



## Castelnau Group Limited (CGL) – December 2022

Share Price: £0.69    Net Asset Value: £0.75    Discount: 8%

Market Cap: £127m

Data as of 31 December 2022

Holdings – 31 December 2022	(%)
Dignity Plc	31.2
Hornby	19.1
Phoenix SG Ltd (Stanley Gibbons)	13.9
Cambium	14.8
Rawnet	4.8
Ocula Technologies Ltd	3.6
Others <3%	8.9
Cash & Cash Equivalents	3.7

### Investment Performance

In December, the Nav was down 1% with the share price down 5.5%, versus the FTSE All Share (incl. Dividends), which was down 1.4%

### Portfolio Activity

Dignity Plc contributed +3.3%, Cambium -2.6% and Phoenix Stanley Gibbons -1.6% to the NAV. A material factor in the negative performance from Cambium and Phoenix Stanley Gibbons was a review of the discount rates used in the valuation models to take into account increases in the risk-free rate.

### Silverwood Brands Plc.

In early December, Castelnau increased our commitment to Silverwood Brands by £1.5mn in the form of a convertible loan.

### Investment Pipeline

Investors may be aware that the Company is Party to a possible offer for Dignity PLC, a portfolio company. Please read the public announcement [here](#) made on Jan 4<sup>th</sup>.

We look forward to outlining our thoughts in more detail when we are able to.

### Castelnau Group Track Record

Performance	NAV Return %	Share Price Total Return** %	All-Share Index ** %	Relative NAV to ASX %
2022 (to 31 <sup>st</sup> December)	-19.8%	-34.6%	0.3%	-20.2%
2021*	-6.5%	5.5%	2.5%	-9.0%
Cumulative*	-25.0%	-31.0%	2.8%	-27.8%

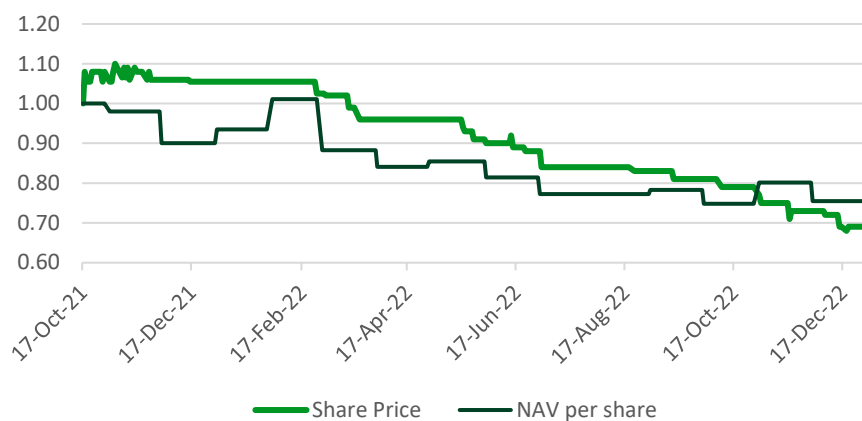
\* From 18th October 2021.

\*\* Share price return with dividends reinvested; All Share Index returns with dividends reinvested. Past performance is not a reliable indicator of future performance.

Source: Bloomberg, Phoenix Asset Management Partners Limited



## Castelnau Group Share Price & NAV per Share – 31<sup>st</sup> December 2022



Past performance is not a reliable indicator of future performance.

Source: Bloomberg, Phoenix Asset Management Partners Limited

## Net Asset Value Table - 31<sup>st</sup> December 2022

	Q4 2022
Asset	£m
Dignity	43.0
Hornby	26.3
Phoenix Stanley Gibbons	19.2
Showpiece	0.0
Cambium Group	20.5
Silverwood	2.2
Rawnet	6.6
Ocula	4.9
<b>Total Equities</b>	<b>122.7</b>
CGSL	0.1
Prepaid Fees	0.0
Loans to enabling companies	10.1
Cash	7.6
Short Term Bonds	0.0
<b>GAV</b>	<b>140.5</b>
<b>Accrued Liabilities</b>	<b>-2.5</b>
<b>NAV</b>	<b>138.0</b>

Source: Phoenix Asset Management Partners Limited

The Investment Manager does not believe a potential tax charge would arise on the realisation of the fair value gains set out in this report

## Investment Objective

The Company's investment objective is to compound Shareholder's capital at a higher rate of return than the FTSE All Share Total Return Index over the long term. The Company will seek to achieve a high rate of compound return over the long term by carefully selecting investments using a thorough and objective research process and paying a price which provides a material margin of safety against permanent loss of capital, but also a favourable range of outcomes. The Company will follow a high conviction investment strategy. The expertise and processes developed by the Investment Manager can be applied to all parts of the capital structure of a business, both private and publicly quoted. These positions could be represented by a minority stake, a control position combined with operational involvement, full ownership of a company, a joint venture, a loan or convertible instrument, a short position or any other instrument which allows the Company to access value.

## Contact

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**Portfolio Manager:** Gary Channon  
**Listing:** Specialist Fund Segment, London Stock Exchange  
**Inception Date:** 18 October 2021  
**ISIN:** GG00BMWWJM28  
**Bloomberg:** CGL

## Fees

**Management:** None  
**Performance:** In order for the Investment Manager to earn a performance fee, the total NAV return must have outperformed the FTSE All Share Total Return Index over a 3-year period. The performance fee will be equal to one-third of outperformance and will be paid in Castelnaud Group shares.

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