



Cobas LUX SICAV Palm Harbour Global Value Fund

Class F Acc EURO - ISIN LU1935059029

The fund gained 1.7% in May, ending the month at €20.84 on 29 May, close to its all-time high, although it underperformed European and global benchmarks. Markets advanced during the month, led once again by the US, as resilient economic activity and optimism around AI-led capital investment continued to support investor confidence. Although market participation broadened somewhat, returns remained concentrated in a narrow group of AI “leaders”, reflecting investors’ willingness to pay elevated prices for “structural” growth. Much of this growth remains capital intensive and dependent on loss-making companies funded by repeated equity injections. As a result, the gap between favoured companies and the rest of the market remains unusually wide on almost every metric. Geopolitical risks also stayed elevated, though largely ignored. We remain focused on businesses where expectations, valuations and fundamentals retain a sensible relationship. While this means we may miss the market’s latest infatuations, we are content to avoid paying tomorrow’s prices for today’s excitement.

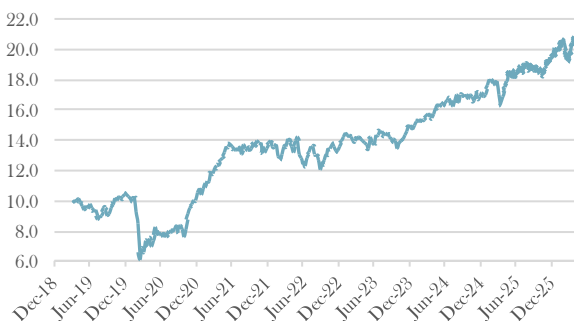
Watches of Switzerland was a standout performer in May, rebounding to its pre-crash level from January 2024 and easing concerns around Rolex disintermediation, luxury demand, inflation and tariffs. The recovery was driven by 16% growth in its US business, alongside continued resilience in the UK. The position is now up more than 100%, contributing over 300 bps since the trade began during tariff “Liberation Day”. Esprinet, the Southern European IT distributor, was the second-largest contributor after first-quarter results exceeded expectations, with 11% revenue growth and 44% adjusted EBITDA growth reflecting market share gains and possible activity ahead of memory-related price increases. Esprinet remains well positioned to benefit from a recovery in IT spending, particularly in AI infrastructure, cybersecurity and technology refresh cycles. LNA Sante, the French nursing home and day clinic operator, also performed strongly after a robust first quarter confirmed steady organic growth. Revenue rose by around 7%, supported by growth in home hospitalisation and high nursing home occupancy.

The largest detractor was Cuckoo Holdings, the Korean-listed home appliances company. First-quarter results showed slower growth than in prior periods, alongside resilient but unremarkable profitability. The business continues to compound solidly at a rock-bottom valuation, and we suspect investors simply turned their attention to two more fashionable local companies. Brightstar Lottery was another detractor, broadly in line with sector weakness, though with less prediction-market risk. Jackpots were unfavourable and the market continues to question the return on its renewed Italian contract. Time will tell. The third-largest detractor was M Dias Branco, the Brazilian packaged food company. First-quarter results showed disappointing volumes of -4% in both key categories as the Brazilian consumer weakened. Food inflation, lower confidence and high household indebtedness led to more conservative retail purchasing. The company is increasing marketing investment to defend and gain market share.

Performance¹

PHC Total Return		
1Q 2026	YTD ⁴	LTM ³
-0.5%	+6.2%	+13.1%
PHC Annualised Returns ²		
3 Year	5 Year	ITD ⁵
+15.6%	+9.5%	+10.8%

NAV per share (€)



Ratios

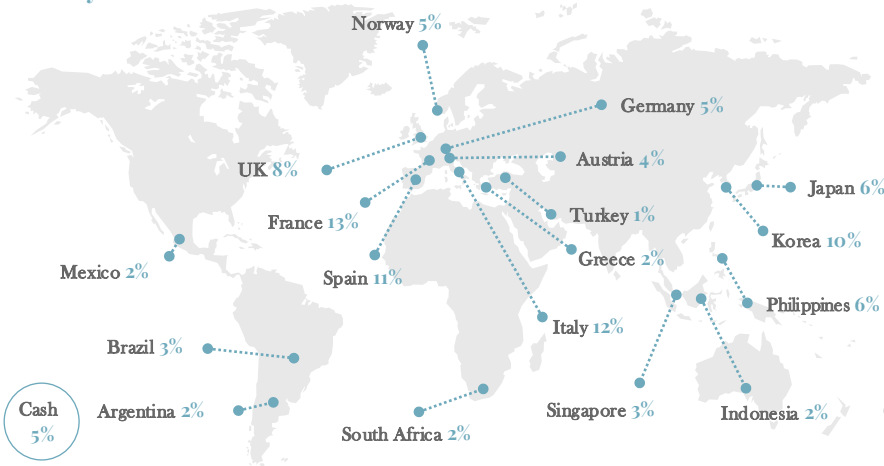
Portfolio Upside	99%
Weighted P/E	6.5x
Weighted FCF/EV	15%
Weighted ROCE	28%
Number of Positions	44

Risk Indicator

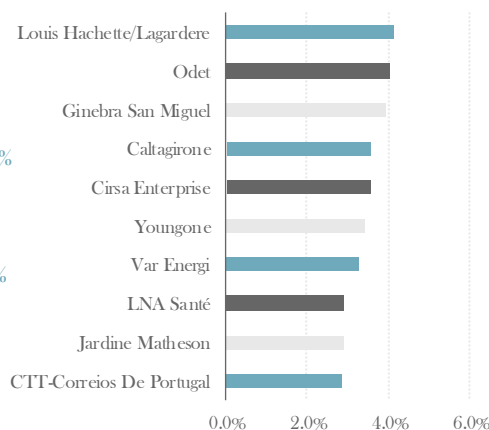


With investment, your capital is at risk and the value of an investment and the income from it can go up as well as down, it may be affected by exchange rate variations, and you may not get back the amount invested. Past performance must not be considered an indicator or guarantee of future performance. 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 (%)

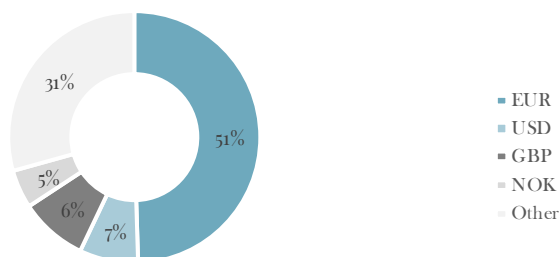




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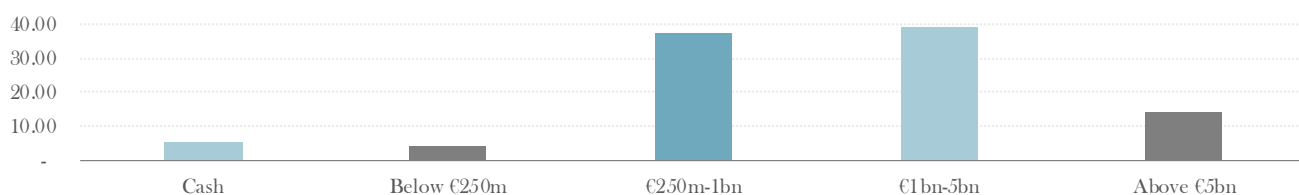
Currency Breakdown



Top 5 Industry Groups

18 %	Consumer Discretionary
18 %	Materials
13 %	Communication services
12 %	Industrials
10 %	Conglomerate

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 Fee⁶: 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 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 library 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 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.