LINDSELL TRAIN

The Lindsell Train Investment Trust (LTIT)

ALL DATA AS OF 31 JANUARY 2023 — MONTHLY REPORT | FACT SHEET

Fund Objective & Policy

To maximise long-term total returns, with a minimum objective to maintain the real purchasing power of Sterling capital, by investing globally in a wide range of financial assets with no limitations on the markets and sectors in which investment may be made. There is likely to be a bias towards equities and Sterling assets, consistent with a Sterling-dominated investment objective. Included in the range of assets are Lindsell Train managed funds and the unlisted security Lindsell Train Limited. For further information please see www.ltit.co.uk

Calendar Year Total Return Performance (%) £

	2018	2019	2020	2021	2022
LTIT NAV	+16.2	+32.4	+16.5	+3.8	-9.4
LTIT Price	+46.6	+2.1	+24.6	-9.7	-13.4
MSCI World Index £	-3.0	+22.7	+12.3	+22.9	-7.8

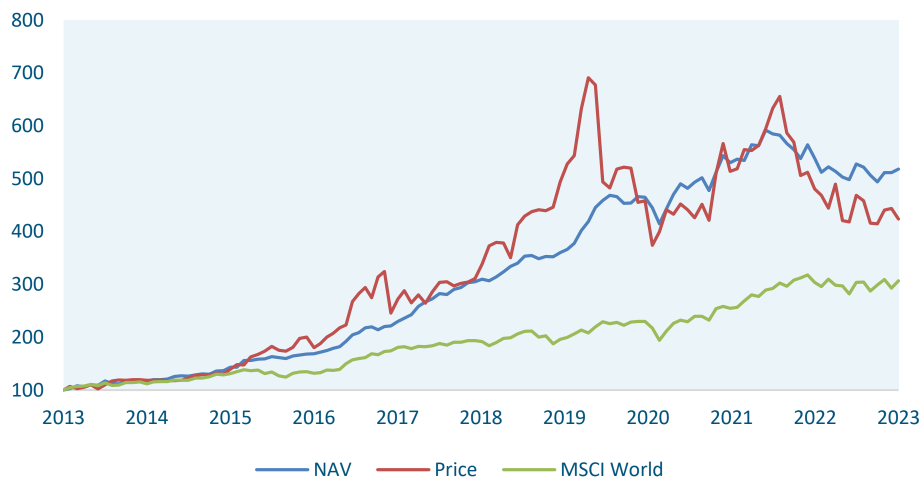
Total Return Performance to 31st January 2023 (%) £

					Annualised			
	1m	3m	YTD	1yr	3yr	5yr	10yr	Since Launch
LTIT NAV	+1.4	+5.0	+1.4	-3.8	+3.7	+11.2	+17.9	+13.4
LTIT Price	-4.5	+2.1	-4.5	-11.9	-2.6	+6.4	+15.5	+13.0
MSCI World Index £	+4.6	+2.6	+4.6	+0.9	+10.1	+9.6	+11.9	+6.6

Source: Lindsell Train Limited, Bloomberg and Morningstar Direct. Listed securities in the portfolio are valued at the closing bid price. GBP return net of fees and expenses with dividends reinvested. For periods greater than one year, returns are shown annualised.

Past performance is not a guide to future performance.

Investment Growth over the last 10 years



As of 31st January 2023. Source: Lindsell Train Limited, Bloomberg, Morningstar Direct. GBP total return net of fees and expenses with dividends reinvested. The graph shows NAV per share, Price and MSCI World performance per £100 invested.
Past performance is not a guide to future performance.

Market Capitalisation

£202m

Share Price

£1,010.00

Net Asset Value per share

£1,053.14

Premium (Discount)

(4.10)%

Source: Lindsell Train Limited/ Frostrow Capital LLP & Bloomberg. Share Price is based on closing mid price.

Current Net Yield

5.25%

Note: Calculation includes both ordinary and special dividend.

Fund Profile

The portfolio is concentrated, with the number of equity investments averaging 15.

Investment Manager

Nick Train

Fund Information

Listing	LSE
Launch Date	22 January 2001
Base Currency	GBP (£)
Year End	31 March
Benchmark*	MSCI World Index (£)
ISIN	GB0031977944
Bloomberg	LTI LN
AIC Sector	Global

*Prior to 1 April 2021, the benchmark was the annual average running yield of the longest-dated UK government fixed rate bond, plus a premium of 0.5%, subject to a minimum yield of 4%.

Top 10 Holdings (% NAV)

Lindsell Train Limited	40.64
London Stock Exchange Group	8.26
LF Lindsell Train North American Equity Fund Acc	8.26
Diageo	7.03
Nintendo	6.84
Unilever	4.33
RELX	4.14
Mondelez	3.79
A.G. Barr	3.29
PayPal	3.06

Allocation (% NAV)

Equities:	
Consumer Franchises	23.2
Financials	8.3
Media	14.0
Unlisted Securities	40.6
Funds and Trusts	10.0
Cash & Equivalent	3.9
Total	**100.0**

Lindsell Train sector definitions

Fund Exposure (% NAV)

	Equity	Funds* and Trusts	Cash	Total
UK	67.7	1.7	3.8	73.2
USA	6.8	8.3	0.1	15.2
Europe (ex UK)	4.8	-	-	4.8
Japan	6.8	-	-	6.8
Total	**86.1**	**10.0**	**3.9**	**100.0**

**Exposure of funds are assigned to its investment area*

Fee Information

Annual Fee	Performance Fee
0.60% of the lower of the company's market capitalisation or NAV calculated daily.	10% of the value of any positive relative performance versus the benchmark in a financial year. Relative performance is measured by taking the lower of the NAV or Average Market Price (defined as the average price over the last month of the performance period), taking into account dividends, at the end of each financial year and comparing the percentage annual change with the total return of the benchmark. A performance fee will only be paid out if the annual change is both above the benchmark and is a positive figure. For further information, please contact Frostrow Capital LLP.

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Portfolio Manager's Comments

Technology shares rebounded strongly in January, characterised by a 11% rise in the NASDAQ index, after a year of giving back some of the strong performance achieved in the lockdown years. Reflecting this the Trust's only 'pure' technology company PayPal was up 14%. Like other tech favourites of 2020/2021, PayPal's still got a long way to go to emulate the lustre it had then but its lead in internet payments, its brand built on trust and its growing user base all give us the confidence that this will rematerialise in time.

Although it may appear that the Trust has little exposure to technology, we don't think of it in that way. Indeed we think that most if not all of our companies are using technology to a greater or lesser extent to make their business better. Some of our holdings like the London Stock Exchange ('LSE'), RELX and Nintendo are more explicitly exploiting innovative technology in order to differentiate their product offerings. Notwithstanding this nuance these three have not as yet participated in any meaningful way in the rebound in prices that other companies like PayPal have experienced, even though we judge them to own more durable and dependable franchises.

Other companies that the Trust owns that have had a slow start to 2023 include the consumer franchises – Unilever, Mondelez, Laurent-Perrier and Diageo – all down a smidgen in the first month of the year. Diageo, which vies with the LSE and Nintendo to be the biggest quoted position in the Trust, reported its half-year results last month, which Nick commented on in the latest Lindsell Train UK Equity Fund update:

"Organic sales growth of 9% [drove] an earnings gain of 15%; with more of the same predicted for the second half of the year and beyond. The interim dividend was hiked 5%, meaning it has grown every year since Diageo was created a quarter of a century ago (companies that can increase their dividends every year for 25 years are indeed rare and valuable). Diageo reported revenues 36% higher than in the same period of 2019, pre-COVID. That's not "tech" growth, but it is impressive nonetheless. Driving that 36% revenue gain since 2019 was a 40% increase in Diageo's Scotch portfolio, a four-fold growth in its Tequila brands and, critically an increase in "Premium" revenues from 52% to 57% of the whole. That growth in premium brand sales drives the profit margin.

"Now, it is true that Diageo's North American sales slowed by more than investors expected, to +3% and the US is Diageo's biggest geography (thank goodness). But I don't see anyone arguing that selling premium spirits brands to the US consumer is not structurally a great category to be in. It is.

"….And we should applaud the Diageo board as it sanctions continued share buy backs. Every share bought for cancellation (and £4.5bn worth were retired to the period end) increases the scarcity of the remaining shares held by non-sellers, like us. And increases the possible share price upside as and when the shares of this great business come back into favour."

The ability to offer the prospect of real growth in revenues, earnings and ultimately share prices over long periods of time is what makes these investments in consumer franchises stand out. These qualities may not be feted today whilst gains from technology companies seem so alluring but we are sure investors will hark back to them together with our technology exploiters as time passes.

Michael Lindsell, 13th February 2023

Source Data: Lindsell Train Ltd & Bloomberg; as of 31st January 2023.

Note: All stock returns are total returns in local currency.

The top three absolute contributors to the Fund's performance in January were Lindsell Train Limited, PayPal and London Stock Exchange Group and the top three absolute detractors were Diageo, Laurent-Perrier and Mondelez.

Risk Warning

Past performance is not a guide or guarantee to future performance. Investments carry a degree of risk and the value of investments and income from them as a result of market or currency fluctuations may go down as well as up and you may not get back the amount you originally invested. This document is intended for use by Shareholders of the The Lindsell Train Investment Trust PLC ("LTIT") and/or professional investors/persons who are authorised by the UK Financial Conduct Authority or those who are permitted to receive such information in the UK.

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Companies with higher gearing are subject to higher risks and therefore the investment value may change substantially. The net asset value ("NAV") per share and the NAV based performance of an investment trust may not be the same as its market share price per share and share price-based performance. LTIT conducts its affairs so that its shares can be recommended by independent financial advisers ("IFAs") to retail private investors. The shares are excluded from the Financial Conduct Authority's ("FCA's") restrictions which apply to non-mainstream investment products because they are shares in a UK-listed investment trust.

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