



TiptreeInc.

MIDWEST IDEAS Conference

August 2023

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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.

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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.

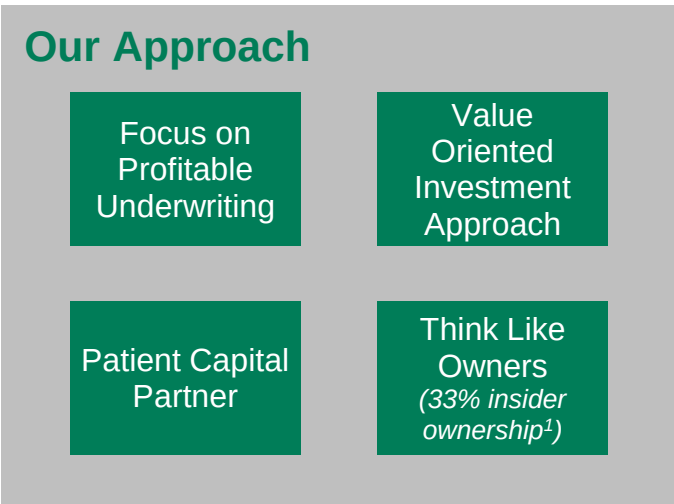
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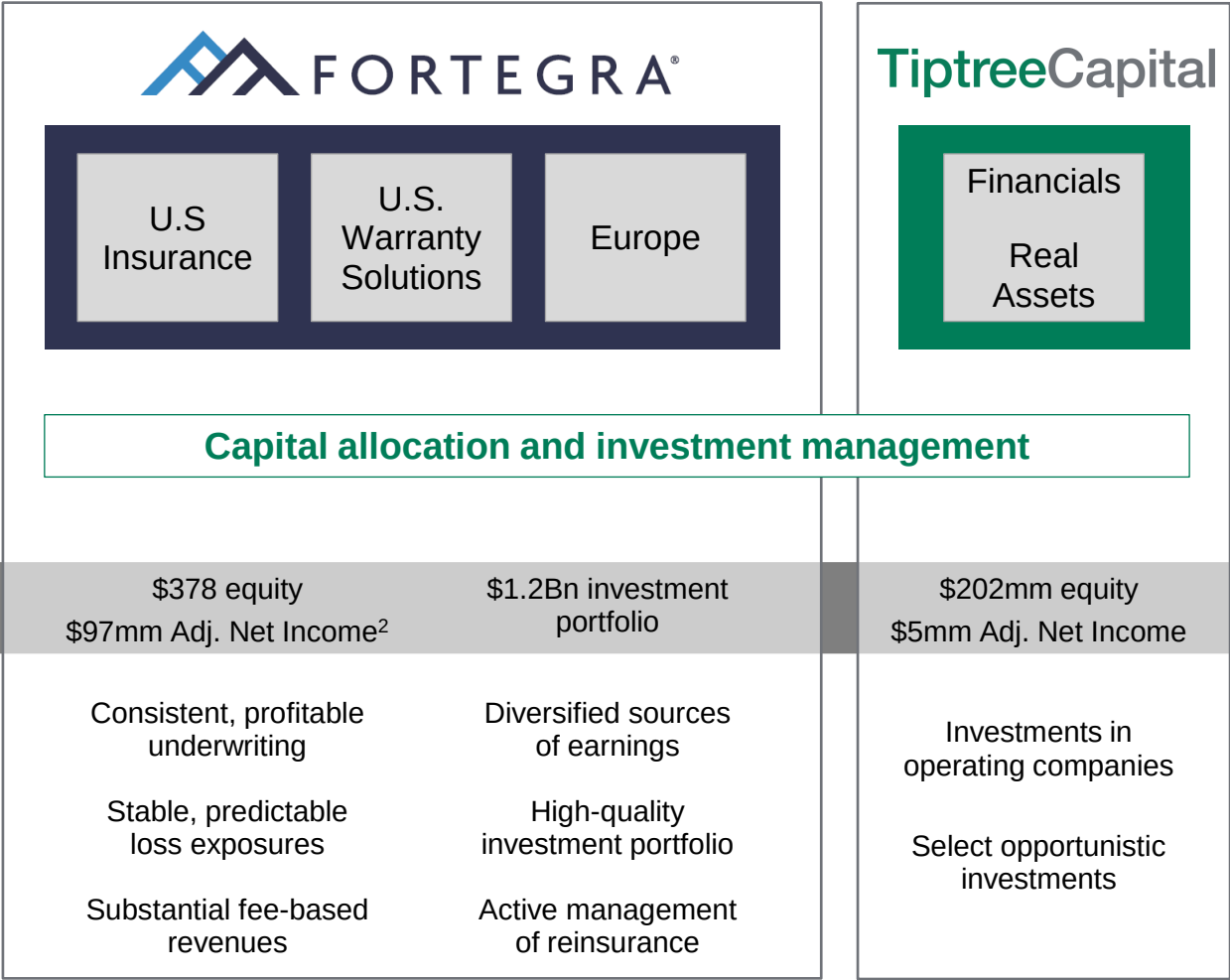
NON-GAAP MEASURES

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 Long-term focus on total shareholder return while generating consistent earnings
- 2 Strong track record of returning capital to shareholders
- 3 Diversified capital allocation strategy with Fortegra as our largest operating business



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

1 As of July 27, 2023.
2 Operating metrics represent Q2'23 last twelve months (LTM). See appendix for reconciliation of non-GAAP measures

Financial Snapshot

(\$ in millions)

LTM Adjusted Net Income¹



Adj ROAE%¹ 14.4% 14.0%



TiptreeCapital

Sum of the Parts

Pro-forma
SOTP Value

Value/TIPT
diluted share⁴

\$876 million²
(Transaction multiple)

\$23.06

\$214 million³
(Book value ex. NCI)

\$5.63

\$1,090 million

\$28.69

1) See the appendix for a reconciliation of Non-GAAP measures including Adjusted Net Income and Adjusted return on average equity (annualized).
2) Estimated based on Warburg Pincus valuation multiple of 13.5x Adj. Net Income, multiplied by LTM Adj. Net Income of \$96.8 million, multiplied by Tiptree's 70.6% as converted ownership as of Q2'23 (including impact of employee stock awards at Fortegra), less deferred tax liability of \$46.3 million recorded as of Q2'23.
3) Includes Tiptree Inc. stockholders' equity of Mortgage, Tiptree Capital – Other and Corporate, excluding the deferred tax liability relating to Tiptree's investment in Fortegra.
4) Diluted shares as of June 30, 2023, represents basic outstanding shares of 36,742,295 plus dilutive shares of 1,260,320 which includes unvested RSUs and outstanding options (assumed to be exercised cashless).

LTM Operating Performance

(\$ in millions)

Q2'23 Capital Allocation & Annual Performance Comparison

Business Lines	Stockholders' Equity ¹	Adjusted Net Income ²	
	Q2'23	Q2'22 LTM	Q2'23 LTM
Fortegra	\$378.5	\$80.0	\$96.8
- Underwriting & fees		\$70.7	\$76.4
- Investments		\$9.3	\$20.4
Tiptree Capital	\$201.5	\$18.9	\$4.7
Corporate	\$(34.0)	\$(31.9)	\$(26.4)
Total Tiptree	\$546.1	\$67.0	\$75.1

Shareholder Total Return (as of June 30, 2023)

	Tiptree	Russell 2000	S&P 500
1 Year	43.0%	12.3%	19.6%
3 Year	34.4%	10.8%	14.6%
5 Year	18.9%	4.2%	12.3%
From Jun'07 ³	9.5%	6.8%	9.2%

Q2'23 LTM Highlights

Fortegra: 27.5% Adj. ROAE²

- Growth in insurance underwriting and fee revenues
- Consistent combined ratio of 91.0%
- Expect continued growth in specialty and warranty lines

Tiptree Capital: 2.6% Adj. ROAE

- Positive operating contributions from shipping and other investments offset by the headwinds in our mortgage business

¹ Represents total stockholders' equity. Total stockholders' equity net of non-controlling interests was \$401.9 million as of June 30, 2023.

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

³ At Tiptree's founding in 2007, book value per share was \$5.36. Cumulative dividends paid from 2007 to June 30, 2023 represented \$2.94 per share.



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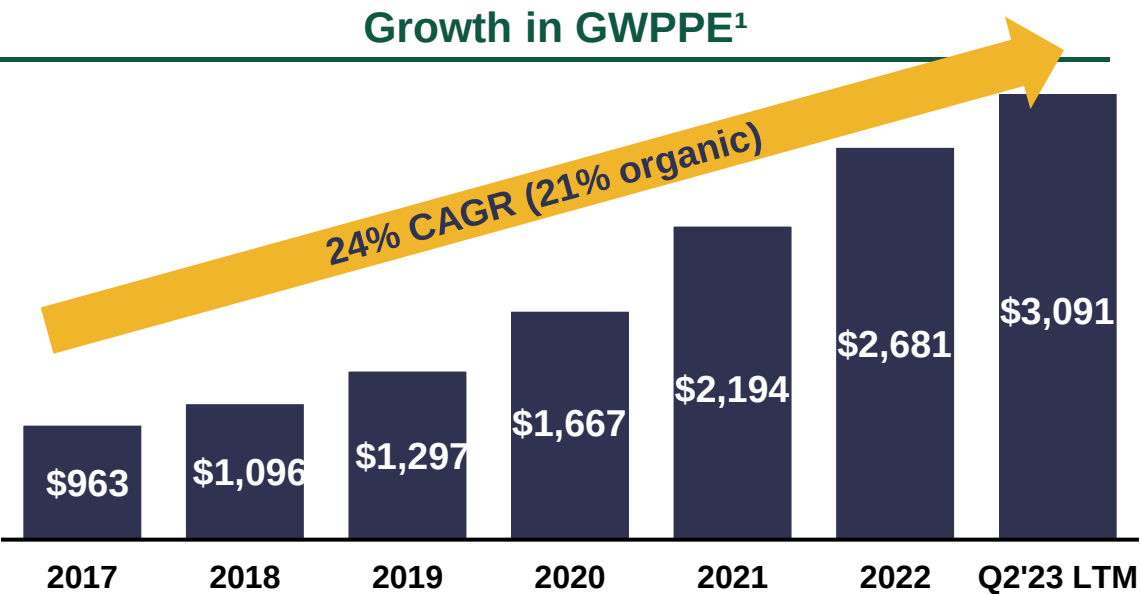
Specialty Insurance Overview

Fortegra Overview

(\$ in millions)

- ✓ **Established, growing, specialty insurer** that focuses on niche insurance lines & capital-light services
- ✓ Combine underwriting and fee revenues to generate consistent profitability
- ✓ Underwrite and administer **niche or midmarket specialty risks** utilizing agent distribution model
- ✓ Two methods of distribution, **traditional insurance agents** and **producers who embed our products** within consumer transactions
- ✓ **Scalable technology & deep industry expertise** provide the foundation to be a **global market leader in specialty insurance**

91% 5-year Average Combined Ratio	28% Q2'23 LTM Adjusted ROAE ²	\$378mm Q2'23 GAAP Equity
A- A.M. Best & KBRA Ratings	95%+ 5-year Agent Persistency Rate	25 years Average Mgmt. Experience



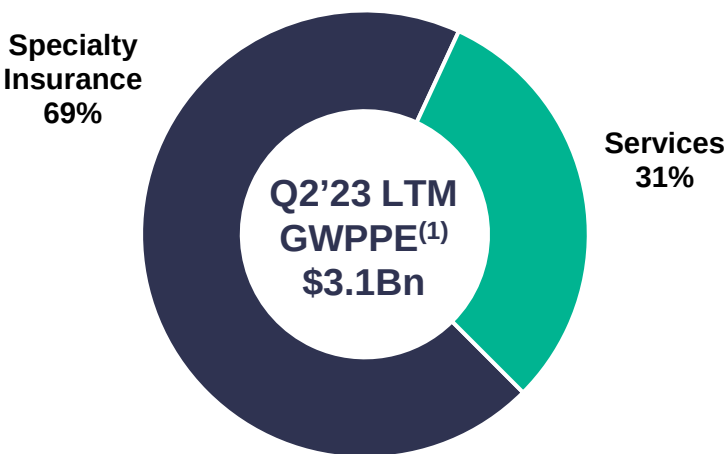
Differentiated approach has led to robust growth, consistent profitability & high cash flows

¹ Gross written premium & premium equivalents.
² See the appendix for a reconciliation of Non-GAAP measures including Adjusted return on average equity (annualized).

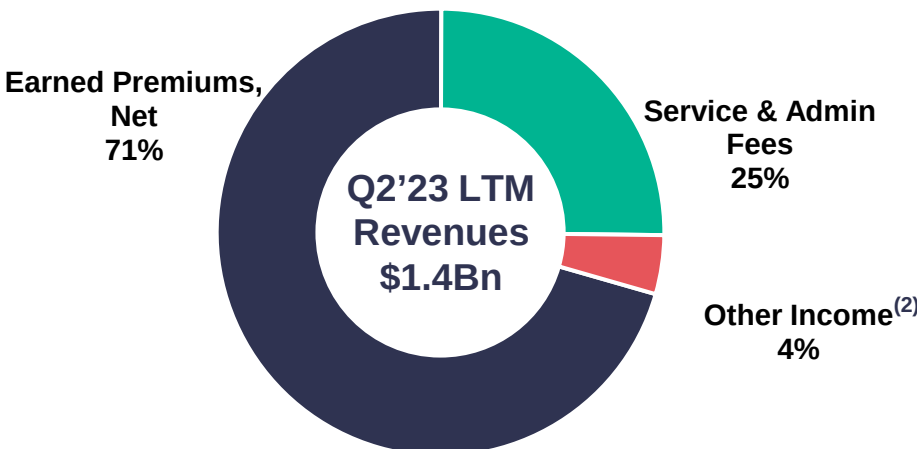
Key Highlights

- ✓ Diversified product mix with emphasis on underserved specialty markets & minimal catastrophic exposure
- ✓ Products & services distributed through independent & retail agents with alignment of economic interests
- ✓ Complementary mix of underwriting & services revenue leads to more stable earnings

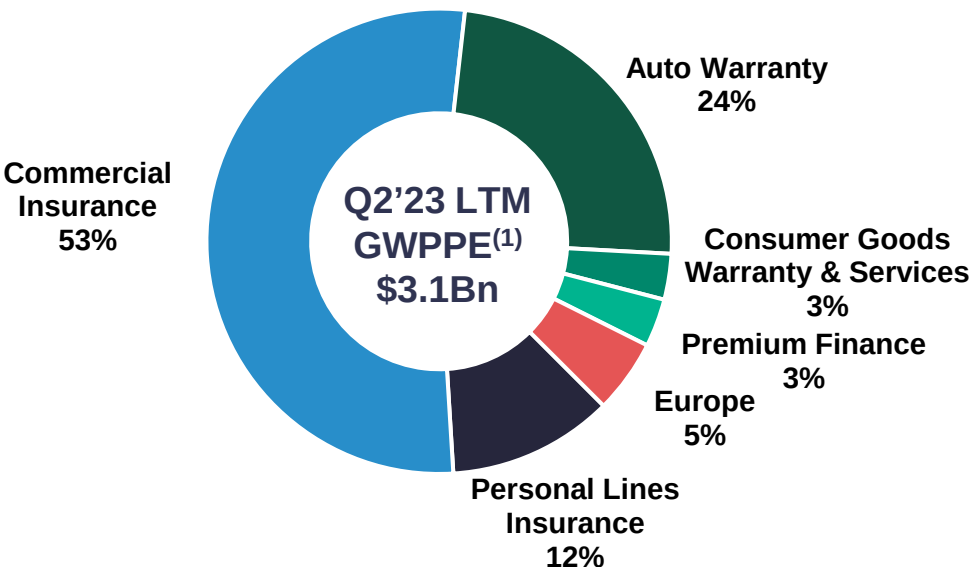
Line of Business



Revenue Mix



Product Mix



¹ Gross written premiums & premium equivalents.

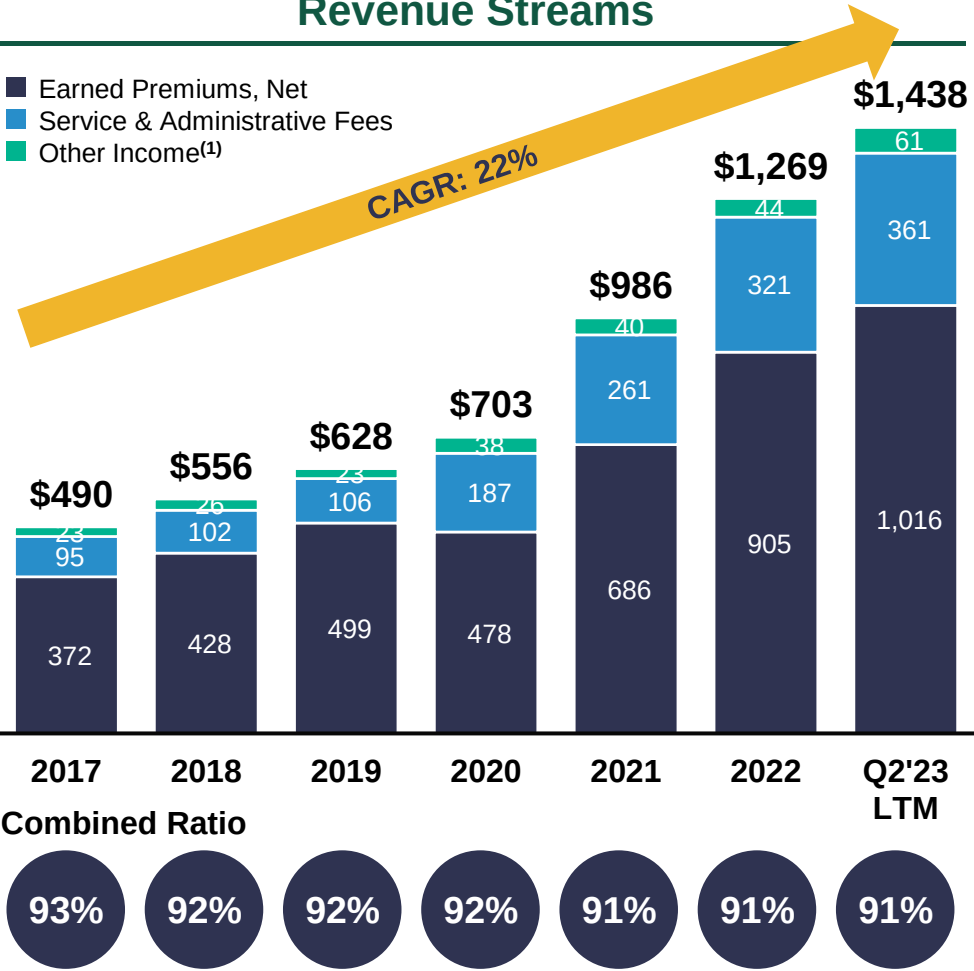
² Includes ceding commissions, net investment income & other revenue, excluding net realized & unrealized gains (losses).

Fortegra Financial Snapshot

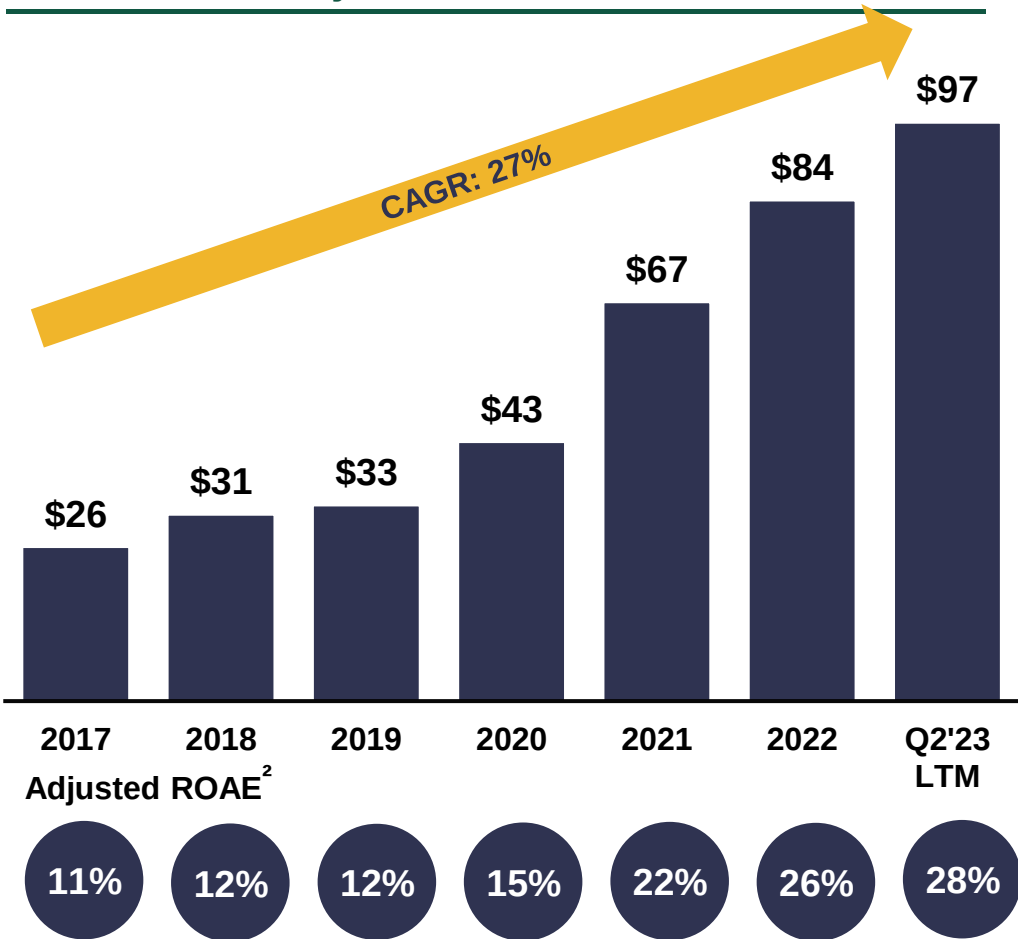
(\$ in millions)

Revenue Streams

- Earned Premiums, Net
- Service & Administrative Fees
- Other Income⁽¹⁾



Adjusted Net Income²



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 and Adjusted return on average equity (annualized).

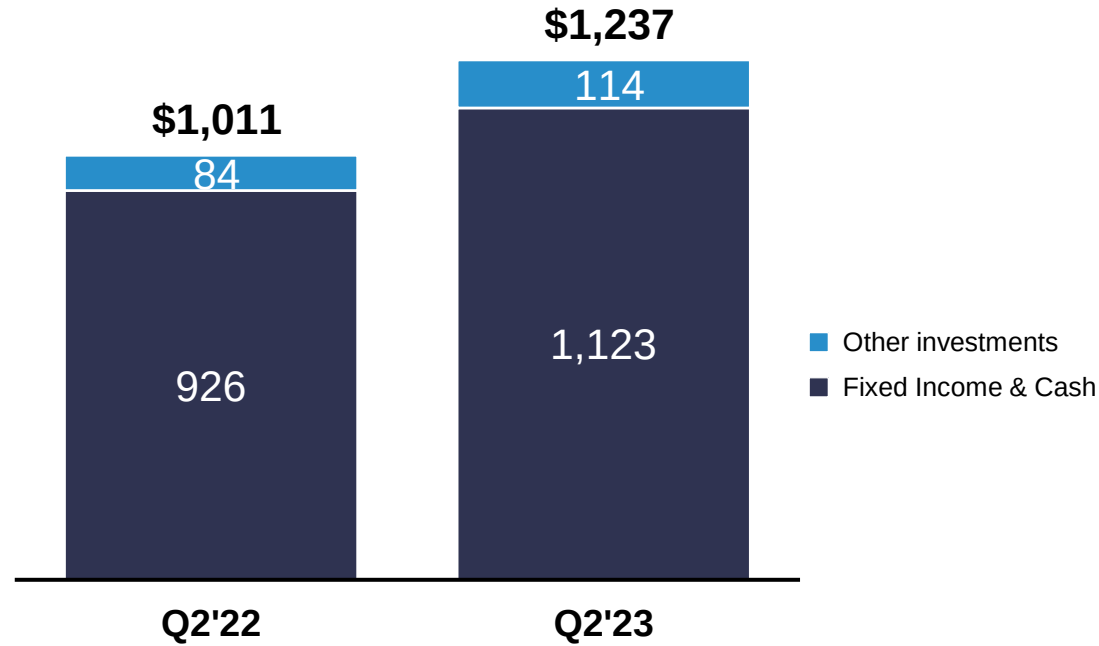
Investment Portfolio

(\$ in millions)

Book yield

1.2%

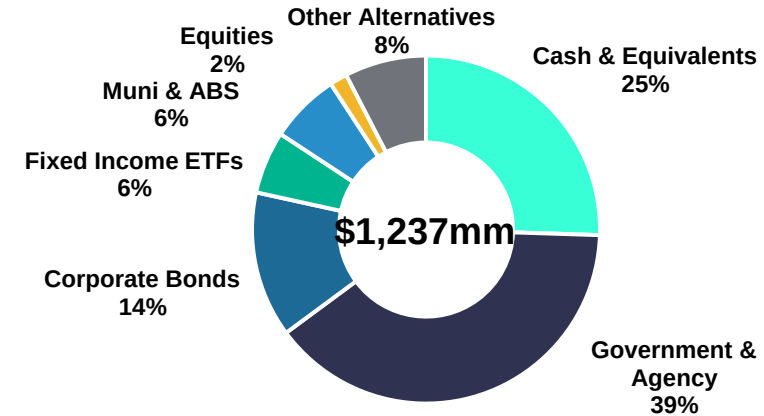
3.1%



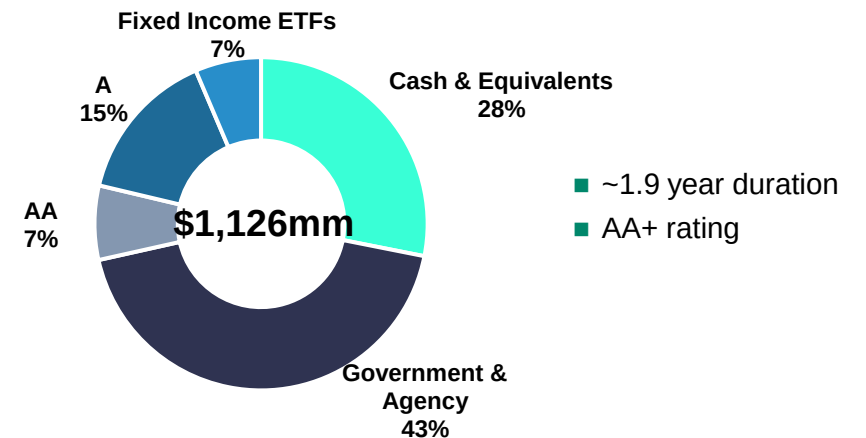
Return Metrics (Pre-tax)

	Q2'22	Q2'23	Q2'22 YTD	Q2'23 YTD
Net investment income – P&L	\$2.6	\$5.6	\$4.9	\$11.3
Net realized and unrealized gains (losses) – P&L	\$(10.1)	\$(4.4)	\$(16.8)	\$(9.0)
Unrealized gains (losses) on AFS Securities – OCI	\$(12.1)	\$(3.5)	\$(38.4)	\$5.9

Asset Allocation



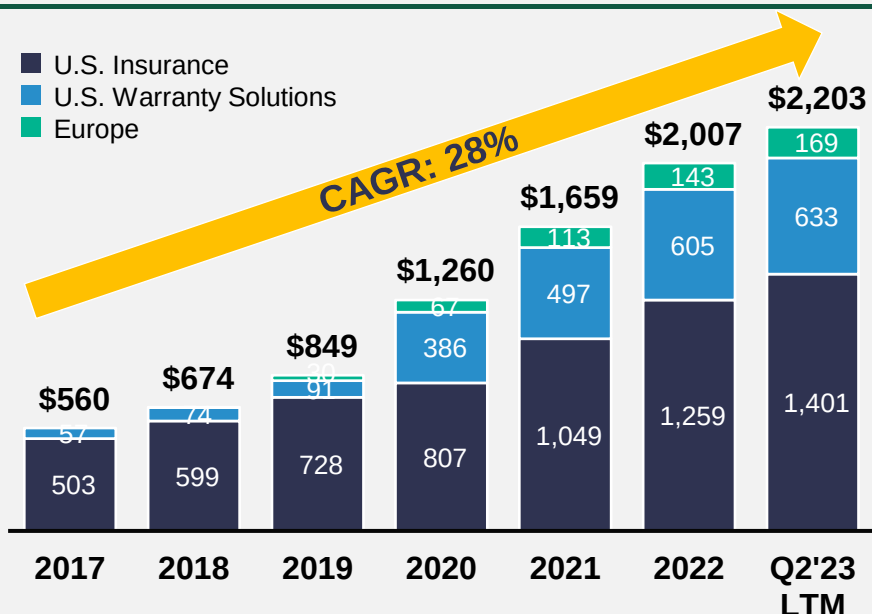
Liquid and Highly-Rated Fixed Income Portfolio



Maintain & expand existing business lines

- \$2.2Bn UEP & Deferred Revenue represents substantial future earnings potential

Unearned Premiums & Deferred Revenues



1 Comprehensive offering in growth markets

- Continued E&S market tailwinds – total market estimated at \$70Bn¹
- Large and growing warranty services market
- Ongoing European expansion

2 Proven track record of winning new business and keeping it

- Underwriters with long-standing relationships
- Breadth of offering appeals to agents seeking tailored solutions

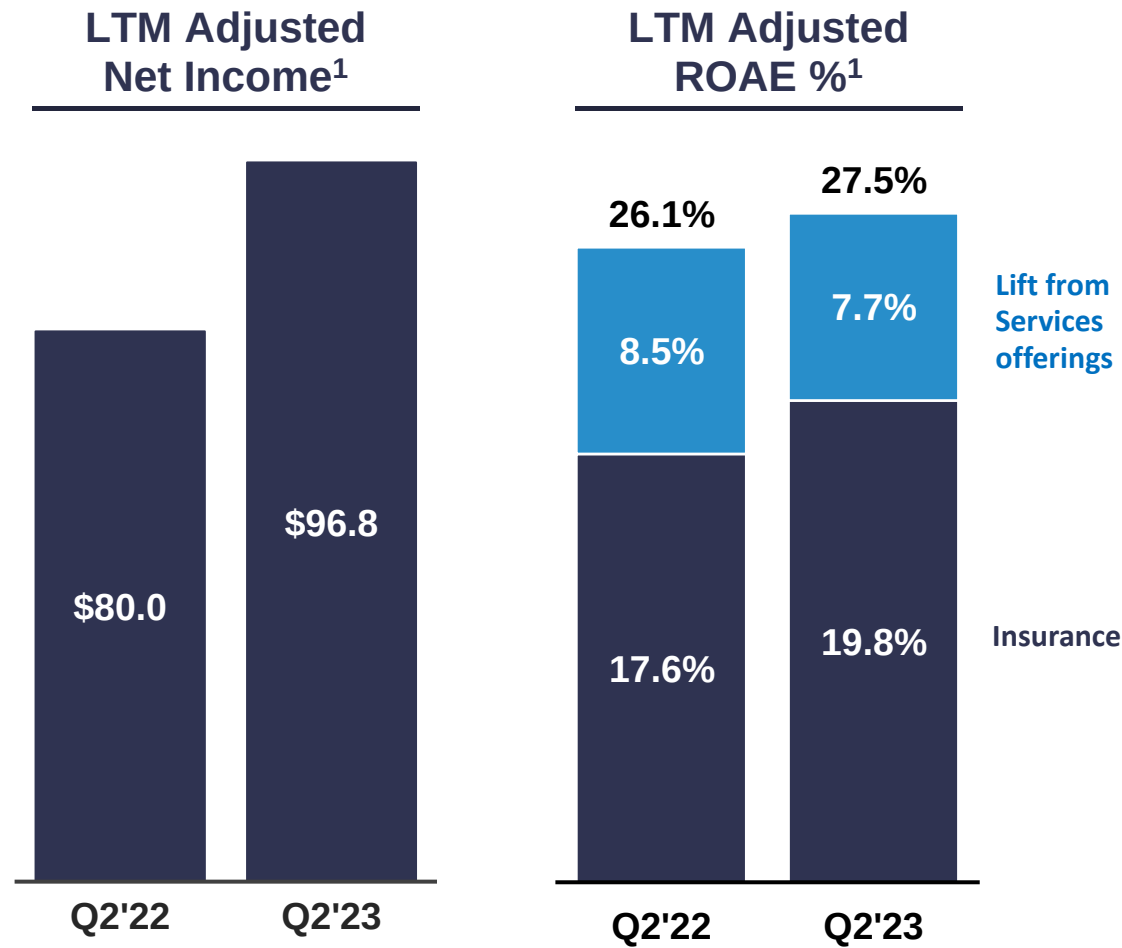
3 We make our partners better

- Value-added services enhance agent relationships & performance
- Underwriting expertise augmented by A.I. helps agents grow profitably

Fortegra is well-positioned to capitalize on a substantial opportunity in the insurance industry.

1) Source: Conning, July 2022 from The Insurer.

(\$ in millions)



Q2'23 LTM Highlights

- ✓ Record top-line premiums – \$3.1Bn
- ✓ Record Adjusted Net Income – \$96.8mm

Outlook

- Expect continued growth and consistency of underwriting
- Continued investment in strategic growth areas
 - ✓ Specialty E&S lines
 - ✓ Capital-light services
 - ✓ European expansion

1) See the appendix for a reconciliation of Non-GAAP measures including Adjusted Net Income and Adjusted ROAE (annualized). Adjusted net income is presented before the impacts of non-controlling interests.

TiptreeCapital

02

Tiptree Capital Overview

(\$ in millions)

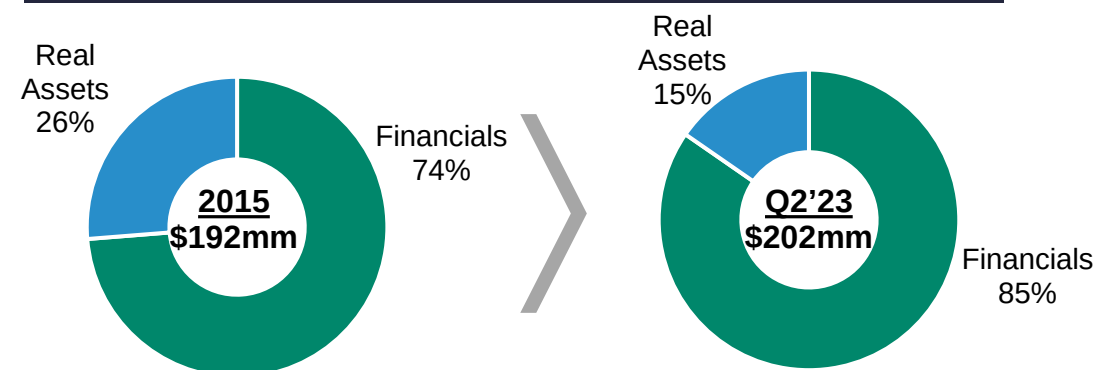
Overview

- 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
- \$604mm Realized Investments ■ 25.3% IRR ■ 5-9 yr hold periods
- \$171mm Q2'23 equity

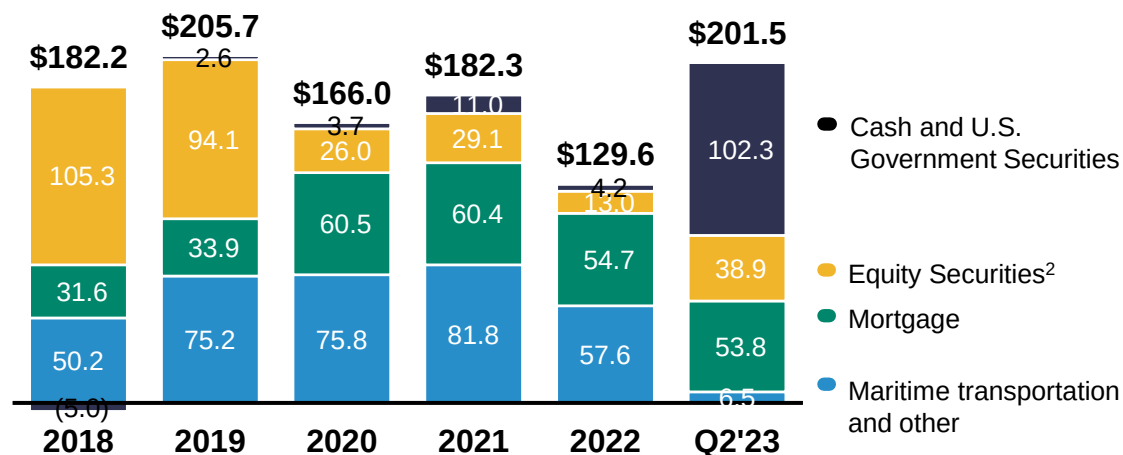
② Real Assets

- Real Estate ■ Infrastructure ■ Shipping
- \$288mm Realized Investments ■ 21.5% IRR ■ 5-8 yr hold periods
- \$31mm Q2'23 equity

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

(\$ in millions)

Equity Capital Allocation



Adjusted net income¹

	2018	2019	2020	2021	2022	Q2'23 LTM
Mortgage	\$ (0.1)	\$ 3.9	\$28.6	\$17.4	\$ (4.7)	\$ (3.0)
Senior living (Invesque)²	7.1	8.0	2.0	-	-	-
Maritime transportation	(1.5)	1.7	2.3	10.7	12.7	4.6
Other	6.5	4.4	0.2	-	1.0	3.1
Total	\$12.0	\$18.0	\$33.1	\$28.1	\$ 9.0	\$ 4.7

Key highlights

Mortgage

- Residential mortgage origination company licensed to sell and service with Fannie/Freddie/Ginnie
- Scalable, technology enabled platform generating ~\$1.0B annual volume
- Growing mortgage servicing portfolio ~\$42mm FMV on balance sheet

Cash & U.S Government Securities

- Invested in U.S Treasuries and money market funds

Equities²

- Long term investments in concentrated group of publicly traded businesses

Maritime transportation

- Invested in shipping sector from 2018-2022
- Exited dry bulk and product tanker investments in 2022 at 45% above carrying value

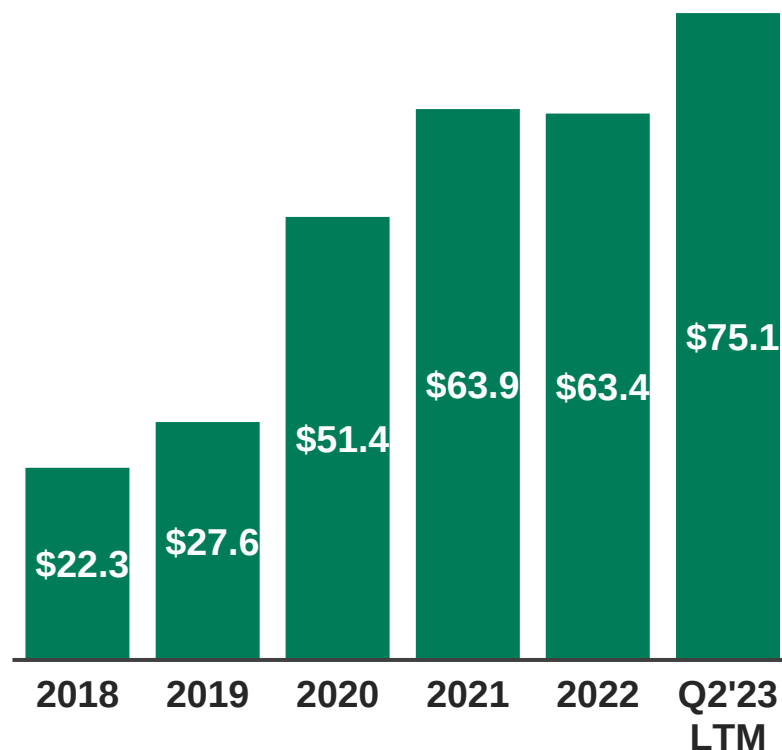
1 See the appendix for a reconciliation of Adjusted net income to GAAP financials.

2 Includes 14.0m of Invesque common shares representing \$11.2 million of balance sheet fair value as of June 30, 2023.

Well Positioned to Deliver on Long-Term Objectives

(\$ in millions, except per share information)

Adjusted Net Income¹



☑ Significant opportunities to achieve value creation objectives at Fortegra

- ✓ Strategic partnership with Warburg Pincus is the first step toward our goal of demonstrating Fortegra's intrinsic value

☑ Continue to focus on long-term shareholder value creation

- ✓ Invest in existing subsidiaries
- ✓ Seek new acquisition opportunities
- ✓ Opportunistic share repurchases
- ✓ Maintain consistent dividends

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
- Tiptree Capital – Realized Investment IRR%

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 – UW & Fee Revenues & Margin, BVPS

(\$ in thousands, except per share information)

	For the Year Ended December 31,			
	Q2'23 LTM	2022	2021	2020
Total revenues	\$ 1,425,557	\$ 1,248,796	\$ 984,130	\$ 691,061
Less: Net investment income	(19,884)	(12,219)	(17,896)	(9,916)
Less: Net realized and unrealized gains (losses)	12,564	20,347	2,006	11,944
Underwriting and fee revenues	\$ 1,418,237	\$ 1,256,924	\$ 968,240	\$ 693,089

(0)

	For the Year Ended December 31,			
	Q2'23 LTM	2022	2021	2020
Income (loss) before income taxes	\$ 94,259	\$ 68,150	\$ 69,857	\$ 26,948
Less: Net investment income	(19,884)	(12,219)	(17,896)	(9,916)
Less: Net realized and unrealized gains (losses)	12,564	20,347	2,006	11,944
Plus: Depreciation and amortization	19,728	18,551	17,223	10,835
Plus: Interest expense	21,875	20,054	17,576	15,487
Plus: Employee compensation and benefits	98,153	87,918	76,552	65,089
Plus: Other expenses	90,979	78,832	79,227	55,594
Underwriting and fee margin	\$ 317,674	\$ 281,633	\$ 244,545	\$ 175,981

	As of December 31,			
	Q2'23	2022	2021	2020
Total stockholders' equity	\$ 546,068	\$ 533,573	\$ 400,181	\$ 373,538
Less: Non-controlling interests	144,176	136,208	17,227	17,394
Total stockholders' equity, net of non-controlling interests	\$ 401,892	\$ 397,365	\$ 382,954	\$ 356,144

Total common shares outstanding	36,742	36,385	34,124	32,682
Book value per share	\$ 10.94	\$ 10.92	\$ 11.22	\$ 10.90

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.

Non-GAAP Reconciliations – Adjusted Net Income

(\$ in thousands)

	Trailing Twelve Months ended June 30, 2023					Year Ended December 31, 2022					Year Ended December 31, 2021				
	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	\$ 94,259	\$ (4,669)	\$ 32,909	\$(40,496)	\$ 82,003	\$ 68,150	\$ 874	\$ 31,403	\$(46,416)	\$ 54,011	\$ 69,857	\$ 28,407	\$ 17,210	\$(50,132)	\$ 65,342
Less: Income tax (benefit) expense	(27,592)	910	(6,799)	(7,346)	(40,827)	(21,251)	(363)	(5,545)	(23,291)	(50,450)	(18,438)	(4,882)	(1,992)	4,021	(21,291)
Less: Net realized and unrealized gains (losses)	12,564	746	(23,929)	-	(10,619)	20,347	(7,003)	(18,788)	-	(5,444)	(3,732)	(5,798)	(3,091)	-	(12,621)
Plus: Intangibles amortization ⁽¹⁾	15,987	-	-	-	15,987	16,229	-	-	-	16,229	15,329	-	-	-	15,329
Plus: Stock-based compensation expense	601	-	(23)	7,030	7,608	2,423	-	-	7,093	9,516	2,006	331	213	8,581	11,131
Plus: Non-recurring expenses	4,265	-	193	-	4,458	3,374	-	(729)	2,108	4,753	2,158	-	938	2,171	5,267
Plus: Non-cash fair value adjustments	(1,103)	-	(129)	-	(1,232)	(939)	-	3,555	-	2,616	-	-	(3,170)	-	(3,170)
Less: Tax on adjustments ⁽²⁾	(2,153)	32	5,421	14,373	17,673	(4,501)	1,834	3,731	31,106	32,170	(398)	(624)	655	4,249	3,882
Adjusted net income	\$ 96,828	\$ (2,981)	\$ 7,643	\$(26,439)	\$ 75,051	\$ 83,832	\$ (4,658)	\$ 13,627	\$(29,400)	\$ 63,401	\$ 66,782	\$ 17,434	\$ 10,763	\$(31,110)	\$ 63,869
Average stockholders' equity	\$351,872	\$ 55,678	\$125,101	\$ 3,054	\$535,705	\$321,320	\$ 57,575	\$ 98,373	\$(10,390)	\$466,878	\$300,820	\$ 60,432	\$113,718	\$(88,111)	\$386,859
Adjusted return on average equity	27.5%	(5.4)%	6.1%	NM%	14.0%	26.1%	(8.1)%	13.9%	NM%	13.6%	22.2%	28.8%	9.5%	NM%	16.5%

The footnotes below correspond to the tables above, under “—Adjusted Net Income - Non-GAAP and “—Adjusted Return on Average Equity - Non-GAAP” (annualized).

Adjusted net income is presented before the impacts of non-controlling interests. Tiptree's subsidiary ownership percentage as of June 30, 2023 was Fortegra 79.5%, Tiptree Marine 100%, Reliance (Mortgage) 100%.

(1) Specifically associated with acquisition purchase accounting. See Note (8) Goodwill and Intangible Assets, net, in our Form 10-Q for the period ended June 30, 2023.

(2) Tax on adjustments represents the tax applied to the total non-GAAP adjustments and includes adjustments for non-recurring or discrete tax impacts. For the trailing twelve months ended June 30, 2023, included in the adjustment is an add-back of \$13.4 million and for the twelve months ended December 31, 2022, included in the adjustment is an add-back of \$33.1 million related to deferred tax expense from the WP Transaction.

Non-GAAP Reconciliations – Adjusted Net Income

	Year Ended December 31, 2020					Year Ended December 31, 2019				
	Tiptree Capital					Tiptree Capital				
	Insurance	Mortgage	Other	Corporate	Total	Insurance	Mortgage	Other	Corporate	Total
Income (loss) before taxes from continuing operations	\$ 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	(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⁾	13,804	4,018	67,668	—	85,490	(6,896)	2,056	(6,148)	—	(10,988)
Plus: Intangibles amortization ⁽²⁾	9,213	—	—	—	9,213	7,510	—	—	—	7,510
Plus: Stock-based compensation	2,287	2,482	174	3,172	8,115	2,891	170	—	3,299	6,360
Plus: Non-recurring expenses	3,418	—	624	758	4,800	1,975	—	202	2,079	4,256
Plus: Non-cash fair value adjustments	—	—	(2,141)	—	(2,141)	—	—	(153)	—	(153)
Less: Tax on adjustments ⁽⁴⁾	(8,522)	(1,958)	(14,210)	(4,131)	(28,821)	(1,249)	(616)	1,248	1,108	491
Adjusted net income	\$ 43,423	\$ 28,578	\$ 4,497	\$(25,067)	\$ 51,431	\$ 32,806	\$ 3,929	\$ 14,083	\$(23,220)	\$ 27,598

Average stockholders' equity	\$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	15.2%	60.5%	3.2%	NM%	13.1%	12.3%	12.0%	8.7%	NM%	6.8%

	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 ⁽³⁾	—	—	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⁾	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 ⁽⁴⁾	(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

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%

The footnotes below correspond to the tables above, under “—Adjusted Net Income - Non-GAAP” and “—Adjusted Return on Average Equity - Non-GAAP”(annualized).

Adjusted net income is presented before the impacts of non-controlling interests. Tiptree's subsidiary ownership percentage as of June 30, 2023 was Fortegra 79.5%, Tiptree Marine 100%, Reliance (Mortgage) 100%.

(1) For the year ended December 31, 2019, includes \$7,598 gain on sale of our CLO management business.

(2) See Note (8) Goodwill and Intangible Assets, net, in our Form 10-Q for the period ended June 30, 2023.

(3) Includes discontinued operations related to Care. For more information, see Note (4) Dispositions, Assets and Liabilities Held for Sale and Discontinued Operations of 2020 Form 10-K.

(4) Tax on adjustments represents the tax applied to the total non-GAAP adjustments and includes adjustments for non-recurring or discrete tax impacts.

Tiptree Capital – Realized Investment IRR%

(\$ in millions)

Category	Investments	Invested Capital ⁽¹⁾	Realized Investment	MOIC	IRR %
Financials	Realized: MFCA, Telos, PFG, Siena, CLO sub-notes, hedges, Luxury	\$ 310.1	\$ 604.3	1.9x	25.3%
	Unrealized: Reliance, credit investment	170.6	-	-	-
Real Assets	Realized: Star Asia, Care	179.9	288.2	1.6x	21.5%
	Unrealized: Invesque, Marine	31.0	-	-	-
Tiptree Capital	Realized	\$ 490.0	\$ 892.5	1.8x	24.5%
	Unrealized	\$ 201.5	-	-	-

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.

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