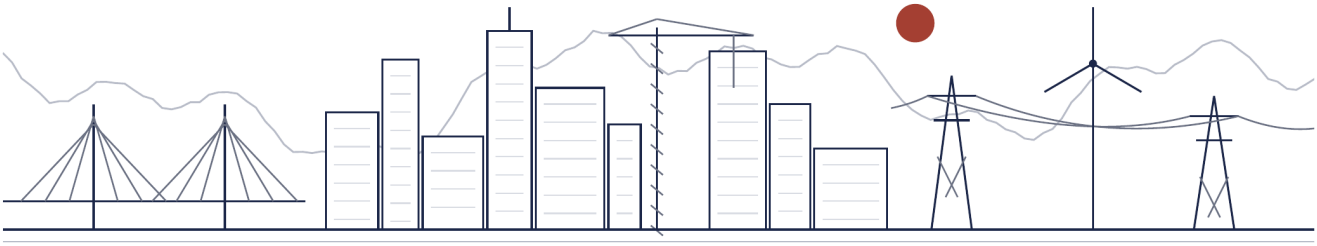
Motomeru Strategies

WHITE PAPER | LISTED HOLDING COMPANIES | PUBLIC EDITION

The Free General Partner

Private real estate, infrastructure and private equity, owned alongside families who think in generations, for almost no fee, and hiding in plain sight



WHAT THIS IS	A public edition of the October 2026 white paper: how I look at listed holding companies as an alternative to private real-asset funds, and how I screen and price them
PREPARED BY	Motomeru Strategies Inc. | Jordan Hiebert, BBA, CFA, Principal
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SAMPLE REPORTS	Jardine Matheson Holdings and L E Lundbergföretagen AB, published with this paper. Figures as at October 20, 2026
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THE IDEA IN ONE SENTENCE

The things investors pay 1–2% a year for in a private real estate or infrastructure fund (a capable manager, long-lived real assets, inflation protection, patient capital and an aligned sponsor) can be bought on public exchanges, from families who charge nothing for their stewardship, often at a discount to what the assets are worth.

THE ARGUMENT IN ONE PAGE

Investors pay a great deal for what a handful of listed families give away

I spend a lot of time analyzing private investment vehicles, and I've worked extensively with lower-middle-market companies in old-world industries. In both, most of what matters sits in the structure and the deal terms, and it usually takes some digging to find it.

Private real estate funds are bought for good reasons: a team that finds, finances and manages hard assets, rents that tend to rise with inflation, a long horizon, a sponsor who should do well only when investors do, and a price nobody has to watch every day. An institutional core fund charges close to 1% of NAV a year before expenses, and retail offerings often cost a good deal more all in. The exit is conditional too. Much of Canada's private real estate and mortgage fund market is in a redemption squeeze right now, with a lot of capital locked up.

A small group of listed holding companies own many of the same assets: forest, hydro power, prime city property, infrastructure, energy and private businesses. Families or owners run them with their own fortunes in the same shares anyone can buy. There's no management fee and no carry, central costs run from as low as a few basis points of NAV, and the shares trade every day, often below what the assets are worth.

Warren Buffett's early partnership charged no management fee either, and he had nearly everything he owned in it. In the best family holding companies the owner's only “performance fee” is its own share of the gains, at the same rate per share as every other shareholder.

Very little gets written about them, for reasons that have more to do with who pays for research than with the companies themselves.

The rest of the work is about screening and price. A company has to pass a set of quality gates first. Then I estimate a required return from its risks, an expected return from a sum of the parts and scenarios, and a **hurdle price** where the two meet. A hurdle price is a model output, not a recommendation. Two sample reports, on Jardine Matheson and Lundbergs, show the method applied.

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SAMPLE REPORTS

Jardine Matheson Holdings
Hong Kong / Singapore, US$

L E Lundbergföretagen AB
Sweden, SEK

Figures as at October 20, 2026

1 | WHAT PRIVATE REAL ESTATE REALLY SELLS

Investors are paying for a manager, hard assets and a price that doesn't move much

Ask an investor why they own a private real estate or infrastructure fund and you usually hear some version of five answers.

- **The team.** A sponsor with deal flow, lender relationships and operating skill that an individual can't easily replicate. Investors are buying judgement as much as buildings.
- **Real assets.** Land, buildings, pipes and power lines have replacement costs and leases that tend to reprice with inflation. People have used them to store wealth for a very long time.
- **A long horizon.** Ten-year closed-end funds and evergreen vehicles let the manager do things that take time: develop, lease up, refinance, wait out a cycle.
- **Alignment.** A general partner co-invests and earns carried interest, so in theory it gets rich only when the limited partners do.
- **Calm.** Values are appraised quarterly, not priced every second. Plenty of investors who would sell a REIT in a panic will sit through the same downturn in a fund. That smoothness is part of what they're paying for.

None of this is free. The median management fee for a core real estate fund in Callan's 2024 study was 0.96% of NAV a year, and value-add funds were higher at about 1.30%. Many funds add a performance fee, commonly 10–20% of profits above a preferred return of around 7%, and fund expenses on top. An all-in gap of 1–2 points a year between gross and net returns is common. Over ten years, a dollar compounding at 9% gross grows to $2.37. At 7.5% net it grows to $2.06, and the 31 cents in between is what the five answers cost.

The calm has its own cost. When enough investors want out at once, the door narrows. In late 2022 several of the largest non-traded real estate vehicles in the US limited redemptions. In Canada the squeeze is happening now: rates rose and stayed high, appraisals that only ever drifted up finally drifted down, redemption requests piled up, and a number of private real estate and mortgage funds have limited or suspended redemptions, leaving a great deal of investor capital locked up. In the secondary market, real estate fund interests have recently changed hands at something like 70 cents on the dollar of reported NAV. Appraisals smooth what investors see, but once people want their money back, what a buyer will actually pay is what counts.

> **WHAT A FEE BUYS**
>
> A high fee only means something next to what it buys. Paying for real, repeatable skill can be worth it. Paying private-market fees for what is mostly market beta, returns available from the market itself for almost nothing, usually isn’t.

1 | THE RETAIL VERSION

Retail investors usually pay more than institutions for the same kind of fund

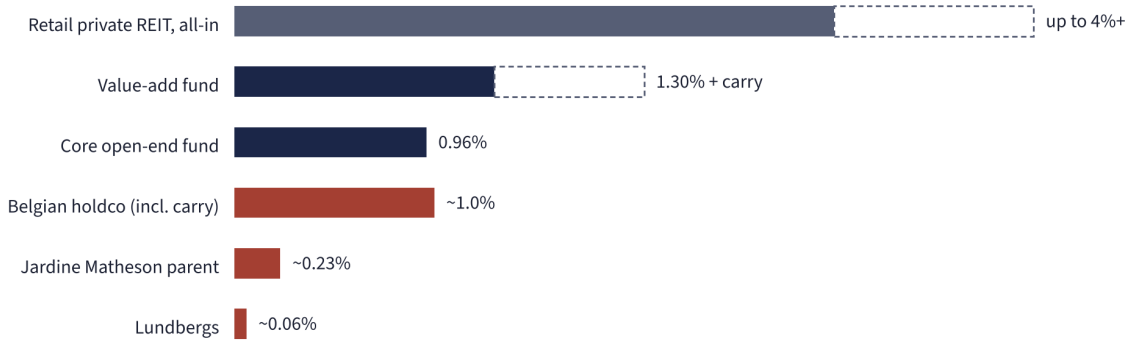
The Callan figures describe institutional funds, whose investors negotiate terms and pick apart expense allocations. Retail investors get standard terms. In my own fee studies of Canadian exempt-market private REITs and mortgage funds, the difference is large, and there are a lot of layers to get through before it shows up.

- Many retail offerings look like a classic 2 and 20 on the first page, then layer on reimbursed expenses, staff, marketing and legal costs, plus acquisition, disposition and financing fees, often paid to affiliates. Add it up and the all-in cost can reach 3–4% of NAV a year, or higher.
- The fee basis matters as much as the rate. A fee charged on gross assets rises with leverage. A "1%" fee on a portfolio at 68% loan-to-value is close to 3% of the investors' equity.
- Some offerings sell units at around 20% above audited IFRS net asset value, on the strength of the manager's own valuation assumptions.
- In a mortgage fund, a 7% coupon from a book yielding 9.5% means the manager keeps roughly a quarter of what borrowers pay, before borrower-paid fees that may never appear in the fund's statements.

Well-run public real estate companies typically run overhead of about 0.25–0.75% of NAV.

Annual cost of management, % of NAV

Retail figure is an all-in cost; institutional figures are median management fees before carry and expenses; holding companies are central costs



Sources: author's fee studies of Canadian exempt-market private REITs (2025–26), range of observed all-in costs; Callan (2024); company reports and Motomeru estimates. Jardine Matheson: parent net overheads, first half of 2026 annualized. Lundbergs: equity-management costs, first half of 2026. The Belgian holdco is a listed investment company that charges carry on its private-asset platform. Holdco subsidiaries carry their own operating costs, as a fund's properties carry property-management fees.

2 | BUFFETT'S PARTNERSHIP

The best-aligned fund in history charged no management fee, and its manager had nearly everything on the line

In May 1956 a 25-year-old Warren Buffett formed Buffett Associates, Ltd. in Omaha with seven limited partners, mostly family and friends, and about $105,000. He put in $100. Over the next six years he added more partnerships, and in 1962 consolidated them into Buffett Partnership, Ltd.

The terms are worth reading slowly. Most modern funds work almost the other way around.

- **No management fee.** Buffett was paid nothing for showing up. If the partnership did not earn a return, neither did he.
- **A hurdle the partners kept.** Under the standard terms of Buffett Partnership, the limited partners kept all of the first 6% a year. Buffett took 25% of gains above that. The earliest partnerships used a lower hurdle and a richer split, and he agreed to bear part of any losses himself.
- **A shortfall that carried forward.** A year below 6% left a deficit that had to be made up before he earned anything again. There was no resetting the clock.
- **His own money first.** Buffett told his partners that well over 90% of his net worth was in the partnership, and that most of his family's was too.

Everyone knows the results. I find the structure more interesting. Buffett's partners didn't need a 40-page limited partnership agreement to know whose side he was on, because the only way he could get rich was the way they did.

> **A SMALL CORRECTION TO THE POPULAR VERSION**
>
> It is sometimes said that Buffett's partnership "cost investors nothing." It cost nothing unless it worked. In a good year a quarter of the gains above 6% went to the general partner, which is not far from a modern carry. What made it unusual was that there was no fixed fee, and that his own stake was so large.

The holding company goes one step further

A family-controlled holding company has no general partner and no limited partners. It has one class of economic owner. When a controlling family earns money from its company, it earns it through dividends and share value, at exactly the same rate per share as any other shareholder. In the best of them there is no promote, no catch-up and no fee for the family's stewardship. The family's "carry" is its own pro rata share of the gains.

Not every case is that pure. Some groups pay a services fee to the family's private parent company, and family members often hold paid board and executive roles, as they do at Jardine Matheson. The reports measure these costs alongside central overheads.

That is the free general partner. You still pay the company's central costs, and you take on risks the partnership did not have, which I come to later. In the best of these companies, though, the alignment Buffett had to write into his partnership terms comes with the share register.

3 | THE HOLDING COMPANY AS AN EVERGREEN FUND

Evaluate these companies the way you would a fund, and the pieces line up

If you strip the labels off, a listed real-asset holding company looks a great deal like an open-ended private fund. It owns a portfolio of long-lived assets, reinvests cash flow, distributes some of it, and reports a net asset value. Many of the differences favour the shareholder, though not all of them.

WHAT A PRIVATE FUND OFFERS	WHAT THE LISTED HOLDING COMPANY OFFERS INSTEAD	THE CATCH
Sponsor with deal flow and operating skill	A family or anchor owner with decades of record in the same assets	You cannot fire them
GP co-investment of 1–5%	Controlling owner with 20–70% of the votes and most of its wealth in the shares	Control can be used against minorities
Management fee of about 1% plus carry	Central costs from about 0.06% to under 1% of NAV; no carry	Subsidiaries carry their own costs
Quarterly appraisal NAV	Published NAV, or a sum of the parts you can rebuild from public data	You do the work
Locked capital; secondaries at a discount	A share price you can sell any trading day, usually below NAV	The price moves, sometimes a lot
Ten-year fund life, then a sale	Perpetual life, no forced exit	No exit date to crystallize value
Rents and contracts that reprice with inflation	Property, forest, power and infrastructure underneath	Often mixed with cyclical operating businesses

The discount is a secondary market you can enter every day

An investor who buys a real estate LP interest on the secondary market at 70 cents on the dollar is praised for buying well. An investor who buys a holding company at 70% of its NAV is often told it is a “value trap.” The economics are close to identical. In both cases the buyer is taking assets off the hands of someone who wants out, below appraised value, and the return comes from the assets’ growth and income plus whatever happens to the discount.

The two sample reports make the point. Through Jardine Matheson, a dollar of Hongkong Land’s reported net asset value has recently cost about 38 cents, because parent and subsidiary both trade at wide discounts. At Lundbergs, the market value of Holmen, the forest and hydro company it controls, has sat below the book value of Holmen’s forest alone, which leaves the mills and power plants in for free.

Liquidity that behaves like a private stake, if you let it

Some of these shares trade thinly in North America. Lundbergs’ US over-the-counter line trades only a few hundred shares on a typical day, with a wide spread, while its Stockholm line is liquid. Some long-term holders treat that as a feature: they use limit orders, hold the shares like a fund interest and rarely check the quote. The exit is still there, which isn’t true of a gated fund.

4 | WHO PAYS FOR THE RESEARCH

Research follows fees, and these companies pay none

Most published equity research is paid for, directly or indirectly, by investment banking and trading. That's simply how the business is funded. A bank covers a company because the company might raise equity, issue bonds, refinance a loan, buy a competitor or sell a division, and because the institutions that trade the shares pay commissions. Coverage follows the fee pool. Now look at these companies through that lens.

- **They rarely raise equity.** A holding company trading below NAV that issues shares is selling its assets to new holders at a discount, so a good owner would rather sell an asset or wait. That's good for existing shareholders and gives an underwriter nothing to do.
- **They borrow little at the top.** Several run parent-company balance sheets with almost no net debt. There's no refinancing mandate and no bond roadshow.
- **They do few deals, and slowly.** Families who buy for generations do not churn portfolios. When they do act, they often fund it from their own cash flow.
- **Their shares don't trade much.** A controlling owner with half or more of the votes, and long-term anchor holders beside it, leaves a small float and modest commissions.

The same features keep them outside the passive machine. Index weights are adjusted for free float, so a company that is 50–70% owned by a family gets a small weight, and a small allocation from passive money, however large its assets. Their home markets sit outside the US, and holding companies, dual-class shares and listed subsidiaries are awkward for factor screens and thematic ETFs. In a market where a growing share of buying is price-insensitive, it is reasonable to want part of a long-term portfolio somewhere that flow does not reach.

The owner does not need the share price to go up

A family that intends to own its company for another hundred years is not a seller. It has no reason to promote the stock, no options to exercise, no fund life to end. What it cares about is the value per share of what it owns and the dividends it receives. The share price matters to it mainly as a buying opportunity, through buybacks, when it is low. It's also why discounts can last for years, and why the method in section 7 doesn't count on them closing.

> **THE REAL TRADE-OFF IS WATCHING THE PRICE**
>
> The listed alternative offers similar assets, often better alignment and much better liquidity. What it asks in return is psychological. The price is quoted every day, and it can fall 30% in a bad year while the forests and buildings underneath haven't changed. A lot of people aren't built to watch that, and there's no shame in it. For an investor who would sell at the bottom, a fund's appraised NAV may be worth its cost. For one who can treat a falling price as information, the daily quote is a much cheaper way to own the same kinds of assets.

How this research is paid for

Motomeru research is independent. No company it covers, and no fund sponsor or dealer, pays for it. That doesn't make it right, and readers should check it the way they would check anything else.

5 | THINKING LIKE A ROYAL HOUSE

Spend the income, keep the capital: one of the oldest long-term mandates in Europe

In 1337 Edward III created the Duchy of Cornwall to provide for his eldest son and heir. Nearly seven centuries later it still exists, a portfolio of farmland, forest, property and other assets. The rule set in that charter is the one that matters here: the heir receives the annual income the estate produces, but has no right to its capital. Each generation is, in effect, a tenant.

That is the mindset I look for in a controlling family: the main question is how to hand on more than it received. Edmund Burke put the idea most memorably in 1790, describing society as a partnership "between those who are living, those who are dead, and those who are to be born." In a company, it looks like this:

- Low leverage at the top, so that no creditor can force a sale during a generational handover or a crisis.
- A parent dividend covered by the cash the parent receives, with capital recycled into the portfolio and the family silver left alone.
- Few acquisitions, made slowly, of assets bought to be held for decades.
- Buybacks when the discount is wide, so the family is adding to the estate when outsiders are selling it cheaply.
- A next generation that holds board seats and operating roles for years before control passes.

Three ways a family empire ends

Succession is what private fund investors call "key person risk" and that holding company investors tend to ignore until it arrives. Literature offers three useful patterns.

King Lear: the sudden partition. Lear divides his kingdom on the strength of a flattery test, disinherits the one who tells the truth, and tries to keep the title of king while giving up its responsibility. The corporate version is a patriarch who splits the assets, rewards loyalty over competence and abdicates without a plan. The warning signs are visible: no successor named, heirs who have never held real jobs inside the group, and assets held in ways that can be divided. Lundbergs is close to the inverse: control sits in one indivisible holding company, and the chief executive's two daughters have sat on group and portfolio boards for well over a decade.

Buddenbrooks: the slow drift. Thomas Mann's Lübeck merchant family declines over four generations. Nothing dramatic destroys the firm. Each generation is a little less hungry and a little more willing to take a bad deal to keep up appearances. This is the risk I worry about most, because it shows up as NAV growth that trails the cost of capital for a decade, rising central costs, prestige acquisitions and a family that stops buying its own shares.

The Leopard: change in order to stay the same. In Lampedusa's novel, a young Sicilian aristocrat tells his uncle: "If we want things to stay as they are, things will have to change." Jardine Matheson, under an outside chief executive since December 2025 with a stated hurdle rate for capital and a program of asset sales and cost cuts, is such a case. Whether it is genuine renewal or a costume change is the question its report tries to answer.

6 | THE SCREEN: WHAT EARNS A PLACE

Quality first, then price: the gates a company has to pass

There are perhaps 20 to 30 listed holding companies worldwide that come close to the description in this paper. I narrow them with a set of gates. A company has to pass every one to be considered, however cheap it looks. Price comes last.

GATE	WHAT I LOOK FOR	WHY IT MATTERS
Real or private assets	A meaningful share of look-through value in property, infrastructure, energy, resources or controlled private businesses	Otherwise it is a listed-equity fund that an ETF does more cheaply
An owner with skin in the game	One family or anchor with a large economic stake, in control for a decade or more	This is the GP alignment. A widely held holdco has no one to stop the empire-building
Size	Large enough to own a diversified portfolio and attract scrutiny; not a micro-cap	Diversification inside the company, and enough press and regulatory attention to keep it honest
No industry or customer concentration	No single business, sector or customer that can sink the whole	A holding company's job is to spread risk, not concentrate it
Low cost	Central costs well below a private fund's fee	The whole point is getting the manager for free
A strong balance sheet	Modest leverage at the parent	No forced sales at the bottom of a cycle or during a handover
Transparency	A published NAV, or one I can rebuild from public data	Without a NAV there is no discount to measure
Succession	A visible plan for both ownership and management	The Lear and Buddenbrooks risks in section 5
Liquidity	A home-market line that can absorb a position in days	So holding for the long term is a choice

Passing the gates puts a company on the list. It doesn't make it a recommendation, and the list isn't a portfolio. Whether today's price is low enough to earn the return the risks call for is a separate question, covered in the next section.

How the succession gate is checked

For each company I record who controls it, through what structure, who comes next, what roles they have held, whether the structure can be split, and whether the family is still adding to its stake. The families that avoid "shirtsleeves to shirtsleeves in three generations" have usually planned their succession openly, years ahead.

What quality costs: the benchmarks

The best-run family holdcos, such as Investor AB and Latour, usually trade at or above NAV. On management they would beat most companies that pass the screen, but they are light on real assets, and at their prices my method does not expect them to earn their cost of capital. Quality usually costs a premium, and the screen is an attempt to find where it doesn't. Not every company that passes is best-in-class. Some are turnarounds, some rest on their assets more than their owner, and some have most of their value in a single listed stake.

7 | THE METHOD

The useful question is whether a given price earns the cost of capital

A private real estate fund underwrites every acquisition against a target return. I apply the same idea to listed holding companies by estimating two numbers for each and comparing them.

Required return

The return the risks demand, in the home currency: a local risk-free rate, plus an equity risk premium, plus premiums for the country and for the complexity and control risk of a holding structure. It comes out higher for a Hong Kong conglomerate exposed to Indonesia and China than for a Swedish forest owner.

Expected return

What the model expects from today's price over the next few years: growth in NAV per share, plus the dividends received, plus the effect of any change in the discount. The single most important assumption is the exit discount. I use the company's own long-run median. Assuming today's discount, or no discount at all, would flatter or punish the result for no good reason.

Hurdle price

The price at which the two are equal. On my assumptions, a price below it should earn more than the required return and a price above it less, though the shares may still do fine. It is a model output that moves with the assumptions, not a price target or a recommendation.

AN EXAMPLE, USING A HYPOTHETICAL COMPANY

Holdco X has a NAV of 100 a share and trades at 75, a 25% discount. NAV grows 7% a year and it pays out 2.25% of NAV in dividends. Its long-run median discount is 20%, and its required return is 9%.

FIVE-YEAR VIEW	VALUE
NAV in year 5, and price at the 20% median discount	140 / 112
Dividends received over five years	14
Expected return from a price of 75	11.5% a year
Hurdle price at a 9% required return	**about 84**
Expected return if the exit discount is 30% / 10%	8.8% / 14.0% a year

Illustrative only. Holdco X is not a real company, and the figures are chosen to show the mechanics.

Here most of the return comes from NAV growth and dividends; the discount narrowing to 20% adds a couple of points. The gap of about 9 between price and hurdle price is the margin of safety, and it's only as good as the assumptions.

Building the NAV and stress-testing it

The hurdle price is only as good as the NAV under it, so each report builds that NAV four ways, because each answers a different question.

- **Sum of the parts: what is it worth today?** Listed holdings at market; unlisted assets on their own terms, such as property against reported or reinstatement value and forest at land value; parent debt and central costs deducted. I also look through listed subsidiaries, because a subsidiary's own discount is often where the value hides.
- **Liquidation value: what is the floor?** The realizable value of the hard assets, less debt, taxes and the cost of selling.
- **Scenarios: what range of outcomes am I buying?** Bear, base and bull cases for NAV growth, dividends, the exit discount and the key risk particular to each company, tied together by a three-statement pro forma of the parent, so the cash that pays the dividend has to be there.
- **Optionality: what is not in the NAV at all?** An unused buyback authority, a subsidiary that could be sold, a family that buys heavily in crises. I leave these out of the base case, because paying for options you may never exercise is how investors overpay.

What the numbers cannot tell you is whether the family will still be making good decisions in 15 years. That is why the qualitative work in sections 5 and 6 carries as much weight as the spreadsheet.

8 | THE TWO SAMPLE REPORTS

Two companies at opposite ends of the same idea

Two full initiation reports are published with this paper, so readers can see the screen and the method applied end to end. I chose these two because they sit at opposite ends of the idea: one a quiet, almost debt-free compounder, the other a very old trading house in the middle of a reset. Together, they show what the method rewards and what it worries about.

HOLDING COMPANY	HOME	WHAT IT GIVES YOU	PRIVATE-MARKET ANALOGUE
Jardine Matheson Holdings	Hong Kong / Singapore, US$	Central Hong Kong property, Asian hotels and Southeast Asian businesses, under a reset	Diversified Asian real estate and private equity
L E Lundbergföretagen AB	Sweden, SEK	Forest, hydro and Stockholm property beside listed Swedish industrials	Timberland, renewables and core property

Jardine Matheson: the Leopard

Founded in 1832 and led by the fifth generation of the Keswick family, Jardine controls Hongkong Land, Mandarin Oriental, DFI Retail, Jardine Pacific and, through Jardine Cycle & Carriage, half of Indonesia's Astra. About half of gross assets are Hong Kong property and hotels, held at a double discount: Hongkong Land trades well below its own NAV, and Jardine trades below the value of its holdings. Earnings, though, rest mostly on Indonesia. The company has lived the Buddenbrooks drift, with a decade of weak returns, and in late 2025 began a reset under an outside chief executive. The report tests whether the asset value gives a margin of safety that does not depend on that reset succeeding, and what the Hong Kong dollar peg and the rupiah mean for a North American holder.

Lundbergs: close to the inverse of Lear

Run by the Lundberg family for three generations, Lundbergs owns Holmen's forest, hydro and wind, Hufvudstaden's central Stockholm offices and a wholly owned property company, beside large stakes in Industrivärden, Indutrade and other Swedish industrials. Equity-management costs are about 0.06% of holdings a year and net debt is about 3% of gross assets. The report looks through to what the forest and the Stockholm property are worth, and weighs the risks that matter most for this kind of owner: an unnamed successor to a long-serving chief executive, a portfolio that is Swedish only, and a family with no need ever to close its discount.

> **WHAT EACH REPORT INCLUDES**
>
> A sum of the parts at market and a real-asset look-through, bear, base and bull scenarios, a three-statement pro forma of the parent, the required return and hurdle price with a sensitivity grid, a governance and succession review, and currency and tax notes for Canadian and US holders. Figures and prices are as at October 20, 2026 and have not been updated. The views and hurdle prices in each are model outputs at that date, not recommendations.

9 | WHAT COULD MAKE THIS WRONG

The risks a private fund does not carry, and some it does

These companies carry risks of their own. These are the ones I take most seriously, and how I try to manage each.

RISK	WHAT IT LOOKS LIKE	HOW THE METHOD HANDLES IT
The discount never closes	A holding company stays at 30% below NAV for a decade	Expected returns assume the long-run median discount, not a re-rating. The hurdle price has to work without one
The owner turns on minorities	Related-party deals, squeeze-outs below NAV, dilutive issues	Owner behaviour is one of the gates, and a reason to change the view
Buddenbrooks drift	Years of NAV growth below the cost of capital, rising costs, prestige deals	Rolling five-year compounding against the required return
Currency	Home currency falls against yours just as the discount widens; the swing can exceed the margin over the hurdle	Returns measured locally, then translated; a reason to spread exposure across currency blocs
Country and politics	Hong Kong and China, state ownership, governance reform stalling	Country premium in the required return
Concentration inside the company	One holding grows to dominate NAV, or one commodity drives it	Concentration is scored and monitored
Liquidity	Wide spreads on OTC lines in a sell-off	Home-exchange liquidity assessed for each name
Tax	Unrecoverable withholding, PFIC status for US holders	Set out for each name in its report
My estimates are wrong	Unlisted values, subsidiary stakes, costs	Estimates are labelled as such, and the key assumptions are set out in each report

There is also a risk that applies to private real estate just as much: that real assets disappoint in real terms for a long stretch, as offices have in many cities since 2020. A listed holding company shows it in the share price straight away, which is uncomfortable. A fund lets it come through slowly in the appraisals. I would rather see it.

> **WHAT WOULD CHANGE THE VIEW, AND WHAT WOULDN'T**
>
> A controlling owner moving value away from minorities would, and so would a decade of compounding below the cost of capital. A widening discount while NAV, cash flow and owner behaviour hold up wouldn't on its own, and neither would a single weak year or a falling share price. Those are usually the moments when a price moves below its hurdle.

10 | THE CASE

Much of the private-fund experience, with a better-aligned owner, at a price that can be checked

Private real estate and infrastructure funds sell something real, and investors pay well for it. The holding companies in this paper offer a lot of the same things through a different structure: owners with most of their wealth in the same shares, very low costs, generational horizons and real assets underneath. The trade is a price that moves every day. For investors who can live with that, I think the structure deserves more attention than it gets, provided the price is right, which is what the screen and the hurdle model are there to check.

> **THE TWO SAMPLE REPORTS**
>
> Full initiation reports on Jardine Matheson Holdings and L E Lundbergföretagen AB accompany this paper, each with the sum of the parts, real-asset look-through, scenarios, required return and hurdle price, governance and succession, and currency and tax notes. Details at **motomeru.ca**.

If you have an interest in private equity or private real assets, whether you have paid a full fee for a fund or wanted into one and couldn't get in, I think these companies are worth exploring. Most of them have been around for generations, and their owners aren't in any hurry.

Jordan Hiebert, Motomeru Strategies

DISCLOSURES AND SOURCES

Important information

ABOUT THE AUTHOR

Jordan Hiebert, CFA, analyzes private real estate and credit vehicles for investment dealers and has worked extensively with lower-middle-market companies focused on real assets. Motomeru Strategies Inc. is the author's independent research practice; the views here are not those of any employer.

DISCLOSURE OF INTERESTS, AS OF OCTOBER 20, 2026

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