

Key Information Document – Castelnau Group Limited

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and help you compare it with other products.

Product

Castelnau Group Limited, ordinary shares (ISIN number GG00BMWWJM28) ('CGL').

The Investment Manager is Phoenix Investment Management Partners Ltd ('PAMP'). PAMP is authorised and regulated in the UK by the Financial Conduct Authority. For more information, call +44 (0)208 600 0100 or visit www.castelnaugroup.com All information in this document is correct 30 June 2024.

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type

CGL is a Guernsey registered, closed ended investment company that invests its money in the shares of other companies. CGL is also an alternative investment fund (AIF). An AIF is not subject to the same rules as mainstream retail products such as UCITS funds and therefore may make more complex investments or have its own particular approach to risk or liquidity. You should therefore understand the differences between investment products before making an investment.

Objectives

CGL's 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. CGL will follow a high conviction investment strategy and will invest in both private and publicly listed entities. These positions could be represented by a minority stake, a control position combined with operational involvement, full ownership of a company, a loan or convertible instrument, a short position or any other instrument which allows CGL to access value. CGL may select investments from all asset classes, geographies, and all parts of the capital structure of a business. There are no circumstances under which CGL would be automatically terminated and it has no maturity date.

Intended retail investor


An investment in CGL involves a high degree of risk, including the risk that the entire amount invested may be lost. Buying a concentrated portfolio of both listed and unlisted companies can result in above average volatility. Investors should therefore be open to some risk and volatility. There can be a long lag between us making an investment and its value being reflected, so CGL is intended for investors with a long-term investment horizon. Although investors can sell shares on any day, if your horizon is short-term then our approach may not be a suitable home for your money. CGL is intended for professional clients and "sophisticated" or "High Net Worth" retail investors, those considered "advanced", but is not suitable for retail investors with only basic knowledge of investments.

What are the risks and what could I get in return?

Risk Indicator

As a fund with less than 3 years of history, this section contains proxy fund data. The risks of investing in CGL may be higher or lower than indicated.

1	2	3	4	5	6	7
Lower Risk					Higher Risk	

	The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.
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The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. This product is classified as the risk level indicated because of the compulsory calculation required for this document.

Investment performance information

PAMP are value investors, which means we spend a lot of time researching investments and buying only when the price is right. As a consequence, the number of holdings is usually smaller on comparison with other funds. A lower number of holdings can mean more volatility – lower lows and higher highs, compared with the market. Our funds do not neatly compare to benchmarks although CGL is most often compared to the UK FTSE all share total return.

What could affect my return positively?

We purchase when we believe something is undervalued and positive returns are achieved when our holdings increase in value.

What could affect my return negatively?

PAMP takes a lot of time understanding its investments but unforeseen bad results or the immediate impact of a war or global pandemic cannot always be easily predicted. If an investor withdraws their investment during a severely adverse market, they may not get the same amount back that they put in.

What happens if PAMP is unable to pay out?

CGL is legally separate to PAMP. If PAMP were to go into administration, no monies would be recoverable from / by CGL. An investor may lose money if CGL, or the companies in which CGL invests in, were to go into administration. As a shareholder of CGL, which is a listed company, you would not be able to make a claim to the Financial Services Compensation Scheme (FSCS) in the event that CGL is unable to pay out.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

Investment £10,000 scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years (Recommended holding period)
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Total costs	109	309	509
Impact on return (RIY) per year	1.1%	0.9%	0.9%

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and how you the impact that all costs will have on your investment over time.

Composition of costs

The table below shows the annual impact of the different types of costs on the investment return you might get at the end of the recommended holding period as well as the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	n/a	The impact on the costs you pay when entering your investment. There are no entry costs.
	Exit costs	n/a	The impact of the costs of exiting your investment when it matures. There are no exit costs.
Ongoing costs	Portfolio transaction costs	0.09%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.95%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	The potential impact of the performance fee after three years assuming a moderate scenario. The fee will be one third of the total shareholder return outperformance versus the FTSE All share Total Return Index.
	Carried interests	n/a	The impact of carried interests. There are no carried interests.

How long should I hold it, and can I take money out early?

Recommended minimum holding period: 5 years

While there is no required holding period, PAMP recommends that only investors with a long-term investment perspective invest in CGL. CGL is listed on the Specialist Fund Segment of the London Stock Exchange and as such investors may trade whenever they are open for business. There are no fees or penalties incurred for disinvestment, any price will be based on the prevailing market value of CGL.

How can I complain?

If you have a complaint about CGL you should contact PAMP at 64-66 Glenthams Road, London SW13 9JJ or via email at Phoenix@pamp.co.uk. If you have a complaint regarding how you were advised, you should contact your financial adviser. As a shareholder in CGL you do not have a right to complain to the Financial Ombudsman Service (FOS) about the management of CGL.

Other relevant information

The Prospectus and Annual Financial Report, when available, can be found at www.castelnau.com