



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

ASX ANNOUNCEMENT

10 January 2023

FPP NTA December 2022

Please find attached the FPP NTA for December 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.

ASX ANNOUNCEMENT

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

December 2022 Monthly NTA Announcement

Key Points:

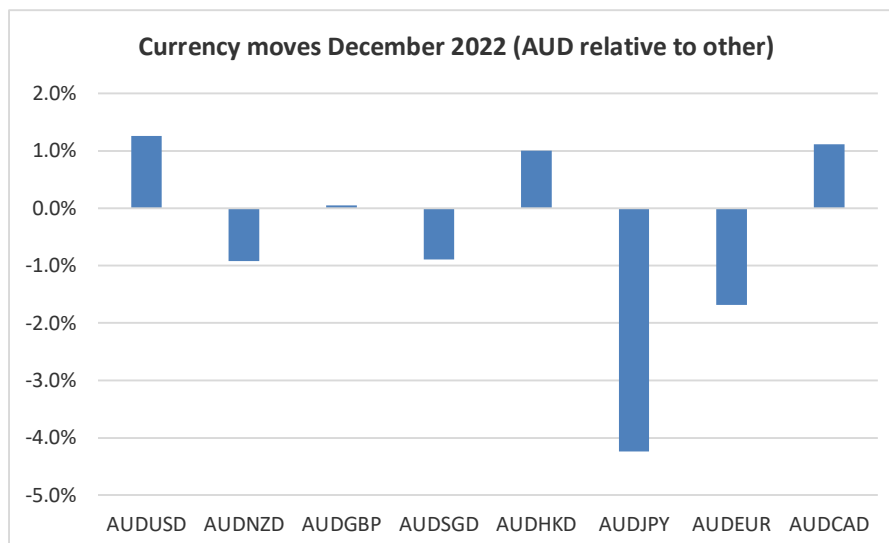
- Fund NTA decreased 4.21% post fees during December;
- Australian REITs (-4.04%) were stronger than global REITs (-3.85%) during the month;
- Cash holdings in FPP were 8.2% of portfolio value for FPP for the month; and
- An interim distribution of 3 cents per unit was announced to ASX in December 2022.

Dear Unitholders,

Equity and REIT markets globally were again challenged during December, with another broad decline as investors grapple with the trajectory of global official interest rates combined with views on sub market economic outlooks and threats of recession.

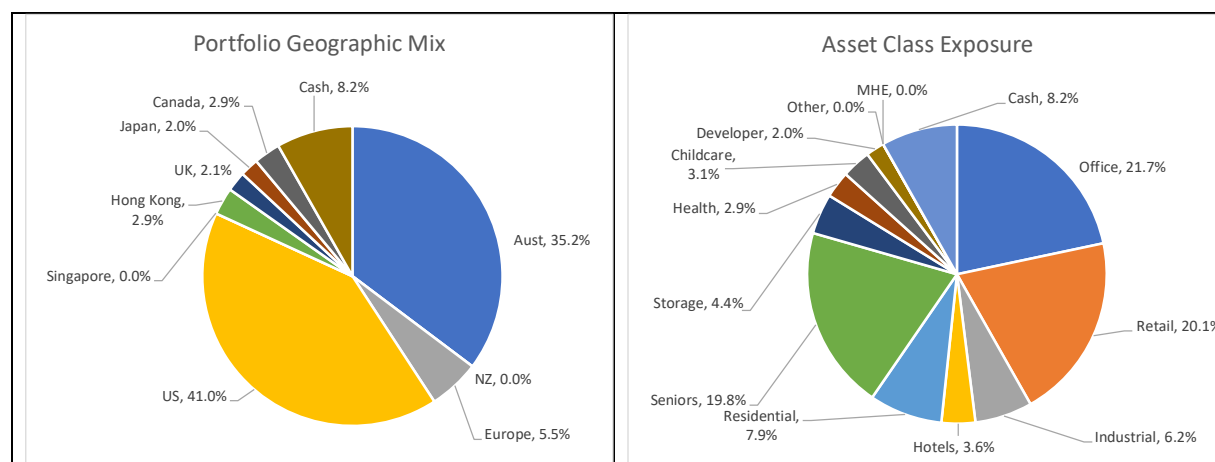
	30-Nov-22	31-Dec-22	Change
Value per unit (cum distribution)	\$0.8829	\$0.8457	-4.21%
Value per unit (ex distribution)		\$0.8157	

Currency in AUD terms relative to USD was slightly stronger in December presenting a mild headwind to AUD denominated returns for the Fund.



The Fund cash balance was largely unchanged at 8.2%. Part of this is cash accrued from distributions on investment positions held and will be paid out to investors in the Fund who are on the record in late December 2022. Payment will be made in late February 2023.

The current Fund portfolio geographic allocation at the end of December is shown in the following chart on the left. The chart below right shows the exposure by asset class. The number of Fund core investment holdings was 34 at the end of December, continuing a shift to a more concentrated portfolio.



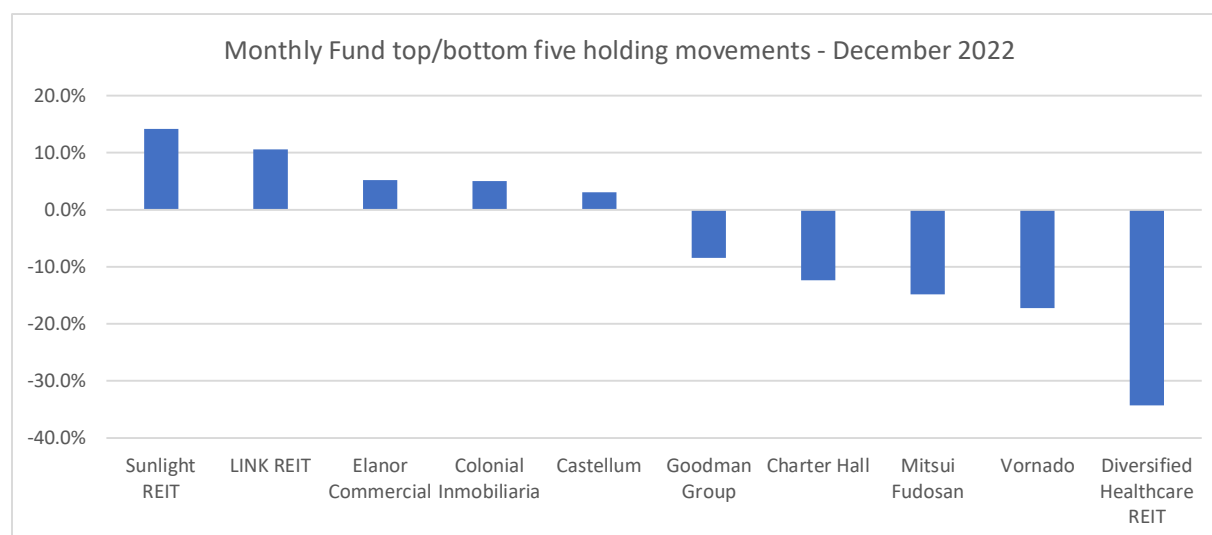
Top holdings in the Fund as at the end of December are summarised in the following chart.

Simon Property Group is the largest holding in the Fund, and has been performing relatively well delivering a 32% price return since late September 2022 while the US REIT Index has risen 7.2% over the same period. The Fund's second largest holding Ventas REIT has risen 19.0% over the same time frame also significantly exceeding the US REIT market return.



The best and worst contributors to return for the month of December are summarised in the following chart. Diversified Healthcare REIT continues to be a drag on Fund performance after a brief rally in late 2022. The largest holdings in the Fund being Ventas and Simon Property were both mildly down over the month.

Goodman Group and Charter Hall group which are higher EPS growth REITs were weaker during December and the market continues to reassess PEG ratios attached to stocks, impacting higher growth higher PE investments.



Outlook

The effects of higher interest rates on earnings and asset values are starting to be felt which is not surprising. We believe the majority of REITs will not be impacted by gearing (loan to value) risks, however, it is likely that higher interest rates will see hurdle IRRs increase which in turn may see some asset values decline and higher interest expense will be a headwind to earnings growth. We are starting to see the effects of this with examples including Growthpoint Properties in Australia (GOZ.AX) upgrading FY23 EPS but announcing a decline in NTA on lower asset valuations, and in the US we have seen in recent weeks Rodamco Westfield selling B grade US shopping centres on extremely high 9.5% yields.

The Rodamco sale results for US shopping centres appear to be highlighting an emerging thematic whereby there is a wide bifurcation between quality assets and B grade or lower assets. Such high yields suggest that income will decline over time due to quality tenants moving out of lower grade shopping centres into better quality assets, assisted by disruption from a shift toward internet and on-line sales. Similarly, with a continuing embedding of the work from home trend, there is a level of disruption occurring for office properties with the net effect impact on office rents and values still yet to be determined. Again, we believe the flight to quality is the best investment approach.

Fat Prophets Global Property Fund

Fund Manager
Simon Wheatley
10 January 2023

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.

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.

Anyone receiving this information must obtain and rely upon their own independent advice and enquiries. Investors should consider the Product Disclosure Statement (PDS) issued by OMIFL before making any decision regarding the Fund. The PDS contains important information about investing in the Fund and it is important investors obtain and read 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.