Gresham House Global Small Company Fund

Quarterly Report

1 January 2026 to 31 March 2026

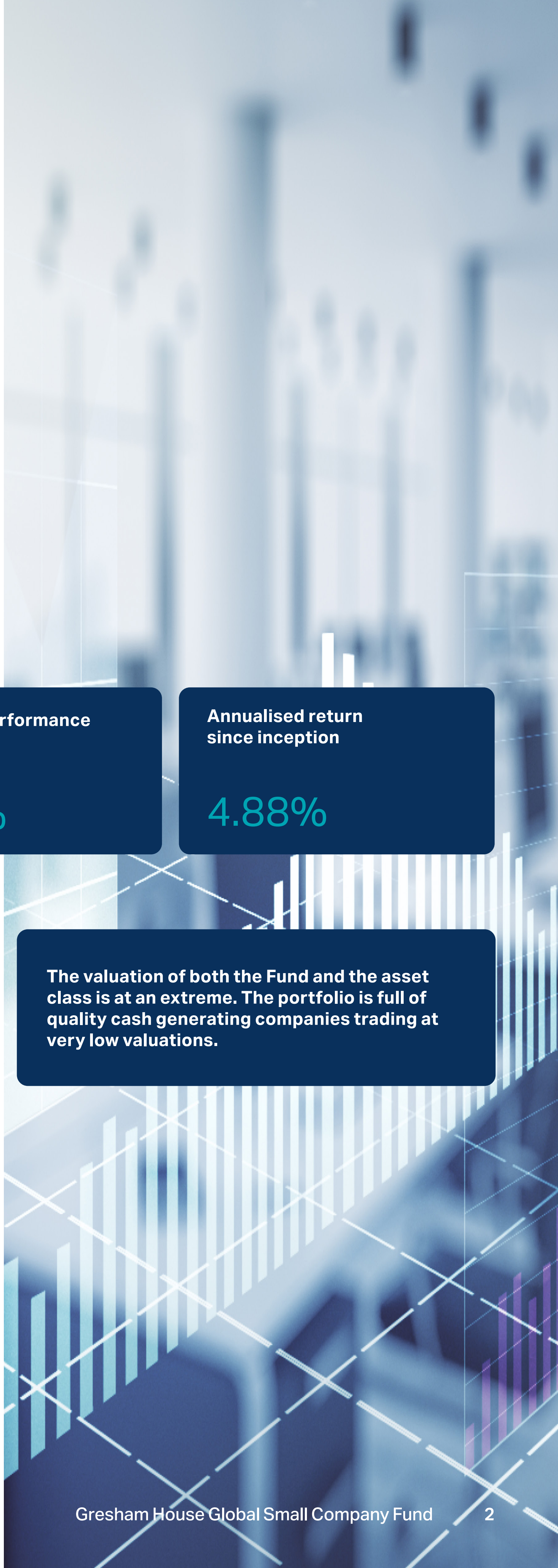
Gresham House
Specialist investment

Highlights

The Gresham House Global Small Company Fund is a concentrated equity fund which invests in small cap stocks globally. It targets long established, well-managed, high quality, cash generative companies capable of delivering above average growth over time, but whose prospects are undervalued by the market.

This unaudited quarterly update provides an overview of Gresham House Global Small Company Fund (the Fund) performance between 1 January 2026 to 31 March 2026.

The Fund launched in 2012 with a target return of 8% to 10% per annum.



Unit Price

(NAV per Unit)

€190.3833

Year to date performance

-6.30%

Annualised return since inception

4.88%

Gresham House Global Small Company Fund fell 6.30% over the quarter.

The valuation of both the Fund and the asset class is at an extreme. The portfolio is full of quality cash generating companies trading at very low valuations.

*All performance figures stated in this report are 'Net Performance' (i.e. net of fees and charges).

The Investment Manager, Gresham House Asset Management Ireland Limited (Gresham House Ireland, Investment Manager or the Manager), is a leading Irish based asset manager, managing a range of funds, which invest globally, to grow and protect our clients' assets while generating sustainable income.

For more information visit

www.greshamhouse.ie

Investment Manager's Report

Market Commentary

The defining feature of the first quarter of 2026 was not tariffs, monetary policy, or even valuation extremes, but rather war.

Most Gresham House Funds delivered positive returns over the quarter, despite the geopolitical shock.

Fund	Q1 2026 Performance
Gresham House Global Multi-Asset Fund	3.50%
Gresham House Global Thematic Multi-Asset Fund	2.46%
Gresham House Global Equity Fund	2.78%
Gresham House Global Small Company Fund	-6.30%
Gresham House Euro Liquidity Fund	0.05%

What began as a market environment shaped by policy volatility and late-cycle dynamics in early Q1 was abruptly disrupted by a geopolitical shock that, at least temporarily, derailed the prevailing narrative as the quarter ended. The escalation in the Middle East and subsequent direct US involvement forced a rapid reassessment of risk across asset classes.

Prior to the escalation, markets were operating within a familiar framework: resilient growth, easing monetary policy, supportive fiscal conditions in several major economies, elevated but contained geopolitical risk. This combination had sustained a 'goldilocks' environment for risk assets. Our portfolios were performing well, and our 2026 outlook was looking solid.

The outbreak of conflict disrupted this balance. It introduced tail risks that are difficult to hedge efficiently, and uncertainty around energy markets and supply chains. Crucially, it challenged the assumption that geopolitical risks would remain peripheral.

In normal conditions approximately 20mb/d of oil (around 20% of global supply) and approximately 25% of global LNG trade transits the Strait of Hormuz. The system however has very limited redundancy with pipeline bypass capacity of just 6–7mb/d based on industry estimates. This implies that 12–14mb/d of flows are structurally at risk in a disruption. This is a very serious situation for global energy markets.

Derek Heffernan
Chief Investment Officer

We do not know when and how the war will end and are not making investments based on news flow. We remain aligned to the discipline that has served our investors over time. In our multi-asset portfolios we are focused on buying effective hedges at reasonable valuations. In our equity funds we are focused on buying resilient companies with strong through the cycle free cash flow generation and rock-solid balance sheets.

Absent clear signs of de-escalation over the next one to two months, the risk of broader economic spillovers is likely to rise. The key uncertainty is whether markets will anchor on a deescalation in geopolitical tensions or on what is likely to be a gradual and uneven recovery from the disruptions to shipping and energy supply chains.

While downside risks cannot be ignored, the central case remains that the global expansion re-establishes momentum in the second half of the year, which should be supportive of risk assets.

Since the Covid shocks of 2020, long-duration developed market bonds have often provided less reliable diversification during inflation-led drawdowns. Therefore, we have hedged ourselves with gold and energy. With Brent crude oil jumping in price from c.$72/bbl just before the Iran war to over $118/bbl at the end of the quarter as a backdrop, energy was a supportive hedge in the portfolios. We took profits from our gold position in the middle of the first quarter, reducing the position significantly as we saw signs of speculative excess with gold reaching record highs. With gold selling off in the later part of the quarter, overbought conditions have reduced which may provide a return to gold being an effective portfolio hedge.

While the current situation is difficult, we believe the conditions that existed before the war will begin to reassert themselves, namely, underperformance of US assets versus the rest of the world, OECD long duration bonds failing to provide protection and equities that produce abundant cash flows at cheap valuations outperforming. We remain optimistic over a longer-term horizon but concede 2026 could be a year of elevated volatility.

Fund Performance

The Gresham House Global Small Company Fund declined 6.30% over the quarter, reflecting a more challenging backdrop for risk assets, particularly as sentiment reversed later in the period amid renewed macro uncertainty.

We remain confident in the outlook for global small-cap equities, with our valuation models continuing to highlight attractive opportunities across the small-cap value landscape. Valuations across the US and Europe remain at compelling levels, supported by solid fundamentals.

Across developed markets, small caps are trading at a meaningful discount to their long-run averages, with that discount ranging from approximately 15% in Europe to around 25% in the US. Following a period of recovery in January and February, March saw these discounts widen once again. Prior to the escalation in geopolitical tensions, we believed markets were entering the early stages of a recovery in sentiment and had become increasingly optimistic on the outlook. While the dynamics have clearly shifted, we maintain this view that small-cap equities are well positioned over the long term, and that the current disruption will create additional opportunities for active investors.

Harbour Energy was the top contributor during the quarter, rising 52.50% as strong operational performance and a sharp increase in oil prices, driven by geopolitical tensions, supported the share price. Production averaged 509 kboe/d in the first two months of 2026, ahead of guidance, continuing the trend of outperformance seen in 2025. Free cash flow guidance for 2026 was ahead of expectations, supported by both operational strength and the contribution from recent acquisitions. We added to the position during the quarter and retain a high-conviction overweight.

Origin Enterprises also performed strongly, gaining 13.40% over the period, driven by robust demand in its Agriculture division, particularly for fertiliser ahead of the spring season, alongside continued growth in higher-margin products. The Living Landscapes division delivered solid organic growth, while group revenues increased modestly, supported by both pricing and volume. We increased our exposure during the quarter and continue to see attractive upside potential.

Uniphar was another positive contributor, rising 8.30% following strong results that exceeded expectations. The company delivered 21% adjusted EPS growth in 2025, alongside record organic gross profit growth of 9%. Organic EBITDA growth of 9.0% marked the fastest pace since its IPO, reflecting continued momentum across the business. We added to the position during the quarter and maintain a positive outlook.

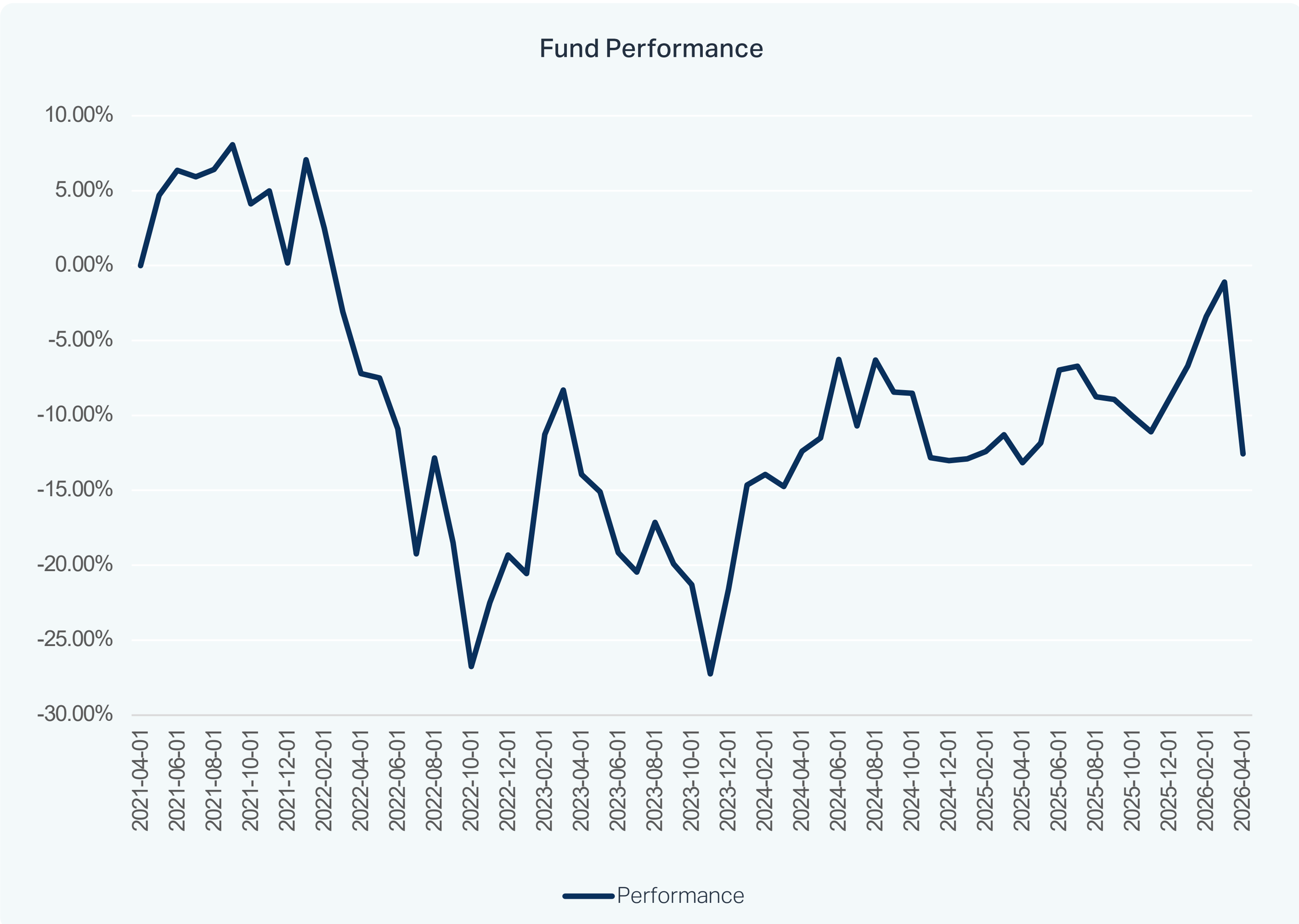
On the downside, Everplay was the largest detractor, declining 33.20% over the quarter and now trading approximately 43% below its November highs, despite delivering FY25 results in line with consensus and guiding to a similarly in line FY26. The market reacted to higher capex and H2-weighted earnings, though both had been previously flagged. We view the elevated investment as a one-off, with cash flow expected to normalise from 2027 and net cash still expected to increase this year. At approximately 12x earnings, we believe the sell-off is overdone and added modestly to the position.

After several years of underperformance, global small-cap equities continue to trade at historically attractive valuations. While near-term sentiment has been impacted by macro and geopolitical developments, we believe the asset class remains well positioned over the medium to long term. Against this backdrop, we continue to see a compelling opportunity for active management to exploit mispricing and capitalise on the recovery potential across the global small-cap universe.

Cumulative performance	YTD	3 months	6 months	1 year	3 years	5 years	10 years	Since launch
	-6.30%	-6.30%	-2.81%	0.67%	1.60%	-12.57%	5.81%	90.38%

Annualised performance	3 years PA	5 years PA	10 years PA	Since launch
	0.53%	-2.65%	0.57%	4.88%

Regional split	%	Top holdings	%	Sector weighting	%
UK	48.96	Packaged Food	5.59	Industrials	26.10
Europe	38.51	Other Commercial Support Svcs	5.10	Consumer Staples	18.46
US	10.29	Transit Services	5.02	Materials	13.56
JP	1.14	Agricultural Producers	4.97	Consumer Discretionary	12.66
AU	1.10	Homebuilding	4.85	Health Care	7.38



The Team

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