



Skyward Specialty Case Study



Background

- In 2014, Westaim acquired an interest in Houston International Insurance Group, Ltd (“HIIG”) (rebranded to Skyward Specialty Insurance Group, Inc.) for \$75.7 million at a valuation of P/BV of ~0.87x Adjusted Stockholders’ Equity as at December 31, 2013⁽¹⁾
- Additional investments in 2015 (Elite Acquisition) and 2020 (Rights Offering) were made to support the growth of the business and take advantage of opportunities
- On January 18, 2023, Skyward Specialty listed on the NASDAQ under the ticker “SKWD” at US\$15.00 per share



Key Metrics

• Initial Investment	\$ 75.7 million
• Follow-on (2015)	\$ 50.6 million
• Follow-on (2020)	\$ 44.0 million
• Total Investment	\$170.3 million
• Secondary (June 2023)	\$87.4 million
• Follow-on (November 2023)	\$104.9 million
• Follow-on (May 2024)	\$177.3 million
• Follow-on (September 2024)	\$79.0 million
• Total Realized Proceeds⁽²⁾	\$454.4 million

Realized and Unrealized Gain (US\$)⁽²⁾ **166.7%**

Gross IRR (US\$)⁽²⁾ **12.8%**

Realized and Unrealized Gain (C\$)⁽²⁾ **201.1%**

Gross IRR (C\$)⁽²⁾ **14.8%**



Timeline






(1) For further information, refer to press releases relating to Skyward Specialty posted on Westaim’s website.

(2) Includes commissions fees relating to Skyward Specialty secondary offerings, cash received by Westaim post redemption of Westaim HIIG Limited Partnership (“WHLP”), MSA fees and consulting fees; does not include Westaim corporate level costs.

2023 Insurance IPO Performance to Date

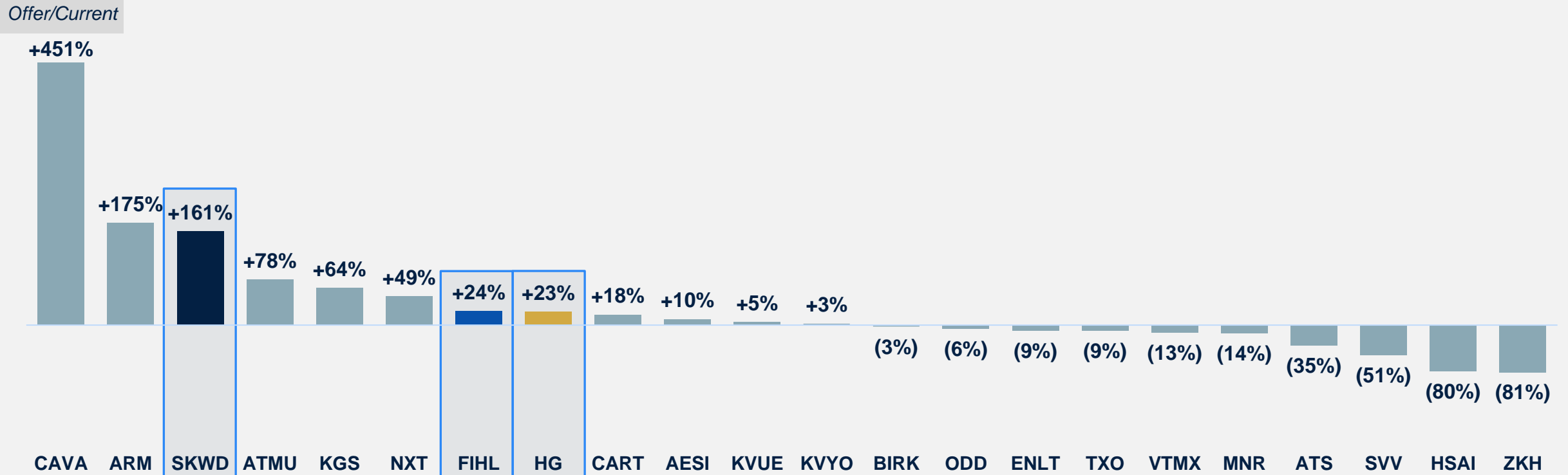
Indexed Performance Since IPO

	1-Day	30-Day	90-Day	Current
 SKYWARD SPECIALTY INSURANCE	+27.3%	+38.6%	+43.3%	+160.6%
 FIDELIS ¹ INSURANCE GROUP	(7.9%)	(0.8%)	+4.4%	+24.1%
 HAMILTON	0.0%	+0.8%	(2.7%)	+22.5%



Source: Barclays Capital Inc., Bloomberg, FactSet. Market Data as of September 11, 2024.

Performance Since IPO⁽¹⁾ – 2023 IPOs⁽²⁾



Skyward Highlights



#1 Performing Insurance IPO from 2023



#3 Performing IPO from 2023⁽²⁾



First Specialty P&C IPO Since 2020



Westaim fully monetized stake **within 20-Months of IPO**

(1) Source: Barclays Capital Inc., Bloomberg, FactSet. Market Data as of September 11, 2024.

(2) Includes US IPOs priced in 2023 with deal size >\$50mm, excluding biotech.