

Miton UK MicroCap Trust plc

Objective

To provide its shareholders with capital growth over the long term.

Key facts

| | |
|-------------------------|---|
| Net assets | £42.6m |
| Shares in issue | 76,923,603 |
| Gearing | 0.00% |
| Share price | 51.75p |
| NAV | 55.38p |
| Premium/(Discount) | (6.55)% |
| No. of holdings | 142 |
| Domicile | United Kingdom |
| Launch date | 30 Apr 2015 |
| Reporting dates | Final - 30 Apr Interim - 31 Oct |
| ISA eligible | Yes |
| AIC sector | UK Smaller Companies |
| Performance comparators | Deutsche Numis 1000 index IT UK Smaller Companies sector |

Trust managers



Gervais Williams
 Joined Premier Miton
Mar 2011
 Manager since
Apr 2015



Martin Turner
 Joined Premier Miton
May 2011
 Manager since
Apr 2015

Directors

Ashe Windham (Chairman),
 Louise Bonham,
 Peter Dicks,
 Davina Walter

Fund codes

| | |
|-----------|-------------|
| ISIN | GB00BWFQ085 |
| SEDOL | BWFGQ08 |
| Bloomberg | MINI LN |

Manager commentary

During July and August last year, global interest rates reached their peak, normally they dampen down economic activity gradually over time. In general, UK economic growth has slowed subsequently, but as yet it hasn't fallen back into recession. Meanwhile, inflationary pressures that were excessive last year, have also slowed. Investors now anticipate that UK interest rates will start to be cut soon.

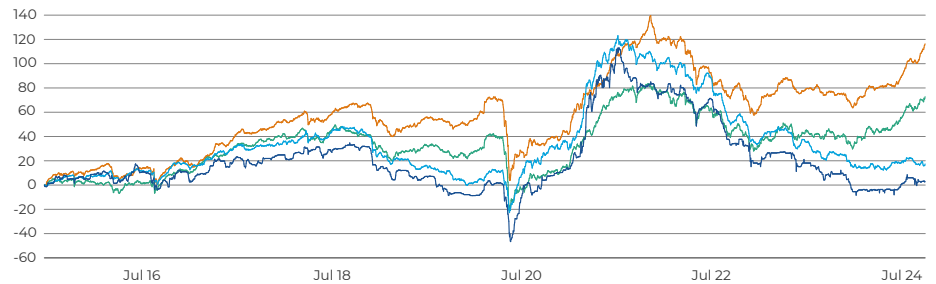
Even as UK interest rates are reduced, UK economic growth may continue to slow a little further, because like interest rate rises, there is a time lag before interest rate cuts start to have an impact.

During July, the worst portfolio detractor was Trufin. Last year, one of Trufin's subsidiaries won a software contract from Lloyds Bank, that improves the operational efficiencies of administering loans. Unfortunately, during July, Trufin announced that Lloyds had chosen to reverse their prior decision, for

reasons unrelated to the effectiveness of the software. As it was, one of Trufin's other subsidiaries has been trading ahead of expectations, so its profit forecasts for the coming year were unchanged. Trufin also subsequently announced a new software contract with a challenger bank during July. But even so, although the company remains upbeat, investors were disappointed with the loss of the Lloyds Bank contract, and Trufin's share price fell 38% during July. Elsewhere there were upbeat announcements during July from Beeks Financial Cloud Group, Totally, TPXImpact (a new holding added prior to its appreciation), Concurrent Technologies and Supreme. Whilst the share prices of all these appreciated by between 14 and 55%, the Trust's NAV was held back by the setback in Trufin.

Gervais Williams & Martin Turner
 31.07.2024

Performance since trust launch (%)



| Cumulative performance (%) | Trust | | | | | launch |
|--------------------------------|-------|-------|-------|--------|-------|--------|
| | 1m | 3m | 1y | 3y | 5y | |
| Share price | 3.50 | 2.47 | -3.90 | -42.97 | 12.29 | 3.02 |
| NAV | 0.00 | -1.62 | -7.80 | -44.06 | 3.32 | 15.70 |
| Deutsche Numis 1000 index | 6.17 | 11.27 | 19.43 | -2.28 | 36.04 | 72.79 |
| IT UK Smaller Companies sector | 7.86 | 14.42 | 22.07 | -0.48 | 42.37 | 116.32 |

| | 2019 | 2020 | 2021 | 2022 | 2023 | YTD |
|--------------------------------|-------|-------|-------|--------|--------|-------|
| Share price | -0.90 | 33.32 | 28.61 | -28.67 | -24.91 | 8.49 |
| NAV | -8.17 | 50.04 | 20.03 | -29.13 | -20.22 | 2.23 |
| Deutsche Numis 1000 index | 15.28 | -1.53 | 24.99 | -20.06 | 6.63 | 16.58 |
| IT UK Smaller Companies sector | 22.22 | 1.29 | 26.02 | -20.37 | 3.73 | 19.09 |

| | 31.07.19 | 31.07.20 | 30.07.21 | 29.07.22 | 31.07.23 | 31.07.24 |
|--------------------------------|----------|----------|----------|----------|----------|----------|
| Share price | 13.35 | 73.70 | -25.76 | -20.06 | -3.90 | |
| NAV | 12.67 | 63.94 | -26.01 | -18.00 | -7.80 | |
| Deutsche Numis 1000 index | -15.23 | 64.22 | -16.89 | -1.54 | 19.43 | |
| IT UK Smaller Companies sector | -12.60 | 63.68 | -17.04 | -1.72 | 22.07 | |

Source of performance data: Morningstar, as at 31.07.2024, net income reinvested, bid to bid basis, Index on a total return basis. ©2024 Morningstar. All Rights Reserved. The information contained herein; is proprietary to Morningstar and/or its content providers; may not be copied or redistributed; and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The performance information presented on this page relates to the past. Past performance is not a reliable indicator of future returns.

Investing involves risk. The value of an investment can go down as well as up which means that you could get back less than you originally invested when you come to sell your investment. The value of your investment might not keep up with any rise in the cost of living. More information about the risks of investment is provided later in this document.

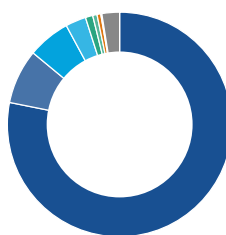


Portfolio breakdown

Top 20 holdings (%)

| | |
|-----------------------------|-----|
| Yu Group | 7.8 |
| MTI Wireless Edge | 2.8 |
| Zoo Digital Group | 2.6 |
| Concurrent Technologies | 2.1 |
| Beeks Financial Cloud Group | 2.0 |
| TruFin | 1.9 |
| CyanConnote Holdings | 1.9 |
| Invinity Energy Systems | 1.9 |
| Zephyr Energy | 1.9 |
| Mercia Asset Management | 1.7 |
| Serabi Gold | 1.6 |
| Zotefoams | 1.5 |
| Savannah Resources | 1.5 |
| TPX Impact | 1.5 |
| Frontier IP Group | 1.5 |
| Incanthera | 1.5 |
| Marwyn Value Investors | 1.4 |
| Zinc Media Group | 1.4 |
| STM Group | 1.4 |
| Van Elle | 1.4 |

Index weighting (%)



| | |
|--------------------------------|------|
| ■ FTSE AIM | 78.1 |
| ■ FTSE Small Cap | 7.9 |
| ■ UK-listed non-indexed shares | 6.1 |
| ■ Other | 3.0 |
| ■ Overseas | 1.1 |
| ■ FTSE 100 Put Options | 0.6 |
| ■ FTSE Fledgling | 0.5 |
| ■ Nex Exchange | 0.1 |
| ■ Cash | 2.5 |

Charges

| | |
|---|-------|
| Ongoing charges figure (OCF) as at 30.04.2024 | 1.99% |
|---|-------|

The ongoing charges figure (OCF) is not the same as the ongoing costs figure set out in the Company's Key Information Document. The key differences are that gearing costs and portfolio transaction costs are not included in the OCF. In addition costs are calculated on slightly different bases. The OCF figure set out above mirrors that in the Report and Accounts and is based on costs incurred in the year which are likely to recur in the foreseeable future. The ongoing costs figures in the Key Information Document provide investors with the impact costs have had on returns averaged over the five year recommended holding period.

| | |
|-------------------------------------|-------|
| Management fee on market cap | 0.90% |
|-------------------------------------|-------|

General risks

Investing involves risk. The value of an investment can go down as well as up which means that you could get back less than you originally invested when you come to sell your investment. The value of your investment might not keep up with any rise in the cost of living.

Typically, there is less risk of losing money over the long-term (which we define as over 5 years) from an investment that is considered low risk, although potential returns may also be lower. Investments considered higher risk typically offer greater

opportunities for better long-term returns, though the risk of losing money is also likely to be higher. Premier Miton is unable to provide investment, tax or financial planning advice. We recommend that you discuss any investment decisions with a financial adviser.

Other risks

Some of the main specific risks of investing in this trust are summarised here.

Derivatives

Derivatives may be used within funds for different reasons, usually to reduce risk, which can be called "hedging". This can limit gains in certain circumstances as well. Derivatives can also be used to generate income or to increase the risk being taken, which can have positive or negative outcomes. The derivatives used can be options or futures which are types of contracts that are dealt on an exchange or negotiated with a third party. More complex derivatives may also be used. Derivatives can also introduce leverage to a fund, which is similar to borrowing money to invest.

Equities

Equities (company shares) can experience high levels of price fluctuation. Smaller company shares can be riskier than the largest companies, companies in less developed countries (emerging markets) can be riskier than those in developed countries and funds focused on a particular country or region can be riskier than funds that are more geographically diverse. These risks can result in bigger movements in the value of the fund. Equities can be affected by changes in central bank interest rates and by inflation.

Other investment risks

Funds may have holdings in investments such as commodities (raw materials), infrastructure and property as well as other areas such as specialist lending and renewable energy. These investments will be indirect, which means accessing these

assets by investing in companies, other funds or similar investment vehicles. These investments can also increase risk and experience sharp price movements. Funds focused on specific sectors or industries, such as property or infrastructure, may carry a higher level of risk and can experience bigger movements in value. Certain investments can be impacted by decisions made by third parties, such as governments or regulators.

Other risks

There are many other factors that can influence the value of a fund. These include currency movements, changes in the law, regulations or tax, operational systems or third-party failures, or financial market conditions that make it difficult to buy or sell investments for the fund.



Other information

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Glossary

Annual management charge (AMC)

The yearly fee paid to Premier Miton for managing a trust, expressed as a percentage of your investment. The AMC does not typically change from year to year.

Assets

Different groups of investments such as company shares, bonds, commodities or property.

Bonds (or fixed income)

Types of investments that allow investors to loan money to governments and companies, usually in return for a regular fixed level of interest until the bond's maturity date, plus the return of the original value of the bond at the maturity date. The price of bonds will vary and the investment terms of bonds will also vary.

Capital

Describes financial assets, particularly cash, or other assets, such as shares, owned by a person or organisation.

Capital growth

The increase in the value of an asset or investment over time, measured by its current value compared to its purchase cost.

Discount

The shares of investment trusts can have a price below the value of their net assets, this difference is known as the discount. The shares can also be at a premium to their net assets.

Dividends

The portion of its capital that a company chooses to return to its shareholders. For a

trust, this is the payment of trust's income to its shareholders.

Equities

Another name for shares (or stock) in a company.

FTSE 100 Put Option

A type of derivative contract in which the underlying value is based on the level of the FTSE 100 index which tracks the performance of the top 100 largest companies by market value listed on the London Stock Exchange. Such contracts can be used to protect the value of an underlying investment or group of investments against a fall in the value of those 100 largest companies and can be thought of as an insurance policy.

Gearing

The level of a company's debt in relation to its capital. A company with significant debt compared to its capital is considered to be highly geared.

Individual Savings Account (ISA)

A type of tax-free scheme, set up by the government, designed to help people make the most of their savings and investments. All income and gains from an ISA investment are exempt from UK Income Tax and Capital Gains Tax. HM Revenue and Customs sets the maximum amounts that you are allowed to invest into an ISA each tax year.

Micro-Cap

A company with a market capitalisation (the total value of all a company's shares) of below £250 million.

Net Asset Value (NAV)

The total of a company's assets minus its liabilities. The net asset value per share is the total of a company's assets minus its liabilities divided by the number of shares in issue.

Ongoing Charges Figure (OCF)

As recommended by the Association of Investment Companies in its guidance, ongoing charges are the Company's annualised revenue and capital expenses (excluding finance costs and certain non-recurring items) expressed as a percentage of the average monthly net assets of the Company during the year. Please note this figure is different to what is stated in the PRIIPS KID.

Share price yield

The dividend per share divided by the stock's or fund's price per share and expressed as a percentage. The historic yield is the dividend income distributed during the past year and expressed as a percentage of the share price on a particular day.

Small-cap

On the London Stock Exchange, the term 'small cap' refers to companies with a market capitalisation between £50m and £230m.

Total return

A way of showing how an investment has performed, and is made-up of the capital appreciation or depreciation and includes any income generated by the investment. Measured over a set period, it is expressed as a percentage of the value of the investment at the start of that period.

Corporate contacts

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A free, English language copy of the trust's full prospectus, the Key Information Document and Pre-investment Disclosure Document are available on the Premier Miton website, or you can request copies by calling us on 01483 306090.

For your protection, calls may be monitored and recorded for training and quality assurance purposes.

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