

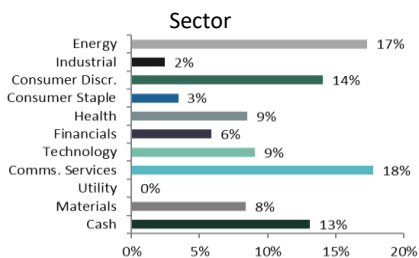
PERFORMANCE COMMENTARY

In June the Fund was up 2.9%, boosted by our exposure to gold. The MSCI World was up 6.1% as global stock markets moved higher after a volatile May, aided by soothing words from Central Banks.

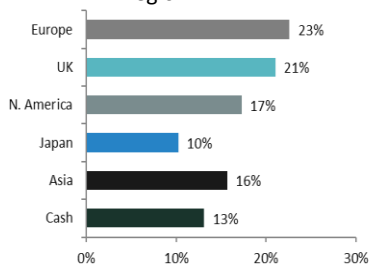
The top contributor to the Fund’s performance was Newmont, also the largest holding in the portfolio, with the stock up 16% in the month. Gold prices climbed, appearing to be in response to a new loosening cycle from global Central Banks leading to more and more bonds trading at negative yields. We like our exposure to gold as it should do well in both an inflationary environment and a low growth, low rate environment due to its role as a store of value. Yet we believe Newmont to be an attractive holding irrespective of short term changes to the gold price. It is a market leader that has significantly improved its cost efficiency in an industry that has limited supply for the medium term. It is currently on 13x our view of Sustainable Earnings. Our energy names were also positive contributors in the month, having been negative contributors last month. We continue to believe their improved operational efficiencies will deliver strong cash flows even if oil prices were significantly lower from here.

The largest negative contributor over the month was Neopost, as the shares fell 3%. The company remains in the middle of its turnaround effort. The market still appears to be overly negative on the company’s prospects. Cash flow generation remains strong and it is at an undemanding valuation; 5x our view of Sustainable Earnings. Texwinca (Chinese fabric producer) was also weaker this month, with the shares down 4%. Market sentiment appears to have moved more negative on the back of US-China trade worries. Yet performance in the core fabric business remains resilient, growing sales and profit margin. It pays a double digit dividend yield and trades on 6x our view of Sustainable earnings.

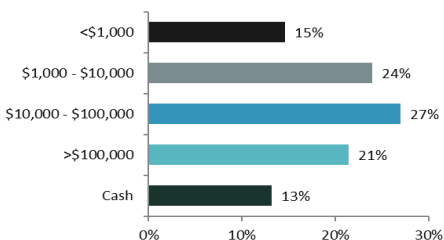
FUND POSITIONING



Region



Market Cap (\$m)



TOP 10 HOLDINGS

TOP 10 HOLDINGS	% FUND
NEWMONT GOLDCORP	7.2%
BP	4.8%
ROYAL DUTCH SHELL	4.8%
CHINA MOBILE	4.5%
NEOPOST	4.2%
EQUINOR	4.1%
WESTERN UNION	4.0%
MUNICH REINSURANCE	3.9%
GLAXOSMITHKLINE	3.7%
EXXON	3.6%
Total Top Ten	44.7%
19 other holdings	42.2%
Cash	13.1%
Total	100.0%

PERFORMANCE (net of fees)*

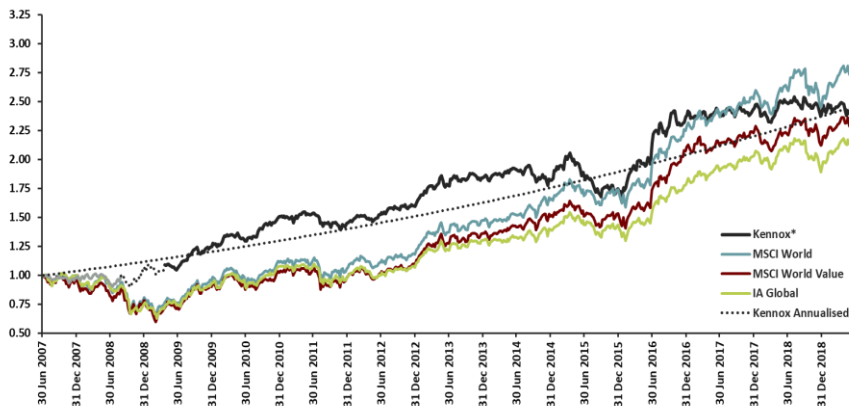
Inception (9/7/2007)	146%
UK Launch (30/4/2009)	127%
5 Years	29%
4 Years	33%
3 Years	15%
2 Years	3.1%
1 Year	-1.2%
YTD	3.6%
3 Month	0.3%
1 Month	2.9%
Annualised:	
Inception	7.8%
UK Launch	8.4%

INVESTMENT TEAM

Charles L. Heenan CFA & Geoff Legg

Charles and Geoff have worked together as an investment team since the inception of the portfolio in July 2007. Both focus exclusively on the management of the Fund. They are fully aligned with investors, each having 100% of his investment in equities in the Fund.

RELATIVE PERFORMANCE



We focus on long-term, absolute performance, not on short-term relative returns.

We are not benchmarked.

Comparisons to the MSCI World, MSCI World Value and IA Global indices are for illustrative purposes only.

We would expect that Fund weightings (geographic, sector and market cap) may vary considerably from those of the MSCI and IA indices.

SINCE INCEPTION	Annualised Return	Sharpe ratio Annualised ⁺	Best Month	Worst Month	Volatility ⁺
Kennox (net of fees)*	7.8%	0.6	13.8%	-6.5%	10.8%
MSCI World Value	7.7%	0.4	10.2%	-11.5%	16.2%
MSCI World	9.3%	0.5	9.0%	-10.7%	15.8%
IA Global Sector	6.9%	0.4	9.0%	-12.6%	14.4%

ANNUAL DISCRETE	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007 (9/7/07)
Kennox* (net of fees)	-2.2%	2.5%	35.8%	-4.0%	-1.1%	15.5%	10.0%	-4.0%	21.1%	16.0%	9.8%	-2.1%
MSCI World Value	-4.6%	7.7%	35.1%	1.4%	11.0%	25%	11.2%	-4.4%	13.7%	15%	-18.2%	-4.3%
MSCI World	-2.6%	12.3%	29.1%	5.4%	12.2%	24.9%	11.3%	-4.5%	16.4%	18.1%	-18.8%	-0.4%
IA Global Sector	-5.7%	13.9%	23.9%	2.9%	7.0%	21.8%	9.7%	-9.3%	15.8%	23.0%	-24.3%	-0.1%

Track Record Description & Methodology

* The portfolio was launched in July 2007 ("Inception") in Australia as the Contrarian Global Value Fund. The Kennox investment team ran that fund from launch until September 2008. The Kennox Strategic Value Fund was launched in April 2009, comprising 19 of the 20 positions that existed in the Australia fund. We have assumed a static portfolio for the interim period.

Performance shown reflects total return of the Institutional Share class. Performance figures are generated from the accumulation shares since their launch on 29 April 2013. Prior to that performance figures are taken from an alternative share class, adjusted to reflect a 1.0% management fee throughout.

+ Sharpe Ratio is calculated as annualised return divided by the standard deviation of the excess return over the Libor 3m Bond yield.

+ Volatility is calculated as the standard deviation of the natural log returns multiplied by the square root of the periodicity of the returns.

Performance figures shown are total return with data for Kennox and the MSCI provided by Kennox/Bloomberg and IA Global data provided by Morningstar

3 SHARE CLASSES (Income & accumulation)	Investment Management Fee	Minimum Initial Investment	GBP (pence)	OCF	Sedol	ISIN
Professional Income	1.3%	£20,000	125.1	1.44%	B2R8FY9	GB00B2R8FY91
Professional Accumulation	1.3%	£20,000	141.3	1.44%	B9DH0K0	GB00B9DH0K00
Institutional Income	1.0%	£2m	126.5	1.14%	B3YDJ20	GB00B3YDJ200
Institutional Accumulation	1.0%	£2m	145.6	1.14%	B8Y8GR4	GB00B8Y8GR43
Class A Income	0.80%	£20m	126.5	0.94%	B9D9Z90	GB00B9D9Z904
Class A Accumulation	0.80%	£20m	147.3	0.94%	B9B3CY8	GB00B9B3CY80

FUND DETAILS

Fund Managers	Charles L. Heenan, Geoff Legg
Investment Universe	Listed securities on any globally recognised stock exchange, bonds and cash
Target Asset Allocation	80-100% equities; 0-20% cash
Fund Status	UK OEIC; UCITS
IA Sector	Global Equity
Benchmark	The Fund is not benchmarked
Inception Date	July 2007; UK Fund launched in April 2009
Fund Size	£228 Million
ISable Fund	Yes
Pricing	Daily at 1200
Dilution Adjustment	A dilution adjustment may apply on orders greater than 5% of AUM
Performance Tracking	www.kennox.co.uk/performance
Income Share	Income distributed semi-annually
Ex-Dividend Dates	Y/E: 1 October Interim: 1 April
Distribution Payment Dates	Y/E: 30 November Interim: 31 May
Dividend Yield (net of fees)	Professional: 2.4% Institutional: 2.8% Class A: 3.0%
Registrar	Smith & Williamson Fund Administration Limited
Depository	NatWest Depository Services Limited
Custodian	Bank of New York Mellon
Auditor	KPMG

TO DEAL IN THE FUND

All dealing is through our Transfer Agency:
 Smith & Williamson Fund Administration Ltd
 Tel: 0141 222 1150
 Fax: 0207 131 8261
SWFAdealing@smithandwilliamson.com
 206 St Vincent Street, Glasgow G2 5SG

Application forms, the Fund prospectus and KIIDs are available on our website:
www.kennox.co.uk/investing-fund

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The Kennox Strategic Value Fund ("Fund") should be considered a long-term investment. You should be aware that the Fund is permitted to invest in markets which are not as well developed or regulated as the UK. As such, investments in those markets may be less liquid, and may have less reliable custody arrangements. Therefore, they may be prone to above average volatility and carry more risk. Where investments are made in smaller companies, these companies' shares may be less liquid than larger companies and the price swings may therefore be greater. You should remember that the value of investments and the income derived therefrom may fall as well as rise and you may not get back the amount that you invest. Past performance is not a guide to future returns.

The Fund is denominated in £ sterling. You should be aware that if sterling appreciates or depreciates against the currencies in which investments are made, this could have an effect on the value of your investment. An investment in the Fund carries a degree of risk and retail investors should seek professional advice before investing in the Fund. Kennox has not taken any steps to ensure that the securities referred to in this document are suitable for any particular investor and no assurance can be given that the stated investment objectives will be achieved.