STARBOARD VALUE®

2026 Capitalize for Kids

November 2026

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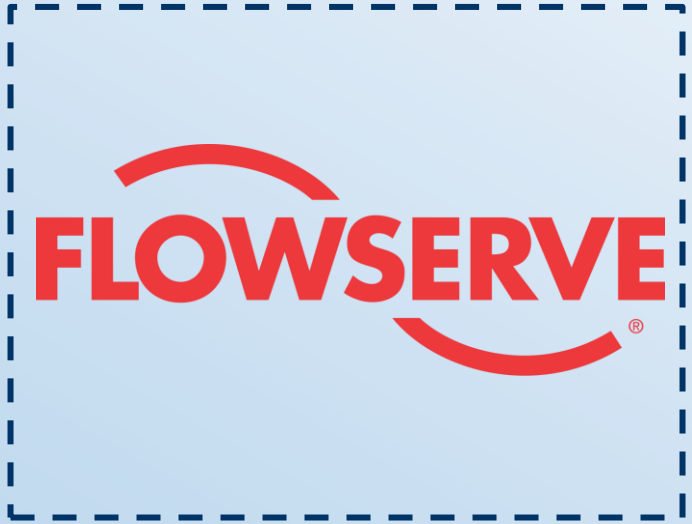
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Starboard Has Two Ideas to Discuss Today





Starboard Has Two Ideas to Discuss Today





The Essentials We Use Every Day Are Produced by Complex Industrial Facilities

Complex industrial facilities produce many of the essential products and services we use every day.

The Industrial Facilities Behind Our Everyday Essentials

				
Electricity	Gasoline	Natural Gas	Water	Chemicals
⬆	⬆	⬆	⬆	⬆
				
Power Plant	Oil Refinery	LNG Facility	Water Treatment Plant	Chemical Plant

These industrial facilities are essential to our everyday lives.

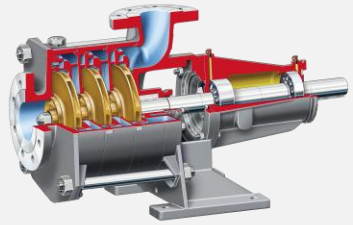
Source: Company websites.

What Do All of These Industrial Facilities Have in Common? They Rely on Pumps, Valves, and Mechanical Seals…

Pumps move liquids, valves control the flow of liquids and gases, and mechanical seals prevent leaks — all of which are essential to keeping industrial facilities running.

Flow Control Equipment

Pumps



MOVE

Move fluids through a process

Valves



CONTROL

Regulate or isolate flow and pressure

Mechanical Seals



CONTAIN

Prevent leakage around rotating shafts

Mission-Critical Flow Control Equipment

Together, these products help industrial facilities operate safely, reliably, and continuously.

Source: Company websites.

…And Flowserve Is One of the Few One-Stop Shops for Mission-Critical Flow-Control Equipment

Few global suppliers offer comparable breadth across pumps, valves, mechanical seals, and aftermarket services for demanding industrial customers.

Competitive Landscape

	Products & Services				End Markets			
	Pumps	Valves	Mechanical Seals	Aftermarket Services	Energy	Power	General Industries	Chemicals
FLOWSERVE	✓	✓	✓	✓	✓	✓	✓	✓
GOULDS PUMPS An ITT Brand	✓	✓	×	✓	✓	✓	✓	✓
SULZER	✓	×	✓	✓	✓	✓	✓	✓
KSB	✓	✓	✓	✓	✓	✓	✓	✓
john crane	×	×	✓	✓	✓	✓	✓	✓
EMERSON	×	✓	×	✓	✓	✓	✓	✓
GRUNDFOS	✓	×	×	✓	✓	✓	✓	✓
EBARA	✓	×	×	✓	✓	✓	✓	✓
WEIR	✓	✓	×	✓	✓	✓	✓	×
CRANE	✓	✓	×	✓	✓	✓	✓	✓
Baker Hughes	✓	✓	×	✓	✓	✓	✓	✓

Flowserve's broad product portfolio and service capabilities differentiate it from more specialized competitors.

Source: Company websites, public company filings, Starboard estimates. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's products and services as well as end-market mix. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. The peer set for this analysis was selected based on product and service offerings and end-market exposure, rather than financial comparability, and therefore differs from the peer sets used in the financial benchmarking analyses elsewhere in this presentation. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included. The estimates included here for products and services as well as end-market mix are based on several data points.

Flowserve Is Well-Positioned as the Industrial Economy Enters a New Era of Investment

New Industrial Era

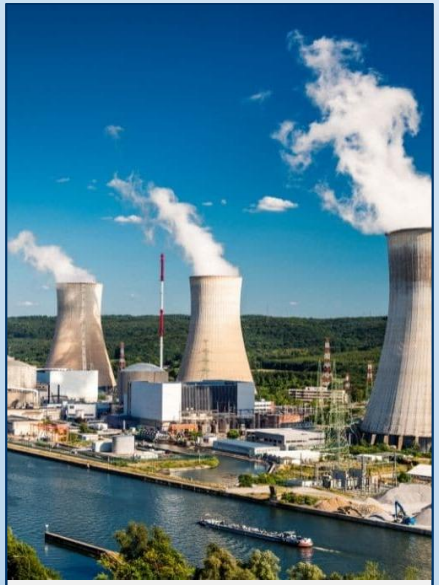


Source: Company websites.

Nuclear Power Is Returning to the Forefront of Global Energy Investment…

New investments in nuclear reactors, plant upgrades, and capacity expansions are being driven by surging demand for electricity.

Industrials Backdrop Today



Surging power demand is fueling a nuclear resurgence…

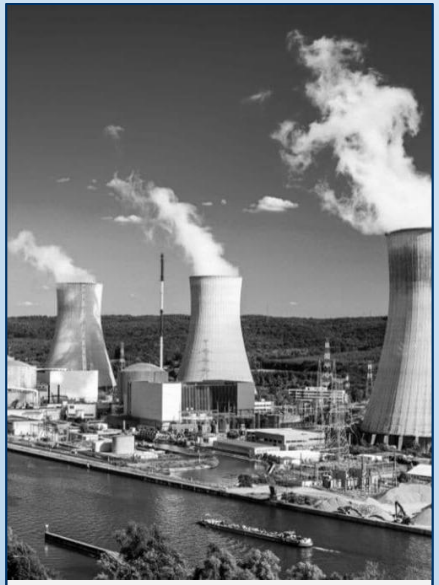
Flowserve's safety-critical equipment plays an important role in nuclear power plants.

Source: Company websites.

…And Rising Electricity Demand Is Driving Investment in Natural Gas-Fired Power Generation

Utilities are investing in both simple-cycle gas turbines and more efficient combined-cycle power plants to meet growing electricity demand.

Industrials Backdrop Today



Surging power demand is fueling a nuclear resurgence…



…and accelerating investment in natural gas-fired power generation.

Flowserve is well-positioned to benefit from investment in both simple-cycle and combined-cycle natural gas power plants.

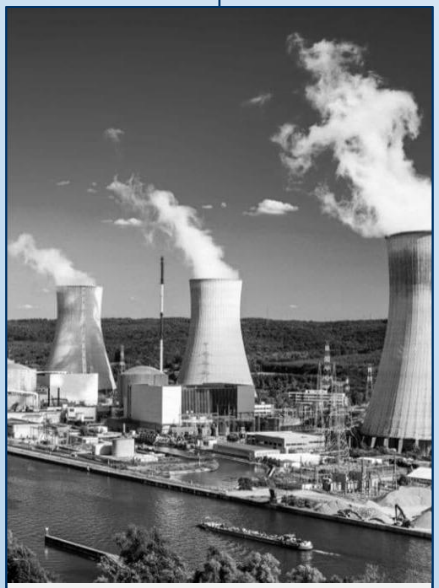
Source: Company websites.

Meanwhile, Growing Global Demand for Natural Gas Is Fueling Significant Investment in LNG Infrastructure…

New LNG export terminals and capacity expansions are being developed to connect natural gas supplies with growing international demand.

Industrials Backdrop Today

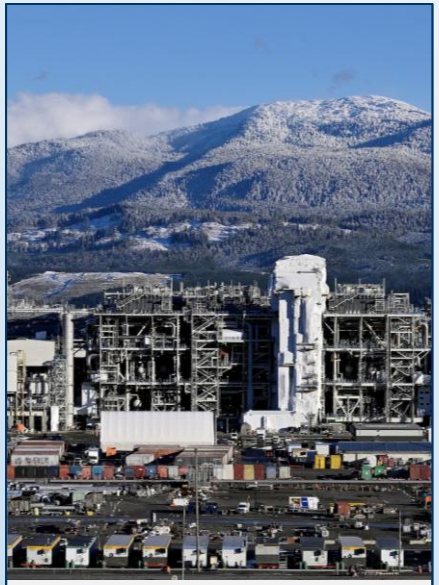
Power



Surging power demand is fueling a nuclear resurgence…



…and accelerating investment in natural gas-fired power generation.



Global natural gas demand is driving a wave of new LNG export projects…

Flowserve's highly engineered pumps and valves are critical components in LNG facilities.

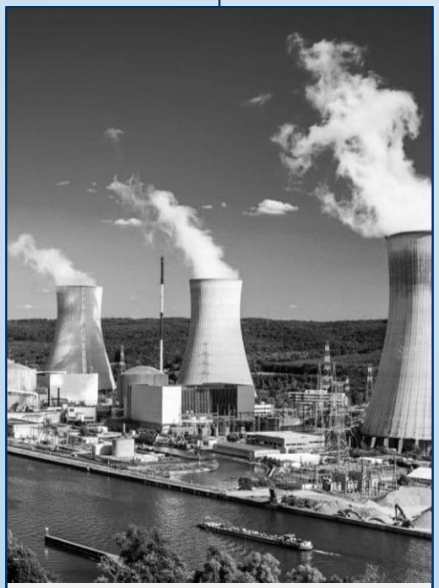
Source: Company websites.

…While a Renewed Focus on Energy Security Is Driving Investment Across the Broader Energy Sector…

Countries are prioritizing reliable energy supplies, supporting investment in domestic production, refining, and critical energy infrastructure.

Industrials Backdrop Today

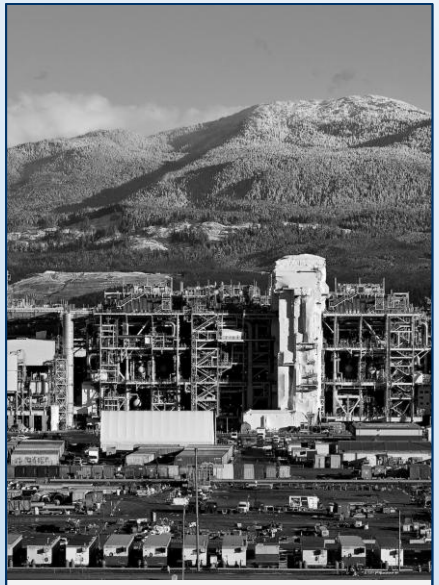
Power



Surging power demand is fueling a nuclear resurgence…



…and accelerating investment in natural gas-fired power generation.



Global natural gas demand is driving a wave of new LNG export projects…



…as countries increasingly prioritize secure and reliable energy supplies.

Flowserve's installed base positions it to benefit from energy infrastructure investment.

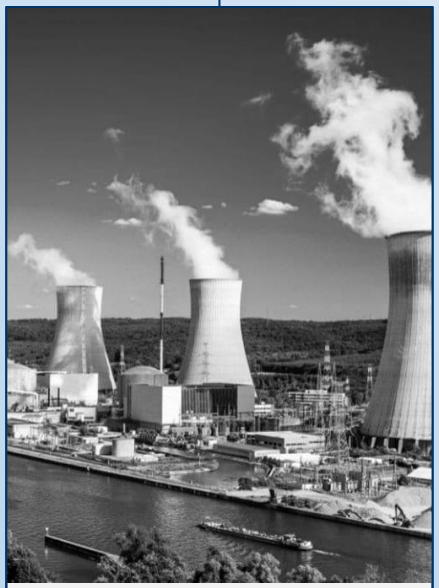
Source: Company websites.

…And a Wave of Industrial Investment Is Creating Opportunities Across a Broad Range of End Markets

Reshoring of manufacturing, growing global demand for critical minerals, and investment in pharmaceutical production are supporting industrial capital spending.

Industrials Backdrop Today

Power

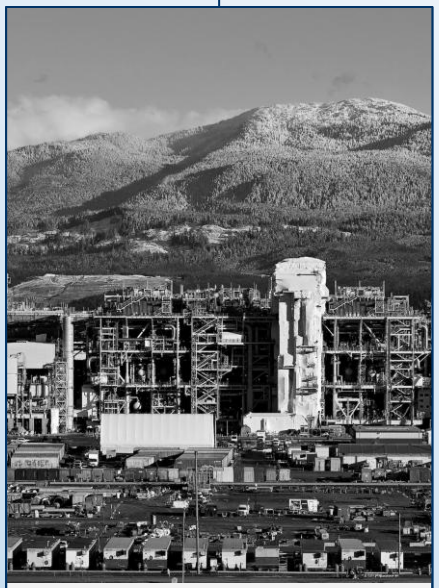


Surging power demand is fueling a nuclear resurgence…

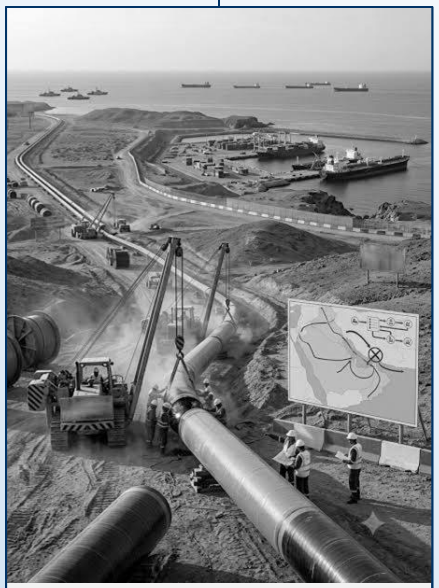


…and accelerating investment in natural gas-fired power generation.

Energy



Global natural gas demand is driving a wave of new LNG export projects…



…as countries increasingly prioritize secure and reliable energy supplies.



Reindustrialization and global investment in mining and manufacturing are creating new opportunities.

Flowserve's equipment is critical across mining, pharmaceuticals, and industrial manufacturing.

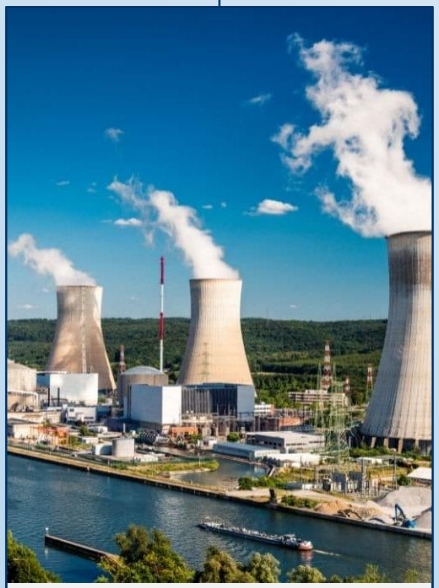
Source: Company websites.

We Believe Now Is an Exceptionally Attractive Time to Invest in These End Markets…

Significant investment across power, energy, and general industries is creating multiple avenues for sustained growth.

Industrials Backdrop Today

Power

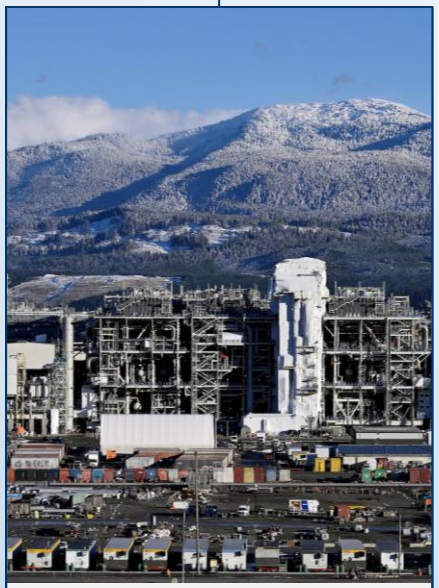


Surging power demand is fueling a nuclear resurgence…



…and accelerating investment in natural gas-fired power generation.

Energy



Global natural gas demand is driving a wave of new LNG export projects…



…as countries increasingly prioritize secure and reliable energy supplies.

General Industries



Reindustrialization and global investment in mining and manufacturing are creating new opportunities.

We believe Flowserve is well-positioned to capitalize on this new industrial investment cycle.

Source: Company websites.

…Nuclear, in Particular, Plays Right into Flowserve's Strengths, Where Reliability and Service Are Paramount

Life extensions, upgrades, and new reactors should support both original equipment and aftermarket demand.

Nuclear Positioning

Leading Market Position

#1

FLOWSERVE + TRILLIUM FLOW TECHNOLOGIES Valves Division

CRANE · CURTISS-WRIGHT · KSB

Large Installed Base

75%

Of operating nuclear reactors globally contain Flowserve equipment

New Reactor Opportunity

$120mm

Flowserve potential content per new GW for traditional reactors

$200mm

Flowserve potential content per GW for SMRs

Well-Positioned for the Nuclear Renaissance

We believe renewed nuclear investment will benefit Flowserve's original equipment and aftermarket businesses.

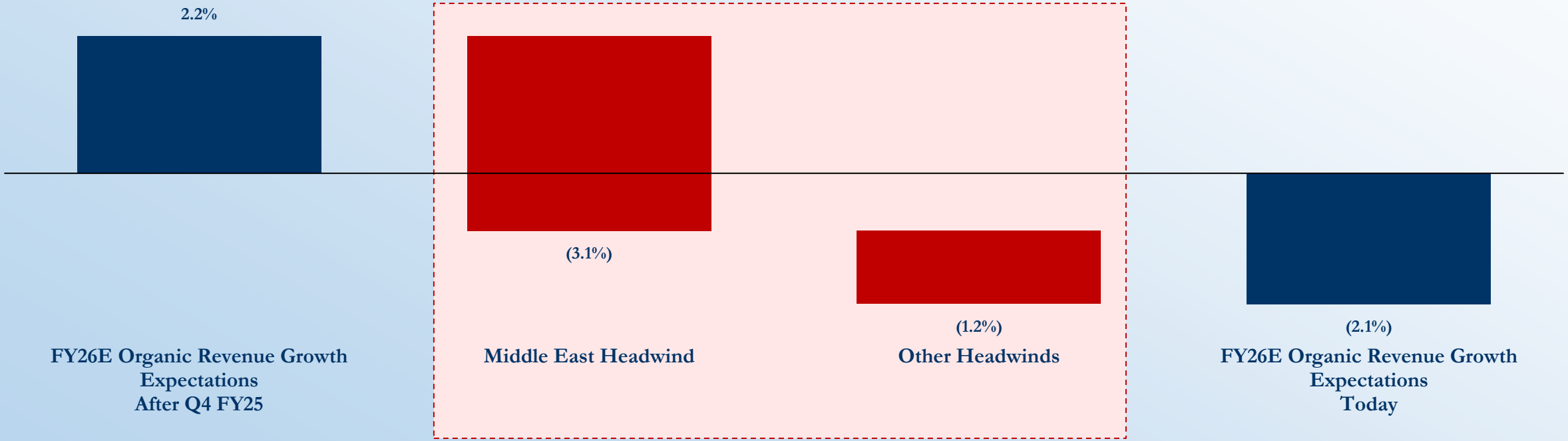
Source: Public company filings, third-party research, Starboard estimates. The estimate of Flowserve's #1 market position in nuclear pumps and valves is based on publicly available information regarding revenue, product breadth, installed base, and competitive positioning. The "New Reactor Opportunity" figures reflect estimated potential equipment content for Flowserve and do not represent actual or committed orders or revenue.

Middle East Disruptions Have Temporarily Prevented Stronger Demand From Translating into Revenue

Disruptions in the Middle East have delayed equipment deliveries, weighing more heavily on revenue than orders in FY26.

FY26E Consensus Organic Revenue Growth Expectations

The majority of Flowserve's FY26 headwinds have been related to Middle East disruptions, while we believe other pressures, including 80/20 initiatives and reduced refinery book-and-ship activity, are also temporary in nature.



We believe these disruptions represent a temporary headwind.

Source: Public company filings, Wall Street consensus estimates, Starboard estimates. Market data as of November 13, 2026. The estimates included here for Middle East headwind are based on several data points.

As Disruptions Ease, Revenue Should Recover While Rebuild and Resiliency Projects Drive Additional Orders

Beyond recovering delayed revenue, Flowserve should benefit from new orders associated with repairing damaged facilities and investing in additional pipelines, export routes, and other infrastructure.

Select News Articles

Updated March 18, 2026 3:48pm ET

Qatar: 'Extensive Damage' From Iranian Missile Strike on Major Gas Hub

By Stephen Kalin and Summer Said

Saudi Arabia Shuts Down Pipeline That Was a Crucial Hormuz Bypass

The kingdom said drones fired from Iraq damaged the East-West pipeline, which can carry up to 7 million barrels of oil a day

By Summer Said, Georgi Kantchev and Saleh al-Batati
Updated Sept. 11, 2026 4:46 pm ET

March 23, 2026 12:01am ET

At Least 40 Energy Assets Severely Damaged, IEA Says

By Rhiannon Hoyle

April 15, 2026 12:41pm ET

The Mideast Energy Repair Bill Is Ballooning

By Chelsey Dulaney

We believe Flowserve will benefit from Middle East repairs and new redundancy and resiliency investments.

Source: *The Wall Street Journal*.

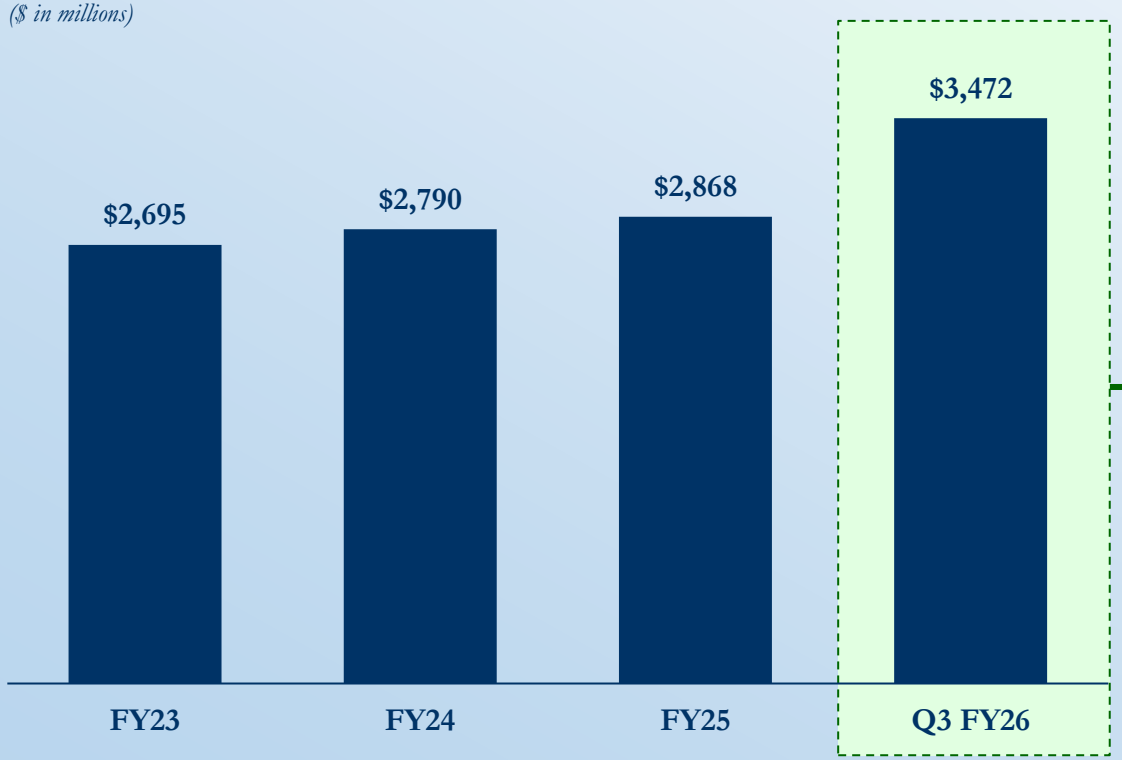
Record Backlog Should Convert into Revenue as Disruptions Ease

With backlog reaching a record $3.5bn in Q3 FY26, management expects backlog conversion in FY27 to remain broadly in line with FY26 at approximately 75%.

Backlog & Conversion Expectations

A Reported Backlog

($ in millions)



Management Commentary

"As we enter 2026, we anticipate converting roughly 76% of our existing backlog into revenue in the next 12 months."

– Q4 FY25 Earnings Call (Feb. 2026)

"…And so I think we came into 2026 with that number around 75%, 76%. So we'll see where we land going into next year with that percentage. I don't expect a major movement…"

– Q3 FY26 Earnings Call (Oct. 2026)

"Our conversion rate…It's kind of mid 70 percentile on backlog conversion. You know next year may be slightly off to that. But it's in the ballpark."

– Baird 2026 Global Industrial Conference (Nov. 2026)

Record backlog should provide significant visibility into future revenue growth.

Source: Public company filings. Note: Quotes are bolded and underlined for emphasis.

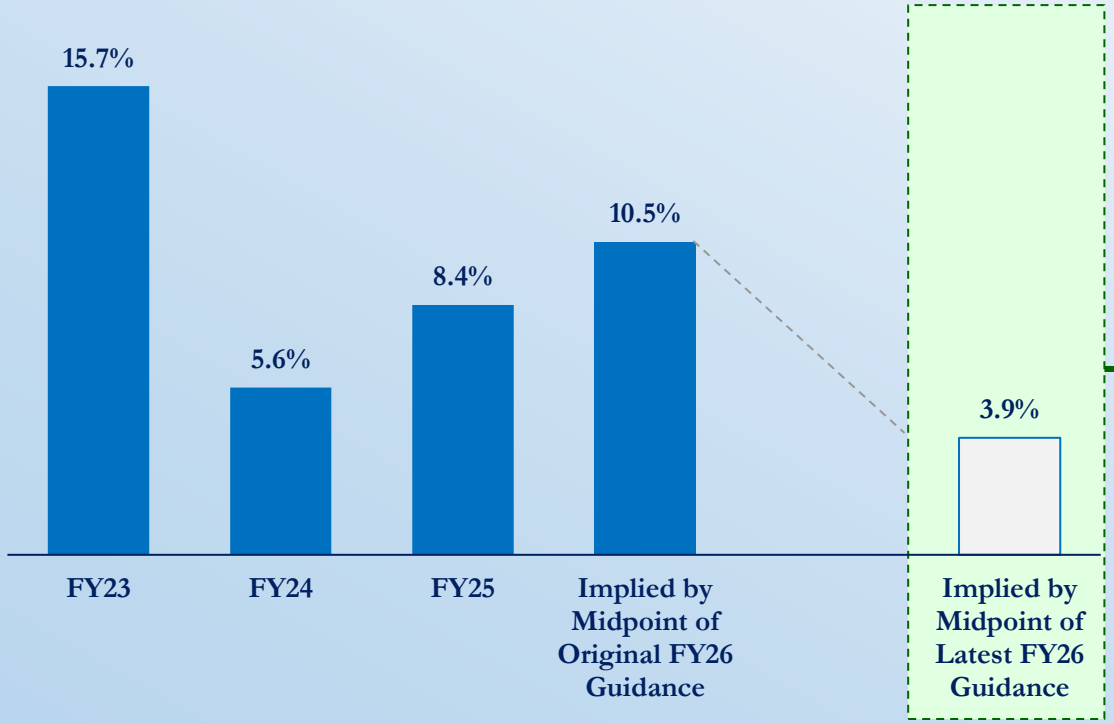
And Book-and-Ship Business Is Also Poised to Recover

Flowserve's book-and-ship business includes spare parts, emergency repairs, and maintenance orders booked and recognized as revenue within the same year. Activity was pressured in FY26 by Middle East disruptions and deferred refinery maintenance, both of which should reverse in FY27.

Book-and-Ship Trends

B

Estimated Organic Book-and-Ship Revenue Growth[(1)]



Management & Wall Street Analyst Commentary

"We now anticipate full year organic sales to decline…This outlook reflects lower book-and-ship activity in the Middle East as well as some modest impact to our global aftermarket book-and-ship activity as process industries operate at full utilization rates."

– Q3 FY26 Earnings Call (Oct. 2026)

"Management noted North America customers are deferring non-critical maintenance and larger turnaround activity impacting the company's book-and-ship business…Management noted 2027 could be a strong turnaround year as delayed activity is eventually undertaken."

– Stifel Research Report (Oct. 2026)

Flowserve should benefit from improving order trends and a recovery in shorter-cycle business.

Source: Public company filings, Starboard estimates, Wall Street research. The estimates included here for organic book-and-ship revenue growth are based on several data points. Note: Quotes are bolded and underlined for emphasis. (1) Organic book-and-ship revenue growth is an estimate. Book-and-ship revenue is calculated as fiscal-year revenue less prior fiscal year-end backlog multiplied by the Company's backlog conversion rate as disclosed in its 10-K. Organic growth is then derived by excluding the M&A contribution to book-and-ship revenue and adjusting for FX, consistent with the Company's total-company organic growth methodology. For FY26E, Trillium's 2H FY26 revenue contribution is estimated by annualizing the $62mm of Q3 FY26 Trillium revenue disclosed by the Company; the M&A adjustment assumes Trillium's non-OE (aftermarket) revenue is recognized in book-and-ship, while Trillium OE revenue is treated as conversion of its acquired backlog.

Together, This Could Support High-Single-Digit Organic Revenue Growth Once Disruptions Ease

Assuming backlog conversion remains in line with management's expectations of ~75%-76% and mid-single-digit organic book-and-ship growth, we believe Flowserve can achieve high-single-digit or better organic revenue growth.

Organic Revenue Growth Expectations[1]

A

B

Organic Book-and-Ship YoY Growth % \ Total Company Backlog Conversion %	68%	70%	72%	74%	76%	78%	80%
2%	3.0%	4.4%	5.8%	7.3%	8.7%	10.1%	11.5%
4%	4.1%	5.5%	6.9%	8.3%	9.8%	11.2%	12.6%
6%	5.2%	6.6%	8.0%	9.4%	10.9%	12.3%	13.7%
8%	6.2%	7.7%	9.1%	10.5%	11.9%	13.4%	14.8%
10%	7.3%	8.7%	10.2%	11.6%	13.0%	14.4%	15.9%

Flowserve must focus on *both* converting its elevated backlog into increased revenue growth *and* replenishing the backlog to capitalize on the significant growth opportunities ahead.

The Company has set a FY25–FY30 organic revenue CAGR target of mid-single-digits. The backlog math suggests growth could be much higher.

We believe Flowserve's record backlog supports high-single-digit organic revenue growth.

Source: Public company filings, Starboard estimates. All estimates are based on information obtained from sources believed to be reliable and reflect certain underlying assumptions, any of which may prove to be inaccurate. The estimates above for FY27E organic revenue growth are derived from several data points. **(1) Illustrative organic revenue growth is calculated by applying an assumed backlog conversion rate to FY26E ending backlog of $3.45bn, adding expected revenue from book-and-ship orders (orders booked and shipped within the same year), and excluding the estimated un-lapped revenue contribution from Trillium. FY26E ending backlog assumes 5% organic order growth in Q4 FY26 (~12% total order growth) and Q4 FY26 revenue of $1.37bn.**

We Believe This Is Just the Beginning of a Multiyear Growth Opportunity

We believe Flowserve's long-standing presence and extensive installed base across the Middle East, Venezuela, and nuclear power globally position it to benefit from substantial investment in these markets.

Potential Project Spending in Select End-Market Opportunities

	Middle East	Venezuela	Nuclear
Opportunity	**$660bn** BlackRock Estimated Gulf Cooperation Council Strategic Redundancy & Resiliency Capex (2026–2030)	**$183bn** Rystad Energy Estimated Capex to Grow Oil Production to 3 mbpd (2026–2040)	**$2.5tn** IEA Estimated Cumulative Global Nuclear Investment (2024–2050, Announced Pledges Scenario)
Peer Commentary	"I'm pleased to share that in Q3, some very good orders start[ed] materializing…But the things are moving and we booked some good orders for some very good investment with Saudi Aramco…" – ITT Q3 FY26 Earnings Call (Nov. 2026)	"…we have a very positive situation in Venezuela...what is going on is generating a lot of orders for refurbishment, spare parts, and we started seeing these orders since the end of last year. " – ITT D.A. Davidson Conference (Sep. 2026)	"So 5 years ago, nuclear plants were decreasing or shutting down. And now we're seeing licenses being extended 50 years or so, and that requires upgrades and investments." – CRANE Q4 FY25 Earnings Call (Jan. 2026)

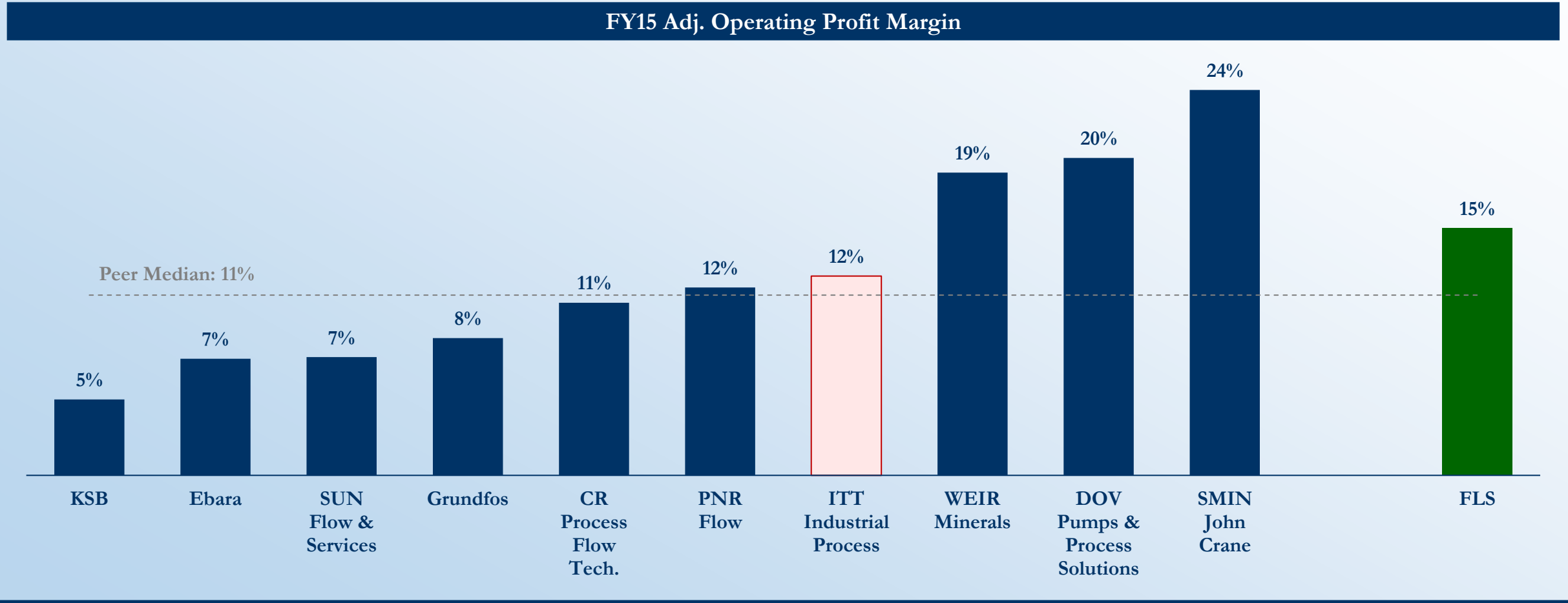
We believe investment across these markets could provide a meaningful tailwind to Flowserve's growth for years to come.

Source: Public company filings, BlackRock Investment Institute, *Resilience Reshapes the GCC's Investment Cycle* (August 2026); Rystad Energy, *Venezuela Oil Investment Analysis* (January 2026); International Energy Agency (IEA), *The Path to a New Era for Nuclear Energy* (January 2025). Note: Quotes are bolded for emphasis. Per management commentary on the Q4 FY25 earnings call, Venezuela was historically a meaningful market for Flowserve, generating up to ~$80mm in annual revenue during the 2010–2014 period, with three operational Quick Response Centers (QRCs). The Company continues to operate one QRC in Venezuela and maintains a large installed base of pumps and valves in the country.

But Growth Is Only Half the Story…

A Decade Ago, Flowserve Had Margins Comparable to, if Not Better Than, Peers – Even Better Than ITT!

In FY15, Flowserve generated ~15% adjusted operating margins, compared to ~11% for the peer median.



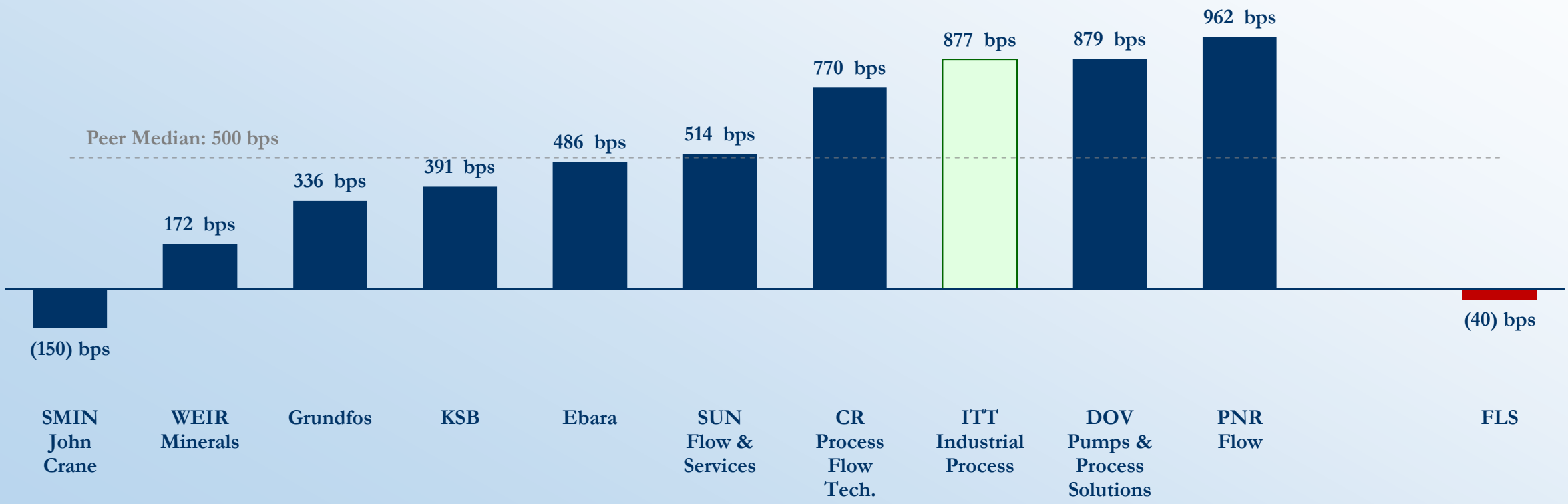
Flowserve historically operated at margins above its peers.

Source: Public company filings. Note: Margins are shown based on each company's respective fiscal year-end reporting period and include unallocated corporate expense. Unallocated corporate expense is allocated based on each segment's share of total company revenue. Peer segment definitions have changed in some cases over the past ten years due to renaming or resegmentation; however, we have sought to maintain the most comparable analysis possible. Emerson Final Control has been excluded from both the FY15 and FY25 analyses to maintain comparability, as Emerson did not disclose operating income for its Valves, Actuators, and Regulators business in FY15. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's margin profile. The peer set for this analysis was selected based on comparable flow-control businesses with available historical operating profit information, allowing for an assessment of margin performance over the past decade. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

Over the Past Decade, Peers Expanded Margins While Flowserve Fell Behind…

While Flowserve's margins stood still, flow-control peers facing similar market conditions expanded operating margins by several hundred basis points.

FY15 – FY25 Change in Adj. Operating Profit Margin

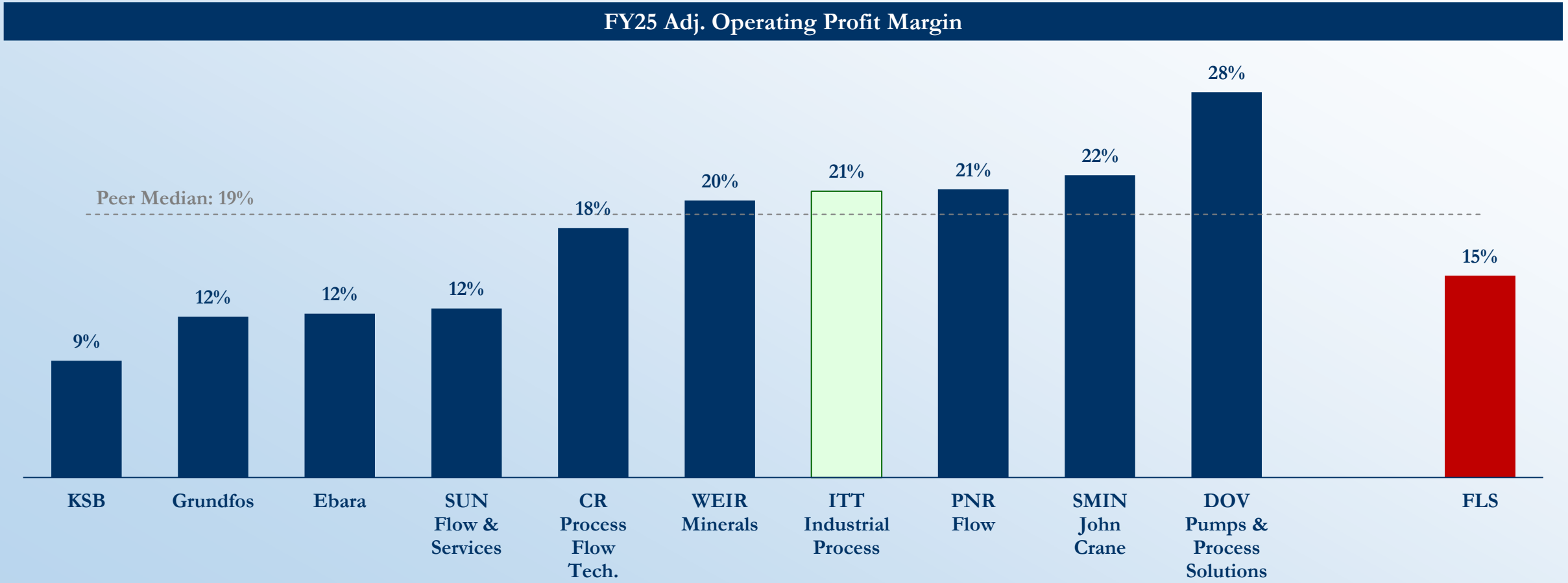


Flowserve's leading market position has not translated into meaningful improvements in profitability.

Source: Public company filings. Note: Margins are shown based on each company's respective fiscal year-end reporting period and include unallocated corporate expense. Unallocated corporate expense is allocated based on each segment's share of total company revenue. Peer segment definitions have changed in some cases over the past ten years due to renaming or resegmentation; however, we have sought to maintain the most comparable analysis possible. Emerson Final Control has been excluded from both the FY15 and FY25 analyses to maintain comparability, as Emerson did not disclose operating income for its Valves, Actuators, and Regulators business in FY15. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's margin profile. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

…Leaving Flowserve with Margins Well Below Peers

Flowserve's historically favorable margin position has reversed, with most peers now generating meaningfully higher margins.



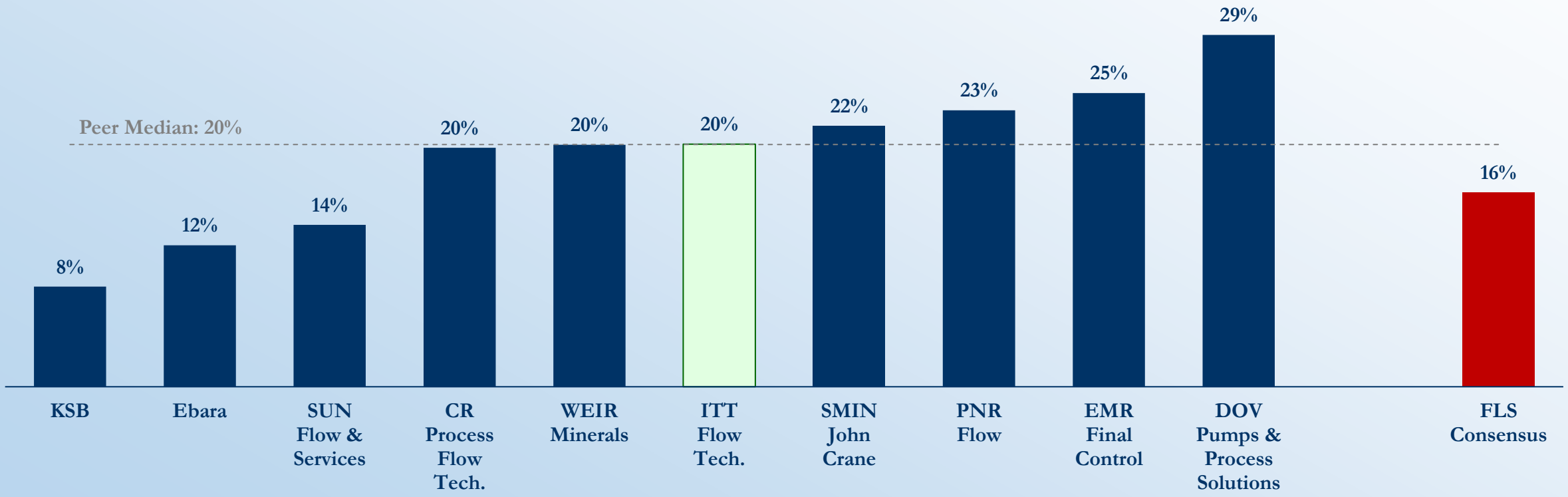
We believe Flowserve's leading competitive position should support meaningfully higher margins.

Source: Public company filings. Note: Margins are shown based on each company's respective fiscal year-end reporting period and include unallocated corporate expense. Unallocated corporate expense is allocated based on each segment's share of total company revenue. Peer segment definitions have changed in some cases over the past ten years due to renaming or resegmentation; however, we have sought to maintain the most comparable analysis possible. Emerson Final Control has been excluded from both the FY15 and FY25 analyses to maintain comparability, as Emerson did not disclose operating income for its Valves, Actuators, and Regulators business in FY15. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's margin profile. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

While Flowserve Has Made Progress This Year, Its Margins Still Trail Peers by More Than 400bps

The margin gap is particularly striking given that Flowserve and its peers serve many of the same industrial end markets.

FY26E Adj. Operating Profit Margin



Flowserve's profitability fails to reflect the competitive strength of its underlying business.

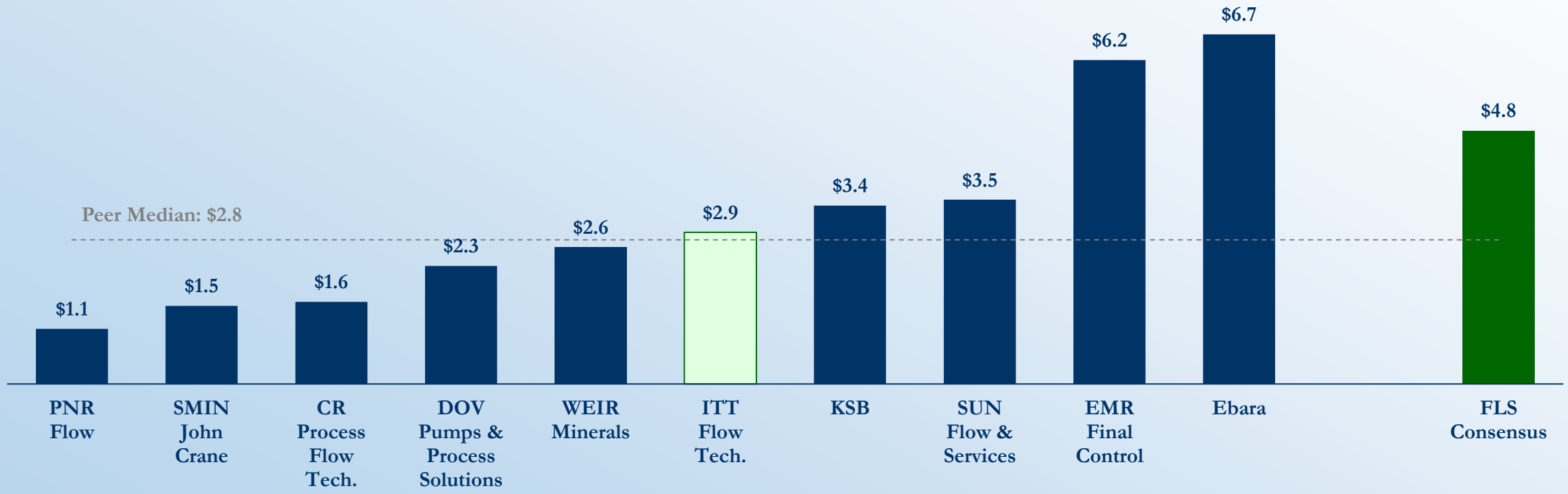
Source: Public company filings, Wall Street consensus estimates. Market data as of November 13, 2026. Note: Margins reflect each company's respective fiscal year-end and include unallocated corporate expenses. FY26 figures are based on reported actuals where available and Wall Street consensus estimates otherwise. Unallocated corporate expense is allocated based on each segment's share of total company revenue. Grundfos is excluded from the FY26E peer benchmarking analysis because it is privately held and Wall Street consensus estimates are not publicly available. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's margin profile. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. The peer set for this analysis was selected based on comparable flow-control businesses with available Wall Street consensus estimates, and therefore differs from the historical benchmarking peer set, which includes certain privately held companies. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

We Believe the Margin Gap Is Not Structural, as Flowserve Has Comparable Scale to Its Peers…

Flowserve is one of the largest companies in its peer group, so size alone cannot explain why its margins trail.

FY26E Revenue

($ in billions)



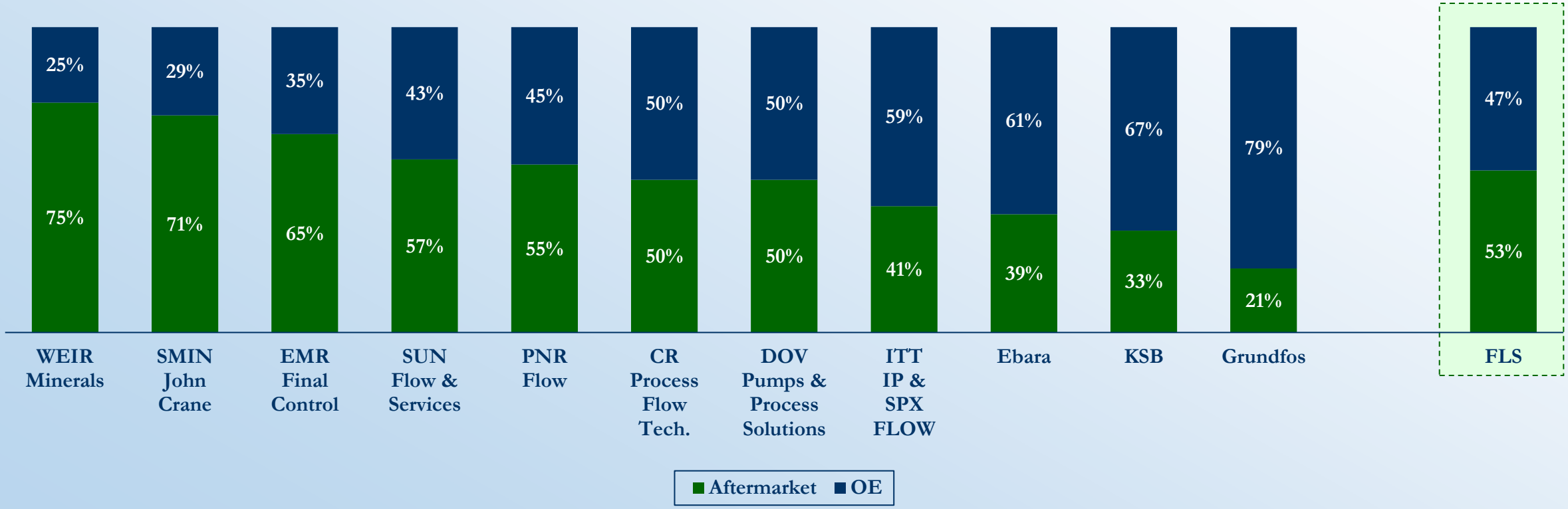
Peers with similar or smaller revenue bases earn meaningfully higher margins, which points to execution shortfalls rather than scale.

Source: Public company filings, Capital IQ. Market data as of November 13, 2026. Note: Revenue figures reflect each company's respective fiscal year-end. FY26 figures are based on reported actuals where available and Wall Street consensus estimates otherwise. Grundfos is excluded from the FY26E peer benchmarking analysis because it is privately held and Wall Street consensus estimates are not publicly available. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's scale. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. The peer set for this analysis was selected based on comparable flow-control businesses with available Wall Street consensus estimates, and therefore differs from the historical benchmarking peer set, which includes certain privately held companies. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

…And There Are No Major Differences in Aftermarket vs. Original Equipment Mix to Explain the Gap

Flowserve's aftermarket exposure is in line with peers, so its margin shortfall cannot be attributed to a less favorable mix of equipment and service revenue.

FY25 Original Equipment vs. Aftermarket Revenue Mix



Flowserve benefits from a healthy mix of recurring aftermarket revenue, comparable to that of its peers.

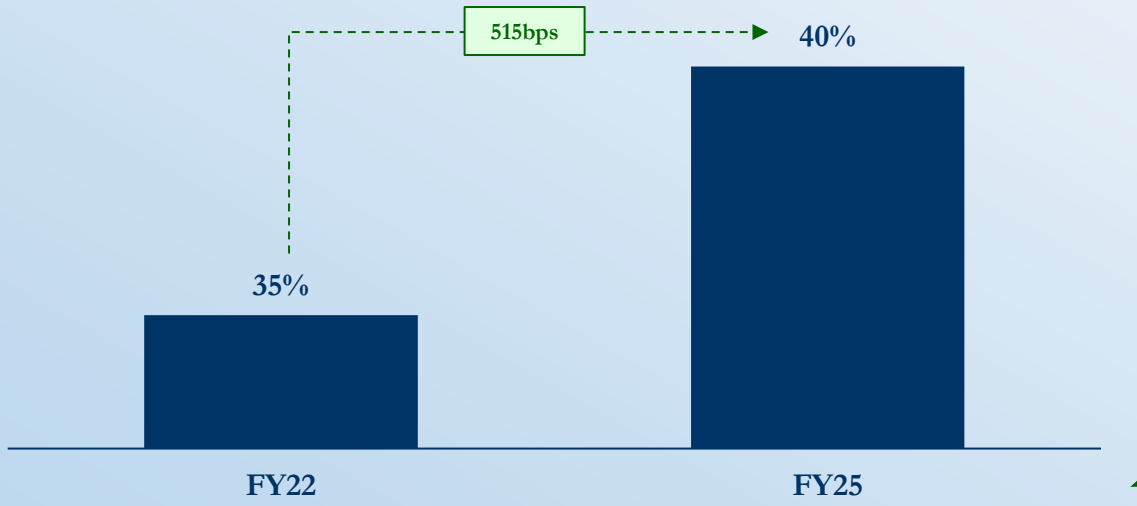
Source: Public company filings, Starboard estimates. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's revenue mix. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included. The estimates included here for revenue mix between original equipment and aftermarket are based on several data points.

We Don't Need to Speculate about Whether this Sort of Improvement Is Possible. One of Flowserve's Closest Peers Has Already Demonstrated It

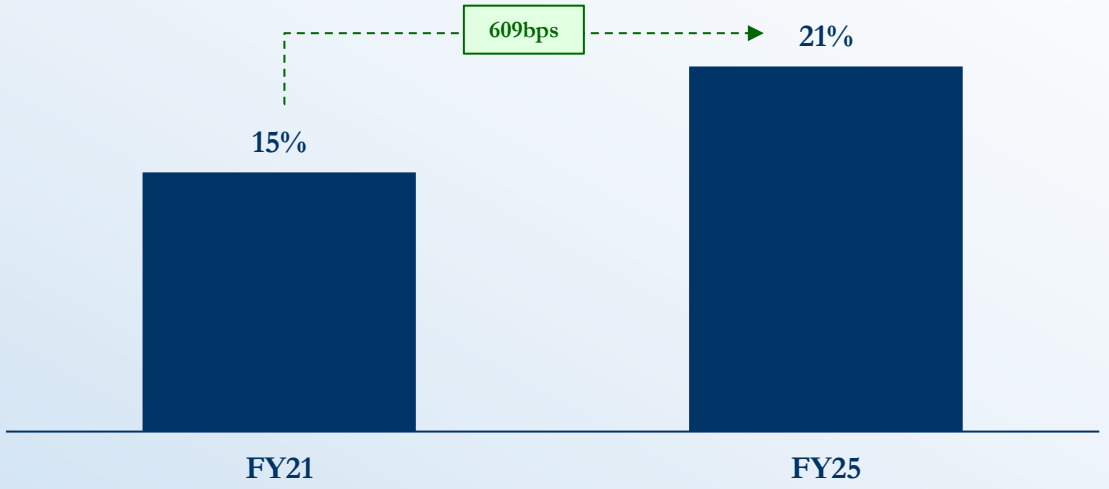
ITT's Industrial Process segment includes Goulds Pumps, perhaps Flowserve's closest competitor. This business drove significant margin expansion through a focused transformation that Flowserve can replicate.

ITT Industrial Process Case Study

Gross Profit Margin



Adj. Operating Profit Margin



Operational Improvement Initiatives

Value Engineering Pump Redesign
Stripping material cost out of the full pump portfolio

Lean Operating Playbook
Lean manufacturing, automation and productivity targets

Value-Based Pricing
Replaced blanket price lists with pricing by customer value

SG&A & Footprint Cuts
Overhead reduction and plant closures

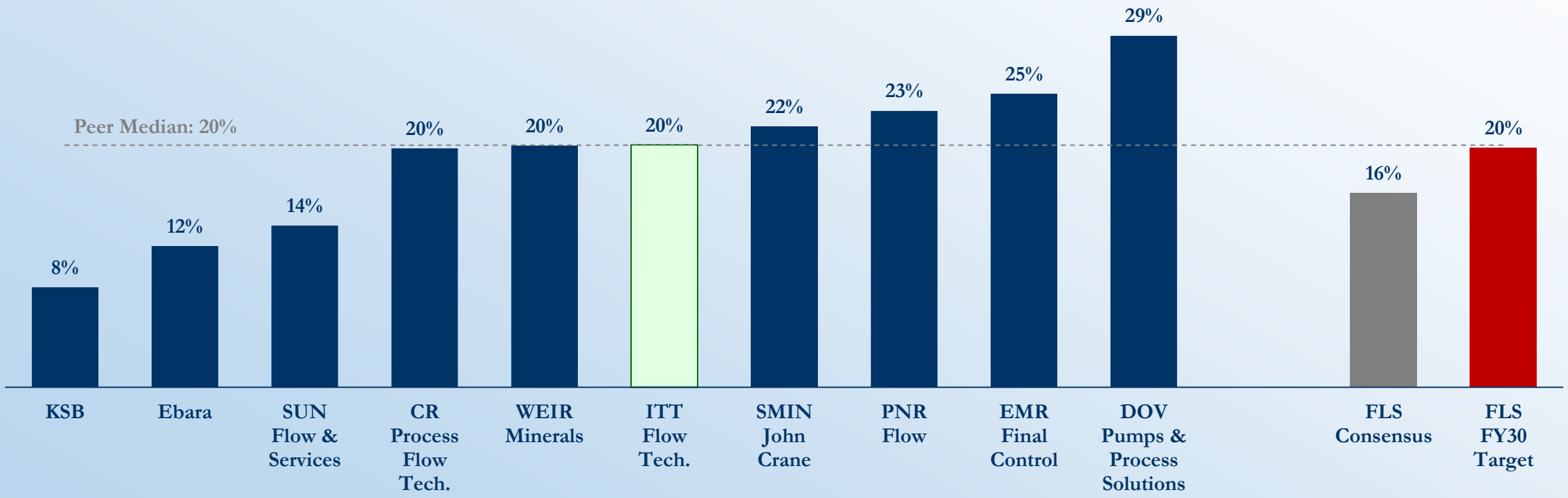
We believe Flowserve can execute a similar operational playbook.

Source: Public company filings. Note: Unallocated corporate expense is allocated based on the Industrial Process' segment share of revenue. ITT Industrial Process gross profit disclosure is not available prior to FY22.

This Year, Flowserve Introduced 2030 Margin Targets That Should Get the Company Close to the Peer Median…

Closing the operating gap through cost savings, productivity and commercial excellence initiatives can drive substantially higher profitability—even without assuming a major improvement in end-market demand.

FY26E Adj. Operating Margin



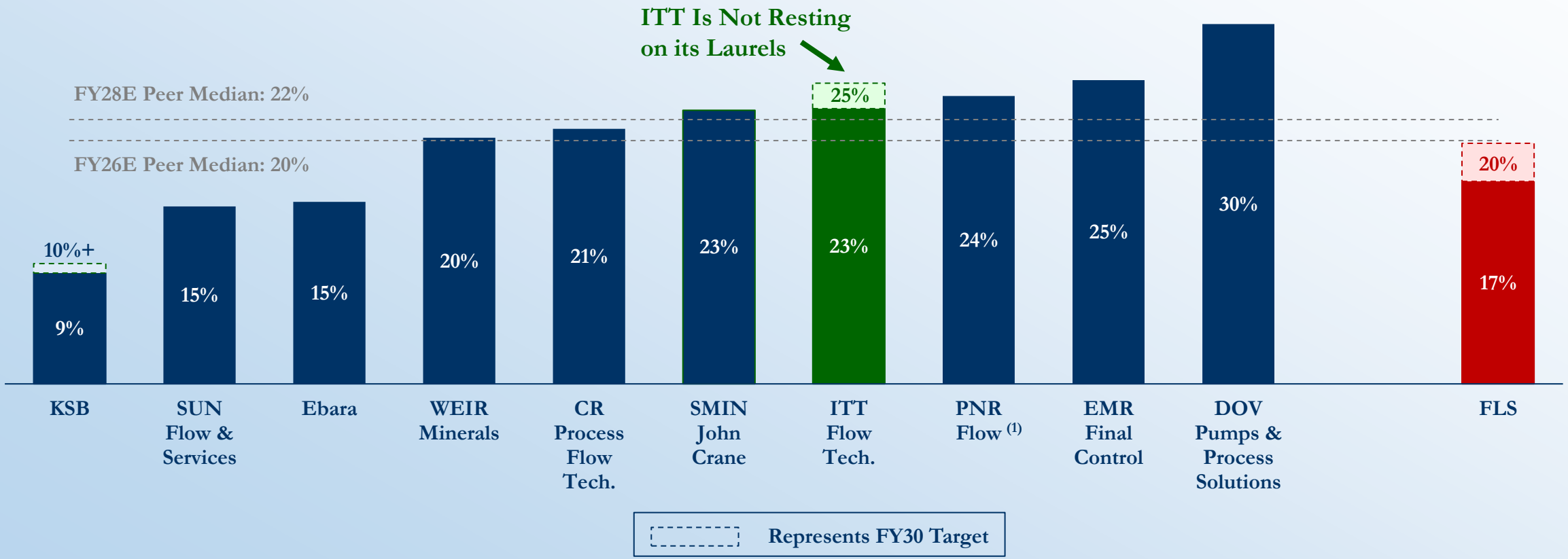
Flowserve's 20% margin target is undemanding relative to where peers are operating today.

Source: Public company filings, Wall Street consensus estimates. Market data as of November 13, 2026. Note: Margins reflect each company's respective fiscal year-end and include unallocated corporate expenses. FY26 figures are based on reported actuals where available and Wall Street consensus estimates otherwise. Unallocated corporate expense is allocated based on each segment's share of total company revenue. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's margin profile. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. The peer set for this analysis was selected based on comparable flow-control businesses with available Wall Street consensus estimates, and therefore differs from the historical benchmarking peer set, which includes certain privately held companies. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

…Except the Target Only Gets to *Today's* Peer Median, While Peers Are Continuing to Improve

While Flowserve's long-term margin target implies meaningful expansion from current levels, peers are not standing still, which means by 2030 there will be more room for improvement.

FY28E Adj. Operating Margin



We believe Flowserve's 20% margin target would still leave a meaningful gap to peers.

Source: Public company filings, Wall Street consensus estimates. Market data as of November 13, 2026. Note: Margins are shown based on each company's respective fiscal year-end reporting period and include unallocated corporate expense. Unallocated corporate expense is allocated based on each segment's share of total company revenue. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's margin profile. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. The peer set for this analysis was selected based on comparable flow-control businesses with available Wall Street consensus estimates, and therefore differs from the historical benchmarking peer set, which includes certain privately held companies. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included. (1) Effective January 1, 2026, PNR's residential and irrigation flow business was reclassified from the Flow segment to the Water Solutions segment. FY28E consensus estimates reflect this change, while FY25 and prior historical results do not, impacting comparability.

What's Particularly Exciting Is that the Path to 20% Doesn't Require Heroic Growth Assumptions…

Management has expressed confidence in achieving 20% operating margins through self-help initiatives, even without significant revenue growth.

Management Commentary

"…what I'll call is to get to the 20%, a steady progression of margins of 500 basis points or 100 basis points approximately every year…**And so obviously, revenue growth and leverage would help us substantially but I feel confident that we can get to these margins even without significant revenue growth.**"

- Q4 FY25 Earnings Call, CEO Scott Rowe (Feb. 2026)

We believe self-help alone can deliver 20% margins, with organic growth providing additional upside.

Source: Public company filings. Note: Quotes are bolded and underlined for emphasis.

…Self-Help Initiatives Alone Could Get Flowserve to 20% Operating Margins Without Incremental Revenue Growth…

The Company's 20% margin target does NOT require revenue growth beyond FY25.

FY25 Pro Forma Adj. Operating Profit

($ in millions)

Revenue	**$4,939**	***0% Revenue Growth***	**$4,939**
Adj. Operating Profit Margin	**14.8%**		**20.0%**



Self-help delivers the Company's 20% target, which merely brings Flowserve to today's peer median.

Source: Public company filings, Starboard estimates. (1) Assumes $210mm of Trillium revenue and $30mm of adjusted operating profit, implying a ~14.5% margin, consistent with management's commentary that Trillium's margins are slightly below the Company average. All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for FY25 pro forma revenue, adj. operating profit, and adj. operating profit margin are based on several data points.

…But as We've Just Shown, Flowserve Should Grow, and That Growth Should Come with Higher Incremental Margins

Historical management commentary and Wall Street estimates support the potential for Flowserve to achieve incremental margins of 30%[(1)] or better.

Wall Street Research and Management Quotes

"…Flowserve in the best of times has kind of been in a 40% incremental margin range…"

- Citi's 2023 Global Industrial Tech and Mobility Conference, Fmr. CFO Amy Schwetz (Feb. 2023)

"…2026E-2028E EBITDA is driven by a 30% incremental margin on organic growth…"

- Stifel (Jun. 2025)

We believe 30% incremental margins represent a reasonable starting point, with potential for even better performance.

Source: Public company filing, Wall Street research. Note: Quotes are bolded and underlined for emphasis. (1) ITT's Industrial Process segment and Crane's Process Flow Technologies segment achieved median incremental margins of 31% and 26%, respectively, from FY21 to FY25.

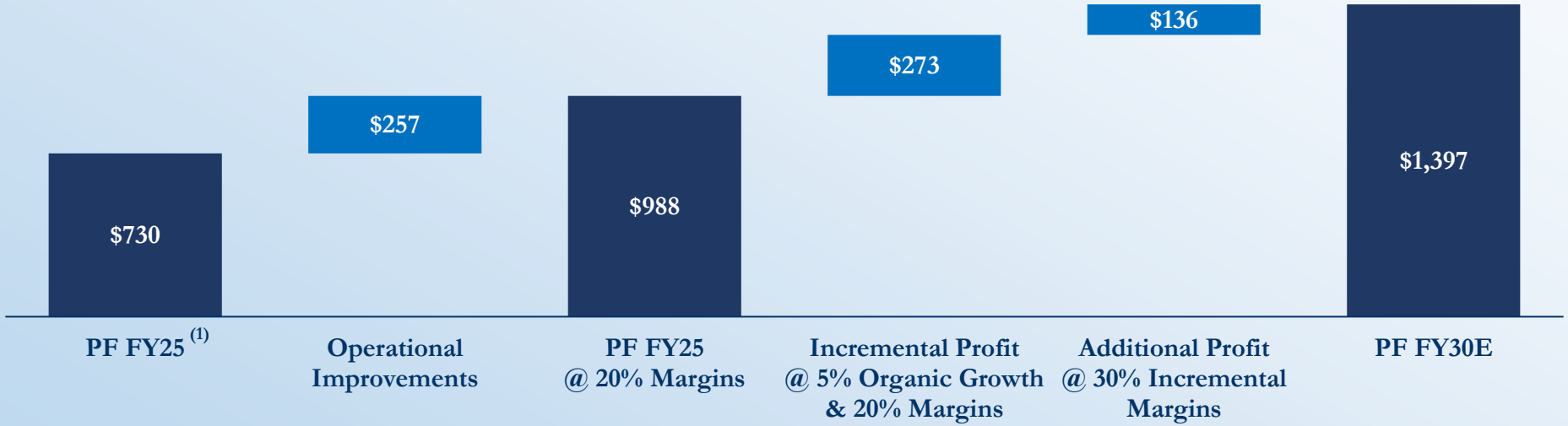
Incremental Margins from Organic Growth Could Drive Flowserve's Operating Margins Above 22%...

Growth on a leaner cost base drops through at attractive margins, pushing margins past the Company's 20% target.

FY30 Illustrative Pro Forma Adj. Operating Profit

($ in millions)

Revenue	$4,939	*0% Revenue Growth* →	$4,939	*5% Organic CAGR* →	$6,304
Adj. Operating Profit Margin	14.8%		20.0%	*30% Incrementals* →	22.2%



22% adj. operating margins would still just get Flowserve at or below where peers are expected to be.

Source: Public company filings, Starboard estimates. (1) Assumes $210mm of Trillium revenue and $30mm of adjusted operating profit, implying a ~14.5% margin, consistent with management's commentary that Trillium's margins are slightly below the Company average. All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for FY30 revenue, adj. operating profit, and adj. operating profit margin are based on several data points.

…And There Could Be Meaningful Upside Beyond 22% Operating Margins

Starting from a 20% adjusted operating margin base, a range of organic growth and incremental margin assumptions illustrates the potential for further margin expansion by FY30.

Illustrative FY30 Adjusted Operating Margins

Incremental Margin % \ PF FY25 - FY30 Organic Growth CAGR %	1.0%	2.0%	3.0%	4.0%	5.0%	6.0%	7.0%	8.0%	9.0%
20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
22.5%	20.1%	20.2%	20.3%	20.4%	20.5%	20.6%	20.7%	20.8%	20.9%
25.0%	20.2%	20.5%	20.7%	20.9%	21.1%	21.3%	21.4%	21.6%	21.8%
27.5%	20.4%	20.7%	21.0%	**21.3%**	**21.6%**	**21.9%**	**22.2%**	**22.4%**	**22.6%**
30.0%	20.5%	20.9%	21.4%	**21.8%**	**22.2%**	**22.5%**	**22.9%**	**23.2%**	**23.5%**
32.5%	20.6%	21.2%	21.7%	**22.2%**	**22.7%**	**23.2%**	**23.6%**	**24.0%**	**24.4%**
35.0%	20.7%	21.4%	22.1%	**22.7%**	**23.2%**	**23.8%**	**24.3%**	**24.8%**	**25.3%**
37.5%	20.8%	21.6%	22.4%	**23.1%**	**23.8%**	**24.4%**	**25.0%**	**25.6%**	**26.1%**
40.0%	21.0%	21.9%	22.7%	**23.6%**	**24.3%**	**25.1%**	**25.7%**	**26.4%**	**27.0%**

Best-in-Class Margins

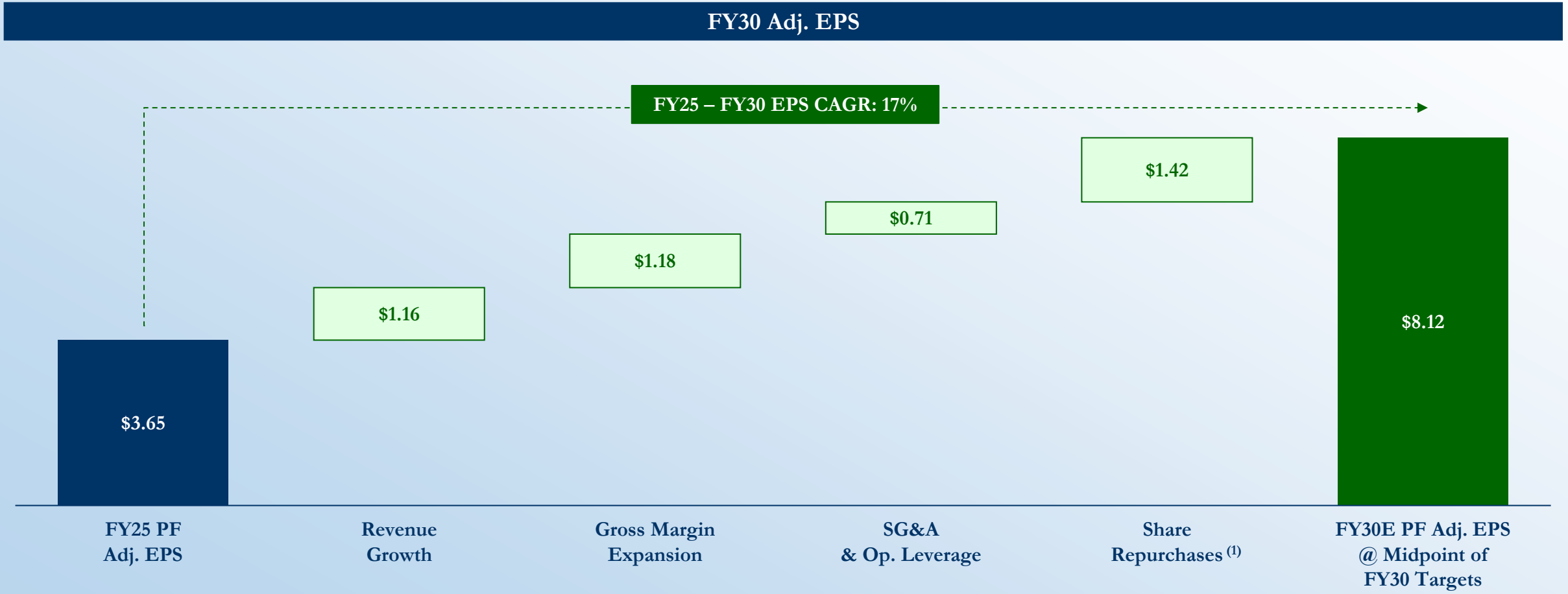
CRANE · DOVER · EMERSON · ITT · PENTAIR · smiths

We believe Flowserve has a credible path to operating margins well above 22% by FY30.

Source: Public company filings, company websites, Starboard estimates. All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for FY25 – FY30 organic revenue growth CAGRs and incremental margins are based on several data points. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's margin profile. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

The Midpoint of Management's FY30 Targets Implies More Than a Doubling of EPS…

Assuming the Company achieves its long-term revenue growth, margin expansion, and free cash flow conversion targets, the Company should be able to drive significant earnings growth.

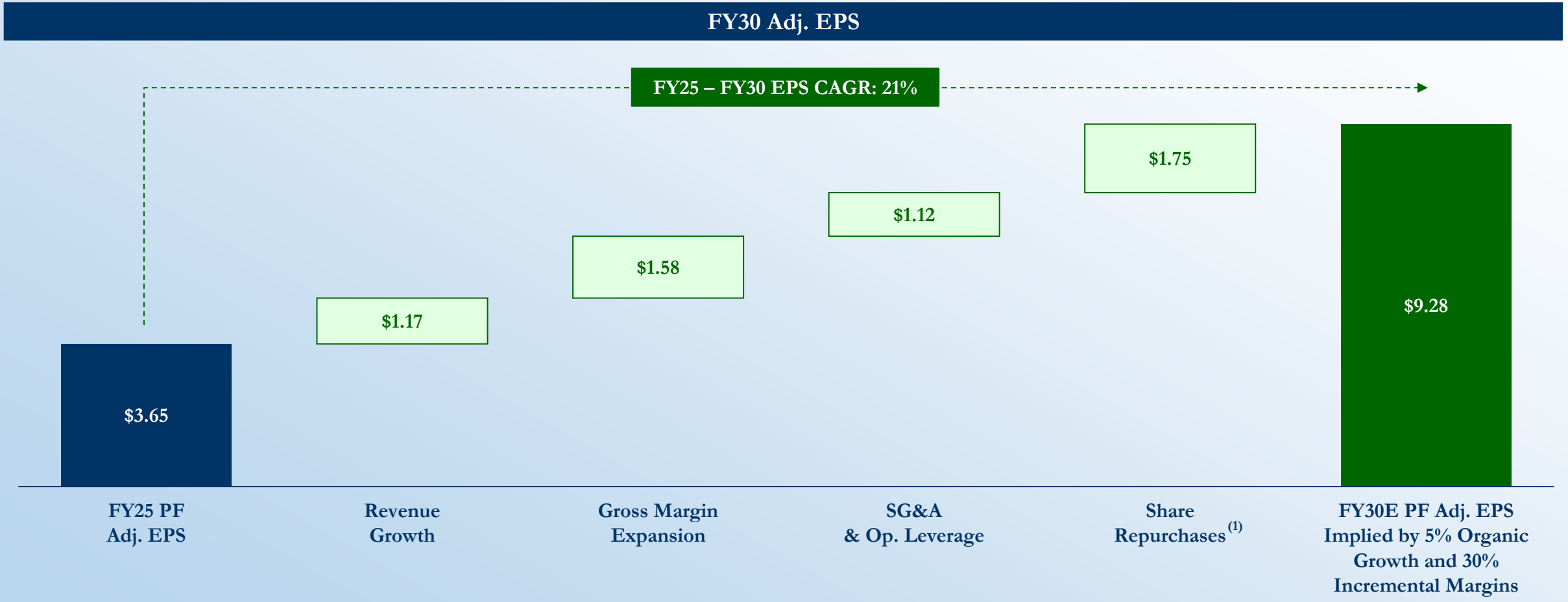


We believe the Company's FY30 targets should represent a starting point, not the ceiling of its earnings potential.

Source: Public company filings, Capital IQ, Starboard estimates. Market data as of November 13, 2026. All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for FY30 Adj. EPS are based on several data points. (1) Assumes $3.23bn in free cash flow generated from Q4 FY26 through FY30 with a 104% FCF conversion (defined as free cash flow / adj. net income). Assumes all excess free cash flow after dividends goes to share repurchases: 24.3mm shares repurchased at an average price of $115.16, a 39% premium to today's price of $83.10.

…But with Realistic Incremental Margins Driving Margins Above 22%, EPS Should Exceed $9.00…

Further gross margin improvement and SG&A leverage, combined with continued share repurchases, could drive adj. EPS to more than $9.00 by FY30.



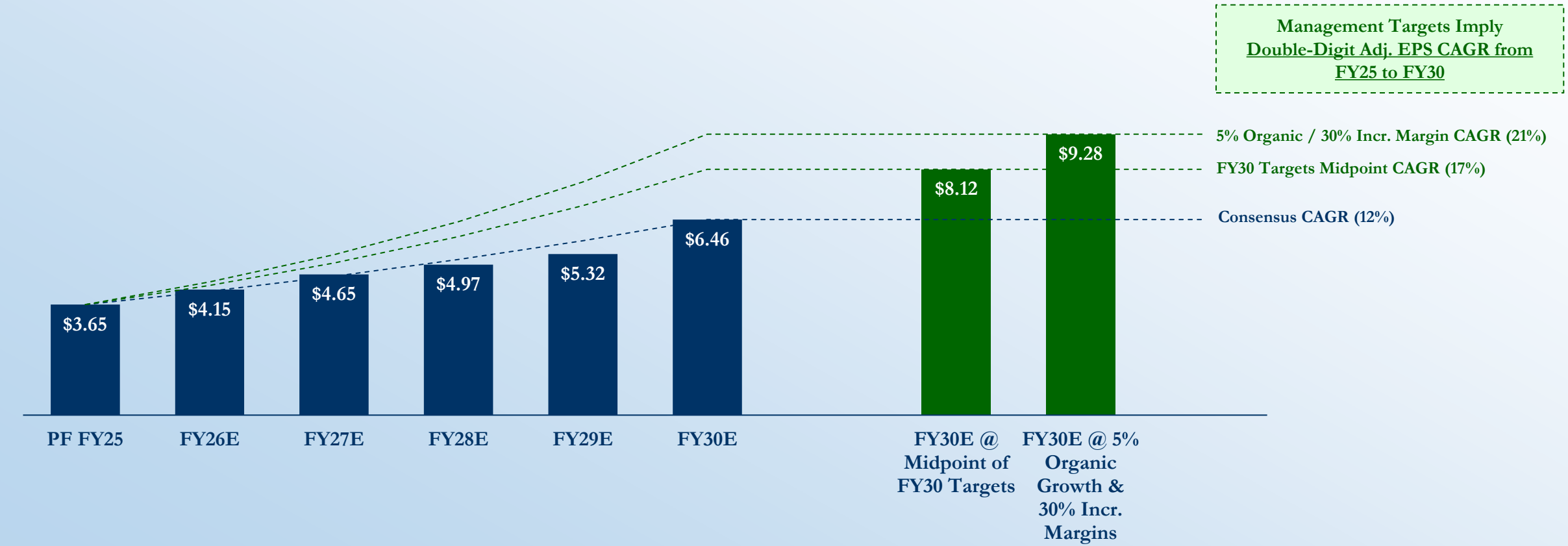
We believe Flowserve can meaningfully exceed management's long-term targets, unlocking even greater earnings potential.

Source: Public company filings, Capital IQ, Starboard estimates. Market data as of November 13, 2026. All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for FY30 Adj. EPS are based on several data points. (1) Assumes $3.70bn in free cash flow generated from Q4 FY26 through FY30 with a 105% FCF conversion (defined as free cash flow / adj. net income). Assumes all excess free cash flow after dividends goes to share repurchases: 26.0mm shares repurchased at an average price of $126.10, a 52% premium to today's price of $83.10.

…Yet Consensus Estimates Remain Well Below What Is Implied by the Company's Long-Term Targets

Consensus estimates continue to discount management's targets, consistent with the skepticism that has followed Flowserve for a decade.

Adj. EPS Wall Street Estimates

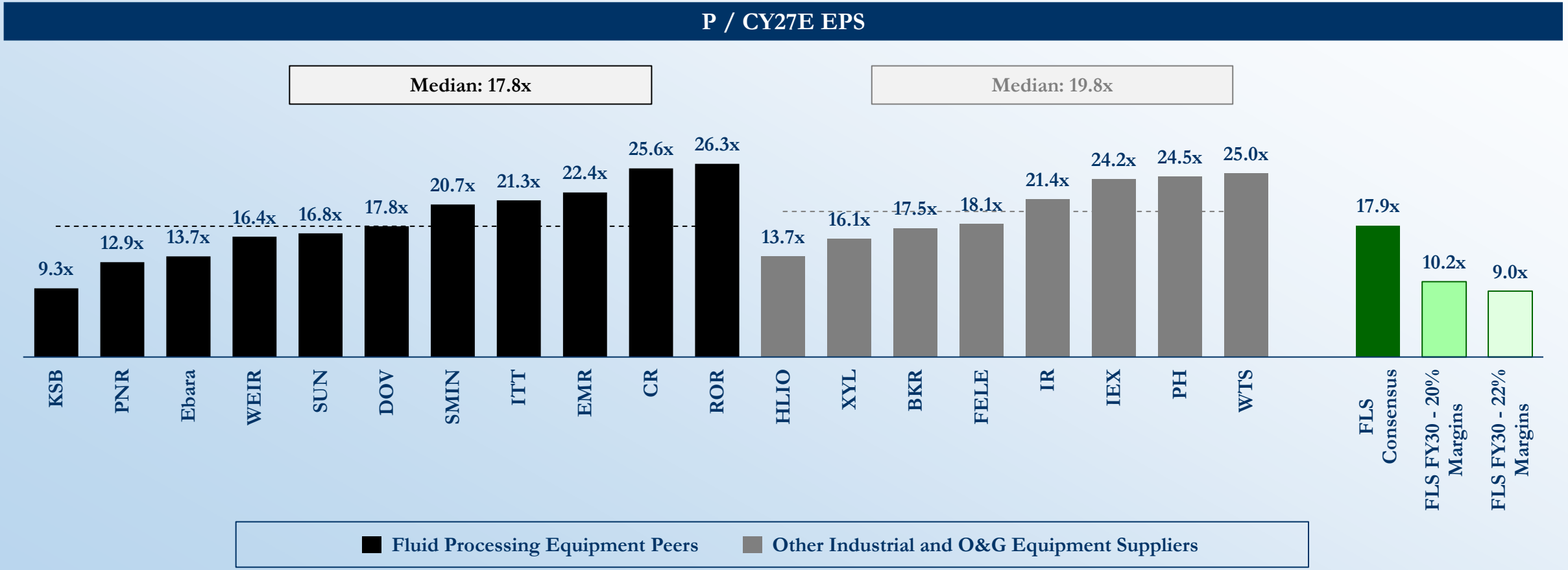


If Flowserve delivers on its targets, consensus estimates will need to move materially higher.

Source: Public company filings, Bloomberg, Wall Street consensus estimates, Starboard estimates. Market data as of November 13, 2026. All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for FY30E EPS are based on several data points.

Pro Forma for Flowserve's Earnings Potential, the Company Trades at a Compelling Valuation

Assuming Flowserve achieves its long-term targets or better, the Company would trade at just 9-10x FY30 EPS!



We believe Flowserve offers substantial upside in both its earnings and multiple.

Source: Public company filings, Bloomberg, Capital IQ, Wall Street consensus estimates, Starboard estimates. Market data as of November 13, 2026. Starboard has identified the peers listed above as the relevant peer set for comparing Flowserve's P / CY27E EPS multiple. Starboard views these peers as representative of the range of flow control products and services Flowserve offers, as well as the diverse end markets it serves. The peer set for this analysis includes a broader universe of publicly traded industrial equipment companies selected based on business and valuation comparability, whereas the operating margin benchmarking analyses focus on comparable flow-control businesses, including individual segments of publicly traded companies. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included. All estimates are based on information obtained from sources believed to be reliable and incorporate certain assumptions. Such information and assumptions could turn out to be inaccurate. The estimates included here for FLS FY30 EPS are based on several data points.

Flowserve Is in the Right Place at the Right Time. Now It Needs to Execute.

Flowserve has leading flow-control products, exposure to attractive end markets and a significant opportunity to improve profitability.

Flowserve Opportunity

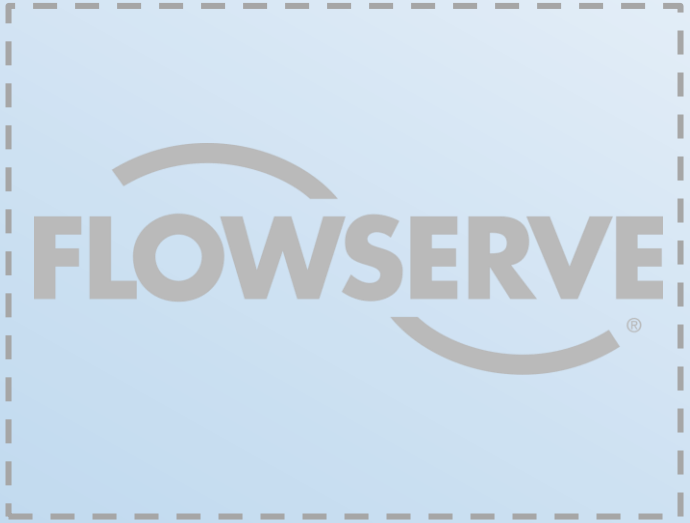
FLOWSERVE®

Leading Assets	Attractive End Markets	Margin Expansion Opportunity	Execution
✓	✓	✓	?
Mission-critical products and services	Power, energy, and industrial investment	400+bps to close the gap to where peers are today, 600+ to get where they are going	

The products are right. The markets are right. It is our job to ensure the execution is right.

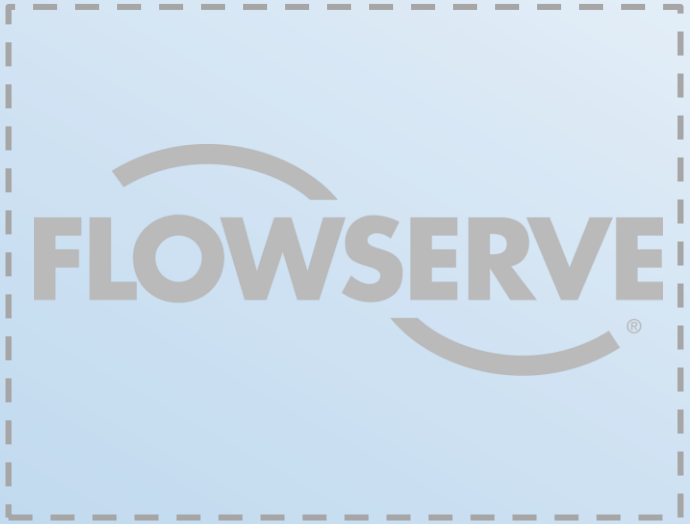
Source: Public company filings.

Starboard Has Two Ideas to Discuss Today





Starboard Has Two Ideas to Discuss Today





The Key Ingredients for Bitcoin Mining

Bitcoin mining requires land, power, water, and fiber.

Key Ingredients for Bitcoin Mining



Land



Power



Water



Fiber

BTC Miners

Hut 8

CleanSpark
America's Bitcoin Miner®

RIOT

Cipher Mining

CORE SCIENTIFIC®

The combination of these ingredients is in finite supply today.

Source: Company filings, Company presentation, Starboard Value analysis.

The Key Ingredients for Data Centers

Data centers require land, power, water, and fiber.

Key Ingredients of Data Centers

Data Centers





Land



Power



Water



Fiber

The combination of these ingredients is in finite supply today.

Source: Company filings, Company presentation, Starboard Value analysis.

Bitcoin Miners Already Have What AI Data Centers Need

Land, power, water, and fiber…

Key Ingredients of Bitcoin Miners



Land



Power



Water



Fiber

Key Ingredients of Data Centers



Land



Power



Water



Fiber

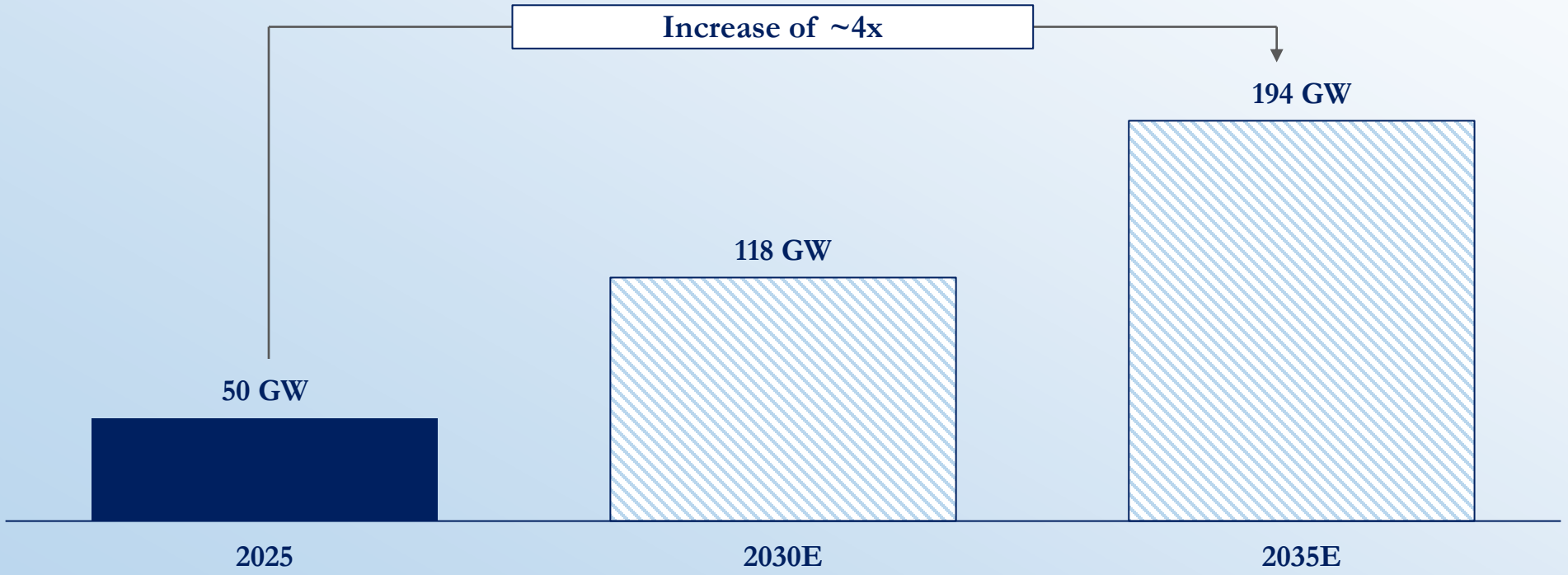
Bitcoin miners and data centers require the same key ingredients!

Source: Company filings, Company presentation, Starboard Value analysis.

Surging AI Power Demand Has Led to Miner Conversions

U.S. data center power demand is expected to roughly quadruple by 2035, and several miners have already signed AI tenants…

Estimated U.S. Data Center Power Capacity (GW)



We believe that Riot's facilities are well positioned.

Source: Company filings, Company presentations, Starboard Value analysis. BloombergNEF (US Data Center Capacity Outlook Base Case).

Why Riot?

Riot Platforms ("Riot" or the "Company") is a Bitcoin miner in the process of transitioning to a leading AI/HPC data center company.

Riot Platforms Overview

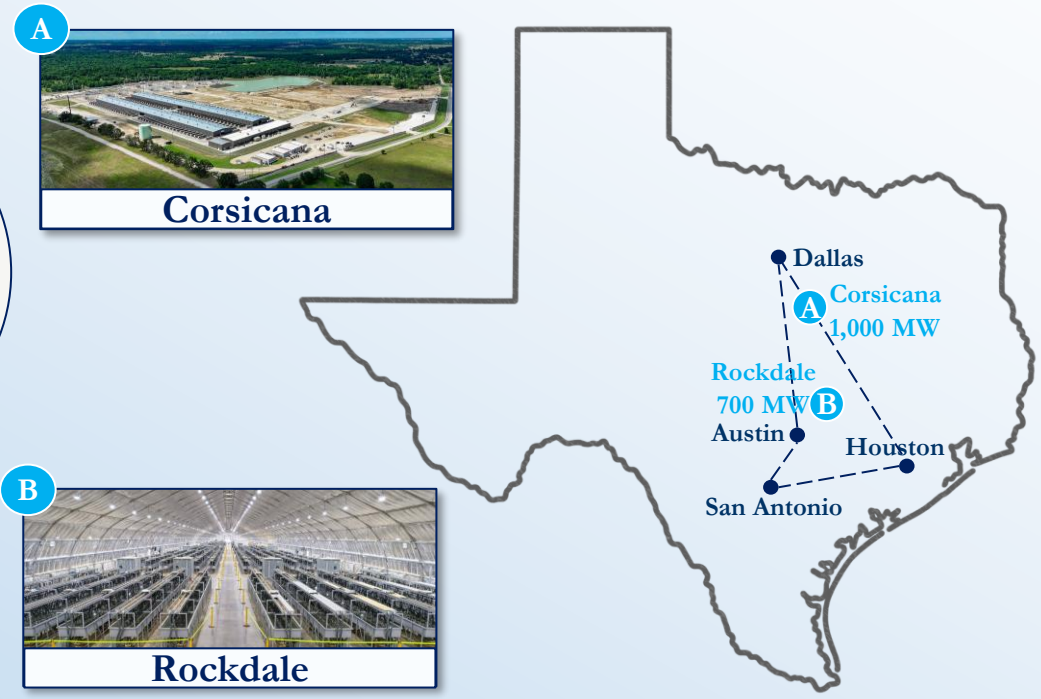
$7 Billion

Enterprise Value

~1.7 GW

Power Capacity

Riot's Key Power Assets



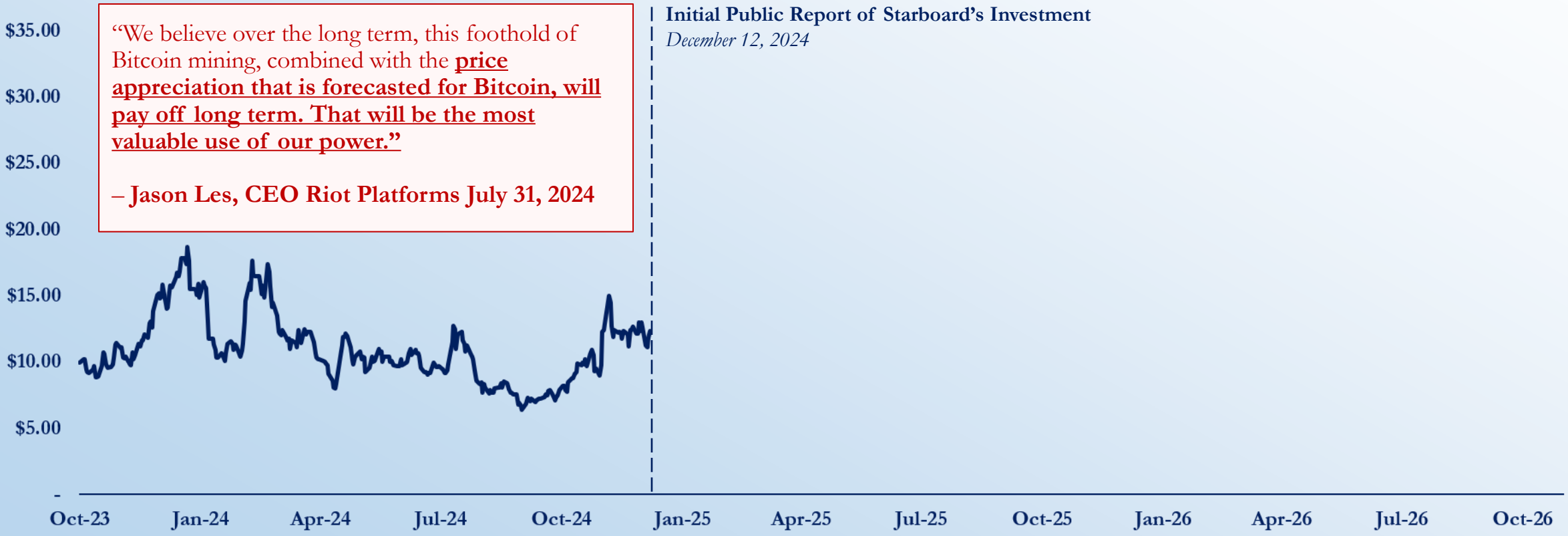
We Believe Riot Has the Best Sites for AI / HPC Data Centers.

Source: Company filings, Company presentation, Starboard Value analysis.

Let's Take a Step Back…

At the time of our original investment, Riot was focused on the bitcoin mining business.

Annotated Riot Stock Chart



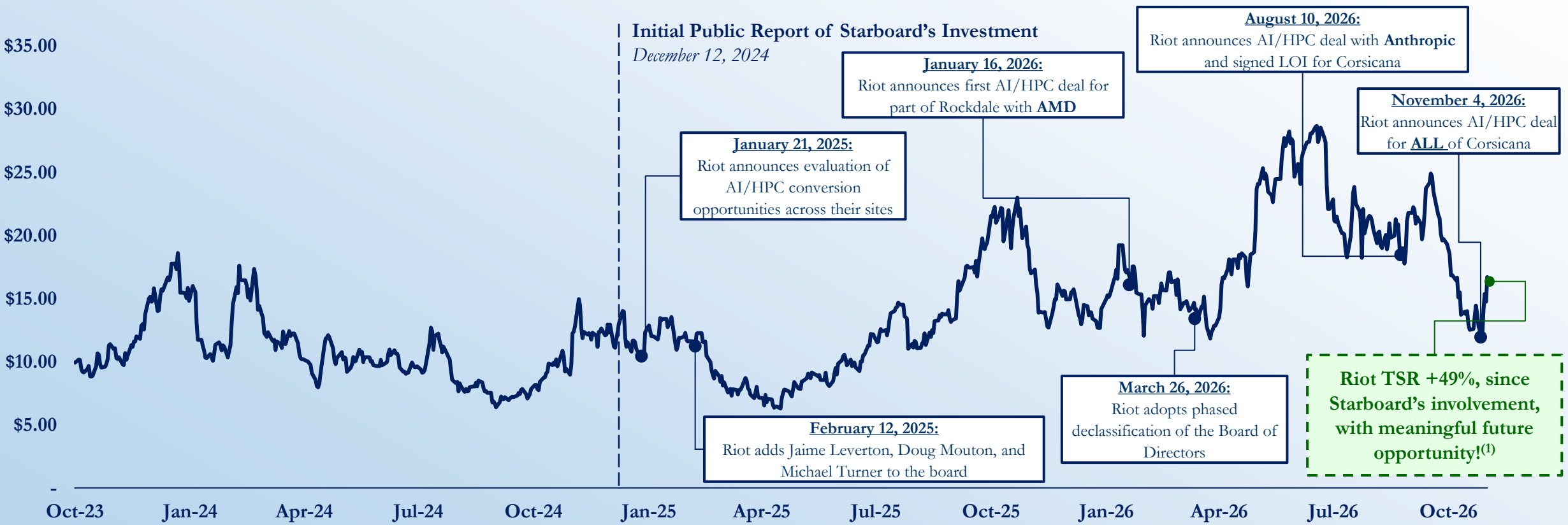
We believed there was a large opportunity to unlock value at Riot by changing strategy.

Source: Company filings, Company presentation, Starboard Value analysis. Note: Quotes are bolded and underlined for emphasis.

We Advocated for a Transition to Data Center. Riot Listened, and Has Made Incredible Progress

Riot took time to adjust their strategy, but has now announced several landmark data center deals, while taking initial steps to improve governance and operations.

Annotated Riot Stock Chart



Riot has made meaningful progress!

Source: Company filings, Company presentation, Starboard Value analysis. Market data as of 11/13/2026. (1) TSR from unaffected date of December 11, 2024.

What Makes Riot So Special?

Corsicana provides approximately 1 GW of total planned capacity, while Rockdale is one of North America's largest Bitcoin mining facilities by developed capacity.

Riot Facility Overview

	AI HPC		Bitcoin Mining
			
Location	**Corsicana, Texas**	**Rockdale, Texas**	**Paducah, Kentucky**
Land	**Owned**	**Owned**	**Owned**
Total Capacity	**1,000MW**	**700MW**	**300MW**
Acreage	**958**	**200**	**150**

"In our view, RIOT **owns two of the most attractive sites in the US for data center construction**—this is driven by the sites' scale of power access, location, political dynamics and physical infrastructure."***– Morgan Stanley, July 2026***

The Corsicana facility is uniquely positioned as one of the largest facilities with immediate power available in a major metro market.

Source: Company filings, Company presentation, Starboard Value analysis. Wall Street research. Note: Quotes are bolded and underlined for emphasis.

We Believed Corsicana Was a Crown Jewel Asset

Corsicana's scale, existing power infrastructure, and proximity to Dallas make it one of the highest-quality available data-center sites. We believed it was one of the few sites that could attract a blue-chip tenant, such as a hyperscaler or frontier AI lab, for a whole-campus lease on best-in-class terms.

Corsicana Overview

1 GW
Approved to Energize

Dual low-latency fiber



Corsicana

~958
Acres of Owned Land

Prime Location Near Major Metro

> We believe the **Corsicana facility offers the most compelling opportunity available** today for **hyperscaler to get immediate access** to large-scale power, all in close proximity to Dallas, one of the most **sought-after data** center markets in the country. ***– Morgan Stanley, February 2025***

Corsicana is a special site, and it is what drew us to Riot.

Source: Company filings, Company presentation, Starboard Value analysis. Wall Street research. Note: Quotes are bolded and underlined for emphasis.

Riot Just Announced a Best-in-Class Lease With Anthropic

Corsicana's unique characteristics enabled Riot to negotiate a strong deal with a high-quality tenant that will generate more NOI per MW than peers with half the capital, substantially reducing risk!

Corsicana Anthropic Deal Overview

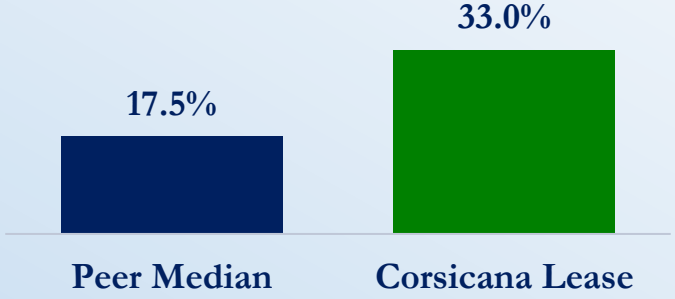


Corsicana

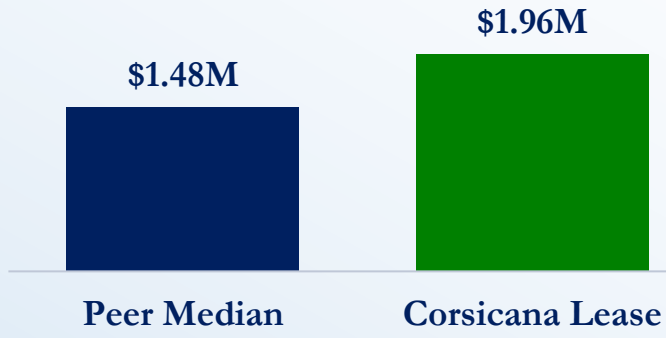
Leased

910MW CIT Leased

Corsicana ROI



… with Corsicana NOI/MW Above Peers



"The 910MW Corsicana lease substantially improves the risk-return profile of Riot's largest asset… the transaction shifts the debate from whether Riot can monetize its power portfolio to whether it can efficiently finance and execute… we believe the **earnings power embedded in Riot's contracted lease portfolio is now materially greater than previously appreciated**."

– Citi Equity Research, November 2026

We have long believed Corsicana was the best asset. Now it has the best lease.

Source: Company filings, Company presentation, Wall Street research, Starboard Value analysis. Note: NOI/MW = annual rent per IT MW × NOI margin; Starboard has identified APLD, BTDR, CIFR, CLSK, CORZ, GLXY, HUT, and WULF as a relevant peer set based on comparable deal announcements and business mixes. Starboard believes these provide appropriate peer comparisons. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included. Quotes are bolded and underlined for emphasis.

The Corsicana Lease Structure Is the Best Risk-Reward in the Sector…

A 15-year, take-or-pay, triple-net lease on the full 910 CIT MW campus delivers ~$28B of contracted revenue at a ~99% NOI margin, all at roughly half the capital cost of a Tier 3 build, and with the tenant bearing the primary operating and technology risk.

Reduced Development and Operating Obligations Derisk Corsicana for Riot

	RIOT	"Leading Frontier Lab"
Powered Pads	✓ Builds & delivers powered pads	No obligation
Power Infrastructure	✓ Owns & maintains power infrastructure	No obligation
Utilization Requirements	✓ Delivers power to the modules	✓ Pays rent on 910 MW *regardless of utilization*
Utility Power Costs	Pass-through only, no markup	✓ Pays 100% utility cost
Operating Costs	Maintains owned power infrastructure; provides campus-level security & landscaping, reimbursed by tenant	✓ Triple net (property tax, insurance, site maintenance, landscaping, security)
Future Design Changes & Maintenance Capex	No obligation outside Riot-owned power infrastructure	✓ All alterations & lifecycle capex
Modules	Reimburses tenant up to $3.64B	✓ Procures, installs & owns

Corsicana now has 15 years of take-or-pay rent at a ~99% margin, with limited capital contribution from Riot.

Source: Company filings, Riot Platforms Q3 2026 earnings release and investor presentation, Wall Street research, Starboard Value analysis.

…And Analysts Are Starting to Agree!

Brokers across the Street describe Corsicana as a step change: lower capital, lower risk, and the strongest yield on cost of any comparable deal.

Sell-Side Reaction to the Corsicana Lease

"Tier III Economics, Lower Risk: Management emphasized that Corsicana achieves economics comparable to a traditional Tier III deployment while **requiring roughly half the capital and transferring most operating, utilization, and technology risk to the tenant**. The lease structure materially improves risk-adjusted returns while simplifying execution."

***– Citi Equity Research**, November 2026*

"The lease brings RIOT's contracted portfolio to 1,151 MW across three leases, representing approximately $38 billion of contracted data center revenue and $2.2 billion of average annual NOI at full deployment… We agree — **the deal displays the strongest yield on cost of any deal within the PSP cohort for a site over 150MW**."

***– Morgan Stanley Equity Research**, November 2026*

Analysts now see Corsicana as the deal that resets Riot's trajectory, with upgrades and higher price targets following the announcement.

Source: Jones Equity Research, Citi Equity Research, Morgan Stanley Equity Research (November 2026); Starboard Value analysis. Note: Quotes are bolded, underlined, and highlighted for emphasis.

Rockdale Represents Another Success Story in the Middle Innings

Riot has signed two leases at Rockdale, which we believe have some of the most attractive economics and tenant quality in the sector today, highlighting the quality of Riot's asset portfolio.

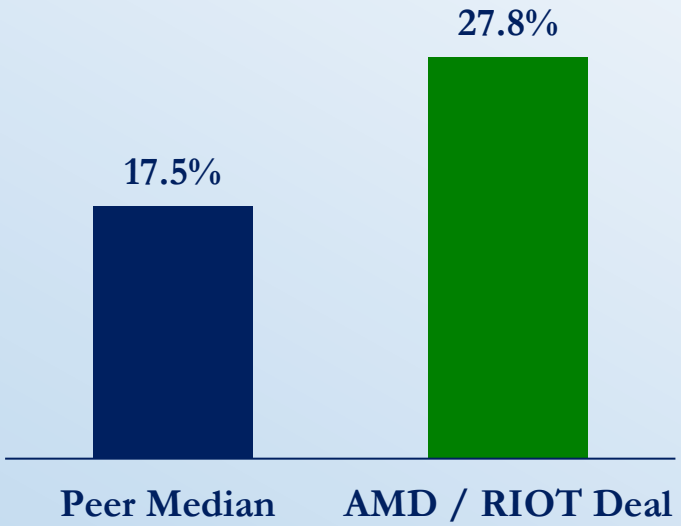
Rockdale Overview



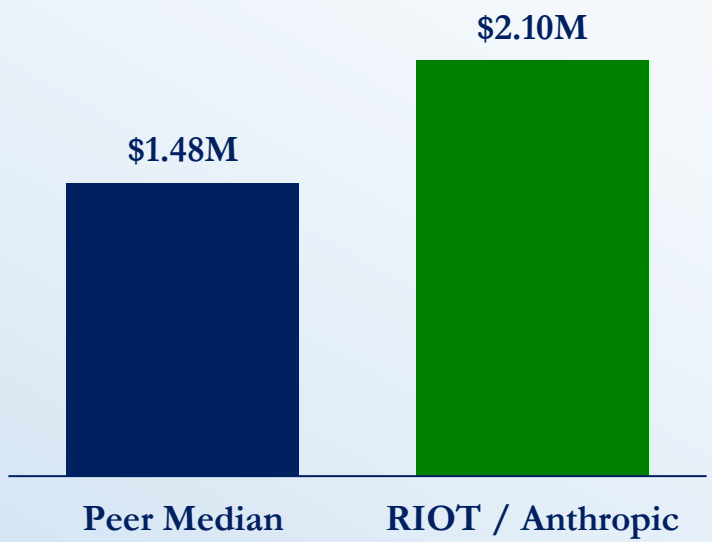
Rockdale



AMD Deal – Best in Class Yield-to-Cost



Anthropic Best-in-Class NOI/MW



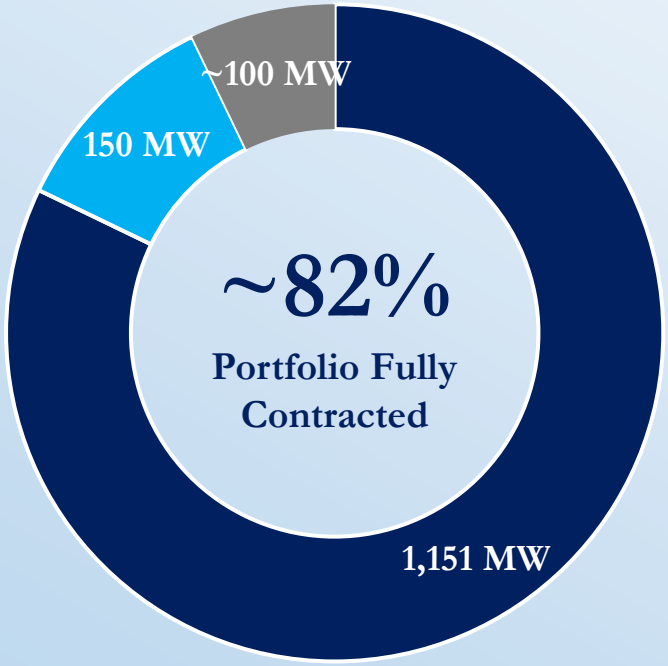
Rockdale has demonstrated that Riot can attract high-quality tenants with good economics.

Source: Company filings, Company presentation, Wall Street research, Starboard Value analysis. Note: NOI/MW = annual rent per IT MW × NOI margin; remaining Rockdale capacity is a Starboard estimate. Starboard has identified APLD, BTDR, CIFR, CLSK, CORZ, GLXY, HUT, and WULF as a relevant peer set based on comparable deal announcements and business mixes. Starboard believes these provide appropriate peer comparisons. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

Riot's Portfolio Today Is Almost Fully Contracted!

Riot has contracted ~82% of its ~1.4 GW critical IT portfolio and AMD holds options on another ~11%, leaving only ~100 MW at Rockdale still in need of tenants…

Riot Critical IT Portfolio (MW)



Contracted
Corsicana 910 MW (frontier AI lab)
Rockdale 191 MW (frontier AI lab)
Rockdale 50 MW (AMD)

Expansion Options
Rockdale 150 MW (AMD expansion option)

Estimated Uncontracted
100MW Remaining Rockdale capacity

This does not include Riot's 300MW in Kentucky, which, for illustrative purposes, we assume is divested for de minimis value. There is potential upside if Riot is able to convert this facility to a data center.

With the portfolio nearly fully leased, Riot's value now depends on delivery, not leasing.

Source: Company filings, Riot Q3 2026 earnings presentation, Starboard Value analysis. All figures in critical IT MW. Remaining Rockdale capacity is a Starboard estimate.

Riot Is Delivering on Schedule

Riot delivered AMD's first 25 MW on time and on budget, and every remaining Rockdale phase is on schedule. And Corsicana has significantly lower execution risk, as the tenant has primary responsibility for delivering the data center modules.

Rockdale Delivery: AMD and Frontier AI Lab Leases

"In May, we **delivered AMD's initial 25 MW on time and on budget**… The 25 MW expansion is on time and on budget, with the next 10 MW delivering this month and **the full expansion expected online in May 2027**."

***– Jason Les**, CEO Riot Platforms, November 4, 2026*

AMD Rockdale Lease Timeline:



Anthropic Rockdale Lease Timeline:



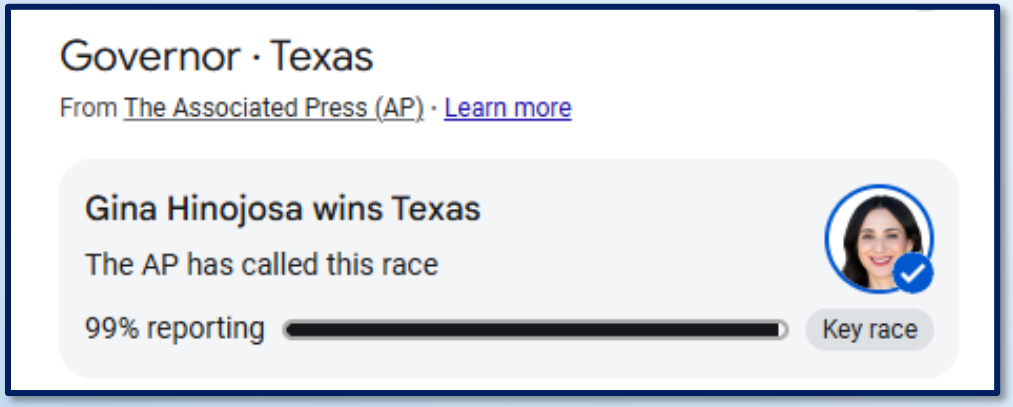
Riot has executed to plan so far, and its remaining execution obligations at Corsicana are significantly lower than traditional builds.

Source: Company filings, Company presentation, earnings transcripts, Starboard Value analysis. Note: Milestones show month of actual or expected delivery as disclosed by Riot. Quotes are bolded and underlined for emphasis.

Riot Picked a Tough News Day to Announce the Corsicana Deal

The election sparked fears that all Data Center development in Texas will grind to a halt, but as the following slides demonstrate, Riot's site should not be impacted.

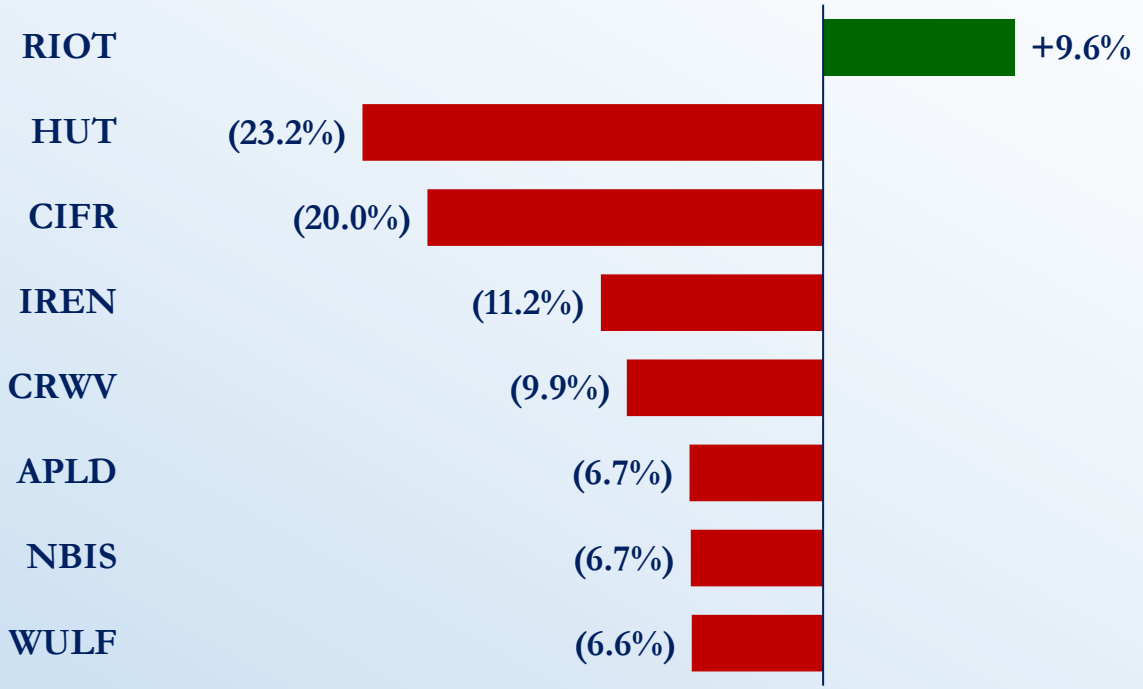
Texas Regulatory Backdrop



"Data centers have moved into mostly rural communities, and there are no rules and laws to protect Texans. We will have laws to protect Texans, and **we need to stop what we are doing with data centers** until we have those protections."

***– Gina Hinojosa**, Texas Governor-elect, CNN Interview, November 5, 2026*

TSR of AI Infrastructure Companies for November 4 *(day after midterms)*



Riot's power is fully approved and construction is underway; the election does not change its ability to deliver Rockdale or Corsicana.

Source: Company filings, Company presentation, Office of the Texas Governor, Bloomberg market data November 3, 2026 – November 4, 2026, Starboard Value analysis.

Per Riot's Management Team, We Believe the Election Should Not Impact Riot's Energized Power or Construction Timeline

Hinojosa's proposed moratorium should apply to new data center permits and builds. On its November 4 call, Riot confirmed that its 1.7 GW at Rockdale and Corsicana is already fully approved.

Texas Headlines vs. Riot's Position on the November 4, 2026 Earnings Call

"...Should have a ban or moratorium until laws can pass and it would be a moratorium on **new permits** until they can pass laws to protect Texans."

***– Gina Hinojosa**, KTAB News, October 31, 2026*

"Our sites with Rockdale and 700 MW and Corsicana with one gigawatt, these interconnections, **this power is already fully approved**. Even further, these sites have been in operations for years, pulling hundreds of megawatts each. So, we feel very confident in our position on both of those sites. **There's not additional approval needed to execute on developments here**, and I think the proof point of that is at Rockdale, where you've seen us launch two data center developments in just this year."

***– Jason Les**, CEO Riot Platforms, Q3 2026 Earnings Call, November 4, 2026*

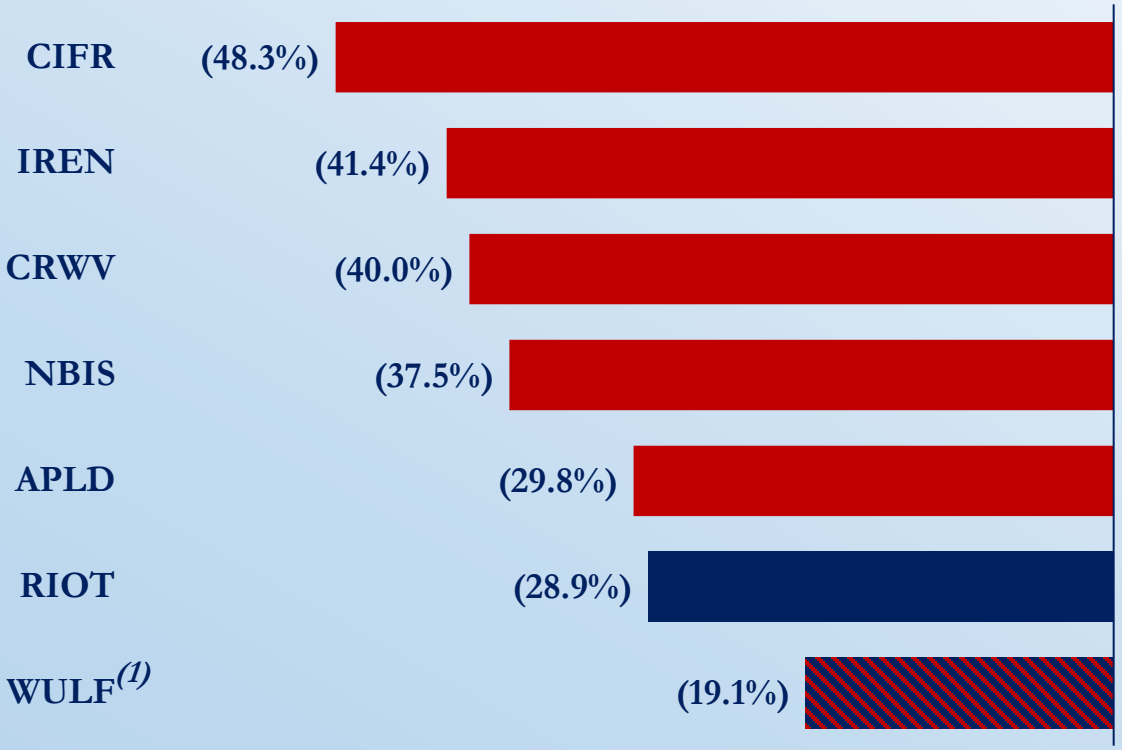
If anything, a tougher approval landscape makes Riot's *already approved* power even more valuable.

Source: Company filings, Company presentation, Riot Platforms Q3 2026 earnings call, Office of the Texas Governor, KTAB News, Starboard Value analysis. Note: Quotes are bolded and underlined for emphasis.

The Stock Has Also Been Impacted by Neocloud Financing Concerns, Even Though It Has ZERO Neocloud Exposure

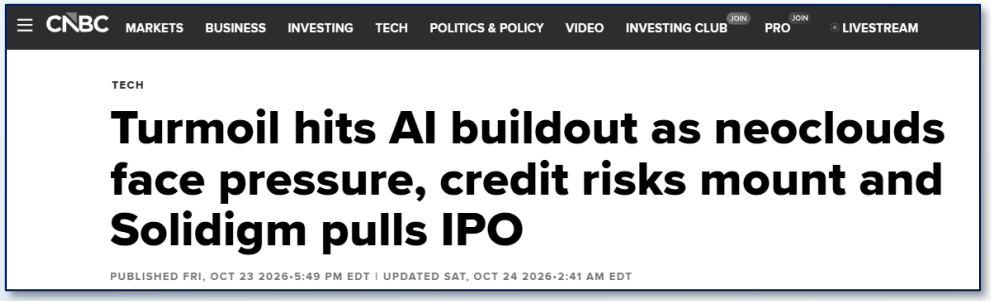
As CoreWeave fell 40% and its bonds hit new lows, investors sold stocks tied to neocloud credit. Riot's tenants are AMD and Anthropic, both of which have strong balance sheets and differentiated business models.

TSR *(October 2, 2026 – November 3, 2026)*



Denotes neocloud or neocloud exposure

Neocloud Headlines


CNBC MARKETS BUSINESS INVESTING TECH POLITICS & POLICY VIDEO INVESTING CLUB PRO LIVESTREAM

TECH

Turmoil hits AI buildout as neoclouds face pressure, credit risks mount and Solidigm pulls IPO

PUBLISHED FRI, OCT 23 2026•5:49 PM EDT | UPDATED SAT, OCT 24 2026•2:41 AM EDT

Riot	*Neocloud*
✓ *Long-term customer contracts*	× *Shorter-term customer contracts*
✓ *Blue Chip tenants*	× *Higher capital requirements*
✓ *Owns long-term durable assets*	× *Technology, refinancing & compute pricing risk*

Neocloud concerns have impacted Riot's trading.

Source: Bloomberg market data from October 2, 2026 – November 3, 2026, Company filings, Company earnings call transcripts, Starboard Value analysis. (1) WULF has partial exposure to neoclouds through their Fluidstack and Core42 leases. However, Fluidstack lease has a Google backstop.

Anthropic's IPO Could Represent a Catalyst for Riot…This Week!

Anthropic, Riot's largest tenant, is scheduled to price its IPO on November 18 at a ~$1.2–1.4T valuation, with trading expected the next day. With even more capital, a public stock, and additional disclosures, investors and financing sources could become even more comfortable with Anthropic as a tenant.

Anthropic IPO Overview

ANTHROP\C

NASDAQ: ANT
Initial Public Offering
~$1.2–1.4T

Estimated Pricing November 18, 2026

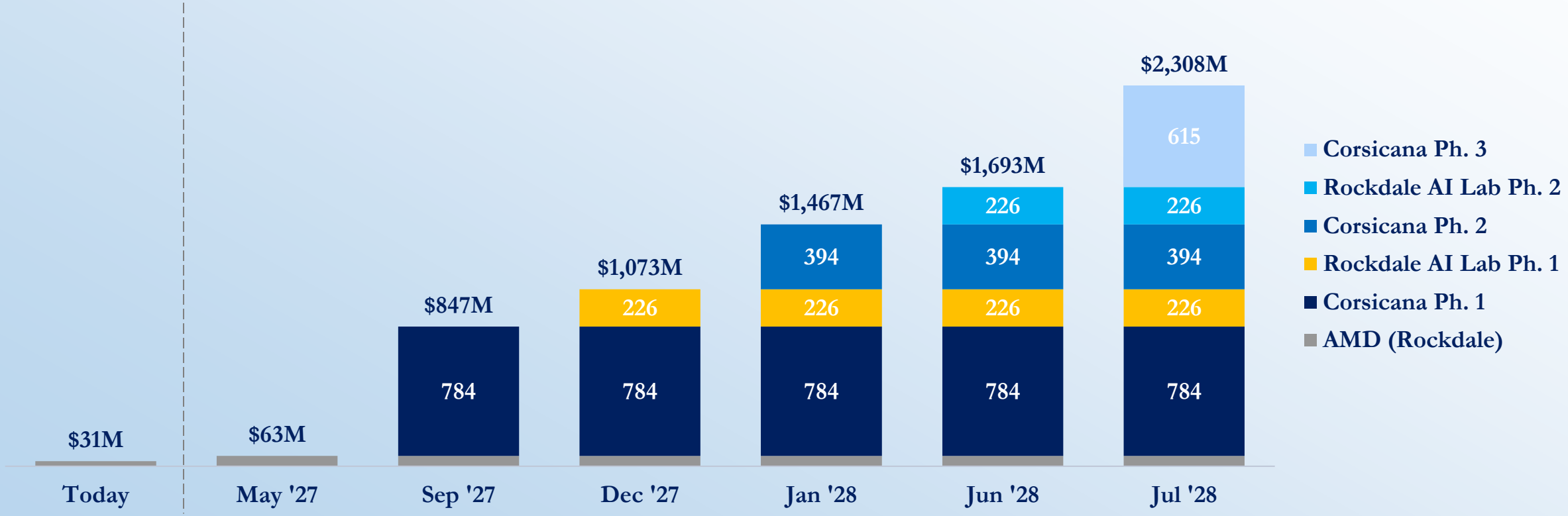
At its IPO range, Riot's tenant would rank among the ~10 largest U.S. companies.

Source: Company filings, Bloomberg, CNN, estimated market data as of November 13, 2026, Starboard Value analysis. Anthropic range reflects reported fully diluted IPO valuation as of Friday November 13, 2026.

Based on Announced Deals, Riot's Sites Can Drive ~$2.3B of Rental Income

Riot's revenue should ramp rapidly, reaching a stabilized level by mid-to-late 2028.

Expected Run Rate Rental Revenue for Signed Leases for Riot Data Center Business



We believe Riot should have a swift revenue ramp.

Source: Company filings, Company presentation, Starboard Value analysis. Corsicana excludes amortization of tenant reimbursements. Note: The rental income rate presented represents Riot's presentation of contracted rents, as of November 4, 2026 Investor Presentation and does not include future options at AMD, remaining Rockdale capacity, or Kentucky operations conversion.

Riot's Flexible Financing Options Support Strong NOI with Substantially Less Debt than Traditional Builds

If Riot chooses Path A, it will have higher NOI with more project financing. If it chooses Path B, it will have lower GAAP NOI but lower on-balance sheet debt. In either case, it will have a substantial estimated stabilized NOI.

Riot Data Center Business NOI and Capex Corsicana Financing Scenarios *(Assuming All Capacity Leased $MM)*

	Project Financing "Path A"	Rent Credits "Path B"
Revenue		
Corsicana	$1,800	$1,800
Remaining Rockdale	$174	$174
Rockdale – Anthropic	$455	$455
Rockdale – AMD	$254	$254
Total Revenue	**$2,683**	**$2,683**
(–) Amortization of TI and Rent Credit Financing	–	($534)
Lease Revenue	**$2,683**	**$2,148**
(–) Total Site Opex	**($163)**	**($163)**
NOI	**$2,520**	**$1,986**
Debt/Cash Funding Required:		
Corsicana	$5,460	$1,820
Remaining Rockdale	$1,055	$1,055
Rockdale – Anthropic	$2,197	$2,197
Rockdale – AMD	$668	$668
Total Funding	**$9,379**	**$5,739**

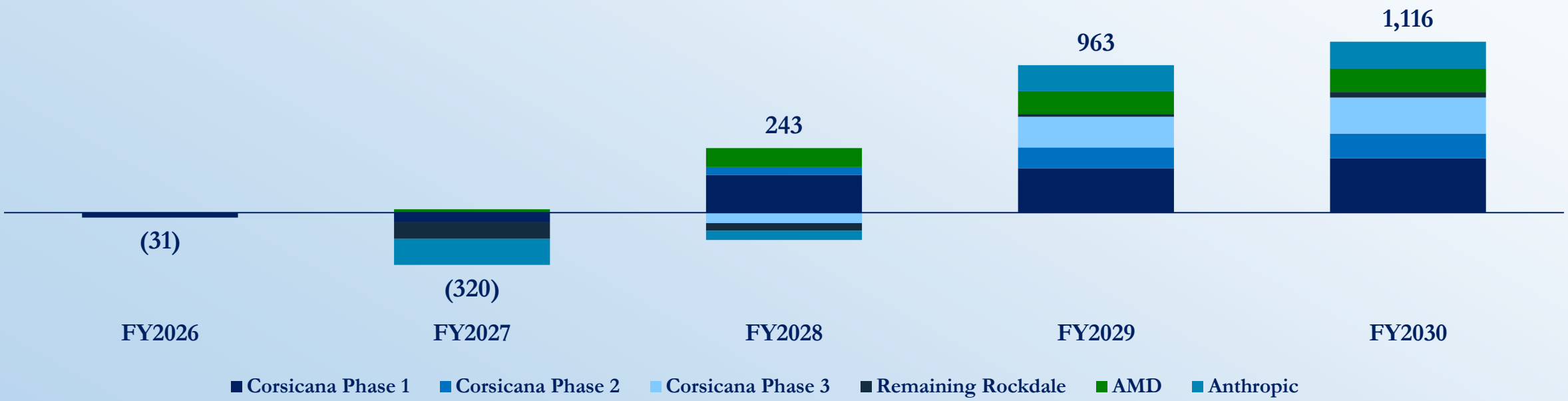
Riot's path forward is highly attractive across both Corsicana financing scenarios.

Source: Company filings, Company presentation, Starboard Value analysis. Note: Revenue, opex, and NOI represent Starboard estimates of stabilized annual lease economics at full deployment, based on publicly disclosed site-specific metrics. Path B assumes the Corsicana tenant funds $3,640M of the buildout in exchange for amortization of tenant improvement and rent credit financing of $534M. Starboard estimates for remainder of Rockdale capacity are assumed at comparable terms to Anthropic Rockdale lease. (1) "Path A" for GAAP purposes, may include ~$243M of non-cash TI amortization that is recorded as an offset to rent. Starboard's presentation of NOI is for comparability.

Riot's Cash Flow Should Also Ramp Rapidly

Execution of the current pipeline of deals for Riot can drive significant cash flow in the coming years, with strong ROI.

Illustrative Levered Cash Flow Ramp – Path B ($MM) (Assuming All Capacity Leased)



Riot's leases and phased build out should drive significant cash flow, even before construction is complete.

Source: Starboard Value analysis, Company filings, Company presentation. Note: Starboard has estimated annual revenue per MW of each deal based on publicly disclosed information from Riot. Future estimated project NOI contributions are based on public disclosures of site-specific metrics and public precedent deal transaction metrics. Levered Cash Flow represents cash flow to Riot from data center projects, net of project-level debt issuance, but after interest expense and capex.

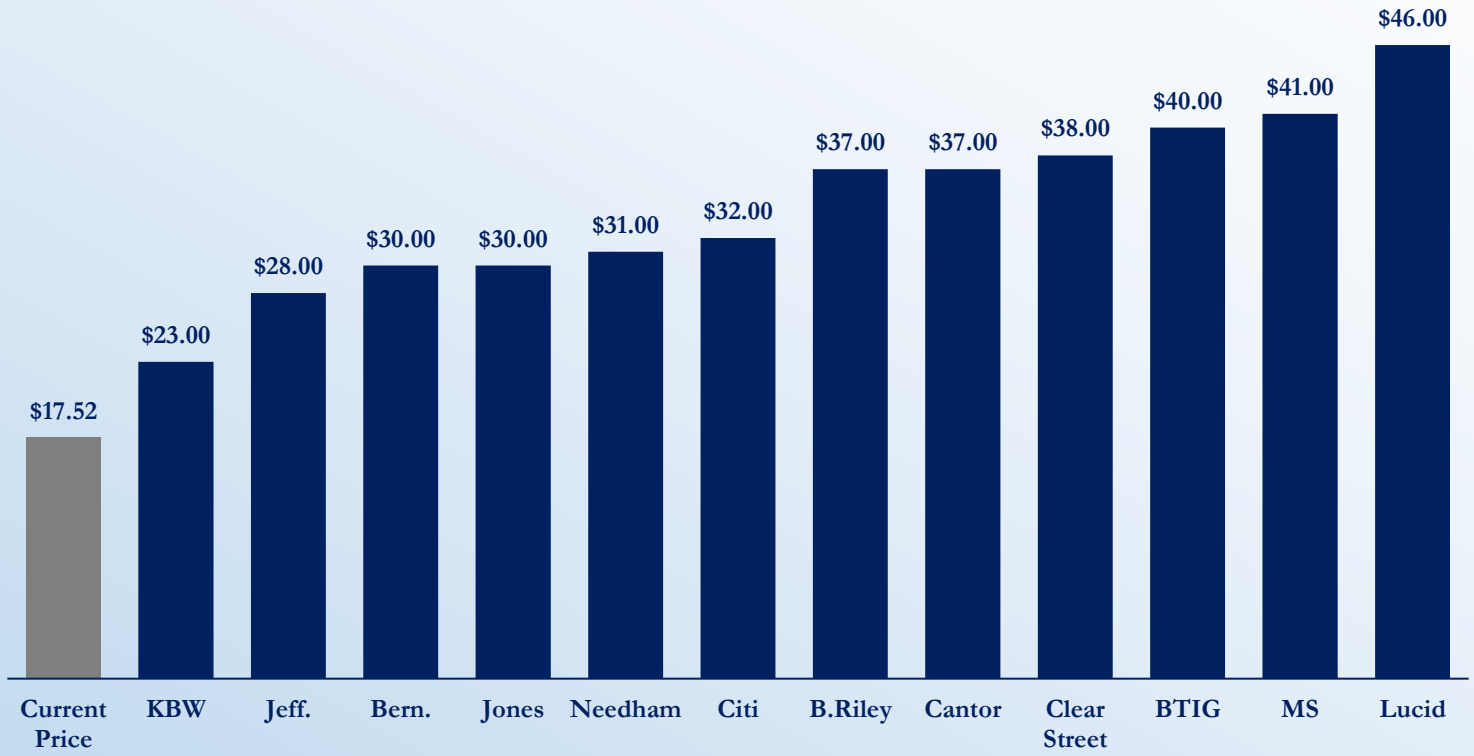
Various Valuation Methodologies Show Substantial Upside

Current peer multiples and sell-side valuations, which are based on a variety of DCF, cap rate, and multiples-based methodologies, imply prices well above Riot's current share price.

Illustrative EV / EBITDA Valuation ($MM)

	Path A	Path B
RIOT AI/HPC NOI (less amort. TI & rent credits)	$2,520	$1,986
(-) Illustrative Corporate Expenses [1]	(200)	(200)
Riot AI/HPC EBITDA	**$2,320**	**$1,786**
(x) Peer PF AI/HPC Multiple	13.0x	13.0x
Enterprise Value ($MM)	$30,156	$23,214
(-) Debt/Cash Funding Required	($9,379)	($5,739)
Equity Value ($MM)	**$20,777**	**$17,475**
(÷) Diluted Shares Outstanding	415.2	415.2
Pro Forma Share Price	**$50.04**	**$42.09**
(+) Legacy Business Value ($ per share) [2]	$1.78	$1.78
Pro Forma Share Price	**$51.83**	**$43.87**

Sell-Side Price Targets Updated Post-Corsicana Announcement



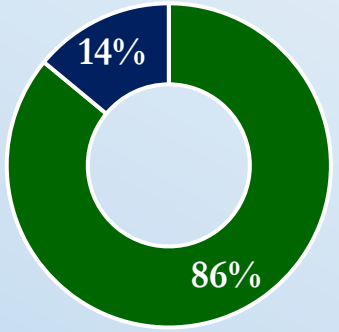
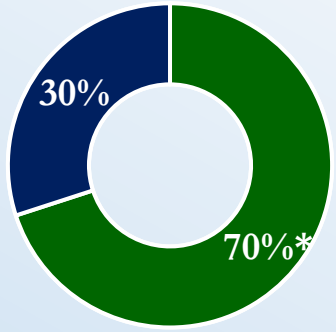
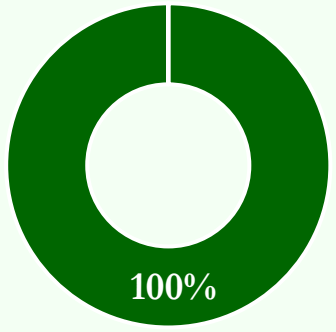
Various valuation methodologies show significant upside.

Source: Company filings, Company presentation, Starboard Value analysis, Market data as of November 13, 2026. Note: Price targets by respective brokers and have not been adjusted by Starboard and represent published/updated price targets following the Corsicana announcement as of November 13, 2026. (1) Represents estimated corporate expense based on stabilized NOI of Riot Platforms. (2) Legacy Business Value includes current cash and bitcoin balance, less debt and estimated GMO liabilities. Does not include additional value for runoff of the Bitcoin business, disposal of Bitcoin assets, or ESS Metron, which is cash flow positive and may represent additional upside.

Riot's Lease Portfolio Should Be Highly Attractive if Converted or Sold to a REIT

While Riot would lack the diversification of a typical REIT, Riot's portfolio could be very attractive relative to other REITs on several important metrics, potentially making it an attractive acquisition target.

Data Center Portfolio Comparison

	DLR	EQIX[1]	Illustrative RIOT
Owned / Fee Simple		 **Includes properties that are ground-leased*	
Avg. Remaining Lease Term	~4 Years remaining	ND Not disclosed	~15+ Years
Pipeline Lease Term	~12-17 Years excluding options	ND Not disclosed	~15-20+ Years with options

We believe Riot's leased portfolio characteristics would be very attractive on a relative basis.

Source: Public company filings, Starboard Value analysis. Note: Starboard has identified DLR and EQIX as the relevant peer set for comparison with RIOT given comparable category mixes. Starboard believes these provide appropriate peer comparisons. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included. (1) Represents % of run rate reported revenue.

A REIT Conversion Can Unlock Even More Value

Riot has the long-term, contracted cash flow from a high-quality tenant base.

Why Riot Fits the REIT Model



$2B+ of normalized NOI, all from high-quality tenants
Long-term contracted rents



15-20+ year leases with options
Longer duration than peers



Fee-simple owned land, power, and infrastructure
Real property / rental income



Close to fully contracted footprint
Cash flow visibility to support a growing dividend

What a REIT Conversion Unlocks?

- Access to Lower-Cost Capital
- Tax Efficiency
- Larger Investor Base

We believe a REIT conversion is a potential second unlock in creating value for Riot shareholders.

Source: Company filings, Company presentation, Starboard Value analysis.

We Believe a REIT Conversion Can Unlock Even More Value

A REIT conversion would unlock more of Riot's value and open the stock to a broader investor base.

Potential REIT Conversion

Completed!

Convert Corsicana LOI to a signed lease

November 4, 2026

We believe a REIT conversion helps maximize value for Riot shareholders.

Source: Company filings, Company presentation, Starboard Value analysis.

We Believe a REIT Conversion Can Unlock Even More Value

A REIT conversion would unlock more of Riot's value and open the stock to a broader investor base.

Potential REIT Conversion



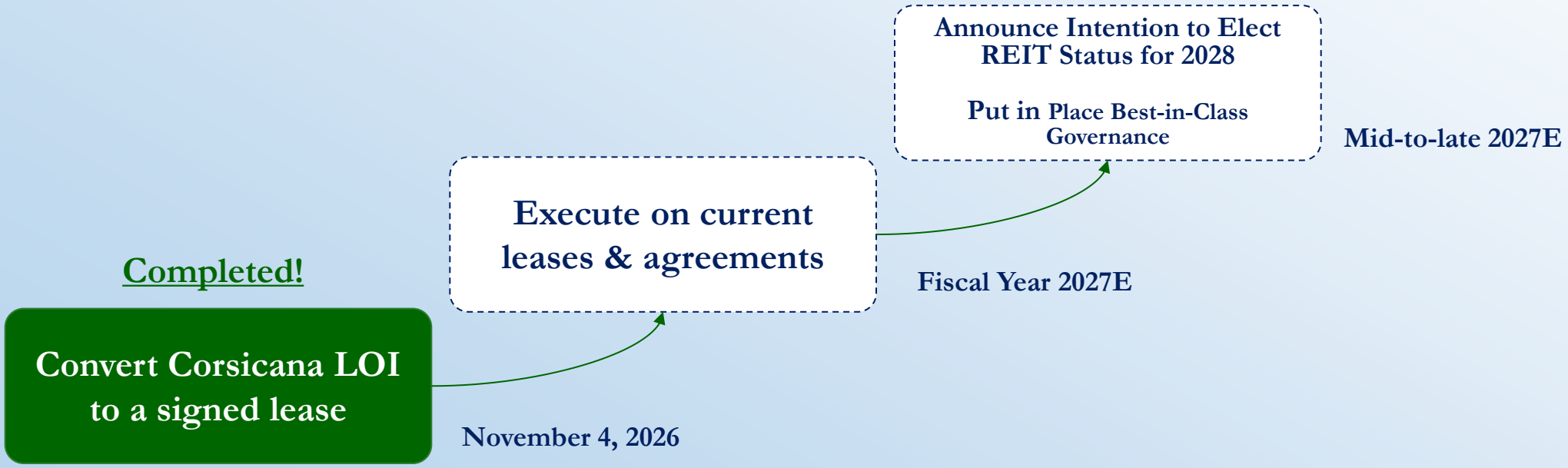
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Potential REIT Conversion



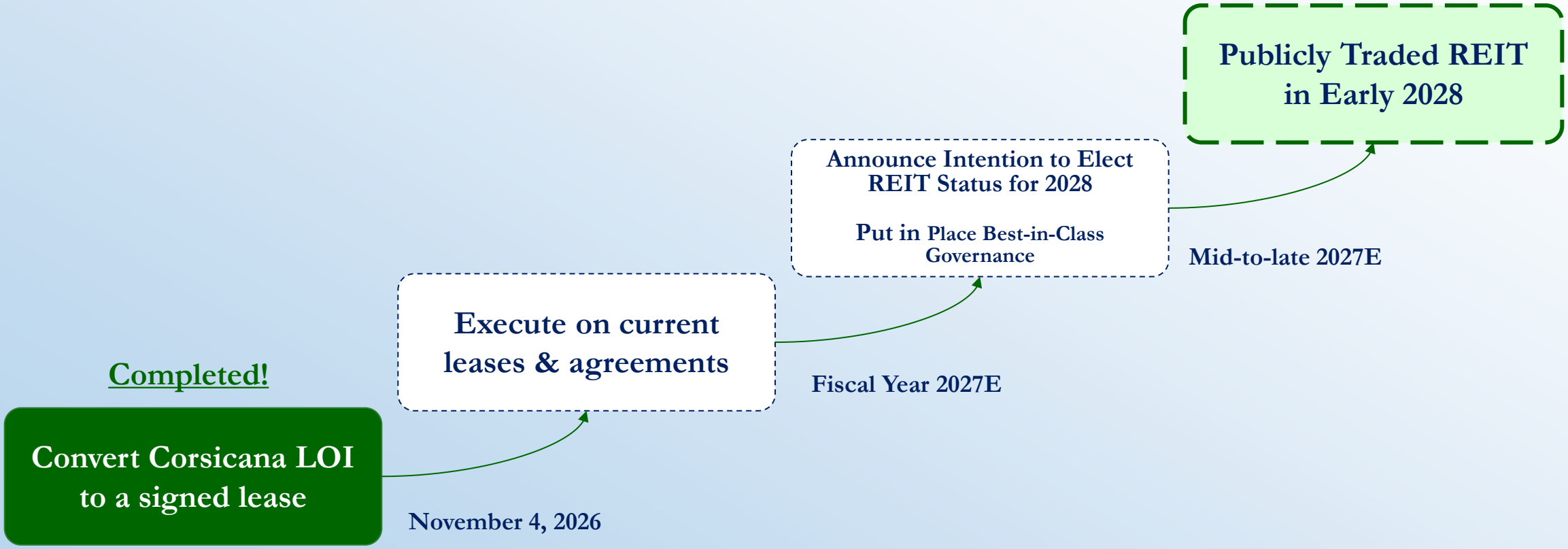
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A REIT conversion would unlock more of Riot's value and open the stock to a broader investor base.

Potential REIT Conversion



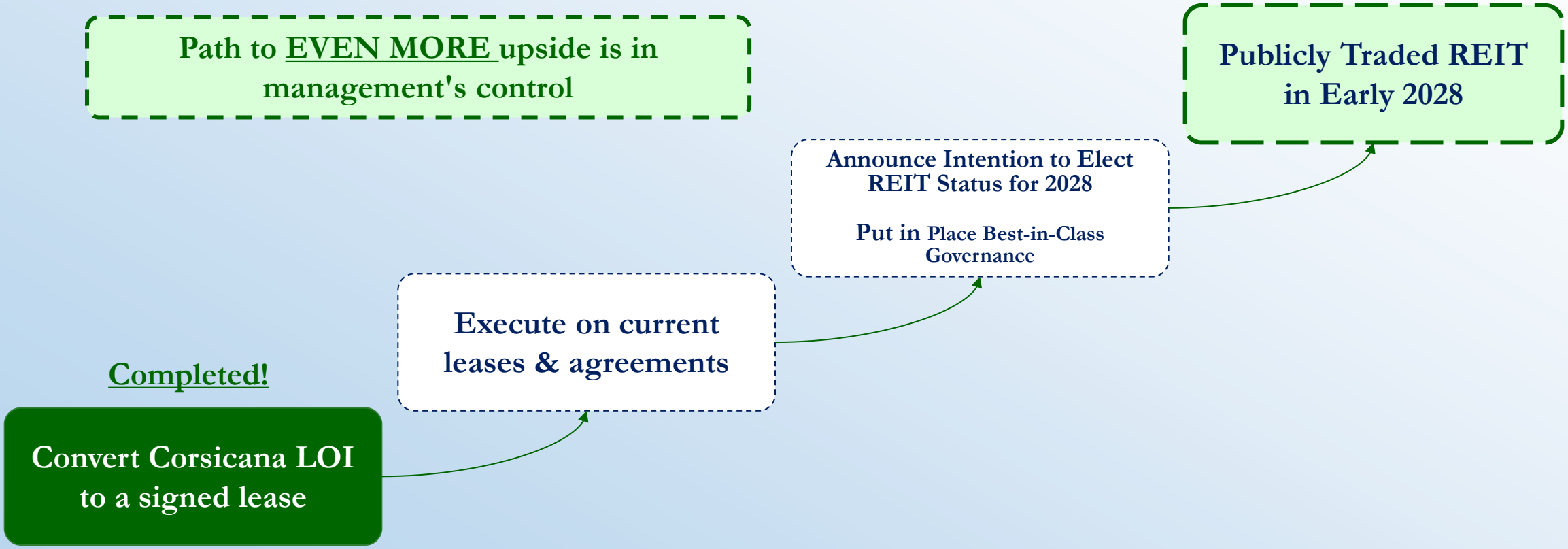
We believe a REIT conversion helps maximize value for Riot shareholders.

Source: Company filings, Company presentation, Starboard Value analysis.

We Believe a REIT Conversion Can Unlock Even More Value

A REIT conversion would unlock more of Riot's value and open the stock to a broader investor base.

Potential REIT Conversion



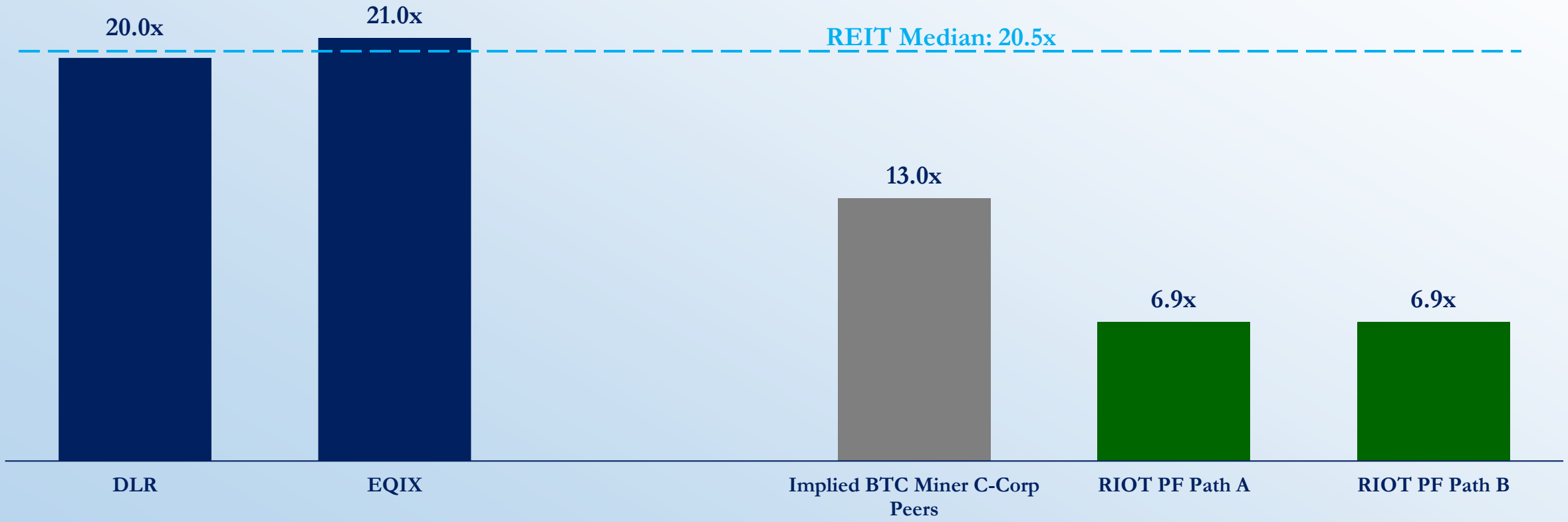
We believe a REIT conversion helps maximize value for Riot shareholders.

Source: Company filings, Company presentation, Starboard Value analysis.

Even More Upside Could Come from a REIT Conversion…

Data-center REITs command premium valuations due to their long-term, contracted cash flows and tax advantages. Fully converting to a REIT could broaden Riot's investor base and support meaningful multiple expansion.

Data Center REIT 2027E EV/EBITDA Multiple



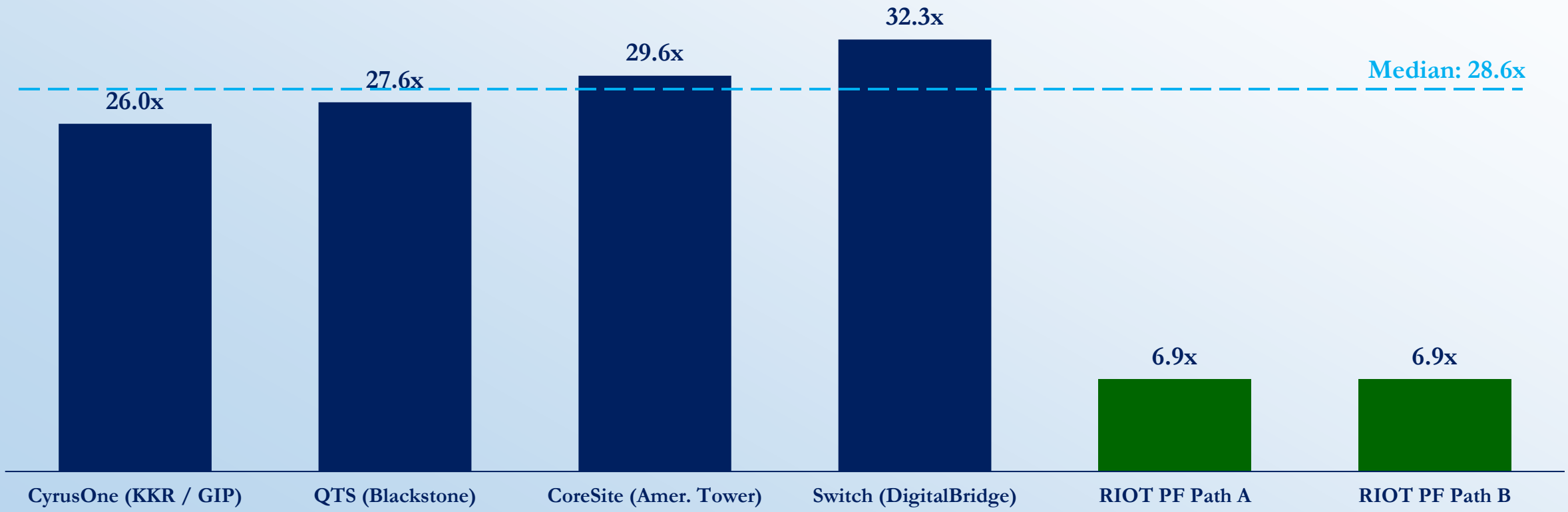
There is an additional value creation opportunity for Riot from a potential REIT conversion.

Source: Company filings, Company presentation, Starboard Value analysis, Bloomberg market data as of November 13, 2026. Note: Starboard has identified DLR and EQIX as the relevant peer set for comparison with RIOT given comparable category mixes. Starboard believes these provide appropriate peer comparisons. Starboard has identified HUT, CORZ, WULF, CLSK, CIFR, and APLD as the relevant BTC miner peer set. Starboard's analysis represents estimated pro forma trading multiple of Riot for their portfolio fully leased at publicly disclosed economics. Similar peers in the space trade at ~13.0x EBITDA using the same methodology. BTC miner peer multiple represents Starboard estimates based on publicly disclosed stabilized NOI for contracted deals and EV inclusive of estimated future remaining pipeline capex obligations. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

…Or a Sale to a Public or Private REIT or Infrastructure Fund

There has been consolidation in the data center space, and we believe Riot could be highly attractive to potential acquirers.

Private Data Center Precedent Transactions vs. Riot Pro Forma (EV/LTM EBITDA)



Value could also be realized in a transaction.

Source: Company filings, Company presentation, Starboard Value analysis, Bloomberg market data as of November 13, 2026. Precedent transaction multiples represent EV/ LTM EBITDA multiples. Note: Starboard's analysis represents estimated pro forma trading multiple of Riot for their portfolio fully leased at publicly disclosed economics & comparable deals. This presentation is a determination that is subject to a certain degree of subjectivity. As the full universe of potential peers is not listed here, the comparisons made herein may differ materially if other firms had been included.

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