

TB CHAWTON GLOBAL EQUITY INCOME FUND FEBRUARY 2021 FACTSHEET



All data as at 28 February 2021

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 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 in order to sustain high returns over the long term, companies must adhere to responsible and sustainable investment principles.

Management Commentary

Performance

Thankfully, with the robust vaccination roll out led by the US and UK and a general decline in COVID infections worldwide, we can start to see an exit from the pandemic. Markets have recovered strongly in anticipation of this. You will note from the performance figures below that the fund has increased in value by around 21%* in the 22 months since launch – a period dominated by the virus crisis. However, it has only increased 1.6% in the last six months. Equity markets as represented by the MSCI World Index experienced a more extensive fall and a greater subsequent rise in this time frame. The lower volatility of the fund is because it is invested in companies with generally more stable demand with below average operational leverage and very strong balance sheets. Most of these companies sailed through the crisis in some cases with greater sales growth than 2019 and others only marginally worse.

Banks

The highest potential risk area for the portfolio as a result of the crisis was banks held comprising HDFC Bank which operates solely in India and nearby countries and Swedish banks; SEB and Svenska Handelsbanken, which operate primarily in the Nordics. Here too we apply our criteria of quality and financial strength and whilst substantial increases in general bad debt provisions were made in anticipation of problems for borrowers by HDFC and SEB, actual bad debts have yet to emerge for any of the three. Meanwhile regulators prohibited dividend payments causing capital strength to increase considerably with the likelihood of significant pay-outs this year by the Swedish banks as the restrictions are relaxed. This should support positive growth in the fund yield this year.

Growth

The fund's objective is to generate capital growth and income growth with equal weighting. As such, portfolio holdings can be split into two categories. Firstly there are the 'income generators' where growth is more modest meaning that a large proportion of earnings generated can be distributed to shareholders. Then there is the 'growth segment' with faster growing companies where there are opportunities to reinvest earnings in projects with high returns on capital and so only a small proportion, or in some cases no earnings, are distributed.

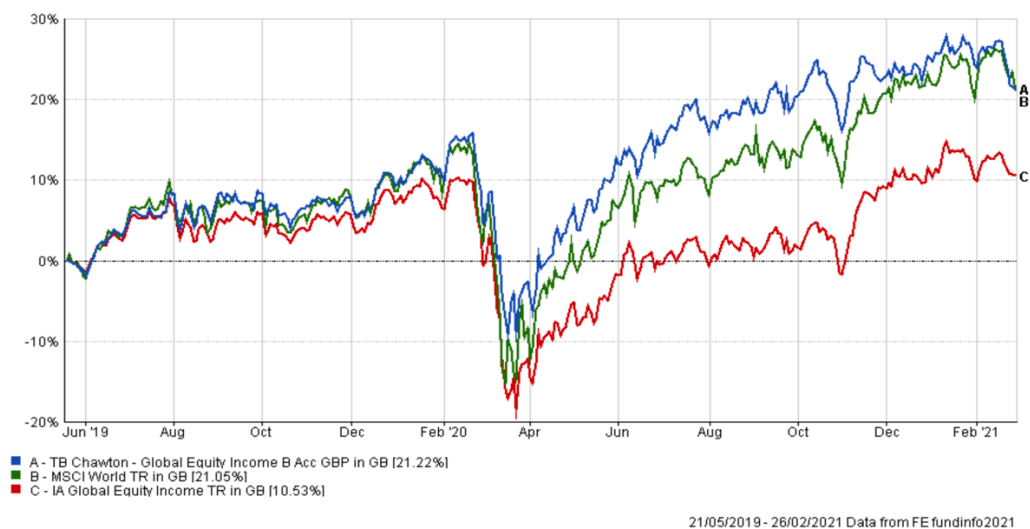
In the growth segment companies such as ASML, TSMC and Microsoft are held which are growing fast due to the digital technology revolution but are also achieving returns on capital well above the cost of capital. There has been an increasing amount of somewhat irrational speculative activity in some growth areas driven by thematic investing which tends to take little account of valuation and quality as defined by ability to achieve adequate returns on capital. The impact on this fund has been relatively modest but we have taken back the weighting in ASML as a result after seeing it almost triple in value since the fund launched. The corollary of this speculation and indeed recent speculation in more leveraged low return companies is that high quality compounders such as consumer staples have been somewhat ignored. They constitute a significant proportion of this fund and are attractively valued at this point.

Charlie Munger

In the middle of February, Charlie Munger chaired the annual general meeting of the Daily Journal Corporation where he also holds a stake. This provides a rare opportunity to hear his current thoughts. He made many specific points which can be checked out on the internet but the thrust of his message is to act 'rationally' and act 'rarely'. Acting rationally involves logically assessing the current factual circumstances of a company and thereby judging the predictability of its future path. Acting rarely pertains to the fact that good investment opportunities are not common – in most cases there are too many uncertainties to make reliable predictions. However, one should act decisively when an opportunity is identified. These are values I attempt to bring to the management of this fund.

*B Class GBP Acc. Shares from 19 May 2019

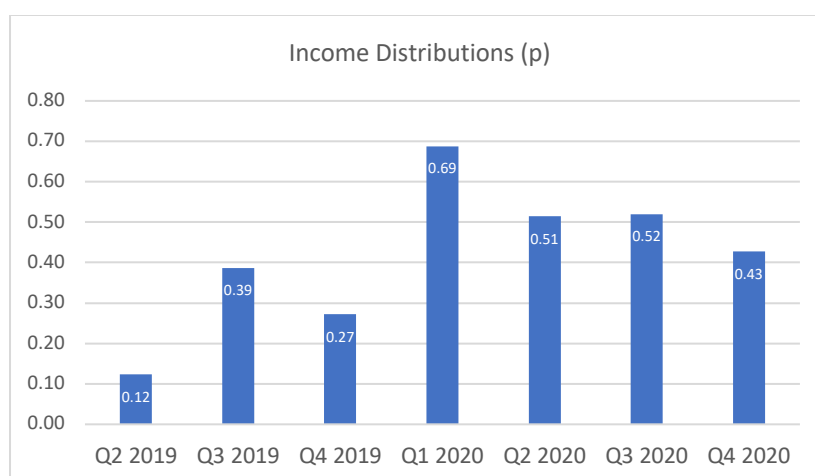
Performance



Cumulative	3 Months	6 Months	1 year	Since Launch*
TB Chawton Global Equity Income Fund B Acc GBP				
GBP	-1.4%	1.6%	16.0%	21.2%
MSCI World TR	1.1%	7.0%	18.2%	21.0%
IA Global Equity Income	1.6%	8.8%	11.2%	10.5%
Quartile	4	4	2	1

Source: FE fundinfo as at 28 January 2021. Total return in GBP. Past performance is not a reliable indicator of future results. The value of your investments and the income derived from it can go down as well as up and you may not get back the money you invested. * Fund launch 21 May 2019

Historic Quarterly distributions



Source: Chawton Global Investors LLP



The Investment Manager

Michael Crawford successfully managed what grew to be a substantial global equity fund at Bessemer Trust for seven years before departing in January 2019 to found Chawton Global Investors. He has over 23 years of fund management experience and was a member of the highly successful Morgan Grenfell Asset Management U.K. team from 1996 to 2004. He has also worked at Credit Suisse Asset Management and LV Asset Management. Michael has a Masters in Business Administration from Cranfield School of Management.

Michael Crawford
Managing Partner
 Portfolio Manager,
 Global Equities

How to Invest

TB Chawton Global Equity Income is available as an OEIC and it is also suitable to include in stocks and shares ISAs and SIPPS. You can buy shares in the fund by visiting www.tbaileyfs.co.uk/funds or through various third parties including Hargreaves Lansdown, Alliance Trust Savings, Aegon, Transact, Barclays Wealth and AJ Bell.

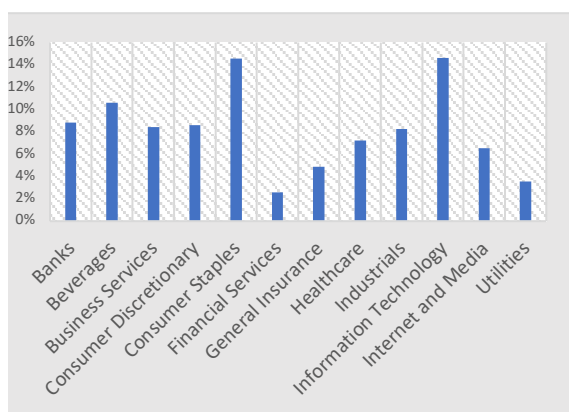
Ten Largest Holdings (% of NAV)

TSMC	4.4%
Next plc	4.3%
Texas Instruments	3.8%
Johnson & Johnson	3.8%
HDFC Bank	3.8%
Procter & Gamble	3.8%
Renewables Infrastructure	3.5%
Atlas Copco	3.5%
ASML	3.4%
Games Workshop	3.3%

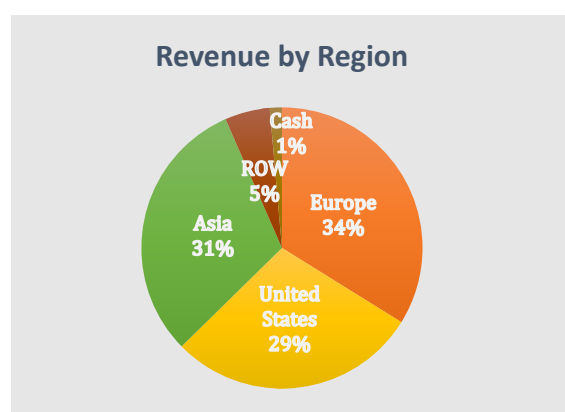
Risks

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 www.tbaileyfs.co.uk/funds

Sector Allocation



Geographic Breakdown



Fund Information

Type of scheme	UK OEIC (UCITS)
Launch date	21 May 2019
Total Net Assets	£11.6m
Comparator Benchmark	MSCI World Index
Number of Holdings	37 (35 company groups)
Base Currency	GBP (£)
Classes	B, C (£, \$, €)
Dealing and valuation	12 noon each UK Business Day
Year End	31 December
Dividend XD dates	1 April, 1 July, 1 Oct, 1 Jan
Dividend pay dates	31 May 31 Aug 30 Nov 28 Feb
Last 12 months Div. payments	2.0p
IA sector	Global Equity Income
Custodian	Northern Trust
Authorised Corporate Director	T. Bailey Fund Services Ltd

Minimum Investment

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

Management Fees

Class B Shares	0.90%
Class C Shares	0.60%

Ongoing Charge Figure*

Class B Shares	1.27%
Class C Shares	0.97%

SEDOL Codes

Class B GBP INC	BJ1GY07
Class B GBP ACC	BJ1GXX3
Class B EUR INC	BJ1GY18
Class B EUR ACC	BJ1GXY4
Class B USD INC	BJ1GY29
Class B USD ACC	BJ1GXZ5
Class C GBP INC	BJ1GY63
Class C GBP ACC	BJ1GY30
Class C EUR INC	BJ1GY74
Class C EUR ACC	BJ1GY41
Class C USD INC	BJ1GY85
Class C USD ACC	BJ1GY52

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	GB00BJ1GY52

*For full information on the periodic charge please refer to section 7 of the full prospectus

Important Information

TB Chawton Global Equity Income is a sub-fund of the TB Chawton Investment Funds ICVC. Full details of the TB Chawton Investment Funds including risk warnings are published in the TB Chawton Funds Prospectus, The TB Chawton Funds Supplementary Information Document (SID) and the TB Chawton Investment Funds Key Investor Information Documents (KIIDs) which are available on request or at www.tbaileyfs.co.uk. 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. T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority No. 190293

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