

Monthly Report as of 28.02.2026

While February initially remained comparatively calm on the European stock markets and market participants were primarily focused on the impact of artificial intelligence on various sectors, the environment has recently deteriorated again because of geopolitical events.

Current assessment

Suddenly, we find ourselves once again in geopolitically troubling waters, with a range of unpleasant possible future developments ahead. Against this backdrop, we remain rather cautious at present and feel well positioned with a more defensive fund allocation we adopted several weeks ago. As of mid-March, we are holding an unusually high cash position of well above 10% of fund assets in the **GS&P Fonds – Family Business**, not least so that we can take advantage of any market weakness for selective purchases.

The fund is currently broadly diversified across more than 50 holdings, is underweight in weakening industries such as chemicals, software and typical consumer stocks, and seeks primarily to focus on companies with positive catalysts.

Events over the past few weeks have shifted the markets' focus several times. Attention is now turning to the macroeconomic

consequences of the escalating conflict in the Middle East. So far, the markets' hope still rests on an imminent easing of the situation, making these turbulences appear to be a short-term event – TACO.

The negative chain reactions that may result from persistently higher oil prices for inflation, growth and interest rate expectations are self-evident. For corporate guidance and earnings expectations, this new uncertainty factor is, in any case, pure poison for the time being. Nevertheless, for all the pessimism, one should not forget that in the positive event of some form of resolution, the market could quickly return to all-time highs.

Recent developments once again highlight that Europe's dependence on fossil raw materials carries not only ecological but also economic risks. Yet renewable energies and other business models continue to face an uphill battle in the capital markets.

The first quarter has therefore already proved eventful: new all-time highs in many equity indices, dramatic price turbulence in precious metals and other commodities, ever more geopolitical interventions and the debate over the consequences of artificial intelligence. The latter could even act as a trigger for a private credit bubble and

revive memories of the subprime crisis and the year 2008.

Developments in February

The European market remained strong through to the end of February. Large and mid caps performed better in February than small caps. This also reflected inflows into European equities, which initially moved primarily into larger-cap market segments. The STOXX Europe 600 gained 3.9%, the MDAX 1.3% and the SDAX 0.9%, while the DAX rose by 3.0%.

Beneath the surface, a strong sector rotation continued. While AI-disrupted sectors such as media (-6%), financial services (-2%) and technology (-1%) declined, less disruptable areas such as telecommunications (+16%) and food and beverage producers (+10%) advanced. Commodity-related sectors such as oil & gas (+9%) and basic materials (+9%) also gained.

Fund Developments

The **GS&P Fonds – Family Business (G)** also recorded a good month in February, closing with a gain of +2.8%. Since the beginning of the year, the increase stood at +5.9% at the end of February, while YTD up to that point (as of 17 March) a respectable absolute gain of +4.0% had been recorded.

Elmos: CMD!

Last month there was, above all, one very positive development: **Elmos**. All the posi-

tive messages we had anticipated in our previous monthly reports were delivered at the Capital Markets Day at the end of February. Expertly orchestrated, rich in facets and detail, and presented with justified confidence – even DAX-listed groups could take a great deal of inspiration from the information content and level of detail in this presentation.

We warmly recommend reading the 106-page presentation. Numerous new details on design wins underpin the roadmap to 2030. The potential surrounding humanoid applications was addressed appropriately, the upside in China was clearly set out and the presentation was rounded off very effectively with new payout scenarios.

As long-standing followers and investors, we were accordingly highly satisfied with the outcome. We are pleased that the market has now also recognised the transition to a growing cash cow in the share price.

With a monthly gain of +33%, our number one position generated an absolute contribution of well over two percentage points. We gradually used the tailwind from marginal buyers, media coverage and a short-term share buyback to reduce the position, which had temporarily grown to nearly 9%, by a good four percentage points at prices around €150.

Elmos therefore remains a promising core position, as in our view the future potential for revenue growth, margins, capital distributions and a further rerating continue to

be underestimated. However, risk management is also part of portfolio management – particularly in uncertain times such as these.

In retrospect, the greatest achievement here was having the conviction to maintain Elmos as the number one or number two position despite historically immense share price volatility until our thesis ultimately manifested itself in the market. The stock rerated from roughly 15x forward P/E historically to over 22x now and very clearly outperformed its closest peer, Melexis.

Further developments

The share price of **Rocket Internet** (+11%) continued to develop positively thanks to new announcements and media coverage concerning possible IPOs of important holdings in **SpaceX**, **Kalshi** and **SumUp**.

Our sales in **Schaeffler** at high prices also proved highly prudent, as the automotive supplier was unable to meet the thematically driven high expectations, as we had most recently suspected. We used the temporary momentum in SGL Carbon for selective reductions.

A positive contribution to performance came from participation in a private placement of **Strabag** shares, which were acquired at a discount of more than 11% to the previous closing price and recovered almost fully within just a few days. **Porr** (+15%), which recently reported solid figures, also developed positively. We took

profits in both names. **Uzin Utz**, by contrast, was increased slightly.

Our latest IPO, **Asta Energy** (+58%), also developed very favourably through to the end of February. Here we realised initial profits after the shares reached our price target of around €50.

The Negatives

Material negative contributions came from **Zalaris** (-17%), **United Internet** (-11%), **1&1** (-17%) and **Ottobock** (-8%).

While **Ottobock** reported very solid figures for 2025, the company unsettled the market with a conservative outlook for 2026, which came in slightly below its medium-term growth ambitions. Although we assume that the company ultimately intends to deliver better results and proceeded tactically, this approach is disliked by some investors. In our view, the selling pressure is also likely to reflect a technical overhang in the shares, as the IPO is ‘under water’, that is, below the initial issue price. This unfavourable constellation is generally not easy to resolve. However, the position accounts for only 2%.

At **United Internet**, meanwhile, share prices are currently being driven heavily by possible strategic options surrounding its subsidiary **1&1**. The share prices of both companies have recently reacted very sensitively to press rumours of possible interest from Telefónica or Vodafone.

Zalaris: takeover!

In February, **Zalaris** was caught up in the downdraft affecting AI-loser stocks in the software sector. As already set out in our previous monthly report, the working hypothesis for now is that hardly any software company is likely to be safe from AI in the long term and that valuation multiples are therefore likely to stay depressed or fall further for the time being.

Nonetheless, alongside Elmos, Zalaris is the second major success of the still young year.

On 12 March, the company announced a **recommended takeover** by the Norwegian private equity investor Norvestor. Through an acquisition vehicle, **Norvestor is offering NOK 100 per share in cash**, implying an enterprise valuation of around NOK 2.2 billion and representing **a premium of approximately 40%** to the previous share price.

The Management Board and Supervisory Board support the offer, and part of the management team, including the founder, is participating in the buyer via a reinvestment.

Although in the long term we would have assessed the intrinsic value of the company as materially higher, valuation multiples in the software sector have, as described, deteriorated significantly of late, with no prospect of short-term improvement. After all, AI is arguably only just at the beginning of its exponential development.

It is also questionable whether, given the dislocations in the private credit market, which may in part spill over into financing in the private equity sphere, there will in the foreseeable future still be many highly priced takeovers at all. We are therefore pleased to be able to sell the position profitably at an all-time high, thereby realising a doubling and at the same time further reducing our software exposure. This takeover is likely to have a positive impact of more than two percentage points on March performance.

New addition: Vienna Insurance

Vienna Insurance Group (VIG) is a fast-growing life and non-life insurer focused on Central and Eastern Europe. The Group holds leading market positions (#1 in eight markets and #2 in three markets) and is active with more than 50 insurance companies in around 30 countries. Around 30,000 employees serve approximately 33 million customers. The current market capitalisation stands at c. €8 billion, with Vienna Insurance Association acting as the majority shareholder (70 %) and long-term controlling entity.

Operationally, the quality of the business has improved significantly in recent years. In 2025, the combined ratio fell to 90.1%, while profit before tax rose by around 32% to €1.16 billion, thereby surpassing the one-billion-euro threshold for the first time. At the same time, premiums grew by more than 7% to €16.3 billion, driven above all by dynamic markets in Central and Eastern Europe such as Poland, Romania and

Croatia.

Particularly noteworthy is the exceptionally strong capital position: the Solvency II ratio stands at a record-high 296%, well above the target corridor of 150% to 200%. This very comfortable balance sheet provides substantial scope for further growth and acquisitions.

In this context, the ongoing acquisition of Nuernberger Versicherung appears strategically sound. It is the largest transaction in VIG's history and is likely further to strengthen both the Group's geographical and balance-sheet diversification as well as its earnings base.

This is giving rise to a more balanced business profile: more stable markets such as Germany serve to generate funds, which are then invested in faster-growing regions of Central and Eastern Europe, where insurance penetration remains significantly below Western European levels.

Despite these operational qualities and growth prospects, and despite the share price having doubled in 2025, the stock is currently valued at only 8x 2026 P/E, whereas the European insurance index trades at closer to 11x. If one also factors in the exceptionally high capital position and deducts the excess capital of almost €4 billion, the effective valuation of the operating business is closer to four times expected 2026 earnings. While this view is somewhat theoretical in nature and partly reflects the higher country risk, it nevertheless highlights the attractive valuation.

Although we unfortunately did not identify the stock before the major price move in 2025, the combination of structural growth, a very solid balance sheet, moderate valuation and rising investor interest still appears attractive to us. In our view, the equity story is only just taking shape.

The company's medium-term targets envisage premium volume of at least €20 billion and profit before tax of at least €1.5 billion by 2028 – notably without yet taking account of the Nuernberger acquisition. Since the transaction is not yet reflected in current consensus estimates, we see additional medium-term potential for positive earnings revisions.

One small drawback remains the company's still rather restrained investor communication and capital markets orientation, as well as a comparatively low dividend payout, since capital is preferentially reinvested in growth and the dividend is always intended to be kept at least stable.



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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