

TB Saracen Global Income and Growth Fund

September 2019

SARACEN
share success

Signatory of:
PRI Principles for Responsible Investment



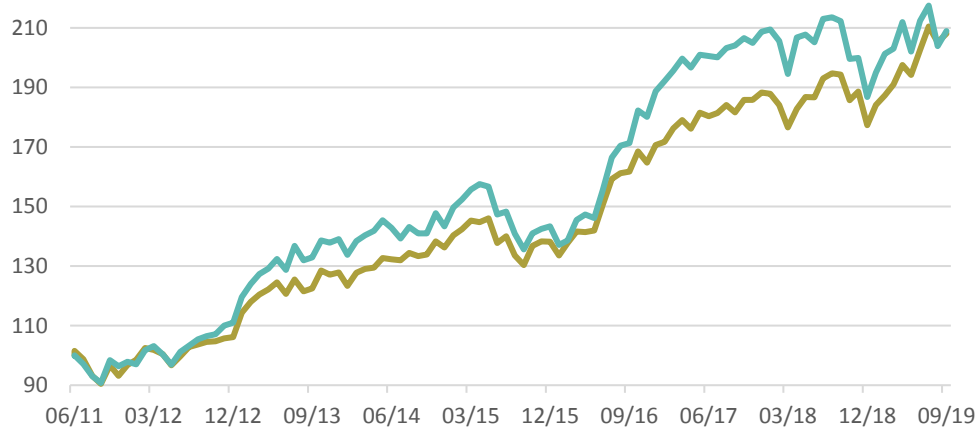
Fund Overview

- Objective: to provide a degree of income to investors with the aim of building capital through investing in a portfolio of primarily global equities.
- Focus: on identifying leading global businesses with lower risk and share valuations that underestimate their prospects.
- Research: we conduct intensive proprietary research focusing on businesses' long-term earnings potential.
- Risk: we model a 'worst-case' scenario into our share valuation methodology and abide by strict sector limits.
- Process: Disciplined, structured and repeatable.
- Conviction Portfolio: high active share and highly differentiated.
- Both fund managers have significant personal investments in the fund.

Performance Chart*

Performance since launch (%)

— TB Saracen Global Income & Growth Fund B Acc
— IA Global Equity Income Sector (TR)



*Source: Financial Express, as at 30th September 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 ongoing charges to 30 September 2019

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB SGIG B Acc	2.5%	-1.6%	-1.5%	22.0%	48.3%	+110%
Sector Average	1.4%	2.7%	7.0%	25.5%	49.7%	+108%
Quartile Ranking	1	4	4	3	3	2

Source: Financial Express; *launch date 07 June 2011

Sector: IA Sector (Global Equity Income)

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 30th September 2019)

Fund size: £119m
Launch date: 07/06/11
Historic yield: 3.9%

No. of holdings: 41
Active share: 93%
Beta: 0.94

Source: Bloomberg as at 30/09/19

Turnover: <20%
Denomination: GBP
Valuation point: 12:00 noon

XD date: 2 Jan
1 July

Pay date: 28/29 Feb
31 Aug

Fund prices:
B Accumulation: 209.02p
B Distribution: 162.64p

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

ACD:
T. Bailey Fund Services Limited

Graham Campbell
Deputy Chairman

David Keir
Chief Executive Officer



Graham Campbell joined Saracen in 2011 from Edinburgh Partners, where he was one of the founding partners and director. He has managed the Fund since launch. Graham has over 30 years of industry experience.

David Keir joined Saracen in 2013 and has managed the Fund since 2014. He has over 18 years of industry experience.



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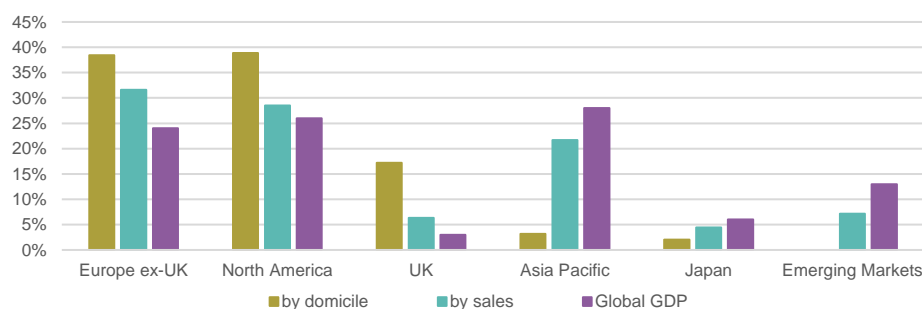
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Principles for Responsible Investment



Fund Breakdown by Geography



Data as of 30th September 2019, Source: Bloomberg/Saracen Fund Managers

Monthly Commentary

Performance

Markets bounced back in September as concerns over trade wars and a “Hard Brexit” eased, central bankers provided further stimulus to the global economy and bond yields rose. Within markets, “value” strategies, at long last, showed signs of life! The first 2 weeks of the month saw expensive and over-owned shares fall and unloved cheap shares outperforming significantly. We have been talking about the extremities in markets for some time and whilst conditions normalized over the rest of the month, we believe these movements reminded investors about the importance of owning cheap shares. This month, the total return for TB SGIG was +2.5%, compared to 1.4% for the IA Global Equity Income sector. Despite the better performance this month, the fund remains very attractively valued, trading on 11.0X Year 1 PER and yielding 4.9%. The fund has delivered a return of 110% since launch in June 2011.

FX

Currency movements had a negative impact on the fund’s performance. Sterling was up 1.6%, 2.1% and 1.0% against the CHF, EUR and USD respectively.

Positives

We were delighted to see Philip Morris (+2%) end possible merger talks with Altria. The recent regulatory and health issues re vaping in the US, should result in PMI’s heat not burn product, having a clear run in the Nicotine reduction product arena in the US (and globally). We see no need for this to be diluted by merging with Altria. The fund benefitted from the more cyclical and financial sectors having a better month – our holdings in AIB (+14%), Handelsbanken (+7%), Saint Gobain (+8%) and Valeo (+18%) all performed strongly.

Negatives

Imperial Brands (-15%) had a disappointing pre-close statement cutting expected revenue growth for the year from 4% to 2%. We were staggered that a 3% eps downgrade could lead to a 15% share price fall for already lowly rated shares. We view this as a vote of no-confidence in the current management team and expect the new Chairman to make some tough decisions.

Portfolio Activity

There were no changes to our portfolio holdings during the month. Within the Healthcare sector we continued to build a position in Bristol-Myers Squibb, topped up J&J and took profits in Merck, Novo Nordisk and Roche. We also topped up Cisco, Intel, PMI and Interpublic Group following weak share performance.

September – Attribution *

Top Contributors	Positive
Saint Gobain	+0.32%
Allied Irish Bank	+0.29%
Roche	+0.23%
Valeo	+0.22%
Svenska Handelsbanken	+0.21%
Top Detractors	Negative
Imperial Brands	-0.45%
Merck	-0.15%
Pandora	-0.15%
Evonik	-0.13%
Sabre	-0.11%

*Source: Bloomberg as at 30/09/19

Fund Breakdown

Top 10 Holdings	
Roche	4.5%
Saint Gobain	4.2%
IBM	4.0%
Philip Morris Intl.	3.9%
Heidelberg Cement	3.7%
HSBC	3.5%
Johnson Matthey	3.5%
Interpublic Group	3.4%
Johnson & Johnson	3.4%
DBS Group	3.3%

Sector breakdown	
Financials	18.1%
Healthcare	16.9%
Industrials	16.7%
Technology	12.1%
Basic Materials	10.7%
Consumer Goods	9.1%
Consumer Services	9.0%
Oil & Gas	7.1%
Utilities	0.0%
Cash	0.3%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing ** Charge
B Acc Shares	GB00B5B35X02	B5B35X0	SARBACC LN	SARGGIFA	0%	0.75%	0.99%
B Dis Shares	GB00B3XPLG55	B3XPLG5	SARGIGA LN	SARGGIFD	0%	0.75%	0.99%

** 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. The historic yield reflects distribution payments declared by the fund over the previous year as a percentage of its share price. 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 – 30th September 2019