CM LEGACY FUND

July, 2025

Dear

Despite a tariff tantrum, market volatility, war in the Middle East and general media hysteria, we managed to post an excellent return during the 2nd quarter of 2025. Your investment in CM Legacy Partners LLC had a net gain of +15.0% during the three months ending June 30, 2025. Year-to-date the Fund is +8.15% vs. the major stock market indices: DJIA +3.6%, S&P 500 +5.5% and Nasdaq +5.5%. For the trailing one year the Fund is +24.1% with an annualized return of +19.8% during the last three years.

Our best performing stocks during the 2nd quarter were: Palantir (AI for defense/intelligence), BWX Technologies (nuclear power systems), Microsoft (computer software), MercadoLibre (e-commerce for Brazil and South America) and Uber (transportation tech). The common theme with these investments is rapidly developing, cutting edge technology.

The cornerstone of the Fund is our three largest holdings representing 30% of the portfolio: Blackstone, Costco and Microsoft. We have held each of these positions for well over a decade. They are all capital efficient businesses with high growth and profitability characteristics. Rather than taking profits and paying the government taxes on capital gains; we believe in letting our profits run. We can defer taxes indefinitely and keep our capital compounding in premier wealth creating businesses.

Another fundamental theme is that governments will inevitably debase/inflate their fiat currency from deficit spending and money printing. The median home price in the U.S. in 1975 was $39,300 and it is $416,900 in 2025. This relentless currency debasement fuels demand for scarce, hard assets like gold and bitcoin. Gold is physical and historically proven. Bitcoin is digital with limited supply. Neither can be printed and neither depends on a central authority. Since the year 2000, in 25 years gold has appreciated 816.4% vs the U.S. dollar, far outpacing the S&P 500. During the last 5 years Bitcoin is up +804.5% The portfolio currently has 15% exposure in gold bullion/gold mining stocks and 5% in Bitcoin.

An interesting new investment is Nu Holdings (the parent company of Nubank). NU has created the largest digital banking platform in South and Latin America. It has an asset light business model with extraordinary growth prospects in a region of the world that is underserved by traditional banks. In addition; like Mercado Libre (the Amazon of South America) it enjoys an earnings tailwind in the U.S. from the recently declining dollar.

We are in the midst of a political and economic restructuring of America. The new administration has unusual momentum with the destruction of Iran's nuclear facilities, a cease fire with Israel and Iran, a meaningful victory in the Supreme Court and an historic high in the stock market. Passage of a comprehensive tax and spending bill in Congress does little to restrain government spending but it does include pro-growth, pro-business and pro-energy policies. Let's see where this momentum takes us!!

If you have any questions, please do not hesitate to contact me at 917-225-6002 or cam@kcorba.com. You can also review our website at www.cmlegacy.com.

Kenneth W. Corba
Portfolio Manager

44 AMOGERONE CROSSWAY #7487, GREENWICH, CT 06836 (917) 225-6002