Global Equity Fund

NEDGROUP INVESTMENTS

▶ Real Return Investing

June 2026 Commentary | ISIN for Class C USD: IE00BKXGF987

MARKETING COMMUNICATION

MONTHLY PORTFOLIO UPDATE

Our investment approach

- Focus on real returns with lower volatility and downside protection.
- High conviction portfolio of quality companies based on thematic idea generation.
- Strict valuation discipline to only invest when attractive real returns are achievable.

Portfolio Management Team

Ian Clarke

21 years in the industry

Andy Headley

30 years in the industry

Mike Moore

21 years in the industry

Performance and markets

Global equity markets delivered mixed returns in June as investors navigated a rapidly shifting macroeconomic backdrop. Early concerns around higher energy prices and escalation in the Middle East gave way to improved sentiment following the announcement of a ceasefire framework between the US and Iran and the reopening of the Strait of Hormuz. As oil prices retreated sharply from their highs, inflation fears eased and risk appetite recovered. Equity performance remained heavily influenced by artificial intelligence related investment themes, although market leadership broadened beyond the largest technology companies as the month progressed. US equities lagged global peers, although AI stocks provided support, while economic data remained resilient. European equities delivered positively as inflation in the EU fell more than expected in June, but remained above the ECB's target. Against this backdrop, the Nedgroup Investments Global Equity Fund returned -1.00% versus -0.72% for the benchmark. Among the strongest contributors was **Safran** (+11%), which benefited from a combination of robust operational execution and continued strength across both its civil aerospace and defence businesses. The company reported first-quarter revenue growth well ahead of expectations. **UnitedHealth** (+10%) also made a meaningful contribution on the back of strong earnings and higher earnings guidance. On the negative side, **SAP** shares fell 15%. The weakness was driven less by company-specific developments and more by concerns that escalating AI infrastructure spending across the software sector may pressure future profit margins. Following Oracle's announcement of materially higher capital expenditure plans, investors reassessed the likely investment requirements necessary for enterprise software companies to remain competitive in AI. Despite this short-term pressure, our investment thesis remains unchanged. SAP continues to benefit from mission-critical customer relationships, industry-leading enterprise resource planning software and growing penetration of cloud-based offerings. We believe recent weakness provides a more attractive valuation for a business with significant long-term competitive advantages. **Intercontinental Exchange (ICE)** (-16%) struggled as investors rotated away from financial infrastructure businesses and towards higher-growth AI beneficiaries. Concerns also emerged around the impact of newly approved perpetual digital asset futures and ongoing weakness within the US mortgage market. However, ICE continues to evolve beyond its traditional exchange roots, with an increasing proportion of earnings generated by high-quality recurring data, analytics and technology revenues.

Stock Spotlight: Stryker

During the month, we initiated a position in Stryker, a global leader in medical technology. Stryker benefits from strong structural growth drivers across orthopaedics, surgical technologies and neurotechnology. The company's Mako robotic surgery platform provides a particularly attractive competitive advantage by creating a highly recurring ecosystem around procedures, implants and services. Roughly three-quarters of revenue is from consumable implants, disposables and recurring service, with the remainder from capital equipment such as Mako robots and surgical visualization systems. The company is organized into 2 operating divisions: MedSurg & Neurotechnology (c.62% of sales), and Orthopaedics (c.38% of sales). This is the franchise where Stryker's installed-base moat is deepest: more than two million cumulative Mako procedures have been performed, and roughly two-thirds of Stryker's U.S. knees and one-third of U.S. hips are now done on Mako. Trauma & Extremities and the global knee business have been consistent share gainers.

Our view: Combined with a strong culture of decentralisation, innovation and disciplined capital allocation, Stryker has consistently grown faster than its end markets while maintaining excellent profitability. We believe the company is well positioned to benefit from favourable demographics, increasing healthcare spending and continued procedure growth globally.

Key return drivers

Stock contribution : Month to date

Winners	Contribution (%)	Losers	Contribution (%)
ASML Holding N.V.	0.58%	Intercontinental Exchange	-0.40%
Safran	0.55%	SAP	-0.49%
UnitedHealth	0.40%	London Stock Exchange	-0.58%
Airbus	0.31%	Amazon.com	-0.74%
Hyatt Hotels Corporation	0.24%	Microsoft	-0.89%

Sector contribution	Month to date (%)
Industrials	0.86%
Health Care	0.54%
Consumer Staples	0.14%
Materials	0.13%
Cash and equivalents	0.00%
Financials	-0.73%
Consumer Discretionary	-0.79%
Information Technology	-0.95%

Portfolio positioning

Top 10 holdings	Portfolio weight
Amazon.com Inc	5,71%
Safran SA	5,69%
Vinci SA	5,25%
Airbus Group	5,15%
Canadian Pacific Kansas City Ltd	5,09%
Mastercard Inc A	4,84%
London Stock Exchange Group	4,73%
Thermo Fisher Scientific Inc	4,49%
Microsoft Corp	4,39%
AON Plc	4,37%
Total	**49.7%**

Sector breakdown	Portfolio weight
Industrials	23,57%
Financials	19,30%
Health Care	18,26%
Consumer Discretionary	15,93%
Information Technology	12,35%
Consumer Staples	6,09%
Materials	2,91%
Cash	1,59%
Total	**100.0%**

Attribution analysis and positioning information as at 30 June 2026. Source: Nedgroup Investments, Veritas Asset Management.

Fund returns are in US$ based on Class C. MSCI index returns are with net dividends reinvested. Source: Morningstar

Notable News

- **Amazon -** announced an added $13 billion to expand and support AI and cloud infrastructure in India, according to a company statement. The additional investment will expand AWS data center capacity in Mumbai and Hyderabad. The company will also launch more than 20 new fulfillment centres and over 100 new delivery stations across India this year. Amazon is investing more than €10 billion to expand and modernise European fulfillment centres with new robotics and will add 25,000 more jobs over the "coming years". Also says Amazon Now ultra-fast delivery is expanding internationally. The company is also expanding its same-day delivery capabilities.
- **Aibus -** preliminary data indicated that Airbus successfully delivered around 90 aircraft in June, capping off a strong first half of the year (roughly 350 planes total) and calming investor fears of a guidance cut. The company announced a series of major trade deals, including helicopter procurement deals for its rotary-wing division (like orders from Avincis and the Czech Republic), which strengthen the company's foothold in the European helicopter sector. In addition, they reported commercial jet orders from carriers like SAS. These contracts extend a sustained series since the ILA Berlin show in early June (partnerships with Kawasaki on the Eurodrone, a €345 million contract for Sentinel-1 NG radars, an order of 12 helicopters for Romania) maintaining a 10+ year order book. Easing inflation and lower energy prices, which indirectly relieve pressure on airline customers and operational costs has also boosted investor appetite for aerospace stocks.
- BofA Global Research revised its price objective and earnings forecasts for **ASML** on expectations of a full order book for 2027 amid strong industry demand when the company releases its second-quarter 2026 results. The price objective was increased to 2,022 euros from 1,921 euros, while the buy rating on the stock was reiterated.
- Bernstein resumed coverage of **Waters Coporation** with an Outperform rating. The firm says new drug approvals, trial starts, and funding are all better in the last 12 months versus the 12 months prior. Bernstein believes funding will start translating into customer spend while re-shoring will drive incremental investment at a time when AI-driven demand for semiconductor-related tools will continue to grow.

Contact us

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.

This document is of a general nature and for information purposes only, it is not intended for distribution to any person or entity who is a citizen or resident of any country or other jurisdiction where such distribution, publication or use would be contrary to law or regulation. Whilst the Investment Manager has taken all reasonable steps to ensure that this document is accurate and current at the time of publication, we shall accept no responsibility or liability for any inaccuracies, errors or omissions relating to the information and topics covered in this document.

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.

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.

NEDGROUP INVESTMENTS CONTACT DETAILS

Tel: toll free from South Africa only 0800 999 160

Email: info@nedgroupinvestments.co.za

For further information on the fund please visit: www.nedgroupinvestments.com

OUR OFFICES ARE LOCATED AT

First Floor, St Mary's Court

20 Hill Street, Douglas

Isle of Man

IM1 1EU