

Montanaro UK Smaller Companies Investment Trust

This is a Marketing Communication

For Professional and Institutional investors only
31 March 2025

This is a marketing communication. This is not a contractually binding document. Please refer to the Annual Report and the KID for the Investment Trust and do not base any final investment decision on this 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 1.5% of NAV (roughly 6% p.a).

Performance

Cumulative Returns (£)

| | YTD | 1M | 3M | 6M | 12M | 3Y | 5Y | 10Y | Launch |
|--------------------------|-------|-------|-------|--------|-------|--------|-------|-------|--------|
| Trust (Price) | -6.4% | -5.8% | -6.4% | -5.8% | 1.1% | -10.8% | 20.3% | 40.6% | 585.3% |
| Trust (NAV) [†] | -9.5% | -4.6% | -9.5% | -10.7% | -6.9% | -11.4% | 14.3% | 22.2% | 591.0% |
| Benchmark ^{**†} | -6.3% | -3.7% | -6.3% | -7.5% | 2.3% | 2.7% | 68.2% | 44.4% | 220.3% |

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

| | FYTD | 23/24 | 22/23 | 21/22 | 20/21 | 19/20 | 18/19 | 17/18 | 16/17 |
|--------------------------|-------|-------|--------|--------|-------|--------|-------|-------|-------|
| Trust (Price) | 1.1% | 0.7% | -12.4% | -10.1% | 50.0% | -0.3% | -3.1% | 9.8% | 10.6% |
| Trust (NAV) [†] | -6.9% | 8.3% | -12.1% | -5.0% | 35.8% | -8.4% | -2.9% | 7.5% | 10.7% |
| Benchmark ^{**†} | 2.3% | 9.0% | -7.9% | -1.1% | 65.6% | -25.9% | -3.2% | 2.3% | 15.4% |

Key Information

| | |
|------------------|-----------------------|
| Fund Launch | March 1995 |
| Legal Status | UK Investment Trust |
| Listing | London Stock Exchange |
| Dividend Dates | May, Aug, Nov & Feb |
| Price | 97p |
| NAV [†] | 105.86p |
| Discount | -8% |

Fund Facts

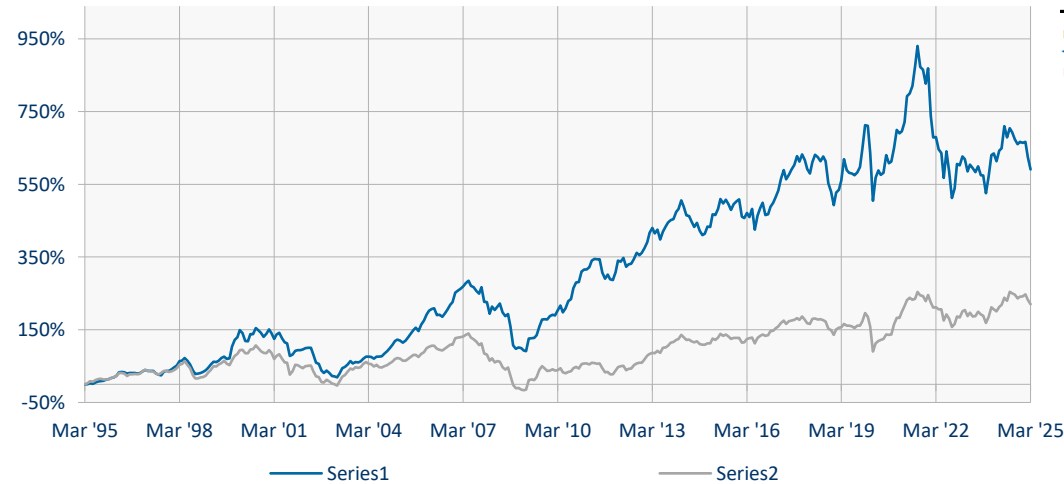
| | |
|--------------------------|---------------------------------------|
| Fund Manager | Charles Montanaro |
| Backup Fund Manager | Adam Montanaro |
| Benchmark ^{**†} | Numis Smaller Companies Index (ex-IC) |
| Net Assets | £151 million |
| Gross Assets | £158 million |
| No.of Holdings | 40 |
| Median Mkt Cap | £859 million |
| Gearing | 4.4% |

ESG

| | |
|------------------|------|
| Carbon Intensity | 40.9 |
| Water Intensity | n/a |
| Waste Intensity | n/a |
| Fund ESG Score* | 6.6 |

*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 (KID).

Important Information

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.

Top 10 Holdings

| | |
|------------------------|-------|
| discoverIE | 5.2% |
| XPS Pensions | 4.8% |
| Big Yellow | 4.7% |
| Hilton Food | 4.4% |
| Telecom Plus | 3.9% |
| Baltic Classifieds | 3.8% |
| Porvair | 3.7% |
| 4Imprint | 3.5% |
| Bytes Technology Group | 3.5% |
| JTC | 3.5% |
| | 40.9% |

Risk Analysis

| | Fund | Index |
|-------------------------|-------|-------|
| Jensen's Alpha (annual) | -4.7% | |
| Beta | 1.05 | 1.00 |
| Standard Deviation | 18.2% | 16.2% |
| Sharpe Ratio | -0.52 | -0.24 |
| Tracking Error | 6.7% | |
| Information Ratio | -0.74 | |
| Active Share | 84.5% | |

Note: risk statistics over three years

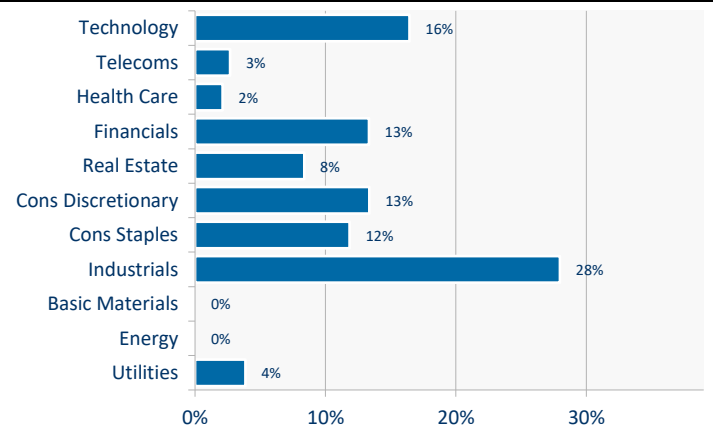
Portfolio Analysis

| | |
|----------------------------|--------|
| Price / Earnings 25F | 14.9 |
| EPS Growth 25F | 12.3% |
| Dividend Yield 25F (NAV)** | 3.4% |
| Dividend Growth 25F | 3.2% |
| Return on Equity 25F | 14.1% |
| EV/EBITDA 25F | 11.0 |
| EBIT Margin 25F | 25.6% |
| Net Debt/Equity 25F | -10.7% |

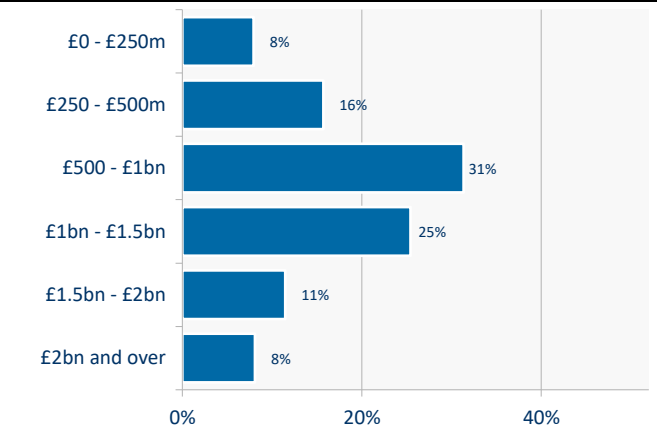
Source: Factset consensus estimates

** Yield on underlying portfolio. The yield on the Trust will be 6% 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 | SRI |
|----------|--------|--------------|---------|------------|-------|---------|----------|----------------|------------|----------|-----------------|-----|
| Sterling | MTU LN | GB00BZ1H9L86 | BZ1H9L8 | 31/03/1995 | 97p | 105.86p | -8% | 0.90%* | 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.

Important Information

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