

HANSON SUSTAINABLE INCOME FUND



A Sub-Fund of Ledbury SICAV PLC

CLASS B ACCUMULATION & DISTRIBUTION SHARES REPORT

APRIL 2021

TOP 10 HOLDINGS

BP	5.38%	AT&T	3.52%
SMURFIT KAPPA GROUP	5.06%	PHOENIX GROUP	3.35%
VODAFONE GROUP	4.79%	INTERMEDIATE CAPITAL GROUP	3.28%
PEPSICO	3.90%	UNILEVER	3.26%
GENESIS ENERGY	3.87%	BIG YELLOW GROUP	3.25%

DIVIDENDS PER SHARE

Source: Praxis Fund Services (Malta) Ltd

Dividends paid in 2020	Dividends paid in 2019	Dividends paid in 2018	Dividends paid in 2017
GB£ B Dis £3.2038	GB£ B Dis £4.1693	GB£ B Dis £4.1964	GB£ B Dis £4.4463
US\$ B Dis \$3.1759	US\$ B Dis \$4.1094	US\$ B Dis \$4.3248	US\$ B Dis \$1.8567
EU€ B Dis €3.3775	EU€ B Dis €4.4795	EU€ B Dis €1.1487	

PERFORMANCE 2021

Source: Praxis Fund Services (Malta) Ltd

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Class B GB£ Accumulation	-0.56%	-0.31%	2.89%	1.61%									3.63%
Class B US\$ Accumulation	-0.20%	1.80%	2.00%	2.42%									6.14%
Class B Euro Accumulation	0.72%	1.36%	5.00%	-0.43%									6.75%

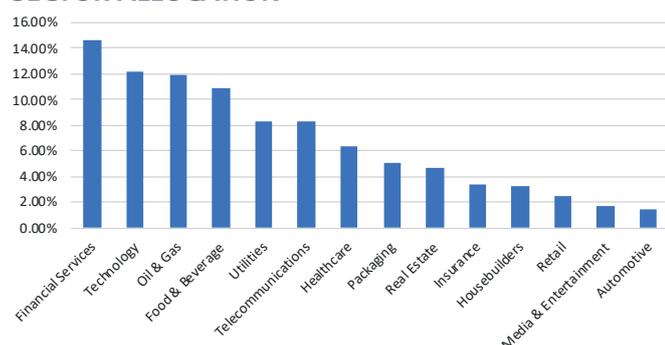
PAST PERFORMANCE

	2017	2018	2019	2020
Class B GB£ Accumulation	0.43%	-9.46%	17.76%	-16.68%
Class B US\$ Accumulation	16.25%	-14.48%	21.84%	-11.71%
Class B Euro Accumulation	2.48%	-10.92%	25.40%	-19.08%

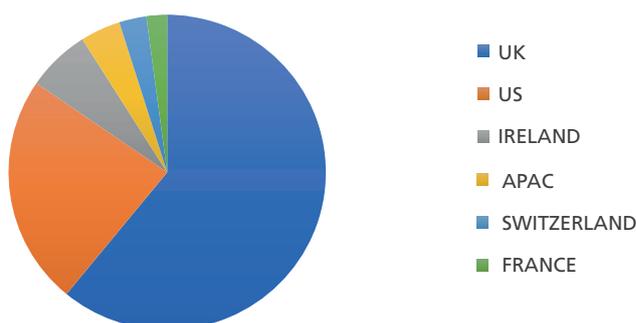
HANSON INCOME FUND ORDINARY CLASS B SHARE PRICES

GB£ Accumulation Shares MT7000017661 £92.47	US\$ Accumulation Shares MT7000017687 \$114.52	Euro Accumulation Shares MT7000017679 €100.06
GB£ Distribution Shares MT7000017695 £83.57	US\$ Distribution Shares MT7000017711 \$90.19	Euro Distribution Shares MT7000017703 €90.21

SECTOR ALLOCATION



GEOGRAPHICAL EXPOSURE



FUND FACTS

- MALTESE UCITS V
- WEEKLY DEALING
- INCOME FUND
- TARGETED INCOME 4% P/A
- INCOME PAID TWICE YEARLY
- BOTH DISTRIBUTION AND ACCUMULATION UNITS
- WIDELY ACCEPTED BY BOND PROVIDERS, OTHER TAX WRAPPERS AND INVESTMENT PLATFORMS
- £/\$/EURO SHARE CLASSES

THE MANAGER

Arlington Capital Ltd is authorised regulated by the FCA. Arlington is an asset management firm focused on wealth preservation and income generating strategies across asset classes. The business was founded in 2017 after Hanson Asset Management demerged, with the family office and principal investment businesses transferring to Arlington.

Arlington is a professional family office advisor and asset manager with in-depth market knowledge specialising in defensive, income yielding investment strategies and we also undertake advisory work for family offices or family backed corporations and institutions. Each member of Arlington's senior team has built and exited businesses in their chosen fields and have come together to create an exciting advisory and investment platform.

INVESTMENT OBJECTIVES

The Hanson Sustainable Income Fund is an actively managed and diversified equity portfolio. The aim is to produce a targeted income of 4% pa, paid twice yearly, together with capital growth. The fund intends to invest primarily in attractively valued dividend paying UK companies, with the balance invested internationally. The fund will target outperformance by owning shares that should grow dividends faster than inflation.

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FUND MANAGER COMMENTARY

During April markets continued their rally and the fund's NAV rose with the market. The Sterling Accumulation units rose by 1.6% with the US Dollar share classes doing slightly better due to continued Sterling strength and the Euro classes were down slightly as the Euro strengthened against the pound.

Evidence emerged during April that the UK was close to achieving herd immunity to Covid 19. This was based on ONS figures and vaccination data. Imperial College believe that the link between Covid cases and deaths has now been broken, with infections slumping rapidly across the country. Whilst Professor Karl Friston of UCL told The Telegraph, "When factoring in the estimated efficacy of vaccination in terms of sterilising immunity, this according to the model means about 70% of the population are immune."

In company news, shares in BP reacted positively to their results which promised share buybacks after the energy giant slashed its debt pile. BP reported a replacement profit for the first quarter of 2021 of USD 3.33bn swinging from a loss of USD 628m a year ago. The crucial question going forward for the stock is what returns will BP be able to achieve from its growing portfolio of green energy investments, but in the meantime we are paid a dividend yield of 5% to hold the stock which we are very comfortable with.

AT&T released its first-quarter results, which were ahead of market expectations. It was overall a positive result, with revenues beating expectations by 3.0% to hit US\$44b. AT&T also reported a statutory profit of US\$1.04 bn, which was an impressive 89% above what the analysts had forecast.

Jamie Dimon, chairman and chief executive of JP Morgan, raised the prospect of "extremely robust, multi-year growth" across the United States after the country's largest bank exceeded market expectations. JP Morgan, widely seen as a bellwether for the entire US economy, reported a 14% rise in revenue whilst net income rose by 399%, which Dimon attributed in part to the "rapidly improving economy".

Smurfit Kappa Group said its earnings grew 6% to EUR2.27 billion in the first three months of the year. Tony Smurfit said that "The first quarter was remarkable in many ways. We had strong corrugated volume growth in practically every area and all markets in which we operate. With unprecedented industry wide shortages of supply and input cost pressures, paper prices have moved up sharply. We are recovering these input costs in line with our expectations."

Newish holding St. James's Place reported that funds under management and inflows rose in the first quarter as the wealth manager's clients increased

their investments and sought its advice. It reported net inflows of £2.9 billion. Over recent quarters, the investment adviser has noted rising demand for its wealth management services as more people seek help with their finances and with retirement planning, with government stimulus during the pandemic delivering a further boost. That represents a turnaround from the avalanche of withdrawals during the first wave of Covid-19, which were sparked by concerns about the global economy.

Paychex Inc announced solid results, Martin Mucci, President and Chief Executive Officer, commented, "Client retention remains strong and at record levels, and our results for the third quarter show that our resilient business model has helped us navigate the uncertainties created by COVID-19. We continue to see progress in our key indicators and remain committed to providing our clients the flexibility, technology, and resources they need to respond and adapt to the uncertainties of the COVID-19 environment."

Fund Manager, Polar Capital Holdings, reported a double digit rise in asset under management over its recently-ended financial year, driven by strong net inflows and market movements. As at March 31 assets under management stood at GBP20.86 bn, up 71% from April 1, 2020. "Fund performance across our fund range in the current calendar year is resilient with 57% of our funds outperforming benchmark calendar year to date," said Chief Executive Gavin Rochussen.

Unilever continued its progress and announced that in 2021 they are confident in being able to deliver underlying sales growth within our multi-year framework of 3% to 5%, with the first half around the top of this range. This is driven by Unilever's Foods & Refreshment arm achieving underlying sales growth of 9.8%, while Home Care reported sales growth of 5.9% and Beauty & Personal Care growth of 2.3%.

In brief company news, activist investor Elliot Management has taken a multi-billion-pound stake in pharmaceutical giant GlaxoSmithKline PLC. Lookers PLC – issues second upgrade to profits in two months. The chain of car dealerships expects to report underlying profit before tax of about GBP10 million for 2020, up from GBP4.2 million in 2019, this is compared to previous analyst consensus of a small loss. New holding hedge fund manager Man Group said on Friday it saw a rise in funds under management in the first quarter, driven by investment gains and net fund inflows.

PepsiCo Inc reported a sharp rise in income in the first quarter and guided for further growth in the second quarter on vaccination efforts expected to boost the food and beverages industry, especially when people start to travel again.



EDWARD COLLINS - FUND MANAGER

Edward was the co-fund manager at its launch and is a Co-founder of Arlington Capital. Edward has nearly 20 years' experience of investing in financial markets. Previously Edward has been the CEO and member of the global investment committee of the global sustainable private equity group Earth Capital, joint managing director of Hanson Asset Management and Chief Investment Officer of Hanson Family Holdings. He started his investment management career as a fund manager at New Star Asset Management. In 2004 the Fund he managed with Patrick Evershed won the Lipper Citywire All Stars Fund Manager of the Year award for the best performing fund in the UK All Companies Sector. He has also managed growth and income mandates investing in large and mid-cap UK listed companies. Edward studied Politics at the University of Durham.



PATRICK TEROERDE - FUND MANAGER

Patrick has been the co-fund manager since its launch and is the Managing Director of Arlington Capital. Patrick has been investing in markets for over 20 years. He was previously also a co-founder and joint Managing Director of Hanson Asset Management and the Investment Director of Adurion Capital, a multi strategy investment office where he developed income strategies using equities, debt and real estate. Patrick started his business career in investment banking before moving into private equity at Lazard. Patrick read economics and business administration at EBS University for Business & Law in Germany, the Ecole Supérieure de Commerce in Dijon, France and the Graduate School for Business and Management at Pepperdine University in Malibu, California.

HANSON SUSTAINABLE INCOME FUND INVESTMENT COMMITTEE: Edward Collins, Karl Micallef, Tom Wight.

SALES SUPPORT: funds@hansonincomefund.co.uk Administrator-Praxis Malta: +356 2546 8000.

The Prospectus and KIIDs are available in English from your financial advisor or the administrator.

IMPORTANT INFORMATION: This fund is intended as a medium to long term investment. The value of investments, and any income from them, can go down as well as up, and you may not get your money back. Any investment should be based on full details of the prospectus. The Investment Manager is Arlington Capital Limited, 6 Arlington Street, London SW1A 1RE. Registration Number: 09578016. Arlington Capital Limited is authorised and regulated by the FCA. FCA Licence Number: 810629. Authorisation: Ledbury SICAV PLC - Hanson Sustainable Income Fund is licensed and authorised by the Malta Financial Services Authority as a Collective Investment Scheme qualifying as Maltese UCITS V under license number CIS/424.

ADDITIONAL INFORMATION: The annual management charge is 2.0%. Class A has an initial charge of 5.5% (please contact sales support or the administrator for further details) and Class B has a deferred sales charge of 5.5%. There are both Distribution and Accumulation share classes for both A&B (please contact sales support or the administrator for further details). The minimum investment for all share classes is 1000 units of the denominated currency. Subscriptions must be received by 5pm (CET) Wednesday. It is intended that the Company will distribute and pay dividends in respect of Distribution Share Classes half-yearly (31 December and 30 June). However the frequency of any income payments is not guaranteed and may vary.