

Polen Capital Global Growth Small and Mid Cap Fund

Investment Report & Fact Sheet

January 2022

Fund Overview

The Polen Capital Global Small and Mid Cap Fund is a long only, small and mid cap global equities fund. The Fund typically invests in a concentrated portfolio of 25-35 high-quality companies within the global small and mid cap company universe.

Using the unique Polen Flywheel Framework, the Small Company Growth team analyses opportunities to uncover compelling long-term structural growth and determine if the right conditions are in place to

identify companies that are well-positioned to deliver significant value over a five-year period.

Relative to its mega cap counterparts, with the weighted average market capitalisation of around US\$8 billion the Polen Capital Global Small and Mid Cap Fund is expected to offer a concentrated portfolio of interesting fast-growing smaller companies with a huge potential global runway of growth ahead of them.

Fund Facts

Investment Manager

Montgomery Investment Management Pty Ltd

Objective

The Fund aims to outperform the benchmark, over a rolling five-year period, net of fees.

Benchmark

MSCI ACWI SMID Cap Net Total Return Index, in Australian Dollars

Fund Construction

The Fund typically invests in a concentrated portfolio of 25 to 35 high-quality companies within the global small and mid-cap company universe with the potential to deliver sustained superior growth.

APIR

FHT8533AU

Recommended Investment Timeframe

At least 5 years

Minimum Initial Investment

A\$25,000

Inception Date

21 October 2021

Fund Size

\$14.7M

Management Fees and Costs

Up to 1.15% per annum of the net asset value of The Fund

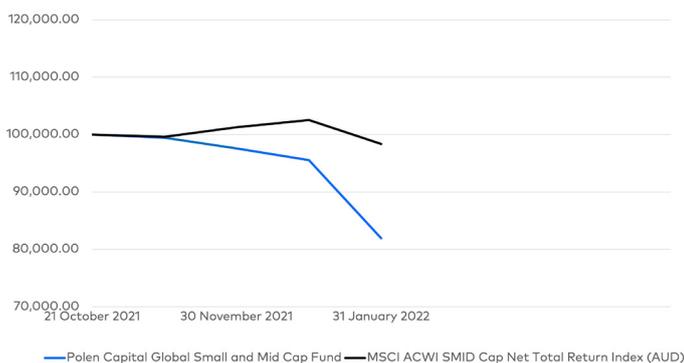
Performance Fees

17.56% of the excess total return of The Fund (after management fees and expenses have been deducted) above the Fund's benchmark.

Application & Redemption Prices

montinvest.com/our-funds/polen-capital-global-small-and-mid-cap-fund/

Polen Capital Global Small and Mid Cap Fund Performance



Contact Details

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Portfolio Performance (to 31 January 2022, after all fees)

	1 month	3 months	6 months	1 year	Since Inception (21 Oct 2021)
Polen Capital Global Small and Mid Cap Fund	-14.28%	-17.66%	N/A	N/A	-18.10%
MSCI ACWI SMID (AUD)	-4.08%	-1.25%	N/A	N/A	-1.65%
Out/Underperformance	-10.20%	-16.41%	N/A	N/A	-16.45%

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.

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Fund Commentary

Global equities closed the month sharply lower, as investor sentiment seemingly dampened amid expectations for the Federal Reserve to raise interest rates multiple times this year. The Federal Reserve had previously signaled that it will likely start raising rates in mid-March in an effort to combat historically high inflation, sparking market volatility. For the month of January 2022 the Polen Capital Global Small and Mid Cap Fund (the Fund) declined 14.28 per cent versus the MSCI ACWI SMID Cap Net Total Return Index, in Australian Dollars which declined by 4.08 per cent. The underperformance was primarily due to stock selection, while allocation effects were also unfavorable.

FICO and TMX were the sole contributors to absolute performance. The underweight position to both the industrials sector and the materials sector contributed to the under-performance. Generally speaking, the Fund typically has very little to no exposure in sectors that are heavily tied to commodities or businesses that are capital intensive.

Information technology was the largest detractor from relative performance, led by Endava, Globant, and Netcompany. All three underlying businesses performed well in 2021, and Polen Capital believes that the recent share price performance has been largely

driven by investor sentiment rather than fundamental changes to these businesses. Within the consumer discretionary sector, Etsy and RH (Restoration Hardware), led relative underperformance. Polen Capital continue to believe both Etsy and RH have solid runways for growth over the long term, and used the recent share price weakness to add to the Etsy position.

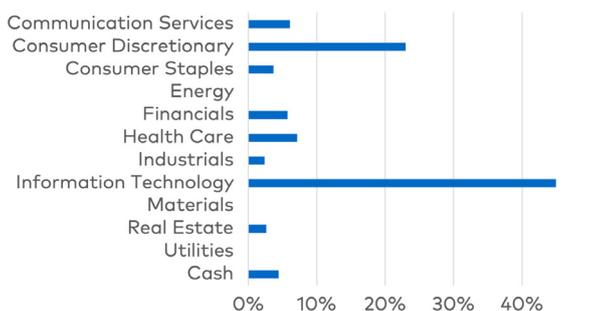
Polen Capital believe the Fund's opportunity set remains very compelling. Of the nearly 8,000 companies in the Index, Polen Capital's goal is to own what they believe to be the best 25 to 35 small and mid cap companies globally. Polen Capital are incredibly selective and the vast majority of companies they research do not meet their strict criteria for ownership. They either fail Polen Capital's guardrails, are missing components of the flywheel framework, or valuation does not allow for a compelling return over the five year investment horizon. Polen Capital's goal is simple – to own what they believe to be the best of the best, thus providing clients with long-term out-performance.

This blog by CEO David Buckland may give readers context on long-term investing with Polen Capital: [The Polen Capital Focus Growth Fund celebrates its 33rd anniversary](#)

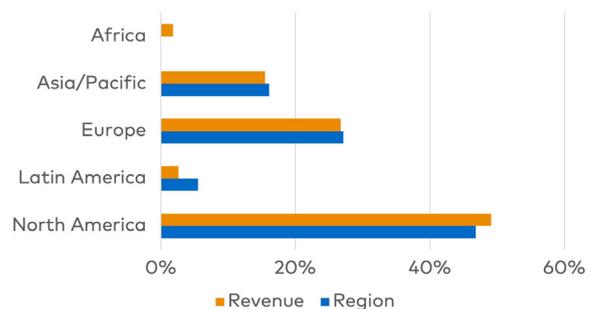
Top Completed Holdings (to 31 January 2022)

Company Name	Sector	Country of Domicile	Market Cap US\$ B	Weight (%)
Globant SA	Information Technology	Uruguay	10.6	5.5
Kinaxis Inc	Information Technology	Canada	3.6	4.6
Floor & Decor Holdings Inc	Consumer Discretionary	United States	11.5	4.6
Endava PLC	Information Technology	United Kingdom	6.8	4.3
Paycom Software Inc	Information Technology	United States	20.1	4.3
Fair Isaac Corp	Information Technology	United States	13.0	3.9
CTS Eventim AG & Co KGaA	Communication Services	Germany	6.7	3.8
Temenos AG	Information Technology	Switzerland	8.8	3.8
Thule Group AB	Consumer Discretionary	Sweden	5.0	3.7
Fevertree Drinks PLC	Consumer Staples	United Kingdom	3.3	3.7

GICS Sector Exposure



Geographic Exposure



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