



Castelnau Group Limited (CGL) – June 2022

Share Price: £0.88 Net Asset Value: £0.77 Premium: 14.3%

Market Cap: £161m

Data as of 30 June 2022

Holdings – 30 June 2022	(%)
Dignity Plc	29.0
Hornby Plc	19.2
Cambium	16.7
Phoenix SG Ltd (Stanley Gibbons)	13.0
Rawnet	4.2
Others <3%	3.6
Cash & Cash Equivalents	14.3

Investment Performance

In June, the NAV was down 5.2% with the share price down 2.2%, versus the FTSE All Share (incl. dividends), which was down 6.0%.

The decrease in the NAV was mainly driven by a 16% fall in Dignity Plc's share price, but there was no significant news of note apart from the FCA confirming that it "intended to authorise" Dignity under the new regulatory regime for pre-paid funeral plans.

Portfolio Activity

The Cambium Group position increased by £15.7million via a rights issue on June 1st. The raise allows the Company to pay down debt taken out during COVID, purchase a new business, and develop a baby list product.

Showpiece Technologies launched its third item, a limited-edition Warhol print of the Queen.

Hornby announced full year results to 31st March 2022, with revenue of £53.7m, underlying profit before tax of £3.2m and net cash of £3.8m. The Company reported that it is "gaining momentum in Digital with a short-term aim of doubling Digital sales in the next two years".

Investment Pipeline

Nothing of note to report.

Castelnau Group Track Record

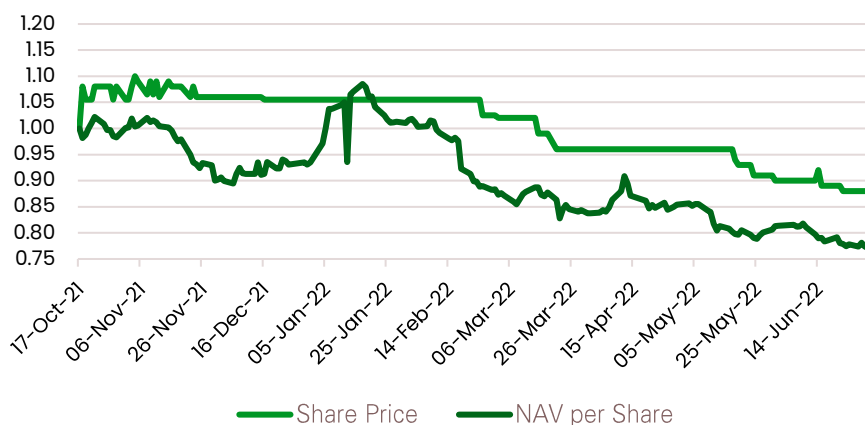
Performance	NAV Return %	Share Price Total Return** %	All-Share Index ** %	Relative NAV to ASX %
2022 (to 30 th June)	-17.5%	-16.6%	-4.6%	-12.9%
2021 *	-6.5%	5.5%	2.5%	-9.0%
Cumulative*	-22.9%	-12.0%	-2.2%	-20.7%

* 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.



Castelnau Group Share Price & NAV per Share – 30 June 2022



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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 Castelnau Group shares.

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