

Monthly Fact Sheet 31 January 2016

| | |
|--------------------|-------------------|
| Launch Date | 20th October 2014 |
| Fund Size | £16.89m |

Share Price (as at 31.01.16)

| Shares | Income | Accumulation |
|----------|---------|--------------|
| B Shares | 126.09p | 127.27p |

Codes (B Shares)

| | Income | Accumulation |
|-------|--------------|--------------|
| Sedol | BP85595 | BP855B7 |
| ISIN | GB00BP855954 | GB00BP855B75 |

Annual Management Fee (%)

| | |
|----------|------|
| B Shares | 0.75 |
|----------|------|

Minimum Investment

| | |
|----------|--------|
| B Shares | £1,000 |
|----------|--------|

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 Extel. Prior to joining Chelverton he worked as the Assistant fund manager on the Rathbone UK Recovery Fund.



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.

Source & Copyright: CITYWIRE. David Taylor is AAA rated by Citywire for his 3 year risk adjusted performance for the period 31/01/2013 - 31/01/2016.

PFS Chelverton UK Equity Growth Fund

Investment Objective and Policy

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

Investment Approach

The fund managers are looking for companies that can both grow faster than the market and are highly cash generative enabling them to fund their own growth. Typically these companies will have some form of sustainable competitive advantage, such as a unique product, or a dominant position in a particular market, leading to high margins and the ability to generate surplus cash.

Monthly Manager Commentary

January was a difficult month for the Fund as equities endured their worst start to the year since 2009, driven by the ongoing fall in the oil price, the slowdown in China and fears of global deflation. Having proved to be relatively resilient at the start of the period performance deteriorated through the month as the sustained fall in large caps eventually caught up with small caps, on which the Fund is focussed, causing some sharp falls in some of our holdings. The Fund returned a negative 3.84% in January compared with -5.15% for the IA All Companies sector.

There were no stand-out under-performers or contributors over the period, but industrials like Victrex, Spectris and Avon Rubber were generally weak, the latter falling sharply on an in-line but somewhat lacklustre trading update. Housing market related stocks whether building materials companies like Polypipe, Volution, Topps Tiles and Tyman and agency businesses like Foxtons, LSL Property Services and Mortgage Advice Bureau were amongst our worst performers. Our best performers were Somero Enterprises and Halfords which both responded well to reassuring trading updates after prolonged periods of underperformance. Similarly IQE bounced back sharply on the renewal of a major supply contract. Alliance Pharma a relatively new holding also performed strongly as the market digested the merits of a major acquisition and it reported in-line underlying trading.

We used the weakness in the market to top up a number of our holdings, particularly some of our smaller stocks like Anpario, Proactis, Tristel and Mortgage Advice Bureau, which had performed very strongly through 2015, as valuations came down to more attractive levels. We started holdings in Photo-Me International, the photo-booths operator, a steady and very cash generative business, which is expanding into unmanned supermarket car park laundrettes in Europe and the USA and in Games Workshop, the hobbyists fantasy war-gaming business. We sold out of Sanne after a strong period of outperformance on valuation grounds.

As we move into February there seems to be no sign of an end to volatility and the markets downward trend, as commentators seem determined to latch onto any bearish newsflow they can find, most recently focussing on the fragility of the financial system. Oil price weakness has only been seen as a deflationary risk rather than as a potential economic stimulus. With respect to the Fund, most of our companies are reporting trading to be at least in line with expectations, but there must be a risk that the daily diet of negative economic commentary will start to feed into more cautious business investment plans. Notwithstanding this the portfolio is invested in well-financed cash generative business, many with structural growth opportunities and on valuations which in our view are becoming compellingly attractive, which we feel should serve us relatively well in this difficult environment.

Cumulative Performance

| | YTD | 1 m | 3 m | 6 m | 1 yr | Since Launch |
|-------------------------|--------|--------|-------|-------|-------|--------------|
| Fund (%) | -3.84 | -3.84 | 1.63 | 2.88 | 20.25 | 27.27 |
| Sector Rank | 36/261 | 36/261 | 1/260 | 2/258 | 1/256 | 4/254 |
| Quartile Ranking | 1st | 1st | 1st | 1st | 1st | 1st |
| IA UK All Companies (%) | -5.15 | -5.15 | -4.73 | -7.46 | -3.43 | 6.69 |

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 31.01.2016

Discrete Annual Performance

| | 30.01.15 | 31.01.14 | 31.01.13 | 31.01.12 | 31.01.11 |
|----------|----------|----------|----------|----------|----------|
| Fund (%) | 20.25 | - | - | - | - |
| | 29.01.16 | 30.01.15 | 31.01.14 | 31.01.13 | 31.01.12 |

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 31.01.2016

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31 January 2016

ACD
Phoenix Fund Services (UK) Ltd

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Phoenix Fund Services (UK) Ltd

Income Paid Annually

XD Dates 31 December

Valuation 12 Noon

Dealing Line 0845 305 4217

Dealing Fax 0845 280 0188

FURTHER INFORMATION

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springcapital

PFS Chelverton UK Equity Growth Fund

Top 20 Holdings

| Holding | Sector | % of Portfolio |
|-------------------------------|------------------|----------------|
| 1. Dairy Crest | Consumer | 1.92 |
| 2. Tyman | Construction | 1.91 |
| 3. Victrex | Industrials | 1.89 |
| 4. Curtis Banks Group | Financials | 1.84 |
| 5. Servelec | Technology | 1.74 |
| 6. Dotdigital | Technology | 1.67 |
| 7. Liontrust Asset Management | Financials | 1.64 |
| 8. XP Power | Industrials | 1.64 |
| 9. SQS Software | Technology | 1.64 |
| 10. Spectris | Industrials | 1.59 |
| 11. Halfords | Consumer | 1.59 |
| 12. Centaur Media | Media | 1.59 |
| 13. Wilmington | Media | 1.58 |
| 14. IMImobile | Technology | 1.57 |
| 15. Senior | Industrials | 1.57 |
| 16. Somero Enterprises | Construction | 1.56 |
| 17. UBM | Media | 1.55 |
| 18. Safestyle UK | Construction | 1.54 |
| 19. Matchtech Group | Support Services | 1.52 |
| 20. Atkins (WS) | Support Services | 1.51 |

Source: Chelverton Asset Management Limited

Sector Breakdown

| | % of Portfolio |
|------------------|----------------|
| Technology | 24.9 |
| Industrials | 16.5 |
| Financials | 11.0 |
| Construction | 10.0 |
| Consumer | 9.5 |
| Media | 7.4 |
| Healthcare | 6.5 |
| Support Services | 3.9 |
| Property | 3.2 |
| Telecoms | 0.2 |
| Cash | 6.9 |

Market Cap Breakdown

| | % of Portfolio | No. of Stocks |
|---------------|----------------|---------------|
| Above £1bn | 8.61 | 6 |
| £500m-£1bn | 13.80 | 10 |
| £250m-£500m | 14.59 | 12 |
| £100m-£250m | 36.85 | 28 |
| Below £100m | 19.28 | 17 |
| Cash & Income | 6.88 | N/A |
| Total | 100.00 | 73 |

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. 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. We recommend private investors seek the services of a Financial Adviser. Phoenix Fund Services (UK) Ltd are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email pfsinfo@phoenixfundservices.com or call +44 (0) 1245 398 950.