



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

ASX ANNOUNCEMENT

10 June 2021

FPP NTA May 2021

Please find attached the FPP NTA for May 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

May 2021 Monthly NTA Announcement

Key Points:

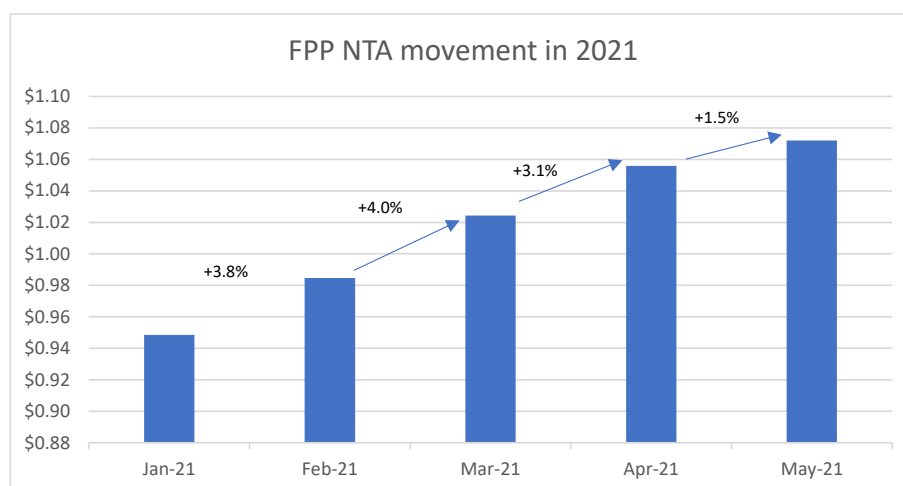
- **Fund NTA increased in May for the fourth consecutive month in 2021, rising 1.5%**
- **The Fund remained fully invested at the end of May**
- **A value based investment thematic within the global REIT sector remains evident**

Dear Unitholders,

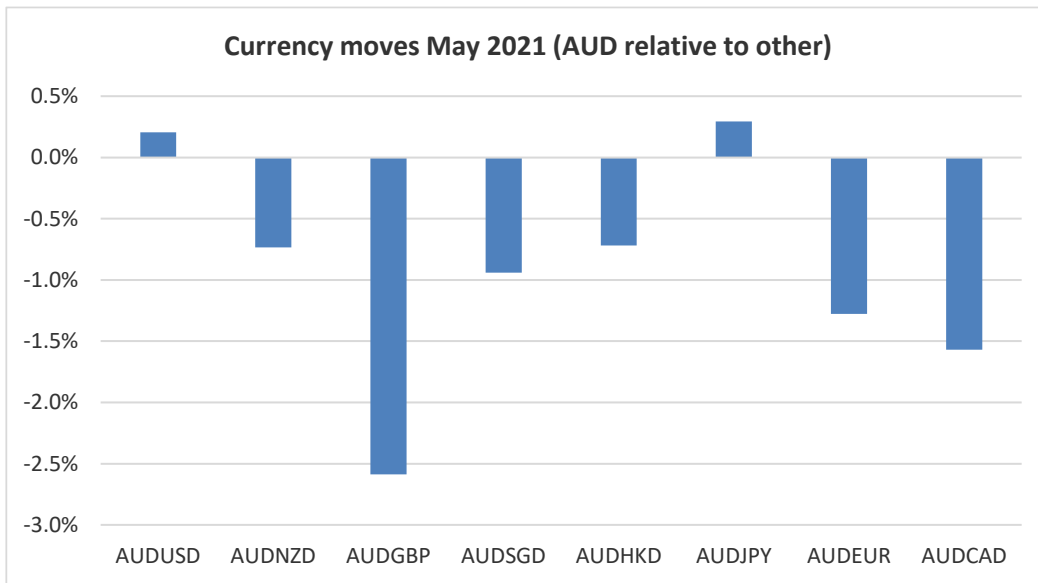
May 2021 was another solid month for REITs globally. US REITs returned a 0.93% in constant currency USD terms in May, beating the S&P by 0.24%. In May, 71% of REITs (by market value) posted positive returns and 47% beat the S&P. A broad thematic of improving conditions and demand visibility, REIT earnings upgrades and price target increases is driving increased support for the sector. As noted in previous months we have been expecting this and have remained fully invested in anticipation. Value continued to outperform growth as many REITs remain priced well below net asset values. M&A continues to occur, demonstrating acquirors see value in portfolios, and there continue to be asset transactions at low cap rates and high values per square metre which support Net Asset value floors.

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

	30-Apr-21	31-May-21	Change
Value per unit	\$1.0559	\$1.0719	1.51%



The Australian dollar continues to remain relatively stable in 2021, having only a minor impact on A\$ returns for the Fund.

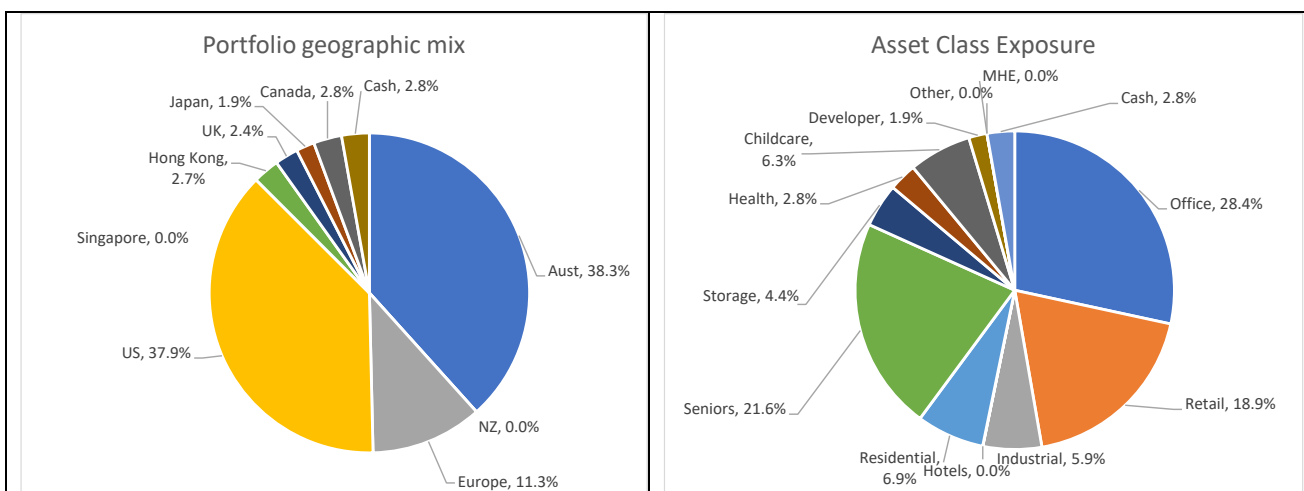


The Fund cash balance of 2.9% at the end of April was essentially unchanged at 2.8% at the end of May.

The current Fund portfolio geographic allocation at the end of May is shown in the following chart on the left. The chart below right shows the exposure by asset class. The Fund remains overweight Australia. This has been a two-pronged strategy:

1. We saw risk that the US dollar would depreciate vs the Australian dollar and this has proven correct over the past year which benefits an underweight US dollar asset exposure; and
2. Australia is at the fore front of emerging from COVID impact to businesses which use real estate and it was our view that this would result in a recovery in Australian REITs outpacing that of US and European REITs.

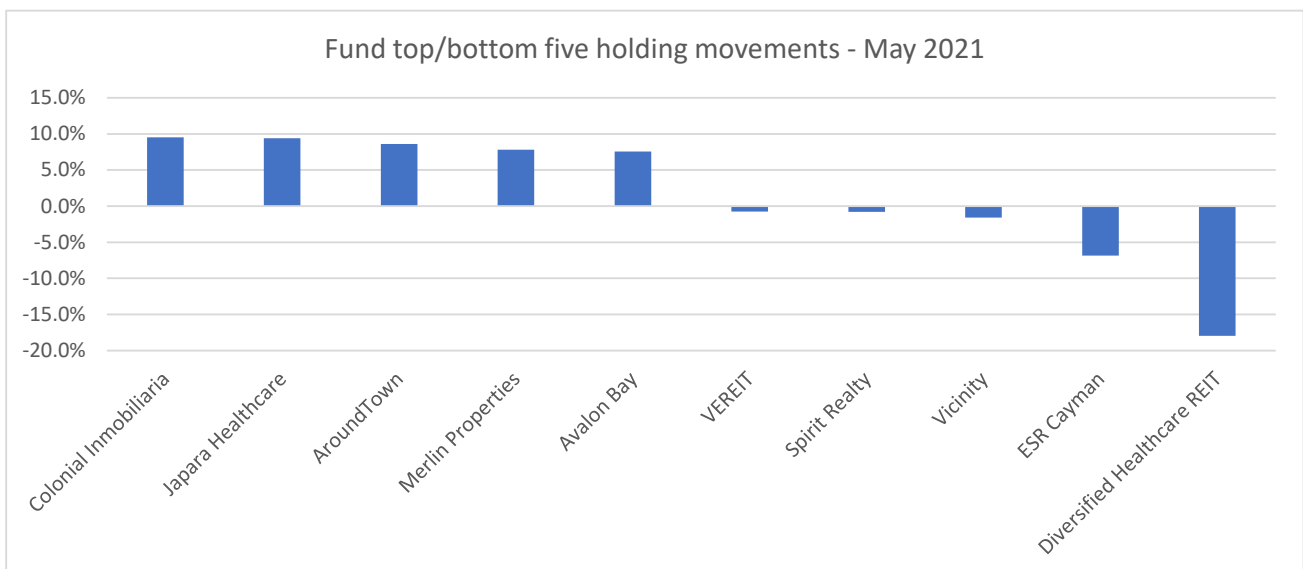
We remain comfortable to be exposed to office and retail subsectors for select holdings.



The number of investment positions held by the Fund at the end of May was stable at 38. Top holdings in the Fund as at the end of the month are summarised in the following chart. The major holding remains Simon Property Group, the largest US shopping mall REIT in the US. We monitor this carefully and retain our conviction to the stock which has more than tripled since our entry into it a year ago.



The best and worst five performing Fund holdings for the month of May are highlighted in the following chart. Diversified Healthcare was sold off after disappointing quarterly results which highlighted a distribution much lower than expected, which implies that the deep value we see in the stock may be some way from an earnings catalyst. Japara Healthcare in Australia continued to perform as the takeover offer was increased, and the investment is up more than 50% on our entry price a few months ago. It was notable that European stocks were amongst the portfolio best performing holdings as confidence starts to improve.



Outlook

Despite a steady rise in global REIT indices on a monthly basis in 2021 and with REITs outperforming equities, we see that there is considerable further opportunity for upside as the 2020 underperformance is reversed and as the value rotation amongst investors continues. We continue to actively manage the portfolio of holdings as we seek to optimise the return opportunity for the Fund and its investors.

Fat Prophets Global Property Fund

Fund Manager
Simon Wheatley
10 June 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 (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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