

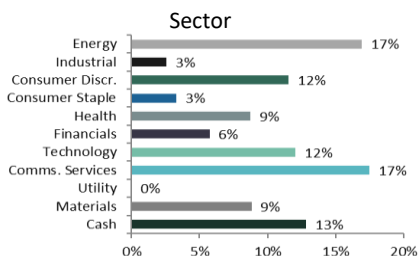
PERFORMANCE COMMENTARY

In July the Fund was up 2.4%. Over the same period the MSCI World rose 4.5% despite apparent weakness in the global economy and ongoing trade tensions.

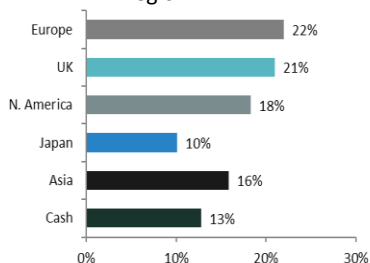
Performance during the month was driven by company specific factors. Western Union was the strongest contributor, with the stock up 10% over the month. The company remains the market leader in global money transfer services and has a huge network of agents worldwide that would be very hard to replicate. Ripple’s recent acquisition of competitor MoneyGram emphasises the continuing importance of this network in an increasingly digital world. They generate consistently high free cash flow and trade on 10x our conservative view of Sustainable Earnings. GlaxoSmithKline was the next largest contributor to performance, with the shares up 8% following a strong set of results announced during the month in which they increased guidance for 2019. We remain comfortable holders.

The largest negative contributor over the month was Canon Marketing Japan, with the stock down 8% reversing strong performance over the first half of 2019 (it remains up 15% year to date). The price decline followed a solid results announcement (with sales and profits both increasing), but expectations were evidently higher. Valuations remain undemanding, and our position is unchanged. Equinor also declined slightly during the month, with the shares off 4%. Softer gas prices have weighed on results in the short term, but new projects are leading to steadily increasing production and the medium term outlook remains incredibly attractive.

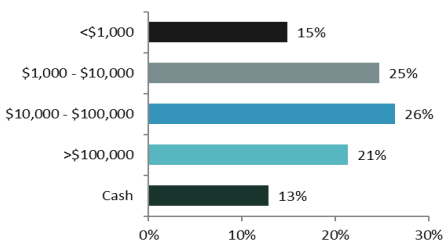
FUND POSITIONING



Region



Market Cap (\$m)



TOP 10 HOLDINGS

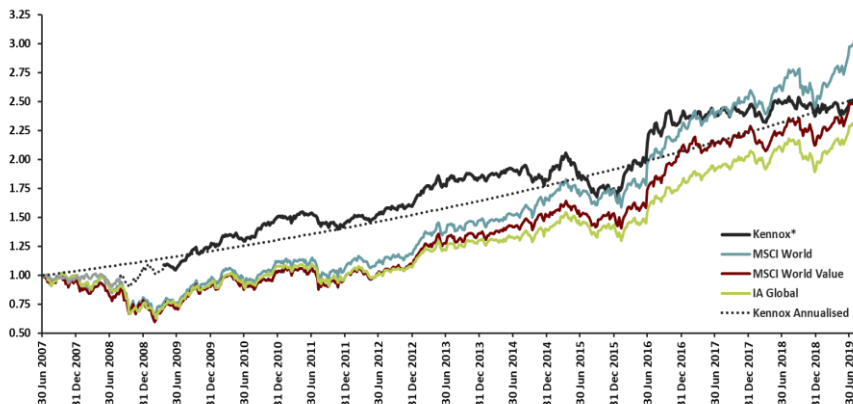
TOP 10 HOLDINGS	% FUND	PERFORMANCE (net of fees)*
NEWMONT GOLDCORP	7.2%	Inception (9/7/2007) 152%
BP	4.7%	UK Launch (30/4/2009) 132%
ROYAL DUTCH SHELL	4.7%	5 Years 33%
WESTERN UNION	4.3%	4 Years 38%
CHINA MOBILE	4.3%	3 Years 12%
NEOPOST	4.2%	2 Years 5.3%
GLAXOSMITHKLINE	3.9%	1 Year 0.3%
MUNICH REINSURANCE	3.8%	YTD 6.0%
EQUINOR	3.8%	3 Month 1.8%
EXXON	3.7%	1 Month 2.4%
Total Top Ten	44.7%	
19 other holdings	42.5%	Annualised:
Cash	12.8%	Inception 8.0%
Total	100.0%	UK Launch 8.6%

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)*	8.0%	0.6	13.8%	-6.5%	11.0%
MSCI World Value	7.9%	0.4	10.2%	-11.5%	16.5%
MSCI World	9.6%	0.5	9.0%	-10.7%	16.2%
IA Global Sector	7.3%	0.4	9.0%	-12.6%	14.8%

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	128.1	1.44%	B2R8FY9	GB00B2R8FY91
Professional Accumulation	1.3%	£20,000	144.7	1.44%	B9DH0K0	GB00B9DH0K00
Institutional Income	1.0%	£2m	129.5	1.14%	B3YDJ20	GB00B3YDJ200
Institutional Accumulation	1.0%	£2m	149.1	1.14%	B8Y8GR4	GB00B8Y8GR43
Class A Income	0.80%	£20m	129.6	0.94%	B9D9Z90	GB00B9D9Z904
Class A Accumulation	0.80%	£20m	150.8	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	£233 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: 2.3% Institutional: 2.7% Class A: 2.9%
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
SWFDealing@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.