KINGSWAY

NYSE: KFS

Investor Day Presentation October 6, 2021

Forward-Looking Statements

This presentation includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are not historical facts, and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. Words such as "expects," "believes," "anticipates," "intends," "estimates," "seeks" and variations and similar words and expressions are intended to identify such forward-looking statements; however, the absence of any such words does not mean that a statement is a not a forward-looking statement. Such forward-looking statements relate to future events or future performance, but reflect Kingsway management's current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements, including as a result of the COVID-19 pandemic. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the section entitled "Risk Factors" in the Company's 2020 Annual Report on Form 10-K, as well as the risk factors listed from time to time in any subsequent filings with the Securities and Exchange Commission. Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Additional Information

Additional information about Kingsway, including a copy of its 2020 Annual Report can be accessed on the EDGAR section of the U.S. Securities and Exchange Commission's website at www.sec.gov, on the Canadian Securities Administrators' website at www.sedar.com, or through the Company's website at www.kingsway-financial.com.

Non U.S. GAAP Financial Measures

The Company believes that non-GAAP adjusted net earnings (loss) and non-GAAP adjusted EBITDA, which are included in this presentation, when presented in conjunction with comparable GAAP measures, provide useful information about the Company's operating results and enhances the overall ability to assess the Company's financial performance. The Company uses non-GAAP adjusted net earnings (loss) and non-GAAP adjusted EBITDA, together with other measures of performance under GAAP, to compare the relative performance of operations in planning, budgeting and reviewing the performance of its business. Non-GAAP adjusted net earnings (loss) and non-GAAP adjusted EBITDA allow investors to make a more meaningful comparison between the Company's core business operating results over different periods of time. The Company believes that non-GAAP adjusted net earnings (loss) and non-GAAP adjusted EBITDA, when viewed with the Company's results under GAAP and the accompanying reconciliations, provide useful information about the Company's business without regard to potential distortions. By eliminating potential differences in results of operations between periods caused by the factors listed in the attached schedules, the Company believes that non-GAAP adjusted net earnings (loss) and non-GAAP adjusted EBITDA can provide useful additional basis for comparing the current performance of the underlying operations being evaluated. Investors should consider these non-GAAP measures in addition to, not as a substitute for or as superior to, financial reporting measures prepared in accordance with GAAP. Investors are encouraged to review the Company's financial results prepared in accordance with GAAP to understand the Company's performance taking into account all relevant factors.

Representatives

John T. Fitzgerald

President, CEO, and Director

Mr. Fitzgerald has served as CEO of Kingsway since September 2018. Mr. Fitzgerald joined Kingsway as Executive Vice President on April 21, 2016 following Kingsway's acquisition of Argo Management Group, a private equity investment partnership co-founded by Mr. Fitzgerald in 2002. Effective March 8, 2017, Mr. Fitzgerald was appointed President and COO of Kingsway. Prior to co-founding Argo Management Group, Mr. Fitzgerald was managing director of Adirondack Capital, LLC, a financial futures and derivatives trading firm, and he was a seat-owner on the Chicago Board of Trade. Mr. Fitzgerald received a Bachelor of Science degree from DePaul University, with highest honor, and is an MBA graduate of the Kellogg School of Management, Northwestern University.

Kent Hansen

Chief Financial Officer

Mr. Hansen has served as CFO of Kingsway's subsidiary, Kingsway America Inc., since December 2019 and EVP and CFO of Kingsway since February 2020. Prior to joining Kingsway, Mr. Hansen served as CAO and Controller of LSC Communications, Inc. from 2016 to 2019. Prior to this, he served as VP, Assistant Controller, of Baxalta, Incorporated, a biopharmaceutical company from 2015 to 2016. Prior to this, he served in various finance and accounting roles from 2006 to 2015 with Scientific Games Corporation (formerly WMS Industries, Inc.), including Director of Accounting and SEC Reporting, Assistant Controller, and Group Chief Financial Officer. His earlier experience includes roles in accounting and financial reporting at Accenture and as an auditor at Ernst and Young LLP. Mr. Hansen received a BBA degree from the University of Michigan and is an MBA graduate of the Kellogg School of Management, Northwestern University.

Representatives

Peter Dikeos

President, Trinity Warranty Services

Mr. Peter Dikeos Founded Trinity Warranty Inc. in 2009 and was acquired by Kingsway in 2013. Prior to founding Trinity Warranty, Mr. Dikeos was the Senior V.P. of Operations for Equiguard, a Third-Party Administrator of Extended Warranties for HVAC and Refrigeration equipment, from 2001 to 2009. From 1994 to 2001 Mr. Dikeos was the Director of Technology Services for The Culver Educational Foundation. Mr. Dikeos received a Bachelor of Science degree in Computer Science and Mathematics in 1994 from Anderson University.

Brian Cosgrove

President, Geminus Holding Company

Mr. Cosgrove has served as President of Geminus Holding Company since January of 2020. Prior to joining Geminus, Mr. Cosgrove served as CRO of One Point Inc. from 2018 to 2020. Prior to this, Mr. Cosgrove was Vice President of Sales at Preferred Warranties Inc. and was appointed to President of Preferred from 2014 to 2018. His earlier experience includes various senior leadership roles at Automatic Data Processing for a combined 14 years of service focusing on the automotive and insurance channels. Mr. Cosgrove owned and operated a successful consulting company for over 13 years focused on sales coaching, leadership development and revenue growth strategies for small to medium businesses. Mr. Cosgrove graduated from Computer Processing Vocational Institute with Computer repair certificate.

Representatives

Edmund Field

President, Preferred Warranties, Inc.

Mr. Field has served as President of Preferred Warranties since June 2018 and successfully navigated Preferred Warranties through the acquisition from KAR Global to Kingsway in December 2020. Prior to this, Mr. Field spent 17 years working for VW Credit, Inc. (Volkswagen Credit & Audi Financial Services) which is a wholly owned subsidiary of Volkswagen Group America. During his tenure at VW Credit, Inc. Mr. Field held multiple senior roles ranging from President of VW Protection Services, Director of Product Development and Director of Customer Service for the US Market, as well as roles in Sales, Business Development and Finance. In 2001, Mr. Field immigrated to the United States from South Africa where he spent 5 years in the manufacturing sector working for Volkswagen Group South Africa in roles of Project Management, Procurement & Logistics. Mr. Field received a BA in Business Administration from the Nelson Mandela Metropolitan University in Port Elizabeth, South Africa.

Tyler Gordy

President & CEO, Professional Warranty Service Corporation

Mr. Gordy, PWSC President and CEO, joined the company in March 2018 as COO to expand on the executive leadership team and assist with strategy deployment. After spending months working through succession planning and positioning the company for growth, he assumed the role of CEO in October 2018. Mr. Gordy leads the organization by creating, communicating, and executing the organization's vision, mission, and overall direction as well as driving the development and implementation of the company's strategic plan. Prior to his appointment, Mr. Gordy served as an officer in the US Army and worked for a small private equity fund focused on lower-middle-market acquisitions. Mr. Gordy holds a Bachelor of Science degree (BSc) from the US Military Academy at West Point and a Master of Business Administration (MBA) from the Harvard Business School.

Representatives

Timi Okah

President & CEO, Ravix Financial Inc.

Mr. Okah serves as CEO of Ravix Financial Inc., a Kingsway subsidiary, following Kingsway's acquisition of Ravix on October 1, 2021. Mr. Okah joined Kingsway in August 2020 as a member of Kingsway's CEO Accelerator Program. Prior to joining Kingsway, Mr. Okah worked as a consultant at McKinsey & Company where he advised high-tech and software clients on go-to-market and operational issues. His earlier experiences include roles in software and hardware engineering at Salesforce and Intel Corporation, respectively. Mr. Okah received a BS and MS in Electrical Engineering, both from Stanford University, and an MBA with Distinction from Harvard University.

Eric Wikander

President, IWS Acquisition Corp.

Mr. Wikander has served as the President of IWS since May 2016. Prior to being named President, Mr. Wikander served as Senior Vice President of Operations where he was responsible for leading the IWS day-to-day program operations and overseeing the company’s technology development and deployment. He joined IWS in 1998 as Assistant Controller and has held positions of increasing responsibility throughout his tenure including Assistant Vice President – Finance & Controller and Vice President – Finance. Before joining IWS, Mr. Wikander held different accounting/finance roles in the mutual fund industry and the time-share industry. He also served on the board of an external lending software company. He has a B.S. in Accounting from Syracuse University and an MBA from Florida Atlantic University.

Representatives

Peter Dausman

Operator-in-Residence
CEO Accelerator

Mr. Dausman joined Kingsway in the summer of 2021 as our third Operator-in-Residence in the CEO Accelerator program. Prior to joining Kingsway, Mr. Dausman worked as a consultant for Gotham Consulting Partners where he conducted due diligence for private equity firms across sectors, including security/defense, communications/digital, ESG, infrastructure, industrials, business services, consumer, and healthcare. Prior to Gotham, Mr. Dausman led global operational excellence programs for Flowserve Corporation's $4B nuclear and oil & gas manufacturing business. Mr. Dausman began his career as an officer in the United States Navy and holds an MBA in Finance from Kellogg Northwestern School of Management, and a BS in Systems Engineering with a Minor in Mandarin Chinese from the United States Naval Academy.

Charles Mokuolu

Operator-in-Residence
CEO Accelerator

Mr. Mokuolu has served as an Operator-in-Residence at Kingsway since June 2021. Prior to Kingsway, Mr. Mokuolu served as an investment professional at Africa50, a pan-African infrastructure fund, where he focused on making venture capital, private equity, and growth investments across a variety of sectors. Prior to this, he worked as an investment banker in the Industrials group at Barclays. Prior to this, Mr. Mokuolu served as a commercial leader on the acquisitions turnaround team of GE Oil & Gas. His earlier experience includes leadership roles in sales and marketing at GE Transportation. Mr. Mokuolu received a Bachelor of Science degree from Georgia Institute of Technology, with high honor, an MEM degree from Duke University, and is an MBA graduate of Harvard Business School.

Agenda

Introduction to Kingsway

Owns or controls subsidiaries primarily in the extended warranty, asset management, and real estate industries.

Ticker: KFS (NYSE)

Incorporation

Incorporated in 1989

Total Employees

290

Financial Overview (1)

Assets: $447.5 Million
Liabilities: $432.6 Million

Shareholder Information (2)

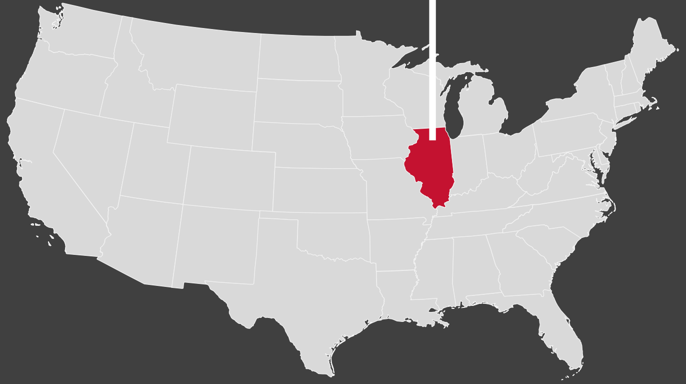
Share Price: $5.36
Shares Outstanding: 24.0 Million
Market Capitalization: ~$129 Million

Stock price for the past year
(H $5.70 L $2.90)

(1) As of 6/30/2021 (2) As of 9/30/2021

Based in Itasca, IL

(a. 30 Miles West of Chicago)



Introduction to Kingsway: Components of Value

Decentralized operating structure with a small Corporate team

KINGSWAY

- A small, lean team
- Makes all capital allocation decisions among OpCos
- Acquisitions of new OpCos
- Oversight and cadence of accountability with OpCos
- Oversees Asset Management
- Responsible for SEC and other regulatory filings
- All debt of subsidiaries is non-recourse to KFS

Extended Warranty

- Five operating businesses
- Large growing market – U.S. focused
- "Capital light" and scalable
- TTM pro forma revenue of $75.6 million[(1)(2)]
- TTM pro forma EBITDA of $14.9 million[(1)(2)]

Real Estate

- Owns 81% of CMC Industries, which owns the BNSF rail yard in Dayton, TX
- Kingsway receives cash flow (after debt/principal repayment) from excess rental payments
- TTM revenue of $13.4 million[(1)]

CEO Accelerator

- Recruit talented, entrepreneurial managers
- Support their efforts to buy great operating companies within Kingsway
- Apply strategic, operating, and capital allocation oversight

Asset Management

- Legacy non-strategic passive investments of $35.6 million[(1)]
- Manage $47.9 million[(1)] investment 'float' of warranty businesses
- Argo Management Group LLC ("Argo"), a fully invested $3.3 million[(1)] search fund

(1) As of 6/30/2021 | (2) Includes twelve months of PWI, which was acquired on 12/1/2020. Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures.

Introduction to Kingsway: Investment Thesis

Solid Operating Businesses

- Profitable extended warranty businesses
- Invested 'float' enhances earnings
- Real estate that has long-term contractual cash inflows with a credit-worthy tenant
- Newly-formed CEO Accelerator platform to acquire more great businesses

Value Creation With Tax Shelter

- ~$844[1] million in net operating losses ("NOLs") expiring between 2027 and 2040 provide opportunity to compound capital tax-free
- We use a 20-year time horizon to guide our approach to strategic investments and acquisitions, as well as incentive structures

(1) As of 6/30/2021

Trades at a Discount to Intrinsic Value

- Sum-of-the-parts valuation view (see later slide) suggests a higher value than the current market cap

Aligned Management and Board

- Board and Management team own 55% of common equity
- Board and Management team have purchased 6.7% of outstanding common shares in Kingsway through open market transactions in 2020 and 2021
- Incentives to act like owners and opportunities to participate meaningfully in long-term value creation

Leadership and Culture

- Accountability to living our core values and achieving established performance objectives (the right way)
- Focus on results
- Attract, develop and retain world-class talent
- CEO Accelerator Program is building the foundation for future business leaders within Kingsway

Introduction to Kingsway: Core Tenets of Value Creation

Disciplined Capital Allocation

- **Growing portfolio of operating companies with strong cash flow**
- **Seek acquisitions and internal investments that generate strong returns**

Acquired PWSC (extended warranty business) in Q4 2017 at an approximate 3.2x multiple of 2018 full year EBITDA[1]

Acquired Geminus (extended warranty business) in Q1 2019 at an approximate 3.8x multiple of 2019 full year EBITDA[1]

Acquired PWI (extended warranty business) in Q4 2020 at an approximate 4.9x multiple of 6/30/2021 TTM EBITDA[1]

Acquired Ravix (CEO Accelerator) in Q4 2021 at an approximate 4.0x multiple of 6/30/21 TTM adj EBITDA (or 5.6x if 100% of earn-outs are achieved) [1]

(1) Before the effects of US GAAP purchase accounting

Decisive Execution

- **Minimize non-strategic expenses**

Continued alignment of business objectives and incentives around growth in intrinsic value. Operating subsidiary Presidents incentivized based on achieving and exceeding prescribed ROIC hurdles; on-going scrutiny of corporate processes to increase efficiencies and reduce costs

- **Simplify and focus**

Continue to monetize our current portfolio of non-strategic passive investments in order to eliminate complexity and distractions caused by our former merchant banking strategy; focus on creating value by expanding our extended warranty businesses and investing in other "asset-light" verticals

People

- **Attract, Develop and Retain World-Class Talent**

The Company's senior management team has been completely revamped through the appointment of JT Fitzgerald (CEO), and hiring of Kent Hansen (CFO)

Operating Companies enhanced with hiring new managers Brian Cosgrove (President of Geminus) and Tyler Gordy (President of PWSC)

Launched the CEO Accelerator Program in 2020

Introduction to Kingsway: History and Transformation

Aligned management team and Board of Directors focused on proper capital allocation, operational excellence and people.

1990-2007

Insurance Operations Growth and Struggle

- Underwriting results generate losses
- Creation of NOLs

2008-2018

Change in Strategy

- Company shifted to a merchant banking strategy with a focus on value creation

2018

New Management

- JT Fitzgerald appointed CEO
- Redomesticated to U.S. and exited dual-listing
- Sale of unprofitable non-standard auto insurance business

2019 - 2020

Turnaround

- Focus on building core, asset-light businesses
- Continue to cut holding company costs
- Accretive M&A (Geminus, PWI)

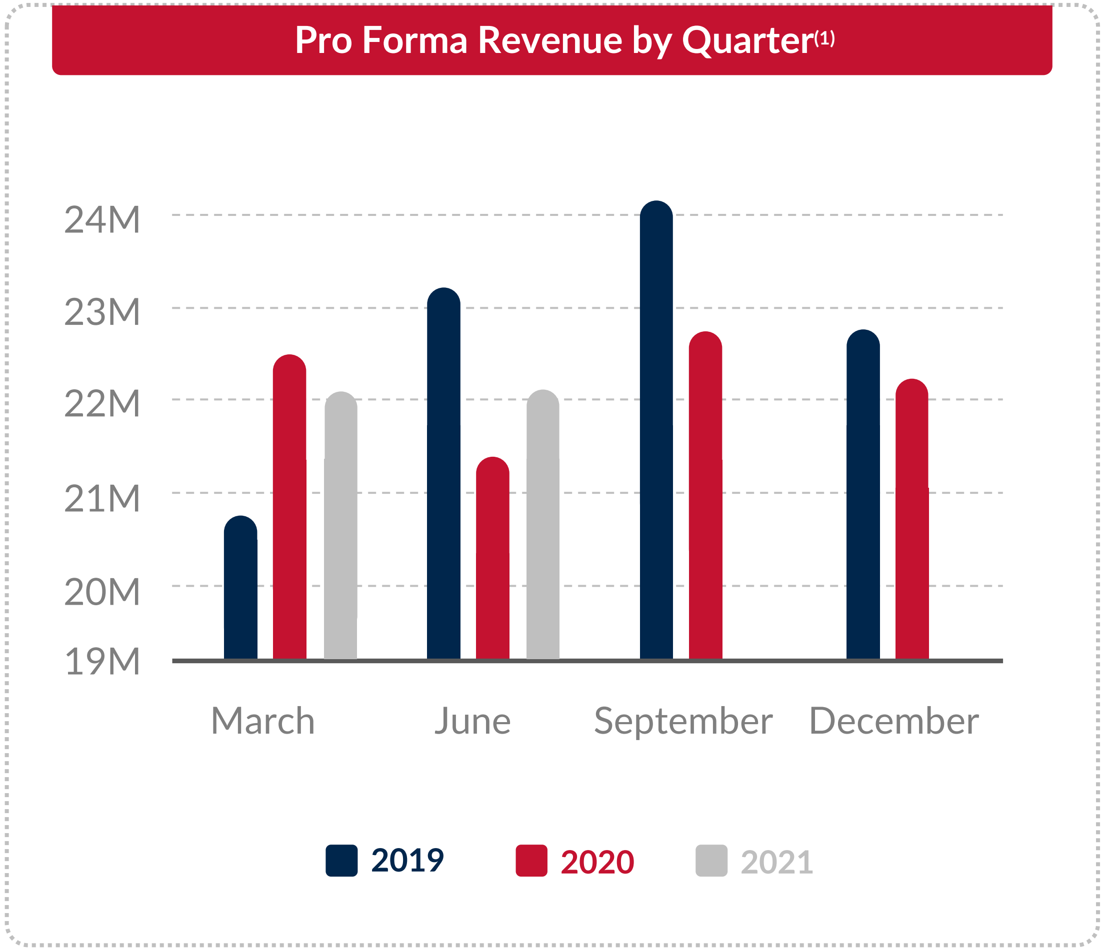
2021 +

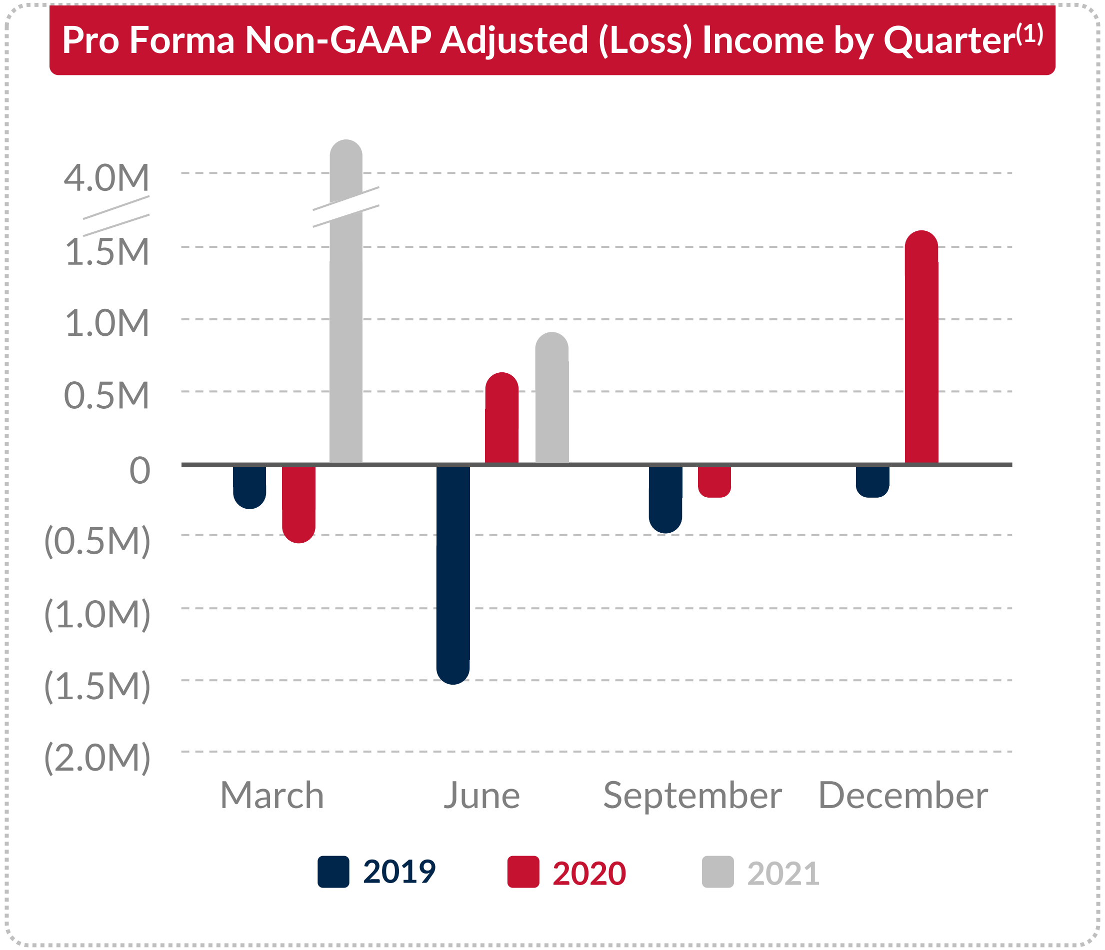
Current and Future

- Making headway in unwinding legacy non-core investments
- CEO Accelerator growing, first acquisition
- Continue to seek M&A and NOL utilization opportunities

Kingsway Financial Overview

Kingsway Financial Overview





(1) Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures. Pro forma includes the corresponding PWI amount for 2020 and 2019.

Extended Warranty

Extended Warranty Industry

A Scalable, High Margin, Low Capital Intensity Business = Enduringly High ROTC

	Warranty Industry Advantages
Large and Growing	Estimated at over $121B globally and forecast to grow at 7.4% CAGR through 2027[1]
Fragmented	Management estimates that top companies in industry account for only 32.5% of revenue
High Barriers to Entry	Licensing/regulatory requirements; industry considered “too complex” by many
High Margin Recurring Revenue	Diversified; long-term, pre-paid contracts; industry margins estimated at 20%[2]
Investable ‘float’	Risk-taking warranty businesses produce float similar to insurance
Low Capital Intensity	Less capital intensive than traditional insurance due to utilization of reinsurance

(1) Allied Market Research. (2)Colonnade Advisors – Market Commentary

Kingsway's Extended Warranty Subsidiaries

Auto			Home	Mechanical
IWS	PWI Preferred Warranties Inc.	PWC Penn Warranty Corporation	PWSC Professional Warranty Service Corporation	Trinity
iwsgroup.com	preferredwarranties.com	pennwarranty.com	pwsc.com	trinitywarranty.com
Founded in 1991 Acquired in 2012	Founded in 1992 Acquired in 2020	Founded in 1988 Acquired in 2019	Founded in 1995 Acquired in 2017	Founded in 2009 Acquired in 2013
IWS is a licensed motor vehicle service agreement company and is a provider of after-market vehicle protection services distributed by credit unions in 26 states and the District of Columbia to their members, with customers in all 50 states	PWI is a licensed motor vehicle service agreement company and is a provider of after-market vehicle protection services distributed by car dealerships in all 50 states.	Geminus primarily sells vehicle service agreements to used car buyers across the United States.	PWSC sells new home warranty products, systems and appliance warranties, and provides administration services to homebuilders and homeowners across the United States.	Trinity sells heating, ventilation, air conditioning ("HVAC"), standby generator, commercial LED lighting and refrigeration warranty products and provides equipment breakdown and maintenance support services to companies across the United States.

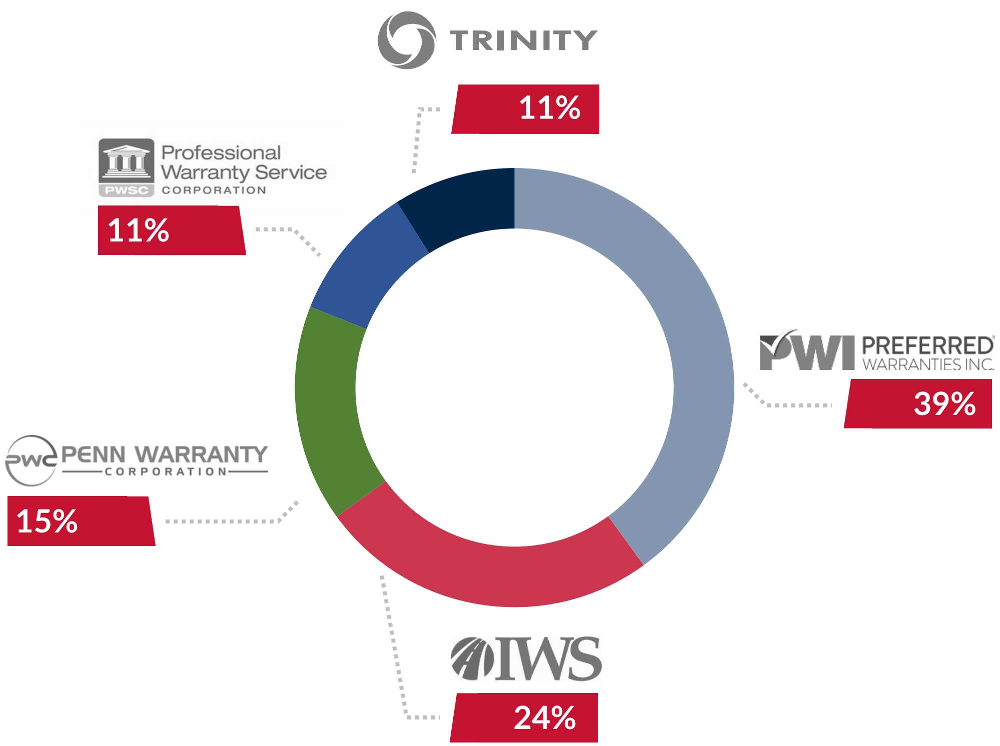
Extended Warranty Strategic Outlook

	Automobile	Home	Mechanical
Kingsway Businesses	PWI, IWS, Geminus	PWSC	TWS
Services	Vehicle Service Agreements	Home warranty agreements; administrative services to builders/homeowners	Warranty agreements and maintenance support to consumers and businesses in the HVAC, standby generator, commercial LED lighting and refrigeration industries
Channel	Used Car Dealers (PWI, Geminus), Credit Unions (IWS)	New home builders	HVAC distributors; commercial and residential contractors; maintenance support directly through corporate owners of retail spaces
Percent of EW Revenue	78%	11%	11%
Market Dynamics	New and used automobile market; IWS distributes through credit unions, which are becoming a more popular alternative to traditional banks	New housing completions, although 1 to 2 month lag between completions and closings	Demand for HVAC and related products; U.S. retail market
Kingsway Advantage	Strong relationships with existing dealers and credit unions; use of incentive programs to increase "stickiness"; strong, long-standing relationships with regulators and insurers	20+ years in the industry has led to strong relationships with major nationwide builders; strong relationships with regulators and insurers	Experienced leadership team with deep knowledge of the industry and customers
Kingsway Strategy	Increase volume through existing dealer and credit union network; further refinement and use of incentives to increase "stickiness"; new customer acquisition in existing and new geographic markets	Increase volume through existing builder network, as well as new customer acquisition; introduction of new products (e.g. systems and appliance warranties)	Continue to grow the higher margin warranty products segment through existing and new customers

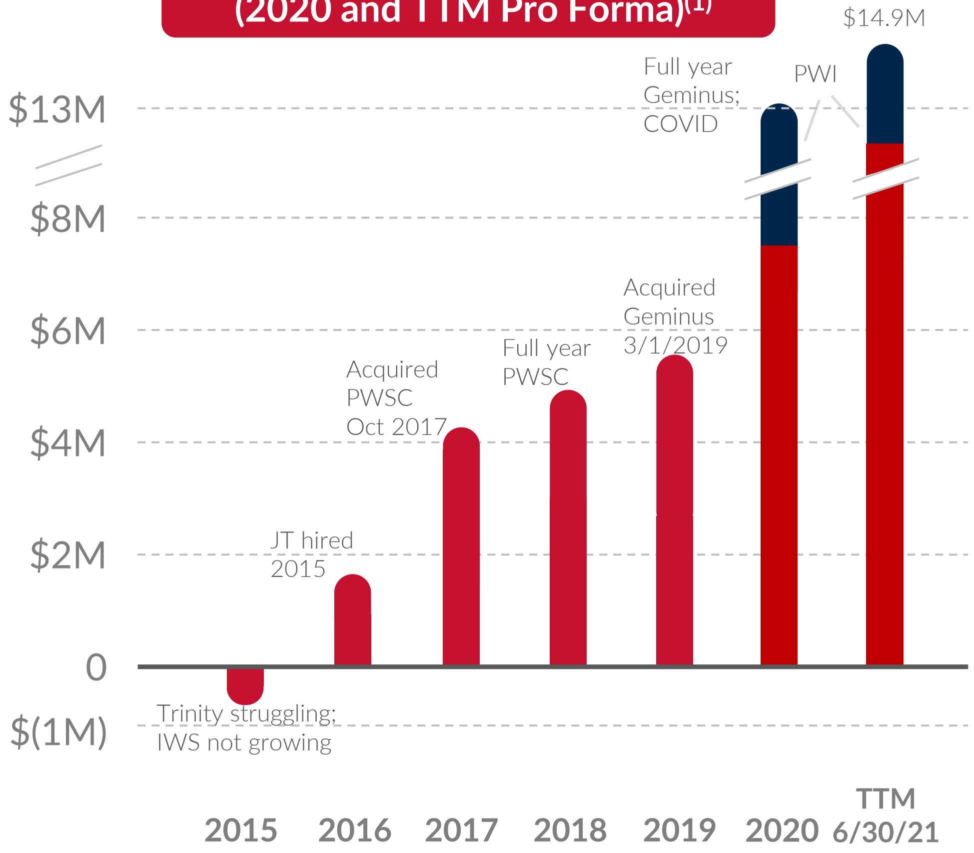
We continue to search for acquisition opportunities that complement our existing Extended Warranty offerings

Extended Warranty Financial Overview

TTM Pro Forma Revenue 6/30/21(1)



Warranty Segment EBITDA (2020 and TTM Pro Forma)(1)



(1) Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures. Pro forma includes the corresponding PWI amount from 1/1/2020 forward.

Extended Warranty Financial Overview

Extended Warranty Borrowings	Interest rate	Amortization	Maturity	Leverage
$23.6m	3.75%	15%	2025	2.2x
$23.6 million as of 6/30/21 (includes $1 million revolver)	LIBOR + 3.00% (LIBOR floor of 0.75%)	15% per year, paid quarterly	November 30, 2025	Leverage ratio as of 6/30/21

In conjunction with the purchase of PWI on 12/1/2020, executed a loan agreement with CIBC

- Paid off loan with previous lender of $9.25 million that had an interest rate of LIBOR + 9.25% (LIBOR floor of 2.00%)
- Despite the substantially higher principal balance of the new CIBC loan, at current interest rates the company anticipates its annual interest expense going forward will be less than that under its previous debt

The loan contains financial and other covenants; for the periods through 9/30/21 the borrowing group must maintain a maximum leverage ratio of 2.75x; thereafter the ratio reduces by 0.25x annually

The borrowers are Geminus, IWS, Trinity and PWI; PWSC is not part of the borrowing group

PWSC currently has no borrowings

- In conjunction with the purchase of PWSC in 2017, it borrowed $5 million (5% interest) that was to be paid off in October 2022
- In January of 2020, PWSC paid the loan in full – over 2 years early

Impacts of Purchase Accounting

Impacts of Purchase Accounting

- In accordance with U.S. GAAP, the Company is **required to record acquisitions at fair value**, with any difference between fair value and consideration paid recorded to goodwill
- Most extended warranty companies provide multi-year vehicle service contracts ("VSCs") to their customers, with full payment due at the beginning of the contract term; this **results in a considerable amount of deferred revenue** at the beginning of the VSC that is earned over the life of the VSC
- When a company (buyer) acquires another company (target) that has deferred revenue that is earned over several years, under current U.S. GAAP the **buyer must record the target's deferred revenue at fair value** as of the acquisition date
    - In most cases, this **results in a fair value for deferred revenue that is less than the amount recorded by the target** as of the acquisition date
    - **The resulting reduction in deferred revenue has therefore "disappeared"** and will not be recorded by the buyer in future periods, although cash flow remains unaffected

Impacts of Purchase Accounting

- As a simple example:
  - Target has **deferred revenue of $1 million** as of the acquisition date relating to VSCs that have an average remaining term of 3 years; all customer payments for these VSCs were received prior to the acquisition date
  - Buyer estimates the costs required to service that revenue; after applying a reasonable profit margin and discounting to fair value, **buyer estimates the fair value of deferred revenue to be $850,000**
  - The $850,000 is recorded on the target's post-acquisition balance sheet (along with other assets/liabilities), as well as any goodwill
  - The **$150,000 reduction in deferred revenue has "disappeared" and will never be recognized** by buyer, therefore reducing future earnings

- Contrast this with a situation in which the VSC customer pays the contract price over time, rather than all upfront; the result would likely be little to no reduction in deferred revenue, and the full amount of the remaining contract price at the acquisition date would likely eventually be recognized by the buyer

- The FASB (governing body of U.S. GAAP) is expected to issue **new guidance** before the end of 2021 that **would eliminate the requirement to record deferred revenue at fair value** and instead allow the buyer to essentially record deferred revenue at the pre-acquisition amount
  - If the new guidance is issued, this **would eliminate the "disappearing revenue"** impact and eliminate the confusion regarding pre- and post-acquisition quality of earnings

Impacts of Purchase Accounting

- The Company estimates purchase accounting has **reduced Geminus' operating income by $1.2 million** since acquisition (closed in March 2019). Detail by quarter for the last two years:

	TTM	For the Three Months Ended			
	6/30/21	6/30/21	3/31/21	12/31/20	9/30/20
Impact from "disappearing revenue"	$(513)	$(85)	$(111)	$(141)	$(176)
Benefit from reduced DAC amortization (1)	202	32	43	56	71
Total	**$(311)**	**$(53)**	**$(68)**	**$(85)**	**$(105)**

	TTM	For the Three Months Ended			
	6/30/20	6/30/20	3/31/20	12/31/19	9/30/19
Impact from "disappearing revenue"	$(1,308)	$(222)	$(279)	$(351)	$(456)
Benefit from reduced DAC amortization (1)	549	92	116	147	194
Total	**$(759)**	**$(130)**	**$(163)**	**$(204)**	**$(262)**

(1) In accordance with U.S. GAAP, any deferred acquisition costs ("DAC") as of the purchase date are set to zero; therefore, future periods benefit from reduced DAC amortization

CEO Accelerator

CEO Accelerator

Private businesses with enterprise values between $10 and $30 million where the owner/operator is looking to transition from day-to-day operating responsibilities represent a compelling investment opportunity

Underserved Acquisition Niche: Approximately $4.8 trillion of net worth, representing the largest intergenerational shift of wealth in U.S. history, will be transferred over the next 20 years as virtually all closely-held and family-owned businesses will lose their primary owner to death or retirement.(1)

Opportunities to acquire lower middle market businesses will be greater than demand as these businesses fall below the investment parameters of most private equity firms and are often too large for capital-constrained private buyers.

Many lower middle market private equity buyers are hesitant to purchase a business where the primary owner/operator is looking to transition out of day-to-day operating responsibilities

- Direct sourcing of these opportunities requires a significant time investment that is oftentimes not feasible for private equity firms due to their limited professional staffs.

There is more supply of and less competition for lower middle market businesses, leading to lower acquisition multiples than those of larger businesses.

(1) "The Ten Trillion Dollar Question: A Philanthropic Gameplan," Initiatives, Robert Avery, Cornell University

CEO Accelerator

Attractive Exit Alternative for Retirement-Ready Operators: Unlike traditional private equity firms and capital-constrained private buyers, the Kingsway CEO Accelerator offers business owners a novel exit alternative.

Kingsway provides capital for the owner to achieve personal liquidity, capital for the business to maintain or accelerate growth, and a talented manager that will lead the business going forward.

The combination of human capital and financial capital is a significant source of differentiation from other acquirers of lower middle market businesses.

CEO Accelerator

Opportunity for Value Creation: Owner/operators of lower middle market businesses often consciously decide to limit their investment in many aspects of their businesses.

These constraints and a general aversion to risk present an opportunity to take a small business and grow it at a steady rate while increasing profitability. Many of these businesses have unexploited opportunities or lack managerial expertise or controls.

Addressing these inefficiencies and targeting untapped growth represent additional opportunity for value creation.

CEO Accelerator

Tested Investment Vehicle: Search funds have been in existence since 1984 and have been used by over 400 entrepreneur teams to support efforts to locate, acquire and manage an existing private company.

A 2020 study[1] concluded that from 1984 through 2019, at least $1.4 billion of equity capital was invested in traditional search funds and their acquired companies, generating, in total, approximately $6.9 billion of equity value for investors and an estimated $1.8 billion for entrepreneurs.

The aggregate pre-tax internal rate of return for investors was 32.6% through the end of 2019 and the return on invested capital was 5.5x.

(2) Stanford Graduate School of Business Case E-726: 2020 Search Fund Study Selected Observations.

CEO Accelerator

We have a long, successful history of backing early-in-career managers and are building that into Kingsway's future

CEO was a searcher out of MBA; acquired and ran small business

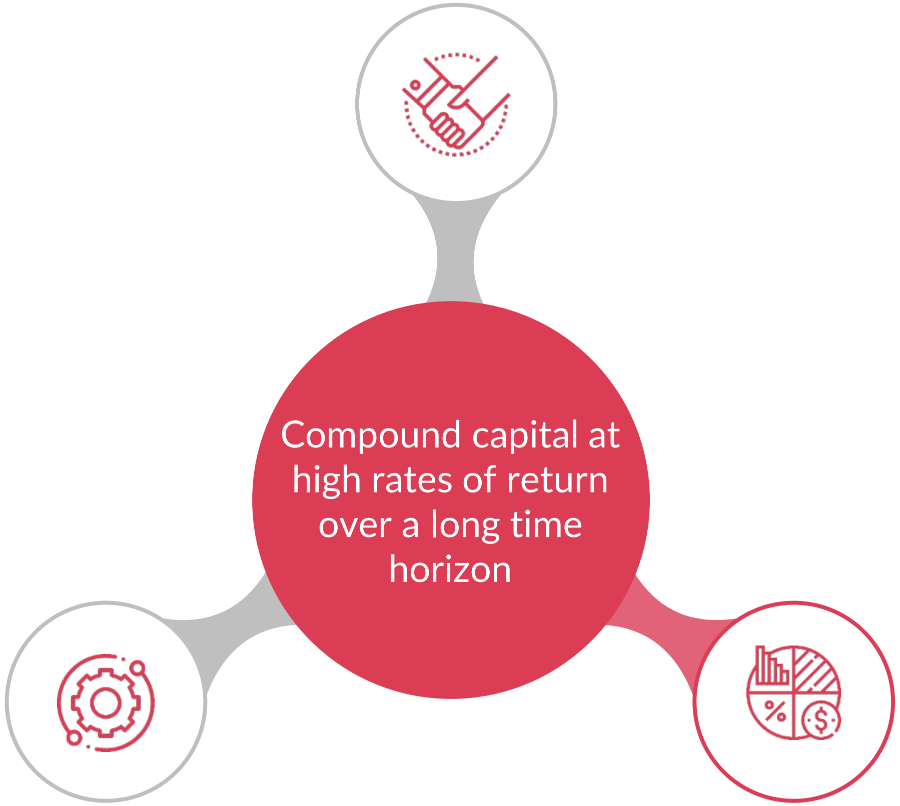
Have been investing in search funds for 15+ years

Have hired early-in-career managers to run current Kingsway operating companies

Created the CAP program to tie these threads together and build a portfolio of great companies while maintaining a lean holding company with limited overhead

CEO Accelerator

Building a great company focused on the long term



Ravix[1]

(1) Ravix financial information is taken from its internal, unaudited financial statements.

Investment Highlights

RAVIX GROUP Inc. Building Corporate Foundations

On October 1, 2021, Kingsway acquired 100% of the shares of Ravix Financial, Inc. for $11 million, representing a multiple of approximately 4.0x trailing twelve month adjusted EBITDA(1). Additionally, there is earn-out consideration of up to $4.5 million payable over a three-year period.

Strong financial profile and favorable industry trends…

- Stable revenues and consistent historical growth
- Low capital intensity
- Beneficiary of secular tailwinds from increasing regulatory requirements and growing acceptance of outsourcing of non-core business function
- Resilient in downturns and recessions

with a sticky, fragmented, and diverse client base…

- Excellent client and net revenue retention characteristics
- No client concentration, with top customer representing only 5% of total revenues
- Nearly fifteen industries represented within client base

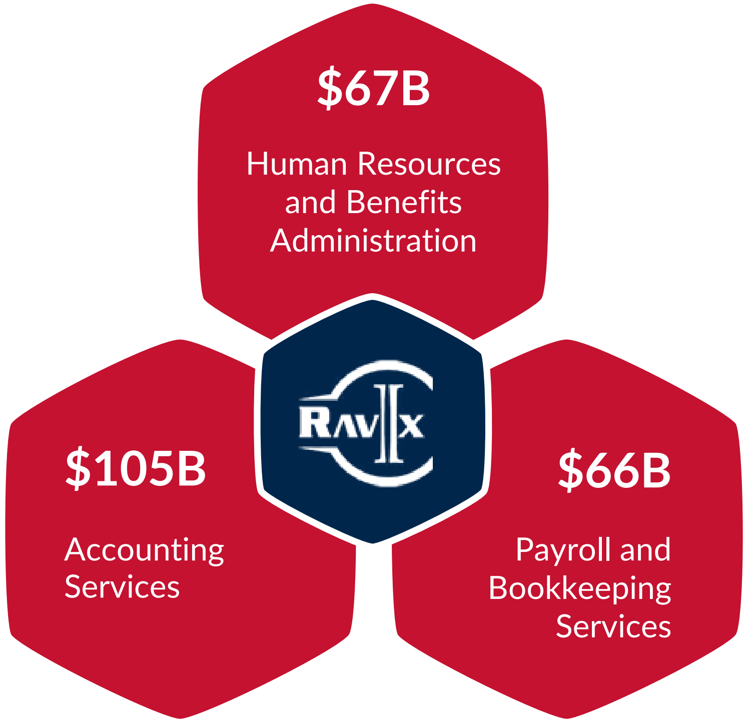
…and significant growth opportunities

- Increasing referral opportunities through expanded vendor partnerships
- Improving pricing discipline within existing client base
- Increasing cross sell of services within existing client base

(1) As of June 30, 2021. Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures.

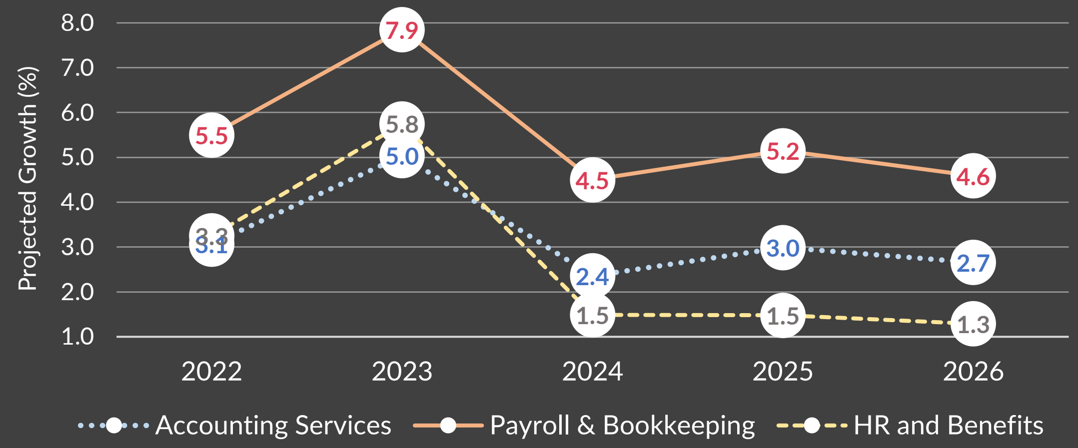
Industry Overview

Ravix sits at the intersection of three large, fragmented, and mature industries



...all projected to grow over the next five years aided by lasting secular tailwinds

Projected Industry Performance



Industry tailwinds

- Increase in demand for administrative outsourcing services
- Increase in regulatory and tax administration burdens
- Growth in overall US employment

Sources: IBISWorld Reports (Human Resources & Benefits Administration in the US, Payroll & Bookkeeping Services in the US, Accounting Services in the US)

Company History and Timeline

Ravix, a provider of outsourced accounting and human resources services, was founded in 2000 by Dan Saccani after he left David Powell Inc., the Silicon Valley's oldest outsourced financial services firm, where he spent ten years as a Vice President and ran the CFO practice.

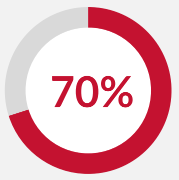
Originally offering only operational/strategic accounting and HR services, Ravix **has expanded its offering to include technical accounting, and liquidation/turnaround advisory services.**

Ravix has grown from **twelve employees at its inception to over sixty employees today.** Although most Ravix employees are based in the San Francisco Bay Area, beginning **in 2017, Ravix launched a remote model** and now has employees in Nevada, Idaho, Pennsylvania, and South Carolina.

- 2000 — Dan Saccani founds Ravix in San Jose, CA
- 2011 — Launches Technical Accounting Practice
- 2015 — Launches Advisory Services Practice
- 2017 — Hires first employee outside of Bay Area

Business Unit Detail

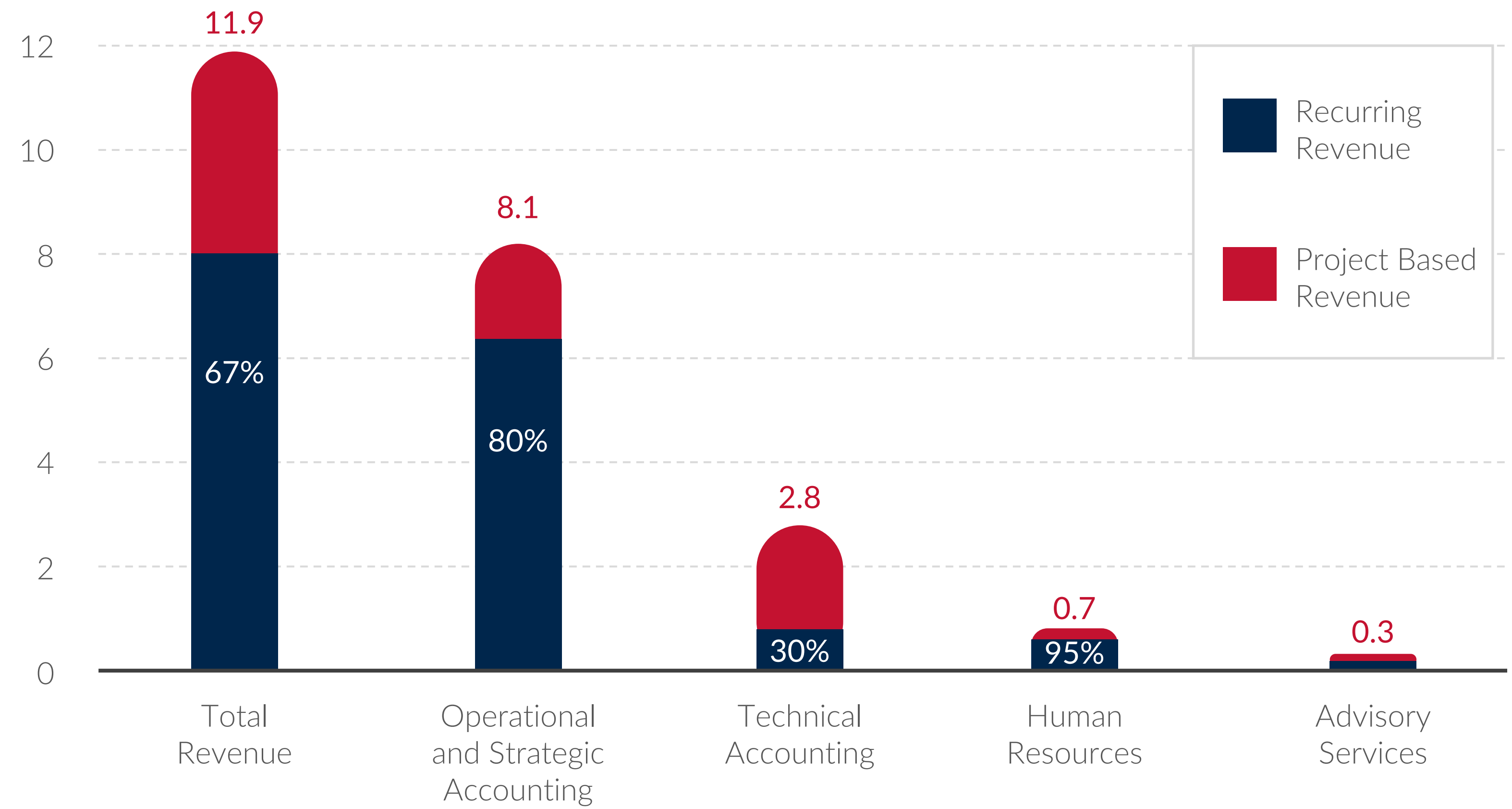
Business Unit	Description	% of 2020 revenue
Operational & Strategic Accounting	• Manages financial reporting, monthly closes, bookkeeping, accounts payable, and financial modeling and forecasting. • Provides strategic services including risk-management and insurance planning, long range planning, fundraising and investor relations	68%
Technical Accounting	• Assists with pre-IPO and S-1 preparations, debt and equity transaction accounting, financial statement preparation, and compliance (e.g. FASB/IFRS)	24%
Human Resources	• Manages payroll processing, benefits administration, hiring, and the establishment of HR policies • Assists with compensation planning and performance management	6%
Advisory Services	• Manages orderly wind-down and liquidation of clients, implements turnarounds, and serves as Assignee in Assignments for Benefit of Creditors	2%



Operational and Strategic Accounting, which is comprised of both the CFO and Financial Consulting practices, produces nearly 70% of Ravix revenue

Revenue Characteristics

2020 Revenue Composition by Type



of Ravix's revenue is open-ended recurring revenue

Recurring components of Technical Accounting include financial statement preparation (e.g. 10-K, 10-Q), and audit support.

Client Concentration

	% of 2020 Rev	2020 Revenue
Top Client	~5%	$591K
Top 5 Clients	~19%	$2.27M
Top 20 Clients	~50%	$5.91M
All Client (n=251)	100%	$11.82M

Ravix enjoys a fragmented base of ~250 clients, with none contributing greater than 5% of 2020 revenue

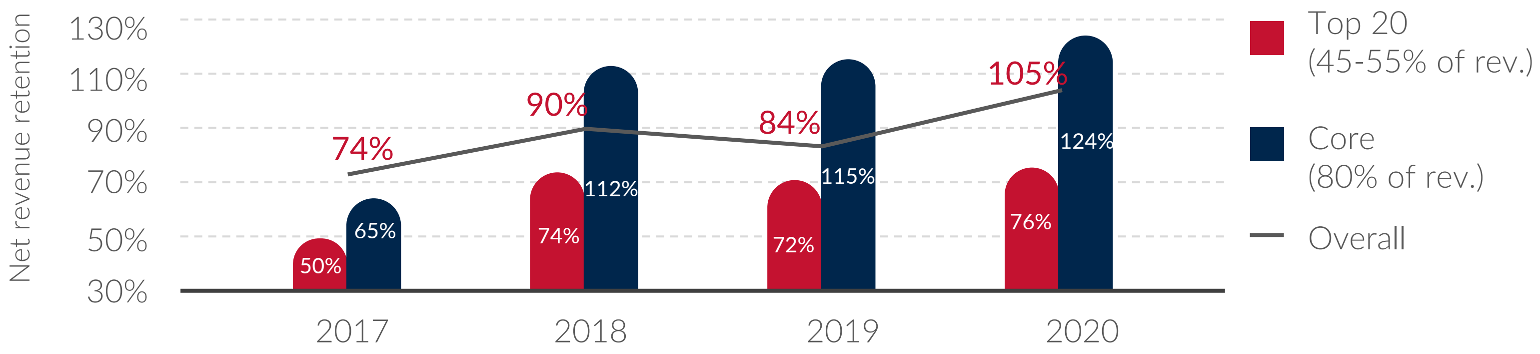
RAVIX GROUP INC.
Building Corporate Foundations

Client and Revenue Retention

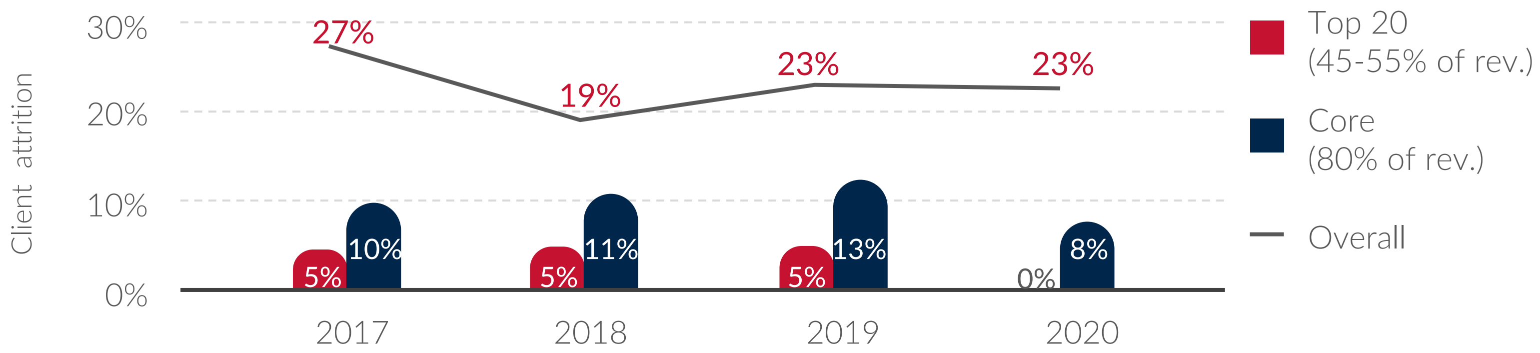
Ravix has outstanding revenue retention and low levels of attrition within core customer segment(1)

(1) Smallest number of customers producing 80% of Ravix's consulting revenue, i.e. the Pareto customer set

Net revenue retention year by segment



Attrition by year and segment



RAVIX GROUP INC. Building Corporate Foundations

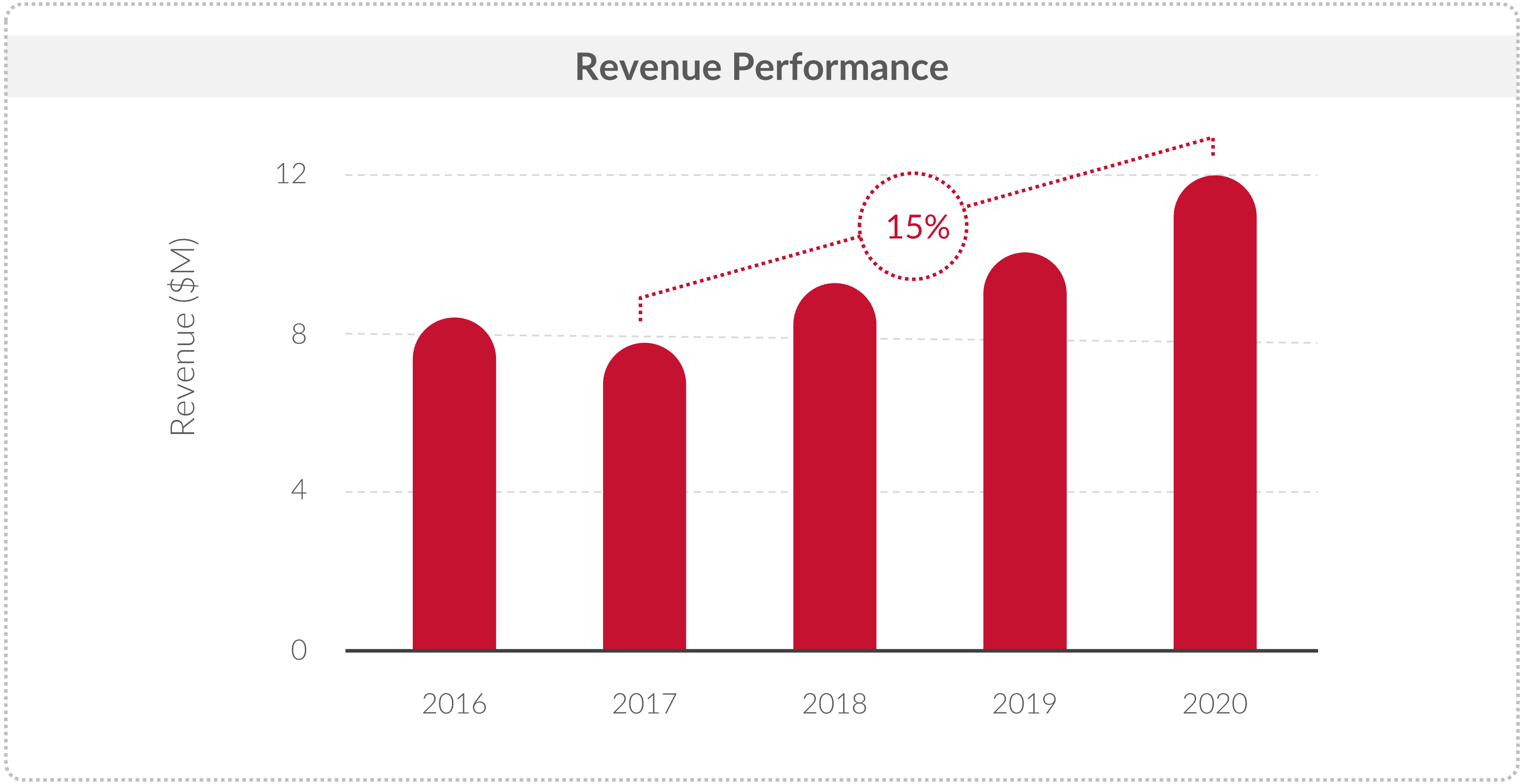
Ravix assists its clients with budgeting, forecasting, and strategic finance and therefore has **foresight into when and why a client may churn.**

Primary drivers of churn are:

- Client acquisition
- Client **insourcing** of Ravix capability
- Client **liquidation**
- Natural end of **project-based relationship**

Financial Performance - Revenue

Ravix was not materially impacted by COVID-19, growing 19% year-over-year in 2020. Historically, the company has grown at an annual rate of 15% from 2017-2020.



Management Plans

Following the closing of the transaction, Timi Okah will be joining Ravix Group as its President & Chief Executive Officer. In his role as President, Mr. Okah will oversee all commercial and operational aspects of Ravix Group in coordination with Kingsway management. The former CEO, Dan Saccani views Kingsway as providing an avenue to continue Ravix Group's legacy without being consumed into a larger competitor. Mr. Saccani remains with Ravix as Executive Director and will wind down his client book of business through the earn out period.

Mr. Okah joined Kingsway's CEO Accelerator Program in August 2020. Prior to joining Kingsway, he worked as a consultant at McKinsey & Company, where he served clients on a variety of topics ranging from growth strategy and pricing to operations. Prior to McKinsey, he worked in engineering roles at Salesforce and Intel Corporation.

Mr. Okah received his MBA with Distinction from Harvard Business School in 2018, and his Masters, and Bachelors, in Electrical Engineering in 2011 and 2010 respectively, both from Stanford University.

Growth Opportunities

	Details	Time horizon	Impact
Maintain pricing discipline	• Establishing tenure-based benchmark billing rates for positions and tracking on a per client basis and correcting rates on clients receiving above a threshold discount • Raise prices annually based on contract start instead of calendar year	**Immediate**	
Improve marketing	• Establishing marketing and social media capabilities to improve online presence and SEO • Utilizing Ravix's 'Employee Compensation & Ownership' survey for marketing and lead generation	**Short Term**	
Increase referral income	• Expanding partnerships to become certified implementers of ERP/Accounting systems • Improving penetration of existing partners services (e.g., Bill.com/ADP Benefits) within current client base	**Medium Term**	
Grow HR practice	• Improving low HR services penetration rates from current level of 19% within existing Accounting & Bookkeeping client base	**Medium Term**	
Diversify client base	• Developing clients outside of the Silicon Valley, e.g., in tech/startup hubs in Tier 2 cities • Diversifying client base into slower-growing lower risk churn e.g., SMB	**Medium Term**	
Develop fund raising service offering	• Creating a practice or service offering dedicated to helping startups raise capital and reduce churn in long-tail clients where this has been a major source of churn	**Long Term**	

Ravix can act immediately to improve revenues while prioritizing high-impact medium- and long-term initiatives

Ravix
Financial Overview

Ravix Acquisition Borrowings	Interest rate	Amortization	Maturity
$6.0m	**3.75%**	**10%/10%/15% 20%/20%/25%**	**2027**
$6 million as of 10/1/21 $1 million revolver undrawn	Prime + 0.50% (floor of 3.75%)	Starts at 10% for first 2 years	October 1, 2027

- In conjunction with the purchase of Ravix on 10/1/2021, executed a loan agreement with Avidbank
  - Term loan of $6 million that starts off with 10% amortization in the first two years, ultimately increasing to 25% in the final year
  - No prepayment fee after 10/1/2024
  - $1 million revolver undrawn at close, which matures October 1, 2023, having the same interest rate as the term loan
- The loan contains financial and other covenants
  - Fixed charge ratio: 1:15 to 1.00
  - Leverage ratio: 3.5x (through 9/30/2022); 3.0x thereafter

Real Estate

Real Estate: Overview

Real Estate Segment Strategy

We focus on zero cash flow CTL's with high quality assets and credit-worthy tenants.

Acquisitions are structured with relatively limited equity contribution and mortgage debt that is non-recourse to KFS.

We utilize KFS' tax attributes to absorb "phantom income" and build value via debt amortization.

Real Estate: CMC Industries

81%

Kingsway owns 81% of the stock of CMC Industries Inc.

192ac

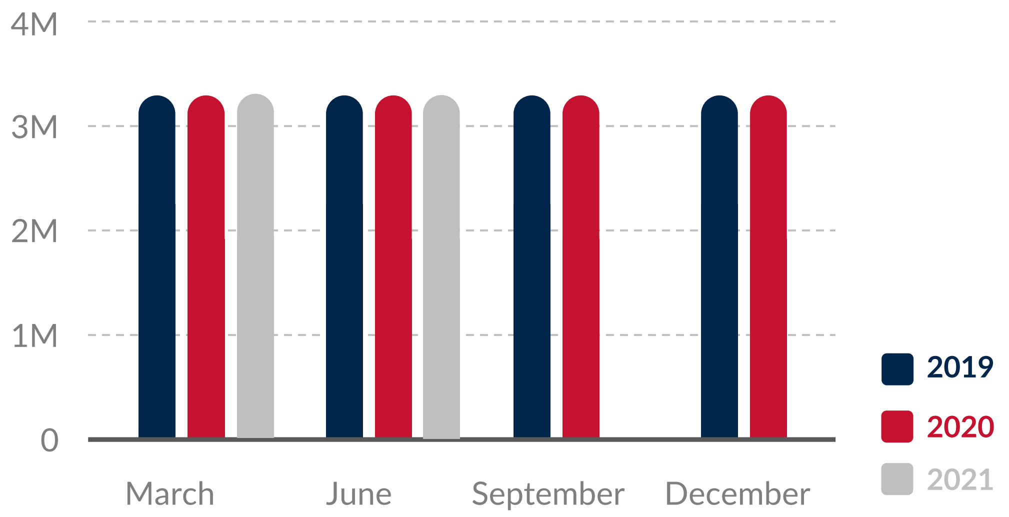
CMC owns, through an indirect wholly owned subsidiary, a parcel of real property consisting of approximately 192 acres located in the State of Texas. The property serves as a railcar storage in transit logistics facility and is subject to a long-term triple net lease agreement with BNSF.

$183m

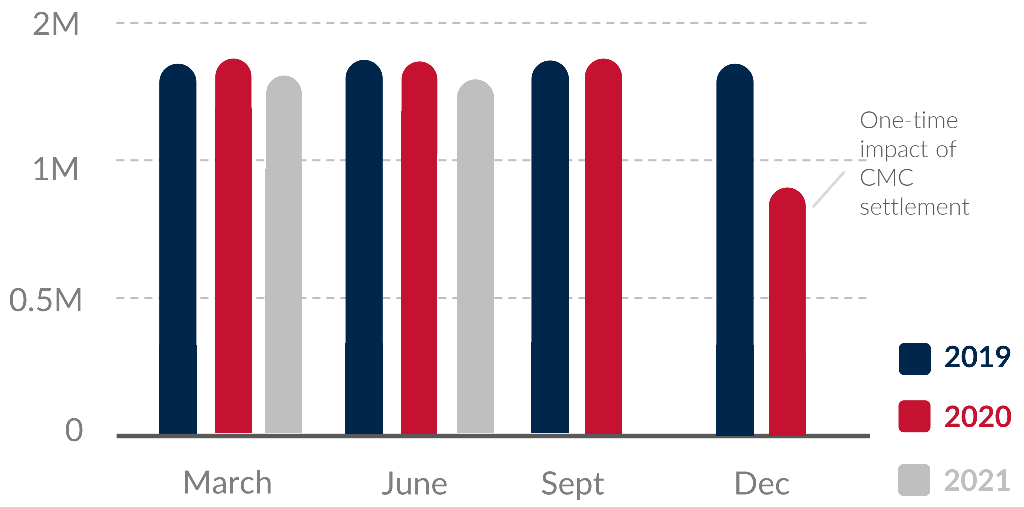
The property is subject to a primary mortgage with a principal balance of $164 million and an estimated fair value of $183 million. In Q2 2021, an additional mortgage was added that has a principal balance of $15 million and an estimated fair value of $15 million. The mortgages are nonrecourse with respect to CMC and is not guaranteed by Kingsway. (all amounts as of 6/30/2021)

Real Estate Financial Overview

Real Estate Revenue by Quarter



Real Estate Non-GAAP Adjusted Operating Income



Rents are contractually fixed with a credit-worthy tenant (BNSF, a subsidiary of Berskshire Hathaway)

Non-GAAP adjusted Operating Income is impacted by declining interest expense as principal is paid down

Arrangement allows Kingsway to monetize a significant portion of its NOLs

Kingsway actively seeking other opportunities where it would have a competitive advantage given its NOLs

Real Estate: RoeCo Lafayette, LLC

100%

Kingsway has entered into an Agreement to acquire 100% of the membership interests in RoeCo Lafayette, LLC.

29,224 sf

RoeCo Lafayette, LLC owns real property consisting of approximately 6.5 acres and a 29k s.f. building located in Lafayette, LA. The property serves as a medical and dental clinic for the Department of Veteran Affairs and is subject to a long-term triple net lease agreement.

$15.35m

The purchase price of the LLC interests is $15.35mm including the assumption of existing debt. The property is subject to non-recourse senior indebtedness of $11.85mm and junior indebtedness of $1.86mm.

Sum of the Parts Valuation

Sum of the Parts: Asset Management

(in millions)

	View	US GAAP Accounting	6/30/21 Balance Sheet	6/30/21 Economic Interest
Argo Search Fund ARGO Holdings	Strategic	Consolidated – fair market value	$3.3	$1.9
Equity Investments	Non-strategic	Fair market value	$0.2	$0.2
Real Estate Investments (LLCs)	Non-strategic	Consolidated – fair market value	$27.7	$18.8
Real Estate Investments (LLCs)	Non-strategic	Equity method	$2.4	$2.4
Other LLC Investments	Non-strategic	Equity method	$1.2	$1.2
Private Company Investments	Non-strategic	Adjusted cost	$0.8	$0.8
Total			**$35.6**	**$25.3**

- Argo partners with Search Fund entrepreneurs to find, acquire and build successful businesses for the long term
  - Fully invested, with 11 operating company investments and 16 active search fund investments
  - More details at https://www.argo-partners.com/
- Economic interest is adjusted to reflect the amount of any non-controlling interests and consolidation gross-ups
- Kingsway continues to look for ways to monetize the non-strategic investments in the most beneficial manner in order to redirect the capital into its ongoing business operations
  - In Q4 2020 and Q2 2021, Kingsway sold properties in one of the real estate LLCs that are consolidated, for combined gross proceeds of $54.4 million; after paying off outstanding debt, there was net cash of $4.7 million to Kingsway

Sum of the Parts: Holding Company

Trust preferred debt instruments ("TruPs")

- $90.5 million in principal owed ($58.2 million fair value as of 6/30/21) with redemption dates between late 2032 and early 2034
- Interest of LIBOR + ~400bps; interest payments can be deferred at Kingsway's option up to 20 quarters, and Kingsway has deferred interest payments since Q3 2018 for a total of $16.4 million (6/30/21)

Class A Preferred Stock

- 182,876 issued and outstanding; each share is convertible into 6.25 common shares at a conversion price of $4.00 per share any time at the option of the holder prior to April 1, 2021
- Each share accumulates dividends; any outstanding shares as of April 1, 2021 would be required to be redeemed by the Company for $25 per share, plus accumulated dividends, for a total redemption value of $6.8 million(1)

Warrants

- 4,923,765 outstanding as of 6/30/21
- Each warrant is entitled to purchase one common share for $5.00; all warrants expire September 15, 2023

Kingsway's corporate function includes the CEO, CFO, Legal, Internal Audit, Head of HR and accounting and finance personnel and is responsible for:

- Strategic oversight for all subsidiaries
- SEC and other regulatory requirements
- Budgeting, capital allocation and acquisitions
- Providing certain services to subsidiaries, as needed
- Execution of the annual audit in conjunction with Kingsway's independent auditor, Plante Moran

(1) Refer to the Appendix for a further discussion on the status of the redemption.

Sum of the Parts: Valuation

Management believes Kingsway's total intrinsic value should be viewed as a sum of its parts:

(in millions, except per share data)

	Estimated Value	Rationale	Commentary
Operating Companies (1)	\$197.7 to \$242.5	12x to 15x of TTM EBITDA (Extended Warranty); 6.7x Ravix	Based on observed multiples in private market transactions, as well as non-cash taxpayer status, management believes this range to be very reasonable
Real Estate (CMC)	\$35.0	Net present value of future cash flows	The Company recently settled outstanding litigation regarding how proceeds from the lease are to be distributed; this reflects that settlement and assumes a hypothetical sale in 2029
Argo search fund	\$1.9	Economic value	
Non-strategic investments	\$25.3	Economic value	
Amigo	\$2.0	Equity less deferred income tax asset	
NOLs	\$TBD see Commentary	NOLs of ~\$845 for which there is a ~\$177 DTA that is fully reserved	The NOLs expire between 2026 and 2037 and there is reasonable uncertainty that the NOLs will be consumed before they expire. However, a rational valuation mechanism could be to multiply the total U.S. net DTAs by a probability of realization
Total Assets	\$261.9 to \$306.7		
TruPs	(\$58.2)	Fair value of debt at 3/31/21	
OpCo debt, net (1)	(\$17.8)	Outstanding principal	CIBC debt as of 6/30/21 (\$23.5 million); Avidbank debt as of 10/1/21 (\$6 million), net of \$11.7 million of unrestricted cash (2)
Intrinsic value	\$185.9 to \$230.7	Total Assets, net of debt	
Intrinsic value per share	\$7.74 to \$9.60	24.0 million shares outstanding	NOLs not fully valued

(1) Extended Warranty companies, plus Ravix (2) Includes unrestricted cash across all of Kingsway.

Sum of the Parts: Balance Sheet

The Company's consolidating condensed balance sheet – assets – is comprised of the following as of June 30, 2021 (unaudited):

(in thousands)

	EW	Real Estate	Hold Co	Elims	Consolidated
Total Investments	$22,533	$-	$35,123	$-	$57,656
Cash and cash equivalents	4,612	1,165	11,316	-	17,093
Restricted cash	25,353	-	2,188	-	27,540
Accrued investment income	1,767	-	747	(1,614)	900
Service fee receivable, net of allowance	5,021	-	-	-	5,021
Other receivables, net of allowance	11,343	9,177	624	(7,000)	14,144
Deferred acquisition costs, net	9,106	-	-	-	9,106
Property and equipment, net	908	92,441	26	-	93,376
Right-of-use asset	2,213	-	347	-	2,560
Goodwill	56,128	60,983	732	3,446	121,289
Intangible assets, net	8,660	74,480	-	-	83,140
Other assets	3,279	11,548	841	-	15,668
Investment in sub	(0)	-	70,012	(70,012)	-
Intercompany	(275)	(113)	266	122	-
Total Assets	**$150,648**	**$249,682**	**$122,222**	**$(75,058)**	**$447,491**

Sum of the Parts: Balance Sheet

The Company's consolidating condensed balance sheet – investments – is comprised of the following as of June 30, 2021 (unaudited):

(in thousands)

	EW	Real Estate	Hold Co	Elims	Consolidated
Fixed maturities, at fair value	$21,602	$-	$-	$-	$21,602
Equity investments, at fair value	189	-	$32	-	221
Limited liability investments	292	-	$3,276	-	3,568
Limited liability investments, at fair value	-	-	$20,362	-	20,362
Investments in private companies, at adjusted cost	-	-	$791	-	791
Real estate investments, at fair value	-	-	$10,662	-	10,662
Other investments, at cost	288	-	-	-	288
Short-term investments, at cost	157	-	-	-	157
Total investments	$22,533	$-	$35,123	$-	$57,656

Sum of the Parts: Balance Sheet

The Company's consolidating condensed balance sheet – liabilities and equity – is comprised of the following as of June 30, 2021 (unaudited):

(in thousands)

	EW	Real Estate	Hold Co	Elims	Consolidated
Accrued expenses and other liabilities	$21,371	$1,608	$19,412	$(1,717)	$40,673
Income taxes payable	638	276	(726)	-	188
Deferred service fees	88,446	-	-	-	88,446
Unpaid loss and loss adjustment expenses	-	-	1,407	-	1,407
Bank loan	23,182	-	-	-	23,182
Notes payable	-	184,492	13,651	(7,000)	191,143
Subordinated debt, at fair value	-	-	58,218	-	58,218
Lease liability	2,441	-	373	-	2,814
Net deferred income tax liabilities	(2,920)	31,497	(144,919)	142,845	26,503
Total Liabilities	133,158	218,979	(52,584)	134,128	432,572
Redeemable Class A preferred stock	-	-	6,828	-	6,828
Shareholders' Equity:					
Shareholders' equity attributable to common shareholders	16,298	26,369	159,943	(209,187)	(6,577)
Noncontrolling interests in consolidated subsidiaries	1,192	5,441	8,036	-	14,669
Total Shareholders' Equity	17,490	31,810	167,979	(209,187)	8,092
Total Liabilities, Class A preferred stock and Shareholders' Equity	**$150,648**	**$249,682**	**$122,222**	**$(75,058)**	**$447,491**

Conclusion

We are building a holding company that aspires to compound intrinsic value per share at high rates over the long term through efficient operations and thoughtful, tax-advantaged capital allocation.

- Thoughtful capital allocation
- Apply operational and strategic support
- Partner with great management teams to acquire a portfolio of world-class businesses
- Tax advantaged cashflow

Appendix

Class A Preferred Stock: Redemption Status

As of June 30, 2021, there are 182,876 shares of the Company's Class A Preferred Stock issued and outstanding. Any outstanding Preferred Shares were required to be redeemed by the Company on April 1, 2021 ("Redemption Date") at a redemption value of $6.8 million, if the Company had sufficient legally available funds to do so.

The Company has exercised its right to defer payment of interest on its outstanding subordinated debt ("trust preferred securities") and, because of the deferral, the Company is prohibited from redeeming any shares of its capital stock while payment of interest on the trust preferred securities is being deferred.

If the Company was required to pay both the deferred interest on the trust preferred securities and redeem all the Preferred Shares currently outstanding, then the Company would not have sufficient liquidity and legally available funds to do so.

As such, the interest on the trust preferred securities will remain on deferral as permitted under the indentures and in accordance with Delaware law the Preferred Shares cannot be redeemed and will instead remain outstanding and continue to accrue dividends until such time as the Company has sufficient legally available funds to redeem the Preferred Shares and is not otherwise prohibited from doing so.

The Company continues to operate in the ordinary course. Management is currently exploring the following opportunities: negotiating with the holders of the Preferred Shares with respect to the Redemption Date and/or other key provisions, raising additional funds through capital market transactions, as well as the Company's continued strategy of working to monetize its non-core investments while attempting to maximize the tradeoff between liquidity and value received.

Reconciliation of GAAP Net Loss to Non-GAAP Adjusted (Loss) Income

(in thousands)

	TTM	For the Three Months Ended			
	6/30/21	6/30/21	3/31/21	12/31/20	9/30/20
GAAP Net Loss	**$(2,957)**	**$(256)**	**$899**	**$(2,478)**	**$(1,124)**
Non-GAAP Adjustments:					
(Gain) Loss on sale of non-core investments (1)	(21)	(71)	-	(51)	101
Change in fair value of investments (2)	(3,903)	(686)	353	(2,193)	(1,377)
Change in fair value of debt (3)	3,027	738	1,019	767	503
Litigation expenses (5)	1,876	-	344	997	535
Acquisition and disposition related expenses (6)	377	-	-	238	139
Employee termination and recruiting expenses (7)	171	-	160	-	11
Stock-based compensation expense (8)	3,667	735	1,699	1,106	127
Extraordinary audit and audit-related expenses (10)	76	-	-	-	76
Loss on extinguishment of debt (11)	851	-	-	851	-
CMC Settlement (12)	958	-	(645)	1,603	-
Amortization expense	2,137	496	497	572	572
Total Non-GAAP Adjustments	**9,216**	**1,212**	**3,427**	**3,890**	**687**
Non-GAAP Adjusted (Loss) Income (13)	**$6,259**	**$956**	**$4,326**	**$1,414**	**$(437)**

Reconciliation of GAAP Net Loss to Non-GAAP Adjusted (Loss) Income

(in thousands)

	TTM	For the Three Months Ended			
	6/30/20	6/30/20	3/31/20	12/31/19	9/30/19
GAAP Net (Loss) Income	**$(8,919)**	**$(1,421)**	**$(393)**	**$(3,098)**	**$(4,006)**
Non-GAAP Adjustments:					
(Gain) Loss on sale of non-core investments (1)	(353)	-	(60)	-	(293)
Change in fair value of investments (2)	934	(366)	(632)	(1,803)	3,736
Change in fair value of debt (3)	(2,001)	(202)	(2,645)	1,052	(610)
Equity in net (gain) loss of investee (4)	(1)	-	-	(127)	126
Litigation expenses (5)	1,349	19	1,141	124	65
Acquisition and disposition related expenses (6)	58	-	35	-	23
Employee termination and recruiting expenses (7)	1,119	46	295	715	63
Stock-based compensation expense (8)	592	131	171	145	145
Net loss from discontinued operations, net of taxes (9)	1,538	(6)	-	1,544	-
Extraordinary audit and audit-related expenses (10)	1,203	305	390	149	359
Impairment of assets	117	-	117	-	-
Amortization expense	2,498	573	573	676	675
Total Non-GAAP Adjustments	**7,053**	**904**	**(615)**	**2,475**	**4,289**
Non-GAAP Adjusted Loss	**$(1,866)**	**$(518)**	**$(1,009)**	**$(623)**	**$283**

Reconciliation of GAAP Net Loss to Non-GAAP Adjusted (Loss) Income: Notes

1. Represents realized gains and losses on the Company's non-core investments.
2. The Company has investments in several entities that are not essential to the ongoing operations and strategy of the Company. The investments are recorded at fair value and changes to fair value are recorded as unrealized gains or losses. See next slide.
3. The Company records its subordinated debt at fair value and changes to fair value (net of the portion of the change attributable to instrument-specific credit risk) are recorded as unrealized gains or losses.
4. Represents the Company's investment in the common stock of Itasca Capital Ltd. ("ICL"). The Company fully disposed of its investment in ICL during Q4 2019.
5. Legal expenses associated with the Company's defense against significant litigation matters.
6. Expenses related to legal, accounting and other expenses associated with completed and contemplated acquisitions and disposals.
7. Includes charges relating to severance and consulting agreements pertaining to former key employees. 2019 also includes key employee recruiting expenses.
8. Non-cash expense arising from the grant and modification of stock-based awards to employees. Q1 2021 includes new grants to certain officers of the Company, a portion of which vested upon grant. In Q4 2020, the Company modified an award previously granted to one of its Presidents, resulting in additional compensation expense associated with the change in fair value of the award.
9. Includes losses relating to the October 2018 completed sale of the Mendota group of companies. Refer to Note 5, Disposal and Discontinued Operations, to the Company's 2020 Annual Report on Form 10-K for further information.
10. Extraordinary audit and audit-related expenses incurred as a result of the delayed filing of the 2018 and 2019 Kingsway audited financial statements and related quarterly filings.
11. Early termination fees and write-off of unamortized debt issuance costs and discount associated with the early extinguishment of the 2019 KWH loan as part of the Company's purchase of PWI.
12. In March 2021, DGI, TRT LeaseCo and various other entities affiliated with each of them entered into a settlement agreement with respect to such litigation and certain other matters ("CMC Settlement Agreement"). As part of the settlement, the Company made a one-time fee payment to DGI of which $1.6 million relates to rental income collected in periods prior to 2020. In 2021, the Company recorded a benefit related to the finalization of management fees and legal expenses associated with the settlement of CMC litigation.
13. Includes a benefit of $2.5 million and $0.4 million from PPP loan forgiveness for the three months ended March 31, 2021 and December 31, 2020, respectively.

Reconciliation of GAAP Net Loss to Non-GAAP Adjusted (Loss) Income: Note 2

(in thousands)

	TTM	For the Three Months Ended			
	6/30/21	6/30/21	3/31/21	12/31/20	9/30/20
(Gain) loss on change in fair value of limited liability investments, at fair value	$(2,798)	$(731)	$202	$(1,995)	$(274)
Net change in unrealized (gain) loss on private company investments	74	-	-	-	74
(Gain) loss on change in fair value of equity securities	(1,179)	45	151	(198)	(1,177)
Total	**$(3,903)**	**$(686)**	**$353**	**$(2,193)**	**$(1,377)**

	TTM	For the Three Months Ended			
	6/30/20	6/30/20	3/31/20	12/31/19	9/30/19
(Gain) loss on change in fair value of limited liability investments, at fair value	$361	$123	$(1,899)	$(1,219)	$3,356
Net change in unrealized (gain) loss on private company investments	1,013	-	670	-	343
(Gain) loss on change in fair value of equity securities	(439)	(489)	597	(584)	37
Total	**$935**	**$(366)**	**$(632)**	**$(1,803)**	**$3,736**

Reconciliation of GAAP Reported Revenue to Pro Forma Revenue

(in thousands)

	TTM	For the Three Months Ended			
	6/30/21	6/30/21	3/31/21	12/31/20	9/30/20
GAAP Reported Revenue	76,930	$22,096	$22,020	$17,399	$15,415
PWI pro forma revenue (1)	12,146	-	-	4,748	7,398
Pro Forma Revenue	**89,076**	**$22,096**	**$22,020**	**$22,147**	**$22,813**
Extended Warranty Reported Revenue	**$63,421**	**$18,755**	**$18,641**	**$14,007**	**$12,018**
PWI pro forma revenue (1)	12,146	-	-	4,748	7,398
Pro Forma Extended Warranty Revenue	**$75,567**	**$18,755**	**$18,641**	**$18,755**	**$19,416**

	TTM	For the Three Months Ended			
	6/30/20	6/30/20	3/31/20	12/31/19	9/30/19
GAAP Reported Revenue	$59,869	$13,779	$14,669	$15,066	$16,355
PWI pro forma revenue (1)	31,249	7,601	$7,920	7,809	7,919
Pro Forma Revenue	**$91,118**	**$21,380**	**$22,589**	**$22,875**	**$24,274**
Extended Warranty Reported Revenue	**$46,311**	**$10,438**	**$11,260**	**$11,666**	**$12,947**
PWI pro forma revenue (1)	31,249	7,601	$7,920	7,809	7,919
Pro Forma Extended Warranty Revenue	**$77,560**	**$18,039**	**$19,180**	**$19,475**	**$20,866**

(1) Includes amounts related to PWI prior to acquisition: for 2020 January through November; for 2019 April through December.

Pro Forma Non-GAAP Adjusted (Loss) Income by Quarter

(in thousands)

	TTM	For the Three Months Ended			
	6/30/21	6/30/21	3/31/21	12/31/20	9/30/20
GAAP Net Loss	($2,959)	($256)	$899	$(2,478)	$(1,124)
Total Non-GAAP Adjustments (1)	9,216	1,212	3,427	3,890	687
Non-GAAP Adjusted (Loss) Income	**$6,257**	**$956**	**$4,326**	**$1,412**	**$(437)**
PWI pro forma net income (2)	792	-	-	573	219
Pro Forma Non-GAAP Adjusted (Loss) Income (3)	**$7,049**	**$956**	**$4,326**	**$1,985**	**($218)**

	TTM	For the Three Months Ended			
	6/30/20	6/30/20	3/31/20	12/31/19	9/30/19
GAAP Net (Loss) Income	$(8,923)	$(1,421)	$(393)	$(3,098)	$(4,006)
Total Non-GAAP Adjustments (1)	7,053	904	(615)	2,475	4,289
Non-GAAP Adjusted (Loss) Income	**$(1,865)**	**$(517)**	**$(1,008)**	**$(623)**	**$283**
PWI pro forma net income (2)	2,097	1,156	551	421	(31)
Pro Forma Non-GAAP Adjusted Loss	**$232**	**$639**	**$(457)**	**$(202)**	**$252**

(1) See previous slides for a full list of adjustments.
(2) Includes amounts related to PWI prior to acquisition: for 2020 January through November; for 2019 January through December.
(3) Includes a benefit of $2.5 million and $0.4 million from PPP loan forgiveness for the three months ended March 31, 2021 and December 31, 2020, respectively.

Reconciliation of Operating (Loss) Income to Non-GAAP adjusted Operating Income: Real Estate

(in thousands)

	TTM	For the Three Months Ended			
	6/30/21	6/30/21	3/31/21	12/31/20	9/30/20
Operating (Loss) Income	($2,948)	$(2,302)	$1,293	$(2,738)	$799
Depreciation	4,148	1,037	1,037	1,037	1,037
Other Adjustments (1) (2)	4,829	2,847	(645)	2,576	51
Non-GAAP adjusted Operating Income Real Estate Segment	**$6,029**	**$1,582**	**$1,685**	**$875**	**$1,887**

	TTM	For the Three Months Ended			
	6/30/20	6/30/20	3/31/20	12/31/19	9/30/19
Operating Income	$2,991	$838	$597	$773	$783
Depreciation	4,148	1,037	1,037	1,037	1,037
Other Adjustments (1)	390	19	253	69	49
Non-GAAP adjusted Operating Income Real Estate Segment	**$7,529**	**$1,894**	**$1,887**	**$1,879**	**$1,869**

(1) Includes legal expenses associated with the Company's defense against significant litigation matters. Q1 2021 and Q4 2020 also include ($645) and $1,603, respectively, related to a settlement agreement with respect to litigation and certain other matters ("CMC Settlement Agreement").
(2) Q2 2021 includes $2.9 million expense due to the release of an indemnification receivable, which is exactly offset by an income tax benefit of $2.9 million for the release of a liability that had been included in income taxes payable in the consolidated balance sheets.

Reconciliation of GAAP Operating Income (Loss) for Extended Warranty Segment

(in thousands)

	TTM	For the Year Ended					
	6/30/21	2020	2019	2018	2017	2016	2015
GAAP Operating Income (loss) for Extended Warranty segment (1)	**$12,378**	**$6,605**	**$4,611**	**$4,215**	**$3,700**	**$449**	**$(686)**
Non-GAAP Adjustments:							
Investment income, gain (loss) on sale of core investments (2)	275	490	681	479	442	100	6
Other Items (3)	-	117	-	-	-	941	-
Depreciation	234	280	205	150	155	139	55
Total Non-GAAP Adjustments	509	887	886	629	597	1,222	162
Non-GAAP adjusted EBITDA for Extended Warranty segment	**$12,887**	**$7,492**	**$5,497**	**$4,844**	**$4,296**	**$1,671**	**$(517)**
PWI pro forma operating income (4)	2,010	5,474					
PWI pro forma depreciation (4)	43	69					
Pro forma Non-GAAP adjusted EBITDA for Extended Warranty segment	**$14,940**	**$13,035**					

(1) Includes one month of PWI operating income for the three months ended December 31, 2020 and excludes PWI for prior periods. Excludes the impact of final purchase accounting adjustments for PWI, which will be completed in 2021. Also includes a benefit of $2.2 million and $0.4 million from PPP loan forgiveness for the three months ended March 31, 2021 and December 31, 2020, respectively.

(2) Investment income arising as part of Extended Warranty segment's minimum holding requirements, as well as realized gains (losses) resulting from investments held in trust as part of Extended Warranty segment's minimum holding requirements.

(3) 2020 includes the impairment of an asset, while 2016 includes severance and an agreement with former owners.

(4) Includes amounts related to PWI prior to acquisition (January through November 2020).

Reconciliation of Ravix GAAP Income before Income Taxes to Non-GAAP Adjusted EBITDA

(in thousands)

	TTM 6/30/21
Ravix GAAP Income before Income Taxes	**$1,877**
Non-GAAP Adjustments:	
Depreciation and Amortization	-
Interest	-
Non core revenue (1)	(142)
Wages and benefits (2)	1,021
Total Non-GAAP Adjustments	879
Non-GAAP adjusted EBITDA (3)	**$2,756**

(1) Revenue associated with services not expected to be delivered in the future.
(2) Includes wages and benefits related to former executives.
(3) Includes PPP Loan forgiveness of $0.5 million in the quarter ended December 31, 2021.