

### 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	MAQ0838AU
Inception date	10 October 2014
Investment manager	Polaris Capital Management, LLC (Boston, US)
Fund size	\$264.4m
Distribution frequency	Semi-annually
Management fee*	1.28% pa
Minimum investment (Direct)	\$5,000
Unit prices and spreads	<a href="https://www.macquarie.com.au/unit_prices">macquarie.com.au/unit_prices</a>

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

### Fund performance to 31 December 2021

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	2.96	2.85	1.68	1.17
3 months (%)	2.17	1.83	7.19	-5.36
1 year (%)	24.06	22.50	29.58	-7.08
3 years (% pa)	14.10	12.65	20.58	-7.93
5 years (% pa)	10.23	8.84	15.08	-6.24
7 years (% pa)	11.18	9.77	13.55	-3.78
Since inception (% pa)	12.75	11.32	14.99	-3.67

#### 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.

### Top 10 stocks

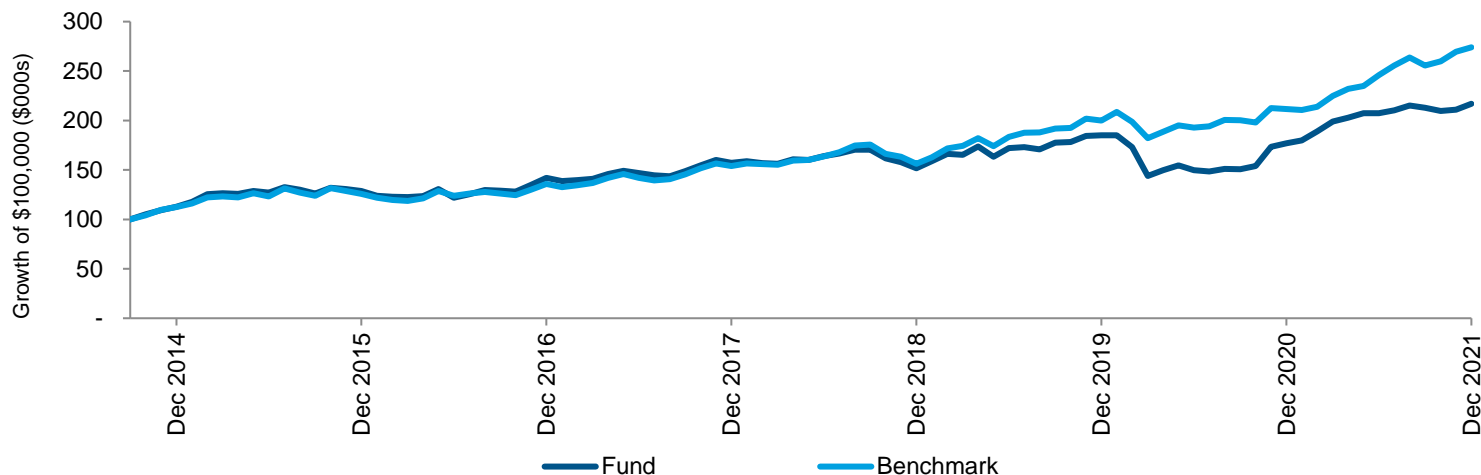
Stock	Sector	Industry	Holding (%)
Crocs Inc	Consumer discretionary	Textiles Apparel & Luxury Goods	1.82
United Therapeutics Corp	Health care	Biotechnology	1.61
Marathon Petroleum Corp	Energy	Oil Gas & Consumable Fuels	1.51
Popular Inc	Financials	Banks	1.50
Publicis Groupe Sa	Communication services	Media	1.47
Capital One Financial Corp	Financials	Consumer Finance	1.44
Webster Financial Corp	Financials	Banks	1.43
Arrow Electronics Inc	Information technology	Electronic Equipment Instruments & Components	1.42
Jpmorgan Chase & Co	Financials	Banks	1.42
Cvs Health Corp	Health care	Health Care Providers & Services	1.34
<b>Total number of stocks</b>			<b>96</b>

## Polaris Global Equity Fund

Macquarie Professional Series

Monthly report – 31 December 2021

### Growth of \$100,000 since inception

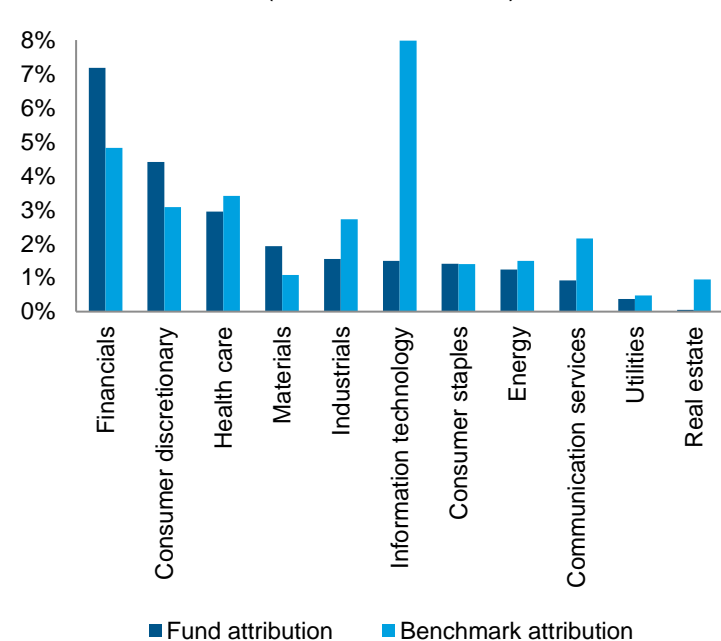


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### Sector weights

Sector	Fund (%)	Benchmark (%)
Financials	20.67	12.74
Consumer discretionary	15.57	12.35
Materials	13.25	3.91
Industrials	11.77	10.31
Health care	10.28	12.65
Information technology	8.78	24.09
Communication services	7.26	8.43
Consumer staples	3.75	6.94
Energy	2.52	3.12
Utilities	0.97	2.76
Real estate	0.92	2.70
Cash	4.26	0.00
<b>Total</b>	<b>100</b>	<b>100</b>

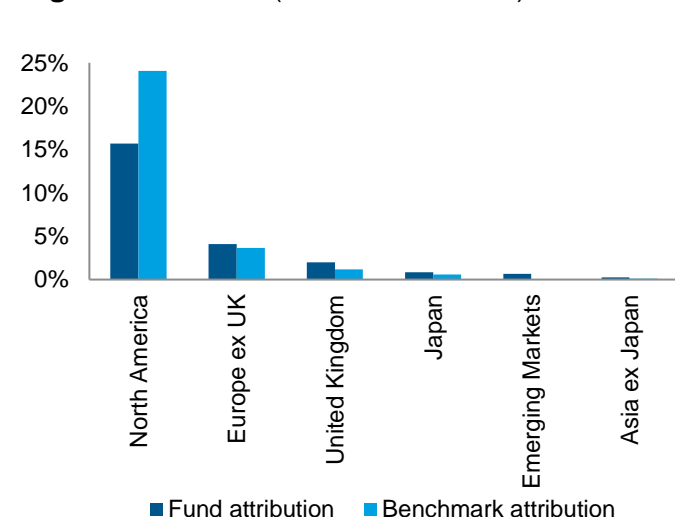
### Sector attribution (12 months to date)



### Region weights

Region	Fund (%)	Benchmark (%)
North America	45.82	73.70
Europe ex UK	19.61	14.63
Emerging Markets	11.44	0.00
United Kingdom	9.35	4.13
Japan	8.71	6.36
Asia ex Japan	0.81	1.18
Cash	4.26	0.00
<b>Total</b>	<b>100</b>	<b>100</b>

### Region attribution (12 months to date)

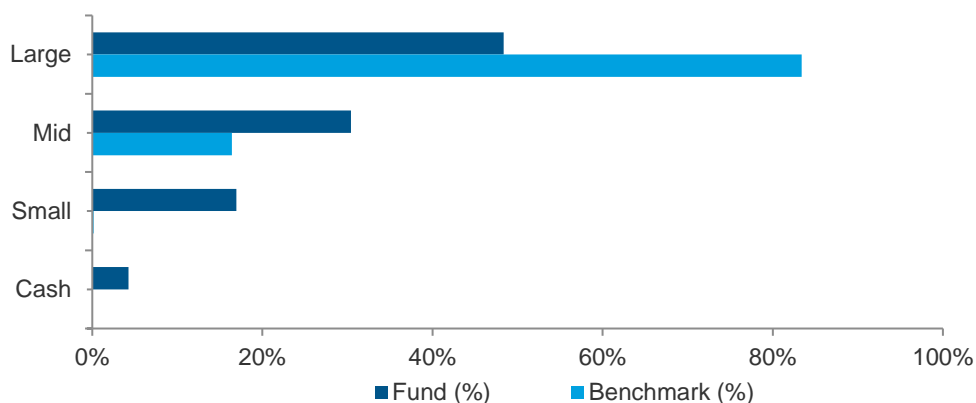


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### Market capitalisation



### Performance summary

- The Fund returned 2.85% in December 2021, compared with a return for the Benchmark of 1.68%, with the market rally capping off a strong 2021 despite pandemic headwinds, supply chain challenges, and interest rate uncertainty.
- Health Care was the largest contributor to index performance in December, while defensive sectors such as Consumer Staples and Utilities saw strong returns. For the Fund, the largest relative contributors on a sector basis were holdings in IT, such as SK Hynix, and in Consumer Discretionary, led by LG Electronics. Relative detractors included holdings in Materials, such as BASF and Alrosa, and in Industrials, namely SKF and Vinci.
- Coca-Cola Europacific Partners (CCEP) and United Therapeutics were among the top individual contributors to performance in December. CCEP, digesting the acquisition of Coca-Cola Amatil in Australia, gained 13% for the month as management provided pro-forma financial targets. While cash flow is expected to grow meaningfully in the next few years due to cost cutting, Polaris believe this is already discounted in the share price and used the strength as an opportunity to exit the position. United Therapeutics' resubmission of its combination drug-device product Tyvaso DPI, used to treat pulmonary hypertension, for US Food and Drug Administration review was favourably received by the market, and is expected to be approved by mid-2022.
- Crocs was among the top individual detractors from performance in December. The company had a tough month as concerns that the brand was peaking were compounded by a fairly large, unexpected acquisition. The company is acquiring Hey Dudes, a casual footwear company that, like Crocs, has a loyal customer following. Management explained the deal as the combination of two high-growth, unique offerings on reasonable financial terms, although it is clear the market will need more evidence of the benefits of the combined entity.
- During the month, Polaris completed the initial purchase of FedEx, and the final sales of Allele, CCEP, KT&G Corporation and Siam Commercial Bank, each on valuation grounds. FedEx is a market leader in logistics and transport for e-commerce. The stock had derated to an attractive valuation over concerns around labour availability and inefficiencies in their air freight business. Polaris believe both of these issues are manageable and present an attractive entry point for a company with a nice secular tailwind.

For more information speak to your financial adviser, call us on 1800 814 523, email [mim.clientservice@macquarie.com](mailto:mim.clientservice@macquarie.com) or visit [macquarie.com](http://macquarie.com)

### Important information

Weights and attribution breakdown for sector, stocks and region are 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.

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