

MCGG.ASX

MUNRO

Product Disclosure Statement

MCGG.ASX

Munro Concentrated Global Growth Fund (Managed Fund)
Ordinary Units | ARSN 654 019 940
21 January 2022

Issued by GSFM Responsible Entity Services Limited ABN 48 129 256 104 AFSL 321517

Contents

	Key features	04
1	About GSFM Responsible Entity Services and Munro Partners	10
2	About the Munro Concentrated Global Growth Fund (Managed Fund)	10
3	Benefits of investing in the Munro Concentrated Global Growth Fund (Managed Fund)	14
4	Risks of investing in the Munro Concentrated Global Growth Fund (Managed Fund)	15
5	Fees and other costs	17
6	Dealing with your investment	24
7	How managed investment schemes are taxed	26
8	Material contracts	27
9	Additional information	27
	Terms used in the PDS	29
	Corporate directory	30

Contact details

Responsible Entity

GSFM Responsible Entity Services Limited

Level 19, Governor Macquarie Tower

1 Farrer Place

Sydney NSW 2000

www.gsfm.com.au

Investment Manager

Munro Partners

Level 12

80 Collins Street (South Tower)

Melbourne VIC 3000

www.munropartners.com.au

Mailing Address

Mainstream Fund Services Pty Ltd – Unit Registry

GPO Box 4968

Sydney NSW 2001

Client Service

Email registry@mainstreamgroup.com

Phone 1300 133 451

This Product Disclosure Statement (**PDS**) dated 21 January 2022 is issued by GSFM Responsible Entity Services Limited ABN 48 129 256 104, AFSL 321517, (**GSFM Responsible Entity Services, GRES, the Responsible Entity, we, us or our**), the responsible entity for the Munro Concentrated Global Growth Fund (Managed Fund) ARSN 654 019 940 ABN 60 182 940 733 (**Fund**). It is important that you read this PDS carefully before deciding whether to invest. The application form accompanying this PDS, which contains important terms relating to the Fund, should also be read before deciding to invest. All rights and entitlements of a Unit relates to the rights, entitlements, obligations, liabilities and other amounts referable to the Fund. No other fund, trust or class of units is offered in this PDS.

In preparing this PDS, we have not taken into account the investment objectives, needs or financial position of any person. Before making an investment decision on the basis of this PDS, investors should consider whether investing in the Fund is suitable to their individual circumstances and seek advice from a qualified financial adviser.

Important information

The offer in this PDS is available only to persons receiving this PDS (electronically or otherwise) in Australia and New Zealand and does not constitute an offer or recommendation in any jurisdiction, or to any person to whom it would be unlawful to make such an offer.

The initial Units in the Fund will be issued to an applicant off-market. Following the issue of those initial Units, investors can buy Units on the AQUA market of the ASX through a stockbroker, trading platform or via a financial adviser. Such investors may use this PDS for informational purposes only.

A copy of this PDS has been lodged with the Australian Securities & Investments Commission (**ASIC**). As at the date of this PDS, the Units are yet to be quoted for trading on the ASX. An application has been made to the ASX for Units in the Fund issued pursuant to this PDS to be quoted for trading on the AQUA market of the ASX under the AQUA Rules. We will only accept applications to create Units once the exposure period for the PDS has expired. The exposure period expires 7 days after lodgement of the PDS with ASIC, subject to possible extension by ASIC for a further period of up to 7 days. Neither ASIC nor the ASX take any responsibility for the contents of this PDS.

No information or representation in connection with the Fund, which is not contained within this PDS, should be relied upon in making an investment decision about the Fund. No person is authorised to make representations in respect of the Fund which are not contained in this PDS.

GRES has appointed the general partnership, which trades as Munro Partners, as investment manager of the Munro Concentrated Global Growth Fund (ARSN 630 173 189) (**Underlying Fund**) (**Munro or Investment Manager**) and has entered into a services agreement under which Munro will provide certain services to the Fund. The partners of Munro have been appointed as an authorised representative of Munro Asset Management Limited ABN 28 163 522 254 AFSL 480509 (**Munro Asset Management**).

An investment in the Fund is subject to investment and other risks, including possible delays in payment and loss of income and capital invested. Investments in the Fund are not deposits with or other liabilities of the Responsible Entity or any of its related bodies corporate, affiliates, associates or officers. None of GRES, Munro, J.P. Morgan Chase Bank N.A. (Sydney Branch) (the **custodian**) nor their related bodies corporate, affiliates, associates or officers, guarantee any particular rate of return or the performance of the Fund, nor do they guarantee the repayment of capital from the Fund. For more details on the risks, please refer to **Section 4** of this PDS, 'Risks of investing in the Munro Concentrated Global Growth Fund (Managed Fund).'

No person other than the Responsible Entity has caused or authorised the issue of this PDS nor do any of them take any responsibility for the preparation of this PDS or the establishment or performance of the Fund. ASIC takes no responsibility for the contents of this PDS.

The information in this PDS is up-to-date at the time of preparation. However, some information may change from time to time. If a change is considered materially adverse, we will issue a supplementary PDS or a new PDS. Information in this PDS that is not materially adverse to investors can be updated by us. The updated information will be available on our website, www.gsfm.com.au. Please check our website, contact your financial adviser, or call 1300 133 451 for any updates prior to investing. A paper copy of any updates will be provided free of charge on request.

Photographs and images in this PDS do not represent assets of the Fund unless otherwise indicated.

A paper copy of this PDS (and any supplementary documents) can also be obtained free of charge on request by calling 1300 133 451.

Warning statement for New Zealand Investors

The following disclosure is made to enable us to offer the Fund's Units in New Zealand under the mutual recognition scheme between Australia and New Zealand.

Warning statement

1. This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
2. This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.
3. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
4. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
5. Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.
6. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
7. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

Currency exchange risk

1. The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
2. If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Dispute resolution process

The dispute resolution process described in this offer document is available only in Australia and is not available in New Zealand.



Key Features

Munro Concentrated Global Growth Fund (Managed Fund)		Where to find more information
ARSN	654 019 940	
ASX code	MCGG	
Units available under this PDS	Ordinary Class	
Responsible Entity	GSFM Responsible Entity Services Limited (GRES, Responsible Entity, we, our, us)	Section 1
Investment Manager	Munro Partners (Munro or Investment Manager) The Chief Investment Officer for the Fund is Nick Griffin. The investment team includes portfolio managers Jeremy Gibson, James Tsinidis and Kieran Moore.	Information on Munro and the Investment team can be found in Sections 1 & 8.
Type of investment	The Fund is a managed fund which is a registered managed investment scheme whose Units will trade on the AQUA market of the ASX. An application has been made to the ASX for Units in the Fund to be quoted for trading on the AQUA market of the ASX. This means investors have the opportunity to buy or sell a diversified portfolio of assets in a single transaction.	
Investment return objective	The Fund seeks to maximise long-term capital appreciation primarily through exposure to a concentrated long only portfolio of growth-oriented equities issued by companies located anywhere in the world (ex-Australia). The Fund aims to achieve a return greater than the MSCI World (Ex-Australia) Index (Net) in \$A (Benchmark) over a 5 to 7 year period. The Fund is not intended to replicate the Benchmark.	Section 2
Benchmark	MSCI World (Ex-Australia) Index (Net) in \$A	
Investor profile	This product is likely to be appropriate for an investor seeking a long term exposure to a concentrated portfolio of growth oriented global equities with the potential for capital gain, to be used as a core component or satellite within a portfolio where the consumer has a medium to long term investment timeframe, high risk/return profile and needs daily access to capital. The Fund has an investment horizon of five years plus and may be suitable for investors seeking capital growth via exposure to global shares and who are prepared to accept the risks of the Fund set out in Section 4.	
Minimum suggested time frame for holding investment	At least 5 years. Please note this is a guide only, not a recommendation.	
Base currency	The Fund is denominated in Australian dollars.	More information can be found in 'Currency Management' in Section 2.
About the Fund	The Fund will gain its exposure to international equity markets by investing in the Munro Concentrated Global Growth Fund (ARSN 630 173 189) (Underlying Fund) and cash and cash equivalents. In this PDS, where we refer to the Fund's investments we generally do so on a 'look-through' basis; that is, we are referring to the underlying assets that the Fund is exposed to through its investment in the Underlying Fund.	
Asset classes	Through its investment in the Underlying Fund, the Fund will be exposed to international equities of 90-100% and cash of 0-10%. As the Underlying Fund's investments can change at any time and are primarily listed international equities sourced on global markets, the geographical location of material assets of the Underlying Fund can be anywhere in the world, except Australia. The above asset classes are ranges for the Underlying Fund, in which the Fund will invest. If market movements, investments into or withdrawals from the Underlying Fund, or changes in the nature of an investment, cause the Underlying Fund to move outside these ranges, or a limit set out in this PDS, this will be addressed by GRES or Munro as soon as reasonably practicable.	More information on the asset classes the Fund and Underlying Fund invest in can be found in Section 2.

Investment strategy and how the Fund and Underlying Fund are managed	<p>The Fund will gain its investment exposure by investing in units in the Underlying Fund, the Munro Concentrated Global Growth Fund, and cash or cash equivalents.</p> <p>The Underlying Fund invests primarily in listed equities from around the world, except Australia. The investment strategy is designed to identify sustainable growth trends that are under-appreciated and mispriced by the market, and the resulting winning stocks.</p> <p>Munro utilises its proprietary investment process to generate a focused investment universe and filters these structural growth ideas into a concentrated portfolio of investments. This is achieved by leveraging top-down thematic views ('Areas of Interest' or 'Aol') and Munro's bottom-up stock library to generate high conviction investment ideas.</p> <p>Key investment ideas are further screened through a combination of clear and defined quantitative and qualitative tests to build a collection of high conviction, index, region and sector unaware investments.</p> <p>Positions are established in companies that Munro considers having unrecognised potential.</p> <p>Typically, the Underlying Fund has a concentrated portfolio ranging between 20 and 40 listed equities.</p>	<p>Further information regarding the 'Investment strategy and how the Fund is managed' can be found in Section 2.</p> <p>The risks associated with the Fund's investment strategy are set out in Section 4.</p> <p>The Fund's risk management strategy is set out in Section 2.</p>
Investment guidelines	<p>The portfolio of the Fund, through its investment in the Underlying Fund, will be constructed observing the following guidelines:</p> <p>Portfolio concentration: typically, the Fund will hold between 20-40 listed equities;</p> <p>Position sizing: maximum 10% of Net Asset Value at cost.</p> <p>The Fund may move out of these ranges from time to time, for example, due to market movements. The Fund will be brought back into these limits as soon as practicable.</p>	<p>Further information regarding portfolio construction can be found in Section 2.</p> <p>The risks associated with the Fund's investment strategy are set out in Section 4.</p> <p>The Fund's risk management strategy is set out in Section 2.</p>
Fund structure	<p>The Fund is a registered managed investment scheme whose Units will trade on the AQUA market of the ASX. The Fund will invest in Units in the Underlying Fund, which is an unlisted registered managed investment scheme. GRES is the responsible entity of both the Fund and the Underlying Fund.</p> <p>GRES has appointed a number of key service providers, including Munro, that are involved in the ongoing operation and administration of the Fund.</p>	<p>The risks associated with the Fund's structure are set out in Section 4.</p> <p>Further information regarding the key service providers is set out in Section 2.</p>
Valuation and custody of assets	<p>The Fund's assets are valued each business day by the administrator who will act as the administrator for both the Fund and the Underlying Fund.</p> <p>Assets and liabilities of the Fund are generally valued at their market value in accordance with the Constitution.</p> <p>The Fund, via its investment in the Underlying Fund, invests primarily in listed international equities. The assets of the Underlying Fund will be denominated in a variety of foreign currencies.</p>	<p>Further information regarding the Fund's valuation policy is set out in Section 6.</p> <p>The target asset allocation ranges for the Fund are provided in Section 2.</p> <p>Further information regarding the custodian is set out in Section 2.</p>
Entering and exiting the Fund	<p>Once quoted (and subject to market conditions), investors can enter and exit the Fund by buying and selling Units on the AQUA market on the ASX at the prevailing market prices for the Units.</p> <p>Investors may also be able to make an off-market withdrawal request to withdraw their investment from the Fund where trading in the Units has been suspended for more than five consecutive ASX Trading Days, subject to the provisions of the Fund's Constitution.</p> <p>There may be circumstances where applications into or withdrawals from both the Fund and/or the Underlying Fund are suspended. This may occur, for example, because of financial market disruptions or closures, or where we reasonably consider it to be in the interests of investors. If this occurs, in determining the value of an asset, we will use the asset values determined after the suspension is lifted. We will generally honour all withdrawal requests from Unit holders in the Fund and/or the Underlying Fund (including that of the Fund, subject to the Fund and/or the Underlying being liquid (as relevant). If either the Fund and/or the Underlying Fund becomes illiquid (as defined in the Corporations Act), Units may only be withdrawn if we make a withdrawal offer to all Unit holders in accordance with the Constitution and/or the Underlying Fund's Constitution and the Corporations Act.</p>	<p>Further information about buying and selling units, off market withdrawals, suspension of redemptions and what happens if the Fund/ Underlying Fund become illiquid are provided in Section 6.</p>

	<p>The Responsible Entity, on behalf of the Fund acts as the market maker for the Fund providing liquidity to market participants. At the end of each Business Day, Units are created or cancelled by the Responsible Entity depending on the net quantity traded for that particular day on the ASX.</p>	Section 6
Market Making	<p>The Responsible Entity has appointed Macquarie Securities (Australia) Limited (Macquarie) as agent to execute its market making activities as a trading participant under the ASX Operating Rules.</p> <p>The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on the Fund's behalf, which may result in either a cost or benefit to the Fund.</p> <p>The liquidity provided by the market maker will ultimately be constrained by day-to-day events including but not limited to, the continuing ability of the market maker to create and redeem Units.</p>	The risks associated with market making are set out in Section 4.
Market liquidity	<p>Investors can buy and sell Units from/to other investors in the secondary market in the same way as other listed ASX securities. Macquarie, in its capacity as market making agent of the Fund, provides liquidity to investors by acting as a buyer and seller of Units.</p> <p>The Fund may not always be able to make a market in times of uncertainty about values, due to its duty to act in the best interests of members.</p>	The risks associated with ASX liquidity are set out in Section 4.
Net Asset Value and iNAV	<p>The NAV of the Fund is calculated on each Business Day in accordance with the Constitution. The NAV will incorporate the value of the assets of the Fund, less any liabilities of the Fund. The NAV per Unit is calculated by dividing the NAV of the Fund by the number of Units on issue in the Fund.</p> <p>An indicative NAV per Unit (iNAV) will be calculated and published by a pricing agent on behalf of the Fund throughout the ASX Trading Day. The iNAV will be updated for foreign exchange movements in the Fund's portfolio stocks by individual stock domicile and be updated in respect of non-ASX stocks that have live market prices during the ASX Trading Day. Portfolio stocks that are not traded during the ASX Trading Day will be valued using their last traded price and adjusted by any changes in their corresponding exchange's futures index in accordance with the iNAV provider's fair valuation methodology.</p>	Section 6
Liquidity	At the date of this PDS, we reasonably expect that at least 80% of the Fund's assets are capable of being realised, at the value ascribed to those assets when calculating the Fund's most recent Net Asset Value, within 10 days.	Section 2
Risk level of the Fund	<p>High</p> <p>Compared to an investment in funds that have invested in assets such as fixed interest or cash there is a relatively high risk of the value of your investment going down in any year.</p>	The key risks are set out in Section 4.
Risk management in the Fund and the Underlying Fund	<p>Munro Partners employs strict stop losses on all equity positions. Munro employs two key stop losses:</p> <ul style="list-style-type: none"> - A stock fall of more than 20% from peak - A stock fall of more than 20% from cost <p>In the event a stock triggers on the stop loss framework, it is reviewed on a weekly basis at a partnership level. The position must be successfully defended or is removed from the portfolio.</p> <p>The Portfolio management system is used to provide real time reporting and pre/post trade compliance.</p> <p>Munro monitors portfolio correlations, sector risks, style exposure and aggregate valuation metrics.</p>	<p>The key risks of the Fund are set out in Section 4.</p> <p>Further information about the risk management of the Fund is set out in Section 2.</p>
Custodian	J.P. Morgan Chase Bank N.A. (Sydney Branch) (J.P. Morgan) provides custody services for the Fund and the Underlying Fund.	
Administration and Unit Registry	<p>J.P. Morgan provides administration services for the Fund and the Underlying Fund.</p> <p>Mainstream Fund Services Pty Ltd (Mainstream Fund Services) provides unit registry services for the Fund and the Underlying Fund.</p>	Section 2
Fund performance	Please see www.gsfm.com.au for information about the Fund's performance, including performance history. Due to the historical nature of performance information and the volatility of returns, past returns are not a reliable indicator of future returns.	
Cooling off and Complaints	<p>Cooling off rights do not apply to Units traded on the ASX under the AQUA Rules.</p> <p>We have complaints handling procedures in place.</p>	Section 9
Transaction confirmations	Investors buying or selling Units in the Fund on the ASX will receive transaction confirmations from their stockbroker or trading platform.	

Changes to Fund details	<p>We have the right to close or terminate the Fund and change the Fund's investment return objective, investment strategy, benchmark, asset classes and asset allocation ranges and limits, without prior notice in some cases.</p> <p>We will inform investors of any material change to the Fund's details in their next regular communication or as otherwise required by law, which in some circumstances, may require prior notice to investors or the issue of a supplementary PDS or new PDS. Information in this PDS that is not materially adverse to investors may be updated by us and will be available on our website, www.gsfm.com.au. A paper copy of any updates will be provided free of charge on request.</p>	
Continuous disclosure	The Fund has certain regular reporting and continuous disclosure obligations pursuant to the Corporations Act. All continuous disclosure notices are available at www.gsfm.com.au .	Section 9
Product features		
Management fee ¹²	0.70% p.a. of the Net Asset Value of the Units of the Fund.	Further information on the Management Fee is provided in Section 5.
Performance fee ¹²	<p>A Performance Fee of 10.00% of the excess return per Unit, over each Calculation Period (the six months to 31 March and 30 September each year), multiplied by the number of Units on issue at the end of the Calculation Period less the Equalisation Reserve plus any Crystallised Performance Fee. The Accrued Performance Fee is also subject to exceeding a High Watermark and to a Performance Fee Limit. The Performance Fee is calculated daily and paid half yearly.</p> <p>The Responsible Entity and Investment Manager will waive any performance fee that is attributable to profits from market making activities.</p>	Further information on the Performance Fee is provided in Section 5.
Distribution	<p>Generally, annually. However, there may be periods when no distributions are made.</p> <p>Information in relation to distributions will be disclosed to the ASX via the ASX Market Announcements Platform.</p> <p>GRES may establish a Distribution Reinvestment Policy (DRP). You can find more information about the DRP in Section 6.</p>	Section 6
Website	<p>The following information can be obtained from our website at www.gsfm.com.au</p> <ul style="list-style-type: none"> the Fund's monthly NAV; the Fund's daily NAV per Unit; the Fund's iNAV; the underlying investments held by the Fund; copies of announcements made to the ASX via the ASX Market Announcements Platform (including continuous disclosure notices and distribution information); the latest PDS; copies of Annual Reports and financial statements; and the target market determination for the Fund. 	
Reporting		
Monthly and Quarterly Fund Updates	Monthly and Quarterly Fund Updates are available on the website www.gsfm.com.au	Section 9
CHESS Holding Statements	When investors purchase Units on the ASX they will receive a holding statement from the unit registrar which sets out the number of Units they hold. The holding statement will specify the "Holder Identification Number" allocated by CHESS or the "Security Holder Reference Number".	Section 9
Unit pricing	<p>The Fund's NAV and NAV per Unit will be calculated each Business Day and posted on the website www.gsfm.com.au.</p> <p>Unit prices for the Underlying Fund are calculated each Business Day and posted on the website www.gsfm.com.au.</p>	Section 6
Annual fund reporting	<p>Annual financial report for the Fund³</p> <p>Annual Investment Statement</p>	Section 9
Annual tax reporting	Attribution Managed Investment Trust (AMIT) Member Annual Statement (AMMA Statement)	Section 7

1. Please refer to Section 5 'Fees and other costs' of this PDS for complete details on fees and charges and how they are calculated.
2. All fees are inclusive of GST, less any applicable input tax credits and reduced input tax credits.
3. Available at www.gsfm.com.au. A paper copy will be provided free of charge on request.

AQUA Rules

An application has been made to the ASX for the Units in the Fund to be quoted for trading on the AQUA market of the ASX under the AQUA Rules. The AQUA Rules form part of ASX Operating Rules. The Fund will not be listed on the ASX under the ASX Listing Rules.

The AQUA Rules have been designed to offer greater flexibility and are specifically designed for managed funds, ETFs and structured products.

In operational terms, the market for products quoted under the AQUA Rules operates in the same way that it does for listed equities, with continuous matching of bids and offers and an opening and closing auction.

As most investors are more familiar with the ASX Listing Rules, it is important to note the main differences between the AQUA Rules and the ASX Listing Rules which are set out below:

ASX Listing Rules

ASX AQUA Rules

Control

An issuer:

- controls the value of its own securities and the business it runs,
- the value of those securities is directly influenced by the equity issuer's performance and conduct.

E.g. the management and board generally control the fate of the business and, therefore, have direct influence over the share price.

An issuer:

- does not control the value of the assets underlying its products, but
- offers products that give investors exposure to the underlying assets – such as shares, indices, currencies or commodities.

The value (price) of products quoted under the AQUA Rules is dependent upon the performance of the underlying assets rather than the financial performance of the issuer itself.

E.g. managed fund issuer does not control the value of the shares it invests in.

Continuous Disclosure

Products under the ASX Listing Rules are subject to the continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act.

Issuers of products quoted under the AQUA Rules are not subject to the continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act but must disclose information about:

- the net tangible assets (NTA) or the NAV of the funds;
- dividends, distributions and other disbursements;
- net monthly redemptions; and
- any other information that is required to be disclosed to ASIC under section 675 of the Corporations Act must be disclosed to ASX via the ASX Company Announcement Platform at the same time it is disclosed to ASIC.

The AQUA Rules require an issuer of a product quoted under the AQUA Rules to provide the ASX with information the non-disclosure of which may lead to the establishment of a false market in its products or would materially affect the price of its products.

Periodic Disclosure

Issuers must disclose their half yearly and annual financial information or their annual report to the ASX under Chapter 4 of the ASX Listing Rules.

Issuers of products quoted under the AQUA Rules are not required to disclose half yearly and annual financial information or annual report to the ASX. However, the Responsible Entity is required to lodge with ASIC and disclose to the ASX the Fund's financial reports (as required under Chapter 2M of the Corporations Act).

Corporate Control

Requirements in the Corporations Act and the ASX Listing Rules in relation to matters such as takeover bids, share buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings apply to companies and schemes.

Certain requirements in the Corporations Act and the ASX Listing Rules in relation to matters such as takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings that apply to companies and listed schemes do not apply to products quoted under the AQUA Rules.

An issuer of products quoted under the AQUA Rules are subject to a general requirement to provide the ASX with any information concerning itself that may lead to the establishment of a false market or materially affect the price of its products.

Section 601FM of the Corporations Act continues to apply in relation to the removal of a responsible entity of a registered managed investment scheme by an extraordinary resolution of members.

ASX Listing Rules**ASX AQUA****Related Party Transactions**

Chapter 10 of the ASX Listing Rules, which relates to transactions between an entity and persons in a position to influence the entity, specifies controls over related party transactions.

Chapter 10 of the ASX Listing Rules does not apply to AQUA products. However, because the Fund is a registered managed investment scheme, we are still required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act relating to related party transactions.

Auditor Rotation

There are specific requirements in relation to auditor rotation under Part 2M.4 Division 5 of the Corporations Act.

Issuers of products under the AQUA Rules are not subject to the requirements under Part 2M.4 Division 5 of the Corporations Act. Responsible entities of registered managed investment schemes will continue to be required to undertake an independent audit of its compliance with its scheme's compliance plan in accordance with section 601HG of the Corporations Act.

Disclosure

Entities admitted under the ASX Listing Rules are subject to the requirements of the Corporations Act in relation to the issue of a PDS.

Products quoted under the AQUA Rules will also be subject to these requirements of the Corporations Act.



1. About GSFM Responsible Entity Services and Munro Partners

The Responsible Entity

GSFM Responsible Entity Services Limited (**GRES**) is the Responsible Entity for the Fund and Underlying Fund. As Responsible Entity, GRES issues Units in the Fund and is responsible for its operation.

Investment Manager

The Responsible Entity has appointed Munro Partners (**Munro** or **Investment Manager**) to act as Investment Manager for the Underlying Fund pursuant to an investment management agreement (**Investment Management Agreement**). The Responsible Entity and Munro have also entered into a services agreement under which Munro will provide certain services to the Fund (**Services Agreement**). The partners of Munro have been appointed as an authorised representative of Munro Asset Management.

Munro is an investment manager whose core focus is global growth equities. Munro invests alongside investors and aims to identify both the sustainable growth trends that are under appreciated and mispriced by the market, and the resulting winning and losing stocks.

Munro seeks to maximise long term capital appreciation primarily through exposure to a concentrated portfolio of growth oriented equities issued by companies located anywhere in the world, except Australia.

For more information on the Investment Management Agreement and Services Agreement please refer to 'Material contracts' in Section 8 of the PDS.

The Investment team

The investment team for both the Fund and the Underlying Fund is led by Nick Griffin, who has 24 years' investment market experience, including managing global long/short equity mandates out of Melbourne and Edinburgh for over 15 years. Nick was Head of International Strategy at his previous employ until 2016, when he formed Munro. Nick holds a Bachelor of Commerce (Hons) degree from the University of Melbourne and a Graduate Diploma in Applied Finance and Investment.

The Munro investment team includes portfolio managers Jeremy Gibson, James Tsinidis and Kieran Moore. Jeremy Gibson has 18 years' experience in financial services, of which 11 years were in the UK investing in global equities. Jeremy holds a Bachelor of Business and the Chartered Financial Analyst® designation. James Tsinidis has 17 years' experience in financial services, with 9 years' experience in global long/short equity mandates. James holds a Bachelor of Commerce. Kieran Moore has 7 years' experience in financial services, all in global long/short equity mandates and holds a Bachelor of Commerce and the Chartered Financial Analyst® designation. Kieran and James have worked with Nick previously.

The investment team is supported by co-founders, Ronald Calvert and Jonathan Spensley. Ronald has over 16 years' experience in financial services and funds management, holds a Bachelor of Commerce from the University of Melbourne and is a Member of the Institute of Chartered Accountants. Jonathan has over 21 years' experience in financial services and funds management holds a Bachelor of Commerce from Deakin University and a Graduate Diploma in Applied Finance and Investment.

At the date of this PDS there has been no adverse regulatory finding against the Investment Manager or individuals in the investment team.

More information on the Munro team can be located at www.munropartners.com.au.

2. About the Munro Concentrated Global Growth Fund (Managed Fund)

Fund structure

The Fund is a registered managed investment scheme whose Units will trade on the AQUA market of the ASX. The Fund will primarily invest in Units of the Munro Concentrated Global Growth Fund ARSN 630 173 189 (**Underlying Fund**), an unlisted registered managed investment scheme.

Investors in the Fund hold Units in the Fund, which represent their beneficial interest in the assets of the Fund, but do not give an interest in any particular asset of the Fund. We may at our discretion, issue additional Units in the Fund of the same class or of a different class to the Units already on issue.

Investment objective

The investment return objective of the Fund is to maximise long term capital appreciation primarily through exposure to a concentrated long only portfolio of growth oriented equities issued by companies located anywhere in the world, except Australia. The Fund aims to achieve a return greater than the MSCI World (Ex-Australia) Index (Net) in \$A (**Benchmark**) over a 5 to 7 year period.

The Fund is not intended to replicate the Benchmark.

The Fund seeks to achieve its investment objective by investing primarily in Units in the Underlying Fund.

Investment philosophy

Munro's investment philosophy focuses on identifying and investing in companies that have the potential to grow at a faster rate and more sustainable basis than the overall market. The philosophy is based on three overriding principles:

1. Earnings growth drives stock prices

Companies that consistently earn more than the year before are generally rewarded with higher stock prices over time.

2. Sustained earnings growth is worth more than cyclical earnings growth

Consistent growth, independent of cyclical factors and above the peer group, is generally valued at higher multiples than otherwise.

3. The market will often misprice growth and its sustainability

Consensus earnings estimates often underestimate growth, while pegging to market multiples will often underestimate the sustainability and cash generation capacity of that growth, allowing opportunities to invest in stocks well below their intrinsic value.

Key investment ideas are screened through a combination of clear and defined quantitative and qualitative tests to build a portfolio of high conviction investments.

For further information on Munro and its team, please visit www.munropartners.com.au.

Investment strategy and how the Fund is managed

Investment strategy

The Fund's investment strategy is to invest in a concentrated portfolio of 20 to 40 investments from around the world, excluding Australia. Munro will focus on identifying and investing in global companies that have the potential to grow at a faster rate and a more sustainable basis than the overall market.

To gain exposure to the international equity markets and implement its investment strategy, the Fund has determined to invest primarily in Units in the Underlying Fund as the Underlying Fund invests in a concentrated portfolio of growth oriented equities issued by companies located anywhere in the world, except Australia. The Fund acts as a feeder fund to the Underlying Fund. The Fund is a means by which the Responsible Entity

and Munro will provide investors on the AQUA market with an indirect exposure to the assets of the Underlying Fund.

The Underlying Fund will generally invest in listed global equities (excluding Australia) including exchange traded funds, depositary receipts and Australian cash and cash equivalents.

Munro has adopted the following guidelines in managing the Underlying Fund:

- Total number of securities in the portfolio to be between 20 and 40
- Position size: maximum 10% of Net Asset Value at cost
- Cash or cash equivalents: 0% to 10%
- Equity related securities: 90% to 100%

There are minimal regional, market capitalisation or sector constraints and no allocation limits in respect of the location, class or currency of assets of the Underlying Fund. An immaterial portion of the Underlying Fund's assets may be invested in IPO Securities. The Underlying Fund may make other investments as permitted by the Underlying Fund's Constitution.

Munro employs stop losses on all equity positions. Munro employs two key stop losses for formalised reviews:

- A stock fall of more than 20% from peak; and
- A stock fall of more than 20% from cost.

A portfolio management system is used to provide real time reporting and pre and post trade compliance while the investment team monitors portfolio correlations, sector risks, style exposure and aggregate valuation metrics.

Munro's investment strategy can be summarised as follows:

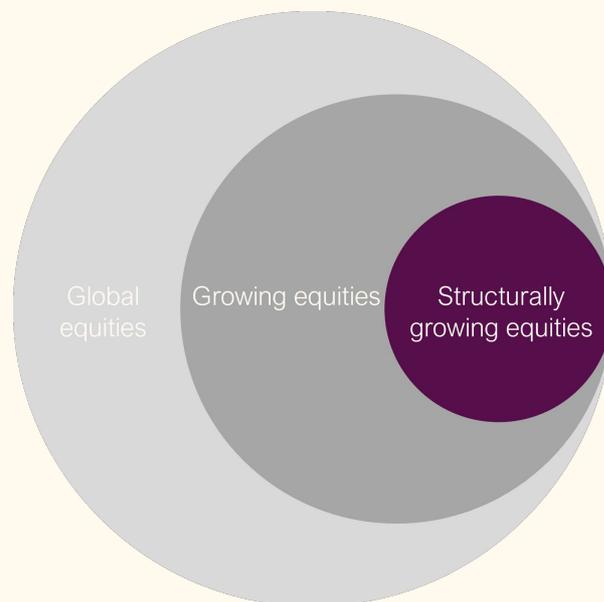
Munro is focused on growth	Munro goes the extra mile	Munro is a stock picker
Of the over 20,000 listed companies in the world, many profess to be growing, but only a small portion actually grow independently of the broader economic cycle. This is where the Munro investment process focuses. Identifying sustainable growth trends, such as climate change, that are under appreciated and mispriced by the market, and the resulting winning and losing stocks.	Munro's comprehensive and disciplined investment process seeks earnings upside/ downside, valuation multiple upside/ downside and catalysts. This process eliminates those areas where the investment trends are well understood and appreciated by the market, while isolating ideas where the market has mispriced the growth and its sustainability.	The investment process generates a high hit rate of performing ideas and allows them to be appropriately sized and monetised over long time periods. Munro's concentration on stock and sector bets is important, while risk management, portfolio construction and rigorously eliminating underperforming positions are crucial to generating strong returns and outperformance over multiple cycles.

The Fund has an investment horizon of five to seven years and may be suitable for investors seeking capital growth via exposure to global shares and who are prepared to accept the risks of the Fund set out in Section 4.

Investment process

Munro's proprietary 4 step process generates a focused investment universe and filters these structural growth ideas into a concentrated portfolio of investments. This is achieved by leveraging Areas of Interest and Munro's bottom-up stock library to generate high conviction investment ideas.

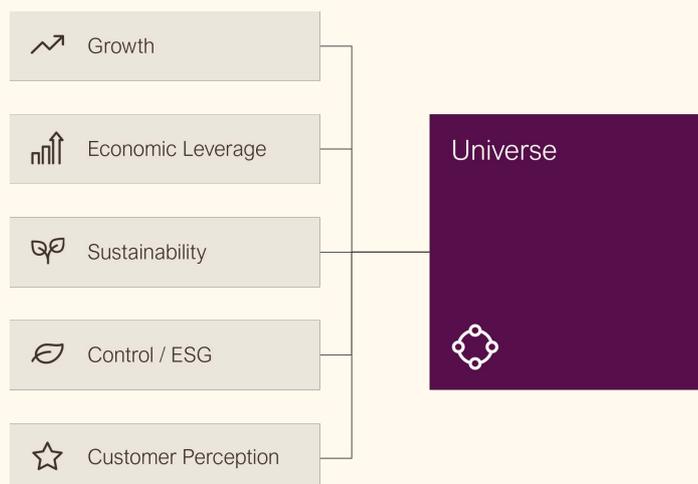
Step 1: Idea generation



Ideas are generated from a combination of top-down thematic and bottom-up views.

The investment management team identifies medium-to-long-term structural themes and the resulting investment trends, and distinguishes between trends that are well understood and priced-in by the market, and those that are under appreciated and overlooked. The goal of this first step is to identify potential investments that may qualify for Munro's focused universe of secular growing equities.

Step 2: Idea evaluation qualitative



Once identified, key investment ideas must pass through five qualitative tests to be included in the universe of structurally growing equities.

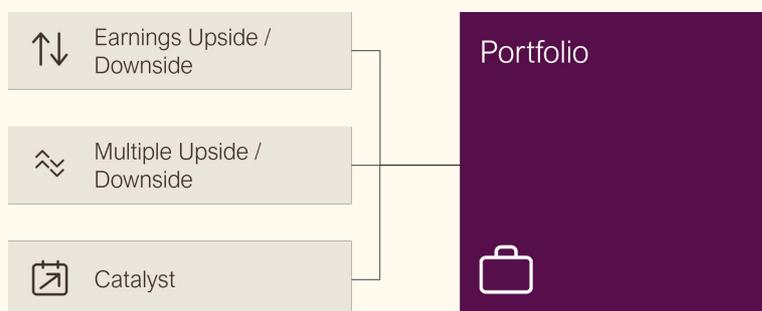


Munro looks for the following five key company characteristics to gauge whether a listed company is likely to benefit or lose from a particular growth trend and whether that will be sustained over an extended period of time:

- **Growth:** included companies should exhibit faster revenue growth versus peers and a growing total addressable market;
- **Economic leverage:** included companies should exhibit pricing power or economic leverage to be able to improve margins;
- **Sustainability:** included companies should exhibit an ability to sustain their growth due to scale, position, intellectual property and/or locational advantages;
- **Management control:** included companies should exhibit strong management ownership, ESG and aligned incentives; and
- **Customer perception:** included companies should exhibit strong customer reviews and rapid adoption of its products and/or services.

Once investment ideas have been included in Munro’s focused investment universe, they are then subjected to the three quantitative tests below before being considered for inclusion in the portfolio.

Step 3: Idea evaluation quantitative



- **Earnings upside/downside:** build in-house valuation model with bull and bear case scenarios to assess Munro’s earnings assumptions versus consensus assumptions;
- **Multiple upside/downside:** evaluate a corporate characteristics score to determine the appropriate earnings multiple and subsequent price target; and
- **Catalysts:** map the catalyst calendar for the timing and magnitude of potential earnings and multiple re-ratings.

Having been evaluated via the quantitative tests, key investment ideas must rate highly in at least two of the three quantitative factors, with the potential for the investment to double in value within five to seven years of the initial investment, before inclusion in the portfolio.

Step 4: Portfolio construction

The qualitative and quantitative tests are then combined to build a collection of high conviction, index, region and sector unaware investments. These are then collated into a portfolio for the Underlying Fund while observing the following guidelines:

- Total number of securities in the portfolio to be between 20 and 40
- Position size: maximum 10% of Net Asset Value at cost
- Cash or cash equivalents: 0% to 10%
- Equity related securities: 90% to 100%
- Aggregate portfolio risk: established ‘off the shelf’ portfolio management software is used for real-time reporting and pre/post trade compliance. The investment team actively measures portfolio correlations, sector risks, style exposure and aggregate valuation metrics which is formally reviewed weekly. In addition, the portfolio is managed within clear risk parameters and formal internal reviews of positions and exposures are undertaken at predetermined drawdowns.

Changes to investment strategy

We reserve the right to change the Fund’s investment return objective, investment strategy, benchmark, asset classes and asset allocation ranges and limits, without prior notice in some instances. We will inform you of any material change to the Fund’s details in the next regular Fund communication or as otherwise required by law. Notices of material changes will also be available on our website www.gsfc.com.au.

The types of assets in which the Fund may invest

The Fund will primarily invest in Units of the Underlying Fund, an Australian domiciled unlisted registered managed investment scheme.

The Fund via its investment in the Underlying Fund will generally invest in listed global equities, cash and cash equivalent instruments. A small portion of the Underlying Fund’s assets may be invested in IPO Securities.

Asset types by asset class	Allocation range*	
	Min	Max
Listed global equities (including Exchange Traded Funds (ETFs))	90%	100%
Cash (including cash at bank, term deposits, money market instruments, bank bills of exchange, certificates of deposit, asset backed promissory notes and other cash-like instruments)	0%	10%
* The investment guidelines provide an indication of the intended holdings in the Fund and may be higher or lower from time to time		

Currency management

The Fund is denominated in Australian dollars. The assets of the Underlying Fund will be denominated in a variety of foreign currencies, and the exchange rates of those currencies compared to each other and the Australian dollar may change over time. Any changes to exchange rates will therefore affect the Fund when its assets are valued in Australian dollars. For example, a change in the value of the Australian dollar relative to other currencies may negatively impact the value of an investment in the Underlying Fund.

Borrowing

While the use of borrowing is allowed under the Constitution and the Underlying Fund’s Constitution, borrowing will not be used by the Fund or the Underlying Fund.

Labour standards and environmental, social and ethical considerations

The Responsible Entity does not itself take into account labour standards and environmental, social and ethical considerations for the purposes of selecting, retaining or realising investments.

The Responsible Entity has delegated investment decisions for the Fund to the Investment Manager pursuant to the Investment Management Agreement.

Munro is a signatory to the United Nations supported Principles for Responsible Investment (PRI), the world’s leading proponent of responsible investment. Munro recognises and is committed to considering Environmental, Social and Governance (ESG) factors, along with other key financial criteria and economic factors, in the course of its investment process and in the monitoring of portfolio investments when in its view these factors have a material impact on either investment risk or return. Munro therefore takes environmental and social considerations into account when selecting, retaining or realising investments of the Fund.

Munro considers this approach to be consistent with the framework provided by PRI for integrating all material factors, including ESG factors, into the investment decision making process as to whether it invests in, continues to hold, or sells any particular security. In cases where Munro’s



investment process identifies that minimum standards are not being met by a company it may look to engage with the company to improve ESG levels, avoid investment or divest.

Munro's proprietary investment process includes a qualitative factor assessment that addresses ESG considerations, which are assessed, measured, and quantified on an individual company basis.

Three of the five qualitative tests in Munro's proprietary investment process include ESG considerations through the assessment of sustainability, control and customer perception. Broadly, companies that are focused on short term financial goals at the expense of long-term sustainability, ineffective control governance and poor customer perception are excluded from Munro's investment universe.

In the Investment Manager's view, heightened awareness of ESG issues or unmanaged ESG risks contribute to stakeholder dissatisfaction and are expected to lead to weaker financial performance, less sustainable earnings, control governance issues and lower customer and investor perception levels. That is, those companies failing to address long-term sustainability, ineffective control governance and poor customer perception will score poorly using Munro's qualitative tests. Each of the ESG risks are assessed, measured and quantified on an individual company basis.

Munro has a set approach for monitoring and reviewing how it takes into account labour standards, environmental, social and ethical considerations when selecting Fund investments. A company specific ESG risk rating with a numerical score is calculated and categorised as either negligible, low, medium, high or severe. Munro augments proprietary research with independent industry-leading third party ESG expertise, providing alternative perspectives on ESG credentials of target investments.

The ESG risk rating is then incorporated into Munro's assessment and calculation of the control qualitative test to determine whether a company's ESG rating will materially reduce the company's quality score and therefore price target. There is no set timeframe for reviewing the Fund's investments. Munro will review the Fund's investments on a case by case basis in light of any labour standards and environmental, social and ethical considerations raised and may take steps to realise, reduce or cease making further investments which do not meet its investment approach.

Munro has formal Responsible Investing, ESG and Proxy Voting Policies in place – available at www.munropartners.com.au – which provides more detail on the integration of ESG considerations when selecting, retaining and realising investments of the Fund.

The Investment Manager will also take into account labour standards and ethical considerations generally when selecting, retaining or realising investments of the Fund.

Other than described above, Munro has no other predetermined view on specific labour standards, environmental, social and ethical considerations which it will apply or a fixed methodology or weightings for taking these standards and considerations into account when selecting, retaining and realising investments of the Fund, but rather examines a range of labour standards, environmental, social and ethical considerations and uses a range of tools, methodologies and services to assist with decision making.

Liquidity

The Fund through its investment in the Underlying Fund, will primarily invest in listed securities. At the date of this PDS, we reasonably expect that at least 80% of the Fund's and the Underlying Fund's assets are capable of being realised at the value ascribed to those assets when calculating the Fund's most recent net asset value, within 10 days. Where applicable, we will provide relevant information with respect to liquidity in the Monthly Updates for both the Fund and the Underlying Fund.

Please refer to 'Liquidity risk' in Section 4 'Risks of investing in the Munro Concentrated Global Growth Fund (Managed Fund)'.

Service providers

We have appointed a number of key service providers that are involved in the ongoing operation of the Fund and the Underlying Fund.

GRES has a policy which sets out the procedures for selecting, monitoring and reviewing the performance of third party service providers. GRES conducts annual and other periodic reviews to ensure compliance with service level obligations.

The key service provider arrangements are summarised below:

Investment Manager

We have appointed Munro as the investment manager of the Underlying Fund. The Responsible Entity and Munro have also entered into a Services Agreement under which Munro will provide certain services to the Fund. Please refer to 'The Investment Manager' in Section 1 'About GSFM Responsible Entity Services and Munro Partners' for more details on the investment manager.

Additionally, GRES has appointed Munro to complete the day-to-day processes required to deliver the Fund portfolio to the iNAV provider.

Custodian, Administrator and Unit Registry

We have appointed J.P. Morgan Chase Bank, N.A (Sydney Branch) (ABN 43 074 112 011) (**J.P. Morgan**) to provide custody and fund administration, portfolio accounting, portfolio compliance reporting, unit pricing, financial reporting, and taxation reporting services for the Fund and the Underlying Fund. JP Morgan has provided its consent to be named and has not withdrawn its consent before the issue date of the PDS.

JP Morgan has not been involved in the preparation of this PDS or caused or otherwise authorised the issue of the PDS. JP Morgan has not independently verified the information contained in this PDS and accordingly accepts no liability for the accuracy or completeness of the information. JP Morgan does not guarantee the success on the performance of the Fund nor the repayment of capital or any particular rate of capital or income return.

We have appointed Mainstream Fund Services Pty Ltd (**Mainstream Fund Services**) to provide unit registry services for the Fund.

There are Service Level Agreements (**SLAs**) in place with J.P. Morgan and Mainstream Fund Services which clearly delineate the responsibilities of all parties.

We can terminate J.P. Morgan's appointment as custodian and/or administrator in the circumstances specified under the respective agreements governing these relationships.

We can terminate Mainstream Fund Services' appointment as unit registry in the circumstances specified under the agreement governing this relationship.

GRES remains liable to Unit holders for acts and omissions of the custodian, administrator and unit registry. In addition, neither the custodian, administrator nor the unit registry have any supervisory obligation to ensure that GRES complies with its obligations as responsible entity of the Fund and the Underlying Fund and are not responsible for protecting the rights of Unit holders.

Market Making Agent

GRES has appointed Macquarie Securities (Australia) Limited (**Macquarie**) as its agent to execute its market making activities in order to provide liquidity for Units on the AQUA market of the ASX and to facilitate settlement. Macquarie will earn a fee as a result of these activities.

For more information, please refer to 'Market making agent costs' in Section 5 and 'Market maker and market making agent' in Section 6 of this PDS.

iNAV Provider

We have appointed Solactive AG, a Germany based provider of financial indices and other ETF services to provide the calculation of the indicative Net Asset Values (**iNAVs**) for the Fund.

Auditor and Tax Agent

We have appointed PricewaterhouseCoopers (**PwC**) as the independent auditor of the Fund and compliance plan as required by the Corporations Act.

GRES has appointed KPMG as external tax agent to perform tax related services in regard to the Fund's distributions, tax returns and taxation advice and other matters.

3. Benefits of investing in the Munro Concentrated Global Growth Fund (Managed Fund)

What are ETPs?

Exchange traded products (**ETPs**) are quoted managed investment schemes that provide you with the opportunity to buy a diversified portfolio of assets in a single transaction. ETPs include certain managed funds, ETFs and structured products.

Exchange traded managed funds are actively managed ETPs that have an investment manager appointed to make decisions about the ETPs underlying portfolio allocation with a goal to outperform a target benchmark.

What are the benefits of ETPs in general

- **Diversification:** ETPs provide you with the ability to diversify your portfolio through holding a single security;
- **Liquidity and transparency:** as a traded security, the ETP enables you to enter and exit your investment on the ASX anytime during trading hours;
- **Taxation advantages:** an ETP will change in value as the underlying portfolio changes in value and may provide income for you through distributions and franking credits. The turnover of the underlying portfolio is low, reducing the level of capital gains incurred by you and tax paid. For full details on taxation, please see the section "How managed investment schemes are taxed"; and
- **Lower cost:** since ETPs are typically able to achieve lower operating costs, the management fees are generally lower compared to other forms of retail managed funds. However, brokerage or adviser fees may still apply when buying or selling an ETP.

What are the benefits specific to this Fund?

The Fund, via its investment in the Underlying Fund, will invest in a concentrated portfolio of growth oriented listed equities from around the world, excluding Australia, with the aim of maximising long term capital appreciation. The Fund aims to achieve a return greater than the MSCI World (Ex-Australia) Index (Net) in \$A over a 5 to 7 year period. The Underlying Fund will generally invest in listed, liquid global equities with no regional, market capitalisation or industry sector constraints. The number of equity holdings the Underlying Fund will hold will typically range between 20 and 40 holdings.

The benefits of investing in the Fund include:

- **Access to investment opportunities.** Munro, via its investment management team and investment process, has the ability to seek out and invest in some of the most innovative and fastest growing companies in the world today. The Fund provides pooled buying power allowing the Investment Manager to gain access to corporate investment opportunities and lower the overall cost of investing. These opportunities would be harder to find and harder to access by individual retail investors;
- **Access to an experienced investment management team.** Munro as an investment manager has a proven 15-year track record in running global investment mandates. Via its investment management team and investment process, Munro has the ability to seek out and invest in some of the most innovative and fastest growing companies in the world today. The Fund provides pooled buying power allowing the Investment Manager to gain access to corporate investment opportunities and a lower overall cost of investing. These opportunities would be harder to find and harder to access by individual retail investors. The Investment Manager and the investment process have a strong track record of absolute returns and market outperformance over multiple market cycles.
- **Risk management.** Munro only manages global equities funds. Munro employs stop losses on all equity positions held by the Underlying Fund; and
- **Governance of the Fund** in accordance with its Constitution and the Corporations Act.

4. Risks of investing in the Munro Concentrated Global Growth Fund (Managed Fund)

All investments carry risk. Different investment strategies may carry different levels of risk, depending on the assets that make up the strategy. Usually assets with the highest long term returns may also carry the highest levels of short term risk.

Risk can be managed but it cannot be completely eliminated. While Munro's disciplined investment approach aims to generate returns exceeding that of the Benchmark, it is important that you carefully consider the risks of investing in the Fund to understand that:

- the value of your investment will vary;
- the level of returns will vary and future returns may differ from past returns;
- returns are not guaranteed and you may lose some of your money; and
- laws affecting managed investment schemes may change in the future.

The risk level of an investment in the Fund is high and there are potential fluctuations associated with an investment in the Fund. In particular, the value of your investment will be impacted by the performance of the underlying companies or investments in which the Fund via its investment in the Underlying Fund invests in addition to the performance of the share market generally, foreign exchange markets and the global economy generally, and the skills of the Investment Manager. The Investment Manager will attempt to manage and mitigate risks, however not all risk can be eliminated and some risks are outside the control of the Investment Manager. If risks eventuate, then it can have a negative impact on distributions and the value of your investment.

WARNING: The appropriate level of risk for you will depend on a range of factors including your investment goals, your age, your investment time frame, where other parts of your wealth are invested and your level of risk tolerance.

Investing in the Fund exposes investors to the following specific risks:

Company specific risk – The value of the investment in a company may vary because of change to management, changes to its financial or operating circumstances, actions of regulators or competitors or changes in the market environment the company operates in. These factors may cause a company's share price to perform differently to that of the broader market. The Fund may therefore underperform the market and/or its peers due to its company specific exposures. The Investment Manager aims to reduce these risks by conducting thorough analysis and research of the Underlying Fund's investments.

Concentration risk – The Fund via its investment in the Underlying Fund will hold a concentrated portfolio of 20-40 securities which may result in the Fund's returns being dependent on the returns of individual companies. This has the potential to increase the gains or losses and volatility of returns for investors. It may also result in the Fund's returns differing significantly from those of its Benchmark.

Currency risk – The Fund via its investment in the Underlying Fund will predominantly be investing in international equities, and as such, the assets of the Fund will be denominated in a variety of foreign currencies; the exchange rates of those currencies compared to each other and the Australian dollar may change over time. Any changes to exchange rates will therefore affect the Fund when its assets are valued in Australian dollars. For example, a change in the value of the Australian dollar relative to other currencies may negatively impact the value of an investment in the Fund. No management of the foreign currency exposure relative to the Australian dollar is undertaken for the Fund

Cyber security risk – There is a risk that the information technology systems used by us and our service providers when managing and operating the Fund may expose the Fund to potential cyber security breaches including but not limited to unauthorised access to and/or erroneous use of proprietary information, Unit holder's personal information or Fund data.

Fund risk – Risks particular to the Fund include the risk that it could be terminated, the fees and expenses could change, GRES could be replaced as Responsible Entity, Munro could be replaced as Investment Manager and/or its portfolio managers could change. There is also a risk that investing in the Fund may give different results from holding the underlying assets because of income or capital gains accrued in the Fund at the time of investing and the consequences of investment and withdrawal by other investors. You could receive back less than you invested and there is no guarantee that you will receive any income. GRES aims to keep Fund risk to a minimum by monitoring how these risks may impact on the Fund and by acting in the unit holders' best interests.

Investment in the Fund is governed by the terms of the Fund's Constitution and these terms may be changed by a special resolution passed by investors (i.e. passed by 75% of the investors who vote in person or by proxy). This means that the terms and conditions may change, even though you may vote against any changes.

GRES aims to keep Fund risk to a minimum by monitoring compliance with the risk constraints and how the various risks may impact on the Fund and by acting in the unit holders' best interest as a whole.

iNAV risk – At any time, the price at which Units of the Fund trade on the ASX may not reflect accurately the Net Asset Value of each such Unit. The adoption of a robust pricing methodology for the iNAV is intended to minimise this differential as is the role of the market making agent but will not be able to eliminate it entirely.

The market price and the iNAV price may also deviate because the market price of Units of the Fund is a function of supply and demand amongst investors wishing to buy and sell such Units and the bid-offer spread that the market making agent is willing to quote for those Units.

The iNAV is indicative only and may not accurately reflect the true value of the underlying assets of the Fund.

Interest rate risk – Changes in interest rates can have a positive or negative impact directly or indirectly on investment values or returns.

International investments risk – Investing in international securities poses additional risks. The performance of international securities can be adversely affected by the different political, regulatory and economic environments in countries where the Fund via its investment in the Underlying Fund invests, and fluctuations in foreign currency exchange rates may also adversely affect the value of foreign securities. In addition, the Underlying Fund may invest in securities in emerging markets which are typically more volatile than developed markets. Potentially adverse political, economic, legal and tax, or social conditions in those markets may affect the Fund's investment returns.

Investment Manager risk – The success of the Fund depends on the competency of the Investment Manager and its ability to identify investment opportunities which achieve the Fund's investment objective. Like any fund, this is dependent on the skills of the Investment Manager's personnel, quantitative analysis and research activities undertaken by the Investment Manager and on historical relationships between stocks acting in a manner which is consistent with the Investment Manager's analysis, over time. If the Investment Manager does not exercise an adequate level of skill, including in the interpretation of the data, the investment process is flawed or inaccurate or any of the historical relationships on which the strategy is based break down, this may cause losses to the Fund.

Key person risk – The loss of key personnel from the Investment Manager of the Fund may adversely affect the Fund's performance. Munro's partnership structure is designed to retain key personnel through all partners having ownership in the business.

Liquidity risk – Although the Units will be quoted under the AQUA Rules there can be no assurances that there will be a liquid market, and an investor's ability to buy or sell Units may be restricted. Although the Responsible Entity intends to act as market maker in the Units on behalf of the Fund to assist in maintaining liquidity for the Fund on the ASX, this service may not be available at all times or the Responsible Entity may be unable to provide these services (such as where there are operational disruptions or unusual conditions, or other events set out in the ASX Operating Rules). Please refer to 'Market making risk' to understand the arrangements we have in place to assist in maintaining liquidity for the Fund.

In addition, there is also the risk that:

- it may be difficult to realise within a reasonable time frame the full value of particular securities in which the Fund via its investment in the Underlying Fund is invested because of market conditions or liquidity issues with respect to the specific securities; or
- the Fund itself may become illiquid. This could have a detrimental effect on the value of the investments, or may impact an investor's ability to withdraw from the Fund.

We closely monitor cash levels in the Fund to manage this risk and ensure that there is adequate liquidity to meet the needs of investors in ordinary circumstances.

Market risk – Changes in legal, tax and economic conditions, social and/or political events, investor sentiment and market variables such as interest rates and exchange rates can all influence (negatively or positively) the value of the Fund's investments.

Market making risk – Under the AQUA Rules, the Responsible Entity has certain market making obligations in respect of the Fund, in particular to facilitate an orderly and liquid market in the Fund. The Responsible Entity intends to act as market maker in the Units on behalf of the Fund. The Fund will bear the risk and cost of the market making activities undertaken by the Responsible Entity on the Fund's behalf. There is a risk that the Fund could suffer a material cost as a result of the market making activities by the Responsible Entity (i.e. an error in the execution of the market making activities or as a result of the price at which the Units are transacted on the ASX) that may adversely affect the NAV of the Fund. The Fund may not always be able to make a market in times of uncertainty about values, due to its duty to act in the best interests of members.

Market making agent risk – We have appointed Macquarie as market making agent to execute the Fund's market making activities. There is a risk that the market making agent could make an error in executing the Fund's market making activities. Additionally, the Fund may enter into transactions to acquire or to liquidate assets in anticipation of the market making agent fulfilling its settlement processing obligations in a correct and timely manner. If the market making agent does not fulfil its settlement processing obligations in a correct and timely manner, the Fund could suffer a loss.

Whilst we monitor our market making agent(s)' ability to execute the market making activities and comply with the settlement processing obligations, there is no guarantee that these requirements will always be fulfilled, particularly if there is an error by the market making agent.

Operational risk – The Fund's day to day operations may be adversely affected by circumstances beyond the reasonable control of the Responsible Entity, such as failure of technology or infrastructure, or natural disasters.

Regulatory risk – The risk that a change in government policies (including taxation), laws and regulations may adversely affect the value of an investment in the Fund or its underlying assets.

Service provider risk – The risk that third party service providers engaged by the Responsible Entity to provide certain services to the Fund including for example, administration, custody and valuation services, do not properly perform their obligations and duties and cause harm to the Fund.

Trading risk – The Fund is quoted for trading on the AQUA market of the ASX under the AQUA Rules and there is a risk that the ASX may under certain circumstances suspend trading or even remove the Fund from quotation on the ASX. The underlying assets held by the Fund may also be suspended or delisted. Under these circumstances, we may take measures, such as suspending the creation and redemption process, or we may potentially terminate the Fund. To mitigate the risk in relation to the Fund, we will use our best endeavours to meet all ASX requirements to ensure the Units in the Fund remain quoted, including putting in place compliance and monitoring procedures. However, there is no guarantee that these requirements will always be met. Although the Units in the Fund

are quoted on the ASX, there can be no assurance that there will be a liquid market. There is the risk that the issue price and redemption price applicable to a Unit may differ from the trading price of a Unit on the ASX. The trading price is dependent upon a number of factors, including demand for the Units in the Fund. The risk is mitigated as the application and redemption mechanism is designed to minimise the likelihood that the Units will trade on the ASX at a significantly different price to the issue price or redemption price.

Underlying Fund risk – By investing in Units in the Underlying Fund, the Fund is also exposed to each of the risks that the Underlying Fund is itself exposed to. These include but are not limited to: company specific risk; concentration risk; currency risk; cyber security risk; fund risk; interest rate risk; international investments risk; investment manager risk; key person risk; liquidity risk; market risk; operational risk; regulatory risk; and service provider risk. Each of these risks (as described above) will therefore apply at both the Fund and Underlying Fund level.

Withdrawal risk – If a situation occurs where the assets that the Fund or the Underlying Fund invests in are no longer able to be readily bought and sold, or market events reduce the liquidity of a security or asset class, there is a risk that we may not meet the generally applicable timeframe for withdrawal requests, we may suspend withdrawals or may deem the Fund or the Underlying Fund illiquid. This is because it may take longer for the Fund or the Underlying Fund to sell these types of investments at an acceptable price. In this case, withdrawals from the Fund and/or the Underlying Fund may take significantly longer.

5. Fees and other costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

To find out more

If you would like to find out more or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (**ASIC**) Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in Section 7 'How managed investment schemes are taxed' of this PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Munro Concentrated Global Growth Fund (Managed Fund)

Type of fee or cost ¹	Amount	How and when paid
Ongoing annual fees and costs³		
Management fees and costs The fees and costs for managing your investment ^{1,2,3}	Estimated to be 0.70% p.a. of the Net Asset Value (NAV) of the Fund, comprised of: 1. A management fee of 0.70% p.a. of the NAV of the Fund ² ; 2. Estimated indirect costs of 0.00% p.a. of the NAV of the Fund; and 3. Estimated abnormal costs of 0.00% p.a. of the NAV of the Fund	1. The management fee is calculated and accrued daily in the Net Asset Value (NAV) per Unit and paid monthly in arrears. This fee is payable from the assets of the Fund on the last Business Day of each calendar month. The amount of this fee can be negotiated. 2. Indirect costs are paid out of the Fund's assets or an interposed vehicle's assets as and when incurred. Indirect costs are reflected in the NAV per Unit and are not charged separately to an investor. 3. Abnormal costs are paid out of the Fund's assets as and when incurred.
Performance fees Amounts deducted from your investment in relation to the performance of the product	Estimated to be 1.06% p.a. of the Net Asset Value of the Fund.⁴	The Performance Fee is calculated as 10% of the Excess Return per Unit for the relevant Calculation Period (the six months to 31 March and 30 September each year, or the period from the commencement of the Fund to 31 March 2022 in the case of the first Calculation Period) multiplied by the number of Units on issue at the end of the Calculation Period less the Equalisation Reserve (Accrued Performance Fee) plus any Crystallised Performance Fee. The estimated Performance Fee is only payable if the Accrued Performance Fee exceeds both the Higher Water Mark and the Performance Hurdle and is subject to a Performance Fee Limit. The Performance Fee is calculated each business day and accrued daily in the unit price and paid to the Responsible Entity within 30 days of the end of the Calculation Period in arrears from the assets of the Fund. ⁴
Transaction costs³ The costs incurred by the scheme when buying or selling assets	Estimated transaction costs of 0.00% p.a. of the NAV of the Fund.⁴	Transaction costs generally arise when the value of the assets of the Fund are affected by the day-to-day trading of the Fund and are paid out of the assets of the Fund as and when incurred.

Munro Concentrated Global Growth Fund (Managed Fund)

Type of fee or cost ¹	Amount	How and when paid
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)³		
Establishment fee The fee to open your investment	Nil	The Fund does not charge an establishment fee
Contribution fee The fee on each amount contributed to your investment	Nil	The Fund does not charge a contribution fee
Buy-sell spread³ An amount deducted from your investment representing costs incurred in transactions by the scheme	Nil^{5,6}	The Fund does not charge a buy-sell spread
Withdrawal fee The fee on each amount you take out of your investment	Nil	The Fund does not charge a withdrawal fee
Exit fee The fee to close your investment	Nil	The Fund does not charge an exit fee
Switching fee The fee for changing investment options	Nil	The Fund does not charge switching fees

1. See "Additional explanation of fees and costs" below for further details on fees and costs that may be payable. All fees and costs set out in this section are inclusive of GST and any applicable stamp duty, less any applicable input tax credits and reduced input tax credits and are shown without any other adjustment in relation to any tax deduction available to the Responsible Entity.
2. The amount of this fee can be negotiated if you are a wholesale client under the Corporations Act. Please refer to 'Differential fees' in the 'Additional explanation of fees and costs' in this section of the PDS.
3. All estimates of fees and costs in this section are based on information available as at the date of this PDS. All fees reflect the Responsible Entity's reasonable estimates of the typical fees for the current financial year. As the Fund is newly established, these costs reflect the Responsible Entity's reasonable estimate at the date of this PDS of costs that will apply for the current financial year (adjusted to reflect a 12 month period). Please refer to the "Additional explanation of fees and costs" section below for more information on fees and costs that may be payable.
4. As the Fund is newly established, the Performance Fee reflects the Responsible Entity's reasonable estimate at the date of this PDS of the Performance Fee that will apply for the current financial year (adjusted to reflect a 12 month period). The estimate has been calculated based on actual Performance Fees for the Underlying Fund payable over the life of the Underlying Fund. The Performance Fee is only payable if the Accrued Performance Fee exceeds both the High Watermark and the Performance Hurdle and is subject to a 'Performance Fee Limit' for the relevant Calculation Period. Past performance is not a reliable indicator of future performance. A Performance Fee is not always payable. The actual Performance Fee payable (if any) will depend on the performance of the Fund over the relevant period. See 'Performance Fee' in the 'Additional explanation of fees and costs' section below for a dollar worked example and for further information about the Calculation Period, Excess Return per Ordinary Unit, Crystallised Performance Fee, Equalisation Reserve, Performance Hurdle, High Water Mark and Performance Fee Limit.
5. The transaction costs figure disclosed in this section is net of estimated transaction costs for which the Responsible Entity reimburses the Fund out of the bid-offer spread incurred by investors when trading on the exchange. Please refer to the 'Additional explanation of fees and costs' section below for further details.
6. While the Fund does not charge a buy-sell spread, as the Fund is traded on a securities exchange, investors will incur a bid-offer spread when trading on the exchange.

Estimated and/or historical fees and costs may not be an accurate indicator of the fees and costs you may pay in the future.



Example of annual fees and costs

This table gives an example of how the ongoing annual fees and costs for the Fund can affect your investment over a one year period. You should use this table to compare the product with other products offered by managed investment schemes.

Example - Munro Concentrated Global Growth Fund (Managed Fund)		Balance of \$50,000 with a contribution of \$5,000 during year¹
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management fees and costs ^{3,4,5}	0.70% p.a. of Net Asset Value of the Fund	And, for every \$50,000 you have in the Fund, you will be charged or have deducted from your investment \$350 each year.
PLUS Performance fees ^{4,6}	1.06% p.a. of Net Asset Value of the Fund	And, you will be charged or have deducted from your investment \$530 in performance fees each year.
PLUS Transaction costs ^{3,4}	0.00% p.a. of the NAV of the Fund	And, you will be charged or have deducted from your investment \$0 in transaction costs
EQUALS Cost of the Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of:

\$880^{2,3,4}

What it costs you will depend on the investment option you choose and the fees you negotiate.

- The additional management fees and costs will be on a pro-rata basis and will vary depending on when you have made the additional investment during the year. This example is prescribed by the Corporations Act, and the example assumes that the \$50,000 is invested for the entire year and that the \$5,000 contribution occurs on the last day of the year, so that the management fees and costs are calculated using the \$50,000 balance only. This example also assumes that the value of your investment remains the same during the year. Please note that this is just an example. In practice, an investors actual investment amount will vary daily and the actual fees and costs we charge are based on the value of the Fund which also fluctuates daily.*
- Additional fees and costs may apply. Please refer to the 'Additional explanation of fees and costs' for further details.*
- All estimates of fees and costs in this section are based on information available as at the date of this PDS. All fees reflect the Responsible Entity's reasonable estimates of the typical fees for the current financial year. As the Fund is newly established, the costs reflect Responsible Entity's reasonable estimates at the date of this PDS of those costs that will apply for the current financial year (adjusted to reflect a 12 month period). The transaction costs figure disclosed in this section is net of estimated transaction costs for which the Responsible Entity reimburses the Fund out of the bid-offer spread incurred by investors when trading on the exchange. Please refer to the "Additional explanation of fees and costs" section below for more information on fees and costs that may be payable.*
- All fees and costs are inclusive of GST and any applicable stamp duty, less any applicable input tax credits and reduced input tax credits and are shown without any other adjustment in relation to any tax deduction available to the Responsible Entity.*
- The amount of the management fee may be negotiated if you are a wholesale client pursuant to the Corporations Act. For further information refer to "Differential fees" in the "Additional explanation of fees and costs" section of this PDS.*
- As the Fund is newly established, the Performance Fee reflects the Responsible Entity's reasonable estimate at the date of this PDS of the Performance Fee that will apply for the current financial year (adjusted to reflect a 12 month period). The estimate has been calculated based on actual Performance Fees for the Underlying Fund payable over the life of the Underlying Fund). The Performance Fee is only payable if the Accrued Performance Fee exceeds both the High Watermark and the Performance Hurdle and is subject to a 'Performance Fee Limit' for the relevant Calculation Period. Past performance is not a reliable indicator of future performance. A Performance Fee is not always payable. The actual Performance Fee payable (if any) will depend on the performance of the Fund over the relevant period. See 'Performance Fee' in the 'Additional explanation of fees and costs' section below for a dollar worked example and for further information about the Calculation Period, Excess Return per Ordinary Unit, Crystallised Performance Fee, Equalisation Reserve, Performance Hurdle, High Water Mark and Performance Fee Limit.*



Additional explanation of fees and costs

Management fees and costs

The management fees and costs of the Fund comprise the Management Fee, indirect costs and abnormal costs as set out in the table above. Please refer to 'Indirect costs' which follows in this section. The management fees and costs do not include transaction costs or the Performance Fee.

Management Fee

The Management Fee for the Fund is 0.70% p.a. of the Net Asset Value of the Fund. The Management Fee is calculated and accrued daily in the Unit price of the Units in the Fund and is paid monthly in arrears on the last Business Day of each calendar month. From the Management Fee we pay all investment management fees (including the fees of the Investment Manager), all normal operating expenses of the Fund including custody fees, audit fees, accounting fees, legal and regulatory fees and all other normal costs except abnormal costs as described later in this section and transaction costs. We will provide prior notice to investors if we seek to recover normal operating expenses from the Fund in the future. The management fee includes Goods and Services Tax (GST) after taking into account any expected input tax credits and reduced input tax credits. The amount of this fee can be negotiated.

Indirect costs

Indirect costs are any amounts that we know or reasonably ought to know, or where this is not the case, reasonably estimate has or will reduce, whether directly or indirectly, the return of the Fund or the amount or value of the income of, or assets attributable to the Fund or an interposed vehicle in which a Fund invests (such as the Underlying Fund) other than the Management Fee and abnormal costs.

The indirect costs include (a) the indirect costs that we know or ought to know for the previous financial year and (b) where we do not know or ought to know the indirect costs, a reasonable estimate of those indirect costs based on the information available to us as at the date of this PDS.

The Fund will invest in Class E Units in the Underlying Fund, where the Management Fee will be 0.00%.

As the Fund is newly established, the indirect costs component set out in the fees and costs summary above is 0.00% p.a. of the Net Asset Value of the Fund which reflects the Responsible Entity's reasonable estimate at the date of this PDS of those indirect costs that will apply for the current financial year (adjusted to reflect a 12 month period).

It is important to note that indirect costs are reflected in the Unit price of the Fund as and when incurred and are not charged separately to investors. Indirect costs are not an additional fee paid to the Responsible Entity. Indirect costs may vary from year to year, including to the extent that they rely on estimates. These amounts are not an indication or guarantee of the amount that may be charged in the future.

Abnormal costs

We may recover other costs or expenses incurred (or that will be incurred) by us in connection with the management of the Fund including, but not limited to, those resulting from abnormal circumstances (such as a change of the responsible entity or investment manager, termination of the Fund or Unit holder meetings) out of the assets of the relevant class of the Fund for which such cost or expense is incurred. We do not believe we can reliably estimate abnormal costs or expenses but expect that the circumstances which cause such costs to be incurred will not occur regularly.

As the Fund is newly established, the abnormal costs component set out in the fees and costs summary above is 0.00% p.a. of the Net Asset Value of the Fund which reflects the Responsible Entity's reasonable estimate at the date of this PDS of those abnormal costs for the current financial year (adjusted to reflect a 12 month period). Abnormal costs may vary from year to year including to the extent that they rely on estimates. This amount is not an indication or guarantee of the amount that may be charged in the future.

Transaction costs

The Fund may incur transaction costs directly or indirectly via its investment in the Underlying Fund. Transaction costs are costs associated with the buying and selling of the Fund's assets and are charged directly to the Fund. These costs include brokerage, settlement costs, clearing costs, stamp

duty, GST and other taxes and, where applicable, the buy-sell spread applied to any transactions in the Underlying Fund. Transaction costs will also be incurred for the creation and redemption of Units by the market maker.

Transaction costs are an additional cost to investors, where they have not already been recovered by the bid-offer spread, and are not included in the 'management fee and costs'. Instead they are recovered as incurred and reflected in the Unit price of the Fund and are borne indirectly by investors as they reduce the returns generated by the Fund, and consequently, your investment.

The estimated transaction costs disclosed in the fees and costs summary in this PDS are shown net of any amount for which the Responsible Entity reimburses the Fund out of the bid-offer spread incurred by investors when trading on the exchange.

As the Fund is newly established, the Responsible Entity, as at the date of this PDS, reasonably estimates that the net transaction costs for the current financial year (adjusted to reflect a 12 month period) will be approximately 0.00% p.a. of the Net Asset Value of the Fund. These net transaction costs represent estimated total gross transaction costs of 0.31% p.a. of the Net Asset Value of the Fund minus the estimated transaction costs for which the Responsible Entity reimburses the Fund out of the bid-offer spread investors can incur when trading on the exchange.

At the Underlying Fund level, the total gross transaction costs incurred for the previous financial year, and the Responsible Entity's reasonable estimate of such costs where information was not available as at the date of this PDS or where the Responsible Entity was unable to determine the exact amount, were 0.31% p.a. of the Net Asset Value of the Underlying Fund. Some of the transaction costs will be offset by the buy/sell recovery. The Responsible Entity reasonably estimates at the date of this PDS that the net transaction costs for the Underlying Fund (representing the total gross transaction costs minus the total amount recovered through the buy/sell spread of +0.15%/-0.15% at the Underlying Fund level) for the current financial year will be 0.05% p.a. of the Net Asset Value (adjusted to reflect a 12 month period). These transaction costs incurred at the Underlying Fund level have been included in the transaction costs figure for the Fund and will be borne by the Fund as and when incurred.

All estimates of fees and costs in this section are based on information available as at the date of this PDS. As the Fund is newly established, these figures reflect the Responsible Entity's reasonable estimate at the date of this PDS of those fees and costs that will apply for the current financial year (adjusted to reflect a 12 month period) and will vary from year to year to reflect the actual expenses incurred by the Fund. This means that estimated and/or historical costs may not be an accurate indicator of the fees and costs an investor may pay in the future. This is because the turnover in the underlying assets may change substantially as investment and markets conditions change, which may affect the level of transaction costs incurred.

Around the end of each financial year, where new transaction costs information is not materially adverse, the updated information will be posted on our website at www.gsfc.com.au and we will advise you in the next regular communication after the change. If there is a material change to these costs we will issue a supplementary PDS or a new PDS.

Underlying Fund's Buy-Sell spread

The buy-sell spread is an additional cost incurred by investors (including the Fund) when they invest in or withdraw from the Underlying Fund. The buy-sell spread is an adjustment to the unit price to cover those transaction costs associated with buying and selling the Underlying Fund's assets. The buy/sell spread aims to ensure that non-transacting investors do not pay the transaction costs associated with an investor (including the Fund) investing in or withdrawing from the Underlying Fund. The buy-sell spread is not a fee paid to us but is paid to the Underlying Fund to offset the transaction costs incurred.

The buy-sell spread may vary from time to time to reflect changes in the transaction costs incurred, or likely to be incurred. The buy-sell spread for the Underlying Fund is currently 0.15% of the Net Asset Value per Unit when there is an application for or a withdrawal of Units in the Underlying Fund. If we do vary the buy-sell spread, we will not provide prior notice unless the change is material. The updated information will be posted on our website www.gsfc.com.au.

Performance Fee

We may be entitled to receive a Performance Fee equal to 10% of the Excess Return per Unit, over each Calculation Period (the six months to 31 March and 30 September each year, or the period from the commencement of the Fund to 31 March 2022 in the case of the first Calculation Period) multiplied by the number of Units on issue at the end of the Calculation Period less the Equalisation Reserve (**Accrued Performance Fee**) plus any Crystallised Performance Fee. The Accrued Performance Fee is also subject to exceeding the High Water Mark and the Performance Hurdle and to a Performance Fee Limit.

The Fund will invest in Class E Units in the Underlying Fund, where the Performance Fee will be 0.00%. The Fund will therefore not incur any performance fees at an interposed vehicle level.

Calculation of the Performance Fee

How is the Performance Fee calculated and paid?

Depending on how well the Fund performs we may be entitled to receive a Performance Fee, which is paid out of the assets of the Fund. The Performance Fee is calculated and accrued daily, where applicable, in the Unit price of the Units of the Fund and is payable within 30 days of the end of the Calculation Period (being the period ending either 31 March or 30 September each year, or the period from the commencement of the Fund to 31 March 2022 in the case of the first Calculation Period). This fee is calculated by the administrator and invoiced directly to the Fund by the Responsible Entity.

The Performance Fee is equal to 10% of the Excess Return per Unit during each Calculation Period (**Base Performance Fee**) multiplied by the number of Units on issue at the end of the Calculation Period less the Equalisation Reserve (**Accrued Performance Fee**) plus any Crystallised Performance Fee. The Accrued Performance Fee is subject to exceeding the High Water Mark and to a Performance Fee Limit.

- The **Excess Return** per Unit is equal to the higher of the (Total Return per Unit less the Performance Hurdle per Unit) and nil.
- The **Total Return** per Unit equals (the Net Asset Value per Unit (after adjusting for applications, redemptions and distributions (including pending distributions) and excluding a payment of any Performance Fee or other costs or fees) (**Adjusted Net Asset Value**) at the end of the Calculation Period divided by the Net Asset Value per Unit at the beginning of the Calculation Period) minus 1.
- The **Performance Hurdle** per Unit is the higher of the Bond Hurdle and the Equity Hurdle in the relevant Calculation Period.
- The **Equity Hurdle** is the return of the MSCI World (Ex-Australia) Index (Net) in \$A in the relevant Calculation Period. If we determine that this index is no longer available or has become inappropriate, we will nominate a similar index.
- The **Bond Hurdle** is the annualised yield of 10-year Australian Government Bonds, divided by the number of days in the calendar year, multiplied by the number of days in the relevant Calculation Period.

The Base Performance Fee per Unit payable for each Calculation Period will be less the Equalisation Reserve. When you make an investment in the Fund, any accrued Base Performance Fee per Unit will have already been calculated and included in the valuation of the Units and reflected in the Unit price. To ensure that you will only pay a Performance Fee on any excess performance generated after your Units are issued, we apply a **Daily Equalisation Adjustment**. This means that the Base Performance Fee per Unit incorporated in the Net Asset Value per Unit is multiplied by the number of Units issued on the following business day less the number of Units redeemed on the following business day. The sum of all the Daily Equalisation Adjustments during a Calculation Period forms the **Equalisation Reserve** (which is equal to zero at the start of each Calculation Period).

Whenever we issue a new Unit, the Equalisation Reserve, is adjusted by the amount of the Base Performance Fee per Unit accrued in the entry price immediately before the issue of that new Unit. If, however, on the day a new Unit is issued and the accrued Base Performance Fee is zero then no Daily Equalisation Adjustment to the Equalisation Reserve will be made with regard to the issue of that Unit.

The Performance Fee payable at the end of the Calculation Period is inclusive of a **Crystallised Performance Fee**. The Crystallised

Performance Fee means that when a withdrawal is made from the Fund on a particular business day, any Accrued Performance Fee will have already been calculated and included in the exit price of those units as at the time of withdrawal and therefore that the Accrued Performance Fee with respect to those units has crystallised and is payable to us at the end of the Calculation Period.

The Responsible Entity will only be entitled to a Performance Fee where the Net Asset Value per Unit at the end of the Calculation Period exceeds the High Water Mark. The **High Water Mark** is the higher of the Net Asset Value per Unit at the end of the most recent Calculation Period or the previous High Water Mark.

If an income and/or capital distribution is paid after the determination of the High Water Mark, then the High Water Mark will be reduced by that income and/or capital distribution (as applicable) paid.

Having a High Water Mark ensures that any negative returns must be surpassed before a Performance Fee is accrued and payable. For the initial Calculation Period after the commencement of the Fund, the High Water Mark will be \$10.00.

Further, the Performance Fee to which the Responsible Entity is entitled will be subject to the Performance Fee Limit. The **Performance Fee Limit** is a reduction in the Accrued Performance Fee we would otherwise be entitled to receive in order to ensure that the Accrued Performance Fee does not reduce the Net Asset Value per Unit (after the performance fee has been paid) below the High Water Mark.

Daily Performance Fee Calculation Methodology

The Base Performance Fee is calculated each business day as 10% of the difference between (a) the daily dollar Total Return per Unit and (b) the higher of the daily dollar return of the Bond Hurdle and Equity Hurdle, that is, the return that would have been generated had the same amount of money been invested at the higher of the Bond Hurdle and Equity Hurdle.

The Base Performance Fee rate of 10% is applied to the dollar difference between (a) and (b) and this amount, (which may be a positive or negative amount) is added to the unpaid Base Performance Fee amount. This unpaid Base Performance Fee amount is the aggregate of all daily Base Performance Fee amounts calculated during the Calculation Period.

If, on a given business day, the unpaid Base Performance Fee in aggregate is positive, this amount will be included in the daily Net Asset Value. If, on a given business day, the unpaid Base Performance Fee amount in aggregate is negative, no Base Performance Fee amount will be included in the daily Net Asset Value. The Daily Equalisation Adjustment will also be applied to the daily Net Asset Value.

At the end of the last business day of the Calculation Period (that is, on 31 March and 30 September each year):

- if the Accrued Performance Fee is positive, and the Net Asset Value per Unit is higher than the High Water Mark, the amount of that Accrued Performance Fee plus any Crystallised Performance Fee is due and payable to us (after taking into account GST less any input tax credits and reduced input tax credits). Consequently, the Net Asset Value per Unit at the end of the Calculation Period will become the High Water Mark for the next Calculation Period;
- if the unpaid Accrued Performance Fee included in the Net Asset Value is positive, but the Net Asset Value per Unit is lower than the High Water Mark, no Performance Fee is payable to us; and
- if the unpaid Accrued Performance Fee included in the Net Asset Value is negative or zero, no Performance Fee is payable to us.

The payment of a Performance Fee reduces the Unit price of the Fund.

Generally, the greater the investment performance of the Fund, the greater the Performance Fee and therefore the greater the overall management costs for the Fund. As the Fund is newly established, the Performance Fee set out in the fees and costs summary above is 1.06% p.a. of the Net Asset Value of the Fund which reflects the Responsible Entity's reasonable estimate at the date of this PDS of the Performance Fee that will apply for the current financial year (adjusted to reflect a 12 month period). The estimate of the prospective Performance Fee has been calculated based on actual Performance Fees for the Underlying Fund payable over the life of the Underlying Fund (adjusted to reflect a 12 month period). The actual Performance Fee payable (if any) will depend on the performance of the Fund over the relevant period.

Performance Fee worked example

The worked example in the following table is for illustrative purposes only, it is not an indication of the expected or future performance of the Fund and assumes no applications or withdrawals made during the performance period.

Scenario 1: Exceed Equity Hurdle, but not Bond Hurdle or High Water Mark = No Performance Fee

Scenario 2: Exceed Bond Hurdle and High Water Mark, but not Equity Hurdle = No Performance Fee

Scenario 3: Exceed both Bond and Equity Hurdles, but not the High Water Mark = No Performance Fee

Scenario 4: Exceed both Bond and Equity Hurdles, as well as the High Water Mark = Performance Fee

Calculation Period of six months (e.g. 1 April - 30 September)	Component	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Performance Hurdle is the higher of:	%	3.00%	8.00%	8.00%	5.00%
Bond Hurdle Return (10 year Australian Government Bond Yield)	%	3.00%	3.00%	3.00%	3.00%
Equity Hurdle Return (MSCI World (ex- Australia) Total Return Net Index in AUD)	%	-8.00%	8.00%	8.00%	5.00%
Fund return for Calculation Period (excluding Performance Fee)	%	2.00%	5.00%	10.00%	10.00%
Previous High Water Mark	\$ per Unit	1.3000	1.3000	1.4000	1.3000
Hurdle rate applied to Previous High Water Mark	\$ per Unit	1.3390	1.4040	1.5120	1.3650
Opening NAV per Unit (e.g. 1 April)	\$ per Unit	1.2500	1.2500	1.2500	1.2500
Closing NAV per Unit (e.g. 30 September) before Performance Fee	\$ per Unit	1.2750	1.3125	1.3750	1.3750
Did the Fund performance exceed the High Water Mark?		No	Yes	No	Yes
Did the Fund performance exceed the Performance Hurdle?		No	No	Yes	Yes
Performance Fee	%	10.00%	10.00%	10.00%	10.00%
Performance Fee per Unit	\$ per Unit	0.0000	0.0000	0.0000	0.0010
Closing NAV per Unit (e.g. 30 September) after Performance Fee	\$ per Unit	1.2750	1.3125	1.3750	1.3740
End of Calculation Period High Water Mark	\$ per Unit	1.3000	1.3125	1.4000	1.3740
Unit held by Unit holder	Units	40,000	40,000	40,000	40,000
Opening value of investment (e.g. 1 April)	\$	50,000	50,000	50,000	50,000
Closing value of investment (e.g. 30 September)	\$	51,000	52,500	55,000	54,960
Performance fee paid	\$	0	0	0	40
Net return for Calculation Period	%	2.00%	5.00%	10.00%	9.92%

Fee maximums and changes to fees

We are entitled under the Constitution of the Fund to charge a contribution fee and withdrawal fee each of 5% (inclusive of GST, less any input tax credits and reduced input tax credits), a Management Fee of up to 3% p.a. (inclusive of GST, less any input tax credits and reduced input tax credits) of the assets of the Units of the Fund (determined on the basis of the 'last sale' price, net of estimated disposal costs), a Performance Fee of 20% (exclusive of GST) of the performance of the Fund and an ETF application and redemption fee in relation to the processing of applications or redemptions in the Fund of a maximum amount of \$10,000 (inclusive of GST if any, less any input tax credits and reduced input tax credits). We have elected to limit our Management Fee and the Performance Fee to the level shown in the PDS and in the case of the contribution fee, the withdrawal fee and the ETF application and redemption fee, waive these fees altogether.

We may elect to change the fees and costs outlined in this section (e.g. due to changes in economic conditions and size of the Fund) without investor consent, except if required by the Corporations Act. We will provide you at least 30 days written notice of any increase in the fees when legally required to do so. All estimates of fees and costs in this section are based on information available as at the date of this PDS. You should refer to the Fund's website www.gsfm.com.au from time to time for any updates which are not materially adverse to investors.

Sell spreads for off-market withdrawals

Investors have a right to redeem their Units with us in exceptional circumstances. Please see 'Off-market withdrawals' in Section 6 for further information.

In these circumstances, we may charge a sell spread which is a type of transaction cost. The purpose of the sell spread is to ensure that only investors transacting in the Fund's Units at a particular time bear the Fund's costs of selling the Fund's Units as a consequence of their transaction.

The sell spread for the Fund is expressed as a percentage of the NAV of the Fund and is the difference between the NAV of the Fund and the withdrawal unit price. It reflects an estimate of the transaction costs expected to be incurred in selling the Fund's assets as a result of withdrawals made by investors.

The current sell spread of the Fund for off-market withdrawals is 0.15% however a different sell spread may apply if the estimate changes.

Market making agent costs

GRES has appointed a market participant Macquarie Securities (Australia) Limited (**Macquarie**), as its agent to execute its market making activities in order to provide liquidity on the AQUA market of the ASX and facilitate settlement. Macquarie will earn a fee as a result of these activities which comprises of a variable and fixed element. This variable element of the fee is applicable to the value of the net Units purchased and sold by Macquarie on behalf of the Fund and is recovered from the assets of the Fund as a normal operating expense.

For the first twelve months from the Fund's inception, the fixed market making fee will be paid to Macquarie by GRES and will not be recovered from the Fund. At the date of this PDS, the Responsible Entity cannot provide an estimate of the future market making agent fees which may be recovered from the Fund.

Stockbroker fees for investors

Investors will incur customary brokerage fees and commissions associated with buying and selling Units on the AQUA market of the ASX. This fee should be discussed with your stockbroker prior to investing. You should consider the Financial Services Guide provided by your broker.

Tax

Information about tax is set out in Section 7 'How managed investment schemes are taxed' of this PDS.

Adviser fees and remuneration

If you consult a financial adviser you may also pay an additional fee that will be set out in the Statement of Advice between you and the financial adviser.

We may, subject to the law, pay indirect remuneration to licensed financial advisers and other financial service providers. These amounts are paid from our own resources so that they are not an additional cost to the Fund or to you. We will only make these payments to the extent they are permitted by law.

We keep a register of indirect remuneration (e.g. non-monetary benefits valued between \$100 and \$300) paid to other financial services licensees. The register is publicly available and you may inspect this register by calling 1300 133 451, free of charge.

Indirect Investors

If you invest in the Fund through a master trust or wrap account (IDPS), the fees and costs applicable to the IDPS (and set out in the IDPS offer document or client agreement) are payable in addition to the fees and costs stated in this PDS.

Differential fees

We may charge fees on a different basis to a wholesale client (as defined under the Corporations Act) based on individual negotiation between us and that wholesale client.

We may, in certain circumstances determined by us, subject to the Corporations Act and any relevant ASIC policies, negotiate special arrangements concerning fees (including fee reductions and rebates) with other investors.

We may, where permitted under the law, charge fees on a different basis to certain employees of GRES and employees of its associated entities.

Through the operation of rebates which are paid from the fees that we receive, we may effectively charge net fees on a different basis to:

- a wholesale client (as defined under the Corporations Act) based on individual negotiation between us and that wholesale client;
- where permitted under the law, to certain employees of GRES and employees of its associated entities. These employees may be entitled to a rebate of up to 0.25% to be reinvested in the Fund; and/or
- where in special circumstances determined by us and permitted under the law charge net fees on a different basis to other investors. These investors may be entitled to a rebate of up to 0.25% to be reinvested in the Fund.

All of the above arrangements will involve a rebate of the fees that we earn and hence:

- the fees that are charged to all investors in the Fund without the rebate is identical; and
- any rebates that we pay to wholesale investors or to staff are not an additional cost to the Fund or to you.

Relevant investors should contact the Responsible Entity in relation to negotiating fees. See the inside cover of this PDS for our contact details.

Related party payments

GSFM Pty Limited (**GSFM**) is a related party of GRES. GSFM provides distribution, administrative and support services to GRES. GRES pays reasonable remuneration to GSFM in this regard on arms-length commercial terms.

The Investment Manager of the Fund is a related party of GRES. GRES pays reasonable remuneration to Munro on arms-length commercial terms.

6. Dealing with your investment

Unit pricing

The Net Asset Value of the Fund is calculated in accordance with the Constitution. The NAV will incorporate the value of the assets of the Fund, less any liabilities including Management Fees payable and amounts accrued in relation to Performance Fees of the Fund. The NAV per Unit is calculated by dividing the NAV of the Fund by the number of Units on issue in the Fund.

The Fund's NAV and NAV per Unit will generally be calculated as at the close of trading on each Business Day, usually one Business Day in arrears, except where withdrawals are suspended (see 'Suspension of redemptions' later in this section) and posted on the website:

www.gsfm.com.au. The NAV per Unit will vary as the market value of the Fund's assets rise or fall.

An indicative NAV per Unit (**iNAV**) will be calculated and published by a pricing agent on behalf of the Fund throughout the ASX Trading Day.

For more information about the iNAV refer to 'iNAV Calculation' following later in this section.

GRES' Unit Pricing Discretion policy contains further detail about how the NAV and iNAV per Unit are calculated. This policy is available on our website www.gsfm.com.au. A copy of this policy may be obtained free of charge upon request.

Buying Units

Once quoted on the AQUA market of the ASX, investors are able to purchase Units on the ASX either through a stockbroker or via their own trading account online.

The price at which investors will purchase Units will depend on the price of those Units that are quoted at the time on the ASX. While the Fund's market making activities and the Responsible Entity's ability to increase the number of Units on issue if the investor demand increases seeks to ensure that the market price of Units will be close to the underlying value of the Fund, the market price at any time may not reflect either NAV per Unit or the iNAV. Investors buying Units on the ASX will pay the prevailing market price for the purchase of Units at the time of the transaction. There is no minimum number of Units required by the Responsible Entity for purchase transactions on the ASX.

'Cooling off' rights do not apply to purchases of Units on the ASX.

The Responsible Entity may in its discretion agree to accept an application for Units off-market in order to establish the Fund.

Selling Units

Investors are able to sell Units on the ASX either through a stockbroker or via their own trading account online.

The price at which investors will sell their Units will depend on the price of those Units that are quoted at the time on the ASX. The market price at any time may not reflect either NAV per Unit or the iNAV. Investors selling Units on the ASX will receive the prevailing market price for the sale of Units at the time of the transaction.

There is no minimum number of Units required by the Responsible Entity for sale transactions on the ASX.

Unit creation and cancellation

The Responsible Entity, on behalf of the Fund acts as the market maker for the Fund providing liquidity to market participants.

At the end of each Business Day, Units are created or cancelled by the Responsible Entity depending on the net quantity traded for that particular day on the ASX.

Investors looking to acquire or sell Units in the Fund may purchase or sell Units on the ASX (Refer above "Buying Units" and "Selling Units").

Transferring Units

Subject to the Constitution and ASX requirements, a Unit is usually transferable through the ASX. A Unit may also be transferred by any other method of transfer which is required or permitted by the Corporations Act and the ASX.

Off-market withdrawals

Unit holders will not normally have a right to redeem their Units directly with the Fund. However, all Unit holders will have a right to a cash redemption and to receive payment within a reasonable time if Units are suspended from quotation on the ASX for more than five consecutive trading days, unless:

- (a) the Fund is being wound up;
- (b) the Fund is not liquid as defined in subsection 601KA(4) of the Corporations Act; or
- (c) the Responsible Entity has suspended redemptions in accordance with the Constitution.

Where Unit holders have the right to redeem their Units directly from the Fund, they will need to complete a withdrawal form made available on request. A sell-spread may be payable by investors for direct Unit redemptions. Refer to 'Additional explanation of fees and costs' for more information on sell-spreads.

No minimum redemption amount will apply.

Market maker and market making agent

Under the AQUA Rules, the Responsible Entity has certain obligations in respect of the Fund to facilitate an orderly and liquid market in the Fund.

The Responsible Entity, on behalf of the Fund acts as the market maker for the Fund providing liquidity to market participants. At the end of each Business Day, Units are created or cancelled by the Responsible Entity depending on the net quantity traded for that particular day on the ASX.

The Responsible Entity has appointed Macquarie as agent to execute its market making activities as a trading participant under the ASX Operating Rules.

The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on the Fund's behalf, which may result in either a cost or benefit to the Fund. The risks of market making are explained in Section 4 'Risks of investing in the Munro Concentrated Global Growth Fund (Managed Fund)'.

The liquidity provided by the market maker will ultimately be constrained by day-to-day events including but not limited to, the continuing ability of the market maker to create and redeem Units.

iNAV calculation

The Responsible Entity has engaged an agent to calculate and disseminate an indicative NAV per Unit (**iNAV**) which will be published by the Fund on our website at www.gsfm.com.au throughout the ASX Trading Day. The iNAV will be updated for foreign exchange movements in the Fund's portfolio stocks by individual stock domicile, to the extent that the impact is not offset by the hedging of the Fund's foreign currency exposure, and will also be updated during the ASX Trading Day in regard to the Underlying Fund's portfolio. Portfolio stocks that are not traded during the ASX Trading Day will be valued using their last traded price and adjusted by any changes in their corresponding exchange's futures index in accordance with the iNAV provider's fair valuation methodology.

Investors will be notified via the ASX Market Announcements Platform if there is any material change to the methodology for calculating iNAV.

No assurance can be given that the iNAV will be published continuously or that it will be up to date or free from error. Any iNAV is not and should not be taken to be or relied on as being the price at which Units may be purchased and sold on the ASX, and may not reflect the true value of the Unit. Investors should not rely on any iNAV which is made available in market making decisions but should consider other market information and relevant economic factors. To the extent permitted by law, neither the Responsible Entity nor its appointed agent shall be liable to any person who relies on the iNAV.

The price at which Units trade on the ASX may not reflect either the NAV per Unit or the iNAV.

Distributions

The Fund aims to pay any distributions annually, following the end of June each year. If you are registered as a holder of Fund Units on the Record Date, you will be entitled to receive a proportionate share of the distribution amount based on the number of Units you hold at this date.

The distribution amount will vary between distribution periods and is not guaranteed. There may be circumstances when a distribution is not made

by the Fund and circumstances when a special distribution is made outside of the usual distribution periods. The distributions you receive are generally assessable income and can include income and capital gains generated by the Fund.

Under the AMIT regime, the Fund may attribute an amount of income to you, which may or may not be the same as the distribution you receive. The amount you receive for each distribution will depend on the number of Units you hold in the Fund at the end of the distribution period.

The NAV per Unit will generally fall after each distribution to reflect the distribution paid.

If you choose to have any distributions paid out this will generally occur within 30 days but may be longer. Distributions will be directly credited to your nominated Australian Bank Account (Australian dollars) or New Zealand Bank Account (New Zealand dollars). You should contact your stockbroker or trading platform to enquire how to provide bank account details or by telephoning 1300 133 451. Where New Zealand based investors have elected to have the distribution credited to a New Zealand bank account in New Zealand dollars you may incur significant fees. The conversion to New Zealand dollars will be undertaken by the Fund's bank at the exchange rate on the day this is processed.

Alternatively, you may have your distributions re-invested as Units in the Fund.

For more information on AMIT and distributions please refer to 'How managed investment schemes are taxed' in Section 7.

Distribution Reinvestment Policy

GRES intends to establish a Distribution Reinvestment Policy (**DRP**) in respect of distributions made by the Fund, which will provide you with the option to re-invest distributions from the Fund in additional Units.

You may request that we invest future income distributions wholly, or with our approval partly, in additional Units in the Fund. If you choose to have your distribution re-invested as Units in the Fund, the additional Units will be issued using the NAV per Unit applicable immediately after the distribution. All Units allotted as part of DRP will rank equally in all respects with existing Units in the Fund.

Unitholder participation in the DRP is optional.

GRES intends to provide details of the DRP shortly following commencement of trading of Units on the ASX (a copy of the DRP will be available at www.gsfm.com.au free of charge). GRES reserves the right to amend, suspend or terminate the DRP at any time.

You should refer to Section 7 'How managed investment schemes are taxed' for information in relation to the participation in a DRP.

Privacy and your personal information

GRES and its service providers or the Fund may collect, hold and use your personal information in order to assess your application, service your needs as an investor, provide facilities and services to you, and for other purposes permitted under the Privacy Act 1998 (Cth) and the Australian Privacy Principles (**APPs**). Other legislation may also require some of the information to be collected in connection with your application.

If you do not provide the information requested or provide us with incomplete or inaccurate information, your application may not be able to be processed efficiently, or at all. Your information may be disclosed to GRES' agents (including the Investment Manager) and service providers on the basis that they deal with such information in accordance with the privacy policy of GRES. We do not currently directly disclose your personal information overseas, though our service providers may disclose this to their overseas affiliates and/or service providers.

For further information, please review our privacy policy, available at www.gsfm.com.au free of charge. A copy of the registry provider Mainstream Fund Services' Privacy Notice can be accessed at <https://www.mainstreamgroup.com/mbpo/Privacy-Notice>.

You will be able to gain access to your personal information collected by us by contacting Mainstream Fund Services on 1300 133 451 or by emailing registry@mainstreamgroup.com.

If you have any concerns about the completeness or accuracy of the information we have about you or would like to access or amend your personal information held by the Responsible Entity (or its registry provider) please contact Mainstream Fund Services by:

Phone: 1300 133 451

Or by mail:

GPO Box 4968, Sydney NSW 2001.

Our privacy policy, available at www.gsfm.com.au free of charge contains information about how you may complain about a breach of the APPs and how we will deal with this complaint.

Suspension of redemptions

The Responsible Entity at any time may suspend the redemption or issue of Units in the Fund for up to 120 days, if:

- it is impracticable for us, our nominee or any service provider appointed by us to calculate the Net Asset Value for example because of closure of, or trading restrictions on, stock or securities exchanges, an emergency or other state of affairs, or on declaration of a moratorium in a country where the Fund invests or under the Corporations Act;
- if it is impracticable for us, our nominee or any service provider appointed by us to calculate the Net Asset Value or value the Fund property during any period in which the Responsible Entity rebalances the Fund property in accordance with the investment strategy for the Fund;
- the Fund's investments suspend, delay or restrict the redemption, issue or payment of redemption proceeds or we are unable to provide a withdrawal price;
- we reasonably estimate that we must sell 5% or more (by value) of all Fund property to meet current unmet withdrawal requests;
- there have been, or we anticipate that there will be, withdrawal requests that involve realising a significant amount of Fund property and we consider that if those withdrawal requests were met immediately, Unit holders who continue to hold Units may bear a disproportionate amount of capital gains tax or other expenses, or the meeting of those withdrawal requests would otherwise be to the existing Unit holders' disadvantage including a material diminution in the value of the Fund property;
- we reasonably consider that it is in the interests of the Unit holders;
- the quotation of any Units is suspended or the trading of any Units is otherwise halted, interrupted or restricted by the ASX, or the trading of any Units on the ASX is subject to a period of deferred settlement trading, or there is a period during which Units are subject to a consolidation or division;
- the Units cease to be quoted or the Fund is removed from the official list of the market;
- a withdrawal request is received in a financial year and we determine that the date on which the completion of the redemption of the Units would otherwise occur would be in the next financial year;
- a withdrawal request is received during any period before or after a distribution which period we determine to be necessary or desirable to facilitate the calculation and distribution of distributable income;
- we believe that Fund property cannot be realised at prices that would be obtained if Fund property were realised in an orderly fashion over a reasonable period in a stable market; or
- it is otherwise legally permitted.

If the Fund/Underlying Fund becomes illiquid

If the Fund is not liquid (as defined in the Corporations Act), a Unit holder may request us to redeem that Unit holder's Units only in accordance with the terms of any current withdrawal offer made by us in compliance with the provisions of Part 5C.6 of the Corporations Act regulating offers of that kind. If there is no withdrawal offer currently open for acceptance by Unit holders, a Unit holder has no right to make a withdrawal request.

We do not have to make a withdrawal offer.

If the Underlying Fund becomes illiquid (as defined in the Corporations Act), Units may only be withdrawn if we make a withdrawal offer to all Unit holders in the Underlying Fund (including the Fund) in accordance with the Underlying Fund's Constitution and the Corporations Act.

Under the Corporations Act, a fund is regarded as liquid if liquid assets account for at least 80% of the value of the assets of the fund. Liquid assets typically include money in an account or on deposit with a bank, bank accepted bills, marketable securities and property of the kind prescribed under the Corporations Act.

At the date of this PDS, the Responsible Entity expects that the Fund and the Underlying Fund will be liquid under the Corporations Act.

7. How Managed Investment Schemes are taxed

The information contained in the following summary is intended to be of a general nature only and should serve only as a guide to the tax considerations that may arise. The summary applies only to Australian resident investors. Different tax considerations arise for non-resident investors.

WARNING: Investing in managed funds is likely to have tax consequences. Before investing in the Fund you are strongly advised to seek professional tax advice that takes account of your particular circumstances.

WARNING: New Zealand investors should seek their own advice on the New Zealand taxation law implications of their investment.

Attribution Managed Investment Trust regime

The Responsible Entity is entitled under the Constitution to elect the Fund into the Attribution Managed Investment Trust (**AMIT**) regime. Based on the below features of the regime, the Fund will elect into the AMIT regime from establishment.

Some of the key features of the AMIT regime include:

- allocation of taxable income to Unit holders based on 'attribution' rather than present entitlement to the 'income' of the trust;
- clarification of the treatment of under and over distributions; and
- CGT cost base reductions and uplifts in Unit holdings where taxable income attributed is either less than or greater than the cash distribution for an income year (respectively).

The Fund has also made the MIT capital account election and therefore, all gains and losses of the Fund from 'eligible assets' (primarily shares, units and options over those assets) are assessed under the CGT provisions.

Taxation of the Fund

The Fund should not be subject to Australian income tax, with tax instead being borne by the investors. That is, from a tax perspective, the Fund should be treated as a 'flow-through' entity.

However, where the Fund is in a tax loss position in a particular year, the loss is retained in the Fund and is not distributable to the Unit holders. The loss can be carried forward by the Fund and used to offset taxable income in a future year (subject to satisfaction of certain loss integrity tests).

Distributions

Australian resident investors are generally subject to tax on the taxable income from the Fund that is attributed to them by the Responsible Entity. Such attribution must be worked out by the Responsible Entity on a fair and reasonable basis in accordance with the Constitution of the Fund. Taxable income of the fund may include franked dividends, franking credits, foreign income and foreign income tax offsets in respect of foreign taxes paid (**FITOs**) and capital gains. Generally a tax offset should be available to investors for the associated franking credits and FITOs.

The taxable income attributed to an investor will also include amounts of trust income that are reinvested in the Fund through the Distribution Reinvestment Policy (DRP). The distributions received (or reinvested) may be more or less than the amount of income that is subject to tax. Any reinvested distributions will be received as further Units in the Fund.

The way in which investors are taxed will depend on the components of income attributed*. The amounts attributed to an investor could include non-cash items such as tax credits.

Under the AMIT regime, distributions can result in either a reduction or increase in the CGT cost base of an investor's Units. Broadly, where the taxable income attributed to an investor is less than the cash distribution (plus any tax offsets), this should result in a reduction to the cost base of the investor's Units. Conversely, where the taxable income attributed to an investor is greater than the cash distribution (plus any tax offsets), this should result in an increase to the cost base of the investor's Units.

* We will send you an Annual Tax Statement indicating the components of your distributions (and the amounts which have been attributed to you for tax purposes) after the end of each Financial Year which may assist you in completing your tax return and/or updating the cost base of your investment for capital gains tax purpose.

Gains on transfer and redemptions of Units

When calculating the net taxable capital gains in any income year, you must take into account capital gains and losses from all sources, including those arising on transfer or redemption of Units. Individuals and complying superannuation funds may be entitled to the CGT discount concession (50% and 33.33% respectively) where the investment in Units is held on capital account and for more than 12 months. You should discuss this calculation with your taxation adviser.

Foreign income

Distributions may include foreign income. If foreign tax is paid on the foreign income derived by the Fund, then you will need to include in your assessable income your share of any foreign income and any related foreign taxes withheld from such income. You may be entitled to claim an offset (**FITO**) against your Australian income tax liability in respect of foreign tax paid (up to the amount of Australian tax otherwise payable by you on the net foreign source income included in your taxable income).

Tax File Number (TFN) or Australian Business Number (ABN)

We recommend you provide your TFN/ABN. It is not compulsory for an Australian unit holder to quote their TFN or ABN. However, if a TFN/ABN is not quoted, or an appropriate exemption is not claimed, the Responsible Entity will be required to deduct tax at the highest marginal tax rate (currently 45%) plus the Medicare Levy (currently 2%), totalling 47% from distributions.

By quoting your TFN or ABN you authorise us to apply it to your investment and disclose it to the Australian Tax Office. Collection of TFN or ABN information is authorised, and its use and disclosure is strictly regulated, by the tax laws and under privacy legislation.

Goods and Services Tax (GST)

The issue and redemption of Units in the Fund is not subject to GST, however, the Fund may pay GST on the services it acquires. In most circumstances our fees and other services, together with the reimbursement of expenses are subject to GST. Generally, the Fund cannot claim full input tax credits for GST incurred on these services to the extent that the services relate to input taxed supplies but, in certain circumstances the Fund may be entitled to a reduced input tax credit (RITC) of the GST payable on these services. If the GST rate increases, the RITC rate decreases, or RITCs are not available, the Constitution for the Fund allows us to amend the amount recouped out of the Fund accordingly.

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

FATCA was enacted in 2010 by the United States Congress to target non-compliance by US taxpayers using foreign accounts. CRS is a broader OECD led framework for the collection, reporting and exchange of financial account information between revenue authorities across jurisdictions. FATCA and CRS have important implications for financial institutions globally, including an obligation to identify foreign accounts and report information relating to foreign accounts to the foreign tax authorities or, under FATCA, to withhold 30% tax on US connected payments to non-participating foreign financial institutions.

To comply with the FATCA and CRS requirements, the Fund may collect additional information from you and will disclose such information to the Australian Taxation Office. This information may ultimately be shared with revenue authorities in other jurisdictions under the various exchange of information agreements that Australia has entered into with other jurisdictions.

Provided all necessary registrations and information to comply with FATCA

is obtained, US withholding tax on US connected payments should not apply to the Fund.

Tax Reform

The comments above are based on the Australian taxation law as at the issue date of the PDS.

It is recommended that Unit holders seek their own professional advice, specific to their own circumstances, of the taxation implications of investing in the Fund. New Zealand investors should seek their own advice on the New Zealand taxation law implications of their investment.

8. Material Contracts

Constitution

The operation of the Fund is governed under the law and its Constitution which addresses matters such as unit pricing and withdrawals and applications; the issue and transfer of units or classes of units; Unit holder meetings; Unit holders' rights including Unit holders' rights to income of the Fund; the Responsible Entity's powers to invest, borrow and generally manage the Fund and fee entitlement and right to be indemnified from the Fund's assets. The Constitution states that your liability is limited to the amount you paid for your Units, but the courts are yet to determine the effectiveness of provisions of this kind.

We may alter the Constitution if we, as the responsible entity, reasonably consider the amendments will not adversely affect investors' rights. Otherwise we must obtain investors' approval at a meeting of investors. We may retire or (if investors vote for our removal) be required to retire as Responsible Entity. No Units may be issued after the 80th anniversary of the date of the Constitution. We may exercise our right to terminate the Fund earlier by written notice to Unit holders. Your rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

The Constitution provides us with the power to determine that the Fund may be quoted for trading on an exchange or listed on an exchange. The Constitution also contemplates the implementation of a multi-access structure in relation to units that are quoted on an exchange, whereby investors can apply for such units either by applying to the Responsible Entity directly or buying them on market and can redeem such units in the Fund by redeeming them from the Responsible Entity directly or selling them on market.

As at the date of this PDS, the Fund does not implement a multi-access structure in respect of the Fund or a class of units in the Fund (including an existing class of units in the Fund, such as the Units) however we may determine to do so in the future. Subject to its duties under the Corporations Act, we may also determine to convert, reclassify or redesignate a class of units in the Fund (such as the Units offered under this PDS) into units of another class, however we are under no obligation to do so.

The Constitution gives us a number of rights, including a number of discretions relating to unit pricing. The Constitution may be viewed between 9am and 5pm, Sydney time, on business days by calling 1300 133 451. We will provide you with a copy free of charge.

You can obtain a copy of our Constitution and Unit Pricing Discretions Policy, free of charge, by calling 1300 133 451.

Services Agreement and Investment Management Agreement

GRES has entered into a Services Agreement with Munro. Under this agreement, Munro agrees to provide services to the Fund which include: Munro will invest and manage the assets of the Fund; provide certain services and information to enable GRES to complete the day to day processes required to deliver the Fund portfolio to the iNAV; and provide reporting that is complete and accurate in all material respects to the extent the necessary information is within the reasonable control of Munro.

In addition, GRES has entered into an Investment Management Agreement with Munro. Under the Investment Management Agreement, Munro agrees to

provide investment management services with respect to the Underlying Fund.

The Services Agreement and the Investment Management Agreement may be terminated by either party in certain circumstances such as if the other party is insolvent, materially breaches the agreement, ceases to hold or be exempt from holding an Australian Financial Services Licence, ceases to hold all other licences necessary to conduct its business, ceases to carry on its business or engages in fraudulent, dishonest, misleading or deceptive conduct in connection with the services provided pursuant to the agreement.

Munro agrees to indemnify us from any losses and expenses arising from Munro's fraud, negligence or wilful default.

We agree to indemnify Munro from any losses and expenses arising from Munro acting under the agreements or on account of a bona fide investment decision, except to the extent that the loss or expense is caused by the negligence, fraud or wilful default of Munro.

Custodian for the Fund

As described previously in 'Service providers' GRES has appointed J.P. Morgan to hold the assets of the Fund and Underlying Fund in its capacity as custodian.

Compliance Plan

In accordance with the requirements of the Corporations Act and ASIC policy the Fund has a compliance plan which sets out the measures we will take to ensure we comply with the Corporations Act and the Constitution. To oversee compliance with the compliance plan we have appointed a compliance committee with a majority being external members.

A copy of the Fund's compliance plan is available free of charge by calling 1300 133 451.

9. Additional Information

Additional disclosure information

The Fund has certain regular reporting and continuous disclosure obligations pursuant to the Corporations Act.

All continuous disclosure notices are available on our website at www.gsfm.com.au.

Copies of the following documents can also be obtained free of charge from us, upon request:

- the Fund's most recently lodged annual report;
- any half year report lodged with ASIC after the lodgement of the latest annual report and before the date of this PDS;
- any continuous disclosure notices given by the Fund after lodgement of the latest annual report and before the date of this PDS;
- our Unit Pricing Discretions Policy.

Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office.

Updated information

As Responsible Entity of the Fund, we are subject to continuous disclosure obligations that require us to make material information available. We will comply with our continuous disclosure obligations under the law by publishing material information about the Fund on our website in accordance with ASIC's good practice guidance for website disclosure. You can obtain a copy of the Fund's continuous disclosure information by visiting our website www.gsfm.com.au. We encourage you to regularly check our website for new information that may be relevant to your investment. A paper copy of this information will also be given to you, on request, without charge.

Periodic Reporting

GRES provides investors with regular reporting on both the Fund and Underlying Fund information which can be accessed at www.gsfm.com.au.

This includes:

- Net Asset Value (**NAV**) per Unit for each Business Day posted on the Fund's and Underlying Fund's Unit Prices page;
- Indicative Net Asset Value (iNAV) posted real time on the Fund's product page;
- Total NAV at the end of each month posted on the Fund's and Underlying Fund's product page;
- Distribution details posted annually on the Fund's and Underlying Fund's Distributions page;
- Monthly net (after fees) returns for the Fund and the Underlying Fund can be found on the Fund's and Underlying Fund's Performance page respectively; and
- Copies of announcements made to the ASX including continuous disclosure notices, redemption and distribution information, can be found on the Fund's Continuous Disclosure page.

In addition, the Fund will provide the monthly Portfolio Disclosure within 30 days of each month, monthly redemptions by the week after the end of each month and Net Units on Issue within five Business Days of the end of each month.

ASIC Relief

Class Order Relief - Ongoing Disclosure

ASIC has granted relief under Class Order 13/721 (as amended by ASIC Corporations (Amendment) Instrument 2018/3) under section 1020F(1)(a) of the Corporations Act from the ongoing disclosure requirements in section 1017B on the condition that the Responsible Entity complies with the continuous disclosure requirements in section 675 of the Corporations Act 2001 as if the Fund were an unlisted disclosing entity. The Responsible Entity will comply with these continuous disclosure requirements of the Corporations Act as if the Fund were an unlisted disclosing entity.

Class Order Relief - Periodic Statements

ASIC has granted relief under Class Order 13/1200 which exempts the Responsible Entity from certain periodic statement requirements. In particular, we are not required to include in periodic statements purchase or sale price information or return on investment information where the Responsible Entity is unable to determine such information and the periodic statement explains why this information is not included and describes how it can be obtained or calculated. In addition, Class Order 13/1200 requires us to report in the periodic statement whether the Fund has met its investment objective over the last one year and five year periods.

Indirect Investors

If you invest in the Fund through a master trust or wrap platform or an Investor Directed Portfolio Service (**IDPS**), you do not become a Unit holder in the Fund and do not have the rights of a Unit holder or acquire any direct interest in the Fund. The operator or manager of the trust, platform or IDPS becomes a Unit holder and acquires these rights and may exercise these rights as they see fit. As an investor in the IDPS or IDPS-like scheme, you must read this PDS in that context. For information about your investment, you should contact your IDPS or platform operator.

As an Indirect Investor, your first point of contact for any complaints in relation to an investment in the Fund will be your IDPS or platform operator. You may also access the procedures we have in place to handle any enquiries or complaints. Please refer to 'Complaints resolution'.

Complaints resolution

We have procedures in place to handle any enquiries or complaints from you as quickly and smoothly as possible. If you have a complaint or enquiry, please call Mainstream Fund Services on 1300 133 451 or email registry@mainstreamgroup.com.

We will acknowledge your written complaint within one business day of receipt of the complaint and will address your complaint within 30 days of receipt. If we are unable to address your complaint in this time we will inform you of the reasons for the delay. If we do not address your complaint within 30 days of receipt and an extension of time has not been agreed or you are not satisfied with our

response, you may refer it to the Australian Financial Complaints Authority (**AFCA**), an external complaints handling service of which we are a member. AFCA is the external dispute resolution scheme for complaints involving financial services and products.

Contact details for AFCA are as follows:

Address: GPO Box 3

Melbourne VIC 3001

Telephone: 1800 931 678

Website: www.afca.org.au

Email: info@afca.org.au

Related party transactions and conflicts of interests

We may appoint any of our related entities to provide services or perform functions in relation to the Fund.

Any such services will be provided on terms that would be reasonable if the parties were dealing at arm's length and for reasonable remuneration. GSFM Pty Limited (**GSFM**) (ABN 14 125 715 004) is the distributor of the Munro Concentrated Global Growth Fund (Managed Fund). GSFM is a related party of GRES and its appointment was made on an arm's length basis and for reasonable remuneration. GSFM has an ownership interest in Munro.

In the course of managing the Fund we may face conflicts in respect of our duties in relation to the Fund, related funds and our own interests. GRES and Munro have established internal policies and procedures to ensure that any conflicts of interest arising in relation to the Fund are adequately identified and appropriately managed. Any conflicts of interests that may arise will be dealt with fairly and reasonably and in accordance with the law, ASIC policy and GRES' and Munro's conflicts of interest policies.

Consents

The following parties have given written consent (which has not been withdrawn at the date of this PDS) to being named, in the form and context in which they are named, in this PDS:

- Munro Partners as investment manager of the Fund;
- J.P. Morgan Chase Bank as custodian and administrator to the Fund;
- Mainstream Fund Services Pty Ltd as unit registry for the Fund;
- PricewaterhouseCoopers as the auditor of the Fund and compliance plan;
- KPMG as tax agent to the Fund;
- Macquarie Securities (Australia) Limited as market making agent for the Fund; and
- Solactive AG as iNAV provider for the Fund.

Each of these persons named above:

- has not authorised or caused the issue of this PDS; and
- does not make or purport to make any statement in this PDS (or any statement on which a statement in this PDS is based) other than as specified; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this PDS other than the reference to their name in a statement or report included in this PDS with their consent as specified.

Terms used in this PDS

AQUA Rules	Schedule 10A of the ASX Operating Rules and related rules and procedures, as amended, varied or waived from time to time.
Areas of Interest or Aol	Top-down thematic views.
AUD, \$ or \$A	Australian dollars.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited and its affiliates.
ASX Listing Rules	The listing rules of the ASX as amended, varied or waived from time to time.
ASX Operating Rules	The operating rules of the ASX as amended, varied or waived from time to time.
ASX Trading Day	Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.
Bank Account	Bank Account means an account with an Australian Authorised Deposit Taking Institution (which includes a building society and credit union).
Business Day	Any day that is not a Saturday, Sunday, public or bank holiday in New South Wales, Australia or such other day as determined by the Responsible Entity.
CHESS	The Clearing House Electronic Sub-register System.
Constitution	The constitution of the Scheme as amended from time to time.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Fund	Munro Concentrated Global Growth Fund (Managed Fund), ARSN 654 019 940 ABN 60 182 940 733
GST	Goods and Services Tax chargeable in accordance with the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
High Watermark	The higher of the Net Asset Value per Unit at the end of the most recent Calculation Period or the previous High Water Mark. For the initial Calculation Period after the commencement of the Fund, the High Water Mark will be \$10.00.
IDPS	Investor Directed Portfolio Service.
iNAV	Means indicative NAV per Unit.
Investment Manager, Munro Partners, 'Munro'	Munro Partners.
Management Fee	The amount payable to the Responsible Entity for managing the Fund and your investment. It includes costs such as Investment Manager fees, operating expenses and all other normal costs.
Net Asset Value or NAV	The net asset value of the Units in the Fund or, if specifically stated, the net asset value of the Fund, as determined under the Constitution.
PDS	This product disclosure statement.
Performance Fee	The amount paid or payable calculated by reference to the performance of the Fund.
Responsible Entity or GSFM Responsible Entity Services	GSFM Responsible Entity Services Limited ABN 48 129 256 104, AFSL 321517 as responsible entity of the Fund.
Underlying Fund	Munro Concentrated Global Growth Fund ARSN 630 173 189 ABN 22 569 402 276 APIR Code GSF9808AU.
Underlying Fund Constitution	The constitution of the Underlying Fund as amended from time to time.
Unit holder	A person entered on the register of the Fund as a holder of Units.
Units	Unless specifically stated, being a beneficial interest in the Fund as offered under this PDS.
'we', 'our', 'us' or 'GRES'	The Responsible Entity of the Fund.

Corporate Directory

Responsible Entity

GSFM Responsible Entity Services Limited
Level 19
Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

www.gsfm.com.au

Investment Manager

Munro Partners
Level 12
80 Collins Street (South Tower)
Melbourne VIC 3000

www.munropartners.com.au

Mailing Address

Mainstream Fund Services – Unit Registry
GPO Box 4968
Sydney NSW 2001

Client Service

Email: registry@mainstreamgroup.com
Phone: 1300 133 451





