MONTGOMERY SMALL COMPANIES FUND

INVESTMENT REPORT & FACT SHEET

FUND OVERVIEW

Montgomery Lucent's investment philosophy is guided by fundamental research and analysis. Small market capitalisation companies are relatively under-researched and when markets misprice securities, this creates investment opportunities.

The Montgomery Small Companies Fund (The Fund) typically invests in a portfolio of 30 to 50 high quality, undervalued small and emerging companies with strong growth potential.

The Fund will focus on investing in companies outside of the ASX 100 and across the New Zealand stock market, while being able to invest up to 10% of the portfolio in pre-IPO opportunities.

We are searching for companies likely to benefit from secular trends, industry change and with substantial competitive advantages. With a "lifecycle approach" to sizing the portfolio positions depending on whether they are an early stage, emerging, developed or a core investment, The Fund is designed to be as agile as the remarkable small companies that it invests in. This is a long-only portfolio.

FUND FACTS

INVESTMENT MANAGER

Montgomery Lucent Investment Management Pty Limited

OBJECTIVE

The Fund aims to outperform the S&P/ASX Small Ordinaries Accumulation Index over a rolling 5 year period.

BENCHMARK

S&P/ASX Small Ordinaries Accumulation Index

FUND CONSTRUCTION

The Fund's Small Cap portfolio will typically comprise 30-50 high quality stocks listed on the ASX and/or NZSX. Cash typically ranges around 10%.

APIR

FHT3726AU

PORTFOLIO MANAGERS

Gary Rollo

Dominic Rose

RECOMMENDED INVESTMENT TIMEFRAME

5 years

MINIMUM INITIAL INVESTMENT

$25,000

INCEPTION DATE

20 SEPTEMBER 2019

FUND SIZE

$279.27M

MANAGEMENT FEES AND COSTS

1.23% per annum*, which includes a management fee of 1.03% per annum.

*Includes the Responsible Entities fees, Montgomery's fees, custody fees, ordinary and abnormal expenses and any indirect costs

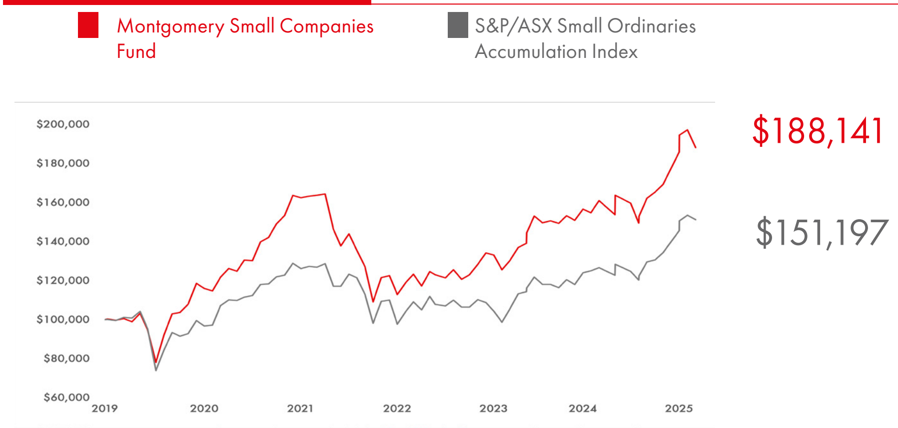
PERFORMANCE FEES

17.94% of the amount by which The Fund outperforms its Benchmark, after other fees and expenses have been deducted and achieves positive performance.

APPLICATION & REDEMPTION PRICES

www.montinvest.com/our-funds/montgomery-small-companies-fund/

PERFORMANCE GRAPH



PORTFOLIO PERFORMANCE

(to 30 November 2025, after all fees)

	INCOME	CAPITAL GROWTH	MONTGOMERY SMALL COMPANIES FUND	S&P/ASX SMALL ORDINARIES ACCUM. INDEX	OUT/UNDER PERFORMANCE
1 month	0.00%	-4.65%	**-4.65%**	-1.48%	-3.17%
3 months	0.00%	1.19%	**1.19%**	3.84%	-2.65%
6 months	3.11%	12.93%	**16.04%**	16.73%	-0.69%
12 months	3.14%	13.74%	**16.88%**	19.43%	-2.55%
3 years (p.a.)	1.63%	13.51%	**15.14%**	11.49%	3.65%
5 years (p.a.)	2.52%	6.58%	**9.10%**	7.13%	1.97%
Since inception#	16.15%	71.99%	**88.14%**	51.20%	36.94%
Compound annual return (since inception)#	2.45%	8.29%	**10.74%**	6.90%	3.84%

Inception: 20 September 2019 | Past performance is not indicative of future performance

TOP COMPLETED HOLDINGS* (TCH)

(as at 30 November 2025 showing top 5 of 40 holdings, in alphabetical order)

COMPANY NAME	TICKER	COMPANY WEBSITE
Codan	ASX:CDA	https://codan.com.au/
Generation Development Group	ASX:GDG	https://gendevelopmentgroup.com.au/
Megaport	ASX:MP1	https://www.megaport.com/
Nick Scali	ASX:NCK	https://www.nickscali.com.au/
Zip Co	ASX:ZIP	https://zip.co/au

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

Total equity weighting	94.18%
Total cash weighting	5.82%

TOP 3 CONTRIBUTORS AND DETRACTORS

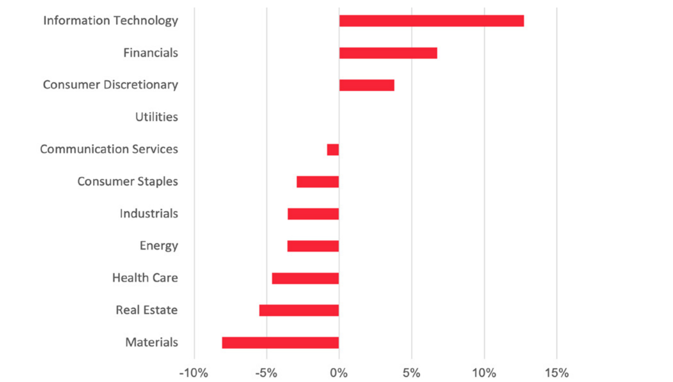
CONTRIBUTORS

Collins Foods	Investor strategy day well received by investors
Genesis Minerals	Gold up 5 per cent lifts the shares
NRW Holdings	Strong volume growth and contract terms lift earnings expectations

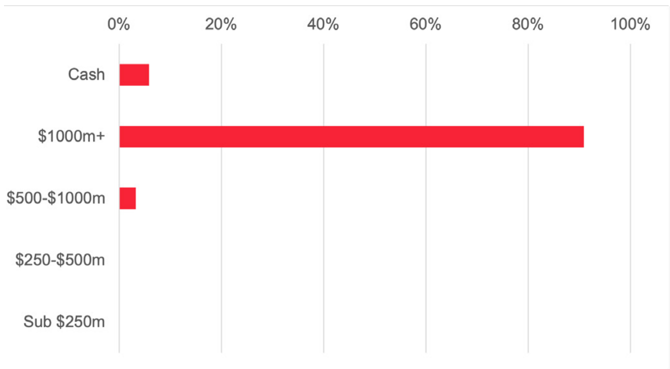
DETRACTORS

Life360	Growth stocks weak and operational metric weaker despite financial upgrades
Codan	Caught up in U.S. government slowdown and growth sentiment weakness
Megaport	On strategy acquisition and equity raise against weak growth sentiment

GICS SECTOR WEIGHTS RELATIVE TO THE BENCHMARK



MARKET CAPITALISATION EXPOSURE



Montgomery Small Companies Fund

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

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 Lucent Investment Management Pty Limited, (ABN 58 635 052 176, Authorised Representative No. 001277163) (Montgomery) the investment manager of the Montgomery Small Companies 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. The PDS and Target Market Determination (TMD) are available here: https://fundhost.com.au/fund/montgomery-small-companies-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.

The Montgomery Small Companies Fund (the Fund) returned -4.65 per cent (net of fees) in November, underperforming the benchmark, which returned -1.48 per cent. Since inception, the Fund has delivered a total return of +88.14 per cent (10.74 per cent p.a.), outperforming the benchmark's +51.20 per cent (6.90 per cent p.a.).

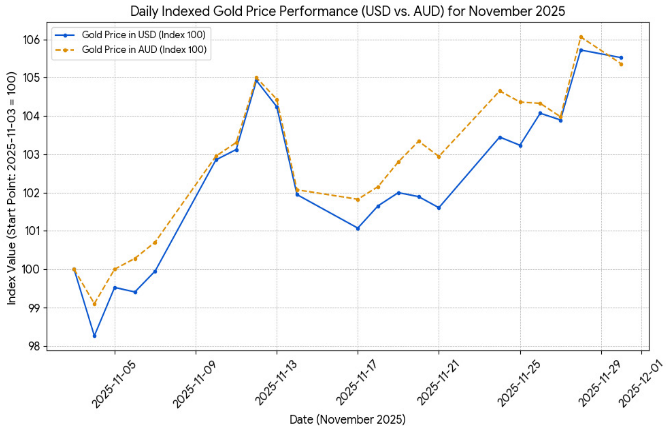
Key positive contributors

Collins Foods (ASX:CKF)

KFC franchisor Collins Foods' strong share price performance followed the Investor Strategy Day, which highlighted ongoing optimization in Australian operations and significant store roll-out potential in Germany. Recent results (released as we write) exceeded financial expectations, confirming a solid outlook. The recent change in interest rate expectations will impact near term sentiment towards this and other Australian consumer stocks.

Genesis Minerals (ASX:GMD)

Gold miner Genesis Minerals shares performed well in November – as did many other gold stocks – based on gold price performance. Gold prices rose 5.5 per cent in the month (in both USD and AUD terms). That's enough to make Genesis Minerals' shares perform.



Source: Gemini

NRW Holdings (ASX:NWH)

NRW Holdings continues to benefit from favourable industry structure (fewer players, improved contract terms) following the last resource boom and subsequent bust that somewhat thinned the mining services herd. NRW Holdings' financials are now showing the benefit from a decade of diversification as this mining cycle's rising resource production volumes and better contract terms support a good growth outlook which was confirmed at the November annual general meeting (AGM), lifting shares to new all-time highs.

Key detractors

This month's detractors shared a common theme: growth stocks that have performed well earlier in 2025.

Life360 (ASX:360)

Despite delivering stronger-than-expected financial outcomes and an outlook upgrade following Q3 results, the stock fell almost 19 per cent. The decline was primarily due to Monthly Active User (MAU) metrics falling short of market expectations, especially the 1 million net U.S. MAU additions during the seasonally strong "back-to-school" quarter.

Codan (ASX:CDA)

Codan's shares fell 15 per cent without any specific new company news. The fall is likely linked to its significant exposure to U.S. government spending, which was negatively impacted by the recent and now resolved U.S. government shutdown. We view this as revenue being pushed out rather than lost, and the long-term growth drivers remain intact.

Megaport (ASX:MP1)

Megaport did a significant acquisition in November, Latitude.sh, raising $200 million and issuing shares to the vendors to fund the deal. The acquisition is on-strategy, the deal financially accretive, expands addressable market and delivers great product relevance to existing customers. However, the acquisition brings capital intensity (compute-as-a-service involves investment in servers ahead of revenue), albeit the rapid (18-month) high-returning payback is very attractive. Normally these factors would be drivers of positive share price reaction, but the sentiment for growth stocks in November was weak (more on that later). Based on the growth outlook for the combined business we see Megaport shares trading on around 15x financial year 2027 EV/EBITDA, that's very cheap for the growth and versus Megaport's valuation regime history.

The Fund's holding in Corporate Travel Management (ASX:CTD)

We received an update regarding the issues at Corporate Travel Management's UK operations. Given the stock's suspension since late August, we have taken steps to write down the value of the Fund's holding based on the information we have available today. The Fund's gross exposure to Corporate Travel Management is now approximately 1 per cent.

Outlook

Global equity markets saw investors take profits in winners during November, largely triggered by sharp changes in U.S. interest rate expectations given a lack of economic data due to the prolonged U.S. Government shutdown. Together with the brewing artificial intelligence (AI) bubble narrative (over-investment, diminishing returns, frothy valuations etc), sentiment for growth stocks soured during the month. These concerns about tech stocks broadened out to risk assets generally, including Australian small caps. Our view is that this represents a shift in narrative rather than a change in fundamentals.

Domestically the expected path and timing for the interest rate outlook changed with the release of employment and inflation data causing the bond market to remove the last skerrick of probability of a near term cut and start to price the probability that next move in rates as up, albeit later in 2026. We think this signal has been absorbed into the Australian consumer's thinking, with a number of the "weaker" retailers that we follow (but don't own) reporting a softening pulse in their activity through November.

All that said, the extent of the domestic macro assumption changes here are within the bounds of a normal outcome, not extra-ordinary. And that has been borne out by small caps recent (continued) out-performance versus big caps. Small caps tend to under-perform during periods of macro uncertainty, which is not what we are seeing here.

Monthly relative returns: small caps vs big caps

November	1.31%
October	1.66%
September	4.60%
August	5.87%
July	0.43%

Source: Iress, S&P/ASX Small Ordinaries Accumulation Index and the S&P/ASX 100 Accumulation Index

We continue to see the macro conditions as supportive for small caps to deliver the higher earnings growth outlook relative to their big cap peers as noted by Macquarie Bank research that expect small caps to grow earnings 13 per cent in financial year 2026 versus bigs at just 3 per cent. We believe this earnings growth gap is sufficient enough to attract investor attention, supporting a positive outlook for the small-cap sector returns over the next one to two years.