



Aberforth Split Level Income Trust plc

Monthly Factsheet

31 October 2023

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 six fund managers:

Sam Ford	Jeremy Hall
Euan Macdonald	Rob Scott Moncrieff
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	332
Total market value	£122bn
Largest constituent	£2.0bn
Largest constituent if index rebalanced at Factsheet date	£1.6bn

Key Fund information

Total investments	£186m
Number of investments	62
Active share	76.0%
Gearing – ZDP shares	£59m
Net gearing	41.4%
Total net assets	£132m
Ord share NAV	69.19p
Ord share price	63.60p
Ord discount/(premium)	8.1%
ZDP share NAV (Accounts basis)	124.29p
ZDP share price	119.50p
ZDP discount/(premium)	3.9%

Fees & charges

Management fee* (12m to 30 Jun 23)	1.01%
Performance fee	None
Ongoing charges (at 30 Jun 23 & includes Management fee)	1.26%

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

Yield & dividends (Ord)

Yield	7.9%
1 st interim dividend (paid 8 Mar 23)	1.70p
2 nd interim dividend (paid 31 Aug 23)	3.30p

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.

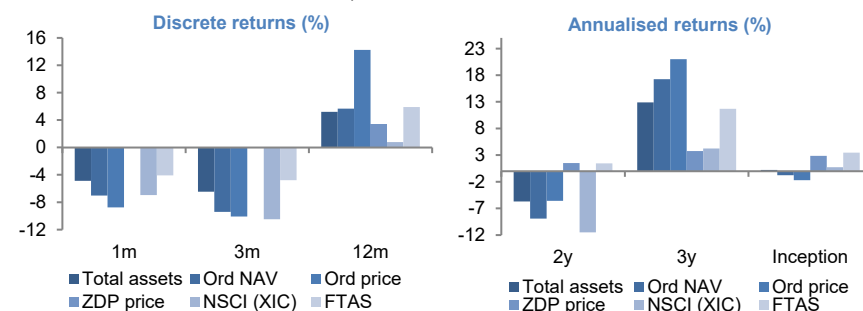
Investment style: Value

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	-4.9	-6.5	5.2	-5.7	12.9	0.2
Ord NAV	-7.0	-9.4	5.7	-8.9	17.3	-0.8
Ord price	-8.7	-10.1	14.3	-5.6	21.0	-1.7
ZDP price	0.0	0.0	3.5	1.5	3.8	2.9
NSCI (XIC)	-7.0	-10.5	0.8	-11.5	4.2	0.7
FTAS	-4.1	-4.8	5.9	1.5	11.7	3.5

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



Monthly investment commentary: October

October was a weak month for equity markets, as records suggest it often is. Hamas's attack on Israel heightened the geopolitical risk premium. The oil price fluctuated, but investors received little protection in the bond market, where yields increased further. UK equities under-performed against global peers, with the FTSE All-Share down by 4.1%. Smaller companies were weaker still, as the NSCI (XIC) fell by 7.0%. The Fund's decline of 4.9% was less severe, thanks to a good month for the value style and to stock selection.

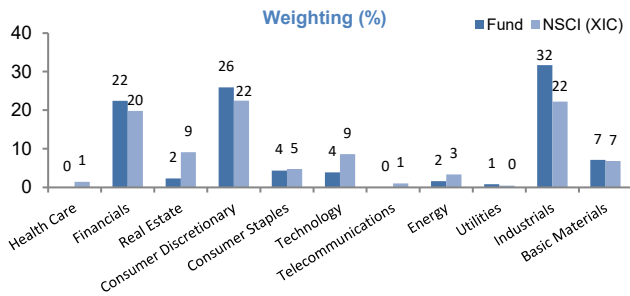
Smiths News, the newspaper distributor, was a strong performer. It reported good trading through the second half of its financial year, which was followed by the announcement of a contract extension with News UK. **XPS Pensions**, the pensions consultancy, continued what has been a strong run in 2023. A mid-month trading update pointed to a full year result likely to come ahead of prior expectations. **Castings**, the iron casting and machining group, was another to issue a good trading update, which pointed to strong demand from its customers in the European heavy truck market.

Enegean had the largest negative effect on performance in the month. This producer of oil and gas in Israeli waters fell in the aftermath of the Hamas attacks. Operations may be affected in the future but directors in the company have taken the opportunity to make significant share purchases since the price fall. **Rathbones** provided the second largest negative contribution. Its third quarter results revealed that the company is facing the same weak asset flow trends that are evident across the industry. This comes while the company digests the acquisition of Investec's wealth management business.

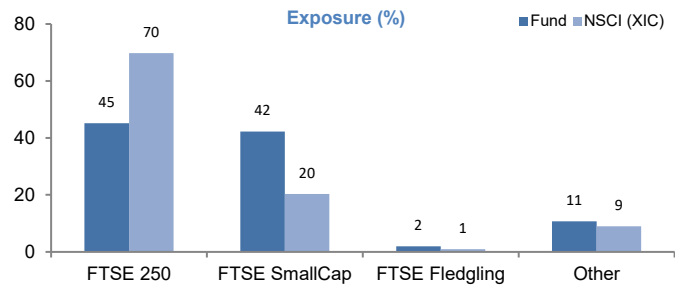
Top 10 equity investments

Name	Activity	%
Redde Northgate	Van rental	3.4
Wilmington	Business publishing & training	3.3
Vesuvius	Metal flow engineering	3.3
FirstGroup	Bus & rail operator	3.1
International Personal Finance	Home credit provider	3.1
Rathbones Group	Private client fund manager	3.0
Wincanton	Logistics	2.9
Centamin	Gold miner	2.9
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.8
Close Brothers Group	Bank, stockbroker & private client fund manager	2.5

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 ZDP Analytics section of the AIC website at www.theaic.co.uk.

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 24
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: £133m	Market value: £57m	

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