

Price & NAV Data

As at 29 Sep 2023	
NAV	1470.65p
Price	1308.00p
Premium (+) / Discount (-)	-11.1%
OCF to 30.06.23	0.9%

Standing Data

Since Inception	
Portfolio Manager	Simon Barnard
Fund Type	Investment Trust
Inception Date	19.10.2018
Sponsor & Broker	Investec Bank
Legal Adviser	Travers Smith LLP
Auditor	Deloitte LLP
Administrator & Depositary	Northern Trust
Registrar	Link Asset Services
Co. Secretary	Apex Listed Companies Services
Dealing	LSE Main Market
AIC Sector	Global Smaller Companies

Key Facts

As at 29 Sep 2023	
Market Capitalisation	£2.1bn
Est. Portfolio Yield*	1.1%
2022 PTR*	48.5%
No. Holdings	32
Median Company Founded	1969
Median Market Cap	£6.1bn
Gearing policy	Up to 15% short term
No. Shares in Issue	162,567,958
2022 Transaction Costs	0.03%

Fund Performance Analysis

To 29 Sep 2023		%
Annualised Rate of Return		+8.1%
Best Month	+13.3% (Apr '20)	
Worst Month	-15.1% (Jan '22)	
Average Month	+0.8%	
% Positive Months		57%

Geographical Split

As at 29 Sep 2023 by Listing		%
USA		43.2
UK		18.1
Italy		10.1
Switzerland		7.2
Germany		5.6
Australia		4.8
Denmark		2.8
New Zealand		2.6
Sweden		2.4
Cash		3.2

Sector Split

As at 29 Sep 2023 by NAV - GICS® Categories		%
Industrials		34.0
Information Technology		27.2
Consumer Discretionary		10.8
Health Care		10.6
Consumer Staples		4.8
Communication Services		3.6
Financials		3.5
Materials		2.2
Cash		3.2

Fund Aim

The Company's investment policy is to invest in shares issued by small and mid-sized listed or traded companies globally with a market capitalisation (at the time of initial investment) of between £500 million to £15 billion. The Company's approach is to be a long-term investor in its chosen stocks. It will not adopt short-term trading strategies. Accordingly, it will pursue its investment policy by investing in approximately 25 to 40 companies.

The Investment Manager focuses on investing in those companies it believes can compound in value over many years. It seeks to achieve this by selecting companies that have an established track record of success, such as having already established a dominant market share in their niche product or service or having brands or patents which others would find difficult, if not impossible, to replicate. The Investment Manager believes such SMID sized companies tend to out-perform large companies and that there is also an investment opportunity to take advantage of greater discrepancies between the share price and valuation of SMID sized companies, in part due to lighter research coverage and less information being available on them. SMID sized companies tend to have higher expected returns but also higher expected risk, defined as price volatility (a measure of how much its price moves over time), when compared to larger companies. However, adding a small and mid cap portfolio to a large cap portfolio can raise expected returns without increasing risk, due to the different risk and return characteristics that SMID sized companies provide.

The Investment Manager seeks to invest in SMID sized companies that exhibit strong profitability that is sustainable over time and generate substantial cash flow that can be reinvested back into the business. Its strategy is not to overpay when buying the shares of such companies and then do as little dealing as possible in order to minimise the expenses of the Company, allowing the investee companies' returns to compound for Shareholders with minimum interference.

The Investment Manager looks to avoid companies that are heavily leveraged or forced to rely upon debt in order to provide an adequate return, as well as sectors and industries that innovate very quickly and are rapidly changing. It instead focuses on companies that have exhibited an ability to continue outperforming competitors and will look for companies that rely heavily on intangible assets in industries such as information technology, health care and consumer goods. The Company's investments will be long-term and the Investment Manager will not be forced to act when market prices are unattractive.

Past performance is not a guide to future performance.

Performance Overview, % Return

	Sep 2023	2023 to 29.09.23	2022	2021	2020	2019	2018*	Inception to 29.09.23	Annualised to 29.09.23
Smithson NAV ¹	-4.3	+4.3	-28.1	+18.9	+31.4	+33.2	-5.8	+47.1	+8.1
Smithson Share Price	-3.5	0.0	-35.2	+18.1	+31.7	+29.8	+0.0	+30.8	+5.6
Equities ²	-1.3	+1.7	-8.7	+17.8	+12.2	+21.9	-8.3	+37.2	+6.6
UK Bonds ³	+0.4	-1.6	-15.0	-4.5	+4.6	+3.8	+2.1	-11.3	-2.4
Cash ⁴	+0.4	+3.3	+1.4	+0.1	+0.3	+0.8	+0.2	+6.1	+1.2

¹Source: Bloomberg, starting NAV 1000, net of fees. ²MSCI World SMID Index, £ Net, source: www.msci.com.

³Bloomberg/Barclays Bond Indices UK Govt 5-10yr, source: Bloomberg. ⁴£ Interest Rate, source: Bloomberg. *From 19.10.18

Portfolio Comment for September 2023

We initiated a holding in Croda, a UK chemical ingredient company focused on the personal care and life sciences sectors. We exited our position in Masimo due to growing concerns regarding its business focus. SimCorp was acquired by Deutsche Börse during the month. The top 5 contributors in the month were Technology One, Qualys, Verisk Analytics, Verisign and Fortinet. The top 5 detractors were Moncler, Rational, Fever-Tree Drinks, Temenos and Ambu.

Top 10 holdings

- ▶ Recordati
- ▶ Moncler
- ▶ Verisign
- ▶ Fortinet
- ▶ Fever-Tree Drinks
- ▶ Verisk Analytics
- ▶ Temenos
- ▶ Diploma
- ▶ Rightmove
- ▶ MSCI

Smithson

- ▶ Small &
- ▶ Mid Cap
- ▶ Investments
- ▶ That
- ▶ Have
- ▶ Superior
- ▶ Operating
- ▶ Numbers

Security Identification Codes

Launch Date	SEDOL	ISIN	EPIC	Bloomberg
19/10/2018	BGJWTR8	GB00BGJWTR88	SSON	SSON LN

Performance chart

19/10/2018 - 29/09/2023



Cumulative performance (%) Performance data as at 29 September 2023

Key	Instrument	YTD	1M	3M	6M	1Y	3Y	From inception	From inception annualised
A	Smithson Investment Trust (NAV)	4.3	-4.3	-6.6	-4.3	10.5	-1.6	47.1	8.1
B	Smithson Investment Trust (Price)	0.0	-3.5	-6.6	-4.7	10.9	-14.4	30.8	5.6
C	Sector: Global Smaller Companies (GBP)	-4.7	-2.6	-1.2	-2.0	3.1	-5.2	12.7	2.5

Sector: Global Smaller Companies is the Association of Investment Companies defined sector and comprises a peer group of just 6 investment trusts which invest at least 80% of their assets in smaller company securities. Namely, BMO Global Smaller Companies, Edinburgh Worldwide, Herald, North Atlantic Smaller Companies, ScotGems and Smithson.

Monthly NAV Performance Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	-	-	-	-	-	-	-	-	-	-	-0.7	-5.2	-5.8
2019	+7.5	+5.0	+5.5	+4.4	-3.6	+6.5	+2.1	-0.2	-1.0	-3.2	+7.5	-0.5	+33.2
2020	+0.2	-4.7	-5.4	+13.3	+11.7	+0.8	+0.1	+0.7	+2.3	-2.7	+7.2	+5.7	+31.4
2021	-3.3	-3.3	+4.3	+7.5	-3.9	+5.1	+4.4	+3.9	-3.1	+3.3	+0.2	+3.3	+18.9
2022	-15.1	-4.3	+2.2	-5.7	-6.0	-7.2	+10.3	-2.9	-7.2	+3.9	+4.8	-2.6	-28.1
2023	+8.0	-1.9	+2.7	+2.7	-0.8	+0.7	+0.8	-3.3	-4.3				+4.3

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