

TB Saracen Global Income and Growth Fund

August 2021

SARACEN
share success

MSCI
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Signatory of:



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 31st August 2021. 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 August 2021

| | 1 month | 3 months | 6 months | 1 year | 3 years | 5 years | Since launch* |
|------------------|---------|----------|----------|--------|---------|---------|---------------|
| TB SGIG B Acc | +3.3% | +6.7% | +16.9% | +34.8% | +17.8% | +47.5% | +152% |
| Sector Average | +2.7% | +5.1% | +13.6% | +23.5% | +26.7% | +52.9% | +147% |
| Quartile Ranking | 1 | 1 | 1 | 1 | 4 | 3 | 3 |

Source: Financial Express; *launch date 7 June 2011

Sector: IA Sector (Global Equity Income)

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 31st August 2021)

Fund size: £104m
Launch date: 07/06/11
Historic yield: 2.8%

No. of holdings: 40
Active share: 94%
Beta: 0.95

Source: Eikon Refinitiv as at 31/08/21

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: 251.53p
B Distribution: 183.92p

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

ACD:
T. Bailey Fund Services Limited

Graham Campbell **Bettina Edmondston**
Chief Executive Director Investment Director



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.

Bettina Edmondston joined Saracen in 2015 from apoAsset where she was co-manager of the Global Healthcare Fund. She has over 20 years of industry experience.



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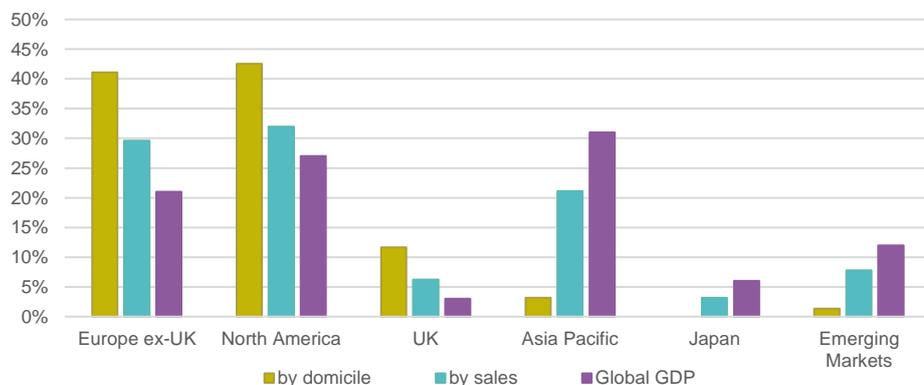


Signatory of:



CCC B BB BBB A AA AAA

Fund Breakdown by Geography



Data as of 31st August 2021, Source: Saracen Fund Managers

August – Attribution *

| Top Contributors | Positive |
|-----------------------|----------|
| AIB | +0.61% |
| Cisco | +0.39% |
| Novo Nordisk | +0.30% |
| eBay | +0.27% |
| Schneider Electric | +0.26% |
| Top Detractors | Negative |
| Rio Tinto | -0.26% |
| Hugo Boss | -0.07% |
| Svenska Handelsbanken | -0.04% |
| Schlumberger | -0.05% |
| Chevron | -0.04% |

*Source: Saracen Fund Managers as at 31/08/21

Monthly Commentary

Performance

August saw the tail end of earnings season which was supportive to our holdings. Cyclical outperforming defensives also offered a positive background for the fund. Despite some macro concerns in China, the underlying data and tone out of economically sensitive companies is reassuring. The various stimuli approved and to be implemented in the next few years as well as Powell's comments to taper bond buying towards the end of the year should result in an environment where our portfolio can outperform. During August TB SGIG returned +3.3%, which was ahead of the Global Equity Income peer group (+2.7%).

FX

Currency movements had a positive impact on the fund's performance. Sterling was up 1.5%, 0.9% and 0.5% against the USD, Euro and CHF respectively.

Positives

AIB (+23.5%) reported H1 results which were way ahead of consensus helped trading and net gains on investments and over EUR100m write backs. There was also an indication that AIB may resume dividends and/or buybacks in 2022. Cisco (+7.3%) reported FY numbers which were better than expected and showed a strong order book which bodes well for growth in coming years. FY22 guidance looks conservative, yet the shares not expensive at 17.6x Y1 PE. Novo Nordisk's (+11%) new diabetes drug Wegovy, which was only launched in June, has seen shortages due to a phenomenally strong start, surpassing even the loftiest expectations. eBay (+5.6%) reported H1 numbers and showed that the pandemic was used to upgrade the quality of its user base. Going forward the growth of new verticals, a higher take rate and increasing margins combined with an increased share repurchase programme should lead to strong EPS growth. Schneider (+7.6%) posted 24% organic growth in H1 and beat consensus expectations. Margins and FCF were also strong and management increased FY21 guidance.

Negatives

Rio Tinto (-11.6%) declined as metal prices fell after production cuts in China. Rio also went XD in August (NB: 1Y FWD dividend yield of 17%). Similarly, Schlumberger (-4.6%) and Chevron (-4%) retreated slightly in line with a falling oil price. Hugo Boss (-7.2%) gave up some of its profit after a positive CMD and after more than doubling in the last year. Handelsbanken (-2.9%) saw some profit taking although there was no notable news flow.

Portfolio activity

During August we initiated two new positions: Avient and China Mobile. For more information please click [here](#). We financed this through the sales of Imperial Brands and Organon and through profit taking in strongly outperforming names like, for example, eBay, Pfizer, Rockwell, Roche, Interpublic, Saint Gobain.

Fund Breakdown

| Top 10 Holdings | |
|-----------------|------|
| Cisco | 4.3% |
| Roche | 4.0% |
| eBay | 3.8% |
| Philip Morris | 3.6% |
| Saint Gobain | 3.5% |
| Barclays | 3.5% |
| Interpublic | 3.4% |
| Danone | 3.4% |
| IBM | 3.4% |
| DBS | 3.2% |

| Sector breakdown | |
|--------------------|-------|
| Financials | 18.8% |
| Industrials | 18.6% |
| Healthcare | 15.8% |
| Technology | 14.1% |
| Basic Materials | 13.8% |
| Consumer Services | 7.1% |
| Consumer Goods | 6.9% |
| Oil & Gas | 3.3% |
| Telecommunications | 1.4% |
| Cash | 0.2% |

| | ISIN | SEDOL | Bloomberg | EMX | Initial Charge | Annual Charge | Ongoing ** |
|--------------|---------------|----------|------------|----------|----------------|---------------|------------|
| B Acc Shares | GB00B5B35X02 | B5B35X0 | SARBACC LN | SARGGIFA | 0% | 0.75% | 1.01% |
| B Dis Shares | GB00B3XPPLG55 | B3XPPLG5 | SARGIGA LN | SARGGIFD | 0% | 0.75% | 1.01% |

** 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 include:



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 – 6th September 2021