LOOMIS | SAYLES

FACT SHEET

SEP 30 2023

Global Equity Fund

THIS FACT SHEET IS FOR THE UNLISTED AND QUOTED CLASS OF UNITS IN THE LOOMIS SAYLES GLOBAL EQUITY FUND ('FUND')

- Loomis Sayles Global Equity Fund is the unlisted class of units
- Loomis Sayles Global Equity Fund (Quoted Managed Fund) is the quoted class of units

MARKET CONDITIONS

After a relatively strong start, global equity markets retreated in the last few weeks of the third quarter, leading to losses for the period. The shift in sentiment seemed to be largely driven by the realization that interest rates would remain higher for longer; the Federal Reserve indicated they would cut rates more slowly in 2024 and 2025 than many had anticipated. A looming US government shutdown also weighed on markets. The pain was widespread with the majority of sectors registering declines. Energy was a bright spot with double digit returns; oil prices climbed to nearly $100 a barrel as key producers cut their output and US stockpiles declined.

PORTFOLIO PERFORMANCE

The Loomis Sayles Global Equity Fund declined -0.2%, in AUD terms, slightly outperforming the MSCI All Country World Index (Net) which declined -0.4%. The Consumer Staples and Communication Services sectors were the largest contributors on a relative basis, as well as not having exposure to the Utilities sector. The Energy Sector was the largest detractor from relative returns, followed by the Health Care and Information Technology sectors.

FUND FACTS

Invt Style	Agnostic
Assets	$149.9 M
Investment Horizon	4-5 years
Distributions	Generally annually
Mgt fee*	0.99%
Performance fee	N/A

GLOBAL EQUITY FUND

APIR	IML0341AU
Inception date	1-Nov-18
Application	1.6943
Redemption	1.6893

QUOTED MANAGED FUND

APIR	IML3289AU
ASX ticker	LSGE
Inception date	1-Oct-21
NAV	2.5252

**Inclusive of the net effect of GST*

PERFORMANCE AS OF SEP 30, 2023

BENCHMARK MSCI AC World Index

TOTAL RETURN**	1-MTH	3-MTHS	6-MTHS	1-YR	2-YR^	3-YR^	SINCE INCEPTION^*
GLOBAL EQUITY FUND	-4.5%	-0.2%	8.2%	25.1%	0.7%	7.7%	11.5%
QUOTED MANAGED FUND	-4.5%	-0.2%	8.3%	25.3%	1.0%	-	-
BENCHMARK***	-3.8%	-0.4%	6.4%	20.3%	3.6%	10.7%	10.5%

^% Performance per annum.
Since inception returns calculated from November 1, 2018 (Global Equity Fund); October 1, 2021 (Quoted Managed Fund). Fund returns are calculated using the net asset value per unit at the start and end of the relevant period in AUD, net of management fees, and assuming all distributions are re-invested. Investors should be aware that past performance is not a reliable indicator of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments.*
****The benchmark for this Fund is the MSCI All Country World Index NR (MSCI AC World)*

Past performance is no guarantee of future results.
Global Equity Fund performance is the performance of the unlisted class of units and may be a useful reference point for the newer quoted class of units in the Fund. However, you should be aware that the quoted class of units in the Fund has limited performance history. The past performance for the unlisted class of units in the Global Equity Fund is NOT the past performance of the Quoted Managed Fund.
There is no guarantee that the investment objective will be realized or that the Fund will generate positive or excess return.

Lonsec | Zenith RECOMMENDED | Superior SQM research

Ratings issued by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (assigned February 2022); Zenith Investment Partners AFSL 226872 (assigned November 2021); SQM Research Pty Ltd ABN 93 122 592 036.

LEADERS

The three largest contributors to performance were **Alphabet**, **Zions Bank** and **Airbnb**.

Alphabet, via its Google property, dominates the global search market, with over 90% market share across geographies (outside of China and Russia). The company amasses consumer data from Google search and its other properties - YouTube, GooglePlay, Chrome, and Maps – which in our view increases its value proposition to advertisers. We believe Alphabet is well positioned to benefit from growth in digital advertising with few other companies offering the ability to reach desired audiences. Alphabet continues to grow its market share in the cloud business as well as gain traction in devices, where its efforts appear promising. We expect intrinsic value growth to be primarily driven by revenue growth (in its core search business as well as ancillary businesses such as cloud services) and return of capital to shareholders, including buy backs. Shares of Alphabet outperformed on the back of better-than-expected second quarter results, driven by continued strength in its core Search business. Earlier in the year, the stock had lagged as investors were concerned that Alphabet was behind its competitors in generative AI. We are encouraged by early signs of a growth inflection at YouTube, as demand for brand advertising helped to drive a rebound in YouTube ad revenue and subscriptions revenue remains robust.

Zions Bank is a high-quality regional bank with a client base comprised of small to mid-size businesses (SME's) in the western US. It has a strong franchise in its home base of Utah, where it has had leading market share, and in higher growth southern and western states. Shares of Zions recovered over the period on signs that the US regional banks turmoil has been receding. Zions also announced second quarter results which showed stable credit quality and some signs that the downward pressure on net interest margins has been easing.

Airbnb is an online marketplace for short-term stays and vacation rentals. Over the last decade, Airbnb has disrupted the lodging industry by creating a medium where home owners can offer their properties for rent, introducing significantly more choice for consumers. Our investment thesis on Airbnb is primarily driven by its leadership position within this large addressable market. We believe Airbnb's capital-light platform, where it collects commissions for each rental, benefits from a powerful network effect. Typically the more property owners who list their properties the more renters it attracts and vice versa. In our view, Airbnb's platform offers a superior consumer experience for both the host and the guest; hosts can access guest profiles, provide feedback on guests, while guests can also provide reviews and ratings on hosts. We believe this experience has created a brand synonymous with seamless private rentals, which is evidenced by the high percentage of direct traffic to Airbnb. We expect intrinsic value growth to be largely driven by revenue growth and margin expansion. The company appears to have a number of opportunities to grow its top line through increasing its share, offering its users ancillary travel services as well as enter new verticals, such as the hotel market. We expect margins to grow if the company is able to increasingly leverage its technology and other operational costs. Shares of Airbnb were buoyed by solid second quarter earnings, reported in August. The company cited strong travel demand, growth in supply, and improvements in product innovation including streamlining the listing process and tools to aid with pricing.

LAGGARDS

The three most significant detractors from returns were **ASML**, **LVMH Moet Hennessy Louis Vuitton** and **Mettler-Toledo**.

ASML is a leader in photolithography, the process in which a light source is used to etch a pattern on a silicon wafer. The company is distinctly positioned in EUV, the next generation technology, which is needed for chipmakers to continue to make chips smaller while maintaining their power (i.e., Moore's law). The barriers to entry are high given the required technical expertise (e.g., EUV was in development for ten years) and associated R&D spending. AMSL partners with its customer, aligning its product roadmap with theirs; which we believe has led to a symbiotic relationship. ASML is moving toward a value-based service model, which should be more profitable; the company will be paid per wafer output of the machines. The company has a set level of output that if it is below that amount they will be obligated to fix it at no additional cost to the customer. Assuming their machines are delivering as promised, we believe the company could enjoy a solid revenue stream based on chip output. Currently, the services business account for about a quarter of revenues. We believe the company has smart capital allocation policies, selectively doing bolt-on acquisitions (such as Bernliner Glas) while currently offering investors a growing dividend and using excess cash to buy back shares. We believe the company has a solid balance sheet and is in a net cash position. We expect intrinsic value growth to be primarily driven by revenues and margin expansion, as the company seeks to improve its efficiencies across its EUV and DUV production lines and ramps its next product, high-NA. Shares retreated in the quarter after a period of positive performance.

LAGGARDS (continued)

LVMH is a global producer and distributor of luxury goods. Its products span fashion and leather goods; jewelry; wines and spirits; perfumes and cosmetics; as well as retail brands such as Sephora and DFS, the airport duty-free retailer. In our view, the company has successfully diversified away from its core Louis Vuitton brand and has amassed a portfolio of brands which are synonymous with luxury: Christian Dior, Bulgari, Fendi, Givenchy, Tag Heuer, Hennessy, Moet & Chandon, and Tiffany & Co. The diversification has also helped to create synergies leading to greater profitability. LVMH preserves its brands by increasingly controlling its distribution and significant marketing investments. We believe LVMH is well positioned to increase its market share by both expanding existing brands as well as potentially acquiring new brands. The company also has robust ESG practices; we believe LVMH's vertically integrated structure facilitates stronger controls on material sourcing, which helps mitigate regulatory and reputational risks. We expect intrinsic value growth to be driven largely by revenue growth and margin expansion, specifically from a growing percentage of higher margin fashion and leather goods, an increasing scale advantage, operating leverage, and LVMH's ability to improve margins within its smaller brands. Shares of LVMH underperformed during the period; while the company reported positive second quarter earnings in late July, results were only slightly better than expectations.

Shares of **Mettler-Toledo**, maker of weights, pipettes and other essential laboratory tools, underperformed as market participants weighed potential macroeconomic impacts to the company's growth trajectory. We believe some caution is warranted, particularly in life sciences end markets. However, we believe the breadth and depth of Mettler's offerings as well as the company's culture of continuous improvement enable the company to quickly pivot to higher-growth areas in time of change. Longer-term, we maintain that Mettler-Toledo is one of the better executing companies in the life sciences tools industry if not the healthcare space broadly, as evidenced by consistent expansion of both gross and operating margins. At current valuation levels, we believe the risk/reward profile remains attractive.

PHILOSPHY & OUTLOOK

Our investment philosophy is predicated on the belief that investing in companies with multiple alpha drivers, where the risks can be quantified, can help deliver outperformance. We follow a disciplined and repeatable process, seeking to invest only in opportunities that meet our three alpha drivers: quality, intrinsic value growth and attractive valuation. This bottom-up approach results in a concentrated portfolio of businesses where we fully understand and have quantified the risks associated with each investment. Our scenario analysis, under which we determine a range of business values, is an integral part of this process. Through this framework, we determine the relative attractiveness of our investments to assist in constructing an optimal portfolio.

We anticipate market volatility as we move into the final quarter of the year. While the US government narrowly avoided a shutdown back in June, it was a short-term reprieve with funding only through mid-November. While we believe interest rates are near their peaks, cuts are unlikely; the Fed has indicated rates will be higher for longer as inflation remains above its two percent target. The surge in energy prices could lend further support to a sustained higher rate environment; key producers have cut supply through the end of the year.

The above creates an increasingly challenging macro environment for companies, in our view. Corporate fundamentals, while starting from a strong position, have already shown some deterioration. We anticipate global corporate profits (measured by the MSCI ACWI Index) will likely slip further in the fourth quarter; however, in aggregate, we expect a shallow decline in corporate profits and layoff announcements relative to recent cycles. We believe consumer confidence remains supportive of earnings.

In this uncertain backdrop, our focus remains on investing in quality companies we believe have the ability to manage the current environment and help generate value over the longer-term. We believe periods of volatility can provide us with potential opportunities to build positions in quality companies at what we consider attractive valuations.

GLOBAL EQUITY FUND

Portfolio data as of September 30, 2023

SECTOR ALLOCATION (%)

	Fund	Index
Information Technology	25.8	21.6
Consumer Discretionary	18.8	11.2
Financials	17.5	15.8
Health Care	11.8	11.9
Industrials	11.6	10.4
Communication Services	4.8	7.6
Materials	4.1	4.5
Consumer Staples	3.1	7.1
Energy	1.7	5.2
Real Estate	--	2.3
Utilities	--	2.6
Cash	1.0	--

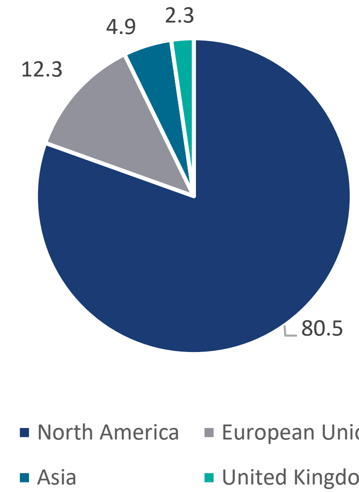
TOP 10 HOLDINGS (%)

	Fund
Alphabet	4.8
Amazon.com	4.8
Mastercard	4.2
S&P Global	4.2
Linde	4.1
UnitedHealth Group	3.9
Accenture	3.9
Airbnb	3.8
ASML	3.6
Atlas Copco	3.5
Total	**41.0**

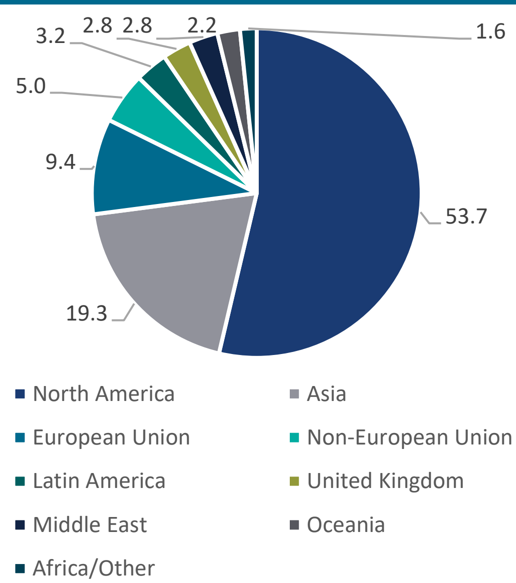
PORTFOLIO CHANGES*

New holdings	O'Reilly Automotive London Stock Exchange
Sold holdings	Dassault Systemes Estee Lauder

REGIONAL ALLOCATION BY DOMICILE (%)



REGIONAL ALLOCATION BY REVENUE (%)



ABOUT LOOMIS, SAYLES & COMPANY

Boston-based Loomis Sayles has been managing money for investors since 1926. The firm currently manages US $310 billion, as of 30 June 2023, on behalf of clients worldwide. With extensive resources across the US, Europe and Asia, Loomis Sayles is well positioned to manage global equities and deliver attractive risk-adjusted returns for clients.

PLATFORMS

AMP	Hub24
Asgard	Netwealth
BT Wrap	Powerwrap
BT Panorama	MLC Wrap
CFS	MLC Navigator
Dash	Macquarie Wrap

** There is a 30 day lag on portfolio changes*