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**FOR IMMEDIATE RELEASE.**

**21 May 2025**

# Third Point Investors Limited

## Outcome of Strategy Review and Proposed All-Share Combination

- Proposed all-share combination with Malibu Life Reinsurance SPC to create a fast-growing, fully capitalised, London-listed, reinsurance operating company
- Transaction unanimously recommended by the Strategy Committee following conclusion of Strategy Review
- Potential tender offer of at least $75 million to effect rotation of Shareholders seeking liquidity

Third Point Investors Limited (the "**Company**") is pleased to announce that it has entered into a sale and purchase agreement to acquire Malibu Life Reinsurance SPC ("**Malibu**"), an established reinsurance platform focused on the US fixed annuity market (the “**Acquisition**”).

The Company will acquire Malibu from Malibu Life Holdings LLC (the "**Seller**"), (which is wholly owned by Third Point Opportunities Master Fund L.P. ("**Third Point Opportunities**")) in exchange for the issue of new ordinary shares in the Company (the "**Consideration Shares**") on a “NAV for NAV” basis. The Acquisition is subject to, *inter alia*, the approval of Shareholders, and the Company will convene an extraordinary general meeting (the "**EGM**") at which the Company will propose resolutions to approve the Acquisition and certain related matters and to implement the potential tender offer.

### Strategic rationale for proposed Acquisition

- The proposed all-share combination of the Company and Malibu on a “NAV for NAV” basis is expected to create a fast-growing reinsurance operating company, targeting mid-teens return on equity by the end of 2027
- Malibu is an established annuity reinsurance platform focused on predictable liabilities within the estimated $1 trillion and growing fixed annuity market in the United States
- This unique and innovative opportunity facilitates an orderly transition of the Company’s current investment strategy into a fully capitalised, London-listed, reinsurance operating company
- Malibu is targeting to scale to approximately $5 billion in annual premiums by the end of 2027(1) through execution of a robust, spread-based business model and a highly scalable and efficient operating platform
- Malibu’s capital needs for this growth strategy will be met by periodic redemptions from the Master Fund resulting in a pure play operating company within approximately 18-36 months following completion of the Acquisition ("**Completion**")
- Significant upfront investment already made by Third Point, LLC and its affiliates ("**Third Point**") into Malibu allows the Company to acquire Malibu at an attractive entry point

- Malibu is led by an experienced executive team including Director, Gary Dombowsky - co-founder and former CEO of Knighthead Annuity & Life Assurance Company, who will join the Board as CEO on Completion

- The target mid-teens return on equity of Malibu's business model and the potential re-rating of the Company's Ordinary Shares over time in line with US listed life and annuity companies, which tend to trade at or above book value, creates an attractive investment opportunity for Shareholders

**Potential tender offer**

- In order to effect an orderly rotation of Ordinary Shareholders who are seeking to realise part or all of their investment, the Company is considering a potential tender offer of at least $75 million

- The Company has received conditional commitments from new and existing investors, including Third Point, for $55 million in aggregate to purchase a proportion of Ordinary Shares that may be tendered by participating Shareholders at a price that represents a discount to NAV of 12.5 per cent.

- The Company intends to purchase any additional tendered Ordinary Shares (up to the maximum value of any potential tender offer)

- The price of any potential tender offer is expected to be by reference to a discount to NAV of 12.5 per cent.

- In connection with any potential tender offer, Third Point, representing approximately 25% of issued share capital, has undertaken not to tender its Ordinary Shares

- Any potential tender offer will be conditional on Shareholder approval of the Acquisition and certain related proposals and Completion

**Acquisition structure**

- The Company has agreed to acquire Malibu at its tangible book value in exchange for the issue of the Consideration Shares to be valued at the Company's NAV per Share. Malibu has a tangible book value of c.$68 million (including an adjustment for a $16 million equity investment by Third Point in Q1 2025)[(6)]. Third Point is expected to contribute a further estimated $15 million of equity capital to Malibu during Q2 2025

- The Acquisition constitutes a reverse takeover under the UK Listing Rules, with a circular expected to be published in June convening an EGM to seek required shareholder approvals for the Acquisition and related proposals and to implement any potential tender offer

- Third Point and the following directors of the Company who hold Ordinary Shares, Rupert Dorey, Huw Evans and Claire Whittet, have irrevocably undertaken to vote in favour of the Acquisition and related proposals, in respect of in aggregate 4,388,923 Ordinary Shares, representing in aggregate approximately 25.2% of the Company's total voting rights as at the date of this announcement

- Saba Capital Management Fund L.P. ("**Saba Capital Management**") has undertaken to use reasonable endeavours to procure the vote in favour of the Acquisition and related proposals in respect of the Ordinary Shares beneficially owned by Saba Capital Management and over which it can exercise voting rights (as at the date of the announcement, certain investment vehicles advised by Saba Capital Management have the ability but not the obligation to procure the exercise of voting rights over 200,814 Ordinary Shares, representing in aggregate approximately 1.2% of the Company's total voting rights)

- As a result of the reverse takeover, the Company's existing listing of its ordinary shares in the equity shares (closed-ended investment funds) category will be cancelled upon Completion and the Company will apply for admission of its ordinary shares (including the Consideration Shares) to the equity shares (commercial companies) category to be effective immediately following Completion, which is expected to occur in during Q3 2025

**Rupert Dorey, Chairman of Third Point Investors Limited, said:**

*"We are delighted to announce the proposed acquisition of Malibu. This is an innovative and transformational transaction that solves the structural headwinds impacting the investment trust sector to deliver a unique proposition for shareholders.*

*Malibu is a high-potential reinsurance platform with a robust pipeline of reinsurance and other origination opportunities that will enable it to achieve scale in the near-term. The business plan for Malibu provides a clear path to steady, consistent returns, and an improved trading multiple for the Company.*

*I would like to thank the Strategy Committee for their thorough and diligent approach which has led to an innovative and compelling transaction that the Board is pleased to present to Shareholders."*

**Dimitri Goulandris, Chairman of the Strategy Committee, said:**

*"Following a comprehensive strategy review and extensive due diligence, the Strategy Committee is pleased to have been able to find an option that not only sees the Company evolve over time into a pure-play operating company with a very attractive, robust and scalable business model, but also, due to strong support for the transaction from existing and new investors, provides new capital to assist in rotating out existing Shareholders who are unable or do not wish to remain invested.*

*I am delighted to be chairing the new business and look forward to working with Gary and his team as Malibu executes its plan to deliver strong growth with attractive unit economics."*

**Gary Dombowsky, Director of Malibu, added:**

*"The US fixed annuity market is growing rapidly and there is a structural need in the sector to provide competitively priced and innovative reinsurance solutions. As a well-capitalised business backed by a leading global alternative investment manager, Malibu is strongly positioned to capitalise on that opportunity. This is a pivotal moment in the business' trajectory and we look forward to scaling Malibu rapidly to establish it as a key player in the space."*

**Webcast**

The Company and Malibu will host an investor presentation today at 8.00 a.m. BST. The presentation will be available at:

https://tpil-strategyreview.open-exchange.net/registration

A presentation detailing the Acquisition will be posted to the Company's website at https://www.thirdpointlimited.com before the conference call.

**Enquiries:**

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This announcement is being made on behalf of the Company by Northern Trust International Fund Administration Services (Guernsey) Limited, administrator to the Company.

**Outcome of Strategy Review and Proposed All-Share Combination**

## 1. Introduction

On 22 April 2024, the board of directors of the Company (the "**Board**") announced the creation of a Strategy Committee (the "**Strategy Committee**") tasked with conducting a strategy review to consider how the Company may best deliver value to shareholders going forward.

Further to the announcements on 11 December 2024 and 3 April 2025, and following a wide-ranging review of strategic options, the Strategy Committee has presented its detailed findings and recommendations to the Board who are today announcing the proposed all-share combination of the Company and Malibu on a "NAV for NAV" basis, which is expected to create a fast-growing reinsurance operating company targeting mid-teens return on equity ("**ROE**") by the end of 2027.

Malibu is an established annuity reinsurance platform focused on predictable liabilities within the estimated $1 trillion and growing fixed annuity market in the United States. This unique and innovative opportunity will facilitate an orderly transition of the Company's current investment strategy into a fully capitalised, London-listed, reinsurance operating company.

Malibu has already reinsured approximately $700 million of premium (to the end of the first quarter of 2025) since inception and has a business plan which forecasts scaling to approximately $5 billion in annual premiums by the end of 2027(1) through execution of a robust, spread-based business model with hybrid liability origination and a highly scalable and efficient operating platform. Malibu's capital needs for this growth strategy will be met by periodic redemptions from the Company's investment in Third Point Offshore Fund, Ltd (the "**Master Fund**") resulting in a pure play operating company within approximately 18-36 months following Completion.

Malibu is 100% owned by the Seller, which is wholly owned by Third Point Opportunities and its affiliates, who have already made a significant upfront investment into the platform allowing the Company to acquire Malibu at an attractive entry point.

As the Acquisition constitutes a reverse takeover under the UK Listing Rules, the Acquisition will require approval by the Company's shareholders ("**Shareholders**"). The Company expects to send a circular to Shareholders in June (the "**Circular**") to convene an extraordinary general meeting (the "**EGM**") required in order to seek Shareholder approval for the Acquisition and related proposals and implement any potential tender offer, as described further below.

The Company's existing listing of its Ordinary Shares in the equity shares (closed-ended investment funds) category will be cancelled upon Completion. The Company will apply for re-admission of its Ordinary Shares (including the Consideration Shares) to the equity shares (commercial companies) category (the "**ESCC Category**") to be effective immediately following Completion (the "**Listing Category Change**"). In addition, in order to align the Company's jurisdiction of incorporation with that of Malibu, the Company will also seek shareholder approval to migrate the Company's place of incorporation from Guernsey to the Cayman Islands (the "**Migration**") (see paragraph 16 below).

In order to effect an orderly rotation of Ordinary Shareholders who are seeking to realise part or all of their investment, the Company is considering a potential tender offer of at least $75 million.

The Company has received conditional commitments from new and existing investors, including Third Point, for $55 million in aggregate to purchase a proportion of Ordinary Shares that may be tendered by participating Shareholders at a price that represents a discount to NAV of 12.5 per cent. The Company intends to purchase any additional tendered Ordinary Shares (up to the maximum value of any potential tender offer) (see paragraph 3 below).

## 2. Background to and reasons for the Acquisition

On 22 April 2024, in response to the Company's Ordinary Shares trading at a persistent discount to NAV, the Board announced the creation of a Strategy Committee tasked with conducting a strategy review to consider how the Company may best deliver value to Shareholders going forward.

The Strategy Committee was charged with evaluating all possible options, including M&A opportunities, investment strategy mixes, corporate continuation votes or further tenders, and other innovative options.

Further to the announcements on 11 December 2024 and 3 April 2025, and following a wide-ranging review of strategic options, the Strategy Committee has presented its detailed findings to the Board and recommended the proposed Acquisition.

The Strategy Committee has conducted extensive due diligence on Malibu and the wider fixed annuity reinsurance market. As such, the directors of the Company (the "**Directors**") believe that the Acquisition offers Shareholders an opportunity to transform the Company into a fast-growing, fully-capitalised, London-listed, reinsurance operating company, focusing on simple and predictable fixed annuity liabilities, funded by redemptions from the Company's investment in the Master Fund over time as Malibu sources reinsurance and investment opportunities in accordance with its business plan.

The Directors believe that Malibu offers a unique opportunity for investors to capitalise on the fast-growing US fixed annuity market targeting mid-teens return on equity by the end of 2027 alongside the potential for a re-rating of the Company's Ordinary Shares over time in line with US listed life and annuity companies which tend to trade at or above book value.

***(i) Simple, spread-based business model with a focus on predictable liabilities and a planned hybrid-origination model, combined with Third Point's deep multi-asset credit capabilities***

Malibu's business model is focused on reinsurance of simple fixed annuities ("**FAs**") (predominantly multi-year guaranteed annuities ("**MYGAs**")) and fixed indexed annuities ("**FIAs**") within the broader US life and annuity market. MYGAs and FIAs generally have a predictable risk profile and provide policyholders guaranteed crediting rates on their invested assets and potential upside linked to broad equity indices in the case of FIAs.

Malibu in turn invests policyholders' funds through Third Point's asset management platform into high-quality largely investment grade fixed income assets to generate investment returns that fund policyholders crediting rates, Malibu's operating expenses, and Malibu's profits.

Malibu's investment management partnership with Third Point is an important source of value as Third Point's asset management capabilities are critical for driving strong returns on investment that are expected to enhance Malibu's competitiveness by enabling it to offer more competitive treaty terms and profitability by earning higher returns on deployed capital.

In the second quarter of 2024, Malibu entered into a reinsurance treaty with a blue-chip US life and reinsurance platform, which has provided approximately $700 million of premium (to the end of the first quarter of 2025) and is expected to cover approximately $3 billion in policies reinsured.

In the near term, as part of its growth strategy, Malibu plans to develop a hybrid approach to origination, whereby Malibu can acquire annuity liabilities through direct distribution channels by acquiring or building a US-based direct annuity insurer. This diversified distribution strategy is expected to enhance Malibu's control over distribution and enable it to source attractively priced liabilities with greater consistency.

***(ii) Malibu has established a highly scalable and efficient operating model, leveraging the expertise of leading outsourcing partners***

Malibu's operating model is focused on scalability and adaptability and is currently largely outsourced. Malibu relies on leading partners for key functions such as actuarial, operations, risk, investment management, and asset liability management. Malibu is supported by Third Point's existing insurance capabilities to provide risk management services and industry relationships to help source additional flow treaty and block reinsurance transactions and develop a US direct origination business to drive future growth.

In the near-term as Malibu's platform achieves larger scale, it reserves flexibility to move the currently outsourced functions in-house, depending on market conditions and operational needs of Malibu's business. This hybrid operating model helps enable the Malibu platform to expand to other types of liabilities in the future, such as pension risk transfer transactions or registered index-linked annuity products, if market conditions warrant it.

### *(iii) Opportunity to deploy capital at attractive rates of return for Shareholders*

The Acquisition provides Shareholders with an opportunity to deploy the Company's capital into Malibu's business within approximately 18-36 months of Completion to support new opportunities in the fast-growing US retirement market, with an illustrative target IRR of 15%[(2)].

Malibu has identified a robust pipeline of growth opportunities, including flow reinsurance, block reinsurance, and the potential acquisition of a US annuity origination platform that drive much of the capital needs in the 18-36 months following Completion. These opportunities are supported by a fast-growing, estimated $1 trillion addressable fixed annuities market in the United States as sales of fixed annuities reach all-time highs, driving demand by primary annuities writers for capital relief through reinsurance. Opportunities to acquire a US annuity origination platform or a large block of annuities policies could potentially accelerate the capital deployment timeline and enhance the return profile for Shareholders.

Taking into account the above factors, the Board considers the Acquisition is in the best interests of the Shareholders of the Company as a whole.

## 3. Potential tender offer

In order to effect an orderly rotation of Ordinary Shareholders who are seeking to realise part or all of their investment, the Company is considering a potential tender offer of at least $75 million.

The Company has received conditional commitments from new and existing investors, including Third Point, for $55 million in aggregate to purchase a proportion of Ordinary Shares that may be tendered by participating Shareholders at a price that represents a discount to NAV of 12.5 per cent. The Company intends to purchase any additional tendered Ordinary Shares (up to the maximum value of any potential tender offer).

The price of any potential tender offer is expected to be by reference to a discount to NAV of 12.5 per cent. Any purchase of tendered Ordinary Shares based on commitments by new and existing investors (including Third Point and its affiliates) and any other third-party investor who purchases tendered Ordinary Shares will be on the same terms and at the same price.

In connection with any potential tender offer, Third Point, representing approximately 25% of issued share capital, has undertaken not to tender its Ordinary Shares.

Any potential tender offer will be conditional on Shareholder approval of the Acquisition and certain related proposals at the EGM and Completion. The terms of any potential tender offer will be set out in the Circular.

## 4. Overview of the Acquisition

### *Consideration structure*

Pursuant to the Acquisition, the Company is proposing to acquire 100% of the shares in Malibu (including shares of its sole segregated portfolio called Malibu Life Reinsurance SP1) from the Seller in exchange for issuing Consideration Shares to the Seller on a "NAV for NAV" basis, with the Consideration Shares being valued at the net asset value per Ordinary Share, and Malibu being valued at its tangible book value (estimated to be approximately $68 million[(6)]), in each case after deduction of transaction costs and, in the case of Malibu, after addition of amounts paid in respect of executive search. Such valuation shall be, in each case, estimated as at the last day of the month during which the final condition to Completion occurs (the "**Calculation Date**").

Completion will occur on the tenth business day following the Calculation Date. Approximately 95% of the Consideration Shares to be issued to the Seller will be issued on Completion. Following Completion, there will be a true-up mechanism if either the actual net asset value of the Company or the actual tangible book value of Malibu, in each case, as at the Calculation Date is determined or agreed to be different to the estimated net asset value of the Company or the estimated book value of Malibu, respectively, such that the Company will issue such number Consideration Shares to the Seller to satisfy the balance of the consideration due (if any) depending on the outcome of this true-up mechanism. As the Acquisition is structured for the acquisition of shares in Malibu in exchange for Ordinary Shares, the purchase price the Company will pay for Malibu will depend on the ultimate valuation of the Ordinary Shares and of Malibu, which may fluctuate.

### *Conditions to Completion*

The Acquisition is conditional, *inter alia*, upon:

- the Seller obtaining prior written approval from the Cayman Islands Monetary Authority ("**CIMA**") for the proposed change of control of Malibu by the Company (and any change of control resulting from the reorganisation related to the Acquisition), with this condition not being satisfied if conditions apply to such approval and the Company (acting reasonably) considers that those conditions are a material impediment to the Company being able to deliver on the business plan or the investment proposition;
- the receipt of necessary regulatory consents and approvals from the Guernsey Financial Services Commission (the "**GFSC**");
- the receipt of a certificate of registration by way of continuation evidencing the continuation of the Company to the Cayman Islands from the Cayman Registrar, such that the Company will be registered by way of continuation as a Cayman Islands exempted company with limited liability registered in the Cayman Islands;
- the vote in favour of resolutions to approve (i) the Acquisition and (ii) the Migration, in each case by the requisite majority of Shareholders as represented in person or by proxy at the EGM;
- compliance by the Company with the requirements for the filing and approval of a UK prospectus with respect to the Company shares by the UK Financial Conduct Authority (the "**FCA**") for admission of the ordinary shares (including the Consideration Shares) to the equity shares (commercial companies) category ("**Admission**") and such UK prospectus having been made available to the public in accordance with the Prospectus Regulation Rules of the FCA;
- Admission occurring not later than 8.00 a.m. on the date of Completion (or such other day as the Company and Seller agree);
- if in the reasonable opinion of the Company, one is required, the publication of a supplementary circular in accordance with the UK Listing Rules;
- the UK Panel on Takeovers and Mergers not having notified that the Acquisition will result in an obligation on the Seller or any of its affiliates being required to make an offer in accordance with Rule 9 of the City Code on Takeovers and Mergers, as amended from time to time (the "**UK Takeover Code**"); and
- Daniel S Loeb remaining as the chief executive officer of Third Point, LLC (except where his removal would not constitute a material impediment to the Company to execute its business plan or investment proposition in respect of Malibu).

Subject to the Conditions set out above, Completion is expected to occur in Q3 2025.

***Shareholder agreement***

The Company has agreed with Third Point and the Seller (together, the "**Third Point Shareholders**") the terms of a shareholder agreement (the "**Shareholder Agreement**") to be entered into upon Admission, which will regulate the relationship as between them from Admission and pursuant to which Third Point will have certain rights in relation to the governance of the Company.

Pursuant to the Shareholder Agreement, Third Point Shareholders may nominate up to three Directors of the Company (the **"Third Point Directors**") in proportion to the percentage of Ordinary Shares held by Third Point as at Completion that the Third Point Shareholders hold from time to time, subject at all times to the Third Point Directors representing a minority of the members of the Board, and may appoint an observer to the Board of the Company, in each case provided that Third Point Shareholders shall not be entitled to nominate any Third Point Director or appoint an observer to the Board if the Third Point Shareholders hold a beneficial interest in 10 per cent. or less of the issued ordinary share capital from time to time.

The Shareholder Agreement also contains certain Board reserved matters, such that, for so long as Third Point Shareholders are entitled to nominate at least one Third Point Director, the Company shall not undertake certain matters without the prior consent of the majority of the Board, including all of the Third Point Directors. Such matters include: (i) any amendment or modification of the terms of, or waiver of material rights under, the constitutional documents of the Company or any member of its group if such amendment or modification would adversely affect Third Point and the Seller; (ii) the issuance of any shares or securities, or the grant of any option or right to acquire or call for the issue of any shares or securities, whether by conversion, subscription or otherwise, representing more than 10 per cent. of the issued Ordinary Shares or any member of its group, or on a non-pre-emptive or non-pro-rata basis (except for the issuance of shares or securities pursuant to certain equity incentive schemes for management approved by the majority of the Board); (iii) the acquisition or sale of the whole or part of any undertaking or business, except where such acquisition sale is identified or described in the annual business plan; (iv) any proposal for the winding up or liquidation of the Company or any member of its group; (v) appointing a new investment adviser to, or persons performing similar functions (including sub-advisers) for, the Company or any member of its group; or (vi) removing or seeking to remove the investment manager or strategic adviser under, or exercising any right to terminate, the Malibu IMA, except in accordance with the terms of the IMA Side Letter (each as defined below).

Pursuant to the Shareholder Agreement, the Third Point Shareholders will be subject to a 12-month lock-up period from the date of Completion in relation to disposals of their interests in Ordinary Shares, subject to certain customary exceptions or the prior written consent of the Company.

The Shareholder Agreement may be terminated if the parties agree in writing or with immediate effect if the Third Point Shareholders cease to hold in aggregate a beneficial interest in Ordinary Shares representing 10% or more of the issued ordinary share capital of the Company from time to time or the Company going into liquidation or commencing a winding-up.

***Malibu investment management agreement***

Malibu and Third Point have agreed the terms of an amended and restated investment management agreement (the "**Malibu IMA**") to be entered into upon Admission, pursuant to which Third Point will provide Malibu with discretionary investment management services, subject to the overall supervision, review and control of the Malibu board and a strategic asset allocation to be agreed at least annually. Third Point may delegate any or all of its discretionary investment, advisory and other rights, powers, functions and obligations under the Malibu IMA to one or more investment advisers (which may be affiliates of Third Point). The services rendered by Third Point under the Malibu IMA shall be on fee terms agreed between the parties from time to time. Third Point shall procure that any fees payable by Malibu to delegates who are affiliates of Third Point or in respect of any investments into any comingled funds that are sponsored or managed by Third Point or any of its affiliates will be subject to customary "most favoured nation" rights related to fees. The Malibu IMA may be terminated by either party on 90 days' notice, or with immediate effect upon the breach of the other party or the other party going into liquidation or commencing winding up.

***IMA side letter***

The Company and Third Point have agreed the terms of a side letter (the "**IMA Side Letter**") to be entered into upon Admission, pursuant to which the Company agrees that notwithstanding any provision to the contrary in the Malibu IMA or the SSA, the Company shall procure that these agreements shall have a minimum initial duration of five years, and shall renew for periods of two years automatically thereafter. The Company shall also procure that the Malibu IMA and SSA may only be terminated upon the expiry of the initial term or any subsequent term, or earlier with 90 days' notice (with the requisite Board approvals which are set out in the Shareholder Agreement), upon the occurrence of certain specified cause events or due to consistent under-performance by Third Point or overcharging of fees by Third Point under the Malibu IMA and the SSA. The Company and Third Point also agree that the Company shall not be entitled to redeem its interests in the Master Fund other than for the purposes of re-investing the redemption proceeds into Malibu and in circumstances currently permitted under the Malibu IMA.

***Strategic services agreement***

Malibu and Third Point have agreed terms of an amended and restated strategic services agreement (the "**SSA**") to be entered into upon Admission. Under the SSA, Third Point will provide operational support services (such as finance, legal, HR and IT support) and strategic support services (such as capital and risk management, corporate development, pricing and fundraising). The initial term of the SSA will be one year, but this will automatically renew unless terminated by either party. Third Point will be paid an annual fee equal to 30 basis points (being 5 basis points in respect of operational and 25 basis points in respect of strategic support services) of the average month-end net-asset value of Malibu's investment portfolio for the relevant period (being all cash and investment assets of Malibu, including without limitation: (i) the Funds Withheld Account; (ii) the Trust Account and (iii) the General Account, and excluding, for the avoidance of doubt, goodwill and accruals. For the avoidance of doubt, insurance related liabilities of Malibu will not be deducted when calculating the net asset value of Malibu's investment portfolio), such net asset value to be calculated in accordance with US GAAP pursuant to the valuation policy of Third Point from time to time. Subject to the provisions of the IMA Side Letter, the SSA may be terminated by either party on 90 days' notice, or with immediate effect upon the breach (following expiry of 30 days following receipt of written notice requiring such breach to be remedied) of the other party or the other party going into liquidation or commencing winding up.

## 5. Information on Malibu and Malibu Life Holdings LLC

Malibu Life Holdings LLC owns 100% of the outstanding equity share capital of Malibu, a Class B(iii) licensed insurance company in the Cayman Islands, an important international domicile for reinsuring US-originated insurance risk.

Malibu was incorporated on 1 February 2024 as an exempted company with limited liability and registered as a segregated portfolio company pursuant to the Companies Act (as revised) of the Cayman Islands. A segregated portfolio company is a single legal entity whose assets and liabilities can be allocated to different segregated portfolios within the company. Malibu currently has one segregated portfolio containing operations relating to its existing reinsurance platform.

Malibu focuses on fixed annuity products as they are expected to generate predictable returns with predictable duration and cash flows, enabling efficient management of liabilities and investments. Malibu may expand to other similar products such as pension risk transfer or registered index-linked annuities in the future if opportunities arise and market conditions warrant it.

Malibu currently operates a reinsurance-only platform, but as part of its growth strategy to build a hybrid-origination model, Malibu plans to develop an US annuity origination platform in the near term, either by acquiring a US annuity origination platform or acquiring an onshore shell with a licence and building a platform.

As at the first quarter of 2025, Third Point had contributed approximately $66 million[(3)] of equity capital to fund Malibu. Third Point is expected to contribute a further estimated $15 million of equity capital to Malibu during Q2 2025.

## 6. Financial summary of Malibu

Set out below is a summary of the audited financial information for Malibu Life Reinsurance SP1 (the sole segregated portfolio company formed by Malibu as at the date of this announcement) for the period from 25 April 2024 (date of formation) to 31 December 2024[(4)]:

| | **For period from 25 April 2024 to 31 December 2024**<br>*(audited)*<br>*(US$)* |
|---|---|
| Revenue | 4,783,426 |
| Net income / (loss) | 994,053 |

As at 31 December 2024, Malibu Life Reinsurance SP1 had total assets of $519.7 million[(4)] and tangible book value of approximately $51 million[(4)].

As at 31 December 2024, the audited total assets of Malibu was approximately $520 million[(5)] and the audited net income attributable to Malibu was $1 million[(5)].

## 7. Information on the Company and reinvestment into Malibu

The Company is an externally managed non-cellular Guernsey company limited by shares and authorised by the GFSC under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 as a closed-ended investment scheme with Ordinary Shares admitted to listing on the equity shares (closed-ended investment funds) category of the Official List and to trading on the Main Market of the London Stock Exchange. The Company invests all of its capital (net of short-term working capital requirements) in shares of the Master Fund. The Master Fund is a feeder fund to Third Point Offshore Master Fund L.P. (the "**Master Partnership**"), an exempted limited partnership under the laws of the Cayman Islands, of which Third Point Advisors GP LLC., an affiliate of Third Point, is the general partner. The Master Fund and the Master Partnership have the same investment objectives, investment strategies and investment restrictions.

Following Completion, the Company intends to fund Malibu's growth with the net assets presently invested in shares in the capital of the Master Fund ("**Master Fund Shares**"). As and when Malibu requires capital to deploy in its business as part of its strategy to grow its reinsurance business, the

Company would redeem in line with its current redemption rights or transfer the relevant portion of its investment in the Master Fund and invest the net cash portion thereof into Malibu.

It is expected that substantially all of the capital presently invested by the Company in the Master Fund Shares will be reinvested into Malibu within approximately 18-36 months of Completion, depending on market opportunities.

## 8. Financial effects of the Acquisition

The Strategy Committee has conducted extensive due diligence on Malibu to support the view that the Acquisition has the potential to generate substantial value for Shareholders given Malibu's scalable operating model, the strength of its outsourced partners across core functional areas and the attractive fixed annuity market opportunity.

As at 31 March 2025, Malibu has reinsured approximately $700 million in premiums requiring approximately $66 million(3) in contributed capital and has exceeded its original origination plan. Malibu has established a robust pipeline of potential reinsurance transactions and plans to further supplement growth through the acquisition or establishment of a US annuity origination platform. The due diligence carried out indicates that the platform, capabilities and expertise in place at Malibu today can support deployment of capital into compelling growth opportunities, which the Directors believe has the potential to lead to consistent profit generation for Shareholders.

***Medium term guidance for the business***

Malibu's existing business model is to engage in reinsurance transactions focused on FIAs and MYGAs. Malibu's existing reinsurance treaty has a planned liability mix of approximately 71% FIAs and 29% MYGAs, and is expected to cover approximately $3 billion in policies reinsured.

Malibu is targeting total annual premium of approximately $5 billion by the end of 2027, which Malibu plans to source from a combination of expected future premiums from its existing reinsurance treaty, potential new reinsurance treaties and directly originated policies from a US annuity origination platform Malibu plans to acquire or build.

Once Malibu's hybrid origination model is established, Malibu's business mix will be dynamically managed and adjusted as needed to optimise performance against volume and risk-adjusted return targets. The following illustrative target business mix is provided for planning purposes and is representative of Malibu's strategy to target a hybrid origination model combining reinsurance and direct origination:

- Up to approximately $2.3 billion in aggregate from the existing treaty (in addition to approximately $700 million premiums received to the end of Q1 2025), which is expected to be received by the end of 2027;
- Malibu winning one new flow reinsurance treaty in each of 2025, 2026 and 2027, each with 3-year effective terms and approximately $1 billion premium per annum (similar to Malibu's existing treaty and supported by the current pipeline of potential reinsurance transactions); and
- The acquisition or a build of a US fixed annuity origination platform (with approximately $1 billion of existing reserves) by the end of 2025, which scales to originate approximately $2 billion in annual premium by the end of 2027 (an estimated market share of approximately 0.5%).

If Malibu acquires a licenced direct insurance "shell" to enable it to build a platform organically, this is expected to delay the ramp up to the targeted US annuity origination volumes of $3.2 billion by one year to the end of 2028. During this delay, Malibu would aim to originate additional incremental reinsurance treaties to meet its aggregate volume targets.

This scaling of premium volume by the end of 2027 is expected to require total funding of approximately $1.1 billlion in the next three years, with an expected capital mix of approximately 75% equity and approximately 25% debt, by the end of 2027, facilitating the near-term deployment of the Company's capital.

Total equity funding is expected to be approximately $610 million, consisting of approximately $550 million(7) from the Master Fund Shares in addition to the approximately $66 million(3) capital invested as at 31 March 2025, with any remainder funded through existing and/or new shareholders. It is expected that substantially all of the capital presently invested by the Company in the Master Fund Shares will be reinvested into Malibu within approximately 18-36 months of Completion, depending on market opportunities.

Fixed annuities are capital-intensive products that require upfront capital investment to scale volumes, as the premium received from policy holders is less than the sum of statutory reserve requirements, minimum capital requirements and acquisition costs. Over time, capital investments are expected to reduce, as retained earnings accumulate and are recycled into new business.

It is expected that the equity invested in Malibu will generate an illustrative target IRR of 15%(2) after taking into account the expected 25% debt financing noted above, with multiple potential sources of upside.

The Strategy Committee, having had the opportunity to discuss with Malibu's directors and Malibu's actuarial adviser, consider the medium term guidance for the business set out above to be reasonable, based on:

- Malibu's robust pipeline of potential reinsurance opportunities combined with precedent examples of US fixed annuity direct origination insurers entering into reinsurance treaties with, and ceding premium to, unaffiliated reinsurers;
- Analysis of the cumulative fixed annuity sales by certain existing US fixed annuity direct origination insurers in the first three years following the commencement of their US direct origination platform;
- Comparing Malibu's illustrative target sales by the end of 2027 to the sales volumes in Q4 2024 of the top 30 US fixed annuity direct origination insurers by sales;
- Malibu's illustrative target IRR of 15%(2) falling within the range of retail pricing targets based on a proprietary survey of certain industry participants undertaken by Malibu's actuarial adviser in 2024;
- Detailed analysis undertaken by Malibu's actuarial adviser for Malibu regarding components of, and benchmarks for, Malibu's cost of funds; and
- Knowledge of Third Point's investment capabilities.

The Strategy Committee presented their findings and recommendation to the Board, both of which the Board endorsed.

***Expansion into further reinsurance treaties***

The existing flow reinsurance transaction is to cover up to approximately $3 billion in policies reinsured, and will end by 1 May 2028. As at 1 April 2025, remaining premium volumes from the existing treaty are expected to be in aggregate approximately $2.3 billion and be received over the next 3 years by the end of 2027.

Malibu is targeting entering into one new reinsurance treaty each year from 2025 to 2027, each with a 3-year effective term. It is expected that premium volumes from new treaties will reach approximately $4.5 billion in aggregate by the end of 2027. The targeted run-rate annual premium of approximately $1 billion equates to approximately 20% of Malibu's pipeline of potential reinsurance transactions as of the date of this announcement, which is expected to continue to grow as Malibu becomes increasingly established. The terms of the new treaties are expected to be consistent with those of the existing treaty, with the product mix expected to remain approximately 70% FIAs and 30% MYGAs.

***Acquisition of a US annuity origination platform***

Malibu is targeting to start the US annuity origination business in 2026, through the acquisition of an existing US platform by the end of 2025 or early 2026, or an alternative organic build. If this target timing is achieved, direct premiums are expected to begin in the first quarter of 2026, with premiums in aggregate expected to total approximately $3.2 billion by end of 2027 in addition to the volume generated through expected reinsurance transactions. This estimate assumes the acquired US annuity company will have approximately $1 billion in existing direct reserves on a US GAAP basis.

As at the date of this announcement, Malibu has identified approximately 25 potential US annuity origination platform acquisition opportunities. These opportunities are non-mutual/fraternal US fixed annuity writers with less than $500 million in capital and surplus, and with over 70% of fixed annuity reserves. The current business plan assumes annuity origination sales to consist of 70% FIAs and 30% MYGAs.

As an alternative, Malibu may acquire a licenced "shell" direct insurance origination platform onto which a platform can be built organically. As of the date of this announcement, Malibu has identified 5 licenced shell acquisition opportunities. If this route is adopted, it is expected to delay the ramp up to the targeted US annuity origination volumes of $3.2 billion by one year to the end of 2028. During this delay, Malibu would aim to originate additional incremental reinsurance treaties to meet its aggregate volume targets.

***Expenses and Taxes***

Malibu is expected to incur relatively stable annual maintenance and operating expenses of approximately 0.3% of total assets. Malibu anticipates being taxed as a domestic corporation for U.S. federal tax purposes and will be subject to the 21.0% U.S. federal income tax rate.

***Investment portfolio and yield***

Target investment portfolio allocation is expected to be approximately 87% fixed income with a typical credit rating of BBB+, with the remaining approximately 13% invested in high yield/alternatives/equities. The target for the fixed income portfolio is to be made up of approximately 30% corporate assets, approximately 25% structured assets and approximately 30% commercial mortgage loans, residential whole loans, asset-backed securities, and direct lending. The optimal target investment portfolio allocation will be assessed on an ongoing basis and is subject to change based on market conditions and other factors.

An illustrative expected total net yield, based on known asset prices as of the date of this announcement, is approximately 6.5 to 7.0%, with an approximate 5.0 to 5.5% cost of liabilities and operating expenses.

Since Malibu's inception, purchase yields on assets acquired by Third Point for Malibu were on average approximately 2% higher than prevailing yields for comparable bonds.

***Capital requirements and distributions***

Capital invested in Malibu was approximately $66 million(3) as at 31 March 2025. It is expected that substantially all of the capital presently invested in the Master Fund Shares by the Company will be reinvested into Malibu within approximately 18 to 36 months of Completion, depending on market opportunities. Total equity funding is expected to be approximately $610 million, consisting of approximately $550 million from the Master Fund Shares(7) in addition to the approximately $66 million capital invested as at 31 March 2025, with any remainder funded through existing and/or new shareholders.

Malibu's target leverage ratio is expected to be 25% with debt interest expense expected to be approximately 8% based on market interest rates prevailing at the date of this announcement.

Malibu is currently well capitalised and has a risk-based capital ratio as of 31 December 2024 of approximately 330%, in excess of regulatory and existing treaty minimums. Malibu's long term target risk-based capital ratio is 350%.

***Shareholder returns***

The existing reinsurance treaty is expected to deliver an illustrative target IRR of approximately 15%(2), with illustrative upside from the Company's Ordinary Shares re-rating to 1.0 times price to book-value.

Malibu is targeting to deliver a mid-teens return on equity by the end of 2027, once it has reached sufficient scale.

## 9. Malibu management team

Following Completion, Malibu's executive management team will consist of Gary Dombowsky, Robert Hou and Jeffrey Liddle.

***Gary Dombowsky***

Gary Dombowsky currently serves as a director of Malibu. Following Admission, Mr. Dombowsky will serve as the Chief Executive Officer and be a member of the Board.

Gary Dombowsky has been a resident of the Cayman Islands for 30 years working in the banking, reinsurance and insurance sectors. Mr. Dombowsky began his career in corporate credit with RBC Financial Group in locations across Canada and the Caribbean, before assuming executive-level positions with reinsurance companies in the Cayman Island, US and Bermuda. Together with Knighthead Capital Management, LLC., Mr. Dombowsky co-founded Knighthead Annuity & Life Assurance Company ("**Knighthead**") and served as its CEO from inception in 2014 to 30 June 2023. Under Mr. Dombowsky's leadership, Knighthead developed a highly successful, diversified origination model and became a leader in the direct offshore annuities market, with approximately 70 per cent. market share. In addition, Knighthead entered the flow reinsurance business in 2017 and before his departure, signed a purchase agreement for a US life insurance company as part of an expansion strategy to sell annuities in the US. Together with his colleagues, Mr. Dombowsky drove Knighthead's development to reach annual new business volume of over $1 billion, approximately $5 billion of assets and $600 million of available capital, implemented comprehensive enterprise risk management and operational practices and achieved A category ratings from multiple rating agencies.

Mr. Dombowsky previously served as co-founder and director of the Cayman International Reinsurance Companies Association, the industry group formed to promote the reinsurance industry in the Cayman Islands.

***Robert Hou***

Robert Hou currently serves and will continue to serve as a director and the Chief Operating Officer of Malibu following Completion.

Mr. Hou is a managing director at Third Point and serves as its Head of Insurance Solutions. Mr. Hou’s focus is on strategic initiatives including the launch and ongoing management of Malibu and other liability driven platforms. Additionally, Mr. Hou develops and manages the asset portfolio allocations for these strategies and works closely with the credit teams to structure and originate investments. Prior to joining Third Point, Mr. Hou was a portfolio manager at Blackstone in the Insurance Solutions business where he worked on the acquisition and portfolio rotation of acquired blocks and operating companies. He previously helped on the initial launch of Blackstone Insurance Solutions, was a member of the Investment Review, Alternative Investments and Co-Investment Committees, launched the Insurance Dedicated Fund platform and implemented a multi-asset risk management framework for the Tactical Opportunities Funds.

Mr. Hou's background includes FIG Investment Banking and Corporate Development at BlackRock, Deutsche Bank and Merrill Lynch. He holds a B.A. in Economics from Stanford University.

***Jeffrey Liddle***

Following Completion, Jeffrey Liddle will serve as Chief Financial Officer. Mr Liddle joined Third Point in 2013, where he currently serves as Controller. Prior to joining Third Point, Mr. Liddle was senior auditor at Deloitte. Mr. Liddle holds a M.S. and B.S. in Accounting from St. John’s University

## 10. Changes to the Board

It is intended that effective upon Completion, the structure of the Board will change to ensure there is the requisite expertise and experience to oversee a US-based reinsurance business. Dimitri Goulandris will become Chairman and Claire Whittet and Huw Evans will retire from the Board shortly following the EGM, if the Acquisition is approved by Shareholders. The Board would be strengthened by the appointment to the Board of Gary Dombowsky, director of Malibu, as CEO, and Josh Targoff and Luana Majdalani as Non-Executive Directors.

The revised Board will be:

- Dimitri Goulandris*: Independent Non-Executive (Chairman)
- Gary Dombowsky: CEO (nominated by Third Point)
- Josh Targoff: Non-Executive Director (nominated by Third Point)
- Luana Majdalani: Non-Executive Director (nominated by Third Point)
- Liad Meidar*: Independent Non-Executive Director
- Richard Boleat*: Independent Non-Executive Director
- Rupert Dorey*: Independent Non-Executive Director

*Existing non-executive directors of the Company

In addition, Dan Loeb, the managing member and beneficial owner of Third Point, is expected to be appointed as an observer on the Board from Completion.

Following completion of the Listing Category Change, the Board intends to comply with substantially all of the provisions of the UK Corporate Governance Code, including the process for appointments to the Board, succession planning, length of service, annual evaluation and the roles of the Audit Committee, Asset Management Engagement Committee and the Remuneration and Nomination Committee.

At least half of the Board, excluding the Chairman, will be non-executive directors whom the Board considers to be independent, each of whom will be subject to annual re-election at the Company's annual general meeting. The process for Board appointments, succession planning, remuneration of the Board and senior executives will be matters reserved for the Remuneration and Nomination Committee.

Each of the directors will enter into service contracts or letters of appointment on customary terms in connection with their position on the Board.

***Controlling Shareholder***

Following Completion, it is expected that Third Point and its affiliates will hold more than 30 per cent. of the Ordinary Shares and will therefore be a controlling shareholder of the Company for the purposes of the UK Listing Rules.

## 11. Irrevocable undertakings

The Company has received an irrevocable undertaking from Third Point to vote (or to procure the vote) in favour of the Acquisition and related proposals at the EGM in respect of the 4,356,423 Ordinary Shares currently registered or beneficially held in aggregate by Third Point, representing in aggregate approximately 25.0% of the total voting rights based on the Company's total voting rights as at the date of this announcement.

The Company has also received irrevocable undertakings from the following Directors who hold Ordinary Shares Rupert Dorey, Huw Evans and Claire Whittet to vote (or to procure the vote) in favour of the Acquisition and related proposals at the EGM in respect of in aggregate 32,500 Ordinary Shares currently registered or beneficially held in aggregate by them (or persons closely associated with them), representing in aggregate approximately 0.2% of the total voting rights based on the Company's total voting rights as at the date of this announcement.

The Company has received an undertaking from Saba Capital Management to use reasonable endeavours to procure the vote in favour of the Acquisition and related proposals at the EGM in respect of such number of Ordinary Shares as may be beneficially owned by Saba Capital Management and in respect of which it is entitled to exercise or direct the exercise of voting rights at the record date of the EGM. As at the date of this announcement, certain investment vehicles advised by Saba Capital Management have the ability but not the obligation to procure the exercise of voting rights over 200,814 Ordinary Shares, representing in aggregate approximately 1.2% of the total voting rights based on the Company's total voting rights as at the date of this announcement.

## 12. Proposed Listing Category Change

As the Acquisition is expected to fundamentally change the strategic direction and nature of the Company's business (which will be part of a different industry following Completion), it will constitute a reverse takeover requiring the prior approval of Shareholders for the purposes of the UK Listing Rules and the Company's existing listing of its Ordinary Shares on the equity shares (closed-ended investment funds) category of the Official List will be cancelled upon Completion.

As the Board believes that, following the Acquisition, the Company's future structure and activities will be more reflective of a reinsurance operating company as compared to an investment company, the Company intends, conditional on Shareholders approving the Acquisition, to apply for admission of its Ordinary Shares (including the Consideration Shares) to the ESCC Category immediately following Completion.

It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares (including the Consideration Shares) will commence on the London Stock Exchange, at 8.00 a.m. (London time) immediately following Completion.

Investors are currently able to directly hold and settle interests in the Ordinary Shares in CREST. From the effective date of the Migration, the Ordinary Shares will no longer be eligible to be directly held in uncertificated form or transferred electronically in CREST. In order for the Ordinary Shares to be traded on the London Stock Exchange following Migration, CREST depositary interests representing the underlying Ordinary Shares (the "**Depositary Interests**") will be issued on a one-for-one basis to persons who wish to hold the Ordinary Shares in electronic form within the CREST system. The Depositary Interests will have the same ISIN as the underlying Ordinary Shares and do not require a separate admission to trading on the London Stock Exchange.

A UK prospectus will be published in due course in connection with the application for admission to the ESCC Category containing details on the Company and Malibu.

## 13. Consequence of proposed Listing Category Change

At Completion, the Company will cease to be a "closed-ended investment fund" for the purposes of UKLR 11 and nor will the Company be an "investment entity" as defined in the UK Listing Rules. As companies listed under the ESCC Category are not required to have a published investment policy under the UK Listing Rules, the Listing Category Change will also result in the removal of the current investment policy of the Company. In addition, following the Listing Category Change, the Company will no longer be required to comply with the UK Listing Rules requirement applicable to closed-ended investment funds to manage its assets in a way consistent with the objective of spreading investment risk. The restriction on the Company issuing shares at a discount to NAV will no longer apply.

The Board will have discretion to make strategic decisions on behalf of the Company and the capability to act on key strategic matters in the absence of a recommendation from a person outside the Company's group. In connection with the Acquisition, the Company will terminate its existing investment management agreement and will appoint Gary Dombowsky as Chief Executive Officer and an executive Director to the Board.

On Admission, the Company will satisfy the eligibility criteria under UKLR 3 and UKLR 5 and will have in place a modified version of its current systems and controls to ensure compliance with all of its obligations, including the provisions of UKLR 4 to 10 that do not currently apply to the Company, or currently apply to the Company in modified form, by virtue of its listing on the closed-ended investment funds category under UKLR 11.

The Company will continue to adhere to the requirements for identifying significant transactions and related party transactions and assess all transactions, where relevant. Any significant transactions, including acquisitions, mergers, and disposals, will continue to undergo thorough internal review by the Board, with Shareholder approval sought to the extent this remains necessary (e.g., a reverse takeover). The Company's procedures for related party transactions will be overseen by the Board and a sub-committee comprised of independent non-executive directors and any related party transaction will be subject to the requirements of UKLR 8.2.1R, including timely disclosures via regulatory news services (RNS) to maintain transparency as required.

Given the nature of the change to the Company's business described in this announcement, the Company will apply to the GFSC to surrender its current authorisation as an authorised closed-ended collective investment scheme with effect from the date of the Migration.

As a commercial company, rather than a closed-ended investment fund, the Company is not expected to fall within the scope of the UK AIFMD or the EU AIFMD and therefore the restrictions imposed by UK AIFMD and EU AIFMD should no longer apply following Admission, affording the Company potential greater freedom to market its shares in the UK and EU member states (subject to any applicable securities law restrictions).

## 14. Related party transaction

The Acquisition is a related party transaction for the purposes of the UKLR 8.2.1R as the Seller is an affiliate of Third Point, which is itself a related party of the Company under UKLR 11.5.3R and the Acquisition will exceed 5% under each of the class tests.

The Board, having been so advised by Jefferies in its capacity as sponsor in connection with the Acquisition, considers that the terms of the Acquisition are fair and reasonable as far as the Shareholders are concerned.

## 15. Cessation of VoteCo and withdrawal of 2027 redemption rights

In connection with the Acquisition, it is expected that all of the redeemable 'B shares' of no par value in the capital of the Company ("**B Shares**") held by Third Point Offshore Independent Voting Company Limited ("**VoteCo**") will be redeemed immediately prior to but conditional on Completion. Accordingly, from and after Completion, it is expected that VoteCo will no longer own any B Shares or be able to exercise any voting rights at general meetings of the Company.

In addition, the Company's commitment as announced on 1 April 2021 to effect a redemption offer for Ordinary Shares in 2027 will be eliminated upon Completion.

## 16. Migration

The Company is structured as a non-cellular company limited by shares incorporated under the laws of Guernsey. In consultation with its advisers, the Board has concluded that it is in the best interests of the Company to migrate from Guernsey to the Cayman Islands in connection with the Acquisition, in particular to align with the domicile of Malibu.

The Company therefore proposes to apply to be registered by way of continuation as an exempted company limited by shares under section 201 of the Cayman Islands Companies Act (2025 Revision) (the "**Cayman Companies Act**") and will obtain the necessary approvals from CIMA in connection with becoming a controller of an insurance undertaking.

The Board considers that the Migration will facilitate a number of operational benefits that will arise from the alignment of domicile of the Company and Malibu following Completion. Efficiencies in the management of the Company will allow it to obtain the maximum benefit from the Acquisition. Such benefits include:

- The Board believes that the Cayman Islands have a highly regarded regulatory regime and for that reason is the domicile of choice for a number of insurance holding companies.
- Given the Cayman Islands' general acceptance by the investment community globally and the fact that many large institutional investors operate via investment vehicles incorporated therein, the Board believes that the move to the Cayman Islands will give the Company potential added flexibility in the future and invite further investment.
- Like Guernsey, the Cayman Islands do not impose any form of taxation on exempted companies and accordingly, the move from Guernsey to the Cayman Islands should have a neutral effect on the Company's existing tax structure.
- In terms of process, the Migration will be relatively straight-forward and cost efficient.
- Neither Guernsey nor the Cayman Islands impose withholding tax on dividends from tax exempt status companies incorporated in those jurisdictions, nor are transfers of shares in such companies chargeable to capital gains or other taxes. Therefore, the Migration should not affect the tax position of Shareholders in receiving dividends or other distributions from the Company or the tax position of Shareholders buying or selling Ordinary Shares. There are no applicable double taxation treaties between Guernsey and the Cayman Islands.

One consequence of the Migration will be that the UK Takeover Code, including the mandatory bid rule under Rule 9 of the UK Takeover Code, will no longer apply to the Company. The Company does not intend to voluntarily replicate the provisions of the UK Takeover Code following the Migration.

## 17. Risk factors

The success of the Acquisition and the subsequent investment in Malibu and achieving the illustrative targeted return on equity are dependent on Malibu achieving its expected growth strategy, which is in turn subject to a number of risks, including, but not limited to the following:

- Malibu has very limited operating history to evaluate its future performance and its historical financial information may not be indicative of, or comparable to, its future results;
- Malibu currently has only one reinsurance treaty and may not successfully originate any further reinsurance treaties on similar terms, or at all;
- Malibu may fail to secure additional reinsurance treaties on favourable terms or at all, and such treaties may be delayed;
- Malibu's growth strategy includes the acquisition or build of a US annuity platform as a second origination channel and Malibu may not be able to acquire or build such platform, or the costs and timeframe may be more extensive and longer than planned;
- Malibu is reliant upon certain third-party service providers for certain operational support services and strategic support services and other services;

- Malibu's failure to scale up and to transition to a hybrid operating model could delay and/or limit its growth plan;
- The loss of or the failure to retain key management personnel, or to recruit qualified executives with substantial relevant experience, could delay or prevent the Malibu from implementing its business strategy;
- Malibu is subject to general economic and political conditions in the US and globally, such as economic downturn and capital market volatility;
- Malibu's activities are subject to increases or decreases in market interest rates;
- Malibu competes with well-established players and may not achieve its growth strategies if it cannot maintain its market position;
- Malibu relies on Third Point for management of its investment portfolio and services related to asset and liability management, risk and compliance, with such management being important to Malibu’s profitability; and
- Economic and market conditions may result in significant losses for the Master Fund and negatively affect the amount of capital available to be deployed to Malibu.

## 18. Advisers

Jefferies International Limited is acting as financial adviser and Herbert Smith Freehills as legal advisers to the Strategy Committee of the Company. PJT Partners LP is acting as financial adviser, Willkie Farr & Gallagher LLP as legal adviser, and Oliver Wyman as actuarial adviser to Malibu. Oliver Wyman is acting as actuarial advisers to Malibu. Latham & Watkins (London) LLP are acting as legal advisers to Jefferies International Limited (acting in its capacity as sponsor under the UK Listing Rules).

## Sources of information

1. $5 billion annual premium targeted by Malibu by the end of 2027 is based on the annualised estimated total opportunity size resulting from Malibu's pipeline of reinsurance opportunities and directly originated policies from a US annuity origination platform Malibu plans to acquire or build.

2. Illustrative target IRR of 15% assumes a net asset spread of c.1.5% at a 10 times asset leverage, post-tax and taking into account a target leverage ratio of 25%.

3. $66 million represents the equity capital contributed by Third Point of $50m as at 31 December 2024, adjusted for $16 million equity investment made by Third Point in Q1 2025. $50 million has been extracted from the audited accounts of Malibu Life Reinsurance SP1 for the period from 25 April 2024 (date of formation) to 31 December 2024.

4. Values extracted from the audited accounts of Malibu Life Reinsurance SP1 for the period from 25 April 2024 (date of formation) to 31 December 2024.

5. Aggregated value based on the values extracted from the audited accounts of Malibu Life Reinsurance SPC for the period from 1 February 2024 (date of incorporation) to 31 December 2024 and the audited accounts of Malibu Life Reinsurance SP1 for the period from 25 April 2024 (date of formation) to 31 December 2024.

6. $68 million represents Malibu's tangible book value of $52 million as at 31 December 2024, adjusted for $16 million equity investment made by Third Point in Q1 2025. $52 million is the aggregated value based on the values extracted from the audited accounts of Malibu Life Reinsurance SPC for the period from 1 February 2024 (date of incorporation) to 31 December 2024 and the audited accounts of Malibu Life Reinsurance SP1 for the period from 25 April 2024 (date of formation) to 31 December 2024.

7. Unaudited net asset value of the Company's holding of Master Fund Shares as at 14 May 2025.

**Disclaimer**

The information contained in this announcement is for background purposes only and does not purport to be full or complete. The information in this announcement is subject to change.

This announcement has been prepared in accordance with English law, the UK Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and UK Listing Rules of the FCA. Information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

This announcement is not an offer of securities for sale in any jurisdiction where to do so would be unlawful. The Company and Malibu have not been and will not be registered as an "investment company" under the US Investment Company Act of 1940, as amended (the "**Investment Company Act**") and as such holders of the securities will not be entitled to the benefits of the Investment Company Act. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, taken up, resold, transferred or delivered, directly or indirectly, in or into the United States or to any "U.S. person" as defined in Regulation S under the US Securities Act ("**US Person**") other than to "qualified institutional buyers" as defined in Rule 144A of the US Securities Act who are also "qualified purchasers" as defined in the Investment Company Act in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and in accordance with any applicable securities laws of any state or other jurisdiction of the United States. There has been and will be no public offer of the securities in the United States and the Company is not subject to the periodic reporting requirements of the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**") and is not required to, and does not, file any reports with the US Securities and Exchange Commission (the "**SEC**") thereunder.

Neither the SEC nor any securities regulatory body of any state or other jurisdiction of the United States, nor any securities regulatory body of any other country or political subdivision thereof, has approved or disapproved of this announcement or the securities discussed herein or passed on the accuracy or adequacy of the contents of this announcement. Any representation to the contrary is a criminal offence in the United States.

Any potential tender offer will be made in the US pursuant to an exemption from certain US tender offer rules and otherwise in accordance with the requirements of UK legislation. Accordingly, any such potential tender offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, that may be different from those applicable under US domestic tender offer procedures and law.

It may be difficult for US shareholders to enforce certain rights and claims arising in connection with any potential tender offer under US federal securities laws since the Company is located outside the US and most of its officers and directors may reside outside the US. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's judgment.

To the extent permitted by applicable law and in accordance with normal UK market practice and Rule 14e-5(b) of the US Exchange Act, the Company, its brokers or any of their respective affiliates may from time to time make certain purchases of, or arrangements to purchase, securities outside the United States, other than pursuant to any potential tender offer referred to herein, during the period in which such tender offer remains open for participation. In order to be excepted from the requirements of Rule 14e-5 under the US Exchange Act by virtue of Rule 14e-5(b)(12) thereunder, such purchases, or other arrangements, must comply with applicable English law and regulation, including the UK Listing Rules, and the relevant provisions of the US Exchange Act. Any information about such purchases, or other arrangements to purchase, will be reported via a Regulatory Information Service and will be available on the London Stock Exchange website at http://www.londonstockexchange.com.

No person has been authorised to give any information or make any representations with respect to the Acquisition other than the information contained in this announcement and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Company's directors, or any other person involved in the Acquisition. Neither the Company nor any such person takes any responsibility or liability for, and can provide no assurance as to the reliability of, any other information that may be given. Subject to the UK Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and the UK Listing Rules of the FCA, the delivery of this announcement shall not create any implication that there has been no change in the affairs of the Company or Malibu since the date of this announcement or that the information in this announcement is correct as at any time subsequent to its date.

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