

INVESTMENT REPORT

DECEMBER 2022

ABOUT MONTAKA

Montaka Global is a specialist global equities manager established in 2015 by Andrew Macken and Christopher Demasi with offices in Sydney, Melbourne and New York.

Montaka's mission is to achieve superior long-term compounding of investor capital, alongside the capital of our principals, team, and owners.

ABOUT THE FUND

The Montaka Global Long Only Equities Fund (Managed Fund) can play a leading role in achieving Montaka's mission.

Investors in the Fund benefit from our deep expertise, fundamental research and detailed analysis to identify high-conviction, long-duration opportunities through a concentrated global equities portfolio.

The Fund is highly focussed on investing in long-term winners in attractive transforming markets when they are undervalued and offer outsized return potential.

Investors benefit from an easily accessible listed structure with 'live' pricing and sufficient liquidity around 'fair value'. Investors can buy and sell units on ASX (ticker: MOGL) in the same way as other listed securities, through a broker or trading account or choose to invest [directly](#) with the Fund.

The Fund aims to outperform the Index, net of fees, over the long term and targets distributions of 4.5% p.a. which can be automatically reinvested.

TOP 10 HOLDINGS

1	Microsoft	8.9%	6	Salesforce	5.9%
2	Amazon	8.1%	7	Tencent	5.4%
3	Alphabet	7.8%	8	KKR	5.2%
4	Blackstone	7.4%	9	S&P	5.0%
5	ServiceNow	7.1%	10	Meta	5.0%

Total top 10 holdings 65.8%

PERFORMANCE

	FUND	INDEX
1 month	-8.9%	-5.4%
3 month	-6.1%	4.1%
6 month	-10.1%	4.4%
1 year	-35.9%	-12.2%
3 years (p.a.)	-8.6%	6.2%
Since inception ¹ (p.a.)	-1.3%	8.8%
Since inception ¹	-6.4%	52.5%
Strategy ² :		
5 years (p.a.)	-0.8%	9.2%
Since inception (p.a.)	3.2%	9.1%
Since inception	26.4%	92.3%

The performance chart of the Fund can be viewed [here](#).

NOTE: Please note that Mainstream, the administrator for this fund are going through a name change. Details of this change can be found [here](#), however you are not required to do anything.

All holdings, performance, exposures and position metrics to 31st December 2022. Top 10 holdings are long positions. Performance is after all fees and costs. Past performance is not indicative of future performance.

1. Inception 20th December 2017.

2. Performance for Montaka Global Long Only Fund, previously known as Montgomery Global Fund, the unlisted fund that invests with the same underlying strategy as the Fund. Inception 1st July 2015.

FUND FACTS

Fund name	Montaka Global Long Only Equities Fund (Managed Fund)
ASX ticker	MOGL
Fund type	Global equities, long only
Fund structure	Exchange-traded managed fund; open-ended, ASX-listed
Investment manager	Montaka Global Pty Ltd
Portfolio managers	Andrew Macken, Christopher Demasi
Listing date	20 th December 2017
Unit price	A\$2.4214
Invest or redeem	Buy/sell units on the ASX or apply/redeem directly with the Fund On-market: close to iNAV, updated every second with sufficient liquidity provided by the market maker Off-market: NAV +/-0.25%, daily
Pricing	
Distributions	Target 4.5% p.a. paid semi-annually
Index	MSCI World Net Total Return Index A\$
Currency hedging	Typically unhedged to A\$ (selective hedging permitted)
Website	www.montaka.com/mogl

TOP MEGA-TRENDS

1	Digital enterprise	30%
2	Alternative asset managers	18%
3	Digital consumer	13%
4	Digital Asia	12%
5	Data assets & digital networks	12%
6	Digital SME	9%

CONTACT DETAILS

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FUND WEBSITE: www.montaka.com/mogl

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FUND COMMENTARY

The month of December completed 2022, a year characterized by significant stock price declines in all major global regions and across most sectors.

High rates of inflation around the world induced central banks to rapidly tighten monetary policies. Later in the year, we started to observe the first tangible effects of these policies on the real economy in the form of slowing economic growth. Around the same time, the world's second-largest economy locked-down significant population centers under covid-zero policies (which are now in the process of being reversed).

Rising interest rates hurt stock prices in two primary ways: (i) they reduce the 'valuation multiple' that investors place on company earnings; and (ii) they reduce investor expectations for future earnings growth as recession probabilities are revised upwards. These effects are magnified for higher-growth companies, which explains why tech sold off the most in the US in 2022.

Montaka's unit price declined in 2022, given our significant exposure to investee companies in sectors that declined materially throughout the year. Philosophically, we invest based on where we see the world in 5-10 years, as we detail in our December Quarterly Letter. This approach is not the same as one that seeks to invest based on how we perceive other investors will see the world over the next 6-12 months.

We commence 2023 with several reasons for investment optimism: (i) we believe global inflation has now peaked and will decelerate, with monetary policies to follow; (ii) many advantaged businesses have been oversold, in our view, increasing the probabilities of positive surprises; and (iii) China, the world's second largest economy, has seen its policymakers abandon 'Covid-zero', abandon its tech crackdown, and is commencing economic stimulus.

NOTE: At the end of the period to 31st of December 2022, the Fund will pay a distribution of 6.1 cents per unit. Payments will be made on the 19th of January 2023. The reinvestment unit price is \$2.4214.

FUND EXPOSURES (net, % of NAV)

Top 10 holdings	65.8%
Total equity holdings	98.6%
Cash weighting	1.4%
A\$ currency exposure ³	30.3%

POSITION METRICS

Number of positions	24
Position sizes (net, % of NAV)	
Largest	8.9%
Smallest	0.3%
Average	4.1%

DISCLAIMER: This fund is appropriate for investors with 'High' and 'Very High' risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

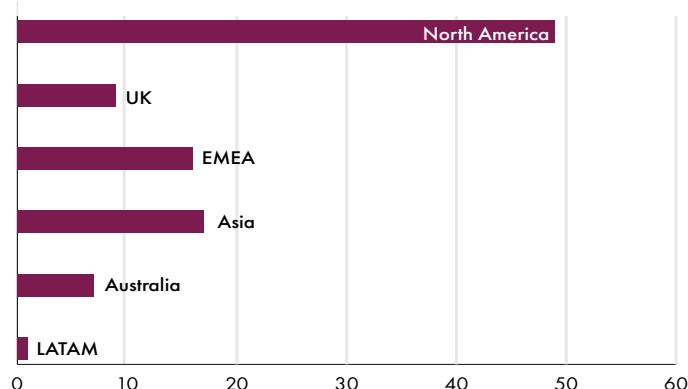
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3. A\$ currency exposure shown on look-through earnings basis and includes the effect of currency forwards.

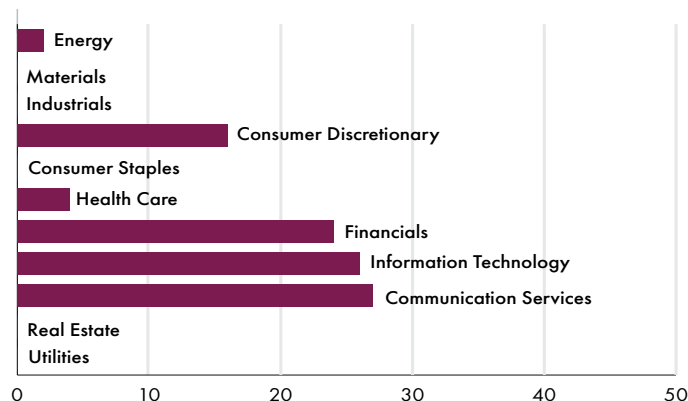
4. Shown on look-through earnings basis.

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 Montaka Global Pty Ltd, (ACN 604 878 533) AFSL 516 942, the investment manager of the Montaka Global Long Only Equities Fund and is authorised for release by the responsible entity Perpetual Trust Services Limited ACN 000 142 049 (AFSL 236648), the issuer of units of the Montaka Global Long Only Equities Fund. Copies of the PDS and TMD are available on this webpage: <https://montaka.com/tmd/>. Before making any decision to make or hold any investment in the Fund you should consider the PDS in full and any ASX announcements. 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. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

GEOGRAPHIC EXPOSURE⁴ (net, % of NAV)



INDUSTRY EXPOSURE (net, % of NAV)



MARKET CAPITALISATION EXPOSURE

