

MAINTAINING JUDGMENT AMIDST AMIDST

A LONG-TERM PERSPECTIVE ON TIME, PATIENCE, AND CAPITAL ALLOCATION

***RESPONDING TO CHANGE WITH DISCIPLINE, VALIDATING VALUE
THROUGH TIME***

CAPITAL MARKETS ARE CONSTANTLY IN FLUX, CHARACTERIZED BY INFORMATION OVERLOAD, DIVERSE OPINIONS, AND A RAPID PACE, MAKING SOUND JUDGMENT INCREASINGLY DIFFICULT.

IN THIS ENVIRONMENT, WHAT TRULY MATTERS IS NOT REACTING TO EVERY CHANGE, BUT MAINTAINING CLARITY AMIDST COMPLEXITY AND ADHERING TO A LONG-TERM PERSPECTIVE AMIDST UNCERTAINTY.

THIS WHITE PAPER DOES NOT ATTEMPT TO PROVIDE IMMEDIATE ANSWERS, BUT RATHER DEVELOPS A MORE ROBUST FRAMEWORK FOR THINKING ABOUT HOW CAPITAL IS UNDERSTOOD, MANAGED, AND TESTED OVER TIME.

IT FOCUSES ON HOW JUDGMENTS ARE FORMED, HOW DISCIPLINE PLAYS A ROLE, AND HOW PATIENCE GRADUALLY REVEALS ITS VALUE OVER THE LONG TERM. THIS IS A PATH THAT DOES NOT CHASE SHORT-TERM CONCLUSIONS, BUT RATHER REPRESENTS A CONTINUOUS EXPLORATION OF THE ESSENCE OF CAPITAL MANAGEMENT.



THE BACKGROUND AND STARTING POINT OF FORESTGIST CAPITAL



ForestGist Capital's founding stems from a systematic observation of the long-term dynamics of capital markets. In the ever-changing global capital environment, market participants face continuously increasing information density, significantly faster trading rhythms, and amplified short-term volatility and immediate feedback. In this environment, judgment is often reduced to rapid reactions to localized signals, while the structural factors, cyclical relationships, and inherent constraints that truly influence long-term capital outcomes are easily overlooked.

ForestGist Capital was formed against this backdrop, its starting point not being the pursuit of short-term opportunities, but rather a reflection on how capital can maintain its direction in a complex environment.

From its inception, the company clearly defined a long-term perspective as the fundamental premise for understanding the market. ForestGist Capital believes that capital is not validated at a single point in time, but rather its quality is gradually revealed through a series of interconnected judgments in a continuously changing environment. Therefore, the "starting point" does not signify a phased entry timing, but rather the selection of a long-term path. This choice demands higher standards for research depth, judgment discipline, and risk awareness from the outset, ensuring that every action can be understood within a long-term framework.

Against this background, ForestGist Capital chose research-driven rather than emotion-driven approaches as the fundamental logic for entering the field of capital management. The company focuses not on the speed of superficial market changes, but on the structural relationships and long-term impacts hidden behind these changes. By viewing capital management as a continuous judgment process, rather than a results-oriented short-term activity, ForestGist Capital hopes to establish a more robust and sustainable path for capital amidst complexity and uncertainty.



THE ROLE OF A PROFESSIONAL CAPITAL MANAGEMENT INSTITUTION

ForestGist Capital's understanding of its role is built upon long-term reflection on the essence of capital management. The company believes that the value of a professional capital management institution lies not in its ability to predict short-term market trends, but in its consistent adherence to judgment quality, disciplined execution, and fiduciary responsibility. In a highly uncertain market environment, the primary responsibility of a capital manager is not to pursue immediate results, but to establish clear decision-making boundaries for capital, ensuring that judgments remain consistent across different environments.

Based on this understanding, ForestGist Capital positions itself as a manager of long-term judgment, not a pursuer of short-term performance. This role demands consistency in methodology and intellectual restraint throughout the research, decision-making, and portfolio management processes. The company emphasizes that any decision should be explainable, meaning the logic behind the judgment can be clearly understood; it should also be traceable, allowing decisions to be reviewed over time, rather than relying on the outcome itself to retroactively justify its rationality.

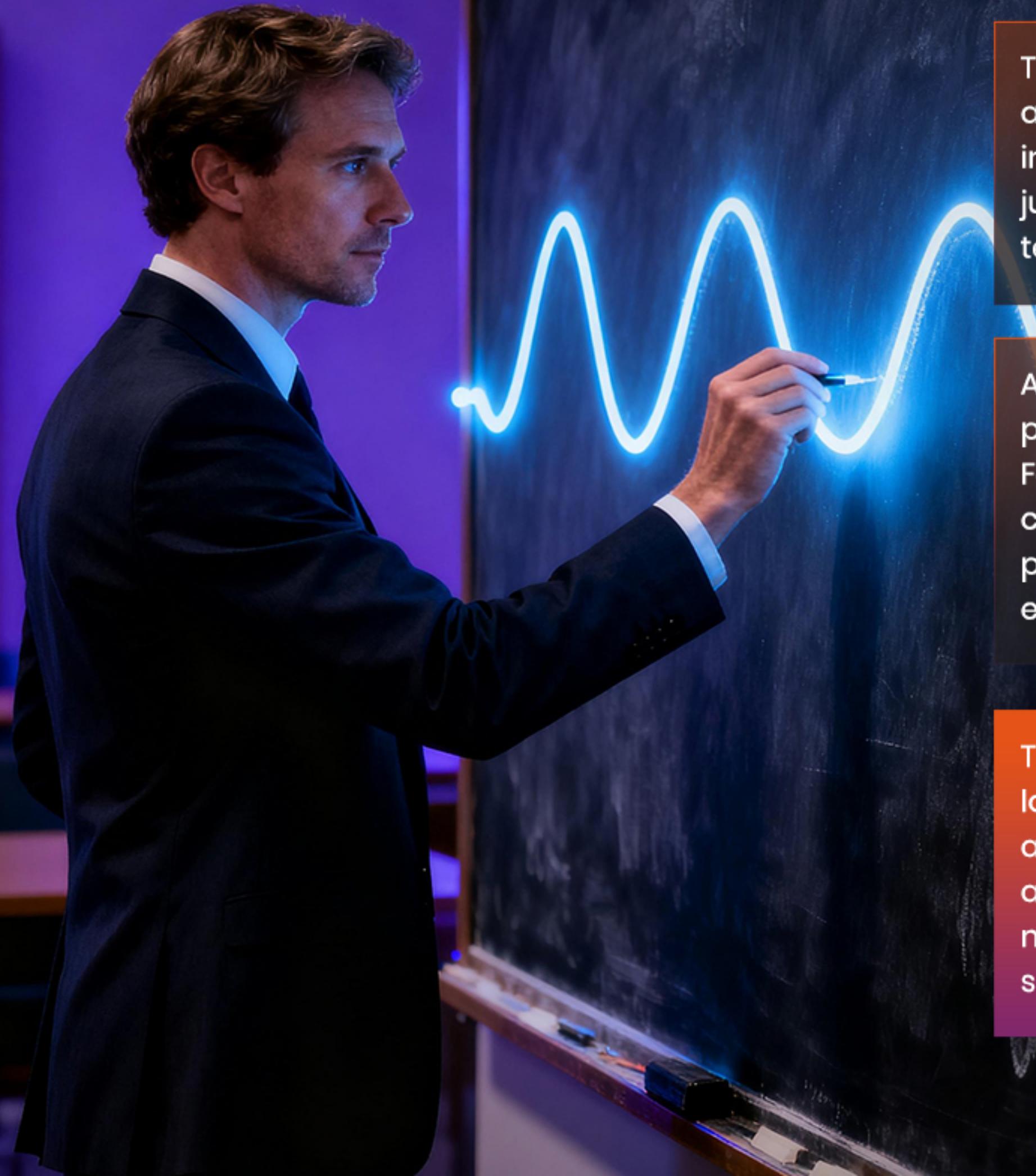
As a manager of capital, ForestGist Capital also places great importance on the meaning of fiduciary responsibility. The company believes that fiduciary responsibility is not limited to performance outcomes, but is also reflected in a prudent attitude and risk awareness throughout the process. By clearly defining its role as "managing judgment" rather than "manufacturing results," ForestGist Capital hopes to establish a stable, credible, and sustainable professional identity in the long-term capital management process, providing clear role boundaries for all subsequent investment activities.





A TIME-ORIENTED CAPITAL VISION

FORESTGIST CAPITAL'S CAPITAL VISION IS BUILT UPON A DEEP UNDERSTANDING OF TIME AS A CORE VARIABLE.



The company believes that the value of capital is not realized in the short term, but rather gradually emerges across different market environments, economic cycles, and structural changes. Short-term results are often influenced by various contingent factors, while long-term performance better reflects the true quality of judgment and management discipline. Therefore, ForestGist Capital views time as a crucial dimension for testing capital management capabilities, rather than merely an external condition.

A time-oriented capital vision means accepting the discontinuity and volatility of market operations. In this process, capital will inevitably experience different stages of adjustment, drawdowns, and corrections. ForestGist Capital does not view these changes as anomalies, but rather as a process of continuous calibration and validation of capital in a complex environment. By continuously observing capital performance across different cycles, the company strives to maintain a sense of direction amidst change, ensuring that decisions consistently revolve around long-term goals.

This vision also signifies a strong emphasis on patience and discipline. ForestGist Capital believes that the long term is not simply an extension of time, but rather the ability to maintain consistency in judgment across different stages. By continuously optimizing its judgment framework, management methods, and risk awareness, the company aims to endow capital with the resilience to weather various cycles. This vision is not a promise of future results, but rather a management attitude that consistently examines current decisions from a long-term perspective.

A RESEARCH AND DATA-CENTRIC INVESTMENT PHILOSOPHY



ForestGist Capital believes that the purpose of research is not to increase the volume of information, but to improve the quality of judgment. In today's capital markets, data, reports, and opinions are not scarce; what is truly scarce is the ability to filter, interpret, and integrate information. If research is only used to support immediate decisions or validate existing views, its value often diminishes rapidly with changes in market conditions.

Based on this understanding, ForestGist Capital views research as a long-term judgment process, not a results-oriented tool. The company focuses not on the speed of data changes, but on the long-term relationships reflected in the data, and whether these relationships have sustained explanatory power in different environments. The core task of research is to help capital distinguish between structural factors and cyclical fluctuations in complex environments, thus preventing judgments from being swayed by short-term noise.

Under this philosophy, data is not simply considered a source of conclusions, but rather an important medium for testing hypotheses and refining understanding. ForestGist Capital prefers to understand data within the context of business operations, industry structure, and macroeconomic background, rather than interpreting single indicators in isolation. In this way, research no longer pursues "accurate prediction," but instead aims to build a judgment framework that can be continuously tested and refined over time.

This investment philosophy emphasizes the consistency and sustainability of research. ForestGist Capital believes that only when the research methodology itself possesses long-term stability can capital management maintain a sense of direction across different market phases, without being dominated by short-term results.

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CORPORATE GOVERNANCE AND BUSINESS MODEL: A LONG-TERM ASSESSMENT

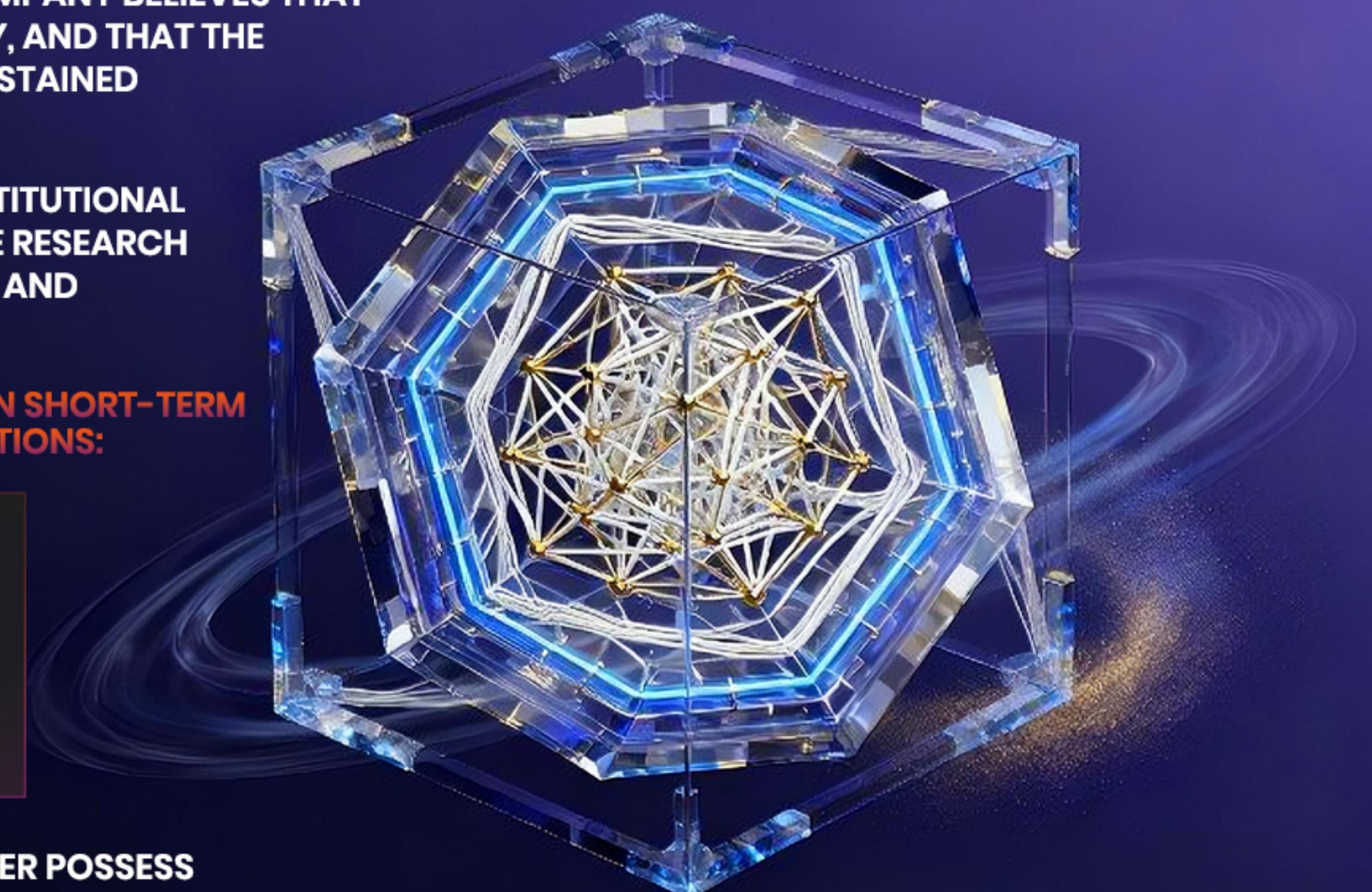
IN FORESTGIST CAPITAL'S RESEARCH FRAMEWORK, CORPORATE GOVERNANCE AND BUSINESS MODELS ARE CONSIDERED CRUCIAL STRUCTURAL FACTORS DETERMINING LONG-TERM OUTCOMES. THE COMPANY BELIEVES THAT SHORT-TERM FINANCIAL PERFORMANCE OFTEN FAILS TO REFLECT A COMPANY'S TRUE QUALITY, AND THAT THE STABILITY OF GOVERNANCE MECHANISMS AND BUSINESS MODELS IS KEY TO A COMPANY'S SUSTAINED OPERATION OVER TIME.

AT THE CORPORATE GOVERNANCE LEVEL, FORESTGIST CAPITAL FOCUSES NOT ON FORMAL INSTITUTIONAL ARRANGEMENTS, BUT ON THE EFFECTIVENESS OF GOVERNANCE STRUCTURES IN PRACTICE. THE RESEARCH EMPHASIZES WHETHER GOVERNANCE MECHANISMS FUNCTION EFFECTIVELY UNDER PRESSURE AND WHETHER MANAGEMENT BEHAVIOR ALIGNS WITH THE COMPANY'S LONG-TERM OBJECTIVES.

IN BUSINESS MODEL ASSESSMENT, THE FOCUS IS ON LONG-TERM SUSTAINABILITY RATHER THAN SHORT-TERM PERFORMANCE. THE ASSESSMENT TYPICALLY REVOLVES AROUND THE FOLLOWING CORE QUESTIONS:

- * Does the business model rely on short-term external conditions for its maintenance?
- * Do the revenue and cost structures possess long-term stability?
- * Do competitive advantages stem from structural factors rather than temporary opportunities?
- * Does the business model allow for continuous adaptation in the face of change?

FORESTGIST CAPITAL BELIEVES THAT EXCELLENT BUSINESS MODELS ARE NOT STATIC, BUT RATHER POSSESS THE ABILITY TO ADAPT TO CHANGING ENVIRONMENTS WHILE MAINTAINING CORE STABILITY. BY INCORPORATING CORPORATE GOVERNANCE AND BUSINESS MODELS INTO A LONG-TERM ASSESSMENT PERSPECTIVE, THE COMPANY AIMS TO BASE INVESTMENT DECISIONS ON A MORE SOLID STRUCTURAL FOUNDATION, RATHER THAN BEING SWAYED BY SHORT-TERM PERFORMANCE.



INVESTMENT APPROACH CENTERED ON EQUITY ASSETS

ForestGist Capital views equity assets as the core focus in its long-term capital allocation. This choice is not based on market cycles or short-term preferences, but rather stems from a systematic understanding of the long-term characteristics of equity assets. The company believes that stocks represent a company's operating performance over time, and their value does not depend on short-term price fluctuations, but rather on the company's ability to consistently create value in different environments. Therefore, compared to other asset classes, stocks are better suited to carrying long-term judgments and structural research findings.

In its equity-centric investment approach, ForestGist Capital focuses more on the quality of the company itself, rather than on short-term market pricing fluctuations. The company's research focuses on whether the company possesses a stable operating foundation, a clear profit structure, and the ability to maintain a competitive advantage. By allocating capital to companies that can operate sustainably over time, ForestGist Capital aims to make the performance of its investment portfolio reflect the quality of its judgments, rather than the volatility of market sentiment.

At the same time, the company does not understand equity investment as a single market transaction, but rather as a continuous assessment process of a company's long-term status. The core value of equity assets lies in their ability to be continuously re-evaluated as the company's operations evolve. ForestGist Capital accepts the existence of short-term price fluctuations, but does not use them as the primary basis for adjusting its long-term direction. Instead, the company focuses more on changes in the company's fundamentals over time, and whether these changes still support the initial judgment logic.

By adhering to an investment approach centered on equity assets, ForestGist Capital aims to establish a long-term capital allocation method that is closer to the real economic operation, aligning investment behavior with the company's growth path, rather than being swayed by short-term market noise.



DIVERSIFICATION AND PORTFOLIO CONSTRUCTION PRINCIPLES



FORESTGIST CAPITAL BELIEVES THAT THE SIGNIFICANCE OF A PORTFOLIO LIES NOT IN PURSUING SUPERFICIAL DIVERSIFICATION, BUT IN REDUCING THE CONCENTRATION OF JUDGMENT THROUGH STRUCTURAL DESIGN. IN THE PROCESS OF LONG-TERM CAPITAL MANAGEMENT, ANY SINGLE JUDGMENT INEVITABLY INVOLVES UNCERTAINTY. THE CORE OBJECTIVE OF PORTFOLIO CONSTRUCTION IS TO PREVENT THE OVERALL OUTCOME FROM BEING OVERLY DEPENDENT ON THE VALIDITY OF INDIVIDUAL JUDGMENTS. DIVERSIFICATION IS NOT AN AVOIDANCE OF JUDGMENT, BUT A RESPECT FOR THE BOUNDARIES OF JUDGMENT.

IN PORTFOLIO CONSTRUCTION, FORESTGIST CAPITAL FOCUSES MORE ON THE INTERRELATIONSHIPS BETWEEN DIFFERENT JUDGMENTS THAN ON THE NUMBER OF ASSETS THEMSELVES. THE PORTFOLIO STRUCTURE NEEDS TO BE STABLE ACROSS DIFFERENT MARKET ENVIRONMENTS, ALLOWING CAPITAL TO MAINTAIN DIRECTION UNDER UNCERTAIN CONDITIONS, RATHER THAN FREQUENTLY ADJUSTING WITH SHORT-TERM FLUCTUATIONS.

UNDER THIS PRINCIPLE, PORTFOLIOS ARE TYPICALLY CONSTRUCTED AROUND THE FOLLOWING CORE DIMENSIONS:

DIVERSITY OF JUDGMENT SOURCES

The investment portfolio should not be built on a single logic, but should be composed of multiple relatively independent judgments. This avoids excessive impact on the overall structure when a single judgment fails.

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STRUCTURAL COMPLEMENTARITY

Different assets play different roles in the portfolio. ForestGist Capital focuses more on the differences in asset performance in different environments, and whether these differences help buffer overall volatility.

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IN THIS WAY, DIVERSIFICATION BECOMES PART OF THE JUDGMENT SYSTEM, NOT A REMEDY AFTER JUDGMENT FAILURE. FORESTGIST CAPITAL AIMS TO ACHIEVE GREATER CONSISTENCY AND RESILIENCE OF CAPITAL OVER TIME THROUGH A STABLE PORTFOLIO STRUCTURE.

THE INVESTMENT PROCESS FROM RESEARCH TO DECISION-MAKING



FORESTGIST CAPITAL'S INVESTMENT PROCESS AIMS TO ESTABLISH A CLEAR AND STABLE CONNECTION BETWEEN RESEARCH AND DECISION-MAKING. THE COMPANY BELIEVES THAT RESEARCH ITSELF IS NOT EQUIVALENT TO DECISION-MAKING, AND A CAREFUL TRANSFORMATION PROCESS IS NEEDED TO AVOID JUDGMENTS BEING DISTORTED BY INFORMATION OVERLOAD OR EMOTIONAL INTERFERENCE.

IN THIS PROCESS, RESEARCH IS FIRST USED TO FORM A LONG-TERM UNDERSTANDING OF A COMPANY OR ASSET, RATHER THAN DIRECTLY TRIGGERING ACTION. THE RESEARCH PHASE EMPHASIZES THE ESTABLISHMENT AND VERIFICATION OF HYPOTHESES, ALLOWING JUDGMENTS TO MATURE GRADUALLY THROUGH CONTINUOUS TRACKING AND REPEATED REVIEW. ONLY WHEN THE RESEARCH CONCLUSIONS DEMONSTRATE STABILITY OVER TIME DOES THE PROCESS MOVE TO THE DECISION EVALUATION STAGE.

THE PROCESS FROM RESEARCH TO DECISION-MAKING INCLUDES:

- * Clear expression and definition of research hypotheses
- * Systematic identification of key risk factors
- * Assessment of the stability of judgments in different scenarios
- * Confirmation of the consistency of decisions with long-term goals

In the decision-making stage, ForestGist Capital also emphasizes discipline and consistency. The company believes that decision-making is not a mechanical execution of research conclusions, but a comprehensive test of the quality of judgment. By introducing multi-level review into the process, the company hopes to avoid weakening the robustness of decisions due to a single perspective or short-term factors.

The core objective of this investment process is to ensure that every decision can be understood within a long-term framework and can be traced back and reviewed in the future, thereby continuously improving the overall consistency of capital management.



A STRUCTURAL UNDERSTANDING OF RISK

FORESTGIST CAPITAL BELIEVES THAT RISK IS NOT AN ISOLATED EVENT, BUT RATHER A NATURAL CONSEQUENCE OF CAPITAL OPERATING WITHIN A SPECIFIC STRUCTURE. IN LONG-TERM CAPITAL MANAGEMENT, RISK OFTEN DOESN'T APPEAR SUDDENLY, BUT IS GRADUALLY ACCUMULATED OVER TIME DUE TO MARKET ENVIRONMENT, ASSET CHARACTERISTICS, AND BEHAVIORAL FACTORS. UNDERSTANDING RISK SOLELY AS PRICE VOLATILITY OR TEMPORARY DRAWDOWNS CAN EASILY LEAD TO OVERLOOKING ITS UNDERLYING CAUSES AND THUS RESULT IN BIASED JUDGMENTS.

FROM A STRUCTURAL PERSPECTIVE, RISK IS NOT A VARIABLE OUTSIDE OF JUDGMENT, BUT RATHER A REALITY INHERENT IN THE JUDGMENT ITSELF. THE FORMS OF RISK TO WHICH CAPITAL IS EXPOSED IN DIFFERENT ENVIRONMENTS ARE OFTEN CLOSELY RELATED TO CHANGES IN MARKET STRUCTURE. FOR EXAMPLE, ADJUSTMENTS IN PARTICIPANT STRUCTURE, LIQUIDITY CONDITIONS, OR INFORMATION TRANSMISSION METHODS CAN CHANGE THE MANIFESTATION OF RISK AT DIFFERENT POINTS IN TIME. THESE CHANGES MAY NOT BE OBVIOUS IN THE EARLY STAGES, BUT MAY BECOME CONCENTRATED OVER TIME.

BASED ON THIS, FORESTGIST CAPITAL UNDERSTANDS RISK AS THE RESULT OF THE INTERPLAY OF MULTIPLE LEVELS:

MARKET STRUCTURE LEVEL:

Changes in participant behavior and trading structures in different market phases can invisibly amplify risk concentration.

ASSET CHARACTERISTICS LEVEL:

Differences in liquidity, valuation elasticity, and return distribution of the assets themselves can affect how risk is released in specific environments.

BEHAVIORAL FACTORS LEVEL:

Emotions, expectations, and coordinated actions often combine at critical stages, giving structural risk a sudden and unexpected characteristic.



RISK IDENTIFICATION, MEASUREMENT, AND DYNAMIC MANAGEMENT

IN FORESTGIST CAPITAL'S CAPITAL MANAGEMENT SYSTEM, RISK MANAGEMENT IS NOT AN ISOLATED PROCESS, BUT A CONTINUOUS EFFORT THAT PERMEATES THE ENTIRE RESEARCH, DECISION-MAKING, AND PORTFOLIO MANAGEMENT PROCESS. THE COMPANY BELIEVES THAT EFFECTIVE RISK MANAGEMENT BEGINS WITH THE CLEAR IDENTIFICATION OF RISK SOURCES, RATHER THAN PASSIVELY REACTING AFTER THE FACT.

IN LONG-TERM CAPITAL MANAGEMENT, THE FOCUS OF RISK MANAGEMENT IS NOT ON ELIMINATING UNCERTAINTY, BUT ON UNDERSTANDING HOW UNCERTAINTY MIGHT AFFECT EXISTING JUDGMENTS. BASED ON THIS PHILOSOPHY, FORESTGIST CAPITAL VIEWS RISK MANAGEMENT AS A CONTINUOUS PROCESS OF TESTING THE ASSUMPTIONS UNDERLYING THOSE JUDGMENTS.

IN PRACTICE, RISK MANAGEMENT REVOLVES AROUND:

- **RISK IDENTIFICATION**

The focus of identification is on clarifying which factors may change the basis upon which judgments are made. These factors may come from the market environment, company fundamentals, or structural changes. Only when risks are clearly identified can they be managed.

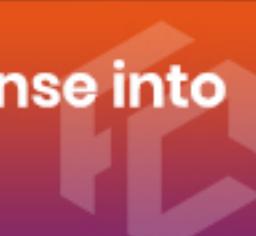
- **RISK MEASUREMENT**

Measurement does not aim for precise prediction, but rather uses reasonable methods to assess the potential impact of risks, enabling decision-makers to have a basic understanding of uncertainty, rather than becoming overly reliant on specific outcomes.

- **DYNAMIC MANAGEMENT**

Risk management is not a one-time task, but a continuous process of adjustment in response to changing environments. The focus of management is on determining whether substantive changes have occurred, rather than whether short-term results deviate from expectations.

By integrating risk identification, measurement, and dynamic management, ForestGist Capital aims to transform risk management from passive defense into an active component of the judgment system, enabling capital to maintain greater consistency and control in a changing environment.



CROSS-CYCLE PORTFOLIO MANAGEMENT APPROACH



FORESTGIST CAPITAL BELIEVES THAT PORTFOLIO MANAGEMENT SHOULD NOT BE LIMITED TO A SINGLE MARKET PHASE, BUT SHOULD BE BUILT UPON A CROSS-CYCLE PERSPECTIVE. MARKET STRUCTURE, RISK CHARACTERISTICS, AND ASSET PERFORMANCE ALL CHANGE ACROSS DIFFERENT CYCLES. IF PORTFOLIO MANAGEMENT ONLY ADAPTS TO SPECIFIC ENVIRONMENTS, LONG-TERM STABILITY WILL BE DIFFICULT TO MAINTAIN.

THE CORE OF CROSS-CYCLE MANAGEMENT LIES NOT IN FREQUENT ADJUSTMENTS TO PORTFOLIO POSITIONS, BUT IN MAINTAINING CONTINUITY BETWEEN THE PORTFOLIO STRUCTURE AND THE UNDERLYING INVESTMENT LOGIC. WHEN THE EXTERNAL ENVIRONMENT CHANGES, THE PRIMARY QUESTION IS NOT WHETHER TO ADJUST ALLOCATION RATIOS, BUT WHETHER THE ORIGINAL BASIS FOR JUDGMENT REMAINS VALID. THIS MANAGEMENT APPROACH EMPHASIZES CONTINUOUS SCRUTINY OF THE UNDERLYING ASSUMPTIONS, RATHER THAN REACTING IMMEDIATELY TO SHORT-TERM PERFORMANCE.

IN THE CROSS-CYCLE MANAGEMENT PROCESS, FORESTGIST CAPITAL FOCUSES ON THE FOLLOWING KEY JUDGMENT POINTS:

* Does the portfolio structure still reflect the original long-term judgment?

* Has the risk exposure undergone structural changes rather than merely cyclical fluctuations?

* Do portfolio adjustments serve long-term objectives, rather than responding to short-term pressures?



COMPLIANCE AWARENESS AND CORPORATE GOVERNANCE PRINCIPLES



ForestGist Capital considers compliance awareness and corporate governance as indispensable foundational conditions for long-term capital management. The company believes that any investment decision, if detached from a clear governance structure and compliance boundaries, cannot maintain stability over time. Compliance is not a passive response to external pressure, but a crucial prerequisite for the sustainable operation of capital management activities and a necessary environment for the long-term validity of the judgment system.



In ForestGist Capital's understanding, the core of corporate governance lies not in formal institutional arrangements, but in its ability to provide clear and stable boundaries for decision-making in complex environments. A sound governance structure should ensure clear decision-making responsibilities, consistent processes, and the maintenance of basic order in the face of external changes. When market conditions fluctuate or uncertainty increases, the role of the governance mechanism is not to accelerate reactions, but to prevent judgments from being directionally skewed by short-term pressures.

Compliance awareness is also integrated into the long-term judgment framework. ForestGist Capital believes that compliance does not mean sacrificing judgment space, but rather, by clarifying behavioral boundaries, it enables capital management activities to be more sustainable. A clear understanding of compliance helps to distinguish which behaviors are reasonable in the long term and which behaviors, even if effective in the short term, may cause structural damage to long-term goals. It is on the basis of this distinction that judgments can be continuously validated over time, rather than being swayed by short-term results.



BUILDING LONG-TERM TRUST THROUGH CLEAR COMMUNICATION

FORESTGIST CAPITAL BELIEVES THAT LONG-TERM TRUST IS NOT BUILT THROUGH PROMISES OR RESULTS, BUT RATHER THROUGH CONTINUOUS AND CLEAR COMMUNICATION. UNCERTAINTY IS ALWAYS PRESENT IN CAPITAL MANAGEMENT, AND THE TRUE VALUE OF COMMUNICATION LIES NOT IN ELIMINATING UNCERTAINTY, BUT IN HELPING STAKEHOLDERS UNDERSTAND THE SOURCES, PREMISES, AND EVOLUTION OF JUDGMENTS. THIS ALLOWS TRUST TO BE BUILT ON UNDERSTANDING, RATHER THAN ON EMOTIONS OR SHORT-TERM PERFORMANCE.

Under this philosophy, communication is considered a vital component of the capital management system, not merely an after-the-fact explanation. ForestGist Capital prioritizes clear, consistent, and coherent communication over seeking immediate approval. The company believes that truly effective communication should revolve around the logic of the judgment itself, rather than focusing solely on interim results or superficial performance.

Clear communication means maintaining an open attitude towards the judgment process. ForestGist Capital emphasizes in its communication that any investment decision is based on specific premises, and these premises themselves may be re-examined as circumstances change. By continuously presenting the logical basis upon which judgments are made, the company aims to prevent communication from being reduced to mere explanations of results, but rather to become a long-term presentation of the judgment system.

Through long-term practice, ForestGist Capital believes that trust is not built through a single communication, but gradually accumulated through repeated and consistent information delivery. By maintaining consistency in expression and continuity in logic, the company aims to make communication a bridge connecting judgment and time, establishing understandable and sustainable long-term trust relationships in an uncertain environment.



GLOBAL CAPITAL MARKET ENVIRONMENT AND LONG-TERM TRENDS



From a long-term perspective, the global capital market is undergoing continuous evolution. This evolution is not driven by a single event, but rather by the combined effects of the macroeconomic environment, policy structures, technological advancements, and the behavior of market participants. Short-term fluctuations often mask deeper changes, and what truly influences the long-term logic of capital allocation is the gradual adjustment of the market's operating mechanisms themselves.

Secondly, the interconnectedness between different markets and asset classes continues to strengthen, posing new challenges to traditional diversification. Changes in global liquidity, adjustments in the policy environment, and cross-market capital allocation behaviors lead to faster transmission of risk across different regions and assets. In this environment, superficial diversification may not truly reduce risk, but may instead expose structural concentration problems at critical moments.

ForestGist Capital believes that the current global capital market exhibits several characteristics worthy of long-term attention. First, the efficiency of information acquisition and dissemination has significantly improved, accelerating market reaction speed, but also amplifying the impact of sentiment and herd behavior. In this environment, price fluctuations are more frequent, while the information content carried by prices themselves may decrease. This change requires capital managers to place greater emphasis on structural understanding rather than relying on immediate signals for decision-making.

At the same time, the formation of long-term trends is often accompanied by periodic uncertainty. Technological advancements, industrial shifts, and institutional adjustments do not unfold linearly, but are repeatedly tested, corrected, and evolved over time. ForestGist Capital does not view these changes as short-term opportunities, but rather incorporates them into its continuous observation of the long-term environment. The company believes that truly significant long-term trends are usually not clear in their early stages, nor do they appear at clear time points, but rather gradually emerge through repeated cycles.

In this global capital market environment, ForestGist Capital emphasizes maintaining independent judgment and patience. The company believes that understanding long-term trends is not equivalent to predicting future outcomes, but rather continuously calibrating the cognitive framework amidst change, enabling capital allocation to adapt to environmental evolution without being swayed by short-term noise. This understanding of long-term trends forms an important backdrop for the company's ongoing capital management decisions.

GLOBAL CAPITAL MARKET ENVIRONMENT AND LONG-TERM TRENDS



FORESTGIST CAPITAL'S THINKING ON FUTURE DEVELOPMENT IS BASED ON LONG-TERM JUDGMENT AND CONTINUOUS CAPABILITY BUILDING. THE COMPANY BELIEVES THAT THE GROWTH OF A CAPITAL MANAGEMENT INSTITUTION DOES NOT DEPEND ON SCALE EXPANSION OR SHORT-TERM PERFORMANCE, BUT ON WHETHER ITS JUDGMENT SYSTEM CAN BE CONTINUOUSLY VALIDATED AND REFINED OVER TIME. THEREFORE, THE FOCUS OF FUTURE DEVELOPMENT IS NOT ON SPEED, BUT ON CONTINUOUSLY IMPROVING THE QUALITY OF JUDGMENT AND MANAGEMENT CONSISTENCY.

In this direction, ForestGist Capital will continue to strengthen research depth and the stability of its judgment framework. The company believes that research capabilities are not built once and for all, but need to be continuously verified and refined in different environments. By continuously accumulating an understanding of companies, industries, and market structures, the company hopes to make its research system more explanatory, rather than relying on effectiveness in a specific stage.

At the same time, ForestGist Capital will continue to focus on the long-term adaptability of its capital management processes. As the market environment changes, the management process itself needs to be constantly reviewed to ensure that it continues to serve long-term goals, rather than being altered by short-term efficiency or external pressures. The company emphasizes that the purpose of process optimization is not to accelerate the pace of decision-making, but to improve the stability of decisions in different environments.

At the organizational and governance level, ForestGist Capital also considers long-term consistency as a core objective. Future development will revolve around clarifying responsibility boundaries, ensuring consistent communication methods, and strengthening governance structures, so that capital management activities maintain their original judgment standards and disciplinary constraints during expansion.

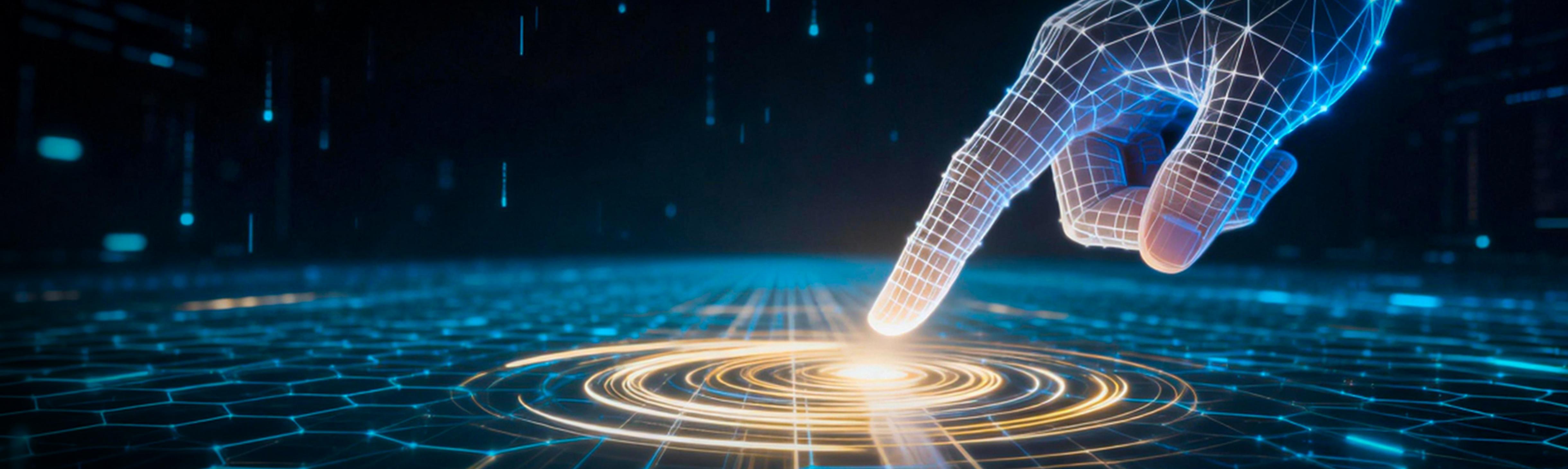
OVERALL, FORESTGIST CAPITAL'S FUTURE DEVELOPMENT IS NOT AIMED AT A SPECIFIC STAGE OR GOAL, BUT RATHER A PATH OF CONTINUOUSLY REFINING ITS JUDGMENT SYSTEM AND STRENGTHENING ITS LONG-TERM PERSPECTIVE. THROUGH THIS APPROACH, THE COMPANY HOPES TO MAINTAIN A SENSE OF DIRECTION IN THE EVER-CHANGING CAPITAL ENVIRONMENT AND BUILD A MORE STABLE AND SUSTAINABLE FOUNDATION FOR CAPITAL MANAGEMENT OVER TIME.

TIME WILL REVEAL TRULY IMPORTANT JUDGMENTS.

MAINTAIN PATIENCE AMIDST CHANGE, AND STAY FOCUSED AMIDST COMPLEXITY.

MANAGE THE INTRINSIC VALUE OF CAPITAL FROM A LONG-TERM PERSPECTIVE.

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CAPITAL MANAGEMENT IS NOT A PROCESS OF CHASING RESULTS, BUT A PRACTICE OF JUDGMENT THAT IS CONSTANTLY TESTED OVER TIME. MARKET CONDITIONS WILL CHANGE, CIRCUMSTANCES WILL FLUCTUATE, AND CONCLUSIONS MAY BE REVISED, BUT WHAT TRULY MATTERS IS WHETHER THE JUDGMENT IS BASED ON CLEAR UNDERSTANDING AND REMAINS CONSISTENT IN THE LONG TERM. THIS WHITE PAPER DOES NOT PRESENT A DEFINITIVE DESCRIPTION OF THE FUTURE, BUT RATHER A WAY OF THINKING WHEN FACED WITH UNCERTAINTY. FORESTGIST CAPITAL CHOOSES TO COUNTER NOISE WITH PATIENCE AND RESPOND TO CHANGE WITH DISCIPLINE, VIEWING CAPITAL MANAGEMENT AS A TASK THAT REQUIRES LONG-TERM COMMITMENT, CONTINUOUS REFLECTION, AND CONSTANT IMPROVEMENT. THE COMPANY BELIEVES THAT ONLY JUDGMENTS THAT STAND THE TEST OF TIME CAN YIELD TRULY SUSTAINABLE VALUE.