POLARIS
GLOBAL VALUE UCITS FUND

An umbrella fund with segregated liability between sub-funds

Registration number C142346

PERFORMANCE COMMENTARY – SECOND QUARTER 2025

Global markets delivered strong gains in the second quarter, with U.S. equities leading the charge after a relatively tame first quarter. The primary catalysts were geopolitical in nature, as evidenced by the de-escalation of tariffs between the U.S. and China, while progress in U.S.-European Union trade talks reduced recession concerns. The June ceasefire between Iran and Israel further fed into the rally, as did expectations for interest rate cuts. The MSCI World and ACWI Indices (gross dividends reinvested) returned 11.63% and 11.69% respectively, while the Polaris Global Value UCITS Fund ("the Fund") gained 8.15% at net asset value.

On a year-to-date basis, the Polaris Global Value UCITS Fund is up 12.71% at net asset value, handily outperforming both the MSCI World and ACWI indices, up 9.75% and 10.33% respectively. Much of this success can be attributed to careful stock selection focusing on fundamentals and diversification, while the Indices were overweight mega-cap high flyers that started to normalize.

SECOND QUARTER 2025 PERFORMANCE ANALYSIS

Outperformance in financials, information technology, materials and energy was tempered by losses in real estate and health care, the latter of which faced significant headwinds relating to regulatory uncertainty on European imports, drug prices and rising medical costs.

At the country level, the Fund outperformed in the United Kingdom, Canada, Norway and Belgium along with double-digit gains in off-benchmark locales including South Korea, Taiwan, Chile and Puerto Rico. Of particular note: South Korea's presidential election resulted in a long-awaited leadership change, with the new administration delivering pro-market legislative reforms aimed at eliminating the country's "valuation discount." As a result, the KOSPI Composite Index rose 23.80% during the quarter; Polaris' South Korean portfolio holdings rose even higher during the period. An underweight in U.S. equities hampered performance, as U.S. markets heated up on the backdrop of aggressive trade policy negotiations.

The top-weighted financial sector benefitted from a geographically-diverse set of holdings. South Korea's Shinhan Financial was up more than 40% following strong quarterly results, with rising net income and better-than-expected earnings per share. The company embraced South Korea's Value-Up Plan, which targets higher return-on-equity and enhanced shareholder returns. U.S. companies, Capital One Financial and JPMorgan Chase, noted improved sentiment tied to softer global trade rhetoric, stabilizing inflation data, and favorable stress test results. Regulatory approval of the Discover deal also boosted Capital One stock.

International Consolidated Airlines Group was the top contributor in industrials, up more than 40% after a posting strong first quarter 2025 revenues and operating profits, cost efficiencies and lower fuel prices. Similarly, LATAM Airlines reported record first-quarter profits, driven by strong demand, disciplined cost management and robust cargo performance. Airport concessioner Vinci rose on a faster-than-expected recovery in European airport traffic—now above 95 percent of 2019 levels—and a record $84 billion construction order book that solidified multi-year revenue visibility. It appears that international airlines and lateral services are capitalizing on the travel trend away from the U.S.

Among other industrials, Japanese trading house Marubeni Corp. reported good earnings and stable guidance, while diversifying with the addition of a pharma platform. The company also announced a significant share buyback program, signaling management's confidence in Marubeni's value and commitment to shareholder returns. Conversely, Allison Transmission Holdings traded down on investor skepticism surrounding the acquisition of Dana Inc.'s off-highway business. While the deal expands international off-highway exposure, it is expected to be margin dilutive.

SK Hynix Inc. was the top overall Fund contributor, capitalizing on its leadership in high-bandwidth memory (HBM) chips and disciplined DRAM supply. The South Korean semiconductor supplier had record-breaking first-quarter results, highlighted by a 323% year-over-year surge in net profit and an operating margin of

42%. Samsung Electronics, while trailing SK Hynix in HBM technology, also benefited from DRAM price strength, HBM3E supply to non-Nvidia customers, and attractive valuation. Elsewhere in IT, MKS Instruments rebounded strongly on low valuation and continued deleveraging. Fundamentals were further supported by expectations for a NAND technology upgrade cycle in radiofrequency power products, and long-term secular growth from artificial intelligence and advanced packaging demand.

In consumer discretionary, Canadian Tire was up more than 30% after reporting strong first-quarter results (retail revenue growth with a "buy Canadian" mantra) and business developments (selling Helly Hanson and acquiring Hudson Bay). Investors applauded Canadian Tire's transformative "True North" growth strategy — which includes new store concepts, Triangle Rewards partnerships, and organizational restructuring. U.K.-based NEXT PLC cited strong online sales both domestically and internationally (seeking to become an Amazon-like marketplace), highlighting demand for warm-weather apparel. South Korean auto maker, Kia Corp., gained on continued SUV momentum and rollout of new electric vehicle models. Sector returns would have been even more robust if not for LKQ Corp., which continued to decline on weak organic growth amid soft consumer spending and tariff-related concerns.

The de-escalation of U.S.- Chinese tariffs boosted confidence in cyclical sectors like materials, which are sensitive to global trade and economic growth. Lundin Mining had robust first-quarter results, attributable to firm prices for copper and gold. The company reiterated its commitment to copper production expansion, low production costs, and strong shareholder returns. Yara International cited favorable supply-demand metrics (less competition as Chinese/Iran fertilizer exports dwindled) boosting fertilizer prices.

Consumer staples were middle of the pack, as Greencore Group was among the top 10 contributors, offset by Barry Callebaut and Tyson Foods, which languished in the bottom 10. U.K.-based Greencore advanced as ingredient and packaging inflation eased, lifting operating margins. The company announced two long-term sandwich and salad contracts with major U.K. grocers, while also making a bid for Bakkavor. With cocoa prices reaching record levels, chocolatier Barry Callebaut struggled to rein in rising costs coupled with overall volume declines. Tyson Foods' stock price retreated even though the company posted decent earnings and guidance. Investors remained concerned about rising input costs, cattle prices, and tariff-related demand dynamics.

Health care holdings detracted most from Fund performance. UnitedHealth Group's stock dropped to multi-year lows due to a sharp spike in medical costs and the company's withdrawal of its full-year guidance. The surprise resignation of CEO Andrew Witty and his replacement by former CEO Stephen Hemsley further rattled the market. Ongoing regulatory scrutiny, including a Department of Justice investigation into Medicare Advantage billing practices, added to the negative sentiment surrounding the stock. Elevance Health fell in sympathy with its fellow U.S. health insurers, while also facing rising Medicaid costs and new lawsuits regarding Medicaid operations.

Jazz Pharmaceuticals reported a first quarter 2025 earnings and revenue miss. United Therapeutics' shares fell in response to positive clinical data from Insmed, a rival in the pulmonary arterial hypertension space. Sanofi disappointed as news hit on May 30th that its COPD pipeline drug succeeded in one Phase 3 trial, but failed in a second, throwing FDA approval timeline into doubt. AbbVie Inc. cut its 2025 profit outlook to reflect $248 million in acquisition-related costs and rising research & development charges. AbbVie's Humira revenue plunged as pharmacy benefit managers accelerated the switch to lower-priced biosimilars now available on the market.

Widespread volatility presented ample opportunity to enhance the risk/return profile of our portfolio; as such we exited three companies and added six new names. We liquidated our positions in flatexDEGIRO, OpenText Corp and LG Electronics. We bought coffee conglomerate JDE Peets NV at an attractive valuation, mispriced due to market concerns over pricing/volume. We purchased Bankinter SA, a top European bank with an affluent customer base, strong fee income and careful cost efficiencies. Utilities company Endesa SA was added to reach an attractive Spanish economy; long-term electricity demand is on the rise on the back of a green energy transition and AI developments. Mitsubishi UFJ Financial was another new buy, offering stable recurring income and long-term growth potential amidst rising interest rates in Japan. Robust free cash flow and a favorable capital allocation policy strengthened the case to add Capgemini to the portfolio, underpinned by strong capabilities in AI, cloud and consulting services. D'Ieteren Group was added to the portfolio; the Belgian auto distributor/vehicle glass repair company has been a perennial performer in a number of Polaris' international portfolios.

INVESTMENT ENVIRONMENT AND STRATEGY

Tariff concerns, rising U.S. debt levels, and slower growth projections are pushing global investors toward attractive options in Europe and emerging markets. In fact, U.S. equity funds recorded net outflows of $24.7 billion in May 2025 according to a June 11th *Reuters* article, with capital redirected to European funds and select emerging markets. Investors are finally jumping on a trend we have long espoused - as evidenced by our substantial underweight in U.S. markets; U.S. growth stocks and, in particular the "Magnificent 7", are overvalued and overweight in the indices. If the Mag 7 lose their luster, investors will continue to rotate to more diversified portfolios (via country, sector and market cap). The attraction is simple: European markets look relatively stable, with government stimulus spurring on domestic spending. EU GDP growth is unremarkable (in line with last year's numbers); however, this compares favorably to the downward trajectory expected of U.S. GDP per International Monetary Fund forecasts. At the same time, market volatility has presented more potential investments in the U.S. and the possibility of increasing U.S. portfolio weightings if we find attractive valuations.

Directors: Bernard R. Horn, Jr. (American); Jason Crawshaw (American); Erin Gibson (American); Sheila Rohan; Frank Kenny
Registered Office: 4th Floor, George's Quay Plaza, Georges Quay, Dublin 2, Ireland

This is a marketing communication.

IMPORTANT INFORMATION

The information presented is supplemental. It should not be considered as a recommendation to purchase or sell a particular security mentioned, may change at any time and may not represent current or future investments. References to individual securities throughout this document are intended to illustrate contributors to recent performance or market trends and to provide examples of thematic or security-specific catalysts identified by the investment team as part of its investment process. References to specific securities should not be viewed as representative of an entire portfolio, nor should the performance of any particular security be viewed as representative of the performance experienced by any other security or portfolio. The MSCI World Index, gross dividends reinvested, measures the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI ACWI Index, gross dividends reinvested, captures large- and mid-cap representation across 23 developed markets and 24 emerging markets countries. One cannot invest directly in an index.

RISKS

Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the ICAV carries with it a degree of risk. There can be no assurance that a Fund will achieve its investment objective and there is potential for an investor to lose some or all of its investment in a Fund. Different risks may apply to different Funds and/or classes. Prospective investors should review the Prospectus carefully in its entirety and consult with their professional advisors before making an application for Shares. The Fund is subject to the following risks, without limitation:
Equity Security Risk: the value of a company's equity securities is subject to changes in the company's financial condition and overall market and economic conditions.
FDI and Leverage Risk: FDI may fluctuate in value rapidly and leverage through FDI may cause losses that are greater than the original amount paid for the relevant FDI.
Emerging Markets Risk: emerging market securities may expose the Fund to more social, political, regulatory or currency risks than developed market securities and may be subject to heightened Liquidity Risk.
MLP Risk: MLPs expose the Fund to risks associated with the underlying assets of the MLPs and risks associated with pooled investment vehicles. There is also a risk that an MLP may not be treated as a partnership for U.S. federal income tax proposes, and the purpose of the Fund's investment in MLPs depends largely upon this.
Liquidity Risk: there may be insufficient buyers or sellers to allow the Fund to buy or sell certain types of securities readily, which may impact the Fund's performance or (in extreme circumstances) an investor's ability to redeem.
Counterparty Risk: a party with whom the Fund contracts for securities may fail to meet its obligations (e.g. fail to settle an FDI) or become bankrupt, which may expose the Fund to a financial loss.
Currency Risk: changes in exchange rates may reduce or increase the value of non-U.S. Dollar denominated assets held by the Fund. There can be no guarantee that currency hedging will be successful in mitigating such effects.
Operational Risk: material losses to the Fund may arise as a result of human error, system and/or process failures, inadequate procedures or controls.

For more information on these and other applicable risks see the sections "Investment Risks and Special Considerations" and "Investment Risks Applicable to each Fund" in the Prospectus.

DISCLOSURES

The Fund is actively managed and not constrained by any benchmark. The Fund invests in securities of foreign issuers, including issuers located in countries with emerging capital markets. Investments in such securities entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets. Options trading involves risk and is not suitable for all investors. Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the Prospectus and Key Investor Information Documents (KIIDs). Please read the Prospectus and KIIDs carefully before you invest. A Prospectus is available for PCM Global Funds ICAV (the ICAV) and KIIDs are available for each share class of the Fund. The ICAV's Prospectus can be obtained from pcmglobalfundsicav.com and is available in English. The KIIDs can be obtained from pcmglobalfundsicav.com and are available in one of the official languages of each of the EU Member States into which the Fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive). In addition, a summary of investor rights is available from pcmglobalfundsicav.com. The summary is available in English. The Fund is currently notified for marketing into a number of EU Member States under the UCITS Directive. The ICAV can terminate such notifications for any share class and/or the Fund at any time using the process contained in Article 93a of the UCITS Directive. The Fund is offered solely to non-U.S. investors under the terms and conditions of the Fund's current Prospectus. Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than quoted.

The Fund is authorised in Ireland and regulated by the Central Bank of Ireland.

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