Setanta Global Equity Fund
Q4 2025

Fund Description

The **Global Equity Fund** ('the Fund') is managed by Setanta Asset Management and is a representative account of the Global Equity strategy. The Fund is an actively managed equity portfolio which holds c.60-100 global stocks. The portfolio is managed in accordance with the Setanta investment philosophy by a team of five global sector specialists, overseen by three lead portfolio managers. The aim is to achieve a sensible level of diversification on a sector and geographic basis. Reflecting this, portfolio sector weights are generally set so as broadly similar to the sector weights in the benchmark. Within each sector, stocks are chosen through bottom-up analysis, based on investment merit. Rather than focusing on the historic level of volatility of an asset, the portfolio managers regard the probability of permanent impairment of capital as the most relevant measure of risk. In doing so, they seek to maximise downside protection by understanding the risks posed by the valuation, financial, and operational characteristics of the asset. The investment objective of the Fund is to outperform the MSCI World index over the long term.

Portfolio Managers

David Coyne, David Byrne, CFA & Conor Walshe

Our Investment Principles

We do not believe markets are efficient

We invest below our estimate of intrinsic value

We invest in businesses rather than buying stocks

Preservation of our clients' capital is key

Investing is a marathon, not a sprint

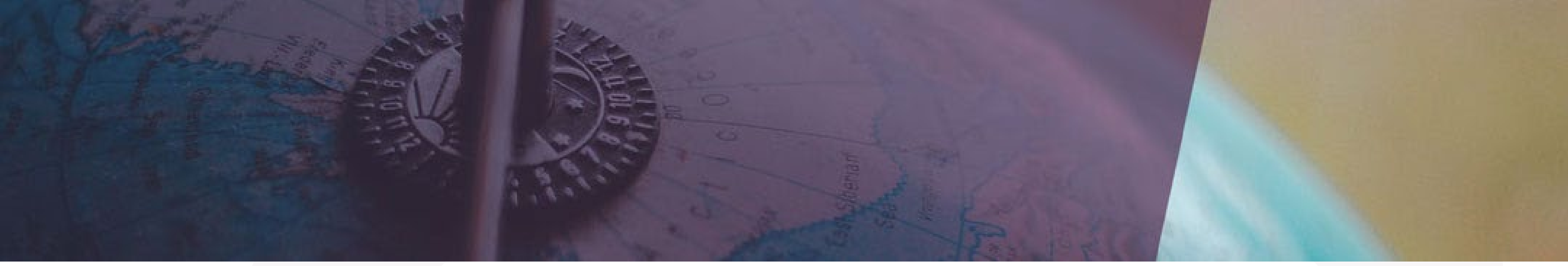
We are not afraid to swim against the tide

We consider scenarios rather than making forecasts

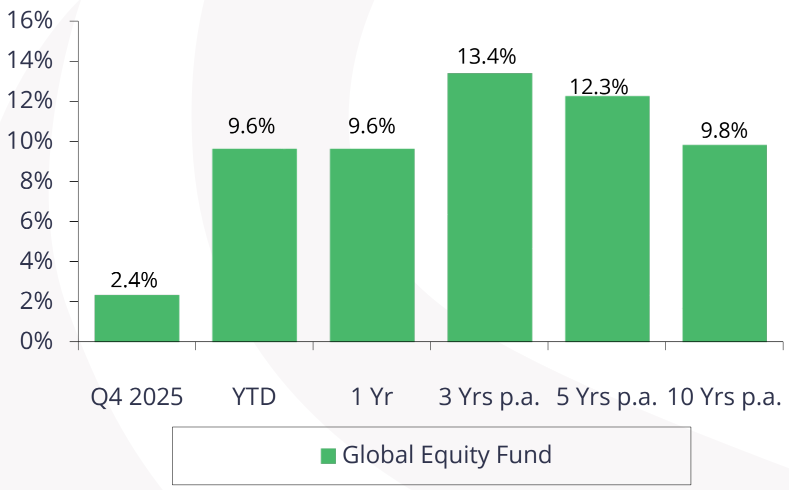
Businesses we own must have strong balance sheets

We make mistakes and always endeavour to learn from them

We will act with integrity in everything we do



Fund Performance – 31.12.25 (EUR)



Performance Source: Setanta. The Fund returns stated are based on the movements in the unit prices of the ILA/CLI Setanta Global Equity Fund [P-GLB1] and are gross of management fees. The performance will be reduced by the impact of management fees paid, the amount of which varies**. Holdings Source:** Setanta. Sector allocations based on invested portfolio only (excludes cash). **Fund Statistics Source:** Bloomberg.

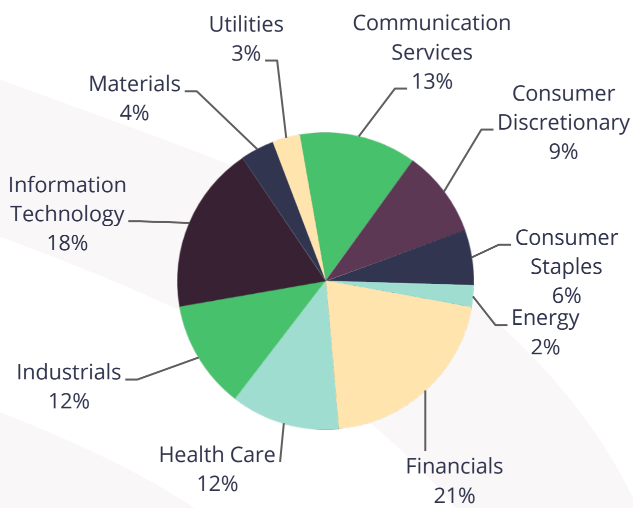
Top 10 Holdings

COMPANY	SECTOR	% OF FUND
ALPHABET INC	Communication Services	4.5%
TAIWAN SEMICOND MAN	Information Technology	4.3%
MICROSOFT CORP	Information Technology	4.0%
BERKSHIRE HATHAWAY	Financials	3.7%
META PLATFORMS	Communication Services	3.1%
RYANAIR HLDGS PLC	Industrials	2.9%
BOOKING HLDG INC	Consumer Discretionary	2.6%
APPLIED INC	Information Technology	2.5%
MARSH & MCLENNAN	Financials	2.5%
NIKE INC	Consumer Discretionary	2.4%

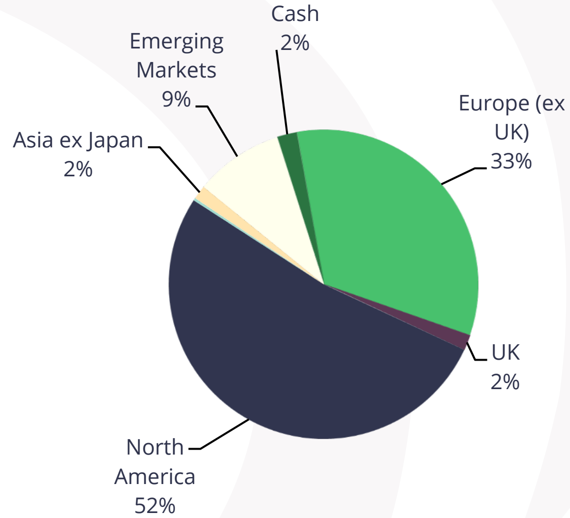
Fund Statistics

PRICE/BOOK	3.1
PRICE/EARNINGS RATIO (FY 1)	18.0
DIVIDEND YIELD %	1.7
AVERAGE MARKET CAP € BN	227.0
NO. OF HOLDINGS	75
DEBT/EQUITY %	38.1
ACTIVE SHARE %	82.9

Sector Distribution



Geographic Distribution



Yearly Performance

Year %	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Fund	14.1	24.5	20.6	9.0	16.2	8.8	-3.9	22.0	-3.3	32.5	-7.7	12.6	18.1	9.6

SETANTA Asset Management

Markets positive, led by European stocks; "quality" underperformed

2025 was an eventful but ultimately positive year for global stock markets, with the benchmark MSCI World Net Total Return EUR rising 6.8%. Early in the year, the launch of low-cost Chinese AI app Deepseek caused a wobble in the share prices of AI-related companies, and this was swiftly followed by US tariffs, which affected large swathes of the market. However, from that early April low, the overall market rose strongly to end the year at an all-time high.

Although less pronounced than in the previous two years, the AI theme remained a key driver of overall market returns in 2025, as the major technology and "neo cloud" companies increased their capex plans, which they believe is necessary to take advantage of the new technology. Investors are split over whether this capital spend will prove to be a money spinner or a money pit.

A less discussed theme in 2025 was the outperformance of European stocks, which rose c.20% in Euro-terms, while Asian stocks were up c.10% and US up c.5%, also in Euro terms. By sector, nowhere was the theme more pronounced than in banks, where European Banks rose c.75%, a substantial outperformance over US / Asian peers which were "only" up around 20% (both Euro-terms). Other notable European sector outperformers were Utilities, Industrials and Energy, where European stocks beat their US counterparts by >30%, >15% and >15% respectively (measured in US$ terms). Part of the explanation for European outperformance was US Dollar weakness, but it may also reflect an expectation of greater investment in the European economy in reaction to a more politically assertive US. It's worth reminding readers that the US weight in the MSCI World benchmark was 46% in 2007 and, due to outperformance, its weight has steadily increased to 72% at year-end 2025.

Another theme was the underperformance of higher quality companies, as evidenced by the MSCI World Quality Index lagging the MSCI World Index by c.5% (US$ terms) over the course of the year.

2025 performance review

The fund rose 9.6% (Euro) over the year, 2.7% ahead of the benchmark. This was a satisfying result, as 2025 was generally seen as a very challenging year for active managers. According to US research firm Baird, just 21% of global equity funds beat the benchmark, with c.35% of funds underperforming by 10% or more.

The technology holdings did well in 2025, especially semiconductor / semi equipment manufacturers Samsung Electronics (+130%, local terms), Applied Materials (+60%) and TSMC (+56%), while investor opinion on Alphabet (+65%) changed from AI loser to winner in the second half of the year.

The fund benefitted from being overweight Europe and had some standout performers in 2025 such as Bank of Ireland (+94%, local terms), Ryanair (+58%) and electrical products manufacturer Legrand (+38%).

The fund is also overweight "quality" and thus was impacted by the general weakness in quality stocks. These include European healthcare companies Coloplast (-28% in 2025, local terms), Demant (-19%) and Alcon (-17%), and insurance broker Marsh & McLennan (-11%). Some of these are facing modest cyclical pressures and have consequently been marked down by investors. However, we remain confident that their durable superior fundamentals will be rewarded over the medium and long term.

The following is a list of the largest positive contributors to the performance in the year:

2025 Top 5 Contributors to Performance	Sector	Contribution (Euro terms)	Performance (local terms)
Oracle	IT & Communications	1.4%	18%
Samsung Electronics	IT & Communications	1.1%	130%
TSMC	IT & Communications	1.0%	56%
Ryanair Holdings	Industrials, Materials & Energy	0.7%	58%
Applied Materials	IT & Communications	0.7%	60%

We have written extensively on **Oracle** in recent quarters, which you may wish to read for a fuller picture. To summarise, Oracle has been a long-held stock in the strategy (over 15 years) and has rewarded us well over this period, especially in the last three years. The company's cloud offering has become a major growth driver and in September Oracle announced that the value of its contracted revenue yet to be recognised had risen to a staggering $455bn, from $138bn the previous quarter, causing the stock to spike +36% on the day (even higher intraday). At that elevated share price we believed the stock's risk-reward was less favourable and that the market was placing a high valuation on the cloud business where the economics were hard to determine and counterparty risk (e.g. high exposure to loss-making OpenAI) was a consideration. We therefore cut back our holding in the stock, from an intra-day high strategy weight of 5.5% on 10th September to 1.9% at end-Q3. This proved a very well-timed sale; the stock fell 31% (local currency) in Q4 as the market began pricing in some of the above-mentioned risks. The locked in gains from the first nine months ensured Oracle was the fund's largest positive performance contributor over the year.

The fortunes of **Samsung Electronics** cut sharply positive in 2025, following a period of underperformance between 2021 and 2024. Known the world over as a maker of mobile phones and household appliances, the value of the company predominantly comes from its manufacture of memory chips. For decades, the DRAM memory chip industry was highly cyclical and brutally competitive. Following competitor exits and industry consolidation, DRAM is now dominated by three companies: SK Hynix, Samsung (both Korean) and Micron (American), who now make up about 95% of the global memory market. This has greatly improved the industry's through-the-cycle profitability, though even still it's very cyclical. Over the last decade, memory boomed due to demand from cloud and mobile (2017-18), benefitted from COVID-19 remote working / gaming (2020-21), and then suffered a post-COVID slump (2022-2023). Memory is once again in big demand, driven by AI workloads, which use a specialised form of memory chip called HBM or High Bandwidth Memory that is engineered for speed. SK Hynix, which pioneered HBM, is the market leader in HBM, followed by Micron, while Samsung has up to recently been a laggard. This however is changing, and Samsung is expected to take a greater share of HBM from 2026 onwards. In anticipation of this and the memory industry's general tight supply, Samsung's stock price rose 130% (local currency) in 2025, including a 44% gain in Q4.

TSMC continued to go from strength to strength. Its 2025 revenue and profits are expected to have risen 35% and 45% (in US Dollar terms) respectively, with both expected to rise by around 20% in 2026 (source Bloomberg; estimates as of year-end 2025). In Q4 the company announced it had begun mass production of 2nm chips, which will offer customers 25-30% better power efficiency versus 3nm chips, widening its lead over competitors who are struggling to ramp up.

Applied Materials designs, manufactures, sells and services semiconductor fabrication equipment. The AI boom is leading to demand for its products, notably from HBM chip manufacturers (mentioned above), where Applied Materials is a leader. It is also in a strong position to benefit from the shift to 2nm production where several of their products are used, and from its leading positions in the Gate-All-Around manufacturing architecture. The stock rose 27% (local currency) in Q4, topping a fine 60% over the year*.

Ryanair is Europe's leading low-cost airline. We believe the company has a sustainable cost advantage over peers, due to its scale, a lower cost fleet (modern, larger more fuel-efficient planes) and lower labour costs (flexible work practices). In November, management raised its passenger growth forecasts (more aircraft deliveries) and said that fare pricing had improved. The stock rose 20% (local currency) in Q4*.

In the next table are the largest detractors to fund performance, followed by stock comments.

2025 Bottom 5 Contributors to Performance	Sector	Contribution (Euro terms)	Performance (local terms)
Marsh & McLennan	Financials & Infrastructure	-0.8%	-11%
PayPal Holdings	Financials & Infrastructure	-0.7%	-31%
DCC Plc	Industrials, Materials & Energy	-0.5%	-6%
UnitedHealth Group	Healthcare	-0.4%	-33%
Dassault Systemes	IT & Communications	-0.4%	-19%*

**Performance during fund ownership period (from Q3:25)

Marsh & McLennan is an insurance broker (Marsh and Guy Carpenter) and consultant (Mercer and Oliver Wyman). We acquired a position in the stock just over a year ago. The business has very attractive features, including low customer churn, and fairly predictable and growing demand for their services. It's also an asset light business, allowing the company to return a majority of profits to shareholders and using the remainder to make acquisitions. Organic growth slowed during 2025, primarily due to softening insurance pricing and lower spend by clients due to geopolitical / economic uncertainty, causing investor disappointment. The stock has derated and now trades at its lowest valuation in almost a decade. While we are considering how the company could be disrupted by AI, we believe this to risk to be low and rather think it's a case of "quality on sale". We added modestly to the position in Q4.

PayPal is a leading global payments company, with a particular strength in ecommerce. Although group revenues and profits have grown at a respectable 7% and 20% annualised growth rate between Q1:23 (first purchased for fund) and Q3:25 (last reported numbers), and shares outstanding have reduced by -15% over the period, the stock has been a poor performer*. Our assessment of market opinion is that despite a new management team, and increased investment in its technology, products and branding, PayPal is gradually losing market share and relevance, which lessens its negotiating power with retailers. We are also concerned and halved our position in Q4, despite the obvious attraction of a low valuation (around 10x forecast 2026 profits). We will continue to monitor the company's progress with a critical eye.

DCC is a distributor of energy, technology and healthcare products, and has been held in the fund for over 25 years. The stock performed exceptionally well up until 2018 (total shareholder return of ~20% p.a.). Since then, the stock has gone sideways to down. Firstly, in retrospect the valuation hit in 2018 (mid-20s P/E) was too high. Secondly, capital allocation and business performance has been poor. One of DCC's historic strengths was its ability to acquire smartly, notably in its largest Energy division, (distribution of LPG and home heating oil), where it has a clear ability to achieve acquisition synergies through lower procurement and operating costs than small, local players can achieve. A few years ago, management decided to allocate more capital to its technology and healthcare divisions. These businesses are fundamentally less attractive as they are subject to more competition and acquisition synergies are not as clear. These initiatives have pressured group profitability and in late 2024 management announced a plan to focus solely on Energy, which we applaud. Proceeds from the sales of the Healthcare (completed in 2025) and Technology (expected in 2026) businesses are disappointing and have weighed on the share price. Going forward, we expect a low valuation and the refocus on the energy business to put the shares back on an upward path.

The fund has been invested in **UnitedHealth** for around twenty years, and this has been a highly profitable investment despite a very poor showing in 2025. To recap, UnitedHealth is the largest health insurance company in the US. Over the years, management delivered strong growth in insurance profits and expanded its service arm, Optum, essentially to cross sell services into its insurance customer base. This expansion had proven to be a highly profitable strategy.

However, UnitedHealth has encountered challenges in both its insurance operations and Optum over the past year or so. The insurance business has suffered from contracting profit margins, reflecting prices lagging cost trends over the past couple of years. This has been an industry wide phenomenon, and we see this as a cyclical factor that should correct over the next few years. We believe we are already seeing tentative signs of improved underwriting dynamics across the industry. Optum had been highly successful in growing its “Value Based Care” (VBC) offering. The VBC offering involves UnitedHealth owning physician practice chains in order to carefully manage patient engagement with a view to lowering cost trends. These lowered costs are to be achieved through earlier identification of health risk factors, thereby reducing the frequency of expensive medical emergencies, including heart attacks and strokes, which significantly distort the cost curve. Up until recently, Optum had seemingly demonstrated success in growing profits from its VBC operations. However, the federal government has been changing some of the procedures through which it pays for the care of patients covered by the Medicare Advantage system. This has resulted in some shrinkage of revenue and profit margins for Optum’s VBC business.

As a result of these combined pressures, the CEO and CFO departed. The new management team, led by former CEO, Stephen Hemsley, seems confident that Optum can recover lost ground; a view with which we concur. However, our confidence in this scenario has diminished somewhat, reflecting government-led changes that have created headwinds for the business model. Reflecting this incremental concern, we reduced the position in UnitedHealth and created a new position in **Elevance Health Inc**. Elevance is the second largest US health insurance company. The company has a really good track record underpinned by strong local market positions. It too has suffered from profit margin deterioration in the past year or so but, as in the case of UnitedHealth, we believe price increases and benefit adjustments will lead to improvements in the coming years. Elevance has only begun to expand its services business in more recent years and so is less vulnerable to pressure on profitability from government instigated reforms that could impact VBC operations. As such, this partial switch to Elevance diversifies risk without compromising upside potential.

Q4 2025 Commentary

The share price of **Dassault Systemes** continued to fall after we began building our position just after mid-year. Dassault has a stable of strong product offerings in the Design and Build, and Product Life Cycle management software niches. Dassault's revenue growth rate has slowed from 9% in 2023 to an expected low single digit rate for 2025 (source Bloomberg; estimate as of year-end 2025). Many of the end markets that Dassault sells into are suffering from what might be termed a "post-Covid hangover". Industries such as autos, retail, healthcare and consumer products have been struggling for volume growth in the last two years. In this environment it is difficult for software suppliers like Dassault to increase pricing and deals are slow to close. We are more optimistic about the longer-term picture for Dassault. A typical manufacturing company is at a competitive disadvantage if they don't use Design and Build tools like Dassault's Catia and Solidworks. These software tools are increasingly used to develop, build and continuously monitor production of products. We are hopeful that the post-Covid slump in manufacturing end markets will give way to a new period of design-led innovation. Dassault should be well positioned if and when this materialises.

Portfolio activity

As is customary, a summary of new stocks and complete sales in 2025 is included in the table below. Overall, there was a lower than usual level of activity.

BUYS			
	Stock	**Sector**	**End of year weight**
Q1	Edenred	Financials & Infrastructure	0.7%
Q2	ICON Plc	Healthcare	0.6%
Q3	United Overseas Bank	Financials & Infrastructure	1.5%
	Dassault Systemes	Technology & Communications	1.4%
Q4	Elevance Health	Healthcare	0.8%
	WW Grainger	Industrials, Energy & Materials	0.7%
	Novo Nordisk	Healthcare	0.5%

SELLS			
	Stock	**Sector**	**Start of year weight**
Q1	-	-	-
Q2	Edenred	Financials & Infrastructure	0.7%
	HF Sinclair	Industrials, Energy & Materials	0.5%
	Johnson & Johnson	Healthcare	0.3%
Q3	Ericsson LM	Technology & Communications	0.7%
	Equinix	Financials & Infrastructure	0.4%
Q4	Viscofan	Industrials, Energy & Materials	1.1%

In Q4 we added two new Healthcare stocks, Elevance Health and Novo Nordisk; the background and rationale for adding Elevance has been discussed already. In the Industrials, Energy & Materials sector we switched into WW Grainger from Viscofan.

We have followed Novo Nordisk for many years, but our focus intensified in recent years with the launch of the newest generation of GLP-1 medications from both Novo and Eli Lilly. GLP-1 medications were first launched around twenty years ago to treat type 2 diabetes. These drugs also suppress appetite and the newest, most potent versions, Wegovy from Novo and Zepbound from Eli Lilly, have proven highly effective in helping overweight and obese patients to lose weight. The Setanta team discussed the Novo investment case in detail in 2023 but we felt the valuation was too high so we continued to monitor developments from the sidelines. However, since then, Novo has lost market share to Eli Lilly due, in our view, to a number of factors, including commercial execution.

This resulted in a few profit warnings and earnings expectations for Novo have been reset dramatically lower. The share price fell by about 70% from its peak of over DKK1,000 and we began buying the shares in late 2025. We believe that there remains considerable profit potential for this class of drugs. Novo will launch a number of new products in the coming years, including high dose oral Wegovy and two newer products to treat diabetes and obesity, Cagrisema and Amycretin. These new products, and what appears to be a sharper commercial strategy, give Novo the opportunity to regain traction in this market in the coming years.

WW Grainger is a broad line distributor of maintenance, repair and operating (MRO) products with operations mainly in North America. While subject to cyclical swings, end market demand tends to be relatively resilient given the non-discretionary element of many MRO products. Grainger primarily targets larger customers helping them to reduce the total cost of procurement by reducing search time for parts, optimising inventory, and offering technical advice and onsite services. It operates in a very fragmented market, with a long tail of smaller Mom & Pop players accounting for c.50% share. Scale should afford Grainger meaningful advantages over smaller local / regional players including better product range and availability, procurement cost benefit and superior technology and data capabilities. We believe Grainger can continue to outgrow the MRO market, with the possibility of some operating margin gains from scale leverage. In our opinion, the company's above-average business fundamentals justify the stock's low-20s P/E valuation.

Viscofan Viscofan is the global leader in the manufacture of sausage casings, with an estimated global market share of 25-30% and twice the revenues of its nearest competitor Devro. Viscofan is a scale manufacturer of all four main casings types (cellulose, collagen, fibrous and plastic), whereas competitors typically only do one or two lines. Sausage casings may not be glamourous, but for their meat producing customers a high-quality casing is essential because if it splits the entire production line stops – a clear incentive to go with a quality operator like Viscofan. Quality, scale, global reach and diversification all go towards explain Viscofan's superior financial track record

In Q4, a negative report was issued by Hunterbrook Media. The report alleges a pattern of severe environmental and safety violations at a Viscofan plant in Illinois, USA and suggests that high rates of cancer in the area are linked to the plant. The company rejected Hunterbrook's claims and highlight the plant's safety record and investments made upgrading the plant in recent years. While we are suspicious of Hunterbrook's motivations, there is a risk the story takes hold and class action suits emerge. It could take Viscofan a long time to clear its name, which may weigh on the stock for years. We deemed this an unfavourable risk-reward equation and exited the stock.

David Coyne, Portfolio Manager

****Source Bloomberg***

Contact Details:

Setanta Asset Management Limited,
Beresford Court,
Beresford Place, Dublin 1, Ireland.

Brendan Moran, Tel: + 353 1 612 4962
Email: brendan.moran@setanta-asset.com
www.setanta-asset.com

IMPORTANT INFORMATION

The Global Equity Fund is managed by Setanta Asset Management Limited and is a representative account of the Global Equity strategy. The performance shown is the performance of a representative account (ILA/CLI Setanta Global Equity Fund [P-GLB1]). For this life assurance product, investors should refer to the relevant policy conditions available through Irish Life and via www.irishlife.ie. The strategy is also available on a segregated basis or a UCITS mutual fund via Beresford Funds ICAV. Current and prospective clients should not assume identical performance results to those shown would have been achieved for their account if it was invested in the strategy during the period. Clients of the firm may receive different performance than the representative account. Client performance may differ due to factors such as timing of investment(s), timing of withdrawal(s), client-mandated investment restrictions and the portfolio not being fully replicated for new accounts or new flows. Investors should consider the investment objectives, risks, charges and expenses carefully before investing. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. See 'WARNING' and IMPORTANT INFORMATION' below.

Keyridge Asset Management Limited, trading as Irish Life Investment Managers and trading as Setanta Asset Management, is authorised as an investment firm by the Central Bank of Ireland under the European Union (Markets in Financial Instruments) Regulations 2017 – S.I. No. 375/2017. Keyridge Asset Management Limited is authorised and regulated by the Financial Conduct Authority to provide investment services in the UK through a UK branch. Keyridge Asset Management Limited, has been granted the International Adviser exemption from registration in the Canadian provinces of Manitoba, Ontario and Quebec Keyridge Asset Management Limited, is a registered investment adviser with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940.

The MSCI information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages

WARNING: Past performance is not a reliable indicator of future results. The price of units and the income from them may go down as well as up and investors may not get back the amount invested. The return may increase or decrease as a result of currency fluctuations. Forecasts are not a reliable indicator of future performance.