Q4 2022

TT UK EQUITY FUND

THIS IS A MARKETING COMMUNICATION

Fund Performance

Past performance does not predict future returns

	Fund Gross	Fund Net	FTSE All Share	Gross Rel.	Net Rel.
December	-0.9	-1.0	-1.4	0.6	0.5
Q4	8.6	8.3	8.9	-0.2	-0.5
2022	5.6	4.3	0.3	5.2	4.0
1 Year	5.6	4.3	0.3	5.2	4.0
3 Year	14.5	13.2	2.3	12.0	10.6
5 Year	9.6	8.4	2.9	6.5	5.3
10 Year	11.2	9.9	6.5	4.4	3.2
Incep.	10.3	9.0	7.0	3.1	1.8

3, 5, 10 year and Incep. returns are annualised.

Returns are in GBP

Fund Value (GBP mil) 44

Inception 01/04/04

The following information is in addition to, and should be read only in conjunction with, the performance data presented above.

	Fund Gross	Fund Net	FTSE All Share	Gross Rel.	Net Rel.
2022	5.6	4.3	0.3	5.2	4.0
2021	26.5	25.0	18.3	6.9	5.6
2020	12.6	11.2	-9.8	24.8	23.3
2019	22.2	20.8	19.2	2.5	1.3
2018	-13.7	-14.7	-9.5	-4.7	-5.8
2017	15.4	14.0	13.1	2.0	0.8
2016	10.7	9.4	16.8	-5.2	-6.3
2015	10.2	8.9	1.0	9.1	7.9
2014	1.3	0.1	1.2	0.1	-1.1
2013	28.1	26.6	20.8	6.0	4.8

Q4 2022 Attribution

Sector Allocation	-0.3
Security Selection	-0.2
Currency Effect	0.1
Management Effect	**-0.3**

Sector Allocation

Industrials	17.9 ↓
Health Care	14.6 ↓
Consumer Staples	13.0 ↓
Consumer Discretionary	11.6 ↑
Financials	11.0 •

Top Five Active Overweights

Compass Group	2.9
Telecom Plus	2.5
BAE Systems	2.5
SSE	2.4
Centrica	2.4

UK equities rallied from oversold levels in Q4. The fund saw a positive absolute return, underperforming its benchmark.

Performance

The fund finished behind its benchmark, with outperformance in Financials and Telecoms more than offset by underperformance in Industrials, Basic Materials and Health Care.

Market Background

UK equities rallied from oversold levels in Q4, largely following a broader rally in global equities, but also helped by many of the policies announced in September's disastrous 'mini-budget' being reversed.

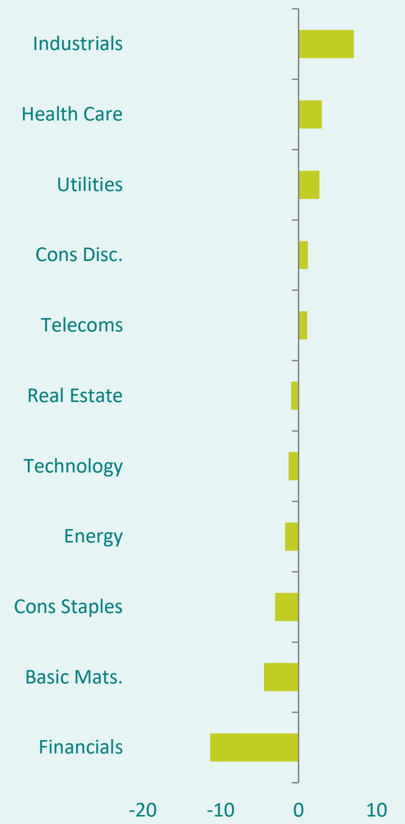
Outlook

We expect a year of two halves in 2023, with market behaviour largely determined by the policy path of major central banks, which in turn will be driven by inflation dynamics. The main factor driving higher inflation has arguably been the energy crisis. However, there is growing evidence that, at least in the short term, this will not be as acute as many feared. At one stage there were concerns about an absolute shortage of gas in Europe this winter. In reality we have storage near record highs for this time of year, partly due to exceptionally mild weather thus far. Gas prices are therefore falling very rapidly, and power prices should follow, albeit to a lesser degree. Prices of many other commodities such as oil and wheat are also dropping. While this should eventually ease the pressure on central banks, wage growth appears to be stubbornly high, which will make it difficult for them to cut rates for some time, as it would almost certainly be a grave policy error if they began to ease before the problem of inflation is defeated unequivocally.

In our view markets have potentially got ahead of themselves in pricing a central bank policy pivot, and we therefore expect further equity market volatility in the near term. This is particularly the case as corporate earnings are yet to feel the full force of higher financing and labour costs, whilst PMIs and other leading economic indicators are still contracting. Typically, equities do not begin to rally sustainably until such metrics have troughed and are beginning to rebound. As such, we remain slightly cautious on the outlook for the next few months, but we are constructive on the setup for global equities in the medium term.

Against this backdrop, we continue to be positioned relatively defensively, with a reasonably low beta, although we do maintain exposure to some cyclical stocks where we feel that valuations are already pricing in a recession, or where earnings expectations have already fallen substantially.

Sectors relative to Index %



Portfolio Positioning

Over the quarter we bought luxury retailer Moncler, which has lagged the sector substantially, despite the fact that it is one of a select few companies within the sector that still has a retail space-growth angle as its stores are relatively underpenetrated. The businesses should also benefit from a reopening in China, which is one of its biggest markets.

Elsewhere we added to our weightings in hotel companies Dalata and Whitbread. Trading remains good for both stocks, with strong demand and restricted supply. For example, the Dublin market currently has 15-20% of the entire hotel capacity being used to house Ukrainian refugees.

The weight in Flutter was also increased, given the depressed valuation and the continued strength of its US business, which will turn profitable in 2023. We view this as a key catalyst.

Meanwhile we sold Babcock and consolidated our defence exposure into BAE Systems, where we saw better risk-adjusted return potential following a sell-off. BAE Systems is the largest defence contractor in the UK. Major governments are increasing their defence spending significantly, particularly those in BAE's key markets of the US, North America, Saudi Arabia, the UK and Australia. These spending commitments stretch across BAE's portfolio, from military and munitions to systems and cybersecurity. BAE is generating substantial amounts of cash, and all free cash flow (FCF) in excess of the £800m dividend will go towards a share buyback programme, which has initially been authorised at £1.5bn. BAE trades on a discount to US peers of almost 30%, which we believe is unjustified, particularly given the company's rehabilitation under its current management team, which has got all parts of the portfolio firing and is benefitting from increased FCF visibility after addressing the pension deficit.

Conversely, we reduced GSK and Reckitt Benckiser. The former released disappointing pipeline data, while the latter is seeing subdued trends in its hygiene business and gave a slightly more cautious message on margins.

We also took some profits in Watches of Switzerland and Bank of Ireland.

Stocks

Below we highlight a major winner and a major loser:

Telecom Plus

Telecom Plus is a multi-utility supplier of gas, electricity, home insurance, and landline, broadband and mobile services to residences and businesses. The UK energy market has seen a big shakeup since power prices spiked, with much of the irrational competition folding. Telecom Plus's offer is very competitive in this new market, where most suppliers are essentially pricing at the UK government's 'price cap'. However, Telecom Plus is able to price at a discount to the price cap given that it has a favourable long-term contract with a major supplier. Given its very competitive offering in an environment of high prices, it is seeing rapid customer growth. The shares performed well in Q4 as a result.

DCC

UK-listed DCC distributes LPG, petrol, oil, medical equipment and technology products for the home and office. It operates across 20 countries, with its main focus being the UK, Ireland and Continental Europe, although it does have a growing presence in the US. DCC has a strong balance sheet that supports its acquisitive growth strategy. Over the last 26 years it has acquired over 280 companies, spending over £3.3bn. Management has an enviable track record of both organic and inorganic growth, with acquisitions accounting for over two-thirds of DCC's operating profit growth, which has averaged 14.5% p.a. for over a quarter of a century. They are now guiding for a 10% earnings CAGR out to 2030. When coupled with high cash generation and intelligent deployment of that cash in accretive M&A, we believe that the stock is very attractive. However, there was some disappointment with its interim results as they highlighted a headwind in their recent US tech acquisition, which led to weakness in the shares. We believe this setback is temporary and continue to like the stock, given the very low valuation.

TT INTERNATIONAL

Q4 2022

TT UK EQUITY FUND

THIS IS A MARKETING COMMUNICATION

Performance Attribution Q4 2022

On this page we identify where your portfolio added or subtracted value, relative to the benchmark.

Sector Selection (%)

Sector	Sector Allocation	Security Selection	Currency Effect	Management Effect
Total Portfolio	**-0.3**	**-0.2**	**0.1**	**-0.3**
Equities	**0.0**	**-0.2**	**0.1**	**0.0**
Financials	-0.1	0.8	0.0	0.7
Telecommunications	-0.2	0.8	0.0	0.7
Utilities	0.1	0.3	0.0	0.4
Technology	0.1	0.0	0.0	0.1
Real Estate	0.1	0.0	0.0	0.1
Energy	0.0	-0.2	0.0	-0.2
Consumer Staples	0.1	-0.3	0.1	-0.2
Health Care	0.1	-0.4	0.0	-0.3
Basic Materials	-0.3	-0.1	0.0	-0.4
Industrials	0.2	-1.1	0.0	-0.9
Non Equity	**-0.3**	**0.0**	**0.0**	**-0.3**
Cash	-0.3	0.0	0.0	-0.3

Highlights

- The fund finished behind its benchmark, with outperformance in Financials and Telecoms more than offset by underperformance in Industrials, Basic Materials and Health Care.
- AIB and Bank of Ireland continued to trade higher due to exceptional operating performance. The Irish banking market has recently consolidated from 5 main banks to 3. Higher concentration should mean more pricing power for the remaining players, including AIB and Bank of Ireland.
- Insurer Hiscox performed well as it is a beneficiary of rising rates in that it invests its cash in short-term money market instruments and is therefore able to earn a higher yield.
- Telecom Plus is enjoying rapid customer growth and performed well in Q4 as a result.
- DCC struggled following slightly underwhelming results.
- The fund lost out by not owning miners such as Rio Tinto and Anglo American, which rallied amid general risk-on sentiment in Q4.
- Roche sold off after a disappointing readout for one of its Alzheimer's disease treatments.

Stock Selection (%)

	Stock	Country	Sector	Management Effect (%)	TT Held
Top Contributors	Diageo	UK	Consumer Staples	0.47	´
	Centrica	UK	Utilities	0.38	√
	Telecom Plus	UK	Telecommunications	0.35	√
	AIB Group	Ireland	Financials	0.26	√
	Vodafone	UK	Telecommunications	0.24	´
Top Detractors	DCC	UK	Industrials	-0.42	√
	Roche	Switzerland	Health Care	-0.34	√
	Serco Group	UK	Industrials	-0.23	√
	Rio Tinto	UK	Basic Materials	-0.22	´
	RWS Holdings	UK	Industrials	-0.20	√

TT INTERNATIONAL

Q4 2022

TT UK EQUITY FUND

THIS IS A MARKETING COMMUNICATION

Sector Allocation (%)

	TT UK		FTSE All Share
	30 Sep	31 Dec	31 Dec
Basic Materials	5.0	4.4	8.9
Consumer Discretionary	9.3	11.6	10.4
Consumer Staples	16.2	13.0	16.0
Energy	10.0	9.5	11.2
Financials	11.0	11.0	22.4
Health Care	16.5	14.6	11.6
Industrials	20.3	17.9	10.8
Real Estate	1.3	1.6	2.5
Technology			1.3
Telecommunications	2.0	2.6	1.5
Utilities	3.5	6.2	3.5
Cash	4.8	7.6	
Total	**100.0**	**100.0**	**100.0**

Top 10 Active Overweights

September 30, 2022 Security	Absolute Position %	Active Weight %	December 31, 2022 Security	Absolute Position %	Active Weight %
Compass Group	4.4	2.9	Compass Group	4.4	2.9
DCC	2.8	2.6	Telecom Plus	2.6	2.5
Glencore	5.0	2.1	BAE Systems	3.6	2.5
British American Tobacco	5.5	2.1	SSE	3.2	2.4
AstraZeneca	8.9	2.1	Centrica	2.6	2.4
BAE Systems	3.2	2.0	Serco Group	2.4	2.3
Shell	9.7	2.0	Heineken	2.3	2.3
Reckitt Benckiser	3.4	1.4	AstraZeneca	9.0	1.8
GSK	3.4	0.9	Hiscox	1.9	1.8
HSBC	3.1	-1.3	Balfour Beatty	1.8	1.7
Top 10 Positions		49.4	Top 10 Positions		46.8
Top 20 Positions		69.4	Top 20 Positions		66.6
No. of stocks		46	No. of stocks		45

Additional Fund Performance Information:

Fund 12-Month Discrete Periods (%)

	Jan 22 - Dec 22	Jan 21 - Dec 21	Jan 20 - Dec 20	Jan 19 - Dec 19	Jan 18 - Dec 18
Gross of fees	5.6	26.5	12.6	22.2	-13.7
Net of fees	4.3	25.0	11.2	20.8	-14.7
Index	0.3	18.3	-9.8	19.2	-9.5
Relative (gross)	5.2	6.9	24.8	2.5	-4.7
Relative (net)	4.0	5.6	23.3	1.3	-5.8

Important Information:

Shareholder Rights

A Prospectus is available for the Fund and Key Investor Information Documents (KIIDs) are available for each share class of each the sub-funds of the Fund.

The Fund's Prospectus can be obtained from www.ttint.com/fund-documentation/ and is available in English.

The KIIDs can be obtained from www.ttint.com/fund-documentation and are available in one of the official languages of each of the EU Member States into which each sub-fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive).

In addition, a summary of investor rights is available from www.ttint.com/fund-documentation . The summary is available in English.

The sub-funds of the Fund are currently notified for marketing into a number of EU Member States under the UCITS Directive. The Fund can terminate such notifications for any share class and/or sub-fund of the Fund at any time using the process contained in Article 93a of the UCITS Directive.

Disclaimer

This document is not intended for distribution to, or use by any person/entity in any jurisdiction/country where such distribution/use would be contrary to local law/regulation. This document is issued by TT International Asset Management Ltd ("TT"). TT is authorised and regulated by the Financial Conduct Authority (FCA). TT International Funds plc (the "Fund") is a recognised collective investment scheme for the purposes of Part 17 of the Financial Services and Markets Act 2000 of the UK (as amended by Part 6 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019). The Fund is being marketed into the UK under the Temporary Marketing Permission Regime. This document may be distributed only to persons to whom an offer to purchase shares/units in the Fund may legally be made. The circulation of this document is restricted to professional investors as defined in the legislation of the jurisdiction where this information is received. In the UK, the restriction is to "professional clients" within the meaning of the FCA Handbook of Rules and Guidance. No shares/units in the Fund may be offered/sold in the US. No representation is made as to the accuracy/completeness of any information contained herein, and the recipient accepts all risk in relying on this information for any purpose. Without prejudice to the foregoing, any views expressed herein are the opinions of TT as of the date on which this document has been prepared and are subject to change at any time without notice. The information herein does not constitute an offer of shares/units in the Fund, and it is not an offer to, or solicitation of, any potential clients or investors for the provision by TT of investment management, advisory or any other comparable or related services. No statement in this document is or should be construed as investment, legal, or tax advice, nor is any statement an offer to sell, or a solicitation of an offer to buy, any security/instrument, or an offer to arrange any transaction, or to enter into legal relations. This document expresses no views as to the suitability of the investments described herein to the individual circumstances of any recipient. Any person considering an investment in the Fund should consult the Fund prospectus. Investment in the Fund carries with it a high degree of risk.

Switzerland: Prospectus, Key Investor Information Documents, Articles of Association, annual and semi-annual reports of the Fund may be obtained free of charge from the Swiss Representative (First Independent Fund Services AG, Klausstrasse 33, 8008 Zurich) and Paying Agent (NPB New Private Bank Ltd, Limmatquai 1, CH-8024 Zurich).

Additional risks

FDI Risk: FDI may fluctuate in value rapidly and leverage through FDI may cause losses that are greater than the original amount paid for the relevant FDI.

Operational Risk: human error, system and/process failures, inadequate procedures or control may cause losses to the Fund.

Liquidity Risk: the Fund may have difficulty buying or selling certain securities readily which may have a financial impact on the Fund.

Credit/Counterparty Risk: a party with whom the Fund contracts for securities may fail to meet its obligations (e.g. fail to pay principal or interest or to settle an FDI) or become bankrupt, which may expose the Fund to a financial loss.

For more information on these and other risk factors that apply to the Fund, see the section entitled "Risk Factors" in the Prospectus.