

VT Downing Unique Opportunities Fund

March 2026 commentary

March saw the price of accumulation units in the fund fall by 7.85%, versus an 8.00% fall in the peer group, the IA UK All Companies TR Index. European and UK equity markets experienced one of their worst months since March 2020, reflecting broad risk-off sentiment among investors. The conflict in the Middle East led to volatile trading and mixed economic signals, weighing negatively on stocks.

The most significant contributor to returns was Bloomsbury Publishing (+21.10%), an independent publishing house. The group issued a trading update and announced that bestselling author Sarah J. Maas has confirmed the publication dates of her next two novels. Bloomsbury expects group profit for the year ended 28 February 2026 to be in-line but looking ahead, group profit for the year ending 28 February 2027 is now expected to be materially ahead of market consensus expectations.¹

Diploma (+3.64%), a value-add solutions group, issued an update that reflected strong trading and upgraded FY26 guidance. The board stated that margins continue to expand, driven by accretive contribution from Peerless and steady accretion across the rest of the group. Diploma's acquisition momentum continues, with eight acquisitions completed in the preceding two quarters for c.£130m, with expected annualised operating profit contribution of c.£20m.

The largest detractor to performance was Safestore (-18.56%), a self-storage provider. The group announced no significant news in the month, but the stock went ex-dividend on 12 March. We believe the shares have been weak due to ongoing macroeconomic uncertainty and think they offer good value at current levels.

Alfa Financial Software (-24.66%), a finance software company, had a weak and volatile March. Despite announcing strong FY results, highlighting profit and revenue growth and strong subscription metrics, the market appears to have focused on the potential for software engineering revenues to fall in 2026 and ongoing macro uncertainty. We believe the shares are attractive at current levels.

¹ The board considers market consensus expectation (before this publication) for profit before taxation and highlighted items for the year ending 28 February 2026 to have been £44.3m and the year ending 28 February 2027 to have been £44.5m.

Opinions expressed represent the views of the fund manager at the time of publication, are subject to change, and should not be interpreted as investment advice.

About the fund

The fund aims to have a portfolio of 25-40 holdings. As Fund Manager, Josh McCathie seeks to invest in equities he considers to have a unique outlook and opportunity for growth. These businesses will be identified as having enduring competitive advantages that are difficult to replicate, which can create high barriers for new entrants and have the potential to generate superior returns over the long term.

Investment objective

The fund's objective is to achieve capital growth and income over the long term (five+ years). It seeks to invest at least 80% in equities listed on UK markets (including the London Stock Exchange and AIM). The remainder will be invested in other equities, fixed income, money market instruments, deposits, warrants, cash and near cash.

The unique characteristics sought include:

- Having intangible assets e.g. brands, patents or regulatory licenses
- Having cost advantages stemming from process, location, scale or access to a unique asset
- Being the leading network in a business segment
- There being high switching costs, which generate high customer retention rates



Josh McCathie
Fund Manager

Josh McCathie serves as the Manager to the VT Downing Unique Opportunities Fund and VT Downing Small & Mid-Cap Income Fund.

Josh joined Downing in 2018 and brings over 10 years' investment management experience, having previously worked at BRI Wealth Management focusing on research of UK equities.

Josh is a CFA charterholder.

Top 10 portfolio holdings	%
Diploma Plc	5.95
Bloomsbury Publishing Plc	5.25
XPS Pensions Group Plc	4.49
FRP Advisory Group Plc	4.39
Hollywood Bowl Group Plc	4.30
A.G.Barr Plc	4.29
Alfa Financial Software Holdings Plc	4.01
Restore Plc	3.91
Cohort Plc	3.83
Mortgage Advice Bureau Holdings Plc	3.68

Source: Valu-Trac Investment Management Ltd.

Cumulative performance (%)								
	1m	3m	6m	YTD	1y	3y	5y	Since Launch*
VT DUO A Acc	-7.85	-7.66	-11.01	-7.66	-4.42	-3.43	-11.08	38.59
IA UK All Companies TR Index	-8.00	-1.90	1.94	-1.90	12.92	27.74	32.09	86.55
Quartile ranking	3	4	4	4	4	4	4	4
Position	111/208	188/209	200/209	188/209	199/208	191/201	180/194	170/190

*25 March 2020

Discrete performance (%)					
	31/03/2025 - 31/03/2026	31/03/2024 - 31/03/2025	31/03/2023 - 31/03/2024	31/03/2022 - 31/03/2023	31/03/2021 - 31/03/2022
VT DUO A Acc	-4.42	-7.34	9.03	-4.07	-4.01
IA UK All Companies TR Index	12.92	5.09	7.65	-1.86	5.36
Quartile ranking	4	4	2	3	4
Position	199/208	199/203	60/202	137/200	178/195

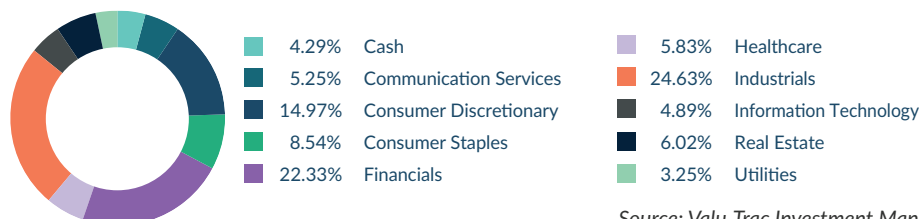
Please note that past performance is not a reliable indicator of future results.

Performance figures source: FE fundinfo.

Portfolio summary

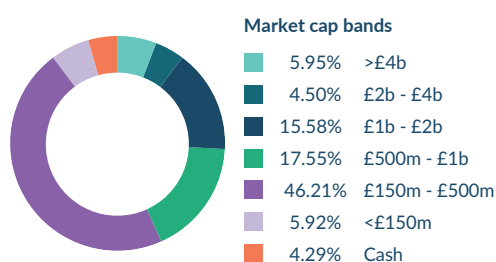
As at 31 March 2026

Portfolio by sector



Source: Valu-Trac Investment Management Ltd

Portfolio by company size



Source: Factset

Distribution

Period end	Ex Dividend	Date Payment	A Acc (GBP)	A Inc (GBP)
Jun-22	30/06/2022	31/08/2022	1.9295	1.9287
Dec-22	30/12/2022	28/02/2023	1.4374	1.4162
Jun-23	30/06/2023	31/08/2023	2.4066	2.3478
Dec-23	31/12/2023	29/02/2024	1.8575	1.7814
Jun-24	30/06/2024	31/08/2024	2.3148	2.1926
Dec-24	31/12/2024	28/02/2025	1.8758	1.7514
Jun-25	30/06/2025	29/08/2025	2.6949	2.4861
Dec-25	31/12/2025	27/02/2026	2.3102	2.1111

Distributions are subject to change and should not be utilised as a basis for an investment decision.

Source: Valu-Trac Investment Management Ltd

Key facts (As at 31 March 2026)

Structure:

London listed Open Ended Investment Company (OEIC), established as a "UCITS scheme".

Launch date:

Income: 17 March 2020
Accumulation: 25 March 2020

Fund size:

£12.36m (Accumulation and Income share classes combined)

Share price:

Class A: 138.5948p (Acc.)
Class A: 123.7535p (Inc.)

No of holdings:

34

Minimum initial investment:

Class A lump sum: £1,000

Dividends:

Semi-annual

Liquidity:

Daily pricing and daily dealing

ISA eligible:

Yes

Sector:

IA UK All Companies Sector

ISIN codes:

Class A Accumulation: GB00BHNC2614
Class A Income: GB00BHNC2721

Fund charges:

Initial charge: 0%
Annual management charge: 0.75% p.a.
Ongoing charges** 1.00% p.a.

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How to apply

Telephone: +44 (0) 1343 880217
or visit: <https://www.valu-trac.com/administration-services/clients/downing/unique-opportunities/>

Also on the following platforms:

- Abrdn - Wrap
- Abrdn - Wrap DFM Hub
- Abrdn - Elevate
- Aegon
- Aegon Platform
- AJ Bell
- AJ Bell - Investcentre
- Allfunds EO
- M&G/ Ascentric
- Aviva
- Canada Life
- Embark Platform/ Scottish Widows
- FNZ
- FNZ Institutional
- Halifax
- Hargreaves Lansdown
- Hubwise
- Interactive Investor
- Iweb
- James Hay
- J Brearley
- Nucleus
- Quilter
- Raymond James
- Secl
- Selftrade/Equi
- Seven IM
- Standard Life
- Scottish Widows - Fund Supermarket
- Stocktrade (Embark Group)
- Transact
- Utmost

We are currently working with other platforms so please let us know if yours is not listed above.

For more information about this fund please visit: downingunique.co.uk

** Please note: The ongoing charges figure is based on expenses and the net asset value as at 31 December 2025. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

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