

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

Montgomery Global Investment Management 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

\$ 116.2 M

MANAGEMENT FEE

1.29% per annum, inclusive of GST/ITC.

PERFORMANCE FEES

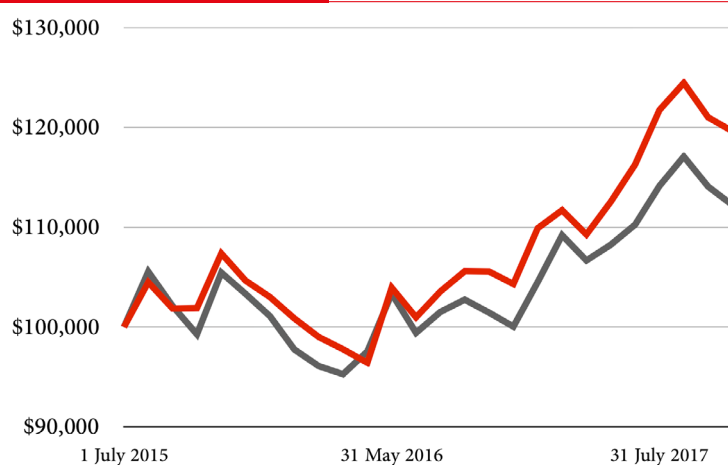
15.38% of the total return of The Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

APPLICATION & REDEMPTION PRICES

montinvest.com/mgf

PERFORMANCE GRAPH

■ Montgomery Global Fund ■ MSCI World Net Total Return Index



CONTACT DETAILS

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PORTFOLIO PERFORMANCE

(to 31 July 2017, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	0.00%	-1.15%	-1.15%	-1.62%	0.47%
3 months	9.94%	-11.69%	-1.75%	-1.68%	-0.07%
6 months	11.07%	-1.61%	9.46%	5.20%	4.26%
12 months	11.68%	3.81%	15.50%	10.55%	4.95%
2 years (p.a)	5.63%	1.36%	6.99%	3.11%	3.88%
Since inception ²	12.10%	7.52%	19.62%	12.23%	7.39%
Compound annual return (since inception) ²	5.64%	3.34%	8.98%	5.69%	3.29%

1) In Australian dollars

2) Inception: 1 July 2015



FUND COMMENTARY

In the month of July, The Montgomery Global Fund declined by 1.15%, net of fees. The decline was primarily the result of an unusually sharp appreciation of the Australian dollar relative to the US dollar of more than 3%. Over the same period, the MSCI Total Return Index in Australian dollar terms (the Benchmark) declined by 1.62%. Since inception, The Fund has returned 19.62%, net of fees. This compares to the Benchmark which returned 12.23% over the same period.

July marked the beginning of earnings season for the second calendar quarter of 2017. We are satisfied with the financial performance of the businesses we own that have reported to date. Facebook (NASDAQ: FB) delivered a stand-out performance, beating the market's expectations on both the revenue and earnings lines. With more than 2 billion highly-engaged monthly-active-users, Facebook is one of the most well-positioned businesses globally to deliver highly-targeted, highly-personalised advertising opportunities to marketers.

Other solid results were delivered by St. James's Place (LSE: STJ) and Jupiter Fund Management (LSE: JUP) which are both benefiting from renewed strength in Europe. Offsetting these results somewhat was a disappointing performance by Essilor International (Euronext: EI). Essilor was forced to downgrade its full-year growth forecast due to a number of unforeseen issues. We believe these issues are temporary, however, and have since added to our position on the stock's weakness.

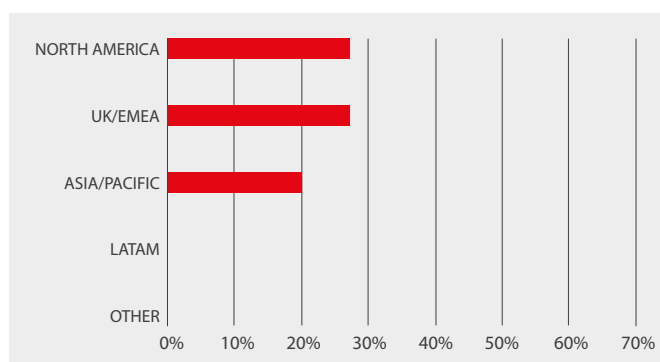
We remain excited by the businesses in The Fund's portfolio and believe they represent great investment opportunities. At the same time, we are conscious that equity markets in general are not cheap. There is certainly not an abundance of high-quality, undervalued businesses out there to own. As such, we continue to proceed with a high degree of defensiveness as reflected by The Fund's 25.6% cash weighting at month-end.

TOP COMPLETED HOLDINGS* (TCH) (at 31 July 2017, out of 23 holdings)

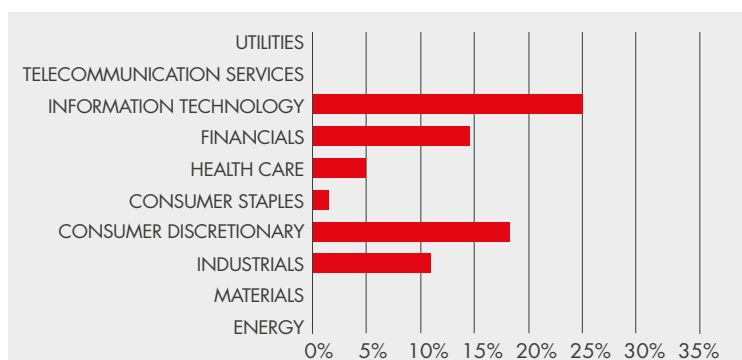
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Playtech	IM	4,001	5.3
Facebook	US	491,495	5.2
REA Group	AU	7,247	4.9
Insperty	US	1,591	4.7
Oracle	US	206,545	4.5
Naspers	ZA	97,250	4.4
Alibaba	CN	396,851	4.3
St James's Place	GB	8,444	4.3
China Life	CN	109,051	4.0
Jupiter Fund	GB	3,208	3.7
PORTFOLIO MEDIAN		51,185	3.3
Total equity weighting			74.4
Total cash weighting			25.6

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

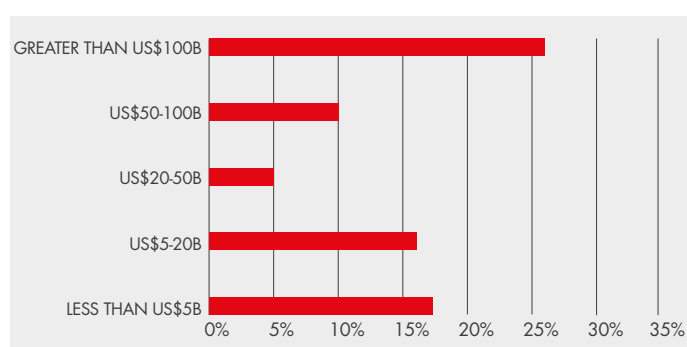
GEOGRAPHIC - COUNTRY OF DOMICILE



GICS SECTOR INDUSTRY EXPOSURE



MARKET CAPITALISATION EXPOSURE



PLATFORMS WE ARE ON: Netwealth IDPS ⇄ Netwealth Super ⇄ BT Panorama ⇄ BT Wrap ⇄ Powerwrap ⇄ Macquarie Wrap

#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 Montgomery Global Investment Management 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.

