Asia Pacific UCITS Fund Commentary

1Q24

Longleaf Partners Funds

For Professional Investors Only

Portfolio Returns on 31/3/24 – Net of Fees

Calendar Year Total Returns (%)

Past performance does not predict future returns.

	Class I (USD)	FTSE Asia Pacific (USD)	MSCI AC Asia Pacific (USD)	Class I (GBP)	FTSE Asia Pacific (GBP)	MSCI AC Asia Pacific (GBP)
2014*	-1.30	-1.34	-1.39	NA	NA	NA
2015	-2.74	-1.10	-1.96	NA	NA	NA
2016	12.29	5.32	4.89	NA	NA	NA
2017**	37.94	30.50	31.67	7.75	8.59	8.18
2018	-21.45	-13.76	-13.52	-16.94	-8.40	-8.14
2019	18.58	18.84	19.36	14.04	14.25	14.75
2020	10.97	19.77	19.71	7.50	16.07	16.01
2021	-14.70	-0.38	-1.46	-13.77	0.54	-0.55
2022	-8.24	-16.42	-17.22	2.70	-5.89	-6.80
2023	-2.49	11.88		-7.47	5.57	

* 2014 is a partial year, from inception of 2 December 2014

** 2017 is a partial year for Class I (GBP), from inception of 15 September 2017

Additional Performance Data (%)

Past performance does not predict future returns. The following performance is additional to, and should be read only in conjunction with, the performance data presented above.

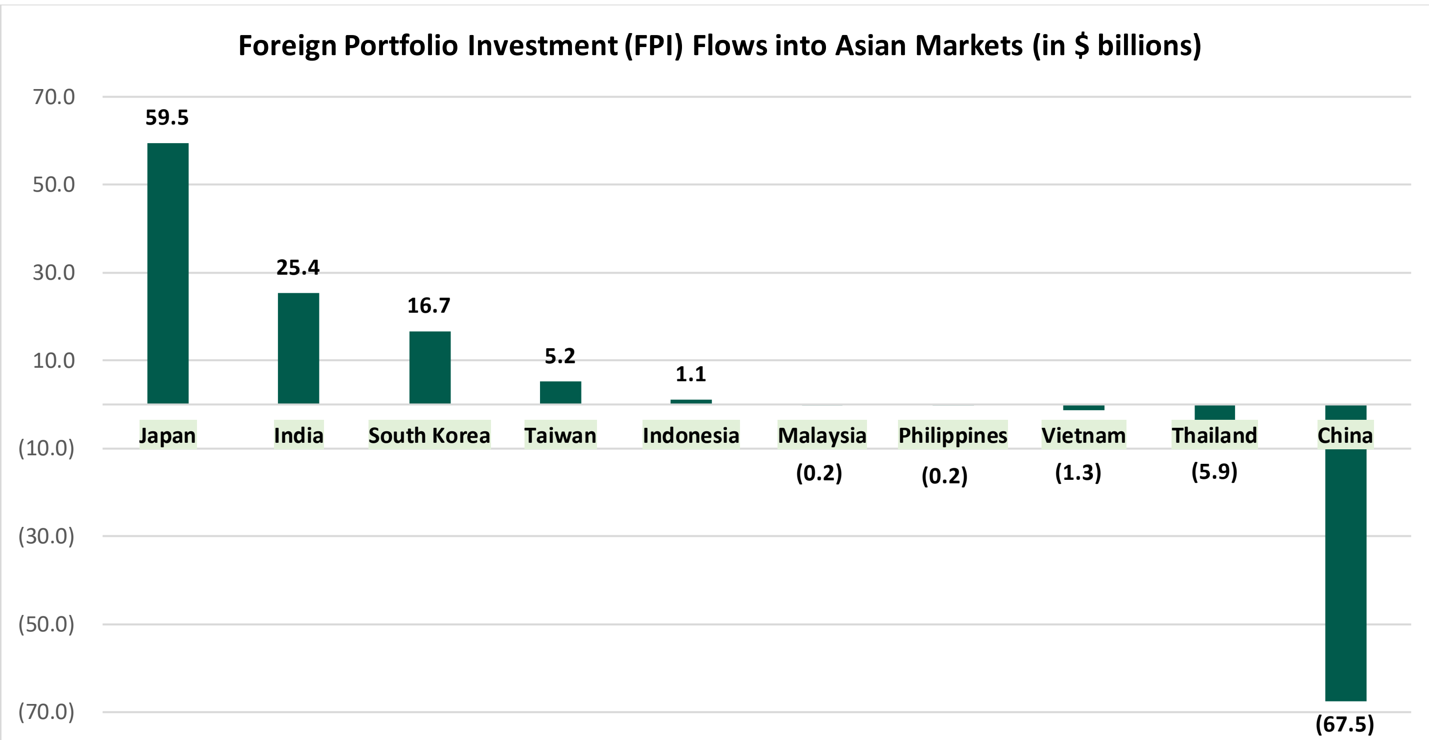
*** Corrected performance from an earlier version.

	1Q24	1 Year	3 Year	5 Year	Since Inception 2/12/2014
APAC UCITS (Class I USD) ***	4.69	-1.60	-9.58	-2.32	2.33
FTSE Asia Pacific Index	4.90	12.44	-1.64	4.92	5.23
Relative Returns	-0.21	-14.04	-7.94	-7.24	-2.90

Selected Indices	1Q24	1 Year	3 Year	5 Year
Hang Seng Index (HKD)	-2.53	-15.82	-13.79	-7.78
TOPIX Index (JPY)	18.04	41.17	15.05	14.40
TOPIX Index (USD)	9.86	23.87	3.64	7.49
MSCI Emerging Market (USD)	2.37	8.15	-5.05	2.22

Commentary

In the first quarter, the Fund generated returns of 4.69%, slightly underperformning the benchmark. Strong performance in Japan and India drove 90% of the benchmark's return, and HK and China were the biggest detractors to benchmark returns in the quarter. Japan and India have benefited from capital flows at the expense of HK and China. Despite our significant underweight to Japan (14% vs. 36% index) and our significant overweight to China plus HK (51% vs. 17% index), we essentially kept pace with the index and it was driven entirely by stock selection.



Note: data for 12 months to March except for China
Source: Bloomberg

Our 51% weighting to the China complex – Chinese companies listed in HK and the US – generated more than 100% of the returns for the quarter. While the HK/China basket within the index was down 2.74% in the quarter, our HK/China basket was up 12.5%, contributing 6.3% to the quarter's 5.9% return. The best performers in our China complex represented two types of companies, which allowed us to outperform the Hang Seng Index's -3% return in the quarter by over 15%.

Our portfolio results from bottom-up stock selection based on buying great businesses run by good people at attractive prices. Since the inception of this strategy, we have occasionally seen portfolio-level themes emerge from this bottom-up selection process. Today, we see an opportunity within a world-class group of companies that suffer from a Hong Kong listing discount and do not belong on the HK exchange as their businesses have little exposure to China. L'Occitane, Samsonite, and Techtronics contributed to positive returns, as they a) grew revenue strongly compared to peers and b) have limited exposure to China.

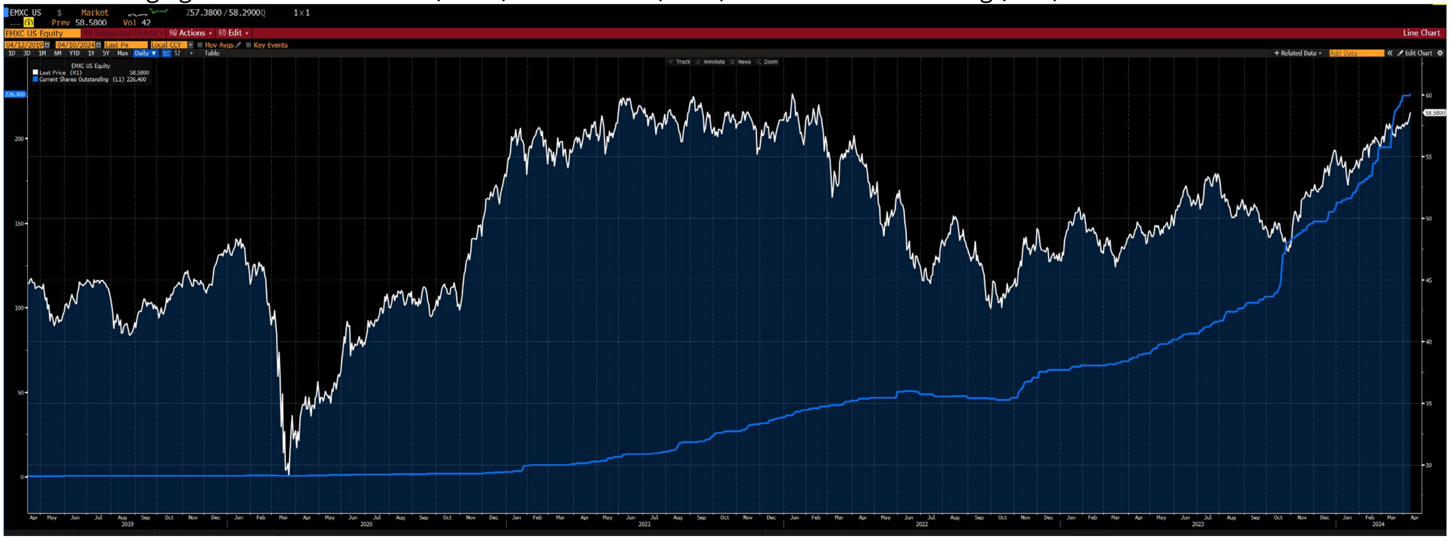
- L'Occitane is a Geneva-headquartered skincare company with its largest market in the United States. It is controlled by Reinold Geiger, an Austrian who lives in Italy. China accounts for less than 13% of sales, and China's revenues grew by 21.9% in the first nine months ending December 2023, outperforming its peers.

- HK-listed Techtronics' leading market is the United States, with Home Depot as its largest customer, accounting for 44% of its revenues. Techtronics is run by CEO Joe Galli, an American based in Florida with German controlling shareholders (Horst Pudwill), and has less than 10% revenue exposure to China. Techtronics grew revenues 10% in the second half of 2023, outperforming its peers.

- Massachusetts headquartered Samsonite, a producer and retailer of upscale luggage, grew 2023 revenues by 17.5% and earnings by 81% compared to pre-COVID 2019. Less than 8% of its revenues are from Mainland China, accounting for only 21% of Asia revenues. Samsonite's China revenues grew by over 20% in the March quarter, as travel in China accelerated during the Chinese New Year holiday.

Samsonite and L'Occitane management teams have been frustrated with their share prices and have been evaluating ways of creating shareholder value through inorganic means. Last August, L'Occitane announced that its controlling shareholder, Reinold Geiger, was contemplating privatization, and this month, the shares were halted pending a transaction announcement. Last month, Samsonite announced that they are pursuing a dual listing to seek a listing location where its intrinsic value can be better recognized. This is understandable as foreign capital has increasingly avoided China, and fund strategies that exclude China have multiplied. Last month, US lawmakers introduced four bills restricting or disincentivizing US investors from investing in China. The No China in Index Funds Act would forbid funds that track an index from holding Chinese securities starting 180 days after the bill is passed. The No Capital Gains Allowance for American Adversaries Act would subject income derived from securities in China to income tax rather than capital gains.

iShares Emerging Markets ex China ETF (EMXC): Share Price (white) and Shares Outstanding (blue)



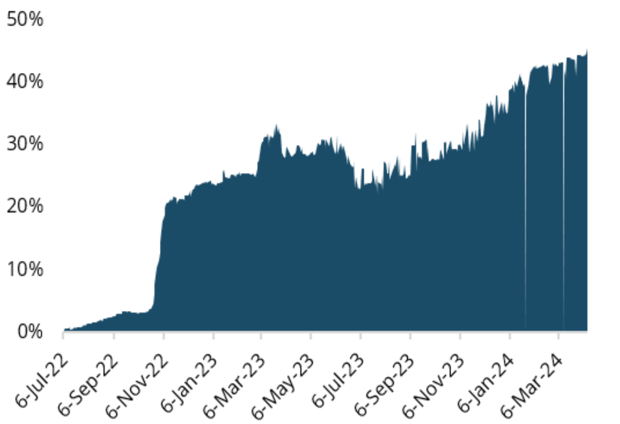
Source: Bloomberg

L'Occitane, in a recent disclosure related to granting a call option to subsidiary Sol De Janeiro's (SDJ) CEO Heela Yang, mentioned the possibility of an IPO of subsidiary SDJ. An IPO would be value accretive since SDJ is the crown jewel of L'Occitane, with operating margins more than double that of the core L'Occitane en Provence brand and revenues growing triple digits. We believe SDJ generates the majority of L'Occitane's operating profits. In both L'Occitane and Samsonite cases, their valuations are so depressed that rumors of buyout offers by private equity and alternative listing plans helped spark strong price growth during the quarter.

We are evaluating further investments in HK-listed companies that don't naturally belong in the HK stock market because most of their revenues are outside China. While many undervalued companies belong in this bucket, we are only focused on investments where we believe the owner-managers are willing and able to make inorganic moves to realize shareholder value. In the second quarter, we added to this category of world-class companies listed in HK, with limited exposure to China and growth coming from markets ex-China run by owner-managers motivated to maximize shareholder value.

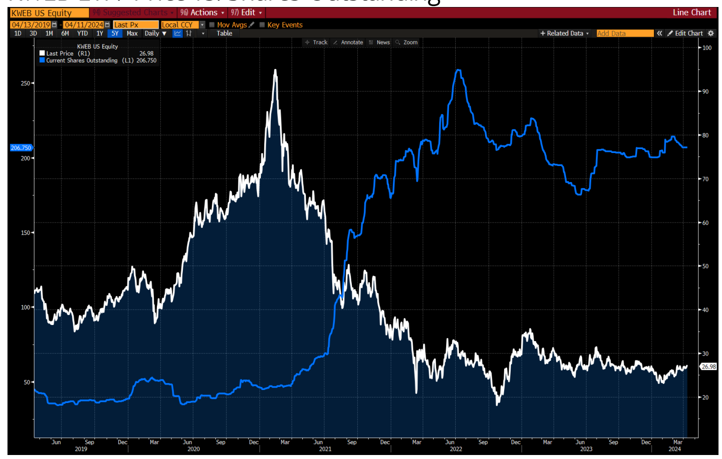
We believe that the JS Global case, where we benefited from the management's frustration with their share price and their astute decision to list SharkNinja (SN) in the US and to distribute 100% of SN to shareholders, is not unique. The SN spin-off in the US has created tremendous value for JS Global shareholders with JS Global and SN's combined market capitalization more than double what it was pre-spin-off, as the US market has recognized the high-quality growth of the business, where investors are familiar with their products as consumers.

CSOP Hang Seng Tech Index ETF Stock Connect Ownership



Source: Hong Kong Exchange

KWEB ETF: Price vs. Shares Outstanding



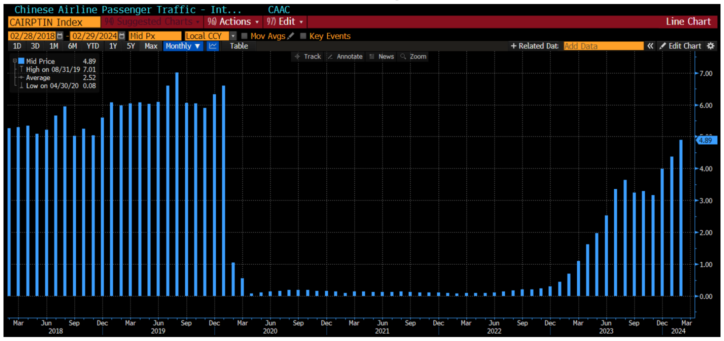
Source: Bloomberg

While many foreign investors have fled HK, local investors are taking advantage of the deeply discounted prices of HK-listed stocks. Mainland Chinese ownership of the Hang Seng Tech Index ETF has climbed to a record 45%, up from 5% in November 2022. Similarly, foreign investors hold elevated levels of the Kraneshares CSI China Internet ETF (KWEB), reflecting the deeply discounted nature of the Chinese tech platforms.

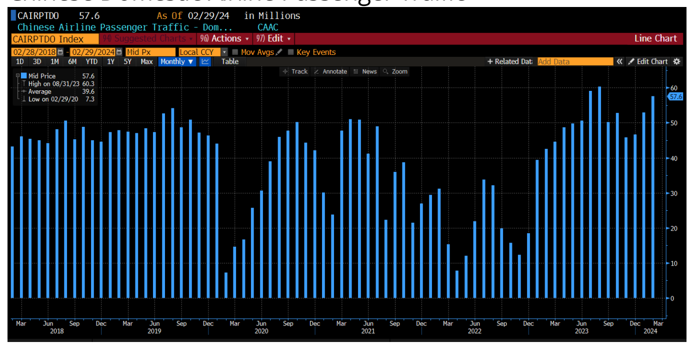
Alibaba accelerated share repurchases meaningfully in the last quarter, buying back \$4.8 billion (2.6% of the market cap). In the fiscal year that ended in March 2024, Alibaba spent \$12.5 billion on buybacks, repurchasing about 5.1% of the company. Between buybacks and dividends in the last 12 months, Alibaba yields about 8%. They have another \$31.9 billion left in their buyback authorization through March 2027, equivalent to over 15% of their market capitalization. Tencent was the largest share repurchaser on the HK stock exchange, buying \$6.3 billion last year. This year, they have meaningfully accelerated share repurchase, spending \$2.6 billion as of April 10th. We expect all three of our China tech investments – Alibaba, Baidu, and Tencent – to meaningfully increase shareholder returns as prices remain compelling.

The second theme emerging from the strong HK performers in the quarter was companies exposed to the strong recovery trends in Chinese travel and leisure. Revenge travel from three years of COVID lockdowns has been strong, and our travel and leisure investments, such as hotel group H World, online travel agency Tongcheng, and Macau casino operators MGM China, benefited from people's strong desire for experiences and travel. In contrast to other forms of consumption that petered out after the initial re-opening phase, tourism has strengthened. In addition, all three companies also benefited from market share gains.

Chinese International Airline Passenger Traffic



Chinese Domestic Airline Passenger Traffic

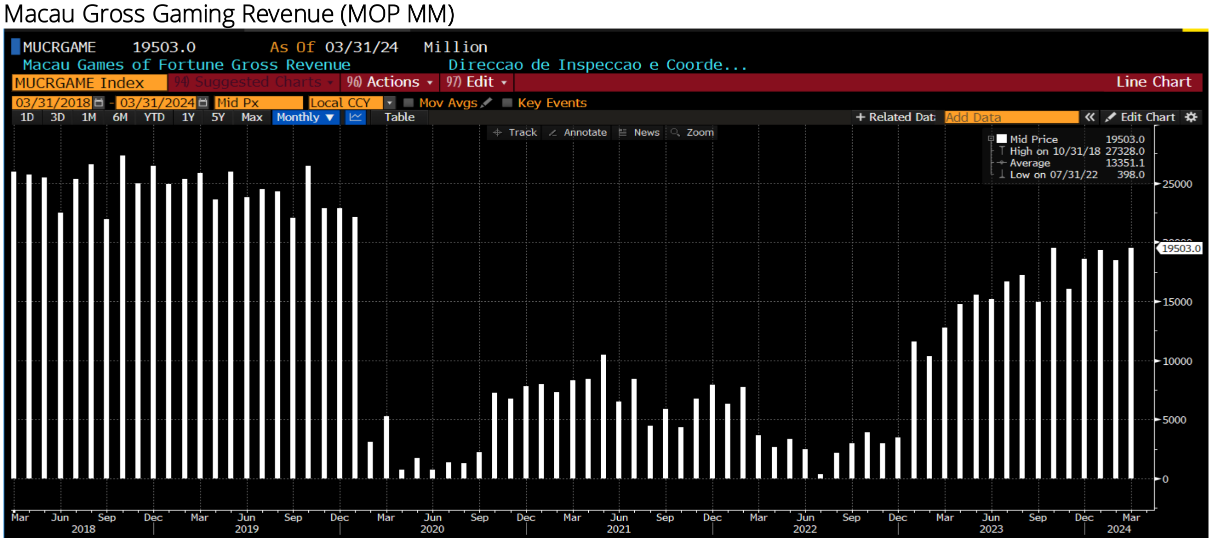


Source: Bloomberg

MGM China achieved a remarkable 20% Gross Gaming Revenue (GGR) market share in January, more than double its pre-COVID market share, and expects a mid-teens market share to be sustainable. In March, industry gross gaming revenue grew 53% year-over-year (YoY), reaching 75% of pre-COVID levels. With the junket business largely gone, the mass business recovered to roughly 110% of pre-COVID levels and hit all-time highs. MGM China is generating significantly higher EBITDA than pre-COVID, thanks to large market share gains and the successful ramp-up of MGM Cotai. It has resumed paying dividends for the first time since COVID began, reflecting management's confidence in its business prospects. Risk appetite has returned for Macau credit, even from US investors. In early April, Macau casino operator Melco Resorts issued $750 million of fixed-rate bonds due 2032, which was upsized from the initial $500 million as the bond offering was over 6x oversubscribed. Between the extension of its $1.9 billion revolving credit facility from April 2025 to April 2027 and the raising of $750 million of 8-year debt, market concerns over Melco Resorts' $1.4 billion debt repayment obligation in 2025 have been resolved.

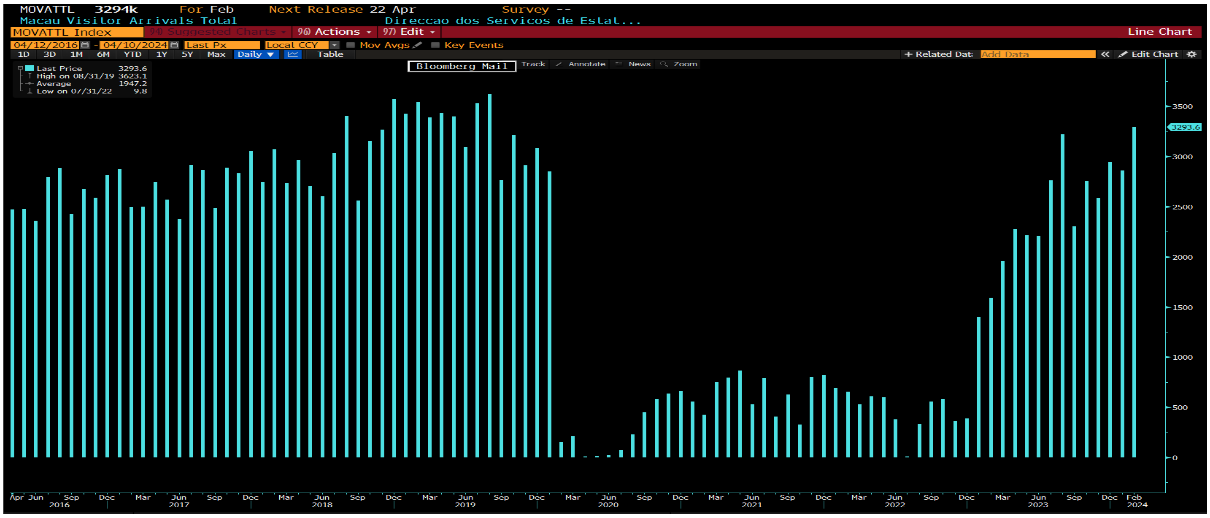
We believe the recovery in Macau is sustainable and driven by increased tourism from China, improved travel infrastructure, and increased resort & hotel room supply. It's encouraging that gaming revenues in other gaming jurisdictions like Nevada achieved record revenues in 2023, two years after reopening from COVID.

Macau Gross Gaming Revenue (MOP MM)



Source: Bloomberg

Macau Visitation has recovered to Pre-COVID Levels



Source: Bloomberg

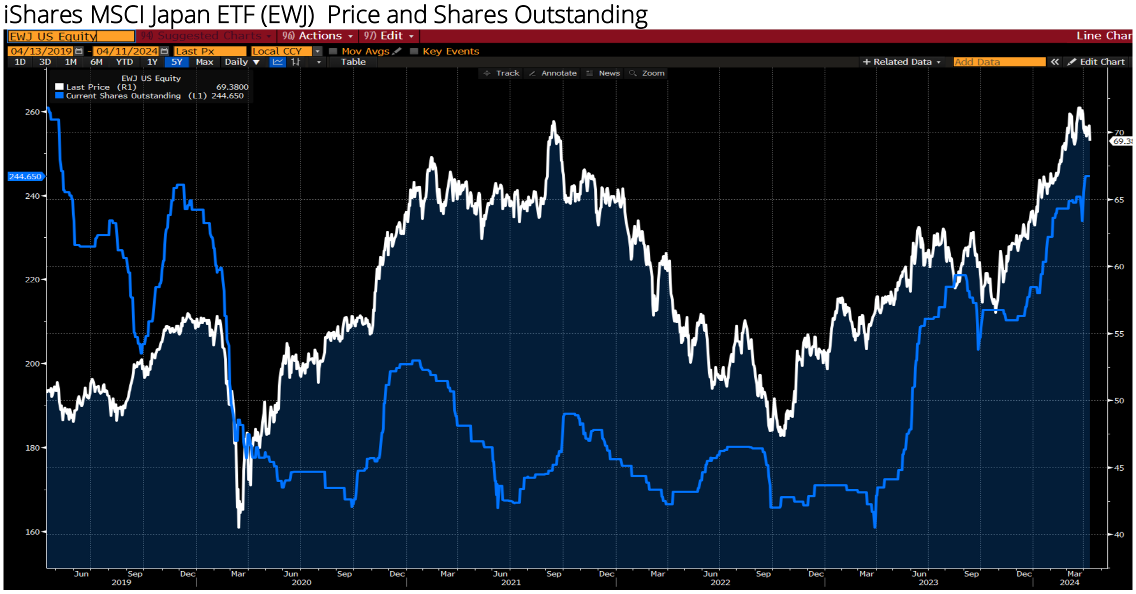
Seeing more mainland Chinese visitors in Tokyo during Chinese New Year has translated into Japanese beauty and personal hygiene companies like Kobayashi Pharmaceuticals revenues from inbound tourists finally reaching parity with pre-COVID levels. Samsonite's China revenues were up 20% YoY in the first quarter, as more Chinese traveled. They were pleasantly surprised by how strong demand was during Chinese New Year, despite weak consumer sentiment and macroeconomic conditions. Seeing direct flights from Peking at European airports unloading hundreds of tourists per flight in April, after years of lost contact, is encouraging. While Chinese international passenger traffic is still at about 80% of pre-COVID levels, each successive month shows stronger trends in 2024.

Despite the weak macro, the premium consumer segment in China (those with a net worth of $100,000 or more) is large and growing. According to UBS's 2023 Global Wealth Report, China dominates the middle two segments of the global wealth pyramid, accounting for 36% (894 million people) of the total membership. Assuming China has 30% of the slice of the $100k-$1mm pie, that is almost 200 million premium consumers. UBS estimates that the number of dollar millionaires in China will grow by 112% from 2022 to 2027. UBS estimates suggest that mean wealth in China in 2022 is already around 90% of the wealth per adult for the world as a whole (USD 75,731 versus USD 84,718). China has the largest premium consumer segment in the world which is growing fast.

In Macau, high-end retail sales have been strong. Las Vegas Sands, which operates over 1.9 million square feet of luxury retail malls in the Cotai Strip in Macau generated $2499 of trailing twelve-month (TTM) tenant sales per square foot in March 2024, up 48% compared to March 2019 TTM sales per square foot. Luxury retail TTM sales were $8,667 per square foot, up 43% compared to March 2019.

The Japanese market continued its strong performance, with the TOPIX Index up 41% in the last 12 months and 18% in the first quarter. Foreign capital flows into Japan increased starting in mid-2023, and the trend has continued as the TOPIX Index strengthened. Despite the melt-up of the Japanese markets, we found some attractive, discounted opportunities in Japan in the retail sector. Capital has flowed to hot industries such as semiconductors. The Japanese consumer sector is weak as there are fears that inflation and the weakening yen will depress retail sales.

iShares MSCI Japan ETF (EWJ) Price and Shares Outstanding



Source: Bloomberg

We invested in Descente, a Japan-listed sporting goods brand, which operates primarily in Japan, Korea, and China through a joint venture with Anta Sports, and Itochu. In a rare move among Japanese corporates, Itochu launched a hostile tender offer for 40% of Descente in 2019 after multiple mishaps by the previous management. Itochu now controls 43% of the company. Itochu replaced Descente's founder family leader and installed its management team from Itochu's textile division. Since taking over, Descente has partnered with Anta in China, a world-class retail operator – these are the same players who brought over the mass-market FILA brand to China and successfully re-positioned it into a mid-to-high-end brand. Despite investor worries about weak China macro conditions, the Descente China joint venture with Anta grew revenues by 50% in 2023, primarily by increasing same-store sales, and generated operating margins in the mid-20s, more than double the profitability of its Japan and Korean operations. There remains a long runway for growth in China, with management targeting ~300 stores by end-2026 (Dec 2023: 187 China stores). We believe their 40% stake in the Descente China joint venture alone, which is equity-accounted, is worth the entire market cap of the company, and we get the Japanese and Korean businesses (which are improving) essentially for free. Descente's underperforming Japanese operation is undergoing a fundamental restructuring, with better inventory control and reduced discounting, driven by its DTC-first operational model. Its Korean business is also recovering from the anti-Japanese boycotts that began in 2018.

Portfolio Review

1Q24	*Contribution to Portfolio Return (%)*	*Total Return (%)*
Top Five		
MGM China	*+2.46*	*+31*
L'Occitane	*+2.29*	*+42*
Tongcheng Travel	*+1.48*	*+42*
Hitachi	*+1.19*	*+27*
SharkNinja	*+0.93*	*+22*
Bottom Five		
Naver Corp	*-1.02*	*-20*
HDFC Bank	*-0.86*	*-15*
Baidu	*-0.63*	*-12*
CK Asset Holdings	*-0.62*	*-18*
China MeiDong	*-0.43*	*-34*

MGM China, one of six Macau casino and resort operators, was a top contributor for the quarter. MGM China posted better-than-expected fourth-quarter results, with its property EBITDA reaching another all-time quarterly high of HK$2.2 billion, which exceeded pre-COVID levels by over 40%. Its market share increased by 2% points during the quarter, reaching c.16%, driven by solid mass GGR growth. Strong momentum continued into January, with its market share reaching 20%, and continued into February with solid Chinese New Year Holiday visitation. Management shared an optimistic business outlook targeting to maintain a mid-teen percent market share and its strategic focus on enhancing the yield of casino floors and rooms, prioritizing mass and premium mass, and driving international tourism. Following the strong results, the company declared a final dividend of HK$0.243 per share and a special dividend of HK$0.104/share (total dividend yielding 2.8%) for 2023, which came two years earlier than expected and highlights MGM's superior cash flow and balance sheet position compared with peers.

L'Occitane, the natural and organic-based beauty products company, contributed to the quarter. L'Occitane reported Q3/FY2024 results with overall revenue growth of +25% YoY. L'Occitane en Provence, ELEMIS, Sol de Janeiro, and other brands grew revenue in constant currency terms by +2%, +18%, +214%, and +11% YoY. Management expects continued strong growth in Q4/FY2024, driven by higher-margin Sol de Janeiro, with both January and February sales growing more than +100% YoY as it further penetrated Sephora retail outlets and entered Ulta Beauty stores in the United States at the beginning of the year. More recently, on 9th Apr 2024, L'Occitane announced a trading halt as controlling shareholder Reinold Geiger sought a management buyout due to its depressed share price.

Tongcheng Travel, a leading online travel agent in China, contributed for the quarter. Tongcheng delivered a robust set of 4Q2023 results, with Transportation Ticketing and Hotel Accommodation revenues up +25% and +42%, respectively, vs. pre-COVID levels. Its Domestic Room Nights and Air Ticketing volume grew 70% and 16% vs. pre-COVID levels. Annual Paying Users also jumped +25% to a record high of 235mn users in 2023, with Premium Black Whale membership now at 47 million. Management is becoming more shareholder-friendly as they announced HK$0.15 per share in dividends (20% payout ratio). More impressively, Tongcheng guided to a strong 1Q2024 with 20-25% growth in its core Online Travel Agency (OTA) business, and 15-20% growth for FY2024, on top of a very high base in FY2023.

Hitachi, a Japanese conglomerate, was a contributor for the quarter. Hitachi posted another strong set of results for the December quarter, generating an adjusted operating profit of ¥200 billion and beating consensus expectations. The company revised its full-year operating profit guidance from 720bn yen to 740bn yen driven by digital and green businesses. The revised guidance still looks conservative, given the strong progress and solid business momentum. We continue to see strong order wins, where robust energy order growth of 72% YoY offset a pullback in railway system orders. We expect Hitachi to continue posting sustainable superior organic profit growth. We are encouraged to see Hitachi reshuffling the management team and adding global personnel.

SharkNinja, a leading small household appliance manufacturer, contributed for the quarter. SharkNinja reported FY2023 numbers with Adjusted Net Sales up 15% YoY, delivering record EBITDA margins of 17%, significantly outperforming its peers. This strong growth was led by Europe, with +70.5% YoY growth whereas North America continued to lag with 3.3% YoY growth as US retailers dealt with inventory destocking issues. We expect the retailer destocking situation in North America to start normalizing, with sell-in starting to track point-of-sales data (FY2023: 8%) in FY2024. The management team at SharkNinja continues to execute, making headway into new categories (e.g., haircare via Shark FlexStyle) while deepening the product lines of existing categories. In addition, SharkNinja continues to extend its reach in Europe where it remains underpenetrated in France and Germany, along with expanding into new markets such as Latin America. We believe there remains a significant runway for growth with improving industry conditions.

Naver, Korea's leading search and e-commerce platform, was a detractor for the quarter. Naver generated a record high operating profit of 406bn won in the fourth quarter, but decelerating growth of commerce GMV concerned the market. Chinese e-commerce platforms such as AliExpress and TEMU have been gaining traction since the second half of 2023 and increasing their presence in Korea. AliExpress grew its GMV by +130% YoY in December 2023, accounting for c.2% market share of the Korean e-commerce space. TEMU grew its Monthly Active User (MAU) from 0.5mm in August 2023 to 5.7mm in February 2024, while revenue remains small. AliExpress further announced its plan to invest $1.1bn in Korea in the next 3 years, which created additional noise in the market. We remain positive on Naver as we see potential threats bringing new opportunities for Naver. Both platforms increased brand awareness last year and will likely increase digital ad expenditure this year to drive conversion. Naver could be the beneficiary as it has a 60-70% search market share and 40-50% digital ads share in Korea. We think the risk-reward is attractive. Naver is trading at 20x NTM

P/E, which is near the bottom of the 10-year valuation range, and excluding its investments in LY Corp, it is trading at low-teens core earnings multiple.

HDFC Bank – the largest private sector bank in India, was a detractor for the quarter. The merger between HDFC Ltd and HDFC Bank was completed in July of last year, and the first couple of quarters since this merger have been challenging as some financial metrics, like Net Interest Margin and Return on Assets, are reset in the combined entity. A key concern is their elevated loan-to-deposit ratio. This ratio is elevated because HDFC Ltd was a wholesale-funded Non-Banking Financial Company (NBFC) coming into the merger with HDFC Bank. The company is focused on lowering this ratio, which means that its near-term loan book growth will trail deposit growth, which is constrained by tight system liquidity. Despite this near-term headwind, we continue to like HDFC for its long-term compounding potential. HDFC Bank is the best-in-class banking franchise in India with an unparalleled 3-decade track record of growth, margins, credit quality, and returns. It has around 15% lending market share and around 11% deposit share in India. We expect merger synergies to be meaningful in terms of higher cross-selling opportunities and lower cost of funds as the bank gradually replaces legacy high-cost borrowings from HDFC Ltd with low-cost granular deposits. HDFC's cost-to-income ratio is currently elevated due to accelerated branch openings and has room to come down as these branches mature.

Baidu, China's leading search and AI company, was a detractor for the quarter. Baidu reported solid core search revenue growth of 6.3% YoY for the quarter driven by verticals in travel, healthcare, and business services, and showed encouraging progress on AI initiatives. The near-term core business seemed to have been negatively affected by soft macro and longer and later Chinese New Year holidays, but the management remained confident to deliver above GDP ads growth this year with gradual acceleration towards the year-end. It is also encouraging that the company is making solid progress in gen-AI commercialization, with Baidu generating hundreds of millions in the fourth quarter and expecting to generate several billion RMB in 2024. According to local press, Apple is working with Baidu to provide gen-AI technology for its upcoming iPhone in China this year. Despite increasing AI-related investments including accelerated procurement of advanced GPU, the company's core margin was healthy at 22.5% improving +114bps YoY thanks to its cost reduction initiatives, which will continue throughout 2024. Baidu accelerated its share buyback in the fourth quarter repurchasing $669 million worth of its shares under the 2023 share buyback program. Given the strong balance sheet and $4bn remaining under the buyback program, we expect the management to take advantage of its share price weakness and accelerate its buyback.

CK Asset, the Hong Kong real estate company, was a detractor for the quarter. CK Asset reported in-line operating results for the fiscal year 2023, but its final dividend was reduced by 12%, which was a negative surprise to the market. The dividend cut was based on the company's cautious view of the macro-environment and interest rates. However, we expect its recurrent income to be solid in 2024 in addition to 9.7% growth in 2023 and the company to be opportunistic around the share buyback and take advantage of the downcycle backed by its strong balance sheet and diversified recurrent income.

China MeiDong, a luxury auto dealer, was a detractor during the quarter. MeiDong's weak share price performance was driven by a tough macroeconomic backdrop in China and intense price competition in the Electric Vehicle (EV) space. This led to concerns regarding their ability to generate sufficient cash flow to service their convertible bonds. These concerns were quelled when MeiDong reported its FY2023 results where it delivered about RMB 789mn in free cash flow in FY2023. Management remains laser-focused on reducing its cost base as it rides through this tough operating environment. In FY2023, MeiDong reduced its employee headcount by 17%, further intending to drive this lower. They continue to find pockets of cost efficiencies such as reducing spare part inventory days. Auto OEM expectations are also resetting, with Porsche targeting China supply to reduce by -10% YoY and BMW China reducing rebate qualification requirements in 1Q 2024 by 10-15%.

See the following pages for important disclosures.

The Fund is actively managed. It uses the FTSE Asia Pacific Index (USD) (FactSet ID: 100658) as a 'comparator benchmark' to compare the performance of the Fund against, but which is not used to constrain portfolio composition or as a target for the performance of the Fund.

Risk/Reward Profile: As this Fund has such a broad selection of investment choices, there are many factors that could affect performance. These could include changes in the performance of different industrial sectors and individual securities. The performance of the Class I GBP Shares may also be affected by the exchange rate with US Dollars, the currency in which the Fund is denominated, as the Investment Manager will not purchase financial instruments to mitigate any such potential changes. Because the Fund generally invests in 20 to 25 companies, each holding could have a more significant impact on the Fund's performance than if a greater number of securities were held. Because the Fund invests in companies in the Asia Pacific Region, adverse events related to the Asia Pacific Region could have a more significant adverse impact on performance than in a more geographically diversified Fund. Investment in China and other emerging markets may expose the Fund to more social, political, regulatory, and currency risks than securities in developed markets. A party with whom the Fund contracts with regard to the Fund's assets may fail to meet its obligations or become bankrupt, which may expose the Fund to a financial loss. Derivatives may fluctuate in value rapidly and certain derivatives may introduce leverage which may result in losses that are greater than the original amount invested. Losses to the Fund may occur as a result of human error, system and/ or process failures, inadequate procedures or controls. The value of the shares may go down as well as up and investors may not get back the amount invested. For a more detailed explanation of these and other risks please refer to the Prospectus under the "Risk Factors and Special Considerations" section.

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Any subscription may only be made on the terms of the Prospectus and subject to completion of a subscription agreement.

P/V ("price-to-value") is a calculation that compares the prices of the stocks in a portfolio to Southeastern's appraisal of their intrinsic values. The ratio represents a single data point about a Fund and should not be construed as something more. P/V does not guarantee future results, and we caution investors not to give this calculation undue weight.

"Margin of Safety" is a reference to the difference between a stock's market price and Southeastern's calculated appraisal value. It is not a guarantee of investment performance or returns.

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Australia on certain conditions. Financial services provided by Southeastern are regulated by the SEC, which are different from the laws applying in Australia.

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ACTS INVOLVING A PUBLIC OFFERING IN BRAZIL, AS DEFINED UNDER BRAZILIAN LAWS AND REGULATIONS AND BY THE RULES ISSUED BY THE CVM, INCLUDING LAW NO. 6,385 (DECEMBER 7TH, 1976) AND CVM RULE NO. 400 (DECEMBER 29TH, 2003), AS AMENDED FROM TIME TO TIME, OR ANY OTHER LAW OR RULES THAT MAY REPLACE THEM IN THE FUTURE, MUST NOT BE PERFORMED WITHOUT SUCH PRIOR REGISTRATION. PERSONS WISHING TO ACQUIRE THE PRODUCTS OFFERED HEREUNDER IN BRAZIL SHOULD CONSULT WITH THEIR OWN COUNSEL AS TO THE APPLICABILITY OF THESE REGISTRATION REQUIREMENTS OR ANY EXEMPTION THEREFROM. [WITHOUT PREJUDICE TO THE ABOVE, THE SALE AND SOLICITATION IS LIMITED TO QUALIFIED INVESTORS AS DEFINED BY CVM RULE NO. 409 (AUGUST 18TH, 2004), AS AMENDED FROM TIME TO TIME OR AS DEFINED BY ANY OTHER RULE THAT MY REPLACE IT IN THE FUTURE. THIS DOCUMENT IS CONFIDENTIAL AND INTENDED SOLELY FOR THE USE OF THE ADDRESSEE AND CANNOT BE DELIVERED OR DISCLOSED IN ANY MANNER WHATSOEVER TO ANY PERSON OR ENTITY OTHER THAN THE ADDRESSEE.

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Important information for Guernsey investors:
Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council take any responsibility for the financial soundness of the Longleaf Partners UCITS Funds or for the correctness of any of the statements made or opinions expressed with regard to it. If you are in any doubt about the contents of this document you should consult your accountant, legal or professional adviser or financial adviser.

Southeastern Asset Management has taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. It should be remembered that the price of Fund shares and the income from them can go down as well as up.

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

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Important information for Jersey investors:
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