

A black and white photograph of two mountain goats standing on a dark, craggy rock face. The goat on the left is standing upright, facing slightly towards the camera, while the goat on the right is in a more crouched position, looking towards the left. The background is a dark, textured rock wall with visible horizontal and vertical fissures.

CG Asset Management

Q3 Webinar

Oct 2025

cgam

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Funds Summary

Strategy	Fund	ISIN	Launched	AUM ⁶	Dealing Frequency ²	AMC Fee	TER
Absolute Return Long only investments in a portfolio of bonds, equities and commodities	Capital Gearing Trust	GB0001738615	1982 ¹	£822m	Listed	0.41% ³	0.55%
	CG Absolute Return (EUR Hedged, USD Hedged available)	IE00BYQ69B30	2016	£663m	Daily	0.35%	0.47%
	Capital Gearing Portfolio (P,V shares)	IE00BG5Q6F12	2001	£223m	Daily	0.75%	0.87%
Real Return Long only investments in index linked bonds	CG Real Return Fund (GBP Hedged available)	IE0034304117	2004	£216m	Daily	0.30% / 0.20% ⁴	0.41%
	CG Dollar Fund (GBP Hedged, EUR Hedged and USD Unhedged available)	IE00B41GP767	2009	£428m	Daily	0.25% / 0.15% ⁵	0.37%
	CG UK Index-Linked Bond Fund	IE000ZSVG218	2023	£21m	Daily	0.15%	0.31%

¹ Peter Spiller began managing Capital Gearing Trust in 1982; ² Capital Gearing Trust is an Investment Trust listed on the London Stock Exchange, all other funds are Open Ended UCITS domiciled in Dublin; ³ Tiered fee structure, marginal rate is 0.3% above £500m; ⁴ 0.3% below £500m, 0.2% above; ⁵ 0.25% below £1bn, 0.15% above; ⁶ As of 30th September 2025

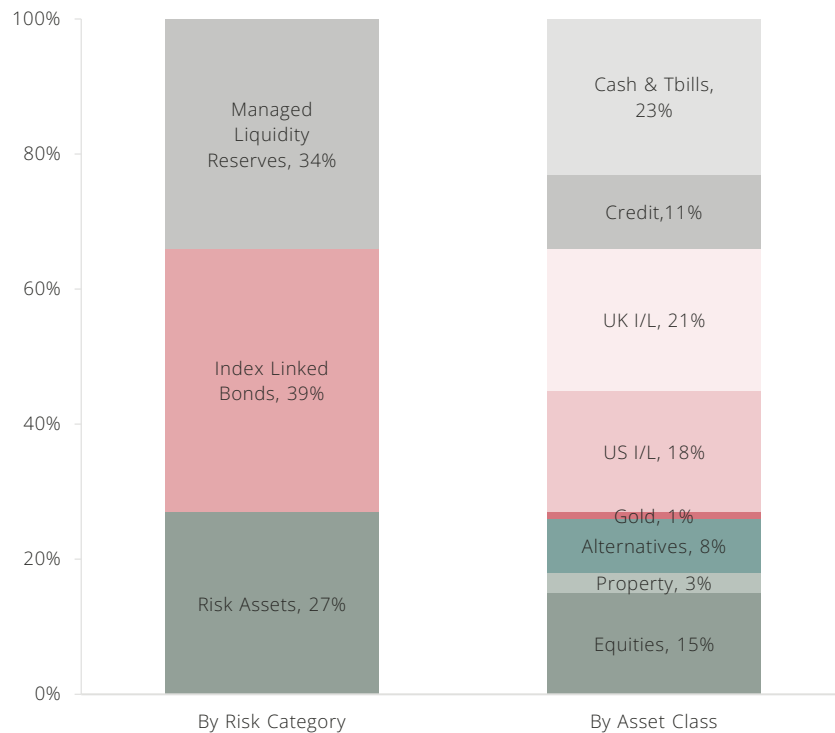
Positioning and Returns

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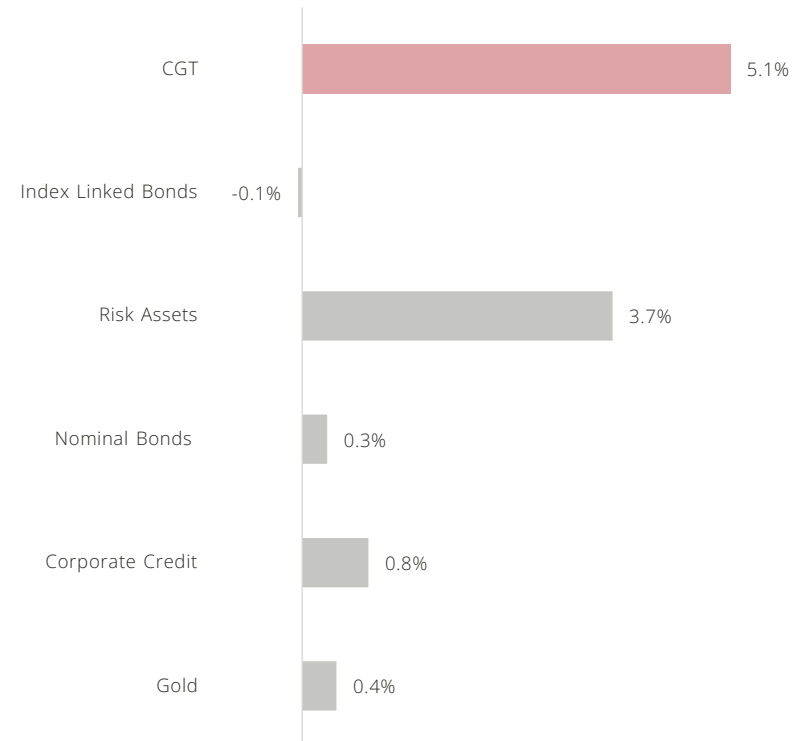


Positioning is defensive, with a focus on inflation protection

CGT Asset Allocation September 2025



Contribution by Asset Class LTM September 2025

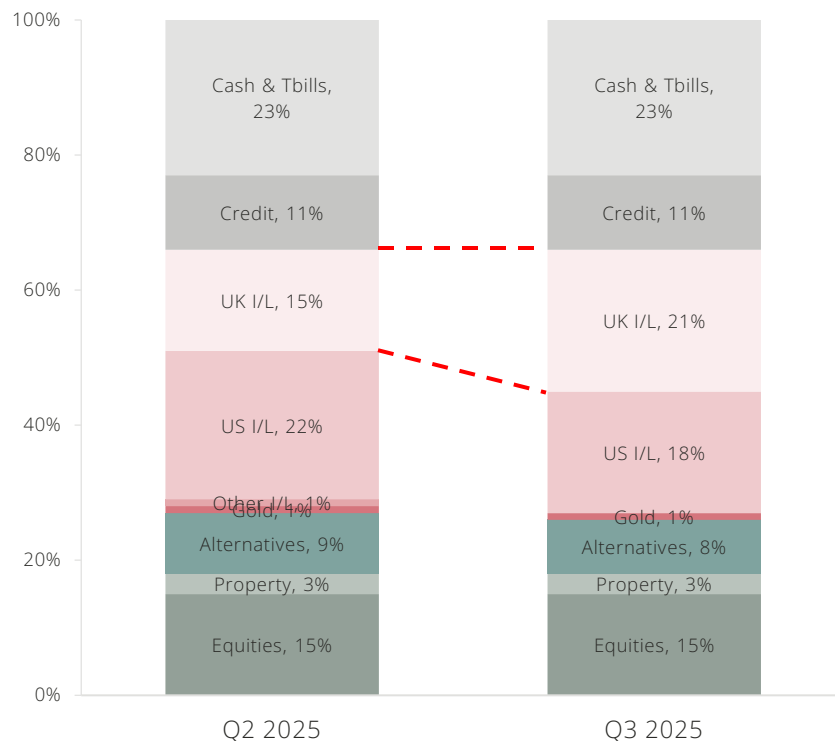


NAV performance net of fees

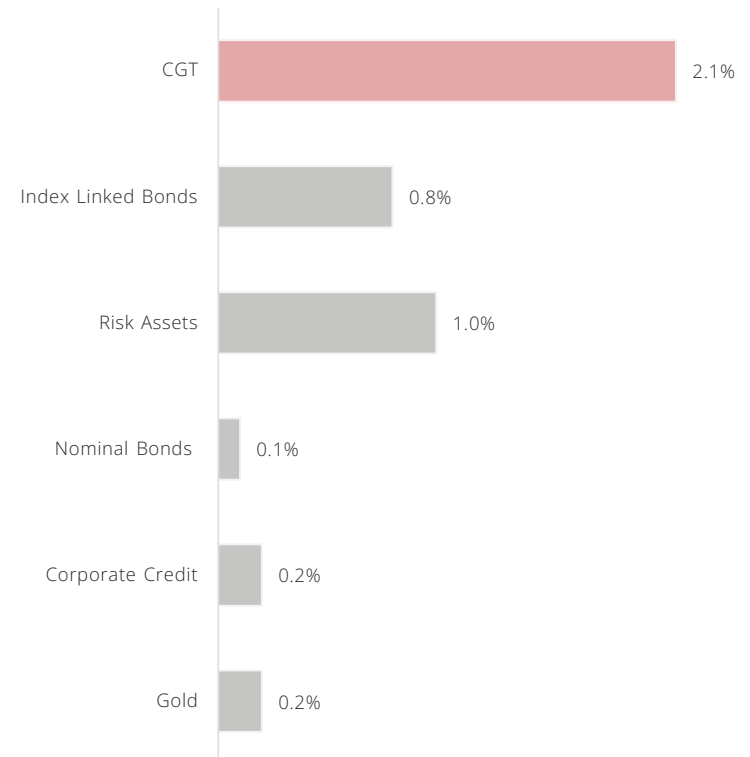
Source: CGAM, Bloomberg Finance L.P., Northern Trust

Over the quarter we have increased allocation to UK Index Linked Bonds

Changes to CGT's Asset Allocation over the Quarter



Contribution by Asset Class – 3Q25



NAV performance net of fees

Source: CGAM, Bloomberg Finance L.P., Northern Trust

Both equity and bond portfolios have contributed to outperformance

CGT Risk Assets Returns Performance to September 2025¹



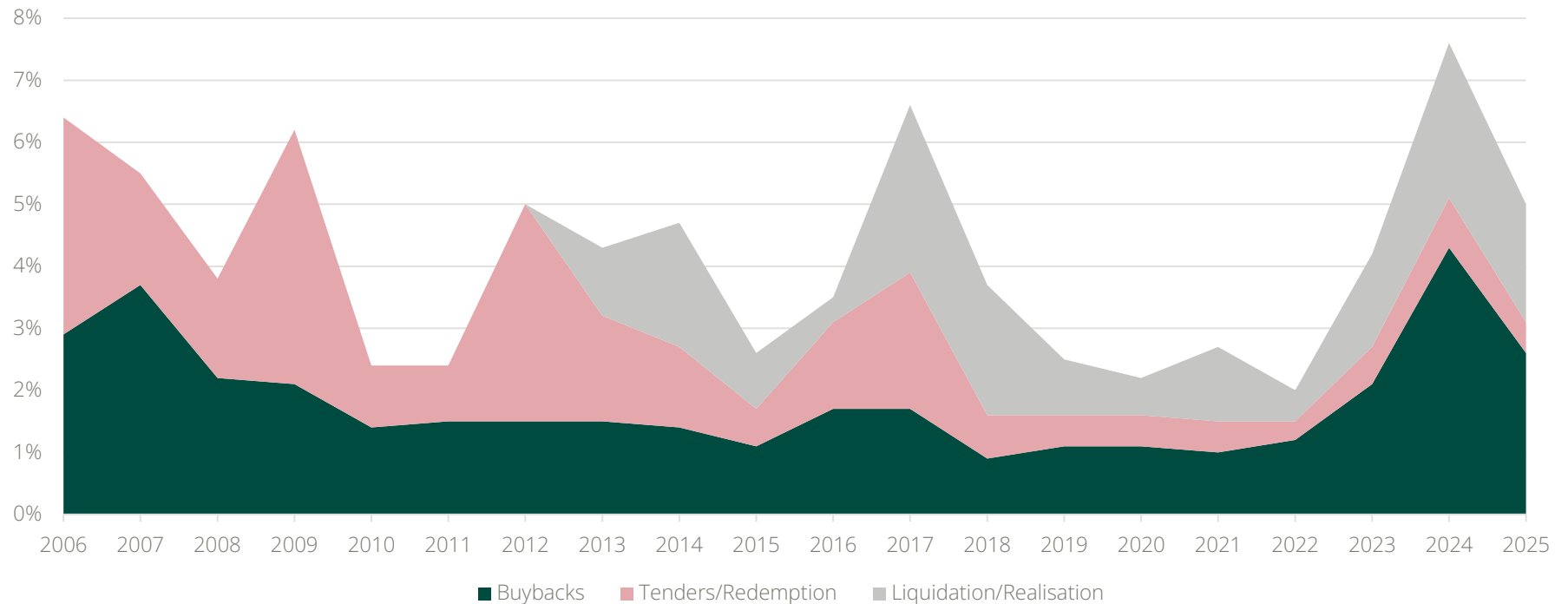
CGT Bonds Only Returns Performance to September 2025¹



¹Risk Assets include equities, property, alternatives and gold. Bonds include credit and sovereign bonds (excluding T-Bills and cash), start period reflects the longest period available for CGT under Bloomberg AIM
Source: Bloomberg Finance L.P., Northern Trust

Is the trust sector shrinking to irrelevance?

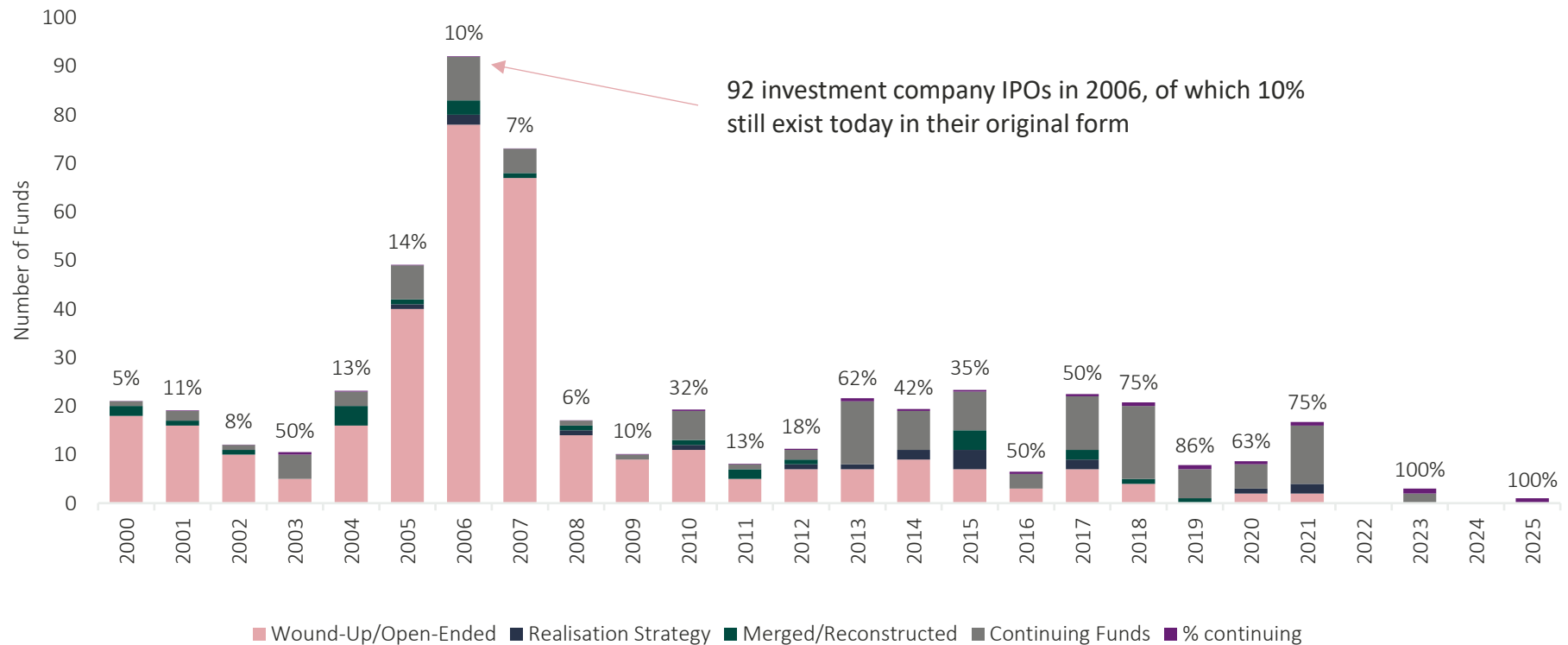
Capital Returned as % of Market Cap Since 2005



Source: Deutsche Numis

90% of the class of pre-GFC (04-08) have been wound-up or reconstructed

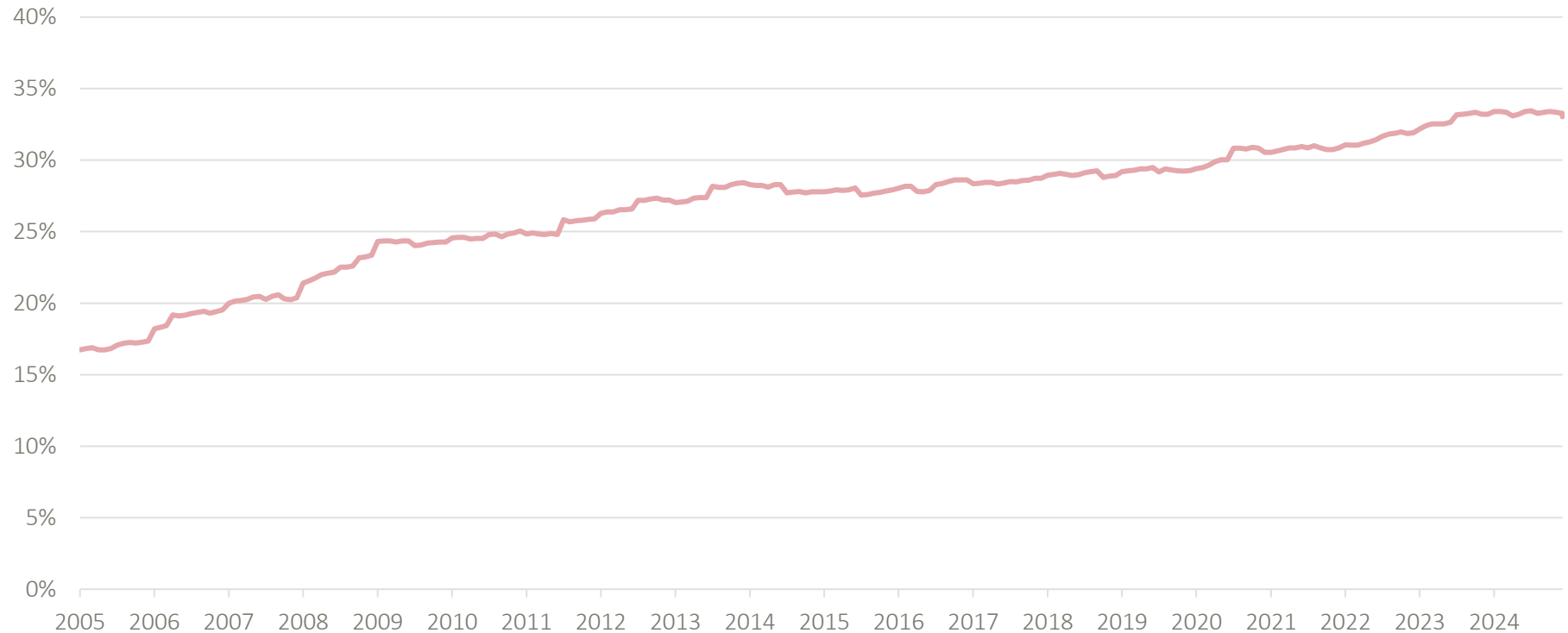
Status of Historic IPO Vintages



Source: Deutsche Numis

Investment Companies have been a growing part of the UK Market

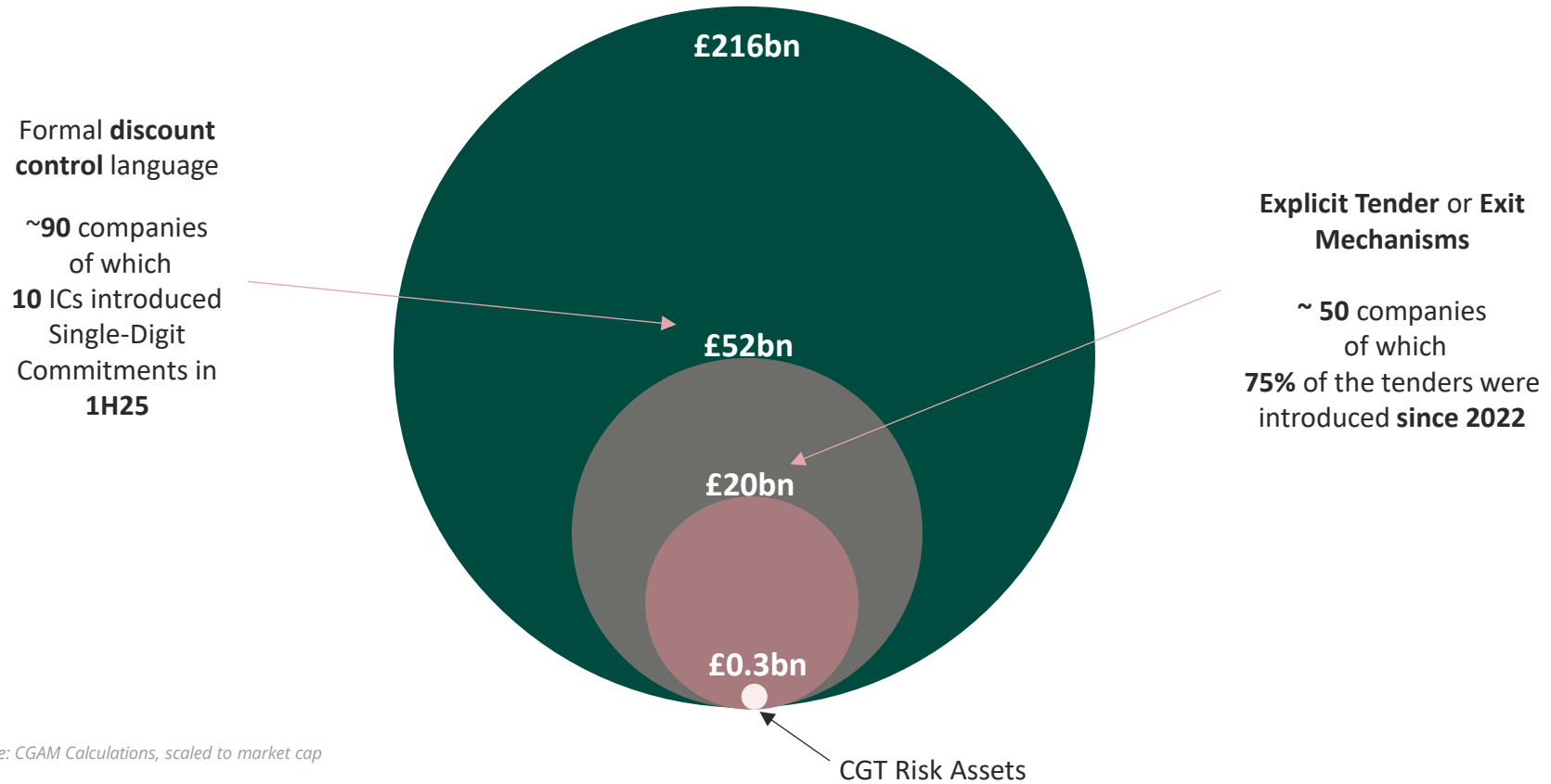
Number of Closed-End funds in the FTSE All Share (%)



Source: Bloomberg, Excludes REITS, includes all companies where security type is categorised closed-end funds

Our investable universe is growing

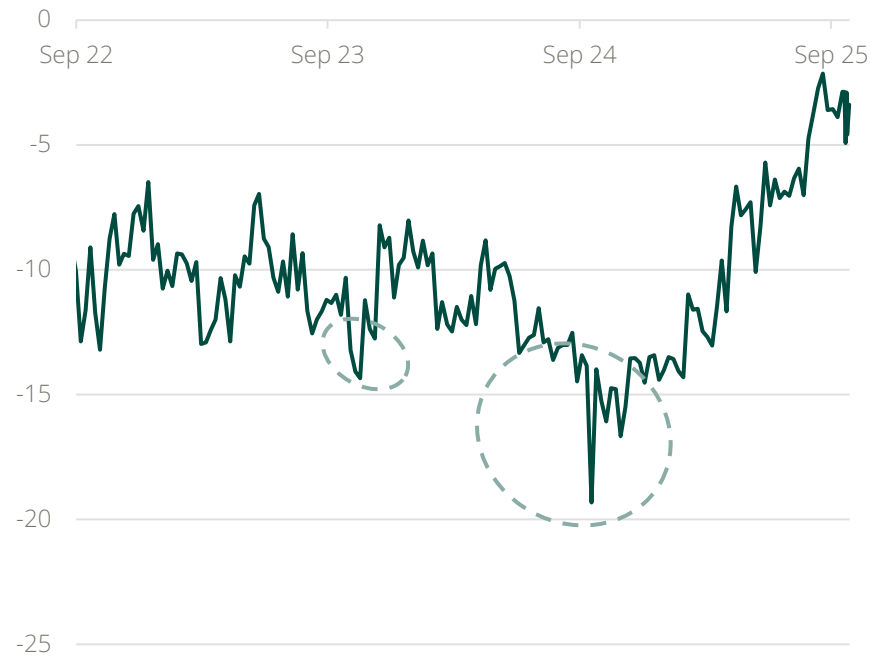
Investment Company Market Cap (£m)



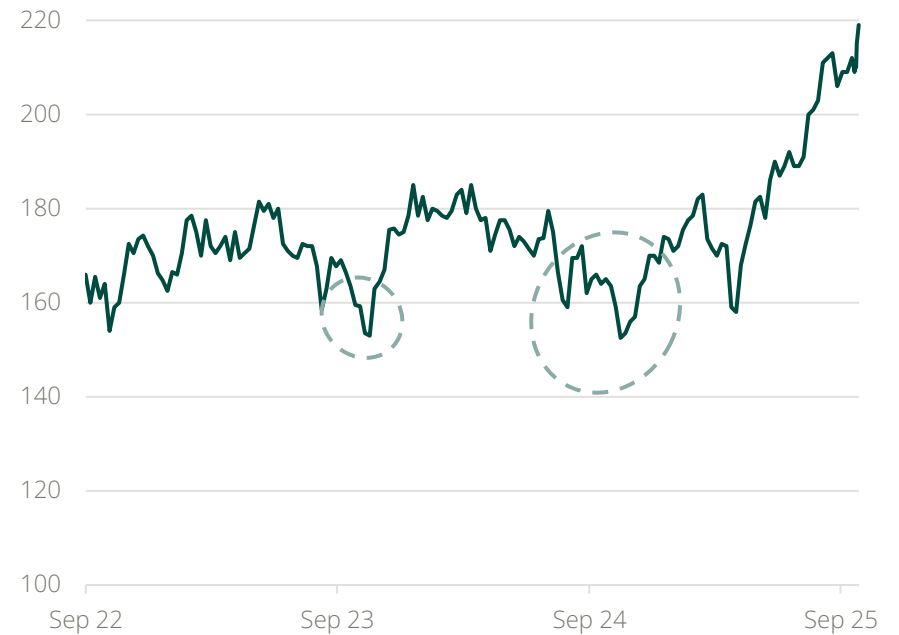
Source: CGAM Calculations, scaled to market cap

Our geographic overweight to Japan has contributed to outperformance

Fidelity: Discount (GBp): Premium (+) / Discount (-) %¹



Fidelity Japan Value: Share Price (GBp)¹



Source: Bloomberg Finance L.P.

 Purchases  Sales

Outlook

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THIS IS
FINE

Outlook

The cyclically adjusted PE ratio has only been more expensive 2% of the time

S&P 500 Cyclically adjusted PE



Source: Robert Shiller Online Dataset (yale.edu)

When it comes to long term returns starting valuations really *really* matter

S&P 500 - 10 Year Annualised Returns by starting CAPE Decile

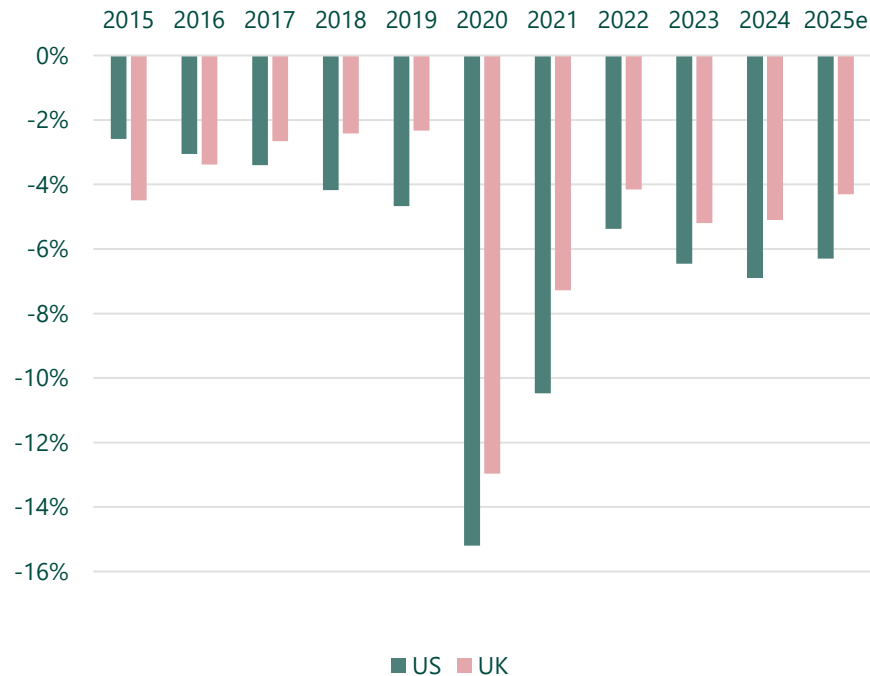


Source: Robert Shiller Online Dataset (yale.edu), CGAM Analysis

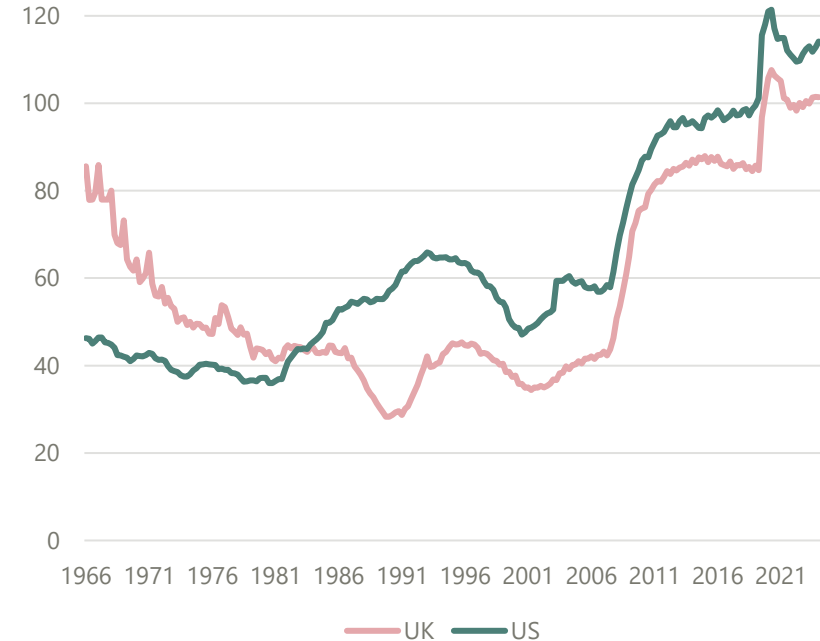
Outlook

Fiscal deficits are large and not getting better, the result is the largest government debt levels since WWII

US & UK Fiscal Balances 2015-2025e (% GDP)



UK & US Government Debt to GDP (%)

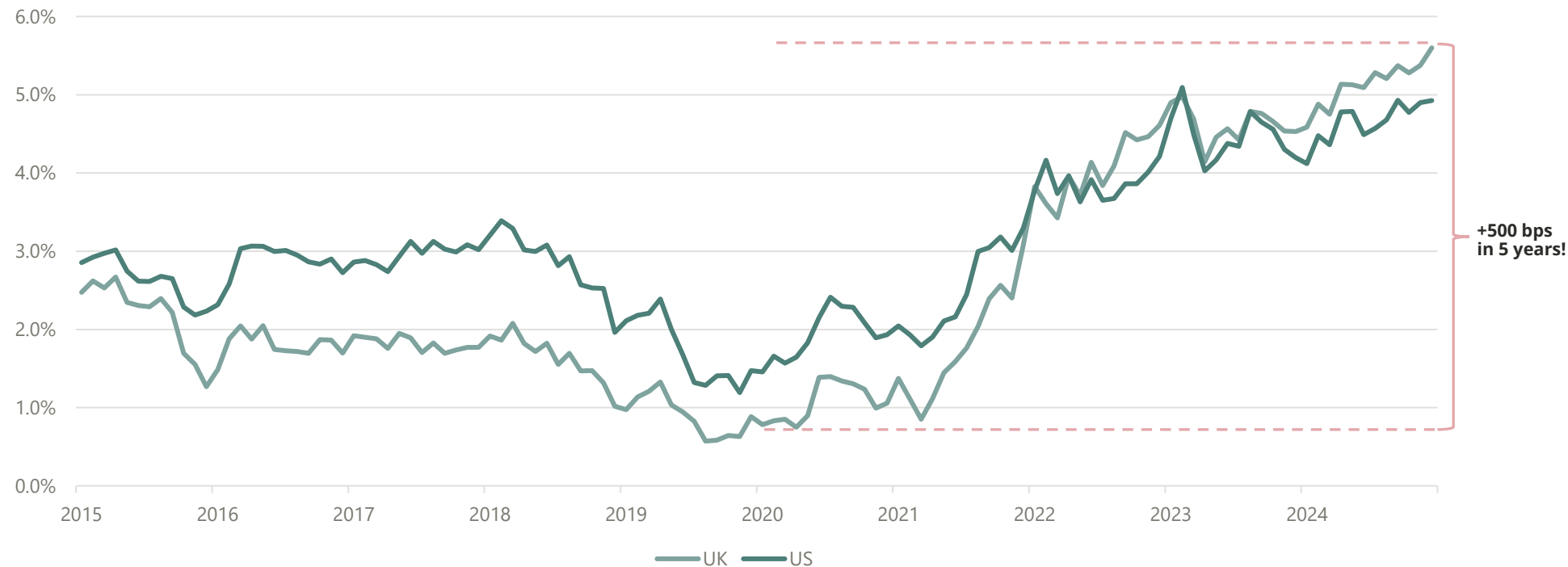


Source: Bloomberg, BIS

Outlook

Bond markets have woken up to these risks... but equity markets seem not to have noticed

US & UK 30 Year Government Bond Yields (%)



Source: Bloomberg

Questions
