

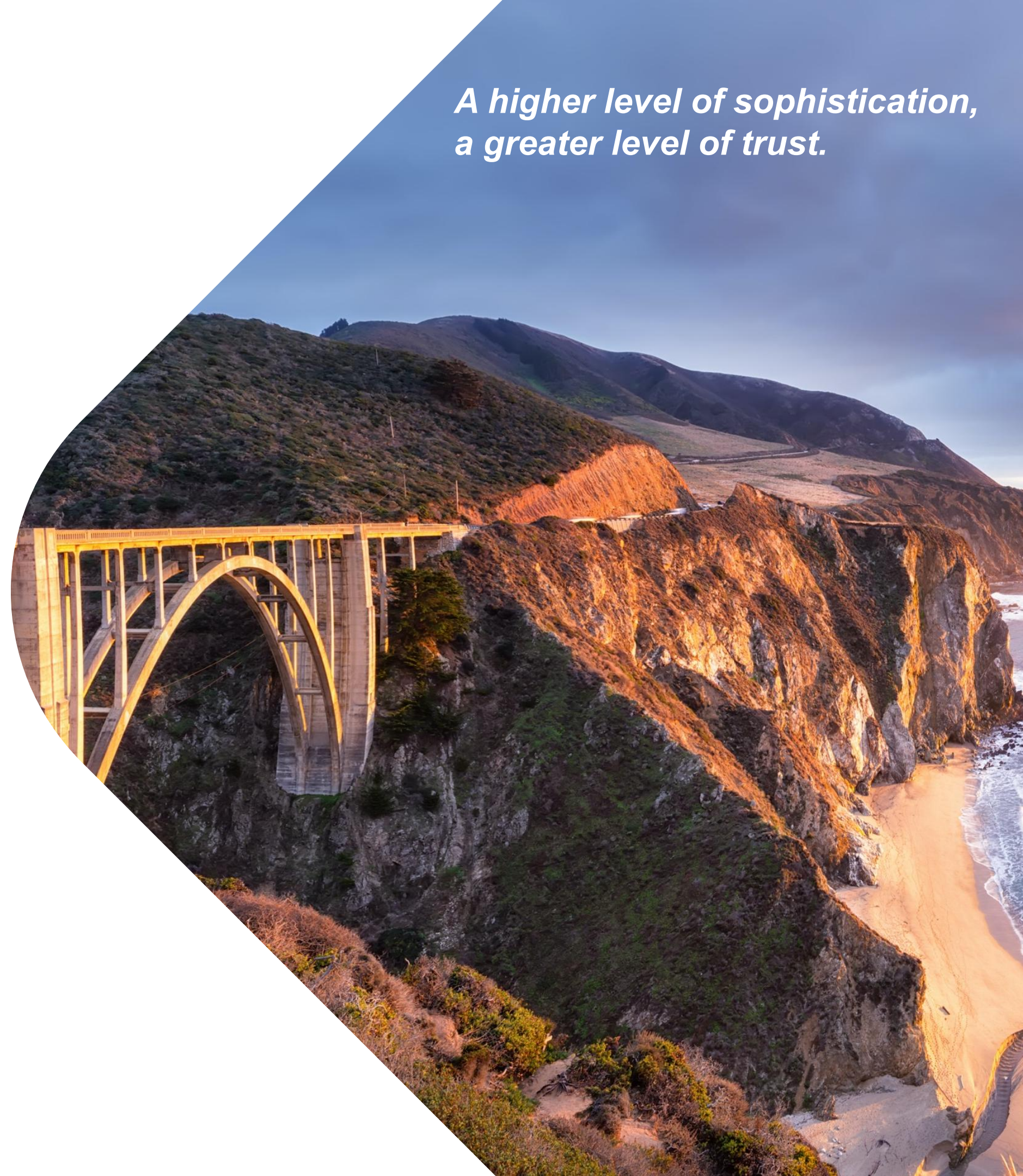


Investing in Stocks and Bonds

It's Your Money
October 14th, 2026

450 Newport Center Drive, Suite 630, Newport Beach, CA 92660
(949) 644 4444 / www.knightsb.com / knightsbridge@knightsb.com

*A higher level of sophistication,
a greater level of trust.*





Knightsbridge Wealth Management



John G. Prichard, CFA

PRESIDENT

John founded Knightsbridge in 1998. He is a Chartered Financial Analyst (CFA) Charterholder and earned an MA in finance and banking from Boston University and a BA in economics from the University of California San Diego.

John is a past President of the CFA Society of Orange County and served as a Trustee of the South Coast Repertory Theatre, Newport Beach Public Library and Boys and Girls Club of Laguna Beach.



Firm overview

About Knightsbridge Wealth Management

KEY FACTS

- Independent, Fee-Only Registered Investment Advisor (RIA)
- 100% employee-owned
- Fiduciary duty to place client interests first
- 25+ year history
- \$1B+ in assets under management
- Each client gets a dedicated team to provide tailored guidance

INVESTMENT TENETS





Mission

Build a firm where we'd be happy to have our family be fee-paying clients

Values



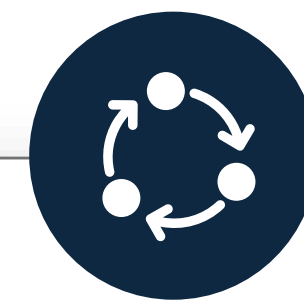
HONOR

Always do what's
right for clients



EXCELLENCE

Pursue excellence
in everything



PROGRESS

Continuously
adapt and
improve



COMMUNITY

Treat each other
well



Our services and strategies

Tax efficiency integrated into everything we do for clients

CORE SERVICES FOR EVERY CLIENT		FOR APPLICABLE CLIENTS
INVESTMENT MANAGEMENT	FINANCIAL AND TAX PLANNING	SPECIALIZED TAX SOLUTIONS
● Custom investment selection Maximize after-tax returns based on each client’s marginal tax bracket ● Thoughtful asset location Place tax inefficient and/or high growth investments in retirement accounts ● Turnover minimization Limit capital gains realization whenever possible and loss harvest regularly ● Courtesy cash management Emphasize state-tax free funds, rotate to the highest yielding option every two weeks	● Retirement plan design Ensure the right plan and funding is in place ● Charitable giving optimization Donate highly appreciated securities directly or manage Donor Advised Funds for maximum tax benefit and flexibility ● Roth conversion execution Analyze the opportunity and create a tax-informed, multi-year plan ● Social Security, Medicare advice Guide you to maximize your benefits	● Opportunity Zone Fund ● Charitable Remainder Trust ● Exchange Fund ● Income Tax Reduction Fund ● Personalized Indexing



Our proven process engaging clients

- **A warm welcome**

We start with a conversation to understand your goals, priorities, and expectations

- **Comprehensive discovery**

We gather a complete, detailed picture of your

- financial life so our recommendations are grounded in facts, not assumptions

Portfolio design and transition

Before moving a single dollar, we present a formal proposal and tax-aware transition plan to minimize costs, avoid unnecessary tax events and position you for long-term efficiency

- **Seamless implementation**

We handle account transfers, strategy rollouts, and document coordination to get up and running without administrative headaches

- **Personalized planning**

Create a roadmap to achieve your financial priorities

- that includes sophisticated scenario analysis and portfolio stress testing

- **30-day check-in**

Confirm all account were set up as intended and that you can access all investor portals

90-day statement review

Review portfolio progress, answer questions, and fine-tune with your advisor

- **Annual strategy review**

Get together to update your plan and investment strategy for life changes, tax laws, markets, and new opportunities

- **Collaborative alignment**

We coordinate with your CPA, attorney, and other professional advisors to ensure integrated tax, estate, and portfolio decisions

- **On demand advice**

We answer all your financial questions whenever they come up



Purposeful Extra Effort to Maximize Value

Reducing Taxes

- Actively harvest losses
- Manage retirement and taxable account differently
- Choose investments based on your tax bracket
- Hold appreciated positions in taxable accounts
- Donate appreciated positions for tax deductions
- Tell your CPA about state tax-free income that doesn't show up on your tax reports

Minimizing Fees

- Buy individual stocks and bonds to avoid extra fees
- Use the *lowest* cost, ultra-tax-efficient passive funds
- Optimize the share class on each of your investments
- Oversee donor advised funds without charging fees
- Advise on current employer-sponsored 401(k) and 529 plans without charging fees

Enhancing Returns

- Identify boutique funds with better investment terms
- Buy land-backed bonds for higher yield without extra risk
- Enable borrowing against or lending out from your portfolio for extra income
- Move cash to the best after-tax yield every two weeks



Historical performance and your fees

Performance

Flagship strategies net annualized return since inception

Opportunistic Value Equity (OVE)

+13.5%

+2.6% higher than the S&P 500 Index

Managed Income (MNI)

+7.0%

+2.8% higher than the Bloomberg U.S. Aggregate Bond Index

Declining Fee Schedule

By starting asset value

\$1M

1.10%
starting fee



declines
0.05%



0.75%
final fee

\$10M

0.85%
starting fee



declines
0.05%



0.50%
final fee



Our Efforts Yield Measurable Results

A track record clients can evaluate, after taxes and fees

PROVEN RESULTS

Over the past ten years, Knightsbridge-managed portfolios have delivered a **12.9%** average annual return, outperforming a 60/40 benchmark by approximately **3.2%** per year. **72%** of portfolios outperformed the benchmark after fees and expenses.

DECLINING FEES

Your management fee declines as your portfolio grows, allowing you to keep more of your wealth working for you over time

YOUR FIRST YEAR, GUARANTEED

If you are not completely satisfied with Knightsbridge within your first year, we will refund your management fee

Knightsbridge – All Managed Accounts (net)	15.6%	-13.6%	20.6%	14.6%	13.9%	11.0%
60 / 40 Benchmark (R3000 / Bloomberg Agg)	14.2%	-16.5%	17.5%	14.4%	13.3%	6.8%
Excess Performance	1.5%	2.9%	3.1%	0.2%	0.6%	4.1%

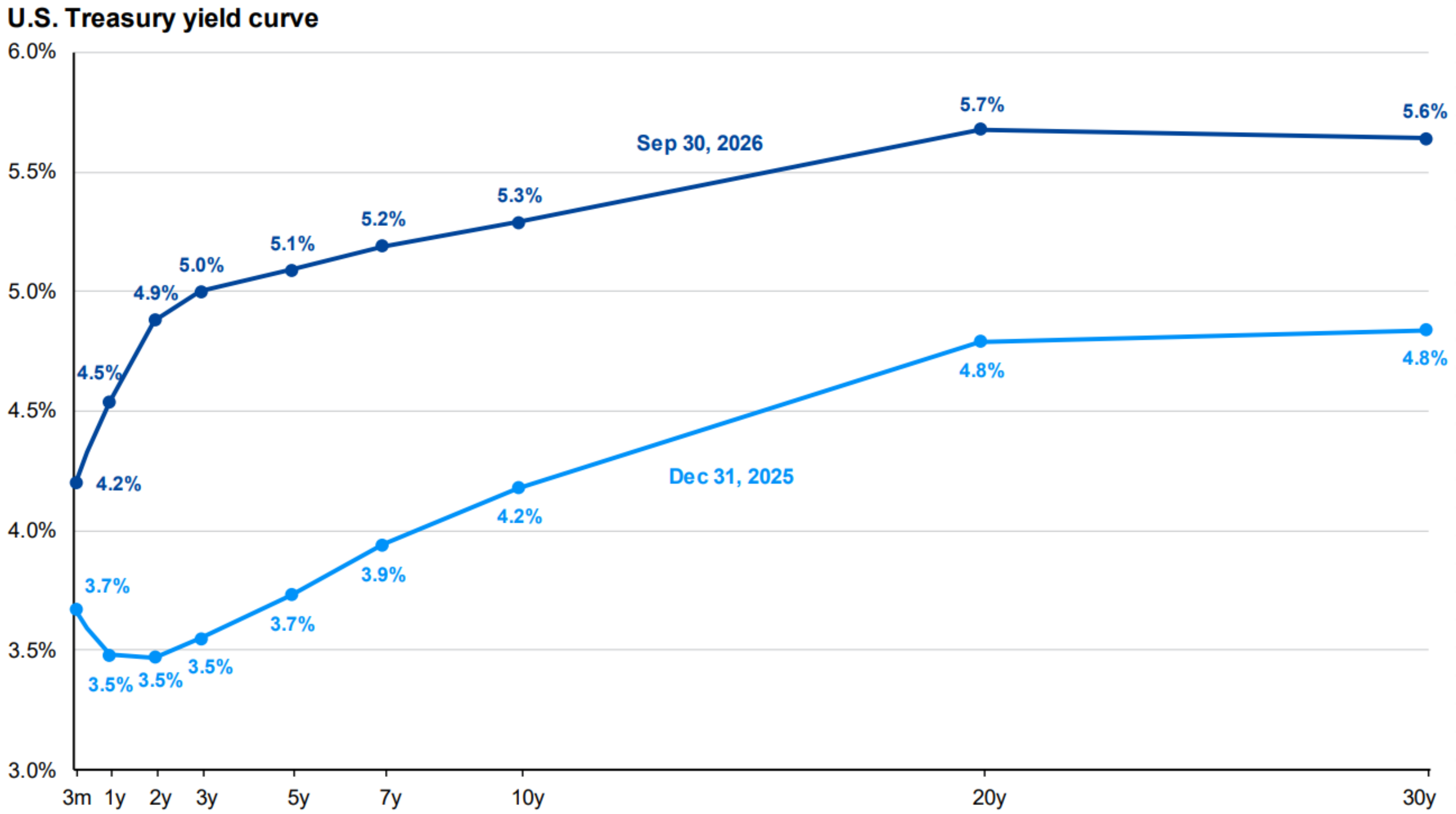
Active management should produce measurable value. Our clients can see the results.



Fixed Income (Bonds)



The Yield Curve

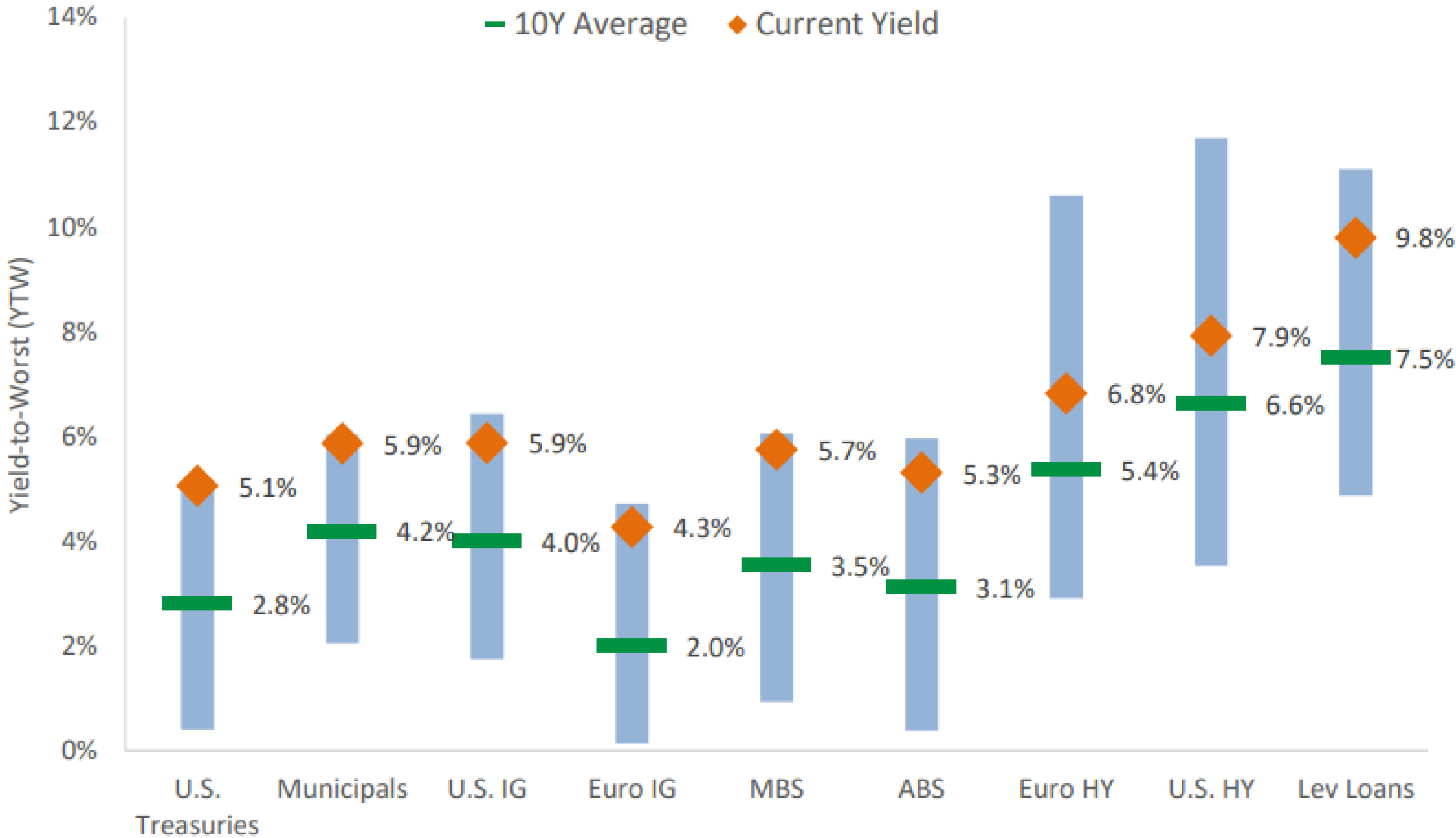




Today's Bond Yields

Comprehensive Wealth Management

Knightsbridge Wealth Management 2026

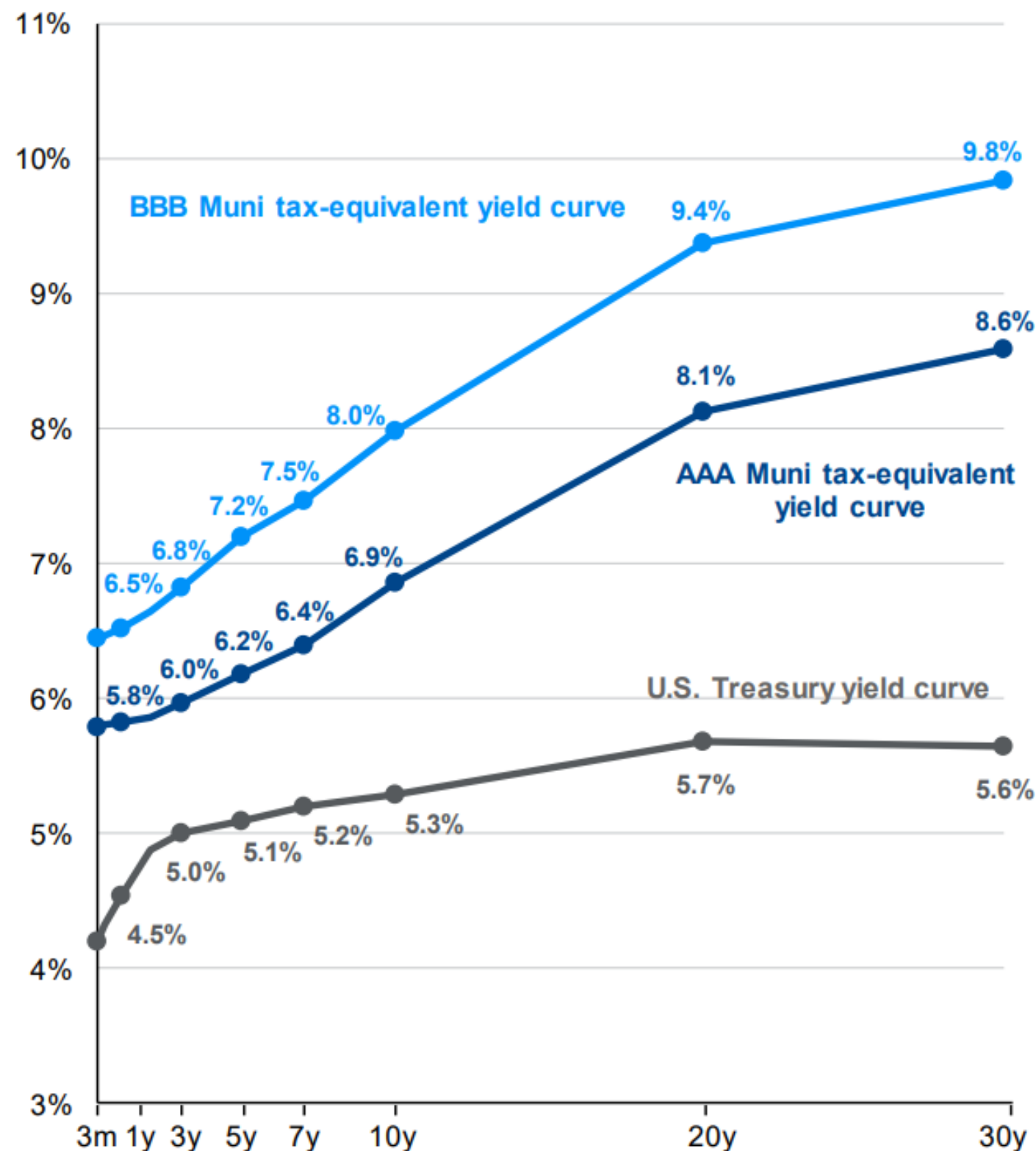




Tax-Free Bonds are Attractive

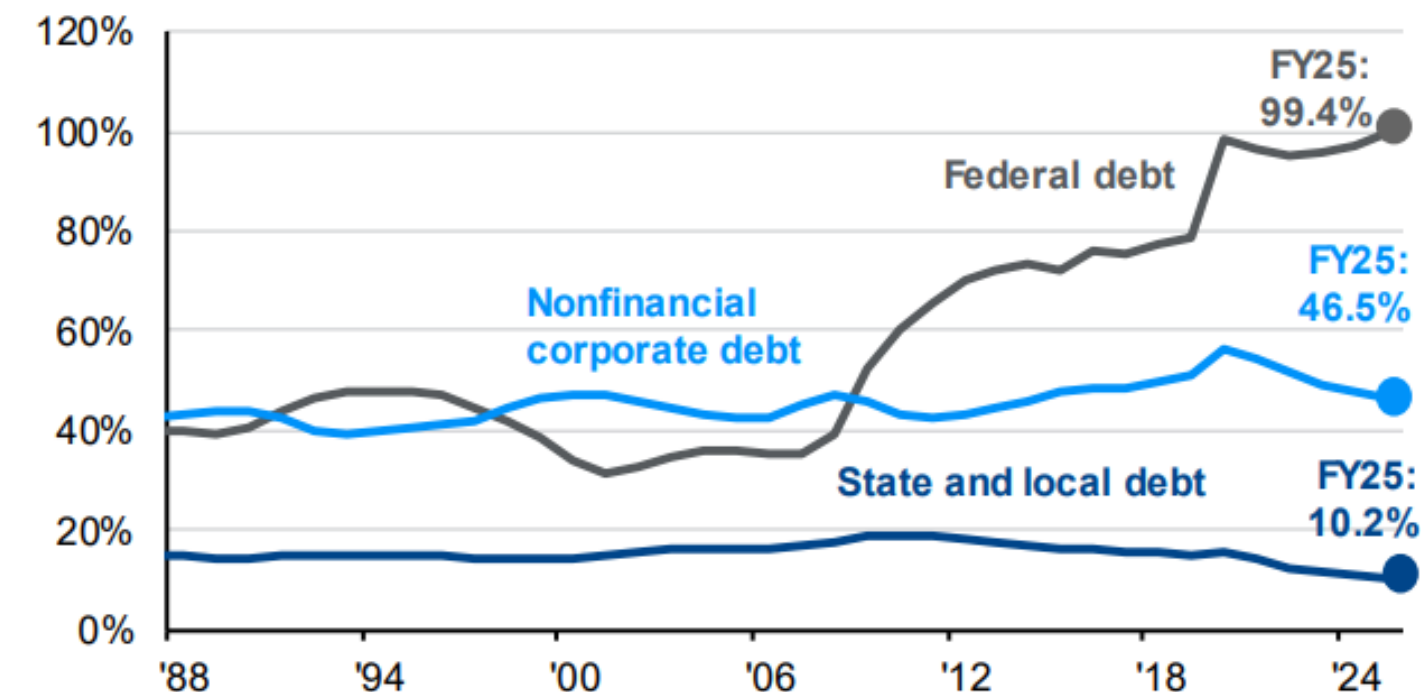


Muni tax-equivalent and Treasury yield curves



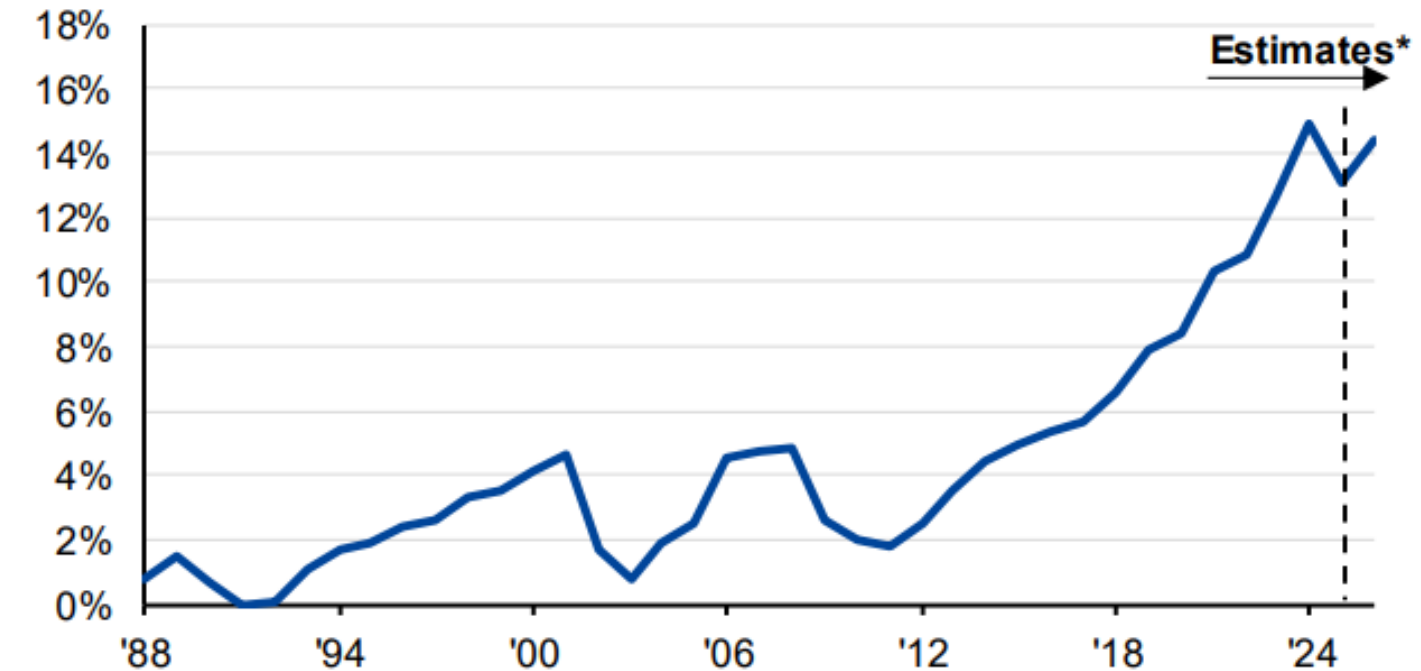
State and local, federal and corporate debt

% of GDP, 1988 - 2025, end of fiscal year



State rainy day fund balances

Median savings balances as a % of total spending, 1988 - 2026, fiscal year

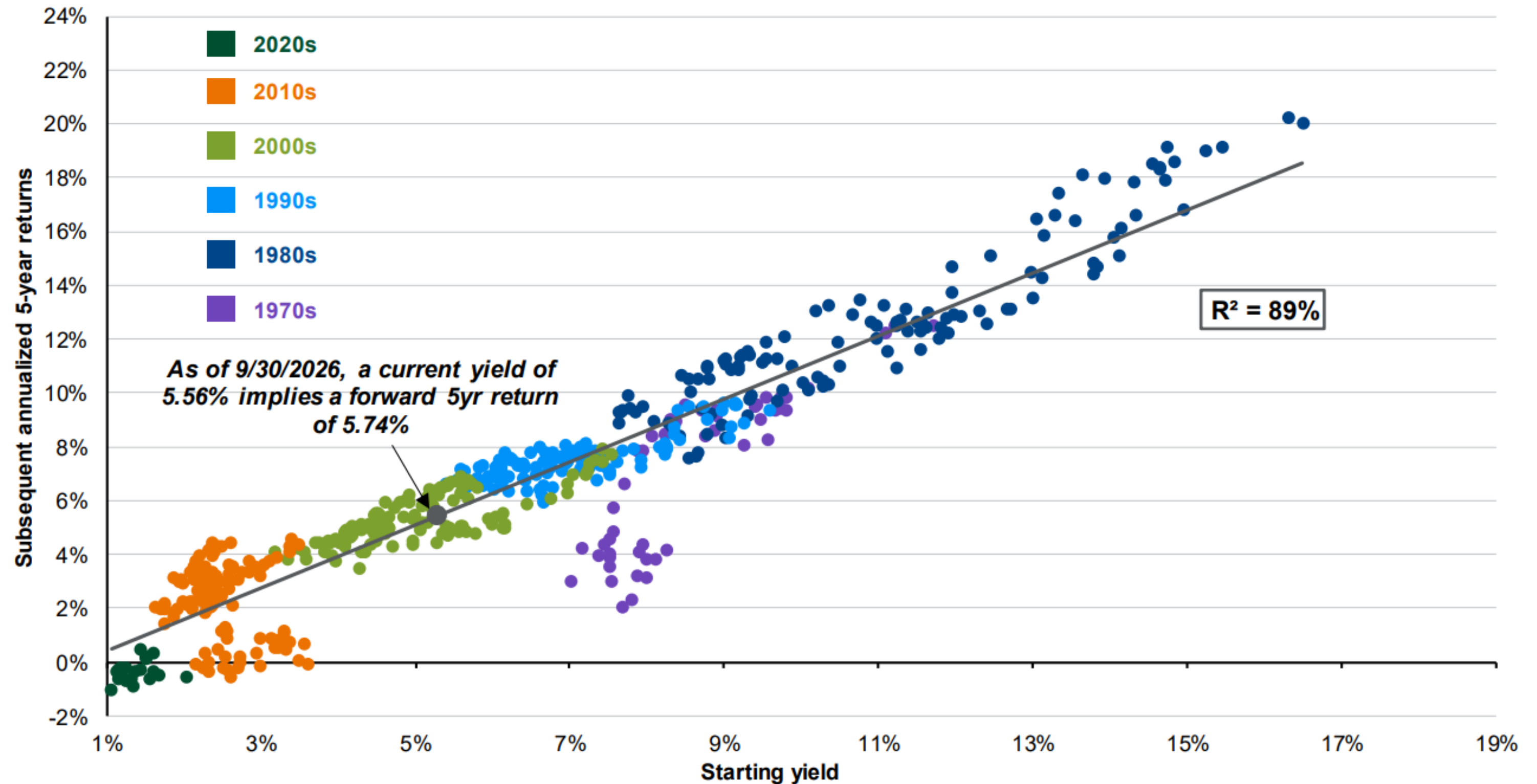




Bonds are Simple

Yield to worst and subsequent 5-year annualized returns

Bloomberg U.S. Aggregate Total Return Index





Overcome Declining Savings Rates

- Corporate bonds: 6% yield
- Municipal bonds: 8% tax-equivalent yield
- Preferred stocks: 8% tax-equivalent yield
- Interval funds: 9% with quarterly liquidity
- Money market funds: 3%
- Big, bad greedy banks: 2%





How to Maximize Your Income

<u>Investment Objective</u>	<u>How We Do It</u>
Minimize Cost	Own individual securities
Manage to Your Tax Bracket	Consider tax-equivalent yield specific to your tax bracket
Balance Income & Liquidity	Ladder bond maturities
Utilize Full Opportunity Set	Generate income through real estate
Identify Optimal Allocation	Match maturities to your liquidity needs

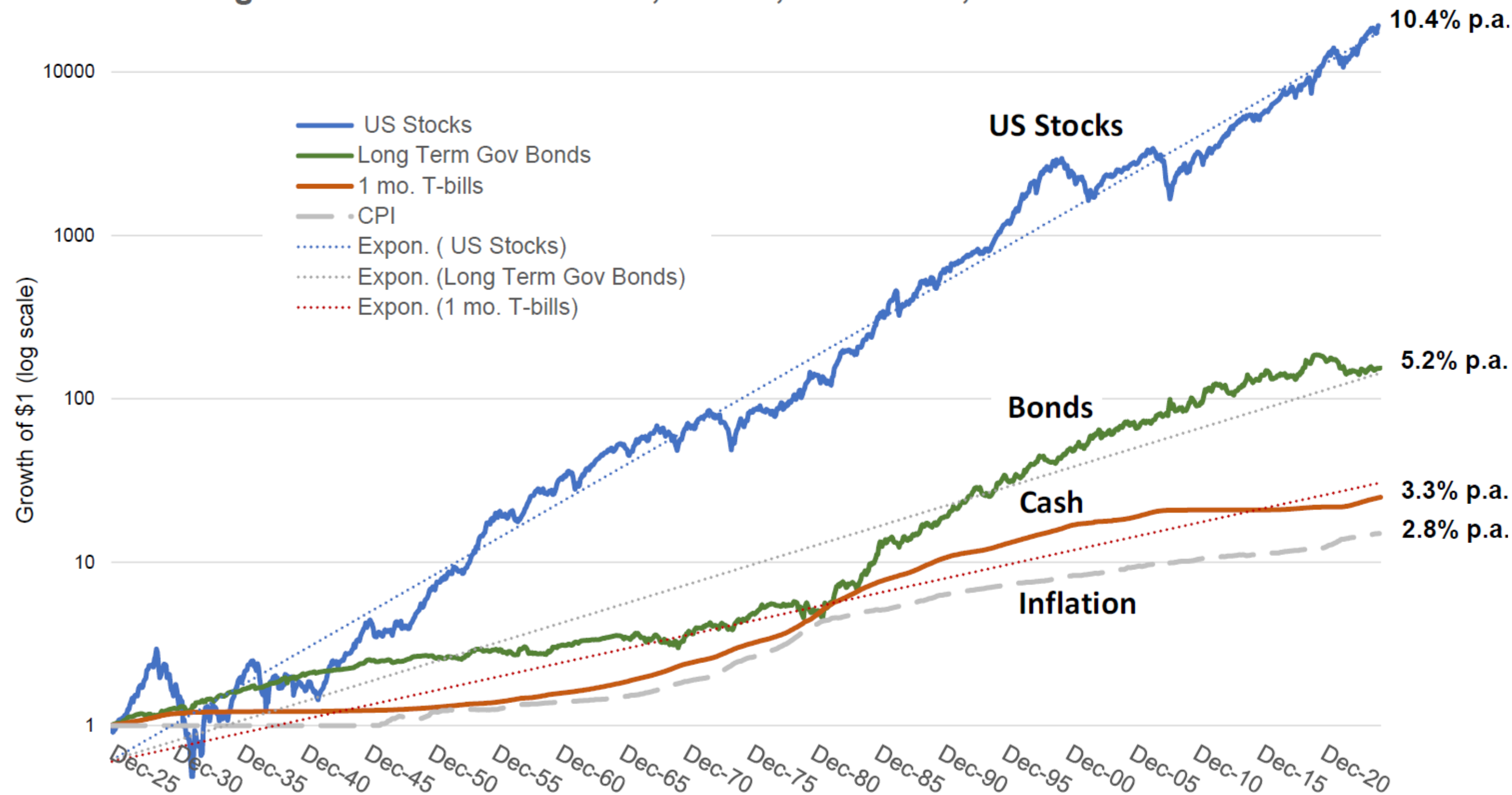


Success in the Stock Market



Why Stocks

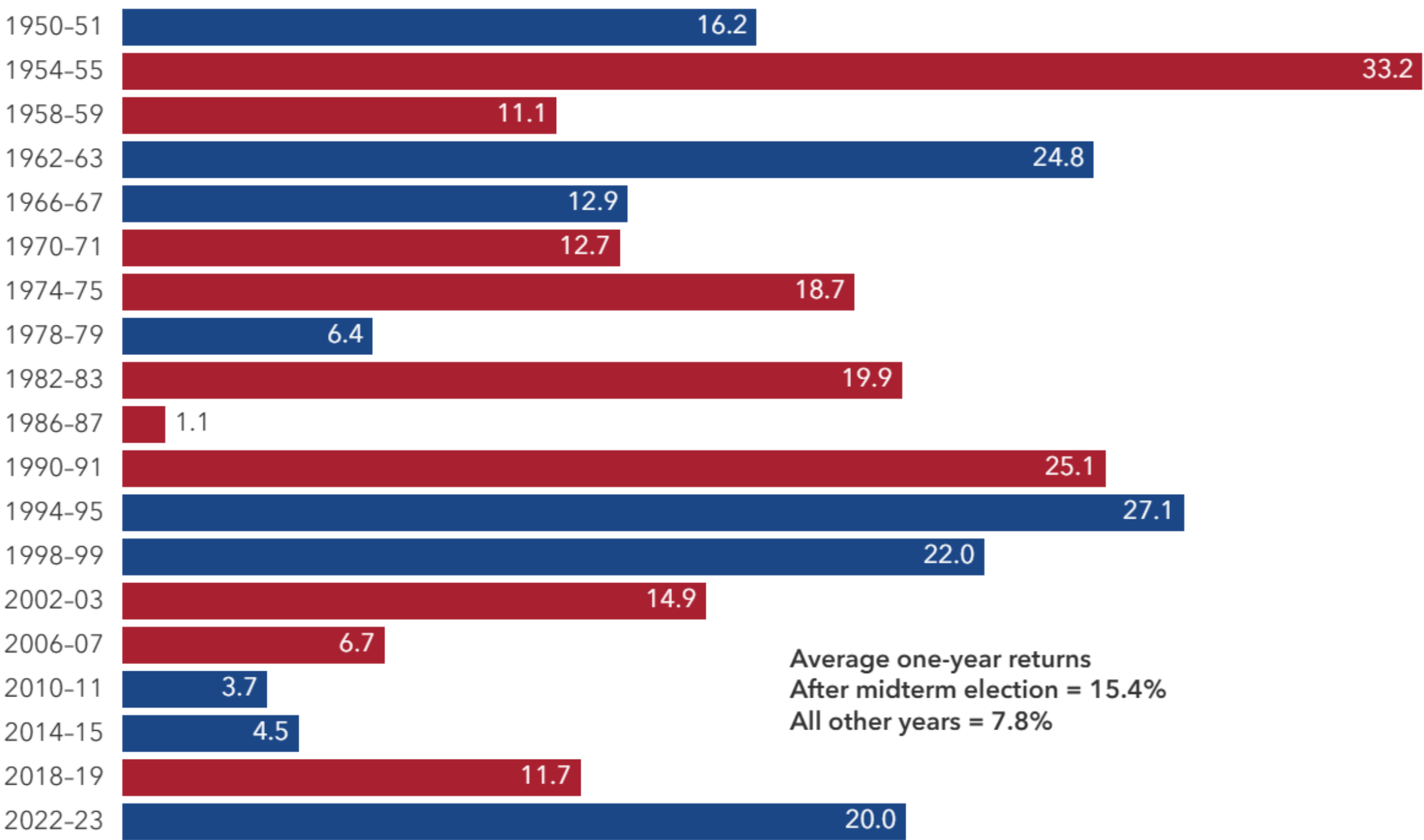
Long Term Returns on Stocks, Bonds, and T-bills, 1926 to June 2025





Let's Get Politics Out of the Way First

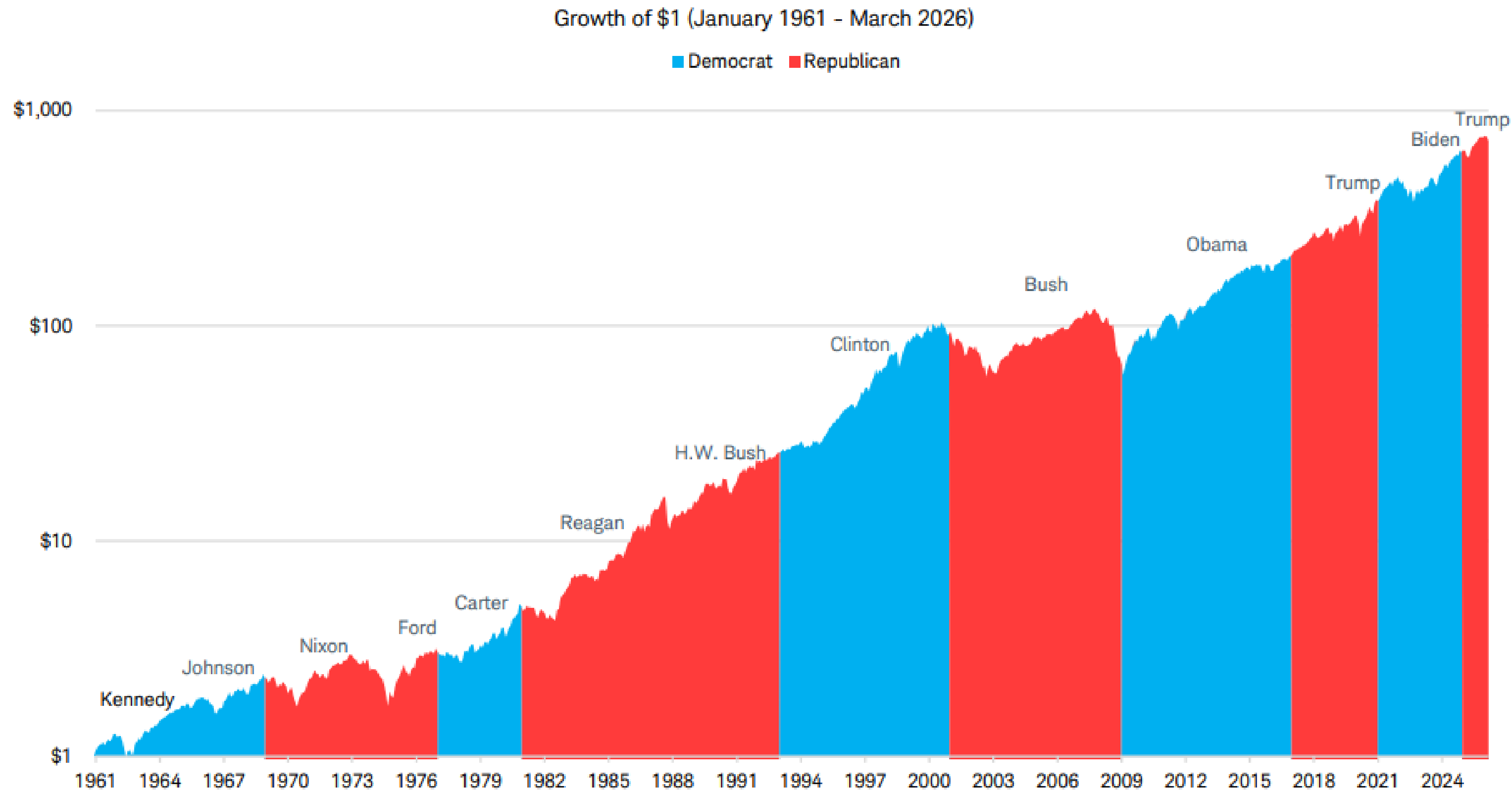
S&P 500 Index price return one year after midterm election



Sources: Capital Group, RIMES, Standard & Poor's. Calculations use Election Day as the starting date in all election years and November 5th as a proxy for the starting date in other years. Only midterm election years are shown in the chart. As of January 15, 2026.



Stocks are not Political



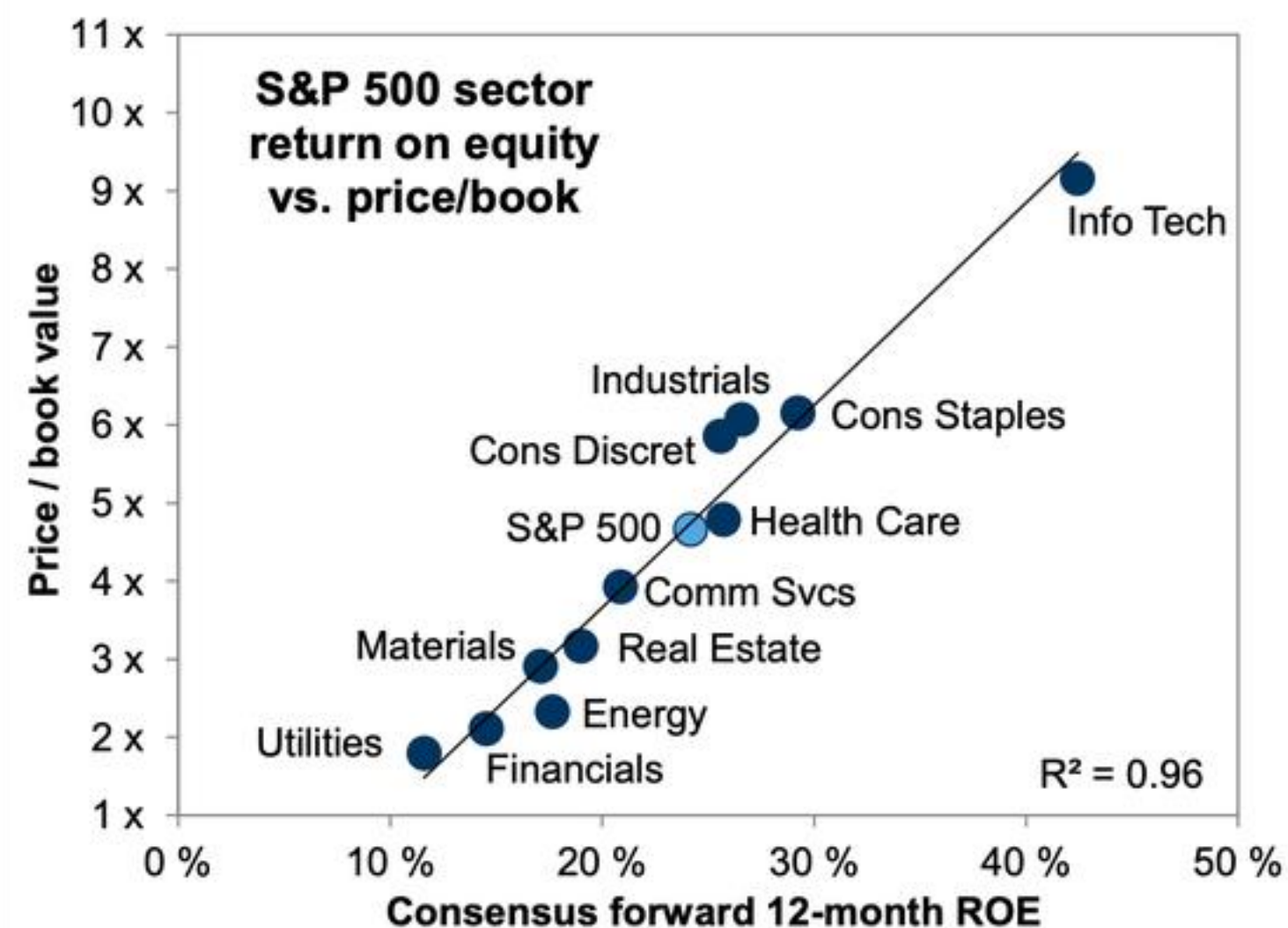


Stock Valuation: Know What You Are Paying

VALUATION MEASURES

- Price to Earnings (P/E)
- Price to Book Value (P/B)
- Price to Sales (P/S)
- Price to Cash Flow (P/CF)

Exhibit 12: Variation in profitability explain most of the variation in sector valuations



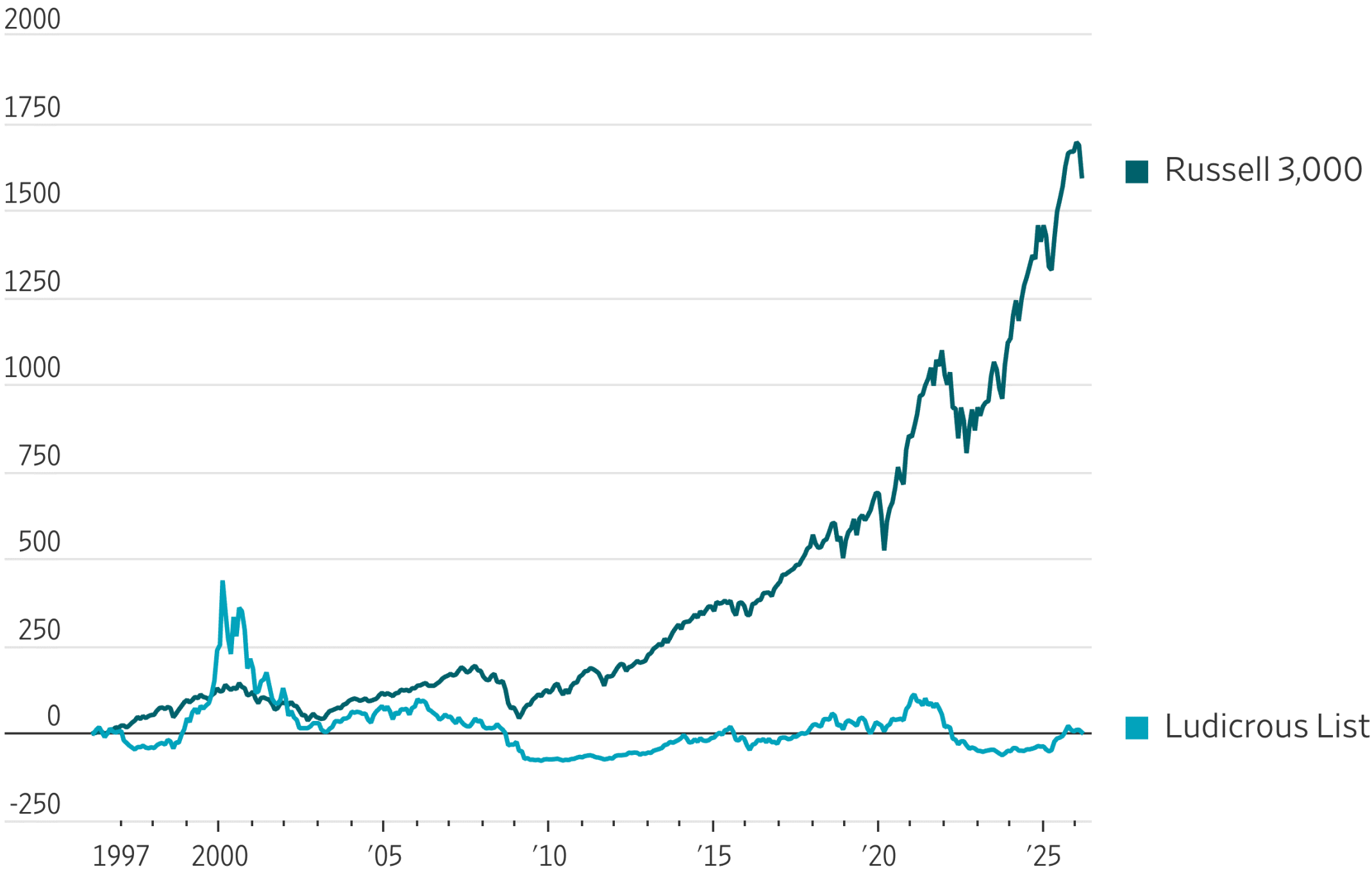
Source: FactSet, Goldman Sachs Global Investment Research



Be Careful: Know What You Are Paying

Chips Ahoy

30 year cumulative return



Note: "Ludicrous" stocks trade at price-to-sales above 10, have at least doubled in a year and have market values above \$500 million

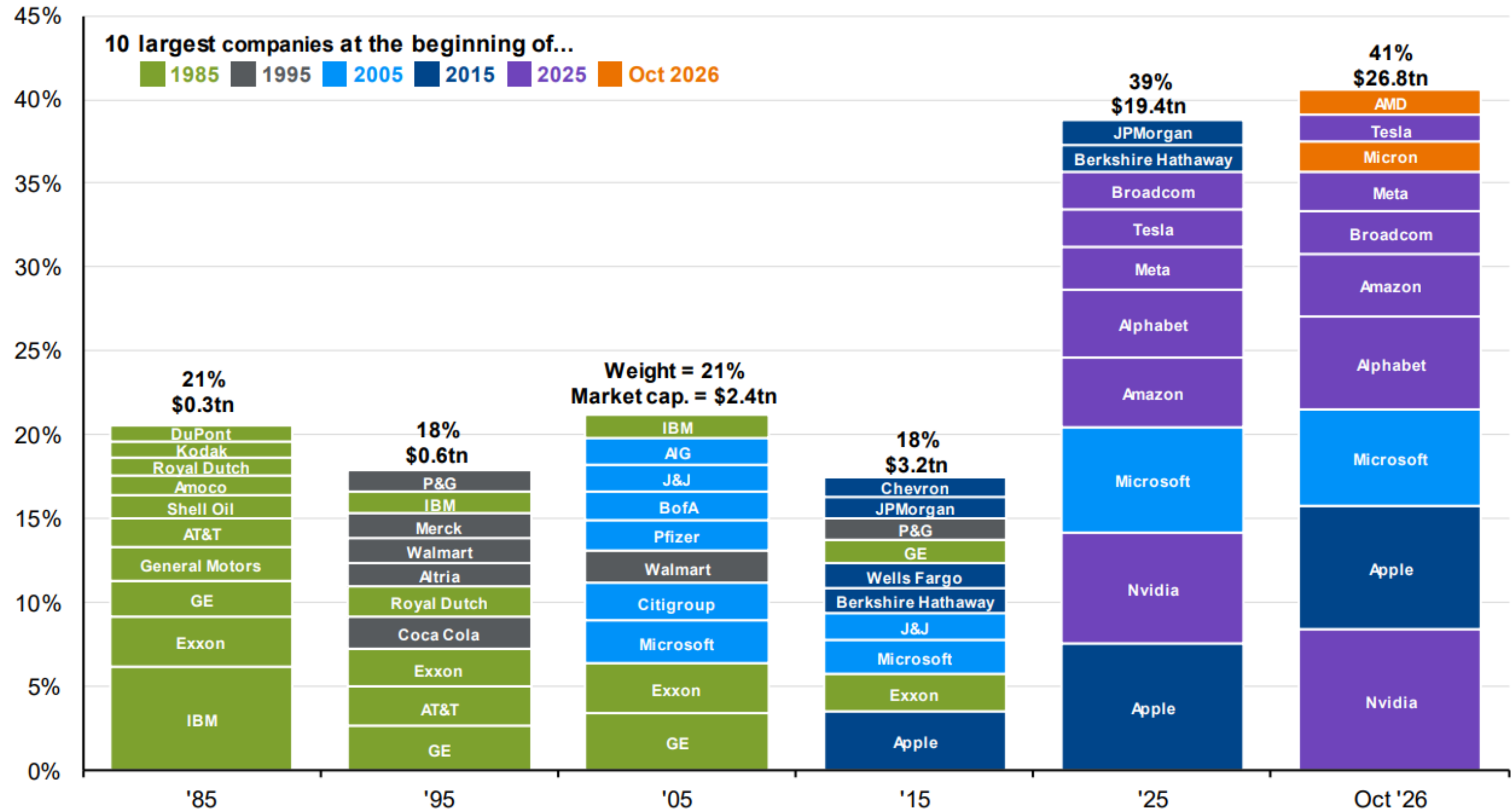
Source: Bespoke Investment Group



Do You Know What's in Your Stock Portfolio?

Top 10 companies in the S&P 500

Index weight on the first day of the indicated year and month for current year

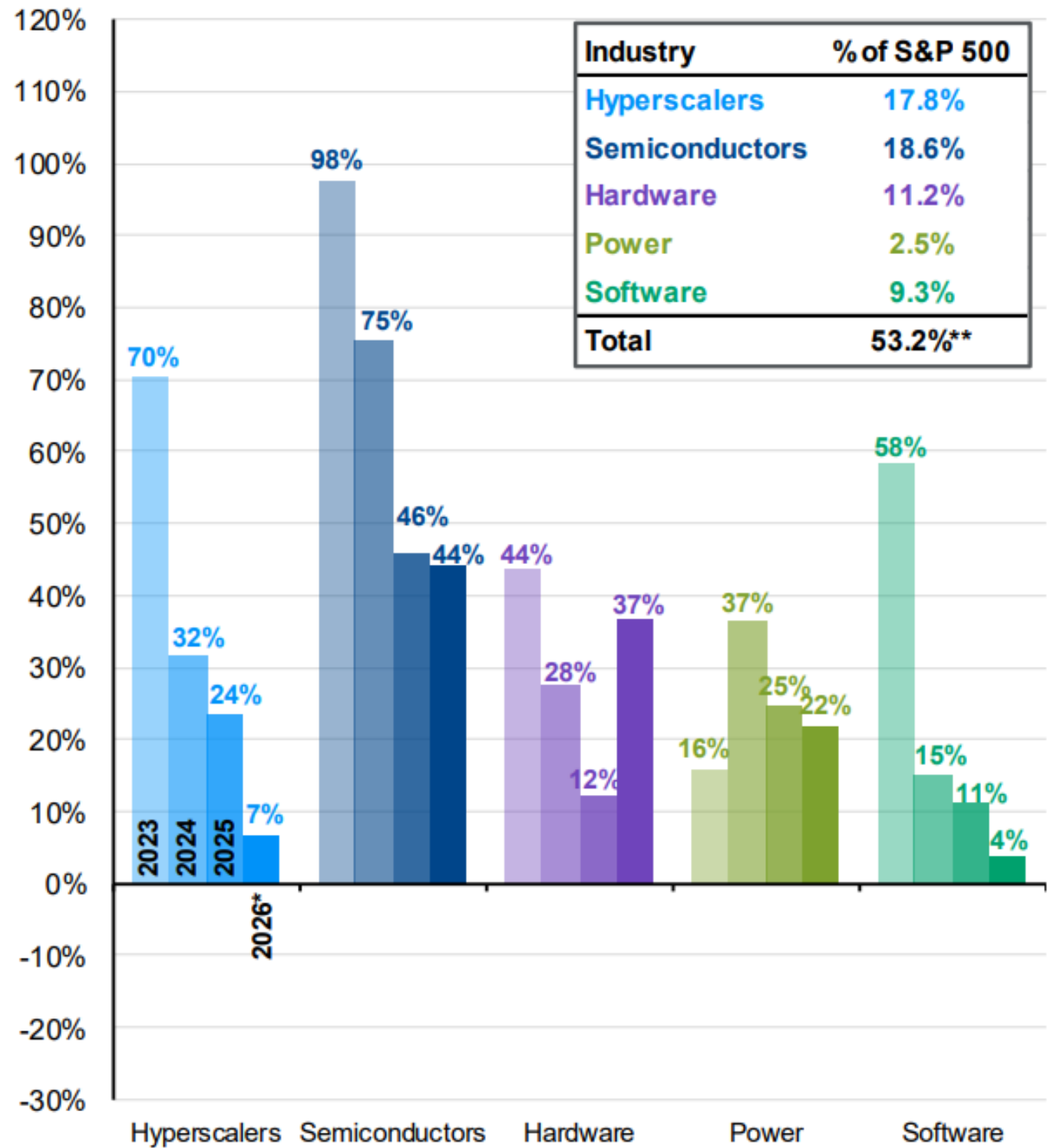




Do You Know What's in Your Stock Portfolio?

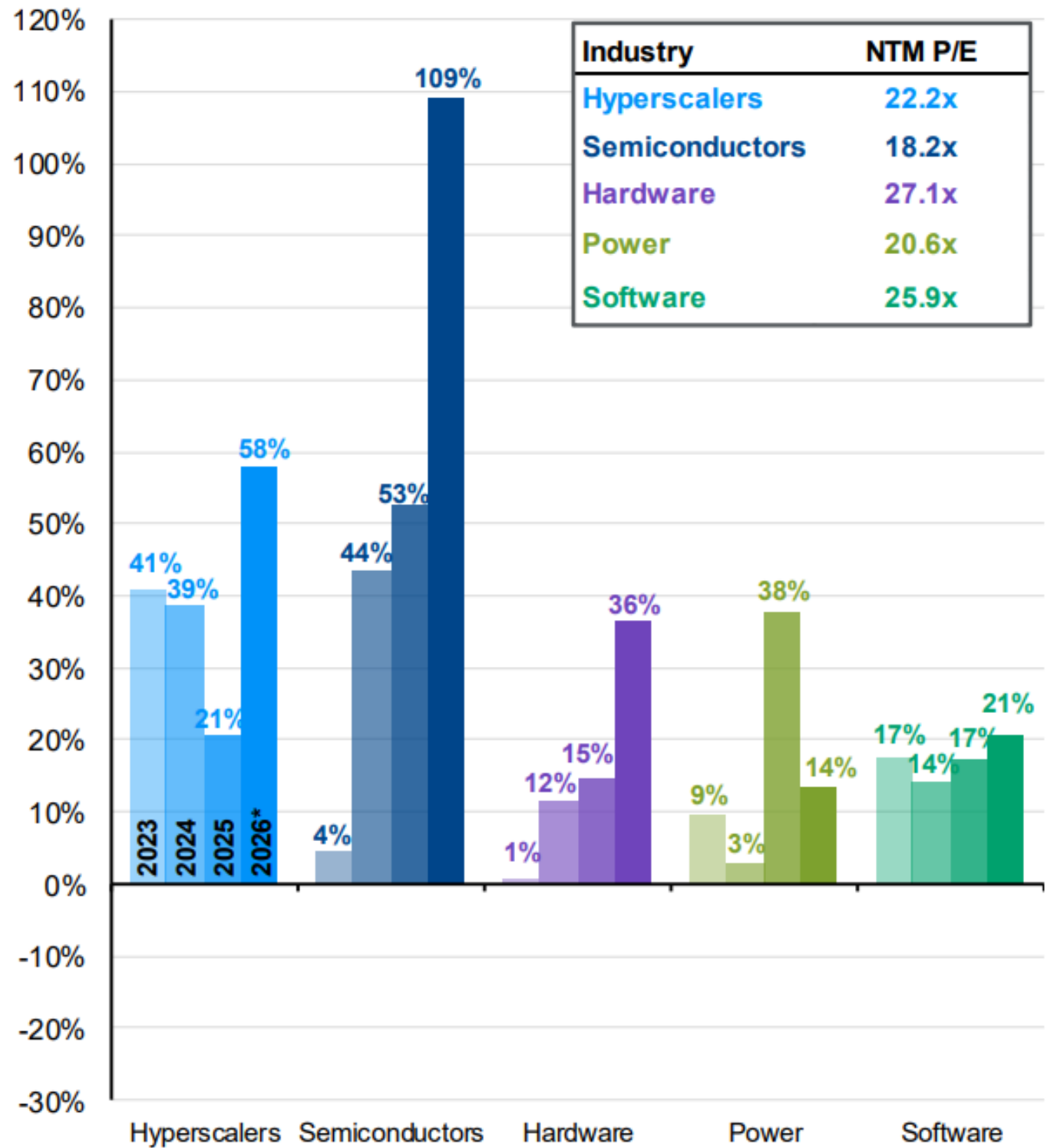
AI-related industry performance

Price return



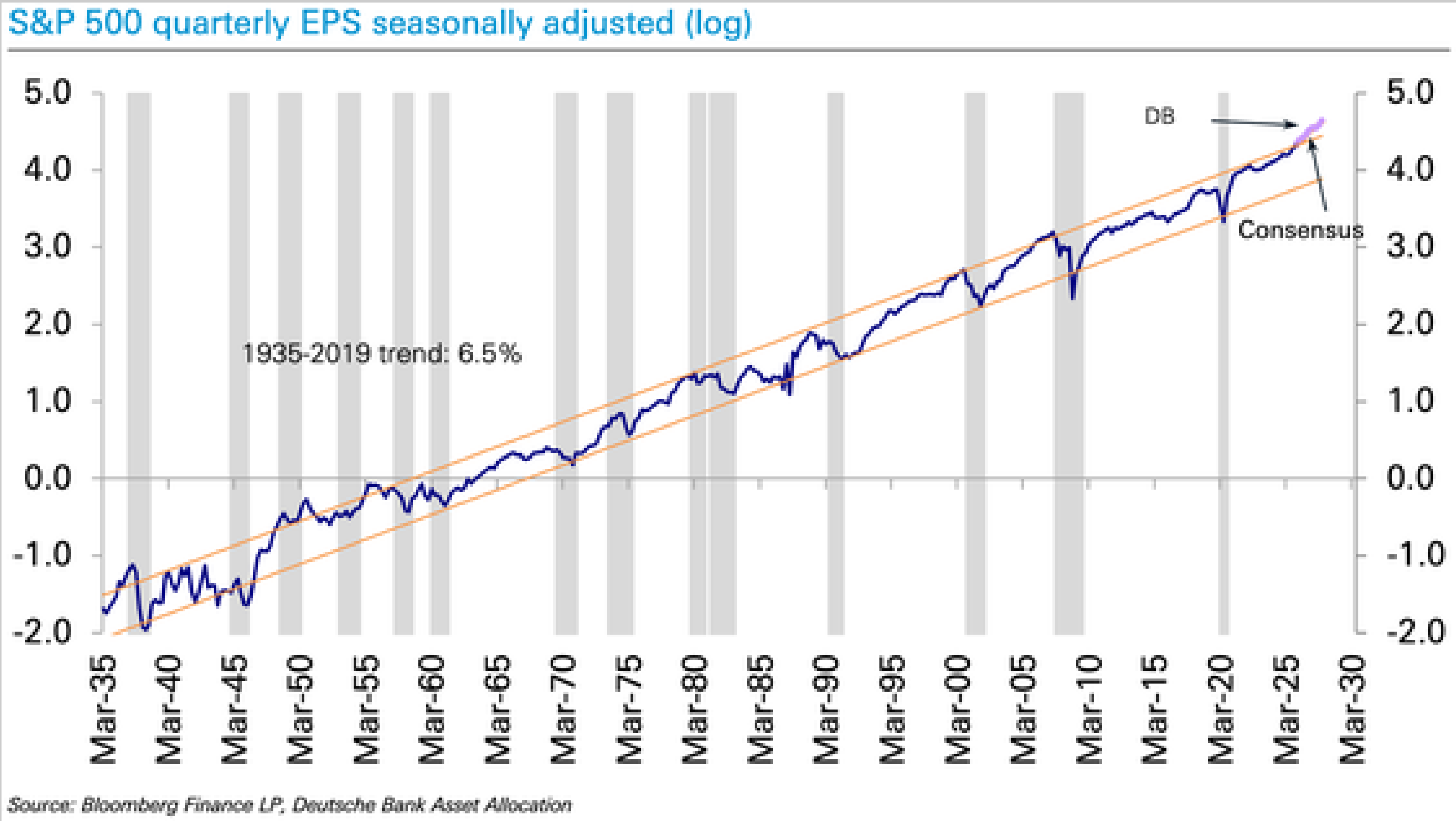
AI-related industry earnings growth

Year-over-year





Corporate Earnings Drive Stocks Higher

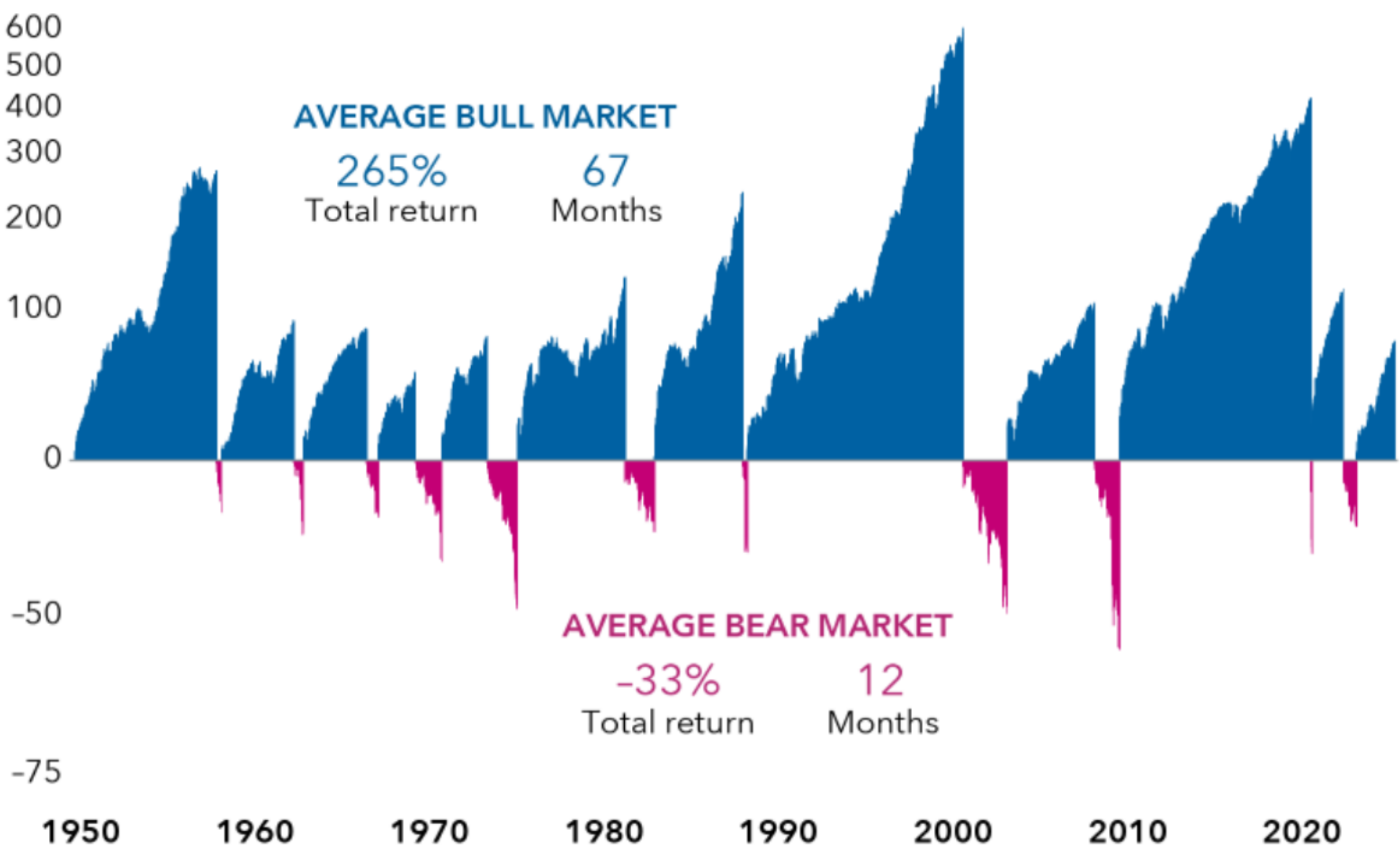




Stocks Mostly Rise Over the Long-Term

A long-term focus helps provide perspective

Cumulative price return for each S&P 500 bull and bear market (%)



Sources: Capital Group, RIMES, Standard & Poor's. As of December 31, 2024. The bull market that began in 2022 is considered current as of December 31, 2024, and is not included in the "average bull market" calculations. Bear markets are peak-to-trough price declines of 20% or more in the S&P 500, ending with a 50% recovery relative to the prior peak. Bull markets are all other periods. Returns shown on a logarithmic scale.



The Stock Market Rises Through Time and Events

Cumulative total return for the S&P 500 Index (log scale)

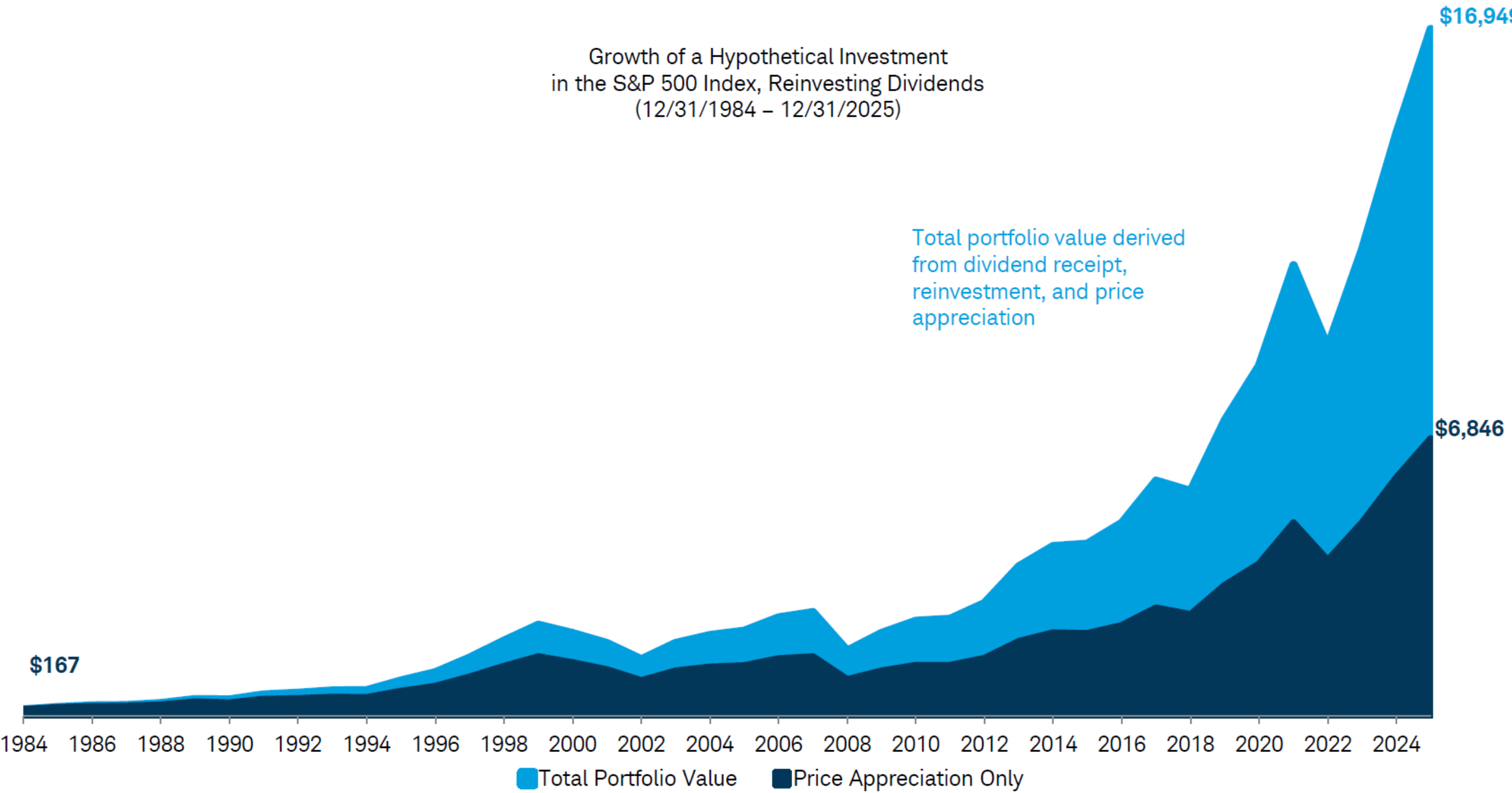




Own Dividend Paying Stocks and Reinvest Income

Impact of dividends on total return

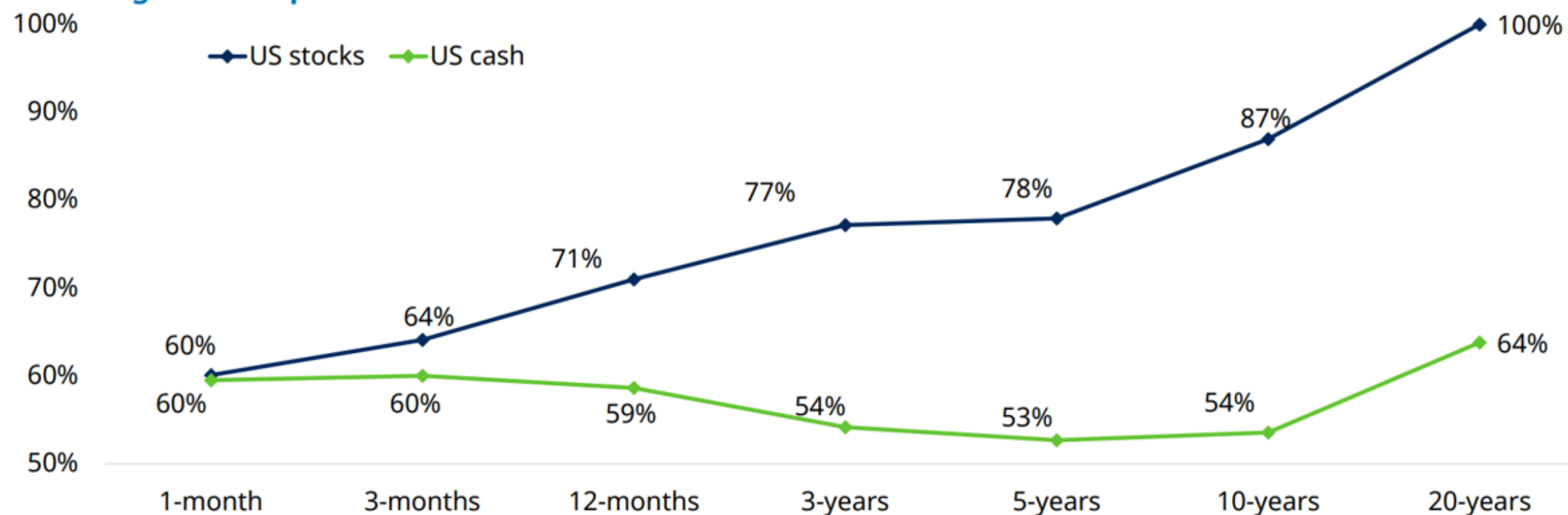
Dividend-paying stocks can be an income-generating security.



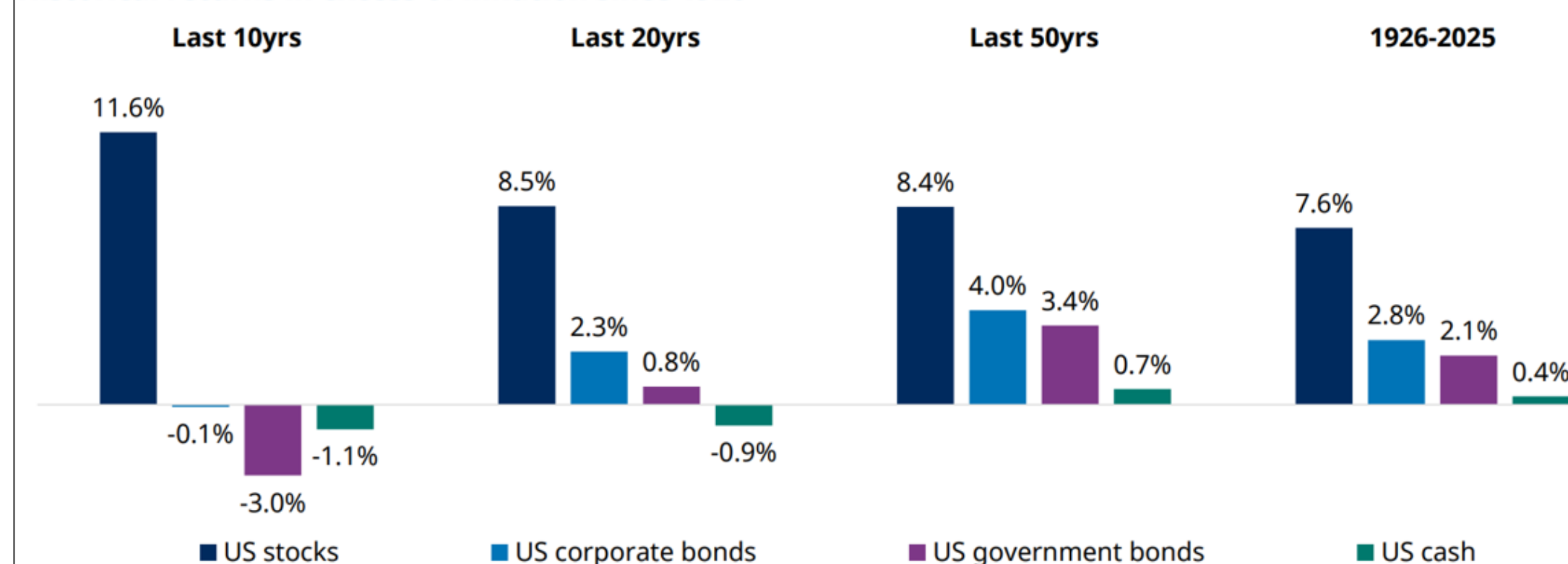


Stocks Less Risky than Cash in Beating Inflation

Percentage of time periods where US stocks and cash have beaten inflation 1926-2025



Historical returns in excess of inflation since 1926

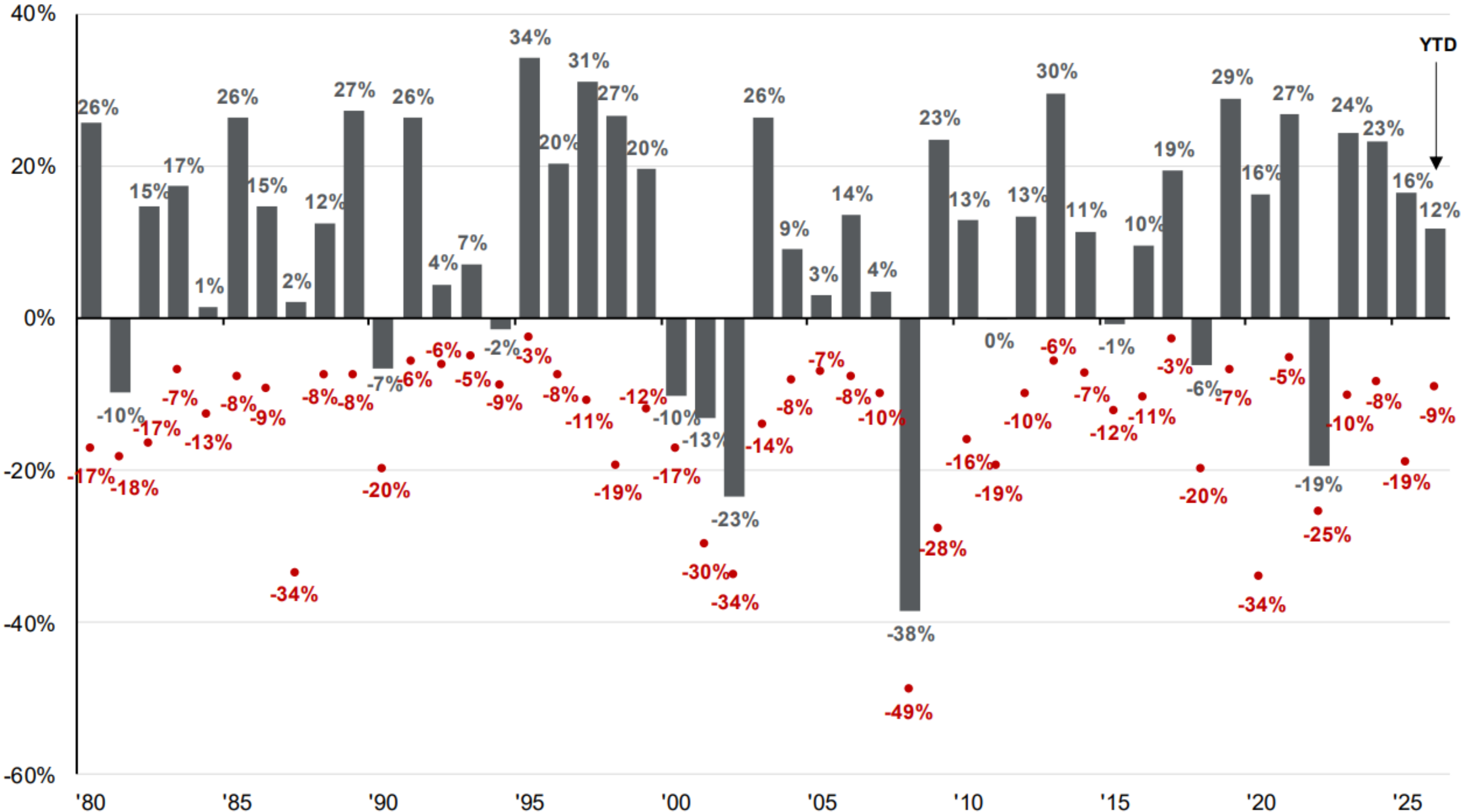




Stock Market Declines are an Annual Occurrence

S&P 500 intra-year declines vs. calendar year returns

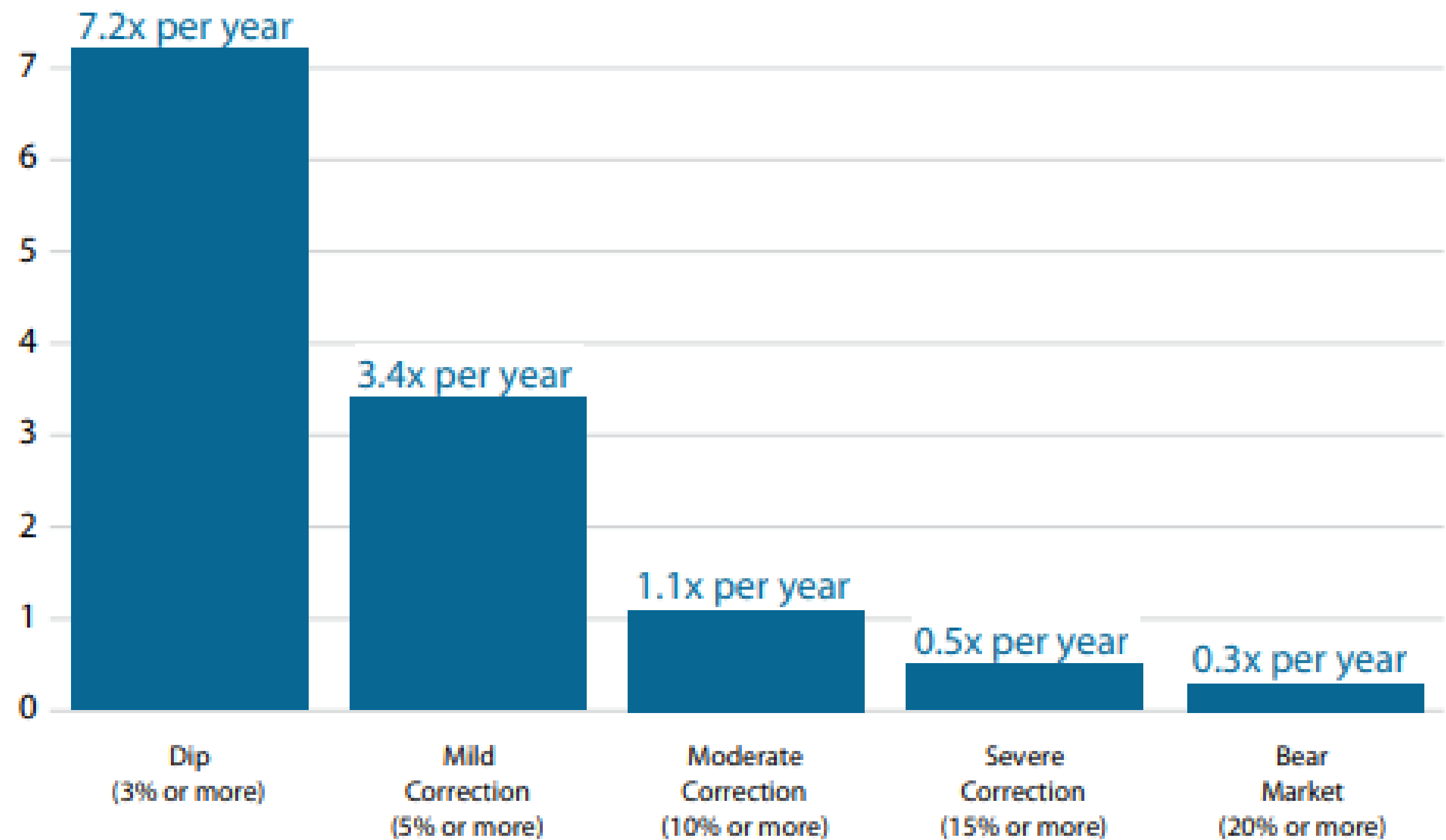
Despite average intra-year drops of 14.2%, annual returns were positive in 35 of 46 years





Stock Market Declines are an Annual Occurrence

Stock market corrections are normal



■ Average number of corrections per year

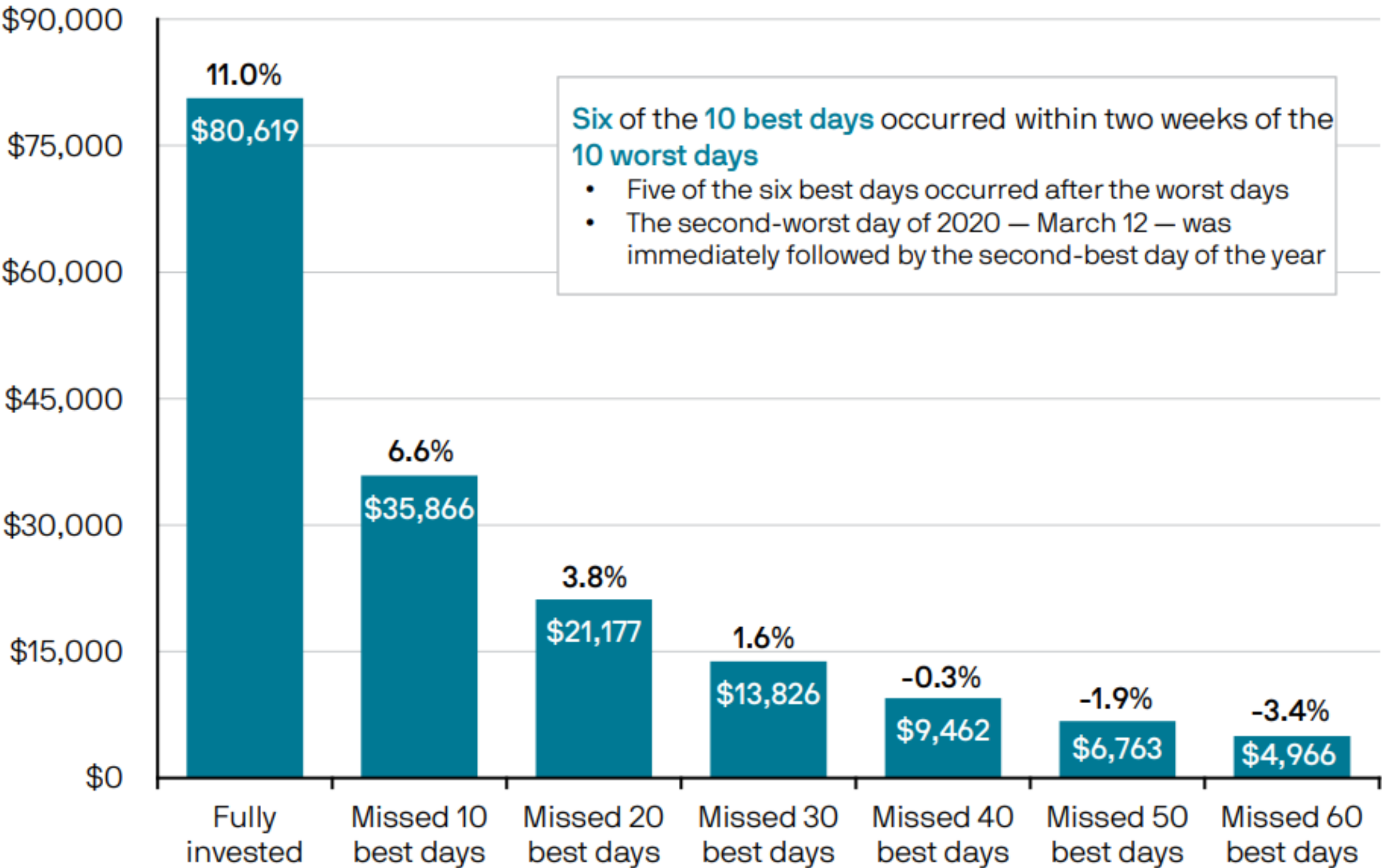
*Analysis based on S&P 500 Index daily data, price only, from 01/03/1928 to 10/15/2021.
Sources: Ned Davis Research, Inc., S&P Dow Jones Indices*



Impact of Being Out of the Market

Returns of the S&P 500

Performance of a \$10,000 investment between January 2, 2006 and December 31, 2025

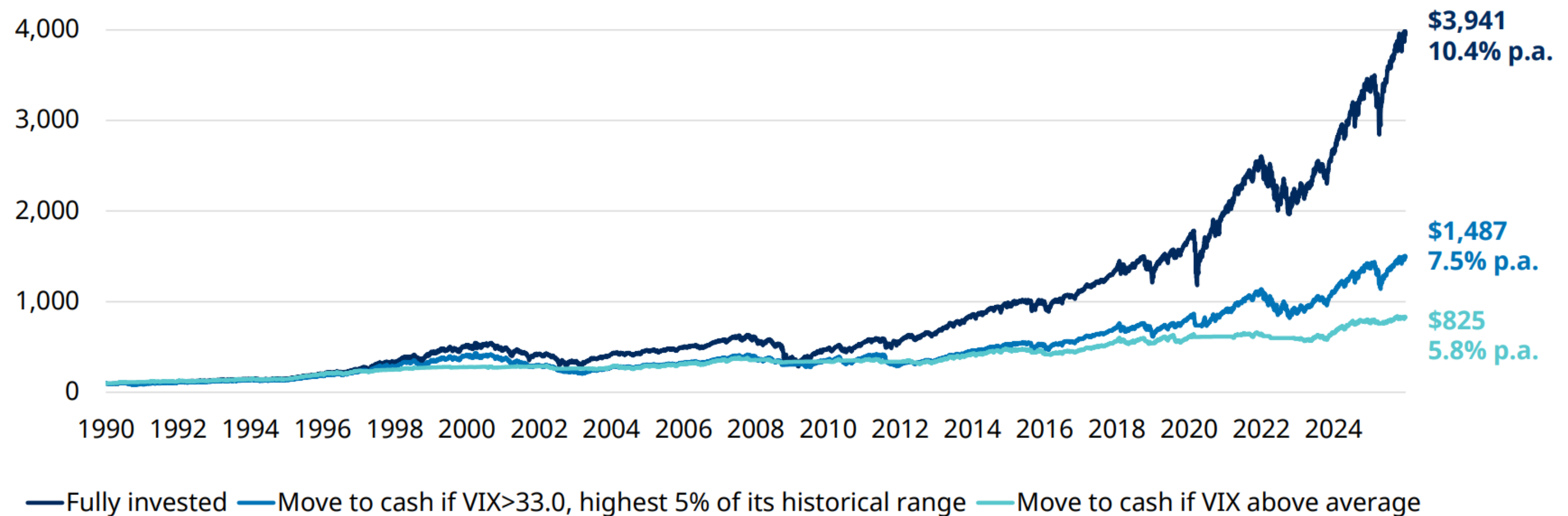




Impact of Being Out of the Market

Selling when volatility rises has been damaging to your wealth

Growth of \$100 fully invested in stocks vs switch to cash when the market's fear gauge, the VIX, is high

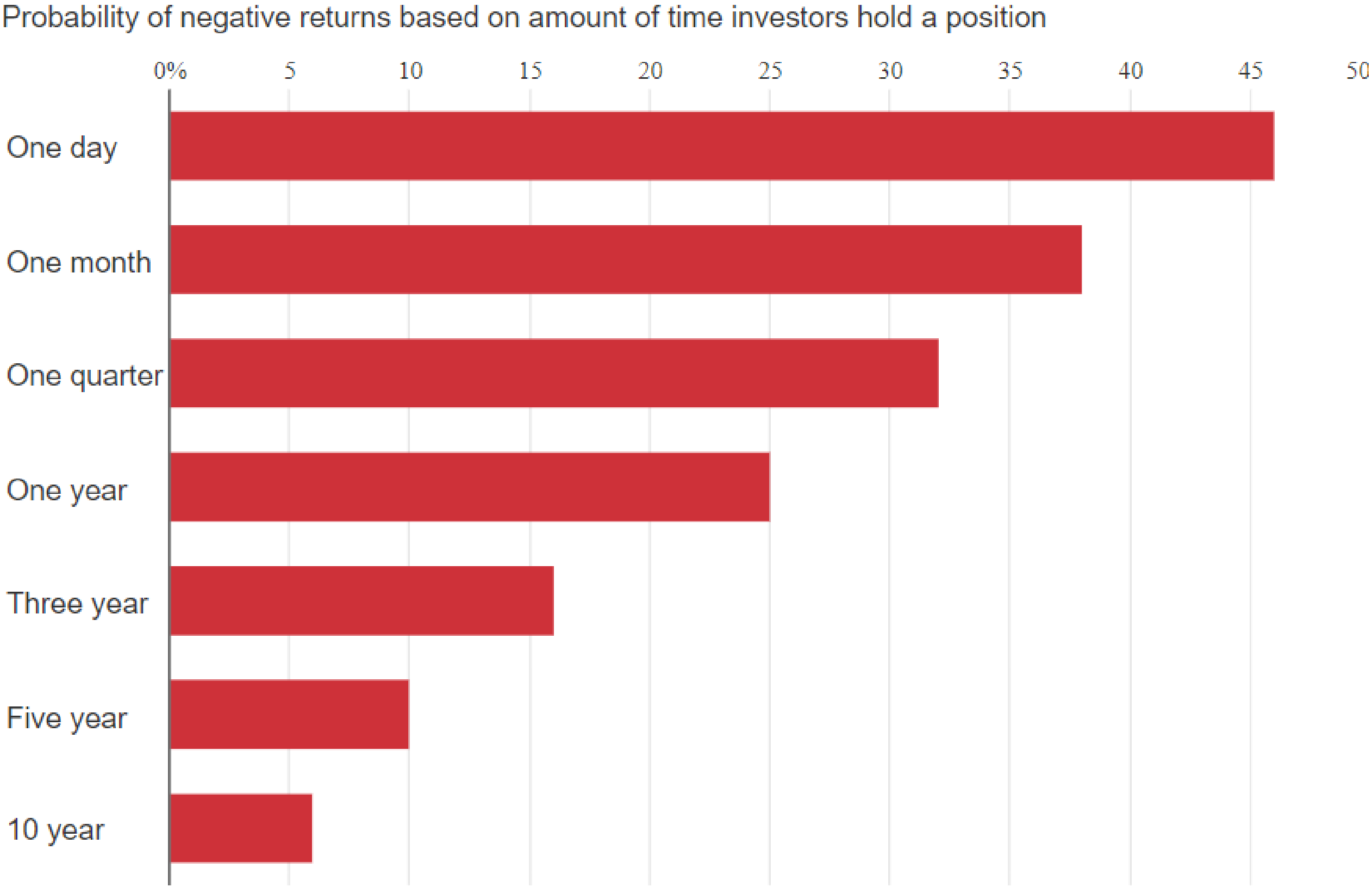


Past performance is not a guide to the future and may not be repeated.

Note: Levels in excess of 33.0 represent the top 5 of experience for the VIX. Portfolio is rebalanced on a daily basis depending on the level of the VIX at the previous close. Equity index is S&P 500, cash is 30-day cash. Data to 31 December 2025. Figures do not take account of any costs, including transaction costs. Source: CBOE, LSEG Datastream, Schroders. Please see relevant disclaimers on page 66



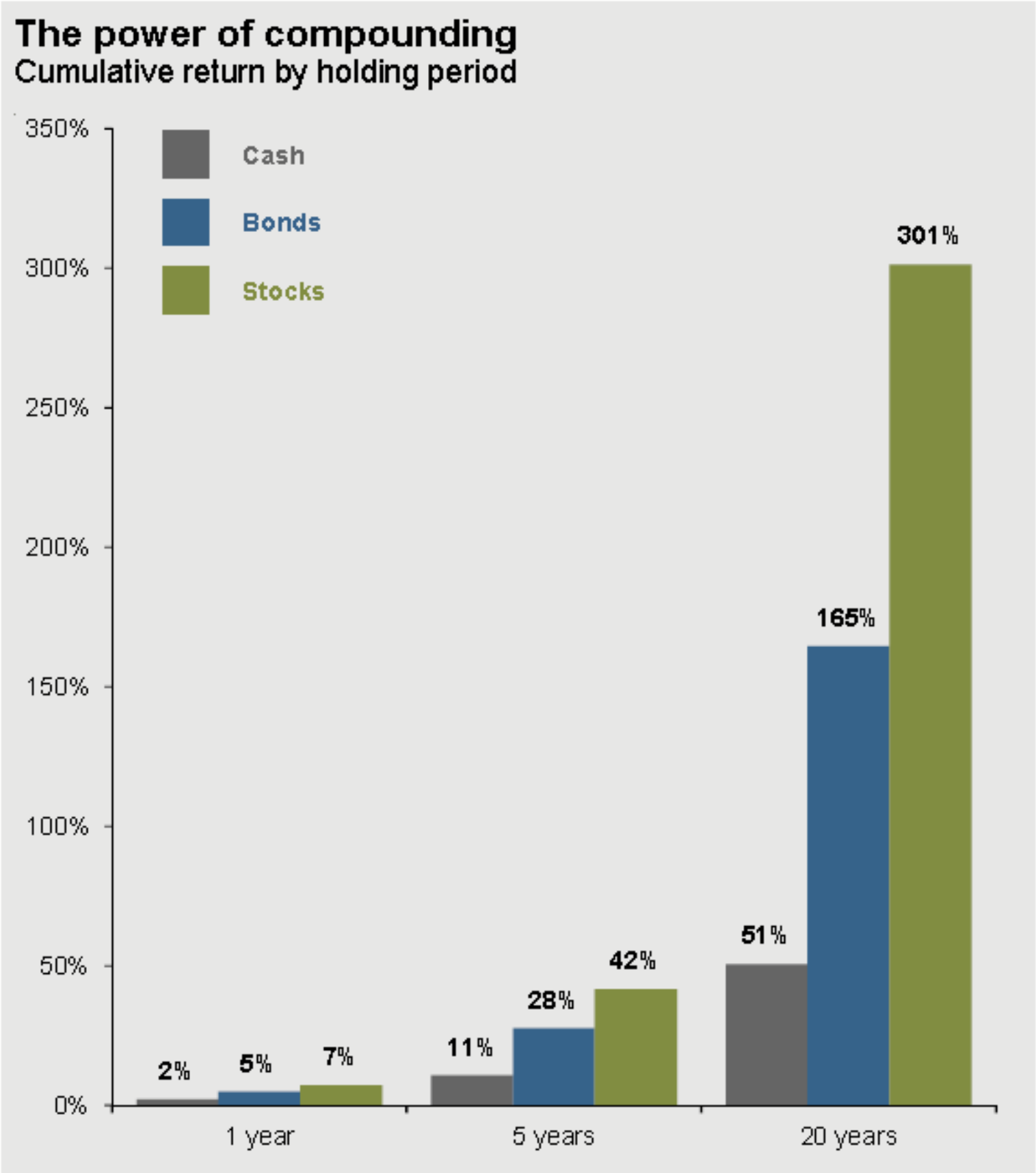
Positive 5-Year Returns 90% of the Time



Note: Based on S&P 500 total returns from 1929 to the present



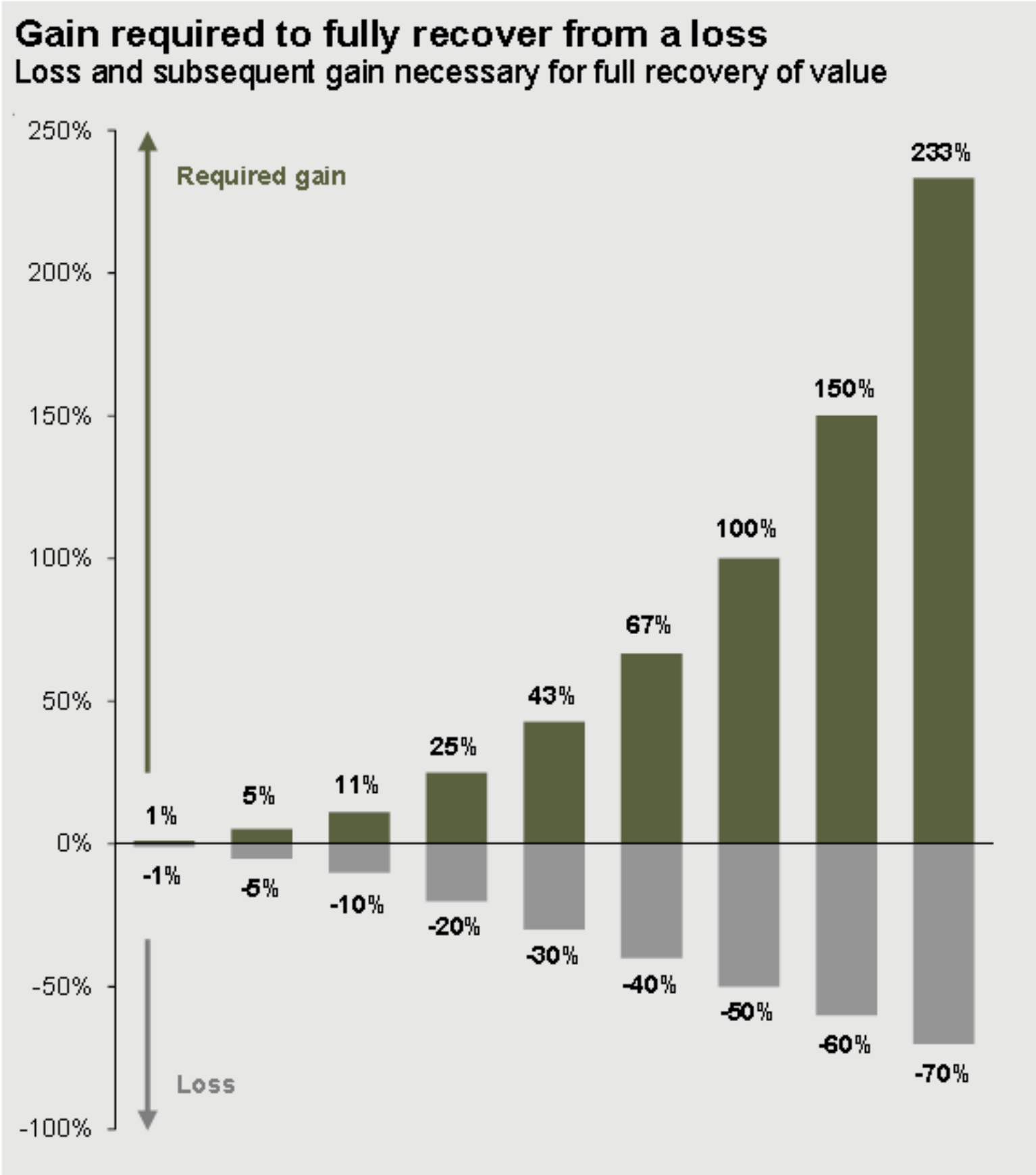
Stock Returns Compound Over Time



Source: J.P. Morgan Asset Management, BLS, FactSet, Standard & Poor's



But Don't Speculate in the Stock Market

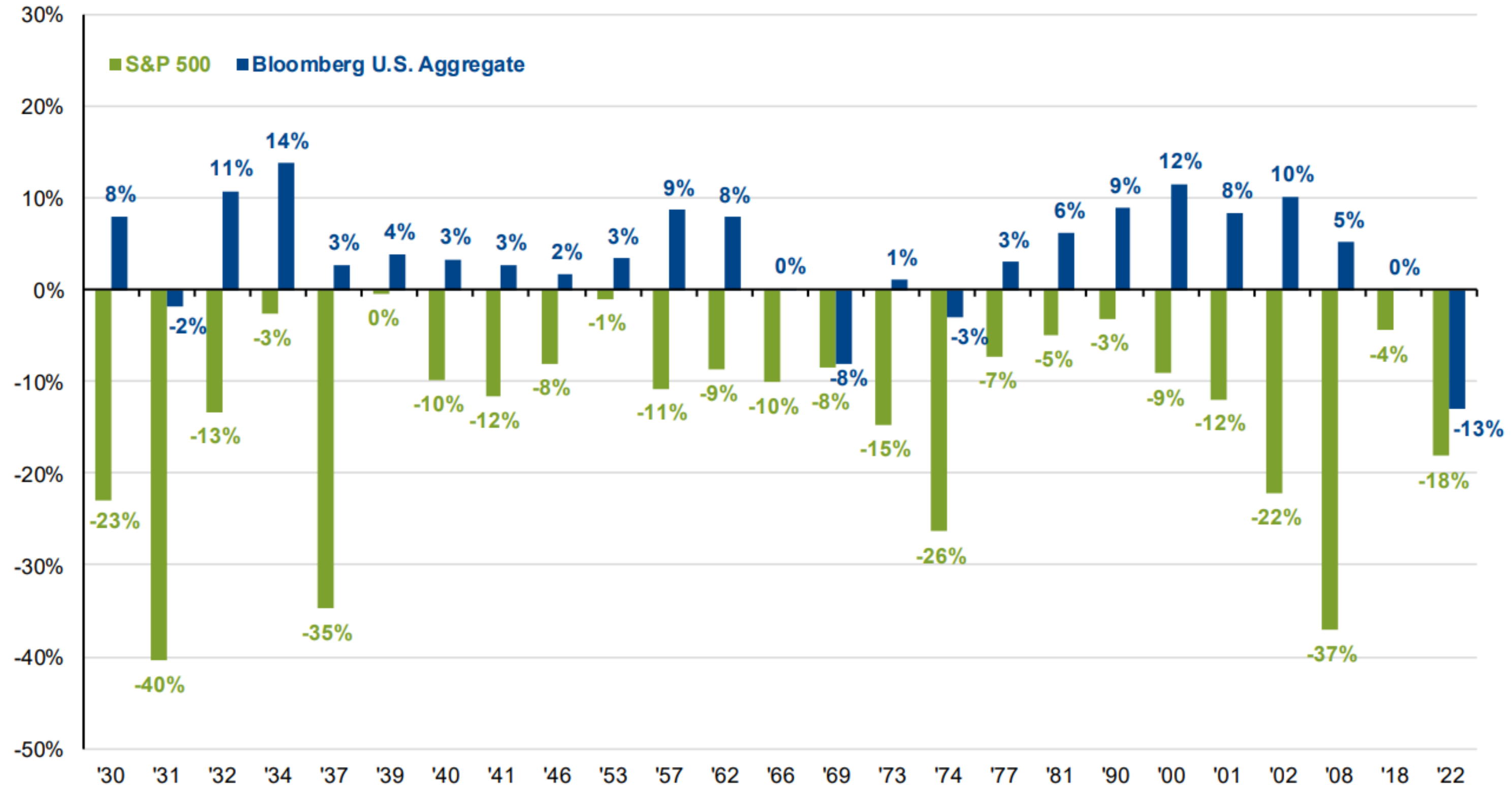




Stocks + Bonds: Complementary Diversification

Bond performance when stock returns were negative

Over the last century, bond returns were positive in 21 of the 25 years that stock returns were negative

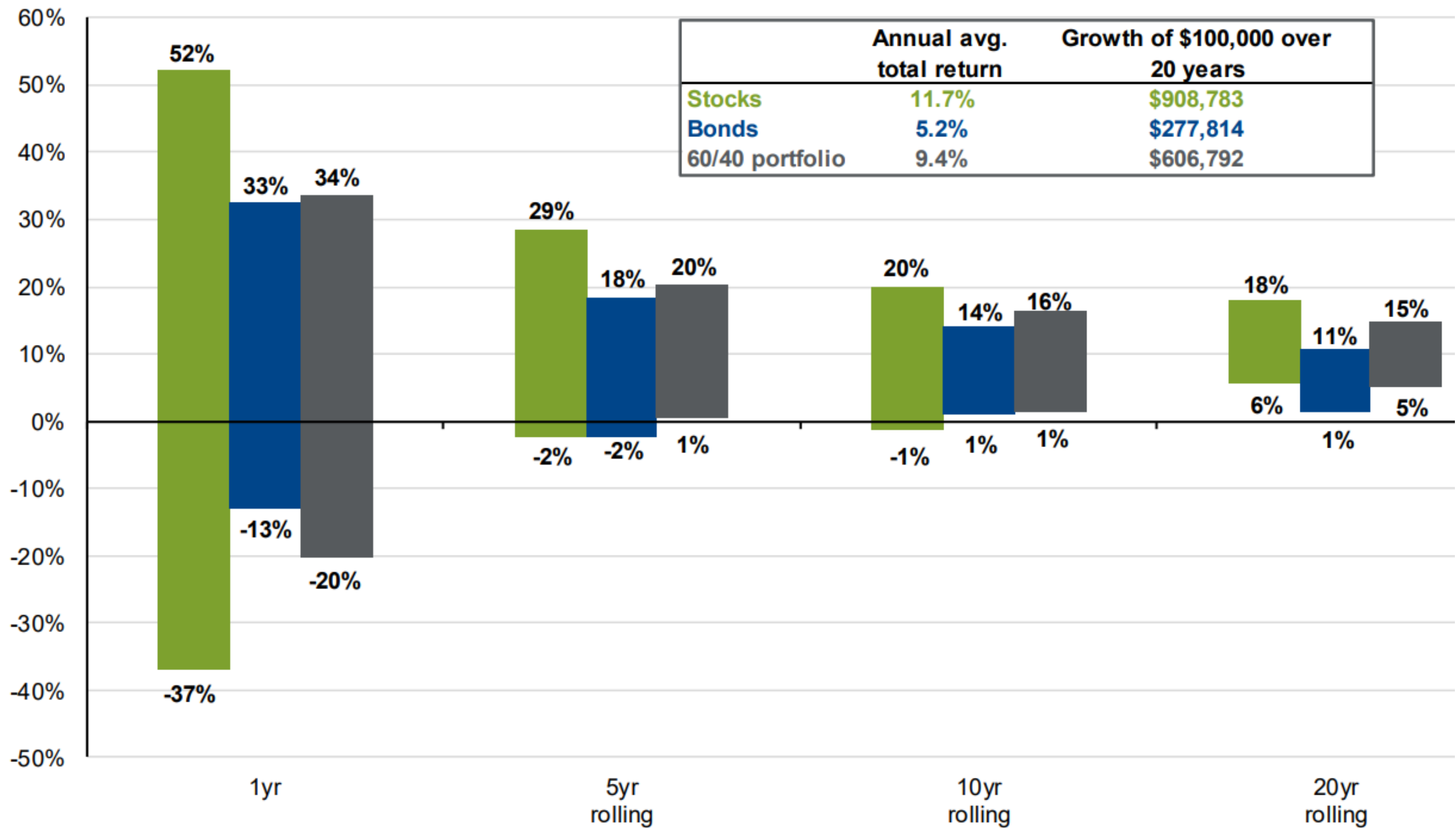




Your Investment Time Horizon is Key

Range of stock, bond and blended total returns

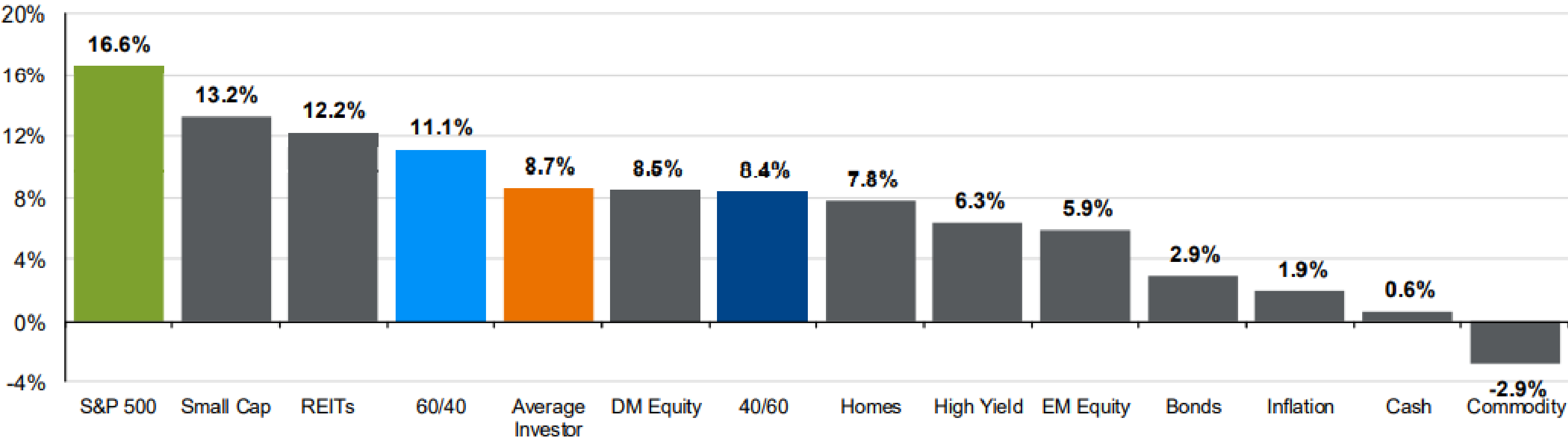
Annual total returns, 1950 - 2025





The Cost of Moving Investments Around

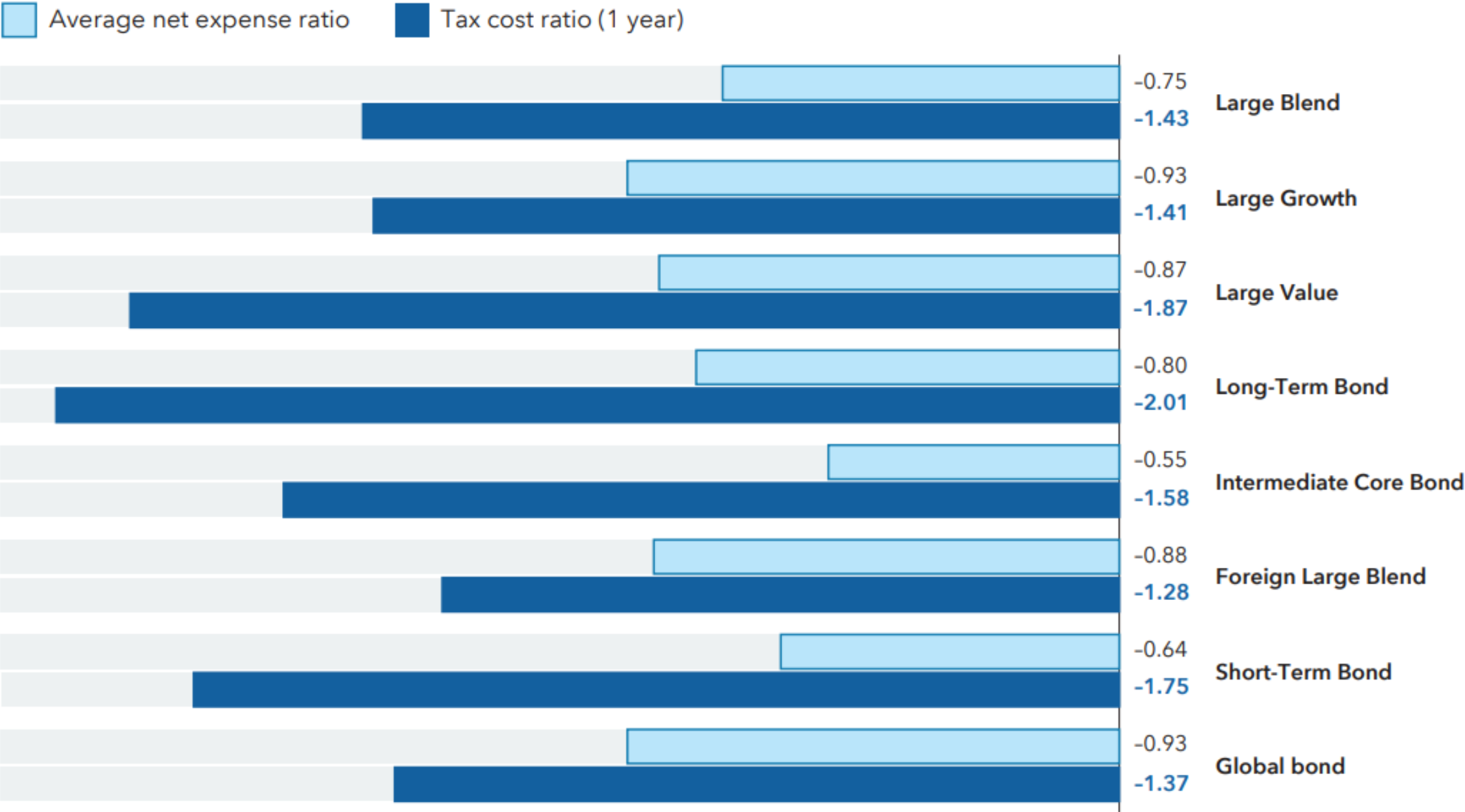
10-year annualized returns by asset class (2012 – 2021)





Don't Let Taxes & Fees Kill Your Results

Tax drag impact on results compared to expense ratio by Morningstar category



Source: Morningstar as of 4/30/25. Morningstar categories include mutual funds, index funds and exchange-traded funds (ETFs).

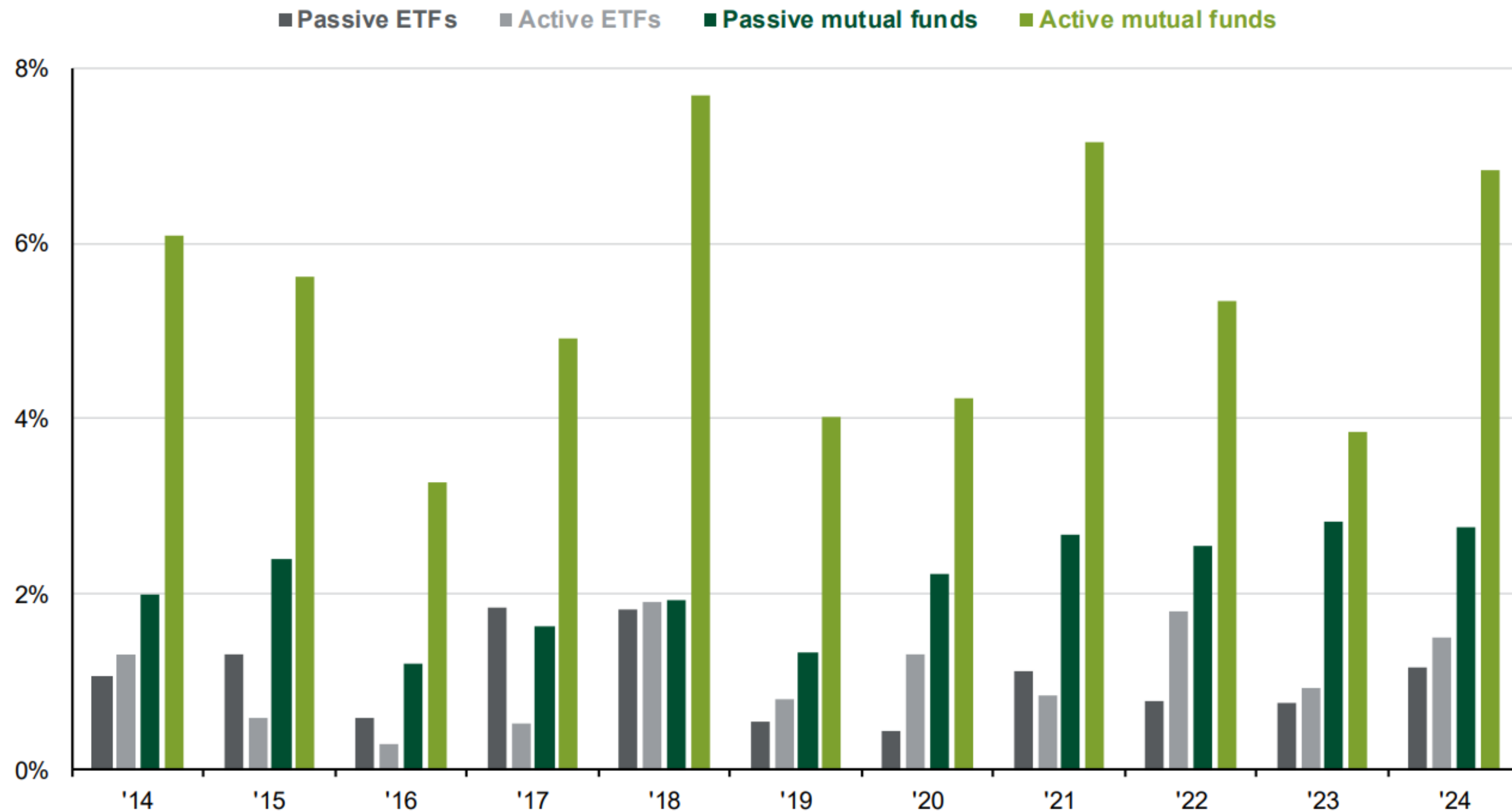
Per the SEC's guidance, after-tax returns are calculated with the highest tax rates prevailing at the time of the distribution, as if the investor were in the highest tax bracket (37% maximum federal tax rate on capital gains and ordinary income). Because Morningstar uses after-tax returns to calculate the tax cost ratio, those assumptions also apply to the tax cost ratio. Therefore, the tax cost ratio is an estimate of what investors experienced. Investors in lower tax brackets will not experience the full tax costs implied by the tax cost ratio.



Mutual Funds Kill You on Taxes

Capital gains paid by investment vehicle

Weighted capital gains/assets under management

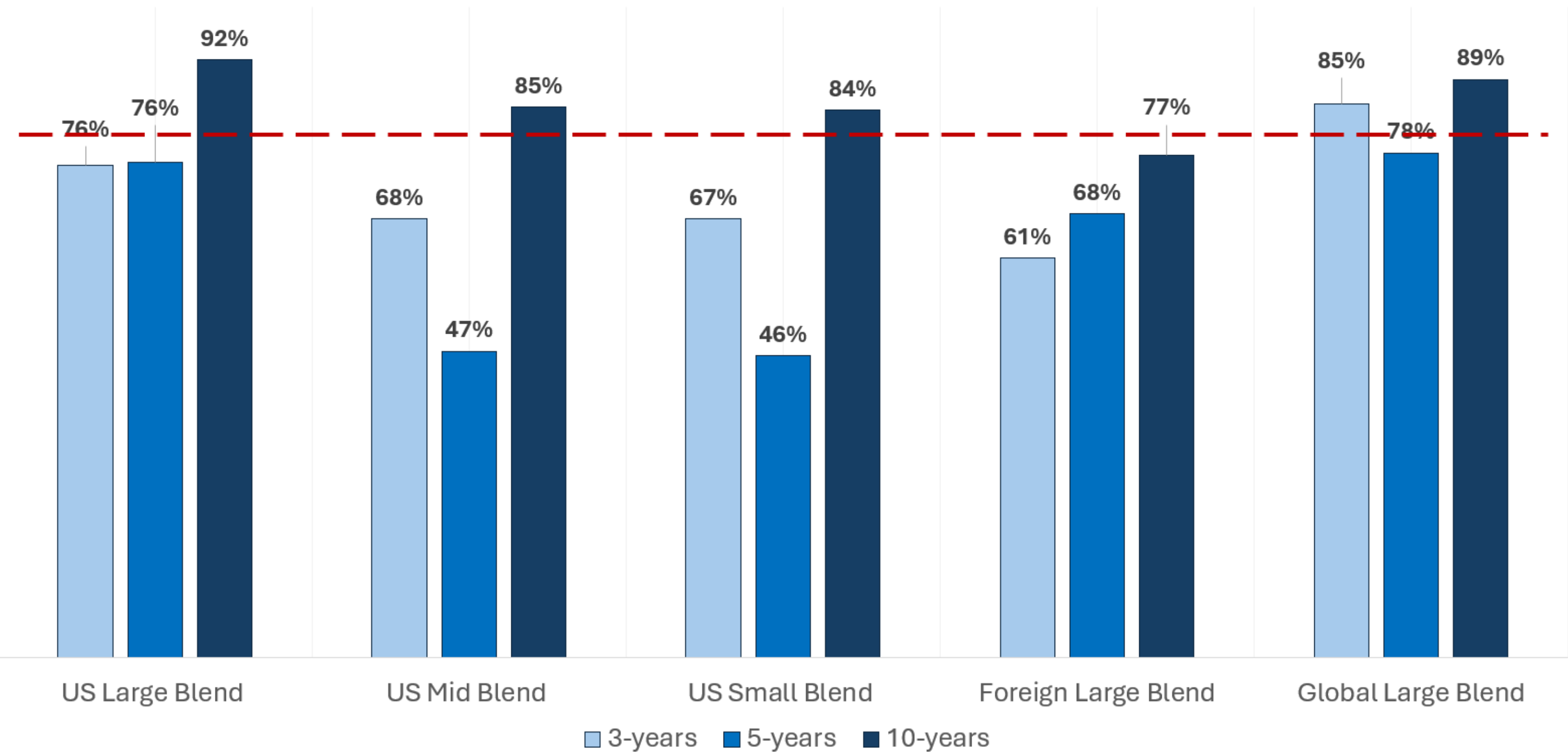




Low-Cost, Passive ETFs are Winners

Percentage of Active Managers Underperforming Benchmarks

As of December 31, 2025



80%
*underperformed
passive providers
over the last 10
years, on average*

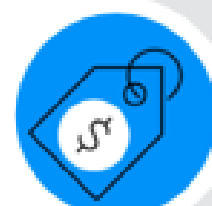
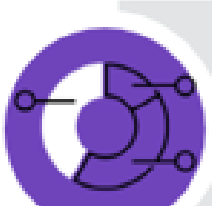
Source: Morningstar, performance of U.S. active funds against a composite of passive peers in their respective Morningstar category, including all share classes.



Your Solution: Exchange Traded Funds (ETF)

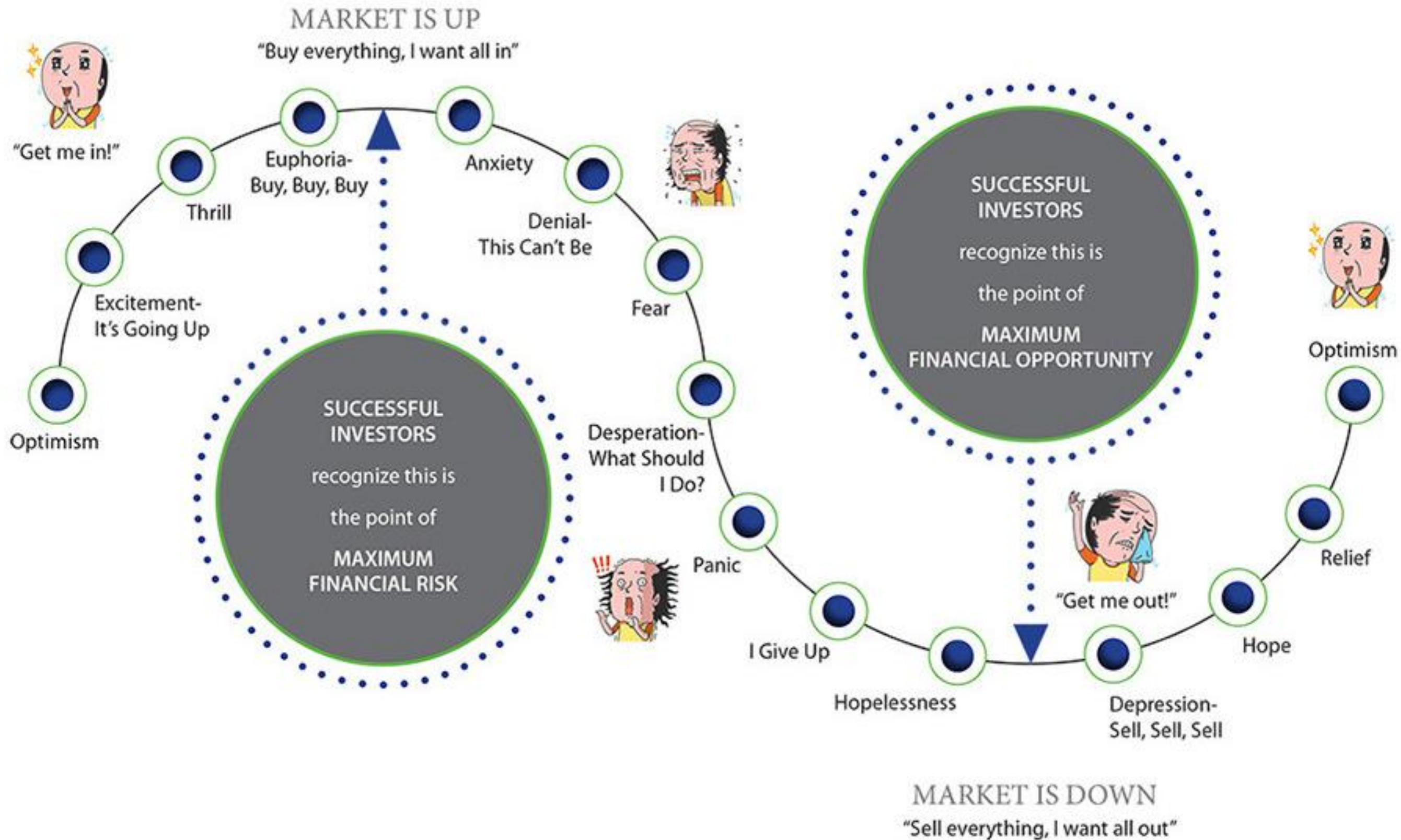
ETF characteristics and benefits

GTE	U.S.
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 Transparent	• Daily holdings disclosure leads to more visibility of underlying securities, <i>better pricing during market stress</i> and <i>tighter spreads</i>
 Liquid	• Exchange trading provides <i>intra day liquidity</i> • Constant bid/ask prices enhance <i>price discovery</i>, especially in illiquid market segments
 Cost-effective	• One fee structure, lower expense ratios and operational innovations translates to <i>lower costs</i> for investors
 Tax-efficient	• Secondary market activity assists in <i>lowering portfolio turnover</i> • In-kind redemptions capabilities may help <i>reduce taxable trading activity</i>
 Accessible	• Provides access to diverse asset classes that may or may not be easily available to all investors, whether active or passive, with <i>no minimum investment thresholds</i>



Be Your Best Psychologist





Knightsbridge Wealth Management

A higher level of sophistication

Our typical client is someone who:

- Is questioning the sophistication of their existing investment portfolio
- Wants more than just a basket of mutual funds and ETFs
- Wants to know their specific tax bracket is being taken into account
- Wants to talk with the people making their investment decisions
- Wants their investment plan designed specific to their situations and goals
- Wants to know there is a plan for their financial security

We are:

- **Fiduciaries.**
We are legally required to put your interests first
- **Analysts.**
We offer in-house security selection
- **Investors.**
We invest our money alongside yours
- **Independent.**
We are 100% employee-owned



Thank you!

Contact us for a commitment-free portfolio review:

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jprichard@knightsb.com

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