

# VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – March 2026



Key Facts		
<b>Launch Date:</b> 29.08.17	<b>Fund Size:</b> £83m	
Price at 31.03.26 (12:00)	<b>Accumulation</b> 199.3698p	<b>Income</b> 165.7991p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
<b>Annual Management Fee</b>	0.75%	
<b>Ongoing Charges</b>	0.92%	
<b>Minimum Investment</b>	£1,000	
<b>Dilution Levy:</b> (effective 1 April 2026)	Purchases: 1.27% Redemptions: 0.94%	
Dilution levy is updated monthly. For more information visit <a href="http://www.teviotpartners.com">www.teviotpartners.com</a>		

**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 77%
  - ❖ 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.

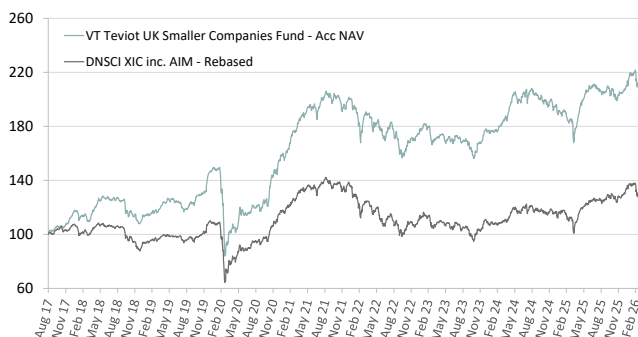
In addition to equities, the asset classes in which the Fund may invest includes transferable securities, units in collective investment schemes, money-market instruments, cash and near cash and deposits

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	-10.1%	-4.0%	+9.5%	+17.5%	+13.2%	+99.4%
DNSCI (XIC) incl. AIM	-11.7%	-6.6%	+11.0%	+13.9%	-3.4%	+21.8%

12 months Discrete Returns (%) – To End Q1

	2026	2025	2024	2023	2022
The Fund	+9.5%	-1.0%	+8.4%	-10.1%	+7.2%
DNSCI (XIC) incl. AIM	+11.0%	-0.4%	+3.0%	-13.4%	-2.1%

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

Amidst varying market conditions, we are pleased to report that the Fund out-performed its benchmark index (DNSCI XIC inc. AIM) in all three months of the first quarter of 2026. The year started buoyantly (Fund +5.5%, Index +4.9%), gently rose in February (Fund +1.3%, Index +0.8%), then fell sharply in March (Fund -10.1%, Index -11.7%) following the USA and Israel's launch of military action in Iran. Overall for the quarter, whereas the Index was down 6.6%, the Fund was down only 4.0%.

In early April, markets have rebounded strongly after the announcement of a temporary ceasefire. However, a permanent end to hostilities may be required to improve investors' risk appetites, thus leading to sustained interest in UK smaller companies. With many of the companies in the portfolio having reported results in recent weeks, we have been encouraged by the robustness of their performances. Given the Middle East crisis, if global growth remains challenging, self-help will remain key. We focus on companies with strong cash generation and balance sheets, run by management teams with coherent strategies to increase profits and market share, and who have multiple catalysts for driving operational improvement. Combined with low valuations, this offers excellent potential for share price increases, helped in many cases by resilient dividend distributions and repeated share buyback programmes.

In the quarter, the total returns in our holdings in Serica Energy (+67%), Kitwave (+28%), Sabre Insurance (+18%), Hargreaves Services (+15%), Hunting (+32%), Costain (+14%) and Premier Foods (+8%) contributed most to our out-performance. Serica (North Sea oil & gas producer) benefited from rising energy prices – we have reduced our position. Kitwave (food & drink wholesaler) succumbed to a private equity-backed takeover and so has departed the portfolio. The others all published pleasing results statements, illustrating their operational excellence and good prospects. Relative to the Index, we also benefited from not owning Burford Capital (-53%) and Goodwin (-47%) – both sizeable weightings in the Index before their profit warnings. Conversely, we were hurt by not owning Senior (+47%) – an aerospace components manufacturer that has recommended a cash offer from a private equity bidder. Our most disappointing share price performances were DFS Furniture (-31%), Wilmington (-20%), Jet2 (-20%) and Norcros (-17%). For DFS, Jet2 and Norcros, these share price falls came in March in response to the Iran situation, as investors responded to the potential negative impact of higher energy prices on consumer demand and rising costs. Wilmington suffered from the perceived threat of AI to its data and information services. We have confidence that these businesses will prove their worth and see their share prices rebounding in coming months.

Sectorally, the Fund is now under-weight in Energy after reducing the Serica position. Real Estate stocks continued to under-perform – given our substantial under-weight in REITS we chose to take advantage of share price weakness to begin positions in West End-focused Derwent London and Great Portland Estates. In Health Care, whilst still under-weight and avoiding high-risk biotech stocks, we have begun a position in occupational health provider Optima Health and have increased our position in medical device company Niox (for diagnosing & monitoring asthma and COPD). We remain under-weight both to housebuilders and building material stocks – prolonged weakness in housing volumes and related construction activity continues to hit these companies hard. However, valuations look attractive (especially if demand can recover) so we may look to add some new investment to the portfolio here. We have reduced our positions in civil infrastructure stocks Costain and Keller after excellent share price performances. Similarly, after material out-performance in recent months from our mining stocks Atalaya Mining, Central Asia Metals and Ecora Royalties, we have reduced our positions and are under-weight compared to the Index.

The Fund's companies are very attractively priced, and their prospects are far more robust than their depressed valuations might imply. In the absence of a broader market rally, we would expect increased M&A activity to ensue.

## VT Teviot UK Smaller Companies Fund

Top 10 Holdings as at 31/03/26

Holding	Sector	% of Portfolio
1. TP ICAP	Inter-dealer Broker & Data Provider	2.7
2. Premier Foods	Branded Food Producer	2.5
3. Rathbones	Investment & Wealth Management	2.2
4. Restore	Industrial Support Services	2.2
5. Mears	Social Housing Services	2.1
6. Norcros	Supplier of Quality Bathroom & Kitchen Products	2.0
7. Integrafyn	Operator of the Transact Investment Platform	2.0
8. Wilmington	Data & Information Services	1.9
9. Sabre Insurance	Insurance	1.9
10. XPS Pensions	Pension Consulting & Administration	1.9
<b>Total</b>		<b>21.4</b>

## Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	31.2	24
£500m - £1bn	12.5	11
£250m - £500m	20.7	17
£100m - £250m	21.7	24
Below £100m	10.9	19
Cash	3.0	
<b>Total</b>	<b>100</b>	<b>95</b>

## Listing

	%
Main	70.5
AIM	26.5
Cash	3.0

## 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 Columbia 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](http://www.teviotpartners.com)

Application forms and other supporting documents are also available at:

[www.valu-trac.com/teviot](http://www.valu-trac.com/teviot)

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## The Fund is available on most major Platforms including

Aegon  
Allfunds  
Fidelity  
Interactive Investor  
Pershing  
7IM

AJ Bell  
Aviva  
Hargreaves Lansdown  
Quilter  
Transact

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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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