



Hagerty Debuts Today as a Publicly Traded Company on the New York Stock Exchange After Completing Business Combination with Aldel Financial

- *Specialist automotive insurance provider targets the growing North American and global automotive enthusiast markets with a scalable, innovative membership ecosystem including collector car insurance, exciting media offerings and a robust lineup of car events, experiences and services*
- *Transaction values Hagerty at a pro forma enterprise value of approximately \$3.1 billion*
- *Net proceeds of approximately \$265 million will be used to advance Hagerty's strategic growth opportunities, including digital innovation initiatives*

TRAVERSE CITY, Mich., December 3, 2021 /PRNewswire/ - Hagerty, Inc. (NYSE: HGTY) ("Hagerty" or the "Company"), an automotive lifestyle brand and a leading specialty insurance provider focused on the global automotive enthusiast market, announced that shares of its common stock and warrants will begin trading today on the New York Stock Exchange under the ticker symbols HGTY and HGTY.WS, respectively. This follows the completion of the Company's previously announced business combination with Aldel Financial Inc. ("Aldel"), a publicly traded special purpose acquisition company. Aldel shareholders approved the business combination at a special meeting held on December 1. Hagerty executives will [ring the bell](#) to open the trading day at the New York Stock Exchange on Monday, December 6.

Hagerty's SPAC merger with Aldel included a \$704 million fully committed PIPE led by strategic investors State Farm and Markel Corporation and including a group of top-tier institutional and private investors.

McKeel Hagerty, the Company's CEO, said, "Today is a milestone for Hagerty and a testament to the talent and dedication of the entire Hagerty team and their commitment to our purpose of saving driving and car culture for future generations.

"We have built the Company to optimize growth across the vast automotive enthusiast market, which today stands strong at an estimated 69 million enthusiasts in the U.S. alone. Our goal is not only to provide car lovers with great insurance but to help them connect with one another and have fun with their cars. We are focused on preserving the parts of driving that created American car culture in the first place - family, fun, community, competition, road trips and so much more.

"Being listed on the NYSE marks the start of an exciting new chapter in Hagerty's history. We are confident that we have sufficient capital to advance our strategy, which remains focused on investing in the Company's digital user experience to support and accelerate growth in our membership base, while expanding our portfolio of engaging and exciting car-focused events and services. We believe this strategy will create rewarding new experiences



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for car lovers and sustainable value for our shareholders over the long term.”

Robert I. Kauffman, Chairman & CEO of Aldel, said, “Aldel’s mission was to partner with a great business with a large and growing market opportunity, as well as a differentiated operating model. Hagerty meets those criteria and more. It is a company not only primed for growth, but one with a unique culture and visionary leadership team, as well as a record of financial success. We look forward to supporting Hagerty in its efforts to drive profitable growth in the years ahead.”

A Differentiated Membership-Driven Growth Story

Hagerty is a leading provider of specialty automotive insurance with approximately 2 million cars insured globally, an industry-leading 84 Net Promoter Score (NPS) and partnerships with nine of the top 10 U.S. automotive insurers.

Hagerty has invested in a unique business model that integrates omni-channel distribution, risk management & reinsurance, and subscription & membership with a rich source of first-party data to drive multiple revenue streams and several compelling market advantages for Hagerty. The Company’s omni-channel insurance distribution model positions the Company to scale through national insurance partners, local agents and brokers, and direct distribution.

In addition, Hagerty’s highly differentiated membership model helps to drive loyalty and retention by engaging, entertaining and connecting with members at every stop of their journey — digitally, on the track, in the garage, at an event or on the road. The Company’s portfolio of automotive offerings includes Hagerty Drivers Club, Hagerty Drivers Club magazine, Hagerty YouTube, three major concours events, a nationwide collection of premium social and car storage membership facilities called Hagerty Garage + Social, and DriveShare, a peer-to-peer service that lets people rent vintage and cool cars.

Hagerty’s unique, industry-leading business model has resulted in a record of consistent success, including:

- 29% compounded annual revenue growth rate from 2018 to 2020
- Strong customer retention at 90%[\[1\]](#)
- Average loss ratio of 41%[\[2\]](#), which is significantly lower than U.S. personal lines auto insurance industry of 76%
- Millions of individuals following Hagerty’s automotive insights and participating in its social media programs

Advisors

J.P. Morgan Securities LLC (J.P. Morgan) is serving as financial advisor to Hagerty and



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Global Leisure Partners LLC (GLP) and ThinkEquity LLC (ThinkEquity) are serving as financial advisor to Aldel in connection with the business combination. Sidley Austin LLP is serving as legal advisor to Hagerty. Loeb & Loeb LLP is serving as legal advisors to Aldel. GLP and ThinkEquity are serving as capital markets advisors to Aldel. J.P. Morgan and GLP are serving as coplacement agents on the PIPE. Mayer Brown LLP and Jones Day are serving as legal advisors to the placement agents on the PIPE.

About Hagerty, Inc. (NYSE: HGTY)

Based in Traverse City, Michigan, Hagerty's purpose is to save driving and preserve car culture for future generations and its mission is to build a global business to fund that purpose. Hagerty is home to Hagerty Drivers Club, Hagerty DriveShare, Hagerty Valuation Tools, Hagerty Media, Hagerty Drivers Club magazine, MotorsportReg, Hagerty Garage + Social, the Amelia Island Concours d'Elegance, the Concours d'Elegance of America, the Greenwich Concours d'Elegance, the California Mille, Motorworks Revival and more. For more information on Hagerty, please visit www.hagerty.com, or connect with us on [Facebook](#), [Instagram](#) and [Twitter](#).

More information can be found at newsroom.hagerty.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect Hagerty's current intentions, expectations or beliefs regarding the business combination with Aldel and the anticipated use of the net proceeds therefrom. These statements may be preceded by, followed by or include the words "aim," "anticipate," "believe," "estimate," "expect," "forecast," "intend," "likely," "outlook," "plan," "potential," "project," "projection," "seek," "can," "could," "may," "should," "would," "will," the negatives thereof and other words and terms of similar meaning. Forward-looking statements include all statements that are not historical facts. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Factors that may cause our actual decisions or results to differ materially from those contemplated by these forward-looking statements include: (i) the Company's ability to recognize the anticipated benefits of the business combination, which may be affected by, among other things, competition and the ability of the Company to grow and management growth profitability following the Closing; (ii) the future financial performance of the Company following the business combination; (iii) new entrants into the market or current



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competitors of the Company developing preferred offerings; (iv) the loss of one or more of Hagerty's distribution partners; (v) the Company's inability to prevent, monitor, or detect fraudulent activity, including transactions with insurance policies or payments of claims; (vi) the Company's ability to attract and retain members; (vii) the Company's ability to prevent cyberattacks or breaches of data security; (viii) regulatory changes affecting the Company; (ix) unexpected increases in the frequency or severity of insurance claims against the Company; and other risks and uncertainties in Aldel's Definitive 14A filed with the U.S. Securities and Exchange Commission on November 10, 2021. There is no assurance that any forward-looking statements will materialize. You are cautioned not to place undue reliance on forward-looking statements, which reflect expectations only as of this date. Hagerty does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as required by law.

Any forward-looking statement speaks only at the date on which it is made, and the Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

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[\[1\]](#) As of 12/31/20

[\[2\]](#) Hagerty average over 2018-2020FY