

Lindsell Train Global Equity Fund C Class (USD)

Fund Profile

The portfolio is concentrated, with the number of stocks ranging from 20-35, and has low turnover.

Fund Objective

To increase the value of Shareholders' capital over the longer term from a focused portfolio of global equities, primarily those listed or traded on recognised exchanges in developed countries world-wide.

Price Data

C Class (\$)	2.39
Minimum Investment	\$250,000

Fees

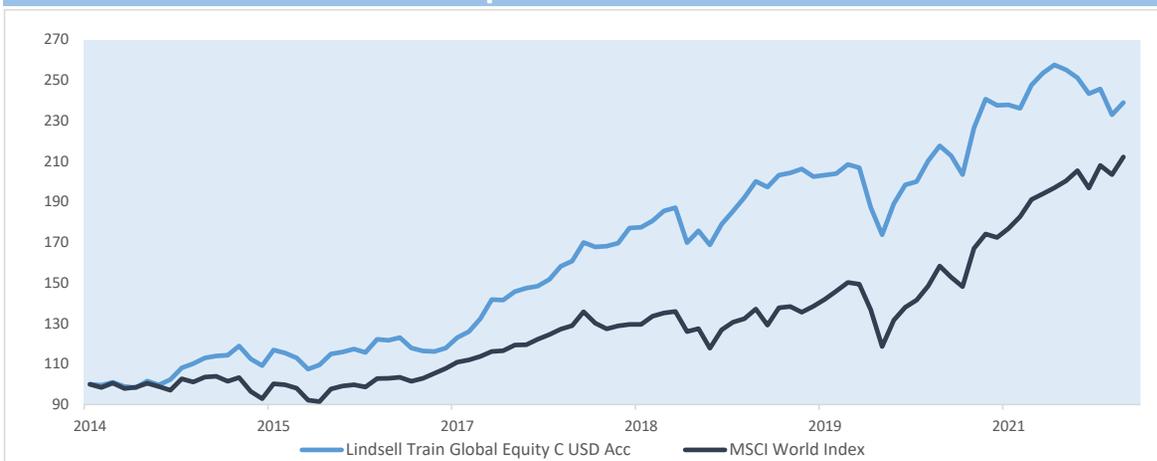
Management Fee	0.60%
TER	0.65%

*The TER is a measure of the Fund's total operating expenses over 12 months, including management fee, as a percentage of the Fund's net assets. The TER quoted is indicative, based on expenses and average assets for the month of December 2020. It is calculated by the Fund Administrator, last updated 07/05/21. It is an indication of the likely level of costs and will fluctuate as the Fund's expenses and average net assets change. The TER excludes any portfolio transaction costs.

Fund Facts

Portfolio Managers	Michael Lindsell, Nick Train, James Bullock
Fund Size	\$10,579 m
Share Class Inception Date	30th June 2014
ISIN	IE00BK4Z4V95
SEDOL	BK4Z4V9
Fund Type	Dublin OEIC (UCITS)
Benchmark	MSCI World Index
Fund Sector	Global Equity
Style	Long-term, bottom-up focus
No. of Holdings	24
Valuation Point & Dealing deadline	12 noon each Dublin & UK Business Day
Unit Type	Accumulation
Auditor	Grant Thornton
Regulator	Central Bank of Ireland
Fund Depository	The Bank of New York Mellon SA/NV

Investment Growth Since Inception



Source: Morningstar Direct. As at 31st December 2021. Performance figures are calculated NAV-NAV, net of fees, in USD. The graph shows the growth of \$100 invested in the fund vs MSCI World since inception. The illustrative investment performance which is shown is for illustrative purposes only and is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown. Income is reinvested on the reinvestment date. **Past performance is not a guide to future performance.**

Performance Summary (%)

	Cumulative			Annualised			
	1 m	3m	YTD	1 yr	3 yrs	5 Yrs	Since Inception
Net Return							
C Class (\$)	2.6	-1.8	-0.7	-0.7	12.3	15.5	12.3
MSCI World Index (\$)	4.3	7.8	21.8	21.8	21.7	15.0	10.6

Calendar Year Performance (%)

	2021	2020	2019	2018	2017
Net Return					
C Class (\$)	-0.7	15.5	23.5	5.0	38.4
MSCI World Index (\$)	21.8	15.9	27.7	-8.7	22.4

Statistics (%)

Since Inception	DATE
Highest annualised return	+44.1 31.01.2018
Lowest annualised return	-9.6 31.03.2020

12 month rolling performance figures

Source: Morningstar Direct. As at 31st December 2021. The figures for this share class and the index are based on total return (i.e. capital and income) in USD. All charges are accounted for except any transaction costs. Actual annual figures are available on request.

The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to future performance.

Top Ten Equity Holdings (%)		Sector Allocation (%)		Country Allocation (%)	
Diageo	9.66%	Consumer Staples	45.0%	UK	35.8%
Heineken Holding	8.06%	Communication Services	18.2%	USA	31.1%
London Stock Exchange Group	7.69%	Financials	13.2%	Japan	19.8%
Unilever	7.47%	Information Technology	8.4%	Europe ex-UK	12.6%
Nintendo	6.41%	Consumer Discretionary	7.4%	Cash	0.7%
PepsiCo	4.88%	Industrials	4.8%	Total	100.0%
RELX	4.85%	Health Care	2.3%		
Mondelez International	4.76%	Cash	0.7%		
Walt Disney	4.63%	Total	100.0%		
Intuit	4.59%				
Total	63.01%				

Portfolio Manager's Comments

The Fund ended the year offering no respite to the string of disappointing recent returns. Although its NAV was up 1.6% in December, the index was up still more (1.9%), driven by the continued leadership of big technology companies.

This has been a harrowing year for us and our investors, with the absolute performance barely positive (0.6%) and relative performance collapsing versus the benchmark, with the Fund underperforming by over 20% - the worst year of relative performance we have ever had. However, we look forward to 2022 with optimism rather than dread. Rarely have the relative values of the companies we own looked so alluring. Our confidence in the durability and long-term relevance of our companies remains undimmed and perhaps even enhanced as the vast majority have borne the challenges of the pandemic to consolidate and extend their market positions. The pandemic has brought forward more change, and at a faster pace, than is usual as consumers have been forced through circumstance to embrace different ways of doing things, often with the aid of new technology. The obvious beneficiaries in the short term are the technology companies. And understandably the relative performance of stock markets reflects this. But we would contend that the long-term winners will more than likely be companies that use the services and functionality that technology empowers, such as the franchises and brands we invest in. These not only have ongoing consumer recognition and relevance but the added advantage of that relevance having been established over decades (if not centuries) that by definition has a proven durability to survive and prosper even when change is afoot.

Take our biggest five holdings, all above 6% of NAV: four of them - Nintendo, Diageo, Heineken and Unilever - have used the pandemic to extend their market positions. Nintendo by taking advantage of elevated demand in lockdowns to spread its franchise; Diageo by extending its reach with consumption at home; Heineken through the acquisition of Distell in South Africa and a majority of United Breweries in India; and Unilever by using its financial strength to extend further its footprint in Emerging Markets. The London Stock Exchange Group is not consumer facing but its acquisition of Refinitiv (completed earlier this year) gives it access to a treasure trove of data sets that should allow it to integrate further into the systems of its financial service customers.

There are then eight holdings that are currently between 4-5% of NAV. Intuit provides the plumbing that drives small company administration and accounting and consumer tax filing, making everyday processes more efficient and productive. By growing, it gives itself an advantage over putative competitors thanks to the breadth of its customer interactions and the data it amasses. PayPal has similar network growth characteristics, as well as obviously benefitting from the boost to e-commerce during the pandemic. Arguably what is most valuable though is the growth of its brand based on trust - an invaluable characteristic which once earned is particularly difficult for competitors to disintermediate.

Mondelez and Pepsi have both extended their global market share. With Kao and Shiseido, it is less obvious as Japan has remained in lockdown almost all year. At least Shiseido has reoriented its focus towards premium skin care, with a skew to China - areas of relative expertise and heritage.

RELX has consolidated its position as the provider of business critical products and services to the academic, legal, insurance and financial industries with ongoing bolt-on acquisitions. Its exhibition business that was a drag on performance last year has shrunk to an insignificant size with the result that the steady growth of the rest of the business is now shining through. And Disney's new streaming services have received an unprecedented boost thanks to the pandemic, which has allowed it to be quickly established as one of the two leading services in this still nascent industry.

The remaining nine holdings are smaller, reflecting variously their size, comparative liquidity or our conviction in their business case. We think some are being unfairly penalised by the market and would be larger in size if their valuation reflected their true worth. Hargreaves Lansdown is one. It has expanded its assets under administration by c.35% over the last two years but has instead been rewarded with a 25% fall in its share price. World Wrestling Entertainment and Juventus are others, still struggling from the very real pressures of creating and monetising live entertainment at the tail end (albeit longer than we might have hoped) of a pandemic. Brown Forman, eBay, Prada are all wonderful consumer facing franchises that, like our larger holdings, have also eked out expanded market positions for themselves during the pandemic.

[Continued...](#)

Portfolio Manager's Comments

In amongst last year's disappointing performance were some bright spots and potentially leading indicators of what might materialise in the future for a wider collection of our companies. Diageo was up 43% over the year as its unequivocal success in growing premium spirits sales boosted overall sales and profits. Reflecting our comments above, RELX has begun to grow its revenues at a 4% pa clip and profits double that rate as revealed in its latest results announcement, which has underpinned a 37% share price recovery this year. And in December Mondelez was up 13%, Heineken 12% and Pepsi 9%, all portents perhaps of the progress they have made in the pandemic but as yet hardly recognised by the market. These shafts of light give us encouragement that the contribution to performance in the market might broaden away from its overwhelming focus on technology and cyclicals to the benefit of some of our holdings, thus helping deliver improved absolute and relative performance to our Fund investors.

Michael Lindsell, 6th January 2022

**Source Data: Lindsell Train Ltd & Bloomberg;
As of 31st December 2021.**

Note: All stock returns are total returns in local currency.

The top three absolute contributors to the Fund's performance in December were Heineken, Diageo, Mondelez and the top three absolute detractors were Shiseido, Intuit and eBay

Important information

This bulletin is solely for the use of professional investors and should not be relied upon by any other person. It is not intended for use by retail clients. Nothing in the document should be construed as advice and it is therefore not a recommendation to buy or sell shares.

Lindsell Train Global Equity Fund Class C (ISIN:IE00BK4Z4V95) is a sub-fund of Lindsell Train Global Funds plc, an umbrella fund with segregated liability between sub-funds. This means that the holdings of the fund are maintained separately under Irish law from the holdings of other sub-funds of Lindsell Train Global Funds plc. The Prospectus and the annual and semi-annual reports are prepared in the name of Lindsell Train Global Funds plc.

This Fund is authorised in Ireland and regulated by the Central Bank of Ireland.

Collective Investment Schemes (CIS) are generally medium to long-term investments. The value may go down as well as up and past performance is not necessarily a guide to future performance. CIS's are traded at ruling prices and can engage in borrowing and scrip lending. The CIS may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees and charges and maximum commissions is available on request from the Investment Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual Management fee) from the portfolio divided by the number of participatory interests (shares) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value* (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. During the phase in period TER's do not include information gathered over a full year. It excludes transaction costs.

The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by the fund administrator, Link by or before 12 noon each Dublin & UK Business Day, to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut off time, Link shall not be obliged to transact at that day's net asset value price. The Fund is priced at 12 noon each Dublin & UK Business Day. Prices are published daily and are available on the Lindsell Train website. Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the investment manager on request.

Lindsell Train Global Equity Fund is authorised by the FSCA under section 65 of the Collective Investment Schemes Control Act 2002.

For any additional information such as fund prices, prospectus, application forms, please go to www.lindselltrain.com.

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Glossary

Annualised return: The weighted average compound growth rate over the period measured.

Cumulative return: The aggregate performance of the fund over the entire time period.

Highest & Lowest return: The highest and lowest returns for any 12 months over the period since inception have been shown.

NAV: The net asset value represents the assets of a fund less its liabilities.

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