

Monthly Fact Sheet

31 January 2021

About the Fund

The objective of the fund is to deliver long term capital growth to investors by investing in a diversified portfolio of European (ex-UK) companies. The fund has an unconstrained approach investing across the size spectrum down to a minimum market capitalisation of c.€50m.

Using cashflow analysis, the strong valuation discipline will always deliver a material premium to the market in terms of free cashflow yield, and will always have a risk constraint of having lower net debt to EBITDA than the market at the portfolio level. These two commitments will be delivered whilst being invested in companies which have good long-term growth prospects.

Launch Date	6 March 2018
IA Sector	IA Europe ex UK

Share Price (as at 31.01.21)

	Income	Accumulation
B Shares	116.36p	124.18p

Codes (B Shares)

	Income	Accumulation
Sedol	BFNL2N1	BFNL2P3
ISIN	GB00BFNL2N15	GB00BFNL2P39

Fund Managers



Dale Robertson

joined Chelverton in 2017. He began his career as a chartered accountant at Arthur Anderson, moving to Edinburgh Fund Managers in 1995. He then managed European funds at SWIP before moving to Edinburgh

Partners where he managed the EP European Opportunities Fund from 2003 – 2016.



Gareth Rudd

joined Chelverton in 2017. He began his career in financial services in 1996 at Edinburgh Fund Managers. He then moved to ABN Amro where he was a long/short investor within Principal Strategies until

2009. Before joining Chelverton, Gareth was a partner at Willis Welby, a boutique research house.

MI Chelverton European Select Fund

Monthly Manager Commentary

European equity markets began the new year making positive ground, but ended the month lower, as investors became concerned that lockdowns and restrictions would delay economic reflation. There was no discernible style bias over the month between growth and value. The market appears to be marking time ahead of the upcoming company results season.

The fund posted a modestly positive return over the month. Media and Games Invest (online gaming and marketing) was the strongest performer following a transformative acquisition, and news that a well respected private equity business had taken a 9% equity stake in the company. The fund's semiconductor holdings, ASM International and BE Semiconductor, were also good performers over the month. Away from technology-related companies, there were also good share price appreciations from more traditional businesses – Signify (lighting) and BPost (Belgian mail and parcel service provider) of particular note. Detractors from performance included our financial holdings, which are seen as obvious reflation plays, hence not surprisingly they were generally weaker. TGS Nopec (oil services) was weaker on concerns that the Biden administration in the US could slow exploration permit grants in the US. Barco, a technology play, offering solutions for the cinema, medical, corporate and entertainment industries was also lower, despite results which confirmed the early stages of demand pick up in most of its markets.

Two new holdings were added during the month. Init specialises in technology solutions for public transport operators, including planning, ticketing, and fleet monitoring. It is targeting 15% organic growth yet is still valued on a higher free cashflow yield than the market. Banca Ifis is a play on Italian economic recovery. It purchases deeply discounted non-performing loans from other financial institutions and also provides loans and factoring services to smaller companies, based in northern Italy. We initiated with a small position, given that the current valuation is at a very significant discount to book value.

Cumulative Performance

	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	1.33	25.70	22.66	15.91	-	24.18
Rank in sector	1/114	3/113	4/112	22/112	-/-	31/106
Quartile	1st	1st	1st	1st	-	2nd
IA Europe Ex UK (%)	-1.95	14.84	10.77	10.07	-	16.69

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.01.2021

Calendar Year Performance (%)

	YTD	2020	2019	2018	2017	2016
Fund	1.33	11.54	30.14	-	-	-
IA Sector (%)	-1.95	10.53	20.38	-	-	-

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.01.2021

Sector Breakdown

	% of Portfolio
Technology	25.2
Industrials	18.7
Consumer Goods	13.6
Health Care	13.4
Financials	10.4
Consumer Services	6.5
Basic Materials	2.7
Oil & Gas	2.7
Cash	6.8

Geographic Breakdown

	% of Portfolio
Netherlands	19.2
France	11.9
Belgium	10.5
Switzerland	10.3
Germany	10.3
Finland	8.9
Sweden	8.6
Norway	3.0
Denmark	2.8
Malta	2.5
Spain	1.8
Portugal	1.7
Italy	1.7
Cash	6.8

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ACD

Maitland Institutional Services Limited

Investment Advisor

Chelverton Asset Management Limited

Administrator

Maitland Institutional Services Limited

Income Paid Biannually

XD Dates 30 June, 31 December

Valuation 12 Noon

Annual Management Fee (%)

B Shares 0.75

Minimum Investment

B Shares £1,000

Ongoing Charge (%)

B Shares 1

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FURTHER INFORMATION

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MI Chelverton *European Select Fund*

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Sword	Technology	3.4
2. Novartis	Healthcare	3.3
3. Roche	Healthcare	3.2
4. Siili	Technology	3.0
5. Handelsbanken	Financials	2.9
6. Arcadis	Industrials	2.8
7. Novo Nordisk	Healthcare	2.8
8. Ordina	Technology	2.8
9. Recticel Common	Basic Materials	2.8
10. Signify	Industrials	2.5
11. Media and Games	Consumer Goods	2.5
12. Intofel	Technology	2.4
13. Valmet	Industrials	2.4
14. Proact	Technology	2.4
15. D'Ieteren	Consumer Services	2.4
16. Kaufman & Broad	Consumer Goods	2.3
17. Caverion	Industrials	2.3
18. Danone	Consumer Goods	2.2
19. Bpost	Industrials	2.1
20. Relx	Consumer Services	2.1

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above €5bn	35.3	16
€2bn - €5bn	12.2	6
Below €2bn	45.7	22
Cash and Income	6.8	N/A
Total	100.0	44

Source: Chelverton Asset Management Limited

Disclaimer: The value of any investment, and any income from it, can rise and fall with movements in stockmarkets, currencies and interest rates. These can move irrationally and can be affected unpredictably by diverse factors, including political and economic events. This could mean that you won't get back the amount you originally invested. This fund can invest in smaller companies and carries a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. This document is provided for information purposes only and should not be interpreted as investment advice. If you have any doubts as to the suitability of an investment, please consult your financial adviser. The information contained in this document has been obtained from sources that Chelverton Asset Management Limited ("CAM") considers to be reliable. However, CAM cannot guarantee the accuracy or completeness of the information provided, and therefore no investment decision should be based solely on this data. Past performance is not a guide to future performance. This document is issued by CAM, authorised and regulated by the Financial Conduct Authority. This document does not represent a recommendation by CAM to purchase shares in this Fund. The contents of this document are intended for Professional Investors and Eligible Counterparties only. We recommend private investors seek the services of a Financial Adviser. Maitland Institutional Services Limited are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email chelverton@maitlandgroup.co.uk or call +44 (0) 1245 459 962.