



# Aberforth Smaller Companies Trust plc

## Monthly Factsheet

30 September 2024

### Fund structure

The Fund is an investment trust – a type of investment company/collective investment fund – with a Premium share listing on the Main Market of the London Stock Exchange.

### Manager: Aberforth Partners

The Fund is managed by Aberforth's investment team of six fund managers:

Sam Ford	Jeremy Hall
Euan Macdonald	Rowan Marron
Rob Scott Moncrieff	Peter Shaw

Further information on the investment team is available at [www.aberforth.co.uk](http://www.aberforth.co.uk).

### Benchmark: DNSCI (XIC)

The Fund's benchmark and primary investment universe is the Deutsche Numis Smaller Companies Index (excluding Investment Companies). This index is rebalanced every January and its profile at the date of this Factsheet was:

Number of companies	333
Total market value	£148bn
Largest constituent	£2.6bn
Largest constituent if index rebalanced at Factsheet date	£1.8bn

### Key Fund information

Total investments	£1,534m
Number of investments	77
Active share	73.3%
Gearing - bank debt in use	£103m
Net gearing/(liquidity)	6.1%
Total net assets	£1,446m
Ordinary shares in issue	84,139,605
NAV	1,718.67p
Share price	1,576.00p
Discount/(premium)	8.3%
Market value	£1,326m
Launch date	10 Dec 90
Next year-end	31 Dec 24

### Fees & charges

Management fee* (12m to 31 Dec 23)	0.73%
Performance fee	None
Ongoing charges (at 31 Dec 23 & includes Management fee)	0.79%

\* Further details of the Management fee are available at [www.aberforth.co.uk](http://www.aberforth.co.uk).

### Yield & dividends

Yield	2.7%
Interim dividend (paid 29 Aug 24)	13.60p
Final dividend (paid 8 Mar 24)	28.55p
Special dividend (paid 8 Mar 24)	9.00p

### Objective

The Fund's objective is to achieve a total return greater than that of the DNSCI (XIC) over the long term by investing in a diversified portfolio of small UK quoted companies.

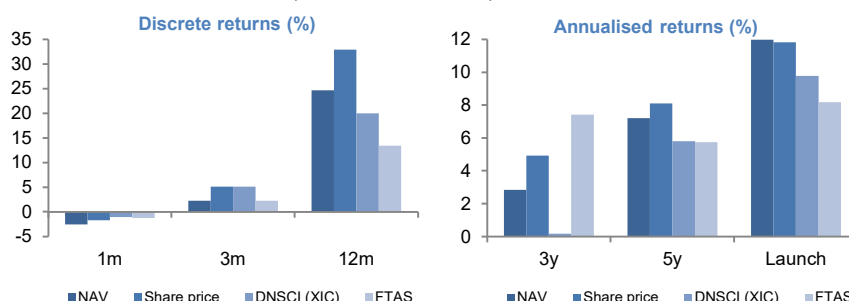
### Investment style: Value

Aberforth are value investors who buy shares in companies that they calculate to be selling below their intrinsic value. This is determined through detailed financial and industrial analysis, combined with a valuation approach that focuses on both stockmarket and corporate worth.

### Investment performance (annualised total returns)

Growth (%)	1m	3m	12m	3y	5y	Launch
NAV	-2.6	2.2	24.7	2.8	7.2	12.0
Share price	-1.7	5.1	32.9	4.9	8.1	11.8
DNSCI (XIC)	-1.1	5.1	20.0	0.2	5.8	9.8
FTAS	-1.3	2.3	13.4	7.4	5.7	8.2

Notes: 1m & 3m returns not annualised; Launch date = 10 Dec 90; FTAS = FTSE All-Share Index.



### Monthly investment commentary: September

As the Federal Reserve joined other central banks in cutting interest rates, September saw modest moves among western equity markets. UK stocks under-performed, with some of the divergence explained by sterling's strength. The FTSE All-Share fell by 1.3%, while the Fund's benchmark DNSCI (XIC) fell by a similar 1.1%. The Fund was down by 2.6%, with the shortfall explained by stock specific issues.

In a continuation of a recently highlighted theme, the Fund saw weaker trading updates from two holdings that earn most of their profits outside the UK. **Videndum** downgraded expectations for the full year owing to a slower than expected recovery from last year's Hollywood strike and to continued weak demand from amateur and professional photographers. **TT Electronics** also commented on sluggish demand, with the impact exacerbated by production issues in two US plants. **Card Factory's** results were in-line but its shares fell sharply after a strong run into the release. **Close Brothers**, which faces on-going regulatory uncertainty, also fell on the release of its results and news of the disposal of its wealth management business.

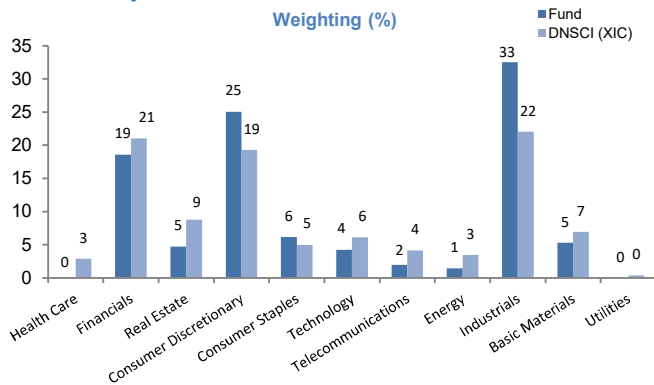
M&A had a mixed effect on the Fund's performance. Playtech, which is not held, confirmed that it had reached an agreement to sell its 'Snaiotech' division to Flutter for €2.3bn. **Centamin**, a Fund holding, announced an agreed takeover from AngloGold Ashanti, a gold-mining peer. Another holding, **TI Fluid Systems**, confirmed that it had been approached by Apollo regarding a possible offer for the company.

Performance was helped by **NCC Group**, which upgraded its guidance thanks to improvements in its cyber security division. **Rank Group** continued a share price recovery that began upon release of its results in August and **Eurocell** furthered its improved run of performance.

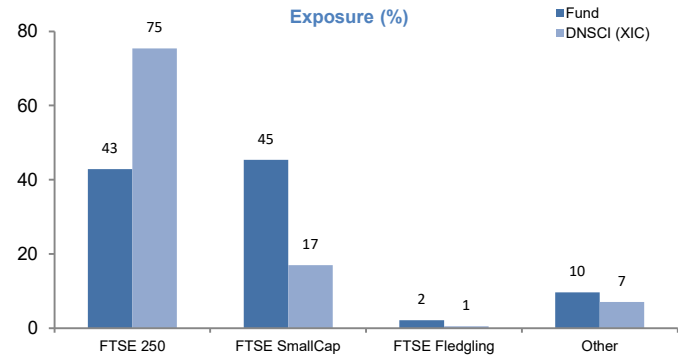
### Top 10 equity investments

Name	Activity	%
Wilmington	Business publishing & training	3.2
Just Group	Annuity provider	3.0
CMC Markets	Financial derivatives trading platform	2.8
Centamin	Gold miner	2.6
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.5
ZIGUP	Van rental	2.4
Bakkavor Group	Food manufacturer	2.4
NCC Group	IT security	2.4
Vesuvius	Metal flow engineering	2.3
International Personal Finance	Home credit provider	2.2

## Sector exposure



## Size exposure



## Gearing

The Fund has a bank debt facility of £130m available for use as gearing by the Manager at any time. The net gearing/(liquidity) figure shown in the Key Fund information section indicates the percentage by which the total value of investments exceeds the total net assets.

## Continuation vote & share buy-backs

The continuation of the Fund is voted on by shareholders at every 3<sup>rd</sup> AGM. The next vote will occur at the AGM in March 2026.

The Fund operates a share buy-back policy. A list of the buy-back transactions during the last 5 years is available at [www.aberforth.co.uk](http://www.aberforth.co.uk).

## Data sources & calculations

All data supplied by Aberforth, except DNSCI (XIC) data (from Numis/Paul Marsh and Elroy Dimson – London Business School) and FTSE data (from FTSE International Limited).

Performance returns are total returns after all expenses and assume reinvestment of dividends. Yield is based on the Fund's trailing 12 months' dividends (excluding Specials). Active share is a measure of how the Fund's portfolio differs from the DNSCI (XIC). Small companies are represented by the DNSCI (XIC). Large companies are represented by the FTAS.

## Risk warnings

Capital may be at risk as the value of investments may go down as well as up and is not guaranteed; therefore investors may not get back the amount originally invested. Past performance is not a guide to future performance, nor a reliable indicator of future results or performance.

Investments in shares of smaller companies are generally considered to carry a higher degree of risk as the market for their shares may be less liquid than that for shares of larger companies, making shares of smaller companies more difficult to buy and sell.

The performance of shares of smaller companies may be more volatile than the shares of larger companies over short time periods; therefore investors should regard such investments as long term.

There can be no guarantee that the investment objective of the Fund will be achieved or provide the returns sought by the Fund.

An investment in the Fund is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise from such an investment (which may be equal to the whole amount invested). Such an investment should be regarded as long term in nature and complementary to existing investments in a range of other financial assets and should not form a major part of an investment portfolio.

An investment trust is a public limited company, the shares of which are traded on the main market of the London Stock Exchange. Accordingly, the ability of shareholders to sell their shares will be dependent on the market price of the shares. The shares may trade at a discount or premium to their net asset value.

Investment trusts may borrow money in order to make further investments. This is known as gearing. The effect of gearing can enhance returns to shareholders in rising markets but will have the opposite effect on returns in falling markets.

Further information on the Fund, including the Key Information Document, is available on request or via the Aberforth website [www.aberforth.co.uk](http://www.aberforth.co.uk).

**Aberforth Partners LLP does not provide retail investors with investment advice.**

**This document has been issued for information purposes only. It does not contain any investment recommendations or an invitation to invest in the Fund. Investors should seek advice from an authorised financial adviser prior to making investment decisions.**

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## Security codes & other information

Ordinary shares of 1p	Other information
SEDOL: 0006655	Launched: 10 Dec 90
ISIN: GB0000066554	Next year-end: 31 Dec 24
TIDM: ASL	LEI: 213800GZ9WC73A92Q326

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