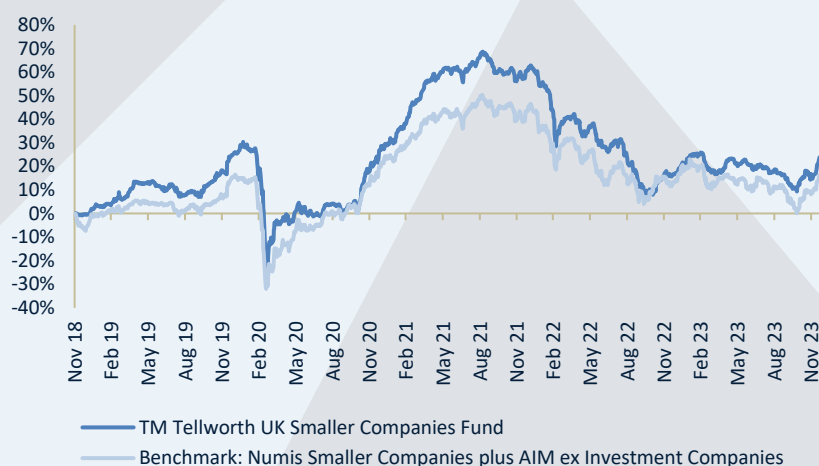


## TM Tellworth UK Smaller Companies Fund

### Fund Overview

- The objective of the Fund is to provide long term (in excess of five years) capital growth, by investing in shares of small-sized UK companies.
- The Fund will invest at least 80% of its assets, directly or indirectly in shares of small-sized UK companies. These are companies that are domiciled, incorporated or have a significant portion of their business in the UK and, have a market capitalisation within the bottom 10% of the UK equities market.
- Fund Managers Paul, John and James generate returns using a bottom up fundamental research approach.

### Performance Overview



Source: Bloomberg

Returns quoted denote performance from 29 November 2018 – 31 December 2023. Returns quoted are net of fees on the F Acc Institutional share class. The index refers to Numis Smaller Companies plus AIM ex-Investment Companies Index.

### Return History - Cumulative

	1m	3m	6m	1yr	3yr	ITD <sup>2</sup>
<b>Fund</b>	7.24%	8.90%	3.84%	6.88%	-2.51%	25.22%
<b>Benchmark<sup>1</sup></b>	8.54%	6.88%	5.53%	3.21%	-2.05%	17.52%

### Calendar Year Performance - Discrete

	2019	2020	2021	2022	2023
<b>Fund</b>	26.19%	1.81%	26.20%	-27.72%	6.88%
<b>Benchmark<sup>1</sup></b>	22.16%	4.93%	20.03%	-21.93%	3.21%

<sup>1</sup>The Fund's performance comparator is the Numis Smaller Companies plus AIM ex-Investment Companies Index. Returns quoted are net of fees on the F Acc Institutional share class.

<sup>2</sup>Inception of the Fund was 29 November 2018.

**Past performance is not indicative of future results.**

For professional investors only

### Key Facts

Asset Class	Equity
IA Sector	UK Smaller Companies
Benchmark	Numis Smaller Companies plus AIM ex-Investment Companies
Currency	GBP
Fund size (£m)	£136.2m
Launch date	29 November 2018
No. of holdings	43
Domicile	United Kingdom
Structure	UCITS
Bloomberg Ticker	LFTUKSF
SEDOL	BDTM8B4



**ELITE RATED**  
by FundCalibre.com

### Fund Managers

**Paul Marriage** launched Tellworth in October 2017. He joined from Schroders and has over 20 years of investment experience.



**John Warren** launched Tellworth in October 2017. He joined from Schroders and has over 18 years of investment experience.



**James Gerlis** joined Tellworth at launch in 2017. He joined from BlackRock and has over 11 years of investment experience.



### Contact Tellworth

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## Portfolio

Top holdings	Sector	% Fund
Wilmington	Consumer Discretionary	3.9%
Renold	Industrials	3.3%
Premier Foods	Consumer Staples	3.3%
Gresham Technologies	Technology	3.2%
Harworth	Real Estate	3.2%
Cohort	Industrials	3.0%
Stelrad	Industrials	3.0%
TT Electronics	Technology	3.0%
Severfield	Industrials	2.9%
Ashtead Technology	Energy	2.8%

## Market Cap Breakdown

£ Million	% Fund
<50	0.0%
50-100	10.4%
100-250	20.7%
250-500	37.4%
500-1000	16.0%
1000-2500	13.2%
>2500	0.0%
Cash	2.3%

## Attribution

Top contributors	Return
Stelrad	0.55%
Oxford Metrics	0.47%
Mpac	0.46%
GlobalData	0.43%
Coats	0.41%

Top detractors	Return
Future	-0.22%
Brooks Macdonald	-0.13%
Gresham Technologies	-0.13%
XPS Pensions	-0.08%
IntegraFin	-0.03%

Sector	Return
Basic Materials	0.10%
Consumer Discretionary	0.99%
Consumer Staples	0.61%
Energy	0.20%
Financials	-0.02%
Health Care	0.00%
Industrials	3.63%
Real Estate	0.40%
Technology	1.08%
Telecommunications	0.06%
Utilities	0.00%
Others	-0.07%

Data as at 31 December 2023. Returns shown are for the last month.

**Past performance is not indicative of future results. The securities shown are for illustrative purposes only and should not be viewed as a recommendation to buy or sell.**

## Summary

We will not know if this was a Santa rally or the beginning of the end of a painful recession in UK small-cap investing for some time, probably well into Q2 2024. The doom and gloom of the first half of the quarter has been replaced by optimism about the prospect of a shallower recession and loosening rates globally. It has been about marginal sentiment change rather than some policy intervention that has made UK smaller companies more investible – much as we might have liked to have seen the latter, this is probably a good thing as it shows the market working a little more efficiently. There are some similarities with 2022; then a better year-end merely dressed the wounds inflicted from Ukraine and positive momentum carried on into Q1 2023 until the SVB collapse killed risk appetite. We will now look back on 2023 as a year when we ended up delivering a 7% return in spite of ourselves, thereby all but regaining the Q1 high. This is by no means the small-cap recovery year we might have hoped for 12

months ago but hopefully we are now blipping on the outer rings of a few radar screens. I don't think the boards of our portfolio companies fret over an election – they will welcome easing inflation and interest rates but they will be preoccupied with ensuring they have a decent chance of meeting their financial targets. While there will always be party poopers and those we wish we had never met, warnings have probably been overtaken by M&A as the most frequent 0700hrs emotion driver of late. We go into 2024 with a slightly higher than usual sense of irrational optimism; if we can't deliver you a return that justifies investing in the asset class soon, then the 'why bother' brigade might win, which is like pulling out of the office lottery syndicate the month before they share Euromillions or being an Ipswich Town fan who cancelled their season ticket when we were in the lower reaches of League One two years ago.

## Share class information

Share class	ISIN	SEDOL	Annual charge	Ongoing charge <sup>1</sup>	Min. Investment
F Acc	GB00BDM8B47	BDM8B4	0.85%	1.06%	£10,000,000
F Inc	GB00BNR4KT46	BNR4KT4	0.85%	1.06%	£10,000,000
I Acc	GB00BDM8C53	BDM8CS	1.00%	1.21%	£100,000
I Inc	GB00BNR4KV67	BNR4KV6	1.00%	1.21%	£100,000

<sup>1</sup>Including the management fee

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## Risk Factors

Equity prices fluctuate daily, based on many factors including general, economic, industry or company news. In difficult market conditions, the Fund may not be able to sell a security for full value or at all. This could affect performance and could cause the Fund to defer or suspend redemptions of its shares.

The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the Fund, potentially creating a partial or total loss for the Fund. The Fund can be exposed to different currencies. Changes in foreign exchange rates could create losses. A derivative may not perform as expected, and may create losses greater than the cost of the derivative. If a fund uses derivatives for leverage, it makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.

Failures at service providers could lead to disruptions of fund operations or losses.