

TB Saracen UK Alpha Fund

July 2018

SARACEN
share success

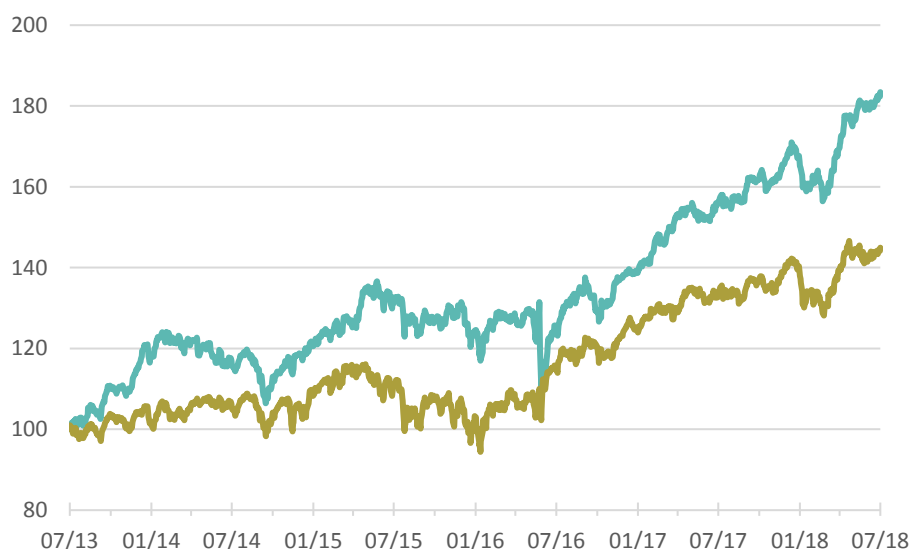
Fund Overview

- 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.
- Since launch in March 1999, the fund has outperformed its benchmark in 15 out of 19 years and in 7 out of the last 9 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 31st July 2018

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 ongoing charges to 31 July 2018

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB Saracen UK Alpha B Acc	1.5%	8.1%	17.7%	38.3%	83.4%	731.0%
MSCI UK All Cap Index (TR)	1.3%	3.9%	9.2%	30.1%	43.5%	
Sector Average	0.7%	3.4%	8.5%	27.6%	47.7%	190.9%
Quartile Ranking	1	1	1	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 31st July 2018)

Fund size: £10m
Launch date: 05/03/99

No. of holdings: 28
Active share: 93%
Source: Bloomberg

Denomination: GBP

Valuation point: 12 noon

Fund prices:

A Accumulation: 512.95p
B Accumulation: 830.97p

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

ACD:

T. Bailey Fund Services Limited



Scott McKenzie
Fund Manager

Scott McKenzie joined Saracen in August 2014.

Scott has been deputy manager of the fund since 2014 and was appointed lead manager in June 2017. He has over 25 years' experience managing UK equity funds.

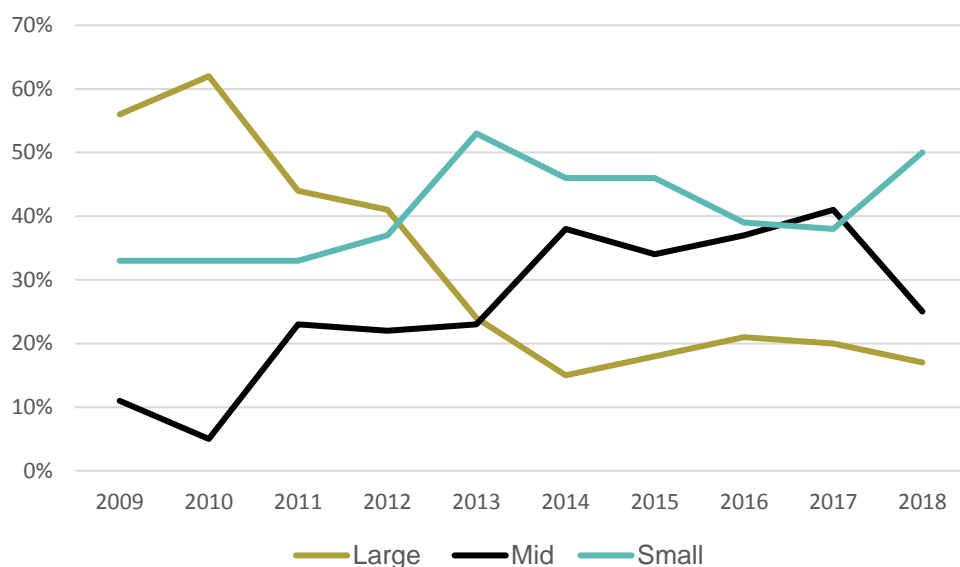


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Fund Breakdown by Market Capitalisation



Data as of 31st July 2018, Source: Saracen Fund Managers

Monthly Commentary

Performance

The Fund had a positive return in July of 1.5%, slightly ahead of the rise in the MSCI UK All Cap index of 1.3%. The largecap indices led the way with mid and smallcap indices underperforming, which was a headwind overall for the portfolio but, despite this, our results were solid. The Fund has risen by 10.0% in the year to date, leaving it placed in the top decile of the IA UK All Companies sector in 2018 so far. (source: FE Trustnet).

Positives

Our large holding in Alpha FMC continued to rise and was up another 10% in July. Having been weak previously, Galliford Try rose 7% and is also a meaningful position in the fund. Another large holding, RPC Group, continued to recover also, rallying another 9%. Two of our worst performers in recent times enjoyed some welcome respite – IFG rose 7% whilst TalkTalk recovered by 11%. All of the positive contributions detailed above are very much stock rather than sector specific.

Negatives

The fallers were also a mixed bag. We saw profit taking in a number of previously strong performers – STV, Vitec, Palace Capital and MJ Gleeson all fell over the month. The only concerning new development was a disappointing results statement from Clipper Logistics, whose shares fell 21% in response. Given their high valuation, they were duly punished for not meeting expectations. Thankfully it is a modest position for the Fund.

Portfolio Activity

It was a busy period with two new holdings being added. Standard Life Aberdeen shares have been very weak. We believe that the sum of their various parts way exceeds the current share price. A smaller company, Marlowe was also bought. It is at an early stage of what could be an exciting journey. Profits were taken in STV and Alpha whilst we added to Galliford, Dunelm and IFG.

July – Attribution *

Top Contributors	Positive
Alpha FMC	+0.64%
Galliford Try	+0.34%
RPC Group	+0.33%
TalkTalk	+0.20%
IFG Group	+0.15%
Top Detractors	Negative
Clipper Logistics	-0.38%
MJ Gleeson	-0.23%
Vitec Group	-0.20%
Palace Capital	-0.17%
STV Group	-0.14%

*Source: Bloomberg as at 31/7/18

Fund Breakdown

Top 10 Holdings	
Shire	6.2%
Alpha Financial Markets Consulting	5.8%
Galliford Try	5.1%
Tyman	4.9%
Palace Capital	4.9%
Standard Life Aberdeen	4.8%
MJ Gleeson	4.4%
RPC Group	4.2%
STV Group	4.1%
Wood Group	3.9%

Sector breakdown	
Industrials	33.1%
Financials	19.5%
Consumer Goods	15.3%
Consumer Services	7.3%
Healthcare	6.2%
Basic Materials	5.2%
Oil & Gas	3.9%
Telecoms	1.9%
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%	1.20%

* reduced from 1.00% as at 3/4/18, ** Source: T Bailey Fund Services Ltd.

To place a deal or for further information contact:

T. Bailey Fund Services Limited (TBFS)
64 St. James's Street
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.tbaileys.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 – 31st July 2018