

OVERVIEW

- Deliver a regular income expected to be 5%¹ per annum
- Preserve investors' capital throughout market cycles with the potential for capital growth and protection from inflation
- Invests in GBP UK Listed Securities including Investment Companies, Equities, Bonds and REITs
- Offers 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 – 31/12/2021



RETURNS

	DECEMBER 2021	3 MONTHS	12 MONTHS	36 MONTHS	SINCE INCEPTION	VOLATILITY
Gravis UK Infra Income	-2.37%	4.86%	11.04%	28.06%	51.58%	8.79%
MSCI UK	4.81%	5.14%	19.59%	20.76%	55.55%	16.76%

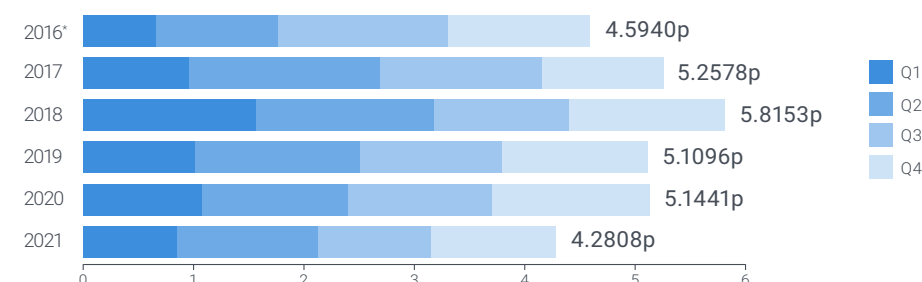
Past performance is not necessarily a guide to future performance.

Fund launched on 25 January 2016.

Fund performance is illustrated by the C GBP Net Accumulation share class.

DIVIDENDS

Dividends paid net of charges since inception to 31 December 2021 for C GBP Income share class.



* Part period from launch on 25 January 2016.

Fund information

Fund name	VT Gravis UK Infrastructure Income Fund
Regulatory status	FCA Authorised UK UCITS V OEIC
Sector	IA Infrastructure
Launch date	25 January 2016
Fund size	£841.69m
Share classes	Income & Accumulation Clean & Institutional (£, \$, €)
Min. investment	C: £1,000 I: £5,000,000
Net Asset Value per share as at 31 December 2021	C Acc (£): 151.58p C Inc (£): 114.67p I Acc (£): 152.79p I Inc (£): 114.75p
Trailing 12 month net yield³ as at 31 December 2021	C: 3.73% I: 3.79%
Charges²	C: 0.75% pa I: 0.65% pa
Dividend pay dates	end of Jan, Apr, July, Oct
Classification	Non-complex
£ ISINs	C Acc: GB00BYVB3M28 C Inc: GB00BYVB3J98 I Acc: GB00BYVB3T96 I Inc: GB00BYVB3Q65

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. The OCF for all share classes is capped at the AMC (excluding underlying fund holding charges and dealing costs from EMX and Calastone) and any costs in excess of the OCF/AMC will be paid by the Investment Adviser.
3. Published dividends are net of charges which are taken from income.

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



³Independently risk-rated and assessed as Lowest Medium Risk

FUND ADVISER'S REPORT

The Fund performed well during the final quarter of 2021, recording a 4.86% total return and thereby compounding a strong year over which period the strategy appreciated by 11.04% (C Accumulation GBP). As the Fund approaches its sixth anniversary, it is pleasing to note that a new all-time high was achieved in the final days of 2021 and that the longer-term performance and risk characteristics of the strategy remain consistent with its primary objectives.

A very small number of positions detracted from performance during the fourth quarter, reflective of the relatively benign market backdrop. These included Assura Group and John Laing Environmental Assets and two of the direct bond positions held within the portfolio. In total, the magnitude of the impact from these detractors was negligible at approximately 10bps. Positive contributors were broad-based across the portfolio's underlying exposure types: listed utilities, core social infrastructure, economic infrastructure, specialist REITs and renewable energy generators, for example. The greatest contribution came from the UK's Electricity System Operator, National Grid, which recorded a total return in excess of 20% during the period, amounting to c.80bps at Fund level. Other significant contributions came from The Renewable Infrastructure Group (the Fund's largest holding), Tritax BigBox, 3i Infrastructure, HICL, GCP Infrastructure and Greencoat UK Wind. Exposure to the latter was increased aggressively during the period (via an equity raise at 132p in November). The company maintains an atypically high exposure to spot electricity prices compared to its peer group, leaving it well positioned to benefit more immediately from the rally in power prices and we anticipate a period of strong cash flow generation.

The takeover of GCP Student Living completed towards the end of the year, as anticipated. The proceeds leave the Fund with a useful amount of capital to deploy into attractive opportunities as they arise, including via potential new launches and follow-on equity raises from portfolio companies.

Markets appear unsettled in the early stages of 2022 and, should opportunities present themselves, there are a number of core names that could be added to incrementally on weakness.

UK inflationary pressures have been running high and in December the Consumer Price Index and Retail Price Index were tracking at 5.1% and 7.1% year-on-year, respectively. Many infrastructure projects benefit from some form of explicit cash flow indexation, which serves to provide a level of protection against such inflationary pressures. By extension, many of the companies held within the Fund may be viewed as incorporating a natural hedge in the prevailing environment, although it is important to understand that there is a lag between inflationary trends and the 'adjustment' in cash flows.

In addition to having good levels of inflationary protection, the portfolio begins 2022 with a very strong bias towards operational assets (opposed to construction or development stage) and with limited exposure to demand/volume-of-use type projects. Such characteristics underpin the strategy and should provide an element of comfort in what remains an uncertain economic environment. Looking forward, government rhetoric continues to suggest a range of opportunities exist for private infrastructure investors, particularly with regard to achieving "Net Zero", which could incorporate projects around energy supply, decarbonisation of industry and the electrification of end users and transport, for example. In addition, digital infrastructure objectives such as 5G roll-out, and the provision of healthcare services may also provide an investment pipeline for the sector. In more commercial areas, the pandemic has accelerated a number of long-term, structural trends (for example, the way we shop and the associated impact on, and requirement for, logistical solutions) that will require investment into supportive infrastructure.

Investment Adviser

Gravis Advisory Limited is owned and managed by Gravis Capital Management Ltd ("Gravis"). Gravis was established in May 2008 as a specialist investor in infrastructure and now manages c.£3bn of assets in the sector in the UK. GCM is authorised and regulated by the FCA. Funds under management include the FTSE 250 companies GCP Infrastructure Investments Ltd and GCP Student Living Plc, and GCP Infrastructure Income Fund Ltd. Gravis has won numerous awards for their alternative approach to long term, secure, income-generative investments. Gravis Advisory Limited is Investment Adviser to the c.£842m VT Gravis UK Infrastructure Income Fund, the c.£396m VT Gravis Clean Energy Income Fund, the c.£80m VT Gravis UK Listed Property (PAIF) Fund and the c.£39m VT Gravis Digital Infrastructure Income Fund.

Fourth quarter dividend announced

Income distributions for the fourth quarter of 2021, payable in January, amounted to 1.1351p per C Income GBP unit and 1.1542p per I Income GBP unit. The trailing 12-month yield on the C Income GBP units is 3.73%, contracting year-on-year owing in part to the strong capital performance achieved during 2021.

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CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

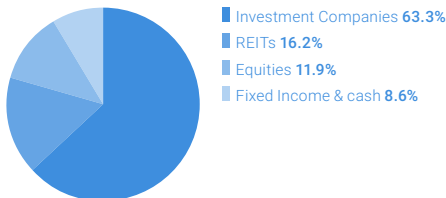
25 January 2016 – 31 December 2021

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	-	51.6%	8.8%	3.6%
MSCI UK	0.44	55.5%	16.8%	3.8%
MSCI World	0.26	149.2%	16.1%	1.7%
MSCI World Infrastructure	0.24	57.8%	14.7%	4.1%
UK 10 Yr Gilts	0.03	-0.2%	5.8%	1.1%
MSCI World vs MSCI World Infrastructure	0.83			

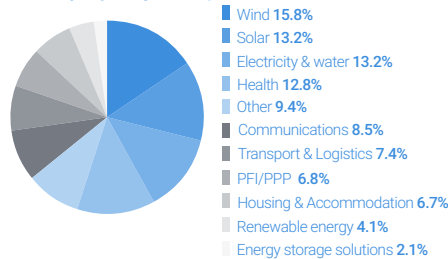
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PORTFOLIO

Sectors



Underlying Project Exposure



TOP 10 HOLDINGS ON 31 DECEMBER 2021

HOLDING	WEIGHT
Renewables Infrastructure Group Ltd	7.3%
Sequoia Economic Infrastructure Income Fund Ltd	7.0%
Greencoat UK Wind PLC	6.5%
HICL Infrastructure Company Ltd	6.0%
GCP Infrastructure Investments Ltd	5.5%
GCP Asset Backed Income Fund Ltd	4.7%
John Laing Environmental Assets Group Limited	4.6%
National Grid PLC	4.5%
Primary Health Properties PLC	4.0%
3i Infrastructure PLC	3.5%

DISCRETE 5 YEAR PERFORMANCE

	2016*	2017	2018	2019	2020
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	11.52%	4.22%	1.84%	19.35%	-3.36%
MSCI UK	26.46%	11.71%	-8.82%	16.37%	-13.23%
MSCI World	35.62%	11.80%	-3.04%	22.74%	12.32%
MSCI World Infrastructure	28.55%	0.26%	0.57%	16.91%	-2.96%

* Part period from launch on 25 January 2016.

DISCLAIMER

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 Available on all platforms

Suitable for:

Direct investors	Offshore bonds
SIPPs	Companies
ISAs	QROPS
Charities	