Marketing Communication

GS&P Fonds | Family Business

Reporting April 2026

GS&P Kapitalanlagegesellschaft S.A.

Monthly Report as of 30.04.2026

European capital markets recovered significantly in April following the weak performance seen in the previous month.

Current assessment

The recovery was supported by a perceived easing of geopolitical tensions as well as a very robust earnings season. From a thematic perspective, direct and indirect beneficiaries of the AI boom remained at the forefront of the markets. For the time being, these continue to represent the dominant growth drivers and are therefore also lifting the broader market.

Beneath the surface, however, developments remain rather divergent. Outside the highly hyped sectors, the environment appears materially less positive. Indications of a more challenging macroeconomic backdrop over the remainder of the year are becoming increasingly evident. Persistently elevated oil and commodity prices are increasing the risks of imported inflation. Warnings from central banks are becoming more frequent. Once again, interest rate increases are being discussed as the preferred policy response which, in our view, as was already the case in 2022, does not address the actual root cause of the crisis — namely the supply shock — but instead attempts to combat the symptoms through demand suppression.

Despite all political statements, it remains questionable when and how a sustainable solution to the situation in Iran can be achieved. The actual availability of oil, its derivatives and other commodities could once again bring markets back to reality over the course of the year. Competitive bidding for energy resources as well as other restrictive measures cannot be ruled out.

Capital markets continue largely to ignore these supply-side risks. However, as geopolitical conflicts persist, these issues are likely to move back into sharper focus.

We therefore remain cautiously positioned and continue to maintain the more defensive fund strategy adopted several months ago. We continue to hold an elevated cash position, focus on broader diversification across a larger number of individual holdings, avoid larger countercyclical bets and concentrate on selected companies with positive drivers as well as operational or thematic momentum. In this context, we would once again refer to the section “Winners vs Losers” in our previous monthly report.

Developments in April

European markets rose significantly as international markets recovered, although they were unable to keep pace with the double-digit percentage gains seen in the United States. The STOXX Europe 600 TR increased by +5.4%. Small caps outperformed mid and large caps. The DAX gained +7.1% and the MDAX +8.7%.

At sector level within the STOXX Europe 600, technology (+14%), media (+10%) and industrials (+8%) were among the strongest performers. On the weaker side were healthcare (-1%), autos & suppliers (+1%) and, somewhat surprisingly, oil & gas (+1%).

Fund Developments

The **GS&P Fonds – Family Business** (G) recorded a strong recovery of **+7.0% in April** which also represents the fund's **YTD** performance as at the end of April (vs STOXX Europe 600 TR: +4.3%).

The top performer within the fund was once again **Elmos** with +27% in April (YTD: +84%), driven by expectations of increasing positive operational momentum, significant share buybacks and a likely inclusion in the MDAX.

Renewable energy company **Energiekontor** (+14%) as well as the two IPO companies **Vincorion** (+14%) and **General Oceans** (+31%) also delivered strong performances.

INIT also performed exceptionally well (+30%) following the award of a major contract for the modernisation of Sydney's transport and ticketing system. The project awarded by Transport for New South Wales includes the implementation of a modern account-based ticketing platform and has an estimated total volume of approximately AUD 615 million, or around €379 million, over a ten-year period.

SGL Carbon gained +36% in the context of the ongoing semiconductor boom.

Our now relatively small position in **Pfisterer** even rose by +48% after the specialist in power transmission technology raised its medium-term expectations for both revenue and margins. Since the IPO one year ago, the share price increase now amounts to +272%. In hindsight, we unfortunately realised profits too early for valuation reasons and underestimated the significant momentum resulting from ongoing electrification, particularly in connection with the data centre boom.

We see similar structural drivers at **Asta Energy** (+39%), a manufacturer of copper-based solutions for power transmission, energy generation and e-mobility whose products are used globally in transformers and generators.

Portfolio Changes in April

We actively managed the portfolio again in April. While we realised profits in **Elmos** and **General Oceans**, we further increased our position in **Vienna Insurance** which has now become the fund's second-largest holding.

In addition, we once again participated in a placement of **Strabag** shares at an almost double-digit percentage discount and, as with the previous transaction, were able to realise partial gains in the short term.

We also initiated a new small cap position in **Ernst Russ**, an increasingly diversified shipping company. The business is currently transforming from a rather cyclical container shipping player into a capital-market-oriented yield play with more predictable medium to long-term cash flows. Ernst Russ has a charter backlog of well over €450 million, an equity ratio of approximately 79% and, in our view, an attractive valuation with a 2026 P/E ratio of below 9x and a discount of more than 30% to the market value of its fleet.

New addition: Electrovac

Our latest IPO addition represents a long-term investment in a specialised niche player: **Electrovac** operates in the field of glass-to-metal sealing and manufactures highly critical key components designed to protect sensitive electronics under extreme conditions such as temperature, pressure, humidity and vibration. The products are used in safety-critical and mission-critical applications including airbags, seatbelt pretensioners, rockets, satellites, sensor systems and medical technology.

In these areas, the cost of failure is disproportionately higher than the actual cost of the components themselves. Reliability and the relevant certifications are therefore crucial. This results in high barriers to entry, long product cycles and substantial switching costs.

The company, located near Passau, holds a strong market position (approximately 27% market share) in the personal safety segment (airbag igniters and seatbelt pretensioners) and supplies all globally leading manufacturers of these components. In what is effectively a duopolistic market, Electrovac has been gaining market share from the significantly larger competitor Schott (approximately 70% market share).

In our view, Schott passed through costs far more aggressively during the pandemic which has led to new vehicle platform contracts increasingly being awarded to Electrovac as part of the broader trend towards dual sourcing. In some cases, the allocation of new contracts already appears to be moving towards a 50:50 split.

A direct comparison with our significantly larger holding **Elmos** is somewhat limited. Nevertheless, Elmos likewise demonstrates that treating customers fairly pays off in the long term. Over the years, Elmos has gained market share from Melexis and continues to expand its position. In addition, the structural market environment for Electrovac also appears attractive: increasing safety requirements, particularly in Asian countries, as well as the rising electronics content per vehicle are driving higher “content per vehicle” here as well.

We also see considerable additional potential in the aerospace & defence segment which recently accounted for around 20% of revenue but generates materially higher margins than the traditional automotive business. Applications in rocket, satellite and avionics systems are benefiting from strong structural tailwinds resulting from rising defence budgets and the increasing importance of the space industry.

The company is currently operating at around 100% capacity utilisation with a book-to-bill ratio of 1.3x which provides good visibility. Capacity expansions are primarily based on existing customer contracts while price adjustment clauses are intended to protect against commodity price volatility. IPO proceeds are intended primarily to finance additional capacity in Thailand, China and potentially the United States as well as to scale the higher-margin business segments.

Management leaves a very solid impression. The CEO has been with the company for more than 30 years and acquired shares worth more than €1 million as part of the IPO. Admittedly, management still needs to gain additional experience in terms of capital markets expertise. There also remains considerable scope for improvement in investor relations. Nevertheless, despite its comparatively small size, the company already reports quarterly under IFRS and is listed in the Prime Standard segment of Deutsche Börse.

Overall, following the IPO, the company possesses a very solid financial profile. Based on expected revenue of approximately €115 million in 2025/26, an EBIT margin of more than 11% should have been achieved. In addition, we believe the company should hold a net cash position of more than €10 million after the IPO. At the IPO price of €7.80 per share, market capitalisation amounted to approximately €125 million. Even for us, after participating in countless IPOs, this size category resulted in several new and partly unusual experiences. After an initially somewhat uneven market debut, however, the share price has since developed solidly.

In our view, the medium-term targets of €150 million in revenue and an EBIT margin of at least 12% already appear achievable within the next three years which would imply almost double-digit annualised growth rates. Furthermore, we gained the impression that the EBIT margin target is likely to be exceeded, particularly due to favourable product mix effects and the probably disproportionately growing aerospace & defence business.

The owners sold almost no shares at the relatively low IPO price. The issue proceeds therefore primarily served to finance future growth. At the same time, it became apparent that both the owners and management had little interest in partnering with a private equity investor and instead deliberately chose the capital markets route.

With a P/E ratio of around 13x and an EV/EBIT ratio below 9x, the valuation appeared attractive to us. Should analyst estimates be exceeded and additional contracts in promising areas be announced, this could develop into an attractive long-term investment with further re-rating potential. Additional upside could also arise in the event of an IPO by the larger competitor.

Important Addendum – 18 May 2026

We are extremely pleased to inform you that the long-standing efforts of GS&P Kapitalanlagegesellschaft S.A. on behalf of fund investors have been successful.

The NAV of the GS&P Fonds – Family Business published on 18 May 2026 reflects a one-off increase of more than 20% due to an unexpected capital inflow from Germany with a direct positive impact on performance.

The fund has received more than €2.7 million in withholding tax reimbursements under EU law. This relates to several withholding tax reclaim procedures connected with German dividend payments between 2008 and 2017 which, after in some cases almost 18 years, have now been successfully concluded in favour of our investors.

Please note: any additional default interest relating to this substantial amount and the lengthy period involved has not yet been paid and remains outstanding. The timing and amount of any further inflows therefore remain uncertain at present.

The background to these proceedings is that, until 2017, Luxembourg funds were treated less favourably than German funds with regard to German dividends because a withholding tax of 15% was levied at fund level. This unequal treatment was subsequently deemed incompatible with European law which enabled the corresponding reimbursement claims to be asserted.

Comparable proceedings also exist in the fund context in several other European countries, albeit involving lower amounts, which could potentially result in further reimbursement opportunities.

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The price of the fund units is subject to fluctuations and may particularly in the event of negative economic or stock market developments be permanently and significantly below the purchase price. The fund is not suitable for investors who are seeking a risk free investment or who wish to withdraw their money from the fund within a period of five years.

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For detailed product specific information, in particular on the investment objectives, investment principles, opportunities and risks and explanations of the fund's risk profile, please refer to the sales prospectus, the terms and conditions of investment, the key information document (PRIIP) and the latest annual and semi annual reports. This information is available to you free of charge in German on the Internet at **https://gsp-kag.com**.

You can also obtain this information free of charge in German from the registered office of the management company GS&P Kapitalanlagegesellschaft S.A., 7, Op Flohr L-6726 Grevenmacher, Luxembourg, the depositary and the distributor. The depositary is DZ PRIVATBANK AG, Niederlassung Luxemburg, 4, rue Thomas Edison L-1445 Strassen, Luxembourg. These documents form the sole binding basis for the purchase of the fund. Please read the fund's prospectus and key information document (PRIIP) before making a final investment decision.

Investors and potential investors can obtain a summary of investor rights in German on the management company's website: **https://gsp-kag.com/anlegerinformationen/**. The Management Company may decide to cancel the arrangements it has made for the distribution of the Funds in accordance with Article 93a of Directive 2009/65/EC and Article 32a of Directive 2011/61/EU.

The tax treatment of the Fund depends on the personal circumstances of the clients and may be subject to future changes. Investors should seek expert advice, particularly with regard to legal and tax matters, before making an individual investment decision.

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