

TB EVENLODE INCOME



EVENLODE
INVESTMENTS FOR LIFE

MONTHLY FACTSHEET

all data as at 31 July 2020

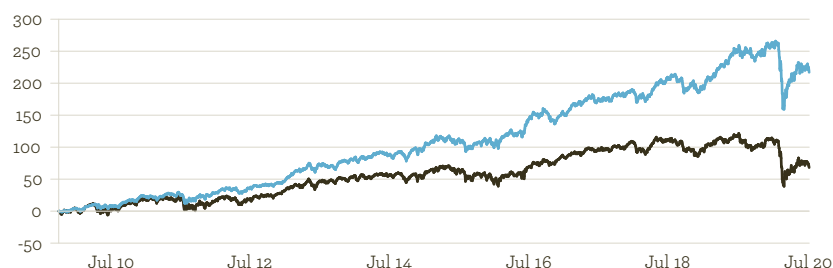
MANAGER COMMENTARY

Global stock markets fell back a bit during July. Positive news on vaccine development has been offset by an increase in Covid-19 cases in several geographies, and localised lockdown measures. More generally, concerns remain that the pandemic will cast a shadow over several parts of the global economy for at least another year or two, even if good progress is made on vaccines and antiviral treatments.

The Evenlode Income fund fell -2.4% compared to -3.6% for the FTSE All-Share and -2.2% for the IA UK All Companies Sector. The most negative contributors to fund performance were GlaxoSmithKline, Relx and Intel. Glaxo reported some impact from Covid disruption, particularly in its vaccination business, but reiterated guidance for the full year. Relx reported growth in three of four divisions thanks to its primarily digital business model (electronic revenues represent 87% of group sales). However, its trade exhibitions division has been significantly impacted by lockdown. Intel reported sales growth of +20% over the most recent quarter, as it benefited from a lockdown-related acceleration of digital demand. However, its share price fell back after the company announced a six-month delay to its upcoming 7-nanometre technology, which is now scheduled to launch in 2023. The most positive contributors to return were Unilever, Reckitt and Sage. Unilever and Reckitt have both traded resiliently through the crisis. Reckitt sales were particularly strong, growing +12% over the first half of 2020 thanks to its portfolio of hygiene and healthcare brands, which includes a market-leading position in surface disinfectants (20% of sales, via Dettol and Lyso). Sage's SME customer base is by no means immune from the crisis. However, recurring revenues (now nearly 90% of the business) grew at +65% over the last nine months which reassured investors.

The main change to the Evenlode Income portfolio during July was the removal of the fund's remaining position in Halfords at the beginning of the month. Whilst we believe the business model has merits, we decided to recycle the position into other existing holdings where valuations also look good, but liquidity and long-term growth prospects are in our view more attractive. More generally, we added to several holdings during the month where we like the combination of competitive strength, prospects for long-term free cash-flow growth and valuation appeal.

PERFORMANCE SINCE LAUNCH (%)



CUMULATIVE PERFORMANCE

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	10 Yrs	Launch ¹
■ Fund ²	0.7	-10.7	-10.8	16.4	52.0	196.0	217.0
■ Benchmark	1.2	-17.8	-17.8	-9.1	8.4	73.0	77.6
IA Sector	1.2	-17.5	-14.4	-8.3	7.8	80.5	86.7
Rank in sector	105/223	26/222	55/219	10/204	5/199	5/177	5/191
Quartile	2	1	2	1	1	1	1

CALENDAR YEAR PERFORMANCE

	2020 YTD	2019	2018	2017	2016	2015
■ Fund ²	-11.4	24.3	0.4	15.2	17.1	8.4
■ Benchmark	-20.5	19.2	-9.5	13.1	16.8	1.0
IA Sector	-19.5	22.2	-11.2	14.0	10.8	4.9

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.

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Fund Attributes

- ✓ Emphasis on sustainable real dividend growth
- ✓ Focus on companies with high returns on capital and strong free cash-flow
- ✓ 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:

- ✓ Want a high level of income and the prospect of some capital growth
- ✓ Accept the risk associated with the volatile nature of equity investments
- ✓ Plan to hold their investment for the long term

Fund Managers



CITYWIRE AA

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.



CITYWIRE AA

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 a AA rating by Citywire for their 3 year risk-adjusted performance for the period 30/06/2017 - 30/06/2020.

Key Details

Comparator Benchmark	FTSE All-Share
Sector	IA UK All Companies
Launch date ³	19 October 2009
Fund value	£3,687.0 million
Holdings	39
Historic yield ⁴	3.5%
Active share ⁵	76.5%
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan





PORTFOLIO ANALYSIS

TOP TWENTY HOLDINGS (%)

Unilever	9.8	Cisco Systems	2.7
Reckitt Benckiser	7.0	Pepsico	2.6
RELX Group	6.5	Schroders	2.6
Sage Group	6.1	Spectris	2.2
Diageo	6.0	Intertek Group	2.2
GlaxoSmithKline	4.7	Moneysupermarket.Com	1.9
Bunzl	3.8	Intel	1.9
Smiths Group	3.2	Smith & Nephew	1.9
AstraZeneca	2.9	Ashmore Group	1.8
Procter & Gamble	2.7	Howdens Joinery	1.8
% of Portfolio in Top 20 Holdings	74.3		

SECTOR ALLOCATION (%)

Consumer Goods	31.9	
Technology	14.9	
Support Services	12.3	
Media	12.2	
Healthcare	11.1	
Engineering	9.0	
Finance	4.4	
Speciality Chemicals	1.7	
Real Estate	1.1	
Cash	1.4	

SIZE ALLOCATION (%)

Large Cap	81.7	
Mid Cap	14.6	
Small Cap	2.3	
Cash	1.4	

GEOGRAPHICAL ALLOCATION (%)

United Kingdom	81.0	
USA	13.5	
Europe	4.2	
Cash	1.4	

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)	316.24	215.51	317.89	216.64
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	£22.78
FTSE All-Share	£22.02

Source: FT & Financial Express, date of investment 31/07/2015.

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Authorised Corporate Director & Administrator:

T. Bailey Fund Services Ltd

(www.tbaileyfs.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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