



## HYDE PARK CAPITAL

Investment Banking | Mergers & Acquisitions | Capital Raising

### Overview

Nationally recognized investment bank  
founded in 2000

Over 300 transactions completed, totaling  
more than \$10 billion in transaction value

Extensive relationships with leading  
institutional lenders, PE investors,  
and strategic buyers

Proven ability to source quality buyers  
and maximize deal value

### Industry Expertise

- Technology
- Business Services
- Financial Services
- Healthcare
- Industrial Services
- Consumer

### Transaction Size

- \$25M - \$500M

### Investment Banking Services

Mergers & acquisitions, recapitalizations,  
and management buyouts

Capital raising of equity, mezzanine, and  
senior debt capital

Financial advisory, analytical support,  
and fairness opinions

Comprehensive and targeted sell-side  
marketing efforts

### **Hyde Park Capital Advisors, LLC**

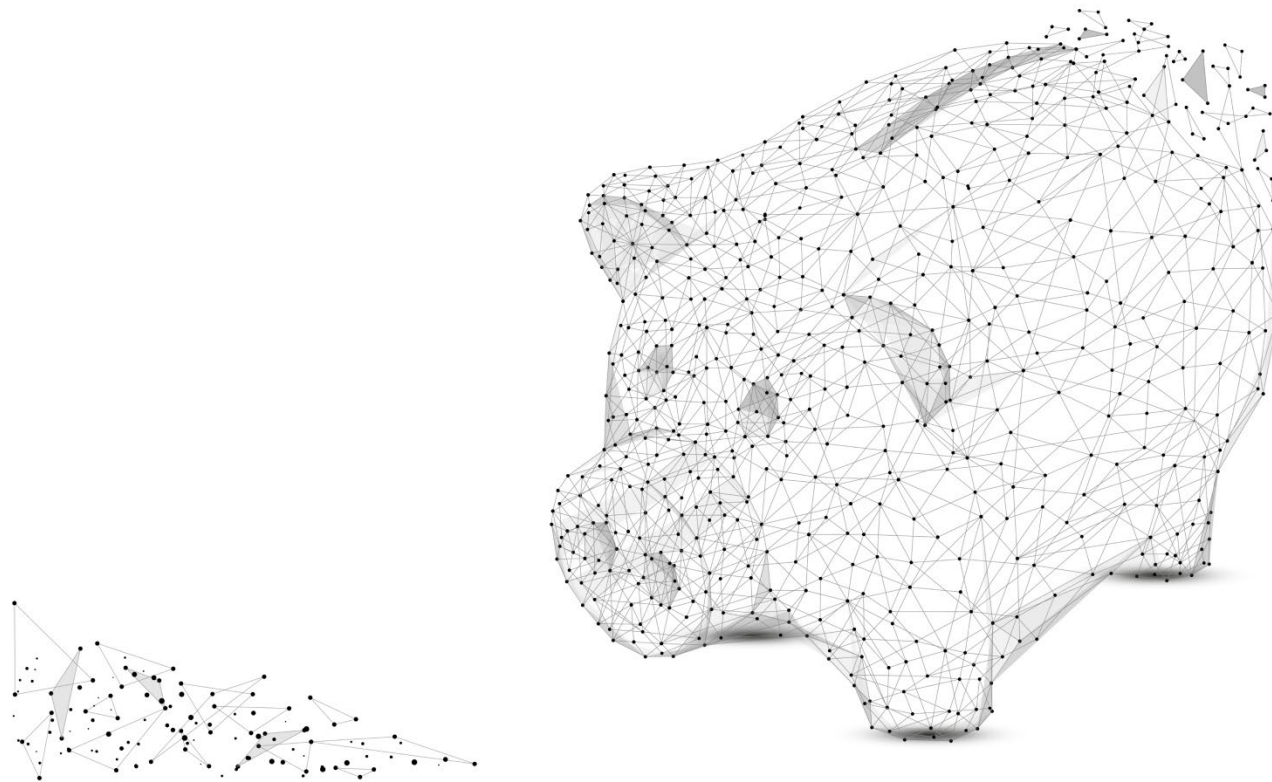
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# *Financial Services* **M&A Report** *Q2 2020*



# Capital Markets Overview

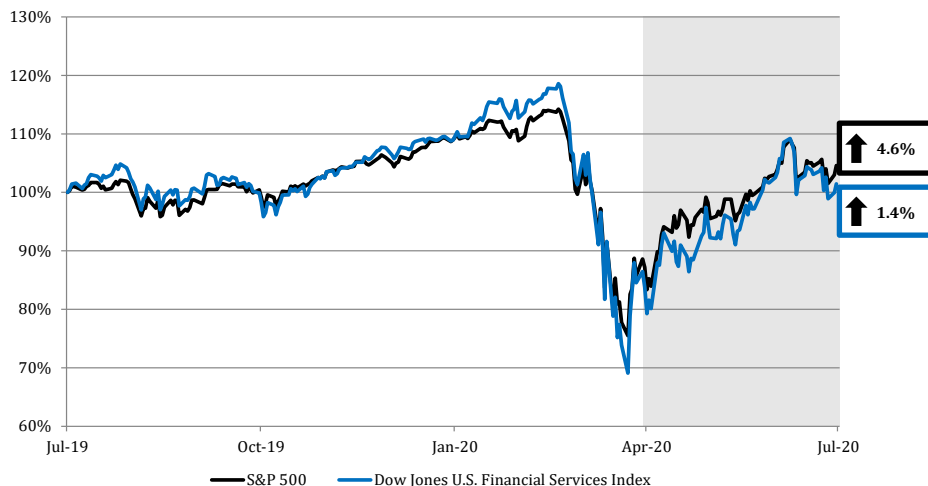
## Commentary

- The Dow Jones U.S. Financial Services Index increased 1.4%, while the S&P 500 increased 4.6%, during the twelve-month period ended June 30, 2020.
- IPO activity in the *Financial Services* industry during Q2 2020 was still lackluster with only two IPOs. SelectQuote (NYSE: SLQT), an insurance broker, had the largest IPO of the quarter raising \$570 million.
- The *Data & Compliance* and *Payment Processing* sectors were the industry's leaders with respect to valuation during Q2 2020, trading at EBITDA multiples of 22.8x and 21.6x and revenue multiples of 7.5x and 10.6x, respectively.

## Select Public Offerings – Financial Services (Q2 2020)

| Offer Date | Issuer           | Industry Sector                 | Transaction Type | Transaction Value (\$M) |
|------------|------------------|---------------------------------|------------------|-------------------------|
| 06/25/20   | BRP Group        | Insurance Brokers               | Follow-On Equity | \$152                   |
| 06/23/20   | Palomar Holdings | Property and Casualty Insurance | Follow-On Equity | \$82                    |
| 06/18/20   | Boku             | Payment Processing              | Follow-On Equity | \$25                    |
| 06/04/20   | Shift4 Payments  | Payment Processing              | IPO              | \$345                   |
| 05/28/20   | Repay Holdings   | Payment Processing              | Follow-On Equity | \$160                   |
| 05/26/20   | Citigroup        | Large Cap Banks                 | Fixed-Income     | \$10,700                |
| 05/20/20   | SelectQuote      | Insurance Brokers               | IPO              | \$570                   |
| 04/23/20   | Wells Fargo      | Large Cap Banks                 | Fixed-Income     | \$17,640                |
| 04/22/20   | Bank of America  | Large Cap Banks                 | Fixed-Income     | \$10,000                |
| 04/15/20   | JPMorgan Chase   | Large Cap Banks                 | Fixed-Income     | \$16,917                |

## Public Market Performance



## Market Performance by Sector

| Industry Sector               | Change in Stock Price |                | Median Equity Value / LTM     |              |
|-------------------------------|-----------------------|----------------|-------------------------------|--------------|
|                               | 3 Months              | 12 Months      | EBT                           | Book Value   |
| <b>Specialty Finance</b>      |                       |                |                               |              |
| Consumer Finance              | 12.5%                 | (34.4%)        | 7.5x                          | 1.8x         |
| Automotive Financing          | 27.7%                 | (25.7%)        | 8.7x                          | 0.9x         |
| Large Cap Banks               | 10.4%                 | (25.7%)        | 10.5x                         | 1.2x         |
| Small & Mid Cap Banks         | 8.9%                  | (34.1%)        | 7.8x                          | 0.9x         |
|                               | <b>14.9%</b>          | <b>(30.0%)</b> | <b>8.6x</b>                   | <b>1.2x</b>  |
| <b>Financial Technology</b>   |                       |                |                               |              |
|                               | Change in Stock Price |                | Median Enterprise Value / LTM |              |
|                               | 3 Months              | 12 Months      | Revenue                       | EBITDA       |
| Payment Processing            | 30.9%                 | 16.8%          | 10.6x                         | 21.6x        |
| Data & Compliance             | 28.9%                 | 25.0%          | 7.5x                          | 22.8x        |
|                               | <b>29.9%</b>          | <b>20.9%</b>   | <b>9.1x</b>                   | <b>22.2x</b> |
| <b>Insurance</b>              |                       |                |                               |              |
| Life & Health Insurance       | 19.9%                 | 1.3%           | 0.5x                          | 7.4x         |
| Property & Casualty Insurance | 9.9%                  | (15.3%)        | 1.2x                          | 12.6x        |
| Multi-line Insurance          | 11.1%                 | (22.7%)        | 0.8x                          | 8.3x         |
| Insurance Brokers             | 21.8%                 | 3.7%           | 3.5x                          | 15.8x        |
|                               | <b>15.7%</b>          | <b>(8.3%)</b>  | <b>1.5x</b>                   | <b>11.0x</b> |

# Quarterly Middle-Market M&A Activity – Financial Services

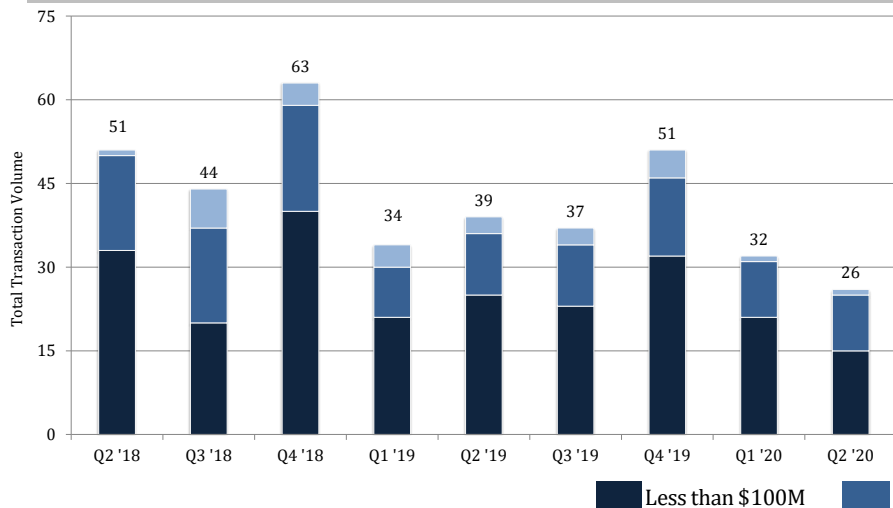
## Commentary

- M&A activity in the *Financial Services* industry decreased by 33% in Q2 2020 with 26 closed transactions; similarly, deal value was down 39% to \$3.5 billion compared to the prior year period's \$5.7 billion.
- Transactions valued between \$500 - \$999 million saw the largest decrease in volume during Q2 2020 with only 1 closed transaction compared to 3 during the prior year period.
- Similar to the trend in middle-market deal flow is deal volume for all closed transactions in the *Financial Services* industry (including those with undisclosed values) – down 26% during Q2 2020 with 140 closed deals compared to 189 in the prior year period.

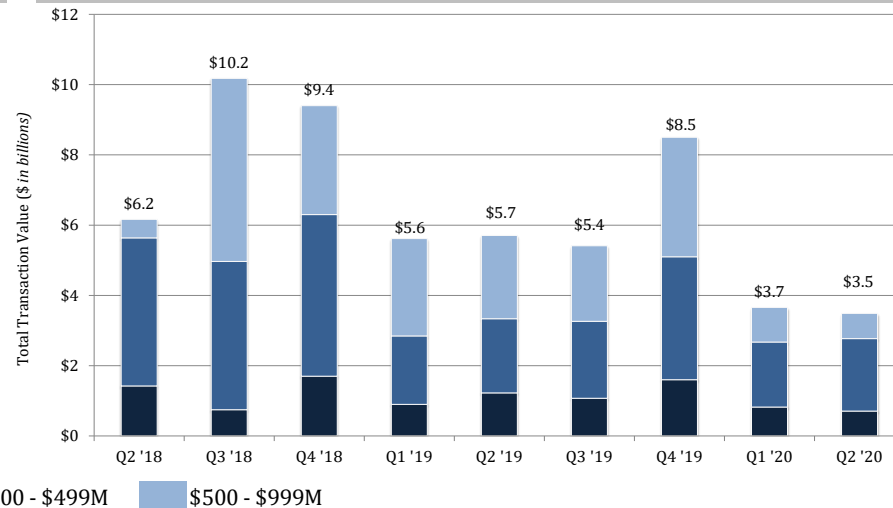
## U.S. Mid-Market M&A Transactions by Deal Size

| Deal Size                  | Q2 2019     |              | Q1 2020     |              | % Change     |              |
|----------------------------|-------------|--------------|-------------|--------------|--------------|--------------|
|                            | Volume      | Value        | Volume      | Value        | Volume       | Value        |
| Less than \$100M           | 25          | \$1.2        | 15          | \$0.7        | (40%)        | (42%)        |
| \$100 - \$499M             | 11          | \$2.1        | 10          | \$2.1        | (9%)         | (2%)         |
| \$500 - \$999M             | 3           | \$2.4        | 1           | \$0.7        | (67%)        | (70%)        |
| <b>Total Middle Market</b> | <b>39</b>   | <b>\$5.7</b> | <b>26</b>   | <b>\$3.5</b> | <b>(33%)</b> | <b>(39%)</b> |
| <b>% of Total Market</b>   |             |              |             |              |              |              |
| Less than \$100M           | 64%         | 21%          | 58%         | 20%          |              |              |
| \$100 - \$499M             | 28%         | 37%          | 38%         | 59%          |              |              |
| \$500 - \$999M             | 8%          | 42%          | 4%          | 21%          |              |              |
| <b>Total Middle Market</b> | <b>100%</b> | <b>100%</b>  | <b>100%</b> | <b>100%</b>  |              |              |

## U.S. Mid-Market M&A Activity – Quarterly Trends: VOLUME



## U.S. Mid-Market M&A Activity – Quarterly Trends: VALUE



Source: Capital IQ. Includes deals with disclosed values greater than \$10 million. Note: Due to rounding, numbers may not sum precisely.



# Recent M&A Activity – Financial Services

## Select Announced M&A Transactions (Q2 2020)

| Announced Date | Target                                  | Buyer                                    | Industry                        | Equity Value (\$M) | Equity Value / EBT | Equity Value / Book Value |
|----------------|---|--|---------------------------------|--------------------|--------------------|---------------------------|
| 06/30/20       | Sunstar Insurance                       | BBH Capital                              | Insurance Brokers               | N/A                | N/A                | N/A                       |
| 06/30/20       | Ference Insurance                       | Patriot Growth Partners                  | Insurance Brokers               | N/A                | N/A                | N/A                       |
| 06/24/20       | Cunnington And Associates               | Arthur J. Gallagher                      | Insurance Brokers               | N/A                | N/A                | N/A                       |
| 06/18/20       | Delmarva Bancshares                     | BV Financial                             | Banks                           | \$35               | 7.3x               | 0.7x                      |
| 06/08/20       | CRES Insurance Services                 | Arthur J. Gallagher                      | Property and Casualty Insurance | \$30               | N/A                | N/A                       |
| 06/02/20       | QuadPay                                 | Zip Co                                   | Payment Processing              | \$36               | N/A                | N/A                       |
| 05/28/20       | Cypress Insurance Group                 | AssuredPartners                          | Multi-line Insurance            | N/A                | N/A                | N/A                       |
| 05/22/20       | Asta Funding                            | RBF Capital                              | Consumer Finance                | \$85               | 19.3x              | 0.9x                      |
| 05/05/20       | American Financial & Automotive         | Assurant                                 | Automotive Finance              | \$175              | N/A                | N/A                       |
| 05/01/20       | Pendulum (Risk and Consulting Business) | BRP Group                                | Insurance Brokers               | N/A                | N/A                | N/A                       |
| 04/30/20       | Phoenix Loss Control                    | AAVIN Private Equity / Konkordia Capital | Insurance Brokers               | N/A                | N/A                | N/A                       |
| 04/07/20       | Galileo Processing                      | Social Finance                           | Payment Processing              | \$1,200            | N/A                | N/A                       |
| 04/07/20       | Farmington                              | Aon                                      | Insurance Brokers               | N/A                | N/A                | N/A                       |
| 04/02/20       | Dealer Financial Services               | Brown & Brown                            | Automotive Finance              | N/A                | N/A                | N/A                       |
| 04/01/20       | Insurance Risk Partners                 | Baldwin Krystyn Sherman Partners         | Insurance Brokers               | \$35               | N/A                | N/A                       |

Source: Capital IQ



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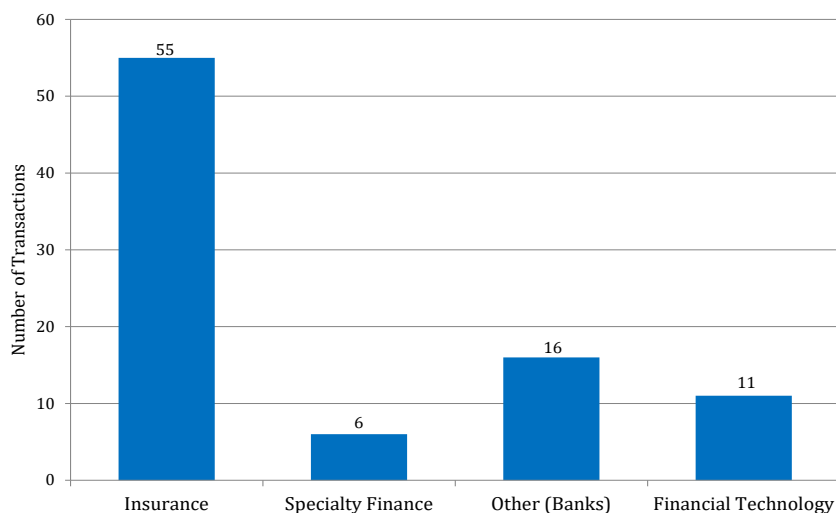
Investment Banking | Mergers & Acquisitions | Capital Raising

# Private Equity Activity – Financial Services

## Commentary

- Financial sponsor activity decreased during Q2 2020 with 82 transactions announced compared to 94 during the prior year period, reflecting a 13% decrease in volume. Activity was suppressed due to decreased risk appetite as a result of the pandemic.
- Several notable private equity-backed deals were announced during Q2 2020, including Aquiline Capital's and Dragoneer Investments' investment in StarStone US, a property and casualty insurance company, and Penfund Capital's acquisition of BroadStreet Partners, an insurance brokerage, for \$100 million.
- During Q2 2020, as per usual, financial sponsors were most active in the *Insurance* sector, announcing 55 deals.

## Financial Sponsors Industry Transactions



Source: Capital IQ; PitchBook. Includes transactions with undisclosed transaction values. Financial sponsors include private & public investment firms, and corporate & financial service investment arms.

## Select Announced Private Equity Transactions (Q2 2020)

| Announced Date | Target                    | Investor  | Industry                        | Transaction Value (\$M) |
|----------------|---------------------------|---|---------------------------------|-------------------------|
| 06/30/20       | Sunstar Insurance Group   | BBH Capital   | Insurance Brokers               | N/A                     |
| 06/19/20       | Galway Insurance          | The Carlyle Group / Oak Hill Capital                        | Insurance Brokers               | N/A                     |
| 06/10/20       | StarStone US              | Aquiline Capital / Dragoneer Investment / Skyknight Capital | Property and Casualty Insurance | \$630                   |
| 06/05/20       | BroadStreet Partners      | Penfund Capital   | Insurance Brokers               | \$100                   |
| 06/03/20       | Upgrade                   | Union Square Ventures                                       | Consumer Finance                | \$40                    |
| 06/03/20       | Friday Health Plans       | Leadenhall Capital / Peloton Equity                         | Life and Health Insurance       | N/A                     |
| 05/28/20       | Pie Carrier               | Gallatin Point Capital                                      | Property and Casualty Insurance | \$100                   |
| 05/22/20       | Asta Funding              | RBF Capital   | Consumer Finance                | \$81                    |
| 05/20/20       | Coalition                 | Valor Management / Felicis Ventures / Hillhouse Capital     | Property and Casualty Insurance | \$90                    |
| 04/24/20       | Clever Care Health Plans  | Norwest Venture Partners / Glovbal Founders Capital         | Life and Health Insurance       | N/A                     |
| 04/20/20       | CURO Group                | Atalaya Capital   | Consumer Finance                | \$100                   |
| 04/20/20       | TigerRisk Partners        | Flexpoint Ford  | Insurance Brokers               | N/A                     |
| 04/01/20       | Peter C. Foy & Associates | HGGC  | Insurance Brokers               | N/A                     |



# Select Company Quotes & Sentiment – Financial Services

## Select Quotes



**Bank of America**  
*CEO – Brian Moynihan*

### Earnings Call Q2 2020

“During the first half, we have driven our promise as the digital leader across all our businesses. Our capabilities have enabled smooth transitions for our companies and our institutional investors and our people who we work with as customers, whether they’re working from home or sheltering in place to transact their financial business, whatever way they want to. Where this goes we will see. Our raw data has provided some signs of cautious optimism. We emphasize cautious here. We aren’t in the reactive state here. We are being diligent and we’re making sure we keep our company strong. In any regard, we are ready for whatever happens because of the last decade of hard work on responsible growth.”



**Synovus Financial**  
*CFO – Jamie Gregory*

### Earnings Call Q2 2020

“The transaction activities, including capital markets activities, mortgage originations, and credit card transactions exceeded our expectations. And we had one of our strongest quarters in fee revenue. We realized investment gains of \$78 million which includes \$70 million from repositioning the securities portfolio. While these transactions were primarily focused on agency mortgage-backed securities, part of the repositioning included the disposition of our remaining \$150 million in collateralized loan obligations in the investment portfolio.”



**OneMain**  
*President & CEO – Douglas Shulman*

### Earnings Call Q2 2020

“This crisis has also shown how our investments in the omnichannel experience have benefited our customers. . . We have accelerated our ability to close loans outside of the branch with new capabilities, including two-way video, chat and co-browsing with customers. Many customers now have the option to fully close a loan without coming into the branch. And during the second quarter about a third of our customers took advantage of that option.”



**Allstate Insurance**  
*President of PP&L – Glenn Shapiro*

### Earnings Call Q2 2020

“This quarter\*, we also entered into an agreement to acquire National General. This acquisition is financially attractive and will create a platform to drive profitable growth in the independent agent channel. National General will become Allstate’s independent agent platform. We will essentially do a reverse merger of our Encompass and Allstate independent agent businesses into National General, which has a good technology platform, broad distribution and a management team that has substantial acquisition integration experience. The deal will increase Allstate’s total personalized market share by over one point and create a top five competitor in the independent agent channel personal lines market.”

Sources: SeekingAlpha; Motley Fool; \*Announced 07/07/20, therefore not included in Hyde Park Capital’s announced M&A transactions



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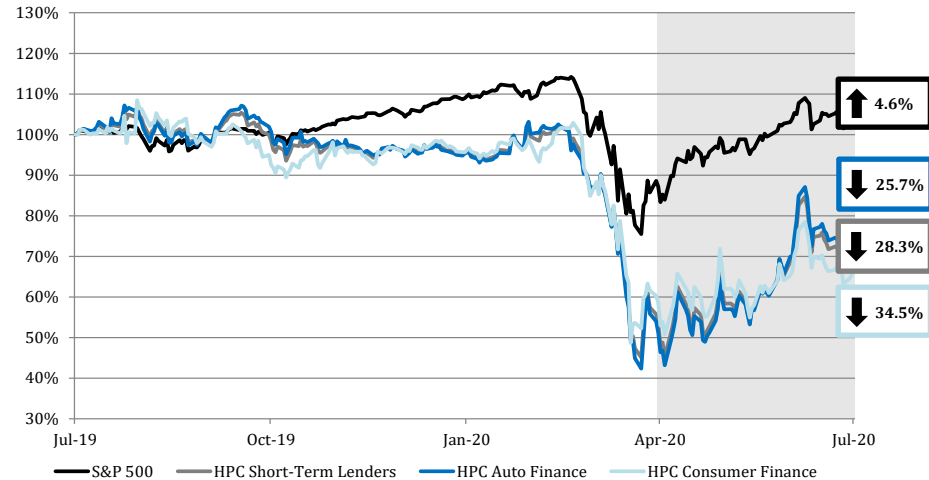
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# Industry Sector Overview – Recent Stock Price Performance

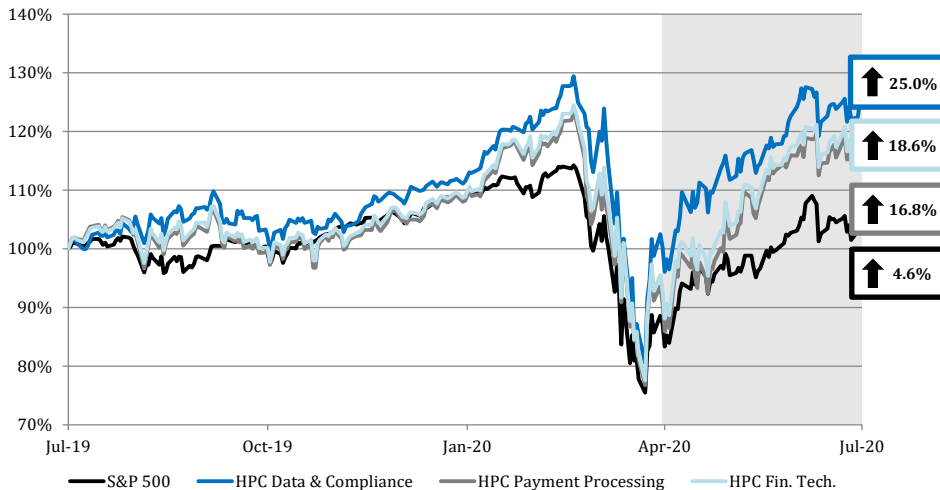
## Commentary

- The charts included on the following pages detail the recent stock price performance by sector for the leading public companies within the *Financial Services* industry for the 12-month period ended June 30, 2020. The shaded section represents Q2 2020 and depicts the impact that the pandemic has begun to have on capital markets.
- Over that period, the sectors within the *Financial Services* industry posted mixed performances. *Data & Compliance* was the top performing sector, up 25.0%, followed by *Payment Processing*, up 18.6%.
- The sectors hit hardest during this 12-month period include *Consumer Finance* and *Small & Mid Cap Banks*, down 34.5% and 34.1%, respectively.

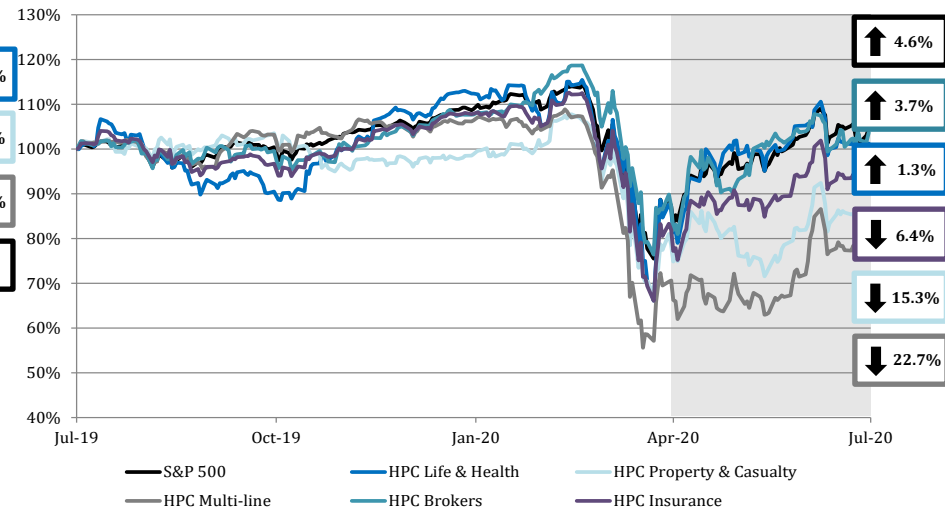
## Specialty Finance



## Financial Technology



## Insurance

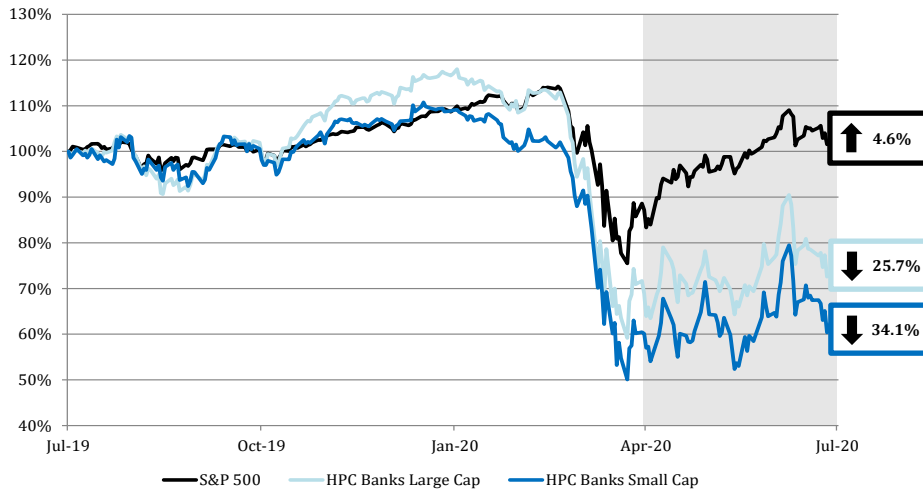


Source: Capital IQ.



# Industry Sector Overview – Recent Stock Price Performance

## Banks



Source: Capital IQ.



# Industry Sector Overview – Public Company Analysis

## Specialty Finance

(\$ in millions, except per share)

### Consumer Finance

| Company                   | Ticker | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM          |              |              | Equity Value /<br>LTM |              |             |
|---------------------------|--------|--------------------------|----------------------|-----------------|---------------------|--------------|--------------|--------------|-----------------------|--------------|-------------|
|                           |        |                          |                      |                 |                     | EBT          | Net Income   | Book Value   | EBT                   | Net Income   | Book Value  |
| OneMain Holdings, Inc.    | OMF    | \$24.54                  | 50%                  | \$3,334         | \$18,604            | \$794        | \$630        | \$1,425      | 4.2x                  | 5.3x         | 2.3x        |
| FirstCash, Inc.           | FCFS   | \$67.48                  | 66%                  | \$2,859         | \$3,551             | \$210        | \$148        | \$219        | 13.6x                 | 19.4x        | 13.1x       |
| Enova Int'l, Inc.         | ENVA   | \$14.87                  | 51%                  | \$490           | \$1,097             | \$154        | \$30         | \$207        | 3.2x                  | 16.3x        | 2.4x        |
| World Acceptance Corp.    | WRLD   | \$65.52                  | 46%                  | \$489           | \$929               | \$45         | \$35         | \$360        | 10.9x                 | 14.0x        | 1.4x        |
| Regional Management Corp. | RM     | \$17.71                  | 51%                  | \$200           | \$897               | \$76         | \$29         | \$251        | 2.6x                  | 6.8x         | 0.8x        |
| EZCORP, Inc.              | EZPW   | \$6.30                   | 74%                  | \$349           | \$502               | \$8          | (\$46)       | \$358        | 42.5x                 | NM           | 1.0x        |
| <b>Average</b>            |        |                          | <b>56.2%</b>         | <b>\$1,287</b>  | <b>\$4,263</b>      | <b>\$215</b> | <b>\$138</b> | <b>\$470</b> | <b>12.8x</b>          | <b>12.3x</b> | <b>3.5x</b> |
| <b>Median</b>             |        |                          | <b>50.7%</b>         | <b>\$490</b>    | <b>\$1,013</b>      | <b>\$115</b> | <b>\$33</b>  | <b>\$304</b> | <b>7.5x</b>           | <b>14.0x</b> | <b>1.8x</b> |

### Automotive Financing

| Company                              | Ticker | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM          |              |                | Equity Value /<br>LTM |              |             |
|--------------------------------------|--------|--------------------------|----------------------|-----------------|---------------------|--------------|--------------|----------------|-----------------------|--------------|-------------|
|                                      |        |                          |                      |                 |                     | EBT          | Net Income   | Book Value     | EBT                   | Net Income   | Book Value  |
| Santander Consumer USA Holdings Inc. | SC     | \$18.41                  | 68%                  | \$6,170         | \$46,680            | \$401        | \$278        | \$4,768        | 15.4x                 | 22.2x        | 1.3x        |
| Ally Financial Inc.                  | ALLY   | \$19.83                  | 56%                  | \$7,568         | \$21,453            | \$963        | \$681        | \$13,423       | 7.9x                  | 11.1x        | 0.6x        |
| Credit Acceptance Corp.              | CACC   | \$419.01                 | 78%                  | \$7,754         | \$12,545            | \$459        | \$340        | \$2,065        | 16.9x                 | 22.8x        | 3.8x        |
| Consumer Portfolio Services, Inc.    | CPSS   | \$2.83                   | 66%                  | \$68            | \$2,243             | \$11         | \$16         | \$125          | 5.9x                  | 4.3x*        | 0.5x        |
| America's Car-Mart, Inc.             | CRMT   | \$87.87                  | 68%                  | \$608           | \$772               | \$70         | \$55         | \$326          | 8.7x                  | 11.0x        | 1.9x        |
| Nicholas Financial, Inc.             | NICK   | \$7.40                   | 75%                  | \$57            | \$153               | \$4          | \$4          | \$109          | 21.8x*                | 13.2x        | 0.5x        |
| <b>Average</b>                       |        |                          | <b>68.3%</b>         | <b>\$3,704</b>  | <b>\$13,974</b>     | <b>\$318</b> | <b>\$229</b> | <b>\$3,469</b> | <b>11.0x</b>          | <b>16.1x</b> | <b>1.4x</b> |
| <b>Median</b>                        |        |                          | <b>67.7%</b>         | <b>\$3,389</b>  | <b>\$7,394</b>      | <b>\$235</b> | <b>\$167</b> | <b>\$1,195</b> | <b>8.7x</b>           | <b>13.2x</b> | <b>0.9x</b> |

Source: Capital IQ. \*Excluded from average and median calculation.



# Industry Sector Overview – Public Company Analysis

## Financial Technology

(\$ in millions, except per share)

### Payment Processing

| Company                     | Ticker | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value  | Enterprise<br>Value | LTM             |                |                | LTM Margins  |              | Enterprise Value /<br>LTM |              |
|-----------------------------|--------|--------------------------|----------------------|------------------|---------------------|-----------------|----------------|----------------|--------------|--------------|---------------------------|--------------|
|                             |        |                          |                      |                  |                     | Revenue         | Gross Profit   | EBITDA         | Gross Profit | EBITDA       | Revenue                   | EBITDA       |
| Visa Inc.                   | V      | \$193.17                 | 90%                  | \$431,493        | \$441,616           | \$22,882        | \$22,153       | \$15,476       | 96.8%        | 67.6%        | 19.3x                     | 28.5x        |
| Mastercard Inc.             | MA     | \$295.70                 | 85%                  | \$299,396        | \$300,445           | \$16,225        | \$16,225       | \$9,575        | 100.0%       | 59.0%        | 18.5x                     | 31.4x        |
| PayPal Holdings, Inc.       | PYPL   | \$174.23                 | 99%                  | \$206,724        | \$203,394           | \$19,218        | \$8,620        | \$3,660        | 44.9%        | 19.0%        | 10.6x                     | 55.6x*       |
| Fiserv, Inc.                | FISV   | \$97.62                  | 78%                  | \$65,005         | \$87,713            | \$14,407        | \$6,722        | \$4,523        | 46.7%        | 31.4%        | 6.1x                      | 19.4x        |
| Global Payments, Inc.       | GPN    | \$169.62                 | 81%                  | \$45,897         | \$54,078            | \$6,669         | \$3,432        | \$2,499        | 51.5%        | 37.5%        | 8.1x                      | 21.6x        |
| Alliance Data Systems Corp. | ADS    | \$45.12                  | 28%                  | \$2,179          | \$16,951            | \$5,260         | \$879          | \$827          | 16.7%        | 15.7%        | 3.2x*                     | 20.5x        |
| <b>Average</b>              |        |                          | <b>77.0%</b>         | <b>\$175,116</b> | <b>\$184,033</b>    | <b>\$14,110</b> | <b>\$9,672</b> | <b>\$6,093</b> | <b>59.4%</b> | <b>38.4%</b> | <b>12.5x</b>              | <b>24.3x</b> |
| <b>Median</b>               |        |                          | <b>83.0%</b>         | <b>\$135,865</b> | <b>\$145,554</b>    | <b>\$15,316</b> | <b>\$7,671</b> | <b>\$4,092</b> | <b>49.1%</b> | <b>34.4%</b> | <b>10.6x</b>              | <b>21.6x</b> |

### Data & Compliance

| Company                | Ticker  | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM            |                |                | LTM Margins  |              | Enterprise Value /<br>LTM |              |
|------------------------|---------|--------------------------|----------------------|-----------------|---------------------|----------------|----------------|----------------|--------------|--------------|---------------------------|--------------|
|                        |         |                          |                      |                 |                     | Revenue        | Gross Profit   | EBITDA         | Gross Profit | EBITDA       | Revenue                   | EBITDA       |
| S&P Global Inc.        | SPGI    | \$329.48                 | 98%                  | \$80,475        | \$84,900            | \$7,153        | \$5,282        | \$3,944        | 73.8%        | 55.1%        | 11.9x                     | 21.5x        |
| Moody's Corp.          | MCO     | \$274.73                 | 96%                  | \$52,254        | \$57,138            | \$5,198        | \$3,791        | \$2,567        | 72.9%        | 49.4%        | 11.0x                     | 22.3x        |
| Thomson Reuters Corp.  | TSX:TRI | \$67.81                  | 84%                  | \$33,888        | \$36,593            | \$5,921        | \$1,936        | \$1,321        | 32.7%        | 22.3%        | 6.2x                      | 27.7x        |
| Experian plc           | EXPN    | \$34.90                  | 96%                  | \$31,763        | \$36,014            | \$5,179        | \$2,184        | \$1,578        | 42.2%        | 30.5%        | 7.0x                      | 22.8x        |
| Verisk Analytics, Inc. | VRSK    | \$170.20                 | 98%                  | \$28,246        | \$31,360            | \$2,698        | \$1,702        | \$1,141        | 63.1%        | 42.3%        | 11.6x                     | 27.5x        |
| MSCI Inc.              | MSCI    | \$333.82                 | 94%                  | \$28,458        | \$30,616            | \$1,627        | \$1,342        | \$888          | 82.4%        | 54.6%        | 18.8x                     | 34.5x        |
| Equifax Inc.           | EFX     | \$171.88                 | 95%                  | \$20,944        | \$24,012            | \$3,722        | \$2,142        | \$940          | 57.5%        | 25.3%        | 6.5x                      | 25.5x        |
| TransUnion             | TRU     | \$87.04                  | 86%                  | \$16,729        | \$20,147            | \$2,697        | \$1,803        | \$978          | 66.9%        | 36.3%        | 7.5x                      | 20.6x        |
| Nielsen Holdings plc   | NLSN    | \$14.86                  | 60%                  | \$5,294         | \$14,006            | \$6,362        | \$3,549        | \$997          | 55.8%        | 15.7%        | 2.2x                      | 14.0x        |
| <b>Average</b>         |         |                          | <b>89.7%</b>         | <b>\$33,117</b> | <b>\$37,198</b>     | <b>\$4,506</b> | <b>\$2,637</b> | <b>\$1,595</b> | <b>60.8%</b> | <b>36.8%</b> | <b>9.2x</b>               | <b>24.0x</b> |
| <b>Median</b>          |         |                          | <b>95.5%</b>         | <b>\$28,458</b> | <b>\$31,360</b>     | <b>\$5,179</b> | <b>\$2,142</b> | <b>\$1,141</b> | <b>63.1%</b> | <b>36.3%</b> | <b>7.5x</b>               | <b>22.8x</b> |

Source: Capital IQ. \*Excluded from average and median calculation.



# Industry Sector Overview – Public Company Analysis

## Insurance

(\$ in millions, except per share)

### Life & Health

| Company                         | Ticker | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM             |                 |                | LTM Margins  |             | Enterprise Value /<br>LTM |             |
|---------------------------------|--------|--------------------------|----------------------|-----------------|---------------------|-----------------|-----------------|----------------|--------------|-------------|---------------------------|-------------|
|                                 |        |                          |                      |                 |                     | Revenue         | Gross Profit    | EBITDA         | Gross Profit | EBITDA      | Revenue                   | EBITDA      |
| UnitedHealth Group Inc.         | UNH    | \$294.95                 | 93%                  | \$283,594       | \$308,791           | \$247,811       | \$65,490        | \$26,492       | 26.4%        | 10.7%       | 1.2x                      | 11.7x       |
| MetLife, Inc.                   | MET    | \$36.52                  | 69%                  | \$33,730        | \$105,200           | \$68,230        | \$21,924        | \$9,959        | 32.1%        | 14.6%       | 1.5x                      | 10.6x       |
| Cigna Corp.                     | CI     | \$187.65                 | 84%                  | \$70,351        | \$99,179            | \$154,629       | \$25,116        | \$11,529       | 16.2%        | 7.5%        | 0.6x                      | 8.6x        |
| Anthem, Inc.                    | ANTM   | \$262.98                 | 84%                  | \$67,704        | \$59,786            | \$112,965       | \$29,793        | \$9,134        | 26.4%        | 8.1%        | 0.5x                      | 6.5x        |
| Humana Inc.                     | HUM    | \$387.75                 | 94%                  | \$51,687        | \$39,780            | \$70,554        | \$13,704        | \$5,037        | 19.4%        | 7.1%        | 0.6x                      | 7.9x        |
| Centene Corp.                   | CNC    | \$63.55                  | 85%                  | \$31,479        | \$35,119            | \$86,507        | \$15,154        | \$4,746        | 17.5%        | 5.5%        | 0.4x                      | 7.4x        |
| Aflac Inc.                      | AFL    | \$36.03                  | 63%                  | \$26,377        | \$30,118            | \$21,708        | \$7,278         | \$4,150        | 33.5%        | 19.1%       | 1.4x                      | 7.3x        |
| Prudential Financial, Inc.      | PRU    | \$60.90                  | 59%                  | \$24,302        | \$23,605            | \$59,810        | \$14,295        | \$1,133        | 23.9%        | 1.9%        | 0.4x                      | 20.8x*      |
| Principal Financial Group, Inc. | PFG    | \$41.54                  | 68%                  | \$11,573        | \$12,083            | \$16,172        | \$6,328         | \$1,780        | 39.1%        | 11.0%       | 0.7x                      | 6.8x        |
| Lincoln National Corp.          | LNC    | \$36.79                  | 55%                  | \$7,246         | \$6,448             | \$16,925        | \$3,779         | \$708          | 22.3%        | 4.2%        | 0.4x                      | 9.1x        |
| Unum Group                      | UNM    | \$16.59                  | 47%                  | \$3,405         | \$4,430             | \$11,887        | \$3,318         | \$1,541        | 27.9%        | 13.0%       | 0.4x                      | 2.9x        |
| Genworth Financial, Inc.        | GNW    | \$2.31                   | 47%                  | \$1,165         | \$679               | \$8,033         | \$539           | \$575          | 6.7%         | 7.2%        | 0.1x                      | 1.2x        |
| <b>Average</b>                  |        |                          | <b>70.6%</b>         | <b>\$51,051</b> | <b>\$60,435</b>     | <b>\$72,936</b> | <b>\$17,226</b> | <b>\$6,399</b> | <b>24.3%</b> | <b>9.1%</b> | <b>0.7x</b>               | <b>7.3x</b> |
| <b>Median</b>                   |        |                          | <b>68.4%</b>         | <b>\$28,928</b> | <b>\$32,619</b>     | <b>\$64,020</b> | <b>\$14,000</b> | <b>\$4,448</b> | <b>25.1%</b> | <b>7.8%</b> | <b>0.5x</b>               | <b>7.4x</b> |

### Property & Casualty

| Company                       | Ticker | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM             |                |                | LTM Margins  |              | Enterprise Value /<br>LTM |              |
|-------------------------------|--------|--------------------------|----------------------|-----------------|---------------------|-----------------|----------------|----------------|--------------|--------------|---------------------------|--------------|
|                               |        |                          |                      |                 |                     | Revenue         | Gross Profit   | EBITDA         | Gross Profit | EBITDA       | Revenue                   | EBITDA       |
| Chubb Ltd.                    | CB     | \$126.62                 | 75%                  | \$57,523        | \$70,999            | \$34,466        | \$6,508        | \$3,281        | 18.9%        | 9.5%         | 2.1x                      | 21.6x        |
| The Progressive Corp.         | PGR    | \$80.11                  | 94%                  | \$47,057        | \$48,319            | \$40,545        | \$6,921        | \$6,007        | 17.1%        | 14.8%        | 1.2x                      | 8.0x         |
| The Allstate Corp.            | ALL    | \$96.99                  | 77%                  | \$31,502        | \$34,215            | \$43,814        | \$13,211       | \$6,688        | 30.2%        | 15.3%        | 0.8x                      | 5.1x         |
| The Travelers Companies, Inc. | TRV    | \$114.05                 | 74%                  | \$29,374        | \$30,059            | \$31,385        | \$6,918        | \$3,230        | 22.0%        | 10.3%        | 1.0x                      | 9.3x         |
| Markel Corp.                  | MKL    | \$923.17                 | 69%                  | \$12,777        | \$11,443            | \$8,082         | \$3,594        | \$722          | 44.5%        | 8.9%         | 1.4x                      | 15.9x        |
| Cincinnati Financial Corp.    | CINF   | \$64.03                  | 54%                  | \$10,463        | \$10,724            | \$6,467         | \$804          | \$776          | 12.4%        | 12.0%        | 1.7x                      | 13.8x        |
| CNA Financial Corp.           | CNA    | \$32.15                  | 63%                  | \$8,758         | \$9,389             | \$10,519        | \$2,966        | \$743          | 28.2%        | 7.1%         | 0.9x                      | 12.6x        |
| <b>Average</b>                |        |                          | <b>72.2%</b>         | <b>\$28,208</b> | <b>\$30,735</b>     | <b>\$25,040</b> | <b>\$5,846</b> | <b>\$3,064</b> | <b>24.7%</b> | <b>11.1%</b> | <b>1.3x</b>               | <b>12.3x</b> |
| <b>Median</b>                 |        |                          | <b>73.5%</b>         | <b>\$29,374</b> | <b>\$30,059</b>     | <b>\$31,385</b> | <b>\$6,508</b> | <b>\$3,230</b> | <b>22.0%</b> | <b>10.3%</b> | <b>1.2x</b>               | <b>12.6x</b> |

Source: Capital IQ. \*Excluded from average and median calculation.



# Industry Sector Overview – Public Company Analysis

## Insurance

(\$ in millions, except per share)

### Multi-line

| Company                                     | Ticker    | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM             |                |                | LTM Margins  |              | Enterprise Value /<br>LTM |             |
|---|-----------|--------------------------|----------------------|-----------------|---------------------|-----------------|----------------|----------------|--------------|--------------|---------------------------|-------------|
|   |           |                          |                      |                 |                     | Revenue         | Gross Profit   | EBITDA         | Gross Profit | EBITDA       | Revenue                   | EBITDA      |
| AXA SA                                      | ENXTPA:CS | \$20.95                  | 73%                  | \$50,049        | \$98,438            | \$124,051       | \$18,366       | \$7,325        | 14.8%        | 5.9%         | 0.8x                      | 13.4x       |
| American Int'l Group, Inc.                  | AIG       | \$31.18                  | 53%                  | \$27,255        | \$43,077            | \$48,593        | \$13,974       | \$10,634       | 28.8%        | 21.9%        | 0.9x                      | 4.1x        |
| Loews Corp.                                 | L         | \$34.29                  | 60%                  | \$9,993         | \$16,028            | \$12,936        | \$4,258        | \$495          | 32.9%        | 3.8%         | 1.2x                      | 32.4x*      |
| The Hartford Financial Services Group, Inc. | HIG       | \$38.55                  | 61%                  | \$13,976        | \$14,787            | \$20,718        | \$7,361        | \$3,201        | 35.5%        | 15.5%        | 0.7x                      | 4.6x        |
| Assurant, Inc.                              | AIZ       | \$103.29                 | 72%                  | \$6,329         | \$7,701             | \$9,983         | \$865          | \$806          | 8.7%         | 8.1%         | 0.8x                      | 9.6x        |
| American Financial Group, Inc.              | AFG       | \$63.46                  | 55%                  | \$5,749         | \$6,186             | \$7,287         | \$809          | \$717          | 11.1%        | 9.8%         | 0.8x                      | 8.6x        |
| National General Holdings Corp.             | NGHC      | \$21.61                  | 85%                  | \$2,507         | \$3,110             | \$5,308         | \$1,650        | \$655          | 31.1%        | 12.3%        | 0.6x                      | 4.8x        |
| American National Insurance Co.             | ANAT      | \$72.07                  | 57%                  | \$1,938         | \$1,353             | \$3,316         | \$636          | \$164          | 19.2%        | 4.9%         | 0.4x                      | 8.3x        |
| <b>Average</b>                              |           |                          | <b>64.6%</b>         | <b>\$14,724</b> | <b>\$23,835</b>     | <b>\$29,024</b> | <b>\$5,990</b> | <b>\$3,000</b> | <b>22.8%</b> | <b>10.3%</b> | <b>0.8x</b>               | <b>7.6x</b> |
| <b>Median</b>                               |           |                          | <b>60.9%</b>         | <b>\$8,161</b>  | <b>\$11,244</b>     | <b>\$11,460</b> | <b>\$2,954</b> | <b>\$761</b>   | <b>24.0%</b> | <b>9.0%</b>  | <b>0.8x</b>               | <b>8.3x</b> |

### Brokers

| Company                          | Ticker | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM            |                |                | LTM Margins  |              | Enterprise Value /<br>LTM |              |
|----------------------------------|--------|--------------------------|----------------------|-----------------|---------------------|----------------|----------------|----------------|--------------|--------------|---------------------------|--------------|
|                                  |        |                          |                      |                 |                     | Revenue        | Gross Profit   | EBITDA         | Gross Profit | EBITDA       | Revenue                   | EBITDA       |
| Marsh & McLennan Companies, Inc. | MMC    | \$107.37                 | 90%                  | \$54,812        | \$68,702            | \$17,072       | \$7,620        | \$4,588        | 44.6%        | 26.9%        | 4.0x                      | 15.0x        |
| Aon Plc                          | AON    | \$192.60                 | 81%                  | \$45,463        | \$53,501            | \$10,980       | \$5,237        | \$3,315        | 47.7%        | 30.2%        | 4.9x                      | 16.1x        |
| Willis Towers Watson             | WLTW   | \$196.95                 | 89%                  | \$25,604        | \$31,281            | \$9,258        | \$4,142        | \$2,202        | 44.7%        | 23.8%        | 3.4x                      | 14.2x        |
| Arthur J. Gallagher & Co.        | AJG    | \$97.49                  | 89%                  | \$18,752        | \$23,482            | \$6,757        | \$2,410        | \$1,424        | 35.7%        | 21.1%        | 3.5x                      | 16.5x        |
| Brown & Brown, Inc.              | BRO    | \$40.76                  | 84%                  | \$11,591        | \$12,796            | \$2,489        | \$1,127        | \$811          | 45.3%        | 32.6%        | 5.1x                      | 15.8x        |
| Fanhua Inc.                      | FANH   | \$20.01                  | 56%                  | \$1,082         | \$958               | \$488          | \$163          | \$59           | 33.3%        | 12.2%        | 2.0x                      | 16.1x        |
| Crawford & Co.                   | CRDA   | \$7.89                   | 66%                  | \$420           | \$683               | \$974          | \$274          | \$76           | 28.2%        | 7.8%         | 0.7x                      | 9.0x         |
| <b>Average</b>                   |        |                          | <b>79.3%</b>         | <b>\$22,532</b> | <b>\$27,343</b>     | <b>\$6,860</b> | <b>\$2,996</b> | <b>\$1,782</b> | <b>39.9%</b> | <b>22.1%</b> | <b>3.4x</b>               | <b>14.7x</b> |
| <b>Median</b>                    |        |                          | <b>83.7%</b>         | <b>\$18,752</b> | <b>\$23,482</b>     | <b>\$6,757</b> | <b>\$2,410</b> | <b>\$1,424</b> | <b>44.6%</b> | <b>23.8%</b> | <b>3.5x</b>               | <b>15.8x</b> |

Source: Capital IQ. \*Excluded from average and median calculation.



**HYDE PARK CAPITAL**

Investment Banking | Mergers & Acquisitions | Capital Raising

# Industry Sector Overview – Public Company Analysis

## Banks

(\$ in millions, except per share)

### Large Cap

| Company                                | Ticker | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM            |                |                 | Equity Value /<br>LTM |              |             |
|--|--------|--------------------------|----------------------|-----------------|---------------------|----------------|----------------|-----------------|-----------------------|--------------|-------------|
|  |        |                          |                      |                 |                     | EBT            | Net Income     | Book Value      | EBT                   | Net Income   | Book Value  |
| State Street Corporation               | STT    | \$63.55                  | 74%                  | \$23,034        | N/A                 | \$3,081        | \$2,475        | \$12,950        | 7.5x                  | 9.3x         | 1.8x        |
| Citigroup Inc.                         | C      | \$51.10                  | 61%                  | \$110,322       | N/A                 | \$16,282       | \$13,755       | \$148,137       | 6.8x                  | 8.0x         | 0.7x        |
| JPMorgan Chase & Co.                   | JPM    | \$94.06                  | 67%                  | \$294,770       | N/A                 | \$31,217       | \$25,152       | \$185,814       | 9.4x                  | 11.7x        | 1.6x        |
| Bank of America Corporation            | BAC    | \$23.75                  | 66%                  | \$214,067       | N/A                 | \$24,039       | \$20,314       | \$173,259       | 8.9x                  | 10.5x        | 1.2x        |
| M&T Bank Corporation                   | MTB    | \$103.97                 | 60%                  | \$13,583        | N/A                 | \$1,999        | \$1,483        | \$10,081        | 6.8x                  | 9.2x         | 1.3x        |
| Wells Fargo & Company                  | WFC    | \$25.60                  | 47%                  | \$107,724       | N/A                 | \$4,428        | \$5,909        | \$132,403       | 24.3x                 | 18.2x        | 0.8x        |
| The PNC Financial Services Group, Inc. | PNC    | \$105.21                 | 65%                  | \$45,766        | \$82,811            | \$3,739        | \$7,343        | \$39,695        | 12.2x                 | 6.2x         | 1.2x        |
| U.S. Bancorp                           | USB    | \$36.82                  | 60%                  | \$56,703        | \$70,994            | \$6,608        | \$5,284        | \$35,346        | 8.6x                  | 10.7x        | 1.6x        |
| Truist Financial Corporation           | TFC    | \$37.55                  | 66%                  | \$41,547        | \$48,558            | \$5,169        | \$3,575        | \$34,736        | 8.0x                  | 11.6x        | 1.2x        |
| Fifth Third Bancorp                    | FITB   | \$19.28                  | 61%                  | \$13,975        | \$28,119            | \$2,008        | \$1,527        | \$16,133        | 7.0x                  | 9.2x         | 0.9x        |
| KeyCorp                                | KEY    | \$12.18                  | 59%                  | \$11,975        | \$26,096            | \$1,457        | \$1,218        | \$12,760        | 8.2x                  | 9.8x         | 0.9x        |
| Capital One Financial Corporation      | COF    | \$62.59                  | 58%                  | \$28,860        | \$22,002            | \$88           | \$251          | \$36,051        | 328.0x*               | 115.0x*      | 0.8x        |
| Northern Trust Corporation             | NTRS   | \$79.34                  | 72%                  | \$16,748        | \$20,653            | \$1,849        | \$1,430        | \$9,694         | 9.1x                  | 11.7x        | 1.7x        |
| Regions Financial Corporation          | RF     | \$11.12                  | 63%                  | \$10,764        | \$15,706            | \$1,009        | \$746          | \$10,616        | 10.7x                 | 14.4x        | 1.0x        |
| <b>Average</b>                         |        |                          | <b>62.9%</b>         | <b>\$70,703</b> | <b>\$39,367</b>     | <b>\$7,355</b> | <b>\$6,462</b> | <b>\$61,262</b> | <b>9.8x</b>           | <b>10.8x</b> | <b>1.2x</b> |
| <b>Median</b>                          |        |                          | <b>62.4%</b>         | <b>\$35,204</b> | <b>\$27,108</b>     | <b>\$3,410</b> | <b>\$3,025</b> | <b>\$35,041</b> | <b>8.6x</b>           | <b>10.5x</b> | <b>1.2x</b> |

Source: Capital IQ. \*Excluded from average and median calculation.



**HYDE PARK CAPITAL**

Investment Banking | Mergers & Acquisitions | Capital Raising

# Industry Sector Overview – Public Company Analysis

## Banks

(\$ in millions, except per share)

### Small Cap

| Company                                 | Ticker | Closing Price<br>6/30/20 | % of 52<br>Week High | Equity<br>Value | Enterprise<br>Value | LTM          |              |                | Equity Value /<br>LTM |              |             |
|---|--------|--------------------------|----------------------|-----------------|---------------------|--------------|--------------|----------------|-----------------------|--------------|-------------|
|   |        |                          |                      |                 |                     | EBT          | Net Income   | Book Value     | EBT                   | Net Income   | Book Value  |
| Capital City Bank Group                 | CCBG   | \$20.95                  | 68%                  | \$353           | N/A                 | \$45         | \$34         | \$246          | 7.8x                  | 10.2x        | 1.4x        |
| BankUnited, Inc.                        | BKU    | \$20.25                  | 54%                  | \$1,885         | \$6,862             | \$278        | \$211        | \$2,677        | 6.8x                  | 8.9x         | 0.7x        |
| BOK Financial Corporation               | BOKF   | \$56.44                  | 64%                  | \$3,964         | \$6,293             | \$475        | \$379        | \$3,925        | 8.4x                  | 10.5x        | 1.0x        |
| Investors Bancorp, Inc.                 | ISBC   | \$8.50                   | 67%                  | \$2,100         | \$6,149             | \$269        | \$183        | \$2,523        | 7.8x                  | 11.5x        | 0.8x        |
| Synovus Financial Corp.                 | SNV    | \$20.53                  | 51%                  | \$3,072         | \$5,451             | \$592        | \$419        | \$3,968        | 5.2x                  | 7.3x         | 0.8x        |
| Ameris Bancorp                          | ABCB   | \$23.59                  | 53%                  | \$1,642         | \$2,461             | \$268        | \$134        | \$1,452        | 6.1x                  | 12.2x        | 1.1x        |
| Boston Private Financial Holdings, Inc. | BPFH   | \$6.88                   | 53%                  | \$572           | \$1,082             | \$52         | \$39         | \$759          | 11.0x                 | 14.7x        | 0.8x        |
| Eagle Bancorp, Inc.                     | EGBN   | \$32.75                  | 66%                  | \$1,088         | \$1,080             | \$172        | \$124        | \$1,083        | 6.3x                  | 8.8x         | 1.0x        |
| Seacoast Banking Corporation of Florida | SBCF   | \$20.40                  | 65%                  | \$1,070         | \$841               | \$103        | \$79         | \$801          | 10.3x                 | 13.6x        | 1.3x        |
| Western New England Bancorp, Inc.       | WNEB   | \$5.79                   | 57%                  | \$148           | \$322               | \$14         | \$11         | \$214          | 10.7x                 | 13.8x        | 0.7x        |
| <b>Average</b>                          |        |                          | <b>59.6%</b>         | <b>\$1,589</b>  | <b>\$3,393</b>      | <b>\$227</b> | <b>\$161</b> | <b>\$1,765</b> | <b>8.0x</b>           | <b>11.2x</b> | <b>1.0x</b> |
| <b>Median</b>                           |        |                          | <b>60.6%</b>         | <b>\$1,365</b>  | <b>\$2,461</b>      | <b>\$220</b> | <b>\$129</b> | <b>\$1,268</b> | <b>7.8x</b>           | <b>11.0x</b> | <b>0.9x</b> |

Source: Capital IQ. \*Excluded from average and median calculation.



**HYDE PARK CAPITAL**

Investment Banking | Mergers & Acquisitions | Capital Raising



# HYDE PARK CAPITAL

Investment Banking | Mergers & Acquisitions | Capital Raising

## Overview

Nationally recognized investment bank founded in 2000

Over 300 transactions completed, totaling more than \$10 billion in transaction value

Extensive relationships with leading institutional lenders, PE investors, and strategic buyers

Proven ability to source quality buyers and maximize deal value

## Industry Expertise

- Technology
- Business Services
- Financial Services
- Healthcare
- Industrial Services
- Consumer

## Transaction Size

- \$25M - \$500M

## Investment Banking Services

Mergers & acquisitions, recapitalizations, and management buyouts

Capital raising of equity, mezzanine, and senior debt capital

Financial advisory, analytical support, and fairness opinions

Comprehensive and targeted sell-side marketing efforts

## Hyde Park Capital Advisors, LLC

701 N. Franklin Street  
Tampa, FL 33602  
Tel: 813-383-0202

www.hydeparkcapital.com

# Recent Transactions

|  |  |   |  |   |
|--|--|---|--|---|
| <br>                                 | <br> | <p>has been acquired by</p>    | <br><p>has been recapitalized by</p> <br><p>and others</p>     | <br><p>has been acquired by</p>   |
|    | <br>  | <br><p>received a strategic investment from</p>  | <br><p>CERTIFIED PRE-OWNED</p> <br><p>QUALITY SPEED VALUE</p> | <br><p>MAKERS OF VUEWorks.</p> <br> |
| <br><p>has been acquired by</p>  | <br><p>LINDSAY GOLDBERG</p>   | <br><p>has been acquired by</p> <p>LINDSAY GOLDBERG</p>  | <br><p>has been acquired by</p>                            | <br><p>has been acquired by</p>   |