



Aberforth Split Level Income Trust plc

Monthly Factsheet

31 October 2021

Fund structure

The Fund is a split capital investment trust – a type of investment company, or collective investment fund – with Premium (Ord) & Standard (ZDP) share listings on the Main Market of the London Stock Exchange.

Manager: Aberforth Partners

The Fund is managed by Aberforth's investment team of seven fund managers:

Sam Ford	Jeremy Hall
Sonya Kim	Euan Macdonald
Keith Muir	Peter Shaw
Christopher Watt	

Further information on the investment team is available at www.aberforth.co.uk.

Investment universe: NSCI (XIC)

The Fund's primary investment universe is the Numis Smaller Companies Index (excluding Investment Companies). This index is rebalanced every January and its profile at the date of this Factsheet was:

Number of companies	317
Total market value	£162bn
Largest constituent	£3.3bn
Largest constituent if index rebalanced at Factsheet date	£1.6bn

Key Fund information

Total investments	£234m
Number of investments	69
Active share	75.9%
Gearing - ZDP shares	£55m
Net gearing	30.7%
Total net assets	£179m
Ord share NAV	93.97p
Ord share price	81.30p
Ord discount/(premium)	13.5%
ZDP share NAV (Accounts basis)	115.82p
ZDP share price	116.00p
ZDP discount/(premium)	-0.2%

Fees & charges

Management fee* (12m to 30 Jun 21)	0.99%
Performance fee	None
Ongoing charges (at 30 Jun 21 & includes Management fee)	1.23%

* Further details of the Management fee are available at www.aberforth.co.uk.

Yield & dividends (Ord)

Yield	3.8%
1 st interim dividend (paid 9 Mar 21)	0.92p
2 nd interim dividend (paid 27 Aug 21)	2.13p

Objective

The Fund's objective is to provide Ordinary (Ord) shareholders with a high level of income, with the potential for income and capital growth, and to provide Zero Dividend Preference (ZDP) shareholders with a pre-determined final capital entitlement of 127.25p per ZDP share on the planned winding up date of 1 July 2024.

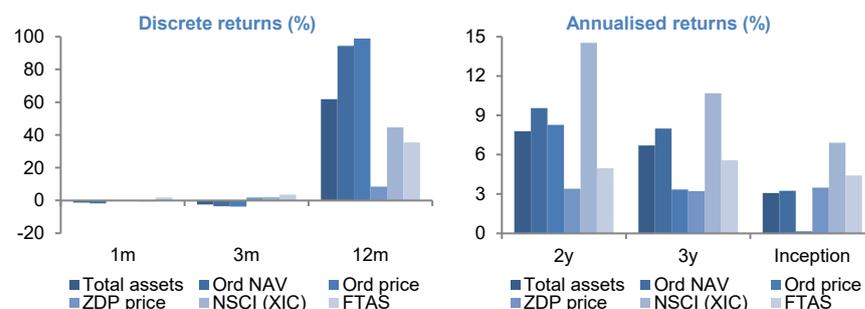
Investment style: Value

Aberforth are value investors who buy shares in companies that they calculate to be selling below their intrinsic value. This is determined through detailed financial and industrial analysis, combined with a valuation approach that focuses on both stockmarket and corporate worth.

Investment performance (annualised total returns)

Growth (%)	1m	3m	12m	2y	3y	Inception
Total assets	-1.3	-2.5	61.8	7.8	6.7	3.1
Ord NAV	-1.8	-3.6	94.4	9.6	8.0	3.2
Ord price	-0.4	-3.8	98.8	8.3	3.3	0.1
ZDP price	0.0	1.8	8.4	3.4	3.2	3.5
NSCI (XIC)	-0.5	2.0	44.5	14.5	10.7	6.9
FTAS	1.8	3.5	35.4	5.0	5.6	4.4

Notes: 1m & 3m returns not annualised; Inception = 30 Jun 17; FTAS = FTSE All-Share Index.



Monthly investment commentary: October

Global equities rebounded from September's weakness, aided by the generally favourable quarterly earnings season in the US. Supply chain bottlenecks and rising consumer prices continued to be salient themes across the globe. The oil price surged to the highest level since 2018, while growing expectations of interest rate rises was evident in the upward movement of short-dated bonds during the month. Against this macro backdrop, the FTSE All-Share (+1.8%) led the NSCI (XIC) (-0.5%), helped by higher exposure to Energy and Financials.

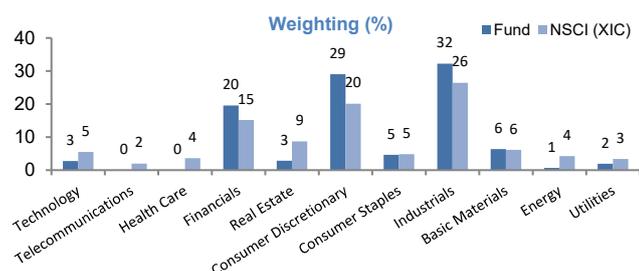
The Fund was down 1.3% for the month. The continued cyclical recovery across industries was evident in the winners, which included **Robert Walters** (recruitment services) and **Provident Financial** (specialty lender). Despite the concerns about supply chain challenges, **Bloomsbury Publishing** (book publisher) and **Wincanton** (logistics provider) performed well on the back of trading updates, which confirmed continued growth.

Holdings with weakest performance were less thematic in nature. **Reach** (news publisher) partially gave back the previous months' gains, while poor sentiment for **International Personal Finance** (specialty lender) may have been affected by Poland's weakening relationship with the EU. **Micro Focus** (software provider) was weak ahead of an upcoming trading update, as was **Crest Nicholson** (housebuilder) despite operational improvements and sustained housing demand.

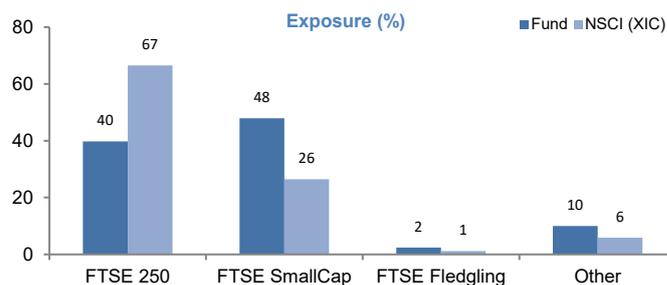
Top 10 equity investments

Name	Activity	%
Reach	UK newspaper publisher	3.8
Rathbone Brothers	Private client fund manager	3.6
Brewin Dolphin Holdings	Private client fund manager	3.5
Redde Northgate	Van rental	3.2
Wincanton	Logistics	3.0
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.8
TI Fluid Systems	Automotive parts manufacturer	2.6
Bloomsbury Publishing	Independent publishing house	2.5
International Personal Finance	Home credit provider	2.4
Vesuvius	Metal flow engineering	2.4

Sector exposure



Size exposure



Gearing

The Fund's Ord shares are geared by the capital entitlement of the ZDP shares which will rise continuously until the planned winding up date of 1 July 2024. The net gearing figure shown in the Key Fund information section is the percentage by which the total value of investments exceeds the total net assets.

Hurdle rates & redemption yields

The Fund's latest hurdle rates and redemption yields are available from the AIC website at www.theaic.co.uk; select Statistics, then ZDP Analytics.

Data sources & calculations

All data supplied by Aberforth, except NSCI (XIC) data (from Numis/Paul Marsh and Elroy Dimson – London Business School) and FTSE data (from FTSE International Limited).

Performance returns are total returns after all expenses and assume reinvestment of dividends. Yield is based on the Fund's trailing 12 months' dividends (excluding Specials). Active share is a measure of how the Fund's portfolio differs from the NSCI (XIC). Small companies are represented by the NSCI (XIC). Large companies are represented by the FTAS.

Risk warnings

Investments in shares of smaller companies are generally considered to carry a higher degree of risk as the market for their shares may be less liquid than that for shares of larger companies, making shares of smaller companies more difficult to buy and sell.

The performance of shares of smaller companies may be more volatile than the shares of larger companies over short time periods; therefore investors should regard such investments as long term.

There can be no guarantee that the investment objective of the Fund will be achieved or provide the dividends and returns sought by the Fund.

An investment in the Fund is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise from such an investment (which may be equal to the whole amount invested). Such an investment should be regarded as long term in nature and complementary to existing investments in a range of other financial assets and should not form a major part of an investment portfolio.

An investment trust is a public limited company, the shares of which are traded on the Main Market of the London Stock Exchange. Accordingly, the ability of shareholders to sell their shares will be dependent on the market price of the shares. The shares may trade at a discount or premium to their net asset value.

Investment trusts may borrow money in order to make further investments. This is known as gearing. The effect of gearing can enhance returns to shareholders in rising markets but will have the opposite effect on returns in falling markets.

The Fund's Ordinary shares (Ords) are geared by the Zero Dividend Preference shares (ZDPs) and rank for repayment of capital after the ZDPs and any creditors of the Fund. A positive net asset value for the Ords will be dependent upon the Fund's assets being sufficient to meet the prior capital entitlements of the holders of the ZDPs. The Ords should therefore be regarded as carrying above average risk. The ZDPs are not a protected or guaranteed investment. In particular, should the Fund be wound up prior to its planned winding up date, holders of ZDPs would only receive their accrued capital entitlement to the date of winding up - which would be less than the final anticipated capital entitlement of the ZDPs.

Aberforth Partners LLP does not provide retail investors with investment advice.

This document has been issued for information purposes only. It does not contain any investment recommendations or an invitation to invest in the Fund. Investors should seek advice from an authorised financial adviser prior to making investment decisions.

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Security codes & other information

Ord shares	ZDP shares	Other information
SEDOL: BYPBD39	SEDOL: BYPBD51	Launched: 3 Jul 17
ISIN: GB00BYPBD394	ISIN: GB00BYPBD519	Next year-end: 30 Jun 22
TIDM: ASIT	TIDM: ASIZ	LEI: 21380013QYW082NZV529
Shares in issue: 190,250,000	Shares in issue: 47,562,500	Planned winding-up: 1 Jul 24
Market value: £155m	Market value: £55m	

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