

INVESTMENT REPORT

APRIL 2023

ABOUT MONTAKA

Montaka Global is a specialist global equities manager established in 2015 by Andrew Macken and Christopher Demasi with offices in Sydney, Melbourne and New York.

Montaka's mission is to achieve superior long-term compounding of investor capital, alongside the capital of our principals, team, and owners.

ABOUT THE FUND

The Montaka Global Long Only Fund can play a leading role in achieving Montaka's mission.

Investors in the Fund can benefit from our deep expertise, fundamental research and detailed analysis to identify high-conviction, long-duration opportunities through a concentrated global equities portfolio.

The Fund is highly focussed on investing in long-term winners in attractive transforming markets when they are undervalued and offer outsized return potential.

The Fund aims to outperform the Index, net of fees, over the long-term.

Investors can invest and redeem daily at net asset value plus/minus a small spread by applying and redeeming [directly](#) with the Fund.

TOP 10 HOLDINGS

1	Microsoft	10.1%	6	Salesforce	6.0%
2	Amazon	9.5%	7	ServiceNow	5.1%
3	Meta	7.9%	8	Spotify	4.2%
4	Blackstone	7.7%	9	S&P	4.2%
5	KKR	6.8%	10	Carlyle	4.1%
Total top 10 holdings					65.0%

PERFORMANCE

	FUND	INDEX
1 month	1.1%	3.1%
3 month	8.6%	9.2%
6 month	14.0%	8.6%
1 year	3.8%	11.0%
3 years (p.a.)	3.6%	12.8%
5 years (p.a.)	2.4%	11.1%
Since inception (p.a.)	5.7%	10.4%
Since inception	54.7%	116.3%

Performance chart of the Fund can be viewed by clicking on 'Performance' button [here](#).

FUND FACTS

Fund name	Montaka Global Long Only Fund
Investment manager	Montaka Global Pty Ltd
Portfolio managers	Andrew Macken, Christopher Demasi
Fund type	Global equities, long only
Fund structure	Open-ended, unlisted unit trust
Inception date	1 st July 2015
Unit price	A\$1.0305
Invest or redeem	Apply/redeem directly with the Fund
Additional investment	\$500/month or \$5,000 lump sum
Pricing	Daily at net asset value +/- 0.25%
Index	MSCI World Net Total Return Index A\$
Currency hedging	Typically unhedged to A\$ (selective hedging permitted)
Website	montaka.com/mglof

TOP MEGA-TRENDS

1	Digital enterprise	28%
2	Alternative asset managers	20%
3	Digital consumer	16%
4	Data assets & digital networks	10%
5	Digital SME	10%
6	Digital Asia	8%

CONTACT DETAILS

PRIVATE CLIENTS

Giles Goodwill
Private Client Manager
E: ggoodwill@montaka.com
P: 02 7202 0097

INTERMEDIARIES

Matthew Briggs
Investment Specialist
E: mbriggs@montaka.com
P: 02 7202 0093

INTERMEDIARIES (continued)

Damian Craven
Hillcrest Strategic Partners
E: dcraven@montaka.com
P: 0408 908 544

Alistair Dunne
Hillcrest Strategic Partners
E: adunne@montaka.com
P: 0452 605 504

FUND WEBSITE: montaka.com/mglof

INVESTMENT REPORT

APRIL 2023

FUND COMMENTARY

As growth in the global economy continues to slow, we are really starting to see the differences in performance between those businesses which are highly advantaged and well-managed, and those that are not.

So far in the Q1 earnings season, we have been very pleased with the performance and management of Montaka's investee companies. A consistent theme is emerging across many of our investments: profit margins are expanding despite weaker economic times because of aggressive cost control. Meta is the most pronounced here: in just six months, the company slashed its 2023 total expense budget from around US\$100 billion, to less than US\$85 billion!

Importantly, the extent of this cost control has not been fully anticipated by the market ahead of time, so many stock prices have performed well as a direct result.

In addition to Meta, for example, S&P Global experienced a stock rally on the release of its Q1 results. While revenues grew by 4% per annum – slower than their longer-term expected growth rate given today's temporary lull in bond issuance, costs increased by only 1% per annum. This means that profit margins actually expanded.

Microsoft too has slowed its expense growth to around 3% per annum, while its revenues continue to grow at around 10% per annum. In addition to cost control, Microsoft is emerging as a stand-out winner in AI, which is likely why its stock rallied significantly on its result. Its software applications used by nearly every enterprise represent a valuable 'distribution channel' through which AI can be infused and monetised. And this is incremental to the value Microsoft's cloud business, Azure, accrues from the sale of compute to run these applications.

Amazon experienced a stock price decline on its result when the company disclosed that revenue growth in its cloud business, AWS, slowed from 16% per annum in Q1, down to 11% in April. Upon analysing its disclosed backlog in its SEC filing, however, AWS had one of its biggest quarters. We are not concerned about the current deceleration and continue to believe the future is bright for Amazon.

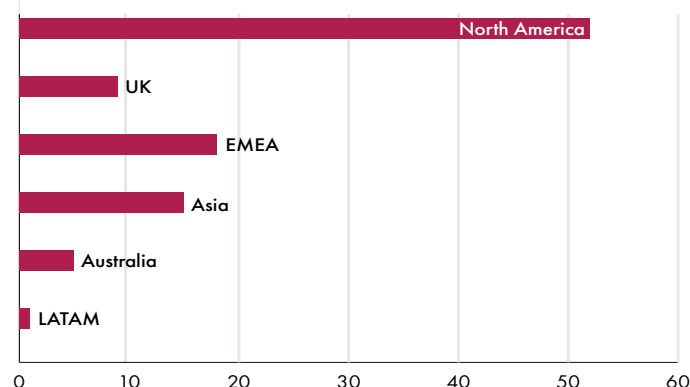
FUND EXPOSURES (net, % of NAV)

Top 10 holdings	65.6%
Total equity holdings	99.2%
Cash weighting	0.8%
A\$ currency exposure ¹	26.4%

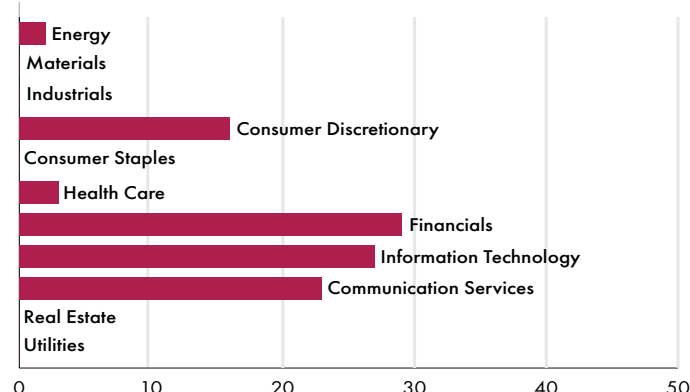
POSITION METRICS

Number of positions	26
Position sizes (net, % of NAV)	
Largest	10.1%
Smallest	0.3%
Average	3.8%

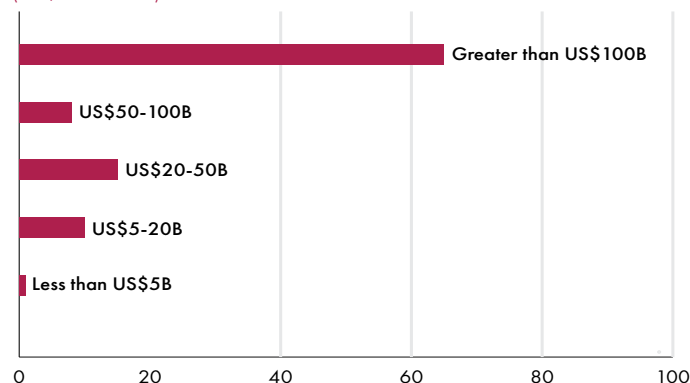
GEOGRAPHIC EXPOSURE² (net, % of NAV)



INDUSTRY EXPOSURE (net, % of NAV)



MARKET CAPITALISATION EXPOSURE (net, % of NAV)



All holdings, performance, exposures and position metrics to 30th April 2023. Top 10 holdings are long positions. Performance is after all fees and costs. Past performance is not indicative of future performance.

1. A\$ currency exposure shown on look-through earnings basis and includes the effect of currency forwards.

2. Shown on look-through earnings basis.

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. This report was prepared by Montaka Global Pty Ltd, (ACN 604 878 533) AFSL 516 942 the investment manager of the Montaka Global Long Only Fund (ARSN: 604 883 418). The responsible entity of the Fund is Fundhost Limited (ABN 69 092 517 087) (AFSL No: 233 045) (Fundhost). While the information in this document has been prepared with all reasonable care, neither Fundhost nor Montaka makes any representation or warranty as to the accuracy or completeness of any statement in this document including any forecasts. Neither Fundhost nor Montaka guarantees the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither Fundhost nor Montaka, including their employees, consultants, advisers, officers or authorised representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this document. You should not base an investment decision simply on past performance. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

This document has been prepared for the purpose of providing general information, without taking account your particular objectives, financial circumstances or needs. You should obtain and consider a copy of the Product Disclosure Statement (PDS) relating to the Fund before making a decision to invest. The PDS and TMD are available on this webpage: <https://montaka.com/mglod/>