

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

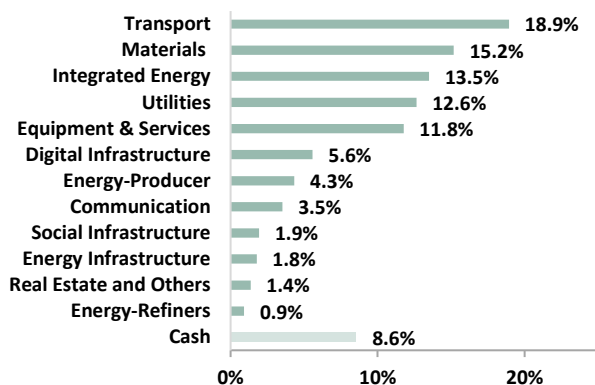
Portfolio Manager	Roy Chen
Performance Target	10% per annum
Asset Class	International Shares
Coverage	All Global Equity Markets
Currency	AUD Unhedged
Cash Holdings	Up to 35%
Entry/Exit Price	\$1.0036/\$0.9976

PERFORMANCE - Performance target 10% p.a.

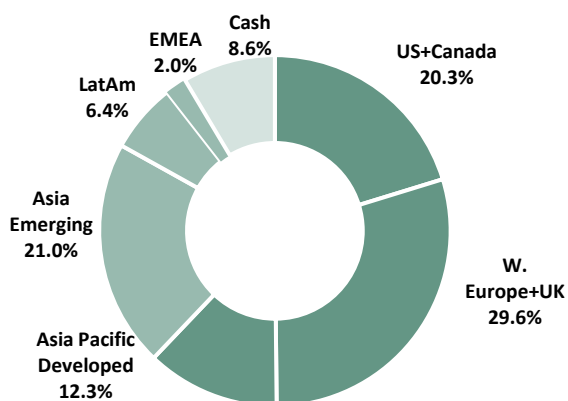
Total Return	1 month	3 month	6 month	YTD	1 yr pa	2 yr pa	3 yr pa	5 yr pa	SI**
Global Infra-Energy Fund*	-3.9%	-1.1%	-2.7%	0.3%	0.9%	6.4%	9.2%	4.0%	32.6%

\*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	CHINA PETROLEUM &	China	Integrated Energy	101	1.3	12.2%	1.9%
2	L'Air Liquide S.A.	France	Materials	87	1.6	1.9%	1.8%
3	Schneider Electric SE	France	Equipment & Services	98	1.1	2.0%	1.8%
4	TotalEnergies SE	France	Integrated Energy	141	0.5	5.1%	1.6%
5	Shin-Etsu Chemical Co Ltd	Japan	Materials	62	-1.3	2.3%	1.5%
6	Singapore Airlines Ltd.	Singapore	Transport	14	-0.4	1.6%	1.4%
7	Shell Plc	United Kingdom	Integrated Energy	187	0.6	4.0%	1.4%
8	Cadence Design Systems	United States	Digital Infrastructure	63	-0.2	0.0%	1.4%
9	Mitsui O.S.K.Lines Ltd.	Japan	Transport	8	5.3	17.6%	1.4%
10	Shiseido Company Ltd	Japan	Real Estate	18	2.2	1.6%	1.4%

## PORTFOLIO COMMENTARY

- Global markets saw only the three Tech-dominated sectors deliver positive returns in May while the other eight sectors ended up in the red.
- It's no surprise then that Digital Infrastructure was the only segment in the Fund that was up. Utilities, Transport and Equipment held up better than other segments.
- Stocks that added value included two in which we took profits -Cosan Brazil (Utilities) +17.5% and CRRC China (Equipment Rail) +16.5%. Others with returns greater than 10% were BW LPG Norway & Prima Marine Thailand (both Transport-Shipping), Alstom France (Equipment-Rail), Shin-Etsu Japan (Material-Chemical), Cadence Design US (Digital Infrastructure) and Singapore Airlines (Transport).
- Stocks worst hit in May were Zijin China (Material-Miner), Sino-Thai Engineering Thailand (equipment & services), W Wallenius Norway and Cosco Ship Energy Transport China.
- The Fund's overweight exposure in Europe weighed on the Fund as it was the worst performing region and with one exception, all countries in the region were in negative territory. The bright spots were Japan and Brazil.
- We implemented several changes during this correction including raising cash from 4.7% to 8.6% to reposition on a tactical basis while maintaining our unchanged medium-term strategy.

## PORTFOLIO POSITIONING

This month we review our regional weighting.

- **Asia Pacific (33%)**- though reduced by 2%, remains our largest overweight. We added PetroChina (Integrated Energy) and Power Assets HK (HK). Other than CRRC mentioned above, we also took small profits on Cathay Pac (Transport-Airline) and SK Telecom Korea.
- **Europe (29%)** -also reduced as we exited IHG UK, KPN Netherland (Telecom) and Symrise Germany (Material-Chemical) all with small profits and a loss on Neste Finland (Oil Refiner). One new purchase - Wacker Germany (Material- Chemical) replacing Symrise with a more attractive valuation and more promising outlook.
- **North America (20%)** – almost unchanged.
- **Latin America (7%)** - we implemented the biggest increase here which represents our high conviction call. It's a region overlooked by investors and yet offers the most attractive companies in our favoured sectors.
- We added two Mexican airport operators **Grupo Aero Pacifico (GAP)** and **Grupo Aero Sureste (ASR)** both offering the most attractive dividends versus global peers.
- We added two Utilities-**Enel Chile** and **Pampa Energia Argentina** thus-replacing Cosan Brazilian utilities we sold.
- We added **Telefonica Brazil** (Communications -Telecom) which is one of the Top 2 operators in the region.

- Other Latam stocks held are core holdings of **Petrobras Brazil & Ecopetrol Colombia** (both Integrated Energy companies and our high conviction Energy segment). Both offer the most attractive dividend yields backed by even stronger Free Cash Flow Yields.
- Fear of global recession lingers on, yet YTD 2023 the 7 largest US tech companies propel key indices higher while leaving the majority of stocks behind. Being index agnostic, we prefer to concentrate on finding the best value opportunities and lock in very attractive dividends.
- **Income is an essential component of long-term total return.** By adhering to our strict investment criteria which includes balance sheet strength and high free cash flow generation, we believe the portfolio is well diversified to deliver a less volatile path for investors to achieve income and growth over the medium to long term.

## PORTFOLIO CHARACTERISTICS

Net Asset Value	\$1.0006
Number of stocks	84
Net cash position	8.6%
Dividend yield	5.7%
Price/Earnings FY1	11.3
Market capitalisation \$USbn	52
EV/EBITDA	9.1
ND/EBITDA	0.9

## TOP 5 PERFORMERS

Company	Return
1 BW LPG Ltd.	19.5%
2 Prima Marine Public Company Ltd	13.0%
3 Cadence Design Systems, Inc.	12.6%
4 Alstom SA	11.6%
5 Petroleo Brasileiro SA	11.0%

## BOTTOM 5 PERFORMERS

Company	Return
1 Wallenius Wilhelmsen ASA	-19.7%
2 Sino-Thai Engineering & Construction	-19.2%
3 Zijin Mining Group Co., Ltd.	-16.0%
4 COSCO SHIPPING Energy Transport	-15.9%
5 OCI NV	-14.2%

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