

## THIRD POINT INVESTORS LIMITED INVESTOR GROUP ("THE GROUP")

### STATEMENT IN RELATION TO THE PROPOSED ALL-SHARE COMBINATION BETWEEN THIRD POINT INVESTORS LIMITED AND MALIBU LIFE REINSURANCE SPC

#### UPDATE ON GROWING OPPOSITION TO THE TRANSACTION

#### URGES SHAREHOLDERS TO VOTE AGAINST THE TRANSACTION

1<sup>st</sup> August 2025

*"The Group believes that allowing this transaction to go through establishes a dangerous precedent for the UK stock market. Despite a fundamental change in the structure, jurisdiction, investment strategy and protections under the Takeover Code, it fails to provide an exit to shareholders. Further, the way the transaction has been structured risks becoming a template for future corporate actions which favour the interests of majority shareholders over those of minorities. It is of great importance to all the members of the Group that there is a growing and successful London Stock Exchange. This transaction challenges fundamental principles for investors and the Group believes it has damaging implications for confidence in the London market and future Initial Public Offerings."*

This statement relates to the proposed all-share combination ("Proposed Transaction") between Third Point Investors Limited ("TPIL") and Malibu Life Reinsurance SPC ("Malibu") which transforms TPIL from a listed fund that feeds into a multi-asset hedge fund into a Cayman-domiciled reinsurance company, substantially controlled by Third Point.

Following our statement on 23<sup>rd</sup> July 2025, the Group reiterates its belief that the Proposed Transaction should offer all shareholders a full exit opportunity and be approved by a separate vote of ordinary shareholders who are not affiliated with Third Point ("Independent Shareholders"). The Group has engaged extensively with the Board, the FCA and the Takeover Panel to express its concerns. This has included making several private submissions to both regulatory bodies.

#### Update on Independent Shareholder opposition

Since the publication of the amended terms on 23<sup>rd</sup> July 2025, the Group has so far spoken to other shareholders representing 10% of the ordinary shares, who have confirmed their intention to vote against the Proposed Transaction. Together with the Group's 14%, this means at least 24% of ordinary shares intend to vote against the proposals, exceeding the approximately 21% of shareholders, excluding Third Point, who signed irrevocable commitments, or otherwise expressed their intention, to vote in favour.

This reinforces the Group's belief that the Proposed Transaction does not have the support of a majority of Independent Shareholders. The Group calls again on the Board to offer a vote of Independent Shareholders.

#### Why the Group is against the Proposed Transaction in its current form

The Group believes the Redemption Offer, while increased, will be inadequate to provide a full exit opportunity to all those who want it. It is an accepted principle of basic governance that for such a radical change of investment policy and structure, independent shareholders should have a choice. Those who want to make an investment in Malibu should be free to do so, but not at the expense of other shareholders. Members of the Group have discussed this principle with members of the Board on several occasions since the initiation of the strategic review.

The Board is asking shareholders to vote on a merger with an entity whose prospectus will only be released after the vote to approve the Proposed Transaction, depriving shareholders of fundamental information, which the Group believes is necessary to make an informed decision. It is notable that the Presentation<sup>[1]</sup> and the Circular<sup>[2]</sup> include only illustrative financial projections and do not even provide Third Point's performance history in similar

credit strategies. From the limited information which has been provided, it suggests that Malibu is currently loss-making at an operating level<sup>[3]</sup>.

The Board has been clear that it is seeking for Malibu to be “fully-capitalised”<sup>[4]</sup> in the Proposed Transaction. The Group believes that the reason why shareholders have not been offered a full exit is that the Board is not confident that Independent Shareholders, if given a free choice, would elect to invest in Malibu, but instead would opt for a return of their capital.

Third Point has been actively seeking additional investors for Malibu over the past eight weeks. This marketing process has yielded at most \$7m<sup>[5]</sup> in new third-party capital, or as little as zero. While Third Point may believe that there will be strong support for Malibu following the Proposed Transaction, the results of this marketing effort suggest otherwise.

The Group’s criticism of the Proposed Transaction has been endorsed by recent research coverage from TPIL’s joint broker, Deutsche Numis, which echoes the Group’s call for an independent vote, recommending that the manager’s 25% stake should not be voted “*given conflicts of interest in the Master Fund owning Malibu Life and the manager having an ongoing interest in managing the assets*”<sup>[6]</sup>. Coverage also supports a full exit in light of the “*material change in investment policy*”<sup>[7]</sup>. J.P. Morgan Cazenove and Investec have further endorsed our views.

### Governance concerns

While the benefits for shareholders remain uncertain, the rewards for Third Point are clear: it transitions from managing a shrinking, closed-end fund, which is undergoing its third strategic review in six years, to acquiring effective control of Malibu with 43%<sup>[8]</sup> of the ordinary shares, along with two directors on the Malibu board and board observation rights for Daniel Loeb. Further, the Group estimates that Third Point’s fees will eventually increase materially, to more than 5% of the Company’s NAV per annum<sup>[9]</sup>.

Two of the three members of the Strategy Committee that identified the Proposed Transaction joined the TPIL Board in early 2024, specifically to carry out the strategic review, having been introduced by Third Point. There have therefore been question marks over the Strategy Committee’s independence from the outset.

Having arrived at a solution that so clearly aligns with Third Point’s interests, the Group notes that some of the directors also potentially stand to benefit. Dimitri Goulandris, currently chair of the Strategy Committee, will become chair of Malibu, despite having no reinsurance experience as far as the Group is aware. The other two members of the Strategy Committee, Liad Meidar and Richard Boleat, and TPIL’s current chair, Rupert Dorey, will also remain as directors of Malibu.

The Group notes that the Company’s annual fee cap for non-executive directors will increase from £0.5m<sup>[10]</sup> to \$2m<sup>[11]</sup>, with no change to the number of non-executive directors. It also notes an Omnibus Incentive Plan will be introduced, of which the Malibu non-executive directors can be beneficiaries<sup>[12]</sup>. Details of how this plan will operate and the incentives to be provided have not been given to TPIL shareholders ahead of assessing the Proposed Transaction and seeking approval for it.

### Regulatory concerns

In July 2024, the FCA chose to remove the requirement for an independent shareholder vote on related party transactions. When it did so, the FCA acknowledged the risk that “*such a transaction will, or may, redirect value from shareholders to related parties, or is not in the best interests of the company*”. However, it emphasised the importance of the requirement for the board to conclude that the transaction is ‘fair and reasonable’ and to receive written confirmation from the sponsor that the transaction is ‘fair and reasonable’ before a related party transaction can proceed.

In its intervention with the FCA, the Group requested that the FCA interrogate whether these responsibilities had been properly discharged in the Proposed Transaction. The Group did not receive anything more than an acknowledgement from the FCA and therefore has no way of knowing if this intervention contributed to the

amended commercial terms. When the FCA introduced the amendments to the Listing Rules, it also stated: *“These reforms may mean investors change how they engage with companies, making more use of shareholder rights at law and other mechanisms to scrutinise boards and business strategies”*. The Group believes it acted properly and in the best interests of the Company by intervening as it did. It is regrettable that the TPIL Board did not go further by requiring more robust improvements to the terms or by insisting that Third Point and its affiliates abstain from voting to give the Proposed Transaction integrity.

When the Proposed Transaction was first announced on 21<sup>st</sup> May 2025, it was proposed that VoteCo would cease to exist after closing. As TPIL acknowledged, this would have resulted in Third Point and its affiliates controlling more than 30% of the voting rights. Consequently, the Proposed Transaction was originally expressed to be conditional on the Takeover Panel not requiring a mandatory cash offer to all Independent Shareholders. In the Group’s view, the only way to have avoided such an offer would have been with the approval of more than 50% of Independent Shareholders. The Group intervened and petitioned the Panel to withhold this consent. The Proposed Transaction terms were revised to maintain VoteCo, with the consequence that, Third Point and its persons acting in concert would hold less than 30% of the voting rights. This meant that the question over the requirements for a mandatory offer or independent vote was avoided. TPIL has provided its explanation of why VoteCo was re-introduced. Shareholders can draw their own conclusions.

One thing is clear: once TPIL has migrated to the Cayman Islands, the Takeover Code ceases to apply entirely, and all its protections are lost.

## **EGM voting recommendations**

The Group intends to vote against the Proposed Transaction at the upcoming EGM on 14<sup>th</sup> August 2025. Noting the interdependencies among the resolutions, the Group urges shareholders to vote AGAINST all resolutions.

Further details on the resolutions are provided on the website and can be accessed at [www.tpilinvestorgroup.com](http://www.tpilinvestorgroup.com)

## **Enquiries:**

### **Advisers to the Investor Group**

#### **Communications – Nepean**

Woolf Thomson Jones / Harry Roxburgh  
+44 (0) 7376 392 693 / +44 (0) 7814 372 664  
[TPIL@nepean.co.uk](mailto:TPIL@nepean.co.uk)

#### **Legal - Ogilvy & Wachtel LLP**

Robert Ogilvy Watson  
+44 (0) 20 8396 0967  
[r.ogilvywatson@ogilvy-wachtel.com](mailto:r.ogilvywatson@ogilvy-wachtel.com)

## **Notes to Editors:**

### **References**

- <sup>[1]</sup> Investor Presentation, published 25 July 2025,  
[<https://assets.thirdpointlimited.com/f/166217/x/e755210c53/investor-presentation-07-25-2025.pdf>]
- <sup>[2]</sup> TPOU Circular, published 25 July 2025,  
[<https://assets.thirdpointlimited.com/f/166217/x/aad09cb02a/circular.pdf>]
- <sup>[3]</sup> Circular, page 28, section “5.3 Current Trading”
- <sup>[4]</sup> Circular, page 22, section “2.1 Background to the Acquisition”
- <sup>[5]</sup> Demand from new and existing investors, including Third Point, rose from \$55m in the 21 May announcement to \$62m in the 23 July announcement. Third Point’s share of the original \$55m wasn’t

disclosed. *TPIL announces outcome of strategy review*, published 21 May 2025

[<https://www.londonstockexchange.com/news-article/TPOU/tpil-announces-outcome-of-strategy-review/17046820>]; *Update on proposed recommended acquisition of Malibu Life Reinsurance SPC*, published 23 July 2025 [<https://www.londonstockexchange.com/news-article/TPOU/update-on-proposed-recommended-acquisition-of-malibu-life-reinsurance-spc/17148752>]

<sup>[6]</sup> Deutsche Numis, *Investment Companies Research: Third Point Investors – Questions remain following amendments to Malibu Life proposals*, published 24 July 2025

<sup>[7]</sup> Deutsche Numis, *Investment Companies Research: Third Point Investors – Questions remain following amendments to Malibu Life proposals*, published 24 July 2025

<sup>[8]</sup> Circular, page 51, section “1.8 Third Point will hold an increased significant interest in the Company from Completion and its interests may differ from those of other Shareholders”

<sup>[9]</sup> TPIL Investor Group estimate, based on: 30bps annual management fee; 40bps fee applied to high-yield credit, structured credit and privately originated assets; 10x leverage; and the target portfolio allocation. Circular, pages 111, 113; Investor Presentation, pages 12, 13

<sup>[10]</sup> Annual Report and Audited Financial Statements, page 58, section “Directors fees”, [<https://assets.thirdpointlimited.com/f/166217/x/1453295197/third-point-investors-limited-2024-annual-report-and-audited-financial-statements.pdf>]

<sup>[11]</sup> Circular, page 141, section “Remuneration of Directors”

<sup>[12]</sup> Circular, page 44, section “Resolution 8”

## About the Investor Group

### AVI

AVI was established in 1985 to manage the assets of one of the oldest listed investment companies in London. Our distinctive approach of investing in family-controlled holding companies, closed-end funds and asset-backed situations is still a unique combination over 40 years later. Today AVI manages over £1.8bn across all its products and is a large investor in the London-listed investment companies sector.

AVI has held a shareholding in TPIL since 2017.

### Evelyn Partners Investment Management Limited

Evelyn Partners Investment Management Limited was created in 2020 through the merger of Tilney and Smith & Williamson. With £61.9 billion of assets under management (as at 31 March 2025), we are one of the largest UK wealth managers ranked by client assets. Through an extensive network of offices across 25 towns and cities in the UK, as well as the Republic of Ireland and the Channel Islands, we support private clients, family trusts and charities, as well as provide investment solutions to financial intermediaries. Our diverse client base includes entrepreneurs, C-suite executives and partners of professional firms.

Evelyn are also a significant participant in the investment company sector, having been invested in TPIL since its IPO in 2007.

### Staude Capital Pty Ltd

Staude Capital Pty Ltd (SCP) is an Australia-based investment manager with a UK-based investment advisor, Staude Capital Limited. SCP manages several funds and accounts for a diverse range of underlying clients. Its largest fund, Staude Capital Global Value Fund (“GVF”), is an ASX-listed Listed Investment Company held by over 3,400 underlying shareholders, including institutions, pension funds, family offices, retirees and retail investors.

Staude Capital-managed funds have been invested in TPIL since 2016.

### Metage Capital

Metage is a London-based, independent investment manager incorporated in 1998. Our strategy focuses on investing in listed closed-end funds. Promoting good corporate governance is core to our investment principles and we encourage changes for the benefit of all shareholders.

Metage have been a shareholder in TPIL since 2016.

### **Almitas Capital LLC**

Almitas Capital provides investment management services to high net worth individuals, family foundations, as well as other institutional clients. Almitas Capital was founded in 2013 by credit market veteran Ron Mass who has more than 25-years' experience of investing in equity and fixed income markets. Almitas Capital manages the Almitas Opportunity Fund and Almitas Tactical Fund, value-driven investment funds which target sectors such as closed-end funds, mortgage REITs, and preferred stocks, leveraging proprietary data and deep market expertise to generate alpha. As of Q2 2025, the fund manages over \$700 million in assets.

Almitas has held a shareholding in TPIL since 2022 and previously held shares between 2015 and 2021.