Marketing Communication

2025

INVESTOR LETTER

Investlinx

Actively Managed ETFs

Summary:

- In 2025, **global equities**[1] delivered a return of +6.8% in euro terms, driven primarily by high-beta stocks[2] and beneficiaries of the Artificial Intelligence theme.
  - **Investlinx Capital Appreciation ETF**: Our global equity fund returned -0.3% in 2025, bringing its annualised performance since listing to +12.7%. The ETF's absolute performance was impacted by weakness in the US dollar, which declined 13.4% vs the euro in 2025, as most of our portfolio companies are exposed to the US economy. The Capital Appreciation ETF returned approximately +10% in 2025 on a currency-neutral basis. The divergence from the broader market was also driven by our investment strategy: we invest in Quality companies with lower beta, whereas 2025 rewarded the riskier, speculative end of the market. Since listing, the Investlinx Capital Appreciation ETF has consistently delivered on its design – providing double-digit annualised returns, with lower risk than the market (β=0.85[3]) and superior capital preservation during drawdowns in each year since its listing. We build portfolios to outperform over the long term through superior earnings growth and quality balance sheets. We believe this is a more predictable strategy to generate superior risk-adjusted returns than focusing on short-term performance or taking excessive risk.
  - **Investlinx Balanced Income ETF**: Our multi-asset fund returned +0.7% in 2025, bringing its annualised performance since listing to +7.9%, with a low level of volatility (7.2% annualised). Consequently, the fund has delivered superior risk-adjusted returns (Sharpe ratio) compared to bonds and most alternative asset classes since its inception.
- **The current equity market is dislocated**. Most investors are allocating capital towards short-term macroeconomic themes and speculative companies, leaving high quality, defensive businesses trading at attractive valuations. We believe the most attractive opportunities are in healthcare, defensive financials, consumer goods and enterprise software. Our fundamental, long-term approach gives us a distinct competitive advantage in deploying capital effectively in this environment.
- This was a pivotal year for Investlinx. We expanded our geographic footprint by **listing our ETFs on XETRA in Germany**. Germany is the largest ETF market in Europe, commanding a 23% market share with approximately €500 billion in assets under management[4]. It is a market characterised by strong retail participation and a sophisticated digital ecosystem. 38% of adults in Germany hold investments[5].
- Our efforts were recognised by the industry through **award nominations**. The Investlinx Balanced Income ETF won the XENIX Innovative Newcomer-ETF Award for actively managed multi-asset ETFs. We were also shortlisted for major awards by ETF Express, Funds Europe and the FS Awards.

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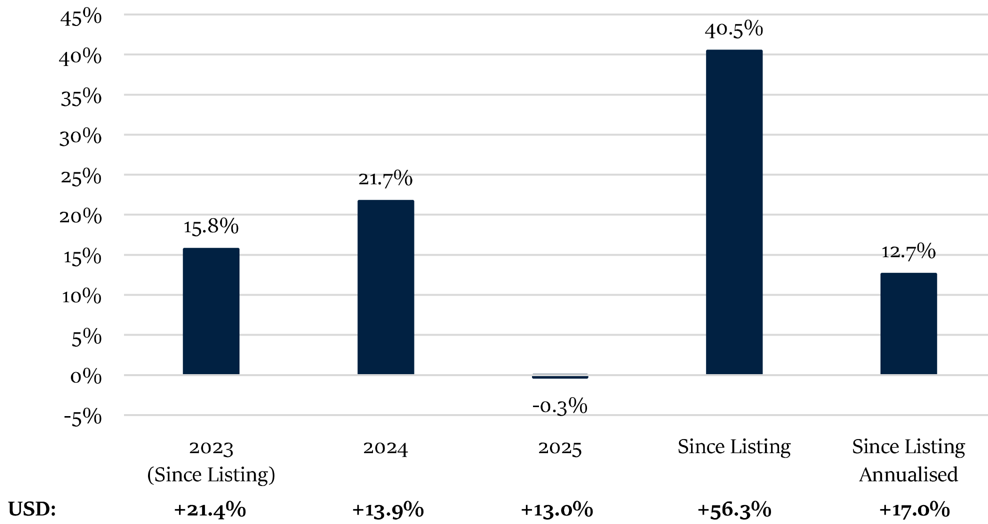
[1] MSCI World Index in Euro
[2] Invesco S&P 500 High Beta ETF (SPHB) +16.3% in euro in 2025 whilst the S&P 500 delivered 2.6% in euro.
[3] Investlinx calculation. MSCI World is used as market proxy.
[4] BVI Research, https://www.bvi.de/fileadmin/user_upload/Statistik/Research/2025-10-16_BVI_Research_on_the_German_ETF_market__Part_1_.pdf
[5] Blackrock, https://www.blackrock.com/uk/literature/publication/people-and-money-europe-2024.pdf

- The shift towards active management within the ETF structure is real and accelerating. In 2025, investors allocated $25.6 billion to **European active ETFs**, more than 50% increase compared to 2024[6]. Our decision in 2021 to focus exclusively on active ETFs proved correct as we are seeing our products play an increasingly critical role in the portfolios of institutional investors, asset allocators and family offices.

Investlinx Capital Appreciation UCITS ETF (Global Equity ETF)

Overview of absolute performance

Chart 1: Investlinx Capital Appreciation ETF performance



Data on NAV as of December 31, 2025. Investlinx Capital Appreciation ETF was listed on February 27, 2023, on Borsa Italiana. ***Warning: Past performance is not a reliable indicator of future results.*** *Investlinx Capital Appreciation ETF has a Risk Indicator of 4 out of 7, as reported in the PRIIPS KID. Please refer to the Investlinx ICAV prospectus and the KID before making any investment decisions.*

In 2025, our ETF delivered performance that was broadly flat, despite a robust underlying operating performance of our portfolio companies, which delivered a 14.5% earnings growth for the year, outperforming the market (please refer to Chart 5). The disconnect between flat fund returns and strong double-digit earnings growth was driven primarily by the US dollar (USD) depreciation versus the euro.

The USD declined 13.4% in 2025, a reaction to the "liberation day" policies introduced by the new US presidential administration. Excluding this currency effect, the Capital Appreciation ETF returned approximately +10%.

[6] JP Morgan, https://am.jpmorgan.com/content/dam/jpm-am-aem/global/en/insights/etf-insights/gte/guide-to-etfs-ce-en.pdf

We are frequently asked why the Fund does not hedge currency exposure to mitigate such volatility. We remain disciplined in our decision not to hedge, based on three fundamental convictions:

- Hedging is a continuous expense that erodes investors' net returns. Major currency pairs, including the EUR/USD, generally mean-revert over time. Our investment horizon is measured in several years, not quarters, making short-term fluctuations less relevant than long-term compounding.
- Even absent mean reversion, global equities historically generate high single-digit annual returns. Over the long term, the compounding earnings growth of our portfolio companies is expected to significantly outweigh currency movements.
- In periods of market stress, the US dollar typically acts as a safe haven. While 2025 was an anomaly – where the market dislocation originated within the US – we do not structure our long-term strategy around outliers. We expect the dollar to retain its role as the global reserve currency and a natural hedge in future downturns due to the absence of a credible alternative.

Overview of performance compared to global equities (relative)

On a relative basis, global equities returned +6.8% in euro terms, outperforming the Capital Appreciation ETF.

Investlinx deploys capital into global companies with structural growth opportunities, sustainable competitive advantages (moats), strong management teams and solid balance sheets. Investors refer to these businesses as 'Quality' companies.

As Chart 2 illustrates, the MSCI World Quality Index underperformed global equities in 2025, while riskier segments of the equity market (such as high beta or unprofitable stocks) delivered returns in excess of 15% (more than double the rate of the MSCI World Index).

As Chart 3 shows, underperformance of Quality stocks is historically rare. Beyond providing relative stability, these companies typically generate superior earnings growth compared to the broader index. Indeed, in 2025 alone, they grew earnings 5 percentage points faster than the market.

There is a strong long-term correlation between earnings growth and investment returns (Chart 4) and our equity portfolio outpaced the S&P 500 on this metric both in 2025 and over the past three years (Chart 5). While unprofitable or high beta assets may have won the year, we remain convinced that fundamentals, coupled with sound risk management and focus on capital preservation, ultimately dictate value in the long term. As shown in Chart 3, quality stocks possess a long-established track record of outperformance and we see no reason to deviate from this discipline.

Chart 2: 2025 returns of global equities, quality stocks and high beta and unprofitable stocks

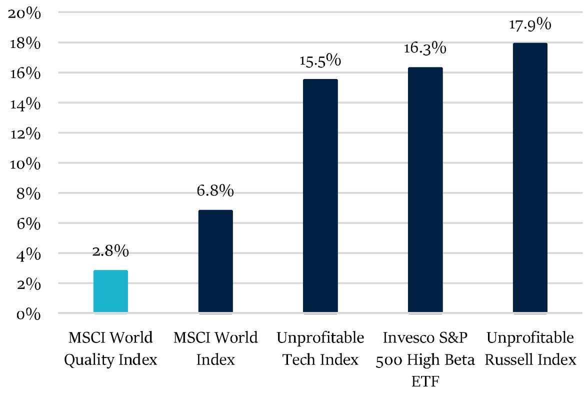
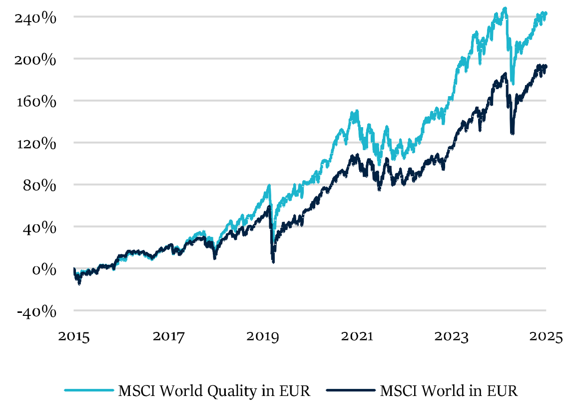


Chart 3: Long-term return of global equities vs quality stocks



Source: Bloomberg. All returns in EUR.

Chart 4: S&P 500 vs. 12-month expected EPS

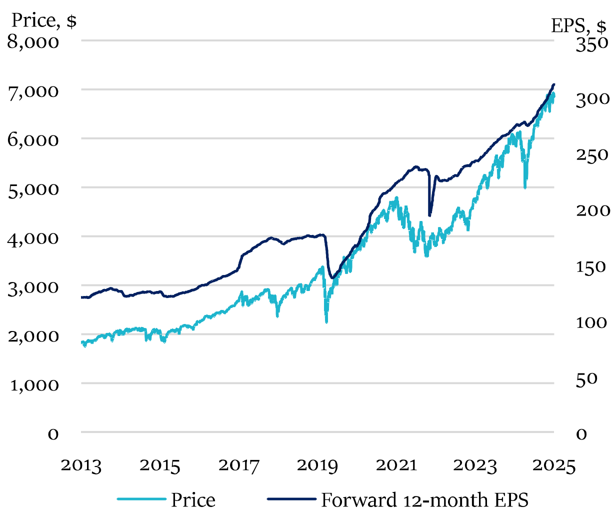


Chart 5: ***EPS growth in 2025 and in the past 3 years (2023-2025)***

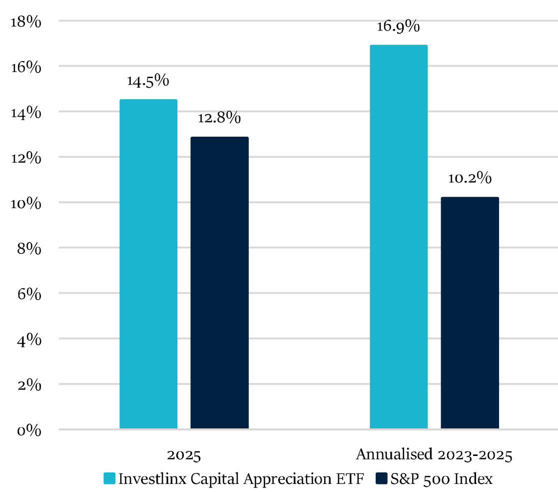


Chart 4: Source: Bloomberg.
Chart 5: 1) S&P 500 growth rates were calculated by Investlinx based on S&P Dow Jones data. The Capital Appreciation ETF growth rates were calculated by Investlinx based on Bloomberg data. 2) Q1-Q3 2025 is based on actual results. Q4 2025 results are yet to be published by majority of companies and therefore, analyst estimates are generally used for the last quarter. 3) The ETF launched in February 2023 but entire 2023 growth rate is used as a) calendar Q1 2023 results were not available at the time b) monthly data is not available. The growth rates of the ETF are based on portfolio composition as at the end of each year.

Quality companies on sale

Whilst the performance in 2025 was frustrating largely due to the weakness of Quality companies and the US dollar, volatility creates opportunity. There are several businesses in the portfolio trading at valuations that simply do not reflect their long term earnings power:

- **ServiceNow**
    - **What the company does**: ServiceNow is a mission-critical enterprise software platform that is a market leader in workflow automation, acting as the connective tissue for complex IT infrastructure and helping large organisations manage and automate their work.
    - **What happened in 2025**: ServiceNow is expected to deliver 25.0%[7] earnings per share (EPS) growth in 2025, yet its share price declined by 27.8%. The share price decline was driven by two factors. First, the market anticipated lower future organic growth for the company, as ServiceNow made 4 acquisitions in cybersecurity and agentic AI during the year. This M&A activity was seen as a lever for the company to grow inorganically. Second, a broad and severe rotation out of software companies due to perceived AI disintermediation risk and heavy investments in AI not yet supported by revenue generating applications.
    - **Why we are confident**: A moderation in organic growth from 20%+ to high-teens is already embedded in our own projections. It makes the ServiceNow investment case attractive, offering high-teens potential returns over the next 3 years. We do not believe that ServiceNow's M&A activity is related to "purchasing" growth and see the strengthening of its capabilities in cybersecurity and agentic AI as synergistic with its core business. ServiceNow is a leader in IT workflow management, where the buyers for its services are in most cases responsible for cybersecurity. Integrating robust cybersecurity capabilities directly into workflows is critical for these organisations. Also, ServiceNow's complex enterprise workflows make it well-positioned to benefit from further AI-enabled automation, including agentic AI. We, therefore, do not view AI as a threat to its model but an opportunity for further improving its platform. For these reasons, we increased our position in ServiceNow in late November.
- **Universal Music Group**
    - **What the company does**: Universal Music (UMG) is the world's largest music company. It has an extensive catalogue which includes 3m recordings and 5m publishing titles. The company operates in an oligopolistic industry structure, with three players (UMG, Sony and Warner Music) controlling 60-70% of the market.
    - **What happened in 2025**: Universal Music share price declined by 10.1% in 2025, even though its adjusted earnings grew by high single digit rate in constant currency term[8], meeting analyst projections. The share price decline was driven by the fear that large

[7] The letter frequently refers to full year 2025 financials even though vast majority of portfolio companies are yet to report Q4 2025 results. In such cases, unless otherwise stated, analyst estimates from Bloomberg are used for the final quarter of the year.
[8] Investlinx's estimate based on reported figures.

institutional investors in UMG may sell their shares in an upcoming US IPO (expected in the first half of 2026), creating a negative sentiment overhang.

- **Why we are confident:** We see UMG trading significantly below its intrinsic value. Music remains the cheapest form of entertainment[9] and is still under-penetrated in both developed and emerging markets. Younger audiences are also subscribing to music streaming at much higher rates than older generations, which supports long-term growth. In addition, the industry has significant room to raise and differentiate prices, as current subscription plans on platforms like Spotify, Apple Music and Amazon Music do not distinguish between heavy users and casual listeners. Also, we see a significant opportunity for the industry to better monetise its content through advertising. Regardless of how large a stake UMG shareholders ultimately decide to sell, we view the US listing as a clear positive for the company. It would broaden its investor base, increase its free float and liquidity, and provide exposure to a market where media assets typically command structurally higher valuation multiples than in Europe. We took advantage of this technical weakness to increase our position in late November.

- **London Stock Exchange Group (LSEG)** and **S&P Global**
  - **What the companies do**: Contrary to its name, LSEG is no longer just an exchange; it is primarily a financial data and analytics provider (Bloomberg competitor), anchored by the Reuters/Eikon/Workspace terminal. Similarly, S&P Global is a diversified financial service company with dominant positions in credit ratings, market data (competitor of LSEG and Bloomberg) and indices.
  - **What happened in 2025**: Investors were concerned by the spectre of AI disintermediation. The fear was that specialised models from Anthropic and OpenAI will replace financial analysts and render the traditional data terminal obsolete, challenging the price-per-subscriber model. This narrative drove a sharp contraction in share prices from peak through year-end – 26.0% for LSEG and 9.1% for S&P Global – despite strong business results (high single-digit revenue growth and earnings growth in excess of 10%).
  - **Why we are confident**: AI models are entirely reliant on high quality inputs. To function effectively within financial markets, these models require structured, often proprietary data that cannot be scraped from the public internet. Anthropic and OpenAI recognise this necessity, evidenced by their strategic partnerships with LSEG and S&P Global. Whether the analytical workflow is executed via a traditional terminal, a large language model or an agent, the underlying data requires a licence. LSEG and S&P own the feed, ensuring their revenue remains secure regardless of the delivery mechanism. We would also not underestimate the ability of LSEG and S&P Global to develop their own AI capabilities, particularly AI agents which can replace repetitive tasks currently done on traditional terminals (LSEG, for example, has a long-standing partnership with Microsoft). We also note that financial services is a highly regulated industry with often billions at stake. Errors or inaccuracies by large language models would not be tolerated

[9] Subscription music cost per hour of consumption is $0.20, and is 60% cheaper than videogames, 80% cheaper than video streaming platforms and more than 90% cheaper than books, cinemas, theme parks and concerts. Source: UMG Capital Markets Day

by regulators or investment committees. This means that the barrier to adoption is much greater than in the consumer space.

Investing in fundamentally strong businesses trading at attractive valuations, such as these, is precisely how Investlinx intends to generate superior returns for our investors over the long term and what distinguishes an active manager from a passive one.

Best performing companies in 2025

- Our strategy regarding the **Artificial Intelligence** theme has been deliberate and structural. We have gained meaningful exposure through a "picks and shovels" approach, specifically via **ASML**, **TSMC** and **Cadence**, which collectively represent 13.3% of the portfolio. These companies benefit fundamentally from the massive capital expenditure in AI infrastructure – a dominant theme in the equity markets throughout 2025. ASML (returning 35.8%) manufactures the critical lithography equipment required to produce chips; TSMC (returning 53.9%) is the singular entity capable of manufacturing the most advanced chips globally; and Cadence (returning 34.9% since addition to the portfolio during the April sell-off) provides the essential software to design these semiconductors.

  Our strategy avoids picking the winner in the Graphical Processing Unit (GPU)/Tensor Processing Unit (TPU) space, which is an extremely difficult decision in the current evolving technology landscape. Everyone needs ASML's machines; they have a monopoly. Everyone needs TSMC to manufacture the chips. And new chips cannot be designed without software from Cadence. Without these three, the AI revolution stops. That is where we have positioned the portfolio.

- **Airbus** delivered solid performance, with earnings per share up 26.3% in 2025. The supply chain issues are easing and the Space business has stabilised. Just as importantly, defence spending in Europe is rising and Airbus will be a key beneficiary. The valuation expanded 12.0% as the market recognised this growth, leading to a return of 28.2% for our position.
- **McKesson & Cencora** are excellent businesses. They distribute medicines across the US and had a stellar 2025. Earnings growth was robust, especially in the high-margin speciality business (drugs for complex treatments like cancer). Both companies raised their long-term growth targets and the market rewarded them with higher valuation multiples. Crucially, drug distribution was a safe harbour in 2025 – it was largely insulated from tariffs and government policy changes. McKesson returned 43.9% and Cencora 50.3%.
- Earnings per share of **Alphabet** (parent company of Google) grew 31.8% in 2025 thanks to a strong advertising market and an improved cloud offering. The latter's revenue and operating profit growth accelerated to 32.2% and 94.0%, respectively, in the year. These are spectacular numbers, especially considering the company increased capital spending on data centres by roughly 70% this year.

The valuation also expanded by 28.1%. Google proved it can compete in AI when its Gemini model overtook ChatGPT in benchmarks. Furthermore, the antitrust lawsuit from the US government ended with a favourable outcome, removing a major cloud of uncertainty. The stock returned 65.4% for the year.

- **Tencent** grew earnings per share by 18.8% despite a tough Chinese economy. Its core business (WeChat super app and gaming portfolio) remains incredibly strong. Early in the year, the DeepSeek announcement showed the world that China's AI capabilities are real and advanced. This gave investors confidence that Chinese tech giants will not be left behind their Western counterparts. Tencent returned 44.0%.

What we could have done better

UnitedHealth was a disappointment in 2025, delivering a 34.7% negative return. The company is the largest health insurer in the US, and also owns a sizable and diversified health care delivery business (doctor clinics; pharmacy benefits management; data, analytics and claims processing). UnitedHealth's management underestimated the growth rate of medical costs for 2025 which resulted in their insurance book being mispriced and profits falling 41.0%. On top of that, the US Department of Justice started an investigation regarding their diagnostic practices, which added regulatory uncertainty to disappointing business performance.

The Board of Directors of the company took immediate action to improve profitability, overhauling the management team (CEO, CFO and heads of business units were replaced). In particular, we were pleased with the decision to bring back Stephen Hemsley as CEO, who previously held this position from 2006 to 2017, delivering an impressive 309.1% return to shareholders during his tenure. Unlike property, casualty or life insurers, which can face years of unresolved claims, health insurers operate on much shorter timelines. Prices are reset every year and most claims are settled within months. This means they face far fewer surprises from old claims and can improve profitability much more quickly if mistakes are made. The new UnitedHealth management is reviewing its underwriting and diagnostic practices and raising premiums to cover the higher medical costs. They are also terminating underperforming businesses if improvements cannot be made. The underlying business remains structurally attractive. UnitedHealth's vertical integration and its Value-Based Care delivery model are very compelling, as they should allow increased prevention and early diagnosis to reduce the overall medical costs for governments, corporations and individuals, which is a competitive advantage in the current environment. Also, UnitedHealth's data and analytics business, Optum Insights, has a unique position in the market through its massive amounts of data and tools to help hospitals, insurance companies and government agencies run more efficiently. Optum Insights is a hidden jewel within UnitedHealth, with past 5 years' annual revenue growth of 12.3% and 22.0% average operating margin. This is more than 4x higher than the margins of the health insurance unit over that period.

Investlinx Balanced Income UCITS ETF (Multi Asset ETF)

Overview of absolute performance

The Balanced Income ETF delivered a positive return of 0.7% in 2025. The fund is allocated 56.6% to equities and 43.4% to fixed income.

The equity portfolio of the Balanced Income ETF mirrors the Capital Appreciation ETF and faced the same headwinds – primarily a weaker US dollar and the underperformance of Quality stocks. Consequently, the equity return was broadly flat for the year, with the fixed income portfolio, which returned 2.1%, contributing to the positive performance for the year.

The Investlinx Balanced Income ETF annualised performance since listing is +7.9% (Chart 6), achieved with a low level of volatility (7.2% annualised). Consequently, the fund has delivered superior risk-adjusted returns (Sharpe ratio) compared to bonds and most alternative asset classes since its inception (Chart 7).

Chart 6: Investlinx Balanced Income ETF performance

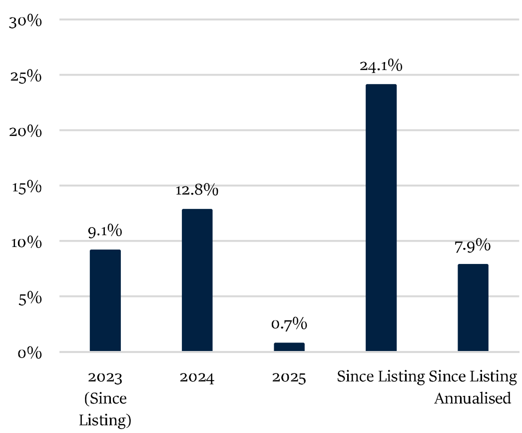
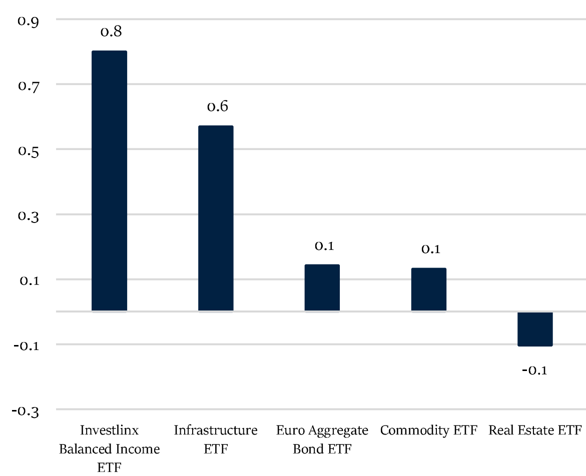


Chart 7: Risk-adjusted performance (Sharpe Ratio)



Data as of December 31, 2025. Investlinx Balanced Income ETF was listed on February 27, 2023, on Borsa Italiana. The Infrastructure ETF is XGID LN. The Euro Aggregate Bonds is LBEATREU. The Commodity ETF is CMOE IM. The Real Estate ETF is GLRA LN. The data is based, where possible, on NAV. Source: Bloomberg. ***Warning: Past performance is not a reliable indicator of future results.*** *Investlinx Balanced Income ETF has a Risk Indicator of 3 out of 7, as stated in the PRIIPs KID. Please refer to the Investlinx ICAV prospectus and the KID before making any investment decisions.*

European bond markets saw volatility in 2025. The main development was a divergence in rates: short-term rates declined as the European Central Bank cut rates from 3.0% to 2.0%, but long-term government bonds came under pressure. The 10-year German Bund yield rose by 49 basis points to 2.8%, driving prices down. The reason is straightforward: European governments are ramping up spending. With the new US administration signalling a lower commitment to European defence, Europe is forced to step up. Germany, traditionally fiscally prudent, has circumvented its constitutional "debt brake" to commit €1 trillion in additional borrowing for defence and infrastructure over the next decade. In this environment, corporate bonds significantly outperformed government bonds. Credit spreads tightened by 43 basis points for high yield and 24 basis points for investment grade[10].

The fixed income portfolio was positioned correctly for this environment:

- We kept the portfolio **duration** relatively short – 3.9 years on average compared to the market's 6.3 years[11]. Shorter duration protects capital when long-term interest rates rise, which is exactly what happened.
- We skewed the portfolio heavily towards **corporate credit** (78.9% average allocation) and held very few government bonds (21.1%). This allowed us to capture the outperformance in the corporate sector.
- A unique feature of this ETF is a meaningful allocation to **hybrid bonds** (12.4% of the fund as of the end of 2025). These instruments allow us to generate higher yield from high quality issuers by moving lower in their capital structure. As credit spreads tightened in 2025, these bonds performed well.

Best performing bonds in 2025

The strongest performing bonds were concentrated in three areas: hybrid capital, high-quality quasi-sovereign debt and medium-term corporate bonds offering meaningful credit spreads.

- **Hybrid Bonds** – as detailed earlier, our selection in the hybrid space performed exceptionally well as credit spreads tightened and prices were 'pulled to par' due to approaching their call dates. Notable contributors included **Electricité de France** (the primary French utility; B+ rated, 2026 call) which returned 4.8%, **TotalEnergies** (global energy company; A- rated, 2027 call) returning 4.4% and **Veolia** (global utility; BB+ rated, 2026 call) returning 3.7%.
- **Cassa Depositi e Prestiti** – our exposure to this Italian development bank benefited significantly from the broader outperformance of Southern European debt, particularly in Italy and Spain. We hold two bonds from this issuer, which delivered returns of 4.3% and 3.8% in 2025.
- **Medium-term corporate bonds** – credit with meaningful spread and intermediate maturity was the right place to be in 2025. These instruments were sufficiently insulated from the rise in long-term yields, yet held enough duration to benefit from spread compression. **Veralto** (water treatment and waste management; BBB rated, 2031 maturity) returned 4.0%, whilst **Goldman Sachs** (global investment bank; BBB+ rated, 2029 maturity) returned 3.7%.

[10] LECPTREU Index used for investment grade and BEHLTREU Index for high yield. Source: Bloomberg.
[11] LBEATREU Index used as a proxy for the market.

Our View on Major Themes and Portfolio Positioning

As Investlinx's Founder outlined in his letter, it is extremely difficult to consistently predict movements of markets and individual securities over short-term periods such as one year. This is because of impact of non-fundamental, often temporary events. We believe a 3-5 year focus offers a more realistic path to success in investing as the primary driver of returns in this time frame is fundamentals. Therefore, instead of predicting what will happen in 2026, we would like to provide our view on the major themes and how Investlinx ETFs are positioned to navigate them.

- The **economic environment** in the US and Europe appears broadly stable, but valuations are stretched. The S&P 500 price-to-earnings multiple is hovering near record highs, while credit spreads are exceptionally tight. This implies no margin for safety – any negative news may cause outsized volatility.
  - **Investlinx Positioning**: We remain on the defensive side. Our equity portfolio has a beta of 0.85, positioned to provide relative protection should volatility increase and equity market decline.
- **Quality stocks on sale** – there are exceptions to the high valuations. As noted earlier in the letter, Quality stocks significantly underperformed in 2025. This is rare for companies with generally superior earnings growth and defensive characteristics.
  - **Investlinx Positioning**: If 2026 proves to be a difficult year, we expect quality businesses to relatively outperform. More importantly, we believe that entering these high quality businesses at attractive valuations will create value for our investors over a 3-5 year horizon.
- In 2025, the market sold off **enterprise software and business information** stocks due to fears of displacement by AI. We agree that legacy models – such as simple payroll processing or seat-based pricing – are under pressure. However, the selling was indiscriminate.
  - **Investlinx Positioning**: We believe that some companies were unfairly penalised. These firms are unlikely to be replaced by AI. Instead, they are embedding it to drive usage-based pricing, or they possess the proprietary data required to feed AI models. Examples include ServiceNow, S&P Global, LSEG and Adobe. We have positions in these companies as we expect them to continue generating double-digit earnings growth and they are now trading at attractive valuation multiples relative to their potential.
- The **healthcare** sector faced regulatory headwinds in 2025, including tariffs on medical devices and changes to Medicaid eligibility. In addition, investors favoured riskier assets and largely ignored these quality, defensive businesses.
  - **Investlinx Positioning**: We have allocated 18.6% of our equity portfolios to healthcare and are looking to increase this exposure. The sector benefits from the secular trend of ageing population, which drives growth in excess of GDP. Healthcare offers a powerful combination: it delivers the earnings growth necessary to create value in the medium and long term whilst providing the defensive qualities needed to protect the portfolio should the economic cycle turn.
- The **AI revolution** continues – data centre spending is expected to increase by 40% over 2025 levels. However, the market's focus is shifting from pure infrastructure buildout to monetisation, efficiency and Return on Investment.

    - **Investlinx Positioning**: We own the critical infrastructure (13.3% in semiconductors via TSMC, ASML and Cadence). We also own the platforms that will monetise this technology such as the three hyperscalers (Microsoft, Amazon, Alphabet – 15.7% of the portfolio), Tencent or Meta. We expect cloud revenue growth to accelerate in 2026 as capacity constraints ease.
- In **fixed income**, we view government bonds as fundamentally unattractive given negligible real returns and the lack of fiscal discipline in Europe, which increases the risk for the asset class, particularly for longer-dated bonds. On the corporate side, tight spreads offer little compensation for credit risk.
    - **Investlinx Positioning**: This is not the environment to reach for yield in lower-quality credit. Our portfolio is anchored in high quality securities (average rating of 'A'), offering a solid 3.1% yield, with a contained duration (3.9 years). We prefer to generate superior yield through hybrid securities rather than traditional non-investment grade issuers or higher duration. We will continue to increase our allocation to hybrid asset classes gradually, focusing strictly on issuers with robust balance sheets.

* * *

We extend our heartfelt thanks to our investors for their trust and support. We would also like to take this opportunity to wish everyone a healthy and prosperous 2026. Please visit our website and subscribe to our newsletter, or follow us on LinkedIn, if you wish to receive our latest insights.

26th January 2026

Note: the letter frequently refers to full year 2025 financials even though vast majority of portfolio companies are yet to report Q4 2025 results. In such cases, unless otherwise stated, analyst estimates from Bloomberg are used for the final quarter of the year.

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Warning: Past performance is not a reliable guide to future performance

Warning: For advice that is tailored to your specific circumstances, please consult a financial broker.

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