





At Camissa Asset Management, we aim to consistently deliver superior investment performance. We think deeply and independently - constantly pursuing excellence for our clients.



*Left to right: Roland Greaver (Chief Executive Officer) & Gavin Wood (Chief Investment Officer)*

We are a specialist investment management firm based in Cape Town, South Africa. Founded in 2001, we manage funds across the risk spectrum for sophisticated institutional and private investors.

We add value to clients because of:

- our diverse team of experienced investment professionals;
- our disciplined investment process based on our valuation-oriented, contrarian philosophy;
- our company culture, which encourages and enables clear, differentiated thinking; and
- our freedom to apply our skill to portfolios that are not constrained by size.

# Who we are

## *our people*

### **Experienced**

We are a stable team of investment professionals with extensive investment experience. This has been gained primarily at Camissa Asset Management and other large, successful investment firms.

### **Skilled**

One of our team's key strengths is the ability to draw on diverse formal training and academic backgrounds – from economics, finance and engineering to statistics, actuarial science and accounting. Combining these varied skills enables us to generate a rich mix of investment ideas. We approach investment problems from different, sometimes unorthodox angles.

**Drawing on our investment experience and harnessing our diverse skills contributes to superior investment thinking. Ultimately, this leads to excellent results for our investors.**

### **Our investment professionals have:**

- a flexible, curious and questioning orientation;
- an inner drive and competitiveness to achieve superior performance;
- a strong intellectual ability and the drive to apply it deeply;
- courage and conviction to pursue original, unconventional thinking;
- the confidence to be contrarian in their actions; and
- perspective and emotional detachment.

The image shows the interior of the Tianjin Binhai Library, a futuristic building with a large, curved, white structure. The structure is composed of multiple levels of bookshelves, creating a terraced, topographical landscape. The bookshelves are filled with books, and the overall design is minimalist and modern. A large, white, spherical structure is visible on the right side of the image, which is part of the building's architecture. The lighting is bright and even, highlighting the curves and textures of the building.

### **The Tianjin Binhai Library – Tianjin, China**

Nicknamed, The Eye, for the luminous sphere that props open an eye-shaped hole, the Tianjin Binhai Library in China is a five-level futuristic masterpiece that is home to 1.2 million books. Designed by Rotterdam-based architectural firm MVRDV, together with the local architects from the Tainjin Urban Planning and Design Institute, this architectural phenomenon boasts floor-to-ceiling terraced bookshelves which echo the form of the central sphere to create an interior, topographical, contouring landscape.

# Our thinking

## *investment philosophy*

We make investment decisions based on mispricings we observe in the market. Simply put, we buy investments that are priced below our considered assesment of intrinsic value and avoid those that we believe are overpriced.

### **Opportunities arise when market prices deviate from intrinsic value**

All investments represent a set of future cash flows, which can generally be valued with reasonable accuracy. Over time, this intrinsic value rises at a fairly stable pace. Asset prices, however, fluctuate considerably through time. This is largely due to self-reinforcing cycles of investor enthusiasm or negativity, often fuelled by an excessive focus on near-term data and news flow.

Our aim is to identify and exploit mispricings in the markets. We therefore buy investments at prices well below our estimation of their intrinsic value and hold them while they deliver strong cash returns and until they can be sold above this value. Once sold, we avoid such overvalued investments for as long as the market price is above the intrinsic value.

### **The future is never certain**

We recognise that there is considerable danger in operating with the comfort of a false sense of certainty and the accompanying behavioural reinforcement cycles that lead to a distorted evaluation of new information. As a result, we understand that despite our best efforts, we cannot possibly know all the facts.

This drives us to think more deeply, to work harder and to be more alert.

We therefore view the future in terms of probabilities, we explore alternative scenarios, diversify our positions, hedge risk and seek out potential asymmetries.



Photo: Fred Dufour/Gallo Images/AFP



# Our philosophy

*exploiting mispricings*

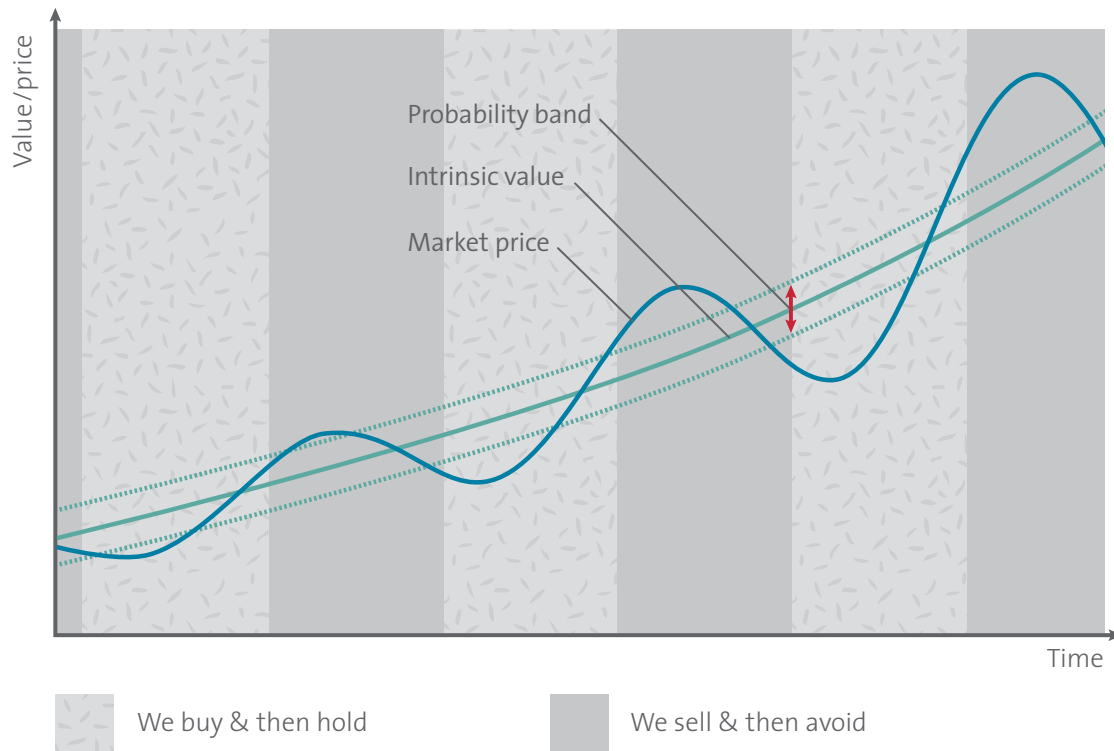




Photo: Fred Dufour/Gallo Images/AFP

# What we do

## *our investment process*

We believe that superior investment results can be achieved by following a proven, effective investment process. We follow a 'bottom-up' process to harness our investment philosophy in a disciplined, yet flexible manner - enabling creative and rigorous thinking.

### **Original research in pursuit of attractive investment opportunities**

Most of our time is spent undertaking in-depth company, industry and individual security research. We aim to provide an accurate assessment of the relative merits of a particular investment and to identify the key drivers of its future cash flows. This forms the basis for detailed financial modelling and we are then able to estimate an investment's intrinsic value.

We analyse relevant information to identify the sustainable, 'normalised' economics that impact an investment and its potential to generate cash flow. We also strive to understand structural and cyclical forces in operation, to adjust for temporary distortions to cash flows and to conduct long-term analysis of the history of the business and industry.

We pay particular attention to how our valuations could be wrong and derive a probability band around our central intrinsic value estimate.

### **Portfolio management that effectively balances risks and returns**

Our portfolio managers are individually accountable for specific client mandates as we believe that this leads to better decisions. We construct well-diversified portfolios, based on the investment opportunities uncovered by our proprietary research and analysis. We maintain a patient, long-term outlook, constructing portfolios that balance expected returns from mispricings, perceived risks and available portfolio holding size. We pay careful attention to risk management - minimising 'unrewarded' risks and positioning for asymmetric potential results.

# Our structure

## *how we are organised*

Our business is organised to maximise our potential for delivering on our performance and service undertakings to clients. Key to this is our focus on attracting the best people to our firm and enabling and incentivising them to deliver their best thinking and output for the benefit of clients.

We encourage accountability and reward excellence through performance-based remuneration, with incentives aligned to superior client value-add and our long-term business objectives. In addition, senior employees own a substantial stake in the business.

- We offer a narrow product range, focused only on areas where we believe we can excel for clients.
- We employ proprietary IT systems and tools extensively to enhance efficiency and productivity.
- Non-core functions (such as back office administration and IT infrastructure maintenance) are outsourced so that we can preserve a professional environment that is focused on investment decision making.
- We avoid unnecessary structure that could hamper effective decision making and operation.
- We continually search for ways to operate more efficiently.
- We are continuously growing and developing our own internal talent.

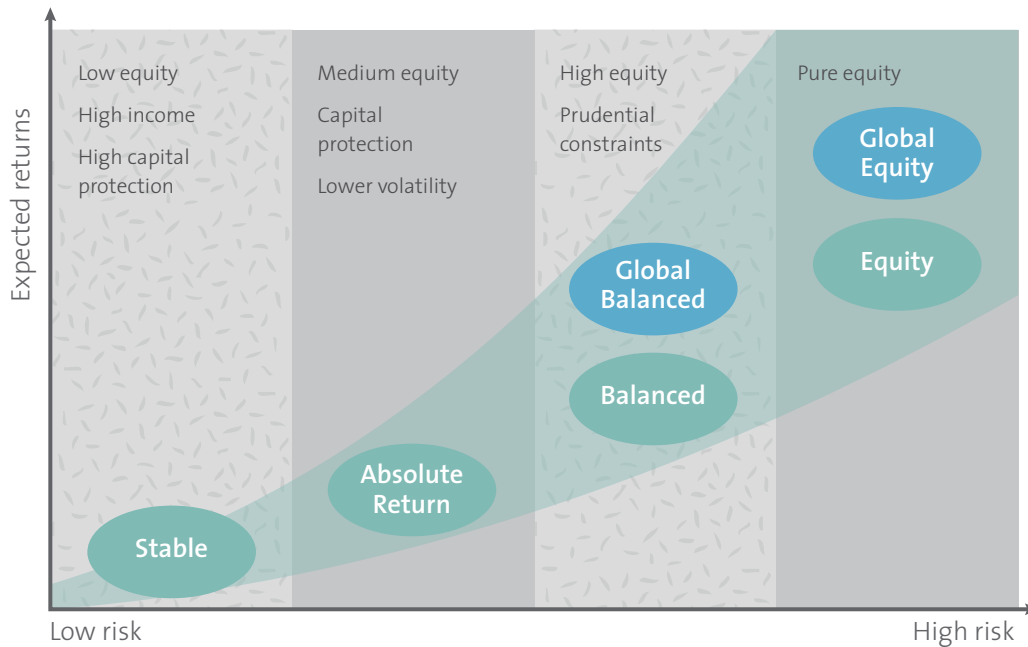
# Products

## *our funds*

We have a range of equity and multi-asset class funds that are designed to meet the enduring needs of our various clients. These funds are complementary and are clearly differentiated by expected risk and return characteristics.

Our funds are generally available in segregated or pooled forms, or as unit trusts to individual investors.

We also offer a specialist bond and money market fund for institutional clients.



# Evidence of skill

## *our performance track record*

Our long-term performance is the proof of the ultimate effectiveness of our people applying our philosophy and process. Our current performance track record is available on our website [www.camissa-am.com](http://www.camissa-am.com) or may be requested from our offices at +27 21 673 6300.





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