

ES River and Mercantile UK EQUITY SMALLER COMPANIES FUND

CLASS B GBP (Accumulation)

RIVER AND MERCANTILE

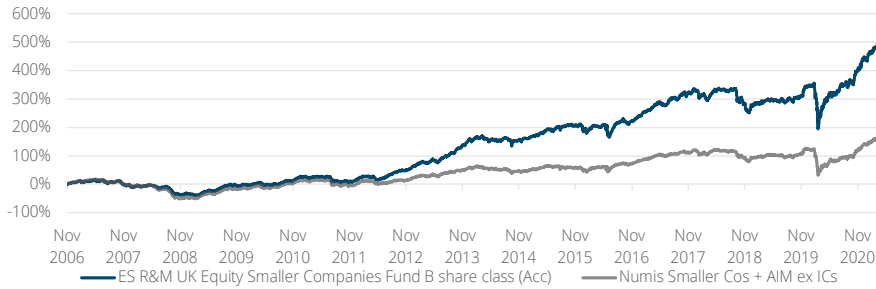
PAST PERFORMANCE

The chart and tables below show the performance of the fund's GBP B (Acc) share class since the launch of the share class on 30 November 2006.

Source: River and Mercantile Asset Management LLP. Fund performance is calculated using midday published prices. Benchmark performance is calculated using close of business mid-market prices.

Past performance is not a reliable guide to future results.

PERFORMANCE SINCE INCEPTION



CUMULATIVE PERFORMANCE

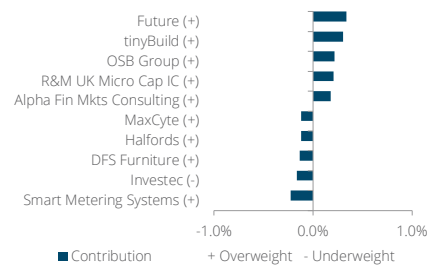
	1 month %	3 months %	1 year %	3 years %	5 years %	10 years %	Since inception %
B share class (Acc)	7.2	16.7	57.2	48.8	105.9	389.2	524.0
Benchmark	5.9	15.6	60.3	27.1	70.9	135.8	174.4

DISCRETE 12 MONTH PERFORMANCE

	12 months to 30/04/2017	12 months to 30/04/2018	12 months to 30/04/2019	12 months to 30/04/2020	12 months to 30/04/2021
B share class (Acc)	24.8%	10.9%	-4.5%	-0.9%	57.2%
Benchmark	24.6%	7.9%	-5.0%	-16.5%	60.3%

TOP 5 PERFORMANCE CONTRIBUTORS & DETRACTORS

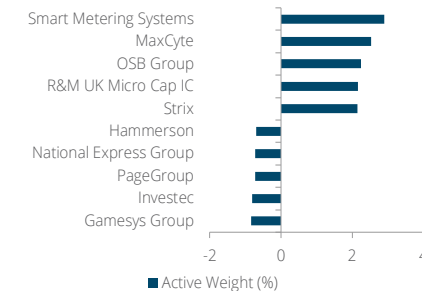
The best and worst contributors to the portfolio's performance relative to the benchmark



Source: River and Mercantile Asset Management LLP

TOP 5 OVERWEIGHTS & UNDERWEIGHTS

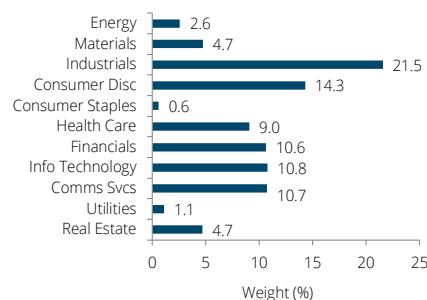
The securities in which the portfolio weight differs most from that of the benchmark



Source: River and Mercantile Asset Management LLP

SECTOR WEIGHTS

Portfolio weightings within specific industrial sectors.



Source: River and Mercantile Asset Management LLP

TOP 10 HOLDINGS

The ten largest positions by weight held in the portfolio.

	Weight (%)
Smart Metering Systems	3.3
MaxCyte	2.4
Strix	2.4
OSB Group	2.2
R&M UK Micro Cap IC	2.1
Future	2.1
Supermarket Income REIT	2.1
Gamma Communications	2.0
EMIS	2.0
Diversified Gas & Oil	1.9

Source: River and Mercantile Asset Management LLP

INVESTMENT OBJECTIVE

To grow the value of your investment (known as "capital growth") in excess of the Numis Smaller Companies + AIM (excluding Investment Companies) Index net total return (the "Benchmark") over a rolling 5-year period, after the deduction of fees.

PORTFOLIO MANAGER

Daniel Hanbury

PORTFOLIO & RISK CHARACTERISTICS

Number of holdings	77
Fund Volatility	15.8%
Benchmark Volatility	17.1%
Beta	0.89
Active Money	82.3%

KEY FACTS

Fund launch date	30/11/2006
Share class launch date	30/11/2006
Benchmark	Numis Smaller Companies + AIM (ex ICs) Index
IA sector	UK Smaller Companies
Total fund size	£511.2m
Domicile	UK
Fund type	UK UCITS
SEDOL	B1DSZS0
ISIN	GB00B1DSZS09
Bloomberg	RMUKSEA
Distribution type	Accumulation

FEES & CHARGES

Initial charge	Up to 5.25%
AMC	0.75%
Ongoing charge (including AMC)	0.88%

DEALING INFORMATION

Dealing frequency	Daily
Dealing cut-off time	12pm (UK)
Valuation point	12pm (UK)
Settlement	T+4
Minimum investment	£1000

SYNTHETIC RISK & REWARD INDICATOR (SRRI)



CONTACT DETAILS

Telephone 0345 603 3618
Email enquiries@riverandmercantile.com

MARKET CAPITALISATION

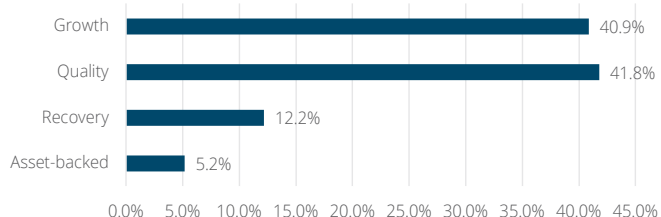
Comparison of portfolio and benchmark weightings across a range of sizes based on company value.

		Fund	Benchmark	Active
Mega Cap	£20bn +	0.0%	0.0%	0.0%
Large Cap	£4bn - £20bn	0.0%	0.0%	0.0%
Mid Cap	£2bn - £4bn	6.2%	1.6%	4.5%
Small Cap	£100m - £2bn	83.9%	91.3%	-7.4%
Micro Cap	£0m - £100m	0.6%	7.1%	-6.5%

Source: River and Mercantile Asset Management LLP

CATEGORIES OF POTENTIAL

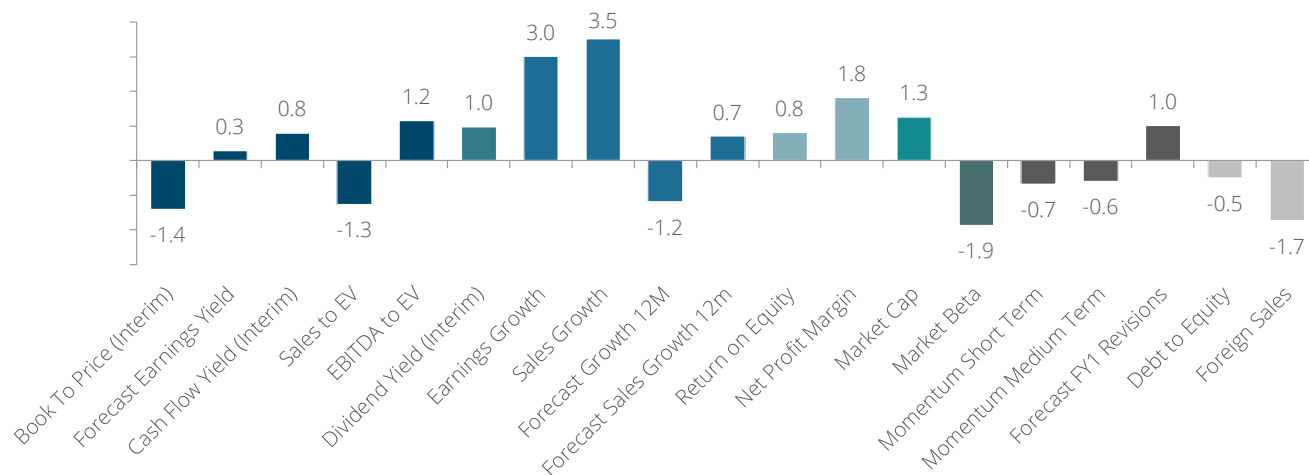
The weighting of the portfolio across the four categories of potential, related to stages of a company's life cycle.



Source: River and Mercantile Asset Management LLP, excludes cash and ETFs.

PORTFOLIO STYLE SKYLINE

This chart shows the Style Tilts of the portfolio against the benchmark as calculated by StyleAnalytics.



Source: StyleAnalytics

FUND RATINGS



OTHER INFORMATION

Authorised Corporate Director: Equity Trustees Fund Services Limited
 Investment manager: River and Mercantile Asset Management LLP
 Depository: The Bank of New York Mellon (International) Limited

MANAGER'S REVIEW

Investment background

Global equity markets continued their march higher in April (Numis Smaller Companies exIT inc AIM +5.9% total return in GBP). Some better performing segments of the market year-to-date, particularly value factor indices, lagged in relative terms. Equity performance dynamics took their lead from bond markets, where the US 10-year treasury yield retrenched from recent highs. Commodities prices moved sharply higher again after consolidating in March (Brent oil +6% and copper +12%). These are amongst several input prices which are showing sharp year-on-year growth providing an inflationary environment in the near-term that central bankers continue to describe as 'transitory'. This is an important underpin for the maintenance of ultra-loose monetary policy, with short rates close to zero.

Strategy update

Performance

Our fund returned 7.2% through the month, just ahead of the benchmark up 5.9%. YTD the fund is up 16.3% in line with the benchmark return. Tech & financial stocks were the most positive contributors in the period.

Activity

After a busier than usual period of activity over the past year, this month there were only two material new purchases for the portfolio. Joles Group is a fundamentally attractive fashion retailer with a strong brand and track record of organic growth disrupted most recently by the Covid-19 pandemic. E-Commerce has grown 27% CAGR over recent years and this shows little sign of slowing. In the stores, reduced lease costs going forward also provide greater opportunity for operational gearing to provide earnings surprises as the economy opens up. Joles have strong sustainable sourcing of all their product including ethical audits and innovation in packaging. Clinigen Group was re-purchased after an improvement in the timing was observed. Clinigen has a specialist global regulatory, supply and distribution capability to ensure the right medicine is in the right place at the right time throughout the lifecycle of a medicine. Growth is driven from

increased outsourcing by global Pharmaceutical businesses. After a period of lower growth and poorer cash flow the shares de-rated to an attractive valuation and most recently their outlook on the year ahead improved providing the catalyst to re-invest. Blue Prism was exited as despite our enthusiasm for the RPA (Robotic Process Automation) market we could not get comfortable with Blue Prism's ability to capture that opportunity profitably to justify the high valuation.

Outlook

Pandemic headlines continue to improve and the outlook for the UK economy is seeing confidence rapidly return as the latest Covid wave falls and the vaccines are successfully rolled out. The debate over the longevity of inflation is likely to rumble on over the summer. Share prices have moved a long way from the lows of 12 months ago and high valuations in the context of history for many (but certainly not all) assets suggest we should be prepared for volatility as markets try to price the baton change from early-cycle reflationary conditions to what comes next.

In this context, we still think the UK market remains relatively cheap despite the most recent rally. Valuation dispersion gaps, while closing, remain higher than in other regions on our preferred composite measure. This provides an attractive environment to blend our Growth, Quality, Recovery and Asset-backed categories. We are buying high quality undervalued stocks, where we believe growth will be stronger and more sustainable than the market believes. We continue to execute on a sell discipline that enables us to recycle capital into new exceptional small cap equity investments.

Thank you for your interest and support through the eventful markets of the past 12 months.



Dan Hanbury
Portfolio Manager
May 2021

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