To: Highway One Fund Partners

From: Stefan Ćulibrk

Subject: Temperament

Dear Partner,

Over the past six months, we invested in Constellation Software and Topicus - holding companies that own hundreds of small, profitable software businesses with long life cycles and high returns on capital. Before I outline *why* we invested, I want you to know *how* we got the opportunity.

Nine years ago, a friend sent me Constellation Software's shareholder letters. Soon after, I visited the management team in Toronto. Over the years, I started noticing how exceptional this business is – relentlessly ambitious yet level-headed and risk-averse. In the final days of September 2025, the gap between price and my estimate of value became attractive for the first time.

Successful investing requires marrying opposites: having *patience* until the price becomes reasonable and being *decisive* when the moment finally arrives. A falling price - powerful social pressure in itself - usually comes with a story that rationalises fear. Acting despite the narrative requires more than knowledge; it requires a particular temperament.

Unfortunately, no school teaches temperament. You cannot buy it, and you cannot hire it. Building - and maintaining it - is a personal, all-encompassing endeavour.

Environment and routine matter more in shaping temperament than most people think. Drop me on Wall Street, fill my days with conferences and calls with analysts, and watch how a whirlwind of hyperactivity reshapes temperament. Instead of investment banks, Highway One has used Interactive Brokers since day one. They don't call us; we don't call them. Everything works - no romance, no drama. The absence of outside pressure makes day-to-day life more pleasant, but it becomes *essential* during periods of market turbulence.

Instead of chasing "High Conviction Stock Picks" or themes, I spend my days trying to understand exceptional companies. The payoff from this approach exists only if the horizon is truly long-term - I don't know when we will cash in on that knowledge. I have no doubt that moments of collective panic will continue to bring us attractive opportunities. No advance in artificial intelligence will fix the imperfections of the human mind.