



Q1 - 2026 Investor Presentation

May 2026





Legal Disclaimer

This disclaimer applies to this document and the verbal comments of any person presenting it. This presentation, together with any such written comments, is referred to herein as the "Presentation."

Forward Looking Statements

This Presentation may contain forward-looking statements. In some cases, you can identify these statements by forward-looking words such as "may," "might," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue," the negative of these terms and other comparable terminology.

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, 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. 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.

Further information on potential factors that could affect the financial results of TWFG Insurance are included in our Registration Statement on Form S-1, as amended (Registration No. 333-280439) and in our other filings with the Securities and Exchange Commission ("SEC"). These documents and others containing important disclosures are available on the SEC Filings section of the Investor Information section of our Web site.

Industry and Market Information

This Presentation includes industry and market data that we obtained from periodic industry publications, third-party studies and surveys, including from Independent Insurance Agents & Brokers of America, Inc. ("Independent Insurance Agents & Brokers of America") and S&P Global Market Intelligence Inc. ("S&P Global Market Intelligence"), as well as from filings of public companies in our industry, insurance carrier-provided information and internal company surveys. These sources include industry sources. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. Although we believe the industry and market data to be reliable as of the date of this Presentation, this information could prove to be inaccurate. Industry and market data could be wrong because of the method by which sources obtained their data and because information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. In addition, we do not know all of the assumptions regarding general economic conditions or growth that were used in preparing the forecasts from the sources relied upon or cited herein.

Unless otherwise indicated, throughout this Presentation we reference our relative market positioning and performance as compared to the U.S. property and casualty insurance industry. The industry group metrics are based on the latest date for which complete financial data are publicly available such as a 2022 Future One Agency Universe Case Study containing 2022 industry data conducted by the Independent Insurance Agents & Brokers of America (the "Agency Universe Study").

The information contained in this Presentation is provided as at the date of this Presentation and is subject to change without notice.

Financial Information

This Presentation contains unaudited financial highlights for the first quarter 2026 and audited full year 2025.

Non-GAAP Financial Measures

In addition to providing financial information based on accounting principles generally accepted in the United States ("GAAP"), this Presentation includes certain financial measures prepared other than in accordance with GAAP, or non-GAAP financial measures, including Organic Revenue, Organic Revenue Growth, Adjusted Net Income, Adjusted Net Income Margin, Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted Free Cash Flow. Accordingly, these non-GAAP financial measures should not be considered as a substitute for data prepared and presented in accordance with GAAP and should not be construed as being more important than comparable GAAP measures.

TWFG's management believes these non-GAAP financial measures provide users of our financial statements with additional and useful comparisons of current results of operations with past and future periods. Although we use or have used these non-GAAP financial measures to assess the performance of our business and for other purposes, the use of these non-GAAP financial measures as an analytical tool has limitations, and you should not consider them in isolation, or as a substitute for analysis of our results of operations as reported in accordance with GAAP. In addition, because not all companies use identical calculations, the non-GAAP financial measures included in this Presentation may not be comparable to similarly titled measures disclosed by other companies, including our peers or other companies in our industry. Please see "KPI Information and Non-GAAP Reconciliations" and "Additional Reconciliations" within the Presentation for reconciliations of the non-GAAP financial measures included in the Presentation to our most directly comparable financial measures calculated and presented in accordance with GAAP.



TWFG At a Glance: 25+ Year Track Record of Independence, Innovation, and Growth In Personal and Commercial Insurance

Who We Are

We are a **founder-led**, publicly traded (Nasdaq: TWFG), **high-growth**, independent distribution platform for personal and commercial insurance in the U.S.

What We Do

We **pioneered a distribution and ownership model** that is geared towards flexibility, efficiency, and alignment. We exist to serve our agents and agency principals through our retail and wholesale operations.

How We Do It

We provide **resources, technology, training, carrier access, and M&A opportunities** to grow and succeed in an increasingly complex market.

Why We Are Different

Developed and led by agents, for agents – we offer a distinctive level of autonomy and entrepreneurial opportunity to our agencies regardless of whether they started with us from scratch or joined us through acquisition.

Market Leader with Rich Heritage and Scaled, National Platform

TWFG
Nasdaq Listed



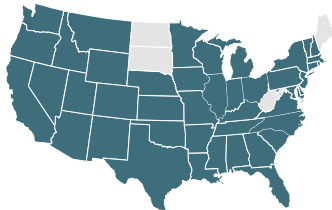
8th

Largest U.S. Personal Lines Agency ⁽¹⁾



25

Years of Operating History



550+

TWFG Branches in 34 States & D.C. ⁽²⁾

26th

Largest Agency Across All Lines ⁽¹⁾

\$1,819MM+

Total Written Premium ⁽³⁾

2,951

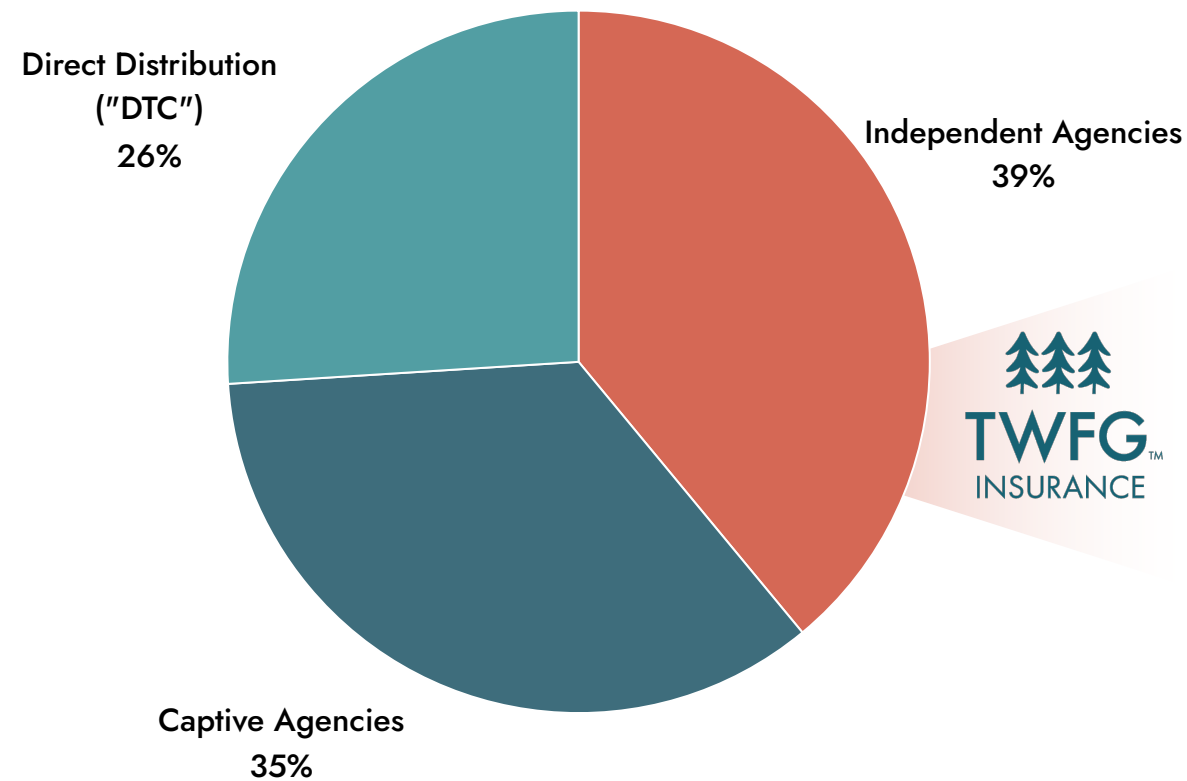
TWFG MGA Agencies in 43 States ⁽²⁾

Multi-Line – Retail – Wholesale – Admitted – Non-Admitted

Notes:
1. Rankings based on revenue per Insurance Journal's 2025 Top 100 Property / Casualty Agencies
2. As of March 31, 2026
3. TTM as of March 31, 2026 - Results are unaudited

TWFG's Business Model Was Built to Capture a Shift Away from Captive Distribution

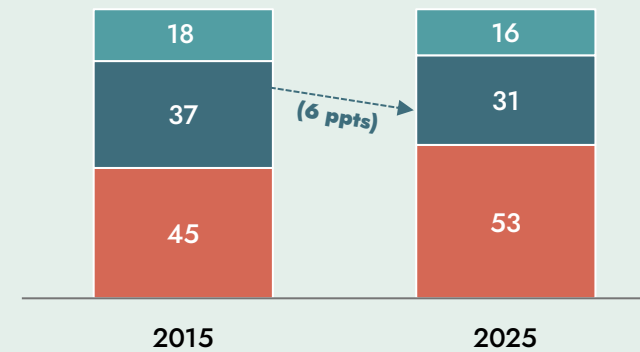
Large Share of Personal Lines Distribution Is Captured by the Independent Channel ...



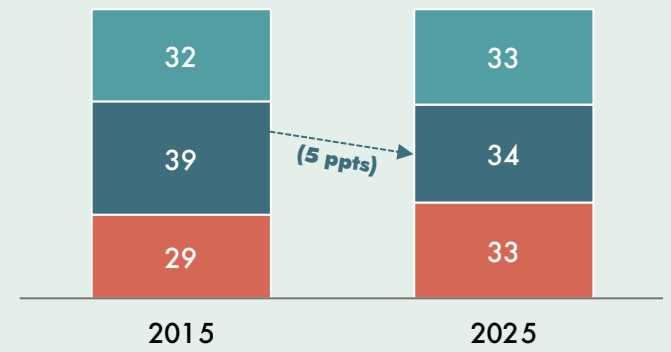
Source: A.M. Best Company

... Reflecting a Decade-Long Shift Away from Captive Distribution

Homeowners Premium Mix by Distribution (%)



Auto Premium Mix by Distribution (%)



Independent Agencies Captive Agencies DTC

- Accelerating momentum toward the independent channel
- DTC carriers increasingly utilizing independent channel to reach consumers
- Carriers looking to consolidate points of distribution

TWFG Addresses Key Pain Points Experienced By Captive and Independent Agencies

Top Challenges Faced by Agencies

Top Issues



Limited product choice



Access to carriers



Changing commission structures



Back-office inefficiencies



Perpetuation planning

TWFG Solutions

Access to a comprehensive suite of products; high degree of autonomy over the direction of business to best address client needs

Access to 300+ insurance carriers, MGAs and programs across admitted and non-admitted markets

Compelling revenue and work share model; no sales quotas, no forced cross-selling

Agency-in-a-Box turnkey solution delivers tools and technology that streamline back-office services and allow agents to focus on sales

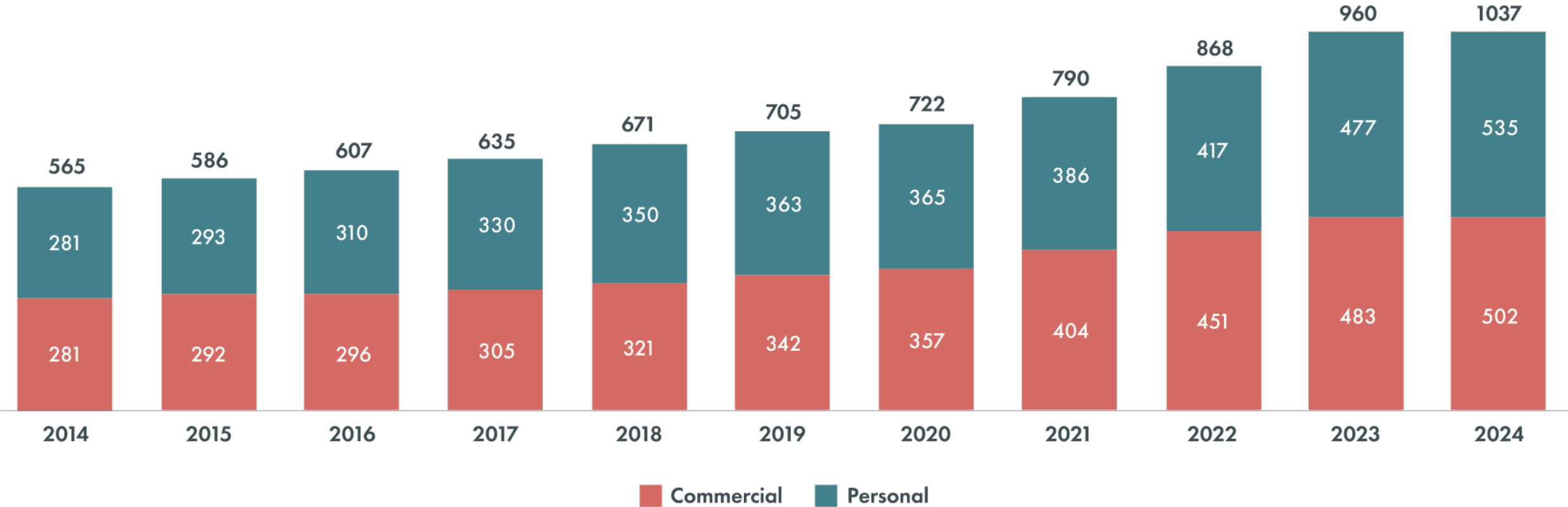
Opportunity to sell or transfer existing books of business enabling a smooth handover of client relationships and a rewarding exit for retiring agents



TWFG Operates in a Large and Growing Addressable Market

P&C Insurance Market Exhibits Consistent Growth

P&C Insurance Direct Written Premium Over Time (\$Bn)



Premium CAGR (2014-24):	6.3%	6.7%	6.0%
	Total P&C	Personal Lines	Commercial

Source: S&P Global Market Intelligence

Differentiated Turnkey Solutions that Enhance and Empower Agencies

Agency-in-a-Box



Powerful, Comprehensive and Intuitive AMS

- ✓ Personal lines comparative rater
- ✓ Agency dashboard with dynamic reporting
- ✓ Insurance forms and carrier downloads

Fully Integrated Marketing Solutions

- ✓ Online marketing content and analytics
- ✓ TWFG branded merchandise and collateral
- ✓ Corporate marketing team support

Easy to Use Web and App Based Client Tools

- ✓ Easy communication with the client/agent
- ✓ Full-service App and web portals
- ✓ Apple + Android compatibility

Sales Support

- ✓ Dedicated account executive
- ✓ Optional part-time or full-time service center
- ✓ Ongoing continuing education

Back Office Support

- ✓ Licensing and contracting
- ✓ Agency bill processing and reconciliation
- ✓ Commission processing

Other Services

- ✓ Incentives for top producers
- ✓ TWFG National Convention
- ✓ Succession planning



National Platform



Scaled Network



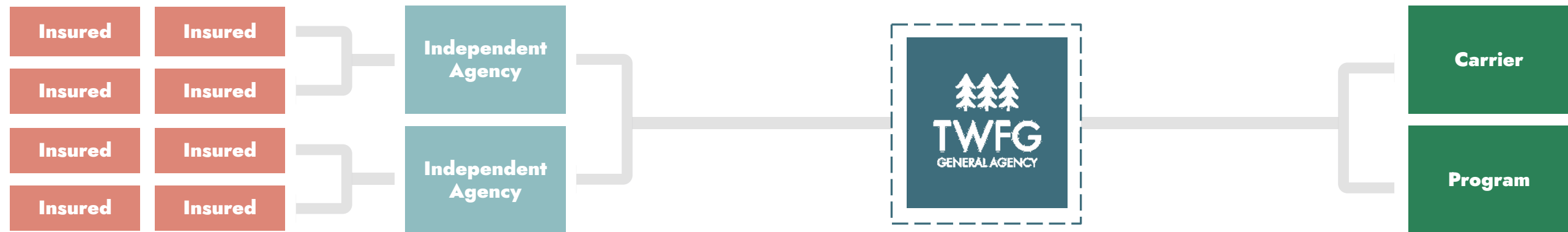
Strategic Partnerships

Access to 300+ National, Regional and Local Insurance Carriers, MGAs and Programs



Attractive MGA Offering for Agencies Who Wish to Stay Independent

Providing Access to Insurance Carrier Relationships, MGAs and Programs
Serving 2,340+ Agencies Across 43 States



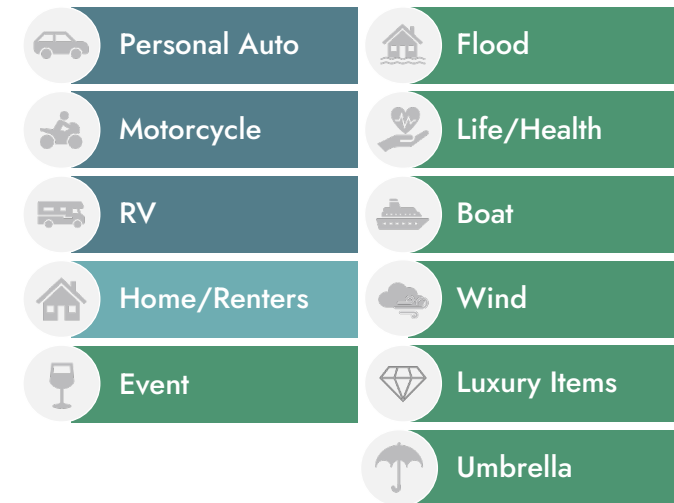
- ✓ Facilitate placement of risks in both the admitted and E&S markets – often inaccessible by small agencies
- ✓ Allows independent agencies to circumvent minimum volume requirements from certain insurance carriers
- ✓ Expansive product offering that broadens TWFG's specialty capabilities
- ✓ Relationship with TWFG creates pathway for independent agencies to eventually transition into TWFG exclusive agencies

Our Product Mix is a Function of Our Opportunistic Approach To Adding Talent. We Do Business In Personal, Commercial, Retail, Wholesale, Programs, Admitted, & Non-Admitted Markets

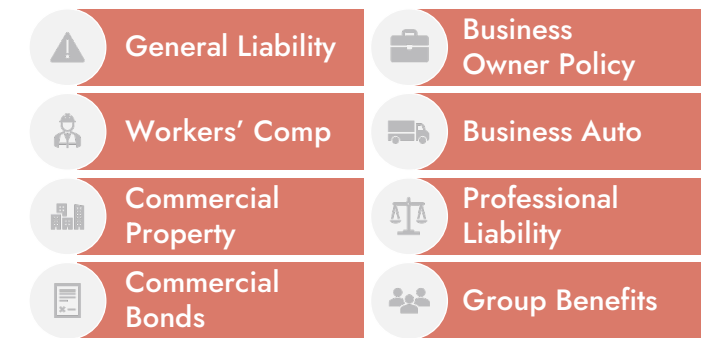
Business mix comprises ~82% Personal Lines and ~18% Commercial Lines (As of 03/31/2026)

- Broad product set enabling TWFG agencies to deliver comprehensive coverage for client risks
- Ability to offer in-demand, exclusive programs in certain niches (e.g., catastrophe-exposed property and high value homes)
- Access to admitted and E&S insurance markets through TWFG MGA
- Favorable characteristics of TWFG's personal and small commercial client base:
 - High demand for insurance protection across all economic cycles
 - Relationships built on long-term trust, resulting in stickiness
 - Evolving risks and increasing complexity require expert guidance

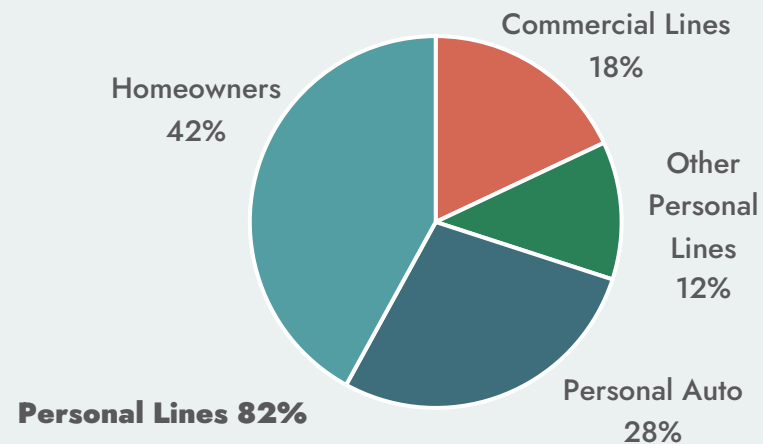
Personal Lines



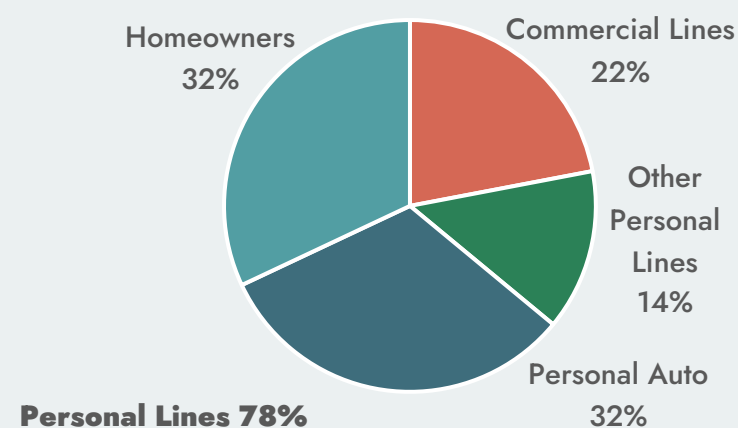
Commercial Lines



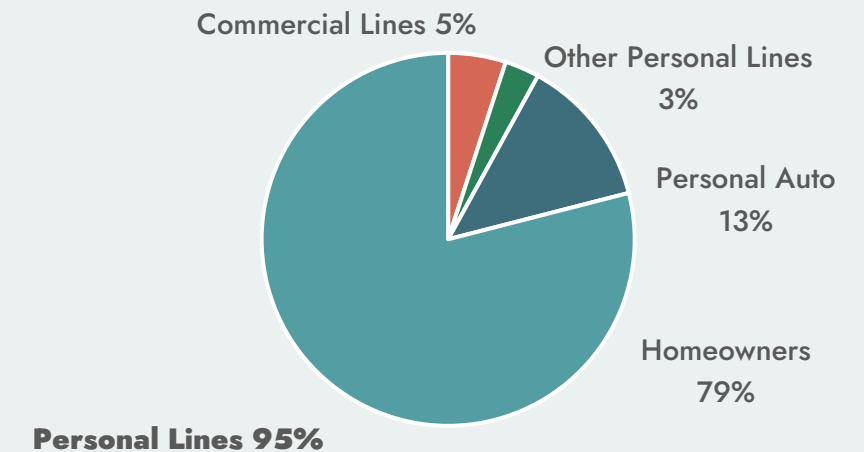
Consolidated Written Premium Mix
By Line of Business (03/31/2026)



Insurance Services Premium Mix
By Line of Business (03/31/2026)



TWFG MGA Premium Mix
By Line of Business (03/31/2026)





Illustrative Overview of Economic Model

Insurance Services ~80% of total TWFG Revenue		MGA ~20% of total TWFG Revenue
Branches Commission Revenue (~80% of Total Carrier Commissions)	Corporate Branches Commission Revenue	MGA Commission Revenue
Agency-in-a-Box Commission Revenue (~20% of Total Carrier Commissions)		Outbound Commission (variable % of Total Carrier Commissions)
+	+	+
Branch & Other Income		MGA Other Fees
+		+
Contingent Income	Contingent Income	Contingent Income
-	-	-
Corporate Salaries & Other Expenses (Corp. S&E)	Branches & Corp. S&E	Corporate Expenses
=	=	=
TWFG Operating Income	TWFG Operating Income	TWFG Operating Income

Two primary service offerings:

Insurance Services

- TWFG recognizes 100% of the commission paid by insurance carriers and remits 80% of the commission revenue to the Branches (retaining 20%)
- Branches are responsible for 100% of their operating expenses and pay a fee to TWFG to cover the costs of technology, E&O coverage and other services provided by TWFG
- TWFG insurance services revenue also includes contingent income and other income (all 100% retained by TWFG)
- For Corporate Branches, TWFG retains 100% of commission revenue and is responsible for 100% of expenses

Managing General Agency (MGA)

- TWFG receives 100% of commission revenue and contingent income earned from wholesale & brokerage and underwriting businesses
- TWFG also receives other fees for providing third-party administration (TPA) and brokerage services including policy and software licensing to carriers
- Depending on the terms of an individual MGA agency agreement, MGA may also include outbound commission expense to MGA Agencies

TWFG does not retain the risks related to any of the underlying insurance contracts placed on behalf of carriers



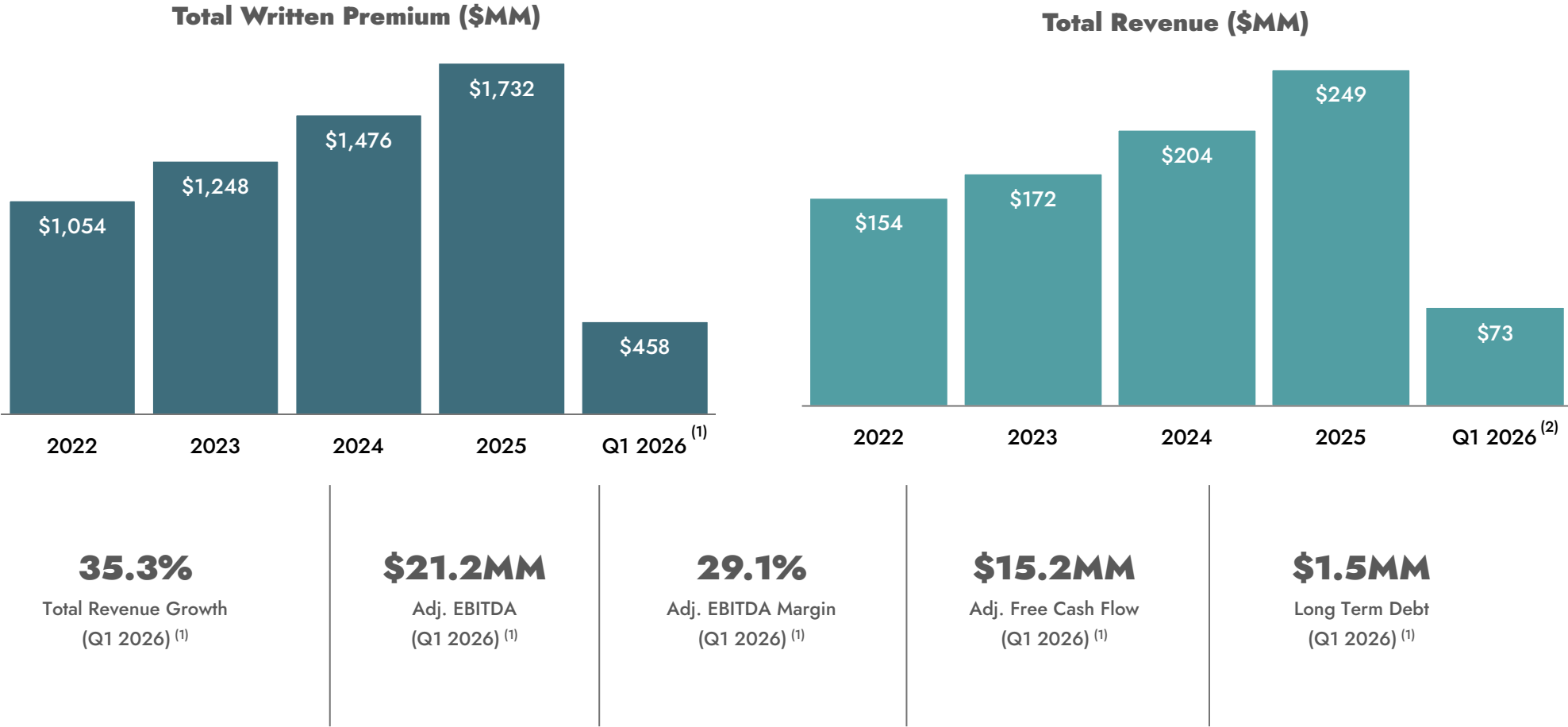
Compelling Financial Profile with Strong Growth and Profitability

Strong annual results and trends



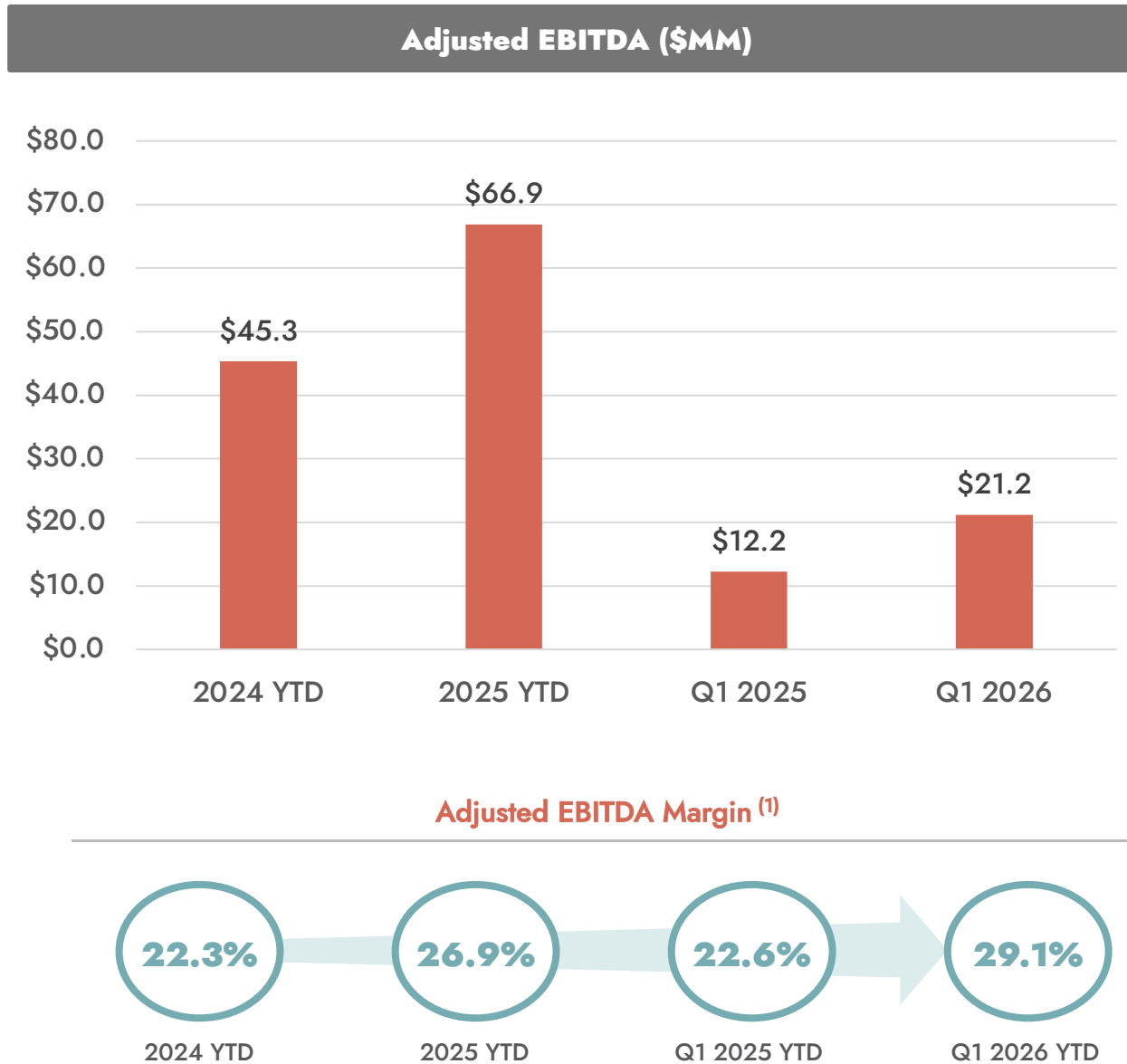
A Growth Story

Compelling Financial Profile



Notes:
1. Please see "KPI Information and Non-GAAP Reconciliations" for reconciliations of Adjusted EBITDA, Adjusted EBITDA Margin, and Adjusted Free Cash Flow to their most comparable GAAP measures
2. 03/31/2026 - Results are unaudited

Track Record of Adjusted EBITDA Growth and Margin Expansion



Drivers of Margin Trajectory

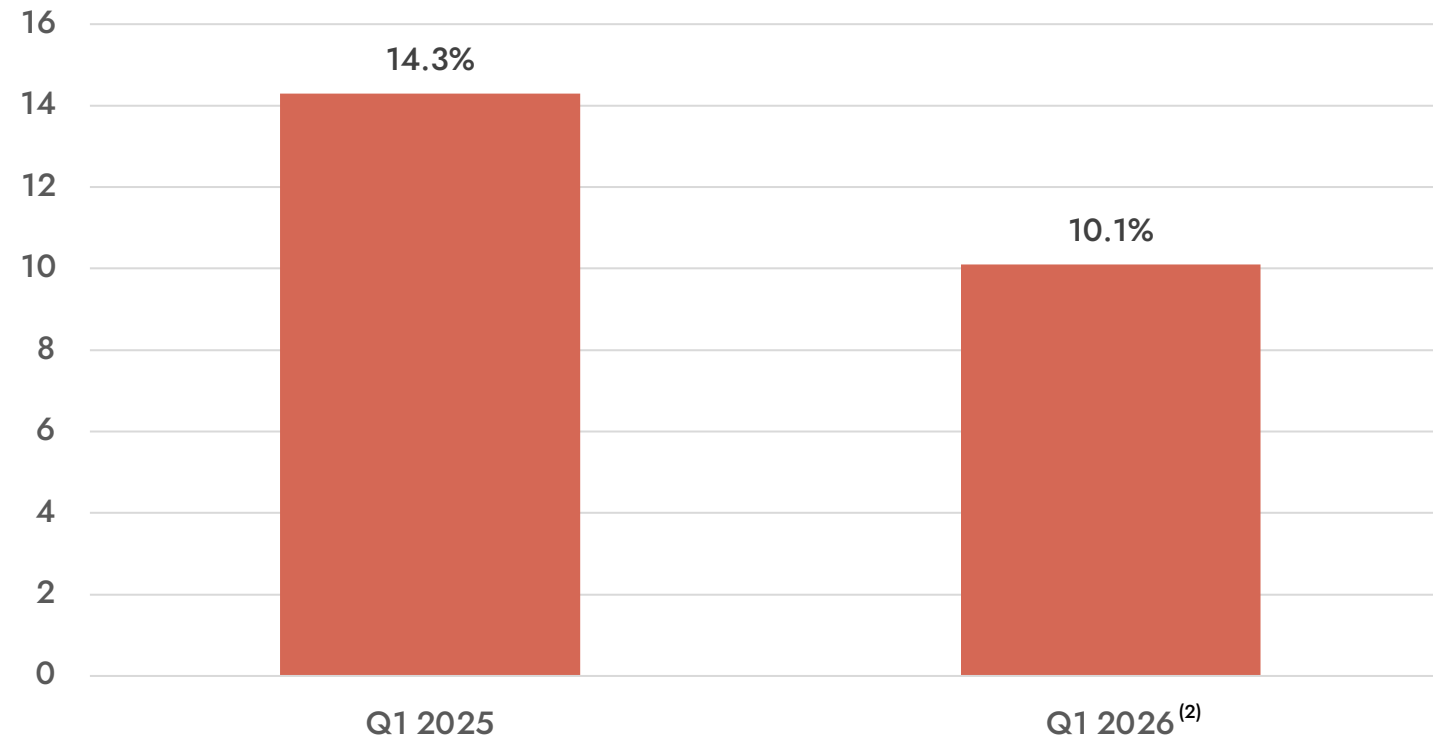
- ~80/20% revenue share model with TWFG Branches is a key driver of margin for the Insurance Services business
- Steady margin expansion historically reflective of:
 - Benefits of scale within Insurance Services and MGA businesses given continued top-line growth
 - Benefits of corporate store acquisitions within Insurance Service continue to support margin expansion
 - Benefits from legacy investments in technology and associated efficiencies
 - Contingent income and profit sharing growth as the business grows

Notes:
1. Please see "KPI Information and Non-GAAP Reconciliations" and "Additional Reconciliations" for reconciliations of Adjusted EBITDA and Adjusted EBITDA Margin to their most comparable GAAP measures.



Consistent Double-Digit Organic Growth

Organic Revenue Growth ⁽¹⁾



Drivers of Sustained, Double-Digit Organic Growth

- ✓ Accelerating industry tailwinds
- ✓ Geographic expansion
- ✓ Full-service client model
- ✓ Commercial lines growth
- ✓ Technology and AI investments
- ✓ Differentiated access to carriers
- ✓ Scalable MGA platform
- ✓ Disciplined M&A integration

Culminating in strong and consistent performance
across **retention** and **new business**

Notes:

1. Please see "KPI Information and Non-GAAP Reconciliations" and "Additional Reconciliations" for reconciliations of Organic Revenue and Organic Revenue Growth to their most comparable GAAP measures
2. 03/31/2026 Results are unaudited and are subject to change

Fragmented Market Creates Additional Growth Opportunities Going Forward

SIGNIFICANT PORTION OF U.S. AGENCIES COMING TO MARKET



- **Highly fragmented market** with ~39,000 independent agencies and brokerages in the U.S. as of 2025
- **Demographic tailwinds** accelerate deal flow
- **Excessive leverage** in the system creates opportunities for strong balance sheet acquirers

Industry Maintains a Robust Acquisition Pipeline that is Constantly Replenishing

Source: Big I Agency Universe Study 2022



TWFG's Scale, Balance Sheet and Disciplined Approach to Acquisitions Positions Us Well for Future Growth

TWFG Has a Proven Acquisition Track Record

- Successful acquisitions across a **range of specialties and geographies** since inception:
 - Agencies
 - Books of business
 - MGAs
 - Insurance networks
 - Renewal rights
- **Robust acquisition pipeline** with preliminary dialogue across several agencies and potential partners
- **2024 acquisitions:** \$48.3 million of capital deployed
- **2025 acquisitions:** \$54.8 million of capital deployed
- **Q1 2026 acquisitions:** \$28.7 million of capital deployed ⁽¹⁾

Backed By a Strong Balance Sheet and Repeatable Playbook

- **Disciplined and selective** approach to M&A:
 - Cultural compatibility
 - Attractive loss ratios
 - Organic growth
 - EBITDA margin
 - Enhances capabilities
 - Geographic diversification
- Focus on post-acquisition **integration** and **synergies**
- Ability to leverage **TWFG Agency network** as a source of referrals
- Future opportunity to **convert** additional TWFG Agencies into Corporate Branches

Notes:

1. Refers to acquisitions in excess of \$0.5 million in annual revenue



Unique Value Proposition to Agency Owners Looking for a Partner

LONG TERM STABILITY AND INDEPENDENCE

- ✓ Founder led and controlled, yet publicly listed
- ✓ Think in decades, not 3-year “flips”
- ✓ Fiercely independent
- ✓ Low financial leverage
- ✓ Flexible Deal Structures

ENTREPRENEURIAL OPPORTUNITIES

- ✓ Strong alignment – potential for revenue share, referral fees, and further M&A promotes agency performance
- ✓ Support branch owners’ and branch managers’ growth aspirations

ACCESS TO CARRIERS AND MGAS

- ✓ Access to and preferred relationships with 7 of the top 10 US personal lines carriers that write with IA¹
- ✓ Access to and preferred relationships with the 9 of the top 10 US commercial lines carriers
- ✓ Access to over 100 MGAs on the TWFG platform

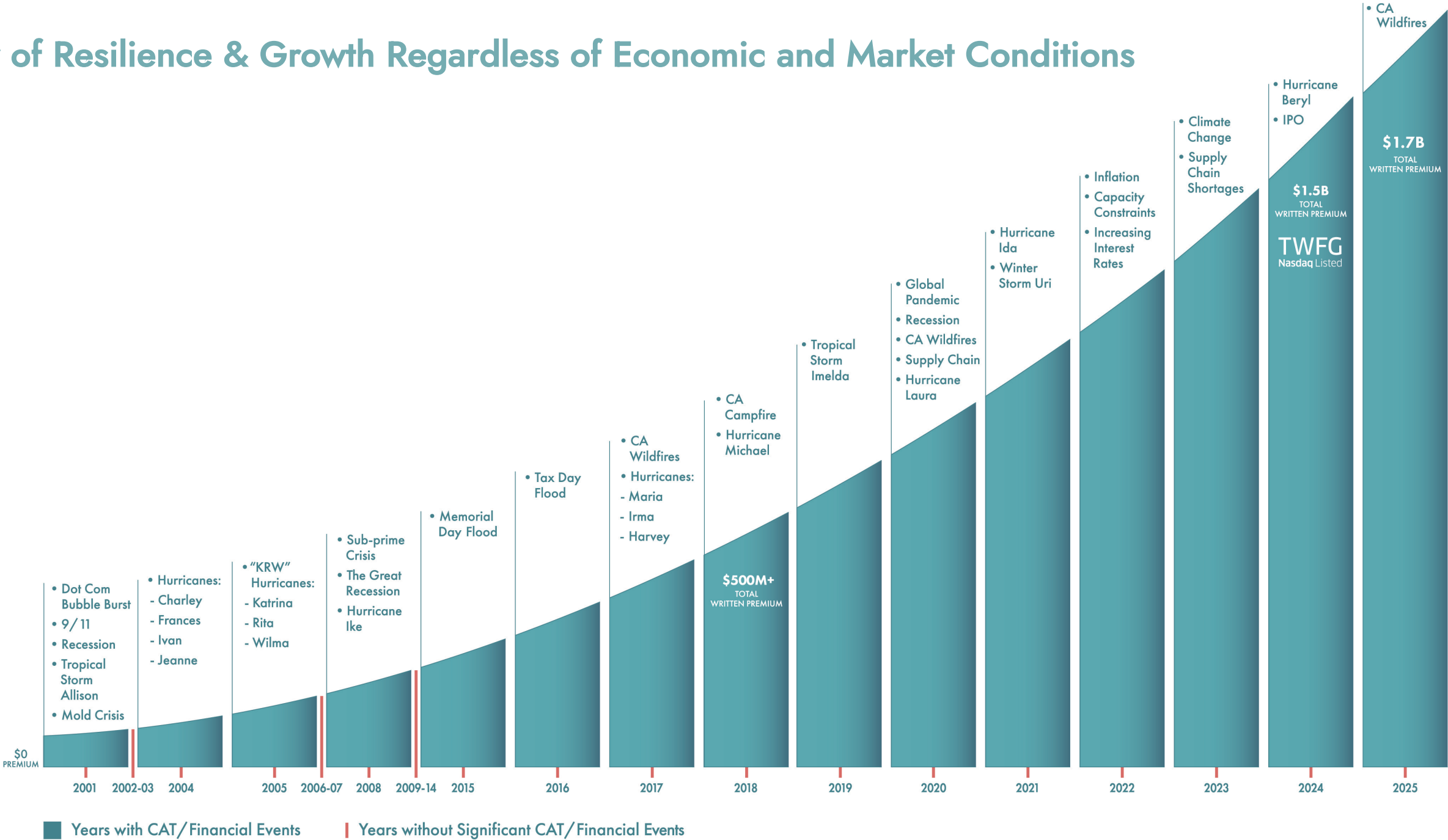
REPUTATION FOR FAIR DEALING

SCALED SERVICES PLATFORM

- ✓ Back-office support allows agent to focus on new sales and customer service
- ✓ Comprehensive training and cross-training available to agents and teams



History of Resilience & Growth Regardless of Economic and Market Conditions



Source: Company Information

25 Year Track Record of Sustainable Growth Regardless of Economic and P&C Pricing Cycles



Proven Management Team Well Positioned to Execute on Growth



Richard F. ("Gordy") Bunch III
Founder and CEO



Katherine C. Nolan
President



Janice E. Zwinggi, CPA
Chief Financial Officer



Charles Alexander Bunch
Chief Creative and Marketing Officer



Julie E. Benes
Chief Legal Officer



Mohan Vijayagopal
Chief Technology Officer



Gene Padgett
Chief Accounting Officer



Proven Ability to Execute on Growth Strategy

✓ Backed by a deep bench of seasoned operators

✓ Collaborative culture focused on teamwork, innovation and driving the best result for clients

✓ Executive management team with an average of 25+ years of insurance industry experience



20+ Year Track Record of Sustainable Growth
Regardless of Economic and Property and Casualty Insurance Pricing Cycles

Key Investment Highlights



- 1 **Differentiated Solutions that Enhance and Empower Agencies**
- 2 **Trusted Distribution Partner with Track Record of Innovative Solutions**
- 3 **National Footprint and Scaled Platform Delivering Sustainable Growth**
- 4 **Attractive Product Mix with Personal Lines Focus**
- 5 **Compelling Financial Profile with Strong Growth and Profitability**
- 6 **Proven Management Team Well-Positioned to Execute on Growth**

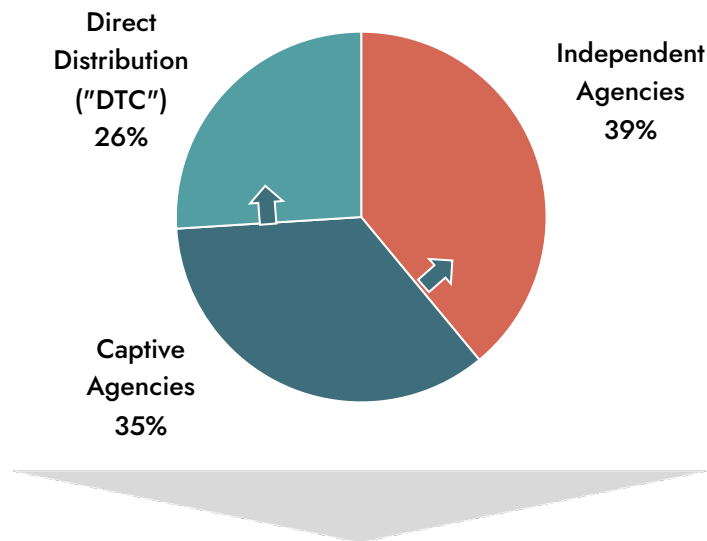
Notes:

1. As of March 31, 2026

2. Rankings based on revenue per Insurance Journal's 2025 Top 100 Property / Casualty Agencies

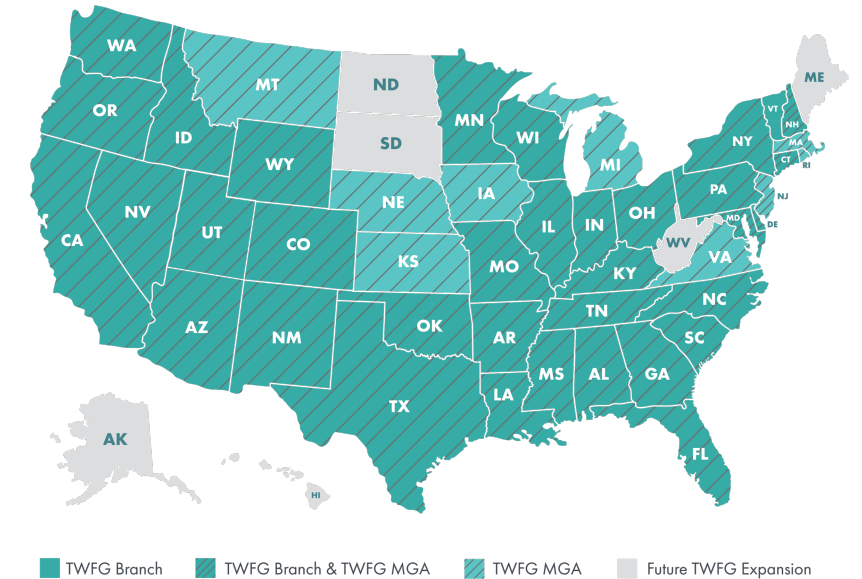
Business Snapshot

TWFG's Business Model Was Built to Capture a Secular Shift from Captive Distribution



Insurance Services ~80% of Total TWFG Rev. (2025)	Managing General Agency ~20% of Total TWFG Rev. (2025)
Revenue Share Model	Commission & Fee Income
Turnkey solution for Branches ("Agency-in-a-Box") that promotes growth and facilitates the administrative work of operating an agency	Facilitates the placement of traditional and hard-to-place personal and commercial insurance risks for agencies across the country

National Footprint and Scaled Platform Delivering Sustainable Growth



8th
Largest U.S. Personal
Lines Agency ⁽²⁾

\$268MM
TTM Revenue
(2025) ⁽¹⁾

550+
TWFG Branches
in 34 States & D.C. ⁽¹⁾

26th
Largest U.S. Agency
Across All Lines ⁽²⁾

19.5%
Revenue CAGR
(2020-25)

2,951
TWFG MGA Agencies
in 43 States ⁽¹⁾

Source: Independent Insurance Agents & Brokers of America

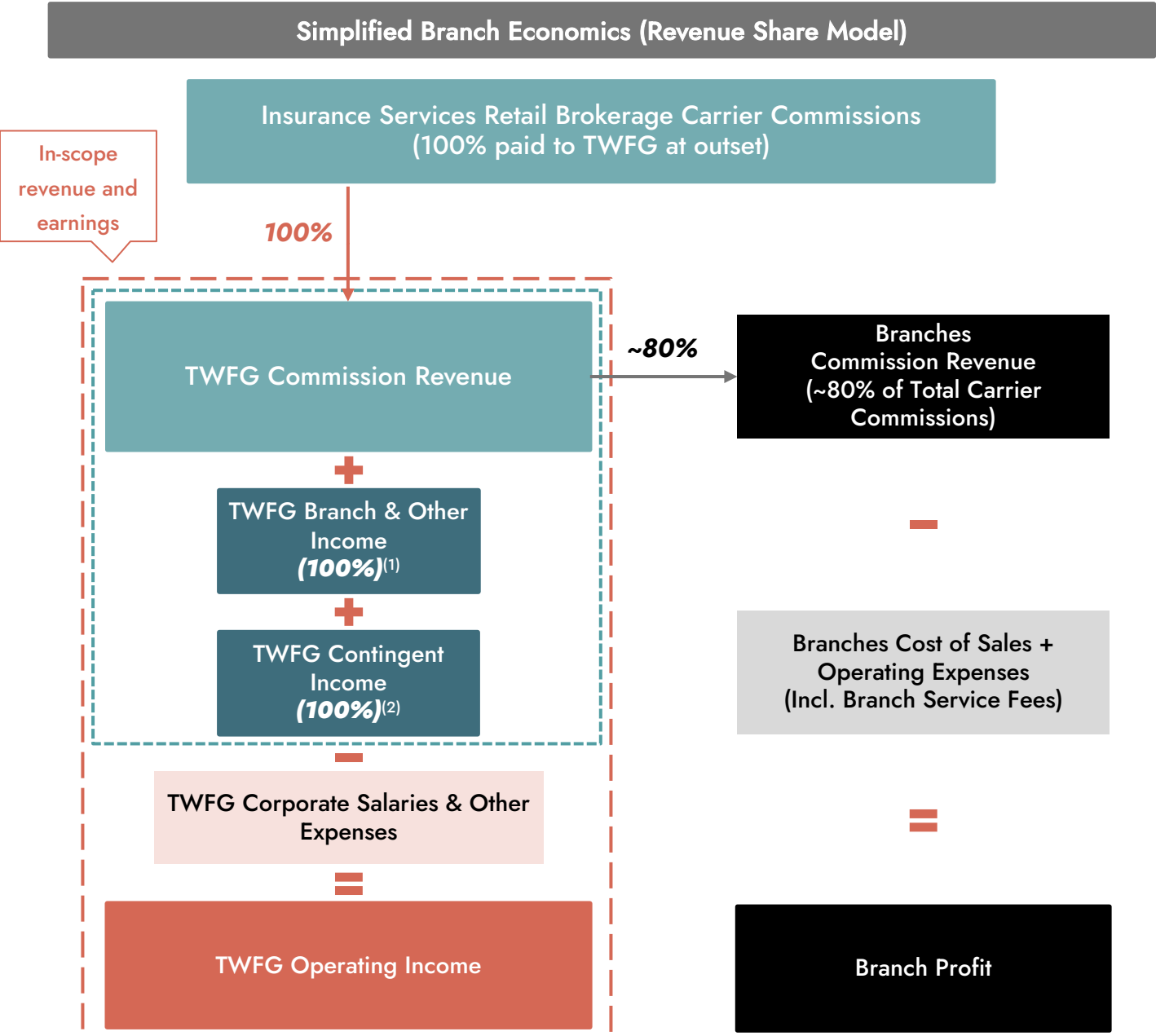


APPENDIX

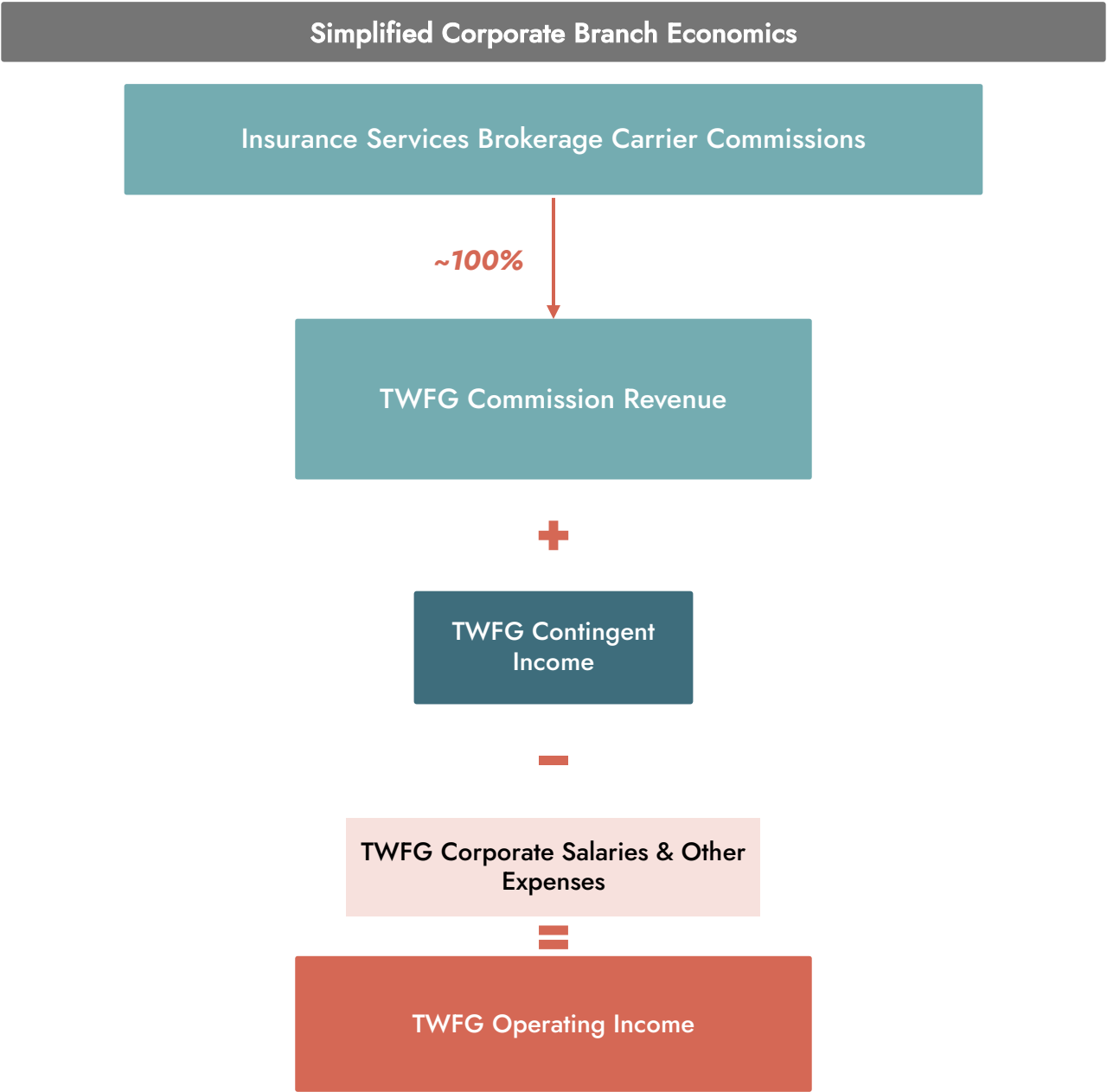




Illustrative Overview of Economic Model: Insurance Services



Components of TWFG Revenue



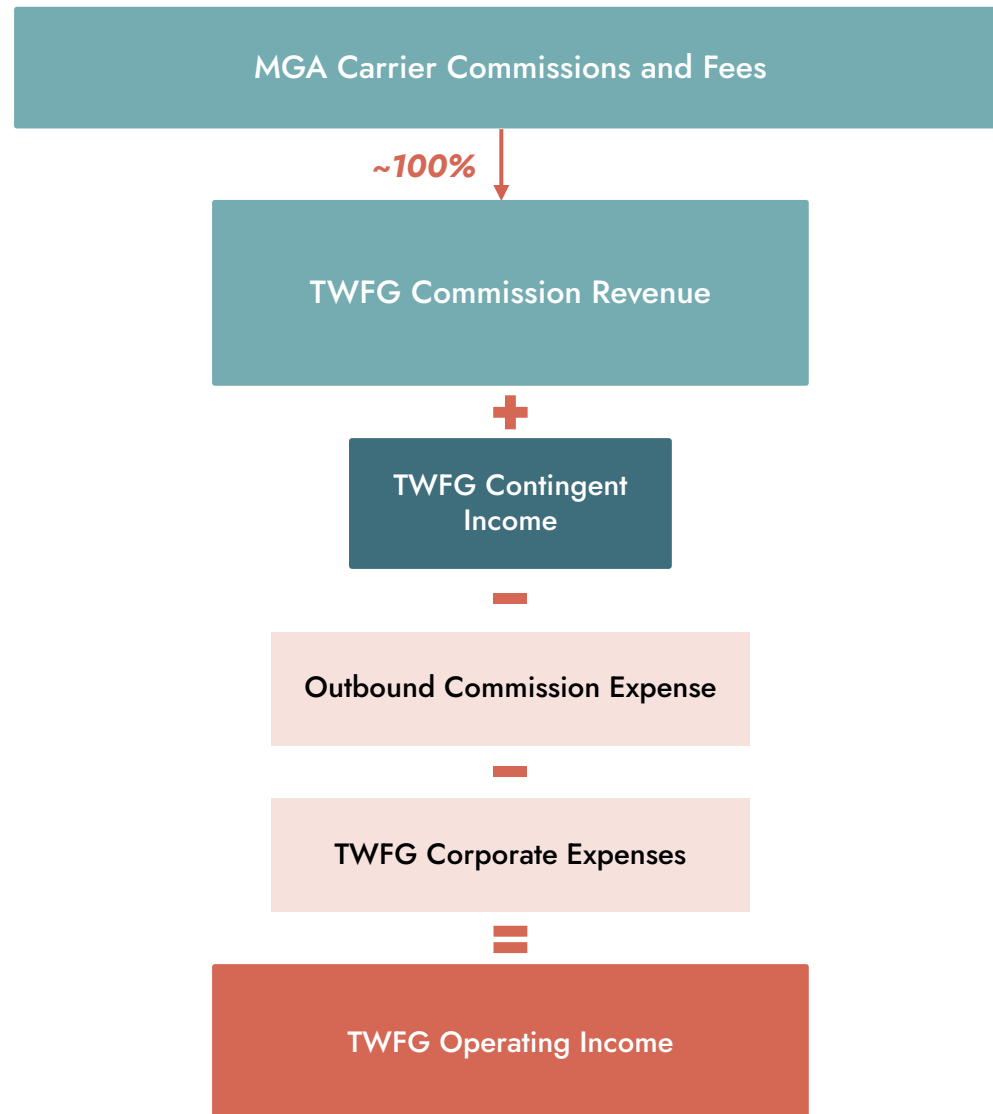
TWFG does not retain the risks related to any of the underlying insurance contracts placed on behalf of carriers



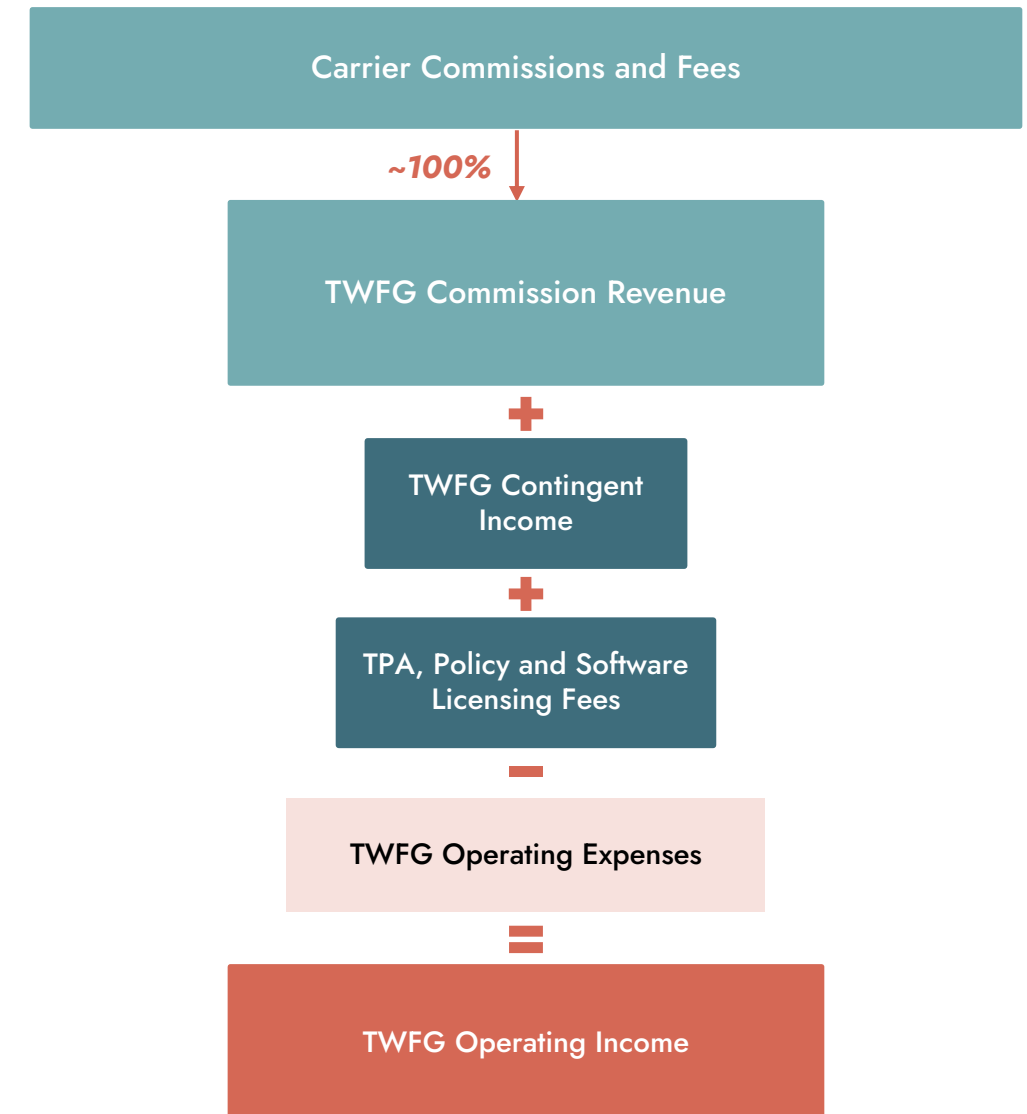
Notes:
1. TWFG retains 100% of all branch and other fee income (i.e., there is no revenue-share model with branches for fee income)
2. TWFG retains 100% of all contingent income (i.e., there is no revenue-share model with branches for contingent income)

Illustrative Overview of Economic Model: MGA

Simplified Wholesale and Brokering Economics



Simplified Underwriting Economics



TWFG does not retain the risks related to any of the underlying insurance contracts placed on behalf of carriers

KPI Information and Non-GAAP Reconciliations – Q1 QTD 2026 vs Q1 QTD 2025

Written Premium

Key Performance Indicators

The following presents the disaggregation of Total Written Premium by offerings, business mix and line of business (*in thousands*):

	Three Months Ended March 31,			
	2026		2025	
	Amount	% of Total	Amount	% of Total
Offerings:				
Insurance Services				
Agency-in-a-Box	\$ 277,763	61 %	\$ 249,475	68 %
Corporate Branches	85,777	19	68,098	18
Total Insurance Services	363,540	80	317,573	86
TWFG MGA	94,679	20	53,389	14
Total written premium	<u>\$ 458,219</u>	<u>100 %</u>	<u>\$ 370,962</u>	<u>100 %</u>
Business Mix:				
Insurance Services				
Renewal business	\$ 285,025	62 %	\$ 244,845	66 %
New business	78,515	17	72,728	20
Total Insurance Services	363,540	79	317,573	86
TWFG MGA				
Renewal business	55,662	12	36,375	9
New business	39,017	9	17,014	5
Total TWFG MGA	94,679	21	53,389	14
Total written premium	<u>\$ 458,219</u>	<u>100 %</u>	<u>\$ 370,962</u>	<u>100 %</u>
Written Premium Retention:				
Insurance Services		90 %		88 %
TWFG MGA ⁽¹⁾		104		82
Consolidated		92		88
Line of Business:				
Personal lines	\$ 374,143	82 %	\$ 298,289	80 %
Commercial lines	84,076	18	72,673	20
Total written premium	<u>\$ 458,219</u>	<u>100 %</u>	<u>\$ 370,962</u>	<u>100 %</u>

KPI Information and Non-GAAP Reconciliations – Q1 QTD 2026 vs Q1 QTD 2025

Reconciliation of Organic Revenue and Organic Revenue Growth to Revenue (Amounts in thousands)

Non-GAAP Financial Measures

A reconciliation of Organic Revenue and Organic Revenue Growth Rate to Total Revenue and Total Revenue Growth Rate, the most directly comparable GAAP measures, for each of the periods indicated is as follows (*in thousands*):

	Three Months Ended March 31,	
	2026	2025
Total Revenues	\$ 72,841	\$ 53,823
Acquisition adjustments ⁽¹⁾	(14,141)	(610)
Contingent income	(1,935)	(1,663)
Fee income	(3,348)	(3,011)
Other income	(507)	(364)
Policy fee income	1,403	1,051
Organic Revenue	<u>\$ 54,313</u>	<u>\$ 49,226</u>
Prior year Organic Revenue reported	\$ 49,226	\$ 41,591
Commission income at 12-month post acquisitions	610	1,466
Prior year policy fees	—	—
Other adjustments ⁽²⁾	—	—
Organic Revenue denominator	<u>\$ 49,315</u>	<u>\$ 43,057</u>
Organic Revenue	\$ 54,313	\$ 49,226
Organic Revenue denominator	49,315	43,057
Organic Revenue Growth	<u>\$ 4,998</u>	<u>\$ 6,169</u>
Total Revenue Growth Rate ⁽³⁾	<u>35.3 %</u>	<u>16.6 %</u>
Organic Revenue Growth Rate ⁽⁴⁾	<u>10.1 %</u>	<u>14.3 %</u>

(1) Represents revenues generated from the acquired businesses during the first 12 months following an acquisition.

(2) Represents the period-to-period change in total revenues divided by the total revenues in the prior period.

(3) Represents Organic Revenue Growth divided by the Organic Revenue denominator.

KPI Information and Non-GAAP Reconciliations – Q1 QTD 2026 vs Q1 QTD 2025

Reconciliations of Adjusted EBITDA and Adjusted EBITDA Margin to Net Income and Net Income Margin (Amounts in thousands)

A reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin to net income and net income margin, the most directly comparable GAAP measures, for each of the periods indicated is as follows *(in thousands)*:

	Three Months Ended March 31,	
	2026	2025
Total Revenues	\$ 72,841	\$ 53,823
Net income	\$ 13,079	\$ 6,853
Interest expense	62	83
Interest income ⁽¹⁾	(1,214)	(1,863)
Depreciation and amortization	6,169	3,359
Income tax expense	1,133	656
EBITDA	19,229	9,088
Acquisition-related expenses	125	33
Equity-based compensation	856	1,204
Interest income ⁽¹⁾	1,214	1,863
Gain on sale of non-current assets, net ⁽²⁾	(700)	—
Other non-recurring items ⁽³⁾	466	—
Adjusted EBITDA	\$ 21,190	\$ 12,188
Net Income Margin	18.0 %	12.7 %
Adjusted EBITDA Margin	29.1 %	22.6 %

- (1) Interest income reflects interest and other earnings on cash balances held by the Company. This income is included in Adjusted EBITDA as we view our total interest and investment income as an integral part of our business model and earnings stream until deployed.
- (2) During the first quarter of 2025, a gain related to the sale of non-current assets was not excluded from Adjusted Net Income consistent with the Company's stated definition. The presentation has been corrected in the fourth quarter and full-year 2025 results to conform to the Company's definition of Adjusted Net Income. This correction impacts only non-GAAP measures and had no effect on previously reported GAAP results.
- (3) Non-recurring expense related to the write-off of a commission receivable arising from a contractual dispute with a carrier, resolved through commercial concession.

Reconciliation of Adjusted Free Cash Flow to Cash Flow from Operating Activities (Amounts in thousands)

A reconciliation of Adjusted Free Cash Flow to Cash Flow from Operating Activities, the most directly comparable GAAP measure, for each of the periods indicated is as follows *(in thousands)*:

	Three Months Ended March 31,	
	2026	2025
Cash Flow from Operating Activities	\$ 22,719	\$ 15,645
Purchase of property and equipment	(292)	(15)
Tax distribution to members ⁽¹⁾	(7,326)	(2,024)
Acquisition-related expenses	125	33
Adjusted Free Cash Flow	\$ 15,226	\$ 13,639

- (1) Tax distributions to members represents the amount distributed to the members of TWFG Holding Company, LLC in respect of their income tax liability related to the net income of TWFG Holding Company, LLC allocated to its members.

Income Statement and Balance Sheet Snapshot – Q1 QTD 2026 vs Q1 QTD 2025

Income Statement

(Amounts in thousands, except share/unit data)

Condensed Consolidated Statements of Income (Unaudited)

(Amounts in thousands, except share and per share data)

	Three Months Ended March 31,	
	2026	2025
Revenues		
Commission income ⁽¹⁾	\$ 67,051	\$ 48,785
Contingent income	1,935	1,663
Fee income ⁽²⁾	3,348	3,011
Other income	507	364
Total revenues	72,841	53,823
Expenses		
Commission expense	37,030	31,814
Salaries and employee benefits	9,901	8,196
Other administrative expenses ⁽³⁾	7,390	4,724
Depreciation and amortization	6,169	3,359
Total operating expenses	60,490	48,093
Operating income	12,351	5,730
Interest expense	(62)	(83)
Interest income	1,214	1,863
Other non-operating income (expense), net	709	(1)
Income before tax	14,212	7,509
Income tax expense	1,133	656
Net income	13,079	6,853
Less: net income attributable to noncontrolling interests	11,322	5,515
Net income attributable to TWFG, Inc.	\$ 1,757	\$ 1,338
Weighted average shares of common stock outstanding:		
Basic	14,794,482	14,889,739
Diluted	14,897,288	15,055,553
Earnings per share:		
Basic	\$ 0.12	\$ 0.09
Diluted	\$ 0.12	\$ 0.09

(1) Commission income - related party of \$4,278 and \$3,135 for the three months ended March 31, 2026 and 2025, respectively.

(2) Fee income - related party of \$896 and \$834 for the three months ended March 31, 2026 and 2025, respectively.

(3) Other administrative expenses - related party of \$841 and \$770 for the three months ended March 31, 2026 and 2025, respectively.

Balance Sheet

(Amounts in thousands, except share/unit data)

Condensed Consolidated Balance Sheets (Unaudited)

(Amounts in thousands, except share/unit data)

	March 31, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	\$ 124,845	\$ 155,926
Restricted cash	18,801	11,974
Commissions receivable, net	36,491	37,322
Accounts receivable	8,054	7,469
Other current assets, net	13,201	12,827
Total current assets	201,392	225,518
Non-current assets		
Intangible assets, net	161,610	138,632
Property and equipment, net	3,459	3,307
Lease right-of-use assets, net	4,052	4,189
Other non-current assets	664	689
Total assets	\$ 371,177	\$ 372,335
Liabilities, Redeemable Noncontrolling Interest and Equity		
Current liabilities		
Commissions payable	\$ 18,841	\$ 15,168
Carrier liabilities	20,141	13,811
Operating lease liabilities	1,223	1,320
Short-term bank debt	1,987	1,972
Deferred acquisition payables	6,405	1,505
Other current liabilities	10,278	10,308
Total current liabilities	58,875	44,084
Non-current liabilities		
Operating lease liabilities	2,815	2,897
Long-term bank debt	1,532	2,035
Deferred acquisition payables	1,522	6,669
Other non-current liabilities	—	—
Total liabilities	64,744	55,685
Commitment and contingencies (see Note 17)		
Redeemable noncontrolling interest	21,407	17,901
Stockholders' Equity		
Class A common stock (\$0.01 par value per share - 300,000,000 authorized 15,028,681 and 14,811,874 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively)	142	150
Class B common stock (\$0.00001 par value per share - 100,000,000 authorized 7,277,651 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively)	—	—
Class C common stock (\$0.00001 par value per share - 100,000,000 authorized 33,893,810 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively)	—	—
Additional paid-in capital	44,006	59,951
Retained earnings	25,008	23,251
Accumulated other comprehensive income	26	30
Total stockholders' equity attributable to TWFG, Inc.	69,182	83,382
Noncontrolling interests	215,844	215,367
Total stockholders' equity	285,026	298,749
Total liabilities, redeemable noncontrolling interest, and equity	\$ 371,177	\$ 372,335