

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – July 2020



| Key Facts | | |
|---|--|----------------------------|
| Launch Date: 29.08.17 | Fund Size: £72m | |
| Price at 31.7.20 (12:00) | Accumulation 116.4675p | Income 110.2452p |
| Sedol | BF6X212 | BF6X223 |
| ISIN | GB00BF6X2124 | GB00BF6X2231 |
| Annual Management Fee | 0.75% | |
| Ongoing Charges | 0.88% | |
| Minimum Investment | £1,000 | |
| Dilution Levy: (effective 1 August 2020) | Purchases: 1.78% Redemptions: 1.46% | |
| Dilution levy is updated monthly. For more information visit www.teviotpartners.com | | |

| Summary Investment Objective |
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| The objective of the fund is to achieve a total return (of growth and income, after fees) greater than the Numis Smaller Companies Index (including AIM but excluding Investment Companies). |

| Fund Attributes |
|--|
| ❖ A value investment style |
| ❖ Small unit size of investment confers a significant advantage in an illiquid asset class |
| ❖ Broad and diverse investment universe |
| ❖ Invest in circa 1 in 9 companies of the available universe |
| ❖ Active Share 87% |
| ❖ Bottom up driven with an asset allocation overview |

Monthly Manager Commentary

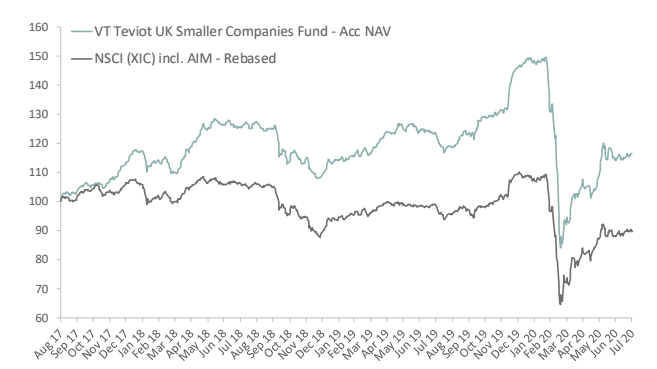
Government support and monetary stimulus continues, but economic reality is setting in and the prospect of an imminent return to a pre-Covid environment seems to be ebbing further away. In most countries, last quarter's fall in GDP was the biggest for decades. With economic activity suppressed due to lockdown, conditions should sequentially improve as lockdown restrictions are eased. However, Markets need to also weigh up the prospect of a substantial rise in unemployment as employers wean themselves off government support. The depth and duration of recession is key. Plenty of uncertainty exists for Markets; resulting in continued volatility.

Economic prospects have shifted sharply over the course of the last few months. We have used our liquidity advantage to adapt the portfolio to the new economic climate, increasing exposure to a-cyclical earnings and also to stronger balance sheets. Both are the most likely to lead the way on dividends and the portfolio is well represented here. The resumption of dividends will be an important catalyst for investors to re-rate over-sold companies.

The Index ended July up 2.3%, with the Fund slightly behind that (+1.6%), consolidating strong out-performance in June. The largest contributor to performance in July was Countrywide. Its markets appear to be exiting lockdown with greater buoyancy than expected and some interesting new shareholders have appeared on the register. Premier Foods also contributed strongly. It reported its thirteenth quarter of sequential sales improvement; a noticeable sales acceleration during lockdown, with consumers continuing to favour cooking products and staples over food-to-go convenience.

The largest detractor in July was Firstgroup. It is deeply undervalued on a sum-of-the-parts basis but results exposed inevitable short term challenges that will delay the strategy to realise value. Card Factory succumbed to profit taking after a strong run, despite strong trading in the initial weeks since its stores re-opened. Card purchases remain non-cyclical and Card Factory is the lowest cost producer of cards with increasing options over its routes to market.

Performance



| Returns (%) | 1 m | 3 m | 6 m | YTD | 12 m | Since Launch |
|---|-------|-------|--------|--------|-------|--------------|
| The Fund | +1.6% | +8.1% | -21.3% | -20.3% | -5.2% | +16.5% |
| NSCI (XIC) incl. AIM | +2.3% | +7.8% | -16.2% | -17.9% | -8.7% | -10.2% |
| Yearly Discrete Returns (%) - To End Q2 | | | | 2020 | 2019 | |
| The Fund | | | | -7.1% | -2.5% | |
| NSCI (XIC) incl. AIM | | | | -10.7% | -7.2% | |

Past performance is not necessarily a guide to future performance. Fund launched on 29 August 2017. Fund performance is illustrated by the Accumulation Share Class NAV. Discrete performance is updated on a calendar quarter basis and reflects all available discrete periods since launch.

How to Invest

Details of how to invest in the VT Teviot UK Smaller Companies Fund are available from our website: www.teviotpartners.com

Application forms and other supporting documents are also available at www.valu-trac.com/teviot
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Platforms

AJ Bell
Allfunds
Aviva
Hargreaves Lansdown
Interactive Investor
Pershing
Transact
7IM

Authorised Corporate Director & Administrator

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VT Teviot UK Smaller Companies Fund

Top 10 Holdings as at 31/07/20

| Holding | Sector | % of portfolio |
|----------------------------|--------------------------------------|----------------|
| 1. De La Rue | Banknotes & Authentication Solutions | 4.9 |
| 2. Future | Digital Media | 3.3 |
| 3. Drax Group | Electricity Provider | 3.1 |
| 4. Randall & Quilter | Non-Life Insurance | 2.4 |
| 5. Premier Foods | Food Producer | 2.1 |
| 6. Studio Retail Group | Online Retail | 2.0 |
| 7. IG Design Group | Giftware Manufacturer & Designer | 1.7 |
| 8. Chemring Group | Defence | 1.7 |
| 9. ECO Animal Health Group | Veterinary Pharmaceuticals | 1.6 |
| 10. Headlam Group | Carpet Distributor | 1.6 |
| Total | | 24.4 |

Market Cap Breakdown

| | % of Portfolio | No. of Stocks |
|---------------|----------------|---------------|
| Above £1bn | 9.9 | 6 |
| £500m - £1bn | 15.0 | 11 |
| £250m - £500m | 23.1 | 18 |
| £100m - £250m | 35.5 | 32 |
| Below £100m | 14.6 | 20 |
| Cash | 1.9 | |
| Total | 100.0 | 87 |

Listing

| Listing | % |
|---------|------|
| Main | 63.4 |
| Aim | 34.7 |
| Cash | 1.9 |

Fund Managers



Andy Bamford

Andy has a 27-year track record of investing in UK smaller companies, running large and prestigious mandates.

He is a trained accountant who worked with General Accident and Edinburgh Fund Managers before joining Aberforth Partners in 2001 where he became a partner. Aberforth is a respected value investor and Andy had a successful 15-year career with the firm. Passionate about investing in small companies, Andy set up Teviot Partners in November 2016.



Barney Randle

Barney has a 25-year career working for a variety of investment banks including Merrill Lynch and JP Morgan.

He has always specialised in UK smaller companies and enjoys a strong reputation for original and rigorous investment analysis. His non-consensual and value orientated approach was well received by some of the largest and most successful investors in the asset class.

Important Information / Risk Warnings

This fund invests in smaller companies and carries a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. The fund can also invest in smaller companies listed on the Alternative Investment Market (AIM) which also carry the risk described above.

This document is provided for general information purposes only and should not be interpreted as investment advice. It is not a personal recommendation and it should not be regarded as a solicitation or an offer to buy or sell any securities or instruments mentioned in it. We recommend retail investors seek the services of a Financial Adviser. Full details of the VT Teviot UK Smaller Companies Fund (the "Fund"), including risk warnings are published in the Key Investor Information document and Prospectus all available from www.valu-trac.com/teviot. The Fund is subject to normal stock market fluctuations and other risks inherent in such investments.

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