

CHAWTON GLOBAL EQUITY INCOME FUND

31 July 2024



CHAWTON
GLOBAL INVESTORS

Investment Objective

The Fund aims to provide a growing income stream and to grow capital over the long term (5 years or more). Each part of this objective will have equal weighting.



Investment Manager

The Fund Investment Manager, Michael Crawford, successfully managed a global equity fund at a large U.S. multi-family office, doubling its value over 7 years to over \$6 billion. He has 26 years' experience and was previously a member of the very successful Deutsche Asset Management team.

Investment Philosophy

The fund will be at least 80% invested in global equities. The Investment Manager will invest in a select (typically 20-50 holdings) portfolio of companies that exhibit high and sustainable returns on capital allowing the companies to both reinvest in the business for growth and provide a meaningful and growing dividend stream to be paid over time. In order to maximise the opportunity of identifying such companies, the Fund will invest in listed equities globally. The Manager believes that to sustain high returns over the long term, companies must adhere to responsible and sustainable investment principles.

Cumulative Performance

Cumulative performance	3 Months	6 Months	1 Year	3 Year	5 Year	Since Launch*
WS Chawton Global Equity Income Fund B Acc GBP	3.2%	7.6%	15.0%	19.0%	50.9%	63.5%
MSCI World TR GBP	5.7%	11.4%	18.5%	32.0%	68.4%	82.1%
IA Global Equity Income	3.2%	7.3%	12.2%	25.3%	42.9%	53.0%
Quartile	3	2	2	3	1	1

Past performance is not a reliable indicator of future results. The value of your investments and income derived can go down and you may not get back the money you invested. *21 May 2019

Commentary

The fund rose by 0.4% in July and has risen 15.0% over one year. Since inception, the fund has risen by 63.5%, outperforming the IA Global Equity Income Sector.

In July we reluctantly exited our position in Costco, the US staple discount retailer, purely on valuation grounds. We continue to regard the fundamentals of the company as very strong. Whilst we expect the company's exemplary capital allocation and overseas expansion to deliver at least 12% earnings growth over the next decade, this is more than discounted in the current valuation. Our models indicating a total shareholder return of below 10% given a current forward price earnings ratio of over 50x.

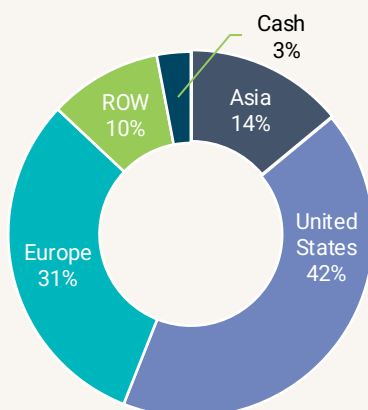
UK listed fantasy miniature producer; Games Workshop, announced its full-year 2024 results (YE May) in July which showed strong growth in constant currency core revenues and profits. Licensing income was also strongly up.

Gross margin improved considerably as inventory provisions and logistics costs fell after the issues in 2023. That said, it will be difficult for the company to maintain this level of profitability in FY 2025 after the 2024 launch program, and management indicated a lower first-quarter dividend as a result.

The valuation does not look demanding though with 7% EPS growth required to exceed our required TSR threshold and the former being under half of the last 5 years' average. Projected yield is 4.3% (at the current £101 share price).

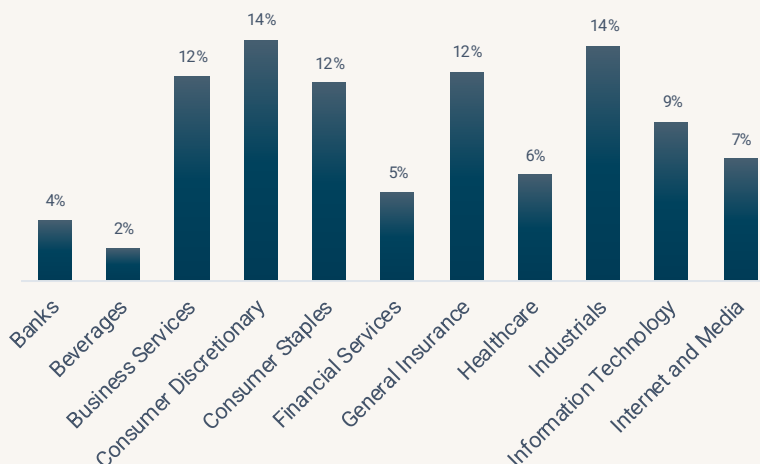
Lastly, currently around 20% of the fund is invested in companies with a market capitalisation below \$10 billion and 70% is below \$100 bn. We think there is considerable value in the small and mid. company space globally and this will be the focus of our ongoing research.

Geographic Breakdown



*By revenue

Sector Breakdown



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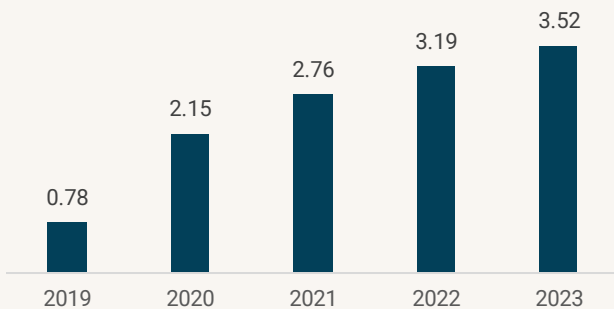


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Income Distribution (pence per share)



Source: Chawton Global Investors LLP (based on B Accumulation GBP Class)

Top Ten Positions

Company	As percentage of portfolio
Next	5.3%
Bloomsbury Publishing	4.6%
Novo Nordisk	4.6%
Atlas Copco	4.5%
Procter & Gamble	3.9%
Texas Instruments	3.9%
Berkshire Hathaway	3.8%
Home Depot	3.7%
Svenska Handelsbanken	3.6%
ASML	3.5%

Discrete Performance

Discrete years	2019	2020	2021	2022	2023
WS Chawton Global Equity Income Fund B Acc GBP	9.3%	14.2%	18.2%	-8.3%	10.8%
MSCI World TR	8.6%	12.3%	22.9%	-7.8%	16.8%
IA Global Equity Income	7.0%	3.2%	18.7%	-1.2%	9.2%
Quartile	1	1	3	4	2

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How to Invest

The WS Chawton Global Equity Income Fund may be purchased directly through this [link](#). Alternatively, the Fund is available for purchase on various platforms including Abrdn, Aegon, AJ Bell, Barclays Wealth, Cofunds, James Hay, Hargreaves Lansdown and Transact.

For further information on how to invest, please contact Michael Crawford at [Chawton Global Investors](#):
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Fund Information

Type of scheme	UK OEIC (UCITS)
Launch date	21 May 2019
Total Net Assets	£17.4 M
Comparator Benchmark	MSCI World Index
Number of Holdings	32
Base Currency	GBP (£)
Classes	B, C (£, \$, €)
Dealing and valuation	12 noon (UK Bus. Days)
Year End	31 December
Dividend XD dates	01 Apr. Jul. Sep. Dec
Dividend pay dates	31 May. Aug. Nov. Feb.
Last FY Div. payments	3.5p
IA Sector	Global Equity Income
Custodian	Northern Trust
ACD	Waystone Fund Services
Fund PE (Morningstar)	18.8x
Fund Yield (Morningstar)	2.5%

Management Fees

Class B Shares	0.90%
Class C Shares	0.60%

Ongoing Charge Figure

Class B Shares	1.16%
Class C Shares	0.86%

ISIN Codes

Class B GBP INC	GB00BJ1GY073
Class B GBP ACC	GB00BJ1GXX37
Class B EUR INC	GB00BJ1GY180
Class B EUR ACC	GB00BJ1GXY44
Class B USD INC	GB00BJ1GY297
Class B USD ACC	GB00BJ1GXZ50
Class C GBP INC	GB00BJ1GY636
Class C GBP ACC	GB00BJ1GY305
Class C EUR INC	GB00BJ1GY743
Class C EUR ACC	GB00BJ1GY412
Class C USD INC	GB00BJ1GY859
Class C USD ACC	GB00BJ1GY529

Risks: As a concentrated equity portfolio of typically less than 50 stocks the fund may involve higher volatility and therefore higher risk for those with shorter term investment time horizons (under 5 years). The value of an investment and the income from it can fall as well as rise as a result of market and currency movements and you may not get back the amount originally invested. You should therefore regard your investment as long term. Details of the risk factors are included in the fund's prospectus available at <https://www.waystone.com/waystone-fund-services-uk-limited/ws-chawton-investment-funds/>

Minimum Investments

Class B Shares	£1,000
Class C Shares	£500,000

WS Chawton Global Equity Income is a sub-fund of the WS Chawton Investment Funds ICVC. Full details of the WS Chawton Investment Funds including risk warnings are published in the WS Chawton Funds Prospectus, the WS Chawton Funds Supplementary Information Document (SID) and the WS Chawton Investment Funds Key Investor Information Documents (KIID) which are available on request or at www.waystone.com/waystone-fund-services-uk-limited/ws-chawton-investment-funds/. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Chawton Global Investors LLP is authorised and regulated by the Financial Conduct Authority No. 825467. Waystone Fund Services UK Ltd is authorised and regulated by the Financial Conduct Authority No. 190293.

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