

Market Update

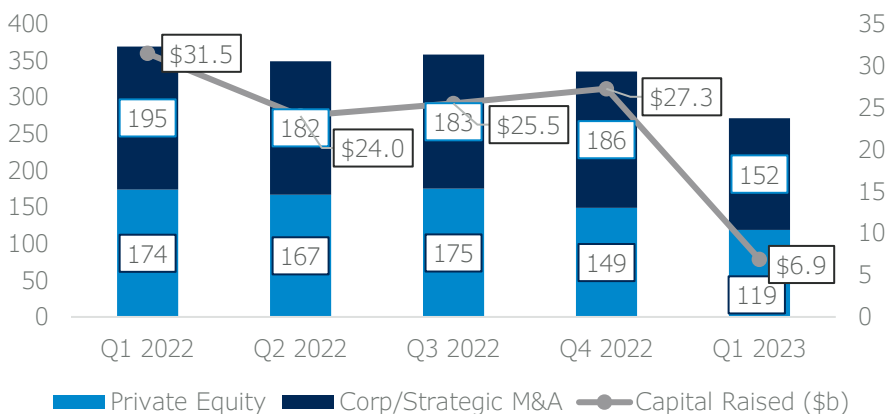
Insurance Services & Technology

- 1 Market Overview
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Global M&A activity in the Insurance Services and Technology ecosystem started in 2023 on a slight decrease compared with the previous year. The first quarter of the year ended with a 20% decrease in the number of transactions quarter-over-quarter. Due to macroeconomic uncertainties, there was also an apparent decline in total transaction value, totaling one of the lowest total transaction values in the last few years. Despite these numbers, the sector demonstrates that investors are still comfortable investing in quality and differentiated assets. It will be keen to understand how the public market and economic performance will impact both financial and strategic buyer appetite going forward for the rest of the year.

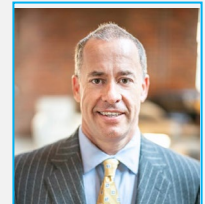
As for the Insurance Services and Technology landscape, large carriers and brokers alike likely will continue to look towards inorganic growth opportunities as a way to enhance the way in which they engage their customers and the channels that are used to do so as Insurance continues its slow but sure adoption of technological services, solutions, and products.

Insurance & InsurTech Deal Count by Type by Quarter

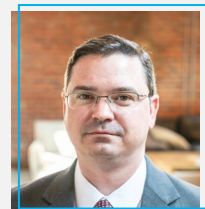


7MA has completed and is constantly working on numerous M&A transactions with companies that operate in the Insurance and Insurtech industry. Our team has developed unparalleled deal expertise and knowledge of the industry trends, valuation trends, and the most active strategic and financial buyers. Please contact Leroy Davis or Nicholas Prendergast you would like to learn more about 7MA's Insurance Technology and Services practice.

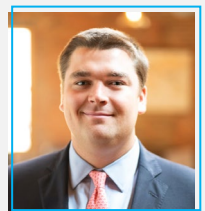
Sector Coverage Team



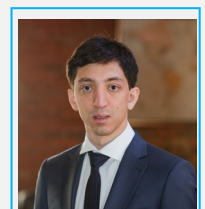
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Vista Equity Partners Announces Agreement to Acquire Duck Creek Technologies



Duck Creek Technologies, the intelligent solutions provider defining the future of property and casualty (P&C) and general insurance, announced its acquisition by Vista Equity Partners, a leading global investment firm focused exclusively on enterprise software, data, and technology-enabled businesses, for \$19.00 per share, in an all-cash transaction valued at approximately \$2.6 billion.

The company is one of the leading SaaS providers of core systems for the P&C insurance industry. The product portfolio includes distribution management, reinsurance management, digital management, data insights, and other services.

Date: March 30, 2023
Deal Type: M&A
Target HQ: U.S
TEV: \$2.3b
Revenue Multiple: 7.5x

Howden Group Announces Agreement to Acquire TigerRisk



TigerRisk Partners is a privately-held reinsurance broker and risk/capital management advisor with a selective list of current and prospective customers. We focus on challenging the status quo where both customers and reinsurance partners benefit from our market knowledge and innovative analytical platform.

Howden said that the paring builds on its continued commitment to deliver more choice for clients and act as the natural home for talent looking to work for a company with purpose and a unique culture where they can build a business for the long term.

Date: January 11, 2023
Deal Type: M&A
Target HQ: U.S
TEV: \$1.6b

Insurance Technology Trends for 2023

Artificial Intelligence (AI) and Machine Learning (ML)
Blockchain
Personalization with IoT
Digital Distribution Channels
Cybersecurity

New introduction of technologies such as ChatGPT, 2023 is poised to bring immense growth in the artificial intelligence and machine learning space. AI and ML could be used to predict potential risks and help underwriters make more informed decisions. AI can also be invaluable for advanced fraud detection, claims management, and customer service.

Blockchain is expected to play a significant role in 2023. It can be used to securely store and manage insurance policies, as well as to streamline the claims process. Policyholders will also be able to access their insurance information instantly, saving time and money for insurance companies by reducing the need for manual processes.

IoT devices can be used to collect data in real-time from various sources, such as sensors, cameras, and smart home devices, which can provide valuable insights into potential hazards and property damage assessments. Moreover, IoT-enabled security cameras and motion sensors can detect intruders and notify authorities, reducing the risk of theft and vandalism.

Insurance companies are increasingly using digital platforms, such as websites and mobile apps, to reach new customers and sell insurance products. These platforms make it easier for customers to compare insurance options and purchase insurance products, and they can also be used to manage policies and file claims.

With the growing number of cyberattacks in the insurance industry, it is essential that insurance companies have robust security measures in place to protect their policyholders' data. This includes not only protecting devices against cybercriminals, but also ensuring that data privacy is maintained and not misused by individuals in the company.

Industry Vertical

Insurtech

Life
&
Health

Property
&
Casualty

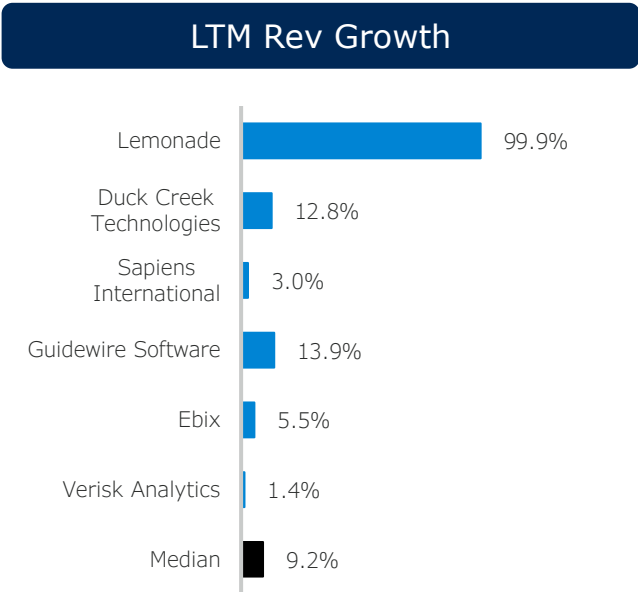
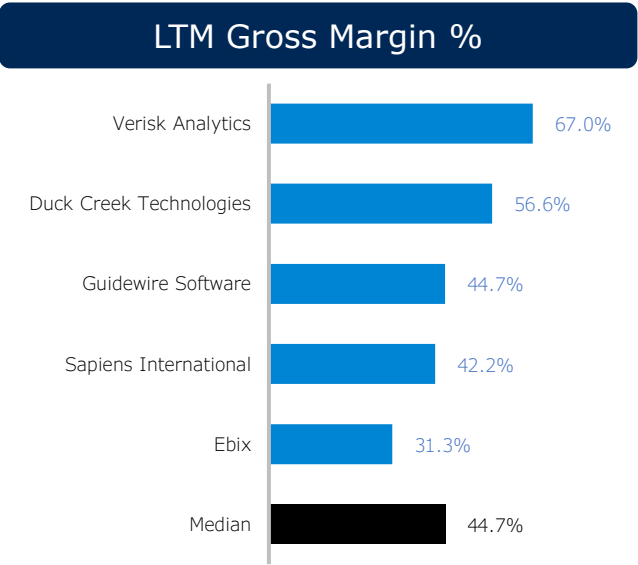
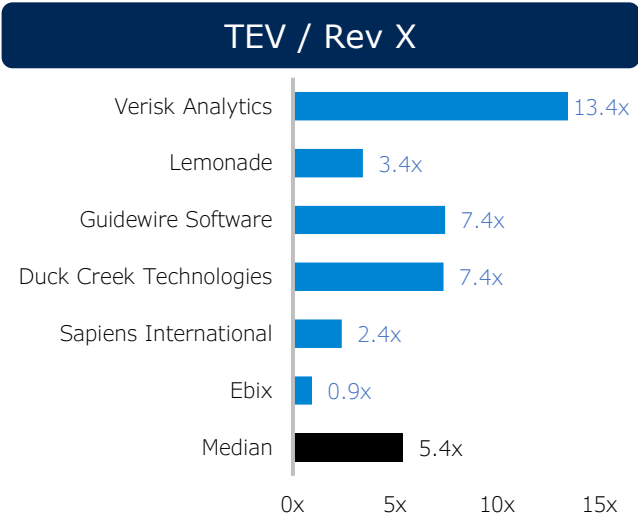
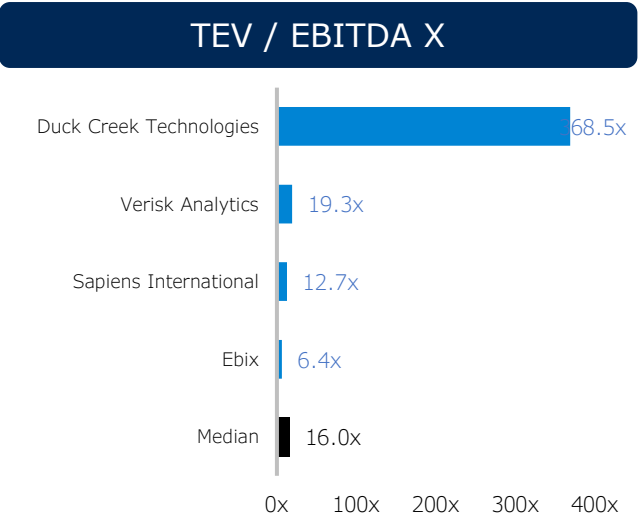
TPAs

Please reach out to 7MA team to get access to the full list.

Publicly-traded Insurtech Companies – Q1 2023

Company	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Sapiens International	1,137	89	475	3.0%	42.2%	18.8%	2.4x	12.7x	4,754	100
Ebix	979	152	152	5.5%	31.3%	14.5%	0.9x	6.4x	10,521	14
Duck Creek Technologies	2,281	6	310	12.8%	56.6%	2.0%	7.4x	368.5x	1,890	164
Lemonade	877	-283	257	99.9%	-	-110.1%	3.4x	-	1,367	188
Guidewire Software	6,473	-174	870	13.9%	44.7%	-20.0%	7.4x	-	3,257	267
Verisk Analytics	33,541	1,741	2,497	1.4%	67.0%	69.7%	13.4x	19.3x	7,000	357
Average	7,548	255	760	22.8%	48.3%	-4.2%	5.8x	101.7x	4,798	182
Median	1,709	48	392	9.2%	44.7%	8.2%	5.4x	16.0x	4,006	176

share price as of 31Mar23



Q1 2023 M&A Transactions

Date	Target	Buyer / Investor	Target Description
March 2023	 Clyde	 COVER GENIUS	Operator of a product lifecycle platform designed to help companies to improve the bottom line and offer quality services to customers. The company's platform connects businesses, insurers, and customers that give insurers access to the future of online and in-store sales, enabling customers to unlock the full value of the products they buy.
February 2023	 MarkLogic	 Progress	Developer of a metadata refining platform intended for government agencies, financial enterprises, insurance companies and manufacturing companies. The company's platform helps to store, manage, search, navigate and deliver content and toolkits for the integration of documents, enabling businesses to handle data from any source and interpret relevant understandings from it.
February 2023	 Alacrity SOLUTIONS	 BlackRock	Provider of outsourced insurance claims management services catering to the needs of national and regional insurance companies, MGAs, TPAs, self-insured corporations and clients in the federal and state government sector. The company specializes in offering property, auto, casualty claims adjustment services and staffing methods along with nationwide managed repair network services to its corporate clients.
February 2023	 excellerate	 Advent International GLOBAL PRIVATE EQUITY	Provider of outsourced enterprise software platform development and support services intended to help businesses drive innovation and accelerate growth. The company offers a range of services including application development, data management, cloud services, business process management and support across finance, insurance and healthcare verticals, enabling clients to get fast and reliable services through deep domain expertise.
January 2023	 Benefitfocus	 VOYA FINANCIAL	Benefitfocus Inc is a cloud-based benefits management platform for consumers, employers, insurance carriers, and brokers. The firm's solutions support core benefits plans, including healthcare, dental, life, and disability insurance. Benefitfocus sells its solutions on a subscription basis, typically through annual contracts with employers, and multi-year contracts with insurance carriers. It generates all of its revenue in the United States.

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. All securities transactions are executed by 7M Securities, LLC, member FINRA / SIPC. For more information, including research on the M&A markets, visit www.7mileadvisors.com.



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Notable 7 Mile Transactions













