

INVESTMENT REPORT

SEPTEMBER 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	10.6%	6	Salesforce	5.6%
2	KKR	10.0%	7	ServiceNow	5.1%
3	Blackstone	9.7%	8	S&P	4.8%
4	Microsoft	9.7%	9	Spotify	4.6%
5	Meta	9.2%	10	Alphabet	4.4%

Total top 10 holdings 73.6%

PERFORMANCE

	FUND	INDEX
1 month	-3.6%	-4.0%
3 month	1.4%	-0.4%
6 month	14.0%	7.0%
1 year	30.3%	21.5%
3 years (p.a.)	4.4%	11.9%
5 years (p.a.)	3.4%	9.7%
Since inception ¹ (p.a.)	4.6%	10.5%
Since inception ¹	29.8%	78.1%
Strategy ² :		
Since inception (p.a.)	6.9%	10.3%
Since inception	73.5%	124.4%

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\$3.2858
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	16%
4	Digital SME	11%
5	Data assets & digital networks	9%
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 30 Sep 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 September rounded out the first three quarters of an astonishing year. The US recession that many expected has remained elusive thus far. Year-to-date in 2023, the median stock in the S&P 500 is up just 3%, while the median stock in the Russell 2000 is down by 5%. And yet, a small fraction of stocks (around 9% of the S&P 500) are up a lot – by more than 30%. (Montaka has been fortunate to own 11 of these).

We've raised the possibility that markets may well have entered a period of higher dispersion. That is, a period characterized by more extreme winners and losers in the stock market. A period we have not seen for decades. And, if so, a period that would demand greater active management and adherence to the investing principles that have been proven to work well, including high portfolio concentration, patience in ownership, and with the structure to withstand periods of drawdown. We assemble the important academic research on these topics in Montaka's recent [whitepaper](#) which we encourage readers to review.

We remain very happy with Montaka's major investee companies. These are businesses that have tremendous advantages that we believe remain underappreciated. Furthermore, we have been particularly pleased and impressed by the significant cost controls effected by these businesses of late. Salesforce's recent result included the most recent demonstration of this. In its last quarter, the company's operating margin was more than 10 percentage points higher than a year ago!

Overall, Montaka's portfolio remains weighted heavily towards US-domiciled investments. While we do have some modest exposure to China, we have deliberately ensured there is minimal ownership of businesses with cross-Chinese-border exposure on both the revenue side, and the supply-chain side, given geopolitical risks.

FUND EXPOSURES (net, % of NAV)

Top 10 holdings	73.6%
Total equity holdings	97.5%
Cash weighting	2.5%
A\$ currency exposure ³	24.8%

POSITION METRICS

Number of positions	22
Position sizes (net, % of NAV)	
Largest	10.6%
Smallest	0.2%
Average	4.4%

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.

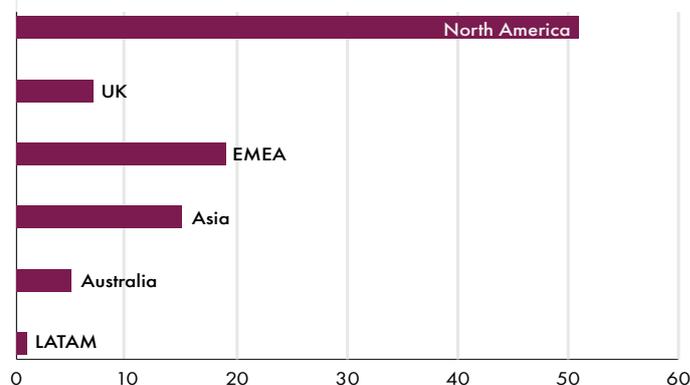
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3. A\$ currency exposure shown on look-through earnings basis and includes the effect of currency forwards.

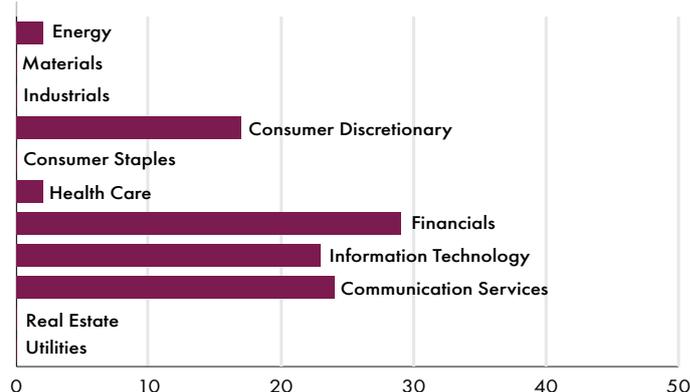
4. Shown on look-through earnings basis.

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

