

IFP Global Franchise Fund

Macquarie Professional Series

Monthly report – 30 September 2022

Investment objective

Aims to achieve a long-term total return (before fees and expenses) that exceeds the MSCI World ex Australia Index, in \$A unhedged with net dividends reinvested (Benchmark).

Key information

Fund details

APIR code	MAQ0404AU
mFund code	MPS03
Inception date	17 November 2004
Investment manager	Independent Franchise Partners LLP (London, UK)
Fund size	\$1,469.9m
Distribution frequency	Annually
Management fee*	1.28% pa
Minimum investment (Direct)	\$5,000
Unit prices and spreads	macquarie.com.au/unit_prices

*Read the Product Disclosure Statement for more details on fees and costs.

Fund performance to 30 September 2022

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	-2.97	-3.07	-3.23	0.16
3 months (%)	-3.05	-3.36	0.35	-3.71
1 year (%)	-4.13	-5.35	-9.79	4.44
3 years (% pa)	7.64	6.23	6.33	-0.10
5 years (% pa)	10.85	9.38	9.65	-0.27
7 years (% pa)	10.44	8.96	9.31	-0.35
Since inception (% pa)	11.58	10.08	7.48	2.60

Past performance is not a reliable indicator of future performance.

Total returns are calculated based on changes in net asset values and assumes the reinvestment of distributions.

Total net Fund returns are quoted after the deduction of fees and expenses. Due to individual circumstances, your net returns may differ from the net returns quoted above.

The management fee was reduced to 1.28% pa from 14 May 2021.

Top 10 stocks*

Stock	Sector	Industry	Holding (%)
British American Tobacco	Consumer Staples	Tobacco	6.63
Bristol-Myers Squibb Co	Health Care	Pharmaceuticals	6.13
Philip Morris International	Consumer Staples	Tobacco	5.53
Novartis Ag	Health Care	Pharmaceuticals	4.60
Fox Corp	Communication Services	Media	4.18
Reckitt Benckiser Group	Consumer Staples	Household Products	4.06
Glaxosmithkline	Health Care	Pharmaceuticals	4.04
Salesforce Inc	Information Technology	Software	3.99
News Corp	Communication Services	Media	3.95
Aon Plc	Financials	Insurance	3.65
Total number of stocks			27

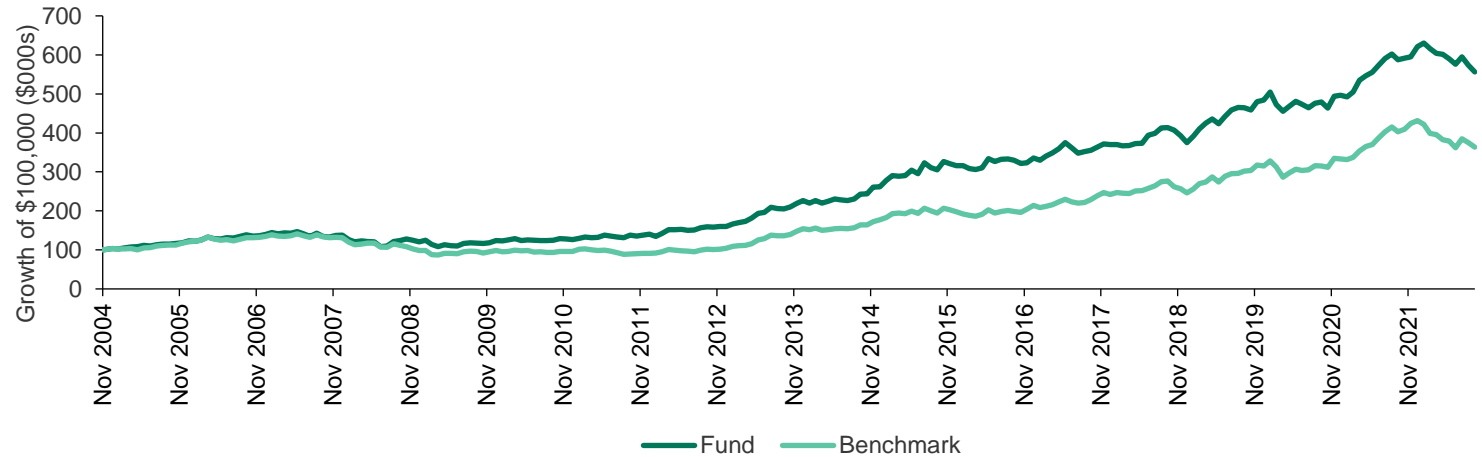
*The information in this table is as at end of month, three months prior to the date of this report.

IFP Global Franchise Fund

Macquarie Professional Series

Monthly report – 30 September 2022

Growth of \$100,000 since inception

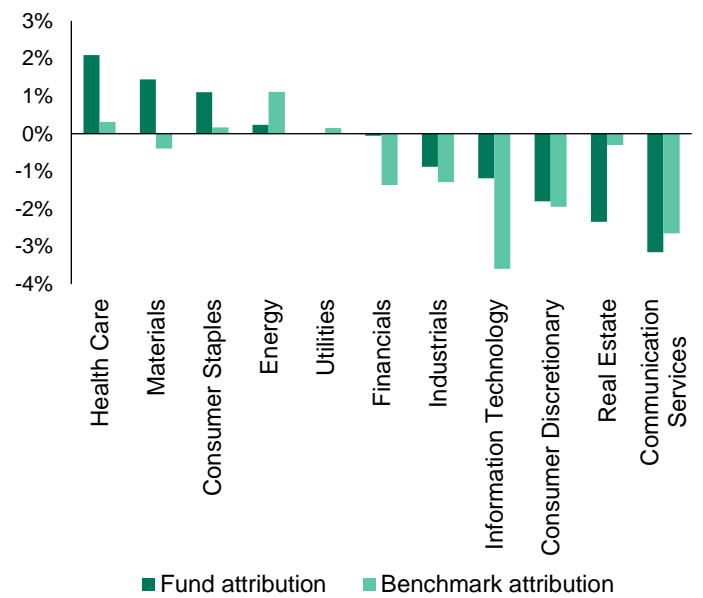


Past performance is not a reliable indicator of future performance. Data as at 30 September 2022

Sector weights

Sector	Fund (%)	Benchmark (%)
Communication Services	21.64	7.21
Consumer Staples	18.26	7.84
Health Care	17.54	14.17
Information Technology	11.33	21.43
Financials	9.83	13.11
Consumer Discretionary	9.19	11.32
Materials	3.59	3.79
Real Estate	3.37	2.72
Industrials	3.13	10.07
Energy	0.00	5.18
Utilities	0.00	3.18
Cash	2.10	0.00
Total	100	100

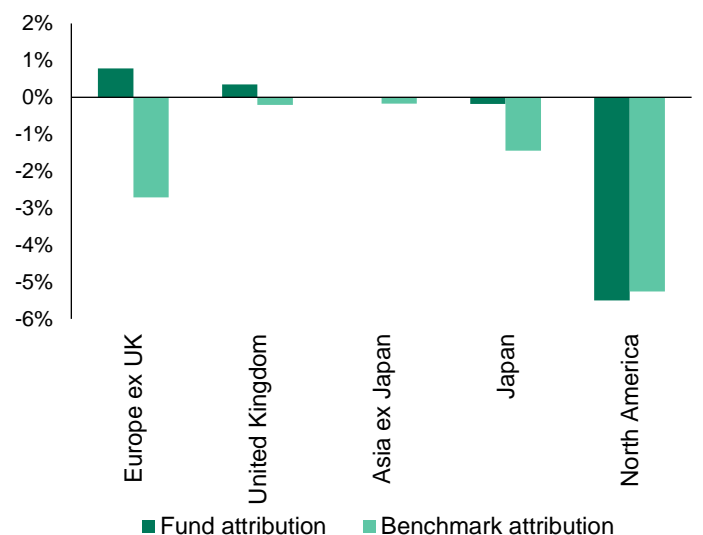
Sector attribution (12 months to date)



Region weights

Region	Fund (%)	Benchmark (%)
North America	67.02	74.87
United Kingdom	15.36	4.24
Europe ex UK	11.80	13.40
Japan	3.72	6.18
Asia ex Japan	0.00	1.31
Cash	2.10	0.00
Total	100	100

Region attribution (12 months to date)



IFP Global Franchise Fund

Macquarie Professional Series

Monthly report – 30 September 2022

Performance summary

- The Fund returned -3.07%, net of fees, in September 2022, compared with a return for the Benchmark of -3.23%, with ongoing inflation concerns and higher interest rates again resulting in a negative month for global equities.
- Health Care was the sole positive market sector in September, with IT, Industrials and Communication Services the largest detractors from index returns. For the Fund, the largest relative sector contributors were holdings in Health Care, such as Bristol-Myers Squibb and Johnson & Johnson, and in Communication Services, namely Nintendo. Relative detractors included holdings in Consumer Discretionary, including eBay and Richemont, and in Consumer Staples, such as Philip Morris and Reckitt Benckiser.
- Bristol-Myers Squibb was among the top individual contributors to performance in September. The company's key pipeline drug Sotyktu, an oral treatment for plaque psoriasis, was approved by the US Food and Drug Administration. It was approved without the requirement for additional warnings on the label that some analysts expected and that would restrict physician take up. Franchise Partners think Bristol is now well placed to achieve its Sotyktu sales guidance of over \$4bn in 2029 due to broader usage and higher-than-expected pricing.
- TransUnion was among the top individual detractors from performance in September. The share price weakness appeared to be driven by the market's rotation away from cyclical and technology stocks. While mindful of these near-term headwinds, Franchise Partners continues to think TransUnion is a high-quality company.
- During the month, Franchise Partners completed the final sale of Haleon. Haleon is the world's largest consumer healthcare company, with shares received by the Fund in July following its spin-off from GlaxoSmithKline. It has leadership positions in a number of attractive markets, including therapeutic oral care (Sensodyne), vitamins (Centrum), pain relief (Panadol, Advil and Voltaren) and respiratory health (Flonase and Otrivin). While the investment team think the company can steadily grow revenues and improve margins, they did not believe Haleon represented an attractive risk/reward proposition given its valuation.

IFP Global Franchise Fund

Macquarie Professional Series

Monthly report – 30 September 2022

For more information speak to your financial adviser, call us on 1800 814 523, email mam.clientservice@macquarie.com or visit macquarieim.com

Important information

Weights and attribution breakdown for sector, stocks and region is sourced from Macquarie and FactSet.

Macquarie Investment Management Australia Limited ABN 55 092 552 611 AFS Licence 238321 is the issuer of units in, and responsible entity of the Fund.

The information in this report is provided for general information purposes only and is not, and should not be construed as, an advertisement, an invitation, an offer, a solicitation of an offer or a recommendation to participate in any investment strategy or take any other action, including to buy or sell any product offered by any member of the Macquarie Group. The above information is not personal advice and does not take into account the investment objectives, financial situation or needs of any person. The Fund is designed for investors who are seeking capital growth, are intending to use the Fund as a satellite within a portfolio, have a medium to long-term investment timeframe, have a high or very high risk/return profile and require the ability to have daily access to capital. Please review the Target Market Determination available at macquarieim.com/TMD and consider if the Fund may be suitable for you. Investors should consider the offer document of the Fund in deciding whether to acquire or continue to hold units in the Fund. The offer document is available by contacting us on 1800 814 523. Past performance is not a reliable indicator of future performance.

Future results are impossible to predict. In preparing this document, reliance may have been placed, without independent verification, on the accuracy and completeness of information available from external sources. This report may also include opinions, estimates and other forward-looking statements which are, by their very nature, subject to various risks and uncertainties. Actual events or results may differ materially, positively or negatively, from those reflected or contemplated in such forward-looking statements. Forward-looking statements constitute the investment manager's judgement as at the date of preparation of this report and are subject to change without notice. To the maximum extent permitted by law, no member of the Macquarie Group nor its directors, employees or agents accept any liability for any loss arising from the use of this document, its contents or otherwise arising in connection with it.

Other than Macquarie Bank Limited ABN 46 008 583 542 ("Macquarie Bank"), any Macquarie Group entity noted in this material is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these other Macquarie Group entities do not represent deposits or other liabilities of Macquarie Bank. Macquarie Bank does not guarantee or otherwise provide assurance in respect of the obligations of these other Macquarie Group entities. In addition, if this document relates to an investment, (a) the investor is subject to investment risk including possible delays in repayment and loss of income and principal invested and (b) none of Macquarie Bank or any other Macquarie Group entity guarantees any particular rate of return on or the performance of the investment, nor do they guarantee repayment of capital in respect of the investment.