TELLWORTH

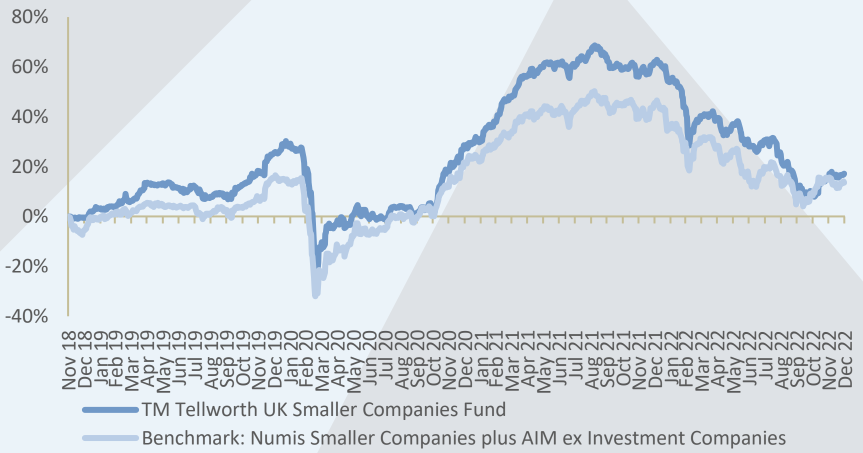
Monthly Factsheet
30 December 2022

TM Tellworth UK Smaller Companies Fund

Fund Overview

- The objective of the Fund is to provide long term (in excess of five years) capital growth, by investing in shares of small-sized UK companies.
- The Fund will invest at least 80% of its assets, directly or indirectly in shares of small-sized UK companies. These are companies that are domiciled, incorporated or have a significant portion of their business in the UK and, have a market capitalisation within the bottom 10% of the UK equities market.
- Fund Managers Paul, John and James generate returns using a bottom up fundamental research approach.

Performance Overview



Source: Bloomberg
Returns quoted denote performance from 29 November 2018 – 30 December 2022. Returns quoted are net of fees on the F Acc Institutional share class. The index refers to Numis Smaller Companies plus AIM ex-Investment Companies Index.

Return History - Cumulative

	1m	3m	6m	1yr	3yr	ITD[2]
Fund	1.45%	4.70%	-8.57%	-27.72%	-6.79%	17.16%
Benchmark[1]	-1.15%	6.94%	-0.62%	-21.93%	-2.02%	13.86%

Calendar Year Performance - Discrete

	2018	2019	2020	2021	YTD
Fund	-0.37%	26.19%	1.81%	26.20%	-27.72%
Benchmark[1]	5.20%	22.16%	4.93%	20.03%	-21.93%

1. The Fund's performance comparator is the Numis Smaller Companies plus AIM ex-Investment Companies Index. Returns quoted are net of fees on the F Acc Institutional share class.
2. Inception of the Fund was 29 November 2018.

Past performance is not indicative of future results.

For professional investors only

Key Facts

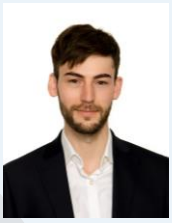
Asset Class	Equity
IA Sector	UK Smaller Companies
Benchmark	Numis Smaller Companies plus AIM ex-Investment Companies
Currency	GBP
Fund size (£m)	£191.2m
Launch date	29 November 2018
No. of holdings	47
Domicile	United Kingdom
Structure	UCITS
Bloomberg Ticker	LFTUKSF
SEDOL	BDTM8B4

ELITE RATED by FundCalibre.com™

Fund Managers

Paul Marriage launched Tellworth Investments in October 2017. He joined from Schroders and has over 20 years of investment experience.

John Warren launched Tellworth Investments in October 2017. He joined from Schroders and has over 18 years of investment experience.



James Gerlis joined Tellworth at launch in 2017. He joined from BlackRock, and has over 11 years investment experience.

Contact Tellworth

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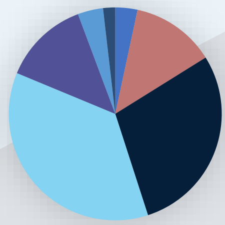
Portfolio

	Sector	% Fund
Gresham Technologies	Technology	4.2%
XPS Pensions Group	Financials	3.3%
Vp	Industrials	3.1%
Oxford Metrics	Technology	3.0%
Stelrad Group	Industrials	2.9%
SIG	Industrials	2.8%
Harworth Group	Real Estate	2.8%
Severfield	Industrials	2.7%
iomart Group	Technology	2.6%
IG Design Group	Consumer Staples	2.6%

Market Cap Breakdown

£ Million	% Fund
<50	3.4%
50-100	12.8%
100-250	28.9%
250-500	36.2%
500-1000	13.0%
1000-2500	3.9%
>2500	0.0%
Cash	1.8%



Attribution

Top contributors	Return
Oxford Metrics	0.55%
Mpac Group	0.36%
Paragon Banking Group	0.36%
Gresham Technologies	0.32%
Cohort	0.30%

Top detractors	Return
Creo Medical Group	-0.32%
Videndum	-0.29%
Inspired Energy	-0.22%
Wincanton	-0.19%
Everyman Media Group	-0.18%

Sector	Return
Consumer Discretionary	0.00%
Consumer Staples	0.21%
Energy	-0.21%
Financials	0.43%
Health Care	-0.50%
Industrials	0.23%
Other	-0.09%
Real Estate	-0.04%
Technology	1.44%
Utilities	0.00%

Data as at 30 December 2022. Returns shown are for the last month.

Past performance is not indicative of future results. The securities shown are for illustrative purposes only and should not be viewed as a recommendation to buy or sell.

Summary

Let us not pretend that this year has been anything but pants. While the market background has been grim for UK small caps, glory has not been our outerwear of choice. Our first half flattered to deceive somewhat as growthy stuff unwound and our inherent portfolio style balance of P3M and VOs played out reasonably well. In the second half, we've been street fighting daily as our stocks jostled to be crowned catch down champion.

We have had a couple of vintage value destroyers in the mix as well in *Music Magpie* and *Inspecs* – the sort of things that used to happen twice in a fund management decade not twice in a quarter. We have not only lost money for investors, but lost investors' money too in the process. Have we been dreaming the last few weeks which has felt like most other years before 2022, gentle inflows, respectable performance, top ten stocks having their third upgrade of the year (*Gresham Technology*) etc. Funnily enough we will only know if we wake up, but the longer it goes on the more we can believe it might be real. There are good reasons to think that 2022 may prove to have been the trough for small caps, not least as valuations for many stocks are priced for much worse news than hot wars in Europe, inflation and higher rates.

What does worse look like? If it is just more war then let's move on. We all get toasted in a big one anyway. How about a recession that lasts three years not 18 months – boring yes, but existential crisis – probably not. Labour government? Yes maybe, but stocks were less spooked by the prospect of a Corbyn cabinet in summer 2019 than they are now, and Labour are trying hard to be seen as business and investment friendly. The one thing that hasn't really picked up as much as we had expected, and been led to believe by busy bankers, is M&A. Mmmm…well if it is private equity realising that they can't just borrow the cash at tiddly rates, charge high fees, and make up their own valuations of existing holdings every year then that really is not such a bad thing for us listed equity paupers. I have been on the end of a lot of uplifting talk about 2023 this month; a home win in the Ashes, Ipswich Town return to the Championship, there is only one logical answer to these big questions of course 'buy UK small cap'. I would like to thank you all for your endurance this year and in wishing you the best for 2023 however that may come, rest assured if 2022 repeats I won't mention cricket or football as mood lighteners again.

Share class information

Share class	ISIN	SEDOL	Annual charge	Ongoing charge	Min. Investment
F Acc	GB00BDTM8B47	BDTM8B4	0.85%	0.93%	£10,000,000
F Inc	GB00BNR4KT46	BNR4KT4	0.85%	0.93%	£10,000,000
I Acc	GB00BDTM8C53	BDTM8CS	1.00%	1.08%	£100,000
I Inc	GB00BNR4KV67	BNR4KV6	1.00%	1.08%	£100,000

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Any projections, market outlooks or estimates contained in this document constitute forward looking statements, and are based on certain assumptions and subject to certain known and unknown risks. Accordingly, such forward looking statements should not be relied upon as being indicative of future performance or events. Past performance is not indicative of future results. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested.

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Risk Factors

Equity prices fluctuate daily, based on many factors including general, economic, industry or company news. In difficult market conditions, the Fund may not be able to sell a security for full value or at all. This could affect performance and could cause the Fund to defer or suspend redemptions of its shares.

The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the Fund, potentially creating a partial or total loss for the Fund. The Fund can be exposed to different currencies. Changes in foreign exchange rates could create losses. A derivative may not perform as expected, and may create losses greater than the cost of the derivative. If a fund uses derivatives for leverage, it makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.

Failures at service providers could lead to disruptions of fund operations or losses.