BELLECOUR CAPITAL

European Fund

< Performance X Risk Control >

– Absolute Return Fund –

Investment Process (September 2025)

Main Characteristics

- **FLEXIBLE EQUITY FUND** (**0 ⇨ 100% net exposure**) targeting 7% annual net performance with a volatility around 8%
- Mainly invested in **euro zone equities** with a stock-picking investment approach, no geographical, market capitalisation nor sector biais
- Bottom-up investment strategy for the long positions; the global portfolio exposure is adjusted according to the internal upside potential of the portfolio
- We invest in high quality businesses offering attractive valuation levels, **with catalysts for rerating**
- Given our track record and experience, we only try to generate alpha on a limited number of long positions

INVESTISSEMENT OBJECTIVE

Delivering a long-term capital appreciation with a high degree of downside protection

Investissement Philosophy

- **VALUE BIAIS**

  > To minimize the risk of over-paying the growth potential

  > With « Value » being defined as an absolute criteria – i.e. discount vs intrinsic value – while most Value Funds use it as a relative criteria

- **EARNINGS MOMENTUM**

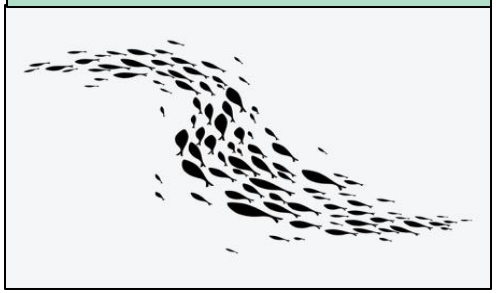
  > To avoid Value Traps

- Bottom-up selection, but top-down awareness
- Patience & long-term vision for our investments

- **STOP LOSSES**

  > To avoid the heavy losses related to stubbornness

The shoal of fish metaphor



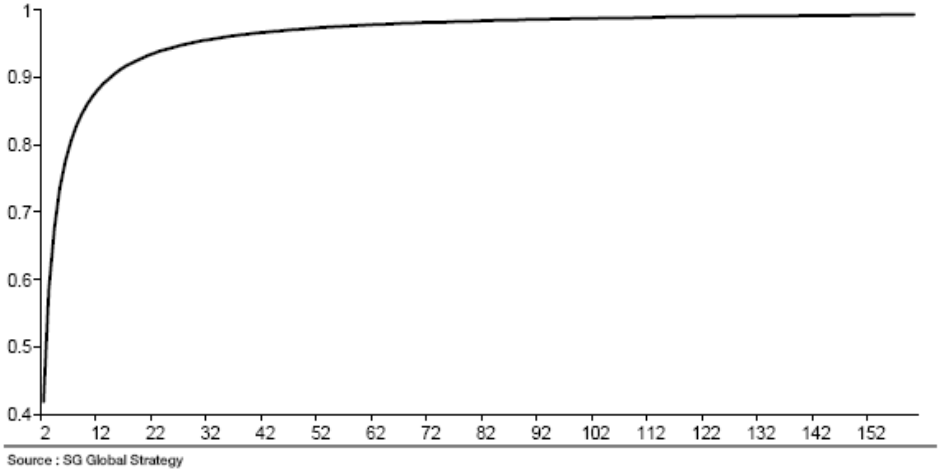
➡ **OUR OBJECTIVE: Maintaining ourselves at the forefront of the shoal of fish**

A Concentrated Portfolio

- There is no long term outperformance to be generated without accepting a certain level of tracking error
- Diversification trough an extended number of positions does not mean risk diversification
- High conviction ideas outperform the market

- Holding 8 positions reduces stock specific risk by 83%, whereas holding 16 positions reduces it by 91%

Stock specific risk elimination vs number of holdings



Source : SG Global Strategy

Portfolio Construction

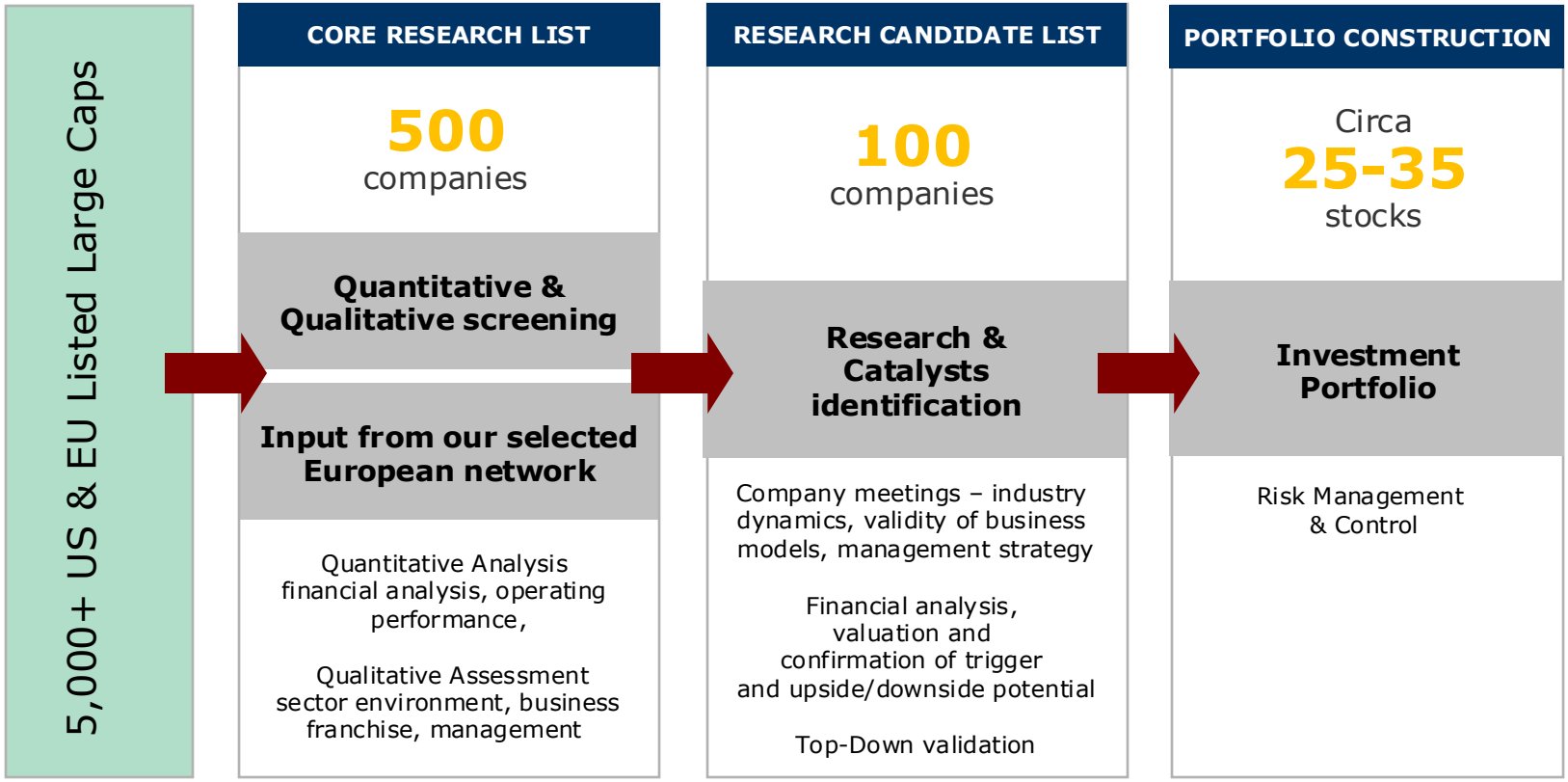
- Number of positions — 25-35 Long positions
- Holding Size — No single investment will exceed 7% of NAV
  Investments will be as much as possible equally weighted
  (mainly depending on their individual upside potential)
- Concentrated book – but risk diversification
- Liquidity — Portfolio structured so that we can exit 100% in 1 day
  (assuming 20%-volume execution)
- Global exposure determined upon our internal valuation process

Portfolio Exposure vs Upside Potential

Portfolio Upside		Portfolio Net Exposure
<0 to 0%	⇨	0% to 30%
0% to 5%	⇨	30% to 60%
>5%	⇨	60% to 100%

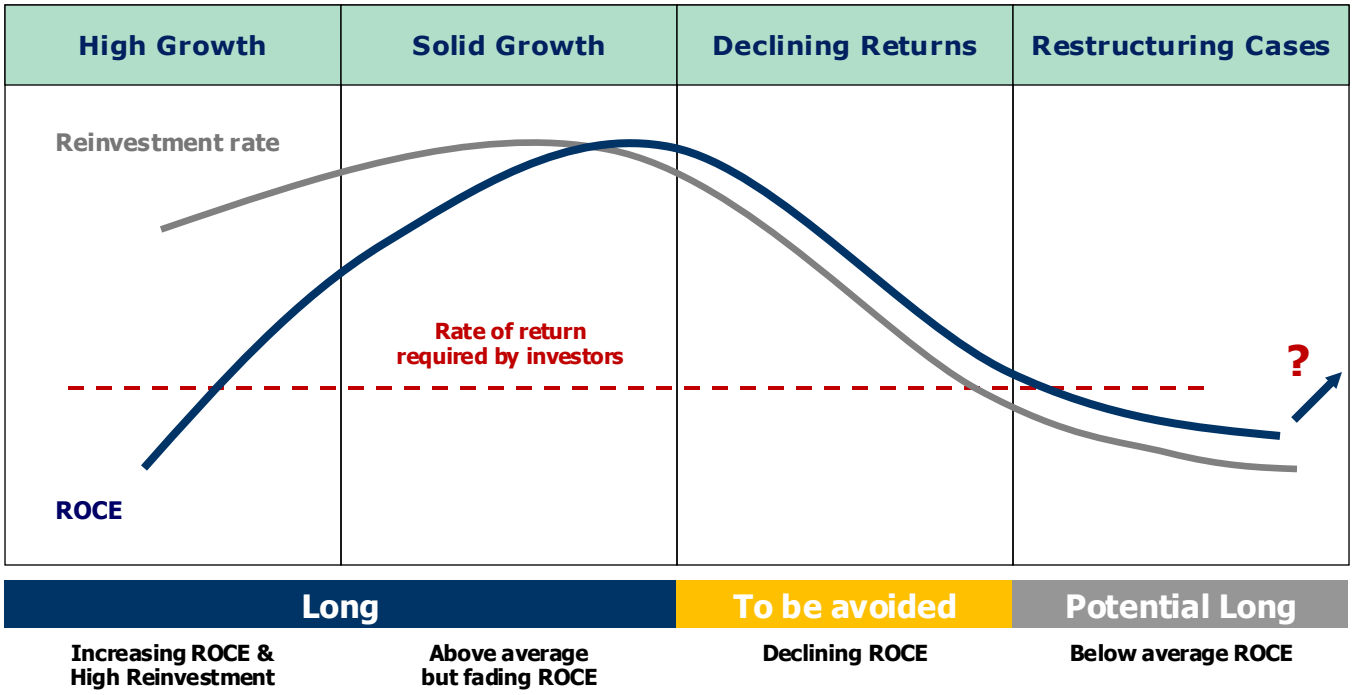
Investment Process

- We invest in a universe we know – i.e. STOXX600 & SP500 listed companies
- We highly value the input of our selected European network of fund managers and brokers in our screening process



Investment Process

- We divide our universe in 4 categories: **High Growth**, **Solid Growth**, **Declining Returns** and **Restructuring cases**
- Long candidates are selected among companies offering increasing ROCE either with high reinvestment rate potential or turnaround perspectives



Long Positions Characteristics

Bulk of the book : High Quality Businesses

Qualitative screening

- We invest in stocks as we would invest in a business
- We opt for highly qualitative, stable, superior businesses with solid management track record
- Strong brands, strong negotiating power over customers & suppliers, competitive edge
- Pricing power & volume predictability. We avoid business risks
- No concept stocks, no gambling. We invest in businesses we understand
- To avoid value traps, we favour companies showing earnings acceleration, or at least predictable earnings growth

Opportunistic Trades

- On an opportunistic basis, we will invest on turnaround situations
- It should however match our basic principles in terms of quality

Catalysts

- Earnings surprise potential
- Hidden value
- Restructuring
- Break-up
- Acquisitions
- Divestments
- Management change
- …

Financials

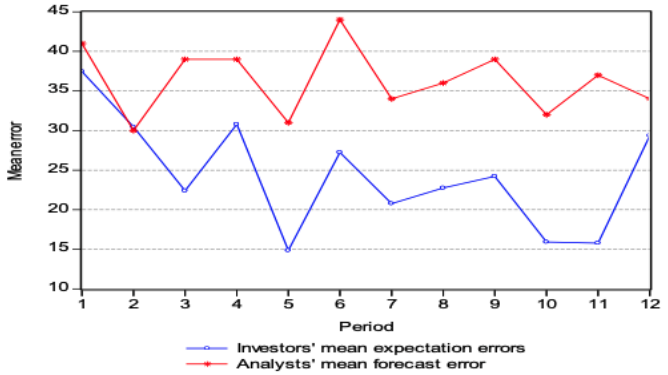
- ROE > 10%
- ROCE > 10%
- FCF Yield > 5%
- …

Stock Selection Process

- 2 ways to source new ideas: our network of selected European funds and brokers + internal research
- Internal and external screening tools
- In-depth research
  - Own forecasts & valuation models (DCF-based & Private Equity based), determining earnings surprise potential & own target prices. **Consensus is not reliable** (cf. Graph)
  - Interviews with management, industry specialists, clients, analysts…
- Strategic analysis (SWOT, Porter)
- Decisions are made on a risk-reward approach based on our internal target prices
- A **disciplined** process: we exit once the target price is surpassed or the catalyst vanished – If no opportunity occurs, we will remain cash

Figure 1

Investors' expectation errors versus financial analysts' forecast errors: all data



Source: Queen Mary University of London

Stock Selection Process

Selected Funds & Brokers

In-house screening

Quality check



- Industrywise
  - Market Growth
  - LT Drivers
  - Barriers to entry
  - Substitution products
- Companywise
  - Competitive edge
  - Brand Strength
  - Pricing Power
  - Quality of Management
  - Track record
  - Balance Sheet strength

Do figures support our view ?

- Cash flow generation
- Margins
- ROCE, ROE Levels

Valuation check



- DCF
- Private Equity Style
- Upside/Downside to Target Price
- Peer comparison and M&A transaction multiples for sanity check

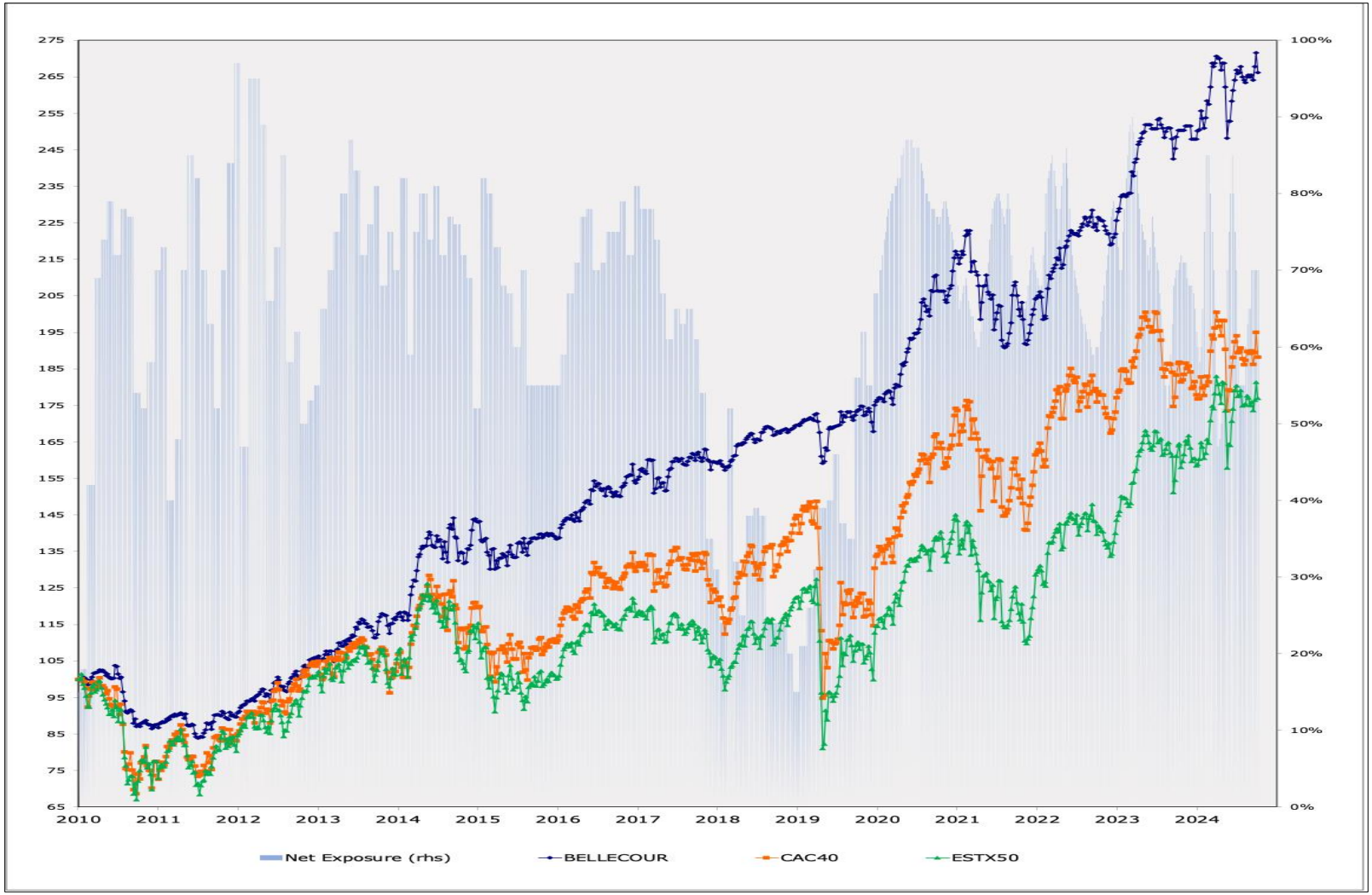
Catalysts Identification



- Earnings Surprise/Disappointment potential
- Structural changes
- Restructuring plans
- Management change
- Overreaction of the market in the face of momentary issues
- …

Investment Decision

Gross Historical Performances (August 31st, 2025)



Performance Characteristics

PERFORMANCE & VOLATILITY DATA AS OF August 31st, 2025

> Gross performance since inception (4Q 2010): **+184.2%**

> Net performance since inception: **+80.1%** (impacted by higher performance fees between 2010 and 2015)

> Weekly Volatility ("A" Share):

1Y: **7.9%** / 2Y: **14.0%**

Gross Performances	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Bellecour Capital	**+4.9%**	**+9.2%**	**+16.8%**	**-10.2%**	**+24.3%**	**+4.3%**	**+8.0%**	**-0.2%**	**+8.3%**	**+3.7%**	**+17.4%**	**+10.6%**	**+14.5%**	**+6.3%**
CAC40	+4.4%	-2.1%	+16.5%	-9.5%	+28.9%	-7.1%	+26.4%	-11.0%	+9.3%	+4.0%	+9.5%	+1.3%	+15.1%	+15.8%
ESTX50	+9.3%	+8.5%	+19.2%	-11.9%	+21.2%	-5.1%	+24.8%	-14.3%	+7.1%	+0.6%	+4.8%	+0.8%	+13.5%	+15.9%

Risk Control

> 3 Key Words: **Risk diversification**, **Discipline**, **Liquidity**

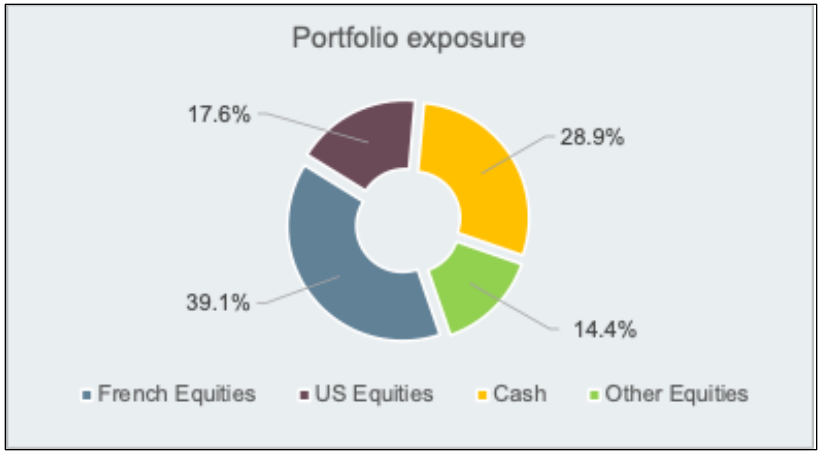
Risk diversification	Discipline	Liquidity
▪ Sectors ▪ Countries ▪ Currencies ▪ Commodities ▪ Mkt caps	▪ Quality businesses only ▪ Target prices defining entry and exit levels ▪ Gradual building of positions ▪ Catalysts	▪ Portfolio structured so that we can exit 100% in 1 day (assuming 20%-volume execution) ▪ Liquidity is key when it comes to sizing positions (ideally equally weighted)

Each parameter is tracked on a daily basis by the Fund Managers as well as on a monthly basis as part of the Board of Directors' meeting

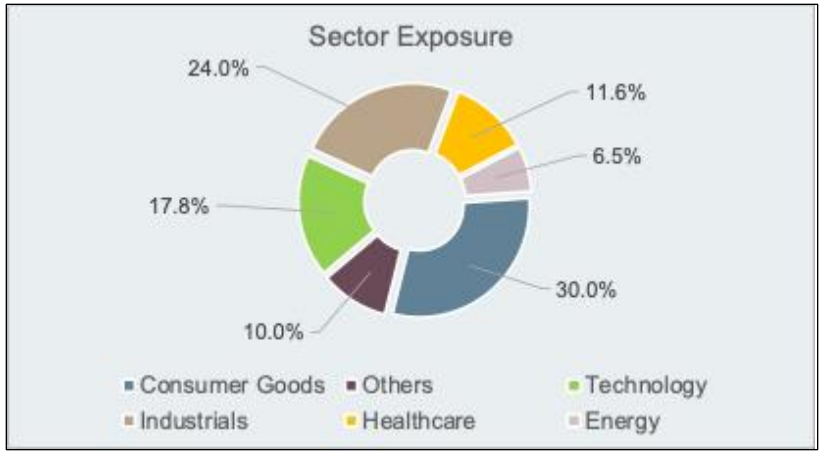
Country & Sector Exposure

STOCK-PICKING INVESTMENT STRATEGY

COUNTRY EXPOSURE



SECTOR EXPOSURE



Conclusion

COMMON SENSE

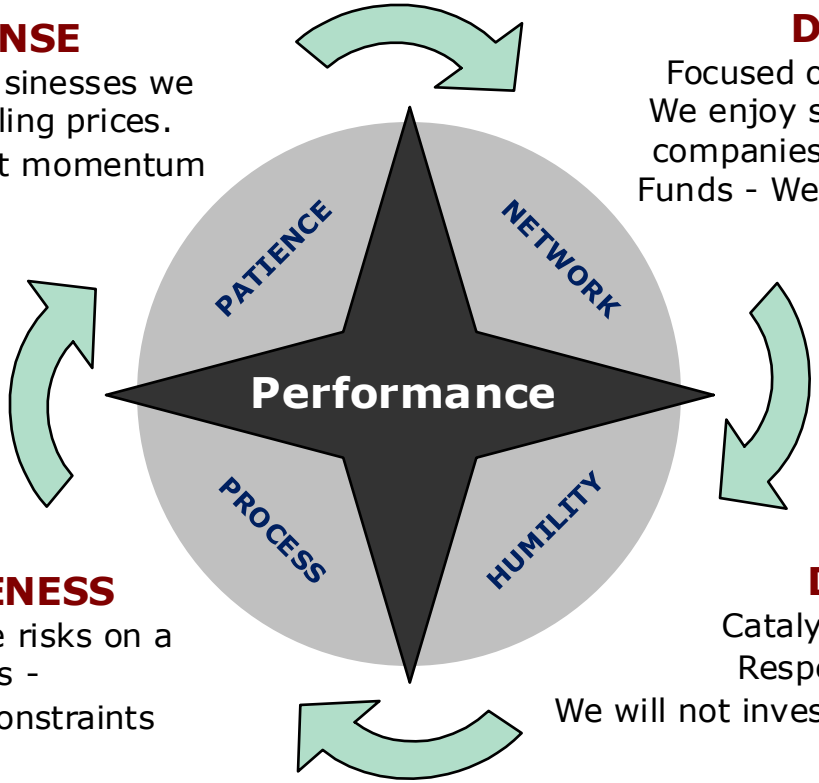
We invest in specific businesses we understand at compelling prices.

We are stockpickers, not momentum players

DEDICATION

Focused on a universe we know.

We enjoy strong relationships with companies, brokers and European Funds - We build our own estimates



RISK AWARENESS

Tracking of exposure risks on a regular basis -

Applying liquidity constraints

DISCIPLINE

Catalysts are prerequisite.

Respect of target prices.

We will not invest if we find nothing compelling

Team



Nicolas FAURE
Lead Portfolio Manager

Prior to founding Bellecour Capital in 2010, Nicolas had spent 4 years at Pictet Asset Management as a Senior Investment Manager in the Mid Cap Equities team (managing €0.5bn of AUM), responsible for France, Belgium, the Netherlands, Finland & Norway. In parallel to his role within the Small Cap team, Nicolas also was the co-lead on Pictet's European Small Cap Hedge Fund (€35m under management).

Before joining Pictet, Nicolas had spent three years as a buy-side analyst for the European Midcap fund at Pascal Advisers S.A. (€300M under management) and three years as a sell-side analyst for Crédit Lyonnais Securities Midcaps.



Vincent NEURRISSE
Portfolio Manager

Before founding Bellecour Capital in 2010, Vincent had spent 10 years as an independent wealth manager for HNWI in Geneva, Switzerland. Between 2000 and 2008, Vincent had been managing a family office in Geneva with €300M of Assets Under Management.

Prior to establishing in Switzerland, Vincent had been a shareholder and manager at Financière Julius Baer France (€600M of AUM) as well as at Banque Agricole & Commerciale Andorre. Vincent had also been at the initiative of the founding of two French Asset Management companies in the 80s, which totalled €500M of AUM before being sold to Julius Baer.

BOARD OF DIRECTORS

> **Guy KNEPPER** – Independent Administrator / Risks Control Management

> **Vincent NEURRISSE** – Portfolio Manager

> **Nicolas FAURE** – President & Lead Portfolio Manager

> **Jérôme ANTOINE** – Independent Administrator / Investment Advisor

Fees & Dealing Terms

- Legal structure: Luxembourg Special Investment Fund (S.I.F.)
- Entry fee: 0% by default (max 1%)
- Exit fee: 0% by default (max 1%)
- Management Fee: A-Share: 2% ; I-Share: 1% ; S-Share: 1%
- Performance Allocation: 10% above 5% net performance for A & I Shares
- Daily NAV / 1-day redemption notice
- Minimum Investment: €100K
- Transfer Agent: DEGROOF PETERCAM Luxembourg
- Domiciliary Agent: DEGROOF PETERCAM Luxembourg
- Auditors: DELOITTE Luxembourg
- ISIN code > A-Share: **LU0508759890** / Bloomberg code: **BELLEUR LX**
- ISIN code > I-Share: **LU2128045684** / Bloomberg code: **BEUROPI LX**
- ISIN code > S-Share: **LU2200603731** / Bloomberg code: **BEUROPS LX**



BELLECOUR CAPITAL

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