



goosehead[®] INSURANCE

October 2022

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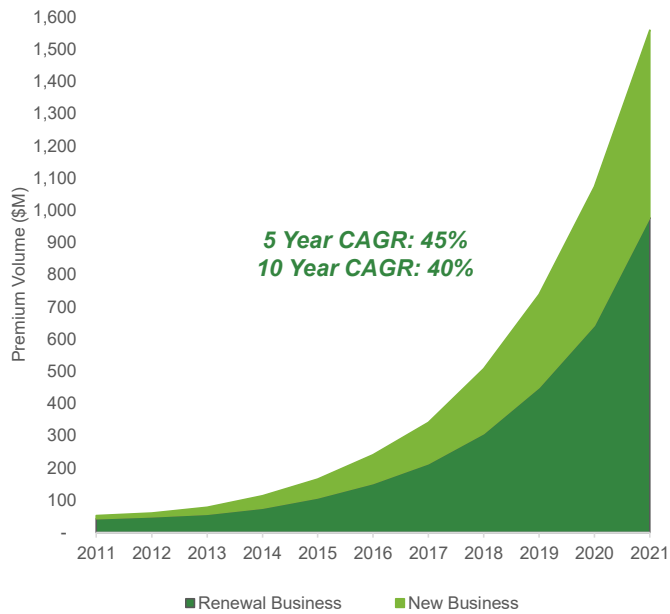
Further information on potential factors that could affect the financial results of Goosehead Insurance is included in our annual report on Form 10-K for the most recent fiscal year and in our quarterly report on Form 10-Q for the most recent fiscal quarter. These documents and others containing important disclosures are available on the SEC Filings section of the Investor Information section of our Web site.

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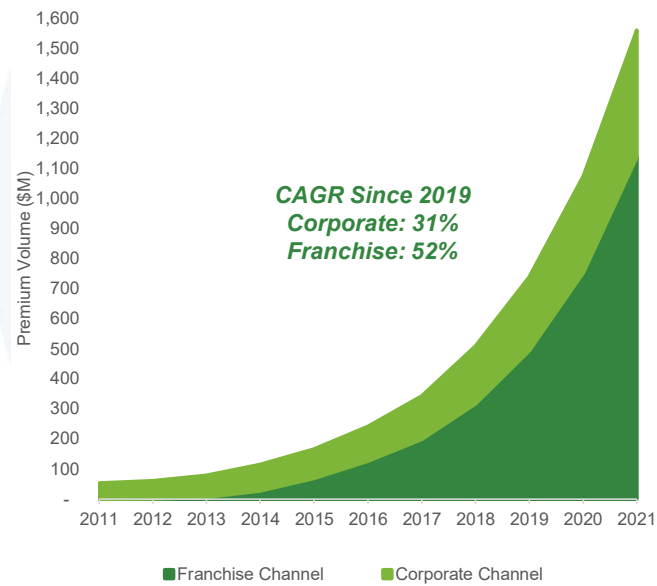
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Rapid and Responsible Organic Growth

New Business and Renewal Premium Growth



Corporate and Franchise Channel Premium Growth



¹ 5 and 10 year CAGR calculations through 12/31/2021

Investment Highlights

Disruptive model positioned to substantially grow in a massive and fragmented industry

Outpaced revenue growth driven by strategically solving industry challenges

Comprehensive value proposition for clients, agents and carriers

Highly developed recruiting strategy with experienced evaluators of talent

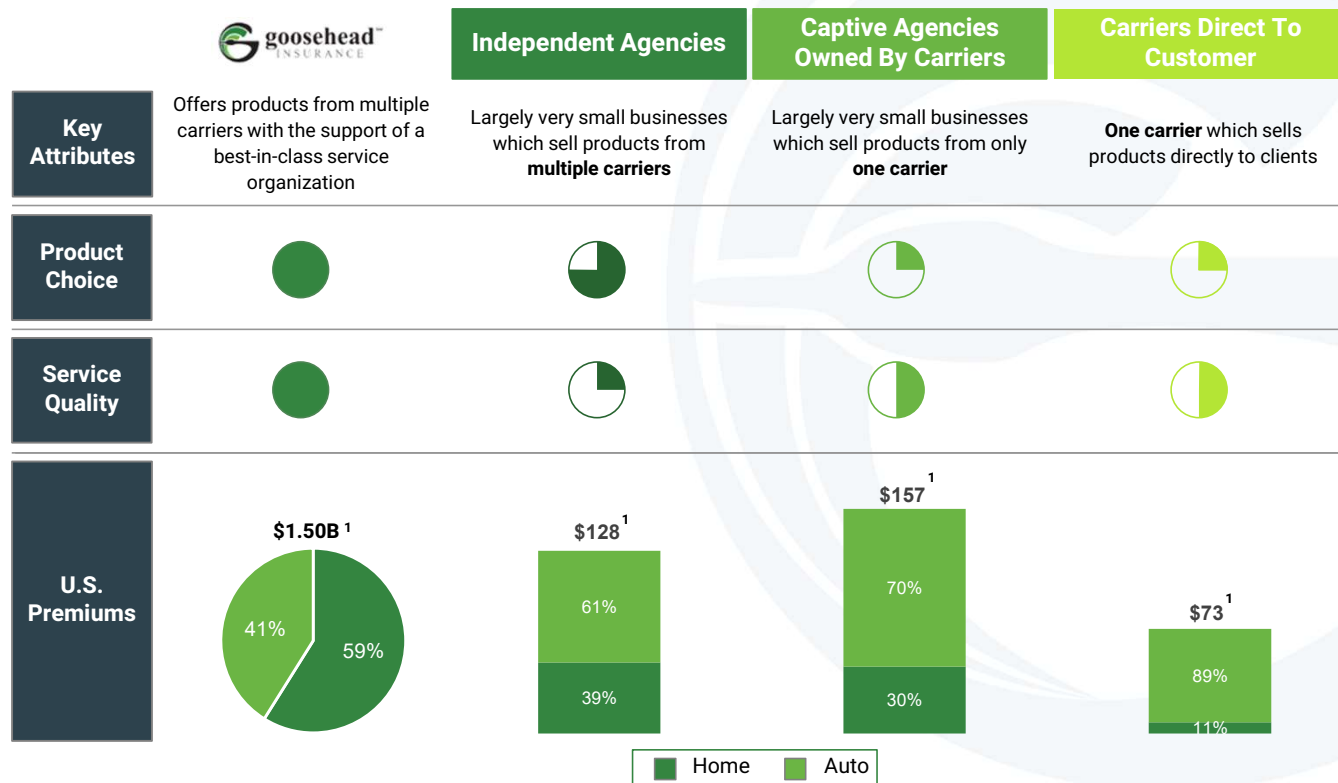
Robust and innovative technology platform supports high growth business model

Committed and capable management team with ambitions of industry leadership

Recurring revenue with strong future visibility and expanding long-term margins

Personal Insurance Market Large and Highly Fragmented

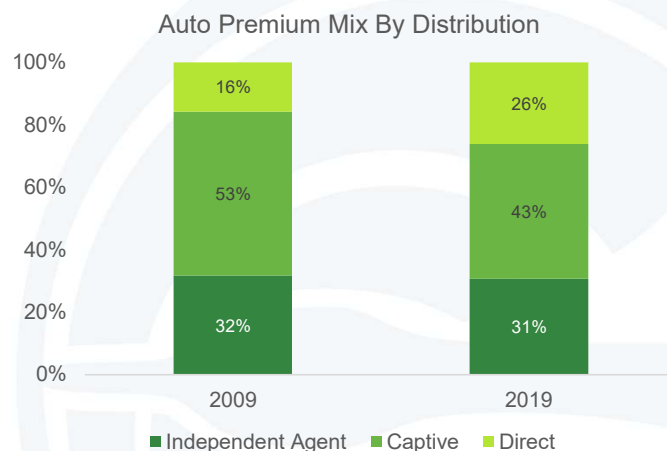
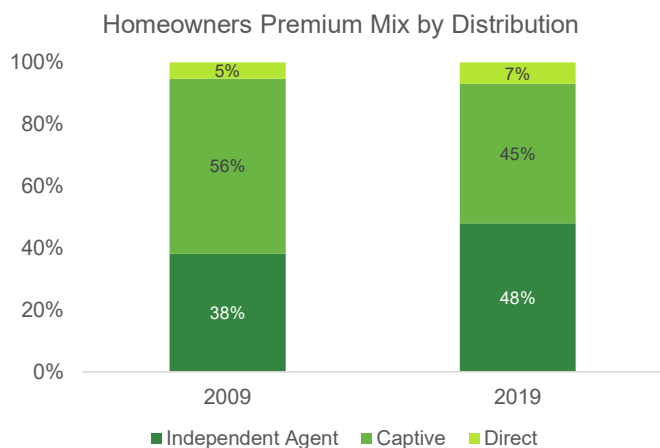
Industry historically has struggled to find the right way to best serve the needs of customers



Source: Independent Insurance Agents & Brokers of America

¹ Represents GSHD 2021 total written premiums excluding commercial and excess liability premiums and 2019 premiums for the industry, the most recently available data.

Independent Agent Distribution Poised for Continued Share Gains



Source: Independent Insurance Agents & Brokers of America

2015 - Progressive acquires ASI expanding into homeowners through independent agent distribution

2018 - Nationwide announces transition to independent agent distribution (completed in 2020)

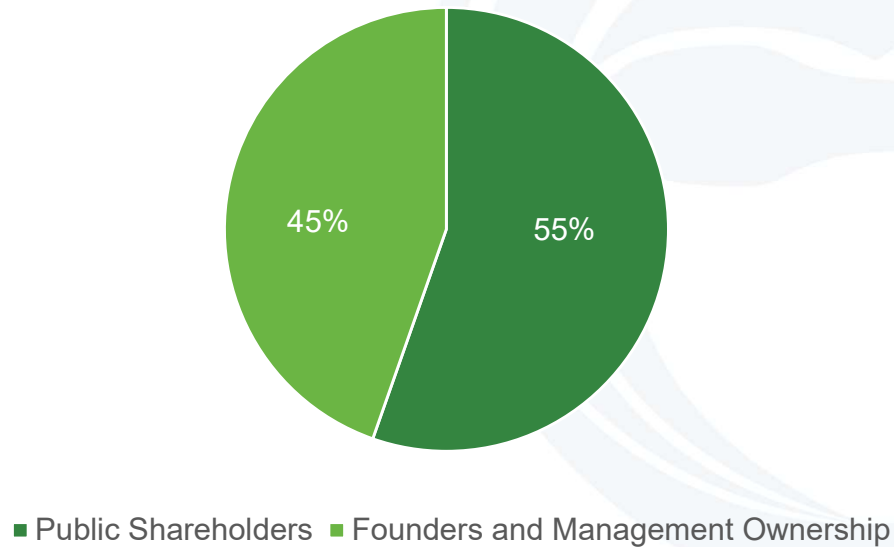
2020 - Allstate announces acquisition of National General, expanding presence through independent agent distribution



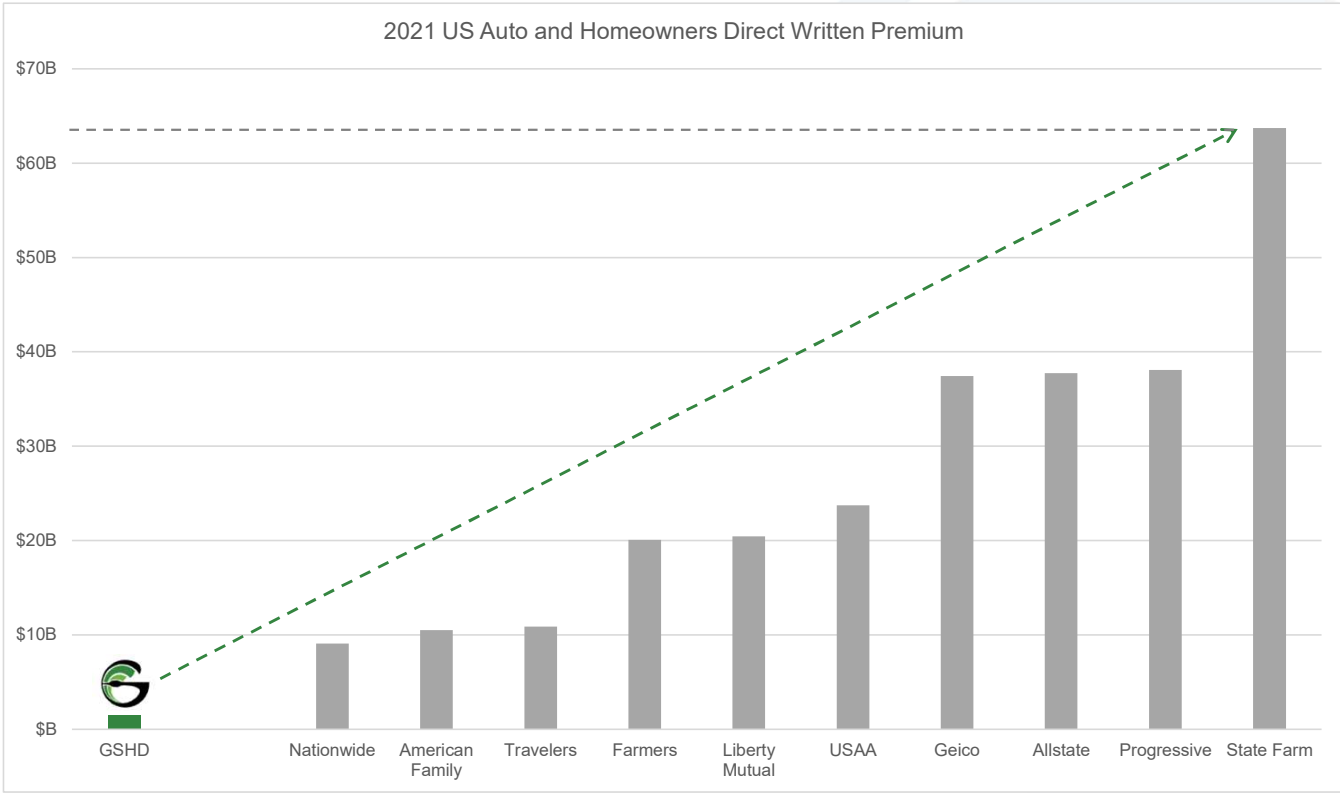
Management Strongly Aligned with Shareholders

Deeply committed to long-term success

% Ownership as of June 30, 2022



Long-term Goal to be Largest US Personal Lines Distributor



Source: National Association of Insurance Commissioners Data



Delivery of Operations

Redefining the Industry



Personal lines property and casualty insurance broker



Considerably differentiated business model serving the American consumer producing strong, sustained growth and profitability

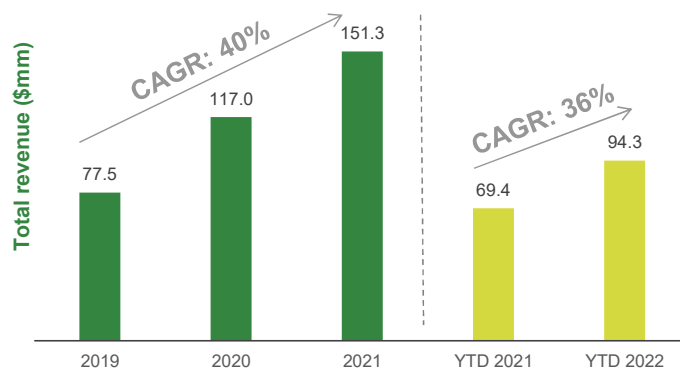


15 corporate sales offices in Texas, Illinois, North Carolina, Nevada, Colorado, and Ohio; 2,341¹ franchise locations nationally

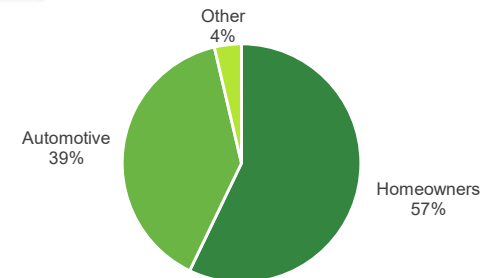


Well-established and positioned for sustained levels of strong growth and profitability

Accelerating Growth Trajectory



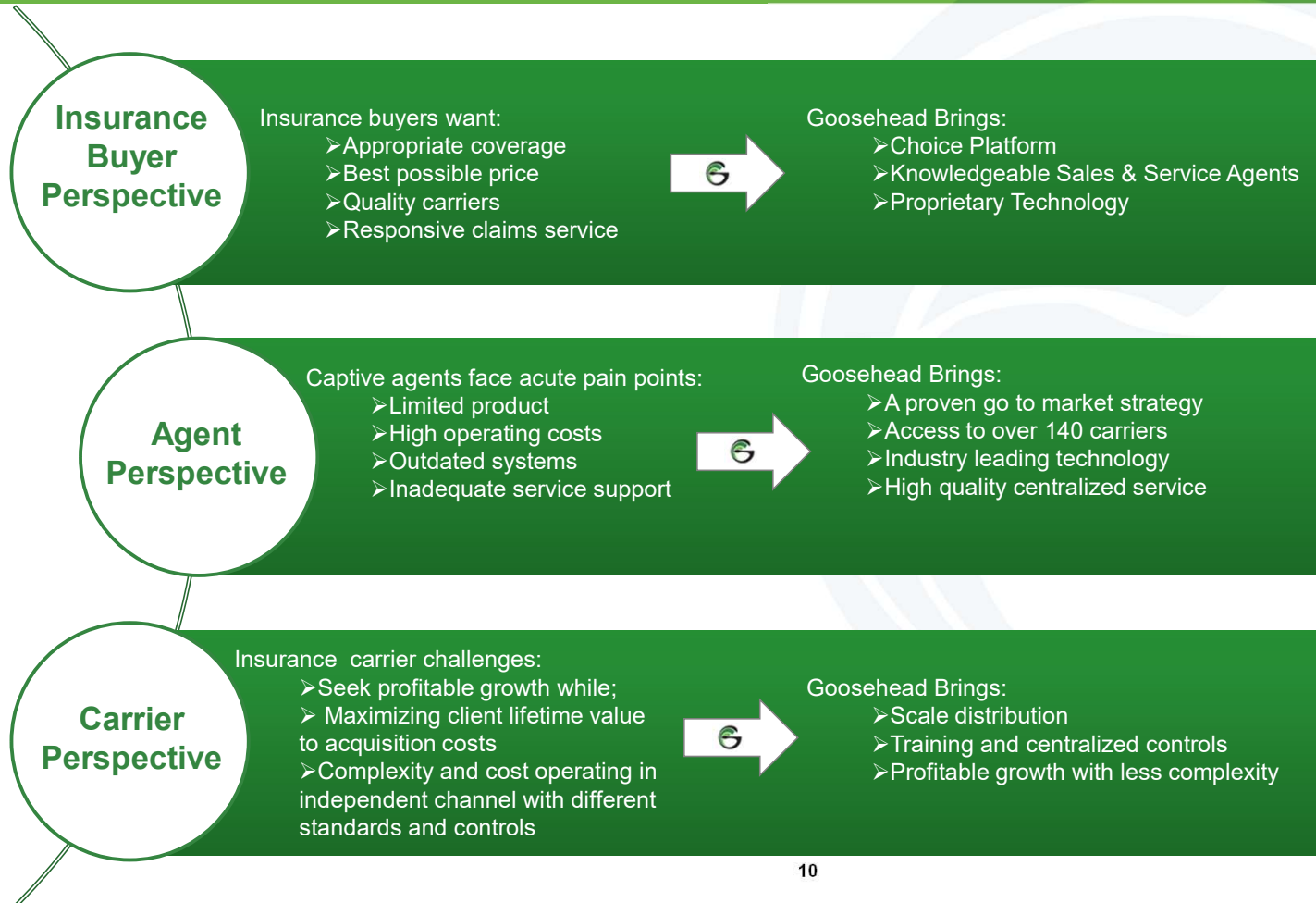
Focused on Personal Lines



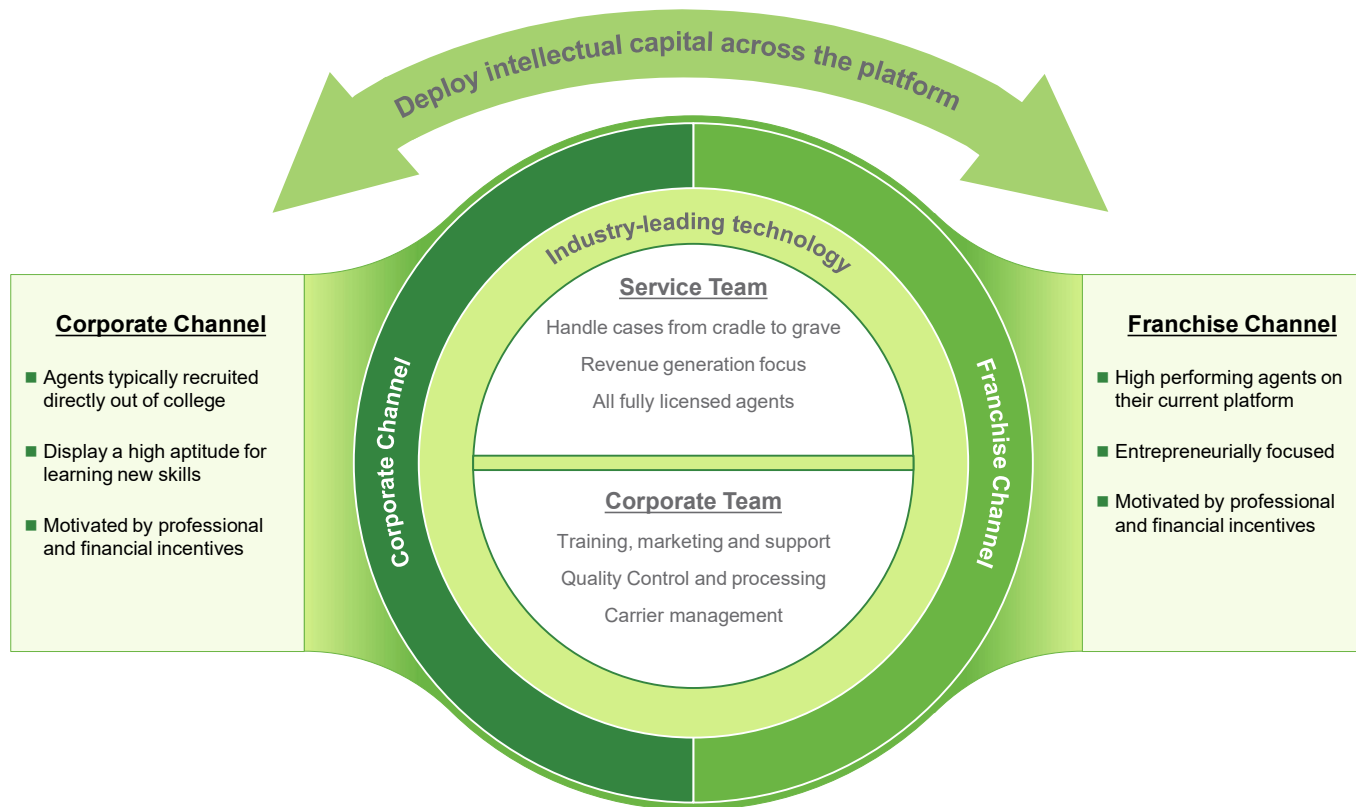
TTM Jun22 Total premiums: \$1.859B

¹ Number of franchise locations include 997 franchises which are under contract but yet to be opened as of 6/30/2022

Viewing Our Business Model Through Three Lenses



Compelling Business Model



Highly Developed Recruiting Strategy Supports Sustainable Outsized Growth



Corporate Channel



Recruiting Strategy

- New college graduates with entrepreneurial spirit
- Driven by professional development and financial reward based on personal performance
- Well defined target school list with strong on campus relationships and strong sponsorship

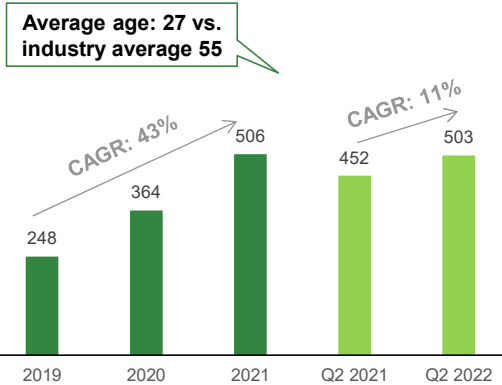


Growth Opportunities

- Continue to deploy highly refined recruiting and training process for new agents
- Expand geographically through recruiting at additional college campuses



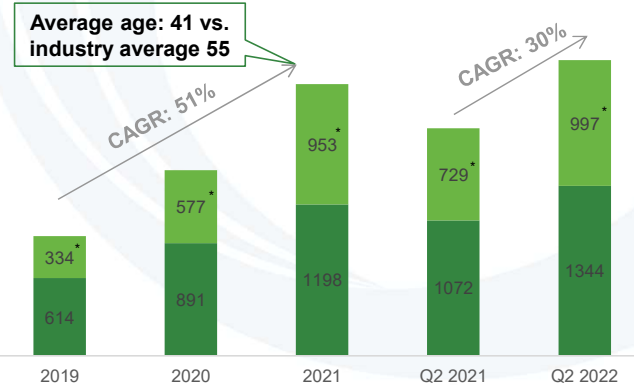
Number of Agents and Franchisees



Franchise Channel

- Highly effective producers who are seeking autonomy
- Entrepreneurially motivated to continue to build their own business
- Target professionals from captive agencies and other independent agencies

- Continue to recruit and train top producers who desire autonomy from captive agencies and other independent agencies
- Approximately 150,000 potential franchise candidates in the current pipeline



* Franchises signed but yet to open as of the end of the indicated period

Robust and Innovative Technology Platform Supports High Growth Business Model

"Goosehead Insurance leverages Salesforce technology to transform how it serves its partners and customers. Creating innovative applications that bring greater intelligence and value to their industry, Goosehead is a disruptor we are proud to support."

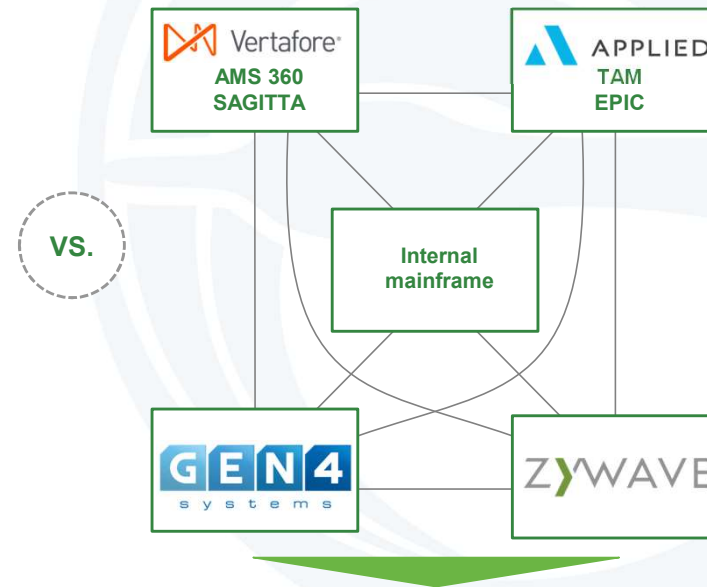
Michael Khoury, Vice President – Financial Services, Salesforce.com

Goosehead Systems



Entire business cycle managed
in the  cloud

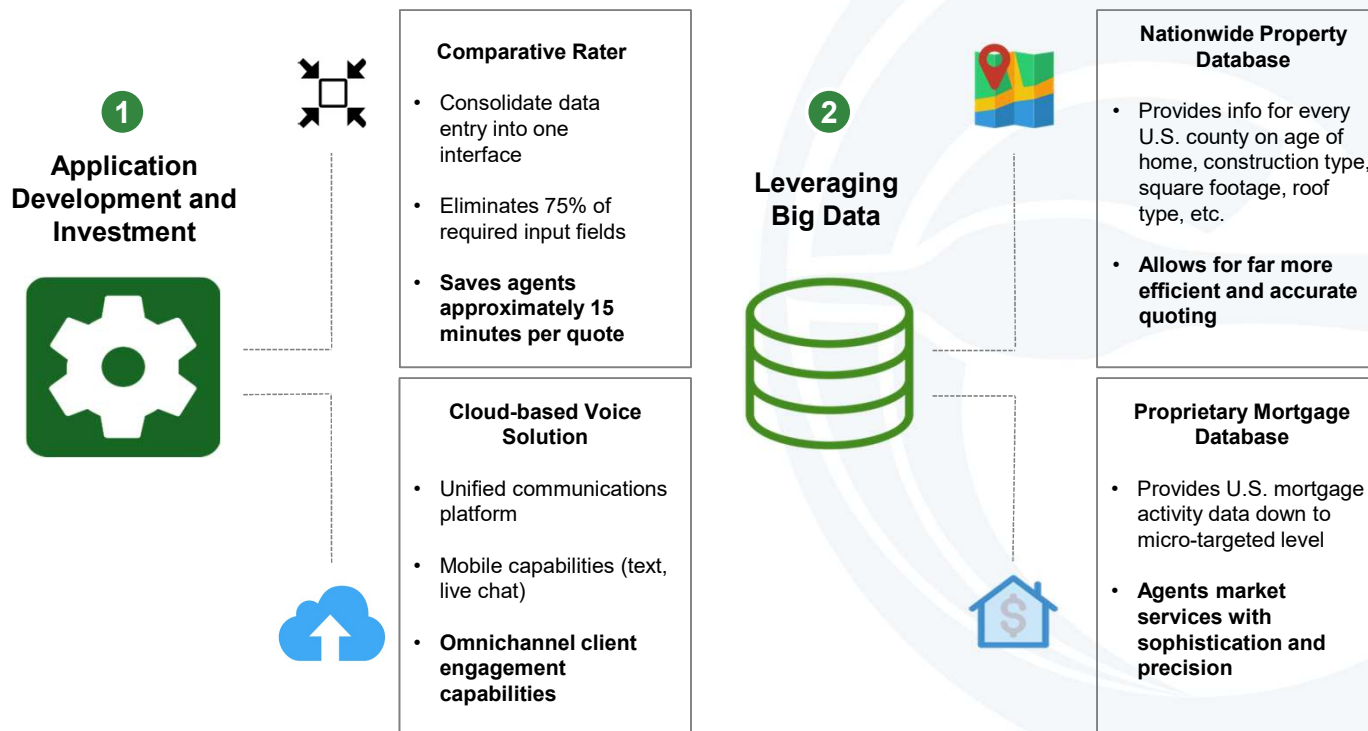
Typical Agency Systems



"Hodge-podge" of legacy systems
which lack continuity

Constantly Innovating to Remain a Step Ahead

Enhancing Tech Platform to Optimize Efficiency and Effectiveness

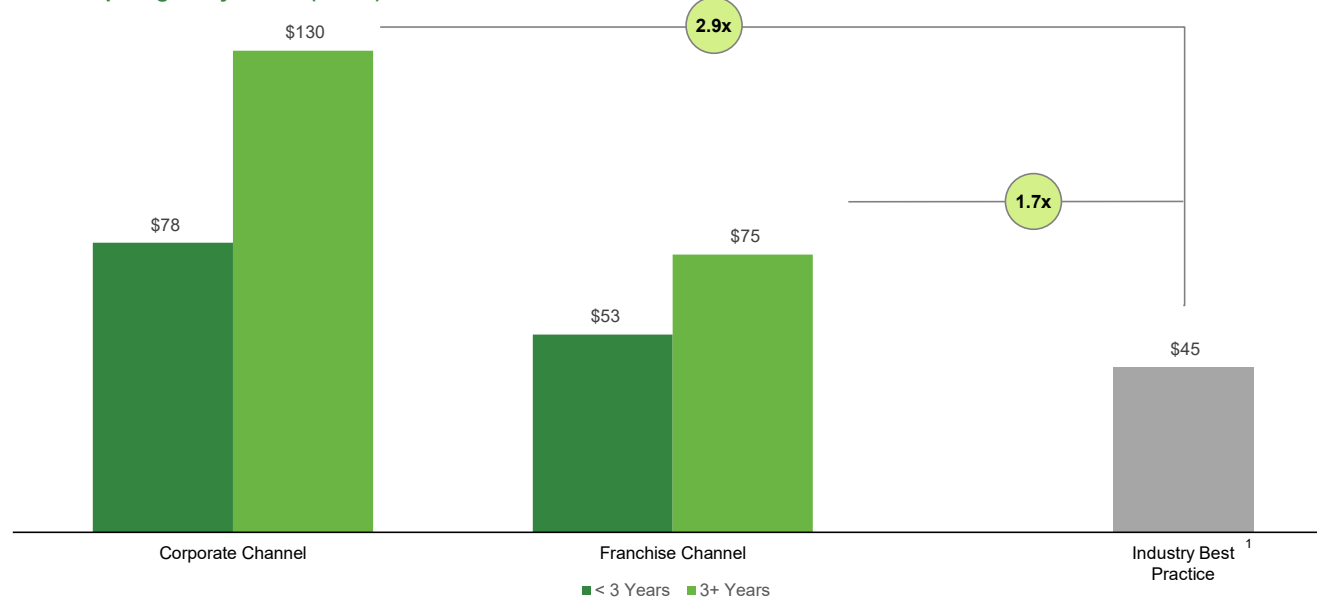


Strengthening Barriers to Entry

Industry-Leading New Business Production For New and Seasoned Agents

Compelling and proven sales focused model has resulted in industry-leading production

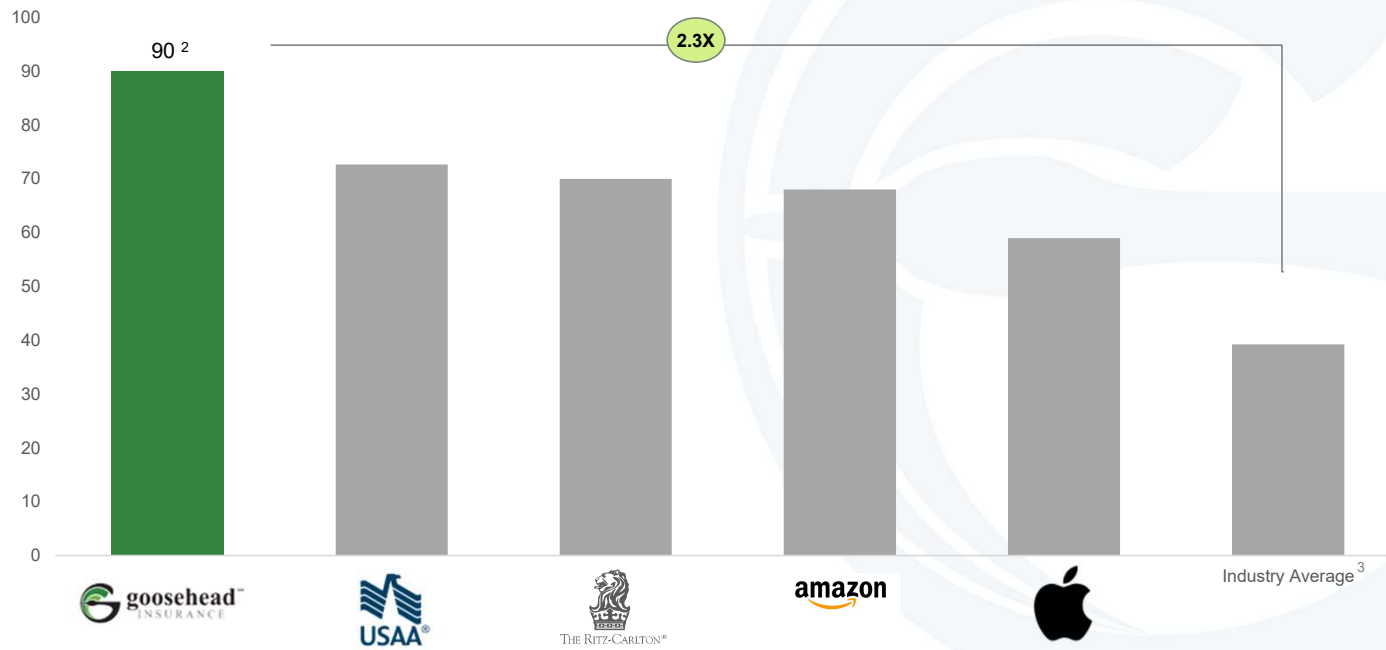
New business per agent by tenure (\$000s)



¹ Represents industry best practice per Reagan Consulting 2021 Best Practices Study (using 2020 data); most industry agents have tenures significantly longer than 2 to 3 years

Best-In-Class Customer Service Drives High Revenue Retention

Net Promoter Scores (NPS) above several of the most respected brands in the U.S.¹ has resulted in stable and recurring revenue with a customer retention rate of 89% in Q2 2022

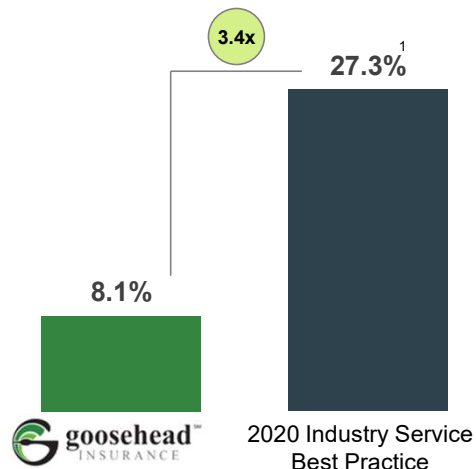


Source: External NPS data from Satmetrix; ¹ Ritz, USAA, Apple, Amazon; ² Represents Q2 2022 NPS; ³ Represents average of auto industry and home industry

Technology Drives Margins While Simultaneously Ensuring Client Satisfaction

Technology enables Company to deliver service highly efficiently

2020 Service payroll as a % of gross personal lines commissions



Key service center metrics



Net Promoter Score

90²



Omnichannel Approach

Client Portal Chat and Text Features



New business generation

Cross-sell / Upsell



In addition, we also carefully monitor call abandonment rate, call back rate and speed of answer

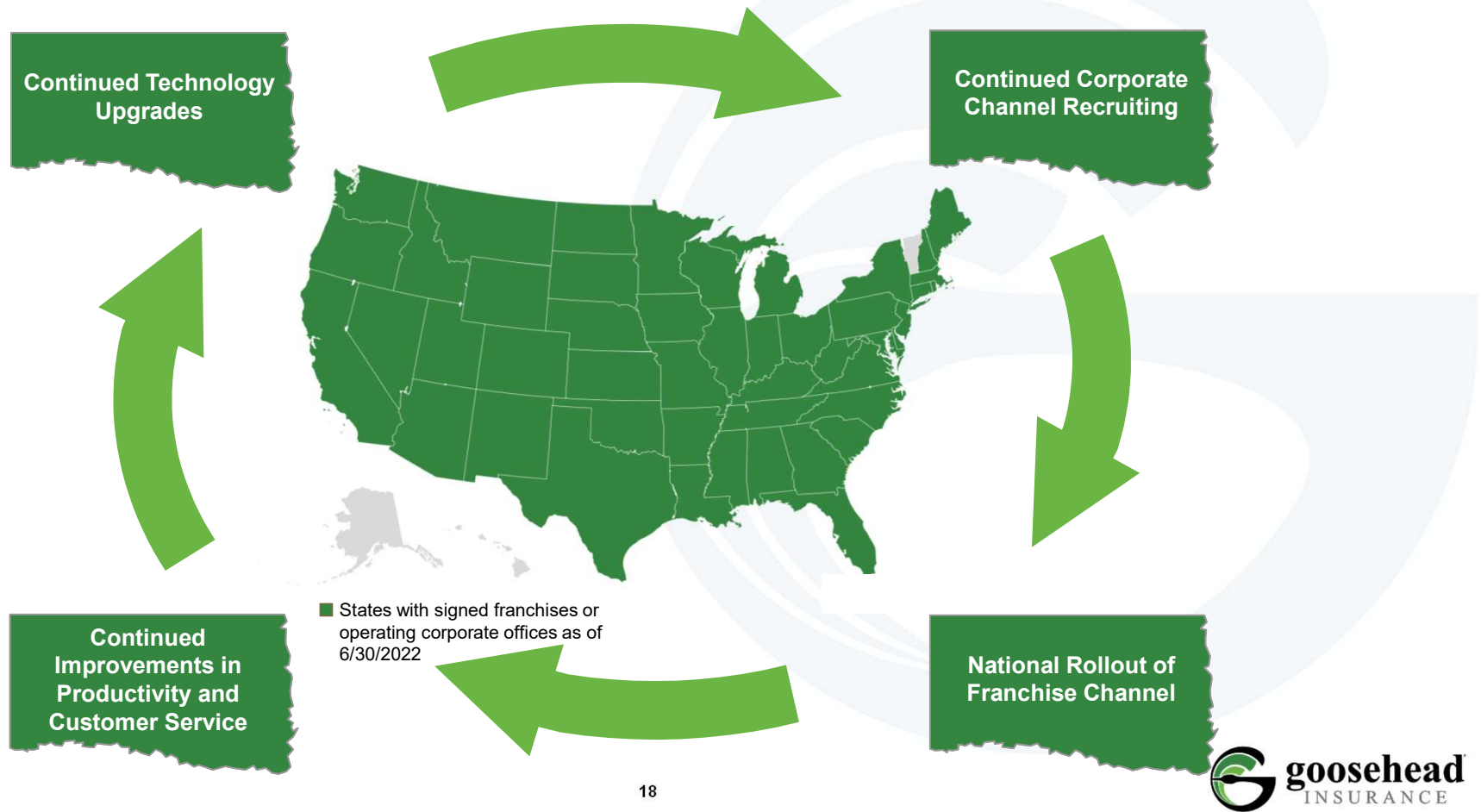


Service agent compensation

2021 average: \$47k

¹ Indicates, per Reagan Consulting 2021 Best Practices Study (using 2020 data) service compensation as a percentage of personal lines revenue for agencies with revenues of greater than \$25M; ² Represents Q2 2022 NPS

Meaningful Growth Opportunity

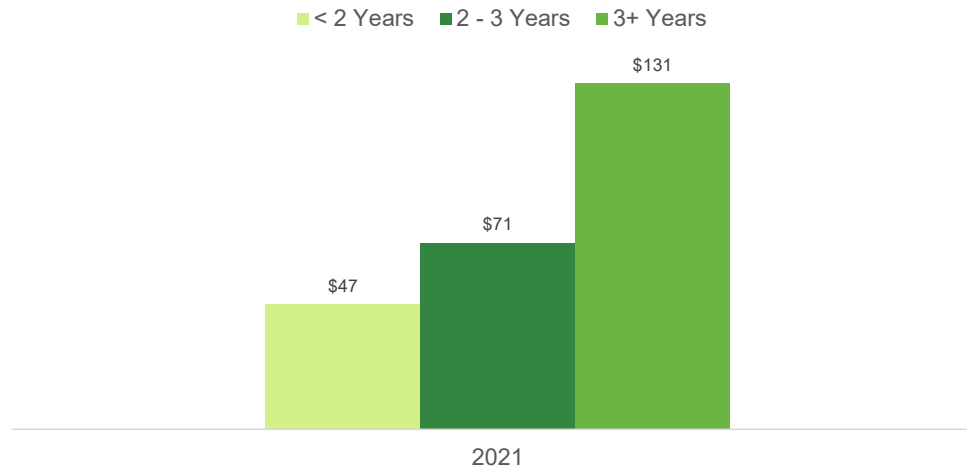


Continued Corporate Channel Recruiting

After working for more than three years, the typical Goosehead corporate agent earns more than \$130k annually

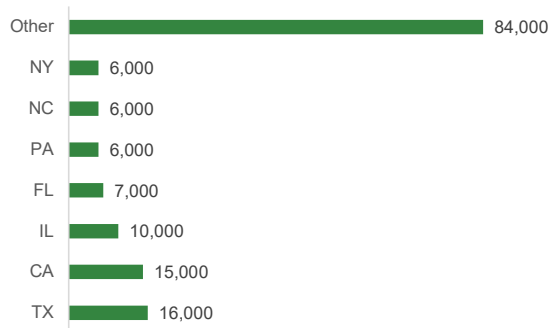
- Goosehead has a highly developed process for recruiting new agents which we have continually refined over the last 10+ years. Additional college campuses to be added
- The ongoing enhancements to our recruiting and training processes has resulted in higher success rates for our corporate agents

Average corporate agent compensation by tenure (\$000s)



National Rollout Of Franchise Channel

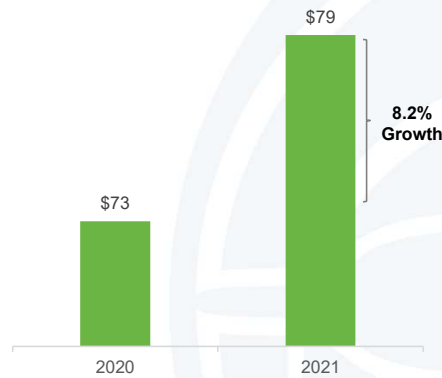
Pipeline Growth



Total Leads as of Jun 2022: 150,000

- 127 members on the recruiting team as of Q2 22
- Recruiting targets include the universe of nearly 400,000 U.S. insurance agents
- Actively recruit motivated sales minded individuals from non-insurance backgrounds

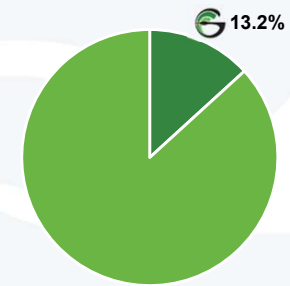
Production Ramp-up



- Through a combination of both refining the Franchise criteria and training, Goosehead significantly lifted productivity for Franchises

■ Non-Texas New Business per agency, >1 year (\$000s)

National Implications



Market share of homeowners insurance in new mortgage originations / refinancings in Texas

2020 TX mortgage originations / refinancing: ~892k¹

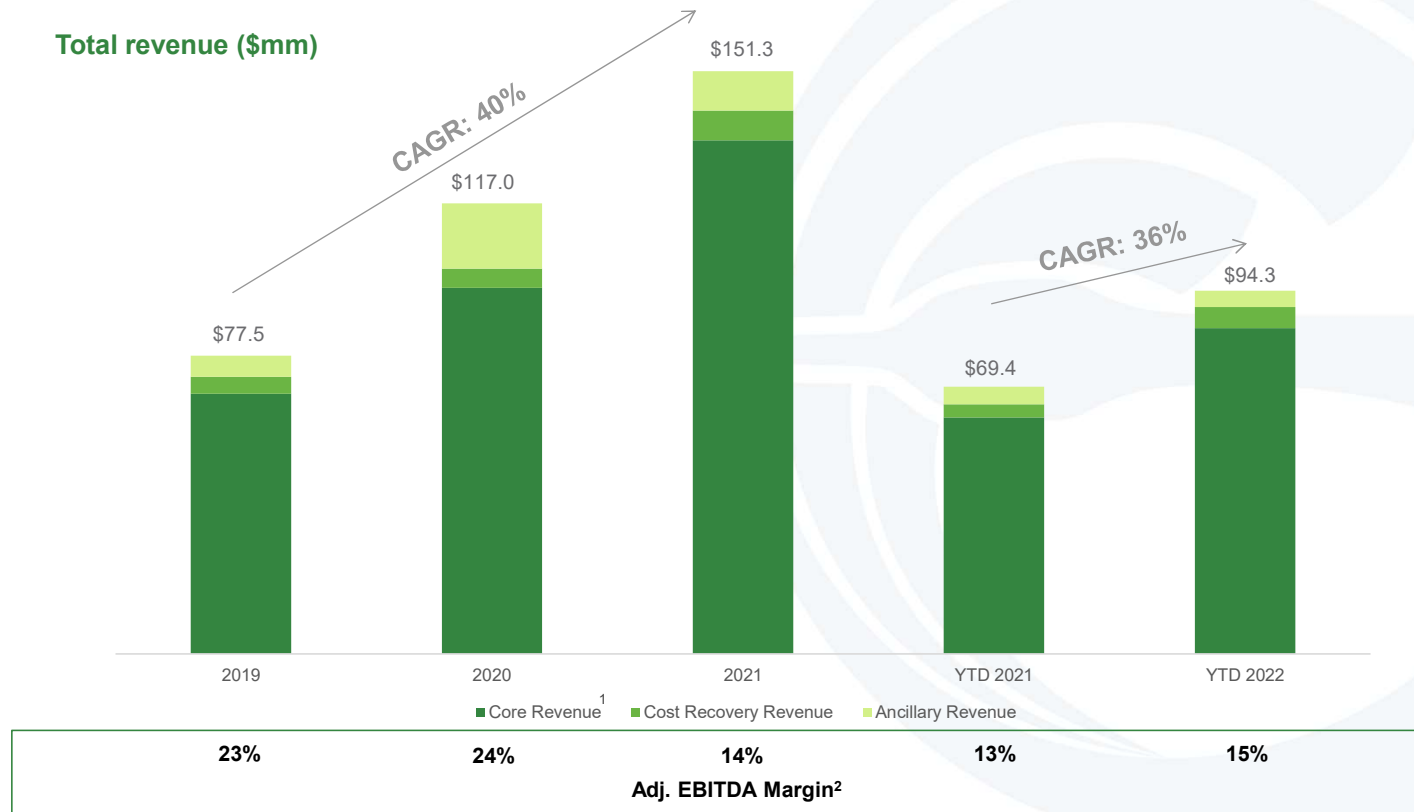
13.2% Goosehead market share × 11.9mm Originations / refinancing in the U.S.¹

1.58M Potential new clients each year

¹ Source: 2020 Home Mortgage Disclosure Act Data

Economics of our Business

Strong Revenue Growth and Stable Margins

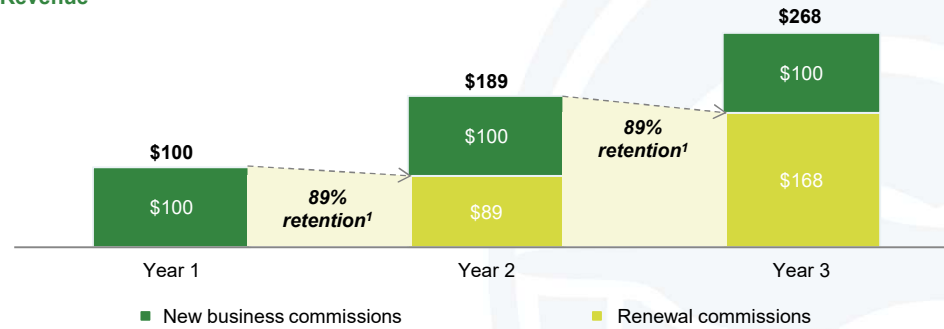


¹ Includes royalty fees; ² See Appendix for GAAP reconciliation

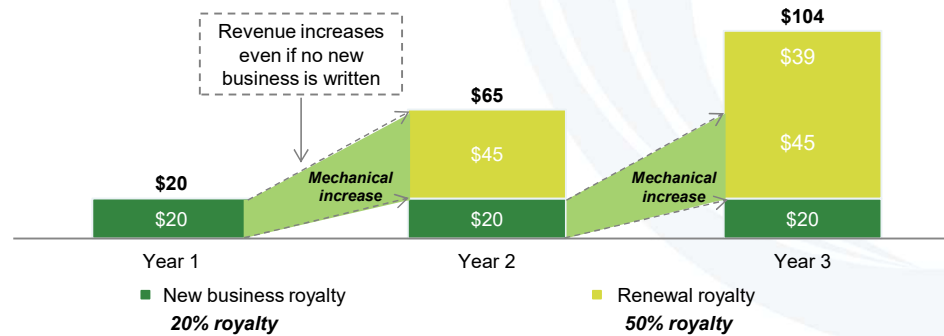
Compelling Economics Drive Growth And Visibility

Allowing agents to focus solely on selling creates a clear path to continued organic growth and revenue visibility

Corporate Channel Revenue



Franchise Channel Revenue

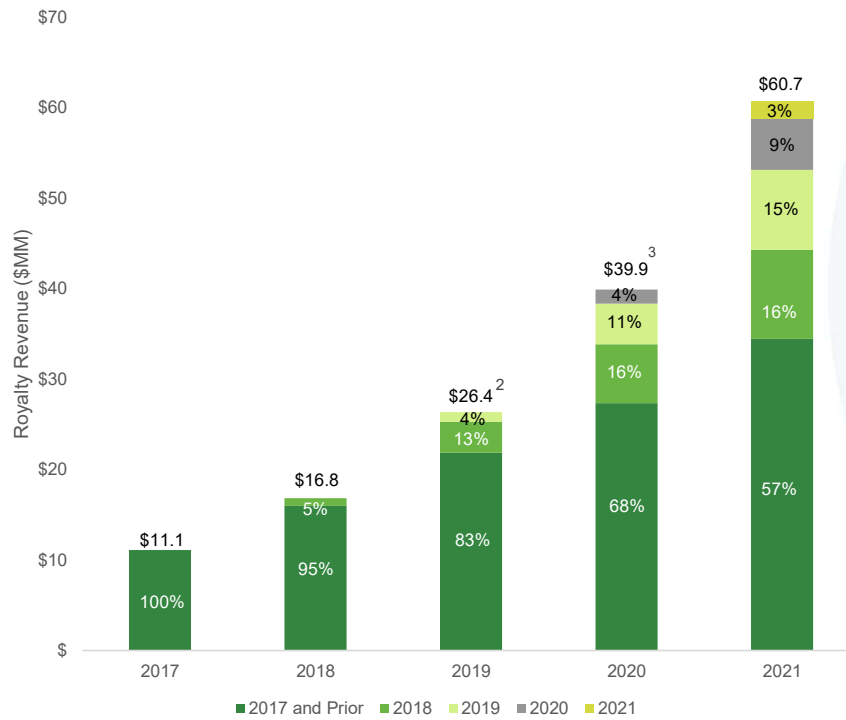


Note: Illustrative example
¹ Represents Q2 2022 client retention rate

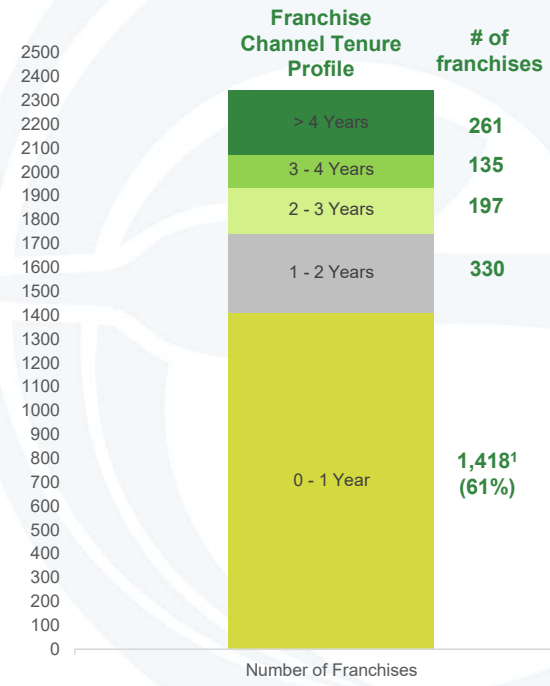
Mechanical Growth Provides Abundant and Predictable Organic Opportunity

New franchise units take several years to materially impact revenue

Young tenure of franchises provides large volumes of predictable future revenue



2021 over 2020 Operating Franchise Growth 34%



¹ Number of franchise locations include 997 franchises which are under contract but yet to be opened as of 6/30/2022 ² 2019 Revenue as recognized under ASC 605 ³ 2020 Revenue as recognized under ASC 606



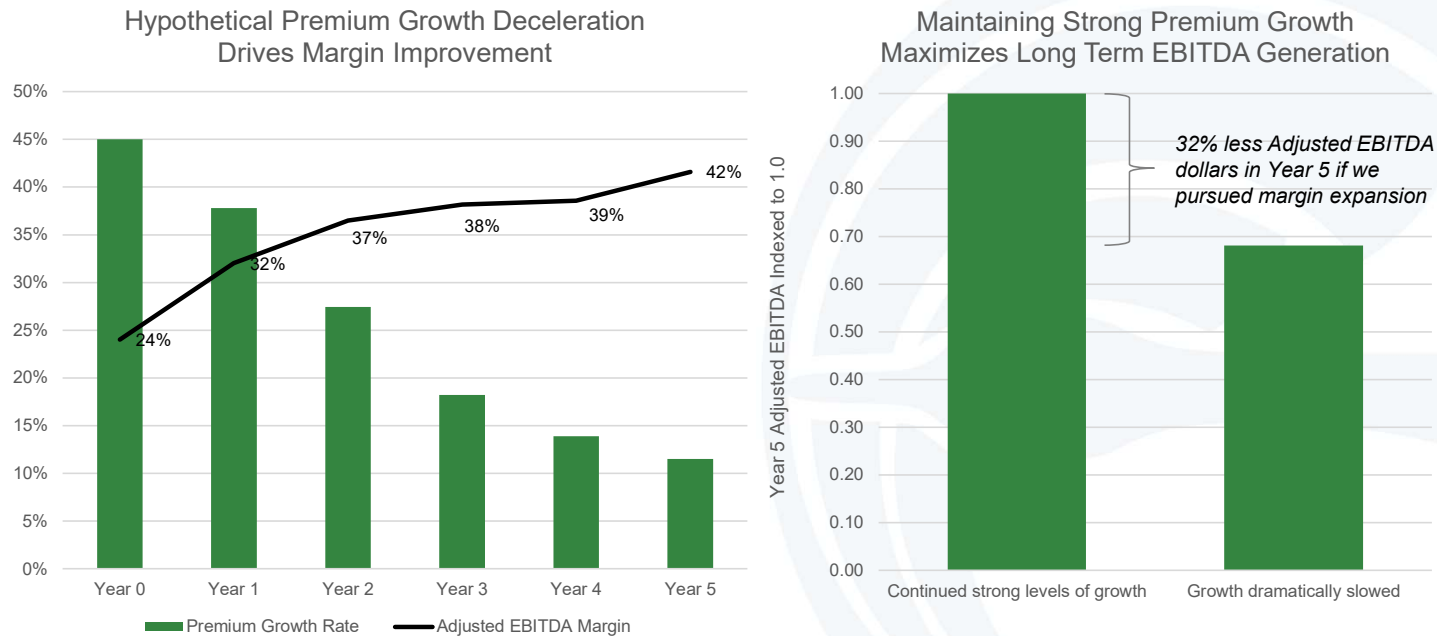
Margins Increase Mechanically As New Business Becomes Renewal Business

New and renewal business costs

	New Business	Renewal Business	
Commissions to agents / franchisees (net revenue)	●	◐	■ >50% lower for renewal business
Client service salaries and bonuses	●	◐	■ Critical to both new and renewal business; burden heaviest for new clients
Quality control salaries and bonuses	●	○	■ Not relevant for renewal business
Training salaries	●	○	■ Not relevant for renewal business
Client development costs	●	○	■ Not relevant for renewal business
Franchise support	●	○	■ Not relevant for renewal business

Opportunities to further expand margins through operating leverage created by revenue growth

Hypothetical Growth Compression Impact on Profits

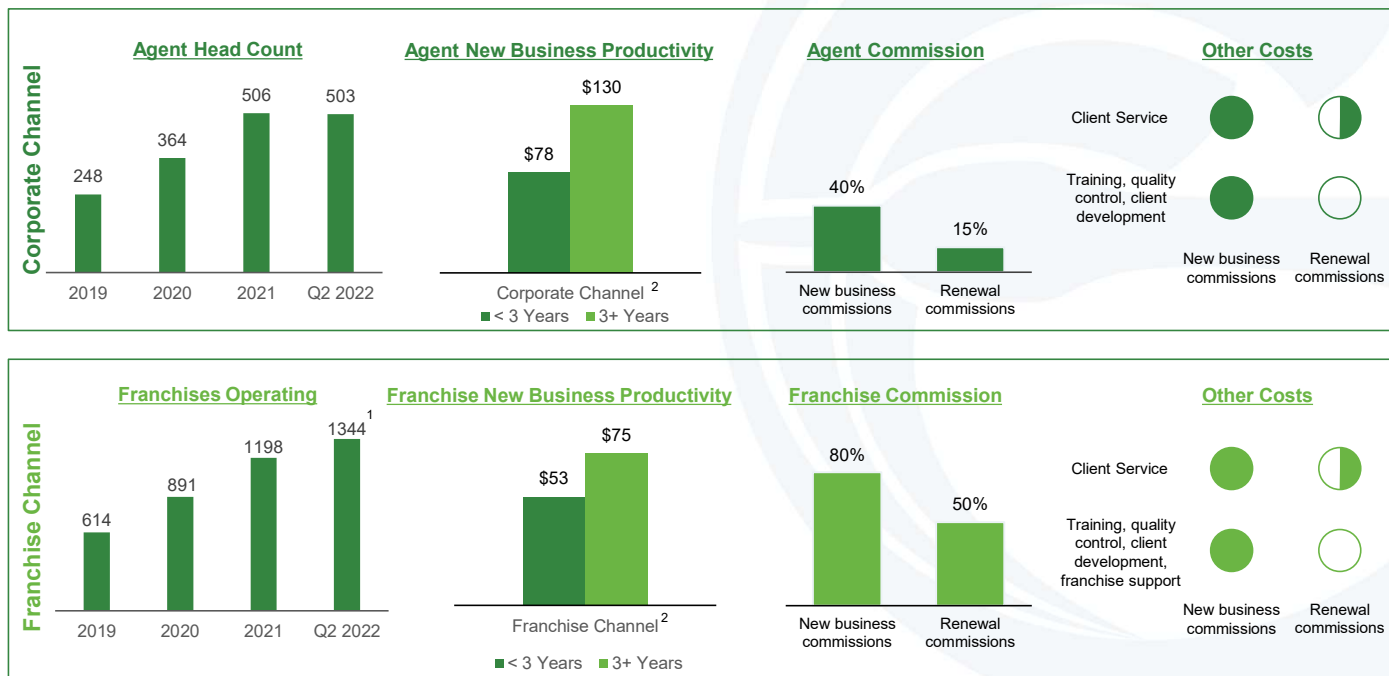


- Margin is a lever we can pull at any time, but it would take 5 years to scale down growth to a sustained level of 10-12%.
- At 10-12% premium growth, margins would likely be well in excess of 40% in Year 5, but total Adjusted EBITDA dollars would be 32% less
- Our goal is to sustain strong long-term premium and revenue growth to maximize long term profit dollars.

Note: Data is based on a hypothetical model where the Company slows growth in hiring of recruiters and corporate sales agents, then calculates the amount of back-office support and G&A spend needed for the slowed growth. This is for illustrative purposes only and should not be interpreted as forward-looking guidance.

Investments In People Will Result In Long-Term Growth And Margin Expansion

Making significant investments today to ensure growth and profitability is sustainable for years to come



¹ Excludes all new signings and franchises in implementation; ² Year ended 12/31/2021

Investment Highlights

Disruptive model positioned to substantially grow in a massive and fragmented industry

Outpaced revenue growth driven by strategically solving industry challenges

Comprehensive value proposition for clients, agents and carriers

Highly developed recruiting strategy with experienced evaluators of talent

Robust and innovative technology platform supports high growth business model

Committed and capable management team with ambitions of industry leadership

Recurring revenue with strong future visibility and expanding long-term margins

Appendix

Executive biographies



Mark E. Jones

***Co-Founder, Chairman and
Chief Executive Officer***

Mr. Jones is a co-founder of the company and has served as Chief Executive Officer since inception in 2003. Under his leadership, Goosehead has grown to be counted among the largest and fastest growing personal lines insurance agencies in the country. Prior to joining the company, he was a Senior Partner and Director of Bain & Company, the global management consulting firm. Earlier in his career, he worked in the audit and mergers and acquisitions practice groups for Ernst & Young. He holds a Bachelor of Commerce degree from the University of Alberta and an MBA from Harvard Business School.



Mark Jones, Jr.

Chief Financial Officer

Mr. Jones joined Goosehead in 2016 as Controller and was promoted to Vice President – Finance in 2020. Mr. Jones made significant contributions in strengthening the finance function leading up to and following the company's initial public offering. Mr. Jones currently oversees Goosehead's SEC reporting, financial planning and analysis, and payroll functions. Prior to joining Goosehead Mr. Jones worked in Ernst & Young's Audit practice, primarily focused on financial services companies. Mr. Jones graduated from Texas A&M University with a B.B.A. in Accounting and a M.S. in Finance and is a Certified Public Accountant.



Mark Miller

President and Chief Operating Officer

Mr. Miller serves as the President and Chief Operating Officer for Goosehead. In addition, Mr. Miller has served on the board since March 2018. For the past 15 years, Mr. Miller has worked for some of the largest private equity firms in the world helping drive large scale financial and operational transformations. Mr. Miller was the Chief Financial Officer of Pluralsight, Finastra, Marketo, and Active Networks (all Vista Equity Partners portfolio companies at the time). He also served as the CFO of Sabre, and L.H.P. Hospital Group. At Sabre, he held multiple operating and finance positions and was instrumental in the company's initial IPO and its subsequent \$5 billion privatization transaction. Early in his career, Mr. Miller worked for Ernst and Young. Mr. Miller has an accounting degree from Texas Tech University and an MBA in Finance from Rice University. He is a licensed CPA in Texas.



Ryan Langston

Chief Legal Officer

Mr. Langston joined Goosehead Insurance in 2014 as Vice President and General Counsel. He is responsible for coordinating and leading legal activity and compliance. Prior to joining Goosehead, Mr. Langston was an attorney with Strasburger & Price, LLP where he represented businesses in commercial litigation and arbitration involving business dissolutions, theft of trade secrets, enforcement of noncompetition agreements, and breach of contracts. He holds a Bachelor of Arts degree from Brigham Young University and received his J.D. from the University of Texas School of Law.

Executive biographies



Ann Challis

Chief Marketing Officer

Ms. Challis joined Goosehead Insurance in 2021 as Chief Marketing Officer to lead the efforts in building and managing our digital engagement platform. She brings 25 years of marketing leadership and experience in driving profitable growth for both B2B and B2C companies. Most recently, she spent 5 years in the fintech space as the head of marketing for Elevate and Credible. Prior to that, she led growth marketing teams at BlackRock and Wells Fargo Bank. Ann holds a Bachelors of Business Administration in International Business from Loyola University Maryland and served as a medical service officer for 11 years in the US Army Reserve.



Megan Bailey

Chief Sales Officer

Ms. Bailey serves as Vice President of Business Development for Goosehead Insurance. She joined Goosehead in 2011 to launch the franchise division of the firm. Goosehead has since grown to over 1600 franchise locations in over 30 states. She has been involved in new franchise development; building out national sales teams; managing companywide recruiting, training and development; and supporting investor relations. She has over 20 years of sales and management experience including retail, advertising, and software. Originally from Cedar Rapids, Iowa, Megan graduated from the University of Iowa with a Bachelor's degree in Business Communications.



Drew Burks

Chief Information Officer

Mr. Burks joined Goosehead Insurance in 2006 serving in both risk management and technology roles. In 2013 he was promoted to Director of Risk Management, transitioned to Director of Information Systems in 2015, and now serves as Chief Information Officer. Mr. Burks is a Salesforce Certified Administrator and has led Goosehead's development of this platform since its implementation in 2009. He also holds DocuSign for Salesforce and Dell Boomi Integration Developer I certifications. Mr. Burks graduated from Baylor University in 2003 with a B.B.A. in Management Information Systems.



Michael Moxley

Chief Service Officer

Mr. Moxley serves as Chief Service Officer for Goosehead Insurance. He joined the company from Transcom Global, an international BPO company, where he was Director of Service Delivery for North America, having oversight for a service operations team spanning four service centers and two countries. Prior to Transcom, Mr. Moxley worked with Alorica, another global BPO firm, where he was a key contributor to their expansion strategy, growing operations to over 3,000 agents in five centers. Earlier in his career Mr. Moxley spent more than 10 years leading various sales and service teams for AT&T. Mr. Moxley has over 13 years of experience in scaling service operations and driving client satisfaction

Executive biographies



Dan Farrell

Vice President, Capital Markets

Mr. Farrell joined Goosehead Insurance in 2020 as Vice President, Capital Markets. In this role, he is responsible for leading the company's Investor Relations and Public Relations efforts. Dan has over 19 years of experience in the insurance sector. Prior to joining Goosehead, he was Head of Investor Relations for Marsh & McLennan Companies and Head of Strategy for Mercer. Dan spent much of his career as sell side equity analyst covering the insurance sector for 16 years. He graduated from Georgetown University with a B.A. in Economics.



Ted Olsen

Vice President, Human Capital Development

Mr. Olsen is responsible for the design, implementation, and management of our agent development programs for both new and tenured agents in the franchise and corporate channels. As Goosehead's most tenured sales agent, beginning in 2005, Mr. Olsen spent 15 years developing best practices in organization, time management, and sales process, leading him to create the largest book of organically grown business of any agent in the organization, and helping Goosehead stay on the cutting edge of marketing and sales process best practices. Mr. Olsen attended Brigham Young University and graduated Cum Laude with a degree in Marketing.



Brian Pattillo

Vice President, Strategy

Mr. Pattillo joined Goosehead Insurance in 2009 as an Account Executive and was the first inductee into Goosehead's President's Club. In 2014, he was promoted to Sales Manager and then to Managing Director in 2016. While in sales, Brian worked closely with the technology group to develop the real estate transaction database, the comparative rating platform, as well as many other technology initiatives. He now serves as Vice President, driving the innovation efforts across Goosehead by interfacing between each business function and the technology group. Prior to joining Goosehead, Brian received his BBA in Business Administration and MS in Marketing from Texas A&M University.



Gary Delavan

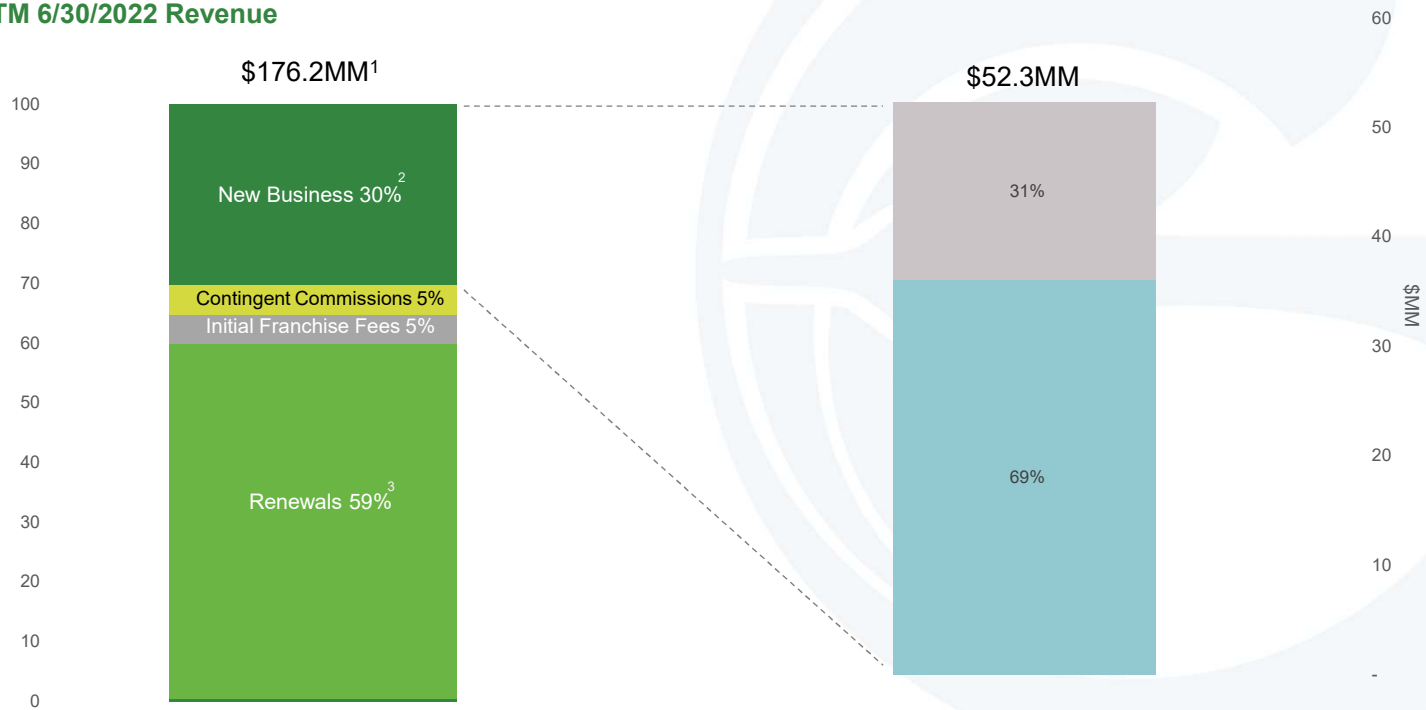
Vice President, Partnerships

Mr. Delavan joined Goosehead Insurance as an Account Executive in 2005, became a Sales Manager in 2007, was promoted to Partner and Director in 2010, and now serves as Vice President of Corporate Sales. As Vice President of Corporate Sales, Mr. Delavan leads the strategic growth and development of the company's high-octane Corporate Sales teams located in Irving, Fort Worth, Houston, Austin and Chicago. In his 12 years at Goosehead, Mr. Delavan has been involved in many aspects of the business, including recruiting top talent, training & development of that talent, geographic expansion and supporting Goosehead's network of franchise owners. As a third generation Longhorn, Mr. Delavan attended the University of Texas where he graduated Cum Laude with a Major in Finance and minor in Accounting.

Revenue Break-Down (ASC 606)

Only 20% of total revenue is exposed to housing market conditions

TTM 6/30/2022 Revenue



¹ TTM 6/30/2022 Revenue as recognized under ASC 606

² Includes TTM New Business Commissions, Agency Fees, and New Business Royalty Fees

³ Includes TTM Renewal Commissions and Renewal Royalty Fees

Non-GAAP Adjusted EBITDA Reconciliation

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net Income	\$ 8.3	\$ 18.4	\$ 10.4
Other (Income) Expense	\$ (0.2)	(0.1)	-
Interest Expense	\$ 2.9	2.3	2.4
Depreciation and Amortization	\$ 4.9	3.1	1.9
Equity Compensation	\$ 7.3	4.7	1.5
Income Tax Expense	\$ (2.3)	(0.7)	1.3
Adjusted EBITDA	\$ 20.8	\$ 27.8	\$ 17.5
Adjusted EBITDA Margin	14%	24%	23%

Total Revenue ASC 606 and 605

	2021	2020	2019
Total Revenues	\$151,312	\$117,014	\$77,486
Core Revenue:			
Renewal Commissions ⁽¹⁾	\$39,111	\$28,891	\$22,924
Renewal Royalty Fees ⁽²⁾	46,079	29,309	19,462
New Business Commissions ⁽¹⁾	22,108	17,324	11,961
New Business Royalty Fees ⁽²⁾	14,616	10,623	7,149
Agency Fees ⁽¹⁾	11,506	8,921	6,058
Total Core Revenue	133,420	95,068	67,554
Cost Recovery Revenue:			
Initial Franchise Fees ⁽²⁾	6,516	4,236	3,784
Interest Income	1,153	813	617
Total Cost Recovery Revenue	7,669	5,049	4,401
Ancillary Revenue:			
Contingent Commissions ⁽¹⁾	9,926	16,675	5,423
Other Income ⁽²⁾	297	222	108
Total Ancillary Revenue	10,223	16,897	5,531
Total Revenues	\$151,312	\$117,014	\$77,486