



One Managed Investment Funds Limited
as responsible entity for Fat Prophets Global Property Fund
ARSN 619 970 786 ASX Code: FPP

ASX ANNOUNCEMENT

13 December 2021

FPP NTA November 2021

Please find attached the FPP NTA for November 2021

Authorised for release by One Managed Investment Funds Limited ACN 117 400 987 AFSL 297042 (**Responsible Entity**), the responsibility entity of the Fat Prophets Global Property Fund and Fat Prophets Funds Management Pty Limited ACN 615 545 536 AFSL 229183, the investment manager of FPP.

For additional information on FPP, please refer to:
www.fpproperty.com.au

For any enquiries please contact the Responsible Entity on 02 8277 0000.

ASX ANNOUNCEMENT

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

November 2021 Monthly NTA Announcement

Key Points:

- **Fund NTA increased meaningfully in November despite 8% cash position**
- **NTA is now at its highest level since 2019**
- **Weaker US stock prices were offset by stronger USD, provided a currency benefit to NTA.**

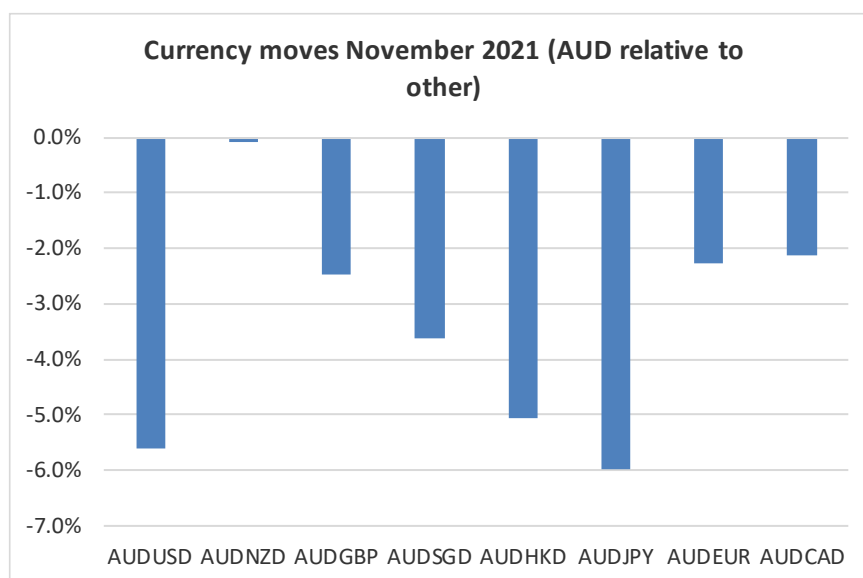
Dear Unitholders,

During November the US index fell in constant currency terms as many REITs saw their highs of late October and early November unwind later in the month. However, currency impacts had a positive impact on NTA which assisted to largely offset the declines. Overall, the Fund NTA saw a solid increase over the month, rising by 2.63% to \$1.1499 per unit. This is the highest NTA level since December 2019.

A summary of the change in NTA for the month of November for the Fund is as follows:

	31-Oct-21	30-Nov-21	Change
Value per unit	\$1.1204	\$1.1499	+2.63%

Currency in AUD terms was a meaningful tailwind owing to the weakness in the AUD during November.



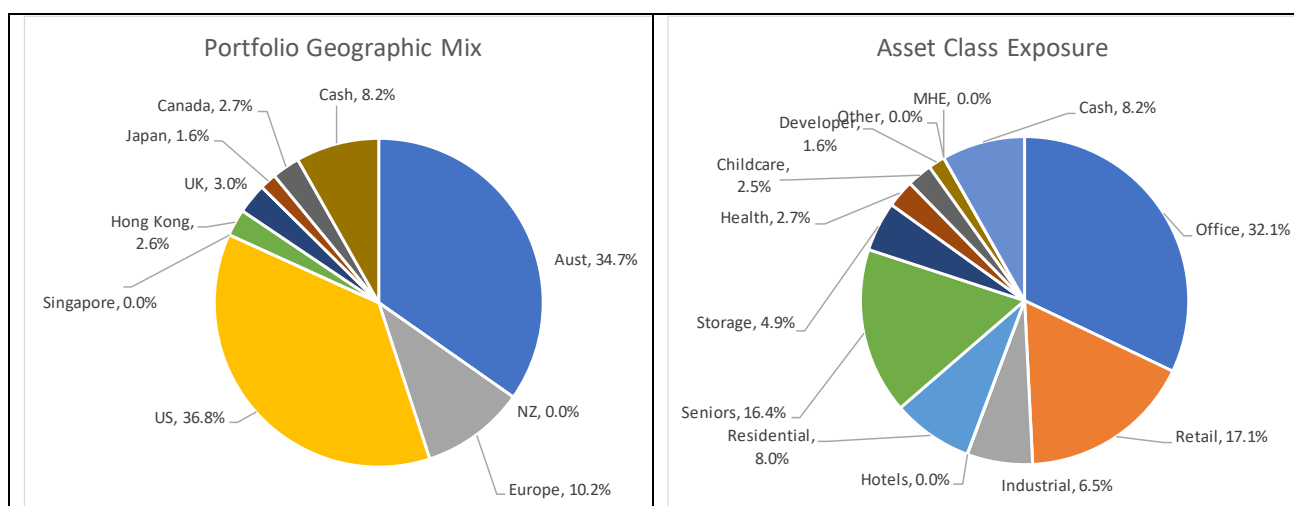
Whereas in October the strong AUD during the month largely offset the pricing gains made pre currency impacts for many holdings in the Fund, the opposite occurred in November with US REIT prices easing off highs, but a stronger USD largely offset this in terms of FPP's NTA.

The Fund cash balance remained essentially unchanged at 8.2% at the end of November, with the Fund remaining essentially fully invested.

During the month the Fund made an initial investment in Australian REIT Charter Hall Long WALE REIT (CLW.AX) which is invested across a highly diversified portfolio of high quality properties leased for long terms with an average unexpired lease term of over 10 years. Attractions to the CLW investment include the fact it is trading at a discount to NTA and also offering a high yield of over 6%. We expect this holding to perform well through the half yearly ex distribution period at the end of December.

To fund this, FPP partly switched out of Charter Hall Social Infrastructure REIT which has been a strong performer during the Fund's period of ownership, and also divested the Funds' small holding in Elanor Commercial Fund.

The current Fund portfolio geographic allocation at the end of November is shown in the following chart on the left. The chart below right shows the exposure by asset class. The Fund remains overweight Australia.



The number of investment positions held by the Fund at the end of November declined slightly to 39. Top holdings in the Fund as at the end of the month are summarised in the following chart.

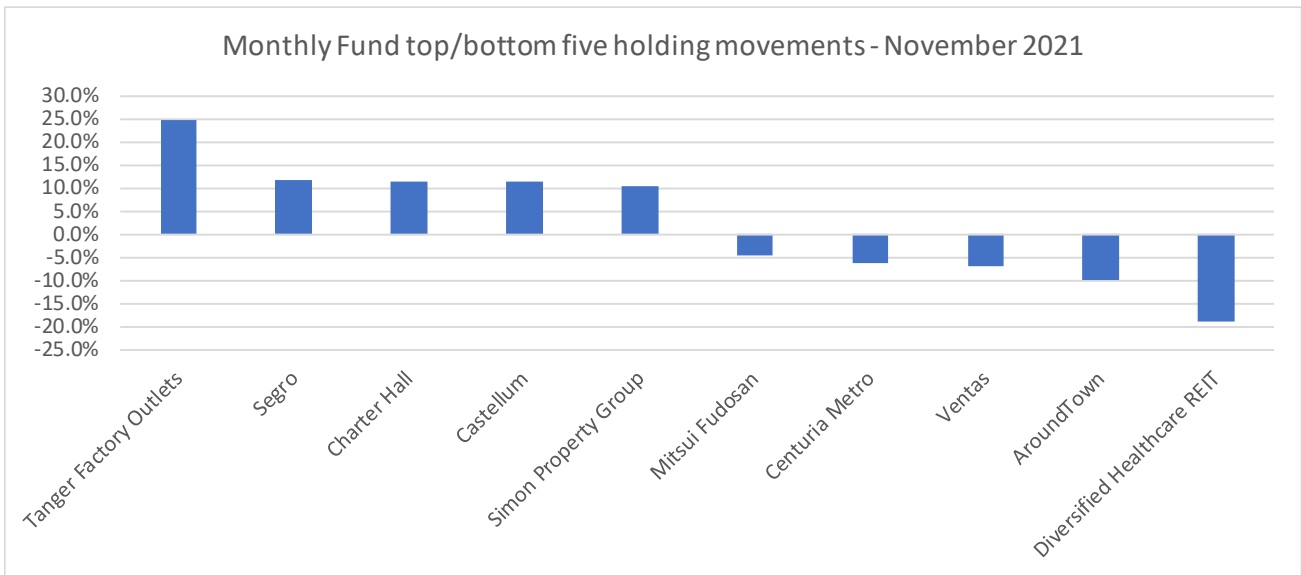
Charter Hall Group performed well in November and has moved to become the Fund's third largest holding. With further gains of more than 7% month to date in December, Charter Hall is rapidly moving toward the second largest fund position.

Dexus is now the largest holding in the Fund and we continue to maintain high conviction to this holding as a) CBD office markets start to rebound ahead of expectation and b) the large funds management business which is a key driver of Charter Hall Group and Goodman Group outperformance starts to get recognised within Dexus.



The best and worst five performing Fund holdings for the month of November are highlighted in the following chart. US Retail REIT Tanger Factory Outlets was the clear standout performer. It has performed strongly in the portfolio since it was added several months ago. Simon Property Group had a small bounce after declining 13% from recent peak to trough shortly after the Fund meaningfully lowered its weighting to the holding.

The largest drag on performance was US senior living owner Diversified Healthcare which fell as fears of Omicron once again raised fears that movements into senior living properties (and subsequent occupancy) would grind to a halt until the heightened risk of the new variant was contained. This weakness in US healthcare was also seen in the performance of Ventas.



Outlook

Key issues we are focussed on for the outlook include;

- Distributions – Many REITs will be trading ex distribution at the end of this month, and we have taken a specific focus on this with a view to maximise distributable income to investors in FPP.
- Inflation – higher inflation continues to be a theme and this will increase rents which are CPI linked, and also increase the cost of building which in turn causes replacement costs to be higher and is consequently positive for asset valuations. As such we view it positively for real estate.
- Higher interest rates – The offset to higher inflation is likely to be higher interest rates. This can be a risk for REITs from a valuation perspective, however this usually comes hand in hand with higher growth which is positive for property.
- NTAs and NAVs – strong asset sales are supportive of REIT NTA and NAVs rising. The amount of real estate transacted in 2021 has been very significant, and M&A has also been a theme. Both of these are being transacted at pricing levels which are very strong and which are supportive of reported NTAs and NAVs increasing at the next reporting season in early 2022.

We see the outlook remaining positive for further gains in the REIT sector and we remain fully invested.

Fat Prophets Global Property Fund

Fund Manager

Simon Wheatley

13 December 2021

About Fat Prophets 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 (FPFM) (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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a copy of the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. Past performance is not indicative of future performance.