

INVESTMENT REPORT & FACT SHEET

FUND OVERVIEW

The Montgomery Global Equities Fund (Managed Fund) (the 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. The Fund also aims to target a minimum 4.5% annual distribution yield, paid semi-annually.

FUND FACTS

INVESTMENT MANAGER

MGIM Pty Ltd

OBJECTIVE

The Montgomery Global Equities Fund (Managed Fund) aims to outperform the index over a rolling 5-year period.

BENCHMARK

MSCI World Net Total Return Index, in Australian dollars.

ASRN

621941508

RECOMMENDED INVESTMENT TIMEFRAME

5 years

INCEPTION DATE

20 December 2017

FUND SIZE (AUD)

\$97.4M

MANAGEMENT COST

1.32% per annum, inclusive of GST/RITC.

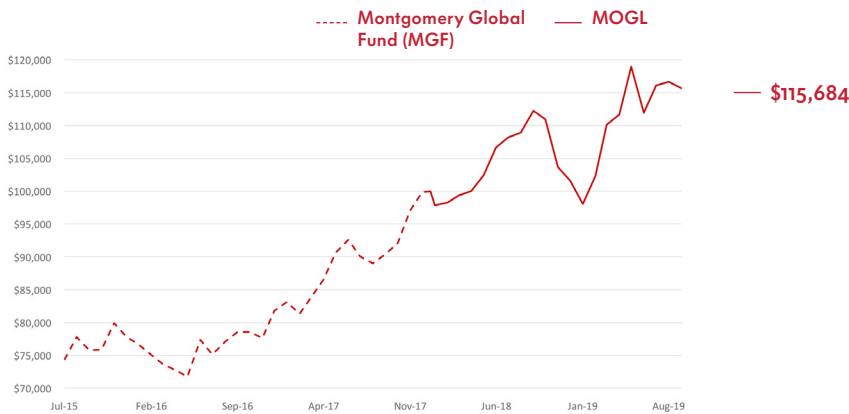
PERFORMANCE FEES

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/mogl

PERFORMANCE GRAPH



Performance Graph Monthly Index: \$100,000 = MOGL inception date²

CONTACT DETAILS

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PORTFOLIO PERFORMANCE (to 31 August 2019, after all fees)

	INCOME	CAPITAL GROWTH	FUND RETURN	MSCI WORLD NET TOTAL RETURN INDEX ¹	OUT/UNDER PERFORMANCE
1 month	0.00%	-0.86%	-0.86%	0.21%	-1.07%
3 months	4.74%	-1.38%	3.36%	7.90%	-4.54%
6 months	4.81%	0.23%	5.04%	9.53%	-4.49%
12 months	6.56%	-3.52%	3.04%	7.62%	-4.58%
MOGL (since inception) ²	9.76%	5.92%	15.68%	19.81%	-4.13%
MGF (since inception) ³	35.18%	21.31%	56.49%	51.02%	5.47%

¹ In Australian dollars ² Inception: 20 December 2017 ³ Inception: 1 July 2015

Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall.

FUND COMMENTARY

In the month of August, Montgomery Global Equities Fund (the Fund) declined by 0.86 per cent, net of fees. By comparison, the MSCI World Total Return Index in Australian dollar terms (the Benchmark) increased by 0.21 per cent. Since inception, the Fund has increased by 15.68 per cent, net of fees, despite holding an average of 16 per cent of the Fund in cash. Over the same period, the Benchmark – which naturally carries zero cash – increased by 19.81 per cent.

Global equity conditions continued to challenge in August. President Trump’s frequent up-and-down tweeting on the subject of US/China trade continued to move markets. Meanwhile, any resolution to Brexit continues to elude UK lawmakers, all but ensuring another election over the coming weeks. And perhaps most significantly of all, the Hong Kong protests continue to gather steam and present a genuine tail risk to the Chinese – and therefore global – economy.

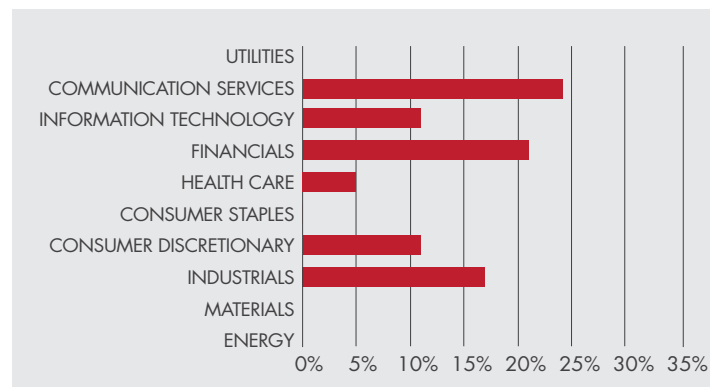
Our strategy continues to be one of owning high-quality global businesses that should continue to compound over the long term – irrespective of the noise that gyrates markets over the near-term. We remain convinced this strategy will deliver attractive net returns for our investors over time. This month, however, we had two stocks that contributed to the Fund’s underperformance to the Benchmark: Prudential (LSE: PRU) and Tapestry (NYSE: TPR). The former, we believe is becoming one of the great investment opportunities of our time and we retain very high conviction in the name. For the latter, however, we have lost conviction in the quality of the business and exited the name on that basis.

TOP COMPLETED HOLDINGS* (TCH) (at 31 August 2019, out of 17 holdings)

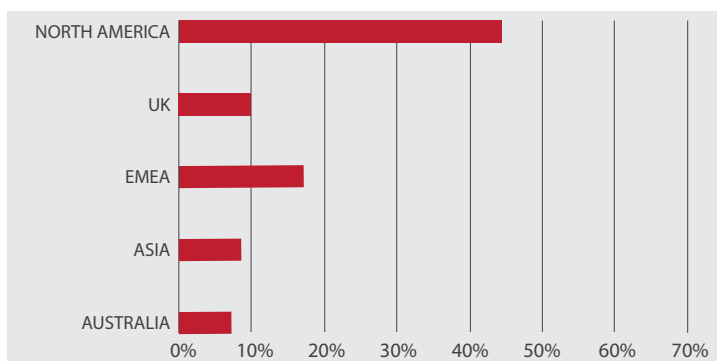
COMPANY NAME	COUNTRY OF DOMICILE	MARKET CAP (\$USDM)	WEIGHT (%)
Vivendi	FR	34,087	7.5
Insperty	US	4,080	6.8
Alphabet	US	824,611	6.4
Microsoft	US	1,052,618	5.6
Prudential	GB	43,256	5.5
Floor & Decor	US	4,903	5.5
Facebook	US	529,707	5.5
Alibaba	CN	455,703	5.3
Airbus	FR	107,149	5.2
Apple	US	943,334	5.2
PORTFOLIO MEDIAN		64,085	5.2
Total equity weighting			87.8
Total cash weighting			12.2

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

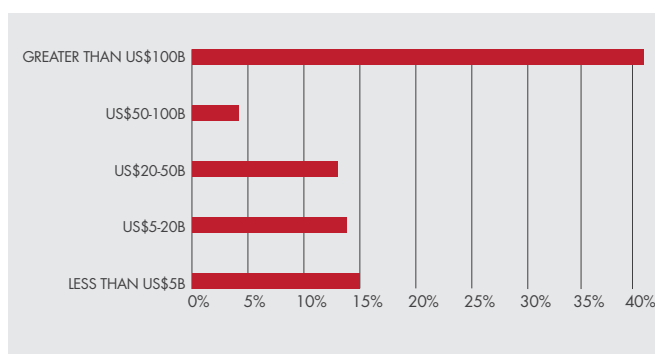
GICS SECTOR INDUSTRY EXPOSURE



GEOGRAPHIC - COUNTRY OF DOMICILE



MARKET CAPITALISATION EXPOSURE



#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 Equities Fund (Managed Fund). The issuer of units in Montgomery Global Equities Fund (Managed Fund) is the Fund’s responsible entity Perpetual Trust Services Limited ACN 000 142 049 (AFSL 236648). Copies of the PDS are available from Montgomery Global Investment Management (02) 8046 5000 or online at www.montinvest.com/mogl. Before making any decision to make or hold any investment in the Fund you should consider the PDS in full. The information provided is general information only and does not take into account your investment objectives, financial situation or particular needs. You should consider your own investment objectives, financial situation and particular needs before acting upon any information provided and consider seeking advice from a financial advisor or stockbroker if necessary. You should not base an investment decision simply on past performance. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall.