

Contrarian Value Equity Fund



► Durability. Temperament. Alpha.

June 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

By the end of June, hopes of de-escalation in the Middle East shifted investor attention back to technology stocks. The MSCI ACWI returned 11.2% in USD terms year to date and 14.9% over the quarter. Technology continued to dominate, delivering 30% year to date and 39% in Q2. Outside of IT, only Energy and Industrials generated double-digit returns. Communication Services and Consumer Discretionary were negative, while the remaining sectors delivered modest single-digit gains. This level of dispersion creates fertile ground for long-term fundamental stock pickers.

Against this backdrop, the Fund returned 7.0% year to date and 11.2% in Q2, lagging the MSCI ACWI in an increasingly narrow market. Almost all of the underperformance this year can be attributed to our lack of exposure to a handful of mega-cap AI beneficiaries and semiconductor "picks and shovels" businesses, including Micron Technology, the newest entrant to the ACWI top 10, alongside significant index positions such as SK Hynix, TSMC and Samsung Electronics. Performance was also impacted by our exposure to cable operators, the lessons from which we have discussed in previous commentaries. Notably, our Charter Communications position has been exchanged for Liberty Broadband as a means of accessing the same underlying business at a more attractive valuation, while we have continued to reduce our exposure to Comcast.

Elsewhere in the portfolio, the largest contributions for the year so far, came from positions held across a broad range of sectors. Financials were led by Citigroup, Industrials by Samsung C&T, LG Corp and WABTEC, and Materials by Glencore, IFF, Amrize and Grupo Mexico. CarMax was the leading contributor within Consumer Discretionary, while Kinder Morgan and NOV added value within Energy.

We remain focused on identifying undervalued businesses away from the centre of the AI trade that can benefit from an increasingly AI-enabled world while offering the potential for equity-like long-term returns from today's starting valuations. At the same time, we continue to trim long-held compounders where valuations have moved closer to, or above, our base case. Year to date, we have exited Kinder Morgan, JDE Peet's following its acquisition, and Marriott, while reducing positions in Alphabet, Analog Devices, Samsung C&T,

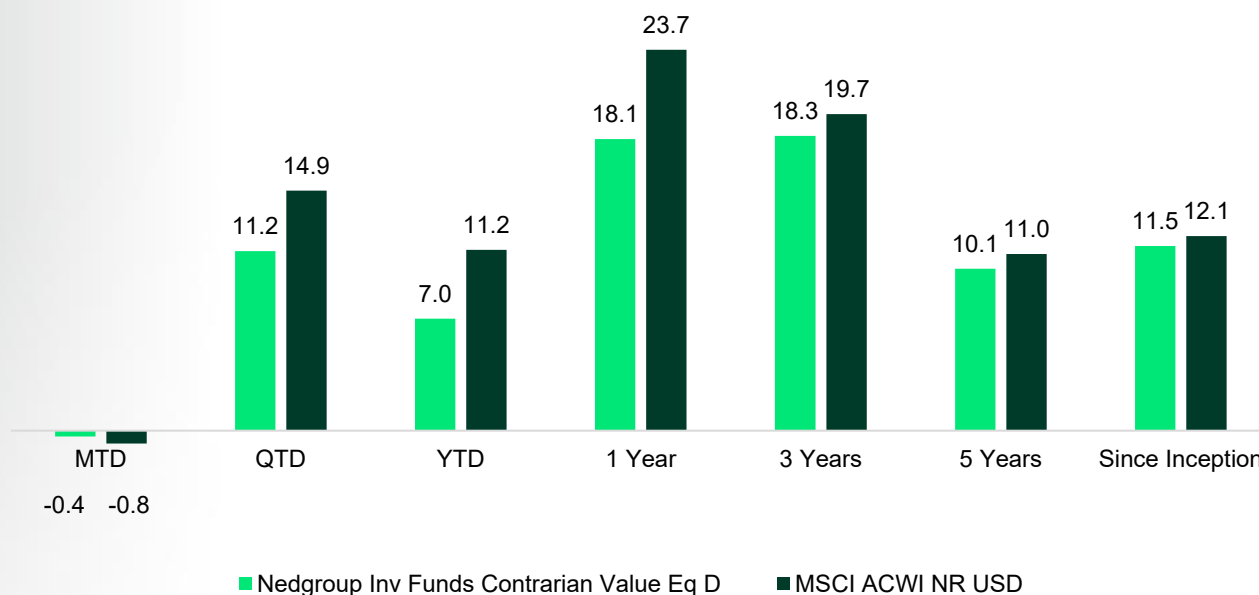
LG Corp and Richemont.

In parallel, we continued building conviction in several of this year's new investments, including CNH Industrial, Arthur J. Gallagher, Baxter, Bureau Veritas, GE HealthCare and PayPal, while adding to existing holdings such as Magnum, ICON, Nintendo and Fortune Brands. These businesses are generally trading on undemanding valuations despite possessing durable balance sheets and resilient franchises that we believe are worth considerably more than current valuations imply.

As capital continues to crowd into an increasingly narrow set of winners, we are finding a growing number of opportunities where market expectations appear disconnected from business fundamentals and valuations remain compelling.

Fund performance

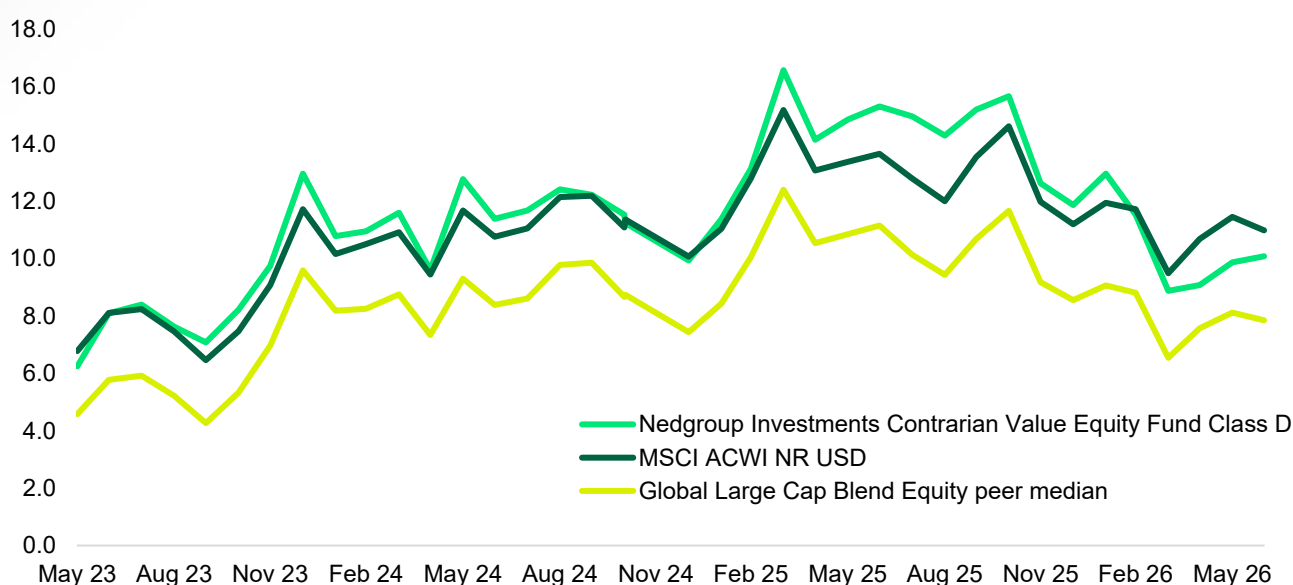
Past performance is not indicative of future performance and does not predict future returns



Inception date 01/06/2018 Source: Morningstar, data to 30 June 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 30 June 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 (%)
Fortune Brands Innovations	0.55%	LG Corp	-0.55%
Citigroup Inc	0.38%	Alphabet	-0.48%
Arthur J. Gallagher & Co	0.33%	Amazon.com	-0.39%
ICON Plc	0.31%	Meta Platforms	-0.35%
Safran SA	0.30%	Glencore Plc	-0.30%

Stock contribution: Year to date

Winners	Contribution (%)	Losers	Contribution (%)
Analog Devices	1.71%	Naspers & Prosus	-0.78%
Samsung C&T	1.32%	Meta Platforms	-0.54%
Alphabet	1.14%	Nintendo Co	-0.36%
Citigroup Inc	0.76%	Comcast Corporation	-0.31%
Glencore Plc	0.73%	TE Connectivity	-0.29%

Sector contribution	Month to date (%)	Year to date (%)
Communication Services	-0.96%	-0.67%
Consumer Discretionary	-0.11%	0.29%
Consumer Staples	0.48%	0.56%
Energy	-0.07%	0.50%
Financials	0.83%	0.73%
Health Care	0.88%	0.62%
Industrials	0.43%	2.77%
Information Technology	-0.88%	1.76%
Materials	-0.37%	1.36%
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	6.6%	Communication Services	14.5%
Analog Devices	4.5%	Consumer Discretionary	10.5%
Citigroup Inc	3.8%	Consumer Staples	8.5%
International Flavors & Fragrances	3.5%	Energy	1.2%
Heineken Holding	3.5%	Financials	10.0%
Safran SA	3.1%	Health Care	13.4%
Amazon.com	2.9%	Industrials	14.6%
Meta Platforms	2.8%	Information Technology	10.9%
Becton Dickinson and Co	2.7%	Materials	11.2%
Comcast Corporation	2.6%	Real Estate	0.0%
Total	36.0%	Total	94.7%

Stock spotlight: Azelis

Azelis is a leading global distributor of specialty chemicals and ingredients, operating in approximately 90 countries through a network of more than 80 facilities. The company acts as an intermediary between chemical manufacturers and customers across end markets such as life sciences, food, personal care, agriculture and coatings. Its global scale, technical expertise and long-standing supplier relationships have helped establish a strong competitive position within a highly fragmented industry.

- **Current Dynamics:** Like many participants in the specialty chemicals industry, Azelis benefited from unusually strong demand during the pandemic as supply chain disruptions and inventory shortages led customers to build stock. The subsequent destocking cycle has weighed on growth and investor sentiment across the sector, creating a challenging operating environment over the past few years. Despite these headwinds, the underlying business has remained resilient, and current market concerns appear more cyclical than structural.
- **Strategic Positioning:** Azelis creates value for both manufacturers and customers. It helps manufacturers reach thousands of customers around the world that would be difficult and costly to serve directly, allowing them to better utilise their production facilities while benefiting from Azelis' global reach and often exclusive distribution relationships. For customers, Azelis provides technical expertise, product development support and access to a broad range of specialised ingredients through its network of innovation laboratories. These capabilities help differentiate the business and support attractive economics. Historically, demand for specialty ingredients has grown faster than GDP, while Azelis' asset-light model requires relatively little capital and generates strong cash flow.
- **Investment Thesis:** Azelis represents a high-quality, asset-light business operating in an attractive niche of the chemicals industry. The investment case is supported by a return to long-term growth as industry conditions normalise, strong cash generation driven by modest capital requirements, and opportunities to further strengthen the business through selective acquisitions. While near-term growth remains impacted by the recent destocking cycle, we believe the market is underappreciating the durability of the franchise and its ability to compound value over time.

This position was 0.91% 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.

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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.

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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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