



Aberforth Split Level Income Trust plc

Monthly Factsheet

30 September 2022

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	319
Total market value	£108bn
Largest constituent	£2.4bn
Largest constituent if index rebalanced at Factsheet date	£1.5bn

Key Fund information

Total investments	£179m
Number of investments	65
Active share	75.1%
Gearing - ZDP shares	£57m
Net gearing	45.4%
Total net assets	£123m
Ord share NAV	64.87p
Ord share price	56.40p
Ord discount/(premium)	13.1%
ZDP share NAV (Accounts basis)	119.63p
ZDP share price	116.50p
ZDP discount/(premium)	2.6%

Fees & charges

Management fee* (12m to 30 Jun 22)	1.02%
Performance fee	None
Ongoing charges (at 30 Jun 22 & includes Management fee)	1.32%

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

Yield & dividends (Ord)

Yield	7.6%
1 st interim dividend (paid 8 Mar 22)	1.51p
2 nd interim dividend (paid 26 Aug 22)	2.79p
Special dividend (paid 26 Aug 22)	0.25p

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.

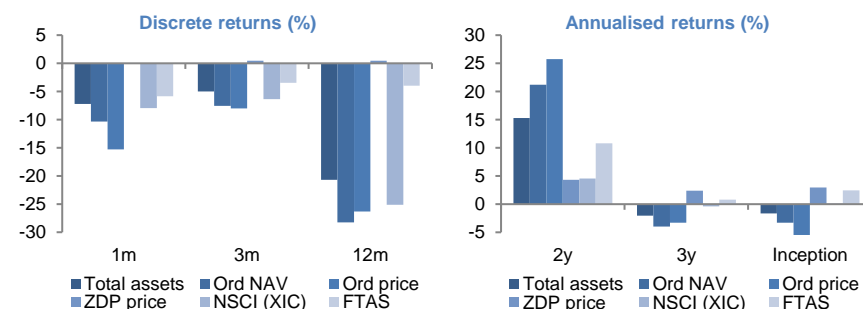
Investment style: Value

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	-7.2	-5.0	-20.7	15.3	-2.0	-1.6
Ord NAV	-10.3	-7.6	-28.3	21.2	-4.0	-3.3
Ord price	-15.3	-8.0	-26.3	25.8	-3.3	-5.5
ZDP price	0.0	0.4	0.4	4.3	2.4	2.9
NSCI (XIC)	-8.0	-6.3	-25.1	4.5	-0.4	0.1
FTAS	-5.9	-3.4	-4.0	10.8	0.8	2.5

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



Monthly investment commentary: September

At the prospect of even tighter US monetary policy, September proved another bruising month for financial assets worldwide. With a 5.4% decline, the FTSE 100 fared relatively well in a global context, at least in sterling terms. The picture changes once the effects of the UK's heightened political uncertainty on the currency are considered. Small companies typically have less overseas exposure and therefore benefit less from sterling's weakness. The NSCI (XIC) was down by 8.0% and, with no discernible style effects, the Fund by 7.2%.

Among holdings that contributed positively was **Bakkavor**, the food producer and distributor. Its interim results indicated robust trading despite inflationary pressures. This compared favourably with peer and non-holding Hilton Food Group, which fell by 45% as its lofty valuation was challenged by a profit warning stemming from inflationary pressures.

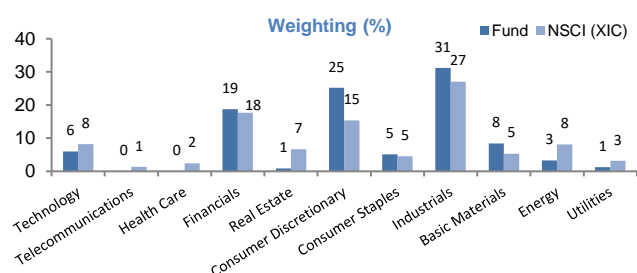
The largest contributor was **RPS**, which was the subject of a counter-offer from US peer Tetra Tech. The original bidder, Canadian-based WSP Global, has yet to signal if it plans to raise its bid. The share price is trading above the board-recommended offer as the market contends that the saga is not yet over.

The largest negative contribution came from the holding of **Vistry Group**, which saw its share price decline by 24% in the month. While the housebuilder announced the takeover of Countryside Partnerships, in a shares and cash deal, the share price move was more heavily influenced by sector-wide concerns. The housebuilders are withstanding extreme negative sentiment after interest rate increases and the anticipated impact of these on housing affordability.

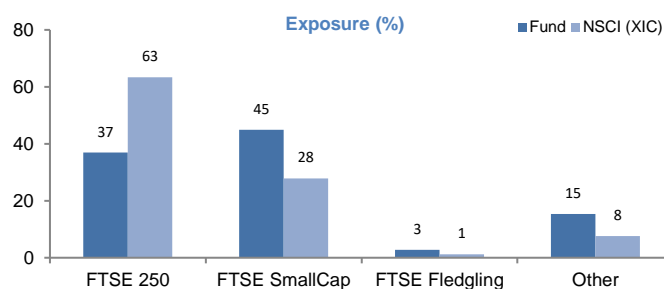
Top 10 equity investments

Name	Activity	%
RPS Group	Energy & environmental consulting	4.4
Micro Focus	Legacy software assets	4.2
Rathbones Group	Private client fund manager	3.9
Go-Ahead Group	Bus & rail operator	3.8
Centamin	Gold miner	3.3
Redde Northgate	Van rental	3.0
Wincanton	Logistics	3.0
Anglo Pacific Group	Natural resources royalties	2.7
Wilmington	Business publishing & training	2.7
Energiean	Oil & gas exploration and production	2.6

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 23
TIDM: ASIT	TIDM: ASIZ	LEI: 21380013QYWO82NZV529
Shares in issue: 190,250,000	Shares in issue: 47,562,500	Planned winding-up: 1 Jul 24
Market value: £107m	Market value: £55m	

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