

WS Gresham House UK Smaller Companies Fund

December 2024



Gresham House

Specialist investment

Fund objective

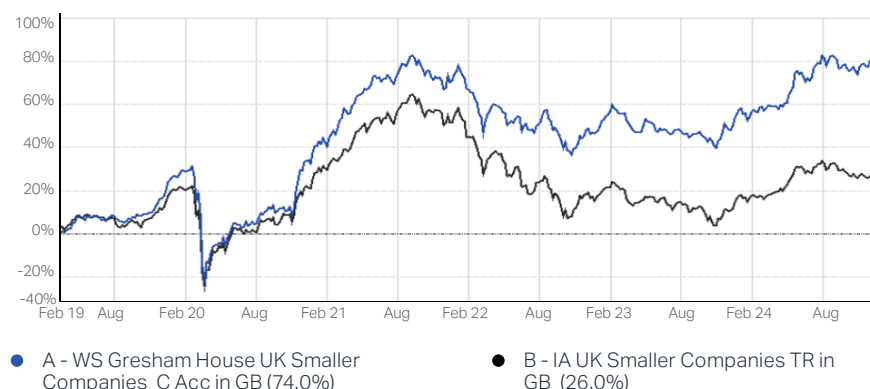
To provide capital growth over the long term (in excess of five years), after all costs and charges have been taken. **Capital invested is at risk and there is no guarantee the objective will be achieved over the time period.** The fund seeks to directly invest at least 70% of its assets in shares of smaller-sized UK companies. These are listed companies with a market capitalisation within the lowest 10% of the listed UK equities markets.

Fund rank

Financial Express (FE) rank 3/41 over 5 years to 31 December 2024.

Fund performance

Source: FE Analytics based on the returns of the C share class, net of charges, since launch to 31 December 2024



Cumulative performance

Source: FE Analytics net of charges, as at 31 December 2024

Cumulative returns month ending 31 December 2024	1 month	YTD	1 year	3 years	5 years	Since launch (1 Feb 2019)
WS Gresham House UK Smaller Companies Fund	-3.8%	9.5%	9.5%	-1.3%	37.4%	74.0%
IA UK Smaller Companies	-0.7%	6.7%	6.7%	-19.8%	5.0%	26.0%
Quartile	4	2	2	1	1	1

Discrete performance

Source: FE Analytics net of charges, as at 31 December 2024

Discrete annual returns	2024	2023	2022	2021	2020	2019
WS Gresham House UK Smaller Companies Fund	9.5%	7.3%	-16.0%	25.5%	10.9%	-
IA UK Smaller Companies	6.7%	0.5%	-25.2%	22.9%	6.5%	25.3%

Performance

In December 2024, the WS Gresham House UK Smaller Companies Fund decreased by **3.8%**, underperforming the IA UK Smaller Companies sector which decreased by **0.7%**. Positive contributors included **Team17 (+0.3% Contribution to Total Return ("CTR"))**, **Learning Technologies (+0.2% CTR)**, and **Trustpilot (+0.2% CTR)** all on no specific newsflow in the month.

Key detractors during the period included **Impax Asset Management (-0.6% CTR)** following c.£6bn of AUM outflows in December as ongoing St James's Place restructuring prompted mandate withdrawals, driving a de-rating to 5.5x EV/EBITDA (c.23% intra-day share price decline) which we view as materially overdone relative to the fundamental impact; **Moonpig (-0.6% CTR)** despite half-year results in-line with market expectations which highlighted double-digit revenue growth across core brands and medium-term margin expansion potential; and **Capita (-0.4% CTR)** as a full-year trading update guided to a revenue performance slightly below market expectations but in-line on margins due to better-than-expected cost savings. The market was also concerned about the potential cost impact of NIC and minimum wage increases announced in the October budget. Whilst a return to revenue growth and cash generation has taken longer than initially thought, we believe there is near-term potential to unlock value through further divestments, helping the simplify the equity story and strengthen the balance sheet.

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 managers



Lead Manager
Ken Wotton

25 years' experience



Co-Manager
Cassie Herlihy

8 years' experience

Fund information

Launch date 1 February 2019

Fund size £216.6mn

Fund sector IA UK Smaller Companies

Number of holdings 41

Portfolio turnover rate 25%
(12-month period to 31 December 2024)

Fund price 174.04p C ACC (as at 31 December 2024)

Pricing 12:00 noon (GMT)

ISA eligible Yes

Ratings



Platforms hosting the Fund¹

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

1. Selection only

Fund statistics¹ Source: FE Analytics, based on three years to 31 December 2024 . Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average

Risk ratios month ending 31 December 2024	Volatility	Alpha	Beta	Sharpe	Information Ratio
WS Gresham House UK Smaller Companies Fund	13.02	4.81	0.80	-0.01	1.08
IA UK Smaller Companies	14.63	0.00	1.00	-0.02	0.00

Top 10 holdings

Holding	Description	NAV
Trustpilot	Digital platform for consumer reviews and insights	4.6%
Team 17	Independent games label	4.1%
Elixirr	Business management consulting firm	3.9%
Gamma Communications	Business only mobile network	3.4%
Ricardo	Engineering & environmental consultancy	3.4%
Moonpig Group	Internet-based business cards/gifts business	3.4%
XPS Pensions Group	Actuarial consultancy	3.2%
Fintel	Outsourced regulatory services provider	3.2%
Loungers	Café and bar/lounge operator	3.2%
Franchise Brands	A collection of market-leading franchise businesses	3.0%

Portfolio activity

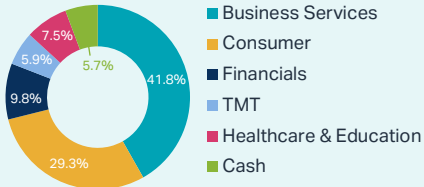
There were no new investments in December. The team however made follow-on investments into **Wilmington**, a portfolio of B2B brands providing solutions into the structural growing Governance, Risk and Compliance (GRC) sector, which has significantly rationalised its portfolio in recent years, simplifying the equity story and enabling clarity in its growth strategy, despite which it continues to trade at a discounted valuation; and **Team17**, an independent video game developer and publisher which has a strong market position, with earnings underpinned by a resilient back catalogue of durable franchises, which continues to trade at an attractive valuation.

The Fund made no full exits during the period.

Primary share class information

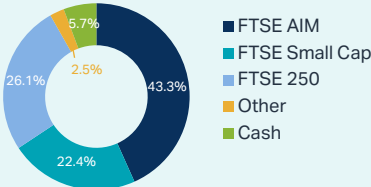
C Sterling		
Type	Acc	Inc
Minimum investment	£10,000	£10,000
Minimum top up	£1,000	£1,000
Minimum regular savings plan	n/a	n/a
Initial charge (fully discounted)	2.5%	2.5%
Annual management charge	0.75%	0.75%
Ongoing Charges	0.84%	0.84%
ISIN code	GB00BH416G53	GB00BH416F47
SEDOL code	BH416G5	BH416F4
MEX ID	LIUYA	LIOKJ

Sector allocation



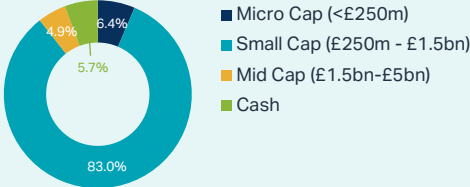
Source: Gresham House Asset Management Limited (portfolio at 31 December 2024)

Index weighting



Source: Gresham House Asset Management Limited (portfolio at 31 December 2024)

Market cap breakdown



Source: Gresham House Asset Management Limited (portfolio at 31 December 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.

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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.£8.8bn AUM.

Source: Gresham House as at 30 June 2024.

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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