LANCASTER
INVESTMENT MANAGEMENT

Lancaster European Equity

May 2021

The portfolio saw broad based gains in line with the market during the month of May, returning 2.40%. Positive contributors included Richemont, which posted strong results in its jewellery division, narrowed losses in its online division, and improved cash generation. Both Bank of Ireland and ING performed well; inflation expectations and strong company results lifted the Banks sector in general. Finally, Airbus shares were boosted by the company's announcement that it would raise production and the hope that the commercial aircraft market is finally recovering. Detractors during the month were Lancashire and Beazley where the market questioned the sustainability of robust reinsurance pricing as well as the impact of an increased number of cyber accidents this year.

Exposure	
Cash	3.2%
Average market cap ($ millions)	25,463
Number of positions	35

Performance	Fund	STOXX*	MSCI*
Return on month	2.40%	2.59%	2.33%
YTD return	18.44%	13.46%	12.69%
1 year return	58.76%	30.40%	28.63%
3 year CAGR	13.02%	7.86%	6.89%
5 year CAGR	14.22%	7.89%	8.51%

Leverage	
Gross method	2.0
Commitment method	1.0

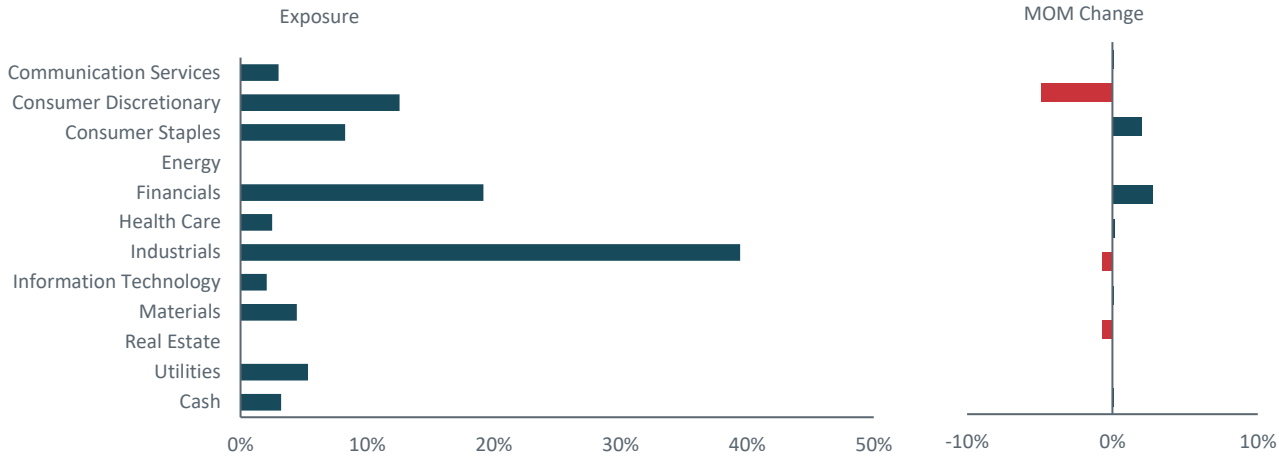
Top 3 Positive Contributors
Richemont
ING
Airbus

Top 3 Negative Contributors
Lancashire
Jet2
Electrocomponents

Top 5 Longs	
Danone	5.0%
BAE Systems	4.6%
Brenntag	4.0%
London Stock Exchange	3.9%
National Grid	3.8%
Total	**21.4%**

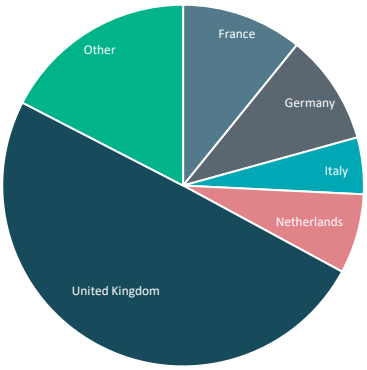
* STOXX Europe 600 Net Return (SXXR), MSCI Europe Net Return (NDDLE15). Fund performance quoted net of fees based on most invested share class.
Source: Lancaster Investment Management, Bloomberg

Sector Exposure

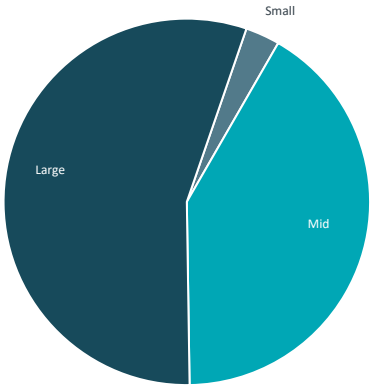


Source: Lancaster Investment Management

Country Exposure

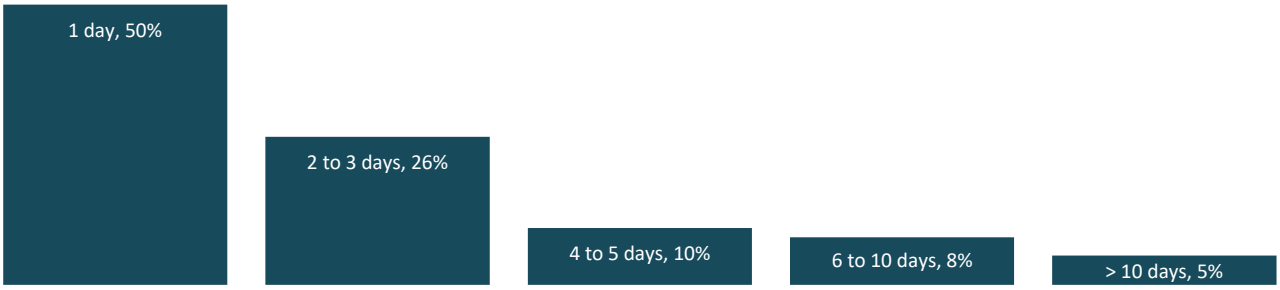


Market Cap



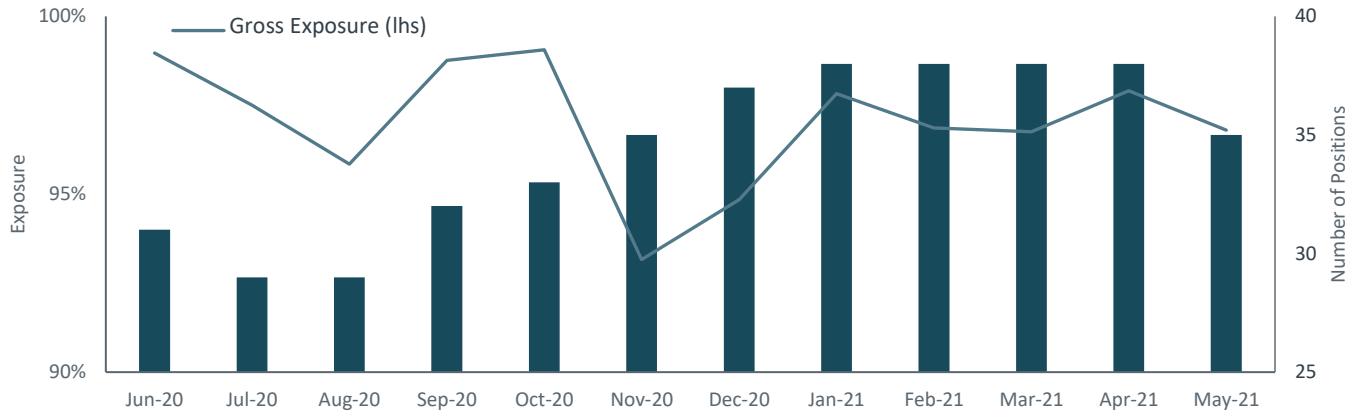
Source: Lancaster Investment Management

Liquidity



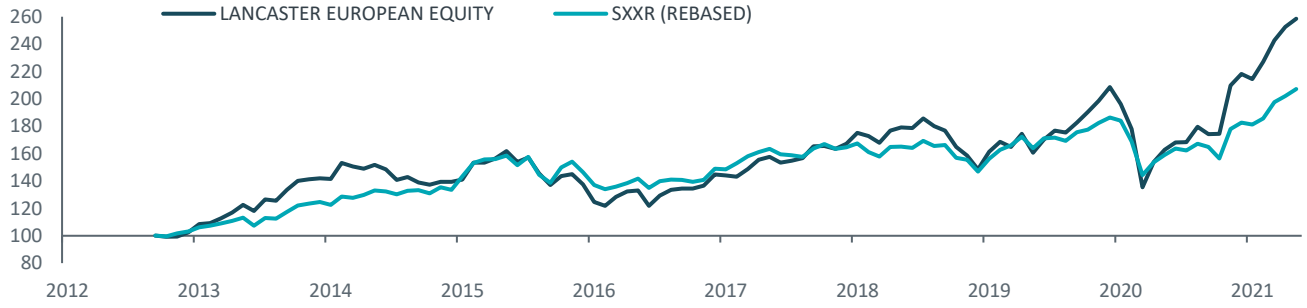
Source: Lancaster Investment Management, Bloomberg

Portfolio Composition



Source: Lancaster Investment Management

Fund Performance



Source: Lancaster Investment Management, Bloomberg

Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	**Year**	**Inception**
2021	-1.74%	5.90%	6.87%	4.02%	2.40%								**18.44%**	**158.54%**
2020	-5.98%	-9.26%	-23.96%	13.72%	5.80%	3.32%	0.05%	6.74%	-2.99%	0.02%	20.38%	4.01%	**4.63%**	**118.29%**
2019	8.70%	4.38%	-2.13%	5.72%	-7.87%	6.03%	3.83%	-0.80%	4.06%	4.23%	4.39%	5.02%	**40.45%**	**108.63%**
2018	4.72%	-1.24%	-2.91%	5.35%	1.25%	-0.23%	3.89%	-2.96%	-1.87%	-6.75%	-3.76%	-6.38%	**-11.16%**	**48.55%**
2017	-0.48%	-0.60%	3.90%	4.56%	1.36%	-2.63%	0.82%	1.33%	5.42%	0.25%	-1.39%	2.35%	**15.55%**	**67.21%**
2016	-9.41%	-2.14%	5.34%	3.09%	0.46%	-8.38%	6.07%	3.31%	0.70%	0.03%	1.57%	5.93%	**5.23%**	**44.70%**
2015	1.16%	8.76%	0.05%	1.92%	3.43%	-4.87%	2.18%	-7.46%	-5.86%	4.77%	1.02%	-5.18%	**-1.38%**	**37.51%**
2014	-0.28%	8.28%	-1.60%	-1.15%	1.88%	-2.23%	-5.16%	1.45%	-2.64%	-1.23%	1.55%	0.00%	**-1.71%**	**39.44%**
2013	6.03%	0.54%	3.34%	3.68%	4.67%	-3.48%	7.09%	-0.69%	6.30%	4.89%	0.78%	0.45%	**38.51%**	**41.87%**
2012										-0.72%	0.14%	3.03%	**2.43%**	**2.43%**

Performance quoted net of fees based on the most invested share class. Other share classes with higher fees may exist.

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Lancaster European Equity Details

Launch date	October 2012	**Fund Structure**	Cayman Master Feeder: Cayman Ltd, Delaware LP
Redemptions	Monthly		
Notice Period	60 days	**Administrator**	Morgan Stanley Fund Services
Minimum Investment	$5,000,000	**Auditor**	KPMG
Management Fee	0.75%	**Prime Brokers**	Goldman Sachs, Morgan Stanley
Performance Fee	10%* (subject to HWM)	**Legal Advisors (UK)**	Schulte Roth & Zabel
Lockup Period	None	**Legal Advisors (US)**	Schulte Roth & Zabel
Subscriptions	Monthly	**Legal Advisors (Cayman)**	Maples & Calder
Gate	None	**Contact Details**	Rory Hayward rory.hayward@lancasterIM.co.uk +44 20 7842 1050

* Payable over multiple years – please see offering documents

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