

MONTGOMERY GLOBAL FUND

INVESTMENT REPORT & FACT SHEET

FUND OVERVIEW

The Montgomery Global Fund employs a highly disciplined, bottom-up, value style and typically invests in 15 to 30 high conviction stocks listed on major global stock exchanges. The focus of The Fund is on investing in what Montgomery Global regards as high quality businesses with attractive prospects trading at a discount to their estimated intrinsic value.

The Fund has the flexibility to retain a reasonable level of cash, with a "soft" 30 per cent limit. The Fund will generally be currency unhedged but we can put in place strategies aimed at protecting investor capital against currency fluctuations if we predict material upside to the Australian dollar.

The Fund aims to deliver superior positive returns when suitable investment opportunities are abundant, and to preserve capital through cash allocations when an insufficient number of company names are appealing.

FUND FACTS

INVESTMENT MANAGER

MGIM Pty Ltd

OBJECTIVE

The Montgomery Global Fund aims to outperform the index over a rolling 5-year period.

BENCHMARK

MSCI World Net Total Return Index, in Australian dollars.

FUND CONSTRUCTION

The Fund will typically invest in a portfolio of 15-30 high-conviction stocks listed on the major global stock exchanges. Cash typically ranges from 0%-30%, but can be exceeded in certain situations.

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RECOMMENDED INVESTMENT TIMEFRAME

5 years

MINIMUM INITIAL INVESTMENT

\$25,000

INCEPTION DATE

1 JULY 2015

FUND SIZE

\$226.7M

MANAGEMENT FEE

1.32% per annum, inclusive of GST/ITC.

PERFORMANCE FEES

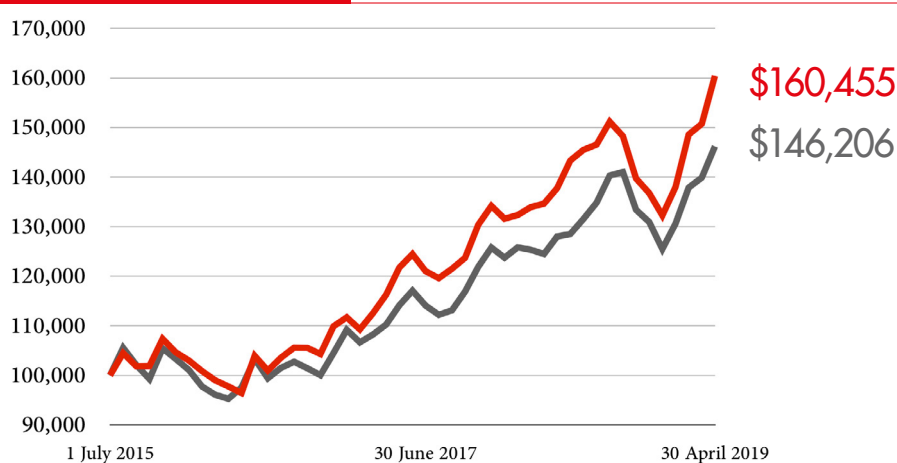
15.38% of the total return of The Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

APPLICATION & REDEMPTION PRICES

montinvest.com/mgf

PERFORMANCE GRAPH

■ Montgomery Global Fund ■ MSCI World Net Total Return Index



CONTACT DETAILS

INVESTORS

Dean Curnow
 † 02 8046 5019
 e dcurnow@montinvest.com

ADVISERS, RESEARCHERS AND PLATFORMS

Scott Phillips
 (NSW, ACT & QLD)
 † 02 8046 5005
 e sphillips@montinvest.com

David Denby
 (VIC, TAS, SA & WA)
 † 0455 086 484
 e ddenby@montinvest.com

PORTFOLIO PERFORMANCE

(to 30 April 2019, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	0.00%	6.44%	6.44%	4.50%	1.94%
3 months	0.00%	16.28%	16.28%	11.94%	4.34%
6 months	0.00%	14.83%	14.83%	9.59%	5.24%
12 months	6.06%	10.40%	16.46%	14.19%	2.27%
2 years (p.a)	7.76%	7.04%	14.80%	13.18%	1.62%
3 years (p.a)	6.37%	12.13%	18.50%	14.44%	4.06%
Since inception ²	19.62%	40.84%	60.46%	46.21%	14.25%
Compound annual return (since inception) ²	4.79%	8.35%	13.14%	10.43%	2.71%

1) In Australian dollars 2) Inception: 1 July 2015



FUND COMMENTARY

The Montgomery Global Fund (the Fund) returned 6.44 per cent, net of fees, in the month of April. Over the same period, the MSCI World Net Total Return Index in Australian dollar terms (the Benchmark) returned 4.50 per cent. Since inception, the Fund has returned 60.46 per cent, net of fees, despite holding 19 per cent of the Fund in cash, on average. By comparison, the Benchmark – which carries zero cash – has returned 46.21 per cent over the same period.

The filing of financial results for the first calendar quarter of 2019 commenced in the month of April. At the time of writing, we are satisfied with how the Fund's portfolio businesses are performing.

Stand-out performers continue to be US-based human resources platform, Insperty (NYSE: NSP); Microsoft (NASDAQ: MSFT), which is rapidly becoming the cloud-based technology platform for the global enterprise; and US rail operator, Union Pacific (NYSE: UNP).

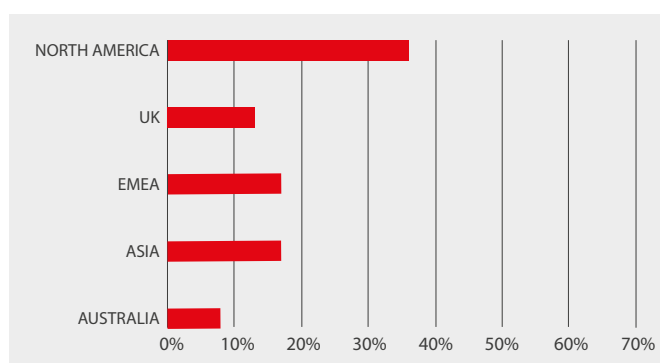
Facebook (NASDAQ: FB), one of the Fund's larger holdings, also continued to deliver very strong financial results. Despite valid concerns around privacy and security, it is clear that Facebook's properties remain the most attractive for digital advertisers in terms of return-on-ad-spend metrics. It is quite remarkable that a stock this valuable and widely-followed is up by approximately 50 per cent in just the last four months. In our view, this reflects how mispriced the business was in late 2018.

TOP COMPLETED HOLDINGS* (TCH) (at 30 April 2019, out of 22 holdings)

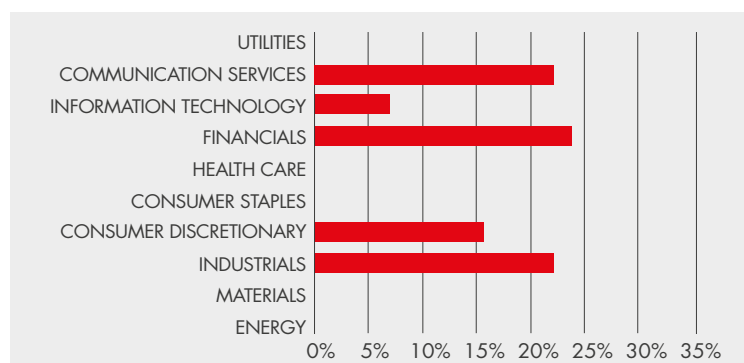
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Prudential	GB	58,783	6.5
Vivendi	FR	37,986	6.4
Challenger	AU	3,544	5.6
Lear	US	8,903	4.9
Insperty	US	4,932	4.8
Ping An	CN	228,175	4.7
Alphabet	US	828,477	4.6
Facebook	US	552,099	4.5
Tencent	CN	470,894	4.3
St James's Place	GB	7,755	4.2
PORTFOLIO MEDIAN		28,182	4.1
Total equity weighting			91.2
Total cash weighting			8.8

*Top Completed Holdings are businesses we own but are not actively buying or selling at the time of writing.

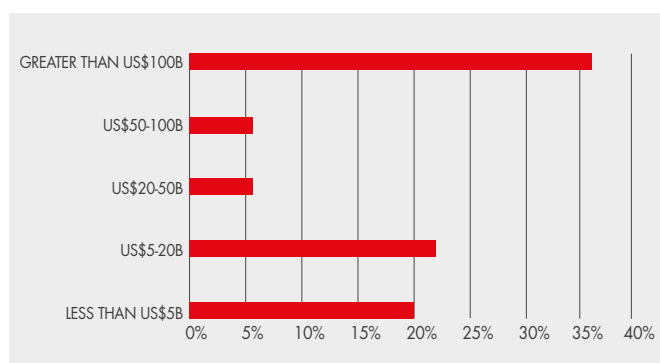
GEOGRAPHIC - COUNTRY OF DOMICILE



GICS SECTOR INDUSTRY EXPOSURE



MARKET CAPITALISATION EXPOSURE



PLATFORMS WE ARE ON: Netwealth IDPS ⇌ Netwealth Super ⇌ BT Panorama ⇌ BT Wrap ⇌ Powerwrap ⇌ Macquarie Wrap ⇌ HUB24 ⇌ Asgard
Colonial FirstWrap ⇌ Ausmaq ⇌ uXchange

#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. This report was prepared by MGIM Pty Ltd, (ACN 604 878 533) (CAR) #001 007 050 (Montgomery) the investment manager of the Montgomery Global Fund. The responsible entity of the Fund is Fundhost Limited (ABN 69 092 517 087) (AFSL No: 233 045) (Fundhost). 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. While the information in this document has been prepared with all reasonable care, neither Fundhost nor Montgomery makes any representation or warranty as to the accuracy or completeness of any statement in this document including any forecasts. Neither Fundhost nor Montgomery guarantees the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither Fundhost nor Montgomery, 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. Past performance is not indicative of future performance.

