



TiptreeInc.

Company Overview

August 2021

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This presentation has been prepared by Tiptree Inc. and its consolidated subsidiaries ("Tiptree", "the Company" or "we") solely for informational purposes, and not for the purpose of updating any information or forecast with respect to Tiptree, its subsidiaries or any of its affiliates or any other purpose. Tiptree reports a non-controlling interest in certain operating subsidiaries that are not wholly owned. Unless otherwise noted, all information is of Tiptree on a consolidated basis before non-controlling interest. Neither Tiptree nor any of its affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein and no such party shall have any liability for such information. These materials and any related oral statements are not all-inclusive and shall not be construed as legal, tax, investment or any other advice. You should consult your own counsel, accountant or business advisors. Performance information is historical and is not indicative of, nor does it guarantee future results. There can be no assurance that similar performance may be experienced in the future. All information is as of June 30, 2021 unless otherwise noted.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND PROJECTIONS

This document contains "forward-looking statements" which involve risks, uncertainties and contingencies, many of which are beyond Tiptree's control, which may cause actual results, performance, or achievements to differ materially from anticipated results, performance, or achievements. All statements contained herein that are not clearly historical in nature are forward-looking, and the words "anticipate," "believe," "estimate," "expect," "intend," "may," "might," "plan," "project," "should," "target," "will," "view," "confident," or similar expressions are intended to identify forward-looking statements. Such forward-looking statements include, but are not limited to, statements about Tiptree's plans, objectives, expectations and intentions. The forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, many of which are beyond the company's control, are difficult to predict and could cause actual results to differ materially from those expressed or forecast in the forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including, but not limited to those described in the section entitled "Risk Factors" in Tiptree's Annual Report on Form 10-K, and as described in the Tiptree's other filings with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as to the date of this release. The factors described therein are not necessarily all of the important factors that could cause actual results or developments to differ materially from those expressed in any of the forward-looking statements. Other unknown or unpredictable factors also could affect the forward-looking statements provided. Consequently, actual performance could be materially different from the results described or anticipated by the forward-looking statements. Given these uncertainties, one should not place undue reliance on these forward-looking statements. Except as required by the federal securities laws, Tiptree Inc. undertakes no obligation to update any forward-looking statements.

In light of the risks and uncertainties inherent in all projections, the inclusion of forward-looking statements and projections in this presentation should not be considered as a representation by us or any other person that our objectives or plans will be achieved. Numerous factors, including those described in Tiptree's Annual Report on Form 10-K or in Tiptree's other filings with the SEC, could cause our actual results to differ materially from those expressed or implied in forward-looking statements.

MARKET AND INDUSTRY DATA

Certain market data and industry data used in this presentation were obtained from reports of governmental agencies and industry publications and surveys. Tiptree Inc. believes the data from third-party sources to be reliable based upon management's knowledge of the industry, but have not independently verified such data and as such, make no guarantees as to its accuracy, completeness or timeliness.

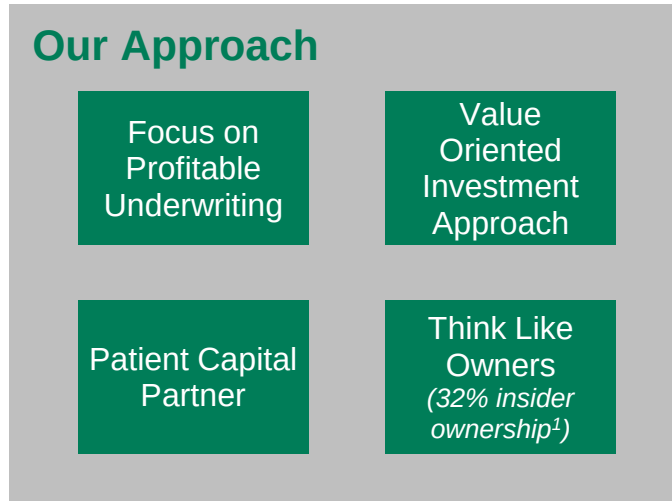
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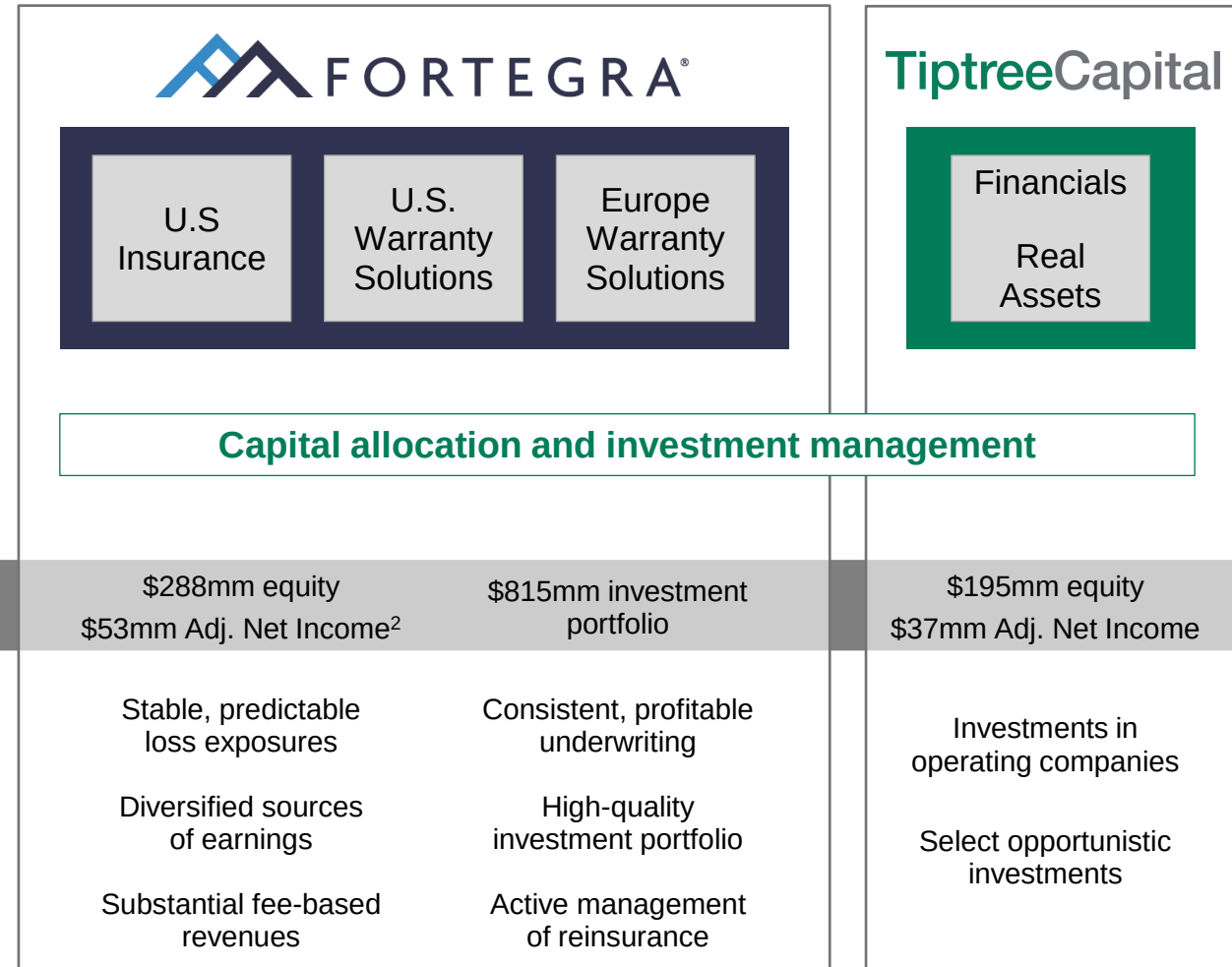
NON-GAAP MEASURES

In this document, financial measures derived from consolidated financial data are sometimes used but not presented in the financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP). Certain of these data are considered "non-GAAP financial measures" under the SEC rules. These non-GAAP financial measures supplement GAAP disclosures and should not be considered an alternative to the GAAP measure. Management's reasons for using these non-GAAP financial measures and the reconciliations to their most directly comparable GAAP financial measures are posted in the Appendix.

(\$ in millions)



- 1 Fortegra’s platform is the “core asset” of our operating strategy
- 2 Long-term focus on generating consistent earnings and growth in book value per share
- 3 Strong track record of returning capital to shareholders



Combines specialty insurance with investment management to drive attractive risk-adjusted returns

¹ As of June 30, 2021.
² Operating metrics represent Q2'21 last twelve months (LTM). See appendix for reconciliation of non-GAAP measures.

(\$ in millions)

Q2'21 Capital Allocation & Annual Performance Comparison

Business Lines	Stockholders' Equity ¹	Adjusted Net Income ²	
	Q2'21	Q2'20 LTM	Q2'21 LTM
Insurance	\$288.0	\$37.1	\$52.6
- Underwriting & fees		\$29.2	\$44.4
- Investments		\$7.9	\$8.2
Tiptree Capital	\$195.5	\$21.5	\$36.5
Corporate	\$(78.5)	\$(22.7)	\$(28.8)
Total Tiptree	\$405.0	\$35.9	\$60.3
- Total shares outstanding		33.7	33.4

Q2'21 Last Twelve Month Highlights

Adjusted net income of \$60.3mm, up 67.8% from Q2'20

- Adjusted return on average equity of 16.0%¹

Insurance:

- 18.4% Adjusted return on average equity
- Growth in insurance underwriting and fee revenues
- Combined ratio improvement

Tiptree Capital:

- 20.8% Adjusted return on average equity
- Strong mortgage volumes and margins
- Positive operating contributions from shipping investments

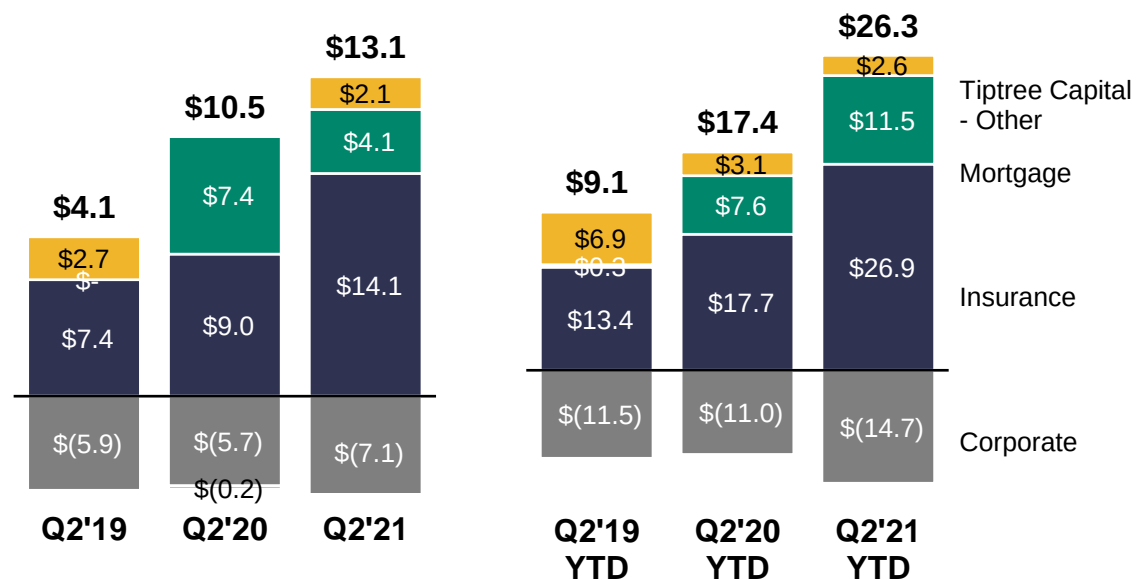
¹ Total stockholders' equity shown. Net of other non-controlling interests total stockholders' equity was \$387.0 million as of June 30, 2021.

² See the appendix for a reconciliation of Non-GAAP metrics including Adjusted net income and adjusted return on average equity.

(\$ in millions, except per share information)

	Q2'20	Q2'21	Q2'20 YTD	Q2'21 YTD
Total Revenues	\$199.2	\$299.7	\$328.9	\$594.4
Net income (loss)	\$3.8	\$8.0	\$(56.2)	\$36.6
Diluted EPS	\$0.10	\$0.22	\$(1.64)	\$1.05
Adjusted net income ¹	\$10.5	\$13.1	\$17.4	\$26.3
Adjusted ROAE ¹	12.2%	13.1%	9.2%	13.5%
Total shares outstanding			33.7	33.4
Book Value per share ¹			\$9.97	\$11.59

Adjusted Net Income by business



Key Highlights – Q2'21

Revenues up 45%, excluding the impact of investment gains/losses, and net income improved by \$4.2mm to \$8.0mm

- Continued growth in Fortegra's earned premiums, service and administration fees and investment income
- Mortgage origination volumes and margins remain strong
- Increase in dry-bulk charter rates

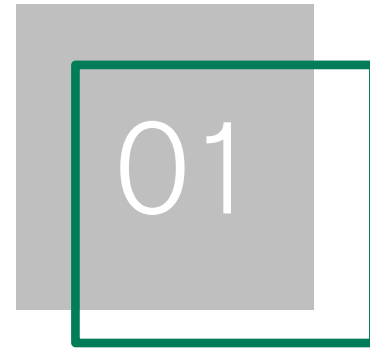
Adj net income of \$13.1mm, increased by 25% versus prior year

- Growth in Fortegra's revenues and stable combined ratio
- Improved performance in Tiptree Capital
- Performance improvement in all businesses drove higher corporate incentive compensation year-over-year

BVPS of \$11.59 increased by 17.9% over prior year driven by net income

- Decrease of \$0.04 from Q1'21 driven by exchange of dilutive securities

¹ For a reconciliation of Non-GAAP metrics Adjusted net income, adjusted return on average equity and book value per share to GAAP financials, see the Appendix.



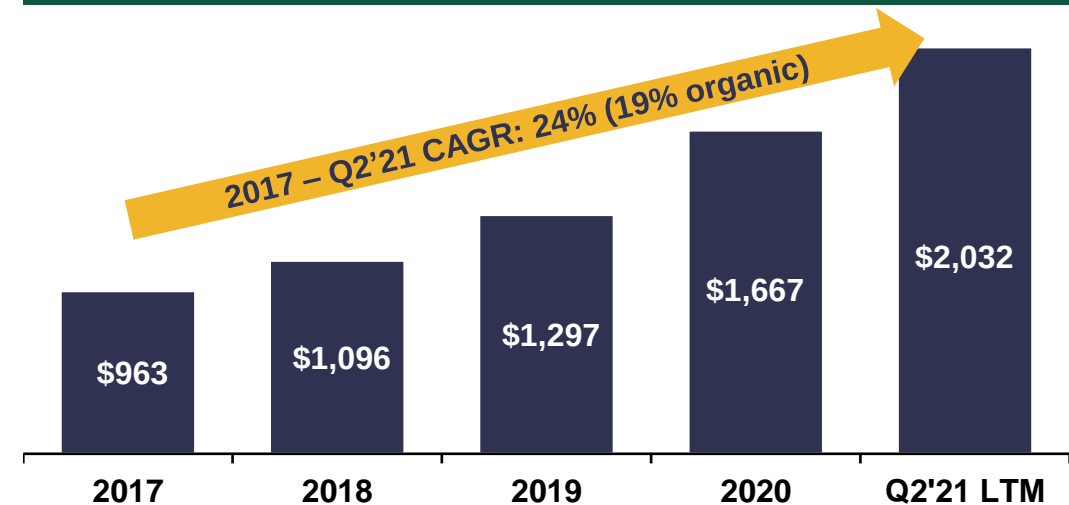
Insurance Company Overview

(\$ in millions)

- ✓ **Established, growing, vertically integrated specialty insurer** that focuses on niche insurance & capital-light fee business.
- ✓ Unique & diverse combination of **underwriting and fee revenues (premium & premium equivalents)**
- ✓ Target programs with a **small premium-per-risk profile**, which have more frequency **but significantly less severity & catastrophic risk**
- ✓ Agent-driven business with a **“one-to-many”** distribution model with **long-standing, economically aligned partnerships**
- ✓ Cutting-edge **scalable technology & deep industry expertise** lay the path ahead to be a **global market leader in specialty insurance**

91% 5-year Average Combined Ratio	18% Q2'21 LTM Adjusted ROAE	\$288mm Q2'21 GAAP Equity
A- A.M. Best & KBRA Ratings	95% 5-year Agent Persistency Rate	25 years Average Mgmt. Experience

Growth in GWPPE¹



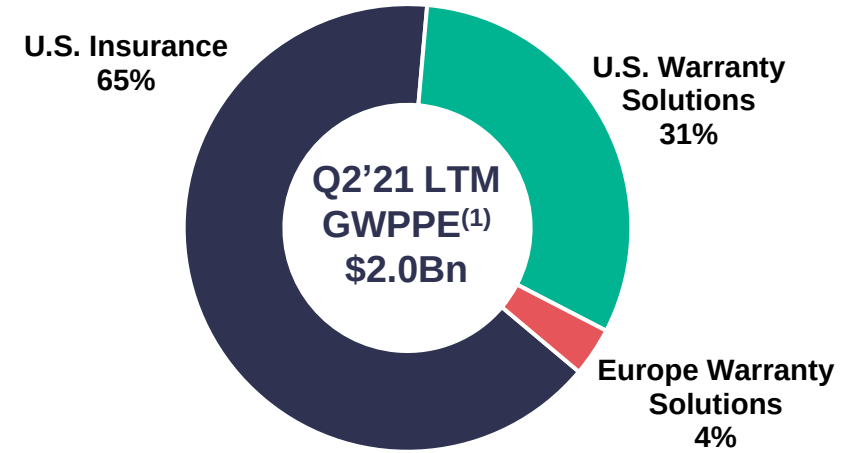
Differentiated approach has led to robust growth, consistent profitability & high cash flows

¹ Gross written premium & premium equivalents.

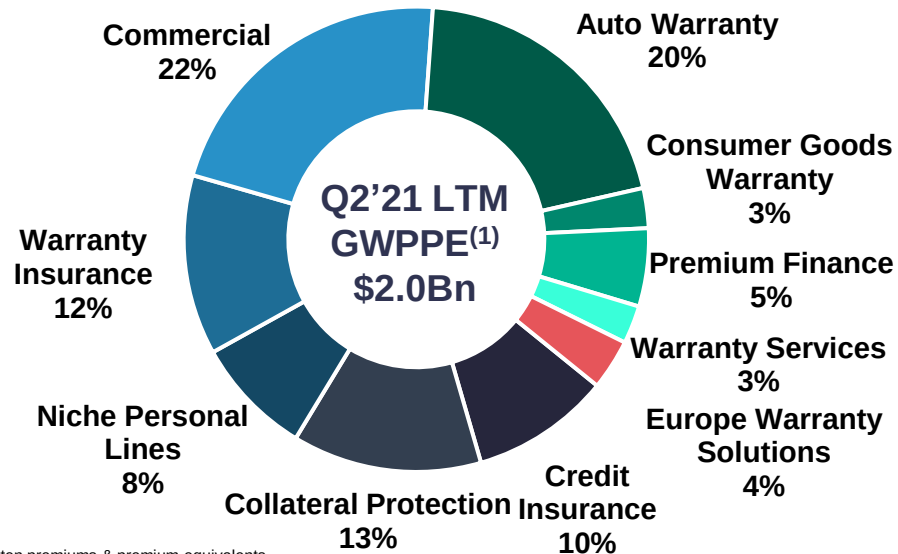
Key Highlights

- ✓ Diversified product mix with emphasis on small premium-per-risk ecosystems & minimal catastrophic exposure
- ✓ Products & services distributed through independent & retail agents with each party's interest economically aligned
- ✓ Complementary mix of underwriting revenue from insurance business and unregulated fee revenue from service business leads to more stable earnings

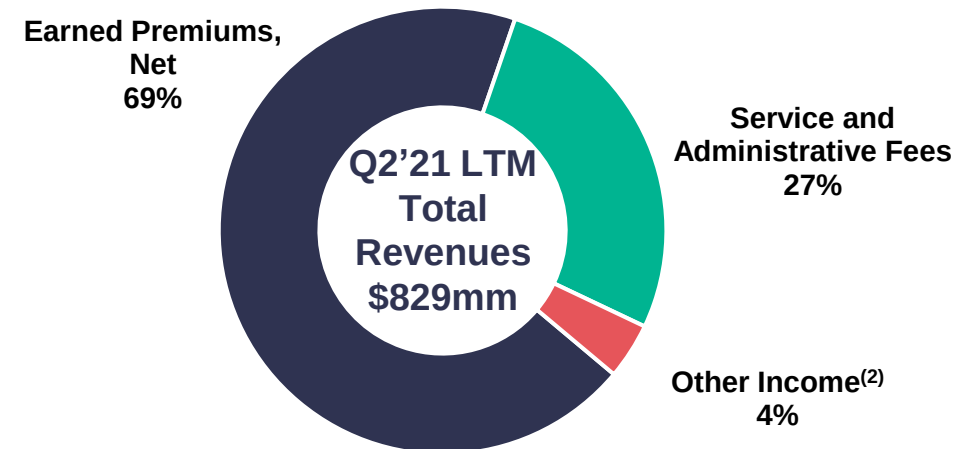
Line of Business



Product Mix



Revenue Mix



¹ Gross written premiums & premium equivalents

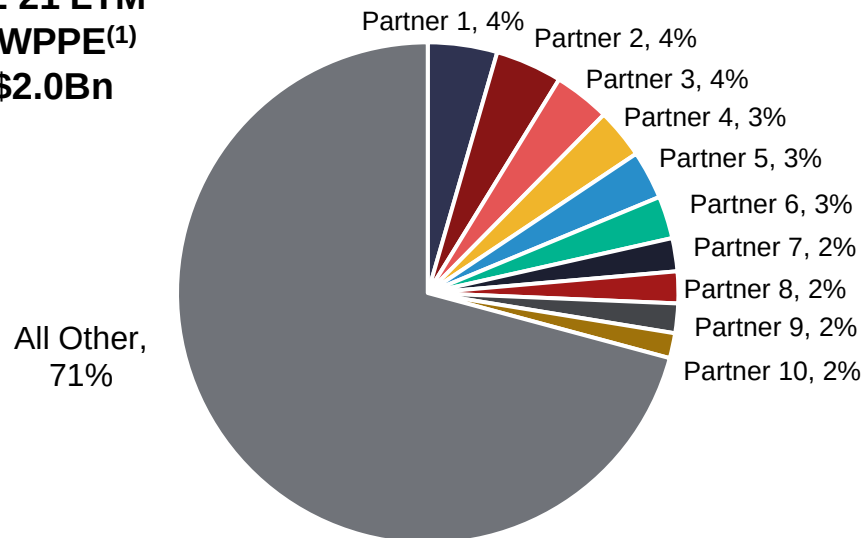
² Includes ceding commissions, net investment income & other revenue, excluding net realized & unrealized gains (losses).

Distribution Channels

INSURANCE	WARRANTY
Agents/Brokers	Agents
MGUs	Retailers & Dealerships
Retail Agents	Third-party Administrators

Product Mix

Q2'21 LTM
GWPPE⁽¹⁾
\$2.0Bn



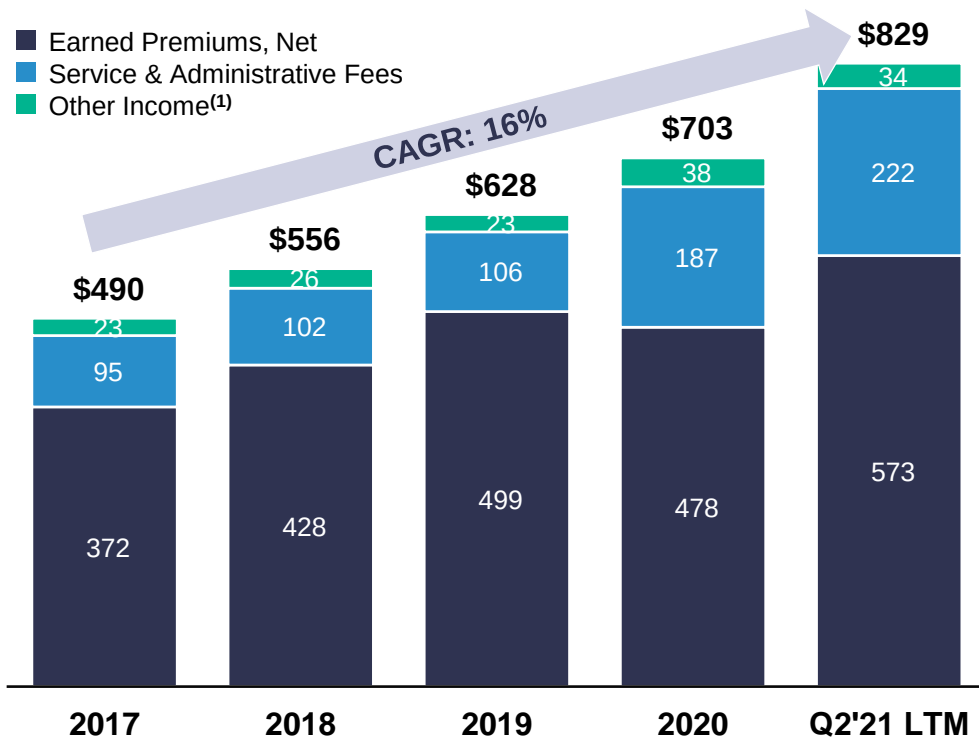
¹ Gross written premiums & premium equivalents

Our Approach

- ✓ We value a **diverse set of agents & program partners**
- ✓ Actively **avoid concentration risk**
- ✓ We **cross-sell multiple products** to our customers through the breadth of our offering
- ✓ We **require agent participation in risk** which aligns interests & contributes to consistent performance
- ✓ Our approach results in **high agent retention** – persistency rate of ~95% over the past five years

(\$ in millions)

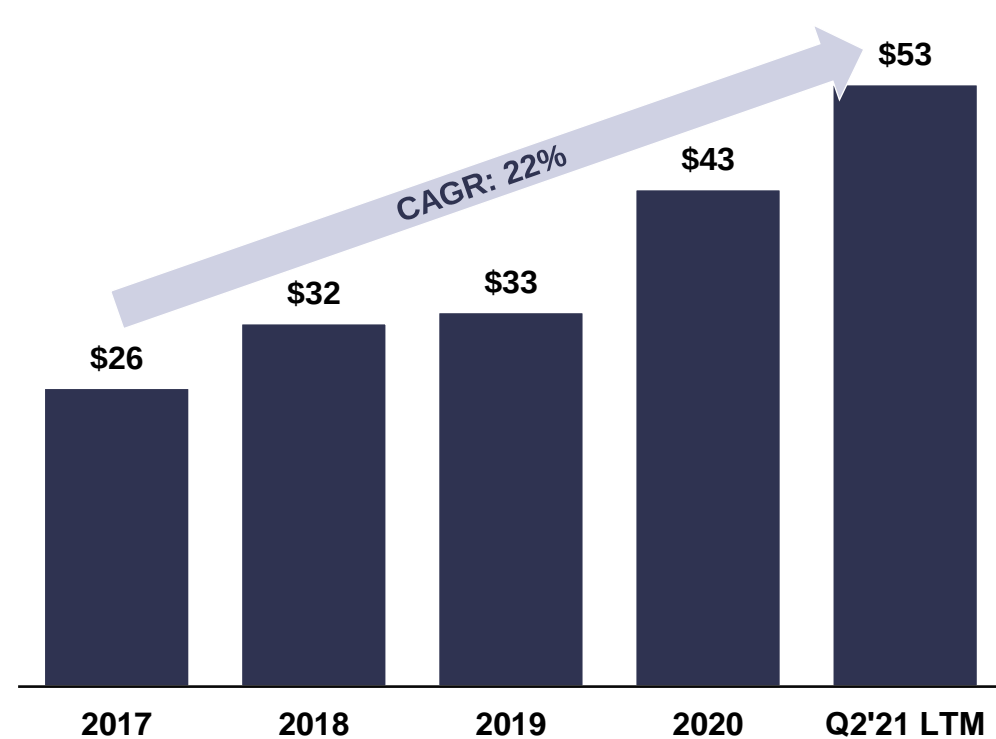
Total Revenues by Revenue Stream



Combined Ratio



Adjusted Net Income²



Adjusted ROAE

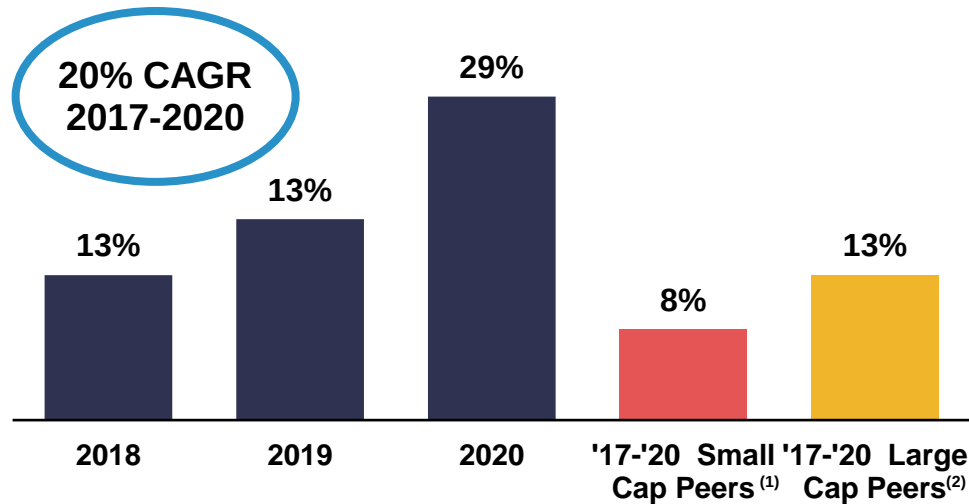


Robust top line growth while maintaining disciplined underwriting standards results in consistent, best-in-class profitability

¹ Includes ceding commissions, net investment income, & other revenues, excludes net realized & unrealized gains (losses).
² See appendix for a reconciliation of Adjusted Net Income.

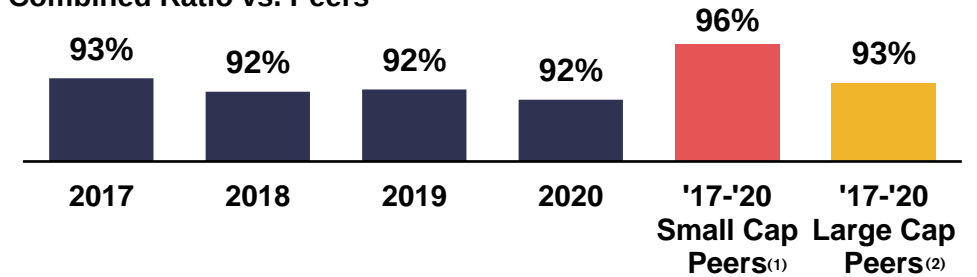
Track Record of Growth

Gross Written Premiums & Premium Equivalents Annual Growth Rate

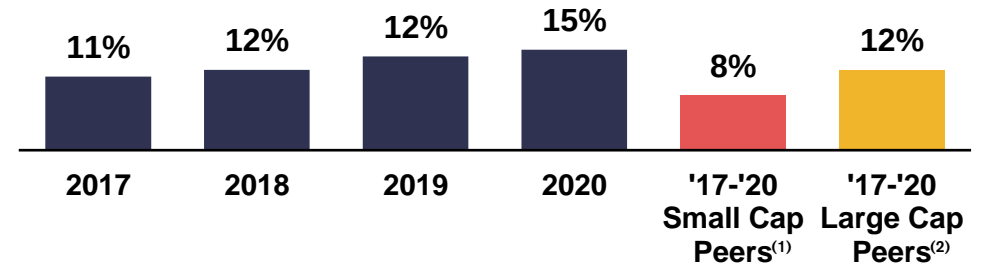


Profitable Underwriting

Combined Ratio vs. Peers



Adjusted ROAE vs. Peers



Strong Economic Alignment with Our Distribution Network

Underwriting Expertise

Highly refined specialty underwriting skill set

Risk-sharing Model

Agents' economics tied to underwriting performance

Agent Alliance

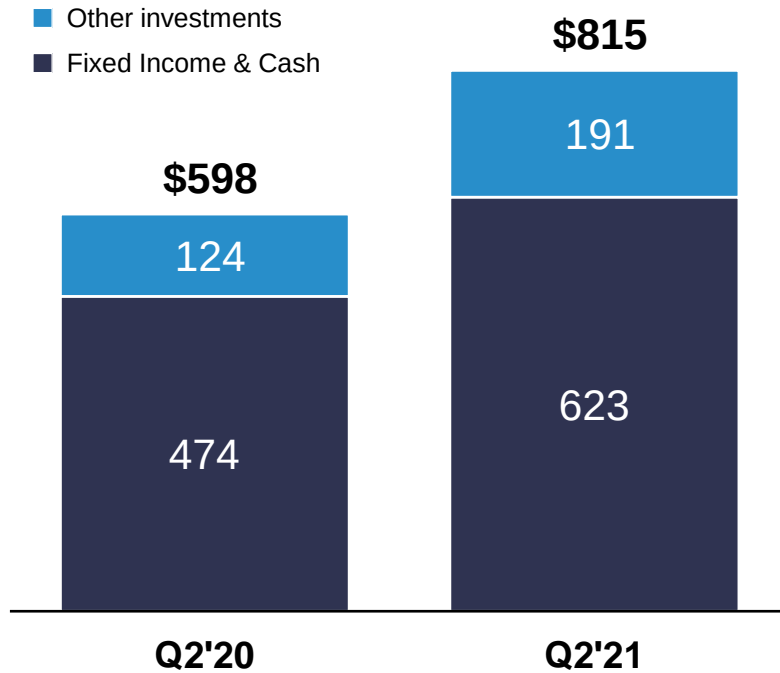
Improve agent revenue opportunity through value-added services

- 1 Long-term Relationships
- 2 High Barriers to Entry
- 3 Breadth of Services

**~95%
Persistency
Rate**

¹ Small-cap peers include Amerisafe, Argo Group, Global Indemnity Group, James River, Palomar, ProAssurance, ProSight, Protective & Trean.
² Large-cap peers include Allstate, American Financial, Assurant, Kinsale, Markel, RLI & W.R. Berkley.

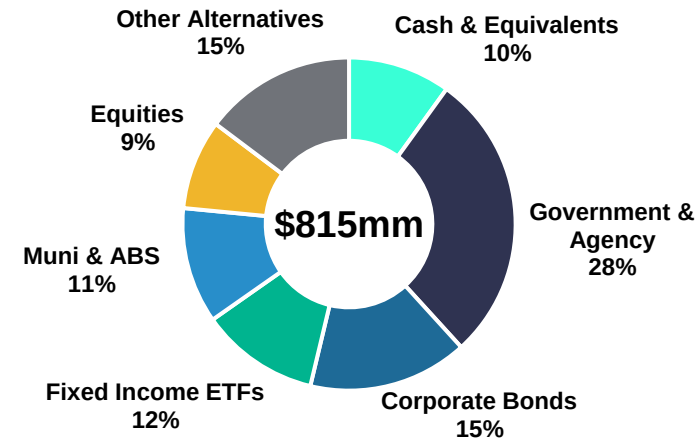
(\$ in millions)



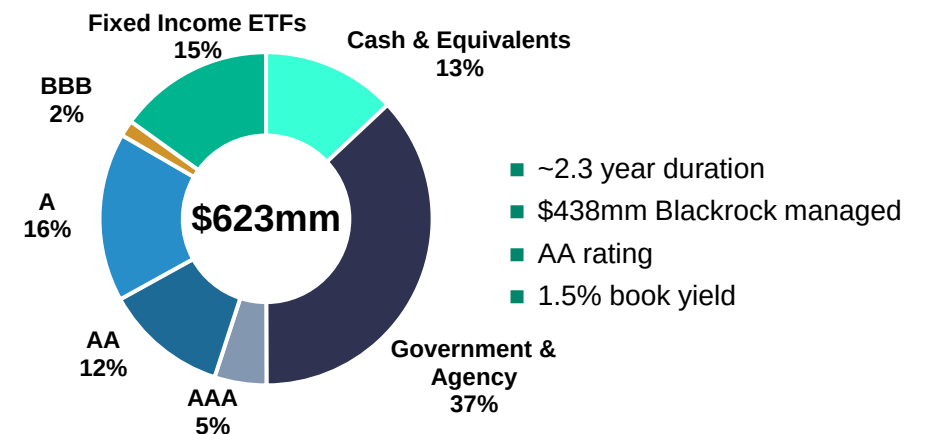
Income Statement Metrics

	Q2'20	Q2'21	Q2'21 YTD	Q2'21 YTD
Net investment income	\$2.3	\$3.2	\$5.8	\$6.0
Net realized and unrealized gains (losses)	\$5.6	\$2.8	\$(28.0)	\$12.5

Q2'21 Investment Mix



Liquid and Highly-Rated Fixed Income Portfolio

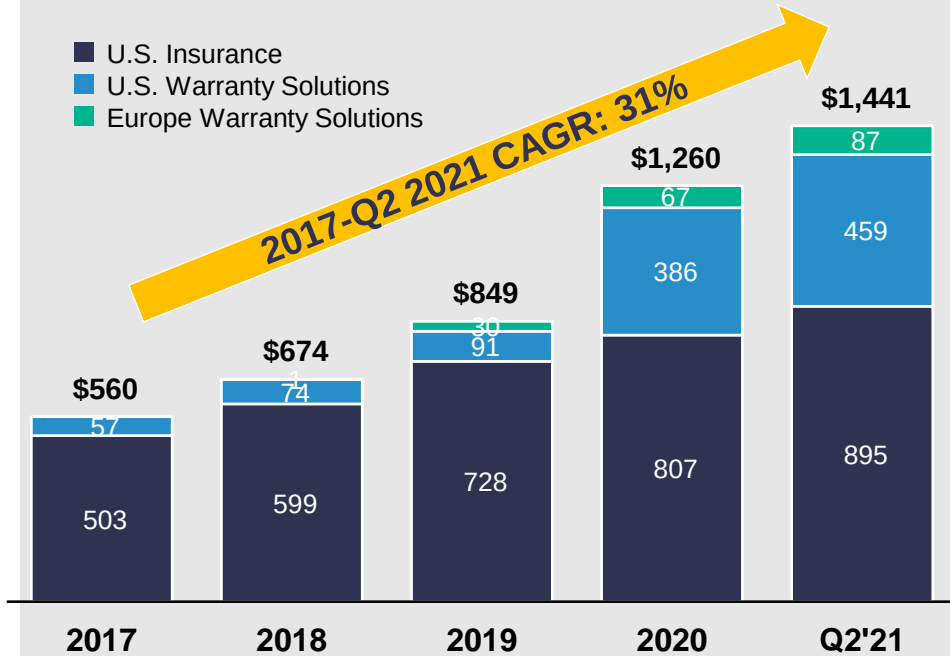


A Maintain & Expand Existing Programs

- \$1.4Bn UEP & Deferred Revenue
- ~95% persistency with insurance agents
- Recent acquisitions to accelerate growth

Unearned Premiums & Deferred Revenues

- U.S. Insurance
- U.S. Warranty Solutions
- Europe Warranty Solutions



B New & Renewal Programs

- **Excess & Surplus Insurance**
 - Fortegra Specialty formed Q4'20
- **Admitted Insurance**
 - Growth in new & renewal programs
- **Warranty Solutions**
 - Capital-light business model

	Addressable Market	Fortegra LTM GWPPE
Excess & Surplus Insurance	\$56bn ¹	\$62mm
Admitted Insurance	\$627bn ²	\$1,265mm
Warranty Solutions	\$53bn ³	\$634mm

C Continued Geographic Expansion

- Entered Europe in 2018
- Central & Western Europe

Entered Europe in 2018	\$31bn ³	\$71mm
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We are well-positioned to capitalize on a substantial opportunity in the insurance industry.

1 NAIC, 2020.
 2 NAIC, 2019.
 3 Allied Market Research, 2019 Extended Warranty Report, North America.

TiptreeCapital

02

Tiptree Capital Overview

(\$ in millions)

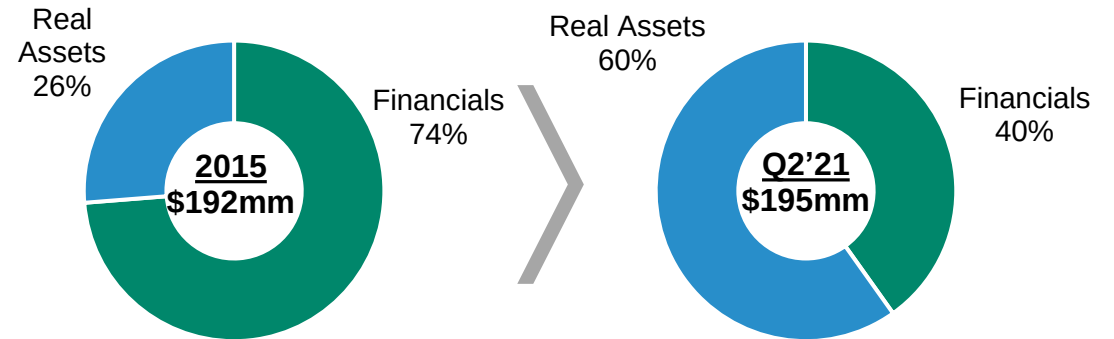
Overview

- Includes all of Tiptree’s non-insurance operations and investments
- Acquire or invest in diverse companies outside the insurance industry with our balance sheet capital
- Experienced management team with proven ability to source attractive investment opportunities

Strategy

- Managed on a total return basis balancing cash flowing investments and value appreciation
- Invest in businesses that meet the following criteria:
 - ✓ Strong and experienced management teams
 - ✓ Attractive and stable cash returns
 - ✓ Scalable business models with upside potential

Equity Allocation



① Financials

- Insurance ■ Specialty Finance ■ Credit ■ Alternatives
- \$598mm Realized Investments ■ 25.6% IRR ■ 5-9 yr hold periods
- \$78mm Q2'21 equity

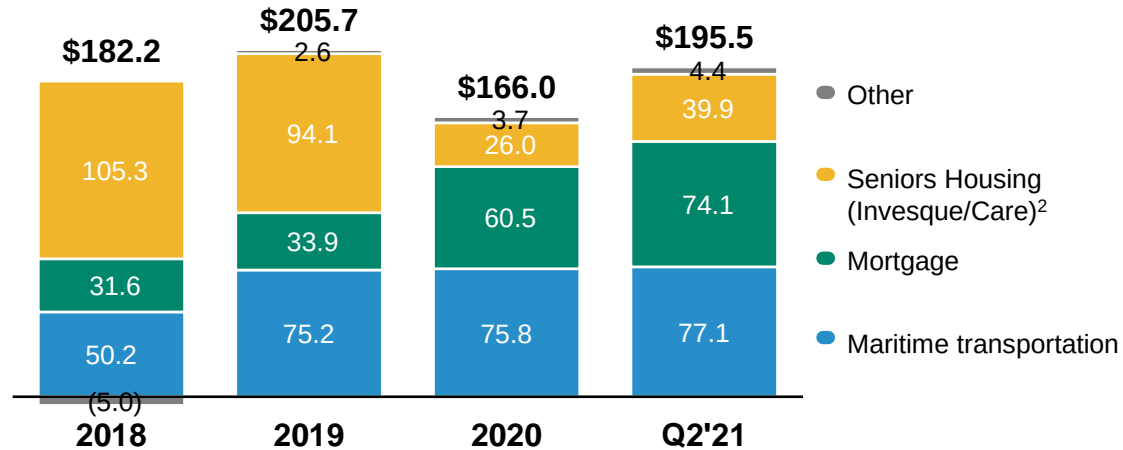
② Real Assets

- Real Estate ■ Infrastructure ■ Shipping
- \$288mm Realized Investments ■ 21.5% IRR ■ 6-8 yr hold periods
- \$117mm Q2'21 equity

Benefiting from a track record of diverse investments with realized gross IRRs in excess of 20%

(\$ in millions)

Tiptree Capital Equity



Adjusted net income¹

	2018	2019	2020	Q2'21 LTM
Mortgage	\$(0.1)	\$3.9	\$28.6	\$32.5
Senior living (Invesque) ²	7.1	8.0	2.0	-
Maritime transportation	(1.5)	1.7	2.3	3.8
Other	6.5	4.4	0.2	0.2
Total	\$12.0	\$18.0	\$33.1	\$36.5

Real Assets

Senior living - Invesque publicly traded shares²

- 17.0mm shares of Invesque, a seniors housing focused investment platform, received in Feb'18 from our sale of Care

Maritime transportation

- Investments of \$76 million deployed into shipping over 2018-2019, which we believe has favorable long-term economic fundamentals

Financials

Specialty finance & other

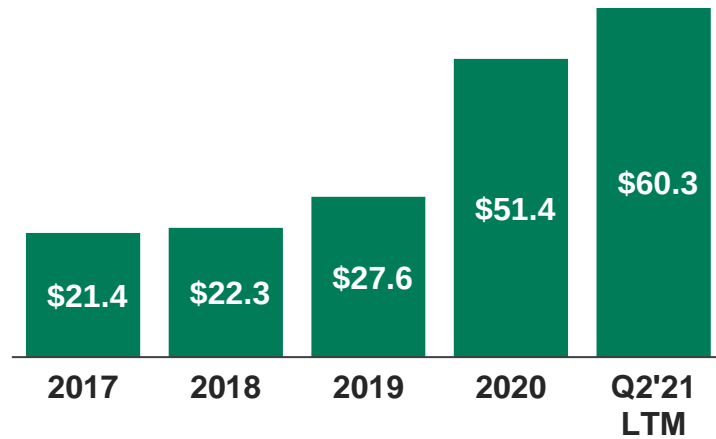
- Residential mortgage origination company licensed to sell and service with Fannie/Ginnie
- Scalable mortgage platform – Q2'21 YTD volumes up 7% over PY
- Pre-tax income increased over PY from improved volumes and margins driven by low interest rates and home price appreciation

¹ See the appendix for a reconciliation of Adjusted net income to GAAP financials.

² 17.0m of Invesque common shares, 2.9m shares held in the insurance company investment portfolio. On balance sheet at fair value - \$47.9 million, \$39.6 million in Tiptree Capital as of June 30, 2021.

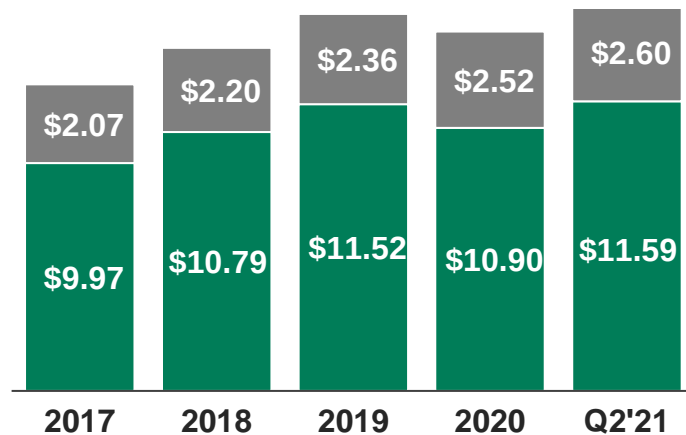
(\$ in millions, except per share information)

Adjusted Net Income¹



Book value per share¹

Cumulative dividends paid since Jul'07



- Grow insurance business
 - ✓ Grow written premiums while maintaining underwriting standards
 - ✓ Successfully launch and grow specialty E&S lines
 - ✓ Continue to grow capital-light grow warranty businesses
 - ✓ Expand Internationally

- Focus on growing and improving long-term investment returns

FORTEGRA + TiptreeCapital = TiptreeInc.

¹ See the appendix for a reconciliation of Adjusted net income and Book value per share to GAAP financials.

Appendix

03

Non-GAAP Reconciliations

- Insurance underwriting and fee revenue
- Insurance underwriting and fee margin
- Book value per share
- Adjusted net income

Adjusted Net Income

We define adjusted net income as income before taxes, less provision (benefit) for income taxes, and excluding the after-tax impact of various expenses that we consider to be unique and non-recurring in nature, including merger and acquisition related expenses, stock-based compensation, net realized and unrealized gains (losses) and intangibles amortization associated with purchase accounting. We use adjusted net income as an internal operating performance measure in the management of business as part of our capital allocation process. We believe adjusted net income provides useful supplemental information to investors as it is frequently used by the financial community to analyze financial performance between periods and for comparison among companies. Adjusted net income should not be viewed as a substitute for income before taxes calculated in accordance with GAAP, and other companies may define adjusted net income differently.

We present adjustments for amortization associated with acquired intangible assets. The intangible assets were recorded as part of purchase accounting in connection with Tiptree's acquisition of FFC in 2014, Defend in 2019, and Smart AutoCare and Sky Auto in 2020. The intangible assets acquired contribute to overall revenue generation, and the respective purchase accounting adjustments will continue to occur in future periods until such intangible assets are fully amortized in accordance with the respective amortization periods required by GAAP.

We define adjusted return on average equity as adjusted net income expressed on an annualized basis as a percentage of average beginning and ending stockholder's equity during the period. We use adjusted return on average equity as an internal performance measure in the management of our operations because we believe it gives our management and other users of our financial information useful insight into our results of operations and our underlying business performance. Adjusted return on average equity should not be viewed as a substitute for return on average equity calculated in accordance with GAAP, and other companies may define adjusted return on average equity differently.

Book value per share

Management believes the use of book value per share provides supplemental information useful to investors as it is frequently used by the financial community to analyze company growth on a relative per share basis.

Insurance – Underwriting and Fee Revenues

We generally manage our exposure to the underwriting risk we assume using both reinsurance (e.g., quota share and excess of loss) and retrospective commission agreements with our partners (e.g., commissions paid are adjusted based on the actual underlying losses incurred), which mitigate our risk. Period-over-period comparisons of revenues and expenses are often impacted by the PORCs and distribution partners' choice as to whether to retain risk, specifically service and administration fees and ceding commissions, both components of revenue, and policy and contract benefits and commissions paid to our partners and reinsurers. Generally, when losses are incurred, the risk which is retained by our partners and reinsurers is reflected in a reduction in commissions paid. In order to better explain to investors the underwriting performance of the Company's programs and the respective retentions between the Company and its agents and reinsurance partners, we use the non-GAAP metrics underwriting and fee revenues and underwriting and fee margin.

We define underwriting and fee revenues as total revenues from our Insurance segment excluding net investment income, net realized and unrealized gains (losses). Underwriting and fee revenues represents revenues generated by our underwriting and fee-based operations and allows us to evaluate our underwriting performance without regard to investment income. We use this metric as we believe it gives our management and other users of our financial information useful insight into our underlying business performance. Underwriting and fee revenues should not be viewed as a substitute for total revenues calculated in accordance with GAAP, and other companies may define underwriting and fee revenues differently.

Insurance - Underwriting and Fee Margin

We define underwriting and fee margin as income before taxes from our Insurance segment, excluding net investment income, net realized and unrealized gains (losses), employee compensation and benefits, other expenses, interest expense and depreciation and amortization. Underwriting and fee margin represents the underwriting performance of our underwriting and fee-based programs. As such, underwriting and fee margin excludes general administrative expenses, interest expense, depreciation and amortization and other corporate expenses as those expenses support the vertically integrated business model and not any individual component of our business mix. We use this metric as we believe it gives our management and other users of our financial information useful insight into the specific performance of our underlying underwriting and fee program. Underwriting and fee income should not be viewed as a substitute for income before taxes calculated in accordance with GAAP, and other companies may define underwriting and fee margin differently.

Non-GAAP Reconciliations – Underwriting and Fee Revenues & Margin

(\$ in thousands)

	For the Year Ended December 31,			
	Q2'21 LTM	2020	2019	2018
Total revenues	\$ 857,585	\$ 691,061	\$ 635,085	\$ 544,586
Less: Net investment income	(10,137)	(9,916)	(8,667)	(13,876)
Less: Net realized and unrealized gains (losses)	(28,520)	11,944	(6,896)	11,664
Underwriting and fee revenues	\$ 818,928	\$ 693,089	\$ 619,522	\$ 542,374

	For the Year Ended December 31,			
	Q2'21 LTM	2020	2019	2018
Income (loss) before income taxes	\$ 76,209	\$ 26,948	\$ 37,030	\$ 14,172
Less: Net investment income	(10,137)	(9,916)	(8,667)	(13,876)
Less: Net realized and unrealized gains (losses)	(28,520)	11,944	(6,896)	11,664
Plus: Depreciation and amortization	14,533	10,835	9,105	10,779
Plus: Interest expense	17,086	15,487	14,766	18,202
Plus: Employee compensation and benefits	70,612	65,089	49,789	45,536
Plus: Other expenses	65,809	55,594	50,657	41,342
Underwriting and fee margin	\$ 205,592	\$ 175,981	\$ 145,784	\$ 127,819

	As of December 31,			
	Q2'21	2020	2019	2018
Total stockholders' equity	\$ 405,049	\$ 373,538	\$ 411,415	\$ 399,259
Less: Non-controlling interests	18,031	17,394	13,353	12,158
Total stockholders' equity, net of non-controlling interests	\$ 387,018	\$ 356,144	\$ 398,062	\$ 387,101
Total common shares outstanding	33,395	32,682	34,563	35,870
Book value per share	\$ 11.59	\$ 10.90	\$ 11.52	\$ 10.79

We define underwriting and fee revenues as total revenues from our Insurance segment excluding net investment income, net realized and unrealized gains (losses). Underwriting and fee revenues represents revenues generated by our underwriting and fee-based operations and allows us to evaluate our underwriting performance without regard to investment income. We use this metric as we believe it gives our management and other users of our financial information useful insight into our underlying business performance. Underwriting and fee revenues should not be viewed as a substitute for total revenues calculated in accordance with GAAP, and other companies may define underwriting and fee revenues differently.

We define underwriting and fee margin as income before taxes from our Insurance segment, excluding net investment income, net realized and unrealized gains (losses), employee compensation and benefits, other expenses, interest expense and depreciation and amortization. Underwriting and fee margin represents the underwriting performance of our underwriting and fee-based programs. As such, underwriting and fee margin excludes general administrative expenses, interest expense, depreciation and amortization and other corporate expenses as those expenses support the vertically integrated business model and not any individual component of our business mix. We use this metric as we believe it gives our management and other users of our financial information useful insight into the specific performance of our underlying underwriting and fee program. Underwriting and fee income should not be viewed as a substitute for income before taxes calculated in accordance with GAAP, and other companies may define underwriting and fee margin differently.

Management uses Book value per share, which is a non-GAAP financial measure. Management believes the use of this financial measure provides supplemental information useful to investors as it is frequently used by the financial community to analyze company growth on a relative per share basis. Tiptree's book value per share was \$11.59 as of June 30, 2021 compared with \$9.97 as of June 30, 2020. Total stockholders' equity, net of other non-controlling interests for the Company was \$387.0 million as of June 30, 2021, which comprised total stockholders' equity of \$405.0 million adjusted for \$18.0 million attributable to non-controlling interest at certain operating subsidiaries that are not wholly owned by the Company, such as Luxury and management interests in subsidiaries. Total stockholders' equity, net of other non-controlling interests for the Company was \$335.8 million as of June 30, 2020, which comprised total stockholders' equity of \$347.2 million adjusted for \$11.4 million attributable to non-controlling interest at subsidiaries that are not wholly owned by the Company.

Non-GAAP Reconciliations – Adjusted Net Income and Adjusted ROAE

(\$ in thousands)	Trailing Twelve Months Ended June 30, 2021					Year Ended December 31, 2020					Year Ended December 31, 2019				
	Tiptree Capital					Tiptree Capital					Tiptree Capital				
	Insurance	Mortgage	Other	Corporate	Total	Insurance	Mortgage	Other	Corporate	Total	Insurance	Mortgage	Other	Corporate	Total
Income (loss) before taxes	\$ 76,209	\$ 43,639	\$ 10,801	\$ (41,317)	\$ 89,332	\$ 26,948	\$ 31,102	\$ (61,242)	\$ (35,660)	\$ (38,852)	\$ 37,030	\$ 2,959	\$ 23,391	\$ (34,241)	\$ 29,139
Less: Income tax (benefit) expense	(16,366)	(10,297)	(1,048)	8,973	(18,738)	(3,725)	(7,066)	13,624	10,794	13,627	(8,455)	(640)	(4,457)	4,535	(9,017)
Less: Net realized and unrealized gains (losses) ^{(1) (3)}	(26,596)	(2,821)	(4,636)	–	(34,053)	13,804	4,018	67,668	–	85,490	(6,896)	2,056	(6,148)	–	(10,988)
Plus: Intangibles amortization ⁽²⁾	12,180	–	–	–	12,180	9,213	–	–	–	9,213	7,510	–	–	–	7,510
Plus: Stock-based compensation	2,316	1,917	28	2,345	6,606	2,287	2,482	174	3,172	8,115	2,891	170	–	3,299	6,360
Plus: Non-recurring expenses	3,283	–	905	2,483	6,671	3,418	–	624	758	4,800	1,975	–	202	2,079	4,256
Plus: Non-cash fair value adjustments	–	–	(2,973)	–	(2,973)	–	–	(2,141)	–	(2,141)	–	–	(153)	–	(153)
Less: Tax on adjustments	1,540	41	981	(1,309)	1,253	(8,522)	(1,958)	(14,210)	(4,131)	(28,821)	(1,249)	(616)	1,248	1,108	491
Adjusted net income	\$ 52,566	\$ 32,479	\$ 4,058	\$ (28,825)	\$ 60,278	\$ 43,423	\$ 28,578	\$ 4,497	\$ (25,067)	\$ 51,431	\$ 32,806	\$ 3,929	\$ 14,083	\$ (23,220)	\$ 27,598
Adjusted net income	\$ 52,566	\$ 32,479	\$ 4,058	\$ (28,825)	\$ 60,278	\$ 43,423	\$ 28,578	\$ 4,497	\$ (25,067)	\$ 51,431	\$ 32,806	\$ 3,929	\$ 14,083	\$ (23,220)	\$ 27,598
Average stockholders' equity	285,006	57,025	118,544	(84,456)	376,119	285,760	47,202	138,606	(79,092)	392,476	266,397	32,785	161,133	(54,978)	405,337
Adjusted return on average equity	18.4%	57.0%	3.4%	NM%	16.0%	15.2%	60.5%	3.2%	NM%	13.1%	12.3%	12.0%	8.7%	NM%	6.8%

(\$ in thousands)	Year Ended December 31, 2018					Year Ended December 31, 2017				
	Tiptree Capital					Tiptree Capital				
	Insurance	Mortgage	Other	Corporate	Total	Insurance	Mortgage	Other	Corporate	Total
Income (loss) before taxes from continuing operations	\$ 14,172	\$ 335	\$ (4,059)	\$ (30,244)	\$ (19,796)	\$ 697	\$ 2,222	\$ 23,243	\$ (29,492)	\$ (3,331)
Income (loss) before taxes from discontinued operations ⁽⁴⁾	–	–	57,484	–	57,484	–	–	(6,222)	–	(6,222)
Less: Income tax (benefit) expense	(4,054)	118	(13,241)	9,372	(7,805)	17,817	(678)	(10,169)	7,815	14,786
Less: Net realized and unrealized gains (losses) ^{(1) (3)}	11,664	(528)	18,771	–	29,907	16,503	220	(264)	–	16,460
Plus: Intangibles amortization ⁽²⁾	9,077	–	–	–	9,077	11,115	–	–	–	11,115
Plus: Stock-based compensation	3,458	152	–	3,049	6,659	3,513	453	–	2,593	6,560
Plus: Non-recurring expenses	2,559	–	1,179	(1,380)	2,358	1,657	–	1,837	(392)	3,102
Plus: Non-cash fair value adjustments	–	–	(56,293)	–	(56,293)	–	–	–	–	–
Less: Tax on adjustments	(5,605)	(130)	8,227	(1,800)	692	(25,452)	(23)	4,999	(583)	(21,058)
Adjusted net income	\$ 31,271	\$ (53)	\$ 12,068	\$ (21,003)	\$ 22,283	\$ 25,851	\$ 2,195	\$ 13,425	\$ (20,059)	\$ 21,411
Adjusted net income	\$ 31,271	\$ (53)	\$ 12,068	\$ (21,003)	\$ 22,283	\$ 25,851	\$ 2,195	\$ 13,425	\$ (20,059)	\$ 21,411
Average stockholders' equity	253,244	31,483	114,529	(1,238)	398,018	240,119	28,353	121,650	3,336	393,459
Adjusted return on average equity	12.3%	(0.2)%	10.5%	NM%	5.6%	10.8%	7.7%	11.0%	NM%	5.4%

- (1) For the twelve months ended June 30, 2021, included \$1,924 of incentive fees paid with respect to specific unrealized and realized gains that are added-back to Adjusted net income.
- (2) Specifically associated with acquisition purchase accounting. See Note (3) Acquisitions.
- (3) For the year ended December 31, 2019, includes \$7,598 gain on sale of our CLO management business.
- (4) Includes discontinued operations related to Care. For more information, see Note (4) Dispositions, Assets and Liabilities Held for Sale and Discontinued Operations.

(\$ in millions)

<u>Category</u>	<u>Investments</u>	<u>Invested Capital¹</u>	<u>Realized Investment</u>	<u>MOIC</u>	<u>IRR %</u>
Financials	Realized: MFCA, Telos, PFG, Siena, CLO sub-notes, hedges	\$ 305.0	\$ 598.0	2.0x	25.6%
	Unrealized: Reliance, Luxury, credit investment	78.5	-	-	-
Real Assets	Realized: Star Asia, Care	179.9	288.2	1.6x	21.5%
	Unrealized: Invesque, Marine	117.0	-	-	-
Tiptree Capital	Realized	\$ 484.9	\$ 886.2	1.8x	24.5%
	Unrealized	\$ 195.5	-	-	-

All Figures above presented before corporate taxes and corporate expenses.

Invested Capital: Represents initial purchase consideration plus subsequent contributions (if applicable).

Realized Investment: Represents total realized proceeds including cash distributions and cash or marketable securities received upon realization event.

MOIC: Represents multiple on Invested Capital which is the ratio of Realized Investment to Invested Capital.

IRR %: Represents the internal rate of return on invested capital based on the realized proceeds of cash or marketable securities and including the timing of contributions and distributions. Our IRR calculation may differ from those used by others. Past performance is not indicative of future results.

TiptreeInc.

ir@tiptreeinc.com