KINGSWAY

NYSE: KFS

Investor Presentation
January 2023

Efficient Operations, Thoughtful Capital Allocation

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 2021 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 2021 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 income (loss) and non-GAAP adjusted EBITDA ("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 income (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 income (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 income (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 income (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.

Investment Highlights

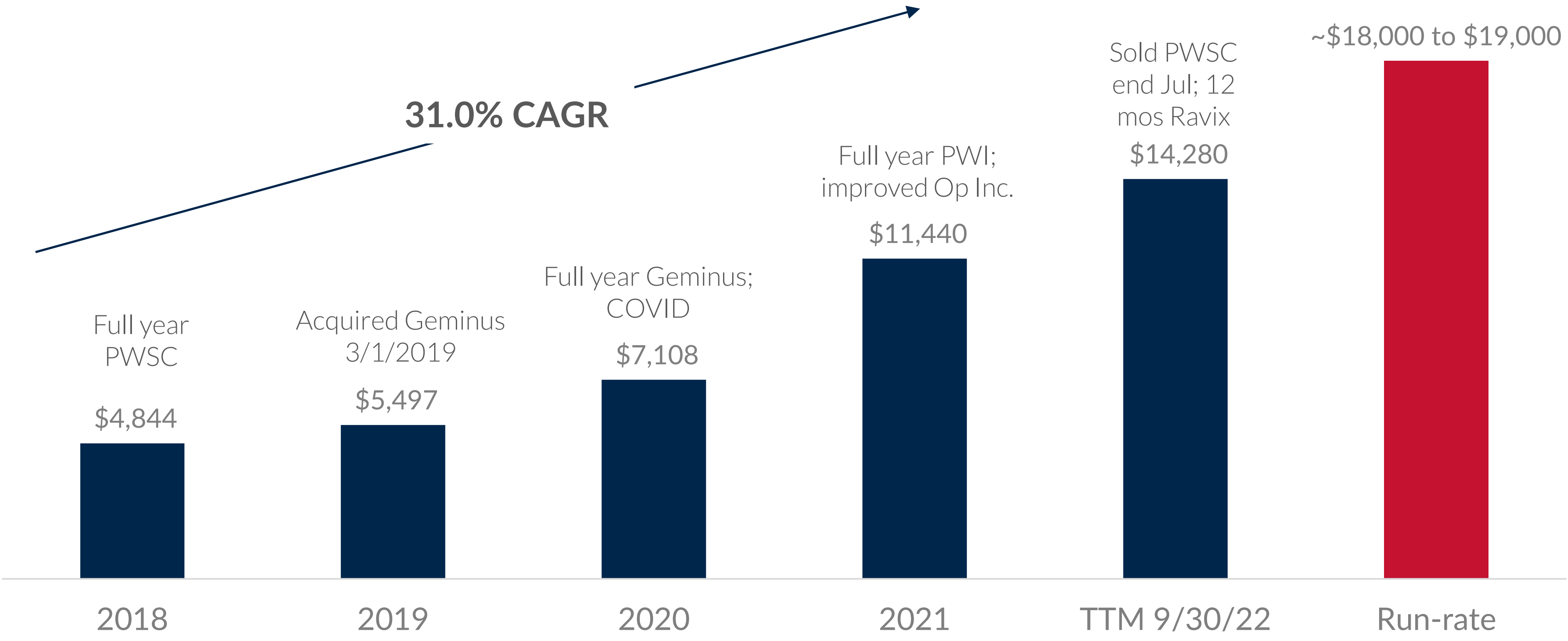
1. A collection of recurring revenue, high margin, asset-light, growing businesses
2. Adjusted EBITDA Run-rate of approximately $18 to $19 Million[(1)]
3. Approximately $792 Million[(2)] in Net Operating Losses (NOLs) for tax-advantaged cash flow
4. Disciplined M&A via Xcelerator "Search Fund" engine… powerful platform for rapidly growing EBITDA and compounding capital at high rates
5. Substantial insider buying in recent years
6. Going from complex to simple

(1) Includes Extended Warranty, Ravix as well as the CSuite and Secure Nurse Staffing acquisitions (November 2022). Refer to the Appendix for a reconciliation of GAAP to Non-GAAP measures. (2) As of 9/30/22

Strong Track Record of OpCo Adjusted EBITDA Growth

In Thousands

Annual OpCo Adjusted EBITDA[(1)(2)(3)]



(1) Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures. TTM 9/30/22 includes only 10 months of PWSC.
(2) Adjusted EBITDA includes Extended Warranty and Ravix.
(3) Run-rate includes Extended Warranty, Ravix as well as the CSuite and Secure Nurse Staffing acquisitions (November 2022).

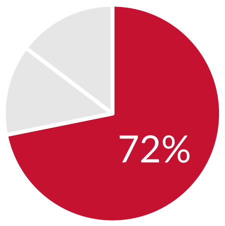
Quality Operating Companies

Core businesses are asset-light, generate recurring revenue operating in growing industries

Operating Companies

Extended Warranty

9/30/22 TTM Revenue



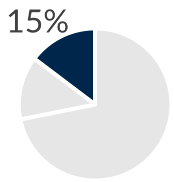
$76.3M[1]
Revenue

13.7%
Op. Margin

- Four operating businesses
- Vehicle service agreements; HVAC, standby generator, commercial LED lighting and refrigeration warranties and maintenance
- Large growing market - U.S. focused
- “Capital light” and scalable
- Focused on increasing volumes through existing networks
- Opportunistic M&A

Search Xcelerator

9/30/22 TTM Revenue



$15.6M[2]
Revenue

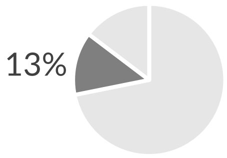
18.6%
Op. Margin

- Recruit talented, entrepreneurial managers
- Supporting recruits’ efforts to buy great operating companies within Kingsway utilizing 'search fund' model
- Applying strategic operating and capital allocation oversight
- PWSC proof of concept
- First acquisition: Ravix acquired 10/2021

Non-Core Assets

Leased Real Estate

9/30/22 TTM Revenue



$14.3M
Revenue

28.9%
Op. Margin

- Sold railyard assets (“CMC”) in Dec 2022 for net cash of $21.4M
- Still own the VA Clinic; **mortgage debt is non-recourse to KFS**
- Utilize NOLs to absorb phantom income and build value via debt amortization
- Due to sale of CMC and intent to sell VA Clinic, entire segment will be reflected as discontinued operations

(1) Includes $6.9M of revenue from PWSC, which was sold in July 2022

(2) Excludes results related CSuite and Secure Nurse Staffing, which were acquired in November 2022

Strategy

Powerful flywheel can significantly grow Adjusted EBITDA both organically and through acquisitions in a tax-advantaged structure

Organic Growth

Grow and Improve Portfolio of Businesses

- Leverage existing networks
- Use incentives to increase customer 'stickiness'
- Target new customers in existing and new geographic markets
- Introduce new products

Growth through Acquisitions

Search Xcelerator

- Utilizing proven framework to identify targets
- "Searchers" seek targets with EV of $10 to $30 million
- Upon closing, Searchers transition to CEO to run the acquired business on behalf of KFS

Extended Warranty

- Opportunistic M&A of 'add-ons' and new distribution platforms

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

IWS

iwsgroup.com

Founded in 1991
Acquired in 2012

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 Preferred Warranties Inc.

preferredwarranties.com

Founded in 1992
Acquired in 2020

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.

PWC Penn Warranty Corporation

pennwarranty.com

Founded in 1988
Acquired in 2019

Penn primarily sells vehicle service agreements via used car dealerships in 32 states.

Mechanical

Trinity

trinitywarranty.com

Founded in 2009
Acquired in 2013

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

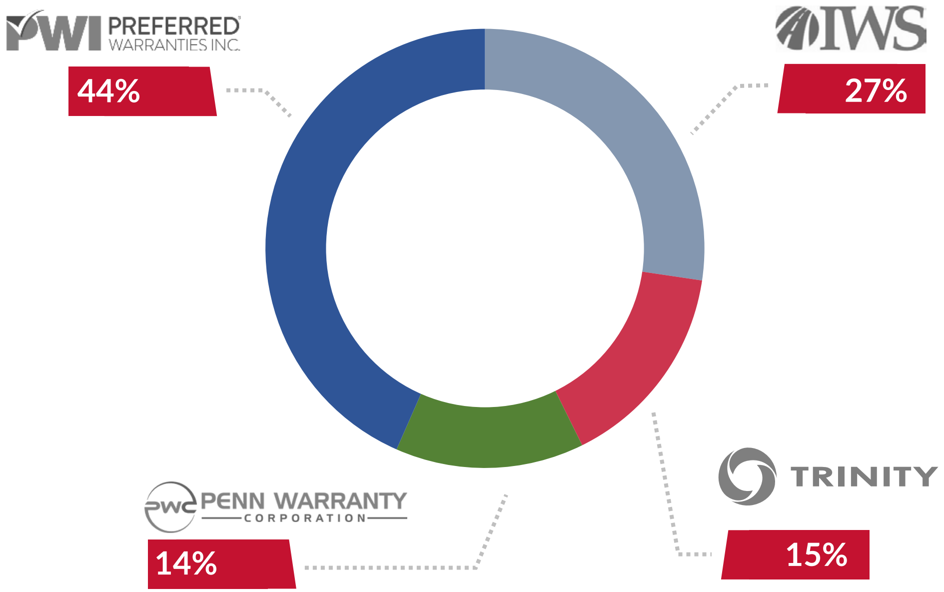
Continually Searching for Opportunities that Complement Our Existing Offerings

	Automobile	Mechanical
Our Businesses	PWI, IWS, Geminus	TWS
Services	Vehicle Service Agreements	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)	HVAC distributors; commercial and residential contractors; maintenance support directly through corporate owners of retail spaces
% of EW Revenue(1)	85%	15%
Market Dynamics	New and used automobile market; IWS distributes through credit unions, which are becoming a more popular alternative to traditional banks	Demand for HVAC and related products; U.S. retail market
Our Advantage	Strong relationships with existing dealers and credit unions; use of incentive programs to increase "stickiness"; strong, long-standing relationships with regulators and insurers	Experienced leadership team with deep knowledge of the industry and customers
Our 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	Continue to grow the higher margin warranty products segment through existing and new customers

(1) Excluding PWSC revenue

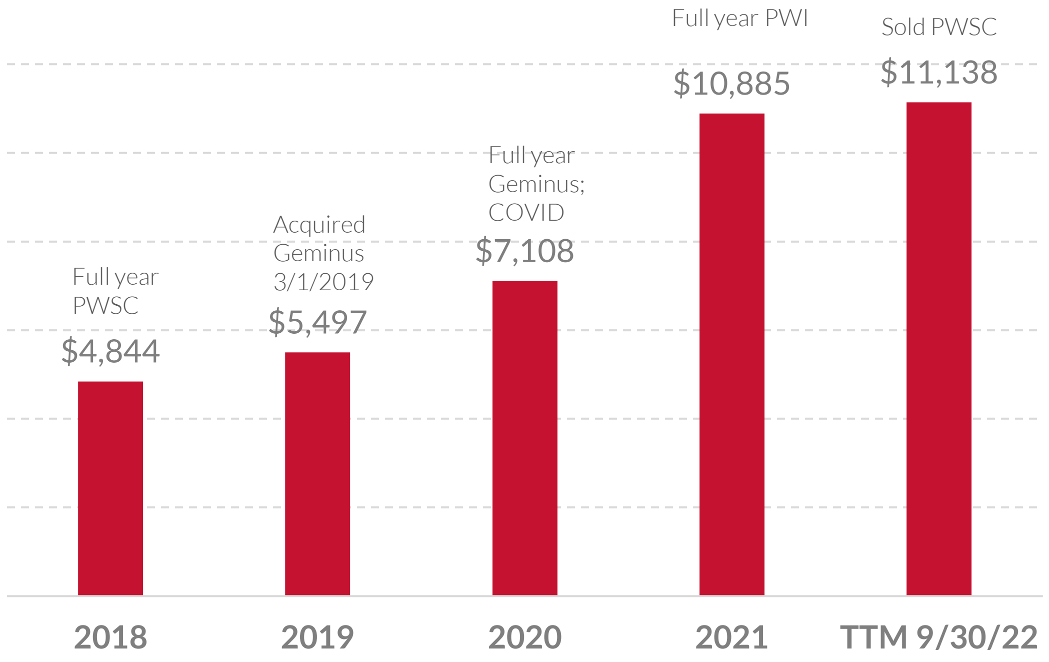
Extended Warranty Financial Overview

TTM Pro Forma Revenue 9/30/22[1]



Warranty Segment Adjusted EBITDA[2]

In Thousands



(1) Pro forma excludes the revenue of PWSC, which was sold in July 2022. (2) Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures. TTM 9/30/22 includes only 10 months of PWSC.

Kingsway Search Xcelerator

Kingsway Search Xcelerator

Entrepreneurship through acquisition

Building a great company focused on long-term value creation

Partner with great entrepreneurs

Aiming for 4 to 5 active searchers at any given time

Acquire

Seeking 2 to 3 acquisitions per year with $1.5 to $3.0M in Adjusted EBITDA

Apply operational and strategic support

Formed a Strategic Advisory Board in 2022

Compound capital at high rates of return

Xcelerator Executives

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 now oversees CSuite, which was acquired on November 1, 2022. Mr. Okah joined Kingsway in August 2020 as a member of Kingsway's Search Xcelerator 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 Business School.

Charles Mokuolu

President & CEO, Secure Nursing Service, Inc.

Mr. Mokuolu serves as CEO of Secure Nursing Service Inc., a Kingsway subsidiary following Kingsway's acquisition of SNS on November 18, 2022. Mr. Mokuolu joined Kingsway in June 2021 as a member of Kingsway's Search Xcelerator Program. 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.

Ravix Acquisition

Acquired Ravix Financial, Inc. for $11 Million (~4.0X TTM Adjusted EBITDA)

Company Profile

Ravix is a provider of outsourced accounting and human resources services

$15.6M
TTM 9/30/22
Revenue

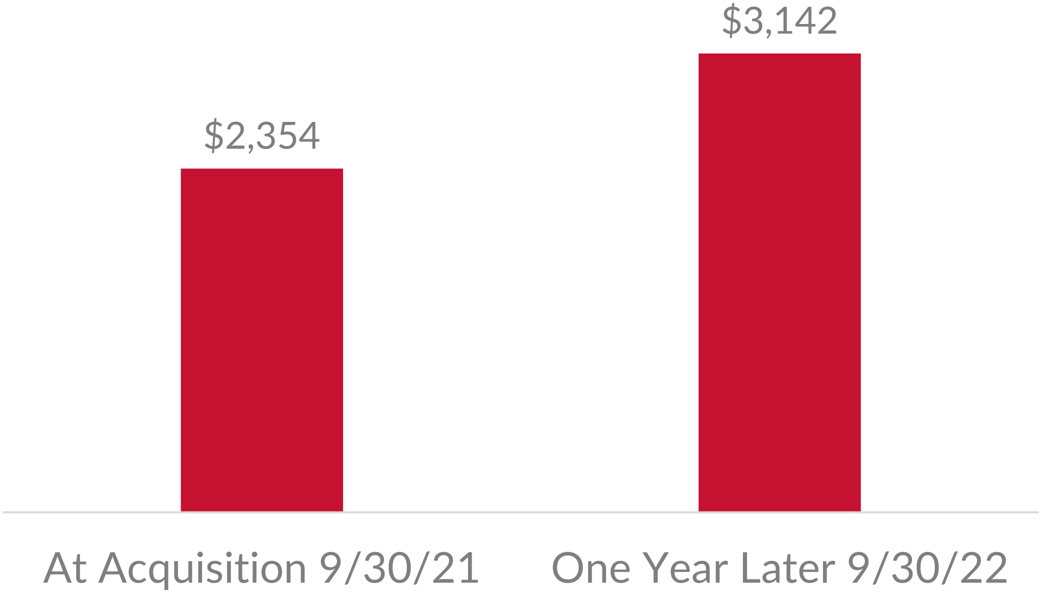
17.6%
Annual Growth
(2019-2022)

- ✓ Stable revenue, consistent historical growth
- ✓ Low capital intensity
- ✓ Solid base of recurring revenue
- ✓ Strong industry tailwinds
- ✓ Serving fragmented markets that are all expected to grow over next five years

One Year Post-Acquisition

One year later, Adjusted EBITDA(1) is up 33%

In Thousands



(1) Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures.

CSuite Partners Acquisition

On 11/1/2022 Acquired CSuite Financial Partners for $8.5 Million (~4.5X TTM Adjusted EBITDA)

Company Profile

CSuite is a national, financial executive services firm that provides financial management leadership

$9.4M(1) Revenue

$0.9M(1) GAAP Income

$1.8M(1)(2) Adjusted EBITDA

- ✓ Immediately accretive
- ✓ Low capital demands
- ✓ Solid base of recurring revenue
- ✓ Strong margins in a growing industry
- ✓ Complementary to Ravix

Terms of the Transaction

- ✓ $8.5 million paid at close, earnout potential
- ✓ Secured $6.0 million in bank financing to achieve target capital structure for Ravix and CSuite

This is the SECOND acquisition under Xcelerator Program, to be run alongside Ravix

(1) Unaudited for the twelve months ending July 31, 2022. (2) Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures.

SNS Acquisition

On 11/18/2022 Acquired Secure Nursing Service, Inc. for $10.9 Million (~4.0X TTM Adjusted EBITDA)

Company Profile

SNS employs highly-skilled medical staff for assignment in hospitals located in Southern California

$19.7M(1) Revenue

$2.6M(1) GAAP Income

$2.7M(1)(2) Adjusted EBITDA

- ✓ Immediately accretive
- ✓ Low capital demands
- ✓ Solid base of recurring revenue

Terms of the Transaction

- ✓ $10.9 million paid at close, no earnout
- ✓ Secured $6.5 million bank term loan
- ✓ $1.0 million revolver, undrawn at close

This is the THIRD acquisition under Xcelerator Program, to be run alongside Ravix

(1) Unaudited for the twelve months ending June 30, 2022. (2) Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures.

Xcelerator OIR's

Peter Dausman

Operator-in-Residence
CEO Accelerator

Mr. Dausman joined Kingsway in the summer of 2021 as our third Operator-in-Residence in the Search Xcelerator 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.

Drew Richard

Operator-in-Residence
CEO Accelerator

Mr. Richard joined Kingsway in August of 2022 as our fourth Operator-in-Residence in the Search Xcelerator Program. Prior to joining Kingsway, Mr. Richard worked in a variety of roles at Chevron Corporation including business development, strategy and business performance. Prior to Chevron, Mr. Richard was an officer and Apache helicopter pilot in the United States Army. Mr. Richard received a Bachelor of Science degree from the United States Military Academy at West Point and is an MBA graduate of Harvard Business School. Mr. Richard is a CFA charterholder.

Xcelerator OIR's

Phillip Furbay

Operator-in-Residence
CEO Accelerator

Mr. Furbay joined Kingsway in the winter of 2022 as our fifth Operator-In-Residence in the Search Xcelerator program. Prior to joining Kingsway, he led his own startup efforts and managed a traditional search fund. Phil previously worked in private equity for the Riverside Company where he completed investments across the business services, technology, manufacturing, distribution, and consumer products industries. Mr. Furbay began his career in the investment banking analyst program of Stephens Inc and holds a BBA in Finance from Ohio University.

Kingsway Search Xcelerator

Strategic Advisory Board

Thomas P. Joyce, Jr.

Mr. Joyce most recently served as President, Chief Executive Officer, and Director of Danaher Corporation, from which he retired in 2020. Prior to becoming CEO, Mr. Joyce held multiple executive positions during his 31-year career at Danaher. Mr. Joyce currently serves on the boards of Roper Technologies, Inc., College of the Holy Cross, MedStar Health, Inc., and The Economic Club of Washington.

William N. Thorndike, Jr.

Mr. Thorndike is the Managing Partner of The Cromwell Harbor Partnership, a private investment company with a variety of long-term holdings. Prior to Cromwell Harbor, Thorndike founded Housatonic Partners, a leading private equity firm with offices in Boston and San Francisco. He is Chairman of the Board at CNX Resources, and the Co-Chairman of EverArc Holdings. He is a Founder and Jury Member for The Singleton Prize for CEO Excellence. He is the author of The Outsiders: Eight Unconventional CEOs and Their Radically Rational Blueprint for Success.

Kingsway Search Xcelerator

Case Study: PWSC

PWSC
HOME EXPERTS

Investment Details

- Acquired the business in November 2017
- Purchase Price: $10 million
  - $5 million preferred equity, $5 million senior debt
- Tyler Gordy installed as CEO with "searcher" incentives
- Sold the business in July 2022 to PCF Insurance Services
- Sale Price: $51 million + earnout
  - 12-month earnout: 5X any EBITDA in excess of Closing EBITDA
  - No indemnity escrow
- 11.8X gross MOIC, 76% gross IRR
- 10X net MOIC, 67% net IRR

Motivating factors to sell

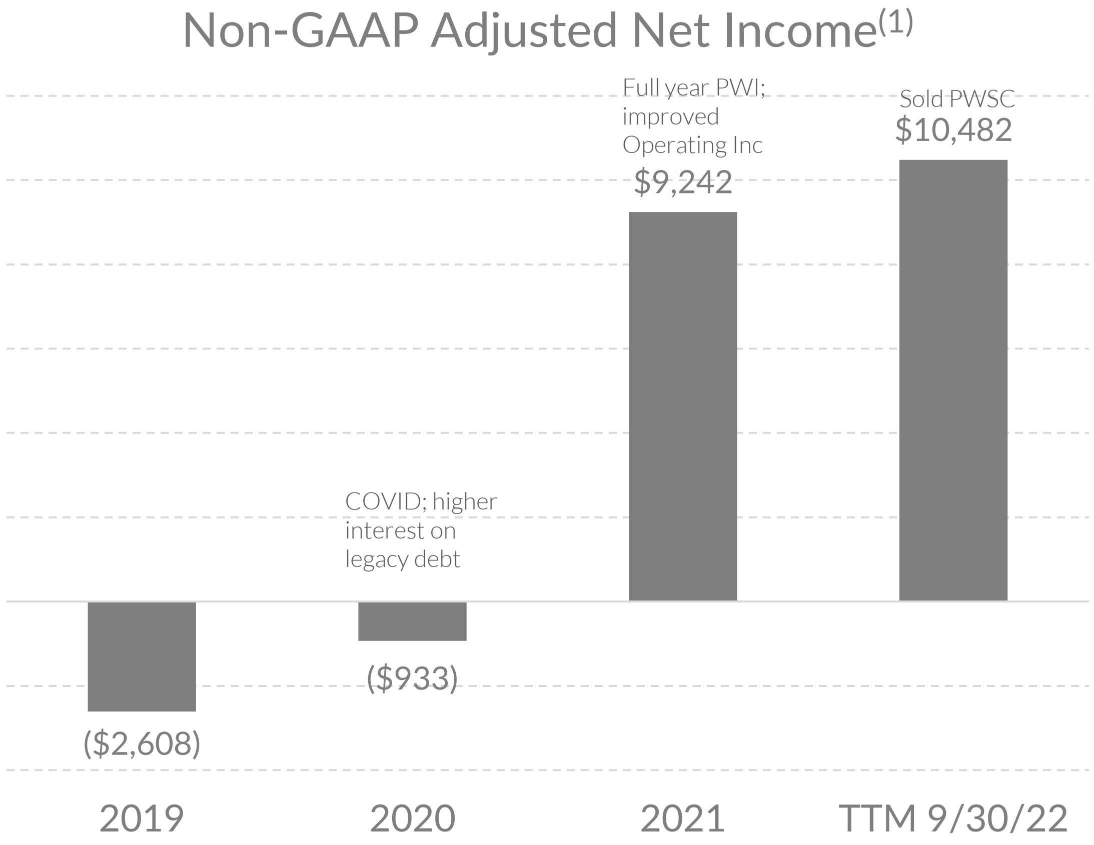
- Significant inbound interest
- Opportunity to redeploy capital immediately and an accretive manner
- Validation of KSX strategy
- Opportunity to monetize NOL's through gain on sale

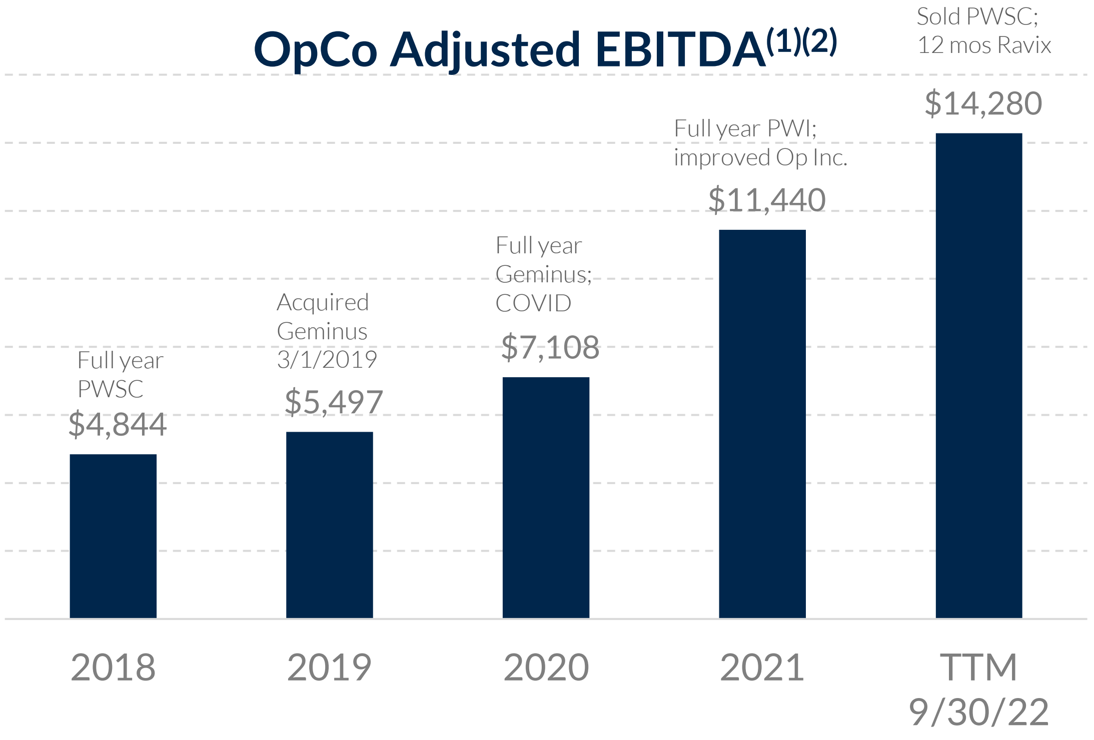
Kingsway Financial Overview

Financial Overview: Profitability

Continuing to Generate Value for Our Shareholders

In Thousands





(1) Refer to the Appendix for a reconciliation of GAAP to non-GAAP measures. TTM 9/30/22 includes only 10 months of PWSC. (2) Adjusted EBITDA includes Extended Warranty and Ravix.

Improving the Balance Sheet

Positioning for new acquisitions

1 PWSC

Professional Warranty Services Corp. (PWSC)

- Sold for $51.2M
- Net cash proceeds of $37.2M
- Represents 10x ROI

Increased cash by $37.2M

2 Real Estate

Investment real estate

- Sold Flower Portfolio for net cash proceeds of $5.8M
- Sold CMC railyard for net cash proceeds of $21.4M

Increased cash by $27.2M
Reduces debt by $183.2M[(1)]

3 Repurchase Subordinated Debt

"TruPs"

- Options to repurchase 5 of 6 trust preferred debt instruments for $59.4M
- Options expire May 2023

Would reduce debt by $75.5M (principal) and deferred interest of $19.3M[(1)]

(1) Values as of 9/30/22. Real debt reduction is carrying value.

From Complex to Simple

Simplifying the financial statements and capital structure

Challenge[1]

Notes Payable debt was $199.6M, now $16.4M

Real estate assets and associated debt are consolidated onto the company's balance sheet

Trust Preferred ("Trups")

$90.5M of principal plus $23.2M of accrued interest.

Capital structure is complex

3.8M[2] warrants outstanding with a $5 strike; 150K shares of Class A preferred stock with a redemption value of $5.9M

Mitigation[1]

Continue to sell real estate properties

Only remaining note payable of $16.4M is non-recourse to Kingsway and is related to the VA Clinic.

Repurchase 6th and final tranche

Options to repurchase $75.5M (principal) and deferred interest of $19.3M for **$59.4M**; only one tranche not covered by options ($15M principal and $3.9M deferred interest)

Simplify capital structure

Warrants expire in Sept. 2023; Class A preferred stock is "in the money" and continues to be convertible[3]

(1) Values as of 9/30/22 unless noted otherwise. (2) Based on redemptions through 1/13/2023. (3) See Appendix for further discussion.

Investment Highlights

1. A collection of recurring revenue, high margin, asset-light, growing businesses
2. Adjusted EBITDA Run-rate of approximately $18 to $19 Million[(1)]
3. Approximately $792 Million[(2)] in Net Operating Losses (NOLs) for tax-advantaged cash flow
4. Disciplined M&A via Xcelerator "Search Fund" engine... powerful platform for rapidly growing EBITDA and compounding capital at high rates
5. Substantial insider buying in recent years
6. Going from complex to simple

(1) Includes Extended Warranty, Ravix as well as the CSuite and Secure Nurse Staffing acquisitions (November 2022). Refer to the Appendix for a reconciliation of GAAP to Non-GAAP measures. (2) As of 9/30/22

Appendix

Pro forma Balance Sheet

To Reflect the Sale of CMC Assets / Liability Assumption

	9/30/22 (a)	Adjs		Pro Forma
Total investments	70,347	—		70,347
Cash and cash equivalents	48,640	19,240	(b)	67,880
Restricted cash	13,165	—		13,165
Accrued investment income	1,135	—		1,135
Service fee receivable, net of allowance for doubtful accounts	7,219	—		7,219
Other receivables, net of allowance for doubtful accounts	12,828	(10,477)	(c)	2,351
Deferred contract costs	13,065	—		13,065
Property and equipment, net of accumulated depreciation	106,025	(88,973)	(c)	17,052
Right-of-use asset	887	—		887
Goodwill	100,773	(60,983)	(c)	39,790
Intangible assets, net of accumulated amortization	101,489	(74,401)	(c)	27,088
Other assets	30,482	(10,418)	(c)	20,064
Total Assets	506,055	(226,012)		280,043

	9/30/22 (a)	Adjs		Pro Forma
Accrued expenses and other liabilities	53,981	(1,963)	(c)	52,018
Income taxes payable	2,602	—		2,602
Deferred service fees	84,428	—		84,428
Bank loans	21,769	—		21,769
Notes payable	199,554	(177,160)	(c)	22,394
Subordinated debt, at fair value	62,302	—		62,302
Lease liability	1,189	—		1,189
Net deferred income tax liabilities	31,250	(27,949)	(c)	3,301
Total Liabilities	457,075	(207,071)		250,004
Redeemable Class A preferred stock, no par value; 1,000,000 authorized at September 30, 2022; 149,733 issued and outstanding at September 30, 2022; redemption amount of $5,942 at September 30, 2022	5,942	—		5,942
Shareholders' Equity:				
Common stock, no par value; 50,000,000 authorized; 23,319,312 issued; 23,071,862 outstanding at September 30, 2022	—	—		—
Additional paid-in capital	359,203	—		359,203
Treasury stock, at cost; 247,450 outstanding at September 30, 2022	(492	—		(492)
Accumulated deficit	(362,130	(12,752)	(d)	(374,882)
Accumulated other comprehensive income	31,960	—		31,960
Shareholders' equity attributable to common shareholders	28,541	(12,752)		15,789
Noncontrolling interests in consolidated subsidiaries	14,497	(6,189)	(c)	8,308
Total Shareholders' Equity	43,038	(18,941)		24,097
Total Liabilities, Class A preferred stock and Shareholders' Equity	506,055	(226,012)		280,043

Pro forma Balance Sheet

To Reflect the Sale of CMC Assets / Liability Assumption

(a) Reflects the Company's historical consolidated balance sheet as of 9/30/22.

(b) Reflects the net cash proceeds of $21.4 million received by the Company from the sale of CMC less cash on hand at CMC of $2.2 million as of 9/30/22. The base selling price of CMC was $215.2 million, consisting of $44.5 million of cash and $170.7 million of mortgage assumption. After the payment of taxes, expenses and the 19% paid to the noncontrolling interest holder, the Company received net cash proceeds of $21.4 million. The cash proceeds received reflects the Company's 81% ownership of CMC.

(c) Reflects the Company's disposition of CMC. Amounts represent the adjustments necessary to remove the assets, liabilities and noncontrolling interest associated with CMC.

(d) Reflects the adjustments related to the disposition of CMC and the estimated loss on sale of approximately $12.8 million.

Reconciliation of GAAP Operating Income for Extended Warranty Segment

(in thousands)

	TTM	For the Year Ended			
	9/30/22	2021	2020	2019	2018
GAAP Operating Income for Extended Warranty segment (1)	**$10,446**	**$12,636**	**$6,605**	**$4,611**	**$4,215**
Non-GAAP Adjustments:					
Investment income, gain (loss) on sale of core investments (2)	366	217	490	681	479
Other Items (3)	-	(2,183)	(266)	-	-
Depreciation	326	211	279	205	150
Total Non-GAAP Adjustments	692	(1,751)	503	886	629
Non-GAAP adjusted EBITDA for Extended Warranty segment	**$11,138**	**$10,885**	**$7,108**	**$5,497**	**$4,844**

(1) Includes one month of PWI operating income for the three months ended December 31, 2020 and excludes PWI for prior periods (PWI acquired 12/2020). Excludes the results of PWSC beginning in Q3 2022 (sold end of July 2022).

(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) Includes PPP forgiveness of $2,183 and $383 in 2021 and 2020, respectively. 2020 also includes the impairment of an asset.

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

(in thousands)

	Ravix		CSuite	SNS
	9/30/22	12/31/21[5]	7/31/22	6/30/22
TTM GAAP Income before Income Taxes	**$2,906**	**$484**	**$933**	**$2,647**
Non-GAAP Adjustments:				
Depreciation and Amortization	-	-	-	-
Interest	-	-	-	-
Non-core revenue (1)	-	-	-	(45)
Wages and benefits (2)	236	71	454	38
Transaction expenses (3)	-	-	178	58
Pass through taxes (4)	-	-	175	-
Other	-	-	26	-
Total Non-GAAP Adjustments	236	71	833	51
Non-GAAP adjusted EBITDA (3)	**$3,142**	**$555**	**$1,766**	**$2,698**

(1) Other income not expected to recur post-close.
(2) Includes wages and benefits related to former executives.
(3) One-time expenses incurred related to the sale.
(4) Pass-through taxes related to the former owner.
(5) Ravix TTM 12/31/21 includes three months of activity (acquired 10/1/21).

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

(in thousands)

	For the Twelve Months Ended			
	9/30/22	2021	2020	2019
GAAP Net Income (Loss)	**$33,847**	**$1,860**	**$(5,416)**	**$(4,313)**
Non-GAAP Adjustments:				
Realized (Gains) Losses (1)	(851)	(408)	835	1,617
Changes in fair value (2)	(6,875)	1,315	(5,741)	(5,764)
Gain on sale of PWSC, net (3)	(26,435)	-	-	-
Other items (4)	4923	4,067	7,481	3,304
PPP forgiveness (5)	-	(2,494)	(383)	-
Amortization expense	5,873	4,901	2,291	2,548
Total Non-GAAP Adjustments	(23,365)	7,381	4,483	1,705
Total Non-GAAP adjusted Income (Loss) (6)	**$10,482**	**$9,241**	**$(933)**	**$(2,608)**

(1) Includes realized gains and losses on the Company's non-core investments and loss on the extinguishment of debt.

(2) Includes unrealized gains and losses on non-core investments; change in the fair value of subordinated debt (net of the portion of the change attributable to instrument-specific credit risk); and change in the fair value of the Ravix earn-out (changes in fair value recorded as other income or expense). The 9/30/22 period includes an unrealized gain on the change in fair value of the trust preferred security options of $13.5 million.

(3) Gain on sale of PWSC, net of transaction expenses that are included in consolidated operating expenses, as well as income taxes associated with the sale. The Company estimates that had the gain not occurred, the Company would have recorded a tax benefit; therefore taxes of $6.1 million are included in this line item.

(4) Other items include: legal expenses associated with the Company's defense against significant litigation matters; acquisition-related expenses; charges relating to severance and consulting agreements pertaining to former key employees; non-cash expense arising from the grant and modification of stock-based awards to employees; expense relating to the settlement of all remaining Amigo claims; and net expense incurred as a result of legal settlement reached with DGI in Q1 2021. The 9/30/22 period also includes $2.5 million related to an indemnity from the sale of Mendota in 2018, which is recorded in Loss on disposal of discontinued operations, net of taxes in the consolidated statement of operations.

(5) Given the non-recurring nature of the PPP forgiveness benefit, the Company has concluded this should be excluded from non-GAAP adjusted net income (loss).

(6) Includes the results of PWSC through the date of sale (end of July 2022)

Extended Warranty Borrowings

Extended Warranty Borrowings	Interest rate	Amortization	Maturity	Leverage
$16.7M(1)	**5.33%(1)**	**15%**	**2025**	**1.4x(1)**
(includes $0.5 million revolver)	SOFR + 2.87% (SOFR floor of 0.75%)	15% per year, paid quarterly	November 30, 2025	Leverage ratio

- 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

(1) As of 9/30/22

Ravix / CSuite Borrowings

Original Ravix Borrowing	Ravix Interest rate	Ravix Amortization	Ravix Maturity
$5.5M(1)	6.00%(1)	10%/10%/15% 20%/20%/25%	2027
$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
  - Original 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
- On 11/16/22, Ravix and CSuite entered into an amendment to the 10/2021 borrowing with the following terms:
  - Borrowed an additional $6 million that matures on 11/16/28, with similar amortization as the original loan
  - Interest rate is Prime + 0.75%, with no floor
  - The maturity date of the original $1 million revolver was extended to 11/16/2024
- The loan and amendment contains financial and other covenants
  - Fixed charge ratio: 1:15 to 1.00
  - Leverage ratio: 3.0x

(1) As of 9/30/22

SNS Borrowing

SNS Borrowing	Interest rate	Amortization	Maturity
$6.5M	**7.50%**	**I/O one year; 20% thereafter**	**2028**
$1 million revolver undrawn at close	Prime + 0.50% (Floor of 5.00%)	Interest only first year; monthly payments thereafter	November 18, 2028

- In conjunction with the purchase of SNS on 11/18/2022, executed a loan agreement with Signature Bank
  - Term loan of $6.5 million that is interest-only first year, with 20% amortization thereafter
  - Revolving loan of $1 million (undrawn at close)

- The loan and amendment contains financial and other covenants
  - Fixed charge ratio: 1:20 to 1.00
  - Leverage ratio: 3.5x

Class A Preferred Stock: Redemption Status

As of September 30, 2022, there are 149,733 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"), having a current redemption value of $5.9 million.

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.

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 the interest on the trust preferred securities is no long deferred (expected Q3 2023).