Elena Partners Fund LP
Fourth Quarter 2025 Investor Letter
January 31, 2026

Dear Investor:

During the fourth quarter of 2025, the Elena Partners Fund LP generated a net return of 1.4% compared to 2.7% for the S&P 500 Index and 3.4% for the MSCI All-Country World Index. During the quarter, gross exposure averaged 153%, and net exposure averaged 52%. Our long portfolio generated a 2.1% gross return, and our short portfolio produced a -0.4% gross return.

For the full year 2025, the Fund generated a net return of 28.6% compared to 17.9% for the S&P 500 Index and 22.9% for the MSCI All-Country World Index. During the period, gross exposure averaged 141%, and net exposure averaged 57%. Our long portfolio generated a 45.5% gross return, and our short portfolio produced a -13.0% gross return.

At the end of the year, the five largest holdings (in alphabetical order) Grifols SA, Kelt Exploration Ltd, Landis+Gyr Group AG, Lottomatica Group Spa, Prosus NV, accounted for 40.1% of the Fund's net asset value.

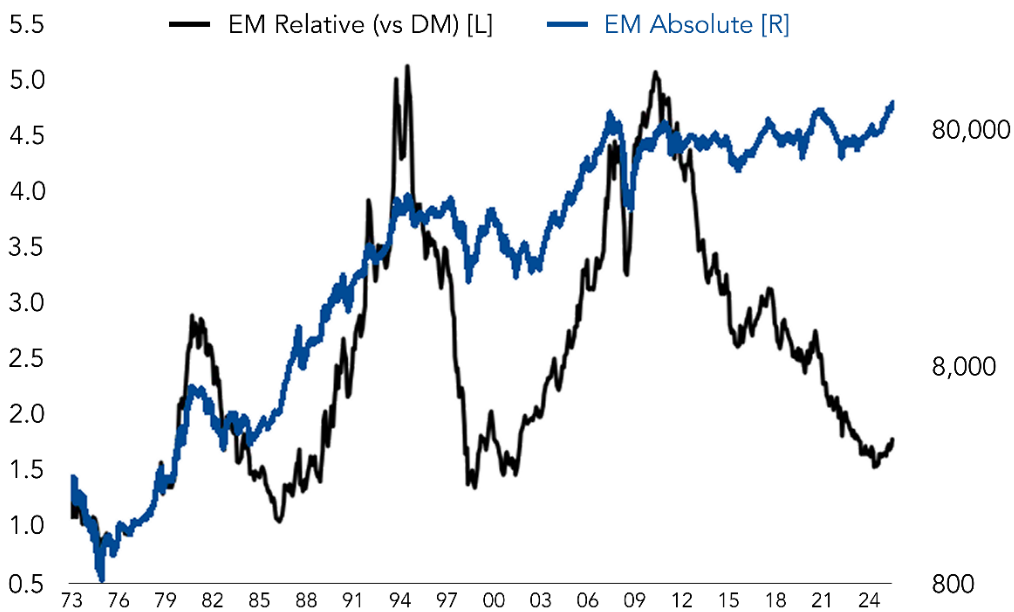
Commentary

In 2025, approximately half of the Fund's returns came from companies that, although listed in developed markets (Europe, UK, US), generate the majority of their revenues and profits from emerging markets. This list includes Helios Towers PLC, Millicom International Cellular SA, Prudential PLC, and Vale SA. Today, about half of the Fund's net long exposure is in such companies, and we continue to find attractive opportunities in this area.

Since debuting as an investable equity index in January 1988, the MSCI Emerging Markets (EM) Index (MXEF) has delivered a 9.6% compounded annual return in US dollars (USD), including reinvested dividends. During that period, the MSCI All Country World Index (MXWO), which includes only developed markets (DM), has delivered a 8.5% compounded annual return, and the S&P 500 Index (SPX) has delivered a 11.5% compounded annual return. Counterintuitively, the MSCI Latin America Index (MXLA), despite the region's notorious political instability, debt defaults, and currency devaluations, has delivered a 12.5% compounded annual return in USD, outperforming the S&P 500 Index by 100 basis points annually since 1988.

However, since 2010, as depicted in the charts below, EMs have lagged DMs by a wide margin, and this period of underperformance, combined with earnings growth, has created the valuation opportunities we see today.

Emerging Market Relative to Developed Market Equities



Source: Topdown Charts, LSEG

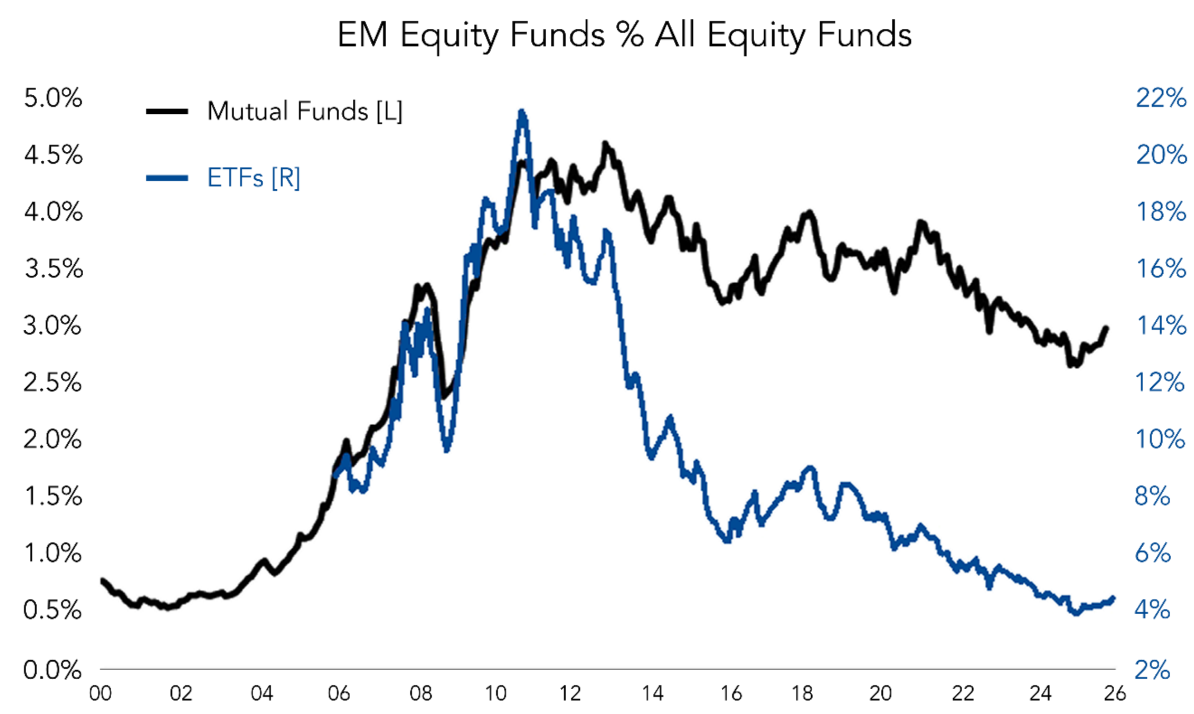
Emerging Markets in US$ terms: MSCI EM back to 1987. Topdown Charts workings prior.

Cyclically Adjusted PE Ratios

Source: LSEG, Topdown Charts

The term "emerging markets" was coined by Antoine Van Agtmael while working as an economist at the International Finance Corporation (IFC), an arm of the World Bank, in the early 1980s. His goal was to present a more positive perspective on a group of countries labeled "less developed countries" (LDCs) during the 1980s debt restructurings. Like all broad classifications, the term "emerging markets" simplifies a complex and evolving reality. Nonetheless, the taxonomies created by index providers matter, especially in the era of passive investing, because they influence capital allocation decisions and flows. Over time, we've observed that all equity sectors, including non-cyclical ones like consumer staples and utilities, exhibit valuation cyclicality, driven by periods of strong inflows and outflows, which are influenced by past returns and investor sentiment.

As depicted in the chart below, fifteen years of underperformance have led to significantly reduced US fund allocations to EMs. Consistent with the current mood, last year, the wealth management department of one of the largest US investment banks recommended a 0% weighting to emerging markets.



Source: LSEG, ICI, Topdown Charts

Thirty years of experience investing in equities globally has taught us to avoid emerging markets when they are popular and crowded. Most EMs lack depth, and during exuberant times, trying to pick stocks on the long side is like trying to improve one's relative position while remaining exposed to an unfavorable absolute outcome. Recall the peak of the last EM bubble (BRICs), when there were more Brazilian hedge funds than investable Brazilian stocks, and the Real was overvalued based on purchasing power parity. Although many local managers outperformed the Ibovespa, they mostly struggled to deliver attractive USD returns. Today, we believe emerging market equities are a fertile ground for value investors, and our bottom-up research has led us to invest approximately half of our net exposure, directly and indirectly, in EMs. We would not be surprised if they outperform the US equity market over the next decade.

Helios Towers PLC

UK-listed Helios Towers PLC, one of the Fund's top ten holdings, clearly demonstrates how entry valuations impact returns. Helios was founded in 2009 by Helios Investment Partners, Soros Strategic Partners, and Albright Partners to participate in the growth and consolidation of Africa's cellular tower industry. Through several private capital raises, it expanded both organically and through acquisitions, and listed on the London Stock Exchange in 2019, near the peak of the industry´s valuation cycle. At the time of the IPO, American Tower, the industry benchmark, traded at 30x EV/EBITDA, compared to 15x today.

We first bought Helios stock in 2024 and increased our holdings in 2025 at an average discount of 26% to the October 2019 listing price. Fundamentally, the company had performed in line with or better than the expectations set at the time of the IPO. EBITDA has grown from US$140 million in 2019 to an expected US$470 million in 2025. Yet as recently as June 2025, six years after its IPO, the stock traded below the IPO price and at a significant discount to private-market tower transactions. For Elena Partners, it was an opportunity to invest in a well-managed, well-positioned, and attractively valued, busted IPO/orphaned security.

Today, Helios, with a market capitalization of US$2.6 billion and an enterprise value of US$4.4 billion, trades at 8x EV/EBITDA based on our 2026 estimates. We believe it is entering the most rewarding phase of its growth journey. The Company's asset footprint provides exposure to robust underlying industry growth, and its contractual model mitigates the downside through long-term, lease agreements denominated in "hard currency." Management projects high-single-digit EBITDA growth over the medium term, translating into approximately US$1.3 billion in recurring free cash flow between 2026 and 2030. A significant portion of this cash flow is expected to be reinvested in organic growth opportunities at incrementally higher returns on invested capital. Management intends to allocate excess cash to dividends and share repurchases, with leverage ratios declining as EBITDA grows. The Company continues to trade at a significant discount to private-market valuations, and the largest shareholder, Soros Strategic Partners, is focused on value maximization. We believe this asset would fit well into the infrastructure portfolio of a Middle East sovereign wealth fund and would also complement American Tower´s exposure to the region.

Please call us if you would like any additional information or clarification.

Sincerely,

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About Elena Partners

The Elena Partners Fund launched in January 2024. It continues an investment strategy that EPP, the investment manager, began implementing in January 2020 for an individual client via a separately managed account. After successfully executing the strategy for four years, we felt compelled to create a fund vehicle and open it to a broader investor base.

The strategy aims to generate attractive long-term returns by investing in a global portfolio of 10-20 undervalued equities and hedging up to half of the long exposure via individual alpha shorts, baskets of securities, and ETFs. The approach is bottom-up, fundamental, contrarian, and long-term oriented. We source ideas from an installed knowledge base of companies covered over the past thirty years, from our network of contacts across different industries, and from peers on the buy side and sell side. We are generalists and organize the vast universe of securities by types of situations. We look for setups that have historically yielded attractive opportunities, such as orphaned securities, overreactions to short-term disappointments, management changes, turnarounds, and cyclically depressed industries and countries. We maintain a pipeline of ideas that we continuously research and monitor. We trade infrequently and change the portfolio when we identify a better opportunity, when a security is no longer undervalued, or when our thesis is no longer valid. A maximum of twenty long positions forces us to be disciplined in culling the portfolio. Strict limits regarding position size, industry, and country concentration ensure we are sufficiently diversified to withstand the inevitable setbacks and errors of judgment.

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