

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

June 6, 2023

Date of Report (Date of earliest event reported)

WHITE MOUNTAINS INSURANCE GROUP, LTD.

(Exact name of registrant as specified in its charter)

Bermuda
(State or other jurisdiction of
incorporation or organization)

1-8993
(Commission file number)

94-2708455
(I.R.S. Employer Identification No.)

23 South Main Street, Suite 3B, Hanover, New Hampshire 03755
(Address of principal executive offices)

(603) 640-2200
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Shares, par value \$1.00 per share	WTM WTM.BH	New York Stock Exchange Bermuda Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 7.01 Regulation FD Disclosure.

The Registrant's executive officers intend to utilize the presentation furnished as Exhibit 99.1 to this Form 8-K, in whole or in part, at the Registrant's Annual Investor Information Meeting to be held on June 6, 2023. The presentation is incorporated by reference herein.

The information in this report (including Exhibit 99.1) is being furnished pursuant to Item 7.01 and shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise be subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act.

ITEM 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibit is furnished herewith:

EXHIBIT INDEX

99.1 Supplemental Regulation FD Disclosure.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

June 06, 2023

WHITE MOUNTAINS INSURANCE GROUP, LTD.

By:

/s/ MICHAELA J. HILDRETH
Michaela J. Hildreth
Managing Director and
Chief Accounting Officer

White Mountains Insurance Group, Ltd.

2023 Annual Investor Presentation



Forward-Looking Statements

Forward-Looking Statements

This presentation may contain “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. All statements, other than statements of historical facts, included or referenced in this presentation which address activities, events or developments which White Mountains expects or anticipates will or may occur in the future are forward-looking statements. The words “could”, “will”, “believe”, “intend”, “expect”, “anticipate”, “project”, “estimate”, “predict” and similar expressions are also intended to identify forward-looking statements. These forward-looking statements include, among others, statements with respect to White Mountains’s: (i) change in book value per share, adjusted book value per share or return on equity; (ii) business strategy; (iii) financial and operating targets or plans; (iv) incurred loss and loss adjustment expenses and the adequacy of its loss and loss adjustment expense reserves and related reinsurance; (v) projections of revenues, income (or loss), earnings (or loss) per share, EBITDA, adjusted EBITDA, dividends, market share or other financial forecasts of White Mountains or its businesses; (vi) expansion and growth of its business and operations; and (vii) future capital expenditures.

These statements are based on certain assumptions and analyses made by White Mountains in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate in the circumstances. However, whether actual results and developments will conform to its expectations and predictions is subject to risks and uncertainties that could cause actual results to differ materially from expectations, including: (i) the risk factors set forth in our Form 10-K for the year ended December 31, 2022; (ii) claims arising from catastrophic events, such as hurricanes, windstorms, earthquakes, floods, wildfires, tornadoes, tsunamis, severe winter weather, public health crises, terrorist attacks, war and war-like actions, explosions, infrastructure failures, or cyber-attacks; (iii) recorded loss reserves subsequently proving to have been inadequate; (iv) the market value of White Mountains’s investment in MediaAlpha; (v) the trends and uncertainties from the COVID-19 pandemic, including the judicial interpretations on the extent of insurance coverage provided by insurers for COVID-19 pandemic-related claims; (vi) business opportunities (or lack thereof) that may be presented to it and pursued; (vii) actions taken by rating agencies, such as financial strength or credit ratings downgrades or placing ratings on negative watch; (viii) the continued availability of capital and financing; (ix) deterioration of general economic, market or business conditions, including due to outbreaks of contagious disease (including the COVID-19 pandemic) and corresponding mitigation efforts; (x) competitive forces, including the conduct of other insurers; (xi) changes in domestic or foreign laws or regulations, or their interpretation, applicable to White Mountains, its competitors or its customers; and (xii) other factors, most of which are beyond White Mountains’s control.

Consequently, all of the forward-looking statements made in this presentation are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by White Mountains will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, White Mountains or its business or operations. White Mountains assumes no obligation to publicly update any such forward-looking statements, whether as a result of new information, future events or otherwise.



Notes and Non-GAAP Financial Measures

Notes

Management has adjusted certain amounts within this presentation. Management believes the adjusted amounts to be useful to management and investors in depicting and evaluating White Mountains's financial condition and performance. The adjusted amounts are noted and described on p. 46 in the Appendices.

Non-GAAP Financial Measures

Management believes the non-GAAP measures included in this presentation to be useful to management and investors in depicting and evaluating White Mountains's financial condition and performance. The non-GAAP financial measures included in this presentation, and the number of the page on which each measure is first shown, are listed below.

- Adjusted Book Value per Share ("ABVPS") (p. 5)
- Growth in ABVPS (p. 5)
- ABVPS gain (p. 7)
- Total Portfolio (p. 12)
- Total Ark Portfolio (p. 13)
- Total HG Global Portfolio (p. 13)
- Total Parent Portfolio (p. 13)
- Ark Fixed Income (p. 14)
- Ark Equities and Alternatives (p. 14)
- Ark Equity Exposure (p. 14)
- HG Global Fixed Income (p. 14)
- Parent Fixed Income (p. 14)
- Parent Equities and Alternatives (p. 14)
- Fixed Income (p. 14)
- Equities and Alternatives (p. 14)
- Equity Exposure (p. 14)
- Total Portfolio Return (p. 15)
- Fixed Income Return (p. 15)
- Equity and Alternative Return (p. 15)
- Owners' Capital Per Share (p. 17)
- Kudu Levered Return (p. 31)
- Kudu Annualized Adjusted EBITDA (p. 32)

Please see p. 47-57 in the Appendices for a reconciliation of each non-GAAP measure to its most closely comparable GAAP financial measure.

Electronic Copy of Presentation

An electronic copy of this presentation is available on our website: www.whitemountains.com



Introductions

2022 Year in Review

2022 Year in Review

- One of strongest years in WTM history
 - ABVPS up 26% to \$1,495
 - MVPS including dividends up 40% to \$1,414
- Key drivers:
 - Sale of NSM
 - Good results from our operating businesses
 - Investments: negative absolute returns; excellent relative returns
 - Decline in MAX share price
 - Capital management

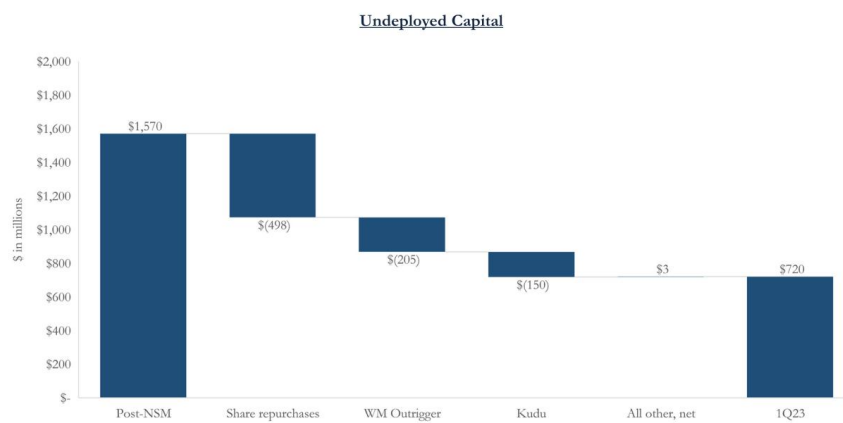
Returns in Context

Book value returns			Market value returns		
	2022	1Q23		2022	YTD June 2, 2023
WTM ABVPS	25.7%	4.8%	WTM	39.6%	1.1%
Dowling & Partners Composite TVC ^[1]	-13.5%	n/a	Dowling & Partners Composite ^[2]	1.8%	n/a
			S&P 500	-18.1%	12.4%
			S&P P&C Insurance Total Return	18.9%	-6.6%

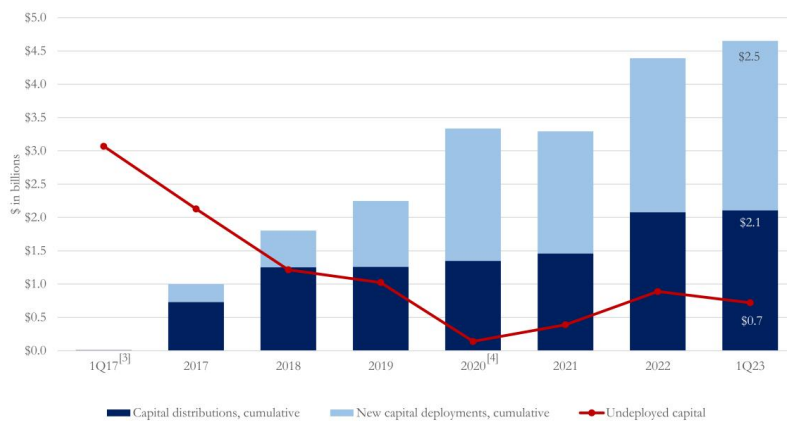
NSM Ownership Recap

- Specialty P&C insurance MGA
- Acquired in May 2018 for enterprise value of \$388 million
- Invested in organic growth of core business
- Supported six bolt-on acquisitions with \$225 million of incremental WTM equity capital
- Closed all-cash sale to Carlyle on August 1, 2022
 - Enterprise value of \$1.775 billion
 - \$1.4 billion of net proceeds to WTM
 - ABVPS gain of ~\$300
 - MOIC of 2.7x; IRR of 31%

Post-NSM Capital Management



Distributions, Deployments and Undeployed Capital



Financial Position & Investment Results

Financial Position

- Total capital of \$4.8 billion, principally in shareholders' equity
 - No financial leverage at parent
 - Prudent financial leverage at opcos: HG Global, Ark and Kudu
 - Consolidated debt to total capital of 12%
- Undeployed capital of \$0.7 billion, or 15% of total capital

Investments: Philosophy and Approach

- Invest for total return
- \$3.6 billion Total Portfolio ⁽⁵⁾ at 1Q23
 - \$2.5 billion of policyholder funds (Ark and HG Global)
 - \$1.2 billion of shareholder funds
- Policyholder funds invested conservatively; shareholder funds invested more aggressively
- Our portfolio tends to have (i) shorter duration and (ii) higher equity exposure
- Parent investment decisions take into account capital position and corporate needs

Investments: Mandates

Mandate	Total Portfolio ^[5] 1Q23	Objectives	Current position
Ark	\$1.9 billion	<ul style="list-style-type: none">▪ Meet insurance obligations▪ Manage for total return	<ul style="list-style-type: none">▪ Fixed income▪ Equities and alternatives
HG Global	\$0.6 billion	<ul style="list-style-type: none">▪ Preserve claims paying resources	<ul style="list-style-type: none">▪ Fixed income
Parent	\$1.2 billion	<ul style="list-style-type: none">▪ Safeguard known capital commitments▪ Manage for total return	<ul style="list-style-type: none">▪ Fixed income▪ Equities and alternatives

Investments: Composition

(\$ in millions)	As of March 31, 2023			
	Ark	HG Global	Parent	Consolidated
Fixed Income ^[5]	\$ 1,520	\$ 552	\$ 658	\$ 2,730
Equities and Alternatives ^[5]	384	-	534	918
Total Portfolio ^[5]	\$ 1,904	\$ 552	\$ 1,192	\$ 3,648
Fixed income duration (years)	1.0	4.0	1.9	1.9
Fixed income credit quality	A+	AA-	AA-	A+
Equities and Alternatives / Total Portfolio	20%	0%	45%	25%
Equity Exposure ^[6]	39%	0%	n/a	42%

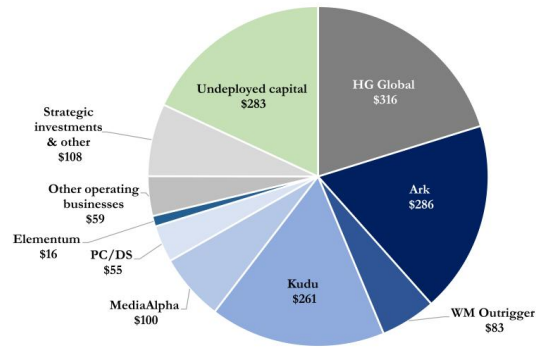
Investments: Performance ^[7]

	Year ended		1Q23	2021 to
	2021	2022		1Q23
Total Portfolio Return	2.3%	-2.1%	2.5%	1.2%
10YT + 150 bps	-2.2%	-14.8%	4.1%	-6.1%
Conventional Wisdom Benchmark ^[8]	2.6%	-13.6%	3.6%	-3.7%
Fixed Income Return	-0.4%	-4.0%	2.0%	-1.1%
BBG Intermediate U.S. Aggregate Index	-1.3%	-9.5%	2.4%	-3.9%
Equity and Alternative Return	25.3%	7.9%	4.1%	16.4%
S&P 500 Index	28.7%	-18.1%	7.5%	5.7%



Operating Businesses

Owners' Capital Per Share at the End of 1Q23 ^[9]



Total: \$1,567 ABVPS

Key Operating Businesses

Company	Initial investment year	WTM ownership ^[10]	Management ownership ^[10]	ABV ^[9] (\$ in millions)	Per share ^[9] (\$)
H G Global	2012	97%	3%	\$804	\$316
 ^[11] WM Outrigger	2021	63%	37%	726/937	286/369
	2018	76%	16%	664	261
	2014	24%	28%	254	100
	2015	54%	46%	140	55
Elementum 	2019	27%	73%	40	16

- Financial guarantor that insures essential public purpose municipal bonds
- BAM is a mutual company owned by its municipality policyholders
- HG Global is a stock company owned by WTM; provides first-loss reinsurance to BAM
- WTM economics come in two forms:
 - BAM surplus notes payments
 - HG Re reinsurance profits

- In 2022, HG Global:
 - Closed investment grade debt facility
 - Paid \$116 million dividend to WTM

- Record year in 2022
 - Gross written premiums and MSC of \$147 million (up 24% YOY)
 - Par insured of \$16 billion (down 8% YOY); total pricing increased to 0.91% (up 36% YOY)
 - 28% of insured par carried underlying ratings of AA- or better
- Cash payment on surplus notes of \$36 million
- Investors utilizing insurance as portfolio management tool
- Solid 1Q23 results
 - Gross written premiums and MSC of \$21 million (down 3% YOY)
 - Par insured of \$2.9 billion (down 16% YOY); pricing at 0.73% (up 16% YOY)
 - Continued robust secondary market activity

(\$ in billions)	2020		2021		2022		1Q23
Total new municipal bond issuance	\$	459	\$	458	\$	360	\$ 75
Insured penetration, overall		8%		8%		8%	8%
Insured penetration, target market		27%		27%		26%	41%
BAM market share (transactions)		56%		53%		56%	53%
10YT (period end)		0.93%		1.52%		3.88%	3.48%
AA-A credit spread (average)		14 bps		11 bps		13 bps	8 bps

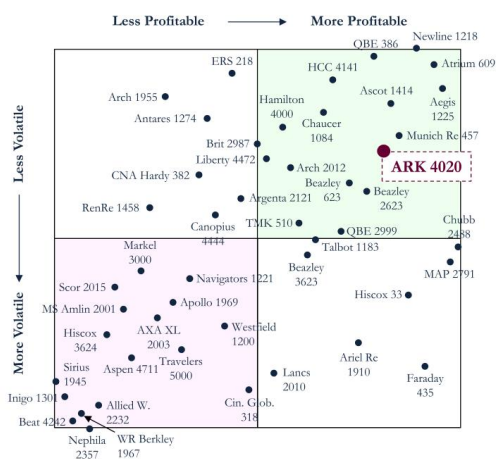
(\$ in millions, except where stated)	Year ended			
	2020	2021	2022	1Q23
Par insured (\$ in billions)	\$ 17.3	\$ 17.5	\$ 16.0	\$ 2.9
Pricing	76 bps	67 bps	91 bps	73 bps
Primary + surety	59 bps	57 bps	69 bps	52 bps
Secondary and assumed reinsurance	197 bps	155 bps	163 bps	137 bps
S&P RAP	4.3%	4.1%	4.1%	3.6%
Gross premiums and MSC	\$ 131	\$ 118	\$ 147	\$ 21
Primary + surety	91	88	84	11
Secondary and assumed reinsurance	41	30	63	10
Claims paying resources	\$ 987	\$ 1,192	\$ 1,423	\$ 1,433

Ark / WM Outrigger: Overview

- Specialized P&C (re)insurance business
- Founded in 2007 by Ian Beaton and Nick Bonnar
- Writes five major lines of business: property, specialty, marine & energy, casualty and A&H
- Business written via:
 - Lloyd's Syndicates 4020 and 3902
 - Bermuda-based reinsurer Group Ark Insurance Ltd.
- Top-quartile underwriter at Lloyd's

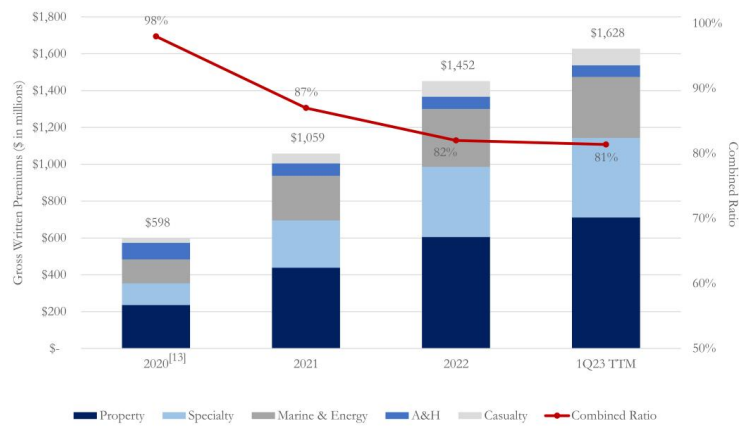
- Outrigger Re is a new sidecar to Ark's Bermuda global property cat XOL reinsurance book

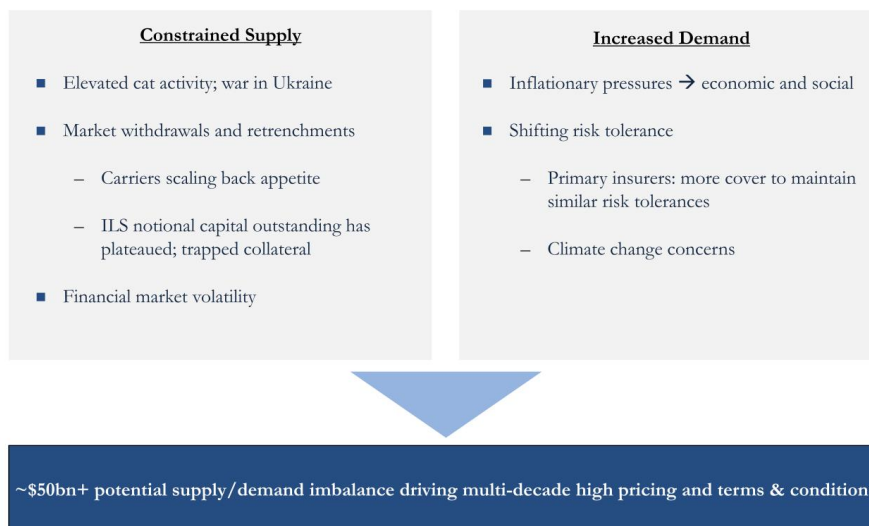
2013-2022 Profitability and Volatility [12]



Ark: Recent Results

- Strong results in 2022
 - Combined ratio of 82%
 - Gross written premiums of \$1.5 billion, up 37% YOY
- Continued momentum in 1Q23
 - Combined ratio of 94%
 - Gross written premiums of \$809 million (up 28% YOY including Outrigger Re)
 - Blended risk-adjusted rate change of +14%
 - Strongest rating environment since Ark's inception





Rate Change

- Property reinsurance: 30%
- Property insurance: 20%
- Marine & specialty: 5-20%
- Casualty and A&H: 0-10%

Conditions & Considerations

- Perils
- Attachments
- Pillars
- Terms & conditions
- Underlying inflation(s)

Portfolio Profitability

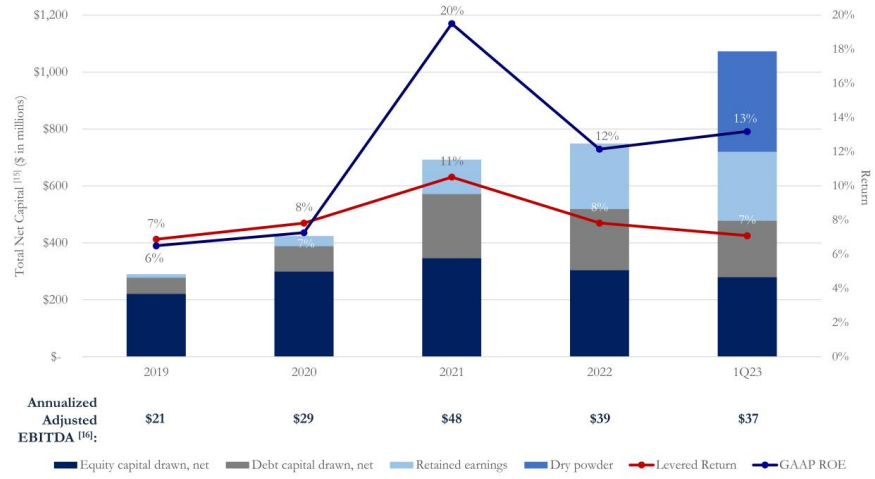
- Pricing vs. profitability
- Catastrophe losses
- Portfolio shape & balance
- Insurance, reinsurance, retrocession

WM Outrigger

- Leaning into hard market for property reinsurance; supportive of Ark team
- WTM led investor group in capitalizing Outrigger Re in advance of 1/1/23 renewals
 - \$205 million of WTM capital; \$45 million of third-party capital
 - Covers Ark's Bermuda global property cat XOL portfolio written in calendar year 2023
 - Renewable upon mutual agreement
- Attractive pricing and terms on 1/1 and 4/1 placements

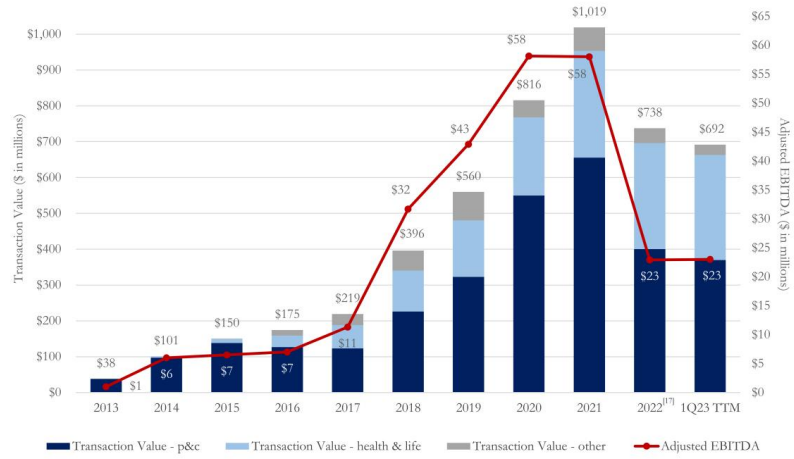
- Provides capital solutions and advisory services to boutique asset and wealth managers
 - Generational ownership transfers
 - Management buyouts
 - Acquisition and growth finance
 - Legacy partner liquidity
- Deals typically structured as revenue shares: healthy running cash yield plus an equity kicker
- Total gross deployed capital of \$744 million inception to date
- Robust deal pipeline; WTM committed \$150 million of new equity capital in 2023

- Solid 2022 results
 - Portfolio value up 8%, including impact of sales
 - GAAP ROE of 12%
 - Levered Return of 8%
- Deployed \$100 million, primarily into three new deals (Gramercy, GenTrust and Escalate)
- Three value-adding sales (Versus, Sequoia and TIG)
 - Aggregate MOIC of 2.4x; IRR of 28%
- Solid start to 2023
 - TTM 1Q23 GAAP ROE of 13%
 - Levered Return down slightly



- Online customer acquisition technology company (NYSE: MAX)
- Industry-leading marketplaces for real-time transactions in clicks, calls and leads
- Multiple verticals, including P&C, health and life insurance
- Fee-based economic model: take percentage on all marketplace transactions

- Tough 2022
 - Extreme cycle for personal auto insurers → pullback in ad spend
 - MAX share price declined → unrealized m-t-m loss of \$93 million for WTM
- Volatile 2023
 - Personal auto cycle yet to turn → pricing continues to chase loss costs
 - MAX share price increased to \$16, then fell to \$5
- Launched public tender offer for MAX shares on May 27
- Reminder:
 - MAX has produced an 8.9x MOIC for WTM, in cash
 - We hold 16.9 million shares of continuing upside
 - Longer term, the secular shift to digital advertising is the stronger force at work





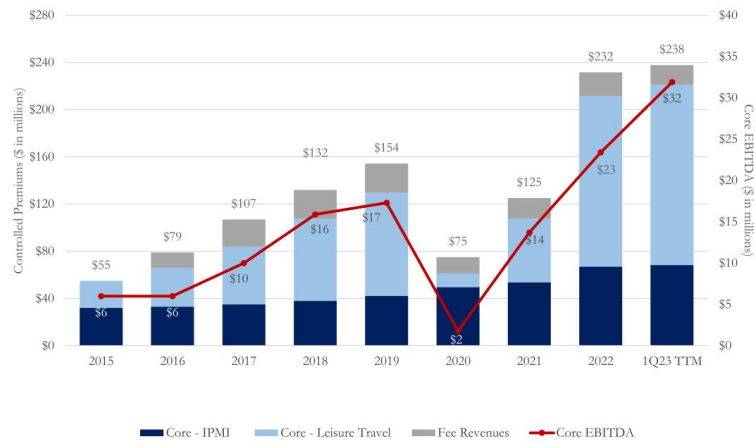
- Offers travel and expat medical insurance
- Delivers coverage and services in 200+ territories around the world
- Real-time, paperless insurance solution, delivered via debit card
- Superior customer experience, premium pricing and high reactivation rates
- Originally launched in Israel; select international expansion
- Economic model is commission-based (base and profit); no net risk retention





- Record year in 2022
 - Core premiums of \$212 million (up 96% YOY)
 - Travel premiums of \$145 million (up 167% YOY)
 - Expat medical premiums of \$67 million (up 25% YOY)
 - Core EBITDA of \$23 million (up 68% YOY)
- Strong 1Q23 results and bullish FY23 outlook
 - TTM core premiums of \$221 million (up 63% YOY)
 - TTM core EBITDA of \$32 million (up 165% YOY)
- International growth initiatives regaining momentum





- Among the largest independent managers of insurance-linked securities (ILS)
- Manages portfolios of nat cat risk on behalf of institutional investors
- Accesses risk via a range of instruments: cat bonds, collateralized reinsurance, primary insurance
- Delivers a range of risk/return and liquidity profiles
- Fee-based business (management fees and performance fees)
- WTM owns a 27% minority stake in the management company (main event)
- In addition, WTM has \$125 million invested in Elementum funds

- Tough year in 2022 for Elementum and broader ILS market
 - AUM decreased 13% to \$3.7 billion
 - Adjusted EBITDA decreased 31% to \$9 million
 - WTM received \$2.9 million of cash dividends
 - Fund returns to WTM of -4.6%
- Solid start to 2023
 - AUM steady at \$3.7 billion
 - TTM Adjusted EBITDA down 17% QOQ to \$7 million
 - Fund returns to WTM of +5.1% (thru April)
- Current conditions for ILS investing are highly attractive

What to Expect

What to Expect from Us

- More of the same
- Focused on growing per share values over long periods of time
- Not focused on near-term GAAP results
- Adhering to our core operating principles:
 - Underwriting comes first
 - Maintain a disciplined balance sheet
 - Invest for total return
 - Think like owners
- Deploying/distributing capital patiently and intelligently

Wise Words...

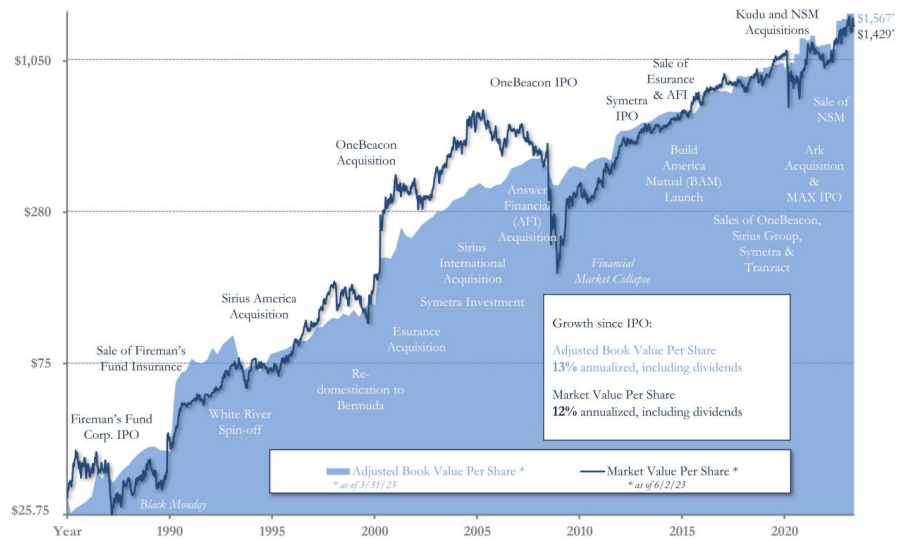
	Return periods ended March 31, 2023				Since WTM IPO (1985)
	1-year	5-year	10-year	20-year	
WTM - ABVPS	30.2%	11.7%	10.1%	9.8%	13.5%
WTM - MVPS	21.3%	11.0%	9.4%	7.7%	11.9%
S&P 500	-7.7%	11.2%	12.2%	10.4%	10.9%
S&P P&C Insurance Total Return ^[19]	0.4%	11.6%	14.0%	10.5%	9.9%



Benjamin Graham

“In the short run, the market is a voting machine, but in the long run it is a weighing machine.”

Track Record



Appendices

1. Notes (p. 46)
 2. Non-GAAP Financial Measures (p. 47)
-

Notes

1. Average total value creation (tangible book value plus dividends) for 47 publicly-traded underwriters reported by Dowling & Partners.
2. Average performance for 55 publicly traded underwriters and brokers reported by Dowling & Partners.
3. 1Q17 undeployed capital amount is adjusted to reflect the OneBeacon transaction as if it had closed on 3/31/17.
4. 2020 deployments include unfunded commitments of \$298 million at 12/31/20, including WTM's remaining equity commitment to Ark of \$200 million, which was terminated in connection with Ark's issuance of \$163 million of unsecured subordinated debt in 3Q21.
5. Investment classifications are shown on a non-GAAP basis and reflect various adjustments and management reclasses as shown on pages 50 to 53.
6. Equity Exposure is calculated using shareholders equity as the denominator for Ark and HG Global and adjusted shareholders equity for consolidated WTM as reconciled on pages 51 and 54 in the Appendices.
7. Investment performance is shown on a non-GAAP basis as reconciled on page 55 in the Appendices.
8. The Conventional Wisdom Benchmark is comprised of 85% of the BBG U.S. Aggregate Index return and 15% of the S&P 500 return.
9. Amounts reflect all unfunded commitments as if they were fully funded at 3/31/23.
10. Ownership is presented on a fully-diluted, fully-converted basis with the exception of HG Global (preferred stock ownership is presented).
11. Ark ABV and ABVPS amounts are shown with and without WTM's investment in WM Outtrigger.
12. Analysis measures (i) profitability using average combined ratios for the 2013-2022 period as weighted by annual GWP and (ii) volatility using weighted standard deviations of annual combined ratios reported for the 2013-2022 period. Criteria for inclusion are ten years of trading with more than GBP 100 million of gross written premiums in at least five of those years. Life syndicates, RITC syndicates and SPAs are excluded. Source: Insurance Insider (used with permission).
13. Presented on a UK GAAP basis after third party capital, as 2020 predates WTM's ownership of Ark.
14. Kudu dry powder and total deployed capital reflect 1H23 activities, including WTM's incremental \$150 million commitment to Kudu.
15. Kudu total net capital reflects (i) equity capital net of distributions, (ii) debt capital, net of repayments, and (iii) retained earnings.
16. Kudu Annualized Adjusted EBITDA (i) includes estimated revenues for newly acquired participation contracts and (ii) excludes revenues from contracts sold.
17. MediaAlpha's 2022 financials are pro forma adjusted for its acquisition of Pocket your Dollars.
18. PassportCard/DavidShield core EBITDA and core expat premiums include PassportCard Germany beginning in 2022.
19. The inception date of the S&P P&C Insurance Total Return Index was 9/11/89.



Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Reconciliation of GAAP book value per share ("BVPS") to ABVPS and growth in ABVPS

(\$ millions, except per share amounts; shares in thousands)

	2020	2021	2022	1Q23
Numerator				
WTM's common shareholders' equity (GAAP BVPS numerator)	\$ 3,906	\$ 3,548	\$ 3,747	\$ 3,902
97% of the time value of money discount on BAM surplus notes	(143)	(126)	(95)	(93)
97% of HG Global's unearned premium reserve	190	215	242	243
97% of HG Global's net deferred acquisition costs	(52)	(61)	(69)	(69)
Adjusted Common Shareholders' Equity (ABVPS numerator)	<u>\$ 3,901</u>	<u>\$ 3,576</u>	<u>\$ 3,825</u>	<u>\$ 3,983</u>
Denominator				
Common shares outstanding (GAAP BVPS denominator)	3,102	3,018	2,572	2,564
Less: unearned restricted common shares	(15)	(14)	(14)	(22)
Adjusted Common Shares Outstanding (ABVPS denominator)	<u>3,087</u>	<u>3,004</u>	<u>2,558</u>	<u>2,542</u>
GAAP book value per share	\$ 1,259	\$ 1,176	\$ 1,457	\$ 1,522
Adjusted book value per share	\$ 1,264	\$ 1,190	\$ 1,495	\$ 1,567
Growth in GAAP BVPS, including dividends [a]	23.1%	-6.5%	24.0%	4.5%
Growth in ABVPS, including dividends [a]	24.2%	-5.7%	25.7%	4.8%

[a] White Mountains declared \$1.00 per share dividend in the first quarter of each period shown



Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.
Comparison of GAAP BVPS returns to ABVPS returns

	Return periods ended March 31, 2023				
	1-year	5-year	10-year	20-year	Since WTM IPO (1985)
WTM - BVPS	28.7%	10.8%	9.7%	9.7%	13.4%
WTM - ABVPS	30.2%	11.7%	10.1%	9.8%	13.5%



Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Comparison of NSM sale GAAP BVPS gain to ABVPS gain

(\$ millions, except per share amounts; shares in thousands)

	<u>8/1/2022</u>
Numerator	
NSM sale gain	\$ 876
Denominator	
Common shares outstanding (GAAP BVPS gain denominator)	2,911
Less: unearned restricted common shares	<u>(20)</u>
Adjusted Common Shares Outstanding (ABVPS gain denominator)	<u>2,891</u>
GAAP BVPS gain	\$ 301
ABVPS gain	\$ 303

Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Reconciliation of GAAP fixed maturity and short-term investments to Fixed Income and GAAP common equity securities, investment in MediaAlpha and other long-term investments to Equities and Alternatives (Total Portfolio equals the sum of Fixed Income and Equities and Alternatives)

(\$ millions)	1Q23
GAAP fixed maturity and short-term investments	\$ 2,840
Remove: BAM fixed maturity and short term investments	(442)
Remove: WM Outrigger fixed maturity and short term investments	(206)
Add: accrued income & net open payables/receivables	12
Add: certain other assets	52
Reclass: certain other long-term investments	350
Reclass: ILS	124
Fixed Income	<u>\$ 2,730</u>
GAAP common equity securities, investment in MediaAlpha and other long-term investments	\$ 2,595
Remove: Kudu participation contracts	(683)
Remove: MediaAlpha	(254)
Remove: PassportCard / DavidShield	(140)
Remove: Elementum	(30)
Remove: Unconsolidated other operating businesses	(95)
Reclass: certain other long-term investments	(350)
Reclass: ILS	(124)
All other	(1)
Equities and Alternatives	<u>\$ 918</u>
Total Portfolio	<u>\$ 3,648</u>

Non-GAAP Financial Measures

Ark

Reconciliation of (i) Ark's GAAP fixed maturity and short-term investments to Ark Fixed Income (ii) Ark's GAAP common equity securities and other long-term investments to Ark Equities and Alternatives and (iii) Ark Equity Exposure (Total Ark Portfolio equals the sum of Ark Fixed Income and Ark Equities and Alternatives)

(\$ millions)	1Q23
GAAP fixed maturity and short-term investments	\$ 1,113
Add: accrued income & net open payables/receivables	5
Add: certain other assets	52
Reclass: certain other long-term investments	350
Ark Fixed Income	<u>\$ 1,520</u>
GAAP common equity securities and other long-term investments	[a] \$ 734
Reclass: certain other long-term investments	(350)
Ark Equities and Alternatives	[b] <u>\$ 384</u>
Total Ark Portfolio	<u>\$ 1,904</u>
Ark shareholders equity	[c] \$ 978
GAAP common equity securities and other long-term investments exposure	[a/c] 75%
Ark Equity Exposure	[b/c] 39%

Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Reconciliation of HG Global's GAAP fixed maturity and short-term investments to HG Global Fixed Income
(Total HG Global Portfolio equals HG Global Fixed Income)

(\$ millions)	<u>1Q23</u>
HG Global GAAP fixed maturity and short-term investments	\$ 549
Add: accrued income	<u>3</u>
HG Global Fixed Income	<u>\$ 552</u>

Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Reconciliation of Other Operations GAAP fixed maturity and short-term investments to Parent Fixed Income and Other Operations
GAAP common equity securities, investment in MediaAlpha and other long-term investments to Parent Equities and Alternatives
(Total Parent Portfolio equals the sum of Parent Fixed Income and Parent Equities and Alternatives)

(\$ millions)	1Q23
GAAP fixed maturity and short-term investments	\$ 531
Add: accrued income & net open payables/receivables	4
Reclass: ILS	124
Parent Fixed Income	<u>\$ 658</u>
GAAP common equity securities, investment in MediaAlpha and other long-term investments	\$ 1,177
Remove: MediaAlpha	(254)
Remove: PassportCard / DavidShield	(140)
Remove: Elementum	(30)
Remove: Unconsolidated other operating businesses	(95)
Reclass: ILS	(124)
All other	(1)
Parent Equities and Alternatives	<u>\$ 534</u>
Total Parent Portfolio	<u>\$ 1,192</u>

Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Reconciliation of GAAP common equity securities, investment in MediaAlpha and other long term investments to Equities and Alternatives and Equity Exposure

(\$ millions)	1Q23
Numerator	
GAAP common equity securities, investment in MediaAlpha and other long-term investments	[a] \$ 2,595
Remove: Kudu participation contracts	(683)
Remove: MediaAlpha	(254)
Remove: PassportCard / DavidShield	(140)
Remove: Elementum	(30)
Remove: Unconsolidated other operating businesses	(95)
Reclass: certain other long-term investments	(350)
Reclass: ILS	(124)
All other	(1)
Equities and Alternatives	918
Add: WTM ownership of Kudu participation contracts	609
Add: MediaAlpha	254
Equity Exposure numerator	[b] \$ 1,781
Denominator	
WTM's common shareholders' equity	[c] \$ 3,902
Non-controlling interest in Ark	251
97% of the time value of money discount on BAM surplus notes	(93)
97% of HG Global's unearned premium reserve	243
97% of HG Global's net deferred acquisition costs	(69)
Adjusted Shareholders' Equity	[d] \$ 4,234
GAAP common equity securities, investment in MediaAlpha and other long-term investments exposure	[a/c] 66%
Equity Exposure	[b/d] 42%



Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Reconciliation of GAAP investment returns to Total Portfolio Return, Fixed Income Return and Equity and Alternative Return

(returns in USD)	2021	2022	1Q23
GAAP total return on investment portfolio	-3.4%	-1.6%	4.5%
Adjusting items			
Remove Media/Alpha	10.2%	1.9%	-1.5%
Remove Kudu participation contracts	-3.5%	-2.9%	-0.5%
Remove BAM invested assets	0.3%	0.9%	0.0%
Remove WM Outrigger invested assets	0.0%	0.0%	-0.1%
Remove PassportCard/DavidShield, Elementum and unconsolidated other operating businesses	-1.0%	-0.4%	0.0%
All other	-0.3%	0.0%	0.1%
Total Portfolio Return	2.3%	-2.1%	2.5%
GAAP fixed maturity and short-term investment return	-0.4%	-4.8%	1.9%
Adjusting items			
Remove BAM invested assets	-0.1%	0.6%	-0.1%
Remove WM Outrigger invested assets	0.0%	0.0%	0.1%
Reclass ILS & other fixed income	0.1%	0.2%	0.1%
Fixed Income Return	-0.4%	-4.0%	2.0%
GAAP common equity securities and other long-term investments return	-7.1%	2.3%	7.6%
Adjusting items			
Remove Media/Alpha	41.9%	5.8%	-3.2%
Remove Kudu participation contracts	-2.7%	-5.0%	-0.9%
Remove PassportCard/DavidShield, Elementum and unconsolidated other operating businesses	-3.8%	-0.1%	0.2%
Reclass ILS & other fixed income	-3.0%	4.9%	0.4%
Equity and Alternative Return	25.3%	7.9%	4.1%



Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Reconciliation of GAAP BV and GAAP BVPS allocation of capital to ABV and ABVPS allocation of capital

(\$ millions, except per share amounts)

	1Q23 Actual			1Q23 Owners' Capital Per Share		
	GAAP Book Value	Reclass UDC & Commitments	Adjustments	Adjusted Book Value	GAAP Book Value Per Share	Adjusted Book Value Per Share
HG Global	\$ 724	\$ -	\$ 80	\$ 804 [a]	\$ 282	\$ 316
Ark	726	-	-	726	283	286
WM Outrigger	210	-	-	210	82	83
Kudu	440	224	-	664 [b]	172	261
MediaAlpha	254	-	-	254	99	100
PassportCard / DavidShield	140	-	-	140	55	55
Elementum	30	10	-	40 [b]	12	16
Other operating businesses	149	-	-	149	58	59
Strategic investments	127	86	-	214 [b]	50	84
Other net assets	1,101	(1,040)	-	61 [b]	429	24
Undeployed capital (UDC)	-	720	-	720	-	283
Total	\$ 3,902	\$ -	\$ 80	\$ 3,983	\$ 1,522	\$ 1,567

[a] Adjusted book value is adjusted for (i) time value of money discount on BAM surplus notes and (ii) HG Global's unearned premium reserve and deferred acquisition costs

[b] Adjusted book value includes unfunded commitments

Non-GAAP Financial Measures

White Mountains Insurance Group, Ltd.

Reconciliations of Kudu GAAP net income to Kudu Annualized Adjusted EBITDA and return on equity to Levered Return

(\$ millions)		Trailing Twelve Months Ended			
		4Q20	4Q21	4Q22	1Q23
GAAP net income (loss)	[a]	\$ 21	\$ 78	\$ 62	\$ 67
Add back:					
Interest expense		6	12	15	17
Income tax expense (benefit)		7	30	27	28
Amortization of other intangible assets		-	0	0	0
EBITDA		34	120	104	112
Exclude:					
Net realized and unrealized (gains) losses		(16)	(90)	(64)	(71)
Non-cash equity-based compensation expense		-	1	0	0
Transaction expenses		4	2	2	2
Adjusted EBITDA		22	33	42	43
Adjust for participation contract transactions:					
Add annualized / forecasted revenues from acquisitions		7	18	3	5
Remove partial year revenues exits		-	(2)	(6)	(11)
Kudu Annualized Adjusted EBITDA		29	48	39	37
Remove: Interest expense		(6)	(12)	(15)	(17)
Levered Annualized Adjusted EBTDA	[b]	\$ 23	\$ 36	\$ 24	\$ 20
Average GAAP equity	[c]	\$ 284	\$ 400	\$ 509	\$ 504
Return on equity	[a/c]	7%	20%	12%	13%
Equity capital drawn, net	[d]	\$ 299	\$ 346	\$ 304	\$ 279
Kudu Levered Return	[b/d]	8%	11%	8%	7%

Note: TTM periods that precede 1Q20 cannot be reconciled to GAAP as Kudu was not consolidated in White Mountains's results until 2Q19



