

MI Downing Monthly Income Fund

March
2019



Market commentary

In February, the Fund was up 0.10% while the MSCI UK All Cap Total Return Index was up 2.29%. Key contributors were Lok'nStore (up 15.28%) and Morses Club (up 15.25%). Key detractors included Amino Technologies (down 31.36%) and Plus500 (down 26.19%).

Lok'nStore, the fast-growing self-storage company, updated on trading and reported that revenue in the core self-storage business was up 9.2% for the first half of the financial year. The strategic disposal of Saracen provides capital to fund the ongoing investment into its highly accretive development pipeline of new self-storage centres. The group anticipates opening more new landmark stores and adding further momentum to sales and earnings growth.

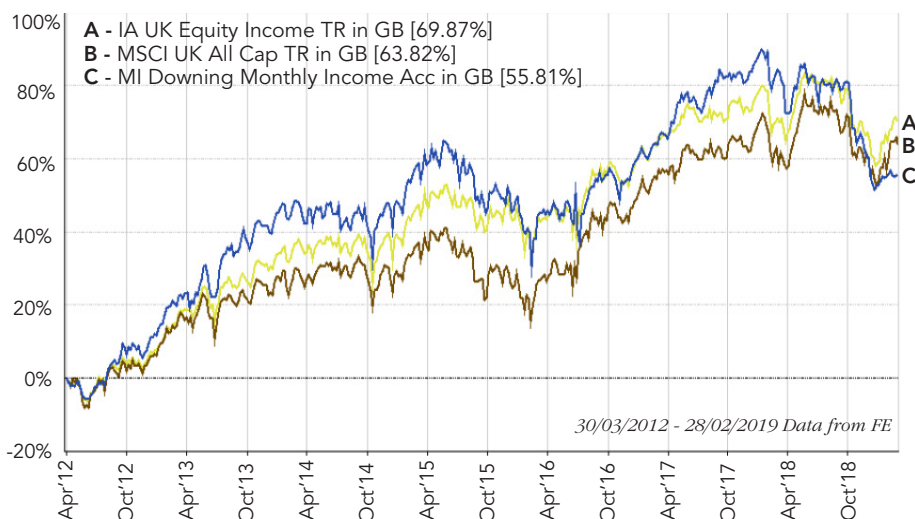
Morses Club, the UK's second largest home collected credit lender, reported that trading performance was strong and in line with expectations. The board is confident in its outlook, which is expected to be reflected in an increased FY2019 dividend payment. It continues to pursue opportunities for growth in its core Home Collected credit market and across the wider non-standard finance sector.

Amino, the global provider of media and entertainment technology solutions to network operators, announced results for the year ended 30 November 2018. The board reported that the diversity and depth of change in its industry has created difficult short-term trading conditions. We exited the position during the period due to increased uncertainty surrounding several of the company's markets and an unexpected strategic repositioning of the group as a whole.

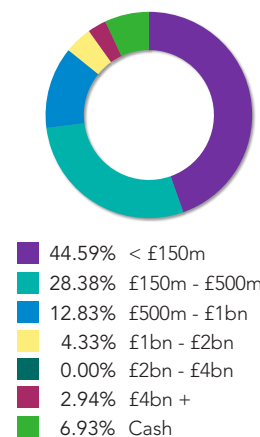
Plus500, a leading online service provider for trading Contracts for Difference ("CFDs") internationally, announced preliminary unaudited results for the year ended 31 December 2018. The share price fell despite the group reporting a strong performance, well ahead of original expectations. The fall in the share price was due to concerns over tighter regulation in the industry, resulting in greater pressure on earnings. We share this view and took the opportunity to remove the holding from the portfolio, avoiding the worst of the share price decline as a result.

All performance figures for securities include net reinvested income where applicable. Source: Factset and FE Analytics.

Performance



Market Cap Breakdown



Source: Factset

Top 10 Holdings

| | Cumulative performance | | | |
|-------------------------------|------------------------|---------|--------|--------|
| | 6m | 1y | 3y | 5y |
| MI Downing Monthly Income Acc | -13.73% | -15.34% | 9.26% | 4.38% |
| IA UK Equity Income TR index | -5.21% | -0.68% | 19.62% | 23.22% |
| MSCI UK All Cap TR index | -3.90% | 1.40% | 30.36% | 25.93% |
| Quartile ranking | 4th | 4th | 4th | 4th |

| | Discrete performance | | | | |
|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 28/02/2018 28/02/2019 | 28/02/2017 28/02/2018 | 29/02/2016 28/02/2017 | 28/02/2015 29/02/2016 | 28/02/2014 28/02/2015 |
| MI Downing Monthly Income Acc | -15.34% | 12.38% | 14.84% | -9.93% | 6.06% |
| IA UK Equity Income TR index | -0.68% | 4.20% | 15.58% | -3.34% | 6.57% |
| MSCI UK All Cap TR index | 1.40% | 4.36% | 23.19% | -7.79% | 4.76% |
| Quartile ranking | 4th | 1st | 3rd | 4th | 3rd |

| | % of Fund |
|------------------------|--------------|
| Duke Royalty | 6.83 |
| Lok'nStore Group | 6.34 |
| Ramsdens Holdings | 5.77 |
| Morses Club | 4.62 |
| Real Good Food* | 4.33 |
| Circle Property | 4.22 |
| Photo-Me International | 4.20 |
| Chesnara | 4.16 |
| Urban Logistics | 3.79 |
| AdEPT Technology Group | 3.32 |
| Total | 47.58 |

Source: Maitland Institutional Services
*Holding includes a 0.05% equity and 4.28% debt split

Past performance is not a reliable indicator of future results.

Key Facts

Fund objective

To achieve a high level of income, together with long-term capital growth

Launch date

14 June 2010

Conversion date

1 April 2012¹

IMA sector

UK Equity Income

Currency

UK Sterling

Types of shares

Income & Accumulation

Fund size

(Income & Accumulation shares combined)
£40.1m

Yield

5.2%

Income paid

Monthly

Number of holdings

34

Prices as at 28 February 2019

Accumulation shares: 179.16p

Income shares: 117.50p

Charges

Initial charge 0%

Annual management charge 0.75%

Ongoing charges 0.97%³
charged to capital

Minimum investment

Lump sum £1,000

Subsequently £500

Monthly savings £100

SEDOL and ISIN numbers

Accumulation shares:

SEDOL B61JRG2

ISIN GB00B61JRG28

Income shares:

SEDOL B625QM8

ISIN GB00B625QM82

ACD

Maitland act as ACD and manage the administration for the Fund

Contact details:

Maitland Institutional Services Ltd

Hamilton Centre, Rodney Way,

Chelmsford, Essex, CM1 3BY

www.maitlandgroup.com

Dealing: 034 5305 4215

Investment Manager

Downing LLP was appointed Investment

Manager to the Fund on 1 June 2015.

Following the change of ACD, the Fund name was changed to MI Downing Monthly Income Fund from 31 March 2017.

Platforms and wraps

AJ Bell Hargreaves Lansdown

All Funds James Hay

Ascentric Old Mutual Wealth

Aviva Novia

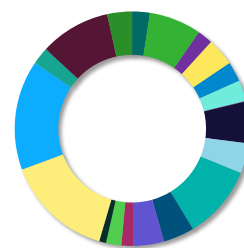
Cofunds Nucleus

Elevate Standard life

Fidelity (Inst) Transact

Fidelity (FFN) Zurich

Sector Breakdown



| | |
|--------|--|
| 2.44% | Banks |
| 7.21% | Cash |
| 2.10% | Diversified industrials |
| 3.82% | Electronic and electrical equipment |
| 2.72% | Engineering and machinery |
| 2.91% | Financials |
| 0.05% | Food producers and processors |
| 5.77% | General retailers |
| 4.16% | Insurance |
| 10.16% | Investment companies |
| 4.28% | Loans |
| 4.20% | Media and photography |
| 1.64% | Mining |
| 2.12% | Oil & gas |
| 0.94% | Personal care and other household products |
| 14.82% | Real estate |
| 15.16% | Speciality and other finance |
| 2.36% | Support services |
| 9.73% | Telecommunication services |
| 3.41% | Transport |

Source: Maitland Institutional Services

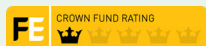
Income Distribution

| Period to | Income |
|------------|---------|
| 29/03/2018 | 0.8777p |
| 30/04/2018 | 0.4577p |
| 31/05/2018 | 0.4513p |
| 29/06/2018 | 0.6253p |
| 31/07/2018 | 0.3228p |
| 31/08/2018 | 0.6311p |
| 28/09/2018 | 0.5787p |
| 31/10/2018 | 0.6021p |
| 30/11/2018 | 0.6454p |
| 31/12/2018 | 0.4498p |
| 31/01/2019 | 0.2832p |
| 28/02/2019 | 0.2383p |

Source: Maitland Institutional Services and Downing LLP

Fund Manager - James Lynch

James draws on experience gained in managing an established micro-cap fund as well as time spent as a private equity and venture capital investor.



Investment committee

Stephen Whittaker: Fund Founder & Consultant

John Bearman: Independent Chairman

Judith MacKenzie: Non-Independent Member

Donald Robertson: Independent Member

Darrell O'Dea: Independent Member

Statistics correct as at 28/02/2019. Performance figures source: FE Analytics. Fund performance is based on accumulation shares, indices include net reinvested income. Trustnet one-crown rating for the three year performance to 31/01/19, source Trustnet/F.E. Performance figures are for the period from when the investment objective and policy were changed on 1 April 2012, so that the fund was primarily invested in equities. Past performance is not a guide to future returns. The value of the fund and the income from it may go down as well as up, so you may not get back the amount you invested. The tax treatment of the Fund may change and such changes cannot be foreseen. Tax treatment depends on the individual circumstances of each investor.

Important notice

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8 March 2019