



Fact sheet - November 2023

Fund Information

	Fund Manager:
	Keith Ashworth-Lord
	Sector:
	IA UK All Companies
	Launch Date:
	28/03/2011
Fund Size:	£527m
Number of Holdings:	29
ACD:	ConBrio Fund Partners Limited
Platform Availability	
Aberdeen, Advance by Embark, Aegon, AJ Bell, Aviva, EQi, Fidelity, Hargreaves Lansdown, Interactive Investor, James Hay, M&G Wealth, Novia, Nucleus, Pershing, Quilter, Transact and 7IM.	
Ratings	
	

Fund Manager

Keith Ashworth-Lord
Chief Investment Officer & Fund Manager



Keith has over 35 years' equity market experience and is a seasoned practitioner of 'Business Perspective Investing' as championed by Benjamin Graham and Warren Buffett. Keith founded Sanford DeLand in 2010. He holds a BSc in Astrophysics and a MSc in Management Studies and is a Chartered Fellow of the Chartered Institute for Securities & Investment.

Investment Analysts

Eric Burns **Chief Analyst**
Eric has over 25 years' experience of UK equity markets. He joined Sanford DeLand in 2020, to lead the stock research process for the UK Buffettology and Free Spirit funds. He is a Chartered Fellow of the CISI and was voted Analyst of the Year at the 2015 UK SmallCap Awards.

Chloe Smith **Investment Analyst**
Chloe joined in October 2021 as an Investment Analyst, with experience in UK and European equity research, as well as in sustainable and responsible investment. She graduated with an LLB in Law and a MSc in International Financial Analysis from Newcastle University.

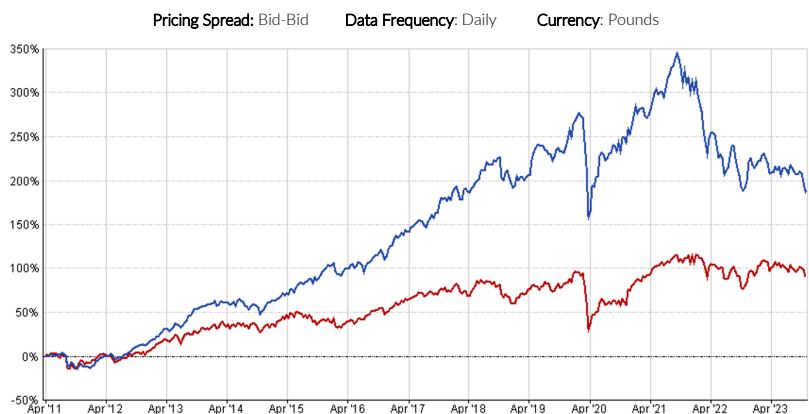
David Beggs **Investment Analyst**
David joined Sanford DeLand in October 2020 as an Investment Analyst. He has a First Class Degree in Economics from Newcastle University and is a CFA Charterholder.

Share Class Information

Share class	Min. Investment	Min. Saver*	Initial Charge	Investment Adviser Fee	Ongoing Charge **	Payment Dates	ISA Eligible	ISIN	CITI Code	Bloomberg	MEXID
General Income	£500	£50	0.00%	0.95%	1.18%	30 th Apr 31 st Oct	Yes	GB00BKJ9C676	K6LW	PRESINI:LN	BDAADV
General Accumulation	£500	£50	0.00%	0.95%	1.18%	30 th Apr 31 st Oct	Yes	GB00BFOLDZ31	O5M6	CSUKBIA:LN	CFSMC

Fund Objective and Strategy

The investment objective of the Fund is to seek to achieve an annual compounding rate of return over the long term, defined as five to ten years, which is superior to the median performance of all of the funds forming the official peer group of which the Fund is part. 'Peer group' is defined as being the Investment Association sector to which the Fund has been allocated (currently being the UK All Companies Sector) or to which it may be allocated in the future, as determined by that body. Investments will be made principally in UK equities with strong operating franchises and experienced management teams, applying the methodology of Business Perspective Investing.



A—CFP—SDL UK Buffettology General Inc TR in GB [189.56%]

B—IA UK All Companies TR in GB [90.64%]

28/03/2011—31/10/2023 Data from FE fundinfo 2023

Cumulative Performance (%)

	1 Mth	3 Mths	1 Yr	3 Yrs	5 Yrs	Since Launch
Fund	-6.05	-8.84	-4.13	-14.37	-3.96	189.56
Sector	-5.10	-6.60	3.76	23.97	12.13	90.64
Rank	179/240	180/240	219/239	222/230	201/220	6/177
Quartile	3	3	4	4	4	1

Discrete Performance (%)

	2023 YTD	2022	2021	2020	2019	2018
Fund	-8.73	-23.38	8.76	3.85	25.25	0.37
Sector	-2.44	-9.06	17.25	-6.01	22.24	-11.19
Rank	213/239	226/254	235/247	32/244	74/240	3/234
Quartile	4	4	4	1	2	1

Discrete Year to Quarter End Performance (%)

	Q3 2022	Q3 2021	Q3 2020	Q3 2019	Q3 2018
	Q3 2023	Q3 2022	Q3 2021	Q3 2020	Q3 2019
Fund	5.61	-31.79	28.17	-0.83	3.61

Source of performance data: FE fundinfo as at 31/10/2023.

Past performance is not a guide to future performance.

Investment in the Fund carries the risk of potential loss of capital.

* £50 Regular saver minimum applies once the £500 minimum investment is met.

** The Ongoing Charge Figure has been calculated as of 31/08/2023.

Top 10 Holdings (%)

Games Workshop Group	9.59%
Dechra Pharmaceuticals	5.77%
Berkshire Hathaway 'A'	5.75%
Relx	5.38%
Bioentix	5.08%
Rollins	4.71%
London Stock Exchange	4.65%
Jet2	4.06%
Softcat	3.88%
AB Dynamics	3.68%

Sector Allocation (%)

Financial Services	16.59%
Pharmaceuticals & Biotechnology	10.86%
Leisure Goods	10.64%
Support Services	9.77%
Software & Computer Services	8.20%
Food & Beverages	5.99%
Technology Hardware & Equipment	5.59%
Media	5.38%
Industrial Engineering	5.24%
Construction & Materials	4.48%
Travel & Leisure	4.06%
Cash	3.85%
Retailers	3.02%
Chemicals	2.84%
Real Estate	2.27%
Electrical & Electronic Equipment	1.22%

Important Information

This document, which is approved and issued by Sanford DeLand Asset Management Limited (SDL), provides information about the CFP SDL UK Buffettology Fund (the Fund). ConBrio Fund Partners Limited (CFP) is the Authorised Corporate Director (ACD) of the Fund. SDL is the appointed Investment Adviser to the Fund. CFP and SDL are authorised and regulated by the Financial Conduct Authority (FCA).

This document does not constitute or form part of, and should not be construed as, an invitation or offer to buy or sell shares in the Fund and neither this document nor anything contained or referred to in it shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever.

The value of shares and the income generated from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally subscribed. Equity investments should always be considered as long term.

Investors should not purchase shares in the Fund except on the basis of information contained in the Fund's Prospectus. We recommend that investors who are not professional investors should contact a professional adviser. The Fund's Prospectus and Key Investor Information Document (KIID) are available from www.conbriofunds.com or direct from ConBrio Fund Partners Limited.

All data as at 31/10/2023 unless otherwise stated.

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Fund Commentary

In October, the Fund's Income and Accumulation share class prices both fell by 6.1%. The former from 285.10p to 267.85p and the latter from 117.52p to 110.41p. This compared to a 4.2% decline for the UK stock market and a 5.1% decline for the IA UK All Companies sector, the Fund's benchmark.

During the month, there were six risers and 23 fallers. Craneware led the gainers (+6.7%) having extended its share buy-back programme through January. Next up was RELX (+2.9%), which announced a solid Q3 trading update and has now gained over 25% YTD. Among nine double-digit fallers, Quartix (-30.0%) stands out after downgrading expectations due to disappointing progress in the UK and the US. Founder and 22% shareholder, Andy Walters, has returned to the business as Executive Chairman, with some of his original team, which we feel is a very positive development.

The capitulation of investors latterly has resulted in some very attractive long-term pricing opportunities. It is so satisfying to be able to get back on the front foot and start adding new holdings to take advantage of price falls by cautiously establishing new holdings for the Fund. There is much to tell you about what we have been buying.

Firstly, International Personal Finance (IPF), where the under-valuation can be judged by analysts' consensus 2023 & 2024 PERs of 6.9x & 6.0x and dividend yields of 8.0% and 9.1%, respectively. This was a business that we held for 5½ years before selling in December 2016, when regulatory legislation in its then largest market, Poland, placed the traditional business model under severe strain. Since then, the product has been redesigned and the digital channel to market developed by building on the acquisition of a digital loans company, MCB Finance, in 2015. In the process, IPF has become a fintech business. Digital and Mexico are progressing well; the problems have been in Europe and, as ever with this type of business, concerned with regulatory matters, not credit issues. Meanwhile, the business has expanded geographically into markets such as the Baltic States and Australia. IPF borrows long to lend short and has never had difficulty getting loan note issues away. The Tier 1 equity-to-receivables ratio is currently north of 50% against the target of 40%. Currency structure of debt is matched to asset position and cash flow. Lastly, impairment has been falling steadily and the group looks to be in a strong recovery phase. The recent Q3 trading update was positive.

Secondly, Spirent Communications, a business we know well given that it is a key selling partner for Calnex Solutions – held in the Free Spirit Fund. Mindful of the current challenges facing the telecoms equipment sector, we have deliberately been building this position slowly. The mood music in the industry is one of capex being reined in near-term in response to the economic climate. As a result, Spirent has issued a number of profit warnings this year, something that has enabled us to purchase shares at significantly below what we believe to be their long-term economic value. Spirent provides high performance testing, emulation and security for network infrastructure suppliers (e.g. Ericsson, Cisco) and operators (e.g. AT&T, Sprint) to develop new products and services. Recent growth drivers have been the 5G rollout as well as next generation Wi-Fi 6, both of which are much more complex technologies requiring a higher degree of know-how. That the company has a strong balance sheet (\$148m net cash at the end of June) gives us confidence that it will weather the current squall.

Thirdly, Spirax-Sarco Engineering, once euphemistically known as 'the steam people'. I have known this business for over 25 years and always wanted to own it in the Fund. Only recently has the pricing opportunity presented itself. Nowadays, there is much more to Spirax than steam raising plant and controls used to heat buildings. Lest anyone think that climate change policies threaten its franchise, it is worth pointing out that over the last six years, it has used a combination of buy and build to establish a division dedicated to electrical heating solutions. These are a complementary medium to steam and there are synergies in terms of broad industrial and geographical applications. The other business in the group is Watson-Marlow specialising in pumps and fluid path technologies provided to customers in the process and life sciences industries. This is a very stable group of companies offering the usual combinations we like such as demonstrable growth, sustained high margins, 20% plus return on equity, near one-to-one equivalence of earnings to free cash with a moderately geared balance sheet.

Lastly, Rightmove, another business that has been on our radar for some time but where we could never get a pricing opportunity. This is the leading UK online portal for realtors to market their property listings. Crucially, the business model is not directly correlated to either house prices or transaction numbers. But it is certainly indirectly exposed as its customer base is made up of estate agents (mainly) and house builders. The buying opportunity was provided by the adverse stock market reaction to the acquisition of the #3 player, OnTheMarket by the US company, CoStar. This saw Rightmove shares fall by almost 20% on the news. The key question is could OnTheMarket, as part of CoStar, threaten Rightmove's dominant market position? We think this fear is overdone since the barriers are high because of the existing network effects. Also, other international companies attempting to enter the UK portal market have failed in the past.

I want to conclude by saying that one of the greatest challenges of managing an open-ended fund is that people withdraw money at precisely the time when the opportunities to invest with high conviction are at their greatest. This describes a time such as now with valuations across the fund at multi-year lows. We ask the simple question, would we rather invest at a time of frenzy and lofty valuations, as witnessed in 2021, or times like now, when valuations have been slashed and pessimism seems to be at, or near, its peak?

Sources: Sanford DeLand Asset Management and FE fundinfo 31/10/2023.

Past performance is not a guide to future performance.
Any views expressed are the Fund Manager's and as such are subject to change, without notice, at any time.

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