HANSA TRUST PLC

As at 31 March 2019

Company Fact Sheet

HEADLINE DATA

	Share Price (p)	NAV (p)	(Discount)/Premium (%)	Gross Yield (%)
Ordinary Shares	977.5	1,405.6	(30.5)	1.6
'A' non voting Ordinary Shares	975.0	1,405.6	(30.6)	1.6

SHARE PRICE TOTAL RETURN PERFORMANCE ON £100 (£)

	1 Year	3 Years	5 Years	10 Years
Ordinary Shares	100.0	141.2	121.9	232.7
'A' non voting Ordinary Shares	101.4	141.8	122.1	237.8

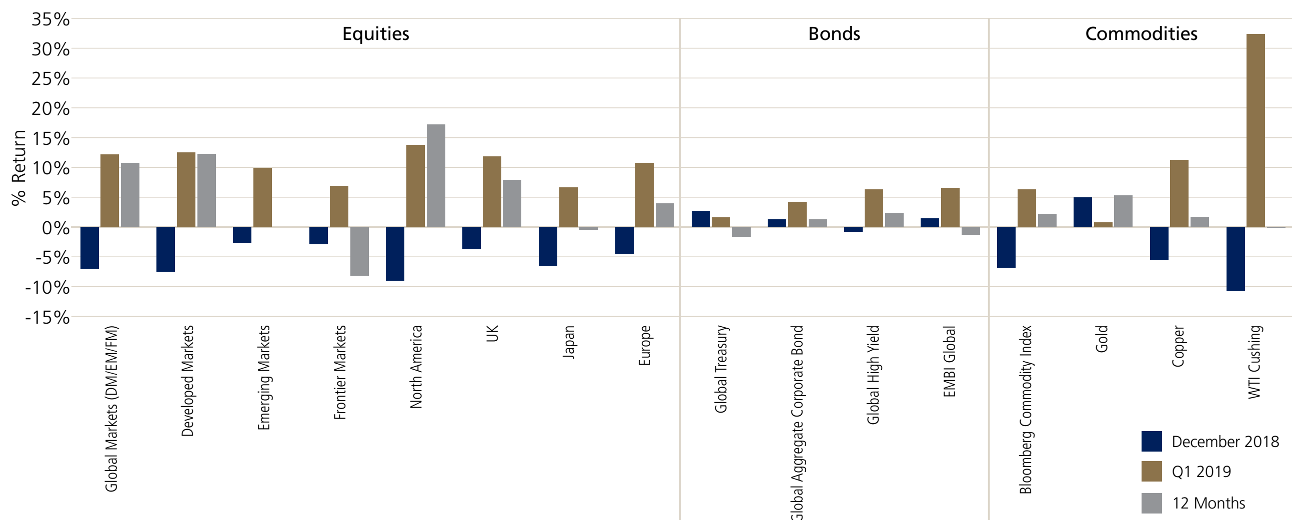
A MATURING CYCLE BUT NOT THE END OF THE CYCLE

Introduction…

Stock markets have started the year with a flourish. Having experienced the worst December in many years – since the 1920's in the case of the US stock market – the first quarter of 2019 has been one of the strongest in the current cycle.

Indeed, the S&P 500 saw its highest return since 1998, Chinese equities enjoyed their best quarter since 2014 and oil had its best quarter in a decade. Rather counterintuitively in such a risk-on environment, even bonds generated positive performance.

Chart 1: Stock markets have rebounded dramatically from December lows (GBP)



Source: Bloomberg

Market backdrop…

Whilst vindicating our view that the extent of last year's sell-off was unwarranted, the strength of the bounce is surprising.

As a reminder, our stance coming into the year was one of a maturing cycle but not the end of the cycle. Risk had risen for much of 2018 with monetary policy well into the tightening phase, Trump doing his best to unsettle markets and economic growth outside the US slowing for much of the year. Despite this, our central view was more sanguine based on the fact that we just didn't see the normal metrics in play that typically pre-empt recessions (and with it a bear market).

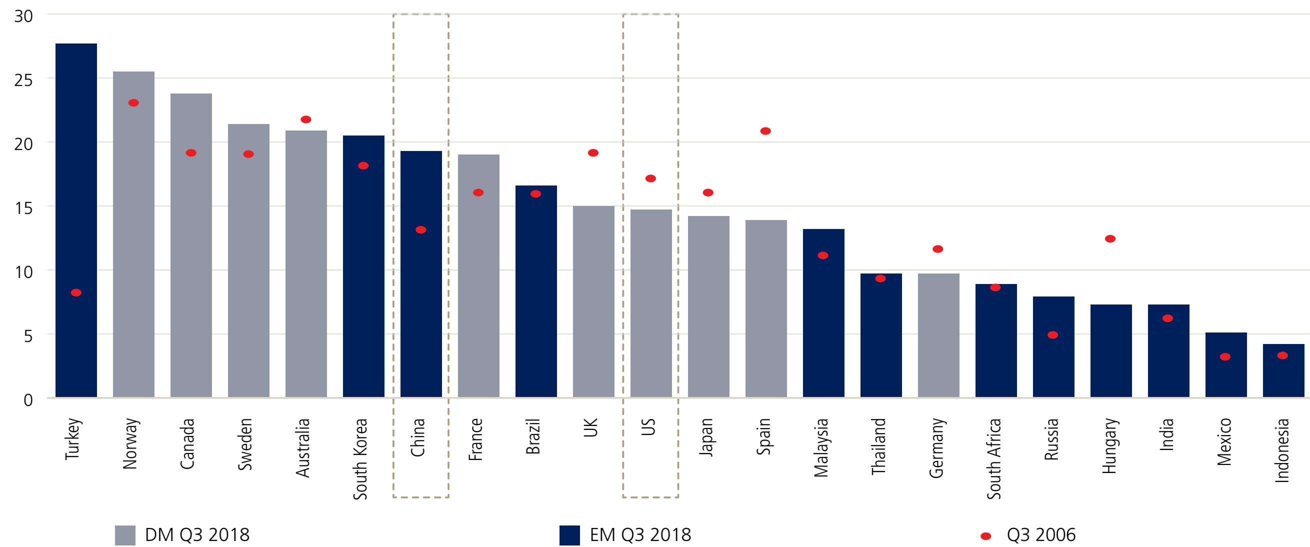
Imbalances, which are key to the health of the economy, appear to be well under control. Household debt remains perfectly manageable with the savings ratio at average levels compared to history. Housing, so often the cause of weakness in the household sector, is not causing us concern, with affordability good and housing starts normal. Banks, who can normally be relied upon to extend credit to those areas which are overheating, appear to have avoided doing so this time round, although the high yield credit market has expanded. We would love to say that this is due to good management and the banks learning from past mistakes but in reality it more likely reflects the hangover from the Global Financial Crisis. The need to rebuild balance sheets combined

with a tighter regulatory framework has curtailed their normal pro-cyclical exuberance.

That's not to say there are no areas of concern. Corporate borrowing has risen sharply, especially in more highly leveraged companies. Further, the quality of these loans has diminished with the rise of more risky practices such as covenant light loans. Even here though there are mitigating circumstances.

The sharp reduction in interest rates seen post the Global Financial Crisis means that it is entirely natural that companies should switch from expensive equities to cheaper debt. Instead, what is important is the level of the debt burden and with real and nominal rates still low we find that the ability of companies to service their debt remains well within historical limits. Importantly, corporates are spending these cash flows in a controlled manner ensuring that balance sheets remain healthy.

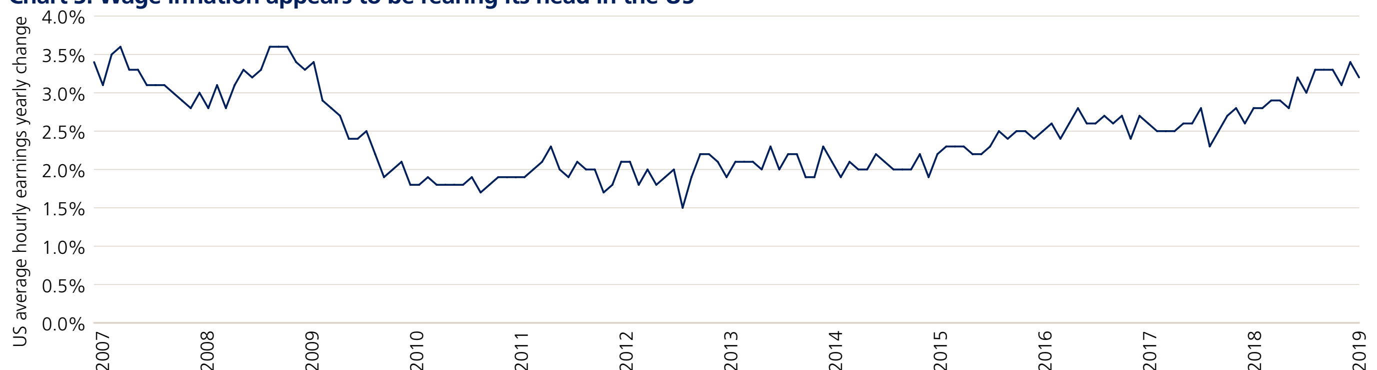
Chart 2: Debt service ratios are still below those seen in the previous cycle in the US (but not for China)



Source: Bloomberg

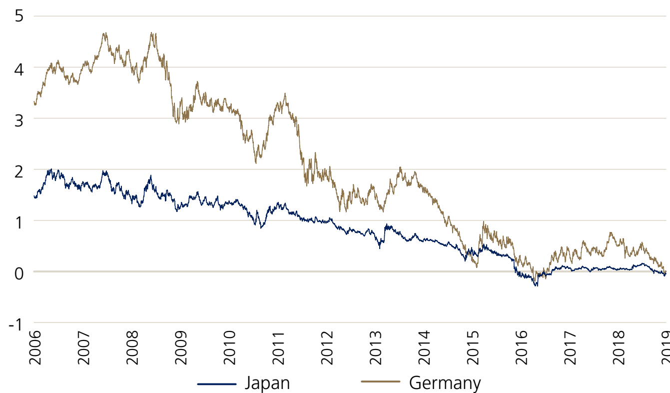
We also worry about inflation albeit here the messages are a little confusing. Having recently spent time in the US seeing a wide range of companies, across sectors and sizes, one of the key issues currently faced is the ability to attract and retain staff and the cost of doing so. Interestingly, however, this wage pressure doesn't appear to be showing at the headline inflation level and, indeed, rather counterintuitively some countries have seen bond yields dip back into negative territory which suggests deflation rather than inflation. This may partly be a function of timing but we think it is more likely due to a differing global picture with Europe facing structural challenges versus a much more robust outlook for the US. We will continue to watch carefully to see how the situation develops but our main concern is that the US central bank and government are minded to let the economy run hot, potentially requiring them to slam on the brakes, through higher interest rates, if inflation does get out of control.

Chart 3: Wage inflation appears to be rearing its head in the US



Source: Bloomberg

Chart 4: 10 year government bond yields would suggest markets are more worried about deflation than inflation

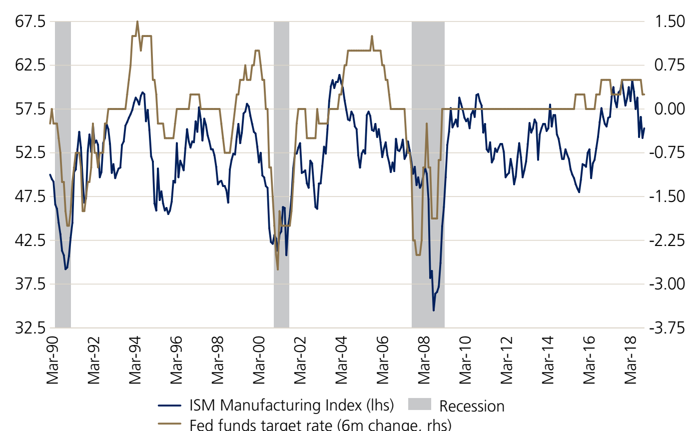


Source: Bloomberg

Interlinked with this is the changing monetary policy landscape. For much of 2018, interest rates and monetary policy were on a tightening trend. In the US rates have now been rising since 2015 and even Europe has started the process of exiting its quantitative easing programme. Japan is the only country still actively wedded to easier monetary policy. Markets, quite rightly, worried that this withdrawal of liquidity would ultimately weigh on asset prices with peak-fear reached when the US Federal Reserve Chairman, Jerome Powell, stated late in 2018 that rates would need to rise significantly more given the strength of the US economy.

Then we saw an unusual about-turn. Central bankers, as a rule, try to be consistent in their messaging for fear of surprising markets and causing unnecessary volatility. The announcement in early 2019 by Chairman Powell that rates would now be on hold hence came as quite a shock to markets given his earlier comments. Why the change? Well possibly this reflects Powell's underlying scepticism of economic models. Being a lawyer by training he is far less wedded to conventional economic theory and much more data sensitive. With data highlighting a slowing in growth later in 2018 it is perhaps less surprising that he should react in such a way. Unsurprisingly markets rallied sharply on this announcement, helping lift investors from the funk of the last quarter, with them now starting to question if the next US rate move might even be down rather than up.

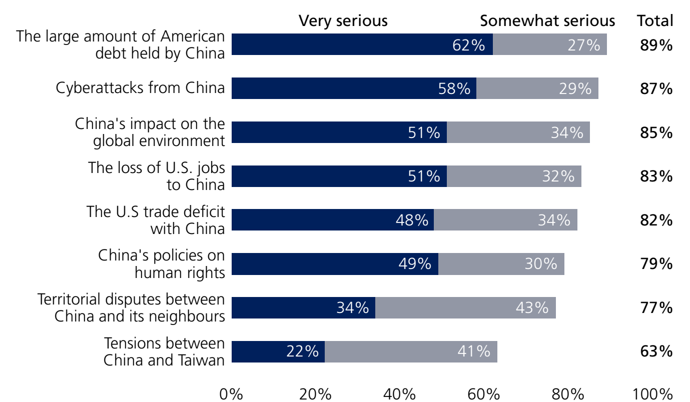
Chart 5: Key US lead indicators such as the ISM are guiding towards lower US interest rates (recessions shaded areas)



Source: Bloomberg

The final area of concern for investors, trade, is much more difficult to call. Whilst one may not always agree with his methods, market sentiment seems to be moving towards Donald Trump on trade. Having turned his back on globalisation, Trump has argued that countries such as China are abusing their trading relationship with the US. This idea is now gradually becoming the accepted wisdom more broadly in Washington. Even if the Democratic Party were to gain power it looks unlikely that there would be a significant shift from the current anti-China rhetoric.

Chart 6: Anti-China rhetoric no longer just an extreme Trump view



Source: Spring 2018 Global Attitudes Survey, Pew Research Center

We think there is a short and a long-term angle to how the current trade war evolves. In the short term some form of deal and 'win' for Trump looks increasingly likely. With China already experiencing a period of economic weakness there is a real danger that a prolonged trade war could push China over the edge and into a downward growth spiral. China is now of such a size that the old adage of "when the US sneezes the rest of the world catches a cold" is likely to work both ways. Trump, who uses the stock markets as a barometer of his success, looks keen to head off such an outcome, recognising that a strong US economy is key to his future election success.

Whilst encouraged by this we remain troubled by the longer term outlook for trade. We think that there is growing likelihood that we sit on the precipice of a protracted trade war, with President Xi unlikely to give up on his aspirations to make China the preeminent global superpower with domination in a number of key sectors, part of his 'Made in China 2025' strategy. He may well be prepared to pacify Trump in certain areas in the short term but we see a number of redlines over which he is unlikely to make concessions.

Pulling all of this together we remain firmly of the view that we are in late cycle territory. Undoubtedly, as highlighted above, this comes with all kinds of worries and concerns; it always does! However, our belief that we are not dipping into recession anytime soon means that we viewed the derating experienced in Q4 as unwarranted. Valuations became cheap in a number of markets and for this reason the bounce seen so far this year is, in our minds, entirely justified.

What is perhaps more surprising is the strength of the snapback. Although hard to monitor, our sense is that the market was very conservatively positioned coming into 2019 with the trauma of the Global Financial Crisis fresh in investors' minds and with the current cycle unusually long by past standards. Therefore the pain trade was for markets to rise and this is just what we saw. As is often the case this can result in larger and more powerful movements in prices than one would normally expect.

How do we see the cycle ending?
One of the most useful exercises to go through late in the cycle is to think about the scenarios under which we would become more cautious.

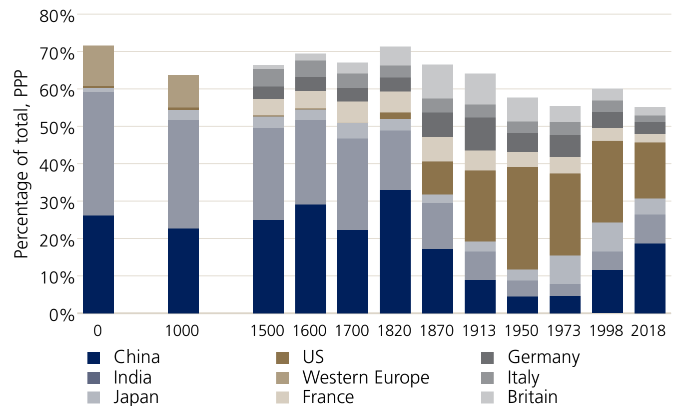
Here we see three potential outcomes, one less worrying, the other two far more damaging.

The first, less worrying scenario (and our core view), is that we see a conventional interest rate induced recession and bear market. As alluded to above the most common manner in which cycles typically come to an end is through excesses forming in certain key areas of the economy which ultimately necessitate central banks slamming on the brakes and in the process inducing an economic downturn and fall in markets. We are not overly worried about this, with this type of downturn normally short-lived and shallow, albeit such a scenario may require that governments step up to the plate with central banks having limited firepower. Going into a recession with low rates and extended central bank balance sheets will necessitate that fiscal policy is used more extensively with the effectiveness of monetary policy almost certainly diminished under such a scenario.

Much more worrying would be systematic issues within China or Europe.

China represents one of the most remarkable development stories in recent history. From a low base it has become an economic powerhouse and the world's manufacturer. Around one third of global growth is expected to come from China in the coming years reflecting both the size of China's economy and the pace of its growth. This compares to a contribution of less than 20% from the US. From a non-economic perspective China is also making huge progress especially technologically; earlier this year for example it became the first country to land a vehicle on the far side of the moon.

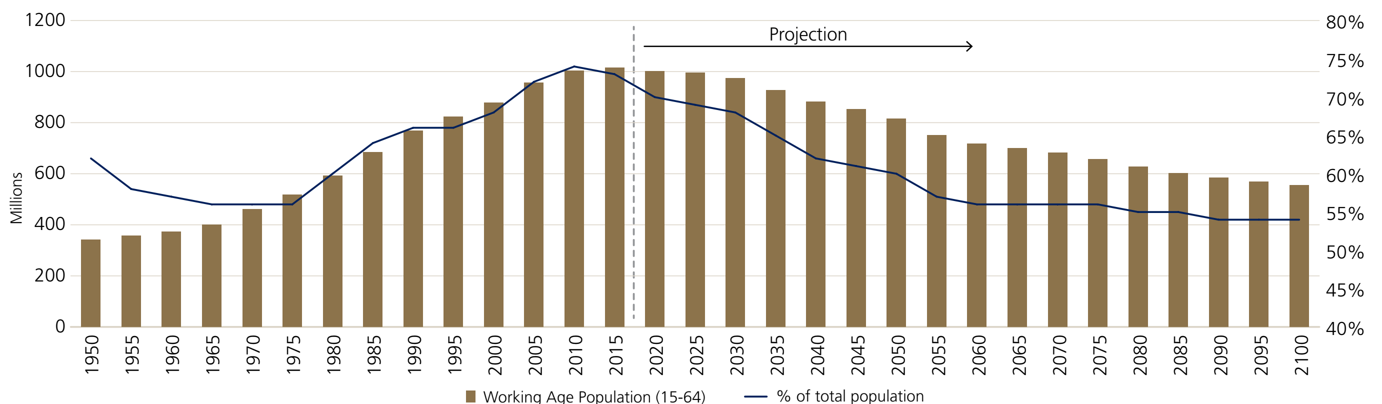
Chart 7: China has become an economic powerhouse



Source: Angus Maddison, OECD, International Monetary Fund

Unfortunately this progress has come at a cost. Private sector debt levels have been growing at an alarming rate and have reached levels where other historically high growth countries such as Japan and Korea hit a wall and ultimately collapsed. Equally whilst the core banking system looks fine, the shadow banking system now represents over 50% of GDP. Affordability in many key Chinese cities is some of the worst globally and the working age population has started to decline as a proportion of the overall population due to the one-child policy.

Chart 8: China's working age population is now declining as a percentage of the total population

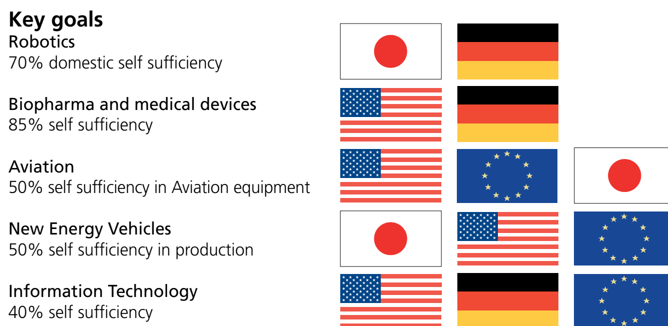


Source: World Population Prospects: The 2017 Revision, UN Population Division

It's impossible to say if these issues will come to a head anytime soon but one can't help but note that precedent is typically not good from other countries that have faced similar problems in the past. The Chinese authorities appear to be well aware of these challenges, trying to tackle private sector debt levels for example, and one must hope that the command economy structure will enable them to manage their way out. If they are not successful the implications for global stock markets could be dramatic.

Europe equally faces many structural threats albeit the opposite to the Chinese bubble. Whereas China is arguably suffering from years of excessive, possibly ill-directed, growth, Europe has barely recovered from the depths of the Global Financial Crisis. Growth has been lacklustre to non-existent in many European countries and the banking system remains mired in the same challenges the sector faced ten years back. Germany, the engine of the Euro area to date, suffered a worrying setback last year highlighting just how important China has become to end-demand for German products. One can't help but think that if China is successful in transitioning from a low to high-end manufacturer whether it might cut the legs away from the Mittelstand, the heart of Europe's growth

Chart 9: China's top priority industries are important markets for Germany



Source: Janus Henderson Investors; Made in China 2025

Near term we see the outlook for Europe and China as interlinked. If China is successful in kick-starting its economy this would likely provide a much needed fillip to European growth albeit from very low levels. Longer term we are far less optimistic. Unless Europe can take the necessary steps towards greater social, fiscal and banking integration, it is hard to see the union remaining in its existing form. We are already seeing chinks in the armour with the UK withdrawing (we think!) and the election of anti-EU parties in key countries such as Italy. Watch this space.

Summary……

There is clearly a fragility to markets at present. The falls experienced late last year and the speed with which markets have rebounded are symptomatic of this. Hence whilst remaining biased towards equities and risk assets generally, our direction of travel is to systematically lean away from equities over time especially if we see any deterioration in the issues highlighted.

Portfolio Review and Activity

Your Company has returned 3.0% for the final quarter of the financial year, giving a return of 5.6% for the whole financial year. The key performance indicators for the financial year were 10.8% for the MSCI ACWI NR Index, 3.7% for the FTSE UK Gilts All Stocks TR Index, and 1.9% for UK CPI. The performance this quarter is reflective of the significant bounce that has been seen in many world markets in early 2019 after the market correction towards the end of 2018. The Trust's net asset value per share increased over the quarter from 1,364.6 pence at the end of December 2018 to 1,405.6 pence at the end of March 2019. This compares favourably to a level of 1,346.2 pence at the end of March 2018.

Core and Thematic Funds

In the final quarter of the year the Core Regional silo returned 9.9% while the Thematic silo had a return of 14.6%. Over the year as a whole, the Core Regional silo was up 6.7% and the Thematic silo was up 14.3%.

In the Core Regional silo, the Fund's US holdings were the strongest contributors during the quarter. **Select Equity** was a top performer ending the quarter up 16.0%. This small-mid cap fund's largest holding, life science equipment supplier PerkinElmer, performed particularly well as growth accelerated. This was due to the expansion of its presence in China and India and also improvements in its gross and operating margins. Other good performers included the technology company Gartner and Live Nation Entertainment, both large holdings for the fund. Select was also one of the top performers over the course of the year, up 22.0%. Other strong performers were **Findlay Park American**, **Vulcan Value Equity** and **Pershing Square Holdings** which were up 9.7%, 13.1% and 30.5% during the quarter. Over the year these funds were up 20.0%, 13.1% and 53.3% respectively.

There were no detractors in the Core Regional silo over the quarter but over the year several of the Japanese funds, including **Indus Japan Long Only** (down 10.8%), and **Goodhart Partners: Hanjo** (down 4.8%) had negative returns. This was mainly related to a broad Japanese market sell-off in the fourth quarter of 2018 and in the case of Indus, increasing positions in holdings following declines in September which then declined further in December. Emerging and frontier market holdings such as **BlackRock Frontiers Investment Trust** (down 13.0%), and **Prince Street Institutional** (down 9.1%) were also detractors, mainly due to broader global market factors such as rising interest rates.

GAM Star Technology Fund continued to be one of the top contributors in the Thematic bucket, returning 16.6% over the quarter and 18.0% over the year as the technology sector performed well. Microsoft, Visa and Alibaba, large positions in the fund, all enjoyed strong quarters, with Visa continuing to perform particularly well after a difficult December on the back of strong revenue, payment volume and processed transactions growth. Another strong performer in this silo was **Worldwide Healthcare Trust** which was up 14.1% for the quarter and 13.9% for the year. The trust benefited from several companies in its portfolio being acquired over the course of the year as well as some big biotechnology holdings outperforming.

Diversifying Funds

The Diversifying silo ended the final quarter with a positive return of 1.7% taking the total return for the year to 3.1%. The holdings in this silo of the portfolio are designed to show lower correlation to the equity market, so it is expected that they will lag behind the equity market when it is strong, as in this quarter.

One of the stronger performers this quarter was **GAM Systematic Core Macro**, which was up 9.4%. The bulk of the positive performance came in March from interest rate positions, with long positions in German, UK and US government bonds being

particularly strong contributors. Over the year the fund is, however, still down 0.5% after more difficult quarters in 2018. **Hudson Bay International Fund** was one of the larger contributors over the year, up 16.4%. The strong performance was mainly driven by a decision to take risk off in December meaning they did not suffer any large losses, and also due to positive currency movements.

A detractor over the quarter was **CZ Absolute Alpha** which was down 2.7%. The fund suffered from several of its industrial short equity positions which produced negative returns when markets rose in early 2019. **Schroder GAIA BlueTrend** was disappointing over the course of the year, declining 3.4%. During the last quarter the fund had weaker performance than the other trend-following CTA in the portfolio, GAM Systematic, largely due to a net short equity position the fund held going into January 2019 which resulted in a loss for that portion of the portfolio.

Global Equities

The global equity portfolio returned 2.5% over the year. This pedestrian return is well below the absolute level we strive to achieve and it was also below the return of the equity indices. The underperformance relative to global indices was almost entirely caused by the portfolio failing to participate in the strong rally this last fiscal quarter.

Perhaps the best way to explain this is to take several steps back and look at how we run the portfolio. The global equity portfolio is run for absolute returns over the long term not relative quarterly performance. We believe one of our greatest competitive advantages is to avoid the institutional imperative of quarterly performance measurement that creates more of a trading mentality than an investing one. We buy businesses on a three to five year view which means quarterly or even annual comparisons to global indices are not always relevant as the average holding period for stocks in the US (where we have the most data) is less than twelve months, whereas our implied period is closer to five years.

The second point is that because we look for absolute returns the portfolio does not look like the market index. We go where the opportunities for long-term returns look most attractive and they are often in sectors that are currently out of fashion and offer few catalysts for investors with a short-term, three to six month time frame. An example of this would be our holdings in telecom stocks where the portfolio exposure is in the low teens. Paris based **Orange** is a solid, well-run business that pays a dividend of almost 5% a year and offers an 8% free cash flow yield. After years of returns at or below their cost of capital the industry has largely been abandoned by investors with telecoms weight in the European index almost halving over the past ten years. While we may be holding what currently appears to be an average business we believe there are a number of embedded options that are not priced in and in the meantime we are being paid 5% a year to wait. These options include but are not limited to higher interest rates forcing rational competition and/or consolidation, service providers wrestling the economics back from content providers and 5G acting as a catalyst for a host of new applications.

The investor Tom Russo has popularised the term "*capacity to suffer*" which essentially means incurring short-term pain in order to achieve long-term gains. He looks for businesses and management teams that have the capacity to report weaker numbers in the short term in order to invest in the business for long-term growth, which leads to far greater compounded returns for holders that share their long-term time horizons.

We believe this is a great source of opportunity and our two most recent investments have that element to them. The management at the global exhibition organiser **ITE** have been responsible for EBITDA margins falling from 26% in 2016 when they joined to 14.6% last year as they reinvested in their Transformation and Growth (TAG) program. During this time the stock fell from 100p a share to 70p as the public markets did not have the patience to hold through the turnaround. These investments, however, have led to meaningful growth in organic revenues – the exhibitions that have gone through TAG grew revenue over 10% during the latest period. As these investments roll off we expect the cash flow to increase considerably over the next several years, leaving the company significantly better positioned for long-term growth than when the current management team joined.

Similarly, the US retailer, **Dollar General** issued annual guidance that was below market expectations as management chose to invest in the business. The CFO was clear in saying "*we believe these investments will allow us to enhance our operating margin profile over the long term. The associated investments, however, will pressure SG&A rates in the near term*". Nevertheless, Mr Market sold the stock off 8% on the news, meaning we were able to buy opportunistically at a discount to its intrinsic value.

We agree with Tom Russo that it is important for us as investors to have "*the capacity to suffer*". Chasing the hottest stocks and sectors in the market is initially very rewarding because of the positive reinforcement you get from the short-term stock performance and being part of the herd. In contrast going against the crowd is uncomfortable, but history has shown it should ultimately prove rewarding over the long term.

The largest contributors in the quarter were **Iridium Communications**, **EXOR** and **Subsea 7**, the largest detractors were **Orion Engineered Carbons**, **KT Corp** and **CVS Health**.

Ocean Wilsons Holdings

Brazil's economy continues to recover, albeit slowly. The market has so far responded positively to Jair Bolsonaro's victory in last October's Presidential election, although it remains to be seen how successful he will be in implementing economic reforms. Much will depend on the economy minister, Paulo Guedes, who talks ambitiously of free-market reforms, but there will be challenges in passing them through Congress. While Wilson Sons has put itself in a position to reap the rewards of its $1bn investment plan over the last ten years, civil works were begun on the expansion of Tecon Salvador in the fourth quarter of 2018 after the receipt of all necessary environmental licenses. The work will see the principal quay extended from 377 metres to 800 metres, which will allow the simultaneous berthing of two super-post-Panamax ships.

The process of assessing the future of the company's container terminals and logistics assets that was announced in July 2018 continues. This is part of an evaluation of strategic alternatives carried out by the company management. However, the Board has emphasised that no formal decision has yet been taken with respect to any of the alternatives, and there is no certainty that a transaction will occur.

The fourth quarter results for Wilson Sons, which were released in March, showed a decline in earnings, largely as a result of weakness in the towage division. For the full year, earnings of $160.6m were 6.8% down on the prior year, although up 6.4% in R$ terms. The container terminals division was relatively robust over the year, and earnings there rose 12.4%. In the fourth quarter total operating volumes improved by 2.7%, helped particularly by higher export volumes at both container terminals. Tecon Rio Grande improved its net average productivity to 77 movements per hour, 22% higher than 2017.

Towage results continued to be pressured by the very competitive environment that affects both volumes and pricing, and earnings in the division were 22.3% lower in 2018. The number of harbour towage manoeuvres performed in the year declined 6.2% due to increased competition in some ports and a 1.0% decrease in the total number of vessel calls in Brazil, driven by the market trend towards larger vessels and liner consolidation. Weakness in the oil and gas industry has resulted in some vessels that previously serviced that industry being deployed in the harbour towage market instead.

The Ocean Wilsons Investment subsidiary was valued at $258.9m at the end of December 2018, which represented a decrease of $15.8m (5.8%) from the valuation at the end of December 2017, although dividends of $4.75m were also paid out from the portfolio during this time. The portfolio continues to be biased towards equities, both public and private, reflecting its long-term nature, but also includes some assets which display lower correlation to equity markets.

The **Ocean Wilsons Holdings** share price fell slightly during the quarter following a strong rise at the end of last year. Over the last twelve months the share price has risen by 5.1%, or by 9.9% on a total return basis, which takes account of the 51.7 pence dividend that was paid to the Trust in June 2018. The share price represents a discount to the look-through NAV of 18.9%, based on the market value of the Wilson Sons shares together with the latest valuation of the investment portfolio.

Alec Letchfield
April 2019

HANSA TRUST PLC

TOP TEN HOLDINGS (%)

Holding	%
Ocean Wilsons Holdings Limited (OWHL)*	31.1
Findlay Park American Fund	5.6
GAM Star Fund PLC – Technology	4.7
Vulcan Value Equity Fund	4.0
Select Equity Offshore, Ltd	4.0
Goodhart Partners: Hanjo Fund	3.3
DV4 Ltd	2.9
Adelphi European Select Equity Fund	2.8
BlackRock European Hedge Fund	2.7
Global Event Partners Ltd	2.4
Total	**63.5**
*comprising: Wilson Sons	18.7
Ocean Wilsons (Investments)	12.4

SECTOR ANALYSIS (%)

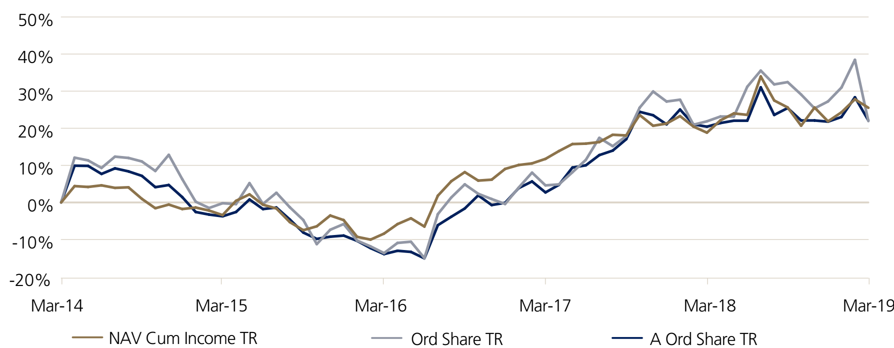
Sector	%
Core & Thematic Funds	40.7
a) Core	34.6
b) Thematic	6.1
Global Equities	16.5
Diversifying Assets	11.1
Strategic (Wilson Sons & Ocean Wilsons Investments)	31.1
Cash	0.7
Total	**100.0**
No. of Holdings	58

ANALYSIS OF ASSETS (£M)

Item	£M
Total Investment	335.8
Net current assets/(liabilities)	1.3
Total assets	337.1
Short-term borrowing	0.0
YTD revenue	0.3
Net assets	**337.3**
Gearing	0.0

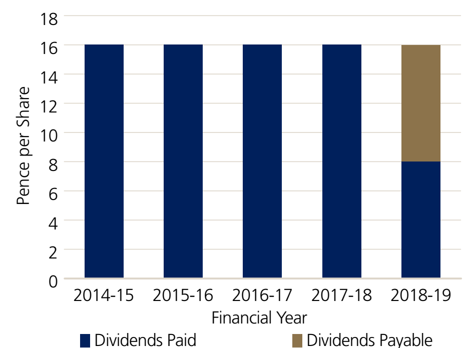
*OWHL operates through two principle subsidiaries: Wilson Sons Ltd and Ocean Wilsons Investments Ltd (OWIL). The fair value of Hansa Trust's holding in OWHL has been apportioned across the two subsidiaries in the ratio of the latest reported NAV of OWIL, that being the NAV of OWIL shown per the 31 December 2018 OWHL quarterly update, to the market value of OWHL's holding in Wilson Sons, that being the bid share price of Wilson Sons multiplied by the number of shares held by OWHL at 31 March 2019.

5 YEAR TOTAL RETURN



Sources: Hansa Trust internal, unaudited data

ANNUAL DIVIDEND PAYMENTS



PERFORMANCE STATISTICS (%)

	Last Month	1 Yr	3 Yrs	5 Yrs	10 Yrs
Net Asset Value	-1.8	4.4	32.0	17.4	121.3
Total Return on Net Asset Value	-1.8	5.6	37.0	25.5	157.3
Share Price – Ordinary Shares	-11.9	-1.5	33.9	11.2	91.7
Total Return on Ordinary Shares	-11.9	0.0	41.2	21.9	132.7
Share Price – 'A' non voting Ordinary Shares	-4.9	-0.3	34.4	11.1	95.0
Total Return on 'A' non voting Ordinary Shares	-4.9	1.4	41.8	22.1	137.8
Total Return MSCI All Country World Index GBP	3.4	10.8	50.2	75.5	241.3
Total Return FTSE Gilts All Stocks	3.2	3.7	11.1	30.7	62.5
UK CPI	0.2	1.9	6.8	7.3	24.7

Sources: Hansa Trust internal, unaudited data; MSCI; FTSE; Bloomberg

STANDARDISED PERFORMANCE INFORMATION

12-month Period	2014Q1 to 2015Q1	2015Q1 to 2016Q1	2016Q1 to 2017Q1	2017Q1 to 2018Q1	2018Q1 to 2019Q1
Total Return on Ordinary Shares	-0.2	-13.5	21.1	16.5	0.0
Total Return on 'A' non voting Ordinary Shares	-3.7	-10.6	19.3	17.3	1.4

Sources: Hansa Trust internal, unaudited data

As at 31 March 2019

LAUNCH DATE	1912 (name changed to Hansa Trust in October 2001)
AIC INVESTOR SECTOR	Flexible
CAPITAL STRUCTURE	8,000,000 Ordinary shares of 5p and 16,000,000 'A' non voting Ordinary shares of 5p The Ordinary shareholders are entitled to one vote per Ordinary share held. The 'A' non-voting Ordinary shares do not entitle the holders to vote or receive notice of meetings, but in all other respects they have the same rights as the Company's Ordinary shares.
YEAR END	31st March
DIVIDEND POLICY	The current dividend policy is to announce at the start of the financial year the expected amount of two interim dividends, to be paid each Financial Year. For financial year to 31 March 2019, First Interim Dividend of 8.0 pence per share paid on 30 November 2018, Second Interim Dividend of 8.0 pence per share to be paid on 31 May 2019. Final (if required) – ex date June and payment date August
DIRECTORS	Chairman – R.A. Hammond-Chambers J. Davie, Lord Oxford, W.H. Salomon, Prof. G.E. Wood
OWNERSHIP	Board of Directors and Related Holdings parties own or are interested in 26.60% of the Ordinary shares and 0.87% of the 'A' non voting Ordinary Shares at 31 March 2019.
PORTFOLIO MANAGER	Alec Letchfield, Hansa Capital Partners LLP authorised and regulated by the Financial Conduct Authority (FCA)
ALTERNATIVE INVESTMENT FUND MANAGER	Maitland Institutional Services Limited authorised and regulated by the FCA
MANAGEMENT FEE	1% p.a. of NAV (excluding the holding in OWHL) payable monthly
KEY PERFORMANCE INDICATORS	The Board considers that the use of a single benchmark won't always offer shareholders the relevance and the clarity needed with regard to the performance of their Company. Therefore the Board considers the following KPIs when assessing the performance of the Company: UK CPI, MSCI ACWI TR GBP and FTSE Gilts All Stocks TR.
INVESTMENT POLICY	The investment policy adopted by the Board, which constitutes the Company's business model, is to invest in a portfolio of quoted and unquoted special situations, which may not normally be available to the general public, with the objective of achieving growth of shareholder value. By the very nature of special situation investments, the opportunity to invest in them will arise at any time and often not for long periods. Sometimes a number of opportunities may arise at the same time. Any single investment may, on occasion, constitute a significant proportion of the portfolio and/or that of the company concerned.
LISTING NOTIFICATIONS	The Board does not limit investments in listed closed-ended investment funds to no more than 15% of total assets.
	Listed closed-ended investment funds held by the Company which themselves do not have stated investment policies to invest no more than 15% of their total assets in other listed closed-ended investment funds: **NONE**
INVESTOR INFORMATION	The Company currently manages its affairs, so as to be a qualifying investment trust for ISA purposes for both the Ordinary and 'A' non voting Ordinary shares. It is the present intention that the Company will conduct its affairs so as to continue to qualify for ISA products. In addition, the Company currently conducts its affairs so that the shares issued by Hansa Trust PLC can be recommended by Independent Financial Advisers to ordinary retail investors, in accordance with the Financial Conduct Authority's (FCA's) rules in relation to non-mainstream investment products, and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products, because they are shares in an investment trust. FATCA – Hansa Trust is registered as a Reporting Financial Institution with the US IRS for FATCA purposes.

CONTACT DETAILS

For further information from
Portfolio Manager & Corporate Secretary
Hansa Capital Partners LLP
50 Curzon Street
London W1J 7UW

Authorised and Regulated by the
Financial Conduct Authority
Phone: 020 7647 5750
Fax: 020 7647 5770
E-mail: hansatrustenquiry@hansacap.com
Website: www.hansagrp.com

INVESTMENT ROUTES	Hansa Trust PLC does not provide access for investment into the Company
AVAILABLE WITHIN WRAPPER PRODUCTS	ISA & Savings Schemes (through third party Plan Managers)
AVAILABLE OUTSIDE WRAPPER	Direct Dealing through investors' own stockbroker/ bank facilities

Current and historic factsheets, current share prices and published reports are available on our website at **www.hansatrust.com**

FUND CODES	ORDINARY SHARES	'A' NON VOTING ORDINARY SHARES
SEDOL:	0787972	0787983
ISIN:	GB0007879728	GB0007879835
RIC:	HAN.L	HANA.L
TIDM:	HAN	HANA
Bloomberg:	HAN LN	HANA LN
LEI:	213800AIF87JWGLA1L74	

IMPORTANT INFORMATION Net Asset Values and returns are stated on a cum income basis in accordance with the practice of the Association of Investment Companies of which Hansa Trust PLC is a member. Total Returns on Net Asset Value and Shares have been sourced from unaudited internal management information. Prices quoted are mid price and performance returns are mid to mid.

Risk Warning: The information provided here has been issued by Hansa Trust PLC. Share and performance information has been compiled by Hansa Capital Partners LLP which is authorised and regulated by the Financial Conduct Authority. Past performance is not necessarily a guide to future performance as market and exchange rate movements may cause the value of shares and income from them to fall as well as rise, and an investor may not get back the amount invested. Investment Trust share prices may not fully reflect underlying net asset values. The spread on Investment Trusts typically averages 1-2% each way on the mid-market price (the price half way between the bid and offer prices). However, investors wishing to invest in Hansa Trust shares should note that the market for these shares is at times quite illiquid which leads to a large spread between the buying and selling prices, the bid to offer spread. For example, for the 'A' Shares, as at 31 March 2019 the bid offer spread was 4.2% (Bloomberg)