TYPICAL PAN EUROPEAN MANDATE

All Cap Pan European Equities
Long Only Managed Account

July 2026 **Newsletter**

INVESTMENT OBJECTIVE

To generate long term capital growth for investors, primarily by investing long in European equities.

Manager AUM $877m

FUND MANAGER
Stuart Mitchell

Stuart is the Managing Partner and CIO of S. W. Mitchell Capital.

Prior to founding the firm in 2005, Stuart was Head of Specialist Equities at JO Hambro Investment Management.

Stuart started his career at Morgan Grenfell in 1987 where he subsequently became Head of European Equities.

CONTACT US

S. W. Mitchell Capital LLP
Princes House, 38 Jermyn Street, London SW1Y 6DN

ir@swmitchellcapital.com

swmitchellcapital.com

PERFORMANCE (EUR %)

	Mandate	Index
1 Month	4.9	1.0
YTD	10.7	12.4
1 Year	21.8	22.8
3 Years	53.2	50.9
5 Years	81.4	67.0
10 Years	206.0	159.3
SI	992.0	407.0
2025	32.8	20.1
2024	4.6	9.3
2023	13.0	16.6
2022	(2.3)	(8.9)
2021	24.7	25.9
2020	2.4	(2.8)
2019	34.7	26.9
2018	(18.1)	(10.0)
2017	15.0	10.9
2016	(6.3)	3.2
2015	12.1	8.8
2014	4.6	7.4
2013	29.2	20.5
2012	26.1	18.1
2011	(17.8)	(7.5)
2010	27.8	11.7
2009	35.1	32.5
2008	(38.6)	(43.3)
2007	(0.4)	3.2
2006	31.4	20.2
2005	23.7	26.7
2004	9.9	12.6
2003	15.4	15.8
2002	(20.0)	(30.5)
2001	(9.5)	(15.3)
2000	19.0	(1.9)
1999	44.2	32.5

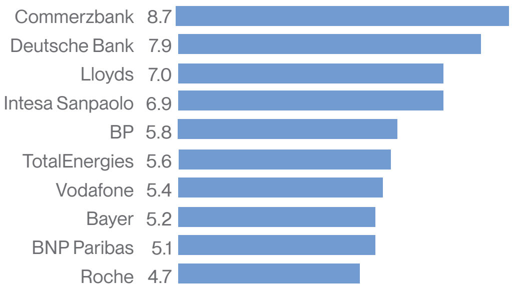
Top Five Contributors

Company	%
BP	1.0
Vodafone	0.9
TotalEnergies	0.6
Intesa Sanpaolo	0.6
Deutsche Bank	0.6

Bottom Five Contributors

Company	%
Universal Music Group	(0.5)
Antofagasta	(0.3)
Legrand	(0.2)
Getlink	(0.1)
Eurofins Scientific	(0.0)

Top Ten Holdings %



Portfolio construction

Number of positions	Top 10 positions %	Invested position %	Cash %
21	62.6	99.3	0.7

Country exposure

Country	%
Germany	35.8
France	23.8
United Kingdom	22.0
Italy	6.9
Switzerland	4.7
United States	4.1
Netherlands	2.1

Sector exposure

Sector	%
Financials	39.1
Energy	15.5
Health Care	15.3
Materials	11.3
Communication Services	9.7
Consumer Discretionary	5.1
Industrials	3.4

Market capitalisation

Market cap	%
€0-0.4bn	—
€0.4-0.75bn	—
€0.75-1.5bn	2.8
€1.5-7.5bn	4.1
€7.5-15bn	7.5
€15-50bn	40.7
€50bn +	44.2

Risk characteristics

Risk characteristics	
Annualised alpha %	3.3
Information ratio	0.3
Beta	1.0
Up-market capture ratio %	175.5
Down-market capture ratio %	100.7
Annualised volatility %	16.5
Active share %	90.7
Tracking error %	7.5

TYPICAL PAN EUROPEAN MANDATE

All Cap Pan European Equities
Long Only Managed Account

July 2026 **Newsletter**

TYPICAL PAN EUROPEAN EQUITY

European markets rose by 1% in July.

We significantly outperformed over the month.

The following positions performed well:

Vodafone	+19%
BP	+19%
Noble Corporation	+13%
TotalEnergies	+12%
Intesa Sanpaolo	+%

Vodafone rose sharply following the announcement that the French entrepreneur Xavier Niel had bought a 16% stake in the company. Niel has a proven record of improving telecom company performance and creating value. He is likely to push management to cut costs more aggressively.

Renewed tensions in the Gulf reignited interest in oil and chemical companies. The result was that our four other best performers over the month – all in the oil or chemical sectors – had been amongst our five worst performers last month!

The following investments performed poorly:

Universal Music Group	-21%
Legrand	-8%
Antofagasta	-4%
Getlink	-2%
EurofinsScientific	-1%

Legrand fell back over the month after a lengthy period of strong performance (of some years). The share now was unsettled by thoughts that the rapid growth of data centres might begin to slow down.

* * *

Getlink

Getlink, formerly Eurotunnel, was established in 1986 with a concession to build and manage the Channel Tunnel until 2086.

Revenues broke down by activity in 2025 as follows:

- Eurotunnel (including LeShuttle (62%) and Eurostar (34%)) 75%
- Eleclink (a high voltage electrical cable that runs through the tunnel) 14%
- Europorte (freight train logistics) 11%

EBITDA by activity in 2025 were:

- Eurotunnel 78%
- Eleclink 18%
- Europorte 4%

LeShuttle is the channel crossing market leader with a 34% and 56% share of truck and car traffic respectively. Eurostar, the high-speed passenger train service travel has a 77% market share on the London-Paris route and a 49% market share, London-Brussels/Amsterdam. The business is highly profitable, generating €374m cash flow from €1,595m revenues in 2025.

There remains significant scope to increase Eurotunnel revenues in the future: the group currently runs 450 trains on peak days; capacity is 1,000 trains per day.

Freight business was especially hard hit by Brexit, with activity currently 25% below 2019 levels. But the outlook for the freight division may now be improving. The group has tried to ease border frictions by creating a simplified 'smart border system' using 'Border Pass' which helps prepare documents before crossing. New scanners at Frethun will also enable customs to check rail freight moving at 20kmh without physical interventions. At the same time, the UK government is trying to reset post-Brexit relations with Europe. Most notably, the Sanitary and Phytosanitary (SPS) agreement will significantly cut paperwork and reduce checks on plant products, food and animals. Implementation is expected by mid-2027.

Eurotunnel also plan to replace their old fleet of shuttles, which should allow goods trains speeds increase to 160kmh from a current 100-120kmh. Work is also being done to improve loading/unloading times and reduce spacing between trains with new signalling technology.

In 2021, the freight business also faced a tough new 'low price' competitor, Irish Ferries. But the pressure may be easing. The Seafarers' Wage Act was introduced in December 2024 to prevent ship workers operating an international service (such as Irish Ferries) being paid less than UK minimum wage. At the same time Irish Ferries are facing increased port charges and higher bunker costs in the wake of the Iran war.

There is also a significant opportunity to grow the passenger rail business. The current incumbent, Eurostar, is expected to increase capacity by 30% following the order of thirty new Avelia Horizon high speed trains with an option for twenty more. At the same time, two new operators Trenitalia and Virgin Trains will enter the market in 2029/30. It is likely that new competition will lead to significantly higher demand.

There is also expected to be a wider flow of traffic between the UK and the continent as new routes are opened. A 4-to-5-hour London-Frankfurt and Cologne run is planned for the early 2030s with a potential market drawn from the current 3.0m airline and 1.7m rail passengers. In addition, there may be another 5.0m customers from the opening up of 4-to-6-hour routes to Geneva, Basel and Zurich.

Eurotunnel has also managed to minimise delays from the introduction of the new EU Entry/Exit System (EES) by digitalising the process as much as possible (licence plate and facial recognition). The company claim that time spent at border control is now less than before Brexit.

In 2022, Getlink launched Eleclink, a 1 gigawatt high-voltage interconnector linking the UK and French energy grids through the channel tunnel. The cables have capacity for 1.6-2m households. 81% of revenues are generated from the auctioning of physical transmission rights.

Trading on a dividend yield of 4.5% the share appears good value with earnings likely to grow significantly over the medium term. We expect EBITDA to climb to €1bn by 2030 – and then begin to grow more rapidly thereafter. Net debt is a manageable 4.1 times EBITDA and the group is rated Baa1 by Moody's. Getlink has two major shareholders Eiffage and Mundys owning 28% and 15% of the shares respectively. Eiffage may try to take control of the business.

Stuart

1. All data sources: Waverton, FactSet as at 31 July 2026 unless otherwise stated. All performance shown is cumulative and net of fees for a typical S.W. Mitchell Capital Pan European equity mandate unless otherwise stated. Performance based on estimates and could be subject to change
2. Index: MSCI Europe.
3. The performance results presented are hypothetical, for informational purposes only, and are not intended to, nor do they, represent the actual performance of any one specific client or group of clients over the time period shown. There can be no assurances that the performance can or will be achieved. No guarantee of future performance can or will be made. Actual returns will vary depending on a variety of factors and conditions. Performance shown is for four chain linked typical Pan European Mandates that had a similar investment objective ; the first from Feb 1999 until Aug 1999, the second between Sept 1999 and Dec 2011, the third from Jan 2012 to Jan 2019, and the fourth from Feb 2019 to current. Any further information required is available from the Investment Manager upon request.
4. Figures are subject to rounding.
5. Please note that all risk metrics, other than up-market capture ratio, down-market capture ratio, annualised volatility tracking error, active share, are from inception.
6. Up/down-market capture ratio %, annualised volatility and tracking error data from 1 January 2003 when the mandate used was valued on a monthly basis. Mandate was valued quarterly prior to this.
7. Changes in rate of exchange may cause the value of investments to fluctuate.