



Castelnau Group Limited (CGL) – September 2022

Share Price: £0.81 Net Asset Value: £0.75 Premium: 8.0%

Market Cap: £148m

Data as of 30 September 2022

Holdings – 30 September 2022	(%)
Dignity Plc	27.7
Hornby	18.8
Cambium	17.2
Phoenix SG Ltd (Stanley Gibbons)	15.4
Rawnet	4.3
Others <3%	5.0
Cash & Cash Equivalents	11.6

Investment Performance

In September, the NAV was down 4.5%, with the share price down 2.4%, versus the FTSE All Share (incl. dividends), which was down 5.9%.

The decrease in the NAV was mainly driven by a 12% drop in Dignity's share price.

Portfolio Activity

Dignity

Dignity released interim results for the period ended July 1st. Overall revenue was down 12% compared to the same period last year. Kate Davidson, CEO, pointed out that this was down to several factors, including, *"fluctuations in the death rate, partnered with a change in our pricing strategy and introduction of a direct cremation service through our funeral network"*.

In the results announcement Dignity also highlighted that an agreement had been reached in September with bondholders, which allows the Company to begin deleveraging.

The Company continues to implement its new strategy and is making progress with organisational restructuring and the implementation of its new set of principles and cultural transformation work.

Stanley Gibbons

In early September, after receiving support from shareholders, Stanley Gibbons delisted from the London Stock Exchange. We were supportive of the delisting and believe the Company will be better placed in the private arena.

New CEO, Tom Pickford, joined the Company in September and we look forward to working with Tom on the strategy and vision for the business.

Showpiece Technologies

Showpiece continues to search for additional assets. Unfortunately, it was unsuccessful in a bid for an 81-year-old whiskey, which sold for £240k at a recent auction. If you are interested in reading more about this asset, you can [click here](#).

Investment Pipeline

Nothing material to report.



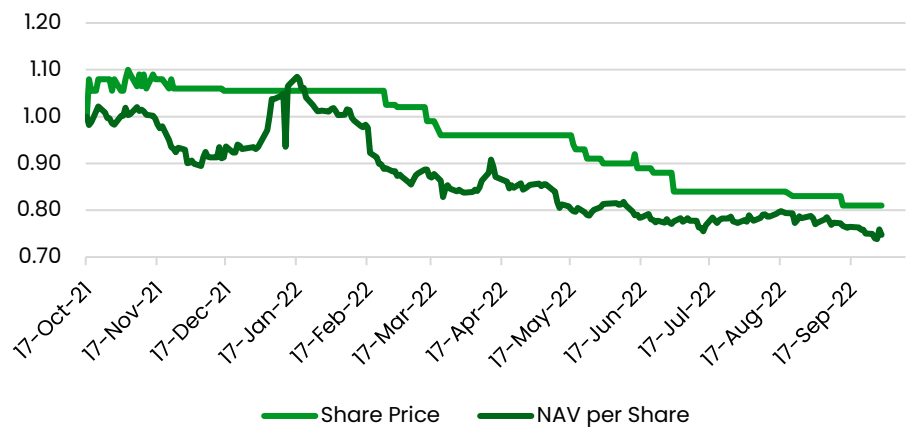
Castelnau Group Track Record

Performance	NAV Return %	Share Price Total Return** %	All-Share Index ** %	Relative NAV to ASX %
2022 (to 30 th Sep)	-20.0%	-23.2%	-7.9%	-12.1%
2021 *	-6.5%	5.5%	2.5%	-9.0%
Cumulative*	-25.2%	-19.0%	-5.6%	-19.6%

* 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 – 30 September 2022



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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

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@castelnaugroup.com

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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