

October 2026

	1Q 2026	2Q 2026	3Q 2026	YTD	1-Year	Cumulative Since Inception*	Annualized CAGR Since Inception*
Minot Light Capital Appreciation Fund (Gross)	-2.7%	26.2%	-5.7%	15.8%	18.3%	47.5%	21.5%
Minot Light Capital Appreciation Fund (Net)	-2.7%	21.5%	-4.7%	12.6%	14.6%	35.5%	16.4%
Russell 2000	0.9%	21.6%	-7.2%	13.9%	16.4%	28.9%	13.5%
iShares Micro-Cap ETF (IWC)	1.4%	25.7%	-7.4%	18.0%	25.3%	53.2%	23.8%
S&P 500 TR	-4.3%	15.2%	2.3%	12.7%	15.7%	36.1%	16.7%

* Inception date: October 1, 2024

Dear Partners,

Though we felt very good about our performance throughout the majority of 3Q 2026, a combination of company-specific disappointments in the last week of this quarter and a broader macro-driven rotation that took place starting in mid-September, driven by simultaneous increases in oil prices and interest rates, as well as a continued decline in consumer confidence, led to a quick rotation from small-caps to large-caps and back into the AI-driven momentum factor. The combination of these company-specific and macro elements had a negative impact on our absolute and relative performance over the last few weeks of the quarter, leading our partnership to lose 5.7% gross and 4.7% net in the quarter.¹ Though these results outperformed the small and micro-cap indices, we did cede meaningful ground to the S&P 500, and, most importantly, we lost money on an absolute basis, which is our key performance indicator. Though YTD and since inception results remain double-digit positive on both a gross and net basis, we were disappointed the quarter did not end better. That said, throughout the 24 months of this partnership, our upside and downside capture vs the Russell 2000 has been 106.2% and 97.3%, respectively, which remains encouraging.

Our portfolio is constructed through stock-by-stock bottoms-up analysis. At the current moment, that process has led to a strong underlying anti-momentum bias in the portfolio with minimal direct exposure to the broader AI cohort. We also have a larger exposure than most to the consumer sector, which has been hurt by continued macro pressures, falling consumer confidence, and now confusion around the impact of AI agents on legacy consumer-driven business models. This has led to meaningful sector and factor exposures that can at times overwhelm the performance impact of our individual stocks. To be frank, we are getting quite sick of discussing AI vs non-AI, momentum vs anti-momentum, and consumer vs everything else. Unfortunately, in today's day and age, the market at times very much moves in thematic baskets that have high correlations (and anti-correlations). As a reminder, our strategy is intentionally not to mute this volatility or close these gaps to smooth out shorter-term results. Instead, we use volatility to buy great early-stage growth companies at reasonable valuations and we take advantage of violent sector rotations to buy rapidly growing industry leaders when their industries fall out of favor. Because we do not plan on changing our strategy, partners should expect monthly and quarterly portfolio volatility will continue to be a price we pay for the opportunity to fill our portfolio with companies that provide great long-term risk-adjusted return profiles.

¹ Net returns exceeded gross returns in 3Q 2026 due to a partial reversal of previously accrued performance fees.



To further emphasize this point, we strongly believe that as annoying as these market gyrations can be in the near term, they are a key feature of our longer-term capital appreciation strategy, rather than a bug. While most institutional investors in today's day and age are willing to sacrifice longer-term upside to mute near-term downside risk and tracking error versus indices, we will do just the opposite. We will continue to embrace and capitalize on volatility around near-term events, such as quarterly reports, as well as sector and factor rotations roiling beneath the market's surface. To effectively do this, we must remain vigilant around the key tenets of our risk management strategy, which is not designed to eliminate near-term volatility, but is rather anchored in strong balance sheets, lack of portfolio leverage, ample diversification, position size management, liquidity, underlying company profitability, and management teams we can trust. In other words, these are the key tenets that will allow us to play offense during dislocations without subjecting our limited partners to anything even close to a longer-term permanent capital loss on a portfolio basis.

The Importance of “Discounting” in the Stock Market

In this letter, we thought it might be useful to review the concept of “discounting,” as it is a term that we often use, and it plays a key role in how we invest and build the portfolio. As a Limited Partner in Minot Light Capital, you may be asking yourself why Tom and Eddie are always citing exposure to heavily out-of-favor sectors when everyone else says these are the exact areas where we should have little to no exposure. The answer comes down to the concept of “discounting.” A company or sector may have a very bright fundamental outlook for the next 1-3 years. However, if the company's stock valuation and forward-looking consensus estimates already reflect that outlook (or more), the opportunity for capital appreciation is low and the risk of disappointment and capital loss is high. In this scenario, the positive outlook for the company is already “discounted” in the stock price. The opposite can also be true for a company with a muted near-term outlook where consensus estimates would seem to reflect a very weak future. If the negative 1–3-year outlook is truly reflected in the company's valuation, that downside scenario is already “discounted” in the stock price. In that case, even a modest brightening in its prospects can lead to substantial capital appreciation with relatively little downside risk potential, assuming you have properly anchored downside support somewhat close to the current stock price.

The simple math around this type of analysis is as follows: A popular stock in a popular sector is now highly in favor and its prospects are well recognized by investors, analysts, the press, and the general population. We do not necessarily disagree with this universal assessment of a bright future. However, because this is so well known, the stock is heavily owned, sell-side estimates are extrapolating continued high growth and the shares are trading at a high multiple, such as 35x earnings after a long run of outperformance. Let's say there is a 50/50 chance this bright outlook either comes to fruition or disappointment. Furthermore, let's say at this point, the bull case would result in the stock rising 20% if the current high multiple holds (by no means a sure thing) and the company grows earnings 20% next year. However, if for whatever reason, the company disappoints, and its bright outlook is brought into question, future earnings estimates could come down 20%, and the multiple on those earnings could be cut in half to its historical range of 17x-18x, and the stock would fall by well over 50%.

On the flip side, again assuming a hypothetical 50% chance of a better or worse outcome, consider a stock whose estimates have been revised down to very muted levels. We are buying it at 10x a free cash flow estimate that is well below consensus, and its very strong balance sheet provides further



downside support. If the stock misses estimates, we should not lose more than 20% or so. But if the outlook brightens and the multiple expands from 10x to 20x on a significantly higher out-year FCF estimate, we can double or triple our money. In this case, the most negative outcome was already largely “discounted” in the stock price. Again, in the most simplistic thought process, assuming 50/50 odds of a good vs bad outcome, the probability-weighted expected value of the universally hated stock that “discounts” a very negative outlook is much better than that of the universally loved stock that already “discounts” a very bright outlook.

The examples we gave above were quite simplistic, and the reality is generally nowhere near that clear-cut for many reasons, including the fact that the probabilistic range of outcomes is rarely 50/50, and that can dramatically affect expected value (EV) calculations. Also, future consensus estimates can be very wrong. In many cases, stocks that are showing the strongest upward momentum are essentially telling you that future estimates will have to be revised much higher, making the stock much cheaper than it appears and vice versa for stocks that are rapidly falling and highly out-of-favor. Furthermore, management can change these calculations through either very good or very poor capital allocation. Our job as analysts is to do the fundamental work to set proper probabilities of certain outcomes while assessing what future earnings power could be and how that differs from consensus estimates. We will never get those numbers exactly right – but in our opinion, it’s better to be roughly right than exactly wrong. We look for situations where, in a relatively broad range of outcomes, a negative outlook is overly discounted in a stock, or where a positive outlook is very much under-discounted in a stock and a positive outcome will lead to substantial stock-price appreciation.

Today’s market environment makes this style of investing, which relies at least in part on the concept of “discounting,” particularly challenging in the near term, but potentially very lucrative over the long term. This is due to the fact that the traditional discounting mechanism is increasingly taking a distant backseat to near-term momentum and visibility around the next quarter’s outlook. When I started out in this industry, my first boss was fond of saying if the story is on the front page of the Wall Street Journal, it is fully discounted in the stock price. That may or may not have been the case 30 years ago, but it is most certainly not the case now. In today’s markets, it often feels as though no matter how expensive a stock becomes (that is, how positive a long-term outlook it is already discounting), it will keep rising as long as momentum is strong and it is expected to beat near-term estimates. The flip side is also true for out-of-favor stocks on the wrong side of momentum. Thankfully, these dynamics do not change the end-truth of the discounting mechanism; they just take it to more extreme levels on the upside and downside. This does lead to more volatility, but it also can lead to far more lucrative investment opportunities.

Another difference between now and the not-too-distant past is that these dynamics will often go beyond just single stocks and apply to entire sectors in a highly correlated fashion. We think this is due to the growing prominence of algorithmic basket trading around certain sectors and factors. This is why you often hear us speak about growing exposures in certain sectors. We are not making deliberate macro calls in that scenario; we are simply reacting to the fact that when certain sectors go in and out of favor, the stocks in that sector can move together in a non-discriminating basket in either direction. As annoying as that can be when you are on the wrong side of these sector moves, it can also be amazingly lucrative over time, as great companies are sold off with bad ones in a particular sector. This gives us the opportunity to buy many of these stocks at great valuations, and their snap-backs can be just as quick and violent as their declines. Even in the short history of this partnership, you have seen us buy



baskets of great companies in the healthcare/life science instrumentation sector a few years ago when that fell out of favor, as well as many software companies when that sector fell out of favor earlier this year. The one sector where we continue to have a strong overweight that has not yet broadly rebounded is consumer-related stocks, which continue to suffer. However, we feel very good about our holdings there and think they will end up making us a great deal of money over time.

Hopefully, this review of the concept of “discounting” was helpful. Many of our Limited Partners do not have an extensive history in the stock market and may justifiably wonder why we keep highlighting sectors and stocks that we find either attractive or unattractive that are almost the direct opposite of what they are hearing on CNBC. The answer is that, at some point, an amazingly positive outlook is discounted in a stock price and, at some point, an extremely negative outlook will be discounted in the stock price. This can be true for a stock, a sector or an entire cohort of the market (read AI). It is our view that the discounting mechanism is being pushed to extreme levels today, which can be frustrating at times. However, the concept is more relevant than ever, as it is these extremes that provide the greatest opportunities if you are able to ride through the volatility they create.

Examples of Recent Portfolio Activity

Per usual, we will highlight recent portfolio activity that we think our Partners will find interesting. We want to forcefully remind everyone that this section should not be viewed as a series of “stock pitches” or buy recommendations. We can and will buy or sell any of these positions at any time for any number of reasons. The goal here is to help you better understand our process, which we feel is of the utmost importance for our partnership to succeed over the long term. In this quarter’s letter we will highlight two examples of emerging growth stocks in the healthcare sector, each of which has unique company-specific characteristics and growth drivers. In addition, we will review recent actions taken more broadly within the industrial sector.

Hopefully, we have clearly explained how sectoral correlations can create opportunities to buy best-of-breed companies when babies are being thrown out with the bathwater in certain sectors. We now see an interesting opportunity emerging within the industrial sector for companies that are not participating in the AI build-out, but are rather leveraged to company-specific drivers or slower parts of the economy. Our general belief is that within the industrial sector, investors have become heavily crowded into names leveraged to the massive build-out of AI infrastructure. This makes sense, as that has been the dominant area of capex deployment over the past few years. In fact, this build-out has now reached historic extremes as a percentage of GDP. Meanwhile, in many cases, broader investment and capex have gone negative in other areas of the economy. Relevant to our small-cap focus and hunting ground, many of the most heavily owned industrial AI build-out beneficiaries have little to no recurring revenues and are now trading at historically peak multiples on historically high margins. Going back to our previous discussion, we tend to believe expectations for this cohort are very high and a continued bright future is becoming largely discounted in their stock prices.

On the flip side, we are seeing many industrial companies leveraged to more mundane parts of the economy, or to end markets in an actual downturn, that are trading closer to trough valuations on very muted go-forward outlooks. Though they may not be putting up hyper-growth metrics, there are some great industrial companies that fit this profile and we have purchased several of them. Two companies that represent the kind of profile we are looking for are Hayward Holdings (HAYW) and Alliance



Laundry (ALH). In the interest of time, we will not go into deep detail on why we like their respective business models and industry positioning. Suffice it to say, they are quite strong. These companies have fairly similar financial profiles: reasonable top-line growth, EBITDA margins approaching 30%, and capex averaging less than 3% of sales, meaning they are generating tremendous amounts of free cash flow. Moreover, for both companies, the vast majority of sales come from repair, replacement, and some aftermarket to existing customers, which makes them far more resilient during periods of economic weakness when new customer acquisition becomes more challenging.

High-quality industrial companies with this kind of financial profile would typically trade for at least 12x EV/EBITDA or 18x-20x FCF. However, right now, HAYW is trading around 12x P/FCF in a weak industry environment leveraged to residential homebuilding. ALH is trading around 14x next year's earnings. We personally believe these stocks should be viewed in the top decile of all industrial companies, based on the attractive financial and business model characteristics they possess. However, they have been left far behind and now trade at discounts to far inferior business models that have very little recurring revenue and are trading at peak multiples on peak earnings from what will eventually turn out to be highly cyclical revenue streams from the AI build-out.

We believe that, over time, a large portion of industrial-focused investors will shift away from the AI build-out when it starts to decelerate and back to much cheaper, more durable and more structurally profitable companies, such as HAYW and ALH. In this scenario, we see the opportunity for both HAYW and ALH to double over the next three years with very manageable downside risk from here. We own several other industrial companies that fit this profile as well. When a sectoral theme like this is playing out, our preferred style is to buy a basket of these companies instead of concentrating the bet in one "best idea." If the sector rotation eventually takes place and all of these companies re-rate higher, the last thing we want is to have all of our capital in a single name that suffers an unexpected company-specific setback. In that case, our thesis might play out perfectly, but we end up making no money when it happens, which is a risk we do not want to take.

On the emerging growth side, a recent portfolio addition that we believe is discounting a fairly dire scenario that runs contrary to our expectations is Mobia Medical (MOBI). MOBI is a rather recent IPO that has collapsed since going public in May 2026. Yet again, we are talking about this same dynamic of finding opportunities in broken IPOs. We believe the poor performance of IPOs is happening on a repeated basis for several reasons:

1. A large portion of the initial float of IPOs is now being placed in relatively unstable hands of shorter-term hedge funds and pod shops that pay investment banks the majority of their commissions, and therefore, demand the largest deal allocations. This is despite the fact that they have no plans to hold their shares over a longer-term time period. As these fast-money accounts inevitably exit their positions in rapid fashion, it cracks the newly public stock, and in the case of both SUJA and MOBI, takes the market cap below \$500M, which means they are falling below the market cap threshold of many larger long-only small-cap mutual funds that have historically been anchor investors in growth IPOs. Hence, there is little traditional buying support for the stock as shorter-term investors exit.
2. To compound matters, investors are cautious about entering these stocks soon after the IPO, as companies going public will typically put out optimistic projections to sell the IPO at the



highest possible price, but then will often need to revise those estimates down to make sure they have the ability to “beat and raise” going forward. This is particularly true in the weaker economic environment that we are seeing now. Many investors won’t even think about coming into a recent IPO until consensus numbers have been “de-risked” and this transition has taken place. What that leaves us with is a group of attractively valued early-stage growth stocks that have been hit very hard following their IPOs due to the technical factors we described above. As a result, our belief is that many now discount a bleak future. If we can take a bit of a longer-term view, this provides us with great opportunities to compound capital in early-stage growth stocks, though the path to us making money can be volatile when we enter these names too early.

Going back to MOBI, we believe the company is poised to capitalize on a multibillion-dollar market opportunity using its Vagus Nerve Stimulator (Vivistim) to enhance stroke recovery for patients who have recently experienced a stroke (incidence), as well as patients who have had a stroke any time over the past 20+ years (prevalence). When Vivistim is paired with traditional stroke rehabilitation methods, MOBI has demonstrated extensive clinical evidence that it can enhance the opportunity for long-term motor recovery in the upper extremities for ischemic stroke survivors. When combining the incidence and prevalence populations of stroke survivors, this becomes a massive market opportunity for MOBI, as Vivistim is the only approved therapy in the market for this large unmet need. Our checks have indicated excitement on the part of physicians to be able to finally offer something to stroke survivors after their slope of recovery from traditional rehab therapy flattens. Vivistim is also de-risked, as it is FDA approved with substantial clinical data and is now part of the AHA stroke guidelines.

MOBI is in the process of building out its commercial infrastructure, which is more complex than many medical devices, as it involves coordination between the stroke hospital, neurologist, and therapists. However, we believe over time the proper referral patterns and necessary education will be accomplished. In the meantime, revenues are growing 50%+ and are expected to be around \$50M in 2026 and \$75M+ in 2027, which still represents just a tiny portion of the available TAM to MOBI. The Vivistim device carries gross margins over 80%. The company is losing money now while it builds out its sales force to attack this market opportunity. However, with a relatively small number of stroke hospitals to call on and 80%+ gross margins, we see no reason why MOBI’s normalized EBITDA margin profile should not eventually reach at least 25%.

Normally, we would expect an early-stage medical device company with MOBI’s growth opportunity and profitability profile to trade for at least 6x-8x EV/Sales at this stage of its growth curve. However, following the sell-off described earlier, MOBI is now trading around \$8.30/share, which represents a valuation of around 2x EV/Sales. In fact, over half the company’s \$285M current market cap is now in net cash (\$170M or \$5.00/share). Though the company will obviously burn some of this cash as it builds out the necessary commercial infrastructure, we believe it represents fairly strong downside support. If the company is able to execute over the next several years, and is rewarded with what we would consider to be a normal high-growth MedTech multiple, we could see shares going above \$40.00/share. This is the kind of risk/reward we look for in the earlier-stage emerging growth portion of the portfolio.

During this quarter, we also bought shares of Elutia (ELUT), which is a smaller and more speculative MedTech company we believe also presents an attractive risk/reward opportunity. ELUT manufactures



drug-eluting matrices to deliver antibiotics directly to the surgical site following breast surgery or reconstruction to help reduce the normal 15%-20% post-operative infection rate. Similar meshes are already used in the vast majority of breast surgeries, but ELUT's is differentiated due to its drug-eluting nature. Replacing existing meshes with ELUT's should be a relatively easy substitution in the eyes of the surgeon and should be attractive to the hospital's value-analysis committees, as ELUT has stated it plans to sell its mesh at or near price-parity to non-drug-eluting meshes. Furthermore, it should theoretically save the hospital money on the back end if it lowers infection rates and the need for additional surgical interventions to deal with these infections.

What we find particularly interesting is that ELUT is leveraging the same technology it relied upon to create a product called BioEnvelope, which is used during the implantation of an ICD or pacemaker. Elutia sold BioEnvelope to Boston Scientific for \$88M soon after FDA approval. Though this was a smaller market opportunity than breast, this validation of value by Boston Scientific is somewhat reassuring, as BioEnvelope was developed with similar technology, has a similar manufacturing process and went through what should be a relatively similar FDA approval process. Longer-term, Elutia's technology could be leveraged into other surgical interventions, such as hernia repair and other tissue reconstruction surgeries.

The breast market TAM alone is in excess of \$1B. A reasonable penetration of \$100M sales for ELUT at a normal multiple for a high-growth MedTech company would lead to a \$10.00 stock price, which represents substantial upside from the current price of \$0.75/share.

When thinking about downside risk on such an early-stage asset that is not yet FDA approved, we look at it from three angles. First, BioEnvelope was a reasonable proxy for success. Second, Elutia now has \$40M of net cash on the balance sheet, which should carry the company through expected FDA approval and launch at the end of 2027. That \$40M net cash divided by 47.5M SO is \$0.84 net cash/share vs the current stock price of \$0.75. We believe the cash currently provides some downside support. We will reinforce our downside mitigation efforts by making ELUT one of the smaller position sizes in the portfolio (currently around 60bps). As it stands now, we would estimate a product failure would probably expose us to downside of about 40bps in exchange for hundreds of bps of upside potential in a successful outcome. Our game plan would be to increase ELUT's position size and maximize our potential gains if/when the story de-risks, but before the broader market fully understands and discounts the company's full market opportunity. This is often possible in micro-cap stocks, which are generally priced more inefficiently and often do not initially react enough to positive news that meaningfully increases a company's probability-weighted EV. In the meantime, we feel comfortable with our current downside exposure.



Contributors and Detractors for the Quarter

Portfolio Movers	
<i>Contributors</i>	<i>Detractors</i>
Suja Life (SUJA)	Stran & Company (SWAG)
Rockwell Medical (RMTI)	Rave Restaurant Group (RAVE)
Orthopediatrics Corp (KIDS)	Stitch Fix (SFIX)
Neogen (NEOG)	ThredUp (TDUP)
LuxExperience (LUXE)	Brightvlew Holdings (BV)

Suja Life (SUJA) provided the greatest fireworks within the portfolio this quarter, as it went from being at one point the largest individual detractor we have had in the life of this partnership, only to rebound and become the biggest positive contributor this quarter on the back of a recovery driven by an unprecedented event in my experience as a portfolio manager.

SUJA is one of the country's largest manufacturers and distributors of fresh pressed juices and immunity shots. The company is vertically integrated, which at its current size has provided it with real economies of scale and a very strong profitability profile, particularly relative to other emerging CPG companies. SUJA has also built an extensive cold chain distribution network and strong brands with Suja in juice, as well as Vive in immunity shots. The shots business, in particular, is one of the best CPG businesses I have encountered with 40%+ market share and gross margins likely well above 50%. The company's core juice and shots business (excluding its investment in emerging brand Slice) should have around 20% EBITDA margins. Though growth is slowing due to the law of large numbers and greater shelf penetration, SUJA remains a leader in the better-for-you beverage category, which is one of the few structural growth areas within the CPG universe.

To make a long story short, we bought shares of SUJA soon after its IPO in May 2026. Like many recent consumer IPOs, the company's stock price began fading soon after the IPO. Unfortunately, they then had a bad second quarter as a public company, which took projected growth and margins below expectations set on the IPO due to a weakening consumer environment and an increasingly promotional environment within grocery. This led the stock to fall dramatically to levels approaching 1x EV/Sales vs more common private market values in the better-for-you CPG world of 2-3x sales for companies that are far less profitable and have much less defensible market positions. We, in turn, increased our position and lowered our average cost. None of this is all that unusual, as we have talked about some variation of this playbook many times over the past few years. What made this particular situation unique and led to a more rapid than expected recovery this quarter is the fact that the company's largest private equity sponsor went into the open market following this massive decline and proceeded to buy over 20% of the available public float in very swift fashion. In 30 years of investing, I have never seen this happen within two quarters of an IPO, particularly from a private equity sponsor that did not sell any shares on the IPO and already owns over 50% of the company. Some combination of the PE firm buying so many shares and other investors taking note of this fact led to a fairly swift rebound in shares of SUJA.

Going back to our discounting concept, we actually saw both sides in SUJA during its short life as a public company. We were wrong in our initial purchases of SUJA, as the stock did not discount the



magnitude or speed of how promotional the fresh pressed juice market would become in this difficult grocery environment. Hence, the stock was right to fall and we deserved to lose money. However, the magnitude of the decline following its most recent quarterly report overly punished the stock and seemed to discount an almost unthinkable worst-case scenario. We were able to buy more shares of SUJA due to the relative strength of its balance sheet, strong profitability, and powerful franchise. Recently, we have right-sized our position following all of this volatility, as it became a very large holding. The key takeaway from the SUJA experience is that as long as you are investing in strong and profitable companies with solid balance sheets, there are many opportunities to take advantage of the volatility in today's market to make money on a stock, even when your initial thesis was flawed.

Regarding other top contributors, the stories are much less exciting. Rockwell Medical (RMTI) recovered from the sell-off around its reverse stock split that we discussed in our last letter. Neogen (NEOG), OrthoPediatrics (KIDS) and LuxExperience (LUXE) are all large positions with very strong franchises that continue to charge ahead.

In terms of detractors, our largest negative contributor this quarter was Stran & Co (SWAG), which is a top-10 position that reported a disappointing quarter. What really took the stock down was the disappointing overall top-line growth, which was certainly the case relative to our expectations. While the Stran segment continued to grow high single digits, the SLS segment declined as the company shifted focus to more profitable sales, which is made evident by the Y/Y increase in gross margin within that segment. These factors, paired with increased investments in technology and infrastructure (which increased G&A), led to a decline in adj. EBITDA and adj. EBITDA margin in the quarter. We are disappointed by the lackluster top-line growth, but the magnitude of decline the stock has experienced from levels we already thought were cheap seems to be an overreaction. Unfortunately, this can happen in micro-cap stocks when even one big holder decides to sell their position. We continue to hold our position in SWAG, but will be monitoring the company closely, particularly from an organic growth perspective.

We will speak in more detail on our quarterly call about Rave Restaurants (RAVE) and Stitch Fix (SFIX), which along with ClearPoint Neuro (CLPT) were the three stocks that experienced significant declines in the last week of the quarter.

ThredUp (TDUP) declined throughout the quarter due to a guide down attributed to macro weakness, which was further compounded by broader weakness in online retail stocks due to concerns around the impact of agentic shopping following the release of Meta's (META) Muse. BrightView (BV) was weak due to concerns around a potential guide down due to higher fuel prices. While this might happen, we are holding our position, as we really like the long-term outlook for BrightView and would anticipate buying any further weakness.

In summary, and consistent with prior commentary, our strongest quarterly performance occurs when we are positioned correctly for sector and factor rotations and do not experience any company-specific detraction exceeding 100bps per name. Unfortunately, market factors worked against us starting in mid-September and we had a few too many large company-specific detractors, which led to a subpar quarter for Minot Light.



Conclusion

Eddie and I would like to thank all of our limited partners for your support during the early stages of this partnership. It truly means a great deal. Though we are reasonably satisfied with performance since inception, our strong belief and expectation is that we can do much better going forward and the best is yet to come for this partnership. As always, please reach out to us anytime with questions or concerns. We look forward to seeing everyone on our upcoming quarterly conference call.

Sincerely,

Tom Wetherald and Eddie Reilly



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