



Investor Presentation
May 2020

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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.

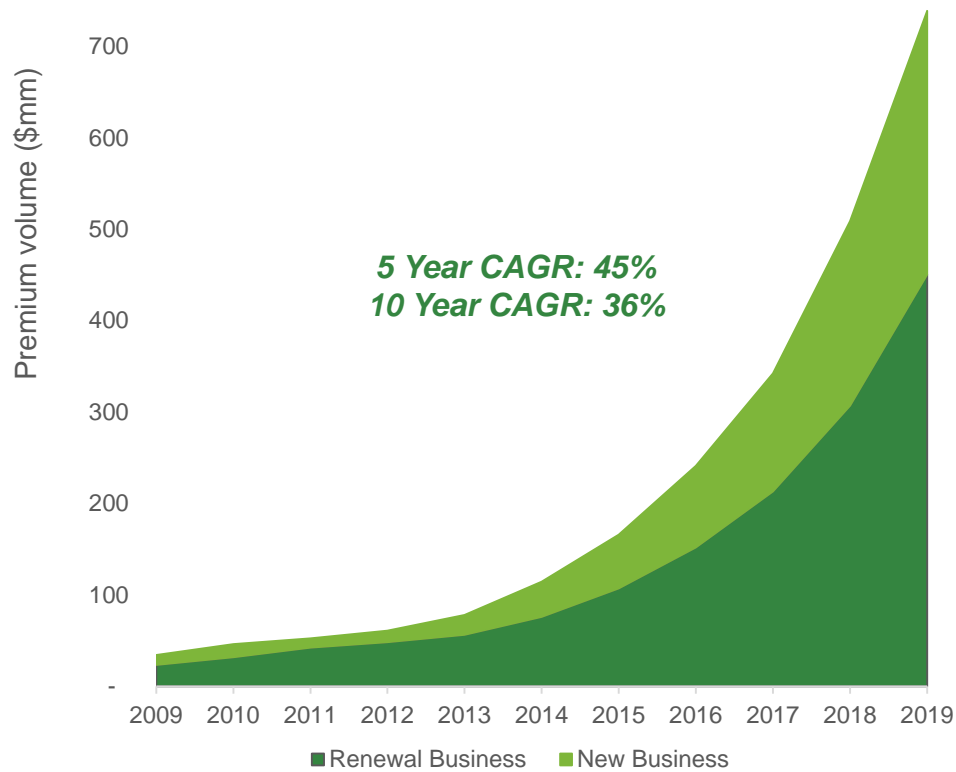
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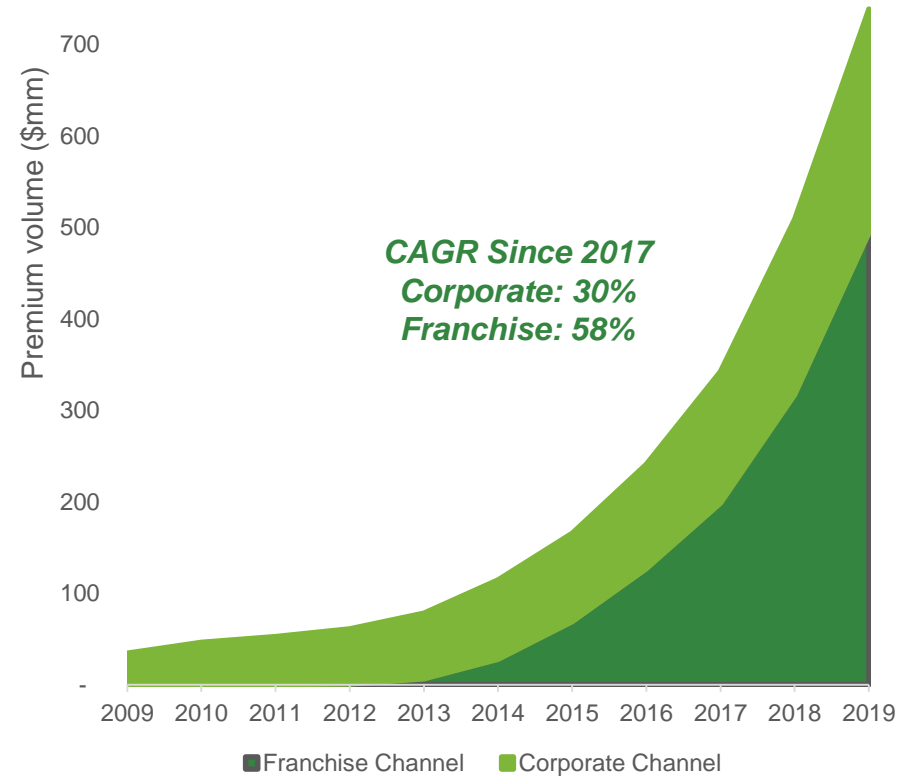
Rapid and Responsible Organic Growth



New Business and Renewal Premium Growth



Corporate and Franchise Channel Premium Growth



¹ 5 and 10 year CAGR calculations through 12/31/2019

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



Independent Agencies

Captive Agencies Owned By Carriers

Carriers Direct To Customer

Key Attributes

Offers products from multiple carriers with the support of a best-in-class service organization

Largely very small businesses which sell products from **multiple carriers**

Largely very small businesses which sell products from only **one carrier**

One carrier which sells products directly to clients

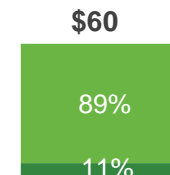
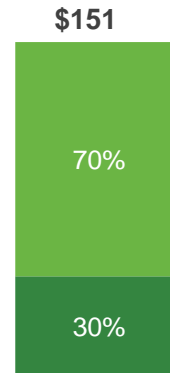
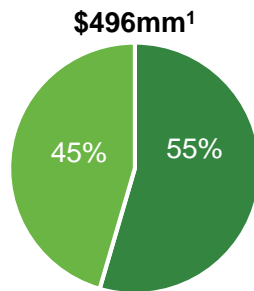
Product Choice



Service Quality



2017 U.S. Premiums



■ Home ■ Auto

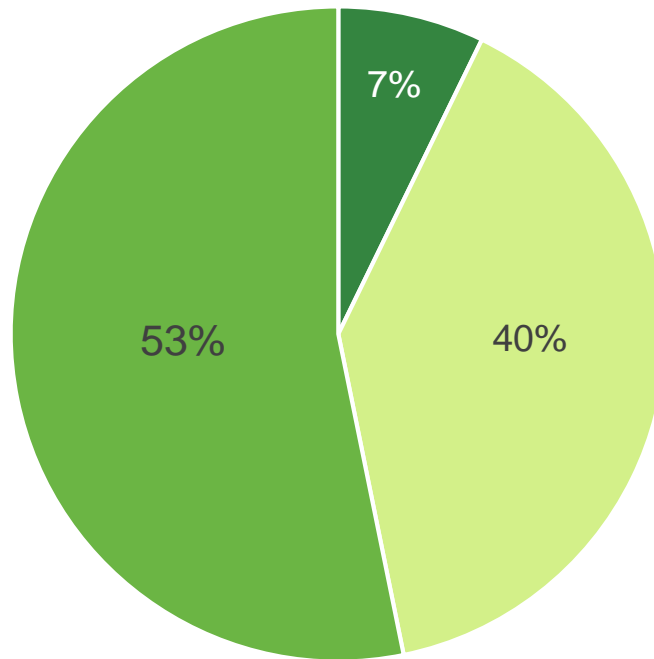
Source: Independent Insurance Agents & Brokers of America
 1 Represents 2018 premiums excluding commercial and excess liability premiums.

Management Strongly Aligned with Shareholders



Deeply committed to long-term success

% Ownership as of March 31, 2020



■ Other management ■ Public Shareholders ■ Mark Jones and family

A photograph of a family of four sitting together on a bed, smiling and reading books. The mother is on the right, wearing a blue shirt, and the father is on the left, wearing a dark shirt. A young girl is in the center, wearing a grey shirt, and a young boy is on the left, wearing a white shirt. The background is a white quilted pillow. The text "Delivery of Operations" is overlaid on the left side of the image in a white box.

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

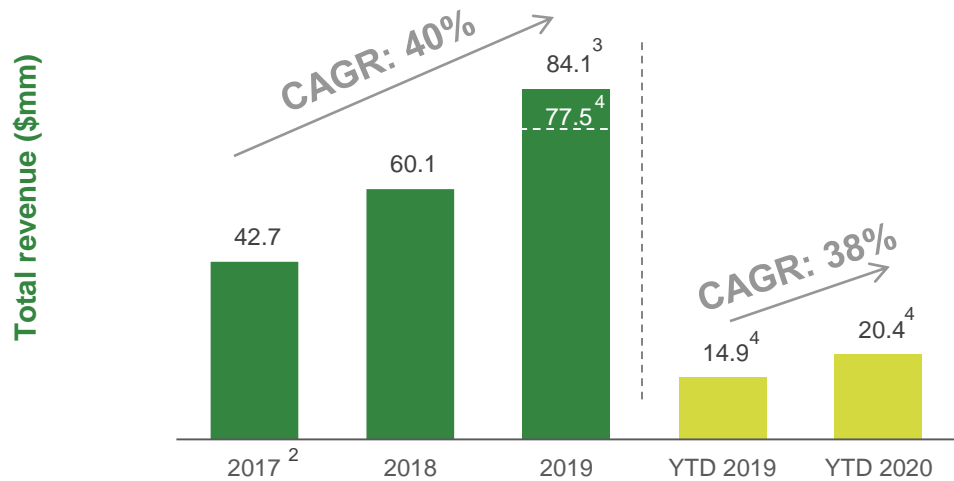


7 corporate sales offices in Texas and Illinois; 1,012 franchise locations¹ primarily in CA, TX, FL and IL

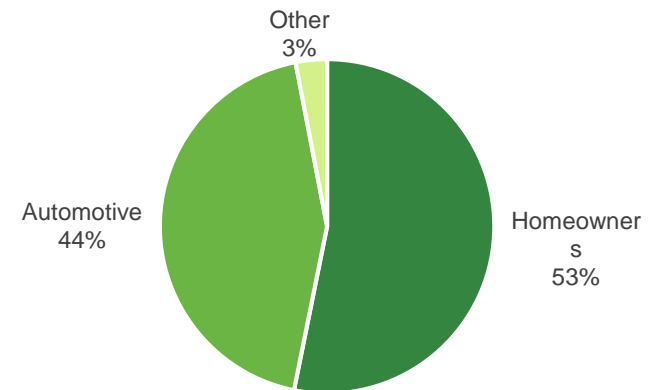


Well-established and positioned for sustained levels of strong growth and profitability

Accelerating Growth Trajectory



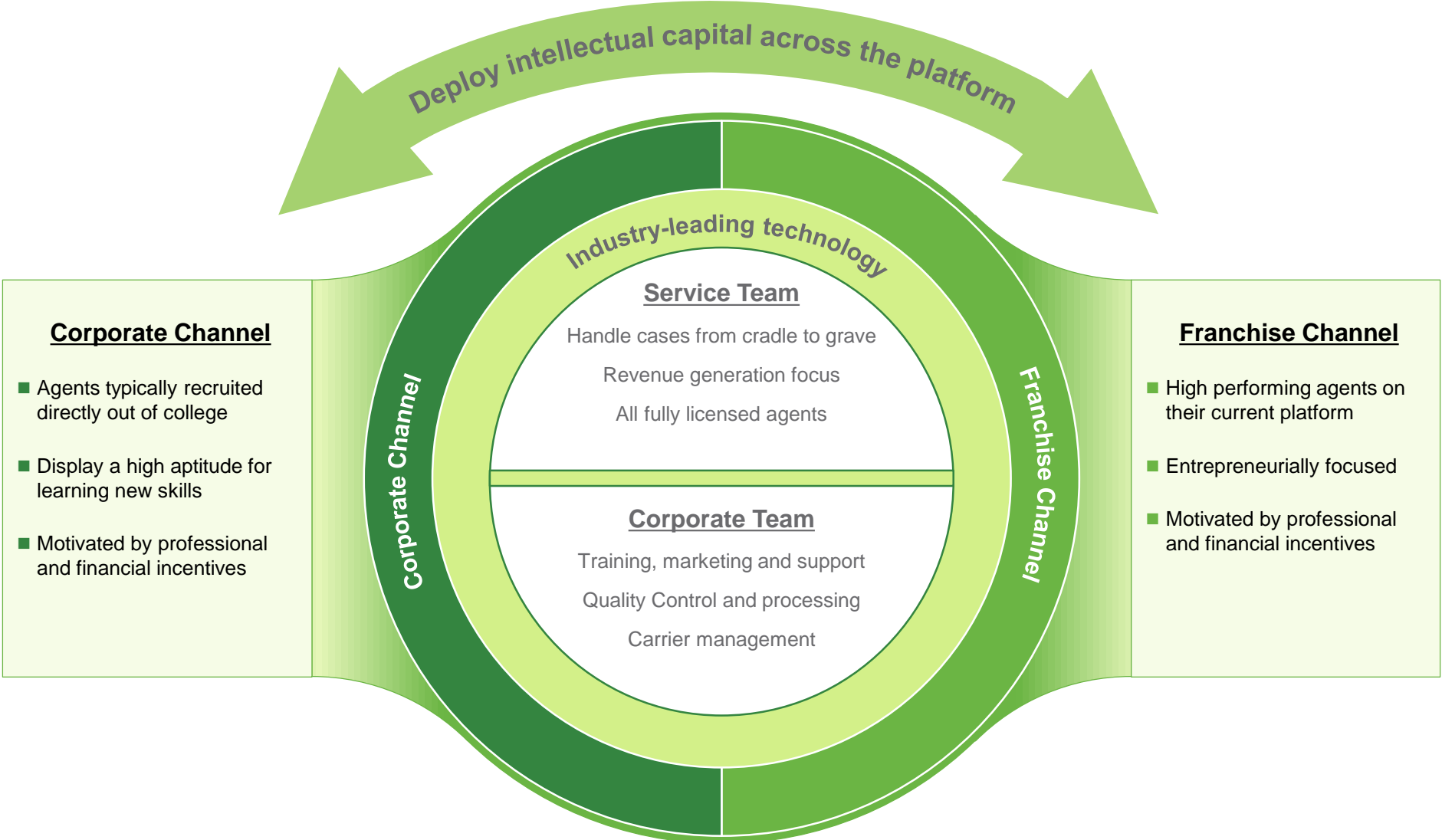
Focused on Personal Lines



TTM Mar20 Total premiums: \$806mm

¹ Number of franchise locations include 333 franchises which are under contract but yet to be opened as of 3/31/2020; ² Excludes gain on sale of \$3.5mm ³ Revenue as recognized under ASC 605 ⁴ Revenue as recognized under ASC 606

Compelling Business Model



Highly Developed Recruiting Strategy Supports Sustainable Outsized Growth



Corporate Channel



- 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



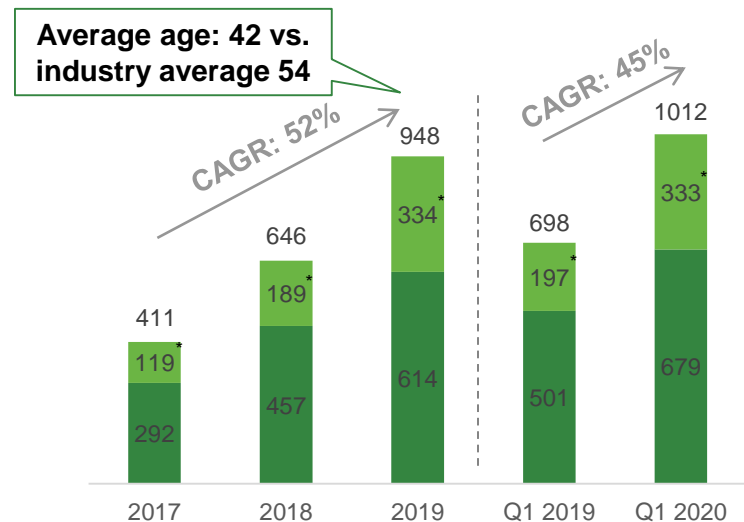
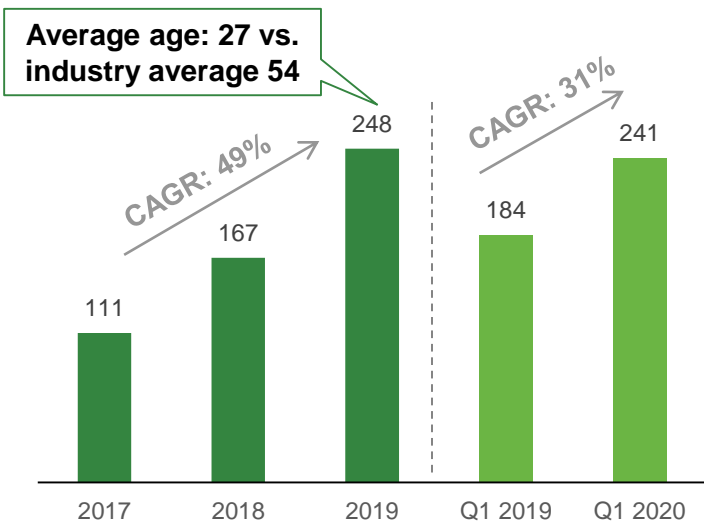
Franchise Channel

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

- Continue to recruit and train top producers who desire autonomy from captive agencies and other independent agencies
- Approximately 99,000 potential franchise candidates in the current pipeline



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

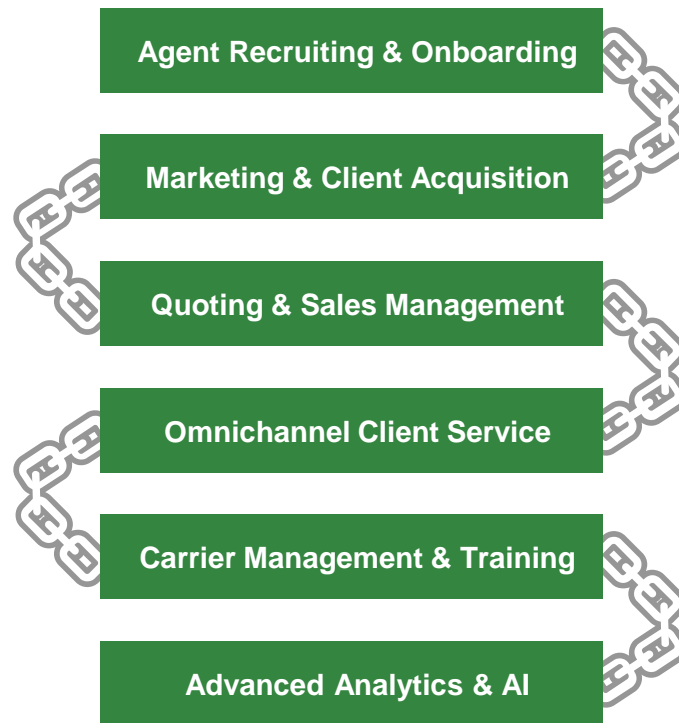
Robust and Innovative Technology Platform Supports High Growth Business Model



“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.”

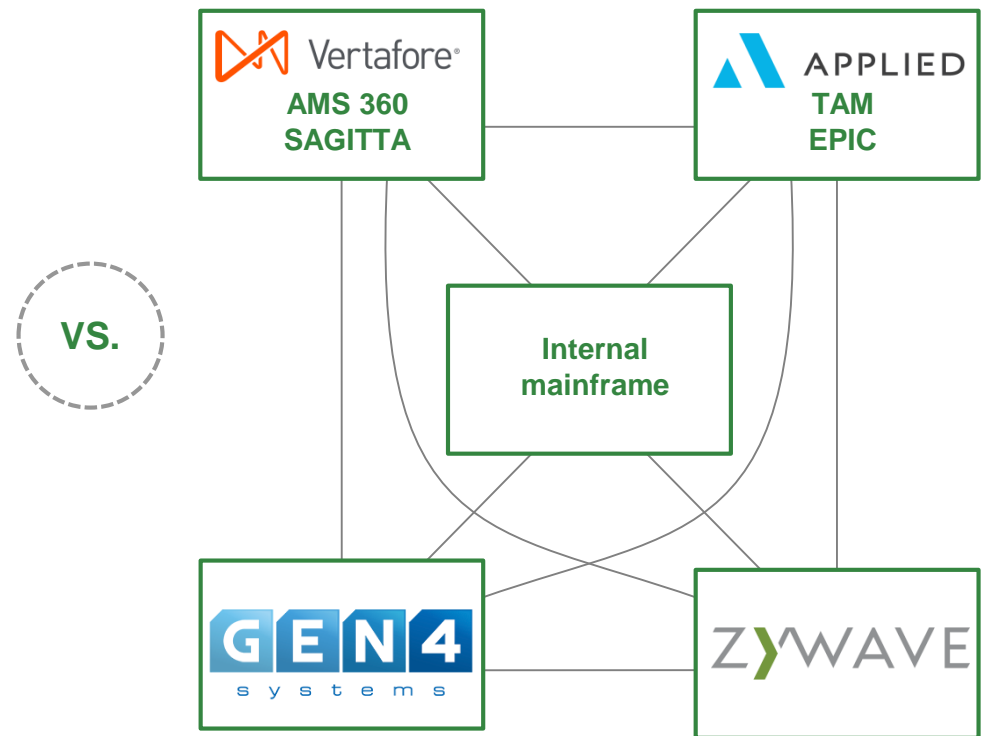
Michael Khoury, Vice President – Financial Services, Salesforce.com

Goosehead Systems



Entire business cycle managed
in the  cloud

Typical Agency Systems



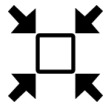
“Hodge-podge” of legacy systems
which lack continuity

Constantly Innovating to Remain a Step Ahead



Enhancing Tech Platform to Optimize Efficiency and Effectiveness

1 Application Development and Investment



Comparative Rater

- Consolidate data entry into one interface
- Eliminates 75% of required input fields
- **Saves agents approximately 15 minutes per quote**

Cloud-based Voice Solution

- Unified communications platform
- Mobile capabilities (text, live chat)
- **Omnichannel client engagement capabilities**



2

Leveraging Big Data



Nationwide Property Database

- Provides info for every U.S. county on age of home, construction type, square footage, roof type, etc.
- **Allows for far more efficient and accurate quoting**

Proprietary Mortgage Database

- Provides U.S. mortgage activity data down to micro-targeted level
- **Agents market services with sophistication and precision**



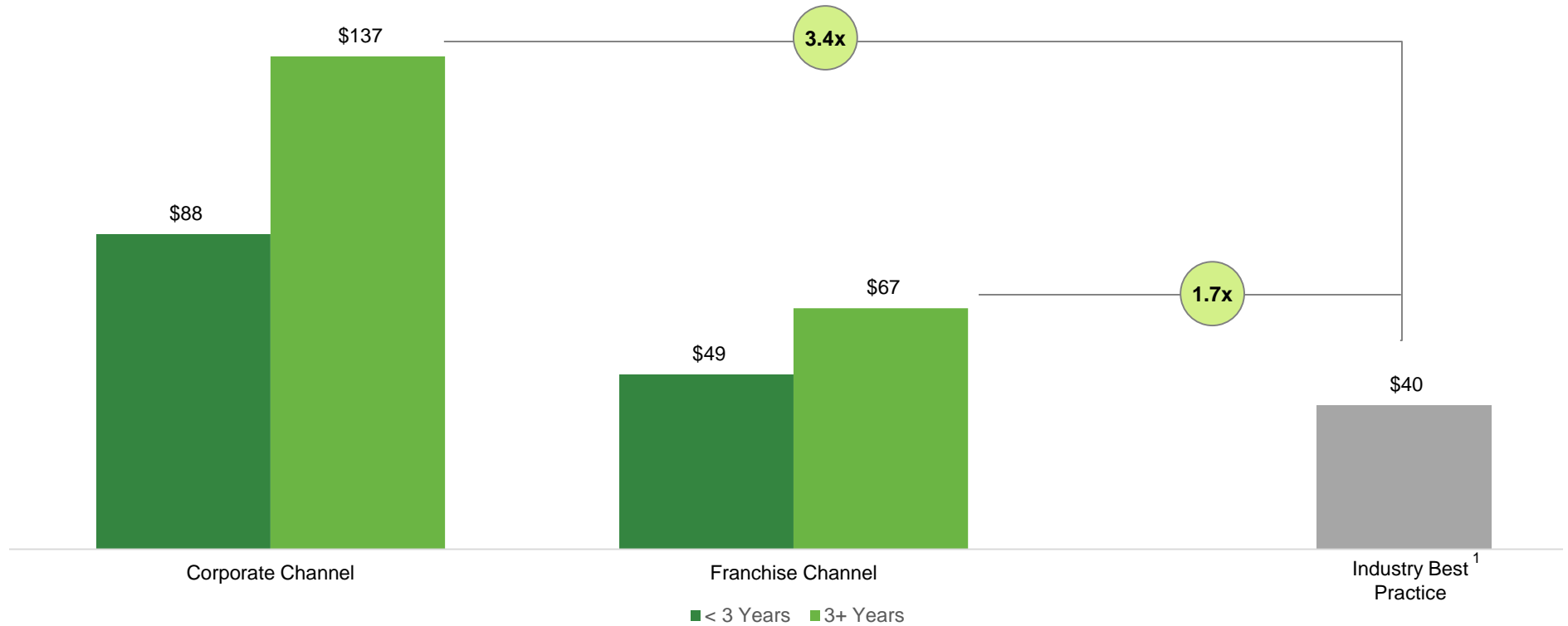
Strengthening Barriers to Entry

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)



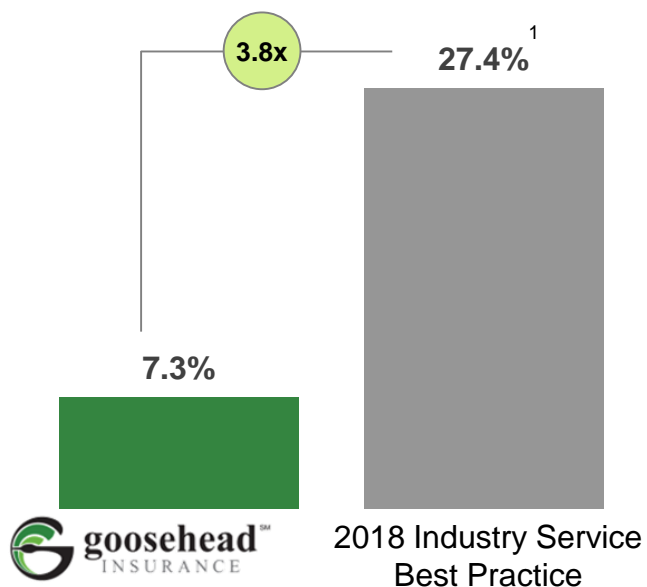
¹ Represents industry best practice per Reagan Consulting 2019 Best Practices Study (using 2018 data); most industry agents have tenures significantly longer than 2 to 3 years

Technology Drives Margins While Simultaneously Ensuring Client Satisfaction



Technology enables Company to deliver service highly efficiently

2018 Service payroll as a % of gross personal lines commissions



Key service center metrics



Net Promoter Score

89²



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

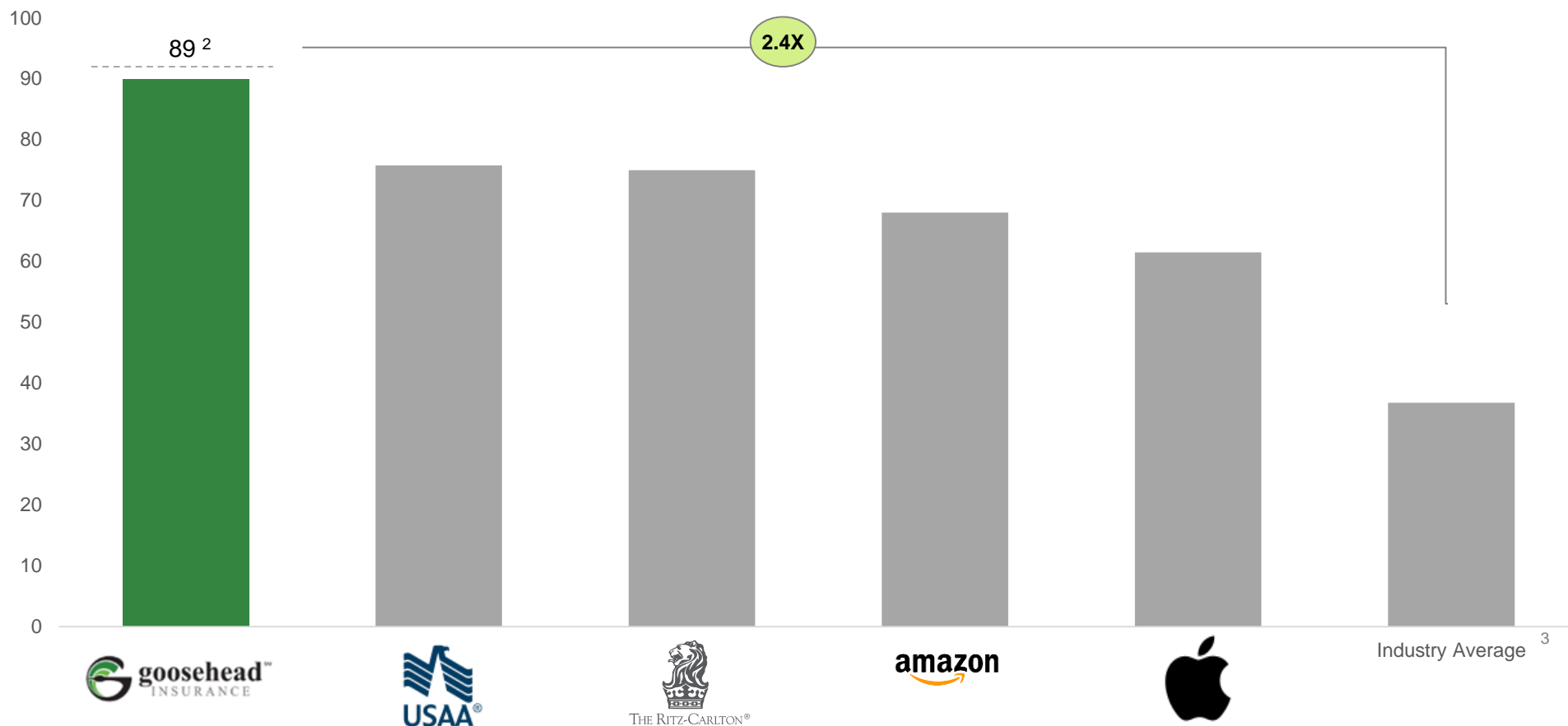
2019 compensation: \$46k

¹ Indicates, per Reagan Consulting 2019 Best Practices Study (using 2018 data) service compensation as a percentage of personal lines revenue for agencies with revenues of greater than \$25M; ² Represents Q1 2020 NPS

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 88% in Q1 2020



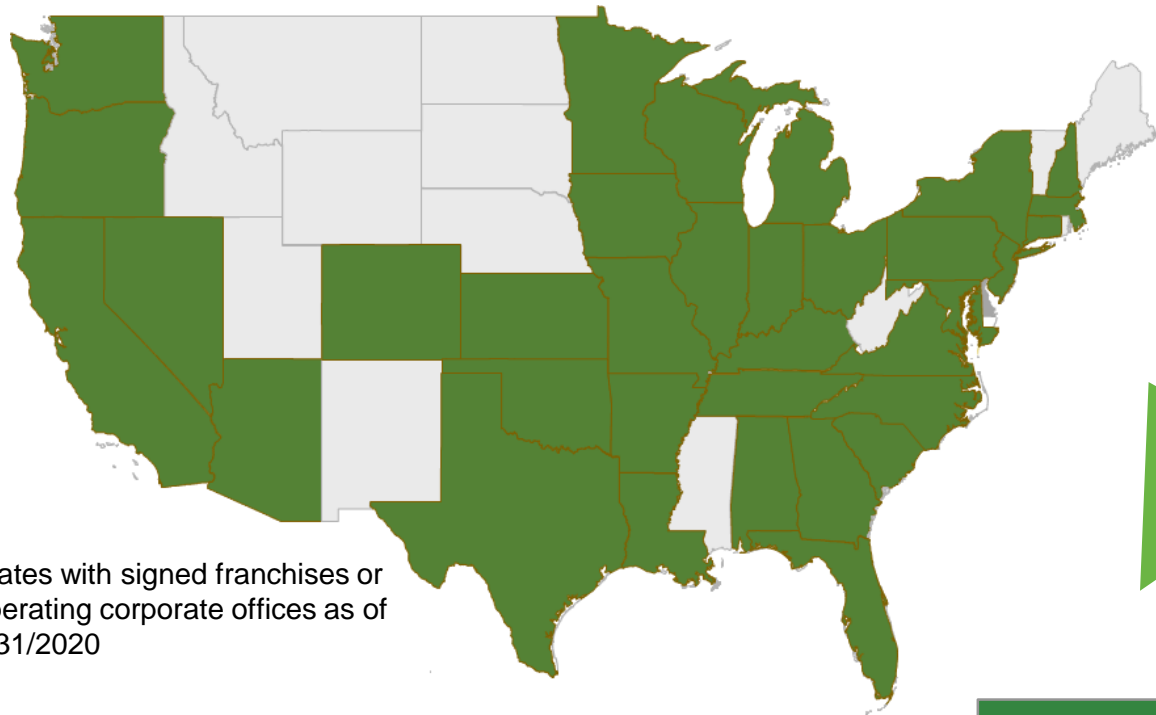
Source: External NPS data from Satmetrix; ¹ Ritz, USAA, Apple, Amazon; ² Represents Q1 2020 NPS; ³ Represents average of auto industry and home industry

Meaningful Growth Opportunity



Continued Technology Upgrades

Continued Corporate Channel Recruiting



Continued Improvements in Productivity and Customer Service

National Rollout of Franchise Channel

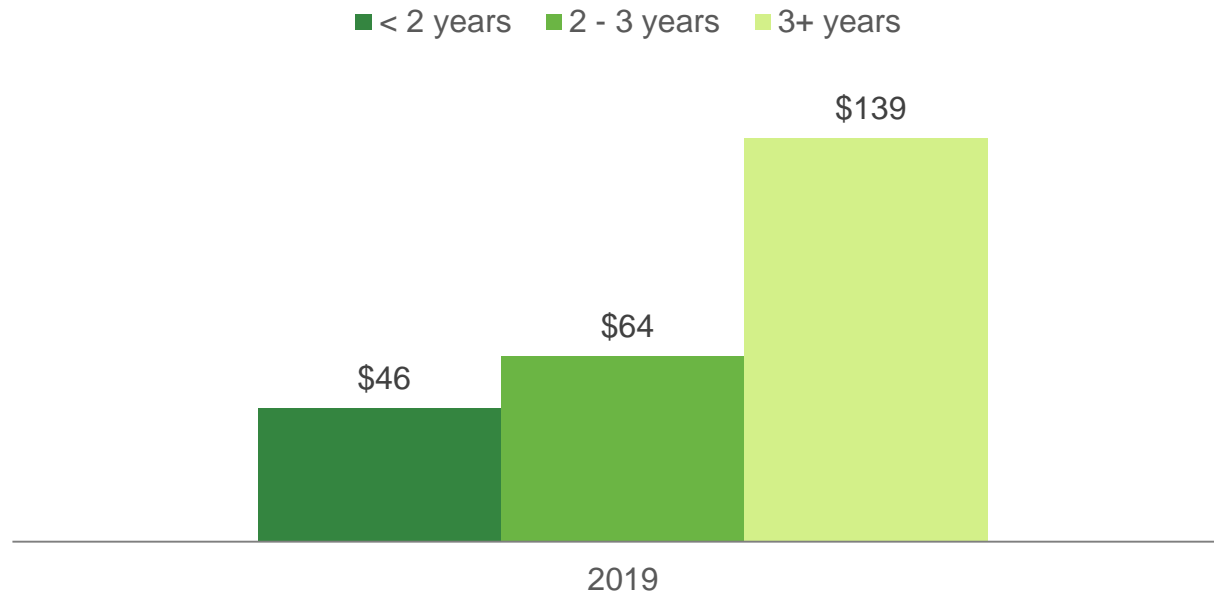
Continued Corporate Channel Recruiting



After working for more than three years, the typical Goosehead corporate agent earns more than \$135k 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

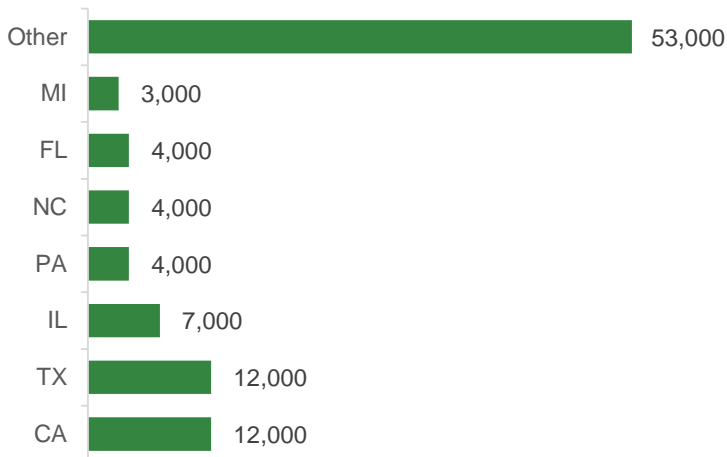
Average corporate agent compensation by tenure (\$000s)



National Rollout Of Franchise Channel



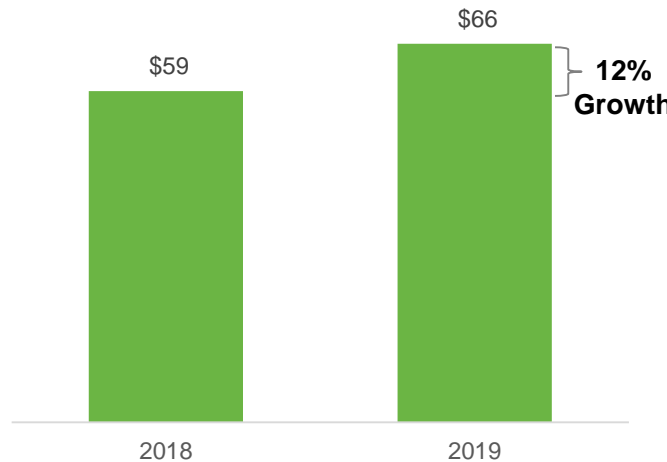
Pipeline Growth



Total Leads as of Mar 2020: 99,000

- ~69 members on the recruiting team as of Q1 20
- Recruiting targets include the universe of nearly 400,000 U.S. insurance agents

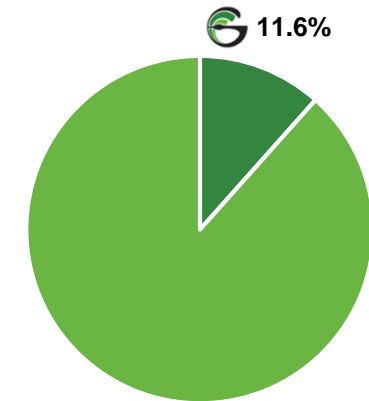
Production Ramp-up



- 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

2018 TX mortgage originations / refinancing: ~459k¹

11.6% Goosehead market share × 7.7mm Originations / refinancing in the U.S.¹

893k
Potential new clients each year

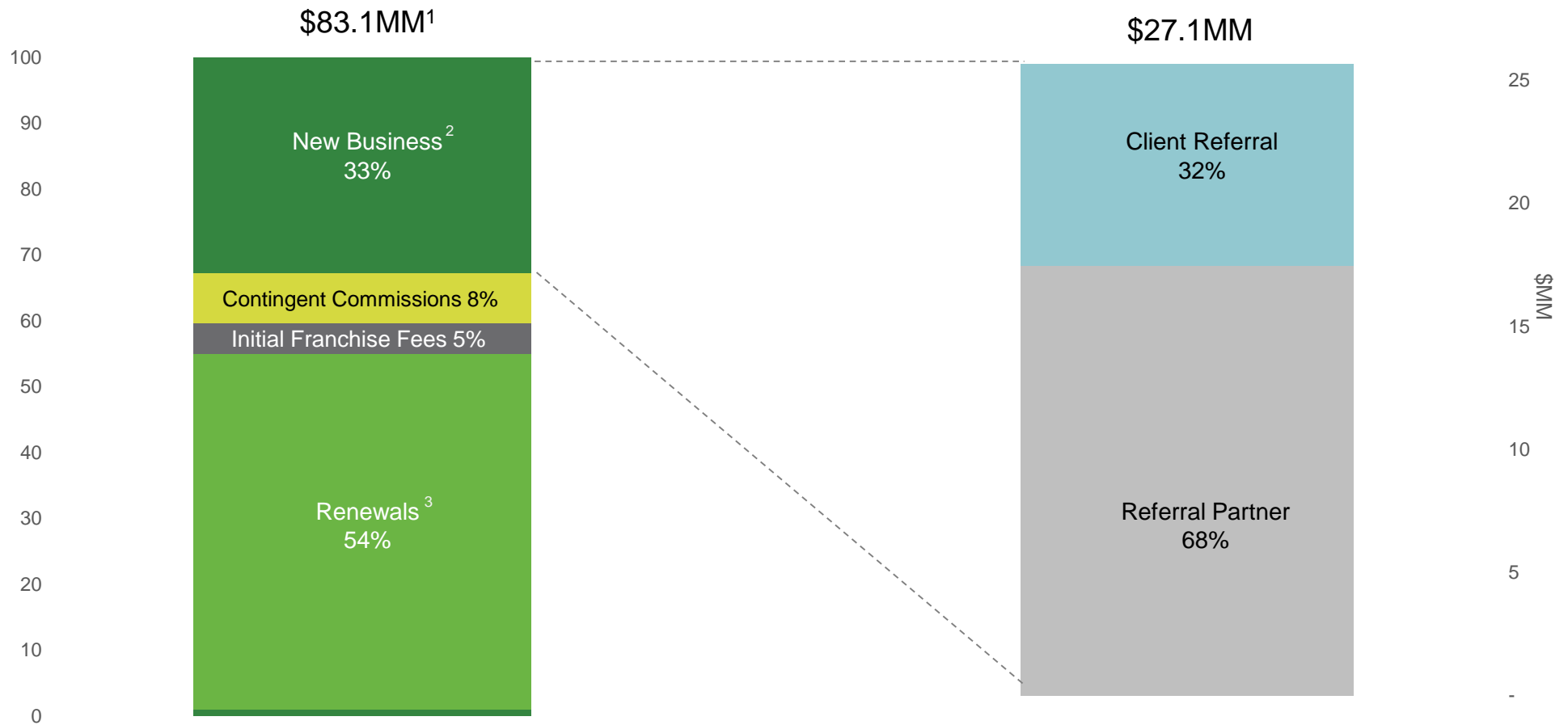
¹ Source: 2018 Home Mortgage Disclosure Act Data

ASC 606 Revenue Break-Down



Only 22% of total revenue is exposed to housing market conditions

TTM 3/31/2020 Revenue



¹ TTM 3/31/2020 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

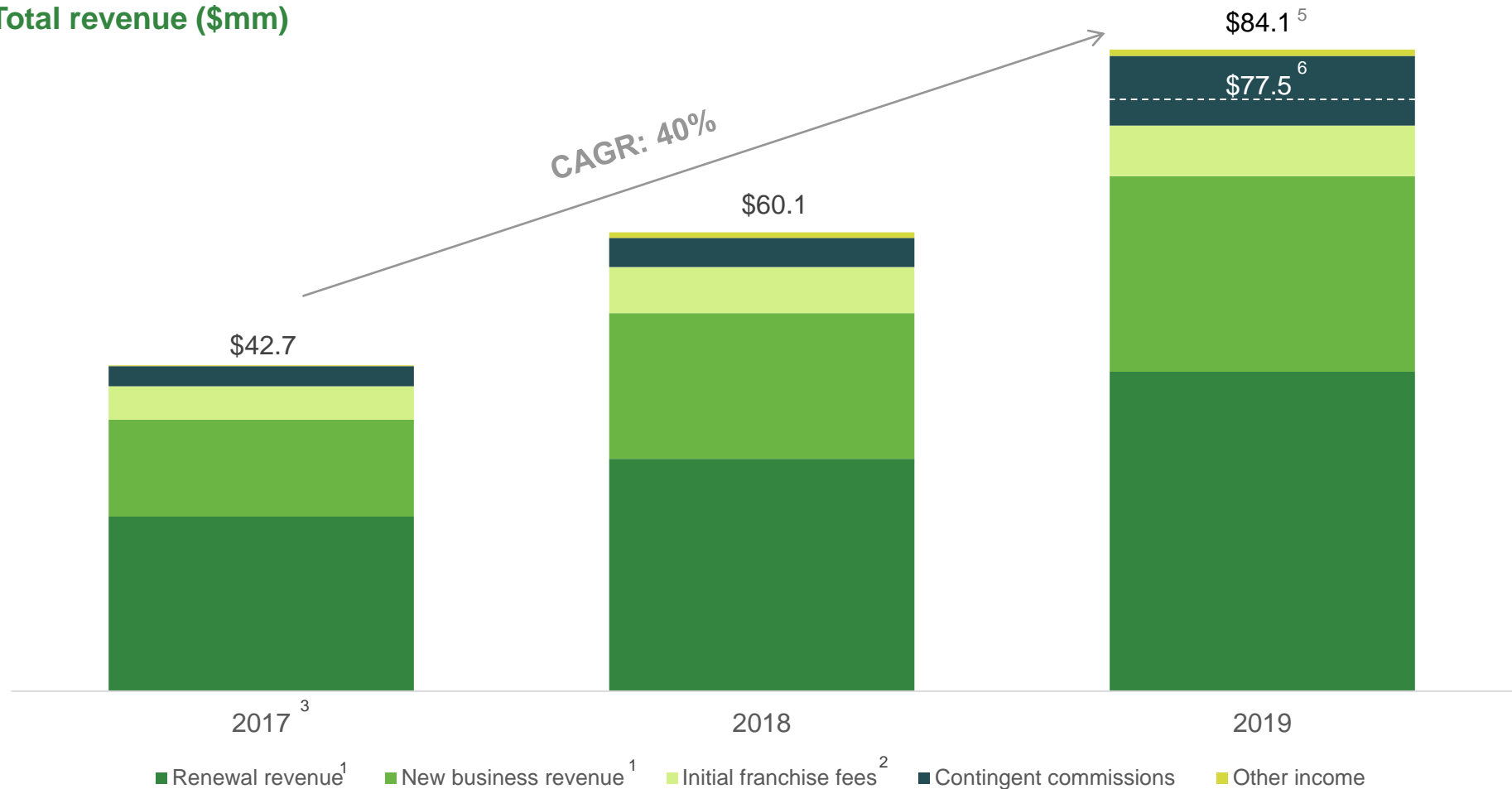


**Economics of our
Business**

Strong Revenue Growth and Stable Margins



Total revenue (\$mm)



Adj. EBITDA Margin⁴	25.1%	24.5%	27.1%
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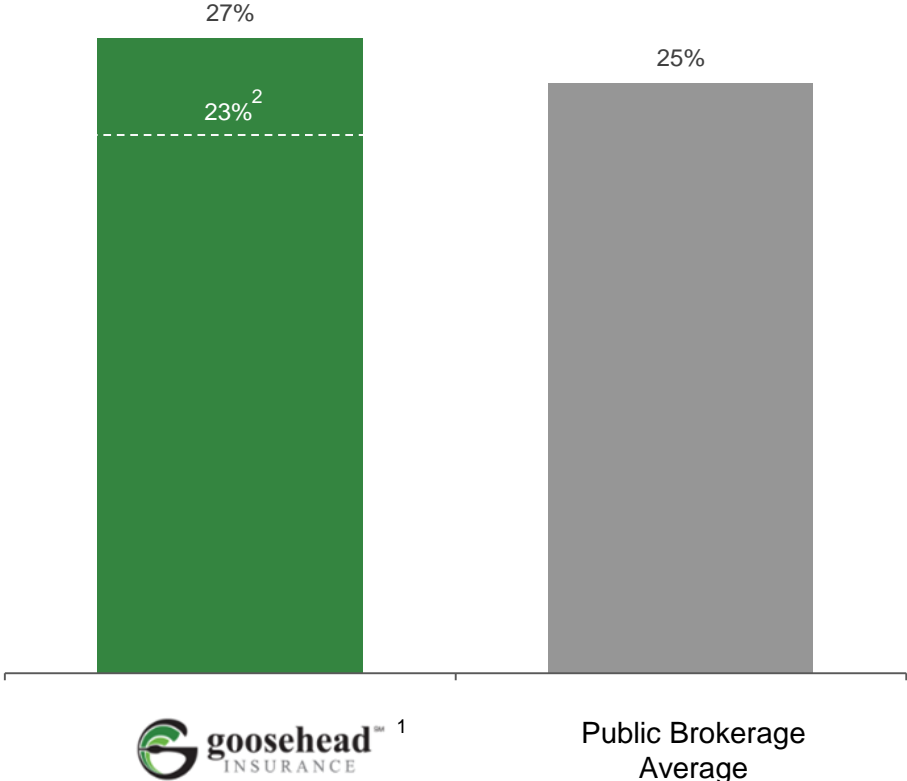
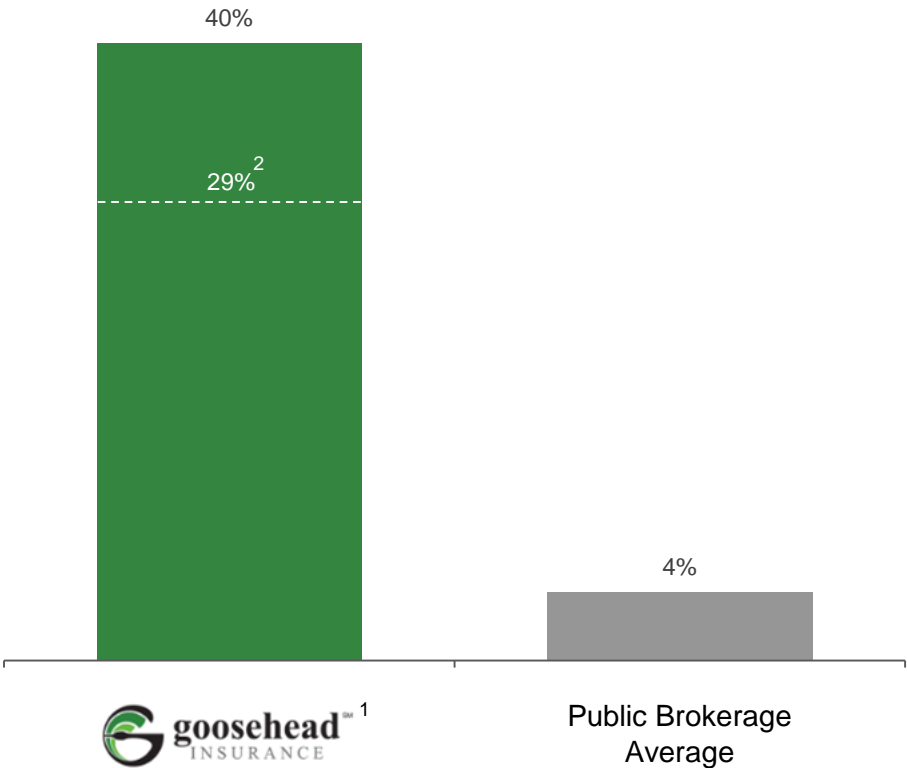
¹ Includes royalty fees; ² Related to the training and onboarding of new franchise locations; ³ Excludes gain on sale of \$3.5mm ⁴ See Appendix for GAAP reconciliation ⁵ 2019 Revenue as recognized under ASC 605 ⁶ Revenue as recognized under ASC 606

Outpacing the Industry in Growth with a Clear Path to Margin Expansion



2019 Organic revenue growth

2019 Adjusted EBITDA margins

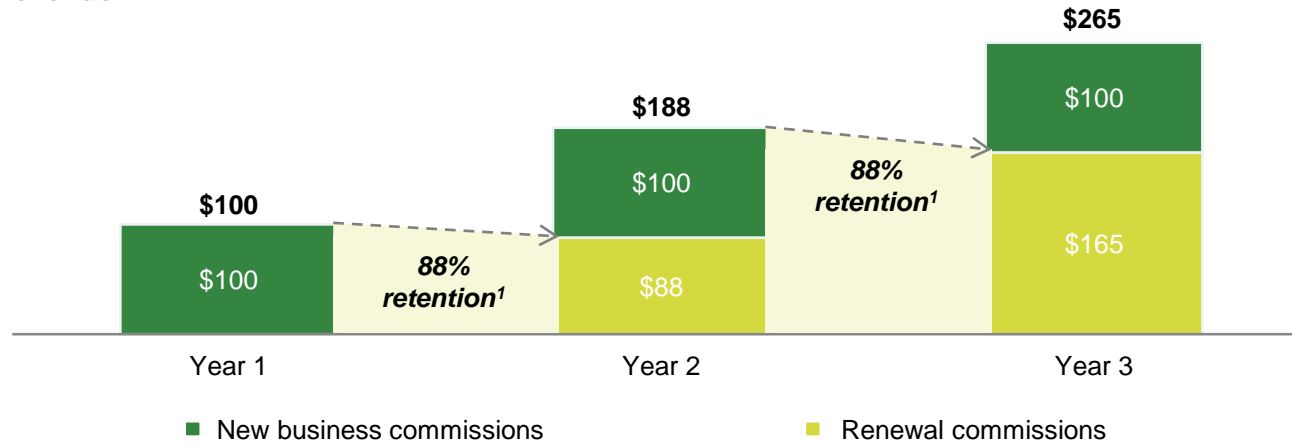


Source: Public filings; ¹ Represents 2019 Revenue and Adjusted EBITDA margin as recognized under ASC 605; ² Represents 2019 Revenue and Adjusted EBITDA margin as recognized under ASC 606 see Appendix for GAAP reconciliation.
 Note: Public comparables include AON, AJG, BRO, MMC and WLTW; represent North American retail insurance brokerage organic growth or closest approximation

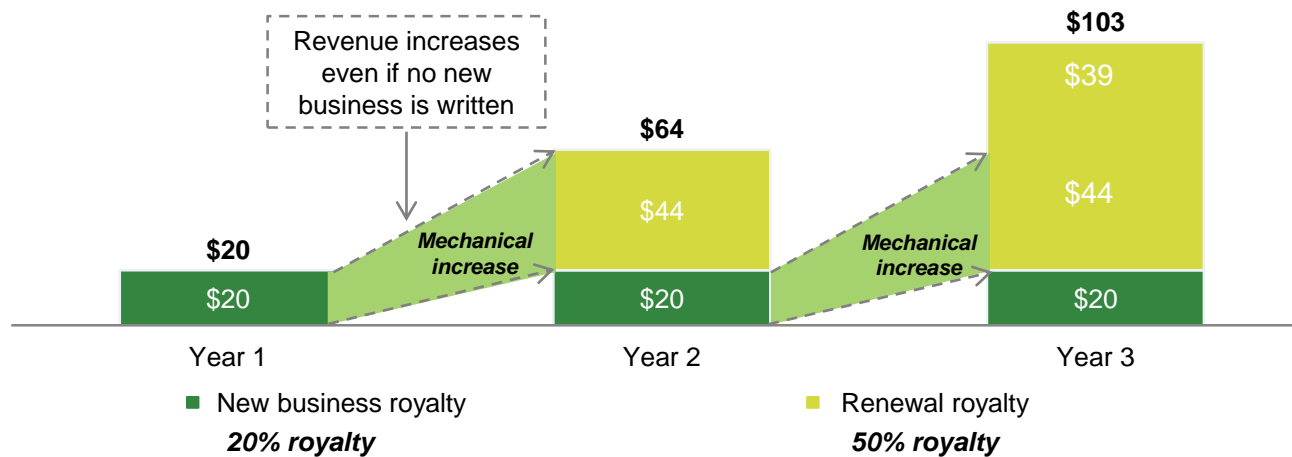
Compelling Economics Drive Growth And Visibility

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

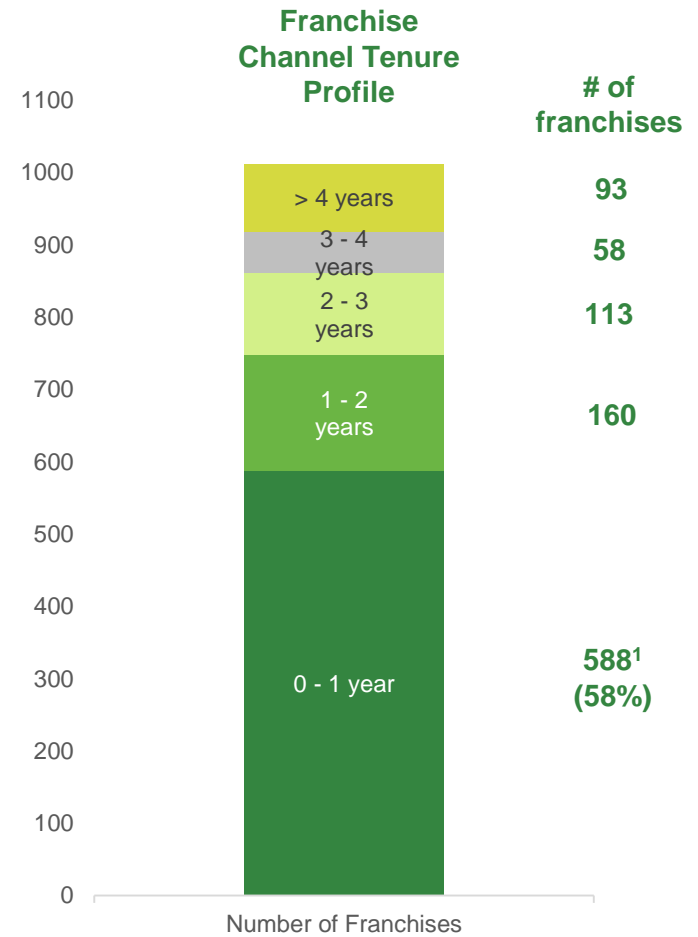
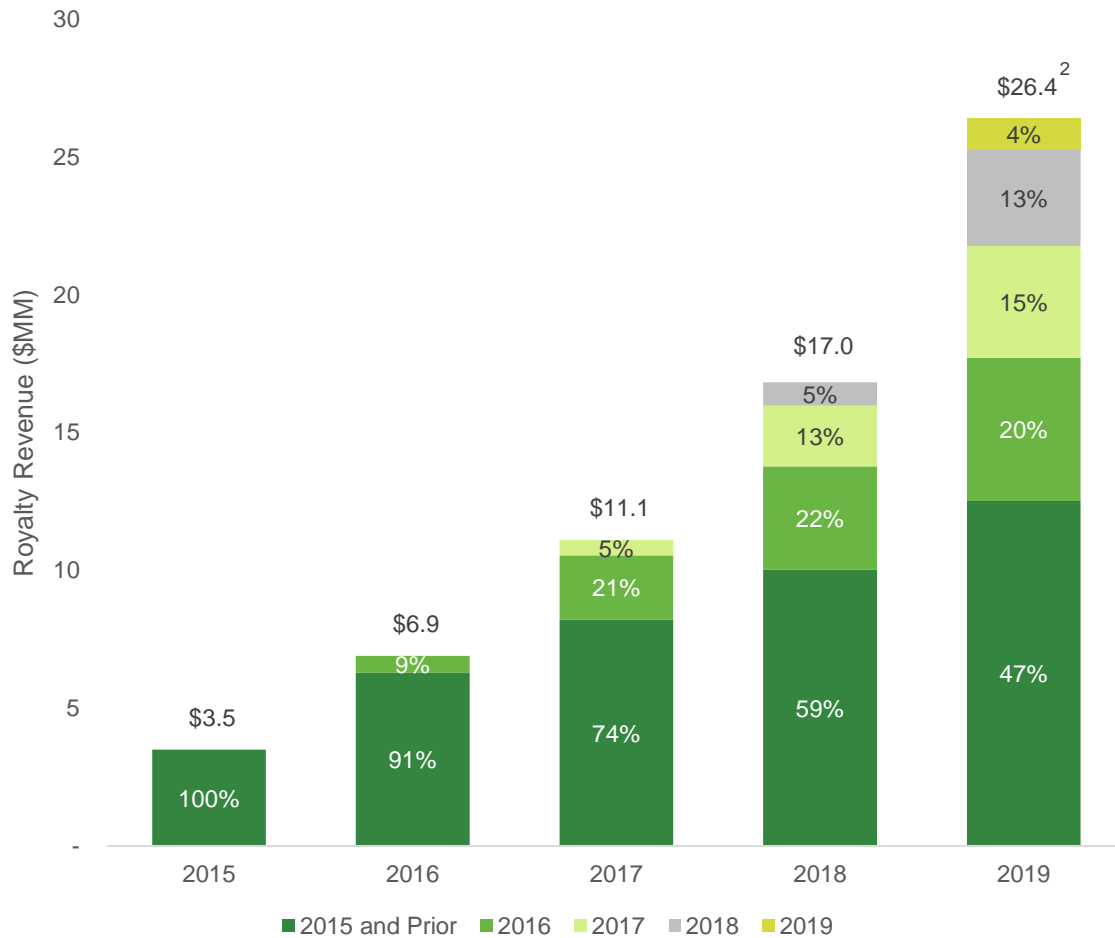
¹ Represents Q1 2020 client retention rate

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



YOY Unit Growth: 2015 (52%), 2016 (54%), 2017 (57%), 2018 (34%)

¹ Number of franchise locations include 333 franchises which are under contract but yet to be opened as of 3/31/2020 ² 2019 Revenue as recognized under ASC 605

Margins Increase Mechanically As New Business Becomes Renewal Business



New and renewal business costs

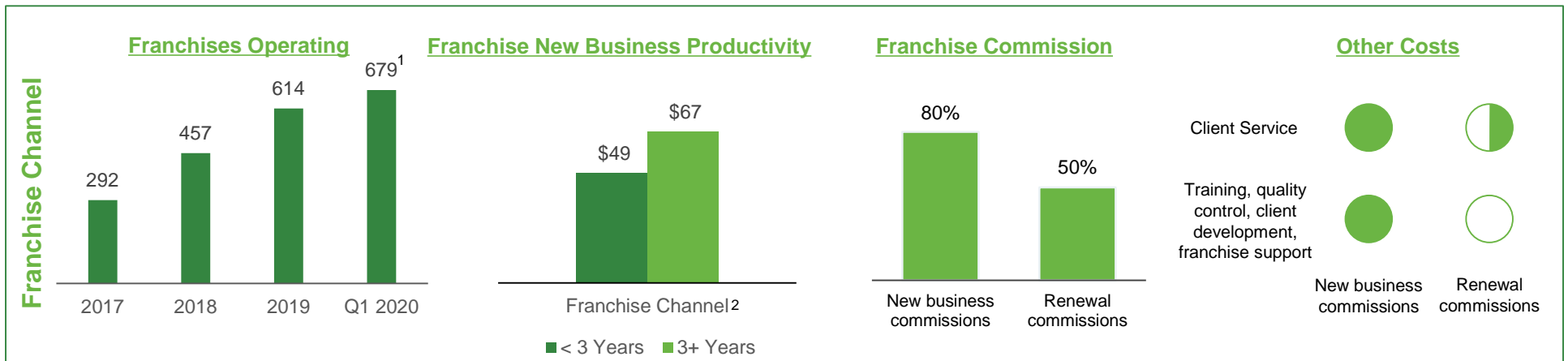
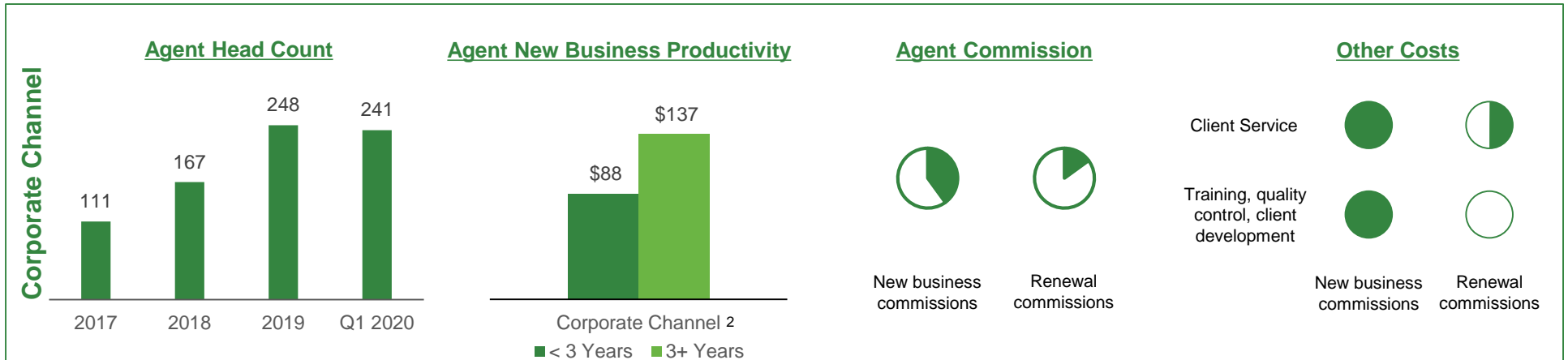
	New Business	Renewal Business	
Commissions to agents / franchisees (net revenue)	●	◐	■ >50% lower for renewal business
Client service salaries and bonuses	●	◐	■ Critical to both new and renewal business; burden heaviest for new clients
Quality control salaries and bonuses	●	○	■ Not relevant for renewal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

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 12/31/2019

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.

Michael Colby



President and Chief Operating Officer

Mr. Colby joined Goosehead Insurance in 2006, was promoted to Senior Vice President and Chief Financial Officer, and served in that role from 2010 to 2014. He was appointed Executive Vice President and Chief Operating Officer in 2011 and then promoted to President and COO in 2016. Mr. Colby has led the franchise operations of the company since 2011, leading Goosehead's exponential growth and expansion into several states. Earlier in his career, Mr. Colby worked with KPMG in their audit practice. He holds a B.B.A in Accounting and an M.S. in Finance from Texas A&M University.

Mark Colby



Chief Financial Officer

Mr. Colby has served as Chief Financial Officer since 2016. Mr. Colby joined Goosehead in 2012 as Manager of Strategic Initiatives, where he worked on Information Systems platform development and migration, real estate planning, and business diversification initiatives. Since his promotion to Vice President of Finance in 2015, Mr. Colby has overseen Goosehead's internal and external financial reporting, budgeting and forecasting, payroll/401(k) administration, treasury function, and Quality Control/Risk Management department. Prior to joining Goosehead full-time, Mr. Colby worked in Ernst & Young's Transaction Advisory Services and Audit service lines from 2009 to 2012. He graduated cum laude from Texas A&M University in 2009 with a B.B.A. in Accounting and a M.S. in Finance and is a Certified Public Accountant.

Ryan Langston



General Counsel

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 (cont'd)



Michael Moxley



Vice President

Mr. Moxley serves as Vice President of Service Delivery 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

Megan Bailey



Vice President

Ms. Bailey serves as Vice President of Franchise Sales for Goosehead Insurance. She joined Goosehead in 2011 to launch the franchise division of the firm. Goosehead has since grown to over 400 franchise locations in six years. She has over 15 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

Matthew Colby



Vice President

Mr. Colby is a Co-Founder of Goosehead Insurance's Houston Office and currently serves as Vice President of Agency Sales. He began his professional career at Charles Schwab as a 401(k) Associate in their Plan Conversions Department. He joined Goosehead Insurance Dallas as an Account Executive in 2007, and was promoted to Manager in 2008. In 2009, Mr. Colby moved to Houston to open Goosehead's first satellite office. Prior to working at Goosehead, Mr. Colby obtained a Bachelor of Science at Texas A&M University where he majored in Political Science with a minor in Business Administration

Gary Delavan



Vice President

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

Executive biographies (cont'd)



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.

Mark Jones, Jr.



Vice President

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.

Brian Pattillo



Vice President

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.

Dan Farrell



Vice President

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.

Non-GAAP Adjusted EBITDA Reconciliation



	<u>2017</u>	<u>2018</u>
Net Income	\$ 8.7	\$ (18.7)
Other (Income) Expense	(3.5)	0.2
Interest Expense	2.5	4.3
Depreciation and Amortization	0.9	1.5
Equity Compensation	2.2	27.1
Income Tax Expense	-	0.4
Adjusted EBITDA	\$ 10.7	\$ 14.8
Adjusted EBITDA Margin	25.1%	24.5%

Note: Financials represent Goosehead Financial, LLC and Subsidiaries and Affiliates. May not sum to total due to rounding.

Non-GAAP Adjusted EBITDA Reconciliation



	<u>2019</u> <u>(ASC 606)</u>	<u>2019</u> <u>(ASC 605)</u>	<u>2018</u> <u>(ASC 605)</u>
Net Income	\$ 10.4	\$ 15.3	\$ (18.7)
Other (Income) Expense	-	-	0.2
Interest Expense	2.4	2.4	4.3
Depreciation and Amortization	1.9	1.9	1.5
Equity Compensation	1.5	1.5	27.1
Income Tax Expense	1.3	1.8	0.4
Adjusted EBITDA	\$ 17.5	\$ 22.3	\$ 14.8
Adjusted EBITDA Margin	23%	27%	25%

Note: Financials represent Goosehead Financial, LLC and Subsidiaries and Affiliates. May not sum to total due to rounding.

2019 ASC 606 and 605



	2019 (ASC 606)	2019 (ASC 605)	2018 (ASC 605)
Total Revenues	\$77,486	\$84,098	\$60,148
Core Revenue:			
Renewal Commissions ⁽¹⁾	\$22,924	\$22,620	\$18,357
Renewal Royalty Fees ⁽²⁾	19,462	19,240	12,104
New Business Commissions ⁽¹⁾	11,961	11,892	9,347
New Business Royalty Fees ⁽²⁾	7,149	7,307	4,873
Agency Fees ⁽¹⁾	6,058	6,548	5,169
Total Core Revenue	67,554	67,607	49,850
Cost Recovery Revenue:			
Initial Franchise Fees ⁽²⁾	3,784	6,640	6,045
Interest Income	617	625	422
Total Cost Recovery Revenue	4,401	7,265	6,467
Ancillary Revenue:			
Contingent Commissions ⁽¹⁾	5,423	9,118	3,831
Other Income ⁽²⁾	108	108	-
Total Ancillary Revenue	5,531	9,226	3,831
Total Revenues	\$77,486	\$84,098	\$60,148

Note: Financials represent Goosehead Financial, LLC and Subsidiaries and Affiliates. May not sum to total due to rounding.