

BROCK MILTON CAPITAL

We invest in the world's finest companies

- Coeli Global Select
- Coeli Global Small Cap Select



Important information



Coeli Global Select Fund is a Light green (article 8 according to SFDR), UCITS regulated equity fund with a global mandate.

This presentation is intended for pure information only and must not be construed as an offering, solicitation or recommendation to make an investment and does not constitute any investment advice. Past performance is not a guarantee of future returns. The value of shares in the fund may go up or down, and an investor may not get back the amount originally invested. An investment decision should be based on the information in the fund's fact sheet, Key Investor Information Document ("KIID"), full prospectus, and the latest published annual and half-yearly reports.

The return shown in the presentation is adjusted from management & performance fees

These documents are available at www.coeli.se and can also be acquired directly from Coeli.

Please contact your adviser for advice on placements tailored to your individual situation.

<https://coeli.se/global>

Coeli Global Select Fund – overview

- **Our strategic goal is a 15% annual return over a business cycle.** This target should allow us to achieve our ambition of beating our benchmark over time.
- **Boutique asset manager** with partner model and skin in the game.
- **Concentrated global long-only equity UCITS fund** with 25-35 holdings. AUM >1 bn USD.
- **Actively managed** with at least 2/3 invested in Champions - the world's finest companies and up to 1/3 in Special Situations.
- **ESG focus** - Light green fund, article 8 according to SFDR. The fund does not invest in alcohol, military equipment, tobacco, gambling, oil and gas, or companies that breach international norms. The fund actively selects companies with a high ESG profile and influences them towards a more sustainable way of working.

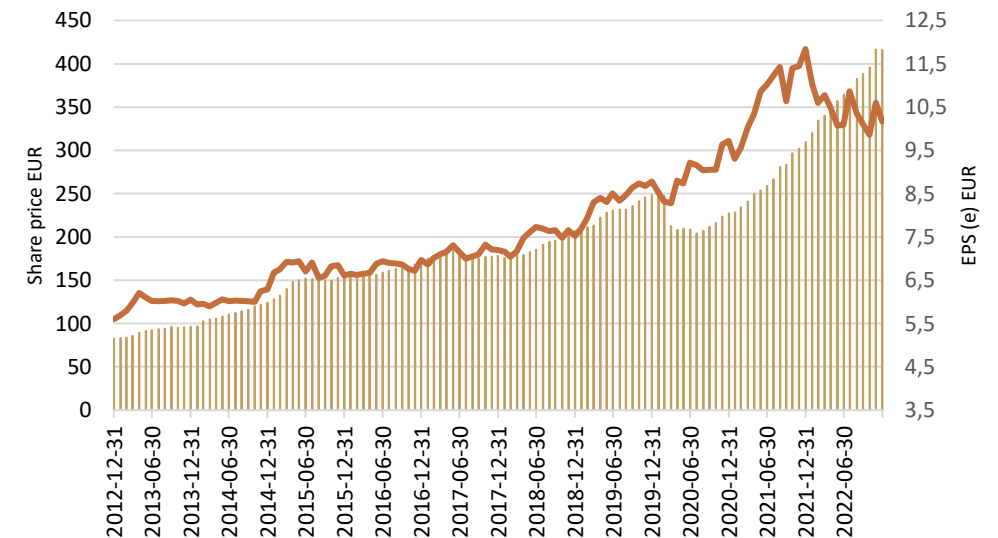


Champions – industry leaders



- No. 1 or 2 in their industry
- Active in an industry with high profitability and good growth
- Has created good competitive advantages, such as:
 - › Economies of scale, brand, service network, strong customer relationships, internal processes
- Robust balance sheet
 - › Preferably debt-free
- Reasonable share valuation
 - › Typically a P/E around 20-35x
- Strong corporate culture and management with a proven ability to lead the company successfully through the business cycle
- Open and honest communication with the financial markets, through both ups and downs

L'Oréal's share price and EPS development 2012-2022

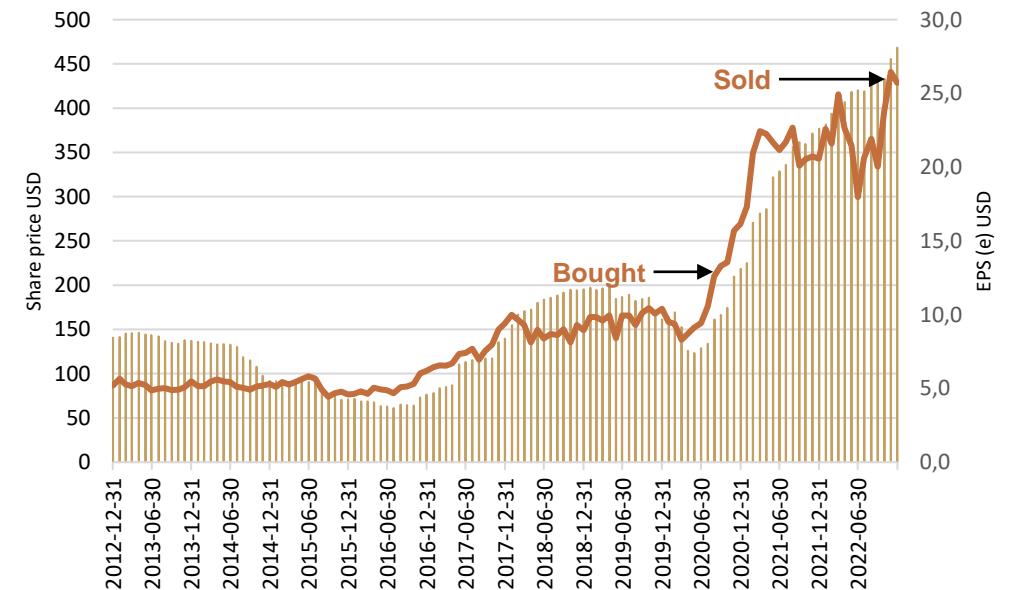


Special Situations – Investment Opportunities

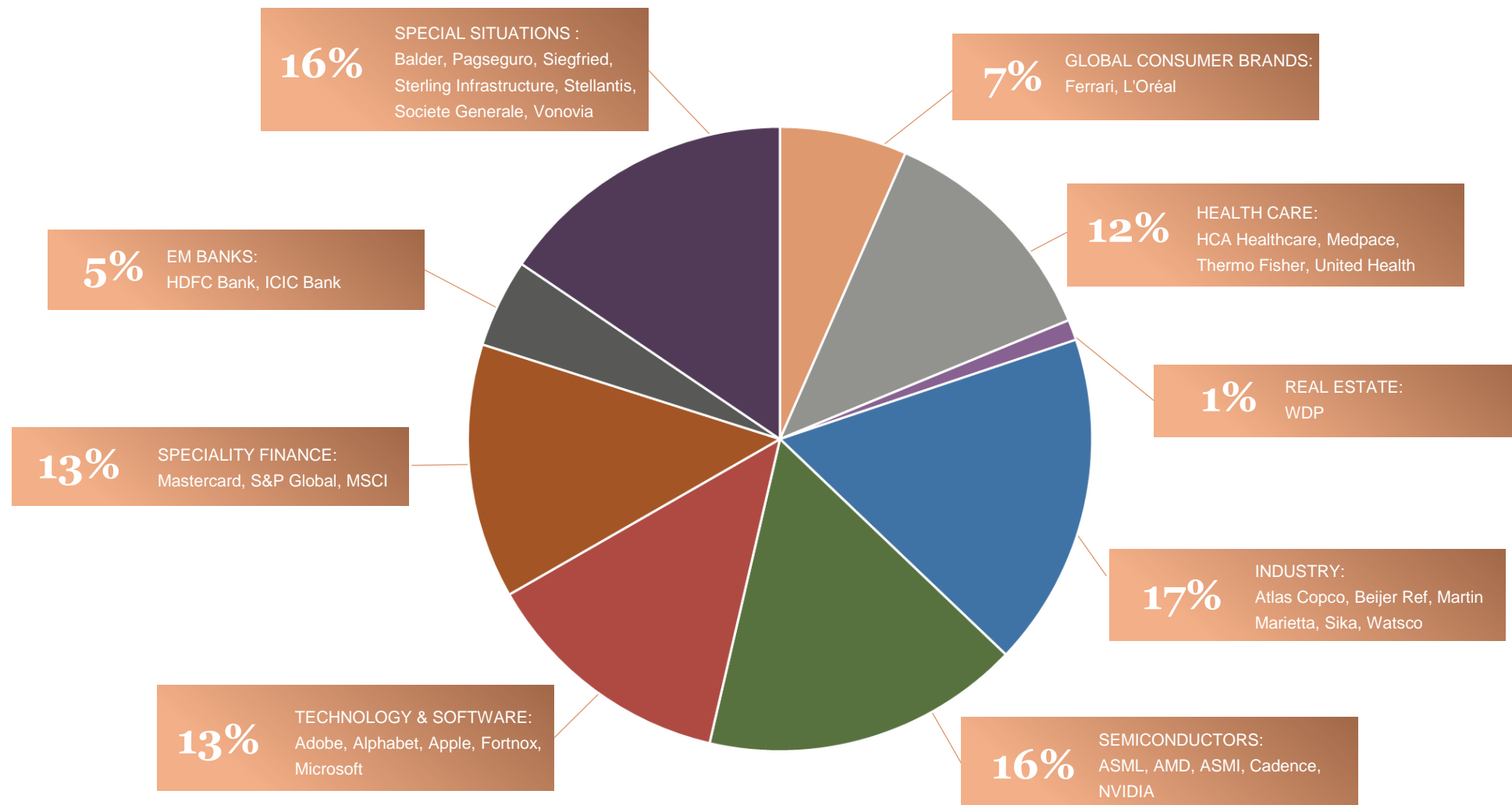


- Companies that the market doubts but that are on the cusp of positive change
- Acceptable indebtedness
- Often cheaper shares, sometimes trading under book value or with an expected P/E of 5-15x
- Share price expected to increase at least 20-100% over the coming three years
- Unappealing to long-term investors based on industry structure or growth potential. Holding is sold once the share price reaches expected valuation
- Typical industries:
 - › Banks
 - › Construction
 - › Agriculture
 - › Shipping
 - › Basic Materials
 - › Engineering

John Deere's share price and EPS development 2012-2022



The fund's exposure to growing & profitable trends



Portfolio's key financial ratios, 2024-02-29



Average ROE: **21.8%**

P/E: **24.7x**

Revenue change: **13.4%**

EPS change: **18.0%**

COELI GLOBAL SELECT		34	100.0%	1.1%	21.8%	13.4	28.9	24.7		16.7%			13.4%	20.9%	18.0%	4,963.5
Name	Sector	Weight	Dividend Yield next year	Return on Equity - 3Y Avg	Price / Book	Price / Earnings 12 M BF	Price / Earnings 24 M BF	EBITDA Trail 12 M, Banks: Leverage, Real: LTV	Revenue change last 5YRS, Real: BVS 5YRS	Estimated Revenue 2024	Estimated Revenue 2025	Revenue change 25/24, Real: BVS	Change in Net Profit 24/23 (lcl curr)	Change in Net Profit 25/24 (lcl curr)	Weighted Market Cap (Billion SEK)	
L'OREAL	Cosmetics/Personal Ca	3.8%	1.5%	20.7%	8.1	33.3	30.9	0.5	10.4%	44,159	47,210	6.9%	6.4%	8.6%	2,633.0	
UNITEDHEALTH GROUP INC	Healthcare-Services	4.0%	1.5%	26.3%	5.0	17.0	15.1	1.0	12.0%	401,520	432,873	7.8%	8.6%	11.8%	4,563.5	
HCA HEALTHCARE INC	Healthcare-Services	3.2%	0.8%	15.0%	1.5	14.9	13.3	3.2	12.2%	69,020	72,794	5.5%	7.5%	7.5%	850.0	
MEDPACE HOLDINGS INC	Healthcare-Services	1.9%	0.0%	39.1%	22.0	36.5	30.4	-0.2	22.8%	2,188	2,548	16.5%	26.3%	20.6%	127.0	
SIEGFRIED HOLDING AG-REG	Pharmaceuticals	3.0%	0.4%	18.8%	5.0	25.2	22.4	1.5	11.2%	1,316	1,422	8.1%	8.4%	13.0%	46.9	
THERMO FISHER SCIENTIFIC II	Healthcare-Products	3.1%	0.2%	16.7%	4.7	26.1	23.3	2.8	14.8%	42,875	46,017	7.3%	-1.4%	11.7%	2,254.5	
FERRARI NV	Auto Manufacturers	2.8%	0.5%	41.6%	24.9	50.0	44.8	0.6	13.1%	6,529	7,027	7.6%	13.3%	11.6%	791.9	
SIKA AG-REG	Building Materials	3.4%	1.3%	23.9%	7.0	30.7	27.2	2.6	8.9%	11,975	12,741	6.4%	23.0%	14.5%	484.0	
ATLAS COPCO AB-A SHS	Machinery-Diversified	3.1%	1.5%	31.5%	9.6	30.0	26.1	0.5	13.5%	173,384	181,490	4.7%	0.6%	6.1%	847.3	
BEIJER REF AB	Machinery-Diversified	2.2%	0.9%	19.0%	3.5	31.7	27.5	2.1	16.6%	34,695	37,202	7.2%	5.8%	11.8%	75.1	
WATSCO INC	Distribution/Wholesale	3.6%	2.5%	26.5%	8.7	27.0	23.5	0.2	11.5%	7,729	8,274	7.0%	3.9%	11.3%	160.6	
STELLANTIS NV	Auto Manufacturers	3.9%	6.3%	28.4%	0.9	4.5	3.9	-0.8	-5.4%	190,962	196,171	2.7%	-10.6%	-0.2%	863.6	
STERLING INFRASTRUCTURE I	Engineering&Constructi	2.1%	0.0%	23.6%	5.5	21.5	18.7	-0.3	11.0%	2,184	2,402	10.0%	22.3%	13.8%	35.0	
MARTIN MARIETTA MATERIALS	Building Materials	4.9%	0.5%	13.1%	4.5	26.9	24.1	1.7	10.0%	6,999	7,494	7.1%	13.6%	11.3%	370.3	
MICROSOFT CORP	Software	4.2%	0.6%	44.4%	12.9	32.2	27.6	-0.3	14.8%	245,014	280,143	14.3%	21.6%	14.3%	31,604.1	
ADOBE INC	Software	0.5%	0.0%	34.3%	15.6	30.6	26.9	-0.5	16.6%	21,491	24,044	11.9%	11.7%	11.9%	2,640.8	
FORTNOX AB	Software	1.2%	0.2%	33.7%	27.3	65.7	50.9	-0.4	35.1%	2,054	2,579	25.6%	35.2%	29.0%	48.4	
APPLE INC	Computers	3.7%	0.5%	0.0%	37.2	26.1	24.0	-0.3	14.7%	389,380	413,908	6.3%	5.8%	5.8%	28,388.5	
ALPHABET INC-CL A	Internet	3.4%	0.0%	27.7%	6.0	19.0	16.7	-0.8	20.1%	287,975	340,942	18.4%	9.5%	19.3%	17,712.5	
CADENCE DESIGN SYS INC	Software	3.1%	0.0%	30.5%	24.8	51.0	43.4	-0.1	13.9%	4,588	5,182	12.9%	16.0%	10.9%	873.1	
ASML HOLDING NV	Semiconductors	3.7%	0.7%	55.9%	21.5	43.1	30.2	-0.2	25.6%	27,682	34,731	25.5%	-3.5%	49.6%	3,961.5	
ADVANCED MICRO DEVICES	Semiconductors	2.6%	0.0%	17.7%	5.7	50.3	34.6	-0.7	22.8%	25,721	32,191	25.2%	32.2%	53.6%	3,280.4	
ASM INTERNATIONAL NV	Semiconductors	3.1%	0.5%	21.6%	8.6	41.8	31.7	-0.5	33.4%	2,812	3,471	23.4%	0.9%	34.9%	313.2	
NVIDIA CORP	Semiconductors	3.9%	0.0%	51.4%	47.0	32.6	27.6	-0.4	22.5%	59,316	109,495	84.6%	275.9%	96.0%	20,818.2	
MASTERCARD INC - A	Diversified Finan Serv	4.7%	0.5%	0.0%	64.1	32.2	27.6	0.5	12.5%	28,134	31,657	12.5%	16.2%	14.2%	4,576.7	
MSCI INC	Software	4.1%	1.0%	0.0%	0.0	36.8	32.3	2.7	14.7%	2,833	3,104	9.6%	11.4%	13.9%	456.7	
S&P GLOBAL INC	Commercial Services	4.4%	0.8%	0.0%	4.0	29.8	26.3	2.0	9.1%	13,366	14,439	8.0%	8.9%	10.7%	1,386.2	
PAGSEGURO DIGITAL LTD-CL	Diversified Finan Serv	1.5%	0.0%	12.8%	1.6	10.7	9.3	-0.9	36.1%	17,058	18,471	8.3%	17.1%	15.3%	46.5	
SOCIETE GENERALE SA	Banks	0.9%	4.8%	4.1%	0.3	4.9	4.1	20.4	4.4%	26,650	27,407	2.8%	23.0%	17.5%	204.4	
HDFC BANK LIMITED	Banks	2.3%	1.0%	16.8%	2.5	17.8	18.0	8.7	12.3%	1,578,759	1,823,668	15.5%	40.2%	16.7%	1,358.5	
ICICI BANK LTD	Banks	2.2%	0.6%	15.0%	3.1	17.9	15.8	8.9	9.8%	973,807	1,076,192	10.5%	23.9%	11.8%	953.6	
VONOVIA SE	Real Estate	2.9%	3.5%	7.1%	0.8	13.3	13.2	-0.6	10.3%	4,413	4,523	2.5%	-7.2%	-0.8%	240.8	
FASTIGHETS AB BALDER-B SH	Real Estate	1.2%	0.0%	11.7%	0.9	18.4	13.9	0.4	10.9%	12,813	13,283	3.7%	-17.1%	24.5%	78.7	
WAREHOUSES DE PAUW SCA	REITS	1.1%	4.5%	14.3%	1.2	17.0	16.2	0.4	230.2%	389	421	8.4%	10.3%	-3.4%	61.3	

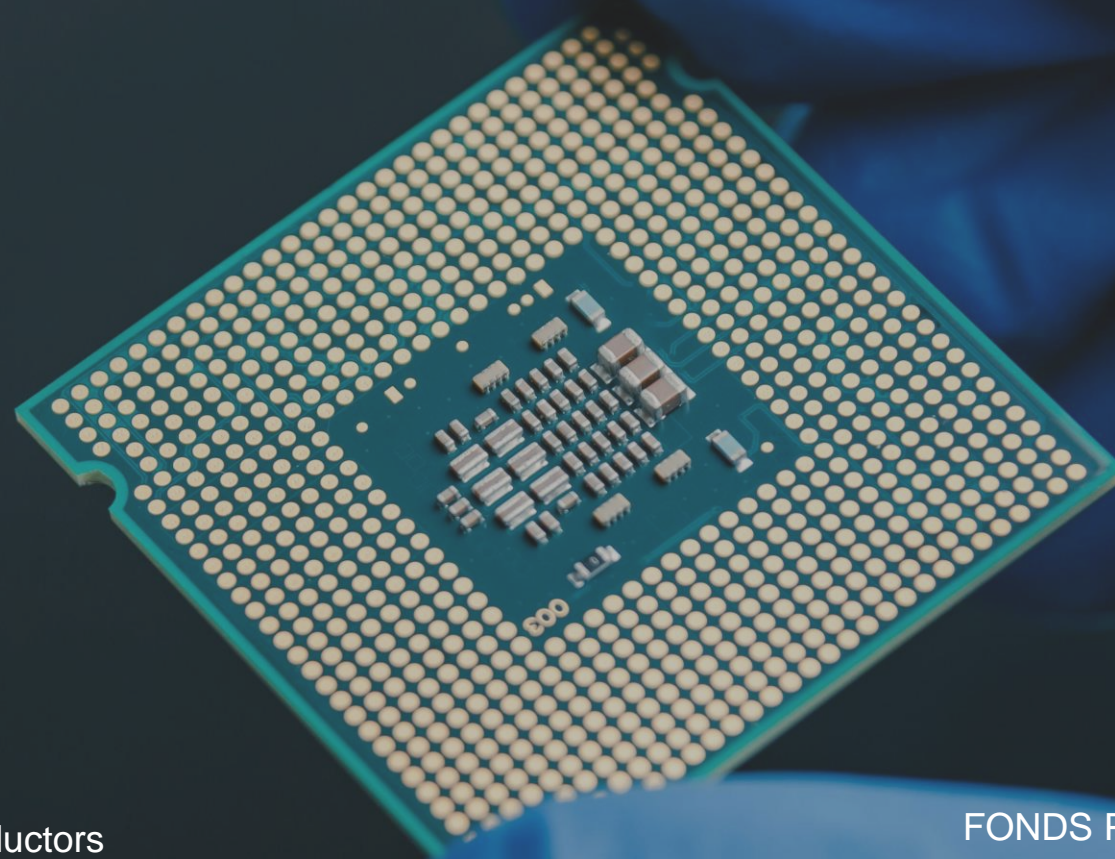
Performance since inception, 2024-02-29, EUR





The Semiconductor Industry

A Strong Profit Trend



Herman Ohlsson,
Investment Analyst - Semiconductors

FONDS Professionell Kongress, Wien 2024

What is a Semiconductor?



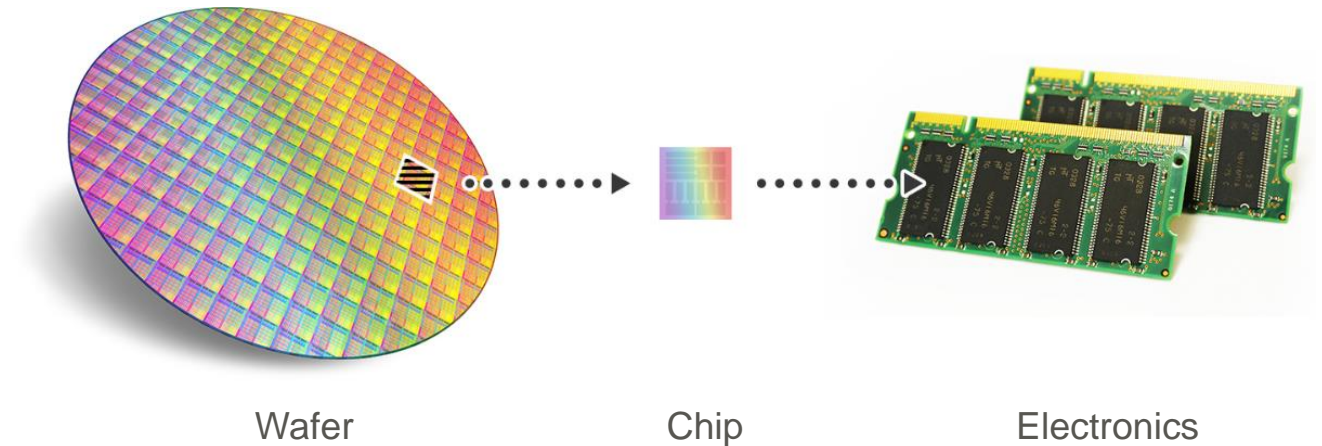
The Electronic Switches of the World

Material with properties between that of a conductor and insulator

Contains billions of small transistors which acts as small electronic switches

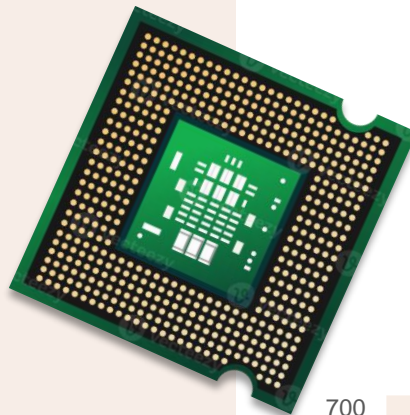
If a switch is on (conductive) it creates a 1 and if its off (not conductive) a 0

These lines of 1s and 0s creates data



Semiconductors

A potential \$1T market by 2030



Industry valued at \$585bn

Structurally growing trend – grows with 8% CAGR (>2x Global GDP)

Industry is growing due to:

1. More applications contains chips

Refrigerators, heat pumps, cars, smart glasses..

2. More chips per application

An electric vehicle (EV) contains 3x more chips vs regular car

Most capital-intensive industry in the world

High growth and very profitable – most companies of very high quality

Largest markets for chips:

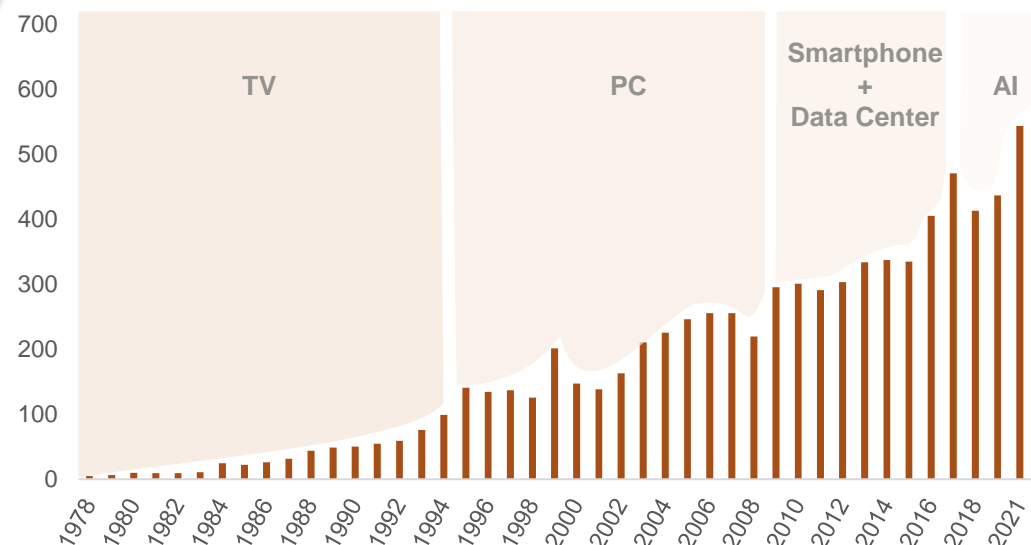
- Smartphones 25%
- PCs 20%
- Data Center 16%

Our semiconductor exposure:

Global Select: AMD, ASML, ASM, Cadence, Nvidia

Global Small Cap Select: Aixtron, Axcelis, Elmos, Melexis, Soitec

Semiconductor Market 1977-2022 (\$bn)



Expected annual average growth rate per industry 2020-2030:

12,9%



Automotive

9,4%



Data Center

9,1%



Industrial

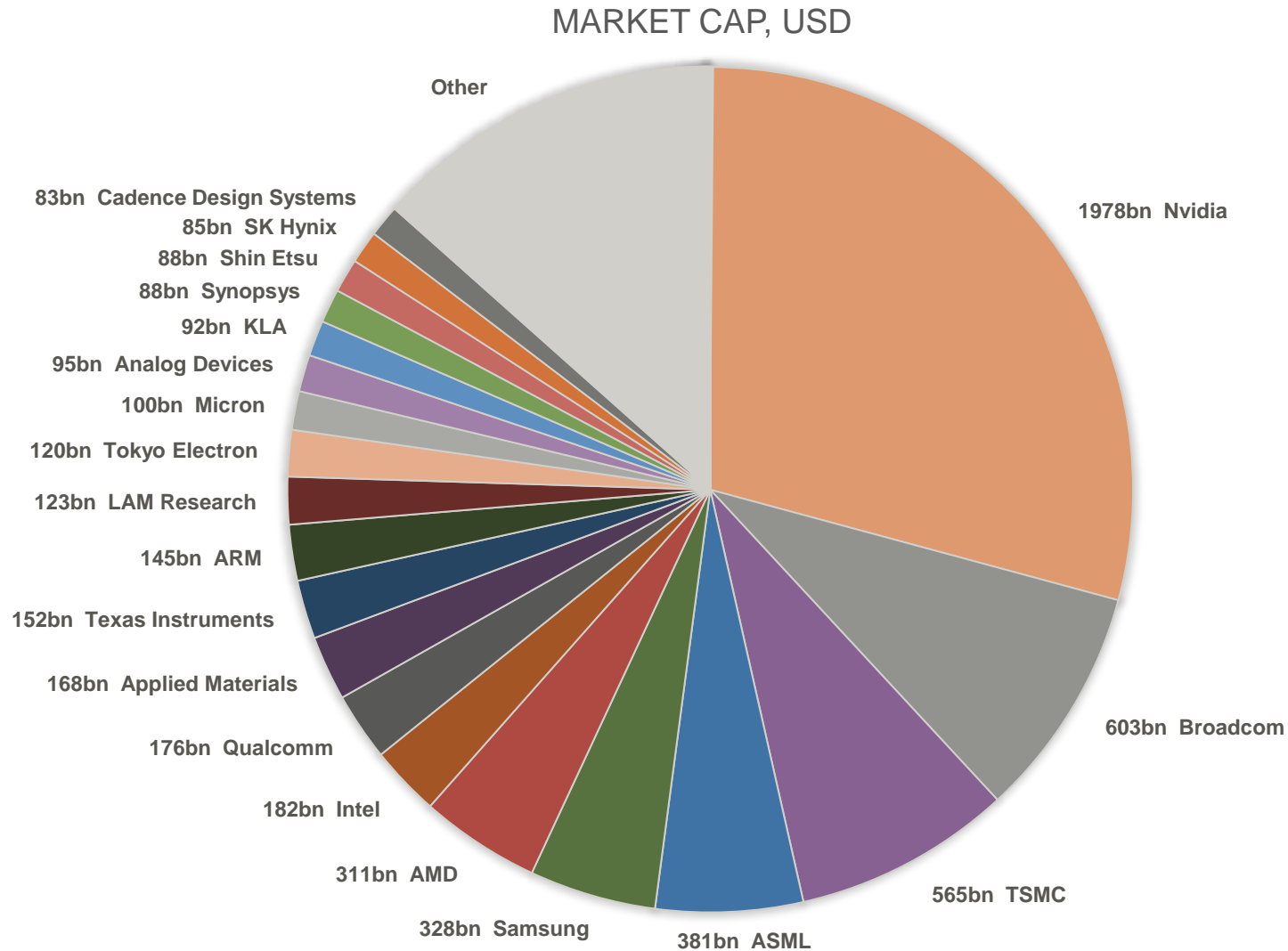
7,4%



Internet of Things (IoT)

World's largest semiconductor companies

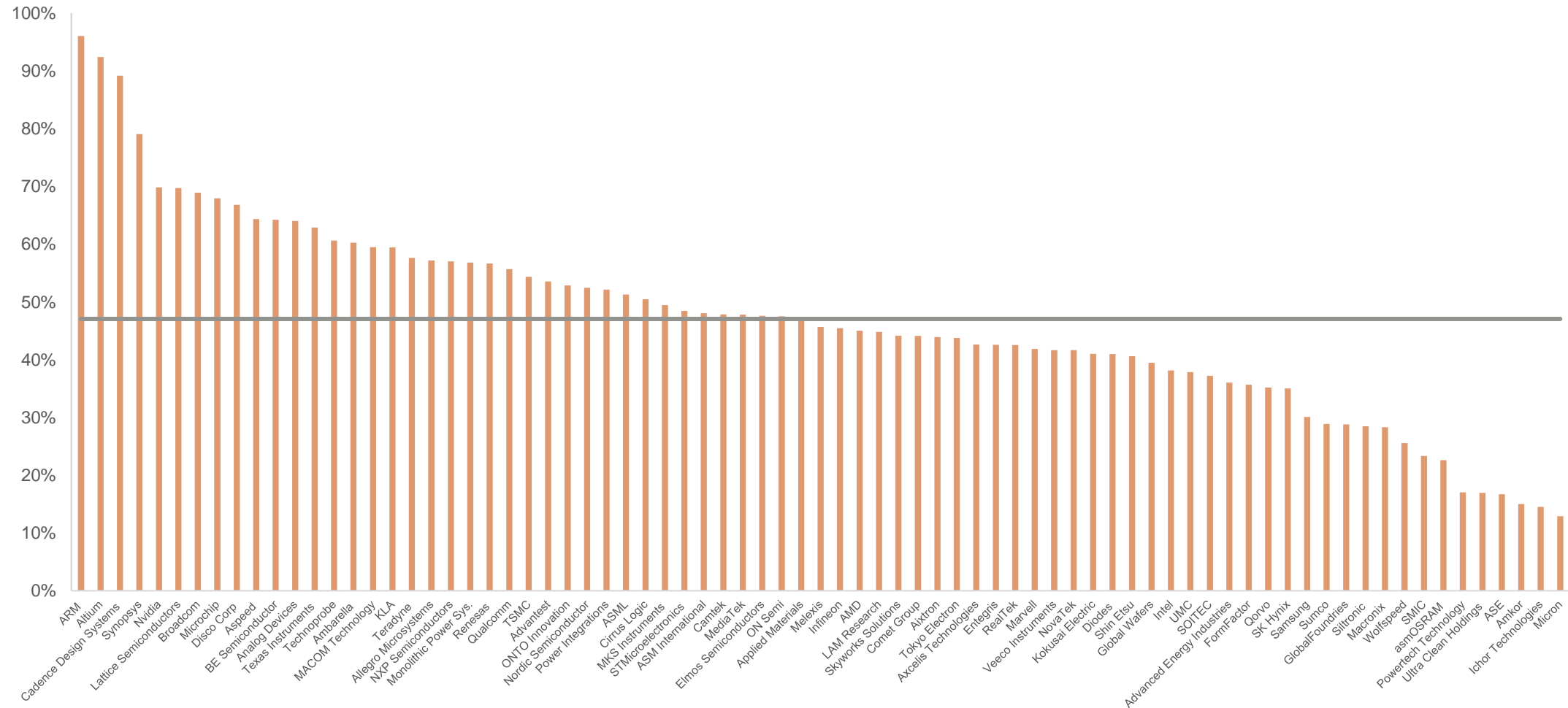
Nvidia is now the 4th largest company in the world



Gross margin - indicator of high quality

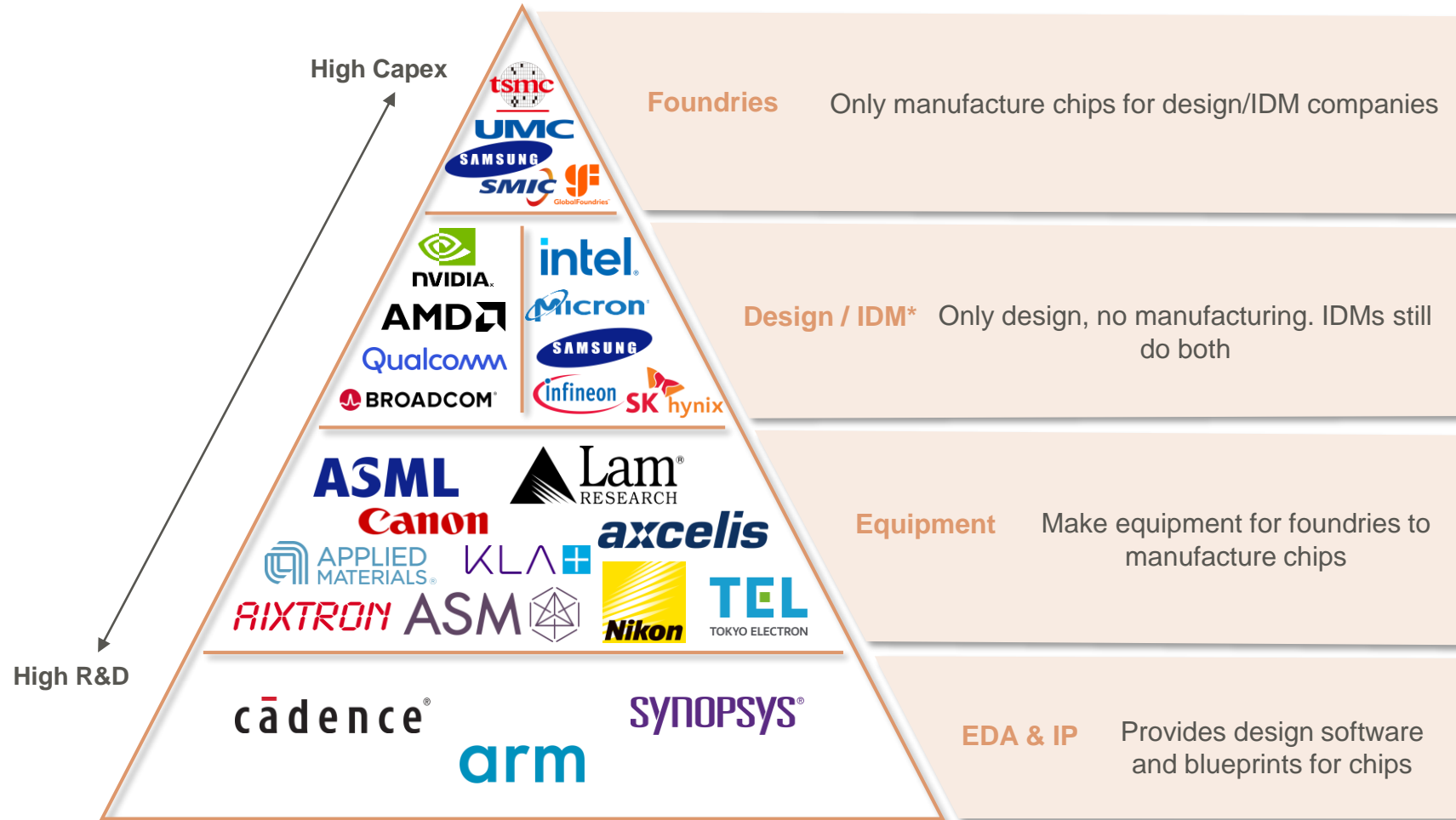


Average for the industry is ~50%



The Semiconductor Value Chain

Separation of design and manufacturing



Industry Overview



MANUFACTURING

EQUIPMENT

Provides the necessary equipment for foundries and IDMs.



FOUNDRIES

Manufacture the chips required by its customers.



IDMs

Design their own chips and have their own factories.



DESIGN

CONSUMER

Consumer facing companies that design their own chips.



PURE PLAY

Companies design chips on behalf of their customers.



EDAs

Provide design critical software for chip designers.



Manufacturing and design becomes exponentially more expensive



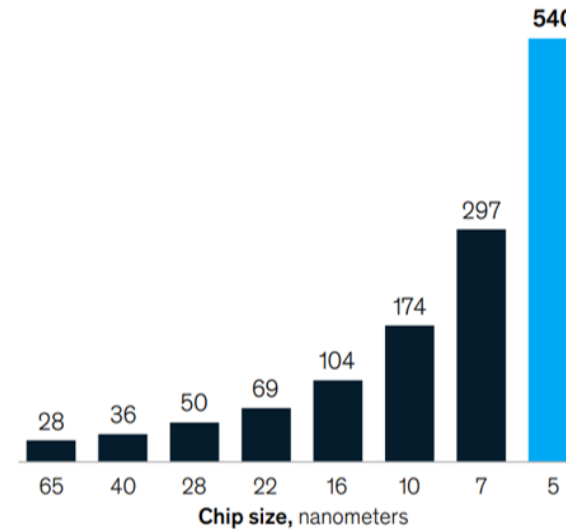
Manufacturing

Companies that can manufacture the most advanced chips, 2001-2020



Design

Design cost, \$ millions



There are five foundries of scale in the world



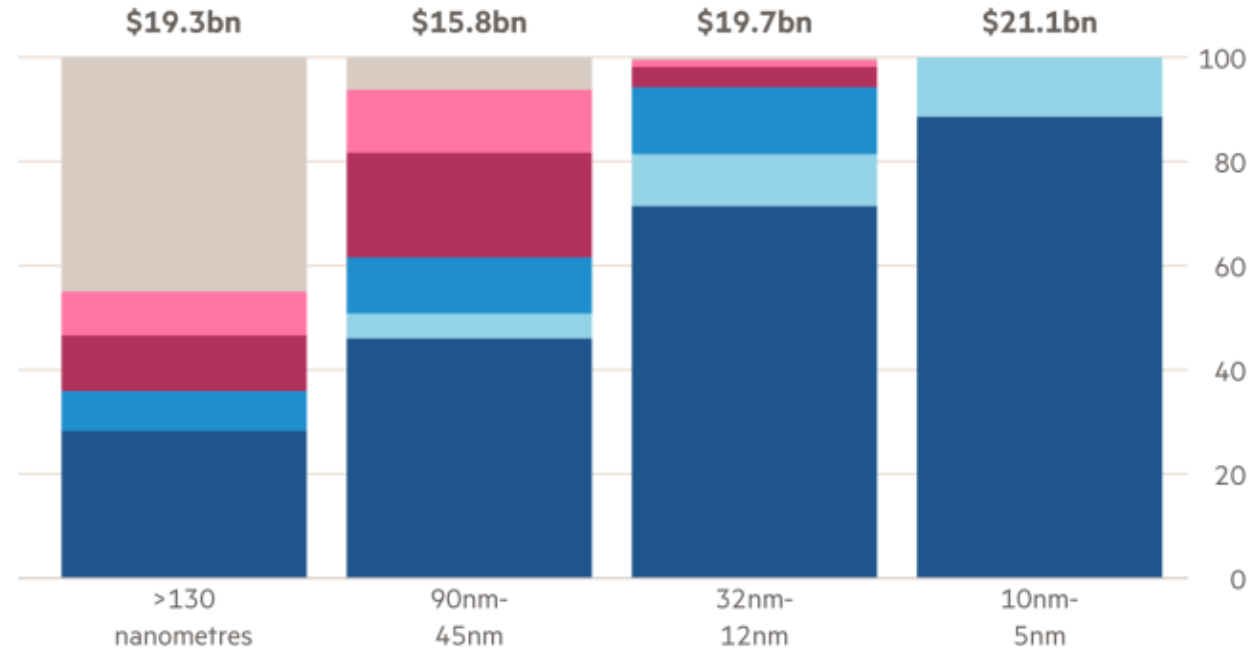
TSMC produce 60% of all chips and 90% of the most advanced

TSMC is leading the way in advanced chip technology fabrication

Pure-play foundry revenue, 2020 (%)

■ TSMC ■ Samsung Foundry ■ GlobalFoundries ■ UMC ■ SMIC ■ Others

Total market size:

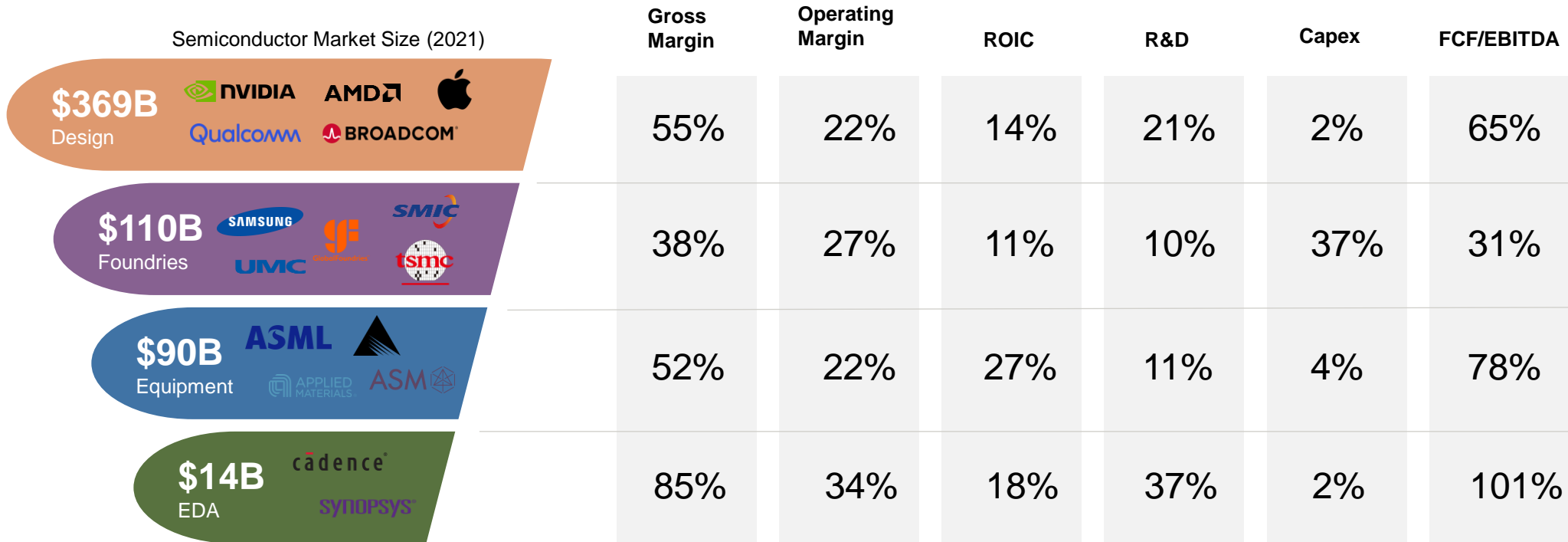


Source: Bain/IC Insights/Gartner
© FT

The Semis Value Chain



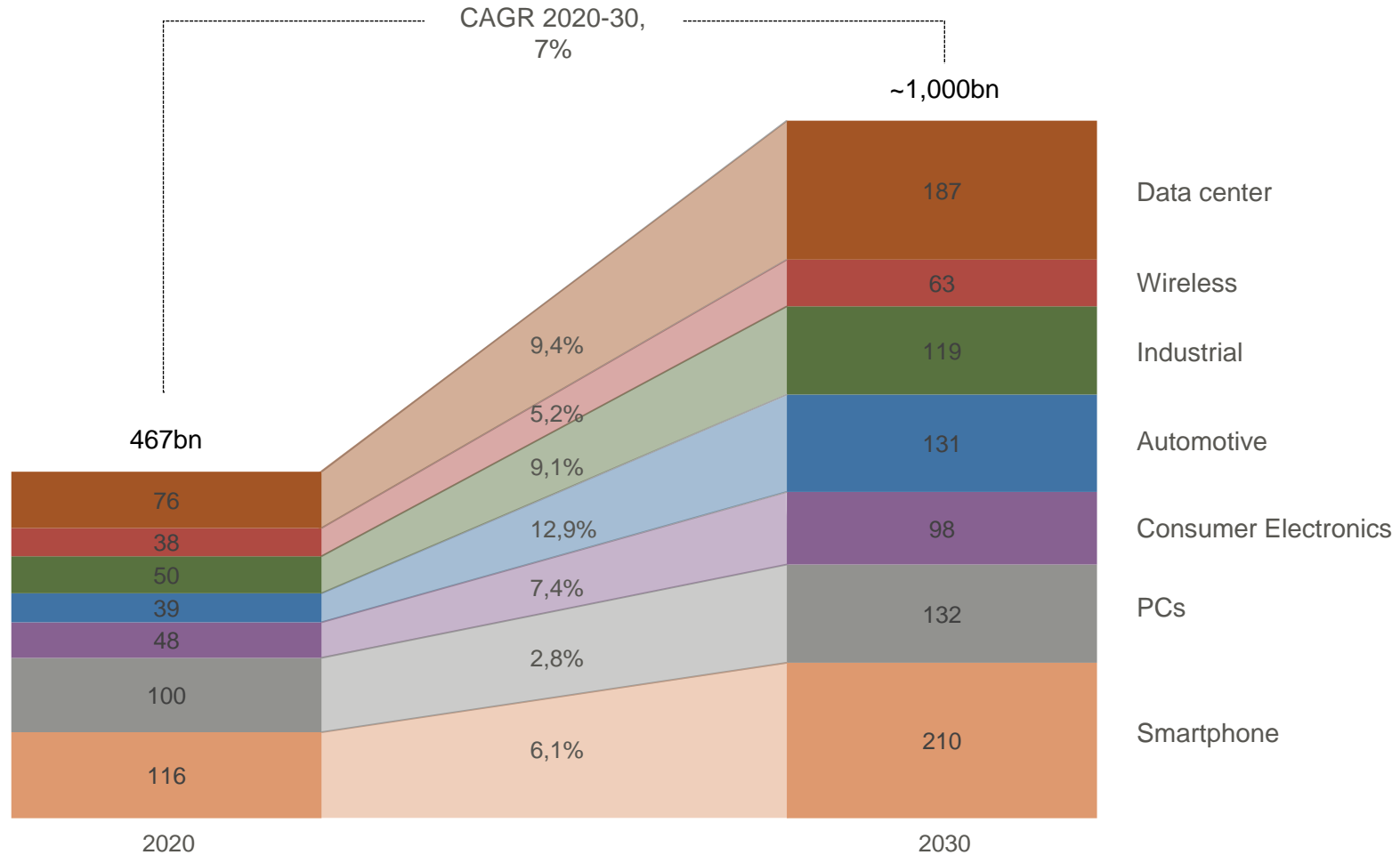
The financials



Growth across end-markets



Most value creation from Data Centers, Automotive fastest growing



Our Semiconductor Investments



Exposure towards the most favorable trends

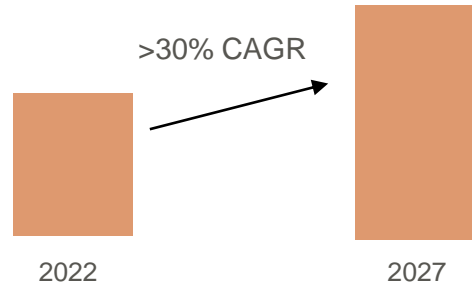
Electrical Vehicles (EV)

The transition to EVs drives growth for more auto semiconductors and new materials.

We own the niche players with best exposure.



Silicon Carbide Expected Growth



2022 COELI GLOBAL

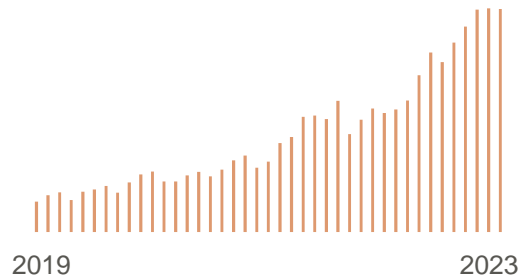
Data Center

The spend on Data Centers is growing at 28% per year due to raising need of cloud compute and AI.

We own the two leading AI chip design powerhouses.



Hyperscalers' Capex Growth



2019

2023

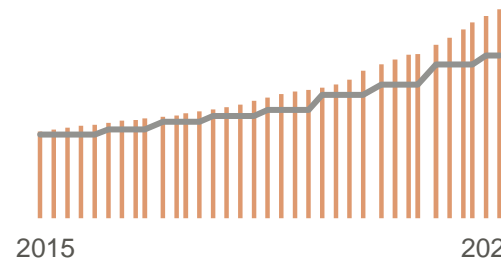
Chip design

Raising complexity of chip combined with a shortage of design engineers drives strong growth for design software.

Duopolistic market where we own the leader.



Semiconductor R&D Spend



2015

2023

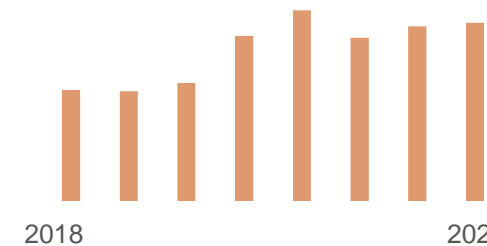
Semiconductor Manufacturing

The structurally growing demand for semiconductors is driving growth for capacity expansion and node transition.

We own the niche players with strong market positions.



Semiconductor Capex Spend



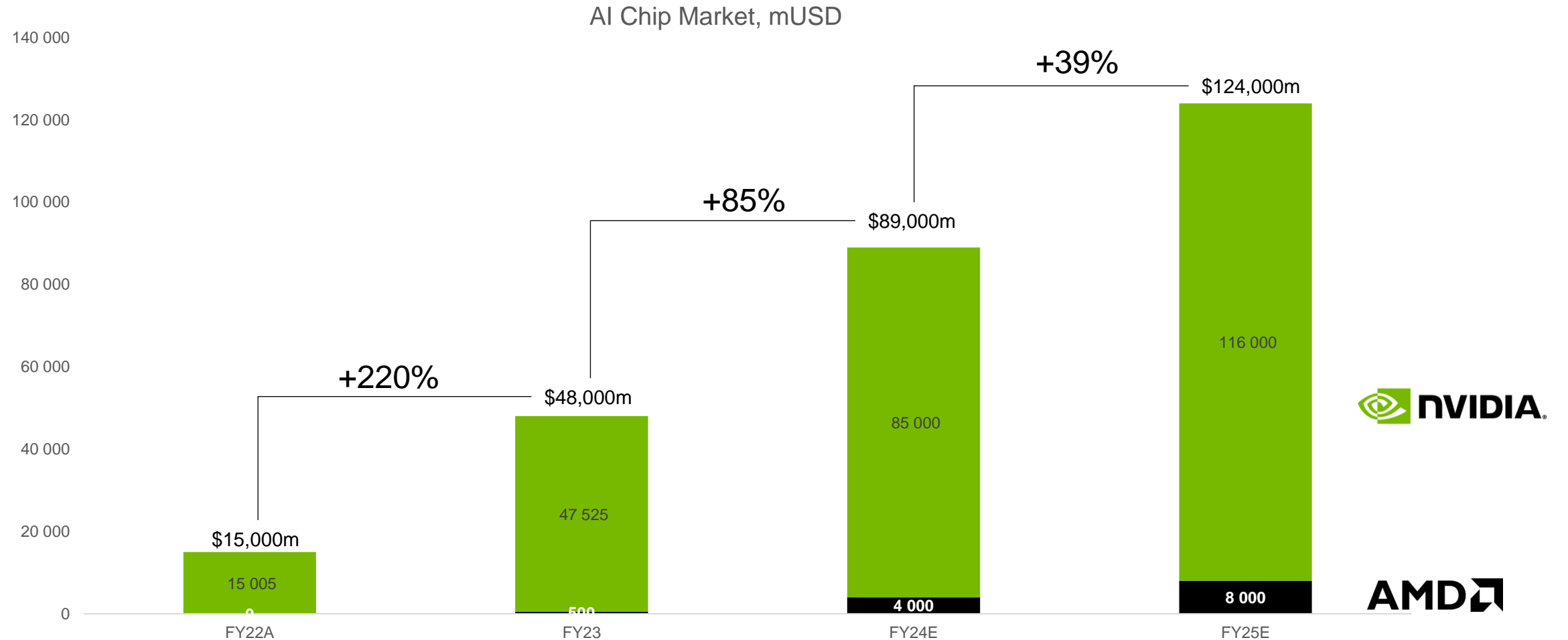
2018

2025e

Source: Coeli Global, Bloomberg, Company filings

AI chip market

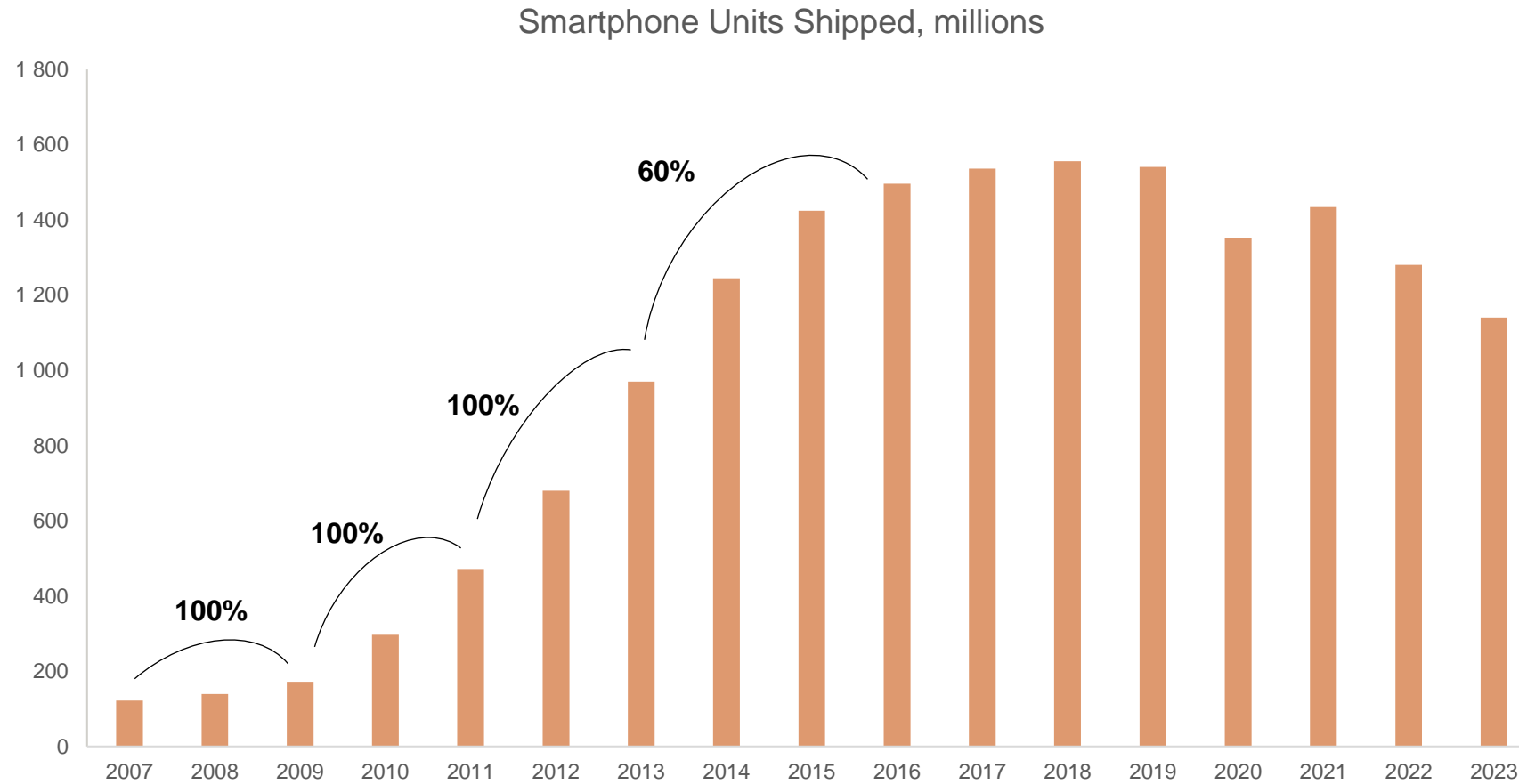
Dominated by two companies



“The iPhone Moment of AI” – Nvidia CEO



Smartphones sales 2x three times until reaching peak



AI exposure in Coeli Global Select



Where

Why

Which

1

Semiconductors

Design the hardware that enables AI



2

Cloud Providers

AI runs in the cloud offered by hyperscalers



3

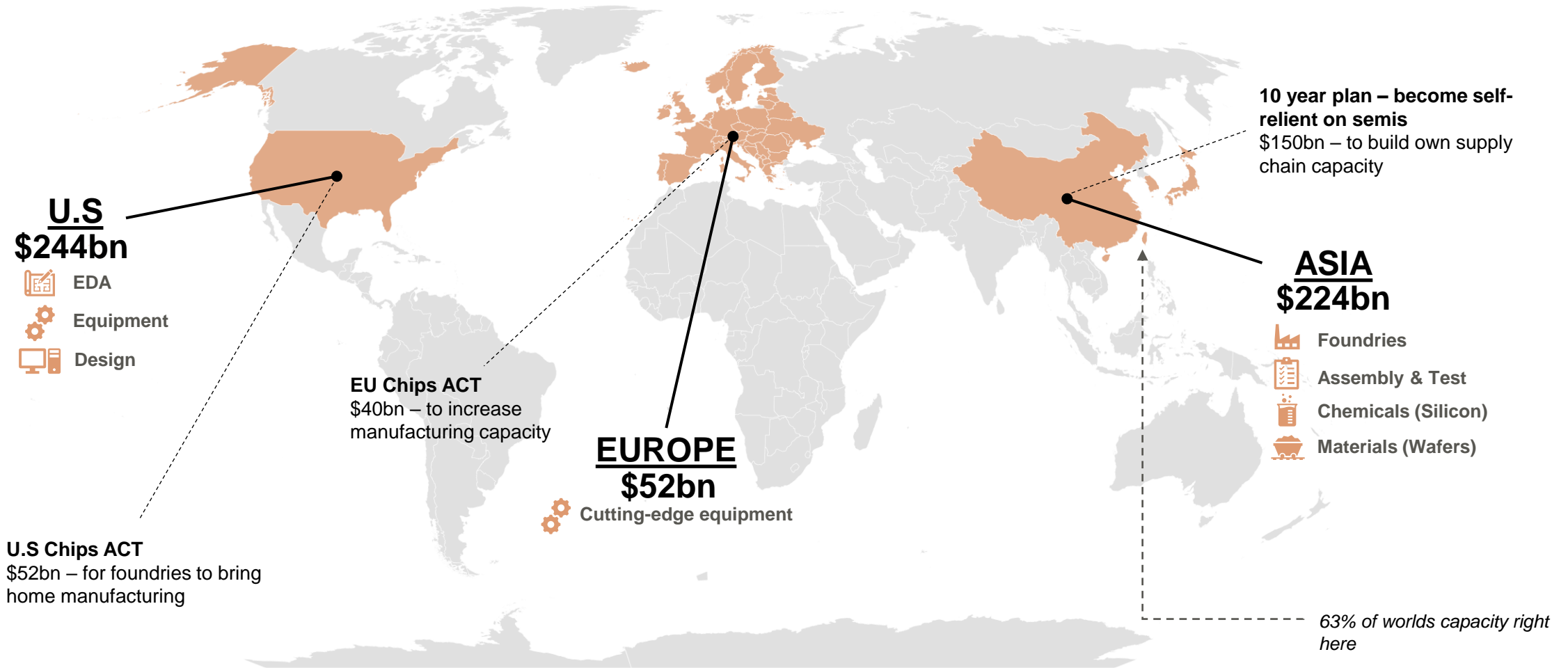
Software Companies

Implements AI in their software offering



World Map of Semiconductors

A well-integrated supply chain



No continent is self-reliant on semiconductors

Mobile World Congress (MWC) Barcelona



New trends and technologies - February 2024



SUPERMICROCOMPUTER



MICROSOFT

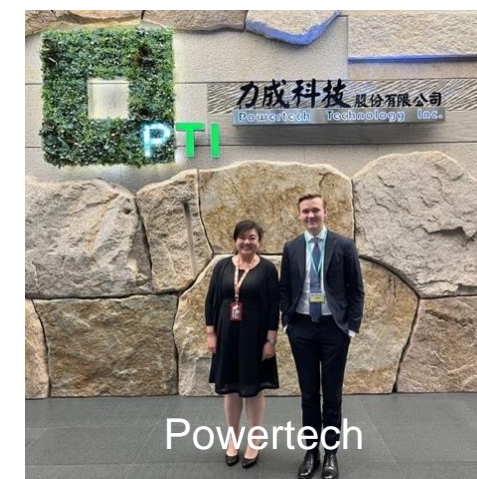
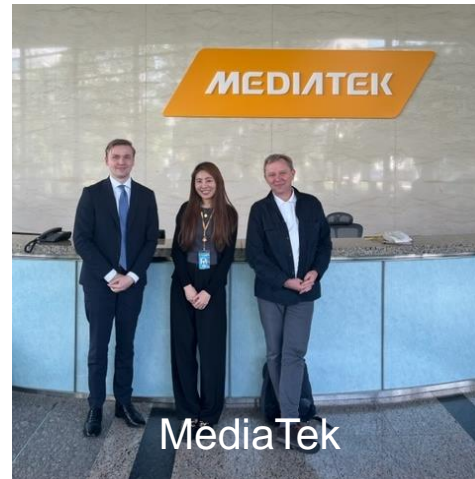
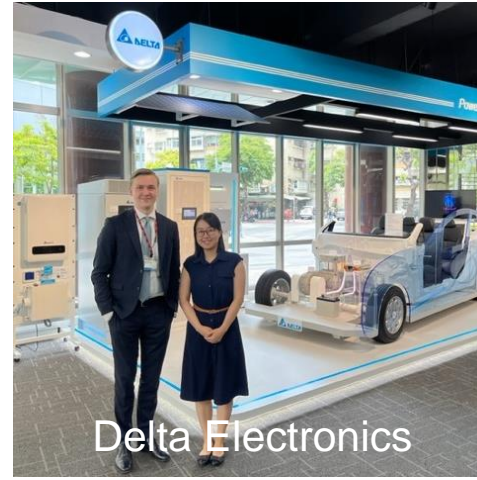


ARM



AMD

Taiwan Semis Trip - May 2023



Semiconductors – A strong profit trend

High growth

Industry structurally growing 2x faster than global GDP

Highly profitable

Industry with high growth and profitability

Pervasiveness

World becomes more dependent on semiconductors

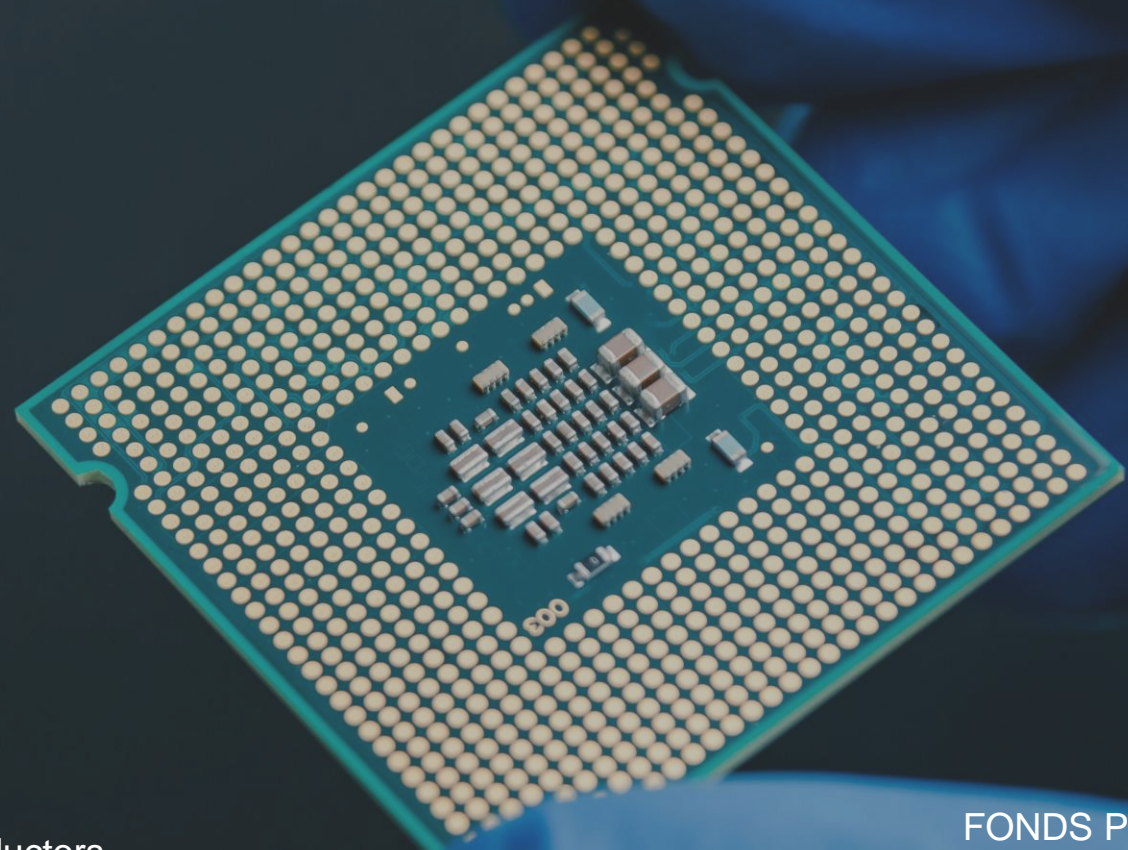
High Barriers To Entry

Industry consolidates into fewer and more valuable companies



Questions?

Visit us at stand 46

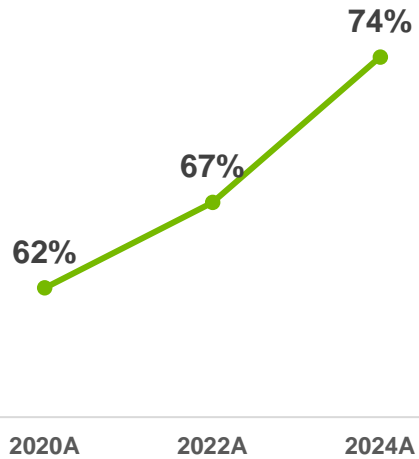


Herman Ohlsson,
Investment Analyst - Semiconductors

FONDS Professionell Kongress, Wien 2024

Extremely profitable

Gross Margin



AI Chips driving profitability

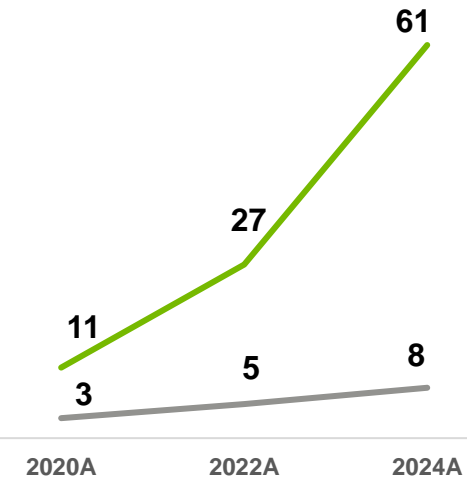
AI chip market share >90%



Dominant market position

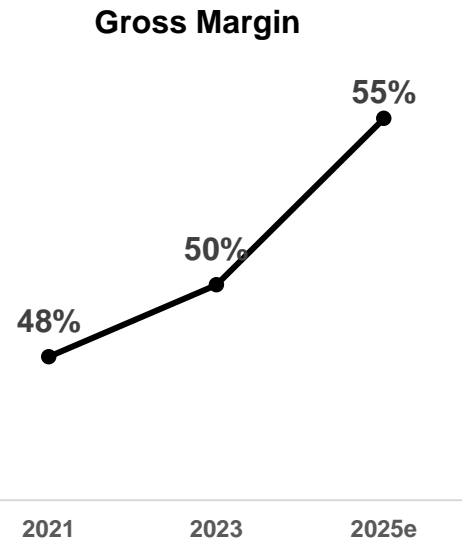
Scalable business model

Sales and Expenses, \$bn



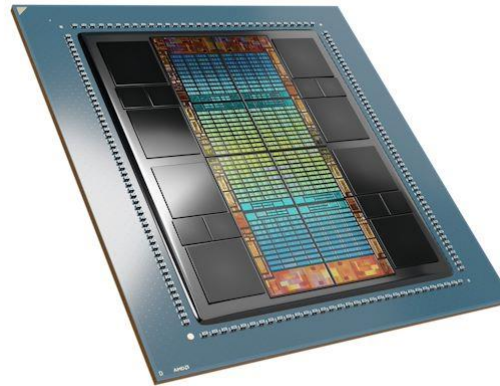
Strong operating leverage

Raising profitability



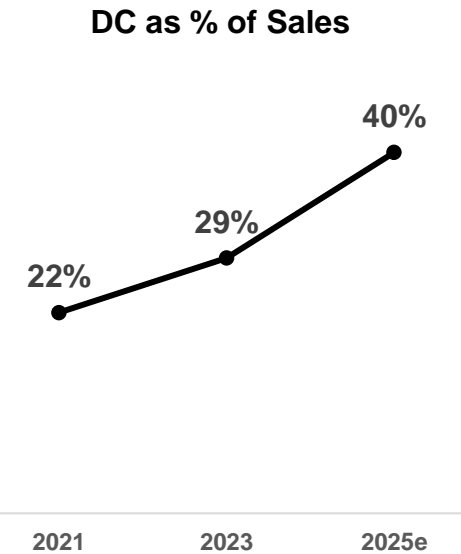
Higher margins in Data Center

Duopoly in AI chips with Nvidia



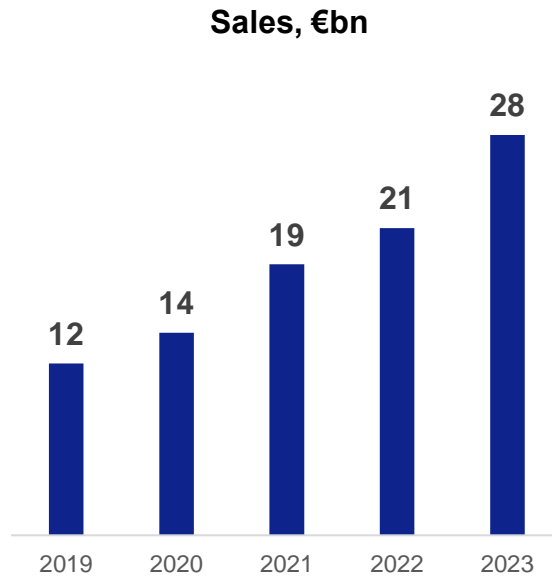
AMDs AI Chip MI300X released Dec 2023

Growing in Data Center



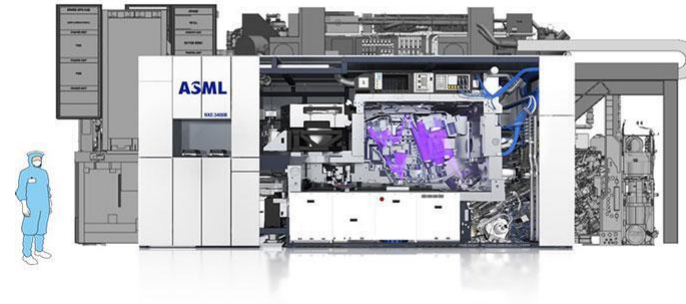
#1 in CPUs and #2 in GPUs

Structurally growing



Technology enabler

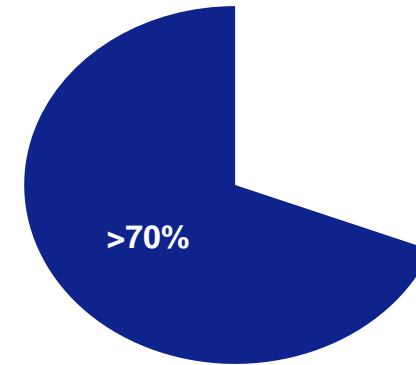
Monopoly in EUV



Price tag: \$350m (53 tools shipped 23')

Three large customers

Share of Total Sales



TSMC, Intel and Samsung