

Investor Presentation

July 1st, 2024



PERIDOT

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Agenda

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First half 2024 Performance Review

Business Organization Update

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Introduction

THE FUND LP

Introduction

Leadership

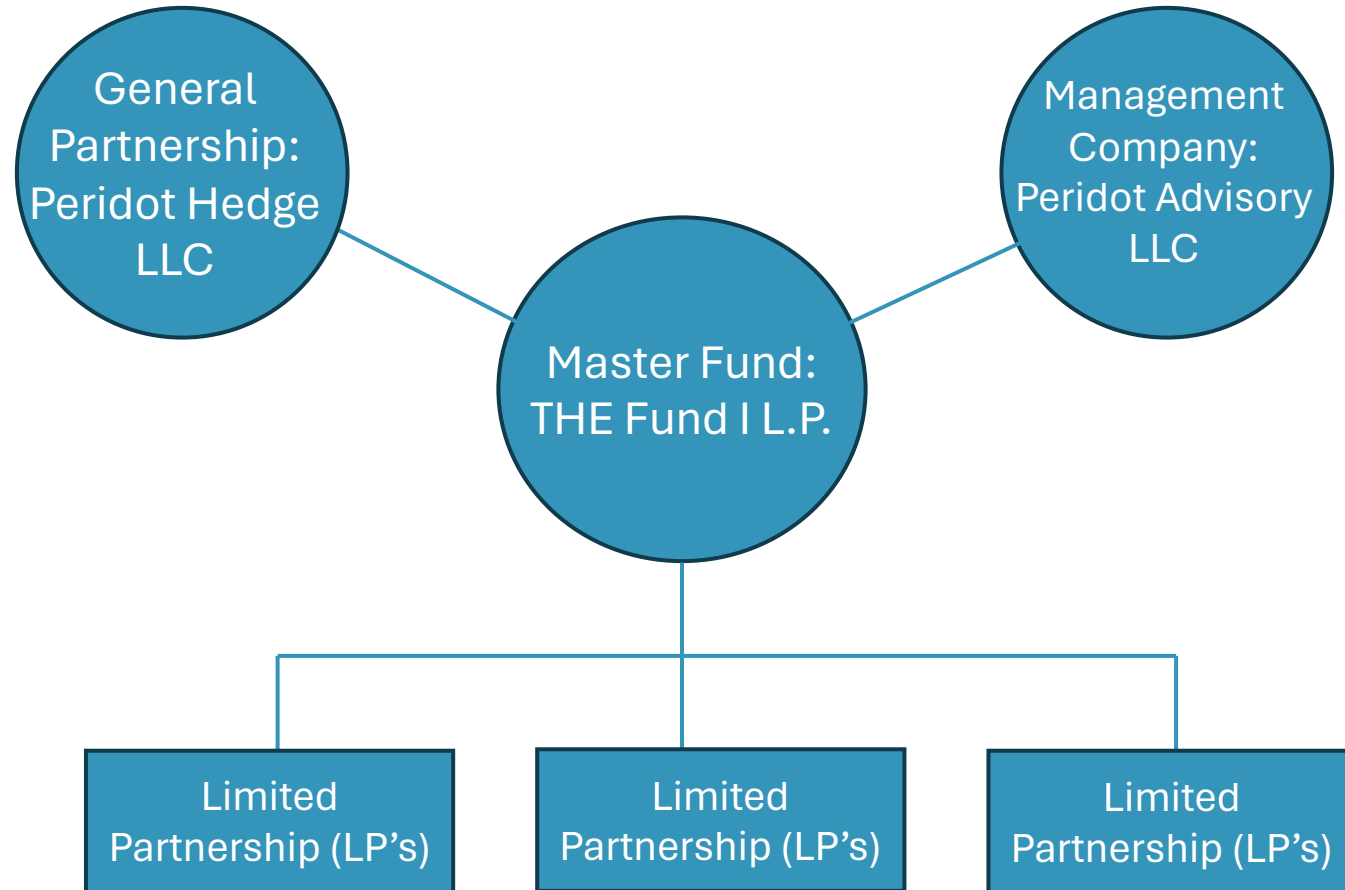
William Lemanske Jr.

- Founder & CEO Peridot Co.
- Education:
 - BS, Finance & Business Management
 - MBA, Finance & Business Analytics

THE Fund L.P.

- Sector focused Hedge Fund: Technology, Healthcare, Energy
- Employs an activist strategy, engaging with companies to advocate for operational or portfolio changes.
- Utilizing an event-driven and value investment strategy, THE Fund seeks out catalysts such as mergers and acquisitions, restructurings, and other special situations.
- Long-term investment focus ensures stable returns but also provides greater opportunities to capitalize on short-term market volatility through the strategic use of options, enabling the fund to generate more alpha.
- Selecting companies with strong or opportunistic leadership, ensuring they are guided by capable, visionary leaders who drive strategic decisions and operational excellence.
- NO leverage

Business Structure



Strategy Update

THE Fund Strategies



Activist strategy drives long-term shareholder value by advocating for operational and portfolio changes in mature, publicly-listed companies.



Event-driven strategy capitalizes on mergers, acquisitions, restructurings, and special situations to unlock value.



Fundamental equity investments focus on identifying undervalued companies with strong growth potential and sound financials.



Sector-focused strategy targets specific industries to leverage deep expertise and identify high-potential investment opportunities.



Long equity exposure involves investing in high-potential stocks to benefit from their anticipated price appreciation over time.



Actively manages exposures based on risk-reward assessments in varied conditions, employing multiple forms of engagement to create catalysts and drive outcomes.

THE Next Half

- In Q1 2024, our focus was on growth as THE Fund just launched.
- In Q2, we reassessed THE Fund, identifying our core strategies and discovering any overvalued assets in which we needed to retain or divest.
- Due to market uncertainty, we are shifting focus to a more reserved investment approach.
 - Targeting less growth-focused companies in Technology.
 - Increasing focus on Healthcare and Energy sectors for the summer months.
- Emphasizing our focus towards activist and event-driven opportunities
- Increasing focus on short-term opportunities due to current market volatility

First half 2024 Performance Review

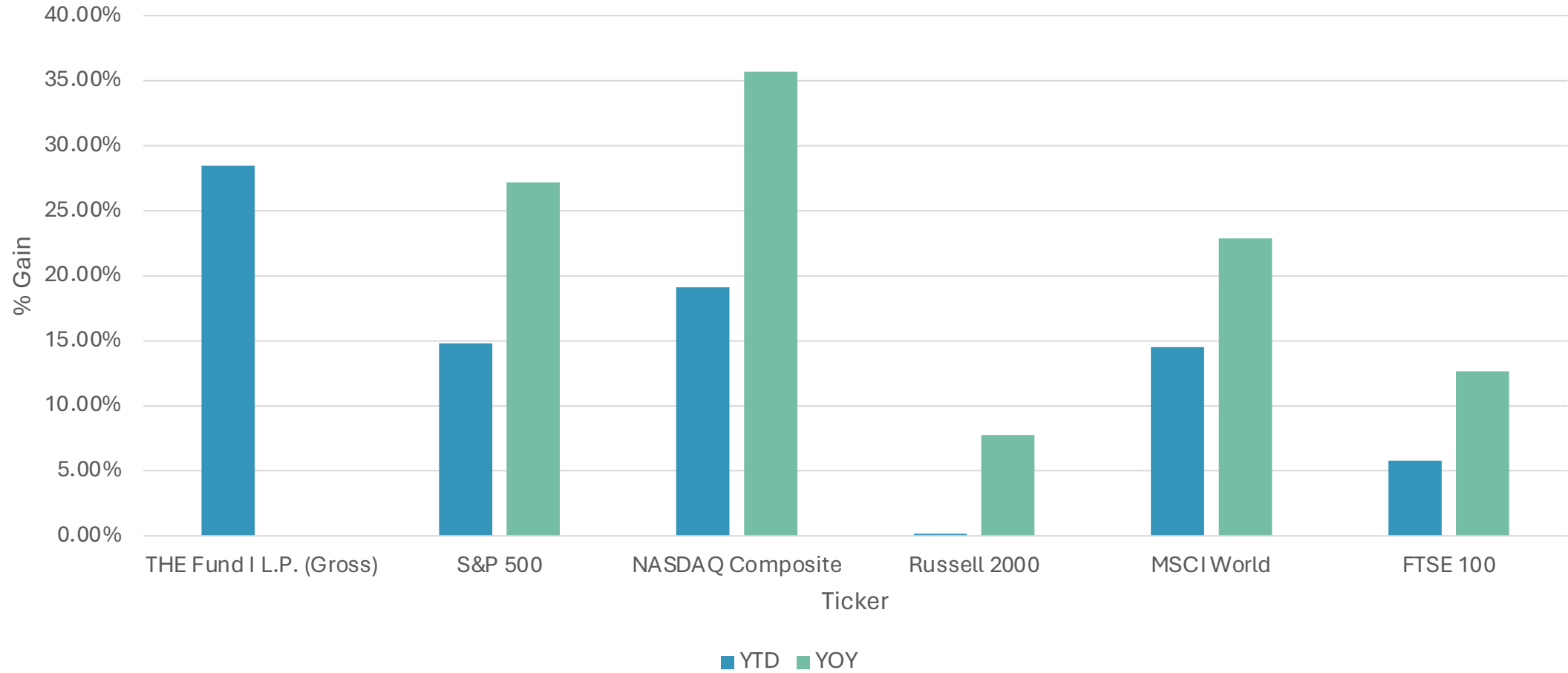
Returns in Market

- Key Metrics:
 - Sharpe Ratio: 3.56
 - YTD Return 28.46%
 - Max Drawdown: 7%
- S&P 500 Sharpe Ratio: 2.88

“The Sharpe ratio measures risk-adjusted return by dividing excess return over the risk-free rate by the portfolio's standard deviation.”

	YTD	YOY
THE Fund I L.P. (Gross)	28.46%	~
S&P 500	14.79%	27.16%
NASDAQ Composite	19.11%	35.70%
Russell 2000	0.15%	7.74%
MSCI World	14.50%	22.88%
FTSE 100	5.77%	12.64%

Substantial Outperformance YTD



Benefits of THE Fund L.P.

- An actively managed asset to reduce overall portfolio risk.
- A more liquid option and provides investors with greater access to their capital.
- Our event-driven and value strategies enhance returns by seizing opportunities in mergers, acquisitions, and corporate restructurings.

Investment Classes			
	Class A	Class B	Class C
Fees	1% Management 10% Performance	1.5% Management 15% Performance	2% Management 20% Performance
Minimum	\$5 Million +	\$1,000,000 - \$4,999,999	\$100,000 - \$999,999

Business Organization Update

First Half Key Developments

- ✓ Closely monitored macroeconomic developments and assessed hedge opportunities to protect our portfolio from downside risks
- ✓ Exceeded our assets under management goals
- ✓ Realized gains to free up capital for new investment opportunities
- ✓ Launched NAV Loan Offerings

Peridot Principles

1. Asymmetric Payoff Structures

- Focus on limited upfront investment and carrying costs
- Aim for significant multiples of capital return
- Ensure limited downside if risks do not materialize

2. Strategic Monetization During Market Dislocations

- Recognize value in hedges when equity markets are undervalued
- Provide liquidity to increase exposure to high-quality businesses at discounted valuations

3. Robust Risk Management

- Shield the portfolio from macroeconomic risks
- Mitigate potential losses during market instability

4. Opportunistic and Tactical Investing

- Seek hedging opportunities with favorable risk-reward profiles
- Leverage market volatility for superior returns

5. Capital Efficiency

- Employ strategies requiring minimal capital outlay
- Enhance overall capital allocation and investment efficiency

6. Enhanced Portfolio Stability

- Reduce overall portfolio volatility
- Safeguard against unpredictable market movements

7. Adaptive Strategy Adjustment

- Continuously evaluate and adjust hedging strategies based on market conditions
- Ensure hedges remain effective and relevant

8. Superior Alternative to Cash Reserves

- Provide a better solution than holding large cash positions
- Avoid the performance drag of a continuous hedging program

9. Dynamic Liquidity Management

- Ensure sufficient liquidity during periods of market stress
- Allow for strategic asset allocation and rebalancing

10. Long-Term Performance Orientation

- Prioritize strategies supporting long-term portfolio growth
- Balance risk management with the pursuit of high returns

Portfolio Construction Update

Economic Research Process

Outside Research

- Regional FED Surveys
- Senior Loan Officer Opinion Survey
- NFIB small business survey
- Inflation Expectations
- Surveys:
 - University of Michigan Consumer Sentiment Index
 - Job Openings and Labor Turnover Survey (JOLTS)
 - National Association of Home Builders (NAHB) Housing Market Index
 - U.S. Census Bureau Monthly Retail Trade Report

Government Data

- Real & Nominal GDP
- Political Policies
- CPI & PCE
- Employment & Unemployment reports
- Banking system balance sheet data
- US Treasury Bond Market
- Individual income/spending
- Sources: FRED, Bureau of Labor Statistics (BLS), Beige Book, National Agricultural Statistics Service (NASS)

Individual Commentary

- www.ReadSunday.com
- Quarterly earnings & conference call transcripts
- Our experience with local commentary (pharmacies, restaurants, etc)
- Real Time Data on:
 - R&D Spending
 - Consumer Strength
 - Financing behaviors
 - Hiring or firing activity
 - Housing market conditions

THE Plan

Placing greater emphasis on evaluating and leveraging existing leadership within companies, ensuring their roles and effectiveness align with our strategic objectives.

Introducing NAV loans at competitive rates between 7-10% to provide additional financing options for our investors.

Targeted AUM goal by year end is \$65M

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