

INVESTMENT OBJECTIVE

The Global Infra-Energy Fund (the Fund) is focused on infrastructure and energy business segments to provide exposure to companies that are operating in essential industries around the world. We explore the entire infrastructure and energy value chain where we believe we can add value under different economic scenarios.

The Fund targets an annual total return of 10% with income component of greater than 3.5% yield.

Our investment approach is bottom-up, value-oriented with a quality overlay, thematic-driven and index agnostic.

FUND OVERVIEW

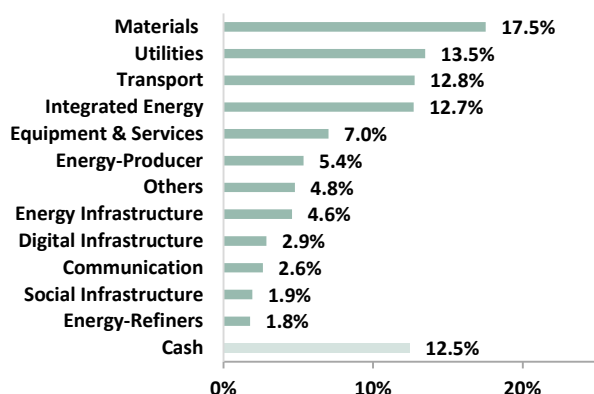
Portfolio Manager	Roy Chen
Performance Target	10% per annum
Asset Class	International Shares
Coverage	All Global Equity Markets
Currency	AUD Unhedged
Cash Holdings	Up to 35%
Entry/Exit Price cum	\$1.0178/\$1.0118

PERFORMANCE

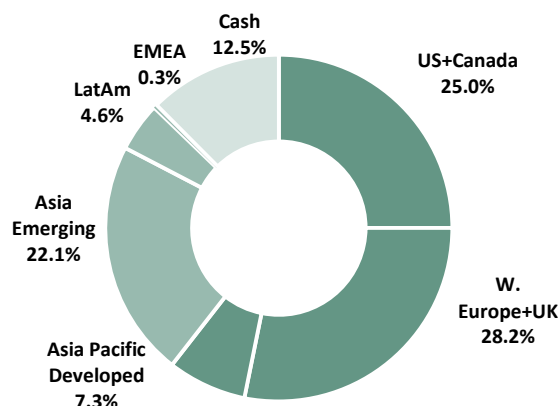
Total Return	1 month	3 month	6 month	YTD	1 Year	Since Inception**
Global Infra-Energy Fund*	-5.9%	-2.3%	-1.0%	-1.0%	3.2%	23.6%
Performance Target					10.0%	

*Performance is based on the movement in net asset value per unit plus distributions before tax and after all fees and charges. Imputation and foreign tax offsets are not included in these numbers. **Inception date is 1 August 2017, calculated cumulatively, and assuming all distributions have been reinvested.

SECTOR EXPOSURE



REGIONAL EXPOSURE



TOP 10 HOLDINGS

	Company	Country	Industry Segment	Mkt Cap \$USbn	ND/EBITDA	Div Yield	Weight
1	Equinor ASA	Norway	Integrated Energy	113	-0.3	1.9%	1.7%
2	Telenor ASA	Norway	Communication	19	2.2	6.9%	1.6%
3	AC Energy Corp.	Philippines	Utilities	6	5.3	0.7%	1.5%
4	OCI NV	Netherlands	Materials	7	0.7	4.6%	1.5%
5	Linde plc	Germany	Materials	145	1.3	1.4%	1.5%
6	Gaztransport & Technigaz SA	France	Utilities	5	-1.2	2.6%	1.5%
7	Woodside Energy Group Ltd	Australia	Energy-Producer	42	0.9	5.9%	1.4%
8	Nutrien Ltd.	Canada	Materials	44	1.7	2.3%	1.4%
9	B.Grimm Power Public Company	Thailand	Utilities	3	5.9	1.2%	1.4%
10	Repsol SA	Spain	Integrated Energy	21	1.4	3.5%	1.4%

PORTFOLIO COMMENTARY

- June saw Energy and Material sectors came under significant pressure as both soft and hard commodities, corrected on fear of recession and demand destruction. The oil price was weaker but LNG prices in both Europe and Asia were exceptionally strong due to the impact of reduced supply from Russia and heat waves in N Asia.
- Regionally, Europe suffered the most while Asia Pac outperformed as China and HK contributed the most.
- We reduced exposure to Energy and Materials by taking profits in the more volatile Energy Producers and Metals/Miners as well as Energy Refiners and Shipping.
- In June the portfolio was impacted most by the performance of integrated energy and European equities resulting in our second month of negative return in 2022 Despite a setback in YTD 22 return of -0.96% we are ahead of most global markets including MSCI AC -15.6% return.
- Best gains realised included Toho Titanium +36%, Guangzhou Auto +17%, Cosco Energy Shipping Transport +15% and Scorpio Tankers +13%.
- New stocks included in Equipment from China– Zoomlion, Haire, Xinjiang Goldwind, Utilities-Xinyi China, Dominion US, Materials Fuchs Petrolub Germany and in 2 Thai Social Infrastructure companies –BDMS and Chularat Hospital.

PORTFOLIO POSITIONING

- We have reduced our weighting in Europe to 25.5% from 32.7% and increased North America from 21% to 25%. Asia Pac weighting remained largely unchanged at (32%) - increase in China/HK and Thailand while reducing exposure to other countries. Europe faced the most challenging macro condition and very acute energy crisis. However, most of our European companies have more global and diversified revenues
- Sector weighting – we remained overweight in Energy, Material, Industrials and Utilities and are well diversified in all these sectors with a more defensive tilt. We also ensure that all companies have strong balance sheets, good FCF and can protect their profit margins.
- Of the 3 areas we highlighted recently- we are still positive on LNG Value Chain and Energy Shipping. Both segments had shown to be more resilient during the June downturn.
- We are more cautious on the third -Refining segment though highly profitable became an easy target of governments who are facing pressure on high petrol price and inflationary pressures. We took profits in US refiners, but still retain Reliance Industries India as it is more diversified. We are more positive on the defensive Energy Infrastructure and Renewable Energy via Utilities
- **LNG market** will remain very tight as Europe is reducing exposure to Russia gas and is likely to compete with Asia

despite China’s imports coming off substantially compared to last year.

- **Energy Shipping**, albeit refined products, crude oil, LPG or LNG, all require dedicated tankers for transport. Judging by higher freight rates and shortage of vessels, these companies will generate bumper profits and dividends.
- Balanced against the more economic sensitive areas we have taken steps to increase exposure to utilities, social infrastructure followed by Telecom.

Distribution: For the FY-end, our distribution of 7.24 cents per unit (cpu) (Dec distribution was 1 cpu), which equates to income yield of 8.1% based on NAV on 30 June cum price. This is higher than previous years as this current year we realised significant trading profits in a volatile market. Going forward our income objective remains 4% yield.

PORTFOLIO CHARACTERISTICS

Net Asset Value	\$1.0148
Number of stocks	83
Net cash position	12.5%
Dividend yield	4.3%
Price/Earnings FY1	9.0
Market capitalisation \$USbn	46.1
EV/EBITDA	14.6
ND/EBITDA	3.6

TOP 5 PERFORMERS

Company	Return
1 AC Energy Corp.	11.8%
2 NextEra Energy Partners LP	7.97%
3 Woodside Energy Group Ltd	6.99%
4 FLEX LNG Ltd	6.54%
5 FedEx Corporation	5.81%

BOTTOM 5 PERFORMERS

Company	Return
1 Ecopetrol SA Sponsored ADR	-28.3%
2 DEVON ENERGY CORP NEW	-21.9%
3 Schlumberger NV	-18.8%
4 Infineon Technologies AG	-18.8%
5 Eni S.p.A.	-18.8%

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