

## Report date: 30 April 2025

Fund: Pareto Global

Inception date: 12 August 2005

AUM: NOK 5.7 billion

Benchmark: MSCI World, dividend adjusted

PRIIPs KID risk score from 1 (low) to 7 (high): 4

Category: equity fund

Legal structure: UCITS

Domicile: Norway

Dealing days: all Norwegian business days

## Unit class D

NAV as at 30 Apr 2025: 5 244.16

NAV currency: NOK

Launch date: 22 November 2006

Minimum investment: NOK 50 000 000

ISIN: NO0010342892

Bloomberg ticker: PARAKSJ NO

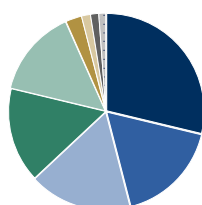
Global equity fund that invests in companies with a solid market position and stable strong earnings ability.

## Investment criteria:

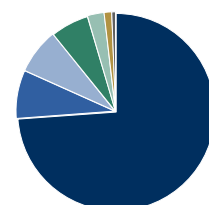
- High returns on equity
- Strong balance sheets
- Stable earnings power

## Top ten holdings, sector allocation and geographical distribution

Microsoft	9.0%
Visa	6.2%
Boston Scientific	6.0%
Fiserv	5.3%
Oracle	5.3%
Ulta Beauty	4.8%
AFRY	4.7%
Adobe	4.5%
Elevance Health	4.3%
Inditex	3.9%



IT 29%
Health Care 17%
Financials 17%
Consumer Discretionary 16%
Industrials 15%
Communication Services 3%
Consumer Staples 1%
Cash 1%
Materials 1%



USA 73%
Sweden 8%
Spain 7%
UK 6%
Netherlands 3%
Switzerland 1%
Nordics 1%

## Key figures\*

Accumulated returns
Annualised returns

Fund	Index
526 %	513 %
11.2%	11.0%

## Risk figures\*

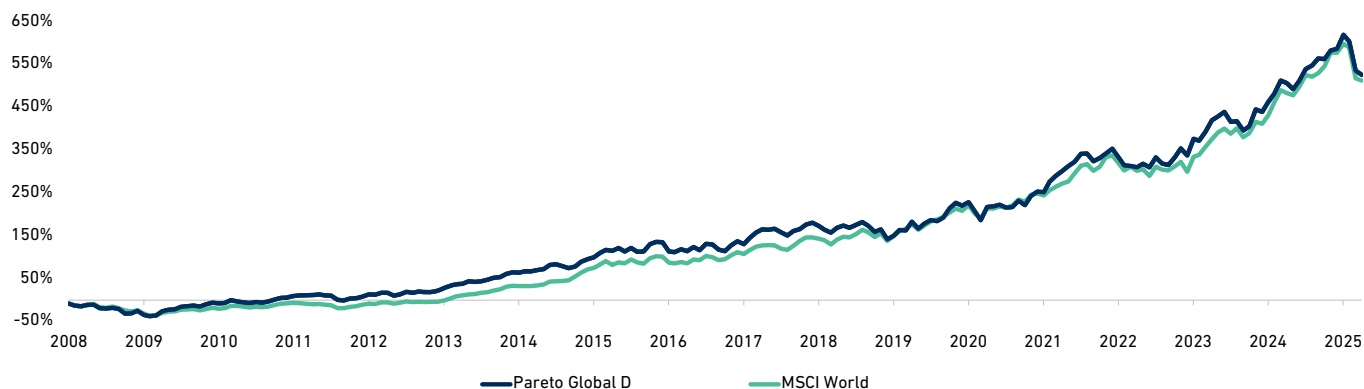
Standard deviation (annualised)
Tracking error (annualised)
Information ratio
Beta

Fund	Index
14.2%	12.2%
6.0%	n.a.
0.1	n.a.
1.1	n.a.

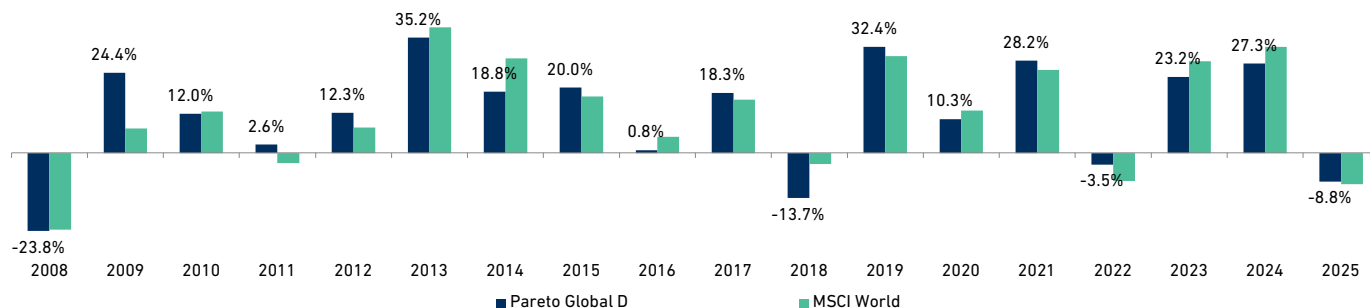
## Performance by periods

	Fund	Index
Last month	-1.5%	-0.7%
Year to date	-8.8%	-9.6%
Last 12 months	3.2%	5.0%
Three years (annualised)	15.1%	15.1%
Five years (annualised)	14.5%	14.3%
Ten years (annualised)	11.3%	12.9%
Since inception* (annualised)	11.2%	11.0%

## Performance history\*



## Annual returns\*



The Fund is exposed to the following materially risks: liquidity risk, operational risk and sustainability risk. Please refer to the Fund's prospectus for further information about the fund's risk exposure. The Fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus. Further information about the sustainability-related aspects of the Fund is available in the SFDR pre-contractual disclosures in the Fund's prospectus and the SFDR website disclosure available on <https://paretoam.com/en/our-funds/>.

\*Returns with current management team from 31.12.2007. All figures are based on internationally recognised standards for publishing performance data. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on, market developments, the portfolio manager's skill, the fund's risk profile, as well as fees for subscription, management and redemption. Returns may become negative as a result of negative price developments. The performance data do not take account of the fees incurred on subscription and redemption of units/shares.

## Pareto Global

### Portofolio management team



Andreas Sørbye  
Portfolio Manager



Andreas Kamvissis  
Portfolio Manager

Fifty years have now passed since Bill Gates and Paul Allen founded Microsoft to sell the Basic programming language. Their vision was to have a computer on every desk and one in every home. In the years since, Microsoft has fundamentally changed how we work and how we live.

The very core of Microsoft has been to offer development tools with associated platforms to developers. This creates network effects, while keeping the platforms technologically relevant. The company has always been inspired by new technologies to create its own solutions that have been integrated into its ecosystem. This reduces technology risk and has enabled the 50-year-old company to retain and improve its market position.

It all started when they created their own version of IBM's DOS operating system, which was named MS DOS. WordPerfect led to Word and Lotus 123 to Excel. Later, they were inspired by Apple's window-based operating system, which resulted in Windows. They competed with Sony's Playstation by launching their own games console, Xbox. Netscape was the pioneer among web browsers but was overtaken by Internet Explorer (and Google's Chrome). Amazon was the first to offer cloud services, but Microsoft has become a strong runner-up, and it's a long way down to third and fourth place. When we all moved into home offices during the pandemic, Zoom was the new meeting place. It was quickly ousted when Microsoft launched Teams.

When Satya Nadella took over as CEO in 2014, he wanted to make the company less dependent on PCs. He opened up the company's development tools to open source and acquired GitHub to become relevant to a new generation of developers. Cloud services now account for over half of the company's revenue.

In 2019, they partnered with OpenAI (ChatGPT) with a 49 per cent stake through a \$13 billion investment. Today, OpenAI is valued at \$300 billion. The partnership gives Microsoft an exclusive right to offer the AI models in its cloud.

Nadella is known for being pragmatic and adaptable. Even with the partnership with OpenAI, Chinese DeepSeek's R1 model was made available in Microsoft's cloud less than two weeks after it was launched.

In parallel with the partnership with OpenAI, Microsoft is developing its own artificial intelligence models. Through Copilot, artificial intelligence will be built into the various programme packages. Again, the ecosystem will be important, as Microsoft holds the companies' own data so that it is available to train the artificial intelligence models.

Pareto Global first invested in Microsoft in November 2012. At the time, the company was very unpopular, having flopped with mobile phones and Windows 8. Net cash represented 25 per cent of the market capitalisation. During our ownership period, revenue growth has steadily accelerated, while the operating margin has increased. Not many companies manage this combination because growth is costly, which causes margins to fall. The corporate market accounts for 70 per cent, where revenues are secured by long-term agreements with recurrent earnings.

With a high weight in the fund and a return of over 1,900% in euros, this has been a fantastic journey and an important contributor to the return of Pareto Global. Congratulations on the anniversary!

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## Pareto Asset Management

A company in the Pareto group

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