

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.

APIR

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RECOMMENDED INVESTMENT TIMEFRAME

5 years

MINIMUM INITIAL INVESTMENT

\$25,000

INCEPTION DATE

1 JULY 2015

FUND SIZE

\$ 190.2M

MANAGEMENT FEE

1.28% per annum, inclusive of GST/RTIC.

PERFORMANCE FEES

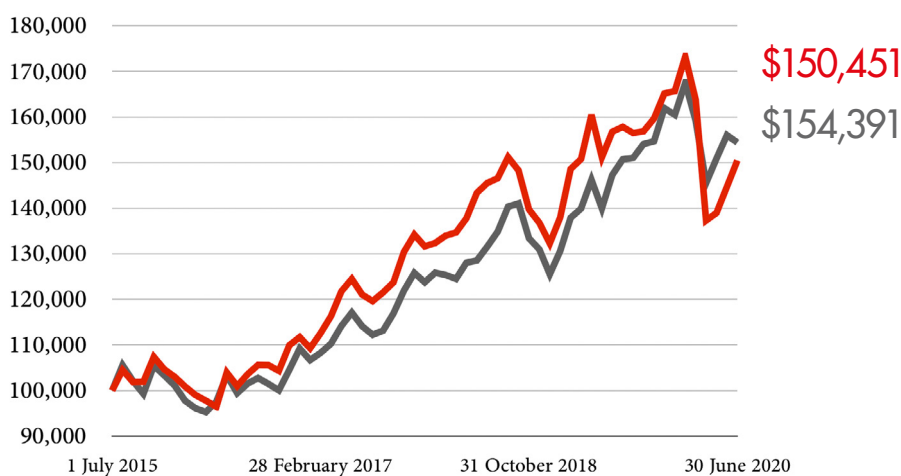
15.38% of the total return of The Fund that is in excess of its Benchmark. No performance fee is payable until any previous periods of underperformance has been made up.

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 30 June 2020, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	2.14%	1.84%	3.98%	-1.04%	5.02%
3 months	2.26%	7.33%	9.59%	6.11%	3.48%
6 months	1.87%	-11.06%	-9.19%	-3.79%	-5.40%
12 months	1.75%	-5.78%	-4.03%	4.82%	-8.85%
3 years (p.a)	6.56%	0.97%	7.53%	10.61%	-3.08%
Since inception ²	37.50%	12.95%	50.45%	54.39%	-3.94%
Compound annual return (since inception) ²	6.58%	1.93%	8.51%	9.08%	-0.57%

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

FUND COMMENTARY

In the month of June, the Montgomery Global Fund (the Fund) increased by 3.98 per cent, net of fees. The MSCI World Total Return Index in Australian dollar terms (the Benchmark) decreased by 1.04 per cent, over the same period. Since inception, the Fund has increased by 50.45 per cent delivered with an average cash holding of 17.8 per cent. Over the same period, the Benchmark has increased by 54.39 per cent and carries zero cash.

We continue to believe in owning the long-term winners in attractive markets. And we believe Spotify (NYSE: SPOT) is one of these high-quality businesses. As such, it remains as one of the Fund's larger holdings. In the month of June, the value of Spotify appreciated by more than 40 per cent as the probability continues to increase that it can replicate the success of Netflix – but in the audio domain.

Overall, the Fund remains defensively positioned with portfolio cash holdings closing the month at 24.6 per cent. We continue to see substantial downside risks associated with COVID-19 as well as a sharp deterioration in China's relationship with much of the rest of the world. We examine these dynamics, as well as the Fund's repositioned portfolio, in our Annual Letter that will be sent to investors over the coming weeks.

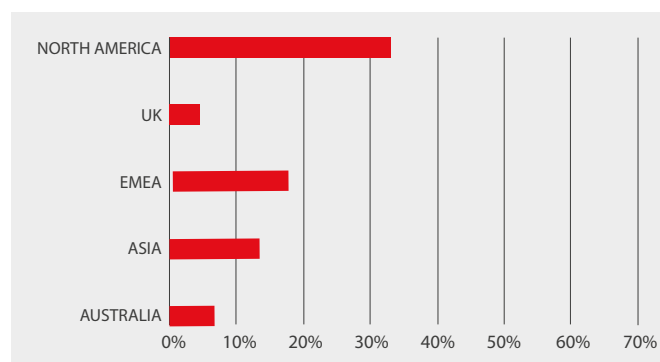
With the conclusion of the financial year the Fund will pay a distribution of 2.3207 cents per unit (totalling 37.50 cents per unit since inception five years ago). As such, after ending FY20 with a unit price of \$1.1269, we commence FY20 with a unit price of \$1.1037.

TOP COMPLETED HOLDINGS* (TCH) (at 30 June 2020, out of 18 holdings)

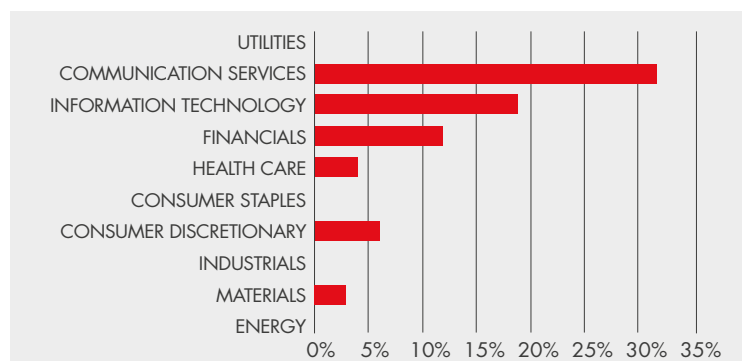
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Vivendi	FR	30,417	7.6
Spotify	SE	47,965	7.5
Microsoft	US	1,543,306	5.8
Alibaba	CN	578,663	5.6
Facebook	US	647,453	5.5
Apple	US	1,581,165	4.9
Ping An	CN	183,941	4.9
Alphabet	US	966,394	4.3
REA Group	AU	9,809	4.1
Unitedhealth	US	279,725	4.0
PORTFOLIO MEDIAN		177,753	4.1
Total equity weighting			75.4
Total cash weighting			24.6

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

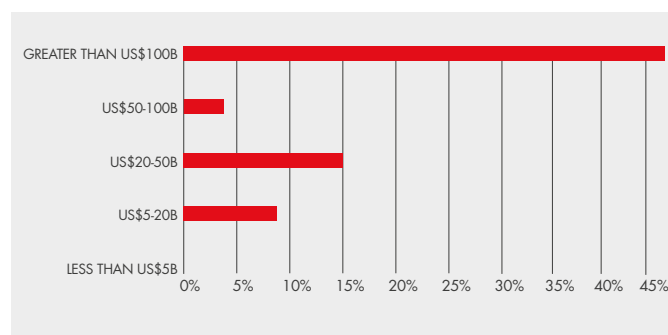
GEOGRAPHIC - COUNTRY OF DOMICILE



GICS SECTOR INDUSTRY EXPOSURE



MARKET CAPITALISATION EXPOSURE



PLATFORMS WE ARE ON: Netwealth IDPS ⇌ Netwealth Super ⇌ BT Panorama ⇌ BT Wrap ⇌ Powerwrap ⇌ Macquarie Wrap ⇌ 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) AFSL 516 942 the investment manager of the Montgomery Global Fund (ARSN: 604 883 418). 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. Available here: <https://fundhost.com.au/fund/montgomery-global-fund/>. 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.