

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**).

The Fund will not invest in 'tobacco' securities as defined by the Global Industry Classification Standards or 'controversial weapons' securities as defined by MSCI, Inc.

Key information

Fund details

APIR code	MAQ3060AU
mFund code	MPS08
Inception date	28 November 2019
Investment manager	Independent Franchise Partners LLP (London, UK)
Fund size	\$215.0m
Distribution frequency	Annually
Management fee*	1.28% pa
Minimum investment (Direct)	\$20,000
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 May 2021

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	1.51	1.41	1.19	0.22
3 months (%)	9.53	9.17	9.73	-0.56
1 year (%)	17.08	15.51	20.41	-4.90
Since inception (% pa)	12.43	10.91	10.30	0.61

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 (%)
News Corp	Communication services	Media	6.89
Nintendo Co Ltd	Communication services	Entertainment	5.19
Nestle Sa	Consumer staples	Food Products	4.73
Novartis Ag	Health care	Pharmaceuticals	4.69
Aon Plc	Financials	Insurance	4.61
Fox Corp	Communication services	Media	4.45
Corteva Inc	Materials	Chemicals	4.35
Oracle Corp	Information technology	Software	4.28
Johnson & Johnson	Health care	Pharmaceuticals	4.27
Richemont(Cie Fin)	Consumer discretionary	Textiles Apparel & Luxury Goods	4.16
Total number of stocks			29

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

IFP Global Franchise Fund II

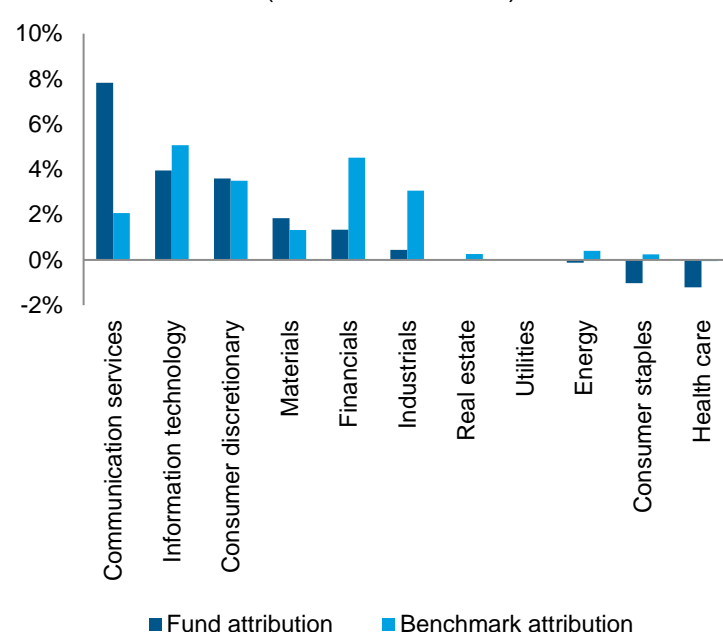
Macquarie Professional Series

Monthly report – 31 May 2021

Sector weights

Sector	Fund (%)	Benchmark (%)
Communication services	25.19	9.20
Health care	17.35	12.41
Information technology	15.44	21.38
Consumer staples	12.85	7.22
Consumer discretionary	10.67	12.03
Financials	9.68	13.75
Materials	4.21	4.32
Industrials	1.11	11.06
Energy	0.89	3.11
Utilities	0.00	2.89
Real estate	0.00	2.62
Cash	2.62	0.00
Total	100	100

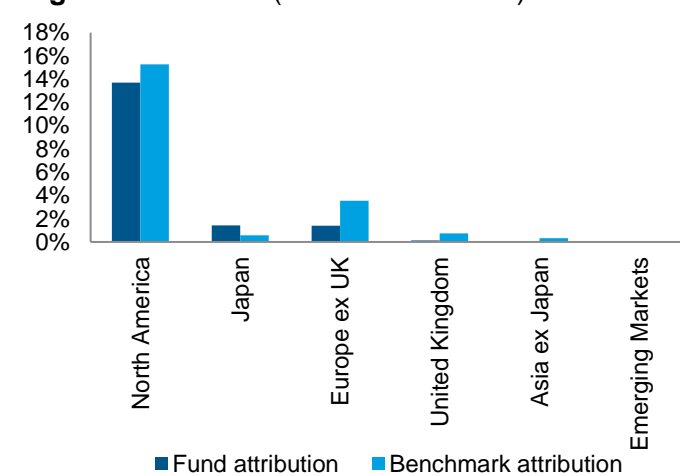
Sector attribution (12 months to date)



Region weights

Region	Fund (%)	Benchmark (%)
North America	61.05	71.51
Europe ex UK	19.70	15.54
United Kingdom	11.28	4.48
Japan	5.36	7.06
Asia ex Japan	0.00	1.42
Cash	2.62	0.00
Total	100	100

Region attribution (12 months to date)



IFP Global Franchise Fund II

Macquarie Professional Series

Monthly report – 31 May 2021

Performance summary

- The Fund returned 1.41% in May 2021, compared with a return for the Benchmark of 1.19%, with investor enthusiasm around a strong global macroeconomic backdrop driving equity markets higher.
- Investor optimism around economic conditions drove cyclical GICS sectors, including Energy, Financials and Materials, higher in May. Falls for pandemic winners Apple, Amazon and Tesla in particular, saw negative contributions from the Information Technology and Consumer Discretionary sectors. For the Fund, the largest relative contributors to performance were holdings in Consumer Discretionary, including Richemont and eBay, as well as holdings in Communication Services, such as Nintendo and News Corp. The largest relative detractor was the Fund's sole holding in the Materials sector, Corteva.
- Richemont was among the top individual contributors to performance in May. The company reported strong fourth quarter results and robust near-term trading volumes. Fourth quarter sales increased 30% on an underlying basis, driven by significant strength in key jewellery brands Cartier and Van Cleef & Arpels, which are continuing to outperform in the structurally growing branded jewellery category. In addition, there are early signs that Richemont's weaker performing divisions, including its specialist watchmakers and its YOOX NET-A-PORTER online distribution business, are starting to benefit from increased management attention. Management expects profitability in both divisions to improve over the next couple of years.
- Corteva was among the top individual detractors from performance in May. The company reported strong first quarter results ahead of consensus estimates, and management reiterated full year profit guidance and increased revenue guidance. However, it appears the market was disappointed that full year guidance was not raised further given the strong results and the appreciation in corn and soybean prices during the first quarter. Franchise Partners continue to believe Corteva could significantly improve its EBITDA margins over the next 4-5 years as it continues the roll-out of its in-house developed Enlist seed traits. This should allow it to reduce its substantial trait licensing costs to Bayer, and provide the opportunity to create a high margin revenue stream from licencing its own traits.
- There were no initial purchases or final sales within the portfolio during the month.

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

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. 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 (MBL), none of the entities noted in this document are authorised deposit-taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of MBL. MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities, unless noted otherwise.