

Contrarian Value Equity Fund



► Temperament. Duration. Alpha.

January 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

Equity market optimism carried into 2026, with the MSCI ACWI advancing 3.0%. As the rally broadened, the Nedgroup Investments Contrarian Value Equity Fund's high conviction positioning across a diversified opportunity set was rewarded. The Fund delivered a 4.2% return in USD, with more than half of the 53 stock portfolio outperforming the index and 11 holdings generating double digit gains.

At a sector level, stock selection across Industrials, IT and Materials drove performance, while a handful of names within Consumer Discretionary and Financials weighed modestly on returns.

In Industrials, demand for AI related infrastructure continued to build, supporting Korean holdings Samsung C&T and LG Corp. Ferguson also contributed meaningfully after reporting a strong earnings beat, underpinned by robust non residential activity.

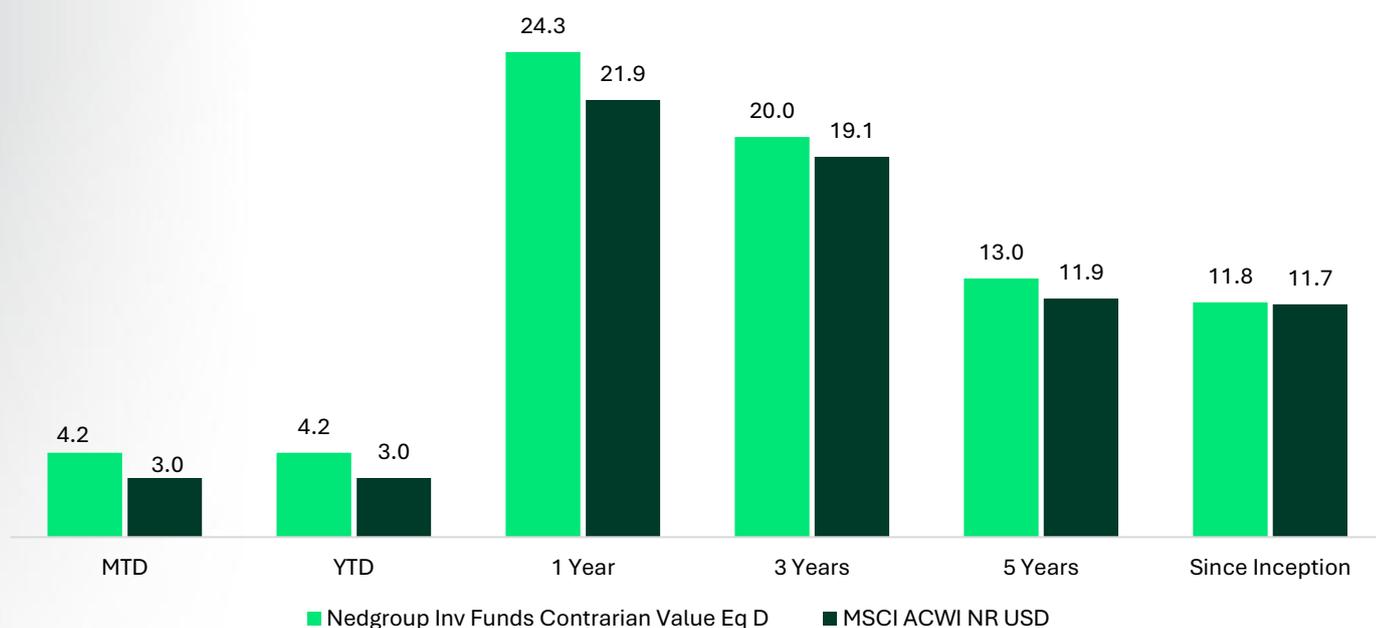
In IT, Analog Devices performed well on the back of solid operational momentum. Its diversified semiconductor exposure - particularly to industrial and communications end markets - supported growth, while disciplined capital returns through dividends and buybacks added to share price strength.

In Materials, rising copper prices and strong earnings underpinned gains in Glencore and Grupo de Mexico, both significant owners of copper assets benefiting from accelerating demand for energy transition metals. With Grupo de Mexico reaching our high case valuation, we trimmed the position in line with our valuation discipline and redeployed capital to reinforce conviction in existing opportunities, including healthcare "picks and shovels" and speciality chemicals.

Not all areas participated. A mixed macro backdrop weighed on long term banking holdings and on luxury group Richemont, despite underlying business resilience. These periods of disconnect between fundamentals and sentiment serve as a reminder that maintaining a long term temperament is essential to achieving long term outcomes.

Fund performance

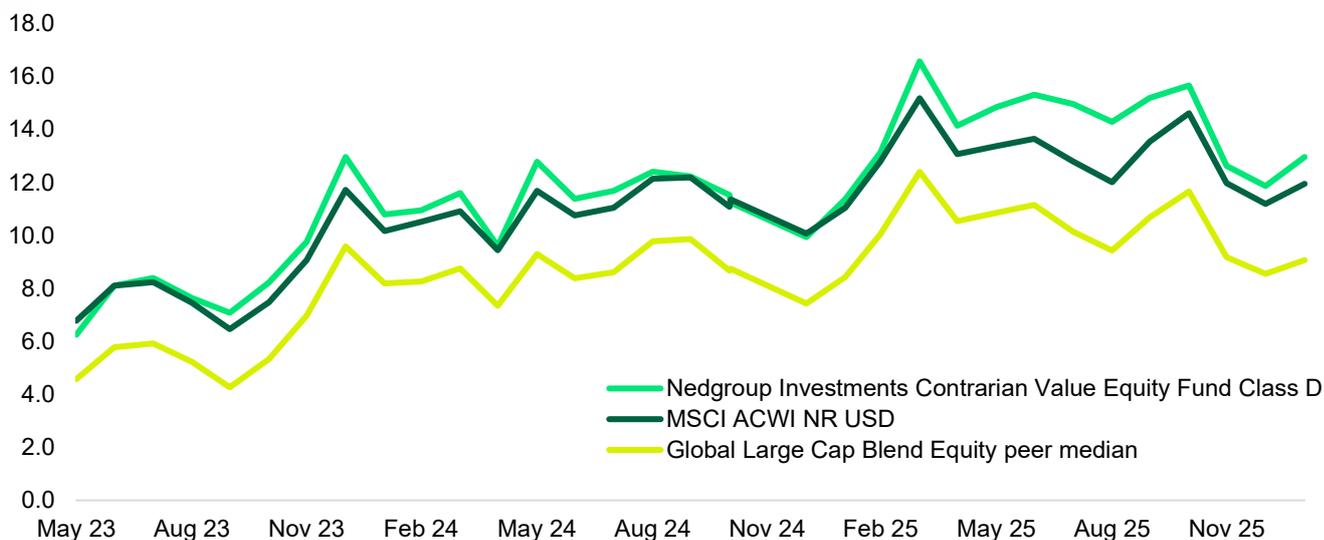
Past performance is not indicative of future performance and does not predict future returns



Inception date 01/06/2018 Source: Morningstar, data to 31 January 2026.

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

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Source: Morningstar, data to 31 January 2026.

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 (%)
Glencore	0.58%	Naspers & Prosus	-0.18%
Alphabet	0.58%	Richemont	-0.16%
Analog Devices	0.56%	Versant Media Group	-0.11%
Samsung C&T	0.48%	Amrize	-0.10%
Comcast Corporation	0.31%	Azelis Group	-0.07%

Stock contribution: Year to date

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Sector contribution	Month to date (%)	Year to date (%)
Communication Services	1.05%	1.05%
Consumer Discretionary	-0.02%	-0.02%
Consumer Staples	0.25%	0.25%
Energy	0.35%	0.35%
Financials	-0.08%	-0.08%
Health Care	0.43%	0.43%
Industrials	1.17%	1.17%
Information Technology	0.57%	0.57%
Materials	0.78%	0.78%
Real Estate	0.00%	0.00%

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



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Portfolio positioning

Top 10 holdings	Portfolio weight	Sector breakdown	Portfolio weight
Alphabet	7.5%	Communication Services	16.4%
Analog Devices	3.8%	Materials	11.6%
Meta Platforms	3.8%	Consumer Staples	9.6%
Citigroup	3.7%	Industrials	14.2%
Becton Dickinson And Co	3.6%	Health Care	11.7%
Heineken Holding	3.5%	Consumer Discretionary	11.3%
JDE Peet's	3.5%	Energy	2.6%
International Flavors & Fragrances	3.4%	Utilities	0.2%
Comcast Corp	3.3%	Financials	7.0%
Amazon.com	3.1%	Information Technology	8.5%
Total	38.9%	Total	93.1%

Stock spotlight: Alphabet

Alphabet is one of the world's most dominant digital platforms, anchored by Search, YouTube and Google Cloud, and underpinned by a globally scaled data and compute infrastructure. The company's ecosystem integrates consumer services, enterprise cloud and proprietary AI capabilities, creating a durable competitive position that has allowed Alphabet to compound value despite recurring regulatory and competitive scrutiny.

- **Current Dynamics:** Investor attention has recently focused on Alphabet's elevated capital expenditure, as management accelerates investment in AI-related infrastructure, including data centres and custom Tensor Processing Units (TPUs). Management has stated that this spending is driven by strong demand across Google Services and Cloud, rather than discretionary expansion, though the scale has raised near-term concerns around free cash flow and returns on capital. Regulatory risk has also moderated following a U.S. judicial ruling that declined to force the divestiture of Chrome or Android, reducing the probability of a structural breakup while leaving narrower behavioural remedies in place.
- **Strategic Positioning:** Alphabet's strength lies in the breadth and integration of its assets. Search remains the dominant global discovery platform and is being augmented with AI-driven features. YouTube is the world's largest video platform, with users collectively watching more than one billion hours of content per day, yet monetisation continues to lag engagement relative to other media formats. Google Cloud is the fastest-growing of the large hyperscalers, gaining market share and delivering improving margins as enterprise demand for AI workloads accelerates. Beyond the core, Waymo has accumulated hundreds of millions of autonomous miles and operates fully driverless services in multiple U.S. cities, providing tangible optionality not fully reflected in Alphabet's valuation.
- **Investment Thesis:** Alphabet continues to warrant a place in the portfolio as a high-quality, strategically important business with enduring competitive advantages. The company is supported by durable earnings from Search, YouTube and Cloud, alongside strategic reinvestment in AI that supports competitive positioning and future relevance. Our decision to maintain a position - while trimming exposure over time - reflects valuation discipline rather than a change in conviction. We remain focused on identifying businesses where long-term value creation is possible and where market dislocation offers opportunity. Alphabet continues to meet those criteria, and the holding reflects the Fund's willingness to take a differentiated view when supported by rigorous fundamental research.

This position was 7.4% of the portfolio as at month-end.

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

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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>.

U.K: Nedgroup Investments (UK) Limited (reg no 2627187), authorised and regulated by the Financial Conduct Authority, is the facilities agent. The Fund and certain of its sub-funds are recognised in accordance with Section 264 of the Financial Services and Markets Act 2000.

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.