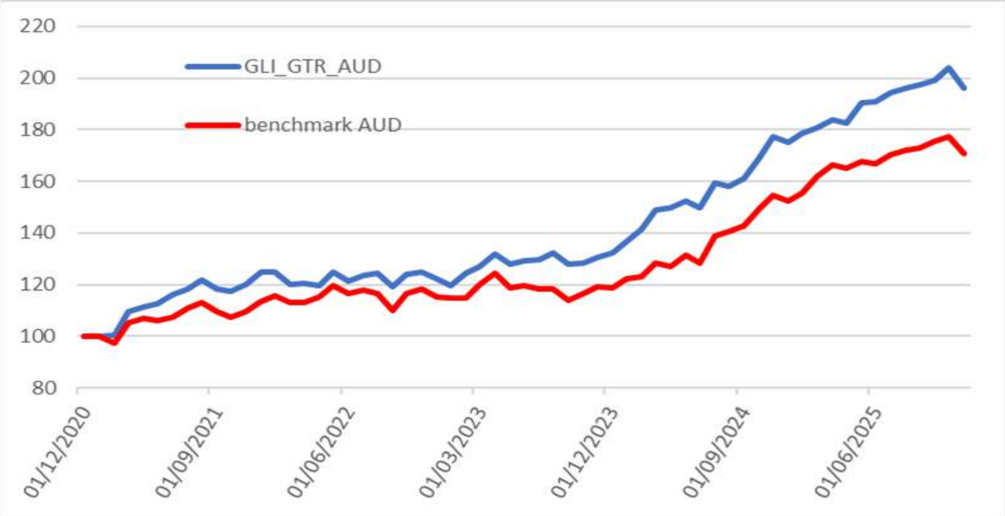
Global Infrastructure

Strategy Update 31 Dec 2025

Global Investment Management

Value of AUD 100 since inception Date 30 December 2020, Returns over 1 year are pa annualised



Periods ended 31 Dec 2025	1 Month	3 Months	1 Year	3 Years	Inception
Portfolio*	-3.9%	-0.8%	12.0%	17.0%	14.4%
Return vs. Benchmark	-0.4%	0.4%	-0.1%	2.6%	2.8%

*Portfolio total return based on live Leontech AMC Total return NET of fees. Inception Date: 30 December 2020

The returns will differ per account due to execution timing differences, account size and minimum lot constraints if clients adopt a different advisory approach. 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 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 2025	Portfolio
No. of securities	58
Wtd Avg Market cap	US$ 57.6bn
Price/Earnings	13.5x
Price/Book	3.2x
Dividend Yield	3.6%
Price/Sales	2.7x
Active Risk (vs Bmk)	4.4%
PAR Score (Portfolio/Universe)	67/50

PORTFOLIO REVIEW & MARKET UPDATE

- Global equities ground higher in Q4 2025, with most major indices delivering positive returns. International markets outperformed US equities, driven by broad-based gains across regions. Some year-end profit-taking, combined with a cooling of the AI narrative, weighed on momentum late in the quarter, though investor sentiment remained broadly positive.
- The strategy underperformed its benchmark during the quarter. The primary driver was an underweight in telecommunications, where uncertainty about the pace of further central bank rate cuts compressed valuation multiples and kept income-oriented investors cautious. AI-linked utilities also struggled as investors de-rated the trade amid bubble concerns, profit-taking, and higher discount rates, while reassessing how much, how fast, and on what terms utilities will actually earn from data-centre power contracts. European holdings were a bright spot, with Engie (+22.7%) and Italgas (+21.4%) the best-performing stocks in the portfolio.
- In November, we closed positions in AI-linked names Vistra and Sterling Infrastructure, believing the theme had run too far. With hindsight, we were not aggressive enough in reducing this exposure.
- The AI capex theme dominated the sector in 2025, and while network capacity remains the primary bottleneck for AI-related demand, we anticipate a shift in 2026 toward efficiency gains rather than pure capex expansion. Energy markets underperformed in 2025, but we see a turnaround ahead—particularly in natural gas, which we believe will increasingly be viewed as the reliability anchor for growing electricity loads. Listed infrastructure remains a compelling opportunity despite historically elevated valuations. Volatility in global markets remains a significant risk, and we expect investor appetite for the stable, predictable cashflows inherent in listed infrastructure to increase.

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