

Market Commentary

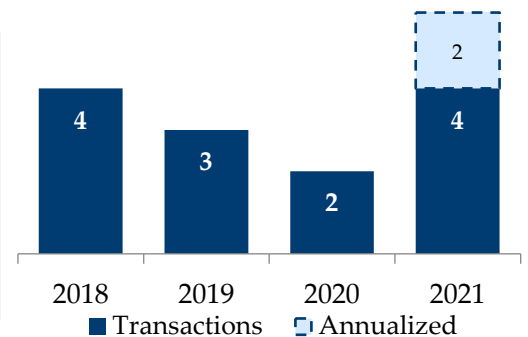
- The employee benefits M&A market continues to be very active with a range of acquirers, including group life insurers, private equity, and other strategics.
- Currently, the US Benefit Administration Services market size is \$194.2 billion, a 0.4 percent increase from 2020, and this growth is expected to continue in the coming years.¹
- The persistent need for employee benefits solutions, combined with interest from a broad range of acquirers, continues to drive valuations for technology and services vendors in the benefits administration industry.

Select Precedent Transactions			
Date	Acquirer	Target	Target Description
08/25/21	NexPhase Capital, LP	Selerix Systems, Inc.	8.3 million employees on its benefits administration platform across 18,000 employer groups.
05/10/21	Voya Financial, Inc.	Benefit Strategies, LLC	TPA of health savings and spending accounts to more than 3,400 employers and 370,000 participants.
05/05/21	FINEOS Corp. Holdings PLC	Spraoui	Provides its machine learning technology to eight clients in the employee benefits and life insurance sectors. Revenue of \$6mm. \$10.6mm deal.
04/14/21	WEX (NYSE: WEX)	benefitexpress	Cloud-based suite of products include enrollment, ACA, and verification tools. \$275mm deal.
08/11/20	FINEOS Corp. Holdings PLC	Limelight Health, Inc.	Proprietary platform streamlines and automates quoting, rating, and underwriting for group benefits insurers. \$75mm deal.
07/02/20	Alight Solutions LLC	Hodges-Mace, LLC	Delivers benefits administration technology and services to more than 500 U.S. employers with over 1.2 million employees.
11/25/19	Securian Financial Group	Empyrean Benefit Solutions, Inc.	Integrates carriers with payroll systems and TPAs to improve the employee benefits process for 400+ employers and 3.6 million participants.
04/29/19	CNO Financial Group, Inc.	Web Benefits Design Corporation	Benefits administration platform for independent brokers serves 250,000+ employees. \$67mm deal.
03/22/19	Vista Equity Partners LLC	PlanSource Benefits Administration	4.5 million+ employees receive their benefits through the PlanSource software platform.
12/31/18	Warburg Pincus LLC	Businessolver, Inc.	SaaS-based benefits administration software and services platform that serves mid-size clients across multiple industries. 950 employees. Founded in 1998.
10/15/18	Zywave, Inc.	Code SixFour	Automates the proposal process and incorporates plan comparison tools for benefits brokers.

Sherman & Company Benefits Experience

M&A Deal Volume

<p>Undisclosed</p> <p>has acquired</p> <p>Sell-Side Advisor July 2021</p>	<p>Undisclosed</p> <p>has acquired</p> <p>Sell-Side Advisor August 2019</p>	<p>Undisclosed</p> <p>has acquired</p> <p>Sell-Side Advisor April 2018</p>
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<p>F. Laughton Sherman CEO & MD (212) 897-9444 lsherman@sherman-company.com</p>	<p>Pamela B. Carico CFO & MD (704) 943-2671 pcarico@sherman-company.com</p>	<p>Sara H.D. Smith Associate (212) 897-9443 ssmith@sherman-company.com</p>	<p>Emily L. Carico Analyst (704) 943-2672 ecarico@sherman-company.com</p>
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Sherman & Company is an investment banking firm dedicated to the convergence of the insurance, healthcare, technology, and asset management industries.