

A close-up photograph of a car's dashboard. The central focus is a circular speedometer with a white needle and a scale from 0 to 140 MPH. To its left is a rectangular digital display screen. The dashboard is a deep red color. The background is slightly blurred, showing parts of the steering wheel and other dashboard components.

HAGERTY

Q3 // 2024

Investor Presentation

SPEAKERS:

McKeel Hagerty | Chief Executive Officer and Chairman
Patrick McClymont | Chief Financial Officer

FORWARD LOOKING STATEMENTS / NON-GAAP FINANCIAL MEASURES

This presentation contains statements that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts. These forward-looking statements reflect our current expectations and projections with respect to our expected future business and financial performance, including, among other things: (i) expected operating results, such as revenue growth and financial position; (ii) changes in the market for our products and services; (iii) our plans to expand market share, including planned investments and partnerships; (iv) anticipated business objectives; and (v) the strength of our business model. These statements may be preceded by, followed by, or include the words “anticipate,” “believe,” “envision,” “estimate,” “expect,” “forecast,” “future,” “goal,” “intend,” “likely,” “outlook,” “plan,” “potential,” “project,” “seek,” “target,” “can,” “could,” “may,” “should,” “would,” “will,” the negatives thereof and other words and terms of similar meaning. A number of factors could cause actual results or outcomes to differ materially from those indicated by these forward-looking statements. These factors include, among other things, our ability to: (i) compete effectively within our industry and attract and retain insurance policyholders and paid HDC members; (ii) maintain key strategic relationships with our insurance distribution and underwriting carrier partners; (iii) prevent, monitor and detect fraudulent activity; (iv) manage risks associated with disruptions, interruptions, outages or other issues with our technology platforms or our use of third-party services; (v) accelerate the adoption of our membership products as well as

any new insurance programs and products we offer; (vi) manage the cyclical nature of the insurance business, including through any periods of recession, economic downturn or inflation; (vii) address unexpected increases in the frequency or severity of claims; (viii) comply with the numerous laws and regulations applicable to our business, including state, federal, and foreign laws relating to insurance and rate increases, privacy, the internet and accounting matters; (ix) manage risks associated with being a controlled company; and (x) successfully defend any litigation, government inquiries and investigations. The forward-looking statements herein represent our judgment as of the date of this release and we disclaim any intent or obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise. This presentation should be read in conjunction with the information included in our filings with the SEC and press releases. Understanding the information contained in these filings is important in order to fully understand our reported financial results and our business outlook for future periods. In addition, this presentation contains certain “non-GAAP financial measures”. The non-GAAP measures are presented for supplemental informational purposes only. These financial measures are not recognized measures under GAAP and should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. Reconciliations to the most directly comparable financial measure calculated and presented in accordance with GAAP are provided in the appendix to this presentation.



THIRD QUARTER YTD 2024 Highlights

Total YTD Revenue growth of 20%

Commission and Fee growth of 16%

Written Premium growth of 16%

» Added 226,000 new customers during the first nine months of 2024

Membership, Marketplace and other revenue growth of 20%

» Marketplace growth of 54%

Significantly improved profitability

» Improved Operating margin by 440 bps

» Loss ratio elevated by catastrophe losses, including Helene's \$25 million pre-tax impact (\$20 million post-tax)

» Helene impact on Operating margin was -280 bps

» Net Income¹ of \$70 million compared to \$19 million (+265%)

» Adjusted EBITDA² of \$105 million compared to \$78 million (+33%)

Completed warrant exchange offer³ (issued 3.9 million shares of Class A Common Stock in exchange for 19.5 million warrants)

¹ Net Income in the current year and prior year include a \$9 million loss and a \$1 million loss, respectively, as a result of the change in fair value and settlement of our warrant liabilities.

² See Appendix for additional information regarding this non-GAAP financial measure.

³ Fully diluted share count post warrant exchange of ~360 million including Class A Common Stock, Class V Common Stock, Series A Convertible Preferred Stock, and share-based compensation awards.

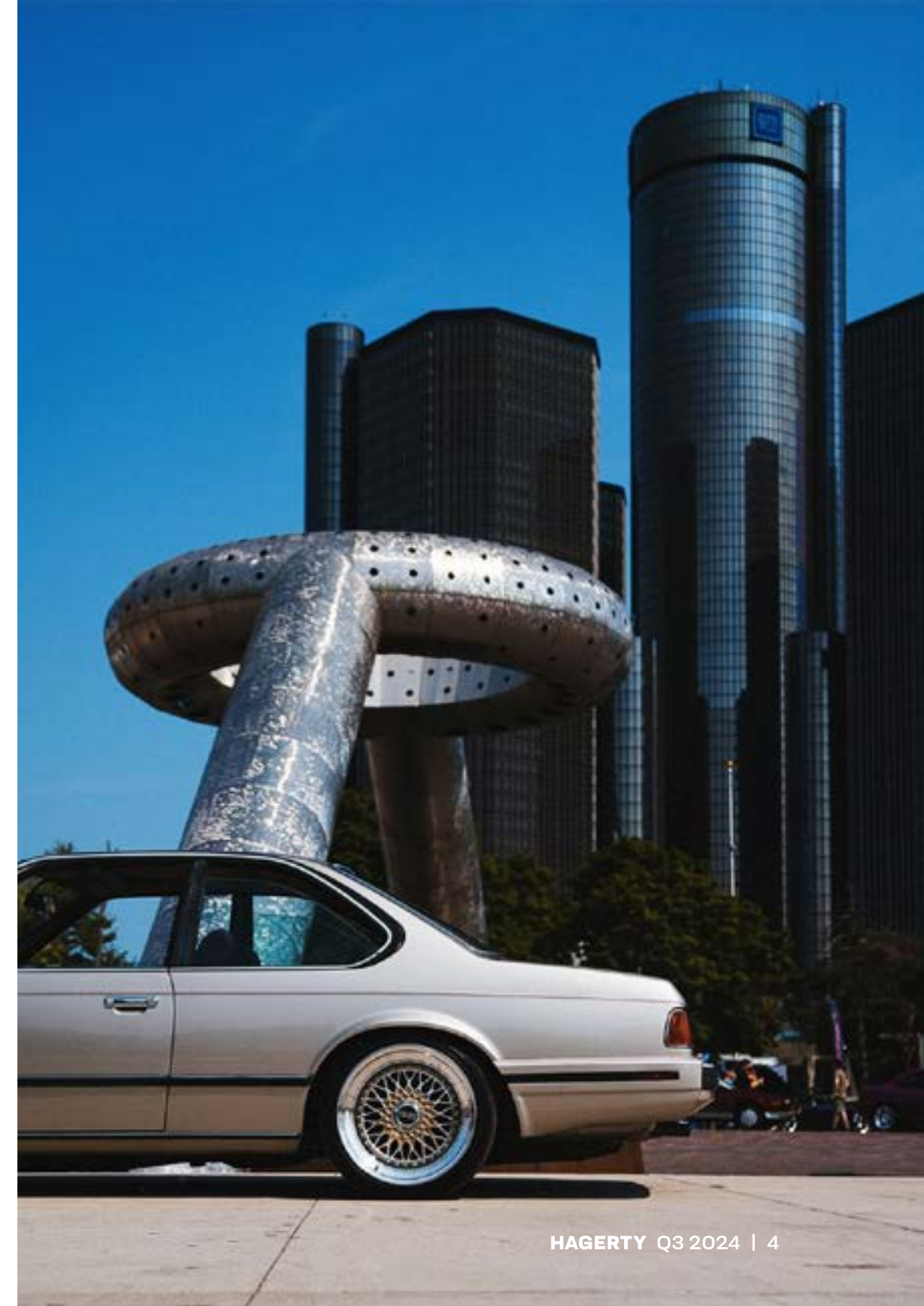
2024

Priorities

Deliver sustained top-line momentum
with continued margin expansion

KEY 2024 BUSINESS PRIORITIES INCLUDE:

- » Further improve loyalty to drive renewals and referrals.
- » Enhance member experience in a cost effective and efficient way.
- » Build Hagerty Marketplace into the most trusted and preferred place to buy, sell and finance collector cars.
- » Expand insurance offerings, particularly in the post-1980s collectible space.





Business Process Re-engineering Driving Sustained Margin Expansion

2024

Began to implement changes to business processes to drive sustained reductions in cost to acquire and cost to serve

- » Marketing efforts powering efficient customer acquisition.
- » Improve efficiency of our member service center focused on reducing handle times and freeing up existing resources for continued growth in new members.
- » Adding resources to claims team to optimize spend and reduce losses.
- » Operating income margins expanded by 440 bps in the first nine months of 2024 compared to 2023, equating to two year margin expansion of 1204 bps.
- » Increased first nine months Net Income by \$35 million and Adjusted EBITDA¹ by \$105 million compared to the first nine months of 2022.

¹ See Appendix for additional information regarding this non-GAAP financial information.

THIRD QUARTER YTD 2024 Financial Highlights

GROWTH

\$908M

Total Revenue

+20%

\$827M

Written Premium

+16%

PERSISTENCE

47.7%

Loss Ratio¹

88.8%

Retention

82

Net Promoter Score

PROFITABILITY

\$60M

Operating Income

+\$43M

\$70M

Net Income

+\$51M

\$105M

Adjusted EBITDA²

+\$26M

\$0.09

Basic Earnings
Per Share

440 bps improvement in operating margin

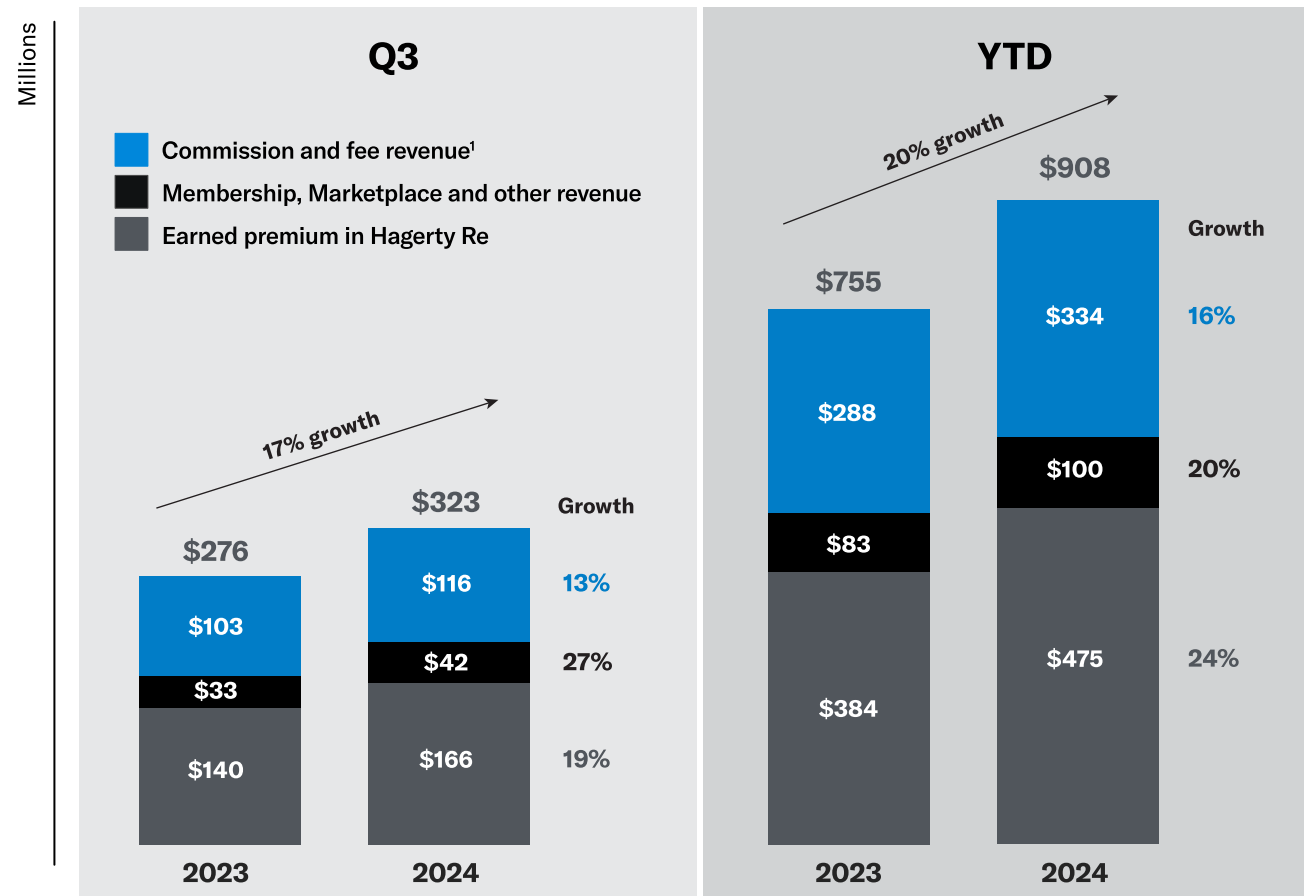
¹ Hagerty's year-to-date loss ratio of 47.7% includes the \$25 million pre-tax impact from Hurricane Helene. Hagerty's year-to-date 2024 loss ratio excluding catastrophe losses was 40.6% and Helene negatively impacted operating margins by 280 bps.

² See Appendix for additional information regarding this non-GAAP measure.

Revenue Components

Strong double-digit gains

TOTAL REVENUE



THIRD QUARTER YTD 2024 HIGHLIGHTS

Commission and fee revenue (+16%)

- » Written premium growth of 16%
- » Policies in Force retention of 89%

Membership, Marketplace and other revenue (+20%)

- » Membership revenue growth of 7%
- » Marketplace revenue growth of 54%

Earned premium in Hagerty Re (+24%)

- » Contractual quota share² ~80% in 2024

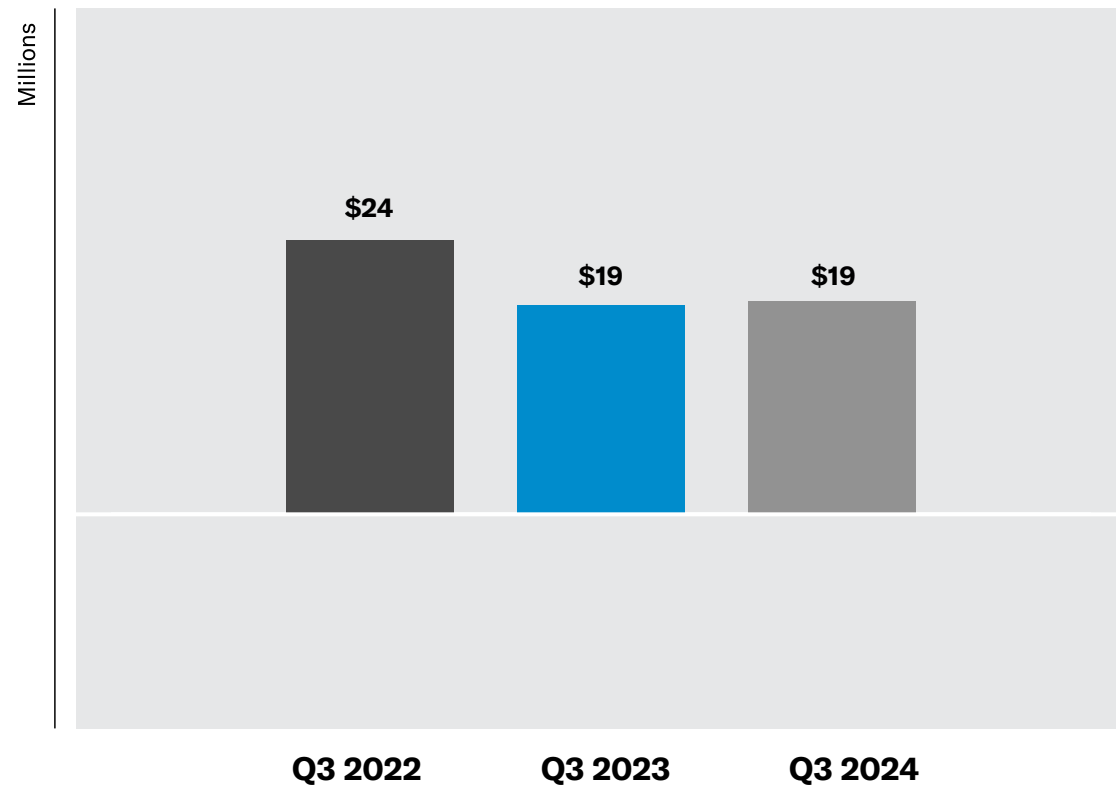
¹ Includes base commissions, payment plan fees and contingent underwriting commissions.

² Currently applies to U.S. classic auto programs. Generally described as an arrangement where underwriting risk and profit is shared proportionately.

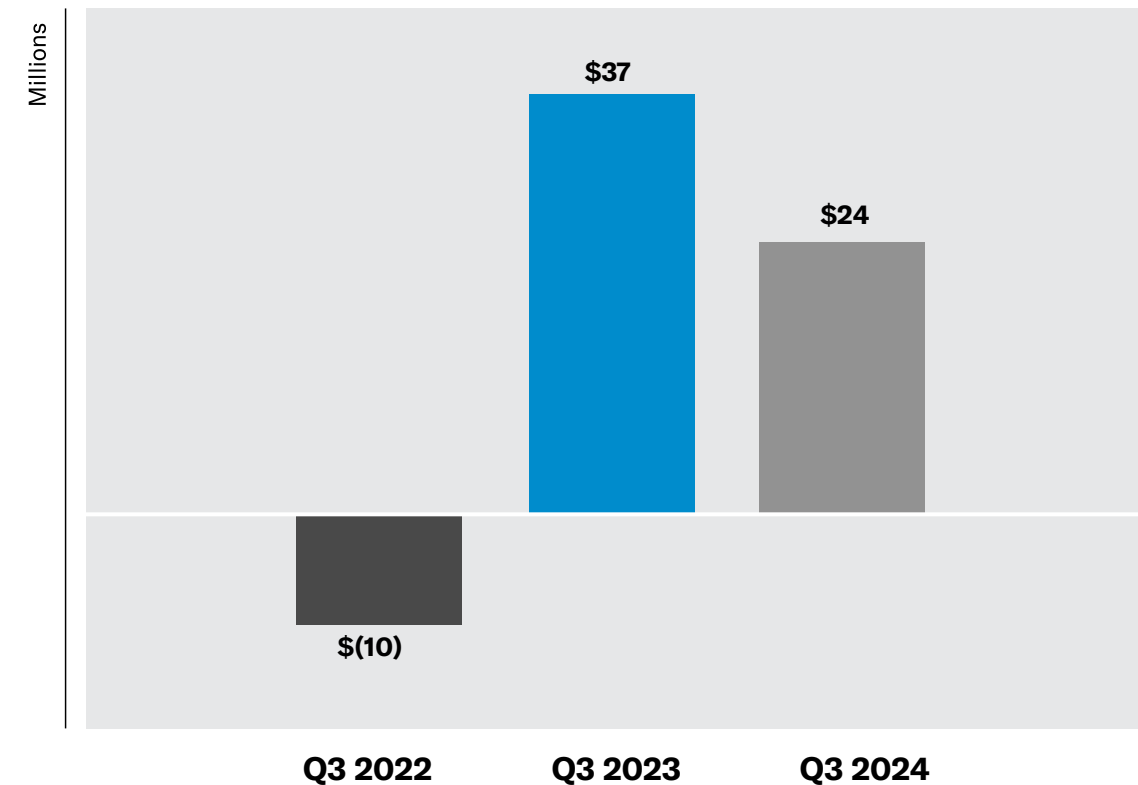
Third Quarter Earnings Analysis

Delivering sustained profit growth

THIRD QUARTER NET INCOME¹



THIRD QUARTER ADJUSTED EBITDA²



**Q3 2024 Adjusted EBITDA of \$24 million
(includes \$25 million of Helene losses)**

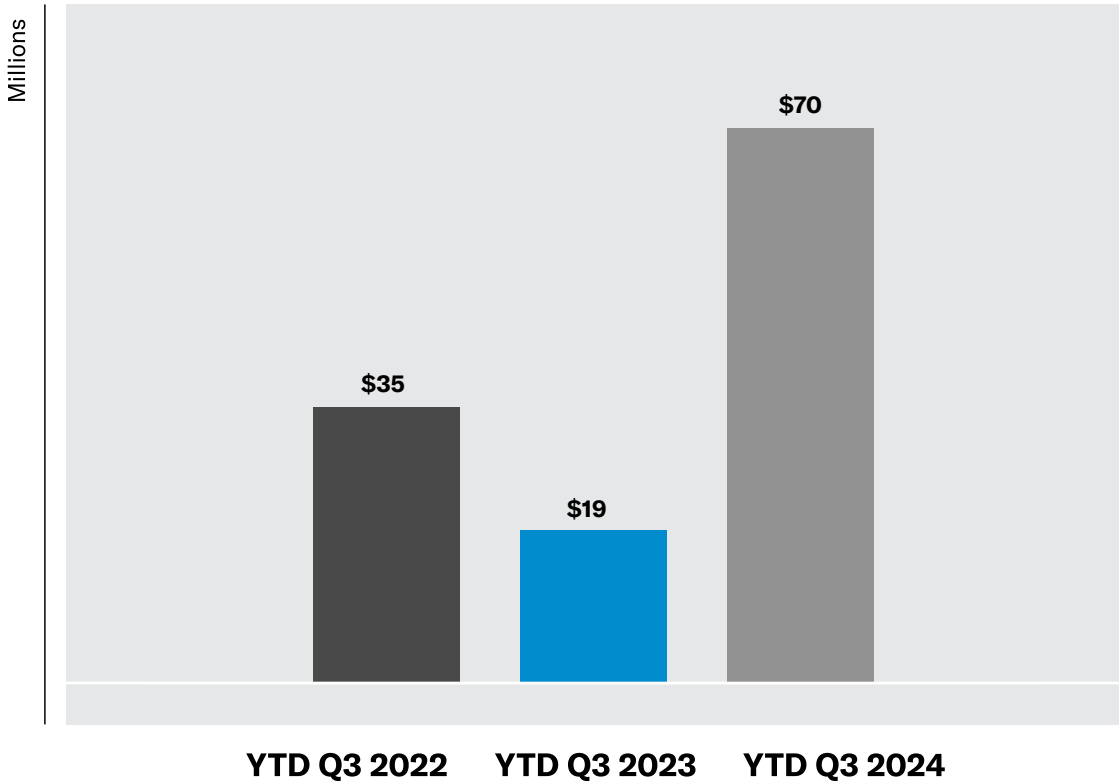
¹ Q3 2022 Net Income includes a \$12 million gain as a result of a decrease in fair value of warrant liabilities and a \$35 million gain related to the revaluation gain on previously held equity method investments. Q3 2023 Net Income includes a \$1 million loss due to restructuring and a \$1 million gain as a result of a decrease in fair value of warrant liabilities. Q3 2024 includes a \$2 million gain and a \$2 million loss as a result the change in fair value and settlement of our warrant liabilities.

² See Appendix for additional information regarding this non-GAAP financial measure.

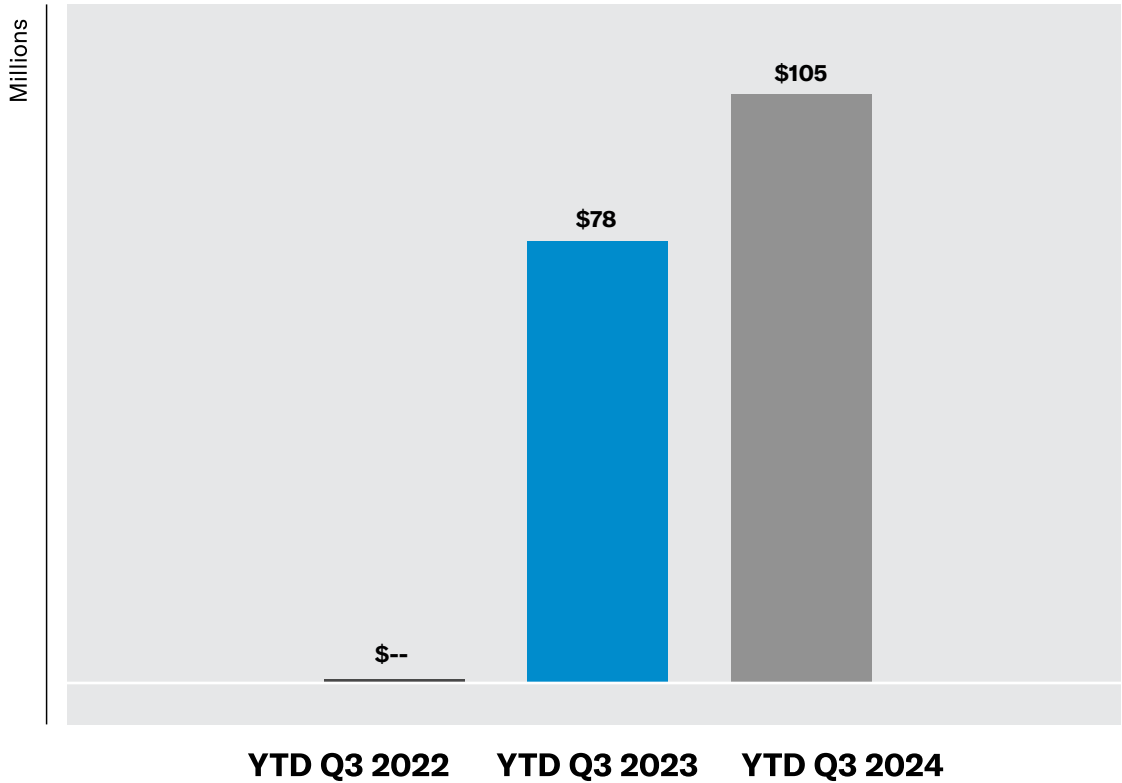
YTD 2024 Earnings Analysis

Delivering sustained profit growth

THIRD QUARTER YTD NET INCOME¹



THIRD QUARTER YTD ADJUSTED EBITDA²



**YTD 2024 Adjusted EBITDA of \$105 million
(includes \$25 million of Helene losses)**

¹ 2022 Net Income includes a \$38 million gain as a result of a decrease in fair value of warrant liabilities and a \$35 million gain related to the revaluation gain on a previously held equity method investment. 2023 Net Income includes an \$9 million loss due to restructuring and a \$1 million gain as a result of a decrease in fair value of warrant liabilities. 2024 Net income includes a \$2 million loss as a result of the warrant exchange and a \$7 million loss as a result of an increase in the fair value of warrant liabilities.

² See Appendix for additional information regarding this non-GAAP financial measure.

Updated 2024 Outlook

Deliver sustained top-line momentum in 2024 with strong margin expansion. Incorporates \$30 million pre-tax (\$24 million post-tax) impact from hurricanes Helene and Milton¹

IN THOUSANDS	2023 RESULTS	PRIOR 2024 OUTLOOK ²	REVISED 2024 OUTLOOK
Total Written Premium	\$907,175	\$1,034,000 - \$1,043,000	\$1,043,000 - \$1,043,000
Total Revenue	\$1,000,213	\$1,160,000 - \$1,180,000	\$1,180,000 - \$1,190,000
Net Income³	\$28,179	\$76,000 - \$84,000	\$65,000 - \$74,000
Adjusted EBITDA⁴	\$88,162	\$130,000 - \$140,000	\$110,000 - \$120,000

¹ Hurricane Milton's losses estimated at \$5 million pre-tax, \$4 million post-tax.

² Prior 2024 Outlook shared on the Company's second quarter earnings call on August 6th, 2024.

³ Net income range assumes no impact from warrants. Fully diluted share count post warrant exchange of ~360 million including Class A Common Stock, Class V Common Stock, Series A Convertible Preferred Stock, and share-based compensation awards.

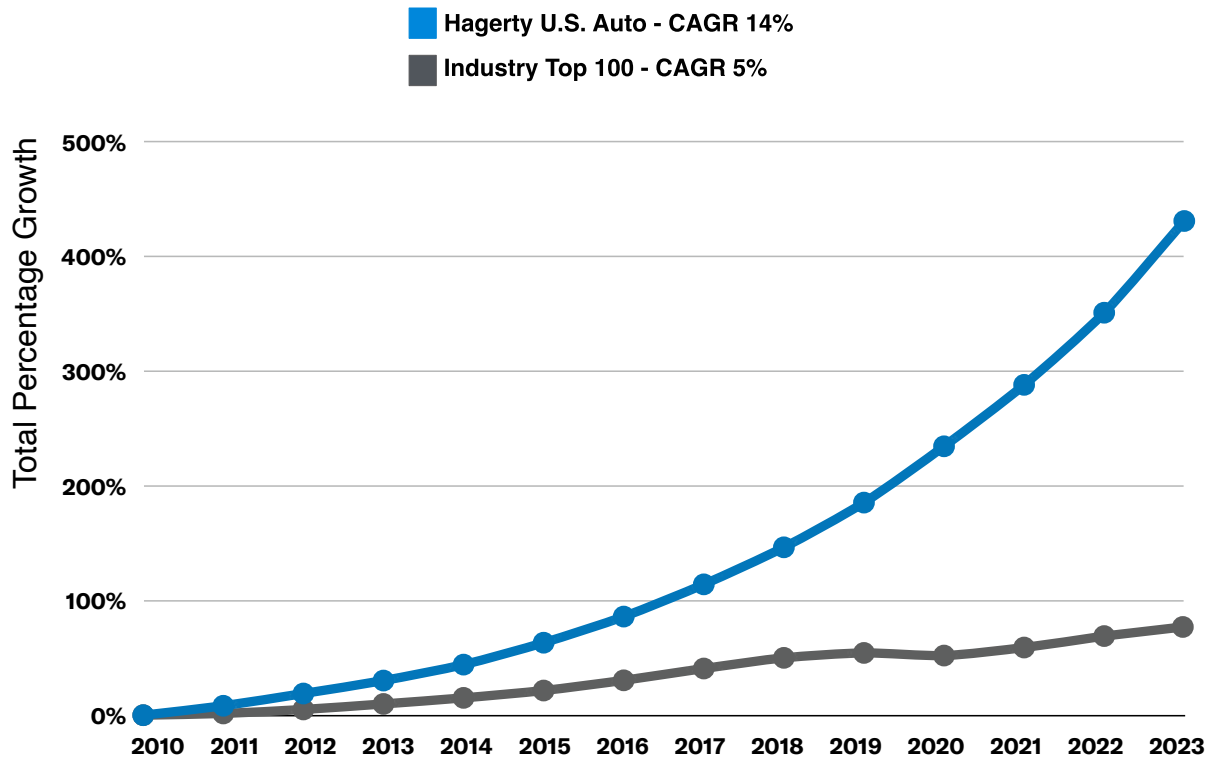
⁴ See Appendix for additional information regarding this non-GAAP financial measure.



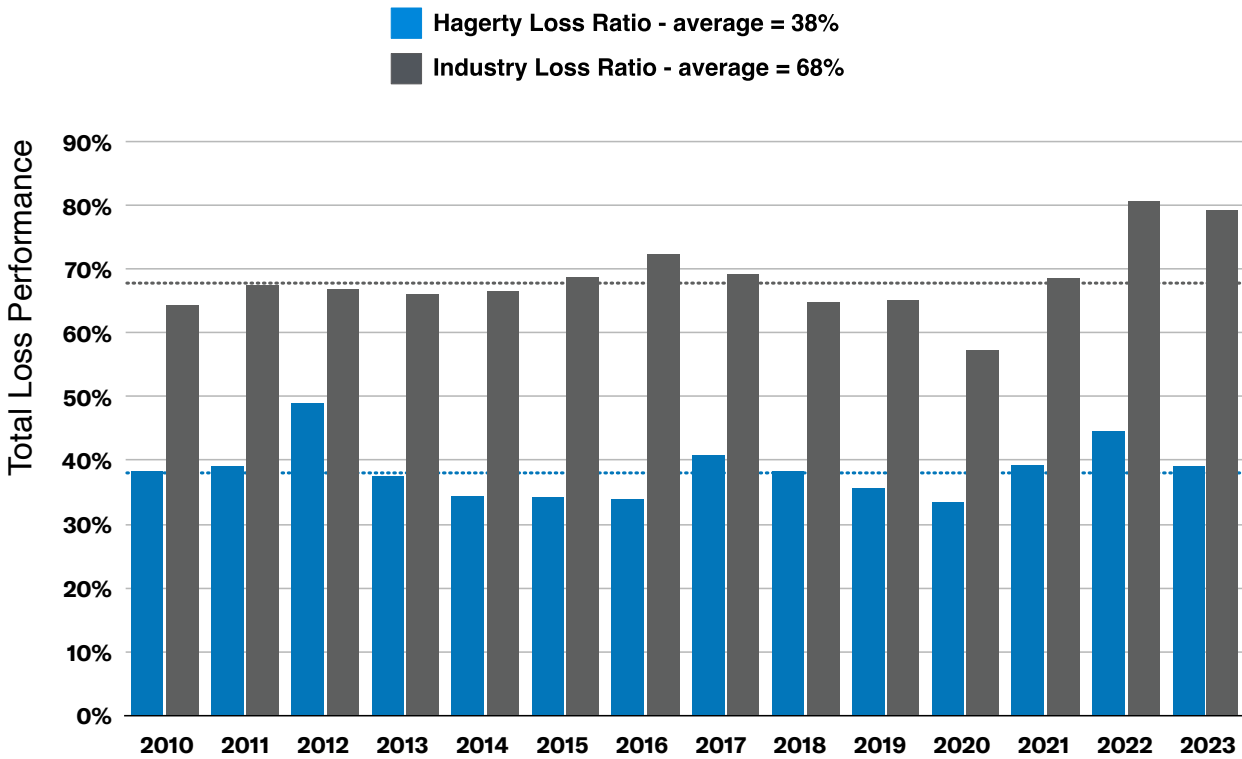
APPENDIX

PROVEN TRACK RECORD OF PROFITABLE LONG-TERM GROWTH

HAGERTY U.S. AUTO PREMIUM GROWTH VS. INDUSTRY TOP 100



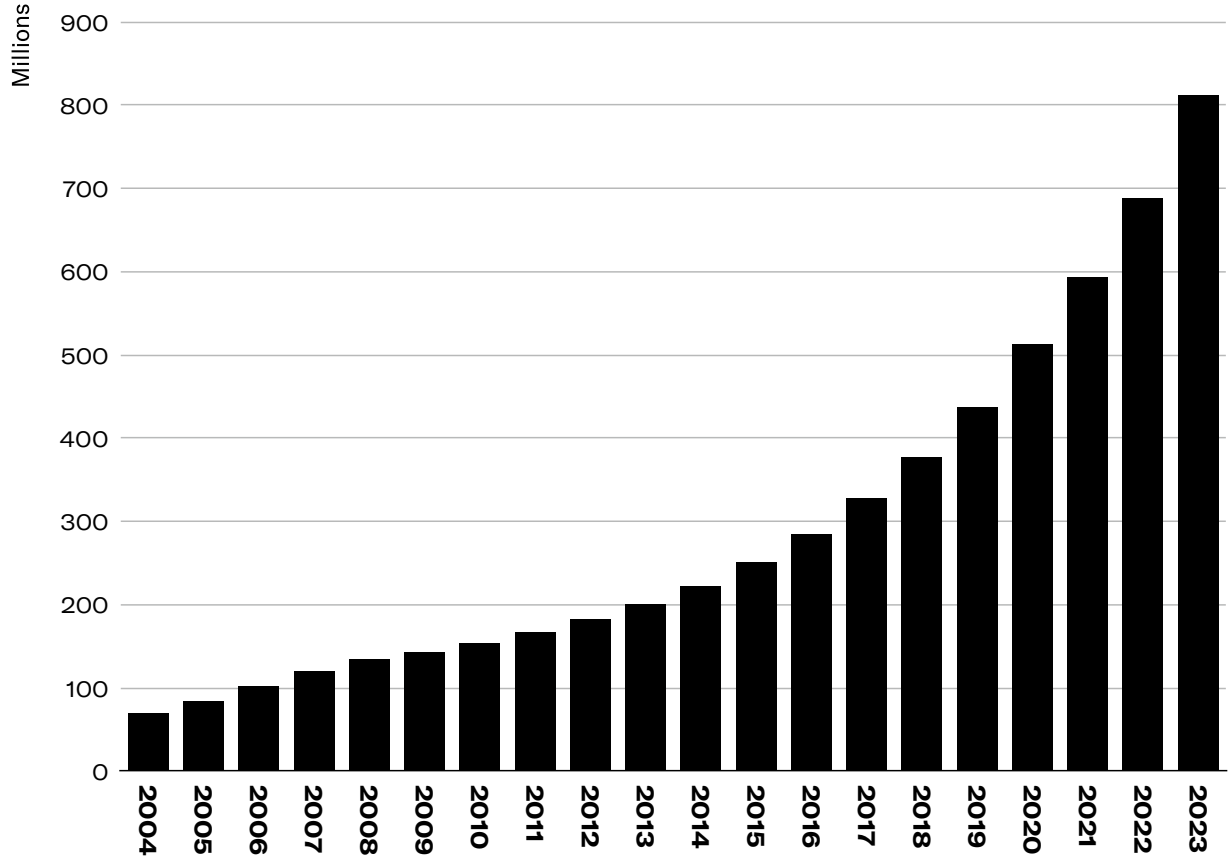
HAGERTY U.S. AUTO LOSS PERFORMANCE VS. INDUSTRY TOP 100



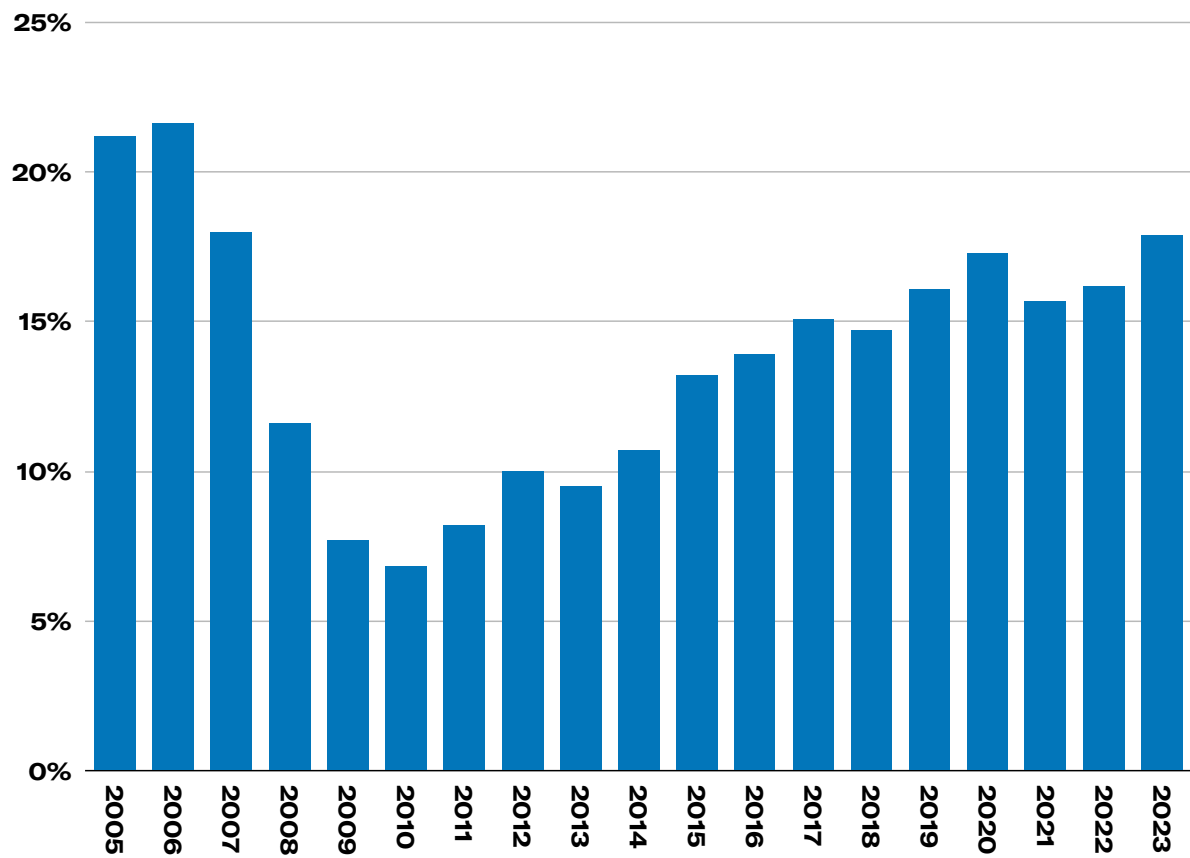
Source: Hagerty Internal Data, S&P Global Market Intelligence (2023).

HISTORICAL WRITTEN PREMIUM GROWTH

TOTAL U.S. AUTO WRITTEN PREMIUM



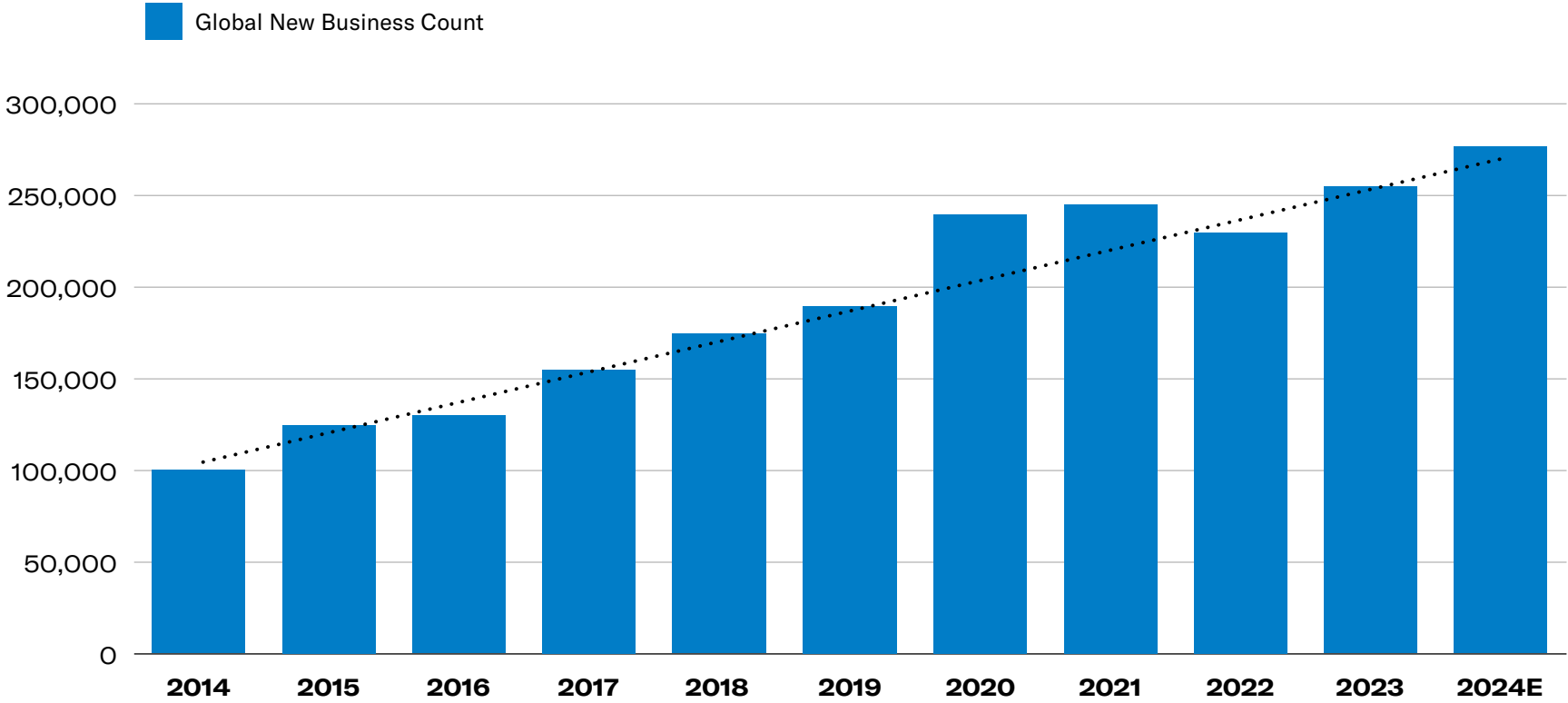
U.S. AUTO WRITTEN PREMIUM ANNUAL GROWTH



Durable mid-teens growth

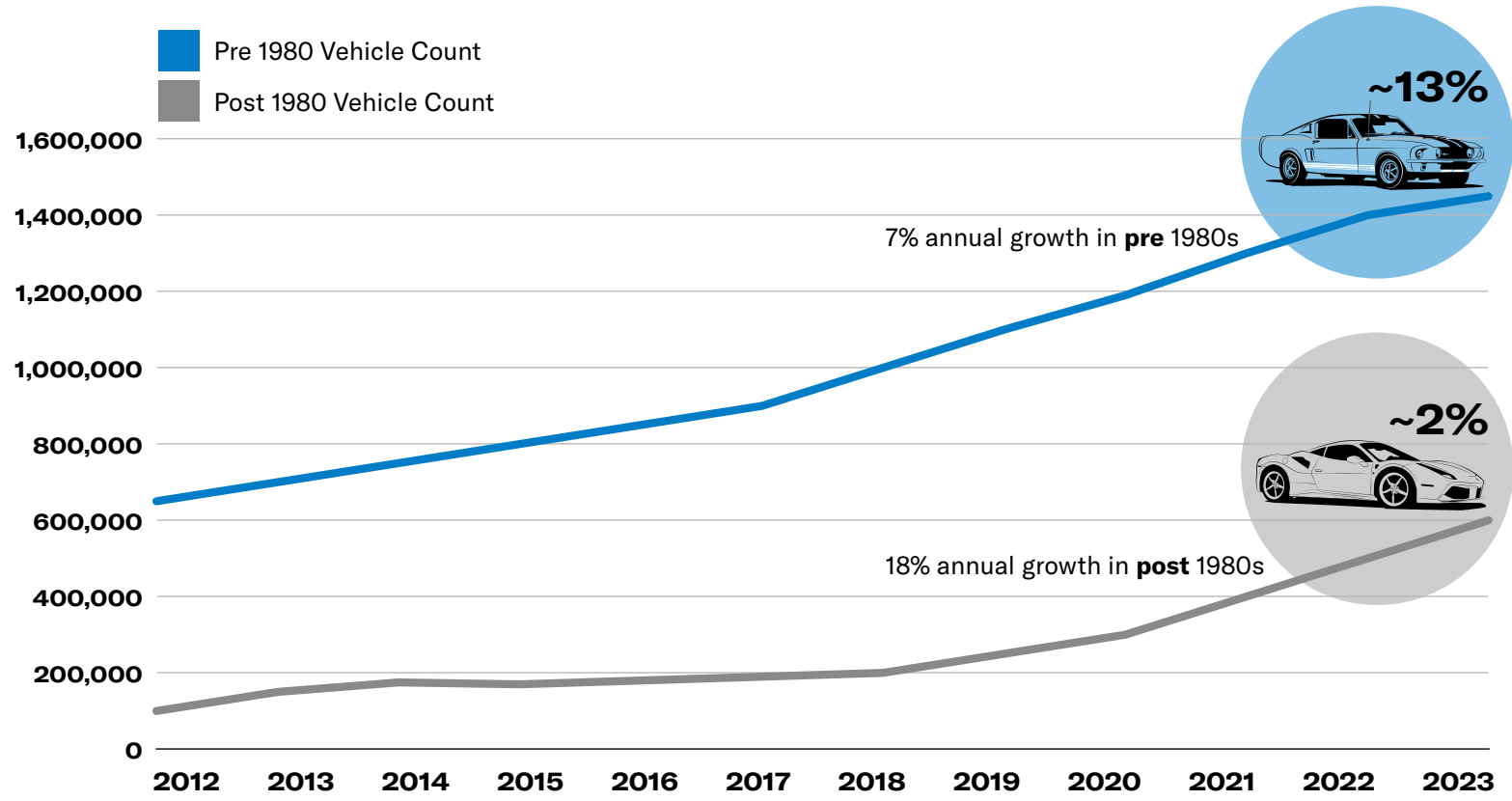
WRITTEN PREMIUM GROWTH FUELED BY NEW MEMBERS

Strong and Growing New Business Count



POST 1980 VEHICLES BECOMING MORE IMPACTFUL FOR GROWTH

Hagerty Penetration and U.S. Auto Insured Vehicle Count



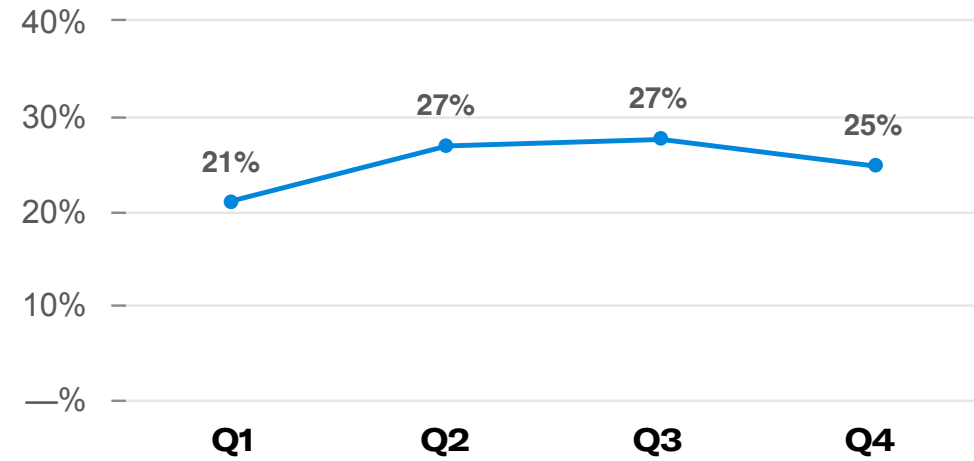
Collectible Vehicles by Cohort

Type	Total Market (cars, mm)	Hagerty Penetration
Pre 1980 Vehicles	11.2	13.3%
Post 1980 Vehicles	35.2	1.7%
Total	~46.3	4.5%

HISTORICAL SEASONALITY TRENDS

Total Revenue

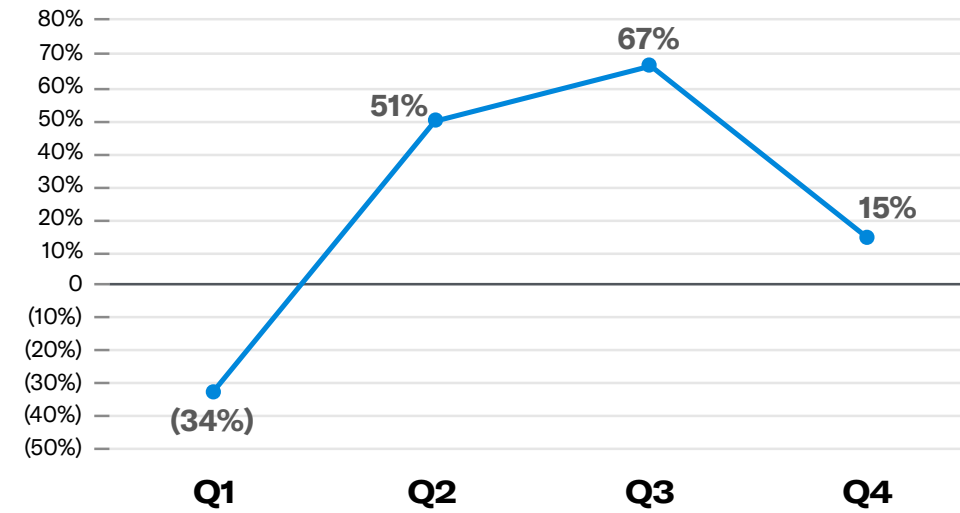
5 YEAR AVERAGE



\$ IN THOUSANDS	Q1	Q2	Q3	Q4	Total
2019	78,479	109,722	111,472	97,601	397,274
2020	106,859	135,462	135,781	121,446	499,548
2021	129,200	167,409	168,086	154,384	619,079
2022	167,811	206,017	216,757	197,003	787,588
2023	218,352	261,244	275,574	245,043	1,000,213
5 Year Average Total Revenue %	21%	27%	27%	25%	100%

Operating Income

5 YEAR AVERAGE



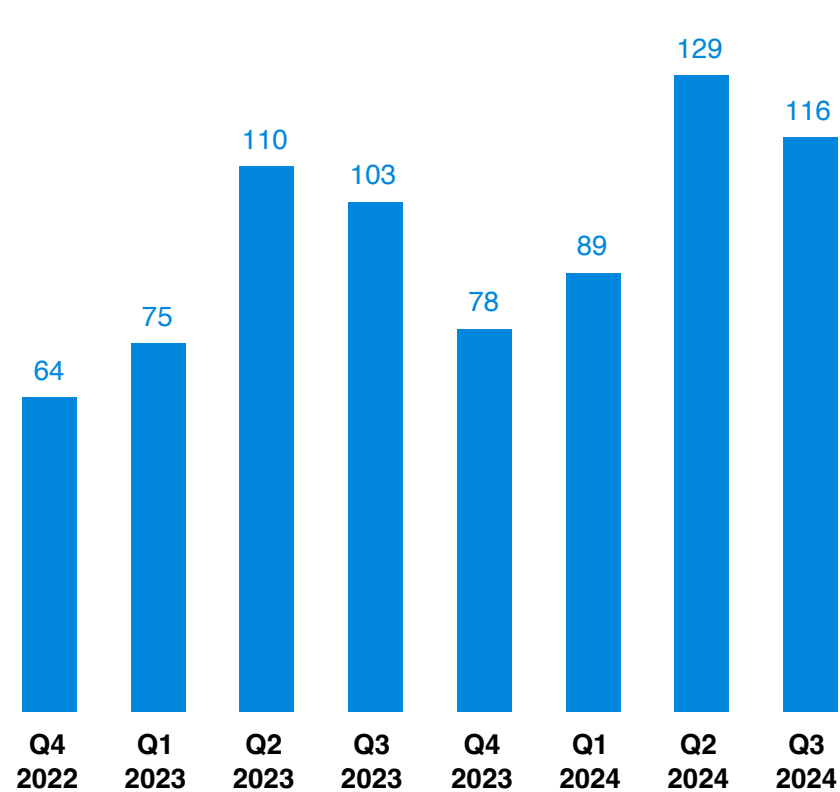
\$ IN THOUSANDS	Q1	Q2	Q3	Q4	Total
2019	(5,808)	13,247	9,258	(6,149)	10,548
2020	(4,171)	17,441	12,650	(10,074)	15,846
2021	(5,096)	14,274	1,758	(21,006)	(10,070)
2022	(13,004)	2,387	(21,223)	(35,726)	(67,566)
2023	(16,489)	17,253	16,117	(6,473)	10,408
5 Year Average Operating Income %	(34)%	51%	67%	15%	100%

Geographic footprint of our North American book creates seasonal differences by quarter for revenue and total operating income

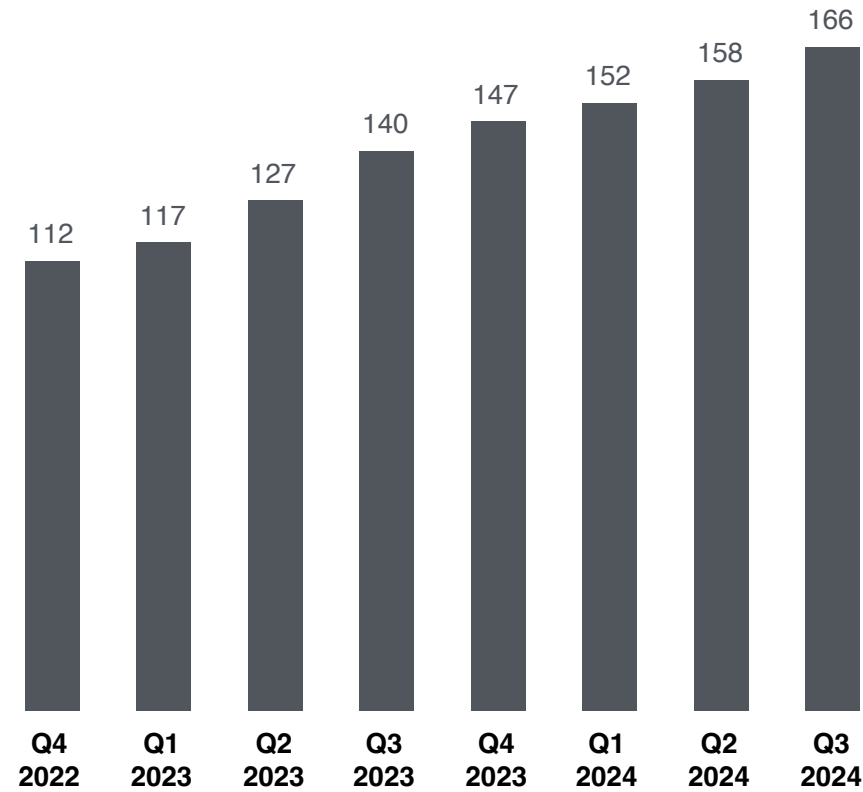
REVENUE COMPONENTS BY QUARTER

\$ IN MILLIONS

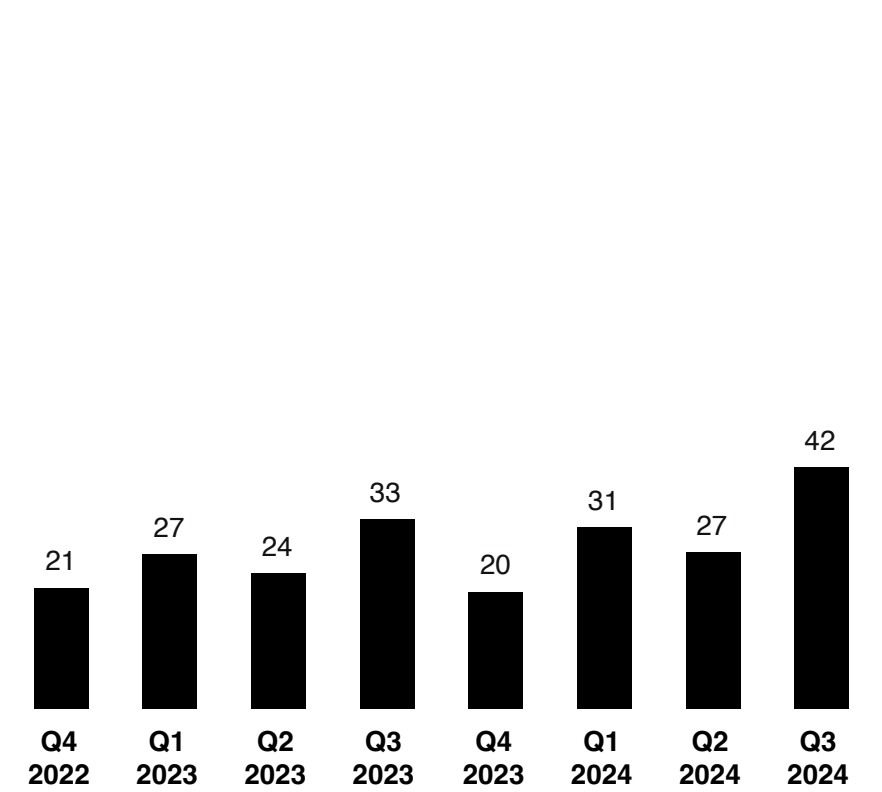
COMMISSION + FEE REVENUE¹



EARNED PREMIUM IN HAGERTY RE



MEMBERSHIP, MARKETPLACE + OTHER REVENUE



¹ Includes base commissions, payment plan fees and contingent underwriting commissions.

RECONCILIATION OF NON-GAAP METRICS

Net Income to Adjusted EBITDA¹

IN THOUSANDS	Q3 2023	Q4 2023 - Q2 2024	Q3 2024	TTM
Net income	\$18,623	\$59,898	\$19,007	\$78,905
Interest and other (income) expense ¹	(6,260)	(26,730)	(8,359)	(35,089)
Income tax (benefit) expense	4,604	15,531	(1,022)	14,509
Depreciation and amortization	10,753	31,490	9,184	40,674
EBITDA	27,720	80,189	18,810	98,999
Restructuring, impairment and related charges, net	473	(45)	—	(45)
(Gain) loss related to warrant liabilities, net	(850)	(4,881)	463	(4,418)
Share-based compensation expense	4,935	13,786	4,092	17,878
Gain related to divestiture	4,112	(186)	—	(186)
Other unusual items ²	987	1,290	800	2,090
Adjusted EBITDA	\$37,377	\$90,153	\$24,165	\$114,318

¹ Excludes interest expense related to the BAC Credit Facility, which is recorded within "Sales expense" on the Condensed Consolidated Statements of Operations.

² Other unusual items includes professional fees associated with the warrant exchange, as well as certain material severance expenses for the three and nine months ended September 30, 2024 and a net legal settlement accrual for the three and nine months ended September 30, 2023.

Adjusted EBITDA

We define Adjusted EBITDA as consolidated Net income, excluding interest and other income (expense), net, income tax (expense) benefit, and depreciation and amortization, further adjusted to exclude (i) gains and losses related to our warrant liabilities; (ii) share-based compensation expense; and when applicable, (iii) restructuring, impairment and related charges, net; (iv) gains, losses and impairments related to divestitures; and (v) certain other unusual items.

We present Adjusted EBITDA because we consider it to be an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in our industry. Management uses Adjusted EBITDA as a measure of the operating performance of our business on a consistent basis, as it removes the impact of items not directly resulting from our core operations.

By providing this non-GAAP financial measure, together with a reconciliation to Net income, which is the most comparable GAAP measure, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives. However, Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation, or as an alternative to, or a substitute for Net income or other financial statement data presented in our Condensed Consolidated Financial Statements as indicators of financial performance. Our definition of Adjusted EBITDA may be different than similarly titled measures used by other companies in our industry, which could reduce the usefulness of this non-GAAP financial measure when comparing our performance to that of other companies.

RECONCILIATION OF NON-GAAP METRICS

Basic Earnings Per Share to Adjusted Earnings Per Share

IN THOUSANDS (EXCEPT PER SHARE AMOUNTS)	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Numerator:				
Net income available to Class A Common Stockholders ¹	\$2,798	\$3,255	\$7,753	\$3,712
Accretion of Series A Convertible Preferred Stock	1,875	1,838	5,552	1,838
Undistributed earnings allocated to Series A Convertible Preferred Stock	212	261	607	110
Net income attributable to non-controlling interest	14,122	13,269	55,951	13,477
Consolidated net income	19,007	18,623	69,863	19,137
(Gain) loss related to warrant liabilities	463	(850)	8,544	1,419
Adjusted consolidated net income ²	\$19,470	\$17,773	\$78,407	\$20,556
Denominator:				
Weighted-average shares of Class A Common Stock Outstanding ¹	89,691	84,479	86,689	84,042
Total potentially dilutive shares outstanding:				
Non-controlling interest units	255,178	255,499	255,178	255,499
Series A Convertible Preferred Stock, on an as-converted basis	6,785	6,785	6,785	6,785
Total unissued share-based compensation awards	8,076	8,490	8,076	8,490
Total warrants outstanding	—	19,484	—	19,484
Potentially dilutive shares outstanding	270,039	290,258	270,039	290,258
Fully dilutive shares outstanding ²	359,730	374,737	356,728	374,300
Basic Earnings per Share ¹	\$0.03	\$0.04	\$0.09	\$0.04
Adjusted Earnings per Share ²	\$0.05	\$0.05	\$0.22	\$0.05

¹ Numerator and Denominator of the GAAP measure Basic EPS

² Numerator and Denominator of the non-GAAP measure Adjusted EPS

Adjusted EPS

We define Adjusted Earnings Per Share (“Adjusted EPS”) as consolidated Net income, less gains and losses related to our warrant liabilities, divided by our outstanding and total potentially dilutive securities, which includes (i) the weighted average issued and outstanding shares of Class A Common Stock; (ii) all issued and outstanding non-controlling interest units of THG; (iii) all issued and outstanding shares of our Series A Convertible Preferred Stock on an as-converted basis; (iv) all unissued share-based compensation awards; and (v) all unexercised warrants outstanding prior to the Warrant Exchange.

The most directly comparable GAAP measure to Adjusted EPS is basic earnings per share (“Basic EPS”), which is calculated as Net income available to Class A Common Stockholders divided by the weighted average number of Class A Common Stock shares outstanding during the period.

We present Adjusted EPS because we consider it to be an important supplemental measure of our operating performance and believe it is used by securities analysts, investors and other interested parties in evaluating the consolidated performance of other companies in our industry. We also believe that Adjusted EPS, which compares our consolidated Net income with our outstanding and potentially dilutive shares, provides useful information to investors regarding our performance on a fully consolidated basis.

RECONCILIATION OF NON-GAAP METRICS | 2024 OUTLOOK

Net Income to Adjusted EBITDA¹

IN THOUSANDS	2024 Low	2024 High
Net income	\$65,000	\$74,000
Interest and other (income) expense ²	(35,000)	(35,000)
Income tax (benefit) expense	14,000	15,000
Depreciation and amortization	40,000	40,000
Gain (loss) related to warrant liabilities, net	8,500	8,500
Share-based compensation expense	17,500	17,500
Adjusted EBITDA	\$110,000	\$120,000

¹ Net Income and Adjusted EBITDA include an estimated post-tax loss of \$23.5 million and pre-tax loss of \$29.7 million related to hurricanes Helene and Milton

² Excludes interest expense related to the BAC Credit Facility, which is recorded within "Sales expense" on the Condensed Consolidated Statements of Operations.

Adjusted EBITDA

We define Adjusted EBITDA as consolidated Net income, excluding interest and other income (expense), net, income tax (expense) benefit, and depreciation and amortization, further adjusted to exclude (i) gains and losses related to our warrant liabilities; (ii) share-based compensation expense; and when applicable, (iii) restructuring, impairment and related charges, net; (iv) gains, losses and impairments related to divestitures; and (v) certain other unusual items.

We present Adjusted EBITDA because we consider it to be an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in our industry. Management uses Adjusted EBITDA as a measure of the operating performance of our business on a consistent basis, as it removes the impact of items not directly resulting from our core operations.

By providing this non-GAAP financial measure, together with a reconciliation to Net income, which is the most comparable GAAP measure, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives. However, Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation, or as an alternative to, or a substitute for Net income or other financial statement data presented in our Condensed Consolidated Financial Statements as indicators of financial performance. Our definition of Adjusted EBITDA may be different than similarly titled measures used by other companies in our industry, which could reduce the usefulness of this non-GAAP financial measure when comparing our performance to that of other companies.

Never Stop Driving

HAGERTY