



4 September 2023

Onward Opportunities Limited issues encouraging first set of interim results

Launched in March as first new investment company listing on AIM since November 2021

[Onward Opportunities Limited](#) (the "Company") today issues its first Interim Report and Unaudited Condensed Interim Financial Statements for the period from 31 January 2023 (date of registration) to 30 June 2023. The full report can be found [HERE](#).

The Company, which listed on AIM in March this year – the first in over fifteen months, since November 2021 – looks to capitalise on structural market opportunities within the UK small cap sector, creating a portfolio of around 20-25 specialist UK smaller companies.

Highlights from launch to 31 August 2023, include:

- Encouraging start with top decile investment performance (NAV growth) since inception, 3rd out of 26 peers in AIC UK smaller companies' sector
- NAV performance over the period from IPO to 31 August 2023 of +3.6% and ONWD share price performance of +4.0%, both materially outperforming the UK AIM All Share (-7.9%) and MSCI UK Small Cap Indices (+0.7%)
- Gross portfolio IRR of 20.7% aggregating UK Government Debt and equity holdings, Gross IRR of 65.8% from pure equity portfolio
- Four core positions developed for the portfolio which made positive contributions; Angling Direct, React Specialist Cleaning plc, Comptoir Libanais plc and Transense Technologies plc
- Nominated for Best Use of AIM and Best Newcomer categories at the upcoming 2023 AIM Awards

Laurence Hulse, Portfolio Manager, Onward Opportunities Limited commented; *"It was encouraging to see Onward Opportunities' portfolio get off to a market leading start both in absolute terms and relative to the peer group. We have a high-touch investment strategy that is well disposed to capitalise on the current conditions in the UK. We operate using an independent mindset that is underscored with proprietary due diligence and a collaborative team approach drawing on depth of experience. Our pipeline and portfolio have been focused on tangible investment theses; cash profits, margins of safety and idiosyncratic catalysts. These factors have all combined to create conviction and sector leading investment performance in a cautious market."*

Andrew Henton Chairman of Onward Opportunities Limited concluded; *"Blessed with hindsight, it is hard to envision a less propitious timing for the launch of a specialist fund targeting smaller listed UK companies than the first quarter of 2023. A core thesis underlying the launch of the Company is that the London stock market presents value investors with a rich seam of opportunity, and the ability to*

buy companies whose earnings streams are materially undervalued by reference both to their larger quoted market comparators, and to unlisted companies backed by private equity.

“Great care is being taken to deploy capital in a measured and considered manner, harnessing the investment committee process and to build core positions only when the full investment analysis process has been completed. The Board is fully supportive of this approach and the performance potential is already very evident with top decile NAV performance within the AIC smaller companies sector.”

Onward Opportunities Limited portfolio development: from inception to 31 August 2023

As at 31st August 2023, the Company was c.50% invested into equities, and the NAV was up by 3.6% compared to the AIM market performance of -7.9%.

To date, the Company has four core positions. These are supported by smaller positions in companies which are undergoing final due diligence. Trading into (and out of) positions over time in this way is a differentiating competence, and an important one in the context of tightly held blocks of shares where daily trading volumes are low.

The Portfolio Manager has used the deployment of uninvested cash into UK Government Debt (Gilts), taking this approach both to maximise yield, and to mitigate counterparty exposures to banks. All instruments have a maturity duration of less than six months, and the income being generated is sufficient to substantially cover the projected operating costs of the Company while the manager continues to deploy capital in accordance with the stated strategy.

Information on holdings can be found on the Report published [\[HERE\]](#) this morning.

-ENDS-

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Notes to Editors

Ticker: ONWD LN

AMC: 1.5% up to £50m NAV, 1% above £50m NAV

Comparative index: IA UK Smaller Companies sector

Laurence Hulse, Investment Director, Dowgate Wealth

Laurence joined Dowgate Wealth in 2022 from Gresham House where he spent seven years in investment roles, latterly as a Citywire AA-rated manager working as part of the small team to achieve two FE 5-Crown rated funds; Gresham House Strategic plc (now called 'Rockwood Strategic

plc') and Gresham House UK Smaller Companies Fund. He also joined the Board of The Lakes Distillery plc, as a Board observer, following an investment by Gresham House Strategic and Gresham House Multi-Cap Income fund via Convertible Loan Note. In 2021 Laurence was nominated for Investment Week Investment Company Rising Star of the Year Award.

Andrew Henton, Independent Non-Executive Chairman

Andrew graduated from Oxford University in 1991 and subsequently qualified as a Chartered Accountant with PricewaterhouseCoopers in London, specialising as a corporate tax consultant. He spent eight years working in the City as a corporate finance advisor with HSBC Investment Bank and as a principal of the Baring English Growth Fund, a private equity Fund focussed on mid-market transactions sponsored by ING Barings. In 2002 Andrew was relocated to Guernsey by Close Brothers Group plc to take responsibility for integrating and reorganising a number of regulated banking, custody, asset management and fiduciary administration businesses that the bank had acquired in Jersey, Guernsey and Isle of Man. He was Head of Offshore Businesses for Close until the division he managed was sold in 2011. Thereafter he chose to remain in Guernsey and to work with a portfolio of companies as a non-executive director. He has wide board experience of both regulated and non-regulated businesses (including listed funds and venture backed companies) in both executive and non-executive capacities. Andrew is British and resident in Guernsey.