

INTRODUCTORY LETTER

January 2026

Dear Investor,

Armenius is an investment firm focused on uncovering opportunities in **global equities**. These opportunities may arise through corporate changes, favorable industry tailwinds, or temporary dislocations driven by excessive pessimism or investor neglect.

We take a **flexible** approach in our search for value. We look across sectors, market capitalizations, and geographies. As a result, our portfolio may range from a large U.S. technology leader to a small Polish retailer. This flexibility sets us apart in an industry where institutional mandates often constrain managers in their pursuit of performance. Between the freedom to seek value wherever it may be and the obligation to select the “least bad” option within a narrow universe where nothing seems attractive, we are firmly committed to the former.

The Armenius portfolio is concentrated in roughly 20 positions, primarily in **small-cap** companies. This segment is often less accessible to large institutional investors, which creates inefficiencies and a particularly attractive opportunity set. We also place a strong emphasis on **simplicity**. We do not short stocks, we do not use derivatives, and we avoid complex financial structures. Ours is simply a **long-only portfolio of a few carefully selected businesses. Nothing more, nothing less.**

One implication of our approach is that no single benchmark fully reflects our strategy. While the S&P 500 serves as our formal benchmark, we also view the Russell 2000 (small caps) and the MSCI World (global equities) as relevant reference indices. Accordingly, **our goal is to outperform all of them over rolling three-year periods.**

We **communicate** primarily through quarterly letters, where we outline the portfolio, discuss investment theses, and share broader reflections. Detailed analysis of individual holdings is available exclusively to clients, allowing them to assess the **consistency of our decisions with our investment philosophy**. We do not provide daily, weekly, or monthly commentary. **Short-term noise, political debates, and macroeconomic forecasting are not part of our process**, and we intentionally avoid that approach.

Armenius operates with a lean and transparent **structure**, managing client assets through separately managed accounts (SMAs). Assets are custodied at Interactive Brokers, and clients can access their accounts and monitor their portfolios at any time. Any public disclosure of portfolio holdings remains subject to prior authorization.

This letter is only a **brief introduction** to our work and should **not** be viewed as a definitive basis for an investment decision. If you would like to learn more about our philosophy, strategy, and investment process, please feel free to reach out to us at leo@armeniusgroup.com. We would be pleased to arrange a conversation to determine whether our approach is aligned with your expectations as an investor.

Warm regards,
Leonardo Caroli