

Lancaster European Equity

August 2021

The fund had a frustrating month returning 1.61% versus the market at 2.18%. The story of the month was the spread of the delta variant which hit both travel related stocks and consumer sentiment more broadly. While challenging in the short term, we take some comfort in rising levels of vaccination together with the gradual acceptance that Covid-19 will become an endemic disease. Greggs defied these sentiment challenges as it once again raised profit guidance reflecting the improved competitive position it now benefits from. One of our top performers on the month and year, we began reducing the position. Our banks also performed well during the month on results; Bank of Ireland was our top positive contributor. Negative contributors included BFF Bank – not a conventional bank, rather a specialty lending business – where lending volumes underwhelmed. However, we expect volumes to recover when government Covid stimulus retreats.

Exposure

Cash	1.2%
Average market cap (\$ millions)	23,744
Number of positions	34

Performance

	Fund	STOXX*	MSCI*
Return on month	1.61%	2.18%	2.17%
YTD return	23.55%	20.08%	18.70%
1 year return	50.09%	31.20%	29.64%
3 year CAGR	14.40%	9.81%	8.56%
5 year CAGR	15.10%	9.24%	8.99%

Leverage

Gross method	2.0
Commitment method	1.0

Top 3 Positive Contributors

Bank of Ireland
Greggs
ING

Top 3 Negative Contributors

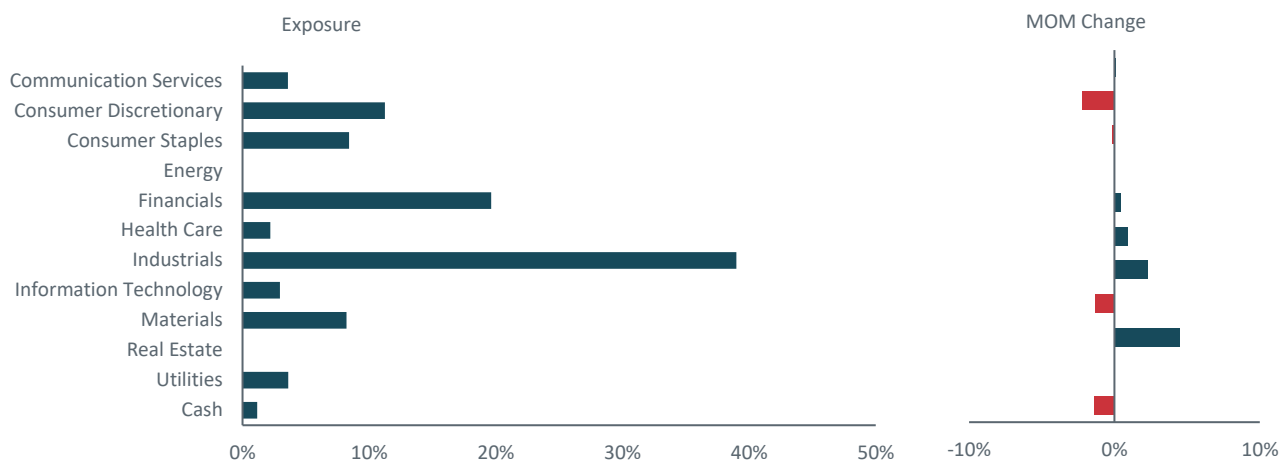
BFF Bank
Jet2
IAG

Top 5 Longs

Danone	5.7%
Trelleborg	4.8%
BAE Systems	4.7%
Next	3.9%
GEA	3.9%
Total	22.9%

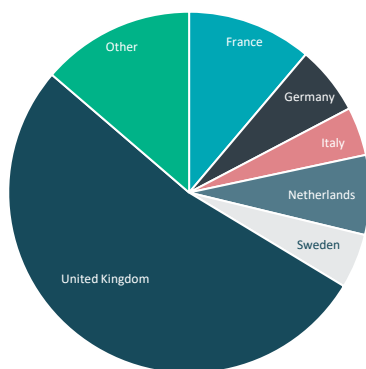
* STOXX Europe 600 Net Return (SXXR), MSCI Europe Net Return (NDDLE15). Fund performance quoted net of fees based on most invested share class.
Source: Lancaster Investment Management, Bloomberg

Sector Exposure



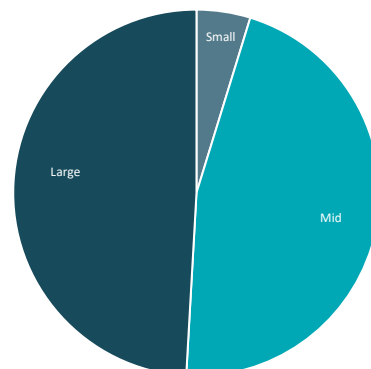
Source: Lancaster Investment Management

Country Exposure

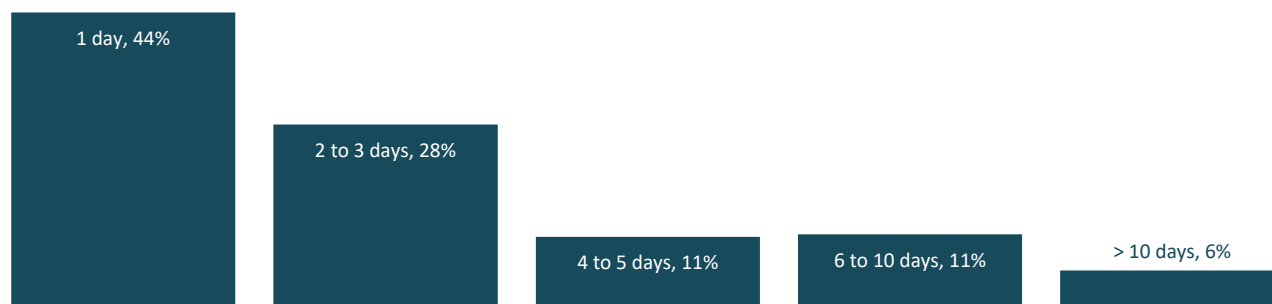


Source: Lancaster Investment Management

Market Cap

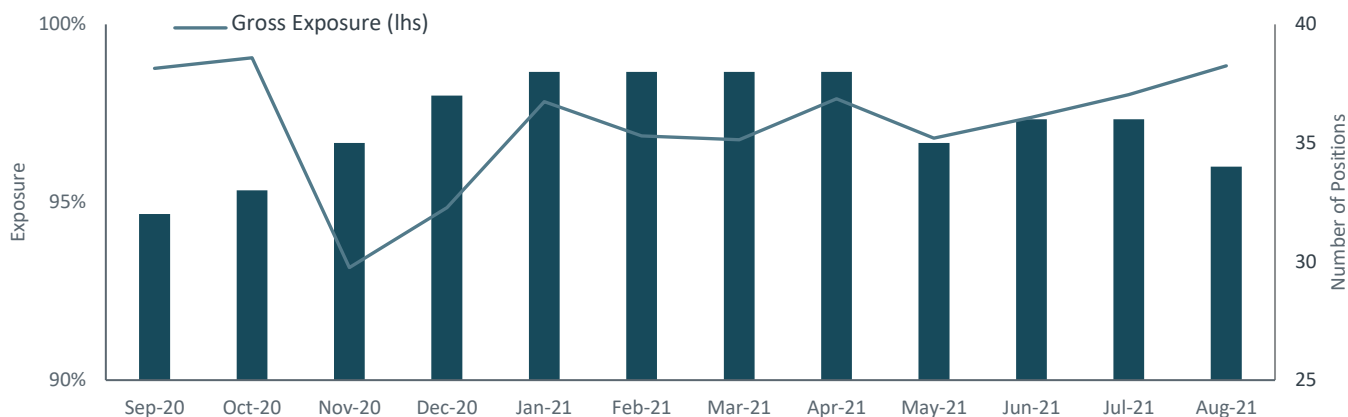


Liquidity



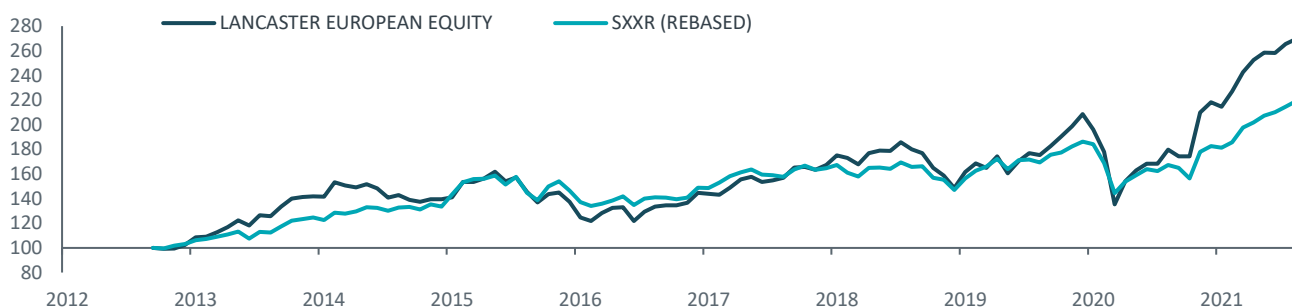
Source: Lancaster Investment Management, Bloomberg

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	YTD	Inception
2021	-1.74%	5.90%	6.87%	4.02%	2.40%	-0.14%	2.80%	1.61%					23.55%	169.70%

	YTD	2020	2019	2018	2017	2016
Lancaster European Equity	23.55%	4.63%	40.45%	-11.16%	15.55%	5.23%
STOXX Europe 600 Net Return (SXXR)	20.08%	-1.99%	26.82%	-10.77%	10.58%	1.73%
MSCI Europe Net Return (NDDLE15)	18.70%	-2.21%	23.75%	-10.59%	13.06%	7.23%

Performance quoted net of fees based on the most invested share class. Other share classes with higher fees may exist. Full monthly performance available on request.

Lancaster European Equity Details

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

* Payable over multiple years – please see offering documents

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