

This is a marketing communication.



Monthly Fact Sheet

28 February 2025

Launch Date	4 December 2006
Fund Size	£176m
Historic Yield	6.13% (e)

The historic yield reflects distributions over the past 12 months as a percentage of the 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.

Share Price (as at 28.02.25)		
Shares	Income	Accumulation
B Shares	97.95p	255.77p

SEDOL Codes		
	Income	Accumulation
Sedol	B1FD646	B1Y9J57
ISIN	GB00B1FD6467	GB00B1Y9J570

Income Paid	Quarterly
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XD Dates	31 March, 30 June, 30 September, 31 December
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Valuation	12 Noon, Daily
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Initial Charge (%)	5.0*
Annual Management Fee (%)	0.75
Minimum Investment	£1,000
Ongoing Charge (%)	0.93

Charges are for B share class.
*or any such lower amount agreed with the ACD

ACD
Apex Fundrock Ltd

Investment Advisor
Chelverton Asset Management Limited

Administrator
Apex Fundrock Ltd

Dealing Details

Dealing Line	0345 305 4217
Dealing Fax	0845 280 0188

MI Chelverton UK Equity Income Fund

Investment Objective and Policy

The objective of the Fund is to provide a progressive income stream and achieve long-term capital growth by investing primarily in a portfolio of fully listed and AIM traded UK equities. The Fund will invest in UK companies which aim to provide a high initial dividend, progressive dividend payments and long term capital appreciation.

Monthly Manager Commentary

February has been a month of trade war turmoil, as Trump kicked off his second term by issuing executive orders for tariffs on Canada, China and Mexico and subsequently "pausing" these, to make time for negotiations and further reciprocal tariff plans, leading to uncertainty in UK and European markets as we await our own fate. He also declared that the US was no longer willing to tolerate an "imbalanced relationship" with Nato members, demanding Europe increase its defence contribution. This left Western Europe sceptical of whether they can count on the US to defend its Nato allies in the future and scrambling to increase defence spending.

Back at home, Kier Starmer announced an increase in the UK defence spend to 2.5% of GDP by 2027. Following the Chancellor's October budget and the impending tax impact of National Insurance increases on the private sector, the UK's domestic growth has slowed, such that tax receipts may not be sufficient to meet the government's self-imposed fiscal rules, let alone an increase in defence spending. As well as Starmer's suggested cut to aid to fund defence spend, more spending cuts and/or tax rises may be on the cards to balance the books. One helpful initiative, from a UK equity market perspective, would be a move to direct a greater share of UK Pension Fund investment into its home market, in line with Labour's Manifesto plans. This would provide a welcome boost to our relatively oversold stock market, which hosts many excellent businesses, which in our view trade on very attractive valuations relative to their international peers, not on merit but because they're starved of fund flows.

On the monetary front, we kicked off the month with the UK MPC voting to reduce interest rates by 0.25 percentage points, to 4.5%, with two members of the group voting for a 0.5% rate cut. As rates come down, we would expect the current yield offered by our fund to look relatively more attractive to investors. Despite the doom and gloom of geopolitics, it's worth remembering that the UK economy is still expanding, with GDP reported to have expanded by 0.4% in December relative to November, and with Trump and Starmer now reportedly working on a trade deal, the UK could escape tariffs in the short-term. At portfolio level, we added one new holding to the Fund in February buying B&M, the discount retailer. We reduced our exposure to Rank and Sabre Insurance. Poor performers included Conduit Re, with LA wildfire losses coming in higher than expected, and Morgan Advanced Materials, following a downgrade to their FY'25 revenue expectations. On the plus side, Mony Group, Rathbones and XPS Pensions all performed well following positive trading updates.

Cumulative Performance

	1m	3m	1yr	3yrs	5yrs	10yrs
Fund (%)	-1.25	-5.52	6.77	-4.32	11.58	20.97
Rank in sector	60/66	58/66	58/66	61/66	60/64	46/53
Quartile	4th	4th	4th	4th	4th	4th
IA UK Equity Income (%)	-0.09	2.25	14.66	20.86	41.27	62.66

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 28.02.2025

Calendar Year Performance (%)

	YTD	2024	2023	2022	2021	2020
Fund	-3.93	6.04	8.50	-21.99	21.56	-11.72
IA UK Equity Income	3.52	8.66	7.08	-2.18	18.30	-10.91

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 28.02.2025

Dividend History

	Q1	Q2	Q3	Q4	Total
2020 B Income	0.24p	0.55p	0.97p	0.70p	4.46p
2021 B Income	0.65p	1.64p	1.56p	0.95p	4.80p
2022 B Income	0.79p	2.30p	1.55p	1.07p	5.71p
2023 B Income	0.94p	2.07p	1.75p	1.05p	5.81p
2024 B Income	0.89p	2.29p	1.67p	1.14p (e)	6.00p (e)

History of dividends declared per share. Source: Chelverton Asset Management Limited
(e) is estimated

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Fund Managers



David Taylor

began his career as an analyst in the research department at Wedd Durlacher and moved into fund management in 1987 with the Merchant Navy Officers Pension Fund. He joined

Gartmore Investment Limited in 1991, during this time, he ran a combination of institutional funds and investment trusts, namely the Clydesdale Investment Trust and London & Strathclyde Trust. In 1995, he moved to LGT to manage small cap retail funds and latterly spent nearly seven years as head of UK smaller companies at HSBC Asset Management. He joined Chelverton Asset Management in January 2006 and has co-managed the Chelverton UK Equity Income Fund since launch.



Oliver Knott

joined Chelverton Asset Management in January 2020 as an Assistant Fund Manager. He has extensive experience in UK small and mid cap equities having joined Brewin Dolphin

as a generalist salesman after graduating from the University of Essex with a 1st class honours degree in Politics, Philosophy and Economics. Prior to joining Chelverton, he worked as an equity analyst for N+1 Singer, in their highly respected technology research franchise. Oliver is a CFA Charterholder.

Investment Analysts



Phoebe Baker

joined Chelverton in March 2023 as a Responsible Business Trainee in the ESG Team. She has been promoted to Investment Analyst joining the

Quoted team. She has a 1st class honours degree in Biomedical Sciences from The University of Edinburgh. Prior to working for Chelverton, Phoebe worked for socially and environmentally driven start-ups and scale-ups in an account management capacity.



FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

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MI Chelverton UK Equity Income Fund

Top 20 Holdings

Holding	Industry	% of Portfolio
1. Chesnara	Insurance	3.12
2. Bakkavor Group	Food Products	2.83
3. Telecom Plus	Multi-Utilities	2.60
4. Phoenix Group	Insurance	2.44
5. Polar Capital Holdings	Capital Markets	2.31
6. ZIGUP	Ground Transportation	2.24
7. MONY Group	Interactive Media & Services	2.10
8. Wickes	Specialty Retail	2.09
9. PayPoint	Financial Services	2.00
10. Dunelm	Specialty Retail	1.94
11. TPICAP	Capital Markets	1.93
12. Hargreaves Services	Oil, Gas & Consumable Fuels	1.88
13. Vesuvius	Machinery	1.87
14. Assura	Health Care REITs	1.72
15. Rathbones	Capital Markets	1.69
16. Ashmore Group	Capital Markets	1.68
17. Sabre Insurance Group	Insurance	1.65
18. Diversified Energy	Oil, Gas & Consumable Fuels	1.58
19. Inchcape	Distributors	1.54
20. Keller Group	Construction & Engineering	1.53

Source: Chelverton Asset Management Limited, Sector and Industry information per GICS

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	30.98	22
£500m - £1bn	18.89	13
£250m - £500m	22.91	21
£100m - £250m	17.12	17
Below £100m	6.80	10
Cash and Income	3.30	-
Total	100.00	83

Source: Chelverton Asset Management Limited

Disclaimer: This fund invests 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. The fund can also invest in smaller companies listed on the Alternative Investment Market (AIM) which also carry the risks described above. 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. This is a marketing communication and is intended for Professional Investors and Eligible Counterparties only. We recommend private investors seek the services of a Financial Adviser. Apex Fundrock Ltd are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email chelverton@apexgroup.co.uk or call +44 (0)345 305 4217. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.