Cape Equity Fund

Cape Capital SICAV-UCITS

Fund strategy

The objective of the Cape Equity Fund is to create long-term capital appreciation by investing in a global portfolio of equity securities. The Fund holds large-cap global quality firms which are leaders in their industries, hold strong franchises, have moderate debt, and generate solid cash flows that can either be distributed through dividends and/or share buybacks on a sustainable basis. The fund focuses on investing in profitable, growing and reasonably valued companies. ESG considerations are integrated into the investment process.

Performance (%)



Current month	YTD	1Y (p.a.)	3Y (p.a.)	5Y (p.a.)	Since inception
-1.73	8.52	5.42	16.46	6.04	162.57

Fund information

Date	30 October 2026
Current AUM	EUR 355m
Fund type	SICAV-UCITS
Fund inception[2]	01 June 2015
Minimum investment	EUR 5,000
Available currency	EUR, CHF, USD
Redemption	Daily by 3pm C.E.T
Management fee	0.50% p.a.
Share class	Internal A EUR Accumulating
Fund domicile	Luxembourg
Management company	MultiConcept Fund Management
Central administration	UBS Fund Administration Services Luxembourg S.A.
Auditor	PwC (Luxembourg)
Legal advisor	Arendt & Medernach
Depositary bank	UBS Europe SE, Luxembourg Branch

Fund statistics[1]

Return (%, annualized since inception)	8.83
Volatility (%, annualized)[3]	14.03
Max drawdown (%, since inception)	-18.05
Sharpe ratio	0.57
Risk free rate[4]	0.82

Note: past performance is not a reliable indicator of future results.

Please see page 2 for detailed share class information.

1. Fund performance is shown based on the NAV (net of fees) of the share class Internal A EUR, inception 01 June 2015.
2. Fund inception in June 2015 as Cape Capital SICAV-SIF. Converted to Cape Capital SICAV-UCITS in July 2017.
3. Annualized standard deviation using monthly return since inception.
4. Risk free return is calculated as the annualized return of EURIBOR 3 month since the inception of the Fund.

Please see disclaimer last page

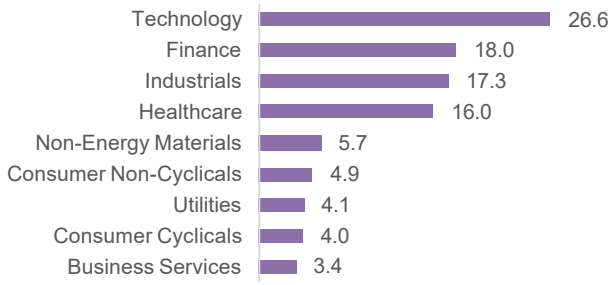
Cape Equity Fund

Cape Capital SICAV-UCITS

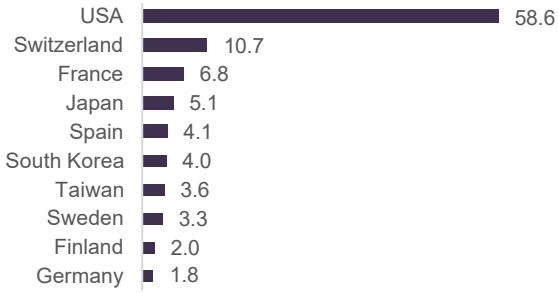
Top holdings

Company	Country	Weight (%)
Thermo Fisher Scientific	USA	5.57
Microsoft	USA	5.15
Hitachi	Japan	4.83
JP Morgan	USA	4.74
Amazon	USA	4.69
No. of positions		27

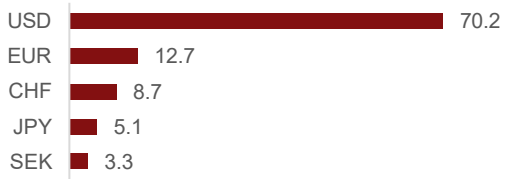
Sector allocation (%)



Geographic distribution (%)



Currency exposure (%)



Top 5 holdings shown as % of total portfolio including cash.
Other allocations are calculated based on notional exposure (excl. cash).
FX exposure refers to the currency denomination of the security.
The Total Expense Ratio (TER) presented in this document reflects final TER for the previous year.

Share class information

Share class	Bloomberg	ISIN	Inception	Fee p.a. (%)	TER (bp)	Current NAV
Internal A EUR Acc.	CSCVEII LX Equity	LU1200255203	01/06/2015	0.50	69.0	262.57
Institutional B EUR Acc.	CACEIBE LX Equity	LU1200254495	31/01/2020	1.00	115.0	174.67
Internal A CHF Acc.	CCSCEAC LX Equity	LU1200255385	08/07/2023	0.50	68.0	130.65
Internal A USD Acc.	CSCVIAU LX Equity	LU1200255625	22/07/2024	0.50	72.0	126.63

Investment returns[1]

in %	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2015						-4.74	1.96	-8.31	-3.31	10.07	2.71	-4.91	-7.43
2016	-4.36	-1.69	1.91	0.94	3.26	-1.53	4.17	0.62	-0.12	-0.52	4.00	5.05	11.89
2017	-0.65	6.37	0.76	1.36	-0.75	-0.44	-0.91	0.26	3.61	4.99	-2.14	-0.27	12.50
2018	2.01	-0.74	-3.14	2.55	0.87	-2.65	4.28	0.26	0.27	-4.94	2.16	-6.96	-6.46
2019	5.06	5.11	2.06	4.62	-5.08	5.80	2.15	-1.01	3.43	1.71	3.09	2.84	33.53
2020	0.10	-7.38	-7.83	7.20	2.96	2.97	0.25	1.67	-0.17	-2.70	10.83	3.15	9.91
2021	0.38	3.52	7.73	1.15	1.05	3.44	2.27	2.35	-3.41	2.31	-0.27	3.85	26.81
2022	-4.03	-3.58	3.35	-3.97	-0.84	-6.25	10.58	-4.35	-7.29	5.79	7.31	-7.00	-11.61
2023	6.13	-0.63	0.59	-0.98	-0.57	2.76	0.51	-3.92	-4.03	-6.79	5.71	4.32	2.24
2024	2.13	7.08	3.68	-2.14	4.23	2.52	-1.51	1.50	0.27	0.72	5.45	0.01	26.26
2025	5.07	-0.83	-9.57	-5.05	5.51	1.73	4.92	-1.07	3.54	4.27	-2.11	-0.77	4.53
2026	2.42	2.12	-7.61	8.39	5.12	-1.49	-0.15	2.38	-0.39	-1.73			8.52

Please see disclaimer last page

MONTHLY COMMENT – OCTOBER 2026

Cape Equity Fund

Capex bites, breadth shines

Thomas Williams: thomas@capecapital.com

Market update

The AI trade broke in October. Third-quarter results showed Meta, Alphabet and Amazon funding AI capacity beyond their free cash flow, which shifted attention from demand to the cost of capital, pushed the price of insuring Meta's debt to a record and sent the Nasdaq to its worst month since March 2025 and Korea's Kospi down 16 per cent. Meanwhile, the money leaving the companies building the boom moved into those that simply benefit from higher rates and dearer oil. Global equities ended modestly lower as a result, though the average stock rose; central banks paused without softening, and China slowed with little help from Beijing.

The AI trade cracked in two stages, first among the chipmakers, where positioning was most crowded, and then among their customers once third-quarter results showed the cost of the build-out: Meta's free cash flow turned negative for the first time since its listing and Alphabet produced the first clear evidence that AI answers are eating into search. The stress therefore migrated from equities into credit, where the cost of insuring Meta's debt hit a record, and only Microsoft, whose spending is still covered by cash flow, was spared. Because those few companies dominate the index, the S&P 500 fell about one per cent even as its equal-weight version rose almost five per cent, the widest gap since 2009, as money moved into insurers, consumer staples and energy, whose profits rise with higher yields, sticky inflation and an oil price that the conflict with Iran has kept near $117. The Federal Reserve held rates but kept a December hike in play, and Treasury yields, having touched their highest level since 2002, fell back on worries about growth rather than any prospect of easier policy.

Europe was the natural home for the money leaving American technology, because it offers defensive franchises on lower valuations and few companies whose earnings depend on the AI build-out, and the Stoxx 600 duly had its best month since June with insurers and pharmaceuticals in the lead. The one place investors would not go was France, where riots, a shrinking economy and a budget the government may have to force through pushed its borrowing spread over Germany to the widest since 2011 and took nearly a fifth off the value of its banks. The European Central Bank held rates with inflation still at 3.8 per cent, but with Dutch gas back above €100 per megawatt-hour for the first time since 2022 and Christine Lagarde announcing her departure, neither the energy shock nor the question of who will manage it has gone away.

Asia bore the brunt because it is where the AI trade is most concentrated: Korea's Kospi fell 16 per cent and Taiwan had its worst October on record even though Samsung and TSMC both reported record profits, a reminder that memory and foundry stocks are priced on next year's chip prices rather than last quarter's earnings, and a Chinese rival's claimed breakthrough in DRAM was enough to threaten that cycle. China's own problems ran deeper and had little to do with AI: growth slowed to 4.5 per cent, Beijing offered only targeted support, and when regulators summoned Alibaba and JD.com over product quality the memory of the 2021 crackdown returned, sending the CSI 300 to its largest monthly fall in more than a decade. Japan was the quieter story: the Bank of Japan judged for the first time that inflation had reached its target, making a December rate rise all but certain.

Fund performance

The Cape Equity Fund returned -1.73% in October against +0.08% for global markets. The month reversed September almost exactly: the AI names that had carried the index fell hardest, and the companies that merely benefit from higher rates and dearer oil, where much of the fund sits, rose to replace them. Not owning Meta, a drag a month earlier, became an advantage once its free cash flow turned negative.

Please see disclaimer last page

The unwinding of the AI trade began with the suppliers, and the fund's holdings there gave back much of September's gains. Corning (-18.5%), Samsung (-14.8%), TSMC (-9.5%), Nvidia (-8.9%) and Broadcom (-5.6%) all fell, although Samsung and TSMC reported record profits and Corning grew earnings by more than a third. The market was not doubting their results; it was discounting the risk that customers spending beyond their cash flow would eventually order less. Hitachi (-5.7%), which the market rewarded in September for the grid build-out that data centres require, fell with the complex and on a one-off cost overrun, despite raising its full-year forecast.

When the selling reached the customers, it divided them by whether their spending was covered by cash flow. Microsoft (+3.5%) rose as Azure grew 48% and its capital expenditure stayed within operating cash flow, while Amazon (-1.9%) slipped on a rare earnings miss. Alphabet (-17.0%) fared worst, because its results added a second fear to the first: search revenue missed, the clearest evidence yet that AI answers are eating into the queries that fund the business. The same logic of disruption hit ServiceNow (-20.2%), which fell after guiding backlog growth lower, and weighed more lightly on Uber (-3.2%) ahead of its results.

The money leaving technology went where the fund was waiting for it. Insurers were the strongest part of the market, and Zurich Insurance (+13.7%), bought in September as a beneficiary of higher yields, delivered on that rationale in its first full month in the portfolio, helped by completing the Beazley acquisition on 1 October. Intercontinental Exchange (+12.9%) gained as volatility returned to bond and equity markets, lifting trading volumes. The banks were rewarded less: JPMorgan (+3.6%) rose despite its first earnings miss in three years, and Goldman Sachs (+1.0%) earned little credit for a quarter of record advisory fees. Healthcare benefited from the same search for earnings that owe nothing to the AI cycle. Novartis (+14.9%) raised its outlook and drew the haven flows that lifted Swiss equities, Pfizer (+8.8%) rose with the sector, and Danaher (+6.6%) and Thermo Fisher (+5.0%) extended September's gains as both beat expectations and raised guidance, confirming that the bioprocessing recovery is under way.

Europe, the natural destination for capital leaving American technology, accounted for the rest of the gains. Iberdrola (+7.6%), Veolia (+7.1%) and Air Liquide (+5.9%) rose as investors paid for regulated and contracted cash flows, and the fund's consumer brands did better still, with On Holding (+16.0%) and Amer Sports (+9.7%) among its best performers. Only the capital-goods holdings missed out: Siemens (-3.6%) and Epiroc (-6.0%) slipped as investors sold industrial cyclicals alongside technology, while Rockwell Automation (+1.9%) edged higher.

Fund Actions

The fund replaced Netflix with positions in On Holding and Amer Sports, the owner of Arc'teryx and Salomon, keeping its exposure to discretionary spending but moving it from screens to sport. Netflix cut its guidance in October and is increasingly treated as a casualty of AI rather than a beneficiary, while consumers are spending less on goods and more on experiences, health and fitness: Strava recorded a three-and-a-half-fold rise in new running clubs in 2025, and marathon sign-ups are growing at a double-digit rate. Both companies are compounding faster than their valuations imply. The market prices in high-single- to low-double-digit growth over the next three years, against guidance of low-20s% for On and about 24% for Amer in 2026, and the quality of that growth is high: direct-to-consumer sales account for 46% of On's revenue and 55% of Amer's, supporting gross margins of 65% and 61%. On's entry into golf next year and the launch of On Football in 2027, with Kylian Mbappé as ambassador, add catalysts of its own.

The fund also sold CATL, its largest detractor in September. Third-quarter results confirmed that the pressures we had attributed to battery pricing and electric-vehicle demand are structural rather than cyclical: revenue rose 59%, but profit grew only 15%, well short of expectations, as a shift towards lower-margin energy storage, a new battery tax and reduced export rebates squeezed returns. Growth that no longer converts into profit at the expected rate undermines the quality case on which the position was held.

Finally, the fund exited Tencent and Alibaba, reducing its exposure to China. Chinese growth slowed to 4.5% in the third quarter, Beijing has confined itself to targeted support rather than the broad stimulus the market had hoped for, and the summoning of Alibaba and JD.com by regulators over product quality revived memories of the 2021 crackdown on internet platforms. With both companies also raising capital spending on AI, the risk that policy and investment erode returns has grown faster than their valuations have fallen.

Please see disclaimer last page

Cape Equity Fund

Cape Capital SICAV-UCITS

DISCLAIMER

Cape Fixed Income Fund, Cape Equity Fund, and Cape Technology Opportunities Fund are each a sub-fund of Cape Capital SICAV-UCITS, an umbrella fund regulated pursuant to part I of the Luxembourg law of 17 December 2010 on undertakings for collective investments ("Law of 17 December 2010") transposing Directive 2009/65/EC of the European Parliament and the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferrable securities and authorized by the Luxembourg Supervisory Commission of the Financial Sector (Commission de Surveillance du Secteur Financier –CSSF).

Cape Capital AG is an independent asset management firm based in Zurich, Switzerland, and regulated by FINMA (www.capecapital.com). For eligible investors only. This presentation is not a legal mandatory document but is for information and promotional purposes only. All rights reserved.

Management Company: MultiConcept Fund Management S.A.
Fund type: SICAV-UCITS
Domicile: Luxembourg

Central administration: UBS Fund Administration Services Luxembourg S.A.
Independent auditor: PwC (Luxembourg)
Legal advisor: Arendt & Medernach, Luxembourg

Depositary bank: UBS Europe SE, Luxembourg Branch
Swiss representative: ACOLIN Fund Services AG
Paying agency: UBS AG

This confidential presentation and the information set out herein (the «Presentation») is summary in nature only and is qualified in its entirety by the information set out in the offering document or other formal disclosure document (the "Disclosure Document") relating to the potential opportunity described herein. The prospectus, annual financial statements, KIDs, and legal documents can be obtained from the representative in Switzerland. FOR INVESTORS IN GERMANY: The information agent in Germany is ACOLIN Europe GmbH, Reichenaustraße 11a-c, 78467 Konstanz. The prospectus, annual financial statements, KIDs, and legal documents can be obtained from the information agency in Germany.

The information provided is not intended to be used by any person or entity in any country or jurisdiction where the provision of information and subsequent potential commercialisation would be illegal.

The Presentation does not constitute an offer for sale in the United States of America. The information provided by this Presentation is not intended for U.S. persons. The fund shares described in this Presentation may not be offered or sold in the United States or to U.S. persons or for the account for the benefit of a U.S. person. This Presentation has been provided to the recipient by Cape Capital AG as portfolio manager (the "Portfolio Manager") of Cape Capital SICAV-UCITS for informational purposes for the personal use and is only intended to assist eligible investors in deciding whether they wish to consider reviewing the Disclosure Document. This Presentation is meant for use in one-on-one presentations with eligible investors. However, the contents of this Presentation are not to be construed as investment, legal or tax advice or recommendation and do not consider the particular circumstances specific to any individual recipient to whom this presentation has been delivered. The recipient should make its own appraisal and should obtain advice from appropriate qualified experts. This Presentation is furnished on a strictly confidential basis to eligible investors. None of the information contained herein may be reproduced or passed to any person or used for any purpose other than the purpose of considering the potential opportunity described in the Presentation.

Any opinions, forecasts, projects or other statements, other than statements of historical facts that are made in this Presentation are forward-looking statements. Although the Portfolio Manager believes that expectations reflected in such forward-looking statements are reasonable, they do involve a number of assumptions, risks and uncertainties. Accordingly, the Portfolio Manager does not make any express or implied representation or warranty, and no responsibility is accepted with respect to the adequacy, accuracy, completeness or reasonableness of the facts, opinions, estimates, forecasts or other information set out in this Presentation or any further information, written or oral notice, or other document at any time supplied in connection with this Presentation, and nothing contained herein or in the Disclosure Document shall be relied upon as a promise or representation regarding any future events or performance. Past returns are no guarantee for future returns.

The recipient's attention is specifically drawn to the risks factors identified by Cape Capital SICAV-UCITS's investment fund manager and Portfolio Manager as set out in the Disclosure Document. The Portfolio Manager also advises that the potential investments described herein are speculative, involve a degree of risk and there is no guarantee of performance or a return of any capital with respect to any investment. By accepting delivery of this Presentation, the recipient accepts the terms of this notice and agrees, upon request, to return all materials received by the recipient from the Portfolio Manager, including this Presentation without retaining any copies thereof. This Presentation, layout, copyright materials and trademarks featured in the Presentation may not be used or copied or otherwise reproduced by any unauthorized third party.