ST. PETRI CAPITAL

Q2 REPORT
2026

Comments

Throughout Q2, the fund returned 12.00%[1]. Long positions had a positive contribution of 22.21 percentage points[2], while short positions detracted with -9.30 percentage points[2]. Further, cash and equivalents had a negative contribution of -0.30 percentage points[2,3].

Following the initial ceasefire between the US and Iran in early April, the geopolitical uncertainty that had weighed on markets in Q1 quickly dissipated, giving way to a powerful global equity rally, led by the artificial intelligence theme. Sectors exposed to the ongoing AI infrastructure build-out were particularly strong, with semiconductors, including memory and photonics, seeing substantial share price appreciation. While a lasting peace agreement was not reached during Q2, markets quickly priced in a sustained de-escalation of hostilities. Oil prices fell significantly and bond yields similarly declined, easing concerns that central banks would be forced to resume rate hikes over the summer or early autumn.

April saw a powerful global equity rally, driven by the ceasefire in the US-Iran conflict and renewed momentum in the AI theme that has dominated equity markets in recent years. The rally continued into May as the Strait of Hormuz gradually reopened, sending oil prices lower and easing inflationary concerns. In June, the high-momentum areas that had led markets during the previous two months came under pressure. However, rather than triggering a broader market sell-off, this gave way to a rotation into cyclical and defensive sectors, resulting in a significant broadening of market participation. Overall, Q2 was an exceptionally strong quarter for global equities, with the MSCI ACWI gaining approximately 15%, while developed market equities rose around 14%.

The main positive theme contributions came from *Green Energy Wave* (GEW), which contributed +9.64 percentage points at an average net long exposure of 34.27%, and *Artificial Intelligence* (AI), which contributed +5.38 percentage points at an average net long exposure of 9.60%. As in Q1, performance within GEW was primarily driven by companies exposed to the energy and semiconductor supply chains. Within AI, the largest contribution came from our position in SK Hynix, which rallied 208% during the quarter alongside a broader surge in memory stocks, driven by accelerating demand for memory used in AI infrastructure.

The sole negative theme contribution in Q2 came from Risk Mitigation (RM), which detracted -9.41 percentage points from performance at an average net short exposure of -34.81%. Despite the strong equity market rally, we maintained meaningful short exposure through broader US equity indices to balance portfolio risk against a backdrop of continued macroeconomic and geopolitical uncertainty. These risks included the unresolved US-Iran conflict, elevated volatility and valuations across AI-related equities, persistent inflation concerns, and elevated government bond yields. While several of these risks moderated during the quarter, the resulting strength in equity markets meant that our index hedges represented a significant drag on Q2 performance.

Looking ahead, the resumption of disinflation, stabilizing interest rates and the de-escalation of the US-Iran conflict provide a more supportive backdrop for equity markets. The key risk remains a sustained rotation from growth into value. Against this backdrop, we maintain our thematic positioning while retaining portfolio hedges and a moderate net exposure.

Statistical summary

Return & Risk Statistics (%)

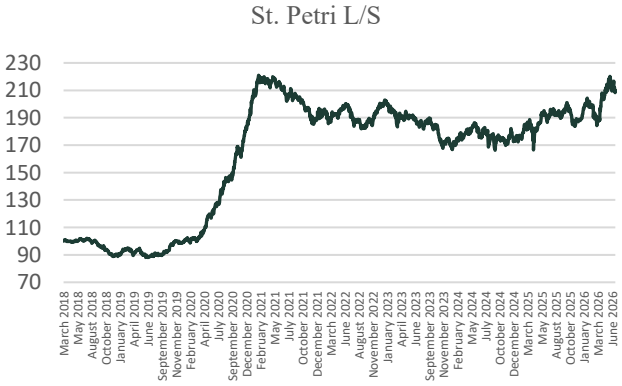
Return	**ST. PETRI L/S[4]**	**INDEX[5]**
Q2	12.00	11.80
YTD	9.50	10.75
LTM	9.72	21.81
Since inception	110.21	112.49
Avg. Yearly Ret. (since inc.)	9.36	9.51
Risk		
Annualized Standard Deviation (since inc.)	12.52	15.82
VaR 95% (Q2)	1.33	
Maximum drawdown (Q2)	5.42	4.57
Maximum drawdown (since inc.)	19.81	35.49
Risk/Return		
Sharpe ratio (since inc.)	0.77	
Correlation w. Index (Q2)	0.69	
Correlation w. Index (since inc.)	0.37	
Fund in numbers		
AUM (end of Q2)	207 DKKm	
# of positions (end of Q2)	38	
Short (#)	*2*	
Long (#)	*36*	
Average net long (Q2)	56.36%	
Largest sector exposure (long)	Information Tech (35.71%)	
Largest sector exposure (short)	Funds/ETF (-34.81)	

Thematic Exposure[6]

Long position	*weight (%)*
Green Energy Wave	34.27
Artificial Intelligence	9.60
Security Revolution	9.52
Short position	
Risk Mitigation	-34.81

Thematic Contribution[7]

Top contributor	*contribution (%)*
Green Energy Wave	9.64
Artificial Intelligence	5.38
Digital Experience	2.72
Bottom contributor	
Risk Mitigation	-9.41
Internet of Things	0.05
Security Revolution	0.33



[1] Net of all costs
[2] Gross of all costs
[3] Short and long positions of 34.87% and 91.23%, respectively
[4] Returns net of all costs
[5] MSCI Europe NDR
[6] Top three net exposures as per 30 June 2026
[7] Top and bottom contributors as per 30 June 2026