Cobas LUX SICAV **Palm Harbour Global Value Fund**

PALM HARBOUR

Class F Acc EURO - ISIN LU1935059029

The Fund gained 2.78% in November, ending at a new high of €19.21 on the 28th of November. This performance reversed the modest losses incurred in September and October and marked an outperformance of European and global indices.

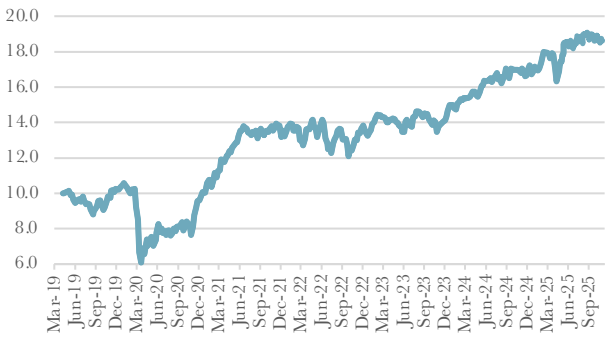
The top contributor was Youngone, the specialist textile and bike manufacturer we introduced in our third quarter letter this year. Their third quarter results surprised the market positively, with the OEM division growing strongly despite tariff headwinds, with growth at key customer Arc'teryx likely helping. The losses at SCOTT, their bike division, narrowed and its bloated inventory declined. Watches of Switzerland Group performed strongly on news Switzerland finally managed to negotiate their tariff rate downwards from 39% to 15%, which should help the Swiss watchmakers' US sales. Converge ICT, a Filipino fibre company, performed well after their profit warning this summer sent the shares plummeting. This allowed us the opportunity to purchase the shares at a significant discount to our estimate of intrinsic value. We believe there are good reasons for the current high churn rate and cost inflation to be temporary and think they are still growing strongly despite these headwinds. The shares have a very attractive valuation at current levels, in our view.

The largest detractor was our small stake in Vivendi. Shares fell as the French high court overturned an earlier ruling and returned the case to a lower court with a more limited scope. This could mean Bolloré will not have to make a mandatory offer for the company. The shares trade at a 50% discount to their very easily determinable net asset value and we believe Bolloré has plans to continue simplifying his group structure, which should eventually release massive value. M. Dias Branco reported softer-than-anticipated results with volumes inline, but pricing weaker due to a weaker mix. Raw material prices also did not fall as quickly as anticipated, which together with the pricing led to lower margins. Brightstar Lottery reported positive third quarter results for both sales and EBITDA while also introducing its mid-term outlook, which implies 6% annualised EBITDA growth and improved cash generation over the next three years. Like many mid-term plans, it is skewed towards the later years as 2026 still has large payments for the Italian lottery renewal. We believe once the market starts to focus on 2027 and normalized free cash flow the shares should re-rate.

Performance[1]

PHC Total Return		
3Q 2025	YTD[4]	LTM[3]
+1.6 %	+13.6 %	+15.4 %
PHC Annualised Returns[2]		
3 Year	5 Year	ITD[5]
+12.0 %	+15.0 %	+10.3 %

NAV per share (€)



Ratios

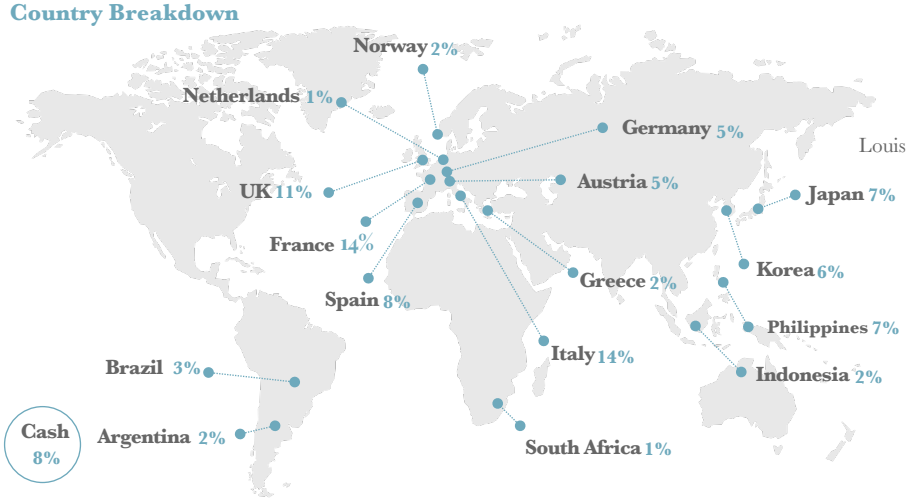
Portfolio Upside	87 %
Weighted P/E	8.7x
Weighted FCF/EV	14 %
Weighted ROCE	24 %
Number of Positions	40

Risk Indicator

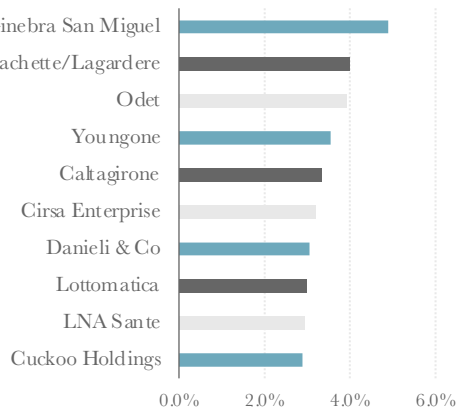
1	2	3	4	**5**	6	7

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, it may be affected by exchange rate variations, and you may not get back the amount invested. 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.

Country Breakdown



Top 10 Holdings (%)



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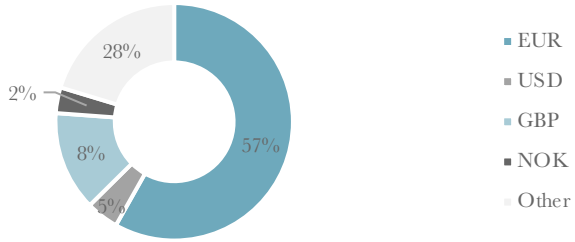
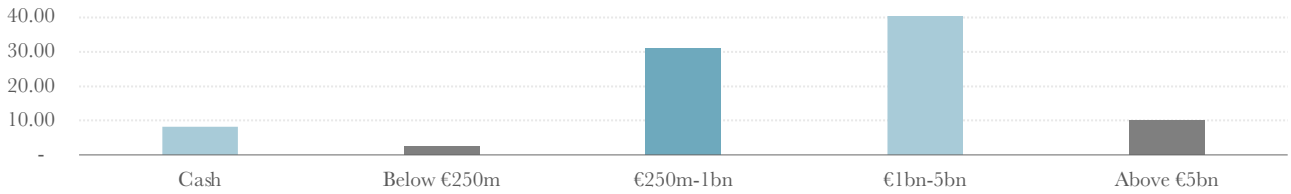
Currency Breakdown



Top 5 Industry Groups

21 %	Consumer Discretionary
20 %	Materials
18 %	Communication services
10 %	Industrials
9 %	Consumer staples

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

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 articles 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. As a result, the net asset value of the investments may be highly volatile. 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.

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 1% currently reduced to 50bps until AUM grows to a reasonable size. We do not charge any entry or exit fees.