

LAKEHOUSE GLOBAL GROWTH FUND

MONTHLY LETTER

31 May 2025



Dear Lakehouse Investor,

May was a positive month for the Fund due to the combination of improving investor sentiment and some strong results from our portfolio holdings. As per usual, we'll speak more about results from key holdings shortly but, big picture, we continue to be pleased with the collective fundamental performance and long-term growth profiles of our businesses.

The Fund returned 6.1% net of fees and expenses for the month compared to 5.1% for its benchmark. Since its inception at the start of December 2017, the Fund has returned 250.6% compared to 133.8% for its benchmark. In annualised terms, the Fund has returned 18.2% since inception compared to 12.0% for its benchmark.

Fund Metrics	
Fund Net Asset Value	\$385.9 million
Net Asset Value per Unit (mid)	\$2.7348
Cash Allocation	7.9%
Top 10 Portfolio Holdings	67.9%
Companies Held	18
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	6.1%	35.7%	28.6%	14.8%	18.2%
Benchmark	5.1%	17.4%	16.4%	14.1%	12.0%
Excess Return	1.0%	18.3%	12.2%	0.7%	6.2%

**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 18 positions as of the end of the month, the ten largest of which are listed below:

Company	Headquarters	Strategic Advantage
MercadoLibre	Argentina	Networks, Loyalty, IP
Amazon	USA	Networks, Loyalty, IP
Sansan	Japan	Loyalty, Networks
SEA Group	Singapore	Networks, IP
Adyen	Netherlands	Loyalty, IP
Kinaxis	Canada	Loyalty, IP
Alphabet	USA	IP, Networks
Charles Schwab	USA	Loyalty, IP
Hemnet	Sweden	Networks, IP
Wix.com	Israel	Loyalty, IP

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 62.3% of the revenue from the Fund's portfolio companies coming from outside the U.S. and holdings headquartered in Argentina, Canada, Japan, Israel, the Netherlands, Singapore and Sweden.

Portfolio News

At the portfolio level, the biggest contributor to performance during the month was [Sea Limited](#) (+19.0%), which performed well on the back of another strong quarterly result – more on that below. Meanwhile, the largest detractor to performance this month was [Wix.com](#) (-12.7%). Wix's shares pulled back after management provided conservative guidance in response to the ongoing macroeconomic uncertainty.

Buenos Aires-based e-commerce leader [MercadoLibre](#) delivered another strong result with an impressive balance of growth and profitability. Net revenue grew 37% year-on-year to \$5.9 billion while operating income grew 45% to US\$763 million. It's core marketplace business grew across all major regions and total gross merchandise volume (GMV) increased 26% year-on-year to \$13.3 billion. Argentina was a bright spot, with GMV growing 77% in USD terms as the economy continues to experience a rapid recovery. The

platform's key metrics remained healthy with unique buyers increasing 25% to 67 million – the strongest growth since early 2021 – and items sold growing 26%.

The company's fintech business also continued to grow at a rapid clip, with total payment volume (TPV) growing 43% year-on-year to \$58.3 billion. Unique active fintech users were up 31% to 64 million, driven by higher engagement across all regions, particularly Brazil and Mexico. Growth outside of the core MercadoLibre marketplace has also been particularly strong and off-platform TPV now represents over two-thirds of total volume. This is pleasing to see as it improves the potential success of other financial products, both existing and future, such as their asset management product which already has over \$11 billion in assets under management. Zooming out, we remain strong supporters of the business and still believe it's early days as the combination of relatively nascent penetration of e-commerce and a large underbanked population in Latin America provide an excellent foundation for future growth.

Amazon reported a solid quarterly result with net sales up 9% year-on-year (10% in constant currency terms) to \$155.7 billion and operating profit up 20% to \$18.4 billion. The company's core e-commerce business remained resilient in the face of potential tariffs, with management noting they hadn't seen any material change in consumer buying behaviour as at the end of April. Amazon web services (AWS) grew 17% to \$29.3 billion which was a slight deceleration from the 19% delivered last quarter. Whilst this seems disappointing at first blush, management reiterated that demand is very strong they are still capacity constrained. Artificial intelligence (AI) continues to be a key growth driver with AI workloads growing in excess of 100% year-on-year on AWS. Overall, it was a positive result, and we remain confident that the company is set to deliver many years of solid revenue growth and margin expansion.

Sea Limited delivered another impressive result, with sustained momentum driving solid top-line growth and continued progress on profitability. Group revenue grew 30% to US\$4.8 billion, driven by strong performance from the company's e-commerce platform, Shopee, and its fintech business, Monee. Shopee further extended its market leadership across Asia and Brazil, with record GMV rising 22% to US\$28.6 billion and continued improvement in its take rate, up 60 basis points to 12.3%. Monee accelerated its growth with their loan book rising 77% to US\$5.8 billion, driven by a >50% increase in active borrowers to over 28 million whilst maintaining sound credit quality. Combined with strong operating leverage across all business units, this growth helped lift adjusted EBITDA 136% to US\$947 million and continues to demonstrate Sea's ability to deliver further profitable growth.

Thank You

We are preparing investors' annual tax and distribution statements which, along with the annual letter, which we anticipate being available later in July.

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

Nick, Erwin & Donny

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.