

HAGERTY[®]

Capital Markets Showcase

November 17, 2021

Disclaimer - Safe Harbor Statement

This presentation (“Presentation”) is provided for informational purposes only and has been prepared in connection with the transactions (the “Business Combination”) contemplated by that certain Business Combination Agreement, dated as of August 17, 2021 (the “Business Combination Agreement”), by and among Aldel Financial, Inc. (“Aldel”), Aldel Merger Sub LLC, a Delaware limited liability company and wholly owned subsidiary of Aldel, and The Hagerty Group, LLC, a Delaware limited liability company (“Hagerty”). . The contents of this presentation should not be considered to be legal, tax, investment or other advice. The information in this Presentation was obtained from Aldel, Hagerty and other sources and does not purport to be exhaustive or to necessarily contain all of the information relevant to Aldel, the Company or the Business Combination. All information presented in this Presentation with respect to the existing business and historical operating results of Hagerty and estimates and projections as to future operations are based on material prepared by the management of Hagerty and involve significant elements of subjective judgment and analysis which may or may not be correct. There can be no assurances that management’s judgment and analysis is correct. Past performance is not an indication or guarantee of future results. Further, industry and market data used in this presentation have been obtained from sources including third-party industry publications and sources as well as from research reports prepared for other purposes. The Company has not independently verified the data obtained from these sources and cannot assure you of the data’s accuracy or completeness. In addition, this presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of the Company or the Business Combination. Viewers of this presentation should each make their own evaluation of the Company and of the relevance and adequacy of the information and should make such other investigations as they deem necessary

Forward-Looking Statements

Certain statements included in this Presentation are not historical facts but are forward looking statements. Forward looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters, but the absence of these words does not mean that a statement is not forward looking. These statements are based on various assumptions, whether or not identified in this Presentation, and on the current expectations of Hagerty’s management and are not predictions of actual performance. These forward looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any person as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. These forward looking statements are subject to a number of risks and uncertainties, including risks related to competition in Hagerty’s industry, the concentration of Hagerty’s distribution relationships, potential fraudulent activities, Hagerty’s ability to attract and retain talent to support its growth, the regulatory environment in which Hagerty operates, potential cyberattacks and data breaches, the ability of the Company and Aldel to consummate the Business Combination on the expected timing or at all, and the other risks and uncertainties identified in Aldel’s definitive Proxy Statement on Form 14A, dated as of November 10, 2021, under the heading “Risk Factors.” If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward looking statements.

Financial Projections

This Presentation contains projected financial information with respect to the Company, namely revenue, adjusted gross profit, loss ratio, retention, and insurance revenue. Such projected financial information constitutes forward looking information, and is for illustrative purposes only and should not be relied upon as necessarily being indicative of future results. The projections, estimates and targets in this Presentation are forward looking statements that are based on assumptions that are inherently subject to significant uncertainties and contingencies, many of which are beyond the Company’s control. The assumptions and estimates underlying the projected, expected or target results are inherently uncertain and are subject to a wide variety of significant business, economic, regulatory, competitive and other risks and uncertainties that could cause actual results to differ materially from those contained in such projections, estimates and targets. Neither the independent auditors of Aldel nor the Company have audited, reviewed, compiled or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation and, accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. Further, the financial information and data contained in this presentation is unaudited and may not conform to Regulation S-X. Accordingly, such information and data may not be included in, may be adjusted in or may be presented differently in, any proxy statement/prospectus or registration statement to be filed by Aldel with the SEC, and such differences may be material.

The information in this Presentation is provided as of the date of its preparation, and there is no obligation for the Company or Aldel to update or otherwise revise this Presentation, and this Presentation shall not be construed to indicate that there has not been any change in the financial condition, business operations or other affairs of the Company since the date of its preparation.

Non-GAAP Financial Measures

Some of the financial information and data contained in this Presentation have not been prepared in accordance with United States generally accepted accounting principles (“GAAP”). These non-GAAP measures, and other measures that are calculated using such non-GAAP measures, are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to revenue, operating income, profit before tax, net income or any other performance measures derived in accordance with GAAP. The Company believes these non-GAAP measures of financial results, including on a forward-looking basis, provide useful information to management and investors regarding certain financial and business trends relating to the Company’s financial condition and results of operations. The Company’s management believes that the use of these non-GAAP financial measures provides an additional tool for prospective investors to use in evaluating projected operating results and trends in and in comparing Hagerty’s financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Management of the Company does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP.

However, there are a number of limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents. For example, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore Hagerty’s non-GAAP measures may not be directly comparable to similarly titled measures of other companies. See the footnotes on the slides where these measures are discussed for definitions of these non-GAAP financial measures and the reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures.

Important Information and Where To Find It

In connection with the proposed Business Combination, Aldel has filed with the SEC and has mailed the definitive proxy statement and a proxy card to each stockholder entitled to vote at the Special Meeting relating to the transaction. INVESTORS AND STOCKHOLDERS OF ALDEL ARE URGED TO READ THESE MATERIALS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER RELEVANT DOCUMENTS IN CONNECTION WITH THE TRANSACTION THAT ALDEL WILL FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT ALDEL, HAGERTY AND THE BUSINESS COMBINATION. The definitive proxy statement and other relevant materials in connection with the transaction (when they become available), and any other documents filed by Aldel with the SEC, may be obtained free of charge at the SEC’s website (www.sec.gov) or by directing a request to: Aldel Financial Inc., 105 S. Maple Street, Itasca, Illinois 60143.

Participants in the Solicitation

Aldel and its directors and executive officers may be deemed participants in the solicitation of proxies from Aldel’s stockholders with respect to the Business Combination. A list of the names of those directors and executive officers and a description of their interests in Aldel is included in the proxy statement for the proposed Business Combination and is available at www.sec.gov. Additional information regarding the interests of such participants is contained in the proxy statement for the proposed Business Combination. Information about Aldel’s directors and executive officers and their ownership of Aldel common stock is set forth in Aldel’s prospectus, dated April 12, 2021, as modified or supplemented by any Form 3 or Form 4 filed with the SEC since the date of such filing. Other information regarding the interests of the participants in the proxy solicitation is included in the proxy statement pertaining to the proposed Business Combination. These documents can be obtained free of charge from the sources indicated above.

Hagerty and its directors and executive officers may also be deemed to be participants in the solicitation of proxies from the stockholders of Aldel in connection with the proposed Business Combination. A list of the names of such directors and executive officers and information regarding their interests in the proposed Business Combination is included in the proxy statement for the proposed Business Combination.

No Solicitation

This communication does not constitute the solicitation of a proxy, consent or authorization with respect to the Business Combination. This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any states or jurisdictions in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act, or an exemption therefrom.

Presenting Today



McKeel Hagerty

HAGERTY.

Founder & Chief Executive Officer

Favorite car:
1967 Porsche 911S –
owned since 1980



Fred Turcotte

HAGERTY.

Chief Financial Officer

Favorite car:
2021 Chevrolet Corvette C8 –
owned since 2021



Agenda

Company Overview and Purpose
Hagerty Membership Ecosystem
Hagerty's Unique Business Model

McKeel

Deal Update
Financial Performance Highlights
Capital Allocation

Fred

Future Growth Priorities

McKeel

Q+A

**McKeel, Fred &
Rob Kauffman**



Hagerty is guided by our purpose & mission

Our Purpose

Save driving and car culture for future generations.

Our Mission

Build a global business to fund our purpose, create a space where team members thrive; and drive positive impact in the world.

HAGERTY.

**A people story.
A passion story.
A growth story.**

A highly differentiated membership-based growth story

01

Large & underpenetrated market opportunity

Tapping underserved passion-led automotive enthusiast market

02

Omni channel distribution strategy

Established platform to drive scale and leverage data advantage

03

Unique membership ecosystem for car lovers

Exceptional brand loyalty; multiple points of monetization

04

Proven & resilient financial profile

Track record of revenue & earnings growth

05

Sufficient capital to fund growth priorities

Continued double-digit growth and further margin expansion; potential growth beyond base plan



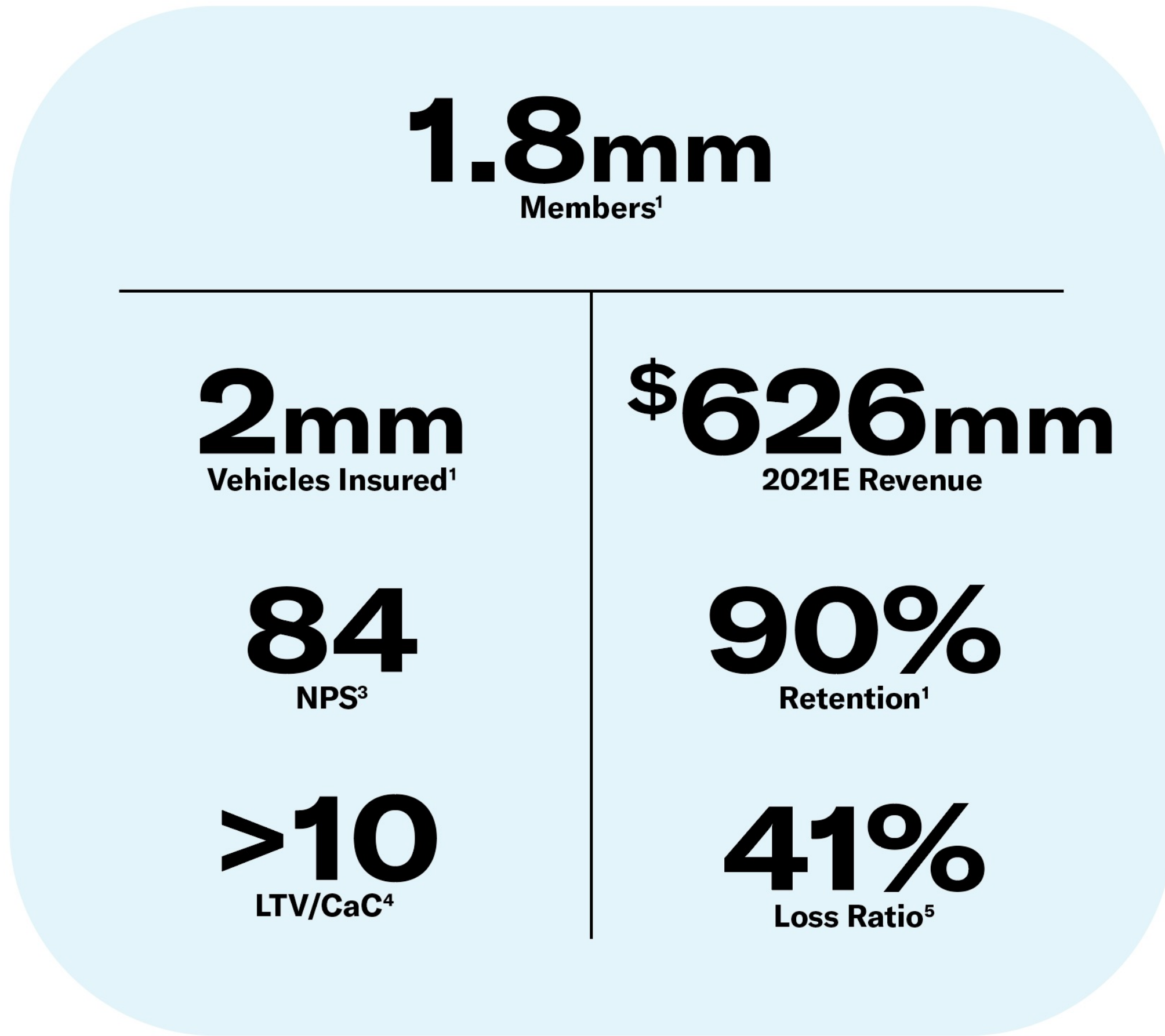
Never

Stop

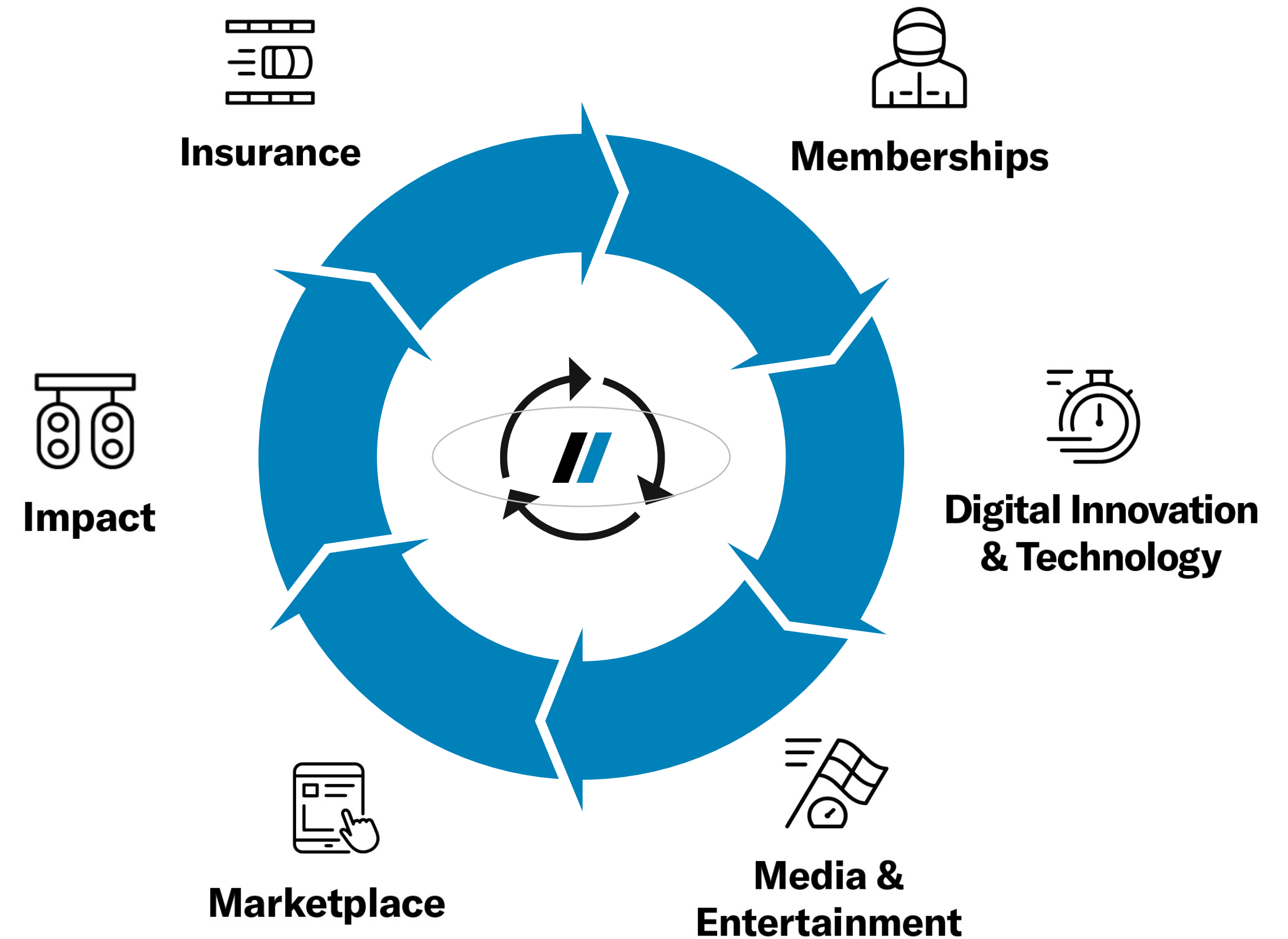
Driving

We're a leading brand & ecosystem for car lovers

Hagerty is an automotive lifestyle brand and leading specialty insurance provider focused on the global automotive enthusiast market



Hagerty Membership Ecosystem

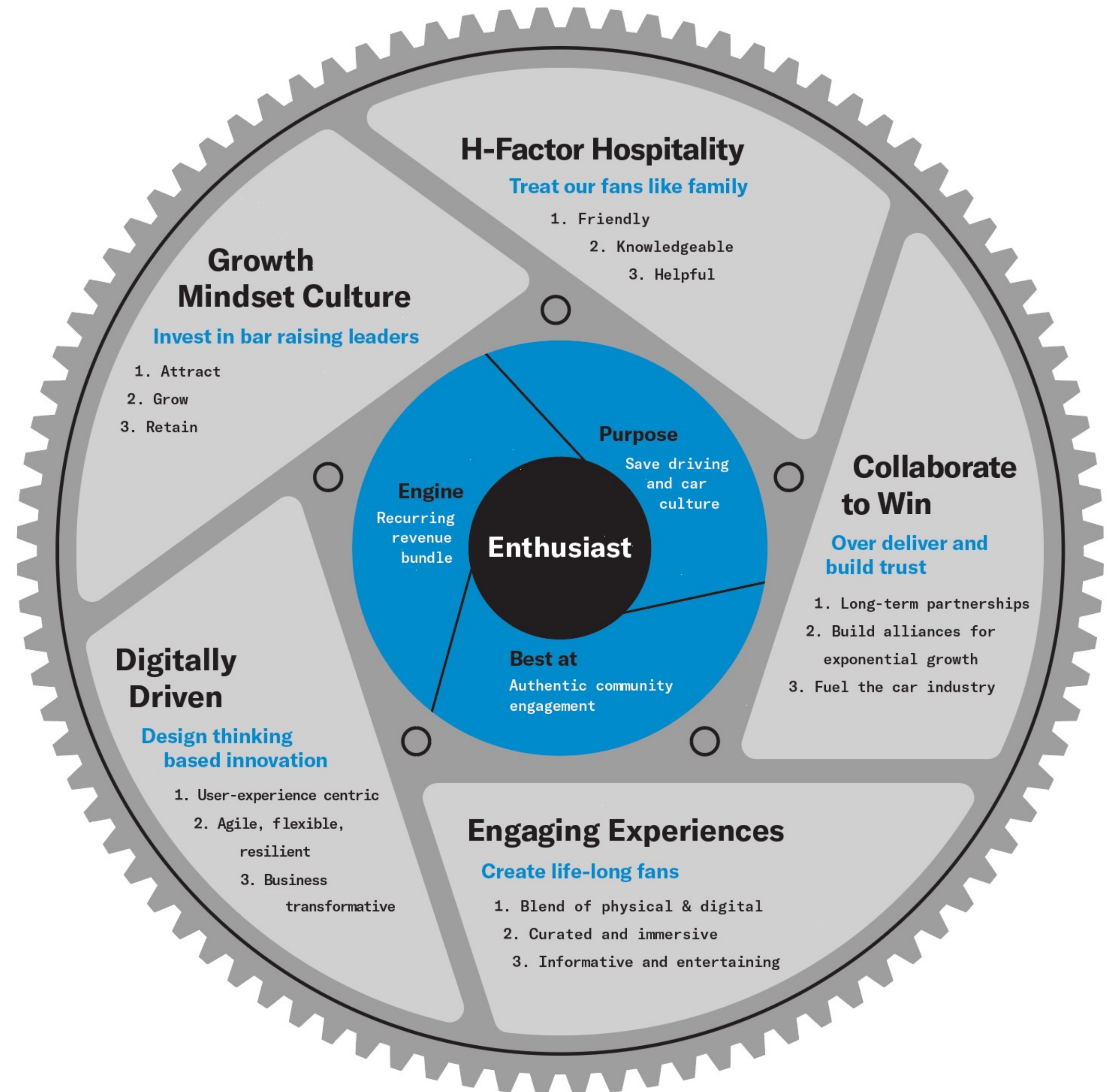


Source: Hagerty company reports based on aggregated data of various sources, SNL Financial, NAIC, Insurance Information Institute; ¹ As of 12/31/20; ² Per Hagerty company reports based on aggregated data of various sources; ³ As of 12/31/20, NPS is defined as "Net Promoter Score", a leading measure of customer experience and satisfaction with companies and brands; ⁴ Represents "Lifetime value" (LTV) of customer as a multiple Hagerty's "Customer acquisition costs" (CAC); ⁵ Hagerty average over 2018-2020FY

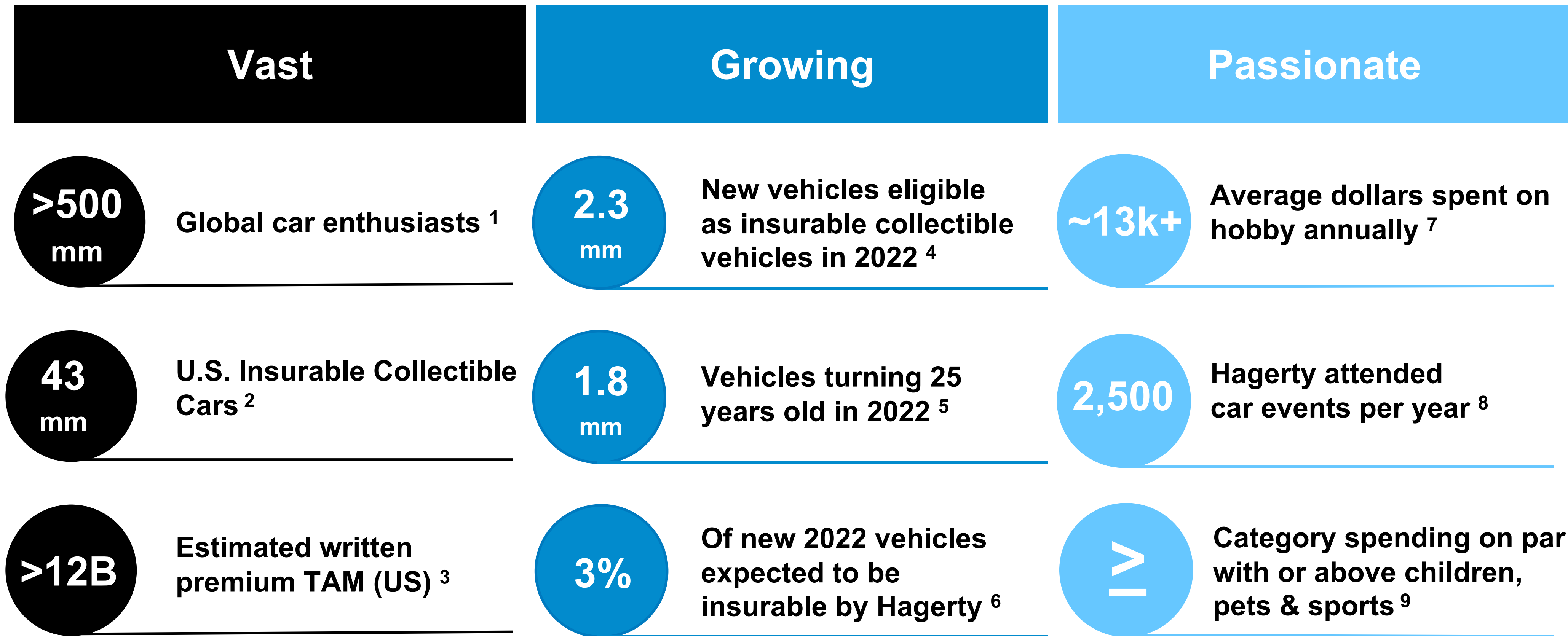
How We Operate

Using our Flywheel, we:

- Think and build for the long-term.
- Put enthusiasts at the center of our strategy.
- Create a culture built upon improving every day.



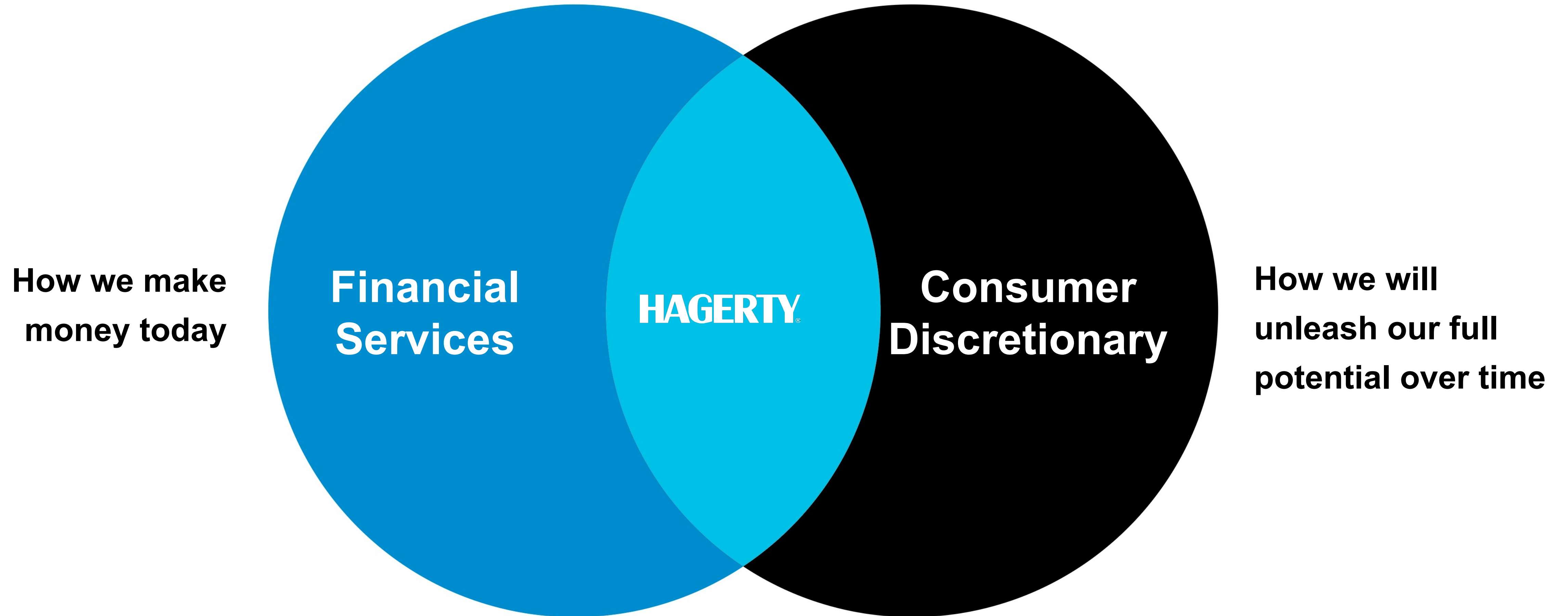
The car community is vibrant and growing



But also underserved & disconnected...

Source: Hagerty company reports based on aggregated data of various sources; ¹ Per Facebook analytics, Facebook members who have expressed an interest in or "Liked" automobiles or associated interests; ² Per Hagerty company reports based on aggregate data of various sources. ³ 43MM collectible vehicles at an assumed average premium of approximately \$300. ⁴ 2.3 million equals 1.8 million vehicles turning 25 years old in 2022 + 3% of new 2022 vehicles. ⁵ 1.8 million equals 2.18 million total 1997 vehicles with an 85% survival rate. ⁶ 16.3 million estimated vehicles to be produced in 2022, 3% of which are estimated to be insurable by Hagerty. ⁷ Represents Member Count CAGR from 2020-2025E; ⁸ Hagerty Driver's Club Magazine Reader Survey 2020; ⁹ Based on internal records. ⁹ Federal Reserve Economic Data based upon 2020 Personal consumption expenditures for vehicle maintenance & repair, pet services & products, sporting equipment & supplies, and children's clothing & education.

Hagerty is at the interplay of two attractive sectors





HAGERTY.

For Car Lovers, the Automobile is a Way of Life

Cars have always been about more than just mobility

A

Competition



Community



Fun



Status



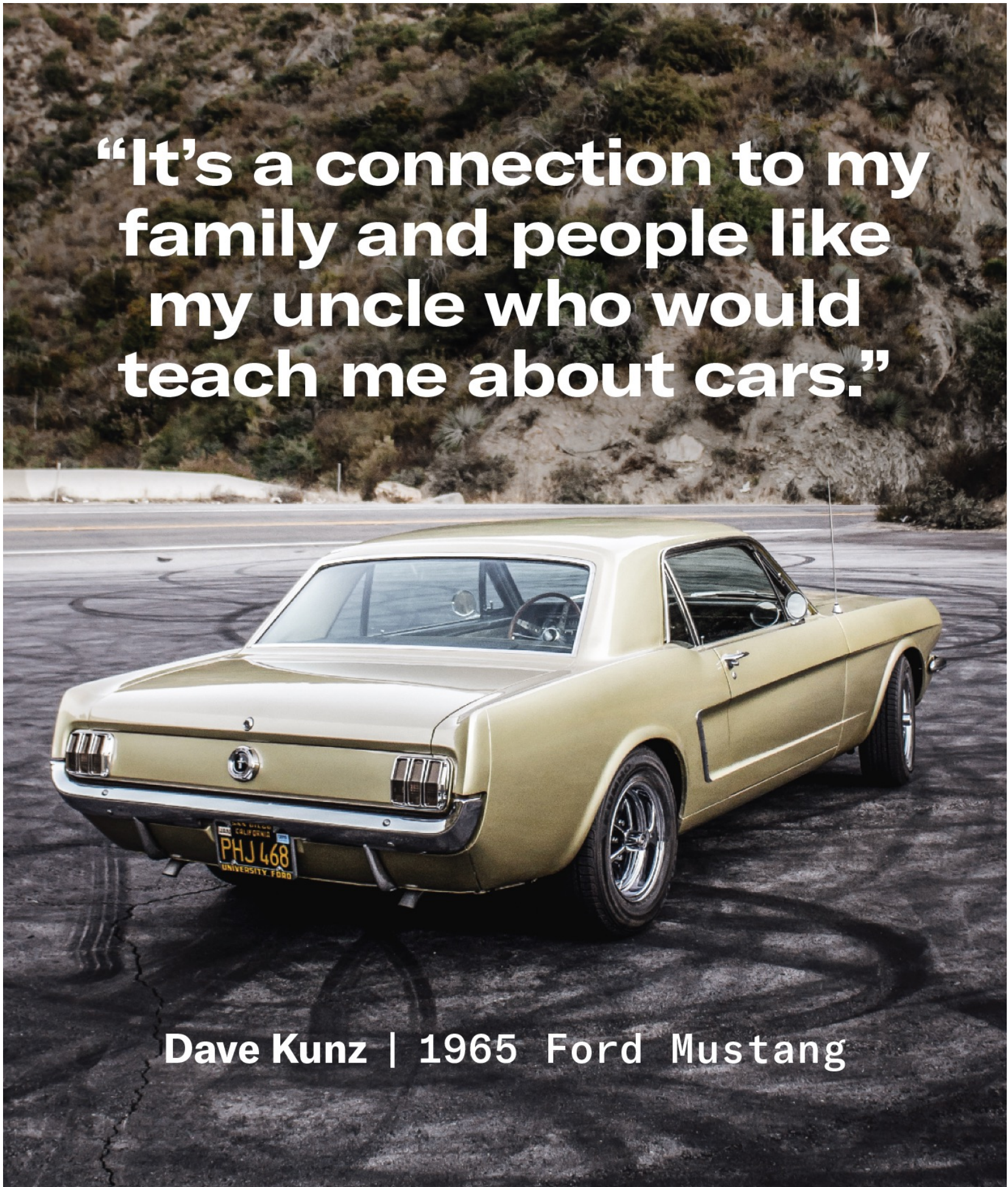
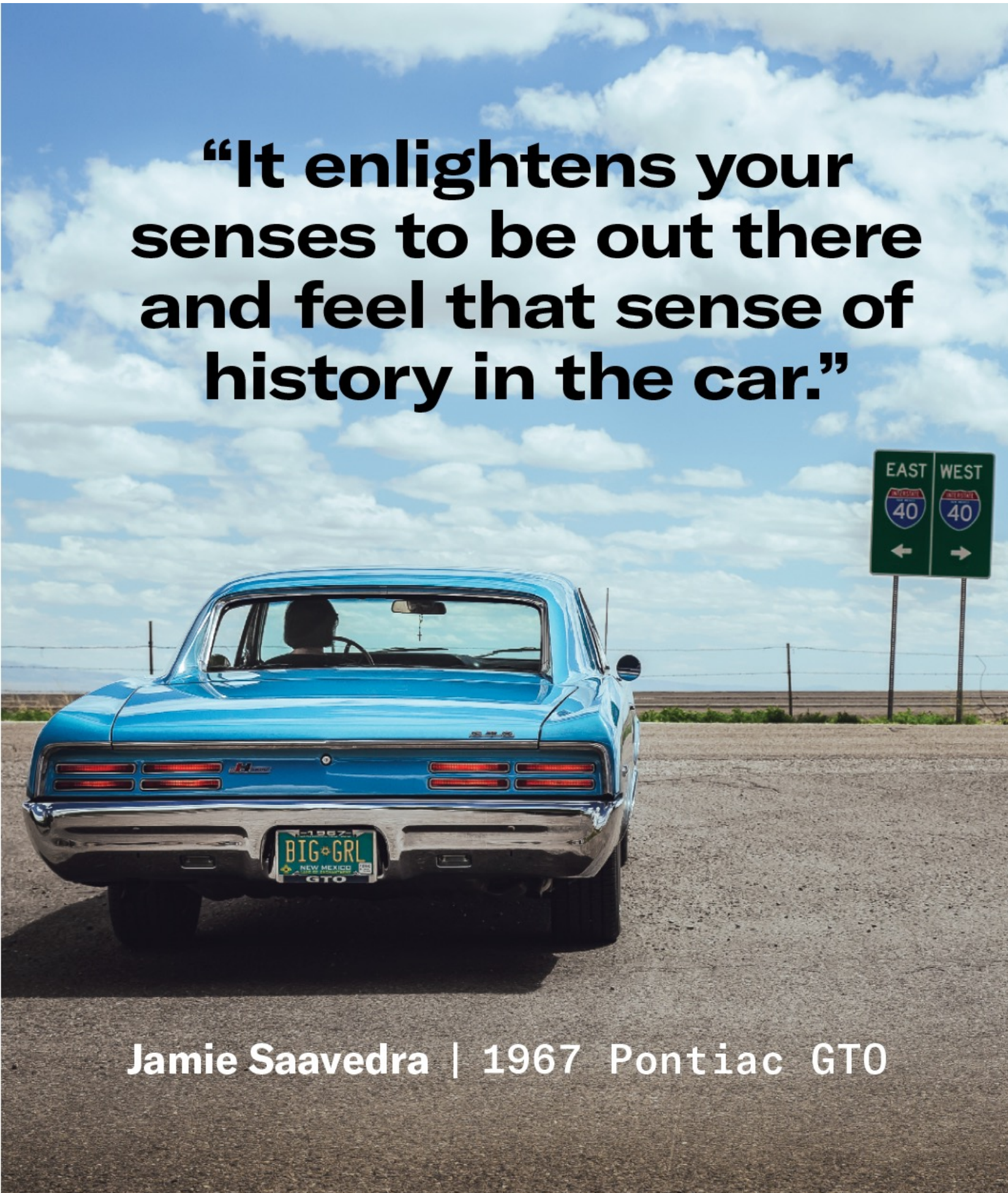
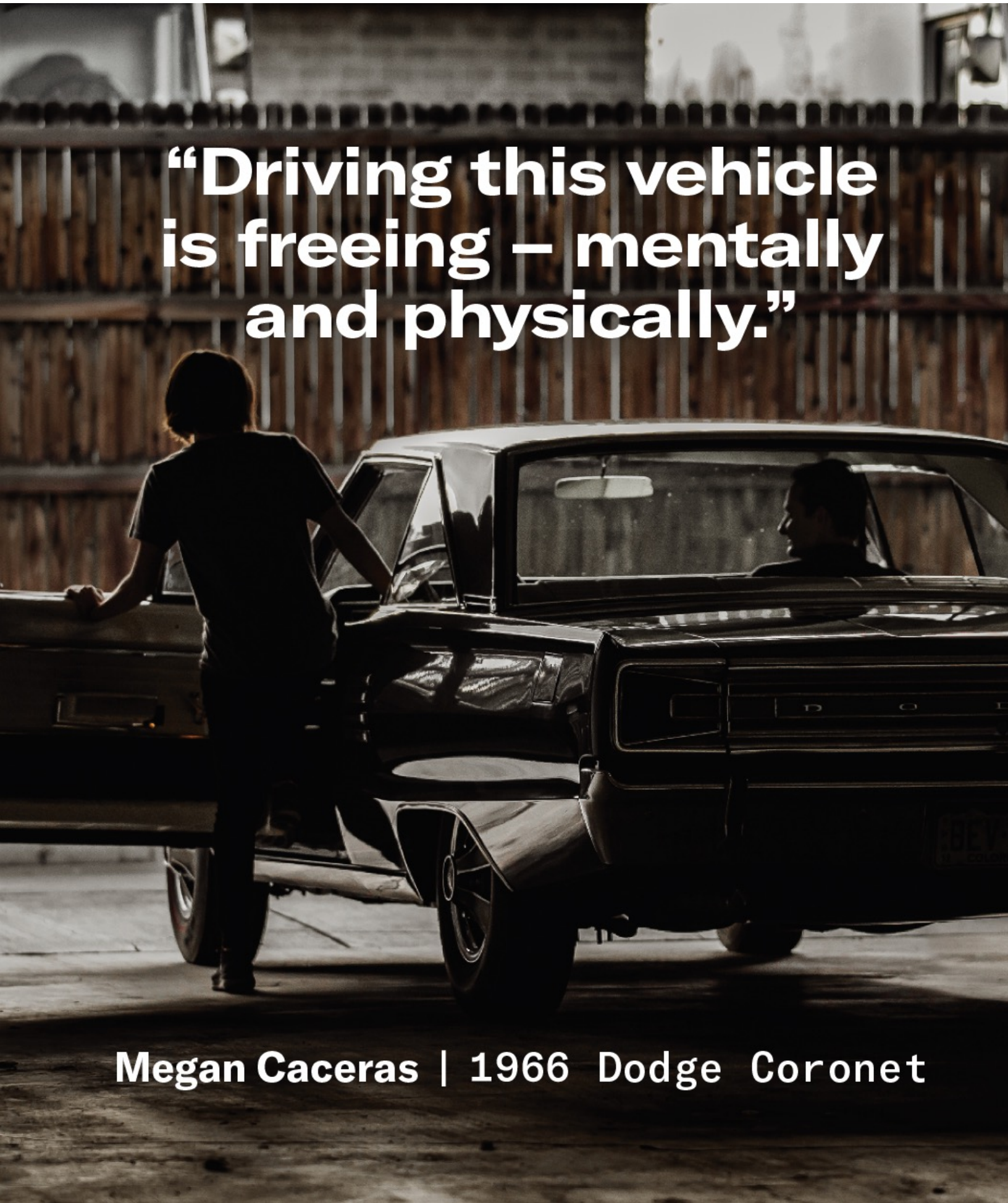
Ritual



Family

B

Every car and enthusiast has a story to tell



The automotive enthusiast has vastly different lifetime value and opportunity

“Jamie the Commuter”
Focus on mobility



“Sam the Collector”
Enjoyment, pleasure + community

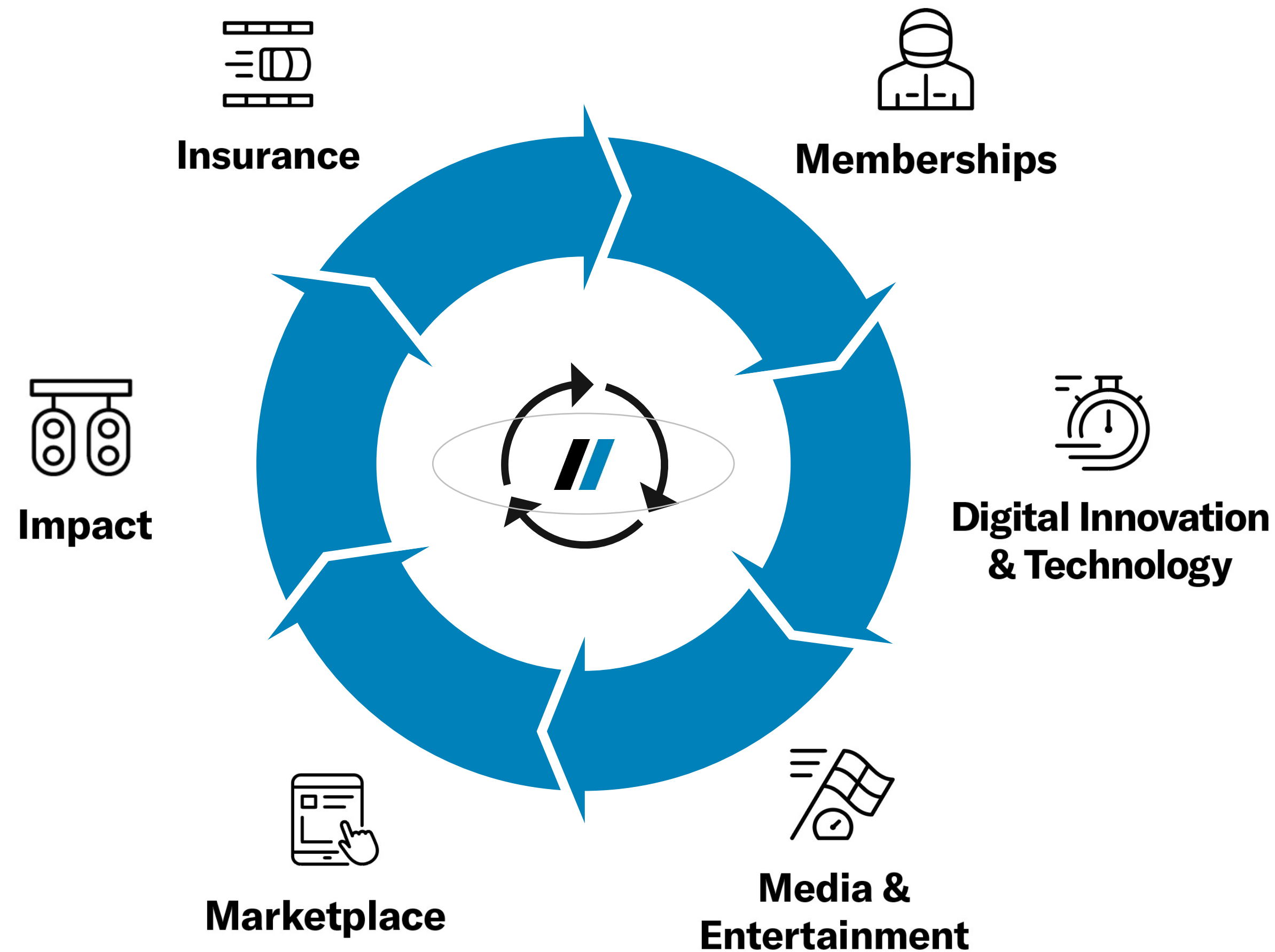


HAGERTY.

The Hagerty Membership Ecosystem: How We Drive Engagement



Enthusiasts are at the center of everything we do



Our Member Commitment

- We offer a truly **integrated membership ecosystem**
- We **deliver community** instead of a product offering
- We **engage through a shared love and passion for cars.**

Membership

Strong and sustainable growth trajectory

HAGERTY | Drivers Club




Premium Hagerty
Valuation
Tools@access


High-tech
roadside service


Automotive events
and experiences for
members only

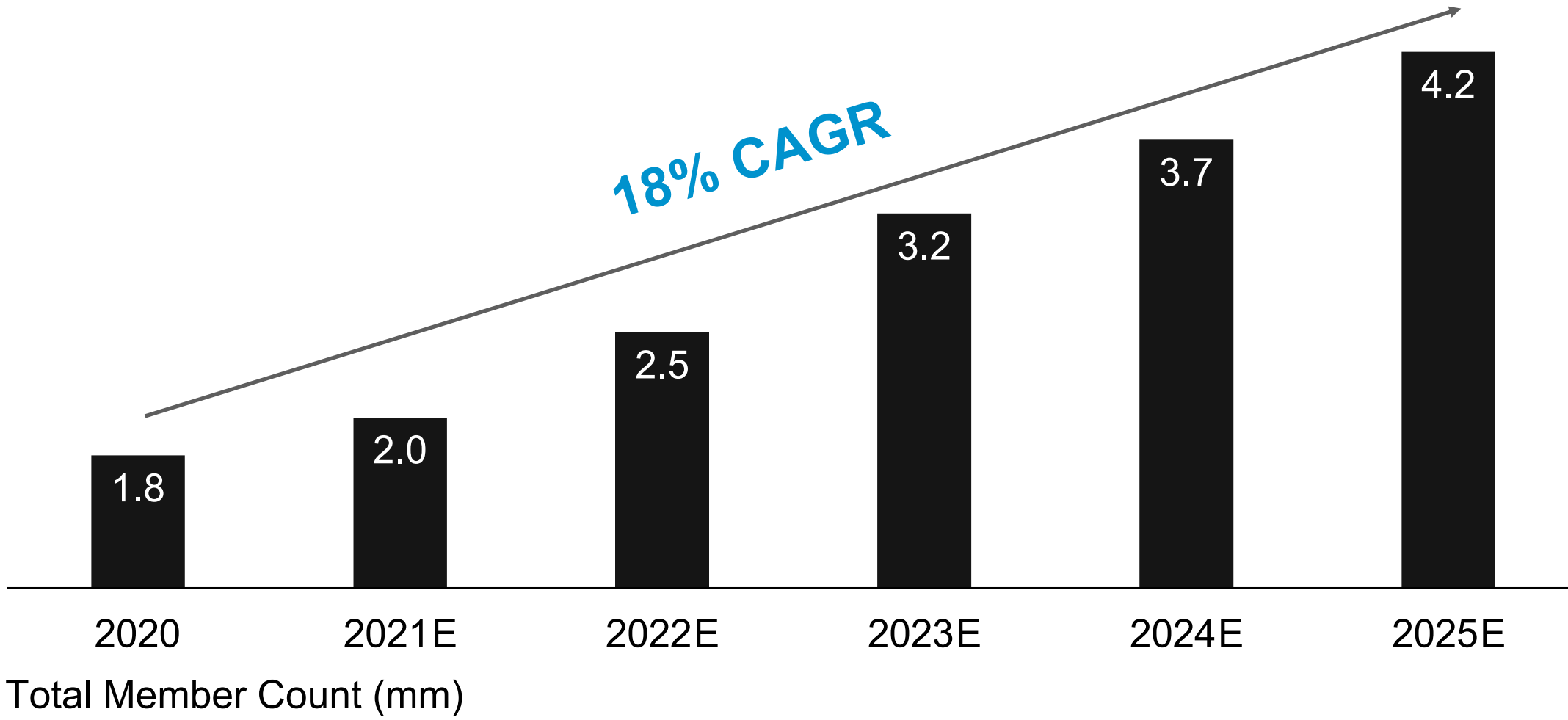

Hagerty Carierge™
help desk


Exclusive automotive
discounts

Garage + Social

World's first network of storage and member social facilities.

Recurring Revenue Strategy Monetizes Member's Passion



¹ Represents member count CAGR from 2020-2025E

Insurance

Enthusiast vehicle coverage with strong value proposition

Guaranteed value

Compared to stated value with appreciation in car values equaling coverage

Greater savings¹

On average 34% lower than a stated value policy

Greater specificity, protection & customer service

Reflecting Hagerty's data advantage

Added value services for car lovers

Roadside service, expert repair network, parts finer specialists and more



2mm insured vehicles in the US, UK and Canada



Hagerty Media + Entertainment

Multiple points of high-touch engagement

<p>Media</p> <p>330.5mm Lifetime Views¹</p>	<p>Events</p> <p>2,500 attended annually</p>
<p>Print</p> <p>2nd Largest automotive magazine by audited circulation</p>	<p>Social Media</p> <p>4.5mm followers on Hagerty channels²</p>

Owner and operator of
3 of the largest
Concours d'Elegance
 in the U.S.

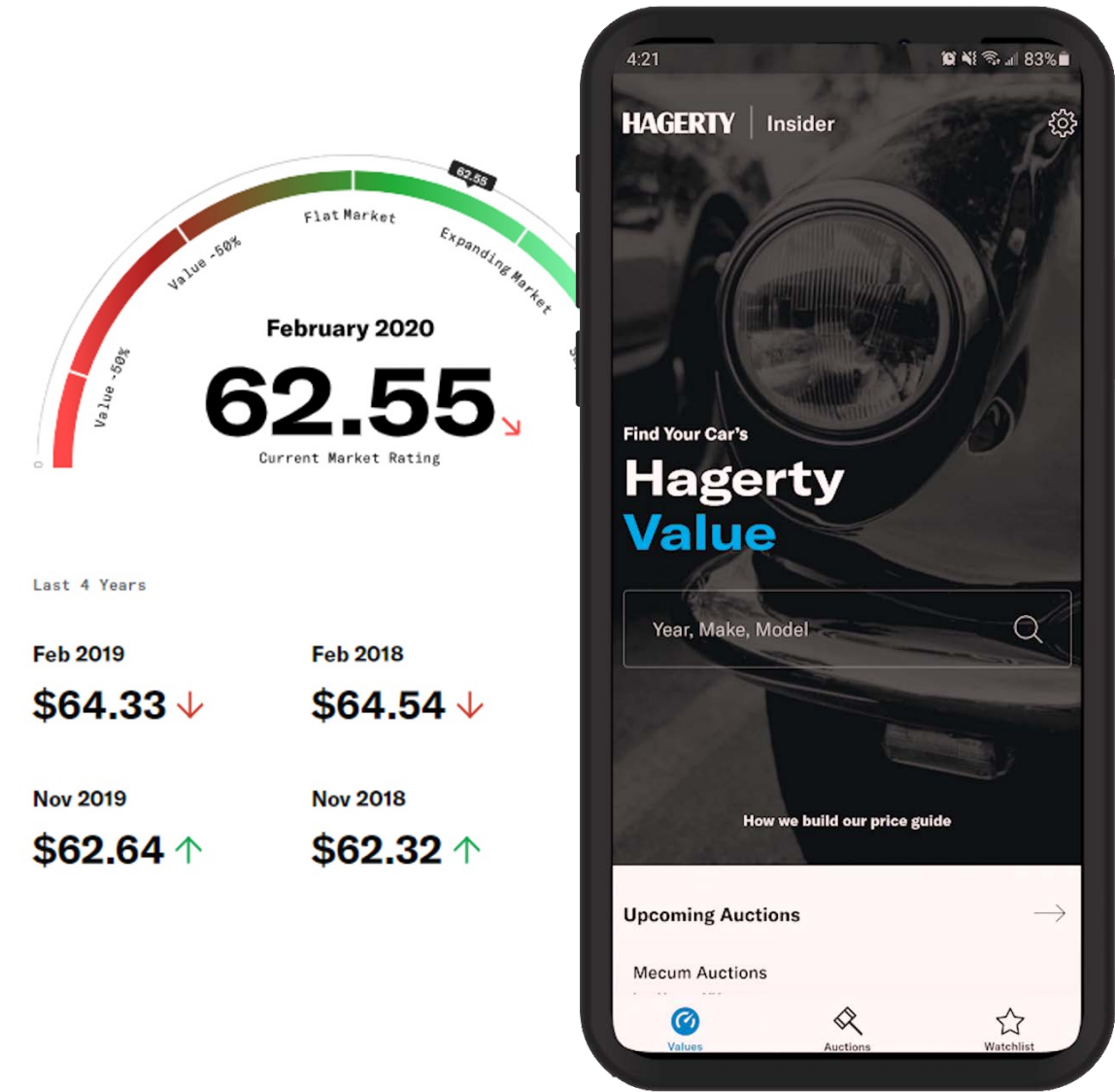
¹ As of July 2021; ² As of November 2021

Digital Innovation & Technology

Leveraging data to enhance the member experience and optimize growth

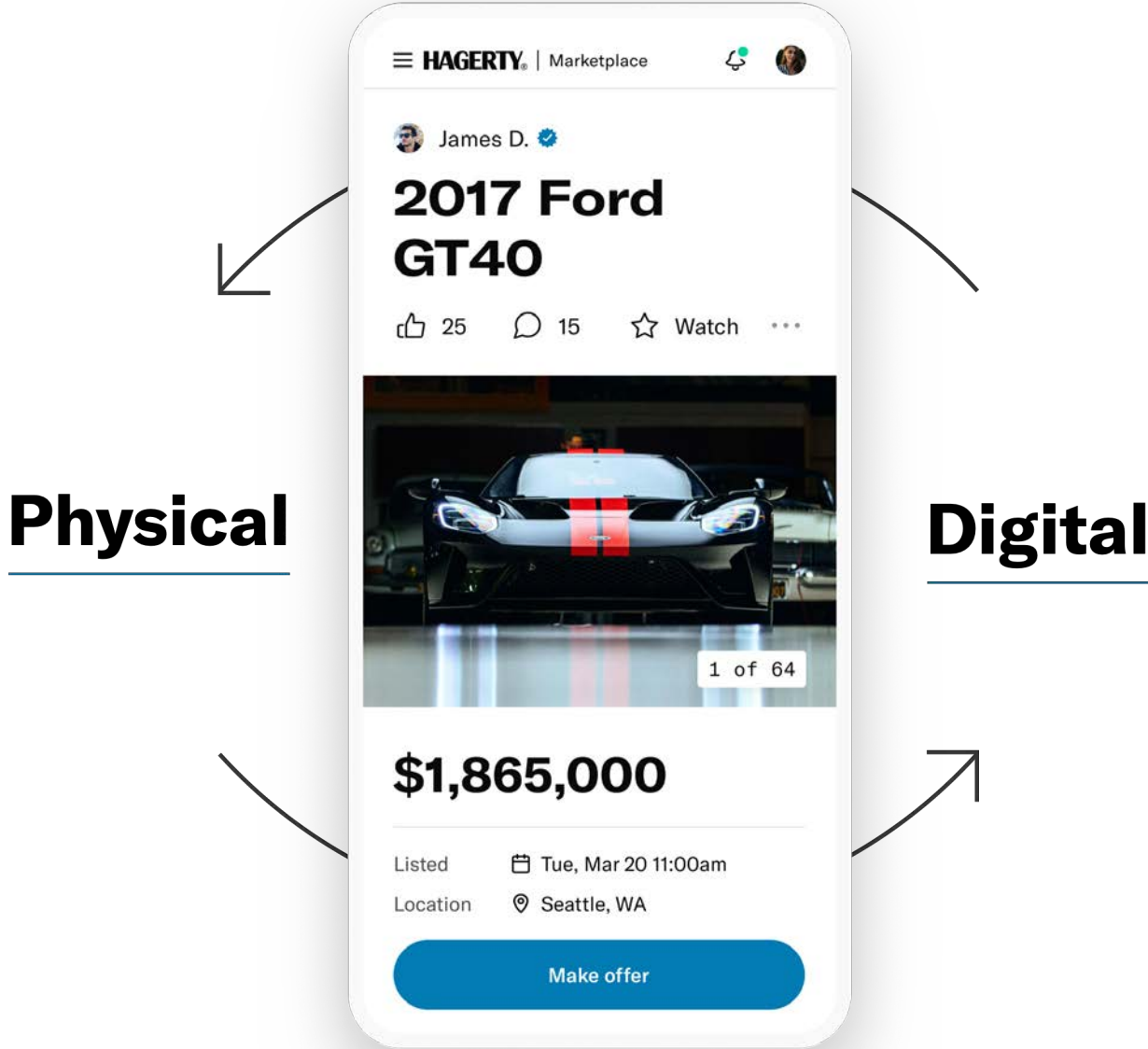
Hagerty Valuation Tool

Trusted & dynamic valuation data that is extremely difficult to replicate or to compete with.



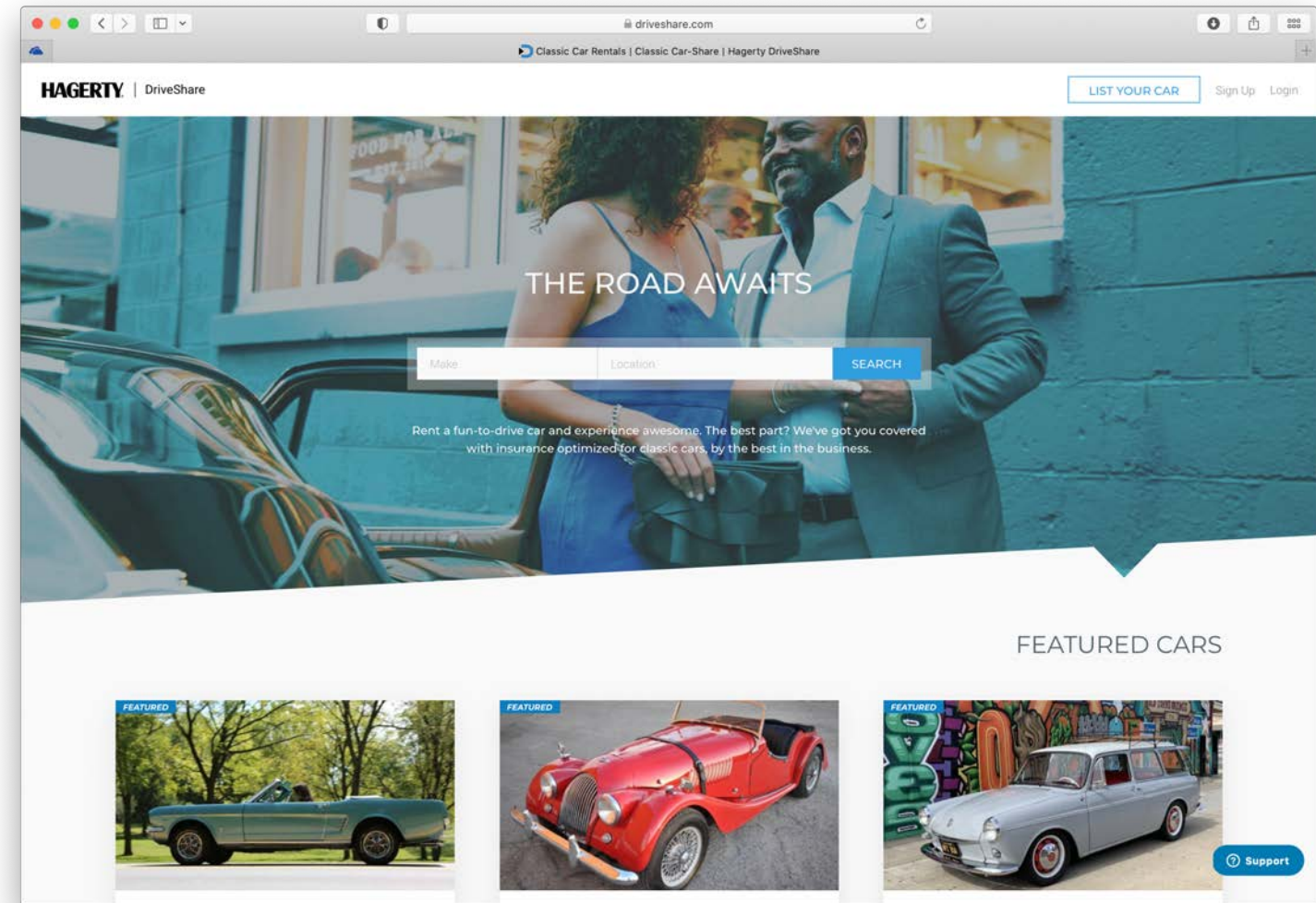
Marketplace

Platform for connecting car lovers.



DriveShare

World's first peer-to-peer rental platform for enthusiast vehicles



Hagerty Impact

Fueling our purpose to save driving, support our communities and be a positive force in the world. Because it is good business when business is a force for both growth and good.



Culture of Belonging

- Diversity, Equity & Inclusion
- Recruiting & Development
- Inclusive Branding



Corporate Citizenship

- People
- Planet
- Prosperity



Hagerty Drivers Foundation

- Culture
- Education
- Innovation Awards



Governance & Accountability

- Ethical standards
- Data security
- Risk oversight

Membership ecosystem drives value

Strong engagement, competitive advantage & brand loyalty



Multiple Points of Engagement

Media + Newsletters + Events
+ Emails + Hagerty Insider

Compelling Advantages

90%
Retention Rates¹

41%
Loss Ratio²

Strong Brand Loyalty

84 > **39**
Hagerty Net Promoter Score³ Industry Average NPS

¹ As of 12/31/20; ² Hagerty average over 2018-2020FY; ³ As of 12/31/20, NPS is defined as "Net Promoter Score", a leading measure of customer experience and satisfaction with companies and brands;

A classic car repair shop with several vintage cars on lifts. The cars are in various colors, including red, blue, and black. The lifts are blue. The shop has a polished floor and a high ceiling.

HAGERTY.

Hagerty's Unique Business Model

Hagerty's integrated business model is a key value driver



- ✓ High share of the profit
- ✓ Steady fee-based income
- ✓ Ownership of pricing model

- ✓ Steady cash flow
- ✓ Upside from underwriting
- ✓ Monetizes memberships

- ✓ High Member Engagement
- ✓ Multiple points of economic capture
- ✓ Drives recurring revenue

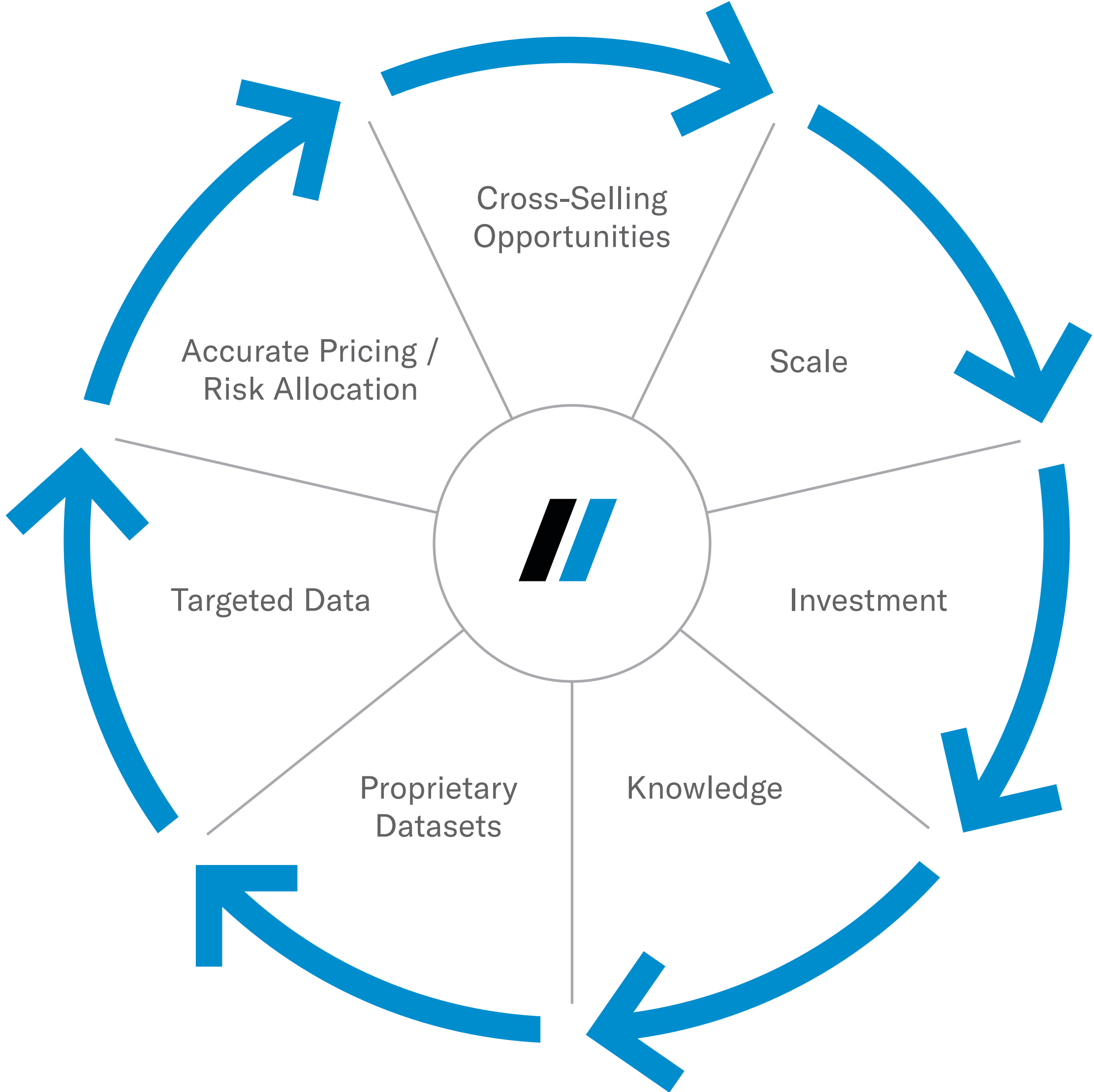
Attractive Customer Acquisition Cost: $LTV/CAC^1 > 10:1$

¹ Represents "Lifetime value" (LTV) of customer as a ratio to Hagerty's "Customer acquisition costs" (CAC)

Our Data Advantage

Rich source of first-party data (Insurance + Membership)

- Valuation data
- Claims data
- Live events & auctions
- Driver usage behavior
- Engagement patterns
- Media buying habits



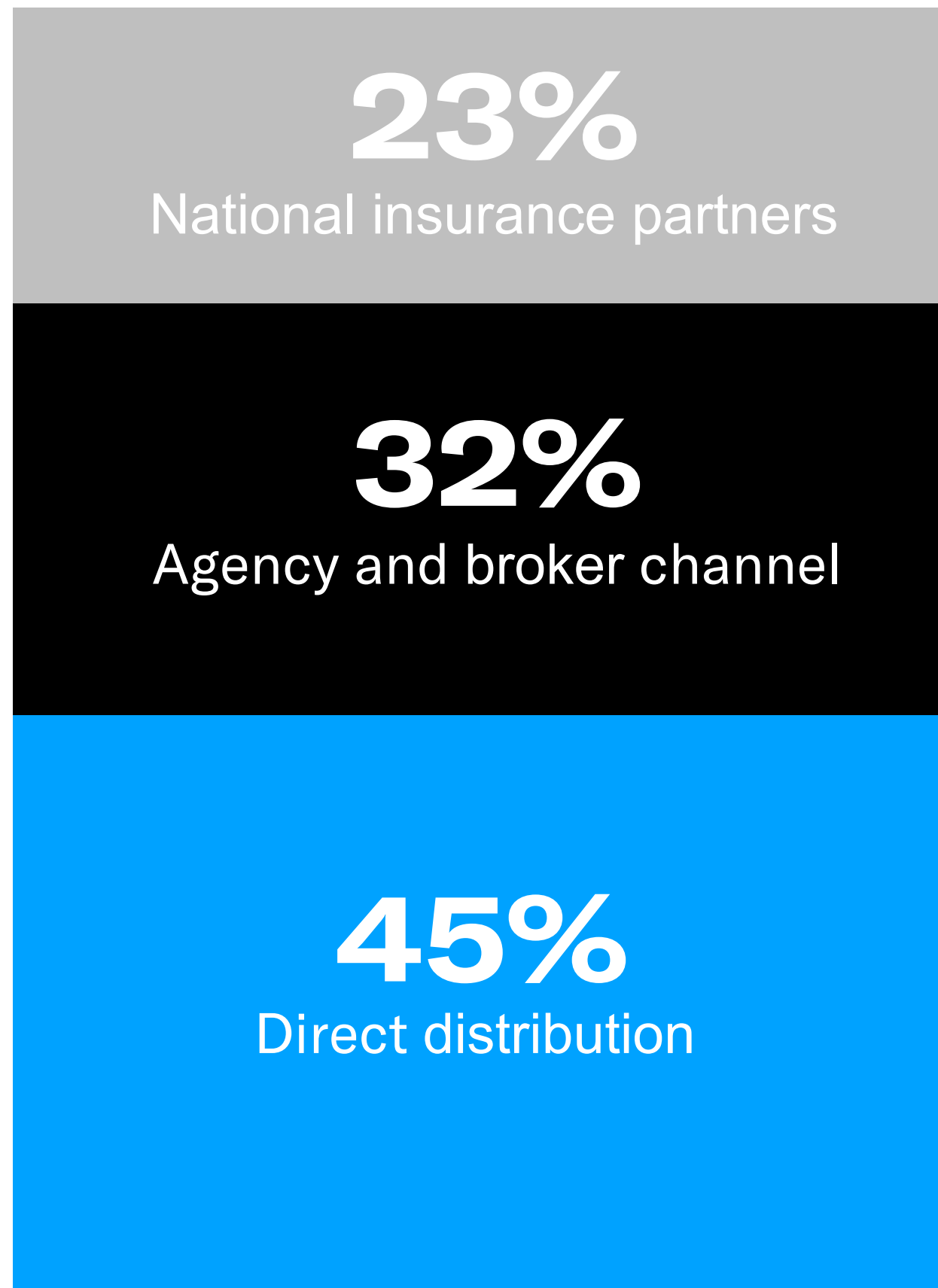
Multi-dimensional data advantage

- Engaging, seamless member experience
- Effective pricing of risk to maintain low loss ratios
- Well-positioned to mine the full TAM

Omni-channel distribution

Unlocks the entire TAM, allowing Hagerty to interact with members across three channels

Distribution Channels

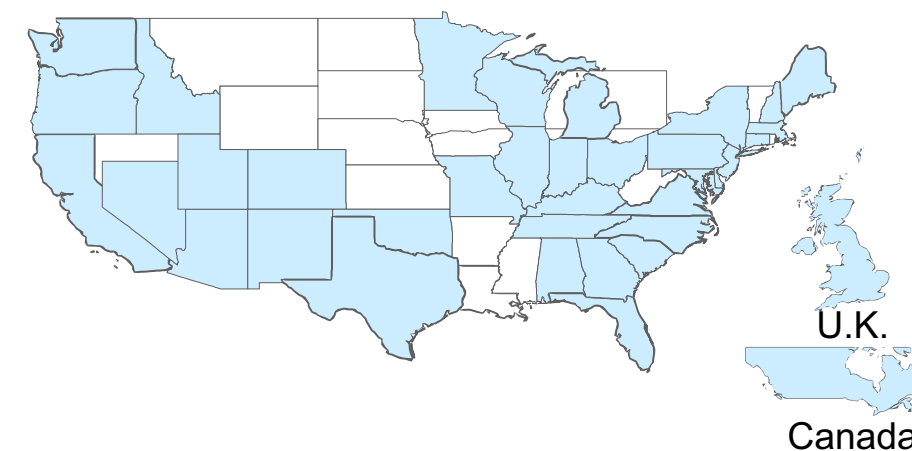


Statistics

- 9 of the top 10 auto insurers including new partners¹
- Top 5 partners each report double-digit growth and segment acceleration

- Over 45,000 agents
- 10 of the top 10 brokers by revenue²

Sales Agent Locations



- State of the art call centers
- Sales agents in 25 states and 3 countries

Value Proposition

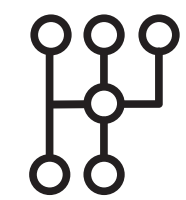
- Partner to win
- No channel conflict
- Enhances service and increases efficiency
- Deepens relevancy to client
- Drives new business flow (insurance & membership)

For insurance carrier partners Hagerty's turnkey insurance solution is very attractive



Total Insurance Solution

- Product development
- Pricing
- Sales & services
- Underwriting & claims
- Proprietary technology
- Team of passionate experts



Compelling Partner Benefits

- High intimacy model
- Protects the bundle
- Claims handling / parts finder
- Valuation tools
- Expert repair network



Partnerships are a key strategic growth driver



Invested

- State Farm & Markel have, or will, invest significant capital in Hagerty

Expanding

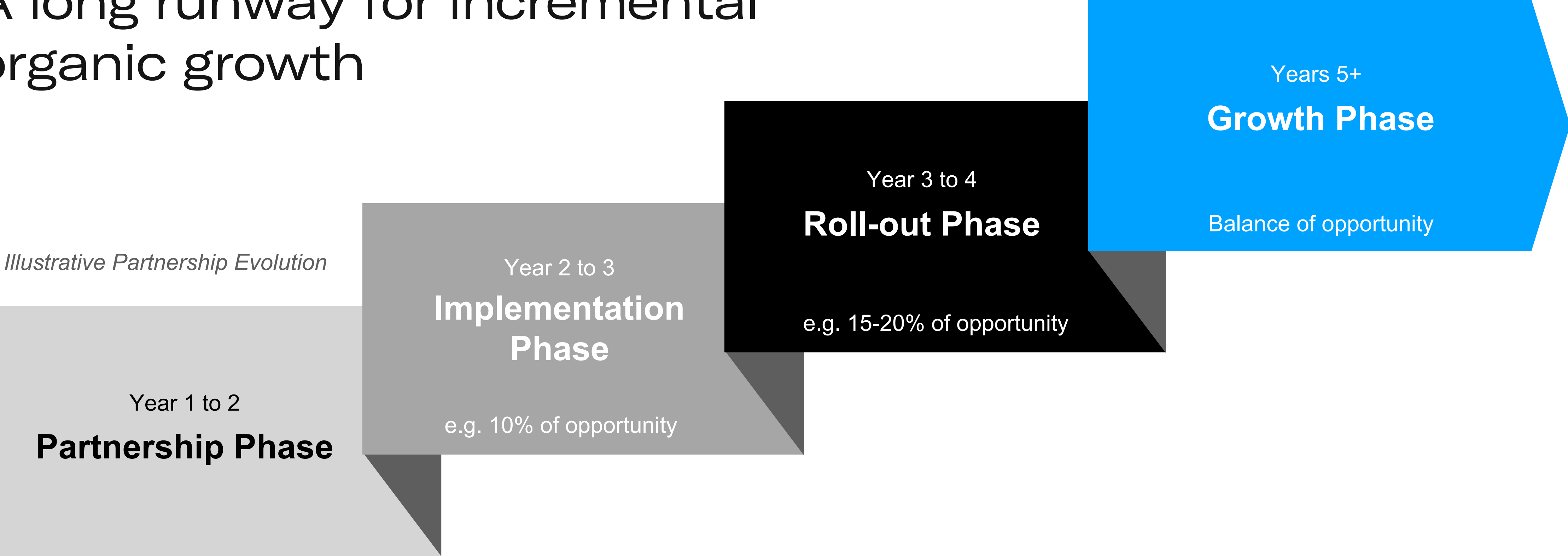
- 9 of the top 10 insurance companies

Poised to Grow

- Deeper penetration in existing partner markets
- Long runway with existing contracts – term varies by partner
- Adding new partners

Partnerships evolve over time

A long runway for incremental organic growth



Revenue Stream

Investment Phase

MGA

MGA +
Quota Share +
Membership

MGA +
Quota Share+++
Membership

HAGERTY.

Large and Growing Addressable Market

Hagerty is a scaled player in a fragmented market

Age groups & demographics



Late teens / 20s



30s



40s



50s



60s



70s & beyond



High net worth individuals



Hobbyists at home



Industry professionals

Global Car Enthusiasts¹
>500mm

U.S. Car Enthusiasts
69mm

U.S. Insurable Collectible Cars²
43mm

Hagerty Member³
1.8mm

Source: Hagerty company reports based on aggregated data of various sources;
¹ Per Facebook analytics, Facebook members who have expressed an interest in or 'Liked' automobiles or associated interests ;
² Per Hagerty company reports based on aggregate data of various sources.
³ Policies in force of 1.2mm as of July 2021

Opportunity to disrupt collectibles market with membership model





● Membership models

Source: Polk, National Ski Areas Association, Outdoor Foundation, Statista, MRI; Note: Bubbles represent estimated number of participants; ¹ U.S. collectible vehicles




The market opportunity is large and growing

43mm US insurable collectible cars = \$12B-\$15B TAM

Collectible vehicles by year¹

	Type	Total market (cars, mm)	Hagerty penetration
	Pre-1981 classics	10.8	11.9%
	Post-1980 collectibles	32.2	1.3%
	Total	~43.0	3.9%

Collectible vehicles by sub-category¹

	Type	Total market (cars, mm)	Hagerty penetration
	Supercars / Exotics	>0.1	12.9%
	4x4 / Off-road	3.5	2.3%
	Modified	8.6	2.8%

Secular Growth Drivers

- Early 2000s cars becoming **modern collectibles**
- Increasing focus on **collectible cars as an asset class**
- Baby boomer **retirements** / millennial **household formations**
- Expansion of **automotive subcultures**
- **Premium luxury cars** being built in **greater numbers** than ever before
- Cars being **re-classified as collectibles**

¹ Hagerty company reports based on aggregated data of various sources



International expansion presents further upside

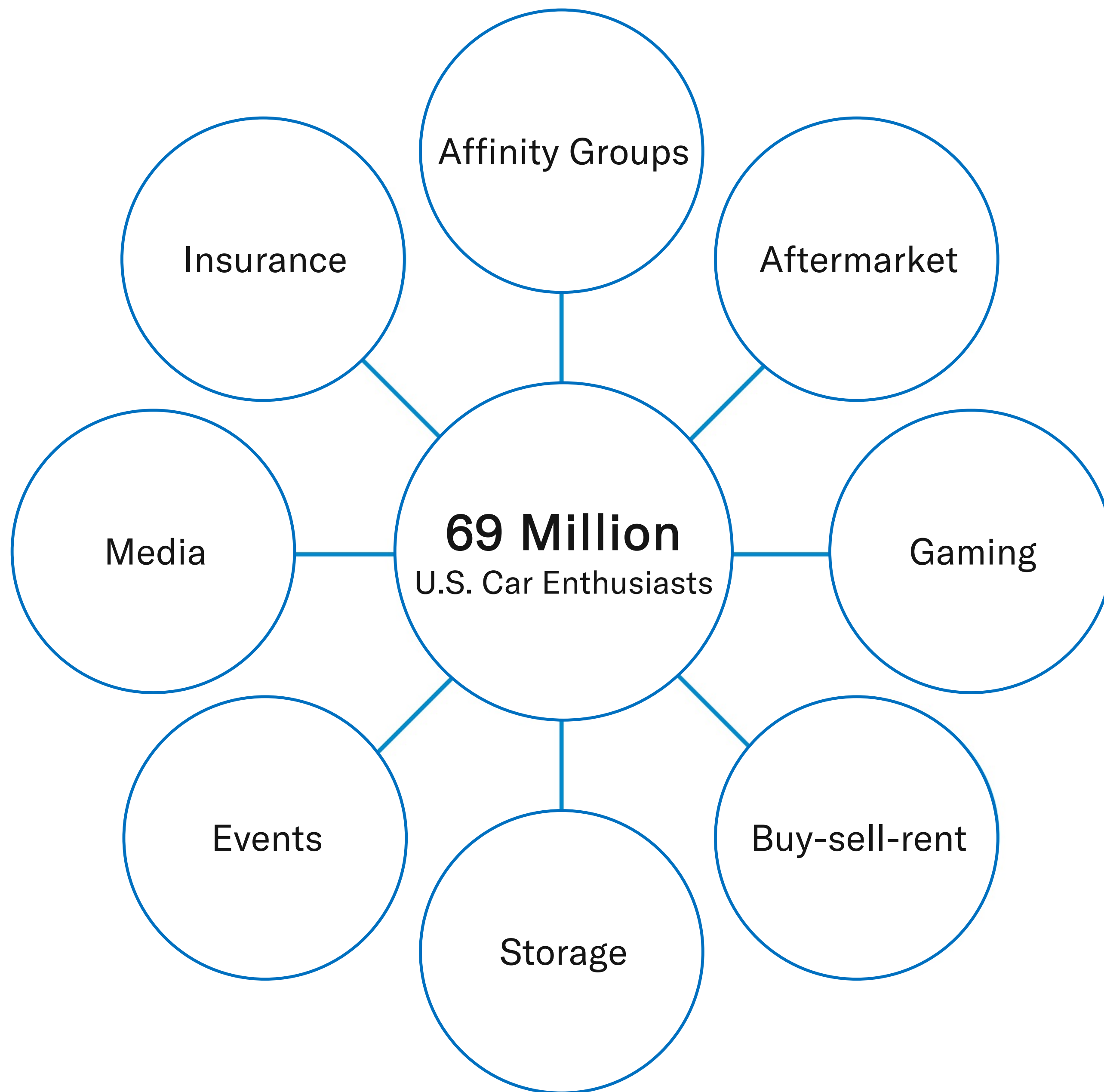
19mm collectible vehicles in key international markets

Market	Year Established	Offerings / Position	TAM
	2009	Growing Market Position <ul style="list-style-type: none">• Insurance + membership• Available in 10 provinces• Memorable events & engagement	4mm
	2006	Comprehensive Car Insurance & More <ul style="list-style-type: none">• Insurance• Premier classic car valuation tool• Engaging automotive content Memorable events & engagement	3mm
	Future Launch	Ready for E.U. Launch <ul style="list-style-type: none">• Leading classic valuation tool in Germany• Insurance offerings• Classic car prices• Exclusive auction database• Respected ratings & evaluations	12mm



Economic value of the car enthusiast

Extends beyond asset value of the vehicle to additional products and services



HAGERTY

Financial Overview



Transaction recap & update

Key Highlights

- Provides ample cash (\$275M) to fund growth initiatives and complete digital transformation
- Strong, value-add shareholder base
- Provides currency to attract and retain A-level talent

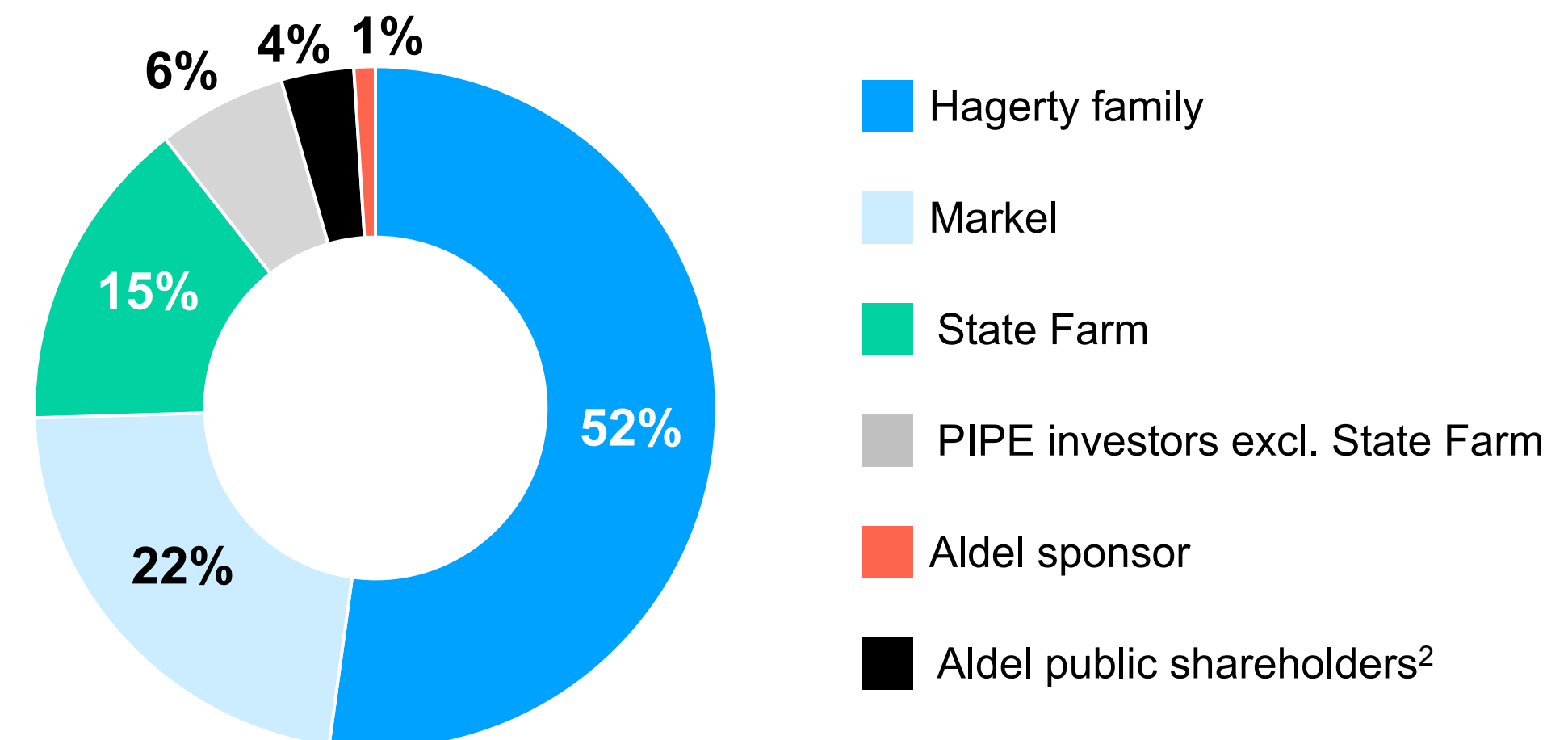
Pro forma valuation (\$mm)

Implied market capitalization	\$3,354
Plus: Net debt ¹	(220)
Implied firm value	3,134
2023E FV / EBITDA multiple	18.3x
2023E FV / Revenue multiple	2.8x

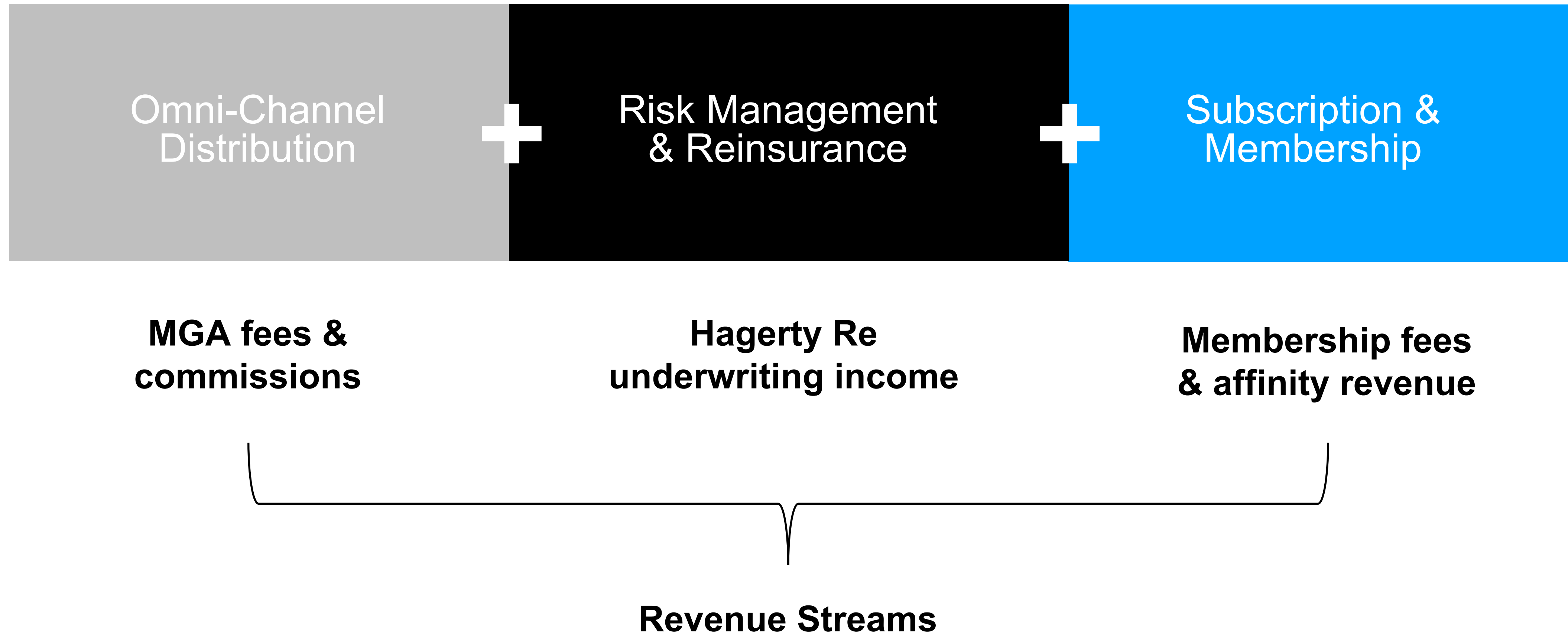
Key Updates Since Merger Announcement

- SEC review - completed
- Proxy filed - November 10, 2021
- Shareholder vote - December 1, 2021
- Expected Closing - December 2, 2021
- Expected Trading - December 3, 2021

Expected pro forma ownership at close



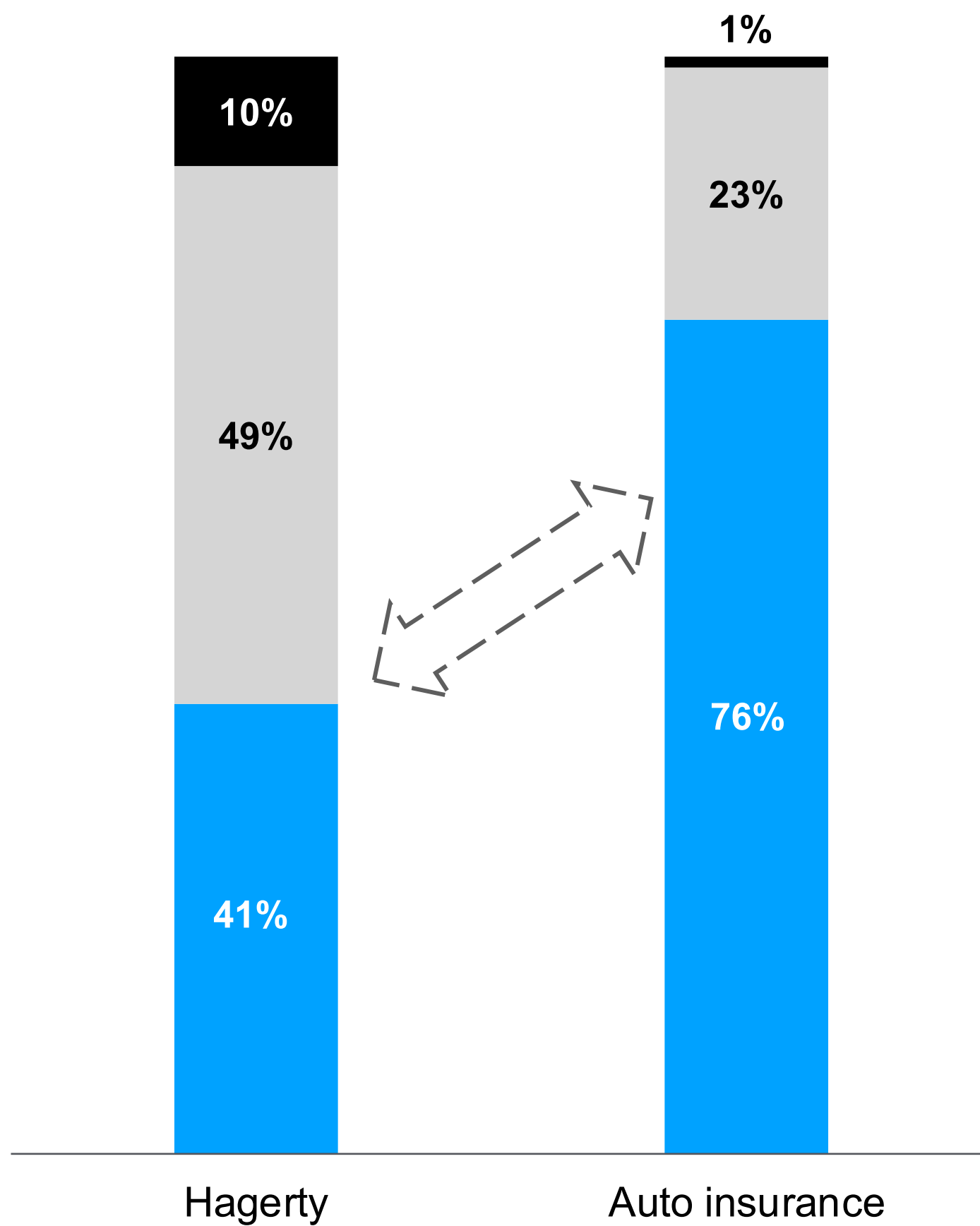
Hagerty's integrated business model drives multiple revenue streams



Strong economic model – Hagerty insurance

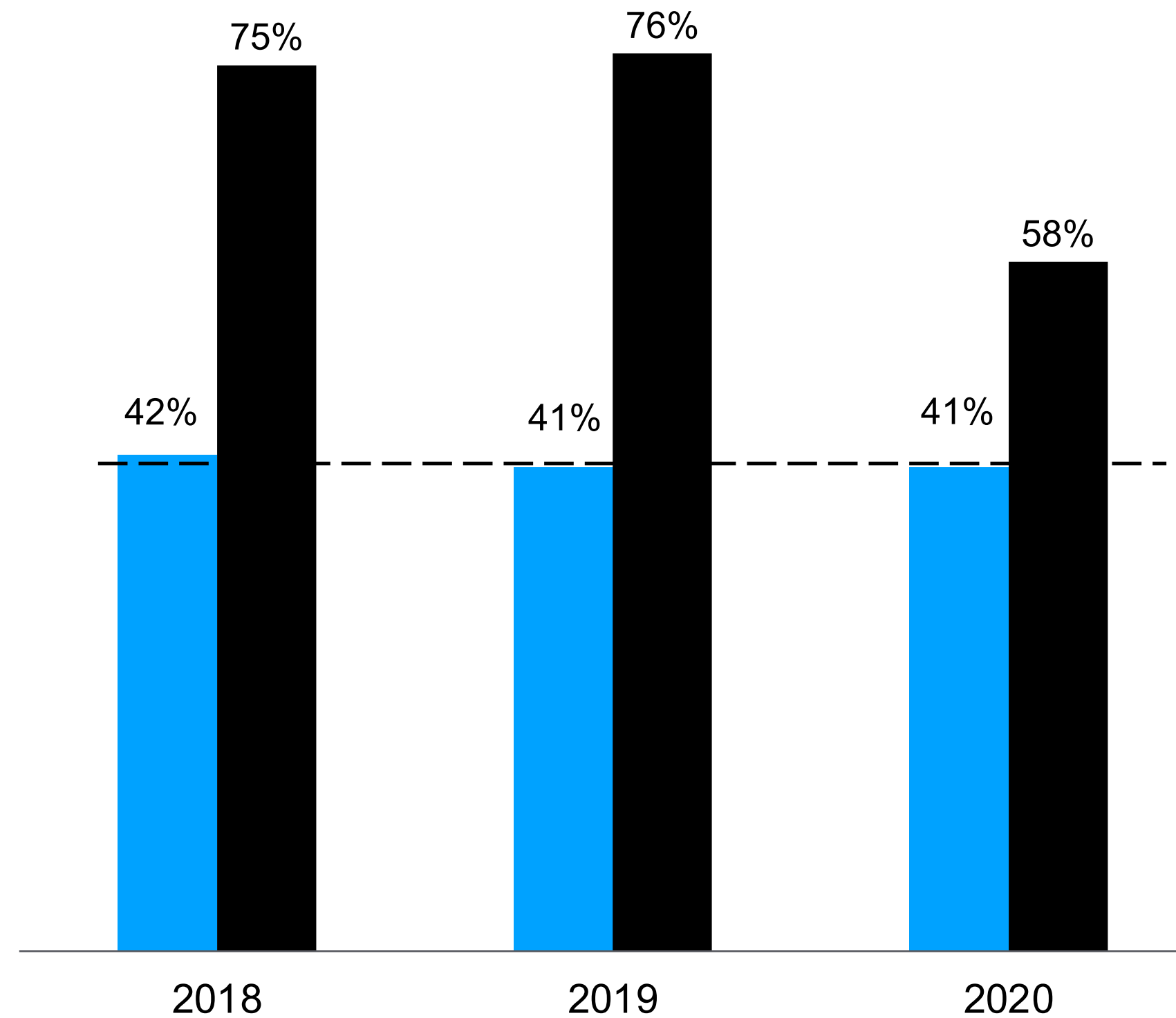
Illustrative Insurance economic model¹

Loss ratio Expense ratio Underwriting profit



Loss ratios

Hagerty Re Auto insurance²

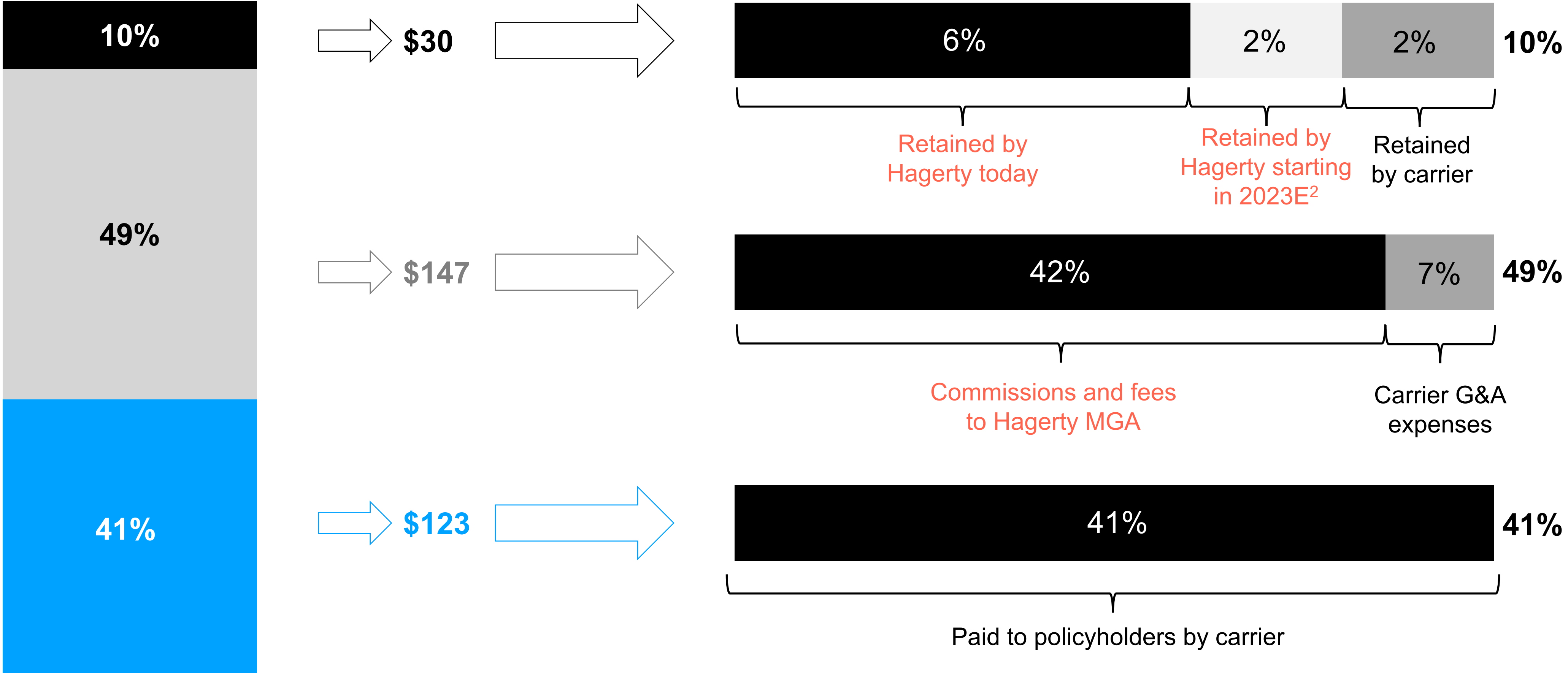


- Hagerty Re drives differentiated levels of profitability
- We price our insurance book to maintain low loss ratios
- Targeted stop loss protections help to insulate us from catastrophic events
- Hagerty's expense ratio supports integrated marketing and affinity experiences
- 3 of 4 new written policies also buy membership which results in incremental revenue and profitability

Illustrative unit economics of a Hagerty insurance policy

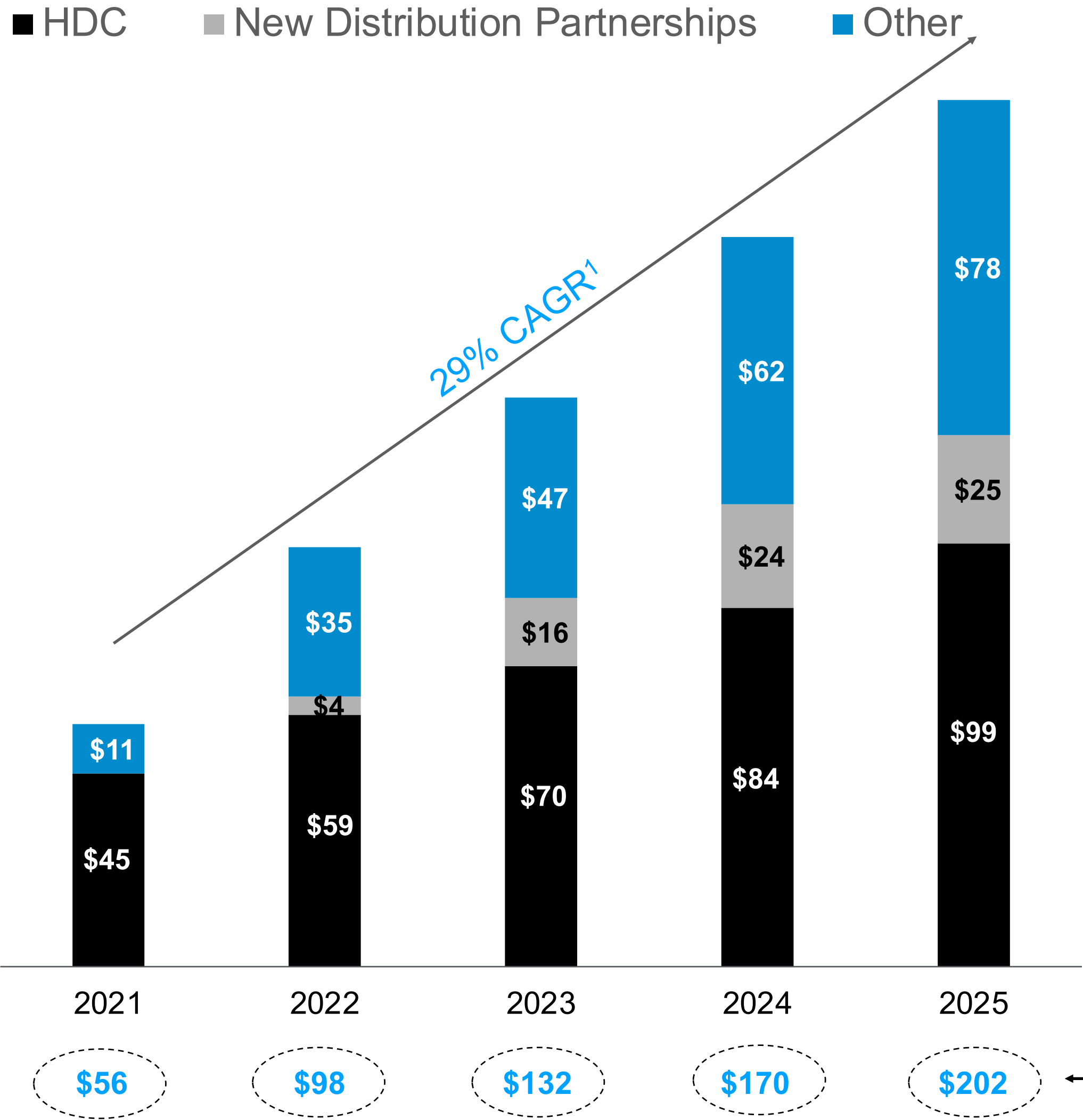
Average Hagerty vehicle insurance policy (\$300 / year)¹

■ Loss ratio
 ■ Expense ratio
 ■ Underwriting profit



¹ Excludes membership revenue, \$300 based on average Hagerty insurance policy for one vehicle, an average Hagerty policy is greater than \$300 due to multiple vehicles within a policy, ratios reflect Hagerty average operating results from 2018-2020; ² Currently retained by carrier

Economics of Hagerty's membership model



Membership key growth drivers

- Conversion of policy holders to members drives Membership revenue growth (76% average)
- New distribution partnerships will provide additional HDC fees at scale
- Continued expansion and segmentation of product offerings and exclusive content delivers greater benefit to members
- HDC membership sold independent of insurance is expected to continue to grow
- Other includes the geographic expansion of HG+S and continued investments in Hagerty owned events and entertainment

← Membership and Other Revenue (\$mm)

¹ Represents membership and affinity revenue CAGR from 2021-2025E

Revenue is driven by a combination of organic growth, new partnerships & quota share expansion

Underpinned by a 10-year average customer life

Hagerty Total Revenue (\$mm)

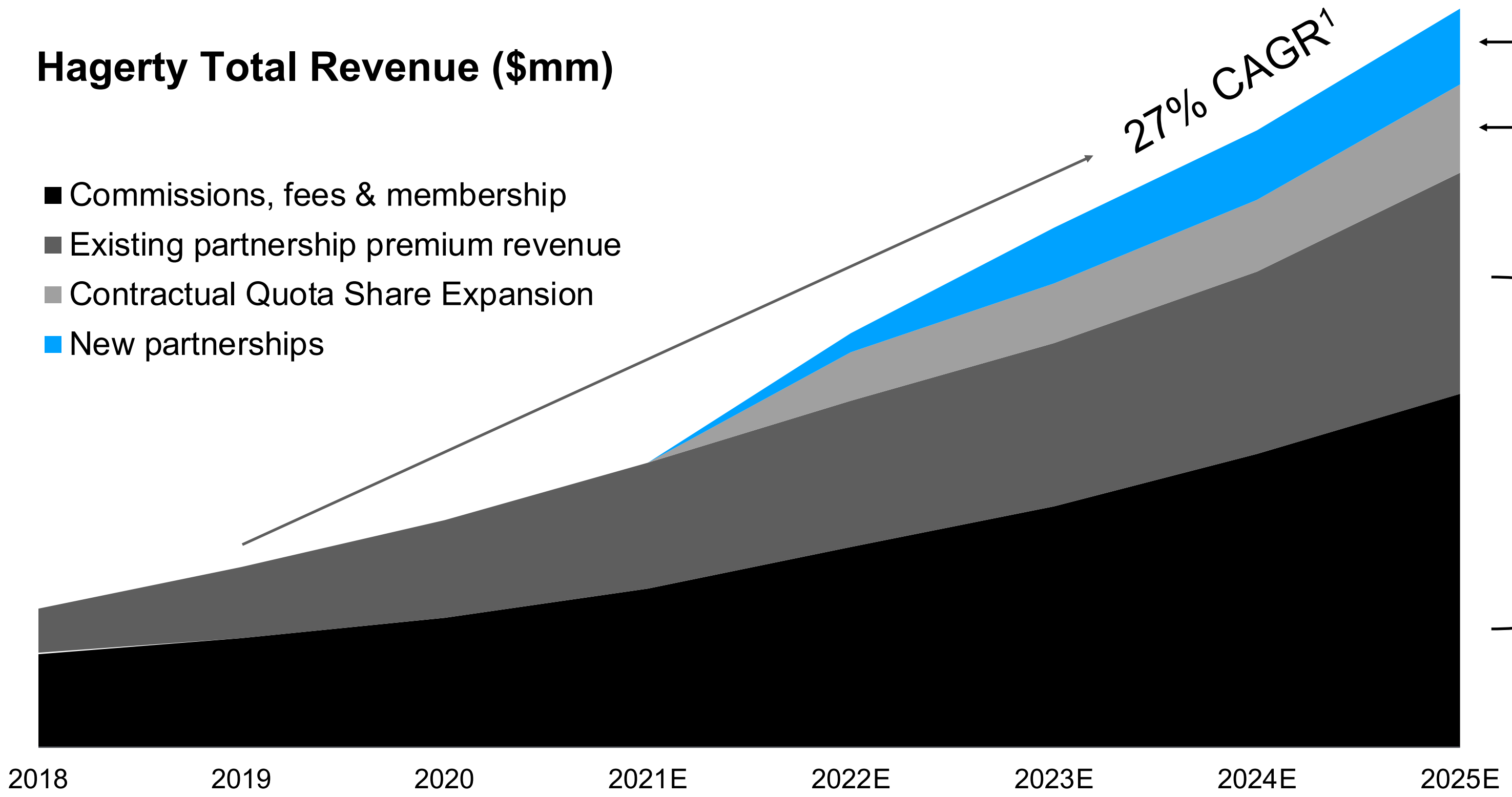
- Commissions, fees & membership
- Existing partnership premium revenue
- Contractual Quota Share Expansion
- New partnerships

27% CAGR¹

New partnerships expected to drive incremental growth beginning in 2022²

Higher share of profit through contractual capture of additional earned premium through quota share

Strong and steady organic growth
Commissions & fees + membership + Reinsurance earned premium = 78% of 2025E revenue



Total revenue (\$mm)

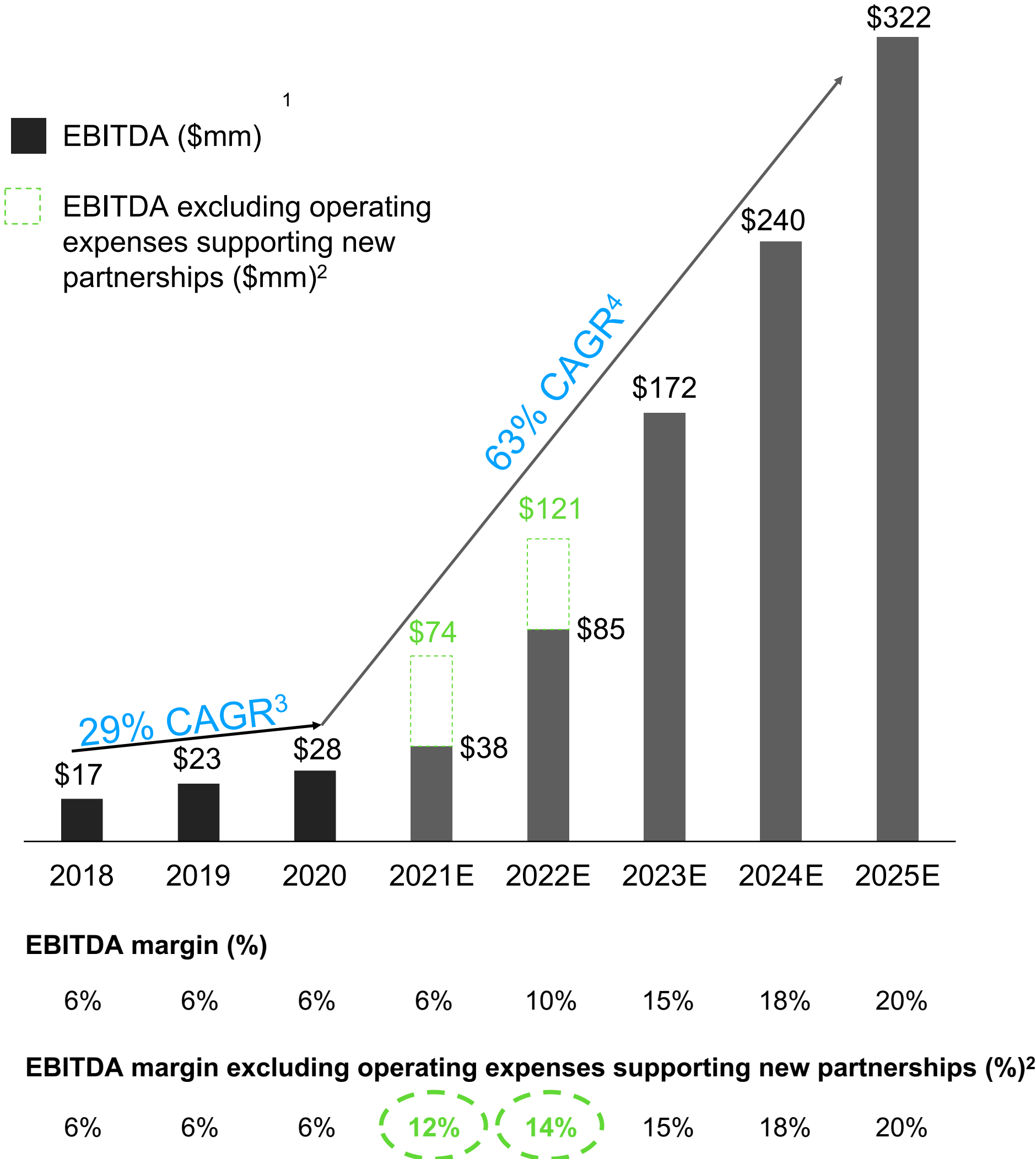
¹ Represents total revenue CAGR from 2020-2025E; ² Project Pershing represents expanded business relationships with a select National Insurance Partner

EBITDA

Investing for growth

- Hagerty has been in discussions with **State Farm** and **Project Pershing** for 2 years, and began investing in the necessary infrastructure in advance
 - Investments include **technology and IT staff**, and an **increase in sales staff and support**
- Incremental **revenue starts to drive margin expansion in 2022**, and margin continues to expand in 2023
- After 2023, **margin expansion normalizes**

EBITDA and EBITDA margin (\$mm)¹



¹ Defined as income before taxes plus D&A and interest expense. Please reference reconciliation on Pg. 33; ² Please reference Pg. 34 for additional detail; ³ Represents EBITDA CAGR from 2018-2020; ⁴ Represents EBITDA CAGR from 2020-2025E

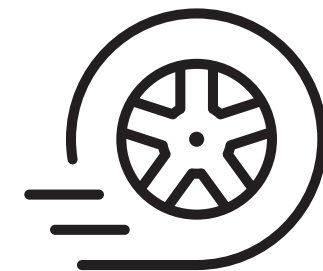
Capital Management Approach

Focus on long-term shareholder value, risk mitigation and fueling growth



Sources of Capital

- Hagerty Re underwriting structure
- MGA Commissions
- Self funding revenue streams (Valuation, HG&S, Owned Events, Content, Brand Asset)
- Transaction proceeds \$275MM
- \$230MM Credit Facility



Capital Allocation Priorities - Invest in Growth

- Digital platform build
- Refactor proprietary insurance system
- Partnership integrations
- Product & pricing development
- Events & entertainment assets
- International expansion

HAGERTY.

Wrap Up

Strategic growth drivers



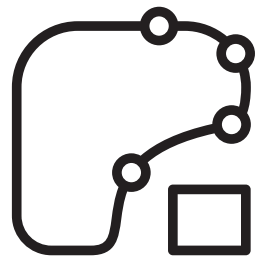
Expand Partnerships

Broaden and deepen partnerships to grow insurance business



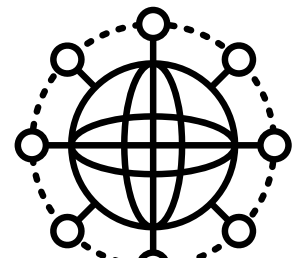
Digital Innovation

Accelerate digital innovation and leverage data advantage to grow membership base



Expand the Ecosystem

Introduce new offerings for the automotive enthusiast to further mine the TAM



International Expansion

Capture growth in untapped international markets

Positioning Hagerty for greater economic value capture over time.

Leadership team who will execute our strategy



McKeel Hagerty
Chief Executive Officer



Jack Butcher
President



Coco Champagne
Chief Operations Officer



Chuck Favour
Senior Vice President of Insurance Operations



Soon Hagerty
Senior Vice President of Brand



Barbara Matthews
General Counsel



Paul Rehrig
President of Hagerty Media and Entertainment



Kelly Smith
Chief Strategy Officer



Fred Turcotte
Chief Financial and Administrative Officer



Larry Webster
Senior Vice President of Content



Supported by experienced Board of Directors

Michael E. Angelina

Independent Director,
Chairman of the Board, and
Chair of Nominating &
Governance Committee

F. Michael Crowley

Market Appointed Director

McKeel Hagerty

CEO & Director

Laurie L. Harris

Independent Director

Robert I. Kauffman

Aldel Appointed Independent
Director

Sabrina Kay

Independent Director

Mika Salmi

Independent Director

William H. Swanson

Independent Director

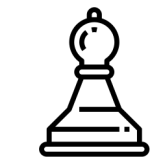
Michael L. Tipsord

State Farm Appointed
Independent Director

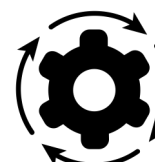
Relevant Experience



General Management Expertise



Strategy Development and
Implementation Expertise



Business Operations Expertise



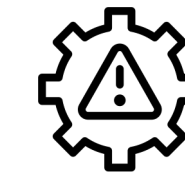
Insurance Industry Expertise



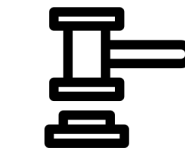
Finance/Financial Industry Expertise



Accounting Expertise



Risk Management Expertise



Legal/Regulatory Expertise



Technology/Digital Media
Experience



Corporate Governance Expertise



Diversity

A highly differentiated membership-based growth story

01

Large & underpenetrated market opportunity

Tapping underserved passion-led automotive enthusiast market

02

Omni channel distribution strategy

Established platform to drive scale and leverage data advantage

03

Unique membership ecosystem for car lovers

Exceptional brand loyalty; multiple points of monetization

04

Proven & resilient financial profile

Track record of revenue & earnings growth

05

Sufficient capital to fund growth priorities

Continued double-digit growth and further margin expansion; potential growth beyond base plan



Never

Stop

Driving

Q&A



McKeel Hagerty

Hagerty
Founder & CEO



Fred Turcotte

Hagerty
Chief Financial Officer



Rob Kauffman

Adel Financial
Chairman & CEO

HAGERTY.

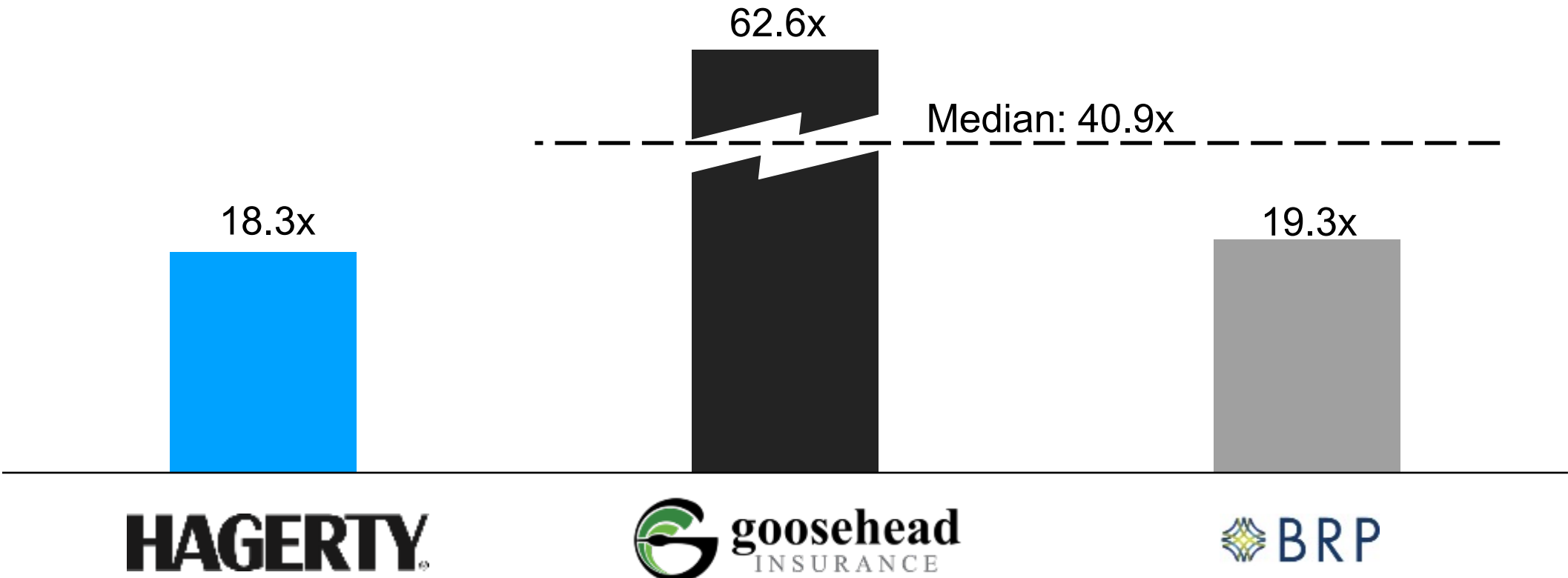
Appendix

Superior financial profile and attractive initial valuation **relative to high-growth peer group**

Note: Public companies employ analyst estimates for projections

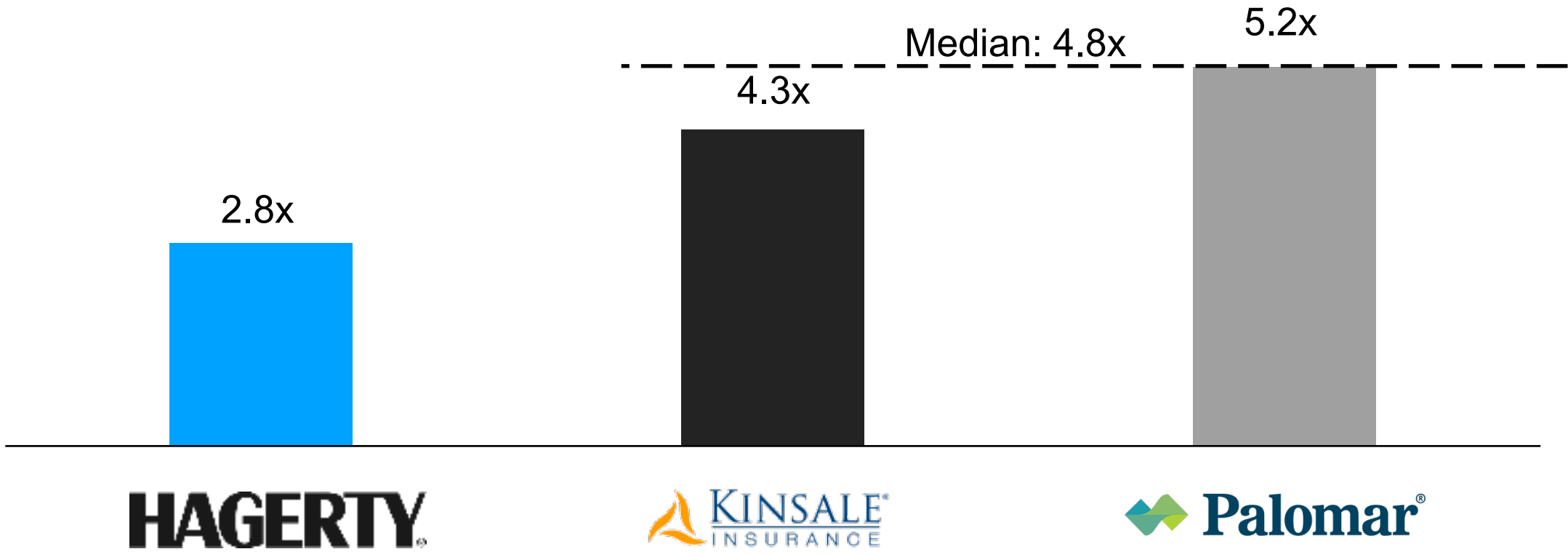
High growth distribution

FV / 2023E EBITDA

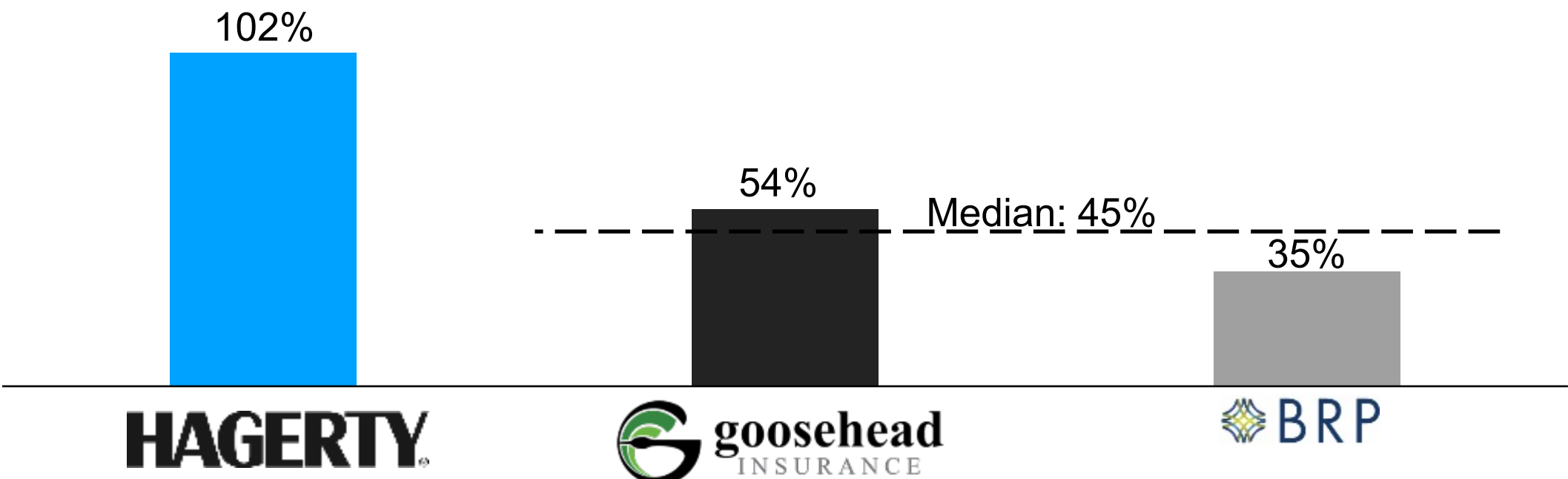


High growth carriers

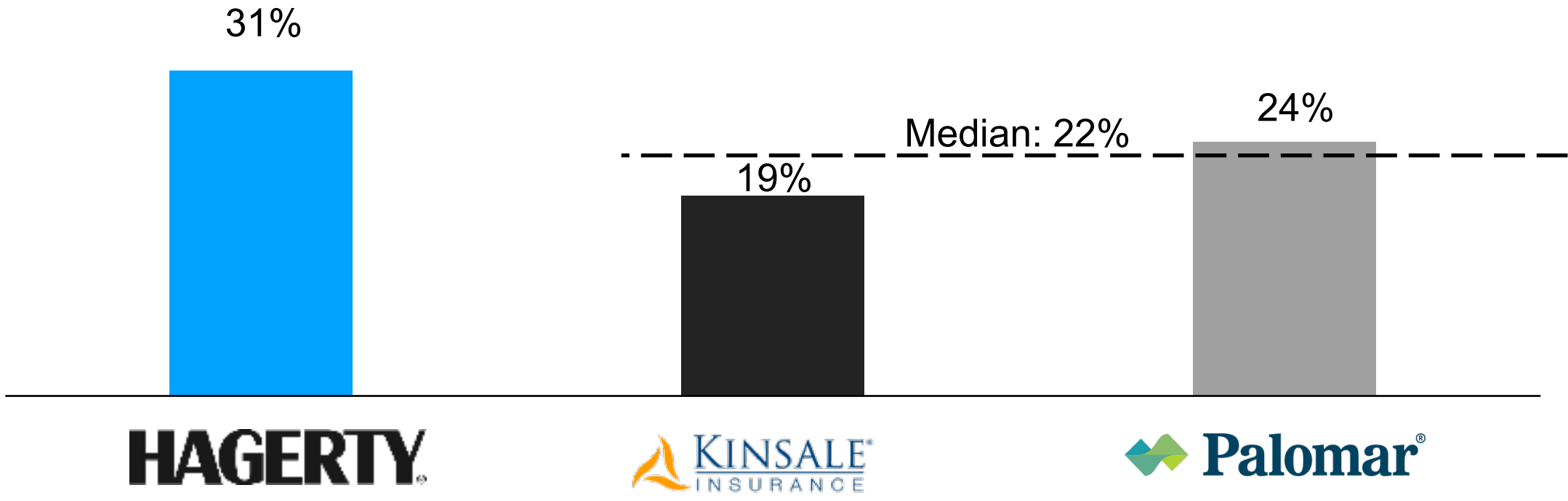
FV / 2023E revenue



2023E EBITDA growth



2023E revenue growth



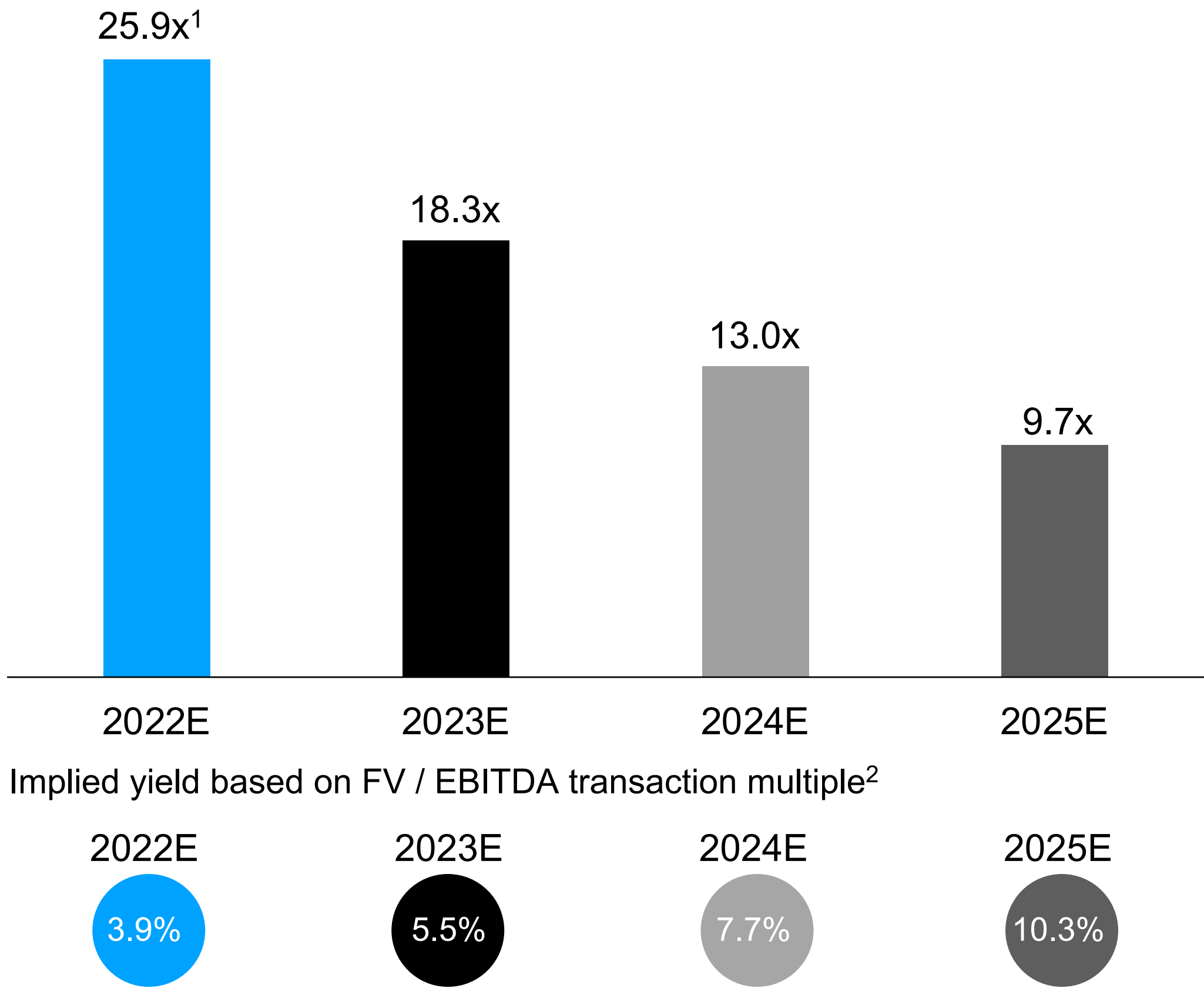
Stable free cash flow dynamics similar to insurance distribution

Hagerty combines revenue growth with underlying underwriting profitability

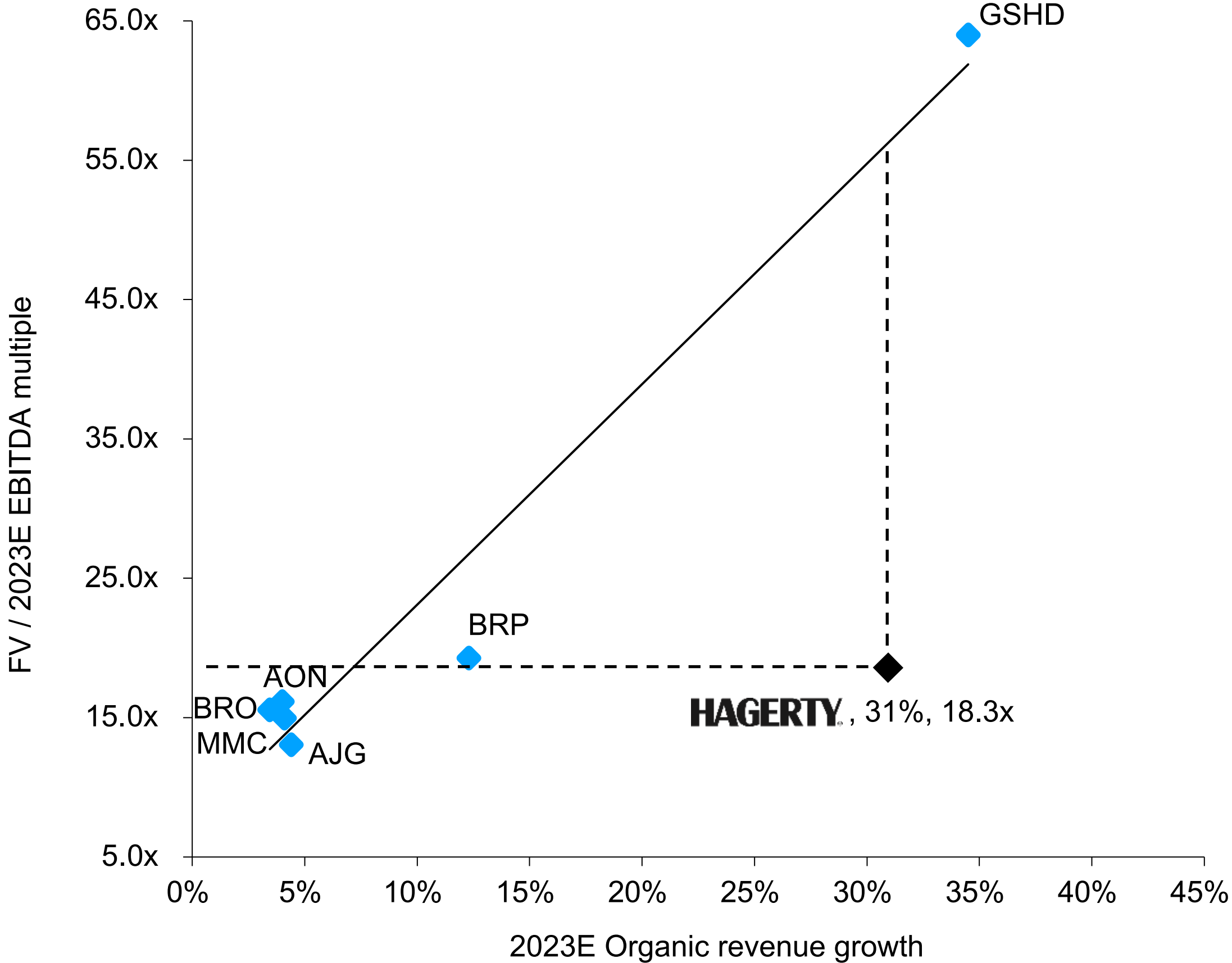
Hagerty's exceptional rate of growth "buys down" the EBITDA multiple quickly

Note: Public companies employ analyst estimates for projections

Hagerty pro forma transaction implied FV / EBITDA



2023E organic growth vs FV / 2023E EBITDA multiple



Discount to peers widens materially over the projection period, leaving room for upside if growth aspirations are met

Source: FactSet, company filings, I/B/E/S estimates, equity research; Note: Market data as of 8/16/2021; ¹ 2022E EBITDA excludes \$36mm of operating expenses related to infrastructure scaling investments (see Pg. 34); ² Represents inverse of corresponding transaction multiple

Public trading comparables (for reference)

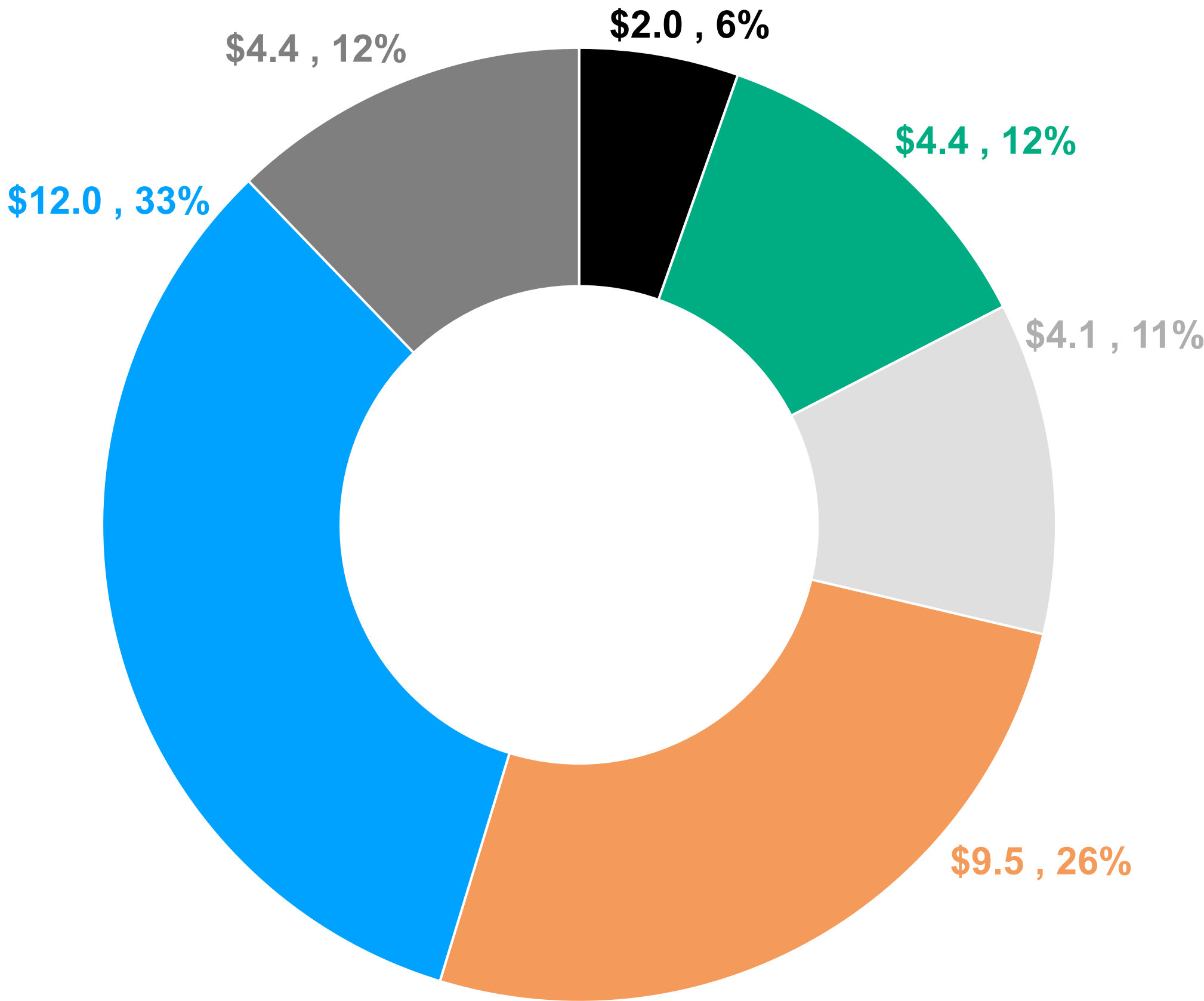
	8/16/2021 Price	Mkt. cap. ¹	Firm value	Firm value ² to:		Firm value ² to:		Price to:		PEG	2023E financial and operating profile					
				2022E Revenue	2023E Revenue	2022E EBITDA ³	2023E EBITDA ³	2022E Earnings ⁴	2023E Earnings ⁴	2023E ⁵	Revenue growth	Organic growth	EBITDA growth	EBITDA margin	Premium growth	Loss ratio
Hagerty	–	\$3,354	\$3,134	3.7x	2.8x	25.9x ⁶	18.3x	114.1x	38.2x	0.2x	30.6%	30.6%	102.1%	15.4%	33.9%	42.0%
High-growth distribution																
Goosehead Insurance	\$134.90	\$4,964	\$5,010	23.7x	16.5x	96.5x	62.6x	154.1x	97.0x	1.1x	43.4%	34.5%	54.2%	26.4%	NA	NA
BRP Group	34.88	3,477	3,751	5.8	4.5	26.6	19.3	30.3	22.1	0.5	25.9	12.3	35.1	23.3	NA	NA
Median				14.7x	10.5x	61.6x	40.9x	92.2x	59.6x	0.8x						
High-growth carriers																
Kinsale	\$180.77	\$4,167	\$4,082	5.1x	4.3x	NA	NA	33.4x	28.7x	1.7x	19.1%	NA	NA	NA	24.5%	63.0%
Palomar	82.41	2,151	2,126	6.4	5.2	NA	NA	27.9	23.7	1.4	24.2	NA	NA	NA	11.2	17.0
Median				5.7x	4.8x	NA	NA	30.7x	26.2x	1.5x						
Traditional distribution																
Marsh & McLennan	\$153.53	\$78,761	\$88,802	4.3x	4.1x	15.9x	15.0x	21.7x	20.0x	2.0x	5.4%	4.1%	6.1%	27.6%	NA	NA
Aon	279.67	63,765	70,064	5.5	5.2	17.2	16.2	21.1	18.9	0.9	5.0	4.0	6.2	32.2	NA	NA
Arthur J. Gallagher	142.93	29,551	32,300	4.0	3.7	13.7	12.1	20.3	19.5	4.2	8.0	4.4	13.0	30.9	NA	NA
Brown & Brown	56.38	15,877	17,089	5.3	5.0	16.5	15.6	22.4	21.2	4.1	6.4	3.5	6.3	32.1	NA	NA
Median				4.8x	4.6x	16.2x	15.3x	21.4x	19.8x	3.1x						
Traditional personal lines carriers																
Progressive	\$97.10	\$56,978	\$62,276	1.2x	1.2x	NA	NA	18.6x	17.5x	1.5x	7.5%	NA	NA	NA	NA	70.9%
Allstate	136.54	41,413	48,723	1.2x	1.0x	NA	NA	11.0	9.9	NM	11.2	NA	NA	NA	NA	61.4
Intact Financial	138.82	24,444	25,970	1.2	NA	NA	NA	19.9	17.8	2.5	NM	NA	NA	NA	NM	NA
Hanover Insurance	140.97	5,202	5,877	1.1	1.1	NA	NA	13.6	12.9	1.7	NA	NA	NA	NA	NA	59.1
Mercury General	59.32	3,285	3,279	0.8	0.8	NA	NA	17.7	NM	NM	NA	NA	NA	NA	NA	NA
Horace Mann	40.84	1,719	2,105	1.5	NA	NA	NA	12.2	11.5	NM	NM	NA	NA	NA	NA	NA
Safety Insurance	83.01	1,252	1,199	NA	NA	NA	NA	18.9	17.7	NM	NA	NA	NA	NA	NA	NA
Median				1.2x	1.1x	NA	NA	17.7x	15.2x	1.7x						

Reconciliation of non-GAAP metrics - EBITDA

(\$mm)	2020	2021E	2022E	2023E	2024E	2025E
Insurance and affinity revenue	\$463	\$581	\$790	\$1,028	\$1,249	\$1,503
Membership revenue	37	45	63	86	108	124
Total revenue (GAAP)	\$500	\$626	\$853	\$1,114	\$1,357	\$1,627
Income Before Taxes	\$15	\$12	\$39	\$117	\$185	\$268
Interest expense	2	4	2	2	2	2
Depreciation	9	18	40	49	50	48
Amortization	3	5	3	3	4	3
EBITDA	\$28	\$38	\$85	\$172	\$240	\$322
Certain operating expense investments	—	\$36	\$36	—	—	—
EBITDA excluding operating expenses supporting new partnerships	\$28	\$74	\$121	\$172	\$240	\$322
EBITDA margin	6%	6%	10%	15%	18%	20%
EBITDA margin excluding operating expenses supporting new partnerships	6%	12%	14%	15%	18%	20%

Operating expense supporting new partnerships

2021E breakdown (\$mm)



Total: \$36mm

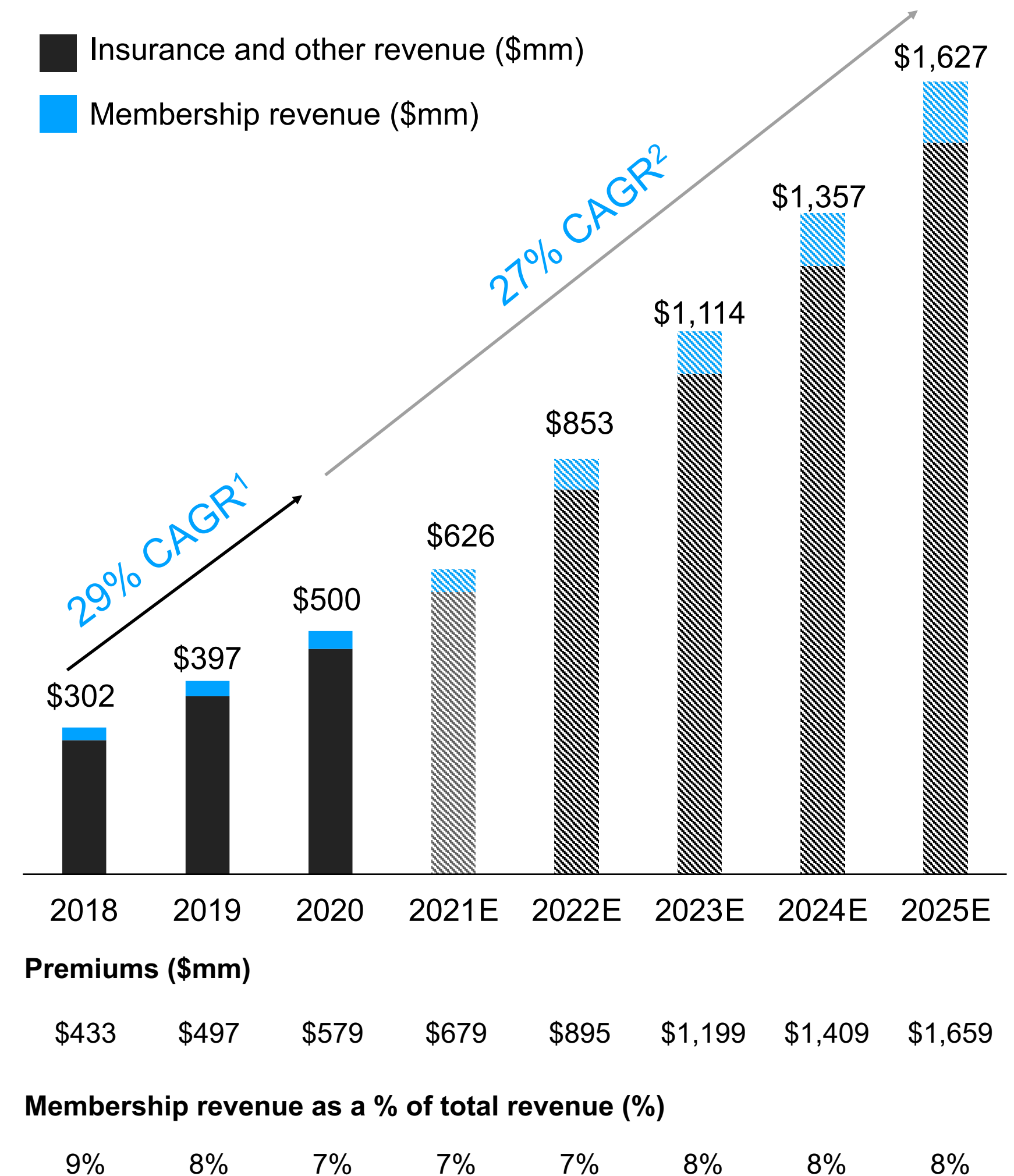
Summary

- **New partnership leaders / transformation management (\$2.0mm)**
- **Increase in sales professionals / marketing (\$4.4mm)**
- Increase in service professionals (\$4.1mm)
- **Increase in technology professionals - outsourced (\$9.5mm)**
- **Increase in technology professionals - Hagerty (\$12.0mm)**
- Increase in hardware / software spend (\$4.4mm)

Total revenue

- Majority of **revenue is tied to premiums**;
premium growth assumptions are underpinned by:
 - Consistent double digit growth in policies in force (excluding new partnerships)
 - ~7% annual increase in price as Hagerty continues to insure more modern cars
 - Additional growth from State Farm and Project Pershing
- Membership revenue continues to become a **significant percentage of revenue**

Total revenue (\$mm)



¹ Represents total revenue CAGR from 2018-2020; ² Represents total revenue CAGR from 2020-2025E

Hagerty 6/30/21 balance sheet summary

Hagerty capitalization (\$mm) 6/30/21 PF for Aldel Transaction

Cash & cash equivalents ¹	\$306
Debt outstanding	86
Market value of equity	3,354
Implied firm value	\$3,134

Memo: Select balance sheet items (\$mm)	6/30/21	Description
Restricted cash and cash equivalents	\$296	Reinsurance company assets / customer funds
Provisions for unpaid claims	91	Loss reserves
Unearned premiums	169	Premiums collected upfront but earned over the year
Due to insurers	97	Contractual arrangements with carriers
Equity	120	“Capital-lite” model leverages third party carriers

Hagerty consolidated income statements

(\$mm)	2018FY	2019FY	2020FY
Revenues:			
Commission and fee revenue	\$174	\$202	\$236
Earned premium	97	157	221
Membership and other revenue	30	38	43
Total revenues	\$302	\$397	\$500
Operating expenses:			
Salaries and benefits	\$97	\$114	\$138
Ceding commission	47	76	106
Losses and loss adjustment expenses	41	64	91
Sales expense	70	84	86
General and administrative services	31	39	51
Depreciation and amortization	8	9	12
Total operating expenses	\$293	\$386	\$484
Operating income	\$9	\$11	\$16
Other (expense) income	(0)	1	(1)
Income before income tax expense	\$9	\$11	\$15
Income tax expense	0	7	5
Net income	\$8	\$4	\$10

Hagerty consolidated balance sheets

Assets (\$mm)	12/31/19	12/31/20
Current assets:		
Cash and cash equivalents	\$22	\$38
Restricted cash and cash equivalents	199	261
Accounts receivable	20	34
Premiums receivable	42	53
Commission receivable	46	55
Prepaid expenses and other assets	11	15
Deferred acquisition costs—net	47	59
Total current assets	\$388	\$513
Property and equipment—Net	\$16	\$26
Long-term assets:		
Prepaid expenses and other assets	\$18	\$20
Intangible assets—net	17	47
Goodwill	4	5
Total long-term assets	\$39	\$72
Total assets	\$443	\$611

Liabilities and equity (\$mm)	12/31/19	12/31/20
Current liabilities:		
Accounts payable	\$7	\$12
Losses payable	17	22
Provision for unpaid loss and loss adjustment expenses	33	55
Unearned premiums	99	125
Commissions payable	36	44
Due to insurers	40	49
Advanced premiums	12	14
Accrued expenses	28	36
Deferred tax liability	6	7
Contract liabilities	17	20
Other current liabilities	1	2
Total current liabilities	\$295	\$385
Long-term liabilities:		
Accrued expenses	\$6	\$15
Contract liabilities	—	20
Long-term debt	26	69
Other long-term liabilities	5	5
Total long-term liabilities	\$37	\$109
Total liabilities	\$333	\$493
Equity:		
Members' equity (Shares authorized 100,000; issued and outstanding 100,000)	\$113	\$119
Accumulated other comprehensive loss	(3)	(2)
Total members' equity	110	117
Non-controlling interest	—	0
Total equity	110	117
Total liabilities and equity	\$443	\$611

Hagerty consolidated statements of cash flows

(\$mm)\$	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Operating activities:				Investing activities:			
Net income	\$8	\$4	\$10	Purchases of property and equipment and software	(\$8)	(\$9)	(\$38)
Adjustments to reconcile net income to net cash from operating activities:				Business combinations and asset acquisitions —net of cash acquired	-	(11)	(9)
Depreciation and amortization expense	\$8	\$9	\$12	Purchase of other assets	(1)	(0)	(0)
Provision for deferred taxes	-	6	1	Proceeds from sale of intangible assets	-	-	0
Loss (gain) on disposals of equipment, software, and other assets	0	(0)	3	Proceeds from sale of property and equipment	0	0	0
Other	0	1	1				
Accounts receivable	(5)	(10)	(14)	Net cash used in investing activities	(\$8)	(\$21)	(\$47)
Premiums receivable	(9)	(17)	(10)				
Due from member	8	-	-	Financing activities:			
Commission receivable	(6)	(4)	(8)	Payments on long-term debt	\$0	(\$75)	(\$29)
Prepaid expenses and other assets	(10)	(8)	(9)	Proceeds from long-term debt	10	26	73
Deferred acquisition costs	(9)	(19)	(12)	Repayments of notes receivable related parties	(0)	(0)	0
Accounts payable	(0)	0	5	Contribution from minority interest	-	-	0
Losses payable	5	5	5	Contributions from members	2	-	0
Provision for unpaid losses and loss adjustment expense	11	14	22	Distributions to members	-	-	(4)
Unearned premiums	20	41	26	Debt issuance costs	-	-	(0)
Commissions payable	8	15	8	Newly issued units less transaction costs	0	89	0
Due to insurers	5	5	9				
Advanced premiums	2	2	2	Net cash from financing activities	12	40	40
Accrued expenses	7	4	13				
Contract liabilities	2	3	22	Effect of foreign currency exchange rates on cash	(1)	0	1
Other current liabilities	1	0	(1)				
Net cash from operating activities	\$46	\$50	\$85	Net increase in cash, cash equivalents and restricted cash and cash equivalents	\$49	\$78	\$78

Never Stop Driving™