



MONTGOMERY SMALL COMPANIES FUND

FACT SHEET

APIR:

FHT3726AU

Inception Date:

20 September 2019

Investment Manager

Montgomery Lucent Investment Management Pty Limited

ABN: 58 635 052 176

Corporate Authorised Representative (CAR): 001 277 163

Fund Description

The Fund typically invests in a portfolio of 30 to 50 companies listed on the ASX and NZX. Montgomery Lucent is an active style-neutral equities manager seeking high quality, undervalued, small and emerging companies with strong growth potential.

Investment Return Objective

The Fund aims to outperform the S&P/ASX Small Ordinaries Accumulation Index over a rolling 5 year period.

Recommended Minimum Investment Time Frame

5 years

Minimum Investment Amount

Initial investment: A\$25,000

Additional investment: A\$5,000

Application/Withdrawal

Every Sydney business day.

Frequency of Pricing

The Fund is priced every Sydney business day.*

Investors can see the prices daily on both websites:

<https://fundhost.com.au/fund/montgomery-small-companies-fund/>

<https://montinvest.com/our-funds/montgomery-small-companies-fund/>

Liquidity

Investors can apply to redeem units on every Sydney business day. See the Product Disclosure Statement (PDS) for more information.

Management Costs

1.20% per annum.

Performance Fee

The performance fee is 17.94% of the excess total return of The Fund (after management fees and expenses have been deducted) above the Fund's benchmark. Refer to the PDS for more information on the performance fee.

Additional Investments

Additional applications may be made using the 'Additional Investment Form For Existing Investors' on page A19 of the Application Form.

Regular Investment Plan

A direct debit savings plan is available. This plan enables you to invest at least \$500 per month into The Fund.

* Exceptions may apply

About The Montgomery Small Companies Fund

Montgomery Lucent's investment philosophy is guided by fundamental research and analysis. Small market capitalisation companies are relatively under-researched and when markets misprice securities, this creates investment opportunities.

Montgomery Lucent is seeking to build a portfolio of 30 to 50 high quality, undervalued small and emerging companies with strong growth potential. We are searching for companies likely to benefit from secular trends, industry change and with substantial competitive advantages.

Montgomery Lucent employs a repeatable four step process, as follows.

1. **SCREEN** Identify and screen for high quality, undervalued small and emerging companies with strong growth potential - tomorrow's leaders;
2. **ANALYSE** Conduct in-depth analysis of the individual company attributes, financials, industry trends and the company valuation;
3. **RISK-CHECK** Stress-test core investment thesis with strict risk overlay; and
4. **BUILD** Construct the diversified portfolio using the "four bucket approach" targeting superior risk adjusted returns.

The Fund's portfolio is built using our "four buckets approach" consisting mainly of high-quality growth stocks along with stable compounders, complemented by cyclical growth companies and businesses in transition. We then use a "lifecycle approach" to sizing the positions depending on whether they are an early stage, emerging, developed or a core investment. This is a long-only portfolio. The Fund is designed to be as agile as the remarkable small companies that it invests in.

Who are the investment team members?

Gary Rollo and Dominic Rose worked together for three years at MHOR Asset Management Pty Ltd. Gary has over 20 years' experience in portfolio management and equities research, including international equities experience at Morgan Stanley and JP Morgan in London.

Dominic Rose has over 20 years' experience in portfolio management and equities research, including six years as Head of Emerging Companies Research at Deutsche Bank and four years as Head of Research at Fosters Stockbroking.





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FREQUENTLY ASKED QUESTIONS

Is this Fund suitable for me?

The Fund has a long-term objective and is suitable for those investors willing to assume high risk while seeking capital growth. Statistically, the major share markets produce a negative investment return, on average, every five years (or less) and investors must take the potential for capital loss into consideration. You can learn more in the Target Market Determination (TMD) [here](#).

Where can I view The Fund's unit price?

Historic daily unit prices are available at:

<https://fundhost.com.au/fund/montgomery-small-companies-fund/>

<https://montinvest.com/our-funds/montgomery-small-companies-fund/>

How does an open-ended unit trust work?

The Fund is an open-ended unit trust registered under Australian law as a managed investment scheme. Investors are issued 'units' in the trust. Each unit is valued at its net asset value every Sydney business day. When you invest you are issued units at that day's closing net asset value unit price, plus a 0.30% buy spread. Similarly, when you redeem units from The Fund, you receive that day's closing net asset value unit price, less a 0.30% sell spread. The price of the units will vary as the market value of the underlying investments in The Fund rises or falls.

How can I invest in The Fund?

To invest in The Fund, please read and consider the Product Disclosure Statement (PDS). When you are ready to invest, fill in the Application Form accompanying the PDS or you can apply online:

https://montinvest.com/apply_mscf

If you have any questions completing the applications forms, please contact Fundhost on +61 2 8223 5400 or admin@fundhost.com.au.

How often is income paid?

Any income distributions are paid annually (as at 30 June each year) and can be reinvested in full or paid out entirely to the financial institution account nominated on your application form.

We distribute all taxable income to investors each year, including any taxable capital gains. Distributions may also carry imputation or other tax credits. There may be periods when net income could be negative and no distribution is made.

When is The Fund open to investors?

The Fund is open to investors on any Sydney business day.

How often do you report on The Fund?

Transaction confirmations, holding statements, distribution and annual tax statements will be sent by Fundhost Limited. Fundhost has an online portal that investors can access to see their balance and download all statements. Once invested, you will be given registration details: <https://fundhost.com.au/investor-login/>

Investors are sent a comprehensive investment report to their nominated email address each month. The report includes top completed holdings and details of the fundamentals underlying The Fund's investments.

Can I buy this fund on platform or through a margin loan?

To view which platforms the Fund is available on, [click here](#). Margin lenders will need to review the Fund individually, so please contact your margin lender for an LVR.

Is there a minimum market capitalisation size that you don't invest under?

Generally we don't invest in companies under \$50 million market capitalisation.

How much cash can The Fund hold?

Assets	TARGET RANGE		
	Lower	Higher	Typical
Australian and New Zealand shares	70%	100%	90%
Cash	Nil	30%	10%

Advisers, researchers and platforms

Scott Phillips
Head of Distribution
E: sphillips@montinvest.com

Eti Amegor
Head of Institutional
E: eamegor@montinvest.com

Dean Curnow
National Account Manager
E: dcurnow@montinvest.com

Toby Roberts
National Account Manager
E: troberts@montinvest.com

Michael Gollagher
National Account Manager
E: mgollagher@montinvest.com

David Denby
National Account Manager
E: ddenby@montinvest.com

Investors

David Buckland, Chief Executive Officer
Telephone: (02) 8046 5000
E: dbuckland@montinvest.com

Rhodri Taylor, Account Manager
Telephone: (02) 8046 5017
E: rtaylor@montinvest.com

Responsible Entity and Administrator

Fundhost Ltd
PO Box N561 Grosvenor Place NSW 1220
Telephone: +61 2 8223 5400

ABN 69 092 517 087, AFSL 233045
admin@fundhost.com.au
www.fundhost.com.au

Auditor

Ernst & Young

The issuer of units in Montgomery Small Companies Fund (ARSN 635 229 533) (Fund) is the Fund's responsible entity Fundhost Limited (ABN 69 092 517 087) (AFSL 233045). The Fund's investment manager is Montgomery Lucent Investment Management Pty Limited (ABN 58 635 052 176, Authorised Representative No. 001277163). Copies of the PDS and Target Market Definition (TMD) are available from Montgomery Investment Management, contactable on (02) 8046 5000 or at www.montinvest.com and at <https://fundhost.com.au>. An investment in the Fund must be through a valid paper or online application form accompanying the PDS. Before making any decision to make or hold any investment in the Fund you should consider the PDS and TMD in full. The information provided 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 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.