

# LAKEHOUSE GLOBAL GROWTH FUND

APRIL 30, 2022



## ABOUT THE FUND

The Lakehouse Global Growth Fund focuses on investing in mid- to large-capitalisation growth companies located mainly in developed markets. The Fund is invested in some of the world's largest growth companies using its signature long-term, high-conviction approach with a core focus on asymmetric outcomes.

## INVESTMENT OBJECTIVE

The Fund's investment objective is to provide long-term capital growth and to outperform the MSCI All Country World Index Net Total Returns in AUD over rolling five-year periods (after fees and expenses but before taxes).

	1 MONTH	3 MONTH	1 YEAR	3 YEAR (p.a)	SINCE INCEPTION (p.a)
LAKEHOUSE GLOBAL GROWTH FUND **	-9.0%	-20.8%	-24.5%	9.2%	12.8%
MSCI ALL COUNTRY WORLD INDEX *	-2.8%	-9.2%	2.8%	9.1%	9.5%
EXCESS RETURN	-6.2%	-11.6%	-27.3%	0.1%	3.3%

\*\* Performance calculations are based on exit price with distributions reinvested, after fees and expenses, since inception on 30 November 2017.

\* Benchmark: MSCI All Country World Index net total returns (AUD).

Past performance is not indicative of future returns.

## INVESTMENT STRATEGY

Lakehouse Capital's strategy for the Fund is to invest the majority of assets in a high conviction portfolio of typically 20 to 30 companies with expected long-term growth.

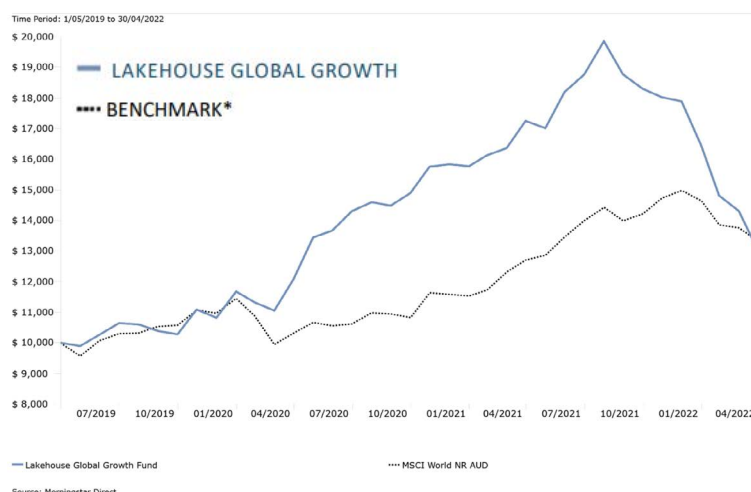
Our stringent investment process leads us to invest in companies that present the following characteristics:

- Strong positions in growing markets.
- Pricing power with customers and suppliers.
- Durable competitive advantages grounded in: scale, strong brands, network effects, or high customer switching costs.
- Aligned and experienced management teams with strong track records of capital allocation.
- Conservative balance sheets.
- Attractive valuations.

## PERFORMANCE REVIEW & COMMENTARY

The Fund returned -9.0% net of fees and expenses for the month compared to -2.8% for its benchmark. The biggest contributor to performance during the month was **Monster Beverage (+13.3%)**, which continues to perform well despite the challenging macroeconomic environment. Meanwhile, the largest detractor to performance was **Amazon (-19.4%)**, which sold off following its first quarter earnings. Amazon's first quarter results were largely in line with expectations, however management's forward guidance left investors underwhelmed. The Fund's largest sector allocations at month end were to information technology (33.7%), communication services (23.3%), and consumer discretionary (22.3%). We expect to have material allocations to these sectors over time as the sectors, or at least subsets of them, are overweight business models that lend themselves to long term performance, namely Intellectual Property (IP), Network effects and Loyalty. For a full detailed commentary of the fund, please read our [monthly letter](#).

## PERFORMANCE SINCE INCEPTION



Source: Morningstar Direct

Source: Morningstar Direct  
\* Benchmark: MSCI All Country World Index

Performance is based on exit price with distributions reinvested, net of fees and expenses

Key Information	
Portfolio Manager	Nick Thomson
Number of Stocks	20-30
APIR Code	OMF1140 AU (Unhedged)
ASX mFund Code	LKH01
Benchmark	MSCI All Country World Index
Inception Date	1 December 2017
Fees & Costs	Management fee- 1.3% Performance fee- 15%^
Buy/Sell Spread	+/- 0.15%
Distribution	Annual
FUM	\$263.1 million
Cash Range (Typical)	5%- 15%

^Performance fee: 15% of the amount by which the Fund's returns (after fees and expenses but before taxes) exceed the higher of the Benchmark and high watermark. This fee is payable to Lakehouse Capital.

# LAKEHOUSE GLOBAL GROWTH FUND

APRIL 30, 2022



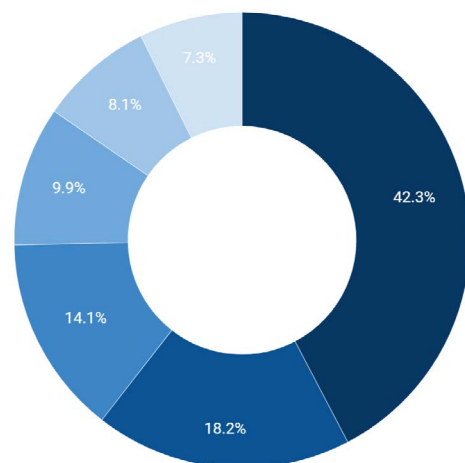
## TOP TEN HOLDINGS OF THE FUND:

The Fund held 22 positions as at April 30, 2022:

Top 10 Holdings	Industry
Visa	Data Processing & Outsourced Services
Amazon	Internet & Direct Marketing Retail
Alphabet	Interactive Media Services
CoStar Group	Research & Consulting
MercadoLibre	Internet & Direct Marketing Retail
Tencent	Internet Content & Information
Monster Beverage	Consumer Non Durables
LVMH	Consumer Discretionary
MarketAxess	Technology Services
Sansan	Software Application
<b>Total Percentage</b>	<b>60.2%</b>

- US
- Europe incl. UK
- APAC, ex-China
- LatAm
- China
- Other

## REVENUE BY REGION



Source: FactSet- ex-cash as at March 31, 2022

## PLATFORM AVAILABILITY

The Lakehouse Global Growth Fund is available on the following platforms:

HUB24	AEGIS (NZ)	Praemium	Macquarie
Netwealth	WealthO2 IDPS	ASX mFunds	
Powerwrap	Mason Stevens	Ausmaq	

## RESEARCH REPORTS



Key Fund Metrics	
Alpha <sup>^</sup>	4.6
Active Share	93.6%
Up Capture Ratio	125.7
Down Capture Ratio	90.2
Batting Average	55.8
Sortino Ratio	1.8
Information Ratio	0.5
Portfolio Turnover*	16.3%

Source: FactSet and Lakehouse Capital  
\*Inception to date average annual turnover figure  
<sup>^</sup>Annualised

## CONTACT US

Stuart James- Head of Distribution T: 0419 164 402 E: stuart.james@lakehousecapital.com.au	Edwina Best- Senior Business Development Manager T: 0404 046 179 E: edwina.best@lakehousecapital.com.au	Mark Fenech - Senior Business Development Manager T: 0423 200 040 E: mark.fenech@lakehousecapital.com.au
--	---	--

**Important Information:** Equity Trustees Limited ('Equity Trustees') ABN 46 004 031 298 | AFSL 240975, is the Responsible Entity for the Lakehouse Global Growth Fund ('the Fund'). Equity Trustees is a subsidiary of EQT Holdings Limited ABN 22 607 797 615, a publicly listed company on the Australian Securities Exchange (ASX: EQT). The Investment Manager for the Fund is Lakehouse Capital Pty Ltd ('Lakehouse') ABN 30 614 957 603 | AFSL 526842. This publication has been prepared by Lakehouse to provide you with general information only. In preparing this publication, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Lakehouse, Equity Trustees nor any of their related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accept any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product. Lakehouse Global Growth Fund's Target Market Determination available here – [www.lakehousecapital.com.au/lggf/](http://www.lakehousecapital.com.au/lggf/). It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed Disclosure: Lakehouse, its directors, employees and affiliates, may, and likely do, hold units in the Fund and securities in entities that are the subject of this report.

**SQM Ratings Disclaimer:** The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

**Lonssec Ratings Disclosure:** The rating issued 02/2022 is published by [Lonssec Research](http://Lonssec Research) Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonssec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonssec assumes no obligation to update. Lonssec uses objective criteria and receives a fee from the Fund Manager. Visit [lonssec.com.au](http://lonssec.com.au) for ratings information and to access the full report. © 2020 Lonssec. All rights reserved.