

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

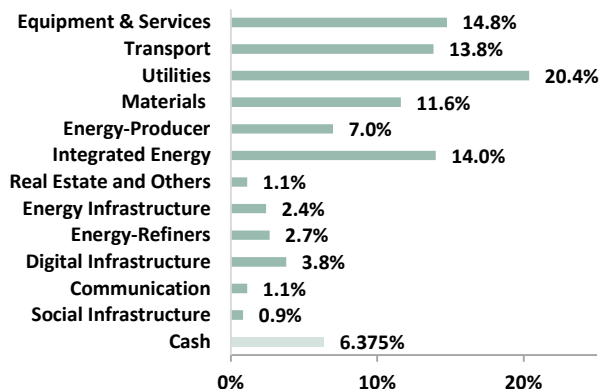
Portfolio Manager	Roy Chen
Performance Target	10% per annum
Asset Class	International Shares
Coverage	All Global Equity Markets
Currency	AUD Unhedged
Cash Holdings	Up to 35%
Entry/Exit Price	\$1.0541/\$1.0477

PERFORMANCE - Performance target 10% p.a.

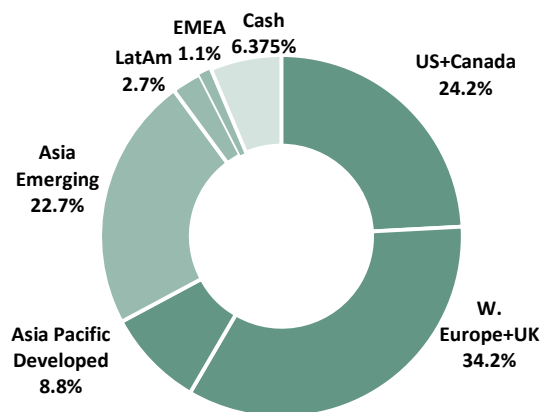
Total Return	1 month	3 month	6 month	YTD	1 yr pa	2 yr pa	3 yr pa	5 yr pa	SI**
Global Infra-Energy Fund*	1.5%	5.5%	8.0%	7.8%	10.9%	5.8%	7.8%	6.5%	47.0%

*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	TotalEnergies SE	France	Integrated Energy	174	0.7	4.4%	1.9%
2	Shell Plc	United Kingdom	Integrated Energy	228	0.8	2.8%	1.8%
3	Schneider Electric SE	France	Equipment & Services	142	1.2	1.5%	1.7%
4	QUALCOMM Incorporated	United States	Digital Infrastructure	228	0.2	1.6%	1.6%
5	CNOOC Limited	Hong Kong	Energy-Producer	131	-0.3	6.4%	1.6%
6	Galp Energia, SGPS S.A.	Portugal	Integrated Energy	15	1.0	2.8%	1.5%
7	BW LPG Ltd.	Norway	Transport	3	0.2	17.2%	1.5%
8	Linde plc	Germany	Materials	209	1.3	1.2%	1.5%
9	Yangzijiang Shipbuilding	China	Equipment & Services	7	-2.0	2.9%	1.5%
10	ABB Ltd.	Switzerland	Equipment & Services	103	0.6	1.5%	1.3%

PORTFOLIO COMMENTARY

- The Fund returned +1.5% in May as tech-heavy sectors continued to drive equity markets (MSCI AC +1.6%). The Fund's overweight in Utilities was our best performing sector (+4.5%) while Energy was the worst (-2.2%).
- Portfolio segments with positive contributions were Utilities, Equipment & Services and Digital Infrastructure.
- Top Contributors were Shipping-related **BWLPG** Norway (LPG Shipping) and **Yangzijiang** China (Shipbuilding). Despite Oil Services underperforming with lower oil prices, US offshore drillers **Diamond Offshore** and **Transocean help up well**. **Qualcomm** US did well in line with the top subsector in IT-Semiconductors.
- Notable detractors to the Fund's performance in May were Thai equities which accounted for 3 out of 5 worst performers and Latam companies - Brazil and Mexico. In May, we met with 3 Thai companies in our portfolio.
- We took profits in overbought Materials - Miner segment eg Zijin China (+18.7%) and Oil Refiner - Marathon Pet US (+10.8%). We also reduced exposure to Energy as a precaution with oil price under pressure -Petrobras Brazil-Integrated Energy (+30%) and Valaris - Oil Service (+9.7%).
- We added Utilities with new positions in **E.On** Germany, **NextEra Energy** US, **Hueneng Power** China. After recent profit-takings; we rebuilt our Material exposure in copper - **Jiangxi Copper** China and **Freeport McMoran** and in Chemicals - **Wacker** Germany and **LyondellBasell** US.

PORTFOLIO POSITIONING

- In terms of geography, we maintained an overweight in Europe 34.2%, increased Asia Pac to 31.5% from 29.5% while maintaining US exposure at 24.2%.
- **Sector highlights – Utilities** replaced **Equipment & Services** as our biggest segment which saw Utilities increase by 4.5% to 20.4%. **As mentioned last month, we see this sector as a huge beneficiary of escalating power demand from AI datacentres in all regions.**
- **Equipment & Services** – exposure fell in this segment from 20% to 14.8% as we reduced more oil price sensitive oil services names which, in turn, increased exposure to those not related to oil services. Exposure to both segments now at over 7% each.
- **Within Energy-related Segments**, we continued to overweight Integrated Energy (14%) while buying some individual oversold stocks - Neste Finland (leader in non-fossil fuel refining) and GTT France (energy technology).
- **Transport Segment** was maintained at around 14%. We reduced our weighting to Shipping while increasing the weighting to the non-shipping Transport sector. We currently prefer the Energy Shipping sector which benefits from the increase in ton-mile volume and a very low order book of new vessels.

- **Materials Segment (10.6%)** – we are overweight in Chemicals and the more defensive and less cyclical industrial gases businesses.
- Outside of our main overweight segments, we further diversified the Fund by adding STM France (Digital Infrastructure), Telenor Norway (Telecom) and Takashimaya (Department Stores), a major beneficiary of the influx of tourists to Japan.
- We believe that our focus on balance sheet strength, strong free cash flow generation and high ROEs positions the Fund to deliver a less volatile path for investors to achieve both income and growth.
- By conducting in-depth analysis of industries and the full value chain across the various segments, we believe that we can participate in multiple megatrends which can benefit the portfolio at different periods in the cycle. Current research efforts include 2 major megatrends: **Energy Storage**, key to Energy Transition and **AI related Power demand from datacentres**.

PORTFOLIO CHARACTERISTICS

Number of stocks	85
Net cash position	6.4%
Dividend yield	4.1%
Price/Earnings FY1	14.1
Market capitalisation \$USbn	57.3
EV/EBITDA	15.1
ND/EBITDA	3.7

TOP 5 PERFORMERS

Company	Return
1 BW LPG Ltd.	38.9%
2 Yangzijiang Shipbuilding	27.6%
3 Diamond Offshore Drilling Inc	21.1%
4 QUALCOMM Incorporated	20.6%
5 Transocean Ltd.	16.0%

BOTTOM 5 PERFORMERS

Company	Return
1 Sino-Thai Engineering & Constr	-13.1%
2 Bangchak Corporation	-10.4%
3 ConocoPhillips	-8.9%
4 Bangkok Dusit Medical Services	-8.4%
5 POSCO Holdings Inc.	-8.0%

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