

### FACTSHEET

#### 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 in order to minimise the transactional costs borne by investors.

#### Performance Returns

The Ash Park Global Consumer Franchise UCITS Fund in October was up 7.67% in US\$ (Founder's class), producing a year-to-date performance of +10.81%. Translated into euros at 30<sup>th</sup> October spot rates, the performance for October was +8.80%, and +21.39% year-to-date.

#### Monthly Market Commentary

In a very strong month for markets in general (the MSCI World Net Return Index rose by 9.1% in Euros), the fund performed well despite the Consumer Staples sector lagging the wider market over the month. The Ash Park fund again outperformed the Ash Park-defined Consumer Staples sector in the period (30bp), extending year-to-date outperformance further (380bp).

Virtually all our portfolio holdings have now reported third quarter sales or profits, and we have been encouraged by the generally resilient performance of our companies. The Consumer Staples sector overall continues to prove itself as a source of steadily compounding earnings growth. Despite economic conditions which are still tough in a number of regions, overall volume and sales growth has accelerated relative to the first half of 2015, and margin progression is being driven by a combination of self-help cost opportunities and lower commodity-driven costs of goods sold.

AB InBev's bid for SABMiller developed further during the month, with SABMiller's board agreeing in principle to accept a cash offer of GBP 44 per share. At the time of writing the two companies are still working on the formal details of what looks to be rather a complicated transaction, but we are reassured by ABI's comments (in a release of 4<sup>th</sup> November) that the two companies "have made good progress" in agreeing terms and also that ABI has confirmed that it has entered into financial facilities which would enable it to execute the deal. We will be sorry to lose SABMiller as an investment; for now we are holding on to our position given the stock is trading some way below the indicative offer price and SAB is also likely to pay a dividend of up to \$1.22 per share prior to the deal being closed.

The biggest positive contributors to the fund's performance in the month were Unilever, BAT, and Reckitt Benckiser. The only detractor in the period was Hershey.

#### USD Founder Class

USD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	-	-	-	-	-	-	-	-	-	3.31%	3.42%	-4.07%	2.50%
2015	2.32%	4.68%	-4.30%	2.39%	0.88%	-2.66%	5.11%	-6.42%	1.53%	7.67%	-	-	10.81%

The USD Founder Class performance figures quoted above represent the performance of the Ash Park Global Consumer Franchise UCITS Fund since launch on 14<sup>th</sup> October 2014. 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 guarantee of future performance or a reliable guide to future performance.

### THE MANAGER



**ASH PARK**  
A division of Kingsway Capital



**Jamie Isenwater** has 14 years of experience as a Consumer analyst, most recently covering Beverages and Food Manufacturing at Deutsche Bank which he joined in 2006.

Prior to this, Jamie covered the Retail and Luxury Goods sectors at Dresdner Kleinwort. He is the author of 'The importance of A&P' which was described as "remarkable" by WPP and featured in its annual report.



**Jonathan Fell** was previously head of Consumer Research at Deutsche Bank, where he covered Tobacco and Beverage stocks, having previously worked at Merrill Lynch and Morgan Stanley. He has 20

years' experience and is responsible for the 'Many Happy Returns' reports which underpins Ash Park's investment philosophy.

#### FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Daily
Fund AUM	\$32.9 million
Inception	14 <sup>th</sup> October, 2014
Share Class	<b>Founder Class</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	0.60%
Min Init. Sub.	€10m/£10m/\$15m/CHF15m
ISIN Codes	EUR: IE00BQQFVT61 USD: IE00BQQFVW90 CHF: IE00BQQFVX08 GBP: IE00BQQFVW83
Share Class	<b>A Class</b>
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%
Min Init. Sub.	€20,000/£20,000/\$20,000/CHF20,000
ISIN Codes	EUR: IE00BQQFW266 USD: IE00BQQFW480 CHF: IE00BQQFW597 GBP: IE00BQQFW373

### COMPOSITION OF FUND

#### Top 4 Long Positions (% of NAV)

British American Tobacco Plc	9.4%
Unilever NV	8.9%
Reckitt Benckiser Plc	8.4%
Colgate-Palmolive Co	7.6%

#### Top 5 contributors for month (Euro)

Unilever NV	131bp
British American Tobacco Plc	81bp
Reckitt Benckiser Plc	72bp
Japan Tobacco Inc	69bp
Heineken Holding	67bp

#### Top 5 detractors for month (Euro)

Hershey Co	-10bp
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#### Industries (% of NAV)

Household & Personal Care	34.4%
Beverages	27.2%
Tobacco	23.0%
Food	14.3%

#### Domiciles (% of NAV)

United States	35.9%
Europe	58.2%
Japan	4.8%

#### Portfolio overview

No of Positions	Long 20
Average Consensus 12M Fwd P/E	21.2
Average Historic Div. Yield	2.6%

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### Disclaimer

**Risk Warning:** Past performance is not a reliable indicator of future results, prices of investments and the income from them may fall as well as rise. Investments in equities are subject to market risk and, potentially, to exchange risk. The Ash Park Global Consumer Franchise UCITS Fund (the "Fund") may invest in emerging market securities which are subject to greater market risk, political and economic instability and, potentially, to currency exchange rate risk. The distribution of this report does not constitute an offer or solicitation. Any investment in the Fund should be based on the full details contained in the Fund's Supplement Prospectus and Key Investor Information Documents which together with the MontLake UCITS Platform Prospectus may be downloaded from the MontLake website ([www.montlakeucits.com](http://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 Capital nor Kingsway Capital accepts liability for the accuracy of the contents. Kingsway Capital is authorised and regulated by the Financial Conduct Authority. ML Capital does not offer investment advice or make recommendations regarding investments. The Investment Manager and Promoter of the MontLake UCITS Platform plc is ML Capital Asset Management Ltd, a company regulated by the Central Bank of Ireland. MontLake UCITS Platform plc. is registered and regulated in Ireland as an open ended investment company with variable share capital and segregated liability between sub-funds. This notice shall not be construed as an offer of sale in the Fund.

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