

1st Quarter Fiscal 2025

Earnings Conference
Call Presentation
November 4, 2024



Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would” and “outlook,” or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts and are based on current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following: impacts of the COVID-19 pandemic and any other significant public health events; our reliance on a limited number of insurance carrier partners and any potential termination of those relationships or failure to develop new relationships; existing and future laws and regulations affecting the health insurance market; changes in health insurance products offered by our insurance carrier partners and the health insurance market generally; insurance carriers offering products and services directly to consumers; changes to commissions paid by insurance carriers and underwriting practices; competition with brokers, exclusively online brokers and carriers who opt to sell policies directly to consumers; competition from government-run health insurance exchanges; developments in the U.S. health insurance system; our dependence on revenue from carriers in our senior segment and downturns in the senior health as well as life, automotive and home insurance industries; our ability to develop new offerings and penetrate new vertical markets; risks from third-party products; failure to enroll individuals during the Medicare annual enrollment period; our ability to attract, integrate and retain qualified personnel; our dependence on lead providers and ability to compete for leads; failure to obtain and/or convert sales leads to actual sales of insurance policies; access to data from consumers and insurance carriers; accuracy of information provided from and to consumers during the insurance shopping process; cost-effective advertisement through internet search engines; ability to contact consumers and market products by telephone; global economic conditions, including inflation; disruption to operations as a result of future acquisitions; significant estimates and assumptions in the preparation of our financial statements; impairment of goodwill; our ability to regain and maintain compliance with NYSE listing standards; potential litigation and other legal proceedings or inquiries; our existing and future indebtedness; our ability to maintain compliance with our debt covenants; access to additional capital; failure to protect our intellectual property and our brand; fluctuations in our financial results caused by seasonality; accuracy and timeliness of commissions reports from insurance carriers; timing of insurance carriers’ approval and payment practices; factors that impact our estimate of the constrained lifetime value of commissions per policyholder; changes in accounting rules, tax legislation and other legislation; disruptions or failures of our technological infrastructure and platform; failure to maintain relationships with third-party service providers; cybersecurity breaches or other attacks involving our systems or those of our insurance carrier partners or third-party service providers; our ability to protect consumer information and other data; failure to market and sell Medicare plans effectively or in compliance with laws; and and other factors related to our pharmacy business, including manufacturing or supply chain disruptions, access to and demand for prescription drugs, and regulatory changes or other industry developments that may affect our pharmacy operations. For a further discussion of these and other risk factors that could impact our future results and performance, see the section entitled “Risk Factors” in the most recent Annual Report on Form 10-K (the “Annual Report”) and subsequent periodic reports filed by us with the Securities and Exchange Commission. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and, except as otherwise required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Certain information contained in this presentation and statements made orally during this presentation relate to or are based on publications and other data obtained from third-party sources. While we believe these third-party sources to be reliable as of the date of this presentation, we have not independently verified, and make no representation as to the adequacy, fairness, accuracy or completeness of, any information obtained from such third-party sources.

No Offer or Solicitation; Further Information

This presentation is for informational purposes only and is not an offer to sell with respect to any securities. This presentation should be read together with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and the related notes thereto included in the Annual Report and subsequent quarterly reports.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. To supplement our financial statements presented in accordance with GAAP and to provide investors with additional information regarding our GAAP financial results, we have presented in this presentation Adjusted EBITDA, which is a non-GAAP financial measure. This non-GAAP financial measure is not based on any standardized methodology prescribed by GAAP and is not necessarily comparable to any similarly titled measure presented by other companies. We define Adjusted EBITDA as income (loss) before interest expense, income tax expense (benefit), depreciation and amortization, and certain add-backs for non-cash or non-recurring expenses, including restructuring and share-based compensation expenses. The most directly comparable GAAP measure is net income (loss). We monitor and have presented in this presentation Adjusted EBITDA because it is a key measure used by our management and Board of Directors to understand and evaluate our operating performance, establish budgets, and develop operational goals for managing our business. In particular, we believe that excluding the impact of these expenses in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core operating performance. For further discussion regarding these non-GAAP measures, please see today’s press release.

See below beginning on slide 14 for reconciliations of these non-GAAP financial measures to their most directly comparable GAAP measures.



1Q Earnings Highlights

- **Consolidated Company Highlights**

- Delivered year-over-year **revenue growth of 26%** at a **Rev to CAC of 4.6X**
- Higher **Adjusted EBITDA*** year-over-year during traditional investment quarter
- **Raising FY2025 guidance ranges** for Revenue, Adjusted EBITDA* and Net Income

Financial Results

	1Q25	1Q24
<i>\$ in millions</i>		
Revenue	\$292.3	\$232.7
Adjusted EBITDA*	\$(1.7)	\$(11.4)

- **Senior**

- **Strong agent retention** and high **tenured agent mix** heading into AEP
- **Solid close rates** and **agent productivity** in the first few weeks of AEP

- **Healthcare Services**

- Positive Adjusted EBITDA* for a **sixth consecutive quarter** despite continued growth investment
- SelectRx ended 1Q with **over 86k members** representing **growth of 64% year-over-year**

*See "Non-GAAP Financial Measures" section on slide 2

AEP Readiness

	Agents	Marketing	Technology	Carriers
Preparation	<p>Strong agent retention throughout 2023 and 2024</p> <p>Entering AEP with the most tenured agent force in recent years</p>	<p>Utilizing early carrier plan data to strategically deploy marketing investments</p> <p>Proactive outreach to existing customers</p>	<p>Expanded use of AI:</p> <ul style="list-style-type: none">• Call screening and prioritization• Call monitoring and quality assurance• Back-end automation	<p>Carrier data helped proactively prioritize beneficiaries</p> <p>Policy terminations and benefit curtailment elevated this year</p>
Initial Observations	<p>Healthy and stable close rates</p> <p>Strong agent productivity</p>	<p>Significant initial call volume for both new and re-shop policyholders</p> <p>Efficient early volume per marketing dollar invested</p>	<p>Continue to leverage data and processing power to drive best returns on customer acquisition</p>	<p>SelectQuote's unbiased agents and true choice model designed to serve consumers</p> <p>Model alignment with policyholder & carrier</p>

Executing on Recapitalization Plan

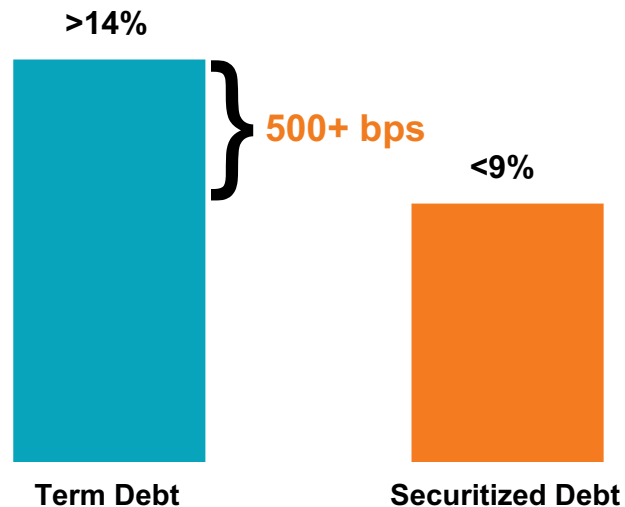
On October 15th, SelectQuote closed a \$100M investment grade rated securitization transaction

Extended Maturities



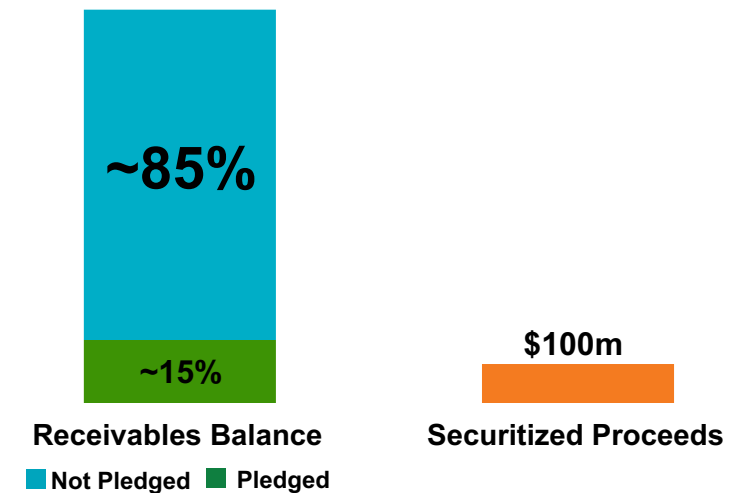
Lower Cost of Capital

Annual interest rate savings of ~\$5M



Future Optionality

Lays foundation for potential future warehouse financing and securitization deals



Priority to Improve Capital Flexibility

SelectQuote's model has delivered strong operating results over the past 11 quarters, but growth and profitability have been hindered by high leverage and cost of capital. Our top priority is to eliminate that headwind in fiscal 2025.

Operational Highlights

26%

YoY Consolidated Revenue Growth

4.6x

Enterprise Rev/CAC*****

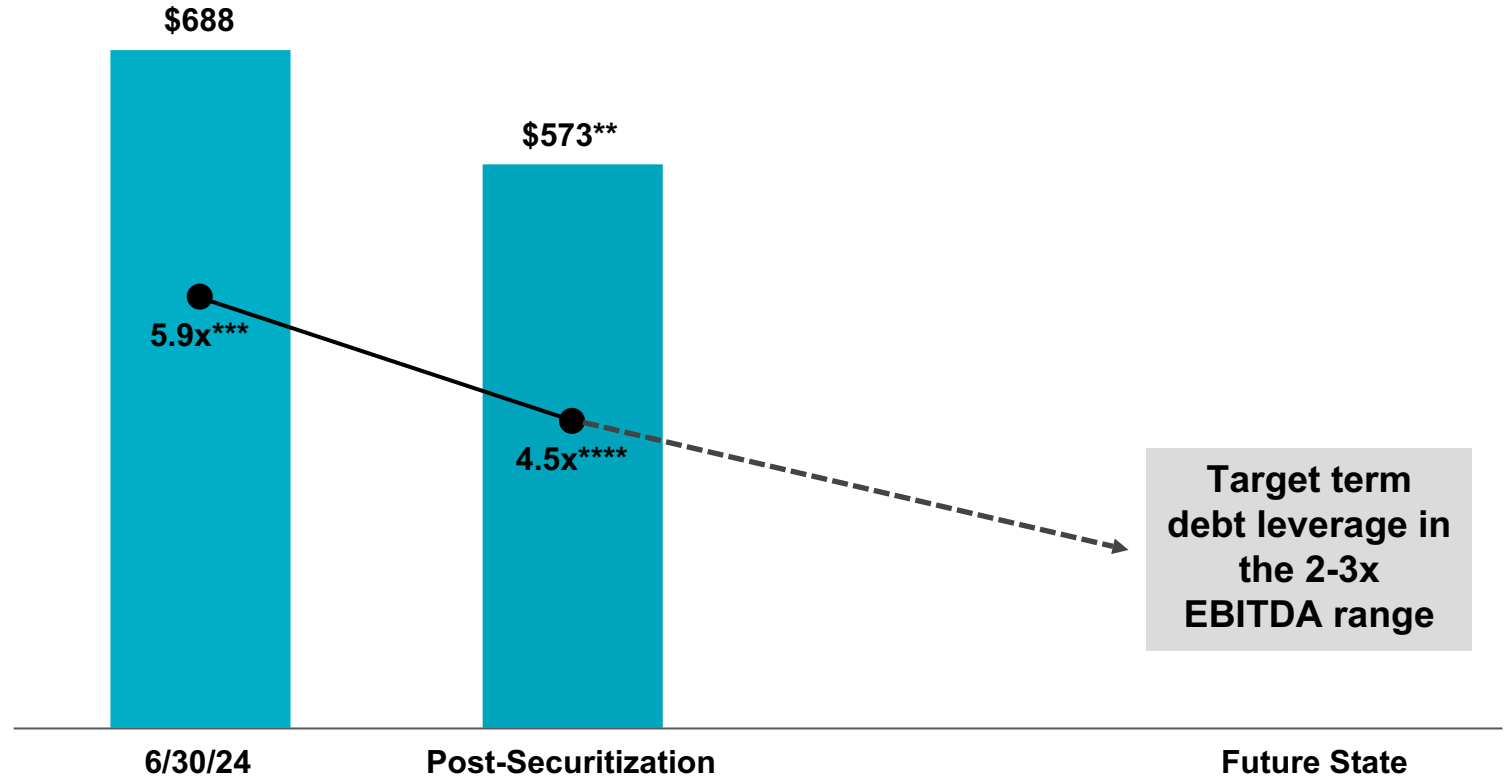
>90%

Tenured Agent mix

86k

SelectRx members at the conclusion of Q1

Initial Progress to Improve Capital Flexibility



■ Term Debt Balance ● Term Debt to Adj EBITDA*

*See "Non-GAAP Financial Measures" section on slide 2

**Excludes securitized (Non-Recourse) debt

***Based on LTM Adjusted EBITDA as of 6/30/24

****Based on LTM Adjusted EBITDA as of 9/30/24

*****The revenue to customer acquisition cost ("CAC") multiple represents total revenue as a multiple of total marketing acquisition costs for the Senior and Healthcare Services divisions, which represents the direct costs of acquiring leads.

Consolidated Financial Summary



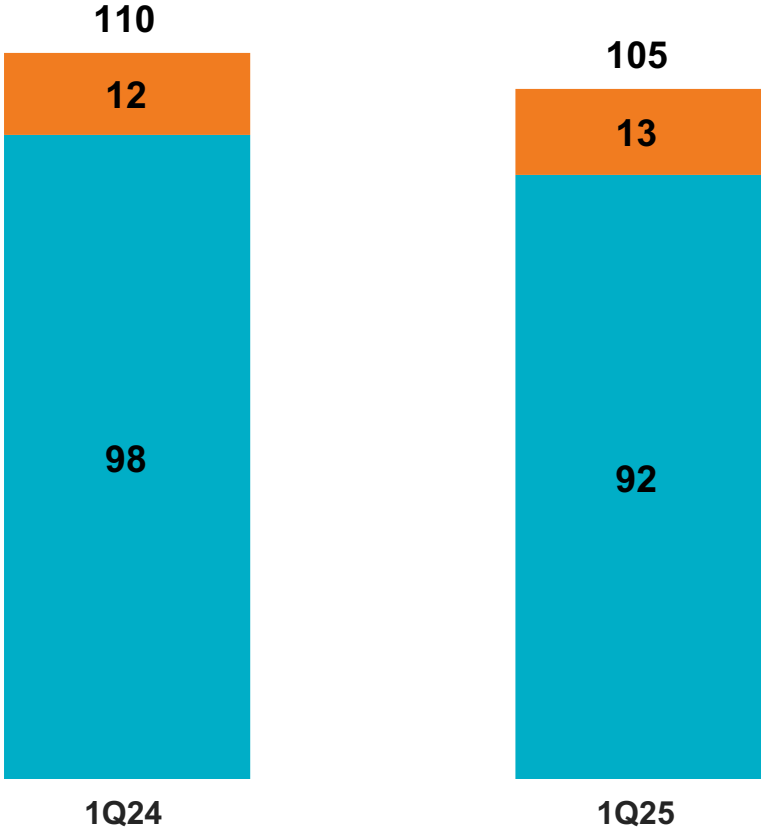
*See "Non-GAAP Financial Measures" section on slide 2

SelectQuote Senior KPIs

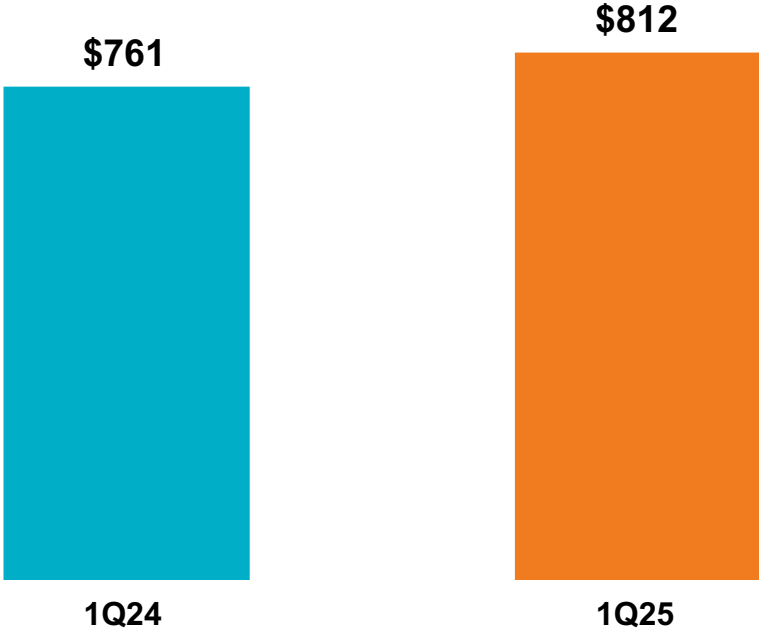
Total Approved Policies

000s

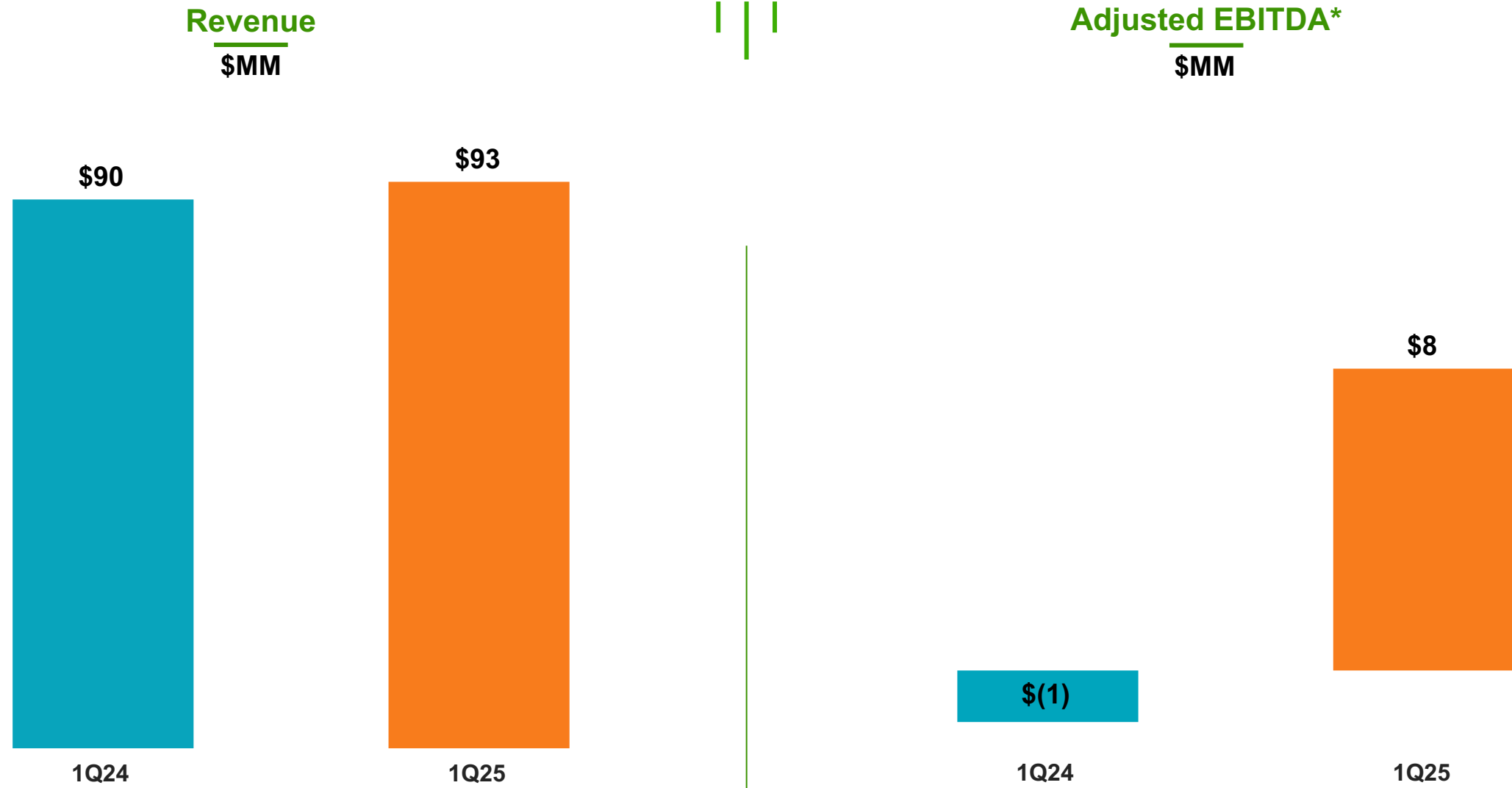
MA Other



MA LTV



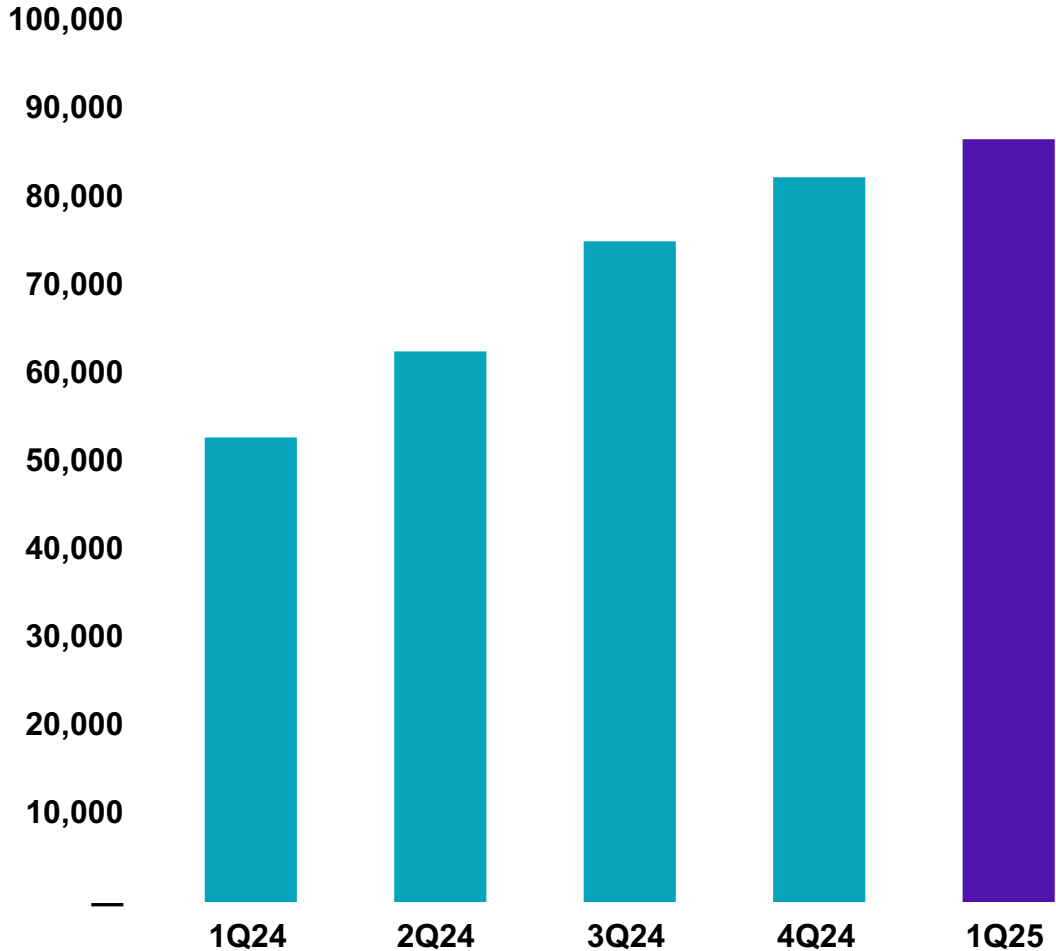
Senior Financial Summary



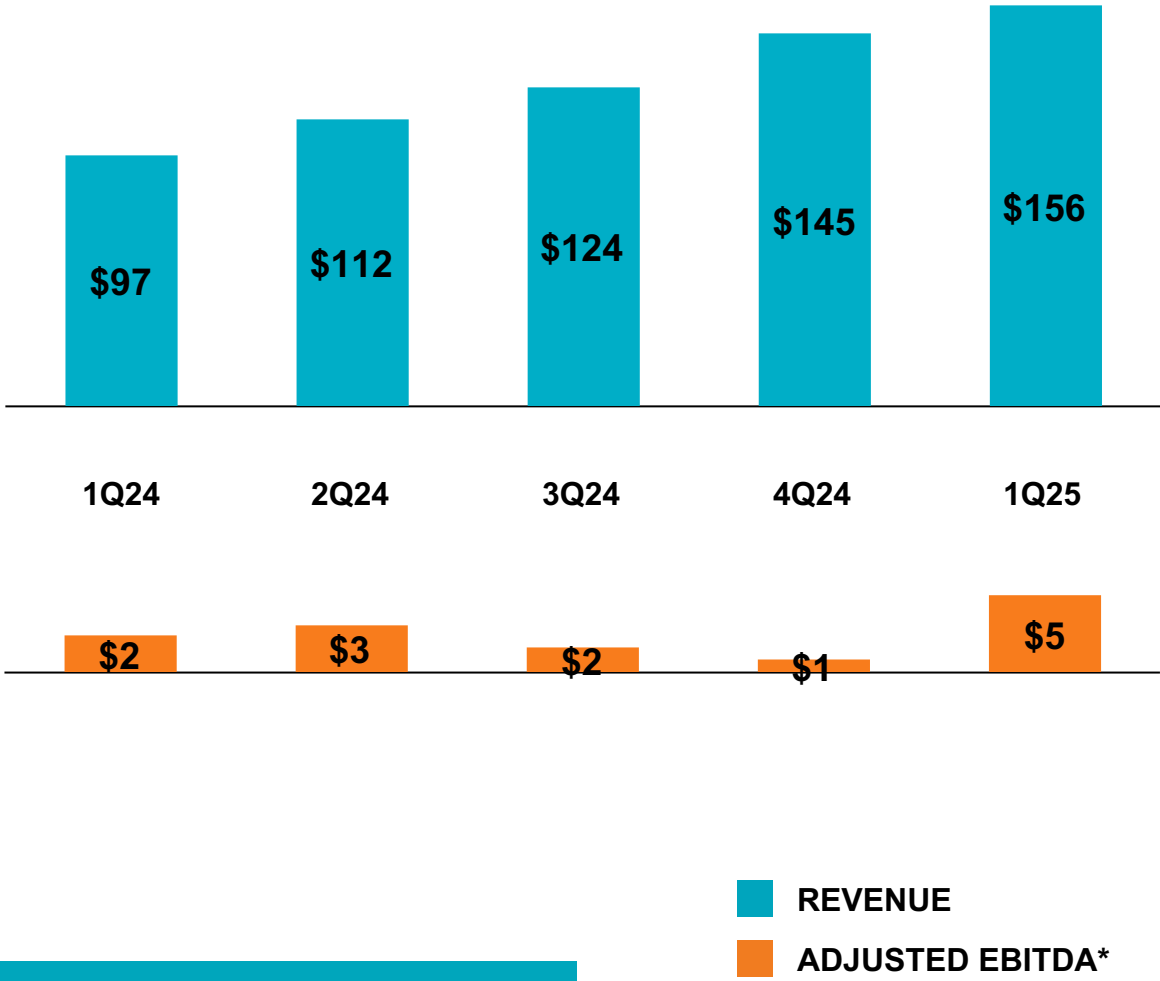
*See "Non-GAAP Financial Measures" section on slide 2

Healthcare Services KPIs

Select Rx Members



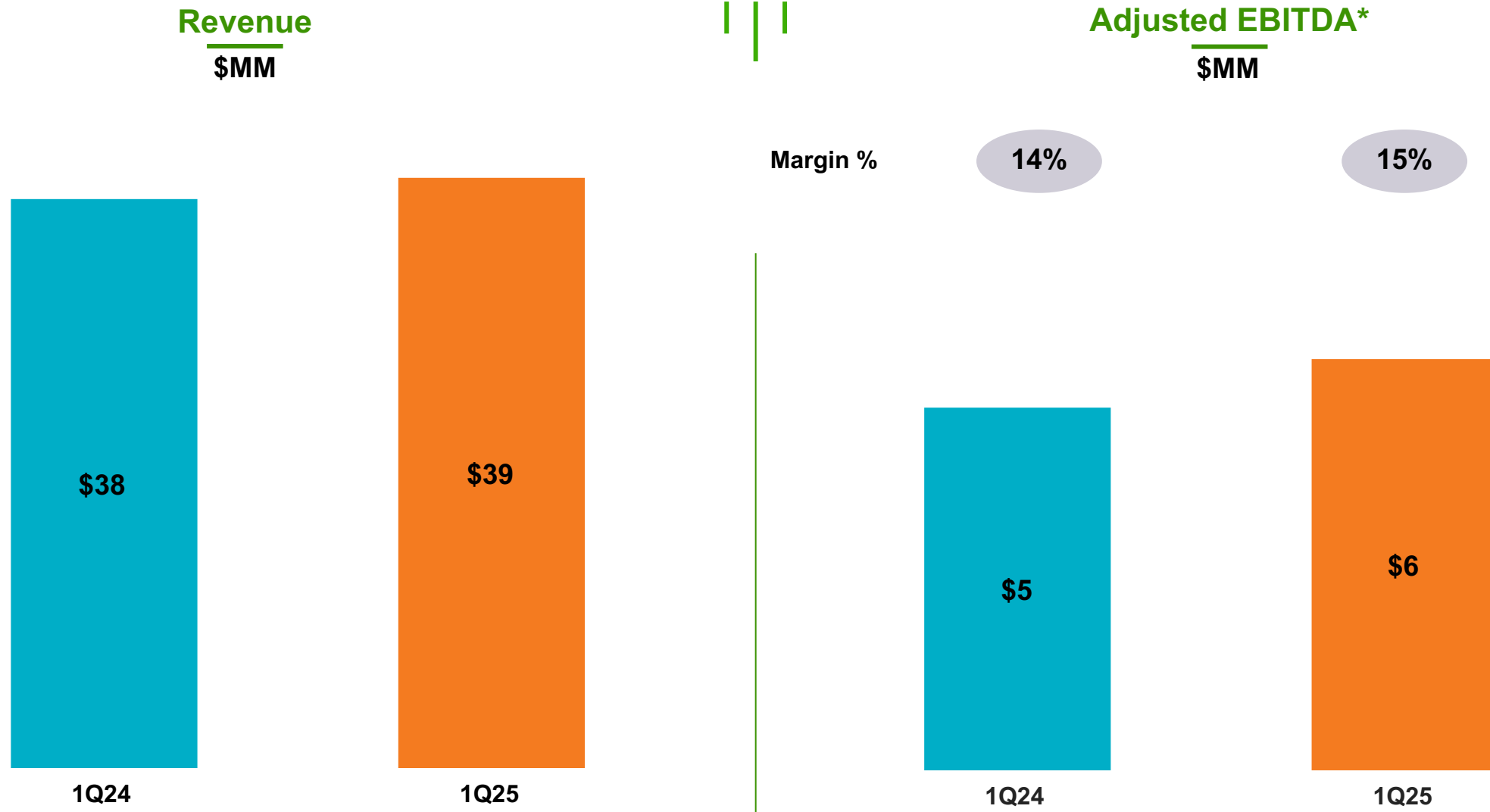
Revenue & Adjusted EBITDA*
\$MM



REVENUE
ADJUSTED EBITDA*

*See "Non-GAAP Financial Measures" above on slide 2.

Life Financial Summary



*See "Non-GAAP Financial Measures" section on slide 2

Raising FY25 Financial Guidance

REVENUE

\$1.425B to **\$1.525B**

from \$1.4 billion to \$1.5 billion*

+12% YoY
At the Midpoint

ADJUSTED EBITDA**

\$100M to **\$130M**

from \$90 million to \$120 million*

+(2)% YoY
At the Midpoint

NET INCOME (LOSS)

\$(59)M to **\$3M**

from \$(42) million to \$(6) million*

+18% YoY
At the Midpoint

*Original FY25 Guidance provided on September 13, 2024
**See "Non-GAAP Financial Measures" above on slide 2.

Supplemental Information

Adjusted EBITDA to Loss before income tax expense (benefit) Reconciliation

<i>(in thousands)</i>	1Q FY 2025			
	Senior	Healthcare Services	Life	Total
Adjusted Segment EBITDA	\$ 7,724	\$ 4,878	\$ 5,960	\$ 18,562
All other Adjusted EBITDA				3,797
Corporate & elimination of intersegment profits				(24,042)
Adjusted EBITDA				(1,683)
Share-based compensation expense				(3,846)
Transaction costs				(826)
Depreciation and amortization				(5,599)
Loss on disposal of property, equipment, and software, net				(35)
Interest expense, net				(23,031)
Loss before income tax expense (benefit)				\$ (35,020)

<i>(in thousands)</i>	1Q FY 2024			
	Senior	Healthcare Services	Life	Total
Adjusted Segment EBITDA	\$ (1,335)	\$ 2,322	\$ 5,240	\$ 6,227
All other Adjusted EBITDA				3,319
Corporate & elimination of intersegment profits				(20,922)
Adjusted EBITDA				(11,376)
Share-based compensation expense				(3,175)
Transaction costs				(1,904)
Depreciation and amortization				(5,989)
Loss on disposal of property, equipment, and software, net				(9)
Interest expense, net				(21,397)
Loss before income tax expense (benefit)				\$ (43,850)

Net Income (Loss) to Adjusted EBITDA Reconciliation FY25 Guidance

<i>(in thousands)</i>	Range	
Net income (loss)	\$ (59,000)	\$ 3,000
Income tax expense	\$ 13,000	\$ 1,000
Interest expense, net	\$ 100,000	\$ 90,000
Depreciation and amortization	\$ 24,000	\$ 20,000
Share-based compensation expense	\$ 16,000	\$ 13,000
Transaction costs	\$ 6,000	\$ 3,000
Adjusted EBITDA	<u>\$ 100,000</u>	<u>\$ 130,000</u>

A photograph of two men in business attire sitting at a desk in an office. The man on the left is wearing a dark suit and a yellow tie, looking at a laptop. The man on the right is wearing a light grey shirt and a striped tie, holding a tablet and smiling. The background shows a modern office with large windows and other employees working at desks.

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