

Polen Capital Global Small and Mid Cap Fund

Investment Report & Fact Sheet

May 2024

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 seeks 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 30 to 50 high-quality companies within the global small and mid-cap company universe with the potential to deliver sustained superior growth.

APIR

FHT8533AU

Portfolio Managers

Greg McIntire
Rayna Lesser Hannaway

Recommended Investment Timeframe

At least 5 years

Minimum Initial Investment

A\$25,000

Inception Date

21 October 2021

Fund Size

\$21.4M

Management Fees and Costs

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

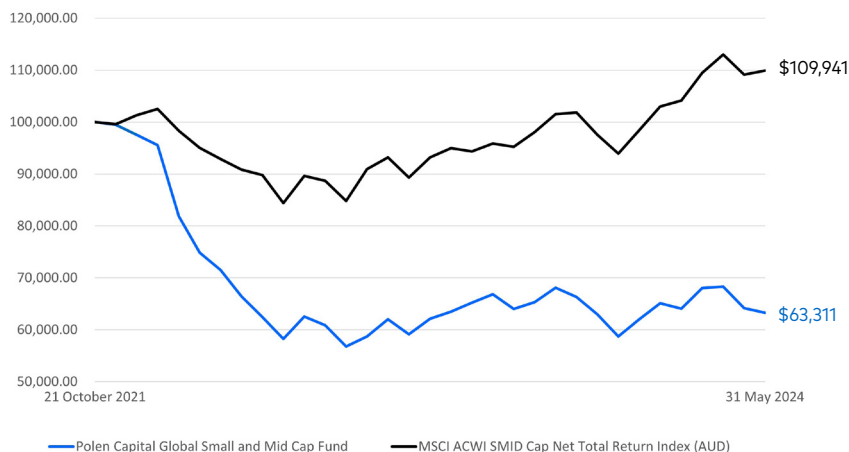
Performance Fees

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

Investors

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Portfolio Performance (to 31 May 2024, after all fees)

	1 month	3 months	6 months	1 year	Since Inception (21 Oct 2021)	Compound Annual Return Since Inception
Polen Capital Global Small and Mid Cap Fund	-1.31%	-6.95%	2.10%	-1.12%	-36.69%	-16.07%
MSCI ACWI SMID (AUD)	0.76%	0.38%	11.69%	15.45%	9.94%	3.70%
Out/Underperformance	-2.07%	-7.33%	-9.59%	-16.57%	-46.63%	-19.77%

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 equity markets, in aggregate, rebounded from April's sell-off as rate expectations were a less dominant force than in prior months, with generally robust corporate earnings providing the market impetus. The U.S. and Europe were the best-performing markets and generally had the most compelling earnings data, while emerging markets lagged, pulled lower by Brazil, South Korea, and Saudi Arabia. Growth equities marginally underperformed their value counterparts within small and mid caps, while bonds lagged equities as sovereign yields were rangebound over the month. The world's major central banks mostly remained on hold, however, lower eurozone inflation led the European Central Bank to cut rates by 0.25 per cent in early June. All industry sectors within the MSCI ACWI SMID Index were positive, with Utilities and Communication Services leading the way. Health Care was the weakest sector.

For May, the Polen Capital Global Small and Mid Cap Fund (the Fund) declined by 1.31 per cent in Australian dollars, while the Fund's benchmark, the MSCI SMID Cap Index, returned 0.76 per cent in Australian dollars.

The Fund underperformed the Index for the period primarily due to security selection, although sector allocation also detracted from relative returns. Positive security selection in Communication Services and Information Technology was outweighed by weaker selection in Industrials and Financials. The sector allocation impact was negative, primarily due to the Fund's zero weight in Utilities. At a country level, stock selection was most effective in China, the Netherlands, and Australia and weakest in the U.S., U.K., and Germany.

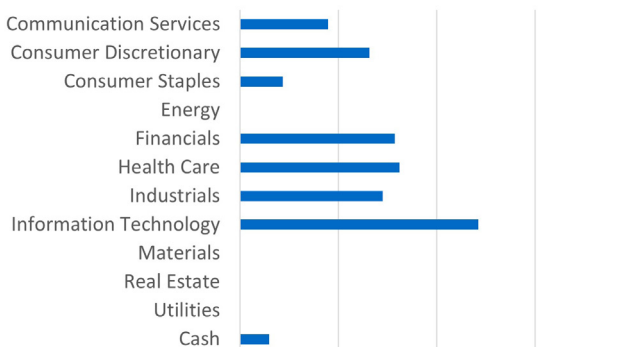
The top three absolute contributors were Tencent Music Entertainment, Warby Parker, and Bio-Techne. The bottom three absolute detractors were local, Progyny, and Alight. During the month, the Fund added to its position in Endava and trimmed its positions in CTS Eventim and Tencent Music Entertainment.

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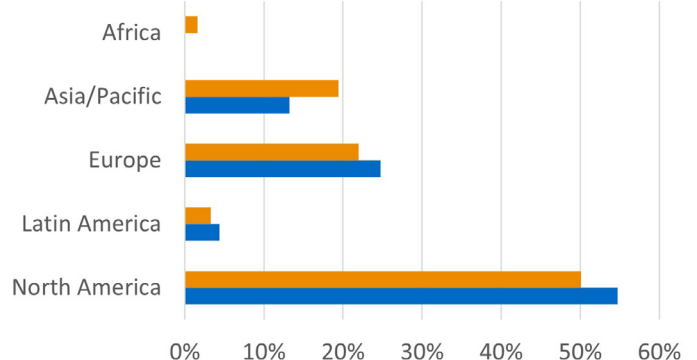
Top Completed Holdings (to 31 May 2024)

Company Name	Sector	Country of Domicile	Market Cap US\$ B	Weight (%)
Topicus.com Inc	Information Technology	Netherlands	7.1	5.3
Houlihan Lokey Inc	Financials	United States	9.3	5.2
Tencent Music Entertainment Group	Communication Services	China	24.8	5.0
Fevertree Drinks PLC	Consumer Staples	United Kingdom	1.6	4.3
CTS Eventim	Communication Services	Germany	8.3	3.9
Alight Inc	Industrials	United States	4.3	3.4
Eurofins Scientific SE	Health Care	Luxembourg	11.6	3.3
Progyny Inc	Health Care	United States	2.6	3.2
Goosehead Insurance Inc	Financials	United States	2.5	3.2
E Ink Holdings Inc	Information Technology	Taiwan	7.7	3.2

GICS Sector Exposure



Geographic Exposure



Platforms we are on: HUB24 Netwealth

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Polen Capital remain focused on the long-term value propositions, competitive advantages, ongoing initiatives, growth opportunities, and potential earnings power of the Fund's portfolio. They believe the five-year investment time horizon allows Polen Capital to think and act like owners. While market uncertainties and general volatility persist, the pipeline of potential new investments remains attractive across various industries and geographies.

Looking ahead, Polen Capital see significant opportunity for the asset class, particularly for their investing style. Polen Capital view high-quality SMID cap companies as having more significant latent growth potential than mature businesses. They also believe the highest-quality SMID cap companies will take advantage of their solid balance sheets and continued reinvestment to advance their competitive position, tackle adjacencies, and enjoy better potential opportunities for value-added acquisitions. Since so few companies meet this high hurdle, Polen Capital hold a concentrated portfolio of companies that offer potential for growth and high returns, as well as durability, robust financial models, the ability to self-fund growth, and what they view as superior management teams.

This report was prepared by Montgomery Investment Management Pty Ltd, AFSL No: 354564 ('Montgomery') the investment manager of the Polen Capital Global Small and Mid Cap Fund (ARSN: 652 035 642) (Fund). The Responsible Entity of the Fund is Fundhost Limited (ABN 69 092 517 087) (AFSL No: 233 045) ('Fundhost'). This report 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. The PDS and Target Market Determination ('TMD') are available here: <https://www.montinvest.com/our-funds/polen-capital-global-small-and-mid-cap-fund> and here: <https://investwith.montinvest.com/PolenCapitalGlobalSmallandMidCapFundTMD> 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.