

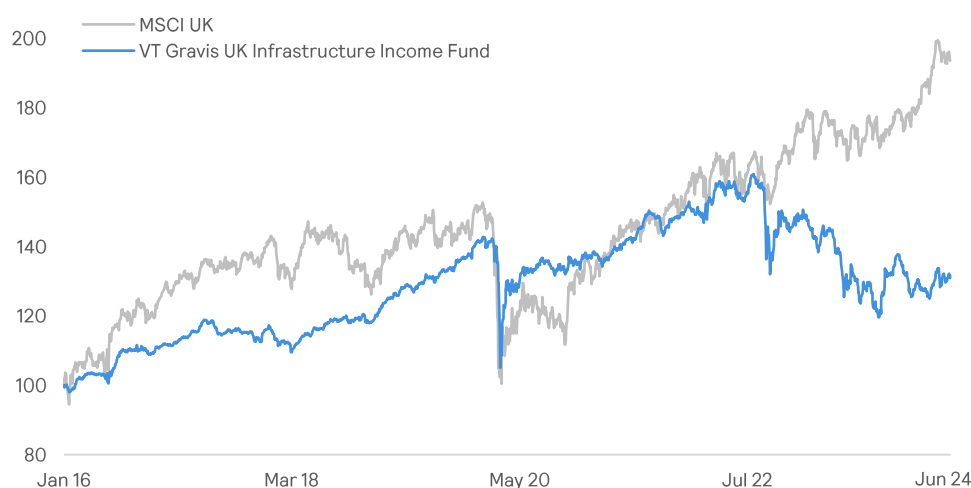
### FUND OBJECTIVES

- To deliver a regular income expected to be 5%<sup>1</sup> per annum
- To preserve investors' capital throughout market cycles with the potential for capital growth and protection from inflation.
- To invest in GBP UK Listed Securities including Investment Companies, Equities, Bonds and REITs
- To offer exposure to a vital sector for the UK's economy which is increasingly becoming a key component of any well-balanced investment portfolio

### PERFORMANCE CHART

VT Gravis UK Infrastructure Income Fund – C Acc GBP (Total return after charges)

25.01.2016 – 30.06.2024



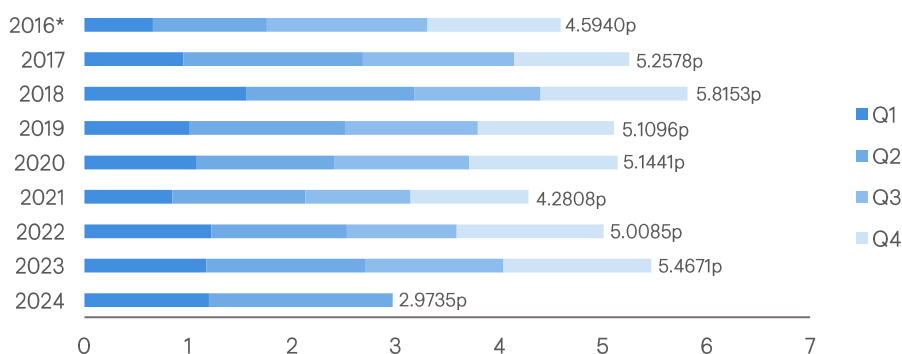
### RETURNS

	SINCE INCEPTION	7 YEAR	5 YEAR	3 YEAR	12 MONTH	3 MONTH	YTD	VOLATILITY
VT Gravis UK Infrastructure	31.66%	12.53%	1.22%	-7.36%	0.77%	3.18%	-4.44%	10.01%
MSCI UK	93.46%	46.20%	32.93%	33.58%	13.14%	3.62%	7.82%	15.82%

Past performance is not necessarily indicative of future results  
Fund launched on 25 January 2016.  
Fund performance is illustrated by the C GBP Net Accumulation share class.

### DIVIDENDS

Dividends paid since inception for C GBP Income share class.



### Fund overview

<b>Name</b>	VT Gravis UK Infrastructure Income Fund
<b>Regulatory Status</b>	FCA Authorised UK UCITS V OEIC
<b>Sector</b>	IA Infrastructure
<b>Launch Date</b>	25 January 2016
<b>Fund Size</b>	£576.61m
<b>Number of Holdings</b>	31
<b>Share Classes</b>	Income and Accumulation Clean & Institutional (£,\$,€)
<b>Min. Investment</b>	C: £1,000
<b>Net Asset Value per share</b>	C Acc (£): 131.66p C Inc (£): 86.74p
<b>Trailing 12 month net yield<sup>2</sup></b>	C Inc: 6.60%
<b>Annual Management Charge</b>	C: 0.75%
<b>Capped fund OCF<sup>3</sup></b>	C: 0.75%
<b>Synthetic OCF<sup>4</sup></b>	C: 1.65%
<b>Dividends Paid</b>	End of Jan, Apr, Jul, Oct
<b>Classification</b>	Non-complex
<b>Liquidity</b>	Daily dealing
<b>ISINs</b>	C Acc (£): GB00BYVB3M28 C Inc (£): GB00BYVB3J98

1. This is an unofficial target and there is no guarantee it will be achieved. Per annum by reference to launch price of £1.00 per unit, payable quarterly, one month in arrears.

2. Published dividends are net of charges which are taken from income. C Inc share class.

3. The OCF for all share classes is capped at the AMC and any costs in excess of the OCF/AMC will be paid by the Investment Adviser.

4. The 'Synthetic' Ongoing Charges Figure (OCF) is calculated using the weighted average OCF of the Fund's underlying holdings where these figures are published; the aggregated figure for the 22 of the 32 holdings in the portfolio is 0.87%. Whilst the requirement to publish the 'Synthetic' OCF is a new one as at 30th June 2022, this is not a new cash charge to investors and the OCF of the Fund remains capped at the AMC.

5. 12 month trailing net yield C Inc share class.

6. Part period from 25.01.16 – 31.03.16

All data, source: Valu-Trac Investment Management and MSCI Inc and Reuters.

## FUND ADVISER'S REPORT

The Fund gained 3.18% (C Accumulation GBP) during the second quarter of 2024, despite longer-dated gilt yields trending higher over the period. Inflationary pressures continued to subside, and the latest published data (for May) showed that the pace of annual consumer prices inflation had fallen back to the Bank of England's target rate of 2%. The data provides scope for a first rate cut in August, which would likely prove helpful for yield-focused investment strategies, but the Monetary Policy Committee will have sight of one more inflation print before the next rate-setting meeting.

The number of positive and negative contributors in the portfolio was fairly evenly balanced, and there were no observable trends at either end of the spectrum with the exception of the pureplay solar generators, which recovered somewhat following a notably weak first quarter. However, this did not define a trend among the broader cohort of renewable energy generators in the portfolio.

By far the greatest positive contribution came from GCP Asset Backed Income, which made its first return of capital following a shareholder vote in favour of the company's wind-down. Approximately £143m of cash was returned to shareholders via a mandatory repurchase of 37.5% of the shares in issue at a price marginally below NAV but significantly above the prevailing share price, thereby resulting in a significant boost to Fund performance. The Fund's allocation to the company was reduced commensurately and now sits below a 3% weighting. We envisage further cash returns to flow in time as the relatively short-duration loan book is repaid or otherwise managed down.

Pennon Group was individually the worst performing portfolio constituent recording an 11.4% total loss during the period. The company reported slightly softer-than-expected FY results towards the end of May, but this was compounded by news that the regulator, Ofwat, would delay the publication of its draft ruling on price controls for the next five-year regulatory period until after the UK general election. The market is eager to see the initial rulings since allowable pricing is a highly sensitive subject and the unanticipated delay has been unhelpful for the water utility sector more broadly. Ofwat expects to issue its determination on 11th July.

Battery storage pureplay, Gresham House Energy Storage ("GRID"), recorded a very strong quarter with the shares up 68.2%. Having commented last quarter on the observed revenue volatility in the asset class, it was interesting to see the company announce a two-year tolling agreement with Octopus Energy through which the energy utility will pay GRID a fixed fee per MW for the use of approximately half of the company's target operating portfolio. In combination with existing Capacity Market contracts, the agreement increases GRID's revenue visibility significantly and may provide a basis for the reinstitution of the dividend in FY 2025.

Vodafone beat guidance with its FY results (for example, adjusted EBITDAaL of €13.4bn and adjusted FCF of €3.5bn vs. guidance of €13.3bn and €3.3bn, respectively). The company also declared the process of right-sizing the business to be complete with sales of Spanish and Italian operations finalised. The company also announced the sale of a stake in Indus Towers raising gross proceeds of €1.7bn, which will further help to deleverage the balance sheet to a new, lower target of 2.25-2.75x net debt/EBITDA. Vodafone committed to returning €4bn to shareholders via buybacks (split evenly across FY 2025 and FY 2026) but simultaneously downsized the annual dividend to €0.045 per annum.

Elsewhere in the portfolio, National Grid initiated a fully underwritten £7bn rights issue with the proceeds to be used to support ~£60bn of capital investment during the five-year period 2025-2029. Roughly half of the funds will support investment in UK electricity transmission and distribution, with the other half being injected into the company's regulated activities in the US. Logistics play, Tritax BigBox, completed its merger with UKCM while SDCL Energy Efficiency disposed of a solar portfolio raising £90.8m that will be used to reduce the company's RCF. Cordiant Digital Infrastructure reported a very

strong set of FY results with positive asset valuation updates driving a NAV TR of 9.3% in the year to March 2024. It is a challenge to justify the disconnect between Cordiant's share price and its NAV given the strong ongoing performance of its underlying portfolio.

Looking ahead, we would highlight an expectation that second quarter NAV updates from the renewable energy generators should mark an inflection point following a protracted period of negative sequential quarterly updates. The driver will be an improvement in near term electricity prices with the forward curve out to mid-2027 having shifted materially higher between the end of March and the end of June.

### Second quarter distribution announced

Income distributions for the second quarter of 2024, payable in July 2024, amounted to 1.7715p per C Income GBP unit and 1.7953p per I Income GBP unit. Second quarter distributions increased by 15.2% for C Income GBP units and by 14.8% for I Income GBP units when compared with the distributions declared for the same period in 2023. Overall distributions announced for the first six months of 2024 are tracking well ahead year-on-year, underpinning our ambitions to deliver income growth over the course of the full year. As at 28th June, the Fund's trailing 12-month yield was 6.60% for the C Income GBP units and 6.70% for the I Income GBP units.

**William Argent, CFA**  
Investment Adviser  
Gravis Advisory Ltd  
William.argent@graviscapital.com

### Investment Adviser

Gravis Advisory Limited is owned and managed by Gravis Capital Management Ltd ("Gravis").

Gravis Capital Management was established in May 2008 as a specialist investor in property and infrastructure and now manages c.£2bn of assets in these sectors in the UK. Gravis entered into a strategic partnership with ORIX Corporation in January 2021.

Gravis Advisory Limited is also the Investment Adviser to the c.£315m VT Gravis Clean Energy Income Fund, the c.£94m VT Gravis UK Listed Property Fund and the c.£27m VT Gravis Digital Infrastructure Income Fund.

### Sales Contacts

Cameron Gardner 07835 142763  
cameron.gardner@graviscapital.com

Jason Anderson 020 3405 8527  
jason.anderson@graviscapital.com

Jonathan Feely 07894 107075  
jonathan.feely@graviscapital.com

Ollie Matthews 07787 415151  
ollie.matthews@graviscapital.com

### Dealing

Valu-Trac 01343 880344  
UKinfrastructure@valu-trac.com  
Available on all major platforms

## CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

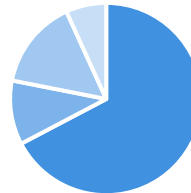
	CORRELATION	RETURN	VOLATILITY	YIELD*
VT Gravis UK Infrastructure Income Fund (C Acc)	-	31.7%	10.0%	6.3%
MSCI UK	0.39	93.5%	15.8%	3.7%
MSCI World Infrastructure	0.19	76.3%	14.1%	4.1%
UK 10 Year Gilts	0.08	-22.0%	7.4%	4.2%

Past performance is not necessarily indicative of future results. Fund launched on 25 January 2016. Data as at 30 June 2024. \*12m trailing net yield C Acc share class.

**TOP 10 HOLDINGS**

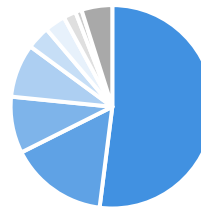
COMPANY	WEIGHTING
HICL Infrastructure Fund Limited	6.93%
Greencoat UK WIND PLC	6.87%
Sequoia Economic Infrastructure Fund Ltd	6.83%
Renewables Infrastructure Group Limited	6.61%
GCP Infrastructure Investments Ltd	5.84%
John Laing Environmental Assets Group Limited	4.73%
Primary Health Properties PLC	3.93%
3i Infrastructure PLC	3.89%
International Public Partnerships Ltd	3.81%
Foresight Solar Fund Limited	3.69%

**SECURITY TYPE**



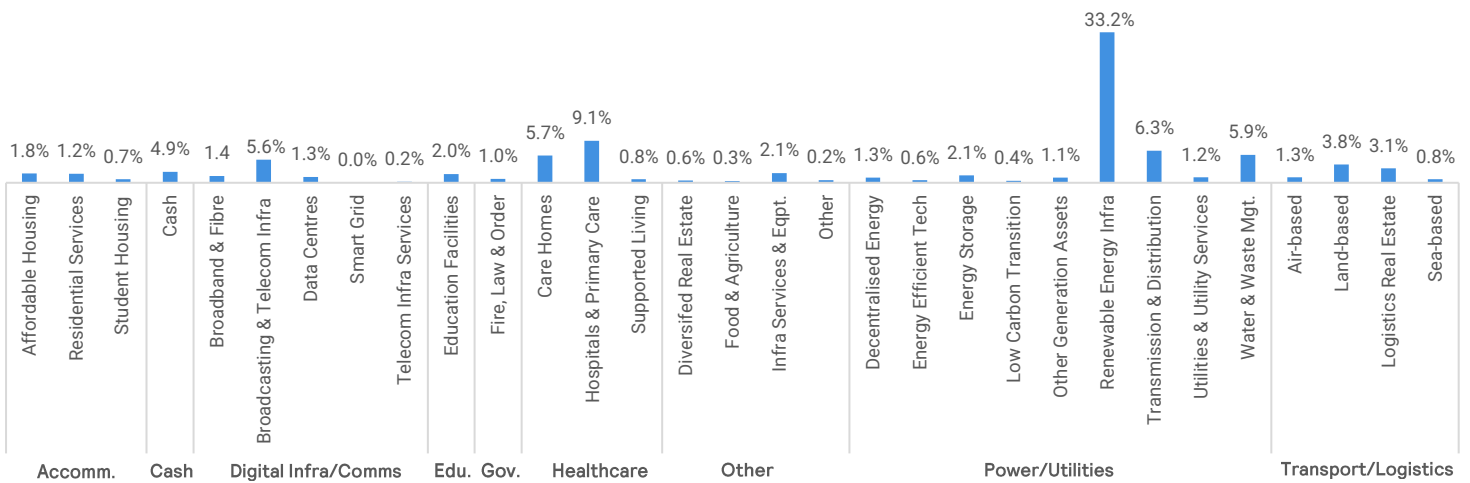
- Closed Ended Investment companies 67.3%
- Equities 10.8%
- REITs 15.1%
- Fixed Income & Cash 6.8%

**SECTOR ALLOCATION**



- Power & Utilities 52.0%
- Healthcare 15.6%
- Transportation & Logistic Systems 9.0%
- Digital Infrastructure & Communications 8.5%
- Housing/Accommodation 3.7%
- Other 3.3%
- Education 2.0%
- Government Facilities 1.0%
- Cash 4.9%

**SUBSECTOR ALLOCATION**



**DISCRETE 7 YEAR PERFORMANCE**

	2017	2018	2019	2020	2021	2022	2023
VT Gravis UK Infrastructure Income Fund	4.22%	1.84%	19.35%	-3.36%	11.04%	-3.54%	-5.77%
MSCI UK	11.71%	-8.82%	16.37%	-13.23%	19.59%	7.15%	7.66%
MSCI World Infrastructure	0.26%	0.57%	16.91%	-2.96%	7.29%	7.26%	-2.42%
UK 10 Year Gilts	-0.68%	-1.79%	2.83%	2.91%	-8.18%	-19.38%	1.17%

Past performance is not necessarily indicative of future results.  
Fund launched on 25 January 2016.  
Fund performance is illustrated by the C GBP Net Accumulation share class.

## DISCLAIMER

**WARNING:** The information in this report is presented by Valu-Trac Investment Management Limited using all reasonable skill, care and diligence and has been obtained from or is based on third party sources believed to be reliable but is not guaranteed as to its accuracy, completeness or timeliness, nor is it a complete statement or summary of any securities, markets or developments referred to. The information within this report should not be regarded by recipients as a substitute for the exercise of their own judgement.

The information in this report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient and is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. In the absence of detailed information about you, your circumstances or your investment portfolio, the information does not in any way constitute investment advice. If you have any doubt about any of the information presented, please consult your stockbroker, accountant, bank manager or other independent financial adviser. Value of investments can fall as well as rise and you may not

get back the amount you have invested. Income from an investment may fluctuate in money terms. If the investment involves exposure to a currency other than that in which acquisitions of the investments are invited, changes in the rates of exchange may cause the value of the investment to go up or down. Past performance is not necessarily a guide to future performance. Any opinions expressed in this report are subject to change without notice and Valu-Trac Investment Management Limited is not under any obligation to update or keep current the information contained herein. Sources for all tables and graphs herein are Valu-Trac Investment Management unless otherwise indicated.

The information provided is "as is" without any express or implied warranty of any kind including warranties of merchantability, non-infringement of intellectual property, or fitness for any purpose. Because some jurisdictions prohibit the exclusion or limitation of liability for consequential or incidental damages, the above limitation may not apply to you. Users are therefore warned not to rely exclusively on the

comments or conclusions within the report but to carry out their own due diligence before making their own decisions.

Unless otherwise stated Equity Market price indices used within this publication are sourced or derived from data supplied by MSCI Inc 2024. Valu-Trac Investment Management Limited and its affiliated companies, employees of Valu-Trac Investment Management Limited and its affiliated companies, or individuals connected to them, may have or have had interests of long or short positions in, and may at any time make purchases and/or sales as principal or agent in, the relevant securities or related financial instruments discussed in this report.

© 2024 Valu-Trac Investment Management Limited. Authorised and regulated by the Financial Conduct Authority (UK), registration number 145168. This status can be checked with the FCA on 0800 111 6768 or on the FCA website (UK). All rights reserved. No part of this report may be reproduced or distributed in any manner without the written permission of Valu-Trac Investment Management Limited. Valu-Trac™ is a registered trademark.