

INVESTMENT REPORT

NOVEMBER 2024

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 Extension Fund (Quoted Managed Hedge 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. The Fund also short-sells single stocks and ETFs to make additional investments in these winners with the proceeds and as an absolute profit centre. Put options can be used to hedge tail risks.

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: MKAX) 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 provide Unitholders with long-term capital growth and targets distributions of 5% p.a. which can be automatically reinvested.

TOP 10 HOLDINGS

1	KKR	17.8%	6	ServiceNow	8.1%
2	Blackstone	15.8%	7	Meta	6.7%
3	Amazon	14.4%	8	Alphabet	6.0%
4	Microsoft	9.9%	9	Salesforce	5.9%
5	Spotify	8.8%	10	Floor & Decor	5.6%

Total top 10 holdings 99.0%

PERFORMANCE

	FUND
1 month	5.7%
3 months	7.9%
6 months	22.1%
1 year	55.3%
2 years (p.a.)	40.3%
3 years (p.a.)	3.9%
Since inception ¹ (p.a.)	9.0%

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

FUND FACTS

Fund name	Montaka Global Extension Fund (Quoted Managed Hedge Fund)
ASX ticker	MKAX
Fund type	Global equities, extension long/short
Fund structure	Exchange-traded managed fund; open-ended, ASX-listed
Investment manager	Montaka Global Pty Ltd
Portfolio managers	Andrew Macken, Christopher Demasi
Listing date	24 th June 2020
Unit price	\$4.4486
Invest/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 5% p.a. paid semi-annually
Hurdle	7% p.a.
Currency hedging	Typically 50% hedged to A\$
Website	www.montaka.com/mkax

TOP MEGA-TRENDS

1	Alternative assets	34%
2	Enterprise software	23%
3	Cloud computing/AI	15%
4	Online advertising	14%
5	Digital media	13%

CONTACT DETAILS

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FUND WEBSITE: www.montaka.com/mkax

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FUND COMMENTARY

US equities rallied in November on the surprise clean sweep by Republicans in the general election. The now-likely prospects of lower regulation and corporate tax, and a more favorable posture towards M&A, resulted in stock prices moving higher.

Of course, not all stocks were moving higher because of US politics. Spotify, for example, increased substantially during the month because of its terrific Q3 results.

As a reminder, one year ago sell-side analysts forecast Spotify's Q3 earnings this year to be €50M. At the time, we thought earnings would be at least 5x this forecast – one of the reasons we believed the stock was materially undervalued. Well, Spotify's Q3 earnings came in at €454M, more than 9x the original broker forecasts.

Spotify has successfully demonstrated an ability to invest in new verticals (think music, podcasts, audiobooks, with others still to come), and new features (think personalised playlists, and AI DJ, for example). These add greater value to subscribers, which the company can monetize through higher subscription fees – while still retaining its very high benefit-to-cost ratio in the eyes of customers.

And it's not just Spotify. Salesforce also reported their quarterly results in recent days, triggering a +11% stock price increase. The boost to the stock had less to do with the result itself and more to do with what the future likely holds for this enterprise software platform.

The company's new 'Agentforce' is uniquely positioned to unlock big productivity gains for customers (e.g. \$100/human call vs \$2/agent call) by leveraging huge customer datasets (>200 petabytes) built up on Salesforce over the last 25 years under a unified data structure.

If successful, Salesforce's total addressable market will increase significantly – and so too will the long-term value of the company.

Both Spotify and Salesforce remain in Montaka's top 10 largest holdings.

FUND STATISTICS

(net % of NAV)

Top 10 holdings	99.0%
Active share ³	116.3%
Turnover ⁴	40.8%
Cash weighting	0.93%
A\$ currency exposure ⁵	23.3%
Gross exposure (long+short)	157.7%
Net exposure (long-short)	99.1%
Number of positions	Long 21; Short 25

All fund statistics and exposures updated as on 30 November 2024.

2. Includes ETFs. ETF exposure shown on look-through basis, except Market Capitalisation Exposure.

3. Active share is the percentage of the Fund invested differently to the Index, or 100% less the overlapping holdings.

4. Turnover is the percentage of the Fund that has changed based on the last 12 months, and is inversely related to the hold period.

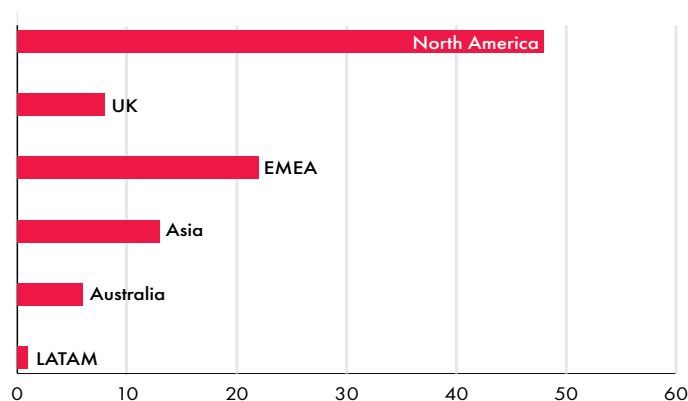
5. A\$ currency exposure shown on look-through earnings basis and includes the effect of currency forwards.

6. Shown on look-through earnings basis.

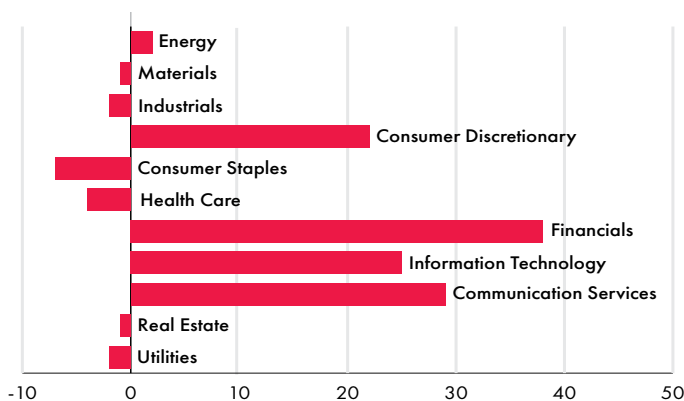
DISCLAIMER: This fund is appropriate for investors with 'High' risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

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 Extension 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 EXPOSURE^{2,6} (net, % of NAV)



INDUSTRY EXPOSURE² (net, % of NAV)



MARKET CAPITALISATION EXPOSURE²

(net, % of NAV)

