

Latitude Horizon Fund



THE OBJECTIVE OF THE LATITUDE HORIZON FUND IS TO DELIVER CAPITAL APPRECIATION OVER THE LONG TERM BY HOLDING A CONCENTRATED PORTFOLIO OF STOCKS, WHILST LOWERING THE EQUITY RISK AND ENHANCING RETURN THROUGH A SELECTION OF NON-EQUITY INVESTMENTS.

April Commentary

Economists know the price of everything and the value of very little. *Macroeconomists* are particularly guilty. Over recent decades very little has been done to address the fundamental failings of those wishing to predict the direction of market cycles, and shifts in GDP across the world. Accuracy still eludes them. Huge progress, however, has been made in the field of *microeconomics*, with no greater example than that of *behavioural finance*.

This study of individual agents within an economy (consumers or CEOs for example) provides great insight into how incentives alter outcomes at an aggregate level. Irrational biases exist in human action, and can be exploited.

Big brands, for example, have poured billions into advertising to drive customers to purchase goods with high *perceived* value as opposed to *demonstrable* value. Our holdings in Unilever and Shiseido are obvious examples of where consumers happily pay a premium price for a branded product when a cheaper product of similar quality may exist elsewhere. Should they?

The bear's argument suggests that this irrational decision making will end, and brands will suffer. The network effect from global distribution platforms such as Amazon, combined with the

accessibility of advertising platforms such as Facebook, have lowered barriers to entry to threatening levels.

I disagree. Brands are a hack on choice; a route to curation in a world awash with busy people not wanting to make tiny decisions. Buying brands *is* rational.

Businesses may be under threat from *new brands*, as they always have been, but not an entirely new business model.

Amazon is a phenomenal brand, and I may buy their batteries as a result. I still won't buy their toothpaste, or beer, or face cream. Start up brands such as Meantime beer and Fever-Tree will chip away at larger businesses' portfolios but are being bought faster than new entrants are being created. Unilever has faced similar threats for 90 years and on 18x PE with nearly 10% annual earnings growth I believe the shares still offer compelling value.

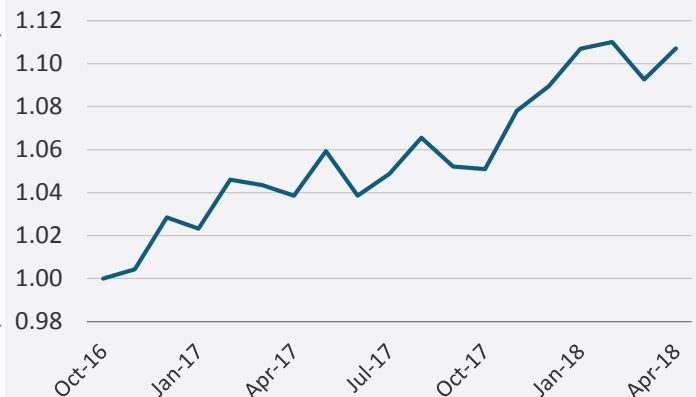
The incidental beneficiaries in this story may be the supermarkets (like Tesco) who still dominate distribution of food and most household products. With increasing dependency from branded goods companies and an ability to drive private label products, the spread between Unilever's 18% margin and Tesco's 3% may begin to narrow. Owning both appears the most rational decision to us.

Strategy Track Record¹



Source: Odey Asset Management LLP, Latitude Investment Management LLP

Latitude Horizon Fund Performance



Rolling Performance

| Performance to 30-Apr-18 | 5 year ¹ | 3 year ¹ | 1 year | Latitude Horizon Fund Since Launch | 1 month |
|------------------------------------|---------------------|---------------------|--------|------------------------------------|---------|
| Latitude Horizon Fund ¹ | 41% | 19% | 7% | 11% | 1.3% |

¹ Rolling performance data includes both strategy track record at Odey and Latitude Horizon Fund data since launch. Since launch data only includes Latitude Horizon Fund performance data. ¹ Please see disclaimer for further information. The Latitude Horizon Fund performance data is for the GBP Inc and Acc share classes.

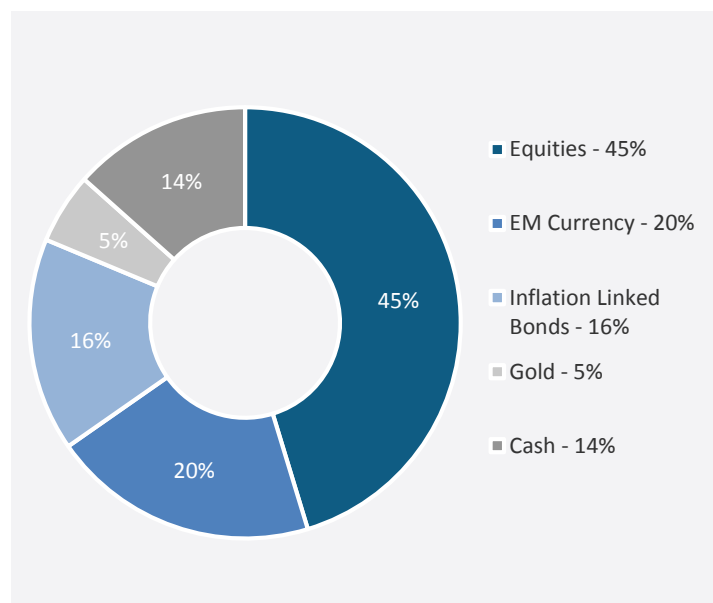
Latitude Horizon Fund



Top 10 Equity Holdings

| Stock | Percentage |
|---------------------|--------------|
| Tesco | 3.2% |
| Unilever | 3.2% |
| Orange | 3.2% |
| Bank of America | 3.0% |
| Royal Mail | 3.0% |
| Imperial Brands | 2.8% |
| Visa | 2.8% |
| Sony | 2.8% |
| Shiseido | 2.6% |
| Advance Auto Parts | 2.6% |
| Total Top 10 | 29.1% |

Asset Allocation – April 2018



Key Fund Information

| | |
|--|--|
| Fund Launch Date | 1st November 2016 |
| Fund Manager | Freddie Lait |
| Legal Structure | Irish Domiciled UCITS V Fund - ICAV |
| Regulator | Central Bank of Ireland |
| Base Currency | Sterling |
| Regional Exposure | Global, primarily developed markets |
| Benchmark | The fund is not benchmarked |
| Share Classes | £ - A/I IE00BDC7CZ89 / IE00BD37NY30 \$ - A/I IE00BD37NZ47 / IE00BDC7JY67 € - A/I IE00BDC7CX65 / IE00BDC7CW58 |
| Management Fee | 1% per annum |
| Performance Fee | 0% |
| Dealing | Daily |
| Administrator | SEI Investments – Global Fund Services |
| Custodian | SEI Investments Trustee and Custodial Services (Ireland) |
| Auditors | PriceWaterhouseCoopers |
| Legal Council | Matheson |
| Firm Compliance | Optima Partners |
| Primary Platforms (Full list available upon request) | Cofunds FNZ Hargreaves Lansdown Interactive Investor Raymond James Transact |
| Contact Details | Alex Robins alex.robins@latitudeim.com +44 (0)207 087 9275 |

Latitude Horizon Fund



Strategy's Previous Track Record¹ - This is a composite of Freddie Lait's performance in long-only global absolute return portfolios principally the Odey Atlas Fund ("Atlas") he managed from 19 October 2012 to 31 October 2016 during his time at Odey Asset Management LLP ("Odey") and Latitude Horizon Fund performance data since launch 1 November 2016. The information above and below is for information purposes, only the Latitude Horizon Fund is being offered for investment. Performance above is for the I share class, net of fees and other charges. Past performance does not guarantee future results and the value of all investments and the income derived therefrom can decrease as well as increase. Investments that have an exposure to currencies other than the base currency of the strategy may be subject to exchange rate fluctuations. The data above and below reflects the reinvestment of all interest and dividends received. The new Latitude Horizon Fund is a long only UCITS fund managed with similar investment guidelines, using the same investment process and subject to similar fees and charges. For full details always refer to the prospectus. While every effort will be made to manage the Latitude Horizon Fund in the same manner there is no guarantee that there will be similar performance. Note that Atlas Fund changed from a long only UCITS fund to a long-short UCITS fund on 23 April 2014. In order to show a consistent long term track record for Freddie Lait which is a more accurate representation of how the Latitude Horizon Fund will be managed, the performance of Atlas in the chart above from 23 April 2014 to 31st October 2016 is a carve-out of his actual long only portfolio over this period, which includes his long only equity and non-equity positions, rebased to cancel out any effects from leverage. Further details on the carve-out are available upon request.

Please seek advice from your regulated Investment Advisor, before making any investment decisions. Past performance is not a guide to future performance and may not be repeated, the value of an investment may go down as well as up and you may not get back the total value of your investment. Foreign currencies denominated investments are subject to fluctuations in exchange rates that could have a positive or adverse effect on the investor's return. This product may put your capital at risk. This is an Undertaking for Collective Investment in Transferable Securities (UCITS) regulated by Central Bank of Ireland (CBI). The information herein was obtained from various sources. We do not guarantee its accuracy. This information is for your private information and is for discussion purposes only. A variety of market factors and assumptions may affect this analysis, and this analysis does not reflect all possible loss scenarios. There is no certainty that the parameters and assumptions used in this analysis can be duplicated with actual investments. Unless otherwise stated, any pricing information in this presentation is indicative only and is subject to change. Prior to undertaking any investment, you should discuss with your professional tax, accounting or other adviser how such a particular investment(s) affect you and whether it is suitable. All analysis (whether in respect of tax, accounting, law or of any other nature), should be treated as illustrative only and not relied upon as accurate. This document is being made available by Latitude Investment Management LLP who are Authorised and Regulated by the Financial Conduct Authority under registration number 774437. Latitude Horizon Fund, a sub-fund of DMS UCITS Platform ICAV (An Irish collective asset-management vehicle constituted as an umbrella fund with segregated liability between sub-funds with registration number C141639 and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities). Regulations 2011 (as amended). Management Company provided by DMS Investment Management Services (Europe) Limited.

Representative and Paying Agent in Switzerland: The representative and paying agent in Switzerland is BNP Paribas Securities Services, Paris, Succursale de Zurich, Selnaustrasse 16, 8022 Zurich, Switzerland. Place where the relevant documents may be obtained: The Prospectus, the key investor information documents, the instrument of incorporation as well as the annual and half-yearly reports may be obtained free of charge from the representative in Switzerland. Place of Performance And Jurisdiction: Both the place of performance and the place of jurisdiction for Shares in the Fund offered or distributed in or from Switzerland shall be the seat of the Swiss representative. In Switzerland, the distribution of the Fund is restricted to Qualified Investors only.

For Hong Kong investors: You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This document and its contents have not been reviewed by any regulatory authority in Hong Kong.

Latitude Horizon fund data source - Latitude Investment Management LLP and external published sources.