

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – January 2021



Key Facts		
Launch Date: 29.08.17	Fund Size: £92m	
Price at 29.01.21(12:00)	Accumulation 156.2159p	Income 147.5341p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
Annual Management Fee	0.75%	
Ongoing Charges	0.88%	
Minimum Investment	£1,000	
Dilution Levy: (effective 1 February 2021)	Purchases: 1.50% Redemptions: 1.18%	
Dilution levy is updated monthly. For more information visit www.teviotpartners.com		

Summary Investment Objective
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 8 companies of the available universe
❖ Active Share 87%
❖ Bottom up driven with an asset allocation overview

Monthly Manager Commentary

The positive returns in the latter part of 2020 were driven by progress on vaccines, a decisive US election result, a Brexit deal and accommodative financial policies around the world. These factors all bolstered the prospects for recovery in 2021. January has brought increased attention to the pace of vaccine rollout, virus mutations and the roadmap to greater normality. Size and style provided mild tailwinds for the Fund while being underweight to the AIM constituents of our Index was a drag.

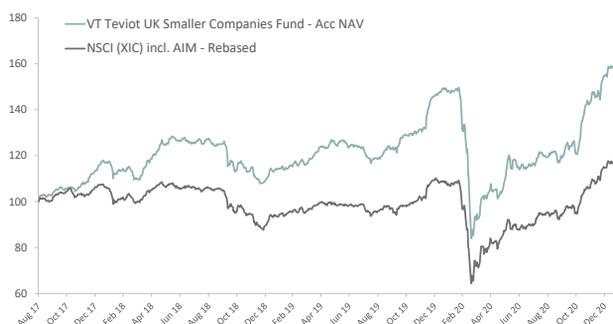
The largest contributor to returns was Lookers. The company encountered a number of internal issues in early 2020 that culminated in the shares being suspended last summer. New management has worked hard to reduce costs and debt in the business, paving the way for improving results and a positive return from suspension. Aptitude Software performed strongly on a trading update that pointed to a strengthening pipeline of opportunities for its market leading software platform.

The weakest performer was Xaar after exceptional share price performance in 2020. Its update confirmed that the transformation is running to plan under the new management team, and its positive prospects are unchanged. IG Design fell but it continues to execute well and the weakness likely reflects sentiment towards the retail sector.

There were further signs of corporate activity. Within the Fund portfolio, Scapa received a recommended offer from a US peer, and Marstons received and rejected an approach from private equity.

Cash at the month end was 4.4%

Performance



Returns (%)	1 m	3 m	6 m	1 Year	3 Years	Since Launch
The Fund	+1.1%	+29.4%	+34.1%	+5.5%	+34.1%	+56.2%
NSCI (XIC) incl. AIM	+0.7%	+21.3%	+28.7%	+7.9%	+10.7%	+15.6%
Yearly Discrete Returns (%) - To End Q4				2020	2019	2018
The Fund				+5.8%	+33.6%	-3.6%
NSCI (XIC) incl. AIM				+4.9%	+22.2%	-15.8%

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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Top 10 Holdings as at 29/01/21

Holding	Sector	% of portfolio
1. De La Rue	Banknote & Authentication Solutions	3.6
2. Drax Group	Electricity Provider	2.6
3. Randall & Quilter	Non-Life Insurance	2.3
4. Studio Retail Group	Online Retail	1.9
5. Headlam Group	Carpet Distributor	1.8
6. Mears Group	Property Management & Maintenance	1.7
7. Cairn Energy	Oil Exploration & Production	1.7
8. Spire Healthcare	Private Hospitals	1.7
9. Renewi	Waste Services	1.7
10. Jet2	Airline & Tour Operator	1.5
Total		20.5

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	11.4	8
£500m - £1bn	16.5	15
£250m - £500m	26.8	23
£100m - £250m	30.3	29
Below £100m	10.6	17
Cash	4.4	
Total	100.0	92

Listing

Listing	%
Main	63.4
Aim	32.2
Cash	4.4

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 strong 3-year performance record managing the VT Teviot UK Smaller Companies Fund.

Prior to Teviot Partners, Barney spent over 20 years on the buy side on UK Small Caps, advising investors and corporates, working for a variety of investment banks including Merrill Lynch and JP Morgan. He earned a strong reputation for original and rigorous investment analysis, with a non-consensual approach.

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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