

A photograph of a modern building facade. The word "ALKEME" is displayed in large, 3D, metallic letters on a dark grey panel. The letter 'K' is highlighted in yellow, while the other letters are silver. Below the panel is a large glass window reflecting the sky. A metal railing is visible on the roof above the panel.

ALKEME

# ALKEME M&A Market Recap

Activity in H1 2024

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### Activity in H1 2024

### Insurance Broker M&A Overview

The first half of 2024 saw a notable shift in the insurance broker mergers and acquisitions (M&A) landscape. After a period of heightened activity in 2021 and 2022, the market experienced a significant decline in 2023, which has continued into 2024. Despite this, strategic acquisitions and consolidations remain a key focus for many firms, driven by the need to enhance capabilities and expand geographical footprints.

Despite a 26% decrease in the overall insurance M&A market in the first half of 2024, ALKEME's acquisitions have surged by 66%. This impressive growth can be attributed to our unique growth platform, which includes advanced marketing strategies and cutting-edge insurance technology (InsureTech) solutions that enhance client engagement and operational efficiency. Additionally, we have streamlined our operations through robust back-office offloading options, allowing us to integrate new acquisitions seamlessly and focus on strategic growth. These initiatives have positioned us to capitalize on opportunities even in a challenging market environment.

### Key Trends and Sector Highlights

#### Market Conditions

The insurance broker M&A market has been influenced by higher interest rates and increased regulatory scrutiny, leading to a more cautious approach among dealmakers.

### Sector Dynamics

#### Private Equity Influence

Private equity investors continue to play a significant role in the insurance broker M&A space, undeterred by higher premiums. They are actively pursuing strategies to aggregate smaller brokerages, maintaining competitive pressures in the market.

#### Technological Integration

While the anticipated disruption from InsureTech has not fully materialized, brokers are increasingly leveraging technology to enhance client services and operational efficiency.

#### Geographical Insights

North America remains a focal point for insurance broker M&A, with activity levels reflecting broader market trends and economic conditions. The decline in deal volume has been more pronounced in this region compared to others.

### ALKEME's M&A Activity

ALKEME has shown remarkable growth and resilience in its M&A strategy during the first half of 2024. Key highlights include:

#### Acquisitions

ALKEME has executed 15 acquisitions in H1 2024, representing a 66% increase over the same period last year and has already eclipsed our acquisition total for 2023 in the first half of 2024. We anticipate finishing 2H 2024 on the same aggressive trajectory from 1H 2024.

### Geographical Expansion

The company expanded its presence to 7 additional states, bringing our total to 22 states.

### Industry Ranking

ALKEME is now ranked the #34th largest P&C broker in the United States.

### Workforce and Premiums

The company boasts over 900 employees and manages premiums exceeding \$1 billion.

### Conclusion

The first half of 2024 has been a period of adjustment for the insurance broker M&A market, with activity levels stabilizing after a period of significant volatility. ALKEME's strategic acquisitions and geographical expansion underscore its robust growth trajectory and commitment to leveraging M&A for continued success. As the market adapts to evolving economic and regulatory conditions, companies like ALKEME are well-positioned to capitalize on emerging opportunities and drive future growth.

*This report provides a comprehensive overview of the insurance broker M&A landscape in H1 2024, highlighting key trends and ALKEME's impressive performance. For more detailed insights and specific transaction information, please contact our M&A team: [ma@alkemeins.com](mailto:ma@alkemeins.com).*

### About ALKEME:

*ALKEME is a full-service insurance agency providing businesses and individuals with an extensive array of commercial and personal insurance, employee and executive benefits, retirement and wealth management services. Since its founding in 2020, ALKEME has completed over 47 acquisitions and serves its customers from over 40 locations in 22 states. ALKEME is ranked by Insurance Journal as the 34th largest P&C agency in the United States and by Business Insurance as the #5 fastest growing broker. Founded by owner/operators with a unique vision, ALKEME is fueled by its proven operating methodologies providing its partner agencies with the autonomy, resources and support to grow and thrive in an ever-changing insurance landscape. Visit <https://alkemeins.com> for more information.*