Gresham House Global Small Company Fund

Quarterly Report

1 April 2026 to 30 June 2026

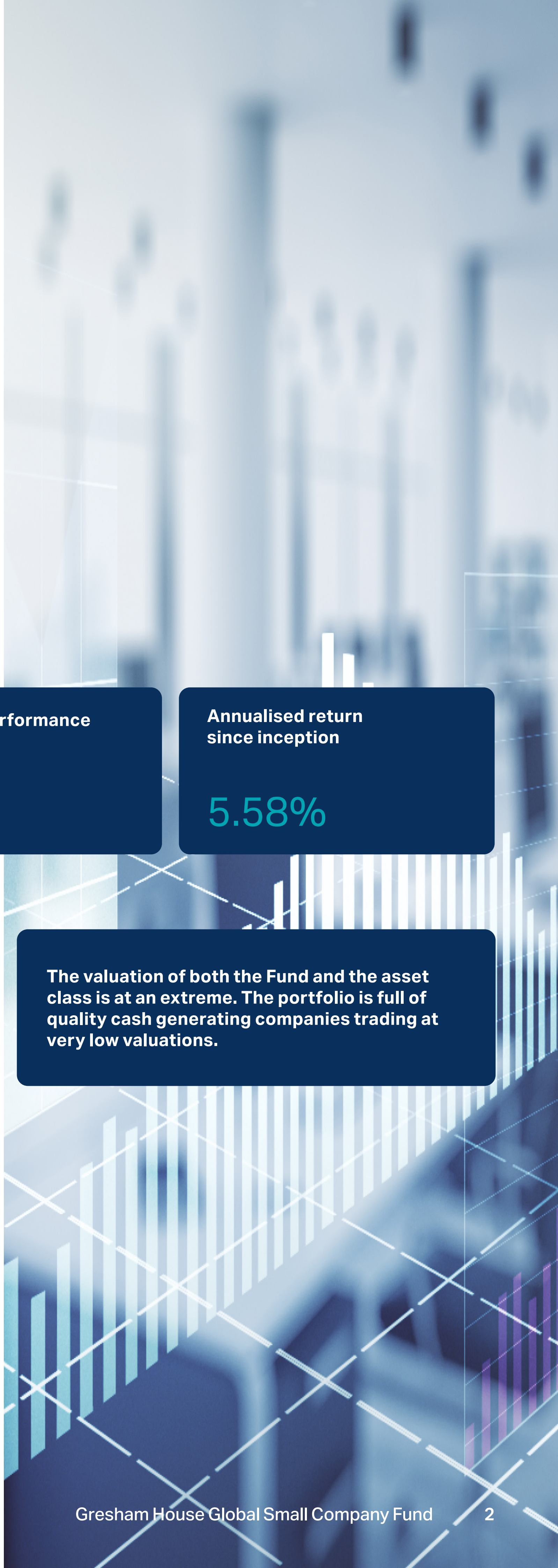
Gresham House
Specialist investment

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 April 2026 to 30 June 2026.

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



Unit Price

(NAV per Unit)

€210.9926

Year to date performance

3.84%

Annualised return since inception

5.58%

Gresham House Global Small Company Fund gained 10.83% 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 second quarter of 2026 saw the unwind of the positions taken at the outbreak of the war in Iran in Q1. The Gresham House Global Multi-Asset Fund added 4.23%, the Gresham House Global Equity Fund gained 8.09%, the Gresham House Global Small Company Fund added 10.83% and the Gresham House Global Thematic Multi-Asset Fund increased 7.87%.

Where Q1 was shaped by the outbreak of war in the Middle East and the disruption risk it posed to the Strait of Hormuz, Q2 was shaped by the market’s gradual recognition that the acute phase of that disruption had passed. With the Memorandum of Understanding signed, oil retraced a substantial part of its Q1 spike. The risk premium that had been priced into energy, inflation expectations, and broader risk assets also unwound.

This reversal ran through our portfolios in a direct way. The energy related hedges that performed well in Q1 gave back a meaningful part of those gains as the war premium unwound. This was expected behaviour for a hedge that did its job during the acute phase of the shock.

At the same time, the parts of our portfolios that lagged in Q1; non-US equities, financials, and emerging markets did the bulk of the work in Q2. Every equity and multi-asset fund in the range posted a stronger quarter than Q1, and the small company and global equity strategies benefited from the breadth of the rotation. We see this as the pre-war environment reasserting itself, which was the central case we set out earlier: US assets underperforming the rest of the world, long-duration developed market bonds continuing to offer unreliable protection in inflation-sensitive drawdowns, and cash-generative equities trading at reasonable valuations outperforming.

We remain of the view that the conditions we described at the start of the year are the ones that matter over a full cycle: valuation discipline, balance sheet quality, and positioning away from crowded, expensive US mega-cap exposure. We remain increasingly optimistic about the prospects of our funds over the longer-term horizon.

Fund Performance

The Gresham House Global Small Company Fund gained 10.83% over the quarter, taking year-to-date performance to 3.84%. The quarter saw a broad-based recovery across global small-cap equities as investor sentiment improved following the volatility experienced earlier in the year.

Encouraging corporate earnings, resilient economic data and a more constructive outlook for interest rates supported a meaningful re-rating across many of our holdings, particularly those where valuations had become disconnected from underlying fundamentals.

We continue to believe that global small caps offer a compelling opportunity for long-term investors. Despite the recent recovery, valuations remain attractive relative to history across both the US and Europe, while many portfolio companies continue to deliver strong operational performance. We remain focused on identifying businesses with robust fundamentals that are trading at significant discounts to intrinsic value and continue to see considerable scope for further upside as sentiment normalises.

Johnson Service Group was the largest contributor during the quarter, rising 34%. Following a challenging first quarter where the market became increasingly concerned over higher energy costs, the company alleviated many of these concerns through a reassuring trading update and announced a share buyback equivalent to approximately 10% of its market capitalisation. Shares re-rated from around 9x forward earnings to approximately 12x, approaching post-pandemic highs, although we continue to believe there is further upside given the quality of the business and its earnings potential.

Crocs was the second-largest contributor, gaining 48% over the quarter. We initiated our position in March and added to it through May. The strong performance was driven by a strong set of quarterly results, with management delivering a meaningful beat-and-raise as Direct-to-Consumer and International operations continued to perform strongly, while North America inflected to positive growth. Comparatives become more favourable through the remainder of the year as the company laps reduced promotional activity and tariff-related headwinds, creating further potential for earnings upgrades. Despite the recent share price appreciation, the stock continues to trade on an attractive valuation of just 9x earnings.

Cairn Homes was another significant contributor, advancing 21% during the quarter. An encouraging AGM update demonstrated continued operational momentum, with the order book expanding towards a net sales value of €1.5 billion, representing approximately 3,850 homes, while management reported no evidence of weakening consumer demand despite ongoing geopolitical uncertainty. Although input costs remain elevated, the company continues to expect to deliver on guidance, supported by the investments made to scale the business, and the cost platform in recent years. As one of just two publicly listed builders in Ireland, and benefitting from significant scale advantage versus smaller peers, Cairn remains exceptionally well positioned to benefit from Ireland's structural housing shortage, and at approximately 1.6x 2027 book value, we do not believe the current valuation fully reflects its long-term return potential.

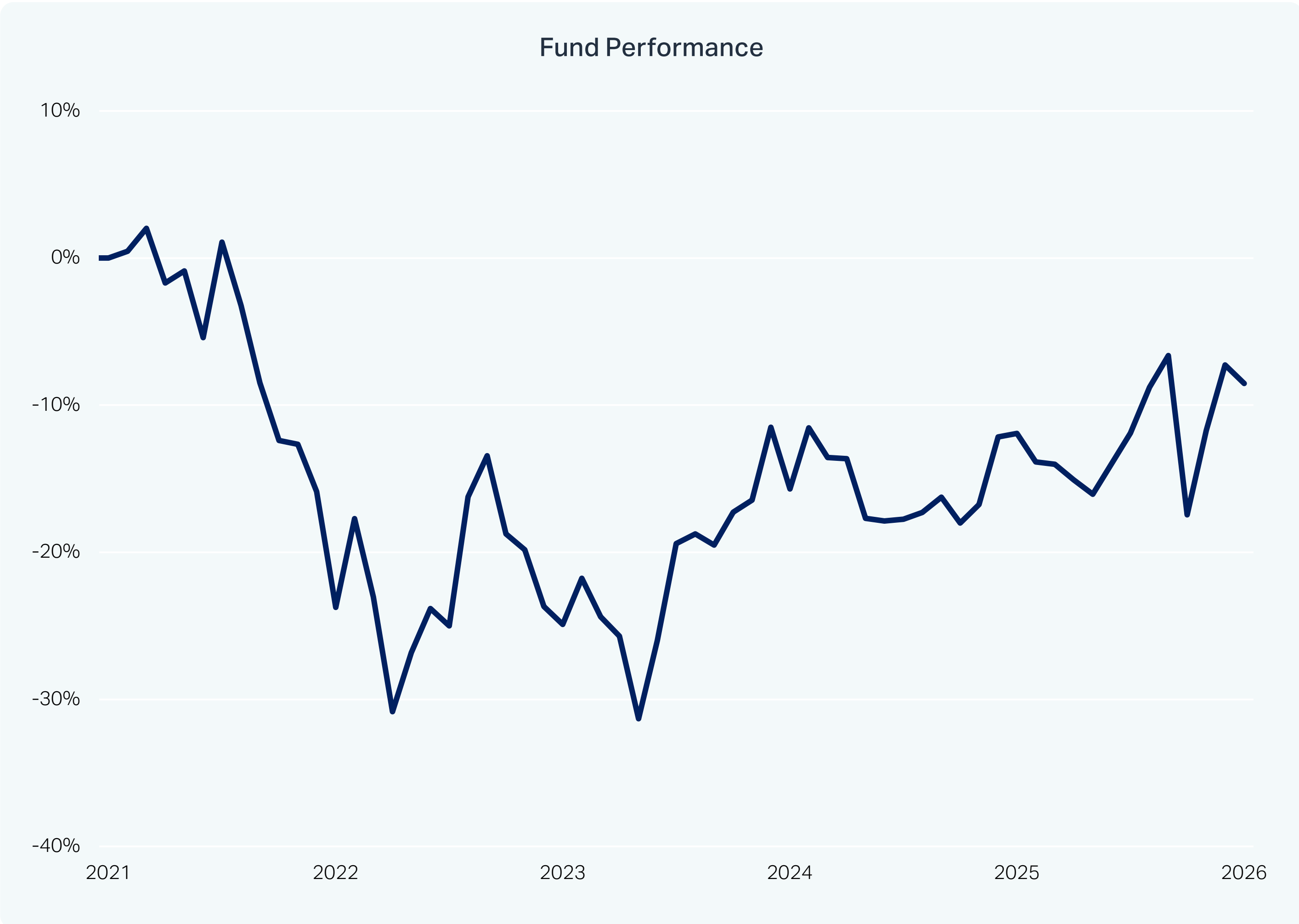
On the downside, Harbour Energy was the largest detractor, declining 25.8% during the quarter following a very strong first quarter, where it was the Fund's best-performing holding as higher oil prices driven by geopolitical tensions boosted the shares. A large portion of those gains have since reversed, leaving the company trading on a very attractive free cash flow yield of c.25%, with leverage of just 0.7x. We continue to view Harbour as a high-quality cash-generative business that is well positioned to deliver significant shareholder returns, while the overhang relating to the BASF shareholding continues to diminish.

While markets remain susceptible to periods of heightened volatility, we continue to believe the outlook for global small-cap equities is increasingly attractive. Many companies within the portfolio continue to execute well operationally, yet valuations remain undemanding both in absolute terms and relative to larger companies. We believe this provides a strong foundation for further returns as investor confidence continues to recover.

Cumulative performance	YTD	3 months	6 months	1 year	3 years	5 years	10 years	Since launch
	3.84%	10.83%	3.84%	3.86%	21.80%	-8.52%	24.24%	110.99%

Annualised performance	3 years PA	5 years PA	10 years PA	Since launch
	6.79%	-1.77%	2.19%	5.58%

Regional split	%	Top holdings	%	Sector weighting	%
UK	44.91	Johnson Service Group plc	5.48	Industrials	27.29
Europe	42.68	Cranswick plc	5.07	Consumer Staples	17.14
North America	12.41	Uniphar plc	4.82	Consumer Discretionary	14.12
		Cairn Homes	4.77	Materials	13.47
		Irish Continental plc	4.52	Health Care	7.64



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