



# Q2 2020 EARNINGS SUPPLEMENT

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AUGUST 2020



# PRO FORMA INFORMATION AND NON-GAAP FINANCIAL MEASURES



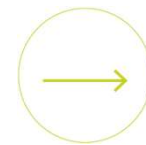
The pro forma information presented herein gives effect to the results of our 2020 and 2019 Partnerships during the unowned period as if the Company had acquired such Partners on January 1, 2020 and January 1, 2019, respectively. This unaudited pro forma information should not be relied upon as being indicative of the historical results that would have been obtained if the acquisitions had occurred on that date, nor the results that may be obtained in the future.

Pro forma Adjusted EBITDA and pro forma Adjusted EBITDA Margin are not measures of financial performance under GAAP and should not be considered substitutes for net income. These non-GAAP financial measures have limitations as analytical tools, and when assessing our operating performance, you should not consider these non-GAAP financial measures in isolation or as substitutes for commissions and fees, net income or other consolidated income statement data prepared in accordance with GAAP. Other companies in our industry may define or calculate these non-GAAP financial measures differently than we do, and accordingly these measures may not be comparable to similarly titled measures used by other companies.

Pro forma Adjusted EBITDA eliminates the effects of financing, depreciation and amortization. We define pro forma Adjusted EBITDA as pro forma net income (loss) before interest, taxes, depreciation, amortization and certain items of income and expense, including share-based compensation expense, transaction-related expenses related to forming Partnerships including severance, and certain non-recurring costs, including those related to the Offering and loss on modification and extinguishment of debt. We believe that pro forma Adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of expenses that do not relate to business performance, and that the presentation of this measure enhances an investor's understanding of our financial performance.

Pro forma Adjusted EBITDA Margin is pro forma Adjusted EBITDA divided by pro forma commissions and fees. Pro forma Adjusted EBITDA is a key metric used by management and our board of directors to assess our financial performance. We believe that pro forma Adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of expenses that do not relate to business performance, and that the presentation of this measure enhances an investor's understanding of our financial performance. We believe that pro forma Adjusted EBITDA Margin is helpful in measuring profitability of operations on a consolidated level.

# ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



AMOUNTS IN 000'S	2020		YTD
	Q1	Q2	
<i>CONSOLIDATED</i>			
Total revenue	\$ 54,159	\$ 51,268	\$ 105,427
Pro forma revenue <sup>(1)</sup>	\$ 78,084	\$ 55,821	\$ 133,905
Organic Revenue Growth	5%	19%	12%
"MGA of the Future" Revenue Growth <sup>(2)</sup>	41%	39%	40%
Organic + MGA of the Future Revenue Growth <sup>(2)</sup>	12%	19%	15%
Total revenue growth <sup>(3)</sup>	82%	55%	68%
Closed Partnerships	4	5	9
Cash/Equity aggregate consideration	56,449	227,418	283,867
Maximum contingent earnout <sup>(4)</sup>	16,828	110,700	127,528
Annualized acquired revenue <sup>(5)</sup>	30,612	47,403	78,015
Annualized estimated acquired adjusted EBITDA <sup>(6)</sup>	5,123	19,477	24,600

- 1) Reflects quarterly GAAP revenue, plus revenue from Partnerships in the unowned portion of the period for deals closed before the past quarter end. As a result, Partnerships closed in Q3 2020 are not yet reflected in Pro forma Q1 or Q2 revenue but will be when we report Q3. See reconciliation included herein.
- 2) "MGA of the Future" was acquired by the Company on April 1, 2019 and as a result is not included in the Organic Revenue Growth calculation for Q1 above because it had not reached the twelve-month owned mark. Since "MGA of the Future" was not acquired by the Company until April 1, 2019, the revenue of "MGA of the Future" for the prior-year period is not included in the consolidated results of operations for the Company for such period and the revenue growth rates were calculated including periods during which "MGA of the Future" was not owned by the Company.
- 3) Calculated as total GAAP revenue for the current period as compared to the same prior year period.
- 4) Q2 figure is inclusive of one uncapped earnout, which has been calculated assuming the Partner grows revenue 50% per year for three consecutive years.
- 5) Represents the aggregate revenues of Partners acquired during Q1 and Q2, for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was concluded based on a quality of earnings review and not an audit.
- 6) Represents the aggregate estimated Adjusted EBITDA of Partners acquired during Q1 and Q2, for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was conducted based on a quality of earnings review and not an audit. Adjustments to net income include the adjustments to net income used by the Company to calculate its Adjusted EBITDA and certain estimated deal-specific cost-savings resulting from acquisition by the Company, including commissions grid alignment, technology-related cost savings, personnel-related cost savings and centralized growth services.

# ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



## AMOUNTS IN 000'S

	2020		
	Q1	Q2	YTD

### MIDDLE MARKET

Commissions	\$ 18,653	\$ 17,395	\$ 36,048
Profit-sharing	2,494	1,412	3,906
Consulting and service fee	715	793	1,508
Other	170	1,118	1,288
Total Middle Market revenue	\$ 22,032	\$ 20,718	\$ 42,750
Closed Partnerships	1	4	5

	Q1	Q2	YTD
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### SPECIALTY

Commissions	\$ 12,907	\$ 14,535	\$ 27,442
Profit-sharing	957	904	1,861
Policy fee and installment fee	3,382	3,653	7,035
Other	170	364	534
Total Specialty revenue	\$ 17,416	\$ 19,456	\$ 36,872
Closed Partnerships	1	1	2
Policies in force <sup>(1)</sup>	401,520	445,988	445,988

1) Figure not in 000's. Represents total policies in force managed by our "MGA of the Future".

# ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



## AMOUNTS IN 000'S

	2020		
	Q1	Q2	YTD

### MAINSTREET

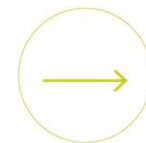
Commissions	\$ 6,609	\$ 7,382	\$ 13,991
Profit-sharing	1,673	295	1,968
Other	26	27	53
Total Mainstreet revenue	\$ 8,308	\$ 7,704	\$ 16,012
Closed Partnerships	-	-	-

	Q1	Q2	YTD
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### MEDICARE

Commissions	\$ 6,369	\$ 3,374	\$ 9,743
Other	34	16	50
Total Medicare revenue	\$ 6,403	\$ 3,390	\$ 9,793
Closed Partnerships	2	-	2

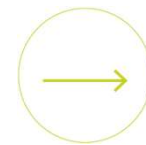
# PRO FORMA CONSOLIDATED ADJUSTED EBITDA BRIDGE



<i>AMOUNTS IN 000'S</i>	2020		
	Q1 <sup>(1)</sup>	Q2 <sup>(1)</sup>	YTD
Pro forma commissions and fees revenue	\$ 78,084	\$ 55,821	\$ 133,905
Pro forma net income (loss)	\$ 14,322	\$ (8,178)	6,144
Adjustments to pro forma net income (loss):			
Amortization expense	5,457	5,446	10,903
Depreciation expense	165	240	405
Interest expense, net	1,505	1,570	3,075
Change in fair value of contingent consideration	1,661	4,581	6,242
Share-based compensation	1,139	1,978	3,117
Transaction-related Partnership expenses	1,848	2,020	3,868
Capital related expenses	-	1,000	1,000
Severance related to Partnership activity	53	360	413
Income tax provision	12	-	12
Other	266	568	834
Pro forma Adjusted EBITDA	\$ 26,428	\$ 9,585	\$ 36,013
Pro forma Adjusted EBITDA Margin	34%	17%	27%

1) Partnerships closed in Q3 2020 are not yet reflected in Q1 or Q2 2020 Pro forma EBITDA, but will be when we announce Q3

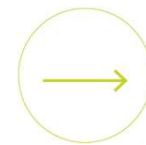
# RECONCILIATION TO GAAP



AMOUNTS IN 000'S	2020		
	Q1 <sup>(3)</sup>	Q2 <sup>(3)</sup>	YTD
Commissions and fees revenue	\$ 54,159	\$ 51,268	\$ 105,427
Commissions and fees revenue for 2020 Partnerships in the unowned period	23,925 <sup>(1)</sup>	4,553 <sup>(1)</sup>	28,478
Pro forma commissions and fees revenue	\$ 78,084	\$ 55,821	\$ 133,905
Net income (loss)	\$ 4,707	\$ (7,859)	\$ (3,152)
Net income for 2020 Partnerships in the unowned period	9,615 <sup>(2)</sup>	(319) <sup>(2)</sup>	9,296
Pro forma net income (loss)	\$ 14,322	\$ (8,178)	\$ 6,144

- 1) The adjustment for Q1 reflects commissions and fees revenue for Agency RM, Vibrant, IRP, Southern Protective Group, Pendulum, Rosenthal and TBA/RBA as if the Company had acquired the Partners on January 1, 2020. The adjustment for Q2 reflects commissions and fees revenue for IRP, Southern Protective Group, Pendulum, Rosenthal and TBA/RBA as if the Company had acquired the Partners on January 1, 2020. This unaudited pro forma information should not be relied upon as being indicative of the historical results that would have been obtained if the acquisitions had occurred on that date, nor the results that may be obtained in the future.
- 2) The adjustment for Q1 reflects net income for Agency RM, Vibrant, IRP, Southern Protective Group, Pendulum, Rosenthal and TBA/RBA as if the Company had acquired the Partners on January 1, 2020. The adjustment for Q2 reflects net income for IRP, Southern Protective Group, Pendulum, Rosenthal and TBA/RBA as if the Company had acquired the Partners on January 1, 2020. This unaudited pro forma information should not be relied upon as being indicative of the historical results that would have been obtained if the acquisitions had occurred on that date, nor the results that may be obtained in the future.
- 3) Partnerships closed in Q3 2020 are not yet reflected in Q1 or Q2 2020 Pro forma EBITDA, but will be when we announce Q3.

# SHAREHOLDER VALUE CREATION



<i>AMOUNTS IN 000'S</i>	2020		
	Q1	Q2	YTD
Stock price at quarter end	\$ 10.55	\$ 17.27	\$ 17.27
Weighted average Class A & B shares outstanding (000's) <sup>(1)</sup>	63,358	66,257	64,807
Adjusted Diluted EPS (fully vested and as-if converted)	\$ 0.19	\$ 0.10	\$ 0.29

<i>RECONCILIATION TO GAAP</i>	Q1	Q2	YTD
Diluted net income (loss) per share	\$ 0.07	\$ (0.18)	\$ (0.11)
Effect of exchange of Class B shares and net income attributable to noncontrolling interests per share	-	0.06	0.06
Other adjustments to net income per share	0.14	0.23	0.37
Adjusted income taxes per share	(0.02)	(0.01)	(0.03)
Adjusted Diluted EPS	\$ 0.19	\$ 0.10	\$ 0.29

- 1) Assumes the vesting of all restricted stock and full exchange of Class B shares for Class A common stock pursuant to the amended LLC agreement. Shares used is consistent with the calculation of Adjusted EPS in the MD&A.



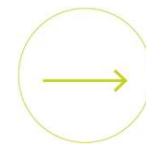
# TREASURY



<i>INSTRUMENT</i>	<i>DEBT OUTSTANDING @ 06.30.2020</i>	<i>AVAILABLE FOR BORROWING</i>	<i>RATE as of 06.30.2020</i>	<i>MATURITY</i>	<i>CASH INTEREST PAID IN 2020</i>
Revolving line of credit (000's)	\$226,000	\$174,000	LIBOR + 2.00% (2.19%)	September 2024	\$1,486

1) On July 9, 2020, the Company repaid \$125.0 million of debt under the Revolving Credit Commitment with proceeds received from its public offering completed in June.

# 2020 PARTNERSHIPS



AMOUNTS IN 000'S	2020				
	Q1	Q2	Q3	Q4	YTD
<i>CONSOLIDATED</i>					
Closed Partnerships	4	5	2		11
Cash/Equity aggregate consideration	\$ 56,449	\$ 227,418	\$ 6,927		\$ 290,794
Maximum contingent earnout <sup>(1)</sup>	\$ 16,828	\$ 110,700	\$ 7,240		\$ 134,768
Annualized acquired revenue <sup>(2)</sup>	\$ 30,612	\$ 47,403	\$ 3,668		\$ 81,683
Annualized estimated acquired adjusted EBITDA <sup>(3)</sup>	\$ 5,123	\$ 19,477	\$ 806		\$ 25,406
Phasing of annualized acquired revenue <sup>(4)</sup>	\$ 35,712	\$ 15,165	\$ 15,102	\$ 15,703	\$ 81,683

- 1) Q2 figure is inclusive of one uncapped earnout, which has been calculated assuming the Partner grows revenue 50% per year for three consecutive years.
- 2) Represents the aggregate revenues of Partners acquired during the relevant quarter presented, for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was concluded based on a quality of earnings review and not an audit.
- 3) Represents the aggregate estimated Adjusted EBITDA of Partners acquired during the relevant quarter presented, for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was conducted based on a quality of earnings review and not an audit. Adjustments to net income include the adjustments to net income used by the Company to calculate its Adjusted EBITDA and certain estimated deal-specific cost-savings resulting from acquisition by the Company, including commissions grid alignment, technology-related cost savings, personnel-related cost savings and centralized growth services, as well as the normalization of acquisitions/divestitures.
- 4) Represents the aggregate revenues on a quarterly basis under ASC 606 of Partners acquired during the relevant year for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was concluded based on a quality of earnings review and not an audit. Q3 and Q4 amounts represent 2019 activity of acquired Partners and are not projections of 2020 performance.

A nighttime photograph of a city skyline across a river. The sky is dark with some clouds, and the city lights are visible. A bridge with blue lighting spans the river in the foreground. The water reflects the city lights. The overall color palette is dominated by blues and teals.

# Appendix – 2019 results and KPIs

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AUGUST 2020



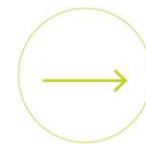
# ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



AMOUNTS IN 000'S	2019				
	Q1	Q2	Q3	Q4	YTD
<i>CONSOLIDATED</i>					
Total revenue	\$ 29,837	33,060	38,383	36,560	\$ 137,840
Pro forma revenue <sup>(1)</sup>	\$ 42,271	34,965	38,813	36,560	\$ 152,609
Organic Revenue Growth	12%	2%	12%	12%	10%
"MGA of the Future" Revenue Growth <sup>(2)</sup>	39%	37%	43%	34%	38%
Organic + MGA of the Future Revenue Growth <sup>(2)</sup>	18%	11%	22%	17%	17%
Total revenue growth <sup>(3)</sup>	37%	77%	107%	75%	73%
Closed Partnerships	1	2	3	-	6
Cash/Equity aggregate consideration	\$ 37,044	77,606	30,024	-	\$ 144,674
Maximum contingent earnout <sup>(4)</sup>	\$ -	61,575	23,975	-	\$ 85,550
Annualized acquired revenue <sup>(5)</sup>	\$ 12,081	28,025	6,813	-	\$ 46,919
Annualized estimated acquired adjusted EBITDA <sup>(6)</sup>	\$ 4,068	6,222	2,769	-	\$ 13,059

- 1) Reflects quarterly GAAP revenue, plus revenue from Partnerships in the unowned periods. See reconciliation included in the slide deck herein.
- 2) "MGA of the Future" was acquired by the Company on April 1, 2019 and as a result is not included in the Organic Revenue Growth calculation above because it has not reached the twelve-month owned mark. Since "MGA of the Future" was not acquired by the Company until April 1, 2019, the revenue of "MGA of the Future" for the prior-year period is not included in the consolidated results of operations for the Company for such period and the revenue growth rates were calculated including periods during which "MGA of the Future" was not owned by the Company.
- 3) Calculated as total GAAP revenue for the current period as compared to the same prior year period.
- 4) Amount includes the earnouts attributable to both business combinations and asset acquisitions.
- 5) Represents the aggregate revenues of Partners acquired during the relevant quarter presented, for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was concluded based on a quality of earnings review and not an audit.
- 6) Represents the aggregate estimated Adjusted EBITDA of Partners acquired during the relevant quarter presented, for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was conducted based on a quality of earnings review and not an audit. Adjustments to net income include the adjustments to net income used by the Company to calculate its Adjusted EBITDA and certain estimated deal-specific cost-savings resulting from acquisition by the Company, including commissions grid alignment, technology-related cost savings, personnel-related cost savings and centralized growth services.

# ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



AMOUNTS IN 000'S	2019				
	Q1	Q2	Q3	Q4	YTD
<i>MIDDLE MARKET</i>					
Commissions	\$ 12,999	10,671	10,435	13,294	\$ 47,399
Profit-sharing	2,582	863	638	864	4,947
Consulting and service fee	787	439	1,112	371	2,709
Other	171	133	653	382	1,339
Total Middle Market revenue	\$ 16,539	12,106	12,838	14,911	\$ 56,394
Organic Revenue Growth					11%
Closed Partnerships	1	-	1	-	2
<i>SPECIALTY</i>					
Commissions	\$ 2,831	9,652	13,126	8,591	\$ 34,200
Profit-sharing	-	753	846	617	2,216
Policy fee and installment fee	-	2,393	2,719	3,042	8,154
Other	-	136	41	166	343
Total Specialty revenue	\$ 2,831	12,934	16,732	12,416	\$ 44,913
Organic Revenue Growth					9%
"MGA of the Future" Revenue Growth <sup>(1)</sup>					38%
Organic + MGA of the Future Revenue Growth <sup>(1)</sup>					29%
Closed Partnerships	-	1	-	-	1
Policies in force <sup>(2)</sup>	294,373	314,565	355,744	374,591	374,591

- 1) "MGA of the Future" was acquired by the Company on April 1, 2019 and as a result is not included in the Organic Revenue Growth calculation above because it has not reached the twelve-month owned mark. Since "MGA of the Future" was not acquired by the Company until April 1, 2019, the revenue of "MGA of the Future" for the prior-year period is not included in the consolidated results of operations for the Company for such period and the revenue growth rates were calculated including periods during which "MGA of the Future" was not owned by the Company.
- 2) Figure not in 000's. Represents total policies in force managed by our "MGA of the Future".

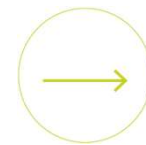
# ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



<i>AMOUNTS IN 000'S</i>	2019				
	<i>Q1</i>	<i>Q2</i>	<i>Q3</i>	<i>Q4</i>	<i>YTD</i>
<i>MAINSTREET</i>					
Commissions	\$ 4,632	5,494	6,528	6,329	\$ 22,983
Profit-sharing	1,871	221	103	240	2,435
Other	28	54	11	22	115
Total Mainstreet revenue	\$ 6,531	5,769	6,642	6,591	\$ 25,533
Organic Revenue Growth					7%
Closed Partnerships	-	1	2	-	3

	<i>Q1</i>	<i>Q2</i>	<i>Q3</i>	<i>Q4</i>	<i>YTD</i>
<i>MEDICARE</i>					
Commissions	\$ 3,571	2,242	2,162	1,897	\$ 9,872
Other	364	10	11	744	1,129
Total Medicare revenue	\$ 3,935	2,252	2,173	2,641	\$ 11,001
Organic Revenue Growth					11%
Closed Partnerships	-	-	-	-	-

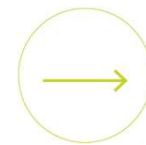
# PRO FORMA CONSOLIDATED ADJUSTED EBITDA BRIDGE



	2019				
	Q1	Q2	Q3	Q4	YTD
Pro forma commissions and fees revenue	\$ 42,271	\$ 34,965	\$ 38,813	\$ 36,560	\$ 152,609
Pro forma net income (loss)	\$ 9,396	\$ (3,221)	\$ (2,170)	\$ (26,931)	\$ (22,926)
Adjustments to pro forma net income (loss):					
Amortization expense	2,740	2,835	3,082	3,214	11,871
Depreciation expense	127	149	184	82	542
Interest expense, net	4,608	4,618	3,785	1,757	14,768
Change in fair value of contingent consideration	(2,786)	(971)	535	14,051	10,829
Share-based compensation	130	261	382	3,788	4,561
Transaction-related Partnership expenses	257	313	965	669	2,204
Capital related expenses <sup>(1)</sup>	38	1,008	1,124	2,525	4,695
Severance related to Partnership activity	-	300	-	29	329
Income tax provision	-	-	-	17	17
Loss on extinguishment of debt	115	-	-	6,617	6,732
Other	40	-	121	214	375
Pro forma Adjusted EBITDA	\$ 14,665	\$ 5,292	\$ 8,008	\$ 6,032	\$ 33,997
Pro forma Adjusted EBITDA Margin	35%	15%	21%	16%	22%

- 1) Following the consummation of the Company's IPO in Q4 2019, the Company performed a full reconciliation of all costs incurred in connection with the IPO, which resulted in the identification of additional one-time offering costs incurred in the first half of 2019. Adjusted EBITDA margin herein for the first half of 2019 is presented as 27%, an increase from 25% in the Q3 2019 presentation as a result of those additional one-time offering costs.

# RECONCILIATION TO GAAP



AMOUNTS IN 000'S	2019				
	Q1	Q2	Q3	Q4	YTD
Commissions and fees revenue	\$ 29,837	\$ 33,060	\$ 38,383	\$ 36,560	\$ 137,840
Commissions and fees revenue for 2019 Partnerships in the unowned period	12,434 <sup>(1)</sup>	1,905 <sup>(1)</sup>	430 <sup>(3)</sup>	-	14,769
Pro forma commissions and fees revenue	\$ 42,271	\$ 34,965	\$ 38,813	\$ 36,560	\$ 152,609
Net income (loss)	\$ 9,742	\$ (2,959)	\$ (2,306)	\$ (26,931)	\$ (22,454)
Net income (loss) for 2019 Partnerships in the unowned period	(346) <sup>(2)</sup>	(262) <sup>(2)</sup>	136 <sup>(4)</sup>	-	(472)
Pro forma net income (loss)	\$ 9,396	\$ (3,221)	\$ (2,170)	\$ (26,931)	\$ (22,926)

- 1) The adjustment reflects commissions and fees revenue for Lykes, MSI, Foundation Insurance and Fiduciary Partners, as well as two asset acquisitions for the unowned period, as if the Company had acquired the Partners on January 1, 2019. This unaudited pro forma information should not be relied upon as being indicative of the historical results that would have been obtained if the acquisitions had occurred on that date, nor the results that may be obtained in the future.
- 2) The adjustment reflects net income (loss) for Lykes, MSI, Foundation Insurance and Fiduciary Partners, as well as two asset acquisitions for the unowned period, as if the Company had acquired the Partners on January 1, 2019. This unaudited pro forma information should not be relied upon as being indicative of the historical results that would have been obtained if the acquisitions had occurred on that date, nor the results that may be obtained in the future.
- 3) The adjustment reflects commissions and fees revenue for Foundation Insurance, as well as one asset acquisition for the unowned period, as if the Company had acquired the Partners on July 1, 2019. This unaudited pro forma information should not be relied upon as being indicative of the historical results that would have been obtained if the acquisitions had occurred on that date, nor the results that may be obtained in the future.
- 4) The adjustment reflects net income (loss) for Foundation Insurance, as well as one asset acquisition for the unowned period, as if the Company had acquired the Partners on July 1, 2019. This unaudited pro forma information should not be relied upon as being indicative of the historical results that would have been obtained if the acquisitions had occurred on that date, nor the results that may be obtained in the future.