

MONTHLY INVESTMENT REPORT

FEBRUARY 2019

UNIT PRICE ¹

\$1.0938

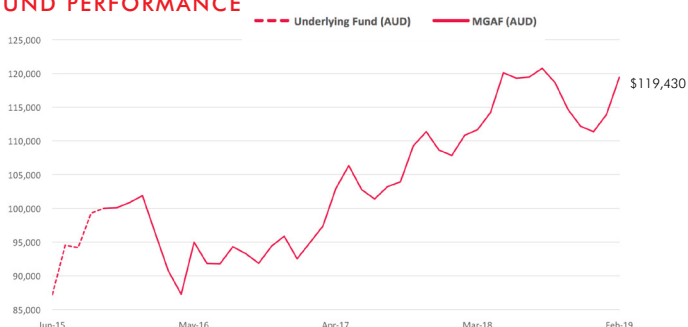
FUND COMMENTARY

In the month of February, the Montaka Global Access Fund (the Fund) increased by 4.9 per cent, net of fees. This brings the Fund's return over the first two months of the year to 7.2 per cent, net of fees. We would caution any investor against extrapolating this rate of return out to the rest of the year. Since inception, the Fund has returned 19.4 per cent, net of fees, delivered with an average net market exposure of 47 per cent. The MSCI World Total Return Index in Australian dollar terms – which is 100 per cent exposed to the market – has returned 30.7 per cent over the same period.

The Fund's solid performance in February was driven by very strong financial results for periods ending 31 December by many of our owned businesses, including Insperty (NYSE: NSP), Airbus (Euronext: AIR) and Vivendi (Euronext: VIV), owner of Universal Music Group.

In addition, the Fund's performance was boosted by our short position in The Kraft Heinz Company (NASDAQ: KHC). For years now, we have been concerned that the stock prices of a number of consumer staples businesses have been implying excessive expectations for revenue growth and profit margin expansion. Our view has always been that, at best, many of these businesses will achieve one of these, but not both. In KHC's Q4 earnings release, management confirmed that profit margins would be significantly lower than the market expected – precisely because management needed to increase business reinvestment in order to reinvigorate the company's revenue growth. This reduced earnings power, combined with significant financial leverage on the company's balance sheet, led the market to write-down KHC's market capitalisation by approximately 30 per cent. And we would not be surprised if there was more downside to come.

FUND PERFORMANCE



PERFORMANCE (%)	1M	3M	12M	2 Yr pa	COMPOUNDED ANNUAL RETURN SINCE INCEPTION	SINCE INCEPTION
Fund (AUD)²	4.9	6.5	7.8	12.2	5.5	19.4
Underlying Fund (AUD) ⁴	4.8	6.5	7.8	12.2	9.0	36.9
Average Net Market Exposure	49	53	46	45	47	47
Global Market (AUD) ^{2,5}	5.6	5.3	10.0	12.9	8.4	30.7
Average Net Market Exposure ³	100	100	100	100	100	100

1) The fund is forward priced; you will receive the price struck subsequent to the receipt of your application/ redemption request.

2) Inception: 1 November 2015; Ex-distribution of 1.9994 cents 30/06/2016 and 7.4407 cents 30/06/2018

3) Based on average of month-end net market exposures

4) Montaka Global Fund; inception 1 July 2015

5) MSCI World Net Total Return Index in Australian dollar terms

* all exposures, metrics & positions are derived from the Underlying Fund (Montaka Global Fund)

PERFORMANCE ATTRIBUTION^{1*} (%)

	February 2019
Long portfolio contribution	4.15
Short portfolio contribution	(1.85)
Change in AUD/USD	2.55
Net return	4.85
Since inception ²	19.43

EXPOSURES (as at 28 February 2019)

	% of NAV
Long exposure	94.7
Less: short exposure	(45.8)
Net market exposure	48.9

POSITION METRICS (as at 28 February 2019)

	Long Portfolio	Short Portfolio
Number of positions	19	26
Largest position size	7.4	2.9
Smallest position size	2.6	0.6
Average position size	5.0	1.8

Note: sizes shown as % of NAV

TOP 10 LONG POSITIONS (as at 28 February 2019)

	% of NAV		% of NAV
1 Vivendi	7.4	6 Apple	5.7
2 Prudential	6.9	7 Insperty	5.6
3 Microsoft	6.6	8 Facebook	5.6
4 Alphabet	6.2	9 Ping An	5.1
5 Challenger	6.2	10 Lear	4.8
Total top 10 long positions			60.0

FUND SIZE (NAV) (\$M) (as at 28 February 2019)

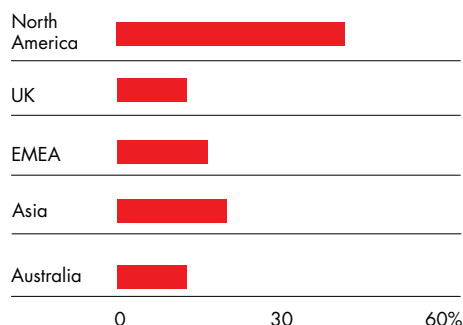
Montaka Global Fund	193.0
of which: Montaka Global Access Fund	74.8

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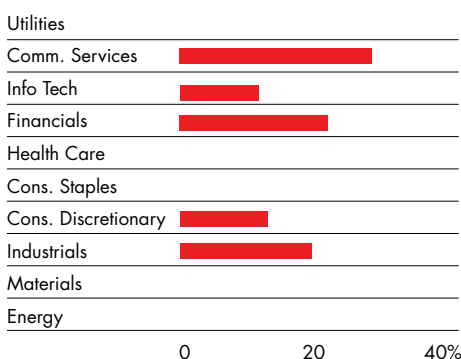
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LONG PORTFOLIO (as at 28 February 2019)

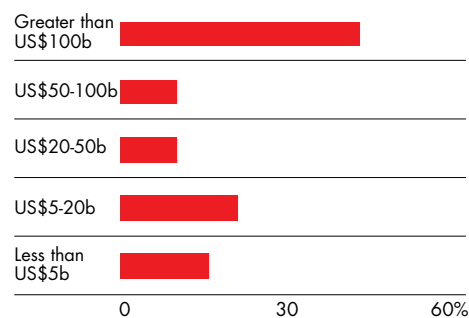
GEOGRAPHIC EXPOSURE (Country of domicile)



INDUSTRY EXPOSURE

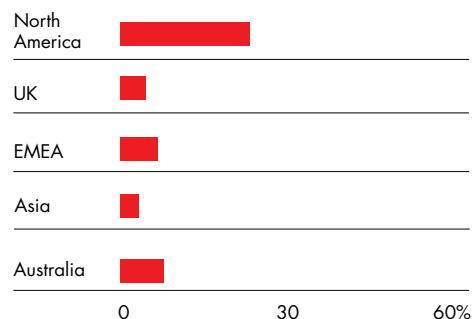


MARKET CAP EXPOSURE

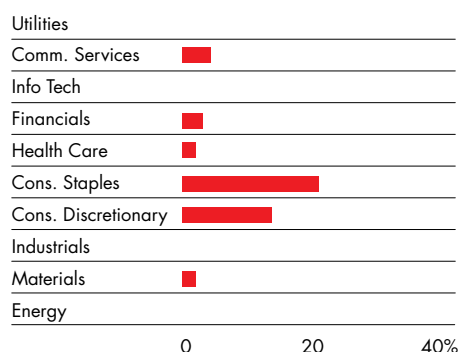


SHORT PORTFOLIO (as at 28 February 2019)

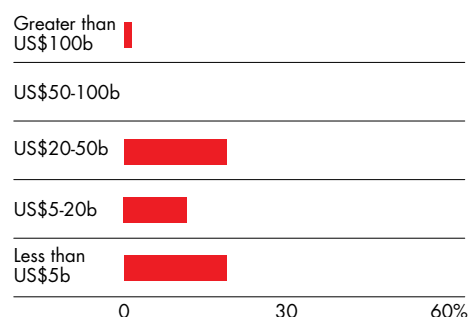
GEOGRAPHIC EXPOSURE (Country of domicile)



INDUSTRY EXPOSURE



MARKET CAP EXPOSURE



Note: exposures shown as % of NAV

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DISCLAIMER

#Fund performance is calculated after fees and costs, including the investment management fee and performance fee. 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 Montaka Global Access Fund (ARSN 607 245 643). 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, of cers 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.