

UK digital insurance brokerage finds the perfect partner

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DEAL SNAPSHOT

The shareholders of Hamilton Fraser, a high-growth insurance broker, have sold the business to Global Risk Partners (GRP), one of the UK's largest independent insurance intermediaries.

Based in Borehamwood, UK, and founded in 1996, Hamilton Fraser provides specialist insurance and risk management for the private rented property sector and the cosmetic and aesthetic practitioners industry, with a reach across the UK. Post completion, which is subject to regulatory approval, the broker will become part of GRP's high-growth digital division and all of its employees, including co-founder and CEO Eddie Hooker, will be integrated into the GRP group.

Established in 2013, GRP is one of the UK's largest independent insurance intermediaries, looking after almost half a million personal and commercial clients across the spectrum of their industry, sector and specialist insurance and risk management needs.

Since the announcement of this deal, GRP itself has announced it is to be acquired by Brown & Brown Insurance, the US insurance giant.

“I have loved working with the team at Oaklins Cavendish. Hamilton Fraser is more than just a company to me. For me to sell, any deal had to deliver value but also see the business find a great new home. Oaklins Cavendish always listened and provided their advice on these points and how best to achieve what I was looking for. I am delighted to have found the perfect partner in GRP with their support.”

EDDIE HOOKER
CEO
HAMILTON FRASER, UK

OAKLINS PLAYED A MAJOR ROLE IN FINDING THE RIGHT PARTNER

Oaklins Cavendish, based in the UK, acted as advisor to the shareholders of Hamilton Fraser in their sale to GRP. The team's financial services expertise played a key role in generating ideas to design a tailor-made transaction.



MARKET TRENDS & DEAL DRIVERS

The insurance distribution market is being transformed by technology and new entrants.

We have seen continued price elevation for insurance distributors who have strong retention rates, controlled loss ratios and clear routes to market.

M&A VALUATION ASPECTS

Financial details of this transaction have not been disclosed. However, the standard range used to value insurance brokerages is 10–12x EBITDA.

Valuations in the UK insurance industry continue to be attractive as the market further consolidates. Higher multiples than the range noted above can be achieved if the business shows strong growth and high retention rates, as well as tightly controlled long-term loss ratios.

Particularly high multiples (15x+) can be achieved where the broker is a digitally led business providing niche and defensible products across both personal and commercial lines.

TALK TO OUR ADVISORS

✉ ANDREW JEFFS

Partner
United Kingdom
T: +44 20 7908 6009

Andrew has worked across a number of key segments within the business services sector, including training, managed print, real estate management, recruitment, insurance, broadcast services and public sector outsourcing. His recent transactions include the sale of Improve International to RJD Partners, Altodigital to Xerox and CRM Students to CORESTATE.

✉ BEN GOLDRING

Financial Services Specialist
United Kingdom
T: +44 20 7908 6025

With 11 years of experience in corporate finance, advising clients on mergers and acquisitions, disposals and fundraising, Ben has led and worked on some 20 deals across several sectors, with a focus on insurance, payments and fintech. Recent transactions include the US\$130 million sale of Sentenial, a payments and open banking business, to ASX-listed EML Payments as well as the sale of CaseLines, a legal technology platform, to NYSE-listed Thomson Reuters.



“The M&A market for insurance distribution continues to consolidate. Founders looking to exit need to articulate clearly what makes their business special. For Eddie and the Hamilton Fraser team, this has been the way they have consistently anticipated market evolutions and created bespoke risk protection products to meet those emerging regulatory and risk requirements. I look forward to seeing Hamilton Fraser flourish in their new partnership with GRP.”

BEN GOLDRING
OAKLINS CAVENDISH, UK

OAKLINS HAS CLOSED 262 DEALS IN FINANCIAL SERVICES

United by a strong belief that we can achieve the extraordinary. Oaklins is a global team of 850+ financial advisory professionals in 45 countries providing M&A, growth equity, ECM, debt advisory and corporate finance services to support entrepreneurs, corporates and investors in reaching their goals.

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