Contrarian Value Equity Fund

▶ Temperament. Duration. Alpha.

March 2026 Commentary | ISIN for Class D USD: IE00BF5FMG44

MARKETING COMMUNICATION

NEDGROUP INVESTMENTS

MONTHLY PORTFOLIO UPDATE

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

Geopolitical tensions in the Middle East drove a sharp risk-off move in March, with MSCI ACWI declining 7.2% and market leadership narrowing materially—energy was the only sector to deliver positive returns. The Nedgroup Investments Contrarian Value Equity Fund declined 8.8% over the month, giving back some of its earlier outperformance. For the first quarter, the Fund returned -3.8% versus -3.2% for the MSCI ACWI. Periods such as these reinforce our focus on long-term valuations rather than short-term market narratives.

At a sector level, stock selection in Materials and IT added value, while lower exposure to Energy and selected Healthcare holdings detracted. Energy prices surged as supply concerns escalated, with the sector rising sharply over the quarter; while our energy holdings performed well, under-exposure weighed on relative returns. In Healthcare, tighter funding conditions continued to pressure outsourcing demand, weighing on holdings such as ICON.

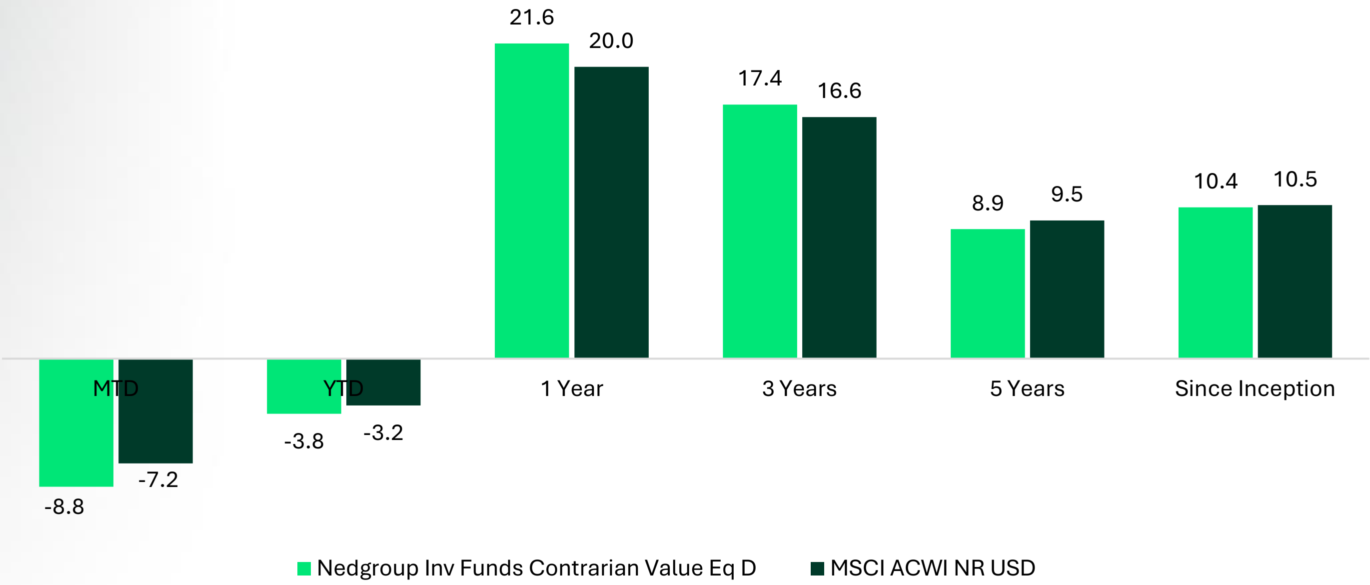
Materials was the standout contributor. High-conviction positions including Glencore, Grupo México, Amrize and IFF drove strong returns, despite each having minimal representation in the benchmark. Glencore benefited from stronger copper and metals prices and a better-than-expected dividend, while rising copper prices also supported Grupo México, a significant owner of global copper assets. IFF gained as investors responded positively to deleveraging and restructuring progress, and Amrize delivered double-digit gains following stronger-than-expected results post its spin-out.

In IT, returns were mixed. Analog Devices performed well as the semiconductor cycle turned, supported by its diversified end-market exposure and "picks and shovels" positioning. The Fund maintained no exposure to large index heavyweight technology names such as Microsoft, Nvidia and Apple, which posted negative returns; given their substantial benchmark weights, not owning these stocks proved additive.

Volatility during the quarter created opportunities to add selectively where prices moved ahead of fundamentals. We increased exposure in Healthcare, adding to Bio-Rad and Avantor and initiating a position in Baxter, a mission-critical franchise trading below our assessment of intrinsic value. We also added to businesses tied to everyday demand, including Magnum Ice Cream, and initiated positions such as Kerry and AJ Gallagher. While short-term outcomes can be volatile, we remain focused on building a high-conviction, valuation-anchored portfolio positioned to benefit from sentiment-driven dislocations over the long term.

Fund performance

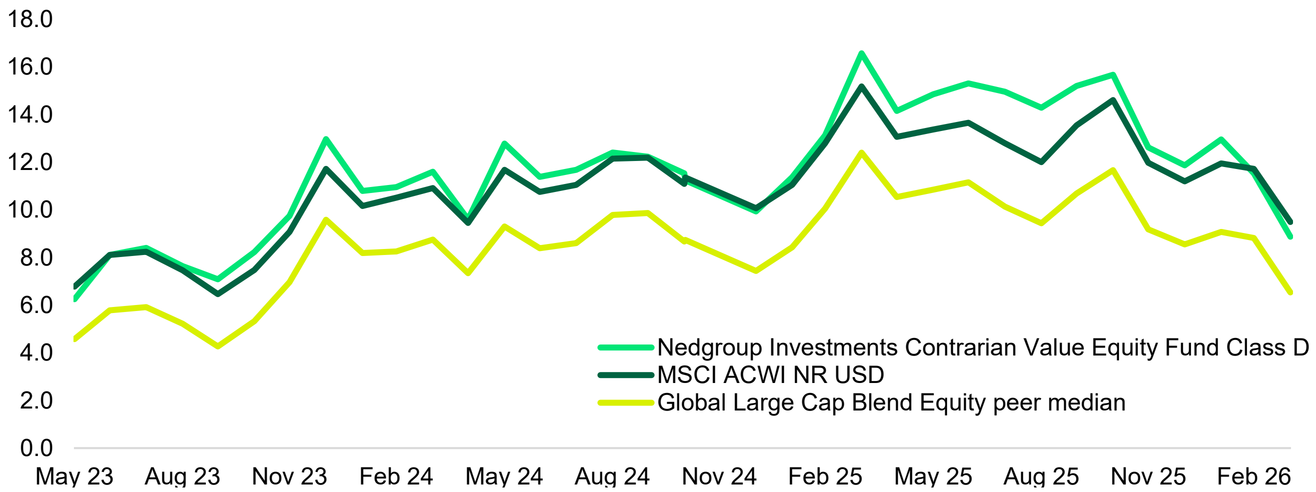
Past performance is not indicative of future performance and does not predict future returns



Inception date 01/06/2018 Source: Morningstar, data to 31 March 2026.

Rolling 5-year returns (%, US$)

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



Source: Morningstar, data to 31 March 2026.

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 (%)
Glencore	0.16%	Samsung C&T	-0.74%
Citigroup	0.11%	Heineken Holding	-0.73%
IMCD	0.10%	Safran SA	-0.66%
CNH Industrial	0.05%	Alphabet	-0.55%
ICON Plc	0.03%	Fortune Brands Innovations	-0.52%

Stock contribution: Year to date

Winners	Contribution (%)	Losers	Contribution (%)
Glencore	0.84%	Naspers & Prosus	-0.66%
Analog Devices	0.60%	ICON Plc	-0.59%
International Flavors & Fragrances	0.25%	Alphabet	-0.55%
NOV	0.25%	Meta Platforms	-0.47%
Kinder Morgan	0.21%	Fortune Brands Innovations	-0.37%

Sector contribution	Month to date (%)	Year to date (%)
Communication Services	-1.41%	-1.03%
Consumer Discretionary	-0.75%	-1.16%
Consumer Staples	-1.12%	-0.45%
Energy	-0.10%	0.45%
Financials	0.01%	-0.35%
Health Care	-1.01%	-1.13%
Industrials	-2.45%	-0.24%
Information Technology	-0.86%	0.28%
Materials	-1.09%	0.88%
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
Alphabet	6.8%
Analog Devices	4.1%
International Flavors & Fragrances	3.8%
JDE Peet's	3.7%
Heineken Holding	3.6%
Citigroup	3.6%
Comcast Corp	3.5%
Glencore	3.4%
Meta Platforms	3.2%
Becton Dickinson And Co	3.0%
Total	**38.8%**

Sector breakdown	Portfolio weight
Communication Services	16.67%
Consumer Discretionary	10.87%
Consumer Staples	10.76%
Energy	1.95%
Financials	7.41%
Health Care	11.52%
Industrials	13.72%
Information Technology	8.94%
Materials	12.11%
Real Estate	0.00%
Total	**94.0%**

Stock spotlight: Nippon Paint

Nippon Paint is the largest paint company in Asia, with leading, tier-one brands across Southeast Asia and other key regional markets. While listed in Japan, the company is effectively controlled by a Singapore-based family with a strong owner-operator mindset and a long track record of disciplined capital allocation. Nippon Paint benefits from strong brand preference in a category where customers typically select established leaders, supporting a durable competitive position despite cyclical demand and input-cost volatility.

- **Current Dynamics:** Nippon Paint has been out of favour due to housing-related weakness, a headwind that has affected markets globally rather than being isolated to any single geography. Despite this, the company reported very strong operating numbers shortly before a recent geopolitical conflict, after which the share price sold off sharply. This weakness was driven primarily by rising oil prices, as oil is a key input cost for paint production, rather than any deterioration in underlying demand or franchise quality. Broader market attention has remained focused on technology-oriented growth themes, leaving cyclically exposed industrial businesses such as Nippon Paint relatively overlooked.

- **Strategic Positioning:** Nippon Paint's strategy reflects an owner-operator mindset centred on long-term value creation. The Chairman has actively utilised long-duration yen-denominated debt — issued at exceptionally low real borrowing costs — to acquire higher-growth paint and coatings businesses across Asia. This approach effectively arbitrages Japan's structural cost-of-capital advantage into faster-growing regional markets. The business operates as a disciplined compounder, deploying capital selectively across markets where brand strength, scale, and distribution position support attractive long-term returns.

- **Investment Thesis:** Nippon Paint is viewed as a cyclical grower with a strong economic franchise that is currently unfashionable rather than structurally impaired. The recent share price weakness — driven by oil price volatility and broader housing concerns — has been used to add to the position. The stock has been part of the investment universe for many years and was re-engaged as valuation became more compelling. The thesis is underpinned by the durability of its tier-one market position, disciplined capital allocation supported by low-cost funding, and the ability to compound value through exposure to higher-growth Asian markets. While input-cost pressures remain a near-term headwind, these are viewed as temporary and do not alter the long-term quality of the underlying business.

This position was 1.51% of the portfolio as at month-end.

Performance, contribution data and positioning information as of reporting month end. Source: FPA, Factset, 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.