



## Castelnau Group Limited (CGL) – October 2022

Share Price: £0.77    Net Asset Value: £0.80    Discount: 3.9%

Market Cap: £141m

Data as of 31 October 2022

Holdings – 31 October 2022	(%)
Dignity Plc	32.1
Hornby	17.6
Cambium	16.1
Phoenix SG Ltd (Stanley Gibbons)	14.4
Rawnet	4.0
Others <3%	8.8
Cash & Cash Equivalents	7.0

### Investment Performance

In October, the NAV was up 7.2%, with the share price down 4.9%, versus the FTSE All Share (incl. dividends), which was up 3.1%.

The increase in the NAV was mainly driven by a 23.9% rise in Dignity's share price.

### Portfolio Activity

#### Silverwood Brands Plc (“Silverwood”)

In mid-October, CGL announced an investment in Silverwood Brands Plc. The investment, which constitutes £1.6m in equity and an unsecured loan of £4.4m, represents the first significant investment in a new entity since Castelnau listed late last year.

Silverwood is an investment vehicle focused on premium consumer brands, which have an existing presence in the beauty sector, and the funding facilitated the completion of their acquisition of NBY London Ltd (trading as Nailberry), a category leader in non-toxic nail products. Further information can be found in the announcement made by Silverwood to the stock exchange and also on their website: [www.silverwoodbrands.com](http://www.silverwoodbrands.com)

Castelnau owns 16.5% of Silverwood. It is less than 3% of the total portfolio.

#### Ocula Technologies Ltd (“Ocula”)

Post the period end, CGL made a further investment in Ocula for approximately £700k. The additional investment is part of a proposed additional funding round, which it is hoped will see new third-party investors become part owners of Ocula alongside Castelnau and Ocula's founders and employees.

We are pleased to report that Ocula has signed its first external contracts with two major clients; one based in the UK and one in the US. We congratulate the Company on this significant milestone.

### Investment Pipeline

Nothing material to report



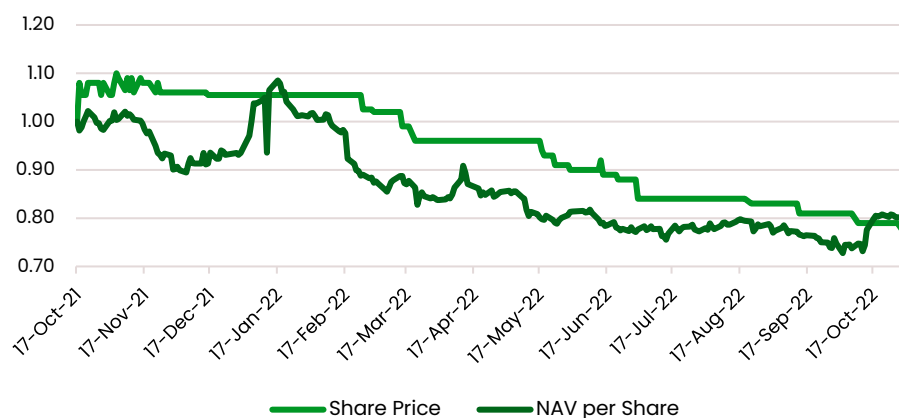
## Castelnau Group Track Record

Performance	NAV Return %	Share Price Total Return** %	All-Share Index ** %	Relative NAV to ASX %
2022 (to 31 <sup>st</sup> Oct)	-14.4%	-27.0%	-5.0%	-9.4%
2021 *	-6.5%	5.5%	2.5%	-9.0%
Cumulative*	-19.9%	-23%	-2.6%	-17.3%

\* 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 – 31 October 2022



Past performance is not a reliable indicator of future performance.

### 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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