



## Monthly Fact Sheet

### 31 July 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>	£124m
<b>Historic Yield*</b>	1.45%

#### Share Price (as at 31.07.21)

	Income	Accumulation
B Shares	138.04p	149.20p

#### 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.

\*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.

## MI Chelverton *European Select Fund*

#### Monthly Manager Commentary

European markets posted modest gains during July. Focus was generally on the interim reporting season, which was broadly supportive for European markets. Stylistically, growth outperformed value over the month and the former has now also outperformed the latter year to date.

The fund had a positive month performance wise.

The biggest contributor to performance over the month came from Artefact (digital marketing services) which received a bid approach from private equity. D'Ieterin (windshield repair and car dealerships) was also up strongly on news that a stake in its windscreen repair business, Belron, had changed hands at a very attractive indicative valuation. Elsewhere, good share price performances from Sword (software and IT services), Media and Games Invest (gaming and digital marketing) and Limes Schlosskliniken (mental well-being clinics) all contributed to the gains of the fund over the month.

On the negative side, Signify (lighting) sold off following results, as did Kaufman and Broad (housebuilding). Bpost (Belgian postal services) was also weaker over the month. We have added to all of these positions.

The fund purchased Atea during the month. Atea is a value-added reseller of IT storage and server solutions in the Nordic region. It has a history of attractive returns on capital and is in our sweet spot of undervalued growth, on a free cashflow yield of over 6% for 5%+ revenue growth.

We exited our holding in Indra Sistemas, as we are increasingly nervous of the influence being exerted by the Spanish government, Indra's largest shareholder, over the business.

#### Cumulative Performance

	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	3.34	6.88	20.15	47.38	43.60	49.20
Rank in sector	18/111	19/110	9/110	3/108	13/102	21/102
Quartile	1st	1st	1st	1st	1st	1st
IA Europe Ex UK (%)	1.63	4.53	13.68	25.93	26.52	32.66

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.07.2021

#### Calendar Year Performance (%)

	YTD	2020	2019	2018	2017	2016
Fund	21.74	11.54	30.14	-	-	-
IA Sector (%)	11.46	10.53	20.38	-	-	-

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.07.2021

#### Sector Breakdown

	% of Portfolio
Technology	31.7
Industrials	19.2
Consumer Discretionary	12.5
Consumer Staples	11.6
Health Care	11.2
Financials	6.3
Telecommunications	2.1
Energy	2.0
Cash	3.4

#### Geographic Breakdown

	% of Portfolio
Netherlands	24.2
France	14.5
Belgium	9.4
Sweden	9.0
Germany	8.0
Finland	7.9
Switzerland	7.1
Italy	5.5
Spain	2.4
Denmark	2.3
Norway	1.8
Malta	1.8
Austria	1.7
Portugal	1.0
Cash	3.4

## Monthly Fact Sheet

**31 July 2021**

### ACD

Maitland Institutional Services Limited

### Investment Advisor

Chelverton Asset Management Limited

### Administrator

Maitland Administration Services Ltd

**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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# MI Chelverton *European Select Fund*

## Top 20 Holdings

Holding	Sector	% of Portfolio
1. TietoEVRY	Technology	3.0
2. Artefact	Technology	2.9
3. Recticel Common	Industrials	2.8
4. Intofel	Technology	2.8
5. Novartis	Healthcare	2.7
6. Unilever	Consumer Staples	2.6
7. Relx	Consumer Discretionary	2.6
8. Ahold Delhaize	Consumer Staples	2.5
9. UCB	Healthcare	2.5
10. Caverion	Industrials	2.5
11. Kaufman & Broad	Consumer Discretionary	2.5
12. Roche	Healthcare	2.4
13. Cliq	Consumer Discretionary	2.4
14. Handelsbanken	Financials	2.4
15. Zardoya Otis	Industrials	2.4
16. Sword	Technology	2.4
17. Essity	Consumer Staples	2.3
18. Novo Nordisk	Healthcare	2.3
19. Boskalis	Industrials	2.3
20. Arcadis	Industrials	2.2

*Source: Chelverton Asset Management Limited*

## Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above €5bn	35.3	17
€2bn - €5bn	11.6	5
Below €2bn	49.7	30
Cash and Income	3.4	N/A
Total	100.0	52

*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.