

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

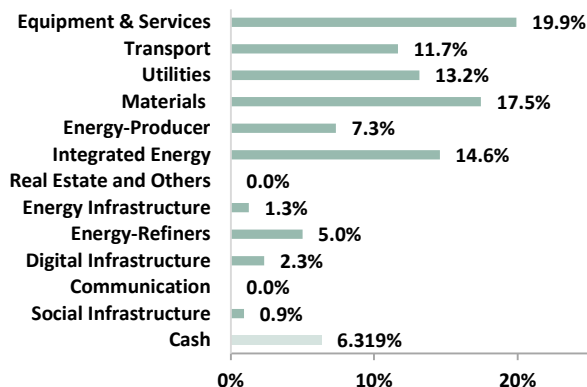
Portfolio Manager	Roy Chen
Performance Target	10% per annum
Asset Class	International Shares
Coverage	All Global Equity Markets
Currency	AUD Unhedged
Cash Holdings	Up to 35%
Entry/Exit Price	\$1.0337/\$1.0275

PERFORMANCE - Performance target 10% p.a.

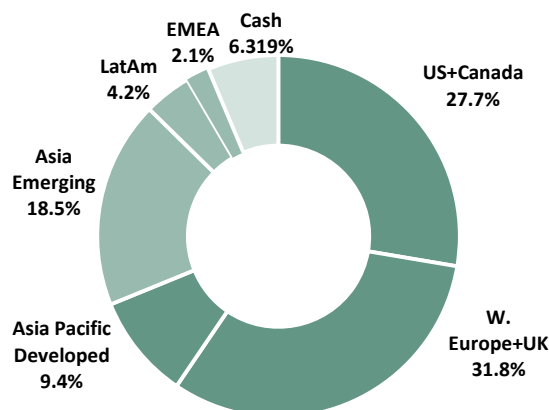
Total Return	1 month	3 month	6 month	YTD	1 yr pa	2 yr pa	3 yr pa	5 yr pa	SI**
Global Infra-Energy Fund*	3.5%	5.7%	1.9%	5.7%	7.0%	6.7%	7.8%	5.5%	44.2%

\*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	164	0.4	4.7%	1.9%
2	Shell Plc	United Kingdom	Integrated Energy	213	0.9	3.9%	1.7%
3	Linde plc	Germany	Materials	224	1.3	1.1%	1.6%
4	Schneider Electric SE	France	Equipment & Services	130	1.2	1.5%	1.6%
5	Air Liquide SA	France	Materials	109	1.4	1.5%	1.5%
6	Valero Energy Corporation	United States	Energy-Refiners	57	0.5	2.4%	1.4%
7	ConocoPhillips	United States	Energy-Producer	150	0.6	2.8%	1.4%
8	Woodside Energy Group Ltd	Australia	Energy-Producer	38	0.5	7.1%	1.4%
9	CNOOC Limited	Hong Kong	Energy-Producer	114	-0.3	7.4%	1.4%
10	QUALCOMM Incorporated	United States	Digital Infrastructure	189	0.3	1.9%	1.3%

## PORTFOLIO COMMENTARY

- The Fund returned +3.5% in March as four of our overweight sectors -Energy, Materials, Industrials and Utilities did better than the MSCI AC of +2.9%. It is our best month since July 2023 when the Fund gained +4.2%.
- The two best segments which contributed most to our performance were Equipment - Oil Services and Oil Refiners followed by Energy Producers and Integrated Energy.
- Four out of Top 5 performers came from Equipment - Oil Services (Transocean, Diamond Offshore and Valaris from US and COSL China), fifth is Valero (US oil refiners). Among the detractors, two each from Utilities -Guangdong China, Korea Elect Power and Transport-Shipping -Nippon Yusen Japan and Wallenius Wilhelmsen Norway.
- In March we took profit in overbought - **Nippon Sanso** Japan +25% (Industrial Gases) also Barrick Gold, SQM Chile (Lithium), Inpex Japan and PTTEP Thailand (both oil producers), Longyuan Power China and NextEra US (both utilities), Indra Spain (IT) and TIM Brazil (Telecom).

## PORTFOLIO POSITIONING

- In terms of geographical weighting, there was an increase in both Europe to 31.8% and North America to 27.2% but decrease in both Asia Pac to 27.9% and Latam to 4.2%.
- **Sector highlights** – Increased exposure to both **Equipment & Services** as well as **Materials** while we reduced IT/Digital Infrastructure, Energy Infrastructure and Communication.
- **Material Segment** increased to 17.5% via the metal/miner segment by adding Newmont US, Zijin Mining and Southern Copper which collectively give us good exposure to Gold and Copper. Air Water Inc, a cheaper industrial gas company, replaced Nippon Sanso among the chemicals.
- **Equipment & Services** - we bought 4 holdings we had owned before: **ABB Switzerland; Emerson Elect US** (both electrical); **Kurita Water Japan** and Norwegian offshore driller **Odfjell Drilling**, which has been the most consistent performer in this overlooked segment.
- Though our **Energy-Segments (ex-oil service)** remained **unchanged in weighting**, we added to our overweight in Integrated Energy by buying back **BP and Sinopec China** while exiting some Energy Producers mentioned above.
- The MSCI Energy Sector gained 7.7% in March due to the renewed strength in oil prices. Both WTI and Brent rose over 5%. While tensions in the Middle East have played a part but it is the inevitable recovery in demand as forecast by OPEC repeatedly that will sustain higher oil prices. Gas is a different story as prices have been weak in all continents however, we believe it could have hit inflection point already as LNG demand in Asia is picking up again.

- **Transport Segment** - Though it performed poorly in two consecutive months of Feb and March after a period of outperformance, we remain very positive for the medium-term. This is especially the case for **Energy Shipping** (crude oil, refined products, LPG and chemicals) which benefits from the increase in volume shipped and the distance travelled as well as a very low order book of new vessels.
- We believe the portfolio is well diversified to preserve capital. By adhering to our strict investment criteria which includes balance sheet strength and high free cash flow generation, we believe we can deliver a less volatile path for investors to achieve both income and growth.
- By conducting in-depth analysis of industries in our ambit and in the full value chain across the various segments including AI-related sectors, we can participate in multiple megatrends while trying to minimise risks in too crowded areas of the market.

## PORTFOLIO CHARACTERISTICS

Net Asset Value	\$1.0306
Number of stocks	84
Net cash position	6.3%
Dividend yield	4.4%
Price/Earnings FY1	12.7
Market capitalisation \$USbn	56.6
EV/EBITDA	15.3
ND/EBITDA	3.4

## TOP 5 PERFORMERS

Company	Return
1 Transocean Ltd.	33.6%
2 China Oilfield Services Limited	30.2%
3 Diamond Offshore Drilling Inc	22.8%
4 Valero Energy Corporation	20.4%
5 Valaris	19.1%

## BOTTOM 5 PERFORMERS

Company	Return
1 Guangdong Investment Limited	-28.2%
2 Wallenius Wilhelmsen ASA	-14.9%
3 Nippon Yusen Kabushiki Kaisha	-14.3%
4 Korea Electric Power Corp	-10.8%
5 Petroleo Brasileiro SA	-8.1%

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