

ASX ANNOUNCEMENT

Distribution and initiatives update

Dear Unitholders,

Ongoing payment of six monthly distributions to investors continues to remain an important feature of FPP (the Fund). Accordingly we continue to closely monitor the Fund investments, and the distributions those investments are paying which accrue to the Fund.

A number of REITs globally announce or pay their quarterly distributions during April. We are pleased to advise that all of the REIT holdings in the Fund which were due to announce their distribution up to this point in April have so far done so. There are no instances of a REIT investment held by the Fund not paying a distribution when we expected them to. The number of REITs declaring their quarterly distribution during April accounted for over one third of the Funds investment holdings by number.

Importantly, all of these REITs have announced distributions which are unchanged from their last quarterly distribution, except for one reduction (a US healthcare and senior living REIT Diversified Healthcare Trust) offset by one upgrade (a US apartment REIT).

We had expected various REITs to reduce or cancel their near term distributions until there was clarity around rental income. The fact that the vast majority of REITs held by the Fund have not reduced their distributions and continue to pay their distribution through the current period of uncertainty is encouraging.

We continue to target REIT investments with strong distribution and yield profiles to build income which FPP pays out to its own investors.

FPP trades ex its six monthly distribution in late June and late December each year. As such, entitlement to the next distribution will fall due in around two months to unitholders on the register at that time.

Strategic initiatives

In 2019 the Fund raised new equity through an entitlement raising to increase fund size, improving liquidity and reducing the management expense ratio. The Manager and Responsible Entity will continue to review strategic initiatives which can be implemented to the benefit of unitholders. These considerations remain wide ranging and include issuance of equity, hybrid or debt like securities, a buyback, and opening a DRP.

Outlook

The Fund is currently trading at a 12% discount to last reported NTA. As at 31 March 2020 the average Australian REIT owned by FPP was trading at a 43% discount to NTA. NTA has proven to be a strong anchoring point for REIT share prices over the past five decades, and a sustained discount to NTA of more

than 20% has been rare. We do not expect this time to be any different. As such we expect solid short to medium term price recovery in Fund investments, and consequently therefore to Fund NTA also as the Covid-19 impact subsides.

Fat Prophets Global Property Fund

Chief Investment Advisor

Simon Wheatley

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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.

¹ 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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