



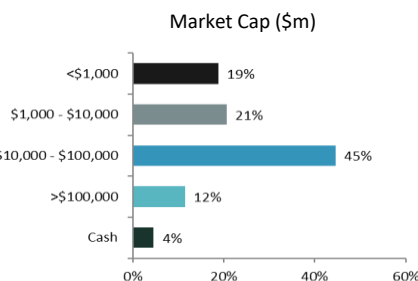
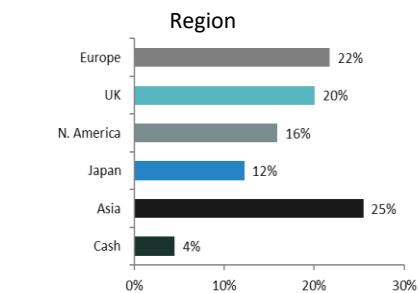
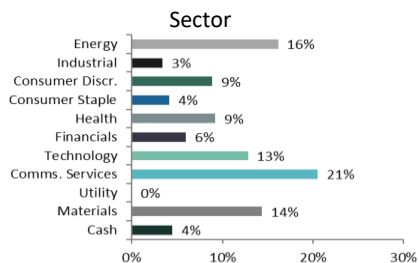
PERFORMANCE COMMENTARY

Global markets fell 1.4% in January, a choppy month that saw pockets of euphoria (Gamestop, Tesla, bitcoin) mixing with waves of concern (lockdowns, US presidential transition).

The Fund was up 0.6% over the month. Quadiant was our top performing stock, up 13%. Quadiant is a case study of a stock that was excessively sold off in the pandemic crisis. In January Quadiant formally upgraded its 2020 outlook and the upgrade shows just how inexpensive the stock is – versus a market cap of around €600m, EBIT is expected to be €140m-€145m. This is a company that generates very strong cash flows and is building several valuable businesses to sit alongside its legacy business. As a 4.9% position for the Fund, it is an excellent example of the unloved opportunities that exist, selectively, in the market. The Fund’s energy holdings also performed well this month – it is notable that energy prices are holding up even as lockdowns grip the world. As we have pointed out regularly in the past, currently there are no scale viable alternatives to the energy that these operators provide. Unloved but powering our society, these remain exceptional investments.

Munich Re held the Fund back this month, with the market worrying about the headwinds for insurance industry in a time of a pandemic. With its strong positioning within its industry and offering a yield over 4%, Munich Re continues to deserve its place in the portfolio as a mid-sized holding (2.8%). Our gold miner, Yamana, a 3% holding, was down as the gold price drifted off over the month. The company remains inexpensive, on 12x our view of Sustainable Earnings.

FUND POSITIONING



TOP 10 HOLDINGS

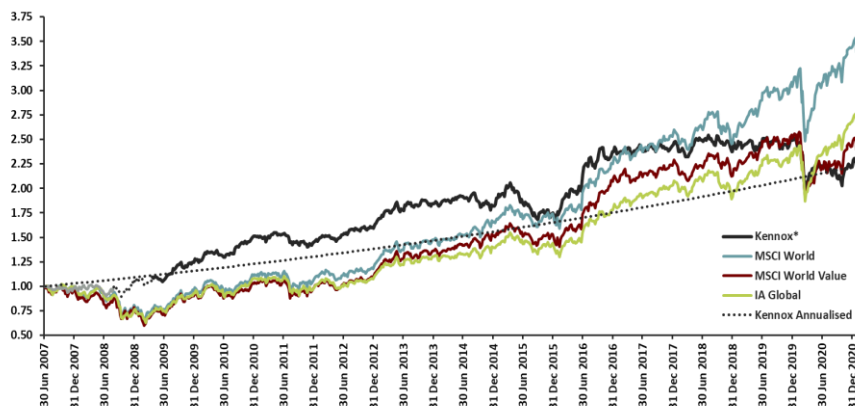
TOP 10 HOLDINGS	% FUND	PERFORMANCE (net of fees)*
NEWMONT CORP	7.2%	Inception (9/7/2007) 123%
ROYAL DUTCH SHELL	5.1%	UK Launch (30/4/2009) 106%
QUADIANT	4.9%	
EQUINOR	4.5%	5 Years 27%
BP	4.4%	4 Years -5.7%
CHINA MOBILE	4.2%	3 Years -8.5%
NEWCREST MINING	4.2%	2 Years -8.2%
TESCO	4.2%	1 Year -8.4%
SINGAPORE TELECOM	4.2%	YTD 0.6%
FUKUDA DENSHI	4.0%	3 Month 10%
Total Top Ten	46.8%	1 Month 0.6%
18 other holdings	48.7%	Annualised:
Cash	4.5%	Inception 6.1%
Total	100.0%	UK Launch 6.3%

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)*	6.1%	0.4	13.8%	-9.2%	11.5%
MSCI World Value	6.7%	0.3	11.5%	-14.2%	16.8%
MSCI World	9.5%	0.5	9.4%	-10.7%	16.0%
IA Global Sector	7.6%	0.4	9.8%	-12.6%	14.6%

ANNUAL DISCRETE	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007 (9/7/07)
Kennox* (net of fees)	-11.1%	4.8%	-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	-3.2%	18.0%	-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	13.2%	23.4%	-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	14.8%	22.0%	-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	108.5	1.47%	B2R8FY9	GB00B2R8FY91
Professional Accumulation	1.3%	£20,000	127.4	1.47%	B9DH0K0	GB00B9DH0K00
Institutional Income	1.0%	£2m	109.7	1.17%	B3YDJ20	GB00B3YDJ200
Institutional Accumulation	1.0%	£2m	131.9	1.17%	B8Y8GR4	GB00B8Y8GR43
Class A Income	0.80%	£20m	109.8	0.97%	B9D9Z90	GB00B9D9Z904
Class A Accumulation	0.80%	£20m	133.8	0.97%	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 £96 Million
 Total Strategy AUM £240 Million (Fund; Segregated mandates)
 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) Class A: 2.4% Professional: 1.9% Institutional: 2.2%
 Registrar Smith & Williamson Fund Administration Limited
 Depository NatWest Depository Services Limited
 Custodian Bank of New York Mellon
 Auditor Johnston Carmichael

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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