

Contrarian Value Equity Fund



► Durability. Temperament. Alpha.

August 2026 Commentary | ISIN for Class D USD: IE00BF5FMG44

MARKETING COMMUNICATION

Our investment approach

- Contrarian investing is where quality and value meet.
- It starts with the best ideas not the index.
- It requires a patient temperament to generate long-term growth without taking investors off a cliff.

Portfolio Management Team



Brian A. Selmo

24 years in the industry



Mark Landecker

23 years in the industry

What do we mean by temperament and duration? Inside, we share the fund's return drivers, portfolio positioning and put the spotlight on a stock bought/sold.

Performance and markets

Strong earnings growth continued to support equity markets during August, with the MSCI ACWI returning 2.7% and taking year-to-date returns to 14.3%. Beneath the headline numbers, however, market leadership remained narrow and uneven. Materials and Information Technology generated positive returns, while six of the eleven sectors posted losses. Against this backdrop, the Fund returned 3.7% during the month and 15.0% year to date, after fees in USD.

Importantly, the Fund's return drivers looked very different from those of the index. Healthcare, Industrials and Materials were the largest contributors, while Financials and Consumer Discretionary detracted.

Healthcare was a particularly strong contributor. Our focus remains on businesses that benefit from long-term healthcare and life sciences spending without requiring successful drug outcomes to generate returns. Becton Dickinson, Bio-Rad Laboratories and Eurofins Scientific all performed well. Becton Dickinson benefited from improving confidence in management's execution and margin opportunities, while Bio-Rad advanced as signs of a recovery in life sciences demand continued to emerge. Eurofins also performed well as operational delivery remained solid and investor concerns around growth moderated. Collectively, these holdings represent more than 6% of the portfolio yet have little representation in the index, with Bio-Rad not included at all.

Within Industrials, Samsung C&T and LG Corp were among the stronger contributors. Investors increasingly recognised the value of their exposure to industrial and infrastructure investment linked to growing AI demand, while continued progress on Korean corporate governance reforms helped narrow valuation discounts and support a rerating in both businesses.

Materials also contributed positively, led by International Flavors & Fragrances and Glencore. For IFF, continued operational progress and improving end-market conditions reinforced our view that the market has been overly pessimistic about the company's earnings power. Glencore benefited from stronger sentiment towards commodity markets, particularly copper, where demand expectations continue to be supported by electrification and infrastructure investment trends. We continue to believe both businesses trade below our assessment of intrinsic value.

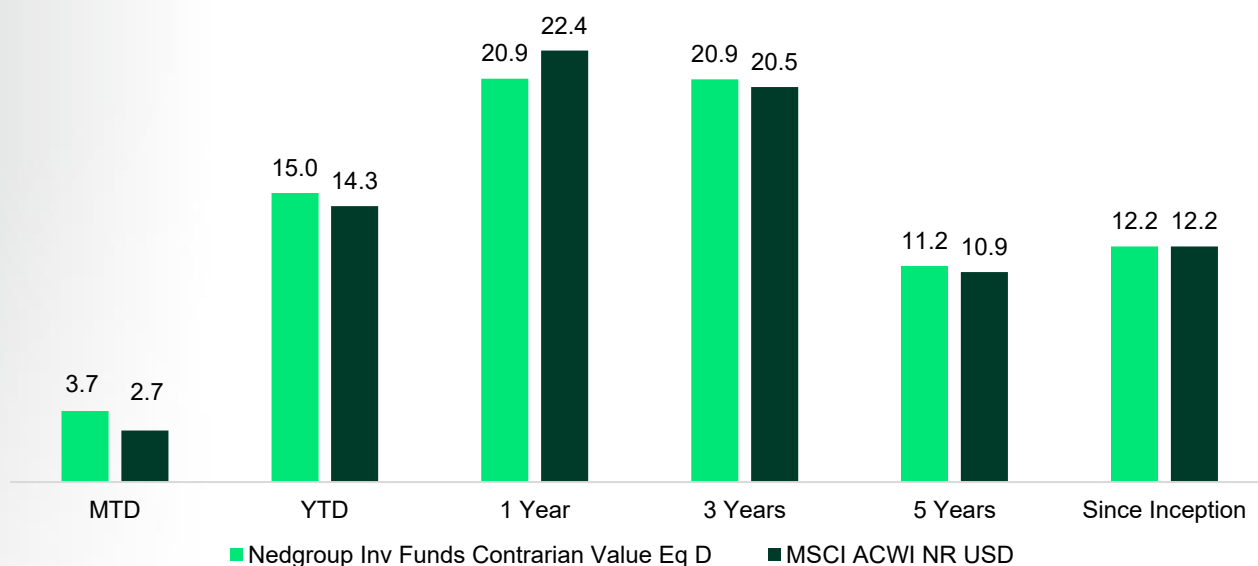
The largest detractors were Vail Resorts, Amazon and Aon. Vail Resorts weakened as concerns around consumer spending and travel demand weighed on sentiment, while Amazon gave back some prior gains despite continued strength in the underlying business. Aon also detracted as quarterly results fell short of investor expectations. In each case, we do not believe the share price weakness materially altered the long-term investment thesis.

August provided a useful illustration of our emphasis on finding different winners rather than owning the same winners as the index. The Fund's ten largest contributors came from six sectors and six countries, with Healthcare, Industrials and Materials driving returns rather than the narrow group of stocks that dominate global benchmarks. We believe this breadth of return drivers remains an important source of portfolio resilience over time.

Activity during August was largely focused on trimming a number of long-term winners, including Alphabet, Meta, Prosus and Safran. We reallocated that capital into opportunities where we believe we can continue to earn equity-like returns over time.

Fund performance

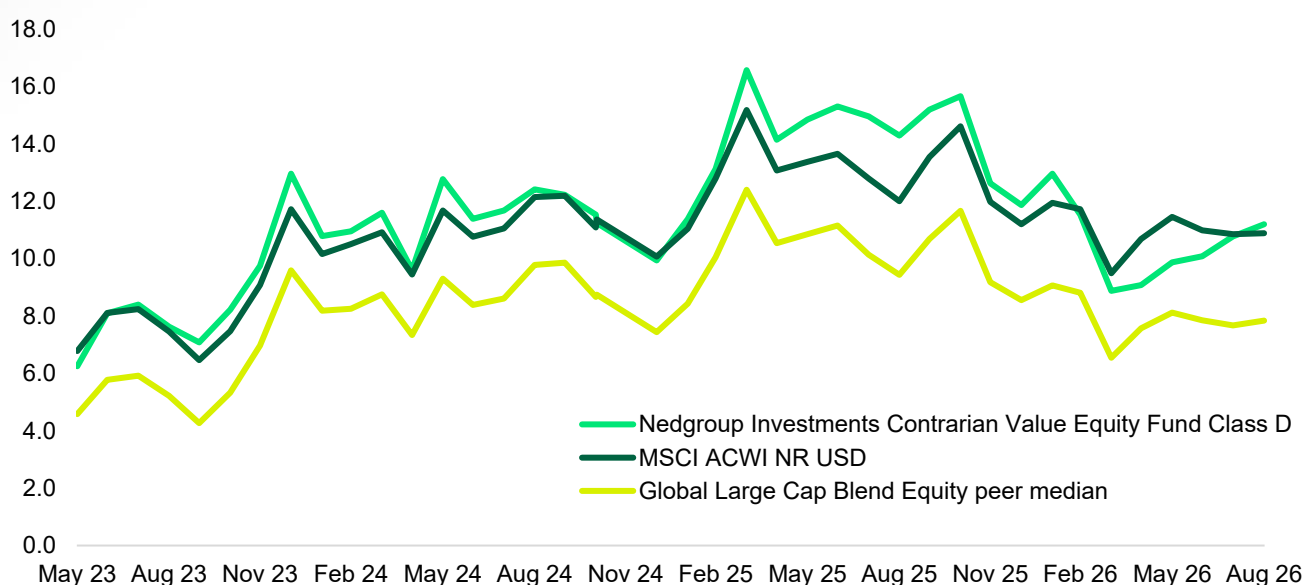
Past performance is not indicative of future performance and does not predict future returns



Inception date 01/06/2018 Source: Morningstar, data to 31 August 2026.
Performance figures are based on the 15:00 (3pm) Irish-domiciled fund valuation point.

Rolling 5-year returns (% , US\$)

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Source: Morningstar, data to 31 August 2026.
Performance figures are based on the 15:00 (3pm) Irish-domiciled fund valuation point.

The share classes being offered in Germany are newly launched and do not have their own historical performance data. The performance information presented in this marketing material relates to the nearest comparable share class and is provided solely for indicative purposes. Differences in fees, and other factors may affect future performance. Investors should not rely solely on this information when making investment decisions. Fund returns are in US\$ based on Class D Accumulation. MSCI index returns are with net dividends reinvested. Source: Morningstar, Nedgroup Investments.

Key return drivers

Stock contribution: Month to date

Winners	Contribution (%)	Losers	Contribution (%)
Becton Dickinson and Co	0.39%	Alphabet	-0.32%
International Flavors & Fragrances	0.31%	Aon Plc	-0.25%
Glencore	0.31%	Heineken Holding	-0.17%
Comcast Corporation	0.27%	Amrize Ltd	-0.15%
LG Corp	0.24%	Fortune Brands Innovations	-0.15%

Stock contribution: Year to date

Winners	Contribution (%)	Losers	Contribution (%)
Analog Devices	1.45%	Naspers & Prosus	-0.76%
Glencore	1.27%	Meta Platforms	-0.54%
Samsung C&T	1.15%	Amrize Ltd	-0.33%
International Flavors & Fragrances	0.95%	Liberty Broadband	-0.33%
Alphabet	0.91%	TE Connectivity	-0.25%

Sector contribution	Month to date (%)	Year to date (%)
Communication Services	0.27%	-0.31%
Consumer Discretionary	-0.18%	1.16%
Consumer Staples	0.06%	1.39%
Energy	0.10%	0.69%
Financials	-0.21%	1.13%
Health Care	1.02%	2.85%
Industrials	0.58%	3.40%
Information Technology	0.31%	2.05%
Materials	0.53%	2.37%
Real Estate	0.00%	0.00%

Performance, contribution data and positioning information as of reporting month end. Source: FPA, Factset, Nedgroup Investments

Portfolio positioning

Top 10 holdings	Portfolio weight	Sector breakdown	Portfolio weight
Alphabet	5.7%	Communication Services	13.8%
International Flavors & Fragrances	3.9%	Consumer Discretionary	11.1%
Heineken Holding	3.5%	Consumer Staples	8.9%
Citigroup Inc	3.4%	Energy	1.1%
Analog Devices	3.4%	Financials	10.3%
Becton Dickinson and Co	3.2%	Health Care	14.2%
Meta Platforms	3.0%	Industrials	14.0%
Amazon.com	2.8%	Information Technology	9.9%
Arthur J Gallagher & Co	2.8%	Materials	11.3%
Comcast Corp	2.7%	Real Estate	0.0%
Total	34.5%	Total	94.7%

Stock spotlight: Wabtec (Westinghouse Air Brake Technologies)

Wabtec is a leading provider of equipment, components, technology solutions and aftermarket services to the global rail industry, serving freight rail, passenger transit, mining and marine end markets. The company occupies a critical position within transportation infrastructure, supplying systems that improve the efficiency, safety and reliability of rail networks. Its large installed base supports recurring demand for maintenance, replacement parts and upgrades, contributing to a resilient business model.

- Current Dynamics:** The business operates across rail, transit, mining and marine end markets and has delivered strong returns since we first invested during the Covid period. It continues to benefit from healthy demand across freight and passenger rail markets, while a significant portion of revenue is generated from servicing and maintaining its large installed base of equipment. This recurring aftermarket revenue stream provides earnings resilience and visibility. Management has continued to execute well, and investors have increasingly recognised the quality of the franchise, resulting in a meaningful re-rating of the shares.
- Strategic Positioning:** The company's competitive advantage stems from the essential nature of its products and services. Once its equipment is embedded within customer operations, it can be difficult and costly to replace, creating meaningful barriers to entry and supporting long-term customer relationships. The combination of recurring service revenues, a large installed base and high switching costs reinforces the durability of the franchise and its strong competitive position within specialised transportation markets.
- Investment Thesis:** The company represents a high-quality industrial franchise operating within a specialised segment of the transportation industry. We originally invested during the Covid period when transportation-related uncertainty allowed us to acquire the business at an attractive valuation. The investment has proved successful, with the company executing well and investors becoming increasingly willing to pay a premium for the quality and predictability of its earnings. While we continue to view Wabtec as a strong franchise with attractive competitive advantages and long-term growth prospects, the improved valuation has reduced the prospective return opportunity. As a result, we have steadily reduced the position over time, crystallising gains while maintaining a favourable view of the underlying business and its long-term prospects.

This position was 0.48% of the portfolio as at month-end.

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Disclaimer

This is a marketing communication. Please refer to the prospectus, the key investor information documents (the **KIIDs/PRIIPS KIDS**) and the financial statements of Nedgroup Investments Funds plc (the **Fund**) before making any final investment decisions.

These documents are available from Nedgroup Investments (IOM) Ltd (the **Investment Manager**) or via the website: www.nedgroupinvestments.com, where the prospectus is available in English and the KIIDs/KIDS in English and the official languages of each country of registration.

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The Fund is authorised and regulated in Ireland by the Central Bank of Ireland. The Fund is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended and as may be amended, supplemented, or consolidated from time to time and any rules, guidance or notices made by the Central Bank which are applicable to the Fund. The Fund is domiciled in Ireland. Nedgroup Investment (IOM) Limited (reg no 57917C), the Investment Manager and Distributor of the Fund, is licensed by the Isle of Man Financial Services Authority. The Depositary of the Fund is Citi Depositary Services Ireland DAC, 1 North Wall Quay, Dublin 1, Ireland. The Administrator of the Fund is Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

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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