June 30th, 2026

Dear Owner,

The funds' performance in 2025 was:

Fund	2025 Return
Conviction F	21.81%
Conviction V	23.65%
Resilience	5.42%
Focus	12.53%

Annualized 5-Year Potential

Focus, Conviction →
Resilience →

>20%
15-20%
10-15%
5-10%
<5%

The companies that added and subtracted the most performance for each fund were:

CONVICTION		RESILIENCE		FOCUS	
Nebius +10.9%	Shift4 -3.0%	Perimeter S +6.3%	RH -3.9%	Nebius +3.7%	ClearPoint -7.2%
Celsius +3.6%	DFH -2.6%	Alibaba +2.8%	Shift -2.5%	Nu Holdings +3.5%	Shift4 -1.8%
Nu Holdings +2.9%	Clearpoint -2.0%	Medpace +2.7%	Ryman Hc -1.4%	StoneCo +2.6%	DF Homes -1.1%

Why we focus on culture

*"**Bet on people, not on companies**. Companies can do well or poorly through periods, but **great people always stay great**."* Dara Khosrowshahi, CEO of Uber, on what he learned from his mentor Herbert Allen.

There are two reasons why the **culture** (personality) of a company is **the cornerstone of how we invest** at Rolnik. The first is because **it's the easiest thing to predict**. Investing alongside unique founders and teams gives us peace of mind, because exceptional people never change. Businesses, on the other hand, **change constantly** due to new competitors entering the market, innovation, regulation, technology, changing consumer tastes, and so on. If we only focused on the businesses, it would be much harder to know which ones will still dominate their markets 10 years from now. It gives us confidence to know that the founders we invest with **can navigate all these changes and adapt**. That's why it's essential to study and truly understand them. A company is essentially a group of people making use of a certain amount of capital to solve a problem for society. The other assets matter, but **people are the key**.

The second reason we focus on culture is because **it's the most defensible competitive advantage.** It's the last thing that can be copied. Competitors can copy your products, processes, technology or poach someone from your team. What **they can never copy** are **your principles, values, and ways of doing things**. Exceptional companies often openly share the secrets of their success, and yet their rivals still can't take market share from them. No matter how well they know what needs to be done and what works, if it doesn't fit their personality and way of doing things, they won't be able to replicate it.

Second act

A dynamic we like is finding **founders in their second act**. They've already succeeded at a previous company and are now going for more. These second acts **may look like new companies**, but the principles, values, and ways of operating have already proven effective. This means **the probability of success in the second stage is very high**, much higher than at a genuinely new company. They have perfected the formula, and carry the experience and lessons learned from the mistakes of the first act.

One example of a second act is **Nebius** (NBIS, held in Conviction and Focus). **Arkady Volozh** founded **Yandex** in 1997, and it soon became the leading online search engine in Russia ("the Russian Google"). The Dutch parent company began trading on the Nasdaq in 2011. With Russia's invasion of Ukraine in 2022, the company came under heavy pressure from Western countries to keep operating there. In 2024 they sold the Russian business to a group of local investors for $5 billion. The remaining non-Russian businesses stayed within the Dutch parent company, which was renamed Nebius. Its core business is providing **infrastructure and data centers designed specifically for AI-native companies**.

There is a differentiator versus AWS, Azure, and GCP, in that **the architecture and cost required to maintain GPU clusters** (graphics cards designed by NVIDIA that are essential for AI models) **are very different from those of CPU clusters** (the kind found in traditional data centers). So much so that Microsoft itself (which owns Azure) has signed a contract with Nebius worth more than $17 billion over 5 years to secure capacity. Meta has also signed one that could reach up to $27 billion over the next 5 years. Demand is so high that all capacity is sold out before a new data center even finishes being built. The company also holds **significant stakes in 4 smaller technology companies that it can monetize** whenever it needs to fund its growth. It began trading again in late 2024. Amid the broad market sell-off last April driven by Trump's tariffs, we were able to buy shares at $22/share. Today it trades above $200.

Another example of a second act is **Perimeter Solutions** (PRM, held in Resilience), founded by **Nick Howley** and **William Thorndike**. Howley founded **Transdigm** (TDG), an aircraft components company, in 1993. Since going public in 2006, TDG has compounded at 28% annualized, multiplying its share price **150-fold**. Thorndike is an investor and the author of **"The Outsiders"**, one of the leading references on strong cultures and management. The two partners have teamed up to apply **the same TDG strategy to industrial companies** beyond the aerospace industry. The idea is to bring together different companies under a decentralized structure. Their acquisition criteria is to find businesses that are essential to their customers (while representing a small % of those customers' cost structure), industry leaders, with growth ahead of them. Once acquired, the playbook is to apply their operating methods, allocate capital efficiently, decentralize management, and align incentives. They started with **products for fighting fires, and lubricants**. Since we invested in 2024, they've acquired IMS (a maker of integrated circuit boards) and MMT (precision machinery for the healthcare sector). In all these businesses, as with TDG, **the spare parts and refill market is very important, which brings stability and makes the business countercyclical**. The icing on the cake is that one of the principles of their culture is "*Think and act like owners*". We built the position at around $12 per share.

Celsius (CELH, held in Conviction)
It's the **third-largest energy drink group in the US,** behind Red Bull and Monster. It has positioned itself as the reference brand in the **fitness/healthy** segment. In 2025 it closed the **acquisition of the 4th-largest player** in the sector, Alani Nu. The company is currently in the process of **internationalizing**, which represents a major opportunity. In the beverage industry, distribution is essential. It's very hard to grow if people don't repeatedly see your products at the points of sale they frequent. That's why it signed a distribution agreement with Pepsico in 2022, which has exponentially increased its visibility ever since.

Its CEO, **John Fieldly**, has been with the company for 14 years. Although he didn't found it, he has made it his own during this time (Joe Burnett, CEO of Clearpoint, is a similar case). In 2016, the board of directors began searching for a new CEO. Fieldly, who was then CFO, asked for the chance to present his vision and ended up landing the job. We added most of the position at around $22-27 per share. You can find its drinks in Spain since April thanks to a distribution agreement with Suntory.

Clearpoint Neuro (CLPT, held in Conviction and Focus).

A **medical device company** we already discussed in our 2023 annual letter. The share price has seen very sharp swings in recent months. In October 2025, its client Uniqure announced that its drug AMT-130 **reduces the progression of Huntington's disease by 75% after 3 years** of treatment. This would be **the first available treatment** for a devastating genetic disease that causes the deterioration of brain cells. The FDA, the US health regulator, gave the green light for accelerated approval, and commercial launch was planned for this year. In March 2026, in a **fairly controversial reversal**, the FDA required Uniqure to carry out a Phase 3 clinical trial, which would significantly delay the commercial launch. In June 2026, the FDA changed its mind again, and it now appears it will ultimately grant accelerated approval. CLPT shares went from $10 to $30 in October on the news about the treatment's efficacy. In March 2026 they fell back below $10 after the regulator's first reversal, and with the second reversal in June they rose again above $18.

This suggests **the market is assigning most of CLPT's future value to the approval of AMT-130**. It's true this would be the first major approval of this kind of therapy for one of its clients (in 2024 there was an approval for a minor indication). But this assigns almost no value to the rest of the business. CLPT has **more than 60 biopharma clients developing drugs for another 20 diseases with far larger affected populations**, such as Alzheimer's, dementia, Parkinson's, ALS, or glioblastoma. The current business of brain navigation, laser, and clinical trials keeps growing and justifies the current valuation without the need of any approval at all. The optionality provided by all its clients' innovative gene and cell therapies brings **enormous asymmetric potential** to our investment in CLPT. We believe the company will be orders of magnitude larger over the next 10-20 years.

Medpace (MEDP, Resilience)
Founded by **August Troendle** in 1992, it provides **clinical trial services to biopharma companies** (like CLPT's clients). These companies focus their efforts on developing the compounds needed to cure diseases. To navigate a clinical trial from start to finish, they need to rely on an experienced CRO (clinical research organization) to provide services and support them through the process.

MEDP has been doing this work spectacularly well **for 34 years**. Since going public in 2016, its revenues have multiplied 7-fold, its profits 25-fold, and **its share price**, which **always follows the company's results over the long term**, 20-fold. The key, as always, is to take advantage of sharp swings in multiples (the multiplier the market assigns to a company's earnings to set its price) that affect the share price in the short term. By acting with conviction when they move in our favor, and being patient when they move against us.

The biopharma sector is cyclical, since these companies depend on the capital markets to finance themselves in their early stages. Between mid-2024 and mid-2025 the share price fell amid a slowdown in the company and across the sector. **MEDP's underlying value was much less affected than the price movement suggested**, so we took the opportunity to buy at around $300 in Q2 2025. We sold the position when it rose rapidly to $600 by year-end, when the price became less attractive.

Potential

With the price declines we've seen since October 2025, we've been able to buy a lot of high-quality companies we've been following for a long time. They're trading at the lowest prices (multiples) they've had in the last 5-10 years and, in some cases, since they went public. **The upside potential across all three funds is at its highest level in the last 3 years**.

Principles

We've added our principles at the end of this letter. They are the distillation of **how we think and how we aspire to act, day after day,** at Rolnik. The companies we invest in tend to share several of the ideas these principles are built on.

Save, multiply, wait, and enjoy.

Jaime Carrasco Houston
CEO/CIO

ROLNIK PRINCIPLES

OWN IT ZERO EXCUSES. WE LEARN FROM OUR MISTAKES.
We take ownership of the companies we invest in, and also of who we are and what we do, including our mistakes and weaknesses.

OBSESS THE ONLY WAY.
Doing something extremely well takes up most of your time.

PAY THE PRICE CHOOSING MEANS SAYING NO TO EVERYTHING ELSE.
Every action carries opportunity costs that we are aware of and accept.

CARE WHEN SOMETHING MATTERS TO YOU, YOU TAKE CARE OF IT.
Culture comes from the Latin word "cultus," meaning "to cultivate." For something to grow and endure, every detail must be attended to, every day.

OPT IN YOU DECIDE.
Everyone chooses how involved they want to be. Dedication is shown by doing more than what's required.

THINK LONG WE THINK IN DECADES, NOT MONTHS.
Most problems come from prioritizing things with short-term benefits but bigger downsides in the long run.

EAT WHAT YOU COOK OUR SAVINGS ARE IN ROLNIK.
We are all-in with our funds for two reasons: because we have conviction in our investment approach and because we want to be fully aligned with our fellow Owners.

SIMPLIFY
Complicating something is easy. Making it simple requires creativity and a deep understanding to eliminate the non-essential.

HUNGER SCOREBOARD ALWAYS AT ZERO.
The moment we're satisfied with our achievements and become complacent, we lose.