

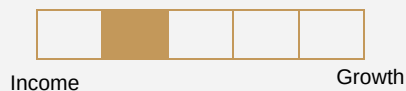
Ralton Dividend Builder

Monthly Portfolio Report | March 2024

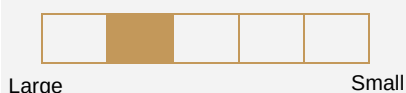


Key facts

Income versus growth target



Market cap bias



Investment strategy

A portfolio of ASX-listed equities designed to provide attractive tax-effective income

Investment objective

Outperform index by over 3% p.a.

Benchmark index

S&P/ASX 300 Accumulation Index

Portfolio Manager

Will Riggall

Inception date

February 2008

Management fee

0.75% p.a. (may vary across platforms)

Number of stocks

25-35

External ratings

Zenith "Approved"

Key platforms

HUB24, NetWealth, Praemium, OneVue, Powerwrap, Linear, Xplore, Wealth02

Performance (% returns greater than one year are p.a.)¹

At month end	1 mth	3 mth	1 yr	2 yr	3 yr	5 yr	10 yr	Inception
Ralton	2.69%	4.81%	9.56%	4.69%	7.76%	6.15%	7.80%	7.47%
Income	1.05%	1.65%	4.90%	4.81%	4.71%	4.57%	4.66%	4.92%
Growth	1.64%	3.16%	4.65%	-0.12%	3.05%	1.58%	3.14%	2.55%
Index ²	3.26%	5.43%	14.40%	6.66%	9.43%	9.15%	8.27%	6.50%
Outperformance	-0.57%	-0.61%	-4.85%	-1.96%	-1.67%	-3.00%	-0.47%	0.97%

¹ Performance is based on a model portfolio and is gross of investment management and administration fees, but net of transaction costs. Total returns assume the reinvestment of all portfolio income.

² Index means the S&P/ASX 300 Accumulation Index.

Portfolio Performance

The Ralton Dividend Builder Portfolio underperformed the ASX300 Accumulated Index in March, returning 2.69%, versus the index return of 3.26%. We continue to focus on investing in companies with strong competitive advantages and valuation support which has held the portfolio in good stead during an extended period of volatility.

Contributors	Comment
QBE Insurance Group Limited (QBE) 7.6%	QBE continues to perform well with inflation surprisingly staying strong, indicating that the premium cycle will remain high for a while. On top of that, rates have recovered to the higher side, leaving slightly more upside to QBE's investment income earnings for 2024.
Amcor PLC Shs Chess Depository Interests (AMC) 5.6%	AMC performed well over March, returning +5.6% for the month. This was despite news that the CEO would step down in April due to health issues. The group reiterated earnings per share (EPS) guidance and we see value in AMC which trades at a discount to international peers.



Portfolio Performance

Detractors	Comment
Smartgroup Corporation Ltd (SIQ) -8.6%	<p>SIQ saw its share price pull back, as the stock retraced after going ex-entitlement for its final and special dividend payments. The company recently secured a significant contract win from its larger competitor, which should drive meaningful revenue growth once the transition is completed later this year. Additionally, the increasing adoption of electric vehicles and the associated fringe benefits tax relief present a compelling opportunity for SIQ. While costs associated with onboarding the new contract may temper near-term profitability, the long-term benefits position SIQ well for sustainable growth in a relatively stable industry with high customer stickiness.</p>
Jumbo Interactive Limited (JIN) -5.3%	<p>Jumbo Interactive detracted from performance as the stock's valuation moderated following an exceptional jackpot cycle, which had driven it to recent year highs. While the company delivered a strong H1 FY24 result, exceeding expectations, the market appears to have priced in a normalisation of earnings growth post the unprecedented \$200 million jackpot event. We remain confident in JIN's long-term prospects, underpinned by ongoing digitization tailwinds, successful diversification efforts through strategic acquisitions, and a sound balance sheet positioning the company for further merger and acquisition (M&A) opportunities in the charity lotteries space.</p>
Pilbara Minerals Limited (PLS) -8.8%	<p>In contrast to the strong performance in February, lithium miners struggled in March as the price of metal remained relatively flat in the month and currently sits at cyclical lows. We continue to view PLS as the highest quality miner for pure play exposure to lithium and retain a small exposure.</p>

Portfolio Activity

BUY

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SELL

Nine Entertainment Co. Holdings Limited (NEC)

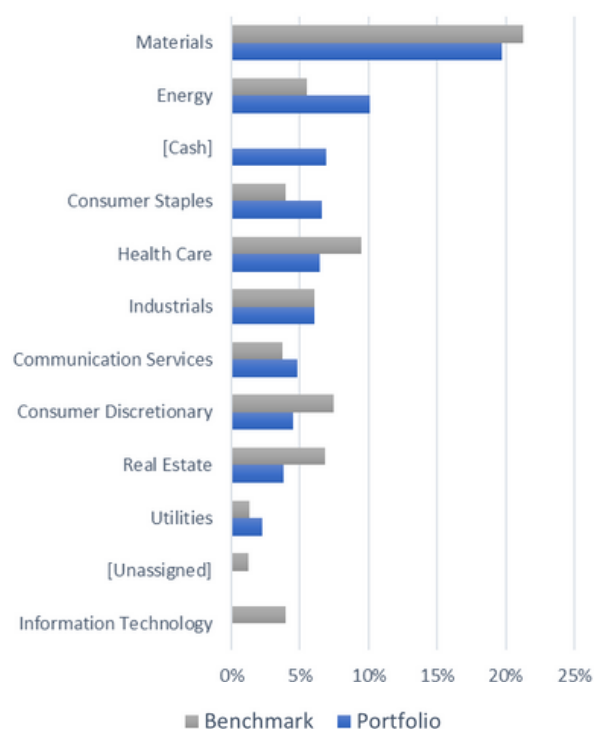
Despite reporting an inline result at the recent 1H24 release, we expect near term challenging conditions in TV markets to continue for longer than expected as corporates continue to remain cautious on expenditure. Over time it's expected that growth from the streaming service Stan and the Domain website will incrementally increase as a percentage of revenue split and offset the lagging business segments however given near term headwinds we see better value in other areas of the market.

Top 10 holdings (alphabetical)

Amcor PLC Shs Chess Depository Interests
 ANZ Group Holdings Limited
 BHP Group Ltd
 Commonwealth Bank of Australia
 National Australia Bank Limited

QBE Insurance Group Limited
 Rio Tinto Limited
 Sonic Healthcare Limited
 Telstra Group Limited
 Woodside Energy Group Ltd

Sector Positioning



Portfolio metrics*

	Ralton	XKOA [^]
# of Securities	31	303
Market Capitalisation	68,249.0	78,191.6
Active Share	61.5	--
Tracking Error	3.17	--
Beta	0.83	1.00
Est 3-5 Yr EPS Growth	3.1	4.7
ROE	17.4	14.8
Div% NTM	4.93	3.80
P/E using FY2 Est	15.1	16.4
Price/Cash Flow	9.5	10.9

* Source: FactSet

[^] XKOA^I means the S&P/ASX 300 Accumulation Index (Index). The Index is shown for comparative purposes only. Index returns do not allow for transaction, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index.