



Aberforth Smaller Companies Trust plc

Monthly Factsheet

31 January 2025

Fund structure

The Fund is an investment trust – a type of investment company/collective investment fund – with a Premium share listing on the Main Market of the London Stock Exchange.

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 benchmark and primary investment universe is the Deutsche Numis Smaller Companies Index (excluding Investment Companies). This index is rebalanced every January and its profile at the date of this Factsheet was:

Number of companies	348
Total market value	£157bn
Largest constituent	£2.1bn
Largest constituent if index rebalanced at Factsheet date	£2.0bn

Key Fund information

Total investments	£1,433m
Number of investments	80
Active share	78.9%
Gearing - bank debt in use	£94m
Net gearing/(liquidity)	5.2%
Total net assets	£1,363m
Ordinary shares in issue	83,274,105
NAV	1,636.39p
Share price	1,448.00p
Discount/(premium)	11.5%
Market value	£1,206m
Launch date	10 Dec 90
Next year-end	31 Dec 25

Fees & charges

Management fee* (12m to 31 Dec 24)	0.72%
Performance fee	None
Ongoing charges (at 31 Dec 24 & includes Management fee)	0.78%

* Further details of the Management fee are available at www.aberforth.co.uk.

Yield & dividends

Yield	3.0%
Interim dividend (paid 29 Aug 24)	13.60p
Final dividend (payable 10 Mar 25)	30.00p
Special dividend (payable 10 Mar 25)	6.00p

Objective

The Fund's objective is to achieve a total return greater than that of the DNSCI (XIC) over the long term by investing in a diversified portfolio of small UK quoted companies.

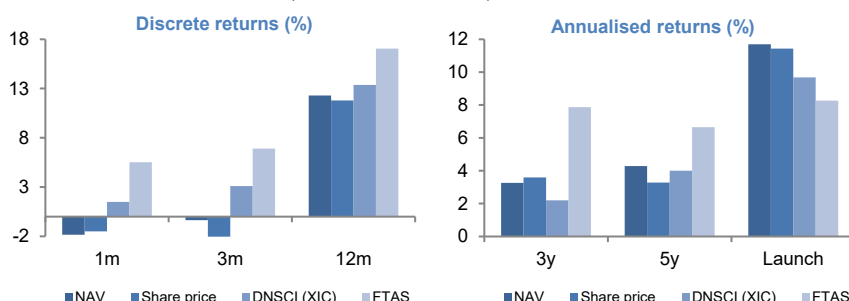
Investment style: Value

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
NAV	-1.8	-0.4	12.3	3.3	4.3	11.7
Share price	-1.5	-2.0	11.8	3.6	3.3	11.4
DNSCI (XIC)	1.5	3.1	13.4	2.2	4.0	9.7
FTAS	5.5	6.9	17.1	7.9	6.6	8.3

Notes: 1m & 3m returns not annualised; Launch date = 10 Dec 90; FTAS = FTSE All-Share Index.



Monthly investment commentary: January

January saw the US market under-perform as its technology leviathans were hit by DeepSeek. With Donald Trump's tariffs yet to be announced, other stockmarkets performed well. The FTSE All-Share rose by 5.5% in total return terms. Smaller companies lagged, with the DNSCI (XIC) up by 1.5%. The gap reflected the greater reliance of smaller companies on the domestic economy, whose near term outlook has deteriorated since the Budget. Within the DNSCI (XIC), "larger small" companies performed better than "smaller small" companies. The Fund's -1.8% total return was influenced by its relatively high exposure to "smaller small" companies and to businesses reliant on the domestic economy.

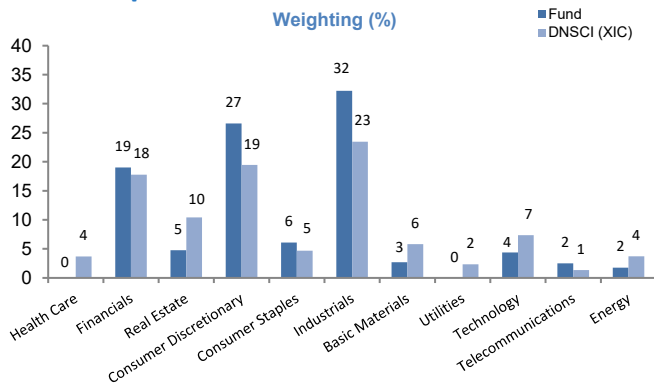
At the stock level, the main negative contributors were **Ricardo** and **Videndum**. The former, an engineering and environmental consultancy, issued a disappointing trading update, which pointed to order delays. This followed important capital allocation developments in December with the disposal of its defence business and the acquisition of an Australian infrastructure consultant. Meanwhile, **Videndum's** share price fell in wake of December's trading update. This supplier of product and services to the film, TV and photography markets had been hit by the Hollywood writers' strike. The recovery has been slow but is now in the hands of a new management team.

Among the winners, the most notable was **Zegona**, which acquired Vodafone's Spanish business last year. The market is gaining confidence in operational improvements and in the scope to enhance value by combining networks. Elsewhere, **Close Brothers** enjoyed a rebound in January after a difficult 2024. This was prompted by news that the government is intending to intervene in the Supreme Court's review of the motor finance cases.

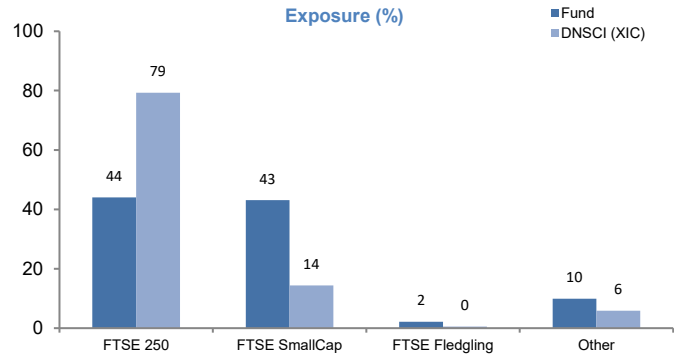
Top 10 equity investments

Name	Activity	%
Wilmington	Business information & training	3.3
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.8
Just Group	Annuity provider	2.8
Vesuvius	Metal flow engineering	2.6
Zegona Communications	Telecommunications	2.5
Galliford Try Holdings	Building & infrastructure contractor	2.5
Bakkavor Group	Food manufacturer	2.2
Senior	Aerospace & automotive engineering	2.1
Rathbones Group	Wealth Management	2.1
ZIGUP	Van rental	2.1

Sector exposure



Size exposure



Gearing

The Fund has a bank debt facility of £130m available for use as gearing by the Manager at any time. The net gearing/(liquidity) figure shown in the Key Fund information section indicates the percentage by which the total value of investments exceeds the total net assets.

Continuation vote & share buy-backs

The continuation of the Fund is voted on by shareholders at every 3rd AGM. The next vote will occur at the AGM in March 2026.

The Fund operates a share buy-back policy. A list of the buy-back transactions during the last 5 years is available at www.aberforth.co.uk.

Data sources & calculations

All data supplied by Aberforth, except DNSCI (XIC) data (from Deutsche 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 (excluding Specials). Active share is a measure of how the Fund's portfolio differs from the DNSCI (XIC). Small companies are represented by the DNSCI (XIC). Large companies are represented by the FTAS.

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.

An investment trust is a public limited company, the shares of which are traded on the main market of the London Stock Exchange. Accordingly, the ability of shareholders to sell their shares will be dependent on the market price of the shares. The shares may trade at a discount or premium to their net asset value.

Investment trusts may borrow money in order to make further investments. This is known as gearing. The effect of gearing can enhance returns to shareholders in rising markets but will have the opposite effect on returns in falling markets.

Further information on the Fund, including the Key Information Document, is available on request or via the Aberforth website www.aberforth.co.uk.

Aberforth Partners LLP does not 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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Security codes & other information

Ordinary shares of 1p	Other information
SEDOL: 0006655	Launched: 10 Dec 90
ISIN: GB0000066554	Next year-end: 31 Dec 25
TIDM: ASL	LEI: 213800GZ9WC73A92Q326

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