GCQ FLAGSHIP FUND | NZ PIE Units

MONTHLY PORTFOLIO & PERFORMANCE UPDATE

July 2026

GCQ GLOBAL CONCENTRATED QUALITY

Returns	1 Month	3 Months	1 Year		Since Inception (Dec 2024)
GCQ NZ PIE (NZD)[1]	**5.1%**	**(0.7%)**	**(10.9%)**		**(4.6%)**
MSCI World Index (NZD)[2]	(2.7%)	4.5%	21.0%		30.9%
Outperformance	**7.8%**	**(5.2%)**	**(31.9%)**		**(35.5%)**

Returns	1 Month	3 Months	1 Year	2 Year (p.a.)	3 Year (p.a.)	Since Inception (p.a.) (1 July 2022)
GCQ P Class (AUD)[1]	**7.1%**	**1.4%**	**(18.7%)**	**(0.3%)**	**8.7%**	**15.8%**
MSCI World Index (AUD)[2]	(0.9%)	6.8%	10.4%	13.8%	16.5%	18.2%
Outperformance	**8.0%**	**(5.4%)**	**(29.1%)**	**(14.1%)**	**(7.8%)**	**(2.4%)**

[1] Net performance figures are shown after all fees and expenses and assumes reinvestment of distributions. Past performance is not a reliable indicator of future results. Figures longer than one year have been annualised. [2] See MSCI Disclaimer on the last page.

The net return for investors in NZ PIE Fund for the month of July was **+5.1%.** This compares to the MSCI World Index (NZD), which was down **-2.7%**. Meanwhile, the technology-heavy Nasdaq 100 Index (NZD) was down **-9.9%**. The Philadelphia Semiconductor Index (“SOX”) declined **-23.4%** in NZD terms.

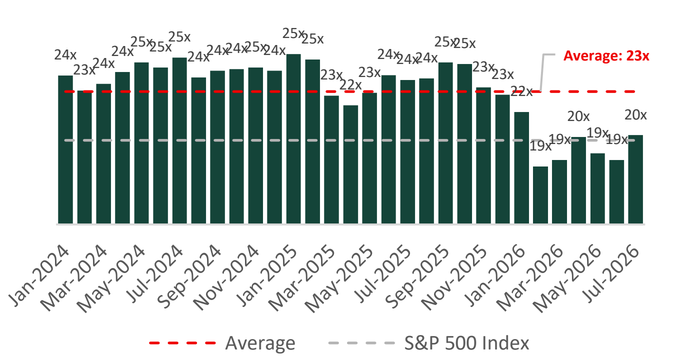
The NZ PIE Fund is a feeder fund for Class P. In light of the short investment period of NZ PIE Fund, we will refer to the recent performance of Class P’s longer track record.

Not only is this a good start to the new financial year, but we believe it represents a shift in market sentiment after a period of prolonged excitement for semiconductor stocks.

Returns	FY23	FY24	FY25	FY26	FY27 YTD
GCQ P Class (AUD)[1]	**39.0%**	**25.2%**	**26.4%**	**(22.6%)**	**7.1%**
MSCI World Index (AUD)[2]	22.4%	19.8%	18.5%	14.8%	(0.9%)
Excess performance	**16.6%**	**5.4%**	**7.9%**	**(37.4%)**	**8.0%**

The GCQ Flagship NZ PIE Fund continues to look attractively priced, with the portfolio trading at a forward earnings multiple of just ~20x, which is well below its historical average of ~23x, while delivering the kind of growth and returns on capital that we think merit a significant premium to the index.

GCQ Portfolio Forward Earnings Multiple



Source: Bloomberg & GCQ Funds analysis

Portfolio as of 31 July 2026	Weight
Real estate advertising monopolies	**15%**
rightmove	6%
Hemnet	6%
Scout24	3%
Cloud accounting software	**13%**
Money Forward	7%
INTUIT	6%
Sharing economy	**12%**
airbnb	7%
Uber	5%
Credit rating agencies & index providers	**9%**
MSCI	5%
S&P Global	4%
Super-luxury goods	**8%**
HERMÈS	5%
LVMH	3%
Global consumer payments	**8%**
VISA	6%
	2%
Industry standard businesses	**8%**
FICO	4%
Verisk	4%
Global cloud computing	**8%**
amazon.com	8%
Enterprise software	**6%**
Microsoft	5%
SAP	1%
Online marketplaces	**4%**
smg swiss marketplace group	4%
Other high-quality businesses	**7%**
Total long	**98%**
Shorts	**(2%)**
Net exposure	**96%**
Cash	**4%**
TOTAL	**100%**

Perhaps we will look back in decades to come, and bracket the galaxy's biggest IPO, SpaceX, alongside tulips, railroads, Japanese property prices, and the dotcom era, in markets folklore. Retail money was lured in on promises such as the opportunity to establish communication links between yet-to-be-built civilisations on the moon and Mars. Within six weeks of its IPO, SpaceX was 50% below its highs. Pleasingly, we made a small amount of money shorting this issue.

We called out the hype in semiconductors in our Portfolio Update for May 2026 – and explained why we were not directly exposed, noting many sub-industries within the broader semiconductor industry fail the **GCQ Industry Quality Checklist™**. It is also the reason we have side-stepped significant losses as the excitement waned in recent weeks.

That said, we see the Artificial Intelligence (AI) build-out directly benefiting our holdings in the two largest cloud computing infrastructure service providers, **Amazon** and **Microsoft**. Meanwhile, we are seeing many indirect benefits to both revenue acceleration and cost savings as our portfolio companies in the property portal, cloud accounting software, and information services industries leverage AI to provide more value to their customers, reinforcing their pricing power.

As AI continues to evolve, competitive dynamics are changing in different levels of the technology value chain, and we continue to assess whether this may uncover long-term winners, while keeping in mind that technological competitive advantages are fragile.

July 2026 ended with an ironically named hedge fund, *Situational Awareness*, posting a -67% month (and even worse for its public equities positions).

GCQ's Industry-First Approach

At GCQ, we take an industry-first approach to identifying a small number of high-quality businesses, trading at attractive prices. Each industry must pass the strict **GCQ Industry Quality Checklist™**, before a company is assessed against the **GCQ Business Quality Checklist™**.

Generally, when we see high-quality companies trading at attractive prices, it is because the market struggles to value the ability for certain industries to persistently earn meaningfully higher returns on capital than the broader market – due to the presence of substantial and enduring competitive advantages.

In owning a portfolio of highly advantaged businesses operating in attractive industries, we expect our portfolio companies will be subject to regular attacks from new entrants. As investors, we need to strike the right balance between carefully assessing the likelihood of a successful new entrant taking market share, while not getting bluffed out and selling an excellent business too soon.

Relative Underperformance of Quality Companies

In each market cycle, quality businesses will inevitably go through periods of relative underperformance. Focusing on profitability as a proxy for quality, there have been five periods in the 21st century where the world's most profitable companies significantly underperformed the least profitable companies. These were immediately after bear market lows in 2003, 2009, 2016, 2020, and after April 2025's 'tariff tantrum'. Each episode lasted approximately one year, but the latest episode was likely exaggerated by the impact of AI – which disproportionately benefited the traditionally cyclical semiconductor industry.

From market lows, weaker companies with operating and financial leverage tend to rally hardest, as their prospects for failure diminish. As markets normalise, quality reasserts itself, delivering superior returns.

Knowing that our portfolio companies are incredibly well-positioned for the long run, it is important to acknowledge these market dynamics to avoid jumping at shadows. As our portfolio companies continue to deliver strong fundamental performance, we believe this will be reflected in superior risk-adjusted returns for investors.

Strong 2Q26 Earnings

As we look back on the current reporting season, we remain enthusiastic. As of 31 July 2026, 17 of our 24 portfolio companies have reported. In aggregate, they have delivered double-digit revenue and earnings growth, ahead of market expectations, with a positive reaction from the market on announcement.

GCQ Portfolio 2Q26 Results	Growth	Beat / (Miss)
Revenue	+11%	+2%
Earnings	+14%	+4%

Source: GCQ Funds analysis

Company earnings continue to be strong

Company	Weight	Result	Guidance	Commentary
amazon	8%	Beat	Miss	Amazon Web Services revenue growth accelerated to +37% YOY.
airbnb	7%	N/A	N/A	Reports results on 6 August 2026.
Money Forward	7%	Beat	Raised	Revenue grew +24% YOY and +40% YOY excluding divestitures.
VISA	6%	Beat	Raised	Revenue grew +13% YOY constant currency, +2% above consensus.
INTUIT	6%	N/A	N/A	Reports results on 26 August 2026.
Hemnet	6%	Beat	Reiterated	Revenue per listing grew +12%, while the number of listings fell -14% YOY.
MSCI	5%	Mixed	Raised	Revenue grew +12% YOY.
Uber	5%	N/A	N/A	Reports results on 5 August 2026.
HERMÈS	5%	Beat	Reiterated	Revenue grew +7% YOY constant currency.
Microsoft	5%	Beat	Beat	Azure growth accelerated to +43% YOY constant currency.
FICO	4%	Mixed	Raised	Scores revenue grew +41% YOY, with mortgage revenues up +97% YOY.
S&P Global	4%	Beat	Raised	Recently spun off Mobility Global.

Source: Bloomberg & GCQ Funds' analysis

Of the portfolio companies that have reported to-date, the most positive responses (each up approximately 15% following the release of earnings) were our two global cloud computing positions – **Amazon** and **Microsoft**. The narrative towards their enormous capital expenditures focused on AI has started to shift. Instead of being viewed as negative for near-term cash flow, we believe the market is starting to weigh the potential for two of the world's largest companies to earn higher-than-expected returns on invested capital over an incredibly long-term growth runway.

To put this into context, Amazon Web Services (AWS), Amazon's cloud computing business, which accounts for ~60% of Amazon's earnings, saw revenue growth accelerate to +37% year-on-year (compared to +28% growth in the prior quarter). Of note, AWS accelerated to its fastest rate of revenue growth in 18 quarters on an annualised revenue base of ~$170bn. In time, Amazon expects AWS will become a trillion-dollar revenue business. Amazon guided to ~$220bn of capex this year, which is approximately ~3x 2024 levels.

Meanwhile, Microsoft's Azure cloud computing infrastructure services business grew +43% year-on-year – while guiding to a further acceleration in revenue growth next quarter. During the fiscal year, Azure revenue surpassed $100bn for the first time. Microsoft expects to spend ~$175bn on capex this calendar year, a similar trajectory to Amazon. Importantly, Microsoft noted that customers are using multiple models for AI, which improves the relative bargaining power of the large cloud computing infrastructure platforms with their suppliers – i.e., the model builders, like Anthropic and OpenAI.

SAP's earnings release was also well-received, with the market increasingly of the view its leading Enterprise Resource Planning (ERP) software is not under threat from vibe-coded alternatives. The migration of its customer base from on-premises software to its more profitable cloud offering continued, with cloud bookings growing +26% year-on-year in the quarter.

In the super-luxury goods industry, **LVMH**'s Fashion & Leather Goods segment returned to growth, while **Hermès**, despite growing faster in this segment (+10% year-on-year) was weighed down by higher expectations, a greater skew to the more-sluggish Asia Pacific region, and guarded comments on future price hikes. We took the opportunity to add to our position in Hermès, now our largest position in the super-luxury goods industry, at a time when it is trading at its lowest multiple of forward earnings in the past decade.

Our investments in **Visa** and **Mastercard** always provide a front-row seat to the strength of the global consumer, with both reiterating that consumer spending remains resilient. Visa's global payments volumes grew +10% year-on-year, with cross-border payments volumes growing even faster. Both Visa and Mastercard continue to benefit from the long-running transition from cash to card, which still has some way to go.

The two weakest responses to earnings were for our positions in the information services industry. **MSCI**, which grew revenues +12% year-on-year and Earnings Per Share (EPS) +21% year-on-year, suffered from weaker new orders in its Analytics business (20% of earnings), while its core Index business (70% of earnings) delivered +18% year-on-year revenue growth.

Meanwhile, **FICO** grew revenue +26% year-on-year and EPS +43% year-on-year but was the victim of commentary about the potential of its meaningfully smaller competitor, VantageScore, to claim market share in the US mortgage market. FICO's share price declined -17% following its earnings release, which we thought was an over-reaction, and we recently added to our position at what we believe are highly attractive prices.

At the time of writing, only two of our positions in the online classifieds industry have reported earnings, **Hemnet** and **Rightmove**. Hemnet grew Average Revenue Per Listing (ARPL) +12% year-on-year, while Rightmove grew revenue +7% year-on-year. Both were well-received, as the popular market narrative has begun to shift away from one of AI disruption. We have seen continued evidence that the dominant property portal in each market is best placed to introduce AI products – including conversational tools that unlock new use cases for consumers – *within* their leading platforms.

Company Meetings in Europe

In July, we had the opportunity to visit the management teams of each of our positions in the online classifieds industry, LVMH, and several tangential businesses and experts in Europe.

Seeing all four of our positions in the online classifieds industry back-to-back provided an opportunity to calibrate our thinking, and we came away with renewed confidence that AI is not disrupting their highly profitable businesses. All the property portals continue to see extremely low (<1%) rates of traffic from AI chatbots like ChatGPT.

Meanwhile, there is focus across the board on AI-led efficiency gains, with all management teams looking to release new products and features to enhance the customer experience. We believe this will lead to *more* pricing power in the coming years.

In markets with cyclical challenges, notably Sweden and the UK, investor discussions seem to have moved on from the threat of AI-led disruption to local dynamics in each property market.

In our meeting with LVMH, we noted cultural differences that drive different levels of per capita luxury consumption around the world. For example, China stands out near the top of the spectrum, while the Nordics are least conspicuous. While the soft property market in China has created headwinds for overall luxury goods consumption, it will eventually rebound as the market improves. Meanwhile, the strong equities markets in the U.S. and Korea have been tailwinds for luxury goods consumption in both markets.

We met **Delivery Hero** in Germany, which is currently subject to an acquisition by Uber, and we similarly discussed cultural nuances in delivery markets. For example, Delivery Hero has an incredibly strong market share in the Middle East via its local brand, Talabat. If the acquisition is approved, Uber will have exposure to Delivery Hero's leading positions in 50 countries, as it doubles down on food and grocery delivery as a future growth engine.

Closing our Corporate Travel Management Short

During the month, we closed our short position in Corporate Travel Management at $0.17 per share, which compares to the last traded price of $16.07 per share. Corporate Travel has been a long-running short position, which GCQ's CIO Doug Tynan discussed in this interview with The Australian Financial Review. Shorts will always remain a very small percentage of our overall portfolio, but we view the discipline of short selling as additive to our returns from long positions.

Outlook

Looking forward, we believe our portfolio companies are well-positioned to deliver strong revenue and earnings growth. The Fund continues to be attractively priced, trading at a forward earnings multiple of approximately ~20x, despite our portfolio companies delivering the kind of growth and returns on capital that we think merit a significant premium to the broader market.

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