

Signet FFF Equity Fund

Monthly report – September 2021

Dollar Accumulation Classes

Objective

The Fund's objective is to generate sustainable long-term returns by investing in equities in developed countries. In order to achieve its investment objective, the Fund will invest in equities with a long-term perspective.

Standing data

Portfolio Manager	Anatoly Fedorov
Initial Charge	None
Mgmt Fee Class A / B / C	1%/0%/1.5%
Perf. Fee Class A / B / C	0%/20%/0%
Liquidity	Weekly
Notice	3 days
Structure	UCITS V
Launch Date	24 th Oct'19
ISIN Class A	IE00BJN6RP14
ISIN Class B	IE00BMG4G237
ISIN Class C	IE000JABAAQ3
Bloomberg Ticker Class A	SEFAUSD
Bloomberg Ticker Class B	SEFBUSD
Dividends	Accumulated
Currencies	€, £, CHF
Depository	Sparkasse
Administrator	SS&C
Auditor	Deloitte

Investment Principles

Signet Equity Fund employs strict investment principles in selecting companies for the investment portfolio including:

- Structurally profitable business model which is not under risk of losing competitive position within the next 5 years
- Growing businesses with clear revenue and profit growth patterns
- Market leading positions which are hard to undermine
- Positive operating leverage and limited financial leverage
- Ability to utilize pricing power in order to improve or at least sustain margins
- Clear and reasonable capital allocation policy which is ranked in the following priority
 - a) Capex that drive growth, b) Bolt-on acquisitions, c) Share buybacks at reasonable price, d) Dividends
- Good management with understandable, market standard compensation policy
- Highly cash generative / low capital-intensive business model
- Compounding, non-cyclical business model
- Minimum ROIC[^] metric of 15%, minimum expected EPS growth for the next 5 years of at least 5% per annum

Investment “Do Not” Principles

- No investments in Emerging Markets
- No investments in businesses we do not understand (including their revenue drivers)
- No investments in non-growing businesses, no matter how cheap they look from a valuation stand point
- No investments in small cap companies
- No investments in banks and commodity producers
- Do not sell excellent businesses trading at what we deem “fair price”, unless we have clearly better alternatives
- No leverage and no shorting

Portfolio comments for September 2021

We closed our position in Cummins during the month, due to certain negative product price dynamics in the company's Asian and North American units as well as signs of a global industrial slowdown. Despite the conservative positioning and significant hedging activity through index puts on the S&P500 and NASDAQ100, the Fund suffered losses in the last few days of the month on the back of growth to value rotation. We consider this sell off as an opportunity to add substantially to our positions. Notable winners in September were Salesforce.com and Thermo Fisher that provided better than expected long term guidance on their Capital Market Days.

Key facts

Fund size	\$106mm
NAV per Share Class A	140.23
NAV per Share Class B	108.84
No of Holdings	27
1 Day Fund Liquidity	100%
Average Market Cap	\$394bn
2020 Transaction Costs ^{^^}	0.04%

Performance analysis

Annualised Return	+20.3%
Best Month	+12.9% (Apr'2020)
Worst Month	(11.5%) (Mar'2020)
Average Month	+1.57%
% Positive months	67%

Monthly Net Returns (Class A)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	(2.38%)	+4.63%	(0.07%)	+5.67%	+0.55%	+4.26%	+2.26%	+2.15%	(4.56%)				+12.8%*
2020	(0.12%)	(7.33%)	(11.48%)	+12.90%	+6.46%	+2.46%	+4.91%	+9.44%	(3.79%)	(3.40%)	+10.90%	+2.39%	+22.3%
2019	+10.85%	+4.72%	+4.04%	+5.80%	(5.69%)	+6.45%	+1.27%	(0.60%)	(1.89%)	+0.01%	+0.67%	+1.03%	+29.8%

Monthly Net Returns (Class B)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	+0.02%	+4.62%	+0.51%	+3.52%	+1.92%	+1.84%	(3.69%)				+8.8%*

X.XX% - back-tested performance numbers (please refer to disclaimer 1 on page 3) * Unaudited performance, net of fees and expenses.

[^] ROIC defined as Net Operating Profit After Tax (NOPAT) divided by Invested Capital, i.e. equity and debt; ^{^^} Average transaction costs per trade in FY2020 for buying and selling securities

By Country of Risk (30.09.21)*

Country	United States	Europe	Canada	Australia
(as % of NAV)	86.2	9.3	3.3	1.2

GICS Categories (30.09.21)*		Top 10 Holdings	Top 5 Contributors and Detractors (Sep-21 and YTD)	
(as % of NAV)	%		Contributors Sep-21	Detractors Sep-21
Information Technology	50.9	Microsoft	Hedges (index puts)	PayPal Holdings
Communication Services	14.6	Alphabet	Salesforce.com	Alphabet
Consumer Discretionary	11.4	Amazon.com	Thermo Fisher	Microsoft
Health Care	10.1	Paypal Holdings	Mastercard	Facebook
Financials	7.3	Facebook	Airbus	Adobe
Industrials	3.5	HCA Healthcare	Contributors YTD	
Other	2.2	NVIDIA	Alphabet	Cummins
		Adobe	NVIDIA	Zoom Video
		Johnson & Johnson	Adyen	Nike
		Shopify	Microsoft	Sika
			Hedges (index puts)	Deutsche Post

* Breakdown excluding cash balance and Money Market instruments

Fund terms

Company name / Fund Name	Signet UCITS Funds plc / Signet FFF Equity Fund	Subscriptions	Weekly, 1 business day notice
Investment Manager	Signet Capital Management Ltd	Redemptions	Weekly, 3 business days notice
Legal Counsel	McCann FitzGerald	Minimum subscription	Class A: \$1,000,000 Class B: \$100,000 Class C: \$100,000
Depository	Sparkasse Bank Malta (Dublin)	Fees	Management fee Class A / B / C: 1% / 0% / 1.5% Performance fee Class A / B / C: 0% / 20% / 0%
Auditor	Deloitte	Lock up / Gate	None / 10%, fund level
Administrator	SS&C Financial Services (Ireland) Limited	Inception date	October 24, 2019

Risk Factors

- **Equity Risk:** Investing in equity shares means taking a stake in the performance of that company, participating in the profits it generates by way of dividends and any increase in its value by way of a rise in its share price. However, such equity shares may also depreciate in value and lead to substantial losses of up to the total amount invested should an underlying company file for bankruptcy.
- **Currency Risk:** The Fund may have multiple non-US Dollar currency exposures and such exposures will be unhedged. These non-USD currencies may depreciate against the US Dollar and lead to losses.
- For a more detailed explanation of risks, please refer to the "Risk Factors" section of the Prospectus and Supplement.

Contact Information

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Important Disclaimers & Legal Information

- The performance numbers in the table are back-tested and do not represent actual performance. Rather, these returns were simulated based on the target portfolio prior to launch of the Sub-Fund, which assumed the Sub-Fund to be 100% invested starting 1st January 2019, with AUM of USD 10 million. The methodology does not include rebalancing of positions and therefore, the initial size of the portfolio positions as per target portfolio fluctuate over time as a function of relative performance between the such positions. Further, calculations are net of management fees and estimated operating costs of the Sub-Fund for AUM of USD 10m. Please contact the Investment Manager for further clarification with regards to back-tested returns in the above table”.
- The information contained herein relates to Signet UCITS Funds Plc (the "UCITS") and its sub-fund, Signet Equity Fund (the "Sub-Fund") and has been approved for distribution by its Investment Manager, Signet Capital Management Limited ("Signet"). Signet is authorised & regulated by the Financial Conduct Authority of the United Kingdom (the "FCA"), FCA registered number:222755. Investment may only be made on the basis of information contained within the most recent Prospectus of the UCITS, the Key Investor Document (the "KIID") and the most recent Supplement issued in respect of the Sub-Fund. Shareholders in the Sub-Fund and prospective investors are advised that there may be restrictions on transferring an investor's interests in the Sub-Fund, that there is no secondary market for such interests and no secondary market is expected to develop. An investment in the Sub-Fund should be considered speculative and may only be appropriate for part of an investor's portfolio. There is no assurance that the Sub-Fund will achieve its investment objectives. This document is intended solely for the use of the party to whom Signet has provided it, and may not be reprinted or redistributed without the prior permission of Signet. This document is intended for information purposes only, and shall not constitute a solicitation or an offer to buy or sell any security or service in any jurisdiction, or an endorsement of any particular investment strategy. Any such offer or solicitation for the Sub-Fund, if made, would be solely by way of the latest UCITS Prospectus, the KIID and relevant Supplement. The distribution of the Prospectus to the UCITS and the Supplement relating to the Sub-Fund and the offering of shares of the Sub-Fund may be restricted in certain jurisdictions and no offer, or sale of Shares may be made in any such jurisdiction. Please read the Sub-Fund's offering materials for full subscription and redemption terms as well as a more complete description of the risks associated with an investment in the UCITS and the Sub-Fund. The Sub-Fund's offering materials are subject to regular update and amendment. Investors are required to read all of the offering materials, including the Prospectus, the KIID and the Supplement in full, prior to any investment in the UCITS and the Sub-Fund. The UCITS may be highly leveraged and performance may be volatile. The Sub-Fund is designed for investors who can bear the loss of all, or a substantial part of their investment and who have a limited need for liquidity in their investment. Investors in the Sub-Fund could lose all or a substantial part of their investment. The Sub-Fund has not been registered with the US Securities and Exchange Commission. The Sub-Fund is not subject to the same regulatory requirements as U.S. mutual funds and may involve complex tax structures; as a result, investors may experience delays in receiving important tax information, or may not be able to receive the relevant tax information from the UCITS. The Sub-Fund's management fees, operating costs and expenses may offset the Sub-Fund's trading profits. Signet does not provide legal or tax advice to investors. Prior to investing, prospective investors are recommended to consult with their legal counsel and tax advisers. The material herein is provided for informational purposes only as at the date hereof, may not be complete and may not contain material information about the UCITS or the Sub-Fund, including important disclosures and risk factors associated with an investment in the Sub-Fund. If you are uncertain of any detail included in this document, or in the Prospectus, or in the Supplement please contact Signet, prior to investment, at the following email address: info@signetmanagement.com; or by telephone at: +44 203 915 5536.