



HIGH CONVICTION INVESTING

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www.bluewhale.co.uk

Regulatory information & risk warnings

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The funds may invest in companies in emerging markets; this involves risk factors and special considerations which may not be typically associated with investing in more developed markets. Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries in which investment may be made, including expropriation, nationalisation or other confiscation could result in loss to the funds. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. Fund charges may be applied in whole or part to capital, which may result in capital erosion. The funds may apply a dilution adjustment as detailed in the Prospectus. The funds are not traded on an exchange or recognised market. The foregoing list of risk factors is not complete and reference should be made to the funds’ Prospectuses, Supplements/Appendices, KIIDs and application forms.

The LF Blue Whale Growth Fund (“the UK UCITS”) is not registered for sale in nor promoted in the EEA. The Blue Whale Investment Funds ICAV – Blue Whale Growth Fund (the “Irish ICAV Fund”) is an Irish authorised UCITS open-ended investment company. It is a recognised scheme under Section 264 of the UK Financial Services & Markets Act 2000 (“FSMA”). The Irish ICAV Fund is operated by Link Fund Manager Solutions (Ireland) Ltd (“LFMSI”) and Blue Whale is the Investment Manager and Distributor. LFMSI as UCITS Management Company has the right to terminate the agreements made for marketing of funds in accordance with the UCITS Directive. Please refer to the Irish ICAV Fund Prospectus, Supplement and KIID before making any investment decisions: www.bluewhale.co.uk/global/eu.

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What we do – consistent, significant outperformance focused

Blue Whale Capital

co-founded by Peter Hargreaves and Stephen Yiu in 2016

Blue Whale's approach

a concentrated portfolio of high quality businesses at attractive valuation
with *significant resources* invested in fundamental research & financial modelling

Blue Whale's DNA

team effort to perform rigorous fact-based debate in an idea meritocracy

Blue Whale's output

a high conviction portfolio designed to deliver *consistent, significant outperformance*

Blue Whale's longevity

a sustainable, long term approach led by Stephen Yiu, co-founder & CIO





Flagship strategy – Blue Whale Growth

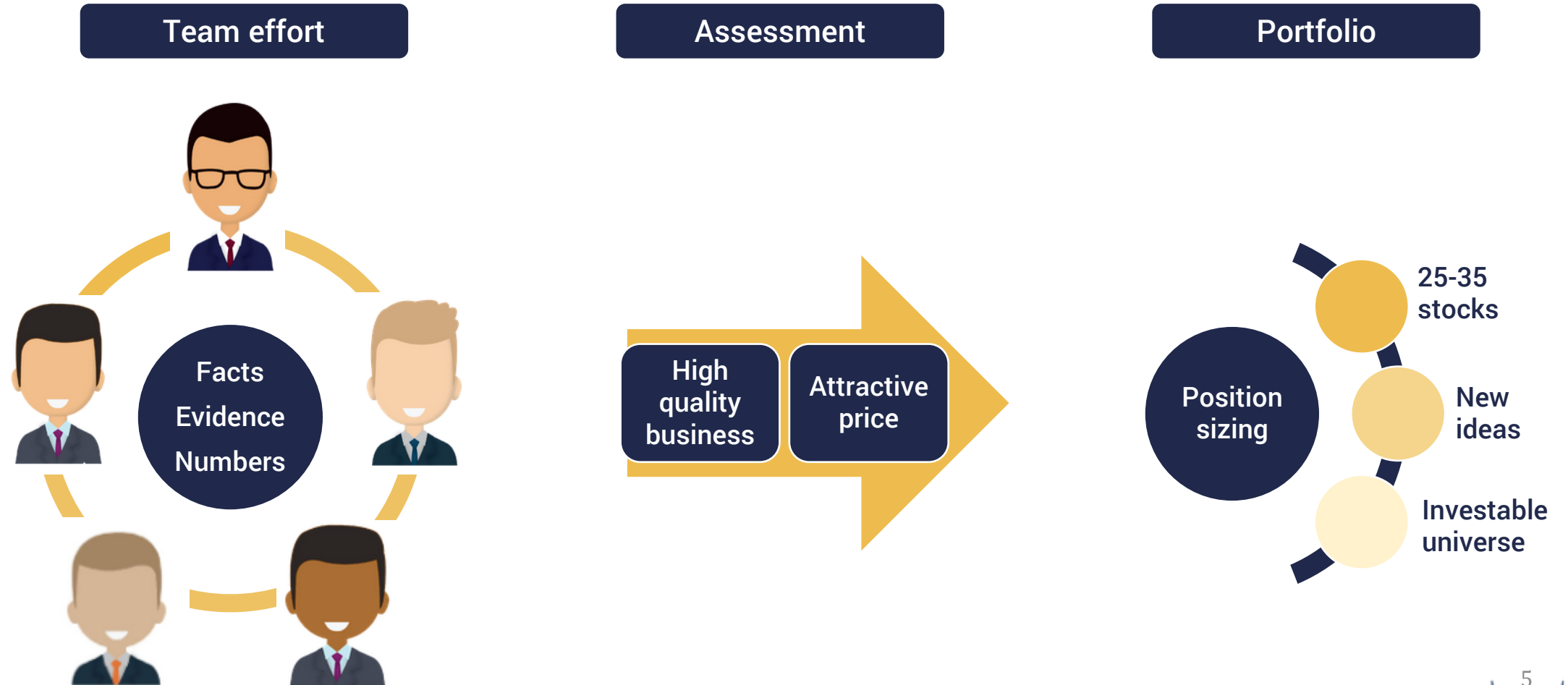
- Long-only global equity
- High conviction portfolio of 25-35 global companies
- Current focus on developed markets
- Large-cap with average market capitalisation over £100bn
- Strategy AUM \$1.4bn
- UK OEIC – LF Blue Whale Growth, AUM £960m, launched in September 2017, RSMR-rated
- ICAV (UCITS) – Blue Whale Growth, AUM \$155m, launched in September 2020

Source: Blue Whale Capital LLP, data as at 28/02/22

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Blue Whale in action – in an idea meritocracy



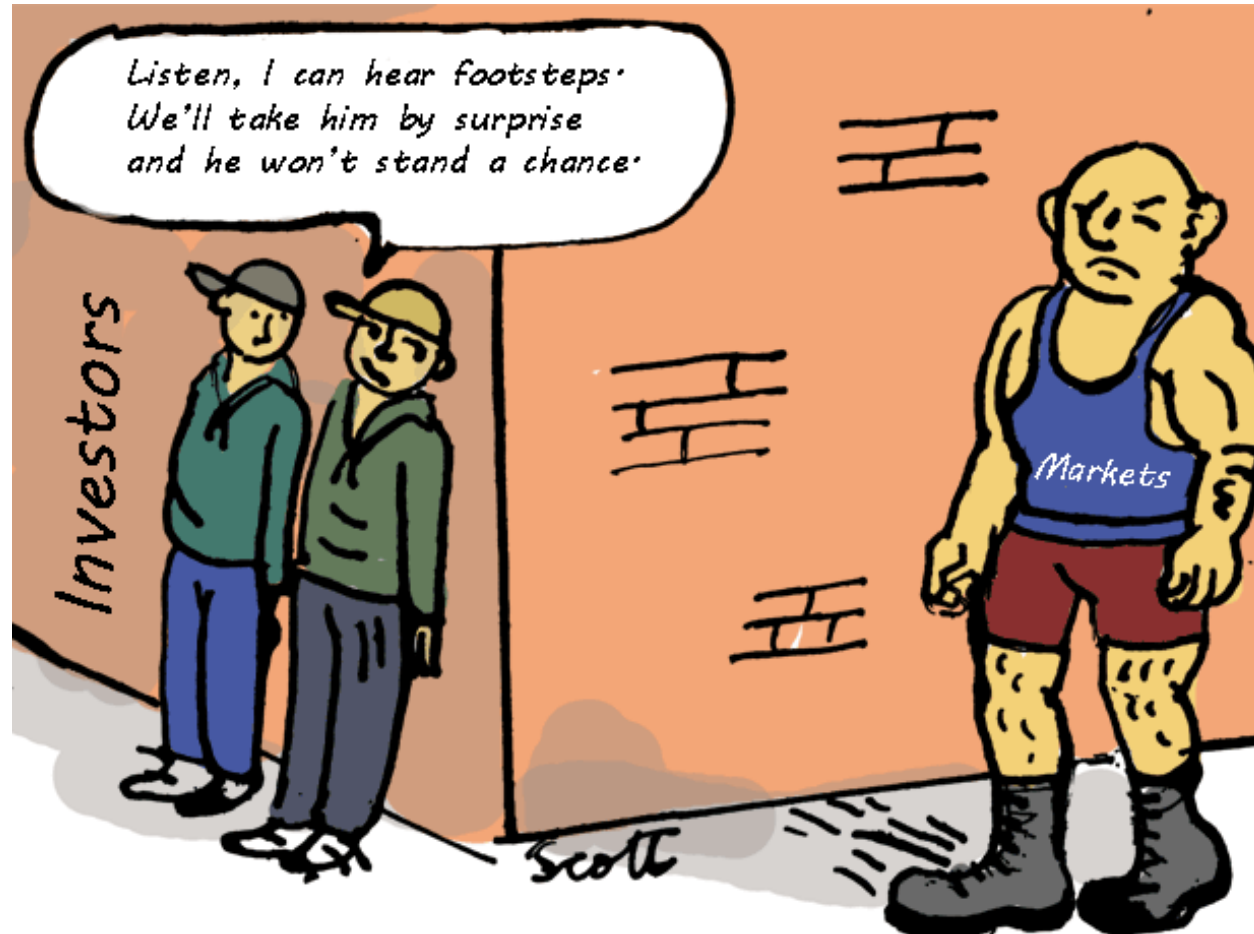
Sell side/broker research



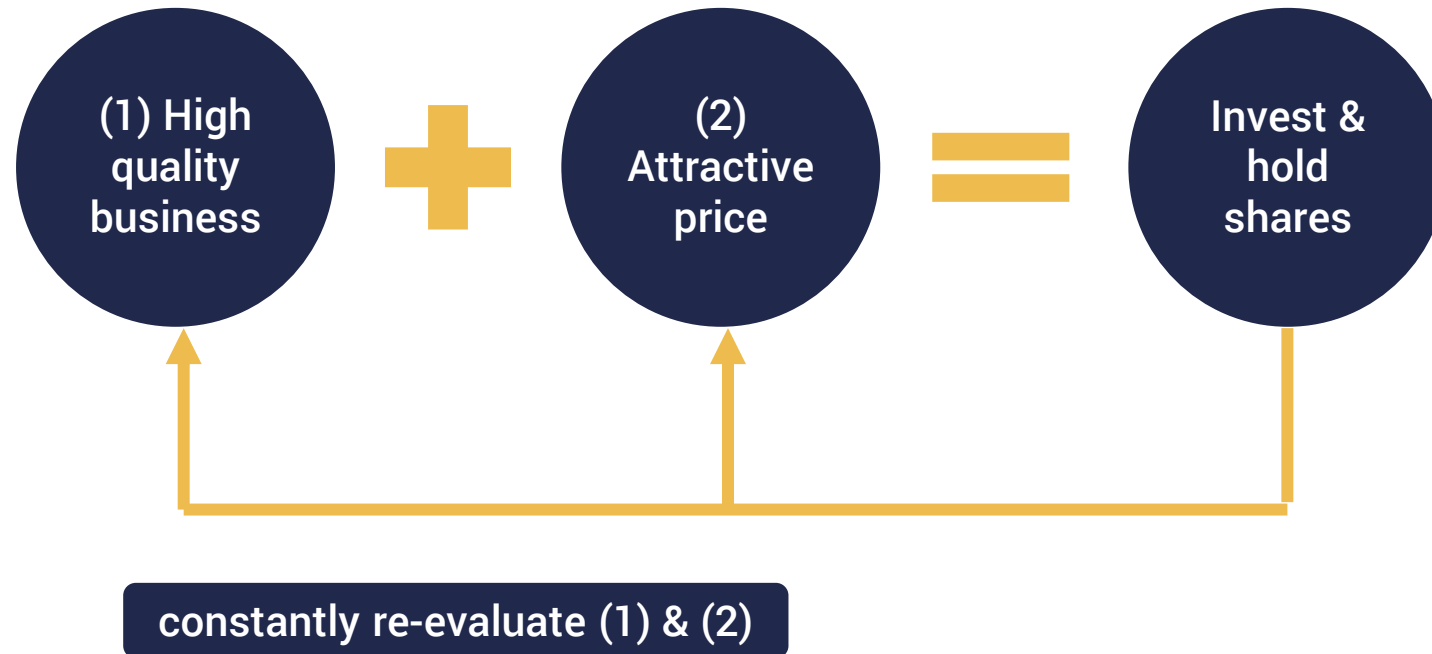
Headline valuation ratios



Increasing market efficiency



Investment process – significant outperformance focused





Company research – primary sources based



A high quality business –

Competitive Positioning

has a strong and/or strengthening competitive position to earn high ROIC

Risk of Disruption

has a business model and growth strategy that cannot easily be disrupted

Growth

can grow significantly over time by reinvesting at high incremental ROIC

Macro-sensitivity

is resilient across economic cycles

Balance Sheet

has a manageable capital structure and does not rely on leverage

Management Team

has a knowledgeable, highly effective and motivated management team



An attractive price means –

1. Earnings revisions upside – margin of safety

- 🔍 Build financial model on deep understanding of the business and its prospects
- 🔍 Conservative assumptions on macro uncertainties
- 🔍 In-house forecast is materially ahead of sell-side consensus over the medium term

2. Re-rating potential and/or low risk of de-rating

- 🔍 Attractive valuation multiples relative to market, its peers and history
- 🔍 Attractive SOTP valuation

What drives turnover?

1. Company at risk of seeing disruptions in their business model/a decline in ROIC
2. Valuation is no longer attractive due to
 - ▣ New fundamental information – where we update our forecasts
 - ▣ Market caught up with our expectations, where our forecasts ended up behind the consensus
3. A more attractive investment opportunity arises



Beyond macro uncertainties – valuation focused

2021

- Covid-led recovery/inflation
- Supply chain/labour issues
- Government stimulus
- China’s “common prosperity”
- Delta to Omicron
- Brexit 4.0
- etc.

2020

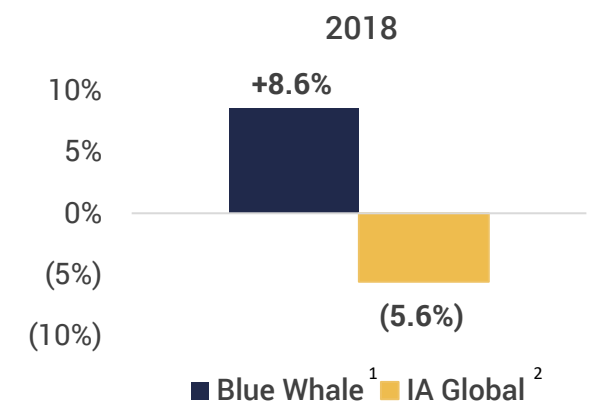
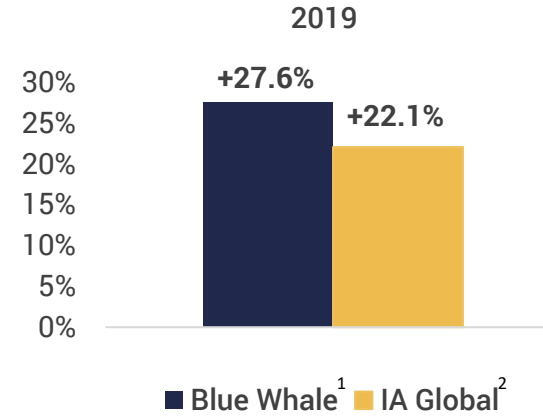
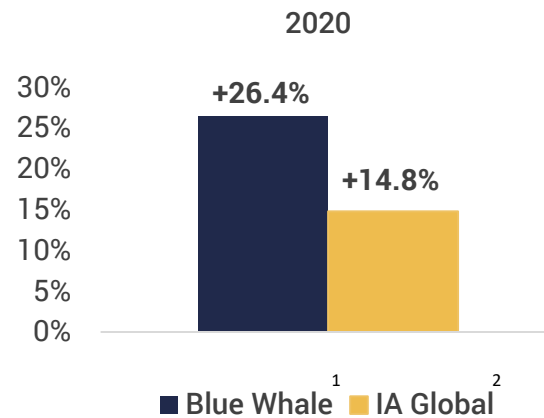
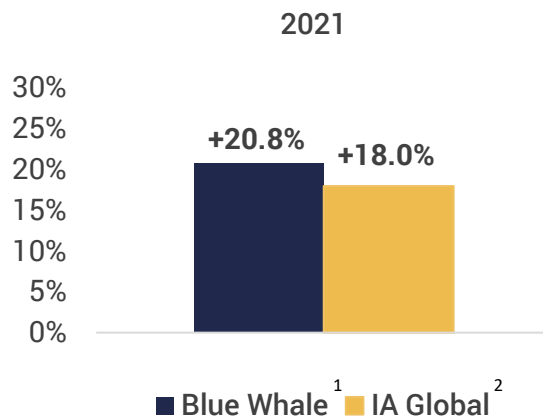
- Covid-led economic recession
- Banks loan loss provisions
- US presidential election
- Cold war – US vs. China
- EM dollar debt crisis
- Brexit 3.0
- etc.

2019

- Trump’s trade tariff 2.0
- China slowing down
- US presidential election cycle
- Hong Kong protests
- Argentina crisis
- Brexit 2.0
- etc.

2018

- Trump’s trade tariff 1.0
- China slowing down
- Italian election
- Turkish crisis
- Fed raising rates
- Brexit 1.0
- etc.

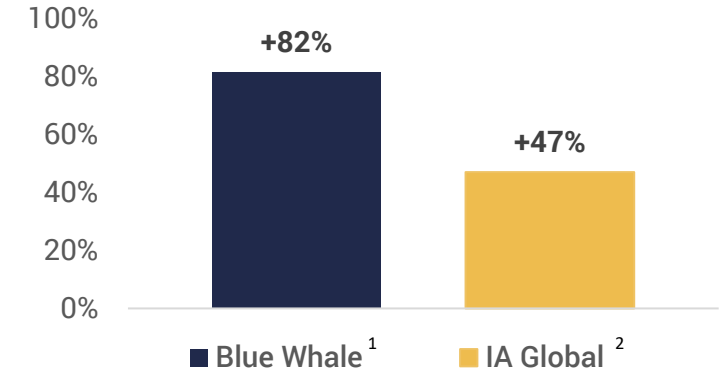


Past performance is not a guide to future performance.

¹LF Blue Whale Growth I class Acc shares, net of fees priced at midday UK time, source: Bloomberg. ²IA Global Sector average, source: Blue Whale Capital. Data as at 31/12/17 to 31/12/21
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Performance since launch – LF Blue Whale Growth

- Net annualised return at +14.3%¹ vs. IA Global average at +9.0%²



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017									+0.3%	+4.6%	(2.4%)	+0.4%	+2.8%
2018	+3.3%	+1.4%	(5.5%)	+5.7%	+5.9%	+2.2%	+1.2%	+7.1%	(0.2%)	(8.7%)	+3.9%	(6.6%)	+8.6%
2019	+5.7%	+3.4%	+3.2%	+6.5%	+1.2%	+2.7%	+6.5%	(2.6%)	(3.0%)	(2.9%)	+4.9%	(0.4%)	+27.6%
2020	+4.8%	(6.9%)	(5.6%)	+11.5%	+8.7%	+3.0%	+0.9%	+6.4%	(0.3%)	(4.8%)	+5.5%	+2.2%	+26.4%
2021	(3.0%)	(0.1%)	+0.2%	+9.5%	(3.5%)	+8.0%	+2.8%	+4.3%	(3.1%)	+2.8%	+4.3%	(2.0%)	+20.8%
2022	(14.2%)	(2.7%)											(16.5%)

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Q&A

- Visit us at M45-46
- Follow us on twitter @BlueWhaleCap @StephenYiu
- Enter our prize draw here (today only)

Thank You!



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