

TB Saracen UK Alpha Fund

November 2019

SARACEN
share success

Signatory of:



Fund Overview

- Objective: to achieve a higher rate of return than the MSCI UK All Cap Index by investing in a portfolio of primarily UK equity securities with the potential for long term growth.
- The portfolio has a bias towards small and medium sized companies and a high active share compared to the benchmark.
- The fund has significant capacity and liquidity at a competitive annual charge.
- The Fund recently celebrated its 20th anniversary and, since launch in March 1999, has outperformed its benchmark in 16 out of 20 years and in 8 out of the last 10 calendar years.
- A concentrated portfolio of 25-35 holdings, with a focus on capital growth, backed by the Saracen research process.

Performance Chart*

5 Year Performance (%)

— TB Saracen UK Alpha Fund B Acc
— MSCI UK All Cap Index (TR)



*Source: Bloomberg, as at 29th November 2019

Total Return, Bid to Bid, GBP terms. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

Cumulative Performance after all charges to 29th November 2019

| | 1 month | 3 months | 1 year | 3 years | 5 years | Since launch* |
|-----------------------------------|---------|----------|--------|---------|---------|---------------|
| TB Saracen UK Alpha B Acc | 4.9% | 11.2% | 13.1% | 37.3% | 54.8% | 719.5% |
| MSCI UK All Cap Index (TR) | 2.1% | 3.6% | 10.3% | 22.9% | 35.1% | |
| Sector Average | 3.5% | 6.0% | 12.4% | 23.9% | 38.1% | 194.6% |
| Quartile Ranking | 1 | 1 | 2 | 1 | 1 | 1 |

Source: Financial Express; *launch date 05 March 1999

Sector: IA Sector (UK All Companies)

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 29th November 2019)

Fund size: £13.9m
Launch date: 05/03/99

No. of holdings: 32
Active share: 93%
Source: Bloomberg

Denomination: GBP

Valuation point: 12 noon

Fund prices:

A Accumulation: 500.85p
B Accumulation: 819.52p

Policy is not to charge a dilution levy except in exceptional circumstances.

ACD:

T. Bailey Fund Services Limited

Scott McKenzie
Fund Manager

David Clark
Fund Manager



Scott McKenzie joined Saracen in August 2014 and has managed the fund since June 2017. **David Clark** joined the team in March 2019. Both David and Scott have over 25 years' experience managing UK equity funds.



TB Saracen UK Alpha Fund

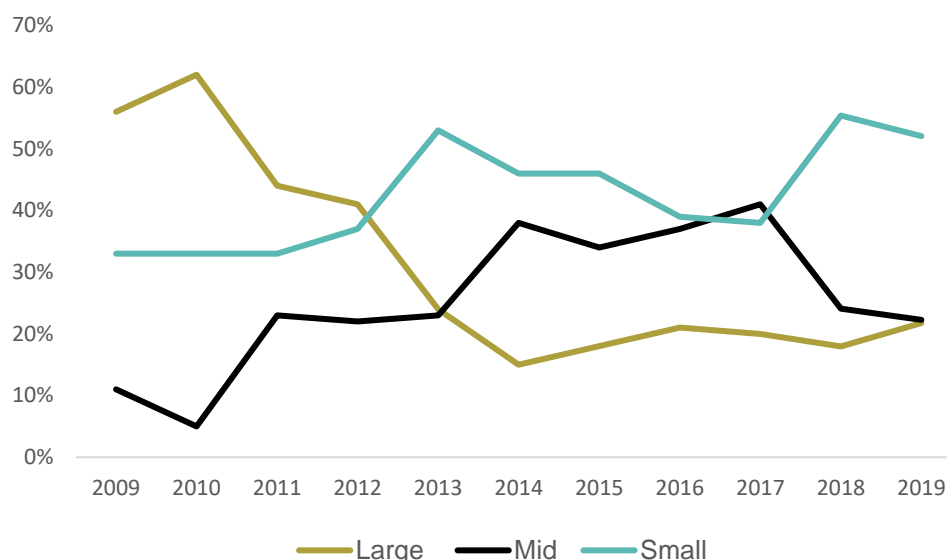
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Fund Breakdown by Market Capitalisation



Data as of 29th November 2019, Source: Saracen Fund Managers

Monthly Commentary

Performance

The Fund performed well in November, rising by 4.9%, which was well ahead of both the MSCI UK All Cap Index and the UK All Companies peer group average. The Fund has 75% of the portfolio in mid and smallcap companies and this was helpful, with those indices rising by 4.2% and 3.3% respectively. The FTSE100 lagged a little, rising by 2.2%. Given our more domestic portfolio positioning overall, we hope for some much-needed political clarity at next month's election.

Positives

It was a month when a number of recovery stocks recovered. Superdry led the charge, rising by 25%. It's early days in the turnaround here but we remain hopeful. Three of our more cyclical stocks, TI Fluid, Tyman and Melrose, rose by 23%, 18% and 8% respectively, reflecting their very low starting valuations. We also saw good recovery in U&I Group and Synthomer, again from low bases. A number of growth stocks also fared well. Avon Rubber(+13%), Restore (+13%) and DiscoverIE (+21%) all continued their strong runs in 2019, with the latter business making another well received acquisition. Alpha FMC delivered good interim results and the shares rallied by 10%.

Negatives

Despite a strong month overall there were a few disappointments. Vitec warned on profits for both '19 and '20 and fell by 19%. Equiniti saw some results slippage too and fell by 10% whilst Premier completed its merger with Miton. The shares fell another 10% reflecting ongoing weakness in the UK retail funds market and some recent outflows.

Portfolio Activity

A new holding was bought in the retailer Halfords, where we see significant recovery potential if they can deliver on their services strategy. We added to Galliford Try ahead of the housebuilding transaction with Bovis completing and see hidden value in the Galliford 'rump'. The small holding in M&G was sold and we took some profit in the large position in Melrose. Cash currently stands at 4%.

November – Attribution *

| Top Contributors | Positive |
|------------------|----------|
| DiscoverIE | +0.64% |
| Superdry | +0.58% |
| TI Fluid Systems | +0.55% |
| Restore | +0.39% |
| Alpha FMC | +0.36% |
| Top Detractors | Negative |
| Vitec | -0.42% |
| Equiniti | -0.34% |
| Premier Miton | -0.28% |
| Palace Capital | -0.08% |
| Eurocell | -0.02% |

*Source: Bloomberg as at 29/11/19

Fund Breakdown

| Top 10 Holdings | |
|------------------------|------|
| Standard Life Aberdeen | 4.6% |
| Galliford Try | 4.5% |
| Barclays | 4.3% |
| MJ Gleeson | 4.1% |
| Synthomer | 3.9% |
| Alpha FMC | 3.7% |
| Palace Capital | 3.6% |
| Rio Tinto | 3.6% |
| DiscoverIE | 3.5% |
| Prudential | 3.4% |

| Sector breakdown | |
|-------------------|-------|
| Industrials | 32.7% |
| Financials | 25.9% |
| Consumer Goods | 16.9% |
| Consumer Services | 7.7% |
| Basic Materials | 7.4% |
| Healthcare | 2.8% |
| Oil & Gas | 2.3% |
| Telecoms | 0.0% |
| Technology | 0.0% |
| Utilities | 0.0% |

| | ISIN | SEDOL | Bloomberg | EMX | Initial Charge | Annual Charge | Ongoing * Charge |
|--------------|--------------|---------|------------|--------|----------------|---------------|------------------|
| B Acc Shares | GB0005711196 | 0571119 | SFMGRBA LN | SARGFB | 0% | 0.75% | 1.19% |

* Source: T Bailey Fund Services Ltd.

To place a deal or for further information contact:

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Nottingham
NG1 6FJ

General Enquiries: 0115 988 8200
Dealing Line: 0115 988 8274
E-mail Dealing: clientservices@tbailey.co.uk

(Phone and email deals will only be accepted on completion of initial account set up and by prior agreement with TBFS)

T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority (No. 190293).

Platform Partners



Important information:

This information should not be construed as an invitation, offer or recommendation to buy or sell investments, shares or securities or to form the basis of a contract to be relied on in any way and is by way of information only. Taxation levels, benefits and reliefs may all vary depending on individual circumstances and are subject to change. This document represents the views of Saracen Fund Managers Limited at the time of writing. Subscriptions will only be received, and shares issued on the basis of the current Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID). These are available, in English, together with information on how to buy and sell shares, on-line at: www.tbaileyfs.co.uk.

Risk factors you should consider before investing:

The value of investments and the income from them may go down as well as up and you may get back less than the amount invested. **Past performance is not a guide to future performance.** A full list of the risks applicable to this Fund can be found in the Prospectus. All fund performance figures calculated on a single price basis. This Fund may not be appropriate for investors who plan to withdraw their money in the short-term (within 5 years). The Fund should be viewed as a medium to long-term investment only.

Investment Manager:

Saracen Fund Managers Ltd, 19 Rutland Square, Edinburgh, EH1 2BB. Tel: 0131 202 9100 and on-line at www.saracenfundmanagers.com. Saracen Fund Managers Limited is authorised and regulated by the Financial Conduct Authority. Registered in Scotland No. 180545.

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Regulatory Status:

FCA Recognised: Yes
Scheme Type: OEIC (UCITS)

Issue date – 29th November 2019