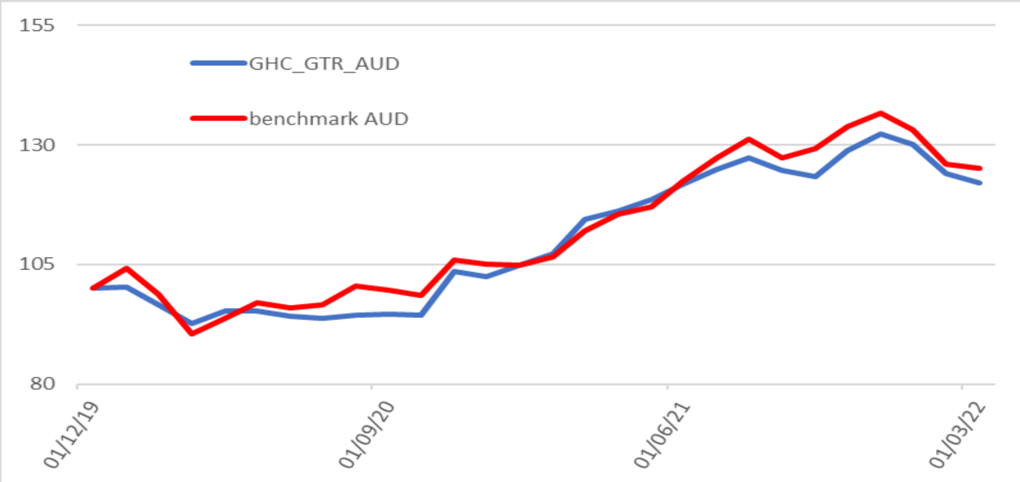
Global Diversified

Strategy Update 31 March 2022

Global Investment Management

Value of AUD 100 since inception - Inception Date: 1 Jan 2020. Returns over 1 year are pa annualised



Delft Partners Global High Conviction is a global listed equity strategy.

We produce an efficient portfolio designed to outperform typical global market cap based equity indices on a medium term basis

- We invest in all major markets and sectors to capture diversification benefits.
- We are unhedged
- We do not try to time Beta or market exposure preferring to typically remain fully invested
- Active position sizes are based on risk and return estimates and constructed with the help of optimisation software
- We do not invest in companies where we believe poor Governance is likely to penalise shareholders.

Benefits

- Diversified portfolio
- Controlled risk
- Access to key decision makers

For additional information please visit www.delftpartners.com

31 Mar 2022	Portfolio
No. of securities	98
Wtd Avg Market cap	US$ 17.7bn
Price/Earnings	14.5x
Price/Book	5.1x
Dividend Yield	2.8%
Return on Equity	21.5%
Active Risk (vs Bmk)	3.4%
ESG Score* (Portfolio/Universe)	68/ 50

* Source: CIQ ,
Tile images https://www.antiquetileshop.com

Periods ended 31 Mar 2022	1 Month	3 Months	1 Year	2 Years	Inception
Portfolio*	-1.5%	-7.7%	6.7%	14.8%	9.3%
Return vs. Benchmark	-.08%	0.8%	-4.5%	-2.4%	-1.1%

*Portfolio total return net Interest Withholding Tax in AUD, gross of fees. Based on a live portfolio managed by that represents an expectation of returns. The returns will differ per account due to execution timing differences, account size and minimum lot constraints. This sheet provides general information only. Intended for wholesale professional investors in Australia only, and is not a recommendation for a product. Delft Partners operates as owner of API Capital Advisory P/L AFSL 329133

PORTFOLIO REVIEW & MARKET UPDATE

- World markets fell as interest rate increases, higher inflation pressures, and Russian incursions into Ukraine proved too much of a headwind. Covid, or more precisely the strategy to deal with Covid, remains a problem in Asia. We outperformed our benchmark in the quarter
- China is likely to ease monetary policy as the USA tightens, albeit to a miniscule degree. Europe remains between a rock and a hard place. For more detailed commentary on this please ask us. We have Doug McWilliams an economist and former adviser to Governments as a consultant.
- The rise in energy and agricultural prices as a result of the Russian invasion lays bare poor strategic policy by 'The West' in the areas of energy, defence security and food. There will be long term investable trends as a consequence.
- We like Japan but the fall in the Yen for an unhedged portfolio hurt returns. This overweight position reduced our excess returns in the 1st quarter. On a fundamental basis (accretion of earnings and book value, revenue growth etc) Japan has outperformed the US. It is only P/E expansion which has produced better returns in the latter. At some point this ends.
- We have a small Value bias to the portfolio and are investing cash subscriptions slowly while the US 10 year note yield continues to rise persistently. Our best guess was it would peak at 2.5% or near. It currently looks to be headed to over 3%. If it remains here for a prolonged period the consumer slowdown will be both rapid and meaningful
- Corporate profits remain elevated relative to wages. Expectations for long run returns should be tempered by an acknowledgment that this balance needs to shift.
- For sector and country weightings please visit our website.