

YFS Argonaut Absolute Return



Fund Commentary

“There are five keys to the world. The Strait of Dover, the Straits of Gibraltar, the Suez Canal, the Straits of Malacca, and the Cape of Good Hope.”

British First Sea Lord, Sir John “Jackie” Fisher, 1904.

“We fought a military war; our opponents fought a political one. We sought physical attrition; our opponents aimed for psychological exhaustion. In the process, we lost sight of one of the cardinal maxims of guerrilla war: the guerrilla wins if he does not lose. The conventional army loses if he does not win.”

Henry Kissinger, “The Viet Nam Negotiations”, Foreign Affairs, January 1969.

“No battle plan survives first contact with the enemy.”

Prussian Field Marshal Helmuth von Moltke (the Elder), “On Strategy”, 1871.

“The past is a foreign country; they do things differently there.”

LP Hartley, “The Go-Between”, 1953.

The Fund returned -4.6% over March compared with the IA Targeted Absolute Return sector return of -2.9% and the Morningstar Long/Short Europe sector return of -4.1%. The correlation to the market was 0.16 (0.0) whilst monthly annualised daily volatility was 16.1% (13.3%) vs. market 20.0% (8.9%).

Over the month, the Fund returned -7.7% from its long book and +3.0% from its short book (with +0.1% from FX hedging/other).

The best performing longs were US chemical companies Methanex (+24%), CF Industries (+24%) and Lyondellbasell (+21%). The worst performing long was Austrian bank Raiffeisen (-15%).

The best performing shorts were Paramount Skydance (-33%), Fermi (-37%) and Yubico (-38%). The worst performing short was car rental outfit Avis (+48%).

Operation “Epic Fury” began on February 28th with multiple airstrikes from the United States and Israel on Iranian targets, assassinating high-ranking officials including Supreme Leader Ali Khamenei. Iran retaliated with missile and drone barrages on Israel and US military assets in Bahrain, Kuwait, the UAE, Qatar, Iraq, Jordan and Saudi Arabia; subsequently also targeting energy and desalination infrastructure, including shipping in the Arabian Gulf, as well as activating regional Shia proxies in Lebanon, Iraq, Syria and Yemen. The Strait of Hormuz saw shipping transits drop to a trickle from a pre-war average of 130 per day (of which half were energy tankers).

Since Gulf states began exporting oil in the 1930s, the Strait of Hormuz has become a “Sixth Key to the World”, given its market share in energy and petrochemicals, but also as within it lies all of the world’s spare oil capacity. The geography of global chokepoints doesn’t change but their significance varies according to economic import.

Key Performance Numbers

-4.6%	Monthly performance
6.1%	Year-to-date performance
14.1%	5-year CAGR (net of fees)
-0.1	5-year correlation to European equities*

As at 31-Mar-26. *Euro Stoxx NR Index. Past performance is not a reliable indicator of future results.

Key Fund Details†

GBP I	446.06
GBP A	395.14
GBP R	379.47
USD I	256.38
EUR I	351.61

Fund AUM (£m)	561m
Fund Inception	18 Feb 2009
Fund Type	UCITS Long/Short
Fund Domicile	UK
Base Currency	GBP
Sector	IA Targeted AR
Dealing Frequency	Daily
Prime Broker	UBS

Strategy

Argonaut Absolute Return

A long/short strategy focused on mainly pan European equities dedicated to seeking non-correlated absolute returns via an active, fundamental investment approach and a concentrated portfolio of investments. The Fund typically holds 30-50 long positions and 20-50 short positions.

For full details see fund prospectus

Portfolio Manager

Barry Norris, CFA

Barry began managing European equity portfolios at Neptune Investment Management in 2002 having begun his career at Baillie Gifford. He graduated from Cambridge University (MA History & MPhil International Relations) and holds the CFA. Barry founded Argonaut Capital Partners LLP in 2005.

For more information see argonautcapital.co.uk

*MSCI Europe NR

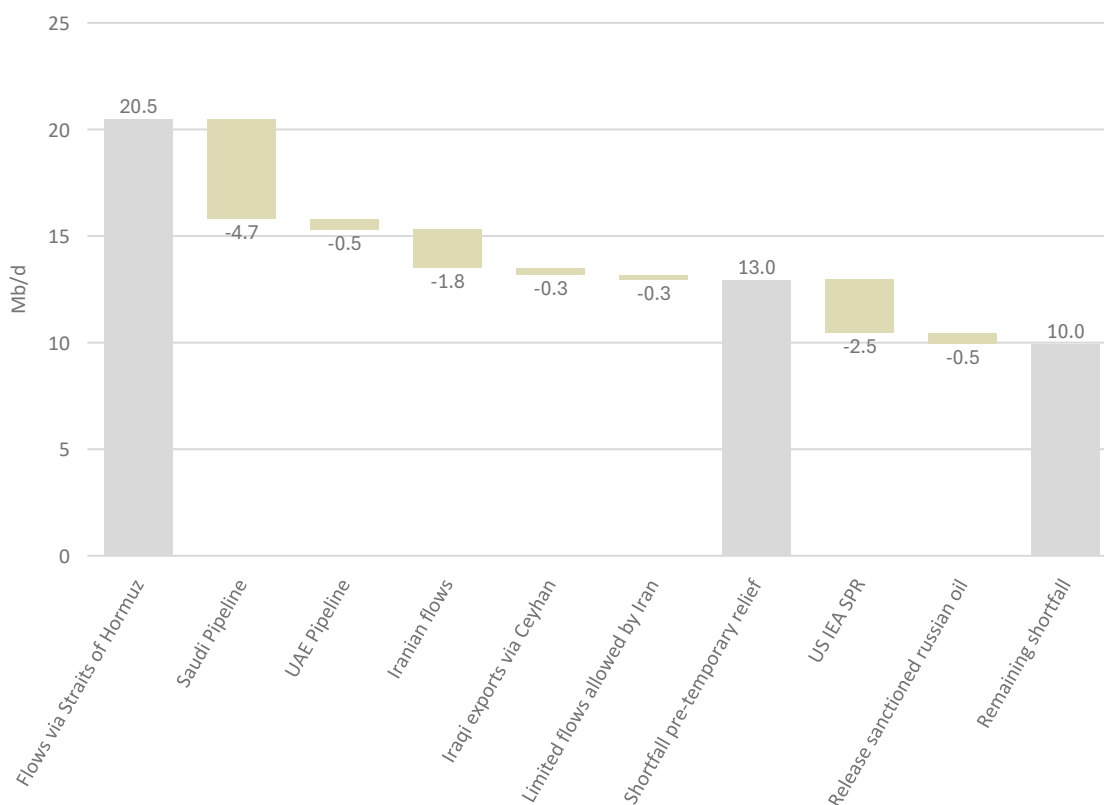
Sources: Argonaut Capital Partners LLP internal unaudited data and refers to the £ I share class.

†Yealand, Bloomberg & Morningstar, calculation on a NAV basis with net income reinvested. All data shown as at 31 March 2026

The conflict has demonstrated that Iran has de facto military and economic control of the Strait of Hormuz, which the world’s best resourced conventional military has not and perhaps cannot challenge. Drones, missiles, artillery, torpedoes, and swarming speedboats, with highly combustible, slow targets, now allow Iran to wage an asymmetric “guerrilla” war, in which, to paraphrase Kissinger on the Viet Cong, it requires only a military tie for economic and political success. Iran’s de facto control of the Strait of Hormuz is – regardless of when the official war ends – bad news for the global economy and in particular for the Gulf countries.

Let us quantify the energy shock (see Fig. 1 “Oil Deficit”). Oil exports via Hormuz pre-conflict were 20.5 m/b/d (roughly 20% of global demand and one third of global exports, including refined products). Saudi Arabia can divert up to 5m/b/d via its East-West pipeline to Yanbu (so far unharried by the Houthi). There is also 1.8m/b/d of Iranian exports, which the US curiously allows to pass through its navy in the Gulf of Oman. This leaves world energy markets with a shortfall of 13m/b/d (12.5% of global demand), which has been temporarily (4-8 weeks) reduced by 3m/b/d to 10m/b/d (9.6% of global demand) by strategic inventory and floating sanctioned oil releases.

Fig. 1 - Shortfall from closure of the Strait of Hormuz



Source: Argonaut Capital, EIA, UBS

Putting this into the perspective of historic energy crises (see Fig. 2 “Historic Energy Crises”), the 6-month OPEC embargo of 1973-4 removed 8% of global oil production (during which the crude price rose +313%); the 1979 to 1983 Iran Crisis/OPEC cuts 17% of global oil production (crude +178%); the 2022 Russia-Ukraine war 3.5% of global oil production (crude +44%) but 25% of European gas (TTF +385%). So given the magnitude of crude oil lost to the market (8%-12.5%, depending on treatment of inventory drawdowns) the recent move in Brent crude (+70%) is to date still quite benign. Absent a restoration of Gulf flows, the equilibrium of oil markets can only be restored by demand destruction of at least 10m/b/d, which will likely require a crude oil price of \$130-160/b. This scale of demand destruction has always involved a global recession. A partial restoration, which now looks the most likely outcome, will still be immensely problematic.

Fig. 2 – Historic Energy Crises



Source: Argonaut Capital

Most of the energy flows from the Gulf go (in order of prominence) to China, Japan, India and South Korea. Asia is already experiencing demand destruction, with its petrochemical and refining industries already short of feedstock, having to curtail production. Airlines are already cancelling flights. Governments have instructed employees to work from home. Given refineries are further disrupted by the non-fungibility of crude grades and bans of exports of refined product, there are already physical shortages of jet fuel, bunker fuel, naphtha and diesel that go beyond the volume of crude lost.

Europe has so far been insulated by its sourcing oil mostly from the Atlantic basin, and owing to longer voyage times, its oil on the water from the Middle East still arriving, though cargoes originally destined for Europe are already being outbid by Asia. Like the delayed effect of COVID, Europe will likely be in crisis by mid-April. This would significantly lift the price of Brent crude.

The US (which is largely self-sufficient save for refined product in California) will be the last to be impacted, probably by mid-May. This of course buys the Trump administration more time, which is not necessarily good news for either Europe or Asia. US Treasury Secretary John Connally famously said about the US termination of Bretton Woods and subsequent US dollar depreciation in 1971 that it was “our currency, but your problem”. Equally, the US could now say to the rest of the world that Iran is “our war, but your problem”.

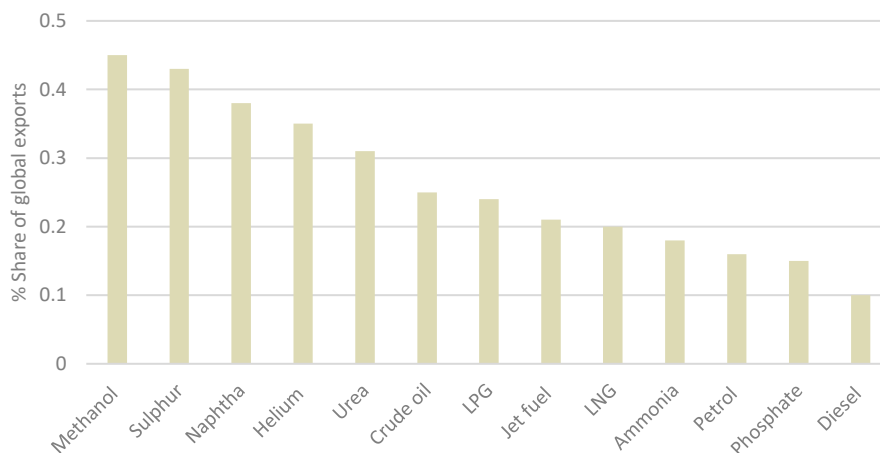
Prediction markets currently think there is just a 52% chance of a ceasefire by the end of May (and 38% by the end of April). This is an ill portent for a stag-flationary bust just like in 1973 (a year when the FTSE All-share lost 65%). Global equity indices are currently just 7% off their all-time highs, so risk/reward seems to us asymmetrically skewed to the downside.

Everywhere the interest rate futures market has gone from expecting cuts to hikes in policy rates. The Federal Reserve, the ECB, and the BOE all kept rates on hold at their March meetings but their rhetoric was more hawkish, owing to risks to inflation from the Iran conflict. Before the outbreak of the conflict, interest rate futures were expecting cuts (65bps from the Fed, 15bps from the ECB, 50bps from the BOE) now they are forecasting hikes (10bps from the Fed, 75bps from the ECB, 65bps from the BOE). In EM, Brazil and Mexico delivered cuts, but we are now more sceptical (as rightly is the market) about the continuation of any EM rate cutting cycle. These moves in the government bond market are by themselves worth a correction in all financial assets.

As a result of the 1973 OPEC embargo, Britain started to drill for oil and gas in the North Sea, so that by the second crisis in 1979 it became relatively insulated and then a beneficiary of higher oil prices. It seems that politicians were smarter then than now. Despite a second energy crisis in five years and a UK-wide poll showing 74% of adults agreeing that the UK should “produce as much of its own oil and gas as possible rather than rely on imports”, Energy Secretary Ed Miliband apparently vetoed plans to rescind a ban on new North Sea oil and gas exploration licences. If more renewables was an economic solution for cheap and reliable energy, rather than a political indulgence, Europe would already be winning. Instead, in response to yet another standard of living crisis, our political class will double-down on what has never worked, and like a Mesoamerican religious cult, offer up their economies on the altar of human sacrifice. The UK 10-year gilt broke 5% yield for the first time since 2007 (it peaked at 4.49% under Kwarteng/Truss in 2022).

The *de facto* closure of Hormuz is of course not only an energy problem (see Fig 3. Gulf exports). Global export market shares from the Gulf are notably high for Methanol (45%), Sulphur (43%), Naphtha (38%), Helium (35%), Urea (31%), and Ammonia (18%). Even if Hormuz reopened tomorrow, inventories will need to be rebuilt, whilst the scale of damage to production capacity is not clear. This inevitably means that the global economy will be subject to significant cost push inflation and *force majeure* physical outages, whilst petrochemical companies with cheap and reliable local feedstock (think US companies with the advantage of Henry Hub, which is just 15-20% of the price of European TTF gas) will be in for a period, perhaps prolonged, of windfall profits, since they are able to sell their product at a higher global price (naphtha +97%, ethylene +94%, acrylic acid +69%, acrylonitrile +57%, toluene +51%, propylene +42%, benzene +35%, MDI +33%, TDI +34%, methanol +27%), whilst the costs and time of building new plant in North America remains prohibitive.

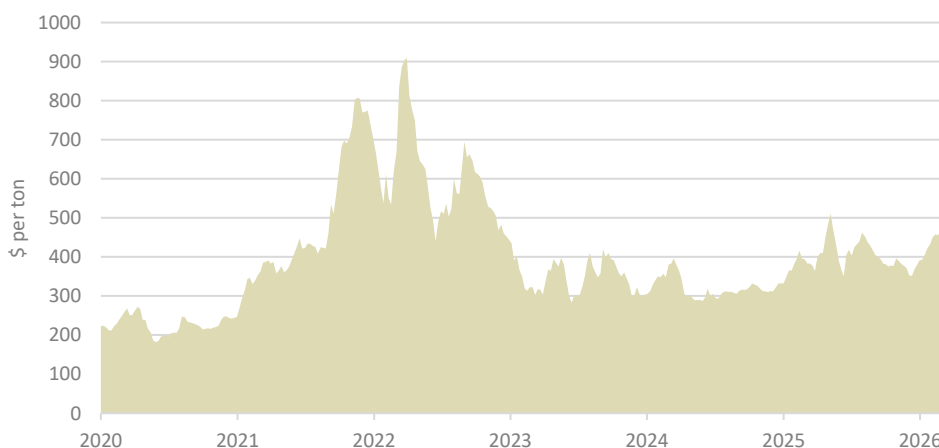
Fig. 3 – Gulf Exports: % of global exports flowing through Strait of Hormuz



Source: Argonaut Capital, Kepler

We are particularly intrigued by soft commodities. Given the loss of ammonia (core feedstock) and urea (downstream product) exports from the Gulf, we are heading for another period (as in 2022) of elevated prices for nitrogen fertiliser. In fact, this time it could be much worse as China (20% Urea global exports) and Russia's (15% export share) have responded by banning or restricting their own fertiliser exports (a great example of how global supply chains become even less reliable with second order effects). This means that up to two thirds of the global export supply for urea is currently at risk, with little prospect of new or idle capacity coming to the rescue, or farmers being able to switch to alternative products. The most widely watched benchmark US Gulf NOLA Urea (See Fig 4. "Nola") has increased from \$460 to \$687/ton since the outbreak of war, but for now remains below its \$900/ton peak on the outbreak of the Russia Ukraine conflict.

Fig. 4 – 'Nola': US Gulf Urea Granular Spot Price



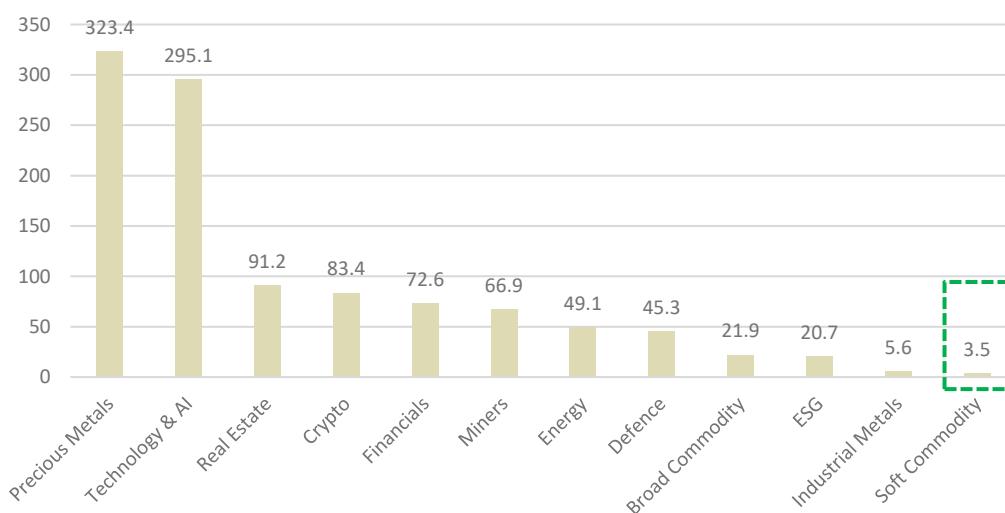
Source: Argonaut Capital, Bloomberg

Farm economics before the recent spike in fertiliser prices were already poor. Since the previous 2022 peak, agricultural prices have been in a bear market (wheat -58%, cotton -56%, corn -44%, sugar -42%, rice -38%, soy -35%), with most crops at best break even. It therefore seems likely that farmer planting intentions, particularly for nitrogen intensive crops (wheat, corn, cotton, rice, sugar) have peaked and will likely get revised down, with the quantum of the revision dependent on the duration of elevated nitrogen fertiliser prices relative to crop prices. This means higher soft commodity futures prices before farmers contemplate more supply.

We also need to consider demand for biofuels, which are supported by government regulation requiring increased use through blending with oil products. In Brazil and India, this comes in the form of sugar use for ethanol, which is then blended at higher quantities in petrol. In Europe, this has recently focused on use of recycled animal fats in sustainable aviation fuel (SAF). During the month, the Trump administration announced more generous regulations further supporting biomass-based diesel, whereby implied biomass-based diesel demand would equate to 6.4bn gallons in 2026 and 6.8bn in 2027, up from 3.5bn in 2025. This increase in demand would equate to 16bn gallons of increased feedstock annually, roughly one quarter of feedstock produced in the US for biodiesel (predominantly soybean/canola oil and animal fats).

Ever since the outbreak of the Russian Ukraine conflict in 2022, Argonaut has been successfully hedging geopolitical risk through a carefully constructed trident of oil tankers, gold miners and defence companies (see <https://www.argonautcapital.co.uk/blog/articles/2024/04/22/guns-n-kurtosis-investing-in-the-new-cold-war-era/>). But as Von Moltke (the Elder) warned in 1871, “first contact” more often than not requires a Plan B. We had already been reducing gold mining positions, concerned that gold had done too well, was too well owned and had become too highly correlated to risk assets, and been considering alternatives, particularly as gold miners are now likely to be squeezed by higher costs. Defence stocks have been too well-owned already to see new money in a liquidity crisis. Whilst tankers benefit from dislocation, volatility and partial reopenings and rerouting, the prospect of an absence of cargoes from the Gulf means is somewhat binary. So our own “battle plan” after “first contact” with a liquidity crisis has been revised to include more unpopular hedges. Our analysis of \$1.1 trillion of AUM across 687 sector ETF’s and ETC’s suggest a mere \$3.5bn currently residing in soft commodities (See Fig 5. “ETF AUM”). Therefore we believe that soft commodities can now be the “new gold” in terms of geopolitical and debasement hedge.

Fig. 5 – ETF AUM by Sector (\$bn)



Source: Argonaut Capital, Bloomberg

Recognising that the outlook for markets is somewhat binary (though we would argue asymmetric) and dependent on military and diplomatic “unknown unknowns” should not in our view absent us from having a geopolitical point of view. By the time you read this there is a chance that the conflict could already be over, so all predictions are a hostage to fortune (which throughout history has at least been more fortunate than being an Iranian hostage).

It seems likely that the President Trump believed/persuaded that the US and Israel could decapitate the Iranian regime like they had Maduro’s in Venezuela but that Iran’s decentralised “mosaic” defence and “horizontal escalation” including direct attacks on the Gulf

states and de facto closure of Hormuz were a surprise. Unlike the 12-day war in June 2025 whereby the US declared victory and imposed a ceasefire, Iran has refused any off-ramp, since it believes it is winning and does not want to give its enemies time to regroup.

After threatening to bomb Iran's power plants if Hormuz was not "reopened", Trump announced a grace period, now extended to April 6th, sending Iran a 15-point peace plan via Pakistani intermediaries, which Iran has dismissed, sending its own counterproposal. The conflict is in our view already locked in a military and diplomatic stalemate, which better suits Iran, since it has already been expelled from the global capitalist system and the US navy continues to allow its oil exports through the Gulf of Oman unabated.

Unless both sides make concessions, which today seems unlikely, the deadlock will continue and the US could be drawn into a ground war, which could quickly become a strategic quagmire, similar to the Russian war in Ukraine, or even a wider Shia/Sunni conflagration, with significant destruction of regional energy, power and desalination infrastructure.

If the US was to walk away, which is apparently being considered by President Trump, it seems unlikely that the global economy would return to the previous status quo, since the US would leave their Sunni Gulf allies at the mercy of Shia Iran, militarily and economically (particularly with Iran's insistence of turning the Strait of Hormuz into an Iranian policed toll aka an "Aya-Toll-ah").

Any partial reopening without restoration of free and safe navigation would result in structurally lower exports, and permanently higher risk premiums being placed on OPEC crudes, spare capacity and petrochemical supply chains, at least until this could be partially mitigated by alternative pipeline capacity. So the war might end but the global economy would be boiled like a frog.

So we are already at the stage where there are no good outcomes, only less bad, over different time periods. The arguments in favour of all-time highs for the value of financial assets seem anchored in the assumptions of a past, or to paraphrase L.P. Hartley, a foreign country where they did things differently.

Barry Norris
April 2026



YFS Argonaut Absolute Return



PERFORMANCE (%)

	1M	3M	1YR	3YR	5YR	YTD	ITD	ITD CAGR
Argonaut AR Fund	-4.6	6.1	18.8	61.7	93.0	6.1	346.1	9.3
EURO STOXX NR	-8.4	-2.5	12.5	40.3	55.0	-2.5	293.1	8.5
IA Targeted Absolute Return	-2.9	-0.4	6.1	19.0	24.3	-0.4	134.4	4.7

DISCRETE YEARLY PERFORMANCE (%)

1-year to	31 Mar 22	31 Mar 23	31 Mar 24	31 Mar 25	31 Mar 26
Argonaut AR Fund	17.3	1.8	26.3	7.8	18.8
EURO STOXX NR	2.5	7.7	16.6	6.9	12.5
IA Targeted Absolute Return	3.7	0.4	7.1	4.6	6.1

KEY STATISTICS SINCE INCEPTION

Annualised Net Return	9.3
Annualised Volatility	12.6
Correlation vs. European equities	0.0
Average Long Alpha	4.9
Average Short Alpha	6.6
Best Month	15.0
Worst Month	-10.8
Average ROIC	13.0
Upside Capture	23.1
Downside Capture	-25.0

Source: Argonaut Capital Partners & Morningstar

MONTHLY & CALENDAR YEAR PERFORMANCE (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Correlation*	ROIC+	Std. Deviation	Sharpe
2009					0.9	-0.2	3.4	8.9	0.4	-4.2	-3.4	3.7	9.4	0.7	12.0	15.7	1.2
2010	-1.2	-0.2	0.1	3.4	-2.1	-2.7	-1.8	-2.1	1.2	-0.5	3.8	3.4	1.1	0.2	-3.5	8.1	-0.2
2011	-3.5	-0.4	0.1	4.7	1.7	1.0	1.2	-1.1	1.2	0.4	0.6	0.5	6.4	0.2	41.5	6.6	0.4
2012	-0.1	1.3	-0.2	0.3	-1.0	0.2	0.1	2.1	0.5	1.0	0.3	1.1	5.6	0.4	19.1	2.8	1.1
2013	0.7	3.3	-0.6	3.1	3.1	3.5	2.4	-1.4	2.8	10.0	4.0	3.4	39.7	0.2	50.7	9.9	2.9
2014	1.1	2.9	0.9	-4.8	1.1	0.8	-1.5	-0.7	3.4	-0.3	8.1	2.4	13.6	0.3	27.2	10.8	0.7
2015	5.0	-2.5	2.2	-1.6	1.8	-1.1	3.1	0.6	2.8	-2.6	1.8	1.3	11.0	0.0	15.1	8.3	1.0
2016	-2.5	-5.6	-3.5	-4.4	2.6	-8.5	-1.0	-1.1	0.9	1.1	-3.3	-3.4	-25.6	0.3	-44.9	10.8	-2.7
2017	0.0	-1.3	-2.0	-0.2	4.2	-3.0	2.4	7.4	-3.2	6.1	6.1	0.3	17.3	-0.4	20.4	12.9	2.2
2018	6.9	-1.5	-1.7	-2.4	-3.9	-0.6	1.5	2.1	-0.7	-10.8	-0.4	0.0	-11.7	0.4	-0.3	14.3	-1.0
2019	-2.6	-0.3	1.8	2.6	5.1	4.1	0.6	6.2	-7.5	1.5	-2.5	4.0	12.8	-0.6	4.6	13.5	1.0
2020	4.3	2.2	15.0	-1.5	-3.4	3.4	2.6	3.4	2.5	-3.1	-9.2	0.9	16.6	-0.8	21.8	20.0	1.0
2021	-2.1	0.7	5.8	-0.3	1.9	-7.1	-0.9	0.8	-0.3	4.4	4.3	3.4	10.3	0.4	11.0	12.1	0.6
2022	5.4	3.7	1.4	6.2	4.0	-7.7	-7.8	3.8	-0.4	5.0	-3.2	1.4	11.2	-0.1	13.8	16.8	-0.1
2023	-10.4	6.8	6.0	-0.3	2.5	-5.0	-0.1	4.3	1.6	7.5	2.1	0.0	14.6	-0.7	19.5	17.6	1.0
2024	5.1	4.0	2.4	0.7	-1.1	-1.5	-3.2	0.0	-3.9	1.4	9.4	2.1	15.5	0.2	8.8	11.1	0.7
2025	4.0	0.6	-0.3	-3.5	4.3	-0.7	1.5	3.8	2.2	0.9	1.6	1.5	16.9	0.2	11.4	12.1	1.5
2026	8.1	2.9	-4.6										6.1	0.2	6.9	13.5	1.0
	CAGR Since Inception												9.3	0.0	13.0	12.6	0.5

Source: Argonaut Capital Partners, Bloomberg & Morningstar as at 31-Mar-26. All performance data above refers to YFS Argonaut Absolute Return Fund, uses the GBP I Acc share class and is net of fees. *Correlation calculated in base currency on a monthly basis versus Euro STOXX NR Index. +ROIC calculated as contribution to return over percentage exposure, as at market close. Standard Deviation calculated by annualising monthly returns in base currency. Figures for 2026 YTD calculated using daily returns. YFS Argonaut Absolute Return Fund's prospectus changed in 2021 from being 'predominantly' to 'mainly' pan European equity exposure. Past performance does not guarantee future results and the value of all investments and the income derived therefrom can decrease as well as increase.

TOP 5 LONG POSITIONS

	% NAV
Darling Ingredients	5.4%
Neste Oyj	5.0%
Archer-Daniels-Midland Co	4.9%
Methanex Corp	4.6%
Energy Transfer LP	4.4%

MARKET CAP BREAKDOWN

	LONG	SHORT
>\$50bn	12.7%	-9.6%
\$20-50bn	31.1%	-15.8%
\$5-20bn	29.2%	-20.5%
\$1-5bn	24.0%	-12.9%
<\$1bn	4.9%	-4.6%

FUND EXPOSURES

	% NAV
Long Exposure	101.9%
Short Exposure	-63.4%
Gross Exposure	165.3%
Net Exposure (Reported)	38.5%
Net exposure Beta-Adj. (6m beta)	-32.1%

TOP 5 SHORT POSITIONS

	% NAV
Consumer Staples	-1.9%
Utilities	-1.9%
Information Technology	-1.7%
Financials	-1.6%
Consumer Discretionary	-1.5%

DAYS TO LIQUIDATE

	% PORTFOLIO
Less than 1 day	67.9%
1-5 days	20.2%
More than 5 days	11.9%

Days to liquidate positions in the portfolio using 20% of the 90-day average daily trading volume.

OTHER

# of long positions	45
# of short positions	73

IMPORTANT INFORMATION

These figures refer to the past. Past performance is not a reliable indicator of future results.

This document is a marketing communication. Before subscribing, please read the prospectus and the KIID, available at argonautcapital.co.uk. Any past performance or references to the period prior to 14 July 2012 relate to the Ignis Argonaut unit trusts. The performance calculation shown is based on the GBP 1 share class. If the past performance is shown in a currency which differs from the currency of the country in which you reside, then you should be aware that your performance may increase or decrease as a result of currency fluctuations.

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EQUITY EXPOSURE BY GEOGRAPHY (%)

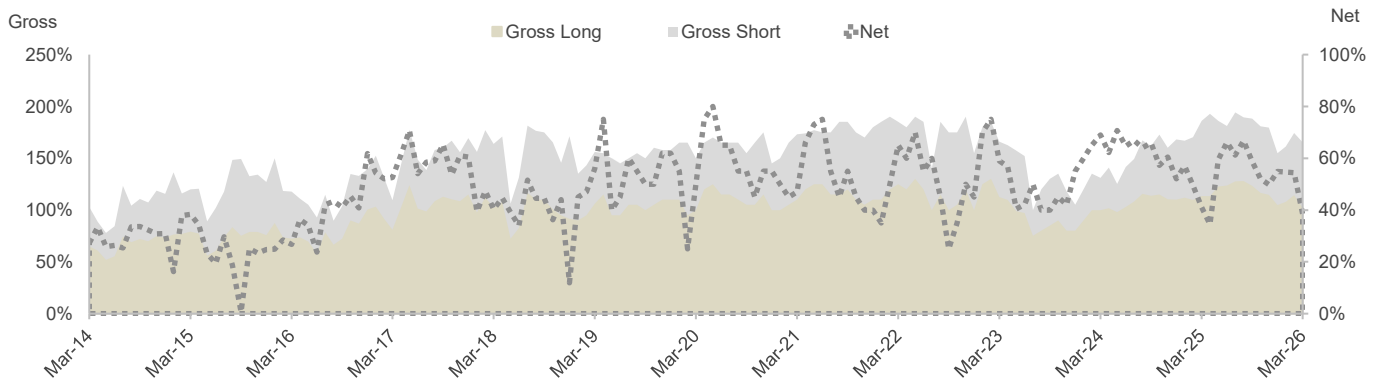
Country	Long	Short	Gross	Net
United States	53.2	-32.0	85.2	21.2
United Kingdom	20.0	-6.7	26.7	13.3
Greece	6.0	0.0	6.0	6.0
Finland	5.0	-0.4	5.4	4.6
Austria	4.8	0.0	4.8	4.8
Hungary	4.0	0.0	4.0	4.0
Germany	4.0	-1.7	5.7	2.3
Norway	2.1	-0.7	2.8	1.4
Other	2.8	-21.9	24.7	-19.1
Total	101.9	-63.4	165.3	38.5

Source: Argonaut Capital & Bloomberg. Equity sector exposure as classified by GICS.

EQUITY EXPOSURE BY SECTOR (%)

Industry	Long	Short	Gross	Net
Materials	25.7	-5.7	31.4	20.0
Consumer Staples	21.8	-5.1	26.9	16.7
Financials	18.2	-9.8	28.0	8.4
Energy	14.8	0.0	14.8	14.8
Industrials	9.9	-5.2	15.1	4.7
Utilities	7.5	-4.5	12.0	3.0
Healthcare	4.0	-2.6	6.6	1.4
Telecoms	0.0	-1.0	1.0	-1.0
Other	0.0	-29.5	29.5	-29.5
Total	101.9	-63.4	165.3	38.5

GROSS & NET EQUITY EXPOSURE OVER TIME



Note: Allocation figures are taken at close of business whereas Fund performance is taken at 12pm. Equity exposure includes all equity related instruments. All sources, unless otherwise stated, are Argonaut Capital & Bloomberg. All data shown as at 31 March 2026.

SHARE CLASS INFORMATION

Share Class	GBP I (Acc)	EUR I (Acc)	USD I (Acc)
SEDOL	B79NKW0	B779CH9	BH36TH3
ISIN	GB00B79NKW03	GB00B779CH97	GB00BH36TH37
Bloomberg	IMEAIAG LN	IMEAIAE LN	IMEAIAU LN
Front End Fee	0%	0%	0%
Management Fee	0.75%	0.75%	0.75%
Ongoing Charge	0.87%	0.87%	0.87%
Performance Fee	20% of gains above hurdle rate subject to the unit price exceeding the high-water mark		
Hurdle	5% per annum		
High Water Mark	Yes		
Anti-Dilution Levy	A dilution levy may be applied if net inflows/outflows are 2.5% or over on one day		
Minimum Investment	£3,000,000	£3,000,000	£3,000,000
Minimum Top Up	£1000	£1000	£1000
Regular Savings Scheme	N/A	N/A	N/A
ISA available	N/A	N/A	N/A

Source: Argonaut Capital Partners. See Prospectus for more detail.

INVESTOR INFORMATION

Dealing Frequency	Daily
Dealing Time	12pm
Valuation	Daily
Share class hedging	Non-base ccy share classes hedged
Dividends	Accumulation shares only
Price Reporting	Prices published daily

SERVICE PROVIDERS

Authorised Corporate Director (ACD)	Yealand Fund Services
Prime Broker	UBS
Auditor	Moore Kingston Smith LLP
Custodian	Caceis
Depositary	NatWest Trustee & Depository Services
Accountant	Yealand Fund Services
Legal Counsel	CMS

FUND OVERVIEW

Objective: the YFS Argonaut Absolute Return Fund ('The Fund') aims to provide positive absolute returns over a 3-year rolling period regardless of market conditions. The Fund is not managed against any formal benchmark. Capital is at risk and there is no guarantee that a positive return will be delivered over the 3-year rolling period or in respect of any other time period.

Investment Approach: The Fund deploys a long/short strategy focused on mainly pan European equities and is dedicated to seeking non-correlated absolute returns via an active, fundamental investment approach and a concentrated portfolio of investments. The Fund typically holds 30-50 long positions and 20-50 short positions.

Risk Considerations: The Fund has considerable latitude over its allocation both long and short equities and it may employ leverage and own sophisticated instruments such as futures and options. The Fund may also hold a large weighting in a small number of investments and may therefore be subject to larger than normal swings in its value. The performance stream is likely to be volatile and the Fund is suitable only for investors who have a long-time horizon (>5 years) and can tolerate high risk. Investors may not get back all the money invested and an investment in this Fund should only form part of an investor's total portfolio. Investors should discuss the suitability of this Fund with their professional adviser. **The Fund uses derivatives and may be leveraged, which increases the risk of capital loss.**

IMPORTANT INFORMATION

This is a marketing communication and it is not intended to be viewed as a piece of independent investment research.

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The capital you invest is at risk and you may lose some or all the money you invest. Past performance does not guarantee future results and the value of all investments and the income derived from them can decrease as well as increase.

Don't invest unless you're prepared to lose all the money you invested. This is a high-risk investment and you are unlikely to be protected if something goes wrong. Take 2 mins to learn more.

Investments that have an exposure to currencies other than the base currency of the Fund may be subject to exchange rate fluctuations. This communication and the information contained therein is a financial promotion for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom and the rules of the FCA. The distribution of this communication may, in some countries, be restricted by law or regulation. Accordingly, anyone who comes into possession of this communication should inform themselves of and observe these restrictions. Argonaut Capital Partners is not liable for a breach of such restrictions or for any losses relating to the accuracy, completeness or use of information in this communication, including any consequential loss.

Please always refer where appropriate to the relevant Fund prospectus and relevant key investor information document(s) before you invest. The Fund's prospectus and key investor information documents are available in English and may be obtained at argonautcapital.co.uk.

The Fund takes long and short positions based on the fund manager's views of the market direction. This means the Fund's performance is unlikely to track the performance of broader equity markets. While this creates the opportunity for the Fund to deliver positive returns in falling markets, it also means the Fund could deliver negative returns in rising markets. The use of independent ratings is not a recommendation to buy and is not a guide to future returns. This Fund is marketed to professional investors and eligible counterparties. It is not suitable for Retail Investors. Retail investors should seek further advice before investing. Yealand Fund Services is the Authorised Corporate Director (ACD) of YFS Argonaut Funds and is authorised and regulated by the Financial Conduct Authority. Registered office: Fountain Suite B, Lynch Wood Park, Lynch Wood, Peterborough, Cambridgeshire, PE2 6FZ.

Investors should refer to the Key Investor Information Document (KIID) and Supplementary Information Document (SID) before investing. For a copy, please telephone Yealand Fund Services on 01733 316 100 or visit www.argonautcapital.co.uk. Alternatively write to Yealand Fund Services – Argonaut, Fountain Suite B, Lynch Wood Park, Lynch Wood, Peterborough, Cambridgeshire, PE2 6FZ. The prospectus, KIIDS, the articles, the annual and semi-annual reports of the Fund may be obtained free of charge from the ACD. This communication is for general information purposes only and does not constitute professional advice. Argonaut Capital Partners accepts no responsibility for any loss arising from reliance on the information it contains. The value of shares and any income from them can fall as well as rise and is not guaranteed. Exchange rate movements may cause the value of overseas investments to fluctuate.

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