

Aberforth Partners LLP

Presentation to AFUND Investors October 2023



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ABERFORTH PARTNERS



- 33 years of UK small cap value investing
- Partnership structure is aligned with clients' interests
 - Significant “skin in the game”
- Funds under management of £1.8 billion
 - Available capacity of over £300m
- A team of seven investment managers with average experience of 20 years
 - Rowan Marron joined on 6 November 2023

Total returns to 31 October 2023

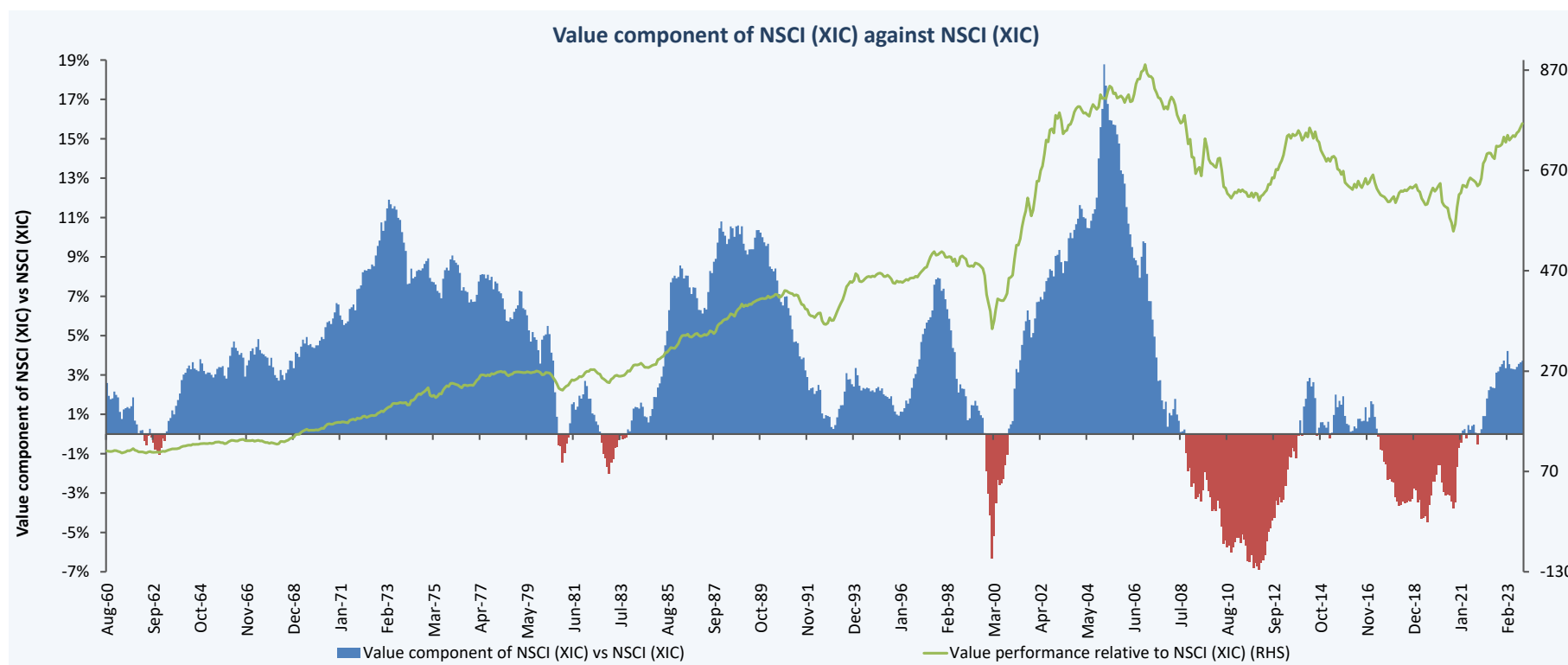


Total Return %	YTD	1 Year	CAGR			AFUND inception
			3 Year	5 Year	10 Year	
FTSE All-Share	0.3	5.9	11.7	3.9	4.7	7.5
FTSE 250 (XIC)	-6.3	0.1	3.3	-0.1	3.1	9.4
FTSE SmallCap (XIC)	-2.5	5.3	10.7	3.7	4.9	6.8
NSCI (XIC)	-5.4	0.8	4.2	1.2	3.7	8.7
AFUND	-4.0	3.8	13.1	2.4	4.5	10.8

Inception date for AFUND was 20/03/1991

- Tighter monetary policy has affected small and mid caps
- Value style still supportive of portfolio returns

The value premium is re-emerging

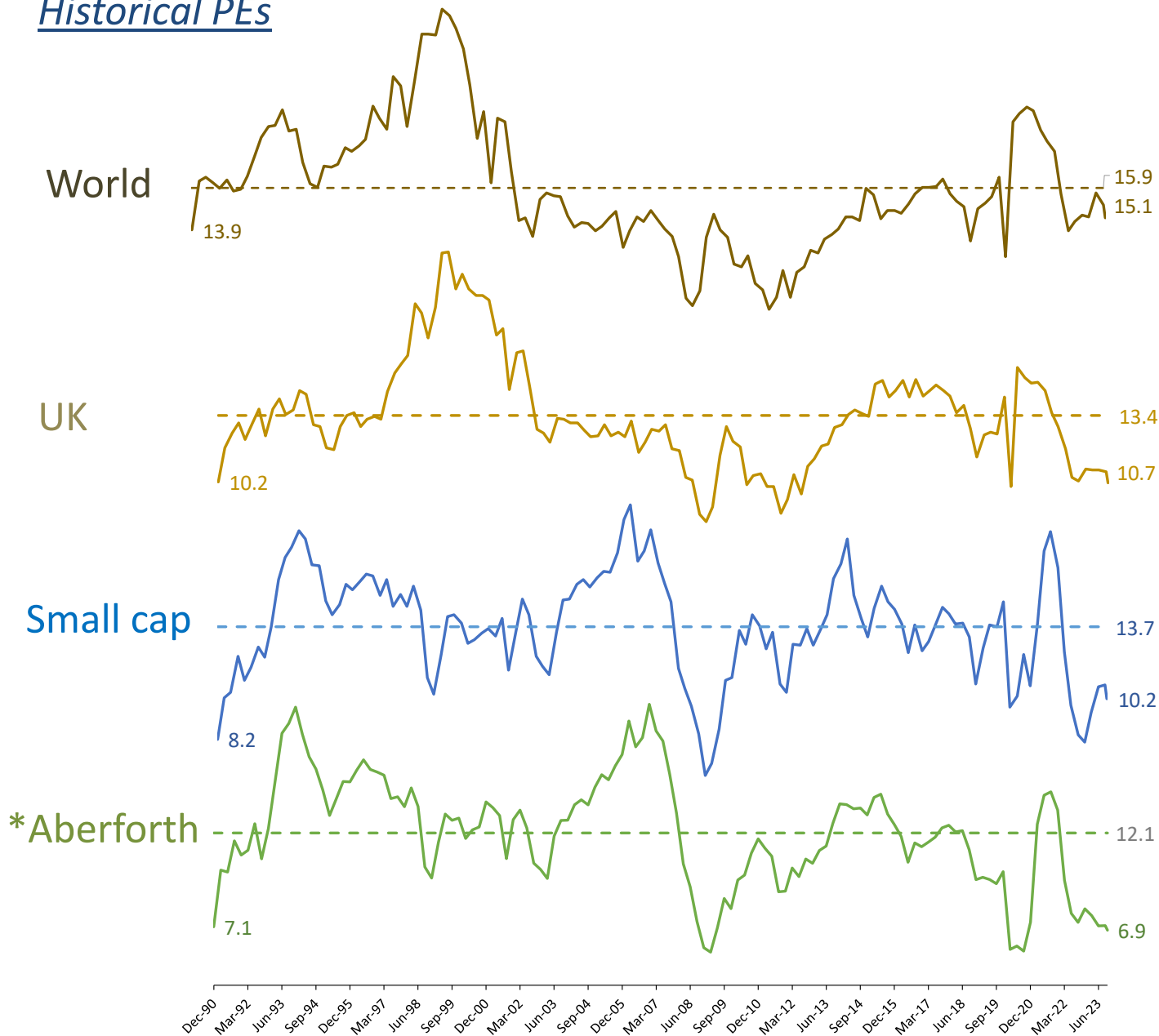


- Regime change with higher bond yields?
- The long-term perspective
 - NSCI (XIC) value premium since
 - Index's inception +3.3% p.a.
 - Since December 1990 +1.9% p.a.

The opportunity – a triple discount



Historical PEs



AFUND's opportunity

1. The UK

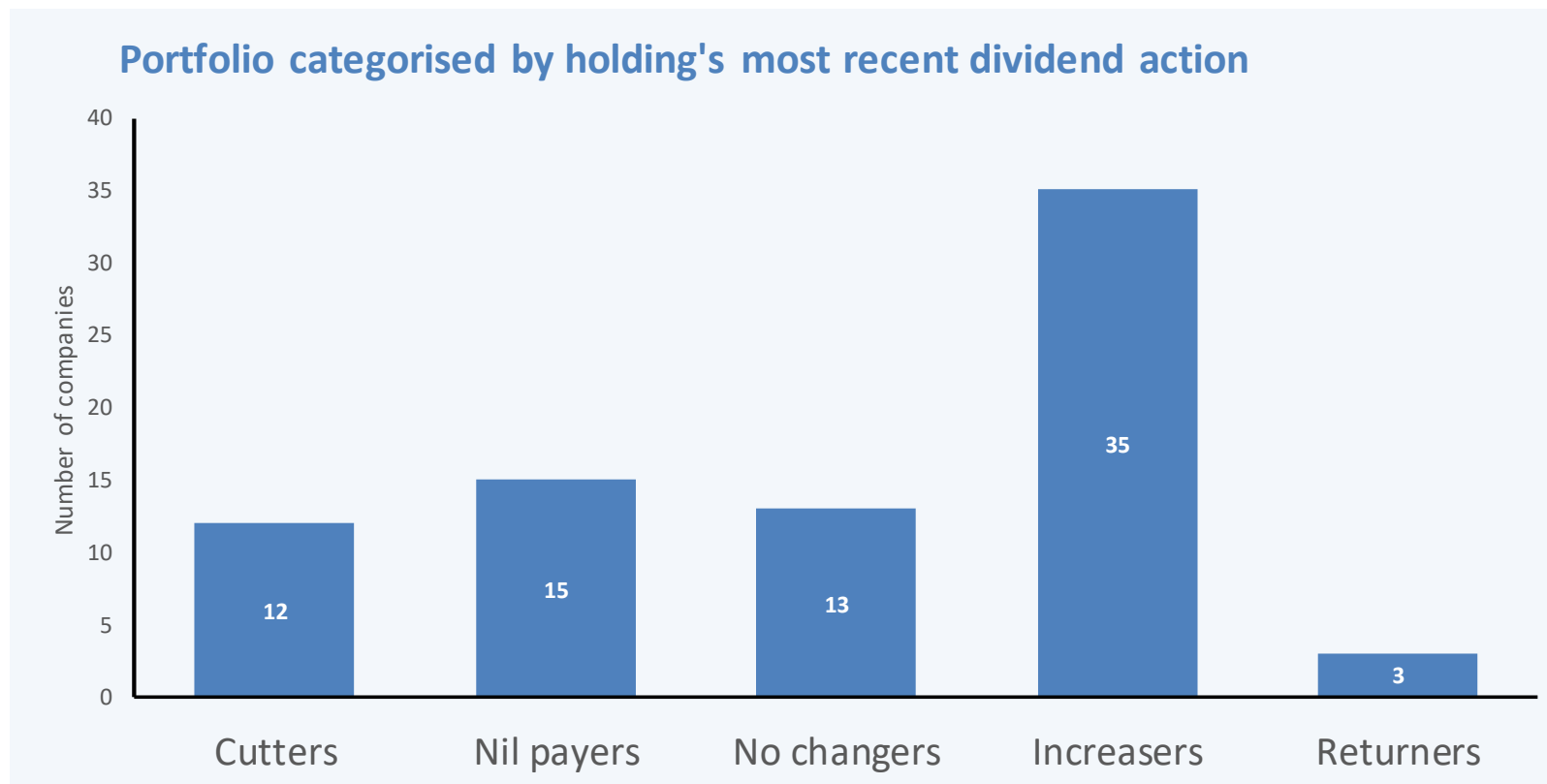
Politics and inflation
Flows

2. Small caps

Liquidity
Domestic exposure

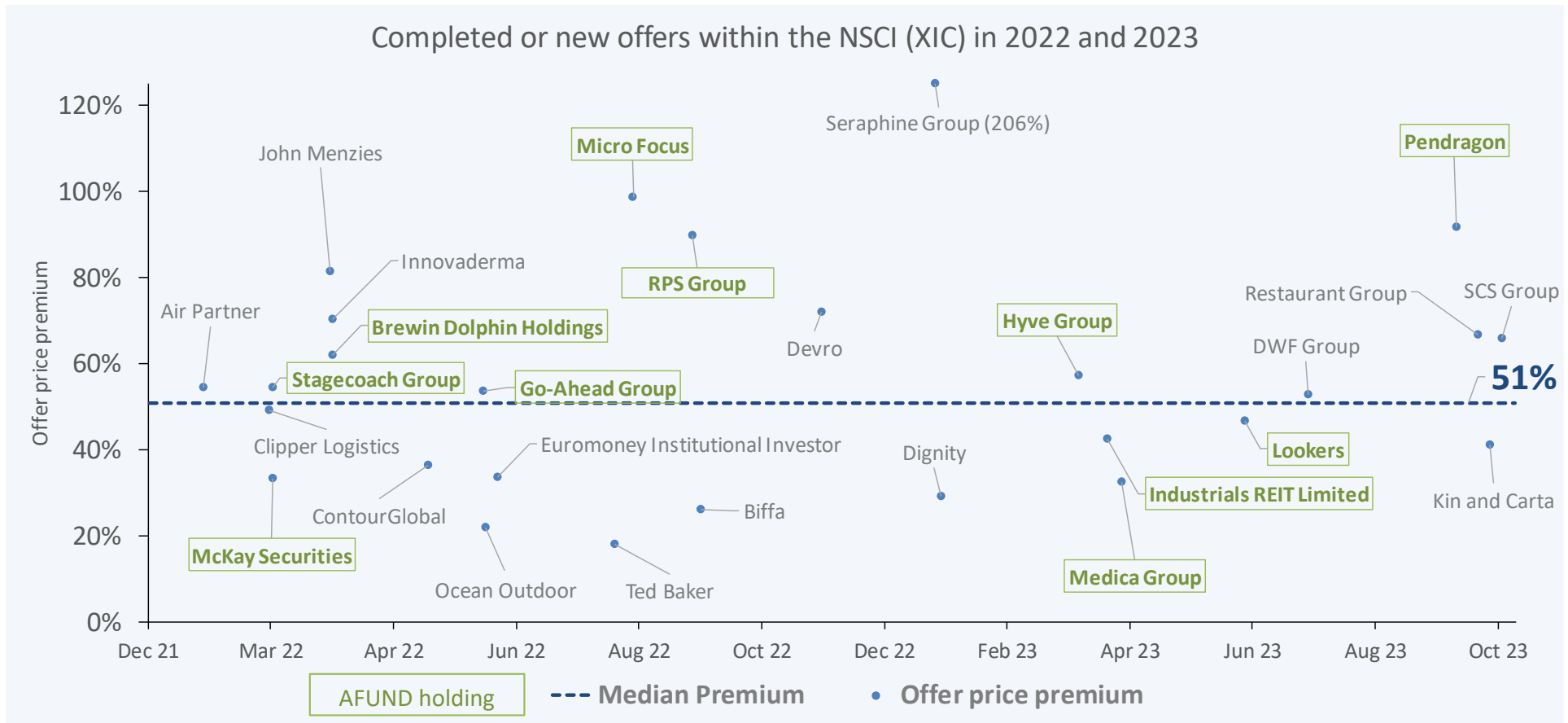
3. Value portfolio

Resilient
Differentiated
54% PE discount to RoW



- Resilient portfolio dividend experience
- Historical portfolio yield of 4.6%
- Some offset to economic headwinds from
 - Portfolio dividend cover of 3.1x
 - Strong balance sheets

M&A continues and exposes low valuations



- The barbarians are at the gate ... higher funding costs have not curtailed interest
 - Low valuations can meet private equity hurdles, levered and unlevered
 - 2023 EV/EBITDA of 11.5x on takeovers vs. 5.3x for AFUND
- Aberforth expects timely consultation from boards – we do not support all approaches

How we engage – purposeful and discreet



- We have always engaged **to improve investment outcomes**
- We have the resource to engage effectively
- We engage with executives and non-executives, prioritising the chair
- Any issue that affects value is relevant
 - Capital allocation, sustainability, board composition, etc.
- We have influence – **25 stakes >10% (32% of the portfolio)**
- Evidence of added value in takeover situations
 - **RPS:** consultation and our 17% stake led to a higher offer **+£1.2m to AFUND**
 - **Lookers:** engagement contributed to improved terms **+£0.3m to AFUND**

Engagement example – recommended offer for Lookers



Backdrop

Valuation plagued by worries about the economic cycle

Bid from Alpha Auto in June at 120p, a 35% premium

Valuation – 8.5x 2023 PE

We had conviction in the valuation and worked to stop the deal

Engagement

Stake Second largest shareholder with a 9% stake

Insiders Yes

Board No meaningful consultation

Irrevocable No support from Aberforth

Collective The largest shareholder withdrew its support

Status

Higher offer at 130p +1p dividend

The deal completed despite our opposition – Aberforth voted against

Bittersweet – many shareholders want cash rather than the UK

Experience with Lookers led to a short and profitable investment in Pendragon

Value roll – year to date



Top 10 Purchases		
Rank	Company	£m
1	Close Brothers Group	3.1
2	Avon Protection	2.0
3	Redrow	1.9
4	NCC Group	1.8
5	Workspace Group	1.5
6	Quilter	1.2
7	PageGroup	1.2
8	Helical	1.1
9	MJ Gleeson Group	0.8
10	Jupiter Fund Management	0.7

Top 10 Sales		
Rank	Company	£m
1	Lookers	3.7
2	FirstGroup	3.4
3	RPS Group	3.0
4	Medica Group	2.9
5	Energiean	2.1
6	Vanquis Banking Group	1.5
7	Hyve Group	1.4
8	Senior	1.2
9	Rathbones Group	1.1
10	Centamin	1.0

New Holding or Total Sales

- 12 month turnover – 30%
- The purchases
 - Former growth stocks – Avon, NCC, Spirent and XP Power
 - Fallen angels – Close Brothers, Redrow, Quilter and PageGroup
- The sales
 - M&A related – Lookers, RPS, Medica, Hyve, Industrials REIT and Pendragon

Winners and losers – year to date



- Attribution is the contribution to *relative* performance in basis points

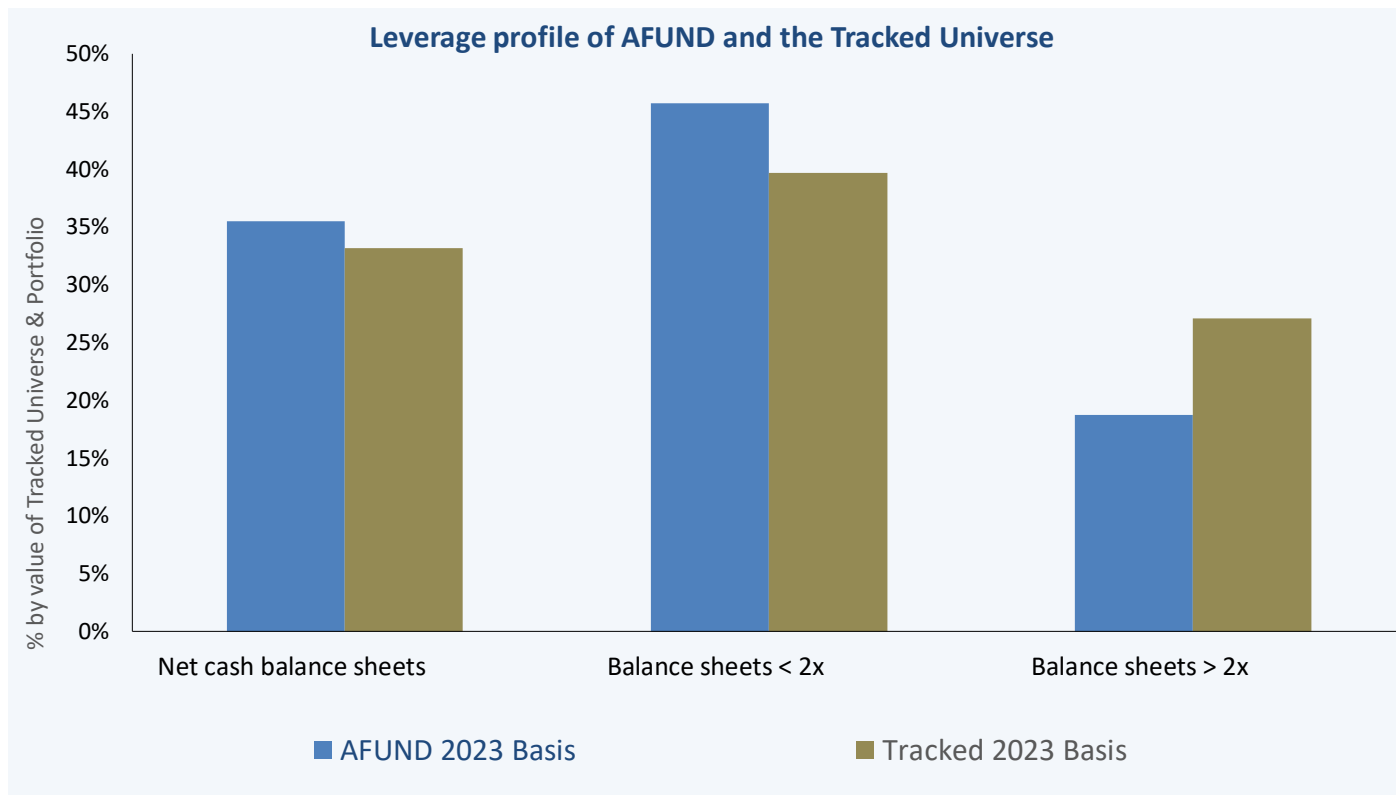
10 Best winners				
Rank	Company		Total return (%)	Attribution (bp)
1	FirstGroup	▲	59	145
2	International Personal Finance	▲	96	121
3	Lookers	▲	76	86
4	Spirent Communications		-61	69
5	Galliford Try Holdings		46	54
6	Senior	▲	26	48
7	S4 Capital		-66	47
8	XPS Pensions Group	▲	61	41
9	Medica Group	▲	51	37
10	Sabre Insurance Group		41	37

10 Worst losers				
Rank	Company		Total return (%)	Attribution (bp)
1	Videndum	▲	-70	-140
2	CMC Markets	▲	-57	-67
3	Deliveroo		52	-65
4	Ecora Resources	▲	-40	-51
5	Morgan Advanced Materials		-25	-47
6	Babcock International Group		38	-47
7	Robert Walters	▲	-26	-45
8	Headlam Group	▲	-36	-44
9	Dialight	▲	-48	-42
10	Bank of Georgia Group		39	-39

▲ High engagement

■ Not held in portfolio

Resilient companies

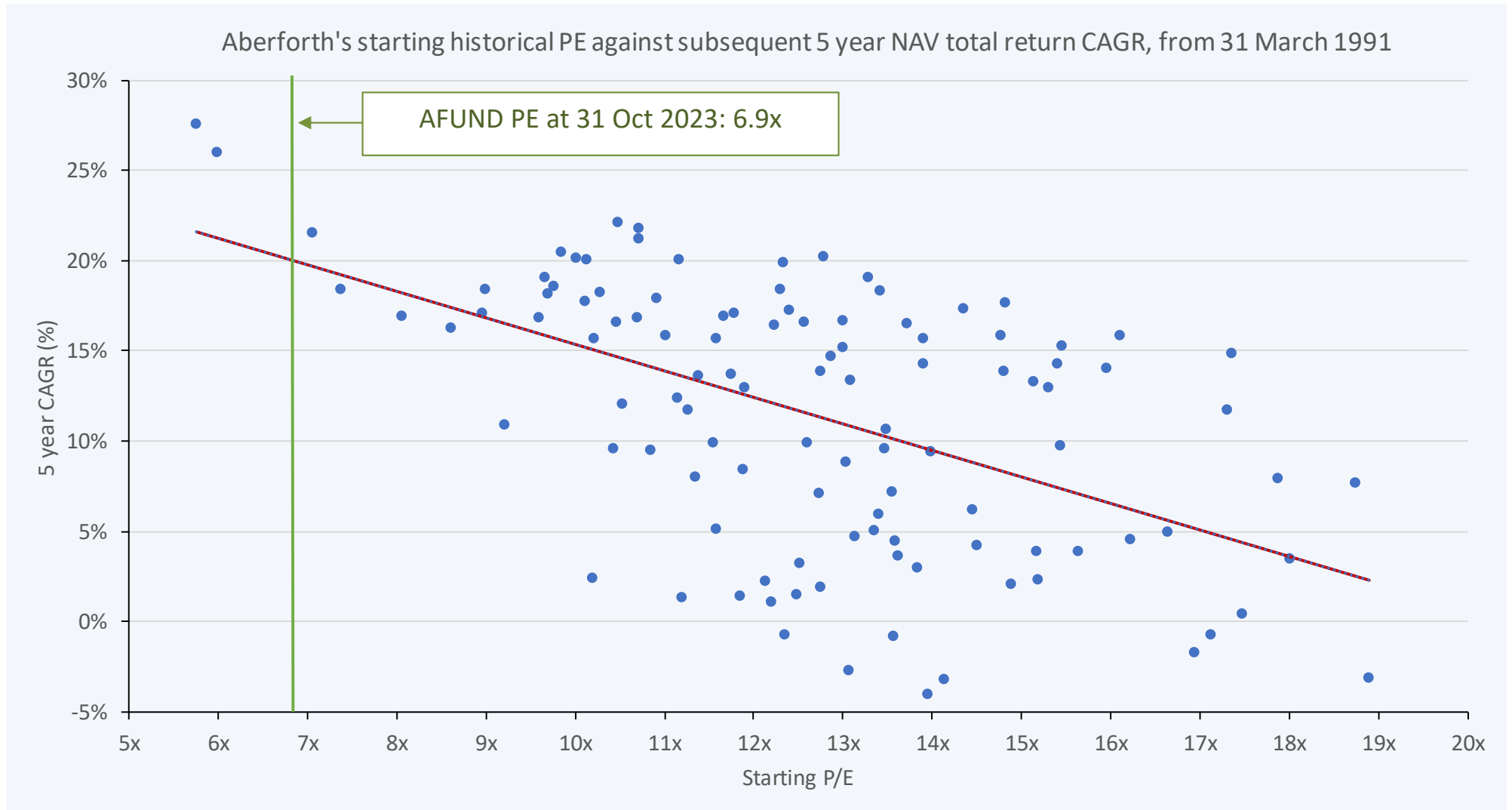


- Balance sheets have not been this strong since 2014
 - Unusual but welcome at this stage in the cycle
- Pension deficits are improving to the benefit of free cash flow
 - Favourable updates: Mitchells & Butlers, Reach, TT Electronics, Wincanton

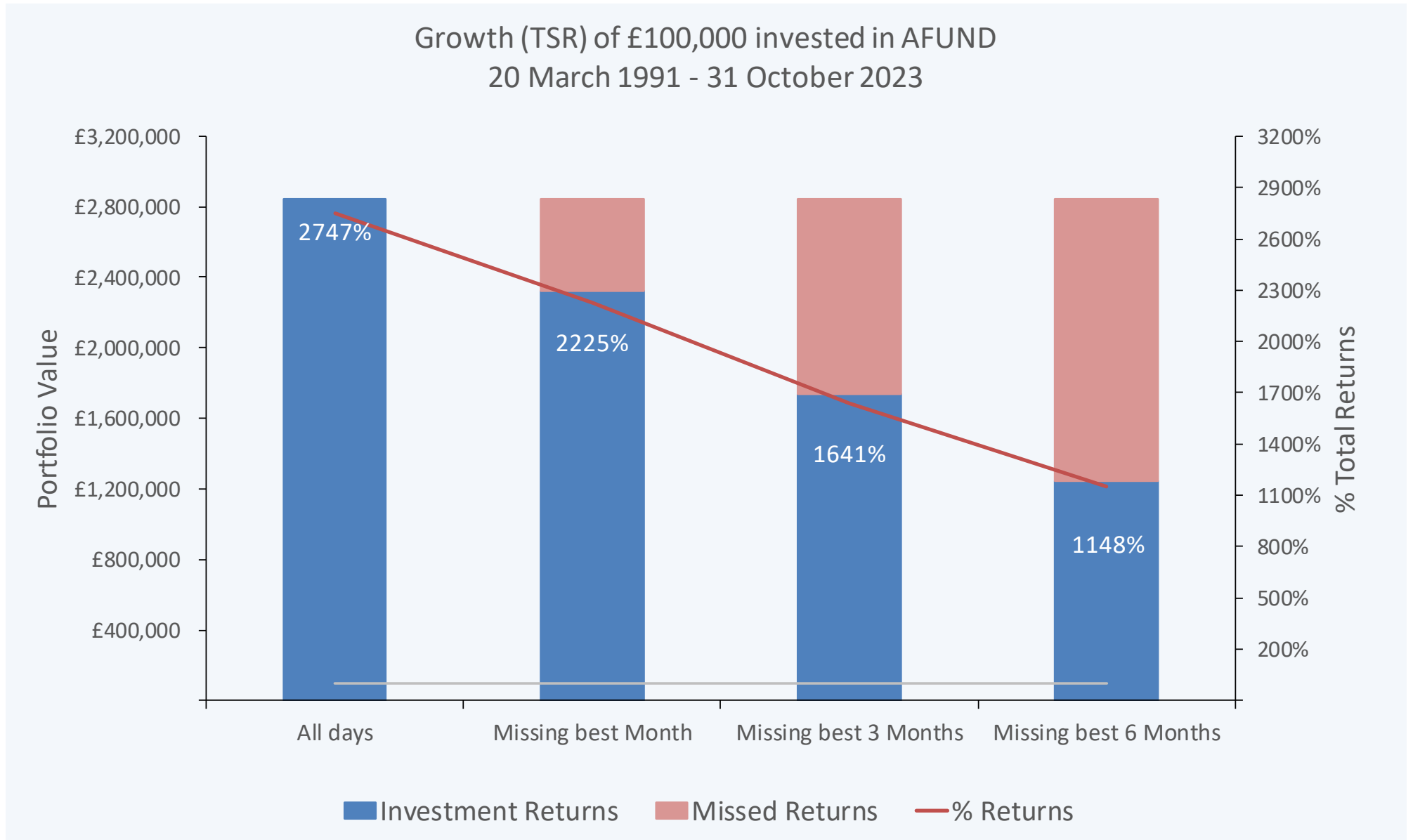
Starting valuations matter



- History suggests compelling prospective returns from current valuations



Time in, not timing, the stockmarket



Conclusion



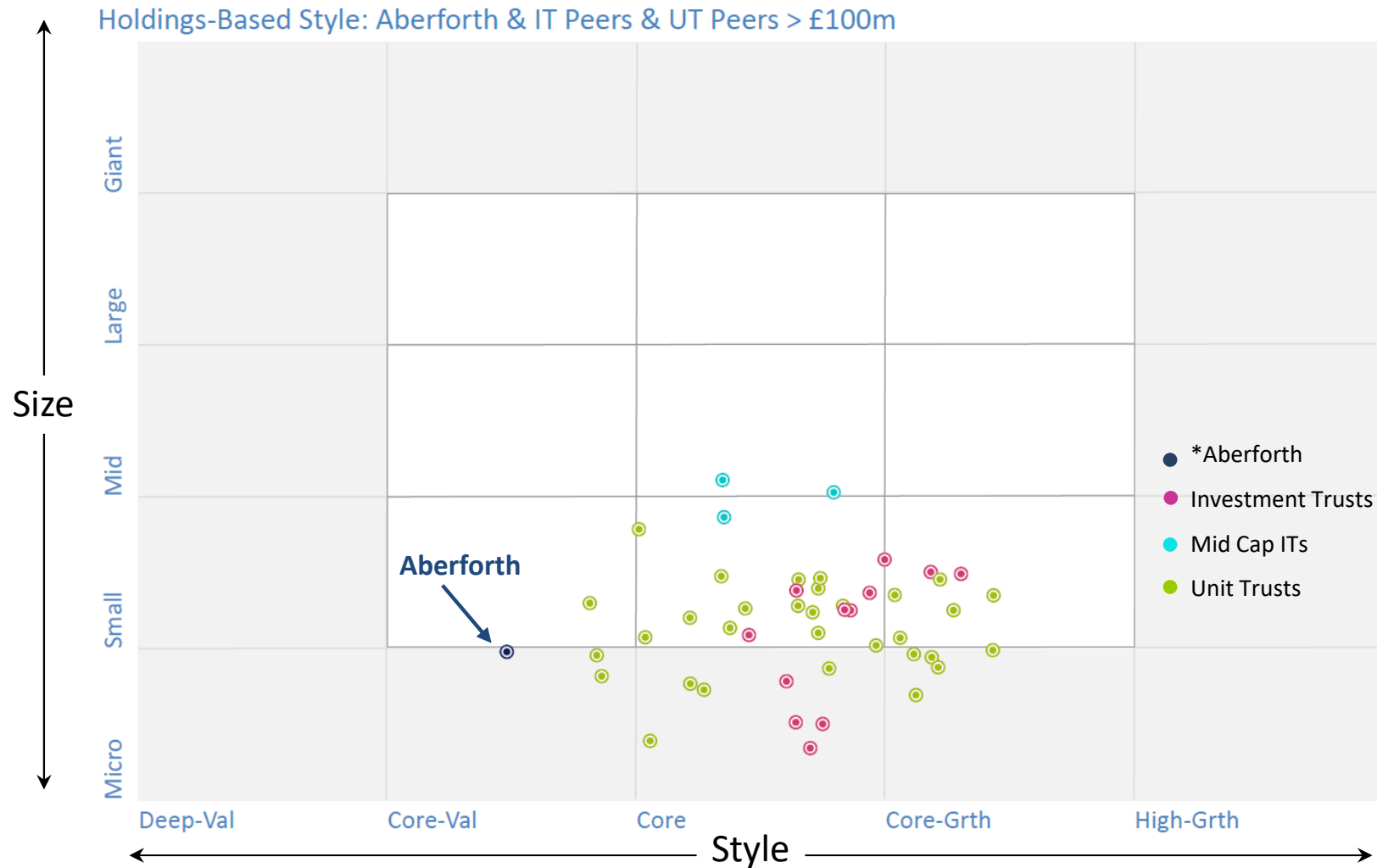
- Two lessons from history
 - History suggests compelling prospective mid-term returns from current valuations
 - But it is easy to miss the turn

- AFUND's characteristics de-risk the timing
 - Purposeful engagement
 - M&A optionality
 - The value style is not a headwind
 - Resilient investee companies
 - Income growth from the portfolio



Appendix

Aberforth's differentiation



- Less repositioning among peers than might have been expected
 - Value should benefit from a cycle of higher interest rates

Top 20 holdings



Rank	Company	Activity	Total portfolio (%)
1	Wilmington	Business publishing & training	3.1
2	FirstGroup	Bus & rail operator	3.1
3	International Personal Finance	Home credit provider	2.7
4	Redde Northgate	Van rental	2.5
5	Vesuvius	Metal flow engineering	2.5
6	Wincanton	Logistics	2.5
7	Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.3
8	Just Group	Individually underwritten annuities	2.2
9	Centamin	Gold miner	2.0
10	Card Factory	Retailing - greetings cards	2.0
11	TI Fluid Systems	Automotive parts manufacturer	2.0
12	Senior	Aerospace & automotive engineering	2.0
13	Close Brothers Group	Bank, stockbroker & private client fund manager	1.9
14	Conduit Holdings	Bermuda based (re)insurer	1.9
15	C&C Group	Brewer and drinks distributor	1.9
16	Robert Walters	Recruitment	1.9
17	EnQuest	Oil & gas exploration and production	1.9
18	Mitchells & Butlers	Operator of restaurants, pubs & bars	1.9
19	Bakkavor Group	Food manufacturer	1.8
20	Galliford Try Holdings	Housebuilding & construction	1.7
Top 20			43.9
21 - 30			15.8
31 - 78			40.3
Actively managed portfolio with an active share of 74%			100.0

AFUND – sector exposure



Sector	NSCI (XIC) weight	AFUND weight	Relative weight	Significant holdings
Technology	8.6%	3.8%	-4.8%	
Telecommunications	1.0%	0.4%	-0.7%	
Health Care	1.4%	0.0%	-1.4%	
Financials	19.8%	17.3%	-2.5%	International Personal Finance, Just Group, Conduit Holdings, Close Brothers Group
Real Estate	9.1%	4.3%	-4.8%	Workspace Group
Consumer Discretionary	22.5%	26.5%	4.0%	Card Factory, FirstGroup, Mitchells & Butlers, Reach, TI Fluid Systems, Wilmington
Consumer Staples	4.7%	4.2%	-0.5%	Bakkavor Group, C&C Group
Industrials	22.2%	35.3%	13.1%	Bodycote, Morgan Advanced Materials, Robert Walters, Senior, Vesuvius, Wincanton, SIG, Redde Northgate, Redde Northgate, Galliford Try Holdings, Avon Protection
Basic Materials	6.8%	5.6%	-1.2%	Centamin
Energy	3.4%	2.5%	-0.8%	EnQuest
Utilities	0.4%	0.0%	-0.4%	

EV/EBITA – our favoured metric



EV/EBITA	Number of stocks	2022	2023	2024	
AFUND	78	6.2x	7.1x	6.4x	Low portfolio valuation in absolute and relative terms
Tracked Universe	229	8.9x	9.2x	8.3x	Small cap profits to fall in 2023 as the economy slows
<i>Growth stocks</i>	40	12.4x	12.0x	11.8x	Growth stocks still on a wide valuation premium
<i>Other stocks</i>	189	8.4x	8.8x	7.7x	
<i>Stocks < £600m mkt. cap.*</i>	157	6.9x	7.8x	6.8x	
<i>Stocks > £600m mkt. cap.*</i>	72	10.6x	10.3x	9.5x	The most attractive valuations are among the "smaller smalls", where AFUND is over-weight

* Roughly FTSE 250 (or "larger smalls") vs. FTSE SmallCap (or "smaller smalls")

2023 growth stocks



Securities

4imprint Group	Integrafin Holdings
AJ Bell	IP Group
Alfa Financial Software Holdings	JTC
Alphawave IP Group	Kin and Carta
AO World	Molten Ventures
Aptitude Software Group	Oxford Biomedica
Arix Bioscience	Oxford Instruments
Aston Martin Lagonda Global Holdings	Pensionbee Group
Auction Technology Group	Porvair
Baltic Classifieds Group	PPHE Hotel Group
Bytes Technology Group	PureTech Health
Clarkson	S4 Capital
Deliveroo	SolGold
DEV Clever Holdings	Spirent Communications
discoverIE Group	THG
Dominos Pizza Group	Trainline
DP Eurasia	Treatt
FDM Group Holdings	Trustpilot Group
Future	Volution Group
Gresham Technologies	Zotefoams
Helios Towers	

See slide "Valuation - EV/EBITA" for context

- The annual list of growth stocks as defined by Aberforth
 - Designated at the January index rebalance and retained for the full year

ESG framework and methodology



Factors	Environmental	Social	Governance
Sub factors	<ul style="list-style-type: none"> Climate change Pressure on natural resources Pollution and waste 	<ul style="list-style-type: none"> Employee culture Health and safety External stakeholders Product liability and consumer protection 	<ul style="list-style-type: none"> Board composition and succession Effectiveness Remuneration and alignment Capital allocation Ethics
Metrics & Data	<ul style="list-style-type: none"> GHG Scope 1, 2 and 3 Carbon offset Freshwater consumed Net Zero target year Sustainability linked loans Member of SBTi TCFD compliant 	<ul style="list-style-type: none"> % Female in workforce % Female senior manager 	<ul style="list-style-type: none"> % overall board female % executive board female % independent non-Exec Ethnic diversity of board Policy & targets in place for Female representation Policy & targets in place for Board Ethnicity Remuneration linked to ESG

Risk score					Evaluation score				
5	4	3	2	1	5	4	3	2	1
<ul style="list-style-type: none"> A 1 to 5 Risk score – where 1 is Good At sub-factor level Sector classification and materiality based E.g. “Pollution and waste” for Chemical sector = 4 Determined by Stewardship Committee Factor score is the amalgamation of sub-factors 					<ul style="list-style-type: none"> A 1 to 5 Evaluation score – where 1 is Good At sub-factor level Materiality in relation to the individual company Determined by the responsible investment manager Risk score is the starting point Considers mitigating practices, opportunities, targets Factor score is the amalgamation of sub-factors 				

3 collective investment vehicles



	Aberforth Smaller Companies Trust (ASCoT)	Aberforth UK Small Companies Fund (AFUND)	Aberforth Split Level Income Trust (ASLIT)
Inception	December 1990	March 1991	July 2017
Structure	Closed-end	Open-end	Closed-end
Gearing	Tactical = 3.7%	N/A	Structural (ZDPs) = 44.9%
Size (AUM)	£1,191m	£125m	£191m
Number of investee companies	78	78	62
Benchmark	NSCI (XIC)	NSCI (XIC)	N/A
Investment philosophy	Value	Value	Value/Income
Management fees (<i>ongoing charges</i>)	73 bps* (80 bps)	75 bps* (81 bps)	101 bps* (126 bps)
Performance fee	No	No	No
RDR: platforms	>20	>15	>20
RDR: clean price	N/A	Yes	N/A
Authority: share buyback	Yes	N/A	No
Authority: dividends from capital	No	N/A	No
Chairman	Richard Davidson Richard.Davidson@aberforth.co.uk	N/A	Angus Gordon Lennox Angus.GordonLennox@aberforth.co.uk

* For a full explanation of the fee structure and ongoing charges, please refer to the Fund's Annual Report or visit www.aberforth.co.uk

Investment trust



Aberforth Smaller Companies Trust plc (ASCoT)

Ordinary shares

84,414,605

- next continuation vote in March 2026 and every 3 years thereafter
- authority to buy back up to 12,778,915 shares in the calendar year granted at AGM
- cumulative shares bought back for cancellation since inception = 14,395,183

Gearing

- as at 31 October 2023 actual was 3.7%
- potential for up to £130m or 12.0%

Dividends

Based on the following historic actuals:

2023

- interim paid August 2023 (12.95p)

2022

47.30p

- final paid March 2023 (26.95p)
- special paid March 2023 (8.30p)
- interim paid August 2022 (12.05p)

2021

35.20p

- final paid March 2022 (24.25p)
- interim paid August 2021 (10.95p)

2020

33.30p

- final paid March 2021 (22.90p)
- interim paid August 2020 (10.40p)

Note: Further details available in the Fund's Annual Report and from www.aberforth.co.uk



Aberforth UK Small Companies Fund (AFUND)

As 31 October 2023	Issue Price	Cancellation Price	Units in Issue
Accumulation Units	£274.23	£269.41	287,726
Income Units	£181.10	£177.92	259,919

Limited issue fund with Accumulation and Income units

- value at cancellation price: £124m
- no entry or exit fees charged; dealing spread 1.8% (mid-basis)
- yield on Income units: 3.9%
- current distribution period ended 30 June 2023; paid August 2023
- previous distribution period ended 31 December 2022; paid February 2023
- annual management fee: 0.75%; no performance fee
- 5/8 of management fee allocated to capital

Daily subscriptions and redemptions

- deals can be placed each business day prior to 4.30pm
- dual priced fund; prices calculated using closing prices each business day
- “forward pricing”

Note: Further details available in the Fund’s Annual Report, Prospectus and Key Investor Information Document and from www.aberforth.co.uk

Investment trust



Aberforth Split Level Income Trust plc (ASLIT)

Ordinary shares
190,250,000

- all net income, plus all net assets on a winding up – after ZDP entitlements met

Zero Dividend Preference
(ZDP) shares
47,562,500

- no dividends, but final capital entitlement of 127.25p on planned winding up date

Life

- planned winding up date: 1 July 2024

Gearing

- structural gearing via the ZDP shares

Dividends

Based on the following historic actuals:

2023

- first interim paid March 2023 (1.70p)
- second interim paid August 2023 (3.30p)

2022

4.55p

- first interim paid March 2022 (1.51p)
- second interim paid August 2022 (2.79p)
- special paid August 2022 (0.25p)

2021

3.05p

- first interim paid March 2021 (0.92p)
- second interim paid August 2021 (2.13p)

Note: Further details available in the Trust's Prospectus and from www.aberforth.co.uk

Glossary – Aberforth Funds



- **Aberforth's investment philosophy and putting it into practice is explained further at www.aberforth.co.uk/about-Aberforth/**
- **Aberforth Standard Value** refers to The Aberforth Smaller Companies Trust plc, Aberforth's longest standing client.
- **Accumulation Units:** units not receiving a cash payment representing income; rather, income will be included in the value of the units.
- **Active Share** is calculated by summing the absolute differences between a portfolio's weight in a stock and an index's weight in a stock for all the stocks in the portfolio or index. The total is then divided by two to give a ratio between 0% and 100%.
- **AGM:** An annual general meeting (AGM) is a mandatory annual assembly of a company's executives, directors, and interested shareholders.
- **AuM:** Assets Under Management.
- **CAGR:** Compound Annual Growth Rate is the annualised rate of growth over the specified time period.
- **Cancellation** refers to the cancellation of units by the Trustee.
- **Closed-end funds:** funds that offer a fixed number of shares through an investment company, raising capital by putting out an initial public offering (IPO).
- **Discount** is the amount by which the stockmarket price is lower than the Net Asset Value, or NAV, per Ordinary Share. The discount is normally expressed as a percentage of the NAV per Ordinary Share. The opposite of a discount is a premium.
- **DPS:** Dividend Per Share.
- **EBITA:** Earnings Before Interest, Taxes, and Amortisation (EBITA), is a measure of company profitability used by investors.
- **ESG:** Environmental, Social and Governance.
- **EV/EBITA:** Enterprise Value (EV) divided by Earnings Before Interest, Tax and Amortisation (EBITA).
- **EV/EBITDA:** Enterprise Value (EV) divided by Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA).
- **FANGS:** Refers to the stocks of four prominent American technology companies. Meta (formerly Facebook), Amazon, Netflix and Alphabet/Google. FANG stocks are famous for the impressive growth they have shown in recent years.
- **Funds:** **ASCoT** – The Aberforth Smaller Companies Trust plc; **ASLIT** – Aberforth Split Level Income Trust plc; **AFUND** – Aberforth UK Small Companies Fund.
- **Gearing** is the use of debt to increase capital.
- **GFC:** Global Financial Crisis, was a severe worldwide economic crisis that occurred in 2007 to 2008.
- **Hurdle rate** is the rate of capital growth per annum to return a stated amount per share at the planned winding-up date.
- **Income Units** entitle the holder to a cash distribution representing the net income attributable to that unit at each income allocation date.
- **IPO:** Initial Public Offering.

Glossary – Aberforth Funds



- **IPO:** Initial Public Offering.
- **IRRs:** Internal Rate of Return (IRR) is a metric used in financial analysis to estimate the profitability of potential investments.
- **Issue** refers to the issue of units by the Trustee.
- **Leverage** is a measurement of the use of debt.
- **LTCM:** Long Term Capital Management. In 1998 the federal government of the United States feared that the imminent collapse of LTCM would precipitate a larger financial crisis and orchestrated a bailout to calm the markets.
- **M&A:** Mergers and Acquisitions.
- **Net Asset Value (ZDP Share)** is the value of the entitlement to the ZDP Shareholders.
- **Net Asset Value:** Net Asset Value (NAV) per share is the net value of an investment fund's assets less its liabilities, divided by the number of shares outstanding
- **NSCI (XIC):** The Numis Smaller Companies Index (excluding Investment Companies).
- **PE:** The price-earnings ratio (P/E ratio).
- **RDR:** Retail Distribution Review.
- **Redemption Yield (Ordinary Share)** is the annualised rate at which projected future income and capital cash flows (based on assumed future capital/dividend growth rates) is discounted to produce an amount equal to the share price at the date of calculation.
- **Redemption Yield (ZDP Share)** is the annualised rate at which the total discounted value of the planned future payment of capital equates to its share price at the date of calculation.
- **Retained Revenue:** the accumulated income that has not been distributed.
- **RoCE:** Return on Capital Employed (RoCE) is a measure of how good a business is at generating profits from capital.
- **RoE:** Return on equity (RoE) is the measure of a company's net income divided by its shareholders' equity
- **RoW:** Rest of the world
- **Rump** is the Tracked Universe, adjusted to exclude the growth stocks.
- **SBTI:** Science Based Targets Initiative.
- **Scope 4:** Relates to a category of Green House Gas emissions. Termed as avoided emissions, Scope 4, can be defined as reductions that occur outside of a product's life cycle or value chain, but as a result of the use of that product.
- **Share buy backs:** A share buyback, also known as a share repurchase, is when a company buys its own outstanding shares to reduce the number of shares available on the open market.

Glossary – Aberforth Funds



- **SONIA:** Sterling Overnight Index Average is a measure of the rate at which interest is paid on sterling short-term wholesale funds in circumstances where credit, liquidity and other risks are minimal.
- **TCFD:** Task Force on Climate-Related Disclosures.
- **Terminal NAV (Ordinary Share)** is the projected NAV per Ordinary Share at the planned winding-up date at a stated rate of capital growth in the company's investment portfolio after taking into account the final capital entitlement of the ZDP Shares, future estimated costs charged to capital and estimated winding-up costs.
- **Tracked Universe** refers to those constituents of the NSCI (XIC) that Aberforth follows closely and whose financial characteristics are aggregated on internal systems.
- **Total return:** capital appreciation plus reinvested dividends.
- **Turnover** is calculated by summing the lesser of purchases and sales and dividing by the average portfolio value.
- **Unit:** an equal portion representing part ownership of a unit trust fund.
- **Value style:** the strategy by which all Aberforth's portfolios are invested.
- **Value Premium:** the relative out/(under) performance of the value investment style.
- **ZDP:** Zero Dividend Preference shares are a share class that receive no dividends. Instead, holders receive a fixed capital payment on the redemption date.
- **ZIRP:** A zero interest rate policy (ZIRP) is when a central bank sets its target short-term interest rate at or close to 0%.



Important information

Important information



- Throughout this presentation references to: SMALL COMPANIES mean constituents of the Numis Smaller Companies Index (Excluding Investment Companies) which are referred to as “NSCI (XIC)”; LARGE COMPANIES mean constituents of the FTSE All-Share Index which are referred to as “FTAS”; total return means with dividends reinvested (prior to 2.7.97 with gross dividends reinvested thereafter with net dividends reinvested); and Aberforth clients’ portfolio characteristics use one of Aberforth’s “Standard Value” clients as representative unless otherwise stated.
- Sources of data used in the presentation are detailed on the relevant pages. Source references to London Business School refer to Numis/Paul Marsh and Elroy Dimson – London Business School.
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- Aberforth Partners LLP and Aberforth Unit Trust Managers Limited are authorised and regulated by the Financial Conduct Authority.

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 is often less liquid than that for shares of larger companies, making shares of smaller companies more difficult to buy and sell. Smaller companies can also be expected, in comparison to larger companies, to have less mature businesses, a more restricted depth of management and a higher risk profile.
- 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.
- Unless the performance of an investment meets or exceeds the rate of inflation, the real value of that investment will reduce.
- Changes in economic or political conditions or other factors can substantially and potentially adversely affect the value of investments and, accordingly, the performance and prospects of the funds managed by Aberforth Partners LLP or Aberforth Unit Trust Managers Limited.
- The market price of securities issued by the Fund may fluctuate significantly and investors may not be able to sell their securities at or above the price at which they acquired them. Securities markets have in the past experienced extreme volatility that has often been unrelated to the operating performance of particular companies. Any broad market fluctuations may adversely affect the market price of the units issued by the Fund.
- There can be no guarantee that the investment objective of the Fund will be achieved or provide the returns sought by the Fund.

Risk warnings



- The dealing spread of Aberforth UK Small Companies Fund, which represents the difference between the buying and selling prices, will have an impact on the realisable value of any investment made in this fund, particularly in the short term. To mitigate the impact of capital erosion, investors should regard investments in this fund as long term.
- Tax legislation and the levels of relief from taxation can change at any time. Any change in the tax status of the Fund or in tax legislation could affect the value of the investments held by the Fund or affect its ability to provide returns to its investors. The tax treatment of an investment, and any dividends received, will depend on the individual circumstances of the investor and may be subject to change in the future. If investors are in any doubt as to their tax position, they should consult their professional adviser.
- 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.