



STRATEGY SNAPSHOT

MFS Meridian® Funds – Global Intrinsic Value Fund

Q2 | 2025

As at 30-Jun-25

An Alternative to Traditional Value Funds

Rising interest rates, lower yields and greater uncertainty about cash flows and profit margins: The environment for companies worldwide is increasingly challenging.

Finding durable value is the order of the day. However, modern finance usually implies that value investing is simply investing in companies with low price to earnings or price to book ratios. We believe this oversimplification can lead investors down a dangerous path. Why? Because it means ignoring the durability of returns, and it ignores the risks.

That's why the fund's team prefers an 'intrinsic' value approach. Intrinsic value is about having a comprehensive understanding of how a company's cash flows are generated and using that understanding to develop a durable conception of a company's value.

Investment focus

1 Differentiated fundamental research and valuation framework

2 Emphasis on intrinsic value and long-term investment perspective

3 Patient, contrarian approach with focus on downside risk management

Risks of the fund

The fund may not achieve its objective and/or you could lose money on your investment in the fund. ■ **Stock:** Stock markets and investments in individual stocks are volatile and can decline significantly in response to or investor perception of, issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions. ■ **Intrinsic Value:** The stocks of companies that MFS believes are undervalued compared to their intrinsic value can continue to be undervalued for long periods of time, may not realize their expected value, and can be volatile. ■ Please see the prospectus for further information on these and other risk considerations.

'Intrinsic' value approach

At the root of the fund's investment philosophy lies the conviction that not all earnings are created equal. We believe that a qualitative understanding of the numbers is often more important than the actual numbers themselves.

Top 5 Holdings as at 30-Jun-25

We seek companies which have the potential to benefit from competitive advantages — producing differentiated, mission-critical products for their customers — that may bode well for long-term returns regardless of the macroeconomic environment.



DURABLE CASHFLOWS

- By understanding what drives a company's success or failure, we are able to develop a durable, reliable and stable notion of a company's cashflows and long-term value.
- This means we look for companies with strong franchises, competitive global brand, hard to replicate business model or differentiated intellectual property.



LONG-TERM VIEW

- Many investors speculate on near-term information and overreact to short-term news flow.
- We, on the other hand, assess investment opportunities in the context of a 10-year time horizon.



DOWNSIDE MITIGATION

- We only invest where we believe valuations more than compensate for the inherent risks.
- By seeking to avoid stocks with substantial downside risk, our goal is to preserve and grow clients' capital over the long term even if it means missing out on some short-term returns.

DIFFERENTIATED FUNDAMENTAL RESEARCH AND VALUATION FRAMEWORK

TOP 5 HOLDINGS	SECTOR	INVESTMENT THESIS	PORTFOLIO %
Microsoft Corp	Information Technology	<ul style="list-style-type: none"> ■ Develops, licenses, and supports software, services, devices, and solutions worldwide ■ Well positioned over the long-term with cloud exposure, a defensible on-premise business, and a multi-year Office 365 migration ■ Continued to increase their competitive position in the industry 	4.9
Amazon.com Inc. (EQ)	Consumer Discretionary	<ul style="list-style-type: none"> ■ Multinational technology company, engaged in e-commerce, cloud computing, online advertising, digital streaming, and artificial intelligence ■ Its Amazon Web Services, the leading cloud computing provider, drives the majority of profits, remains firmly well-placed. ■ Deep focus on retail margins, and valuation multiples appear undemanding as we look a couple of years ahead 	3.3
Taiwan Semiconductor Manufacturing Co. Ltd.	Information Technology	<ul style="list-style-type: none"> ■ Engages in manufacturing, selling, packaging, testing, and computer-aided design of integrated circuits and other semiconductor devices ■ Dedicated pure-play semiconductor foundry with undisputed technology leadership in leading-edge geometries ■ Maintains virtual monopoly position in leading-edge node thus benefitting from AI infrastructure-related chips production 	2.7
Natwest Group PLC	Financials	<ul style="list-style-type: none"> ■ Large incumbent UK retail and commercial bank that was nationalised and has de-risked post Global Financial Crisis (GFC) ■ It has a greater corporate and small- and medium-sized enterprises (SMEs) presence relative to peers and a strong liquidity profile with large share of primary accounts (retail and commercial). ■ The bank is predominantly deposit funded and we believe valuation is attractive given its structural exposure to Net Interest Income tailwinds. 	2.2
AIB Group	Financials	<ul style="list-style-type: none"> ■ Largest retail and commercial bank in Ireland, with a small UK commercial banking business ■ Beneficiary of the market consolidation of domestic banks in the Irish market, to a three-player market. Ireland struggled during the Global Financial Crisis (GFC), and the banking sector has been under massive regulatory scrutiny ever since. ■ Offers access to a low-cost, sticky retail deposit base, a conservative capital base at reasonable valuations and exposure to rates 	2.1

Morningstar ranking

	5-YEAR	3-YEAR	1-YEAR
Rank percentile	61st	42nd	34th
Rank/# of funds	2476/3890	2212/5101	2084/6407
Morningstar category: EAA Fund Global Large-Cap Blend Equity Category			

Performance results as at 30-Jun-25

PERFORMANCE RESULTS (%) I1USD SHARES 12-MONTH RATES OF TOTAL RETURN AT NAV AS OF THE PERIOD ENDED:		
	Global Intrinsic Value Fund	MSCI World Index (net div)
30-Jun-25	15.24	16.26
30-Jun-24	12.51	20.19
30-Jun-23	20.19	18.51
30-Jun-22	-19.30	-14.34
30-Jun-21	32.81	39.04

Past performance is not a reliable indicator for future results. All financial investments involve an element of risk. The value of investments may rise and fall so you may get back less than originally invested. Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the portfolio’s base currency, if different.

Calendar year returns (%)^

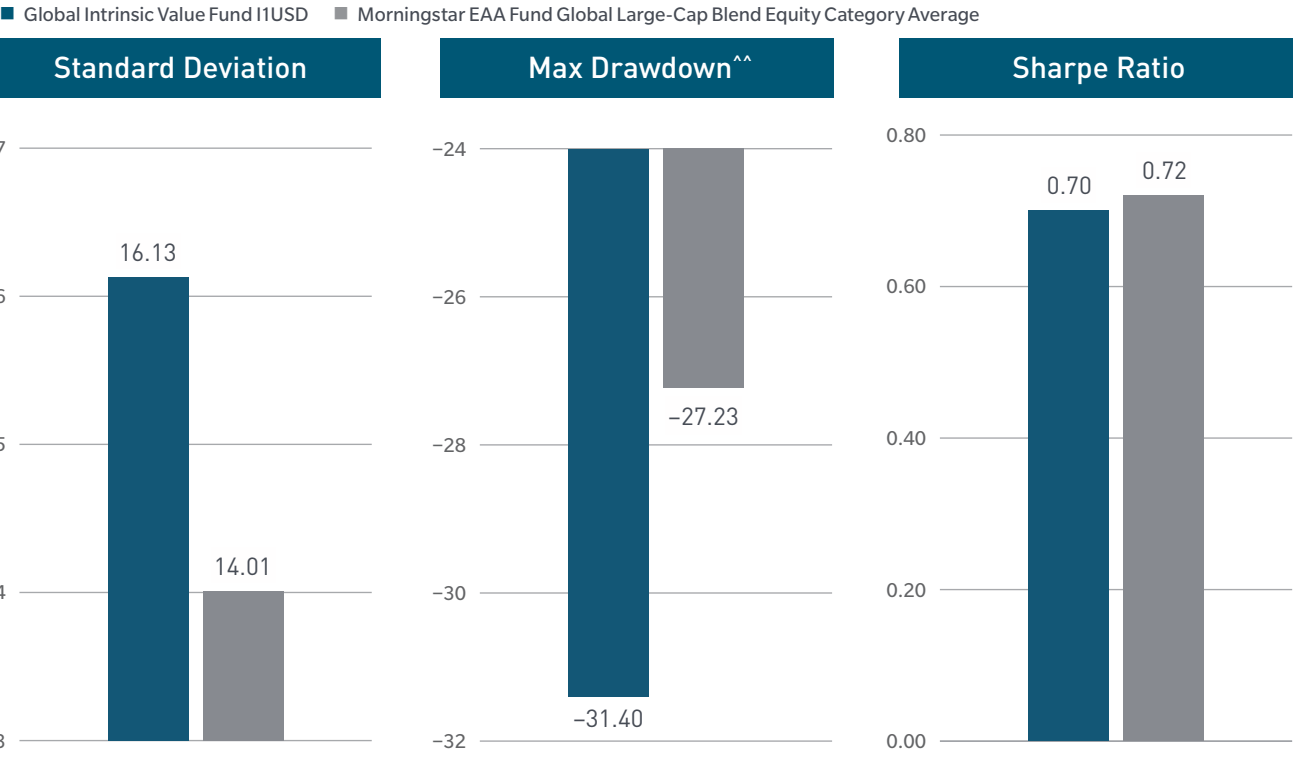
	I1USD	Benchmark
2024	8.29	18.67
2023	21.82	23.79
2022	-23.91	-18.14
2021	21.33	21.82
2020	25.06	15.90
Life (as at 30-6-25)	11.78	12.99

Annualized Returns (%)

	I1USD	Benchmark
Life (15-Feb-19)	11.78	12.99
5 years	10.80	14.55
3 years	15.94	18.31
1 year	15.24	16.26
Year to Date	13.43	9.47

^ Results represent the percent change in NAV.
Performance results reflect ongoing charges and any applicable expense subsidies and waivers in effect during the periods shown. All historic results assume the reinvestment of dividends and capital gains. The Fund’s benchmark is indicated for performance comparison only.

Risk return metrics relative to it’s Morningstar peers (3 year as at 30-Jun-25)



^{^^}Max drawdown analysis covers the period since inception. Max drawdown periods were Jan 2022 to Sept 2022 for Global Intrinsic Value Fund and Jan 22 to Sept 22 for the Morningstar EAA Fund Global Large-Cap Blend Equity Category Average.
Start of Class Performance Record: 15 February 2019. Fund Inception Date: 15 February 2019.
Class I shares are only available to certain qualifying institutional investors.
Past performance is not a reliable indicator for future results. All financial investments involve an element of risk. The value of investments may rise and fall so you may get back less than originally invested. Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the portfolio’s base currency, if different.
Periods less than one year are actual not annualized. Other share classes are available for which performance and expenses will differ.
Source for benchmark performance SPAR, FactSet Research Systems Inc.
Morningstar rankings may vary among share classes and are based on historical total returns, which are not indicative of future results.
Morningstar rankings do not take into account sales charges and are based on historical returns, which are not indicative of future results. Rankings of other share classes may vary. A high relative ranking does not always mean the fund achieved a positive return during the period.
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See the fund’s offering documents for more details, including information on fund risks and expenses. For additional information, call **Latin America:** 416.506.8418 in Toronto or 352.46.40.10.600 in Luxembourg. **European Union:** MFS Investment Management Company (Lux) S.à r.l. 4 Rue Albert Borschette, Luxembourg L-1246. Tel: 352 2826 12800. **U.K.:** MFS International (U.K.) Ltd., One Carter Lane, London, EC4V 5ER UK. Tel: 44 (0)20 7429 7200. **Switzerland:** REYL & Cie Ltd., Rue du Rhône 4, 1204 Geneva, Switzerland, Tél + +41-22-816-8000, www.reyl.com..

MFS Meridian® Funds is an investment company with a variable capital established under Luxembourg law. MFS Investment Management Company (Lux) S.à r.l. is the management company of the Funds, having its registered office at 4, Rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg (Company No. B.76.467).

The Management Company and the Funds have been duly authorised by the CSSF (Commission de Surveillance du Secteur Financier) in Luxembourg.

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The offering documents (sales prospectus and Key Information Documents (KIDs) or in the U.K. Key Investor Information Documents (KIID)), articles of incorporation and financial reports are available to investors at no cost in paper form or electronically at meridian.mfs.com, at the offices of the paying agent or representative in each jurisdiction or from your financial intermediary. KIDs are available in the following languages; Danish, Dutch, English, French, German, Italian, Norwegian, Portuguese, Spanish, and Swedish. KIIDs and the sales prospectus and other documents are available in English.

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