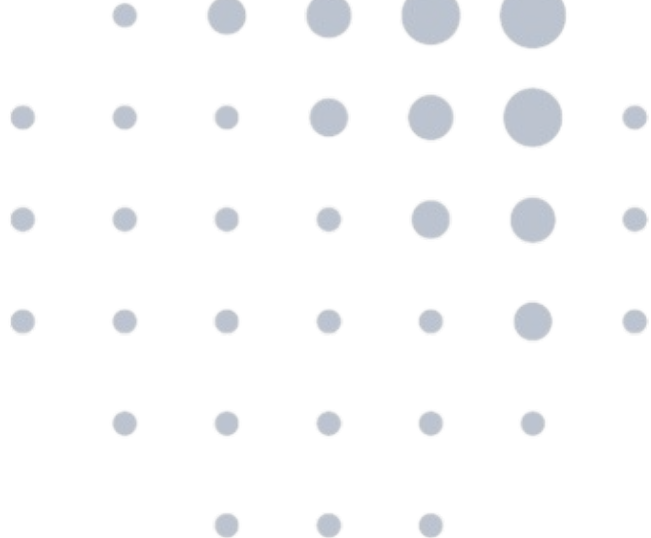


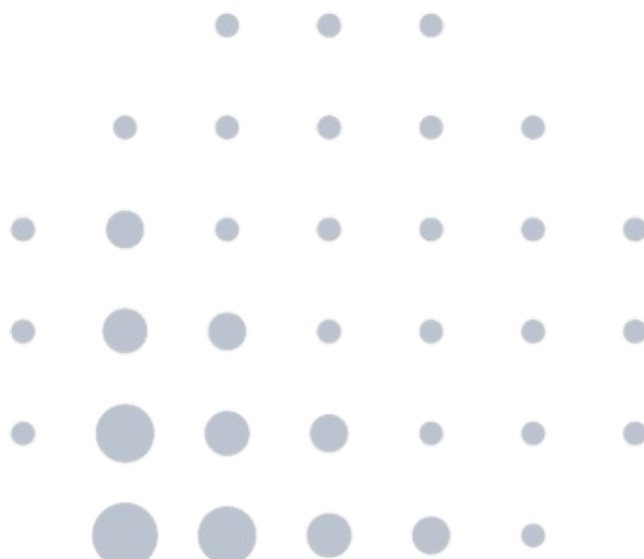


LUKB

Smart Farming

Powered by The Singularity Group

Q3 2026





Market Commentary

The third quarter of 2026 brought modest gains in global equities, with the MSCI All Country World Index (ACWI) advancing +1.6%, with considerable dispersion beneath the surface. Renewed tensions in the Middle East pushed energy prices higher, reviving inflation concerns and lifting bond yields. Nevertheless, resilient economic activity and strong corporate earnings supported equity markets. During an exceptionally hot summer, leadership shifted briefly within technology, with selected software and platform companies recovering while many semi-conductor stocks retraced part of their exceptional first-half gains.

For Applied Innovation investors, the quarter highlighted the distinction between operating performance and short-term share-price movements. Concerns about the scale and sustainability of AI investment weighed on parts of the infrastructure value chain, even as companies continued to report substantial growth. **Nvidia's August results showed revenues more than doubling year-on-year, while Micron closed its financial year with record results.** Within September, both Micron and TSMC confirmed that AI spending was not taking a breather, **lifting sector leaders back to all-time-highs by early October.** These developments confirmed our focus on the areas where innovation is already generating tangible revenues, earnings, and cash flows.

Cybersecurity also demonstrated its importance within the expanding AI ecosystem. As enterprises deploy more AI applications and agents, securing their data and systems becomes increasingly critical. **CrowdStrike's record new recurring revenue** and improved outlook provided further evidence of this demand.

During the quarter, **The Singularity Group's assets under management crossed USD 200m, supported by persistent inflows.** This continued growth reflects investors' confidence in our Applied Innovation approach through periods of market volatility. In this report, **we examine the main questions surrounding the AI investment cycle, including spending sustainability, software business models, and valuations.**





Performance Update

LUKB Smart Farming – Powered by The Singularity Group

The LUKB Smart Farming Basket gained +6.3% in Q3, **extending its strong year-to-date performance to +29.8%**. Since launch in April 2024, the Basket has returned +17.2%. This quarter's advance came from a different combination of holdings than in Q2, demonstrating the valuable breadth of its exposure across the smart farming value chain.

Data Analytics & AI was the strongest theme, led by Illumina (SI-Score: 26), Thermo Fisher Scientific (34) and Trimble (85). Genomics and analytical tools were particularly strong, with Illumina's July results showing renewed revenue growth and improved operating profitability. These technologies support the collection and interpretation of biological data alongside precision measurement and positioning capabilities.

Seed, Chemicals, Biologicals and Additives also delivered substantial gains. Clariant (SI-Score: 75) was a leading contributor, complemented by DSM-Firmenich (76) and Syensqo (28).

Robotic Equipment & Automation moved in the opposite direction. Cooling and water-management exposures, including AAON (45), Modine Manufacturing (25) and Pentair (39), declined, while Valmont (25) and Veolia (11) also detracted. GEA Group (25) contributed positively but could not offset the broader weakness in the theme. Strong gains in biological analysis and specialty chemicals nevertheless carried the Basket to another positive quarter.



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