

A night-time photograph of the San Diego skyline, featuring several prominent skyscrapers like the US Bank Tower and the Hilton San Diego. The city lights are reflected in the water in the foreground. A large, semi-transparent geometric pattern of overlapping triangles in shades of blue and teal is overlaid on the entire image.

Partnership Announcement

December 8, 2020



DISCLAIMER

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities.

This presentation contains forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. All statements other than statements of historical facts contained in this presentation, including information concerning our possible or assumed future results of operations and expenses, business strategies and plans, competitive position, business and industry environment and potential growth opportunities, including such information concerning the Partnership described in this presentation, are forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including those risks and other factors relevant to our completion and integration of this Partnership, matters assessed in our due diligence, the occurrence of any event, change or other circumstances that could give rise to the termination of the definitive agreements, the risk that necessary regulatory approvals may not be obtained or may be obtained subject to conditions that are not anticipated, the risk that this Partnership will not be consummated in a timely manner, risks related to the disruption of management time from ongoing business operations due to this Partnership, the business, financial condition and results of operations of BRP Group or this Partner, or both, and factors related to the potential effects of the COVID-19 pandemic on our business, financial condition and results of operations. Given these uncertainties, you should not place undue reliance on any forward-looking statements in this presentation. Except as required by law, we disclaim any obligation to update any forward-looking statements for any reason after the date of this presentation, or to update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Partnership Announcement Summary

Burnham Benefits Overview



- On December 8, 2020 ⁽¹⁾, BRP announced a new Partnership with Burnham Benefits Insurance Services, Inc. (“Burnham”), a full-service Employee Benefits Consulting, Retirement Consulting, Wealth Management and Insurance Brokerage firm headquartered in Irvine, California
 - #79 in Business Insurance’s “Top 100” list of largest U.S. brokers
 - Represents \$52.6mm of annualized acquired revenue ⁽²⁾, bringing 2020YTD acquired revenue to \$225mm ⁽³⁾
- Established presence on the West Coast, marking BRP’s entrance into some of the largest MSAs in California, including Los Angeles, Orange County and Sacramento, and further expanding the BRP’s presence in the San Francisco area
- Highly experienced leadership team with a strong focus on best practices and best-in-class operations, recently ranking #1 in *Business Insurance’s* “2020 Best Places to Work in Insurance”
- Proven leader in the Public Sector while also having a recognized presence in the Consumer, Technology, Health Care, Non-Profit, Professional and Financial Services Sectors

By the Numbers

\$52.6M ^(2,4)
Annualized Acquired
Revenue

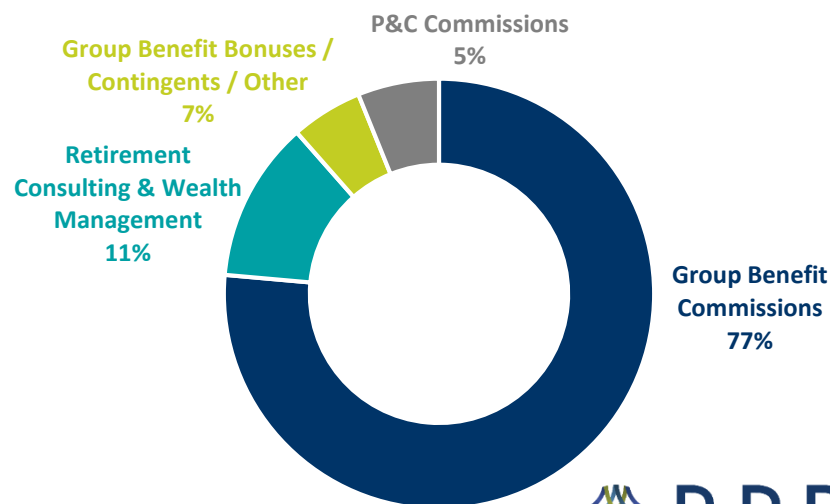
Adjusted EBITDA Margin
In Line With 2020
Partnerships ⁽⁴⁾

25% ^(4,5)
Year-Over-Year Revenue
Growth in 2020

~130 ⁽⁴⁾
Colleagues

~95% Client Retention
Rate in 2020 ⁽⁴⁾

Revenue Breakdown ⁽⁴⁾



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Note: Numbers presented are approximations. Revenue breakdown is an estimate.

⁽¹⁾ The Partnership is expected to close on December 31, 2020, subject to certain customary closing conditions. ⁽²⁾ Calculated as revenue attributable to acquired business for the most recent 12-month period prior to acquisition by BRP based on Quality of Earnings review; Revenue for the year ended December 31, 2019 (based on a Quality of Earnings review) was ~\$45mm. ⁽³⁾ Calculated as revenue attributable to acquired businesses for the most recent 12-month period prior to acquisition by BRP based on Quality of Earnings review. ⁽⁴⁾ Based on Quality of Earnings Review. ⁽⁵⁾ YoY growth as of the most recent twelve-month period prior to acquisition by BRP Group based on Quality of Earnings Review.

2020 YTD Acquisitions and Purchase Multiples Associated with Various Forward Growth Rates

Scenario Approximations ⁽¹⁾ Amounts in 000's	Total Consideration ⁽²⁾	Revenue	Implied EBITDA ⁽³⁾	Implied EBITDA Multiple
Announced up-front ⁽⁴⁾	945,313	225,148	72,927	13.0x
5% growth	1,008,384	264,557	85,692	11.8x
10% growth	1,048,833	304,406	98,599	10.6x
15% growth	1,099,080	348,116	112,757	9.7x
25% growth	1,236,298	448,068	145,132	8.5x

⁽¹⁾ Represents the approximate performance at the defined growth rate. Certain earnouts are capped at growth rates less than 25% and certain earnouts provide benefits to Sellers at growth rates in excess of 25%. One 2020 partnership earnout is uncapped. ⁽²⁾ Equity portion of consideration for 2020 Partnerships (excluding Insgroup, AHT and Burnham Partnerships) based on the fair value of the Company's equity consideration paid as of the closing date of each such Partnerships. Q4 figure includes equity portion of consideration for the Insgroup Partnership valued using the volume weighted average prices for a share of the Company's Class A common stock on the Nasdaq for the 10 days ending on the execution date of the definitive purchase agreement. Insgroup Partnership consideration consists of closing cash of \$100,359,724; 3,857,622 Class B shares; and 87,093 Class A shares. Q4 figure includes equity portion of consideration for the AHT Partnership valued using the volume weighted average price for share of the Company's Class A common stock on the Nasdaq for the 30 days ending on the day prior to the execution date of the definitive purchase agreement. AHT Partnership consideration consists of closing cash of \$190,282,405; and 784,222 Class A shares. Q4 figure includes equity portion of consideration for the Burnham Partnership valued using the volume weighted average prices for a share of the Company's Class A common stock on the Nasdaq for the 30 days ending on November 24, 2020. Burnham Partnership consideration consists of closing cash of \$176,755,163; 1,957,419 Class B shares; and 21,701 Class A shares. ⁽³⁾ The implied EBITDA margin is presented as flat across all growth scenarios, which may not be indicative of actual future performance. ⁽⁴⁾ Announced up-front revenue represents the aggregate revenues of Partners acquired YTD 2020, for the most recent trailing twelve month period prior to acquisition by BRP, in each case, at the time the due diligence was concluded based on a quality of earnings review and not an audit. Announced up-front EBITDA represents the aggregate estimated Adjusted EBITDA of Partners acquired YTD 2020, for the most recent trailing twelve month period prior to acquisition by BRP, in each case, at the time the due diligence was conducted based on a quality of earnings review and not an audit. Adjustments to net income include the adjustments to net income used by BRP to calculate its Adjusted EBITDA and certain estimated deal-specific cost-savings resulting from acquisition by BRP, including commissions grid alignment, technology-related cost savings, personnel-related cost savings and centralized growth services, as well as the normalization of acquisitions/divestitures.

2020 Partnerships

2020 Partnerships

	2020					
Amounts in 000's	Q1	Q2	Q3	Q4	YTD	
CONSOLIDATED						
Closed Partnerships (1)	4	5	2	3 ⁽¹⁾	14	
Cash/Equity aggregate closing consideration (2)	\$ 56,449	\$ 227,418	\$ 6,826	\$ 654,620	\$ 945,313	
Maximum contingent earnout (3)	\$ 16,828	\$ 110,701	\$ 7,240	\$ 271,501	\$ 406,270	
Annualized acquired revenue (4)	\$ 30,612	\$ 47,403	\$ 3,668	\$ 143,465	\$ 225,148	
Annualized estimated acquired adjusted EBITDA (5)	\$ 5,123	\$ 19,477	\$ 806	\$ 47,521	\$ 72,927	

⁽¹⁾ Inclusive of Insgroup Partnership announced 11/5/20; closed on 11/30/20, AHT Partnership announced and closed 12/1/20 and Burnham Partnership announced on 12/8/2020 (expected to close on 12/31/2020, subject to customary closing conditions)

⁽²⁾ Equity portion of consideration for 2020 Partnerships (excluding Insgroup, AHT and Burnham Partnerships) based on the fair value of the Company's equity consideration paid as of the closing date of each such Partnerships. Q4 figure includes equity portion of consideration for the Insgroup Partnership valued using the volume weighted average prices for a share of the Company's Class A common stock on the Nasdaq for the 10 days ending on the execution date of the definitive purchase agreement. Insgroup Partnership consideration consists of closing cash of \$100,359,724; 3,857,622 Class B shares; and 87,093 Class A shares. Q4 figure includes equity portion of consideration for the AHT Partnership valued using the volume weighted average price for share of the Company's Class A common stock on the Nasdaq for the 30 days ending on the day prior to the execution date of the definitive purchase agreement. AHT Partnership consideration consists of closing cash of \$190,282,405; and 784,222 Class A shares. Q4 figure includes equity portion of consideration for the Burnham Partnership valued using the volume weighted average prices for a share of the Company's Class A common stock on the Nasdaq for the 30 days ending on November 24, 2020. Burnham Partnership consideration consists of closing cash of \$176,755,163; 1,957,419 Class B shares; and 21,701 Class A shares.

⁽³⁾ Q2 figure is inclusive of one uncapped earnout, which has been calculated assuming the Partner grows revenue 50% per year for three consecutive years.

⁽⁴⁾ Represents the aggregate revenues of Partners acquired during the relevant quarter presented, for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was concluded based on a quality of earnings review and not an audit.

⁽⁵⁾ Represents the aggregate estimated Adjusted EBITDA of Partners acquired during the relevant quarter presented, for the most recent trailing twelve-month period prior to acquisition by the Company, in each case, at the time the due diligence was conducted based on a quality of earnings review and not an audit. Adjustments to net income include the adjustments to net income used by the Company to calculate its Adjusted EBITDA and certain estimated deal-specific cost-savings resulting from acquisition by the Company, including commissions grid alignment, technology-related cost savings, personnel-related cost savings and centralized growth services, as well as the normalization of acquisitions/divestitures.

Conclusion



Enables



⁽¹⁾ Independent Insurance Broker in U.S.

