



Q4 2022 EARNINGS SUPPLEMENT

FEBRUARY 2023



PRO FORMA INFORMATION AND NON-GAAP FINANCIAL MEASURES



The pro forma information presented herein gives effect to the results of our 2022 and 2021 Partnerships during the unowned period as if the Company had acquired such Partners on January 1, 2022 and January 1, 2021, 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 Revenue, Pro Forma Adjusted EBITDA, Pro Forma Adjusted EBITDA Margin and total revenue of businesses owned as of 12/31/2021 are not measures of financial performance under GAAP and should not be considered substitutes for revenue or net income (loss). 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 revenue, net income (loss) 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, severance, and certain non-recurring items, including capital related expenses. We believe that Pro Forma Adjusted EBITDA is an appropriate measure of operating performance because it eliminates the impact of income and 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 Revenue. Pro Forma Adjusted EBITDA Margin is a key metric used by management and our board of directors to assess our financial performance. We believe that Pro Forma Adjusted EBITDA Margin is an appropriate measure of operating performance because it eliminates the impact of income and 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.

Pro Forma Revenue reflects GAAP revenue (commissions and fees), plus revenue from Partnerships in the unowned periods. Total revenue of businesses owned as of 12/31/2021 is a non-GAAP metric that presents growth as if all 2021 Partners were included in the calculation of organic growth. We believe Pro Forma Revenue and total revenue of businesses owned as of 12/31/2021 are useful to investors because the presentation of these measures enhances their understanding of the effect that our Partnerships could have on our financial performance. Refer to our earnings release issued on February 28, 2023 and posted on our website for a reconciliation of our non-GAAP metrics to the most directly comparable GAAP metrics.



KEY PERFORMANCE METRICS



<i>AMOUNTS IN 000'S</i>	Q4 2022	Q4 2021	% Growth	FY 2022	FY 2021	% Growth
ACTUAL						
Total revenue	\$ 246,044	\$ 159,200	55 %	\$ 980,720	\$ 567,290	73 %
Net loss	(91,473)	(44,385)		(76,748)	(58,120)	
Diluted EPS	\$ (0.84)	\$ (0.41)		\$ (0.74)	\$ (0.64)	
Adjusted EBITDA ⁽¹⁾	39,190	20,246	94 %	196,490	112,909	74 %
Adjusted EBITDA Margin ⁽¹⁾	16 %	13 %		20 %	20 %	
Adjusted Net Income ⁽¹⁾	\$ 14,449	\$ 11,681	24 %	\$ 118,960	\$ 80,637	48 %
Adjusted Diluted EPS ⁽¹⁾	\$ 0.12	\$ 0.10	20 %	\$ 1.03	\$ 0.80	29 %
Net cash provided by (used in) operating activities				(2,462)	40,129	(106)%
Free cash flow ⁽²⁾				57,108	54,267	5 %
Organic Revenue Growth % ⁽¹⁾	26 %	18 %		23 %	22 %	
PRO FORMA						
Pro Forma Revenue ⁽³⁾	\$ 246,044	\$ 169,973	45 %	\$ 1,014,488	\$ 719,320	41 %
Pro Forma Adjusted EBITDA ⁽⁴⁾	39,190	28,138	39 %	202,937	175,025	16 %
Pro Forma Adjusted EBITDA Margin ⁽⁴⁾	16 %	17 %		20 %	24 %	
Total revenue of businesses owned as of 12/31/2021 ⁽⁵⁾	\$ 213,650	\$ 169,973	26 %	\$ 898,607	\$ 719,320	25 %

- (1) Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted Diluted EPS and Organic Revenue Growth are non-GAAP metrics. Refer to our earnings release issued on February 28, 2023 and posted on our website for a reconciliation of these non-GAAP metrics to the most directly comparable GAAP metrics. Organic Revenue Growth is also reconciled on slides 7 and 16 of this presentation.
- (2) Management calculates adjusted net cash provided by operating activity ("free cash flow"), a non-GAAP measure, because the Company holds fiduciary cash designated for our Insurance Company Partners on behalf of our Clients and incurs substantial earnout liabilities in conjunction with its Partnership strategy. Free cash flow is calculated as net cash provided by (used in) operating activities excluding: (i) the impact of the change in premiums, commissions and fees receivable, net; (ii) the change in accounts payable, accrued expenses and other current liabilities; and (iii) the payment of contingent earnout consideration in excess of purchase price accrual. Refer to our earnings release issued on February 28, 2023 and posted on our website for a reconciliation of this non-GAAP metric to the most directly comparable GAAP metric.
- (3) Reflects quarterly GAAP revenue, plus revenue from Partnerships in the unowned portion of the period for Partnerships closed before the end of Q4 2022 for 2022 periods and before the end of Q4 2021 for 2021 periods. Refer to Slides 9 and 18 of this presentation for a reconciliation of this non-GAAP metric to the most directly comparable GAAP metric.
- (4) Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin are non-GAAP metrics. Refer to Slides 8 and 17 of this presentation for reconciliations of these non-GAAP metrics to the most directly comparable GAAP metrics.
- (5) Total revenue of businesses owned as of 12/31/2021 is a non-GAAP metric that presents growth as if all 2021 Partners were included in the calculation of organic growth. Refer to Slide 9 of this presentation for a reconciliation of this non-GAAP metric to the most directly comparable GAAP metric for 2022. Total revenue of businesses owned as of 12/31/2021 is the same as Pro Forma Revenue for all 2021 periods.

2022 PARTNERSHIPS



AMOUNTS IN 000'S

	2021		2022		2023	
	Q1	Q2	Q3	Q4	FY	
CONSOLIDATED						
Closed Partnerships	—	2	1	—	3	
Cash/Equity aggregate closing consideration ⁽¹⁾	\$ —	\$ 382,365	\$ 16,514	\$ —	\$ 398,879	
Maximum contingent consideration	—	16,250	11,044	—	27,294	
Acquired revenue ⁽²⁾	—	84,904	11,380	—	96,284	
Estimated acquired adjusted EBITDA ⁽³⁾	—	31,671	1,723	—	33,394	
Phasing of acquired revenue ⁽⁴⁾	\$ 22,743	\$ 23,149	\$ 24,689	\$ 25,703	\$ 96,284	

- (1) Equity portion of consideration for Partnerships based on the fair value of the Company's equity consideration paid as of the closing date of each such Partnership.
- (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 (loss) include the adjustments to net income (loss) 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 and continuation of Adjusted EBITDA growth trends seen in the year-to-date quality of earnings.
- (4) Represents the aggregate revenues on a quarterly basis under ASC Topic 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. Amounts represent 2021 activity of acquired Partners and are not projections of 2022 performance.

ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



	AMOUNTS IN 000'S				
	Q1	Q2	2022 Q3	Q4	FY
MIDDLE MARKET					
Commissions ⁽¹⁾	\$ 146,341	\$ 101,426	\$ 103,125	\$ 102,852	\$ 453,744
Consulting and service fee	13,290	11,141	16,435	12,064	52,930
Profit-sharing	10,832	16,456	9,510	9,995	46,793
Other	940	2,509	1,146	714	5,309
Total Middle Market revenue	\$ 171,403	\$ 131,532	\$ 130,216	\$ 125,625	\$ 558,776
Organic Revenue Growth	13 %	11 %	17 %	17 %	14 %

	Q1	Q2	Q3	Q4	FY
SPECIALTY					
Commissions ⁽²⁾	\$ 37,747	\$ 56,270	\$ 72,899	\$ 62,995	\$ 229,911
Policy fee and installment fee ⁽³⁾	5,850	13,617	18,367	17,528	55,362
Profit-sharing	3,178	1,374	2,802	2,685	10,039
Consulting and service fee ⁽³⁾	1,912	1,990	2,649	1,763	8,314
Other ⁽³⁾	836	1,050	1,212	1,024	4,122
Total Specialty revenue	\$ 49,523	\$ 74,301	\$ 97,929	\$ 85,995	\$ 307,748
Organic Revenue Growth	31 %	53 %	53 %	47 %	47 %

- (1) The Middle Market Operating Group recorded intercompany commissions of \$0.3 million, \$0.4 million, \$0.4 million, \$0.7 million and \$1.7 million for Q1, Q2, Q3, Q4 and YTD 2022, respectively, which are eliminated in consolidation. Intercompany commissions are excluded from the calculation of organic revenue growth. Refer to Slide 7 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP metric.
- (2) The Specialty Operating Group recorded intercompany commissions of \$0.1 million, \$0.2 million, \$2.1 million, \$1.4 million and \$3.7 million for Q1, Q2, Q3, Q4 and YTD 2022, respectively, which are eliminated in consolidation. Intercompany commissions are excluded from the calculation of organic revenue growth. Refer to Slide 7 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP metric.
- (3) Certain revenue streams previously classified as other income have been reclassified to consulting and service fee and policy fee and installment fee revenue during 2022. Prior quarter amounts have been conformed to current presentation.

ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



AMOUNTS IN 000'S	2022				
	Q1	Q2	Q3	Q4	FY
MAINSTREET					
Commissions ⁽¹⁾	\$ 8,203	\$ 27,786	\$ 37,159	\$ 36,795	\$ 109,943
Profit-sharing	1,002	1,536	2,732	3,159	8,429
Other	72	108	3	26	209
Total MainStreet revenue	\$ 9,277	\$ 29,430	\$ 39,894	\$ 39,980	\$ 118,581
Organic Revenue Growth	12 %	33 %	23 %	24 %	23 %

	Q1	Q2	Q3	Q4	FY
MEDICARE					
Commissions ⁽²⁾	\$ 13,582	\$ 6,465	\$ 7,642	\$ 8,349	\$ 36,038
Profit-sharing	—	—	—	830	830
Other	99	130	248	1,112	1,589
Total Medicare revenue	\$ 13,681	\$ 6,595	\$ 7,890	\$ 10,291	\$ 38,457
Organic Revenue Growth	26 %	23 %	11 %	8 %	18 %

- (1) The MainStreet Operating Group recorded intercompany commissions of \$0.1 million, \$8.6 million, \$13.9 million, \$13.5 million and \$36.1 million for Q1, Q2, Q3, Q4 and YTD 2022, respectively, which are eliminated in consolidation. Intercompany commissions are excluded from the calculation of organic revenue growth. Refer to Slide 7 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP metric.
- (2) The Medicare Operating Group recorded intercompany commissions of \$0.6 million, \$0.3 million, \$0.2 million, \$0.3 million and \$1.3 million for Q1, Q2, Q3, Q4 and YTD 2022, respectively, which are eliminated in consolidation. Intercompany commissions are excluded from the calculation of organic revenue growth. Refer to Slide 7 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP metric.

ORGANIC GROWTH RECONCILIATION



<i>AMOUNTS IN 000'S</i>	<i>Q4 2022</i>	<i>Middle Market</i>	<i>Specialty</i>	<i>MainStreet</i>	<i>Medicare</i>	<i>Corporate and Other</i>	<i>Consolidated</i>
Commissions and fees	\$ 125,625	\$ 85,995	\$ 39,980	\$ 10,291	\$ (15,847)	\$ 246,044	
Partnership commissions and fees ⁽¹⁾	(12,288)	(15,252)	(15,930)	(2,589)	—	(46,059)	
Intercompany commissions	(669)	(1,366)	(13,515)	(297)	15,847	—	
Organic Revenue	<u>\$ 112,668</u>	<u>\$ 69,377</u>	<u>\$ 10,535</u>	<u>\$ 7,405</u>	<u>\$ —</u>	<u>\$ 199,985</u>	
Organic Revenue Growth ⁽²⁾	16,030	22,214	2,036	518	(13)	40,785	
Organic Revenue Growth % ⁽²⁾	17 %	47 %	24 %	8 %	— %	26 %	

	<i>YTD 2022</i>	<i>Middle Market</i>	<i>Specialty</i>	<i>MainStreet</i>	<i>Medicare</i>	<i>Corporate and Other</i>	<i>Consolidated</i>
Commissions and fees	\$ 558,776	\$ 307,748	\$ 118,581	\$ 38,457	\$ (42,842)	\$ 980,720	
Partnership commissions and fees ⁽¹⁾	(142,710)	(91,869)	(40,761)	(5,320)	—	(280,660)	
Intercompany commissions	(1,728)	(3,735)	(36,059)	(1,320)	42,842	—	
Organic Revenue	<u>\$ 414,338</u>	<u>\$ 212,144</u>	<u>\$ 41,761</u>	<u>\$ 31,817</u>	<u>\$ —</u>	<u>\$ 700,060</u>	
Organic Revenue Growth ⁽³⁾	51,936	67,933	7,917	4,837	(13)	132,610	
Organic Revenue Growth % ⁽³⁾	14 %	47 %	23 %	18 %	— %	23 %	

(1) Includes the first twelve months of such commissions and fees generated from newly acquired Partners.

(2) Organic Revenue for Q4 2021 used to calculate Organic Revenue Growth for Q4 2022 was \$96.6 million, \$47.2 million, \$8.5 million and \$6.9 million for the Middle Market, Specialty, MainStreet and Medicare Operating Groups, respectively, which is adjusted to reflect revenues from Partnerships that reached the twelve-month owned mark during Q4 2022.

(3) Organic Revenue for YTD 2021 used to calculate Organic Revenue Growth for YTD 2022 was \$362.4 million, \$144.2 million, \$33.8 million and \$27.0 million for the Middle Market, Specialty, MainStreet and Medicare Operating Groups, respectively, which is adjusted to reflect revenues from Partnerships that reached the twelve-month owned mark during YTD 2022.

PRO FORMA CONSOLIDATED ADJUSTED EBITDA BRIDGE



	AMOUNTS IN 000'S				
	Q1	Q2	2022 Q3	Q4	FY
Pro Forma Revenue	\$ 266,238	\$ 242,155	\$ 260,051	\$ 246,044	\$ 1,014,488
Pro Forma Net Income (Loss)	\$ 43,008	\$ 15,142	\$ (46,130)	\$ (90,837)	\$ (78,817)
Adjustments to Pro Forma Net Income (Loss):					
Amortization expense	22,552	20,937	23,222	21,826	88,537
Interest expense, net	13,003	14,930	20,168	24,688	72,789
Share-based compensation	7,564	10,113	8,388	21,324	47,389
Transaction-related Partnership and integration expenses	8,216	9,208	12,128	5,036	34,588
Change in fair value of contingent consideration	(5,632)	(26,872)	21,695	43,116	32,307
Gain on interest rate caps	(15,810)	(5,459)	(4,151)	(800)	(26,220)
Depreciation expense	988	1,105	1,216	1,311	4,620
Severance	222	653	260	120	1,255
Income tax provision	—	—	—	715	715
Other	4,633	3,341	5,109	12,691	25,774
Pro Forma Adjusted EBITDA	\$ 78,744	\$ 43,098	\$ 41,905	\$ 39,190	\$ 202,937
Pro Forma Adjusted EBITDA Margin	30%	18%	16%	16%	20%

RECONCILIATION TO GAAP



AMOUNTS IN 000'S	2022				
	Q1	Q2	Q3	Q4	FY
Revenue	\$ 242,848	\$ 232,460	\$ 259,368	\$ 246,044	\$ 980,720
Revenue for 2022 Partnerships in the unowned period ⁽¹⁾	23,390	9,695	683	—	33,768
Pro Forma Revenue	\$ 266,238	\$ 242,155	\$ 260,051	\$ 246,044	\$ 1,014,488
Net income (loss)	\$ 44,839	\$ 16,593	\$ (46,707)	\$ (91,473)	\$ (76,748)
Net income (loss) for 2022 Partnerships in the unowned period ⁽²⁾	(1,831)	(1,451)	577	636	(2,069)
Pro Forma Net Income (Loss)	\$ 43,008	\$ 15,142	\$ (46,130)	\$ (90,837)	\$ (78,817)
Revenue	\$ 242,848	\$ 232,460	\$ 259,368	\$ 246,044	\$ 980,720
Less revenue from 2022 Partners in the owned period ⁽³⁾	—	18,190	31,529	32,394	82,113
Total revenue of businesses owned as of 12/31/2021	\$ 242,848	\$ 214,270	\$ 227,839	\$ 213,650	\$ 898,607

- (1) The adjustments for Q1 and Q2 reflect revenue for Westwood Insurance Agency, Venture Captive Management and National Health Plans & Benefits Agency as if the Company had acquired the Partners on January 1, 2022. The adjustment for Q3 reflects revenue for National Health Plans & Benefits Agency as if the Company had acquired the Partner on January 1, 2022. 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 adjustments for Q1 and Q2 reflect net income (loss) for Westwood Insurance Agency, Venture Captive Management and National Health Plans & Benefits Agency as if the Company had acquired the Partners on January 1, 2022. The adjustment for Q3 reflects net income (loss) for National Health Plans & Benefits Agency as if the Company had acquired the Partner on January 1, 2022. 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 for Q2 reflects revenue for Westwood Insurance Agency and Venture Captive Management during the owned period of Q2 2022. The adjustments for Q3 and Q4 reflect revenue for Westwood Insurance Agency, Venture Captive Management and National Health Plans & Benefits Agency during the owned period of Q3 and Q4 2022.

SHAREHOLDER VALUE CREATION



	Q1	Q2	2022 Q3	Q4	FY
Stock price at quarter end	\$ 26.83	\$ 24.15	\$ 26.35	\$ 25.14	\$ 25.14
Weighted average Class A & B shares outstanding (000's) ⁽¹⁾	114,985	115,723	116,108	116,283	115,801
Adjusted Diluted EPS (fully vested and as-if converted)	\$ 0.50	\$ 0.23	\$ 0.18	\$ 0.12	\$ 1.03

<i>RECONCILIATION TO GAAP</i>	Q1	Q2	Q3	Q4	FY
Diluted earnings (loss) per share	\$ 0.39	\$ 0.14	\$ (0.43)	\$ (0.84)	\$ (0.74)
Effect of exchange of Class B shares and net income attributable to noncontrolling interests per share	—	—	0.03	0.05	0.08
Other adjustments to earnings per share	0.16	0.11	0.60	0.92	1.80
Adjusted income taxes per share	<u>(0.05)</u>	<u>(0.02)</u>	<u>(0.02)</u>	<u>(0.01)</u>	<u>(0.11)</u>
Adjusted Diluted EPS	\$ 0.50	\$ 0.23	\$ 0.18	\$ 0.12	\$ 1.03

(1) Assumes the vesting of all restricted stock and full exchange of LLC Units (and paired Class B shares) for Class A shares pursuant to the Amended LLC Agreement. Shares used is consistent with the calculation of Adjusted Diluted EPS in the Non-GAAP Financial Measures section of our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 28, 2023.

TREASURY



INSTRUMENT	DEBT OUTSTANDING @ 12/31/2022	AVAILABLE FOR BORROWING	BORROWING RATE ⁽¹⁾	RATE as of 12/31/2022	MATURITY	CASH INTEREST PAID IN 2022
Term Loan B ⁽²⁾	\$ 838,114	\$ —	LIBOR + 3.50%, LIBOR Floor of 50 bps	7.79 %	October 2027	\$ 42,078
Revolving line of credit	505,000	95,000	SOFR + 2.10% to SOFR + 3.10%	7.41 %	April 2027	20,624

Amounts in 000's

- (1) Debt outstanding under the Term Loan B represents gross debt outstanding. The gross debt outstanding is netted against unamortized debt discount and issuance costs of \$19.7 million for balance sheet presentation.
- (1) Interest rate cap agreements in place at December 31, 2022 mitigate the interest rate volatility on \$300.0 million of debt to a maximum base rate of 1.50% and mitigate the interest rate volatility on \$1.2 billion of debt to a maximum base rate of 7.00%. Cash received from interest rate cap settlements was \$1.7 million and \$2.2 million for Q4 2022 and YTD 2022, respectively.
- (2) Debt outstanding under the Term Loan B represents gross debt outstanding. The gross debt outstanding is netted against unamortized debt discount and issuance costs of \$19.7 million for balance sheet presentation.

A nighttime photograph of a city skyline, likely Jacksonville, Florida, featuring several prominent skyscrapers and a bridge over a body of water. The sky is dark with some clouds, and the city lights are visible. A large, semi-transparent graphic overlay of a stylized, geometric pattern is present in the background.

APPENDIX

FEBRUARY 2023



ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



AMOUNTS IN 000'S	2021				
	Q1	Q2	Q3	Q4	FY
CONSOLIDATED					
Total revenue	\$ 152,828	\$ 119,706	\$ 135,556	\$ 159,200	\$ 567,290
Pro Forma Revenue ⁽¹⁾	209,380	172,510	167,457	169,973	719,320
Organic Revenue Growth ⁽²⁾	14%	32%	26%	18%	22%
Total revenue growth ⁽³⁾	182%	133%	106%	129%	135%
Closed Partnerships	2	3	5	6	16
Cash/Equity aggregate consideration	\$ 19,969	\$ 13,341	\$ 293,377	\$ 608,203	\$ 934,890
Maximum contingent earnout	11,014	7,948	213,725	312,473	545,160
Acquired revenue ⁽⁴⁾	3,961	4,595	63,947	133,652	206,155
Estimated acquired adjusted EBITDA ⁽⁵⁾	252	1,815	19,059	54,338	75,464

- (1) Reflects quarterly GAAP revenue, plus revenue from Partnerships in the unowned portion of the period for Partnerships closed before the end of Q4. Refer to Slide 18 of this presentation for a reconciliation of Pro Forma Revenue to the most directly comparable GAAP metric.
- (2) Organic Revenue Growth is a non-GAAP metric. Refer to our earnings release issued on February 28, 2023 and posted on our website for a reconciliation of Organic Revenue Growth to the most directly comparable GAAP metric. Organic Revenue Growth is also reconciled on slides 7 and 16 of this presentation.
- (3) Calculated as total GAAP revenue for the current period as compared to the same prior year period.
- (4) 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.
- (5) 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 (loss) include the adjustments to net income (loss) 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 and continuation of Adjusted EBITDA growth trends seen in the year-to-date quality of earnings.

ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



AMOUNTS IN 000'S

	Q1	Q2	2021 Q3	Q4	FY
MIDDLE MARKET					
Commissions ⁽¹⁾	\$ 95,724	\$ 61,328	\$ 64,997	\$ 82,523	\$ 304,572
Profit-sharing	7,487	6,628	6,950	8,294	29,359
Consulting and service fee	7,007	7,570	7,353	5,680	27,610
Other	337	583	787	574	2,281
Total Middle Market revenue	\$ 110,555	\$ 76,109	\$ 80,087	\$ 97,071	\$ 363,822
Organic Revenue Growth	6 %	26 %	20 %	14 %	16 %
Closed Partnerships ⁽²⁾	—	1	3	5	9

	Q1	Q2	Q3	Q4	FY
SPECIALTY					
Commissions ⁽³⁾	\$ 17,898	\$ 23,170	\$ 34,092	\$ 37,259	\$ 112,419
Policy fee and installment fee ⁽⁴⁾	4,476	4,792	5,157	5,478	19,903
Profit-sharing	1,925	1,243	879	2,064	6,111
Consulting and service fee ⁽⁴⁾	—	—	989	1,583	2,572
Other ⁽⁴⁾	783	900	869	898	3,450
Total Specialty revenue	\$ 25,082	\$ 30,105	\$ 41,986	\$ 47,282	\$ 144,455
Organic Revenue Growth	39 %	50 %	37 %	22 %	36 %
Closed Partnerships ⁽²⁾	1	—	2	2	5

(1) The Middle Market Operating Group recorded intercompany commissions of \$0.4 million, \$0.1 million, \$0.6 million \$0.4 million and \$1.5 million for Q1, Q2, Q3, Q4 and YTD 2021, respectively, which are eliminated in consolidation. Intercompany commissions are excluded from the calculation of organic revenue growth. Refer to Slide 16 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP metric.

(2) The JGS Partnership, which closed in Q4 2021, is a Middle Market Partner and a Specialty Partner.

(3) The Specialty Operating Group recorded intercompany commissions of less than \$0.1 million, \$0.1 million and \$0.2 million for Q3, Q4 and YTD 2021, respectively, which are eliminated in consolidation. Intercompany commissions are excluded from the calculation of organic revenue revenue growth. Refer to Slide 16 of this presentation for a reconciliation of organic growth by operating group to the most directly comparable GAAP metric.

(4) Certain revenue streams previously classified as other income have been reclassified to consulting and service fee and policy fee and installment fee revenue during 2022. 2021 amounts have been conformed to current year presentation.

ACTUAL DISAGGREGATED COMMISSIONS AND FEES REVENUE & KPIs



AMOUNTS IN 000'S

	Q1	Q2	2021 Q3	Q4	FY
MAINSTREET					
Commissions ⁽¹⁾	\$ 7,316	\$ 8,250	\$ 8,407	\$ 8,286	\$ 32,259
Profit-sharing	880	304	276	462	1,922
Other	26	22	77	38	163
Total MainStreet revenue	\$ 8,222	\$ 8,576	\$ 8,760	\$ 8,786	\$ 34,344
Organic Revenue Growth	(3)%	11 %	9 %	32 %	12 %
Closed Partnerships	—	—	—	—	—

	Q1	Q2	Q3	Q4	FY
MEDICARE					
Commissions ⁽²⁾	\$ 9,390	\$ 5,139	\$ 5,427	\$ 5,831	\$ 25,787
Other	62	13	238	1,292	1,605
Total Medicare revenue	\$ 9,452	\$ 5,152	\$ 5,665	\$ 7,123	\$ 27,392
Organic Revenue Growth	(5)%	17 %	12 %	11 %	7 %
Closed Partnerships	1	2	—	—	3

- (1) The MainStreet Operating Group recorded intercompany commissions of less than \$0.1 million, less than \$0.1 million, \$0.1 million, \$0.3 million and \$0.5 million for Q1, Q2, Q3, Q4 and YTD 2021, respectively, which are eliminated in consolidation. Intercompany commissions are excluded from the calculation of organic revenue growth. Refer to Slide 16 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP metric.
- (2) The Medicare Operating Group recorded intercompany commissions of \$0.1 million, \$0.1 million, \$0.2 million, \$0.2 million and \$0.6 million for Q1, Q2, Q3, Q4 and YTD 2021, respectively, which are eliminated in consolidation. Intercompany commissions are excluded from the calculation of organic revenue growth. Refer to Slide 16 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP metric.

ORGANIC GROWTH RECONCILIATION



<i>AMOUNTS IN 000'S</i>	<i>Q4 2021</i>	<i>Middle Market</i>	<i>Specialty</i>	<i>MainStreet</i>	<i>Medicare</i>	<i>Corporate and Other</i>	<i>Consolidated</i>
Commissions and fees	\$ 97,071	\$ 47,282	\$ 8,786	\$ 7,123	\$ (1,062)	\$ 159,200	
Partnership commissions and fees ⁽¹⁾	(57,723)	(17,290)	—	(862)	(13)	(75,888)	
Intercompany commissions	(434)	(118)	(288)	(235)	1,075	—	
Organic Revenue	<u>\$ 38,914</u>	<u>\$ 29,874</u>	<u>\$ 8,498</u>	<u>\$ 6,026</u>	<u>\$ —</u>	<u>\$ 83,312</u>	
Organic Revenue Growth ⁽²⁾	4,891	5,357	2,055	601	—	12,904	
Organic Revenue Growth % ⁽²⁾	14 %	22 %	32 %	11 %	— %	18 %	

	<i>YTD 2021</i>	<i>Middle Market</i>	<i>Specialty</i>	<i>MainStreet</i>	<i>Medicare</i>	<i>Corporate and Other</i>	<i>Consolidated</i>
Commissions and fees	\$ 363,822	\$ 144,455	\$ 34,344	\$ 27,392	\$ (2,723)	\$ 567,290	
Partnership commissions and fees ⁽¹⁾	(241,985)	(23,253)	30	(7,051)	(13)	(272,272)	
Intercompany commissions	(1,506)	(159)	(500)	(571)	2,736	—	
Organic Revenue	<u>\$ 120,331</u>	<u>\$ 121,043</u>	<u>\$ 33,874</u>	<u>\$ 19,770</u>	<u>\$ —</u>	<u>\$ 295,018</u>	
Organic Revenue Growth ⁽³⁾	17,041	32,168	3,513	1,282	—	54,004	
Organic Revenue Growth % ⁽³⁾	16 %	36 %	12 %	7 %	— %	22 %	

(1) Includes the first twelve months of such commissions and fees generated from newly acquired Partners.

(2) Organic Revenue for Q4 2020 used to calculate Organic Revenue Growth for Q4 2021 was \$34.0 million, \$24.5 million, \$6.4 million and \$5.4 million for the Middle Market, Specialty, MainStreet and Medicare Operating Groups, respectively, which is adjusted to reflect revenues from Partnerships that reached the twelve-month owned mark during Q4 2021.

(3) Organic Revenue for YTD 2020 used to calculate Organic Revenue Growth for YTD 2021 was \$103.3 million, \$88.9 million, \$30.4 million and \$18.5 million for the Middle Market, Specialty, MainStreet and Medicare Operating Groups, respectively, which is adjusted to reflect revenues from Partnerships that reached the twelve-month owned mark during YTD 2021.

PRO FORMA CONSOLIDATED ADJUSTED EBITDA BRIDGE



<i>AMOUNTS IN 000'S</i>	Q1	Q2	2021 Q3	Q4	FY
Pro Forma Revenue	\$ 209,380	\$ 172,510	\$ 167,457	\$ 169,973	\$ 719,320
Pro Forma Net Income (Loss)	\$ 45,274	\$ (11,731)	\$ (23,621)	\$ (38,964)	\$ (29,042)
Adjustments to Pro Forma Net Income (Loss):					
Amortization expense	17,387	17,532	17,435	16,451	68,805
Change in fair value of contingent consideration	(1,503)	13,325	11,341	22,033	45,196
Interest expense, net	9,848	9,933	10,738	9,333	39,852
Share-based compensation	3,542	4,545	3,834	7,272	19,193
Transaction-related Partnership and integration expenses	2,445	3,225	5,556	7,956	19,182
Depreciation expense	594	573	753	868	2,788
Severance	—	—	481	390	871
(Gain) loss on interest rate caps	—	825	334	(1,036)	123
Income tax provision	—	—	—	19	19
Other	859	1,412	1,951	3,816	8,038
Pro Forma Adjusted EBITDA	\$ 78,446	\$ 39,639	\$ 28,802	\$ 28,138	\$ 175,025
Pro Forma Adjusted EBITDA Margin	37%	23%	17%	17%	24%

RECONCILIATION TO GAAP



AMOUNTS IN 000'S	2021				
	Q1	Q2	Q3	Q4	FY
Revenue	\$ 152,828	\$ 119,706	\$ 135,556	\$ 159,200	\$ 567,290
Revenue for 2021 Partnerships in the unowned period ⁽¹⁾	56,552	52,804	31,901	10,773	152,030
Pro Forma Revenue	<u>\$ 209,380</u>	<u>\$ 172,510</u>	<u>\$ 167,457</u>	<u>\$ 169,973</u>	<u>\$ 719,320</u>
Net income (loss)	\$ 31,307	\$ (20,441)	\$ (24,601)	\$ (44,385)	\$ (58,120)
Net income for 2021 Partnerships in the unowned period ⁽²⁾	13,967	8,710	980	5,421	29,078
Pro Forma Net Income (Loss)	<u>\$ 45,274</u>	<u>\$ (11,731)</u>	<u>\$ (23,621)</u>	<u>\$ (38,964)</u>	<u>\$ (29,042)</u>
Revenue	\$ 152,828	\$ 119,706	\$ 135,556	\$ 159,200	\$ 567,290
Less revenue from 2021 Partners in the owned period ⁽³⁾	711	1,547	16,530	42,234	61,022
Total revenue of business owned as of 12/31/2020	<u>\$ 152,117</u>	<u>\$ 118,159</u>	<u>\$ 119,026</u>	<u>\$ 116,966</u>	<u>\$ 506,268</u>

- (1) The adjustment for Q1 reflects revenue for Effective Coverage/LeaseTrack, Medicare Help Now, Only Medicare Solutions, Seniors' Insurance Solutions, Mid-Continent, RogersGray, EBSME, FounderShield, The Capital Group, River Oak Risk, K&S Insurance, JGS, WGB, CRP, Brush Creek Partners and Arcana as if the Company had acquired the Partners on January 1, 2021. The adjustment for Q2 reflects revenue for Only Medicare Solutions, Seniors' Insurance Solutions, Mid-Continent, RogersGray, EBSME, FounderShield, The Capital Group, River Oak Risk, K&S Insurance, WGB, JGS, CRP, Brush Creek Partners and Arcana as if the Company had acquired the Partners on January 1, 2021. The adjustment for Q3 reflects revenue for EBSME, FounderShield, The Capital Group, River Oak Risk, K&S Insurance, JGS, WGB, CRP, Brush Creek Partners and Arcana as if the Company had acquired the Partners on January 1, 2021. The adjustment for Q4 reflects revenue for WGB, CRP, Brush Creek Partners and Arcana as if the Company had acquired the Partners on January 1, 2021. 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 (loss) for Effective Coverage/LeaseTrack, Medicare Help Now, Only Medicare Solutions, Seniors' Insurance Solutions, Mid-Continent, RogersGray, EBSME, FounderShield, The Capital Group, River Oak Risk, K&S Insurance, JGS, WGB, CRP, Brush Creek Partners and Arcana as if the Company had acquired the Partners on January 1, 2021. The adjustment for Q2 reflects net income (loss) for Only Medicare Solutions, Seniors' Insurance Solutions, Mid-Continent, RogersGray, EBSME, FounderShield, The Capital Group, River Oak Risk, K&S Insurance, JGS, WGB, CRP, Brush Creek Partners and Arcana as if the Company had acquired the Partners on January 1, 2021. The adjustment for Q3 reflects net income (loss) for EBSME, FounderShield, The Capital Group, River Oak Risk, K&S Insurance, JGS, WGB, CRP, Brush Creek Partners and Arcana as if the Company had acquired the Partners on January 1, 2021. The adjustment for Q4 reflects net income (loss) for WGB, CRP, Brush Creek Partners and Arcana as if the Company had acquired the Partners on January 1, 2021. 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 for Q1 reflects revenue for Effective Coverage/LeaseTrack and Medicare Help Now during the owned period of Q1 2021. The adjustment for Q2 reflects revenue for Effective Coverage/LeaseTrack, Medicare Help Now, Only Medicare Solutions, Seniors' Insurance Solutions and Mid-Continent during the owned period of Q2 2021. The adjustment for Q3 reflects revenue for Effective Coverage/LeaseTrack, Medicare Help Now, Only Medicare Solutions, Seniors' Insurance Solutions, Mid-Continent, RogersGray, EBSME, FounderShield, The Capital Group and River Oak Risk during the owned period of Q3 2021. The adjustment for Q4 reflects revenue for Effective Coverage/LeaseTrack, Medicare Help Now, Only Medicare Solutions, Seniors' Insurance Solutions, Mid-Continent, RogersGray, EBSME, FounderShield, The Capital Group, River Oak Risk, K&S Insurance, JGS, WGB, CRP, Brush Creek Partners and Arcana during the owned period of Q4 2021.