GLOBAL INFRA-ENERGY FUND | MONTHLY UPDATE

30 April 2025

RC GLOBAL FUNDS MANAGEMENT

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

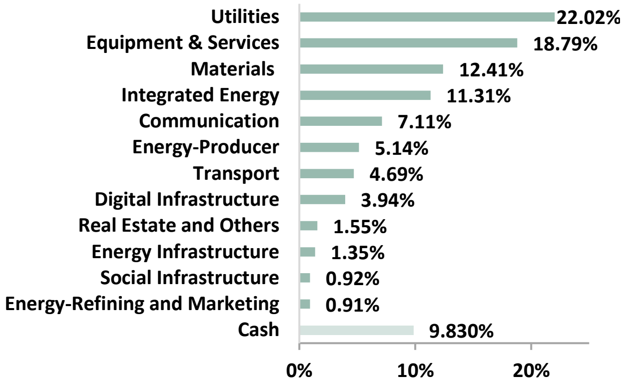
Portfolio Manager	Roy Chen
Performance Target	10% per annum
Asset Class	International Shares
Coverage	All Global Equity Markets
Currency	AUD Unhedged
Cash Holdings	Up to 35%
Entry/Exit Price	$1.0273/$1.0211

PERFORMANCE - Performance target 10% p.a.

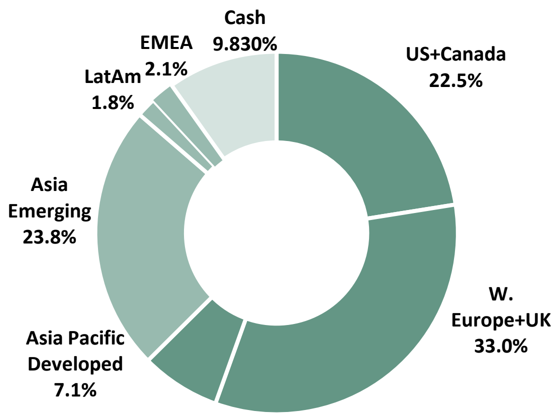
Total Return	1 month	3 month	6 month	YTD	1 yr pa	2 yr pa	3 yr pa	5 yr pa	SI**
Global Infra-Energy Fund*	-2.0%	-2.6%	1.9%	-1.6%	1.3%	3.1%	4.8%	7.8%	46.6%

*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	Siemens Energy AG	Germany	Equipment & Services	61	-3.6	0.0%	2.5%
2	Iberdrola SA	Spain	Utilities	116	3.5	3.0%	1.9%
3	Schneider Electric SE	France	Equipment & Services	134	1.1	1.7%	1.7%
4	Linde plc	Germany	Materials	213	1.5	1.3%	1.7%
5	Telenor ASA	Norway	Communication	21	2.4	6.1%	1.6%
6	GE Vernova Inc.	United States	Equipment & Services	101	-4.4	0.1%	1.6%
7	NRG Energy, Inc.	United States	Utilities	21	3.0	1.1%	1.5%
8	E.ON SE	Germany	Utilities	46	2.9	3.4%	1.5%
9	ENGIE S.A.	France	Utilities	50	2.7	8.1%	1.5%
10	Enel SpA	Italy	Utilities	88	4.0	5.6%	1.5%

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PORTFOLIO COMMENTARY

- The Fund returned -2.0% in April vs MSCI AC World (in AUD) -1.7% in highly volatile conditions against the backdrop of President Trump's "Liberation Day" tariffs.
- Positive contributors to returns were Equipment & Services, mainly power equipment, Telecoms and Utilities.
- At a stock level, the main contributors to returns included three power equipment companies: Siemens Energy Germany; GE Vernova and Vertiv of USA. In addition, Thai construction & engineering company STECON and Portuguese utility EDP performed well.
- Most negatively impacted segments were anything related to Energy, a sector that retreated -12.4% in April.
- Detractors included four US energy companies - Schlumberger and Transocean (oil services), APA Corp (oil producer) and New Fortress Energy (infrastructure).

PORTFOLIO POSITIONING

- We remain overweight Europe and Asia Pacific, and underweight North America. Last month we outlined our investment case for Asia after highlighting Europe at the end of 2024. Europe has outperformed the 3 key regions YTD. We believe Asia could follow suit.
- **Sector highlights** – The Energy sector took a big hit in April as many investors and analysts turned bearish, driven by a combination of factors including a weaker economic growth outlook, slower recovery in China, potential excess oil supply, and short-selling. Many integrated oil companies such as Petrobras Brazil, GALP Portugal, Chevron US and BP UK all fell between -16% to -20%. However, we take a contrarian view and believe both oil price and the Energy sector are oversold while maintaining a negative and cautious view on the downstream segments. Hence, we hold just one refiner and no commodity chemicals in the Fund. Our combined energy sector weighting is 25% with half invested in more defensive, high-yielding integrated energy companies followed by higher-beta oil services and energy producers.
- **Materials Sector** – we hold selected overweights in defensive chemicals via industrial gases and selective miners - aluminium, copper, gold and uranium.
- **Our No 1 megatrend that we believe will generate growth in the coming years remains AI-Gen-Datacentre-Power Demand**. We believe three sectors stand to gain the most: Industrials - Power & associated Equipment, selected IT, Utilities. We are positive on companies in natural gas and nuclear power value chains.
- In this tariff on/tariff delay environment, we are wary of businesses that depend too much on trade flow and consumer demand, especially those of a discretionary nature. Thus, we have avoided automakers, high-end goods, travel and anything transport-related except energy shipping companies and airports.Transport Segment is now just 4.6% after a peak of 19.4% previously.
- **We balance our 30% exposure in cyclical Energy/Materials sectors with almost 30% in defensive Utilities and Communication sectors.**
- We believe the portfolio is well-positioned to withstand the threat of tariffs whatever level they may ultimately settle at. By conducting in-depth analysis of industries and stress testing companies we invest in, the current sector and regional allocations seek to minimise risks associated with businesses that are heavily reliant on exports to the US.
- Furthermore, by focusing on balance sheet strength, high free cash flow generation and capturing several megatrends, we believe we can deliver a less volatile path for investors to achieve both income and growth.

PORTFOLIO CHARACTERISTICS

Net Asset Value	$1.0242
Number of stocks	86
Net cash position	9.8%
Dividend yield	4.2%
Price/Earnings FY1	18.1
Market capitalisation $USbn	81.3
EV/EBITDA	10.8
ND/EBITDA	2.3

TOP 5 PERFORMERS

	Company	Return
1	STECON	32.4%
2	Siemens Energy AG	28.6%
3	GE Vernova Inc.	18.4%
4	Vertiv Holdings Co.	15.2%
5	EDP S.A.	14.5%

BOTTOM 5 PERFORMERS

	Company	Return
1	New Fortress Energy Inc. Class A	-36.4%
2	Transocean Ltd.	-34.6%
3	Amata Corporation Public Company	-28.2%
4	APA CORPORATION	-26.9%
5	Schlumberger Limited	-22.5%