

Freehold A-REITs and Listed Infrastructure Fund

FREEHOLD
Investment Management

July 2020 Investment Update

OVERVIEW

An open-ended fund that provides sustainable income and long-term capital growth from a portfolio of Australia's leading listed real estate and infrastructure securities. Our style overlay screens for core property and infrastructure characteristics and results in minimal exposure to development, currency risk and other 'active' earnings.

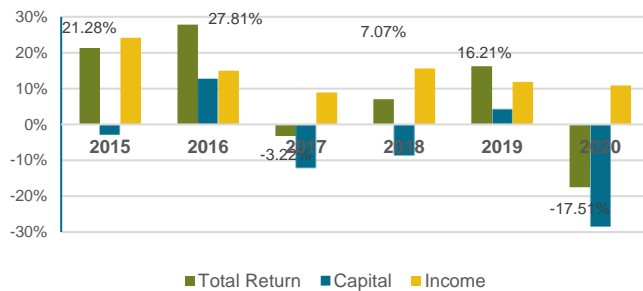
Investment Performance

	Month	Quarter	1 Year	3 Years	5 Years	Since inception**
Freehold A-REITs & Listed Infrastructure Fund (net of fees)	(3.0%)	(1.3%)	(22.3%)	0.3%	3.0%	11.1%
Australian Listed Real Assets Index*	(3.9%)	(3.3%)	(26.3%)	(1.0%)	2.7%	10.4%
Value Add	0.9%	2.0%	4.0%	1.3%	0.3%	0.7%

*The Australian Listed Real Assets Index is a subset of the S&P/ASX 300 AREIT Accumulation index and a subset of S&P/ASX 200 Index infrastructure sub industries, as defined by the Global Industry Classification Standard (GICS), combined on 70/30 basis. The index was previously known as A-REITs and Listed Infrastructure Customised Index and was changed on 7th July 2020.

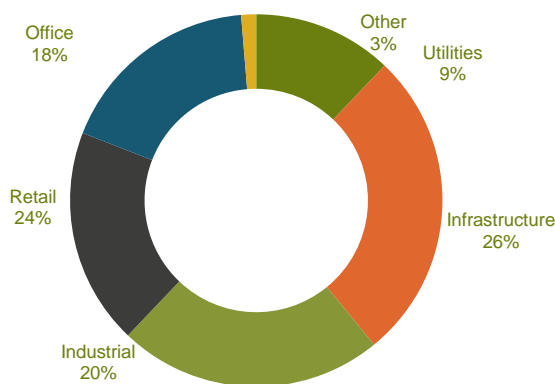
**AREITs/Listed Infrastructure inception date - 1 May 2010. Performance returns assume reinvestment of income and returns greater than 1 Year are expressed as %p.a.

Return Split by Financial Years

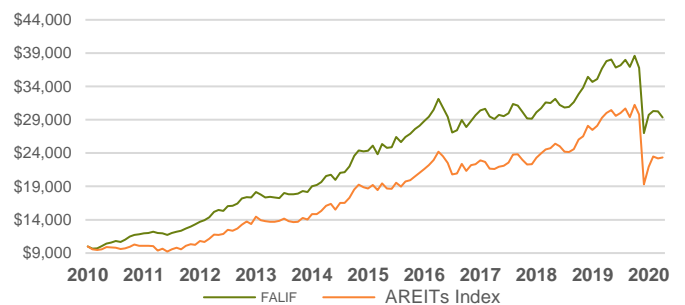


*Income distribution include net realised capital gains

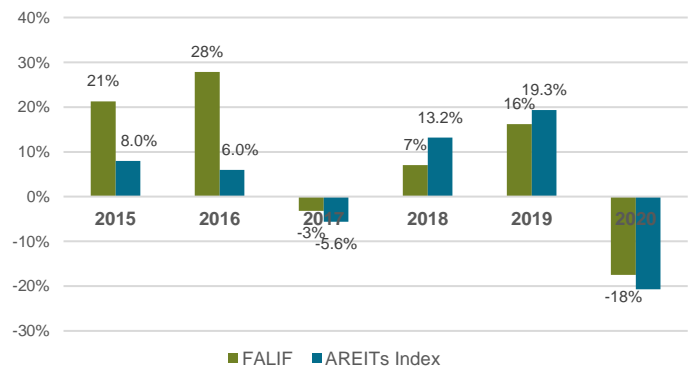
Sector Allocation



Since Inception Return



Financial Year Returns



Performance Update

Contributors

GMG (overweight) – Goodman Group continues to be a key beneficiary of the strong e-commerce thematic given their status of one of the best owners, managers and developers of logistics properties globally.

VCX (not held) – The second wave of COVID-19 in Victoria severely impacted Vicinity Centres given circa 40% of its portfolio is exposed to the State.

Detractors

CLW (not held) – Strong defensive characteristics underpinned by a long average lease term to high quality tenants. We believe Charter Hall Long WALE REIT's balance sheet is stretched and view the Group as a prime candidate to seek an equity injection to bolster its capital position.

DXS (overweight) – Dexus was impacted by negative office sentiment due to prolonged work from home policies, which challenge the demand outlook for commercial office space. We believe the 'death of office' is overplayed and anticipate a resilient earnings result in August.

Current & Active Weights

Asset Class	Benchmark	Range	Current	Active Weight
A-REITs	70%	40–100%	63.0%	(7.0%)
Listed Infrastructure	30%	0–60%	33.6%	3.6%
Cash	0%	0–20%	3.3%	3.3%

Top 6 Active Positions

Security	Portfolio Weight	Active Weight*
Goodman Group	5.1%	5.1%
Mirvac Group	4.3%	4.3%
Centuria Industrial REIT	5.2%	3.7%
Vicinity Centers	-	(6.9%)
Charter Hall Long WALE	-	(2.7%)
GPT Group	7.7%	(2.6%)

Fund Details	
Fund Inception Date	Model Portfolio – 1 st May 2010 Fund – 20 th August 2013
Objective	To outperform the benchmark index over rolling 3-year periods
Benchmark	Comprises a subset of the S&P/ASX 300 A-REIT Accumulation Index and a subset of the S&P/ASX 200 Index infrastructure sub industries, combined on a 70/30 basis.
Investment Timeframe	3-5 Years
Minimum Investment	\$25,000
Income Distribution	Half Yearly
Unit Pricing	Daily
Management Costs	0.85% per annum
Buy / Sell Spread	0.25% / 0.25%
Responsible Entity	Responsible Entity Partners Ltd
ARSN	164 098 855
APIR Code	LAM0042AU
Platforms	BT Wrap, Asgard eWrap, Asgard Infinity Wrap

Important Notice

This report has been prepared by Freehold Investment Management Limited (Freehold), AFSL 339008. Freehold have been appointed as the investment managers of the Freehold Australian Property Fund ARSN 169 952 738 (FAPF) and Freehold A-REITs & Listed Infrastructure Fund ARSN 164 098 855 (FALIF) to provide information on the funds to wholesale investors. This report is not and does not constitute an offer, invitation or recommendation to subscribe for, or purchase any security and neither this presentation nor anything contained in it shall form the basis of any contract or commitment. Reliance should not be placed on the information or opinions contained in this report.

This report is intended to be general advice only to wholesale investors and does not take into consideration the investment objectives, financial situation or particular needs of any particular investor. We strongly recommend any retail client seek the advice of a suitably qualified adviser for personal financial advice before making any decision to make an investment decision in relation to the Fund. The product disclosure statement (PDS) for FAPF is dated 5 December 2019 and contains important information which you should read before any investment decision is made. The PDS for FALIF is dated 4 September 2017 and contains important information which you should read before any investment decision is made. The PDS for FAPF and FALIF has been issued by the responsible entity, Responsible Entity Partners Ltd ABN 11 119 757 596 AFSL 304542, and is available at www.freeholdim.com.au or by contacting the investment manager by phone on 02 9228 1400 or emailing enquiries@freeholdim.com.au. Responsible Entity Partners Ltd has not prepared this report and does not assume any liability nor provide any warranties, representations or assurances on the accuracy, reliability or completeness of the information in this report.

To the maximum extent permitted by law, Freehold and Responsible Entity Partners Ltd, and their affiliates and related bodies corporate, and their respective officers, directors, employees and agents disclaim any liability (including, without limitation, any liability arising from fault or negligence) for any loss arising from any use of this report (or its content) or otherwise arising in connection with it.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this report. Where this report contains past performance information you should be aware that past performance is not a reliable indicator of future performance.

Freehold's forward-looking statements, intentions, forecasts, prospects, returns, expectations or other statements in relation to future matters contained in this report may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. They are based on a number of estimates, assumptions that are subject to business, scientific, economic and competitive uncertainties and contingencies, with respect to future business decisions, which are subject to change and, in many cases, are outside the control of Freehold and the directors. Freehold, nor the directors give any assurance that the forecast performance in the forecasts or any forward-looking statement contained in this presentation will be achieved.

