

TB EVENLODE INCOME



EVENLODE
INVESTMENTS FOR LIFE

MONTHLY FACTSHEET

all data as at 31 January 2021

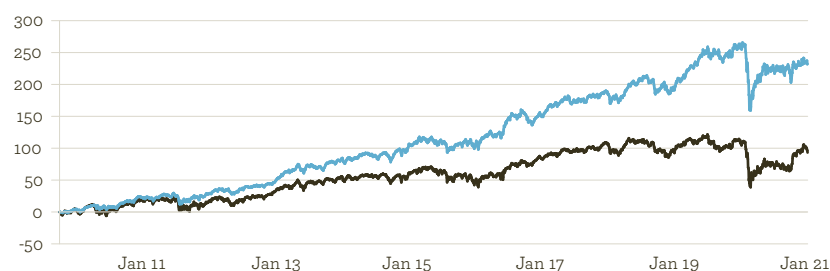
MANAGER COMMENTARY

January was a busy month for political and economic news flow. A new US president was inaugurated, and global coronavirus vaccine programmes commenced in earnest. Economic global leading indicators remained generally positive, though optimism on the recovery was tempered somewhat by the emergence of new coronavirus strains. At the company level, full year results season began, with companies reporting on the strange year just passed.

Evenlode Income rose +0.3% compared to a fall of -0.8% for the FTSE All-Share and a fall of -0.8% for the IA UK All Companies Sector. The most positive contributors to return were Spectris, Sage, Diageo and Intel. All four companies released reassuring updates during the month. Test and measurement specialist Spectris has also completed some portfolio rationalisation. These changes leave the business with a strong net cash balance sheet and an increased focus on its most competitively advantaged, high growth divisions. Intel was helped by the arrival of a new CEO and the news that some outsourcing of its production is being considered. The most negative contributors to return were all consumer-branded goods companies: P & G, Unilever, Reckitt and Pepsi. Though this group of companies performed resiliently from an operational perspective in 2020, their share prices have fallen out of favour in the strong market rally of recent months. In our view these companies offer, for the patient investor, an interesting combination of quality, dividend and valuation appeal (particularly in the context of their strong positions and long-term growth opportunities in emerging markets). P & G reported organic sales growth of +8% for the last quarter of 2020 and, after the month end, Unilever reported +3.5% growth on the same basis.

More generally, the shares of some of Evenlode Income's repeat-purchase holdings are currently out of fashion. We continue, however, to like the combination of market-leadership, cash generation and long-term growth potential enjoyed by the fund in aggregate. We made no major changes in January, but recent performance trends are providing some opportunities to upgrade the portfolio's cash-compounding potential whilst also retaining attractive valuation and dividend characteristics. We therefore continue to 'nudge' the portfolio at the margin, and also have an interesting watchlist of potential new ideas for the fund.

PERFORMANCE SINCE LAUNCH (%)



CUMULATIVE PERFORMANCE

| | 3 Mths | 6 Mths | 1 Yr | 3 Yrs | 5 Yrs | 10 Yrs | Launch ¹ |
|---|---------|---------|---------|--------|--------|--------|---------------------|
| ■ Fund ² | 9.7 | 4.8 | -6.4 | 17.5 | 59.2 | 174.9 | 232.3 |
| ■ Benchmark | 16.1 | 12.5 | -7.5 | -1.6 | 31.5 | 71.4 | 99.7 |
| IA Sector | 18.2 | 15.8 | -4.5 | 2.0 | 34.9 | 83.3 | 116.3 |
| Rank in sector | 231/241 | 238/241 | 121/240 | 26/231 | 27/217 | 13/188 | 17/183 |
| Quartile | 4 | 4 | 3 | 1 | 1 | 1 | 1 |

CALENDAR YEAR PERFORMANCE

| | 2021 YTD | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|----------|------|------|-------|------|------|
| ■ Fund ² | 0.3 | -7.4 | 24.2 | 0.4 | 15.2 | 17.1 |
| ■ Benchmark | -0.8 | -9.8 | 19.2 | -9.5 | 13.1 | 16.8 |
| IA Sector | -0.8 | -6.0 | 22.2 | -11.2 | 14.0 | 10.8 |

Past performance is not a reliable indicator of future results.

All performance data used on this factsheet is total return, bid-to-bid, net of UK dividend tax credit, and sourced from Financial Express. The fund's main unit was changed to B shares on 1 December 2012 to comply with RDR regulation.

- From launch date: 19 October 2009
- TB Evenlode Income B Inc Shares
- Evenlode Income was merged through a scheme of arrangement into TB Evenlode Income on 1 September 2017. Performance and dividend history are unaffected.
- The historic yield reflects distributions over the past 12 months as a percentage of the price of the B Inc share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.
- Active share is calculated against the fund's Comparator Benchmark, the FTSE All-Share Index.

Please contact Spring Capital Partners, in the first instance.

springcapital

Tel +44 (0)20 3195 0076
Email evenlode@springcapitalpartners.com
Website springcapitalpartners.com

Fund Attributes

- ✓ Emphasis on sustainable real dividend growth
- ✓ Focus on companies with high returns on capital and strong free cash-flow
- ✓ Aims to provide income and capital growth over rolling periods of 5 years
- ✓ Low portfolio turnover, long-term holding periods
- ✓ Minimum of 80% in UK shares and up to 20% in overseas shares and/or cash
- ✓ Invests across the market-cap spectrum

What are the Risks?

As a focused equity portfolio of typically less than 40 investments, the fund can involve higher risk and higher volatility. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement; you may not get back the amount originally invested. You should therefore regard your investment as long term. Details on the risk factors are included in the fund's prospectus, available on our website.

Investor Profile

The Fund may appeal to investors who:

- ✓ Would like the prospect of sustainable real income growth combined with some capital growth over the long term
- ✓ Accept the risk associated with the volatile nature of equity investments
- ✓ Plan to hold their investment for at least 5 years

Fund Managers



HUGH YARROW Fund Manager

Hugh launched TB Evenlode Income in October 2009. Previously he managed several equity income funds at Rathbone Unit Trust Management. Hugh holds a first-class degree from the University of Edinburgh in Philosophy and Mathematics.



BEN PETERS Fund Manager

Ben became co-manager of TB Evenlode Income in December 2012. He is a member of the CFA Society of the UK and holds the Investment Management Certificate. He also holds a doctorate from the University of Oxford in the field of physics.

Citywire rating is source & copyright of Citywire. Hugh Yarrow and Ben Peters have been awarded ratings by Citywire for their 3 year risk-adjusted performance for the period 31/12/2017 - 31/12/2020.

Key Details

| | |
|-----------------------------|------------------------|
| Comparator Benchmark | FTSE All-Share |
| Sector | IA UK All Companies |
| Launch date ³ | 19 October 2009 |
| Fund value | £3,752 million |
| Holdings | 39 |
| Historic yield ⁴ | 3.0% |
| Active share ⁵ | 76.9% |
| Div ex dates | 1 Mar, Jun, Sep, Dec |
| Div pay dates | end Apr, Jul, Oct, Jan |





PORTFOLIO ANALYSIS

TOP TWENTY HOLDINGS (%)

| | | | |
|--|-------------|---------------|-----|
| Unilever | 9.1 | Spectris | 2.5 |
| RELX Group | 7.4 | Ashmore Group | 2.5 |
| Diageo | 6.5 | Schroders | 2.5 |
| Reckitt Benckiser | 5.6 | Intel | 2.4 |
| GlaxoSmithKline | 5.1 | Pepsico | 2.2 |
| Sage Group | 5.1 | Hays | 2.1 |
| Bunzl | 3.9 | AstraZeneca | 2.1 |
| Smiths Group | 3.1 | WPP | 2.1 |
| Procter & Gamble | 2.8 | Victrex | 2.1 |
| Cisco Systems | 2.6 | Microsoft | 1.8 |
| % of Portfolio in Top 20 Holdings | 73.5 | | |

SECTOR ALLOCATION (%)

| | | |
|----------------------|------|--|
| Consumer Goods | 29.6 | |
| Media | 16.8 | |
| Technology | 14.7 | |
| Support Services | 11.3 | |
| Healthcare | 9.7 | |
| Engineering | 6.6 | |
| Finance | 6.6 | |
| Speciality Chemicals | 2.1 | |
| Real Estate | 1.5 | |
| Cash | 1.3 | |

SIZE ALLOCATION (%)

| | | |
|-----------|------|--|
| Large Cap | 77.6 | |
| Mid Cap | 18.5 | |
| Small Cap | 2.6 | |
| Cash | 1.3 | |

GEOGRAPHICAL ALLOCATION (%)

| | | |
|----------------|------|--|
| United Kingdom | 82.7 | |
| USA | 13.6 | |
| Europe | 2.4 | |
| Cash | 1.3 | |

SHARE CLASS DETAILS

B SHARES (CLEAN)

C SHARES (INSTITUTIONAL)

| | B ACC | B INC | C ACC | C INC |
|--|-----------------------------|--------------|-----------------|--------------|
| SEDOL Codes | BDoB7C4 | BDoB7D5 | BDoB7F7 | BDoB7G8 |
| Share Price (pence) | 331.51 | 223.21 | 333.40 | 224.48 |
| Minimum Lump Sum | £1,000 | | £10 million | |
| Initial Charge ¹ | 5% ¹ | | 5% ¹ | |
| IFA Legacy Trail Commission | N/A | | N/A | |
| Periodic Charge - Equivalent to OCF ² | 0.87% | | 0.77% | |
| Regular Savings Option Available? | Yes - minimum £50 per month | | No | |

- The fund remains available to existing investors with 0% initial charge
- For full information on the periodic charge please refer to section 7.1 of the full Prospectus

DIVIDENDS

ANNUAL DIVIDEND PAYMENTS

| Year | Pence/share | Year-on-year change | UK CPI (Inflation) |
|------|-------------|---------------------|--------------------|
| 2010 | 1.22 | n/a | +3.0% |
| 2011 | 4.33 | n/a* | +4.4% |
| 2012 | 4.67 | +7.9% | +3.4% |
| 2013 | 5.02 | +7.5% | +2.8% |
| 2014 | 5.57 | +11.0% | +1.7% |
| 2015 | 6.27 | +12.6% | +0.0% |
| 2016 | 6.42 | +2.4% | +0.3% |
| 2017 | 6.65 | +3.6% | +2.3% |
| 2018 | 6.93 | +4.2% | +2.7% |
| 2019 | 7.23 | +4.3% | +1.9% |
| 2020 | 7.45 | +3.0% | +1.7% |

B Inc Shares. Pence/share figures relate to the fund's financial year ended February of the relevant year.

*Period ended 28 February 2011 was the first full 12-month period.

INCOME GENERATED FROM £100 INVESTMENT OVER 5 YEARS

| | |
|----------------|--------|
| B Inc Shares | £20.83 |
| FTSE All-Share | £19.25 |

Source: Financial Express, date of investment 31/01/2016. FTSE All-Share figures calculated from representative tracker fund.

Contact Evenlode

The Long Barn, Chalford Park Barns, Oxford Road, Chipping Norton, Oxon OX7 5QR, United Kingdom.

+44 (0)1608 695 200

www.evenlodeinvestment.com

Authorised Corporate Director & Administrator:
T. Bailey Fund Services Ltd
(www.tbaileys.co.uk/funds/tb-evenlode-investment-funds)

IMPORTANT INFORMATION

This Factsheet has been produced by Evenlode Investment Management Limited. TB Evenlode Income is a sub-fund of the TB Evenlode Investment Funds ICVC. Full details of the TB Evenlode Investment Funds, including risk warnings, are published in the TB Evenlode Investment Funds Prospectus, the TB Evenlode Investment Funds Supplementary Information Document (SID) and the TB Evenlode Investment Funds Key Investor Information Documents (KIIDs) which are available on request and at www.evenlodeinvestment.com. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Evenlode Investment Management Limited is authorised and regulated by the Financial Conduct Authority, No. 767844. T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority, No. 190293.

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