



Value of AUD 100 since inception - Inception Date: 15 July 2011. Returns over 1 year are pa annualised

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

We select the best 30 stocks from the holdings in our diversified Global Equity strategy

- We invest in all major markets and sectors to capture diversification benefits.
- Position sizes are based on risk and return estimates.
- We do not invest in companies where we believe poor Governance is likely to penalise shareholders.
- **We have a value bias and measure our value added by comparing our returns to a value index.**

Benefits

- Capital appreciation and dividends from attractively valued stocks
- Expected preservation of purchasing power against persistent inflation.
- Above market and peer group performance

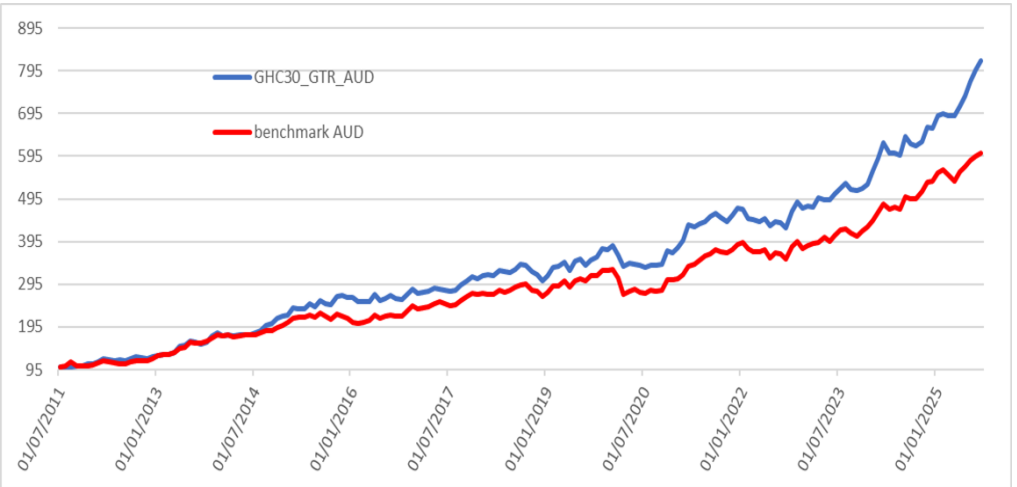
For additional information please visit www.delftpartners.com

Or contact us:

Robert Swift,
robert.swift@delftpartners.com

Adam Upton
Adam.Upton@delftpartners.com

30 Sep 2025	Portfolio
No. of securities	30
Wtd Avg Market cap	US\$ 131.6bn
Price/Earnings	19.1x
Price/Book	6.8x
Dividend Yield	2.2%
Price/Sales	3.7x
Active Risk (vs Bmk)	5.1%
PAR Score (Portfolio/Universe)	79/50



Periods ended	1 Month	3 Months	1 Year	3 Years	Inception
30 Sep 2025					
Portfolio*	2.9%	11.2%	32.2%	24.2%	16.0%
Return vs. Benchmark	+1.7%	+5.0%	+8.4%	+4.0%	+2.2%

*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. Intend-

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.
- After a prolonged period of outperformance the active risk of the GHC30 strategy to its Value benchmark is too high. We will be reducing the Momentum exposure by taking profits and seeking cheaper companies whose prospects are mis-understood and neglected.
- 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, and Applied Materials – all owned.
- 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 no changes to the owned names in the quarter but added to Shin-Etsu Chemical on weakness.