

Monthly Fact Sheet

31 October 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
Fund Size	£167m
Historic Yield*	1.41%

Share Price (as at 31.10.21)

	Income	Accumulation
B Shares	141.56p	153.19p

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 Andersen, 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 were ahead over October. Supply chain concerns across multiple sectors remain, coupled with inflationary pressures appearing to build. However, European markets generally looked beyond these macro issues and finished the month on a positive note. Stylistically, growth outperformed value.

The portfolio had a positive month in performance terms, but more muted than broader European indices.

Positive contributions came from IT service holdings Proact IT and Bouvet. Also strong over the month was D'ieren (windscreen replacement) and Recticel (insulation and technical foams). The latter has agreed in principle to dispose of its technical foams business in response to an unwelcome takeover offer.

In terms of detractors to performance, Post NL (Dutch postal service) was weak, though on no specific news. Signify (lighting) produced a disappointing trading update, citing some supply chain issues, but confirming that demand remained very strong. We continue to see Signify as a materially undervalued company with a double digit free cashflow yield, and good long term environmental drivers. Staples such as Unilever and Danone were also somewhat weaker, on cost inflation concerns.

During the month, the fund initiated a new holding in Serviceware. Serviceware has developed a suite of software products which enable clients to monitor and evaluate value-for-money for IT projects and resource investments. Profitable, cash generative and majority owned by its two main directors, it is trading at a sharp discount to peers, largely as a result of poor coverage post IPO due to Mifid II. Serviceware is another example of why we think there is a structural opportunity to invest in overlooked smaller companies in Europe.

Cumulative Performance

	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	1.17	2.68	9.74	55.07	62.19	53.19
Rank in sector	91/110	34/108	19/107	2/106	15/99	20/99
Quartile	4th	2nd	1st	1st	1st	1st
IA Europe Ex UK (%)	2.11	2.10	6.72	33.29	41.81	35.45

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.10.2021

Calendar Year Performance (%)

	YTD	2020	2019	2018	2017	2016
Fund	25.00	11.54	30.14	-	-	-
IA Sector (%)	13.80	10.53	20.38	-	-	-

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.10.2021

Sector Breakdown

	% of Portfolio
Technology	29.5
Industrials	23.4
Consumer Discretionary	14.3
Consumer Staples	12.0
Health Care	9.3
Financials	5.6
Telecommunications	3.0
Cash	2.9

Geographic Breakdown

	% of Portfolio
Netherlands	22.8
Sweden	11.2
Germany	11.1
Belgium	10.7
Finland	9.0
France	8.8
Switzerland	5.8
Norway	4.8
Italy	4.8
Spain	2.8
Austria	1.7
Malta	1.6
Denmark	1.2
Portugal	0.8
Cash	2.9

Monthly Fact Sheet

31 October 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

Dealing Line 0345 305 4217

Dealing Fax 0845 280 0188

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

Tel +44 (0)20 3195 0076

Email chelverton@springcapitalpartners.com

Visit springcapitalpartners.com



MI Chelverton *European Select Fund*

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Recticel Common	Industrials	2.8
2. Intofel	Technology	2.4
3. UCB	Healthcare	2.4
4. Sword	Technology	2.4
5. KONE	Industrials	2.3
6. Novartis	Healthcare	2.3
7. Unilever	Consumer Staples	2.2
8. Roche	Healthcare	2.2
9. Ahold Delhaize	Consumer Staples	2.2
10. Signify	Industrials	2.2
11. Kinopolis Group	Consumer Discretionary	2.1
12. Acomo	Consumer Staples	2.1
13. Swedish Match	Consumer Staples	2.1
14. Siili	Technology	2.0
15. Handelsbanken	Financials	2.0
16. Caverion	Industrials	2.0
17. Essity	Consumer Staples	2.0
18. Relx	Consumer Discretionary	2.0
19. Bouvet	Technology	2.0
20. Knorr-Bremse	Industrials	1.9

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above €5bn	34.6	19
€2bn - €5bn	9.6	6
Below €2bn	52.9	37
Cash and Income	2.9	N/A
Total	100.0	62

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 or call +44 (0) 1245 459 962.