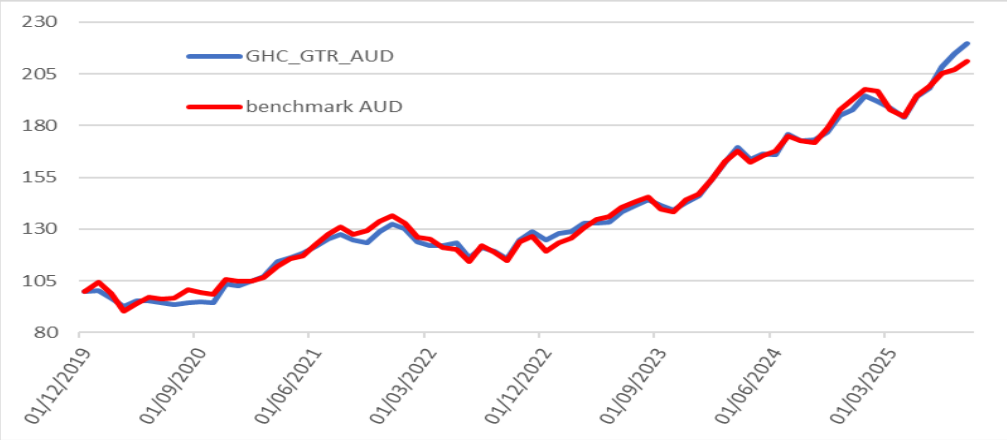
Global Diversified

Strategy Update 30 Sep 2025

Global Investment Management

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



Periods ended 30 Sep 2025	1 Month	3 Months	1 Year	3 Years	Inception
Portfolio*	2.4%	11%	27.1%	23.8%	14.7%
Return vs. Benchmark	0.5%	4.7%	3.5%	1.1%	0.7%

*Portfolio total return net Interest Withholding Tax in AUD, gross of fees. Based on a live portfolio managed by Delft 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

Delft Partners Global Diversified 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 typically unhedged
- We do not try to time style, 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

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30 Sep 2025	Portfolio
No. of securities	101
Wtd Avg Market cap	US$ 267.3bn
Price/Earnings	17.9x
Price/Book	4.5x
Dividend Yield	2.2%
Price/Sales	3.4
Active Risk (vs Bmk) ex ante	4.7%
Weighted PAR score (Portfolio/Universe)	84/ 50

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

QUARTERLY PORTFOLIO REVIEW & MARKET UPDATE

- World markets rose in the 3rd quarter despite considerable negative geo-political events, and sharply steepening yield curves. Global Equity portfolios outperformed aided by stock selection and a Japanese overweight.
- We expected some sort of retracement in September, but it didn't happen. Equity markets rose despite steepening yield curves almost everywhere. The AI investment theme continued with significant jumps in Oracle (not owned) and Alibaba, KLA, Applied Materials and TSMC – all owned.
- Our philosophy remains to be fully invested and to focus on stock selection. It is however clear that the AI spend/frenzy is now infecting many sectors and thus correlations or momentum risk exposure for the whole market is rising. Getting diversified is harder. We'll think a bit more about how to diversify risk since risk management is a key tenet.
- Current levels of announced AI spending can go higher. Datacenter spending as a % of GDP is estimated to be at less than one half of that spent on railroads in the US in the 1880s.
- The automobile sector was hurt by write downs by VW and Porsche on their Electric Vehicle production assets. It seems clear that Net Zero targets are unlikely to be met and even scrapped? Chinese EVs are technologically competitive and cheaper. Their energy costs are significantly lower than Europe's.
- We wonder whether Australia can have a European approach to its economy (subsidies and net zero) while competing economically in Asia which has none of the accompanying inefficiencies.
- We also wonder why the US is not more constructive toward Japan given that Japan is the largest foreign owner of US treasury debt, has the technological 'know how' to help the US re-industrialise, and is a significant Pacific defence partner.
- We made some trades in September. We purchased Prosus in the Netherlands as a proxy for Tencent. This rose fortunately quite strongly. We sold TE Connectivity and purchased Jabil Circuits, both US stocks, and initiated a position in Mabuchi Motors and Toyoda Gosei in Japan. We added to US positions bringing the country weight closer to the benchmark
- Against this market capitalisation weighted index we have a small Value bias.