

**MFM Techinvest Special Situations Fund (Class A)****Fund Update: August 2019**

<p><b>IA Classification:</b> UK Smaller Companies</p> <p><b>Fund Objective:</b>          The MFM Techinvest Special Situations Fund is a UK-based open-ended investment company. The aim of the Fund is to provide long-term capital growth and the accumulation of income through an actively managed portfolio of equities whose future prospects do not appear to be fully reflected in the current stockmarket price. The focus will be on smaller UK companies, although opportunities outside the UK may also be included, where appropriate. Particular attention will be paid to new and emerging growth stocks and to recovery situations where change in a company's underlying dynamics or direction can be expected to lead to an improvement in its reported results.</p>	<p>Share Price: 164.87p (at 31st July 2019)</p> <p><b>Five Year Performance:</b></p> <p>Fund Share Price: 53.95%          FTSE 100: 12.73%          FTSE All-Share: 15.29%          AIM All-Share: 21.20%</p>
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Source: Bloomberg (Indices), Morningstar (Fund, mid-to-mid)

**Manager's Comment**

UK equity markets inched forward during July, with the Technology sector significantly outperforming the main market indices. The appointment of Boris Johnson as Prime Minister during the month increases the prospects of a no-deal Brexit when the current extension on article 50 expires on 31<sup>st</sup> October 2019. The month saw continued weakness in sterling, which has begun to benefit those Companies which derive a sizeable percentage of revenues from international customers.

**Activity**

July signalled the start of the traditional slowdown in the flow of company results. The Fund took the opportunity to rebalance some elements of the portfolio, and also take part profits in some stocks showing significant gains. These included GAN, which has put itself up for sale, with Management of the view that the share price undervalues the prospects for the Company. The Fund took part in the IPO of Keystone Law back in November 2017 at a price of 160 pence per share, and it has been a strong performer, with Management delivering a series of positive results, validating the Company's disruptive business model. The Fund took the opportunity presented by the rise in the share price and sold a portion of its holding at 525 pence per share.

<b>Fund Performance</b>				
	<b>5 years %</b>	<b>3 years %</b>	<b>1 year %</b>	<b>6 months %</b>
<b>MFM Techinvest Special Situations Fund</b>	53.95	16.90	-22.05	0.93
<b>FTSE 100</b>	12.73	12.82	-2.09	8.87
<b>FTSE All-Share</b>	15.29	13.14	-2.80	8.06

<b>Discrete Year Performance</b>	<b>Fund Performance %</b>
<b>01/08/2018 to 31/07/2019</b>	-22.05
<b>01/08/2017 to 31/07/2018</b>	13.73
<b>01/08/2016 to 31/07/2017</b>	31.87
<b>01/08/2015 to 31/07/2016</b>	9.81
<b>01/08/2014 to 31/07/2015</b>	19.94

Please remember that past performance is not a guide to the future. Fund launched 5<sup>th</sup> July 2005. Source: Bloomberg (Indices). Morningstar (Fund, mid-to-mid). Data at close 31st July 2019.

<b>Top 10 Holdings</b>	
D4T4 Solutions	7.3%
Statpro	6.0%
GAN	5.5%
Mincon Group	4.8%
BATM Advanced Communications	4.7%
Keystone Law	4.2%
Equals Group	3.9%
Eckoh	3.5%
Boohoo Group	3.4%
Tavistock Investments	3.1%

Source: Marlborough Investment Management International Limited. Data at close 31st July 2019.

Authorised Corporate Director	Marlborough Fund Managers Ltd (Authorised and regulated by the Financial Conduct Authority) Head Office: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Telephone: +44 (0) 1204 380 060
Investment Manager	Marlborough Investment Management International Limited (Regulated by the Central Bank of Ireland) 7/8 Mount Street Upper, Dublin 2, Ireland.
Fund Size	£7.1m
Fund Launch	5th July 2005
Minimum Investment	£1,000
Valuation Point	Weekly (each Wednesday at noon)
Initial Charge	5%
Ongoing Charge (Class A)	1.62%
Contact	Marlborough Fund Managers Ltd Marlborough House, 59 Chorley New Road Bolton, BL1 4QP Telephone: +44 (0)1204 380 060  The Key Investor Information Document and Full Prospectus are available free of charge.

Source: Marlborough Fund Managers. Data at close 31st July 2019.

† The Lipper Fund Awards are part of the Thomson Reuters Awards for Excellence, a global family of awards that celebrate exceptional performance throughout the professional investment community. The Thomson Reuters Awards for Excellence recognise the world's top funds, fund management firms, sell-side firms, research analysts, and investor relations teams. For more information, please refer to [www.lipperfundawards.com](http://www.lipperfundawards.com).

### Risk Warnings

The price of shares in the Fund can go down as well as up and therefore investors may not get back all they have invested. The Fund is subject to an initial charge and consequently charges are not made uniformly throughout the period of investment. Changes in exchange rates between currencies may cause the value of investments to diminish or increase. The Fund invests in smaller companies and companies listed on AIM, which carry a higher degree of risk than larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. The Fund invests mainly in the UK. Therefore it may be more vulnerable to market sentiment in the country.

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