

WS Gresham House UK Micro Cap Fund

June 2024



Gresham House
Specialist investment

Fund objective

To achieve capital growth over any five-year period, after all costs and charges have been taken. **Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.** The fund targets to invest, up to 70% of the portfolio, in the shares of UK companies.

Fund rank

FE Analytics rank 13/40 over 10 years to 30 June 2024.

Fund performance

Source: FE Analytics based on the returns of the A share class, net of charges, ten-year return to 30 June 2024



Cumulative performance

Source: FE Analytics net of charges, as at 30 June 2024

Cumulative returns month ending 30 June 2024	1 month	YTD	1 year	3 years	5 years	10 years	Since launch (19 May 2009)
WS Gresham House UK Micro Cap Fund	-2.4%	8.6%	11.6%	-18.4%	20.6%	107.1%	428.6%
IA UK Smaller Companies	-1.7%	8.9%	14.1%	-16.0%	20.1%	85.6%	366.6%
Quartile	3	2	4	3	2	2	3

Discrete performance

Source: FE Analytics net of charges, as at 30 June 2024

Discrete annual returns	YTD 2024	2023	2022	2021	2020	2019
WS Gresham House UK Micro Cap Fund	8.6%	5.0%	-30.1%	25.4%	6.5%	20.4%
IA UK Smaller Companies	8.9%	0.5%	-25.2%	22.9%	6.5%	25.3%

Performance

In June 2024, the WS Gresham House UK Micro Cap Fund decreased by -2.4%, trailing the IA UK Smaller Companies sector, which saw a -1.7% reduction. Key contributors to performance included **XPS Pensions Group** (+16%) which reported strong full-year results characterised by double-digit revenue growth across all divisions and operational gearing delivery, with management relaying a confident FY25 outlook; **Alpha FMC** (+20%) following a final recommended cash offer from private equity firm, Bridgepoint, at a 50% premium to the share price prior to management confirming bid rumours in May; and **Pulsar Group** (+20%) on no specific news flow. Conversely, the largest detractors were **Franchise Brands** (-24%) despite full-year results demonstrating adjusted EBITDA performance at the top-end of market expectations with all B2B operating segments delivering record profits, albeit management indicated forward-looking caution across some end-markets; and **Inspired Plc** (-18%) on no specific newsflow.

Fund managers



Co-Manager
Ken Wotton

23 years' experience



Co-Manager
Brendan Gulston

12 years' experience

Fund information

Launch date 19 May 2009

Fund size £193.3mn

Fund sector IA UK Smaller Companies

Number of holdings 41

Portfolio turnover rate 41%
(12-month period to 30 June 2024)

Fund price 204.67p C ACC (as at 30 June 2024)

Pricing 12:00 noon (GMT)

ISA eligible Yes

Ratings

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Platforms hosting the Fund

- Aegon
- AJ Bell
- Allfunds
- Aviva
- BNY Mellon
- Embark
- FNZ
- FundsNetwork
- Hubwise
- James Hay
- Pershing Nexus
- Nucleus
- M&G
- Platform Securities
- Parmenion
- Raymond James
- 7IM
- Aberdeen Wrap
- Transact
- Wealthtime
- Zurich

Capital at risk. Past performance is not a reliable indicator of future performance. Portfolio investments in smaller companies typically involve a higher degree of risk. Charts and graphs are provided for illustrative purposes only as there is no official benchmark for this fund.

Fund statistics¹

Source: FE Analytics, based on three years to 30 June 2024. Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average

Risk ratios month ending 30 June 2024	Volatility	Alpha	Beta	Sharpe	Information Ratio
WS Gresham House UK Micro Cap Fund	13.49	-3.03	0.76	-0.01	-0.12
IA UK Smaller Companies	15.13	0.00	1.00	-0.01	0.00

Top 10 holdings

Holding	Description	NAV
Fintel	Outsourced regulatory services provider	5.0%
TruFin	Provides financing services to FinTech	4.4%
Netcall	Communication equipment provider	4.2%
AdvancedAdvT	Provides acquisition opportunities in software sector	4.1%
XPS Pensions Group	Actuarial consultancy	4.1%
Elixirr	Digital design and business regulation service	3.9%
Ricardo	Engineering and environmental consultancy	3.7%
Strategic Equity Capital plc	Specialist UK smaller companies investment trust	3.7%
Diaceutics	Pharmaceutical data analytics and services	3.6%
Costain Group	Technology based construction and engineer	3.6%

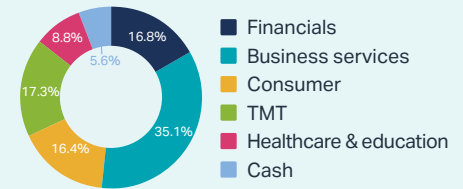
Portfolio activity

We made one new investment, **MPAC Group**, a global designer and manufacturer of industrial process and packaging automation machinery. The Manager believes the company operates in a market supported by several secular demand drivers, leverages a strong market position amongst a highly fragmented competitor set, and continues to execute on an attractive organic and bolt-on M&A strategy aligned to shareholder value creation. We made some follow-on investments, including into **Ricardo** a global strategic, environmental, and engineering consultancy which is undergoing a strategic transition to refocus on the higher growth, higher margin, and lower capital intensity parts of the business, where growth is underpinned by environmental structural tailwinds and **SysGroup**, an IT managed services provider to the UK mid-market, via an oversubscribed equity raise, which has a refreshed management team focused on driving growth. We fully exited **Mattioli Woods** during the period, which we sold into share price strength following the recommended offer from **Pollen Street Capital**.

Primary share class information

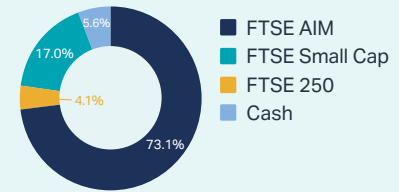
Type	A Class		C Institutional Class	
	Acc	Inc	Acc	Inc
Minimum investment	£100,000	£10,000	£10,000	£10,000
Minimum top up	£10,000	£1,000	£1,000	£1,000
Minimum regular savings plan	N/A	N/A	N/A	N/A
Initial charge (fully discounted)	Up to 5%	Up to 2.5%	Up to 2.5%	Up to 2.5%
Annual management charge	0.90%	0.90%	0.90%	0.90%
Ongoing Charges	0.98%	0.98%	0.98%	0.98%
ISIN code	GB00B55S9X98	GB00BV9FYS80	GB00BV9FYT97	
SEDOL code	B55S9X9	BV9FYS8	BV9FYT9	
MEX ID	SWBAAJ	CGAAOU	CGAAOV	

Sector allocation



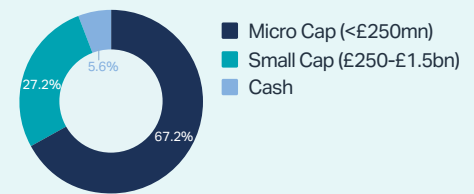
Source: Gresham House Asset Management Limited (portfolio at 30 June 2024)

Index weighting



Source: Gresham House Asset Management Limited (portfolio at 30 June 2024)

Market cap breakdown



Source: Gresham House Asset Management Limited (portfolio at 30 June 2024)

1. Fund statistics definitions

Volatility is a statistical measurement that, when applied to an investment fund, expresses its volatility, or risk. It shows how widely a range of returns varied from the fund's average return over a particular period.

Alpha is a measure of a fund's over-or-underperformance in comparison to the benchmark of the fund. Alpha represents the extra value the manager's activities have contributed, the greater the alpha, the greater the outperformance.

Beta is a statistical estimate of a fund's volatility in comparison to its benchmark. It depicts how sensitive the fund is to movements in the section of the market that comprises the benchmark.

Sharpe is the level of a fund's return over and above the return of a notional risk-free investment, such as cash or government bonds. The difference in returns is then divided by the fund's standard deviation (volatility). This is an indication of the amount of excess return generated per unit of risk. In general it is considered that the higher the Sharpe ratio, the better.

Information ratio is a risk-adjusted measure of actively managed fund performance. It assesses the degree to which a manager uses skill and knowledge to enhance the fund returns. The higher the information ratio, the better. It is generally considered that a figure of 0.5 reflects a good performance, 0.75 very good, and 1 outstanding.

Capital at risk. Past performance is not a reliable indicator of future performance. Portfolio investments in smaller companies typically involve a higher degree of risk. Charts and graphs are provided for illustrative purposes only as there is no official benchmark for this fund.

Get in touch



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Portfolio manager

Gresham House Asset Management Ltd (GHAM)

As the operating business of Gresham House, GHAM manages and advises funds and co-investments across a range of differentiated alternative investment strategies for third-party clients. Gresham House is a specialist asset manager and adviser with c.£8.5bn AUM.

Source: Gresham House as at 31 December 2023.

Key risks

- The value of the Fund and the income from it is not guaranteed and may fall as well as rise. As your capital is at risk you may get back less than you originally invested
- Past performance is not a reliable indicator of future performance
- Funds investing in smaller companies may carry a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid than securities in larger companies

Important information

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