

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

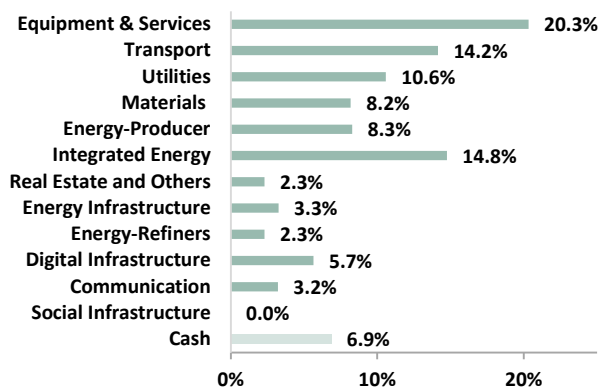
Portfolio Manager	Roy Chen
Performance Target	10% per annum
Asset Class	International Shares
Coverage	All Global Equity Markets
Currency	AUD Unhedged
Cash Holdings	Up to 35%
Entry/Exit Price	\$0.9871/\$0.9811

PERFORMANCE - Performance target 10% p.a.

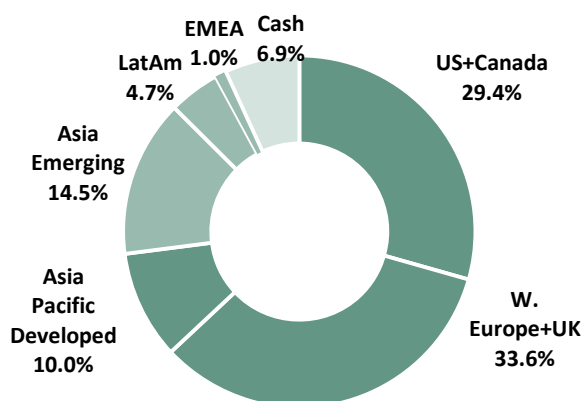
Total Return	1 month	3 month	6 month	YTD	1 yr pa	2 yr pa	3 yr pa	5 yr pa	SI**
Global Infra-Energy Fund*	1.0%	-0.4%	-2.5%	1.0%	3.5%	3.7%	8.5%	5.1%	37.7%

\*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	TotalEnergies SE	France	Integrated Energy	157	0.4	4.8%	1.8%
2	Shell Plc	United Kingdom	Integrated Energy	202	0.9	4.0%	1.6%
3	Woodside Energy	Australia	Energy-Producer	41	0.0	11.8%	1.5%
4	Hafnia Ltd.	Norway	Transport	4	1.4	14.7%	1.5%
5	Mitsui O.S.K.Lines,Ltd.	Japan	Transport	13	5.4	7.1%	1.5%
6	Linde plc	Germany	Materials	196	1.2	1.3%	1.5%
7	Petroleo Brasileiro SA	Brazil	Integrated Energy	109	0.7	16.5%	1.5%
8	Air Liquide SA	France	Materials	99	1.6	1.7%	1.4%
9	Takashimaya Company	Japan	Real Estate and Others	3	3.1	1.5%	1.4%
10	Schneider Electric SE	France	Equipment & Services	114	1.8	1.7%	1.4%

## PORTFOLIO COMMENTARY

- The Fund returned another modest +1% in January as tech-heavy IT and Communication sectors continued to drive key indices higher. North America led equity markets followed by Europe while Asia and Latam lagged.
- The best performing segments for the Fund were Transport and Utilities followed by Energy-Refiners, Producers and Integrated majors. Materials, Energy infrastructure and oils services underperformed.
- Three of the best contributors to returns came from the Energy Sector - US refiner **Marathon Pet**, Integrated Energy **PetroChina** and **GALP Portugal**. In addition, two companies from the Industrial Sector - **Stolt Nielsen** Norway -Transport-Shipping and **Yangzijiang**, a Chinese shipbuilder listed in Singapore also made good gains.
- We took profits in **YTL Power** Malaysia-Utilities +47.5%, **CNOOC** China-E&P +30% and 2 shipping stocks **Nippon Yusen** Japan +14% and **Teekay Tanker US** +12%.
- New positions initiated in PT **Geothermal Energy** Indonesia -Utilities, **Beijing Airport** China, **Siltronic** Germany-Specialty Chemical, **W Wilhelmsen** Norway and **Scorpio Tankers** -both Transport-Shipping.

## PORTFOLIO POSITIONING

- **Regional Weighting**- Europe remains our biggest overweight at 34% followed by US 29% while Asia Pac at 25% is at its lowest for the past year and Latam at 4.7%.
- We believe markets that have been sold off heavily are now best positioned for outperformance – China/HK and Thailand in Asia and Latam while risks in overbought US are not factored in by most investors.
- **Equipment & Services** – We remain positive as oil & gas capex will continue to rise but we may reduce overweight to oil service and further diversify into other identified opportunities. For e.g. Energy efficiency and Automation.
- **Transport Segment and Integrated Energy** – both will remain overweight especially from the free cash flow and dividend perspectives.
- Having reduced exposure in recent months we are now likely to add in both **Materials and Utilities**.
- **Materials –current holdings are all in chemicals - 4 industrial gases companies led by Linde have served us well.** As China’s economy improves, we believe metal prices will rebound including very oversold lithium while gold will provide a hedge for the portfolio.
- **Utilities** – we reduced exposure in Europe on concerns over low wholesale power prices. We see better risk-reward in Asia and Latam as both are heavily discounted.
- After successive months of declines, the oil price made good gain in January. However, it was not the case for gas prices which are now heading lower in US, Europe as well

as LNG exports to North Asia. This presents opportunities and benefits big users of gas.

- Recent unrest in the Red Sea impacted the global supply chain of goods and energy with increased uncertainties but is a net positive for our shipping companies and oil refiners in the portfolio.
- We will continue to diversify in both social and digital infrastructure and revisit some of the megatrends that benefited the portfolio during Covid that have fully played out and sold off such as Renewable Energy and Food Security.
- We believe the portfolio is well diversified to preserve capital even at times of heightened geopolitical risks. Our focus on balance sheet strength, free cash flow generation and in-depth analysis of industries we invest in should provide a less volatile path for investors to achieve both income and growth.

## PORTFOLIO CHARACTERISTICS

Net Asset Value	\$0.9841
Number of stocks	84
Net cash position	6.9%
Dividend yield	4.6%
Price/Earnings FY1	13.2
Market capitalisation \$USbn	54.9
EV/EBITDA	8.3
ND/EBITDA	1.4

## TOP 5 PERFORMERS

Company	Return
1 Stolt-Nielsen Limited	26.8%
2 Marathon Petroleum Corporation	15.2%
3 Yangzijiang Shipbuilding	14.9%
4 PetroChina	12.9%
5 Galp Energia, SGPS S.A. Class B	11.2%

## BOTTOM 5 PERFORMERS

Company	Return
1 BYD Company Limited Class H	-16.2%
2 Baker Hughes Company Class A	-13.9%
3 Borr Drilling Limited	-13.2%
4 Transocean Ltd.	-11.2%
5 STMicroelectronics NV ADR RegS	-9.2%

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