

Third Quarter 2025 Investor Letter

October 31, 2025

Dear Investor:

During the Third Quarter, Third Point returned 3.2% net in the flagship Offshore Fund.

	Q3 ¹	ANNUALIZED NET RETURN ²
TP OFFSHORE FUND, LTD.	3.2%	13.2%
CS HF EVENT-DRIVEN INDEX	3.1%	6.9%
S&P 500 INDEX (TR)	8.1%	9.8%
MSCI WORLD INDEX (TR)	7.4%	8.3%

¹ Through September 30, 2025.

² Annualized Return from inception (December 1996 for TP Offshore and quoted indices).

PLEASE SEE THE NEW SERIES RETURNS AT THE END OF THIS DOCUMENT.

The top five winners for the quarter were TSMC, Nvidia Corp., CRH PLC, Comfort Systems USA Inc., and Pacific Gas and Electric Co. The top five losers for the quarter, excluding hedges, were Kenvue Inc., DSV A/S, Primo Brands Corp., London Stock Exchange Group PLC, and Flutter Entertainment PLC. Our performance for the quarter and year has been below our expectations due to the weak performance of several of our largest event-driven positions including Kenvue.

Behind the broad equity markets' rise in 2025 is a story of increasing concentration with particularly strong gains in gold and AI-related stocks. We are observing ample structural problems in many sectors, and our single name short book has benefited from pockets of weakness in consumer, healthcare, information services and software. However, we believe price appreciation in winning companies has largely been underpinned by strong earnings

growth, a recession remains far out of sight, and a Fed rate cutting cycle combined with sustained investments in AI bode well for favorable market conditions to remain in place. It remains to be seen whether gains become more broad-based or remain concentrated and thus higher risk as we approach year end.

Portfolio Updates¹

Equities

Our investments in the semiconductor sector contributed positively to Third Quarter results. Earlier this year, DeepSeek's breakthroughs in LLM training and inference efficiency, including their use of automated reinforcement learning as well as mixture-of-experts model architectures ignited fears that AI compute demand had peaked. Since then, reality has proven quite different. While efficiency gains for existing models have been substantial, new AI capabilities and architectures have more than offset those efficiencies and led to a substantial acceleration in AI compute demand.

The introduction of reasoning-based models, popularized by OpenAI's o1 and o3, has progressed LLMs beyond simple pattern recognition to executing complex, multi-step tasks critical in applications like mathematics, coding, and scientific analysis. Because of reasoning's chain-of-thought process, where models process a multitude of tokens before producing a final output, reasoning-based LLMs are several orders of magnitude more compute-intensive than their predecessors. In addition to reasoning, LLM training has also evolved. Whereas the initial LLMs largely relied on "pre-training", where models simply studied a vast quantum of data before being released, a key element of model progress today lies in "post-training", where reinforcement learning techniques fine tune models based on a mix of human and automated feedback. To borrow Jensen Huang's framing, AI compute

¹ This letter includes discussions of certain portfolio investments. These discussions are intended to provide information concerning such investments and to illustrate Third Point's investment analyses, but they are not necessarily representative of Third Point investments generally or of the overall performance of funds managed by Third Point. Please see page 1 of this letter for overall performance of funds managed by Third Point implementing the flagship strategy for the most recent quarter and since inception.

has moved from a single scaling law, pre-training, to three: pre-training, post-training and reasoning.

This increase in compute intensity has intersected with an acceleration in user attention, as evidenced by public comments from Microsoft, Google and others around consumption growth in their cloud platforms. This leads us to where we are today – with the largest player in the market, OpenAI, over the last month signing deals that will grow their compute capacity by nearly 20x over the next five years. While the magnitude of these plans is difficult to comprehend, one thing seems clear to us: we continue to live in a compute-constrained world, a theme that has benefited our existing investments in TSMC and NVIDIA as two integral pieces in this buildout. While we remain generally constructive in the short run, we also maintain an eagle eye for any cracks in the ecosystem that could signal a potential correction in this theme.

Since US markets have already handsomely rewarded many of the major winners of the AI compute theme, we have looked at international markets for more of what we view as underappreciated opportunities. During the Third Quarter we made investments in SK Hynix (and related holding company SK Square) in Korea and Ebara in Japan. We believe both companies are leaders in their respective industries, significant beneficiaries of the AI buildout, and trade at undemanding absolute valuations and meaningful discounts to their US peers.

SK Hynix (000660 KS) is part of a global oligopoly in DRAM memory alongside Samsung Electronics and Micron. This cyclical market has historically exhibited both demand and price volatility, but we believe it is in the early innings of de-commoditization. AI workloads have been driving substantial growth in high bandwidth memory (“HBM”) where Hynix is the market leader with over 50% market share. Unlike traditional commodity DDRx DRAM, HBM exhibits greater elements of differentiation and design cycle stickiness which we believe will both enhance through-cycle returns as well as dampen earnings volatility for the industry. Since the beginning of the AI buildout two years ago, HBM bits have been substantially outgrowing GPU units. Despite this growth, AI compute today, in particular

inference, continues to be memory constrained, and we expect HBM volumes to continue to outgrow AI XPU's for the foreseeable future. Looking forward to upcoming GPU and ASIC designs, we see larger processors being developed to pack more HBM onto each XPU's expanded shoreline.

Because of its complexity, HBM carries a 4-5x premium over traditional DDRx DRAM pricing. Therefore, while HBM made up just ~5% of industry bits in 2024, it already accounted for ~20% of DRAM industry revenue. As the market leader, Hynix is overexposed to HBM, where the product contributed to 8% of the company's DRAM bits but nearly 30% of DRAM revenue last year. The HBM mix continues to grow for Hynix, and as of 2Q25 HBM made up 14% of DRAM bits and over 40% of DRAM revenue. At the same time, complexity for HBM continues to rise as we transition from HBM3e this year and to HBM4 next year, which will provide inflationary ASP pressure offsetting legacy product price declines. In addition, and in spite of growing fears around Samsung's resurgence in the HBM market, we believe the growing HBM complexity will widen Hynix's lead over its competitors.

Despite its technological leadership, SK Hynix is trading at a mere 7x 2026 Price-to-Earnings multiple versus competitors Micron and Samsung at 10x to 12x, and a similar discount on book value multiples. By purchasing SK Square (402340 KS), the holding company which owns a 20% stake in SK Hynix, investors can buy SK Hynix at a nearly 60% discount or only 3.5x P/E. 95% of SK Square's NAV comprises of SK Hynix shares and cash; management have shown commitment to closing the NAV discount and are selling non-core stakes and repurchasing stock.

Ebara (6361 JP) has a history in Fluid Machinery, selling standard pumps for water and sewage applications into buildings and custom pumps and compressors into energy and power markets. Today, more than half of the company's profit comes from products serving the semiconductor industry. Ebara is a leading supplier of semiconductor production equipment, with the chemical mechanical planarization ("CMP") tool as its primary product line. CMP tools polish wafers in order to guarantee structural uniformity throughout the manufacturing process. As nodes get smaller and gate structures more complex, CMP

intensity is rising, with a particularly sharp rise in N3 to N2 given the introduction of new structures like gate all around and backside power.

CMP is also a major beneficiary of the advanced packaging structures critical in AI semiconductors across both logic and memory, spanning from CoWoS to HBM and in particular 3D / hybrid bonded structures, where increased planarity and uniformity requirements drive a meaningful increase in CMP steps, complexity and process time. In our estimation, this makes CMP a relative AI winner within the Semiconductor Production Equipment space. In the near future, we see several AI XPU's as well as HBM adopting hybrid bonded structures, and Ebara would stand to substantially benefit. The CMP market has been a duopoly between Applied Materials and Ebara, with Ebara specializing in metal CMP while Applied Materials specializes in oxide CMP. As metal layers, where we feel Ebara excels, increase in importance for said structures, we see an opportunity for Ebara to gain share from Applied Materials.

Despite these evident opportunities, Ebara trades at a substantial discount to its peers in the Semiconductor Production Equipment space. In our view, the company's best-in-class product portfolio and attractive end market exposures are not reflected in a high and consistent margin structure, with group margins significantly lagging those of competitors. This margin underperformance is the result of what we see as both an overextended cost structure as well as unnecessarily discounted pricing relative to competitors.

We are in active dialogue with Ebara's new management team, which took over earlier this year, as well as the Board of Directors to enhance shareholder value. Our discussions include a plan to raise corporate margins by over 50%, close the valuation discount to peers by addressing portfolio complexity, enhance return of capital to shareholders through share repurchases given the company's low valuation, strong balance sheet and ongoing cash flow generation, and improve corporate governance.

Credit

While the main credit theme in 2025 has been resilient demand for fixed income assets, specific events this year have created several distressed trading opportunities for hedge funds active in this sector. In September, credit events in subprime auto dominated the market headlines and had ramifications for both auto ABS and CLOs. Given our coverage across asset types within structured credit, we collaborated across our credit business to play offense.

The first opportunity was Tricolor Holdings, a subprime auto loan originator whose primary borrower base was undocumented individuals with limited FICO scores. Tricolor has about \$1.5 billion in outstanding securitizations and bank warehouse lines in the approximately \$60 billion subprime auto market. While the issues for Tricolor do not appear to be systemic for subprime auto loans, it highlights credit concerns about originators widening the credit underwriting box to chase returns and meet investor demand. After the news, Tricolor bonds were out for auction from several holders. We are spending time evaluating the Company's capital structure in anticipation of distressed sales and have made some small investments to date.

The second credit event was in First Brands, a subprime auto parts manufacturer with approximately \$11 billion of debt outstanding, including \$5 billion of first lien loans that filed for bankruptcy in September. The first lien term loans went from trading in the \$90s to the \$30s after the news and are at around \$12 as of this writing. Given the \$1 trillion outstanding CLO market, CLOs had exposure to the credit. With such a large issuance, the ability for CLO managers to de-risk around the news was difficult, resulting in significant price action for an asset class predicated on loan recoveries in the 60s or higher. At the same time, institutional bank loan spreads are at historic tights (around 300bps spread), and CLO liabilities were back to the tights of early this year. Our structured credit and Birch Grove CLO teams collaborated to understand the credit impact and take advantage of CLO tranche price moves as CLO investors were anxious about the name and trying to sell. Third Point did not have exposure, but this credit event coupled with Tricolor is increasing bank and investor scrutiny

around specific names and could create an opportunity for more price action in levered loans and CLOs.

Corporate Credit Update

Third Point corporate credit was up 4.0% gross (3.7% net) for the Third Quarter, putting our year-to-date performance at 7.2% gross (5.4% net). After lagging the high-yield market for the first half of 2025 (partially due to costs associated with hedges taken on to protect capital during Liberation Day), we rebounded in Q3 thanks to positive performance in several names.

While high-yield spreads continued to grind tighter, now approaching the lows of 2021, the leveraged loan market tells a different story. Defaults, including restructurings, are running above 5%, and recovery rates are more than 20% below levels seen a decade ago. This divergence continues to create opportunities.

Our largest contributor for the quarter was Michaels, the craft retailer. As anticipated, Michaels delivered strong second-quarter results and issued favorable guidance for the remainder of the year. While tariff exposure remains a challenge, the company has been able to raise prices to offset much of this impact. Additionally, the liquidation of competitors Party City and Jo-Ann Fabrics has opened significant whitespace for Michaels to expand product offerings in adjacent categories.

Our credit exposure to the Elon Musk empire also contributed to our performance. We are significant owners of both X and X.AI Corp, Elon Musk's artificial intelligence company. X has undergone what we see as an extraordinary turnaround under Mr. Musk, and while AI remains an early-stage, capital-intensive industry, we view these securities as extraordinarily cheap given Mr. Musk's support, resources, and access to capital. On November 6, Tesla shareholders will vote on whether to formalize and expand Tesla's investment ties with X.AI. We believe this measure is likely to pass, and that Tesla's investment grade rating and \$1.5 trillion market capitalization will provide a further catalyst for X.AI debt.

At month-end, Electronic Arts announced the largest LBO in history at \$55 billion. Some have drawn parallels to the “skyscraper curse,” suggesting that record-setting deals foreshadow financial instability. While hubris often plants the seeds of its own undoing, we feel comparisons to pre-GFC mega-deals are misleading—the leverage backdrop is not analogous to the housing bubble or systemic risks that catalyzed 2008.

That said, one area we are watching closely is the unprecedented scale of investment in AI infrastructure, particularly in power and data centers. The numbers are staggering to us: the combined total high-yield and leveraged loan market are about \$3 trillion but the capital being discussed for AI buildout runs in multiples of that figure. How this plays out remains uncertain. It is highly unlikely that demand and supply grow smoothly in tandem. While we may reach the end state forecast by linear (and exponential) extrapolation, life is not typically that smooth and there will no doubt be some significant speed bumps on the way. In the 2000 internet boom it appeared that demand for fiber optic cable would be almost infinite – until advancements in wavelength division multiplexing resulted in an almost overnight multiplying of capacity. We don’t know if there is AI analog – perhaps technological shifts like quantum computing strand these giant investments. Alternatively, advances in chip technology may result in accelerated obsolescence. On the other hand, broad substitution of human labor could displace jobs on a scale that risks sparking a deep recession. Either way, the implications (and opportunities) will be enormous.

Structured Credit Update

Against the backdrop of the FOMC’s September rate cut and market expectations of further cuts before year-end, spreads in structured credit generally tightened over the quarter as bank and insurance capital continued to buy investment-grade risk. This rate rally, with the 10-year treasury hovering around 4% and tightening credit spreads, is constructive for our predominately fixed rate asset portfolio. We believe it creates a strong environment to buy whole loans backed by hard assets and access securitization financing.

In our current mortgage portfolio, we own most loans at a discount and have been waiting for expansionary monetary policy to monetize our investments. Both the underlying

performing and non-performing loans are expected to rally. As rates drop, the ability to refinance increases for these borrowers who have 40-55% equity in their homes, resulting in a par paydown. With bank de-regulation expected in 2026, bank financing spreads continue to trend lower, which should drive the demand for first-lien, owner occupied residential mortgages even higher. Delinquent mortgage loan prices have risen almost 10 points over the year and are higher than currently paying loans. Since non-performing loan investors can accelerate the liquidation timeline on loans with a high percentage of home equity, the assets are more valuable and should further drive the returns on our residential mortgage portfolio in the coming quarters.

In ABS, we have stayed in senior tranches and have been opportunistic in adding to credit stories like solar and triple net lease ABS. In each case, we saw business models challenged by the steep rise in rates in 2022 and 2023 finally facing bankruptcy or extended maturity dates. While the underlying credits were strong in our view, the negative headlines around the issuers resulted in a distressed trading environment where we could add risk 15-20 points down.

Business Updates

Maarten Bauters and Lukas Schwarzmann joined the equities team during the Third Quarter. Maarten was previously an associate in the Hybrid Value fund at Apollo Global Management and earlier worked in the Industrials investment banking group at Goldman Sachs. He graduated from Columbia University with a Masters in Finance and holds an M.S. from KU Leuven. Lukas was most recently a Senior Associate at Blackstone Private Equity and began his career in the restructuring group at PJT Partners. He graduated from Harvard University with a B.A. in Applied Mathematics.

Sincerely,



Daniel S. Loeb

CEO

The information contained herein is being provided to the investors in Malibu Life Holdings Limited (the “Company”), which is listed on the London Stock Exchange and invests a portion of its assets in Third Point Offshore Fund, Ltd (“Third Point Offshore”). Third Point Offshore is a feeder fund to the Third Point Master Fund LP (“Third Point Master”, and together with Third Point Offshore, the “Funds”) in a master-feeder structure. Third Point Offshore and Third Point Master are managed by Third Point LLC (“Third Point” or “Investment Manager”), an SEC-registered investment adviser headquartered in New York.

Unless otherwise specified, all information contained herein relates to the Third Point Master Fund LP inclusive of legacy private investments. P&L and AUM information are presented at the feeder fund level where applicable. Sector and geographic categories are determined by Third Point in its sole discretion.

Performance results are presented net of management fees, brokerage commissions, administrative expenses, and accrued performance allocation, if any, and include the reinvestment of all dividends, interest, and capital gains. While performance allocations are accrued monthly, they are deducted from investor balances only annually or upon withdrawal. From the inception of Third Point Offshore through December 31, 2019, the fund’s historical performance has been calculated using the actual management fees and performance allocations paid by the fund. The actual management fees and performance allocations paid by the fund reflect a blended rate of management fees and performance allocations based on the weighted average of amounts invested in different share classes subject to different management fee and/or performance allocation terms. Such management fee rates have ranged over time from 1% to 2% per annum. The amount of performance allocations applicable to any one investor in the fund will vary materially depending on numerous factors, including without limitation: the specific terms, the date of initial investment, the duration of investment, the date of withdrawal, and market conditions. As such, the net performance shown for Third Point Offshore from inception through December 31, 2019 is not an estimate of any specific investor’s actual performance. For the period beginning January 1, 2020, the fund’s historical performance shows indicative performance for a new issues eligible investor in the highest management fee (2% per annum) and performance allocation (20%) class of the fund, who has participated in all side pocket private investments (as applicable) from March 1, 2021 onward. The inception date for Third Point Offshore Fund Ltd is December 1, 1996. All performance results are estimates and past performance is not necessarily indicative of future results.

The net P&L figures are included because of the SEC’s new marketing rule and guidance. Third Point does not believe that this metric accurately reflects net P&L for the referenced sub-portfolio group of investments as explained more fully below. Specifically, net P&L returns reflect the allocation of the highest management fee (2% per annum), in addition to leverage factor multiple, if applicable, and incentive allocation rate (20%), and an assumed operating expense ratio (0.3%), to the aggregate underlying positions in the referenced sub-portfolio group’s gross P&L. The management fees and operating expenses are allocated for the period proportionately based on the average gross exposures of the aggregate underlying positions of the referenced sub-portfolio group. The implied incentive allocation is based on the deduction of the management fee and expense ratio from Third Point Offshore fund level gross P&L attribution for the period. The incentive allocation is accrued for each period to only those positions within the referenced sub-portfolio group with i) positive P&L and ii) if during the current MTD period there is an incentive allocation. In MTD periods where there is a reversal of previously accrued incentive allocation, the impact of the reversal will be based on the previous month’s YTD accrued incentive allocation. The assumed operating expense ratio noted herein is applied uniformly across all underlying positions in the referenced sub-portfolio group given the inherent difficulty in determining and allocating the expenses on a sub-portfolio group basis. If expenses were to be allocated on a sub-portfolio group basis, the net P&L would likely be different for each referenced investment or sub-portfolio group, as applicable.

While the performances of the fund has been compared here with the performance of well-known and widely recognized indices, the indices have not been selected to represent an appropriate benchmark for the fund whose holdings, performance and volatility may differ significantly from the securities that comprise the indices. Past performance is not necessarily indicative of future results. All information provided herein is for informational purposes only and should not be deemed as a recommendation to buy or sell securities. All investments involve risk including the loss of principal. This transmission is confidential and may not be redistributed without the express written

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Specific companies or securities shown in this presentation are meant to demonstrate Third Point's investment style and the types of industries and instruments in which we invest and are not selected based on past performance. The analyses and conclusions of Third Point contained in this presentation include certain statements, assumptions, estimates and projections that reflect various assumptions by Third Point concerning anticipated results that are inherently subject to significant economic, competitive, and other uncertainties and contingencies and have been included solely for illustrative purposes. No representations express or implied, are made as to the accuracy or completeness of such statements, assumptions, estimates or projections or with respect to any other materials herein. Third Point may buy, sell, cover, or otherwise change the nature, form, or amount of its investments, including any investments identified in this letter, without further notice and in Third Point's sole discretion and for any reason. Third Point hereby disclaims any duty to update any information in this letter.

This letter may include performance and other position information relating to once activist positions that are no longer active but for which there remain residual holdings managed in a non-engaged manner. Such holdings may continue to be categorized as activist during such holding period for portfolio management, risk management and investor reporting purposes, among other things.

Information provided herein, or otherwise provided with respect to a potential investment in the Funds, may constitute non-public information regarding Malibu Life Holdings Limited, listed on the London Stock Exchange, and accordingly dealing or trading in the shares of the listed instrument on the basis of such information may violate securities laws in the United Kingdom, United States and elsewhere.

New Series (Excludes Legacy Private Investments)³

	Q3 ¹	ANNUALIZED NET RETURN ²
TP OFFSHORE FUND, LTD.	3.5%	13.1%
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²Annualized Return from inception (December 1996 for TP Offshore and quoted indices).

³“New Series (Excludes Legacy Private Investments)” uses the existing series track record from inception through May 31, 2023. Returns from June 1, 2023 and onward exclude legacy private investments.