

ASX ANNOUNCEMENT

Fat Prophets Global Property Fund (FPP) announces its NTA pursuant to ASX Listing Rule 4.12ⁱ

August 2018 NTA Announcement

Dear Unitholders,

The Fund continued its long term growth trend in August, with the NTA rising another 3.2% to \$1.153. The growth was driven by a combination of stock level gains from the global portfolio, and the strengthening US dollar impact. The healthy growth in NTA in August means the Fund has now recorded positive growth in NTA for each of the last six months.

It also means that when taking account of the 2.39c distribution which was paid to unitholders in late August, total return at the NAV level for the 10 months since IPO in October 2017 has been 11.3%.

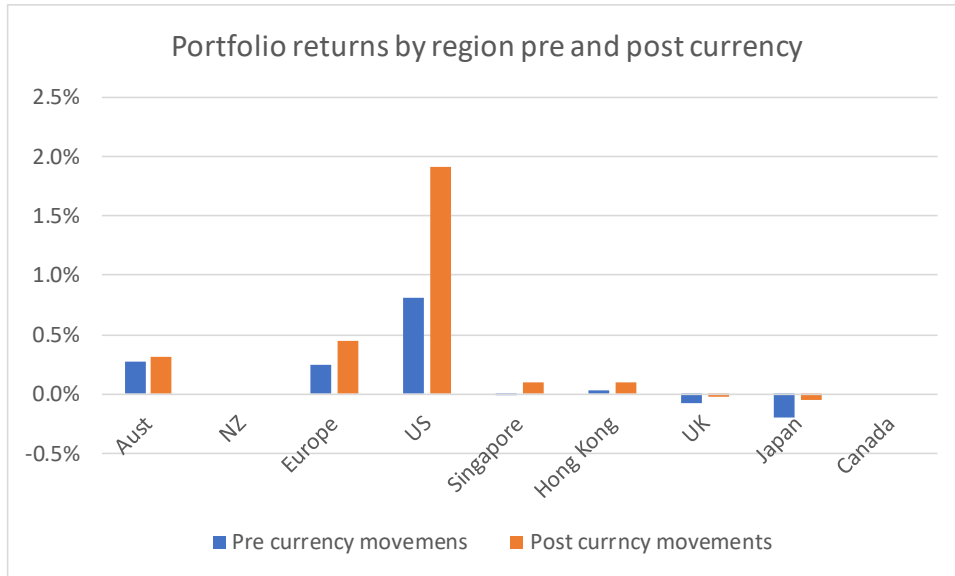
We are very pleased with the strong growth in NAV since IPO which is in line with the attributes of global REITs which we were anticipating when the Fund was conceived.

	30-Jul-18	31-Aug-18	Change
Value per unit	\$1.1172	\$1.1526	+3.2%

The month of August was a period dominated by the full year reporting of the Australian REITs which make up around 30% of the overall portfolio. The REITs typically reported continued increases in asset valuations which caused reported Net Tangible Assets per share to also rise. It is clear that demand for office space in major markets such as Sydney remains very strong and as such rental growth and the resulting income to the REITs is also growing.

There was no M&A activity of note which commenced during August, although the takeover battle for Investa Office Fund (IOF.AX), which FPP benefitted from and sold in the early stages of the takeover, has continued into September. Similarly in September, US office REIT Columbia Property Trust (CXP) appointed advisors after being approached on a takeover basis. Columbia is also a top 15 investment position in the Fund.

One of the largest prior positions in the Fund's portfolio at the beginning of the August was US Shopping Centre REIT GGP Inc, and the takeover by Brookfield Property through cash and shares was finalised at the end of August. This caused the cash level in the Fund to rise to 3.5% into the beginning of September; the highest level it has been for some time. We anticipate that this will be reinvested relatively quickly.

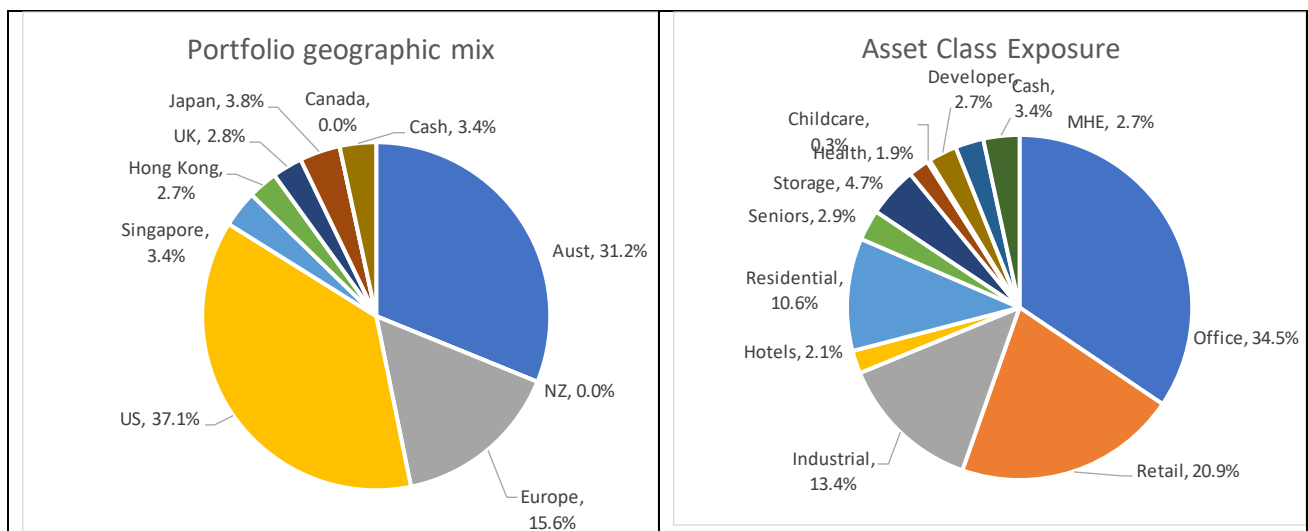


Regionally, performance was benign in most markets with the exception of mild gains in Australia and Europe, with the best gains being from the Fund’s US investments. As demonstrated in the chart above, the US market return for the Fund also was benefitted from the strengthening US dollar.

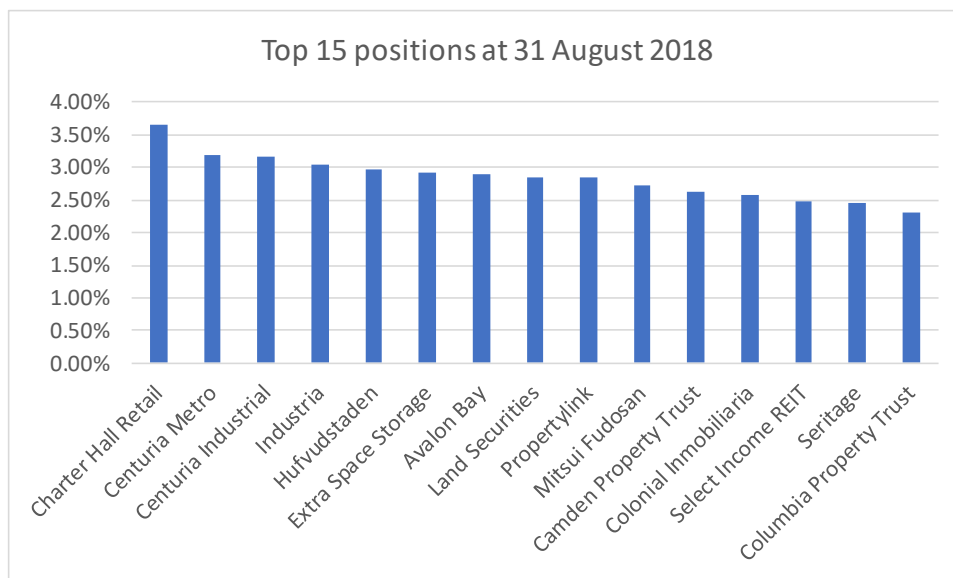
Regionally, the Fund ended August with a neutral weight exposure to Australia and to America, overweight to Singapore, and an underweight to Hong Kong and Japan. The Fund remains broadly neutrally weighted to UK and overweight Europe.

The Fund continues to be zero weighted to Canada and New Zealand. Post the end of month we have been active in increasing the Fund’s cash position, taking advantage of what we view as some trading and remixing opportunities.

Currency had a positive impact on the Fund during the month with the value of the US dollar relative to the A\$ (AUD/USD) strengthening meaningfully. The Australian Dollar was broadly flat relative to the Euro and other currencies relating the Fund.



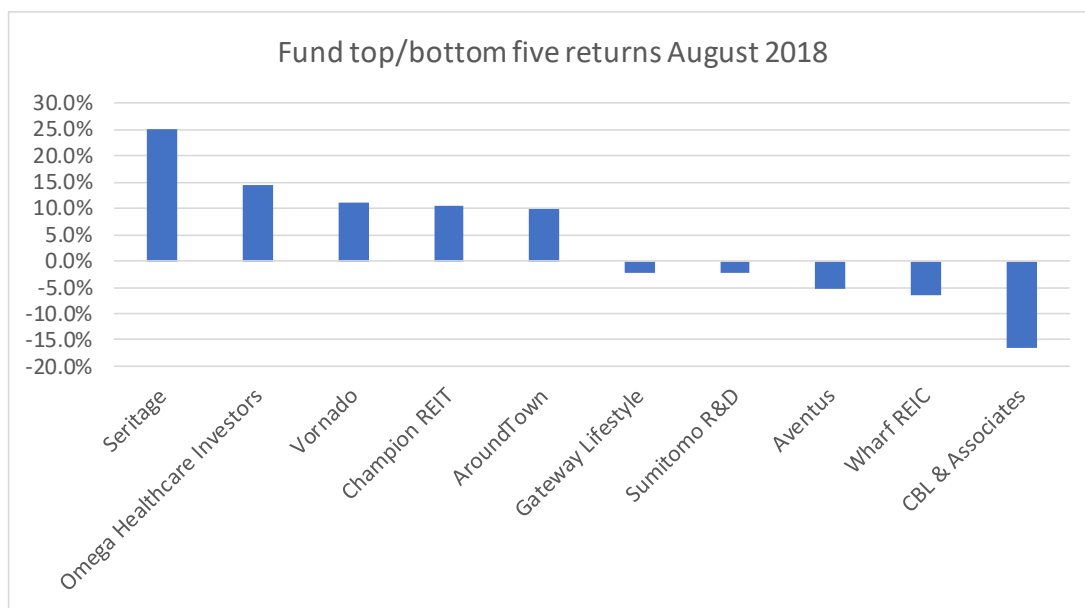
The Fund held 53 investment positions globally at the end of August. Top holdings in the Fund as at the end of August are summarised in the following chart. With the takeover of GGP, four out of the top five investments are now Australian REITs. The largest overall investment stake is Charter Hall Retail REIT which owns predominantly community based convenience shopping centres anchored by supermarkets. Overall, five of the top 15 largest investments in the Fund are Australian REITs while the balance are global.



The top contributing investments for performance in August were primarily US REITs where the Fund holds a market weight exposure. There continued to be volatility in several deep value US REITs. The Fund holdings including Seritage (SRG), which was up 22% after announcing a major loan from Warren Buffet (who also owns a meaningful equity stake in the REIT), and CBL Properties (CBL) which was down 16.7% as investors grapple with its deep value vs risk of a dividend cut.

With reporting season over for these and other deeper value stocks, the near term price risk has passed and we expect them to show some further positive performance in the coming months.

Aside from DDR Corp’s price weakness, other weakness was in the Hong Kong holding in Wharf REIC (1997.HK) which was down 6.5%, and Australian bulky goods REIT Aventus Property (AVN.AX) which was down 5.2% after announcing an internalisation of management, which implies paying the founders an historically very high amount for the management business.



After another strong month, the focus for the Fund through September will revolve around further analysing results and impacts from reporting season, and undertaking some small portfolio repositioning seeking value opportunities given the strong moves and high pricing amongst segments of the REIT sector which is now prevailing.

Fat Prophets Global Property Fund

Chief Investment Officer

Simon Wheatley

7 September 2018

About Fat Prophet Global Property Fund (FPP.AX)

The Fat Prophets Global Property Fund is an investment trust listed on the Australian stock exchange and managed by Fat Prophets. It invests its capital into Real Estate Investment Trusts (REITs) listed on stock exchanges in developed markets around the world. REITs own real estate assets and generate the majority of their income from rents on their properties, and capital growth from the real estate investments results in increased NTA. FPP's investment weighting benchmark allocation to Australia REITs is around 30%, with the balance in international markets. FPP aims to generate capital growth and distribution income from its investments and has a value bias to its investment strategy.

ⁱ Fat Prophets Funds Management Pty Limited (FPPM) (ACN 615 545 536) has prepared the information in this announcement. One Managed Investment Funds Limited (ACN 117 400 987) (AFSL 297042) (OMIFL) is the Responsible Entity of the Fund. While OMIFL has no reason to believe that the information is inaccurate, the truth or accuracy of the information in this document cannot be warranted or guaranteed by OMIFL. This announcement has been prepared for the purposes of providing general information only and does not constitute an offer, solicitation or recommendation with respect to the purchase or sale of any units in the Fund nor does it constitute financial product advice and does not take into account your investment objectives, tax or financial situation or needs.

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