



Disclaimer – Important Notice



Smithson
Investment Trust

The value of investments may go up as well as down. Past performance is not a guide to future performance. Mention of specific companies in this presentation does not imply an investment recommendation.

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Smithson Investment Trust - Performance



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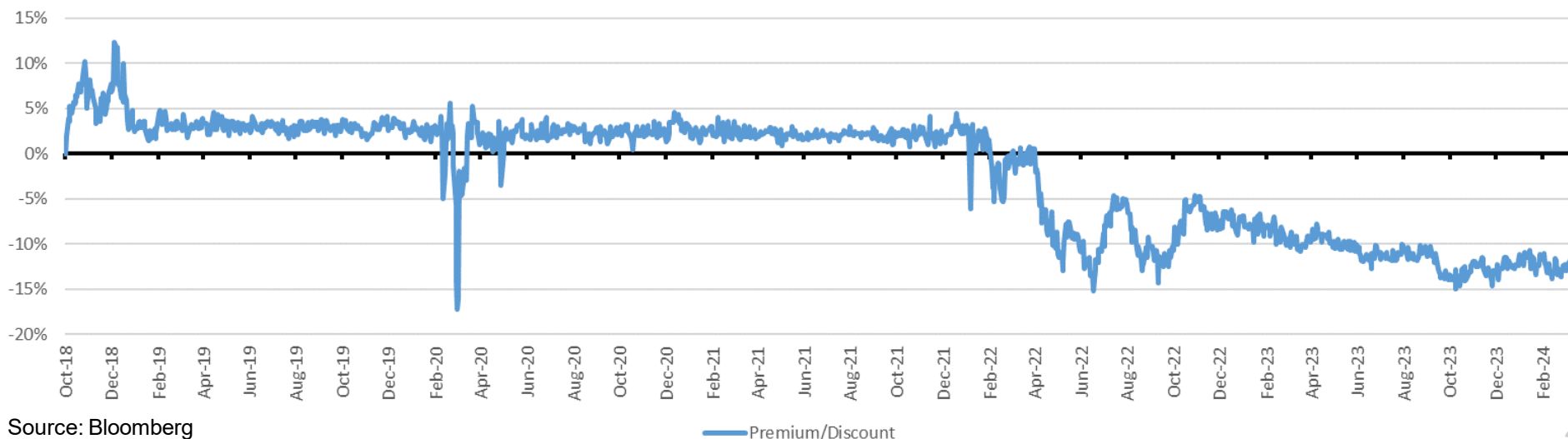
Performance Overview, % Return

	2024 to 28.03.24	2023	2022	2021	2020	2019	2018*	Inception to 28.03.24	Annualised to 28.03.24
Smithson NAV ¹	+1.1	+13.3	-28.1	+18.9	+31.4	+33.2	-5.8	+61.5	+9.2
Smithson Share Price	+0.9	+8.2	-35.2	+18.1	+31.7	+29.8	+0.0	+42.8	+6.8
Equities ²	+6.5	+9.1	-8.7	+17.8	+12.2	+21.9	-8.3	+56.8	+8.6
UK Bonds ³	-1.5	+5.6	-15.0	-4.5	+4.6	+3.8	+2.1	-6.3	-1.2
Cash ⁴	+1.3	+4.6	+1.4	+0.1	+0.3	+0.8	+0.2	+8.8	+1.6

¹Source: Bloomberg, starting NAV 1,000.

²MSCI World SMID Index, £ net, source: www.msci.com

³Bloomberg/Barclays Bond Indices UK Gov't 5-10yr, source: Bloomberg. ⁴Month £ LIBOR Interest Rate source: Bloomberg. *From 19.10.18



Source: Bloomberg

Day before launch (18th October 2018) rebased to 100.

Past performance is not a reliable indicator of future results. The value of your investment may go up as well as down and you may not get back the amount of your original investment.

Smithson Investment Trust – Top holdings and contributors



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Top 10 holdings by weighting

28th March 2024

Recordati	Italy
Moncler	Italy
Diploma	UK
Equifax	USA
Rational	Germany
Fortinet	USA
Verisign	USA
Geberit	Switzerland
Verisk Analytics	USA
Fevertree Drinks	UK

Smithson contributors & detractors 2023

Top Contributors

%

Simcorp	2.0%
Nemetschek	1.8%
Temenos	1.8%
Qualys	1.6%
Recordati	1.2%

Top Detractors

%

Sabre	-1.5%
Masimo	-1.2%
Paycom Software	-0.7%
Cognex	-0.5%
Domino's Pizza Enterprises	-0.5%

Gross contribution including currency
Smithson weights as at end of stated period.



- 1 Buy good companies**
- 2 Don't overpay**
- 3 Do nothing**

Smithson Portfolio Look-through 5 Year Review



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LTM figures	Smithson Investment Trust						MSCI SMID
	2018	2019	2020	2021	2022	2023	2023
ROIC	39%	28%	31%	33%	43%	59%	10%
Gross Margin	64%	66%	65%	67%	65%	61%	34%
Operating Profit Margin	31%	32%	28%	24%	25%	24%	6%
Cash Conversion	110%	104%	126%	112%	101%	97%	71%
Interest Cover	30x	34x	31x	35x	34x	34x	8x

Data for the MSCI World SMID Cap Index is shown ex-financials, with weightings as at 31st December each year.

Data for MSCI World SMID Cap Index is on a weighted average basis, using last available reported financial year figures as at 31st December each year

Data for Smithson portfolio is on a weighted average basis, ex-cash, using last available reported financial year figures as at 31st December each year

Interest cover (EBIT ÷ net interest) data for Smithson and MSCI SMID is done on a median average basis.

Smithson Exposure Breakdown



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Sector weightings: 28-Mar-24			Country weightings: 28-Mar-24			Sales exposure by region: 31-Dec-23	
Sector	Smithson	MSCI W SMID	Country of listing	Smithson	MSCI W SMID	Region	Smithson
Industrials	38%	21%	USA	47%	61%	North America	41%
Information Technology	25%	12%	UK	15%	5%	Europe	34%
Consumer Discretionary	12%	11%	Italy	11%	1%	Asia Pacific	19%
Health Care	12%	9%	Switzerland	7%	2%	Eurasia, Middle East, Africa	4%
Consumer Staples	8%	5%	Germany	6%	2%	Latin America	2%
Financials	3%	15%	Sweden	5%	2%		
Materials	2%	8%	Australia	4%	3%		
Real Estate		7%	New Zealand	3%	0%		
Energy		5%	Denmark	3%	1%		
Utilities		4%	Other	0%	23%		
Communication Services		4%	Cash	0%	0%		
Cash	0%						

Data for MSCI World SMID is market cap weighted.

Smithson Portfolio exposure based on weighted position sizes. For sales exposure by region, percentage splits are shown ex-cash, based on most recently-available full year data and portfolio weights as at 31-Dec-23.

Data may add up to more or less than 100% due to rounding.

Don't Overpay



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We compare free cash flow yields now to what we think they will be in 4-5 years' time. We then select the best combination of current value and future growth, allowing for potential risks that the business may face.

We compare the stocks with:

- Each other
- The market
- Bonds

	Historical Neutral FCF Yield					
	31-Dec-18	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23
Smithson Investment Trust	3.9%	3.2%	2.9%	2.0%	3.3%	2.4%
MSCI World SMID Index (ex-financials)	4.2%	3.5%	3.2%	2.5%	3.5%	3.3%

In 2023 neutral free cash flow rose 28%*

Source: Fundsmith research, Bloomberg.

Neutral FCF yield is operating cash flow less maintenance capex.

For both Smithson and the MSCI World SMID Index, Neutral FCF yield is measured on a weighted average basis (note Smithson weights are grossed up to an ex-cash basis), based on the latest available full year data as at the stated date.

*Weighted average neutral free cash flow growth is based on trailing 12 month cash flow growth yoy, as at the most recent quarterly reporting date available on 31-Dec-23. Based on this cash flow data, the portfolio yield would be 2.8%.

What are we doing today?



Investable Universe

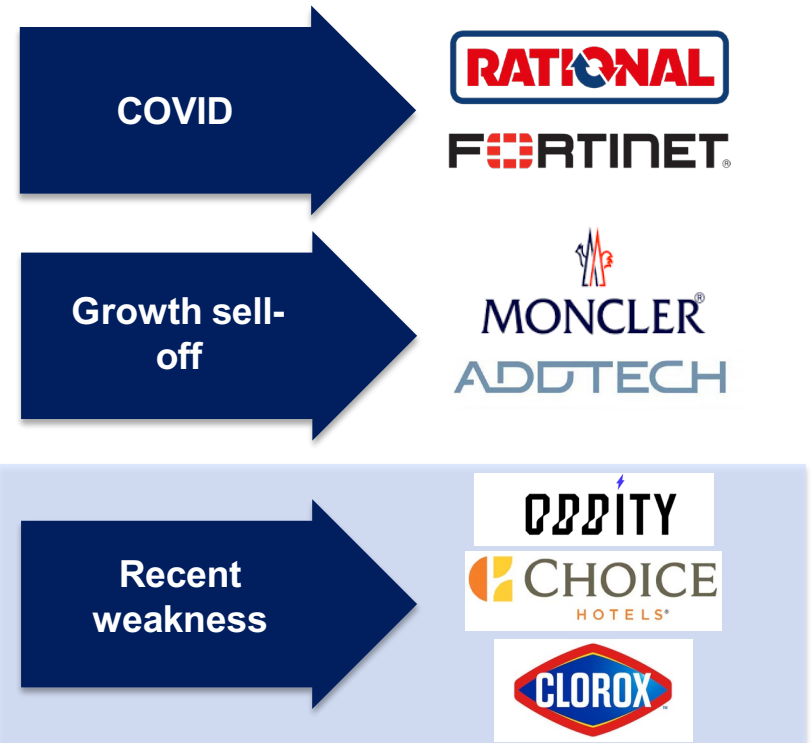
Finding more good companies



Current Investable Universe (IU) data as at 31st March 2024
Starting IU as at 19th October 2018

Portfolio

Taking advantage of exciting opportunities provided by market weakness



Do Nothing – 5 Year Review



<u>What we say:</u>	<u>What we do:</u>	2019	2020	2021	2022	2023	2024 to 28.03
<ul style="list-style-type: none"> • Ideal holding period is forever • Voluntarily exit a position only if: <ul style="list-style-type: none"> – Management makes bad capital allocation decisions – Fundamental reappraisal of the investment case – Valuation becomes too expensive – Superior investment opportunity identified • Some portfolio turnover will be involuntary, e.g. in the event of a takeover 	New Companies Bought	Fevertree Drinks	Rational Qualys Fortinet	Rollins Wingstop	Moncler Addtech IDEX	Graco Exponent Oddity Croda Clorox	HMS Networks Choice Hotels
	Companies Sold	CDK Global	Check Point	Abcam CHR Hansen	AO Smith Wingstop Ansys	Domino's (UK) Masimo SimCorp Rightmove	IPG Photonics
	Voluntary Turnover	6%	22%	10%	48%	27%	
	OCF¹	1.05%	0.97%	0.96%	0.90%	0.90%	
	Dealing costs¹	0.04%	0.03%	0.02%	0.03%	0.03%	
	New shares issued	32.3 million	26.9 million	30.3 million	5.4 million	-	-
	Proceeds from new issuance (net of costs)	£377 million	£398 million	£534 million	£93 million	-	-
	Average premium to NAV	2.9%	2.9%	2.0%	1.2%	-	-
	Shares bought back	-	-	-	5.7 million	11.7 million	4.8 million
	Spend on buybacks	-	-	-	£74 million	£159 million	£66 million
	Average discount to NAV	-	-	-	8.7%	10.7%	12.4%

¹ Voluntary dealing costs (excluding new share issuance/buybacks)

MSCI World SMID Cap vs. MSCI World Large Cap

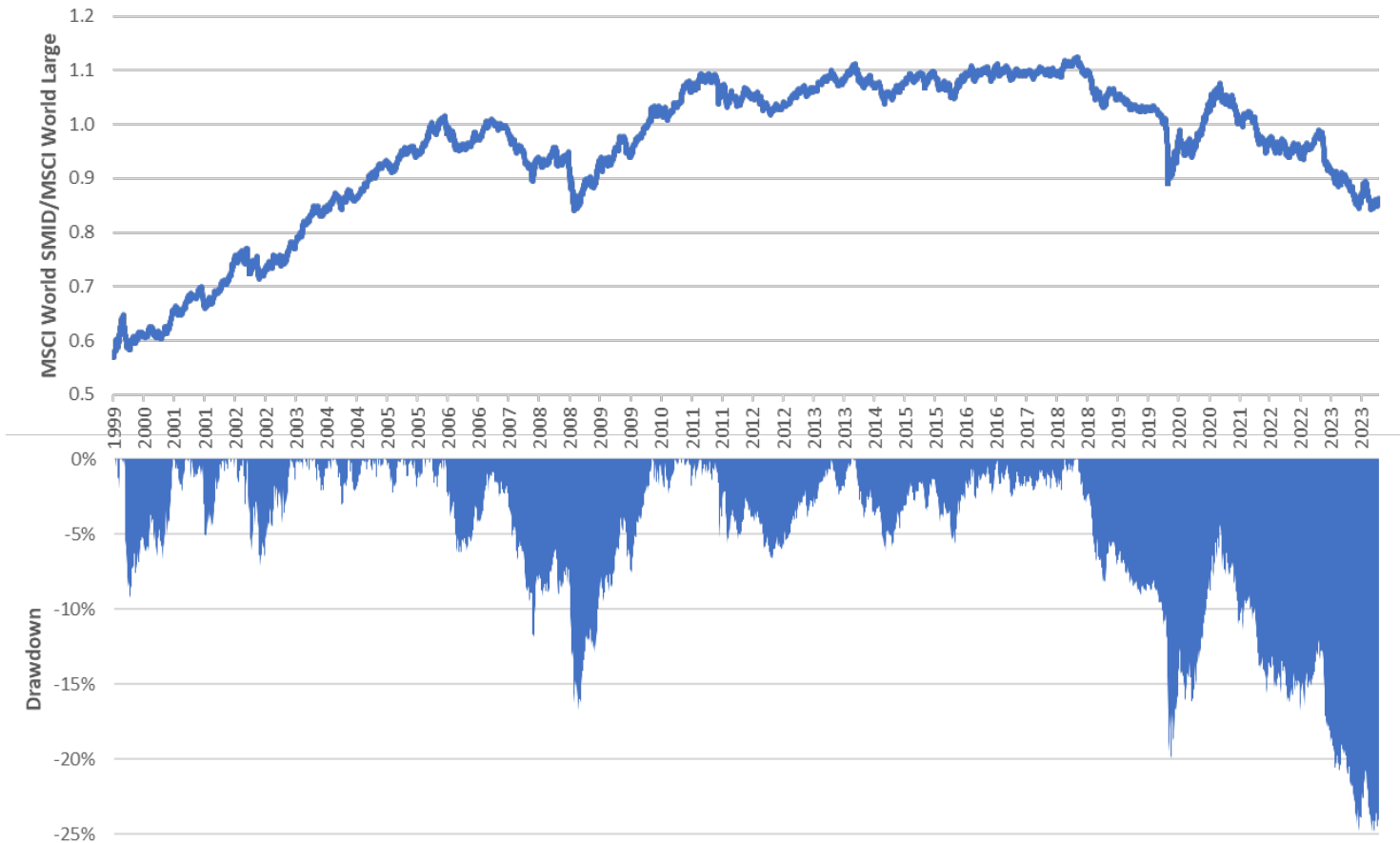
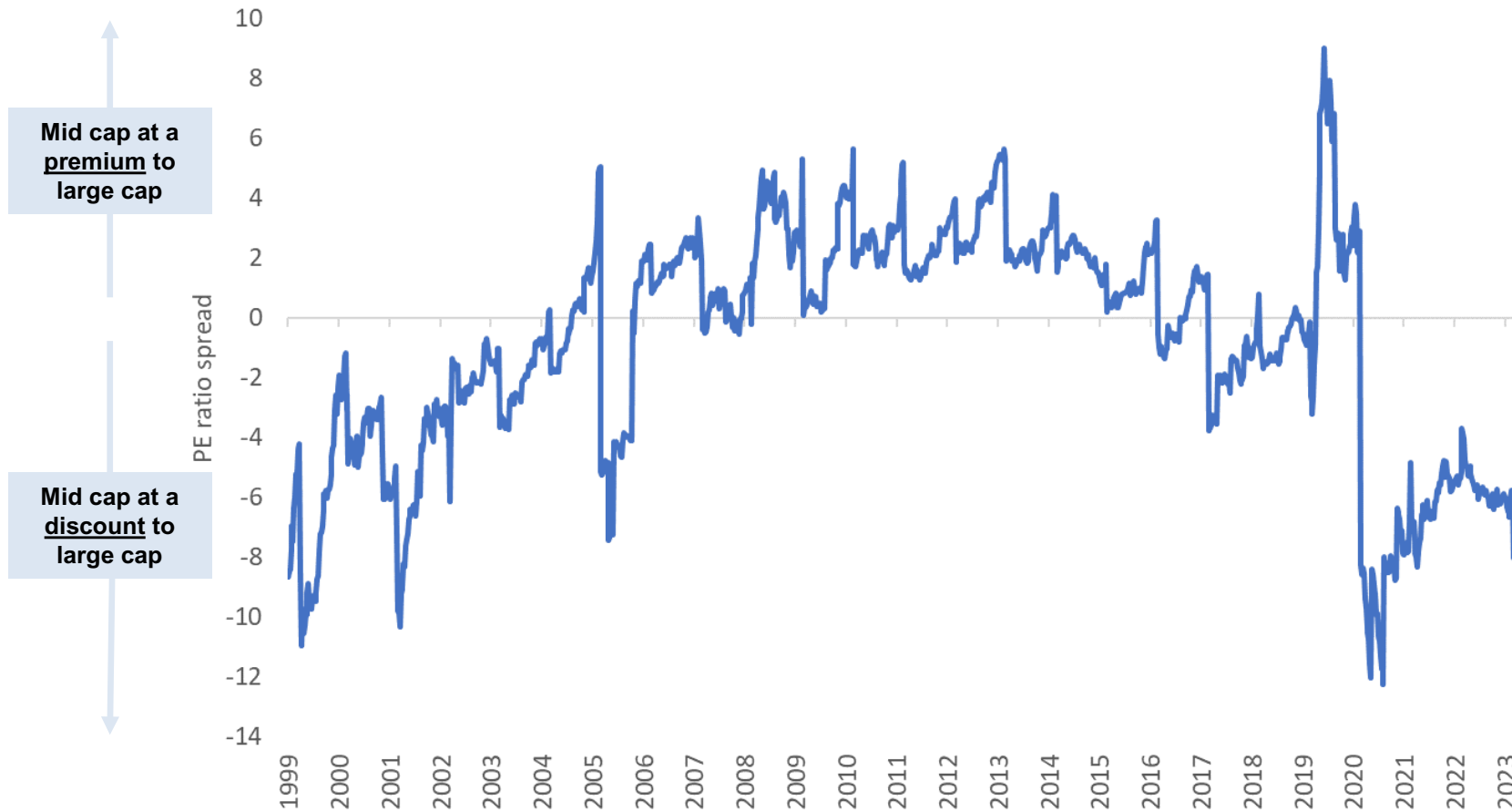


Chart shows the MSCI World SMID Cap net total return index in GBP as a ratio of the MSCI World Large Cap net total return index in GBP from 31-Dec-99. Percentage drawdown is thus not directly comparable to the difference in performance between the two indices in a certain period. From the last peak on 20-Jun-18, The MSCI World SMID in GBP (+48%) has underperformed the MSCI World Large cap in GBP (+94%) by 45%. Source: MSCI, Bloomberg, Fundsmith. Data to 29th March 2024. Past performance is not a reliable guide to future performance

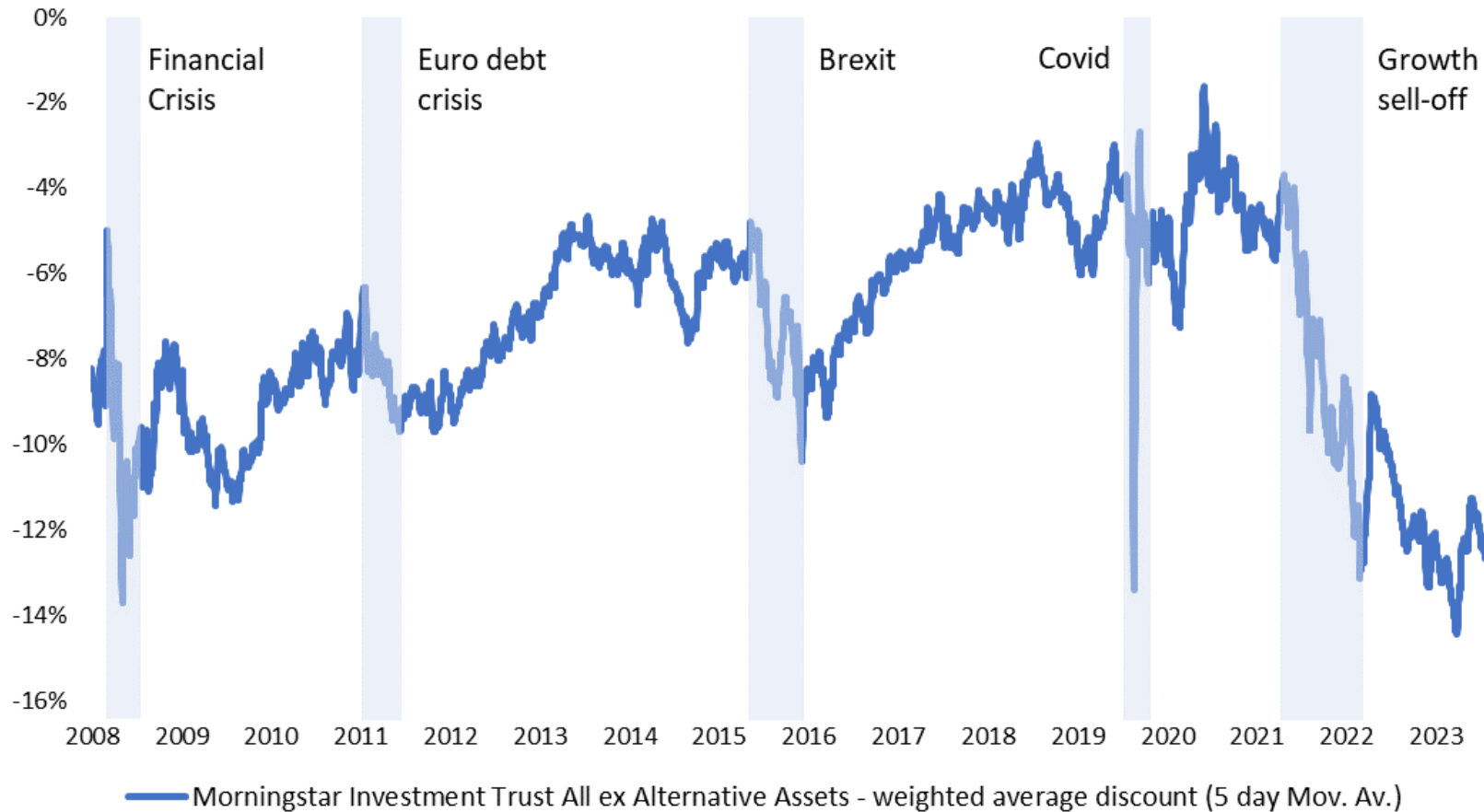
Valuation of S&P Mid Cap 400 vs. S&P 500



Source: Bloomberg, Fundsmith Research

Chart shows the BEst P/E of S&P Mid Cap 400 Index minus the BEst P/E of the S&P 500 from 31-Dec-99 to 29-Mar-24.

Investment trust discounts near level of Covid and Financial Crisis



Source: Morningstar, Fundsmith
Data to 29th March 2024. Past performance is not a reliable guide to future performance

Portfolio Management Details









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Smithson Portfolio Characteristics	
Fund Ticker	SSON
Typical No. of Holdings	25-40
Current No. of Holdings (29.03.24)	33
Median company founded	1963
Median market cap (at 29.03.24)	£7.4bn
NAV	Published daily in FT, Telegraph & at www.smithson.co.uk
Reporting	Interim & Annual
Annual Shareholder Meeting	Yes
OCF and TCI to 31.12.23	0.90% and 0.93%
AMC	0.90%
Est. Portfolio Yield (at 29.03.24)	1.2%
Performance Fee	No
Portfolio Turnover	Low
Reference Index	MSCI World SMID Cap Index, £
AIC Sector	Global Smaller Companies

Risk Management & Advisors	
Currency Hedging	No
Derivatives	No
Gearing	Up to 15% short term
Portfolio Concentration	Max 10% in one company
Counterparty Concentration	No more than 20%
Continuation Policy	At board discretion if discount >10% >1 year after 4 th year
Board	Diana Dyer Bartlett - Chairman Lord St. John of Bletso Jeremy Attard-Manche Denise Hadgill
Sponsor & Broker	Investec Bank
Legal Adviser	Travers Smith LLP
Auditor	Deloitte LLP
Administrator	Northern Trust
Registrar	Link Asset Services
Depository	Northern Trust
Co. Secretary	Apex Listed Companies Services (UK) Limited



- ESG considerations are essential for ensuring longevity of high returns, which is what we seek.

	Our focus	Statistics	Companies helping	Engagement
Environmental	Our approach naturally avoids high polluting industries.	Average greenhouse gas (GHG) emissions for Smithson = 75 thousand tons vs. MSCI World at 5.0 million tons. Per £1mn of FCF, Smithson GHG emissions = 257t vs. MSCI World 449t		
Social	Successful companies have happy employees and avoid societal harm.	Women make up 34% of portfolio company boards (up from 21% in 2018) vs. 25% for the MSCI World		
Governance	Appropriate governance structures and incentives. "Show me the incentive, and I'll show you the outcome" – Charlie Munger.	We voted against remuneration at 21% of AGMs in the last 12 months.		

- Smithson is represented on the Fundsmith Stewardship & Sustainability Committee
- Fundsmith is a signatory to the UN PRI and UK Stewardship Code 2020



Simon Barnard CFA
PORTFOLIO MANAGER

Simon Barnard joined Fundsmith in September 2017. He started his career at Goldman Sachs Asset Management in 2003 as a research analyst on the technology and industrial sectors. He moved to the consumer sector in 2008 and became the Global Lead Portfolio Manager for the consumer discretionary sector in 2012. In 2014 he was named Portfolio Manager of the 'Global Income Builder Fund', a multi-asset strategy. Upon its launch in 2016 he became Portfolio Manager of the 'Global Millennials Fund', a concentrated global equity growth fund. Simon has a First Class degree in Economics from the University of Cambridge and is a CFA charter holder.

Will Morgan CFA
ASSISTANT PORTFOLIO MANAGER

Will Morgan joined Fundsmith in July 2017. He previously spent 17 years at Goldman Sachs. He began his career there in 2000, initially in the asset management division, before moving to equity sales in 2002. In 2003 he joined the Global Investment Research division as an analyst covering the insurance sector, and became head of the team in 2008. In 2011 he moved to lead coverage of the Construction & Building Materials sector, becoming a Managing Director in 2013 and deputy head of the Industrials business unit. He became a sector specialist for Autos and Industrials in 2015. He has a First Class degree in Economics & Politics from the University of Bristol and is a CFA charter holder.

Jonathan Imlah
ANALYST

Jonathan joined Fundsmith in December 2013 from Canaccord Genuity where he was the lead Technology analyst since 2010. He was previously at Altium Securities where he covered technology for 6 years, latterly as Head of Research. Prior to Altium, he worked in the large cap technology team at Dresdner Kleinwort covering pan European IT services. Jonathan was Techmark analyst of the year in 2007 and was number 1 or 2 in his sector in the FT Starmine survey between 2006 and 2010. Prior to taking up a career as an analyst Jonathan was a country investment report writer working in Spain, India, Russia, Hungary, Brazil, Peru, Zimbabwe and Guatemala. Jonathan has an MBA from INSEAD and a degree in French and Philosophy from the University of St Andrews and is a fluent Spanish speaker.