

# LAKEHOUSE GLOBAL GROWTH FUND

DECEMBER 31, 2023



## 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)	5 YEAR (p.a)	SINCE INCEPTION (p.a)
LAKEHOUSE GLOBAL GROWTH FUND *	0.8%	12.5%	38.6%	3.1%	16.7%	14.4%
MSCI ALL COUNTRY WORLD INDEX **	1.8%	5.0%	21.4%	10.2%	12.4%	10.0%
EXCESS RETURN	-1.0%	7.5%	17.2%	-7.1%	4.3%	4.4%

\* Performance calculations are based on exit price with distributions reinvested, after fees and expenses, since inception on 30 November 2017. Returns greater than one year are annualised. Past performance is not indicative of future returns.

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

## 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.

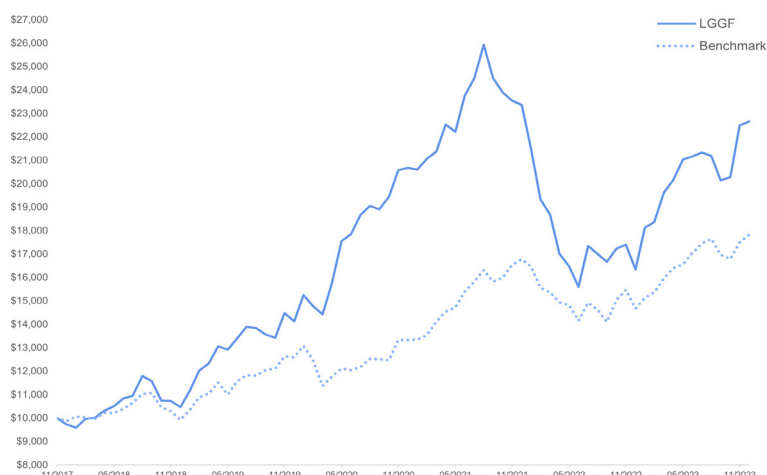
Our stringent investment process leads us to invest in companies that present the following characteristics:

- 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 0.8% net of fees and expenses for the month compared to 1.8% for its benchmark. The biggest contributor to performance during the month was **Charles Schwab (+9.0%)**, which performed well as cash sorting headwinds continue to moderate and enable the company to pay down some of their higher-cost supplemental funding faster than anticipated. Meanwhile, the largest detractor was **Tencent (-12.7%)** whose shares declined following the Chinese government's release of new draft regulations for the gaming sector. The Fund's largest sector allocations at month end were to communication services (23.7%), information technology (22.5%), and consumer discretionary (20.7%). 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: Lakehouse Capital. Blue line LGGF, dotted line Benchmark

\*\* 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	\$280.5 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.

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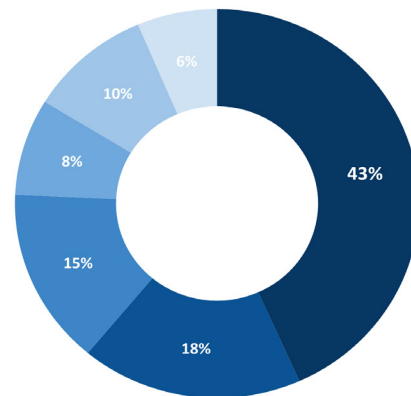
## TOP TEN HOLDINGS OF THE FUND:

The Fund held 20 positions as at December 31, 2023:

Top 10 Holdings	Industry
Amazon	Broadline Retail
MercadoLibre	Broadline Retail
ServiceNow	Systems Software
Visa	Transaction & Payment Processing
Constellation Software	Application Software
Alphabet	Interactive Media & Services
Charles Schwab	Investment Banking & Brokerage
Sansan	Application Software
CoStar Group	Real Estate Services
Hemnet	Internet Media & Services
<b>Total Percentage</b>	<b>63.5%</b>

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

## REVENUE BY REGION



Source: FactSet- ex-cash as at Dec 28, 2023

## 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



As at 30/06/2023



Key Fund Metrics	
Alpha^	4.4
Active Share	89.7%
Up Capture Ratio	142.9
Down Capture Ratio	102.9
Batting Average	50.7
Sortino Ratio	1.6
Information Ratio	0.4
Portfolio Turnover*	17.4%

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

## CONTACT US

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