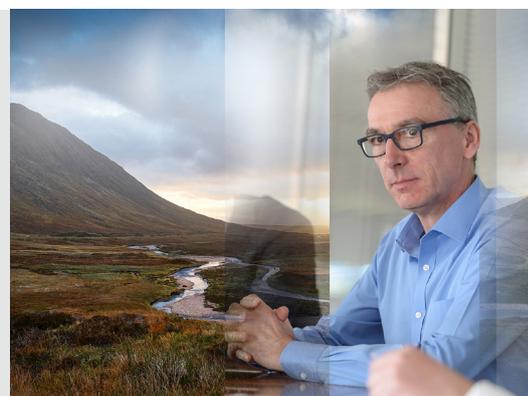


SVM Continental Europe Fund

The objective of the Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI Europe ex UK Index. The Fund will identify investment opportunities in undervalued companies in European equity markets which will not necessarily be prominent in mainstream indices. The Fund may invest in other permitted securities.



February 2021 | Share Class B

Factsheet as at 31 January 2021



Monthly Fund Commentary

European equity markets began 2021 in an enthusiastic mood returning the best initial 5 day trading return since 2009. The pattern was the same as that seen in the back end of 2020 with the double promise of further stimulus measures, to offset the damage done by the pandemic, combining with an economic resurgence as vaccine programmes allow economies to re-open. Such optimism, however, required the ability to look through short-term bad news particularly as far as new Covid-19 infections were concerned. In many ways the beginning of the rebound was possibly further away as new strains of the virus and increasing rates of infection prompted countries such as Germany, Italy and the UK to announce further restrictions. As this reality dawned on market participants and as politicians discussed ever-extending periods of lockdown, including Germany's Angela Merkel who suggested lockdown easing would not begin before Easter, the rally fizzled out with the MSCI Europe ex UK Index closing the period down -2.2%. The gloom was further underlined by the ECB whose president, Christine Lagarde warned of the very real possibility of the Eurozone heading toward a double-dip recession. Further political shenanigans in Italy also didn't help a somewhat fragile Europe still recoiling from the final resolution of Brexit.

In the US, the situation should have been clearer with Joe Biden firmly ensconced in the White House and, thanks to the run-off elections, also in control of Congress. But his majority is slim evidenced by the threat of him already having to water down his close to \$2 trillion pandemic response package. News also

started to emerge out of the US of stock market volatility prompted by the actions of day traders attempting to squeeze hedge fund short books. The phenomenon soon also spread to Europe adding an edge of uncertainty to what were already fragile market conditions.

In terms of corporate reporting the first month of the year is always a quiet one as firms close their books on the preceding year and prepare for the annual reporting season. As a result, the moves seen in the fund, which fell by -3.8% had little to do with underlying fundamentals and more to do with the sector moves prompted by the relentless news-flow. The worst performing stock was IT services company Nagarro which fell by more than 18%. The firm has recently been spun out of parent company Allgeier whose shares had a tremendous run into the event. Nagarro's fall is likely down to both profit taking and a change in the company's share register as shareholders adjust to the newly formed companies. Despite the market's fall, several companies saw good double-digit returns including two Swedish listings Dustin and Hexatronic. While the former has an August accounting year end and so is one of the few to report in January what were very good results, the latter is benefitting from a resurgence in demand for its fibre optic products and services. There were no outright purchases or sales in the period, however we did halve our position in what was our largest holding - German wind farm operator Energiekontor - in order to book some profits after a very good run for the shares.

Fund and index performance source: Lipper

Fund Facts

Launch Date: 20 March 2000

Benchmark Index:
MSCI Europe ex UK Index

IA Sector: Europe ex UK

Type of Shares: Accumulation
XD Date: 31 December
Pay Date: 30 April

Fund Size: £23.7m

Fund Manager:

Hugh Cuthbert (Fund Manager)
Appointed: 23/01/2006
Years at SVM: 14 Industry Experience: 25

Fund Charges (OCF*):

Share Class A 1.98%
Share Class B 1.23%

*Ongoing Charges Figure includes Annual Management Charge and additional expenses.

Minimum Investment:

	Initial	Subsequent
Share Class A	£1,000	£200
Share Class B	£250,000**	£200

**Discounted to £1,000 for Professional Advisers

Risk and Reward Profile:



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

This Fund has been classed as 6 because its volatility has been measured as high.

The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.

The risk category shown is not guaranteed and may change over time.

The lowest risk number does not mean risk free.

As at 17/07/2020

Past Performance is not a guide to future performance. All financial instruments involve a degree of risk. The value of your investments and any income from them can go down as well as up and you may not get back the amount originally invested.

INDEPENDENT THINKING

Portfolio Analysis

Risk Baskets

To help understand the overall balance of the portfolio, stocks are allocated to one of eight risk groups: defensive, cyclical, stable financial, unstable financial, consumer cyclical, oil & gas, mining and finally technology. Most of these groups are self explanatory but financials deserve some clarity. All financials are inherently unstable, but in the main, Lloyd's underwriters and General Insurers take less balance sheet risk, so are relatively more stable than Banks or Life Assurers.

Seeing the portfolio broken down into these categories allows an understanding of how aggressive or defensive the overall portfolio is, and where risk is being taken.

Technology	20.4	
Defensive	18.8	
Consumer Cyclical	17.2	
Stable Financial	12.9	
Unstable Financial	12.3	
Cyclical	8.7	
Oil & Gas	1.3	
Mining	0.0	
Cash	8.3	

Technology

20.4%

Nagarro	4.1
United Internet	3.8
Crayon	3.7
Lime Technologies	2.8
SESA	2.7

Defensive

18.8%

Energiekontor	3.6
Sedana Medical	3.1
PNE	2.8
Thales Group	2.6
Roche Holdings	2.2

Consumer Cyclical

17.2%

Aluflexpack	3.5
Jost Werke	2.5
Pirelli	2.3
Schibsted	2.2
Nacon	2.0

Stable Financial

12.9%

Ringkøbing Landbobank	3.2
Patrizia	3.1
LEG Immobilien	1.8
Partners Group Holding	1.8
S IMMO	1.7

Unstable Financial

12.3%

Mediobanca	3.9
AXA	2.5
Banca Mediolanum	2.5
BNP Paribas	1.7
Allianz	1.7

Cyclical

8.7%

Capgemini	3.1
Dustin	2.9
H+H International	2.7

Oil & Gas

1.3%

Total	1.3
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Mining

0.0%

This Month's Featured Stock

Nacon

Nacon is a French domiciled developer of video games as well as a designer and manufacturer of gaming accessories, with a particular focus on controllers for consoles, where the company seeks licensing opportunities from OEM's such as Sony and Microsoft. While an obvious beneficiary of the Covid-19 lockdown inspired growth the industry is currently witnessing, we can also see numerous alternative reasons for this company to deliver market beating growth over the coming years accompanied at the same time by a strong leverage in operating profitability.

Unusually, it is the age of the company's products

that provides perhaps the greatest opportunity for growth. Despite operating in an industry which prides itself on launching ever more sophisticated games, at huge costs and as often as possible, Nacon relies more heavily on regenerating existing products and supporting a strong back catalogue. The vintage of the portfolio has meant that the penetration of digital products is considerably lower than the market average. As the company channels new sales through this channel this not only increases the overall revenue base but has a substantial impact on gross margins as the need for a physical product is no more.

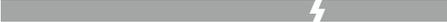
The result is a company that delivers growth which is comparable to, or even better than, the peer group but at a considerably lower risk than many of the competition as it does not rely on the vast investments required for a regular blockbuster launch.

With strong growth expected for the years to come and a relatively low multiple in comparison to many of its peers we believe Nacon remains a very interesting investment opportunity.

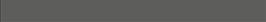
Portfolio Structure

As an unconstrained fund we invest in our highest conviction ideas irrespective of market capitalisation, country or sector. As a consequence The SVM Continental Europe Fund portfolio will vary considerably from the benchmark index and from other funds that are in the same IA sector.

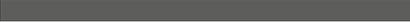
Top 10 Holdings

	(%)	
Nagarro	4.1	
Mediobanca	3.9	
United Internet	3.8	
Crayon	3.7	
Energiekontor	3.6	
Aluflexpack	3.5	
Ringkøbing Landbobank	3.2	
Patrizia	3.1	
Sedana Medical	3.1	
Capgemini	3.1	
Rest of Portfolio	64.9	

Country Breakdown

	No. of Stocks	(%)	
Germany	10	26.1	
France	8	16.3	
Italy	4	11.3	
Sweden	4	11.0	
Switzerland	4	8.8	
Norway	3	7.5	
Denmark	2	5.9	
Netherlands	1	1.9	
Other		1.7	
Belgium	1	1.1	

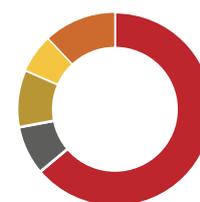
Sector Breakdown

	(%)	
Technology	25.8	
Financials	25.2	
Industrials	9.9	
Consumer Goods	8.8	
Utilities	8.5	
Health Care	6.6	
Consumer Services	4.4	
Oil & Gas	1.3	
Telecommunications	1.1	
Basic Materials	0.0	



Size Analysis

	(%)
Mega Cap (>€50bn)	6.6
Large Cap (<€50bn)	16.7
Mid Cap (<€10bn)	34.9
Small Cap (<€1bn)	33.5



Currency Exposure

	(%)
Euro	58.6
Norwegian Krone	7.5
Swiss Franc	8.8
Danish Krone	5.9
Swedish Krona	11.0

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Share Class B GB0032094954

MEX:

Share Class A SXCER
Share Class B SXCEI

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Fund Performance

to 31/01/2021

Cumulative Performance, % change

	One month	2021 yr to date	One year	Three years	Five years	Since launch*
SVM Continental Europe Fund B	-3.8	-3.8	32.7	35.2	95.7	444.3
MSCI Europe ex UK Index	-2.2	-2.2	7.5	15.1	67.9	198.7
IA Europe ex UK Sector	-2.0	-2.0	10.3	14.7	67.4	214.1

Source: Lipper, as at 31/01/2021, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

*The Fund was launched on 20 March 2000

Percentage growth year on year to 31 December

	2020	2019	2018	2017	2016
SVM Continental Europe Fund B	37.7	19.2	-12.0	17.9	13.8
MSCI Europe ex UK Index	8.2	21.0	-9.1	16.8	19.7
Performance Difference	+29.5	-1.8	-2.9	+1.1	-5.9

Source: Lipper, as at 31/12/2020, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

Five Year Performance (%)



■ SVM Continental Europe Fund B ■ MSCI Europe ex UK Index

Source: Lipper, as at 31/01/2021, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

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This material should not be considered as advice or an investment recommendation. Investors should seek advice from an authorised financial adviser prior to making investment decisions.

The Fund is to be considered a medium to long term investment option.

The Fund incurs the following key risks:

In the event a preliminary charge is levied and an Investor then redeems the investment shortly after investing, they may not get back the original amount due to the initial charges; regardless of any market movements. Tax treatment can change at any time without notice and is beyond control of the Fund. Expenses incurred by the Fund that are chargeable can reduce income and restrain the capital growth of the Fund. Currency movements may cause the value of your investment to fall as well as rise. Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio. There can be no guarantee that the investment objective of a Fund will be achieved or provide the returns sought by the Fund. The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus. Further information about the risk factors relevant to the Fund can be found in the Prospectus and the Key Investor Information Document.

Unless otherwise stated all data is sourced to SVM.

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.