

Montanaro UK Smaller Companies Investment Trust

This is a Marketing Communication

For Professional and Institutional investors only

28 April 2023

This is a marketing communication. This is not a contractually binding document. Please refer to the prospectus of the UCITS and to the KIID or KID and do not base any final investment decision on the communication alone.

Fund Objective

Capital growth by investing in quoted UK smaller companies and to outperform its Benchmark, the Numis Smaller Companies Index (ex-IC).

The Trust will invest primarily in quoted UK smaller companies with a market capitalisation smaller than the largest constituent of the Numis Smaller Companies Index at the time of initial investment.

The Trust pays a quarterly dividend equivalent to 1% of NAV (roughly 4% p.a).

Performance

Rolling Returns (£)

	YTD	1M	3M	6M	12M	3Y	5Y	10Y	Launch
Trust (Price)	-11.7%	2.1%	-10.0%	5.1%	-7.9%	6.6%	16.0%	48.7%	586.5%
Trust (NAV)[†]	0.3%	2.7%	-3.0%	10.4%	-5.6%	5.3%	-0.9%	36.8%	604.3%
Benchmark^{**}	4.8%	3.5%	-1.2%	11.6%	-3.0%	40.0%	6.2%	60.0%	197.2%

Annual Returns (£) [Financial Year End - 31 March]

	FYTD	22/23	21/22	20/21	19/20	18/19	17/18	16/17	15/16
Trust (Price)	2.1%	-12.4%	-10.1%	50.0%	-0.3%	-3.1%	9.8%	10.6%	-0.4%
Trust (NAV)[†]	2.7%	-12.1%	-5.0%	35.8%	-8.4%	-2.9%	7.5%	10.7%	1.1%
Benchmark^{**}	3.5%	-7.9%	-1.1%	65.6%	-25.9%	-3.2%	2.3%	15.4%	1.4%

Key Information

Fund Launch	March 1995
Legal Status	UK Investment Trust
Listing	London Stock Exchange
Dividend Dates	May, Aug, Nov & Feb

Price	106p
NAV[†]	116.46p
Discount	-9%

Fund Facts

Fund Manager	Charles Montanaro
Backup Fund Manager	Guido Dacie-Lombardo
Benchmark^{**†}	Numis Smaller Companies Index (ex-IC)

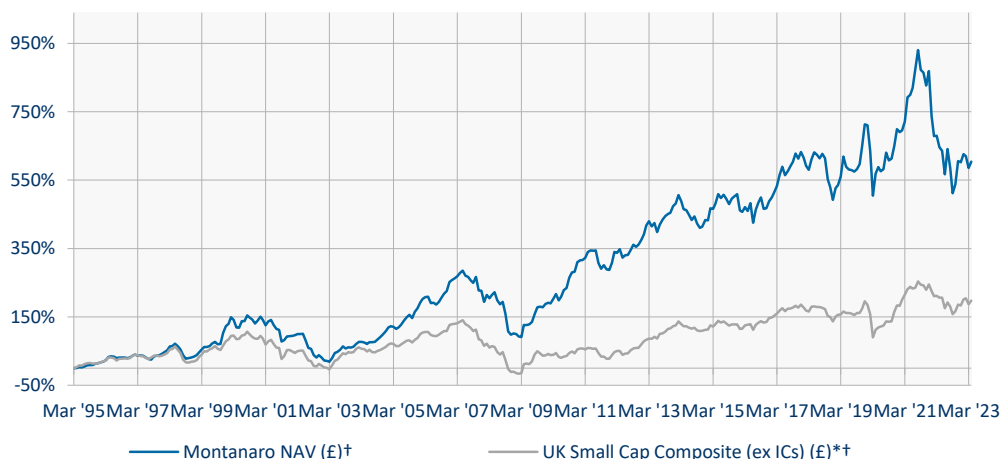
Net Assets	£197 million
Gross Assets	£207 million
No. of Holdings	40
Median Mkt Cap	£731 million
Gearing	5.2%

ESG

Carbon Intensity	78.4
Water Intensity	n/a
Waste Intensity	n/a
Fund ESG Score*	6.54

*The Fund ESG Score is the weighted average of Montanaro's proprietary company ESG Checklist scores (0-10; 10 is best).

Cumulative Performance Since Inception



Source: Montanaro, Bloomberg. NAV to NAV, fully diluted.

* Composite benchmark. Effective April 1st 2013 the index used in this factsheet for comparison purposes is the Numis Smaller Companies Index (ex-IC).

† Effective November 1st 2018 the performance of the Fund and Benchmark is Total Return. Prior to this the performance is Capital Return.

Risk & Reward Profile



These numbers rate how the Fund may perform and the risk of losing some or all of your investment. In general the potential for higher returns also implies a higher level of risk. However, the lowest category (1) does not mean a risk free investment.

This risk rating is based on historical data which may not be a reliable indication of the future risks and rewards of the fund. The risk rating of the fund may change over time.

Past performance is not a reliable indicator of future results. All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

For further information please see the Risk and Reward section of the Key Investor Information Document (KIID).

Important Information

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Top 10 Holdings

4Imprint	5.4%
Games Workshop	4.8%
Greggs	4.4%
discoverIE	4.1%
Big Yellow	4.0%
Diploma	3.9%
Clarkson	3.7%
Tracsis	3.6%
Marshalls	3.6%
Dechra Pharmaceuticals	3.6%
	41.2%

Risk Analysis

	Fund	Index
Jensen's Alpha (annual)	-10.8%	
Beta	1.06	1.00
Standard Deviation	20.1%	16.5%
Sharpe Ratio	0.03	0.66
Tracking Error	10.0%	
Information Ratio	-1.32	
Active Share	91.9%	

Note: risk statistics over three years

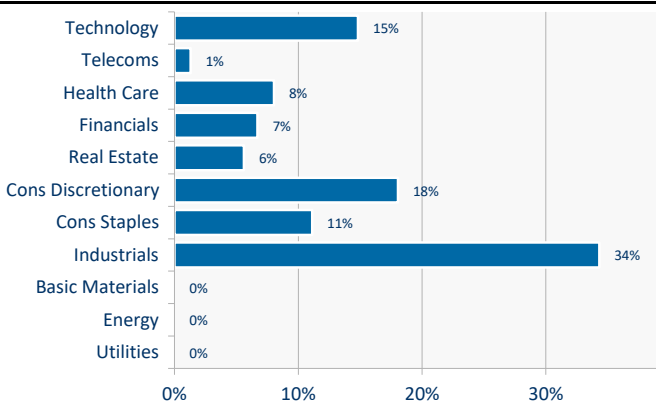
Portfolio Analysis

Price / Earnings 23F	18.4
EPS Growth 23F	-2.7%
Dividend Yield 23F (NAV)**	2.6%
Dividend Growth 23F	0.6%
Return on Equity 23F	15.3%
EV/EBITDA 23F	13.3
EBIT Margin 23F	22.4%
Net Debt/Equity 23F	-3.1%

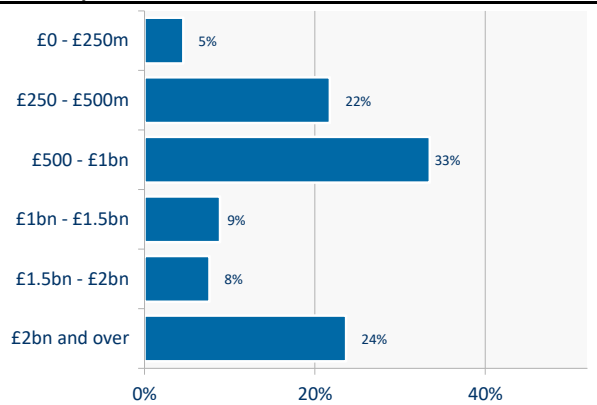
Source: Factset consensus estimates

** Yield on underlying portfolio. The yield on the Trust will be 4% or more (subject to size of discount)

Sector Allocation



Market Capitalisation Allocation

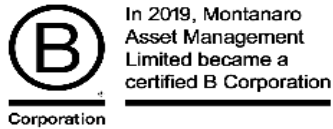


Share Information

Currency	Ticker	ISIN	SEDOL	Launch	Price	NAV	Discount	Ongoing Charge	Annual AMC	Perf Fee	High Water Mark	SRR1
Sterling	MTU LN	GB00BZ1H9L86	BZ1H9L8	31/03/1995	106p	116.46p	-9%	0.8%*	0.50%	N/A	N/A	5

*The costs of buying and selling investments are excluded, as are interest costs, taxation, non-recurring costs and the costs of buying back or issuing Ordinary shares.

Certified



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