

Chatrier Value Fund

Investor Letter Q4 2025

Value Strategy

December 31, 2025

Top 10 Positions (in %)

1.	SEABOARD (SEB)	6.9 %
2.	HAL TRUST (HAL.AS)	5.0 %
3.	SWATCH GROUP (UHR)	4.1 %
4.	VALTERRA PLATINUM LTD (ANGPY)	4.1 %
5.	NOKIAN RENKAAT (NRE.HE)	3.5 %
6.	ASHMORE GROUP (ASHM.L)	3.3 %
7.	NOVO NORDISK (NVO)	3.3 %
8.	WINPAK (WPK.TO)	3.0 %
9.	IMASEN ELECT. (7266.T)	2.8 %
10.	SK KAKEN (4628.T)	2.7 %
Sum		38.7 %

Percentages rounded as of: 12/31/2025

Portfolio Changes

New pos.	MARTEN TRANSP. (MRTN)
New pos.	ADOBE (ADBE)
New pos.	YUSHIN CO. (6482.T)
Added	TFF GROUP (TFF.PA)
Added	PERNOD RICARD (RI.PA)
Added	HEARTLAND EXP. (HTLD)
Added	NOVO NORDISK (NVO)
Added	STURM RUGER (RGR)
Added	RESOURCES CON. (RGP)
Added	UTAH MEDICAL D. (UTMD)
Reduced	VALTERRA PLAT. (AGNPY)
Reduced	SEABOARD CORP. (SEB)
Reduced	INTEL CORP (INTC)
Sold	FRESNILLO PLC (FRES.L)
Sold	ROCHE HOLDING (RO.SWX)
Sold	PACIFIC METALS (5541.T)

Notable events

2025 is shaping up to be the strongest year since the launch of the fund.

Commodity stocks were among the strongest contributors.

Portfolio reallocations toward US trucking, spirits, selected small caps and fallen growth stocks.

Dear Fellow Investors,

Chatrier Value Fund (share class Q-USD) finished the fourth quarter with a return of 5,32%, bringing the 2025 performance to 42.26%.

Annual Performance Review and Portfolio Analysis

Chatrier Value Fund had a strong year in 2025, outperforming global equity indices. Importantly, this performance was achieved without exposure to the expensive Mag7 stocks, highlighting the effectiveness of our active, value-oriented investment approach.

In 2024, we highlighted the large valuation discounts across many holdings in the portfolio. Over the course of 2025, the expected recovery materialized. A key driver of performance was our positioning in the commodities sector, where Fresnillo, Valterra Platinum and Sumitomo Metal Mining were among the most significant contributors. This is also summarized in Figure 2, which highlights the top contributors.

A particular highlight was Fresnillo PLC, which was a top three position throughout the year. As the world’s leading silver producer, the stock benefited disproportionately from the strong spike in silver- and gold prices. The fund also benefited from a strong operational turnaround in its largest position, the U.S. agricultural and maritime transport group Seaboard Corp. After having weighed on performance in the prior year and trading for a 50% discount to book value at the start of 2025, improving margins in the meat processing segment drove the expected re-rating.

Fig. 1: Annual Return of CVF (Past 5 Years)

Year	Annual Return
2025	42.26%
2024	-6.75%
2023	13.20%
2022	-3.54%
2021	10.35%
2020	23.65%
Average Annual Return 2020-2025	14.67%
Cumulative Return 2020 - 2025	114.70%

Fig. 2: Top Performance Contributors 2025:

Performance Contributor	Net Contribution
Fresnillo (FRES.L)	11.03%
Seaboard Corp (SEB)	4.44%
Valterra Platium (ANGPY)	4.02%
Sumitomo Metal Mining (5713.T)	1.78%
Total Contribution	21.27%

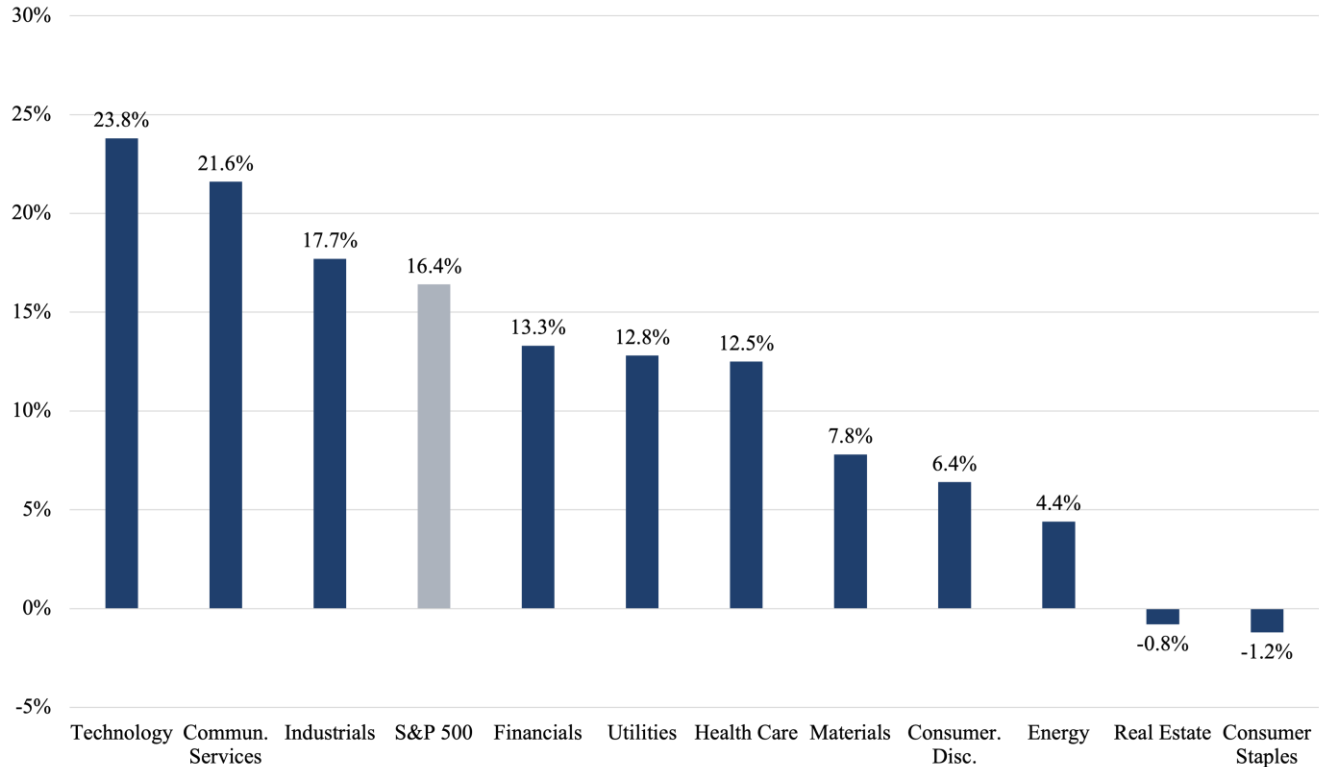
Fig. 3: Top Performance Detractors 2025:

Performance Detractors	Net Contribution
Resources Connection (RGP)	-0.99%
FutureFuel Corp (FF)	-0.95%
Silicom Ltd. (SILC)	-0.88%
Brown-Forman Corp. A (BF.A)	-0.55%
Total Contribution	-3.37%

Performance detractors during the past year were mainly small-cap positions, including Resources Connection, FutureFuel and Silicom Ltd. Although these positions were purchased with a margin of safety close to liquidation value, modest deteriorations in fundamentals caused them to reach new historical valuation lows and they are now trading at even wider discounts to their net current asset value.

Performance was also negatively impacted by our stake in the family-controlled whiskey producer Brown-Forman. In 2025, the spirits sector emerged as the weakest segment within the already challenged consumer goods market, which ended the year as the worst-performing sector in the S&P 500.

Fig. 4: 2025 Sector Returns vs. the S&P 500



Portfolio Update

During the fourth quarter, we consequently adjusted the portfolio to reflect the changing market environment. Once again, a key focus was placed on contrarian allocations in stocks that were temporarily under price pressure and in some cases, trading at substantial discounts to their intrinsic value.

„The first rule of fishing is fish where the fish are.” (Charlie Munger)

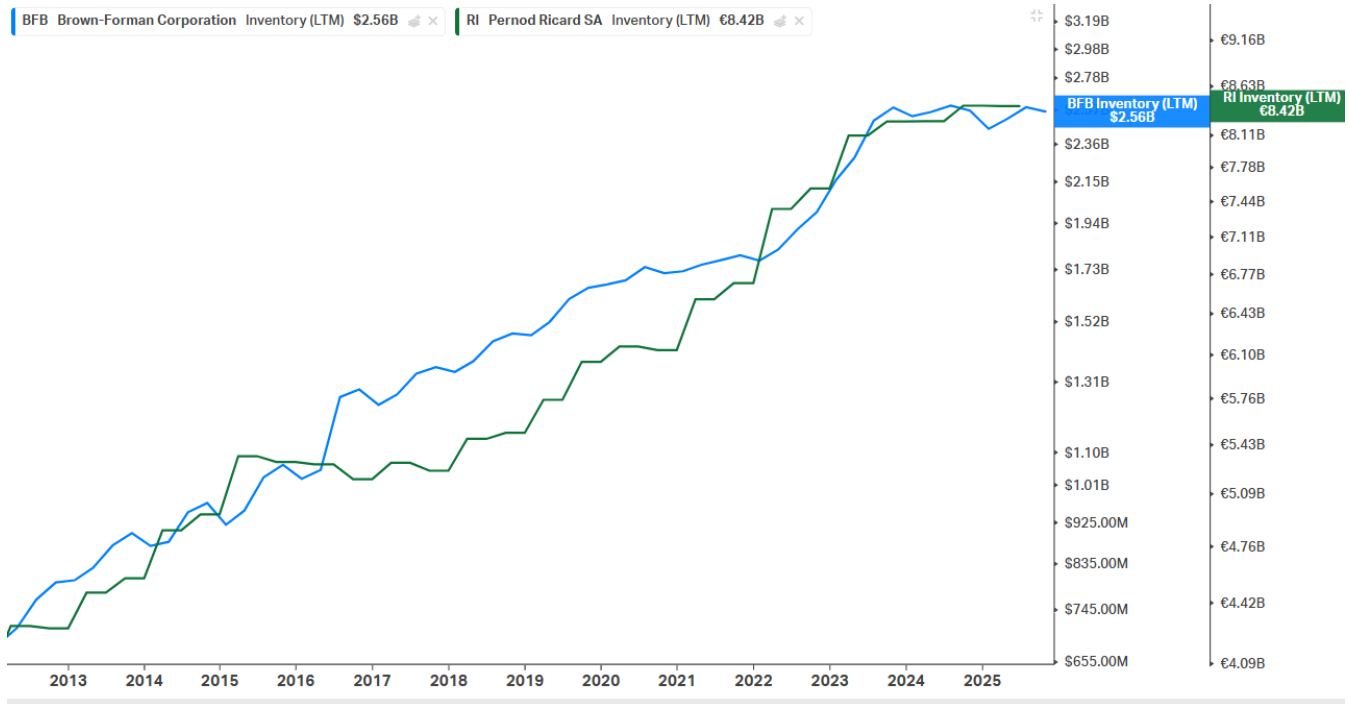
Against this backdrop, we increased our exposure to the U.S. trucking sector. We initiated a new position in the family-owned logistics company Marten Transport and added to our existing exposure in Heartland Express.

Our positioning benefits from historically low freight rates amid weaker utilization. Tighter licensing requirements are expected to reduce excess capacity, supporting freight rates for quality focused market leaders over time.

We also added to positions in the following areas:

- Spirits and suppliers: Increased exposure at attractive valuation levels through additions to TFF Group and Pernod Ricard.

Fig. 5: Inventory Development at Brown-Forman and Pernod Ricard, 2012–2026



- Wonderful companies at a fair price: We added to Adobe and Novo Nordisk, two former growth stocks whose valuation levels have normalized to more sustainable levels following a more challenging market environment.

Geographically, the portfolio is underweight the United States relative to global equity indices, with higher exposure to Europe, Japan and Emerging Markets. In recent years, Japan has been a key source of net net opportunities within the portfolio. As valuations in this segment moved higher, our focus gradually broadened to other regions, while selectively continuing to pursue opportunities in Japan such as Yushin Co.

“Be greedy when others are fearful and be fearful when others are greedy.” (Warren Buffett)

We exited positions where the risk return profile had become less compelling.

- Fresnillo PLC: Following the sharp increase in precious metal prices, Fresnillo’s valuation expanded from a level close to book value in 2024 to more than nine times book value. We therefore reduced the position progressively over the course of the quarter and fully exited it around year end. Since the fund’s inception, Fresnillo has been the single largest contributor to performance on a percentage basis. At current valuation levels, we prefer to reallocate capital into lower risk alternatives.
- Additional sells: To generate liquidity for new investments, we exited Pacific Metals and Roche Holding.

Fig. 6: Fresno PLC: Price-to-Book Ratio Since 2008



New Position - Marten Transport (MRTN)

Our position in Marten Transport complements the existing holding in Heartland Express (HTLD) by adding a specialized provider in temperature-controlled transportation. While Heartland Express focuses on dry freight and a highly standardized network, Marten Transport operates in a more defensive segment with structurally higher barriers to entry. The transportation of temperature-controlled goods requires specialized equipment, stable customer relationships and operational reliability, resulting in lower substitutability among service providers.

Overview
(Figures in USD million)

Business Model
Headquarters
Largest Shareholder
Market Cap at Purchase
Avg. Price / Book (last 20 years)
Net Cash Position
Price / Book at Purchase



Temperature-controlled logistics and transportation services
US
The Marten Family
950
1.8x
43
1.2x

Marten Transport is controlled by the founding family, which holds a majority of the voting rights and appoints William J. Marten as CEO. This ownership structure is reflected in a very conservative capital allocation approach. The company is debt-free, maintains a net cash position and has used the current downturn in the U.S. trucking market to modernize its fleet.

Fig. 7: Marten Transport Trucks



Operationally, Marten Transport has historically been characterized by stable margins and reliable cash flows across the cycle. The current earnings decline is primarily cyclical in nature and reflects the presently weak freight environment in the United States.

Book value per share has increased from USD 2.90 in 2009 to USD 9.34 most recently, corresponding to an average annual growth rate of approximately 7.6%. We acquired the shares at around 1.2x book value, compared with a long-term average valuation of roughly 1.8x book value. In our view, this valuation is inconsistent with the company's balance sheet quality, defensive market positioning and its ability to return to prior earnings levels once freight markets normalize.

New Position - Adobe (ADBE)

Adobe's share price has declined significantly in recent months, as the market has begun to price in the risk that generative AI could, over the long term, be perceived as a competitive threat to certain product categories. In our view, this development overstates the actual risks. Adobe primarily serves enterprise customers and is deeply embedded in workflows. The business model is characterized by high levels of recurring revenue and strong customer retention.

Operationally, Adobe has generated very high returns on capital for many years, with a return on assets of 18%. At the same time, the company operates with a capital-light business model, generates substantial free cash flow and allocates a significant portion of this cash flow to ongoing share repurchases. We built the position at around 12x earnings, representing a meaningful gap from historical valuation levels and, in our view, not adequately reflecting the structurally robust nature of the business model.

Overview (Figures in USD billion)	Adobe
Business Model	Subscription-based software for digital content creation and document workflows
Headquarters	US
Category	High Quality Companies
Market Cap at Purchase	127
Price / Free Cash Flow at Purchase	13.1x
Avg. Price / Free Cash Flow (last 20 years)	24.2x
Balance Sheet	No debt
Return on Assets (ROA)	18%
Key Characteristics	Capital light business model with high free cash flows and ongoing share repurchases

New Position – Yushin Company (6482.T)

Yushin Company develops and manufactures take-out and automation systems for injection molding machines, which are used globally in plastics processing. Book value per share has increased steadily since 2006, rising from approximately JPY 450 to around JPY 1,034, corresponding to an average annual growth rate of about 4.5%. Despite this progress, the shares are currently trading at only 0.7x book value, compared with a long-term average valuation of approximately 1.4x book value.

Overview (Figures in JPY billion)	YUSHIN
Business Model	Automation systems for injection molding machines
Headquarters	Japan
Category	Net Net
Market Cap at Purchase	26
Avg. Price / Book (last 20 years)	1.4x
Price / Book at Purchase	0.7x
Net Cash Position	12.6

Fig. 8: Yushin Company (6482.T): Price-to-Book Ratio (P/B) and Book Value per Share Since 2006



The current valuation discount largely reflects weaker demand for automation solutions used in injection molding machines in recent quarters. Lower investment activity in plastics processing, uncertainty in the Chinese end market and temporary margin pressure have weighed on recent results. In our view, these factors are predominantly cyclical.

As always, comments, questions or feedback are welcome.

Best Regards,
 Chatrier Value Fund Team

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