

### 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	\$276.6m
Distribution frequency	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 August 2021

	Total Fund return (gross)	Total Fund return (net)	Benchmark return	Total excess return (net)
<b>1 month (%)</b>	2.02	1.92	3.10	-1.18
<b>3 months (%)</b>	8.35	8.01	12.31	-4.30
<b>1 year (%)</b>	26.10	24.45	31.37	-6.92
<b>Since inception (% pa)</b>	15.72	14.17	16.18	-2.01

#### 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	7.14
Nestle S.A.	Consumer staples	Food Products	5.08
Nintendo Co Ltd.	Communication services	Entertainment	4.83
Richemont (Cie Fin)	Consumer discretionary	Textiles Apparel & Luxury Goods	4.80
Aon Plc	Financials	Insurance	4.69
Fox Corp.	Communication services	Media	4.57
Novartis Ag	Health care	Pharmaceuticals	4.27
Corteva Inc.	Materials	Chemicals	4.21
Johnson & Johnson	Health care	Pharmaceuticals	4.13
Bristol-Myers Squibb	Health care	Pharmaceuticals	3.88
<b>Total number of stocks</b>			<b>29</b>

\*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

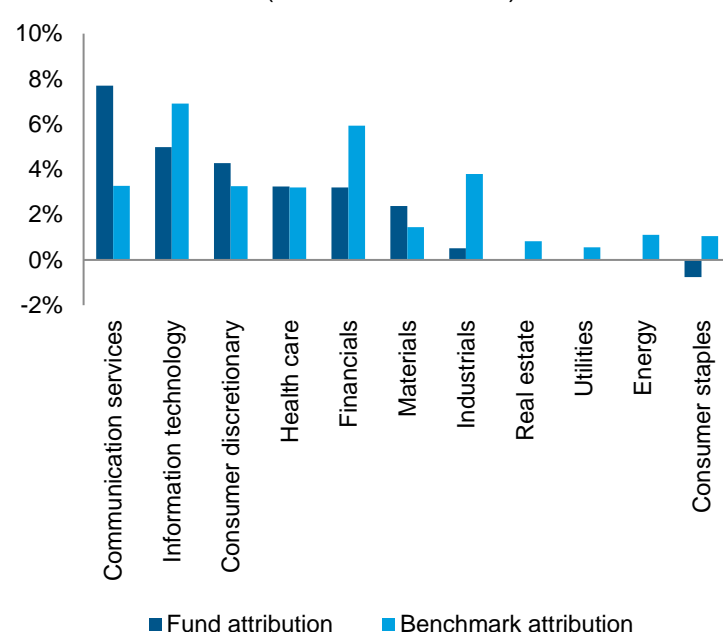
Macquarie Professional Series

Monthly report – 31 August 2021

### Sector weights

Sector	Fund (%)	Benchmark (%)
Communication services	22.51	9.42
Health care	18.79	12.83
Information technology	16.50	23.24
Financials	14.00	12.97
Consumer staples	11.30	6.94
Consumer discretionary	9.70	11.81
Materials	3.96	4.02
Energy	0.52	2.78
Industrials	0.00	10.52
Utilities	0.00	2.80
Real estate	0.00	2.65
Cash	2.71	0.00
<b>Total</b>	<b>100</b>	<b>100</b>

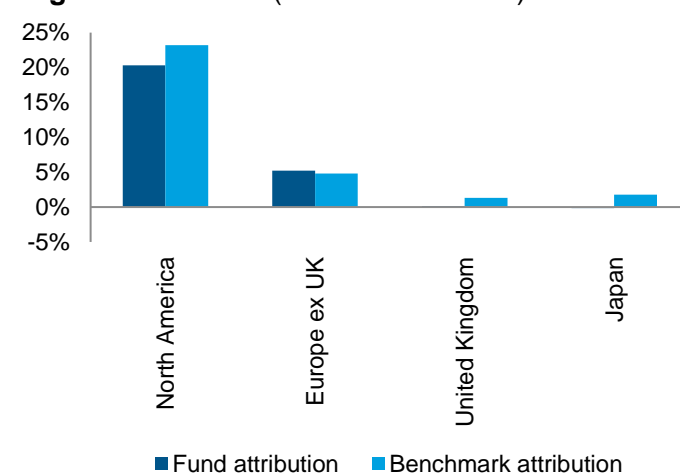
### Sector attribution (12 months to date)



### Region weights

Region	Fund (%)	Benchmark (%)
North America	65.18	72.62
Europe ex UK	17.51	15.15
United Kingdom	11.52	4.20
Japan	3.07	6.77
Asia ex Japan	0.00	1.27
Cash	2.71	0.00
<b>Total</b>	<b>100</b>	<b>100</b>

### Region attribution (12 months to date)



## IFP Global Franchise Fund II

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### Performance summary

- The Fund returned 1.92% in August 2021, compared with a return for the Benchmark of 3.10%, with global equity markets achieving another consecutive month of gains.
- All market sectors continued to move higher in August with the exception of Energy. For the Fund, the largest relative detractors were holdings in Communication Services, including News Corporation and Nintendo, and in Consumer Staples, led by Unilever. The largest relative contributors included the Fund's sole holding in Materials, Corteva, and underweight positioning in Energy and Industrials.
- Aon was among the top individual contributors to performance in August. The market continued to respond positively to strong half year results and the legal clarity following the termination of the Willis Towers Watson acquisition, both of which were announced at the end of July. Aon operates in an attractive and stable insurance and reinsurance oligopoly. The business is evolving away from relying solely on high switching costs based on strong customer relationships and is increasingly benefitting from its brand and proprietary data assets.
- Richemont was among the top individual detractors from performance in August. The broader luxury goods sector sold off in mid-August due to concerns about the Chinese market following President Xi Jinping's call to regulate and/or tax "excessively high incomes" with the goal of "common prosperity". The fall in Richemont's share price was probably exacerbated by profit-taking after the stock's strong year-to-date returns. Franchise Partners had trimmed the position in June.
- During the month, Franchise Partners completed the final sales of Kirin and Wolters Kluwer. Franchise Partners publicly campaigned for improved corporate governance and capital allocation at Kirin ahead of its AGM in March 2020, and were pleased that these efforts were rewarded at the AGM with the appointment of four new independent directors, creating a majority of independent directors at Kirin for the first time. However, the team have concluded that significant change in the conglomerate structure – including the divestment of its non-core stakes in listed pharmaceuticals and skincare businesses – is unlikely to materialise in the foreseeable future, and therefore the position was sold. The position in Wolters Kluwer was sold on valuation grounds, following significant share price appreciation since its initial purchase in February.

**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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