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First Quarter 2026 Investor Letter

April 10, 2026

Dear Investor:

During the First Quarter, Third Point returned -0.6% in the flagship Offshore Fund.

	Q1[1]	ANNUALIZED NET RETURN[2]
TP OFFSHORE FUND, LTD.	-0.6%	13.0%
CS HF EVENT-DRIVEN INDEX	2.1%	7.0%
S&P 500 INDEX (TR)	-4.3%	9.6%
MSCI WORLD INDEX (TR)	-3.5%	8.1%

[1] Through March 31, 2026. Please note there is a one-month lag in performance reflected for the CS HF Event-Driven Index.
[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 MasTec Inc., Siemens Energy AG, Keysight Technologies Inc., Carpenter Technology Inc, and Caseys General Stores Inc. The top five losers for the quarter, excluding hedges, were CoStar Group Inc., Capital One Financial Corp., Somnigroup International Inc., Amazon.com Inc, and CRH PLC.

Portfolio Updates[1]

We had a strong start to the First Quarter with diversified gains in semiconductors, memory, semicap equipment, power infrastructure, aerospace and defense positions. Despite taking

[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.

profits on numerous positions and significantly reducing both net and gross exposures well before the start of the war in Iran, we ended the quarter slightly down, outperforming the S&P by approximately 400bps for the period.

The turmoil began later in Q1 when a seemingly contained unwind in private credit seeped into public markets, first through software financing channels and also more broadly via financials, and the Iran War drove nearly a 70% upward move in oil prices. Leadership broke down, correlations rose, and crowding in winning AI trades became a liability rather than a tailwind. Despite weak labor data, benign CPI, and a steady Fed, new oil-driven inflationary fears pushed yields higher and reset the prevailing expectations of further Fed easing.

Our exposure reduction began in February, when many of our positions reached a target price or were beneficiaries of factor rotations, not a change in fundamentals. Two examples of such exits were our timely sale of a large position in the rails and the complete exit from Kimberly Clark (the successor to last year's Kenvue position), with the latter benefiting from a spike in demand for defensive securities.

At present, we are prepared for a wide range of outcomes depending upon the course of the conflict in Iran and the consequent move in oil prices and how they impact rates, inflation, and economic growth. Despite taking up our gross and net exposures recently, we are still in a relatively defensive posture relative to our average risk profile. We expect continued relentless growth in demand for compute power and are investing further when we view prices are appealing in the companies we believe will be winners in the course of the build-out. We are also concerned about the extent and timing of what we see as an eventual and substantial restructuring of the US workforce.

Single Name Shorts

The single name short book performed as intended in Q1, returning 7% gross and 6.6% net of fees and expenses, on $2.4 billion of average exposure across ~60 positions. Performance was broad-based, with declines across software, information services, healthcare, consumer discretionary, and financials. Several themes drove returns.

In housing, we leaned into the disconnect between policy support and underlying affordability. Despite what strikes us as a series of populist and unorthodox measures taken by the Trump administration, housing demand has continued to deteriorate, with existing home sales at GFC levels. We built a large short across housing and building products, which has been a meaningful contributor.

In consumer and healthcare, the continued democratization of GLP-1s—on price, access and form factor—has continued to erode demand for spirits and other staples historically supported by unhealthy consumption. It is also creating what we see as durable headwinds for a range of medical device businesses relying on obesity and poor lifestyles.

We are starting to observe the early impact of AI on some industries as the rise of agents, combined with access to consumer data, is driving incremental deflation across service categories and weakening entrenched business models.

A portion of gains came from idiosyncratic shorts like roll-ups and companies performing large and expensive acquisitions supported by financial leverage which proved unsustainable as conditions tightened. It was a reminder that some of the best returns on the short side tend to arise in situations where management responds to fundamental deterioration in their business by misallocating capital and aggressively adjusting reported earnings metrics in ways that, to our read, obscured the underlying problems.

Overall, the short book continues to benefit from a combination of structural shifts and cyclical pressures, with opportunities increasingly driven by situations where market expectations, in our view, remain misaligned with reality. Risk management remains paramount and we remain vigilant in avoiding shorts where consensus becomes overly bearish, short interest is high, or the narrative shifts away from our original thesis.

<u>Indra Sistemas</u>

We initiated a position in Indra Sistemas, an emerging national defense champion in Spain, in 2025. While Spain still consistently underspends on defense compared to NATO targets, it has committed to increasing defense spend as a percentage of GDP from ~1.4% to ~2% and to allocating most of this to local companies. Indra has, in our assessment, emerged as the national champion thanks to its unparalleled deep technical expertise in radar systems, counter-drone systems, military simulators, cyber and space while also acting as a systems integrator on major European programs.

The company reported stellar Fourth Quarter earnings at the end of February and showed a defense backlog that nearly quadrupled year-over-year. Of the 31 special modernization projects (PEMs) the Spanish government allocated in the back half of 2025, Indra won allocations on 29. Management commented that they expect a similar level of PEMs in 2026, implying Indra could exit the year with a backlog approaching €20 billion, up from just €3 billion exiting 2024.

The company is also performing well outside of its defense business, with Minsait (IT Services/AI/Cyber) growing double digits on the back of double-digit backlog growth, and major recent wins in Air Traffic Management and Mobility with the FAA and London Underground, respectively. Indra is scheduled to host an analyst day during 2Q, and we would not be surprised to see the management team bring forward 2030 financial targets to 2029.

While a recent standoff between the Spanish government and Indra's former Executive Chairman – who was considering the sale of his family's privately owned defense business to Indra – created boardroom drama and volatility in the stock, we see a path to a constructive resolution and remain confident in the Company's trajectory towards market consolidation and continued consistent execution. We believe this will benefit shareholders, employees and the Spanish state. Indra remains in our analysis one of the fastest growing defense companies in Europe, yet trades at half the multiple of peers. We see substantial upside ahead.

CoStar

Last year we invested in CoStar with a simple thesis: value in the company's core commercial business could be unlocked by improving a deficient board that for years had blessed large investments in a failing venture, Homes.com.

Despite our efforts, CEO Andy Florance has continued what can only be seen as a reckless drain on a majority of the company's operating income into Homes.com and related acquisitions even as the share price has continued to plummet.

It appears to us that Mr. Florance's obsession with Homes.com has diverted attention from core business areas, calling into question management's ability to maintain a competitive edge in Apartments.com and the CoStar Suite in a rapidly changing market and with no apparent plan for a world increasingly shaped by AI.

When we suggested earlier this year that additional change was needed at the Board level, the Company responded by further entrenching Mr. Florance with a "golden parachute," changing its reporting structure to seemingly obscure Homes.com's woeful financial performance within a newly created segment, and engaging in an aggressive PR campaign against certain of its own concerned owners.

We no longer believe that our original thesis holds true today and have disposed of our position in its entirety.

Corporate Credit Update

The corporate credit book was flat for the first quarter of 2026, marginally outperforming the High Yield index, which declined almost 60bps. Our large positions in X/Twitter and xAI debt were called at a premium following those companies' acquisition by SpaceX. Brightspeed, which was a loser last year, became our largest winner this year, as investors refocused on both the value proposition of fiber and the company's ability to potentially finance it more cheaply in the ABS market.

Our two largest losses were positions in the GSEs and Claritev. We do not own GSE (Fannie/Freddie) common stock but did take a position in the GSE preferred based on optimism that the Trump administration would follow through on its announced plan to have the GSEs exit their 17-year conservatorship and go public. This narrative has faded as concerns around "affordability" have risen, which has, at least for now, sidelined the potential IPO, pressuring security prices. We do not believe that these goals are at odds with each other – to the contrary, we believe that the path to better housing affordability goes through the GSEs, specifically releasing them from conservatorship to allow them to further grow their mortgage books and drive rates lower. While we have learned to expect the unexpected with this administration, progress on the GSEs remains, in our read, a matter of when rather than if – though the midterm calendar likely determines the timing.

Claritev was a significant winner for us last year but more recently has come under pressure due to concerns surrounding AI. Claritev is a source of third-party pricing information for insurance companies that need to reimburse out-of-network healthcare providers. The company is also seeking to monetize its extensive pricing and healthcare data trove by providing this information to healthcare providers and corporations that are selecting plans. We believe that Claritev, with its petabytes of data, is on the "right side" of AI and will benefit from rather than be displaced by AI, but we expect it will take a few quarters to prove out.

Handicapping the AI losers appears easier than picking the winners. So far in 2026, private credit has been a victim of AI fears since typical portfolios are disproportionately exposed to software and many high-profile funds have been unable to meet surging investor redemptions. By many accounts, AI has yet to materially impact the performance of software credits and yet a growing percentage (6.4%) of private credit is already paying interest in kind although that was not part of the original loan structure. It will be interesting to see what happens to these portfolios when impact actually materializes.

Private credit is a large asset class ($1.3 trillion), but we believe that the moderate leverage and gating mechanisms of these structures mean that it is unlikely that this quasi-panic will cause a systemic problem. We are seeing increased activity by private lenders trying to move troubled loans in the secondary market.

While not extraordinarily cheap, credit appears to us to offer attractive relative value today on a yield basis. We have increased our corporate credit exposure by about 50% over the last few weeks.

Structured Credit Update

We opened 2026 strongly with tighter credit spreads, a rally in interest rates, constructive policy headlines around the Treasury purchasing $200 billion of mortgages, and reforms for consumer debt including credit cards. Amid the geopolitical stress in March, credit spreads widened and rates sold off with higher oil prices. In this turbulent macro environment, structured credit has split into two distinct markets. The private asset-backed credit investing side of the market has remained resilient, as private credit funds look to lend more in the asset class for its monthly, predictable amortization, high coupons, and access to monthly data. By contrast, trading in structured credit was compelling to us in the last few weeks of the quarter as investors looked to reduce exposure on fears that macroeconomic pressure will persist.

We played on both sides of these markets. We employed our asset-based credit strategy to refinance a residential mortgage transaction in early March, selling over $300 million of risk inside of a 5% yield, creating structural term leverage and equity-like returns for our retained exposure. On the trading side, we were a liquidity provider to several issuers in the rental car space who wanted to issue debt before the end of the quarter.

We added across residential and consumer ABS in the secondary market as spreads widened. We continue to monitor the CLO market and are observing increased tiering among managers with less software exposure and anticipate there will be opportunities in the coming quarter to invest. With a $6 trillion addressable market in structured credit, we anticipate more investors with private credit capital will continue to push into our market on the lending side, which would stabilize spreads. From our hedge fund trading perspective, we are constructive about the trading opportunities we see as the consumer balance sheet evolves with higher oil prices, higher interest rates, and potential employment displacement with AI.

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 consent of Third Point LLC and does not constitute an offer to sell or the solicitation of an offer to purchase any security or investment product. Any such offer or solicitation may only be made by means of delivery of an approved confidential offering memorandum.

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.

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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]

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[2]Annualized Return from inception (December 1996 for TP Offshore and quoted indices).
[3]"New Series (Excludes Legacy Private Investments)" uses the existing series track record form inception through May 31, 2023. Returns from June 1, 2023 and onward exclude legacy private investments.