

# Raynar Flagship

Sub Fund of: EFG Silverstone SICAV-RAIF

Factsheet  
September 2024

## 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**  
£29.3m  
**Raynar AUM**  
£105.7m

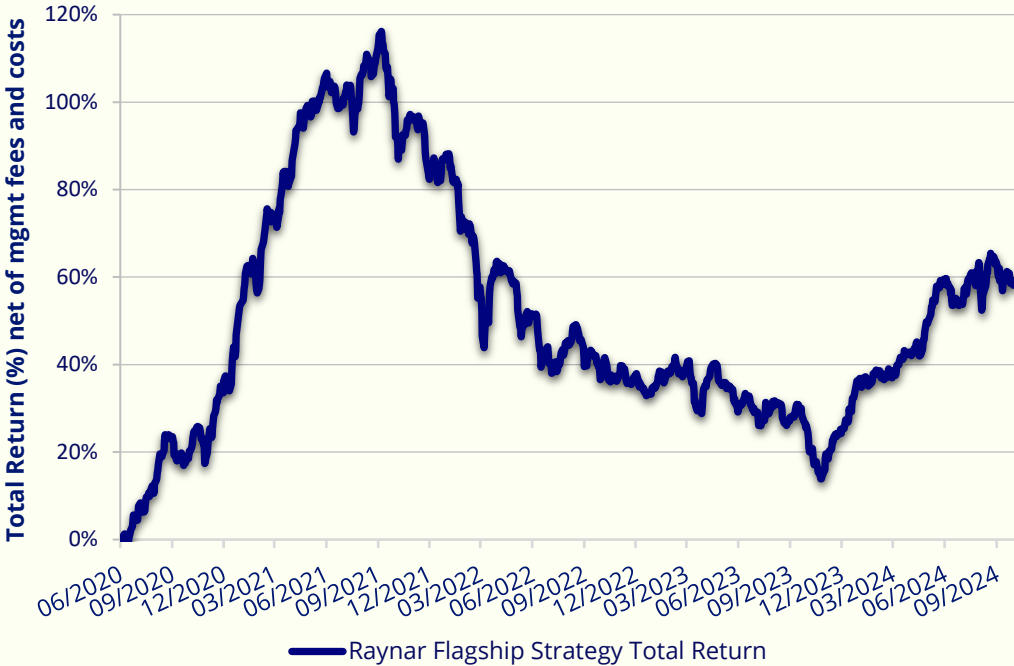
**Custodian**  
EFG Bank (Luxembourg) S.A.  
**AIFM**  
Waystone Management  
Company Luxembourg S.A.  
**Administrator**  
HSBC France,  
Luxembourg Branch  
**Auditor**  
BDO Audit S.A. Luxembourg

## 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%	
2024	1.9%	-1.1%	4.1%	4.6%	6.5%	-3.4%	6.2%	0.2%	-3.4%				16.1%	58.1%

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
Just Retirement	4.4%
Greatland Gold	4.0%
Funding Circle	4.0%
FRP Advisory	3.3%
NCC Cyber & Services	3.1%
Concurrent Technologies	3.0%
LSL Property Services	2.8%
Telecom Plus	2.8%
Hochschild Mining	2.8%
Morgan Sindall	2.7%

Top Ten Investment Themes	Allocation
Diversified Business Services	18.9%
Diversified Financial Services	17.8%
Tech – Software & Hardware	15.9%
Consumer Retail and Leisure	13.5%
Excess High Conviction*	-10.4%
UK Housebuilding & Services	9.9%
Gold Mining & Services	8.5%
Manufacturing	8.2%
Utility Services	6.7%
Energy Technology & Extraction	6.5%

## Funding Circle – 5-fold gain in 7 months

A casual observer may bemoan the lack of ‘tech’ companies on the UK exchange compared to overseas. With the *Tech Software & Hardware* investment theme our third largest at 15.9%, we wouldn’t agree there is a lack. And this excludes ‘fintechs’ for which the UK is globally renowned. *Diversified Financial Services* holding **Funding Circle** is a fintech and up 31% this month and 5-fold since the end of February – a gain of 398% to be exact.

**Funding Circle** is a technology platform that efficiently matches savers with borrowers, disrupting the large banks thanks to superior service standards. Its leading technology has grown to a scale that allows it to exclusively focus on matching high quality small and medium enterprise borrowers with large scale institutional investors. **Funding Circle’s** extensive data sets and modern technology allows it to make quick decisions for borrowers whilst its long-term track record shows that the firm is reassuringly consistent at identifying reliable borrowers paying back and therefore delivering a strong return for investors.

Why then did shares fall over 90% from their 2018 IPO peak of 450p? Unfortunately, there always comes a time when a great idea needs to reliably make money. With a rich ‘tech’ valuation, this process took longer than original investors had patience for. We too had to be patient – even though we first acquired in 2022 at a discount to the firm’s cash holdings, shares subsequently halved. Believing in the positive underlying trends, the position was nearly doubled in February, broadly paying 50p for £1 of cash value. Subsequently, new management announced the sale of its lossmaking US business, a cost efficiency programme, new product development and a major share buy-back. A growth acceleration aided by UK economic recovery alongside a falling cost base bodes very well for the ongoing re-appreciation of **Funding Circle’s** profitability prospects, remaining top conviction.

Raynar Flagship Share Classes	A Class Distribution	B Class Distribution
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
ISIN	LU2076760391	LU2203806885
Bloomberg Ticker	EFSRFGI LX	EFSRFBG LX
NAV at end of month	132.12	113.31

### 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