

This is a marketing communication.



## Monthly Fact Sheet

### 28 February 2025

<b>Launch Date</b>	20 October 2014	
<b>Fund Size</b>	£504m	
<b>Historic Yield*</b>	1.58% (e)	
<b>Share Price (as at 28.02.25)</b>		
<b>Shares</b>	<b>Income</b>	<b>Accumulation</b>
B Shares	283.63p	315.02p

### Investment Objective and Policy

The objective of the Fund is to achieve long-term capital growth by investing primarily in a portfolio of small and medium sized fully listed and AIM traded UK equities.

### Fund Managers



#### James Baker

a history graduate from Cambridge University, has over 30 years of equity market experience on both buy and sell sides, specialising for all of his career in UK Small and Mid caps stock selection. He has worked for several organisations over the years, but most notably spent 11 years from 1999 to 2011 as part of the ABN Amro, Small Mid cap sales team, which was consistently top ranked by Exel. Prior to joining Chelverton he worked as the Assistant fund manager on the Rathbone UK Recovery Fund.



#### Edward Booth

graduated from the London School of Economics with a degree in Economics with Economic History, and qualified as a Chartered Accountant at Deloitte, where he focused on the Insurance sector. Prior to joining Chelverton, he worked as a Business Analyst for Barclays, focusing on a number of areas including Investment Bank Revenue and Group Capital performance.



#### Henry Botting

joined Chelverton Asset Management in 2021 and was appointed co-manager in August 2022. Prior to joining, Henry worked on the Equity Sales team at finnCap, where he

specialised in UK small and micro-cap companies. He has a degree in Economic and Social History from the University of Edinburgh and prior investment management experience at Rathbones and OLIM. Henry is a CFA Charterholder.

\*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 UK Equity Growth Fund

## Monthly Manager Commentary

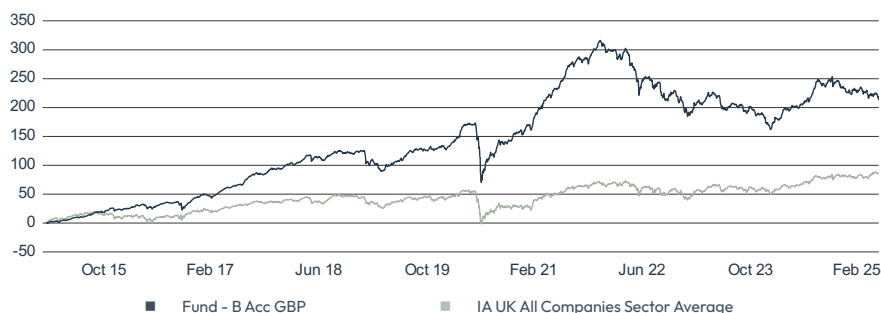
February was a poor month for the Fund and the wider UK Mid and Small Cap equity market from a relative performance perspective, as the market moved into a more risk-off mode having been spooked by a flurry of executive orders on tariffs by the new Trump administration, with their negative implications for global growth and US inflation. At the same time, domestic economic activity remains muted, with earnings and investment by domestic cyclicals, particularly those with high labour content, coming under pressure ahead of the employer National Insurance increases come into force in April.

At the individual stock level several of the Fund's leading detractors – namely GB Group, LBG Media and Everplay – gave back recent share price gains without any negative newsflow. Indeed, dotDigital fell back despite posting good results coupled with an in-line trading update forecasting ongoing growth. Conduit Re, the insurer, sold off after reporting higher losses than the market had expected on the California wildfires, whilst Warpaint was impacted by a slowdown in trading in its important calendar fourth quarter trading period. SigmaRoc, the Fund's largest holding, made the largest contribution to returns, as it continued to attract more buying interest, following its transformational limestone acquisition. Elsewhere contributions were muted at best, as UK Mid and Small cap shares continued to drift, despite valuations looking increasingly compelling across the portfolio and the wider market.

As managers, we added to Warpaint, averaging down after its disappointing trading update, as we believe the outlook for 2025 remains promising. We also used softness in the DiscoverIE share price to build up the Fund's holding. We started a new position, buying into Pinewood Technologies, a dealer management software developer for the automotive industry, which is enjoying market share growth thanks to its modern cloud based offering, by participating in a placing to finance its acquisition of Seez, a software business with AI and machine learning capabilities addressing the same end market. On the sell side we exited the Fund's small holding in Venture Life, the branded healthcare products business, which has failed to meet our expectations over a sustained period of time. We also sold down part of the Fund's holding in Learning Technologies Group, which is subject to an agreed takeover offer, to provide liquidity and we trimmed the Fund's positions in Alpha Group International and SigmaRoc into strength, to manage position sizes.

At the geo-political level we have seen a tumultuous start to 2025, with the commencement of Trump's second term as President. The slew of executive orders around tariffs, initially on Canada, Mexico and China, followed by partial retractions, have caused a high level of unease and uncertainty in financial markets. Of equal if not greater significance is the USA's rapprochement with Russia under Trump, and its implications for European fiscal policy on defence spending, with Western European countries now having to fend for themselves against a belligerent Putin regime. Plans in Germany for a loosening of the constitutional limits on fiscal deficits, to enable increased defence spending and to finance a €500bn ten year infrastructure investment programme, should kick start the languishing German economy. At home all eyes are on the forthcoming Spring statement, with slowing domestic growth in part caused by the Chancellor's first budget's private sector tax raid, meaning tax receipts are now insufficient to meet the government's spending plans, so that either spending cuts and/or more tax rises will be required to balance the books. Overlaying this is a requirement, alongside our European allies, to increase defence spending, to disentangle the UK's interdependency with US military programmes. 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 from its current derisory level, in line with Labour's Manifesto plans. Any such move would provide a welcome boost to our very oversold stockmarket, which hosts many excellent businesses, which in our view trade on derisory valuations relative to their international peers, not on merit but because they're starved of fund flows.

### Performance Since Launch (%)



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

### Cumulative Performance

	1m	3m	1yr	3yrs	5yrs	Since Launch
Fund (%)	-2.98	-4.77	4.97	-9.96	29.19	215.34
Rank in sector	170/199	188/198	175/198	185/196	123/187	1/156
Quartile	4th	4th	4th	4th	3rd	1st
IA UK All Companies (%)	-0.61	2.15	12.94	16.49	35.40	86.02

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

### Calendar Year Performance (%)

	YTD	2024	2023	2022	2021	2020
Fund	-4.17	9.31	-3.86	-22.16	28.73	15.93
IA UK All Companies	3.59	7.95	7.35	-9.23	17.14	-6.17

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

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28 February 2025

### ACD

Apex Fundrock Ltd

### Investment Advisor

Chelverton Asset Management Limited

### Administrator

Apex Fundrock Ltd

<b>Income Paid</b>	Annually
<b>XD Dates</b>	31 December
<b>Valuation</b>	12 Noon

### Codes (B Shares)

	Income	Accumulation
Sedol	BP85595	BP855B7
ISIN	GB00BP855954	GB00BP855B75

<b>Initial Charge (%)</b>	
B Shares	5.0*

<b>Annual Management Fee (%)</b>	
B Shares	0.75

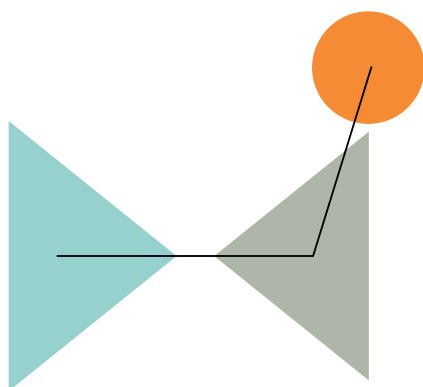
<b>Minimum Investment</b>	
B Shares	£1,000

<b>Ongoing Charge (%)</b>	
B Shares	0.87

\*or any such lower amount agreed with the ACD

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### FURTHER INFORMATION

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# MI Chelverton UK Equity Growth Fund

## Top 20 Holdings

Holding	Sector	% of Portfolio
1. Sigmaroc	Construction	3.0
2. Alpha Group	Financials	2.3
3. Gamma Communications	Technology	2.2
4. Spirent Communications	Technology	2.1
5. Globaldata	Media	2.1
6. GB Group	Technology	2.1
7. Future plc	Media	1.8
8. Auction Technology Group	Technology	1.8
9. Premier Foods	Consumer	1.8
10. Coats Group	Consumer	1.6
11. Restore	Support Services	1.6
12. Stelrad Group	Construction	1.6
13. Big Technologies	Technology	1.6
14. Advanced Medical Solutions	Healthcare	1.6
15. Conduit Re	Financials	1.5
16. Brooks MacDonald	Financials	1.5
17. JTC	Financials	1.4
18. Dotdigital Group	Technology	1.4
19. Accesso Technology Group	Technology	1.4
20. Spectris	Industrials	1.3

Source: Chelverton Asset Management Limited

## Sector Breakdown

	% of Portfolio
Technology	25.1
Financials	13.0
Construction	11.1
Media	10.1
Consumer	9.0
Support Services	8.9
Industrials	7.2
Healthcare	3.9
Resources	1.9
Property	0.9
Utilities	0.7
Telecoms	0.1
Cash	8.1

Source: Chelverton Asset Management Limited

## Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	26.1	23
£500m - £1bn	18.3	18
£250m - £500m	19.3	24
£100m - £250m	19.8	23
Below £100m	8.4	38
Cash and Income	8.1	N/A
<b>Total</b>	<b>100.0</b>	<b>126</b>

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.