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A photograph of an open book with white pages, tied with a white string bookmark. The book is positioned on the left side of the page, with the pages fanning out towards the right.

Nedgroup Investments Global Flexible Fund

Quarter One, 2023

Marketing Communication

Nedgroup Investments Global Flexible Fund

The following commentary was produced by the sub-investment manager, First Pacific Advisors, LP ("FPA").

USD performance to 31 March 2023	Nedgroup Investments Global Flexible ¹	MSCI World	S&P 500
3 months	5.3%	7.7%	7.5%
1 year	-3.5%	-7.0%	-7.7%
5 years	5.4%	8.0%	11.2%

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

Overview

The Nedgroup Investments Global Flexible Fund ("the Fund") gained 5.3% for the quarter but declined 3.5% for the trailing twelve months. The Fund captured 50.0% of the MSCI World's decline in the trailing twelve months, outperforming its own 69.5% average net risk exposure.²

Below you can see the Fund's performance along with various relevant indexes.

Exhibit A: Net Performance versus Illustrative Indices³

	Q1 2023	Trailing 12 months
Nedgroup Global Flexible Fund	5.3%	-3.5%
MSCI World NR	7.7%	-7.0%
MSCI ACWI NR	7.3%	-7.4%
S&P 500	7.5%	-7.7%
60% MSCI ACWI NR USD/ 40% Bloomberg US Agg	5.6%	-6.1%
60% S&P 500 / 40% Bloomberg US Agg	5.7%	-6.3%

Portfolio discussion

The recent regional bank turmoil did not have much of an impact on the portfolio, and as you can see in the following table, the Fund's financial exposure had little impact on performance.

¹ Source: Morningstar (monthly data series). Reflects the net USD return for the Nedgroup Investments Global Flexible Fund, C class. Source for MSCI and S&P 500 Morningstar

² Risk assets are any assets that are not risk free and generally refers to any financial security or instrument, such as equities, commodities, high-yield bonds, and other financial products that are likely to fluctuate in price. Risk exposure refers to the Fund's exposure to risk assets as a percent of total assets. The Fund's net risk exposure as of 31 March 2023 was 66.8%.

³ Comparison to the indices is for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. An investor cannot invest directly in an index.

Past performance is no guarantee, nor is it indicative, of future results.

Exhibit B: Trailing Twelve-Month Contributors and Detractors as of 31 March 2023⁴

Winners	Performance contribution	Ave. weight	Losers	Performance contribution	Ave. weight
Holcim	1.1%	3.1%	Alphabet	-1.7%	5.0%
Analog Devices	0.6%	2.9%	Charter Comm.	-0.8%	1.8%
Safran	0.5%	1.1%	Amazon.com	-0.8%	1.7%
Naspers & Prosus	0.3%	1.4%	Comcast	-0.6%	3.0%
CF Richemont	0.3%	0.9%	AIG	-0.5%	2.7%

In the last twelve months, the Fund's top five performers contributed 2.8%, net, to its return, while its bottom five detracted 4.5%, net. We've discussed all of the detractors from performance in the last year in previous commentaries with you, but there are two contributors that we have not mentioned – Holcim and Analog Devices.

Holcim, a global building materials company with a concentration in cement, concrete, and aggregates, continued its business transformation over the past year. Successful exits from India and Brazil, combined with its strong operating performance, have allowed Holcim to fund acquisitions in North America and Europe, initiate a share buyback, increase its dividend, and continue to improve its rock-solid balance sheet.⁵ We remain impressed by management's operating performance and strategic actions, and the company continues to trade at what we believe is an undemanding multiple of normal cash earnings.

Analog Devices' (ADI) stock price declined in the first half of 2022, along with its semiconductor peers. That sector has since rebounded, lifting ADI with it. We believe ADI is a well-run company and a secular grower, which should augur well for its future. However, given that it operates in a cyclical industry, we will not be surprised when its shares periodically trade down.

Exhibit C: Portfolio Composition⁶

	Q1 2023	Q4 2022	1 year ago: Q1 2022
Equity	64.3%	66.4%	69.9%
Bonds	2.5%	2.3%	0.6%
Cash and cash equivalents	33.2%	31.3%	29.5%
Exposure, Net	66.8%	68.7%	70.5%

The world does not change each quarter as much as stock price movements might otherwise suggest, often reacting more to media headlines than to a realistic assessment of future probabilities. Therefore, we reserve our more extended commentaries twice annually, for the second quarter and year-end. In the interim, we will continue to steward your capital with the same care as we have for the past ten years.

Respectfully submitted,

FPA Contrarian Value Portfolio Management Team

⁴ Reflects the top five contributors and detractors to the Fund's performance based on contribution to return for the trailing twelve months through 31 March 2023. Contribution is presented net of investment management fees, transactions costs, and Fund operating expenses using the fees and expenses of the Fund's Class C shares. The information provided does not reflect all positions purchased, sold or recommended by FPA during the period. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed.

⁵ Source: Holcim. <https://www.holcim.com/media/media-releases/india-divestment-closing>; <https://www.holcim.com/media/media-releases/brazil-divestment-closing>; <https://www.holcim.com/media/media-releases/holcim-acquires-us-aggregates-business>; <https://www.holcim.com/media/media-releases/holcim-acquires-indar-mexico>; <https://www.holcim.com/media/media-releases/share-buyback-program>; <https://www.holcim.com/investors/shareholder-information/dividend-history>.

⁶ Risk Assets include all investments excluding cash and cash equivalents. Net Risk Exposure is the percentage of portfolio exposed to Risk Assets. The "Equity" exposure and the Fund's "Exposure, Net" include a 0.5% allocation to a SPAC basket consisting of 50 SPAC investments as of 31 March 2023. Portfolio composition will change due to ongoing management of the Fund.

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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.

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Germany: The Fund's Facilities agent in Germany is Acolin Europe AG, with the registered office at Reichenaustraße 11a-c, 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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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: helpdesk@nedgroupinvestments.com

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

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