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Dear Investor

Macquarie Professional Series Global Alternatives Fund ARSN 617 266 127 (Fund) – Changes to the Fund

As notified recently, the IPM Global Macro Fund, one of the underlying funds in which the Fund invested, was terminated on 23 April 2021. Since then, we have held the Fund's strategic allocation to the IPM Global Macro Fund, amounting to 30% of the Fund's net assets, in cash pending investment in a replacement underlying fund.

We are now pleased to announce that, following the completion of due diligence, we have selected the Wells Fargo (Lux) Worldwide Fund - Global Long/Short Equity Fund (**Replacement Underlying Fund**) as the replacement underlying fund. From 1 June 2021 (**Effective Date**), the strategic allocation of the Fund will be as follows:

Underlying fund	Strategic allocation (% of Fund)
P/E Global FX Alpha Fund	35
Wells Fargo (Lux) Worldwide Fund - Global Long/Short Equity Fund	30
Winton Global Alpha Fund	35

We may change the Fund's strategic allocation to the Underlying Funds without notice to investors. The Fund's actual allocation to the Underlying Fund is likely to differ from its strategic allocation to the Underlying Funds at any time as we generally only rebalance the Fund's holdings when actual allocations move outside specified tolerance thresholds.

Why is the Wells Fargo (Lux) Worldwide Fund – Global Long/Short Equity Fund being included in the Fund?

The Replacement Underlying Fund is a sub-fund of Wells Fargo (Lux) Worldwide Fund, a Luxembourg investment company regulated as a UCITS under European Union law. It is sub-advised by Wells Capital Management Incorporated, which is part of Wells Fargo Asset Management (**Wells**). As of 31 December 2020, Wells had US\$603 billion in assets under management across a broad range of investment products covering equities, fixed income, money market, asset allocation and multi-asset solutions.

The Replacement Underlying Fund, which has been managed by the same investment team since 2009, aims to provide its investors with long-term capital appreciation while preserving capital in down equity markets by gaining long and short exposures to global equity securities. Macquarie Professional Series previously worked with the investment team of the Replacement Underlying Fund, between 2012 and 2018 in relation to the Analytic Global Managed Volatility Fund, and is familiar with their investment philosophy and investment process, and with how the Global Long/Short Equity strategy employed by the Replacement Underlying Fund is likely to perform in different market conditions.

Macquarie Investment Management Australia Limited is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Cwth), and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Investment Management Australia Limited.

We believe that the Replacement Underlying Fund's strategy is complementary to the other underlying funds in which the Fund is invested, and that it will enhance the Fund's potential to produce attractive risk-adjusted returns from a diversified and well-balanced liquid alternatives portfolio, while seeking to maintain a low correlation to traditional asset classes, such as long-only equities and fixed income.

How will this impact the Fund?

Expanded investment universe

We will expand the investment universe of the Fund from the Effective Date to include select external funds outside of the Macquarie Investment Management suite of funds, and also absolute return funds, in order to allow the Fund to access a broader range of specialist liquid alternative funds.

Reduced management fee

As previously communicated, due to the termination of the IPM Global Macro Fund, we temporarily reduced the Fund's management fee from 26 April 2021 until the date that the Fund invested into a replacement underlying fund, from 1.38% per annum of the net asset value of the Fund to 0.97% per annum of the net asset value of the Fund.

We are pleased to inform you that the management fee will be 0.97% per annum of the net asset value of the Fund after the Fund has invested in the Replacement Underlying Fund.

Change to Fund's indirect costs

Unlike the Fund's existing underlying funds, the administrative costs of the Replacement Underlying Fund are deducted from its assets. These include custody and administrator fees, audit, accounting and tax fees and the fee paid to the management company for the Replacement Underlying Fund, which oversees the management of all of the sub-funds of the Replacement Underlying Fund by their respective adviser/sub-adviser. The Fund will indirectly bear its share of these costs through its holding in the Replacement Underlying Fund.

We expect any increase in the Fund's indirect costs resulting from it investing in the Replacement Underlying Fund to be low relative to the Fund's management fee. For example, based on the Replacement Underlying Fund's administrative costs for its last financial year ending 31 March 2021, the Fund's indirect costs would have increased by 0.05% per annum over that period had it been invested in the Replacement Underlying Fund.

No change to Fund liquidity profile

Adding the Replacement Underlying Fund to the Fund's portfolio will not impact the liquidity profile of the Fund.

More information

The changes to the Fund are contained in the Supplementary Product Disclosure Statement, dated 19 May 2021, which supplements and amends the Product Disclosure Statement for the Fund, dated 14 December 2020 (**PDS**). The supplemented PDS is available at macquarie.com.au/pds or by contacting us.

Please contact Macquarie Investment Management Client Service on 1800 814 523 (8.30am to 5.30pm Sydney time, Monday to Friday) or email mim.clientservice@macquarie.com if you have any questions about the changes or would like more information about the Fund.

Yours sincerely



Graham Maiden
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Macquarie Investment Management