

Annual Report 2025 of the Sub-Advisor

Dear Co-Investors,

the portfolio of the Rubicon Stockpicker Fund currently comprises 19 investments and was practically fully invested as of December 31, 2025.

List of the top 5 investments

Rank	Name	ISIN	Weight	NAV on 31/12/2025	252,22
1	Azelis Group	BE0005089031	15,6%	Number of Investments	19
2	United Internet	DE0005089031	13,6%	Weight of biggest Investment	15,6%
3	hGears	DE000A3CMGN3	10,5%	Weight of top 5 Investments	56,6%
4	Jost Werke	DE000JST4000	9,8%	Weight of Cash	0,0%
5	Novem Group	LU2356314745	7,2%		

Performance Overview

Since the inception of the fund in October 2016, the cumulative increase in value as of December 31, 2025, amounts to 152.8%. The DAX has gained 129.6% over the same period.

	TGV Rubicon Stockpicker	Dax	Delta
2016 (2 months)	4,4%	7,7%	-3,3%
2017	1,1%	12,5%	-11,4%
2018	-1,4%	-18,3%	16,8%
2019	25,9%	25,5%	0,4%
2020	47,4%	3,6%	43,8%
2021	26,4%	15,8%	10,6%
2022	-24,0%	-12,4%	-11,6%
2023	39,4%	20,3%	19,1%
2024	-12,2%	18,9%	-31,1%
2025	11,3%	23,0%	-11,7%
total	152,8%	129,6%	23,2%
per annum	10,6%	9,5%	1,2%

In the 2025 stock market year, the fund's performance was 11.3%. In principle, we are not truly dissatisfied with such a result. After all, it is close to the long-term average performance of >12% that we strive for. However, two important reasons significantly dampen our joy:

1. Our benchmark, the German stock index DAX, has once again delivered a spectacular performance with an increase of 23%. Naturally, we want to measure ourselves against this benchmark.
2. For large parts of the year, we succeeded in achieving the intended outperformance. The fund entered September with a performance of over 26% and was still clearly ahead of the DAX at the end of October. Unfortunately, the fine result was not maintained until the reporting date.

The reasons for this are, of course, varied. However, the fundamental drivers of the development become clear through the two largest investment projects.

Significant Developments in the Portfolio

A great success and certainly the largest and most important performance driver in 2025 was the stake in United Internet AG (UI). As we recall: when the investment was primarily built up in the summer of 2023, the sentiment for the stock was at rock bottom. Germany's formerly most successful internet entrepreneur, Ralf Dommermuth, had initiated a long-term investment project and had just begun to build his own 5G network. The capital market had considerable problems with the uncertainty and long-term nature of the project, ultimately even doubting the founder's judgment and brutally punishing the stock as a result. Truly wonderful assets were available in the sell-off, and according to our calculations, a very pronounced margin of safety protected the investment on the downside, as the valuation already included very negative scenarios.

Two years later, we were already able to report a pleasing development in the half-year report. Important course corrections were made, and on our cost price of 14.85 EUR, a special dividend of 1.90 EUR per share was paid in the summer, for example. We also noted with pleasure the first newspaper articles that increasingly praised the network and network quality.

The further development during the year then proved the entrepreneur Dommermuth right to an even greater extent. Due to the loss of the major customer UI in the course of building its own network, the network provider and competitor Telefonica Deutschland is now in a strategically precarious position. According to various interviews, strategic options

are now openly being explored by the major shareholder after an initial price war. How can the industry consolidate from 4 to 3 network providers and realize mathematically very significant synergies? And "Et voila!" suddenly UI sits at the table as a decisive player and can negotiate powerfully over precisely these synergies as a deciding factor. The capital market is now slowly beginning to appreciate this entrepreneurial foresight.

Position Adjustment United Internet AG

We are very pleased with this development and can well imagine a value-creating consolidation of network providers in Germany in the medium to long term. Especially after the Draghi Report, the regulatory authority's perspective on optimal competitive constellations seems to be slowly changing. In France, for example, a consolidation scenario is already being actively worked on with the potential split of SFR.

Nevertheless, we used the good sentiment and a performance of around 100% on the stock to cap the somewhat aggressive portfolio weighting, which had temporarily reached over 30%, to a more moderate level of 10-15%. Together with very pleasing sale proceeds from the successful investment in the French SMCP, one could, or should?, have actually placed 20% of the fund volume in a clearing account and relaxed while securing a clearly double-digit annual performance? We thought about it for a long time but ultimately decided against it. Why?

From our point of view, we are currently moving in unusually segmented markets. On the one hand, some market segments are performing extremely well, and a possible bubble formation is even being openly discussed. Unloved sectors, on the other hand, are punished with disregard. If you delve a little into the valuation there, there is no trace of optimism. Rather, one feels transported back to a time of a pronounced bear market, with correspondingly attractive valuations. In total, the markets currently seem very momentum-driven. Stocks that rise tend to continue running. Stocks that fall find it difficult to find a floor.

From a fund manager's perspective, this is not an easy situation. Despite all assurances to the contrary, the fund industry ticks to the beat of quarterly reports, and reporting depends on the benchmark. The valuation of many companies in currently unloved niches is promising, but due to the dominance of momentum strategies and investment flows, cheap stocks can become even cheaper for a few quarters. Buying unloved stocks against the current mainstream thus quickly becomes a communicative feat with corresponding risks. A trend that already seems to have been intensifying for some time.

However, if one takes a somewhat longer-term perspective and recalls the core of value investing, the game with "Mister Market," we simply could not resist the anti-cyclical options. The fund is fully invested again at the turn of the year. In addition to increases in Jost Werke, Stratec, or the Novem Group, this fundamental consideration led in particular to significant investments in the two chemical distributors Azelis and IMCD.

Purchase of Azelis / IMCD

Both stocks landed on our watch list in the fall of 2024. At that time, we participated in the annual investor day of Azelis in Istanbul and were immediately enthusiastic about the quality of the business model. Even if valuation reasons still prevented us from an investment recommendation at that time. Our very heartfelt thanks go at this point to the highly esteemed investor Jochen Waag, to whom we owe not only the tip for this great event.

Azelis, just like its larger competitor IMCD, is a global value-added distributor for specialty chemicals and ingredients. What does that mean specifically? Every chemical manufacturer naturally serves large and important customers directly themselves. Beyond the major buyers, however, there is a very broad customer base that does not, figuratively speaking, take a complete tanker truck, but perhaps only a few buckets. A distributor like Azelis takes care of this broad customer base. Currently, over 2,800 principals (manufacturers) are served with around 63,000 customers globally in a highly fragmented market. The trend is rising. As an intermediary, Azelis handles sales, logistics, regulatory tasks, and technical advice. Especially after visiting one of the over 70 globally distributed laboratories, it becomes clear: the business model is asset-light and is primarily supported by the know-how of the employees and existing customer relationships.

We particularly like the broad, global end-market diversification and the positioning in specialty chemicals. A focus here is the Life Science sector. This fundamentally reduces cyclicity and the dependence on regional growth trends. In recent years, this setup has been able to show attractive sales and margin profiles. In the long term, Azelis also benefits from a structural trend toward outsourcing, increasing product complexity, and regulation, which increasingly overwhelm smaller customers and manufacturers. In summary, a positioning that we like very much and a business that has stood out in recent years particularly due to high free cash flows (FCF).

In addition, there is another extremely attractive aspect from our point of view. Through our intensive work with the Chapters Group, we got to know and appreciate the advantages of a serial acquirer at the time. If a business generates strong FCF and can then also invest these in attractive acquisitions, a wonderful profit dynamic is created that intensifies increasingly over the years. This usually results in magnificent investments that promise many years of joy.

We observe exactly this mechanism at Azelis. The decisive key figure and basis for us is a structurally very attractive EBITA, which converted into freely available cash at an average rate of 91% in recent years. This enables acquisitions. Globally, there are thousands of small distributors in highly attractive niches that can be integrated without great effort or risk according to a proven M&A playbook and brought onto the company's state-of-the-art IT platform.

Currently, the chemical industry is suffering greatly. The reasons are manifold and range from Trump's trade policy and expensive energy in Europe to economic issues and Chinese overproduction in basic chemicals. Hardly a day goes by without analysts from an investment bank warning of further difficult quarters. A mix that naturally made us take notice. Experience has shown that such times promise the best long-term buying opportunities. Indeed, we recommended the first purchases at a level of EV/EBITA of 10 on the basis of the already weak year 2024 and after a rough halving of the share price within a year. Since then, the stock has suffered further considerably and is currently trading more in the range of 8. With continuously falling prices, the fund has consistently expanded its engagement. Azelis is currently the fund's largest position.

Let's look at the interim status: as of the reporting date, the engagement in Azelis and its direct competitor IMCD has cost significant performance. We consciously took the risk of an anti-cyclical investment, and not only here. The painful, presumably temporary performance losses have arisen exactly with this strategy. On the other hand, using the example of Azelis at its current valuation, the fund is now invested "on a large scale" at 8 EUR in a highly attractive asset that traded solidly between 20-25 EUR per share in good years. And is a turnaround in investor sentiment in the next cyclical peak really so unlikely? Will the chemical cycle never turn again?

Summary

Even at the start of the fund about 10 years ago, one could quite naturally speak of a market trend with a view to the stock market. Were the stock markets high or low, were stocks rather cheap or expensive? I would claim that in the year 2026, this general market trend simply no longer exists in this form in the stock universe we observe and analyze. We see record highs on the one hand and many stocks at 5-10 year lows on the other. AI stocks are booming, defense stocks are reaching records, and the phenomenal movements on the commodity markets, such as gold and silver, signal that the mood is good, the risk appetite is high, and money is available in abundance.

At the same time, we see surprisingly low valuation levels in unloved industries and prices for individual stocks as they were shortly after the Great Financial Crisis (GFC). Furthermore, if one looks into market segments below the large indices, a lack of liquidity is painfully felt in many cases. The markets are currently shaped by the flow of ETFs, and a strong trend toward momentum strategies is clearly palpable. Basically, we like this constellation much better than, say, expensive markets across the board. Currently, various opportunities present themselves and our contrarian heart literally beats faster. This is easy to see for example in the chemical distributor Azelis, our largest position: analysts are looking 2 quarters ahead and see no upswing yet. Hardly any investor wants to show a "loser industry" in their portfolio, and industry ETFs are being sold. Analysts know this too. With a view to the next quarter, a sell is sometimes even advised for tactical reasons despite the significant price losses and low valuation.

If one takes a longer-term perspective, the picture of the stock changes dramatically. Hardly any analyst doubts the high quality of the business model, and the high profitability over the entire cycle is undisputed. We thus have high confidence in very attractive returns in the medium term. At some point in the further course of the industry cycle, the sentiment will most likely turn and the stock should experience a revaluation. Analytically, the argument is trivial and a very large part of the portfolio is currently based essentially on this strategy/consideration. In many cases, we look more than 2-3 quarters ahead, try to avoid value traps, and usually look at the full cycle of an industry.

The price, however, is high and not to be underestimated in the current time. One risks showing the "loser stocks" of the season in the portfolio and missing the benchmark. Outflows can come quickly, and the chosen strategy can no longer be

sustained. We certainly have respect for this further accelerating market mechanism and are very grateful for the long-term, entrepreneurial view of our co-investors, which is what enables us to pursue the outlined anti-cyclical investment strategy in the first place. We have no doubt that this is fundamentally extremely attractive in the long run if implemented well. In this context, we like to look back at United Internet AG, for example. Despite the excellent asset quality, no one really wanted to have "Dommermuth shares" in the summer of 2023. It took time, but the not unusual 2.5 years later, the mood has turned, the market is beginning to reassess the stock, and the fund has already earned around 100% with the security. We see several more of this caliber in the portfolio.

In this spirit - thank you for your trust!



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