Reichmuth Bottom Fishing – S – CHF

H1 2026

YTD +2.0%

Strong first half of 2026

Reichmuth Bottom Fishing posted a return of +2.0% since inception in March 2026.

Differentiated dynamics in the first half of the year

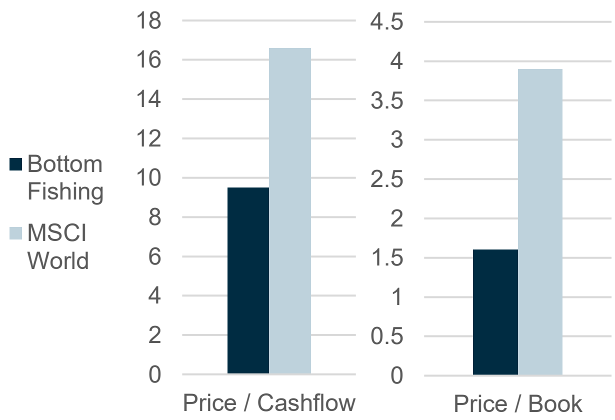
Across sectors and regions, the picture in the first half of the year was mixed. The basic materials and commodities segments performed well. Cyclical stocks in the memory sector, outside the immediate AI hype, also performed very well in the first half of the year. The Asian region, particularly Chinese tech, underperformed. Valuations here are more moderate, but weak consumer data led to a poor relative performance. The growing valuation gap led, at least temporarily, to a relative underperformance of Asian stocks operating outside the AI value chain. In addition, companies from oil-price-sensitive economies in Southeast Asia, as well as airlines, came under significant pressure at times due to the unrest in the Middle East.

Countercyclical investments with a focus on high cash flows

The software sector is generally shunned by investors. The market views this sector as a homogeneous group, but we see significant differences in business models within the sector. Market volatility has presented us with attractive opportunities to strengthen the portfolio in a countercyclical manner. In doing so, we focus exclusively on companies with deep customer integration, absolute data sovereignty, strong network effects, high cash flows, and sound capital allocation, while minimizing dilution for shareholders. Specifically, we added to our positions in Adobe and Amadeus. Adobe's stock price fell by nearly 40% in the first half of the year despite double-digit growth in subscription revenue and cash flow. With Amadeus, we capitalized on the geopolitically driven decline in bookings in the Middle East, which has had only a minor impact on the airline IT business, which is secured for the long term.

We currently see opportunities in defensive sectors such as consumer staples and healthcare. These sectors are relatively undervalued and have been shunned by investors for some time. In our selection process, we focus on market position and analyze potential risks posed by new GLP-1 weight-loss drugs. We also plan to expand our positions in Asia and Chinese tech.

Even in a market heavily driven by momentum, we remain true to our valuation-based investment approach. When making new purchases, however, we respect the market and do not recklessly try to catch a falling knife.



Silvan Betschart
Portfolio Manager

Legal notice and disclaimer

This publication is a communication addressed to investors which draws their attention to certain financial services and financial instruments and is therefore deemed to be advertising within the meaning of Art. 68 FinSA (Financial Services Act) and Art. 95 FinSO (Financial Services Ordinance).

Only the binding documents of the investment and the third-party provider are authoritative for the assessment of the suitability and appropriateness of the described investment for the client. These generally comprise the current prospectus (or equivalent document), the applicable subscription form, the basic information sheet (or equivalent document) and other documents where applicable. Reichmuth & Co. (hereinafter referred to as the “Bank”) provides these documents for the client before the investment decision is made. The fact sheet assists in assessing the suitability and appropriateness of an investment for the client. The information that it contains is for information purposes only. They do not constitute an offer or a solicitation to buy or sell products, nor a recommendation to engage in other transactions or to conclude any legal transaction. It is expressly stated that no advice is given in this fact sheet. The information is also not intended as an aid to making decisions about legal, tax, economic or other questions. Before making a decision based on the information in this fact sheet, please consult a qualified specialist at the Bank. Investments are subject to risks, including the potential loss of the invested capital. The price, value and returns of investments are subject to fluctuations, i.e. they can fall as well as rise. Investments in foreign currencies are subject to additional currency risk, i.e. the performance of such investments depends on the volatility of the foreign currency. The risks are described in detail in the current product documents, which must be read carefully before investing in products. Neither the Bank nor its contractual partners accept liability for any losses. Positive performance in the past is no guarantee of positive performance in the future. This means that there is no guarantee that the value of the fund units held will equal the originally invested capital when withdrawn. The information does not take into account either the specific or future investment objectives, the fiscal or financial situation or the individual needs of the particular recipient. It does not replace expert advice needed prior to making any investment decision, particularly in respect of all the associated risks. The information in this fact sheet is provided without any guarantee or commitment whatsoever and is made available to the recipient for informational purposes only and solely for his or her personal use. The Bank accepts no responsibility and provides no guarantee that the information in this document is error-free.