

Contrarian Value Equity Fund



► Durability. Temperament. Alpha.

May 2026 Commentary | ISIN for Class D USD: IE00BF5FMG44

MARKETING COMMUNICATION

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

May echoed April's pattern in equity markets. As US–Iran negotiations continued, investor focus shifted back to a robust earnings season, again led by IT. The MSCI ACWI rose 5.2% in USD terms, but leadership remained narrow. With IT approaching a third of the index—and the only sector to deliver double-digit returns—concentration risk moved back into sharper focus.

The Fund kept pace, returning 5.0%, supported by exposure to under-represented compounders: stocks where expectations remain less extended and outcomes are less fully priced. In a market increasingly driven by a narrow set of winners, owning different leaders remains essential to portfolio resilience.

At a stock level, performance was led by beneficiaries of AI-related spending, including Korean holdings Samsung C&T and LG Corp, alongside semiconductor businesses NXP Semiconductors and Analog Devices. Beyond AI, contributions came from Healthcare, Materials and selected consumer-focused names.

In Materials, IFF benefited from growing confidence in its turnaround, supported by stronger results, deleveraging and portfolio restructuring.

In Healthcare, while market returns for the sector were modest at just over 2%, stock dispersion remained high. Six of our eleven holdings delivered double-digit returns. Waters Corporation and Merck KGaA reported strong results, ICON benefited from improving outsourcing conditions, and Bio-Rad Labs saw fundamentals recover—highlighting the gap that can emerge between perceived and realised outcomes.

Consumer holdings were rewarded where profitability, cash flow or value creation proved stronger than expected. Contributors included Magnum Ice Cream, which was also supported by takeover speculation; Richemont, which outperformed within luxury; and Delivery Hero and CarMax, where operational progress continued.

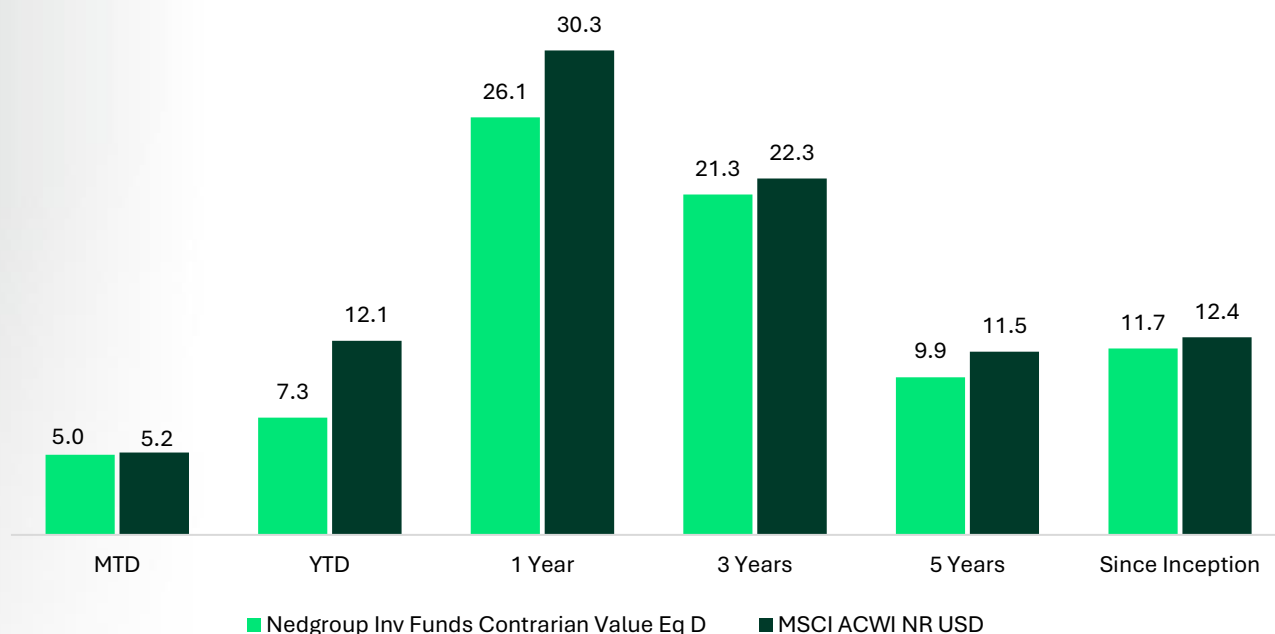
The main detractors were US cable operators Comcast and Charter Communications. Competitive pressure from fixed wireless and fibre—often deployed at low returns—continues to weigh on the industry. While we

expect structural decline over the next five to seven years, we believe the end-state competitive backdrop should remain reasonable. Together with interim cash flows and mid-to-high single-digit free cash flow multiples, this still points to equity-like returns. Comcast, in particular, retains additional optionality through its media and theme park businesses, which remain structurally stronger than the core narrative implies.

We remain anchored to valuation, focused on where expectations have moved too far, and prepared to stand apart from consensus when the opportunity set demands independent thinking.

Fund performance

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

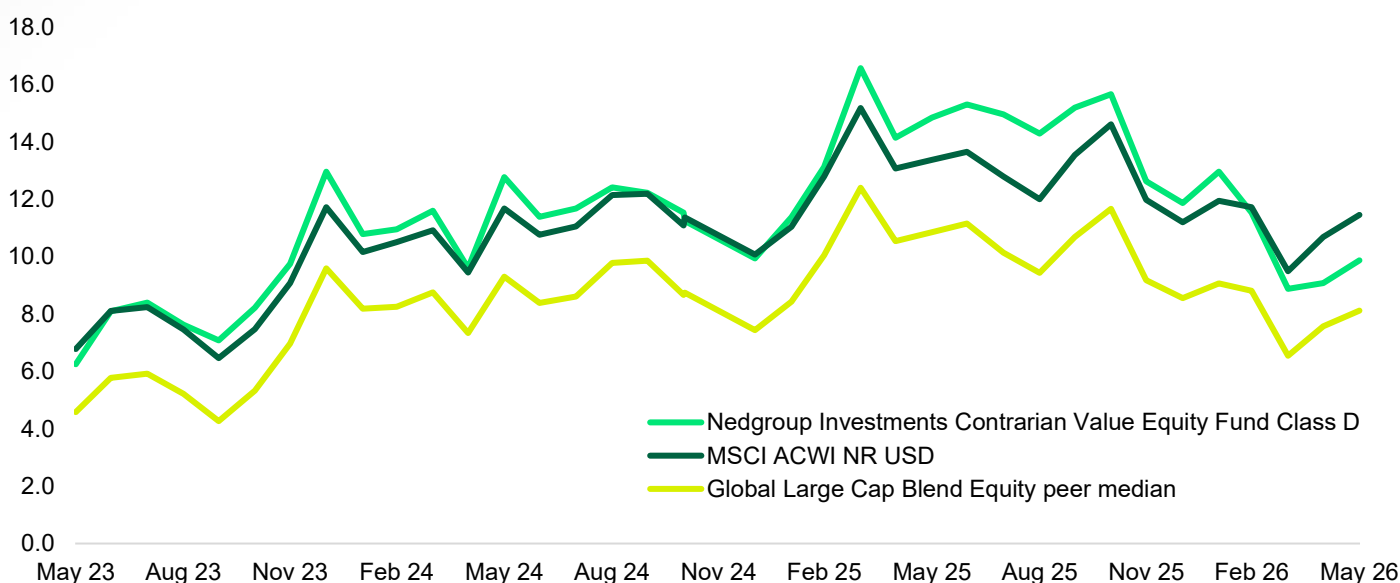


Inception date 01/06/2018 Source: Morningstar, data to 31 May 2026.

Performance figures are based on the 15:00 (3pm) Irish-domiciled fund valuation point.

Rolling 5-year returns (% , US\$)

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Source: Morningstar, data to 31 May 2026.

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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 (%)
Samsung C&T	0.79%	Ferguson Enterprises	-0.30%
LG Corp	0.59%	Comcast Corporation	-0.25%
Safran SA	0.33%	Azelis Group	-0.16%
International Flavors & Fragrances	0.29%	Charter Communications	-0.15%
Magnum Ice Cream	0.23%	Naspers & Prosus	-0.13%

Stock contribution: Year to date

Winners	Contribution (%)	Losers	Contribution (%)
Analog Devices	1.89%	Naspers & Prosus	-0.69%
Alphabet	1.61%	ICON Plc	-0.42%
Samsung C&T	1.19%	Fortune Brands Innovations	-0.40%
Glencore Plc	1.03%	Comcast Corporation	-0.28%
LG Corp	0.85%	Nintendo Co.	-0.28%

Sector contribution	Month to date (%)	Year to date (%)
Communication Services	-0.44%	0.29%
Consumer Discretionary	0.56%	0.40%
Consumer Staples	0.31%	0.08%
Energy	-0.03%	0.57%
Financials	-0.14%	-0.09%
Health Care	0.98%	-0.26%
Industrials	1.03%	2.34%
Information Technology	0.46%	2.64%
Materials	0.60%	1.72%
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	Sector breakdown	Portfolio weight
Alphabet	7.4%	Communication Services	16.2%
Analog Devices	4.6%	Consumer Discretionary	10.8%
International Flavors & Fragrances	3.6%	Consumer Staples	8.4%
Citigroup	3.3%	Energy	1.2%
Amazon.com	3.2%	Financials	9.3%
Heineken Holding	3.2%	Health Care	12.3%
Meta Platforms	3.1%	Industrials	14.6%
Safran SA	2.8%	Information Technology	10.1%
TE Connectivity	2.7%	Materials	11.4%
Glencore	2.6%	Real Estate	0.0%
Total	36.4%	Total	94.3%

Stock spotlight: Delivery Hero

Delivery Hero is one of the world's leading local delivery platforms, operating across Europe, Asia, the Middle East and Latin America through a portfolio of regional brands such as Foodpanda, Talabat and PedidosYa. The business connects consumers, restaurants and couriers through its platform. Initially built around restaurant delivery, Delivery Hero has expanded into groceries and convenience retail ("quick commerce"), positioning itself as an "everyday app" for local services.

- **Current Dynamics:** Delivery Hero has delivered consistent top-line growth, with total segment revenue increasing meaningfully and gross merchandise value (GMV) approaching €49bn. Growth has been driven by expansion in emerging markets, increased order frequency and the scaling of quick commerce. However, the business has historically struggled to translate this growth into consistent profitability, reflecting high logistics costs and ongoing investment. While adjusted EBITDA has improved materially, profitability remains a key focus area.
- **Strategic Positioning:** Delivery Hero's competitive position is underpinned by its local market leadership and multi-brand structure. By operating strong regional platforms, the company is able to tailor its offering to local consumer behaviour and maintain leading market share in many geographies. Its ecosystem benefits from network effects, while expansion into groceries and convenience retail supports increased engagement and order frequency.
- **Financial Progression:** The business has made notable progress in improving unit economics, with adjusted EBITDA exceeding €900m (FY2025) and free cash flow turning positive. Margins have benefited from cost discipline, improved logistics efficiency and higher-margin revenue streams such as advertising and subscriptions. Management continues to guide to further EBITDA expansion supported by scaling efficiencies.
- **Investment Thesis:** Delivery Hero represents a high-growth platform with improving profitability. The core investment case is based on continued growth driven by emerging market penetration, improving margins and unit economics as scale enhances efficiency, and increased monetisation through a multi-vertical offering. While execution remains important, the combination of structural growth and improving unit economics supports a balanced long-term investment case.

This position was 0.35% of the portfolio as at month-end.

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

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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.

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