One Managed Investment Funds Limited

as responsible entity for Fat Prophets Global Property Fund

ARSN 619 970 786 ASX Code: FPP

ASX ANNOUNCEMENT

8 April 2022

FPP NTA March 2022

Please find attached the FPP NTA for March 2022

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.

fatPROPHETS
GLOBAL PROPERTY FUND

ASX ANNOUNCEMENT

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

March 2022 Monthly NTA Announcement

Key Points:

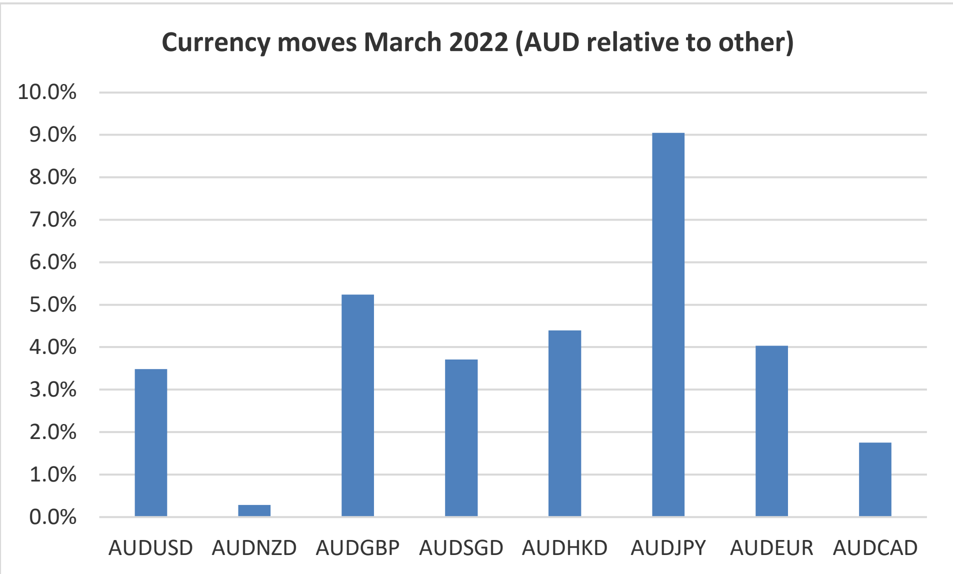
- **Fund NTA increased substantially by 6.06% in March**
- **Global REITs increased 2.3% during March while Australian REITs rose 2.1%**
- **Markets rebounded quite strongly during March after a weak January and February start**

Dear Unitholders,

Markets rebounded in March after a weak start to the year in January and February. This was particularly evident in the US where REITs posted their third best monthly return in history, rising 6.5% in local currency terms, although the global REIT Index in AUD terms was much more muted with a monthly return of 2.3%. Similarly, the Australian REIT Index rose 2.1%. FPP NTA increased by 6.06% after fees over the same period.

	28-Feb-22	**31-Mar-22**	**Change**
Value per unit	$1.0824	$1.1480	6.06%

Currency in AUD strengthened again in March, presenting a headwind to offshore returns.

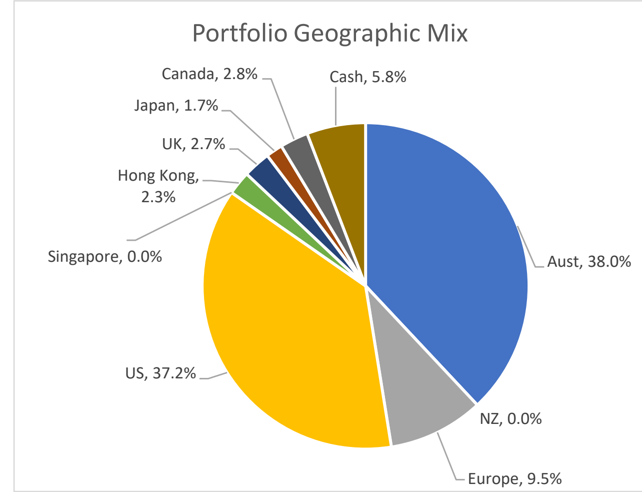


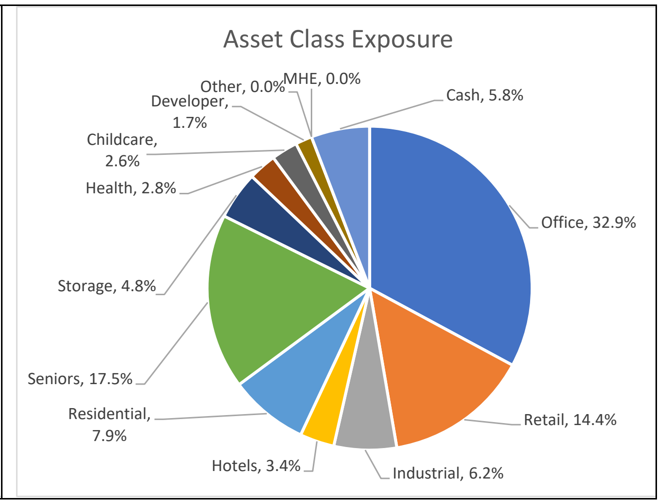
During the month of March there was a rebound in performance, particularly in the US. Despite the 6.5% US return in constant currency terms, there was a wide spread of real estate subsector returns. Healthcare REITs (+12.7%), infrastructure (+11.5%), storage (+10.3%) and industrial (+10.1%) outperformed while malls (-2.8%) and manufactured housing (-0.3%) were underperformers.

On a global view, year to date in 2022, the US REIT index had declined 10% to the end of February before the meaningful rebound in March which has pushed YTD returns for US REITs to -4.1% vs -4.6% for the S&P.

The Fund cash balance increased to 5.8% at the end of March.

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





The number of investment positions held by the Fund at the end of March remained unchanged at 40. Top holdings in the Fund as at the end of the month are summarised in the following chart.

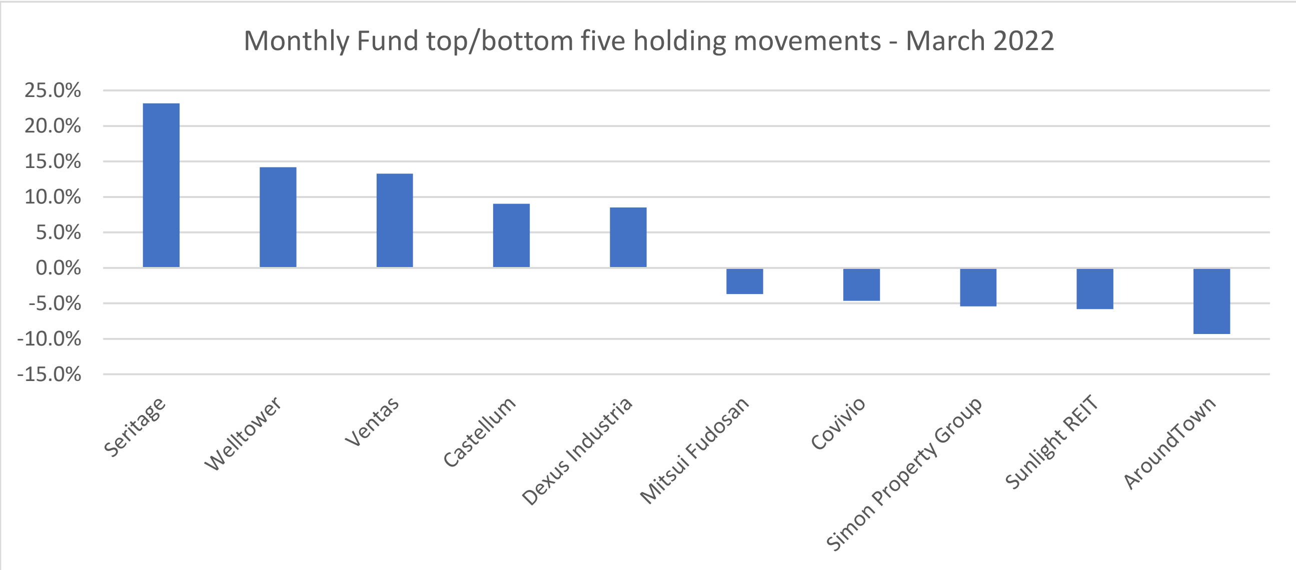
Australian Office REIT and fund manager Dexus remains the largest holding. The pricing strength of healthcare REITs during March drove Ventas to become the second largest holding.

The five best and worst performing Fund holdings for the month of March are highlighted in the following chart. The largest decliner was Aroundtown Holdings which reported an in line result during the month. Large US mall REIT Simon Property Group was a weak performer, however there were a number of strong performers for the month lead by US investment positions, and in particular by retail exposed Seritage.

Performance from Australian REITs was more subdued during March. Fund manager REITs such as Goodman Group, Charter Hall Group and Dexus continue to trade at levels meaningful below recent highs and we retain conviction to them and their outlook for earnings growth. By contrast, Australian shopping centre REITs Scentre Group and Vicinity Centres have been touching post COVID highs recently. As the prospect for inflation increases, and the subsequent risk of higher interest rates also rises, we see increased likelihood that consumer spending and consumer confidence may be negatively impacted. Consequently, we see risk that this impedes further price rises for shopping centre REITs in the near term. This is despite the fact that they continue to trade at discounts to NTA of 15-20% which is historically high.

With the prospect of shopping REIT share prices being stalled, and the Fund's somewhat overweight positioning, we took the opportunity to reduce exposure by exiting the holding in Vicinity Centres at recent highs, and have retained exposure to Scentre Group.

A meaningful portion of the Vicinity Centre proceeds were reinvested back into Goodman Group to boost industrial exposure and exposure to funds management. This investment was at a 15% discount to recent highs.



FPP continues to be overweight Australian REITs. The Australian dollar has been rising relative to the USD and this overweight Australia positioning is assisting returns by limiting currency impact to the portfolio. We see risk of further increases in AUD strength in the near term assisted by commodity price buoyancy as well as the interest rate outlook.

Outlook

Current REIT PE multiples are elevated vs historic levels, however this mirrors record low asset cap rates and yield premiums over bonds. Assets prices continue to be elevated with high demand for quality properties resulting in continued low cap rates and high valuations for real estate being transacted.

The increasing likelihood of interest rate rises being priced in by bond markets is likely to cause some near term dislocation and may lead to sustained wide NAV discounts in some markets rather than our earlier expectation that NAV discounts would gradually continue to narrow.

Similarly, during periods of rising official rates, Australian REITs have a tendency of underperforming and experiencing a reduction in PE multiple. To combat this, we are focussed on investments which are offering value (low multiple, high yield), and/or are demonstrating underlying earnings growth. We believe that low yield, low growth opportunities may be challenged through the balance of 2022.

The Fund is close to fully invested as at the end of March.

Fat Prophets Global Property Fund
Fund Manager
Simon Wheatley
8 April 2022

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.

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[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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