Cobas LUX SICAV Palm Harbour Global Value Fund

PALM HARBOUR

Class F Acc EURO - ISIN LU1935059029

The fund gained 0.4% in October, ending the month at €21.33 on 30 October, slightly underperforming European but leading global benchmarks. Global equity markets experienced a significant rotation in October, as concerns over the returns on substantial AI-related investment triggered a sell-off in technology stocks, while defensive sectors proved more resilient. Against this backdrop, our disciplined bottom-up investment approach provides a degree of protection against sharp market swings while retaining exposure to meaningful long-term upside, as we remain entirely focused on fundamentally sound businesses trading at attractive valuations.

Vår Energi, the Norwegian oil and gas producer, was the fund's strongest contributor, following a strong third-quarter trading update with EBIT nearly doubling to $2.21 billion, and the quarterly dividend increasing 14%, supported by significantly higher realized oil and gas prices. We expect higher production in the fourth quarter and the closing of the transformational BlueNord combination. CTS Eventim, Europe's leading ticketing and live entertainment group, recovered in investor sentiment following the surprise CFO departure as insider buying and the arrival of a US activist investor who argued that the company is significantly undervalued. They will host their first Capital Markets Day, in November, providing an additional catalyst. Fleury, the Brazilian diagnostic and healthcare provider, benefitted from strong results, as well a broader rally in domestic Brazilian equities following the first round of the presidential elections. We exited the position as the share price approached our estimate of fair value, fortunately ahead of the sharp post-election sell-off.

The largest detractor for the fund was FnGuide, the South Korean financial data and analytics provider, as the sharp correction in the South Korean equity market dampened investor sentiment and could potentially weigh on assets tracking its indices and related fee income. This despite third-quarter results where revenue increased 77% and operating profit 188% year-on-year. Hanyang ENG, the engineering specialist providing critical infrastructure for semiconductor facilities, was hit as the sharp sell-off of Korean semiconductor stocks spread to infrastructure suppliers. Another detractor was CTT, the Portuguese postal and logistics group, as investors grew increasingly concerned about the impact of the EU's removal of the customs duty exemption for low-value parcels on its e-commerce and cross-border delivery business. The regulatory changes are aimed at parcels originating from China and have raised concerns over declining volumes, increased operating complexity and pressure on profitability.

With investment, your capital is at risk and the value of an investment and the income from it can go up as well as down, and you may not get back the amount invested. The fund's main strategy-specific risks are equity markets, small and mid-cap volatility, geographic concentration in Europe, currency and liquidity. Past performance must not be considered an indicator or guarantee of future performance. The Sub-Fund is actively managed. The Sub-Fund has no benchmark index and is not managed in reference to a benchmark index.

Performance[1]

PHC Total Return		
3Q 2026	YTD[4]	LTM[5]
+4.0 %	+8.7 %	+14.1 %
PHC Annualised Returns[2]		
3 Year	5 Year	ITD[5]
+16.4 %	+10.3 %	+10.5 %

Risk Indicator

1	2	3	**4**	5	6	7

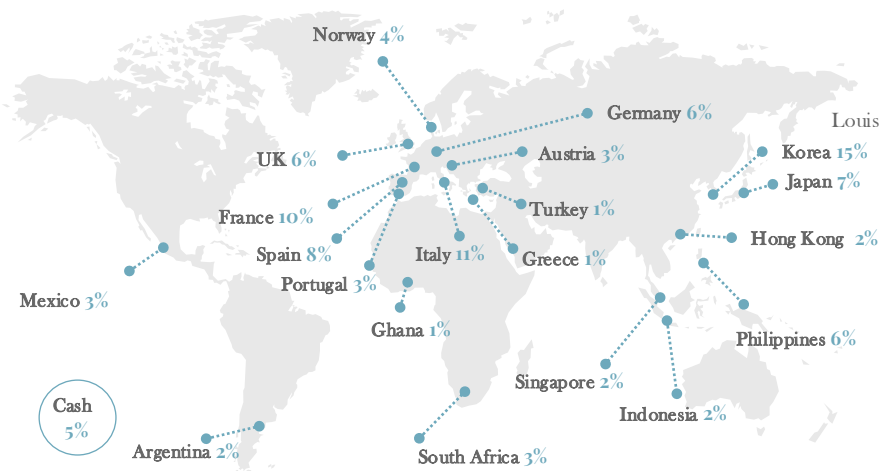
NAV per share (€)



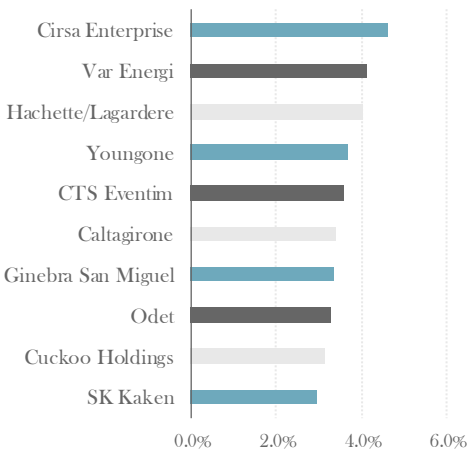
Ratios

Portfolio Upside[7]	111 %
Weighted P/E[8]	5.9x
Weighted FCF/EV[9]	19 %
Weighted ROCE[10]	27 %
Number of Positions	43

Country Breakdown



Top 10 Holdings (%)



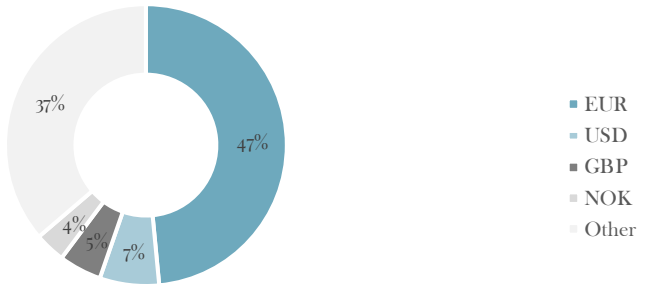
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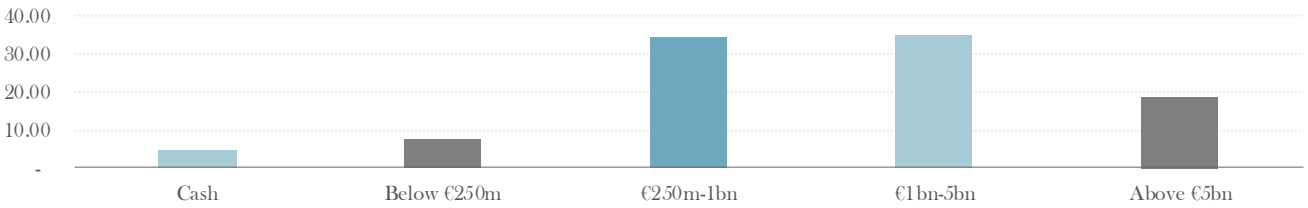
Currency Breakdown



Top 5 Industry Groups

23%	Consumer Discretionary
16%	Communication services
15%	Materials
13%	Conglomerate
11%	Industrials

Market Cap Breakdown (%)



Fund Structure: UCITS
Domicile: Luxembourg
Investment Manager: Palm Harbour Capital LLP
Management Company: FundPartner Solutions SA (Pictet Group)
Depositary bank: Bank Pictet & Cie (Europe) AG
Fund Auditor: Ernst & Young
Legal Advisers: Elvinger Hoss Prussen SA
Inception: 4 April 2019

Fiscal Year End: 31 December
NAV/Dealing: Daily
Cut off Time: 4pm CET
Management Fee[6] 0.5% (reduced from 1%)
Base Currency: EUR
EUR ISIN: LU1935059029
GBP ISIN: LU1935059375
USD ISIN: LU1935059292

Fund Objective
The fund's objective is to provide superior, absolute, long-term capital appreciation by investing in a portfolio of high-quality companies trading at a significant discount to their intrinsic value.

Investment Strategy
The fund is managed with a *Value* philosophy which emphasizes investing in businesses with strong competitive advantages when they are available at a significant discount to their growing intrinsic value. We utilize a rigorous investment process and believe patience and deep knowledge of our investments will lead to exceptional long-term returns. We avoid speculative and overhyped market darlings.

The fund is relatively unconstrained in order to take advantage of institutional constraints and behavioural biases. The fund focuses on small and mid-sized global companies with an emphasis on Europe. The fund is intended for investors who share our *Value* philosophy and want to invest like long-term business owners, with the aim of significant outperformance over the mid-term.

Investment Manager
Peter Smith, CFA is the Portfolio Manager of the Cobas LUX SICAV Palm Harbour Global Value Fund and Managing Partner of Palm Harbour Capital LLP. Before founding Palm Harbour Capital, he worked closely with the highly respected *Value* investor **Francisco García Paramés.**

Peter graduated Magna Cum Laude from Texas Tech University with a BBA in International Business with a focus on Finance and German. He has a Masters in Finance with a focus on Investment Management from London Business School.

Konstantinos Kontos is a research analyst and assists with the portfolio. He has a Masters in Finance with a focus on Investment Management from London Business School.

The founding partners of Palm Harbour Capital LLP are Peter Smith, CFA and Santa Comba Gestión SL, the holding company of Francisco García Paramés.

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How to invest

Our fund is registered for distribution in the UK, Spain, Germany and Luxembourg including for retail distribution.

Our fund can be invested in through both European international central securities depositories: Euroclear and its FundSettle clearing platform and Clearstream through the Vestima fund clearing platform.

Disclaimer

This marketing communication may be distributed and communicated by the Fund, and Palm Harbour Capital LLP which is authorised and regulated by the Financial Conduct Authority. This material is for information only and does not constitute an offer or recommendation to buy or sell any investment or subscribe to any investment management or advisory service. In relation to the United Kingdom, this information is only directed at, and may only be distributed to, persons who are "investment professionals "(being persons having professional experience in matters relating to investments) defined under Articles 19 & 49 of Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 & Articles 14 & 22 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemption) Order 2001 and/or such other persons as are permitted to receive this document under The Financial Services and Markets Act 2000.

Subscriptions of the Fund, an investment fund under Luxembourg law (SICAV), should be made solely on the basis of the current offering prospectus, the Key Investor Information Document („KIID"), the artides of incorporation and the most recent annual or semi-annual report and after seeking the advice of an independent finance, legal, accounting and tax specialist. Interested parties may obtain the abovementioned documents free of charge from the authorised distribution agencies and from the offices of the Fund at 15, avenue John F. Kennedy, L-1855 Luxembourg.

The investments described may involve, among others, equity market risk, interest rate risk, foreign exchange risk, investment in emerging countries, credit risk, liquidity risk and the use of derivative financial instruments sustainability risk.

All these risks are reflected in the numerical risk indicator and complete information can be found in the Key Information Document (KID) which in addition to the Prospectus is available at the Pictet fund librabry website.

This commentary has been written by Palm Harbour Capital LLP and contains opinions and statistical data that are considered reliable and accurate at the time of their publication, although Palm Harbour Capital LLP does not accept liability for the accuracy of the contents.

All company and fund data and / or performance have been obtained from multiple independent sources such as: Pictet, Factset, Fund Partners, Bloomberg; and / or through company Form 4 / regulatory filing; corporate performance release or regulatory filing as well as Palm Harbour Capital LLP proprietary data that are considered reliable and accurate at the time of their publication, although Palm Harbour Capital LLP does not accept liability for the accuracy of the contents.

You can obtain the summary of investor rights via this link.

References

* The source of the information are Pictet and Factset except for Ratios which uses Palm Harbour Capital LLP proprietary data. We do not represent that this information, including any third-party information, is accurate or complete and it should not be relied upon as such and the Data Providers do not guarantee the adequacy, accuracy, timeliness or completeness of their data and information. Opinions expressed herein reflect the opinion of Palm Harbour Capital LLP and are subject to change without notice.

1) Our Net Asset Value (NAV) is calculated daily by FundPartner Solutions but prior to May 2025 it was calculated weekly so historical numbers may not coincide with monthly or quarterly reporting. Consult a data provider such as Morningstar for daily pricing and historical weekly dates and prices.
2) Annualized returns are based on the net asset value per share of the fund as calculated weekly to the nearest week to the period end
3) LTM: Last Twelve Months
4) YTD: Year To Date
5) ITD: Inception To Date
6) Management fee is maximum 1% currently reduced to 50 bps (0.5%) until AUM grows to a reasonable size. We do not charge any entry or exit fees.
7) The difference between the target value and the aggregate market price of the portfolio. To calculate the target value, we apply a multiple to normalised free cash flow based on our own estimates for each company.
8) Calculated by dividing each company's market capitalisation by its normalised free cash flow based on our own estimates.
9) The result of dividing normalised free cash flow based on our own estimates by Enterprise Value.
10) Calculated by dividing normalised post-tax operating profit based on our own estimates by capital employed (ex-goodwill), to measure the intrinsic return on the business.

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