BEULAH CAPITAL

International Equities Portfolio

Quarterly Fact Sheet | December 2021

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Investment Approach

Our strategy is based on a fundamental bottom-up stock analysis to identify and select quality growth companies with sustainable business models and proven management teams, focused on the creation of shareholder return.

INVESTMENT STRATEGY

Concentrated Approach – Franklin Templeton's investment team focus on risk-adjusted returns, rather than benchmark-relative returns. Therefore, we achieve a portfolio of unconstrained, high quality companies.

The portfolio's focused approach and fundamental research requires the team develop a high level of conviction in every investment.

Universe

This portfolio will hold the equity securities of approximately 20 different companies. No single security will exceed 10% of the market value of the total portfolio at the time of purchase

The portfolio may be invested in countries that are not included in the MSCI World ex-Australia Index up to 20% of the market value of the total portfolio value at the time of purchase

INVESTMENT CATEGORY
International Shares

MINIMUM INITIAL INVESTMENT
$50,000 on a standalone basis

MINIMUM SUGGESTED TIME FRAME
7+ Years

Performance

International Equities Portfolio

	3 Months %	6 Months %	1 Year %	3 Years %	5 years %	Incept %
Portfolio Return	4.22	8.29	19.05	34.18	25.47	20.15
MSCI World ex-Aust. Index	7.19	11.46	29.58	20.58	15.08	13.21
Relative Performance	*-2.97*	*-3.17*	*-10.53*	*13.60*	*10.39*	*6.94*

Performance Notes
1: As of 30 June 2017. Performance shown is net of Investment Management Fee but before Platform fee
2: Past performance is not an indication of future performance
3: Returns and holdings will vary between investors given the nature and timing of beneficial ownership under a SMA structure
4: Returns greater than 12 months are annualized
5: Inception date is 30-11-2015

Top 10 Stock Holdings

Company	Allocation %
Synopsys Inc	5.93
Danaher Corp	5.93
Intuitive Surgical Inc	5.83
Partners Group Holding AG	5.82
Humana Inc	5.61
Intercontinental Exchange Inc	5.58
Aptiv PLC	5.53
Tyler Technologies Inc	5.43
Koninklijke DSM NV	5.36
DSV A/S	5.21
Total	**56.23**

Holdings as at 31 December 2021

Characteristics

Metric	Portfolio	Benchmark
Market Cap (A$m)	132,672	585,709
Number of Issuers	19	1,483
Return on Equity	16.07%	17.20%
PEG Ratio	2.58x	1.15x
3-5 Yr EPS Growth	15.52%	17.93%
Forward PE Ratio	42.24x	19.81x

Quarterly Review

Global equity markets advanced in US-dollar terms during the fourth quarter of 2021. The overall advance was largely due to gains in December as fears about the severity of the Omicron coronavirus variant faded. Earlier in the period, markets were hit by uncertainty around the COVID-19 pandemic and global supply chain issues. Potential moves by developed-market central banks to tighten policy and raise interest rates in response to inflation also weighed on investors' minds.

During the quarter, the portfolio underperformed its benchmark, the MSCI World ex Australia Index, as stock selection in the Industrials, Consumer Discretionary and Information Technology sectors curbed relative results.

Detractors in Industrials included Canada-based flight training provider and flight simulator manufacturer CAE Inc., US-based commercial real estate data and marketplace operator CoStar Group, Inc. and Denmark-based transport and logistics company DSV A/S. CAE's financial results indicated a drop in utilisation for its civil aviation training business and a decline in organic revenue for its defence segment. CoStar's stock price fell after the company released disappointing forward guidance in late October for its multi-family business. Despite short-term headwinds from tight rental markets, we believe CoStar remains the clear leader in its space. DSV reported financial results at the end of October that beat consensus expectations slightly, but the share price was largely unaffected given that the company pre-announced earnings a few weeks prior. Freight costs continue to be elevated, benefitting DSV's near-term margins.

Consumer Discretionary holding MercadoLibre, Inc., a Latin American online marketplace operator, impeded relative performance. The company's stock declined on investor concerns

Quarterly Review (cont.)

about the extent to which e-commerce might pull back in favour of brick-and-mortar retail once the pandemic ends. However, e-commerce adoption in Latin America continues to lag developed markets, which we believe could propel growth for MercadoLibre.

In the Information Technology sector, US-based cloud customer relationship management firm salesforce.com, Inc. held back results. The company's shares came under pressure after management raised guidance by less than investors had anticipated. Also problematic was the performance of the Mulesoft integration platform, which posted weaker growth than expected.

In Health Care, US-based biotechnology company Seagen, Inc. had a negative impact. The company was affected by the broader biotechnology drawdown. Moreover, the stock has languished in the face of scant news on clinical trials. We continue to believe Seagen has a strong technology platform and stands to benefit as its drugs are approved for use in additional treatments.

Conversely, relative performance was aided by selection in Financials and Materials.

In Financials, US-based provider of data, technology and market infrastructure Intercontinental Exchange, Inc. contributed to relative returns. The company announced favourable financial results in October, particularly within its mortgage business segment. In the Materials sector, Netherlands-based multinational chemicals and life sciences company Koninklijke DSM N.V. helped performance. DSM reported solid financial results driven by strength in its nutrition and supplements divisions—primarily in the animal nutrition segment—as well as robust growth in its materials business. The company announced in September that it intends to divest its materials division, a move that we view as positive.

US-based holdings in the Information Technology sector that had a positive impact on results included semiconductor design firm Synopsys, Inc. and government software provider Tyler Technologies, Inc. Both companies reported solid financial results during the quarter. In addition, Synopsys issued what we judge to be exceptional guidance for the coming years. Tyler Technologies revised its full-year guidance upward, noting positive trends in market activity, with proposals and pipeline opportunities returning to pre-COVID levels or slightly higher.

In Health Care, US-based managed care provider Humana, Inc. helped relative performance. The Centers for Medicare and Medicaid Services awarded the company several 4- and 5-star ratings for 2022, which further solidifies our view of Humana being best-in-class and could provide a tailwind in 2022, in our view.

Industrials stock Verisk, Inc., a US-based provider of risk information services, supported results. The company reported revenues in line with market expectations, showing its insurance business continuing to do well and margin improvement driven by effective cost-cutting.

In terms of sector allocations, an overweight in Industrials had a negative effect, whereas lack of exposure to Communication Services benefitted relative performance. Regionally, exposure to emerging markets and selection in North America detracted while a lack of exposure to Japan contributed.

Outlook & Strategy

With the emergence of the Omicron coronavirus variant at the end of the year, vaccine-fueled optimism about a quicker end to the pandemic turned to fears that it may persist. It seems likely that labor interruptions could continue to wreak havoc on supply chains for months to come.

Against a backdrop of high inflation with employment at reasonable levels, the US Federal Reserve (Fed) is preparing to accelerate the wind-down of its bond-buying program and potentially raise rates in 2022. We will closely monitor any tightening moves by the Fed or other central banks and gauge their potential effects on the equity markets.

Outlook & Strategy (cont.)

Despite the high inflation numbers and the clear signals from the Fed, bond yields have remained well in check. Even though a consensus prevails that bond yields could gradually rise, we believe a bond selloff driven by the pandemic-induced inflation is unlikely.

Equity market expectations in 2022 look to be very muted, in our view, due to high valuations and the likelihood of monetary tightening. The consensus expectation holds that once the Fed starts raising rates, markets could begin to struggle. Not surprisingly, a growing chorus is expressing the belief that value stocks could lead the way in 2022. Our overall view remains that equity markets are almost impossible to predict and market timing in terms of style or direction is even harder.

We believe our strategy of investing in high-quality companies tied to long-term secular growth trends can continue to perform well over an entire market cycle. Through a longer-term lens, we see promising growth opportunities for companies in areas like cybersecurity, e-commerce, cloud computing and automation.

We do think that once the pandemic begins to stabilize, engagement in live events, including socializing, traveling, concerts, etc., will recover to pre-pandemic levels—and markets may well stabilize, too. We remain confident that a focused yet highly diversified portfolio, with an emphasis on well-managed companies that have robust competitive advantages and good growth prospects, can provide investors with excellent outcomes over the longer term.