

Onward Opportunities Limited (ONWD LN) Factsheet: 31 December 2024



THE SMALL CAP AWARDS
IN ASSOCIATION WITH
MASTER INVESTOR
**2024
WINNER**
IPO of the Year

INVESTMENT OBJECTIVE

The Company will seek to generate absolute returns of at least 15% per annum through investments in UK smaller companies.

KEY FACTS

Fund Characteristics:

Launch date	30th March 2023
Lead Fund Manager	Laurence Hulse
Fund currency	Pound Sterling
Fund size	£31.5m
Number of equity holdings	21
AIC Sector	UK Smaller Companies
Fund Structure	Investment Company
Administrator	Apex
Custodian	Butterfield
Management fee	1.50%, tapers to 1.0%
Performance fee	12.50% over 6% hurdle
ISA & SIPP eligible	Yes

PERFORMANCE

	Since Inception	Q4 2024	1 year
ONWD	+37.5%	+7.4%	+34.1%
ONWD NAV	+37.3%	+9.4%	+23.4%
UK AIM All-Share	-7.5%	-1.8%	-3.9%
Total Return			

TOP 10 HOLDINGS

Holding Name	% of Portfolio	Valuation Value	% Total Return
MPAC GROUP	12.6%	£3.98m	95.1%
WINDWARD	12.2%	£3.85m	145.2%
SYNECTICS	10.3%	£3.24m	46.6%
TRANSENSE TECHNOLOGIES	6.9%	£2.17m	68.3%
ALUMASC	6.6%	£2.09m	33.8%
ANGLING DIRECT	6.5%	£2.04m	29.3%
SPRINGFIELD PROPERTIES	5.8%	£1.84m	17.4%
REACT GROUP	5.7%	£1.80m	17.5%
MISSION GROUP	5.5%	£1.72m	19.5%
VIANET GROUP	4.7%	£1.47m	9.5%

Total Returns are net

LEAD FUND MANAGER



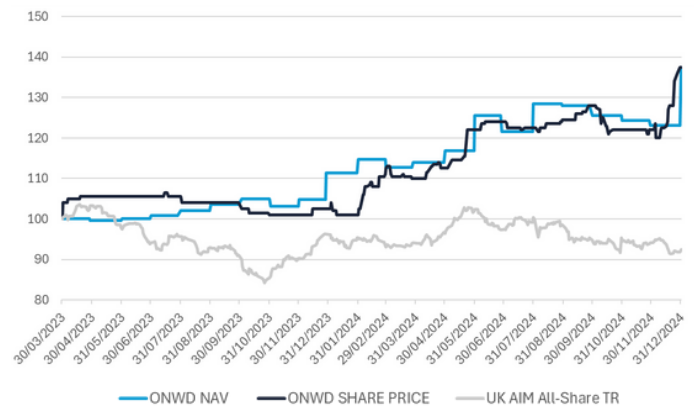
Laurence Hulse
Lead Fund Manager
Laurence.Hulse@dowgate.co.uk
+44 (0) 20 3874 7056

THE TEAM

Our investment committee has a combined experience of c.160 years and a history of value creation for clients. As a team, we are convinced that employing an active investment approach for identifying investment opportunities and driving those investments to an outcome can result in higher returns by capitalising on market inefficiencies. To this end the investment committee members and lead manager have £1.8m of 'skin in the game', cash directly invested in the fund which is c.5% of the issued capital.

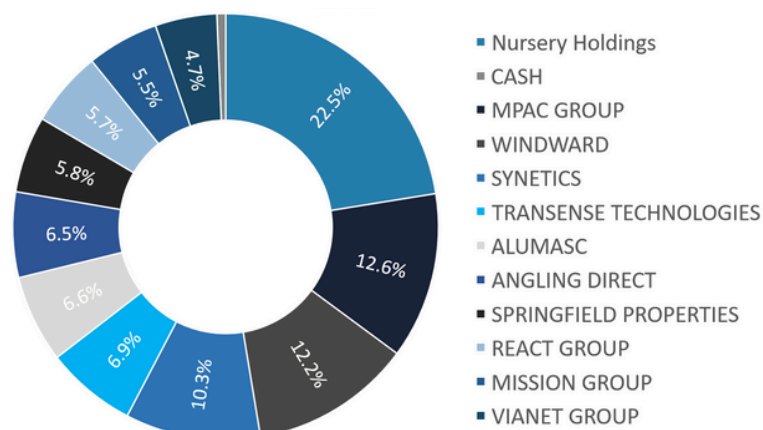
INVESTMENT PHILOSOPHY

To find out more information regarding our investment philosophy, please visit us at <https://onwardopportunities.co.uk/our-strategy/>



Source: Bloomberg as at 31.12.2024

TOP 10 HOLDINGS (%)



PERFORMANCE COMMENTARY

Onward Opportunities had the strongest quarterly period of investment performance since launch as the Net Asset Value of the portfolio increased by +9.4% to 131.4p/share, rounding off a first full calendar year of +23.4% for 2024 that was materially ahead of our 15% per annum return target. The company outperformed the UK AIM All-Share by 9.2% in Q4, resulting in an outperformance spread of 45% since inception, furthering return statistics that are evolving from encouraging to compelling. Both Q4 and 2024 fittingly peaked on Christmas Eve with the 215p/share all-cash offer for Windward; one of our highest conviction and weighted holdings. We also completed our fifth fundraise of the year in Q4, totalling funds raised to c.£9.3m in 2024, which placed Onward amongst the top ten investment companies for capital raised in 2024. This activity meant the company materially outperformed its stretch target of doubling the fund to £30m. Less positively, a thesis breach at RBG Holdings led to a full exit from the investment, which crystallised a poor investment performance. Nonetheless, the standout performers of the past 3 months were: Windward +60%, Synectics +30.4%, Audioboom +53.6% and Angling Direct +14.1%. Synectics graduated to a core position, whilst Audioboom and Likewise joined the nursery. The Onward share price also reached an all-time high, remaining one of the very few investment companies on the London Stock Exchange ('LSE') trading at a premium. We provided a portfolio update to Paul Hill, which can be watched [here](#) and talked through the journey so far with Edison on their vantage podcast, which can be watched [here](#).

WINDWARD AI PLC (WNWD LN) - CORE HOLDING UPDATE

The team wistfully supported the 215p/share all cash offer from private equity to acquire Windward in December, which represented c.8% of the portfolio in mid-December. The LSE will be a lesser place without the company, which was the fastest growing software stock on AIM this year because it was a world-beater led by Ami Daniel, their maverick CEO, who we had found so backable. However, the offer represented a 6.5x current sales multiple (right in the middle of our target range) and a material premium to the 45p-120p spread which we had been paying for shares over the past 18-months. A highly satisfactory early realised return for our strategy and shareholders. There is a lot of talk about the state of the LSE, ways of incentivising more companies like Windward to float has got to be part of the answer. We extend a huge thanks to the Company, its management team and Board. A completed takeover at 215p/share at the end of Q125 would deliver a realised 134% IRR and 2.45x Money Multiple return for Onward Opportunities in c.18months.

ANGLING DIRECT PLC (ANG LN) - CORE HOLDING UPDATE

From the high seas with Windward, we turn to the rivers and lakes with Angling Direct where the Onward strategy has made a material impact this year on ANG's strategy, increasing shareholder value. The team has been highly engaged with the company for over 12 months on a number of strategic matters and the recently announced capital allocation policy, including a £4m buyback, was well received by shareholders. Behind the scenes, there has been a refinement of operational elements of the strategy under new CEO Steve Crowe, benefits of which are beginning to reveal themselves in some cracking UK divisional figures and increased growth rates. We are excited by what we identify to be further 'wins' for shareholder value possible in the new year as the company seeks to capitalise further on this UK success, which would not be possible without the hard work and savvy tactics of Steve and his team. ANG delivered some of the best UK retailer's figures on the public markets this year and we are thankful for their efforts and engagement this year.

AUDIOBOOM (BOOM LN) - NEW NURSERY POSITION

Audioboom entered the nursery in November as a valuation anomaly with earnings momentum. The business is a podcast platform, which is a fast-growing medium for digital content that the team believe advertisers will increasingly prioritise following a US election that many commentators believe was decided partly through podcasting. Audioboom generates its revenue from a fee split of the advertising spend on podcasts its platform, which means costs are fairly fixed, whereas turnover has a number of upside drivers, including the number of adverts per hour, the advertising 'rate' on each advert and the number of podcasts published. This platform model, which has recently recovered to profitability in the current year, makes the targeted earnings growth and recent upgrades particularly exciting and totally mispriced at 0.5x sales where we started building a position at 220p. US peers trade in and around 2x sales, and we expect peer group and transaction multiples to expand as interest in the sector by customers and investors structurally grows.

DISCLAIMERS

15 Fetter Lane, London, EC4A 1BW Phone: +44 (0)20 3416 9143 Email: funds@dowgate.co.uk

This document has been prepared by Dowgate Wealth Limited ("DGW"). Dowgate Wealth Ltd, registered in England number 12221221, is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange. Registered address: 15 Fetter Lane, London, EC4A 1BW. All data has been sourced by DGW.

Investors should carefully consider the investment objectives and risks as well as charges and expenses of the fund before investing. The prospectus contains this and other information about the fund. If you're unsure of the suitability of an investment please seek advice. Tax rules can change and the value of any benefits depends on your personal circumstances. The value of investments, and any income from them, can fall as well as rise so you could get back less than you invest. Past

performance is not a reliable indicator of current or future performance.

We believe the information provided here is reliable but should not be assumed to be accurate or complete. This factsheet is a marketing communication document.

All information accurate as at 31 December 2024

Sources for all tables and images: Dowgate Wealth 31.12.2024

The Key Information Document (KID) and Admission Document are available, in English, free of charge and can be obtained directly using the contact details in this document. They can also be downloaded from:

<https://onwardopportunities.co.uk/document-centre/>