



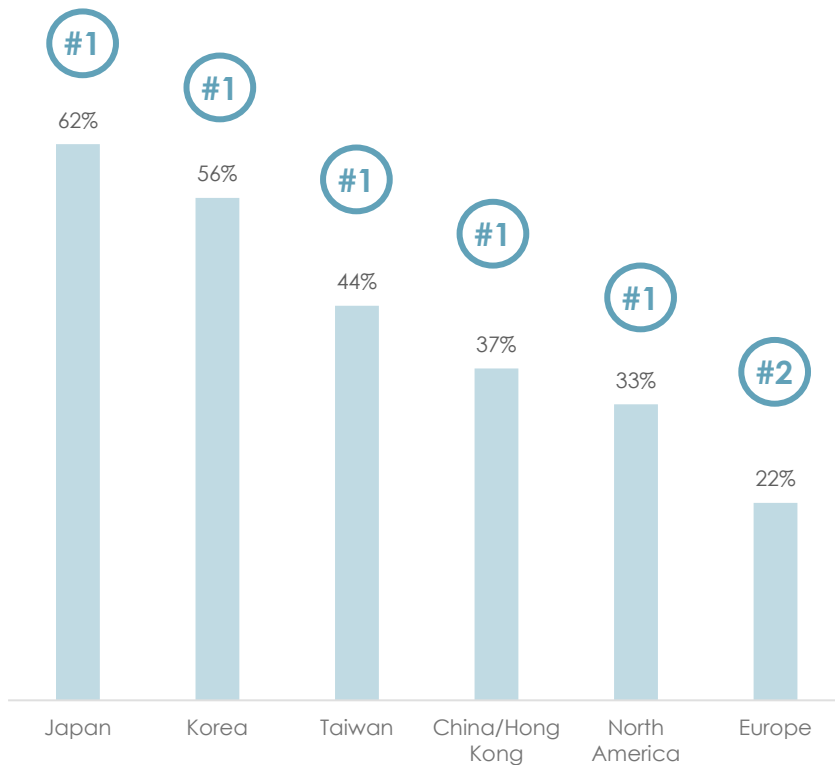
Maximising the Value of SMC Corporation

¥600bn Share Buyback to Catalyse a Valuation Re-Rating

SMC is the world #1 in pneumatics – boasting an exceptional business model with a specialised advantage in critical semiconductor production equipment...

Leading Market Share Globally

SMC's Market Share by Regions



Technological Advantage in Critical Semi-Production Equipment

Global leadership in high-performance semiconductor chillers

- SMC has developed best-in-class semiconductor chillers that deliver superior temperature stability, lower power consumption, and environmentally friendly refrigerants, making them the preferred solution for leading global semiconductor manufacturers

Third-party validation of technological excellence

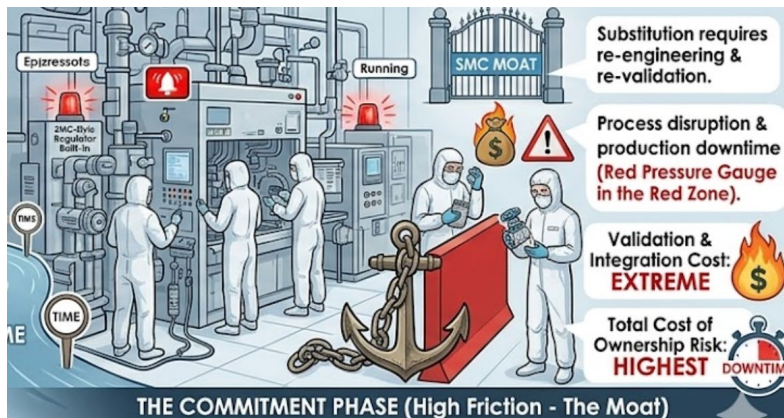
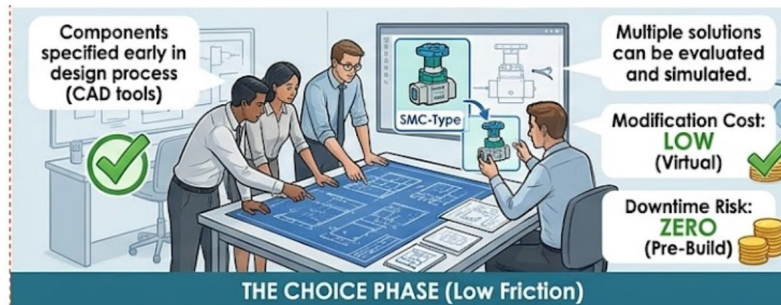
- SMC was selected from ~3,000 global suppliers for the "Excellence in Sustainability" category of Applied Materials' Supplier Excellence Awards, providing independent validation of SMC's product superiority and long-term partnership value



... and wide moats across customer relationships and the global production value chain

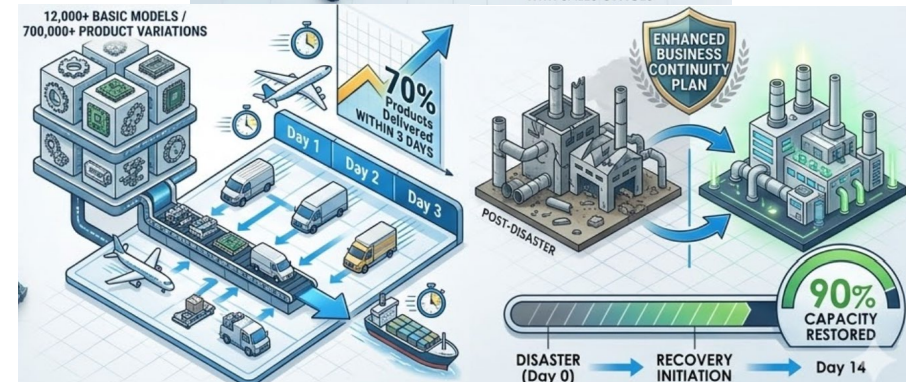
Deep "Design-In" Switching Costs in Mission-Critical Processes

- SMC components (valves, regulators, actuators, flow control, chillers) are **specified early in fab tool and facility design, making post-spec substitution costly and risky**
- Industry experts consistently emphasise that **downtime risk dominates procurement decisions, leading customers to favour proven SMC solutions even at higher upfront costs**



Global Scale, Service, and Lead-Time Advantage

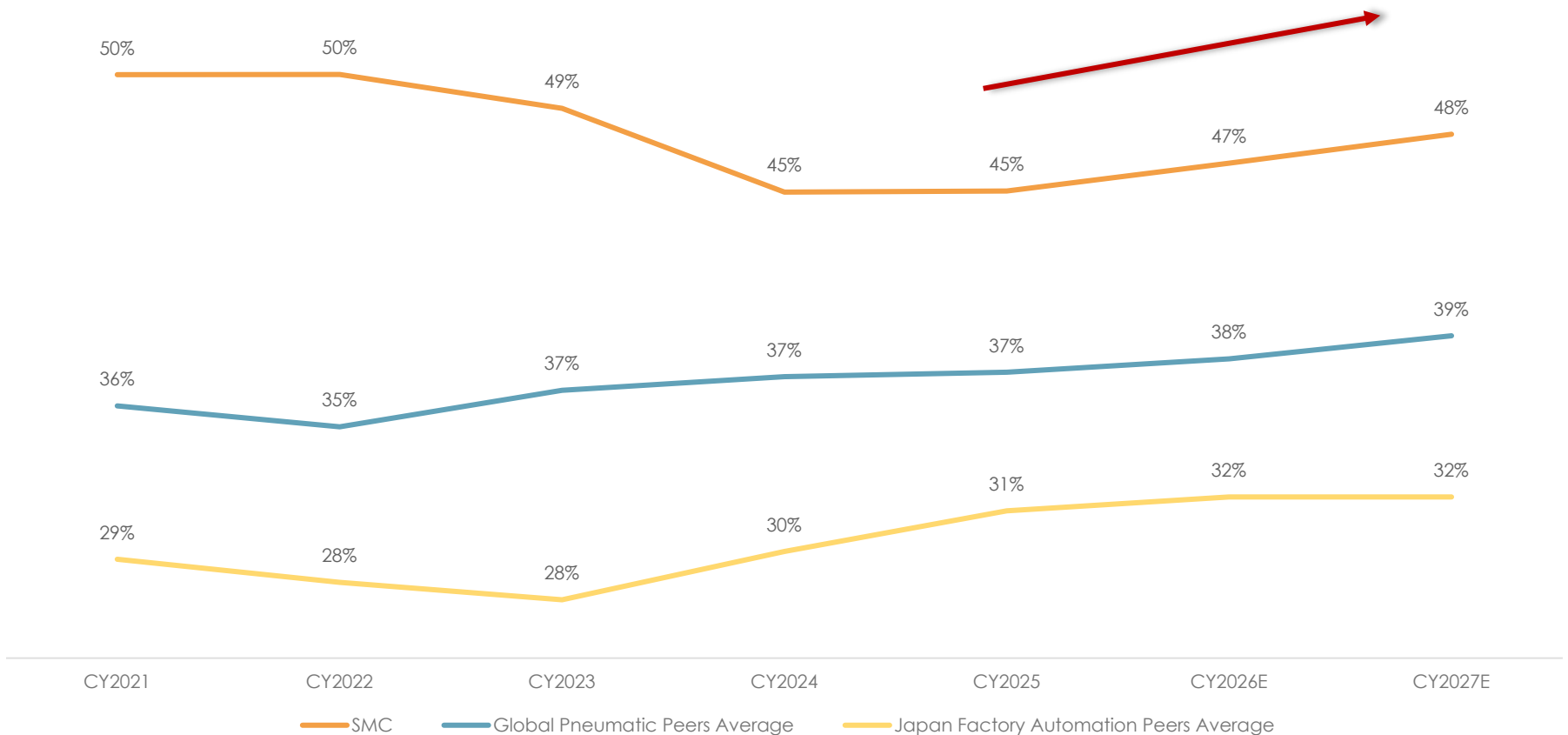
- SMC's global footprint boasts **mass production bases in 6 countries and sales offices in more than 80 countries**
- Despite producing **12,000 basic models and 700,000 product variations**, SMC can deliver 70% of its products to customers **within 3 days**
- SMC's enhanced Business Continuity Plan **ensures product supply capacity can be restored to 90% within two weeks** after a disaster



SMC maintains superior margins vs. Global Pneumatic and Japanese Factory Automation Peers despite optimising capacity ahead of the next capex super-cycle

Despite temporary margin compression in recent years resulting from deliberate and well-considered capacity expansion ahead of the capex super-cycle, SMC's margins have remained above peers' and are well positioned to recover toward historical highs

L5Y Gross Margin vs. Peers



Source: Bloomberg, Palliser estimates.

Note: CY=Calendar year ended December 31. Global pneumatic peers include CKD, Airtac, Parker Hannafin. Japan factory automation peers include Fanuc, Mitsubishi Electric, Daifuku.

Despite these strengths, SMC's share price has significantly underperformed Global Pneumatic Peers and the TOPIX Machinery Index over the past 5 years by 106% and 112% respectively...

L5Y Share Price Performance



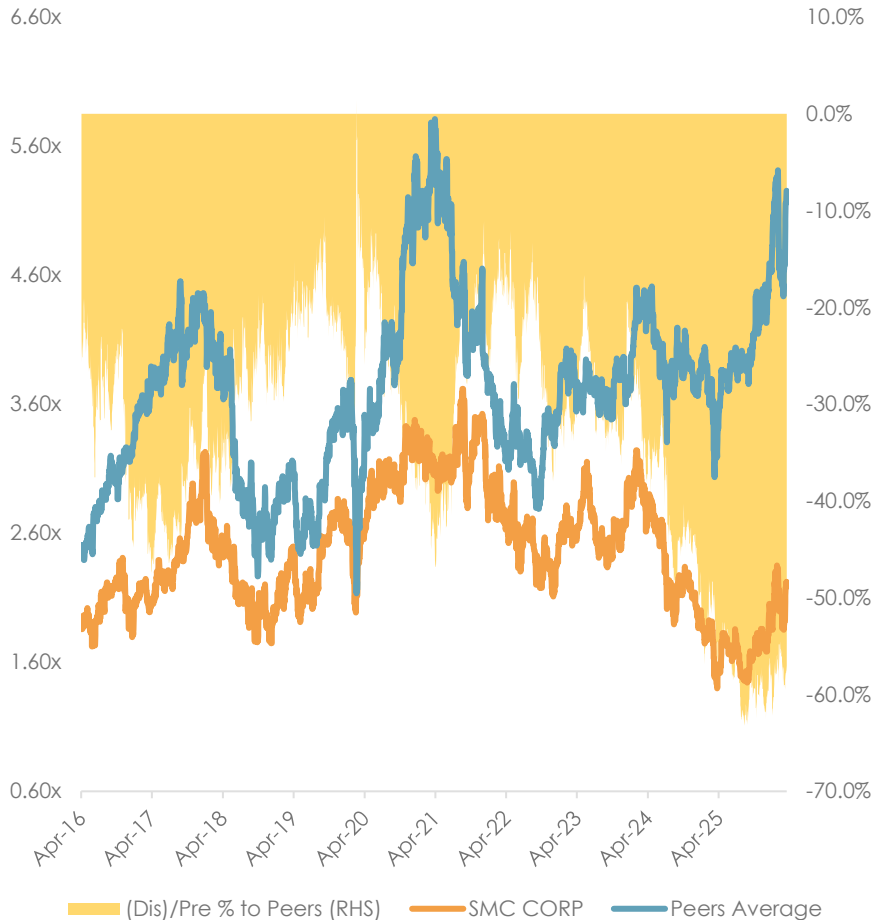
Source: Bloomberg. Market data as of 15 Apr 2026.

Note: Global pneumatic peers include CKD, Airtac, Parker Hannafin.

...and is now trading at its widest discount to peers in the last 10 years on a price-to-book value basis...

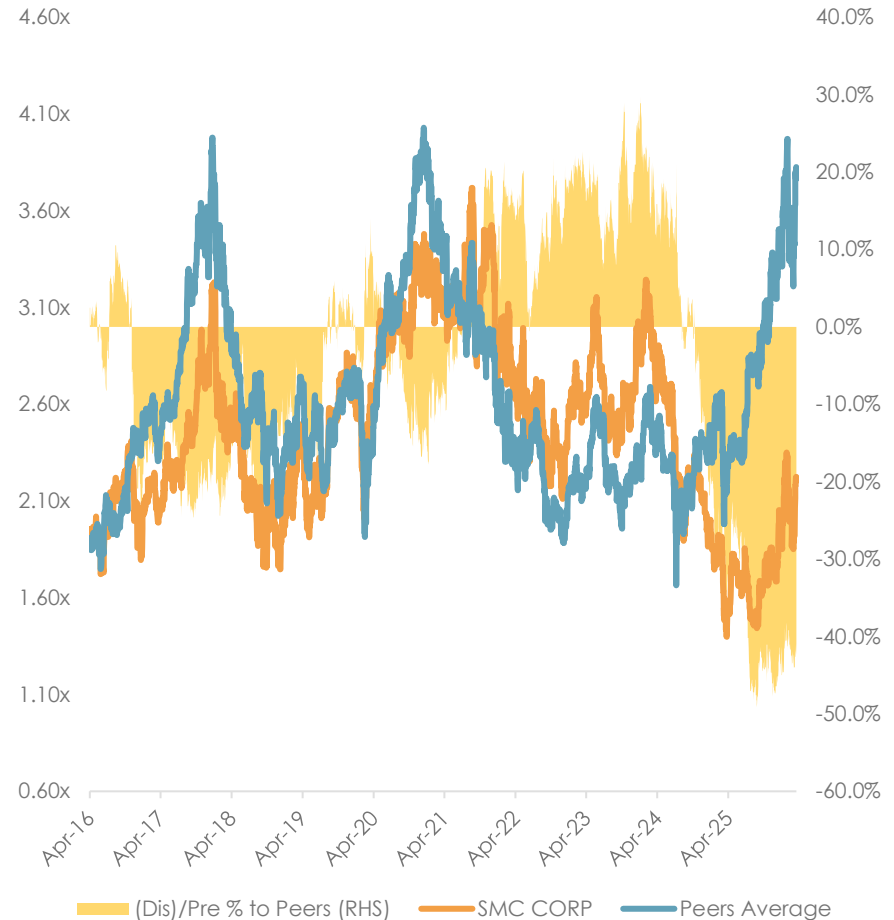
SMC is trading at ~58% discount to Global Pneumatic Peers – **widest discount in 10 years**

L10Y P/B vs. Global Pneumatic Peers



SMC is trading at ~41% discount to Japanese Factory Automation Peers – **widest discount in 10 years**

L10Y P/B vs. Japanese Factory Automation Peers



Source: Bloomberg. Market data as of 15 Apr 2026.

Note: Global pneumatic peers include CKD, Airtac, Parker Hannafin. Japan factory automation peers include Fanuc, Mitsubishi Electric, Daifuku.

Three root causes of SMC's share price underperformance

A

Temporary gross margin contraction following proactive capex investment in anticipation of the semiconductor capex super-cycle

B

Transitional inventory accumulation during down cycle has led to inefficient net working capital (NWC)-to-sales ratio

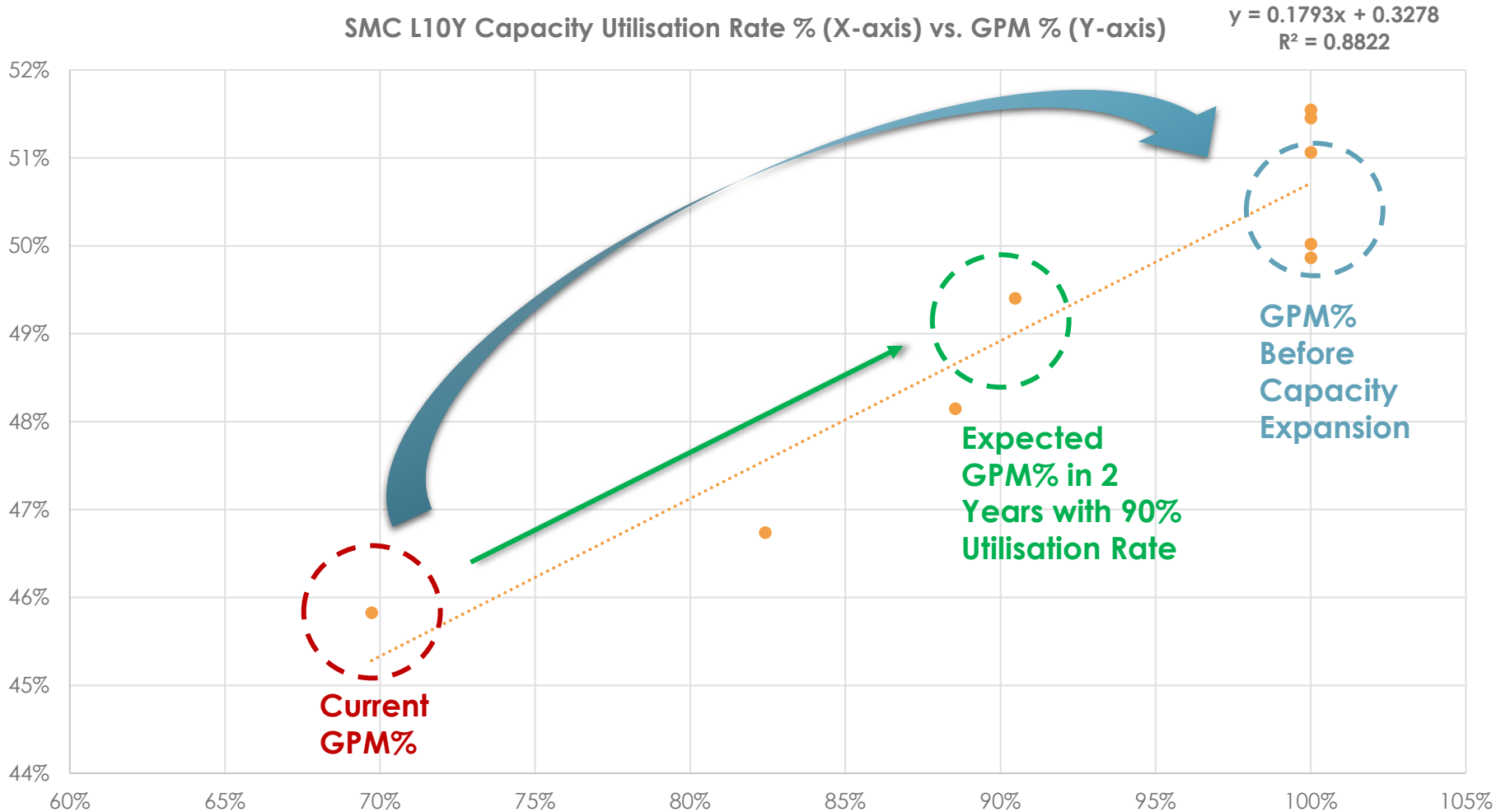
C

Significant ~JPY800bn of excess cash on the balance sheet



Temporary gross margin contraction following proactive capex investment in anticipation of the semi capex super-cycle

Proactive, forward-looking capacity expansion reduced utilisation in the near term but gives SMC a competitive advantage to capitalise on the capex super-cycle over the medium- to long-term; SMC's margins are now recovering to c. 50% historical norms as utilisation returns to full capacity



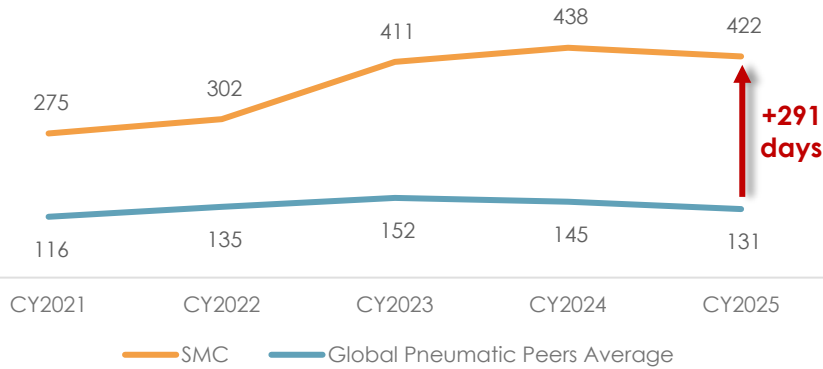
Source: Company filings, Palliser estimates.



Transitional inventory accumulation during down cycle has led to inefficient NWC-to-sales ratio

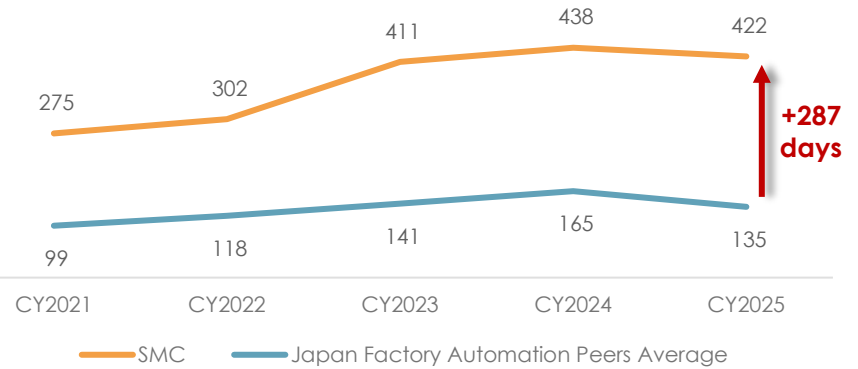
SMC has 291 more inventory days vs. Global Pneumatic Peers

L5Y Inventory Days vs. Peers



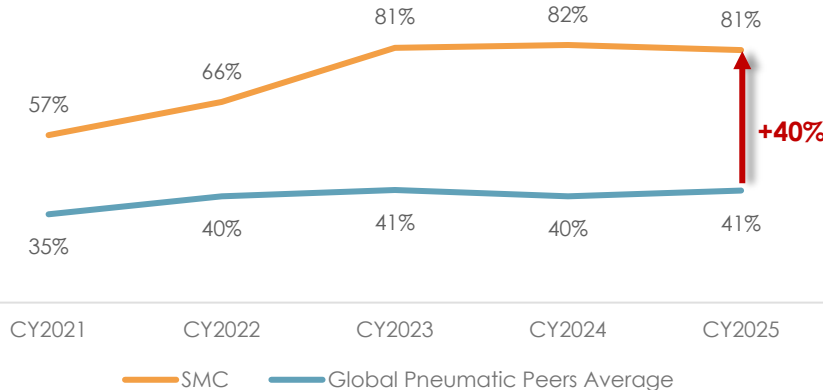
SMC has 287 more inventory days vs. Japanese Factory Automation Peers

L5Y Inventory Days vs. Peers



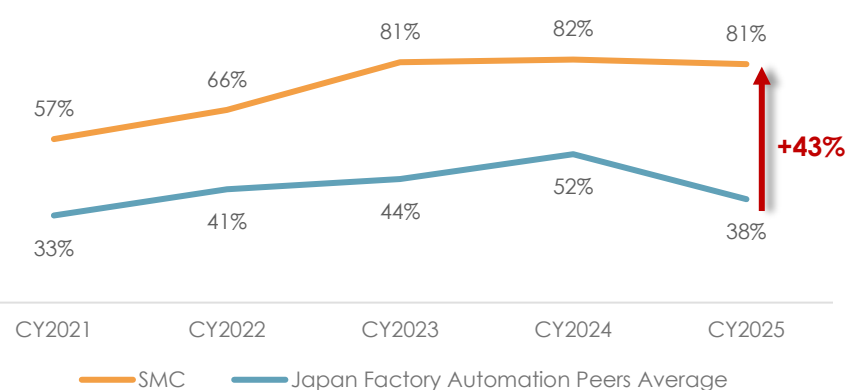
SMC's NWC-to-sales ratio is 40% higher vs. Global Pneumatic Peers

L5Y NWC-to-sales ratio vs. Peers



SMC's NWC-to-sales ratio is 43% higher vs. Japanese Factory Automation Peers

L5Y NWC-to-sales ratio vs. Peers



Source: Bloomberg.

Note: Global pneumatic peers include CKD, Airtac, Parker Hannafin. Japan factory automation peers include Fanuc, Mitsubishi Electric, Daifuku. CY=Calendar year ended December 31.



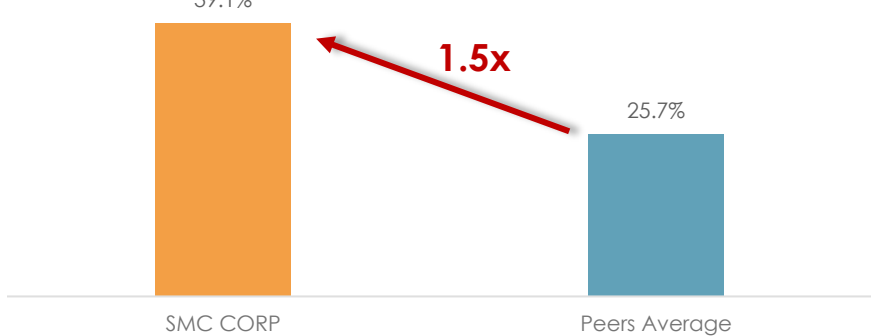
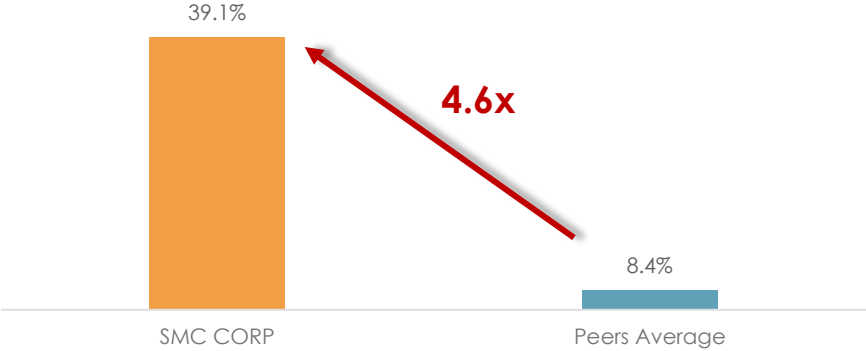
SMC is conservatively holding ~JPY800bn of excess cash after capex and inventory investment...

SMC's cash-to-asset ratio is over 4.6x that of Global Pneumatic Peers

SMC's cash-to-asset ratio is over 1.5x that of Japanese Factory Automation Peers

Cash & Equivalents / Asset Ratio vs. Global Pneumatic Peers

Cash & Equivalents / Asset Ratio vs. Japan Factory Automation Peers

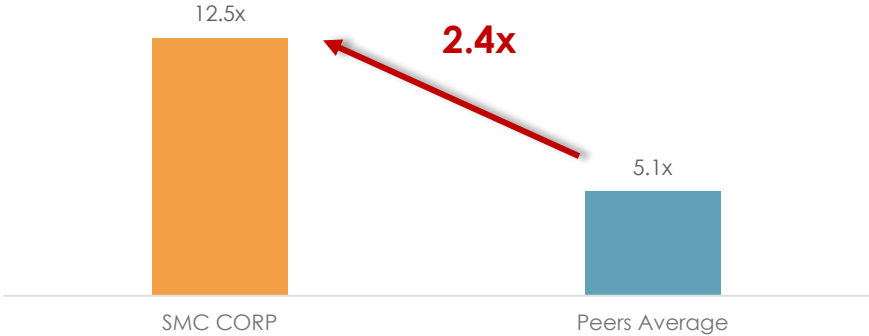
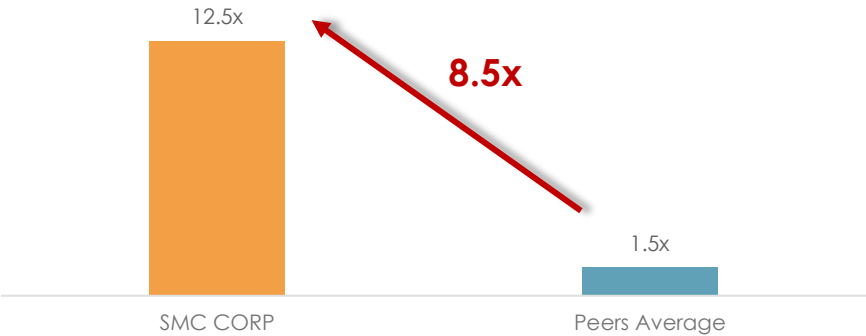


SMC's cash balance is 12.5x its monthly sales amount vs. only 1.5x for Global Pneumatic Peers

SMC's cash balance is 12.5x its monthly sales amount vs. only 5.1x for Japanese Factory Automation Peers

Cash & Equivalents as X Months of Sales vs. Global Pneumatic Peers

Cash & Equivalents as X Months of Sales vs. Japan Factory Automation Peers



Source: Bloomberg.

Note: Global pneumatic peers include CKD, Airtac, Parker Hannafin. Japan factory automation peers include Fanuc, Mitsubishi Electric, Daifuku.



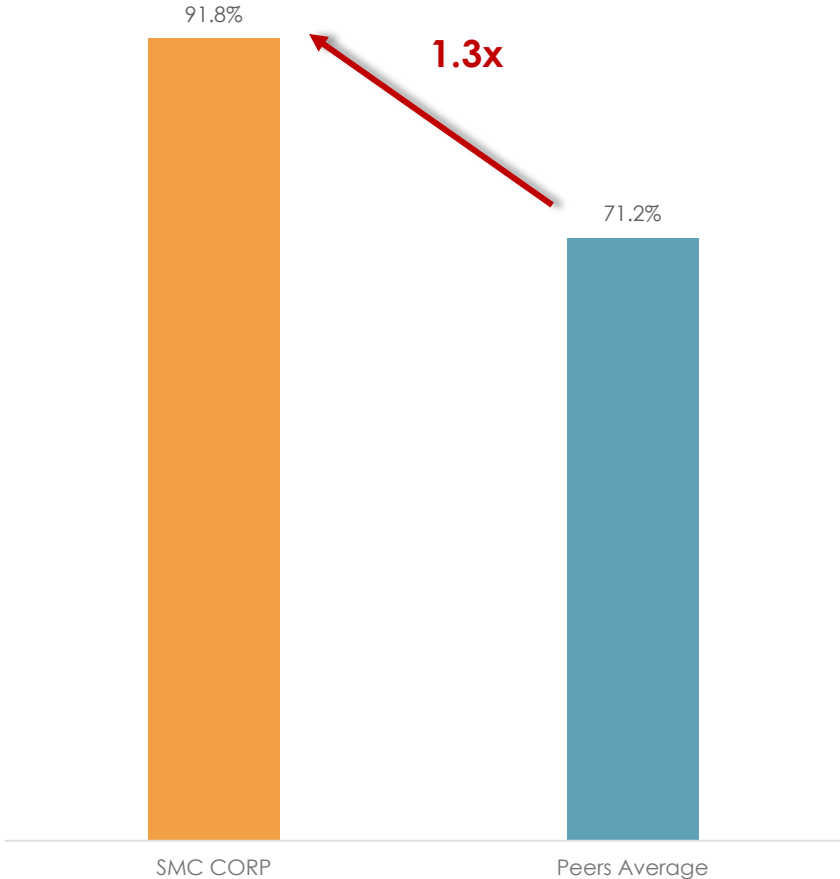
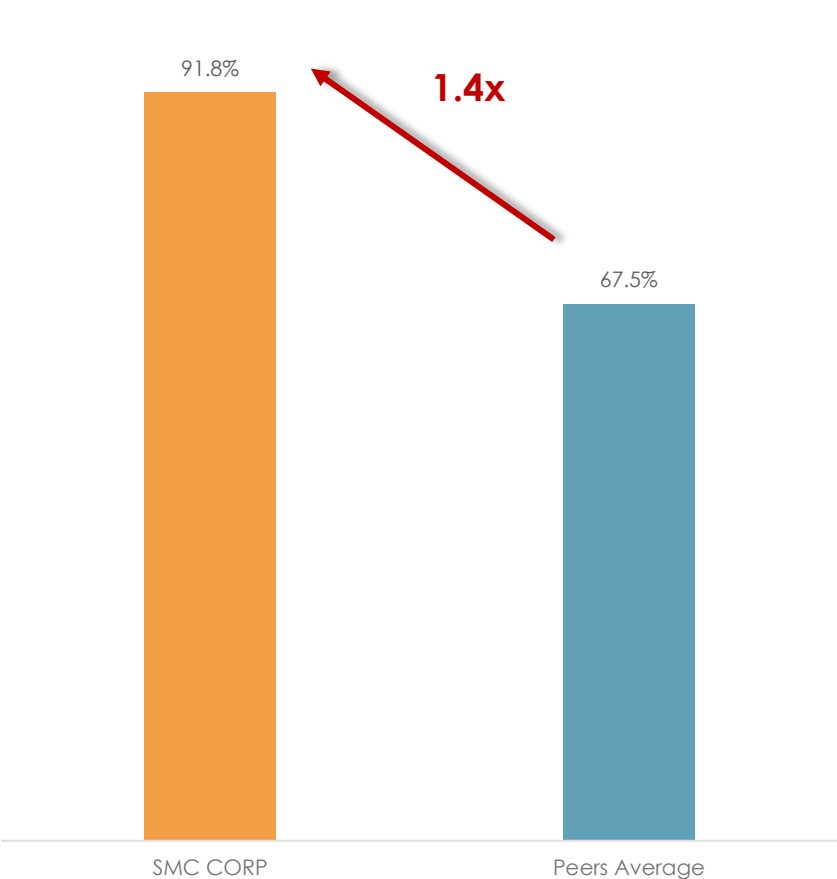
...resulting in SMC having the highest equity ratio amongst all peers...

At 91.8%, SMC's equity ratio is 1.4x that of Global Pneumatic Peers

At 91.8%, SMC's equity ratio is 1.3x that of Japanese Factory Automation Peers

Equity / Asset Ratio vs. Global Pneumatic Peers

Equity / Asset Ratio vs. Japan Factory Automation Peers

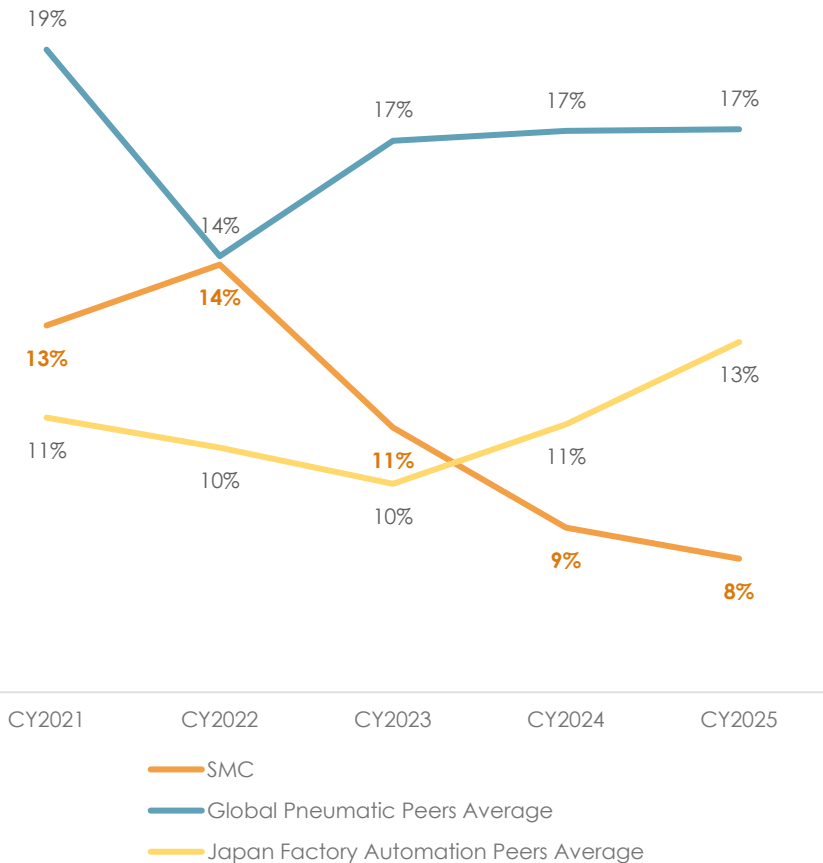


Source: Bloomberg.

Note: Global pneumatic peers include CKD, Airtac, Parker Hannafin. Japan factory automation peers include Fanuc, Mitsubishi Electric, Daifuku.

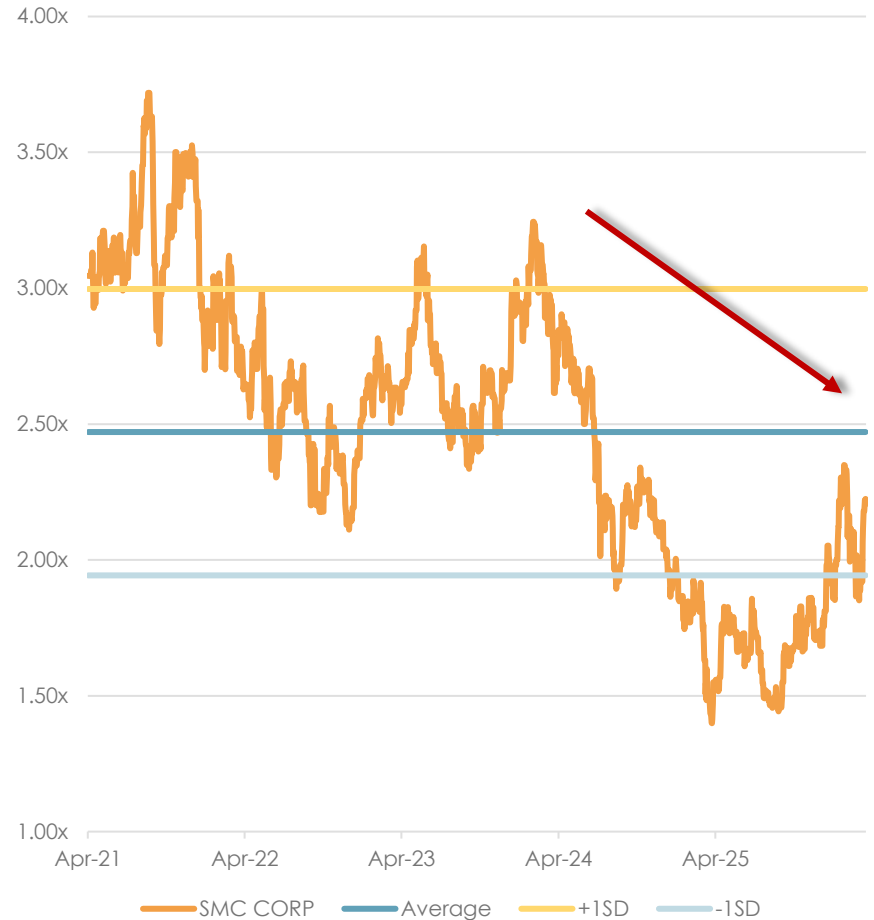
Over the last 3 years, SMC's ROE has decreased by over 40% and is less than half that of Global Pneumatic Peers

L5Y ROE vs. Peers



At ~2x, SMC's PBR is near a 5-year low

L5Y P/B



Source: Bloomberg. . Market data as of 15 Apr 2026.

Note: Global pneumatic peers include CKD, Airtac, Parker Hannafin. Japan factory automation peers include Fanuc, Mitsubishi Electric, Daifuku. CY=Calendar year ended December 31.

1

Enhance utilisation rate of planned capacity investment to drive gross profit margin recovery in the upcoming super-cycle

2

Prioritise inventory efficiency to restore NWC-to-sales ratio to historic norms

3

Implement a disciplined capital allocation policy focused on improving ROE to over 13% and a JPY600bn share buyback over the next two years

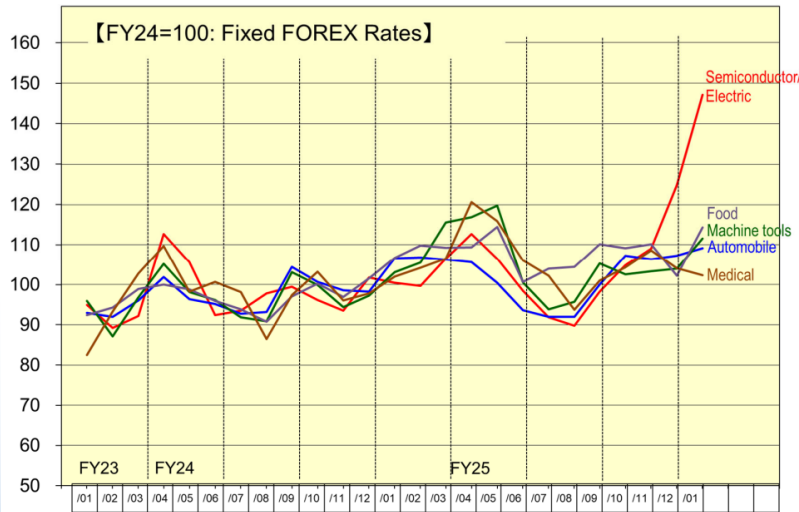


SMC's latest monthly order trends already demonstrate a surge in demand...

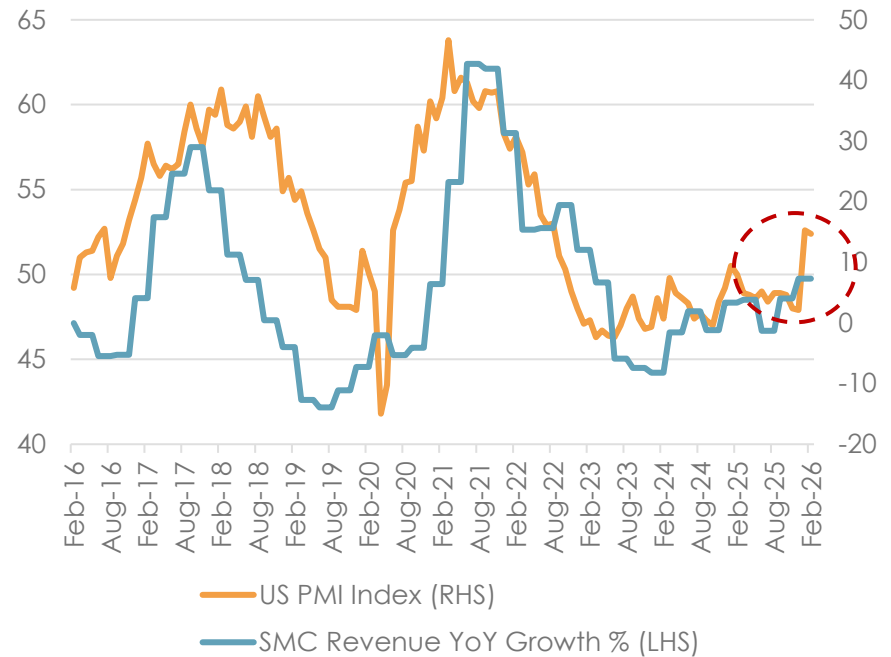
Semiconductor orders have rebounded sharply (40%+) as of January 2026

US Manufacturing PMI has moved back above expansion levels, historically coinciding with improved machinery demand

Consolidated Orders Trend By Industry



US PMI Index vs. SMC Revenue YoY Growth %



Data suggest a clear semiconductor rebound, while broader industrial demand may be approaching an inflection point

1 ii

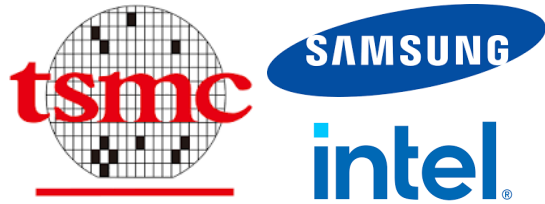
...with multiple indicators suggesting the market underestimates the scale of this next super-cycle...

Multiple signals across the Wafer Fabrication Equipment demand (Non Memory + DRAM + NAND) indicate that current market consensus on capex of semiconductor production equipment may be underestimated, supporting tailwinds for SMC

Breakdown of Wafer Fabrication Equipment ("WFE") Demand

~50% WFE Demand

Non Memory



~35% WFE Demand

DRAM



~15% WFE Demand

NAND



> Morgan Stanley, March 2026 – We recently spoke to TSMC's equipment and chemical suppliers and found TSMC's infrastructure buildout (more clean rooms) is more aggressive than we thought. From now to end-2027, TSMC will build 12 front-end fabs and four advanced packaging fabs. Equipment vendors we spoke to in general believe that TSMC's WFE capex will grow another 20-30% Y/Y in 2027

> Jensen Huang, Nvidia CEO, JPMorgan Technology Conference, March 2026 – The chip supply shortage is "excellent news" for Nvidia, as limited resources will prompt customers to directly choose the most powerful solutions. He called out to DRAM manufacturers: "No matter how much capacity you expand, Nvidia will use it all."

> Douglas R. Bettinger, Lam Research CFO, Cantor Technology Conference, March 2026 – Our NAND upgrade business last year grew 90%, a lot of that focused on the NAND set of customers. I think fast forward to where we sit today, that \$40 billion NAND upgrade opportunity likely happens sooner than we previously expected because bit demand is stronger

...and has overlooked SMC's critical role in the super-cycle...

There is a strong correlation between total capex of the top 5 global logic/memory players (TSMC, Samsung, Intel, SK Hynix, Micron) and SMC's total revenue – leading to significant revenue growth potential for SMC which the market has underestimated

YoY Growth of End Semi Customers Capex and SMC Revenue



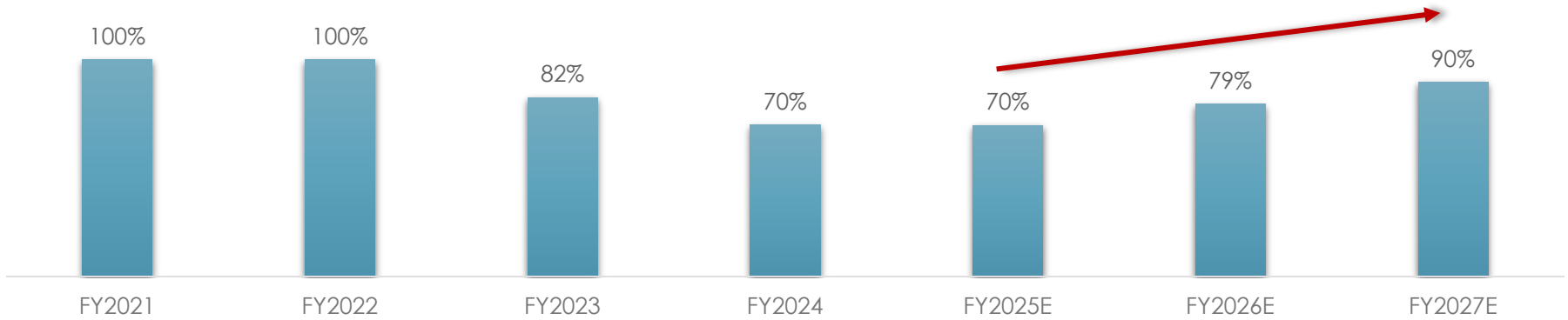
Source: Bloomberg, Palliser Estimate.

Note: CY=Calendar year ended December 31

...establishing optimal market conditions for SMC to enhance its capacity utilisation rate to drive recovery of gross profit margins

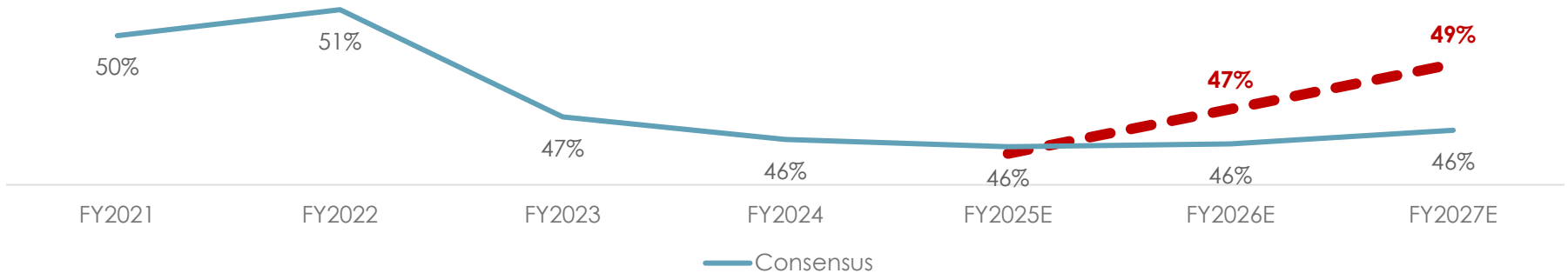
With strong demand of semi capex and recovery of non-semi industries, SMC will be able to enhance capacity utilisation rate toward 90% and beyond

SMC Capacity Utilisation Rate - Palliser Estimate



Optimised capacity utilisation at SMC will drive recovery of gross profit margins

Illustrative SMC Gross Profit Margin



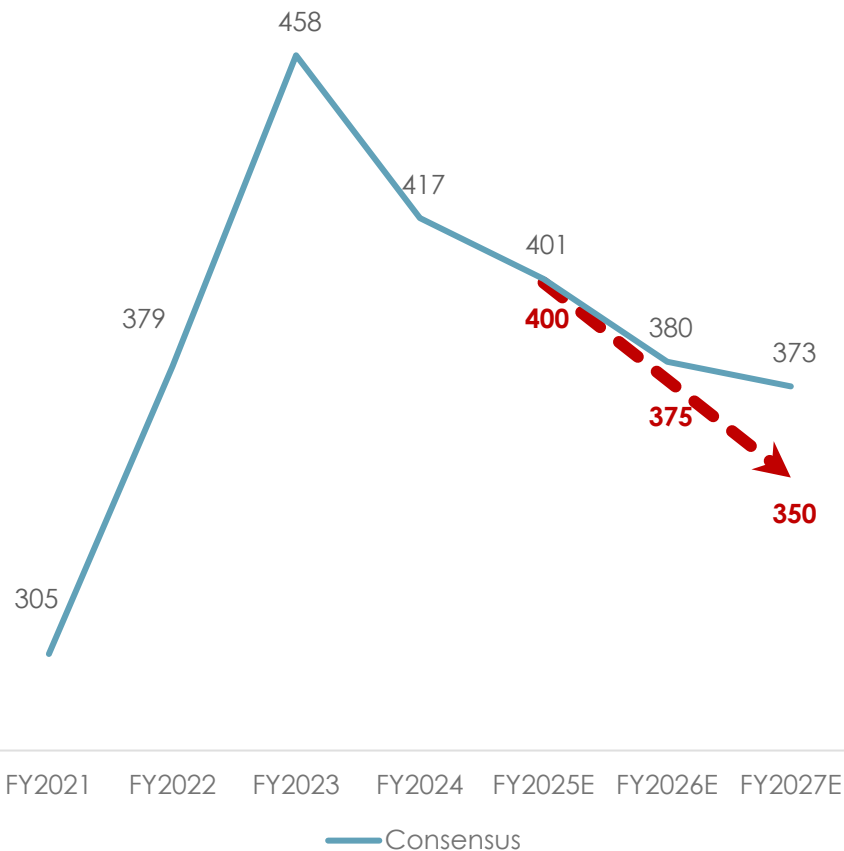
Source: Company filings, Bloomberg, Broker research, Palliser Estimate.

Note: FY=Fiscal year ended March 31 next year.

The upcoming super-cycle can catalyse inventory efficiency, restoring SMC's NWC-to-sales ratio to historic norms

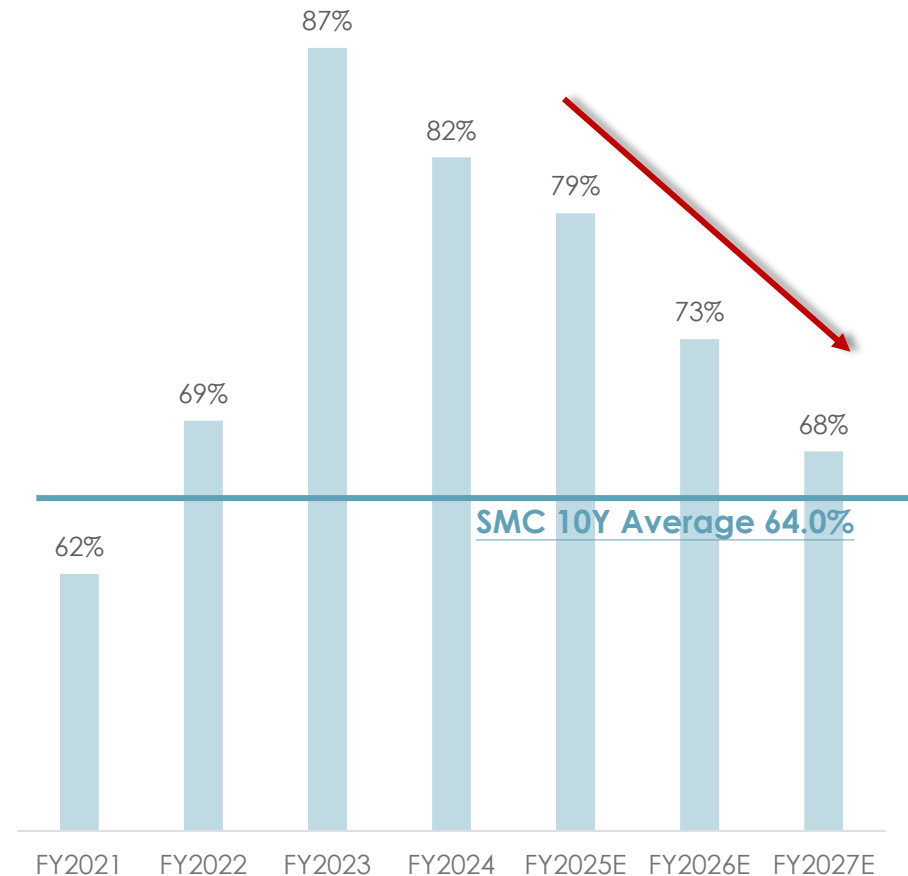
Reduction of inventory days can exceed market expectations in the upcoming super-cycle

Illustrative SMC Inventory Days



Strict inventory management will enable enhanced capital efficiency – driving NWC-to-sales ratio significantly lower than the current 10-year high

Illustrative SMC NWC-to-Sales Ratio



Implement a best-in-class capital allocation framework that ensures the highest-returning utilisation of capital above cost of capital

A transparent and well-communicated capital allocation framework that prioritises high-return investments combined with a fair shareholder returns policy will help create a compelling equity story

Sources of Capital

Uses of Capital

Sale of Bond Investment Securities



Excess Cash on Balance Sheet



Free Cash Flow from Operations

A

Growth Investments

B

Base Dividend

C

Additional Shareholder Returns with Excess Cash

✓ Conduct a thorough reassessment of future growth investments with clear Return on Invested Capital (ROIC) thresholds/targets versus cost of capital

✓ Maintain **dividend payout ratio of 40%+**

✓ Robust shareholder returns through **impactful share buybacks and stable dividend increase** each year

SMC is well positioned to lead the industry on excess cash deployment ahead of Corporate Governance Code revisions later this year

The Corporate Governance Code is expected to be amended this year with a renewed focus on capital efficiency and cash deployment. The FSA and TSE have signaled that revisions will explicitly encourage companies to put their large cash reserves to work – either by investing in growth or returning cash to shareholders – rather than letting cash hoards sit idle

- ✓ **30 Jun 2025** – The Council of Experts Concerning the Follow-up of Japan's Corporate Governance Code published the "Action Programme for Corporate Governance Reform 2025". **One of the future policy priorities is to promote growth investments by encouraging appropriate allocation of business resources, such as assessment of the current allocation of resources (including cash).**
- ✓ **21 Oct 2025** – The Expert Panel on the Revision of the Corporate Governance Code held the first meeting to discuss potential changes to the Code and a member of the Panel noted that **companies should explain their plan on how to utilise cash to achieve their targeted balance sheet and to enhance capital efficiency.**
- ✓ **26 Feb 2026** – The Expert Panel published a draft of the revised Corporate Governance Code with the following proposed changes:
 - Revised Principle 4.1 – "When establishing and disclosing business strategies and business plans, with the aim of achieving growth, **the board should articulate their earnings plans and capital policies taking into account the cost of capital, present targets for profitability and capital efficiency, and explain specific measures that will be taken in order to achieve growth related to allocation of business resources such as growth investment and review of their business portfolio.**"
 - New Interpretive Guidance to Principle 4.2 – "Based on its business strategies and plans, **the board should persistently review the allocation of company business resources that support appropriate risk-taking and that lead to sustainable growth and increased corporate value over the mid- to long-term, including whether cash is utilised efficiently in investments...**"

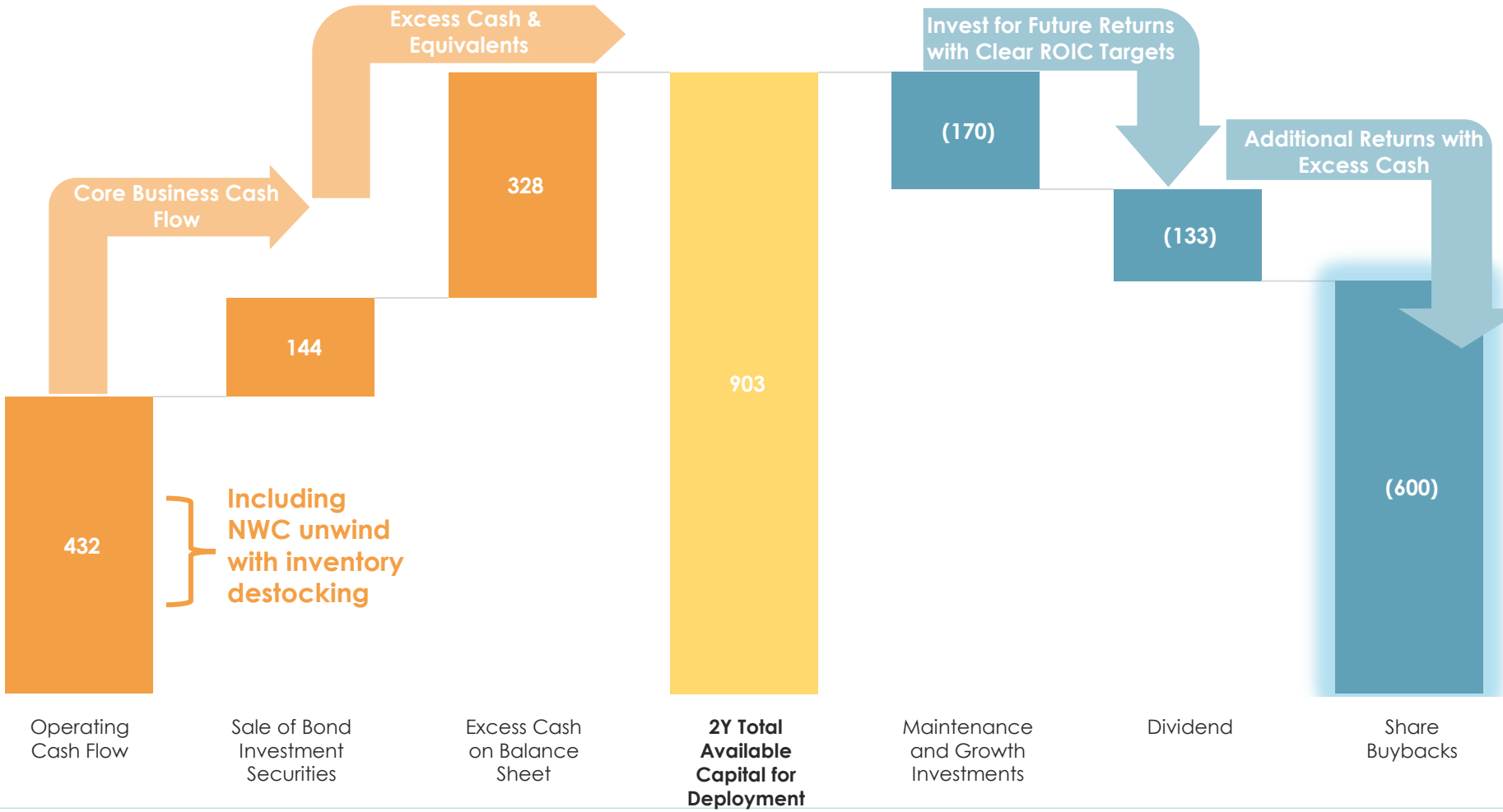
3

iii

Undertake a JPY600bn share buyback over the next 2 years utilising SMC's extensive excess cash & equivalents...

By underestimating SMC's revenue growth and gross margin expansion potential, the market has provided the optimal window ahead of the semi capex super-cycle for SMC to buy back its shares cheaply and maximise value accretion through a JPY600bn share buyback

FY2026E-2027E 2Y Illustrative Capital Allocation Framework (JPYbn)

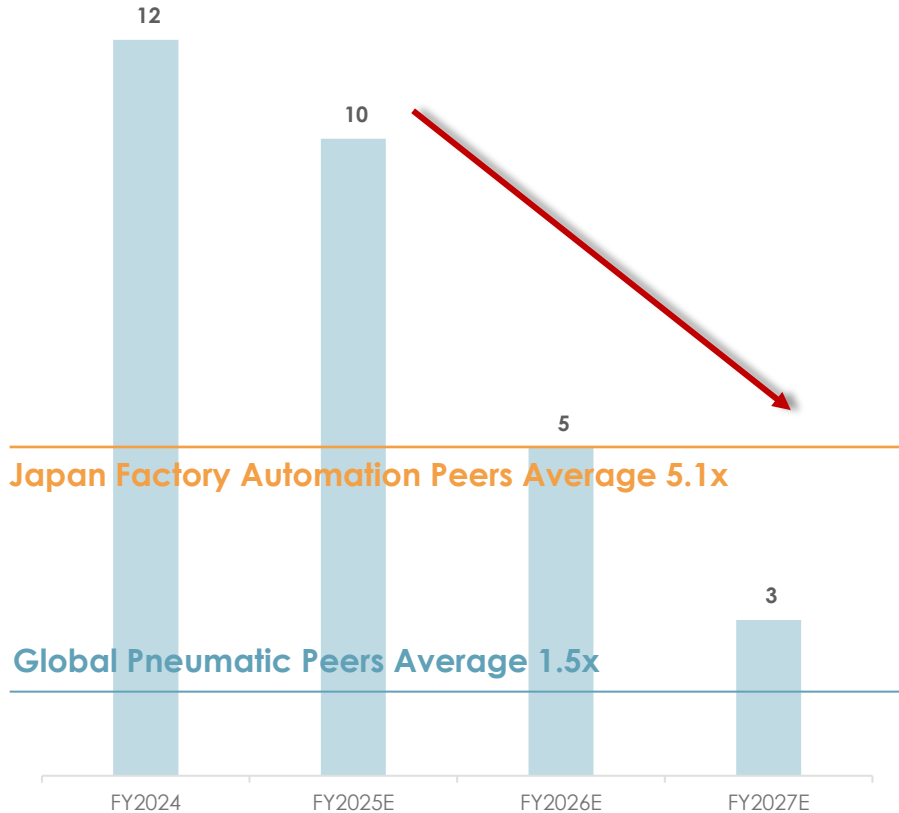


Source: Palliser estimates.

... leading to the Company's cash ratio and ROE re-calibrating in line with peers

With a JPY600bn share buyback, SMC can reduce cash & equivalents to 3 months of sales in 2 years...

Illustrative Cash & Equivalent as X Months of Sales

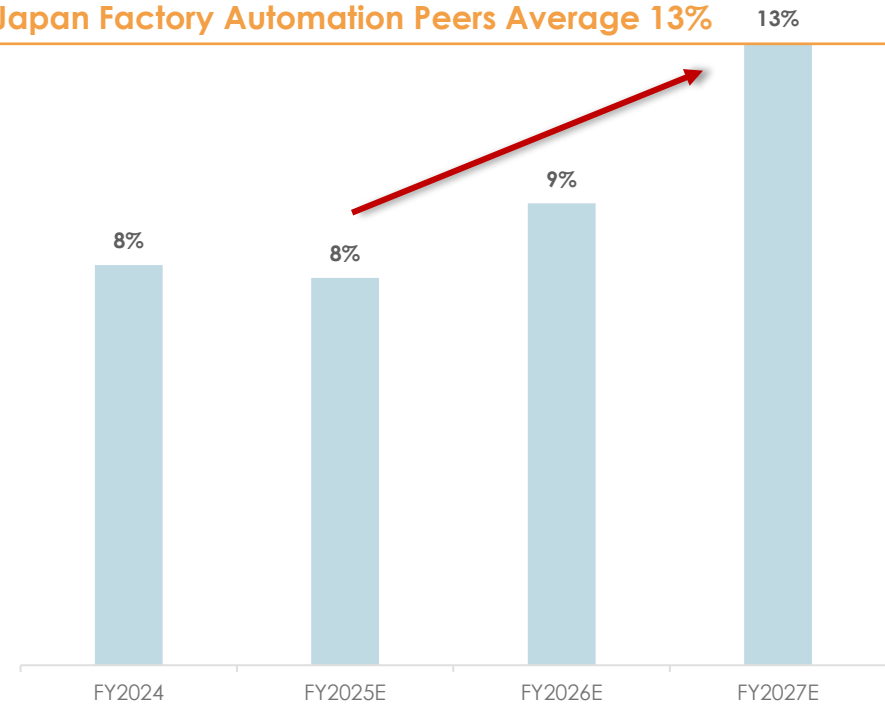


...and alongside gross margin expansion and inventory destocking, SMC can achieve an ROE of 13% in 2 years

Illustrative ROE

Global Pneumatic Peers Average 17%

Japan Factory Automation Peers Average 13%



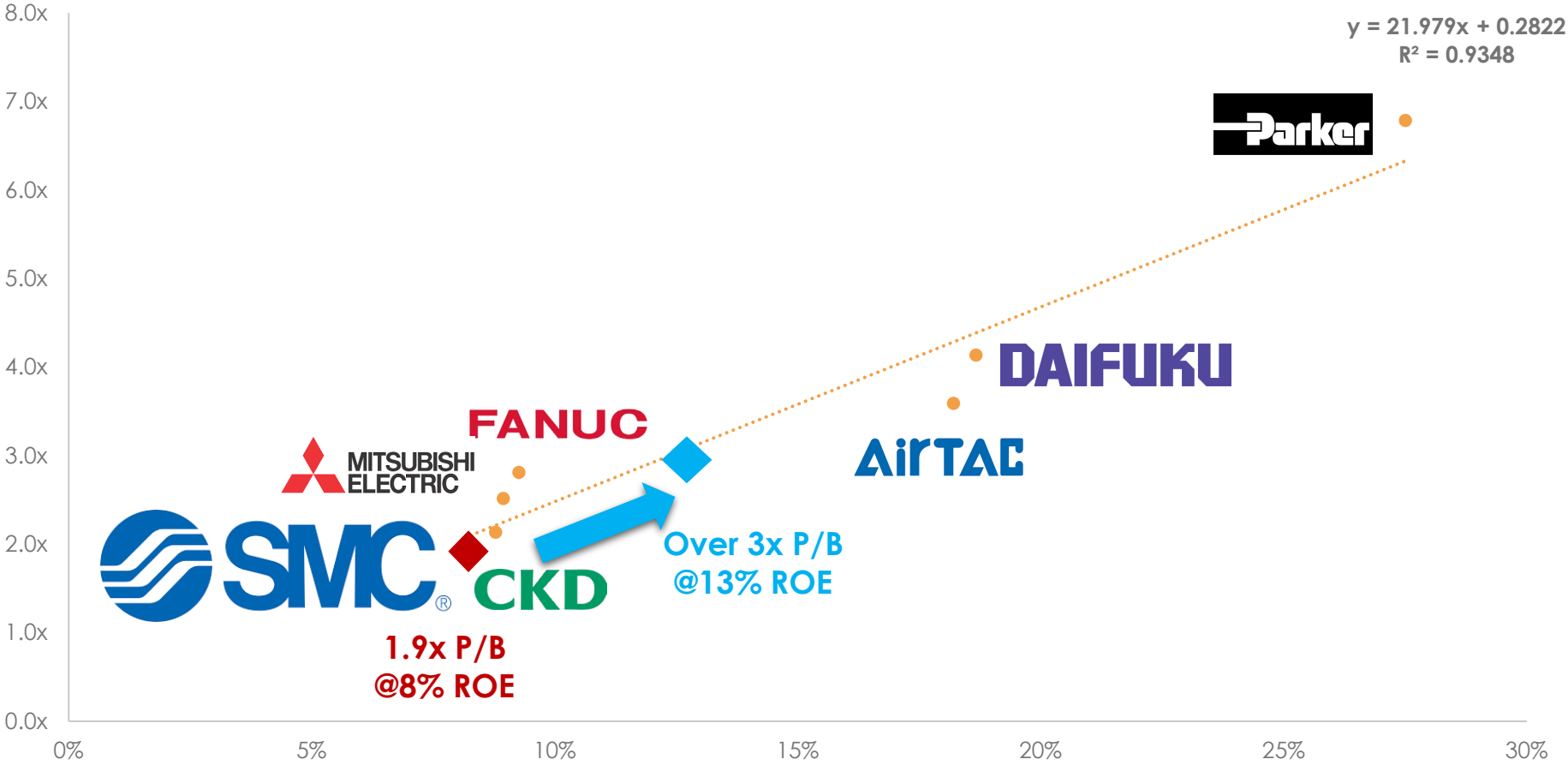
Source: Company filings, Bloomberg, Broker research, Palliser Estimate.

Note: FY=Fiscal year ended March 31 next year. Global pneumatic peers include CKD, Airtac, Parker Hannafin. Japan factory automation peers include Fanuc, Mitsubishi Electric, Daifuku.

The highly correlated P/B-ROE regression between SMC and peers indicates that SMC's P/B will re-rate with higher ROE

SMC P/B will re-rate from 1.9x to over 3x if ROE improves from 8% to 13%

1BF P/B (Y-axis) & ROE (X-axis) Regression - SMC vs. Peers

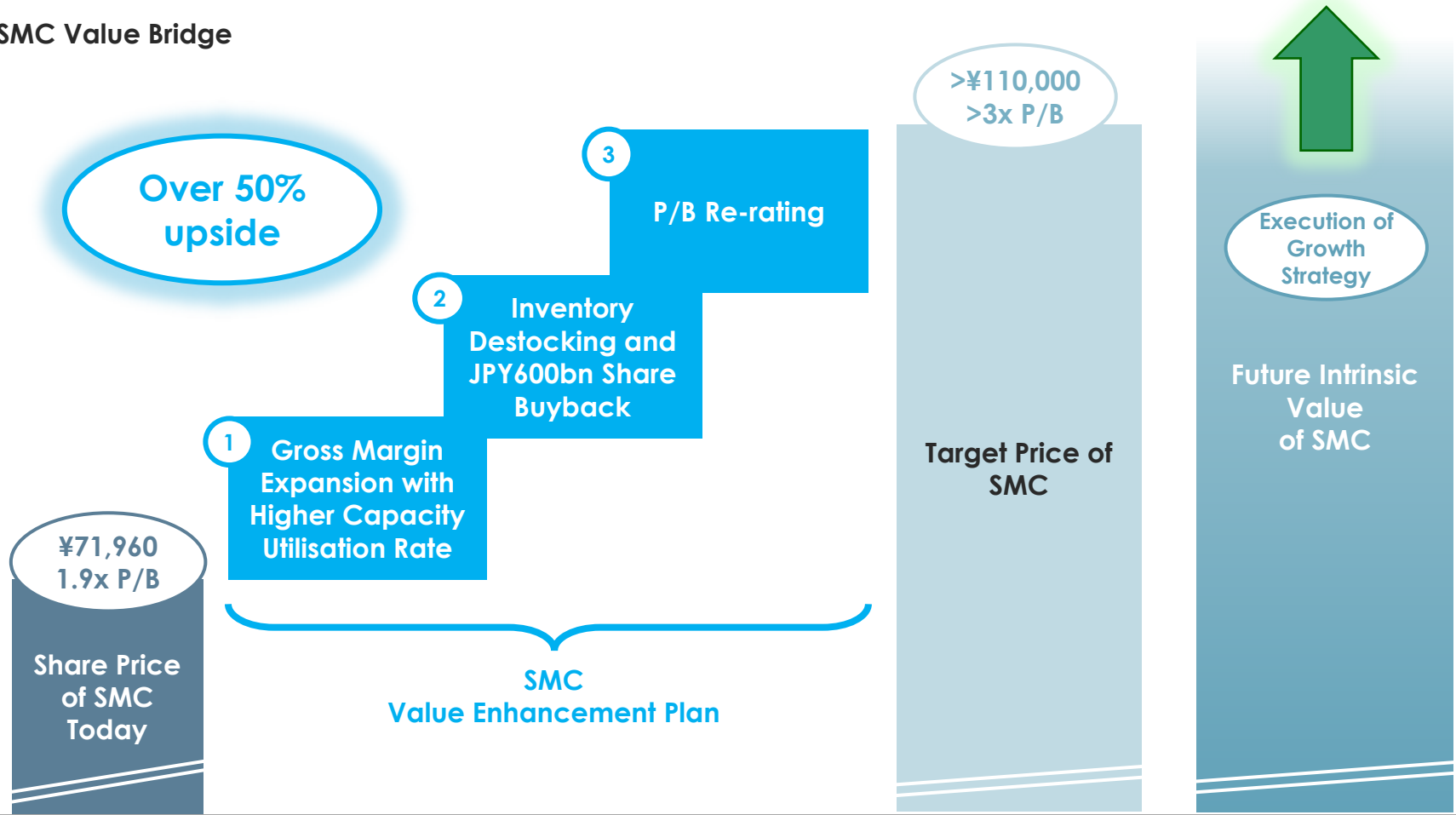


Source: Bloomberg. Market data as of 15 Apr 2026.

Palliser's Value Enhancement Plan could reveal SMC's true value and facilitate a meaningful share price re-rating

With gross margin expansion driven by higher capacity utilisation rate, inventory destocking, and a JPY600bn share buyback, upside on SMC's current share price could be over 50%

SMC Value Bridge



Source: Bloomberg, Palliser estimates.
Note: Market data as of 15 Apr 2026.

Disclaimer

THIS DOCUMENT HAS BEEN ISSUED BY PALLISER CAPITAL (UK) LTD ("PALLISER UK"), WHICH IS A COMPANY REGISTERED IN ENGLAND AND WALES AND IS AUTHORISED AND REGULATED BY THE UNITED KINGDOM'S FINANCIAL CONDUCT AUTHORITY ("FCA"). NOTHING WITHIN THIS DOCUMENT PROMOTES, OR IS INTENDED TO PROMOTE, AND MAY NOT BE CONSTRUED AS PROMOTING, ANY FUNDS MANAGED OR ADVISED DIRECTLY OR INDIRECTLY BY PALLISER UK (THE "PALLISER FUNDS").

THE INFORMATION IN THIS DOCUMENT IS CONFIDENTIAL AND PROPRIETARY AND MAY NOT BE DISCLOSED TO OR DISTRIBUTED TO ANY THIRD PARTY WITHOUT THE PRIOR WRITTEN CONSENT OF PALLISER UK. THE VIEWS EXPRESSED HEREIN REPRESENT THE OPINIONS OF PALLISER UK AND ITS AFFILIATES (COLLECTIVELY, "PALLISER") AS OF THE DATE HEREOF. PALLISER RESERVES THE RIGHT TO CHANGE OR MODIFY ANY OF ITS OPINIONS EXPRESSED HEREIN AT ANY TIME AND FOR ANY REASON AND EXPRESSLY DISCLAIMS ANY OBLIGATION TO CORRECT, UPDATE OR REVISE THE INFORMATION CONTAINED HEREIN OR TO OTHERWISE PROVIDE ANY ADDITIONAL MATERIALS.

THIS DOCUMENT IS FOR DISCUSSION AND INFORMATIONAL PURPOSES ONLY, AND DOES NOT CONSTITUTE (A) AN OFFER OR INVITATION TO BUY OR SELL, OR A SOLICITATION OF AN OFFER TO BUY OR SELL OR TO OTHERWISE ENGAGE IN ANY INVESTMENT BUSINESS OR PROVIDE OR RECEIVE ANY INVESTMENT SERVICES IN RESPECT OF, ANY SECURITY OR OTHER FINANCIAL INSTRUMENT AND NO LEGAL RELATIONS SHALL BE CREATED BY ITS ISSUE, (B) A "FINANCIAL PROMOTION" FOR THE PURPOSES OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 OF THE U.K. (AS AMENDED), (C) "INVESTMENT ADVICE" AS DEFINED BY THE U.K. FCA'S HANDBOOK OF RULES AND GUIDANCE ("FCA HANDBOOK"), (D) "INVESTMENT RESEARCH" AS DEFINED BY THE FCA HANDBOOK, (E) AN "INVESTMENT RECOMMENDATION" AS DEFINED BY REGULATION (EU) 596/2014 AND BY REGULATION (EU) 596/2014 AS IT FORMS PART OF U.K. DOMESTIC LAW BY VIRTUE OF SECTION 3 OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("EUWA 2018") INCLUDING AS AMENDED BY REGULATIONS ISSUED UNDER SECTION 8 OF EUWA 2018, (F) ANY ACTION CONSTITUTING "INVESTMENT ADVISORY AND AGENCY BUSINESS" AS DEFINED IN ARTICLE 28, PARAGRAPH 3 OF THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW OF JAPAN (THE "FIEL"), OR (G) ANY ACTION CONSTITUTING "INVESTMENT MANAGEMENT BUSINESS" AS DEFINED IN ARTICLE 28, PARAGRAPH 4 OF THE FIEL. NO INFORMATION CONTAINED HEREIN SHOULD BE CONSTRUED AS A RECOMMENDATION BY PALLISER. THIS DOCUMENT IS NOT INTENDED TO FORM THE BASIS OF ANY INVESTMENT DECISION OR SUGGEST AN INVESTMENT STRATEGY. THIS DOCUMENT IS NOT (AND MAY NOT BE CONSTRUED TO BE) LEGAL, TAX, INVESTMENT, FINANCIAL OR OTHER ADVICE.

ALL OF THE INFORMATION CONTAINED HEREIN IS BASED ON PUBLICLY AVAILABLE INFORMATION WITH RESPECT TO SMC CORPORATION (THE "COMPANY") AND ANY OTHER COMPANY MENTIONED HEREIN, INCLUDING PUBLIC FILINGS AND DISCLOSURES MADE BY THE COMPANY AND OTHER SOURCES, AS WELL AS PALLISER'S ANALYSIS OF SUCH PUBLICLY AVAILABLE INFORMATION. ANY AND ALL MARKET DATA CONTAINED OR REFERRED TO HEREIN IS AS OF CLOSE OF TRADING ON THE TOKYO STOCK EXCHANGE ON 15 April 2026 UNLESS OTHERWISE STATED. PALLISER HAS RELIED UPON AND ASSUMED, WITHOUT INDEPENDENT VERIFICATION, THE ACCURACY AND

COMPLETENESS OF ALL DATA AND INFORMATION AVAILABLE FROM PUBLIC SOURCES, AND NO REPRESENTATION OR WARRANTY IS MADE THAT ANY SUCH DATA OR INFORMATION IS ACCURATE. PALLISER RECOGNISES THAT THE COMPANY MAY POSSESS CONFIDENTIAL OR OTHERWISE NON-PUBLIC INFORMATION THAT COULD LEAD IT TO DISAGREE WITH PALLISER'S VIEWS AND/OR CONCLUSIONS AND THAT COULD ALTER THE OPINIONS OF PALLISER WERE SUCH INFORMATION KNOWN.

NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS GIVEN AND NO RESPONSIBILITY OR LIABILITY OR DUTY OF CARE IS OR WILL BE ACCEPTED BY PALLISER, THE PALLISER FUNDS, OR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, OR ADVISERS (EACH A "PALLISER PERSON") CONCERNING: (I) THIS DOCUMENT AND ITS CONTENTS, INCLUDING WHETHER THE INFORMATION AND OPINIONS CONTAINED HEREIN ARE ACCURATE, FAIR, COMPLETE OR CURRENT; (II) THE PROVISION OF ANY FURTHER INFORMATION, WHETHER BY WAY OF UPDATE TO THE INFORMATION AND OPINIONS CONTAINED IN THIS DOCUMENT OR OTHERWISE TO THE RECIPIENT AFTER THE DATE OF THIS DOCUMENT; OR (III) THAT PALLISER'S OR THE PALLISER FUNDS' INVESTMENT PROCESSES OR INVESTMENT OBJECTIVES WILL OR ARE LIKELY TO BE ACHIEVED OR SUCCESSFUL OR THAT PALLISER'S OR THE PALLISER FUNDS' INVESTMENTS WILL MAKE ANY PROFIT OR WILL NOT SUSTAIN LOSSES. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. TO THE FULLEST EXTENT PERMITTED BY LAW, NONE OF THE PALLISER PERSONS WILL BE RESPONSIBLE FOR ANY LOSSES, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, INCLUDING LOSS OF PROFITS, DAMAGES, COSTS, CLAIMS OR EXPENSES RELATING TO OR ARISING FROM THE RECIPIENT'S OR ANY PERSON'S RELIANCE ON THIS DOCUMENT.

EXCEPT FOR THE HISTORICAL INFORMATION CONTAINED HEREIN, THE INFORMATION AND OPINIONS INCLUDED IN THIS DOCUMENT CONSTITUTE FORWARD-LOOKING STATEMENTS, INCLUDING ESTIMATES AND PROJECTIONS PREPARED WITH RESPECT TO, AMONG OTHER THINGS, THE COMPANY'S ANTICIPATED OPERATING PERFORMANCE, THE VALUE OF THE COMPANY'S SECURITIES, DEBT OR ANY RELATED FINANCIAL INSTRUMENTS THAT ARE BASED UPON OR RELATE TO THE VALUE OF SECURITIES OF THE COMPANY (COLLECTIVELY, "COMPANY SECURITIES"), GENERAL ECONOMIC AND MARKET CONDITIONS AND OTHER FUTURE EVENTS. YOU SHOULD BE AWARE THAT ALL FORWARD-LOOKING STATEMENTS, ESTIMATES AND PROJECTIONS ARE INHERENTLY UNCERTAIN AND SUBJECT TO SIGNIFICANT ECONOMIC, COMPETITIVE, AND OTHER UNCERTAINTIES AND CONTINGENCIES AND HAVE BEEN INCLUDED SOLELY FOR ILLUSTRATIVE PURPOSES. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THE ESTIMATES, PROJECTIONS OR ASSUMPTIONS CONTAINED HEREIN DUE TO REASONS THAT MAY OR MAY NOT BE FORESEEABLE.

NO AGREEMENT, COMMITMENT, UNDERSTANDING OR OTHER LEGAL RELATIONSHIP EXISTS OR MAY BE DEEMED TO EXIST BETWEEN OR AMONG PALLISER AND ANY OTHER PERSON BY VIRTUE OF FURNISHING THIS DOCUMENT. PALLISER IS NOT ACTING FOR OR ON BEHALF OF, AND IS NOT PROVIDING ANY ADVICE OR SERVICE TO, ANY RECIPIENT OF THIS DOCUMENT. PALLISER IS NOT RESPONSIBLE TO ANY PERSON FOR PROVIDING ADVICE IN RELATION TO THE SUBJECT MATTER OF THIS DOCUMENT. BEFORE DETERMINING ON ANY COURSE OF ACTION, ANY RECIPIENT SHOULD CONSIDER ANY ASSOCIATED RISKS AND

CONSEQUENCES AND CONSULT WITH ITS OWN INDEPENDENT ADVISORS AS IT DEEMS NECESSARY.

THE PALLISER FUNDS MAY HAVE A DIRECT OR INDIRECT INVESTMENT IN THE COMPANY. PALLISER THEREFORE HAS A FINANCIAL INTEREST IN THE PROFITABILITY OF THE PALLISER FUNDS' POSITIONS IN THE COMPANY. ACCORDINGLY PALLISER MAY HAVE CONFLICTS OF INTEREST AND THIS DOCUMENT SHOULD NOT BE REGARDED AS IMPARTIAL. NOTHING IN THIS DOCUMENT SHOULD BE TAKEN AS ANY INDICATION OF PALLISER'S OR THE PALLISER FUNDS' CURRENT OR FUTURE TRADING OR VOTING INTENTIONS WHICH MAY CHANGE AT ANY TIME.

PALLISER INTENDS TO REVIEW THE INVESTMENTS IN THE COMPANY ON A CONTINUING BASIS AND DEPENDING UPON VARIOUS FACTORS, INCLUDING WITHOUT LIMITATION, THE COMPANY'S FINANCIAL POSITION AND STRATEGIC DIRECTION, THE OUTCOME OF ANY DISCUSSIONS WITH THE COMPANY, OVERALL MARKET CONDITIONS, OTHER INVESTMENT OPPORTUNITIES AVAILABLE TO PALLISER, AND THE AVAILABILITY OF COMPANY SECURITIES AT PRICES THAT WOULD MAKE THE PURCHASE OR SALE OF COMPANY SECURITIES DESIRABLE, PALLISER MAY FROM TIME TO TIME (IN THE OPEN MARKET OR IN PRIVATE TRANSACTIONS, INCLUDING SINCE THE INCEPTION OF THE PALLISER FUNDS' POSITION) BUY, SELL, COVER, HEDGE OR OTHERWISE CHANGE THE FORM OR SUBSTANCE OF ANY OF THE PALLISER FUNDS' INVESTMENTS (INCLUDING COMPANY SECURITIES) TO ANY DEGREE IN ANY MANNER PERMITTED BY LAW AND EXPRESSLY DISCLAIMS ANY OBLIGATION TO NOTIFY OTHERS OF ANY SUCH CHANGES. PALLISER ALSO RESERVES THE RIGHT TO TAKE ANY ACTIONS WITH RESPECT TO THE PALLISER FUNDS' INVESTMENTS IN THE COMPANY AS IT MAY DEEM APPROPRIATE, INCLUDING BUT NOT LIMITED TO, COMMUNICATING WITH OTHER INVESTORS, SHAREHOLDERS, INDUSTRY PARTICIPANTS, EXPERTS AND/OR RELEVANT PARTIES WITH RESPECT TO ANY COMPANY REFERRED TO HEREIN.

PALLISER HAS NOT SOUGHT OR OBTAINED CONSENT FROM ANY THIRD PARTY TO USE ANY STATEMENTS OR INFORMATION CONTAINED HEREIN. ANY SUCH STATEMENTS OR INFORMATION SHOULD NOT BE VIEWED AS INDICATING THE SUPPORT OF SUCH THIRD PARTY FOR THE VIEWS EXPRESSED HEREIN. ALL TRADEMARKS AND TRADE NAMES USED HEREIN ARE THE EXCLUSIVE PROPERTY OF THEIR RESPECTIVE OWNERS.

YOU AGREE THAT YOU (I) WILL NOT DISCLOSE ANY INFORMATION WHICH MAY BE MATERIAL NON-PUBLIC INFORMATION (INCLUDING ANY NON-PUBLIC INFORMATION THAT MAY CONSTITUTE A "MATERIAL FACT PERTAINING TO BUSINESS OR OTHER MATTERS" (AS DEFINED IN ARTICLE 166, PARAGRAPH 2 OF THE FIEL) OR "THE FACT THAT A TENDER OFFER, ETC. WILL BE LAUNCHED OR THE FACT THAT A TENDER OFFER, ETC. WILL BE SUSPENDED" (AS DEFINED IN ARTICLE 167, PARAGRAPH 2 OF THE FIEL) TO PALLISER OR ANY OF THE PALLISER FUNDS (WHETHER DURING THIS PRESENTATION OR OTHERWISE) WITHOUT PALLISER UK'S PRIOR WRITTEN CONSENT, AND NONE OF PALLISER OR ANY OF THE PALLISER FUNDS IS OR SHALL BE UNDER ANY DUTY OF CONFIDENTIALITY OR OTHERWISE WITH RESPECT TO SUCH INFORMATION OR THIS DOCUMENT; AND (II) UNDERSTAND THAT NONE OF PALLISER OR ANY OF THE PALLISER FUNDS INTENDS TO BE RESTRICTED IN TRADING ANY SECURITIES AS A RESULT OF OR IN CONNECTION WITH FURNISHING THIS DOCUMENT.



Palliser Capital

