

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – June 2021



Key Facts

| | | |
|---|----------------------------------|----------------------------|
| Launch Date: 29.08.17 | | Fund Size: £118m |
| Price at 30.06.21 (12:00) | Accumulation 193.0227p | Income 181.1385p |
| Sedol | BF6X212 | BF6X223 |
| ISIN | GB00BF6X2124 | GB00BF6X2231 |
| Annual Management Fee | 0.75% | |
| Ongoing Charges | 0.84% | |
| Minimum Investment | £1,000 | |
| Dilution Levy: (effective 1 July 2021) | Purchases: 1.40% | Redemptions: 1.08% |
| 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 85%
- ❖ Bottom up driven with an asset allocation overview

Monthly Manager Commentary

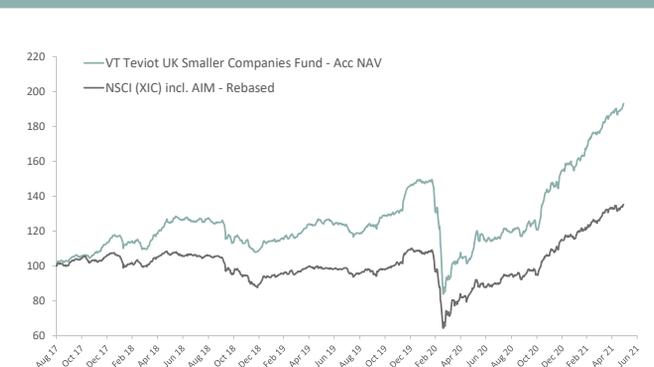
The Fund's benchmark, the Numis Smaller Companies Index (excluding investment companies, including AIM) closed the first half of 2021 with an increase of +16.4%, following on from the return of +4.9% in 2020. There is confidence in recovery following the recent severe economic shock caused by the pandemic. The resurgence of the value style is undoubtedly linked to the prospects of recovery and has provided a tailwind over the first half, in the same way it was a headwind a year ago. The UK Market is seeing heightened equity issuance which is absorbing some liquidity, and will partly account for the consolidation in the level of The Market.

The largest contributor to returns was Sigma Capital which received a takeover offer from a US investment firm keen to find a vehicle into the UK PRS (Private Rental Sector) market. The recommended offer was at a 36% premium. Morses Club's share price began to recover after a torrid time in 2020. The company is seeing much increased demand as other peers withdraw from the sub-prime credit market.

The largest detractor from performance was Jet2, caused by lifting of travel restrictions being deferred once more. It is likely to be a major beneficiary of travel opening up but the question is when? Headlam underperformed but it's update post month end confirmed positive trading.

Cash at the month end was 1%.

Performance



| Returns (%) | 1 m | 3 m | 6 m | 1 Year | 3 Years | Since Launch |
|----------------------|-------|-------|--------|--------|---------|--------------|
| The Fund | -0.1% | +9.6% | +24.9% | +68.3% | +52.4% | +93.0% |
| NSCI (XIC) incl. AIM | -1.1% | +6.0% | +16.4% | +52.3% | +26.1% | +33.6% |

| 12 months Discrete Returns (%) | | 2021 | 2020 | 2019 |
|--------------------------------|--|--------|--------|-------|
| – To End Q2 | | | | |
| The Fund | | +68.3% | -7.1% | -2.5% |
| NSCI (XIC) incl. AIM | | +52.3% | -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 |

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VT Teviot UK Smaller Companies Fund

Top 10 Holdings as at 30/06/21

| Holding | Sector | % of portfolio |
|----------------------|-------------------------------------|----------------|
| 1. De La Rue | Banknote & Authentication Solutions | 2.6 |
| 2. Drax Group | Electricity Provider | 2.2 |
| 3. Randall & Quilter | Non-Life Insurance | 2.0 |
| 4. Renewi | Waste Services | 2.0 |
| 5. IG Design Group | Giftware Manufacturer & Designer | 1.9 |
| 6. Mears Group | Property Management & Maintenance | 1.8 |
| 7. Staffline | Recruitment & Training | 1.7 |
| 8. Headlam Group | Floorcoverings Distributor | 1.7 |
| 9. Future | Digital Media | 1.6 |
| 10. Augean | Waste Services | 1.6 |

Total

Market Cap Breakdown

| | % of Portfolio | No. of Stocks |
|---------------|----------------|---------------|
| Above £1bn | 15.4 | 13 |
| £500m - £1bn | 17.8 | 16 |
| £250m - £500m | 32.4 | 30 |
| £100m - £250m | 24.3 | 26 |
| Below £100m | 9.0 | 14 |
| Cash | 1.1 | |
| Total | 100.0 | 99 |

Listing

| Listing | % |
|---------|------|
| Main | 63.4 |
| Aim | 35.5 |
| Cash | 1.1 |

Fund Managers



Andy Bamford,
Partner

Andy has a 28 year 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,
Partner

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 sell side on UK Small Caps, advising investors and corporates, working for a variety of investment banks including Merrill Lynch and JP Morgan. Barney specialised in original and rigorous investment analysis, with a non-consensual approach, and has a deep understanding of the implications of liquidity in an illiquid asset class.



Dan Vaughan,
Investment
Manager

Dan joined Teviot in May 2021 following an eight-year career break. He has a strong pedigree in UK Smaller Company investing, having managed UK Smaller Companies pension and life money at Colombia Threadneedle for 13 years, latterly heading up the team. As a specialist in UK Small Caps, Dan was an analyst then fund manager at CU/CGU/Morley Fund Management as the organisation grew with the mergers of Commercial Union with General Accident in 1998 and then CGU with Norwich Union in 2000.

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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