

LAKEHOUSE GLOBAL GROWTH FUND

MONTHLY LETTER

31 January 2025



Dear Lakehouse Investor,

January was a strong month for the Fund driven by some impressive results from several of our portfolio companies. Those of note included Sansan, ServiceNow and Spotify.

The Fund returned 7.3% net of fees and expenses for the month compared to 2.6% for its benchmark. Since its inception at the start of December 2017, the Fund has returned 254.0% compared to 136.8% for its benchmark. In annualised terms, the Fund has returned 19.3% since inception compared to 12.8% for its benchmark.

Fund Metrics	
Fund Net Asset Value	\$394.1 million
Net Asset Value per Unit (mid)	\$2.7610
Cash Allocation	6.6%
Top 10 Portfolio Holdings	66.6%
Companies Held	20
Benchmark	MSCI All Country World Index Net Total Returns (AUD)

	1 Month	1 Year	3 Year (p.a.)	5 Year (p.a.)	Inception (p.a.)
Lakehouse Global Growth Fund	7.3%	48.3%	18.1%	18.4%	19.3%
Benchmark	2.6%	27.9%	12.9%	12.6%	12.8%
Excess Return	4.7%	20.4%	5.2%	5.8%	6.5%

**Performance calculations are based on exit price with distributions reinvested, after fees and expenses, since inception on 30 November 2017. Returns greater than one year are annualised. Benchmark: MSCI All Country World Index net total returns (AUD). Past performance is not indicative of future returns.*

The Fund held 20 positions as of the end of the month, the ten largest of which are listed below:

Company	Headquarters	Lakehouse Investing Fascination
Amazon	USA	Networks, Loyalty, IP
MercadoLibre	Argentina	Networks, Loyalty, IP
Sansan	Japan	Loyalty, Networks
Wix.com	Israel	Loyalty, IP
SEA Group	Singapore	Networks, IP
Alphabet	USA	IP, Networks
Hemnet	Sweden	Networks, IP
Charles Schwab	USA	Loyalty, IP
Adyen	Netherlands	Loyalty, IP
Visa	USA	Networks, IP, Loyalty

The Fund has a good-sized U.S. presence as that market continues to offer access to the largest source of quality growth companies. The Fund isn't as US-heavy as it might look at first blush, though, with 62.6% of the revenue from the Fund's portfolio companies coming from outside the U.S. and holdings headquartered in Argentina, Canada, China, Japan, Singapore, Sweden and the Netherlands.

Portfolio News

At the portfolio level, the biggest contributor to performance during the month was [MercadoLibre](#) (+12.2%), which bounced back after being our biggest detractor last month. Meanwhile, the largest detractor to performance this month was [ServiceNow](#) (-4.7%), which underperformed following the release of, what we believed was, a relatively strong quarterly update. More on that below.

[Sansan](#) reported strong quarterly results, in-line with the market's expectations. Revenue and operating profits increased by 27.4% and 63.6%, respectively. Annual recurring revenue (ARR) maintained a robust 26.4% year-on-year growth rate, driven by an acceleration in the core Sansan business, along with improving Bill One order momentum. The successful implementation of price increases, coupled with healthy churn rates, further strengthened unit economics. The overall performance is encouraging, as the core Sansan business has re-accelerated, while Bill One commands a dominant 47% market share in the

still-nascent cloud invoice receiving market. The management team continue to execute well, expanding the company's overall profitability while achieving strong growth metrics.

US-based software company ServiceNow delivered another impressive quarterly result. Revenues grew 21% year-on-year in constant currency terms to \$2.9 billion and net income grew 30% year-on-year to \$384 million. The company's key performance indicators remained healthy, with their backlog (remaining performance obligations) growing 23% year-on-year to \$22.3 billion (i.e. greater than 2x annual revenue) and renewal rates held firm at 98%. As we have noted in the past, the company's renewal rates are remarkable as not only are they best-in-class, but they are also extremely consistent, typically in the range of 97% to 99%. These industry-leading renewal rates speak to the mission critical nature of the platform and are a key driver of the long-term annuity value in the business. Zooming out, we continue to believe ServiceNow is one the highest quality software businesses globally as the combination of consistent growth at scale, robust free cash flow generation and a large addressable market make it a compelling opportunity.

Thank You

As always, thanks to all our investors for your time, trust, and support.

Best Regards,

Lakehouse Capital

For more information call us on +61 2 8294 9800, email investorsupport@lakehousecapital.com.au or visit www.lakehousecapital.com.au

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Lakehouse Global Growth Fund's Target Market Determination is available here – www.lakehousecapital.com.au/lggf/. It describes who this financial product is likely to be appropriate for (i.e., the target market), and any conditions around how the product can

be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

Lakehouse, its directors, employees and affiliates, may, and likely do, hold units in the Fund and securities in entities that are the subject of this report.