPANY</small> | | Illustration software for small to mid-sized life insurance carriers. | Equisoft | Strategic | | -- |
| Jan-25 | MYPOLICY | | Telematics solutions and insurance broker specializing in young drivers. | The Acorn Group | Strategic | | -- |
| Jan-25 | CAPEANALYTICS | | AI-powered property risk intelligence platform. | Moody's | Strategic | | -- |
| Jan-25 | sureti | | Digital payment solution specializing in the distribution of insurance claim proceeds. | Checkbook | Strategic | | -- |
| Jan-25 | Accolade | | Tech-enabled solutions for navigating the healthcare system and workplace benefits. | Transcarent | Strategic | | \$636 |

Sources: PitchBook, S&P Capital IQ, Mergermarket.com, other publicly available company filings, industry news reports.

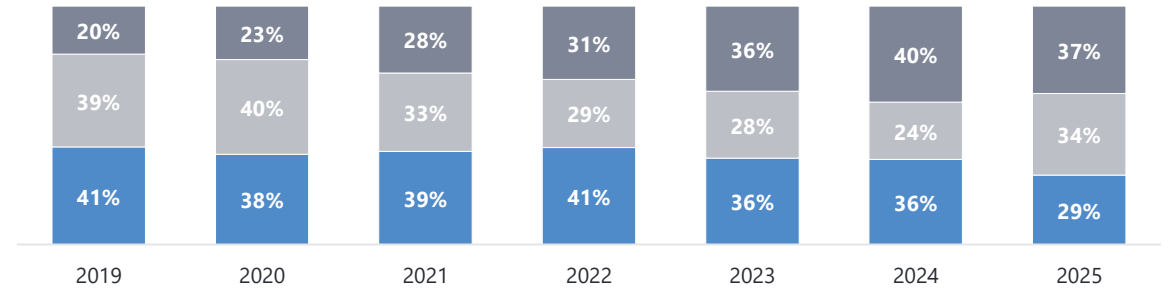
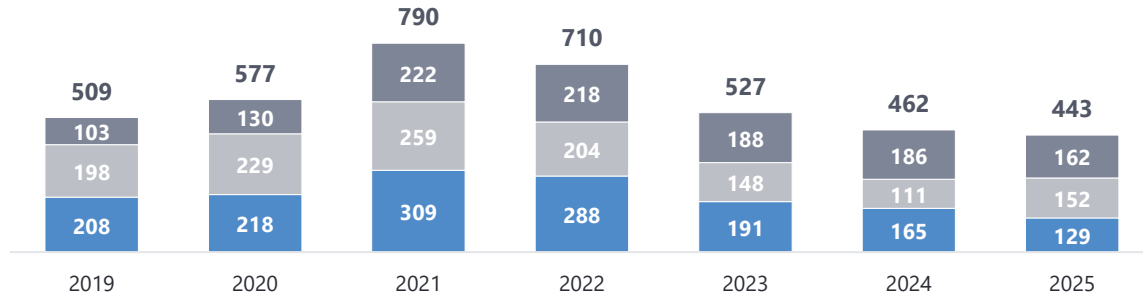
Note: Deals are listed chronologically based on transaction announcement.

InsurTech Growth and Venture Capital

Funding continues but sinks below pre-COVID-19 deal volumes.

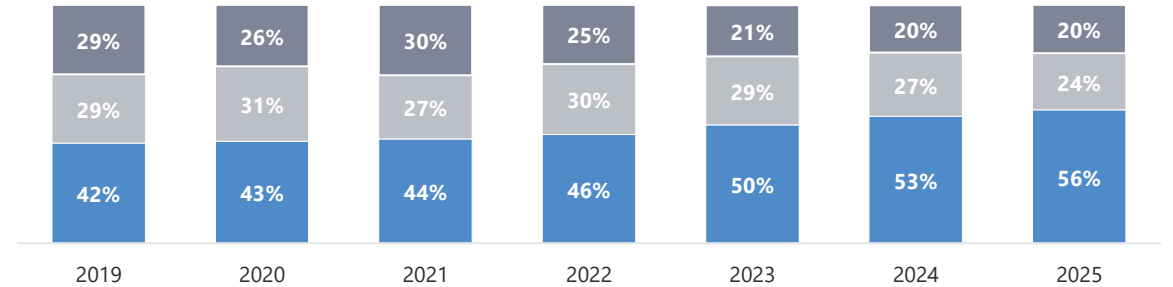
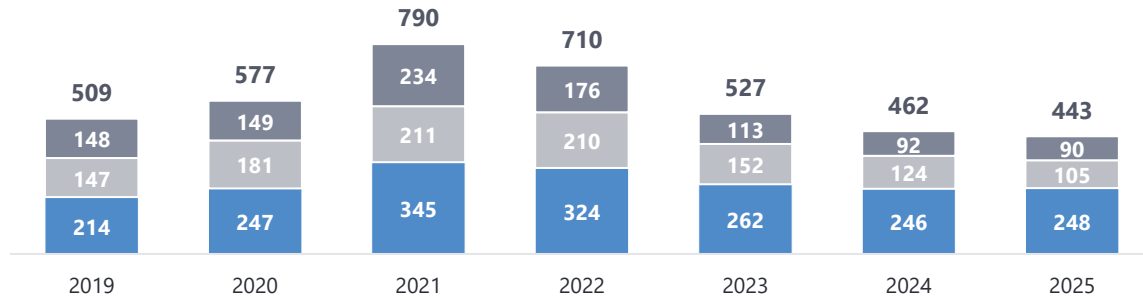
Growth and Venture Capital Deal Count and Contribution by Type

■ Angel/Seed ■ Early-Stage VC ■ Later-Stage VC



Growth and Venture Capital Deal Count and Contribution by Target Region⁽¹⁾

■ North America ■ EUR and U.K. ■ Other



Source: PitchBook (latest insurtech reporting as of December 31, 2025).
 Notes: Completed deals only. Data is nonexhaustive but highly representative of market trends. Excludes Accelerator/Incubator and Grant Deals.
 (1) Other includes Central America, South America, Asia, Africa, the Middle East, and Oceania.

Selected 2025 InsurTech Growth and Venture Activity

Market shift to smaller deals with more structure and/or lighter valuation.

| Date | Target | Target Country | Target Description | Lead Investor(s) | Investor Country | Amount (\$M) | Post Val. (\$M) |
|--------|---|---|---|----------------------------------|---|--------------|-----------------|
| Dec-25 |  CHAMP |  | Vehicle title management platform. | ORIX, Point72, W.R. Berkley |  | \$55 | -- |
| Dec-25 |  NIRVANA |  | AI-driven commercial trucking insurer. | Valor Equity Partners |  | \$100 | -- |
| Dec-25 |  Ben |  | Employee benefits management platform. | Mercia Ventures |  | \$28 | -- |
| Dec-25 |  parametrix Insurance |  | Parametric insurance for technology and digital infrastructure downtime. | Consortium | -- | \$27 | -- |
| Dec-25 |  Bennie |  | Digital employee benefits broker. | LNC Partners |  | \$50 | -- |
| Dec-25 |  KINETIC |  | Workers' compensation insurance MGU and embedded safety solutions. | Trinity Capital |  | -- | -- |
| Nov-25 |  Modern Life |  | AI-powered life insurance brokerage platform. | Thrive Capital |  | \$20 | -- |
| Nov-25 |  FEDERATO |  | AI-driven underwriting and policy admin platform. | Goldman Sachs Growth Equity |  | \$100 | \$780 |
| Nov-25 |  Anzen |  | AI-powered commercial insurance distribution platform. | Madrona |  | \$16 | \$69 |
| Nov-25 |  clearcover |  | Digital auto insurer. | Allegis Capital |  | \$25 | -- |
| Oct-25 |  INDICO DATA |  | Agentic AI decisioning platform for the insurance industry. | Aviva Ventures |  | -- | -- |
| Oct-25 |  MGT |  | AI-native neo-insurer serving the E&S and P&C market for small businesses. | Mubadala |  | \$22 | -- |
| Oct-25 |  STAND |  | Property insurer and risk analytics platform. | Eclipse Ventures |  | \$35 | \$166 |
| Oct-25 |  INSTANDA |  | No-code platform enabling insurers and MGAs to launch, manage, and optimize products. | CommerzVentures |  | \$20 | -- |
| Oct-25 |  Xceedance |  | Provider of technology and data solutions to the insurance industry. | Portage |  | -- | -- |
| Oct-25 |  liberate |  | AI-native, omnichannel end-to-end automation platform for insurers and brokers. | Battery Ventures |  | \$50 | \$300 |
| Oct-25 |  FurtherAI |  | AI-driven workflow automation platform for insurance professionals. | Andreessen Horowitz |  | \$25 | -- |
| Oct-25 |  meanwhile |  | Regulated bitcoin life insurer. | Bain Capital, Huan Ventures |  | \$82 | -- |
| Sep-25 |  Leap |  | Digital MGA offering deposit replacement and rent guarantee solutions. | Community Financial System |  | \$37 | -- |
| Sep-25 |  reserv |  | AI-native TPA and software provider for P&C insurance. | QBE Ventures |  | \$41 | -- |
| Sep-25 |  kin. |  | Direct-to-consumer digital home insurance provider. | Activate Capital, QED |  | \$250 | \$2,000 |
| Sep-25 |  earnix |  | AI-driven pricing, underwriting, rating, and product personalization platform. | TPG |  | \$290 | -- |
| Aug-25 |  employee NAVIGATOR |  | Benefits administration and HR software provider. | JMI, Spectrum Equity |  | \$100 | -- |
| Aug-25 |  OVERHAUL |  | Supply chain risk management platform with in-house insurance agency. | Springcoast Capital |  | \$105 | \$650 |
| Aug-25 |  beam |  | Digitally led employee benefits platform. | Consortium | -- | \$18 | \$633 |
| Jul-25 |  Cover Whale |  | Digital commercial auto insurance MGA and telematics solutions. | Morgan Stanley Expansion Capital |  | \$40 | -- |
| Jul-25 |  INSHUR |  | Embedded insurance platform for on-demand drivers. | Trinity Capital |  | \$35 | -- |
| Jul-25 |  wefox |  | Technology-driven insurance distribution and MGA services. | Consortium | -- | \$88 | -- |
| Jun-25 |  Ledgebrook |  | API powered quoting for E&S insurance. | The Stephens Group |  | \$65 | -- |
| Jun-25 |  DESCARTES |  | Digital MGA offering parametric insurance for climate and emerging risks. | Battery Ventures |  | -- | -- |
| Jun-25 |  ZOFO |  | AI-powered benefits administration platform. | Entrée Capital |  | \$20 | -- |

Sources: PitchBook, S&P Capital IQ, Mergermarket.com, other publicly available company filings, industry news reports.

Note: Deals are listed chronologically based on transaction announcement.

Selected 2025 InsurTech Growth and Venture Activity (cont.)

Market shift to smaller deals with more structure and/or lighter valuation.

| Date | Target | Target Country | Target Description | Lead Investor(s) | Investor Country | Amount (\$M) | Post Val. (\$M) |
|--------|------------------------|----------------|--|-------------------------------------|------------------|--------------|-----------------|
| Jun-25 | baobab | | Cyber insurance platform with integrated security solutions. | Viola FinTech, eCapital | | \$14 | -- |
| Jun-25 | boltech | | Embedded insurance platform. | Consortium | -- | \$147 | \$2,100 |
| May-25 | Kota | | Employee benefits management platform. | Eurazeo | | \$15 | -- |
| May-25 | ACRISURE | | Insurance brokerage, payroll, cybersecurity, and employee benefits platform for SMEs. | Bain Capital | | \$2,100 | \$32,000 |
| May-25 | HUB | | Full-service global insurance broker and financial services platform. | T Rowe Price | | \$1,600 | \$29,000 |
| May-25 | BESTOW | | End-to-end policy origination and management platform for life insurers. | GS Growth Equity, Smith Point | | \$120 | -- |
| Apr-25 | STEADILY | | Online insurance platform for rental property owners. | Two Sigma Ventures | | \$30 | \$355 |
| Apr-25 | Chapter | | Comprehensive Medicare navigation platform. | Stripes | | \$75 | -- |
| Apr-25 | marshmallow | | Online car insurance comparison platform. | Portage Ventures | | \$45 | \$2,000 |
| Apr-25 | meanwhile | | Digital asset-denominated life insurance platform. | Framework Ventures, Fulgur Ventures | | \$40 | \$190 |
| Mar-25 | dalma. | | Digital MGA for pet insurance. | Breega | | \$21 | -- |
| Mar-25 | NIRVANA | | AI-driven commercial trucking insurer. | General Catalyst | | \$80 | \$830 |
| Mar-25 | InsuranceDekho | | Online comparison platform for motor, health, life, and commercial insurance. | Beams Fintech, MUFG | | \$70 | -- |
| Mar-25 | CoverForce | | Marketplace for quote-and-bind API connections in commercial insurance. | Insight Partners | | \$13 | -- |
| Mar-25 | Coalition | | Active insurance provider and cybersecurity solutions. | Mitsui Sumitomo Insurance | | \$30 | -- |
| Mar-25 | Assured | | AI-driven claims intelligence and automation platform. | Kleiner Perkins, ICONIQ | | \$24 | \$1,000 |
| Feb-25 | CompScience | | Active workers' compensation insurance and risk management solutions. | Sands Capital | | \$28 | -- |
| Feb-25 | napo | | Digital pet insurance and pet care platform. | Mercia Ventures | | \$15 | -- |
| Feb-25 | COVU | | AI-driven insurance customer management and risk advisory services. | Benhamou Global Ventures | | \$22 | -- |
| Feb-25 | HQVI | | Tech-driven commercial auto insurance provider. | Consortium | -- | \$40 | -- |
| Feb-25 | comulate | | Accounting automation and revenue intelligence platform for insurance brokers. | BOND, Workday Ventures | | \$20 | -- |
| Feb-25 | SELECTQUOTE | | Digital health and life insurance distribution platform. | Bain, Morgan Stanley, Newlight | | \$350 | -- |
| Jan-25 | Openly | | Digital homeowners insurance provider. | Eden Global Partners, Allianz X | | \$123 | -- |
| Jan-25 | The Helper Bees | | InsurTech company focused on enabling older adults to live independently at home. | Centana | | \$35 | \$200 |
| Jan-25 | Naked | | Digital insurance platform leveraging AI to provide instant coverage. | BlueOrchard Finance | | \$38 | -- |
| Jan-25 | netradyne | | AI-powered fleet safety, video telematics, and insurance solutions. | Point72 Ventures | | \$90 | \$1,440 |
| Jan-25 | Parsyl | | AI-powered insurer of complex supply chains. | Lightsmith Group | | \$21 | \$150 |
| Jan-25 | ICEYE | | SAR satellite technology provider offering real-time data and insights to insurance clients. | Consortium | -- | \$65 | -- |
| Jan-25 | Matic | | Embedded insurance platform for home, auto, and other personal lines insurance. | Vistara Growth | | \$30 | -- |
| Jan-25 | JONES | | AI-enabled insurance verification platform. | NewSpring Capital | | \$15 | \$48 |
| Jan-25 | OVERHAUL | | Supply chain risk management platform with in-house insurance agency. | Springcoast Capital | | \$55 | \$412 |

Sources: PitchBook, S&P Capital IQ, Mergermarket.com, other publicly available company filings, industry news reports.

Note: Deals are listed chronologically based on transaction announcement.

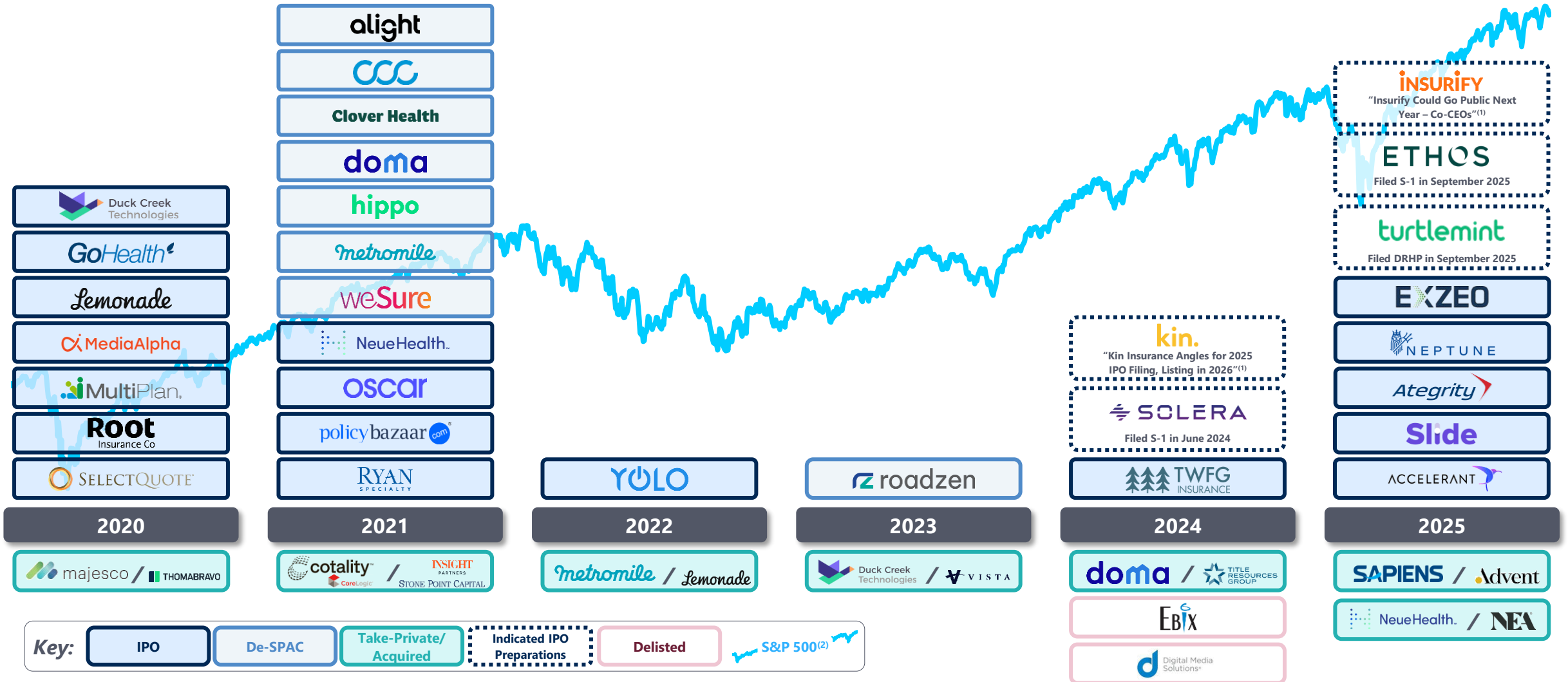


InsurTech Market Activity
Update: Public Company
Performance

05

InsurTech Investment Activity Has Been Bolstered by Recent Marquee M&A, Recap, Growth Capital Raise, and Public Market Events

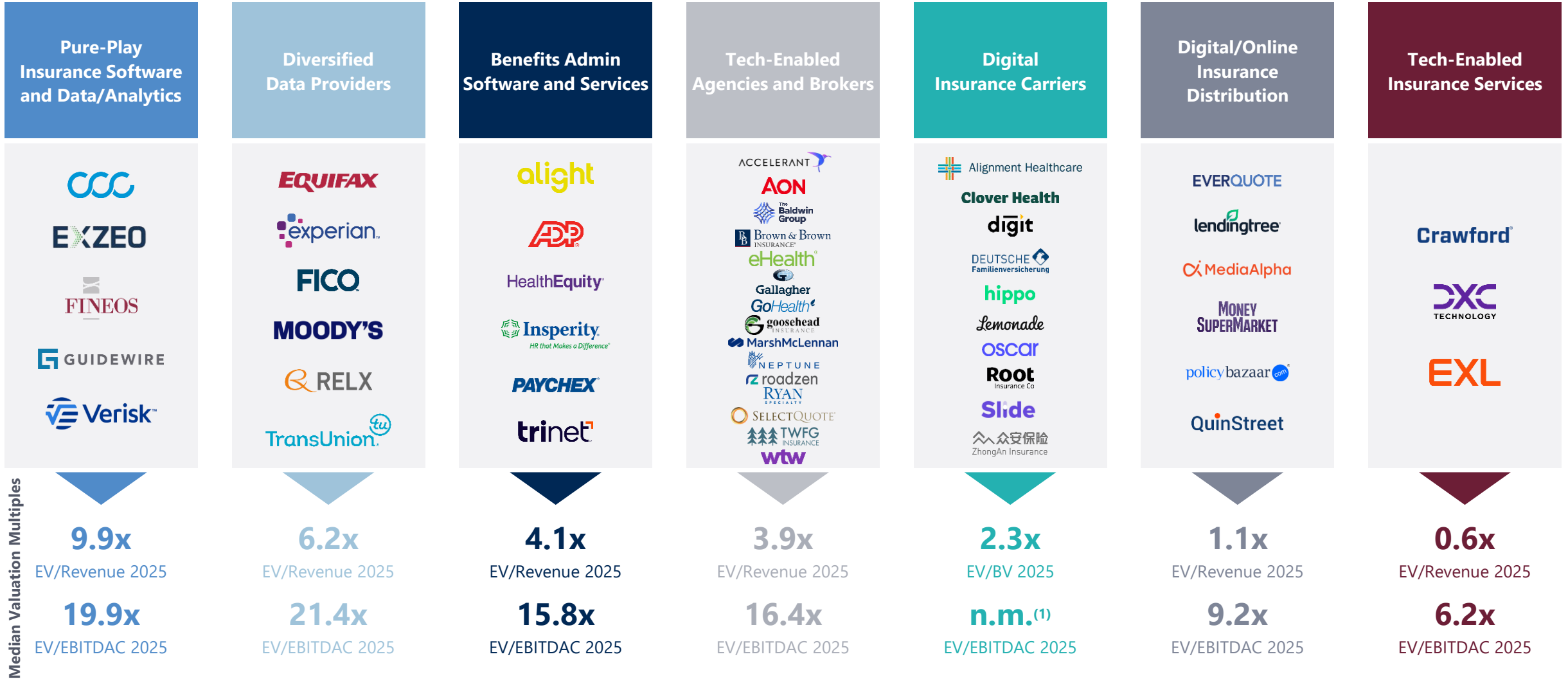
Selected InsurTech IPOs, de-SPACs, and Take-Private Deals Since 2020



(1) As reported by IONAnalytics.com, InsuranceInsiderUS.com, InsuranceBusinessMag.com, and others.

(2) As of December 31, 2025.

Overview of Current Valuation Multiples for InsurTech

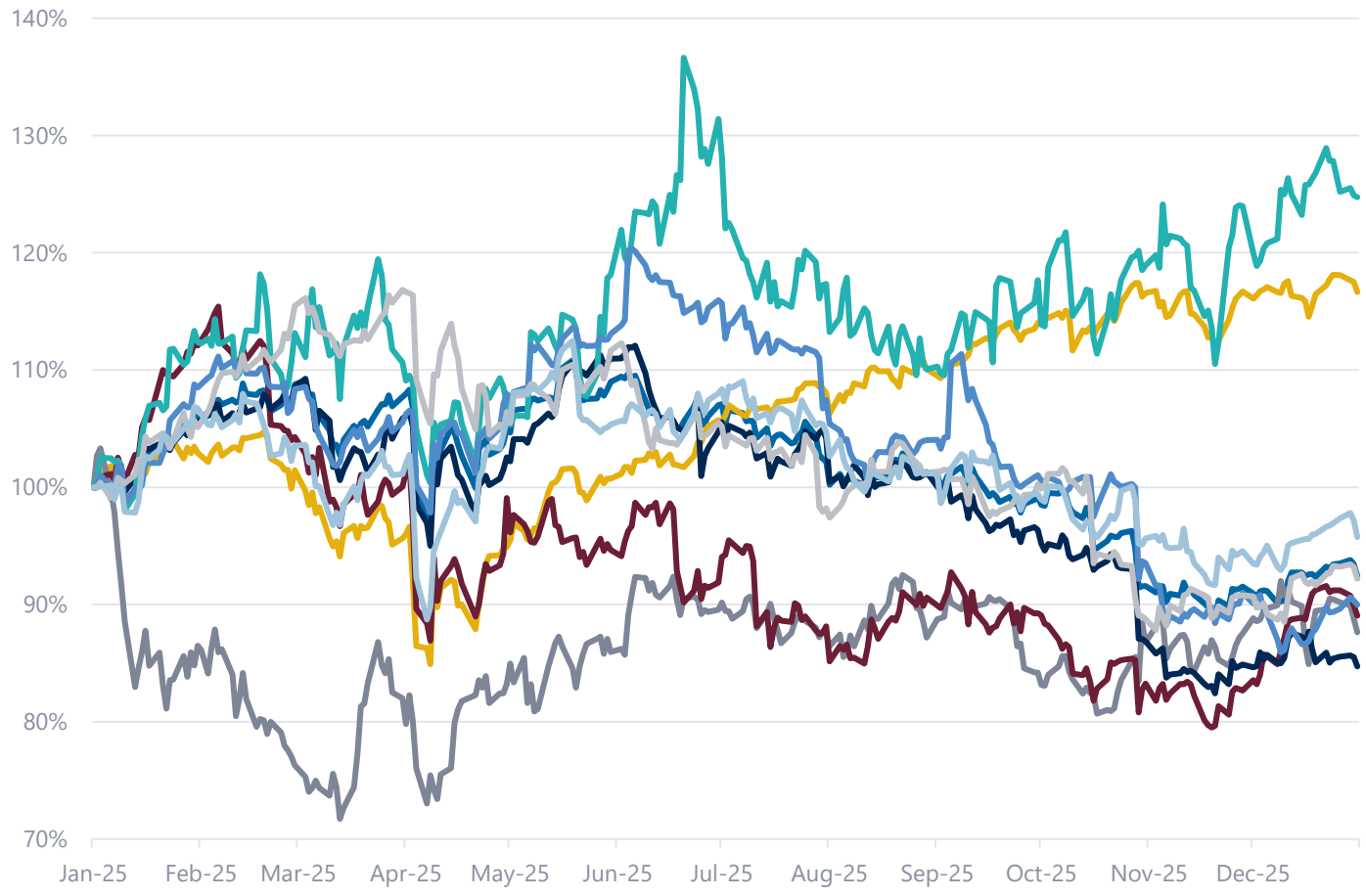


Notes: Data derived from S&P Capital IQ as of December 31, 2025. "EBITDAC" is equal to EBITDA less capex.

(1) n.m. due to only one meaningful datapoint in the comp set.

InsurTech Public Company Stock Performance Summary

Indexed Share Price Performance Since January 2025



| Index | 2025 Return |
|---|-------------|
| Digital Insurance Carriers | 25% |
| S&P 500 | 17% |
| Diversified Data Providers | (4%) |
| Total InsurTech ⁽¹⁾ | (8%) |
| Tech-Enabled Agencies and Brokers | (8%) |
| Pure-Play Insurance Software and Data/Analytics | (10%) |
| Tech-Enabled Insurance Services | (11%) |
| Digital/Online Insurance Distribution | (12%) |
| Benefits Admin Software and Services | (15%) |

Notes: Indices shown are market-cap-weighted with all share prices rebased to 100. Data derived from S&P Capital IQ as of December 31, 2025.
 (1) Total InsurTech Index includes Houlihan Lokey's public comparables across all segments of insurtech.

See our FinTech Market Updates for more valuation analysis regarding the broader FinTech market.

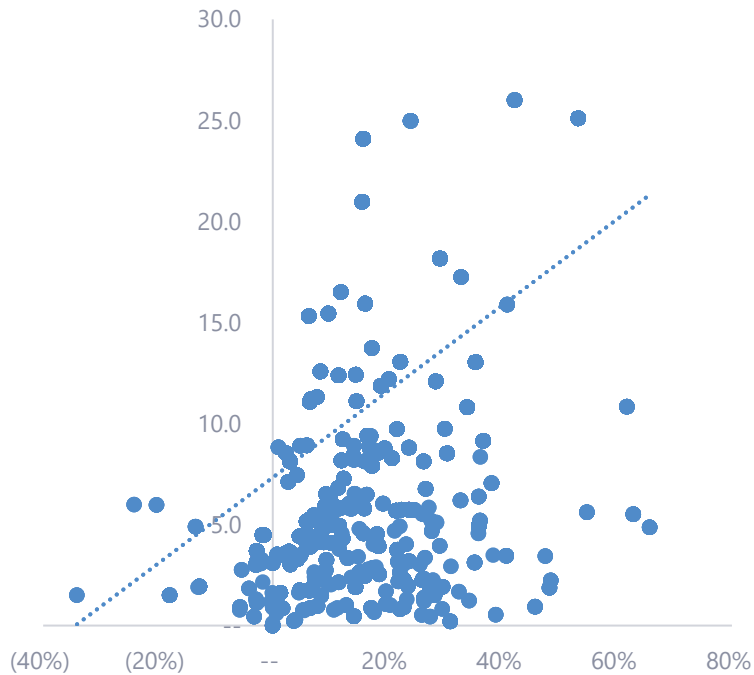


Regression Analysis Indicates That Investors Are Weighing Profitability More Heavily Than Growth for All Public FinTechs

While both the "Rule of" metric (revenue growth plus EBITDA margin) and EBITDAC margin demonstrate strong correlation with revenue multiples, there is little correlation between revenue multiple and revenue growth alone.

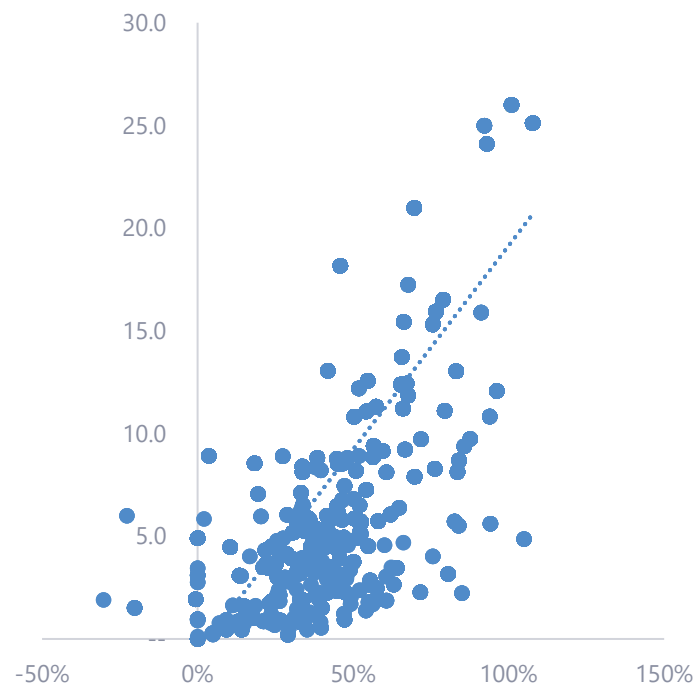
Revenue Growth vs. Revenue Multiple

$R^2 = 0.148$



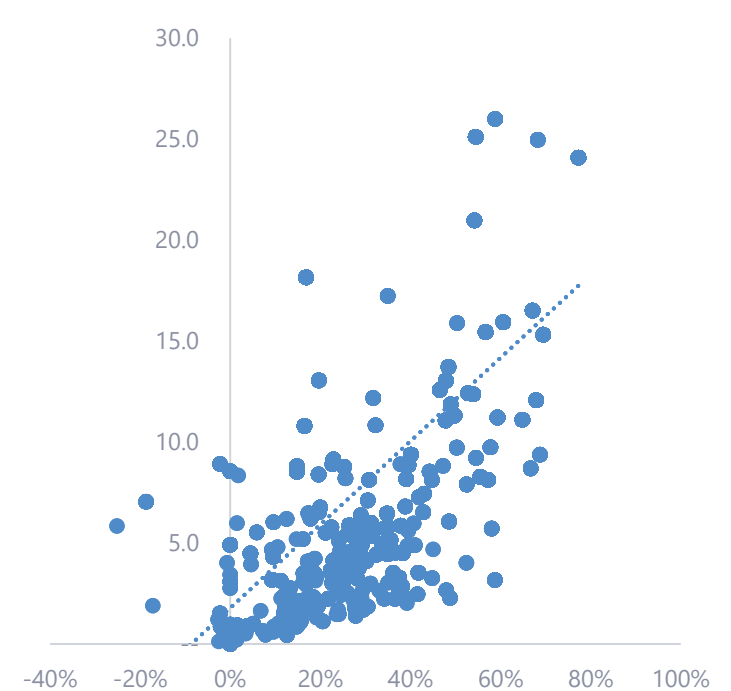
"Rule of" vs. Revenue Multiple

$R^2 = 0.6144$



EBITDAC MARGIN vs. Revenue Multiple

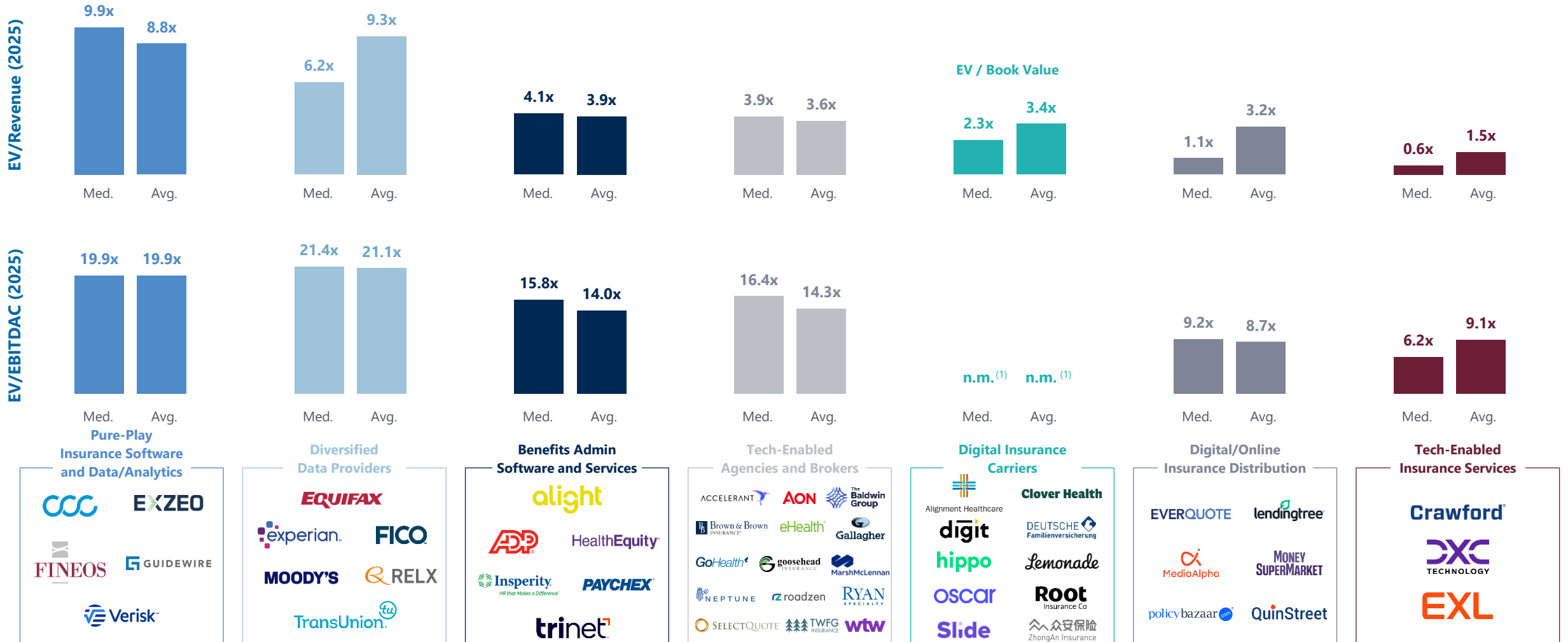
$R^2 = 0.4787$



Sources: Trading multiples based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of December 31, 2025.
 Note: FinTech regressions shown are market-cap-weighted. Includes insurtech public companies as well as broader universe of FinTech public companies. Excludes companies with market capitalizations less than \$250M.

InsurTech Public Company Valuation Multiples

Valuation multiples vary widely by business model and underlying operating metrics.

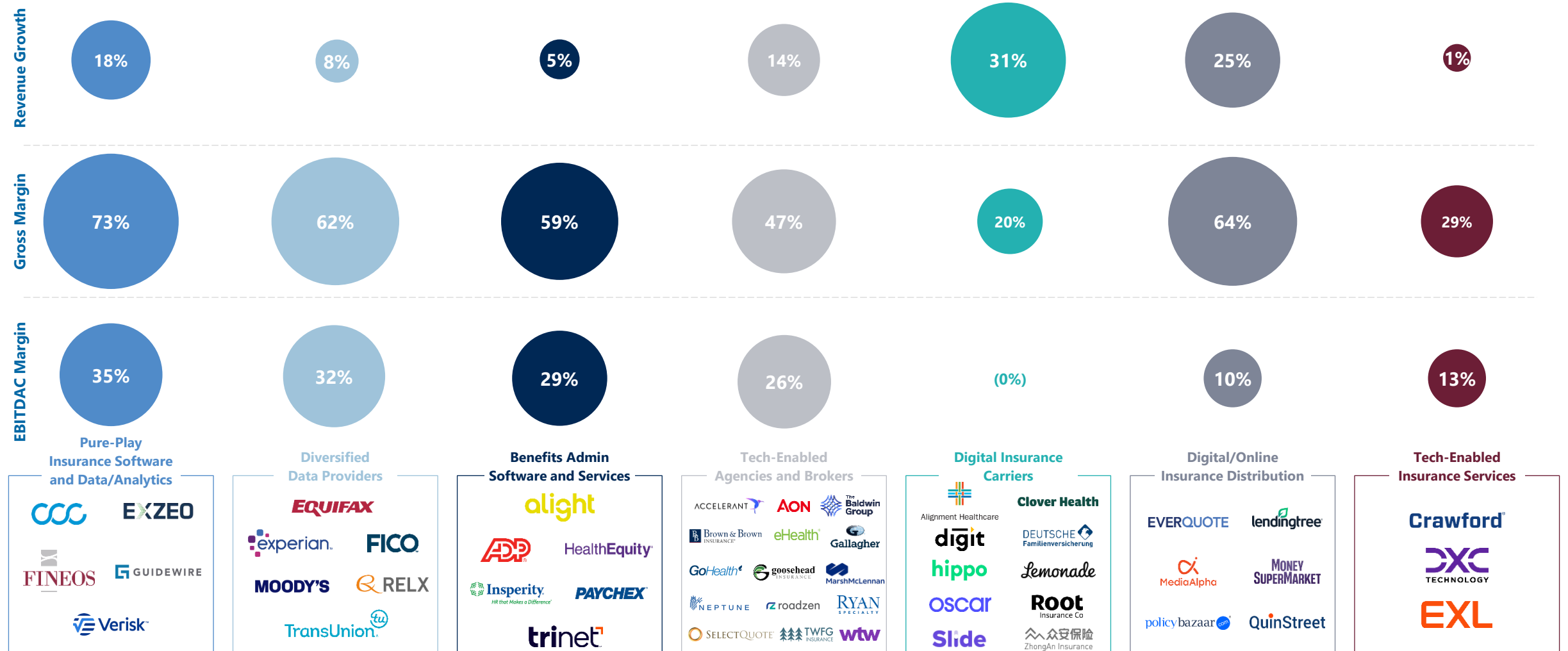


Notes: Data derived from S&P Capital IQ as of December 31, 2025. "EBITDAC" is equal to EBITDA less capex.

(1) n.m. due to only one meaningful datapoint in the comp set.

InsurTech Public Company Operating Metrics

Underlying operating metrics (2025 medians) vary widely by business model and underlying operating metrics.



Notes: All figures shown are 2025 medians. Data derived from S&P Capital IQ as of December 31, 2025. "EBITDAC" is equal to EBITDA less capex.

InsurTech Public Companies: Valuation Multiple and Operating Metric Detail

| Company Name | Capitalization | | Stock Performance | | Valuation Metrics | | | | | | Calendar Year 2025A Operating Metrics | | | | |
|--|------------------|------------------------|-------------------|-------------------|-------------------|-------------|--------------|--------------|-----------------------|--------------|---------------------------------------|--------------|---------------|----------------|------------|
| | Market Cap (\$M) | Enterprise Value (\$M) | YTD Return | % of 52 Week High | EV / Revenue | | EV / EBITDA | | EV / (EBITDA - CapEx) | | Revenue Growth | Gross Margin | EBITDA Margin | EBITDAC Margin | Rule of 40 |
| | | | | | CY 2025A | CY 2026E | CY 2025A | CY 2026E | CY 2025A | CY 2026E | | | | | |
| <u>Pure-Play Insurance Software and Data/Analytics</u> | | | | | | | | | | | | | | | |
| Verisk | \$31,176 | \$33,958 | (19%) | 69% | 11.1x | 10.2x | 19.9x | 18.1x | 23.2x | 21.2x | 6% | 70% | 56% | 48% | 54% |
| Guidewire | \$17,090 | \$17,302 | 19% | 74% | 13.1x | 11.4x | n.m. | n.m. | n.m. | n.m. | 22% | 63% | 21% | 20% | 42% |
| CCC Intelligent | \$5,104 | \$6,106 | (32%) | 67% | 5.8x | 5.3x | 14.3x | 12.9x | 16.6x | 14.9x | 12% | 76% | 41% | 35% | 47% |
| Exzeo | \$2,201 | \$2,068 | n.a. | n.a. | 9.9x | 8.7x | 20.0x | 17.1x | n.m. | n.m. | 55% | n.a. | 49% | 48% | 103% |
| Fineos | \$689 | \$652 | 76% | 91% | 4.0x | 3.8x | 19.2x | 16.6x | n.m. | n.m. | 18% | 76% | 21% | (1%) | 17% |
| Median | | | 0% | 72% | 9.9x | 8.7x | 19.5x | 16.8x | 19.9x | 18.0x | 18% | 73% | 41% | 35% | 53% |
| Average | | | 11% | 75% | 8.8x | 7.9x | 18.3x | 16.2x | 19.9x | 18.0x | 23% | 71% | 37% | 30% | 53% |
| <u>Diversified Data Providers</u> | | | | | | | | | | | | | | | |
| Moody's | \$91,133 | \$96,564 | 8% | 96% | 12.6x | 11.6x | 24.7x | 22.6x | 27.1x | 24.7x | 8% | 74% | 51% | 46% | 55% |
| RELX | \$73,918 | \$83,971 | (11%) | 72% | 6.5x | 6.1x | 16.2x | 15.1x | 18.6x | 17.3x | 10% | 66% | 40% | 35% | 45% |
| Experian | \$41,372 | \$46,846 | 5% | 82% | 5.9x | 5.4x | 16.7x | 15.2x | 22.2x | 19.8x | 7% | 41% | 35% | 26% | 34% |
| FICO | \$40,083 | \$43,041 | (15%) | 76% | 21.0x | 16.7x | n.m. | 27.5x | n.m. | 28.1x | 16% | 83% | 56% | 54% | 70% |
| Equifax | \$26,557 | \$31,318 | (15%) | 77% | 5.2x | 4.8x | 16.2x | 14.4x | 21.4x | 18.3x | 6% | 57% | 32% | 24% | 31% |
| TransUnion | \$16,653 | \$21,186 | (8%) | 85% | 4.7x | 4.3x | 13.0x | 11.7x | 16.2x | 14.3x | 8% | 59% | 36% | 29% | 37% |
| Median | | | (9%) | 80% | 6.2x | 5.7x | 16.2x | 15.1x | 21.4x | 19.1x | 8% | 63% | 38% | 32% | 40% |
| Average | | | (6%) | 81% | 9.3x | 8.1x | 17.3x | 17.7x | 21.1x | 20.4x | 9% | 63% | 42% | 36% | 45% |
| <u>Benefits Admin Software and Services</u> | | | | | | | | | | | | | | | |
| ADP | \$104,036 | \$111,432 | (12%) | 78% | 5.3x | 5.0x | 18.5x | 16.7x | 19.0x | 17.2x | 6% | 48% | 28% | 28% | 34% |
| Paychex | \$40,269 | \$43,820 | (20%) | 70% | 7.3x | 6.5x | 15.9x | 13.7x | 17.3x | 14.7x | 12% | 73% | 46% | 42% | 54% |
| HealthEquity | \$7,827 | \$8,546 | (5%) | 79% | 6.5x | 6.0x | 15.1x | 13.7x | 15.2x | 13.7x | 9% | 69% | 43% | 43% | 52% |
| TriNet | \$2,840 | \$3,462 | (35%) | 61% | 2.9x | 2.8x | 8.1x | 8.0x | 9.6x | 9.4x | (76%) | 75% | 36% | 30% | (46%) |
| Insperty | \$1,460 | \$1,474 | (50%) | 40% | 0.2x | 0.2x | 10.9x | 7.0x | 16.3x | 8.9x | 4% | 13% | 2% | 1% | 5% |
| Alight | \$1,019 | \$2,950 | (72%) | 25% | 1.3x | 1.3x | 4.9x | 4.7x | 6.8x | 5.7x | (3%) | 38% | 27% | 19% | 16% |
| Median | | | (27%) | 65% | 4.1x | 3.9x | 13.0x | 10.8x | 15.8x | 11.5x | 5% | 59% | 32% | 29% | 34% |
| Average | | | (32%) | 59% | 3.9x | 3.7x | 12.2x | 10.6x | 14.0x | 11.6x | (8%) | 53% | 30% | 27% | 19% |
| <u>Tech-Enabled Agencies and Brokers</u> | | | | | | | | | | | | | | | |
| Marsh McLennan | \$90,888 | \$110,009 | (13%) | 75% | 4.1x | 3.9x | 14.4x | 13.4x | 15.0x | 14.2x | 10% | 44% | 28% | 27% | 37% |
| Aon | \$75,846 | \$92,669 | (2%) | 85% | 5.4x | 5.1x | 16.3x | 15.1x | 17.1x | 15.8x | 10% | 47% | 33% | 31% | 41% |
| Arthur J. Gallagher | \$66,459 | \$78,795 | (9%) | 74% | 5.7x | 4.7x | 17.5x | 14.1x | 18.3x | 14.8x | 27% | 44% | 32% | 31% | 58% |
| Willis Towers Watson | \$31,463 | \$35,554 | 5% | 93% | 3.7x | 3.5x | 13.4x | 12.5x | 14.7x | 13.5x | (3%) | 42% | 27% | 25% | 22% |
| Brown & Brown | \$27,211 | \$34,075 | (22%) | 63% | 5.7x | 4.7x | 16.1x | 13.3x | 16.7x | 13.8x | 26% | 49% | 36% | 34% | 60% |
| Ryan Specialty | \$13,640 | \$17,663 | (20%) | 67% | 5.7x | 4.9x | 17.9x | 15.4x | 19.1x | 16.2x | 25% | 42% | 32% | 30% | 55% |
| Neptune Insurance | \$4,025 | \$4,276 | n.a. | n.a. | n.m. | n.m. | n.m. | n.m. | n.m. | n.m. | 30% | 66% | 60% | 60% | 90% |
| Accelerant | \$3,627 | \$2,172 | n.a. | n.a. | 2.4x | 2.1x | 8.1x | 8.0x | 8.1x | 8.0x | 62% | 63% | 30% | 30% | 92% |
| The Baldwin Group | \$2,851 | \$4,992 | (38%) | n.a. | 3.3x | 2.5x | 14.6x | 10.6x | 16.4x | 11.4x | 9% | 28% | 23% | 20% | 29% |
| Goosehead | \$1,835 | \$2,068 | (31%) | 58% | 5.8x | 4.8x | 19.1x | 16.2x | 22.5x | 23.4x | 14% | 46% | 30% | 26% | 40% |
| TWFG | \$642 | \$721 | (7%) | 78% | 3.0x | 2.4x | 12.5x | 10.8x | n.m. | 11.0x | 18% | 85% | 24% | 2% | 19% |
| SelectQuote | \$248 | \$662 | (62%) | 21% | 0.4x | 0.4x | 7.2x | 5.3x | 7.2x | n.m. | 11% | 35% | 6% | 6% | 16% |
| Roadzen | \$192 | \$217 | 11% | 81% | 4.2x | 2.3x | n.m. | 17.6x | n.m. | n.m. | 21% | 61% | (5%) | (5%) | 16% |
| eHealth | \$142 | \$171 | (51%) | 40% | 0.3x | 0.3x | 2.2x | 2.7x | 2.7x | 3.4x | 3% | 100% | 14% | 12% | 14% |
| GoHealth | \$35 | \$544 | (84%) | 10% | 1.2x | 1.7x | n.m. | n.m. | n.m. | n.m. | (45%) | 69% | (8%) | (11%) | (56%) |
| Median | | | (20%) | 70% | 3.9x | 3.0x | 14.5x | 13.3x | 16.4x | 13.8x | 14% | 47% | 28% | 26% | 40% |
| Average | | | (25%) | 62% | 3.6x | 3.1x | 13.3x | 11.9x | 14.3x | 13.2x | 15% | 55% | 24% | 21% | 36% |

Notes: Analysis based on data reported from S&P Capital IQ and filings as of December 31, 2025.

Rule of 40 calculated as % Revenue Growth plus % (EBITDA—CapEx) Margin.

"n.m." designates outlier multiple greater than 20x revenue or 35x EBITDA(C) (or negative figure).

InsurTech Public Companies: Valuation Multiple and Operating Metric Detail (cont.)

| Company Name | Capitalization | | Stock Performance | | Valuation Metrics | | | | | | Calendar Year 2025A Operating Metrics | | | | |
|--|------------------|------------------------|-------------------|-------------------|-------------------|-------------|-------------|--------------|-----------------------|--------------|---------------------------------------|--------------|---------------|----------------|------------|
| | Market Cap (\$M) | Enterprise Value (\$M) | YTD Return | % of 52 Week High | EV / Revenue | | EV / EBITDA | | EV / (EBITDA - CapEx) | | Revenue Growth | Gross Margin | EBITDA Margin | EBITDAC Margin | Rule of 40 |
| | | | | | CY 2025A | CY 2026E | CY 2025A | CY 2026E | CY 2025A | CY 2026E | | | | | |
| Digital Insurance Carriers | | | | | | | | | | | | | | | |
| Lemonade | \$5,319 | \$5,125 | 94% | 84% | 9.9x | n.a. | n.m. | n.m. | n.m. | n.m. | 38% | 37% | (18%) | (19%) | 19% |
| Alignment Healthcare | \$3,952 | \$3,663 | 76% | 94% | n.m. | n.a. | n.m. | 25.2x | n.m. | 34.3x | 46% | 12% | 2% | 2% | 47% |
| Oscar Health | \$3,799 | \$2,395 | 7% | 60% | 2.3x | n.a. | n.m. | 22.7x | n.m. | 35.0x | 31% | 15% | (2%) | (2%) | 29% |
| Go Digit | \$3,541 | \$3,565 | 3% | 90% | 6.7x | n.a. | n.m. | n.m. | n.m. | n.m. | 9% | 14% | n.a. | n.a. | n.a. |
| ZhongAn | \$3,483 | \$4,838 | 36% | 71% | 1.6x | n.a. | n.m. | n.m. | n.m. | n.m. | 9% | 12% | n.a. | n.a. | n.a. |
| Slide Insurance | \$2,421 | \$1,605 | n.a. | n.a. | 1.7x | n.a. | n.m. | n.m. | n.m. | n.m. | 42% | 62% | n.a. | n.a. | n.a. |
| Clover Health | \$1,214 | \$1,024 | (25%) | 48% | 3.0x | n.a. | n.m. | 18.8x | n.m. | 19.8x | 39% | 18% | 1% | 1% | 40% |
| Root | \$1,120 | \$667 | (0%) | 40% | 2.5x | n.a. | 5.7x | 5.7x | 5.7x | 5.7x | 27% | 26% | 8% | 8% | 35% |
| Hippo | \$762 | \$568 | 12% | 77% | 1.3x | n.a. | n.m. | 33.6x | n.m. | 33.6x | 26% | 22% | (3%) | (3%) | 24% |
| DFV Deutsche | \$118 | \$112 | 35% | 92% | 1.6x | n.a. | n.m. | n.m. | n.m. | n.m. | n.a. | 67% | n.a. | n.a. | n.a. |
| Median | | | 12% | 77% | 2.3x | n.a. | 5.7x | 22.7x | 5.7x | 33.6x | 31% | 20% | (0%) | (0%) | 30% |
| Average | | | 26% | 73% | 3.4x | n.a. | 5.7x | 21.2x | 5.7x | 25.7x | 30% | 29% | (2%) | (2%) | 28% |
| Digital/Online Insurance Distribution | | | | | | | | | | | | | | | |
| PolicyBazaar | \$9,413 | \$9,407 | (18%) | 81% | 13.5x | 10.4x | n.m. | n.m. | n.m. | n.m. | 30% | 62% | 7% | 4% | 35% |
| MoneySuperMarket.com | \$1,296 | \$1,353 | 3% | 82% | 2.3x | 2.2x | 7.0x | 6.9x | 7.8x | 7.6x | 9% | 65% | 32% | 29% | 38% |
| EverQuote | \$971 | \$828 | 35% | 90% | 1.2x | 1.1x | 9.1x | 7.6x | 9.6x | 8.0x | 34% | 97% | 14% | 13% | 47% |
| QuinStreet | \$816 | \$724 | (38%) | 56% | 0.7x | 0.6x | 8.9x | 6.6x | 9.2x | 6.8x | 18% | 10% | 7% | 7% | 25% |
| MediaAlpha | \$736 | \$817 | 15% | 93% | 0.7x | 0.7x | 7.3x | 6.8x | 7.3x | 6.9x | 30% | 15% | 10% | 10% | 40% |
| LendingTree | \$726 | \$1,107 | 37% | 69% | 1.0x | 1.0x | 8.7x | 7.7x | 9.5x | 8.2x | 20% | 96% | 12% | 11% | 31% |
| Median | | | 9% | 82% | 1.1x | 1.0x | 8.7x | 6.9x | 9.2x | 7.6x | 25% | 64% | 11% | 10% | 35% |
| Average | | | 6% | 78% | 3.2x | 2.6x | 8.2x | 7.1x | 8.7x | 7.5x | 24% | 58% | 14% | 12% | 36% |
| Tech-Enabled Insurance Services | | | | | | | | | | | | | | | |
| EXL Service | \$6,669 | \$6,946 | (4%) | 81% | 3.3x | 3.0x | 15.4x | 13.7x | 17.5x | 15.6x | 13% | 38% | 22% | 19% | 32% |
| DXC Technology | \$2,551 | \$5,622 | (27%) | 62% | 0.4x | 0.5x | 3.1x | 3.1x | 3.5x | 3.5x | (3%) | 25% | 14% | 13% | 9% |
| Crawford & Co. | \$543 | \$779 | (8%) | 87% | 0.6x | 0.6x | 6.2x | 5.7x | 6.2x | n.m. | 1% | 29% | 10% | 10% | 10% |
| Median | | | (8%) | 81% | 0.6x | 0.6x | 6.2x | 5.7x | 6.2x | 9.5x | 1% | 29% | 14% | 13% | 13% |
| Average | | | (13%) | 77% | 1.5x | 1.3x | 8.2x | 7.5x | 9.1x | 9.5x | 3% | 31% | 15% | 14% | 17% |

Notes: Analysis based on data reported from S&P Capital IQ and filings as of December 31, 2025.
Rule of 40 calculated as % Revenue Growth plus % (EBITDA—CapEx) Margin.
“n.m.” designates outlier multiple greater than 20x revenue or 35x EBITDA(C) (or negative figure).

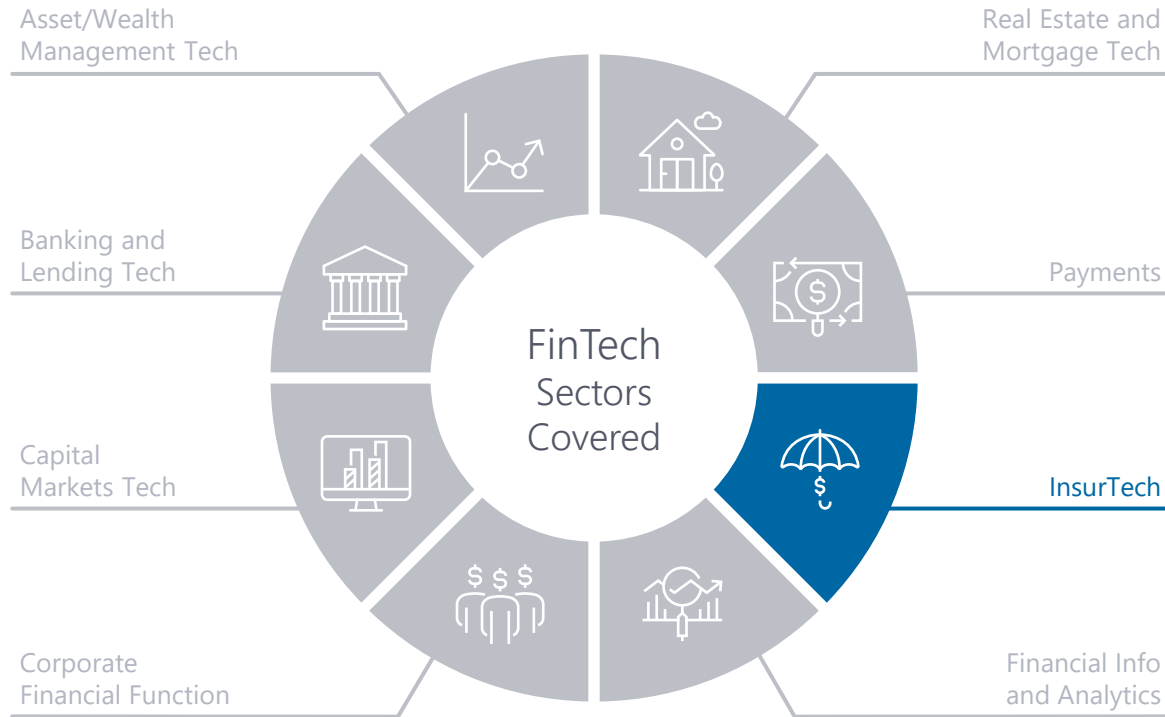


Appendix: Houlihan Lokey
Platform and FinTech
Practice Overview

06

Global, Market-Leading FinTech Group

Houlihan Lokey’s dedicated FinTech Group builds on the firm’s leading technology and financial services expertise and underscores its belief in and commitment to the future of FinTech. Our coverage is arranged around deep end-market expertise with dedicated senior-level financial professionals across every vertical of FinTech.



Note: As of June 2025.
 (1) PitchBook Data, Inc.
 (2) LSEG. Excludes accounting firms and brokers.

Houlihan Lokey’s FinTech Specialty



Global, specialized FinTech practice within a newly dedicated industry group.

- 140+ Total technology finance professionals.
- 125+ Dedicated FinTech/financial services finance professionals.
- 100+ FinTech transactions signed or closed since January 2021.



Fully integrated team across the world based in New York and London with additional financial professionals on the ground in Frankfurt, Atlanta, Los Angeles, and San Francisco.

22 Countries represented by parties in FinTech transactions since 2021.



2025 M&A Advisory Rankings
 All Global FinTech Transactions⁽¹⁾

| Advisor | Deals |
|---------------------------|-----------|
| 1 Houlihan Lokey | 22 |
| 2 The Goldman Sachs Group | 21 |
| 3 William Blair | 15 |

Complementary Industry Coverage and Broad Product Capabilities

Technology

2025 M&A Advisory Rankings
 All Global Technology Transactions⁽²⁾

| Advisor | Deals |
|-------------------------|------------|
| 1 Houlihan Lokey | 128 |
| 2 Goldman Sachs | 116 |
| 3 JP Morgan | 112 |

Financial Services

2025 M&A Advisory Rankings
 Global Financial Services Transactions Under \$5 Billion⁽²⁾

| Advisor | Deals |
|-------------------------|-----------|
| 1 Houlihan Lokey | 66 |
| 2 Goldman Sachs | 59 |
| 3 Morgan Stanley | 42 |

Product Capabilities

- M&A Advisory (Sellside and Buyside)
- Private Capital Solutions (Equity and Debt)
- Board and Special Committee Advisory
- Fairness Opinions and Valuation Services
- Financial Restructuring and Special Situations



Leading Independent, Global Advisory Firm

Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.

~2,700 Global Employees 33 Locations Worldwide \$11.79B Market Cap⁽¹⁾ \$2.6B Revenue⁽²⁾ ~25% Employee-Owned No Debt



CORPORATE FINANCE

2025 M&A Advisory Rankings
All Global Transactions

| Advisor | Deals |
|-------------------------|------------|
| 1 Houlihan Lokey | 458 |
| 2 Goldman Sachs | 441 |
| 3 Rothschild | 400 |
| 4 JP Morgan | 364 |
| 5 Morgan Stanley | 357 |

Source: LSEG.
Excludes accounting firms and brokers.

No. 1
Global M&A Advisor

Leading
Capital Solutions Group

FINANCIAL RESTRUCTURING

2025 Global Distressed Debt & Bankruptcy
Restructuring Rankings

| Advisor | Deals |
|-------------------------|-----------|
| 1 Houlihan Lokey | 83 |
| 2 PJT Partners | 55 |
| 3 Lazard | 50 |
| 4 Rothschild | 44 |
| 5 Evercore | 33 |

Source: LSEG.

No. 1
Global Restructuring Advisor

1,900+
Transactions Completed Valued at
More Than **\$4 Trillion** Collectively

FINANCIAL AND VALUATION ADVISORY

2001–2025 Global M&A Fairness Advisory
Rankings

| Advisor | Deals |
|-----------------------------------|--------------|
| 1 Houlihan Lokey | 1,170 |
| 2 Duff & Phelps, A Kroll Business | 1,069 |
| 3 JP Morgan | 1,034 |
| 4 UBS | 769 |
| 5 Morgan Stanley | 715 |

Source: LSEG.
Announced or completed transactions.

No. 1
Global M&A Fairness Opinion
Advisor Over the Past **25 Years**

2,500+
Annual Valuation Engagements

FINANCIAL SPONSORS COVERAGE

2024 Global Private Equity Financial
Advisors Rankings

| Advisor | Deals |
|-------------------------|------------|
| 1 Houlihan Lokey | 232 |
| 2 Rothschild | 189 |
| 3 Jefferies | 175 |
| 4 William Blair | 150 |
| 5 Morgan Stanley | 147 |

Source: The Deal.

No. 1
Most Active Advisor to
Private Equity—Globally

1,900+
Sponsors Covered Globally

Houlihan Lokey’s Financial and Valuation Advisory Business Is Highly Active in the Insurance and InsurTech Markets

Market leader in providing valuation, diligence, and financial opinion advisory services. Financial and Valuation Advisory (FVA) is organized as a coordinated team of transaction and valuation specialists, with solutions and expertise tailored to the needs of a given situation.

Board Advisory and Transaction Opinions Corporate Valuation Advisory Services

- Fairness Opinions
- Solvency and Other Capital Adequacy Opinions
- Special Committees
- Purchase Price Allocation
- Goodwill Impairment
- Financial Modeling Service, Complex Securities

Transaction Advisory Services

- Financial and Accounting Diligence
- Transaction Tax Advisory
- Accounting and Financial Reporting Advisory

Fund Opinions

- Affiliate Fund Fairness Opinions
- Fund Transaction Valuation

Portfolio Valuation and Fund Advisory

- Fair Value Reporting
- Investment Advisory Services
- Structured Product Valuation and Pricing
- Derivatives Valuation and Risk Management

Dispute Resolution Consulting

- Dispute Resolution and Financial Expert Opinions



Oscar Aarts
Managing Director
+1 212.497.7869
OAarts@HL.com



Matt Dodd
Managing Director
+1 212.497.7840
MDodd@HL.com

Illustrative FVA Insurance and InsurTech Client Engagements

| | | | |
|---|---|--|---|
| Sapiens has been acquired by Advent Fairness Opinion | Performed a Fairness Opinion of Speed Digital for Hagerty Fairness Opinion | FGL Holdings has been acquired by Fidelity National Financial Financial Advisor | SelectQuote has issued and sold \$80.0 million of Series D Convertible Preferred stock to Brookside Equity Partners Fairness Opinion |
|---|---|--|---|

Tombstones included herein represent transactions closed from 2014 forward. *LSEG. Announced or completed transactions.

FVA Emerging Solution Spotlight: Building an Equity Culture for InsurTech and Broker Platforms

Aligning the interests of all stakeholders in a business is key to ensuring its success. Creating an equity culture whereby both employees and shareholders have skin in the game can be the most effective way to accomplish this.

Employee Incentive Plans

- In most deals, a meaningful portion of the company’s equity is allocated to an employee incentive plan (typically up to 10%–20% of equity ownership).
- No matter the form (i.e., common equity, options, profit interests, etc.), the goal is always the same: align an employee’s interests with those of the overall firm and its investors.
- This employee-owned equity can be distributed upfront after an acquisition, on an ongoing basis as part of total compensation, or both.
- Most frequently, performance thresholds need to be met before equity vests or becomes “in the money.” These thresholds are typically related to value appreciation or other financial metric (i.e., revenue or EBITDA).

Equity as Acquisition Currency

- Equity is a highly effective currency to fuel M&A and lay a strong foundation for an enduring equity culture.
- Offering a portion of the overall transaction consideration in the form of equity can help align the interests of the selling senior executives who will continue running the business and can also help with long-term retention.
- Leveraging equity as currency can ease the cash burden associated with M&A and allow for more financing flexibility, which is especially relevant in high-interest-rate environments.
- Acquirers often pay up to (or even more than) 30% of the overall deal consideration in the form of rollover equity.

We Can Help You Establish These Valuation Parameters

- Engaging Houlihan Lokey as an independent valuation agent will drive validation across all stakeholders versus using an internally produced valuation.
- Our technical and industry expertise allows for the delivery of a world-class work product.
- Our more-than-50-year history as a global leader in FVA inspires confidence in the executives, boards of directors, special committees, investors, and business owners we serve.

No. 1

Global M&A Fairness Opinion Advisor Over the Past 25 Years

2,500+

Annual Valuation Engagements*

We Look Forward to Seeing You!

Upcoming FinTech Events and Houlihan Lokey Conferences

ONE HOULIHAN LOKEY
GLOBAL CONFERENCE



ONE Houlihan Lokey Global Conference (New York)

May 12–14, 2026
New York, NY

SEE NEXT TWO PAGES FOR MORE INFORMATION

[Click to Connect](#)



Insurtech Insights

March 18–19, 2026 (London)
June 3–4, 2026 (New York)

[Click to Connect](#)



ITC Vegas (Formerly InsureTech Connect)

September 29 – October 1, 2026
Las Vegas, Nevada

[Click to Connect](#)

ONE HOULIHAN LOKEY
GLOBAL CONFERENCE



ONE Houlihan Lokey Global Conference (London)

November 2026
London, U.K.

SEE NEXT TWO PAGES FOR MORE INFORMATION

[Click to Connect](#)



Money20/20 Europe

June 2–4, 2026
Amsterdam, Netherlands

[Click to Connect](#)



Money20/20 USA

October 18–21, 2026
Las Vegas, Nevada

[Click to Connect](#)

ONE HOULIHAN LOKEY

GLOBAL CONFERENCE

The 2025 ONE Houlihan Lokey Global Conferences in New York and London were a tremendous success, hosting more than 6,700 attendees and 600 participating companies across six days of insightful discussions, 1x1 meetings, and compelling content.

Across the program, discussions highlighted the rapid transformation shaping today's markets—from accelerating digital disruption to evolving competitive dynamics—and the strategic responses driving M&A activity worldwide. These events highlighted key themes from across more than 160 sectors within multiple industries and services, including:

- Business Services
- Financial Services
- FinTech
- Industrials
- Tech
- Consumer
- Financial Sponsors
- Healthcare
- Oil and Gas



Next Stops: ONE Houlihan Lokey

→ Tokyo

→ New York

→ London



Mark your calendars

March 3, 2026
Grand Hyatt
Tokyo

May 12–14, 2026
Marriott Marquis
New York

November 2026
TBD
London

ONE Houlihan Lokey New York 2025 Conference Highlights

- May 13-15, 2025
- New York Marriott Marquis

4,000+
Conference Attendees

380+
Participating Companies

100+
Panels and Presentations

80+
Sectors Represented

ONE Houlihan Lokey London 2025 Conference Highlights

- November 18–20, 2025
- London Hilton on Park Lane

2,700+
Conference Attendees

220+
Participating Companies

40+
Panels and Presentations

65+
Sectors Represented



ONE HOULIHAN LOKEY

GLOBAL CONFERENCE

Financial Services and Technology Spotlight

Both ONE Houlihan Lokey New York and ONE Houlihan Lokey London dedicated one full day of the conference to technology, FinTech, and financial services.

Houlihan Lokey's FinTech Group builds on the firm's leading technology and financial services expertise and underscores our belief in and commitment to the future of financial technology.

With c. 40 finance professionals, our team covers the entire spectrum of the global FinTech sector, pairing deep end-market expertise with dedicated senior-level financial professionals across every vertical of FinTech. In 2025, Houlihan Lokey was ranked as the No. 1 M&A advisor for all global FinTech transactions, with 22 deals, according to PitchBook Data, Inc.

No. 1

Global FinTech M&A Advisor

| Advisor | Deals |
|-------------------------------|-------|
| Houlihan Lokey | 22 |
| The Goldman Sachs Group | 21 |
| William Blair | 15 |
| Perella Weinberg Partners | 13 |
| Financial Technology Partners | 12 |

2025 M&A Advisory Rankings
All Global FinTech Transactions
Source: PitchBook Data, Inc.

Thoughts From the Group Head

Alec Ellison, Global Head of FinTech



"What's been so gratifying to see is the excitement of so many investors as they meet with the terrific companies we've featured. Some of these are brand new dialogues, and others build on existing relationships. Either way, we are laying the foundation for the future success of both these Houlihan Lokey client bases—financial sponsors and growing companies."



ONE NYC: Select Participating FinTech Companies



FinTech Panels Included:

- **The Invisible Edge:** Leveraging Workflow and Data in Institutional Trading and Investing
- **Financial Markets Compliance Technology:** Managing Burdens and Deriving Benefits
- **Payments Innovation:** Exploring Greener Pastures
- **Unlocking Financial Access Through Technology and Innovation**



ONE London: Select Participating Financial Services and Technology Companies



Financial Services and Technology Panels Included:

- **CEOs:** Leading in a Dynamic World
- **Going Global:** The Digitization and Internationalization of Wealth Management
- **Lessons in Scaling, Expansion, Innovation, and Culture Building**
- **Next-Gen Digital Distribution**
- **Taking Payments Forward:** Removing Friction Between Merchants, Banks, and Consumers

Featured Sectors

- Accounting Services
- Asset and Wealth Management
- Asset and Wealth Management Tech
- Banking and Specialty Finance
- Banking and Lending Tech
- Capital Markets Tech
- Corporate Financial Function/Office of the CFO
- Financial Information and Analytics
- Insurance Distribution
- InsurTech
- Marketplaces
- Payments
- Real Estate and Mortgage Tech



Houlihan Lokey FinTech Market Reports

FinTech Market Update



Governance, Risk, and Compliance Market Update



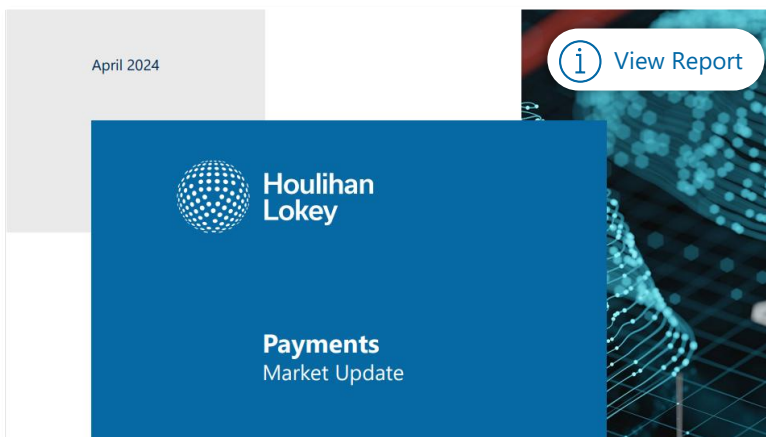
Capital Markets Technology Market Update



Insurance Distribution Market Update



Payments Market Update



Property and Insurance Technology Market Update



Disclaimer

© 2026 Houlihan Lokey. All rights reserved. This material may not be reproduced in any format by any means or redistributed without the prior written consent of Houlihan Lokey.

Houlihan Lokey is a trade name for Houlihan Lokey, Inc., and its subsidiaries and affiliates, which include the following licensed (or, in the case of Singapore, exempt) entities: in (i) the United States: Houlihan Lokey Capital, Inc., an SEC-registered broker-dealer and a member of FINRA (www.finra.org) and SIPC (www.sipc.org) (investment banking services); (ii) Europe: Houlihan Lokey UK Limited (FRN 792919), authorized and regulated by the U.K. Financial Conduct Authority; Houlihan Lokey (Europe) GmbH, authorized and regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht); Houlihan Lokey Private Funds Advisory S.A., a member of CNCEF Patrimoine and registered with the ORIAS (#14002730); (iii) the United Arab Emirates, Dubai International Financial Centre (Dubai): Houlihan Lokey (MEA Financial Advisory) Ltd., regulated by the Dubai Financial Services Authority; (iv) Singapore: Houlihan Lokey (Singapore) Private Limited, an “exempt corporate finance adviser” able to provide exempt corporate finance advisory services to accredited investors only; (v) Hong Kong SAR: Houlihan Lokey (China) Limited, licensed in Hong Kong by the Securities and Futures Commission to conduct Type 1, 4, and 6 regulated activities to professional investors only; (vi) India: Houlihan Lokey Advisory (India) Private Limited, registered as an investment adviser with the Securities and Exchange Board of India (registration number INA000001217); and (vii) Australia: Houlihan Lokey (Australia) Pty Limited (ABN 74 601 825 227), a company incorporated in Australia and licensed by the Australian Securities and Investments Commission (AFSL number 474953) in respect of financial services provided to wholesale clients only. In the United Kingdom, European Economic Area (EEA), Dubai, Singapore, Hong Kong, India, and Australia, this communication is directed to intended recipients, including actual or potential professional clients (UK, EEA, and Dubai), accredited investors (Singapore), professional investors (Hong Kong), and wholesale clients (Australia), respectively. No entity affiliated with Houlihan Lokey, Inc., provides banking or securities brokerage services, nor is any such affiliate subject to FINMA supervision in Switzerland or similar regulatory authorities regarding such activities in other jurisdictions. Other persons, such as retail clients, are NOT the intended recipients of our communications or services and should not act upon this communication.

Houlihan Lokey gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this presentation. The material presented reflects information known to the authors at the time this presentation was written, and this information is subject to change. Any forward-looking information and statements contained herein are subject to various risks and uncertainties, many of which are difficult to predict, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. In addition, past performance should not be taken as an indication or guarantee of future performance, and information contained herein may be subject to variation as a result of currency fluctuations. Houlihan Lokey makes no representations or warranties, expressed or implied, regarding the accuracy of this material. The views expressed in this material accurately reflect the personal views of the authors regarding the subject securities and issuers and do not necessarily coincide with those of Houlihan Lokey. Officers, directors, and partners in the Houlihan Lokey group of companies may have positions in the securities of the companies discussed. This presentation does not constitute advice or a recommendation, offer, or solicitation with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Houlihan Lokey or its affiliates may from time to time provide financial or related services to these companies. Like all Houlihan Lokey employees, the authors of this presentation receive compensation that is affected by overall firm profitability.



**Houlihan
Lokey**

Corporate Finance
Financial Restructuring
Financial and Valuation Advisory

HL.com