



Nexus Completes £30 Million Capital Raising

London, Monday 17 July, 2017

Leading independent specialty Managing General Agent (MGA) Nexus Group today announces that it has successfully concluded raising capital, by way of loan facilities, totalling £30 million that will enable it to undertake further merger and acquisition activity.

B.P. Marsh & Partners Plc, the niche venture capital provider to early stage financial services businesses, has provided Nexus, in which it holds an 18.6% shareholding, a £4 million loan facility, as part of the £30 million capital fund raising exercise. The further £26 million of the loan facility came through undisclosed sources.

Clearwater International were Nexus' corporate advisers for the capital raising.

Since the B.P. Marsh's original investment in Nexus in August 2014, Nexus has undertaken four acquisitions, alongside substantial organic growth. This has seen Nexus increase Gross Written Premium (GWP) income from £56 million in 2014 to an initial forecast of £125 million in 2017, an increase of 123%. In the same period, EBITDA increased by 181% from £2.6 million to £7.3 million.

Colin Thompson, Founder and Executive Chairman of Nexus, commented:

"This significant capital raising now gives us the ability to continue and satisfy our short-term plans of creating a virtual insurance company through a buy and build strategy focusing on profitable and niche MGAs."

Thompson added, "Looking forward, our revised financial forecast, including all recent acquisitions and the ones to be announced shortly will mean that we will have reshaped our business to be one that delivers £185 million of GWP and EBITDA of greater than £11 million in 2017. Looking further ahead, 2018 will be a year where we surpass the £200 million GWP barrier, which ought to deliver an EBITDA close to £15 million, which in turn will drive a value in the business in the region of £200 million."

Daniel Topping, B.P. Marsh's Chief Investment Officer and the Company's nominee director on the Board of Nexus, commented:

"These remain exciting times at Nexus and B.P. Marsh is delighted to be part of their success going forward. The provision of this loan facility demonstrates our belief that Nexus continues to gain substantial momentum."

Nexus has a number of further M&A opportunities in the pipeline and will draw down on the £30 million loan facilities as and when required over the coming months; further information will be released on the drawdown of the facility and future M&A activity when it becomes available.

Founded in 2008, the Nexus Group is a specialty MGA on a dynamic growth path, concentrating on niche classes of business and delivering excellent service and cutting-edge products. Unlike nearly all other multi-product MGAs, Nexus is truly independent and can justifiably describe itself as a 'virtual insurance company'.

Notes for Editors

About The Nexus Group

Trading out of offices in London, France, Germany, Netherlands, USA, Italy, Hong Kong and Ireland, the Nexus Group employs over 135 people and has become one of the largest and most profitable independent specialty MGA's in the UK.

The Nexus Group underwrites 15 Specialty products on behalf of 23 underwriting partners who support their product offerings within the following lines of business: Financial Lines, Trade Credit, Accident & Health, Surety, Travel, Property, Latent Defect, Marine and Cyber.

To access details of the specialty classes of business Nexus underwrites please visit:

<http://www.nexusunderwriting.com/products>

Recent developments have further expanded the group's growth strategy:

June 2017 Nexus acquired Vectura Underwriting, a Lloyd's coverholder, from Aquila Underwriting LLP. Vectura Underwriting is a specialist Marine Cargo insurer and reinsurer with a global focus and specialism in the ATA Carnet market.

November 2016 saw the launch of Nexus Claims, allowing Nexus to offer a complete service solution to its underwriting partners. Having a best in class in-house claims function allows Nexus to provide long-term continuity and top-tier service levels to brokers and their clients.

December 2015 Nexus acquired City of London based Millstream Underwriting Limited, an independent managing general agency specialising in travel personal accident and sickness insurance covers, primarily underwritten on a business to business basis.

November 2015 Nexus Underwriting Asia (HK) was launched in Hong Kong to replicate the existing successful portfolio currently underwritten by the Nexus Group in London with other classes of business to be introduced during 2017.

August 2015 the acquisition of EBA Insurance Services in August saw Nexus being able to offer an extended product range to include Surety, Bond, Dommages à l'Ouvrage, Fine Art and Specie Insurance, Life and Event Cancellation.

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