



Investor presentation

March 26, 2024

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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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Meet Goosehead

Our History



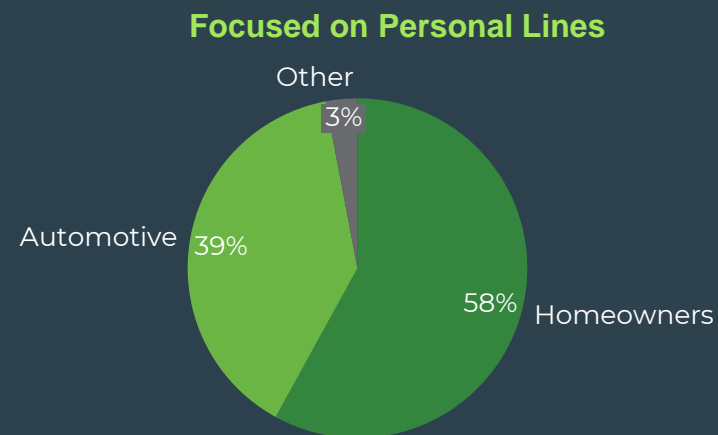
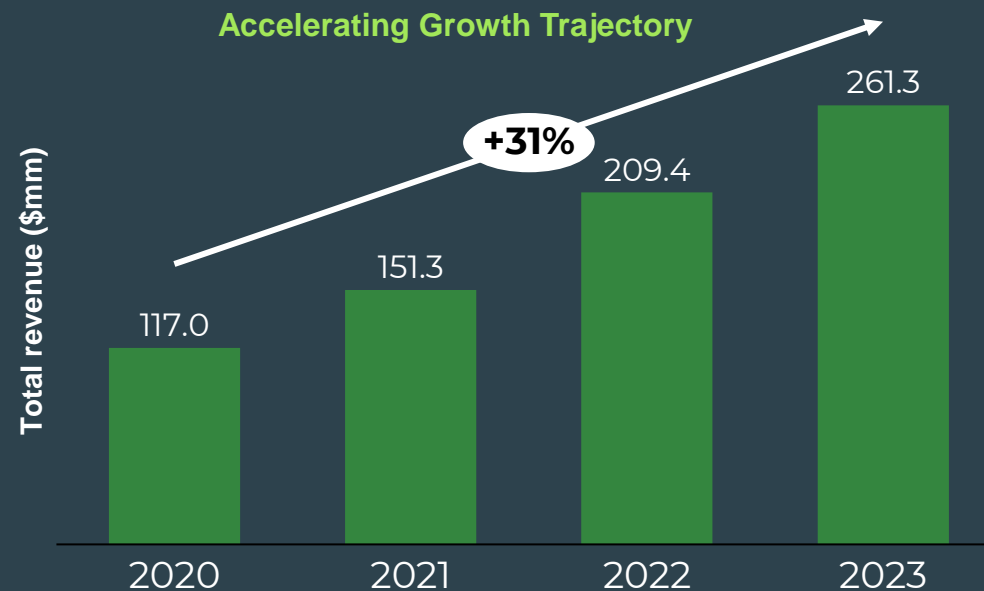
14
corporate offices

1,400+
employees

~2,300
selling agents across
corporate & franchise

Investment Highlights

- 1 We've built a differentiated business model positioned to grow in a massive & fragmented industry
- 2 We have a robust and innovative technology platform
- 3 We deliver better value for clients, agents, and carriers
- 4 Proven track record of strategically solving industry challenges
- 5 Recurring revenue with expanding margins and a very long runway for growth



TTM Dec23 Total premiums: \$3.0B

About Us

~\$3.0B

in total written
premiums

\$261M

YTD 2023 Revenue

25%

YTD 2023 revenue growth

92

Net Promoter Score

~1.50M

Policies in Force

86%

Industry leading customer
retention

1,226

Operating franchises

2,257

Total Producing Agents

Our Purpose

Navigating insurance
so you don't have to

The Goosehead Mission

Providing an unrivaled insurance experience through:

Power of Choice

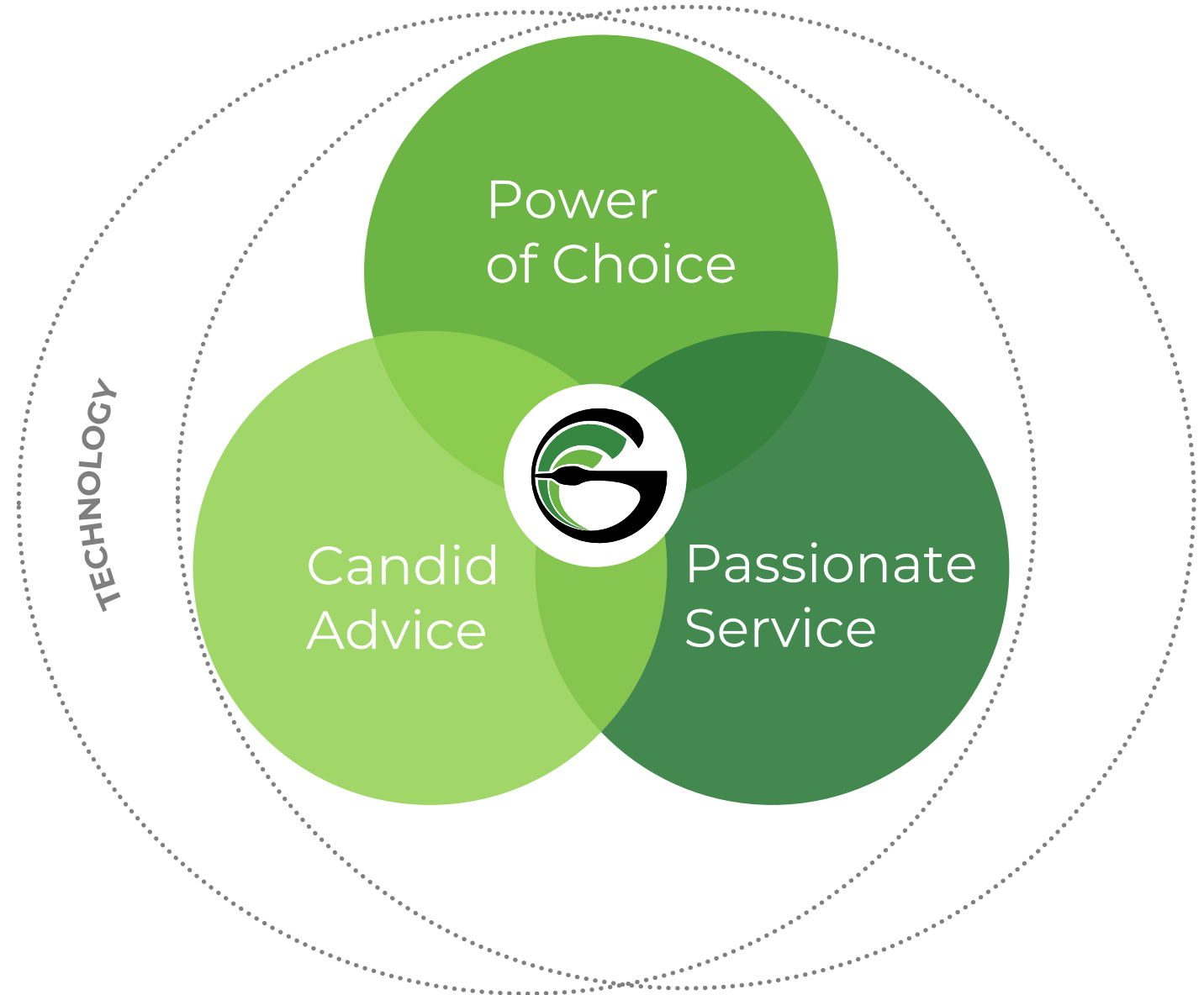
The choice model provides consumers with best experience, the right coverage, the lowest price and a greater opportunity for agents.

Candid Advice

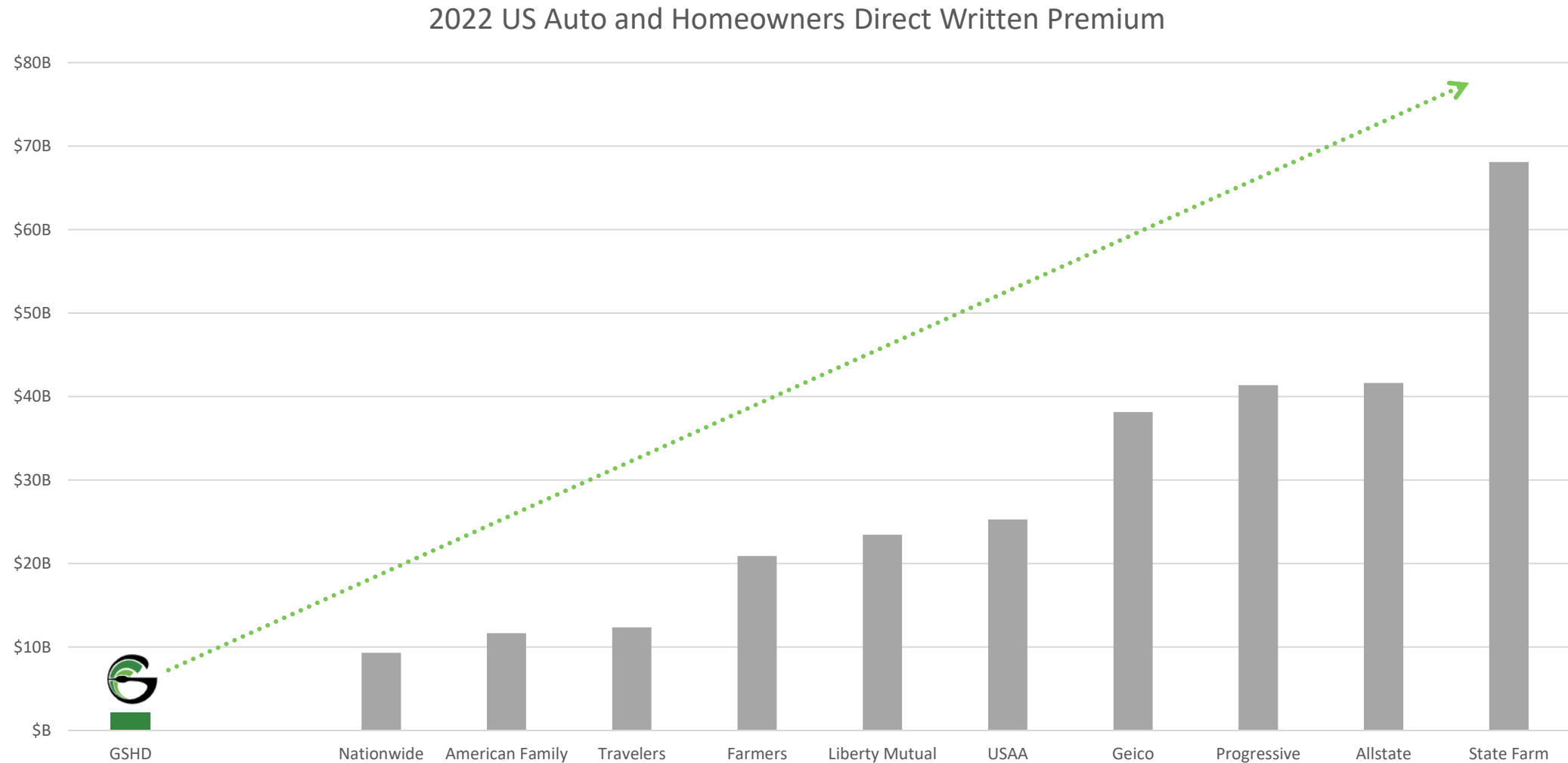
Knowledgeable sales and service agents are critical to help consumers understand their policy and make smart insurance decisions.

Passionate Service

Agents provide a superior service and experience by leveraging technology to simplify the shopping process and engage with clients through the method they prefer.

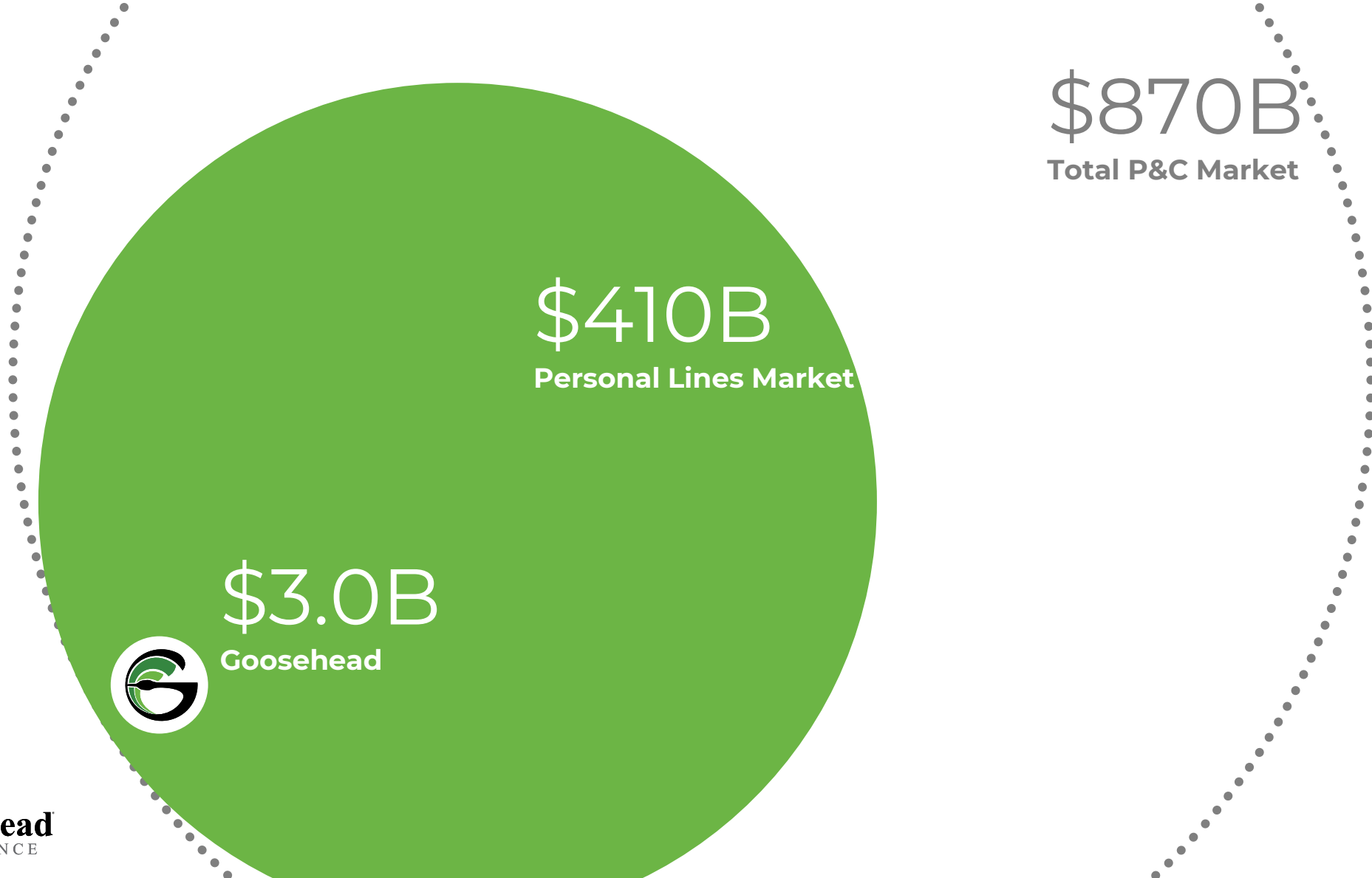


Goal: Be the Largest Personal Lines Distributor in U.S.



The Opportunity

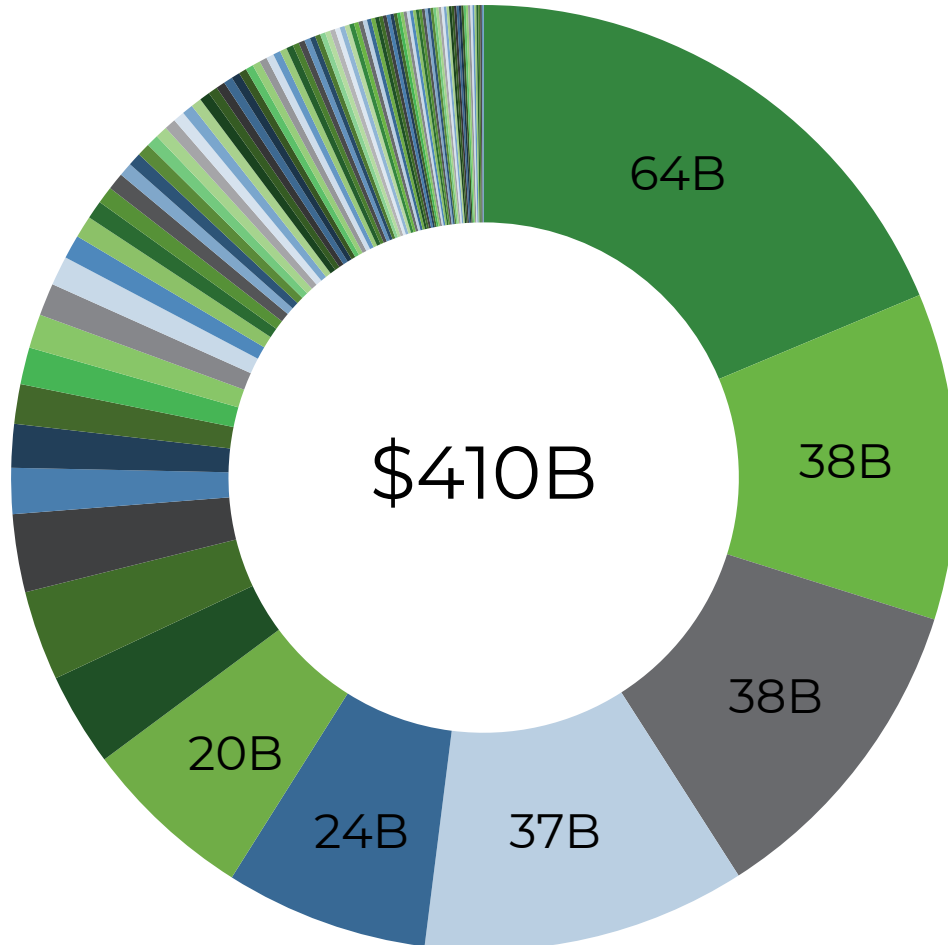
TAM: The Opportunity is Massive



\$870B
Total P&C Market

The U.S. Market is Highly Fragmented

\$410 Billion Total Written Premium in 2022



- 450+ Carriers
- 160 carriers > \$100M in premium
- No US carrier has more than 20% market share

Personal Insurance Market



Independent Agencies

Captive Agencies Owned By Carriers

Carriers Direct To Customer

Business Model

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

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

Very small businesses selling products from only **one carrier**

One carrier which sells products directly to clients



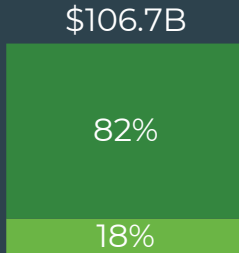
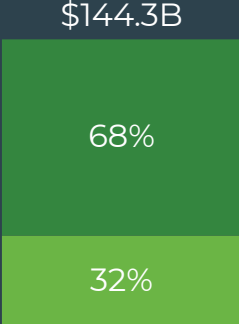
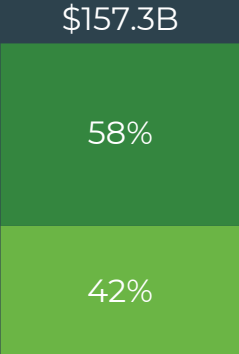
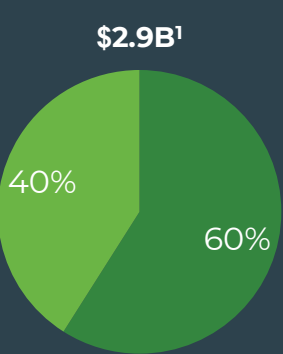
Product Choice



Service Quality



U.S. Premiums



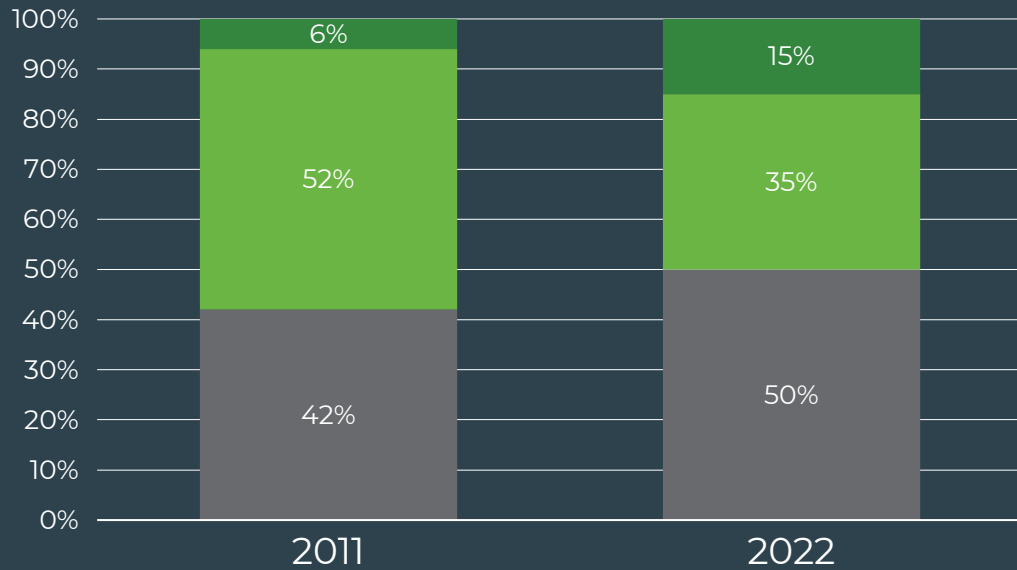
Home Auto



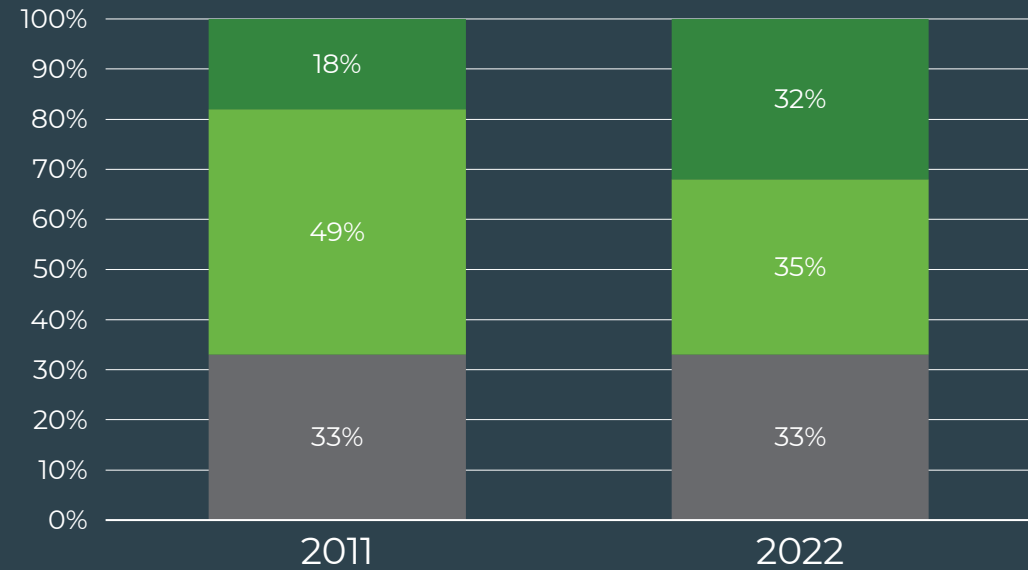
¹ Represents GSHD 2023 total written premiums excluding commercial and excess liability premiums and 2022 premiums for the industry, the most recently available data.

Independent Agent Distribution Continues to Expand

Homeowners Premium Mix by Distribution



Auto Premium Mix by Distribution



2008
Liberty Mutual acquires Safeco, expanding independent agent distribution.

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

2021
Farmers announces acquisition of MetLife home and auto

2022
Liberty Mutual acquires State Auto; all Liberty Mutual exclusive agents transitioned to independent agents

Attractive Market Dynamics

- 1 Compulsory product that is required by law and/or lenders
- 2 Client experience with legacy agencies are challenging lacking choice, advice and quality of service
- 3 Fragmented, unfocused competition
- 4 Large, well-funded competition impaired by single carrier platforms
- 5 Carriers regulated by 50 separate state agencies

Why Goosehead

The Problem: Buying Insurance is Unpleasant

- ⇒ Asked questions they don't know how to answer
- ⇒ Presented with options they don't understand
- ⇒ Bombarded with sales pitches
- ⇒ Wasted time - can't compare 400+ companies
- ⇒ Resulting in over-paying or not having the proper coverage

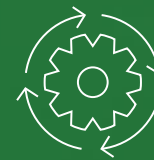
With Goosehead: Power of Choice, Candid Advice, and Passionate Service



Choice model provides best experience, price and coverage



Knowledgeable sales and service agents help consumers make smart decisions



Agents provide superior experience to simplify shopping-“Agents for Life”

Without Goosehead: If You're an Agent, Selling Insurance is Challenging



Glen, former agency owner in Florida lacked access to data, technology and partners

- ⇒ Limited by low close rates and smaller addressable market
- ⇒ Struggle to build scale because they handle all servicing
- ⇒ Antiquated technology
- ⇒ Expensive and ineffective marketing tactics lead to high overhead

With Goosehead: Agents Can Scale With a Turnkey Franchise Solution



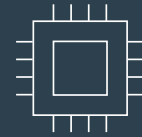
Glen, Agency Owner in Florida has tripled his business with Goosehead.



Have immediate access to a competitive carrier portfolio with over 150+ options



Agents can focus on sales, with full outsourcing of all policy servicing



Have access to industry leading technology



Have access to proven marketing targeting real estate professionals

Solution: Goosehead Agency Model

Maximizing New Sales per Producer

Back Office Scaled for Growth



Building Bigger Agencies More Profitably in Less Time



Glen Lubin, Agency Owner in Florida has tripled his business with Goosehead.



Tripled his business



Brenda Carmona-Canales, Agency Owner enjoying thriving business



Producing big volume with half the staff compared to her former agency



Erin Lewis, Agency Owner has built a multi-million-dollar agency in 2 yrs.



Rebuilt business in 2 years that took her 10 yrs with prior agency

Focused on Referral Partners for Organic Leads

By adding value to loan officers and realtors, we generate high quality leads at low cost.



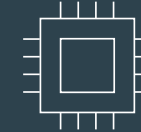
150+ Insurance companies

With the market's best insurance companies at their fingertips, our agents can recommend the best coverage on the market — and find the best price for it.



Service

Our dedicated binder team returns binder change requests within an hour of receipt. That means insurance will never be the reason a closing is held up.



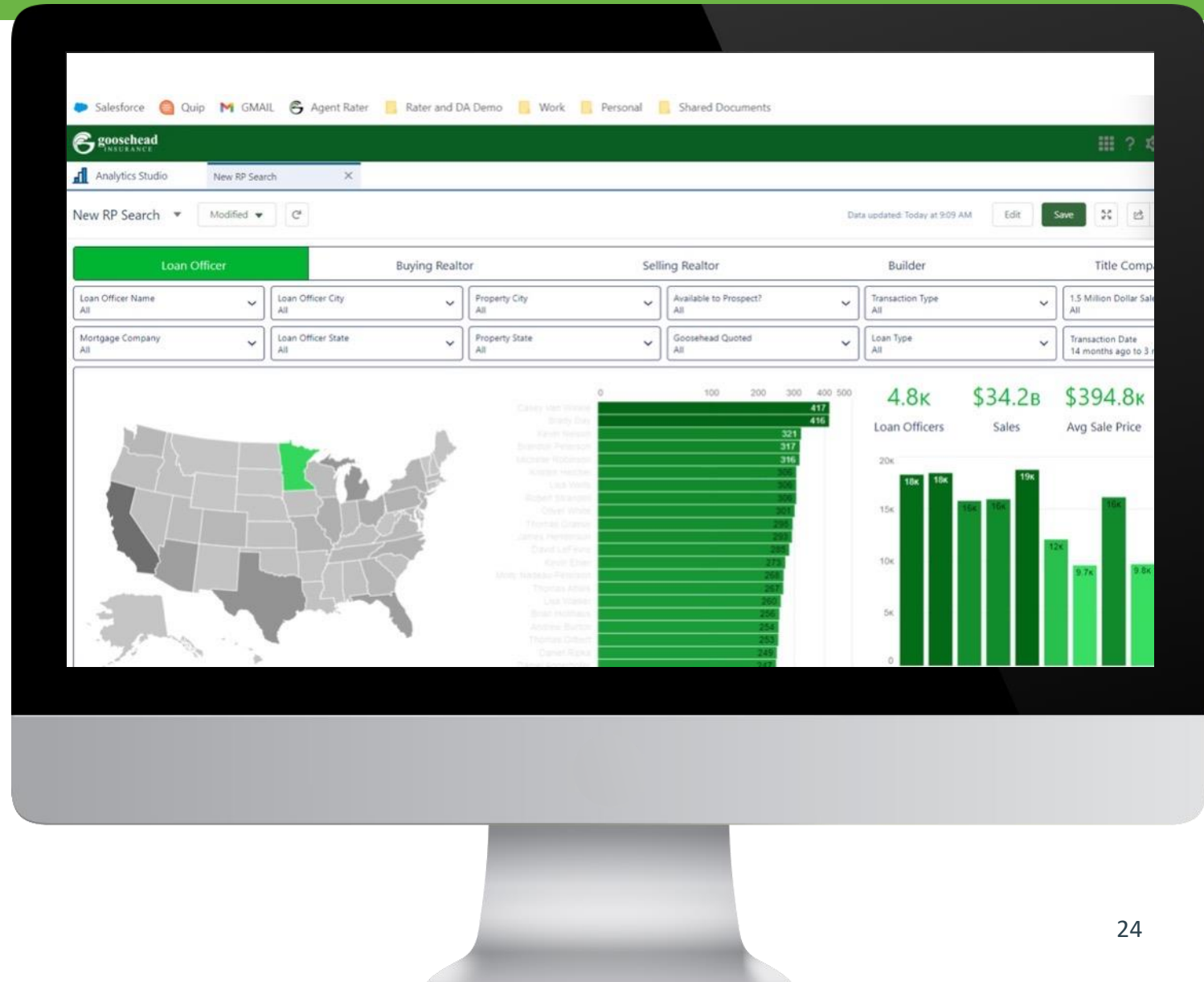
Technology

We invest heavily in technology that tracks loan officer and realtor activity across the nation, so our agents can give you insights into trends in your market, such as new or upcoming realtor producers.

Referral Partner Search Tool

Data base of loan officers

- Database of home transactions tied to loan officer, realtor, title, builder
- Market insights to highest producers in agents geography
- Drives more efficient and profitable go-to-market strategy
- Enables coordination between Goosehead agents
- Major advantage over competitors-very difficult to replicate

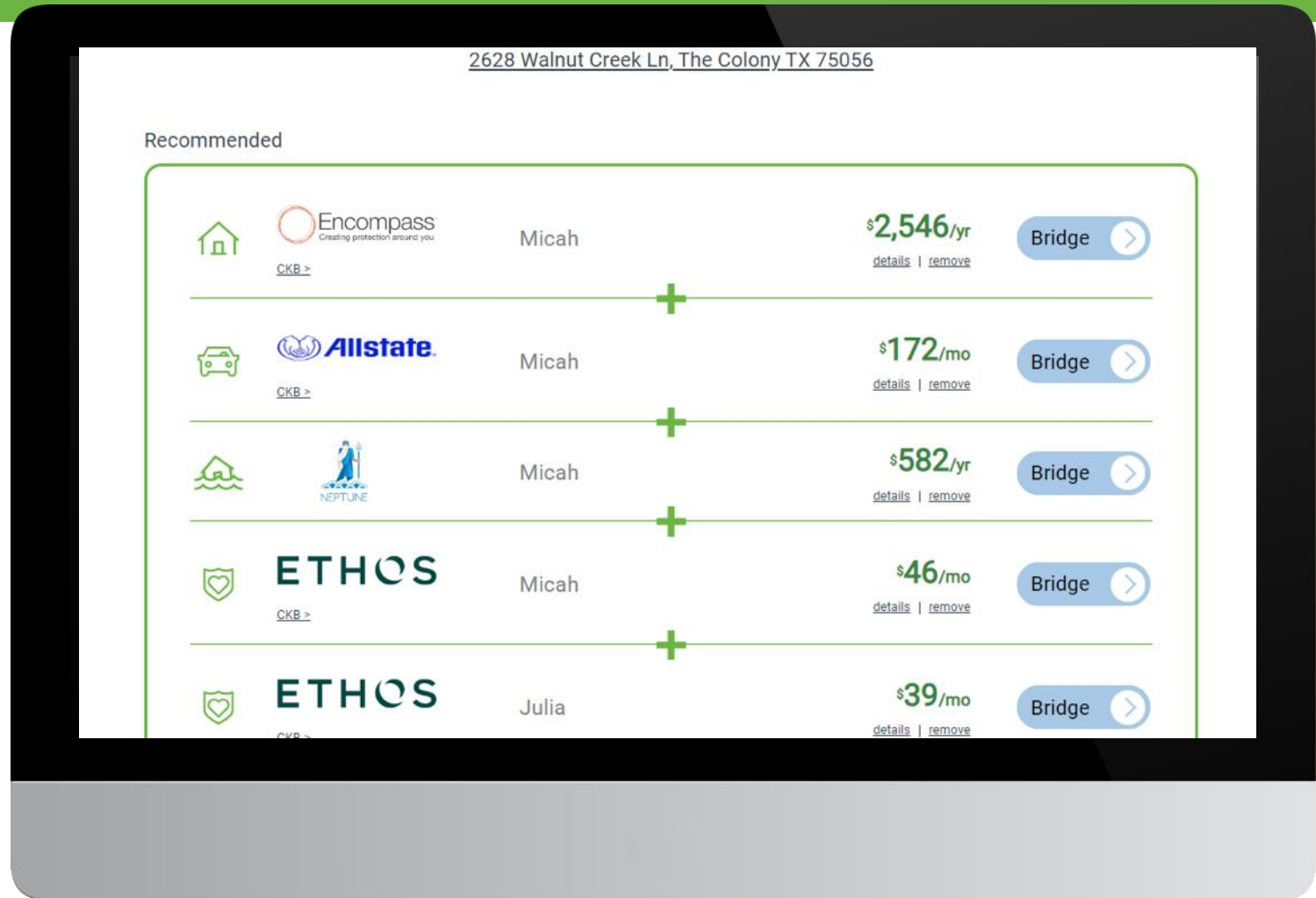


New Agent Comparison Tool

AVIATOR

Matching clients to the best coverage

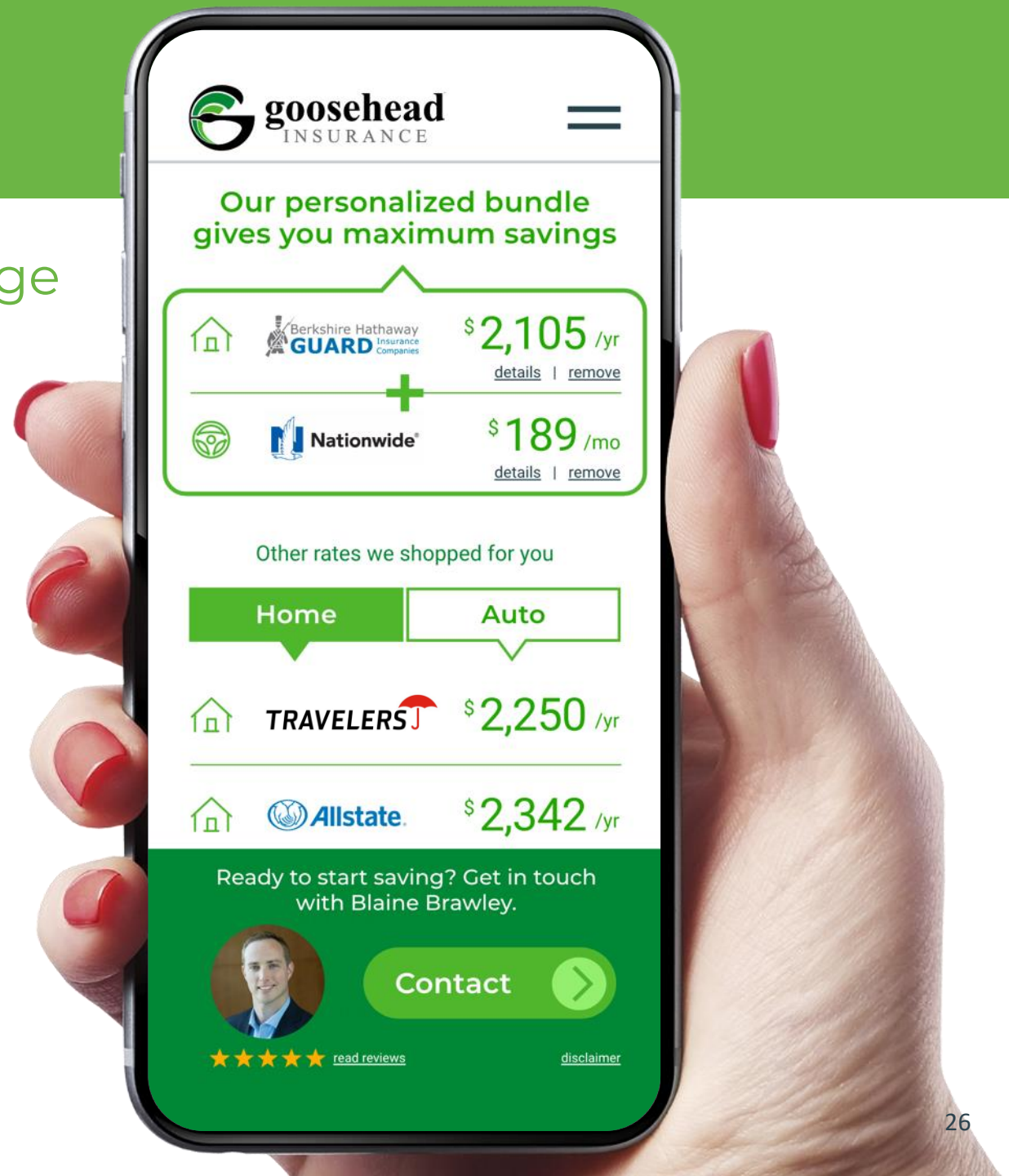
- Streamlines process with pre-filling of data
- Recommends bundles allowing agents to offer more in one call
- Quote time up to 80% faster



Proprietary Digital Agent

Matching clients to the best coverage

- Clients input as little as 3 data points, name, address, DOB
- Agent-driven machine learning data – 40M+ data points & 18 yrs. of agents quoting decisions
- Deep integration with over 150 insurance companies
- Provides real time quotes & best pricing in under 2 minutes
- Clients routed directly to agents via personalized link



Best-In-Class Customer Service Drives High Retention

92

Net Promoter Score

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 86% in Q4 2023



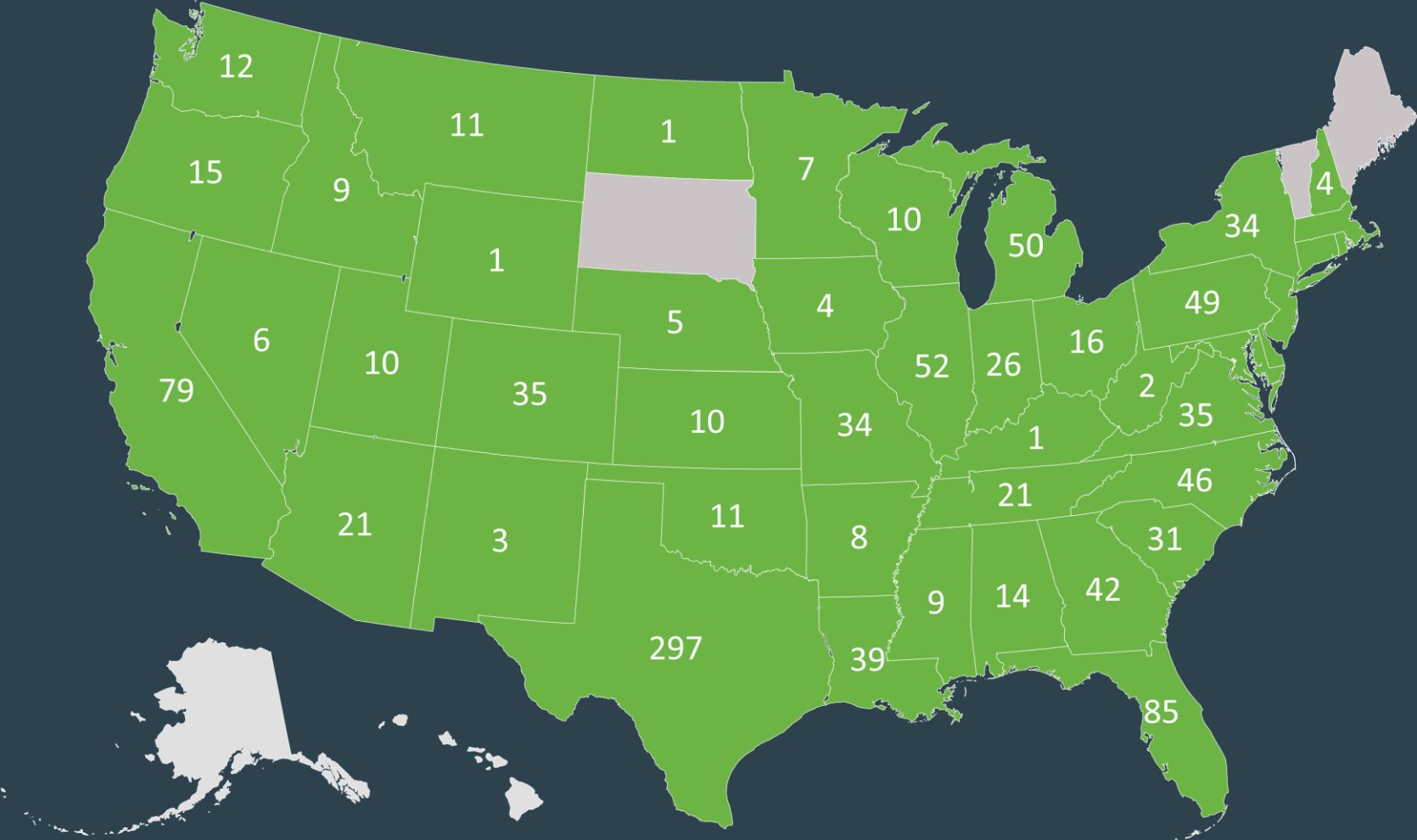
Meaningful Expansion

1,957

Franchise Producers

1,226

Operating Franchise Locations



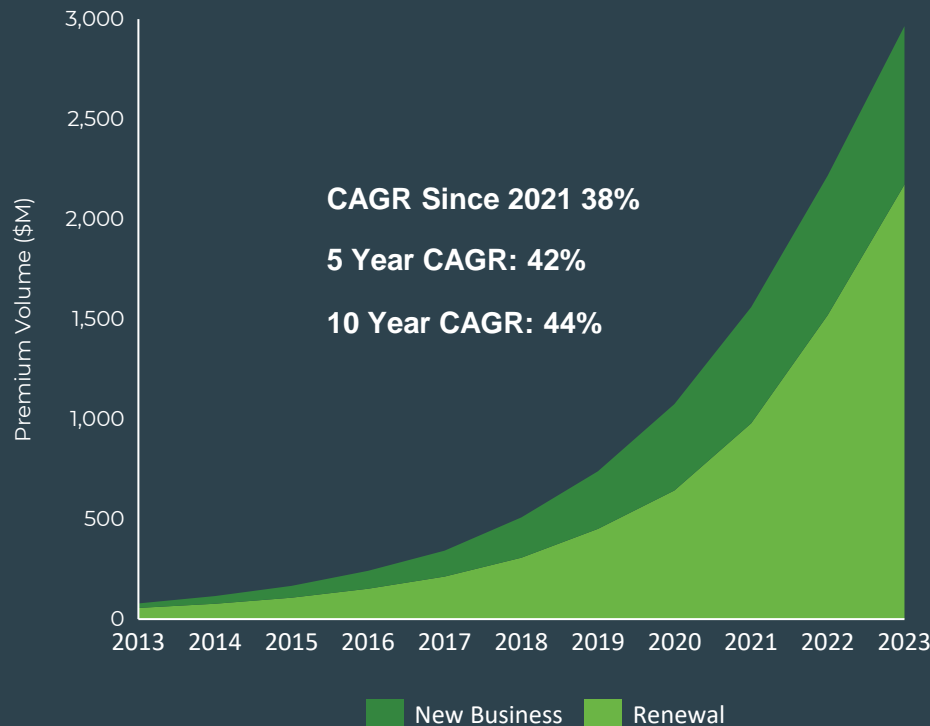
States without operating franchises or corporate offices as of 12/31/2023

Rapid Responsible Organic Growth

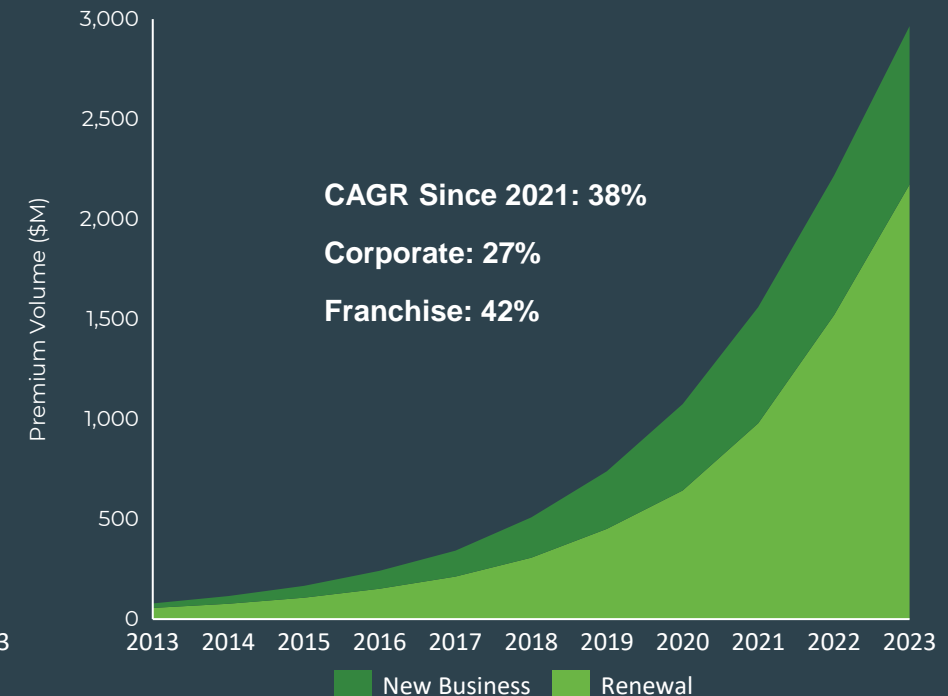
\$3B

in total written premiums

New Business and Renewal Premium Growth

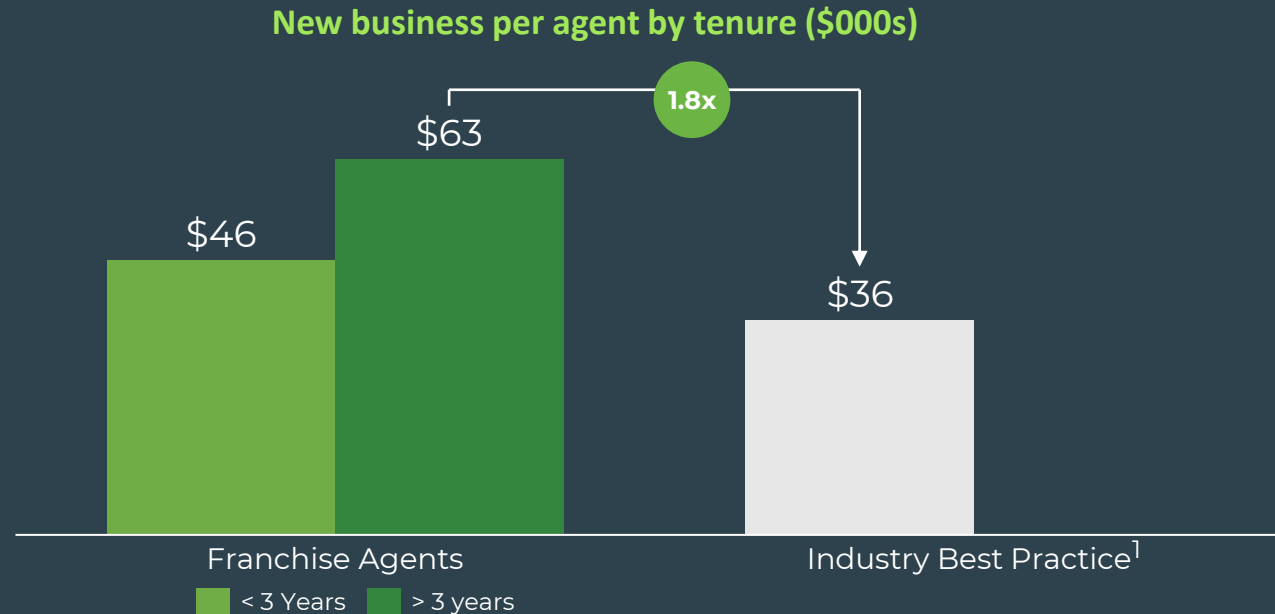


Corporate and Franchise Network Premium Growth



Growth Drivers

Franchise Growth: Industry Leading Productivity



Goosehead training for franchisees

Level 1

Sales College

- Weekly training
- Territory & Regional support meetings
- Focused one-on-ones, Goosehead managers w/agency owners

Level 2

Next level training

- Five-day training to take production to next level
- Focus on referrals time management and efficiency

Level 3

L3 Training

- Focuses on developing plans & scaling for agency owners
- Creating a hiring business plan

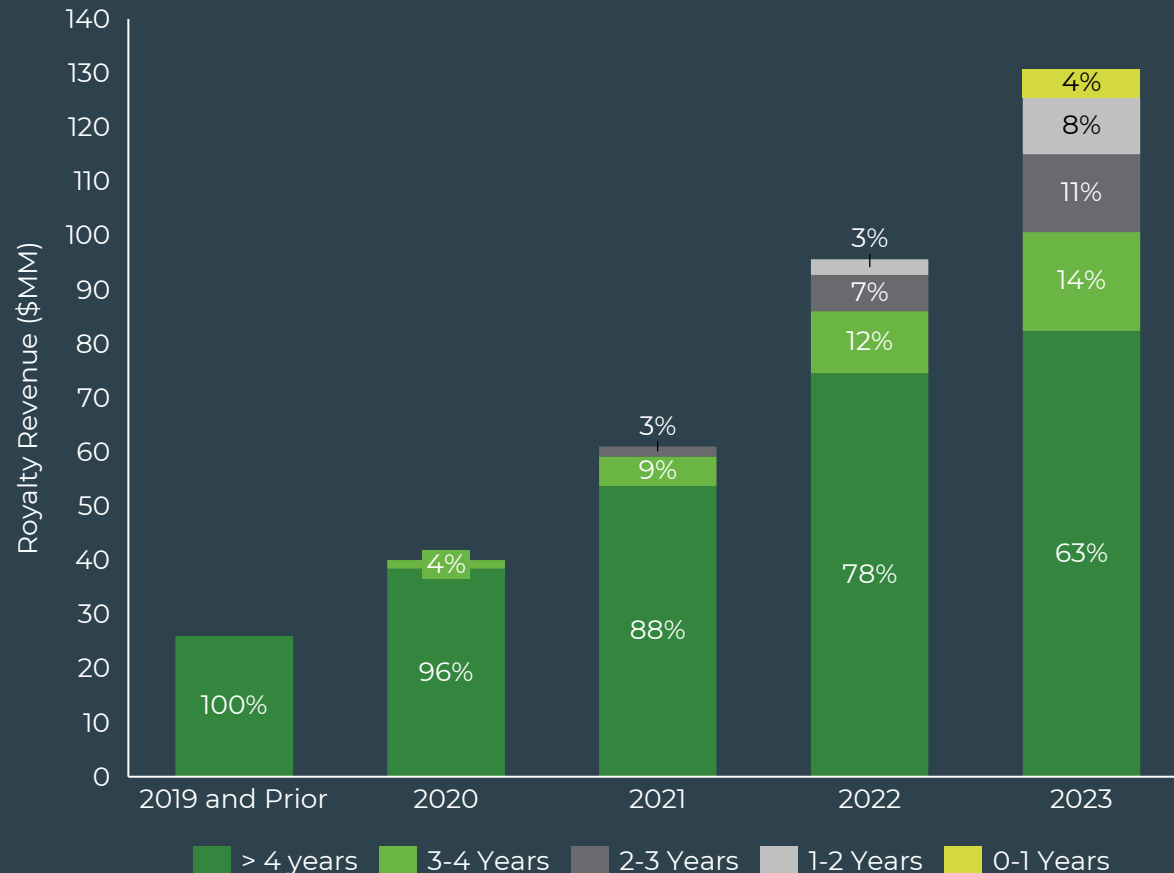
Level 4

Hiring Program

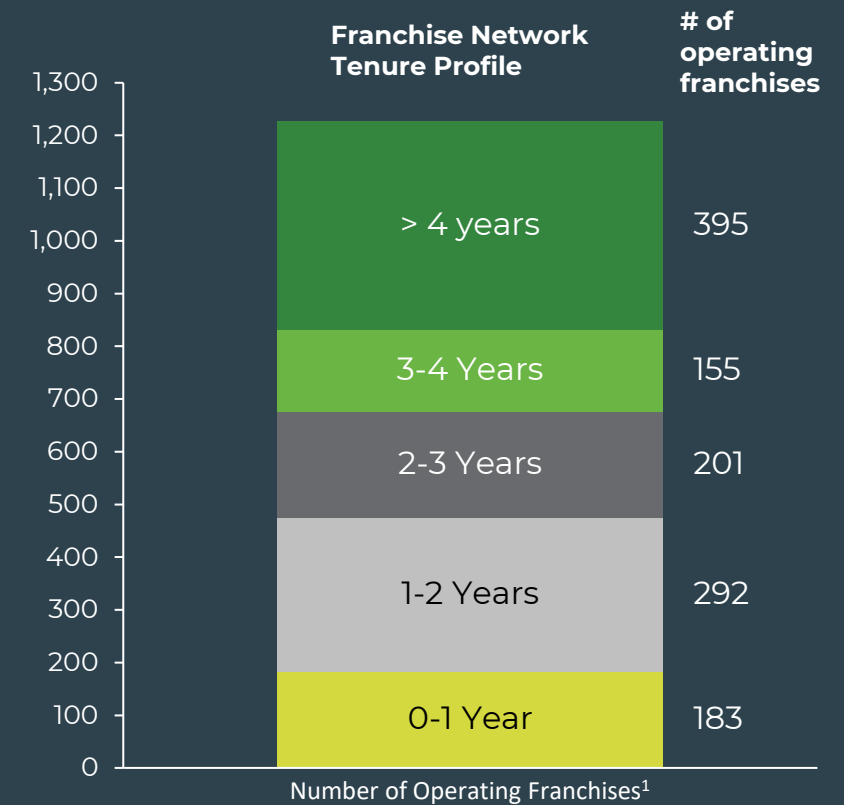
- Goosehead will recruit, vet, interview and score candidates for agency owners

Predictable Organic Growth Opportunity

New Franchise units take several years to materially impact revenue

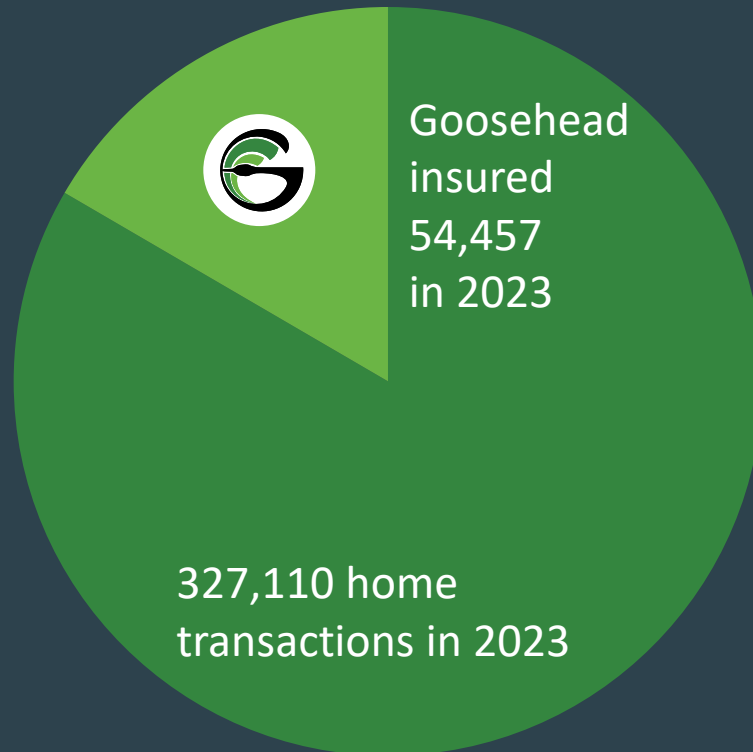


Young tenure of franchises provides large volumes of predictable future revenue

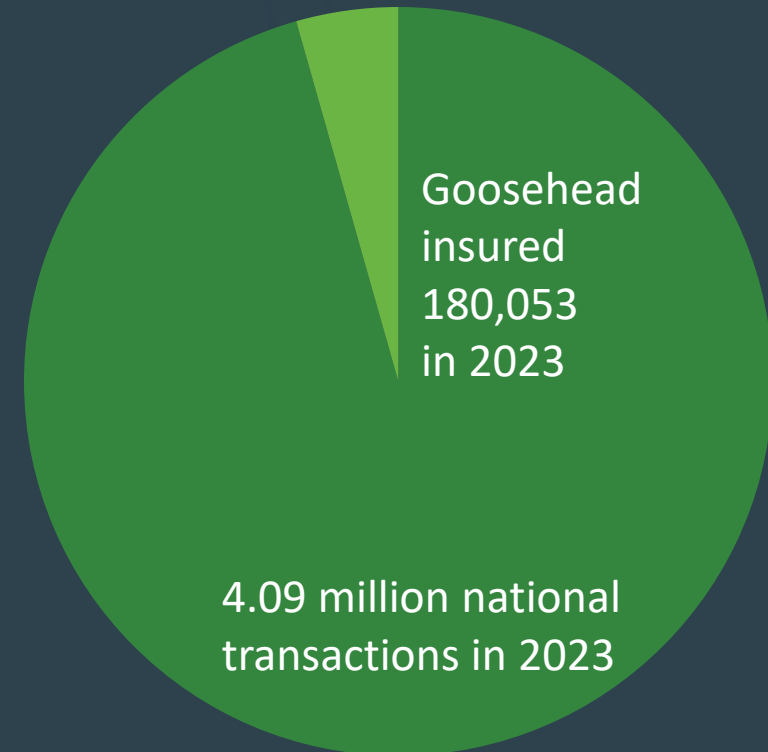


Huge Runway to Grow Home Purchase Market Share

Goosehead has 16.6% market share in Texas



Goosehead has 4.4% national market share



Goosehead Home Transactions in TX
Total Texas Home Transactions

Goosehead National Transactions
National Transactions

Corporate Network Drives Franchise Growth

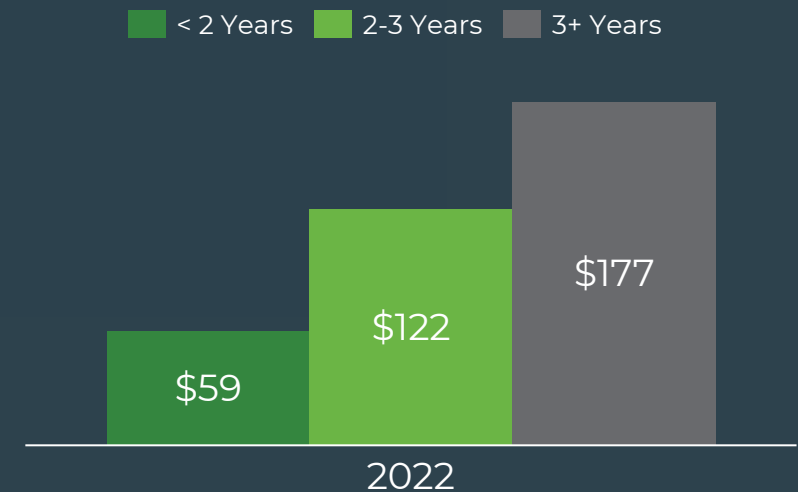
New Business per Agent by Tenure (\$000s)



Corporate recruiting fueling franchise growth

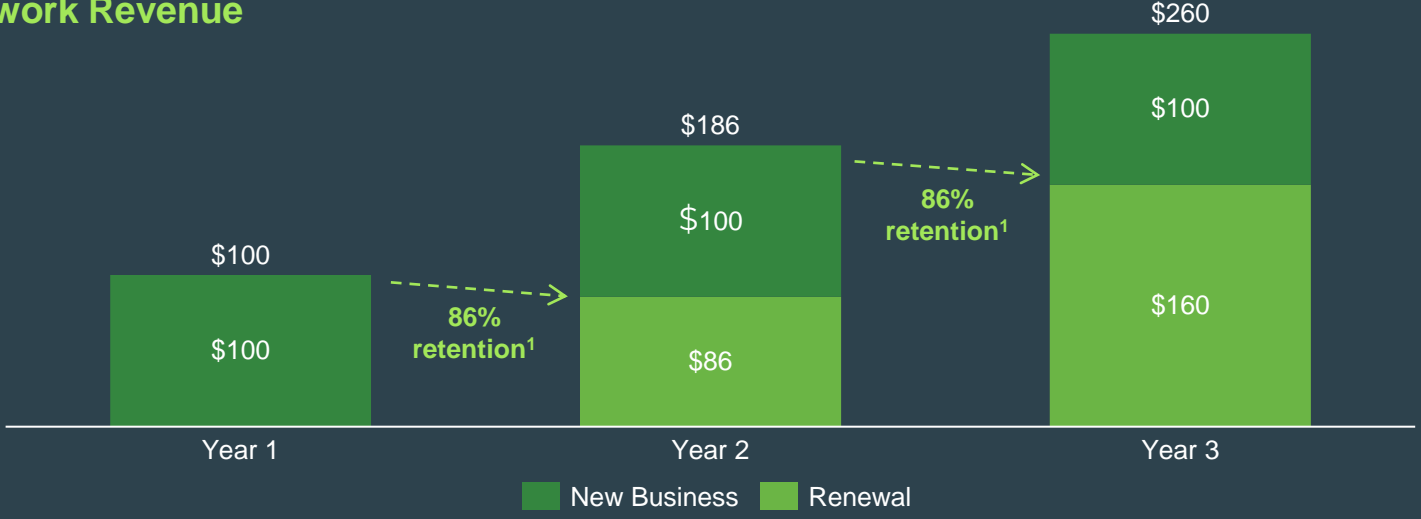
1. Proven on campus recruiting strategy to attract top sales talent
2. Corporate network demonstrates best practices for franchises
3. Corporate network is a launch pad for franchises

Average Corporate Agent Compensation by Tenure (\$000s)

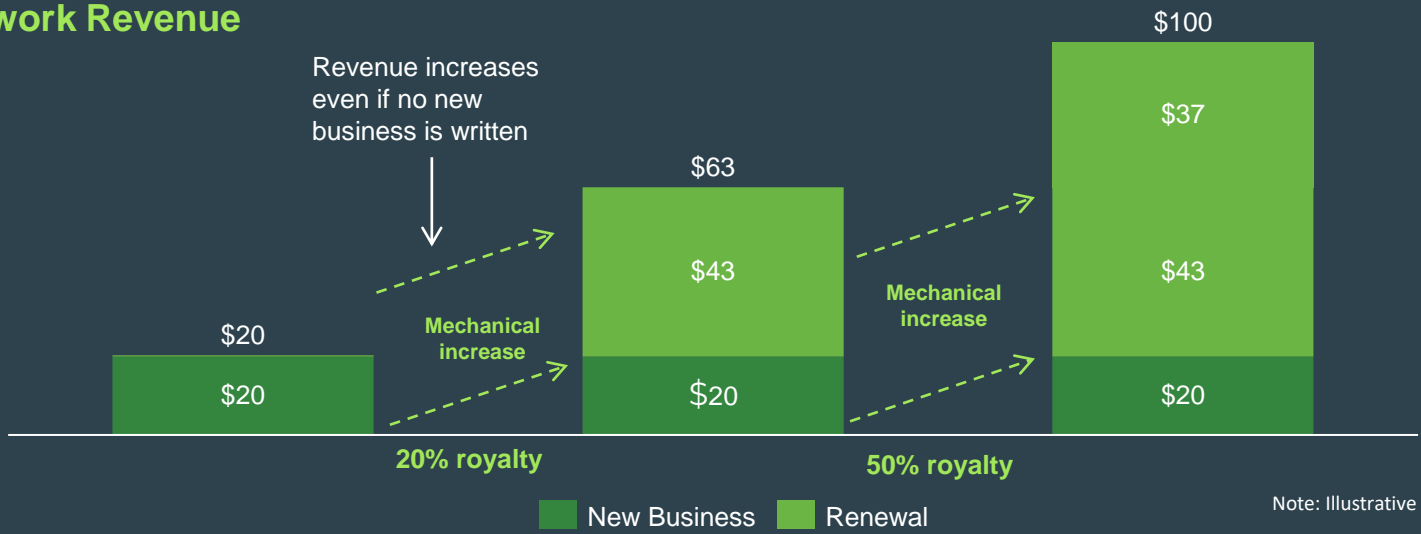


Embedded Growth Through Client Retention

Corporate Network Revenue



Franchise Network Revenue



Multi-Network Marketing Growing Traffic

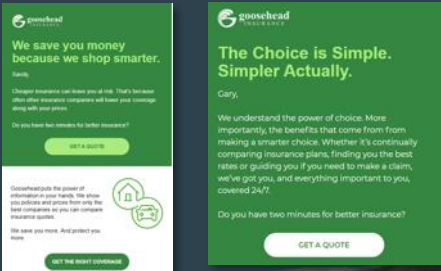
Mobilizing our Agents



Search Engine Optimization



Email/SMS Journeys



Reviews



Social Media

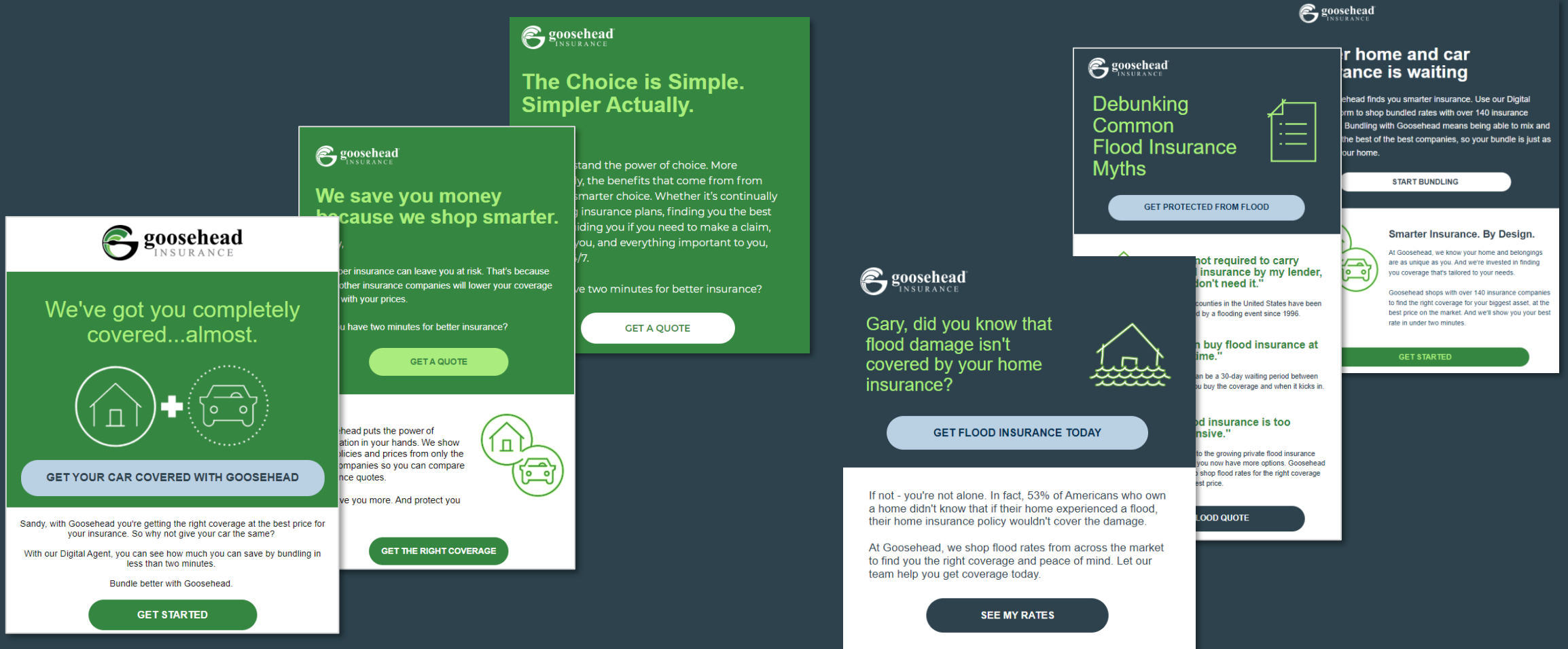


Digital / Partnerships

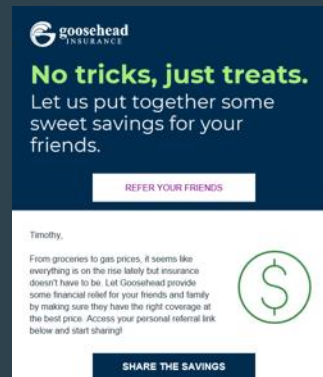
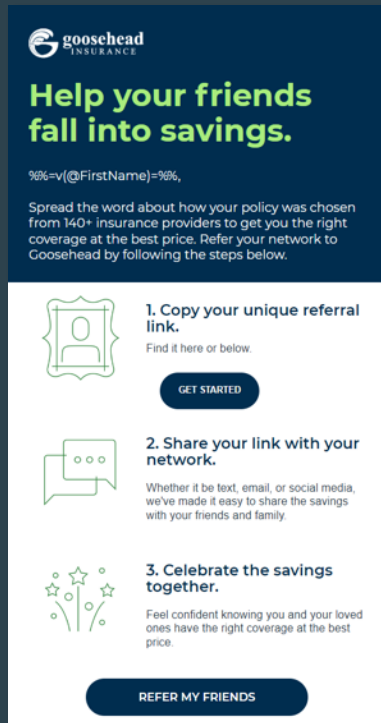
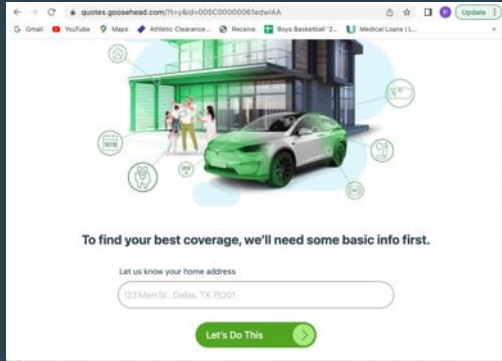
Public Relations

Cross-Sell Email Program Generating Millions in Revenue

Driving organic traffic by leveraging our own book of business



Growing Low-No Cost Client Referral Program

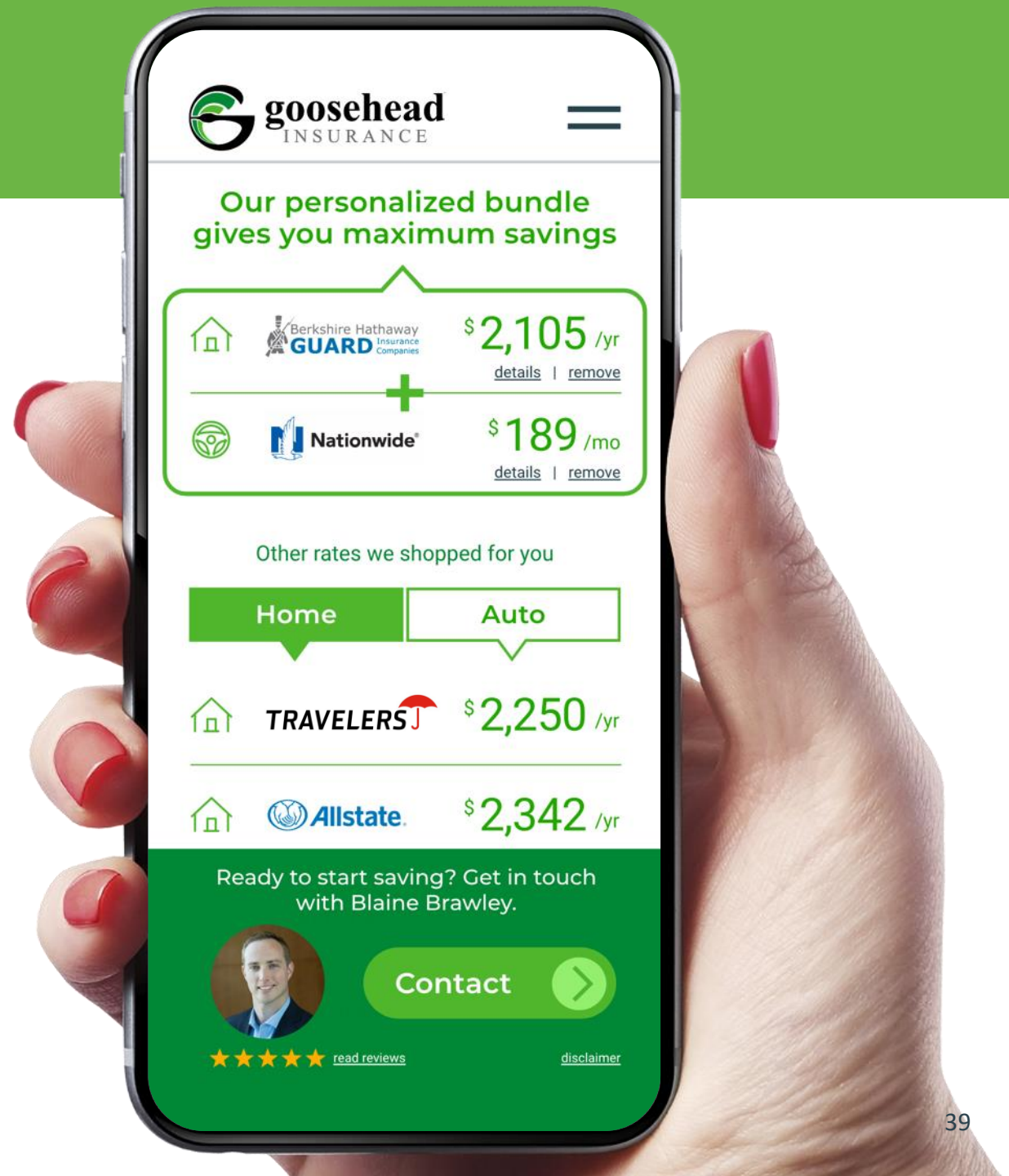


Only 1 referral from each client per year would double new business!

Evolution of Digital Agent

Empowering our clients to shop for the right coverage at the best price

- Building out quote to issue
- Developing a self serve model
- Leveraging the new site to drive traffic
- Hosting new content for SEO



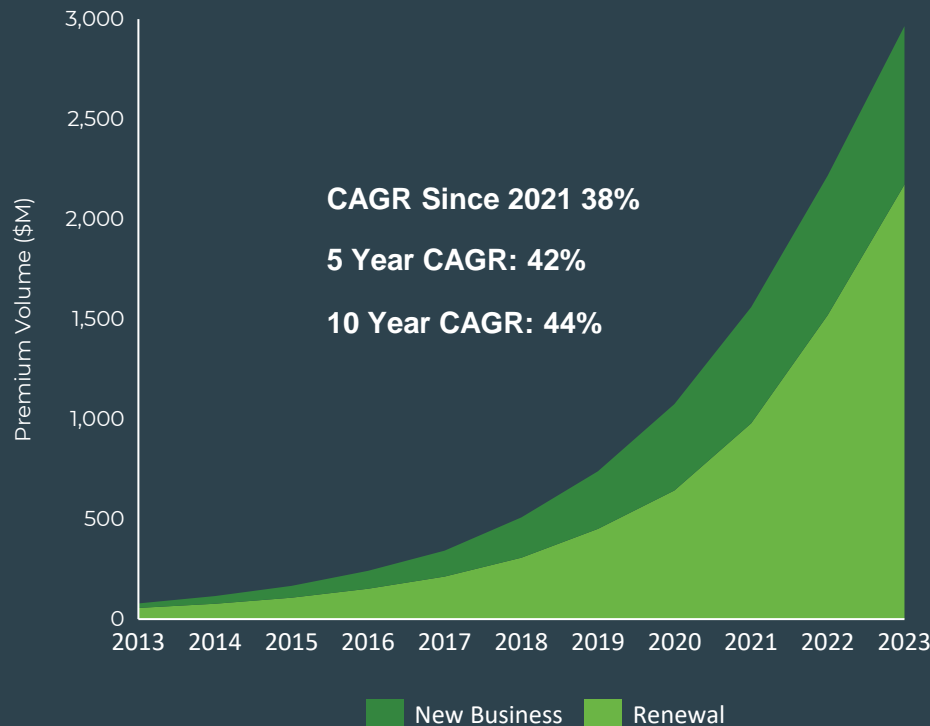
Financial performance

Rapid Responsible Organic Growth

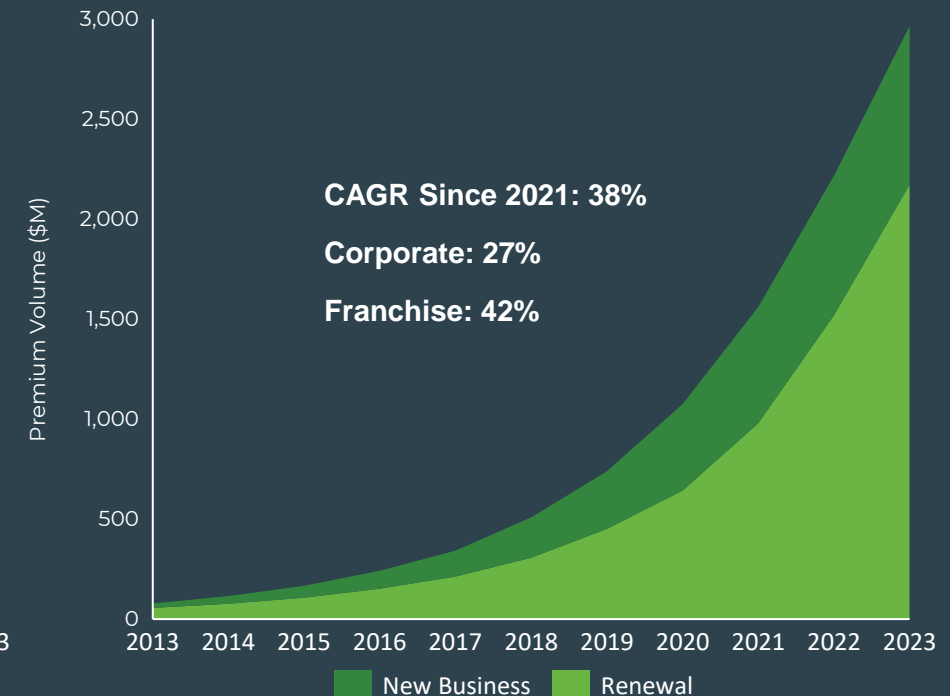
\$3B

in total written premiums

New Business and Renewal Premium Growth

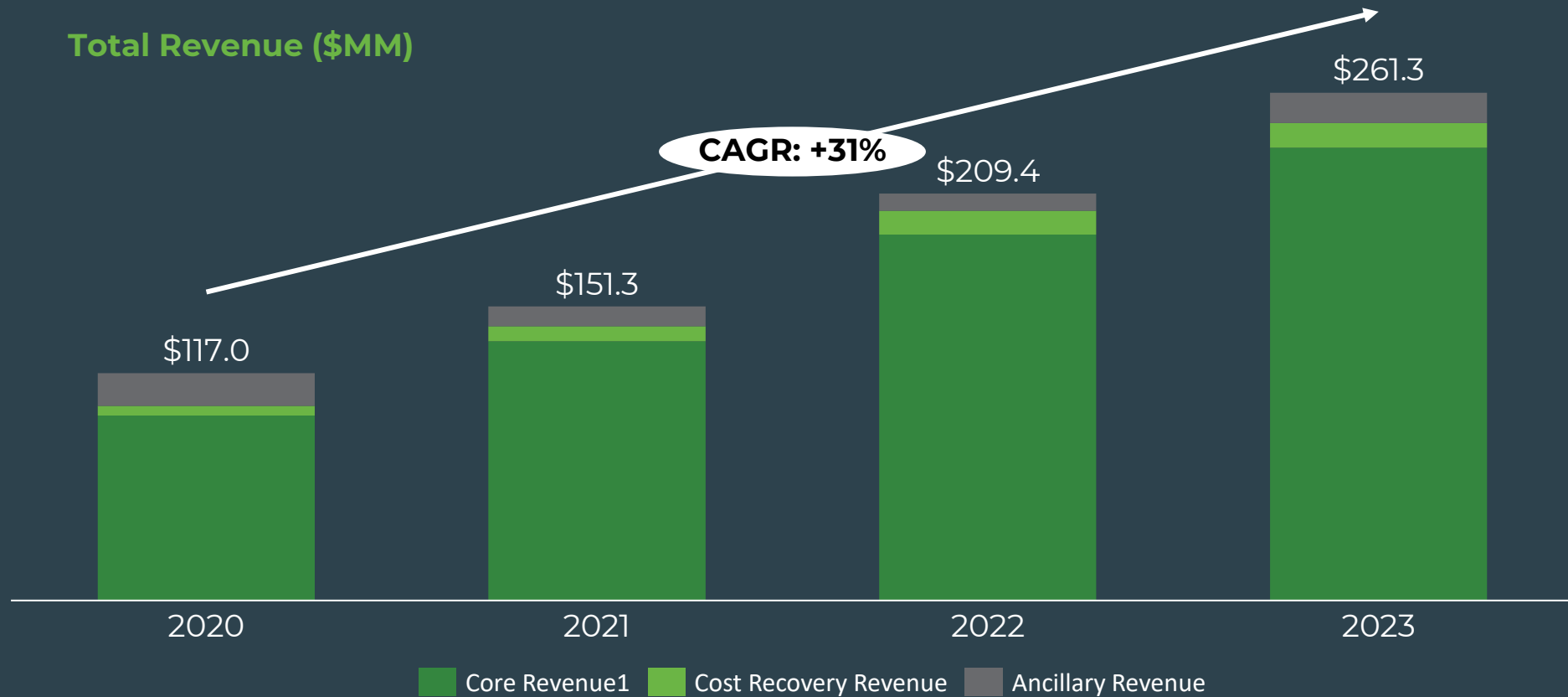


Corporate and Franchise Network Premium Growth



Strong Revenue Growth and Stable Margins

Total Revenue (\$MM)



Net Income Margin ²	16%
Adj. EBITDA Margin ²	24%

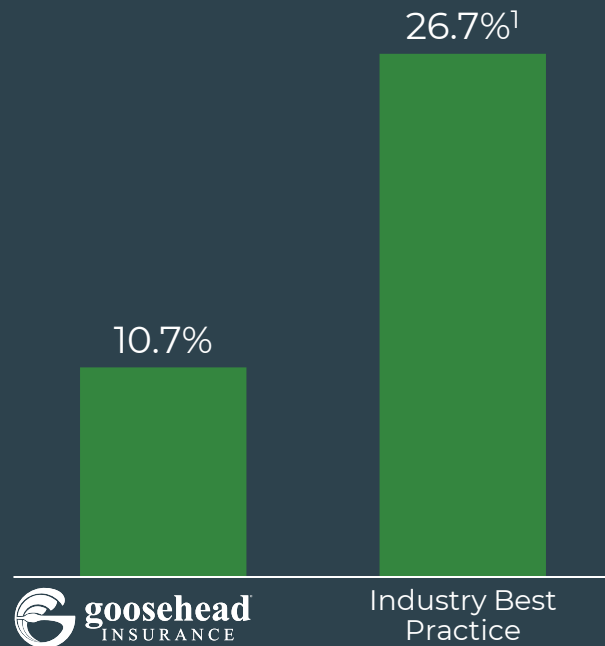
Net Income Margin ²	5%
Adj. EBITDA Margin ²	14%

Net Income Margin ²	1%
Adj. EBITDA Margin ²	18%

Net Income Margin ²	9%
Adj. EBITDA Margin ²	27%

Technology Drives Margins & Customer Satisfaction

2023 Service payroll as a % of gross personal lines commissions



Key service center metrics

- Net Promoter Score: 92²
- Omnichannel Approach: Client Portal, Chat, Text
- New business generation: Cross-sell/Upsell
- We carefully monitor: call abandonment rate, call back rate and speed of answer
- Service agent compensation: \$49k average

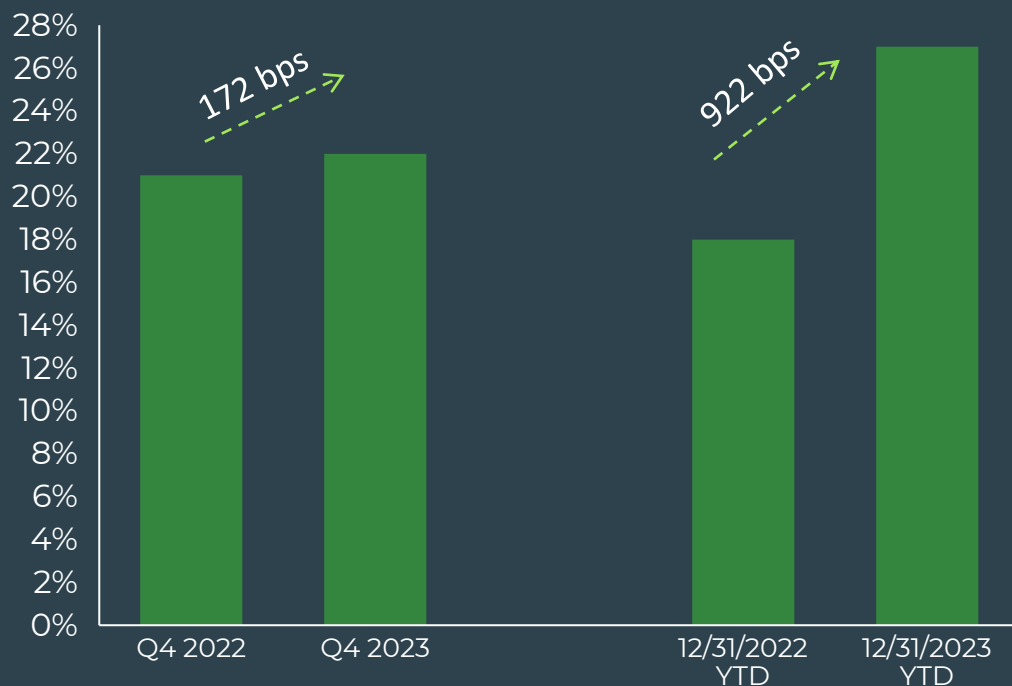
New and Renewal Business Costs

	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

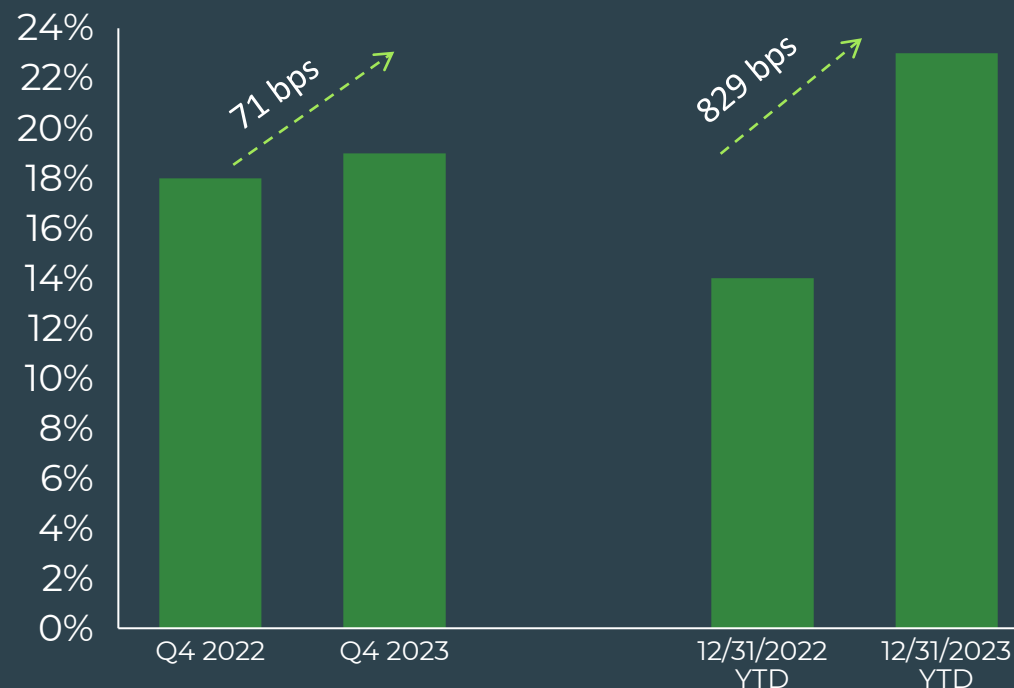
Opportunities to expand margins through operating leverage created by revenue growth growth

Runway for expanding margin

EBITDA Margin



EBITDA Margin Excluding Contingent Commission



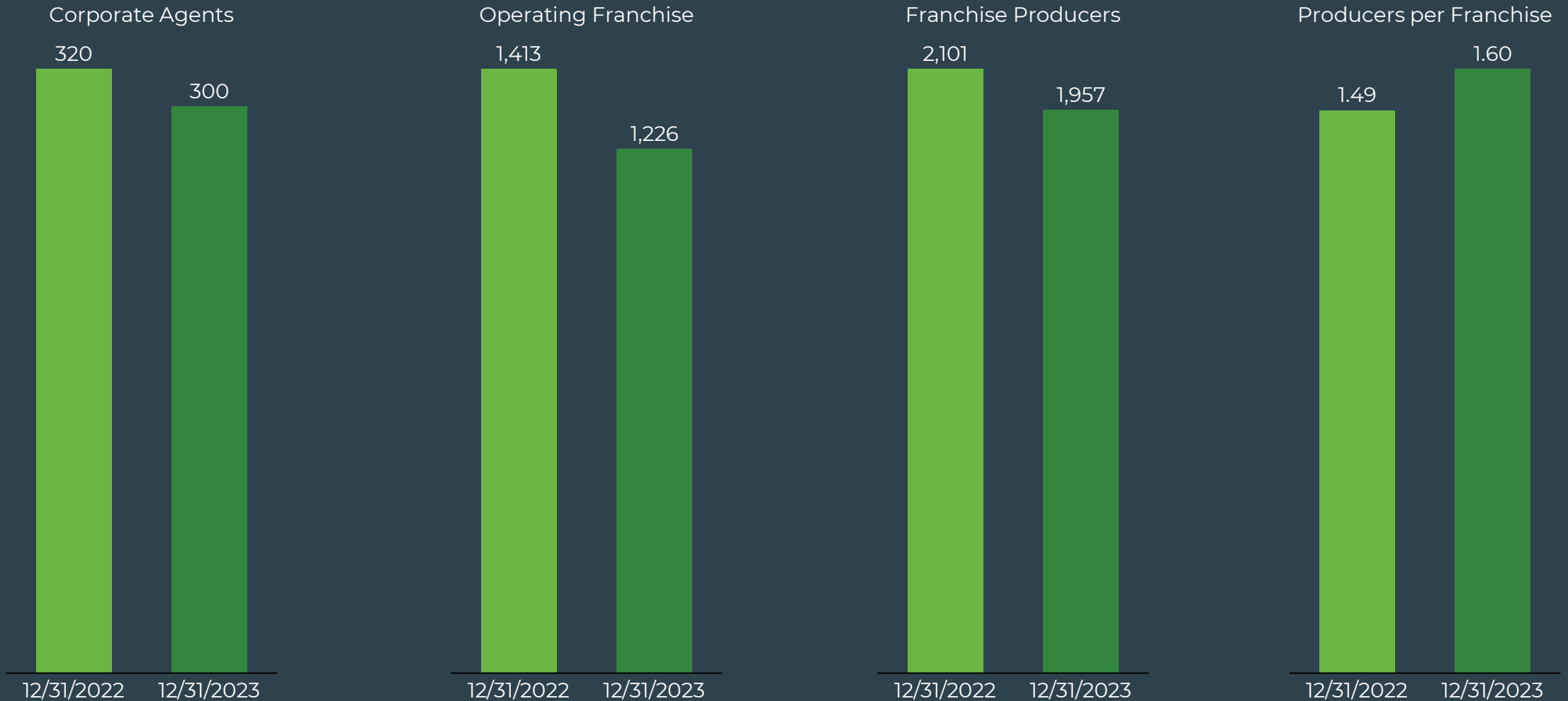
- Intermediate Term (3-5 yrs) Margin Goal 30%
- Long Term (10+ yrs) Margin Potential of 40s+

Investments in People Will Result in Long-Term Growth



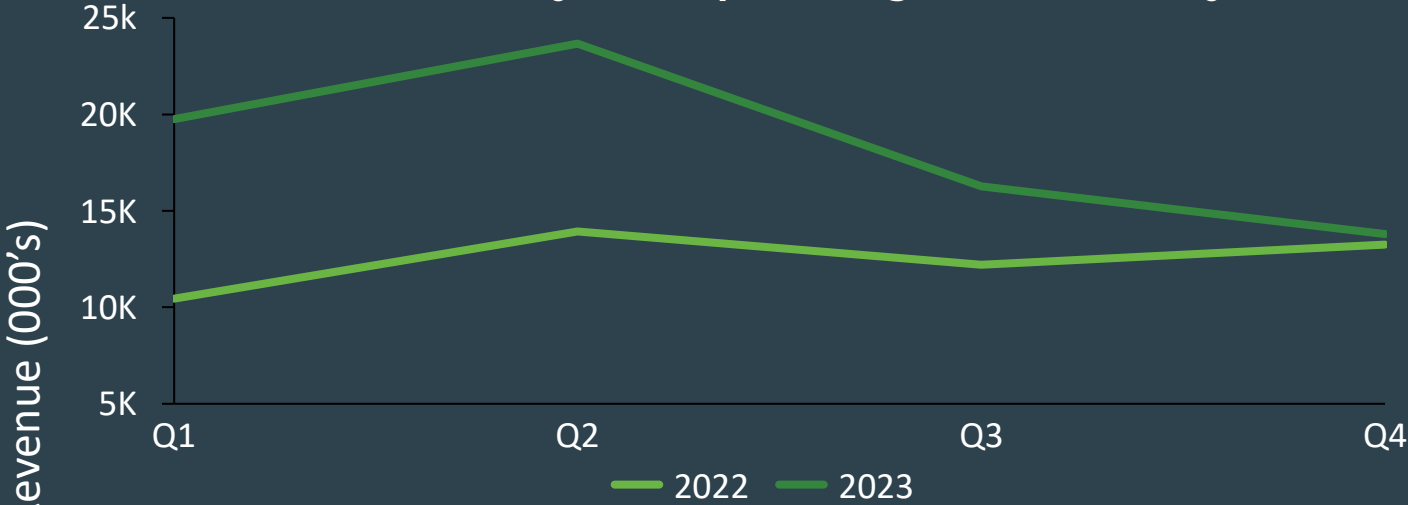
Making significant investments today to ensure growth and profitability is sustainable for years to come

Agent Count

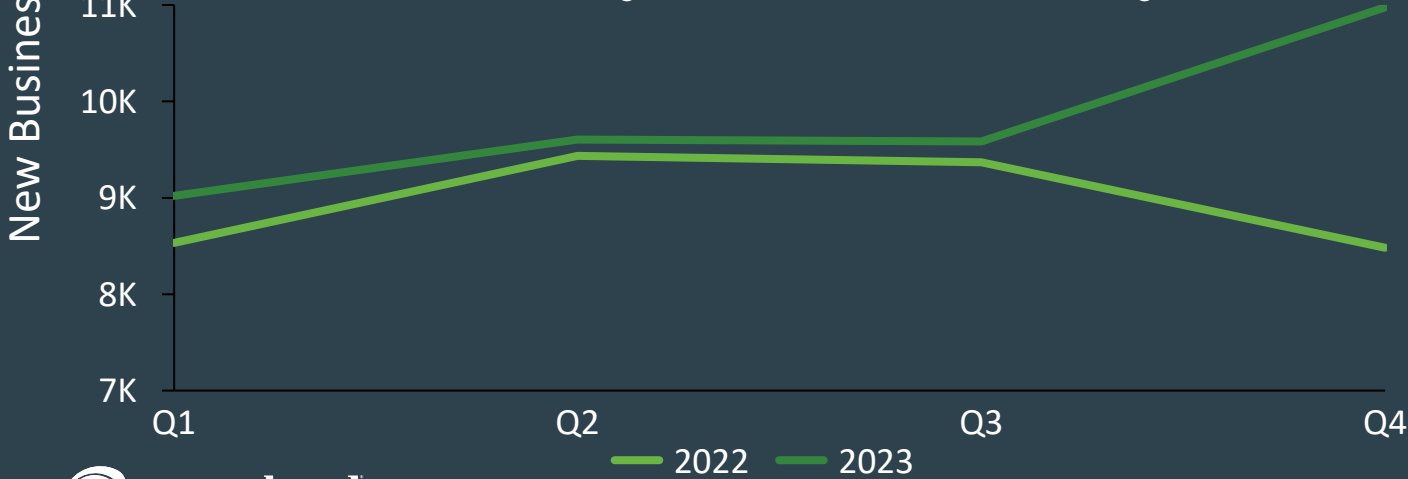


Productivity Metrics

Less than 1 year Corporate Agent Productivity



Less than 1 year Franchise Productivity



Notes:

- Significant improvement in Corporate productivity
- Franchise productivity improving rapidly in 4Q23
- Shrinking gap between corporate and franchise productivity expected to continue

Appendix

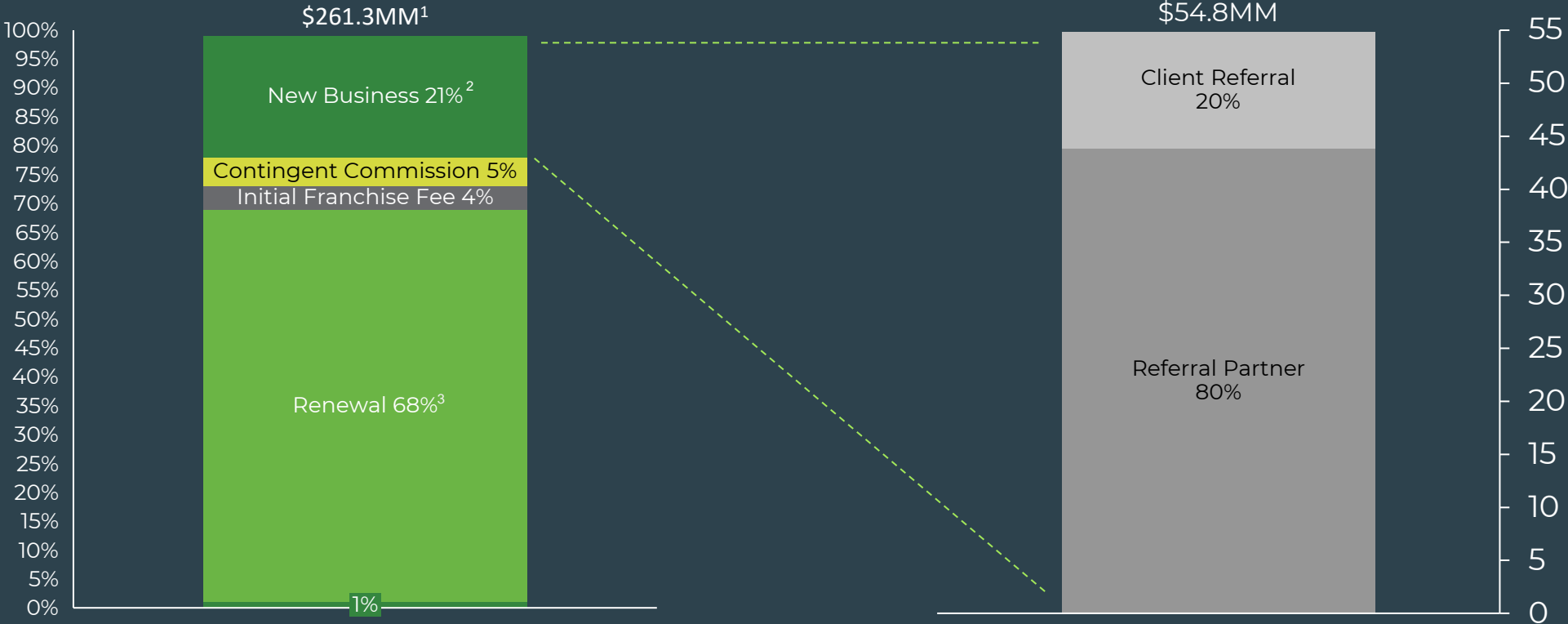
Revenue Stream

Revenue Streams (% of 2023A)		Networks	Overview	Predictable Financial Model Growth Drivers
Core (89%)	New Business (21%)	Franchise & Corporate	<ul style="list-style-type: none"> Commissions from carriers and agency fees charged to clients for policies in the first term Commissions calculated as a % of written premiums (14% in 2023A) In Franchise network, Goosehead receives a 20% royalty on new business commissions and agency fees earned by franchise units 	<ul style="list-style-type: none"> Corporate Agents: Hiring new Goosehead-employed agents Franchise Units: Signings of new franchise units Agent/Franchise Production: Predictable ramp-up profile as new agents/franchises mature on platform and, for franchise units, and franchisees become established and add producers Digital Agent: Growth in production rates from digital agent tool Commission Rates: No growth assumed in forecast
	Renewals (68%)	Franchise & Corporate	<ul style="list-style-type: none"> Commissions from carriers for policies after first term Commissions calculated as a % of written premiums (13% in 2023A) In Franchise network, Goosehead receives 50% royalty on renewal commissions 	<ul style="list-style-type: none"> Client Retention: 86% client retention rate Commission Rates: No growth assumed in forecast Renewal Royalty Rate (Franchise Only): 50% royalty on franchise renewal commissions (vs. 20% for new business), combined with 89% client retention rate, drives a mechanical uplift in franchise revenue year-on-year
Ancillary (6%)	Contingent Commissions (5%)	Franchise & Corporate	<ul style="list-style-type: none"> Payments from carriers contingent upon several factors, including growth and profitability of business placed with carriers 	<ul style="list-style-type: none"> Contingent Commissions Rates: 3-year historical average contingent commission rate of 0.48% of total written premium
Cost Recovery (5%)	Franchise Fees (4%)	Franchise	<ul style="list-style-type: none"> Fees paid by franchisees to compensate Goosehead for training and onboarding 	<ul style="list-style-type: none"> Franchise Units: Signings of new franchise units Initial Fee/Franchise: \$40K in Texas, \$25K elsewhere
	Interest Income (1%)	Franchise	<ul style="list-style-type: none"> Interest associated with franchise fee payment plans 	<ul style="list-style-type: none"> Imputed interest income from franchisees who select payment plan option

Revenue Breakdown (ASC 606)

Only 15% of total revenue is exposed to housing market conditions

TTM 12/31/2023 Revenue



¹ TTM 12/31/2023 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>2023</u>	<u>2022</u>	<u>2021</u>
Net income (loss)	\$23,696	\$2,630	\$8,296
Interest expense	\$6,568	\$4,999	\$2,854
Depreciation and amortization	\$9,244	\$6,884	\$4,873
Tax expense (benefit)	\$2,692	\$2,499	-\$2,292
Equity-based compensation	\$23,989	\$19,642	\$7,292
Impairment expense	\$3,628	—	—
Other income (expense, including state franchise tax)	—	—	-\$185
Adjusted EBITDA	\$69,817	\$36,654	\$20,838
Net Income Margin ⁽¹⁾	9%	1%	5%
Adjusted EBITDA Margin	27%	18%	14%

Total Revenue

	2023	2022	2021
Total Revenues	\$261,276	\$209,390	\$151,312
Core Revenue:			
Renewal Commissions	\$70,730	\$57,543	\$39,111
Renewal Royalty Fees ⁽²⁾	\$107,524	\$77,346	\$46,079
New Business Commissions ⁽¹⁾	\$23,411	\$24,126	\$22,108
New Business Royalty Fees ⁽²⁾	\$23,168	\$18,244	\$14,616
Agency Fees ⁽¹⁾	\$18,174	\$10,912	\$11,506
Total Core Revenue	\$233,007	\$188,171	\$133,420
Cost Recovery Revenue:			
Initial Franchise Fees ⁽²⁾	\$11,238	\$10,853	\$6,516
Interest Income	\$1,443	\$1,403	\$1,153
Total Cost Recovery Revenue	\$12,681	\$12,256	\$7,669
Ancillary Revenue:			
Contingent Commissions ⁽¹⁾	\$13,746	\$7,684	\$9,926
Other Income ⁽²⁾	\$1,843	\$1,279	\$297
Total Ancillary Revenue	\$15,588	\$8,963	\$10,223
Total Revenues	\$261,276	\$209,390	\$151,312

Management Strongly Aligned with Shareholders

Deeply committed to long-term success

% Ownership as of December 31, 2023



■ Founders & Management Ownership ■ Public Shareholders

Thank you



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INSURANCE