

Company registration No. 12434508

**BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO
LIMITED)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

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BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
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BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

This Strategic Report has been prepared for Brown & Brown UK - GRP Limited and its subsidiaries ('the Group' or 'GRP') and therefore gives greater emphasis to those matters which are significant to the Group and its subsidiary undertakings when viewed as a whole.

Change in reporting period

The current reporting period relates to a 9 month period from 1 April 2022 to 31 December 2022. The comparatives relate to a 12 month period.

Key achievements and performance indicators

In the 9 month period to 31 December 2022 the Group continued its growth.

| Key performance indicators | | 9 Month Period ended 31 December 2022 | Year ended 31 March 2022 |
|----------------------------|------|--|-----------------------------|
| Turnover | £m's | £181.6 | £201.0 |
| Operating profit | £m's | £41.2 | £71.3 |

The following are key highlights:

- On 1 July 2022 the Group was acquired by Brown & Brown, Inc., a company incorporated in the United States and listed on the New York Stock Exchange.

- Operating profit is the Group's preferred performance indicator and in the Directors view the most accurate method of assessing the underlying performance of the business. Operating profit is reported before non-cash charges of £78m, Interest of £20m and exceptional costs of £6.9m. After accounting for these charges the company reported a pre-tax loss of £63.6m.

- GRP has a strategy of acquiring high-quality UK insurance broking businesses and Managing General Agents ("MGAs") with talented, entrepreneurial management teams. Acquisitions have supported the ongoing development of GRP's local distribution footprint as well as building client led propositions across an increasing number of specialisms.

- The Group has acquired 18 businesses in the period ended 31 December 2022 (13 in the year to 31 March 2022).

- The Group has continued to invest in its scalable platform to support its future growth ambitions. An element of this has been the significant investment in market leading data led analytics capability which delivers quality management information and insight to inform, support and validate business decisions.

- Employee numbers have grown to more than 2,100 during the financial period.

- Third-party financing was repaid as part of the Brown & Brown, Inc. acquisition.

- Exceptional items totalling £6.9m relate to non-recurring one off items borne during the year that are not day to day costs of running the business. The costs primarily relate to Group Wide IT system improvements and deal costs relating to the Brown & Brown Inc. acquisition.

As a result of the developments above, the Group is now one of the largest commercial brokers in the UK.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

Overview

The Group is focused on a programme of growth through acquisition and integration of carefully selected regional retail, wholesale and health insurance brokers, MGAs, portfolios and teams.

Central to GRP's business model is the optimisation of client outcomes. This is delivered through the provision of compelling client focused propositions, specialist and niche products distributed through our local branch network and underwritten by a panel of leading insurer partners.

GRP has a significant pipeline of acquisitions, and discussions are ongoing with a number of businesses which meet GRP's stringent acquisition criteria. GRP drives a comprehensive improvement programme to grow the operating margins of the underlying businesses, embedding best practice processes and standards, underpinned by centralised support, oversight and governance.

Acquisition update

The Group has acquired 18 businesses during the period which are as below:

On 5 April 2022 the Group acquired 100% of the issued share capital of Archenfield Insurance Management Limited, a company incorporated in the United Kingdom.

On 10 May 2022 the Group acquired 100% of the issued share capital of Castle Insurance Services (North East) Ltd, a company incorporated in the United Kingdom.

On 12 May 2022 the Group acquired 100% of the issued share capital of Insurefirst Limited, a company incorporated in the United Kingdom.

On 13 May 2022 the Group acquired 100% of the issued share capital of S M Commercial Insurance Brokers Limited, a company incorporated in the United Kingdom.

On 1 June 2022 the Group acquired 100% of the issued share capital of HFIS Limited, a company incorporated in the United Kingdom.

On 22 June 2022 the Group acquired 100% of the issued share capital of Prescott Jones Limited, a company incorporated in the United Kingdom.

On 4 July 2022 the Group acquired 100% of the issued share capital of Crendon Insurance Brokers Limited, a company incorporated in the United Kingdom.

On 8 July 2022 the Group acquired 100% of the issued share capital of First Insurance Solutions Limited, a company incorporated in the United Kingdom.

On 13 July 2022 the Group acquired 100% of the issued share capital of Woodward Markwell Holdco 8 Limited, a company incorporated in the United Kingdom.

On 1 August 2022 the Group acquired 100% of the issued share capital of PNMCO Limited, a company incorporated in the United Kingdom.

On 11 October 2022 the Group acquired 100% of the issued share capital of Business Insurance Specialists Limited, a company incorporated in the United Kingdom.

On 1 November the Group acquired 100% of the issued share capital of Independent Healthcare (UK) Limited, a company incorporated in the United Kingdom.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

Acquisition update (continued)

On 16 November 2022 the Group acquired 100% of the issued share capital of Taylor Berry Knight Limited, a company incorporated in the United Kingdom.

On 1 May 2022 the Group acquired the renewal rights to a book of business of Marsh & Co.

On 1 June 2022 the Group acquired the renewal rights to a book of business of Taylor Francis Insurance.

On 1 August 2022 the Group acquired the renewal rights to a book of business of Mosaic Health.

On 1 October 2022 the Group acquired the renewal rights to a book of business of Kew Insurance.

On 1 November 2022 the Group acquired the renewal rights to a book of business of Paul Ganjou.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

Business Review

The directors consider the outlook for the Group to be positive with an extensive pipeline of target business acquisitions coupled with steady growth projections for existing Group companies. The Group has a strong management team with extensive industry experience.

Principal Risks and Uncertainties

Management records the ongoing identification of risks and mitigating controls through its risk register, which is considered and updated at the regular Risk and Compliance Committee meetings. Mitigating controls are structured to bring risks within the Board's agreed risk appetite.

The Group is primarily exposed to the following risks:

Regulatory and Compliance Risk

There is the risk of financial loss or reputational impact through non-compliance with the relevant laws and regulations of the insurance intermediary sector. *The Group manages this through an established control framework based on documented policies and procedures, compliance function monitoring and reporting, and ongoing monitoring at Board and Risk and Compliance Committee meetings.*

Cashflow and Liquidity Risk

The Group is dependent on cash flows generated by its trading operations, which are in turn reliant on the commissions and fees earned by its subsidiaries. *In addition, profit commissions are earned based on the underwriting results of the business written. The Group is therefore exposed to the cyclical nature of the insurance industry, both in terms of the size and performance of the market and in the lines which it writes.*

The Group mitigates this risk by operating in niche, profitable lines, which are less subject to the cyclical nature of the wider market. The Group manages its business plans and cash flow forecasting to ensure that payments can be met when they fall due. In addition, the Group's activities expose it to the financial risks of changes in foreign currency exchange rates on insurance balances denominated in Euros and US Dollars and through changes in interest rates. To minimise the risk, foreign currency transactions are matched utilising foreign currency bank accounts. The Group regularly assesses foreign currency exposure and, where material, will endeavour to hedge as appropriate.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit Risks

The Group's principal financial assets are bank balances and cash, trade and other receivables with credit risk primarily attributable to its trade receivables and bank balances. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by International credit-rating agencies. There is no significant concentration of credit risk as the risks are spread over a number of counterparties.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

Principal Risks and Uncertainties (continued)

Underwriting Capacity Risk

The Group and its operations are exposed to potential changes of underwriting procedures and policy by its capacity providers, as the Group does not hold any capital risk. In addition, the underwriting performance determines the value of profit commission received.

Litigation Risk

There is the risk of litigation or legal action as a result of ongoing trading in subsidiaries. The Group manages this through a robust programme of controls across the Group commensurate to the size and nature of the business, based on the documented policies and procedures, combined with insurance.

Errors and Omissions Exposures

As a consequence of the business sector the Group operates in, claims alleging professional negligence may be made against the Group in the ordinary course of business. Some of these may have a material adverse impact on the Group's profitability, cash and capital. The Group mitigates this risk by ensuring that it has in place robust and risk-based governance and operational policies and procedures, and that staff are competent for the roles they perform and have access to appropriate training and development. In addition, the Group has taken out Errors & Omissions insurance cover.

Political Risk

The group has performed a review of political risk and is not significantly impacted. The situation continues to be closely monitored.

Cyber/IT Risk

The Group is exposed to potential IT failure as a result of a cyber-attack. The Group manages this through a comprehensive set of policies, procedures and controls including robust security protocols.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

Section 172

The Board of Brown & Brown (Europe) Limited ('the Board') considers the long term consequences of its decisions and these are guided by the Group strategy which seeks to ensure this is executed with due regard to our stakeholders and maintaining high standards of business conduct. Having shareholders represented on the Board means that shareholder engagement is robust. The strength of the Board and governance structure is further enhanced by the presence of independent directors. Key stakeholders also include our employees, customers, insurers and regulators. We engage with each of these as follows:

Employees

The Board recognises that employees are our biggest asset and through development and remuneration structures we reward performance at the individual business level. We seek to focus on our employees to promote an open and honest culture where every employee feels valued and trusted to do the right thing.

Customers

Positive customer relationships are key to the performance of the Group and we endeavour to achieve and maintain a high standard of customer satisfaction. We review our product offerings and services to ensure these continue to meet the high standards set and meet customer needs.

Insurers

Strong relationships with Insurers are central to the future success of the Group. Regular meetings are held with key insurance partners, introducers and network members to discuss performance and ways in which we can enhance the customer experience. With regular insurer engagement GRP is able to continue a high standards of service to customers.

Regulators

The Group's principal regulator is the FCA and the board operates an open and transparent relationship. The Group believes that having a strong, positive and open relationship with the FCA is essential for future strategy and growth.

Community and sustainability

The Group's commitment to minimising our impact on the environment is evidenced through encouraging recycling internally, using motion sensitive lighting in offices where available reducing emissions. The Group has 135 operational premises which used 1 Gwh of electricity and 0.4 Gwh of gas which equates to a 9 month CO2 consumption of 199 & 65 tonnes respectively. The data has been calculated by obtaining the electricity and gas consumption, across the Group property portfolio. The total annual CO2 of 264 tonnes produced by the Group equates to 1 tonnes per million pounds of revenue.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

Future Developments and Events after the Balance Sheet Date

On 3 January 2023 the Group acquired 100% of the ordinary share capital of Christopher Trigg Limited and Nucleus Underwriting Limited, companies incorporated in the United Kingdom.

On 5 January 2023 the Group acquired 100% of the ordinary share capital of BPW Topco Limited Limited, a company incorporated in the United Kingdom,

On 1 February 2023 the Group acquired 100% of the ordinary share capital of Edmondsons Limited, a company incorporated in the United Kingdom.

On 3 February 2023 the Group purchased the renewal rights to a book of business of Visibly Health.

On 8 February 2023 the Group acquired 100% of the ordinary share capital of Gower House Limited, a company incorporated in the United Kingdom.

On 1 April 2023 the Group purchased the renewal rights to a book of business of M R Lonsdale

On 6 April 2023 the Group acquired 100% of the ordinary share capital of Thompson & Co (Risk Solutions) Holdings Limited.

On 1 June 2023 the Group acquired 100% of the ordinary share capital of Amicus Solutions Holdings Limited, a company incorporated in the United Kingdom.

On 1 July 2023 the Group acquired 100% of the ordinary share capital of Petherwick Insurance Brokers Limited, a company incorporated in the United Kingdom.

On 3 July 2023 the Group acquired 100% of the ordinary share capital of SB2 Ltd, a company incorporated in the United Kingdom

On 1 August 2023 the Group acquired 100% of the ordinary share capital of Petsmedicover Limited, a company incorporated in the United Kingdom.

On 1 September 2023 the Group acquired 100% of the ordinary share capital of Square Circle Brokers Limited, a company incorporated in the United Kingdom.

Approved and authorised for issue by the Board of Directors and signed on its behalf by:



.....
M Bruce
Director

Date: 15 September 2023

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

The Director presents their annual report on the affairs of Brown & Brown UK - GRP Limited together with the financial statements and auditor's report, for the period ended 31 December 2022

Review of the business, future developments, events after the balance sheet date and principal risks and uncertainties

GRP has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the Company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch.7 to be contained in the directors' report. It has done so in respect of business activities, risks and future developments.

Results and dividends

The Group has reported a loss after taxation for the period of £63.4m. (year to 31 March 2022: £98.3m). The directors do not recommend the payment of a dividend.

Directors

The directors, who served during the year and to the date of this report, were as follows:

M Bruce

A Frey (resigned 1 July 2022)

H Ramos De Freitas (resigned 1 July 2022)

Directors' Indemnities

The Group and Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report. Additional cover for the Directors against personal financial exposure has been made under a directors' and officers' liability insurance policy.

Political Contributions

The Company made no political contributions during the current or prior years.

Employees

Disabilities

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. *In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.*

Part Time and Fixed Term Work

Part time and fixed-term employees are treated the same as comparable full-time or permanent employees and enjoy no less favourable terms and conditions (on a pro-rata basis where appropriate), unless different treatment is justified.

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. *In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.* Part time and fixed-term employees are treated the same as comparable full-time or permanent employees and enjoy no less favourable terms and conditions (on a pro-rata basis where appropriate), unless different treatment is justified.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

Employees (continued)

Discrimination

Employees must not unlawfully discriminate against or harass other people including current and former employees, job applicants, clients, customers, suppliers and visitors. This applies in the workplace, outside the workplace (when dealing with customers, suppliers or other work-related contacts), and on work-related trips or events including social events.

The following forms of discrimination are prohibited under this policy and are unlawful:

- Direct discrimination: treating someone less favourably because of a Protected Characteristic. For example, rejecting a job applicant because of their religious views or because they might be gay.
- Indirect discrimination: a provision, criterion or practice that applies to everyone but adversely affects people with a particular Protected Characteristic more than others, and is not justified. For example, requiring a job to be done full-time rather than part-time would adversely affect women because they generally have greater childcare commitments than men. Such a requirement would be discriminatory unless it can be justified.
- Victimisation: retaliation against someone who has complained or has supported someone else's complaint about discrimination or harassment.
- Disability discrimination: this includes direct and indirect discrimination, any unjustified less favourable treatment because of the effects of a disability, and failure to make reasonable adjustments to alleviate disadvantages caused by a disability.

Recruitment and Selection

Recruitment, promotion and other selection exercises such as redundancy selection are conducted on the basis of merit, against objective criteria that avoid discrimination. Shortlisting is done by more than one person if possible.

Vacancies are advertised to a diverse section of the labour market. Advertisements avoid stereotyping or using wording that may discourage particular groups from applying.

Job applicants are not asked questions which might suggest an intention to discriminate on grounds of a Protected Characteristic. For example, applicants are not asked whether they are pregnant or planning to have children.

Job applicants are not asked about health or disability before a job offer is made, except in the very limited circumstances allowed by law: for example, to check that the applicant could perform an intrinsic part of the job (taking account of any reasonable adjustments), or to see if any adjustments might be needed at interview because of a disability. Where necessary, job offers can be made conditional on a satisfactory medical check. Health or disability questions may be included in equal opportunities monitoring forms, and are not used for selection or decision-making purposes.

Breaches of this Policy

The Group takes a strict approach to breaches of this policy, which will be dealt with in accordance with our Disciplinary Procedure. Serious cases of deliberate discrimination may amount to gross misconduct resulting in dismissal.

If any employee believes that they have suffered discrimination, then they can raise the matter through our Grievance Procedure or Anti-harassment and Bullying Policy. Complaints are treated in confidence and investigated as appropriate.

Employees must not be victimised or retaliated against for complaining about discrimination. However, making a false allegation deliberately and in bad faith will be treated as misconduct and dealt with under our Disciplinary Procedure.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2022

Employees (continued)

Employee Participation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. The group-wide intranet informs employees about all material developments within the Group.

Employees are consulted regularly on a wide range of matters affecting their current and future interests. If required we arrange the election of employee representatives who we then consult with as appropriate.

Human Rights and Modern Slavery

The Group endorses the implementation and promotion of ethical business practices to protect workers from being abused and exploited. We are committed to preventing slavery and human trafficking in our corporate activities and to ensuring that our supply chains are free from slavery and human trafficking.

The Group performs an important role in the insurance distribution chain dealing with its end customers, brokers, underwriting agents, insurers and other insurance market participants. However, we believe that we are at low risk of human trafficking and slavery occurring within our business or supply chain as we do not have a supply chain that is reliant on factories or other entities that would normally be associated with slavery or forced labour. As a general rule, contractors and suppliers used by us are also not considered likely to be susceptible to this risk. However, employees responsible for managing suppliers and others involved with the Group are responsible for ensuring that our values and ideals are upheld. We continue to ensure that our contracts include appropriate protections and serious violations by suppliers would lead to the termination of the business relationship.

Energy and Carbon Reporting

This has been disclosed in the Strategic Report.

Going Concern

The financial statements of the Group set out on pages 19 to 74 have been prepared on a going concern basis. At 31 December 2022, prior to exceptional costs, amortisation, depreciation, share based remuneration and interest the Group reported an operating profit of £41.2m for the period ended 31 December 2022.

The Directors consider the going concern basis to be appropriate following their assessment of the Group's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment the Directors have taken into account the following:

- The liquidity of the group and the transaction with Brown & Brown, Inc.
- Its limited exposure to any financial losses generated by the crisis in Ukraine.
- The business trajectory of organic growth and continued execution of the M&A strategy.

When assessing the presentation of the financial statements on a going concern basis, the Directors have considered the business plans and associated cash forecasts.

The insurance industry is a segment of the UK economy which has proven resilient in recent crises

In summary, the Directors are not aware of any material uncertainties that cast significant doubt on the Group's ability to continue as a going concern.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2022

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements have been put in place for Deloitte LLP to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Future developments and events after the balance sheet date

Future developments and events after the balance sheet date have been disclosed in the Strategic Report and note 27.

Approved and authorised for issue by the Board of Directors and signed on its behalf by:



.....
M Bruce

Date: 15 September 2023

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

DIRECTORS' RESPONSIBILITY STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2022

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that GRP will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of GRP and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the GRP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROWN & BROWN UK - GRP LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Brown and Brown UK – GRP Ltd (the ‘parent company’) and its subsidiaries (the ‘group’):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2022 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”; and
- have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 31.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the ‘FRC’s’) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors’ assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- We evaluated management's method to assess going concern including an assessment of management's forward looking business plan;
- We obtained an understanding of the current financing of the Group and the impact of the completion of the acquisition of the Group by Brown & Brown Inc;
- We challenged future profit forecasts and forecast covenant calculations and assessed the reasonableness of assumptions used;
- We assessed the future profit forecasts against economic conditions including Climate Change and the Ukraine crisis;

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROWN & BROWN UK - GRP LIMITED

Conclusions relating to going concern (continued)

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROWN & BROWN UK - GRP LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included U Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included Financial Conduct Authority regulations

We discussed among the audit engagement team including significant component audit teams and relevant internal specialists such as tax and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

The group earns fees and commissions from its insurance broking activities and there is a fraud risk that brokerage is inappropriately accelerated or deferred between accounting periods.

We have assessed that there is a significant risk of material misstatement relating to revenue recognition which is pinpointed to the cut-off assertion specifically around the year end.

- We have obtained an understanding of the revenue process, including procedures for determining the commission percentages accordance with policies and binder agreements and the flow of financial information into the general ledger;
- Assessed the design and implementation of controls in the revenue process specifically focusing on the controls that address revenue recognition cut-off; and
- Perform analytics on revenue trends over the year and specifically in December 2022 and January 2023 to identify any transaction which may have been erroneously recognised as revenue in the incorrect period indicating an increased risk of cut-off;
- Performed additional sample testing for transactions processed around the year-end date and within the first month of the new financial year, multi-annual policies recorded in installments and balances accrued for at year end to identify any transactions which may have been erroneously recognised as revenue in the incorrect period to address the risk of cut-off; and
- Reviewed cancellations in January 2023 listing and tested as a separate population to address the 'fraud risk' that transactions may be fictitiously booked in December 2022 and reversed out in January 2023.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROWN & BROWN UK - GRP LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management internal audit and in-house legal counsel concerning actual and potential litigation and claims, an instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, as well as reviewing internal audit reports and FC correspondence.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

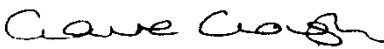
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Claire Clough, ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

15 September 2023

Date

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

CONSOLIDATED PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2022

| | | 9 Month Period ended 31 December 2022 | Year ended 31 March 2022 |
|--|-------|---|-----------------------------|
| | Notes | £000's | £000's |
| Turnover | 3 | 181,624 | 200,951 |
| Other operating income | 4 | 1,670 | 1,375 |
| Fair value movement on forward exchange contracts | | 685 | (305) |
| Administrative expenses before amortisation and impairment | | (142,774) | (130,766) |
| Operating profit | | 41,205 | 71,256 |
| Customer relationships amortisation | 13 | (46,675) | (50,581) |
| Goodwill amortisation | 12 | (25,272) | (31,089) |
| Depreciation and amortisation | | (5,339) | (3,008) |
| Loss before share based remuneration, interest and exceptionals | | (36,081) | (13,423) |
| Share Based Remuneration charge | 11 | (744) | (10,936) |
| Interest payable and similar expenses | 5 | (19,937) | (49,808) |
| Exceptional items | 6 | (6,885) | (5,154) |
| Loss before taxation | 7 | (63,647) | (79,320) |
| Taxation | 10 | 256 | (18,935) |
| Loss for the financial period | | (63,391) | (98,255) |
| Loss for the period attributable to: | | | |
| Non-controlling interest | | 964 | 2,624 |
| Equity shareholders of the company | | (64,355) | (100,879) |
| | | (63,391) | (98,255) |
| Other comprehensive income | | | |
| Loss for the financial period | | (63,391) | (98,255) |
| Exchange differences on translation of foreign operations | | 58 | 481 |
| Total comprehensive income for the financial period | | (63,333) | (97,775) |

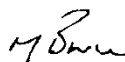
There are no tax implications resulting from other comprehensive income. All operations are continuing.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022**

| | Notes | 31 December 2022 £000's | 31 March 2022 £000's |
|--|-------|----------------------------|-------------------------|
| Fixed assets | | | |
| Goodwill | 12 | 275,243 | 270,667 |
| Other intangible assets | 13 | 571,837 | 478,153 |
| Total intangible assets | | 847,080 | 748,820 |
| Tangible assets | 14 | 6,551 | 5,184 |
| Investments | 15 | 850 | 798 |
| | | 854,481 | 754,802 |
| Current assets | | | |
| Debtors due within one year | 17 | 52,583 | 48,419 |
| Debtors due after one year | 17 | - | 1,338 |
| Total debtors | | 52,583 | 49,758 |
| Cash at bank and in hand | 18 | 216,812 | 170,881 |
| | | 269,395 | 220,639 |
| Creditors: amounts falling due within one year | 19 | (1,238,526) | (412,290) |
| Net current liabilities | | (969,131) | (191,651) |
| Total assets less current liabilities | | (114,650) | 563,151 |
| Creditors: amounts due after one year | 20 | - | (549,126) |
| Provisions for liabilities | 21 | (186,111) | (162,512) |
| Net Liabilities | | (300,761) | (148,487) |
| Capital and reserves | | | |
| Called-up share capital | 25 | 64 | 64 |
| Accumulated losses | 25 | (302,139) | (159,216) |
| FX Reserve | 25 | 435 | 377 |
| Equity Reserve | | 745 | - |
| Shareholders funds | | (300,895) | (158,775) |
| Non controlling interest | | 134 | 10,289 |
| Total equity | | (300,761) | (148,487) |

The financial statements of Brown & Brown UK - GRP Limited, registered number 12434508, were approved by the Board of Directors and authorised for issue on 15 September 2023. They were signed on its behalf by:



M Bruce
Director

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

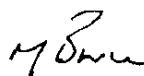
COMPANY BALANCE SHEET AS AT 31 DECEMBER 2022

| | Notes | 31 December 2022 £000's | 31 March 2022 £000's |
|--|-------|----------------------------|-------------------------|
| Fixed assets | | | |
| Shares in group undertakings | 15 | 195,942 | 195,942 |
| | | 195,942 | 195,942 |
| Current assets and liabilities | | | |
| Debtors due within one year | 17 | 1,005,314 | 947,322 |
| Creditors: amounts falling due within one year | 19 | (1,239,664) | (607,870) |
| Net current liabilities | | (234,350) | 339,452 |
| Total assets less current liabilities | | (38,408) | 535,393 |
| Creditors: amounts falling due within one year | | - | (548,947) |
| Provisions for liabilities | | - | (15,000) |
| Net liabilities | | (38,408) | (28,554) |
| Capital and reserves | | | |
| Called-up share capital | 25 | 64 | 64 |
| Accumulated losses | | (38,472) | (28,618) |
| Shareholders' funds | | (38,408) | (28,554) |

The parent entity, Brown & Brown UK - GRP Limited has taken exemption from presenting its unconsolidated profit and loss account under section 408 of the Companies Act 2006.

The Company made a loss of £9.9m for the period ended 31 December 2022. The Company had no other comprehensive income

The financial statements of Brown & Brown UK - GRP Limited, registered number 12434508, were approved by the Board of Directors and authorised for issue on 15 September 2023. They were signed on its behalf by:



M Bruce
Director

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2022

| | | Called-up share capital | Non- controlling interest | Equity Reserve | FX Reserve | Accumulated Losses | Total |
|---|-----------|----------------------------|---------------------------------|-------------------|------------|-----------------------|-----------|
| | Note | £000's | £000's | £000's | £000's | £000's | £000's |
| At 31 March 2021 | 25 | 64 | 9,195 | - | (103) | (56,347) | (47,191) |
| Profit/(Loss) for the period | | - | 2,624 | - | - | (100,879) | (98,255) |
| Other comprehensive income | | - | - | - | 481 | - | 481 |
| Total comprehensive income for the period | | - | 2,624 | - | 481 | (100,879) | (97,775) |
| Non-controlling interest distribution to former shareholders | | - | 235 | - | - | - | 235 |
| Purchase of non-controlling interests | | - | (516) | - | - | (1,990) | (2,506) |
| Dividends | | - | (1,250) | - | - | - | (1,250) |
| At 31 March 2022 | | 64 | 10,289 | - | 377 | (159,216) | (148,487) |
| Profit/(Loss) for the period | | - | 964 | - | - | (64,355) | (63,391) |
| Other comprehensive income | | - | - | - | 58 | - | 58 |
| Total comprehensive income for the period | | - | 964 | - | 58 | (64,355) | (63,333) |
| Purchase of non-controlling interests | | - | (11,119) | - | - | (78,567) | (89,686) |
| Share based payment charges | | - | - | 745 | - | - | 745 |
| Dividends | | - | - | - | - | - | - |
| At 31 December 2022 | | 64 | 134 | 745 | 435 | (302,139) | (300,761) |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

| | Called-up share capital | Profit and loss account | Total |
|---|----------------------------|----------------------------|----------|
| | £000's | £000's | £000's |
| At 31 March 2021 | 64 | (15,779) | (15,715) |
| Loss and total comprehensive expense for the period | - | (12,839) | (12,839) |
| At 31 March 2022 | 64 | (28,618) | (28,554) |
| Loss and total comprehensive expense for the period | - | (9,854) | (9,854) |
| At 31 December 2022 | 64 | (38,472) | (38,408) |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2022**

| | | 9 Month Period ended 31 December | Year ended 31 March 2022 |
|---|-------|-------------------------------------|-----------------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 26 | 223,918 | 74,946 |
| Income tax paid | | (738) | (714) |
| Net cash inflow from operating activities | | <u>223,180</u> | <u>74,231</u> |
| Cash flows from investing activities | | | |
| Purchase of intangible assets | 13 | (4,412) | (8,730) |
| Purchase of tangible assets | 14 | (2,295) | (2,720) |
| Proceeds on disposal of tangible assets | | - | 312 |
| Acquisitions, net of cash acquired | | (96,304) | (85,181) |
| Payment of deferred consideration and contingent liability | 21 | (32,174) | (20,254) |
| <i>Purchase of non-controlling interest</i> | | (88,136) | (2,506) |
| Payment of share based remuneration liability | 21 | (13,396) | (145) |
| Interest received | | 2 | 34 |
| Net cash outflow from investing activities | | <u>(236,715)</u> | <u>(119,190)</u> |
| Cash flows from financing activities | | | |
| Issue of ordinary share capital | | - | - |
| Dividends paid to non-controlling interest | | - | (1,250) |
| Loan received | | 85,000 | 80,000 |
| Sale/(purchase) of derivatives | | 456 | (11) |
| Interest paid | | (25,989) | (35,113) |
| Net cash outflow / inflows from financing activities | | <u>59,467</u> | <u>43,626</u> |
| Net increase / (decrease) in cash and cash equivalents | | <u>45,932</u> | <u>(1,333)</u> |
| Cash and cash equivalents at beginning of year | | 170,881 | 172,214 |
| Cash and cash equivalents at end of year | 18 | <u>216,812</u> | <u>170,881</u> |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period ended 31 December 2022.

a. General information and basis of accounting

Brown & Brown UK - GRP Limited (formerly GRP UK Bidco Limited) ("the Company") is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The registered office address is 7th Floor Corn Exchange, 55 Mark Lane, London, United Kingdom, EC3R 7NE. The registered company number is 12434508. The nature of the Group's operations and its principal activities are set out in the strategic report on pages 3 to 9.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council.

The functional currency of the Group is considered to be pounds sterling because that is the currency of the primary economic environment in which the Group operates. The consolidated financial statements are also presented in pounds sterling and are rounded to the nearest whole thousand £, except where otherwise indicated.

No profit and loss account is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company's loss for the period is disclosed in the balance sheet.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of certain disclosure exemptions available to it in respect of its financial statements.

In accordance with FRS 102, the Company in its individual financial statements has taken advantage of the exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

b. Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December each period.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Significant accounting policies (continued)

b. Basis of consolidation (continued)

Contingent consideration

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably and is adjusted for changes in contingent consideration after the acquisition date.

c. Going concern

The financial statements of the Group set out on pages 19 to 74 have been prepared on a going concern basis. At 31 December 2022, prior to exceptional costs, amortisation, depreciation, share based remuneration and interest the Group reported an operating profit of £41.2m for the period ended 31 December 2022.

The Directors consider the going concern basis to be appropriate following their assessment of the Group's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment the Directors have taken into account the following:

- The liquidity of the group and the transaction with Brown & Brown, Inc.
- Its limited exposure to any financial losses generated by the crisis in Ukraine.
- The business trajectory of organic growth and continued execution of the M&A strategy.

When assessing the presentation of the financial statements on a going concern basis, the Directors have considered the business plans and associated cash forecasts.

The insurance industry is a segment of the UK economy which has proven resilient in recent crises

In summary, the Directors are not aware of any material uncertainties that cast significant doubt on the Group's ability to continue as a going concern.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Significant accounting policies (continued)

d. Intangible assets - goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which has been estimated to be 10 years. Provision is made for any impairment.

e. Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

f. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, which are not considered to be in development, on a straight-line basis over its expected useful life, as follows:

| | |
|-------------------------|------------------|
| Computer hardware: | 4 years |
| Office equipment: | 4 years |
| Furniture and fixtures: | 4 years |
| Motor vehicles: | 4 years |
| Leasehold improvements: | 3 years |
| Freehold property: | 2% straight line |

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Intangible fixed assets

Intangible fixed assets are shown at purchase cost and amortised through the profit and loss account in equal instalments over the estimated useful life of the asset as follows:

| | |
|-------------------------|-----------|
| Computer software: | 4 years |
| Intellectual property: | 6 years |
| Research and design: | 3-5 years |
| Software licenses: | 4 years |
| Website: | 4 years |
| Customer relationships: | 10 years |

Cost associated with assets under construction are held within tangible fixed assets as they are incurred and qualify for depreciation at such time that they are complete.

Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets Other Than Goodwill and are therefore not treated, for dividend purposes as a realised loss.

A provision is made for any impairment.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Significant accounting policies (continued)

g. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

(i) Financial instruments

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The debt instruments held by the Group provide a fixed rate of return to the holder over the life of the instruments and there are no contractual provisions that could, by their terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods. These instruments are subsequently measured at amortised cost using the effective interest method.

(ii) Investments in subsidiaries

Investments in subsidiaries are measured at cost less provision for impairment. A subsidiary is an entity in which the Group has an interest of more than one-half of the voting rights or otherwise is able to demonstrate the power to exercise control over its operations. Investments in subsidiaries are recognised from the date at which control over their operations is transferred to the Group and will be derecognised at the date at which control ceases.

(iii) Cash and equivalents

Cash and equivalents comprise cash in hand and deposits which are readily available and which are subject to insignificant risks of changes in value and have an original maturity of three months or less at acquisition. The carrying amount of assets is approximately equal to fair value.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Significant accounting policies (continued)

h. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Significant accounting policies (continued)

i. Turnover

Turnover represents brokerage, profit commission and fees net of any commission payable to third parties. It arises on the placement of insurance contracts by the Company.

Brokerage is recognised when the company's contractual right to such income is established and to the extent that the Company's relevant obligations under the contracts concerned have been performed. For the Company's broking activities, this means that brokerage is recognised at the inception of the underlying contract of insurance concerned, subject to a deferral of brokerage in respect of post-placement services that constitutes obligations of the company under those contracts.

Where the amount of brokerage is dependent on the achievement of contractual targets, the minimum amounts under the contract are recognised on inception, and the incremental amounts arising are recognised when their targets concerned are achieved.

Where the amount of brokerage is dependent on the results of the business placed, the minimum amounts under the contract are recognised at inception, and any incremental amounts are recognised only to the extent that a reliable estimate of the amounts concerned can be made. Such estimates are made on a prudent basis that reflects the level of uncertainty involved.

Profit commission arising from the placement of insurance contracts or the exercise of an underwriting agency by the Company is recognised when the right to such profit commission is established through a contract, but only to the extent that a reliable estimate of the amount due can be made. Such estimates are made on a prudent basis that reflects the level of uncertainty involved.

Turnover also represents sales to insured backed tenancy deposit protections under a membership scheme arrangement.

Revenue that has been credited in the Company's books, but not yet recognised as income in accordance with the policies described above, is credited to the deferred income account within accruals and deferred income in the Company's balance sheet.

Revenue that is recognised in accordance with this policy before it has been credited in the Company's books is included in insurance debtors in the Company's balance sheet.

In the case of proportional treaty insurance business and binding authorities, brokerage is recognised when the accounts are received. Fees are credited to the profit and loss account when invoiced to the client.

j. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Significant accounting policies (continued)

k. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of group companies are recognised in other comprehensive income and are not reclassified to profit or loss.

l. Insurance intermediary assets and liabilities

Some of the group subsidiaries act as underwriting agents and as such are insurance intermediaries. Insurance intermediaries, generally, are not liable as principals for the amounts arising from such transactions. As such, insurance liability balances are shown net of the related insurance debtors to the extent to which the Group bears no risk.

m. Exceptional items

Exceptional items are material items possessing a high degree of abnormality which arise from events or transactions that fall outside the ordinary activities of the reporting entity and which are not expected to recur. An ongoing priority for the Group continues to be the integration of certain back office functions within each of the GRP businesses. As a result, the Company is subjected to one-off, non-recurring expenses which have been deemed exceptional and have been reported separately.

n. Share based payments

Equity Settled Share Based Payments

The Group issues share award to employees. Equity-settled share-based payments to employees and other providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 11.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

n. Share based payments (continued)

Cash Settled Share Based Payments

The Group has cash settled share based payments as a result of shares held by employees in the Group's subsidiaries. The fair value of the cash-settled share based payment is measured at grant date and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. The provision vests upon a future realisation event if the award holder is still employed by Group at that date. Fair value is determined using an internally developed valuation model that discounts the expected future payment to the award holder. This amount was estimated by projecting the future performance and position of the group and discounted using an appropriate discount rate.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement of the vesting conditions. The movement in cumulative expense since the previous balance sheet date is recognised in the consolidated profit and loss account, with a corresponding adjustment to provisions.

2 Critical accounting judgement and estimates and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. No critical accounting judgements have been identified.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Estimates in applying the Group's accounting policies

The following are estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

(i) Discount Factor (Estimate)

The discount factor has been used to determine the present value of goodwill and intangible assets when looking at possible impairments. As at 31 December 2022, the goodwill has been valued at £275.7m and intangible assets at £571.42m.

The discount factor expresses the time value of money to calculate the present value of the expected future cash flows of the deferred consideration and goodwill and intangible asset impairment testing and can differ from periods, therefore, is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the affected goodwill.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

2 Critical accounting judgement and estimates and key sources of estimation uncertainty

(ii) Goodwill (Estimate)

The Group has assessed the useful life of goodwill and customer relationships arising on acquisition, taking into account a number of key factors including:

- a) projected cash flows;
- b) profit margins;
- c) renewal book retention giving rise to an accurate assessment of the number of years the existing business will remain in force;
- d) market conditions and how this impacts the business model;
- e) business reputation; and
- f) operational infrastructure mixed with the experience and knowledge retention of the key staff.

As a result of this assessment, the Group has determined that the useful life of goodwill and customer relationships is ten years and has calculated amortisation on this basis unless there is an indication of impairment, in which case a provision is made as required.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

3 Turnover

An analysis of the Group's turnover by customer geographical market is set out below.

| | 9 Month Period ended 31 December 2022 £000's | Year ended 31 March 2022 £000's |
|--------------------------|--|---------------------------------------|
| United Kingdom | 165,990 | 182,030 |
| United States of America | 3,088 | 3,637 |
| Europe | 6,740 | 11,053 |
| Rest of the World | 5,806 | 4,231 |
| | <u>181,624</u> | <u>200,951</u> |

4 Other operating income

| | 9 Month Period ended 31 December 2022 £000's | Year ended 31 March 2022 £000's |
|--------------------------|--|---------------------------------------|
| Other operating income | 1,467 | 1,343 |
| Bank interest receivable | 203 | 15 |
| | <u>1,670</u> | <u>1,358</u> |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

| | | | |
|----------|--|---|--|
| 5 | Interest payable and similar expenses | 9 Month Period ended 31 December 2022 £000's | Year ended 31 March 2022 £000's |
| | Interest payable and similar expenses | 15,981 | 44,077 |
| | Loan amortisation | 3,959 | 2,189 |
| | Discount on contingent consideration | - | 3,575 |
| | Less: Other interest receivable and similar income | (2) | (34) |
| | | <u>19,937</u> | <u>49,808</u> |

Interest payable and similar expense comprises interest charges payable on loans at variable interest rate of 6.5% plus LIBOR.

6 Exceptional items

An analysis of the Group's exceptional items recorded after operating loss is set out below.

| | | |
|-------------------------|---|--|
| | 9 Month Period ended 31 December 2022 £000's | Year ended 31 March 2022 £000's |
| Change program | 4,371 | 3,964 |
| Corporate finance costs | 1,145 | - |
| Other exceptional items | 1,369 | 1,202 |
| | <u>6,885</u> | <u>5,166</u> |

Exceptional items are for non-recurring one-off items borne during the year that are not day to day costs of running the business. Change program includes restructuring costs such as the cost of redundancies and IT system implementation. Corporate finance costs relate to the Brown & Brown, Inc. acquisition.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

7 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging/(crediting):

| | 9 Month Period ended 31 December 2022 | Year ended 31 March 2022 |
|---|--|-------------------------------------|
| | £000's | £000's |
| Depreciation of tangible fixed assets (note 14) | 1,479 | 1,574 |
| Amortisation of intangible fixed assets (note 13) | 50,588 | 52,119 |
| Amortisation of goodwill (note 12) | 25,272 | 31,089 |
| Foreign exchange (gains)/losses | (685) | 305 |
| Loss/(profit) on disposal of fixed assets | 2,284 | (60) |
| Operating lease charges | 5,231 | 5,427 |

The analysis of the auditor's remuneration is as follows:

| | 9 Month Period ended 31 December 2022 | Year ended 31 March 2022 |
|--|--|-------------------------------------|
| | | £000's |
| Fees payable to the company's auditor and its associates for the audit of the group's consolidated annual financial statements | 468 | 447 |
| Fees payable to the company's auditor and its associates for the audit of entity statutory annual financial statements | 269 | 145 |
| Total audit fees | 737 | 592 |
| Corporate finance services | - | 110 |
| Total non-audit fees | - | 110 |

The Group incurred fees for non-audit services relating to advisory and due diligence services commissioned for completed acquisitions and prospective target acquisitions during the previous year.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

8 Staff numbers and costs

The average monthly number of employees (including executive directors) was:

| | Group ended 31 December 2022 Number | Group Year ended 31 March 2022 Number | Company 9 Month Period ended 31 December 2022 Number | Company Year ended 31 March 2022 Number |
|------------------------|--|--|---|--|
| Directors and Managers | 258 | 285 | - | 2 |
| Underwriters | 108 | 86 | - | - |
| Brokers | 408 | 466 | - | - |
| Administration | 548 | 432 | - | - |
| Sales and distribution | 812 | 769 | - | - |
| | <u>2,134</u> | <u>2,038</u> | <u>-</u> | <u>2</u> |

Their aggregate remuneration comprised:

| | Group 9 Month Period ended 31 December 2022 £000's | Group Year ended 31 March 2022 £000's |
|-----------------------|---|--|
| Wages and salaries | 90,796 | 85,058 |
| Social security costs | 8,787 | 7,816 |
| Other pension costs | 3,300 | 3,794 |
| Share-based payments | 744 | - |
| | <u>103,627</u> | <u>96,668</u> |

Pension contributions of £3,300k (year to 31 March 2022: £3,794k) were paid into defined contribution schemes during the period.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022**

9

| Directors' remuneration and transactions | | |
|--|--|-----------------------------|
| | 9 Month Period ended 31 December 2022 | Year ended 31 March 2022 |
| Group directors' remuneration | £000's | £000's |
| Emoluments | 1,504 | 606 |
| Company contributions to money purchase pension schemes | - | - |
| | 1,504 | 606 |
| | 9 Month Period ended 31 December 2022 | Year ended 31 March 2022 |
| The number of group directors who: | Number | Number |
| Are members of a money purchase pension scheme | - | - |
| Had awards receivable in the form of shares under a long-term incentive scheme | - | - |
| There were no share options exercised by directors during the period. | | |
| | 9 Month Period ended 31 December 2022 | Year ended 31 March 2022 |
| Remuneration of the highest paid director: | £000's | £000's |
| Emoluments | 1,504 | 606 |
| Company contributions to money purchase pension schemes | - | - |
| | 1,504 | 606 |
| The highest paid director did not exercise any share options in the year. | | |
| Directors' advances, credits and guarantees | | |
| Details of transactions with directors during the year are disclosed in note 29. | | |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

10 Taxation

| The tax charge/(credit) comprises: | 9 Month Period ended 31 December 2022 £000's | Year ended 31 March 2022 £000's |
|--|--|---------------------------------------|
| Current tax | | |
| UK and Irish corporation tax | 5,381 | 1,824 |
| Total current tax | 5,381 | 1,824 |
| Deferred tax | | |
| Origination and reversal of timing differences | (5,637) | 17,111 |
| Total deferred tax | (5,637) | 17,111 |
| Total tax charge | (256) | 18,935 |

On 3 March 2021, it was announced in the Budget that the UK tax rate will increase from 19% to 25% from 1 April 2023 onwards. The deferred tax balance has been calculated at the rate expected at the date of amortisation.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

10 Taxation (continued)

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

| | 9 Month Period ended 31 December 2022 £000's | Year ended 31 March 2022 £000's |
|---|--|------------------------------------|
| Group loss on ordinary activities before tax | (63,647) | (79,320) |
| Tax on Group loss on ordinary activities at standard UK corporation tax rate of 19% | (12,093) | (15,071) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 16,607 | 15,182 |
| Income not taxable | (309) | (3) |
| Amounts relating to change in tax rates | (252) | (1,244) |
| Amount taxed at different rates | (144) | 20,071 |
| Timing differences | (4,065) | - |
| Group total tax charge for year | <u>(256)</u> | <u>18,935</u> |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

11 Share based payments

Cash settled share based payments:

As part of certain business combinations, ordinary shares were issued by the acquiring intermediate holding company with service conditions attached. These conditions include that if a holder of these shares leaves employment from the Group before a realisation event, the Group has the opportunity to buy back the shares at the lower of the fair value or the price paid by the shareholders for the original shares.

The issue of shares with service conditions are treated as a cash-settled share based payment as the Group is obliged to buy the shares back. The share-based payment liability is calculated using a discounted cash flow model. The shares are assumed to vest on a realisation event.

Equity settled share based payment charges

Share options in the ultimate parent company are granted to directors and employees of the Group. The exercise price of the granted options is equal to the market prices of the shares less a 15% discount on the date of grant. Options are conditional on the employee completing three years of service. The options are exercisable starting three years from the grant date. The company has no legal or constructive obligation to repurchase or settle the options in cash.

The following amounts have been recognised in relation to share based payments:

| | 9 Month Period ended 31 December 2022 | Year ended 31 March 2022 |
|---------------------------------|--|-----------------------------|
| | £000's | £000's |
| Share Based Remuneration charge | 744 | 10,936 |

Movements in the number of share options outstanding are as follows:

| | Period ended 31 December 2022 |
|---------------------------------|----------------------------------|
| | Options 000's |
| Outstanding at 1 April 2022 | - |
| Granted | 286 |
| Forfeited | (15) |
| Exercised | - |
| Expired | - |
| Outstanding at 31 December 2022 | 271 |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

12 Goodwill

| | | Group goodwill £000's |
|------------------------------|-------------|----------------------------------|
| Cost | Note | |
| At 1 April 2021 | | 299,948 |
| Acquisitions of subsidiaries | | 11,272 |
| Additions | | 13,302 |
| At 31 March 2022 | | 324,522 |
| Acquisitions of subsidiaries | 16 | 30,584 |
| Additions | | 232 |
| Revaluation | | (737) |
| At 31 December 2022 | | 354,601 |
| Amortisation | | |
| At 1 April 2021 | | 22,766 |
| Charge for the year | | 31,089 |
| At 31 March 2022 | | 53,855 |
| Charge for the period | | 25,272 |
| Additions | | 231 |
| At 31 December 2022 | | 79,358 |
| Net book value | | |
| At 31 March 2022 | | 270,667 |
| At 31 December 2022 | | 275,243 |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

| 13 Other intangible assets | Computer software | Intellectual property | Research and design | Software licenses | Website | Customer relationships | Total |
|-----------------------------------|-------------------|-----------------------|---------------------|-------------------|---------|------------------------|---------|
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| Cost | | | | | | | |
| At 1 April 2021 | 5,991 | 16 | 1,005 | 272 | 1,901 | 461,741 | 470,925 |
| Additions | 7,179 | - | 109 | 15 | 422 | 1,004 | 8,730 |
| Acquisitions of subsidiaries | - | - | - | - | - | 102,393 | 102,393 |
| Write-off of asset | (189) | (16) | (37) | (35) | (103) | (627) | (1,006) |
| At 31 March 2022 | 12,981 | - | 1,077 | 252 | 2,220 | 564,512 | 581,042 |
| Amortisation | | | | | | | |
| At 1 April 2021 | 2,101 | 16 | 822 | 171 | 1,228 | 46,367 | 50,704 |
| Accumulated amortisation acquired | - | - | - | - | - | 846 | 846 |
| Charge for the year | 1,168 | - | 101 | 26 | 243 | 50,581 | 52,119 |
| Write-off of asset | (150) | (16) | - | (35) | (46) | (533) | (781) |
| At 31 March 2022 | 3,118 | - | 923 | 162 | 1,424 | 97,262 | 102,889 |
| Net book value | | | | | | | |
| At 31 March 2022 | 9,863 | - | 154 | 91 | 796 | 467,250 | 478,153 |
| At 31 December 2022 | 9,977 | - | 3,494 | 74 | 998 | 557,294 | 571,837 |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

| 14 Tangible fixed assets | | | | | | | |
|-----------------------------------|--------------------------|-------------------------|-------------------------------|-----------------------|--------------------------|------------------------------|---------------|
| | Computer hardware | Office equipment | Furniture and fixtures | Motor Vehicles | Freehold property | Leasehold improvement | Total |
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| Cost | | | | | | | |
| At 1 April 2021 | 5,776 | 3,931 | 3,656 | 577 | 862 | 4,109 | 18,910 |
| Additions | 1,386 | 310 | 194 | 47 | - | 784 | 2,720 |
| Acquisitions of subsidiaries | 79 | 146 | 230 | 11 | - | 75 | 541 |
| Disposals / write off | (1,302) | (841) | (618) | (515) | - | (608) | (3,884) |
| At 31 March 2022 | 5,939 | 3,546 | 3,462 | 120 | 862 | 4,359 | 18,287 |
| Additions | 1,219 | 422 | 166 | - | - | 488 | 2,295 |
| Acquisitions of subsidiaries | 1,294 | 272 | 615 | 73 | - | 365 | 2,619 |
| Disposals / write off | (432) | (356) | (609) | (157) | - | (153) | (1,707) |
| At 31 December 2022 | 8,020 | 3,884 | 3,634 | 36 | 862 | 5,060 | 21,495 |
| Depreciation | | | | | | | |
| At 1 April 2021 | 4,703 | 3,706 | 3,030 | 387 | 188 | 2,707 | 14,721 |
| Accumulated depreciation acquired | 64 | 130 | 189 | 11 | - | 46 | 441 |
| Charge for the year | 686 | 137 | 257 | 30 | 23 | 441 | 1,574 |
| Reclassification | - | - | - | - | - | - | - |
| Disposals / write off | (1,277) | (834) | (593) | (325) | - | (603) | (3,633) |
| At 31 March 2022 | 4,177 | 3,139 | 2,883 | 103 | 211 | 2,590 | 13,103 |
| Accumulated depreciation acquired | 858 | 333 | 548 | 26 | - | 219 | 1,983 |
| Charge for the year | 755 | 136 | 194 | 6 | 14 | 373 | 1,479 |
| Disposals / write off | (395) | (351) | (607) | (118) | - | (150) | (1,621) |
| At 31 December 2022 | 5,395 | 3,257 | 3,018 | 17 | 225 | 3,032 | 14,944 |
| Net book value | | | | | | | |
| At 31 March 2022 | 1,762 | 407 | 579 | 17 | 651 | 1,769 | 5,184 |
| At 31 December 2022 | 2,625 | 627 | 616 | 19 | 637 | 2,028 | 6,551 |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

| 15 | Fixed asset investment | Group | Group | Company | Company |
|----|-------------------------|-------------------------------|----------------------------|-------------------------------|----------------------------|
| | | 31 December 2022 £000's | 31 March 2022 £000's | 31 December 2022 £000's | 31 March 2022 £000's |
| | Subsidiary undertakings | - | - | 195,942 | 195,942 |
| | Non-trade investment | 850 | 798 | - | - |
| | Total | 850 | 798 | 195,942 | 195,942 |

16 Business combinations

On 5 April 2022 the Group acquired 100% of the issued share capital of Archenfield Insurance Management Limited, a company incorporated in the United Kingdom.

On 10 May 2022 the Group acquired 100% of the issued share capital of Castle Insurance Services (North East) Ltd, a company incorporated in the United Kingdom, and its subsidiary.

On 12 May 2022 the Group acquired 100% of the issued share capital of Insurefirst Limited, a company incorporated in the United Kingdom.

On 13 May 2022 the Group acquired 100% of the issued share capital of S M Commercial Insurance Brokers Limited, a company incorporated in the United Kingdom.

On 1 June 2022 the Group acquired 100% of the issued share capital of HFIS Limited, a company incorporated in the United Kingdom, and its subsidiaries.

On 22 June 2022 the Group acquired 100% of the issued share capital of Prescott Jones Limited, a company incorporated in the United Kingdom.

On 4 July 2022 the Group acquired 100% of the issued share capital of Crendon Insurance Brokers Limited, a company incorporated in the United Kingdom.

On 8 July 2022 the Group acquired 100% of the issued share capital of First Insurance Solutions Limited, a company incorporated in the United Kingdom, and its subsidiary.

On 13 July 2022 the Group acquired 100% of the issued share capital of Woodward Markwell Holdco B Limited, a company incorporated in the United Kingdom.

On 1 August 2022 the Group acquired 100% of the issued share capital of PNMCO Limited, a company incorporated in the United Kingdom.

On 11 October 2022 the Group acquired 100% of the issued share capital of Business Insurance Specialists Limited, a company incorporated in the United Kingdom.

On 1 November the Group acquired 100% of the issued share capital of Independent Healthcare (UK) Limited, a company incorporated in the United Kingdom.

On 16 November 2022 the Group acquired 100% of the issued share capital of Taylor Berry Knight Limited, a company incorporated in the United Kingdom, and its subsidiary.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022**

16 Business combinations (continued)

On 1 May 2022 the Group acquired the renewal rights to a book of business of Marsh & Co.

On 1 June 2022 the Group acquired the renewal rights to a book of business of Taylor Francis Insurance.

On 1 August 2022 the Group acquired the renewal rights to a book of business of Mosaic Health.

On 1 October 2022 the Group acquired the renewal rights to a book of business of Kew Insurance.

On 1 November 2022 the Group acquired the renewal rights to a book of business of Paul Ganjou.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

| 16 Business combinations (continued) | Fair value to group on acquisition |
|--------------------------------------|------------------------------------|
| Intangibles | 3,641 |
| Tangibles | 636 |
| Investments | 4,618 |
| Debtors | 21,336 |
| Cash | 13,089 |
| Creditors <1 year | (28,275) |
| Creditors > 1 year | (30,614) |
| Customer relationships | <u>135,335</u> |
| Net assets | 119,766 |
| Goodwill | 30,584 |
| Non Controlling interest | - |
| | <u>150,350</u> |
| Satisfied by: | |
| Cash | 109,393 |
| Deferred consideration | 40,957 |
| | <u>150,350</u> |
| Revenue | 17,090 |
| Profit | 3,943 |

The intangibles acquired on business combination wholly relates to customer relationships in relation to amounts held by Castle Insurance Services North East Ltd, C.C. Flint and Company Limited, CM Protect Limited, HF Innovations Limited, HF Resolution Limited, HFIS Limited, InsureFirst Limited and Tenancy Deposits (E&W) Limited.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

| | | | | | |
|---|--|-------------------------|----------------------|-------------------------|----------------------|
| 17 Debtors | | Group | Group | Company | Company |
| | | 31 December 2022 | 31 March 2022 | 31 December 2022 | 31 March 2022 |
| | | £000's | £000's | £000's | £000's |
| Amounts falling due within one year: | | | | | |
| Trade debtors | | 27,695 | 25,299 | - | - |
| Amounts owed by Group undertakings | | - | - | 1,004,072 | 947,322 |
| Current tax | | - | - | 1,242 | - |
| Prepayments and accrued income | | 13,633 | 15,890 | - | - |
| Other debtors | | 11,137 | 7,230 | - | - |
| Foreign currency forward contracts | | 118 | - | - | - |
| | | <u>52,583</u> | <u>48,419</u> | <u>1,005,314</u> | <u>947,322</u> |
| Amounts falling due after one year: | | | | | |
| Directors' loan | | - | 1,338 | - | - |
| | | <u>-</u> | <u>1,338</u> | <u>-</u> | <u>-</u> |

Details of directors loans for the directors across the Group are disclosed in note 29.
The amounts owed by Group undertakings are unsecured, non-interest bearing and will be settled in cash.

| | | | | | |
|------------------------------------|--|-------------------------|----------------------|-------------------------|----------------------|
| 18 Cash at bank and in hand | | Group | Group | Company | Company |
| | | 31 December 2022 | 31 March 2022 | 31 December 2022 | 31 March 2022 |
| | | £000's | £000's | £000's | £000's |
| Insurance related & restricted | | 138,949 | 116,462 | - | - |
| Own Cash | | 77,863 | 54,419 | - | - |
| | | <u>216,812</u> | <u>170,881</u> | <u>-</u> | <u>-</u> |

Insurance related cash balances represent amounts held by the Group arising from the Group's insurance broking operations. Restricted cash balances consist of amounts held by the Group on behalf of insurers for the purposes of more efficiently discharging the Group's responsibilities for claims handling. A corresponding liability in respect of this amount is included within Trade creditors (see note 19).

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

| | | | | | |
|-----------|---|-------------------------|----------------------|-------------------------|----------------------|
| 19 | Creditors: amounts falling due within one year | | | | |
| | | Group | Group | Company | Company |
| | | 31 December 2022 | 31 March 2022 | 31 December 2022 | 31 March 2022 |
| | | £000's | £000's | £000's | £000's |
| | Trade creditors | 136,513 | 113,438 | - | - |
| | Amounts owed to Group undertakings | - | - | 1,239,045 | 566,171 |
| | Corporation tax payable | 4,344 | 934 | - | - |
| | Other taxation and social security | 3,172 | 2,566 | - | - |
| | Other creditors | 1,077,279 | 274,772 | 3 | 35,747 |
| | Accruals and deferred income | 17,218 | 20,469 | 616 | 5,951 |
| | Foreign currency forward contracts | - | 111 | - | - |
| | | <u>1,238,526</u> | <u>412,290</u> | <u>1,239,664</u> | <u>607,870</u> |

The amounts owed to Group undertakings are unsecured, non-interest bearing and will be settled in cash.
Details of directors loans for the directors across the Group are disclosed in note 29.

| | | | | | |
|-----------|--|-------------------------|----------------------|-------------------------|----------------------|
| 20 | Creditors: amounts falling due after one year | | | | |
| | | Group | Group | Company | Company |
| | | 31 December 2022 | 31 March 2022 | 31 December 2022 | 31 March 2022 |
| | | £000's | £000's | £000's | £000's |
| | Loans | - | 549,126 | - | 548,947 |
| | | <u>-</u> | <u>549,126</u> | <u>-</u> | <u>548,947</u> |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

20 Creditors: amounts falling due after one year (continued)

Borrowings are repayable as follows:

| | Group 31 December 2022 £000's | Group 31 March 2022 £000's | Company 31 December 2022 £000's | Company 31 March 2022 £000's |
|----------------------------|-------------------------------------|----------------------------------|---------------------------------------|------------------------------------|
| Loans | | | | |
| Between one and five years | - | - | - | - |
| Over five years | - | 549,126 | - | 548,947 |
| | <u>-</u> | <u>549,126</u> | <u>-</u> | <u>548,947</u> |

On 2 February 2020 Brown & Brown UK - GRP Limited (formerly GRP UK Bidco Limited) entered into a loan facility with Ares Management Limited comprising of £608.996m of committed funds. Interest is payable on those funds at a variable rate of up to 7.84% plus LIBOR. A fixed and floating charge was granted as security for the issuance of the loan. The loan was repaid in full on 1 July 2022.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

| 21 Provisions for liabilities | Contingent consideration £000's | Deferred consideration £000's | Deferred taxation £000's | Share Based Payment Liability £000's | Total £000's |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|---|-----------------|
| Group | | | | | |
| At 31 March 2022 | 44,684 | 247 | 104,186 | 13,396 | 162,512 |
| Acquisition of subsidiaries | 41,688 | 285 | 30,598 | - | 72,570 |
| P&L Movement | 3,978 | - | (5,637) | - | (1,659) |
| Utilisation of provision | (32,174) | - | - | (13,396) | (45,570) |
| Adjustment of estimates | (2,289) | 546 | - | - | (1,742) |
| At 31 December 2022 | 55,887 | 1,078 | 129,146 | - | 186,111 |

The provision for deferred consideration is measured at fair value through profit and loss and after applying an appropriate discount rate. Changes in fair value attributable to changes to the Group's own credit risk are not considered material. Payment is made based on the timings included in the share purchase agreements.

The provision for contingent consideration is recognised when the payment is probable and can be measured reliably. Changes in the value of the liability are adjusted to the cost of the combination. Payment is expected to be made based on the timings included in the share purchase agreements.

The provision for share based payments relates to the expected future payout to shareholders who obtained shares outside of the original business combination. Full payment was made on 1 July 2022.

On 3 March 2021, it was announced in the Budget that the UK tax rate will increase from 19% to 25% from 1 April 2023 onwards. The deferred tax balance has been calculated at the rate expected at the date of amortisation.

As a consequence of the business sector the Group operates in, claims alleging professional negligence may be made against the Group in the ordinary course of business. Some of these may have a material adverse impact on the Group's profitability, cash and capital. The Group mitigates this risk by ensuring that it has in place robust and risk-based governance and operational policies and procedures, and that staff are competent for the roles they perform and have access to appropriate training and development. In addition, the Group has taken out Errors & Omissions insurance cover.

| Company | Contingent consideration £000's |
|---------------------|------------------------------------|
| At 1 April 2021 | 11,425 |
| P&L Movement | 3,576 |
| At 31 March 2022 | 15,000 |
| Utilisation | (15,000) |
| At 31 December 2022 | - |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

| 22 | Deferred taxation | At 31 December 2022 £000's | 31 March 2022 £000's |
|----|-------------------------------------|-------------------------------|-------------------------|
| | Group | | |
| | Decelerated capital allowances | - | - |
| | Deferred tax asset | - | - |
| | Other short term timing differences | (1,119) | (63) |
| | Intangible timing differences | 130,265 | 104,248 |
| | Deferred tax liability | 129,146 | 104,185 |

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the group.

Deferred tax balances have been provided at 19%, to the extent that they are expected to reverse in periods to which that rate of corporation tax applies. As an increased rate of 25% has been substantively enacted by the Balance Sheet date and applies to profits and losses arising on or after 1 April 2023, that increased rate has been applied to deferred tax assets and liabilities that are expected to remain outstanding at 1 April 2023.

Deferred tax assets totalling £2,296,128 have not been recognised in respect of timing difference relating to tax losses and other amounts available for carry forward where it is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The Group has an unprovided deferred tax asset, relating to corporate interest restrictions that will be available as deductions in future, of £5.3m (calculated at the rate anticipated to apply to any reversal, of 25%). Forecasts have been prepared for The Group and to consider the scope to recognise deferred tax assets in each of the subsidiary companies. These forecasts demonstrate that The Group will generate substantial EBITDA. However, given that, going forward, the group aims to broadly match its debt and equity funding, it is anticipated that the level of on-going interest costs will mean that previous corporate interest restrictions will take some time to reverse. Furthermore, it has been decided that any such reversals will first be taken in Brown & Brown UK Holdco Ltd. Accordingly, it is not anticipated that the corporate interest restrictions carried forward in these companies will reverse in the foreseeable future.

| 23 | Derivative financial instruments | At 31 December 2022 £000's | 31 March 2022 £000's |
|----|------------------------------------|-------------------------------|-------------------------|
| | Assets | | |
| | Foreign exchange forward contracts | 118 | (111) |

Forward foreign currency contracts are valued using quotes forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

| 24 Financial instruments | 31 December 2022 | 31 March 2022 |
|--|-------------------------|----------------------|
| Group | £000's | £000's |
| Financial assets | | |
| Measured at undiscounted amount receivable: | | |
| Trade and other debtors (see note 17) | 52,466 | 49,869 |
| Cash at bank and in hand (see note 18) | 216,812 | 170,881 |
| | <u>269,277</u> | <u>220,750</u> |
| Instruments measured at fair value through profit and loss: | | |
| Foreign exchange forward contracts (See note 23) | 118 | (111) |
| Non trade investments (see note 15) | 850 | 798 |
| | <u>968</u> | <u>687</u> |
| Financial liabilities | | |
| Contingent consideration liability (see note 21) | 55,887 | 44,684 |
| | <u>55,887</u> | <u>44,684</u> |
| Measured at amortised cost: | | |
| Loans payable (see note 20) | - | 549,126 |
| Trade creditors (see note 19) | 136,513 | 113,438 |
| | <u>136,513</u> | <u>662,564</u> |
| Deferred consideration is measured at fair value through the profit and loss (see note 1). | | |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

24 Financial instruments (continued)

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

| Group | 31 December 2022 £000's | 31 March 2022 £000's |
|-------------------------|----------------------------|-------------------------|
| Interest expense | | |
| Total interest payable | 15,981 | 44,077 |
| | <u>15,981</u> | <u>44,077</u> |

25 Called-up share capital and reserves

| | Group Called up and fully paid 31 December 2022 £ | Company 31 March 2022 £ |
|-----------------------------------|--|-------------------------------|
| 63,689 ordinary shares of £1 each | 64 | 64 |
| | <u>64</u> | <u>64</u> |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

25 Called-up share capital and reserves (continued)

Ordinary share rights

Any profits which the directors determine to distribute in respect of any financial year and the capital and assets of the Company on a winding-up or other return of capital available for distribution to the members of the Company shall be distributed amongst the Ordinary Shareholders *pari passu*. On a show of hands every holder of Ordinary Shares who (being an individual) is present or (being a corporation) is present by a duly authorised representative (not being himself a member entitled to vote) shall have one vote.

Reserves

Reserves of the Company represent the following:

Share capital

Nominal value of share capital subscribed for.

FX Reserve

The cumulative impact of foreign currency translations on consolidation.

Profit and loss account

Cumulative profit and loss net of distributions to owners.

Equity reserve

The cumulative impact of share based payment charges.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

26 Cash flow statement

| Reconciliation of total loss to cash generated by operations | Notes | 9 Month Period ended 31 December 2022 £000's | Year ended 31 March 2022 £000's |
|--|------------|--|---------------------------------------|
| Loss for the year | | (63,391) | (98,255) |
| Adjustment for: | | | |
| Finance costs | 5 | 15,980 | 47,652 |
| Investment income | 5 | (2) | (34) |
| Loan amortisation | | 3,959 | 2,189 |
| (Gain)/ loss on disposal of tangible asset | 7 | 2,284 | (60) |
| Fair value losses on foreign exchange contracts | 7 | (685) | 305 |
| Depreciation and amortisation | 12, 13, 14 | 77,287 | 84,679 |
| Share Based Remuneration | | 744 | 10,936 |
| Corporation tax | 10 | (256) | 18,935 |
| Operating cash flow before movement in working capital | | 35,920 | 66,347 |
| Movement in debtors | | 17,904 | (9,100) |
| Movement in creditors | | (17,767) | 17,699 |
| Movement in amount due to other group companies | | 187,861 | - |
| Cash (absorbed) / generated by operations | | 223,918 | 74,946 |
| Cash and cash equivalents represent: | | | |
| Cash at bank and in hand | 18 | 216,812 | 170,881 |
| Bank overdrafts | | - | - |
| Cash and cash equivalents | | 216,812 | 170,881 |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

| 26 | Cash flow statement (continued) | At 31 March 2022 | Cash flows | Acquisitions | At 31 December 2022 |
|----|---------------------------------|---------------------|------------|--------------|------------------------|
| | Cash at bank and in hand | 170,881 | (50,373) | 96,304 | 216,812 |
| | Bank loans | (205,000) | 205,000 | - | - |
| | Net debt | (34,119) | 154,627 | 96,304 | 216,812 |

27 Post balance sheet events

On 3 January 2023 the Group acquired 100% of the ordinary share capital of Christopher Trigg Limited and Nucleus Underwriting Limited, companies incorporated in the United Kingdom.

On 5 January 2023 the Group acquired 100% of the ordinary share capital of BPW Topco Limited Limited, a company incorporated in the United Kingdom.

On 1 February 2023 the Group acquired 100% of the ordinary share capital of Edmondsons Limited, a company incorporated in the United Kingdom.

On 3 February 2023 the Group purchased the renewal rights to a book of business of Visibly Health.

On 8 February 2023 the Group acquired 100% of the ordinary share capital of Gower House Limited, a company incorporated in the United Kingdom.

On 1 April 2023 the Group purchased the renewal rights to a book of business of M R Lonsdale

On 6 April 2023 the Group acquired 100% of the ordinary share capital of Thompson & Co (Risk Solutions) Holdings Limited.

On 1 June 2023 the Group acquired 100% of the ordinary share capital of Amicus Solutions Holdings Limited, a company incorporated in the United Kingdom.

On 1 July 2023 the Group acquired 100% of the ordinary share capital of Petherwick Insurance Brokers Limited, a company incorporated in the United Kingdom.

On 3 July 2023 the Group acquired 100% of the ordinary share capital of SB2 Ltd, a company incorporated in the United Kingdom

On 1 August 2023 the Group acquired 100% of the ordinary share capital of Petsmedicover Limited, a company incorporated in the United Kingdom.

On 1 September 2023 the Group acquired 100% of the ordinary share capital of Square Circle Brokers Limited, a company incorporated in the United Kingdom.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022**

28 Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | Group 31 December 2022 £000's | Group 31 March 2022 £000's | Company 31 December 2022 £000's | Company 31 March 2022 £000's |
|----------------------------|-------------------------------------|----------------------------------|---------------------------------------|------------------------------------|
| Amounts due: | | | | |
| Within one year | 4,687 | 4,342 | - | - |
| Between one and five years | 10,754 | 10,735 | - | - |
| After five years | 722 | 1,543 | - | - |
| | <u>16,164</u> | <u>16,620</u> | <u>-</u> | <u>-</u> |

29 Related party transactions

All directors' loan balances outstanding from the previous year were settled during the period. There were no other related party transactions with directors during the period.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

29 Related party transactions (continued)

Other related party transactions (continued)

| Name of entity | (Due to)/ Receivable at 31 March 2022 £ | Net change during the year £ | (Due to)/ Receivable at 31 December 2022 £ |
|---|--|------------------------------------|---|
| Centrix Insurance Holdings Limited | 8,697,332 | - | 8,697,332 |
| City of London Underwriting Agencies Limited | (188,284) | 4,331 | (183,954) |
| Camberford Holdco Limited | (1,964,851) | (128,662) | (2,093,513) |
| Abbey Bond Lovis Limited | 986,109 | (5,233,723) | (4,247,614) |
| GRP Sterling Limited | (1,750,628) | 34,515 | (1,716,113) |
| Cavendish Munro Professional Risks Limited | 127,872 | (2,527,100) | (2,399,228) |
| McGrady Limited | (3,822,234) | (852,106) | (4,674,339) |
| European Property Underwriting Limited | (7,260,508) | (1,173,319) | (8,433,828) |
| Marshall Wooldridge Limited | (3,858,465) | (3,902,250) | (7,760,714) |
| Marshall Wooldridge Group Holdings Limited | 5,810 | - | 5,810 |
| Marshall Wooldridge Holdings Limited | 2,249,664 | 102,364 | 2,352,029 |
| Marshall Wooldridge South Yorkshire Limited | 71,463 | (71,463) | - |
| Ropner Insurance Services Limited | (545,146) | 1,691 | (543,455) |
| Plum Underwriting Limited | (2,633,817) | (4,773,283) | (7,407,100) |
| Lonmar Global Risks Limited | (4,310,372) | (5,942,000) | (10,252,372) |
| Green Insurance Brokers Limited | (795,324) | (6,131,859) | (6,927,183) |
| Alan & Thomas Insurance Brokers Limited | (10,626,430) | (3,928,247) | (14,554,677) |
| Alan & Thomas Insurance Brokers Basingstoke Limited | (0) | 749,937 | 749,937 |
| CICG Limited | 36,400,246 | 2,039,983 | 38,440,229 |
| County Insurance Consultants Limited | (239,994) | (5,212,585) | (5,452,579) |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022**

29 Related party transactions (continued)

Other related party transactions (continued)

| | (Due to)/ Receivable at 31 March 2022 | Net change during the year | (Due to)/ Receivable at 31 December 2022 |
|---|---|-------------------------------|--|
| | £ | £ | £ |
| Alan & Thomas Holding Company Limited | 1,833,770 | 109,111 | 1,942,881 |
| Thompson Brothers Insurance Consultants Limited | 10,400 | (10,400) | (0) |
| Ability Services Limited | 34,529 | (35,351) | (822) |
| G.W.I. Limited | (795) | 795 | 0 |
| NMJ Insurance Brokers Limited | (150,017) | - | (150,017) |
| CCIB Holdings Limited | (569,688) | (14,695) | (584,383) |
| Greens Holdco 1 Limited | (581,837) | (616,106) | (1,197,944) |
| Douglas Insurance Brokers Limited | (145,659) | - | (145,659) |
| Country & Commercial Insurance Brokers Limited | 68,567 | (745,733) | (677,166) |
| Camberford Law Limited | (26,019,655) | (1,702,410) | (27,722,065) |
| Clouddesk Limited | 22,129 | - | 22,129 |
| Camberford Law 2008 Limited | 8,111,997 | (11,921) | 8,100,076 |
| DCJ Group Insurance & Risk Management Limited | 3,612,904 | (689,048) | 2,923,856 |
| Digney Grant Limited | (2,137,382) | (773,543) | (2,910,925) |
| Guardian IB Limited | (127,737) | (1,250,933) | (1,378,670) |
| U-Sure Insurance Services Limited | (3,619,569) | 4,972 | (3,614,597) |
| Cherish Insurance Brokers Limited | (22,668,018) | (103,116) | (22,771,133) |
| KMGC Limited | (899,084) | 822,197 | (76,887) |
| Swinford Insurance Consultants Limited | (80,197) | - | (80,197) |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 31 DECEMBER 2022**

29 Related party transactions (continued)

Other related party transactions (continued)

| | (Due to)/ Receivable at 31 March 2022 | Net change during the year | (Due to)/ Receivable at 31 December 2022 |
|---|---|-------------------------------|--|
| | £ | £ | £ |
| Key Insurance Group Limited | (19,858) | - | (19,858) |
| Meadons Insurance Brokers Limited | (333,773) | (39,309) | (373,082) |
| Eric Rawlins & Co Limited | (248,455) | - | (248,455) |
| Professional Insurance Agents Limited | (386,486) | (266,693) | (653,179) |
| 3XD Limited | (3,426,647) | (894,674) | (4,321,321) |
| Meadons Holdings 1 Limited | (102) | - | (102) |
| Rawlins Holdings Limited | (930,616) | 930,615 | (1) |
| Reid Briggs & Co Limited | (561,785) | - | (561,785) |
| Reid Briggs (Holdings) Limited | (111,391) | - | (111,391) |
| Millard Insurance Services Limited | (319,353) | (1) | (319,355) |
| Gauntlet Insurance Services Limited | (1,783,161) | (228,233) | (2,011,394) |
| Barpax Associates Limited | (74,035) | (10,471) | (84,505) |
| Clifton Morley Associates Limited | (204,092) | - | (204,092) |
| Kingsway Insurance Services Limited | (685,041) | (542,178) | (1,227,219) |
| Bausor Hall Associates Limited | (234,065) | (166,570) | (400,635) |
| Birrell Group Limited | 1,177,902 | 552,054 | 1,729,956 |
| L J B Management Co Limited | 172,719 | - | 172,719 |
| Manor Insurance Services Limited | (184,458) | - | (184,458) |
| R.T. Williams Insurance Brokers Limited | (854,266) | - | (854,266) |
| NIB Insurance Brokers Limited | (416,307) | 52 | (416,255) |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

29 Related party transactions (continued)

Other related party transactions (continued)

| | (Due to)/ Receivable at 31 March 2022 | Net change during the period | (Due to)/ Receivable at 31 December 2022 |
|--|---|---------------------------------|--|
| | £ | £ | £ |
| NIBL Holdings Limited | 57,362 | - | 57,362 |
| Britannia Consultants Services Limited | (91,981) | - | (91,981) |
| Premier Choice Healthcare Limited | (328,537) | (946,688) | (1,275,225) |
| Premier Choice Healthcare Holdings Limited | 187,358 | 1,271,537 | 1,458,895 |
| Premier Choice Healthcare Group Limited | (181,999) | 1,217,324 | 1,035,325 |
| CJN Insurance Services Limited | (251,555) | - | (251,555) |
| Managed Risk Solutions Limited | (505,962) | (406,966) | (912,928) |
| Home Counties Insurance Services Limited | (197,002) | (124,634) | (321,636) |
| Crotty Insurance Brokers Limited | (2,418,590) | (750,352) | (3,168,942) |
| Newstead Insurance Brokers Limited | (728,032) | (367,981) | (1,096,013) |
| Insync Insurance Solutions Limited | (1,109,407) | (1,430,827) | (2,540,234) |
| J E Sills & Sons Limited | (811,531) | (159,030) | (970,561) |
| SJA International Limited | (81,909) | - | (81,909) |
| Newstead London Limited | 44,399 | - | 44,399 |
| Alford Burton & Co Limited | (292,241) | (298,764) | (591,006) |
| Fed Agricultural Limited | 7,174 | 840 | 8,014 |
| Real Insurance Group Limited | (601,000) | (570,865) | (1,171,865) |
| GW 375 Limited | 120,000 | - | 120,000 |
| Martins Insurance Brokers Limited | (270,503) | (312,258) | (582,761) |
| Three Sixty Insure Limited | (349,647) | (198,243) | (547,889) |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

29 Related party transactions (continued)

Other related party transactions (continued)

| | (Due to)/ Receivable at 31 March 2021 | Net change during the year | (Due to)/ Receivable at 31 December 2022 |
|--|---|-------------------------------|--|
| | £ | £ | £ |
| Equity Health Solutions Limited | (54,028) | (21,040) | (75,068) |
| BIG Insurance Limited | 20,634 | (632,881) | (612,248) |
| Aquila Insurance Brokers Limited | 80,184 | (872,958) | (792,775) |
| Archenfield Insurance Management Limited | - | (189,491) | (189,491) |
| | (49,942,983) | (47,418,641) | (97,361,624) |

The amounts outstanding are unsecured, non-interest bearing and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the year in respect of bad debts from related parties.

30 Ultimate controlling party

The immediate parent company is GRP UK Midco Limited, a company incorporated in the United Kingdom.

The ultimate parent and controlling party is Brown & Brown, Inc., a company incorporated in the United States of America.

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings

Group investments

The parent Company and the Group have investments in the following subsidiary undertakings, associates and other investments:

Unless otherwise stated, all subsidiaries are incorporated in the United Kingdom with registered office of 55 Mark Lane, London, United Kingdom, EC3R 7NE and have financial periods ended 31 December 2022:

| Name of subsidiary undertaking | Nature of business | Class of share-holding | % Held | |
|---|--------------------------|---------------------------|--------|----------|
| | | | Direct | Indirect |
| 3KD Limited | Insurance intermediary | Ordinary A, B | | 100% |
| Abbey Bond Lovis Limited | Insurance intermediary | Ordinary A, A2, B, B2 & C | | 100% |
| Ability Services Limited | Dormant | Ordinary | | 100% |
| Alan & Thomas Holding Company Limited | Intermediate holding co. | Ordinary, A, B, C & D | | 100% |
| Alan & Thomas Insurance Brokers Limited | Intermediate holding co. | Ordinary | | 100% |
| Allcover Insurance Brokers Limited | Insurance intermediary | Ordinary A | | 100% |
| Anglo Hibernian Bloodstock Insurance Services Limited | Insurance intermediary | Ordinary | | 100% |
| Aquila Insurance Brokers Limited | Insurance intermediary | Ordinary A, B & C | | 100% |
| Archenfield Insurance Management Limited | Insurance intermediary | Ordinary | | 100% |
| Assured Insurance Solutions Limited | Dormant | Ordinary A | | 100% |
| Bausor Hall Associates Limited | Insurance intermediary | Ordinary | | 100% |
| Barpax Associates Limited | Insurance intermediary | Ordinary | | 100% |
| Bayliss & Cooke Limited | Dormant | Ordinary | | 100% |
| BBM Sixty Limited | Intermediate holding co. | Ordinary | | 100% |
| BBPS Limited | Insurance intermediary | Ordinary | | 100% |
| BHK Insurance Services Limited | Insurance intermediary | Ordinary | | 100% |
| BiG Insurance Limited | Insurance intermediary | Ordinary A,B, C, | | 100% |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

| Name of subsidiary undertaking | Nature of business | Class of share- holding | % Held | |
|--|--------------------------|--------------------------|--------|----------|
| | | | Direct | Indirect |
| Birrell Group Limited | Intermediate holding co. | Ordinary A, B & C | | 100% |
| Birrell Holdco Limited | Intermediate holding co. | Ordinary A | | 100% |
| BPW Topco Limited | Intermediate holding co. | Ordinary | | 100% |
| BPW Insurance Services Ltd | Insurance intermediary | Ordinary | | 100% |
| Britannia Consultants Services Limited | Insurance intermediary | Ordinary | | 100% |
| Business Insurance Specialists Limited | Insurance intermediary | Ordinary | | 100% |
| Camberford Holdco Limited | Intermediate holding co. | Ordinary A, B & C | | 100% |
| Camberford Law 2008 Limited | Intermediate holding co. | Ordinary | | 100% |
| Camberford Law Limited | Insurance intermediary | Ordinary | | 100% |
| Castle Insurance Services Limited | Insurance intermediary | Ordinary | | 100% |
| Cavendish Munro Professional Risks Limited | Insurance intermediary | Ordinary A & B | | 100% |
| C.C. Flint and Company Limited | Insurance intermediary | Ordinary | | 100% |
| CCIB Holdings Limited | Intermediate holding co. | Ordinary A & B | | 100% |
| Centrix Insurance Holdings Limited | Intermediate holding co. | Ordinary | | 100% |
| Cherish Insurance Brokers Limited | Insurance intermediary | Ordinary A | | 100% |
| Christopher Trigg Limited | Insurance intermediary | Ordinary | | 100% |
| CICG Limited | Intermediate holding co. | Ordinary A, A1, A2,B, B1 | | 100% |
| City of London Underwriting Agencies Limited | Insurance intermediary | Ordinary A & B | | 100% |
| CJN Insurance Services Limited | Insurance intermediary | Ordinary | | 100% |
| Clifton Morley Associates Limited | Insurance intermediary | Ordinary A & B | | 100% |
| CloudDesk Limited | Insurance intermediary | Ordinary | | 100% |
| Coachline Insurance Services Limited | Dormant | Ordinary | | 100% |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

| Name of subsidiary undertaking | Nature of business | Class of share-holding | % Held | |
|--|--------------------------|------------------------|--------|----------|
| | | | Direct | Indirect |
| CM Protect Limited | Other | Ordinary | | 100% |
| Corporate Trustcare Management Limited | Dormant | Ordinary | | 100% |
| Country & Commercial Insurance Brokers Limited | Insurance intermediary | Ordinary | | 100% |
| County Holdco Limited | Intermediate holding co. | Ordinary A | | 100% |
| County Insurance Consultants Limited | Insurance intermediary | Ordinary | | 100% |
| Crendon Insurance Brokers Limited | Insurance intermediary | Ordinary | | 100% |
| Croft Insurance Brokers Limited | Insurance intermediary | Ordinary A, B & C | | 100% |
| DCJ Group Insurance & Risk Management Limited | Insurance intermediary | Ordinary A & B | | 100% |
| Digney Grant Limited | Insurance intermediary | Ordinary | | 100% |
| Douglas Insurance Brokers Limited | Insurance intermediary | Ordinary A | | 100% |
| Edmondsons Limited | Insurance intermediary | Ordinary | | 100% |
| Equity Health Solutions Limited | Insurance intermediary | Ordinary | | 100% |
| Eric Rawlins & Co Limited | Insurance intermediary | Ordinary | | 100% |
| European Property Underwriting Limited | Insurance intermediary | Ordinary A, B & C | | 100% |
| E.W. Knapp (Insurance) Limited | Insurance intermediary | Ordinary | | 100% |
| Fed Agricultural Limited | Dormant | Ordinary A & B | | 100% |
| First Broker Solutions Limited | Dormant | Ordinary A & B | | 100% |
| First Insurance Solutions Limited | Insurance intermediary | Ordinary | | 100% |
| Five Insurance Brokers Limited | Insurance intermediary | Ordinary | | 100% |
| Gauntlet Insurance Services Limited | Insurance intermediary | Ordinary A, B & C | | 100% |
| ³ Global Risk Partners Intermediary Ltd | Intermediate holding co. | Ordinary A, B, C & D | | 100% |
| Global Risk Partners Intermediary Limited | Intermediate holding co. | Ordinary | | 100% |
| Brown & Brown (Europe) Limited | Intermediate holding co. | Ordinary A | 100% | |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

| Name of subsidiary undertaking | Nature of business | Class of share-holding | % Held | |
|---|--------------------------|------------------------|--------|----------|
| | | | Direct | Indirect |
| Gower House Limited | Intermediate holding co. | Ordinary | | 100% |
| Green Insurance Brokers Limited | Intermediate holding co. | Ordinary A | | 100% |
| Greens Holdco 1 Limited | Intermediate holding co. | Ordinary A, B | | 100% |
| Greens Holdco Limited | Intermediate holding co. | Ordinary A | | 100% |
| Brown & Brown Broking Holdco (Europe) Limited | Intermediate holding co. | Ordinary | | 100% |
| Brown & Brown Claims (UK) Limited | Intermediate holding co. | Ordinary A | | 100% |
| GRP Holdco 1 Limited | Intermediate holding co. | Ordinary | | 100% |
| GRP Holdco 2 Limited | Intermediate holding co. | Ordinary | | 100% |
| GRP Lodge Limited | Intermediate holding co. | Ordinary | | 100% |
| Brown & Brown MGA Holdco (UK) Limited | Intermediate holding co. | Ordinary | | 100% |
| Brown & Brown Minorities (UK) Limited | Intermediate holding co. | Ordinary | | 100% |
| Brown & Brown Retail Holdco (Europe) Limited | Intermediate holding co. | Ordinary A & B | | 100% |
| GRP Retail Limited | Insurance intermediary | Ordinary | | 100% |
| GRP Sterling Limited | Intermediate holding co. | Ordinary | | 100% |
| GRP Wholesale Holdco Limited | Intermediate holding co. | Ordinary A & B, | | 100% |
| Guardian IB Limited | Insurance intermediary | Ordinary A & B | | 100% |
| GW 375 Limited | Dormant | Ordinary A | | 100% |
| Health & Safety Click Limited | Other | Ordinary | | 100% |
| Hedron Holdings Limited | Intermediate holding co. | Ordinary | | 100% |
| HFIS Limited | Insurance intermediary | Ordinary | | 100% |
| HF Innovations Limited | Other | Ordinary | | 100% |
| HF Resolution Limited | Other | Ordinary | | 100% |
| Landlord Action Limited | Other | Ordinary | | 100% |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

| Name of subsidiary undertaking | Nature of business | Class of share-holding | % Held | |
|--|--------------------------|------------------------|--------|----------|
| | | | Direct | Indirect |
| Higos Holdings Limited | Intermediate holding co. | Ordinary A | | 100% |
| Higos Insurance Services Limited | Insurance intermediary | Ordinary | | 100% |
| Higos Limited | Intermediate holding co. | Ordinary A, B & C | | 100% |
| Home Counties Insurance Services Limited | Insurance intermediary | Ordinary | | 100% |
| Independent Healthcare (UK) Limited | Insurance intermediary | Ordinary | | 100% |
| Inspire Risk Management Limited | Insurance intermediary | Ordinary A | | 100% |
| Insure First Limited | Insurance intermediary | Ordinary | | 100% |
| Insync Insurance Solutions Limited | Insurance intermediary | Ordinary B, C, D & | | 100% |
| J E Sills & Sons Limited | Insurance intermediary | Ordinary | | 100% |
| Key Insurance Group Limited | Insurance intermediary | Ordinary A & B | | 100% |
| Kingsway Insurance Services Limited | Insurance intermediary | Ordinary A | | 100% |
| KMGC Limited | Insurance intermediary | Ordinary | | 60% |
| Lawrence Fraser Brokers Limited | Intermediate holding co. | Ordinary A | | 100% |
| Lawrence Fraser Limited | Insurance intermediary | Ordinary | | 100% |
| L J B Management Co Limited | Intermediate holding co. | Ordinary A & B | | 100% |
| Lexicon Property Limited | Insurance intermediary | Ordinary | | 100% |
| Lonmar Global Risks Limited | Insurance intermediary | Ordinary | | 100% |
| Managed Risk Solutions Limited | Insurance intermediary | Ordinary | | 100% |
| Manor Insurance Services Limited | Insurance intermediary | Ordinary | | 100% |
| Marshall Wooldridge Limited | Insurance intermediary | Ordinary A | | 100% |
| Marshall Wooldridge Group Holdings Limited | Intermediate holding co. | Ordinary A & B | | 100% |
| Marshall Wooldridge Holdings Limited | Intermediate holding co. | Ordinary A | | 100% |
| Mar Martins Insurance Limited | Insurance intermediary | Ordinary | | 100% |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

| Name of subsidiary undertaking | Nature of business | Class of share-holding | % Held | |
|--|--------------------------|------------------------|--------|----------|
| | | | Direct | Indirect |
| McGrady Limited | Insurance intermediary | Ordinary | | 100% |
| Meadons Holdings 1 Limited | Intermediate holding co. | Ordinary A | | 100% |
| Meadons Insurance Brokers Limited | Insurance intermediary | Ordinary | | 100% |
| Millard Insurance Services Limited | Insurance intermediary | Ordinary A | | 100% |
| My Deposits Limited | Other | Ordinary | | 100% |
| Newstead Insurance Brokers Limited | Insurance intermediary | Ordinary A & B | | 100% |
| Newstead London Limited | Dormant | Ordinary | | 100% |
| NIBL Holdings Limited | Intermediate holding co. | Ordinary & B | | 100% |
| NIB Insurance Brokers Limited | Insurance intermediary | Ordinary | | 100% |
| NMJ Insurance Brokers Limited | Insurance intermediary | Ordinary | | 100% |
| Oasis Property Insurance Services Limited | Insurance intermediary | Ordinary | | 100% |
| Parkmatic Publications Limited | Other | Ordinary A & B | | 100% |
| Parkmatic Securities Limited | Dormant | Ordinary A & B | | 100% |
| Perkify.co.uk Limited | Dormant | Ordinary A & B | | 100% |
| Plum Underwriting Limited | Insurance intermediary | Ordinary & | | 100% |
| PNMCO Limited | Dormant | Ordinary | | 100% |
| PPJ Holdings Limited | Insurance intermediary | Ordinary | | 100% |
| Premier Choice Healthcare Group Limited | Intermediate holding co. | Ordinary | | 100% |
| Premier Choice Healthcare Holdings Limited | Intermediate holding co. | Ordinary A, B & C | | 100% |
| Premier Choice Healthcare Limited | Insurance intermediary | Ordinary | | 100% |
| Prescott Jones Limited | Insurance intermediary | Ordinary | | 100% |
| Professional & Medical Insurance Solutions Limited | Insurance intermediary | Ordinary & A | | 100% |
| Professional Insurance Agents Limited | Insurance intermediary | Ordinary A, B, C, | | 100% |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

| Name of subsidiary undertaking | Nature of business | Class of share-holding | % Held | |
|--|--------------------|------------------------|--------|----------|
| | | | Direct | Indirect |
| Reid Briggs & Co Limited | Insurance | Ordinary | | 100% |
| Reid Briggs (Holdings) Limited | Intermediate | Ordinary | | 100% |
| Real Insurance Group Limited | Insurance | Ordinary | | 100% |
| RIB Assured Group Limited | Intermediate | Ordinary A | | 100% |
| RIB Group Limited | Insurance | Ordinary A | | 100% |
| RK Shipman Limited | Insurance | Ordinary A & B | | 100% |
| RMK Insurance Consultants Limited | Insurance | Ordinary | | 100% |
| Ropner Insurance Services Limited | Insurance | Ordinary A | | 100% |
| R.T. Williams Insurance Brokers Limited | Insurance | Ordinary | | 100% |
| Sagar Holdings (Accrington) Limited | Intermediate | Ordinary A, B & C | | 100% |
| Shearwater Insurance Services Limited | Insurance | Ordinary A | | 100% |
| SJA International Limited | Dormant | Ordinary | | 100% |
| S M Commercial Insurance Brokers Limited | Dormant | Ordinary | | 100% |
| Square Peg Holdings Limited | Intermediate | Ordinary | | 18% |
| Swinford Insurance Consultants Limited | Insurance | Ordinary | | 100% |
| Taylor Berry Knight Limited | Insurance | Ordinary | | 100% |
| Tenancy Deposits (E&W) Limited | Dormant | Ordinary | | 100% |
| Tenancy Deposits (Jersey) Limited | Other | Ordinary | | 100% |
| Tenancy Deposits (Scotland) Limited | Other | Ordinary | | 100% |
| Tenancy Deposit Solutions Limited | Other | Ordinary | | 100% |
| Tenancy Deposits (NI) Limited | Dormant | Ordinary | | 100% |
| The Insurance Group Limited | Intermediate | Ordinary A | | 100% |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

| Name of subsidiary undertaking | Nature of business | Class of share-holding | % Held | |
|---|--------------------------|------------------------|--------|----------|
| | | | Direct | Indirect |
| The Purple Partnership Limited | Insurance intermediary | Ordinary A | | 100% |
| Thomas Sagar Holdings (Accrington) Limited | Intermediate holding co. | Ordinary A | | 100% |
| Thomas Sagar Holdings Limited | Intermediate holding co. | Ordinary A & B | | 100% |
| Thomas Sagar Insurances Limited | Insurance intermediary | Ordinary | | 100% |
| Thompson Brothers Holdings Limited | Intermediate holding co. | Ordinary A | | 100% |
| Thompson Brothers Insurance Consultants Limited | Insurance intermediary | Ordinary A | | 100% |
| Three Sixty Insure Limited | Insurance intermediary | Ordinary A, B & C | | 100% |
| Trimulgherry Investments Limited | Intermediate holding co. | Ordinary A | | 100% |
| Trimulgherry Investments (Southend) Limited | Intermediate holding co. | Ordinary A & B | | 100% |
| U-Sure Insurance Services Limited | Insurance intermediary | Ordinary A | | 100% |
| Web Shaw Limited | Insurance intermediary | Ordinary A, B & C | | 100% |
| WM Brokers Limited | Insurance intermediary | Ordinary | | 100% |
| Woodward Markwell Holdco B Limited | Intermediate holding co. | Ordinary | | 100% |

¹ Registered office: 6 Sugar Island, Newry, BT35 6HT

² Registered office: 6 Leopardstown Office park, Sandyford Industrial Estate Dublin 18, Dublin

³ Registered office: 5th Floor, 40 Mespil Road, Dublin 4 D04 C2N4

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

As a parent company, established under the law of the UK (an EEA state) for the financial period ended 31 December 2022, Brown & Brown UK - GRP Limited took advantage of the exemption from audit under section 479A of the Companies Act 2006 for the following subsidiary undertakings:

| Company name | Company number |
|---|----------------|
| 3XD Limited | 05729788 |
| Abbey Bond Lovis Limited | 00599387 |
| Ability Services Limited | 05984762 |
| Alan & Thomas Holding Company Limited | 06909287 |
| Alan & Thomas Insurance Brokers Limited | 04514651 |
| Alford Burton and Company Limited | 02146781 |
| Allcover Insurance Brokers Limited | 05040684 |
| Anderson Ashcroft Insurance Brokers Limited | 04567051 |
| Anderson Ashcroft Limited | 04168298 |
| Anglo Hibernian Bloodstock Insurance Services Limited | 03368447 |
| Aquilla Insurance Brokers Limited | 06552042 |
| Archenfield Insurance Management Limited | 04261949 |
| Assured Insurance Solutions Limited | 04588655 |
| Barpax Associates Limited | 04643523 |
| Bausor Hall Associates Limited | 04571338 |
| BBPS Limited | 04659849 |
| BHK Insurance Services Limited | 05869942 |
| BIG Insurance Limited | 03724534 |
| Birrell Group Limited | 10170067 |
| Birrell Holdco Limited | 10331462 |
| Britannia Consultants Services Limited | 07190673 |
| Business Insurance Specialists Limited | 09015223 |
| C.C. Flint and Company Limited | 01639696 |
| Camberford Holdco Limited | 09775141 |
| Camberford Law 2008 Limited | 6511574 |
| Castle Insurance Services (North East) Ltd | 06830578 |
| CCIB Holdings Limited | 06004494 |
| Centrix Insurance Holdings Limited | 06778303 |
| Cherish Insurance Brokers Limited | 02781995 |
| CICG Limited | 08529230 |
| City of London Underwriting Agencies Limited | 03471330 |
| CJN Insurance Services Limited | 03351716 |
| Clifton Morley Associates Limited | 04697771 |
| CloudDesk Limited | 09164619 |
| Corporate Trustcare Management Limited | 04721457 |
| CMProtect Limited | 08564332 |
| Country & Commercial Insurance Brokers Limited | 05996852 |
| County Holdco Limited | 10332035 |
| County Insurance Consultants Limited | 04787941 |
| Crendon Insurance Brokers Limited | 04800453 |
| DCJ Group Insurance & Risk Management Limited | 02554999 |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

31 Subsidiary Undertakings (continued)

| Company name | Company number |
|---|----------------|
| Digney Grant Limited | NI039850 |
| Douglas Insurance Brokers Limited | 00520385 |
| Equity Health Solutions Limited | 10300459 |
| Eric Rawlins & Co Limited | 00418955 |
| European Property Underwriting Limited | 06686913 |
| E.W. Knapton (Insurance) Limited | 00802347 |
| Fed Agricultural Limited | 08946891 |
| First Broker Solutions Limited | 09829681 |
| First Insurance Solutions Limited | 07102852 |
| Five Insurance Brokers Limited | 07333184 |
| Gauntlet Insurance Services Limited | 01735637 |
| Brown & Brown (Europe) Limited | 08613882 |
| Green Insurance Brokers Limited | 02086969 |
| Greens Holdco 1 Limited | 04386466 |
| Greens Holdco Limited | 08568295 |
| Brown & Brown Broking Holdco (Europe) Limited | 09325602 |
| Brown & Brown Claims (UK) Limited | 06474123 |
| GRP Holdco 1 Limited | 08707767 |
| GRP Holdco 2 Limited | 08708194 |
| GRP Lodge Limited | 12694873 |
| Brown & Brown MGA Holdco (UK) Limited | 08708482 |
| Brown & Brown Minorities (UK) Limited | 13600931 |
| Brown & Brown Retail Holdco (Europe) Limited | 09452808 |
| GRP Retail Limited | 09850559 |
| GRP Sterling Limited | 10121686 |
| Brown & Brown Wholesale Holdco (UK) Limited | 03054049 |
| Guardian IB Limited | 08048912 |
| GW 375 Limited | 04706932 |
| Health & Safety Click Limited | 04228021 |
| Hedron Holdings Limited | 13184728 |
| HF Innovations Limited | 12377493 |
| HF Resolution Limited | 08994516 |
| HFIS Limited | 03252806 |
| Higos Holdings Limited | 02652872 |
| Higos Insurance Services Limited | 02667978 |
| Higos Limited | 09728114 |
| Home Counties Insurance Services Limited | 02532799 |
| Independent Healthcare (UK) Limited | 06154003 |
| Inspire Risk Management Limited | 06509349 |
| Insurefirst Limited | 09382627 |
| Insync Insurance Solutions Limited | 08810662 |
| J E Silks & Sons Limited | 03960552 |
| Key Insurance Group Limited | 02865749 |
| Kingsway Insurance Services Limited | 04535922 |
| KMGC Limited | 09723239 |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 DECEMBER 2022****31 Subsidiary Undertakings (continued)**

| Company name | Company number |
|--|----------------|
| L J B Management Co Limited | 11422510 |
| Landlord Action Limited | 08067511 |
| Lawrence Fraser Brokers Limited | 08288445 |
| Lawrence Fraser Limited | 06644578 |
| Lexicon Property Limited | 09724158 |
| Managed Risk Solutions Limited | 05854117 |
| Manor Insurance Services Limited | 04824667 |
| Marshall Wooldridge Group Holdings Limited | 10290398 |
| Marshall Wooldridge Holdings Limited | 04962272 |
| Marshall Wooldridge Limited | 01093348 |
| McGrady Limited | NI006094 |
| Meadons Holdings 1 Limited | 11942279 |
| Meadons Insurance Brokers Limited | 05035657 |
| Millard Insurance Services Limited | 04547385 |
| My Deposits Limited | 06503750 |
| Newstead Insurance Brokers Limited | 02190284 |
| Newstead London Limited | 06932852 |
| NIB Insurance Brokers Limited | 07028893 |
| NIBL Holdings Limited | 09262636 |
| NMJ Insurance Brokers Limited | 06886321 |
| Oasis Property Insurance Services Limited | 05603058 |
| Parkmatic Publications Limited | 04410762 |
| Parkmatic Securities Limited | 08116217 |
| Perkify.co.uk Limited | 12125273 |
| PNMCO Limited | 12874386 |
| Premier Choice Healthcare Group Limited | 08589071 |
| Premier Choice Healthcare Holdings Limited | 11395243 |
| Premier Choice Healthcare Limited | 03910149 |
| Prescott Jones Limited | 04106378 |
| Professional & Medical Insurance Solutions Limited | 11367093 |
| Professional Insurance Agents Limited | 03012122 |
| R M K Insurance Consultants Limited | 02687525 |
| R.T. Williams Insurance Brokers Limited | 04994416 |
| Real Insurance Group Limited | 02690266 |
| Reid Briggs & Co Limited | 00808427 |
| Reid Briggs (Holdings) Limited | 05978180 |
| RIB Assured Group Limited | 11171741 |
| RIB Group Limited | 04098199 |
| RK Shipman Limited | 00575483 |
| Ropner Insurance Services Limited | 00128838 |
| S M Commercial Insurance Brokers Limited | 05704219 |
| Sagar Holdings (Accrington) Limited | 07516877 |
| Shearwater Insurance Services Limited | 02701633 |
| SJA International Limited | 04136682 |

BROWN & BROWN UK - GRP LIMITED (FORMERLY GRP UK BIDCO LIMITED)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2022****31 Subsidiary Undertakings (continued)**

| Company name | Company number |
|---|-----------------------|
| Swinford Insurance Consultants Limited | 04566971 |
| Taylor Berry Knight Limited | 08196570 |
| Tenancy Deposit Solutions Limited | 05861648 |
| Tenancy Deposits (E&W) Limited | 09535807 |
| Tenancy Deposits (Jersey) Limited | 119137 |
| Tenancy Deposits (NI) Limited | 08297035 |
| Tenancy Deposits (Scotland) Limited | SC396500 |
| The Insurance Group Limited | 02080712 |
| The Purple Partnership Limited | 06278753 |
| Thomas Sagar Holdings (Accrington) Limited | 08844613 |
| Thomas Sagar Holdings Limited | 03634567 |
| Thomas Sagar Insurances Limited | 00610417 |
| Thompson Brothers Holdings Limited | 06241563 |
| Thompson Brothers Insurance Consultants Limited | 04553773 |
| Three Sixty Insure Limited | 06624077 |
| Trimulgherry Investments (Southend) Limited | 11203181 |
| Trimulgherry Investments Limited | 09390078 |
| U-Sure Insurance Services Limited | 05273923 |
| Web Shaw Limited | 05346950 |
| WM Brokers Limited | 02156767 |
| Woodward Markwell Holdco B Ltd | 13800395 |