

## INVESTMENT REPORT

DECEMBER 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	Blackstone	10.6%	6	Salesforce	6.1%
2	Amazon	10.2%	7	ServiceNow	5.4%
3	KKR	9.7%	8	Spotify	5.2%
4	Microsoft	9.7%	9	S&P	5.0%
5	Meta	9.1%	10	REA	4.4%
Total top 10 holdings					75.3%

### PERFORMANCE

	FUND	INDEX
1 month	4.5%	1.9%
3 month	12.3%	5.4%
6 month	13.6%	4.9%
1 year	54.2%	23.0%
3 years (p.a.)	7.3%	11.8%
5 years (p.a.)	8.1%	13.5%
Since inception (p.a.)	8.2%	10.7%
Since inception	94.9%	136.5%

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 <sup>st</sup> July 2015
Unit price	A\$1.2981
Invest or redeem	Apply/redeem <a href="#">directly</a> 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	<a href="https://montaka.com/mglof">montaka.com/mglof</a>

### TOP MEGA-TRENDS

1	Digital enterprise	28%
2	Alternative asset managers	20%
3	Digital consumer	16%
4	Data assets & digital networks	11%
5	Digital SME	11%
6	Digital Asia	9%

### CONTACT DETAILS

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FUND WEBSITE: [montaka.com/mglof](https://montaka.com/mglof)

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### FUND COMMENTARY

December rounded out an extraordinary year characterized by stock returns that were okay for the many (the median stock in the S&P 500 returned 12.7% in 2023), and extraordinary for the few (one stock in eight from the S&P 500 returned 50% or more). Montaka was fortunate to own many of the extraordinary performers in 2023.

This extreme skew in stock performance – particularly as it favored many megacap stocks – was not anticipated by the conventional wisdom one year ago. It's yet another example of how conventional wisdom can hinder, rather than assist, investors in their navigational decisions.

We continue to stick to our first-principles-based approach to investment analysis and monitor for high-probability long-term winners within large, attractive transformations. And we try to be ready to act at a moment's notice should stock prices move to levels that reflect significant undervaluation.

This happened in October when global luxury powerhouse, LVMH, experienced a stock price decline of nearly 30% from its peak several months prior. We have studied this business in detail over the years and were patiently waiting for a stock price attractive enough for investment. We took the opportunity to sell The Carlyle Group to fund this new investment. We have not been happy with Carlyle's management team and governance, and we believe Montaka's large continuing investments in Blackstone & KKR provide adequate exposure to the benefits we foresee in the alternative asset management space.

Beyond this, Montaka's portfolio hasn't changed much over recent months. Annualized portfolio turnover remains very low by industry standards, at just 26%.

We continue to invest overwhelmingly towards 'compounder' businesses, which account for approximately 85% of Montaka's portfolio; and retain a modest allocation of around 12% to 'outlier' opportunities.

We share more detail about Montaka's portfolio composition in our December Quarterly Letter.

### FUND EXPOSURES (net, % of NAV)

Top 10 holdings	75.3%
Total equity holdings	98.8%
Cash weighting	1.2%
A\$ currency exposure <sup>1</sup>	26.7%

### POSITION METRICS

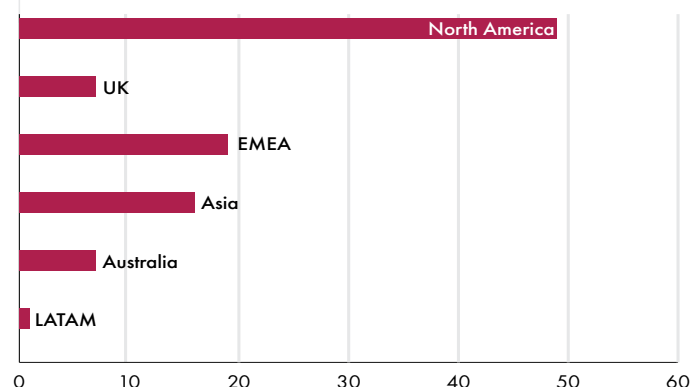
Number of positions	22
Position sizes (net, % of NAV)	
Largest	10.6%
Smallest	0.1%
Average	4.5%

All holdings, performance, exposures and position metrics to 31 December 2023. Top 10 holdings are long positions.

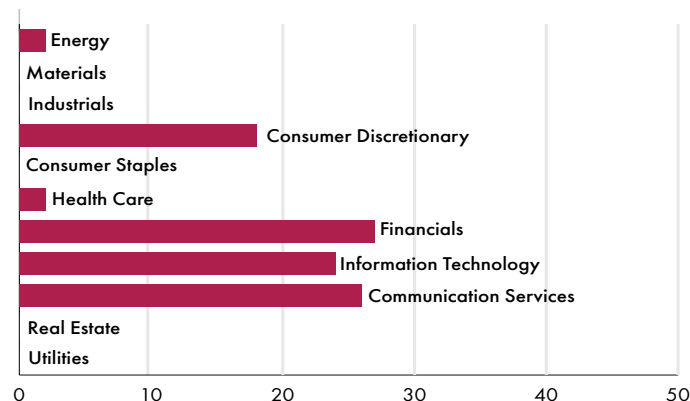
1. A\$ currency exposure shown on look-through earnings basis and includes the effect of currency forwards.
2. Shown on look-through earnings basis.

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/mglof/>

### GEOGRAPHIC EXPOSURE<sup>2</sup> (net, % of NAV)



### INDUSTRY EXPOSURE (net, % of NAV)



### MARKET CAPITALISATION EXPOSURE (net, % of NAV)

