

INVESTMENT REPORT

FEBRUARY 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	9.4%	6	Salesforce	6.6%
2	Amazon	9.2%	7	KKR	5.7%
3	Blackstone	8.2%	8	Tencent	5.2%
4	ServiceNow	7.2%	9	Carlyle	4.9%
5	Meta	7.1%	10	S&P	4.6%
Total top 10 holdings					68.1%

PERFORMANCE

	FUND	INDEX
1 month	-0.8%	2.0%
3 month	1.9%	-0.6%
6 month	-3.3%	5.8%
1 year	-16.9%	-0.3%
3 years (p.a.)	-4.8%	8.3%
5 years (p.a.)	1.1%	10.0%
Since inception (p.a.)	4.6%	9.6%
Since inception	41.4%	102.0%

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\$0.9418
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	29%
2	Alternative asset managers	20%
3	Digital consumer	15%
4	Digital Asia	12%
5	Data assets & digital networks	11%
6	Digital SME	9%

CONTACT DETAILS

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FUND WEBSITE: montaka.com/mglof

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FUND COMMENTARY

Global equity market volatility returned in the month of February. As the fourth quarter earnings period wound down, the market's attention seemed to refocus back to monthly inflation data. Simply put, if measures of core inflation remain heated, interest rates will remain high, or even go higher, causing continued short-term stock price headwinds. And vice versa if inflation moderates.

This is a very myopic focus of the market and one that appears disconnected from the fundamentals of individual operating businesses. Despite a slowing economic backdrop, we were very pleased with the financial results reported by Montaka's investee companies for the most recent quarter.

Furthermore, upon stepping back and taking a longer-term view, our analysis shows quite a startling disconnect between prevailing pessimistic market-narratives, and fundamental data-backed valuation implications. The gap between the risk-premia on offer to equity investors, and the risk-premia on offer to credit investors today, has almost never been wider. This implies that, at least relative to credit investments, equities in general appear to be offering attractive value.

A big reason for this misperception is the market's seemingly perennial focus on the near-term outlook. Upon extending one's time horizon beyond the next year or two, however, company earnings available for shareholders often grows quite significantly (while a bond's coupon, of course, is fixed and does not grow).

Last month, Montaka published its latest whitepaper called: Why reports of tech's death are greatly exaggerated. We show technology's penetration into the economy has increased structurally over many decades – with above-average growth and profitability. And we analyse the drivers of this structural growth and demonstrate why this expansion will continue, driven by new, transformational waves of tech innovation, particularly in the field of AI.

Weighing up these facts, and giving consideration to the very large price draw-downs we observed in 2022, we believe the technology sector is currently offering fantastic investment opportunities today. We encourage investors to read and consider our conclusions and offer any constructive feedback that comes to mind.

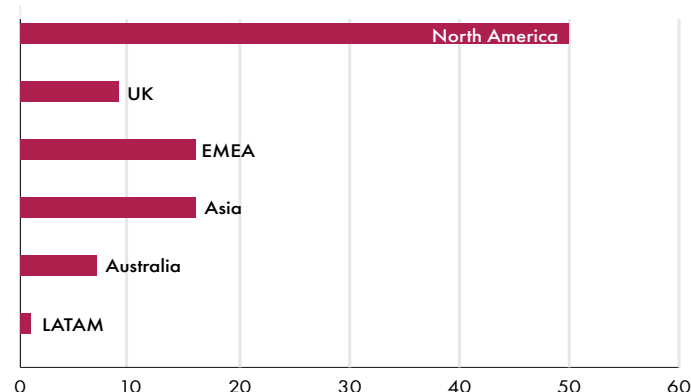
FUND EXPOSURES (net, % of NAV)

Top 10 holdings	68.1%
Total equity holdings	99.2%
Cash weighting	0.8%
A\$ currency exposure ¹	27.8%

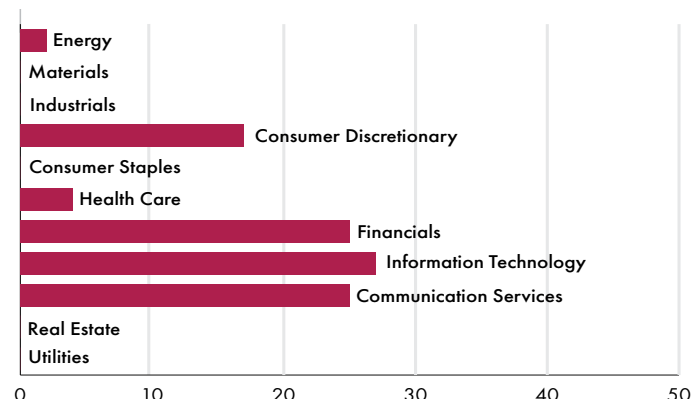
POSITION METRICS

Number of positions	25
Position sizes (net, % of NAV)	
Largest	9.4%
Smallest	0.2%
Average	4.0%

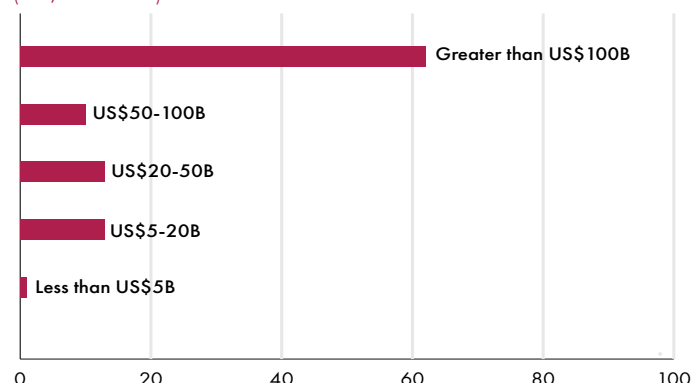
GEOGRAPHIC EXPOSURE² (net, % of NAV)



INDUSTRY EXPOSURE (net, % of NAV)



MARKET CAPITALISATION EXPOSURE (net, % of NAV)



All holdings, performance, exposures and position metrics to 28th February 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.

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