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MFF Capital Investments Limited ("MFF") Net Tangible Assets ("NTA") per share

Please find enclosed MFF's monthly NTA per share for July 2021.

Authorised by
Marcia Venegas | Company Secretary

2 August 2021

MFF Capital Investments Limited ('MFF') Net Tangible Assets ('NTA') per share for July 2021

MFF advises that its approximate monthly NTA per share as at 30 July 2021 was \$3.422 (cum 3.5 cent per share fully franked final dividend)¹ pre-tax (\$3.279 as at 30 June 2021), and \$2.905 after providing for tax² (\$2.805 as at 30 June 2021). MFF's 2020/21 financial statements and details of the Directors dividend policy, including the increased fully franked final dividend for 2020/21, were released during July.

The MFF portfolio is concentrated in companies which are advantaged, extremely profitable cash flow generators, with very solid post pandemic prospects and current resilience, even if pandemic impacts extend for far longer than had been expected by many. The results and updates released in July indicate that the competitive positions of portfolio companies have continued to improve. MFF remains characterised by portfolio and process continuity, and patience rather than activity continued to be regarded as appropriate for another month, with sales in July modestly under 1% of investment assets and purchases in the month of about 0.6% of investment assets.

We are not repeating comments from recent monthly releases and the financial statements which deal with ongoing portfolio principles and portfolio/risk management issues. As always, there were plenty of things to worry about in July. Of course, profitable growth from sustainably advantaged companies provide helpful perspectives. Some extraordinary results distracted shorter term focussed market participants temporarily from market noise, and from Delta, political, geo-political, regulatory, year on year comparative, inflation, and outlook issues. Given comparisons and other issues, this reporting season has been relatively unimportant, with a short shelf life of market relevance, contrary to our ironic 'forecast' in April.

Although market capitalisation weighted indices rose in the US and some other markets during July there were negative movements for a number of reopening plays, China companies and where outlooks did not meet expectations. Reasons included pandemic related revenue and profit benefits were inflated/brought forward, where even limited reopening to date is causing adverse substitution and where, on the other hand, market expectations were too high and delayed reopening may mean that optimistic short term forecasts are not met. The data is evolving on vaccine effectiveness and in official rhetoric in advanced western nations. Emerging market concerns elevated again with specific vaccine efficacy issues amongst many challenges, including ongoing lockdowns and data opacity, including in largest global population centres, with variants. Emerging markets are already an area of caution in results and outlook statements amongst even leading multi nationals. With everything else going on in China investors have not focused as closely on its recent challenges with the virus and outbreaks/lockdowns.

Throughout history, pandemics have been second only to wars in exposing weaknesses in Government finances, political structures, and incumbent leaderships (and more dangerous alternative leaderships). Frustration spread in Australia infected by structures to promote lower common denominators of insular mediocrity and base parochialism with consensus seeking so-called national cabinet exposing 21st century inappropriateness of a Federation designed for 19th century issues. Of course, Australia is not the only politically infected region, but some European nations which recently fought wars over parochial issues are attempting to co-operate more and address burdens of bureaucracy. Under pressure, proportional and preferential voting systems can amplify further in this era of social media/digital communications and increased inequality, as polls indicate strengthening of socialist and populist movements. Politicians in Germany, facing elections are moving meaningfully away from the second half 20th century bedrocks of manufacturing excellence and financial conservatism as they reflect/amplify shifting voter opinions. The US administration continues to support zealous anti-business anti-capital anti-markets appointees to fill and chair key agencies and the Senate Budget Committee and argue that trillions of dollars of additional open-ended unfunded spending should be increased. Some increasing pressures in emerging markets might become the first fissures, but outer boundaries have not been tested anywhere, even in Japan for the last 30 years. CCP activities accelerated in July, including towards companies operating within China and in relation to international commitments.

The 30 largest holdings in the portfolio as at 30 July 2021 are shown in the table that follows (shown as a percentage of investment assets).

	%		%
Visa	15.7	Alphabet Class A	1.6
MasterCard	14.6	L'Oreal	1.4
Amazon	9.3	JP Morgan Chase	1.4
Home Depot	8.7	Lloyds Banking Group	1.3
Facebook	7.1	Mitsubishi	1.2
Alphabet Class C	6.0	US Bancorp	1.1
Microsoft	3.7	Asahi Group	1.1
CVS Health	3.5	Allianz	0.9
Bank of America	3.1	Mitsui & Co	0.9
Prosus	2.2	Itochu	0.9
Flutter Entertainment	1.9	Sumitomo Corp	0.8
Procter & Gamble	1.8	DBS Group	0.8
Intercontinental Exchange	1.7	Oversea - Chinese Banking	0.7
Morgan Stanley	1.7	Lowe's	0.7
CK Hutchison	1.6	United Overseas Bank	0.6

Net debt shown as a percentage of investment assets, was approximately 6.1% as at 30 July 2021. AUD net cash was 0.4% (taxes, other expenses and dividends are paid in AUD whilst proceeds of MFF Options (ASX ticker: MFFOA) exercises are received in AUD), USD net debt 1.3%, Yen net debt 4.2% and other currency borrowing/cash exposures were below 1% of investment assets as at 30 July 2021 (all approximate). Key currency rates for AUD as at 30 July 2021 were 0.735 (USD), 0.620 (EUR) and 0.529 (GBP) compared with rates for the previous month which were 0.751 (USD), 0.633 (EUR) and 0.543 (GBP).

Yours faithfully



Chris Mackay
Portfolio Manager

2 August 2021

¹ Figures are cum final dividend 3.5 cents per share fully franked, dividend ex date 8 October 2021 and payable 5 November 2021.

²Net tax liabilities are current tax liabilities and deferred tax liabilities, less tax assets.

All figures are unaudited and approximate.

Figures are not adjusted for unexercised MFF Options (MFFOA).

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