

Ash Park Global Consumer Franchise UCITS Fund

Global Consumer Franchise Equity

June 2020

Fund Overview

The Ash Park Global Consumer Franchise UCITS Fund is managed by a London-based team with extensive experience covering consumer companies. The Ash Park fund pursues a long-only, 'Buy-and-Hold' strategy focused solely on global Food, Beverage, Tobacco and Household & Personal Care companies (together, the 'Consumer Staples' sector). These companies have historically produced higher long-term returns than the market, and with lower volatility, and the sector tends to combine attractive income generation with inflation protection and growth, supported by brands and franchises which have often been built over decades, even centuries.

The Ash Park fund does not measure itself against any benchmark but has the objective of beating inflation consistently, with low risk and low volatility, through the ownership of high-quality Consumer Staples stocks that it believes are capable of growing their earnings and cash flows at attractive rates almost indefinitely. The Ash Park fund seeks to balance its desire to own the best quality stocks with a need to diversify its portfolio risk. However, its holdings will be concentrated (typically c.20 stocks) and it will be aiming for low turnover.

Monthly Portfolio Comment

Class A units in the Ash Park Global Consumer Franchise UCITS Fund in June were up +0.03% in Euros, +1.00% in USD, +1.05% in GBP and down -0.39% in CHF. For the year, Class A units are down -6.65% in Euros, -6.60% in USD, -8.61% in CHF, and up 0.14% in GBP.

The fund made modest progress in June as market confidence continued to recover from the Coronavirus pandemic. We also made our annual visit to the DB Consumer Conference in Paris, albeit in a virtual sense this year. We heard from over 30 companies, and 'met' with half of our portfolio – there were reassuring messages about the industry's ability to deal with the effects from the pandemic, but there was one theme which really stood out for us. Online shopping has surged on the back of the crisis and this has previously been seen as a risk to large, established brands. However, far from struggling, we heard many times that big brands are clearly major beneficiaries of this switch to online shopping. As the CEO of L'Oréal noted, the top 100 beauty brands had grabbed around 800bps of market share on Amazon in the last 3 months: "in times of crisis the strong, trusted, aspirational brands prevail because of their quality, their safety, their trust, their reassurance, the transparency they offer." From what we hear, that pattern is being repeated offline too, driven by retail customers as well as consumers. We only made one change to the portfolio - following the disappointing price achieved by Coty's disposal of its professional division, we decided to exit this small position. The proceeds of the sale were reinvested in our growing exposure to the Asian beauty markets. The top 3 contributors in the month were Coty, Beiersdorf and Imperial Brands. The top 3 detractors in the month were BAT, L'Occitane and PMI.

Fund Performance Since Inception (EUR)



Class A, net of fees / expenses. Fund launched on 14th Oct 2014 (=100)
Source: Ash Park

The monthly performance figures quoted above and overleaf represent the performance of the Ash Park Global Consumer Franchise UCITS Fund in the relevant currency class. Euro is the base currency of the fund and is the best indication of fund performance. These performance figures refer to the past and past performance is not a reliable guide to future performance.

The Manager



Geographic Split

At 30th June 2020, By Country of Listing

US	31.1%
UK	30.2%
Netherlands	10.8%
Switzerland	7.7%
Hong Kong	4.4%
Germany	4.2%
Italy	4.1%
Japan	2.7%
Net Cash	4.9%

Sector Split

At 30th June 2020, By Company Listing

Tobacco	25.0%
Beverages	21.4%
Household Care	19.8%
Food Manufacturing	14.7%
Personal Care	14.2%
Net Cash	4.9%

Fund Facts

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Daily
Fund AUM	\$43 million
Strategy AUM	\$225 million
Number of Stocks	19
Inception	14 th October 2014

A Class	
Share Class	
Currency	EUR/CHF/USD/GBP
Mgt. Fee	1.00%
ISIN Codes	EUR: IE00BQQFW266 USD: IE00BQQFW480 CHF: IE00BQQFW597 GBP: IE00BQQFW373

Ash Park Global Consumer Franchise UCITS Fund

Global Consumer Franchise Equity

June 2020

GBP Class A – launched 14th October 2014

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2014	-	-	-	-	-	-	-	-	-	2.78%	5.62%	-3.71%	4.53%
2015	6.21%	1.72%	-0.42%	-1.12%	1.56%	-5.59%	5.90%	-4.92%	2.87%	5.57%	1.05%	1.58%	14.48%
2016	3.04%	1.02%	3.14%	-1.16%	0.32%	11.44%	0.48%	0.23%	0.79%	1.68%	-9.04%	2.81%	14.48%
2017	0.43%	7.80%	1.97%	-1.63%	8.00%	-2.82%	-1.68%	1.89%	-4.69%	1.16%	0.43%	3.53%	14.45%
2018	-3.40%	-5.49%	-0.38%	-0.96%	0.79%	3.32%	4.32%	-1.03%	-0.72%	-1.99%	-1.35%	-6.63%	-13.19%
2019	0.62%	3.51%	7.09%	-0.66%	-0.19%	1.90%	3.87%	0.31%	-1.84%	-5.06%	3.46%	0.58%	13.88%
2020	-0.69%	-7.11%	-3.48%	6.50%	4.50%	1.05%							0.14%

EUR Class A – launched 17th April 2015

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2015	-	-	-	-	-	-	-	-	-	-	-0.36%	-3.30%	-3.64%
2016	-0.44%	-1.16%	1.42%	0.22%	2.55%	2.56%	-0.86%	-0.73%	-0.93%	-2.22%	-3.63%	2.26%	-1.15%
2017	-0.20%	8.44%	1.80%	-0.04%	4.36%	-3.59%	-3.47%	-1.24%	-0.20%	1.61%	0.02%	2.73%	10.05%
2018	-2.11%	-6.47%	0.59%	-1.01%	0.79%	2.49%	3.43%	-1.39%	-0.22%	-1.56%	-1.43%	-7.69%	-14.14%
2019	3.53%	5.46%	6.39%	-0.43%	-2.95%	0.69%	2.22%	0.87%	0.33%	-2.58%	4.64%	1.19%	20.63%
2020	0.09%	-9.19%	-6.20%	8.53%	0.85%	0.03%							-6.65%

USD Class A – launched 19th February 2016

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2016	-	-1.21%	6.37%	0.73%	-0.32%	2.35%	-0.21%	-1.13%	-0.03%	-4.90%	-6.46%	1.68%	-3.66%
2017	2.26%	6.63%	2.47%	1.77%	7.76%	-2.22%	-0.21%	-0.41%	-0.76%	0.13%	2.37%	3.46%	25.30%
2018	1.55%	-8.42%	1.43%	-2.75%	-2.62%	2.52%	3.65%	-1.94%	-0.39%	-3.97%	-1.50%	-6.80%	-18.27%
2019	3.92%	4.66%	4.91%	-0.62%	-3.50%	2.90%	-0.06%	-0.23%	-0.68%	-0.30%	3.42%	3.01%	18.45%
2020	-1.19%	-9.99%	-6.30%	8.34%	2.42%	1.00%							-6.60%

CHF Class A – launched 19th May 2017

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2017	-	-	-	-	1.41%	-3.22%	0.54%	-0.81%	-0.08%	3.15%	0.84%	2.67%	4.45%
2018	-3.13%	-6.90%	2.77%	0.53%	-3.29%	3.54%	3.34%	-4.21%	0.61%	-1.11%	-2.14%	-8.06%	-17.32%
2019	-0.30%	10.25%	4.88%	1.69%	-4.74%	-0.26%	1.47%	-0.28%	0.10%	-1.34%	4.74%	-0.18%	16.35%
2020	-1.58%	-9.66%	-6.34%	8.07%	1.95%	-0.39%							-8.61%

The performance figures quoted above represent the performance of the Ash Park Global Consumer Franchise UCITS Fund. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Contact Details

Investor Contact

MontLake Funds (UK) Ltd
 Park House, 116 Park Street
 London, W1K 6AF
 T: +44 20 3709 4510
 investorrelations@montlakefunds.com

Management Company

MontLake Management Ltd
 23 St. Stephen's Green
 Dublin 2, Ireland
 T: +353 1 533 7020
 investorrelations@montlakefunds.com

Investment Manager

Kingsway Capital Ltd
 25 St James' Street
 London, SW1A 1HA
 T: +44 20 3411 6433
 Investor.Relations@ashparkcapital.com

Disclaimer

RISK WARNING: Past performance is not a reliable indicator of future results, prices of investments and the returns from them may fall as well as rise. Investments in equities are subject to market risk. Changes in exchange rates may have an adverse effect on the value price or income of the product. The Ash Park Global Consumer Franchise UCITS Fund (the "Fund") may use higher leverage and financial derivative instruments as part of the investment process. The distribution of this report does not constitute an offer or solicitation and this notice shall not be construed as an offer of sale in any other fund managed or advised by Kingsway Capital or MontLake Management Limited ("ML"). Any investment in the Fund should be based on the full details contained in the Fund's Supplement Prospectus and Key Investor Information Document which together with the MontLake UCITS Platform ICAV Prospectus may be downloaded from the MontLake website (www.montlakeucits.com). Information given in this document has been obtained from, or based upon, sources believed by us to be reliable and accurate although neither ML nor Kingsway Capital accepts liability for the accuracy of the contents. ML does not offer investment advice or make recommendations regarding investments. The Manager of the Fund is MontLake Management Ltd, a company regulated by the Central Bank of Ireland. The Investment Manager for the fund, Kingsway Capital is authorised and regulated by the Financial Conduct Authority. The state of the origin of the fund is Ireland. This document may only be distributed in Switzerland to qualified investors within the meaning of art. 10 para. 3, 3bis and 3ter CISA. The Representative in Switzerland is ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland, Switzerland, whilst the paying agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8024 Zurich. The basic documents of the fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge from the representative. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. The MontLake UCITS Platform ICAV is registered and regulated as an open-ended Irish collective asset-management vehicle with segregated liability between sub-Funds formed in Ireland under the Irish Collective Asset management Vehicles Act 2015 and authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. This notice shall not be construed as an offer of sale in the Fund. The state of the origin of the Fund is the Republic of Ireland. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. Authorised and Regulated by the Central Bank of Ireland. This is a marketing document.