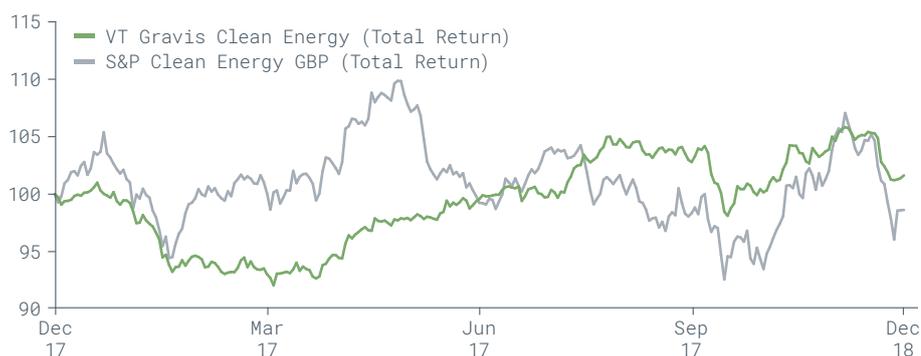


OVERVIEW

- 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 of companies involved in the operation, funding, construction, generation and supply of clean energy
- 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 18/12/17 – 31/12/18



RETURNS

	DECEMBER 2018	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis Clean Energy	-3.82%	-1.63%	1.83%	1.69%	1.65%	8.13%
MSCI UK	-3.61%	-9.67%	-10.07%	-8.82%	-6.94%	12.78%
MSCI World Infrastructure	-4.82%	-1.76%	1.85%	0.57%	-1.18%	11.60%
S&P Global Clean Energy	-6.48%	-0.22%	-0.48%	-2.99%	-1.38%	15.22%

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. Based on £1,000 invested since inception to 31 December 2018.

DIVIDENDS	JAN 18*	APR 18	JUL 18	OCT 18	JAN 19	TOTAL INCOME	TOTAL RETURN
C GBP Income	£3.22	£7.59	£10.97	£10.25	£10.84	£42.87	£1,017.21

* Part period from launch on 18 December 2017.

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. Published dividends are net of charges which are taken from income.

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	£6.84m
Launch price	£1
Share classes	Income and Accumulation (£, \$, €)
Min. investment	£100
Net Asset Value per share as at 31 December 2018	C Inc (£): 97.35 C Acc (£): 101.65 I Inc (£): 100.00 I Acc (£): 96.48
Net yield² as at 31 December 2018	4.07%
Annual turnover to 31 December 2018	25.67%
Capped fund operating charges	0.8% (AMC & OMF)
Dividends	Quarterly
Classification	Non-complex
£ ISINs	C Acc: GB00BFN4H792 C Inc: GB00BFN4H461



FUND ADVISER'S REPORT

C Income GBP unitholders have received 4.2866p in dividends after charges since the Fund was launched approximately 54 weeks ago.

Market volatility spiked in December and equities recorded significant losses on a global view, rounding off a poor year for returns from risk assets. The VT Gravis Clean Energy Income Fund was not immune to broader price weakness and recorded a loss of 3.82% in December (C Accumulation GBP), but this was not as severe as the declines experienced in global equities or the S&P Global Clean Energy Index. For 2018 overall, the Fund recorded a modest total return of 1.69% with a volatility profile of just 8.1%. The Adviser believes this is a good outcome considering the challenging backdrop, and performance was ahead of indices to which the Fund is potentially comparable; namely S&P Global Clean Energy (-2.99%), MSCI World Infrastructure (+0.57%) and MSCI World (-3.04%). In addition, the Fund demonstrated, at most, just two thirds of the volatility of these indices.

There was limited company news flow during December but at a macro-economic level, events in the UK and US have influenced investor sentiment and have ramifications for the portfolio. The ongoing uncertainty surrounding Brexit is clearly weighing on domestic markets but also leaves investors vulnerable to short-term swings in sentiment that will manifest in heightened volatility in security prices and FX markets. Meanwhile, in the US, interest rate expectations are now pricing in an interest rate cut sometime during the first half of 2020. This is supported by the inversion at the short end of the US yield curve and by the near-term forward spread (the difference between the forward rate implied by treasury bills six quarters from now and the current three month yield), which has fallen into negative territory for the first time in over a decade.

While yields retracing in the US (as they have in the UK) is good news for the portfolio since it should increase further the attractiveness of

high yielding assets, the ongoing uncertainty around Brexit poses threats that are difficult to quantify.

In light of continuing Brexit uncertainty, the decision was taken early in December to hedge the portfolio's exposure to GBP/USD, effectively nullifying any potential impact from volatility in the GBP/USD exchange rate, which the Adviser believes will increase as Brexit negotiations edge towards an end game. Perhaps surprisingly, GBP/EUR has been relatively rangebound and does not, in the Adviser's view, pose as big a potential threat to portfolio stability as changes in the GBP/USD rate – not least given the far higher weighting to USD-denominated securities within the portfolio. This action is tactical and has been implemented to protect the portfolio from FX-driven volatility rather than reflecting a strong view on the outcome of Brexit negotiations and the ultimate direction of GBP. It is envisaged that the hedge will remain in place until there is greater visibility around whether the UK leaves the EU with or without a deal in place and as such could be maintained throughout the first quarter of 2019.

The Fund's position in Spanish utility Endesa was sold during the period at a very attractive level. This action has resulted in the removal of the last small elements of exposure to coal and nuclear generation, which we believe will be viewed as a positive evolution by many investors.

Fourth quarter dividend announced

On 31st December the Fund announced dividend distributions for the fourth quarter of 2018, payable in January. Holders of the C Income GBP units will receive 1.0837p which, based on closing prices for 31st December, equates to a trailing 12-month net yield of 4.07%. C Income GBP unitholders have received 4.2866p in dividends since the Fund was launched approximately 54 weeks ago.

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.£2.5bn 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.£293m VT Gravis UK Infrastructure Income Fund, which is the only OEIC focusing on investment in the UK's infrastructure sector.

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Aviva	Transact
Funds Network	Novia

Will Argent

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CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

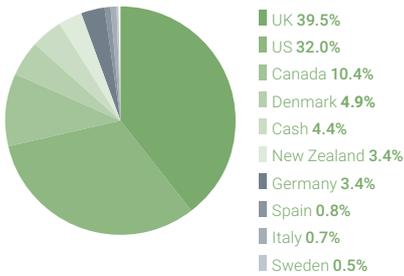
18 December 2017 – 31 December 2018

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis Clean Energy	—	1.6%	8.1%	4.1%
MSCI UK	0.36	-6.9%	12.8%	5.0%
MSCI World Infrastructure	0.31	-1.2%	11.6%	4.3%
S&P Global Clean Energy	0.32	-1.4%	15.2%	2.8%

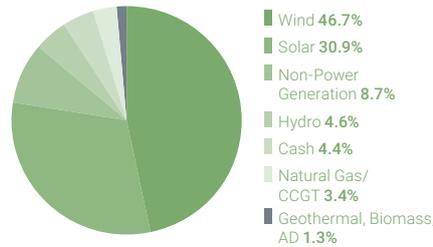
Past performance is not necessarily a guide to future performance.

PORTFOLIO

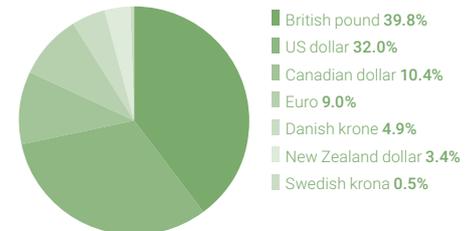
Geographic listing



Energy source



Currency



TOP 10 HOLDINGS ON 31 DECEMBER 2018

HOLDING	%
NextEnergy Solar Ltd	6.8
Pattern Energy Group Inc Class A	6.4
TerraForm Power Inc	6.4
John Laing Environmental Assets	6.3
Greencoat UK Wind PLC	5.3
Renewables Infrastructure Group Ltd	4.9
Hannon Armstrong Sustainable Infrastructure Capital Inc	4.8
Foresight Solar	4.7
Atlantica Yield PLC	4.7
Clearway Energy Inc	4.4

SECURITY TYPE

Sectors



DISCLAIMER

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