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July 5th, 2023

Dear Investors,

During the second quarter of 2023, our portfolio was down 2.0% in Canadian dollars net of fees. The broad European equity index was up 0.5%[1] and the Canadian index was +0.9% in the quarter.

The table below gives you the usual summary of our performance and exposure by strategy bucket for the quarter and the relevant periods since inception.

Time Period	Performance, Net of Fees	Exposures by Strategy Bucket			
		Total Equity	Core Value Equity	Special Situations Equity	Cash
FY 2019 [1]	1.9%	41.0%	36.0%	5.0%	59.0%
FY 2020	24.2%	78.1%	70.6%	7.5%	21.9%
FY 2021	5.1%	84.1%	80.8%	3.3%	15.9%
FY 2022	-14.5%	95.6%	79.9%	15.8%	4.4%
Q2 2023	**-2.0%**	**95.3%**	**76.0%**	**19.3%**	4.7%
Year to Date, 2023	11.4%	95.4%	76.4%	19.0%	4.6%
Average, Since Inception [1]	6.9%	79.6%	69.3%	10.2%	20.4%
Total Return, Since Inception [1]	**26.9%**				

1. Inception on December 9, 2019

In this letter, I will give a brief, non-exhaustive overview of the 'Core Value' bucket through a lens that I use to assess business quality, provide the usual position by position update and finish with a brief business update. I will be travelling to the UK and Europe in July to do my usual on the ground research, have meetings with the management teams of our portfolio companies, visit their operations and meet with potential new investees.

The shape of the portfolio is about where it should be in my view, and as a result, there was zero trading in the quarter. 76% of our capital is invested in ten companies in the 'Core Value' bucket. These ten businesses have attractive returns on capital protected by considerable economic moats, and strong balance sheets. They are run by capable, well aligned management teams, who have the scope and capability to redeploy significant proportions of the free cash flow generated by their businesses at high incremental returns such that these businesses are on course to being considerably more valuable on a per share basis in five- and ten-years time.

[1] MSCI Europe (in CAD) and TSX respectively.

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In effect, 76% of our capital is invested in a 'conglomerate' with subsidiaries in everything from external wall insulation to chocolate manufacturing and litigation finance to used car retailing. Each subsidiary is run by an independent management team with substantial ownership of their subsidiary. As a whole, the conglomerate is a global business with 1/3rd of revenue in each of the US, Europe and the UK. This conglomerate has grown revenue organically at 12% annually over the past five years, earns 23% returns on capital and has a net cash balance sheet. We own this collection of subsidiaries at 9.7x underlying earnings power, or 48% of my estimate of intrinsic value. And, we have the option at any point to sell a subsidiary, buy more of an existing one, or buy a new one almost any day of the week if the price is right.

My job as your investment manager is to find the best subsidiaries for our conglomerate and only purchase them if and when they are for sale at 50 cents on the dollar or better of my estimate of their worth. The 'best' subsidiary businesses are those that have the highest probability of compounding their per share value over the long-term at rates of return well above the market. In my experience, these businesses tend to have a degree of commonality in their business model *type.* As such, searching for and understanding these specific business model types is a powerful and expedient way of finding what we are looking for. Hence, if I am doing my job well, you should expect to see a portfolio dominated by these businesses. The fact that most of the largest fortunes of our time have been created by harnessing the economic productivity of these specific business models is indicative of their power, and I believe, confirmation of Highwood's strategy in the Core Value bucket. This deserves a little more explanation.

The Core Value bucket of investments is focused on three business model types as follows:

1. Discount businesses or 'scale economies shared'. These business models generally sell a product or service at a substantial discount to competitors, typically in a commoditized market, and earn high returns on capital while doing so. The price discount they offer their customers is their economic moat and is the result of a cost advantage which grows as the business grows. As a result, they are the lowest cost producers in their niche. The fact they offer the same product or service as their competitors, but at a lower price results in market share gain and volume growth. This reduces the fixed cost of production per unit (more units sold over the same fixed cost base). The lowering of fixed costs per unit gives management the option to lower prices to their customers while maintaining margins constant. This results in a widening price gap (the economic moat), which drives further volume growth and market share gains at the expense of the higher cost competitors. It is a positive re-enforcing productivity loop that benefits customers, suppliers and shareholders and understandably, it has been responsible for the creation of some of the greatest fortunes of our generation. Notable examples are the Waltons (Wal-Mart), Jeff Bezos (Amazon), and the founders and long-term shareholders of businesses like CostCo and Southwest Airlines. We own four scale economies shared business models in the portfolio, which collectively comprise a quarter of our invested capital.
2. Brands with Pricing Power. These businesses are in some ways at the other end of the spectrum but have a similar positive re-enforcing productivity loop. They are able to sell products in non-commoditized markets at a premium to their competitors as a result of the intangible value of their brand. Their brand value, reflected in the price premium over competitors, is the economic moat, and results in higher gross margins than competitors. These higher gross margins permit

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management to invest more aggressively than their competitors, typically through advertising, while still earning attractive operating margins and returns on capital. This results in market share gains and increased scale at the expense of competitors. Increased scale at higher gross margins, permits yet more advertising and product innovation to further strengthen the brand and price premium of their product. Provided these businesses have significant market share headroom, they can continue to redeploy capital organically using this productivity loop to be significantly larger on a per share basis over long periods of time. The fortunes of the Bettencourt (L'Oreal), Arnault (LVMH), Ferrero (Ferrero Rocher) and Mars (Mars Inc) families along with long-term shareholders in Nike, Coca-Cola and more recently Monster Beverages, have all benefited from this business model in our generation. 12% of our capital is invested in this business model type across two positions.

3. Installed Base Businesses. These businesses tend to operate in markets with few direct competitors (ie oligopolistic) with high barriers to entry and/or high switching costs. They sell an 'original equipment (OE)' product, typically with a decades long useful life (eg an Elevator), and once installed, this product generates a similarly long-duration recurring cash flow from aftermarket service and spare parts at attractive margins. Another version of this model shows up in software, where the product once embedded in the customer's technology stack, has high switching costs which results in an enduring cash flow. Ideally, the customer is not 'locked-in' against their will, as that creates tension and economic space for competitors, but rather the relationship in the aftermarket is synergistic. The cash flows from this aftermarket or long-dated contract give the installed base business the economic space to invest in research and product development to continuously improve the original product to make it the first choice for their customers, often with the benefit of a close customer relationship fostered in the aftermarket. This business model tends to result in slow market share changes and stable cash flows, which can be re-deployed organically (eg. to expand geographically) or otherwise consolidate similar niches where there are synergies to be gained. The families of Larry Ellison (Oracle), Bill Gates (Microsoft) and long-term shareholders in Kone/Otis, Safran, Wartsila, Weir and others have all seen their wealth compound well above market rates as a result of this business model. 13% of our capital is invested in two businesses of this type.

Taken together, these three business model types comprise half of our invested capital. The remaining 26% of our capital in the core value bucket is invested in Burford Capital and Berkshire Hathaway. As you know, I view our investment in Berkshire Hathaway as a long-dated cash alternative as described previously here. Burford Capital is neither of the above-mentioned business model types, but it deserves its place as a subsidiary of our conglomerate nonetheless given its high returns on capital, the economic moat that protects these returns, it's ability to redeploy c.90% of it's excess free cash flow at high incremental returns and the quality and alignment of the management team.

A further 19% of our capital is invested in the shares of two companies in the 'special situations' bucket. These are more opportunistic investments, where our return is less dependent on the quality of the core business. We own the assets of these businesses through the equity market at c.53 cents on the dollar of my estimate of their worth, the assets are convertible into cash and the management and our board of

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directors are well aligned to maximise the value of these assets over a shorter period of time. Our holdings in JZ Capital Partners and Borr Drilling are within this strategy bucket.

As Ben Graham and Warren Buffett have said, in the short-term, the stock market is a voting machine and in the long-term, it is a weighing machine (where that weight is corporate profits on a per share basis). The three business model types noted above have, over time, proven their ability to protect and grow their earnings on a per share basis as consistently as any I know, which is why my discipline focuses on these business model types and why our portfolio is constructed the way it is.

Portfolio Updates:

Below is the usual table which summarizes key statistics on the portfolio as of June 30th. The portfolio is priced at 48 cents of my estimate of intrinsic value, the median P/E is now 9.3x and portfolio companies have on average net cash balance sheets (Net Det / EBITDA of -0.2x).

Highwood Value Partners Portfolio						
As of Date	% Invested	Median Price / Est. Intrinsic Value	Median Market Cap, in Mns of USD	Median Net Debt (Cash) / EBITDA	Median EV / Sales	Median P/E
31-Dec-19	41%	0.54x	550	-0.8x	1.6x	15.1x
31-Dec-20	78%	0.69x	713	-0.3x	2.2x	13.1x
31-Dec-21	84%	0.52x	1387	-0.5x	2.0x	13.3x
31-Dec-22	96%	0.45x	1013	0.2x	1.0x	10.6x
31-Mar-23	96%	0.48x	981	-0.1x	1.3x	10.5x
30-Jun-23	**95%**	**0.48x**	**956**	**-0.2x**	**1.0x**	**9.3x**

Below are the updates on our portfolio holdings in order of their contribution during the quarter.

Ryanair – Core Value

In my Q1 2020 letter to you here, I suggested that the pandemic would have the likely effect of 'accelerating Ryanair's dominance in European short haul travel'. Without doubt, that has come to pass. Across a range of metrics, Ryanair has re-enforced it's competitive moat: the gap between Ryanair's unit costs and those of the competitors has widened, it has taken considerable market share from failing or weaker rivals and it has the strongest balance sheet in the industry, which is now back to a net cash position. The profitable operation of Ryanair's business and strong balance sheet has permitted Ryanair to capitalize on market share opportunities by investing for growth countercyclically. While other airlines are still struggling to get back to profitability, Ryanair placed a substantial new aircraft order for 300 new Boeing 737 Max 10 aircraft in the quarter. Ryanair will take delivery of these aircraft from 2027 to 2033 which will expand the airline's capacity by one third over that time. The price Ryanair paid for these aircraft is a closely guarded secret, but the order comes at a time when the vast majority of Boeing's customers are struggling with low profitability, rising interest (and lease) rates and weak balance sheets. It was an opportune moment to

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secure the best deal on new, more efficient aircraft, which is the largest capital cost item in the business. The deal they receive on these aircraft results in lower lifetime ownership costs, which is likewise the single largest P/L cost in the business excluding fuel. As Michael O'Leary, our CEO and a significant fellow shareholder, put it in a recent FT article, 'as long as we don't do something stupid – which is a daily challenge in this industry – we will continue to wipe the floor with every other airline in Europe'.

Burford Capital – Core Value

Burford Capital is our UK listed global market leader in litigation finance. The company makes money by funding select commercial litigation claims in exchange for a share of the proceeds if successful, and by generating fees on third party capital as the largest asset manager in this attractive niche asset class. In March, Burford received a positive summary judgement ruling with respect to liability on its single largest case, Peterson and Eton Park vs YPF and the Argentine Republic. We are awaiting the assessment of the court awarded damages, which will likely be determined in late July. In the meantime, the fundamentals of Burford's core business ex the YPF claim are strengthening. The business is seeing a broad-based pick up in court activity such that the largest revenue driver, capital provision income (ie the results from litigation matters they have funded), more than doubled in the first quarter excluding the increase in value of the YPF case. Fee-based income from managing 3rd party capital was also up 77% in the quarter (Burford is the largest 3rd party asset manager in litigation finance with $3.5bn in assets under management, on which it earns better than private equity style economics). The opportunity set for funding attractive cases is also improving. New commitments were $101mn in the quarter, up 130%, which takes the portfolio to $1.4bn of commitments. Looking out a bit further, management are seeing increased demand for their funding from a weak economy and rising interest rates, which tends to result in increased litigation and insolvency, both of which benefit Burford.

Protector Forsikring – Core Value

Protector is our mid-cap, Norwegian P&C insurer with a cost advantage in underwriting which feeds a large and growing float. Our thesis on Protector is playing out well and the company is going from strength to strength. During the quarter, the company reported another good set of results for the first quarter of 2023. Net Income during the quarter was 7.6 NOK/share, up 3x year over year. The result was driven by both the insurance side and returns on the investment portfolio. On the insurance side, Protector grew premiums at 21% year over year at a 93% combined ratio, which resulted in profits of 136mn NOK pre-tax, and a growing float. That float is now 12bn NOK of which 83% is invested in bonds and 17% in equities. At the current price for the shares, we are getting a 5% yield just from the returns in the bond portfolio. Returns from the equity portfolio and the insurance underwriting are on top of this. Members of the board of directors continued to buy shares in the open market during the quarter.

Alimak – Core Value

Alimak is our mid-cap, Swedish industrial business which operates an attractive installed base business model. It has a dominant position in the core industrial elevator business which provides a defensive, growing cash flow that management deploys back into organic growth at high returns, acquisitions to consolidate other niches within vertical access or return to shareholders. Alimak struggled through the Covid period and is now seeing the benefits of the operational efficiency program it embarked upon two

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years ago. Q1 results reported during the quarter were indicative. Revenue was +12% organically and operating profits were +40%. The company also hosted a capital markets day in which it upgraded its medium-term expectations for revenue growth to 8-10% per annum and operating margins of 16-18% within the next two years. The incremental improvement of the business continues, yet the shares have barely moved. We own the common shares at a 10% distributable free cash flow yield.

Borr Drilling – Special Situation

Borr Drilling is our mid-cap, Norwegian listed owner of shallow water drilling rigs and is one of two special situations investments for Highwood. The summary thesis on our investment in Borr is available here. The supply-demand balance for jack-up rigs continued to tighten in the quarter. Borr now has all 22 of its rigs under contract. Market utilisation for modern jack-ups has improved from 87% last year to 93% as of March 2023. This is driven by increased investment by oil and gas developers to replace reserves and a stagnant or falling supply of rigs available, the result of significant under-investment over the past 8 years. The rate customers are willing to pay for the use of jack up rigs continues to increase as a result. As an indication, Borr's total contract backlog, which reflects historic pricing for its rigs, is at a weighted average rate of $126,000/day. This compares to the rate Borr has achieved on new contracts in the year to date of $164,000/day. As older contracts expire our rigs are on track to be re-contracted at these new, higher rates. This is driving significant improvements in profits and cash flow. Borr's EBITDA was up 30% in the quarter and on track for $360-400mn in the full year, or +140% vs last year. The fundamentals of this business are improving rapidly and we own our interest in the business at $155mn per rig, which remains a significant discount to the replacement cost of these assets in today's dollars.

JZ Capital Partners – Special Situation

JZ Capital is our small cap, UK listed closed-end private equity fund in liquidation. We own the assets of the fund through the equity market at a 50% discount to stated NAV and that fund is in process of liquidation and return of capital to us, the shareholders. The two principals of the advisor to the fund, JZ Partners, collectively own 28% of the shares in the fund, which goes a significant distance to aligning our interests for the maximization of value through the liquidation process. This is an arbitrage that is difficult for most investors to take advantage of – it is a small, orphaned asset with unlisted holdings. Given the flexibility of our capital and our long-term approach, we are able to take advantage of this opportunity. JZCP reported full year results during the quarter which were as expected. At year end, the fund NAV comprises $260mn in private equity assets and $60mn in net cash for a total NAV of $320mn, or £3.20 per share – which compares to the market price for the shares of £1.62.

Naked Wines – Core Value

Naked Wines is our UK listed online direct-to-consumer subscription wine business. As you know, the exit from the pandemic induced lock-downs has been challenging for the company, which provides the perfect 'pandemic product' – on line ordering of wine delivered to your front door. The business has a structural cost advantage by cutting out several layers of cost in the value chain, which enables the consumer to have the same quality wine for less. It has been difficult to assess the post-pandemic economics of the business – we will soon be in a position to assess this point in the coming quarters. In the meantime, management are doing a good job pivoting the business to generate profit and cash. During the quarter, the company gave a

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trading update which confirmed it will deliver underlying profits in the year to the end of March above the recently upgraded guidance. The process of de-stocking the elevated inventory levels is also on track. The shares are trading at a price that suggests this business should liquidate its assets and wind up, yet in my view, it has an attractive counter-position that results in a business that works for customers, suppliers and shareholders alike. From the current marked-down price, the risk-reward remains compelling in my view.

GetBusy PLC – Core Value

GetBusy is our small-cap, UK productivity software business with a strong position in the tax and accountancy vertical, good economics and a net cash balance sheet. The company updated on the progress in the business for the three months to the end of March during the quarter. Revenue was +17% in the first quarter and management are progressing the operational initiatives that will drive ongoing operating leverage from revenue into cash. The fundamentals at GetBusy are progressing ahead of my initial underwriting assumptions and ahead of management's own expectations. We own the shares at 1.5x revenue, a significant discount to the break-up value of the asset and we are partnered with a management team that are focused on creating value for shareholders.

Sto SE – Core Value

Sto is our German listed, family run international manufacturer of building coatings with a dominant market position in external wall insulation in Europe. You can read the investment thesis here. During the quarter, Sto reported full year results for 2022, which were as expected. Revenues were +12%, operating profits were +4% and the company finished the year with over 10% of the market cap in cash after paying our dividends. Returns on capital were 17% which is in line with the longer-term context of this business. Sto has delivered consistent mid-teens returns on capital for two decades and has grown earnings per share by 11x over the same period, yet it remains rather under the radar as measured by the number of analysts producing research on the company, which is precisely zero. In general, Sto's business sees the impact of higher input costs – commodities such as sand, cement, crude oil derivatives – immediately and then adjusts pricing incrementally over a 12-18 month period to recover gross margins. This has resulted in gross margins ranging between 52% and 58% over the past 20 years. It is a remarkably consistent business, a fact that is at odds with the public market perceptions which set the price for the shares in the shorter term. Indeed, over the past 18 months, shares in Sto have traded hands at one point for €116 each, valuing the business at €745mn, and at another point at €248, valuing the business at €1.6bn. We will continue to exercise our right to 'do nothing' and let the power of compound interest and a buy and hold approach do the work for us.

Motorpoint Group PLC – Core Value

Motorpoint is our UK listed small cap and the largest independent used car retailer in the UK. The company has the lowest costs in the industry which allows it to consistently offer lower prices on like for like product, which has resulted in steady market share gains at attractive returns on capital. We acquired our shares in Q1 of 2023 and the summary thesis on the investment is available here. As noted in that thesis, we were able to acquire our shares at a substantial discount to their worth owing to cyclical headwinds in Motorpoint's market and short-termism in the company's investor base. Those two facts remain the case, and the shares got cheaper as a result during the quarter. Motorpoint reported full year results which

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showed another year of share gains in the market for 'nearly new' used cars. That segment of the used car market has suffered disproportionately from supply shortages of new cars and the resulting delay in the turnover of large fleets of nearly new cars owned by vehicle leasing companies and the major car rental companies such as Hertz and Avis. Indeed, the number of cars aged zero to four years old sold is now 37% lower than the pre-Covid period. Like Ryanair, Motorpoint has invested counter-cyclically despite these headwinds. It has opened eight new locations (taking the total to 20) over this time and upgraded its on-line offer. This, and the lower volumes, have pressured margins in the business, which was evident in the full year results, and resulted in a lower share price at quarter end. However, the thesis remains sound in my view and the risk-reward in owning the shares has become more compelling. I do not know when the market will normalise, but my thesis is that it will. When it does, Motorpoint will command a larger share of a more profitable market, which will deliver substantially higher earnings and cash flows to us as owners. Our long-term approach and the flexibility of our capital base allows us to both exploit this opportunity and make it count within our portfolio.

Hotel Chocolat – Core Value

Hotel Chocolat is our UK listed premium branded chocolate manufacturer and retailer run by the founders who continue to own the majority of the shares. We bought our shares in Q4 last year and the thesis behind our investment is available here. Hotel Chocolat is in the process of improving operating margins from the current depressed level in the low single digits back to the mid-teens by re-focusing on a range of internal initiatives that took a back seat during the pandemic. During the quarter, the company gave an update on progress against a number of these initiatives. The business reduced the level of discounting, which resulted in gross margin improvement of 500bps, tightened up inventory and started to reap overhead efficiencies. The company also appointed a new non-executive Chairman, Stephen Alexander, who is a Private Equity veteran with significant operational experience in the consumer space[2]. He is a partner at OpCapita, a UK based Private Equity sponsor, which targets investments in consumer businesses which have an opportunity to improve profitability. His skills are a good match for Hotel Chocolat. These are positive developments, but the company also noted that it expects profits in 2023 to be lower than expected. Revenues are growing in line with budget, but it has taken a few months longer than expected to reap some of the overhead efficiencies that were in the budget. On cue, the shares were sold at ever lower prices, ending the quarter down 36%. This is the kind of short-termism that allows us to acquire ownership in what is a very good business at a price the board and founders would never sell the business for in a negotiated transaction.

Business Update

Highwood continues to grow and took on additional capital in segregated accounts in the quarter. As noted, I will be visiting a number of our portfolio companies in the next month for on the ground research. I would be happy to arrange a call with any of my investors or those curious to know more about Highwood on my return in August.

As always, I value your support and welcome your questions and comments.

[2] Stephen was an operational MD at Terra Firma for 8yrs, and CEO of Hillsdown Holdings for Hicks, Muse, Tate & Furst.

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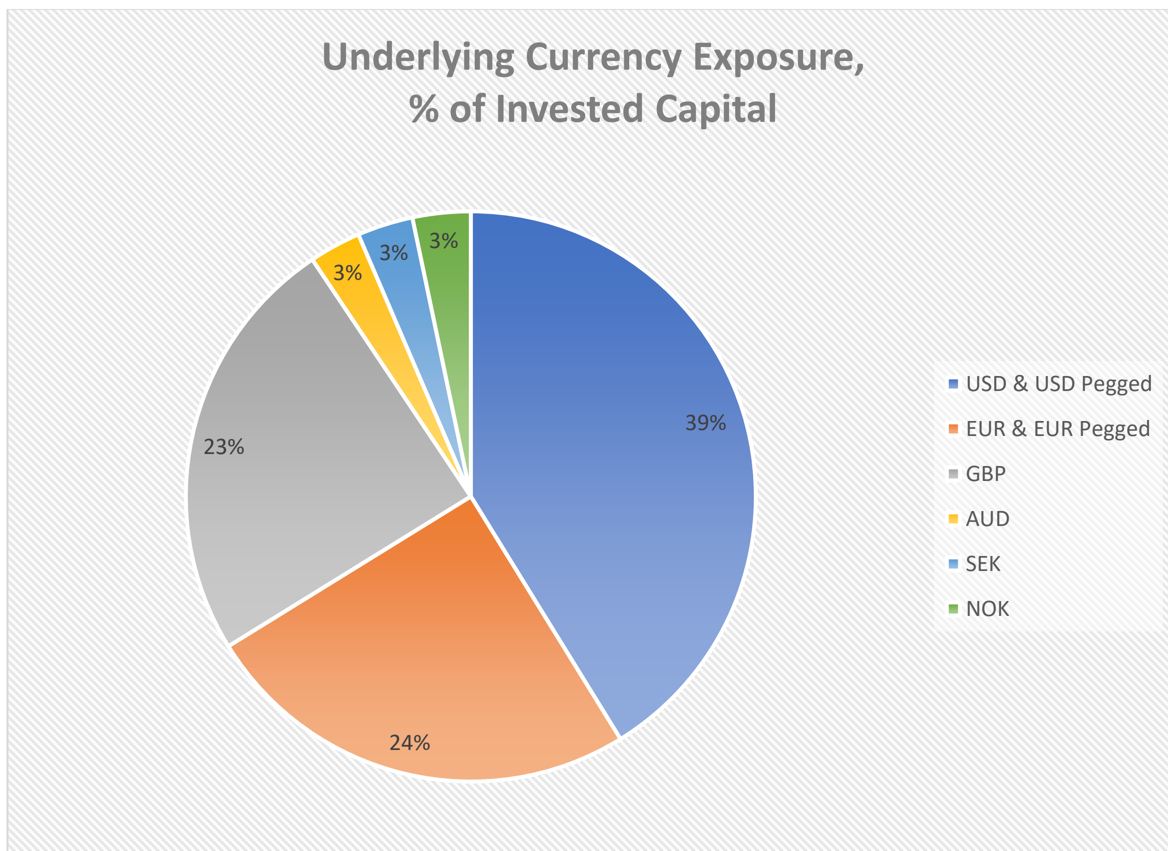
Sincerely,

Desmond Kingsford

Appendix 1: Underlying Currency Exposure Split

This is not a breakdown of the listing currency of our holdings. It is the split of the currencies our portfolio companies earn their revenues in. As such, it is the underlying exposure to currencies you have through your partial ownership of these businesses. As investors can choose whether to have their account in USD or CAD and hence their cash balance may be in either USD or CAD, I have expressed the currency exposure as a percent of invested capital.



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While the Firm's investment mandate is designed to reduce risk the program will inherently entail substantial risks. There can be no assurance that the investment objective of the Firm will be achieved. In fact, the investment techniques that the Firm may employ from time to time may, in certain circumstances, substantially increase the adverse impact on the Firm's investment portfolio. Accordingly, the Firm's activities could result in substantial losses under certain circumstances. A separately managed account managed by the Firm is highly speculative and there can be no assurance that the investment objectives of the Firm will be achieved. Nothing herein is intended to imply that the Firm's investment methodologies may be considered "conservative", "safe", "risk free" or "risk averse". Investors must be prepared to bear the risk of a total loss of their invested capital. Past performance of Mr. Kingsford and his affiliates is not necessarily indicative of the future results and any prospective clients of the Firm will need to be prepared to lose all or substantially all of their investment. The Firm will give no warranty as to the performance or profitability of any client account or that the investment objectives of a client's account will be successfully accomplished.

Certain statements contained in this Letter may be considered "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact included herein, without limitation, statements relating to the Firm's future financial performance and investment returns, are forward-looking statements.

Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this Letter include, among other things, statements relating to: the desire to generate outstanding investment results with low risk; the proposed timeline for the Firm's investment horizon and Mr. Kingsford's career; the benefits of operating the Firm out of Whistler, British Columbia as opposed to a more traditional investment market; Mr. Kingsford's beliefs regarding the necessary components to investment success; the future operating or financial performance of the Firm and the assets managed by the Firm; the intention to prioritize long-term investment return over short-term results; the intention to take on more capital only where the Firm believes it will not dilute investor returns; the intention to maintain a fee structure that incentivizes manager performance over asset gathering; the intention to maintain the Firm's current strategy and vision as it grows; the potential to provide a fund structure in addition to the SMA approach in the future; the Firm's mission to compound each dollar of invested capital into five dollars over a ten-year period without taking undue risk; the belief that a short term quarterly or annual results focus is harmful to long-term returns; the Firm's beliefs with respect to how risk is properly defined and mitigated; the Firm's beliefs as to how returns may actualize; the beliefs of the Firm and Mr. Kingsford regarding the prospective results of specific investments of the Firm; the theories and beliefs disclosed regarding what makes an investment strategy successful; and the expectation and plans for growth . Actual future results may differ materially. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date of this Letter and are based upon a number of assumptions and estimates that, while considered reasonable by the Firm and Mr. Kingsford, are inherently subject to significant business, economic, competitive, political and social

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uncertainties, many of which are beyond the control of management. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and management of the Firm have made assumptions and estimates based on or related to many of these factors. Readers should not place undue reliance on the forward-looking statements and information contained in this Letter concerning these assumptions.

None of the Firm or Mr. Kingsford or their respective affiliates, associates, shareholders, directors, officers, employees, agents or representatives (collectively, the "Representatives"), as applicable, makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein or any other information (whether communicated in written or oral form) transmitted or made available to recipients, and the Representatives expressly disclaim any and all liability relating to or resulting from the use of this Letter or such other information by a recipient or any of its affiliates, associates or representatives. The Representatives will not be liable for any errors (as a result of negligence or otherwise, to the fullest extent permitted by law in the absence of fraud) in the information, beliefs, assumptions, expectations and/or opinions included in this Letter, or, as noted above, for the consequences of relying on such information, beliefs, assumptions, expectations and/or opinions and further the Representatives disclaim any obligation or undertaking to provide any updates or revisions to any information contained herein to reflect any change in beliefs, opinions, expectations, assumptions or estimates with respect thereto or any change in events, conditions or circumstances on which any statement in this Letter is based.