

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – June 2025



Key Facts

Launch Date: 29.08.17		Fund Size: £104m
Price at 30.06.25 (12:00)	Accumulation 210.2336p	Income 176.9773p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
Annual Management Fee		0.75%
Ongoing Charges		0.88%
Minimum Investment		£1,000
Dilution Levy: (effective 1 July 2025)		Purchases: 1.09% Redemptions: 0.75%
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 Deutsche 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 7 companies of the available universe
- ❖ Active Share 83%
- ❖ Bottom up driven with an asset allocation overview

Objectives and Investment Policy

The investment objective of the VT Teviot UK Smaller Companies Fund is to achieve a total return (of growth and income, after fees) greater than the Benchmark Index over the long term. The Benchmark Index is the Deutsche Numis Smaller Companies Index (including AIM but excluding investment companies).

The Fund will seek to achieve its investment objective by investing in a diversified portfolio of companies which shall primarily consist of small UK quoted companies. Small companies are those having a market capitalisation, at the time of purchase, equal to or lower than the largest company in the Deutsche Numis Smaller Companies Index (including AIM but excluding investment companies).

The Manager actively manages the portfolio in order to achieve the objective and will not be restricted in respect of investments by industrial sectors.

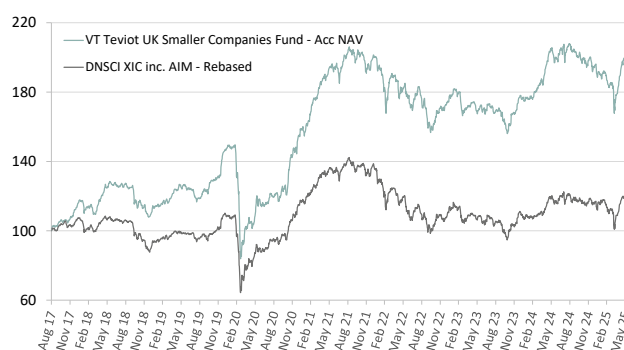
In addition to equities, the asset classes in which the Fund may invest includes transferable securities, units in collective investment schemes, money-market instruments, cash and near cash and deposits

The Fund will not invest in any immovable property or tangible movable property. The Fund may hold derivatives for efficient portfolio management purposes. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Sub-Fund. The Fund's base currency is Pounds Sterling.

If you hold income shares any income from the Fund may be paid out to you. If you hold accumulation shares, any income from the Fund will be re-invested to grow the value of your investment. You can buy and sell shares on any business day.

As indicated above, the Fund aims to achieve a total return over the longer term. Nevertheless capital is in fact at risk and there is no guarantee that a total return will be achieved over that specific, or any, time period. For full investment objectives and policy details, please refer to the Prospectus.

Performance



Returns (%)	1 m	3 m	1 Year	3 Years	5 Years	Since Launch
The Fund	+4.8%	+15.5%	+5.7%	+20.9%	+83.4%	+110.2%
DnSCI (XIC) incl. AIM	+3.2%	+13.6%	+7.8%	+15.2%	+42.1%	+24.6%

12 months Discrete Returns (%) – To End Q2

	2025	2024	2023	2022	2021
The Fund	+5.7%	+16.9%	-2.1%	-9.9%	+68.3%
DnSCI (XIC) incl. AIM	+7.8%	+10.0%	-2.8%	-19.0%	+52.3%

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.

Quarterly Manager Commentary
<p>Q2 2025 delivered strong returns, both absolute and relative: the Fund rose 15.5%; its benchmark Index (DNSCI XIC inc. AIM) rose 13.6%. It was quite a reversal after a weak start for all equity markets in early April in response to the threat of US tariffs (benchmark index -7.7% by 9 April).</p> <p>There continues to be debate in the UK about the health of the economy, the trajectory of inflation and interest rates, and the cost of government borrowing. These issues, of course, are equally at large globally. Macro conditions do set the investment landscape, but they do not dictate the capital value of an asset. That is determined by the net flow of capital into that asset, and that is a multifaceted dynamic. Sterling (£) strength was a feature for Q2; or rather USD (\$) weakness. The investment landscape in the US is being questioned, and that has implications for capital markets outside the US.</p> <p>The largest positive contributors to Fund outperformance were Jet2, Rank, and Ricardo; plus there was strong endorsement of the investment credentials for both Costain and Chemring. Jet2 delivered another period of steady growth, and with a strong balance sheet it initiated a £250m share buyback (share price strength reversed Q1 weakness). Rank delivered solid trading progress, but it was the publishing of key Statutory Instruments to enable land-based casino reforms in the Government's review of the 2005 Gambling Act that prompted a re-assessment of the investment merits. This will enable Rank to materially increase the number of gaming machines and the opportunity to provide sports betting will be permitted in casinos in England and Wales. Ricardo's Board recommended a takeover approach from WSP Global, and this more than reversed Q1's performance weakness.</p> <p>There were few material contributors to negative performance, with the largest being Wilmington (which drifted on no newsflow). Relative to the Index, Fund performance was hurt by not owning Alphawave (recommended approach from Qualcomm), and Dar Global (Middle Eastern real estate, which reversed Q1 weakness).</p> <p>Takeover activity has been an ongoing theme for the Fund for some time, and this continued. Whilst interest in NIOX was withdrawn and speculation in Advanced Medical Solutions subsided (both provided a mild headwind for performance in Q2), Fund performance benefited from the recommended offer in Ricardo. Takeovers were completed in Renewi and De La Rue - in both cases we were happy with governance and the approach of the Board; and the valuations achieved.</p> <p>Performance was heavily down to stock selection. The biggest sectoral contributor to relative performance was in Energy, where the Fund is underweight. Whilst this helped, the performance alpha was primarily driven by stock selection here. The overweight position in Aerospace & Defence continued to aid the Fund relative to the Index.</p> <p>Uncertainty remains regarding the UK's economic outlook and the direction of global trade and cooperation. These are valid concerns for the fortunes of some UK Smaller Companies. However, it is capital flows that will determine the value of assets, and domestic borders do not restrict the flow of capital. Prospects have to be viewed in the context of global choices.</p> <p>The Fund has a portfolio of stocks on undemanding valuations that are not factoring in significant earnings growth, and many offer very handsome dividend yields that are well covered by earnings and/or net cash. A good proportion of these stocks are also conducting share buybacks.</p>

VT Teviot UK Smaller Companies Fund		
Top 10 Holdings as at 30/06/25		
Holding	Sector	% of Portfolio
1. Kitwave	Independent Wholesaler	2.7
2. Wilmington	Information, Training & Education Solutions	2.4
3. TP ICAP	Inter-dealer Broker & Data Provider	2.4
4. Jet2	Leisure Travel Group	2.3
5. Premier Foods	Branded Food Producer	2.2
6. Norcros	Kitchen & Bathroom Products	1.9
7. Keller	Construction Services	1.8
8. Atalaya Mining	Copper Mining	1.8
9. Sabre Insurance	Insurance	1.7
10. Chemring	Defence & Security Supplier	1.7
Total		20.9

Market Cap Breakdown		
	% of Portfolio	No. of Stocks
Above £1bn	26.8	21
£500m - £1bn	16.9	15
£250m - £500m	24.7	21
£100m - £250m	19.2	20
Below £100m	8.5	16
Cash	3.9	
Total	100	93

Listing	%
Main	68.4
AIM	27.7
Cash	3.9

Fund Managers



Barney Randle,
Partner

Barney has a strong performance record managing the VT Teviot UK Smaller Companies Fund since launch in August 2017. UK Smaller Companies has been his area of focus for over 25 years, initially advising investors and corporates on the sell side where he specialised in original and rigorous investment analysis, and where he developed a deep understanding of the implications of liquidity in an illiquid asset class.



Dan Vaughan,
Partner

After graduating from Oxford University, Dan specialised in UK Smaller Companies in the mid-1990s at Aviva. He then spent 13 years managing UK Smaller Companies pension and life funds at Colombia Threadneedle, of which the final 7 years were as Head of Team. Dan joined Teviot in May 2021 and acceded to Partner in January 2022.

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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The Fund is available on most major Platforms including

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

Authorised Corporate Director & Administrator

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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.

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