

Global Flexible Fund

► Contrarian. Flexible. Patient.



November 2025 update | ISIN for Class C USD:IE00BKXGFM15

MARKETING COMMUNICATION

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.

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.

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

Performance and markets

Elevated market concentration meant that November was a reminder of how quickly sentiment can shift, with volatility driven by concerns over AI spending and valuations alongside the prospect of private credit defaults. Against this backdrop, differentiated exposure and downside protection through money market securities was key. The MSCI World and global bonds (Bloomberg Global Agg US\$ hedged) ended the month flattish at 0.3% and 0.2%, respectively. The Nedgroup Investments Global Flexible Fund delivered 1.1%. Year to date, the Fund returned 14.4%, while the MSCI World returning 20.1% and global bonds, 5.1%.

The strongest drivers of returns in November came from Communication Services, Health Care and Materials, while Industrials detracted despite being the leading sector year to date. IT weighed on the index, but our differentiated exposure proved additive, led by TE Connectivity — one of the top contributors for the year.

Within Communication Services, Alphabet was the largest contributor both for November and year to date. Confidence in its AI capabilities grew with the launch of Gemini 3, while Berkshire Hathaway's disclosed stake and strong cloud results highlighted growth beyond advertising— a perspective we have long held as bottom-up investors. Yet discipline remains central to our process: with risk-reward dynamics evolving since our initial investment over a decade ago, we trimmed the position further this month.

Nexon, the gaming manufacturer behind Dungeon & Fighter, delivered the highest portfolio returns in November, buoyed by strong earnings, a dividend doubling, and a new buyback program. As valuations approach their course, we have been trimming exposure. Charter Communications weighed on returns both for the month and year to date, with its announced merger and broadband challenges pressuring sentiment. We believe Charter's differentiating strength lies in convergence—bundling wired broadband with mobile services to deliver lower-cost, higher-value offerings. Over the next 5–7 years, convergence is expected to be as powerful a growth driver as the risks posed by incremental cable competition, and position sizing reflects this balance.

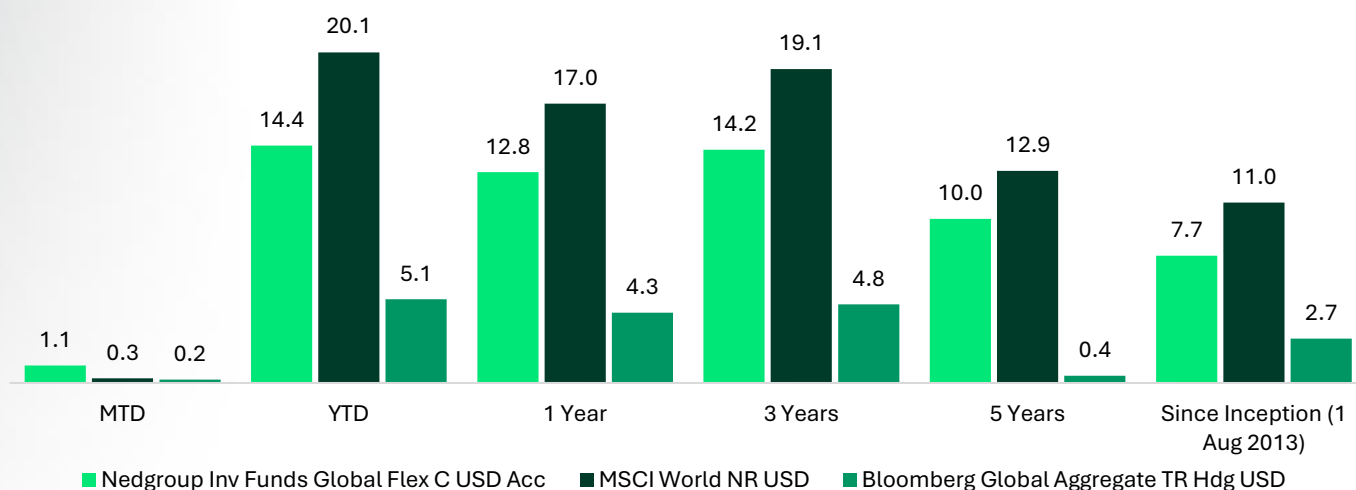
Health Care was led by Becton Dickinson, our growing position in mission-critical equipment, which posted strong results and enhanced shareholder returns through dividends and buybacks. In Materials, IFF lifted on strong earnings and reaffirmed guidance.

Industrials detracted in November, with Uber Technologies weighing despite delivering 45% returns year to date. While revenue and earnings exceeded expectations, questions around earnings quality and ongoing legal pressures weighed on the stock. This dynamic highlights why we emphasise long-term earnings power over the noise of quarterly results.

It is no coincidence that many of this year's detractors—Vail Resorts, Pernod Ricard, Fortune Brands, Hoshizaki, Icon, Nippon Paint—are relatively new additions to the portfolio. As contrarian value investors, we deliberately seek resilient businesses where market sentiment has yet to catch up with fundamentals. Volatility will persist into 2026, but our discipline remains unchanged: conducting deep fundamental research to give us the conviction to hold companies with enduring strength, even when the prevailing narrative is against them.

Fund performance

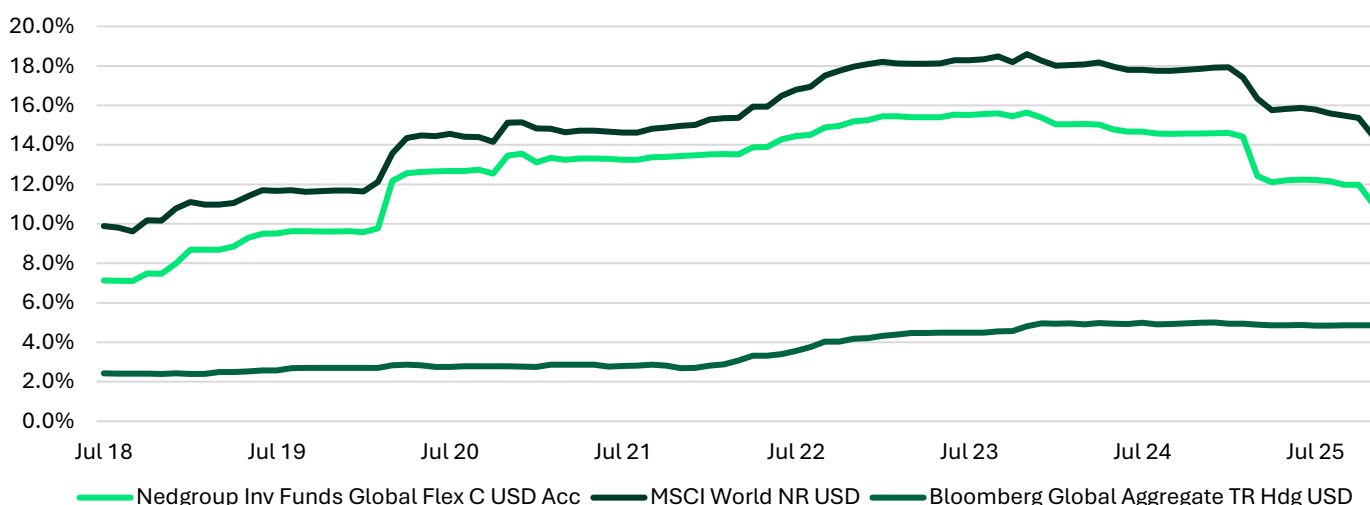
Past performance is not indicative of future performance and does not predict future returns



Inception date 01/08/2013 Source: Morningstar, data to 30 November 2025.

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 30 November 2025.

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	
Alphabet	0.82%	TE Connectivity	-0.21%
Analog Devices	0.34%	Naspers & Prosus	-0.15%
Intl Flavors & Fragrances	0.18%	Charter Communications	-0.12%
Becton Dickinson	0.16%	Safran	-0.09%
Marriott International	0.11%	Amazon.com	-0.08%

Year to date

Contributors		Detractors	
Alphabet	2.94%	Comcast Corporation	-0.64%
TE Connectivity	1.39%	CarMax	-0.61%
JDE Peet's	1.19%	Jefferies Financial Group	-0.48%
Citigroup	1.17%	Charter Communications	-0.47%
Safran	0.83%	Intl Flavors & Fragrances	-0.33%

Sector contribution	Month to date	Year to date
<i>Equities</i>	1.12%	13.17%
Communication Services	0.65%	3.73%
Consumer Discretionary	-0.16%	0.35%
Consumer Staples	0.08%	1.56%
Energy	0.10%	0.21%
Financials	0.14%	1.17%
Health Care	0.24%	0.82%
Industrials	-0.12%	2.47%
Information Technology	-0.02%	2.01%
Materials	0.22%	1.16%
Real Estate	-0.03%	-0.30%
<i>Fixed Income</i>	0.12%	2.29%

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



**NEDGROUP
INVESTMENTS**

Portfolio positioning

Portfolio structure	Portfolio weight
Fixed income	2.41%
Corporate Bonds	0.55%
Convertible Bonds	1.86%
Equities	57.87%
Communication Services	10.95%
Consumer Discretionary	6.02%
Consumer Staples	4.95%
Energy	1.70%
Financials	6.58%
Health Care	5.87%
Industrials	8.45%
Information Technology	6.58%
Materials	5.70%
Real Estate	0.97%
Utilities	0.09%
Cash & equivalents*	39.72%
Total	100.00%

Regional breakdown	Equity weight	Fixed income weight
North America	33.89%	0.95%
Europe ex UK	19.68%	1.46%
Asia ex. Japan	0.15%	0.0%
Japan	1.91%	0.0%
Emerging Markets	2.25%	0.0%
Total	57.87%	2.41%

Top 5 equity holdings		Portfolio weight
Alphabet	Communication Services	6.30%
TE Connectivity	Information Technology	2.91%
Analog Devices	Information Technology	2.63%
Meta	Communication Services	2.55%
Citigroup	Financials	2.01%

* Includes money market securities.

Stock spotlight: Nexon

Nexon is a leading global video game publisher with a portfolio of highly durable franchises. Its flagship title, *Dungeon & Fighter*, has generated lifetime revenue exceeding the combined global box office of all *Star Wars* films—a testament to the scale and stickiness of its intellectual property (IP). Other long-standing titles like *MapleStory* reinforce Nexon's moat, built on decades of player engagement and high switching costs. These games function as social ecosystems, where players invest significant time and money, creating a powerful barrier to churn.

- **Current Dynamics:** Historically, video gaming has been viewed as a hit-driven business with volatile cash flows. Nexon's differentiated model challenges this perception: its core franchises have demonstrated multi-decade longevity, supported by continuous content updates and community engagement. However, recent valuation strength reflects optimism around *Arc Raiders*, a new title from Nexon's Embark studio that has surged in popularity on Twitch and Steam. While promising, this success introduces uncertainty, as the durability of *Arc Raiders* remains unproven compared to Nexon's established pillars.
- **Strategic Positioning:** Nexon's strategy centres on leveraging its IP advantage and expanding its portfolio through acquisitions like Embark. The company benefits from structural tailwinds in gaming - rising monetization, growing global player bases, and the increasing value of IP in an era of cross-platform entertainment. Tencent's minority investment underscores Nexon's strategic importance within the industry.
- **Investment Thesis:** Nexon has delivered strong long-term performance since our initial investment in 2018, driven by the resilience of its core franchises and the addition of new titles that have become meaningful pillars. This trajectory validates the thesis that these games behave more like "digital theme parks," where new player cohorts are layered over time, creating long-lasting engagement and monetization. Its proven franchises offer exceptional durability, and management continues to innovate through new titles and acquisitions. However, with the share price re-rating and a growing share of earnings tied to unproven games, the risk/reward has normalized. Nexon remains a high-quality operator in an attractive industry, but we have been reducing the position on recent strength, as valuation now prices in much of the upside from *Arc Raiders* and long-term IP durability.

This position was 0.05% 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.

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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.

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Risks and fees are outlined in the relevant Sub-Fund supplement.

Prices are published on the Investment Manager's website.

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