

SUMMARY OF INITIAL PUBLIC OFFERING

July 2021

Specialized investment bankers at the intersection of finance and technology

Ryan Specialty Group IPO – Executive Summary

Initial Public Offering Overview – July 2021



Description



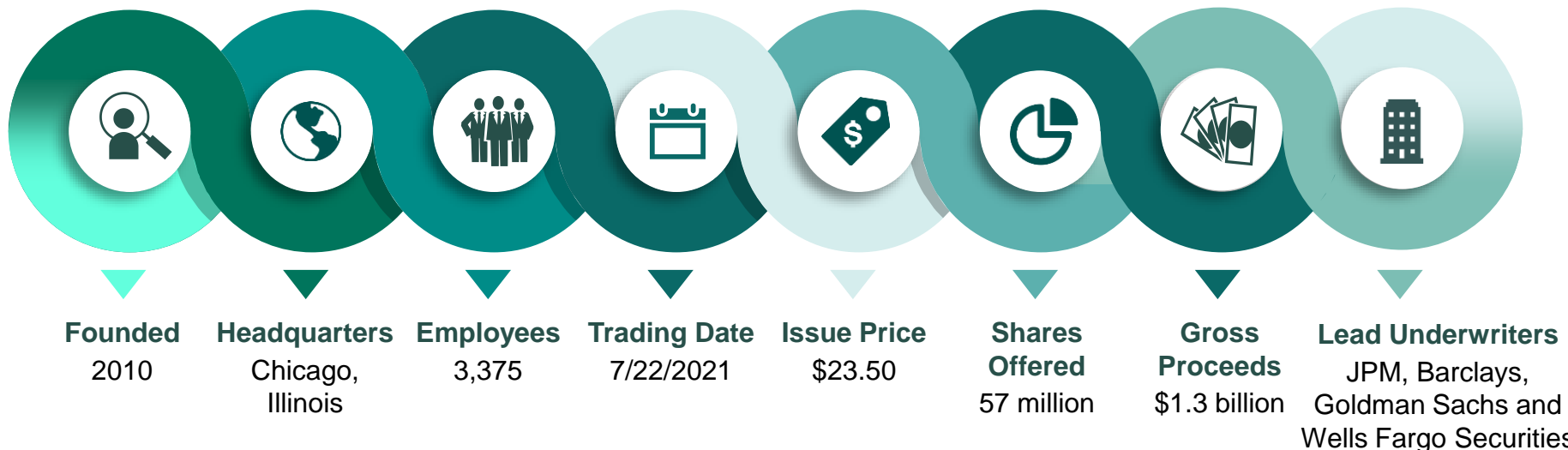
- Ryan Specialty Group (RSG) is a service provider of specialty products and solutions for insurance brokers, agents, and carriers
- The Company provides distribution, underwriting, product development, administration, and risk management services by acting as a wholesale broker and a managing underwriter
- Primarily, RSG offers retail insurance brokers multi-channel access to E&S and Admitted markets through three specialties: Ryan Turner (RT) Specialty, RT Binding Authority, and RSG Underwriting Managers
- 97% of revenues is generated from activities in North America
- In FY2020, RSG placed 70.6% of the total premiums in growing E&S market
 - The U.S. E&S market has grown at a CAGR of 6.4%, compared to 4.0% for the U.S. Admitted market, between 2010 and 2019



Use of Proceeds

Ticker: NYSE: RYAN

- RSG intends to use the proceeds from the offering as follows:
 - \$120 million to acquire 6 million newly issued LLC Units in Holdings LLC
 - \$344 million to acquire the equity of an entity through which an affiliate of Onex held its preferred unit interest in Holdings LLC
 - \$796 million to acquire 36 million outstanding LLC Units from certain existing holders of LLC Units at a purchase price per LLC Unit equal to \$23.50, the IPO price
- The Company may also invest the proceeds in short- and intermediate-term interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the U.S. government



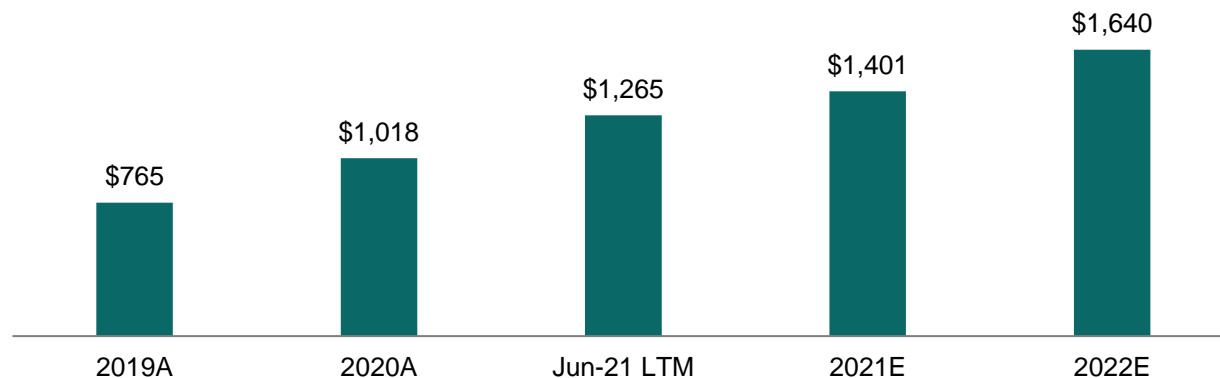
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Key Metrics

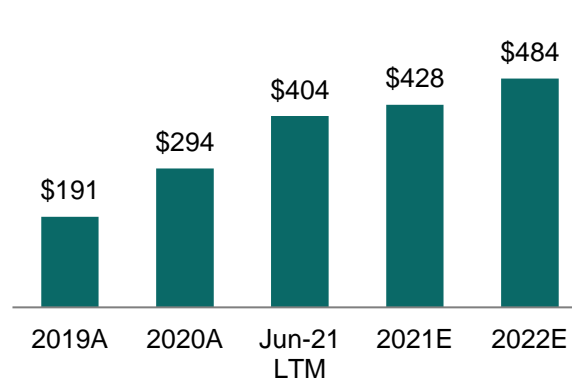
Key Metrics

Shares Offered through the IPO	57 million
Issue Price	\$23.50
Total O/S ⁽¹⁾ after the IPO	256 million
Market Value at Issue Price ⁽¹⁾	\$6.0 billion
EV at Issue Price ⁽²⁾	\$7.6 billion
EV / Revenue ⁽³⁾	18.9x
Trading Date	7/22/2021
Listing Price	\$25.60
Listing Premium	\$2.10

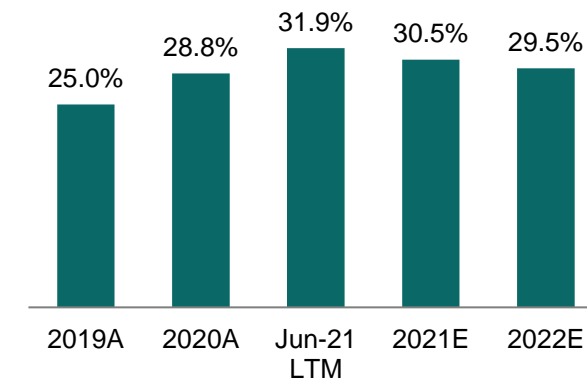
Total Revenue (FYE Dec; \$mm)



Adjusted EBITDAC^(4&5) (\$mm)



Adjusted EBITDAC Margin (%)



3

Source(s): RSG S-1 Filing, Form 424B4, Media Reports, 10-Q, CapIQ

Notes:

- O/S = Outstanding Shares and market value is calculated as Issue Price x Total O/S after the IPO
- EV = calculated Market Value at Issue Price + preferred equity + debt - cash as of June 30, 2021
- EV / Revenue calculated based on TTM revenue and enterprise value of securities on listing date

- Adjusted EBITDAC as NI before interest expense, income tax expense, D&A, and change in contingent consideration, adjusted to reflect items such as (i) equity-based compensation, (ii) acquisition and restructuring related expenses, and (iii) other exceptional or non-recurring items, as applicable
- 2021E and 2022E EBITDAC figures are EBITDA figures from CapIQ estimates

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Company Overview

Business Overview

- RSG operates as a service provider of specialty products and solutions for insurance brokers, agents, and carriers
- The Company provides specialty insurance lines to global, national, and local retail insurance brokers; and brokering and underwriting management expertise, and insurance products to syndicates, multi-line underwriters, and E&S specialists, among others
 - **For retail insurance brokers**, RSG assists in the placement of complex or otherwise hard-to-place risks
 - **For insurance carriers**, the Company works with retail and wholesale insurance brokers to source, onboard, underwrite, and service these same risks
- Primarily, it offers retail insurance brokers multi-channel access to E&S and Admitted markets through three specialties:
 - **RT Specialty**: distributes products from insurance carriers to retail brokers
 - **RSG Underwriting Managers**: designs, underwrites, binds, and administers policies on behalf of carriers
 - **RT Binding**: places larger-volume, smaller premium policies efficiently with insurance carriers
- Since 2010, RSG has completed 40+ acquisitions and has acquired \$59 million and \$240 million of revenue in FY2019 and FY2020, respectively
 - In Sep-20, RSG acquired All Risks Specialty, the 4th largest wholesale distributor; the acquisition advanced many of RSG’s strategic priorities and enhanced competitive position

Key Statistics



2nd largest US P&C insurance wholesale broker and the **3rd largest** U.S. property / casualty managing general agency and underwriter



Preferred relationships with **97 of the top 100** retail insurance brokers



Distribution network has **650+ individuals**, who have access to **15,500+ retail insurance firms** and **200+ excess and surplus (E&S) lines carrier**



Placed **70.6%** of the total premiums in the E&S market for the year ended December 31, 2020



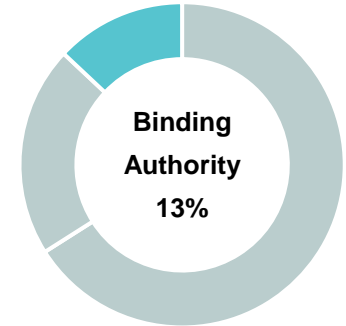
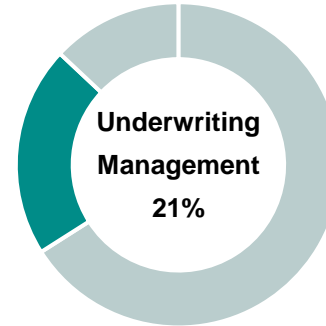
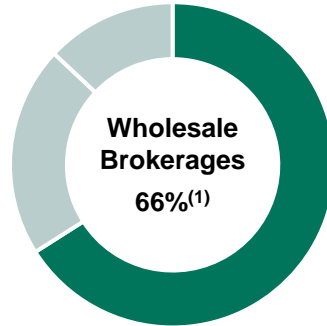
Generated **\$1 billion** revenue in FY2020, representing a y-o-y total revenue growth of **33%** and organic revenue growth of **20%**



Ryan Specialty Group maintains a global presence with offices in **North America, the UK, and Europe, with headquarters in Chicago**

Ryan Specialty Group IPO – Case Study

Full Service Product Offering – An Overview



Brand
Operating model
Value proposition
Illustrative coverages



Distributes a wide range of products from insurance carriers to retail brokers

Focused, specialized servicing of retail agent's most challenging risks

- Construction liability
- Directors and officers
- Vacant property
- Environmental liability
- Coastal wind coverage



Designs, underwrites, binds and administers policies on behalf of carriers

Provides carriers with effective market expertise in distinct and complex niches

- Cyber
- Renewable energy
- Professional liability
- Transactional liability
- Product liability



Places larger-volume, smaller premium policies efficiently with insurance carriers

Timely and secure access to insurance carriers through in-house binding arrangements

- Manufacturing
- Start-ups
- Distressed property
- Subsidized housing
- Long-haul trucking

Ryan Specialty Group IPO – Executive Summary

Management Team



Patrick G. Ryan
*Founder, Chairman &
Chief Executive
Officer*

- Patrick founded RSG in 2010 and serves as its Chairman and Chief Executive Officer
- Prior to launching RSG, he founded Aon Corporation and served as its Chairman and CEO for 41 years
- Patrick has been a member of the Northwestern University's Board of Trustees for 42 years, 14 years of which he served as the Chairman
- He has received numerous Insurance and Community awards and also served as the Chairman of the Chicago 2016 Olympic Bid Committee
- Patrick is a 1959 graduate of the Kellogg School of Management



Michael T. VanAcker
*Chief Operating
Officer*

- Michael joined RSG in 2011 and currently serves as the Chief Operating Officer
- Previously, Michael served as the Chief Operating Officer and Controller of RT Specialty
- He began his career in PwC's Assurance practice specializing in insurance clients
- Michael holds degrees in Finance and Accounting from the University of Illinois at Urbana-Champaign





Jeremiah R. Bickham
*Executive Vice
President and Chief
Financial Officer*

- Jeremiah joined RSG in 2011 as the Treasurer and currently serves as the Chief Financial Officer and Head of Corporate Development
- Prior to joining RSG, he served at KPMG as a research analyst in the Department of Professional Practice and later worked for the audit practice
- Jeremiah holds an MBA from the Kellogg School of Management at Northwestern University; also holds an MPA and a BBA from the University of Texas at Austin
- He is a Certified Public Accountant

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Transaction History

Date	Transaction Type	Amount (\$mm)	Key Investors
9/15/2020	PE Growth/Expansion	\$317	NA
3/11/2020	PE Growth/Expansion	\$1	NA
1/1/2020	Debt - General	\$1,950	NA
4/23/2019	PE Growth/Expansion	\$32	NA
NA	Debt - General	\$950	BMO  Harris Bank
6/4/2018	PE Growth/Expansion	\$175	
7/19/2014	Angel	\$114	NA
1/23/2013	Early Stage VC	\$86	NA

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