

The Montgomery Fund

Monthly investment report

April 2026

Fund overview

The Montgomery Fund's portfolio will typically comprise 25-35 high-conviction stocks listed on the ASX. The Fund employs an active, bottom-up investment approach focused on fundamental analysis and high-quality companies.

Fund facts

Investment manager:	Montgomery Investment Management Pty Ltd	Investment timeframe:	5 years recommended
Sub-investment manager:	Australian Eagle Asset Management Pty Ltd appointed 12 September 2022.	Inception:	17 August 2012
Objective:	To outperform the index over a rolling 5-year period.	Minimum initial investment:	\$25,000
Benchmark:	S&P/ASX 300 Accumulation Index	Fund size:	\$255.60 million
Portfolio managers:	Sean Sequeira, Alan Kwan	Management fees and costs:	1.36% pa*
APIR code:	FHT0030AU	Distributions:	Half-yearly. View a history of our website here .
Investment style:	Agnostic	Performance fee:	15.38% outperformance of the benchmark**
		Unit prices:	montinvest.com/our-funds/the-montgomery-fund/

* Includes the Responsible Entities fees, Montgomery's fees, custody fees, ordinary and abnormal expenses and any indirect costs. This is an estimate as cost may vary.

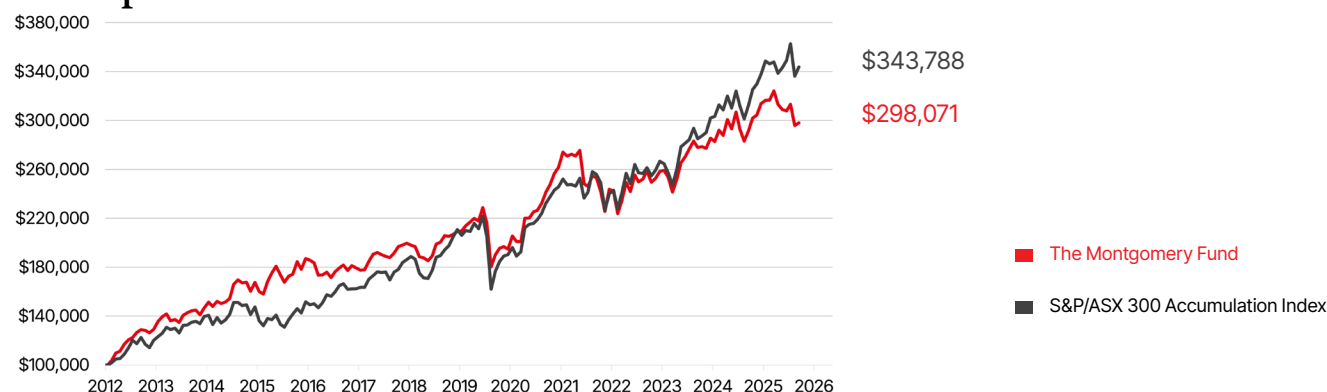
** Please read the Product Disclosure Statement for details.

Portfolio performance

	1 month	3 months	6 months	12 months	3 years (p.a.)	5 years (p.a.)	Since inception [#]	Compound annual return (since inception)
The Montgomery Fund	0.75%	-3.16%	-8.04%	2.31%	4.85%	4.32%	198.07%	8.30%
S&P/ASX 300 Accumulation Index	2.25%	-1.52%	-1.14%	10.14%	9.57%	8.16%	243.79%	9.43%
Out/under performance	-1.50%	-1.64%	-6.90%	-7.83%	-4.72%	-3.84%	-45.72%	-1.13%

Inception: 17 August 2012, past performance is not indicative of future performance. Portfolio performance is calculated after fees and costs, including the Investment Management fee and Performance fee, but excludes the buy/sell spread. All returns are on a pre-tax basis and assume distributions are reinvested.

Fund performance



Fund commentary

The Montgomery Fund (The Fund) returned 0.75 per cent after fees in April 2026. Returns would have been materially higher were it not for a downgrade by Cochlear (ASX:COH), which saw the stock fall 40 per cent in a single day. Consequently, The Fund underperformed the S&P/ASX 300 Accumulation Index, which returned 2.25 per cent.

Cochlear's downgrade reflected softer demand in developed markets, uncertainty in the Middle East, lower gross margins, restructuring costs, and foreign exchange headwinds. These resulted in a cut to Financial Year 2026 (FY26) profit guidance from \$435-460 million to \$290-330 million. As Cochlear was one of The Fund's larger holdings, the move had a disproportionate impact on performance. While The Fund generated a positive return for the month, excluding Cochlear, The Fund would have materially outperformed the benchmark.

Portfolio changes

The Fund increased positions in Life360 Inc. (ASX:360), ASX Ltd (ASX:ASX), Fortescue Ltd (ASX:FMG), National Australia Bank Ltd (ASX:NAB), PLS Ltd (ASX:PLS), ResMed Inc. (ASX:RMD), Worley Ltd (ASX:WOR) and Xero Ltd (ASX:XRO).

The Fund decreased exposure to CSL Ltd (ASX:CSL), Commonwealth Bank Ltd (ASX:CBA), Cochlear Ltd (ASX:COH), Web Travel Group (ASX:WEB) and Woodside Energy Ltd (ASX:WDS).

Contributors

PLS Ltd (ASX:PLS) – PLS rose with the spodumene price as increased demand for grid-scale battery storage continued to drive a tightening in lithium market conditions. The quarterly report revealed lower unit costs and higher production, resulting in stronger cash flow generation.

ASX Ltd (ASX:ASX) – ASX outperformed as the company announced the successful launch of CHES Release 1 as the first part of the upgrade to its clearing services infrastructure. An internally promoted interim CEO was also appointed.

Macquarie Group Ltd (ASX:MQG) – Macquarie Group rose as the market anticipated stronger earnings due to heightened energy price volatility stemming from the closure of the Strait of Hormuz. General market volatility and increased corporate transactions would also improve revenue opportunities.

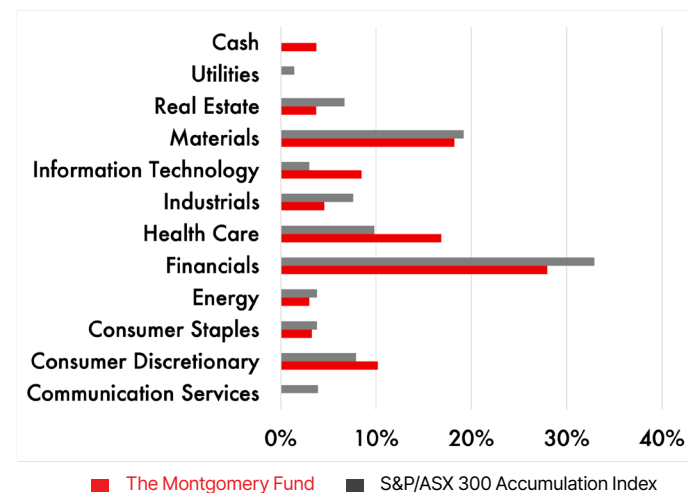
Detractors

Cochlear Ltd (ASX:COH) – Cochlear underperformed after downgrading full-year guidance due to deteriorating sales momentum. Referral activity from hearing aid channels also fell, and the strengthening Australian dollar also proved to be difficult headwinds to overcome.

CSL Ltd (ASX:CSL) – CSL fell after the U.S. Department of Defence removed its annual flu vaccine mandate, adding existing pressure on its Seqirus vaccine division. Investor confidence remains fragile following the company's recent leadership change, restructuring and impairments.

Evolution Mining Ltd (ASX:EVN) – Evolution Mining fell after its quarterly report highlighted an adverse weather event at its Ernest Henry mine, resulting in guidance being revised toward the lower end of the range. Despite this operational setback, the elevated gold price continued to support record cash flow generation, and the company ended the period with a net cash balance.

Industry exposure



Top 10 holdings

Company Name	ASX Code	Weight (%)
Commonwealth Bank of Australia	CBA	6.06
QBE Insurance Group	QBE	6.06
Brambles	BXB	5.14
Aristocrat Leisure	ALL	5.05
Rio Tinto	RIO	4.91
PLS Group	PLS	4.86
ASX	ASX	4.48
Woodside Energy Group	WDS	4.32
Worley	WOR	4.05
Macquarie Group	MQG	4.04
Cash		2.23
Weighted average market capitalisation		68.73 bn

Contact details

For investors

Rhodri Taylor

Account Manager – Private Clients

☎ 02 8046 5022

✉ rtaylor@montinvest.com

David Buckland

Chief Executive Officer

☎ 02 8046 5004

✉ dbuckland@montinvest.com

For advisers, researchers and platforms

Scott Phillips

Head of Distribution
States – National

☎ 0417 529 890

✉ sphillips@montinvest.com

David Denby

National Account Manager
States – VIC, SA & TAS

☎ 0455 086 484

✉ ddenby@montinvest.com

Michael Gollagher

National Account Manager
States – QLD

☎ 0409 771 306

✉ mgollagher@montinvest.com

Dean Curnow

National Account Manager
States – NSW, ACT & WA

☎ 0405 033 849

✉ dcurnow@montinvest.com

Toby Roberts

National Account Manager
States – NSW & ACT

☎ 0402 093 561

✉ troberts@montinvest.com

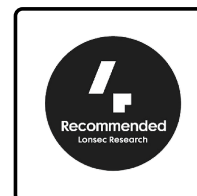
Platform availability

- Asgard
- BT Panorama
- CFS Edge
- DASH
- HUB24
- Insignia eXpand
- Macquarie Wrap
- Mason Stevens
- Netwealth
- North
- Powerwrap
- Praemium

Ratings



Zenith
Recommended



Lonsec Research
Recommended



Read our insights at
rogermontgomery.com

Montgomery Investment Management
Suite 5.01, 17 Castlereagh Street
Sydney NSW 2000

investor@montinvest.com
(02) 8046 5000
montinvest.com

Important information

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