



Monthly Fact Sheet

31 August 2025

Investment Objective and Policy

The objective of the fund is to achieve capital growth by investing in fully listed and AIM listed UK equities across the UK market size spectrum but always with a minimum of 60% of assets in large cap UK equities.

Launch Date	28 October 2024
Fund Size	£34m
Historic Yield*	1.89%

Share Price (as at 31.08.25)

	Income	Accumulation
B Shares	98.20p	105.99p

Codes (B Shares)

	Income	Accumulation
ISIN	GB00BLCCHF49	GB00BLCCHD25

Fund Managers



Julie Dean

joined the Chelverton UK team in 2024, bringing with her a wealth of fund management experience and is renowned within the industry for her astute business cycle investing approach. Her career began at GT, managing UK equity funds, after which she moved to HSBC, where she oversaw UK Growth funds and institutional portfolios. In 2002, Julie joined Cazenove and managed the Cazenove/Schroder UK Opportunities Fund. Julie holds a BA (Hons) in Modern History from St Anne's College, Oxford University.



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.

MI Chelverton UK Opportunities Fund

Monthly Manager Commentary

The UK stock market rose 1.12% in August with size dispersion continuing at the size level with large cap stocks +1.3% outperforming mid-caps which fell 0.43%. UK government borrowing costs continued to rise this month with 10 year gilt yields at 4.72% and 30 year money at 5.6% - levels which make it difficult for asset allocators to take risk in UK equities. Across this part of the yield curve UK gilts are ~50bps above comparable US borrowing costs and ~200bps more than in Germany. The actual performance of the UK economy does not in our view justify these premia: Q2 GDP for the UK was revised upwards in August to 0.3% quarter-on-quarter bringing annualised first half GDP to 2.2%; UK CPI ticked up to 3.8% year-on-year in July, likely close to the peak in our view, as core goods, food and wage inflation is softening. The problem lies in the UK's political economy which faces a convergence of issues - the government has failed to pass welfare reforms despite a sizeable majority, has no plans to cut spending elsewhere and is still committed to a self-imposed and (in our view) an economically meaningless promise to balance the public sector budget by April 2029. The next annual budget is likely to be in early November and market speculation on measures to be announced may keep gilt yields elevated casting a shadow over short-term risk taking in UK equities.

Turning to our fund, which rose 1.34% this month, and was boosted by bid for another of our companies. Private equity continues to see the value of offer in UK Plc with a preliminary cash bid from Permeira for JTC (originally Jersey Trust Company) added 47bps, which the company has rejected. Elsewhere BP added 34 bps, announcing a sizeable oil and gas discovery at the Bumerangue prospect in the deepwater offshore Brazil. Melrose, aerospace and defence, added 33bps after delivering better IH results with a notable improvement in free cash flow generation. Smith & Nephew, global medical technology, added 28bps after announcing better than expected revenue growth for the third sequential quarter with margins and free cash flow also now expanding; the company signalled confidence announcing a US\$ 500m share buyback. Antofagasta, copper miner, added 22bps with the shares continuing to perform well after delivering good IH results and reaffirming guidance for production, costs and capex. Diageo added 20bps after the market reacted to in-line full year results with relief in what has been another challenging year for the spirits industry. Hikma, global pharmaceuticals, cost us 27bps despite reporting in-line first half results and re-iterating their expectation that growth will accelerate further in the second half of the year. The company maintained recently upgraded forecasts but the deterioration in the margin at their most profitable injectables division has spooked the market. The shares were weak going into the announcement and in our view offer very good value but the market is likely to want to see the company deliver. SSP, global travel consumables, cost us 21bps; there was no company specific news (SSP reported solid third quarter figures and reassured on their outlook at the very end of July) and it seems likely that the shares have been buffeted by industry association with WH Smith. The latter announced that a review had revealed an overstatement of approximately £30m in US trading profits and implicit in the statement was, in our view, an underlying downgrade to current trading. ATG cost us 19bps after falling sharply on the announcement of a 'highly strategic' acquisition and a trading update which cited improving revenues but weaker margins; we had taken profits so have only a small position size and with the shares now de-rated to 13x earnings we will look to add. Barclays came under pressure this month, costing us 14bps, as the market began to discount the possibility of a bank tax of some description (possibly on excess reserves) at the budget; history shows that 'ideological' taxes, generally being limited and erratic cannot sustain long-term government spending plans. Finishing where we started our note regarding the damage to UK business and consumer confidence caused by a 'government in office but not in power' (Tony Benn describing John Major's government in the 1990's) is evidenced by the weak performance of the housebuilders reflecting a soft market despite good affordability, with both Barratts and Taylor Wimpey costing us 12 bps each. (IH 2025 UK GDP data shows that household expenditure was just 1.1% compared with 3.3% growth in disposable income - balance sheets are robust but confidence is lacking.)

Our portfolio of companies trades on an average forward p/e multiple of 13.6x with forecast earnings growth of 13.2% and yields 3.2% compared with the MSCI UK multiple of 14.1x, forecast earnings growth of 9.7% and yield of 3.4%. As we face losing another good company (JTC) to a bid we remain confident of the value in our portfolio. This month we added LSEG, Anglo American, Luceco and OSB to our fund.

Performance Since Launch (%)

Performance is not shown on this factsheet as the fund is less than 12 months old.

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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

Annual Management Fee (%)

B Shares 0.75

Minimum Investment

B Shares £1,000

Ongoing Charge (%)

B Shares 0.95

*or any such lower amount agreed with the ACD

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MI Chelverton UK Opportunities Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Barclays	Financials	5.8
2. Lloyds Banking Group	Financials	4.7
3. BP	Energy	4.1
4. Prudential	Financials	4.1
5. GSK	Healthcare	3.6
6. Hikma	Healthcare	3.5
7. Whitbread	Consumer Discretionary	3.5
8. Informa	Communication Services	3.3
9. Standard Chartered	Financials	3.3
10. Melrose	Industrials	3.1
11. LSEG	Financials	2.9
12. Barratt Redrow	Consumer Discretionary	2.9
13. Schroders	Financials	2.8
14. easyJet	Industrials	2.8
15. Man Group	Financials	2.6
16. Rentokil Initial	Industrials	2.4
17. B&M	Consumer Discretionary	2.3
18. JTC	Financials	2.3
19. Diageo	Consumer Staples	2.0
20. Gamma Communications	Communication Services	1.9

Source: Chelverton Asset Management Limited

Sector Breakdown

Financials	30.3
Industrials	16.5
Consumer Discretionary	16.2
Communication Services	9.2
Healthcare	7.9
Information Technology	5.8
Consumer Staples	4.1
Energy	4.1
Materials	3.8
Cash	2.1

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £3.5bn	59.3	20
£300m - £3.5bn	31.7	25
Below £300m	6.9	7
Cash and Income	2.1	N/A
Total	100.0	52

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. 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) 1245 459 962. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Spring Capital Partners Limited is an Appointed Representative of Robert Quinn Advisory LLP, which is authorised and regulated by the Financial Conduct Authority (FRN 548030).

FURTHER INFORMATION

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