

## Investment Objective

The World Stars Global Equity Fund seeks to achieve its objective by investing in a concentrated selection of shares in leading global companies with enduring competitive advantages and a long runway of growth.

We select companies based on our own fundamental research, taking a long-term horizon. We do not follow benchmarks and always seek to invest in quality and value.

Quality means companies that are global leaders, have strong competitive positions and pricing power in structurally attractive and growing markets, have management teams with strong records of value creation and have robust balance sheets.

Value means buying those companies at prices that allow for the prospect of significant capital growth over 5-10 years or more.

## 5 Year World Stars Portfolio Performance, USD



## Performance Analysis

|                   | Cumulative  |             |              |              | Annualised   |              |                 |              |             |                 |
|-------------------|-------------|-------------|--------------|--------------|--------------|--------------|-----------------|--------------|-------------|-----------------|
|                   | Jul-22      | 3 Months    | 2022 YTD     | 1 Year       | 3 Year       | 5 Year       | Since Inception | 3 Year       | 5 Year      | Since Inception |
| <b>Portfolio</b>  | <b>+8.7</b> | <b>-1.1</b> | <b>-17.1</b> | <b>-14.7</b> | <b>+27.2</b> | <b>+55.2</b> | <b>+152.7</b>   | <b>+8.4</b>  | <b>+9.2</b> | <b>+9.9</b>     |
| <i>MSCI World</i> | <i>+8.0</i> | <i>-1.2</i> | <i>-13.9</i> | <i>-8.8</i>  | <i>+33.5</i> | <i>+56.4</i> | <i>+162.6</i>   | <i>+10.1</i> | <i>+9.4</i> | <i>+10.3</i>    |

### Top 5 Holdings

| Stock        | Sector                 | % of NAV |
|--------------|------------------------|----------|
| Alphabet     | Communication Services | 7.5      |
| Amazon       | Consumer Discretionary | 5.4      |
| ThermoFisher | Health Care            | 5.0      |
| Diageo       | Consumer Staples       | 4.3      |
| Adobe        | Information Technology | 4.2      |

### Strategy Performance Analysis

|                     |               |
|---------------------|---------------|
| Cash % of NAV       | 1.4%          |
| 5 Year CAGR         | +9.2%         |
| Best Month          | 10.8% Apr' 20 |
| Worst Month         | -9.3% Oct' 18 |
| Average Month       | 0.9%          |
| % Positive Months   | 66.1%         |
| 5 Year Sharpe ratio | 0.44          |

### Key Facts

|                           |         |
|---------------------------|---------|
| No. of Stocks             | 29      |
| Active share <sup>^</sup> | 87.6%   |
| Median market cap         | \$138bn |
| Dividend Yield            | 1.1%    |
| Beta                      | 0.90    |
| 12 Month turnover         | 3.2%    |
| Max Drawdown              | -27.5%  |

Performance since launch on 8<sup>th</sup> April 2019 is that of the Fund's A1 USD Share class. Prior to launch performance was that of J. Stern & Co.'s World Stars USD Strategy, which the Fund follows, based on total return (with dividends reinvested) and net of 1% fees per annum, deducted quarterly in arrears. Past performance is not a reliable indicator of future results; the value of any investment can fall as well as rise; and returns may increase or decrease as a result of currency fluctuations. Source: SS&C Technologies, Bloomberg, J. Stern & Co.

## Share Class Summary

| Share Class | NAV      | AMC   | OCF*  | Minimum   | ISIN         |
|-------------|----------|-------|-------|-----------|--------------|
| A1 Acc USD  | 1,341.18 | 0.90% | 1.20% | 1,000,000 | LU1952142120 |
| A1 Acc EUR  | 1,507.08 | 0.90% | 1.20% | 1,000,000 | LU1979603963 |
| A1 Acc GBP  | 1,312.33 | 0.90% | 1.20% | 1,000,000 | LU1979604003 |
| A1 Acc CHF  | 939.17   | 0.90% | 1.20% | 1,000,000 | LU1979604185 |
| A5 Acc USD  | 1,352.55 | 0.65% | 0.95% | 1,000,000 | LU1963577264 |
| B1 Acc USD  | 1,262.99 | 1.20% | 1.50% | 5,000     | LU1952142476 |
| B1 Acc EUR  | 1,155.20 | 1.20% | 1.50% | 5,000     | LU1979605828 |
| B1 Acc GBP  | 1,346.06 | 1.20% | 1.50% | 5,000     | LU1979606040 |

\*OCF (Ongoing Charges Figure) includes the annual management charge and aggregate operating expenses chargeable to the Fund. For more details on fees and charges, please see the Prospectus.

## World Stars Global Equity AUM

Strategy<sup>^</sup>: USD910m

Fund<sup>^</sup>: USD161m

## Portfolio Comment

Our World Stars Global Equity fund recovered strongly driven by robust second quarter results from a large number of our companies and by more balanced macroeconomic news flow.

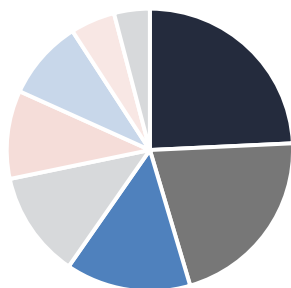
Although the US economy has entered a technical recession with its 0.9% fall in Q2 GDP, this has to be kept in perspective compared to Covid-recovery growth of approximately 6.5% through the first half of last year. Markets were reassured by the US Federal Reserve's 75 bps interest rate rise that came with a statement that it was determined to achieve a soft landing and that its policy would be data driven from meeting to meeting going forward. Inflation remains a concern but should fall significantly in 2023 with lower growth, easier comparisons, lower commodity prices and supply responses in the production of goods and in labour supply.

Of our companies reporting second quarter results so far, 80% have issued unchanged forward guidance or disclosed positive information on trading that would justify increased estimates in constant currencies for 2022. Trading results and outlook statements have been notably robust from companies focused on medium to high-end consumers including *LVMH* (+16%) and *L'Oreal* (+12%), from industrial stocks such as *Amphenol* (+20%), and in payments including *Mastercard* (+12%) which reported Q2 organic revenue growth of 26%.

We do not underestimate the challenges but we believe that the pricing power, track record of innovation and competitive strengths of our high-quality companies give them a strong platform on which to deliver continued growth in earnings and cash flow.

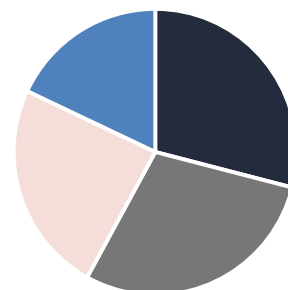
GICS Sector Allocation

- Health Care 24%
- Information Technology 21%
- Consumer Staples 14%
- Industrials 12%
- Communication Services 10%
- Consumer Discretionary 9%
- Materials 5%
- Real Estate 4%



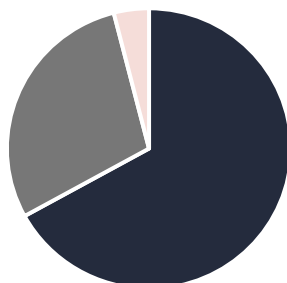
J. Stern & Co. Allocation

- Digital Transformation 29%
- Consumer 29%
- Healthcare & Life Sciences 24%
- Industrials & Infrastructure 18%



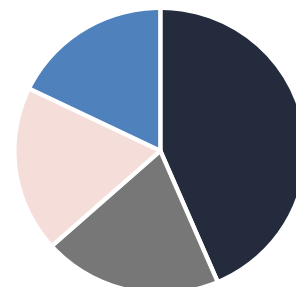
Geographic Exposure by Listing

- USA 67%
- Europe ex-UK 29%
- UK 4%



Geographic Exposure of Sales

- USA 44%
- Europe 20%
- Rest of World 19%
- Asia 18%



Monthly Performance, % Total Return, USD

|      | Jan  | Feb  | Mar  | Apr   | May  | Jun  | Jul  | Aug  | Sept | Oct   | Nov  | Dec  | YTD   | MSCI World | Excess return |
|------|------|------|------|-------|------|------|------|------|------|-------|------|------|-------|------------|---------------|
| 2012 | -    | -    | -    | -     | -    | -    | -    | -    | -    | -1.8  | +4.2 | +0.4 | +2.8  | +2.0       | +0.8          |
| 2013 | +3.3 | +5.4 | +0.8 | +1.4  | -1.1 | -2.8 | +3.3 | -2.9 | +6.2 | +4.2  | +1.7 | +1.9 | +23.1 | +27.3      | -4.2          |
| 2014 | -5.7 | +6.5 | -0.5 | +1.8  | +1.9 | +1.9 | -4.6 | +2.6 | -3.1 | -0.8  | +2.2 | -2.8 | -1.3  | +5.5       | -6.8          |
| 2015 | -0.4 | +5.3 | -2.8 | +2.8  | +1.6 | -4.2 | +2.7 | -7.8 | -4.3 | +10.0 | +0.9 | -1.3 | +1.4  | -0.3       | +1.7          |
| 2016 | -5.7 | +0.4 | +7.1 | +1.2  | +0.7 | +1.8 | +2.5 | -0.4 | +2.4 | -3.7  | -2.1 | +1.5 | +5.0  | +8.1       | -3.1          |
| 2017 | +4.7 | +3.1 | +3.5 | +3.4  | +4.4 | -1.6 | +2.5 | +0.4 | +1.1 | +4.4  | +0.3 | +1.8 | +31.8 | +23.0      | +8.8          |
| 2018 | +8.1 | -3.3 | -0.9 | +0.3  | +2.7 | +0.5 | +3.0 | +0.4 | +1.1 | -9.3  | -0.4 | -6.5 | -5.2  | -8.2       | +3.0          |
| 2019 | +5.8 | +1.9 | +4.2 | +3.2  | -4.5 | +6.1 | +1.1 | +0.4 | -0.4 | +2.5  | +2.3 | +3.1 | +28.5 | +28.4      | +0.1          |
| 2020 | +0.4 | -6.9 | -8.5 | +10.8 | +4.4 | +1.9 | +6.5 | +5.6 | -3.6 | -2.5  | +8.4 | +3.4 | +19.4 | +16.5      | +2.9          |
| 2021 | -2.0 | +0.9 | +2.7 | +7.0  | +1.4 | +2.3 | +3.2 | +2.0 | -5.3 | +4.8  | -2.1 | +3.9 | +19.7 | +22.3      | -2.6          |
| 2022 | -6.6 | -3.8 | +2.2 | -8.6  | -2.0 | -7.3 | +8.7 | -    | -    | -     | -    | -    | -17.1 | -13.9      | -3.1          |

See previous page for methodology. Past performance is not a reliable indicator of future results.

Fund Information

|                            |  |
|----------------------------|--|
| Portfolio Manager          | Christopher Rossbach                                 |
| Deputy Portfolio Manager   | Katerina Kosmopoulou, CFA                            |
| Launch Date                | 8 <sup>th</sup> April 2019                           |
| Management Company         | Waystone Management Company (Lux) SA                 |
| Administrator & Depository | RBC Investor Services Bank SA                        |
| Auditor                    | Deloitte Audit S.à.r.l.                              |
| Reference Currency         | US Dollar  |
| Dealing Day                | Every business day in Luxembourg & London            |
| NAV                        | Available by close of business day after Dealing Day |

| Share Class                 | A   | B      | L             | A5/A6   |
|-----------------------------|---|--------|---------------|---------|
| Eligibility                 | All   | Retail | Institutional | Charity |
| Minimum Investment*         | 1m  | 5k     | 25m           | 1m      |
| Management Fee              | 0.90%   | 1.20%  | 0.75%         | 0.65%   |
| OCF                         | 1.20%   | 1.50%  | 1.05%         | 0.95%   |
| Acc./ Dist.                 | Accumulation and Distribution Classes available to all                                |        |               |         |
| Currencies*                 | USD &, unhedged or hedged, EUR, CHF, & GBP  |        |               |         |
| Alternative fee structure*  | Reduced annual management fee with additional performance fee available               |        |               |         |
| Subscriptions & Redemptions | Every business day until 3pm Luxembourg time, one business day before the Dealing Day |        |               |         |

Sustainability & ESG

J. Stern & Co is a signatory to the UN PRI; a Member of the SASB Alliance; and strategically aligned to the UN's 17 Sustainable Development Goals and its ten Global Compact principles.

The World Stars Global Equity Fund is classified as an 'Article 8 Fund' under the EU's SFDR framework.



European Commission

SFDR

Signatory of:



Important Information

^ Active Share is as at 1<sup>st</sup> December 2021 and AUM is latest available at time of going to print. \* Minimum investment is stated in share class currency. Share classes currently available are set out on previous page; other classes can be made available in all currencies displayed and with alternative fee structures on request.

J. Stern & Co LLP is the Investment Manager of the J. Stern & Co. World Stars Global Equity Fund, a sub-fund of Alpha UCITS SICAV (the "Fund"), incorporated in Luxembourg as a UCITS and regulated by the CSSF. J. Stern & Co LLP is also the issuer of this factsheet. This is a marketing communication. The information provided is not a recommendation to purchase shares in the Fund, nor should it be considered as a form of investment advice or solicitation to conduct in investment business. Any decision to invest in the Fund should be based solely on the Prospectus and relevant KIID(s), which are available from our website. If you are in doubt about the suitability of this Fund you should seek advice from your investment advisor. Data is sourced from RBC Investor Services Bank SA, SS&C, Bloomberg and J. Stern & Co. and no warranty of accuracy is given. The views expressed on the date of publication are those of J. Stern & Co. and/or the actual author(s) and are subject to change without notice.

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