



Q4 2024 Investor Presentation

March 26, 2025

Safe Harbour Statement

This document and its contents are proprietary information and may not be reproduced or otherwise disseminated in whole or in part either directly or indirectly without the prior written consent of each of The Westaim Corporation ("Westaim" or the "Corporation" or the "Company" or "we" or "our"), Arena FINCOs (as defined in Westaim's December 31, 2024 Management's Discussion and Analysis ("MD&A")) and Arena Investors Group Holdings, LLC ("AIGH" or inclusive of Arena Investors, LP ("Arena") and Arena Institutional Services ("AIS")). Arena is a private company, through its wholly-owned subsidiaries and subsidiaries which Arena has a controlling interest. Arena operates as two businesses, Arena Investors and AIS. Arena Investors operates as an investment manager offering third-party clients access to fundamentals-based, asset-oriented credit and other investments that aim to deliver attractive yields with low volatility. Arena Investors provides investment services to third-party clients consisting of but not limited to institutional clients, insurance companies, private investment funds and other pooled investment vehicles. AIS provides non-investment advisory services for Arena and third parties. The Company's investment in Arena is accounted for using the equity method and consists of investments in corporations or limited partnerships where the Company has significant influence.

This document is not, and under no circumstances is it to be construed as, an advertisement or a solicitation for any investment or any investment product with respect to Westaim or any of the entities described herein. The information set forth herein does not purport to be complete and no obligation to update or otherwise revise such information is being assumed unless required by law. Where any opinion is expressed in this presentation, it is based on the assumptions and limitations mentioned herein and is an expression of present opinion only. No warranties or representations can be made as to the origin, validity, accuracy, completeness, currency or reliability of the information. In addition, certain of the information contained herein is preliminary and is subject to change. Unless otherwise stated, the information contained herein is current as of the date of this presentation. There is no guarantee that any of the goals, targets or objectives described herein will be achieved. This document is not intended to provide specific investment, financial, legal, accounting and/or tax advice.

This document contains certain historical results and performance data including, without limitation, relating to Arena FINCOs and Arena. Such historical results and performance data have been prepared and provided solely by the relevant party and have not been independently verified or audited. The historical results and performance data have been included in this document for illustrative purposes only. The historical results and performance data are in no way indicative of any future results, performance or returns by any of Westaim, Arena FINCOs and Arena.

Certain statements in this presentation are "forward-looking statements". Any statements that express or involve discussions with respect to predictions, target yields and returns, internal rates of return, expectations, beliefs, plans, projections, objectives, 'Arena operating leverage and AUM (as defined herein) growth, assumptions or future events or performance (often, but not always using words or phrases such as "expects", "does not expect", "is expected", "seeks", "endeavours", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", "does not intend" or stating that certain actions, events or results may, could, would, might or will occur or be taken, or achieved) are not statements of historical fact and may be "forward-looking statements". In particular, but without limiting the foregoing, this presentation contains forward-looking statements pertaining to: Arena's pipeline, effects of the Proposed Transaction (as defined herein), deployment of Arena FINCO's assets, Arena FINCO's concentration and volatility. Forward-looking statements are based on expectations, estimates and projections as well as other relevant factors at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. These include, but are not limited to, the risk factors discussed in Westaim's Annual Information Form for its fiscal year ended December 31, 2023, (as same may be modified or superseded by a subsequently filed Annual Information Form) and the Company's management information circular dated November 19, 2024, both of which are available on SEDAR+ at www.sedarplus.ca. Except as required by law, Westaim does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission from any forward-looking statement or to update such forward-looking statement.

Safe Harbour Statement

Supplementary financial measures concerning the Arena FINCOs and Arena (the "Arena Supplementary Financial Measures") contained in this presentation are unaudited and have been derived from the unaudited consolidated financial statements of Arena FINCOs and Arena for the year ended December 31, 2024, which have been prepared in accordance with either International Financial Reporting Standards ("IFRS") or US GAAP. Such statements are the responsibility of the management of the Arena FINCOs and Arena. The Arena Supplementary Financial Measures, including any Arena FINCOs and Arena non-GAAP measures contained therein, may not be reconciled to IFRS and so may not be comparable to the financial information of issuers that present their financial information in accordance with IFRS.

The Arena Supplementary Financial Measures should be read in conjunction with the Company's historical financial statements including the notes thereto and the related MD&A as well as the Company's other public filings.

The Arena Supplementary Financial Measures have been primarily provided by the management of the Arena FINCOs and Arena. Although Westaim has no knowledge that would indicate that any of the Arena Supplementary Financial Measures contained herein are untrue or otherwise misleading, neither Westaim nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, or for any failure by the Arena FINCOs and Arena to disclose to Westaim events or facts which may have occurred or which may affect the significance or accuracy of any such financial information but which are unknown to Westaim.

Westaim disclaims and excludes all liability (to the extent permitted by law), for losses, claims, damages, demands, costs and expenses of whatever nature arising in any way out of or in connection with the Arena Supplementary Financial Measures, their accuracy, completeness or by reason of reliance by any person on any of them.

The information contained herein is based on publicly available information, internally developed data and other sources. Although Westaim believes such information to be accurate and reliable, it has not independently verified any of the data from third party sources cited or used.

All amounts herein are in United States million dollars unless otherwise indicated. Certain comparative figures have been reclassified to conform to the presentation of the current period, and certain totals, subtotals and percentages may not reconcile due to rounding. Unless otherwise noted, all references to the share capital of the Company herein is after giving effect to the Company's December 31, 2024 six to one consolidation.

Non-GAAP Measures

Westaim

Westaim reports its interim consolidated financial statements using Generally Accepted Accounting Principles ("GAAP") and accounting policies consistent with IFRS. Westaim uses both IFRS and non-generally accepted accounting principles ("non-GAAP") measures to assess performance. Westaim cautions readers about non-GAAP measures that do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures used by other companies.

Book Value Per Share ("BVPS") is a non-GAAP measure – see section 14 of Westaim's MD&A for the year ended December 31, 2024 for a discussion of non-GAAP measures including a reconciliation to Westaim's financial results determined under IFRS.

Arena FINCOs and Arena

Arena FINCOs and Arena use US GAAP, IFRS and non-GAAP measures to assess performance.

Net Return (a non-GAAP measure) on the Arena FINCOs investment portfolios is the aggregate of investment income, net of gains (losses) on investments less interest expense, management, asset servicing and incentive fees, and other operating expenses of the Arena FINCOs divided by average carrying values for the Arena FINCOs, for the period.

Gross Return (a non-GAAP measure) on the Arena FINCOs investment portfolios is the aggregate of investment income, net of gains (losses) on investments less interest expense divided by average carrying values for the Arena FINCOs, for the period.

Realized Internal Rate of Return ("IRR"): Realized calculations are presented net of investment level expenses and gross of fund level fees (e.g. management and incentive fees), which can impact returns significantly.

Current IRR reflects all investment activity, i.e. prior actual cash flows and future projected cash flows (which are discounted as of the reporting date), from the inception of each applicable investment through December 31, 2024. The current IRR may not be representative of the realized IRR upon exit of each investment, which may increase or decrease.

Underwritten IRRs: Investment-level gross underwritten IRR represents the internal rate of return prior to or at the time of making the initial investment as reflected in and supported by loan agreements, including, but not limited to, note purchase agreements and origination agreements. The underwritten IRR is one of many metrics considered by Arena prior to investment and is not typically updated after the initial funding date. The underwritten IRR may be presented as a single percentage or a range. Such gross IRRs are estimated and do not take into account any entity level management fees, incentive allocation and/or any other associated fees, all of which may significantly reduce the net return received attributable to any investment. These underwritten IRRs are not a proxy for investment performance for any strategy or fund. The underwritten IRRs disclosed herein are being presented for the purpose of providing insight into the investment objectives of, Arena detailing anticipated risk and reward characteristics in order to facilitate comparisons with other investments and for establishing a benchmark for future evaluation of Arena Investors' strategy. The IRRs are also being presented because financially sophisticated investors may find this information useful in determining where Arena's strategies may fit within their investment portfolios. The IRRs included in this presentation are not intended, and must not be regarded, as a representation, warranty or prediction that any Arena vehicles will achieve any particular return with respect to any particular investment opportunity or for a particular time period, or that Arena and its investors will not incur losses. In evaluating these IRRs, it should be noted that (a) there can be no assurance that Arena will be able to source and consummate investments of the type it is seeking to make and (b) the assumptions underlying the IRRs may prove not to be accurate or not materialize. There can be no assurance that the objective of the investment shown can be met or that substantial losses will be avoided.

Assets under management ("AUM"): AUM refers to the assets for which Arena Investors provides investment management. AUM is generally based on the net asset value of the funds managed by Arena Investors plus any unfunded commitments. Arena Investors' calculation of AUM may differ from the calculations of other asset managers, and as a result, may not be comparable to similar measures presented by other asset managers. Arena Investors' calculations of AUM are not based on any definition set forth in the governing documents of the investment funds and are not calculated pursuant to any regulatory definitions.

Fee Paying Assets Under Management ("FP AUM") refers to the AUM on which Arena earns management fees, servicing expenses and/or incentive fees.

Arena

With respect to the section on Arena the information therein is being provided solely in relation to the management company and the investment manager, including their funds, subsidiaries and affiliates.

Returns shown are unaudited. **Past performance is not indicative or a reliable indicator of future performance. Actual results may vary.**

The information set forth herein does not purport to be complete, is unaudited and subject to change. Arena has no obligation to update or revise such information other than as may be required by applicable law. Unless otherwise stated, the information contained herein is current as of the date of the presentation.

This document does not constitute investment advice nor is it a recommendation or an offer of investment advisory services or products. No person in any jurisdiction may treat this document as a solicitation or offer of any advisory product or service. A prospective investor must rely solely on the terms and associated disclosures in any final offering memoranda, investment management agreement and associated subscription documents (if any), which would constitute the only basis upon which offerings of any product or service may be made.

Investments in Arena vehicles are speculative in nature and involve risk. There can be no assurance that investment objectives will be achieved and investment results may vary substantially over time. These investments are not intended to be a complete investment program for any investor. There is no secondary market for an investor's interest in Arena funds and none is expected to develop. Arena's funds are not registered under the Investment Company Act of 1940 and accordingly are not extensively regulated. Opportunities for redemption and transferability of interests are restricted, so investors may not have access to capital when it is needed. Leverage may be employed in the funds, which can make investment performance volatile. Valuation of the investments may involve uncertainties and the exercise of judgment. An investor should not make an investment unless the investor is prepared to lose all or a substantial portion of its investment. The fees and expenses charged in connection with investments may be higher than the fees and expenses of other investment alternatives and may offset profits, and the performance-based compensation paid to Arena may create an incentive for Arena to make more speculative investments than would otherwise be the case. Arena has total authority and control over its funds and the use of a single advisor applying generally similar investment programs could mean a lack of diversification and, consequently, higher risk. For a comprehensive list of risk factors, an investor must review the risk factors as specified in the related confidential information memorandum for a specific fund or investment management agreement, which will be made available upon request.

The information provided herein should not be considered a recommendation regarding a particular investment. The actual and potential investments discussed herein are meant to be examples of Arena's investment approach. It should not be assumed that any of the investments discussed herein will prove to be profitable, or that the investment recommendations or decisions made by Arena in the future will be profitable. In addition, Arena makes investments in Corporate Securities, including liquid investments such as convertible structured investments, which are not fully discussed herein. Further information is available upon request.

The statements contained herein contain certain forward-looking statements that are based on Arena's beliefs as well as assumptions made by and information currently available to Arena. When used herein, the words "anticipate," "believe," "could," "estimate," "expect," "going forward," "intend," "may," "modeled," "ought to," "plan," "project," "seek," "should," "will," "would," and similar expressions, as they relate to Arena or Arena's management are intended to identify forward-looking statements. These forward-looking statements include, without limitation, statements relating to investments, business prospects, future developments, trends and conditions in the industry and geographical markets in which Arena operate, Arena strategies, plans, objectives and goals, as well as Arena ability to control costs, statements relating to prices, volumes, operations, margins, overall market trends, risk management and exchange rates. These forward-looking statements reflect Arena's views at the time such statement were made with respect to future events and are not a guarantee of future performance or developments. You are strongly cautioned that reliance on any forward- looking statements involves known and unknown risks and uncertainties.

As of December 31, 2024, Arena had \$2.5 billion in AUM (including \$0.1B of undrawn commitments) and \$0.9B in Programmatic Capital. Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts.

Net annualized returns inceptions to date are net of fees as disclosed and net of deal and operating expenses (including asset servicing expenses). All returns are based on the reinvestment of principal, interest, and dividends received. As applicable, fee schedules for returns shown include management fees with a range of 0.35%-2%, incentive fees with a range of 7.5% incentive to 20% and preferred returns or hurdles applicable on specific vehicles.



Q4 2024 **net loss attributable to Arena** (100%) was \$11.5 million compared to net income of \$1.1 million for Q4 2023⁽¹⁾

AUM was \$3.4 billion at December 31, 2024 as compared to \$3.3 billion at September 30, 2024 and \$3.2 billion at December 31, 2023

Fee-paying AUM was \$2.5 billion at December 31, 2024, as compared to \$2.5 billion at September 30, 2024 and \$2.5 billion at December 31, 2023

- Arena generated **solid investment results** across all its funds, and subsequent to year end through the current date, **AUM** and Programmatic Capital continued its upward trajectory to \$4.2 billion. However, Q4 2024 operating results were affected by increased expenses and forward planning costs associated with the Proposed Transactions. Additionally, a non-cash downward valuation adjustment was made for an AIS equity and royalty position received in exchange for an equity line of credit commitment in which Arena Investors Group Holdings has no invested capital



Q4 2024 **net income** was \$2.4 million (+1.3% net investment return) compared to Q4 2023 net loss of \$0.9 million (-0.5% net investment return)

Net assets of the Arena FINCOs at December 31, 2024 was \$173.9 million compared to \$150.4 million at September 30, 2024 and \$147.2 million at December 31, 2023

- Westaim made capital contribution of \$45.0 million and received **cash distributions** of \$25.8 million from Arena FINCOs in FY 2024



Q4 2024 **net loss** was \$21.3 million compared to Q4 2023 **net profit** of \$35.1 million

Diluted loss per share in Q4 2024 of \$0.99 compared to Q4 2023 **diluted earnings per share** of \$1.57

Shareholders' equity was \$497.4 million at Q4 2024 compared to \$511.2 million at Q3 2024 and \$518.3 million at Q4 2023

- Westaim ended Q4 2024 with a **strong cash position** of \$301.9 million

(1) For further details, please refer to slide 4 for Non-GAAP measures.

Westaim Summary Q4 2024 Operating Results

	Three months ended December 31		Year ended December 31	
	2024	2023	2024	2023
(Amounts in millions of US\$ except per share data)				
Income from investment in Skyward Specialty Insurance Group, Inc. ("Skyward Specialty")	-	\$51.9	\$19.8	\$210.3
(Loss) income from investment in Arena	(5.9)	0.6	(3.9)	4.5
Income (loss) from investments in Arena FINCOs and ASOF ⁽¹⁾	2.4	(1.0)	7.6	(6.2)
(Loss) income from investments	(\$3.5)	\$51.5	\$23.5	\$208.6
Holding company operating expenses	(8.0)	(12.9)	(38.6)	(18.4)
Preferred securities interest expense	-	-	-	(1.0)
Interest and fee income	4.6	1.8	15.1	4.2
Net holding company operating expense	(\$3.4)	(\$11.1)	(\$23.5)	(\$15.2)
Emigration tax	(4.0)	-	(4.0)	-
Share-based compensation (expense)	(14.1)	(2.9)	(16.2)	(6.7)
Foreign exchange gain (loss)	0.5	(0.3)	0.7	(0.6)
Derivative warrants - change in fair value loss	-	-	-	0.1
Total net holding company expense	(\$21.0)	(\$14.3)	(\$43.0)	(\$22.4)
Income taxes recovery (expense)	3.2	(2.1)	3.3	(2.3)
(Loss) profit and comprehensive (loss) income	(\$21.3)	\$35.1	(\$16.2)	\$183.9
(Loss) earnings per fully diluted share ⁽⁴⁾	(\$0.99)	\$1.57	(\$0.75)	\$7.90

(1) Arena Special Opportunities Fund, LP ("ASOF").

(2) Adjusted for share consolidation. For further information, refer Westaim Financial Statements for the twelve months ended December 31, 2024.

(3) EBITDA is a non-GAAP measure.

(4) Adjusted for share consolidation. For further information, refer Westaim Financial Statements for the twelve months ended December 31, 2024.



Westaim's **loss and comprehensive loss** for Q4 2024 was \$21.3 million (\$0.99 diluted loss per share) compared to a profit and comprehensive income of \$35.1 million (\$1.57 diluted earnings per share) in Q4 2023⁽²⁾

Westaim's **loss and comprehensive loss** for FY 2024 was \$16.2 million (\$0.75 diluted loss per share) compared to a profit and comprehensive income of \$183.9 million (\$7.90 diluted earnings per share) in FY 2023⁽²⁾



Arena produced (\$10.9) million of **EBITDA** in Q4 2024 vs. \$1.0 million in Q4 2023; (\$5.2) million of EBITDA for FY 2024 vs. \$10.1 million in FY 2023⁽³⁾



Net performance of Arena FINCOs was an income of \$2.4 million in Q4 2024 (Q4 2023: loss of \$0.9 million), for an investment return of +1.3% in Q4 2024 (Q4 2023: -0.5%)

Westaim Summary Q4 2024 Statement of Financial Position

As at	December 31, 2024	September 30, 2024	December 31, 2023
<small>(Amounts in millions of US\$ except per share data)</small>			
Assets			
Cash	\$301.9	\$351.7	\$135.0
Loan receivable (Arena FINCOs)	13.0	-	-
Other assets	2.5	1.8	1.5
Investment in Skyward Specialty	-	-	236.5
Investment in Arena	22.7	28.6	27.6
Investment in Arena FINCOs	173.9	150.4	147.2
Investment in ASOF LP	3.1	3.1	3.0
Deferred tax asset	6.1	5.5	1.0
Total assets	\$523.2	\$541.1	\$551.8
Liabilities			
Accounts payable, income taxes payable and accrued liabilities	\$25.8	\$29.9	\$32.3
Deferred tax liability	-	-	1.2
Total liabilities	\$25.8	\$29.9	\$33.5
Shareholders' equity	497.4	511.2	518.3
Total liabilities and shareholders' equity	\$523.2	\$541.1	\$551.8
Number of common shares outstanding	21,706,501	21,362,064	21,959,548
Fully diluted book value per share - in US\$⁽⁴⁾	\$22.88	\$23.40	\$22.98
Fully diluted book value per share - in C\$⁽¹⁾⁽⁴⁾	C\$32.90	C\$31.68	C\$30.48



Book value per fully diluted share decreased \$0.10 (-0.4%) to \$22.88 at December 31, 2024 from \$22.98 at December 31, 2023; Book value per fully diluted share increased C\$2.42 (7.9%) to C\$32.90 at December 31, 2024 from C\$30.48 at December 31, 2023⁽⁴⁾



On October 9, 2024, the Company, Wembley Group Partners, LP (the "Investor") (an affiliate of CC Capital Partners, LLC ("CC Capital")), Arena, Daniel Zwirn and Lawrence Cutler entered into an investment agreement to make a **\$250 million strategic investment in the Company via a private placement** (collectively referred to as the "Proposed Transactions") to acquire Common Shares and warrants to purchase Common Shares

- The Company, the Investor and Arena will enter into an investor rights agreement
- Company has agreed to invest up to \$620 million in a new vehicle ("Salem Partners") managed by CC Capital in exchange for 100% of the limited partnership interests of Salem Partners
- The ownership of Arena will be restructured
- Salem Partners ("Ceres Life") acquired an insurance company and will enter into an investment management agreement with Arena pursuant to which Arena is expected to manage up to 90% of Ceres Life's total investable assets⁽³⁾



FY 2024, Westaim acquired and canceled 0.6 million Common Shares at a cost of \$9.7 million through its **NCIB**⁽²⁾

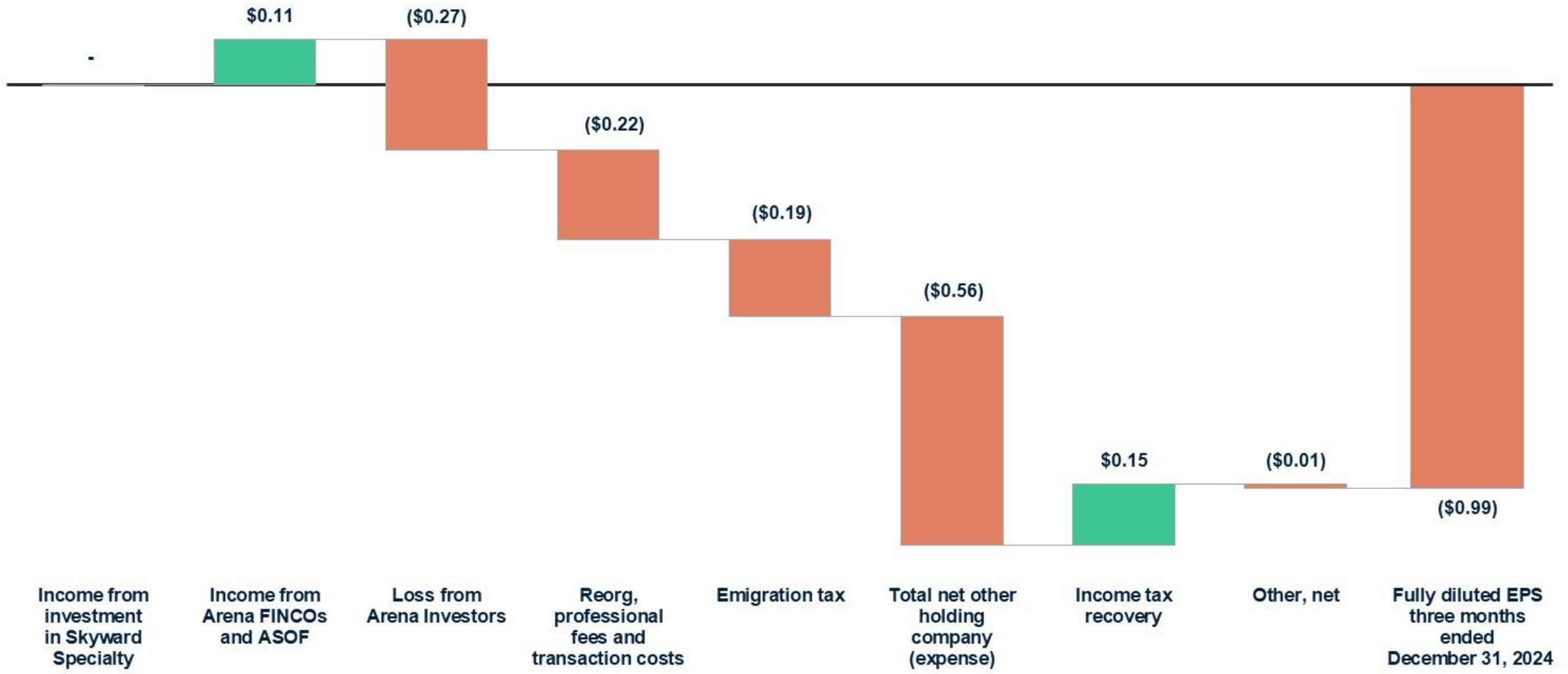
(1) Period end exchange rates of USD to CDN: \$1.43815 at December 31, 2024; \$1.35265 at September 30, 2024; \$1.32405 at December 31, 2023.

(2) Normal Course Issuer Bid ("NCIB")

(3) For further information, refer to the Notes of the Westaim Financial Statements for the twelve months ended December 31, 2024.

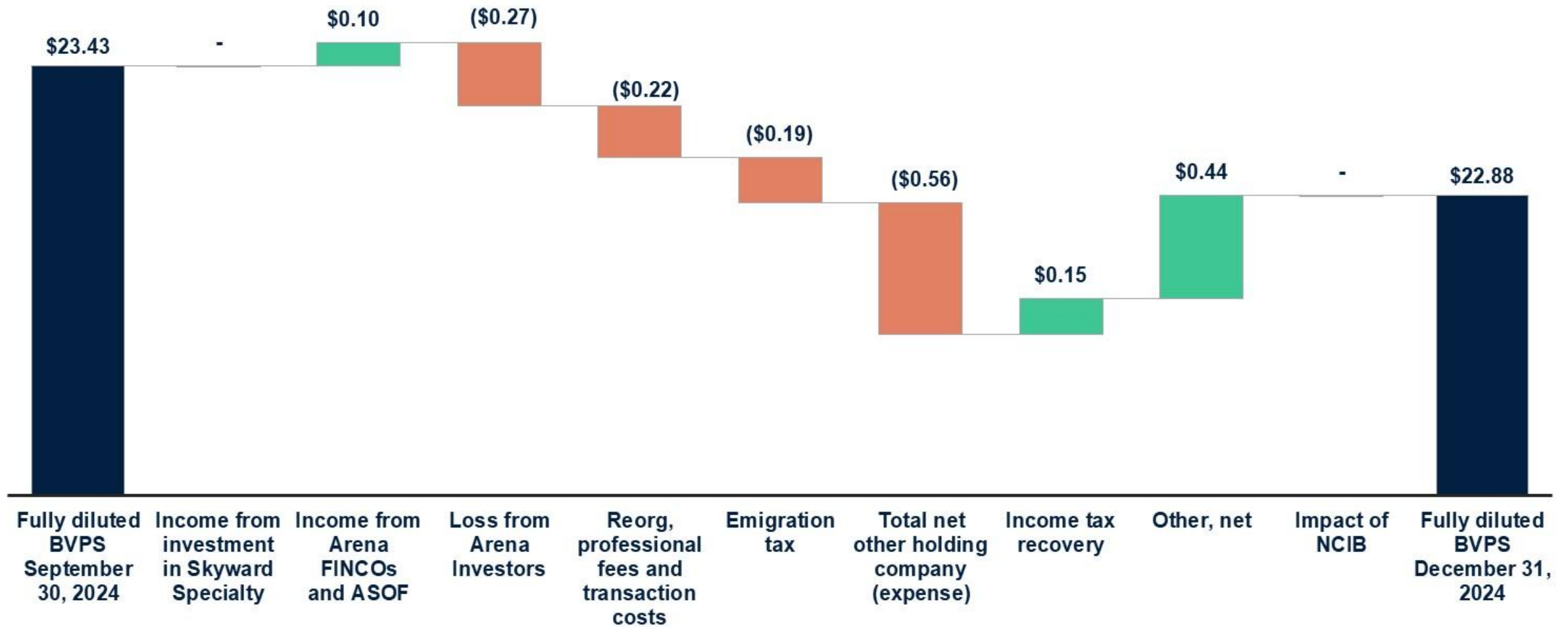
(4) Adjusted for share consolidation. For further information, refer Westaim Financial Statements for the twelve months ended December 31, 2024.

Westaim Diluted (Loss) Earnings per Share (US\$): Three months ended December 31, 2024⁽¹⁾



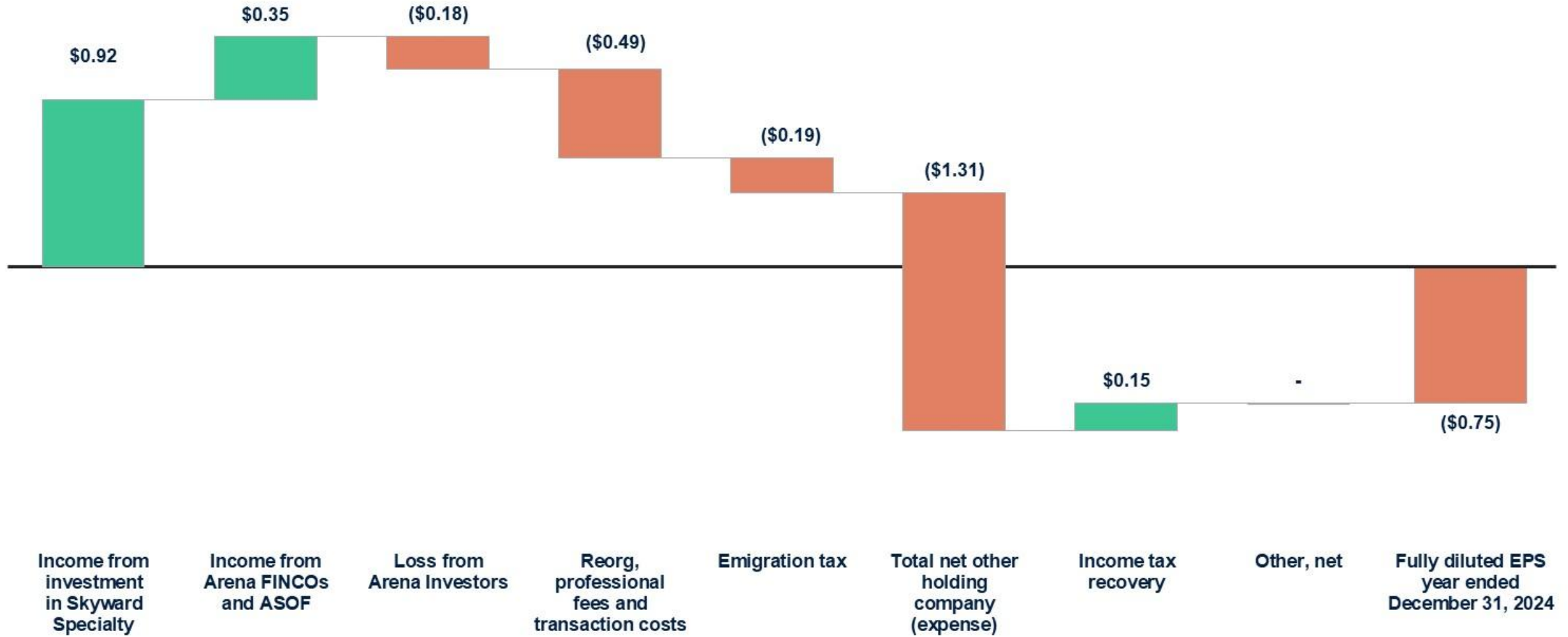
(1) Adjusted for share consolidation. For further information, refer Westaim Financial Statements for the twelve months ended December 31, 2024.

Westaim Book Value per Share (US\$): Three months ended December 31, 2024⁽¹⁾



(1) Adjusted for share consolidation. For further information, refer Westaim Financial Statements for the twelve months ended December 31, 2024.

Westaim Diluted Earnings per Share (US\$): Full Year December 31, 2024⁽¹⁾



(1) Adjusted for share consolidation. For further information, refer Westaim Financial Statements for the twelve months ended December 31, 2024.

Westaim Book Value per Share (US\$): Full Year December 31, 2024⁽¹⁾



(1) Adjusted for share consolidation. For further information, refer Westaim Financial Statements for the twelve months ended December 31, 2024.



ARENA
I N V E S T O R S
G R O U P H O L D I N G S

Seeing What's Possible

AIGH is a global financial institution with over 200 people in 8 global offices including its affiliates, complemented by an extensive network of joint venture partners, operating in over 20 countries.

All data is as of **December 31, 2024**
unless otherwise specified

ABOUT ARENA⁽¹⁾

\$3.4B

AUM and Programmatic Capital

~\$200M

of AUM is employee and related capital

Vast Global Origination and Servicing Network

Offices in New York, Jacksonville, Purchase, Dublin, London, Singapore, Bengaluru and Auckland⁽²⁾

~\$5.8B

deployed into 400+ privately negotiated and structured private convertible transactions

- Institutional investment manager focused on both public and private fixed income investments with over 180 people, inclusive of sourcing, underwriting, surveillance, workout, operational improvement and extensive financial / operational infrastructure.
 - Broad Platform – capabilities across Corporate, Real Estate, Structured Finance, and Corporate Securities allow the firm to pivot to the most compelling opportunities across cycles and market environments, avoiding overheated areas.
- Global firm with a deep sourcing and servicing infrastructure, which also means:
 - Arena’s broad capabilities and proprietary sourcing allow for compelling investments across the return/risk spectrum of investor portfolios, across credit and asset-oriented investments globally, at all parts of the capital stack, and at all levels of liquidity.
 - Servicing infrastructure has allowed Arena to manage any situations that do not materialize as expected, where average results are higher than initially expected in those situations.
 - End-to-end IT systems to manage investment process, giving Arena robust governance, transparency and a demonstrable edge.
- While Arena maintains this depth, breadth, global focus and infrastructure – the average transaction size is <\$50 million, avoiding competition with similarly situated “mega-firms”.

(1) As of December 31, 2024, Arena had \$2.5B in AUM (including \$0.1B of undrawn commitments) and \$0.9B in Programmatic Capital. Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts. In Q1 of 2025, Arena’s AUM and programmatic capital increased by approximately \$780 million bringing total AUM and programmatic Capital to approximately \$4.2 billion.

(2) Offices are also used by Arena affiliates.



Differentiated Approach

- Arena is a growing global financial institution
 - Mandate flexibility and diversification contribute to consistency across cycles
 - Proprietary sourcing and global infrastructure with a focus on smaller-sized transactions
 - Servicing and systems that govern process, protect invested capital and add considerable value
 - Intellectual property that can be leveraged for investors as well as third parties through Arena Institutional Services “AIS”

Proven Performance

- ~\$5.8 billion deployed into over 400 privately negotiated and structured private convertible transactions
- Over 200 exited privately negotiated transactions with a realized IRR of 18.6% gross⁽¹⁾
- The portfolio had positive results in over 85% of months since inception⁽²⁾
- Consistent and uncorrelated performance; stable results through market turbulence

Driving Third-Party Assets Under Management

- Arena’s AUM and Programmatic Capital⁽³⁾ has grown at a compound annual growth rate of ~36% from December 31, 2015 to December 31, 2024, and increased by approximately \$780 million in 1Q2024
- \$3.4 billion in AUM and Programmatic Capital⁽³⁾.
- In Q1 of 2025, Arena’s AUM and programmatic capital increased by approximately \$780 million bringing total AUM and programmatic Capital to approximately \$4.2 billion.

Well Positioned To Drive Operating Leverage

- Future growth is expected to have significant operating leverage as fee-paying AUM grows
- Focused on driving valuable fee-related earnings and cash flow for distribution
- Growth of insurance asset management to further grow fee-paying AUM

(1) Number of total private investments inclusive of Arena’s multi-strategy investment vehicles as well as Stable Income – Real Estate Credit strategy investments. In addition to exited investments in Arena’s multi-strategy, 136 active positions have an underwritten IRR of 18.0% and a current IRR of 11.5%. Current IRR reflects all investment activity, i.e., prior actual cash flows and future projected cash flows (which are discounted as of the reporting date), from the inception of each applicable investment through the reporting date. The current IRR may not be representative of the realized IRR upon exit of each investment, which may increase or decrease. Returns are unlevered with respect to portfolio level leverage (UBS facility). Only deal specific leverage is inclusive and is minimal.

(2) Through December 31, 2024, and based on composite gross performance, see net performance and relevant disclosures on slide 19. Past performance is not indicative of future performance. Actual results may vary.

(3) As of December 31, 2024, Arena had \$2.5B in AUM (including \$0.1B of undrawn commitments) and \$0.9B in Programmatic Capital. Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts. In Q1 of 2025, Arena’s AUM and programmatic capital increased by approximately \$780 million bringing total AUM and programmatic Capital to approximately \$4.2 billion.



(dollars in millions)	Three months ended December 31		Year ended December 31	
	2024	2023	2024	2023
Arena Investors				
Management fees	\$ 6.8	\$ 7.6	\$ 28.3	\$ 30.8
Asset servicing fees	2.6	2.7	10.6	11.0
Other income	0.6	0.4	3.3	1.0
Total recurring revenue	10.0	10.7	42.2	42.8
Other operating expenses allocated to recurring revenue	(10.8)	(10.2)	(42.3)	(40.6)
Fee related earnings	(0.8)	0.5	(0.1)	2.2
Incentive fees	3.0	3.1	13.8	8.8
Incentive fee compensation expense	(1.5)	(0.6)	(7.7)	(4.5)
Employee profit share	(1.4)	-	(1.4)	-
Net incentive fees	0.1	2.5	4.7	4.3
Arena Investors' EBITDA	(0.7)	3.0	4.6	6.5
Arena Institutional Services				
AIS revenue	(12.5)	(1.6)	(2.3)	11.5
AIS operating expenses	(1.6)	(0.1)	(3.3)	(1.5)
Employee share of loss (profit)	5.5	0.4	2.0	(4.3)
AIS EBITDA	(8.6)	(1.3)	(3.6)	5.7
Arena Investors Group Holdings				
AIGH general and administrative costs	(0.3)	(0.3)	(1.0)	(0.8)
AIGH other income and expense	(0.9)	(0.4)	(1.9)	(1.3)
AIGH costs for Proposed Transaction ¹	(0.4)	-	(3.3)	-
Total Arena EBITDA	\$ (10.9)	\$ 1.0	\$ (5.2)	\$ 10.1
Depreciation	(0.1)	-	(0.4)	(0.3)
Revolving loan interest paid to Westaim	(0.4)	(0.4)	(1.7)	(1.6)
Taxes	(0.1)	0.5	(0.4)	0.5
Net (loss) income attributable to Arena	\$ (11.5)	\$ 1.1	\$ (7.7)	\$ 8.7
Westaim share of Arena's comprehensive (loss) income (51%)	\$ (5.9)	\$ 0.6	\$ (3.9)	\$ 4.5

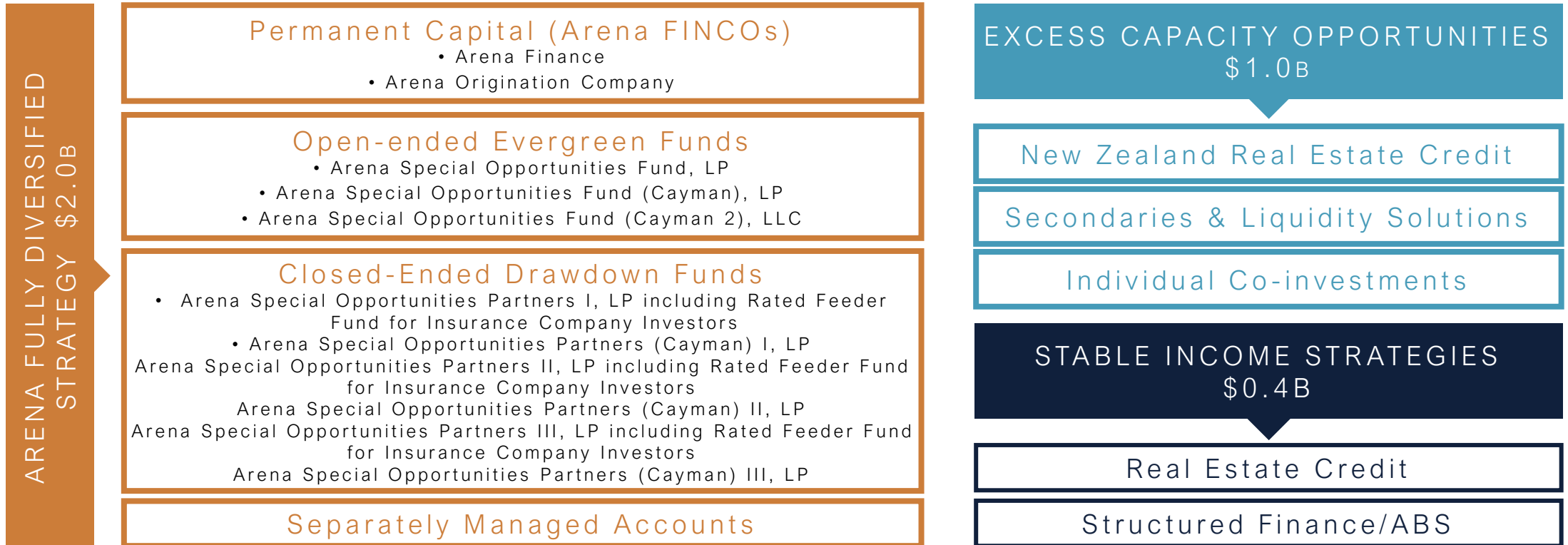
Q4 2024 Results:

- Net income for Q4 2024 was a loss of \$11.5 million (Q4 2023: profit of \$1.1 million)
- Management fees for Q4 2024 were \$6.8 million (Q4 2023: \$7.6 million)
- Service fees for Q4 2024 were \$2.6 million (Q4 2023: \$2.7 million)
- Net incentive fees were \$0.1 million for Q4 2024 (Q4 2023: \$2.5 million)
- AIS EBITDA was a loss of \$8.6 million in Q4 2024 (Q4 2023: loss of \$1.3 million)
- Total Arena EBITDA for Q4 2024 was a loss of \$10.9 million (Q4 2023: EBITDA of \$1.0 million). The FY 2024 results were impacted by costs incurred by Arena for the Proposed Transactions of \$3.3 million¹
- Arena generated solid investment results across all its funds, and subsequent to year end through the current date, AUM and Programmatic Capital continued its upward trajectory to \$4.2 billion. However, Q4 2024 operating results were affected by increased expenses and forward planning costs associated with the Proposed Transactions. Additionally, a non-cash downward valuation adjustment was made for an AIS equity and royalty position received in exchange for an equity line of credit commitment in which Arena Investors Group Holdings has no invested capital

¹ See Note 17, Subsequent Events in the Notes to the Westaim Financial Statements with respect to the Proposed Transactions.



\$3.4B AUM AND PROGRAMMATIC CAPITAL ⁽²⁾



(1) All vehicles are asset-liability matched with respect to redemptions.

(2) As of December 31, 2024, Arena had \$2.5B in AUM (including \$0.1B of undrawn commitments) and \$0.9B in Programmatic Capital. Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts. In Q1 of 2025, Arena's AUM and programmatic capital increased by approximately \$780 million bringing total AUM and programmatic Capital to approximately \$4.2 billion.



Arena – Investing: Performance & Deployment

- The following table presents the performance data for Arena’s drawdown funds and accounts:

As of December 31, 2024

(\$ in millions)	Year of inception	AUM and Programmatic Capital ¹³	Original Capital Commitments	Capital Invested to Date ¹	Realized Value	Unrealized Value	Total Value	Net MOIC ²	Net IRR	Primary Investment Strategy
Multi-Strategy										
Fund Harvesting Investment										
Arena Special Opportunities Partners I ^{3,9} <i>Ratio to Capital Invested</i>	2020	438	519	519	258 <i>DPI: 0.50x</i>	425 <i>RVPI: 0.82x</i>	682 <i>TVPI: 1.31x</i>	1.3x	8.0%	Multi-Strategy
Funds Deploying Capital										
Arena Special Opportunities Partners II ^{3,10} <i>Ratio to Capital Invested</i>	2021-22	810	631	631	19 <i>DPI: 0.03x</i>	784 <i>RVPI: 1.24x</i>	803 <i>TVPI: 1.27x</i>	1.3x	9.5%	Multi-Strategy
Arena Special Opportunities Partners III ⁴ <i>Ratio to Capital Invested</i>	Currently raising	71	66	62	N/A <i>DPI: N/A</i>	67 <i>RVPI: 1.08x</i>	67 <i>TVPI: 1.08x</i>	1.1x	9.4%	Multi-Strategy
Excess Capacity										
Fund Harvesting Investment										
New Zealand Real Estate Credit I ^{6,11} <i>Ratio to Capital Invested</i>	2019-21	9	18	18	17 <i>DPI: 0.96x</i>	9 <i>RVPI: 0.52x</i>	26 <i>TVPI: 1.49x</i>	1.5x	15.2%	NZ Real Estate Credit
New Zealand Real Estate Credit II ⁷ <i>Ratio to Capital Invested</i>	2021-22	26	189	102	86 <i>DPI: 0.85x</i>	26 <i>RVPI: 0.25x</i>	112 <i>TVPI: 1.10x</i>	1.1x	6.8%	NZ Real Estate Credit
Funds Deploying Capital										
New Zealand Real Estate Credit III ⁸ <i>Ratio to Capital Invested</i>	2022-23	30	98	7	N/A <i>DPI: N/A</i>	7 <i>RVPI: 1.06x</i>	7 <i>TVPI: 1.06x</i>	1.1x	1.2%	NZ Real Estate Credit
Backbook Co-investments SMA ⁵ <i>Ratio to Capital Invested</i>	2021	454	450	97	113 <i>DPI: 1.17x</i>	8 <i>RVPI: 0.08x</i>	120 <i>TVPI: 1.25x</i>	1.2x	14.9%	Multi-Strategy
SLS ECF 1-A ¹² <i>Ratio to Capital Invested</i>	2024	159	175	140	6 <i>DPI: 0.04x</i>	138 <i>RVPI: 0.98x</i>	143 <i>RVPI: 1.02x</i>	1.1x	5.3%	Secondaries & Liquidity Solutions
SLS ECF 1-B ¹² <i>Ratio to Capital Invested</i>	2024	54	54	51	N/A <i>DPI: N/A</i>	74 <i>RVPI: 1.45x</i>	74 <i>TVPI: 1.45x</i>	1.5x	17.5%	Secondaries & Liquidity Solutions

(1) Capital Invested = Lesser of capital calls or total commitment. Capital reinvestments during investment period are netted with distributions.
(2) Multiple of Invested Capital ("MOIC") = Total Value / Capital Invested. MOICs are based on peak capital deployed versus average capital outstanding, the latter of which would result in higher values.
(3) Fees are blended and range from 1.5-2% annual management fees and 10-20% carry over a 4% preferred return with GP Catchup. The returns are inclusive of a 0.5% asset servicing expense. All returns are based on the reinvestment of principal, interest and dividends received by the Fund.
(4) Fees are blended and range from 1.5-1.75% annual management fees and 17.5-20% carry over a 6% preferred return with GP Catchup. The returns are inclusive of an asset servicing expense based on a rate card by investment-type. All returns are based on the reinvestment of principal, interest and dividends received by the Fund.
(5) No management or incentive fees. The returns are inclusive of an asset servicing expense based on a rate card by investment-type. Gross return does not reflect asset servicing expense recapture. All returns are based on the reinvestment of principal, interest and dividends received by the Fund.
(6) Fees include upfront management fees and carry (capped at NZ\$300k). The returns are inclusive of a 0.75% asset servicing expense. All returns are based on the reinvestment of principal, interest and dividends received by the Fund.
(7) Fees are blended and include a 0.5% annual management fees and 10-18% carry over an 8% preferred return with GP Catchup. The returns are inclusive of a rate card asset servicing expense (0.75% or 1.50% by asset). All returns are based on the reinvestment of principal, interest and dividends received by the Fund.
(8) Fees include a 1.5% annual management fee and 20% carry over an 8% preferred return with GP Catchup. The returns are inclusive of a rate card asset servicing expense (0.75% or 1.50% by asset). All returns are based on the reinvestment of principal, interest and dividends received by the Fund. Excludes 2 investor

commitments of \$183M which have not yet been called.
(9) Excludes \$150MM of co-investment capital aligned to this product offering.
(10) Excludes \$300MM of co-investment capital aligned to this product offering.
(11) Arena managed a second discretionary vehicle for NZ RECI investments where one investment represents approximately 60% of the vehicle, based on that investor's sizing determination. Accordingly, we show the returns for the diversified SMA that held the Fund I positions, though which excluded that single investment, also on that investor's determination. The returns for the aforementioned SMA through December 31, 2024, was a net IRR and MOIC of 0.8% and 1.0x respectively.
(12) No management fees or servicing expenses. 0-15% carry. Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts.
(13) Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts.

DPI = Distribution to Paid-In Capital (DPI) ratio measures the cumulative proceeds returned to its investors by a fund relative to its paid-in capital.
RVPI = Remaining Value to Paid In (RVPI) ratio measures the current value of all remaining investments within a fund relative to its paid-in capital.
TVPI = Total Value to Paid-In Capital (TVPI) ratio compares the distributions returned to investors by a fund and the remaining value not yet realized relative to the contributed paid-in capital.



Arena – Investing: Performance & Deployment

- The following table presents the performance data for Arena’s significant open-ended funds and Stable Income strategies:

As of December 31, 2024

(\$ in millions)	Year of inception	AUM and programmatic capital ⁵	Net Returns (%)			Primary Investment Strategy
			Quarter-to-date	Year-to-date	Since Inception (Annualized)	
Multi-Strategy						
Arena Special Opportunities Fund ^{1,2}	2015	104	(0.7)%	2.4%	4.8%	Multi-Strategy
Stable Income						
Stable Income ABS ^{1,3}	2021	38	2.1%	6.8%	3.0%	IG Asset-Backed Securities
Stable Income Real Estate Credit ^{1,4}	2017	175	(0.2)%	5.6%	5.7%	US Real Estate Credit – First Mortgages

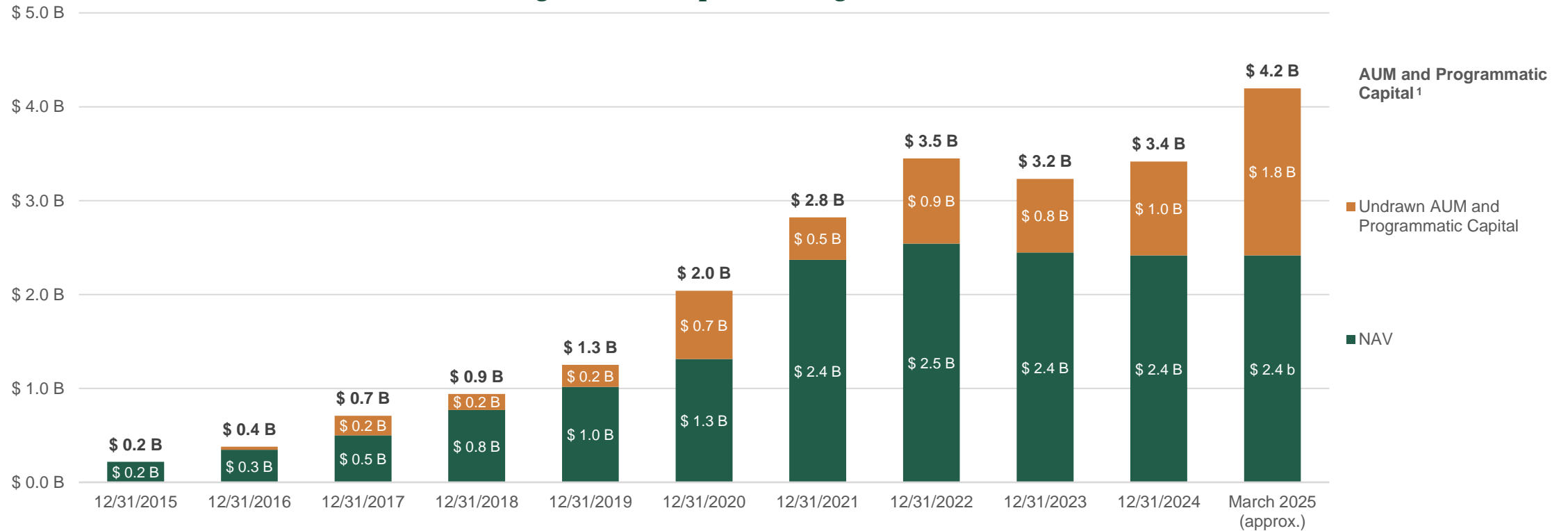
- Gross returns are net of deal and operating expenses (including asset servicing expenses of 0.5% for open-ended, SI-REC from January 1, 2019 onward) but gross of management fee and incentive fees. All returns are based on the reinvestment of principal, interest, and dividends received.
- Returns are calculated net of annual management fees of 2% and an incentive fee of 20%, which represent the highest standard fees charged to the Fund investors. The returns are inclusive of a 0.5% asset servicing expense charged to the investors beginning January 1, 2019. All returns are based on the reinvestment of principal, interest and dividends received by the Fund. This is a composite of US and Cayman funds.
- Returns are calculated net of annual management fees of 0.35% and an incentive fee of 7.5% over a 1.5% hurdle. All returns are based on the reinvestment of principal, interest and dividends received by the Fund.
- Returns are calculated net of annual management fees of 1.0% and an incentive fee of 10% over a 3% hurdle. The returns are inclusive of a 0.5% asset servicing expense charged to the investors beginning January 1, 2019. All returns are based on the reinvestment of principal, interest and dividends received by the Fund.
- Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts.



Arena – AUM and Programmatic Capital Through December 31, 2024

- AIGH’s assets under management (including undrawn commitments) and Programmatic Capital were \$3.4B² at December 31, 2024. From December 31, 2015, to December 31, 2024, AUM and Programmatic Capital has grown at a CAGR of ~36%.
- In Q1 of 2025, Arena’s AUM and programmatic capital increased by approximately \$780 million bringing total AUM and programmatic Capital to approximately \$4.2 billion.

Arena – AUM and Programmatic Capital Through December 31, 2024¹



(1) These amounts include both committed and undrawn capital, and programmatic capital. Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts.
 (2) As of December 31, 2024, Arena had \$2.5B in AUM (including \$0.1B of undrawn commitments) and \$0.9B in Programmatic Capital. Programmatic capital includes callable capital to discretionary and non-discretionary separately managed accounts. In Q1 of 2025, Arena’s AUM and programmatic capital increased by approximately \$780 million bringing total AUM and programmatic Capital to approximately \$4.2 billion.





ARENA
Arena FINCOs

Arena FINCOs: Summary of Operating Results

	Three months ended December 31		Year ended December 31	
	2024	2023	2024	2023
(Amounts in millions of US\$ except per share data)				
Investment income	\$2.1	\$6.0	\$13.1	\$6.6
Net gains (losses) on investments	1.8	(4.3)	3.3	(2.7)
Interest expense on AOC Loan ⁽¹⁾	(0.3)	-	(0.3)	-
Interest expense	(0.3)	(1.3)	(3.9)	(4.8)
Net investment income (loss)	\$3.3	\$0.4	\$12.2	(\$0.9)
Operating expenses:				
Management and asset servicing fees	(1.1)	(1.0)	(3.9)	(3.9)
Incentive fees recovery (expense)	0.2	-	-	(0.1)
Other operating expenses	-	(0.2)	(0.7)	(0.9)
Net performance of Arena FINCOs	\$2.4	(\$0.8)	\$7.6	(\$5.8)
Advisory fees paid to the Company	-	(0.1)	(0.1)	(0.2)
Net operating results of the Arena FINCOs	\$2.4	(\$0.9)	\$7.5	(\$6.0)
Gross investment return	1.9%	0.3%	8.2%	(0.5%)
Net investment return⁽²⁾	1.3%	(0.5%)	5.0%	(3.7%)



Q4 2024 net income was \$2.4 million (+1.3% net investment return) compared to Q4 2023 net loss of \$0.9 million (-0.5% net investment return)

FY 2024 net income was \$7.5 million (5.0% net investment return) compared to FY 2023 net loss of \$6.0 million (-3.7% net investment return)



Having served as overflow capacity for Arena's other vehicles, the portfolio profile of Arena FINCOs does not reflect Arena's diversified multi-strategy funds, and will experience more concentration and volatility as a result

(1) On October 1, 2024, AOC and Westaim entered into a loan facility agreement (the "AOC Loan"), which has been drawn down by \$13.0 at December 31, 2024. The AOC Loan bears an interest rate of 7.25% per annum and interest is due at the end of each calendar quarter.

(2) Net investment return does not include certain corporate level advisory fees and other corporate level expenses.

Arena FINCOs: Summary of Net Assets

As at	December 31, 2024	September 30, 2024	December 31, 2023
(Amounts in millions of US\$ except per share data)			
Cash and cash equivalents	\$20.0	\$6.9	\$27.3
Investments:			
Corporate Private Investments	38.8	46.6	52.9
Real Estate Investments	46.2	53.2	53.3
Structured Finance and Assets	35.6	42.6	56.1
Other Securities	48.7	40.5	29.7
Total investments	\$169.3	\$182.9	\$192.0
Other net assets	3.4	3.5	3.9
Due (to) from brokers, net	(5.8)	1.7	(12.1)
AOC loan	(13.0)	-	-
Senior secured notes payable	-	(44.6)	(44.4)
Revolving credit facility payable	-	-	(19.5)
Net assets of the Arena FINCOs	\$173.9	\$150.4	\$147.2
Changes in Investment in Arena FINCOs	Q4 2024		FY 2024
Opening balance	\$150.4		\$147.2
Capital contribution from the Company	45.0		45.0
Return of capital to Westaim	(23.9)		(23.9)
Unrealized income before dividends	2.4		7.5
Dividends paid to Westaim	-		(1.9)
Ending balance	\$173.9		\$173.9



Arena FINCOs' results reflect mark-to-market valuations within its portfolio which has a net value of \$173.9 million at December 31, 2024 compared to \$147.2 million at December 31, 2023, Westaim made capital contribution of \$45.0 million and received cash distributions of \$25.8 million from Arena FINCOs in FY 2024

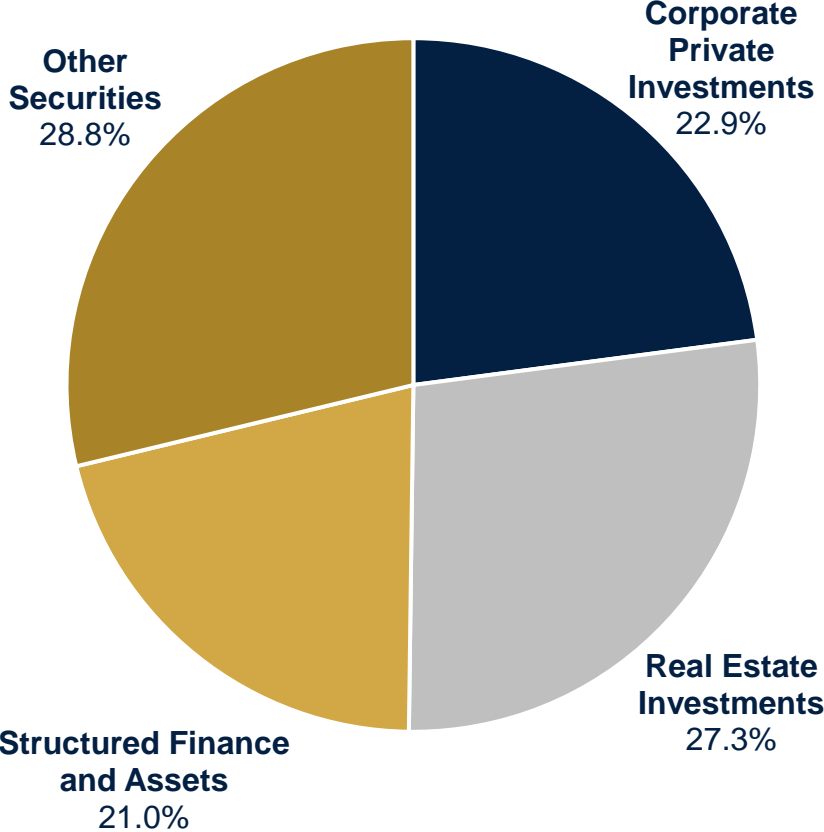


The composition of the portfolio, with 60.8% in equity/REO/hard assets⁽¹⁾, contributes to fair market value volatility of these invested assets through unrealized net gains (losses)



Post transaction, Arena FINCOs will be liquidated, and funds will be used towards commitment to Salem Partners

(1) Equity / REO / Hard Assets reflects any hard asset ownership, in which Arena FINCO has direct ownership rights of the asset, including real estate owned investments (REO), private assets, and corporate entities.



Arena FINCOs held 205 positions at December 31, 2024 compared to 221 positions at December 31, 2023, with 60.8% in equity/REO/hard assets⁽¹⁾ and 39.2% in debt

(1) Equity / REO / Hard Assets reflects any hard asset ownership, in which Arena FINCO has direct ownership rights of the assets, including real estate owned investments (REO), private assets, and corporate entities.

