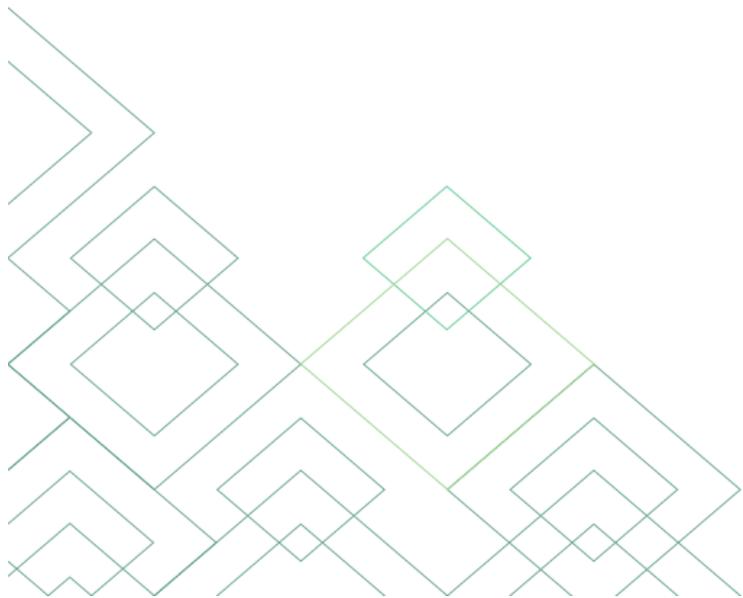


see money differently



Nedgroup Investments Contrarian Value Equity Fund

Quarter Four, 2025



Marketing Communication



Nedgroup Investments Contrarian Value Equity Fund

The following commentary was produced by the sub-investment manager, First Pacific Advisors, LP (“FPA”).

Past performance is not indicative of future performance and does not predict future return

USD performance to 31 December 2025	Nedgroup Investments Contrarian Value Equity ¹	MSCI ACWI
3 months	5.3%	3.3%
1 year	25.1%	22.3%
3 years (p.a.)	22.1%	20.7%
5 years (p.a.)	11.9%	11.2%
Since inception (p.a.)	11.3%	11.4%

Source: Morningstar

Overview

The Nedgroup Investments Contrarian Value Equity Fund (“the Fund”, “NCVE”) gained 5.3% for the quarter and 25.1% for the trailing twelve months. The Fund captured 112.6% of the MSCI ACWI’s gain in the trailing twelve months.

Portfolio & Market Discussion

With respect to the recent performance of the Fund, in the previous twelve months, NCVE’s top five performers contributed 13.0% to its return while its bottom five detracted 4.4%.

Trailing Twelve-Month Contributors and Detractors as of 31 December 2025 (%) ²

Winners	Performance contribution	Average weight	Losers	Performance contribution	Average weight
Alphabet	3.5%	6.7%	CarMax	-1.3%	1.7%
Citigroup	2.8%	4.6%	Comcast	-1.0%	4.1%
TE Connectivity	2.5%	4.4%	Charter Communications	-0.9%	2.2%
JDE Peet’s	2.5%	2.9%	Int’l Flavors & Fragrances	-0.8%	3.5%
Safran	1.8%	3.2%	Vail Resorts	-0.4%	1.5%

Source: FPA.

¹ For illustrative purposes only. Reflects the net USD return for the Nedgroup Investments Contrarian Value Equity Fund, D class.

² Reflects the top five contributors and detractors to the Fund’s performance based on contribution to return for the trailing twelve months through 31 December 2025. Contribution is presented gross of investment management fees, transactions costs, and Fund operating expenses. The information provided does not reflect all positions purchased, sold or recommended by FPA during the period. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed.





We will review the following companies that have notably impacted portfolio performance.³

Longtime holding **TE Connectivity** benefitted in 2025 from continued demand growth in several of the markets in which it sells into, including: AI infrastructure and data center connectivity; energy and grid update cycling; and industrial automation. TE also acquired Richards Manufacturing earlier in the year, which helped strengthen the company's competitive position in industrial and utility markets, and raised the dividend throughout 2025.

Safran was buoyed by robust aerospace and aftermarket parts demand, reporting record profits in early 2025 for the prior year. As global air traffic continued to recover and air carriers ramped up maintenance projects, the company enjoyed higher aftermarket growth and converted operational efficiency into higher earnings, leading management to raise full-year guidance for 2025.

Poor management has plagued **International Flavors & Fragrances** for years. As a leading producer of food, beverage, scent, home and personal care, and health products and ingredients, its products are ubiquitous across many household staples. They produce one-third of probiotics, the enzyme used in half of cold-water laundry detergents, another enzyme used in 20% of the beer brewed globally, and one-third of yogurts use an IFF culture, to name a few. Prior management's reckless capital allocation and ineptitude at managing its diverse global enterprise, transforming a high-margin, unlevered company into one with a lower margin and a higher level of leverage. We have a constructive view of the new CEO, who has renewed the company's focus on being a best-in-class operationally with a smaller product suite. They have sold, and will continue to sell, non-core assets, which will decrease their leverage and, hopefully, allow for higher margins. The company has burned the market, and many investors have reasonably taken a wait-and-see attitude.

Vail Resorts operates mountain resorts and ski lodging, with most revenue derived from US properties. It probably goes without saying that one can't ski without snow. Unfavorable weather conditions throughout 2025 dragged on visitations and skier spending. In addition, rising labor and operational costs put further pressure on margins, with management failing to reassure investors. We believe that Vail's challenges are more cyclical than structural, and if/when snowfall averages revert, an undemanding valuation could help underpin an increase in the stock price.

Now, if you spend time in our office, you will inevitably overhear our FPA colleague Brian Selmo comment that "Securities ask different questions at different prices." For securities trading at elevated multiples, the questions are likely to be difficult, if not impossible to answer, and possibly even multiplicative in nature. In other instances, for out of favor names, one is simply determining if the future could be better than the present, with conditions potentially turning positive as the cherry on top.

By focusing on the less challenging questions, we largely avoid the speculative areas of the market where we deem the reward for taking risks insufficient relative to the potential returns. This does not imply that we completely avoid mistakes, but we believe it helps limit the damage when we do err in judgement. Over the last nine years, the end-product of this process has been a strategy that has generated market-leading returns while placing importance on absolute return. Ultimately, this approach requires an unwavering commitment to being "value aware," a philosophy that underpins our research process.

In doing so, we consider both quantitative and qualitative analysis as we underwrite potential new investments and monitor existing positions. It is not enough to be a great company, nor is it sufficient to simply trade on a superficially low Price/Earnings multiple to garner our interest and attention. Instead, we are looking for rare cases where both quality and "value" intersect, even if near-term headwinds may delay the potential payoff.

Hence, when it comes to deploying capital into new names, it is rare that you will find our recent purchases on the 52-week high list. Instead, we thumb our noses at the momentum factor and regularly troll the 52-week low list for potential opportunities. It is in that vein that we let value guide our focus. So, before you pose questions, we don't have any unique insight into American exceptionalism or whether we are in an AI bubble. Well, you can still ask, but we don't think we know the answer.

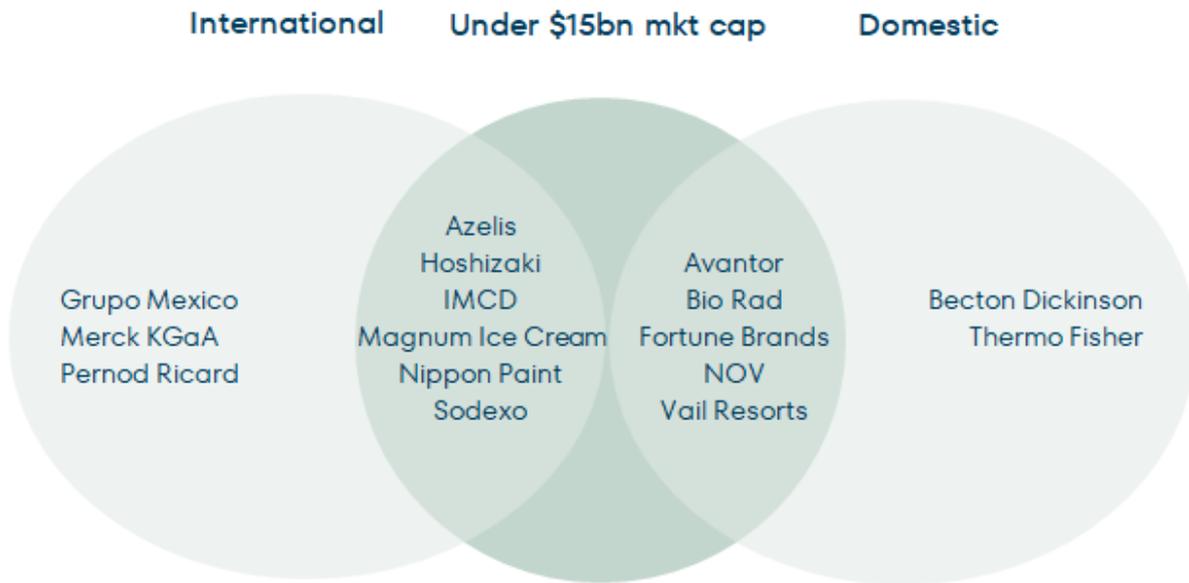
However, we do believe that the investment community is currently casting its gaze away from various market constituents that offer asymmetric risk-reward for those willing to look forward three to five years. We primarily

³ The company data and statistics referenced in this section, including competitor data, are sourced from company press releases, investor presentations, financial disclosures, SEC filings, or company websites, unless otherwise noted.





speak of global securities with lower market capitalizations, and, up until recently, healthcare stocks. As you can see from the image below, new purchases over the past two years are clear evidence that we are willing to back up this view with our actions and not just our words.



Source: FPA, 31 December 2025

While few of the above are household names, we believe each holds a strong competitive position in their respective industry, if not market leadership. Furthermore, we would go so far as to say we believe we purchased them at absolute values that we believe will help us achieve equity-like returns over the coming years, and at bargain-like valuations compared to the S&P 500.

As for the why, we know not the answer, but we have our suspicions. With the recent outperformance of large US technology companies, not to mention the adoption of passive investing, there may be a shrinking pool of active investors with the interest, resources, and capital to conduct in-depth research on 1) lower market-cap names, and 2) ideas that necessitate deferred gratification longer than one to two quarters. And as it relates to the active investors hoovering up assets, in our experience it is rare to find a pod shop on the share registers of, say, Azelis, Nippon Paint, Sodexo, or NOV.

Lastly, there's a good reason why the commentary above does not necessarily jive with all of our holdings, say such as some of our top holdings by weight Alphabet (purchased in FPA's flagship Contrarian Value Strategy in 2010), Meta (2018), Analog Devices (2011), and TE Connectivity (2012). We use these names to remind you that our average holding period is in excess of five years, and for those in the top ten, demonstrably longer. We purchased each of the aforementioned "GARPY" names initially when they were making headlines for the wrong reasons, and we would argue their present standing does not betray our ethos as price-disciplined investors, but rather is indicative of our research process and strategy working as intended...sometimes the high case does actually play out!⁴

Now, as an example of a tough question currently being posed by the market, we submit Microsoft, a company we actually owned in the flagship Contrarian Value Strategy from 2010 to 2020 and NCVE from inception to 2020. To begin, we hold management in the highest regards, particularly the CEO and CFO, who created tremendous value for us during our ownership. When we originally purchased Microsoft back in 2010, the valuation was less than 10x after-tax earnings after subtracting the cash on the balance sheet. The question we had to ask at the time was whether Microsoft was a melting ice cube, or could the company deliver an equity-

⁴ GARP = Growth At a Reasonable Price. Past performance is no guarantee of future results. It should not be assumed that an investment in the securities mentioned was or will be profitable. The Fund's full list of holdings as of the most recent period can be found at <https://fpa.com/fund/fpa-crescent-fund/#tab-fund-holdings>. The information provided does not reflect all positions purchased, sold or recommended by FPA during the period.



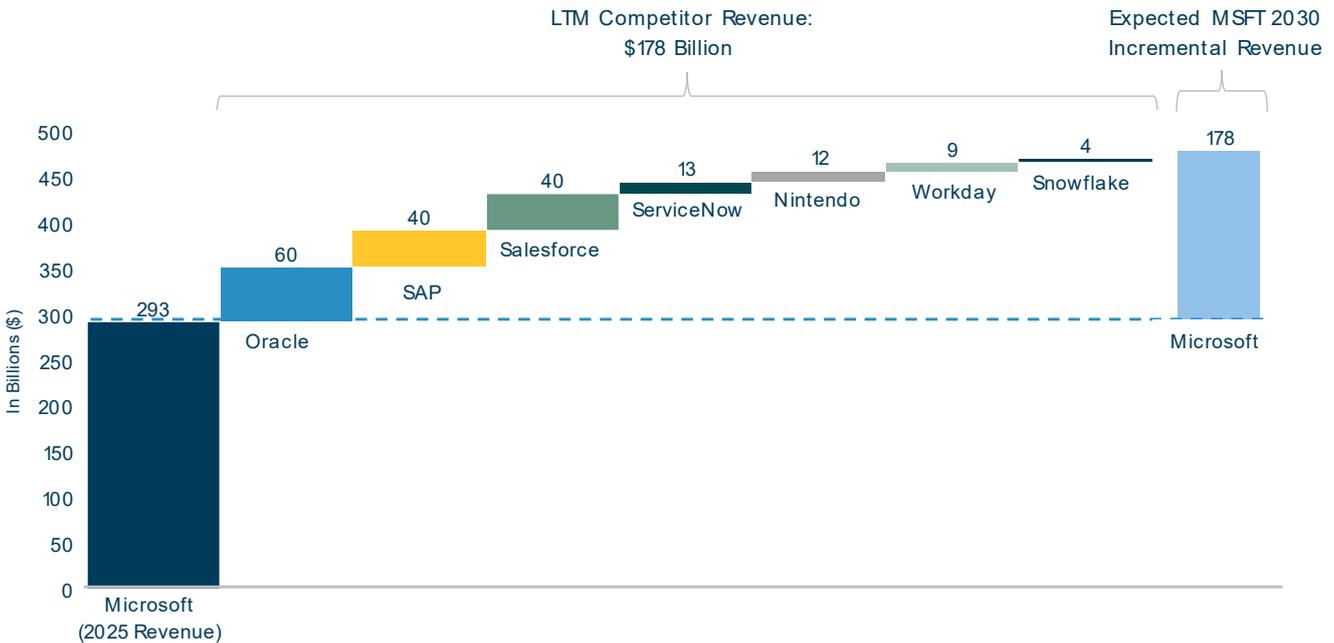


type rate of return even if earnings never grew again. To our regret, we sold Microsoft too early, failing to appreciate how technological developments, particularly those of AI/cloud, would transform the business.

In the five years following our sale, from 2020 through 2025, Microsoft grew its top line at a 12% compound annual growth rate (“CAGR”), and its bottom line even faster! But let’s now look at what one must believe to be constructive on the return prospects at the current multiple of 30x+ earnings. Of course, 30x earnings on its own is not necessarily the wrong multiple if Microsoft can continue to grow at a double-digit rate over the coming five years, and market analysts have noted that the valuation looks inexpensive five years out even if revenue were only to grow at a more pedestrian CAGR of 10% during this period.

Stepping back, we will note that Microsoft generated \$293bn of revenue over the last twelve months. If revenue were indeed to grow at 10% CAGR over the next five years, Microsoft would theoretically generate \$472bn in revenue in 2030, an increase of \$178bn. The bulls will say this is achievable based on growth in the core business and an expanding total available market (“TAM”). However, to put the \$178bn increase into perspective, Microsoft would need to add revenue greater than the aggregate sales of ERP leaders Oracle and SAP, who generated ~\$100bn in combined sales over the past twelve months. The bulls may say that our thinking is too narrow; vibe coding will also allow Microsoft to serve as the foundation or platform upon which corporations will create low-cost alternative solutions for CRM solutions (Salesforce: \$40bn revenue), HR software (Workday: \$9bn revenue), and new database products (Snowflake: \$4.4bn revenue). Moreover, as the bulls believe, from a horizontal perspective, agentic AI will enable Microsoft to offer services to automate and manage digital workflows (ServiceNow: \$12bn revenue) across industries. If that was not enough, the bulls will remind us that Microsoft has a consumer gaming franchise in Xbox that will grow over time (Nintendo: \$12bn revenue).

To put the words into a picture, for Microsoft to grow at 10% over the next five years, one must believe the company will generate incremental revenue currently generated by the combination of:⁵



⁵ Forward looking. Refer to the Important Information and other disclosures at the back of this material.

We are not saying this can’t happen, but thankfully as benchmark agnostic investors, there is nothing forcing us to make the wager that it will. Speaking of wagers, we are regularly asked whether the higher-than-average multiples, particularly in US markets, make us inclined to believe a near-term market wobble lies around the corner. To that we emphatically answer “Yes” from our square offices, but with the caveat that we don’t know from which corner. And so rather than make top-down bets, we simply go about our business conducting bottoms-up fundamental analysis with the hope that it helps us find a handful of good ideas each year and keeps us away from the bad ones.





Portfolio Activity⁵

The Fund added four investments – Azelis Group, IMCD, Magnum Ice Cream, and Sodexo – and increased six during the quarter. The Fund exited three investments – Croda, Howmet Aerospace, and Nexon – and decreased ten positions.

Portfolio Profile

There were 54 equity positions in the Fund with the top five holdings comprising 23.2% and the top 10 comprising 40.9% of the portfolio (based on total assets) as of quarter-end. The top three sector exposures in the Fund, based on the Global Industry Classification Standard (GICS) sector classification, are Communication Services, Industrials, and Consumer Discretionary, comprise 42.3% of the total assets of the Fund. As a percentage of equity, the Fund has 46.7% non-US exposure and 53.3% exposure in the US. However, 58.8% of the portfolio companies' revenues are non-US.⁶

Closing

We appreciate the long-term partnership we've had with so many of our like-minded investors who maintain a similar "value aware" point of view and long holding period. To the old and the new, we seek to continually earn your trust through the inevitable market cycles for the capital you have entrusted to us.

Respectfully submitted,

FPA Contrarian Value Portfolio Management Team

⁵ The information provided does not reflect all positions purchased, sold or recommended by FPA during the quarter. It should not be assumed that investment in the securities listed was/will be profitable. Increases/decreases represent securities whose position size either changed by at least 33% over the period and represent greater than 0.75% of the portfolio at the beginning of the quarter or approximately greater than 0.25% of average NAV spent on trading. Portfolio composition will change due to ongoing management of the Fund.

⁶Source: Factset, based on country of domicile and revenue by geography. 'As a Percentage of Equity' excludes cash and cash equivalents. Revenue refers to the geographic location of portfolio companies' revenue sources, rather than where they are domiciled, and may provide additional insight into the portfolios' geographic diversification. Portfolio composition will change due to ongoing management of the Fund.

Past performance is no guarantee, nor is it indicative, of future results.





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The sub-funds of the Fund (the **Sub-Funds**) are generally medium to long-term investments and the Investment Manager does not guarantee the performance of an investor's investment and even if forecasts about the expected future performance are included the investor will carry the investment and market risk, which includes the possibility of losing capital.

The price of shares may go down or up depending on fluctuations in financial markets outside of the control of the Investment Manager meaning an investor may not get back the amount invested.

Past performance is not indicative of future performance and does not predict future returns.

Risks and fees are outlined in the relevant Sub-Fund supplement.

Prices are published on the Investment Manager's website.

Distribution: The prospectus, the supplements, the KIIDs/PRIIPS KIDS, constitution, country specific appendix as well as the annual and semi-annual reports may be obtained free of charge in English for the prospectus and in English together with the relevant local languages for the KIIDs/KIDs from the country representative, the Investment Manager, or at www.nedgroupinvestments.com. The Investment Manager may decide to terminate the arrangements made for the marketing of its collective investment undertakings in accordance with Art 93a of Directive 2009/65/EC and Art 32a of Directive 2011/61/EU.

Switzerland: The Representative is Acolin Fund Services AG, Maintower, Thurgauerstrasse 36/38, 8050 Zurich, Switzerland, whilst the Paying agent is Banque Heritage SA, Route de Chêne 61, CH-1211 Geneva 6. Nedgroup Investments (IOM) Limited is affiliated to the Swiss ombudsman: Verein Ombudsstelle Finanzdienstleister (OFD), Bleicherweg 10, CH-8002 Zurich.

Germany: The Fund's Facilities agent in Germany is Acolin Europe AG, with the registered office at Line-Eid-Strasse 6, 78467 Konstanz. The Prospectus (in English) and the PRIIPS KID (in German), may be obtained free of charge at the registered office of the Facilities agent, or electronically by Email via facilityagent@acolin.com, or by using the contact form at <https://acolin.com/services/facilities-agency-services>.

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Isle of Man: The Fund has been recognised under para 1 sch 4 of the Collective Investments Schemes Act 2008 of the Isle of Man. Isle of Man investors are not protected by statutory compensation arrangements in respect of the Fund.

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Value style investing presents the risk that the holdings or securities may never reach their full market value because the market fails to recognize what the portfolio management team considers the true business value or because the portfolio management team has misjudged those values. In addition, value style investing may fall out of favor and underperform growth or other styles of investing during given periods.

Portfolio composition will change due to ongoing management of the Fund. References to individual securities or sectors should not be construed as a recommendation by the Fund, the portfolio managers, or the investment manager or sub-investment manager to purchase or sell such securities or invest in such sectors, and any information provided is not a sufficient basis upon which to make an investment decision. It should not be assumed that future investments will be profitable or will equal the performance of the security or sector examples discussed.

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Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. The performance data herein represents past performance and investors should understand that investment returns and principal values fluctuate, so that when you redeem your investment it may be worth more or less than its original cost.

MSCI ACWI NR USD Index (MSCI ACWI) is an unmanaged free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. Net Return (NR) indicates that withholding taxes are applied to dividend reinvestments. MSCI uses withholding tax rates applicable to Luxembourg holding companies.

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