

INVESTMENT REPORT

JULY 2023

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	Amazon	10.4%	6	Salesforce	5.9%
2	Microsoft	9.6%	7	ServiceNow	5.0%
3	Meta	9.1%	8	S&P	4.9%
4	KKR	8.9%	9	Alphabet	4.3%
5	Blackstone	8.8%	10	Spotify	4.0%

Total top 10 holdings 70.9%

PERFORMANCE

	FUND	INDEX
1 month	3.4%	2.1%
3 month	14.7%	6.4%
6 month	25.2%	16.2%
1 year	19.9%	17.5%
3 years (p.a.)	5.7%	14.0%
Since inception ¹ (p.a.)	5.1%	11.3%
Since inception ¹	32.4%	82.6%
Strategy ² :		
5 years (p.a.)	3.9%	11.3%
Since inception (p.a.)	7.4%	10.9%
Since inception	77.4%	130.2%

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

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\$3.3505
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	28%
2	Alternative asset managers	22%
3	Digital consumer	17%
4	Digital SME	11%
5	Data assets & digital networks	10%
6	Digital Asia	8%

CONTACT DETAILS

PRIVATE CLIENTS & INTERMEDIARIES

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FUND WEBSITE: www.montaka.com/mogl

All holdings, performance, exposures and position metrics to 31 July 2023. 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.

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FUND COMMENTARY

The month of July offered several new datapoints that are very supportive of Montaka's investment portfolio.

First, from the perspective of the macroeconomy. By now the US economy was supposed to be contracting, with unemployment rising and corporate earnings collapsing. Instead, in the world's largest economy, inflation is decelerating while economic growth remains steady – with investment picking up while personal consumption cools. Meanwhile, corporate earnings are generally doing much better than many expected. These are the 'goldilocks' conditions that you might read about in the financial press over the coming weeks and months.

Second, from the perspective of Montaka's major investee companies. Overall, we have been pleased with the Q2 results reported over recent weeks. In many instances, it is simply a case of 'business as usual' as Montaka's largest portfolio companies continue to invest into very large adjacent addressable markets.

Whether it's the hyperscalers – Amazon, Microsoft and Alphabet – building to capture the enormous AI opportunity; or Meta, evolving from a social network to a content-recommendation platform that monetizes at higher levels; or Blackstone and KKR growing into the very large insurance and private wealth channels. These opportunities represent substantial sources of incremental earnings power over time. And Montaka has selected the high-probability winners and contends that these businesses remain substantially undervalued today.

The other dynamic that is really standing out in the Q2 earnings of Montaka's businesses is the substantial 'operating leverage' we are seeing. That is, Montaka's largest investee companies are doing a stellar job of constraining the growth of their costs to be substantially lower than the rate of growth of their revenues. This is a powerful combination: profit margins expand, and earnings power accelerates.

We continue to believe the prospects are extremely bright for Montaka's portfolio companies.

FUND EXPOSURES (net, % of NAV)

Top 10 holdings	70.9%
Total equity holdings	98.7%
Cash weighting	1.3%
A\$ currency exposure ³	23.8%

POSITION METRICS

Number of positions	24
Position sizes (net, % of NAV)	
Largest	10.4%
Smallest	0.2%
Average	4.1%

DISCLAIMER: This fund is appropriate for investors with '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.

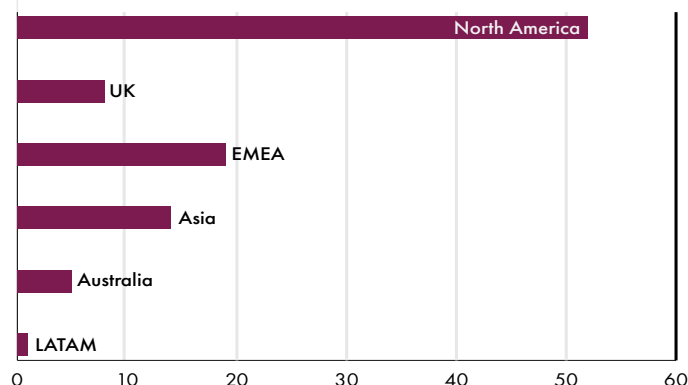
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3. A\$ currency exposure shown on look-through earnings basis and includes the effect of currency forwards.

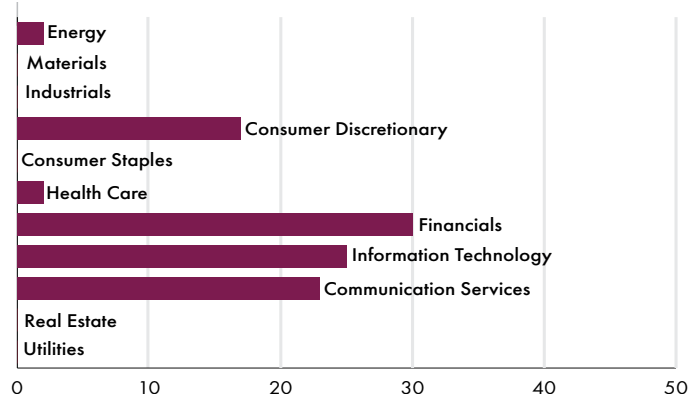
4. Shown on look-through earnings basis.

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

