

## Monthly Fact Sheet

### 31 December 2023

#### 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>	£177m
<b>Historic Yield*</b>	1.53% (e)

<b>Share Price</b> (as at 31.12.23)		
	<i>Income</i>	<i>Accumulation</i>
B Shares	135.42p	152.00p

#### 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 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.  
(e) is estimated

## MI Chelverton European Select Fund

#### Monthly Manager Commentary

European markets continued to perform well during December. The positive sentiment remains generally macro-driven, as confidence grows that interest rates in Europe have likely peaked. Smaller companies continued to recover, performance-wise, relative to larger companies. The fund was up strongly over the month, given this environment.

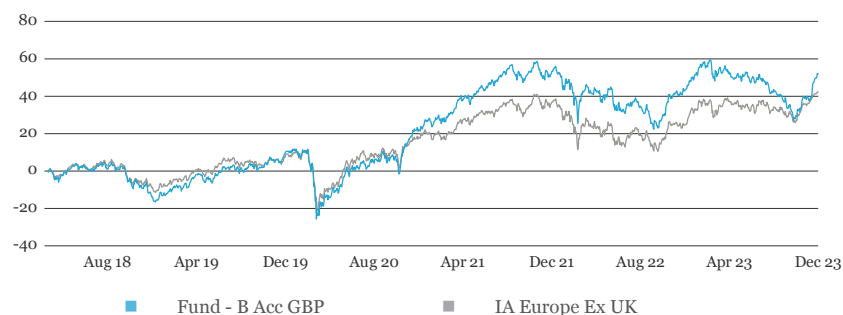
The largest contributor to performance over the month was Pagero (business to business software) which received a bid approach at a significant premium to its pre-bid price level. Ox2 (wind farm developer) performed strongly over the month, as confidence grows that the business model has weathered a difficult year well. Notable positive contributions also came from Assystem (nuclear power consultant), Visiativ and Serviceware (both technology products and services), as well as D'ieren (Autoglass windshield repair owner), Deme (alternative energy infrastructure services) and Boliden (copper mining).

There were relatively few detractors from performance over the month. Fabasoft (software) suffered some profit-taking following a strong performance last month. Init Innovation in Traffic Systems (transport-related technology) was also moderately lower following a strong share price move in recent months.

There were no new additions over the month to the fund. EQS was sold following the bid for the company. The fund also exited Zaptec (electric vehicle charging solutions) following some concerns about the balance sheet.

The portfolio ended the year on a 6.2% free cashflow yield, with expected growth for the next three years expected to reach almost 11% on average for the portfolio's holdings. The free cashflow yield represents a premium of almost 50% versus the broader market, growing at twice the expected rate of growth for the market generally. We look forward to 2024 and are excited about the prospects for the fund.

#### Performance Since Launch (%)



Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.12.2023

#### Cumulative Performance

	1 m	3 m	1 yr	3 yrs	5 yrs	Since Launch
Fund (%)	9.10	9.20	5.45	24.03	80.03	52.00
Rank in sector	3/110	31/110	104/109	49/101	12/93	30/93
Quartile	1st	2nd	4th	2nd	1st	2nd
IA Europe Ex UK (%)	4.80	8.08	14.25	20.35	60.13	43.23

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.12.2023

#### Calendar Year Performance (%)

Fund	2023	2022	2021	2020	2019	2018
Fund	5.45	-7.07	26.56	11.54	30.14	-
IA Sector (%)	14.25	-8.90	15.63	10.53	20.38	-

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.12.2023

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**31 December 2023**

### ACD

Apex Fundrock Ltd

### Investment Advisor

Chelverton Asset Management Limited

### Administrator

Apex Fundrock 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 0.96

\*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. Pagero Group	Technology	4.7
2. OX2	Energy	3.4
3. Amadeus FiRe	Industrials	3.0
4. Vallourec	Basic Materials	2.6
5. BE Semiconductor Industries	Technology	2.5
6. Valmet	Industrials	2.5
7. TGS-NOPEC	Energy	2.4
8. Roche	Healthcare	2.4
9. Arcadis	Industrials	2.4
10. Brunel	Industrials	2.4
11. Siemens	Industrials	2.3
12. EuroGroup Laminations	Industrials	2.3
13. Kaufman & Broad	Consumer Discretionary	2.2
14. ASM International	Technology	2.2
15. D'Ieteren	Consumer Discretionary	2.2
16. Française De l'Énergie	Utilities	2.2
17. Kering	Consumer Discretionary	2.2
18. Rheinmetall	Industrials	2.1
19. DEME	Industrials	2.0
20. Bouvet	Technology	2.0

## Sector Breakdown

	% of Portfolio
Technology	31.2
Industrials	30.4
Energy	9.8
Consumer Discretionary	9.2
Basic Materials	6.0
Healthcare	5.3
Utilities	2.2
Financials	1.2
Telecommunications	1.2
Cash	3.5

## Geographic Breakdown

	% of Portfolio
France	17.5
Sweden	16.1
Netherlands	14.7
Germany	13.2
Italy	8.1
Norway	7.5
Belgium	5.5
Austria	4.4
Finland	4.2
Switzerland	4.0
Spain	1.3
Cash	3.5

## Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above €10bn	15.3	8
€2bn - €10bn	18.3	9
Below €2bn	62.9	41
Cash and Income	3.5	N/A
Total	100.0	58

Source: Chelverton Asset Management Limited

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