

Raynar Flagship

Sub Fund of: EFG Silverstone SICAV-RAIF

Factsheet
February 2023

Fund Manager



PORTFOLIO MANAGEMENT

Portfolio Manager: Philip Rodrgis

Managing UK equity strategies since 2006, Philip is a multi award winning manager. Honoured as an all-sector Morningstar 'Outstanding Rising Talent', Philip has been twice named as IW's UK Small Cap Fund Manager of the Year.

First Day of Trading

1 June 2020

Fund AUM

£29.6m

Raynar AUM

£77.0m

Custodian

EFG Bank (Luxembourg) S.A.

AIFM

KB Associates S.A.

Administrator

HSBC France,
Luxembourg Branch

Auditor

BDO Audit S.A. Luxembourg

Fund Objectives

To achieve capital growth over the medium term with an absolute focus on stock selection, unconstrained in its approach to building a high conviction portfolio of attractive risk vs return high conviction investments from across the UK equity market, with a likely predominance of small and micro sized companies. During periods with insufficient opportunities, unallocated capital will be preserved utilising the flexibility to invest in cash, beta hedging instruments and other asset classes.

FOR PROFESSIONAL INVESTORS ONLY

Raynar Flagship Performance



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Cal Return	Total Return
2020						3.6%	6.5%	7.2%	-3.4%	-0.5%	10.8%	11.7%	40.8%	
2021	1.4%	7.9%	4.8%	6.7%	2.8%	-3.0%	3.1%	2.9%	-7.0%	-0.7%	-7.0%	3.2%	14.7%	
2022	-8.5%	-8.3%	3.5%	-2.6%	-4.7%	-7.5%	3.3%	-2.3%	-3.5%	0.2%	0.1%	-1.7%	-28.4%	15.6%
2023	2.8%	0.4%											3.2%	19.3%

Past performance is not a reliable indicator of future performance. Chart shows daily net asset values including cumulative dividends declared for Class A Distribution shares in GBP to date net of all fees and costs. Source: Bloomberg

The investment strategies described above are intended only for those persons who may be categorised as professional clients. Nothing herein should be construed as advice. RPM Holdings Limited is an Appointed Representative (FRN: 972964) of Met Facilities LLP which is authorised and regulated by the Financial Conduct Authority (FRN: 587084). Met Facilities LLP is the investment manager of the Fund. KB Associates S.A. is the Alternative Investment Fund Manager (AIFM).

Top Ten Equities	Holding
hVIVO	5.4%
EnerAqua Technologies	4.9%
MaxCyte	4.6%
Just Retirement	3.6%
CentralNic	3.5%
Tremor International	2.9%
Capital Drilling	2.8%
Playtech	2.8%
Bank of Georgia	2.7%
BigBlu Broadband	2.6%

Top Ten Investment Themes	Allocation
Diversified Financial Services	14.6%
Software & Technology	11.7%
Medical Technology & Services	10.6%
Utility Services	10.1%
Oil & Gas	8.7%
Metals & Mining	8.6%
Digital Media	8.1%
Cash	7.5%
Gaming Software & Services	6.2%
Insolvency & Related Services	4.3%

K3 Capital – Top 10 Take-out

This month a long term stalwart of the portfolio and frequent Top-10 member **K3 Capital** completed its take-over by private equity firm Sun European Partners. Having initially established a position by supporting the firm’s fund raise at 150p in July 2020, the 350p take-out price represents a capital return of 133%. Highly cash generative, substantial dividends during ownership delivers a total return of 157.4% for the initial investment.

Operating in the *Insolvency & Related Services* industry, professional services firm **K3 Capital** combined the provision of cycle-agnostic R&D Tax Credit consultancy with the perceived as cyclical Transaction Advisory services and the counter-cyclical Insolvency Practice. Shares were held with the view that the ending of pandemic support mechanisms by the government coincident with wider economic slowdown will inevitably lead to a rise in insolvencies and administrations from unusually low levels. In the meantime, whilst M&A volumes can fluctuate over period ends, history shows prior downturns were quite modest.

The portfolio retains direct exposure to the latter two areas via **FRP Advisory**. Formerly a Top 10 holding, the position was cut sharply close to peak levels on short term concerns that the firm had a lot to do in its second half to March. This has since manifested, providing opportunity to add back to the position using some of the take-over proceeds. Proceeds have also been used to top up the other holding in the sector, litigation funding specialist **Burford**. Cycle agnostic, **Burford** provides funds to share in the outcomes of major legal cases which often involve insolvency. With an excellent track record of high returns on investment, shares are owned with a view that the largest case related to expropriation of an Argentine oil company is largely priced out of the current valuation.

	Raynar Flagship Share Classes	A Class	B Class
	Inception Date	29th May 2020	24th August 2020
	Minimum Initial Investment	£200,000	£5,000,000
	Subscription	Daily, zero fee	Daily, zero fee
	Redemption	Monthly, zero fee	Monthly, zero fee
	Redemption Notice**	1 month	1 month
	Annual Management Charge	1.00%	0.75%
	Performance Fee	20%	20%
	Hurdle Rate	5% annualised	10% annualised
	High Water Mark	Yes – Lifetime	Yes – Lifetime
	Distribution/Accumulation	Distribution	Distribution
	ISIN	LU2076760391	LU2203806885
	Bloomberg Ticker	EFSRFGI LX	EFSRFBG LX

Contact Details

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****Redemptions processed last business day each month – instruction required before 3pm UK time on last business day of the prior month**

Investment Themes are categorisations chosen by the portfolio manager which, in their opinion, best describes the predominant driver of the underlying investments. Investments may be re-categorised. *Represents negative cash balance arising from the utilisation of leverage to accommodate periods where there are excess high conviction investment ideas

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