Global Infrastructure

Strategy Update 31 Dec 2024

DELFT PARTNERS

Global Investment Management

Delft Partners Global Infrastructure invests in listed infrastructure stocks including constituents of the digital economy.

We select between 40 and 60 stocks from a universe of over 400 securities.

Process highlights:-

- Experienced team utilises fundamentally based research in conjunction with quantitative models to create the portfolio.
- Diversified by design by industry and geography.
- Turnover is low reflecting our investment philosophy that inefficiencies are best identified with a long term perspective.

Benefits

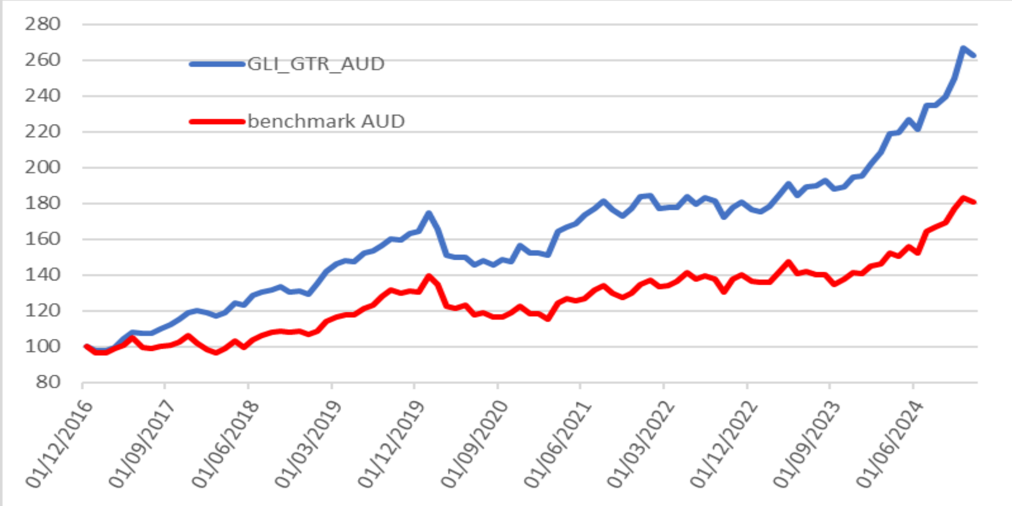
- Income and some capital growth from attractively valued stocks in a period of renewed focus on the importance of infrastructure.
- Investing in essential companies with lower Betas than general equity market indices.
- Liquidity for investors cf unlisted infrastructure strategies

For additional information please visit www.delftpartners.com or contact

31 Dec 2024	Portfolio
No. of securities	58
Wtd Avg Market cap	US$ 55.1bn
Price/Earnings	17.1x
Price/Book	3.8x
Dividend Yield	3.3%
Price/Sales	2.2x
Active Risk (vs Bmk)	4.1%
PAR Score (Portfolio/Universe)	60/50

Tile images https://www.antiquetileshop.com

Value of AUD 100 since inception—Inception Date: 30 December 2016, Returns over 1 year are pa



Periods ended 31 Dec 2024	1 Month	3 Months	1 Year	3 Years	Inception
Portfolio*	-1.6%	9.6%	34.2%	12.6%	12.8%
Return vs. Benchmark	-0.1%	2.7%	4.5%	2.1%	4.8%

*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

- Global equities operating in the Infrastructure sector declined in US$ terms in the 4th quarter after a weak December. The A$ fell further, by about 10%, such that global equity returns in unhedged Infrastructure equities were positive. Current Australian economic policy is not conducive to positive equity returns.
- Our holdings in Vistra rose 38%, Constellation Energy 30%, (on the planned restart of 3 Mile Island) Capital Power 26%, Xcel Energy 22%, and Sterling Infrastructure 22% - all in US$.
- The debate on Nuclear power came to the fore with the (flawed) Australian CSIRO report on the comparative attractions of nuclear vs 'renewables' and the prevention of a nuclear plant for Meta data centre on environmental grounds. Meanwhile Japan plans to re-start mothballed reactors and to plan for new.
- Coal continues to be favoured in India with 15.4 gigawatts of coal sourced electricity to be added by March 2025. This is the highest increase in 9 years and twice as much additional capacity is 2024. India remains puzzlingly immune from eco lobbying.
- The push back against Presidential nominee Trump's "drill baby drill" invocation has already started. Oil executives are likely wary of committing capital to long term projects while there remains the threat of delays and obstruction. We would prefer investment but in the absence of new supplies, prices for oil and gas will be underpinned and without a large investment increase, cash flows available for dividends. We remain constructive for this sector in the USA, especially as Europe continues to choose 'renewables'.