# WS Lancaster Absolute Return Fund

## Net Performance (GBP)

| | 1-month | 3-month | 1-year | 3-year | 5-year | YTD | Inception | Inception CAGR |
|---|---|---|---|---|---|---|---|---|
| **Fund** | -1.3 | -4.9 | 4.8 | 12.0 | 73.4 | 6.4 | 401.3 | 11.0 |
| **MSCI World Daily Net TR** | 2.1 | 2.3 | 26.3 | 28.0 | 77.5 | 15.6 | 507.9 | 12.4 |
| **Relative** | -3.5 | -7.2 | -21.4 | -16.0 | -4.1 | -9.2 | -106.7 | -1.4 |

## Yearly Trailing Performance (net)

| *1-year to* | 31-Oct-24 | 31-Oct-23 | 31-Oct-22 | 31-Oct-21 | 31-Oct-20 |
|---|---|---|---|---|---|
| **Fund** | 4.8 | 5.3 | 1.5 | 33.0 | 16.4 |
| **MSCI Daily TR Net World** | 26.3 | 4.3 | -2.8 | 32.9 | 4.3 |
| **Relative** | -21.4 | 1.0 | 4.3 | 0.1 | 12.1 |

## Monthly Performance (net)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **2024** | 0.6 | -2.0 | 2.9 | 9.7 | 0.8 | -3.1 | 3.1 | -1.0 | -2.6 | -1.3 | | | 6.4 |
| **2023** | 6.2 | -0.3 | -1.3 | -0.1 | -7.7 | -7.1 | -0.4 | 2.9 | 4.0 | -1.8 | -4.1 | 2.7 | -7.8 |
| **2022** | 9.6 | -10.9 | -7.0 | 10.3 | 8.1 | -11.1 | -0.8 | 1.6 | -6.3 | 8.1 | 11.7 | 0.7 | 10.7 |
| **2021** | -12.5 | 21.3 | 1.1 | 2.8 | 4.2 | -9.0 | -0.8 | 2.1 | 8.9 | -7.6 | -8.6 | 12.9 | 9.9 |
| **2020** | -5.4 | -6.9 | -10.6 | 10.1 | 6.9 | 3.0 | -6.1 | 13.2 | -4.4 | 6.6 | 22.8 | 1.6 | 29.1 |
| **2019** | 6.8 | -4.9 | 0.3 | -1.7 | 3.1 | -5.3 | -4.1 | 0.7 | 0.3 | 4.2 | 2.2 | 10.1 | 11.1 |
| **2018** | -0.3 | 0.7 | 0.9 | 4.8 | 3.2 | 0.3 | 2.6 | -5.6 | 1.8 | 0.4 | 2.8 | -7.3 | 3.8 |
| **2017** | 1.2 | -3.4 | 0.0 | 1.6 | 2.9 | 0.6 | -1.3 | 7.1 | 0.9 | 1.4 | -1.6 | -6.0 | 2.9 |
| **2016** | -3.8 | 5.3 | -5.2 | -3.6 | 4.4 | 2.1 | -2.0 | -1.2 | 0.4 | -8.9 | -1.1 | -4.8 | -17.8 |
| **2015** | -2.6 | -2.3 | 1.1 | 5.6 | -5.4 | 5.0 | 1.4 | 1.0 | -1.2 | 4.5 | -0.6 | 1.4 | 7.6 |
| **2014** | 0.4 | 3.0 | -1.7 | -4.7 | 1.4 | -3.0 | -0.5 | 0.3 | 3.6 | 2.4 | 3.2 | 1.5 | 5.5 |
| **2013** | 6.7 | 3.0 | 1.2 | 2.0 | 7.9 | 1.2 | 3.5 | 1.1 | 4.9 | 1.8 | 2.0 | 3.0 | 45.6 |
| **2012** | 6.9 | 8.9 | 2.3 | -1.2 | -3.2 | 3.7 | 0.9 | 3.6 | 3.0 | 4.1 | 1.4 | 2.3 | 37.2 |
| **2011** | 7.5 | 2.8 | 1.7 | 1.0 | 2.4 | -1.1 | -1.1 | -10.9 | 1.0 | 3.8 | -2.9 | 0.3 | 3.5 |
| **2010** | -0.5 | -0.5 | 0.8 | 2.9 | -2.5 | -4.7 | 3.4 | -4.8 | 9.2 | 2.4 | 2.8 | 7.2 | 15.7 |
| **2009** | | | | | 3.9 | 2.0 | 2.3 | 6.3 | 8.8 | -1.4 | -1.0 | 0.5 | 22.9 |

## Fund details[1]

| | |
|---|---|
| £ I Class | 501.27 |
| £ R Class | 466.85 |
| $ I Class | 2.81 |
| € I Class | 2.68 |
| Fund Size | £328 million |
| Strategy AUM | £625 million |
| Fund Inception | 11 May 2009 |
| Class Inception | 11 May 2009 |
| Fund Type | UK Long Short UCITS |
| Comparators | Primary: Cash<br>Secondary: MSCI World Daily Net TR GBP |
| Base Currency | £ |

## Team & contact details

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## Top 10 Long Equities

| | % NAV |
|---|---|
| Ubisoft Entertainment | 9.5% |
| Plus500 | 9.4% |
| Frasers Group | 9.2% |
| IWG | 8.1% |
| Commerzbank | 4.5% |
| ArcelorMittal | 4.5% |
| AO World | 4.5% |
| Jet2 | 4.5% |
| Nokia | 4.4% |
| Glencore | 4.4% |

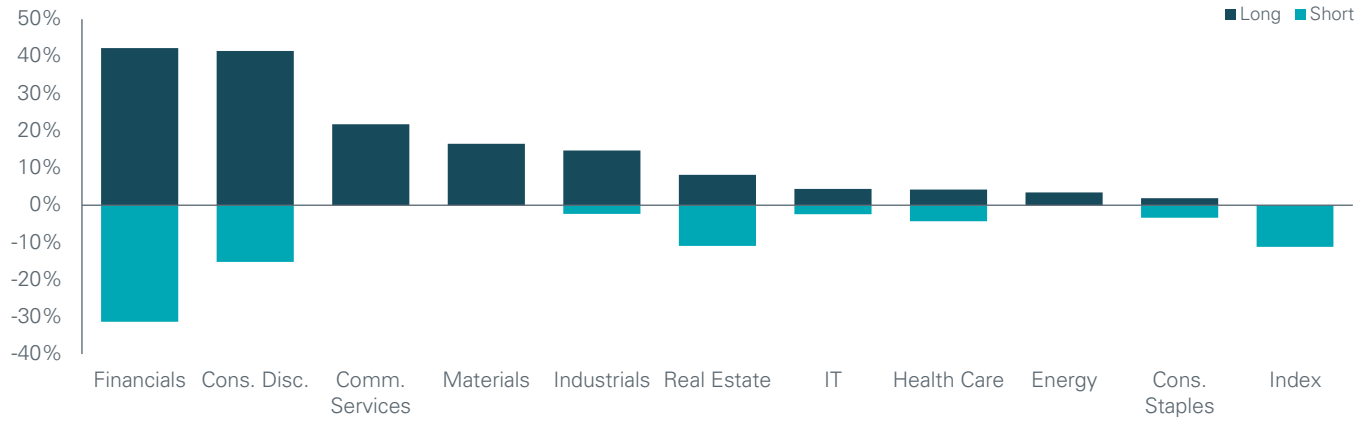
## Portfolio Characteristics

| | |
|---|---|
| Long position count | 49 |
| Short position count | 27 |
| Total gross exposure | 240% |
| Total net exposure | 78% |
| Gross long exposure | 159% |
| Gross short exposure | -81% |
| Beta adj. net (2 year) | 64% |

Important Information
These figures refer to the past. Past performance is not a reliable indicator of future results. This document is a marketing communication. Before subscribing please read the prospectus and the KIID/KID, available upon request from Lancaster IM. The performance calculation shown is based on the GBP I share class. If the past performance is shown in a currency which differs from the currency of the country in which you reside, then you should be aware that your performance may increase or decrease as a result of currency fluctuations.

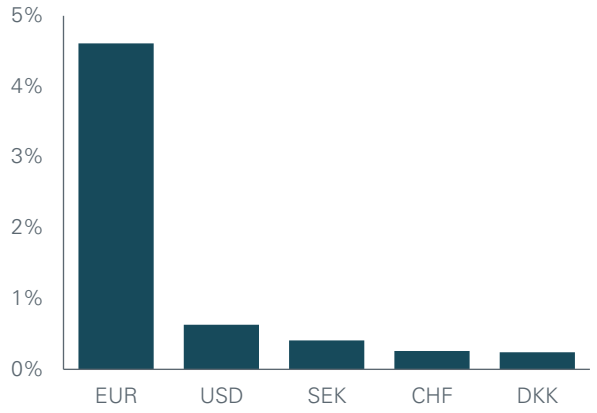
Source: All sources, unless otherwise stated, are Lancaster IM internal unaudited data and refer to the £ I share class. All data shown as at 31 October 2024.
[1]Link Fund Solutions and Bloomberg, calculation on a NAV basis with net income reinvested.

## Equity exposure by sector

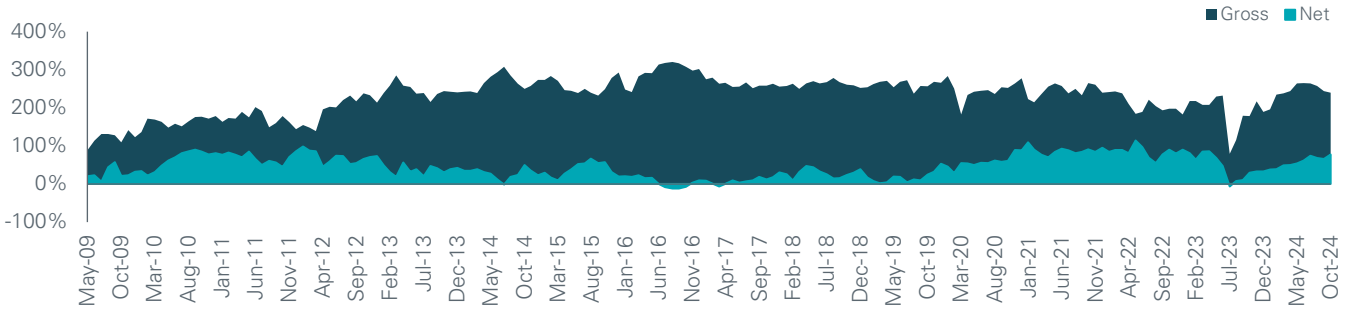



## Equity exposure by geography

## Portfolio non-base currency exposure




## Equity exposure




Allocation figures are taken at close of business whereas Fund performance is taken at 10am. Equity exposure includes all equity related instruments. Government Bond exposure can be provided on a ten-year adjusted basis. Currency exposure shows non-base currency portfolio exposure. Commentary is provided on a quarterly basis. Equity exposure as classified by GICS. The fund was renamed from LF Brook Absolute Return Fund to WS Lancaster Absolute Return in Q3-23 on the back of the Investment Management Agreement transferring to Lancaster Investment Management LLP and Waystone acquiring Link Financial Services. All performance in GBP.

Source: All sources, unless otherwise stated, are Lancaster internal unaudited data and refer to the £ I share class. All data shown as at 31 October 2024. [1]Waystone and Bloomberg, calculation on a NAV basis with net income reinvested – the share class prices refer to NAV per share.

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## Investment objective and policy

The WS Lancaster Absolute Return Fund ('The Fund') aims to achieve a positive absolute return on a 12 month rolling basis independent of market conditions. Capital is at risk and there is no guarantee that a positive return will be delivered over any one or a number of 12 month periods. The Investment Manager seeks to achieve this objective through managing a portfolio of securities, bonds and currencies and related financial instruments.

## Approach

The strategy is fundamentally driven global equity long short and built around three core principles; investing in fundamentally sound companies, disciplined short selling, and diversification, which is an essential tool in risk management. On the long side, the approach is valuation driven with a particular focus on sustainable free cash flow generation. On the short side the portfolio is stock-specific. The strategy harnesses the experience and judgement of James Hanbury, his investment team and the wider equity research resource at Lancaster Investment Management. While the team invest for the medium to long term, they continuously resize positions to ensure the portfolio remains focused on their highest conviction ideas. The Fund is built without formal reference to an index and typically contains 30-40 positions both long and short with a higher concentration in the top 10 positions.

## Risk Considerations

The Fund is actively managed and has considerable latitude over its allocation both long and short equities and it may employ leverage and own sophisticated instruments such as futures and options. The Fund may hold a large weighting in a small number of investments and may therefore be subject to larger than normal swings in its value. The performance stream is likely to be volatile and the Fund is suitable only for investors who have a long time horizon (>5 years) and can tolerate high risk. Investors may not get back all the money invested and an investment in this Fund should only form part of an investor's total portfolio. Investors should discuss the suitability of this Fund with their professional adviser. The Fund's prospectus has detailed descriptions of the Fund's risks. Before investing, please refer to the fund prospectus and to the applicable KIID/KID before making any final investment decisions. You can get free copies from the Investment Manager at reporting@LancasterIM.co.uk or the website of the Authorised Corporate Director: https://www.fundsolutions.net/uk/lancaster-investment-manager/ws-lancaster-funds/ws-lancaster-absolute-return-fund/

## Investor information

| | |
|---|---|
| **Share classes** | I (£, €, $) Acc, R (£). |
| **Share class hedging** | Non-base currency share classes are hedged |
| **Trade date** | Daily |
| **Dealing** | Forward to 10am |
| **Valuation** | 10am |
| **Front end fee** | Up to 4% |
| **Annual management fee** | I 0.75%, R 1.25% |
| **Ongoing charge** | I 0.97%, R 1.40% |
| **Performance fee basis** | 20% of the increase in the value per share of the fund between the beginning and the end of the year. Fees crystallise annually. Losses carried forward. |
| **Anti-dilution fee** | May apply up to 0.75% to NAV on subs/reds if large deals (typically >5%) occur |
| **Minimum investment** | R £5,000; I £1,000,000 |
| **Dividends** | Accumulation shares only |
| **Authorised Corporate Director (ACD)** | Waystone |
| **Auditor** | Ernst and Young LLP |
| **Prime Broker** | Morgan Stanley |
| **Custodian** | BNY |
| **Price reporting** | Prices published daily on lancasterim.co.uk, Bloomberg and by other third party data providers. |
| **ISIN** | R: GB00B55NGR79, £I: GB00B55NGS86, €I: GB00B3SX1S66, $:GB00B3Z00X80 |
| **SEDOL** | R: B55NGR7, £I: B55NGS8, €I: B3SX1S6, $:B3Z00X8 |

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