



THE MONTGOMERY FUND

INVESTMENT REPORT & FACT SHEET

September 2025

FUND FACTS

INVESTMENT MANAGER

Montgomery Investment Management Pty Ltd

SUB-INVESTMENT MANAGER

Australian Eagle Asset Management Pty Ltd and their 18 year track record has been appointed as the sub-investment manager from 12 September 2022.

OBJECTIVE

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

STYLE

Active, bottom-up, fundamental, quality

BENCHMARK

The S&P/ASX 300 Accumulation Index

FUND CONSTRUCTION

The Fund's All Cap portfolio will typically comprise 25-35 high-conviction stocks listed on the ASX.

APIR

FHT0030AU

RECOMMENDED

INVESTMENT TIMEFRAME

5 years

MINIMUM INITIAL

INVESTMENT

\$25,000

PORTFOLIO MANAGERS

Sean Sequeira

Alan Kwan

INCEPTION DATE

17 AUGUST 2012

FUND SIZE

\$313.2M

MANAGEMENT FEES AND COSTS

1.36% per annum¹

PERFORMANCE FEES

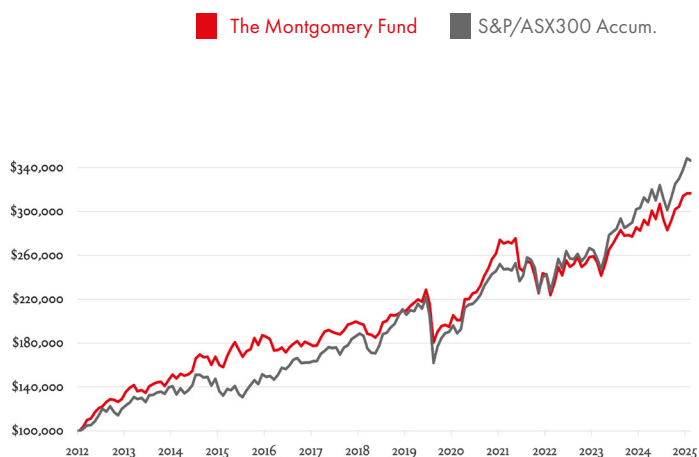
15.38% of the total return of The Fund that is in excess of the Index.¹

¹ See page 5 of the PDS for more information

APPLICATION & REDEMPTION PRICES

montinvest.com/tmf

PERFORMANCE GRAPH



DISTRIBUTIONS

HALF-YEAR TO	CENTS PER UNIT	DISTRIBUTION RETURN (%)
June 2025	8.1416	5.58
December 2024	1.3217	0.88
June 2024	11.4223	7.87
December 2023	2.1568	1.51
June 2023	4.4834	3.25
December 2022	1.5263	1.07
June 2022	14.4221	8.20
December 2021	1.0019	0.59
June 2021	5.0329	3.46
December 2020	0.4601	0.35
June 2020	0.0857	0.06

PORTFOLIO PERFORMANCE

(to 30 September 2025, after all fees)

	1 month	3 months	6 months	12 months	3 years (p.a.)	5 years (p.a.)	7 years (p.a.)	10 years (p.a.)	Since inception ²	Compound annual return (since inception) ²
THE MONTGOMERY FUND	0.04%	4.00%	11.83%	8.39%	12.27%	9.51%	7.03%	7.20%	216.54%	9.18%
S&P/ASX 300 ACCUM. INDEX	-0.65%	4.99%	14.94%	10.76%	15.03%	12.88%	9.25%	10.11%	246.30%	9.93%
OUT/UNDER PERFORMANCE	0.69%	-0.99%	-3.11%	-2.37%	-2.76%	-3.37%	-2.22%	-2.91%	-29.76%	-0.75%
Fund performance prior to 12 September 2022 is not attributable to the current sub-investment manager, but the previous investment manager. Presented below is the longer-term record of the current sub-investment manager's strategy since its inception.										
AUSTRALIAN EAGLE COMPOSITE ³	0.04%	4.00%	11.83%	8.39%	12.27%	12.08%	10.46%	13.03%	624.17%	10.07%
S&P/ASX 300 ACCUM. INDEX	-0.65%	4.99%	14.94%	10.76%	15.03%	12.88%	9.25%	10.11%	398.10%	8.09%
OUT/UNDER PERFORMANCE	0.69%	-0.99%	-3.11%	-2.37%	-2.76%	-0.80%	1.21%	2.92%	226.07%	1.98%

² 17 August 2012

³ The inception date of the Australian Eagle Composite is 07 February 2005. The performance represents the Australian Eagle SMA performance adjusted to include The Montgomery Fund's fees. 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. The returns in the composite include the Australian Eagle returns from 7 February 2005 to 30 September 2022, and from this point onwards include the returns in The Montgomery Fund (the first full month Australian Eagle commenced as the investment manager for this product).

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. Past performance is not indicative of future performance.



TOP COMPLETED HOLDINGS* (TCH)

(as at 30 September 2025)

COMPANY NAME	ASX CODE	SECTOR	WEIGHT (%)
Commonwealth Bank of Australia	CBA	Financials	6.68
Rio Tinto	RIO	Materials	6.03
Cochlear	COH	Health Care	5.99
QBE Insurance Group	QBE	Financials	5.45
Woodside Energy Group	WDS	Energy	4.66
Macquarie Group	MQG	Financials	4.48
Life360	360	Information Technology	4.04
Evolution Mining	EVN	Materials	4.03
ASX	ASX	Financials	4.00
Technology One	TNE	Information Technology	3.64
Total equity weighting			98.65
Total cash weighting			1.35

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

TOP 3 CONTRIBUTORS AND DETRACTORS

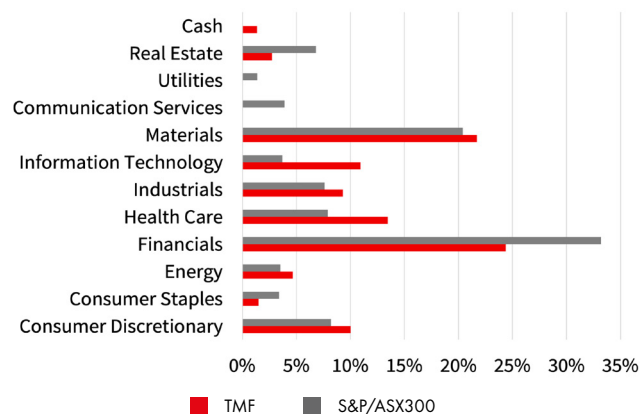
CONTRIBUTORS

Silex Systems	The share price rose after successfully completing internal testing at its demonstration plant.
Evolution Mining	The share price followed the gold price higher.
Life360	The share price rose on continued digestion of accelerating advertising revenue growth.

DETRACTORS

Woodside Energy Group	The share price followed the oil price lower.
Cochlear	The share price fell on continued uncertainty surrounding soft services revenue.
QBE Insurance Group	The share price followed short term bond yields lower.

INDUSTRY EXPOSURE



MARKET CAPITALISATION

	TMF (%)	S&P/ASX300 (%)	ACTIVE (%)	# STOCKS
ASX 1 -20	51.8	59.3	-7.4	14
ASX 21-50	23.9	17.7	6.2	6
ASX 51 -100	10.6	12.0	-1.4	4
ASX 101 -200	9.5	8.6	1.0	5
ASX 201 -300	2.8	2.5	0.3	1
Ex S&P/ ASX 300	0.0		0.0	0
Cash	1.4			
Total	100.0			30

CONTACT DETAILS

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This report was prepared by Montgomery Investment Management Pty Ltd, AFSL No: 354564 ('Montgomery') the investment manager of The Montgomery Fund ('TMF'), ARSN 159 364 155. 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 into account your particular objectives, financial circumstances or needs. You should obtain and consider a copy of the Product Disclosure Document ('PDS') relating to the Fund before making a decision to invest. Both the PDS and the Target Market Determination are available here: <http://fundhost.com.au/investor/tmf>. 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 report. Past performance is not indicative of future performance.

PLATFORMS WE ARE ON: Asgard ⇄ BT Panorama ⇄ CFS Edge ⇄ Clearstream ⇄ DASH ⇄ HUB24 ⇄ IOOF eXpand ⇄ Macquarie Wrap ⇄ Mason Stevens ⇄ Netwealth ⇄ OneVue ⇄ Praemium ⇄ Powerwrap



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The Montgomery Fund (The Fund) returned 0.04 per cent after fees in September 2025, outperforming the benchmark S&P/ASX 300 Accumulation Index by 0.69 per cent, which declined 0.65 per cent. The Fund recovered part of the previous month's underperformance thanks to idiosyncratic factors.

The Australian equity market ended the month lower, weighed down by stocks in the healthcare, energy, and consumer staples sectors. Despite these declines, the domestic macroeconomic outlook remains resilient. The Reserve Bank of Australia (RBA) kept interest rates steady at 3.60 per cent, taking a cautious approach amid ongoing inflation pressures and an uncertain global environment. Labour market data met expectations, with unemployment steady at 4.2 per cent. The RBA's tone remains cautious, reflecting the challenge of managing domestic inflation and the unknowable impacts of geopolitical volatility.

Global equity markets rallied to new record highs in September, driven by continued and unwavering momentum in technology and artificial intelligence (AI) stocks. Markets also benefited from the U.S. Federal Reserve (the Fed) delivering its first interest rate cut since December 2024, lowering the target range by 25 basis points to 4.00–4.25 per cent.

While the Fed's move marked a dovish shift, Fed officials reiterated further cuts aren't certain, particularly considering persistent core inflation and robust consumer spending. Despite the rhetoric, weak employment data hastened expectations for further rate cuts, driving a decline in yields at the shorter end of the yield curve.

Political risk also re-emerged as President Trump intensified his America First approach. He announced 100 per cent tariffs on imported pharmaceutical products and stated that the U.S. government plans to acquire more strategic stakes in several critical mineral companies, citing national security.

Gold surged to all-time highs above US\$3,800/oz during the month, supported by ongoing geopolitical conflict, loss of confidence in various "hard currencies" and now, a dovish Fed. The strength of gold reflected its dual role as a geopolitical hedge and a beneficiary of falling real yields.

Elsewhere, copper prices spiked on expectations of further supply disruptions after a fatality at an Indonesian mine responsible for approximately four per cent of global production. Conversely, lithium prices remain under pressure, with spodumene down four per cent to US\$858/t, on oversupply concerns after a large Chinese mine reportedly recommenced production. The AUD strengthened modestly by 1c to US\$66c, aided by broad U.S. dollar weakness.

Portfolio changes

The Fund increased positions in Brambles Ltd (ASX:BXB), Evolution Mining Ltd (ASX:EVN), Iluka Resources Ltd (ASX:ILU), Pilbara Minerals Ltd (ASX:PLS), Silex Systems Ltd (ASX:SLX) and Woodside Energy Ltd (ASX:WDS).

The Fund decreased its exposure to ASX Ltd (ASX:ASX), BHP Group Ltd (ASX:BHP), CSL Ltd (ASX:CSL), Dexs Ltd (ASX:DXS), Fortescue Ltd (ASX:FMG), Infratil Ltd (ASX:IFT), Telix Pharmaceuticals Ltd (ASX:TLX) and Web Travel Group Ltd (ASX:WEB).

The Fund exited its position in Infratil Ltd (ASX:IFT) during the month. Our investment thesis focused on Infratil's exposure to CDC Data Centres (CDC), a leading hyperscale data centre operator across Australia and New Zealand, which continued to deliver strong operational progress. However, the company's broader portfolio – including renewable energy, infrastructure, and healthcare assets – underperformed, reducing the overall impact of CDC's success. The market did not fully recognise CDC's value, and the share price remained largely unresponsive to positive developments. With President Trump adopting a more confrontational approach to climate policy and moving to unwind funding commitments made under the Inflation Reduction Act, the outlook for Infratil's U.S. renewables assets has become more uncertain.

With limited near-term catalysts and increasing dilution risk, we decided to realise a small gain and reinvest capital into higher-conviction opportunities with superior risk-reward profiles.

Major contributors

Silex Systems Ltd (ASX:SLX) – Silex performed strongly after management announced the successful completion of internal testing on its demonstration plant in Paducah. The U.S. Department of Energy is also set to announce the recipients of its US\$900m Low Enriched Uranium Acquisition program, with Silex Systems among six potential recipients.

Evolution Mining Ltd (ASX:EVN) – Evolution outperformed on the back of a rising gold price, increasing from US\$3,415/oz to over US\$3,800/oz. The company's growing copper exposure also contributed to its outperformance, with the copper price rising from US\$4.47/lb to US\$4.83/lb during September.

Life360 Inc (ASX:360) – Life360 continued to climb during September, in sympathy with U.S. technology stocks, and following the announcement of robust full-year results in August. Most notably, strong growth in advertising revenue was revealed, while international subscribers adopted paid tiers faster than those in the U.S. at the same stage of rollout.

Detractors

Woodside Energy Ltd (ASX:WDS) – Woodside faced pressure as oil prices fell ahead of a forthcoming Organisation of the Petroleum Exporting Countries (OPEC+) output increase, dampening near term revenue expectations. Approval was given for the North West Shelf project extension to 2070, but with 48 strict conditions for environmental and cultural reasons.

Cochlear Ltd (ASX:COH) – Cochlear underperformed in September as the market continued to digest its Financial Year 2025 results, which revealed softness in the Services segment. The upcoming launch of its market-leading "smart" sound processor and implant in Financial Year 2026 positions the company for stronger growth in 2026 and beyond.

QBE Insurance Group Ltd (ASX:QBE) – QBE underperformed due to a decline in short-term bond yields, reducing expected returns from its substantial investment portfolio. The market might be concerned about the upcoming hurricane season after a few years of benign catastrophe claims, but we believe further capital management decisions could be announced with the February results, provided natural disaster costs remain within expectations.

