

OVERVIEW

- Aims to deliver a regular income expected to be 4.5%¹ per annum after charges
- Preserve investors' capital throughout market cycles, with the potential for capital growth
- Invests in a diversified portfolio of global listed securities including Yield Co Equities, Investment Companies and Equities
- Offers exposure to companies engaged in the provision, storage, supply and consumption of clean energy

PERFORMANCE CHART

VT Gravis Clean Energy Share Class C GBP Acc 18/12/2017 – 31/12/2019



RETURNS

	DECEMBER 2019	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis Clean Energy	2.95%	5.67%	11.40%	34.29%	36.50%	7.07%
MSCI UK	2.67%	2.28%	3.00%	16.37%	8.30%	12.34%
MSCI World Infrastructure	0.82%	-3.94%	3.40%	16.91%	15.52%	10.90%
S&P Global Clean Energy	4.81%	0.75%	6.91%	39.60%	37.67%	15.05%

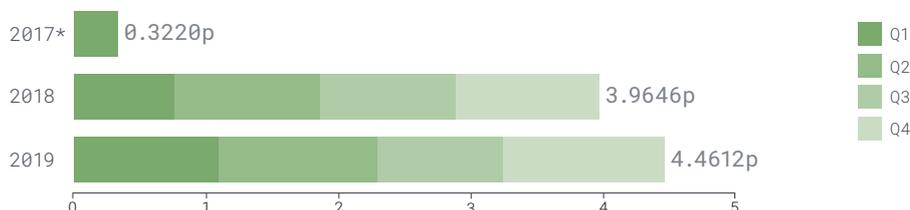
Past performance is not necessarily a guide to future performance.

Fund launched on 18 December 2017.

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

DIVIDENDS

Dividends paid net of charges since inception 31 December 2019 for C GBP Income share class.



* Part period from launch on 18 December 2017.

Company overview	
Name	VT Gravis Clean Energy Income Fund
Regulatory status	FCA Authorised OEIC UCITS V
Sector	IA Global
Launch date	18 December 2017
Fund size	£51.27m
Launch price	£1
Share classes	Income and Accumulation (£, \$, €)
Min. investment	£100
Net Asset Value per share as at 31 December 2019	C Acc (£): 136.50p C Inc (£): 125.91p I Acc (£): 129.72p I Inc (£): 109.98p
Trailing 12 month net yield² as at 31 December 2019	3.54%
Annual turnover to 31 December 2019	3.88%
Charges²	0.8% (AMC & OMF)
Dividends	Quarterly
Classification	Non-complex
£ ISINs	C Acc: GB00BFN4H792 C Inc: GB00BFN4H461

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 (Ongoing Charges Figure) for all share classes is capped at the AMC (Annual Management Charge) 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.



FUND ADVISER'S REPORT

The full year distribution equates to a 4.58% yield based on the Fund's NAV at the start of 2019 and a 4.46% yield based on the Fund's 100p launch price

The Fund recorded a 2.95% gain in December (C Accumulation GBP) thereby rounding off a very strong year of performance for the strategy in which it delivered a total return of 34.29% and recorded a gain in every discrete monthly period during 2019. The Fund aims to deliver a 4.5% income yield with scope for some capital appreciation over time so performance this year has been ahead of expectations. Indeed, the income element – the strategy's focus – was dwarfed by the movement on capital. Another key objective of the strategy is to perform with low levels of volatility when compared to global equity markets and deliver attractive risk-adjusted returns. In this regard, the risk profile - measured by trailing 12 month annualised daily volatility – stood at 5.65%, which compares very favourably with the MSCI World (12.3%) and S&P Clean Energy Index (14.8%).

In December, the portfolio added a new position via the Initial Public Offering of Octopus Renewables Infrastructure Trust, a vehicle that will deploy proceeds (£350m) across a diversified portfolio of wind, solar and other renewable energy assets. In addition, the Fund participated in follow-on raises from existing holdings Greencoat Renewables and SDCL Energy Efficiency. In each case, the issues were significantly oversubscribed demonstrating strong levels of investor demand for such companies.

The broader outlook for renewable energy investment remains compelling: In its 2019 New Energy Outlook report, Bloomberg New Energy Finance expects that nearly half of global electricity generation will be delivered by wind or solar technologies by 2050 (vs. just 7% in 2018) and that electricity demand itself is set to increase by 62% over this period. There is significant momentum behind the movement to decarbonise the global economy and with wind and/or solar technologies

now representing the cheapest option for additional electricity generation capacity in two-thirds of the world, it is unsurprising that considerable investment will be directed into new wind and solar assets. Globally, new electricity generating capacity is expected to attract more than \$13 trillion of investment over the next 30 years, of which \$5.3 trillion will be directed into wind projects and \$4.2 trillion into solar projects, according to BNEF forecasts.

Fourth quarter dividend announced

On 31st December the Fund announced dividends for the fourth quarter of 2019, payable in January. Holders of the C Income GBP units will receive 1.2154p, which takes the total annual distribution to 4.4612p – a near 0.5p improvement year-on-year. The full year distribution equates to a 4.58% yield based on the Fund's NAV at the start of 2019 and a 4.46% yield based on the Fund's 100p launch price, which is in line with the strategy's target.

Yield is a function of price and therefore strong capital appreciation throughout the year has resulted in significant yield contraction across our investment universe. If prices remain firm, investors should be cognizant that the strategy's ability to meet its income target in 2020 will prove challenging. Nevertheless, in the context of 10-year government yields in the UK and US of 0.8% and 1.9% respectively, the Adviser is confident that the strategy will continue to deliver a very attractive level of income for investors.

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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.£2.7bn of assets in the sector in the UK.

Funds under management include the FTSE 250 company GCP Infrastructure Investments Limited, which has invested over £1bn in UK infrastructure, and GCP Student Living Plc which has invested over £600m in UK student accommodation.

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.£570m VT Gravis UK Infrastructure Income Fund, which is the only OEIC focusing on investment exclusively in the UK's infrastructure sector.

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Available on the following platforms

Aegon	James Hay
Alliance Trust Savings	Novia
All Funds	Nucleus
Aviva	Pershing
Co Funds	Transact
Funds Network	Zurich
Fusion	7IM
Hargreaves	Standard Life

CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

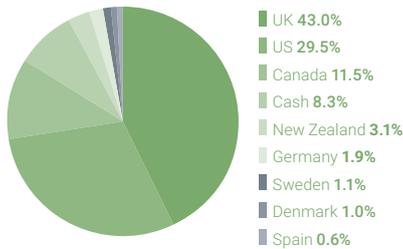
18 December 2017 – 31 December 2019

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Clean Energy	–	36.5%	7.1%	3.5%
MSCI UK	0.33	8.3%	12.3%	4.6%
MSCI World Infrastructure	0.27	15.5%	10.9%	3.9%
S&P Global Clean Energy	0.29	37.7%	15.0%	2.1%

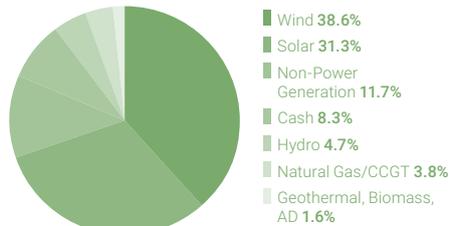
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PORTFOLIO

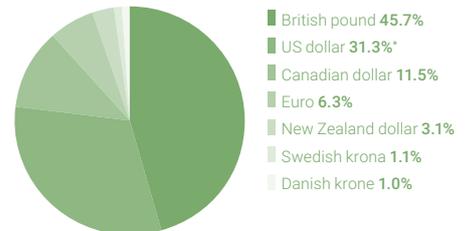
Geographic listing



Energy source



Currency



* US dollar exposure is currently hedged, resulting in a total effective GBP exposure of 77.1%.

SECURITY TYPE

Sectors



TOP 10 HOLDINGS ON 31 DECEMBER 2019

HOLDING	%
Renewables Infrastructure Group Ltd	6.6
TransAlta Renewables Inc	6.6
NextEnergy Solar Fund Ltd	6.1
Atlantica Yield PLC	5.5
JLEN Environmental Assets Group Ltd	5.5
Pattern Energy Group Inc	5.4
Hannon Armstrong Sustainable Infrastructure Capital Inc	4.8
Foresight Solar Fund Ltd	4.6
TerraForm Power Inc	4.5
Bluefield Solar Income Fund Ltd	3.5

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