

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
£25.7m

Raynar AUM
£71.7m

Custodian
EFG Bank (Luxembourg) S.A.

AIFM
Waystone Management
Company Luxembourg 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						4.4%	8.0%	9.2%	-3.4%	-0.5%	12.7%	15.0%	53.7%	
2021	1.7%	10.4%	6.0%	8.5%	3.5%	-3.0%	3.1%	3.3%	-7.0%	-0.7%	-7.0%	3.2%	22.4%	
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%	
2023	2.8%	0.4%	-3.3%	1.3%	-5.2%	0.0%	1.1%	-2.6%	-0.8%	-8.1%	7.3%	9.5%	1.1%	36.2%

Past performance is not a reliable indicator of future performance. Table and chart shows the cumulative performance including dividends declared for Class F Distribution shares in GBP net of all fees and costs. Source: HSBC

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 Thornbridge Investment Management LLP (FRN: 713859) which is authorised and regulated by the Financial Conduct Authority. Thornbridge is the Investment Manager of the Fund. Waystone is the Alternative Investment Fund Manager.

Top Ten Equities	Holding
hVIVO	5.1%
MaxCyte	4.5%
DX Logistics	4.1%
Chemring	3.6%
Shanta Gold	3.5%
Capital Drilling	3.2%
Smart Metering Systems	3.1%
Conduit Reinsurance	3.0%
Bank of Georgia	2.9%
Just Retirement	2.8%

Top Ten Investment Themes	Allocation
Medical Technology & Services	13.4%
Diversified Business Services	12.4%
Utility Services	10.6%
Diversified Financial Services	10.6%
Software & Hardware Technology	9.6%
Gold Mining & Services	9.3%
Consumer Retail & Leisure	7.8%
Defence Technology & Services	7.0%
Energy Commodities & Tech	5.2%
Construction	4.4%

Triple Top Ten Take-out

It has been regularly observed in these factsheets that we believe very attractive valuations are available amongst the smaller UK listed companies and that, if the market does not move to capture the opportunity, external actors such as corporate and private financial buyers may do so instead. To underscore this point, Raynar Flagship exits 2023 with three of its Top Ten holdings subject to take-over offers.

DX Logistics, following the purchase of assets from the administration of its key rival, Tuffnells, enjoys a commanding market position in the delivery of irregularly-shaped parcels. A strong management team have driven an ongoing recovery, so it is unfortunate not to be able to reap the full potential benefits of this. The take-over remains uncontested and supported by a former executive with a large shareholding.

The same cannot be said for **Smart Metering Systems**, with the retired founder joining forces with others to announce their opposition to the take-over price, despite the 40.4% premium at the point of announcement. At the time of writing, there are no apparent ‘white knights’, so the outcome remains uncertain. **SMS**’s owned portfolio of smart meters benefits from permanent inflation protection which becomes more valuable as interest rates fall. Moreover, an anticipated improvement in the way the National Grid utilises **SMS**’s grid battery portfolio would be a considerable boost to sentiment and potentially cash flow in 2024.

Cash flow is gushing at Tanzanian gold miner **Shanta Gold** so it is extremely disappointing that the Board has recommended a takeover involving a non-executive director at a derisory 7% announced premium. Multiple past approaches offer some degree of hope that a fairer value emerges from a potential competitive process.

	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

Information for investors in Switzerland: The Fund mentioned in this marketing material is not approved by FINMA for offering to non-qualified investors in Switzerland and the information presented is only for qualified investors as defined under art. 10 paragraph 3 and 3ter CISA in connection with art. 4 paragraphs 3 to 5 FinSA and art. 5 paragraphs 1 and 4 FinSA. The Representative in Switzerland is CACEIS (Switzerland) SA, Route de Signy 35, CH-1260 Nyon. The Paying Agent in Switzerland is CACEIS Bank, Paris, Nyon Branch / Switzerland, Route de Signy 35, CH-1260 Nyon. The prospectus, the key investor information document, the articles of association and the annual and semi-annual reports of the Fund/s may be obtained, free of charge, at the representative in Switzerland. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.