

# Q3 2024 EARNINGS SUPPLEMENT

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NOVEMBER 2024

# Non-GAAP financial measures

This presentation includes certain financial measures (organic revenue, organic revenue growth, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted diluted EPS, adjusted free cash flow, pro forma revenue, pro forma adjusted EBITDA, and pro forma adjusted EBITDA margin) that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America (“non-GAAP”). These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”). 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 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.

The pro forma information presented herein removes the effects of 2024 divestitures for all periods in 2024 and 2023 as if the divestitures had occurred on January 1, 2024 and January 1, 2023, 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 divestiture had occurred on that date, nor the results that may be obtained in the future.

Pro forma adjusted EBITDA is adjusted to exclude the effects of divestitures. 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 Partnership and integration expenses, severance, and certain non-recurring items, including capital related expenses. Pro forma net income reflects GAAP net income (loss) adjusted to exclude the effects of divestitures. Pro forma adjusted EBITDA margin is pro forma adjusted EBITDA divided by pro forma revenue. Pro forma revenue reflects GAAP revenue adjusted to exclude the effects of divestitures. 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 and pro forma adjusted EBITDA margin are useful to investors because the presentation of these measures enhances their understanding of the effect that a divested business has had on our financial performance.

Please refer to the organic revenue growth reconciliation and pro forma consolidated adjusted EBITDA bridge slides throughout this presentation, in addition to our earnings release issued on November 4, 2024 and posted to our website, for reconciliations of the non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP. Note, however, that the Company is unable to reconcile forward-looking non-GAAP guidance contained in this presentation to the most comparable GAAP measures. Reconciliation of such guidance is not available without unreasonable efforts because 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 GAAP measures for these periods. The unavailable information could have a significant impact on the non-GAAP measures.



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# Key performance metrics

AMOUNTS IN 000s	Q3 2024	Q3 2023	% Growth	YTD 2024	YTD 2023	% Growth
<b>CONSOLIDATED</b>						
Total revenue	\$ 338,938	\$ 306,270	11 %	\$ 1,059,145	\$ 933,907	13 %
Organic revenue growth % <sup>(1)</sup>	14 %	19 %		16 %	20 %	
Net loss	\$ (14,475)	\$ (32,006)	55 %	\$ (6,242)	\$ (101,523)	(94)%
Adjusted EBITDA <sup>(1)</sup>	72,751	64,009	14 %	249,325	204,596	22 %
Adjusted EBITDA margin <sup>(1)</sup>	21 %	21 %		24 %	22 %	
Adjusted net income <sup>(1)</sup>	\$ 38,528	\$ 33,756	14 %	\$ 144,783	\$ 114,933	26 %
Diluted loss per share	\$ (0.13)	\$ (0.29)	55 %	\$ (0.07)	\$ (0.93)	(92)%
Adjusted diluted EPS <sup>(1)</sup>	\$ 0.33	\$ 0.29	14 %	\$ 1.23	\$ 0.98	26 %
Net cash provided by operating activities				\$ 85,708	\$ 22,799	276 %
Adjusted free cash flow <sup>(2)</sup>				\$ 99,235	\$ 76,012	31 %
Cash paid for interest				\$ 73,417	\$ 77,455	(5)%
<b>PRO FORMA</b>						
Pro forma revenue <sup>(3)</sup>	\$ 338,938	\$ 296,447	14 %	\$ 1,052,885	\$ 906,777	16 %
Pro forma adjusted EBITDA <sup>(3)</sup>	\$ 72,751	\$ 61,658	18 %	\$ 247,728	\$ 199,667	24 %
Pro forma adjusted EBITDA margin <sup>(3)</sup>	21 %	21 %		24 %	22 %	

(1) Organic revenue growth, adjusted EBITDA, adjusted EBITDA margin, adjusted net income and adjusted diluted EPS are non-GAAP measures. Refer to our earnings release issued on November 4, 2024 and posted on our website for a reconciliation of these non-GAAP measures to the most directly comparable GAAP financial measures.

(2) Management calculates adjusted net cash provided by operating activities ("adjusted 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. Adjusted free cash flow is calculated as net cash provided by operating activities excluding the impact of: (i) 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 November 4, 2024 and posted on our website for a reconciliation of this non-GAAP measure to the most directly comparable GAAP financial measure. Without the impact of one-time, third-party refinancing costs of \$14.0 million incurred during YTD 2024, adjusted free cash flow would have expanded 49% year-over-year to \$113.3 million for the nine months ended September 30, 2024.

(3) Pro forma revenue, pro forma adjusted EBITDA and pro forma adjusted EBITDA margin are non-GAAP measures. Refer to Slides 11 and 19 of this presentation for reconciliations of these non-GAAP measures to the most directly comparable GAAP financial measure.



# Actual disaggregated revenue and KPIs

AMOUNTS IN 000s	2024			
	Q1	Q2	Q3	YTD
<b>INSURANCE ADVISORY SOLUTIONS</b>				
Commissions	\$ 185,971	\$ 132,908	\$ 123,468	\$ 442,347
Consulting and service fees	18,610	16,903	17,701	53,214
Profit-sharing	14,794	16,171	15,543	46,508
Other	1,705	787	823	3,315
Investment income	1,265	1,358	1,803	4,426
Total Insurance Advisory Solutions revenue	<u>\$ 222,345</u>	<u>\$ 168,127</u>	<u>\$ 159,338</u>	<u>\$ 549,810</u>
Organic revenue growth <sup>(1)</sup>	11 %	8 %	7 %	9 %
	Q1	Q2	Q3	YTD
<b>UNDERWRITING, CAPACITY &amp; TECHNOLOGY SOLUTIONS</b>				
Commissions <sup>(2)</sup>	\$ 86,959	\$ 102,023	\$ 106,521	\$ 295,503
Policy and installment fees	12,608	14,642	16,002	43,252
Profit-sharing	1,563	3,258	4,066	8,887
Consulting and service fees	1,523	1,718	1,556	4,797
Other	347	14	573	934
Investment income	897	830	1,076	2,803
Total Underwriting, Capacity & Technology Solutions revenue	<u>\$ 103,897</u>	<u>\$ 122,485</u>	<u>\$ 129,794</u>	<u>\$ 356,176</u>
Organic revenue growth <sup>(2)</sup>	21 %	37 %	26 %	28 %

(1) Refer to Slides 7 and 8 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP financial measure.

(2) The Underwriting, Capacity & Technology Solutions Operating Group ("UCTS") recorded intercompany and pass-through commissions of \$17.0 million, \$18.1 million, \$21.5 million and \$56.6 million for Q1, Q2, Q3 and YTD 2024, which are eliminated in consolidation and excluded from the calculation of organic revenue growth. Refer to Slides 7 and 8 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP financial measure.



# Actual disaggregated revenue and KPIs

AMOUNTS IN 000s	2024			
	Q1	Q2	Q3	YTD
<b>MAINSTREET INSURANCE SOLUTIONS</b>				
Commissions <sup>(1)</sup>	\$ 67,129	\$ 63,859	\$ 61,983	\$ 192,971
Profit-sharing	4,330	2,856	7,176	14,362
Other	241	349	1,499	2,089
Total Mainstreet Insurance Solutions revenue	<u>\$ 71,700</u>	<u>\$ 67,064</u>	<u>\$ 70,658</u>	<u>\$ 209,422</u>
Organic revenue growth <sup>(1)</sup>	24 %	25 %	14 %	21 %

(1) The Mainstreet Insurance Solutions Operating Group ("MIS") recorded intercompany commissions of \$0.7 million, \$0.3 million, \$0.2 million and \$1.2 million for Q1, Q2, Q3 and YTD 2024, which are eliminated in consolidation and excluded from the calculation of organic revenue growth. Refer to Slides 7 and 8 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP financial measure.



# Organic revenue growth reconciliation

<b>Q1 2024</b>					
AMOUNTS IN 000s	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 221,080	\$ 103,000	\$ 71,700	\$ (17,684)	\$ 378,096
Pass-through of retail commissions (eliminated) <sup>(1)</sup>	—	(14,071)	—	14,071	—
Intercompany commissions (eliminated)	—	(2,893)	(720)	3,613	—
Organic revenue	<u>\$ 221,080</u>	<u>\$ 86,036</u>	<u>\$ 70,980</u>	<u>\$ —</u>	<u>\$ 378,096</u>
Organic revenue growth <sup>(2)</sup>	\$ 22,529	\$ 14,767	\$ 13,755	\$ —	\$ 51,051
Organic revenue growth % <sup>(2)</sup>	11 %	21 %	24 %	— %	16 %

<b>Q2 2024</b>					
	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 166,769	\$ 121,655	\$ 67,064	\$ (18,385)	\$ 337,103
Pass-through of retail commissions (eliminated) <sup>(1)</sup>	—	(14,280)	—	14,280	—
Intercompany commissions (eliminated)	—	(3,834)	(271)	4,105	—
Organic revenue	<u>\$ 166,769</u>	<u>\$ 103,541</u>	<u>\$ 66,793</u>	<u>\$ —</u>	<u>\$ 337,103</u>
Organic revenue growth <sup>(3)</sup>	\$ 11,890	\$ 27,907	\$ 13,324	\$ —	\$ 53,121
Organic revenue growth % <sup>(3)</sup>	8 %	37 %	25 %	— %	19 %

- (1) Represents commissions earned by UCTS for acting as an MGA and passed through to our other operating groups for serving as the retail agent. These commissions are eliminated in consolidation and excluded from the calculation of organic revenue growth.
- (2) Organic revenue for Q1 2023 used to calculate organic revenue growth for Q1 2024 was \$198.6 million, \$71.3 million, \$57.2 million and \$327.0 million for the Insurance Advisory Solutions Operating Group ("IAS"), UCTS, MIS and consolidated, respectively, which has been adjusted to exclude commissions and fees from divestitures that occurred during 2024.
- (3) Organic revenue for Q2 2023 used to calculate organic revenue growth for Q2 2024 was \$154.9 million, \$75.6 million, \$53.5 million and \$284.0 million for IAS, UCTS, MIS and consolidated, respectively, which has been adjusted to exclude commissions and fees from divestitures that occurred during 2024.



# Organic revenue growth reconciliation

<b>Q3 2024</b>					
AMOUNTS IN 000s	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 157,535	\$ 128,718	\$ 70,658	\$ (21,701)	\$ 335,210
Pass-through of retail commissions (eliminated) <sup>(1)</sup>	—	(17,906)	—	17,906	—
Intercompany commissions (eliminated)	—	(3,586)	(209)	3,795	—
Organic revenue	<u>\$ 157,535</u>	<u>\$ 107,226</u>	<u>\$ 70,449</u>	<u>\$ —</u>	<u>\$ 335,210</u>
Organic revenue growth <sup>(2)</sup>	\$ 10,407	\$ 21,805	\$ 8,460	\$ —	\$ 40,672
Organic revenue growth % <sup>(2)</sup>	7 %	26 %	14 %	— %	14 %

<b>YTD 2024</b>					
	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 545,384	\$ 353,373	\$ 209,422	\$ (57,770)	\$ 1,050,409
Pass-through of retail commissions (eliminated) <sup>(1)</sup>	—	(46,257)	—	46,257	—
Intercompany commissions (eliminated)	—	(10,313)	(1,200)	11,513	—
Organic revenue	<u>\$ 545,384</u>	<u>\$ 296,803</u>	<u>\$ 208,222</u>	<u>\$ —</u>	<u>\$ 1,050,409</u>
Organic revenue growth <sup>(3)</sup>	\$ 44,826	\$ 64,479	\$ 35,539	\$ —	\$ 144,844
Organic revenue growth % <sup>(3)</sup>	9 %	28 %	21 %	— %	16 %

- (1) Represents commissions earned by our UCTS operating group for acting as an MGA and passed through to our other operating groups for serving as the retail agent. These commissions are eliminated in consolidation and excluded from the calculation of organic revenue growth.
- (2) Organic revenue for Q3 2023 used to calculate organic revenue growth for Q3 2024 was \$147.1 million, \$85.4 million, \$62.0 million and \$294.5 million for IAS, UCTS, MIS and consolidated, respectively, which has been adjusted to exclude commissions and fees from divestitures that occurred during 2024.
- (3) Organic revenue for YTD 2023 used to calculate organic revenue growth for YTD 2024 was \$500.6 million, \$232.3 million, \$172.7 million and \$905.6 million for IAS, UCTS, MIS and consolidated, respectively, which has been adjusted to exclude commissions and fees from divestitures that occurred during 2024.





# Shareholder value creation

	2024						
	Q1		Q2		Q3		YTD
Stock price at quarter end	\$	28.94	\$	35.47	\$	49.80	\$ 49.80
Weighted average Class A & B shares outstanding (000s) <sup>(1)</sup>		117,308		118,220		118,516	117,805
Adjusted diluted EPS (fully vested and as-if converted)	\$	0.56	\$	0.34	\$	0.33	\$ 1.23
<b>RECONCILIATION TO GAAP</b>							
	Q1		Q2		Q3		YTD
Diluted earnings (loss) per share	\$	0.33	\$	(0.28)	\$	(0.13)	\$ (0.07)
Effect of exchange of Class B common stock and net income (loss) attributable to noncontrolling interests per share		—		0.02		0.01	0.02
Other adjustments to earnings (loss) per share		0.29		0.64		0.49	1.42
Adjusted income taxes per share		(0.06)		(0.04)		(0.04)	(0.14)
Adjusted diluted EPS	\$	<u>0.56</u>	\$	<u>0.34</u>	\$	<u>0.33</u>	\$ <u>1.23</u>

(1) Assumes the vesting of all restricted stock and full exchange of LLC Units (and paired shares of Class B common stock) for Class A common stock pursuant to the Amended LLC Agreement. Shares used is consistent with the calculation of adjusted diluted EPS included in our earnings release issued on November 4, 2024 and posted on our website.



# Treasury

As of September 30, 2024

Instrument	Debt outstanding	Available for borrowing	Borrowing rate <sup>(1)</sup>	Interest rate	Maturity	Cash interest paid in 2024
Amounts in 000s						
Senior Secured Notes	\$ 600,000 <sup>(2)</sup>	\$ —	7.125%	7.125%	May 2031	\$ —
2024 Term Loan	837,900 <sup>(2)</sup>	—	Term SOFR + 3.25%, step-down to Term SOFR + 3.00% at First Lien Net Leverage Ratio <= 4.00x	8.10%	May 2031	25,780
2024 Revolving Facility	—	600,000	SOFR + 2.10% to SOFR + 3.10%	—	May 2029	272

Prior to the May 2024 debt refinancing

Instrument	Debt outstanding	Available for borrowing	Borrowing rate <sup>(1)</sup>	Interest rate	Maturity	Cash interest paid in 2024
Amounts in 000s						
Term loan	\$ 996,177	\$ —	Term SOFR + 3.61% to Term SOFR + 3.93%, Term SOFR Floor of 50 bps	8.93%	October 2027	\$ 34,996
Revolving facility	351,000	249,000	SOFR + 2.10% to SOFR + 3.10%	8.42%	April 2027	12,369

(1) We have two \$600.0 million notional, 7.00% interest rate caps expiring on November 30, 2025. Cash received from interest rate cap settlements of our \$300.0 million notional, 1.50% interest rate cap that expired on March 10, 2024 was \$2.3 million for YTD 2024.

(2) Debt outstanding under the Senior Secured Notes and the 2024 Term Loan represents outstanding borrowings, which are presented net of unamortized debt discount and issuance costs of \$30.5 million for balance sheet presentation as of September 30, 2024.



# Pro forma consolidated adjusted EBITDA bridge

AMOUNTS IN 000s	2024			
	Q1	Q2	Q3	YTD
Revenues	\$ 380,367	\$ 339,840	\$ 338,938	\$ 1,059,145
Less revenue from 2024 divestitures <sup>(1)</sup>	(6,201)	(59)	—	(6,260)
Pro forma revenue	<u>\$ 374,166</u>	<u>\$ 339,781</u>	<u>\$ 338,938</u>	<u>\$ 1,052,885</u>
Net income (loss)	\$ 39,100	\$ (30,867)	\$ (14,475)	\$ (6,242)
Less net income from 2024 divestitures <sup>(2)</sup>	(36,782)	(673)	(1,809)	(39,264)
Pro forma net income (loss)	<u>2,318</u>	<u>(31,540)</u>	<u>(16,284)</u>	<u>(45,506)</u>
Adjustments to pro forma net income (loss):				
Interest expense, net	31,545	31,329	31,329	94,203
Amortization expense	24,041	25,394	26,899	76,334
Share-based compensation	14,094	14,721	17,949	46,764
Change in fair value of contingent consideration	12,676	5,552	(952)	17,276
Loss on extinguishment and modification of debt	—	14,679	389	15,068
Colleague earnout incentives	3,583	2,796	4,327	10,706
Transaction-related Partnership and integration expenses	3,854	2,091	2,047	7,992
Depreciation expense	1,505	1,557	1,557	4,619
Severance	1,662	1,187	678	3,527
Income and other taxes	1,501	1,717	82	3,300
Loss on interest rate caps	26	134	84	244
Other	3,329	5,226	4,646	13,201
Pro forma adjusted EBITDA	<u>\$ 100,134</u>	<u>\$ 74,843</u>	<u>\$ 72,751</u>	<u>\$ 247,728</u>
Pro forma adjusted EBITDA margin	27%	22%	21%	24%

(1) The adjustments for Q1, Q2, Q3 and YTD 2024 exclude revenue from 2024 divestitures as if they had occurred on January 1, 2024.

(2) The adjustments for Q1, Q2, Q3 and YTD 2024 exclude net income from 2024 divestitures, including the gain on divestitures, as if they had occurred on January 1, 2024.





# APPENDIX

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NOVEMBER 2024



# Key performance metrics

AMOUNTS IN 000s	2023					FY
	Q1	Q2	Q3	Q4		
CONSOLIDATED						
Total revenue	\$ 330,446	\$ 297,191	\$ 306,270	\$ 284,648	\$ 1,218,555	
Pro forma revenue <sup>(1)</sup>	\$ 323,099	287,231	296,447	\$ 276,617	\$ 1,183,394	
Total revenue growth <sup>(2)</sup>	36 %	28 %	18 %	16 %	24 %	
Organic revenue growth <sup>(3)</sup>	23 %	22 %	19 %	15 %	19 %	

(1) Pro forma revenue is a non-GAAP measure. Refer to Slide 19 of this presentation for a reconciliation of pro forma revenue to the most directly comparable GAAP financial measure.

(2) Calculated as total GAAP revenue for the current period as compared to the same prior year period.

(3) Organic revenue growth is a non-GAAP measure. Refer to Slides 16 through 18 of this presentation for a reconciliation of organic revenue growth to the most directly comparable GAAP financial measure.



# Actual disaggregated revenue and KPIs

AMOUNTS IN 000s	Q1 <sup>(1)</sup>	Q2 <sup>(1)</sup>	2023 Q3 <sup>(1)</sup>	Q4 <sup>(1)</sup>	FY <sup>(1)</sup>
<b>INSURANCE ADVISORY SOLUTIONS</b>					
Commissions <sup>(2)</sup>	\$ 167,497	\$ 119,972	\$ 113,864	\$ 110,878	\$ 512,211
Consulting and service fees	15,263	18,311	19,637	15,270	68,481
Profit-sharing	14,357	16,897	13,136	12,159	56,549
Other	1,796	1,375	886	1,045	5,102
Investment income	379	845	1,281	1,227	3,732
Total Insurance Advisory Solutions revenue	<u>\$ 199,292</u>	<u>\$ 157,400</u>	<u>\$ 148,804</u>	<u>\$ 140,579</u>	<u>\$ 646,075</u>
Organic revenue growth <sup>(2)</sup>	14 %	15 %	11 %	9 %	12 %
	Q1 <sup>(1)</sup>	Q2 <sup>(1)</sup>	Q3 <sup>(1)</sup>	Q4 <sup>(1)</sup>	FY <sup>(1)</sup>
<b>UNDERWRITING, CAPACITY &amp; TECHNOLOGY SOLUTIONS</b>					
Commissions <sup>(3)</sup>	\$ 61,923	\$ 75,563	\$ 86,216	\$ 82,050	\$ 305,752
Policy and installment fees	15,832	17,004	17,071	15,479	65,386
Profit-sharing	6,246	6,898	6,951	1,079	21,174
Consulting and service fees	1,245	1,393	2,098	1,420	6,156
Other	1,147	793	977	1,114	4,031
Investment income	97	503	705	735	2,040
Total Underwriting, Capacity & Technology Solutions revenue	<u>\$ 86,490</u>	<u>\$ 102,154</u>	<u>\$ 114,018</u>	<u>\$ 101,877</u>	<u>\$ 404,539</u>
Organic revenue growth <sup>(3)</sup>	56 %	36 %	25 %	22 %	31 %

- (1) Effective January 1, 2024, the Company's FounderShield Partner moved from UCTS to IAS. Revenue for all periods of 2023 has been recast to conform to the current organizational structure. However, organic revenue growth amounts for 2023 presented above and on Slides 16 through 18 have not been recast to align with the Company's current organizational structure.
- (2) IAS recorded intercompany commissions of \$0.4 million for Q1 2023, which were reclassified to another operating group in Q2 2023. Intercompany commissions are eliminated in consolidation and excluded from the calculation of organic revenue growth. Refer to Slides 16 through 18 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP financial measure.
- (3) UCTS recorded intercompany commissions of \$12.6 million, \$16.5 million, \$18.6 million, \$18.2 million and \$65.9 million for Q1, Q2, Q3, Q4 and FY 2023, respectively, which are eliminated in consolidation and excluded from the calculation of organic revenue growth. Refer to Slides 16 through 18 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP financial measure.



# Actual disaggregated revenue and KPIs

AMOUNTS IN 000s	Q1	Q2	2023 Q3	Q4	FY
<b>MAINSTREET INSURANCE SOLUTIONS</b>					
Commissions <sup>(1)</sup>	\$ 55,364	\$ 50,648	\$ 55,924	\$ 55,364	\$ 217,300
Profit-sharing	2,559	2,961	5,872	4,322	15,714
Other	217	68	501	897	1,683
Total Mainstreet Insurance Solutions revenue	<u>\$ 58,140</u>	<u>\$ 53,677</u>	<u>\$ 62,297</u>	<u>\$ 60,583</u>	<u>\$ 234,697</u>
Organic revenue growth <sup>(1)</sup>	20 %	20 %	29 %	21 %	23%

(1) MIS recorded intercompany commissions of \$0.9 million, \$0.2 million, \$0.3 million, \$0.3 million and \$1.8 million for Q1, Q2, Q3, Q4 and FY 2023, respectively, which are eliminated in consolidation and are excluded from the calculation of organic revenue growth. Refer to Slides 16 through 18 of this presentation for a reconciliation of organic revenue growth by operating group to the most directly comparable GAAP financial measure.



# Organic revenue growth reconciliation

<b>Q1 2023</b>					
AMOUNTS IN 000s	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 195,334	\$ 89,972	\$ 58,140	\$ (13,923)	\$ 329,523
Partnership commissions and fees <sup>(1)</sup>	—	(529)	(30,342)	—	(30,871)
Pass-through of retail commissions (eliminated) <sup>(2)</sup>	—	(11,307)	—	11,307	—
Intercompany commissions (eliminated)	(362)	(1,339)	(915)	2,616	—
Organic revenue	<u>\$ 194,972</u>	<u>\$ 76,797</u>	<u>\$ 26,883</u>	<u>\$ —</u>	<u>\$ 298,652</u>
Organic revenue growth <sup>(3)</sup>	\$ 23,829	\$ 27,416	\$ 4,559	\$ —	\$ 55,804
Organic revenue growth % <sup>(3)</sup>	14 %	56 %	20 %	— %	23 %

<b>Q2 2023</b>					
	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 152,433	\$ 105,773	\$ 53,677	\$ (16,332)	\$ 295,551
Partnership commissions and fees <sup>(1)</sup>	(1,556)	(417)	(10,867)	—	(12,840)
Pass-through of retail commissions (eliminated) <sup>(2)</sup>	—	(12,532)	—	12,532	—
Intercompany commissions (eliminated)	362	(3,954)	(208)	3,800	—
Organic revenue	<u>\$ 151,239</u>	<u>\$ 88,870</u>	<u>\$ 42,602</u>	<u>\$ —</u>	<u>\$ 282,711</u>
Organic revenue growth <sup>(4)</sup>	\$ 20,090	\$ 23,390	\$ 6,960	\$ —	\$ 50,440
Organic revenue growth % <sup>(4)</sup>	15 %	36 %	20 %	— %	22 %

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

(2) Represents commissions earned by UCTS for acting as an MGA and passed through to our other operating groups for serving as the retail agent. These commissions are eliminated in consolidation and excluded from the calculation of organic revenue growth.

(3) Organic revenue for Q1 2022 used to calculate organic revenue growth for Q1 2023 was \$171.1 million, \$49.4 million, \$22.3 million and \$242.8 million for IAS, UCTS, MIS and consolidated, respectively, which is adjusted to reflect revenues from Partnerships that have reached the twelve-month owned mark during Q1 2023.

(4) Organic revenue for Q2 2022 used to calculate organic revenue growth for Q2 2023 was \$131.1 million, \$65.5 million, \$35.6 million and \$232.3 million for IAS, UCTS, MIS and consolidated, respectively, which is adjusted to reflect revenues from Partnerships that have reached the twelve-month owned mark during Q2 2023.





# Organic revenue growth reconciliation

<b>Q3 2023</b>					
AMOUNTS IN 000s	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 143,167	\$ 117,669	\$ 62,297	\$ (18,901)	\$ 304,232
Partnership commissions and fees <sup>(1)</sup>	—	—	(985)	—	(985)
Pass-through of retail commissions (eliminated) <sup>(2)</sup>	—	(15,908)	—	15,908	—
Intercompany commissions (eliminated)	—	(2,684)	(309)	2,993	—
Organic revenue	<u>\$ 143,167</u>	<u>\$ 99,077</u>	<u>\$ 61,003</u>	<u>\$ —</u>	<u>\$ 303,247</u>
Organic revenue growth <sup>(3)</sup>	\$ 13,941	\$ 19,990	\$ 13,592	\$ —	\$ 47,523
Organic revenue growth % <sup>(3)</sup>	11 %	25 %	29 %	— %	19 %

<b>Q4 2023</b>					
	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 135,894	\$ 104,600	\$ 60,583	\$ (18,555)	\$ 282,522
Pass-through of retail commissions (eliminated) <sup>(2)</sup>	—	(15,572)	—	15,572	—
Intercompany commissions (eliminated)	—	(2,648)	(335)	2,983	—
Organic revenue	<u>\$ 135,894</u>	<u>\$ 86,380</u>	<u>\$ 60,248</u>	<u>\$ —</u>	<u>\$ 282,522</u>
Organic revenue growth <sup>(4)</sup>	\$ 10,939	\$ 15,305	\$ 10,498	\$ —	\$ 36,742
Organic revenue growth % <sup>(4)</sup>	9 %	22 %	21 %	— %	15 %

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

(2) Represents commissions earned by UCTS for acting as an MGA and passed through to our other operating groups for serving as the retail agent. These commissions are eliminated in consolidation and excluded from the calculation of organic revenue growth.

(3) Organic revenue for Q3 2022 used to calculate organic revenue growth for Q3 2023 was \$129.2 million, \$79.1 million, \$47.4 million and \$255.7 million for IAS, UCTS, MIS and consolidated, respectively, which is adjusted to reflect revenues from Partnerships that have reached the twelve-month owned mark during Q3 2023.

(4) Organic revenue for Q4 2022 used to calculate organic revenue growth for Q4 2023 was \$125.0 million, \$71.1 million, \$49.8 million and \$245.8 million for IAS, UCTS, MIS and consolidated, respectively.



# Organic revenue growth reconciliation

<b>FY 2023</b>					
AMOUNTS IN 000s	Insurance Advisory Solutions	Underwriting, Capacity & Technology Solutions	Mainstreet Insurance Solutions	Corporate and Other	Consolidated
Commissions and fees	\$ 626,828	\$ 418,014	\$ 234,697	\$ (67,711)	\$ 1,211,828
Partnership commissions and fees <sup>(1)</sup>	(1,556)	(946)	(42,194)	—	(44,696)
Pass-through of retail commissions (eliminated) <sup>(2)</sup>	—	(55,319)	—	55,319	—
Intercompany commissions (eliminated)	—	(10,625)	(1,767)	12,392	—
Organic revenue	<u>\$ 625,272</u>	<u>\$ 351,124</u>	<u>\$ 190,736</u>	<u>\$ —</u>	<u>\$ 1,167,132</u>
Organic revenue growth <sup>(3)(4)</sup>	\$ 68,226	\$ 83,378	\$ 35,609	\$ —	\$ 187,213
Organic revenue growth % <sup>(3)(4)</sup>	12 %	31 %	23 %	— %	19 %

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

(2) Represents commissions earned by our UCTS operating group for acting as an MGA and passed through to our other operating groups for serving as the retail agent. These commissions are eliminated in consolidation and excluded from the calculation of organic revenue growth.

(3) Organic revenue for FY 2022 used to calculate organic revenue growth for FY 2023 was \$557.0 million, \$267.7 million, \$155.1 million and \$979.9 million for IAS, UCTS, MIS and consolidated, respectively, which is adjusted to reflect revenues from Partnerships that have reached the twelve-month owned mark during FY 2023.

(4) An adjustment was made to increase FY 2022 organic revenue used to calculate organic revenue growth for FY 2023 by \$0.6 million and \$2.7 million in IAS and UCTS, respectively, to normalize organic revenue growth due to a one-time year-to-date adjustment recorded in September 2022.



# Pro forma consolidated adjusted EBITDA bridge

AMOUNTS IN 000s	2023				
	Q1	Q2	Q3	Q4	FY
Revenues	\$ 330,446	\$ 297,191	\$ 306,270	\$ 284,648	\$ 1,218,555
Less revenue from 2024 divestitures <sup>(1)</sup>	(7,347)	(9,960)	(9,823)	(8,031)	(35,161)
Pro forma revenue	<u>\$ 323,099</u>	<u>\$ 287,231</u>	<u>\$ 296,447</u>	<u>\$ 276,617</u>	<u>\$ 1,183,394</u>
Net loss	\$ (25,854)	\$ (43,663)	\$ (32,006)	\$ (62,496)	\$ (164,019)
Less net income from 2024 divestitures <sup>(2)</sup>	(94)	(1,302)	(1,798)	(422)	(3,616)
Pro forma net loss	(25,948)	(44,965)	(33,804)	(62,918)	(167,635)
Adjustments to pro forma net loss:					
Interest expense, net	27,884	29,136	30,580	31,865	119,465
Amortization expense	22,692	22,680	22,705	22,723	90,800
Change in fair value of contingent consideration	24,736	16,393	13,914	6,018	61,061
Share-based compensation	13,235	18,804	14,598	9,585	56,222
Transaction-related Partnership and integration expenses <sup>(3)</sup>	5,432	8,801	3,774	2,721	20,728
Severance	87	2,229	814	15,132	18,262
Colleague earnout incentives <sup>(3)</sup>	—	—	—	8,020	8,020
Depreciation expense	1,336	1,437	1,441	1,439	5,653
(Gain) loss on interest rate caps	1,407	(1,736)	818	1,181	1,670
Income and other taxes	78	665	161	381	1,285
Other	7,342	6,284	6,657	8,181	28,464
Pro forma adjusted EBITDA	<u>\$ 78,281</u>	<u>\$ 59,728</u>	<u>\$ 61,658</u>	<u>\$ 44,328</u>	<u>\$ 243,995</u>
Pro forma adjusted EBITDA margin	24%	21%	21%	16%	21%

(1) The adjustments for Q1, Q2, Q3, Q4 and FY 2023 exclude revenue from 2024 divestitures as if they had occurred on January 1, 2023.

(2) The adjustments for Q1, Q2, Q3, Q4 and FY 2023 exclude net income from 2024 divestitures as if they had occurred on January 1, 2023.

(3) During Q1 2024, presentation of the adjusted EBITDA reconciliation was revised to present Colleague earnout incentives as a line in the adjusted EBITDA reconciliation separate from transaction-related Partnership and integration expenses. FY 2023 amounts have been recast to align with current year presentation.



