

Fund Update as at 31 July 2020
CC Marsico Global Fund (APIR: CHN0002AU)

Fund Benefits

Exclusive Australian Access:

Access to a proven global fund manager not otherwise available to Australian investors.

Experienced Investment Team:

Over 18 years managing global growth equity portfolios.

Differentiated, Diversified Global Investment Opportunities:

Marsico evaluates companies in industries around the world to uncover quality investments.

Time-Honoured Philosophy & Process:

Renowned for fundamental, intensive, hands-on research, Marsico combine “top-down” macroeconomic analysis with “bottom-up” security selection.

Fund Facts

Investment Manager	Marsico Capital Management, LLC. ("Marsico")
Portfolio Managers	Tom Marsico, Brandon Geisler & Robert Susman
Structure	Global Equity Fund, unhedged in Australian Dollars
Inception Date [^]	23 February 2016
Benchmark	MSCI All Country World Index, Net in AUD
Management Fee [#]	Base Fee of 1.25% p.a.
Performance Fee [#]	Performance Fee of 10% p.a. outperformance of the Benchmark (net of the Base Fee)
Buy / Sell Spread	0.10% / 0.10%
Distributions	Semi-annual
Fund Size ⁺	AUD \$33 million

Performance (Australian Dollars)

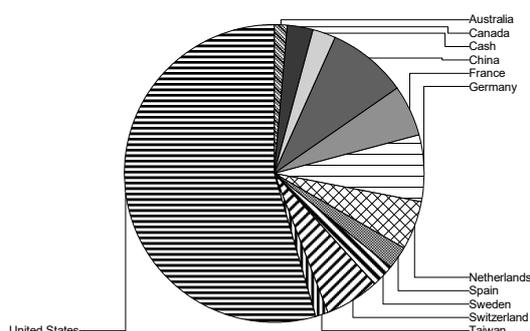
Returns	Fund*	Benchmark**	Active
1 Month	3.27%	1.08%	2.19%
3 Months	14.38%	3.51%	10.87%
FYTD	3.27%	1.08%	2.19%
1 Year	24.79%	3.03%	21.76%
2 Years p.a.	18.26%	6.96%	11.30%
3 Years p.a.	22.57%	10.88%	11.69%
Inception p.a.	19.68%	11.77%	7.92%

Top 5 Holdings

Stock Name	Sector
Amazon.com Inc	Consumer Discretionary
Microsoft Corporation	Information Technology
Alibaba Group Holding Limited	Consumer Discretionary
Facebook Inc	Communication Services
NVIDIA Corporation	Information Technology

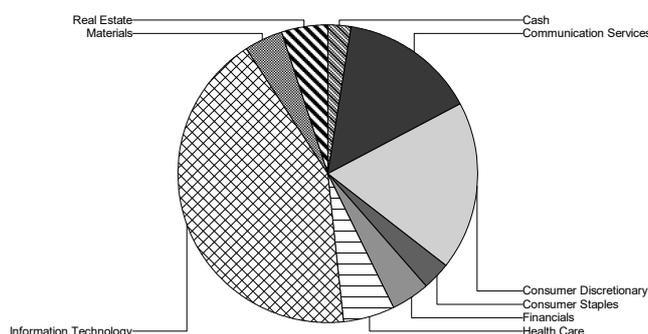
Source: Marsico Capital Management, LLC.

Country Allocation



Source: Marsico Capital Management, LLC.

Sector Allocation



Source: Marsico Capital Management, LLC.

Platform Availability

HUB24

PowerWrap

Further Information

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All figures disclosed include the net effect of GST and RITC. ^ Inception Date for performance calculation purposes. + Fund size refers to the CC Marsico Global Fund ARSN 610 434 896, which is comprised of both Class A and Class B Units. * Performance is for the CC Marsico Global Fund (APIR: CHN0002AU), also referred to as Class B units, and is based on month end unit prices before tax in Australian Dollars. Net performance is calculated after management fees and operating costs. Individual investor level taxes are not taken into account when calculating returns. This is historical performance data. It should be noted the value of an investment can rise and fall and past performance is not indicative of future performance. ** Benchmark refers to the MSCI All Country World Index Net AUD. All data is the property of MSCI. No use or distribution is permitted without written consent. Data provided “as is” without any warranties. MSCI assumes no liability for or in connection with the data.

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Market Review

Riding June's momentum, domestic stock markets gained in July with the technology-focused NASDAQ Composite Index reaching another all-time high. For the month, the S&P 500 Index rose +1.42% and the NASDAQ Composite rose +2.59%. Overseas, the MSCI Euro Index declined -0.44% and the MSCI China Index rose +5.07%. In terms of market capitalization, growth equities outperformed their value counterparts in July, as the MSCI ACWI Growth Index and the MSCI ACWI Value Index posted returns of +3.11% and -1.10%, respectively.

Increased investor optimism was spurred by the European Union's passage of an \$860 billion recovery fund, increased hopes of an additional phase of U.S. stimulus, and positive progress toward the development of a COVID-19 vaccine. It was announced that the U.S. government is prepared to pay Pfizer \$2 billion to produce and deliver up to 600 million doses of its vaccine if it proves safe and effective in a phase three trial. On the other hand, consistently elevated new jobless claims (north of 1 million per week), new U.S./China friction resulting in the closing of a Chinese and an American consulate, and the continued rise in worldwide COVID-19 cases also made headlines and kept investor sentiment somewhat in check for the month.

On the economic front, the U.S. economy saw the biggest quarterly plunge in activity in history, although the drop wasn't as bad as widely feared. Gross domestic product dropped -9.5% on a quarterly basis or -32.9% on an annualized basis compared to economists' expectations of a -34.7% annualized decrease. Meanwhile, comments by Federal Reserve Chairman Jerome Powell reaffirmed the Fed's commitment to maintain accommodative monetary policy to support maximum employment and price stability. Chairman Powell also indicated that the U.S. economy faces a long road to recovery and that the virus will determine the path of that recovery, and emphasized the importance of fiscal policy to support the economy. As a result of economic concerns, the U.S. dollar weakened for the month and the yield on the U.S. 10-year Treasury note remained historically low, ending the month at 0.53%. In addition, investors piled into gold, pushing the price per ounce to an all-time high trading above \$2,000.

In this environment, Marsico's selection of stocks for the Fund continued to perform well and significantly outpaced the benchmark return again in July as several portfolio holdings reported strong second-quarter earnings at the end of the month. Apple Inc., Twilio, Inc. and Amazon.com, Inc. rose double-digits as investors cheered the strength of their operations during the COVID-19 pandemic with the companies reporting better than expected quarterly sales and profit. Long-term Fund holding Apple's results were particularly strong, pushing the company's share price up +10% in a single day and raising the company's market capitalization to over \$1.8 trillion. In addition, Chinese e-commerce conglomerate Alibaba Group Holding Ltd. rose during July and played some long-deserved catch-up in relation to its peers. This strength was driven by general macro trends and excitement about the profitability potential at Alicloud (their version of Amazon Web Services). Also, on the macro front, the general recovery in China seems to be on track, without the concern of the government overstimulating.

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Market Outlook

After another month of strong performance, there are no discernible changes to Marsico's outlook. As with June, growth assets continued their stretch of outperformance during the month of July. As mentioned last month, Marsico continue to spend time focusing on high-quality, large-capitalization growth assets which are the focus of the Fund. During and prior to the COVID-19 pandemic and throughout MCM's history, Marsico have chosen to focus on companies with quality balance sheets and low leverage that possess innovative technologies and are leaders in their respective industries. During the pandemic, these companies have continued to thrive as shifting consumer behaviors support their various business lines (e.g., e-commerce, cloud computing, mobile business, etc.).

There were no major changes made to the Fund during the month of July, as Marsico like how the Fund is positioned given the current market environment. However looking forward, positions in the Fund across various scenarios continue to be stress-tested, and Marsico remain cognizant of how exogenous factors can effect performance and valuation of individual stocks. As evidenced by the rapidly changing political and macroeconomic backdrop, Marsico continue to focus the research process and portfolio allocation on positions they believe can grow earnings and cash flow in various economic environments. Marsico also maintain a belief in generally skewing the Fund toward companies that benefit from secular tailwinds around demographics and digital transformation.

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