

## Monthly Fact Sheet

**30 June 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.

<b>Launch Date</b>	6 March 2018
<b>Fund Size</b>	£48m
<b>Historic Yield*</b>	1.48% (e)

<b>Share Price</b> (as at 30.06.21)		
	<i>Income</i>	<i>Accumulation</i>
B Shares	135.28p	144.38p

### Codes (B Shares)

	<i>Income</i>	<i>Accumulation</i>
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.

\*The historic yield reflects distributions over the past 12 months as a percentage of the bid price of the B share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

(e) is estimated

# MI Chelverton *European Select Fund*

## Monthly Manager Commentary

European markets were broadly positive in June. At the macro level, inflation concerns were still apparent, though markets generally appeared to conclude that significant inflation risk in the medium term was relatively low, hence the positive move. From a stylistic perspective, June saw a significant resurgence of growth over value, as a result of the aforementioned inflation concerns receding.

The fund also had a positive month.

In terms of individual names, there were strong performances from some of our smaller companies. Limes (mental wellbeing/health clinics), Artefact (digital marketing/media), Media and Games (gaming and digital marketing) and Digital Value (IT services) all had strong positive contributions to the month's performance. Also, from a sector perspective, our pharmaceutical holdings enjoyed a solid performance, having previously underperformed for some months.

The main detractors from performance were Cliq Digital (media streaming) and Recticel (Insulation and technical foams). There was no adverse newsflow with either company, simply profit-taking following strong recent share price performances.

Over the month we sold two holdings. Valmet (industrial services and automation) has performed very strongly and subsequently had run out of valuation support and Grieg Seafood (salmon farming) where governance concerns and higher than average leverage made the investment case less attractive.

We added two new holdings over the month. CTAC is a Dutch based IT services company. The company has good growth prospects, no debt and a free cashflow yield approaching double digits. Koninklijke Boskalis Westminster provides marine services including dredging and offshore energy services for renewable energy projects. It has no debt, and a very strong orderbook. Although cyclical, we estimate Boskalis to be on a through cycle free cashflow yield in excess of 7%.

## Cumulative Performance

	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	2.24	8.38	17.81	41.50	43.33	44.38
Rank in sector	33/111	27/111	2/111	4/109	14/103	22/103
Quartile	2nd	1st	1st	1st	1st	1st
IA Europe Ex UK (%)	1.15	7.09	9.66	23.73	29.10	30.52

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 30.06.2021

## Calendar Year Performance (%)

	YTD	2020	2019	2018	2017	2016
Fund	17.81	11.54	30.14	-	-	-
IA Sector (%)	9.66	10.53	20.38	-	-	-

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 30.06.2021

## Sector Breakdown

	% of Portfolio
Technology	32.8
Industrials	17.5
Health Care	13.0
Consumer Discretionary	12.6
Consumer Staples	8.0
Financials	7.2
Telecommunications	2.7
Energy	2.1
Cash	4.1

## Geographic Breakdown

	% of Portfolio
Netherlands	21.1
France	14.4
Belgium	10.1
Germany	10.0
Finland	8.6
Switzerland	7.9
Sweden	7.0
Italy	5.1
Spain	3.1
Denmark	2.5
Malta	2.2
Portugal	1.4
Austria	1.3
Norway	1.2
Cash	4.1

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**30 June 2021**

**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

**Initial Charge (%)**  
B Shares 5.0\*

**Annual Management Fee (%)**  
B Shares 0.75

**Minimum Investment**  
B Shares £1,000

**Ongoing Charge (%)**  
B Shares 1

\*or any such lower amount agreed with the ACD

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### FURTHER INFORMATION

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**Visit** springcapitalpartners.com



## MI Chelverton *European Select Fund*

### Top 20 Holdings

Holding	Sector	% of Portfolio
1. Artefact	Technology	3.1
2. Caverion	Industrials	3.0
3. Recticel Common	Industrials	2.9
4. UCB	Healthcare	2.9
5. Limes Schlosskliniken	Healthcare	2.7
6. Sword	Technology	2.7
7. Ordina	Technology	2.7
8. Novartis	Healthcare	2.6
9. Cliq	Consumer Discretionary	2.6
10. Novo Nordisk	Healthcare	2.5
11. Kaufman & Broad	Consumer Discretionary	2.5
12. TietoEVRY	Technology	2.4
13. Intofel	Technology	2.4
14. Handelsbanken	Financials	2.3
15. Roche	Healthcare	2.3
16. Ahold Delhaize	Consumer Staples	2.3
17. Media and Games Invest	Consumer Discretionary	2.2
18. Bpost	Industrials	2.2
19. Unilever	Consumer Staples	2.2
20. Siili	Technology	2.2

Source: Chelverton Asset Management Limited

### Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above €5bn	32.3	16
€2bn - €5bn	11.7	6
Below €2bn	51.9	27
Cash and Income	4.1	N/A
<b>Total</b>	<b>100.0</b>	<b>49</b>

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. Fund performance figures are net of the ongoing charges and portfolio transaction costs unless otherwise stated. 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](mailto:Chelverton@maitlandgroup.co.uk) or call +44 (0) 1245 459 962.