Global Flexible Fund

▶ Contrarian. Flexible. Patient.

NEDGROUP INVESTMENTS

July 2026 update | ISIN for Class C USD:IE00BKXGFM15

MARKETING COMMUNICATION

MONTHLY PORTFOLIO UPDATE

Our investment approach

- We target equity-like returns with less risk than the market over a full market cycle.
- Portfolio construction is driven by bottom-up fundamental research and valuations, agnostic of market indices.
- We patiently seek undervalued, out-of-favour opportunities across asset class and capital structure.
- We hold cash when prudent to protect against downside risks.

Portfolio Management Team

Brian A. Selmo

24 years in the industry

Steve Romick

39 years in the industry

Mark Landecker

23 years in the industry

In this monthly note, we share the Fund's return drivers over recent periods, current portfolio positioning and put the spotlight on a stock bought/sold.

Performance and markets

July proved to be another reminder that markets remain narrowly focused on a small number of macro narratives. Geopolitical tensions in the Middle East resurfaced, pushing oil prices higher, while concerns about the sustainability of AI-related spending again dominated investor attention. Meanwhile earnings season highlighted that not all companies exposed to AI experienced the same outcome. Markets at times treated these businesses as a single trade, but company fundamentals ultimately mattered. The result was a largely flat month for global equities, with the MSCI World returning 0.5% in US dollar terms. Energy was the standout sector and the only area to deliver a double-digit return, while financials also advanced. Technology stocks, by contrast, declined by more than 4%.

Against this backdrop, the Fund returned 2.5% during the month. Performance reflected a recurring theme within the portfolio: returns came from businesses that looked very different from the market's most crowded positions. Positive earnings surprises emerged across a broad range of holdings and sectors, demonstrating the benefits of maintaining a diversified opportunity set and remaining focused on company-specific fundamentals rather than prevailing market narratives.

Healthcare was a particularly strong contributor. Several holdings delivered results that reinforced our view that the market had become overly pessimistic about their prospects. Baxter and Avantor produced better-than-expected earnings, improving confidence in their growth trajectory and operational progress. Becton Dickinson, Thermo Fisher and Bio-Rad Labs also generated double-digit returns over the month as evidence of a recovery in life sciences demand continued to build.

Consumer-oriented holdings were another significant source of returns. Heineken, Magnum Ice Cream, Sodexo and Amazon all contributed positively, although for very different reasons. In Heineken's case, management continued to demonstrate that cost-saving initiatives are translating into a more credible path to margin expansion. Premium beer volumes remained resilient while the no- and low-alcohol portfolio continued to grow at a healthy rate. Magnum Ice Cream showed similar characteristics, with operational improvements supporting margins while an exceptionally warm European summer boosted demand and helped strengthen free cash flow generation.

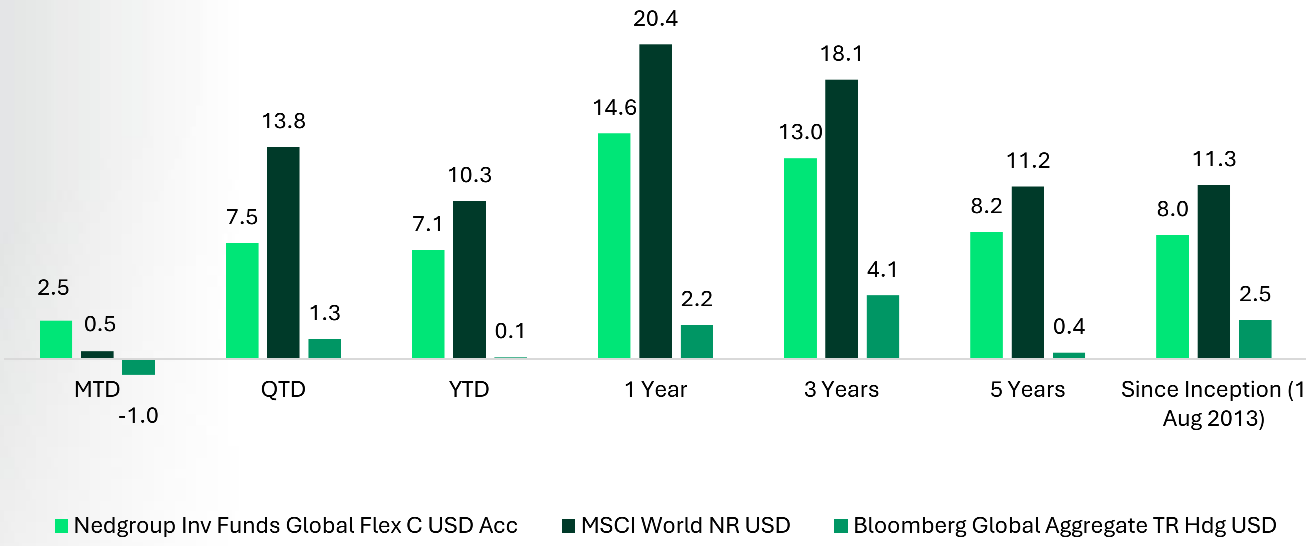
Sodexo also delivered encouraging results. Market expectations had become increasingly pessimistic following a period of operational challenges, yet the company reported better-than-expected organic growth and provided constructive guidance. The share price response reflected a growing recognition that the turnaround remains on track.

Amazon was another notable contributor. While AI investment remains the subject of significant market debate, cloud growth accelerated and provided early evidence that demand is beginning to translate into tangible financial outcomes. This was particularly important given investor concerns around the company's elevated capital expenditure programme and recent pressure on free cash flow generation.

We continue to find opportunities in businesses where short-term concerns have overshadowed long-term fundamentals. Many of our strongest performers this month were companies that had fallen out of favour and were trading at valuations that understated their resilience and earnings power. At the same time, we remain disciplined in trimming long-term winners where valuations have become increasingly demanding. As always, our focus remains on patiently allocating capital where the gap between price and intrinsic value is greatest, even when that means looking different from market indices.

Fund performance

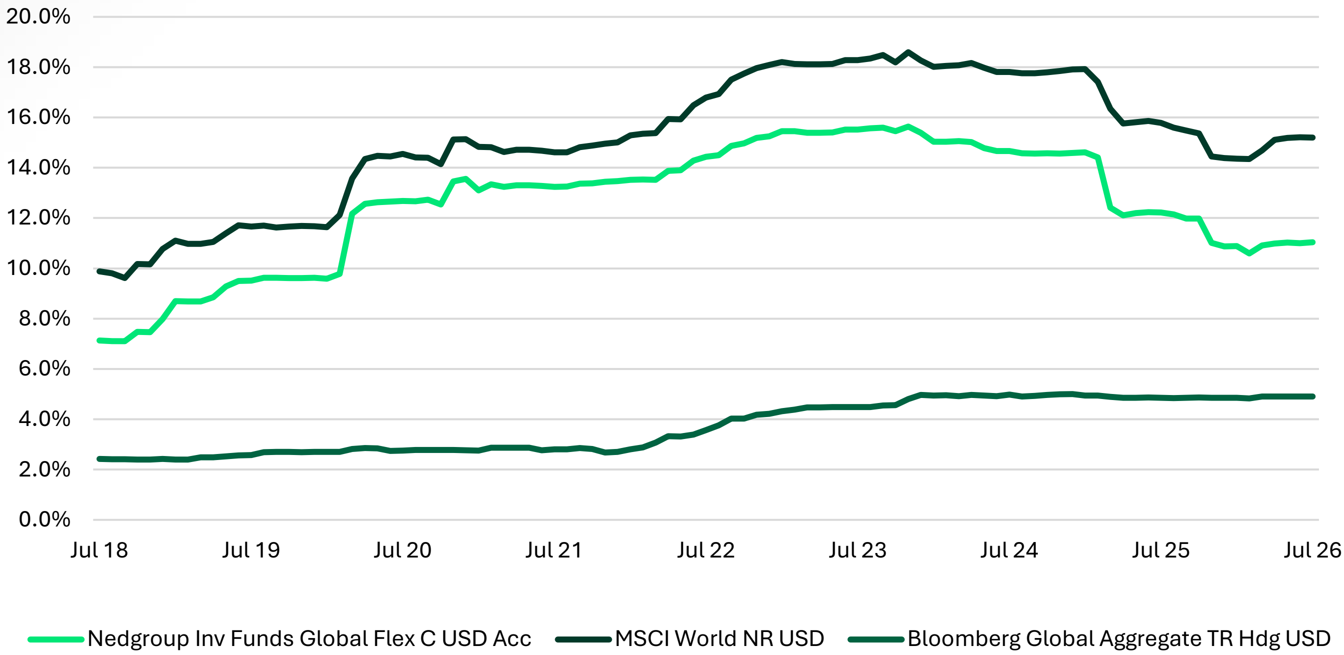
Past performance is not indicative of future performance and does not predict future returns



Inception date 01/08/2013 Source: Morningstar, data to 31 July 2026.
Performance figures are based on the 15:00 (3pm) Irish-domiciled fund valuation point.

Rolling 5-year volatility (%, net in US$)

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



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

Fund returns are in US$ based on Class C since 1 August 2013. MSCI index returns are with net dividends reinvested. Rolling volatility based on rolling 5-year US$ returns. Source: Morningstar, Nedgroup Investments.

Key return drivers

Month to date

Contributors		Detractors	
Azelis Group	0.38%	Analog Devices,	-0.25%
Amazon.com	0.21%	Samsung C&T	-0.25%
Heineken Holding	0.19%	NXP Semiconductors	-0.17%
Baxter International	0.18%	Citigroup	-0.11%
LPL Financial Holdings	0.16%	Fortune Brands Innovations	-0.11%

Year to date

Contributors		Detractors	
Analog Devices	1.03%	Meta Platforms	-0.38%
Alphabet	0.73%	Naspers & Prosus	-0.38%
Glencore	0.46%	Liberty Broadband	-0.17%
Azelis Group	0.46%	Comcast Corporation	-0.17%
Samsung C&T	0.44%	TE Connectivity	-0.16%

Sector contribution	Month to date	Year to date
Equities	***2.46%***	***7.26%***
Communication Services	0.06%	-0.23%
Consumer Discretionary	0.55%	0.71%
Consumer Staples	0.44%	0.80%
Energy	0.03%	0.28%
Financials	0.55%	0.62%
Health Care	0.62%	0.96%
Industrials	0.19%	1.75%
Information Technology	-0.17%	1.31%
Materials	0.21%	0.93%
Real Estate	0.00%	0.14%
Fixed Income	***0.08%***	***0.76%***

Contribution data as of reporting month end. Source: FPA, Factset.

Portfolio positioning

Portfolio structure	Portfolio weight
Fixed income	**0.60%**
Corporate Bonds	0.35%
Convertible Bonds	0.25%
Equities	**61.93%**
Communication Services	8.93%
Consumer Discretionary	6.27%
Consumer Staples	5.45%
Energy	0.96%
Financials	7.63%
Health Care	7.75%
Industrials	9.95%
Information Technology	7.74%
Materials	6.05%
Real Estate	1.10%
Utilities	0.10%
Cash & equivalents*	**37.47%**
Total	**100.00%**

** Includes money market securities.*

Regional breakdown	Equity weight	Fixed income weight
North America	34.23%	0.29%
Europe ex UK	22.19%	0.31%
Japan	2.63%	0.0%
Emerging Markets	2.52%	0.0%
United Kingdom	0.36%	0.0%
Total	**61.93%**	**0.60%**

Top 5 equity holdings		Portfolio weight
Alphabet	Communication Services	4.68%
Analog Devices	Information Technology	3.04%
Azelis Group	Industrials	2.06%
Heineken Holding	Consumer Staples	2.04%
International Flavours & Fragrances	Materials	1.95%

Stock spotlight: Nintendo

Nintendo owns one of the world's most valuable portfolios of entertainment intellectual property, including Mario, Zelda, Pokémon, Donkey Kong and Animal Crossing. While often viewed as a cyclical gaming company tied to console launches and hardware demand, we believe this perspective understates the long-term value of its franchise portfolio and its ability to monetise these assets across an expanding range of entertainment channels.

- **Current Dynamics:** Following the launch of the Nintendo Switch 2, investor attention has largely focused on hardware demand, console sales and the potential impact of higher component costs on margins. While these factors may influence near-term earnings, we believe they risk obscuring the durability of Nintendo's underlying business. The company's growing installed user base, expanding digital ecosystem and ownership of iconic intellectual property provide a strong foundation for long-term value creation.

- **Strategic Positioning:** Nintendo is increasingly evolving from a traditional console manufacturer into a broader entertainment company built around a collection of globally recognised brands. Digital game sales, downloadable content, subscriptions and online services provide higher-margin and more recurring revenue streams than hardware sales alone. Beyond gaming, initiatives spanning film, theme parks, merchandise and mobile experiences broaden audience reach and create additional avenues for monetisation, reinforcing the relevance of Nintendo's franchises across generations of consumers.

- **Investment Thesis:** We view Nintendo as a high-quality owner of scarce and enduring intellectual property rather than simply a hardware producer. Its franchises have demonstrated remarkable longevity, supported by deeply engaged fan communities and significant barriers to replication. As management continues to expand monetisation beyond console sales, Nintendo increasingly resembles other franchise-driven entertainment businesses where value creation is driven by the ownership and commercialisation of iconic brands. While hardware cycles may create periods of volatility, we believe the market underappreciates the long-term earnings power embedded within Nintendo's portfolio of franchises and its ability to compound value over time.

This position was 0.64% of the portfolio as at month-end.

Positioning information as of reporting month end. Some differences may exist due to rounding. Source: FPA, Nedgroup Investments.

Contact us

Email: Clientsolutions@nedgroupinvestments.com

London: 7th Floor, 12 Arthur Street, EC4R 9AB, +44 (0) 7960 901396

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.

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.