

Walter Scott Emerging Markets Fund

Macquarie Professional Series

Monthly report – 31 March 2022

Investment objective

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

Key information

Fund details

APIR code	MAQ0651AU
Inception date	23 June 2011
Investment manager	Walter Scott & Partners Limited (Edinburgh, UK)
Fund size	\$18.9m
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 31 March 2022

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	-2.53	-2.64	-5.55	2.91
3 months (%)	-9.55	-9.85	-9.94	0.09
1 year (%)	-7.41	-8.69	-10.10	1.41
3 years (% pa)	4.04	2.62	3.01	-0.39
5 years (% pa)	6.14	4.69	6.31	-1.62
7 years (% pa)	5.79	4.34	4.95	-0.61
Since inception (% pa)	7.08	5.62	5.92	-0.30

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

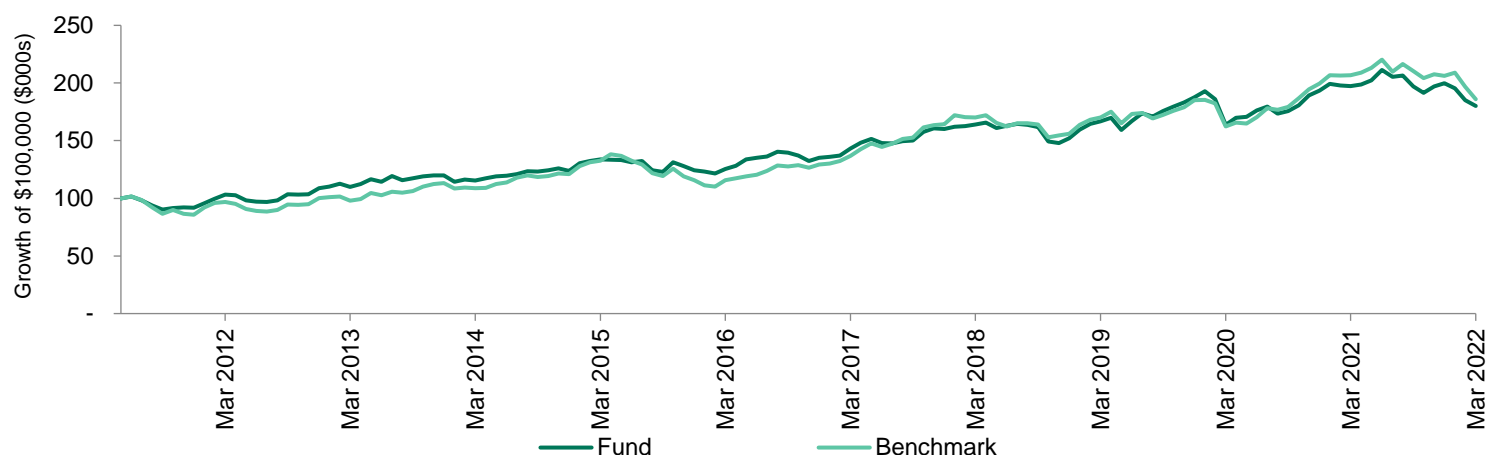
Stock	Sector	Industry	Holding (%)
Aia Group Ltd	Financials	Insurance	3.62
Taiwan Semiconductor Manufacturing	Information Technology	Semiconductors & Semiconductor Equipment	3.38
Totvs Sa	Information Technology	Software	3.36
Tencent Holdings Ltd	Communication Services	Interactive Media & Services	3.24
Samsung Electronics	Information Technology	Technology Hardware Storage & Peripherals	3.20
Naver Corp	Communication Services	Interactive Media & Services	3.08
Alibaba Group Holding Ltd	Consumer Discretionary	Internet & Direct Marketing Retail	3.07
Hansol Chemical Co	Materials	Chemicals	2.86
Guangdong Invest	Utilities	Water Utilities	2.75
Sarana Menara Nusa	Communication Services	Diversified Telecommunication Services	2.72
Total number of stocks			45

Walter Scott Emerging Markets Fund

Macquarie Professional Series

Monthly report – 31 March 2022

Growth of \$100,000 since inception

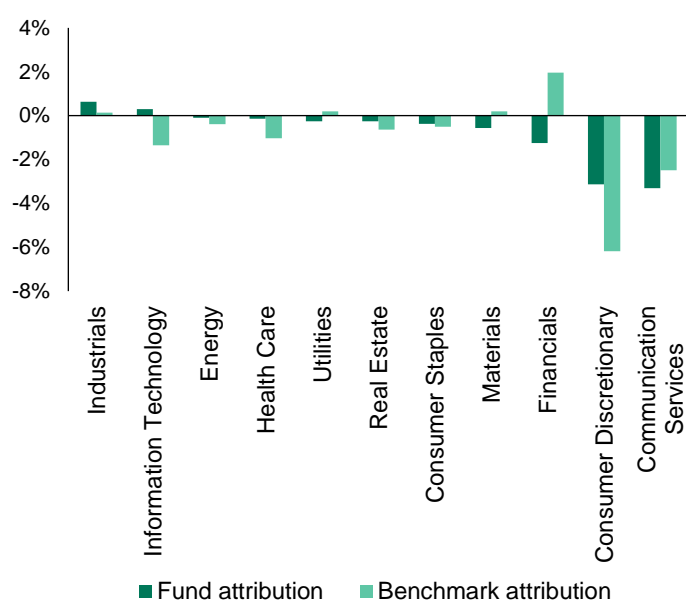


Past performance is not a reliable indicator of future performance.

Sector weights

Sector	Fund (%)	Benchmark (%)
Information Technology	23.71	21.62
Industrials	13.75	5.37
Communication Services	13.14	10.13
Consumer Staples	12.88	5.78
Consumer Discretionary	8.76	12.32
Financials	8.01	22.06
Utilities	6.56	2.56
Materials	4.35	9.45
Health Care	4.05	3.85
Real Estate	1.54	2.08
Energy	0.00	4.78
Cash	3.25	0.00
Total	100	100

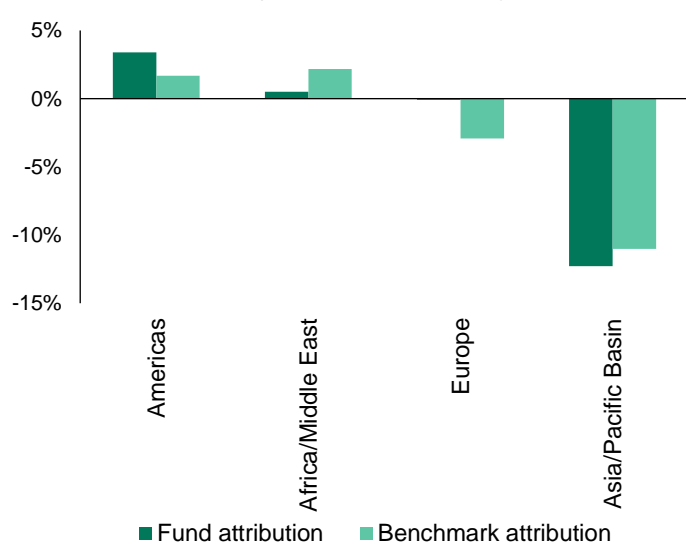
Sector attribution (12 months to date)



Region weights

Region	Fund (%)	Benchmark (%)
Asia/Pacific Basin	72.73	77.74
Americas	18.10	9.12
Europe	3.88	1.42
Africa/Middle East	2.03	11.72
Cash	3.25	0.00
Total	100	100

Region attribution (12 months to date)



Walter Scott Emerging Markets Fund

Macquarie Professional Series

Monthly report – 31 March 2022

Performance summary

- The Fund returned -2.64% in March 2022, compared with a return for the Benchmark of -5.55%, as emerging market equities suffered another disappointing month amid numerous headwinds, from the conflict in Ukraine and renewed lockdowns in China to soaring commodity prices and supply chain bottlenecks.
- All market sectors declined in March, with IT and Consumer Discretionary the worst performers, and Utilities and Financials mostly flat. The Fund's largest relative contributors were holdings in Consumer Staples, such as Dino Polska and Walmart de Mexico, and in Consumer Discretionary, namely Allegro. The only relative detractor of note was the Fund's underweight positioning to Financials.
- With the Chinese economy already slowing, and with the memory of regulatory interventions of recent years still fresh, some may view China's attractiveness as a destination for capital as tarnished. While not wishing to downplay these challenges, Walter Scott remains of the view that it is still one of the world's most exciting and dynamic economies, and one that will continue to reward diligent, company-focused research. Reflecting this view, Walter Scott completed two initial purchases during March; both located in Zhejiang province on China's eastern seaboard, and both exposed to powerful secular tailwinds. Zhejiang Sanhua is the world's leading supplier of valves that control the flow of refrigerant within refrigeration systems. Small and cheap, these valves are essential components in products that are prominent beneficiaries of the global energy transition, including HVAC (heating, ventilation, and air conditioning) and new-energy vehicles. Sanhua's three main products dominate their respective markets, with global market shares ranging from 55% to 70%. Zhejiang Supor is one of China's leading manufacturers of cookware and small domestic appliances. Having started life making goods for other brands, Supor rose to prominence after launching its own product range. With a reputation for quality, safety, and innovation, Supor goods are much sought after by increasingly affluent Chinese consumers looking to upgrade their kitchens.
- Companies are likely to face continued cost pressures throughout 2022, with inflation looking set to remain stubbornly high for some time yet. Add in ongoing uncertainty around the war in Ukraine, the trajectory of the Chinese economy and the interest rate cycle in the US, and there seems little doubt that further volatility awaits equity markets. Walter Scott's job, as ever, is to remain vigilant to the impact of these risks on the companies in the portfolio to ensure they are not undermining long-term return expectations, while remaining alert to the opportunities to which such periods often give rise.

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

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.