

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 5, 2025

The Baldwin Insurance Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-39095
(Commission
File No.)

61-1937225
(I.R.S. Employer
Identification No.)

4211 W. Boy Scout Blvd., Suite 800, Tampa, Florida 33607
(Address of principal executive offices) (Zip code)

(Registrant's telephone number, including area code): (866) 279-0698

Not Applicable

(Former Name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2 (b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--|-------------------|---|
| Class A Common Stock, par value \$0.01 per share | BWIN | Nasdaq Global Select Market |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On August 5, 2025, The Baldwin Insurance Group, Inc. issued a press release announcing its financial results for the quarter ended June 30, 2025. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 99.1 | Press release issued by The Baldwin Insurance Group, Inc. on August 5, 2025 |
| 104 | Cover Page Interactive Data File (embedded within the inline XBRL document) |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

The Baldwin Insurance Group, Inc.

Date: August 5, 2025

By: /s/ Bradford L. Hale

Name: Bradford L. Hale

Title: *Chief Financial Officer*



THE BALDWIN GROUP ANNOUNCES SECOND QUARTER 2025 RESULTS

— Total Revenue Growth of 11% to \$378.8 Million; Organic Revenue Growth⁽¹⁾ of 11% —

— Net Loss of \$5.1 Million and Diluted Loss Per Share of \$0.05; Adjusted Diluted EPS⁽²⁾ Growth of 24% to \$0.42 —

— Adjusted EBITDA⁽³⁾ Growth of 14% Year-Over-Year to \$85.5 Million and Adjusted EBITDA Margin⁽³⁾ of 23%; 60 Basis Point Expansion Compared to the Prior-Year Period —

TAMPA, FLORIDA - August 5, 2025 - The Baldwin Group, the brand name for The Baldwin Insurance Group, Inc. ("Baldwin" or the "Company") (NASDAQ: BWIN), an independent insurance distribution firm delivering tailored insurance solutions to a wide range of personal and commercial clients, today announced its results for the second quarter ended June 30, 2025.

SECOND QUARTER 2025 HIGHLIGHTS

- Total revenue increased 11% year-over-year to \$378.8 million
- Organic revenue growth of 11% year-over-year
- GAAP net loss of \$5.1 million and GAAP diluted loss per share of \$0.05
- Adjusted net income⁽²⁾ of \$49.5 million
- Adjusted diluted EPS grew 24% year-over-year to \$0.42
- Adjusted EBITDA grew 14% year-over-year to \$85.5 million
- Adjusted EBITDA margin of 22.6%, expansion of 60 basis points compared to 22.0% in the prior-year period

"We are pleased with strong second quarter results at The Baldwin Group. Our business once again generated double-digit organic growth, while delivering adjusted EBITDA growth of 14%, 60 basis points of adjusted EBITDA margin expansion and adjusted diluted earnings per share growth of 24%" said Trevor Baldwin, Chief Executive Officer of The Baldwin Group. "Our remaining earnout obligations associated with our Partnership activity over the last five years are behind us now. This important milestone provides The Baldwin Group with increased flexibility around capital allocation which will allow us to continue investing in strategic opportunities that sustain our industry-leading organic revenue growth, improve margin expansion, and decrease financial leverage, thus strengthening our business and ultimately creating long-term value for our shareholders and resulting in the development of innovative solutions for our clients' evolving business needs."

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2025, cash and cash equivalents were \$105.7 million and the Company had \$474 million of borrowing capacity under its revolving credit facility.

SIX MONTHS 2025 RESULTS

- Revenue increased 10% year-over-year to \$792.2 million
- Organic revenue growth of 11% year-over-year
- GAAP net income of \$19.8 million and GAAP diluted earnings per share of \$0.15
- Adjusted net income of \$126.1 million
- Adjusted diluted EPS grew 18% year-over-year to \$1.06
- Adjusted EBITDA grew 13% year-over-year to \$199.3 million
- Adjusted EBITDA margin of 25.2%, a 70 basis point expansion compared to 24.5% in the prior-year period
- Net cash used in operating activities of \$80.7 million
- Adjusted free cash flow⁽⁴⁾ decreased 35% year-over-year to \$34.4 million

WEBCAST AND CONFERENCE CALL INFORMATION

Baldwin will host a webcast and conference call to discuss second quarter 2025 results today at 5:00 PM ET. A live webcast and a slide presentation of the conference call will be available on Baldwin's investor relations website at ir.baldwin.com. The dial-in number for the conference call is (877) 451-6152 (toll-free) or (201) 389-0879 (international). Please dial the number 10 minutes prior to the scheduled start time.

A webcast replay of the call will be available at ir.baldwin.com for one year following the call.

ABOUT THE BALDWIN GROUP

The Baldwin Group, the brand name for The Baldwin Insurance Group, Inc. ("Baldwin") (NASDAQ: BWIN) and its affiliates, is an independent insurance distribution firm providing indispensable expertise and insights that strive to give our clients the confidence to pursue their purpose, passion and dreams. As a team of dedicated entrepreneurs and insurance professionals, we have come together to help protect the possible for our clients. We do this by delivering bespoke client solutions, services, and innovation through our comprehensive and tailored approach to risk management, insurance, and employee benefits. We support our clients, colleagues, insurance company partners, and communities through the deployment of vanguard resources and capital to drive our organic and inorganic growth. The Baldwin Group proudly represents more than three million clients across the United States and internationally. For more information, please visit www.baldwin.com.

FOOTNOTES

- (1) *Organic revenue for the three and six months ended June 30, 2024 used to calculate organic revenue growth for the three and six months ended June 30, 2025 was \$336.3 million and \$708.6 million, respectively, which is adjusted to exclude commissions and fees from divestitures that occurred during 2024 and 2025. Organic revenue is also adjusted to exclude the first twelve months of commissions and fees generated from new partners during the three and six months ended June 30, 2025. Organic revenue and organic revenue growth are non-GAAP measures. Reconciliation of organic revenue and organic revenue growth to commissions and fees, the most directly comparable GAAP financial measure, is set forth in the reconciliation table accompanying this release.*
- (2) *Adjusted net income and adjusted diluted EPS are non-GAAP measures. Reconciliation of adjusted net income to net income (loss) attributable to Baldwin and reconciliation of adjusted diluted EPS to diluted earnings (loss) per share, the most directly comparable GAAP financial measures, is set forth in the reconciliation table accompanying this release.*
- (3) *Adjusted EBITDA and adjusted EBITDA margin are non-GAAP measures. Reconciliation of adjusted EBITDA and adjusted EBITDA margin to net income (loss), the most directly comparable GAAP financial measure, is set forth in the reconciliation table accompanying this release.*
- (4) *Adjusted free cash flow is a non-GAAP measure. Reconciliation of adjusted free cash flow to net cash provided by (used in) operating activities, the most directly comparable GAAP financial measure, is set forth in the reconciliation table accompanying this release.*

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This press release may contain various “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, which represent Baldwin’s expectations or beliefs concerning future events. Forward-looking statements are statements other than historical facts and may include statements that address Baldwin’s future operating, financial or business performance or Baldwin’s strategies or expectations. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “projects,” “potential,” “outlook” or “continue,” or the negative of these terms or other comparable terminology. Forward-looking statements are based on management’s current expectations and beliefs and involve significant risks and uncertainties that could cause actual results, developments and business decisions to differ materially from those contemplated by these statements.

Factors that could cause actual results or performance to differ from the expectations expressed or implied in such forward-looking statements include, but are not limited to, those described under the caption “Risk Factors” in Baldwin’s Annual Report on Form 10-K for the year ended December 31, 2024 and in Baldwin’s other filings with the SEC, which are available free of charge on the SEC’s website at: www.sec.gov, including those risks and other factors relevant to Baldwin’s business, financial condition and results of operations. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated. All forward-looking statements and all subsequent written and oral forward-looking statements attributable to Baldwin or to persons acting on Baldwin’s behalf are expressly qualified in their entirety by reference to these risks and uncertainties. You should not place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date they are made, and Baldwin does not undertake any obligation to update them in light of new information, future developments or otherwise, except as may be required under applicable law.

CONTACTS

MEDIA RELATIONS

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INVESTOR RELATIONS

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THE BALDWIN INSURANCE GROUP, INC.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

| (in thousands, except share and per share data) | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|--|-------------|--------------------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Revenues: | | | | |
| Commissions and fees | \$ 376,249 | \$ 337,103 | \$ 786,780 | \$ 715,199 |
| Investment income | 2,562 | 2,737 | 5,436 | 5,008 |
| Total revenues | 378,811 | 339,840 | 792,216 | 720,207 |
| Operating expenses: | | | | |
| Colleague compensation and benefits | 195,471 | 175,659 | 393,491 | 376,714 |
| Outside commissions | 73,586 | 68,656 | 139,409 | 129,693 |
| Other operating expenses | 56,119 | 46,564 | 114,138 | 92,359 |
| Amortization expense | 26,010 | 25,394 | 51,892 | 49,435 |
| Change in fair value of contingent consideration | (1,957) | 5,552 | 6,104 | 18,228 |
| Depreciation expense | 1,642 | 1,557 | 3,225 | 3,062 |
| Total operating expenses | 350,871 | 323,382 | 708,259 | 669,491 |
| Operating income | 27,940 | 16,458 | 83,957 | 50,716 |
| Other income (expense): | | | | |
| Interest expense, net | (31,320) | (31,329) | (61,296) | (62,874) |
| Gain (loss) on divestitures | (1,111) | 628 | 290 | 37,144 |
| Loss on extinguishment and modification of debt | — | (14,679) | (2,394) | (14,679) |
| Other income (expense), net | 35 | (461) | (115) | 77 |
| Total other expense, net | (32,396) | (45,841) | (63,515) | (40,332) |
| Income (loss) before income taxes | (4,456) | (29,383) | 20,442 | 10,384 |
| Income tax expense | 685 | 1,484 | 685 | 2,151 |
| Net income (loss) | (5,141) | (30,867) | 19,757 | 8,233 |
| Less: net income (loss) attributable to noncontrolling interests | (1,977) | (13,310) | 8,982 | 4,212 |
| Net income (loss) attributable to Baldwin | \$ (3,164) | \$ (17,557) | \$ 10,775 | \$ 4,021 |
| Comprehensive income (loss) | \$ (5,141) | \$ (30,867) | \$ 19,757 | \$ 8,233 |
| Comprehensive income (loss) attributable to noncontrolling interests | (1,977) | (13,310) | 8,982 | 4,212 |
| Comprehensive income (loss) attributable to Baldwin | (3,164) | (17,557) | 10,775 | 4,021 |
| Basic earnings (loss) per share | \$ (0.05) | \$ (0.28) | \$ 0.16 | \$ 0.06 |
| Diluted earnings (loss) per share | \$ (0.05) | \$ (0.28) | \$ 0.15 | \$ 0.06 |
| Weighted-average shares of Class A common stock outstanding - basic | 68,009,996 | 63,124,601 | 67,044,696 | 62,490,376 |
| Weighted-average shares of Class A common stock outstanding - diluted | 68,009,996 | 63,124,601 | 70,392,551 | 66,189,508 |

THE BALDWIN INSURANCE GROUP, INC.
Condensed Consolidated Balance Sheets
(Unaudited)

| (in thousands, except share and per share data) | June 30, 2025 | December 31, 2024 |
|---|---------------|-------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 105,695 | \$ 90,045 |
| Fiduciary cash | 278,007 | 222,724 |
| Assumed premiums, commissions and fees receivable, net | 349,639 | 283,553 |
| Fiduciary receivables | 491,423 | 418,543 |
| Prepaid expenses and other current assets | 14,945 | 11,625 |
| Total current assets | 1,239,709 | 1,026,490 |
| Property and equipment, net | 21,336 | 21,972 |
| Right-of-use assets | 67,100 | 72,367 |
| Other assets | 64,708 | 48,041 |
| Intangible assets, net | 925,549 | 953,492 |
| Goodwill | 1,420,583 | 1,412,369 |
| Total assets | \$ 3,738,985 | \$ 3,534,731 |
| Liabilities, Mezzanine Equity and Stockholders' Equity | | |
| Current liabilities: | | |
| Fiduciary liabilities | \$ 769,430 | \$ 641,267 |
| Commissions payable | 71,963 | 73,126 |
| Accrued expenses and other current liabilities | 158,348 | 160,631 |
| Related party notes payable | — | 5,635 |
| Colleague earnout incentives | 989 | 32,826 |
| Current portion of contingent earnout liabilities | 6,759 | 142,949 |
| Total current liabilities | 1,007,489 | 1,056,434 |
| Revolving line of credit | 112,000 | — |
| Long-term debt, less current portion | 1,494,712 | 1,398,054 |
| Contingent earnout liabilities, less current portion | 9,972 | 2,610 |
| Operating lease liabilities, less current portion | 64,382 | 68,775 |
| Other liabilities | 61 | 61 |
| Total liabilities | 2,688,616 | 2,525,934 |
| Commitments and contingencies | | |
| Mezzanine equity: | | |
| Redeemable noncontrolling interest | 445 | 453 |
| Stockholders' equity: | | |
| Class A common stock, par value \$0.01 per share, 300,000,000 shares authorized; 71,278,683 and 67,979,419 shares issued and outstanding at June 30, 2025 and December 31, 2024, respectively | 713 | 680 |
| Class B common stock, par value \$0.0001 per share, 100,000,000 shares authorized; 47,358,729 and 49,552,686 shares issued and outstanding at June 30, 2025 and December 31, 2024, respectively | 5 | 5 |
| Additional paid-in capital | 830,735 | 793,954 |
| Accumulated deficit | (200,648) | (211,423) |
| Total stockholders' equity attributable to Baldwin | 630,805 | 583,216 |
| Noncontrolling interest | 419,119 | 425,128 |
| Total stockholders' equity | 1,049,924 | 1,008,344 |
| Total liabilities, mezzanine equity and stockholders' equity | \$ 3,738,985 | \$ 3,534,731 |

THE BALDWIN INSURANCE GROUP, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

| (in thousands) | For the Six Months Ended June 30, | |
|---|--------------------------------------|------------|
| | 2025 | 2024 |
| Cash flows from operating activities: | | |
| Net income | \$ 19,757 | \$ 8,233 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 55,117 | 52,497 |
| Change in fair value of contingent consideration | 6,104 | 18,228 |
| Share-based compensation expense | 29,755 | 28,815 |
| Payment of contingent earnout consideration in excess of purchase price accrual | (85,090) | (20,373) |
| Gain on divestitures | (290) | (37,144) |
| Amortization of deferred financing costs | 2,843 | 2,997 |
| Loss on extinguishment of debt | — | 1,034 |
| Loss on interest rate caps | 18 | 160 |
| Other loss | 748 | 346 |
| Changes in operating assets and liabilities: | | |
| Assumed premiums, commissions and fees receivable, net | (53,896) | (15,381) |
| Prepaid expenses and other current assets | (4,916) | (5,327) |
| Right-of-use assets | 7,950 | 8,351 |
| Accounts payable, accrued expenses and other current liabilities | (19,727) | (9,524) |
| Colleague earnout incentives | (31,824) | (4,766) |
| Operating lease liabilities | (7,253) | (6,800) |
| Net cash provided by (used in) operating activities | (80,704) | 21,346 |
| Cash flows from investing activities: | | |
| Capital expenditures | (20,310) | (18,704) |
| Cash consideration paid for business combinations, net of cash received | (11,699) | — |
| Proceeds from divestitures, net of cash transferred | 1,901 | 56,415 |
| Investments in and loans for business ventures | (15,633) | (3,341) |
| Cash consideration paid for asset acquisitions | (460) | (268) |
| Proceeds from repayment of related party loans | — | 1,500 |
| Net cash provided by (used in) investing activities | (46,201) | 35,602 |
| Cash flows from financing activities: | | |
| Change in fiduciary receivables and liabilities, net | 55,283 | 62,254 |
| Payment of contingent earnout consideration up to amount of purchase price accrual | (64,256) | (59,969) |
| Proceeds from revolving line of credit | 121,000 | 95,000 |
| Payments on revolving line of credit | (9,000) | (436,000) |
| Proceeds from refinancing of long-term debt | 935,800 | 1,440,000 |
| Payments relating to extinguishment and modification of long-term debt | (835,800) | (996,177) |
| Payments on long-term debt | (4,679) | (2,561) |
| Payments of deferred financing costs | — | (17,242) |
| Tax distributions to Baldwin Holdings LLC members | — | (11,076) |
| Other financing activity | (510) | 2,036 |
| Net cash provided by financing activities | 197,838 | 76,265 |
| Net increase in cash and cash equivalents and fiduciary cash | 70,933 | 133,213 |
| Cash and cash equivalents and fiduciary cash at beginning of period | 312,769 | 226,963 |
| Cash and cash equivalents and fiduciary cash at end of period | \$ 383,702 | \$ 360,176 |

NON-GAAP FINANCIAL MEASURES

Adjusted EBITDA, adjusted EBITDA margin, organic revenue, organic revenue growth, adjusted net income, adjusted diluted earnings per share (“EPS”) and adjusted net cash provided by operating activities (“adjusted free cash flow”) are not measures of financial performance under GAAP and should not be considered substitutes for GAAP measures, including commissions and fees (for organic revenue and organic revenue growth), net income (loss) (for adjusted EBITDA and adjusted EBITDA margin), net income (loss) attributable to Baldwin (for adjusted net income), diluted earnings (loss) per share (for adjusted diluted EPS) or net cash provided by (used in) operating activities (for adjusted free cash flow), which we consider to be the most directly comparable GAAP measures. 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 (loss), net income (loss) attributable to Baldwin, diluted earnings (loss) per share, net cash provided by (used in) operating activities 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.

We define adjusted EBITDA as net income (loss) before interest, taxes, depreciation, amortization, change in fair value of contingent consideration and certain items of income and expense, including share-based compensation expense, transaction-related partnership and integration expenses, severance, and certain non-recurring items, including those related to raising capital. We believe that 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.

Adjusted EBITDA margin is adjusted EBITDA divided by total revenue. Adjusted EBITDA margin is a key metric used by management and our board of directors to assess our financial performance. We believe that 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 adjusted EBITDA margin is helpful in measuring profitability of operations on a consolidated level.

Adjusted EBITDA and adjusted EBITDA margin have important limitations as analytical tools. For example, adjusted EBITDA and adjusted EBITDA margin:

- do not reflect any cash capital expenditure requirements for the assets being depreciated and amortized that may have to be replaced in the future;
- do not reflect changes in, or cash requirements for, our working capital needs;
- do not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations;
- do not reflect the interest expense or the cash requirements necessary to service interest or principal payments on our debt;
- do not reflect share-based compensation expense and other non-cash charges; and
- exclude certain tax payments that may represent a reduction in cash available to us.

We calculate organic revenue based on commissions and fees for the relevant period by excluding (i) the first twelve months of commissions and fees generated from new partners and (ii) commissions and fees from divestitures. Organic revenue growth is the change in organic revenue period-to-period, with prior period results adjusted to (i) include commissions and fees that were excluded from organic revenue in the prior period because the relevant partners had not yet reached the twelve-month owned mark, but which have reached the twelve-month owned mark in the current period, and (ii) exclude commissions and fees related to divestitures from organic revenue. For example, commissions and fees from a partner acquired on June 1, 2024 are excluded from organic revenue for 2024. However, after June 1, 2025, results from June 1, 2024 to December 31, 2024 for such partners are compared to results from June 1, 2025 to December 31, 2025 for purposes of calculating organic revenue growth in 2025. Organic revenue growth is a key metric used by management and our board of directors to assess our financial performance. We believe that organic revenue and organic revenue growth are appropriate measures of operating performance as they allow investors to measure, analyze and compare growth in a meaningful and consistent manner.

We define adjusted net income as net income (loss) attributable to Baldwin adjusted for depreciation, amortization, change in fair value of contingent consideration and certain items of income and expense, including share-based compensation expense, transaction-related partnership and integration expenses, severance, and certain non-recurring costs that, in the opinion of management, significantly affect the period-over-period assessment of operating results, and the related tax effect of those adjustments. We believe that adjusted net income is an appropriate measure of operating performance because it eliminates the impact of income and expenses that do not relate to business performance.

Adjusted diluted EPS measures our per share earnings excluding certain expenses as discussed above for adjusted net income and assuming all shares of Class B common stock were exchanged for Class A common stock on a one-for-one basis. Adjusted diluted EPS is calculated as adjusted net income divided by adjusted diluted weighted-average shares outstanding. We believe adjusted diluted EPS is useful to investors because it enables them to better evaluate per share operating performance across reporting periods.

We calculate adjusted free cash flow because we incur substantial earnout liabilities in conjunction with our partnership strategy. Adjusted free cash flow is calculated as net cash provided by (used in) operating activities excluding the impact of: (i) the payment of contingent earnout consideration in excess of purchase price accrual, and (ii) the payment of colleague earnout incentives. We believe that adjusted free cash flow is an important measure of our ability to generate cash from our business operations.

Beginning January 1, 2025, the Company is presenting its fiduciary assets and liabilities separately on the consolidated balance sheets. Previously, these assets and liabilities were comingled on the consolidated balance sheets and the net change in cash balances held to remit to insurance carriers was presented as cash flows from operating activities. The net change in fiduciary cash is now presented as cash flows from financing activities in the consolidated statements of cash flows. As a result, the change in premiums, commissions and fees receivable, net and the change in accounts payable, accrued expenses and other current liabilities are no longer excluded from net cash provided by (used in) operating activities in calculating adjusted free cash flow for the 2025 reporting period and comparable prior periods. However, because the change in fiduciary receivables and fiduciary liabilities previously was combined with the change in premiums, commissions and fees receivable, net and the change in accounts payable, accrued expenses and other current liabilities in the consolidated statements of cash flows, this change in presentation has resulted in a change in our previously reported adjusted free cash flow for previous periods.

Reconciliation of guidance regarding adjusted EBITDA, organic revenue growth and adjusted diluted EPS to the most directly comparable GAAP measures is not available without unreasonable efforts on a forward-looking basis due to the high variability, complexity, and low visibility with respect to commissions and fees, net income (loss), diluted earnings (loss) per share or other consolidated income statement data prepared in accordance with GAAP. The Company is currently unable to predict with a reasonable degree of certainty the type and extent of items that would be expected to impact these GAAP financial measures for these periods. The unavailable information could have a significant impact on the non-GAAP measures.

Adjusted EBITDA and Adjusted EBITDA Margin

The following table reconciles adjusted EBITDA and adjusted EBITDA margin to net income (loss), which we consider to be the most directly comparable GAAP financial measure:

| (in thousands, except percentages) | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|--|--|-------------|--------------------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Revenues | \$ 378,811 | \$ 339,840 | \$ 792,216 | \$ 720,207 |
| Net income (loss) | \$ (5,141) | \$ (30,867) | \$ 19,757 | \$ 8,233 |
| Adjustments to net income (loss): | | | | |
| Interest expense, net | 31,320 | 31,329 | 61,296 | 62,874 |
| Amortization expense | 26,010 | 25,394 | 51,892 | 49,435 |
| Share-based compensation | 16,952 | 14,721 | 29,755 | 28,815 |
| Change in fair value of contingent consideration | (1,957) | 5,552 | 6,104 | 18,228 |
| Transaction-related partnership and integration expenses | 3,985 | 2,091 | 5,518 | 6,995 |
| Depreciation expense | 1,642 | 1,557 | 3,225 | 3,062 |
| Severance | 1,618 | 1,187 | 2,825 | 2,876 |
| Income and other taxes ⁽¹⁾ | 1,348 | 1,717 | 2,819 | 3,218 |
| Loss on extinguishment and modification of debt | — | 14,679 | 2,394 | 14,679 |
| Colleague earnout incentives | 1,490 | 2,796 | (1,779) | 6,379 |
| Impairment of ROU assets | 1,188 | — | 1,188 | — |
| Loss (gain) on divestitures | 1,111 | (628) | (290) | (37,144) |
| Loss on interest rate caps | — | 134 | 18 | 160 |
| Other ⁽²⁾ | 5,946 | 5,226 | 14,585 | 8,764 |
| Adjusted EBITDA | \$ 85,512 | \$ 74,888 | \$ 199,307 | \$ 176,574 |
| Net income (loss) margin | (1)% | (9)% | 2 % | 1 % |
| Adjusted EBITDA margin | 22.6 % | 22.0 % | 25.2 % | 24.5 % |

(1) Income and other taxes include the Tax Receivable Agreement expense and other operating tax expense, such as state taxes, under GAAP.

(2) Other addbacks to adjusted EBITDA include certain income and expenses that are considered to be non-recurring or non-operational, including certain recruiting costs, professional fees, litigation costs and bonuses.

Organic Revenue and Organic Revenue Growth

The following table reconciles organic revenue and organic revenue growth to commissions and fees, which we consider to be the most directly comparable GAAP financial measure:

| (in thousands, except percentages) | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|--|-------------------|--------------------------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Commissions and fees | \$ 376,249 | \$ 337,103 | \$ 786,780 | \$ 715,199 |
| Partnership commissions and fees ⁽¹⁾ | (1,980) | — | (1,980) | — |
| Organic revenue | <u>\$ 374,269</u> | <u>\$ 337,103</u> | <u>\$ 784,800</u> | <u>\$ 715,199</u> |
| Organic revenue growth ⁽²⁾ | \$ 37,973 | \$ 53,121 | \$ 76,192 | \$ 104,172 |
| Organic revenue growth % ⁽²⁾ | 11 % | 19 % | 11 % | 17 % |

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

(2) Organic revenue for the three and six months ended June 30, 2024 used to calculate organic revenue growth for the three and six months ended June 30, 2025 was \$336.3 million and \$708.6 million, respectively, which is adjusted to exclude commissions and fees from divestitures that occurred during 2024 and 2025.

Adjusted Net Income and Adjusted Diluted EPS

The following table reconciles adjusted net income to net income (loss) attributable to Baldwin and reconciles adjusted diluted EPS to diluted earnings (loss) per share, which we consider to be the most directly comparable GAAP financial measures:

| (in thousands, except per share data) | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|-------------------------------------|-------------|-----------------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Net income (loss) attributable to Baldwin | \$ (3,164) | \$ (17,557) | \$ 10,775 | \$ 4,021 |
| Net income (loss) attributable to noncontrolling interests | (1,977) | (13,310) | 8,982 | 4,212 |
| Amortization expense | 26,010 | 25,394 | 51,892 | 49,435 |
| Share-based compensation | 16,952 | 14,721 | 29,755 | 28,815 |
| Change in fair value of contingent consideration | (1,957) | 5,552 | 6,104 | 18,228 |
| Transaction-related partnership and integration expenses | 3,985 | 2,091 | 5,518 | 6,995 |
| Depreciation | 1,642 | 1,557 | 3,225 | 3,062 |
| Amortization of deferred financing costs | 1,421 | 1,445 | 2,843 | 2,997 |
| Severance | 1,618 | 1,187 | 2,825 | 2,876 |
| Loss on extinguishment and modification of debt | — | 14,679 | 2,394 | 14,679 |
| Income tax expense ⁽¹⁾ | 685 | 1,484 | 1,885 | 2,151 |
| Colleague earnout incentives | 1,490 | 2,796 | (1,779) | 6,379 |
| Impairment of ROU assets | 1,188 | — | 1,188 | — |
| Loss (gain) on divestitures | 1,111 | (628) | (290) | (37,144) |
| Loss on interest rate caps, net of cash settlements | — | 134 | 18 | 2,460 |
| Other ⁽²⁾ | 5,946 | 5,226 | 14,585 | 8,764 |
| Adjusted pre-tax income | 54,950 | 44,771 | 139,920 | 117,930 |
| Adjusted income taxes ⁽³⁾ | 5,440 | 4,432 | 13,852 | 11,675 |
| Adjusted net income | \$ 49,510 | \$ 40,339 | \$ 126,068 | \$ 106,255 |
| Weighted-average shares of Class A common stock outstanding - diluted | 68,010 | 63,125 | 70,393 | 66,190 |
| Dilutive weighted-average shares of Class A common stock | 3,436 | 3,868 | — | — |
| Exchange of Class B common stock ⁽⁴⁾ | 47,717 | 51,227 | 48,377 | 51,610 |
| Adjusted diluted weighted-average shares outstanding | 119,163 | 118,220 | 118,770 | 117,800 |
| Diluted earnings (loss) per share | \$ (0.05) | \$ (0.28) | \$ 0.15 | \$ 0.06 |
| Effect of exchange of Class B common stock and net income (loss) attributable to noncontrolling interests per share | 0.01 | 0.02 | 0.02 | 0.01 |
| Other adjustments to income (loss) per share | 0.51 | 0.64 | 1.01 | 0.93 |
| Adjusted income taxes per share | (0.05) | (0.04) | (0.12) | (0.10) |
| Adjusted diluted EPS | \$ 0.42 | \$ 0.34 | \$ 1.06 | \$ 0.90 |

(1) Income tax expense includes the Tax Receivable Agreement expense.

(2) Other addbacks to adjusted net income include certain income and expenses that are considered to be non-recurring or non-operational, including certain recruiting costs, professional fees, litigation costs and bonuses.

(3) Represents corporate income taxes at an assumed effective tax rate of 9.9% applied to adjusted pre-tax income.

(4) Assumes the full exchange of Class B common stock for Class A common stock pursuant to the Amended LLC Agreement.

Adjusted Net Cash Provided by Operating Activities (“Adjusted Free Cash Flow”)

The following table reconciles adjusted free cash flow to net cash provided by (used in) operating activities, which we consider to be the most directly comparable GAAP financial measure:

| (in thousands) | For the Six Months Ended June 30, | |
|---|--------------------------------------|------------------|
| | 2025 | 2024 |
| Net cash provided by (used in) operating activities | \$ (80,704) | \$ 21,346 |
| Adjustments to net cash provided by (used in) operating activities: | | |
| Payment of contingent earnout consideration in excess of purchase price accrual | 85,090 | 20,373 |
| Payment of colleague earnout incentives | 30,061 | 11,144 |
| Adjusted free cash flow | <u>\$ 34,447</u> | <u>\$ 52,863</u> |

COMMONLY USED DEFINED TERMS

The following terms have the following meanings throughout this press release unless the context indicates or requires otherwise:

| | |
|----------------------------|---|
| Amended LLC Agreement | Third Amended and Restated Limited Liability Company Agreement of The Baldwin Insurance Group Holdings, LLC (formerly Baldwin Risk Partners, LLC), as amended |
| clients | Our insureds |
| colleagues | Our employees |
| GAAP | Accounting principles generally accepted in the United States of America |
| insurance company partners | Insurance companies with which we have a contractual relationship |
| partners | Companies that we have acquired, or in the case of asset acquisitions, the producers |
| partnerships | Strategic acquisitions made by the Company |
| SEC | U.S. Securities and Exchange Commission |