STACK CAPITAL INVESTS $8 MILLION USD INTO NEWFRONT

TORONTO, CANADA, May 2, 2022 – Stack Capital Group Inc. ("Stack Capital") (TSX: STCK and STCK.WT) is pleased to announce that it has invested $8 million USD into preferred shares of Newfront Insurance, Inc. ("Newfront"), a leading provider of insurance, retirement solutions, and employee benefits. Stack Capital's investment was completed alongside other Series D investors including Goldman Sachs, B Capital, Founders Fund, and Y Combinator amongst many others. Recently recognized as the winner of the 6th Annual Fintech Breakthrough Awards program for 2022, and member of the Forbes Fintech 50 list for 2021, Newfront is modernizing the insurance and benefits business through its innovative software-driven platform.

With a clear objective to build an updated platform for clients, insurance professionals, and trading partners, Newfront has focused its efforts on replacing the antiquated paperwork and legacy systems of record in the insurance industry with an integrated system of action built on continuously improving software. By choosing to partner with insurance professionals and, by extension, their valuable client relationships which account for an estimated 98% of the market, Newfront has successfully created a platform that marries the legacy insurance brokerage business with new technology to help drive efficiencies. Through the automation of workflows and processes, Newfront insurance and benefits professionals have better tools at their disposal to improve productivity, which has ultimately led to average book growth that is 2x the industry average. Newfront also drives down the cost to serve, significantly reducing operating costs as a percentage of transacted revenue. Over time, the Newfront business model offers multiple drivers for growth as new insurance professionals become part of its platform, existing professionals increase sales productivity, and profitability improves with scale.

"By focusing on meeting the needs of clients and insurance professionals, Newfront has built an innovative platform that has revolutionized the industry," said Jeff Parks, CEO of Stack Capital. "Given its already sizable and established client base, strong growth rate, and profitability, we believe that Newfront is poised to capitalize on a significant market opportunity and we're extremely happy to make it the latest addition to the Stack Capital portfolio. If you are an insurance professional in the United States who is looking for a better alternative – we highly recommend you consider the various benefits offered at Newfront."

To access Stack's investment overview on Newfront, along with any of its other portfolio investments, please click here.

About Stack Capital

Stack Capital is an investment holding company and its business objective is to invest in equity, debt and/or other securities of growth-to-late-stage private businesses. SC Partners Ltd. (the "Manager") has taken the initiative in creating the Company and acts as the Company's administrator and is responsible to source and advise with respect to all investments for the Company.

For more information, please visit our website at www.stackcapitalgroup.com or contact:

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