

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

\$208.1M

MANAGEMENT FEE

1.32% per annum, inclusive of GST/ITC.

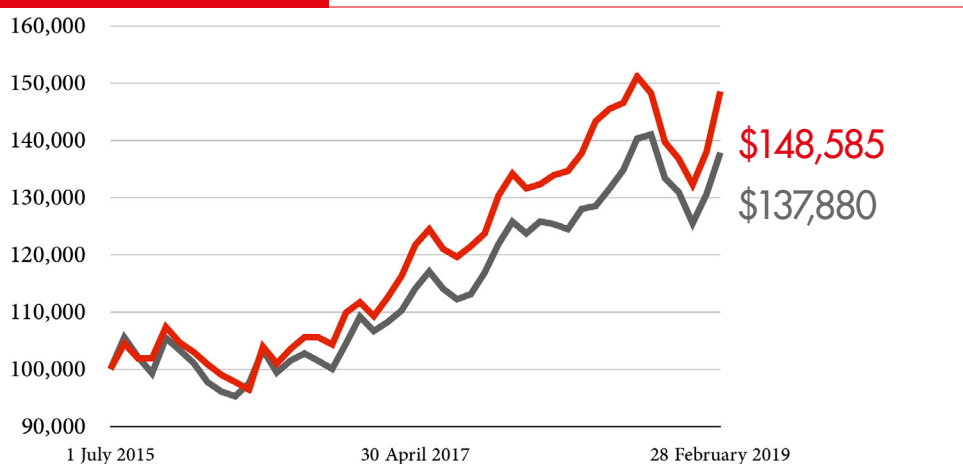
PERFORMANCE FEES

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



CONTACT DETAILS

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PORTFOLIO PERFORMANCE

(to 28 February 2019, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY GLOBAL FUND	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	0.00%	7.68%	7.68%	5.57%	2.11%
3 months	0.00%	8.63%	8.63%	5.29%	3.34%
6 months	0.00%	-1.72%	-1.72%	-1.74%	0.02%
12 months	6.24%	4.68%	10.92%	10.00%	0.92%
2 years (p.a)	8.37%	6.52%	14.89%	12.86%	2.03%
3 years (p.a)	6.21%	8.28%	14.49%	12.79%	1.70%
Since inception ²	19.62%	28.97%	48.59%	37.88%	10.71%
Compound annual return (since inception) ²	5.01%	6.41%	11.42%	9.16%	2.26%

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



FUND COMMENTARY

In the month of February, the Montgomery Global Fund (the Fund) increased by 7.68 per cent, net of fees. This is higher than the MSCI World Total Return Index in Australian dollar terms (the Benchmark) which increased by 5.57 per cent over the month. Since inception, the Fund has returned 48.59 per cent, net of fees, despite holding an average of 19.1 per cent of the portfolio in cash. By comparison, the Benchmark – which does not hold any cash – returned 37.88 per cent over the same period.

The strong start to the calendar year in global equities continued in the month of February. Pleasingly, the Fund was able to outpace the market, despite our cash holdings. Our performance was driven by very strong financial results for periods ending 31 December by many of our businesses, including Insperty (NYSE: NSP), Airbus (Euronext: AIR) and Vivendi (Euronext: VIV), owner of Universal Music Group.

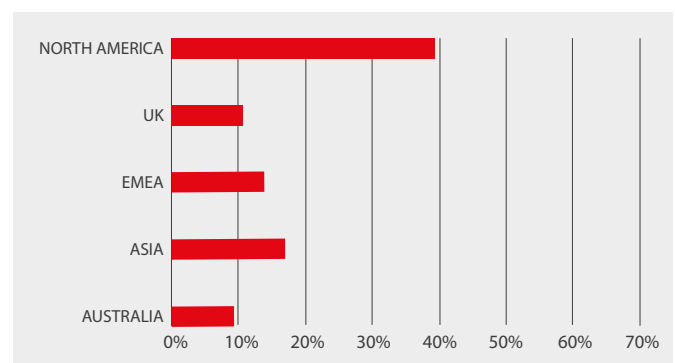
The recent stock price performance of Insperty is an interesting case study in why the stock market is not efficient all the time. Over the last five months, the market capitalisation of this business declined from US\$5 billion, to US\$3.6 billion before returning to more than US\$5 billion. Nothing at all changed in this business. Results were strong in Q3. Results were strong in Q4. The US economy remained strong throughout the period. And yet the market valued Insperty at very different levels at different times. We thought this made no sense and added to our Insperty position at the lower stock prices. Interestingly, on the company's Q4 earnings call, management disclosed that they too could not make sense of the stock price declines, leading them to accelerate the company's stock buy-back program.

TOP COMPLETED HOLDINGS* (TCH) (at 28 February 2019, out of 19 holdings)

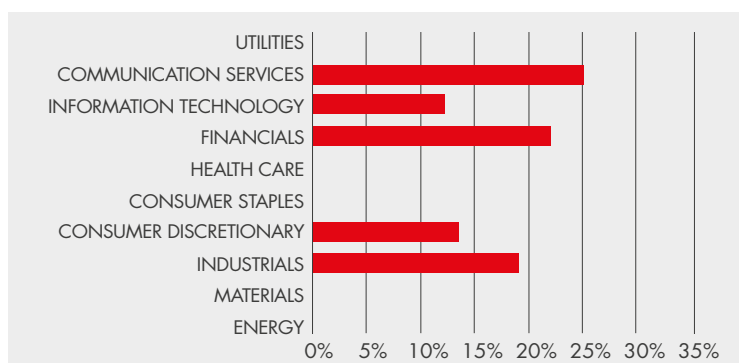
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Vivendi	FR	38,179	7.0
Prudential	GB	54,683	6.6
Microsoft	US	859,518	6.3
Challenger	AU	3,490	5.9
Alphabet	US	780,692	5.8
Apple	US	816,451	5.4
Facebook	US	460,777	5.3
Insperty	US	5,169	5.2
Ping An	CN	191,712	4.8
Lear Corp	US	9,507	4.6
PORTFOLIO MEDIAN		54,683	4.6
Total equity weighting			89.8
Total cash weighting			10.2

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

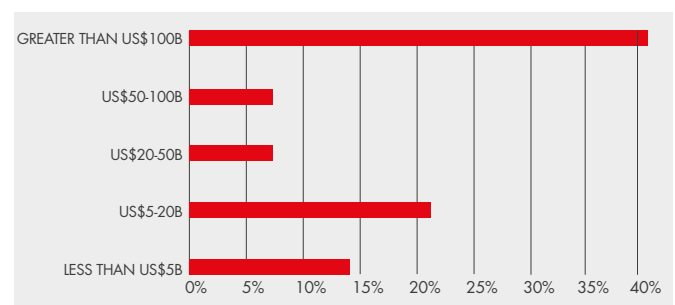
GEOGRAPHIC - COUNTRY OF DOMICILE



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.

