

IFP Global Franchise Fund II

Macquarie Professional Series

Monthly report – 31 July 2023

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	IFP01
Inception date	28 November 2019
Investment manager	Independent Franchise Partners LLP (London, UK)
Fund size	\$652.1m
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 July 2023

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
1 month (%)	0.61	0.50	2.09	-1.59
3 months (%)	4.22	3.89	6.52	-2.63
1 year (%)	18.16	16.68	17.62	-0.94
3 years (% pa)	14.45	12.98	14.03	-1.05
Since inception (% pa)	11.63	10.18	10.02	0.16

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 (%)
Richemont (Cie Fin)	Consumer Discretionary	Textiles Apparel & Luxury Goods	5.40
Novartis AG	Health Care	Pharmaceuticals	5.25
Ritchie Bros Auctioneers Inc	Industrials	Commercial Services & Supplies	5.25
Oracle Corp	Information Technology	Software	5.10
Bristol-Myers Squibb Co	Health Care	Pharmaceuticals	4.99
Salesforce Inc	Information Technology	Software	4.95
News Corp	Communication Services	Media	4.91
Aon PLC	Financials	Insurance	4.39
Nintendo Co Ltd	Communication Services	Entertainment	4.32
Booking Holdings Inc	Consumer Discretionary	Hotels Restaurants & Leisure	4.19
Total number of stocks			25

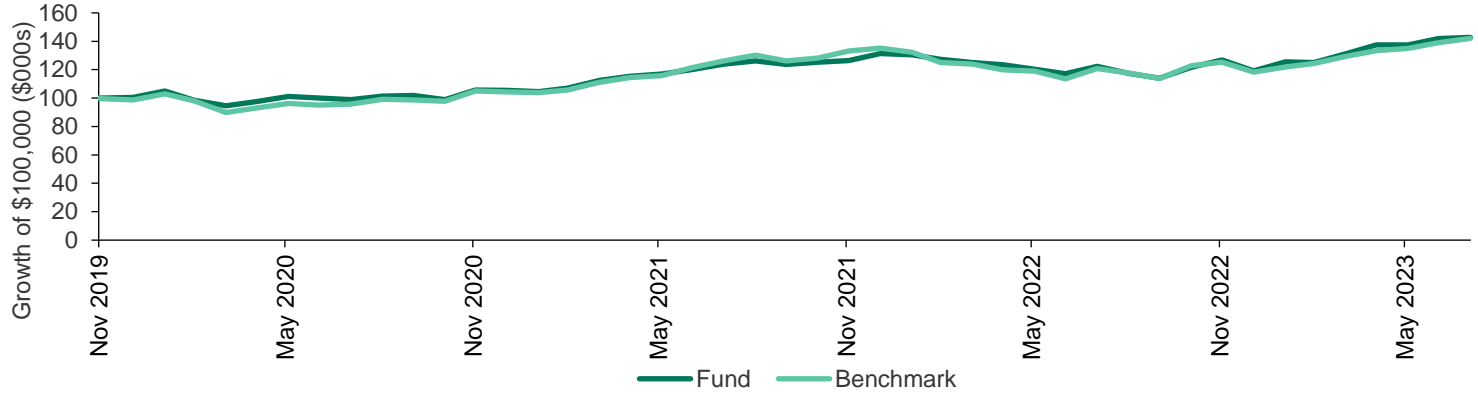
*The information in this table is as at end of month, three months prior to the date of this report.

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Growth of \$100,000 since inception

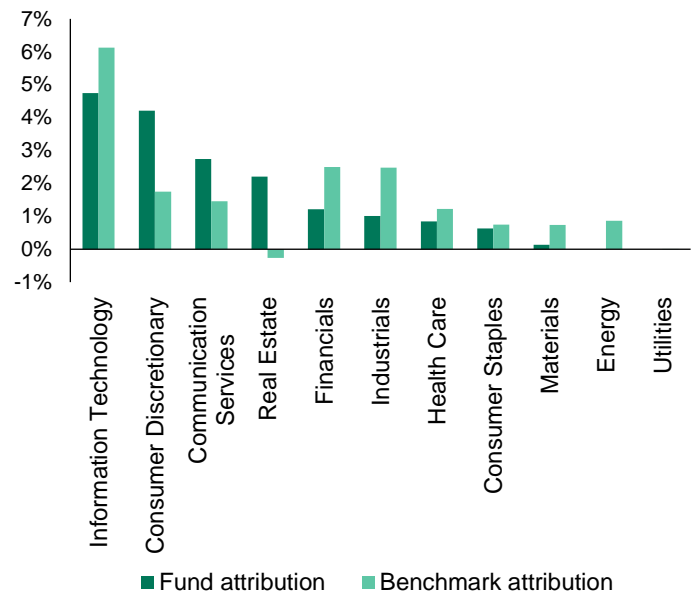


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Sector weights

Sector	Fund (%)	Benchmark (%)
Communication Services	21.86	7.30
Health Care	15.90	12.58
Consumer Discretionary	10.60	11.17
Financials	10.36	14.53
Information Technology	9.95	22.51
Industrials	9.42	11.08
Consumer Staples	8.53	7.31
Real Estate	4.96	2.34
Materials	4.33	3.76
Energy	0.00	4.66
Utilities	0.00	2.76
Cash	4.07	0.00
Total	100	100

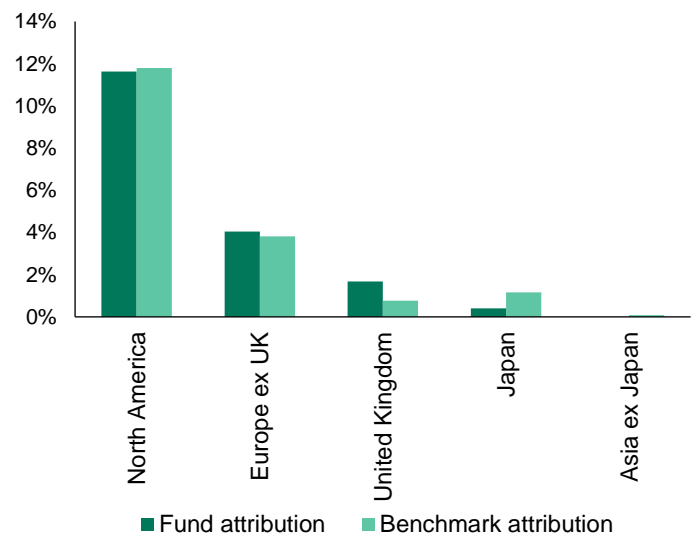
Sector attribution (12 months to date)



Region weights

Region	Fund (%)	Benchmark (%)
North America	67.28	74.12
United Kingdom	12.99	4.12
Europe ex UK	11.18	14.34
Japan	4.47	6.25
Asia ex Japan	0.00	1.16
Cash	4.07	0.00
Total	100	100

Region attribution (12 months to date)



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Performance summary

- The Fund returned 0.50%, net of fees, in July 2023, compared with a return for the Benchmark of 2.09%.
- Another positive month for the benchmark saw all sectors advance, with Financials, Communication Services and IT making the largest contributions. The largest relative sector detractors from the Fund included holdings in Financials, including Aon and S&P Global, and holdings in Communication Services, including Fox and Nintendo. Relative contributors included holdings in Real Estate, namely Zillow, and holdings in Industrials, including RB Global and TransUnion.
- Booking Holdings was among the top individual contributors to performance in July. Airline and hotel companies' quarterly results as well as third-party data indicate that consumer demand for travel post Covid remains strong. Franchise Partners continues to think that Booking is well placed to increase its market share due to its brand strength, the broad geographic footprint of its listings, and its continued investment in improving the consumer experience.
- Aon was among the top individual detractors from performance in July. The company reported solid second quarter results, however industry-wide weakness in M&A services revenues affected Aon more than its peers due to the larger size of this segment within its business mix. Franchise Partners thinks this M&A services slowdown is due to short term, cyclical reasons rather than structural ones. The company remains on course to achieve at least mid-single-digit organic revenue growth and operating margin expansion, and double-digit free cash flow growth for the full year. Further, Aon's core business continues to perform well, with average retention rates of approximately 95%.
- There were no initial purchases or final sales within the portfolio during the month.

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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.

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