HEPTAGON Capital

WCM Global Equity Fund

Q3 2026 Commentary

Portfolio Management



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Investment Objective

The Fund aims to achieve long-term capital growth by investing primarily in equity securities of large cap global companies located throughout the world.

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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 **WCM Global Equity 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 WCM Investment Management ("WCM") is the Sub-Investment Manager meaning WCM exercises discretionary investment authority over the Fund. The Fund was launched on 18th January 2017 and had an AUM of USD 5,360m as of 30th September 2026.

Performance review

In the third quarter of 2026, the Fund (C USD Share Class) returned −2.8% (net), underperforming the MSCI ACWI Index (the "Index") by approximately 440 basis points (bps).

In Q3, global market leadership took an about-turn from Q2's tech-driven growth rally. The Iran conflict dragged on, pushing oil and Energy stocks higher, while persistent inflation drove central banks to hike and sovereign yields to multi-decade highs, compressing stock multiples and lifting traditional banks. With investor optimism toward AI vacillating, the "picks and shovels" beneficiaries of AI capital investment gave up ground. The result was a narrow market, and Growth trailed Value by roughly 430 bps.

Zooming out, Value now outpaces Growth by 760 bps over the trailing 12 months. We don't build the Quality Global Growth strategy ("QGG") around that debate. Every business we own was chosen based on two questions: is its competitive advantage strengthening, and does its culture support that trajectory? Those answers held across nearly all of the portfolio in Q3.

The numbers bear that out. Several holdings posted record orders, raised guidance or stepped up capital returns even as their shares pulled back. Across the portfolio, returns on capital remain high and earnings growth continues to outpace the benchmark: exactly what we seek as an extension of our moat trajectory and culture underwriting.

We see that gap between price and fundamentals as an opportunity. QGG's next-twelve-month P/E of 15.8x is down from 23.4x a year ago. Excluding the past 12 months, this is its

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lowest level since Q2 2009 on an absolute basis and its lowest relative to the benchmark since Q1 2008. Some of that decline reflects a mix, as we added lower-multiple businesses in the AI value chain. Much of the rest reflects earnings growth at select cyclical holdings that has outpaced their share prices. Looking ahead, we remain optimistic about the portfolio's positioning.

Attribution

Both allocation and selection detracted in Q3, whether viewed through a sector or regional lens.

Contributors:
For sector allocation, our zero weights to Utilities (worst in Index), Consumer Staples (5th worst), and an overweight to Health Care (3rd best) contributed. Consumer Discretionary and Communication Services led selection. Regionally, there were no meaningful contributors from either allocation or selection.

Detractors:
Our overweights to Industrials (2nd worst in Index) and Real Estate (3rd worst), and underweight to Energy (best) were the primary allocation headwinds. Our picks in Tech, Industrials, and Materials were the largest drags on sector selection. Regionally, our overweight to Europe (worst in Index) was the primary allocation detractor. For regional selection, the Americas, Asia/Pacific and Europe all detracted.

Other Factors:
In Q3, the simple market factors were mixed for QGG: Value outpaced Growth, High Quality was roughly in line with the broader market, and Large Caps outperformed Small Caps.

Comments:
Fashion or fundamentals? Style leadership hasn't outlasted a quarter this year: Value led in Q1 2026, Growth in Q2, Value again in Q3. Each turn came with a persuasive story, and each was true until it wasn't. In our Q2 2026 update we noted that the environment rewarding one posture habitually gives way to the one that punishes it. Confirmation came quickly.

The whipsaw isn't entirely arbitrary. Rarely has so much changed at once. Notably, AI redraws where growth comes from and who captures it. When the range of plausible outcomes is this wide, each new data point carries more weight and gets repriced in a hurry. Narrow leadership amplifies the effect: when a handful of themes carry the Index, a change of heart about them moves the whole market, and style factors lurch with it.

This exposes the pitfalls of chasing the style du jour. The cost isn't just arriving late; it's owning businesses for reasons that have nothing to do with the businesses themselves. A strengthening moat and a culture that sustains it compound into earnings, and earnings are what the market eventually pays for. This underscores the importance of the long-term horizon we underwrite to.

Holding to that horizon is where portfolio construction earns its keep, especially in a period of this much change. Spreading the portfolio across categories and growth profiles helps us mute the short-termism that narrow leadership breeds. Balance also creates the capacity to act. When one part of the portfolio holds while another is marked down, we can add to conviction at better prices, or redirect capital toward where the long-term case is clearest. Balance of this kind is not a hedge against having views. It is what lets us hold them through quarters when the market disagrees.

Portfolio Activity

Buy: TechnipFMC plc
United Kingdom-based TechnipFMC makes and installs the equipment that sits on the ocean floor and connects undersea oil and gas wells to the surface. It is one of the two primary players in a market that has consolidated. We believe a durable offshore capital-spending tailwind underpins the thesis, as energy companies rotate away from maturing US

shale toward offshore basins, where we believe many of the most attractive new reserves are located. We believe this shift is transforming a short-cycle energy business into a longer-cycle industrial manufacturer, with potential margin upside ahead. Subsea 2.0 is a standardized 'Toyota-style' build model that shortens project timelines and has secured a large share of orders through direct awards rather than competitive tender, which we believe widens the company's competitive advantage as backlog converts to margin. This activity has historically shown relatively low correlation with AI and data-center demand, which we believe adds diversification.

Buy: SharkNinja Inc.
United States-based SharkNinja makes Shark and Ninja home appliances across a wide range of categories, from vacuums and air fryers to coffee machines and beauty devices. Its moat rests on process rather than any single product: the company spots what frustrates consumers, engineers a better answer, and markets it harder and faster than its rivals. We see the moat trajectory improving as each new category it enters sharpens that playbook and widens the brand's reach, with international markets offering years of growth ahead. Culturally, SharkNinja runs with an intensity and speed rare in consumer products, and because its growth does not depend on any one hit, we believe the opportunity stretches further than it looks.

Buy: CVS Health Corporation
United States-based CVS Health combines a health insurer (Aetna), a manager of prescription drug benefits (Caremark) and one of the country's largest pharmacy chains. We see profits at Aetna recovering from depressed levels as the company prices its plans more carefully, improves the quality ratings that drive government reimbursement, and exits unprofitable businesses. The pharmacies get little credit from investors, yet we see their moat trajectory improving: reimbursement increasingly covers actual costs, and as weaker competitors close stores, CVS gains prescription share and scale. Culturally, new leadership has simplified the organization and sharpened execution. At what we consider an undemanding valuation, the risk-reward looks favorable.

Buy: Samsung Electronics Co., Ltd.
Korea-based Samsung Electronics ranks among the world's largest makers of memory chips, with chip manufacturing for other companies and smartphones alongside. We see its moat trajectory improving in the high-performance memory that AI systems depend on, as Samsung closes the quality gap with the leader and wins share, with profit margins able to rise as production improves and prices strengthen. Culturally, management has concentrated its engineering talent in a single unit devoted to that product, a sign of renewed focus. A growing emphasis on returning capital to shareholders adds to the case.

Buy: IQVIA Holdings Inc.
United States-based IQVIA ranks among the world's largest firms that design and run clinical trials for pharmaceutical and biotech companies, alongside a large business in health data and analytics. IQVIA fits neatly within our Outsourced Service/R&D Enabler moat typology: drug developers increasingly outsource trials and concentrate that work with fewer, larger partners, and IQVIA, as the industry's leader, takes a growing share, especially among smaller drug developers where many new medicines now originate. We see the moat trajectory improving: its proprietary data, global scale in running trials, and role as an advisor on trial design reinforce one another and prove difficult to replicate.

Buy: Atlassian Corp.
Australia-based Atlassian makes Jira and Confluence, the ticket system and shared notebook that software teams collaborate through. Our purchase marks a selective return to software as AI-era crosscurrents begin to clear. Growth comes from two durable sources: existing customers adding more users, and the shift to Atlassian's cloud, which lifts spending per customer and makes large customers less likely to leave. We see AI improving the moat trajectory rather than eroding it. As software gets cheap to write and companies unleash fleets of AI agents on it, someone must decide what gets built, give them context and check the work. That work happens in Jira, so the ticket may matter more, not less.

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Buy: Palantir Technologies Inc.
United States-based Palantir builds software that maps how an organization works, linking its data, decisions and actions so it can put AI to work on real operating problems. Alongside Microsoft and Atlassian, it gives us another way to own AI adoption by large organizations. We see the moat trajectory improving for three reasons: software built up over years that delivers results on a customer's own data quickly, with each success opening new uses; a growing customer base that spends more each year; and independence from any one AI model maker, which matters more as customers mix and match models. Culturally, small teams routinely outproduce larger ones, and AI now eases the shortage of engineers that once limited how fast Palantir could grow.

Sell: Nintendo Co., Ltd.
Japan-based Nintendo makes video-game consoles and the games that run on them, anchored by franchises such as Mario, Zelda and Donkey Kong. We owned it for the pairing of those characters with its latest console, expecting a strong slate of Nintendo's own games to follow. That slate has fallen short of even our cautious expectations, undercutting the reason we owned it. We exited this lower-conviction position and redeployed into higher-conviction ideas.

Sell: AstraZeneca PLC
United Kingdom-based AstraZeneca develops medicines, with particular strength in cancer and rare diseases. We sold to reposition our health care holdings and fund a new position, not because the thesis broke.

Sell: Medline, Inc.
United States-based Medline distributes medical supplies, many under its own brand. We bought it for that model and a strong, commission-driven sales culture, which together made it a steady share gainer. Since then, profit margins have come under pressure, management has cut its outlook, and the path back to normal margins remains unclear. With our health care holdings already heavy in distributors and drug makers, we sold for higher-conviction ideas.

Buy and Manage:
We added to Microsoft Corporation and Meta Platforms Inc. during the quarter.

We trimmed 3i Group plc, Cardinal Health, Inc., SK Square Co., Ltd., Illumina, Inc., and AppLovin Corp. (trimmed twice) to manage position sizes.

Top 5 – Contributors and Detractors for the quarter

Top Contributors (%)		Top Detractors (%)	
Illumina, Inc.	1.4%	**AppLovin Corp.**	-1.6%
Microsoft Corporation	0.8%	**Corning Inc**	-1.6%
Meta Platforms Inc.	0.7%	**SK Square Co., Ltd.**	-1.4%
DATABRICKS INC P/P	0.6%	**Western Digital Corporation**	-0.8%
Saab AB	0.4%	**Siemens Energy AG**	-0.8%

As of 30th September 2026.

As always, the team appreciates your patience and support.

Sincerely,
Heptagon Capital and WCM Investment Management

The views expressed represent the opinions of WCM Investment Management as of 30th September 2026, are not intended as a forecast or guarantee of future results, and are subject to change without notice.

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Annualised Total Returns

	Q3 2026	YTD	1-Year	3-Year	5-Year	7-Year
WCM Global Equity Fund	-2.8%	10.7%	10.5%	28.8%	11.7%	16.2%
MSCI ACWI NR USD Index	1.6%	13.0%	16.8%	21.7%	11.6%	13.6%

Source: Factset Research Systems, Inc.
Fund performance relates to the UCITS Fund (IE00BYZ09Q19, net of fees, in USD).

WCM manages the Irish regulated WCM Global Equity UCITS Fund according to the same investment principals, philosophy and execution of approach as it manages the WCM Quality Global Growth Composite, however it should be noted that due to different regulation, fees, taxes, charges and other expenses there can be variances between the investment returns demonstrated by each fund. The WCM Quality Global Growth Composite (net of fees) (the "strategy") is provided in the table above to show a longer track record for the underlying strategy.

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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

This Fund has been classified as an Article 8 for the purposes of the EU's Sustainable Finance Disclosure Regulation ('SFDR'). The Fund promotes environmental and/or social characteristics but does not have sustainable investment as its primary objective. It might invest partially in assets that have a sustainable objective, for instance assets that are qualified as sustainable according to EU classifications but does not place significantly higher importance on the environmental objective of each underlying investment. Please see Prospectus. for further information on the Funds environmental and/or social characteristics and relevant sustainability risks and principal adverse impacts which may impact the Fund's performance.

Authorised & Regulated by the Financial Conduct Authority (FRN: 403304)

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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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