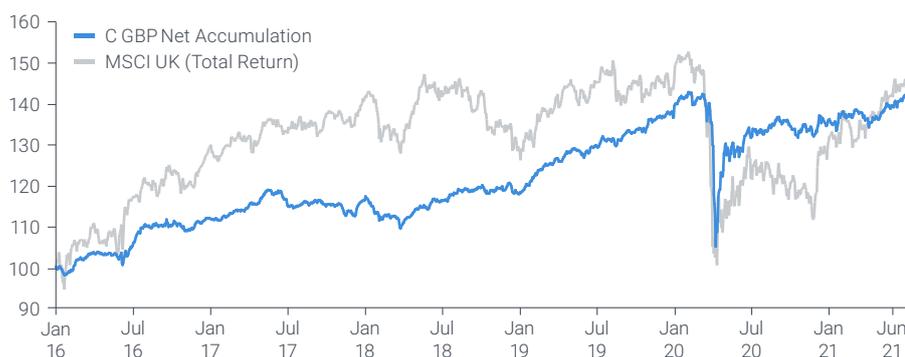


### OVERVIEW

- Deliver a regular income expected to be 5%<sup>1</sup> per annum
- Preserve investors' capital throughout market cycles with the potential for capital growth and protection from inflation
- Invests in GBP UK Listed Securities including Investment Companies, Equities, Bonds and REITs
- Offers exposure to a vital sector for the UK's economy which is increasingly becoming a key component of any well-balanced investment portfolio

### PERFORMANCE CHART

VT Gravis UK Infrastructure Income Fund – C Acc GBP (Total Return after charges)  
25/01/2016 – 30/06/2021



### RETURNS

	JUNE 2021	3 MONTHS	12 MONTHS	36 MONTHS	SINCE INCEPTION	VOLATILITY
Gravis UK Infra Income	0.23%	4.14%	6.64%	22.16%	42.13%	9.09%
MSCI UK	0.43%	5.83%	17.43%	1.11%	44.82%	17.12%

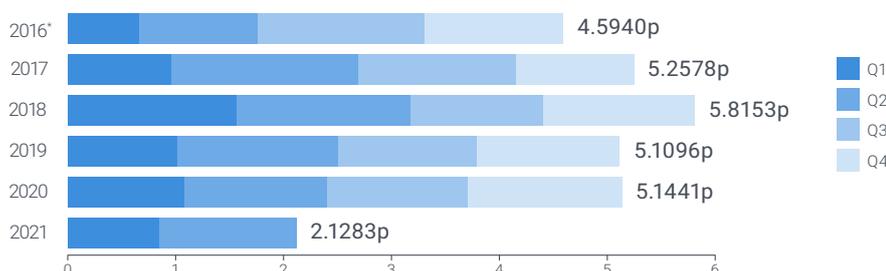
Past performance is not necessarily a guide to future performance.

Fund launched on 25 January 2016.

Fund performance is illustrated by the C GBP Net Accumulation share class.

### DIVIDENDS

Dividends paid net of charges since inception to 30 June 2021 for C GBP Income share class.



\* Part period from launch on 25 January 2016.

Fund information	
<b>Fund name</b>	VT Gravis UK Infrastructure Income Fund
<b>Regulatory status</b>	FCA Authorised UK UCITS V OEIC
<b>Sector</b>	IA Specialist
<b>Launch date</b>	25 January 2016
<b>Fund size</b>	£774.65m
<b>Share classes</b>	Income & Accumulation Clean & Institutional (£, \$, €)
<b>Min. investment</b>	C: £1,000 I: £5,000,000
<b>Net Asset Value per share as at 30 June 2021</b>	C Acc (£): 142.13p C Inc (£): 109.58p I Acc (£): 143.20p I Inc (£): 109.63p
<b>Trailing 12 month net yield<sup>3</sup> as at 30 June 2021</b>	C: 4.44% I: 4.47%
<b>Charges<sup>2</sup></b>	C: 0.75% pa I: 0.65% pa
<b>Dividend pay dates</b>	end of Jan, Apr, July, Oct
<b>Classification</b>	Non-complex
<b>£ ISINs</b>	C Acc: GB00BYVB3M28 C Inc: GB00BYVB3J98 I Acc: GB00BYVB3T96 I Inc: GB00BYVB3Q65

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. The OCF for all share classes is capped at the AMC (excluding underlying fund holding charges and dealing costs from EMX and Calastone) and any costs in excess of the OCF/AMC will be paid by the Investment Adviser.
3. Published dividends are net of charges which are taken from income.

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



<sup>1</sup>Independently risk-rated and assessed as Lowest Medium Risk

## FUND ADVISER'S REPORT

The second quarter of 2021 provided handsome returns for investors as the UK Infrastructure sector displayed broad-based strength after a largely uneventful first quarter throughout which period the Fund tracked sideways. While the reopening of the UK economy has faltered at times, a gradual improvement in activity, the success of the vaccine rollout, and a stabilisation in yield expectations (after a sizeable uptick during the early stages of the year on reflationary fears) have provided some basis for renewed optimism among infrastructure investors and the sharp upturn in share prices. Against this backdrop, the Fund recorded a 4.14% total return during the period (C Accumulation GBP) with the closing NAV as of 30th June 2021 within 50bps of the strategy's all-time high.

Positive momentum in the water utilities sector accelerated in the period with the portfolio's pure-play exposures Pennon and United Utilities (+16.5% and +8.3% on a total return basis, respectively) contributing significantly to overall returns. Pennon confirmed its intentions for the £3.7bn net proceeds generated from the sale of Energy-from-Waste division Viridor. As anticipated, shareholders will receive a sizeable special dividend amounting to 355p per share/£1.5bn total (to be paid in July) with the remainder of the proceeds used to pay down debt (c.£1.1bn), a share buy-back programme (up to £400m) and to fund the £425m equity value acquisition of Bristol Water Group. The Bristol Water deal is accretive to earnings and provides a basis for an increase in the ordinary dividend (pre-consolidation levels) in future.

KKR's approach for John Laing Group – a Board-approved deal at 403p per share – resulted in 30.8% total return for the stock during the period and meant that the relatively modest position contributed approximately one tenth of the Fund's overall return. The Adviser is of the opinion that the deal will complete on the original terms.

Losses during the period were largely confined to the renewable energy sector with Bluefield Solar, Greencoat UK Wind, John Laing Environmental Assets, and Foresight Solar all losing ground. The latter two names were subject to demotion from the mid-tier of the UK market and that resulted in selling pressure from index-trackers.

Renewable energy infrastructure is an important category within the portfolio, with exposure to wind, solar and other forms of low/zero carbon power generation accounting for approximately one third of the Fund. The sector, while delivering very attractive income yield for investors typically underpinned by a significant element of government subsidy support payments (such as ROCs and FITs), has wrestled with persistent downward revisions to UK electricity price forecasts over the past two years. More recently, however, expectations have started to inflect – certainly with regards to the near and mid points of the curve – and this is likely to ensure the component within company valuations that is driven by power price forecasts is likely to contribute positively to Q2 valuation points (companies will begin to announce NAVs from late July).

As the economy begins to reopen it is reasonable to anticipate an improved operating environment for demand-sensitive assets (particularly those impacted by travel restrictions such as rail and airport infrastructure or student accommodation) to which the portfolio is exposed and that could prompt some positive revaluations to a range of equity and debt investments. Inflationary pressures have increased and although the Adviser takes a view that recent trends will abate in fairly short order, investors should take comfort in the high level of contractual indexation underlying the cash flows generated by many infrastructure assets as well as the indirect protection provided by real assets like regulated utilities and property. The Fund's property exposure – essentially the REIT allocation – is an area where investors should see improved valuations in the near term driven by further contraction in the rental yields ascribed to logistics/fulfilment warehouses and purpose-built student accommodation assets, for example.

## Investment Adviser

Gravis Advisory Limited is owned and managed by Gravis Capital Management Ltd ("Gravis"). Gravis was established in May 2008 as a specialist investor in infrastructure and now manages c.£3.7bn of assets in the sector in the UK. GCM is authorised and regulated by the FCA. Funds under management include the FTSE 250 companies GCP Infrastructure Investments Ltd and GCP Student Living Plc, and GCP Infrastructure Income Fund Ltd. Gravis has won numerous awards for their alternative approach to long term, secure, income-generative investments. Gravis Advisory Limited is Investment Adviser to the c.£775m VT Gravis UK Infrastructure Income Fund, the c.£330m VT Gravis Clean Energy Income Fund, the c.£53m VT Gravis UK Listed Property (PAIF) Fund and the c.£19m VT Gravis Digital Infrastructure Income Fund

Share price ratings across the broader sector are generally reasonable and with some cause to expect positive news flow in a number of sub-sectors, the Adviser's outlook for the coming quarter is positive.

## Second quarter dividend announced

On 30th June, the Fund announced dividends for the second quarter of 2021, payable in July. Holders of the C Income GBP units will receive 1.2798p and holders of the I Income GBP units will receive 1.3056p. At the half-year stage, overall income distributions delivered by the strategy are running behind the levels achieved for the same period last year. However, this is reflective of portfolio composition rather than a deterioration in dividend reliability, and the prospect for very strong income generation throughout the remainder of the year, not least driven by anticipated special cash returns during Q3, supports the Adviser's view that the Fund will accrue an atypically high level of income over the course of the full year.

## Will Argent

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## CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

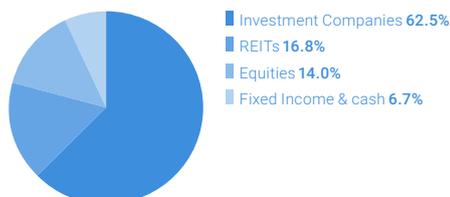
25 January 2016 – 30 June 2021

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	—	42.1%	9.1%	4.3%
MSCI UK	0.45	44.8%	17.1%	3.2%
MSCI World	0.26	126.7%	16.5%	1.7%
MSCI World Infrastructure	0.24	51.4%	15.1%	3.8%
UK 10 Yr Gilts	0.02	2.6%	5.9%	0.7%
MSCI World vs MSCI World Infrastructure	0.84			

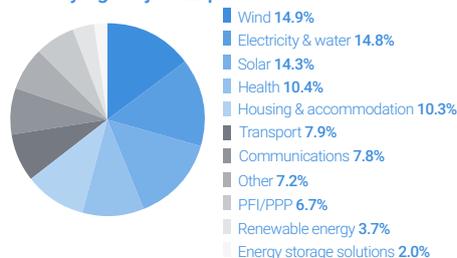
Past performance is not necessarily a guide to future performance.

## PORTFOLIO

## Sectors



## Underlying Project Exposure



## TOP 10 HOLDINGS ON 30 JUNE 2021

HOLDING	WEIGHT
Sequoia Economic Infrastructure Income Fund Ltd	7.9%
Renewables Infrastructure Group Ltd	7.4%
HICL Infrastructure Company Ltd	5.6%
GCP Infrastructure Investments Ltd	5.6%
GCP Asset Backed Income Fund Ltd	5.4%
JLEN Environmental Assets Group Limited	4.7%
Greencoat UK Wind PLC	4.5%
Primary Health Properties PLC	4.1%
NextEnergy Solar Fund Ltd	3.7%
National Grid PLC	3.6%

## DISCRETE 5 YEAR PERFORMANCE

	2016*	2017	2018	2019	2020
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	11.52%	4.22%	1.84%	19.35%	-3.36%
MSCI UK	26.46%	11.71%	-8.82%	16.37%	-13.23%
MSCI World	35.62%	11.80%	-3.04%	22.74%	12.32%
MSCI World Infrastructure	28.55%	0.26%	0.57%	16.91%	-2.96%

\* Part period from launch on 25 January 2016.

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