



Aberforth UK Small Companies Fund

Monthly Factsheet

31 May 2024

Fund structure

The Fund is an authorised unit trust scheme under the Financial Services & Markets Act 2000 and also a UCITS scheme as defined by the Collective Investment Schemes Sourcebook. The Fund is open-ended and issues Accumulation (Acc) and Income (Inc) units.

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.

Benchmark: DNsCI (XIC)

The Fund's primary investment universe is the Deutsche Numis Smaller Companies Index (excluding Investment Companies). It is used as a target and comparator benchmark. The DNsCI (XIC) index is rebalanced every January and its profile at the date of this Factsheet was:

Number of companies	341
Total market value	£150bn
Largest constituent	£1.9bn
Largest constituent if index rebalanced at Factsheet date	£1.8bn

Key Fund information

Total investments	£151m
Number of investments	78
Active share	73.6%
Total net assets	£151m
Issue price (Acc)	£350.51
Cancellation price (Acc)	£344.07
Issue price (Inc)	£227.04
Cancellation price (Inc)	£222.87
Launch date	20 Mar 91
Next year-end	31 Dec 24

Fees & charges

Ongoing charges (at 31 Dec 23 & includes Management fee)	0.82%
Management fee	0.75%
Performance fee	None
Initial/exit charges	0%
Dealing spread	1.85%

Yield & distributions (Inc units)

Yield	3.4%
Interim distribution (paid 31 Aug 23)	365.7168p
Final distribution (paid 28 Feb 24)	392.8468p

Objective

The investment objective of the Fund is to seek to achieve a total return, calculated on an income reinvested basis, greater than the Deutsche Numis Smaller Companies Index (excluding Investment Companies) over the long term, with the focus on rolling five year periods.

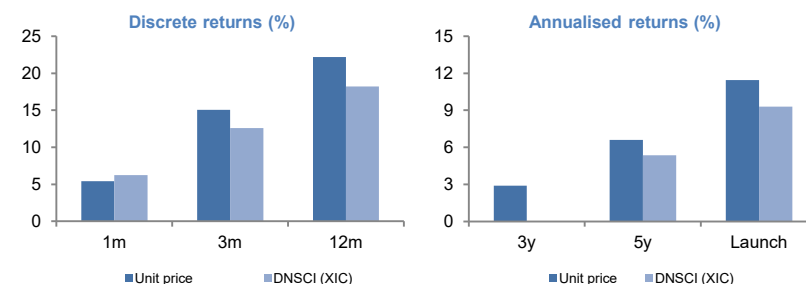
Investment style: Value

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
Unit price	5.4	15.0	22.2	2.9	6.6	11.4
DNsCI (XIC)	6.2	12.6	18.2	0.0	5.3	9.3

Notes: 1m & 3m returns not annualised; Launch date = 20 Mar 91; Unit price = Cancellation price of the Fund's Accumulation units.



Monthly investment commentary: May

UK equities performed strongly during the month, indicating investors are waking up to the UK opportunity. The FTSE All-Share continued its strong run, up by a further 2.4% in May. Having lagged large caps to the end of April, small companies, represented by the DNsCI (XIC), returned 6.2% in the month, which was a welcome broadening of investor appetite for UK assets. The fund returned 5.4%, with its bias to smaller-sized companies within the benchmark proving unhelpful in the month.

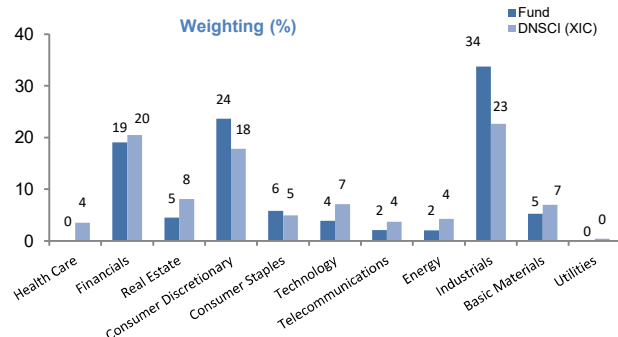
In a busy period for M&A activity across UK markets, the board of **XP Power** rejected an unsolicited approach from Advanced Energy, a US-based competitor. Advanced Energy has submitted three all-cash offers at significant premiums to prevailing share prices, but the board believes the offers fundamentally undervalue the Company and its prospects. The likelihood of falling interest rates and an easing of the cost-of-living pressures buoyed some UK domestics, including housebuilder **Crest Nicholson**, pub company **Marston's** and estate agent **Foxtons**, which was also the subject of bid rumours.

Detracting from performance were **TT Electronics**, where North American destocking is affecting demand, and **Morgan Advanced Materials**, which noted a second-half bias to achieve its expectations for full-year performance. Publishing business **Centaur Media** rebuffed an approach from Dutch private equity firm Waterland, and the share price fell back to its pre-approach level.

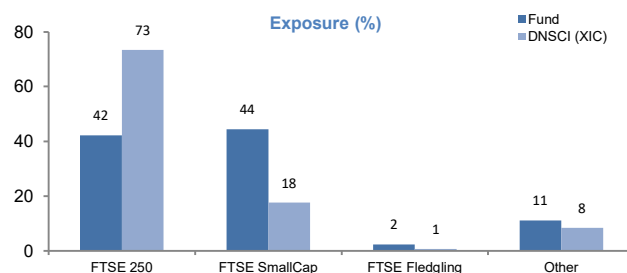
Top 10 equity investments

Name	Activity	%
Wilmington	Business publishing & training	3.2
CMC Markets	Financial derivatives dealer	3.0
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.8
ZIGUP	Van rental	2.7
Just Group	Individually underwritten annuities	2.4
Bakkavor Group	Food manufacturer	2.4
Vesuvius	Metal flow engineering	2.3
Mitchells & Butlers	Operator of restaurants, pubs & bars	2.2
Centamin	Gold miner	2.1
Avon Protection	Military protection products	2.0

Sector exposure



Size exposure



Dealing & pricing information

Dealings in the Fund normally take place every business day between 9.00am and the Valuation Point that day - usually 4.30pm. Orders may be placed by calling the Fund's Dealing Line on 0345 608 0940 or contacting Aberforth using the details in the Subscribe & contact section.

The dealing spread shown in the Fees & charges section is the difference between the Issue and Cancellation prices and reflects the underlying spread on the Fund's portfolio.

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. Active share is a measure of how the Fund's portfolio differs from the DNSCI (XIC). Small companies are represented by the DNSCI (XIC).

Standardised past performance

Discrete total return performance over 12 month periods to 31 March:

Growth (%)	2024	2023	2022	2021	2020
Unit price	11.9	-7.4	4.9	76.7	-32.4
DNSCI (XIC)	9.0	-7.9	-1.1	65.6	-25.9

Notes: the table above is updated on a calendar quarter basis in accordance with the Financial Conduct Authority's regulations; Unit price = Cancellation price of the Fund's Accumulation units.

Security codes & other information

Acc units	Inc units	Other information
SEDOL: 0007272	SEDOL: B2N9GS7	Launched: 20 Mar 91
ISIN: GB0000072727	ISIN: GB00B2N9GS70	Next year-end: 31 Dec 24
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 213800ONHC5DGL7RPF30

Subscribe & contact

If you wish to subscribe to this Factsheet, or have any queries regarding its content, please contact Aberforth's Investor Support team:

(T) 0131 220 0733

(E) investors@aberforth.co.uk

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.

The dealing spread of the Fund, which represents the difference between the buying and selling prices, will have an impact on the realisable value of any investment made in the Fund, particularly in the short term. To mitigate the impact of capital erosion, investors should regard investments in the Fund as long term.

Neither Aberforth Partners LLP or Aberforth Unit Trust Managers Limited 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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