

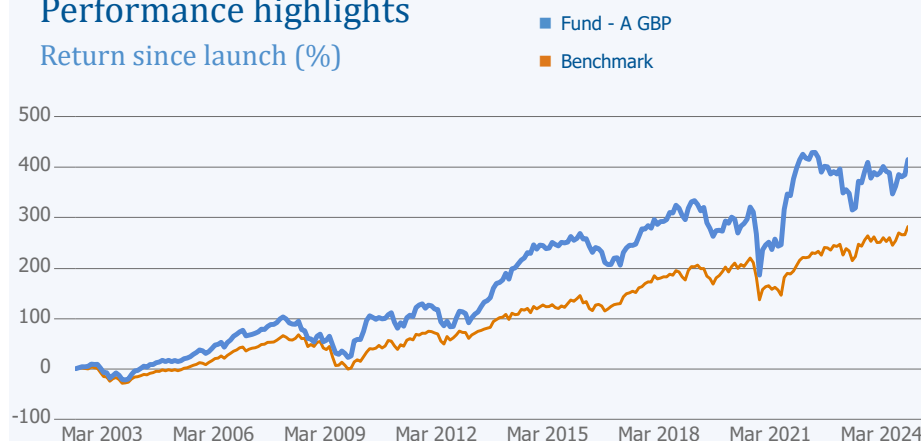
JOHCM UK Growth Fund

Fund overview

- The Fund aims to generate long-term capital growth in excess of the FTSE All-Share Total Return Index through active management
- Fund managers Mark Costar and Vishal Bhatia seek to identify mispriced or undiscovered growth stocks with a perceived high margin of safety but significant upside potential
- A stock-picking fund that invests across the market cap range, albeit with a historic bias towards small-cap stocks
- SFDR classification: Article 8. Please click [here](#) for further details
- Benchmark: FTSE All-Share Total Return Index)
- The use of the Index does not limit the investment decisions of the fund manager therefore the shareholdings of the Fund may differ significantly from those of the Index
- Please see the [Prospectus/KIID/KID](#) for further information. Please ensure you read and understand these documents before making an investment and wherever possible obtain professional advice

Performance highlights

Return since launch (%)



Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A GBP	6.28	6.14	7.70	3.42	38.10	52.70	414.98	7.59
Benchmark	4.46	3.43	8.32	25.37	30.67	74.69	282.10	6.16
Quartile**	1	1	3	3	1	3	1	-

Discrete 12 month performance to end of March

	03.24	03.23	03.22	03.21	03.20	03.19	03.18	03.17	03.16	03.15
A GBP	7.70	-2.63	-1.38	74.24	-23.36	-5.78	3.10	25.14	-13.54	5.20

Past performance is no guarantee of future performance.

The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. For further information on risks please refer to the Fund's KIID/KID and/or the Prospectus. The Fund's investment include shares in small-cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile.

NAV of Share Class A in GBP, net income reinvested, net of fees. The A GBP Class was launched on 7 May 2003. During the period 6 November 2001 to 7 May 2003 the performance record is based on the pre-existing share class that had a higher management fee. Performance of other share classes may vary and is available on request.

*Annualised since launch. **Refers to the fund's ranking in a peer group of funds made up from all funds classified as UK All Companies by the Investment Association (IA) or Equity UK by Lipper Global. Funds included may be domiciled in the UK, Ireland, or Luxembourg.

Share class: A GBP

ISIN: IE0033009345

Fund details

Fund size	GBP 155.59m
Strategy size	GBP 163.65m
Launch date	6 November 2001
Benchmark	FTSE All-Share TR (12pm adjusted)
No. of holdings	50
Domicile	Ireland
Fund structure	UCITS
Tax status	UK reporting status
Denominations	GBP
Valuation point	12pm Dublin time
SFDR	Article 8

Total strategy assets updated quarterly and shown as at 31 December 2023.

Fund managers



Mark Costar

Senior Fund Manager

Mark has managed the Fund since launch. He joined JOHCM in 2001 and has 31 years of industry experience.



Vishal Bhatia

Senior Fund Manager

Co-manager Vishal joined JOHCM in 2007 and has managed the Fund alongside Mark since 2011. He has 19 years of industry experience.

Contact details

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Portfolio analysis (%)

Data as at 31 March 2024

Active positions

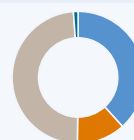
Top 10	Relative
Funding Circle Holdings	3.7
Kooth	3.4
Rank	3.3
Gooch & Housego	2.9
PureTech Health	2.8
Standard Chartered	2.7
FairFX	2.7
First Derivatives	2.6
Associated British Foods	2.5
NCC Group	2.5
Bottom 10	Relative
Unilever	-3.0
AstraZeneca	-2.9
Shell	-2.9
GSK	-2.9
HSBC	-2.8
RELX	-2.8
Diageo	-2.7
Rio Tinto	-2.3
Glencore	-2.2
British American Tobacco	-2.1

Sector breakdown

	Absolute	Relative
Technology	25.7	24.3
Industrials	14.8	2.2
Telecommunications	2.3	1.2
Energy	11.4	0.4
Real Estate	0.0	-2.6
Financials	20.5	-3.1
Utilities	0.0	-3.5
Basic Materials	3.0	-3.7
Health Care	7.4	-4.0
Consumer Discretionary	7.9	-4.6
Consumer Staples	5.7	-7.9
Cash	1.1	1.1

Market cap breakdown

	Absolute
FTSE 100	38.3
FTSE 250	11.9
FTSE Small	48.6
Cash	1.1



FTSE Small = FTSE Small Cap, FTSE Fledgling and FTSE AIM

Attribution & contribution (%)

Stock attribution

Top contributors	Relative return
Funding Circle Holdings	1.86
Just Retirement	0.46
Ebiquity	0.41
TruFin	0.32
Gooch & Housego	0.28
Top detractors	
First Derivatives	-0.33
Kooth	-0.31
Rank	-0.23
Glencore	-0.23
OMG	-0.19

Sector attribution*

	Relative return
Financials	2.80
Consumer Discretionary	0.51
Consumer Staples	0.41
Health Care	0.30
Industrials	0.13
Utilities	0.11
Telecommunications	-0.01
Basic Materials	-0.05
Real Estate	-0.06
Energy	-0.10
Technology	-1.18

*Excludes cash

Please note that due to rounding breakdowns may not add to 100.00%. All Attribution figures are as at end of day and are calculated on a gross basis.



Fund manager's commentary

- The FTSE World index rose 9.5% in Q1, with the UK market lagging the quarter but was inline for the month of March up 4.8%
- Around 8% of the UK small-cap market was bid for in 2023, but more recently there has been a shift from financial to trade buyers leading to higher premiums for shareholders
- Recent news for JOHCM UK Growth has been positive, with shares like Funding Circle showing significant growth potential

March capped off a solid quarter for global equity markets, with the FTSE World index up 9.5%. For a change, the month saw the UK market keep pace with its developed market peers, rising 4.8%; however, it remains a laggard for the quarter and retains its 'world's favourite underweight' tag. This is not surprising when the market has experienced 31 months of relentless outflows, leading to the sector-adjusted valuation discount to the US hitting a new all-time high. For a long time, we have operated in a subset of the global market with extraordinary valuation anomalies, but there is now overwhelming evidence that things are starting to change. The strategy has had a strong month and quarter, but in our opinion, given the drivers discussed below, we are only scratching the surface.

An extraordinary 8% of the UK small-cap market was bid for last year, and the momentum has continued into this year. A key difference, however, has been the shift in the mix of buyers. Approximately 61% of buyers last year were financial, but we are now witnessing a shift to trade buyers where more operational synergies are available and, therefore, higher premiums for shareholders. Two trade buyers approached JOHCM UK Growth asset Smartspace, and a bid was confirmed in March at a 169% premium – the highest level seen in the funds' 23-year history. We also witness bidding wars emerging across the market, for example, in DS Smith, Wincanton and Spirent. Given the portfolio is constructed with structural growth assets that invest in themselves and continuously embed value through the cycle (approximately 65% of the portfolio is invested in clear market leaders), we expect the portfolio to be a firm beneficiary of this trend.

Corporates are also taking decisive action to close the yawning valuation gap. Just Group, a retirement specialist, on the back of achieving medium-term targets earlier than planned and a tangible net asset value rising by c.17%, raised its return on equity target from 10% to 12% and increased its dividend by 20%. Puretech, a clinical stage biotech business, launched a tender offer to buyback 14% of its own equity at a 25% premium to its prevailing share price, following sale of its lead asset to Bristol-Myers Squibb. Despite already generating over \$1.1bn in cash off a \$18.5m investment, it still retains access to a further \$400m of milestone payments and royalties. The current share price however, still implies a negative enterprise value for the remaining pipeline of well-invested programs in our opinion. This trend by corporates to take charge of their own destiny from an equity perspective could, in time, also benefit a host of other UK Growth assets including NCC, Gooch & Housego & Trufin.

Finally, recent newsflow for JOHCM UK Growth has been excellent and our company interactions have been hugely positive. As a result, one or two shares have woken from their slumber, but most still have not. UK fintech Funding Circle announced solid set of results for its core UK operations accompanied by multiple approaches for its US operations. The divestment process, when completed, will result in converting the ongoing business into a profitable, cash-generative growth franchise focused on the UK with a significant amount of excess capital. Given that the business was already on a material discount to its unrestricted free cash, the board is returning a quarter of its market capitalisation to shareholders via a buyback - a material value accretive event for the equity. The shares were up 80% over the month, but such was the scale of the undervaluation, the shares could double and still remain undervalued in our opinion.

Performance over 1 month	%
Fund - A GBP	6.28
Benchmark	4.46

Statistics

	Annualised since launch
Active share* (%)	78.77
Fund volatility (%)	17.04
Benchmark volatility (%)	16.75
Alpha	1.95
R squared	0.84
Correlation	0.92
Tracking error (%)	6.82
Information ratio	0.21
Sharpe ratio	0.35

Data calculated weekly.

*The proportion of stock holdings in a fund's composition is different from the composition found in its benchmark. The greater the difference between the composition of the fund and its benchmark, the greater the active share.

Fund awards & ratings



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Country registration

	A GBP	B GBP
Austria	✓	✓
France	✓	✓
Germany	✓	✓
Ireland	✓	✓
Jersey	✓	✓
Luxembourg	✓	✓
Netherlands	✓	✓
Singapore	✓	✓
Spain	✓	✓
Sweden	✓	✓
Switzerland	✓	✓
UK	✓	✓

Regulatory documents

English language KIIDs can be found on our website at www.johcm.com

Foreign language versions are available on request by calling +44 (0) 20 7747 5646

Share class details (Further details on additional share classes are available on request)

	ISIN	SEDOL	Bloomberg	WKN	Initial charge	Annual charge	Ongoing charge	Minimum investment*
A GBP	IE0033009345	3300934	JHCMUKI ID	A0BKXR	Up to 5%	0.75%	0.86%	£1,000
B GBP Class	IE0031005543	3100554	JHCMUKG ID	A0BKXQ	Up to 5%	1.25%	1.36%	£1,000

Performance fee: A performance fee of 15% is payable on the excess if the NAV outperforms the Index Adjusted NAV (as defined in the Fund supplement) on an annual basis. The calculation is performed daily. Any underperformance is carried forward.

Ongoing Charge is as at 31 March 2024.

*Other currency equivalents apply.

Important information

Professional investors only.

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This is a marketing communication. Please refer to the fund prospectus and to the KIID / KID before making any final investment decisions.

These documents are available in English at www.johcm.com, and available from PISEL, or (for UK investors) JOHCM, at the addresses set out above.

Information on the rights of investors can be found [here](#)

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The investment promoted concerns the acquisition of shares in a fund and not the underlying assets.

Past performance is no guarantee of future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Investments may include shares in small cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile.

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