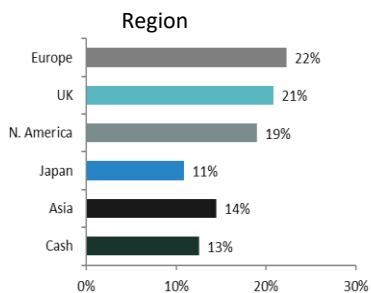
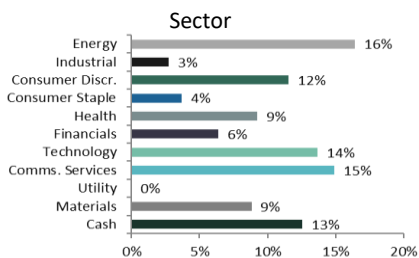


PERFORMANCE COMMENTARY

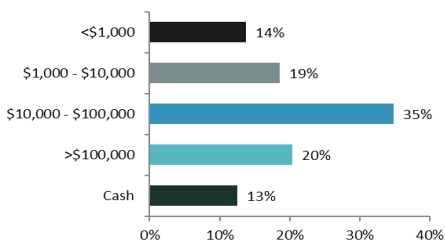
The Fund rose 1.8% in November. Texwinca was our best performing stock this month, up 27%. The market seems to have viewed Texwinca as having substantial and permanent problems, but results out this month showed this is not the case, with its core fabrics business continuing to deliver decent sales growth. Profitability is once again robust, more than offsetting ongoing problems in its much smaller retail business. Cash flow was also up substantially over the period. Texwinca’s valuations are extraordinarily attractive, at 7x Sustainable Earnings, dividend and FCF yields in the double digits, and net cash on the balance sheet. This has been a difficult time for the company, but the market’s pessimism is overdone and it seems that our patience is paying off. We recently added to our holding and Texwinca is now a 3.2% position in the Fund. Elsewhere, Western Union (a 5.5% Fund position) was up 7% over the month, continuing its period of good performance (as mentioned in last month’s and last quarter’s write ups). Even after the move it remains good value, trading at c. 15x Sustainable Earnings. Two of our Japanese holdings, Canon Marketing and Fukuda Denshi, also had significant contributions to performance (up 8% and 9% respectively), as positive recent results were well received.

China Mobile, a 4.2% position, was the largest detractor to performance this month, down 7% on the market’s uncertainty over spending and competition. We remain comfortable with the holding - China Mobile is by far the leader in its industry, with a significantly superior network and the ability to outspend both its competitors. The share is available at less than 10x Sustainable Earnings, and yielding 4.9%. These are exceptionally attractive valuations for such a strong company. A smaller Fund position, Star Micronics’ share price was also weaker, down 8.6% on recent results which were below expectations. Again, we remain comfortable with our holding.

FUND POSITIONING



Market Cap (\$m)



TOP 10 HOLDINGS

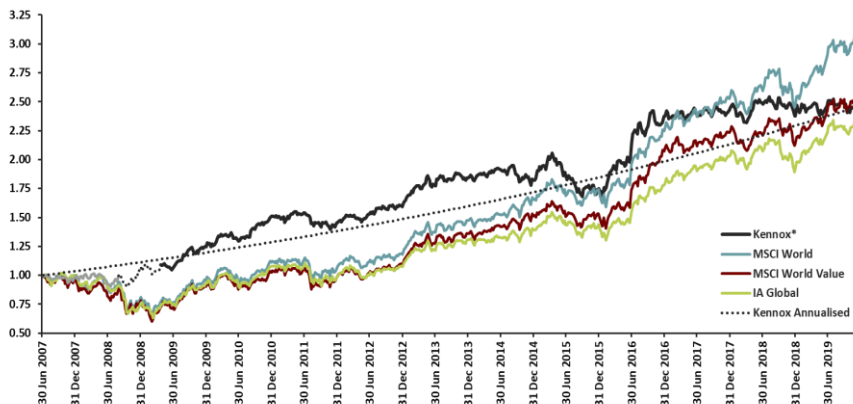
TOP 10 HOLDINGS	% FUND	PERFORMANCE (net of fees)*
NEWMONT GOLDCORP	7.3%	Inception (9/7/2007) 145%
WESTERN UNION	5.5%	UK Launch (30/4/2009) 126%
EQUINOR	4.4%	
BP	4.4%	5 Years 33%
MUNICH REINSURANCE	4.4%	4 Years 38%
QUADIANT	4.3%	3 Years 6.6%
ROYAL DUTCH SHELL	4.2%	2 Years 1.8%
CHINA MOBILE	4.2%	1 Year -1.6%
GLAXOSMITHKLINE	4.1%	YTD 3.0%
TESCO	3.7%	3 Month -1.1%
Total Top Ten	46.6%	1 Month 1.8%
18 other holdings	40.9%	Annualised:
Cash	12.5%	Inception 7.5%
Total	100.0%	UK Launch 8.0%

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 their investment in equities in the Fund.

RELATIVE PERFORMANCE



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

We do not track, nor are we constrained by, a benchmark.

Reference to the MSCI World, MSCI World Value and IA Global indices are for comparative 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)*	7.5%	0.6	13.8%	-6.5%	11.1%
MSCI World Value	7.7%	0.4	10.2%	-11.5%	16.5%
MSCI World	9.3%	0.5	9.0%	-10.7%	16.2%
IA Global Sector	7.0%	0.4	9.0%	-12.6%	14.7%

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%	25.0%	11.2%	-4.4%	13.7%	15.3%	-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 indices are not targets for the Company, nor is the Company constrained by the indices. The ACD has selected the MSCI World Value Index, the MSCI World Index and the IA Global sector as comparators against which shareholders may compare the performance of the Company as it believes these best reflect the Company's asset allocation. For more information please see the Fund's prospectus (available online and upon request).

* 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.



3 SHARE CLASSES (Income & accumulation)	Investment Management Fee	Minimum Initial Investment	GBP (pence)	OCF	Sedol	ISIN
Professional Income	1.3%	£20,000	121.9	1.45%	B2R8FY9	GB00B2R8FY91
Professional Accumulation	1.3%	£20,000	140.3	1.45%	B9DH0K0	GB00B9DH0K00
Institutional Income	1.0%	£2m	123.2	1.15%	B3YDJ20	GB00B3YDJ200
Institutional Accumulation	1.0%	£2m	144.8	1.15%	B8Y8GR4	GB00B8Y8GR43
Class A Income	0.80%	£20m	123.2	0.95%	B9D9Z90	GB00B9D9Z904
Class A Accumulation	0.80%	£20m	146.5	0.95%	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
Inception Date	July 2007; UK Fund launched in April 2009
Fund Size	£209 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: 2.5% 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-in-the-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.