



Castelnau Group Limited (CGL) – January 2025

Share Price: £0.90

Net Asset Value: £1.02

Discount: 11.8%

Market Cap: £299.2m

Data as of 31 January 2025

Portfolio Position 31 January 2025	(%)
Dignity / Valderrama	83.2
Hornby	5.0
Cambium Group	3.0
Others <3%	8.7
Cash Balance	0.1

Investment Performance

In January, the NAV was up 3.5%, while the share price was down 4.3%, compared to the FTSE All-Share (incl. dividends), which was up 5.5%. Please note the Castelnau share price had not had the opportunity to react to the higher NAV as of the 31st of January.

Portfolio Valuation

The main contributor to the increased NAV was Valderrama, which was up 3.6%, with a NAV impact of 3.7%. The Valderrama valuation has been updated for the sale and leaseback and Farewill transactions.

Portfolio Update

Castelnau Group released its Q4 2024 report, which can be found [here](#).

Dignity completed its acquisition of Farewill; the acquisition was financed via a share-for-share exchange, resulting in Castelnau increasing its ownership in Valderrama to 66% and issuing 9.6 million new Castelnau shares. More details can be found [here](#).

Dignity completed a crematoria sale and leaseback transaction. Primarily driven by the net proceeds from this transaction, the outstanding loan between Phoenix UK Fund and Dignity was repaid.

Hornby released a trading update on 8 January, which can be found [here](#)

Castelnau Group Track Record

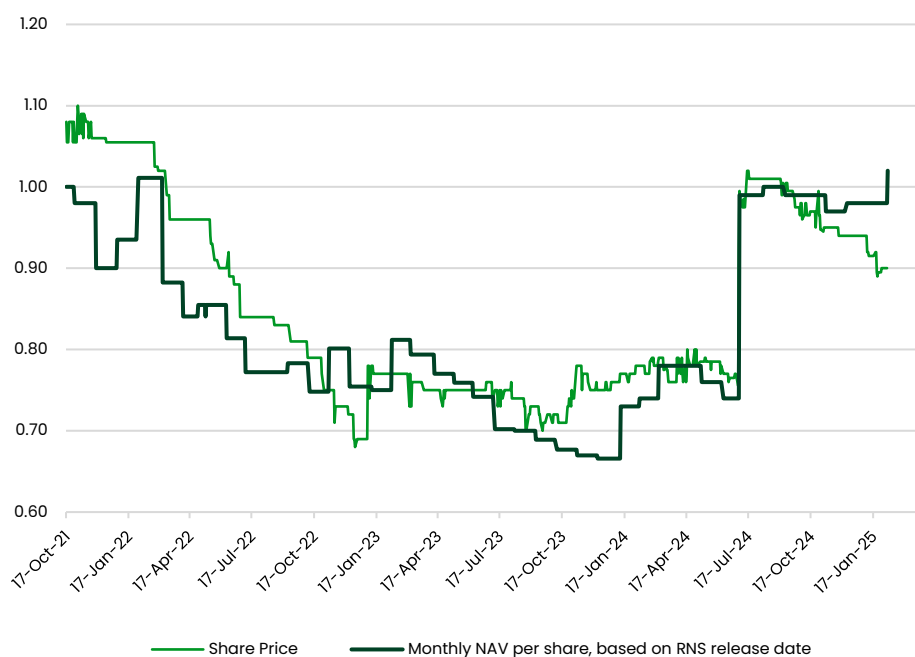
Performance	NAV Return %	Share Price Total Return** %	All-Share Index ** %	Relative NAV to ASX %
2025 (to 31 Jan)	3.5%	-4.3%	5.5%	-2.0%
2024	35.4%	24.5%	9.5%	25.9%
2023	-3.3%	9.4%	7.9%	-11.2%
2022	-19.8%	-34.6%	0.3%	-20.2%
2021 *	-6.5%	5.5%	2.5%	-9.0%
Cumulative*	1.7%	-10.0%	28.2%	-26.5%

* 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 January 2025



Past performance is not a reliable indicator of future performance.

Source: Bloomberg, Phoenix Asset Management Partners Limited

Net Asset Value Table – 31 January 2025

Asset	£m
Valderrama (Dignity)	350.6
Hornby	21.3
Cambium	12.7
Ocula	5.7
Silverwood	5.6
Rawnet	1.5
Phoenix SG (Stanley Gibbons Baldwin's)	0.9
Iona Star	0.6
Showpiece	0.0
Total Equities	398.8
Loans to enabling companies	22.0
CGSL	-0.1
Cash	0.3
GAV	421.1
Accrued Liabilities	-83.0
NAV	338.1

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.

Target Market

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 as "advanced", but is not suitable for retail investors with only basic knowledge of investments.

Contact

Phoenix Asset Management Partners Ltd
64 – 66 Glenthams Road London SW13 9JJ
Tel: +44 (0) 208 600 0100
Fund Manager since 18 October 2021
Email: info@castelnagroup.com

Portfolio Manager: Gary Channon
Listing: Specialist Fund Segment, London Stock Exchange
Inception Date: 18 October 2021
ISIN: GG00BMWJ28
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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