

## Price & NAV Data

As at 31 Aug 2023	
NAV	1536.62p
Price	1356.00p
Premium (+) / Discount (-)	-11.8%
OCF to 30.06.23	0.9%

## Standing Data

Since Inception	
Portfolio Manager	Simon Barnard
Fund Type	Investment Trust
EPIC Code/Ticker	SSON
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 31 Aug 2023	
Market Capitalisation	£2.2bn
Est. Portfolio Yield <sup>a</sup>	1.0%
2022 PTR <sup>*</sup>	48.5%
No. Holdings	34
Median Company Founded	1971
Median Market Cap	£6.3bn
Gearing policy	Up to 15% short term
No. Shares in Issue	163,897,958
2022 Transaction Costs	0.03%

## Fund Performance Analysis

To 31 Aug 2023		%
Annualised Rate of Return		+9.2%
Best Month	+13.3% (Apr '20)	
Worst Month	-15.1% (Jan '22)	
Average Month	+0.9%	
% Positive Months		58%

## Geographical Split

As at 31 Aug 2023 by Listing		%
USA		44.7
UK		17.1
Italy		10.2
Switzerland		7.1
Germany		5.9
Denmark		5.3
Australia		4.5
New Zealand		2.4
Sweden		2.3
Cash		0.4

## Sector Split

As at 31 Aug 2023 by NAV - GICS® Categories		%
Industrials		33.6
Information Technology		28.9
Health Care		12.9
Consumer Discretionary		11.0
Consumer Staples		5.1
Communication Services		3.4
Financials		3.4
Materials		1.2
Cash		0.4

## 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 £15billion. 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

	Aug 2023	2023 to 31.08.23	2022	2021	2020	2019	2018*	Inception to 31.08.23	Annualised to 31.08.23
Smithson NAV <sup>1</sup>	-3.3	+8.9	-28.1	+18.9	+31.4	+33.2	-5.8	+53.7	+9.2
Smithson Share Price	-3.3	+3.7	-35.2	+18.1	+31.7	+29.8	+0.0	+35.6	+6.5
Equities <sup>2</sup>	-2.2	+3.0	-8.7	+17.8	+12.2	+21.9	-8.3	+39.0	+7.0
UK Bonds <sup>3</sup>	+0.1	-1.9	-15.0	-4.5	+4.6	+3.8	+2.1	-11.7	-2.5
Cash <sup>4</sup>	+0.4	+2.8	+1.4	+0.1	+0.3	+0.8	+0.2	+5.7	+1.1

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

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

## Portfolio Comment for August 2023

We began buying a new position for the fund, the name of which will be revealed when we have accumulated our desired weighting. The top 5 contributors in the month were Sabre, Qualys, Verisk Analytics, Domino's Pizza Enterprises and Rational. The top 5 detractors were Fortinet, Ambu, Cognex, IPG Photonics and Fisher & Paykel Healthcare.

### Top 10 holdings

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

### Smithson

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

The OCF (Ongoing Charges Figure) is the total expenses paid by the fund (excluding bank overdraft interest), annualised, against its average net asset value. The OCF will fluctuate as the average net assets and costs change. The OCF is updated following the publication of accounts for the periods ending 30th June and 31st December.

Cash in the Sector and Geographic split represents current assets, of which cash is typically the largest part, less any current liabilities.

<sup>a</sup> Estimated Portfolio Yield is an estimate of the dividends received as a percentage of the market capitalisation. Where the OCF exceeds the amount no dividends will be distributable to shareholders.

\* The PTR (Portfolio Turnover Rate) is a measure of the fund's trading activity, and has been calculated by taking the total share purchases and sales less total creations and liquidations divided by the average net asset value of the fund.

N.B. When a position is being built for the fund the company name is not disclosed in factsheet data.

Security Identification Codes

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

Performance chart

19/10/2018 - 31/08/2023



Cumulative performance (%) Performance data as at 31 August 2023

Key	Instrument	YTD	1M	3M	6M	1Y	3Y	From inception	From inception annualised
A	Smithson Investment Trust (NAV)	8.9	-3.3	-1.8	2.8	7.2	5.2	53.7	9.2
B	Smithson Investment Trust (Price)	3.7	-3.3	-4.0	-2.4	5.8	-9.5	35.6	6.5
C	Sector: Global Smaller Companies	-2.2	-3.8	-0.5	-6.7	-1.8	-2.2	15.8	3.1

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					+8.9

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.

MSCI World SMID Index is the exclusive property of MSCI Inc. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or final products. This report is not approved, reviewed or produced by MSCI. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's and "GICS" is a service mark of MSCI and Standard & Poor's.

Fundsmith LLP ("Fundsmith") is authorised and regulated by the Financial Conduct Authority and only acts for the funds to whom it provides regulated investment management and transaction arrangement services. Fundsmith does not act for or advise potential investors in connection with acquiring shares in Smithson Investment Trust plc and will not be responsible to potential investors for providing them with protections afforded to clients of Fundsmith. Prospective investors are strongly advised to take their own legal, investment and tax advice from independent suitably qualified advisers. The value of investments may go up as well as down. Past performance is not a guide to future performance.