

GRAVIS

UK LISTED PROPERTY

MONTHLY FACTSHEET
30 APRIL 2023

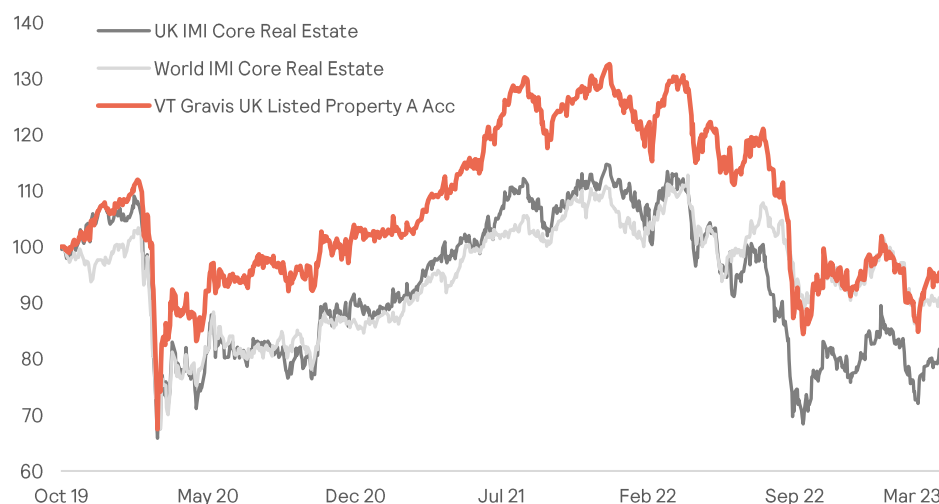
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FUND OBJECTIVES

- To achieve capital growth through market cycles (we expect this to be a period of 7 years)
- To invest in a diversified portfolio of London Stock Exchange listed securities, consisting primarily of Real Estate Investment Trusts
- Avoids exposure to retail property companies
- Aims to deliver a regular income expected to be 4% per annum¹

PERFORMANCE CHART

VT Gravis UK Listed Property (PAIF) Fund – A Acc GBP (Total Return after charges)
31/10/2019 – 30/04/2023



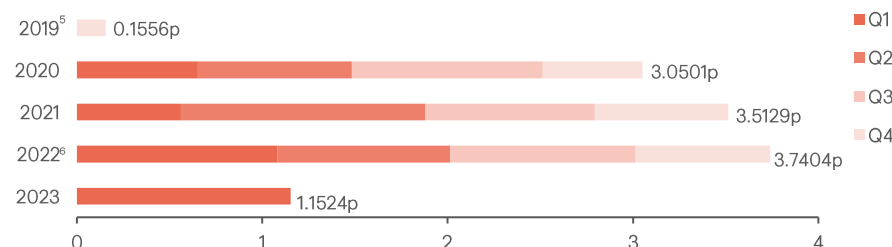
RETURNS

	1 MONTH	3 MONTHS	12 MONTHS	SINCE INCEPTION	YTD	12M VOL	YIELD ⁴
VT Gravis UK Listed Property	6.93%	-3.19%	-25.51%	-4.64%	1.85%	24.10%	4.50%
MSCI UK IMI Core Real Estate	6.24%	-2.43%	-25.13%	-18.26%	4.92%	28.14%	4.54%
MSCI World IMI Core Real Estate	0.20%	-7.94%	-15.94%	-9.09%	-1.81%	18.23%	4.38%

Past performance is not necessarily indicative of future results.
Fund launched on 31 October 2019
Fund performance is illustrated by the A GBP Net Accumulation share class

DIVIDENDS

Dividends⁵ paid since inception for A GBP Income share class.



Fund overview

Name	VT Gravis UK Listed Property (PAIF) Fund
Regulatory Status	FCA Authorised UK NURS OEIC with PAIF Status
Sector	IA Property Other
Launch Date	31 October 2019
Fund Size	£97.16m
Number of holdings	24
Share Classes	Income and Accumulation (£, \$, €)
Min. Investment	A: £100 F: £100
Net Asset Value per share	A Acc (£): 95.36p A Inc (£): 84.78p
Trailing 12-month net yield	A Inc (£): 4.50%
Annual Management Charge	0.70%
Capped fund OCF ²	0.70%
Synthetic OCF ³	1.25%
Dividends Paid	End of Jan, Apr, Jul, Oct
Classification	Non-complex
Liquidity	Daily dealing
ISINs	A Acc (£): GB00BK8VW755 A Inc (£): GB00BK8VW532
Feeder ISINs	F Acc (£): GB00BKDZ8Y17 F Inc (£): GB00BKDZ8V85

1. This is an unofficial target and there is no guarantee it will be achieved. Per annum by reference to launch price of £1.00 per unit, payable quarterly, one month in arrears.
2. OCF for all share classes is capped at the AMC, any costs in excess of the OCF/AMC will be paid by the Investment Adviser.
3. 'Synthetic' OCF is calculated using the weighted average OCF of the Fund's underlying holdings where published; the aggregated figure for the 9 holdings in the portfolio is 0.59%. Whilst the requirement to publish the 'Synthetic' OCF is a new one as at 30th June 2022, this is not a new cash charge to investors and the OCF of the Fund remains capped at the AMC.
4. 12 month trailing net yield, A Inc. Published dividends are net of charges which are taken from capital.
5. Part period from 31.10.2019 – 30.11.2019.
6. As of 30 June 2021, the Fund's financial year was changed to align with calendar quarters, resulting in a change to distribution dates. Subsequently 5 distributions were actually made in 2021 (of which 2 were in the second quarter period). Ex-dividend dates are now Dec, Mar, Jun and Sept

All data, source: Valu-Trac Investment Management, MSCI Inc and Reuters.



FUND ADVISER'S REPORT

"During the month the take-private trend resumed with Industrials REIT selling out a 42% premium to the undisturbed share price."

Over the course of April 2023, the NAV of the Fund increased by 6.93% (A Acc GBP), making it the third best performing fund in the UK¹. Since launch, the Fund has decreased by 4.64% (A Acc GBP), significantly outperforming both the UK Real Estate Index², which has decreased by 18.26%, and the Global Real Estate Index³ which has decreased by 9.09%.

The strategy of the Fund is to invest in a diversified portfolio of thematic real assets. The 24 investments within the Fund are aligned to benefit from four socio-economic mega trends: ageing population (15.8% portfolio weight), digitalisation (46.6% portfolio weight), generation rent (25.3% portfolio weight), and urbanisation (9.3% portfolio weight).

Within each mega trend, the Investment Adviser undertakes fundamental research to identify the most attractive investment opportunities. This combination of top-down analysis of powerful socio-economic mega trends together with bottom-up fundamental research has yielded good results.

Since summer 2022, the disconnect has widened between the steady and predictable nature of the lease income underpinning the Fund's investments and lower public market valuations. At the beginning of April 2023, the average discount to net asset value (NAV) for UK listed real estate was a 31.7%⁴, far wider than the 10-year average discount of 13.1%. This valuation disconnect creates an attractive investment opportunity for investors with long time horizons. However, it also creates a risk that private capital will act faster than public capital and acquire the specialist REITs owning the best assets. This is what happened in April.

During the month the take-private trend resumed, Industrials REIT (3.23% portfolio weight) announced it had agreed terms on a cash offer with Blackstone, one of the world's largest-property owners. Industrials REIT is an owner and manager of UK multi-led industrial (MLI) real estate, typically comprising small sized warehouses, and sits within the digitalisation mega trend. It is the third time since the Fund's inception that Blackstone has bid for a Fund holding.

Benefiting from a lack of new supply of MLI properties, Industrials' portfolio profits from strong leasing fundamentals, resilient cash flows, and ongoing market rental growth. In the first quarter, management secured an average uplift in rent of 27% on lettings signed during the quarter, highlighting the significant embedded growth potential to be crystallised over the next few years. In aggregate, year-on-year, passing rents grew 4.8% organically and estimated rental values grew 10.6%.

Elsewhere within the portfolio, several companies provided trading updates; these announcements highlighted favourable environments for continued income growth driven by growing rents and sustained high occupancy. Despite these positive dynamics, many portfolio REITs continue to trade at a discount to their warranted value, creating a potentially attractive opportunity for patient investors.

Within the digitalisation mega trend, Lok'nStore Group (2.36% portfolio weight), the developer and operator of landmark self-storage assets across England, reported a like-for-like revenue increase of 11.2% for the six months to 31 January 2023. The company's balance sheet remains rock solid with a very low debt burden, the loan-to-value (LTV) ratio is only 8.9%, significantly below the UK real estate market average of 31.1%, which in turn is more prudent than that found in continental Europe, of over 40%.

Acknowledging the underlying strength of their assets, Lok'nStore's management rewarded shareholders with a 15% increase in interim dividend, representing an impressive twelfth consecutive year of interim dividend increase.

Contained within the ageing population mega trend, Impact Healthcare REIT (4.78% portfolio weight), the owner of high-quality care homes in the UK, announced continued improvement in occupancy to 87.6% at 31 March 2023 and rent reviews completed at an average uplift of 4.0% per annum, driving a 2.2% increase in NAV per share to 112.60 pence versus a month-end share price of 98.0p. The REIT declared a 3.5% increase in its interim dividends over the prior financial year, in line with the annual dividend target and offering investors a potentially attractive target yield of 6.9%.

Looking ahead, the enduring attractiveness of high-quality real estate combined with a historically wide valuation discount may lead to further takeover bids from private equity. As a long-term investor, the Investment Adviser judges these takeovers as bittersweet moments for the Fund. The bids are proof that specialist REITs have attractive financial characteristics and crystallise value for investors. However, they also reduce public market investment opportunities delivering reliable growth income. Over the course of the past three and a half years, the Fund has benefited from three takeovers, given the ongoing disconnect between price and value it is likely that the Fund will be on the receiving end of further takeovers in the future.

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Investment Adviser

Gravis Advisory Ltd is owned and managed by Gravis Capital Management Ltd ("Gravis").

Gravis Capital Management was established in May 2008 as a specialist investor in property and infrastructure and now manages c.£3bn of assets in these sectors in the UK. Gravis entered into a strategic partnership with ORIX Corporation in January 2021.

Gravis Advisory Ltd is also the Investment Adviser to the c.£808m VT Gravis UK Infrastructure Income Fund, the c.£553m VT Gravis Clean Energy Income Fund and the c.£38m VT Gravis Digital Infrastructure Income Fund.

Fund Advisers

Matthew Norris, CFA is lead adviser to the VT Gravis UK Listed Property Fund and the VT Gravis Digital Infrastructure Income Fund. Matthew has over two decades investment management experience and has a specialist focus on real estate securities. He was previously at Grosvenor with responsibility for investing in global real estate securities including the highly successful global logistics strategy. He joined Grosvenor from Fulcrum Asset Management and Buttonwood Capital Partners where he ran international equity strategies which incorporated exposure to real estate equities.

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¹ FE Analytics, 31/3/23 to 29/4/23

² MSCI UK IMI Core Real Estate Net Total Return GBP

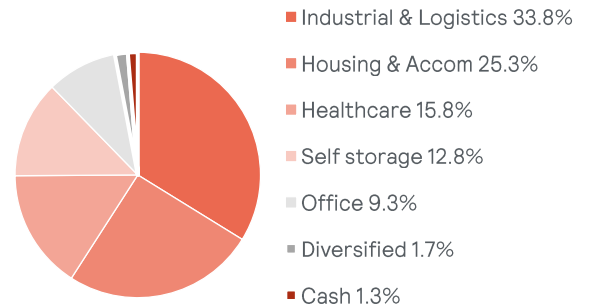
³ MSCI World IMI Core Real Estate Net Total Return GBP

⁴ European Public Real Estate Association (EPRA) Net Asset Value Report, April 2023

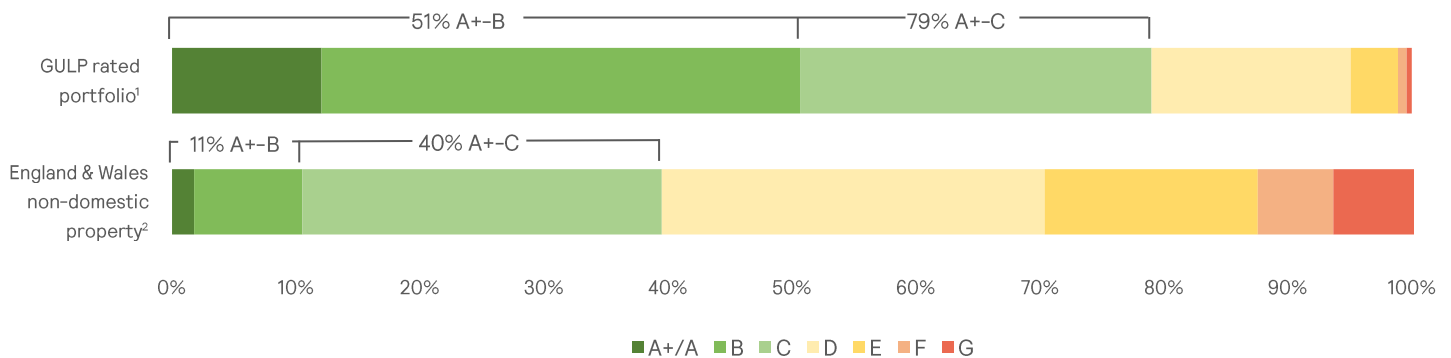
TOP 10 HOLDINGS

COMPANY	WEIGHTING
Unite Group PLC	8.63%
Grainger PLC	7.60%
SEGRO PLC	7.45%
Tritax Big Box REIT PLC	7.39%
PRS REIT PLC	5.30%
Safestore Holdings PLC	5.26%
Big Yellow Group PLC	5.17%
Londonmetric Property PLC	5.12%
Impact Healthcare REIT PLC	4.78%
Primary Health Properties PLC	4.78%

Sector Breakdown



ESG METRIC BREAKDOWN



Government Minimum Energy Efficiency Standards require non-domestic properties to have a minimum EPC rating of B by 2030, with an interim target of EPC C by 2027.

1. Gravis Advisory Ltd analysis, data available as at end of June 2022.

2. Ministry of Housing Communities and Local Government, December 2021.

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