

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 (\$)	2.70
Minimum Investment	\$250,000

Fees

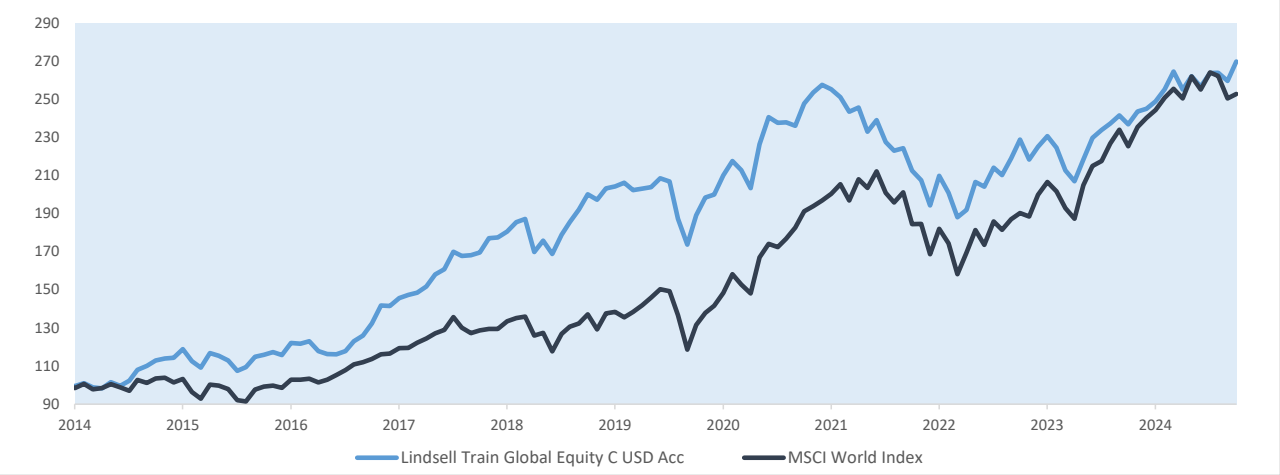
Management Fee	0.60%
TER	0.68%

*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 2024. It is calculated by the Fund Administrator, last updated 19/02/25. 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	\$5,046m
Share Class Inception Date	30th June 2014
ISIN	IE00BK4Z4V95
SEDOL	BK4Z4V9
Fund Type	Irish 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 Ireland & 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 30th April 2025. 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	10 Yrs	Since Launch
Net Return								
C Class (\$)	3.9	2.3	5.1	13.9	8.3	7.4	9.1	9.6
MSCI World Index (\$)	0.9	-4.3	-0.9	12.2	11.1	13.9	9.3	8.9

Calendar Year Performance (%)

Net Return	2024	2023	2022	2021	2020
C Class (\$)	11.7	12.5	-14.6	-0.7	15.5
MSCI World Index (\$)	18.7	23.8	-18.1	21.8	15.9

Statistics (%)

Since Inception	DATE
Highest annualised return	+44.131.01.2018
Lowest annualised return	-24.630.06.2022
12 month rolling performance figures	

Source: Morningstar Direct. As at 30th April 2025. 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 (%)	
Nintendo	9.93%	Communication Services	28.9%	USA	42.2%
RELX	9.57%	Consumer Staples	25.8%	UK	30.2%
London Stock Exchange Group	9.36%	Financials	13.1%	Europe ex-UK	13.1%
Diageo	5.67%	Industrials	9.6%	Japan	12.2%
TKO	5.48%	Information Technology	9.3%	Cash	2.2%
FICO	4.81%	Consumer Discretionary	7.2%	Total	100.0%
Walt Disney	4.65%	Health Care	4.0%		
Intuit	4.46%	Cash	2.2%		
Unilever	4.43%	Total	100.0%		
Mondelez	4.24%				
Total	62.61%				

Investment Team Commentary

April gave the S&P 500 both its worst single day since the Covid pandemic, and its best since the financial crisis; whilst the Nasdaq found itself down c.25% from December's highs. By month end, the dollar too, had fallen 7% against sterling in 2025, confounding what feels like all recent experience. Perhaps most tangible of all, Apple, the Magnificent Seven's consumer-tech standard bearer, shed a trillion dollars of market cap. And yet with narratives already cooling, both US indices ultimately exited April higher than they went in.

In our experience, timing such turmoil owes more to luck than skill, but on this occasion, we had the former at least on our side. The cash from our near 5% holding in Hargreaves Lansdown, taken private at the end of March, arrived right on time for the 'Liberation Day' fall out. This provided a wonderful opportunity to add to existing holdings on weakness. Disney and PayPal for example, hit six-month-plus lows and received top ups, as did our newer positions in UMG and Thermo Fischer, both of which I'm happy to report we have built substantially into even better prices.

But the impact was not indiscriminately felt, with dollar-denominated, US listed businesses and those with obvious import-export exposure harder hit. In contrast, international companies within our portfolio have shown resilience, as have those (excepting the above US-based names) dealing in harder-to-tariff intangible assets. RELX for example, year-to-date, has returned 20% in dollar terms, LSEG 11%, and Nintendo a commanding 42%. Helped on by these (our three biggest positions) your Fund has delivered welcome outperformance so far this year compared to the MSCI World index.

Warren Buffett's late partner Charlie Munger once described their process as 'extreme patience combined with extreme decisiveness'. It's one of my favourite investment quotes, with each virtue critical to long-term success yet dangerous in isolation. The market provides plenty of opportunities for the truly patient investor though disciplined, decisive action is needed to seize them. In this spirit, we have made further changes to the portfolio this last month, fully exiting our long-held stake in Japan's Kao Corp to help shape (with the remaining Hargreaves cash) two new holdings. One of these is US listed Alphabet, the other still being built (we intend to disclose it through future communications).

We have owned Kao since the Fund's launch in 2011 and hold it in high regard for its slate of strong brands, robust balance sheet, and long-term leadership across Japan's household/personal care sector, backed by a hard-won reputation for product quality and scientific expertise. The distillation of all this? Dividends per share that have compounded at a near-real JPY rate of 9% p.a. for the past 30 years. However, in recent years growth has slowed. The pandemic hit Asia especially hard with extended lockdowns (including a Shanghai shutdown that reportedly halved Kao's regional sales), a volatile duty-free market, rising input costs, and local economic weakness. In China, political tensions and the boycott of Japanese brands followed. Whilst the company's Asian revenues are now back ahead of pre-pandemic levels, the growth and profitability tailwind Kao was riding has yet to return.

Can things improve? We think so, to an extent. Whilst domestic demographics remain challenging, Kao's brand equity should enable ongoing premiumisation of both product and price. Encouragingly, profits are recovering in domestic segments such as homecare, but there's room for more elsewhere (notably the cosmetics division still struggles to make decent returns, despite highly regarded brands and joint domestic leadership). Overall company margins of 9% sit below both prior pre-pandemic peaks of 14% and management's previously aspirational 17%, implying both potential and frustratingly slow progress. It's tempting to argue that Kao's already substantial overseas presence offers more opportunity but here again, progress has been slow.

Interestingly however, whilst still below pre-pandemic highs, Kao's share price has held up well though the recent volatility, trading today c.25% higher than its 2022's lows. On an absolute basis this means a mid-20s forward earnings multiple, making Kao one of the highest rated consumer staples stocks we follow (vs. for example Diageo's 16x earnings, or PepsiCo's 17x).

By contrast, Alphabet has fallen sharply, down almost a third from February's peak, taking its GAAP earnings multiple below 16x, a near historic low. It is not often we get the opportunity to upgrade the portfolio at such attractive relative prices.

We have followed Alphabet for many years, having owned it in our North American Equity Fund since its launch in 2020. Nevertheless, a recap here is appropriate. First launched in 1998, Google's page ranking algorithm claims around 90% of the global search market with as many as five trillion searches performed each year. Following two decades of double-digit growth, Alphabet has built an extremely profitable, \$300bn+ revenue empire, protected by a deep, and in our view deepening, moat. Its genuinely unprecedented scale gives it access to vast data pools, richer perhaps than those available to any company, in any industry, at any point in history. This is a critical barrier to entry, allowing its data hungry models to consistently improve the offering and deliver what consumers are actually after (amusingly, the company once noted that the top search query on Bing is in fact 'Google'). Appealingly, once established the dynamic is self-reinforcing; majority market share leads to majority data capture, a better service, even higher market share, and hence even more data. The expansive ecosystem erected around search (maps, Gmail, images, news, shopping, flights, and so on) fortifies the moat even further, locking in users, spinning the flywheel, and throwing off even more data.

But Alphabet isn't just search. Supported by one of the strongest balance sheets we've ever seen the company has over time acquired other important assets, not least Android in 2005, YouTube in 2006, and AI pioneer Deep Mind in 2014. YouTube in particular, with 2.7 billion monthly users, ranks second only to google.com as the world's most visited website, and in the US captures more eyeballs than the top ten primetime TV shows combined. As with search, YouTube's self-reinforcing scale is a key competitive advantage; people engage with the platform because it already has the content and engagement and thus provide further engagement to reinforce this. The company's other projects (e.g. Waymo autonomous vehicles) tend to be more cash-hungry than cash-gushing (the reporting segment posted a -\$4.4bn operating loss in 2024). The optimist might contend that these future-YouTube's will one day pay for themselves many times over. The pragmatist, that a disciplined scaling-back could lead to even wider margins.

Importantly, there are also two other material non-ad-related businesses. Firstly, the Play app store, a direct source of high margin platform revenue and likely extremely sticky. Then there's Google Cloud, currently Alphabet's fastest growing segment, contributing \$43bn of revenues in 2024 at a 14% operating margin.

Finally, there are several important risks to be aware of. Search may be hit during an economic slowdown if advertisers limit their spend online. New AI-centric insurgents such as ChatGPT are frequently cited as potential disruptors to the existing search model. Thanks to its high profile, Alphabet is regularly targeted by regulators, leading to both financial penalties, and more recently, antitrust attention. Capital intensity has been rising in the business as physical cloud capacity is expanded and maintained. There also exists an ongoing (and warranted) debate around the extent of the company's societal and/or political influence.

Continued...

Portfolio Manager's Comments

The 19th century historian Thomas Babington Macaulay, bemoaning human pessimism famously asked, 'on what principle is it that with nothing but improvement behind us, we are to expect nothing but deterioration before us?' Plot Alphabet's revenues progression over time and you'll wonder if you're looking at a textbook illustration of compounding. Yet the stock today trades at a sharp discount not just to Kao, but to the wider MSCI World Index. It would seem others fear the worst. We don't have all the answers, but we do know that deeply engrained consumer habits are slow to change, that Google remains by far the best way for advertisers and consumers to initiate commercial activity online, and that the virtuous cycle of early data capture is hard to overcome. As with voice search before it, AI so far appears additive, with a potential end market that defies conventional scale (for example, note that ecommerce in the US is still less than 20% of the total vs. more than double this in China). It's of great interest to us that even Buffett, whilst never an owner, once described Alphabet as 'an extraordinary business [with] aspects of a natural monopoly'. Very much the sort of thing you'd want in a long-term portfolio.

In early May, Warren Buffett, announced his intention to step down as CEO of Berkshire Hathaway after 60 years. Almost out of respect, shares in the company fell 5% the following Monday, despite the well telegraphed succession plan. By this point it's almost redundant to emphasise the extent of his influence on Lindsell Train. As evidenced above, barely a note goes out without some Berkshire reference or quote. Nonetheless we note the news with reverential respect and wish the great man well in his retirement.

James Bullock, 13th May 2025

Source: Lindsell Train, Morningstar & Bloomberg. All data as of 30th April 2025.

Note: All stock returns are in local currency unless otherwise specified.

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, Waystone by or before 12 noon each Ireland & 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, Waystone shall not be obliged to transact at that day's net asset value price. The Fund is priced at 12 noon each Ireland & 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.

Representative Office: Prescient Management Company (RF) (Pty) Ltd, Registration number: 2002/022560/07

Physical address: Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 Postal address: PO Box 31142, Tokai, 7966

Investment Manager and Distributor: Lindsell Train Ltd

Manager: Waystone Management (IE) Limited *Regulated by the Central Bank of Ireland*

Depository: The Bank of New York Mellon SA/NV, One Dockland Central Guild Street IFSC Dublin 1 Ireland

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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