Qblue Global Equities Responsible Transition Fund

Q2 2026 Commentary

Portfolio Management

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Investment Objective

The investment objective of the Fund is to provide long-term capital growth, investing globally in companies that the Fund's Sub-Investment Manager believes contribute positively to social and environmental factors.

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Opinions expressed whether in general or in both on the performance of individual investments and in a wider economic context represent the views of the contributor at the time of preparation.

The **Qblue Global Equities Responsible Transition Fund** (the "Fund") is a sub-fund of Heptagon Fund ICAV which is an open-ended umbrella-type investment vehicle authorised pursuant to UCITS regulations. Heptagon Capital Limited ("Heptagon") is the Investment Manager and Qblue Balanced A/S ("Qblue") is the Sub-Investment Manager, meaning that Qblue exercises discretionary investment authority over the Fund. The Fund was launched on 12th January 2022 and had an AUM of $503m as of 30th June 2026.

The second quarter of 2026 was characterized by a strong recovery in global equity markets after the sell-off in March. Investor sentiment improved as the Middle East conflict shifted from fears of a systemic energy shock towards a fragile "the Strait will open soon" narrative, while corporate earnings remained resilient and the AI infrastructure theme broadened. The recovery was strongest in April and May, while June was more mixed and volatile. Overall, the MSCI World NTR (USD) gained 13.76 percent in Q2 2026 and was up 9.69 percent year to date at quarter-end, while the MSCI World NTR (DKK) gained 15.07 percent in Q2 2026 and was up 12.87 percent year to date at quarter-end.

At the start of the quarter, markets were still digesting the March energy-price shock. Brent crude remained elevated in April, ending the month at around USD 110 per barrel, but fell to around USD 73 - or approximately 34 percent - by the end of June. This supported lower inflation expectations, reduced risk premia and stronger risk appetite. The reopening of parts of the Strait of Hormuz and the release of stranded shipping capacity reinforced the market's view that the conflict could remain regionally contained. Nevertheless, inventories remained depleted and geopolitical risk had not disappeared at the end of June.

Monetary policy remained a central market driver. In the United States, the Federal Reserve kept the federal funds target range unchanged at 3.50-3.75 percent at the June FOMC meeting, Kevin Warsh's first meeting as Fed Chair. Markets interpreted the communication as a shift away from the earlier easing bias and towards a more symmetric, and at times hawkish, reaction function. In Europe, the ECB raised all three key policy rates by 25

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basis points on 11 June, citing inflation pressure from the Middle East war and the risk of broader spillovers from higher energy prices.

Bond markets were volatile. Long-dated yields were initially under upward pressure from energy-driven inflation risk, fiscal concerns and reduced confidence in near-term monetary easing. Later in the quarter, lower oil prices and weaker activity data reduced some of the pressure, but higher-for-longer policy expectations limited the decline in yields. Thus, equities rallied on improved growth and geopolitical sentiment, while bond markets continued to price uncertainty around inflation and central bank reaction functions.

Within equities, dispersion across regions, sectors and styles remained large. AI-related equities were the dominant driver of the rebound. Semiconductor, hardware, power, data-centre infrastructure and selected industrial companies benefited from continued hyperscaler capital expenditure. The MSCI World Information Technology Expanded Select Capped Index gained 35.15 percent in net USD terms in Q2, far outperforming the broader MSCI World. Companies related to certain AI themes, such as storage, servers and computation hardware, and semiconductor manufacturing/ foundry, were up more than 100 percent on average in Q2. Growth outperformed value, and the rally was particularly strong in Korea and Taiwan due to AI supply-chain exposure. Software recovered during part of the quarter, but dispersion remained high and the gap to Semiconductors and Hardware continued to widen.

Commodities and currencies also shaped the quarter. Oil fell sharply as de-escalation gained credibility, while gold and precious metals declined as extreme geopolitical trades lost momentum. The U.S. dollar strengthened on a more hawkish Fed interpretation and stronger relative U.S. growth; the yen weakened materially, while emerging market currencies held up relatively well due to AI-related equity inflows into Asia.

Overall, Q2 2026 was a strong quarter for global equities and a reversal of the negative market dynamics from March. The recovery was supported by de-escalation in energy markets, resilient earnings, falling oil prices and a renewed AI-led equity rally. However, central banks moved away from the previous easing narrative, valuations in AI-related equities became more demanding, and geopolitical risk was reduced but not eliminated.

The Fund's performance

Against this backdrop, the Qblue Global Equities Responsible Transition Fund ("QGERT") was up 12.85 percent in Q2, underperforming its MSCI World NTR (USD) benchmark by 0.91 percentage points. The underperformance can be attributed to the months of April and May, while the Fund recovered some relative performance in June.

The Fund outperformed the benchmark in Asia and Europe in Q2, while it underperformed in North America.

The sector over- and underweights contributed positively to the performance, mainly due to the overweight to IT. In addition, the underweight in Energy contributed positively.

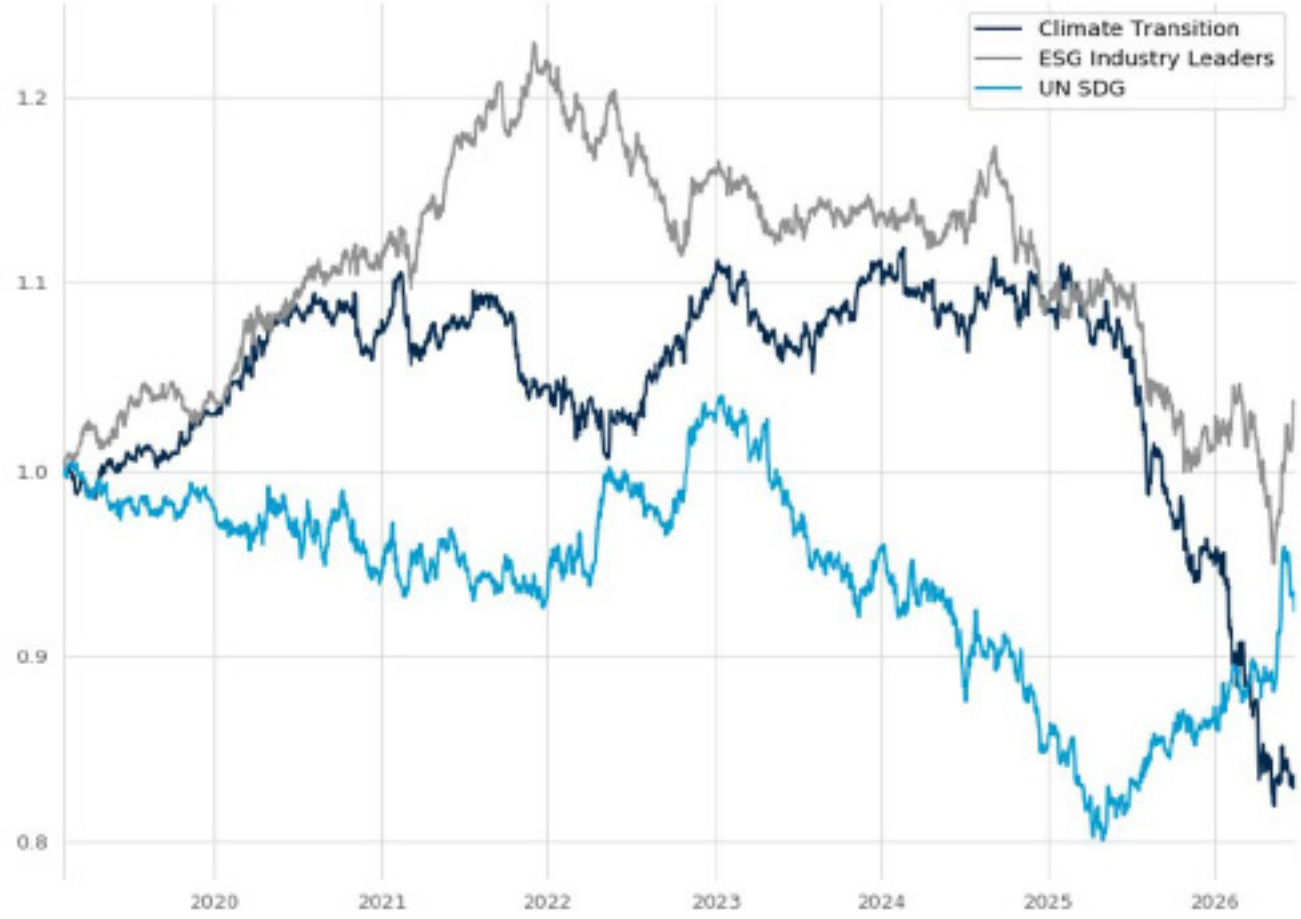
Stock selection within industries detracted from performance during the quarter. The Fund outperformed the benchmark in 5 out of 11 sectors. Industrials, Consumer Discretionary, and Financials contributed the most, while Communication Services, Information Technology and Health Care were the largest negative contributors. The Fund's size exposure detracted by more than 200 bps from stock-selection performance in Q2, but this was partly balanced by a positive contribution from equity factor exposure.

In Q2, the mega-cap companies, where the Fund has an underweight of more than 25 percentage points, outperformed the general market by 4.0 percentage points, which is the main reason why the size exposure contributed negatively to performance in the quarter.

In Q2 2026, the ESG Industry Leaders and UN SDG dimensions continued their rebound. However, as in Q1, this was not enough to offset the persistent underperformance of the Climate Transition dimension, and the Sustainability Cube™ ended the quarter down. The drag in Climate Transition can mainly be explained by the "actual emissions"

component—companies with low carbon emissions have generally not performed well lately—whereas the "green innovation" component contributed positively, as companies with many green patents relative to their size performed well. Alongside green innovation, SDG Revenue also delivered strong performance, as did Social (S), Governance (G) and Environmental (E).

Excess Return in USD of Sustainability Cube™ Dimension Portfolios (2019-01-01 - 2026-06-30)



*** Excess Returns over MSCI World (in USD gross of fees)*
Methodology: QGERT Portfolio Construction with same parameters as the live portfolio but using individual dimensions as the sustainability factor. Portfolios are rebalanced monthly.

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Best and worst contributors to portfolio return in the QGERT fund in Q2 2026

Best Performers - QGERT	
Applied Mats.	2.49%
Broadcom	0.96%
Nvidia	0.86%
Comfort SYS.USA	0.82%
Intel	0.79%
Cadence Design SYS.	0.68%
ASML Holding	0.65%
Analog Devices	0.57%
International BUS.MCHS.	0.54%
ABB Ltd N	0.54%

Worst Performers - QGERT	
Verizon Communications	-0.37%
Telus (NYS)	-0.33%
Autodesk	-0.30%
BCE	-0.28%
Ulta Beauty	-0.26%
Zoetis A	-0.23%
Samsara A	-0.20%
Alnylam Pharmaceuticals	-0.19%
Wheaton Precious Metals	-0.18%
Tractor Supply	-0.15%

As of 30th June 2026.

Best Performers in the portfolio

Applied Materials (AMAT) more than doubled in Q2 2026, making it one of the strongest semiconductor-equipment performers. The main catalyst was the Q2 report, released on May 14, 2026, which showed record revenue, strong EPS growth and upbeat guidance. Management highlighted AI infrastructure, leading-edge logic, DRAM (dynamic random-access memory) and advanced packaging as key growth drivers, strengthening the view that Applied Materials is well positioned in the semiconductor-equipment cycle. Late in June, AMAT also introduced new DRAM and advanced-packaging systems, reinforcing its exposure to AI chip manufacturing bottlenecks. Industry trends amplified the move, as AI infrastructure investment and strong semiconductor-equipment demand outweighed concerns around China exposure and export-control risk.

Broadcom (AVGO) rose over 20 percent in Q2 2026, though the move was volatile. The advance was driven primarily by enthusiasm around AI infrastructure and custom AI accelerators. Broadcom disclosed a long-term Google TPU agreement, while Anthropic separately announced expanded TPU capacity involving Google and Broadcom, reinforcing the view that Broadcom is a major supplier to hyperscale AI infrastructure. The fiscal Q2 report, released on June 3, 2026, showed strong revenue growth, rapid expansion in AI semiconductor revenue and solid guidance. However, the stock sold off after the report, suggesting that expectations had already become demanding.

NVIDIA (NVDA) increased by almost 15 percent in Q2 2026. The rally was supported by the Q1 fiscal 2027 financial report, released on May 20, 2026, covering the quarter ending April 26, 2026. The report showed very strong revenue growth, especially in Data Centre, and guidance for the next fiscal quarter remained robust despite assuming no Data Centre compute revenue from China. NVIDIA also announced a major capital-return package, including a higher dividend and additional share repurchase authorization. China export restrictions, custom AI-chip competition, profit taking and questions about hyperscaler AI capex all contributed to some valuation pressure in late Q2.

Worst Performers in the portfolio

Verizon Communications (VZ) returned a negative 14 percent in Q2 2026. The Q1 2026 financial report, released on April 27, 2026, was not the main source of pressure: revenue, adjusted EBITDA and adjusted EPS increased, and management raised adjusted EPS guidance. The share-price decline was driven more by a late-quarter risk repricing. Late in the

quarter, Verizon announced a BT joint venture and disclosed expected Q2 charges, including a large accounting loss, severance costs and asset-rationalization costs. The stock was also hurt by its removal from the Dow Jones Industrial Average. Industry sentiment toward telecom remained pressured by high capital intensity, spectrum-related leverage and limited pricing power, while satellite-based direct-to-device connectivity became a more visible strategic theme, including through Verizon's planned joint venture with AT&T and T-Mobile.

TELUS (TU) dropped by more than 15 percent in Q2 2026. The key factor was the Q1 report, released on May 8, 2026: Free cash flow improved and management reaffirmed 2026 guidance, but revenue momentum remained weak, reported earnings declined, and wireless trends were pressured by promotional pricing and higher customer switching. Regulatory risk also weighed on sentiment, especially the CRTC's June scrutiny of TELUS's SIM and eSIM fee under rules designed to reduce switching barriers. Canadian telecoms remained challenged by mature wireless growth, limited pricing power, broadband regulation, high capital intensity and balance-sheet sensitivity.

Autodesk (ADSK) fell by about 18 percent in Q2 2026. The main event was the fiscal Q1 2027 report, released on May 28, 2026, covering the quarter ended April 30, 2026. The report showed solid revenue growth, higher billings, strong free cash flow and broad growth across AECO, manufacturing, AutoCAD, and media and entertainment. However, the positive report was overshadowed by Autodesk's announcement on the same day that it would acquire MaintainX for USD 3.6bn in cash, which sparked concerns about valuation, execution risk, profitability and potential margin dilution. Construction, infrastructure, manufacturing and AI-enabled design workflows supported Autodesk's long-term demand outlook. However, software stocks were broadly under pressure as investors questioned AI disruption risk, SaaS pricing power and valuation levels.

Disclaimer: Information contained within this monthly commentary was derived from sources believed to be reliable; however, the accuracy of the information cannot be guaranteed.

Stock Attribution

Top 3 Stocks	Average weight in Portfolio %	Portfolio's Stock Return %	Portfolio's Stock Contribution %
Applied Materials, Inc.	2.87	109.73	**2.32**
Broadcom Inc.	4.13	22.41	**1.03**
NVIDIA Corporation	6.43	14.05	**0.91**
Bottom 3 Stocks	**Average weight in Portfolio %**	**Portfolio's Stock Return %**	**Portfolio's Stock Contribution %**
Verizon Communications Inc.	2.17	-14.19	**-0.34**
TELUS Corporation	1.73	-15.55	**-0.30**
Autodesk, Inc.	1.56	-18.24	**-0.28**

Source: Heptagon Capital, FactSet Research Systems

Sector Attribution

GICS Sector	Portfolio Avg Wgt (%)	Benchmark Avg Wgt (%)	Portfolio Sector Cont (%)	Benchmark Sector Cont (%)	Portfolio's Attribution Effect		
					GICS Sector Allocation (%)	Selection + interaction (%)	Total Effect (%)
Communication Services	7.91	8.62	-1.01	0.74	0.02	-1.71	-1.69
Consumer Discretionary	8.69	9.16	1.37	0.88	0.04	0.60	0.65
Consumer Staples	4.90	5.21	0.27	0.13	0.02	0.19	0.21
Energy	3.61	4.01	-0.07	-0.61	0.16	0.43	0.60
Financials	16.27	15.85	2.59	1.95	-0.03	0.63	0.60
Health Care	8.60	8.86	-0.01	0.62	0.05	-0.67	-0.62
Industrials	12.02	11.59	2.84	1.46	-0.05	1.47	1.43
Information Technology	30.33	28.80	7.20	8.37	0.29	-1.82	-1.53
Materials	3.06	3.48	-0.25	0.08	0.03	-0.33	-0.30
Real Estate	1.83	1.77	0.10	0.12	-0.01	-0.03	-0.03
Utilities	2.46	2.65	-0.02	0.02	0.02	-0.05	-0.02
Cash	0.30	--	-0.00	--	-0.04	--	-0.04

Source: Heptagon Capital, FactSet Research Systems

Region Attribution

Region	Portfolio Avg Wgt (%)	Benchmark Avg Wgt (%)	Portfolio Region Cont (%)	Benchmark Region Cont (%)	Portfolio's Attribution Effect		
					Region Allocation (%)	Selection + Interaction (%)	Total Effect (%)
North America	74.27	75.74	8.87	11.02	-0.01	-2.08	-2.09
Pacific Rim	8.21	8.29	1.47	0.94	0.02	0.57	0.59
Western Europe	17.22	15.76	2.67	1.81	-0.03	0.78	0.75
[Cash]	0.30	--	-0.00	--	-0.04	--	-0.04

Source: Heptagon Capital, FactSet Research Systems

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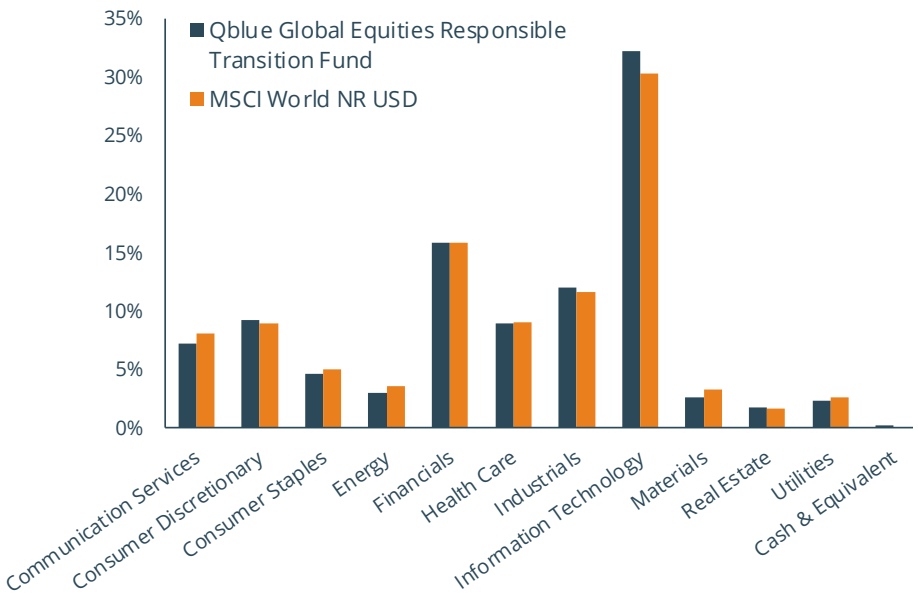
Portfolio Sector Weights



Top 10 Holdings	% of Portfolio
NVIDIA Corporation	6.1%
Applied Materials, Inc.	4.0%
Broadcom Inc.	3.5%
Intel Corporation	3.1%
Visa Inc.	2.7%
Novartis AG	2.3%
Cadence Design Systems, Inc.	2.3%
Analog Devices, Inc.	2.1%
Comfort Systems USA, Inc.	2.1%
Colgate-Palmolive Company	2.1%
Total of Top 10 Holdings	30.4%

Source: Heptagon Capital, FactSet Research Systems.

Portfolio Activity

Top 5 Bought	Country Code	Industry (GICS 3)	Ending Weight %
Intel Corporation	US	Semiconductors & Semiconductor Equipment	3.11%
Pandora A/S	DK	Textiles Apparel & Luxury Goods	1.47%
Kimberly-Clark Corporation	US	Household Products	1.26%
Samsara, Inc. Class A	US	Software	1.20%
Elevance Health, Inc.	US	Health Care Providers & Services	0.97%

Top 5 Sold	Country Code	Industry (GICS 3)	Beginning Weight %
eBay Inc.	US	Broadline Retail	1.68%
ING Groep N.V.	NL	Banks	1.23%
Berkeley Group Holdings plc	GB	Household Durables	1.10%
First Solar, Inc.	US	Semiconductors & Semiconductor Equipment	0.86%
Akzo Nobel N.V.	NL	Chemicals	0.82%

Source: Heptagon Capital, FactSet Research Systems

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Annualised Total Returns

	Q2 2026	April	May	June	1 Year	3 Year	Since Inception* (ann.)
Qblue Global Equities Responsible Transition Fund	12.8%	8.5%	3.0%	1.0%	10.3%	13.8%	7.3%
MSCI World NR USD	13.8%	9.6%	4.6%	-0.7%	21.3%	19.2%	11.2%

Source: FactSet Research Systems, Inc.
Fund performance relates to the UCITS Fund (IE000I45W962, net of fees, in USD).
**Since inception date 12th January 2022.*

Sincerely,
Heptagon Capital and Qblue Balanced A/S

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Risk Warnings

The Fund is subject to special risk considerations including geographic concentration risk, portfolio concentration risk and operational risk. The investment return and principal value of an investment will fluctuate so that the investor's shares, when redeemed, may be worth more or less than their original cost. Any investor should consider the investment objectives, risks and charges and expenses of the fund carefully before investing. Where an investment is denominated in a currency other than the investor's currency, changes in rates of exchange may have an adverse effect on the value, price of, or income derived from the investment.

SFDR

The Fund has been classified as an Article 9 for the purposes of the EU's SFDR. The Fund has sustainable investment as its objective alongside financial return. The Fund invests primarily in assets classified as sustainable investments as defined under the SFDR. Please see Prospectus for further information on the Fund's sustainable objective and relevant sustainability risks and principal adverse impacts which may impact the Fund's performance.

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For all definitions of the financial terms used within this document, please refer to the glossary on our website: https://www.heptagon-capital.com/glossary

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