



Investor Presentation June 2023

www.rockwoodstrategic.co.uk

"To invest successfully does not require a stratospheric IQ, unusual business insights, or inside information. What's needed is a sound intellectual framework for making decisions and the ability to keep emotions from corroding the framework."

Warren Buffett.

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"From acorns grow oak trees"

- Compound wealth long-term for shareholders
- Specialist experience applying a differentiated, proven strategy in an inefficient market
- Access full Harwood network, also giving private markets perspective
- Targeting 15% IRR investments over the long-term
- 100% focused, aligned fund manager with 'skin in the game'

Historic Performance to Q2 2023

No. 1 UK Small Companies Fund (AIC Sector) over 1 and 3 years

Performance %

	YTD	3M	12M	36M
Total Shareholder Return	16.5	10.4	44.6	118.6
NAV Return	7.0	-1.2	28.0	85.7
FTSE Small (ex ITs)	-1.1	1.0	-3.7	29.6

Financial Year's Performance %

	2023	2022	2021	2020	2019
Total Shareholder Return	28.2	22.2	59.3	-5.3	20.4
NAV Return	21.4	27.5	44.3	-14.3	8.0
FTSE All-Share Total Return	2.9	13.0	26.7	-18.5	6.4

Realised Money Multiples

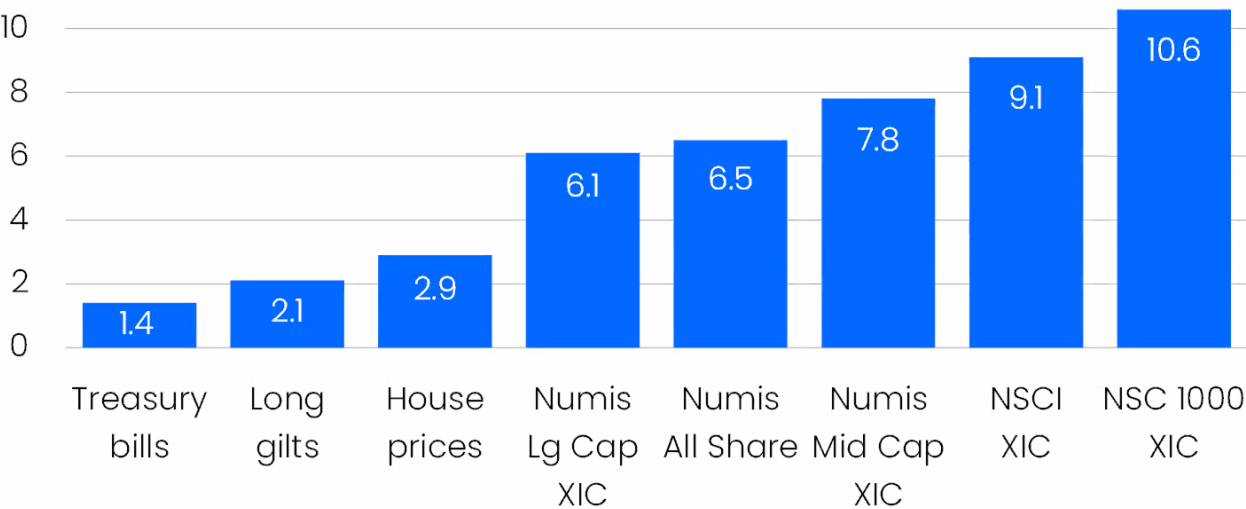
- Augean 8.8x
- RPS 2.6x
- National World 2.9x
- Universe 2.3x
- Ted Baker 1.9x
- Crestchic 4.8x

Small Cap Long term returns positive

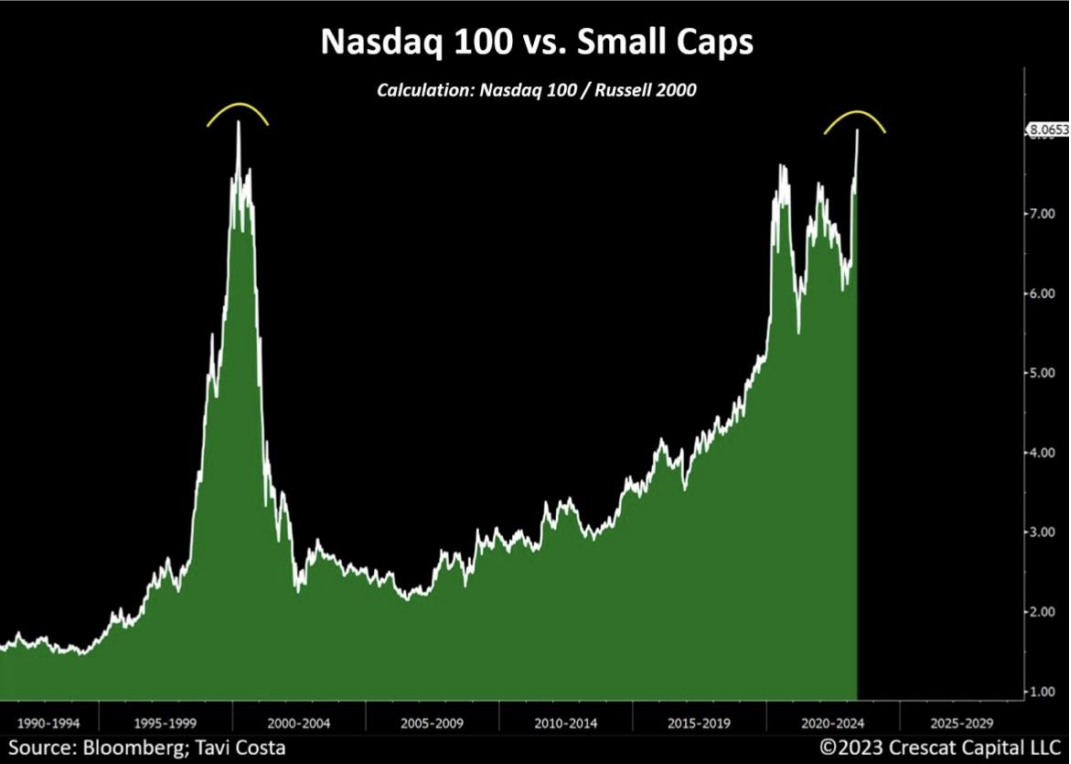
Its time IN UK small caps, not timing the market which matters most.....

Annualised real returns on UK asset classes, 1955–2022

Annualised real return, 1955–2022

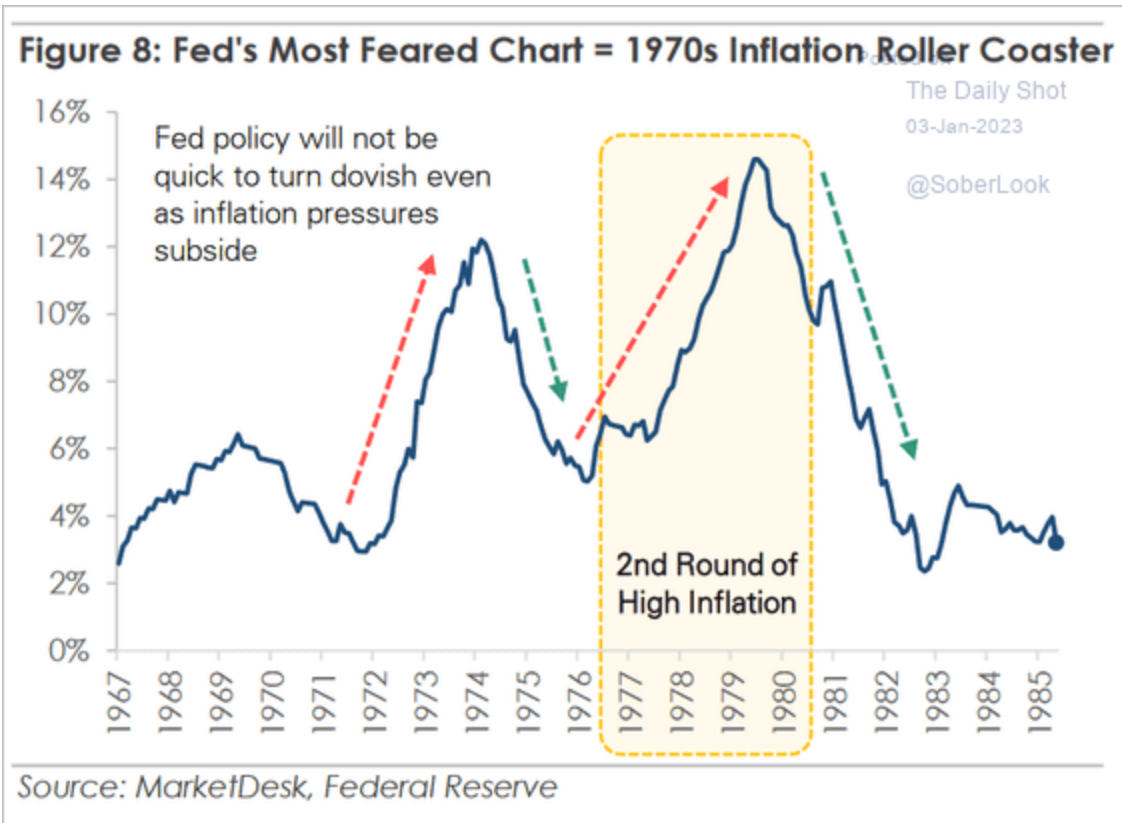


Source: Harwood Capital, Numis & Bloomberg

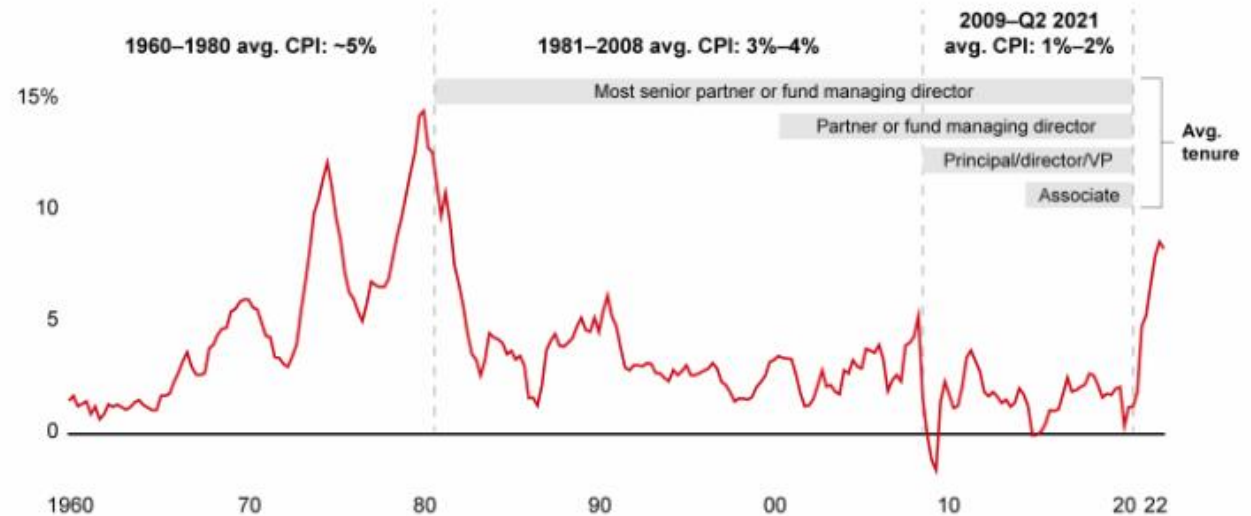


Central Banks are focused on beating inflation...

“We have got to get inflation behind us. I wish there was a painless way to do that. There isn’t” Sep ’22, Jerome Powell



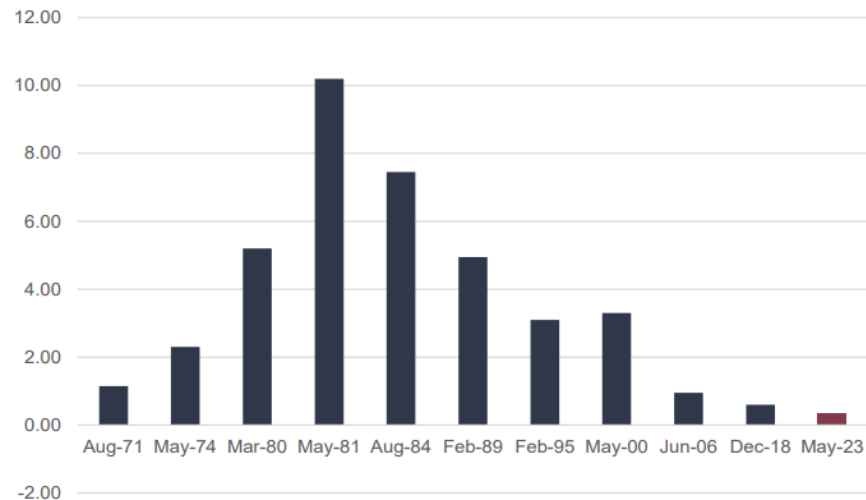
US Consumer Price Index growth rate (all items, quarterly rolling annual percentage change)



Notes: Shows quarterly growth rate from the same period in the previous year, not seasonally adjusted; tenure estimated using data across the 30 top buyout firms determined by cumulative fund-raising totals over the last 10 years
Sources: US Bureau of Labor Statistics (data through July 1, 2022); Bain Aura™ talent analytics platform; Bain analysis

Inflation = tighter credit = recession

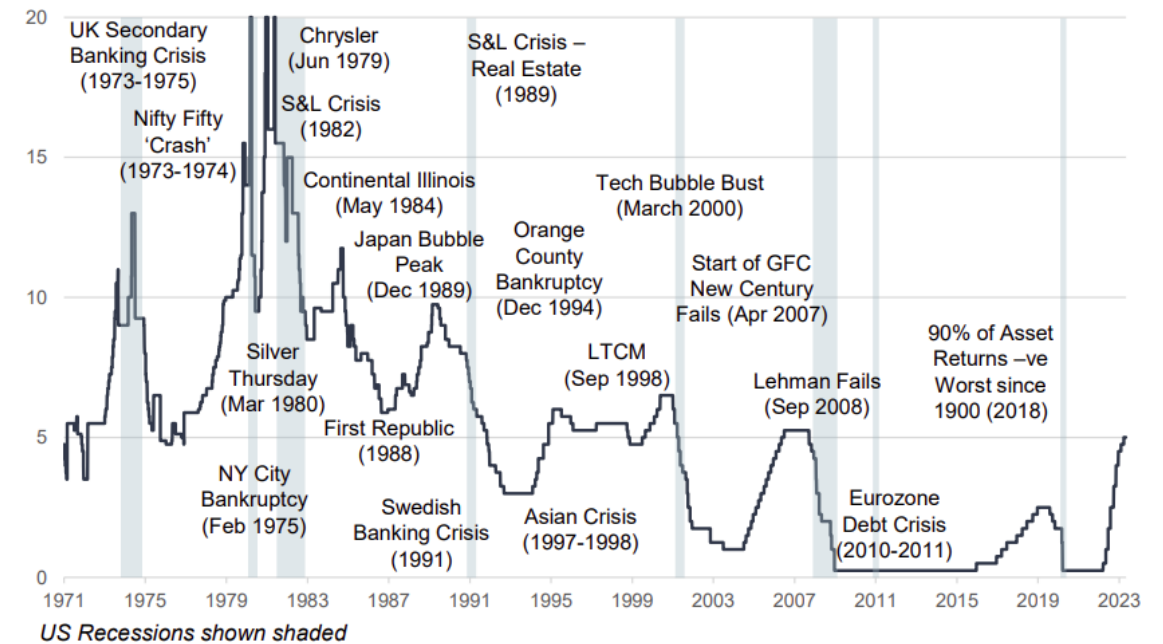
Figure 12: Spot Real Fed Funds Rate



Source: Bloomberg, Investec Securities

In every US rate tightening cycle since 1945, at the peak of tightening cycle, policy has always been restrictive on the above measure (Chart shows this going back to 1971)

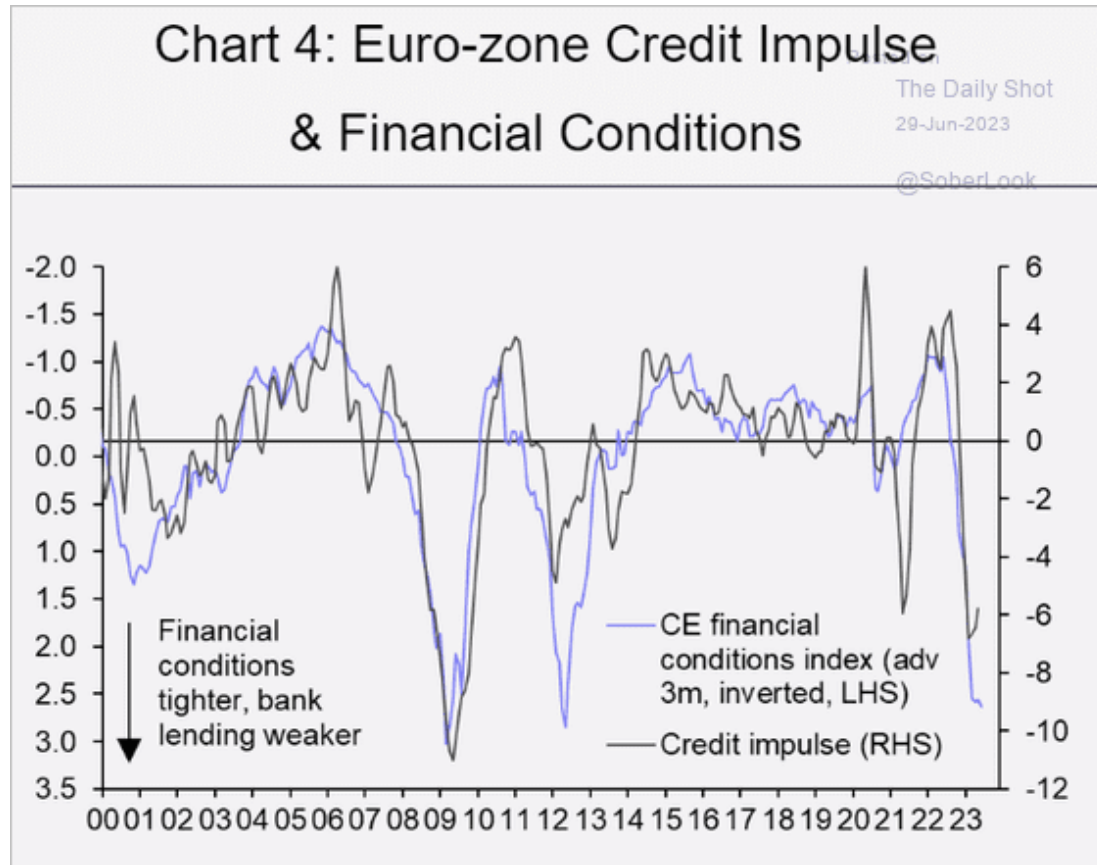
Figure 3: "Every tightening cycle ends in financial crisis &/or recession"



Source: Bloomberg, Investec Securities

Lead indicators agree...

Financial conditions akin to GFC or PIGS crisis



Source: Capital Economics, Trading Economics

US ISM <50 but not at trough levels



UK league table ranking poor...

	Gross domestic product					Consumer prices				Current-account balance		Budget balance	
	% change on year ago:					% change on year ago:				% of GDP, 2023†		% of GDP, 2023†	
	latest		quarter*	2023†		latest		2023†					
United States	1.6	Q1	1.3	1.1		4.0	May	3.9		-3.0		●	-5.4
China	4.5	Q1	9.1	6.1		0.2	May	1.2		2.5			-3.0
Japan	1.9	Q1	2.7	1.3		3.2	May	2.6		3.2		●	-5.8
Britain	0.2	Q1	0.5	0.4		8.7	May	6.5		-3.0			-4.8
Canada	2.2	Q1	3.1	1.2		3.4	May	3.6		-0.7			-1.4
Euro area	1.0	Q1	-0.4	0.8		6.1	May	5.7		1.5			-3.5
Austria	1.9	Q1	0.4‡	1.0	●	9.0	May	7.6		1.1			-2.4
Belgium	1.4	Q1	1.9	0.7		5.2	May	4.8		-2.1		●	-4.9
France	0.9	Q1	0.7	0.7		5.1	May	5.6		-1.7		●	-5.0
Germany	● -0.5	Q1	-1.3	-0.2		6.1	May	6.0		4.4			-2.5
Greece	2.3	Q1	-0.3	2.0		2.8	May	3.9		● -7.2			-2.4
Italy	1.9	Q1	2.2	1.2		6.4	Jun	6.4		0.1		●	-5.0
Netherlands	1.9	Q1	-1.3	0.8		6.1	May	5.8		6.2			-2.4
Spain	3.8	Q1	2.4	1.8		3.2	May	3.6		1.4			-4.2
Czech Republic	● -0.1	Q1	-0.2	0.4	●	11.1	May	10.8		-2.2			-4.6
Denmark	2.8	Q1	1.0	0.5		2.9	May	5.0		9.8			0.7
Norway	3.0	Q1	1.0	1.6		6.7	May	4.8		17.6			12.5
Poland	● -0.3	Q1	16.1	1.3	●	13.0	May	12.3		-1.2			-4.0
Russia	● -1.8	Q1	na	-1.6		2.5	May	6.0		5.0			-4.3
Sweden	0.8	Q1	2.4	1.0	●	9.7	May	6.5		3.8			-0.3
Switzerland	0.6	Q1	1.1	1.1		2.2	May	2.6		7.5			-0.7
Turkey	4.0	Q1	1.3	3.0	●	39.6	May	41.7		● -4.7			-4.6
Australia	2.3	Q1	0.9	1.5		7.0	Q1	5.5		1.1			-0.1
Hong Kong	2.7	Q1	23.0	3.5		2.0	May	2.3		6.4			-1.5
India	6.1	Q1	5.3	6.2		4.3	May	5.3		-1.3		●	-5.7
Indonesia	5.0	Q1	na	4.9		4.0	May	3.8		0.9			-2.6
Malaysia	5.6	Q1	na	3.9		2.8	May	2.7		3.1		●	-5.0
Pakistan	1.7	2023**	na	1.7	●	38.0	May	31.7		-1.5		●	-5.3
Philippines	6.4	Q1	4.5	5.3		6.1	May	5.7		● -5.3		●	-6.5
Singapore	0.4	Q1	-1.6	1.0		5.1	May	5.1		16.2			-0.1
South Korea	1.0	Q1	1.3	1.5		3.3	May	3.0		2.5			-2.1
Taiwan	● -2.9	Q1	-2.4	0.6		2.0	May	2.0		11.3			-2.2
Thailand	2.7	Q1	7.8	3.2		0.5	May	2.2		2.1			-2.7
Argentina	1.3	Q1	2.7	-3.6	●	114	May	116		-2.6			-4.5
Brazil	4.0	Q1	8.0	2.4		3.9	May	4.8		-1.9		●	-7.5
Chile	● -0.6	Q1	3.4	0.3		8.7	May	7.9		● -4.3			-1.9
Colombia	3.0	Q1	5.9	1.6	●	12.4	May	11.7		● -4.2			-3.8
Mexico	3.7	Q1	4.1	2.1		5.8	May	5.5		-1.8			-3.7
Peru	● -0.4	Q1	-2.2	1.7		7.9	May	6.8		-2.0			-1.6
Egypt	3.9	Q4	na	3.8	●	32.7	May	30.8		-1.9		●	-6.4
Israel	3.8	Q1	3.1	2.8		4.6	May	4.1		4.3			-2.3
Saudi Arabia	8.7	2022	na	2.0		2.8	May	2.2		3.7			-1.0
South Africa	0.2	Q1	1.4	0.5		6.6	May	5.7		-1.7		●	-5.6

Source: Haver Analytics. *% change on previous quarter, annual rate. †The Economist Intelligence Unit estimate/

	Current-account balance		Budget balance
	% of GDP, 2023†		% of GDP, 2023†
United States	-3.0		-5.4
China	2.5		-3.0
Japan	3.2		-5.8
Britain	-3.0		-4.8
Canada	-0.7		-1.4
Euro area	1.5		-3.5
Austria	1.1		-2.4
Belgium	-2.1		-4.9
France	-1.7		-5.0
Germany	4.4		-2.5
Greece	-7.2		-2.4
Italy	0.1		-5.0
Netherlands	6.2		-2.4
Spain	1.4		-4.2
Czech Republic	-2.2		-4.6
Denmark	9.8		0.7
Norway	17.6		12.5
Poland	-1.2		-4.0
Russia	5.0		-4.3
Sweden	3.8		-0.3
Switzerland	7.5		-0.7
Turkey	-4.7		-4.6
Australia	1.1		-0.1
Hong Kong	6.4		-1.5
India	-1.3		-5.7
Indonesia	0.9		-2.6
Malaysia	3.1		-5.0
Pakistan	-1.5		-5.3
Philippines	-5.3		-6.5
Singapore	16.2		-0.1
South Korea	2.5		-2.1
Taiwan	11.3		-2.2
Thailand	2.1		-2.7
Argentina	-2.6		-4.5
Brazil	-1.9		-7.5
Chile	-4.3		-1.9
Colombia	-4.2		-3.8
Mexico	-1.8		-3.7
Peru	-2.0		-1.6
Egypt	-1.9		-6.4
Israel	4.3		-2.3
Saudi Arabia	3.7		-1.0
South Africa	-1.7		-5.6

Source: Haver Analytics. ‡5-year yield. ††Dollar-denominated bonds.

30-year Gilts Truss-like

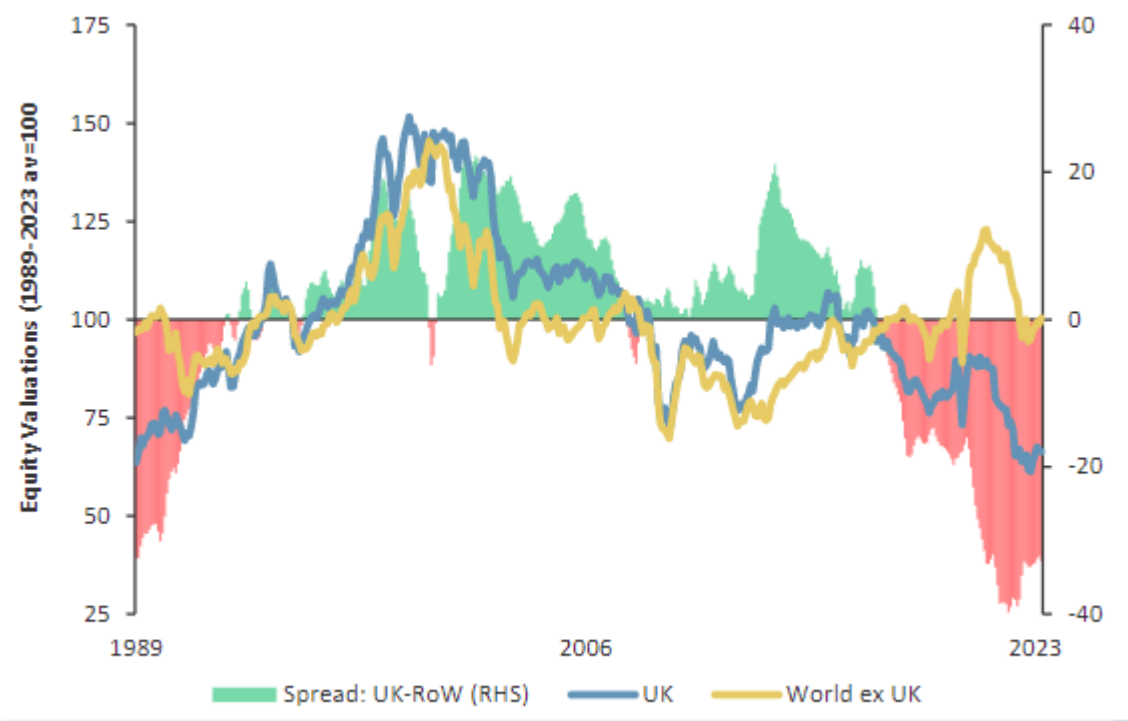


Source: Harwood Capital, Economist Intelligence Unit & Bloomberg

But UK revulsion is already depressed...

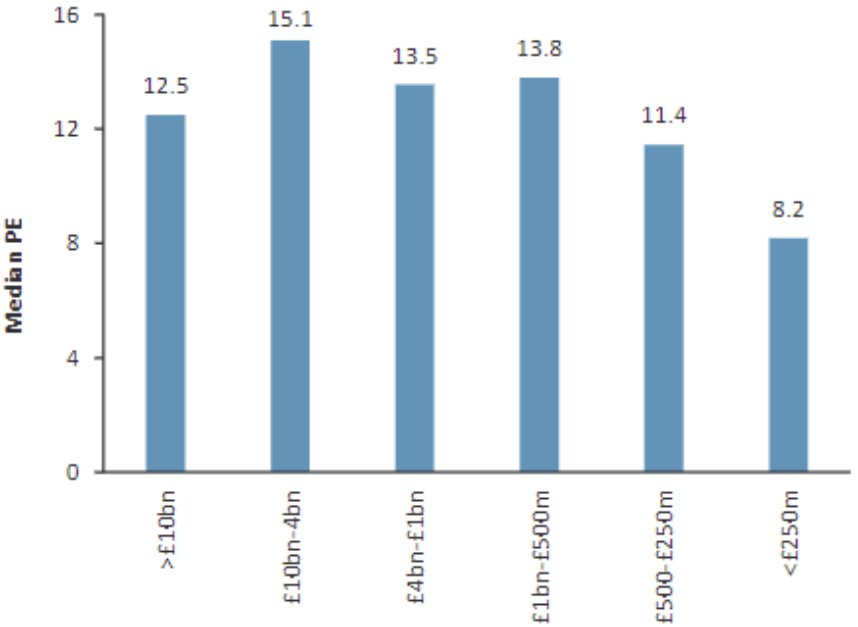
Outstanding value

Key Chart: Blended valuations: UK, RoW: Post 1989 average=100



Source Panmure Gordon, Refinitiv

Figure 10a: Leading P/E by market capitalisation

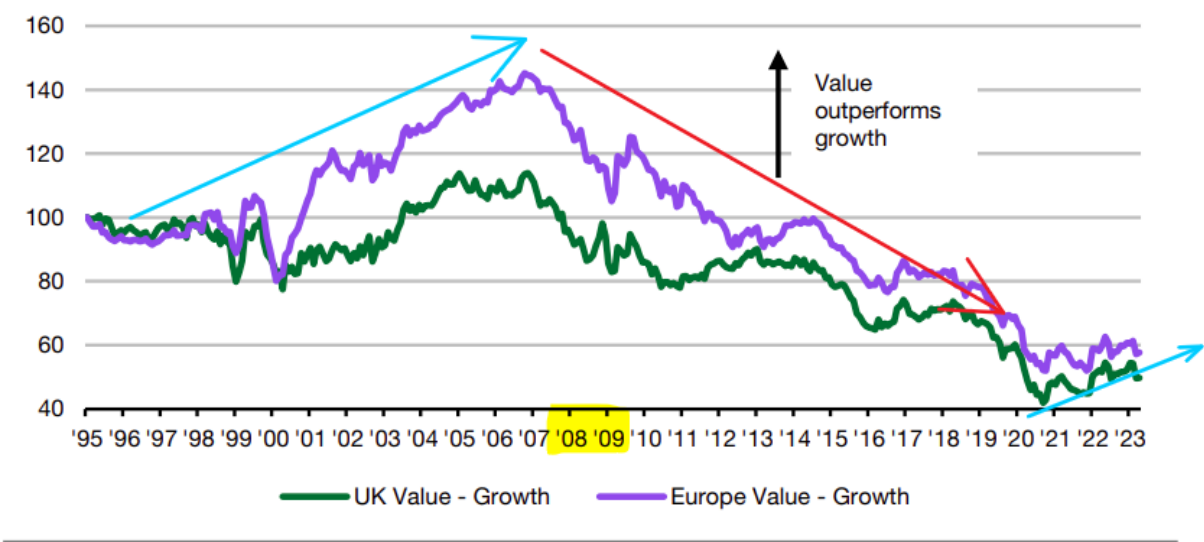


Source Panmure Gordon, Refinitiv

Source: Harwood Capital, Panmure, Refinitive

It is still early days for regime change...

Figure 1: Value vs. growth stock performance over the decades

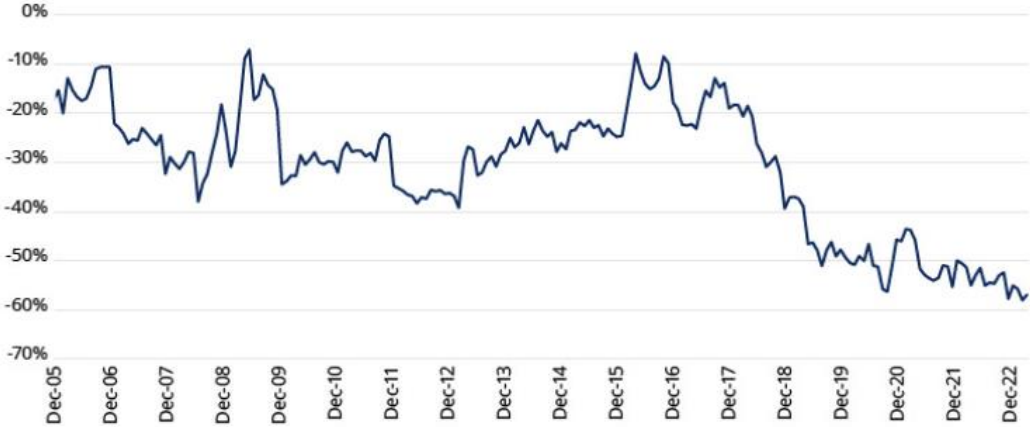


Source: Liberum, Bloomberg

Source: Harwood Capital, Liberum, Schroders & Bloomberg

Chart 5: The cheapest of the cheap: value vs. growth

UK value equities forward price/earnings multiple discount to UK growth equities



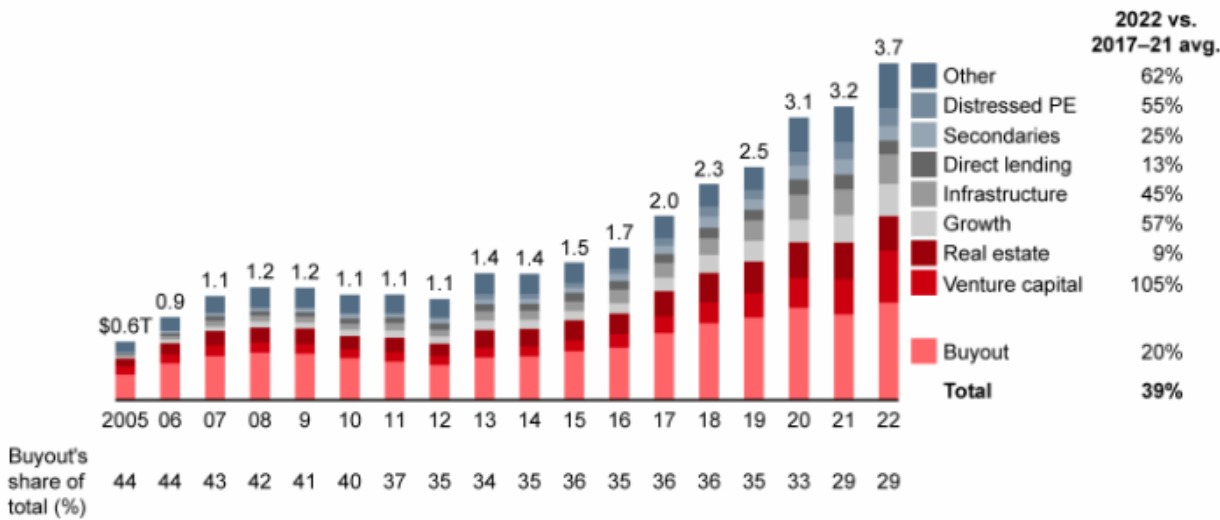
Note: Based on MSCI UK growth and value indices. Data to 30 April 2023.
Source: Refinitiv and Schroders. 608568

Rockwood is positioning for the next 3-5 years...

Global dry powder has been stacking up for almost a decade and set another record in 2022

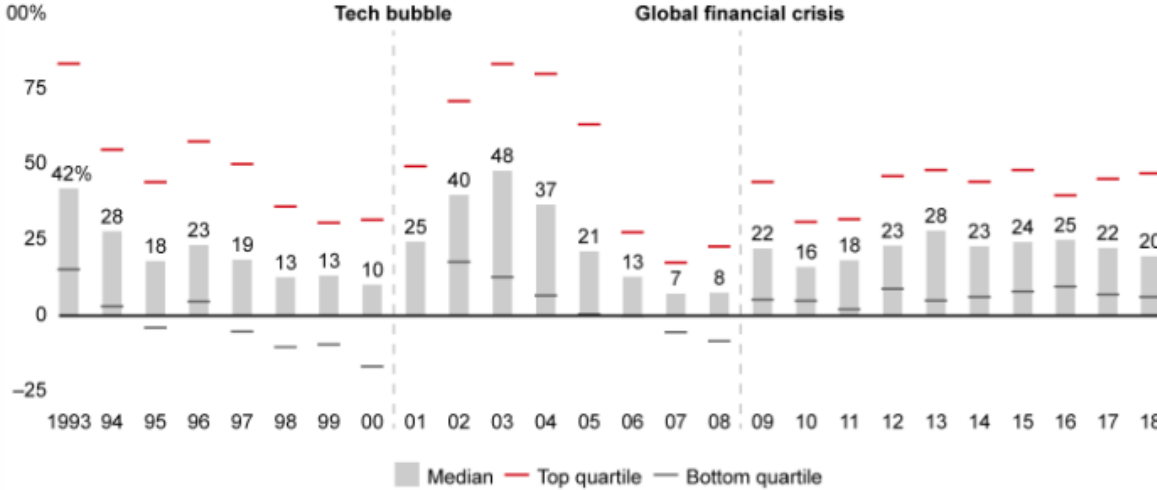
Investments made coming out of a downturn typically generate superior returns over time

Global private capital dry powder, by fund type (\$T)



Notes: Buyout category includes balanced, coinvestment, and coinvestment multimanager funds; other category includes fund-of-funds, mezzanine, and hybrid; discrepancies in bar heights displaying the same value are due to rounding
Source: Preqin

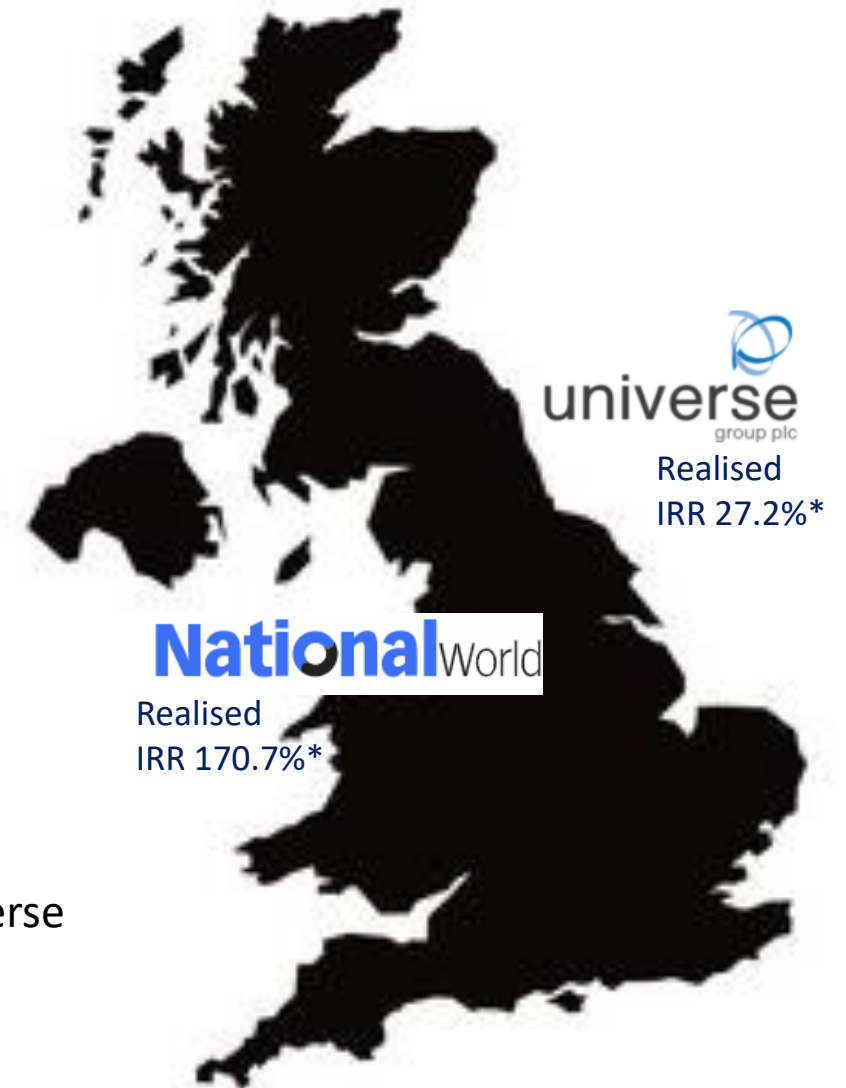
Global buyout deal IRR by year of entry



Notes: Includes fully and partially realized deals; all figures calculated in US dollars; post-2018 data not shown, as most deals entered later than 2018 are still unrealized
Source: DealEdge powered by CEPRES data (as of December 22, 2022)

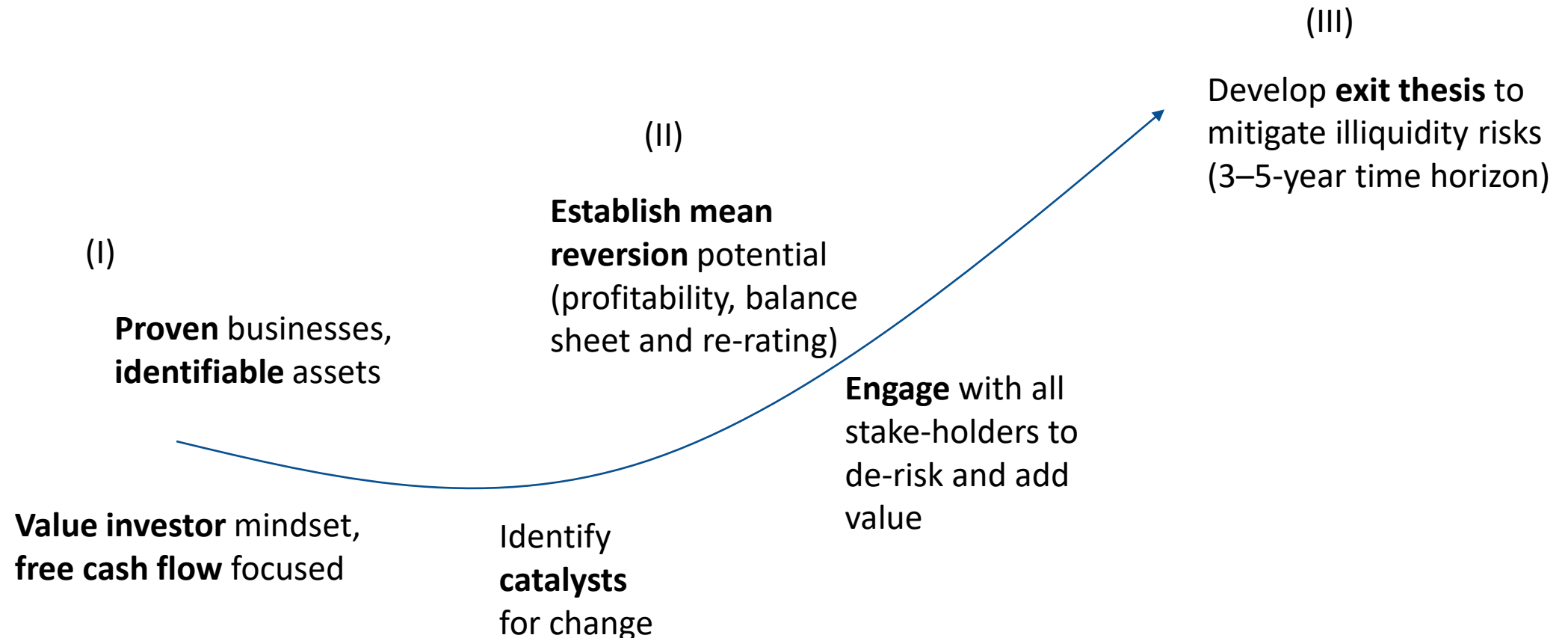
Investment Opportunity

- Structurally inefficient part of UK market
- Significant universe – lots of under-researched ‘hidden gems’, ‘fallen angels’, ‘lost corporates’ or maturing ‘family’ businesses
- Value & Recovery mindset differentiated, less competition
- Material due-diligence creating information advantage
- ‘Engaged’ approach enhances investment outcomes
- Long-term capital vehicle, benefitting from illiquidity discount in target universe



*Source: IQEQ Fund Administrator, Harwood Capital

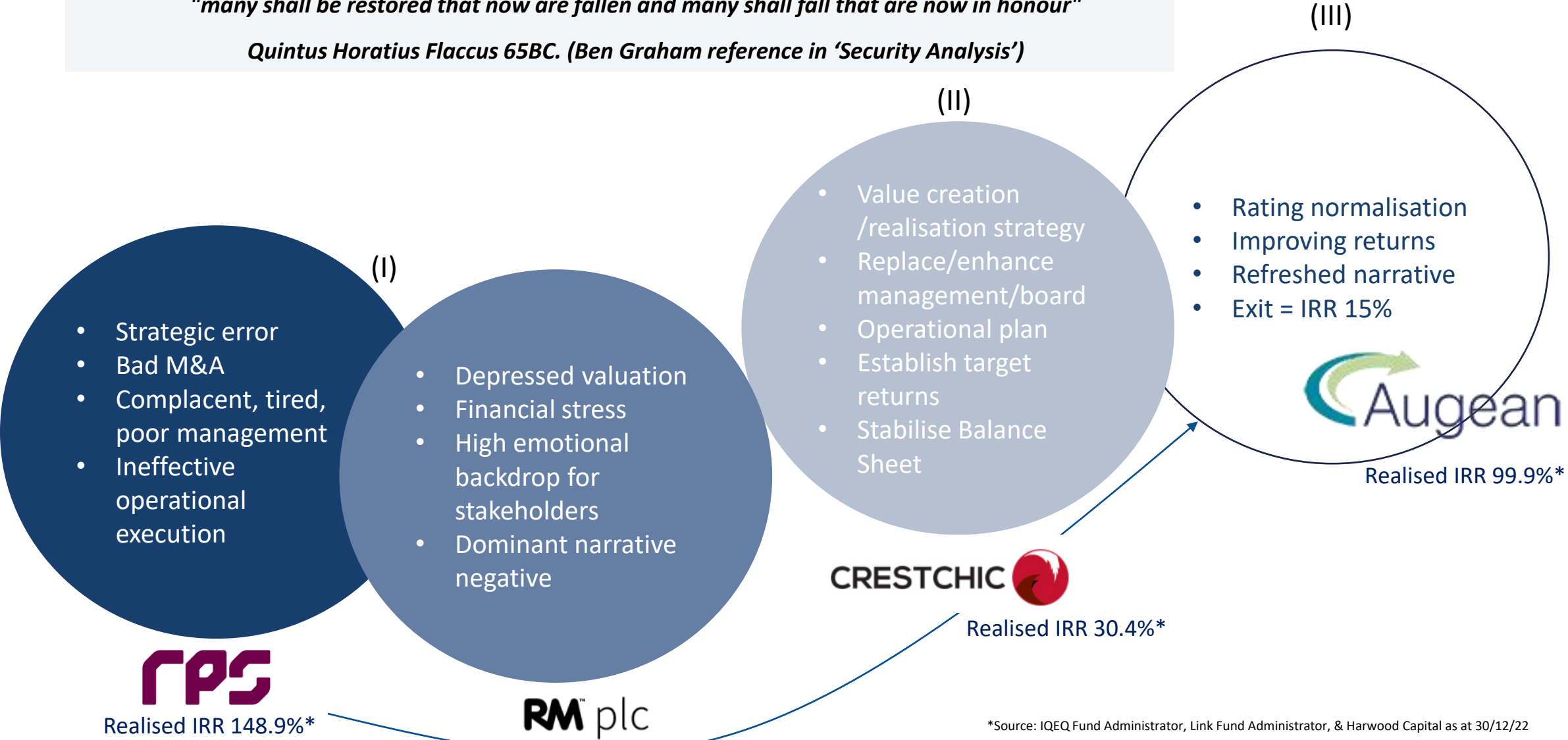
"a margin of safety is achieved when securities are purchased at prices sufficiently below underlying value to allow for human error, bad luck, or extreme volatility in a complex, unpredictable and rapidly changing world" Seth Klarman.



Target Lifecycle

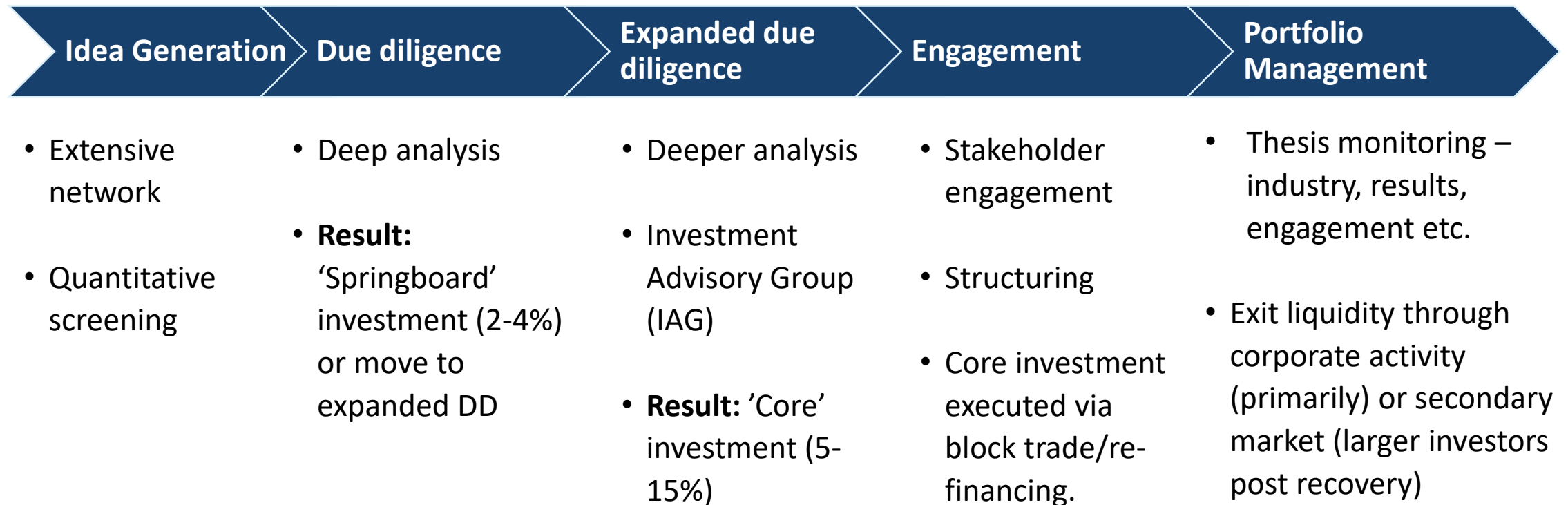
"many shall be restored that now are fallen and many shall fall that are now in honour"

Quintus Horatius Flaccus 65BC. (Ben Graham reference in 'Security Analysis')



*Source: IQEQ Fund Administrator, Link Fund Administrator, & Harwood Capital as at 30/12/22

"I limit my efforts to relatively inefficient markets where hard work and skill will pay off best" Howard Marks.



Over 200 years of cumulative investing experience ...

- **Christopher Mills** - 45+ years investment experience, Chief Executive Officer and principal shareholder of Harwood Capital Management since 2011. He founded JO Hambro Capital Management with Jamie Hambro in 1993 acting as Chief Investment Officer and Harwood Wealth with Alan Durant in 2013 until their respective sales in 2011 and 2020. He is CEO of North Atlantic Smaller Companies Investment Trust ("NASCIT") which he has managed since 1982 and Executive Director of Oryx International Growth Fund which he has managed since 1995. NASCIT has delivered a total NAV per share of nearly 200x under Mr. Mills' management. He has sat on the Board of over 100 companies during his career including most recently Augean, MJ Gleeson, Ten Entertainment, SureServe, Frenkel Topping and is currently Chairman of EKF Diagnostics and Renalytix Plc.
- **Adam Parker** - 35+ years investment experience. Adam was a Founder of Majedie Asset Management in 2003, managing UK equity portfolios, in particular UK small companies and helping build AUM to £15bn. He joined Mercury Asset Management in 1987 where he managed the UK smaller companies Fund and High Alpha UK portfolios. Adam studied Chemistry at Oxford and is currently NED at Berkeley Energia Plc.
- **Jamie Brooke** – 30 years investment experience. Jamie was formerly lead fund manager for the Hanover Catalyst Fund, prior to which he was at Lombard Odier where, as a Fund Manager, he specialised in strategic UK small cap equity investing, having moved with the team from Henderson Global, and, prior to that, Gartmore. Earlier experience was gained at 3i and Deloitte's where he qualified as a Chartered Accountant. Jamie read Maths at Oxford and is currently NED at Flowtech Fluidpower Plc, Chapel Down Group Plc and Oryx International Growth Fund.
- **Rupert Dyson** – 29 years investment experience. Rupert is the Founder of Edale Capital LLP (2011) where he manages a Long-Short European Hedge Fund. Rupert was formerly at Sloane Robinson for 11 years where he managed the SR European Investment Trust for 10 years and Invesco where he specialised in European equities and small companies investing. Rupert read History at Bristol.
- **Yuri Khodjamirian** – 14 years investment experience. Yuri holds degrees in Economics from University of Cambridge and LSE (distinction), as well as a degree in Bioscience Enterprise from University of Cambridge. He is also a CFA charter holder. He joined Majedie Asset Management in 2009 working as an analyst and subsequently 6 years as a fund manager of both Global and UK equity income portfolios. Yuri is CIO of Tema ETFs, acts as an adviser and board member to several early-stage businesses and writes the award-winning blog www.snippet.finance.
- **David Potter** - 50 years of financial services, Chairman and NED experience. Was a MD at CSFB, Samuel Montagu, Midland Bank, and CEO Guinness Mahon, then Deputy Chairman Investec Bank UK. He is currently Chairman of Coeus Software and the Bryanston Foundation. Studied PPE at Oxford.

Portfolio 'Core' Holdings (42% NAV, Cash 13%)

Outstanding value – material scope for profit growth

Holding	Portfolio Weighting (%)	Rockwood ISC Stake (%)	EV/Ebitda est. '23 (x)	Market Cap (£m)	Net Cash (Debt) (£m)
RM	12.5	9.2	6.6	70	(25)
Centaur Media	8.0	6.0	5.9	70	11
Flowtech Fluidpower	6.4	5.8	5.4	59	(11)
Pressure Technologies	5.1	20.5	6.8	14	(1)
Van Elle Holdings	4.2	5.5	3.0	40	4
Titon Holdings	3.4	21.8	P/B 0.5	8	2
Smooove	2.8	8.1	EV/S 0.4	20	11

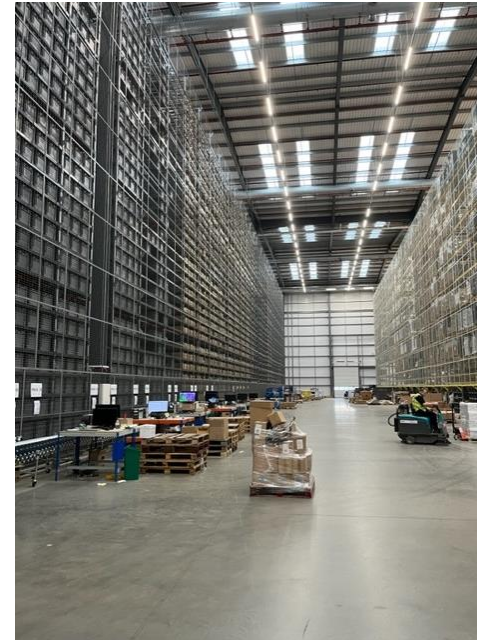
RM Plc - £70m mcap

RMTM plc

ROCKWOOD
STRATEGIC 

- Established supplier to UK education market, £225m sales
- Resources to 90% of Primary schools with market leadership position (TTS), £110m sales, target >10% margin (mature)
- Assessment services marking exams internationally under contracts, £40m sales, target >20% margin (growing)
- Technology division providing IT services to schools, £70m sales, target >8% margin (market share strategy)
- Shambles execution of new ERP system roll-out and warehouse consolidation project resulted in excess cash outflows and elevated debt £45m, covenant waivers needed
- Large pension scheme
- New CEO, CFO
- Valuation: SOTP £180m, 4.7x EV/target Ebit £20m = c.200% upside
- Harwood stake 10%

Thesis: Stabilised business and reduced financial risk will re-rate equity, material profit recovery potential, fair value achieved through a well-managed divisional disposal process.



Financials and valuation

Year end: 30 November

	2021A	2022A	2023E	2024E	2025E
Revenue (£m)	210.9	214.2	222.0	230.9	240.6
EBITDA (£m)	22.8	12.7	14.3	21.1	24.0
EBITA (£m)	18.5	7.5	9.1	15.9	18.8
PBT (normalised) (£m)	17.1	5.3	4.6	11.9	15.8
Net Income (normalised) (£m)	13.9	3.6	3.5	8.8	11.7
EPS (norm. cont.) - FD (p)	16.4	4.2	4.1	10.4	13.8
FCFPS - FD (p)	(7.0)	(30.2)	29.0	9.4	12.2
DPS (p)	4.7	0.0	0.0	0.0	0.0

Flowtech Fluidpower - £58m mcap



- Distribution and services business into Fluidpower industry: 19 locations 600+ employees
- Sales £115m, Ebitda £11.5m '22
- Operating metrics have considerable scope for improvement, Ebit margin 7.5%
- Digital development slow and ineffective
- Prior roll-up strategy paused due to poor integration
- Chairman Roger McDowell (Augean) and NED Jamie Brooke (Rockwood IAG)
- Net Debt (elevated due to stock) £11m + £7m leases, facilities £20m RCF+£5m o/d
- Valuation:
 - '23 PE 9.8x, EV/Ebitda 5.4x
 - Recovery Ebitda est. +£18m = >100% upside (10x)
 - Recovery operating margins 11%, target EV/Sales 1.1x = >100% upside
- Engaged on delivery, new CEO Mike England appointed
- Harwood and Odyssean stake 27.5%

"Once supply chains are normalised, we will resume our progress with a target to now achieve a Turn & Earn KPI of 130% by 2025"

Thesis: Improved profitability will drive re-rating and would then allow strategic options of re-starting bolt-on acquisitions (driving scale synergies) or full sale of business

All data as of 30th June 2023. Source: Harwood Capital estimates and Company Filings.



Turn & Earn %

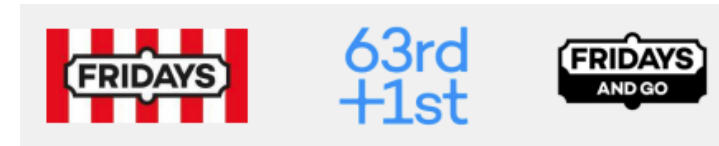
2019: 95%

2020: 81% *

2021: 84%

Turn & Earn Index is calculated by multiplying gross margin by stock turn. In 2021, the gross margin (achieved was 35.33% and the average stock turn achieved was 2.37, therefore the Turn & Earn index was 84%.

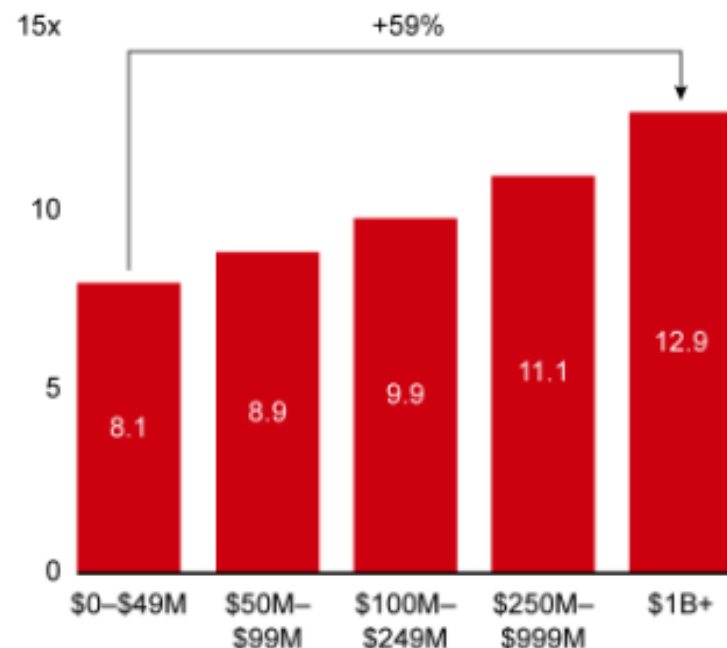
Example 'Springboards' / 'opportunities'



‘Springboard / Opportunity’ EV/Ebitda examples...

Outstanding value, cash generative

Global median EV/EBITDA multiple, by target deal size at acquisition, 2010–22



Source: Pitchbook, Bain & Co

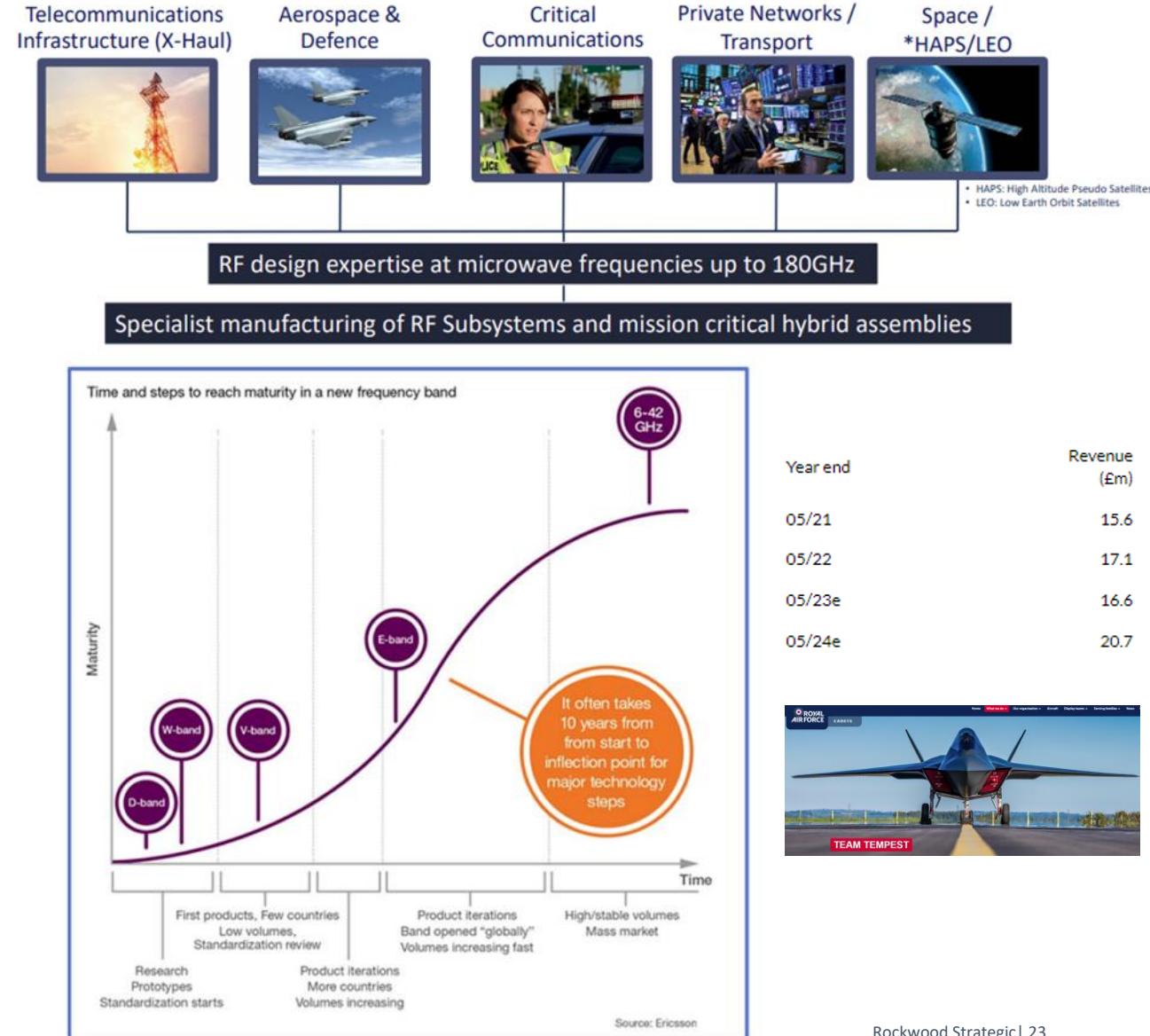
Holding	Portfolio Weighting (%)	EV/Ebitda est. '23 (x)	Market Cap (£m)	Net Cash (Debt) (£m)
M&C Saatchi	6.6	4.1	186	25
Trifast	5.8	6.7	106	(35)
Galliford Try*	4.7	1.5	200	150
Finsbury Food	4.4	4.8	122	(23)
Onthemarket.com	2.0	4.2	42	11
Hostmore	1.9	1.5	26	(28)

*Harwood estimates period-end net cash held by Galliford Try of >£200m exceeds the current Market Capitalisation. However, average net cash, as guided by the company, is less at c.£150m, the company has PFI investments valued at £49m and recently won a £26m court case resulting in a programme of buy-backs and special dividends which is now underway.

- The independent world leader in RF (“Radio Frequency”) applications. This is the art of converting analogue to digital signals. Significant, proven IP. 125 employees. HQ Durham.
- Sales £17m, 35-70% GPM range, Ebitda £2.8m, PBT £1.5m '22
- Net margin depressed due to lack of central overheads recovery and insufficient scale = material operational gearing potential.
- Growth opportunities: <https://www.youtube.com/watch?v=iiiKzcv9u7U>
 - 5G emerging market roll-out (India)
 - Low earth orbital satellites has game-changing potential
 - Defence (Typhoon upgrade, Tempest)
- New Chairman high quality ex McLaren/Bae, focused on Shareholder Value
- Net Cash £3m, £17m tax losses
- High customer concentration (Top 3 80%) both a risk and an endorsement via market leader in each segment.
- Rockwood stake c.5%
- Valuation: EV/Sales 1.1x sales est.5/24, Recovery multiple target >2x. = >100% upside

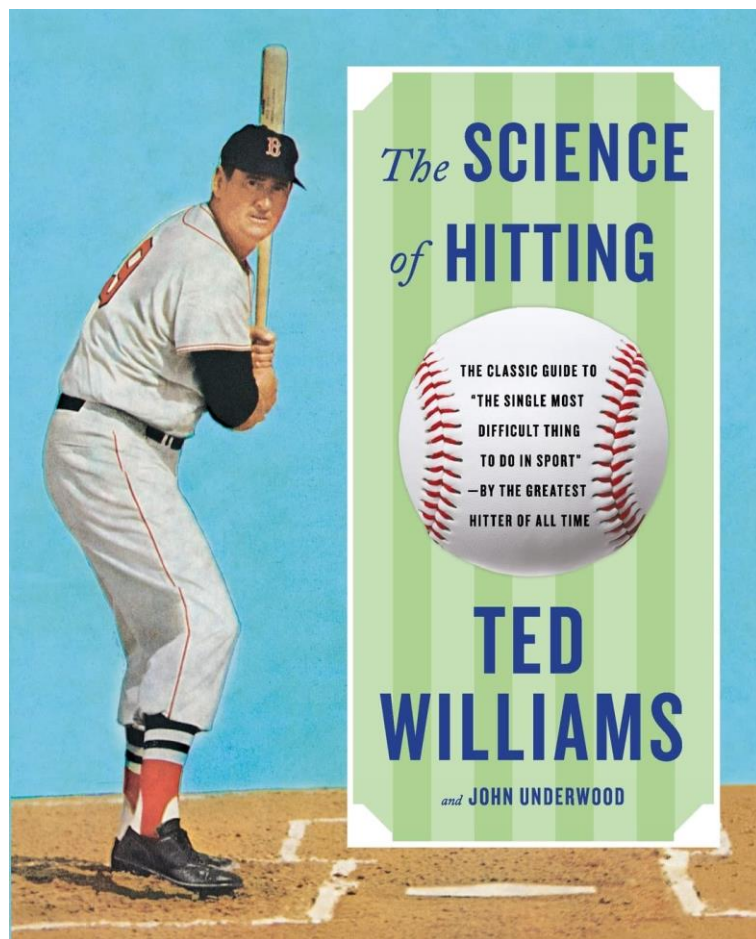
Thesis: LEO (or other growth) success likely to create huge strategic IP value for RF-using Primes and material profitability via operational gearing. Asymmetric pay-off.

All data as of 30th June 2023. Source: Harwood Capital estimates and Company Filings.



Pipeline – competition for capital

“Good investment ideas are rare, valuable and subject to competitive appropriation just as good product or business acquisition ideas are. Therefore, we will not normally talk about our investment ideas”. Warren Buffett, Berkshire Hathaway Owner’s Manual.



Target 1

International Software business
-74% from share price high
Transforming business model
unrecognised by stock market
Financing opportunity
<£30mcap

Target 2

Global Industrial business
-70% from share price high
Scope to double margins and
double valuation rating
<£150mcap

Target 3

Consumer business
-75% from share price high
Significant recovery and growth
opportunity
<£200mcap

Priority List, initiation DD completed

Short List, partial DD or ‘watch’ list

Quant and network funnel, limited detailed work

Universe

3 Companies

32 Companies

38 Companies

500+ Companies

- **Significant** investment by Investment Team and Manager in shares (29.9%)
- Harwood **'restrict'** votes over 10% to Board to avoid conflict as manager/shareholder
- **Reduced Fees** (£120,000 flat fee while NAV <£60m, 1% once hit £60m; Performance fee 10% over 6% hurdle)
- **Reduced on-going corporate costs** materially; KIID OCF 1.48%, 'exceptional costs' in FY'22 and '23 often not adjusted for by platforms etc.
- Converted to Investment Trust with a main market premium listing Sep '22

Manager Shareholding

29.9%

Management Fees

<£60m

Flat £120k

>£60m

1%

Legal Structure	Investment Trust
Domicile	UK
Fund listing	Main market, premium listing
Ticker	RKW.LN
NAV frequency	Weekly
Number of Holdings	20
Financial year end	31 st March
Directors	Noel Lamb (Chairman), Ken Lever, Paul Dudley
Investment Policy	UK listed companies <£250m, Private instruments <15% (Current: 0%)
Fees	£120,000 <£60m, 1%> £60m, 10% performance fee over 6% hurdle
NAV	£52m (2,672,909 shares in issue)
Broker & Adviser	Singer Capital Markets – Alan Geeves, Sam Greatrex, William Gumpel
Website	www.rockwoodstrategic.co.uk (Quarterly Factsheets)

"From acorns grow oak trees"

- Value bias + small cap bias + depressed market opportunity
- Significant specialist experience applying a differentiated, proven strategy
- Targeting 15% IRR investments over the long-term
- 100% focused, aligned fund manager with 'skin in the game'
- Portfolio confidence high and market conditions conducive to capital deployment

Appendices

" a few major opportunities clearly recognisable as such will usually come to one who continuously searches and waits with a curious mind that loves diagnosis involving multiple variables. And then all that is required is a willingness to bet heavily when the odds are extremely favourable using resources available as a result of prudence and patience in the past" Charlie Munger.

- UK small company investments, primarily publicly listed equities

Our specialism

- Majority of capital in top 10 holdings (63%), target <£150mcap

Focused

- Rest of capital 'spring-board' investments or liquid opportunities

'Sweating' shareholder capital

- Seeking influential equity stakes and proactive engagement

Added value approach

- Up to 15% in private companies or instruments

Flexible, only if needed

Investment Team



Richard Staveley – both a qualified accountant (PwC) and Chartered Financial Analyst, Richard has over 20 years of active lead fund manager responsibility in UK small cap equities having been a co-Founder of River & Mercantile Plc and Head of Small Companies at both Société Générale Asset Management and Majedie Asset Management. Investments made whilst fund manager at Gresham House Strategic Plc delivered very significant returns and considerable NAV growth for shareholders. Richard was appointed a Partner of Harwood Capital LLP in June '23 and sits on the Boards of Centaur Media Plc and Pressure Technologies.



Nicholas Mills – joined Harwood Capital LLP in 2019 after spending 5 years at Gabelli Asset Management in New York. He acted primarily as a Research Analyst covering the multi-industrial space and also gained experience in Merger Arbitrage strategies and marketing Closed End Funds. He has a Bachelor of Science Degree from Boston College's Carroll School of Management. He currently sits on the Boards of Niox Group Plc and Hargreaves Services Plc.



Stavros Jones – has been the Head of Trading at Harwood Capital LLP since 2011. Prior to this he was a Trader at JO Hambro Capital Management from 2000 until 2010. He has sell side experience at N+1 Singer and Piper Jaffray prior to rejoining Christopher Mills at Harwood. He is considered one of the most highly experienced dealers in small and midcap equities in the London Market.

Board Member	Appointed	Biography
Noel Lamb, Chairman	2022	Chairman of the Atlantis Japan Growth Trust and a Director of Guinness Asset Management Funds. He joined Lazard Brothers & Co Limited in 1987 and became the MD and fund manager for their Japanese equities. In 1997, he moved to the Russell Investment Group establishing their investment management capability in London. In 2002, he was promoted to CIO in North America where he managed assets of \$150bn until 2008. Noel graduated from Oxford University and is a barrister-at-law.
Ken Lever	2016	Ken Lever was Chairman of Biffa plc and RPS Group plc and is NED of Vertu Motors plc and recently appointed Executive Chairman of WANdisco Plc. Ken was previously CEO of Xchanging plc and has held listed company executive board positions with Tomkins plc, Albright and Wilson plc, and Alfred McAlpine plc. In his early career Ken qualified as a Chartered Accountant and became a partner in Arthur Andersen. He graduated from Manchester University with a degree in Management Sciences
Paul Dudley	2022	Paul founded Aer Ventures (previously HD Capital) in 2011, an FSA regulated corporate finance advisory business where he has led a wide range of corporate transactions for numerous public and private companies. Previously held senior Director roles include Sigma Capital and WH Ireland. He is an Independent Director of Pyne Gould Corporation Ltd. Paul qualified as a Chartered Accountant with PwC, has worked at the London Stock Exchange and studied Geography at Durham.



Equity IRR 30.4%, Money Multiple 4.8x*

"The experienced Rockwood team have been a dynamic and constructively engaged shareholder, who have helped us realise, unlock and create shareholder value for all".

Peter Harris, Executive Chairman, Crestchic Plc

Case Study – Crestchic



- Largest manufacturer and renter of load-banks outside the USA which test power reliability. Growth tied to electrical usage, pivot to green energy and data-centres.
- **Entry:** Re-financed business (Equity and Convertible)
- **Governance:** Introduced new NED, Stephen Yapp, appointed to Board '20. CEO retired/Chairman to Exec role '21, COO appointed. Nick Mills (Harwood) appointed to Board 2/22.
- **Engagement on:**
 - Improved ROCE focus = adopted in reporting
 - Board evolution = changes 3/21
 - LTIP = created 6/21
 - Problem division (Tasman) = sold 3/22
 - Investment = facility expanded 5/22
 - IR emphasis (Energy transition) = adopted
- Harwood Group* ownership 25.1% 2/12/22 = influence
- Rockwood portfolio weighting 31% 2/12/22 = concentration
- **Exit:** Aggreko takeover approach 12/22/22 = liquidity



*All data as of 30th December 2022, Source: Harwood Capital and Company Filings

We assess ESG factors during due diligence and incorporate conclusions into our engagement, strategic and operational plan/thesis and investment risk assessment. We continue to monitor post-investment and engage when appropriate.

- **“Environmental”**

We expect companies to be minimising their **E**nvironmental footprint, without damaging the outlook for cash earnings and will engage as appropriate.

- **“Social”**

We believe successful companies incorporate the interests of multiple **S**takeholders into their business operations and strategy for maximising **S**hareholder value, whilst using ‘common sense’.

- **“Governance”**

This factor is the most important to us, as it enables the effective consideration of **E** and **S** matters. We actively engage with companies as an integrated part of our philosophy and process to deliver target returns. This often includes our direct representation on Boards and our aim is to ensure that corporate **G**overnance is structured appropriately, **G**roupthink is avoided, and the company is working effectively to deliver Shareholder value.

Top 10 Shareholders

Holder	% Holding
Harwood Capital LLP (Christopher Mills)	28.9
Interactive Investor	6.7
James Sharp & Co	6.2
Hargreaves Lansdown	6.0
Unicorn Asset Management	5.4
Investec Wealth & Investment	4.3
River & Mercantile Asset Management	3.7
Premier Miton	2.9
Evelyn Partners	2.8
Richard Staveley (& family)	1.0

"To invest successfully does not require a stratospheric IQ, unusual business insights, or inside information. What's needed is a sound intellectual framework for making decisions and the ability to keep emotions from corroding the framework."
Warren Buffett.



‘Rockwood’

A petrified tree that has been infused with minerals and turned to stone, from the ancient Greek word πέτρα ‘rock’ and first started formation in the Devonian period 390m years ago.

‘Strategic’

Strategy (also from the Greek word στρατηγία *stratēgia*, "art of troop leader; office of general, command, general-ship") is a general plan to achieve one or more long-term or overall goals under conditions of uncertainty.

Rockwood Strategic Plc

Long term capital, Goal oriented, Small Company focused -
‘from acorns grow oak trees’

- **£2bn AUM** (Total 31/12/22- all clients, all asset classes, including NASCIT £690m which is internally managed)
- Public equity experience NASCIT (appt '82), ORYX International Growth (appt '95) demonstrating 40+ year outstanding long term track record in small cap investing
- Specialist in closed-end mandates with experienced Private Equity and Private Debt Teams
- Proven skillset in 'strategic' public market investments
- Extensive, long-established network with experienced operational advisers
- Long term wealth creation culture

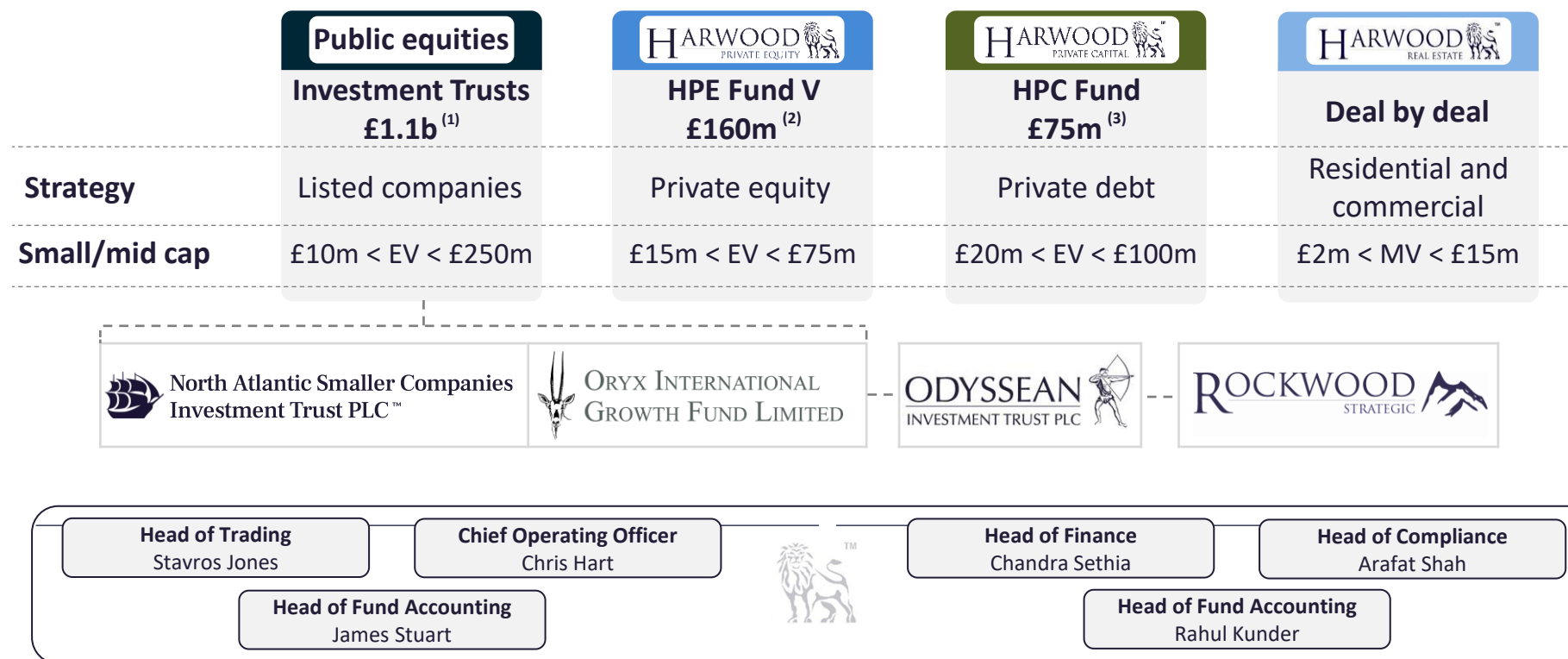
**North Atlantic Smaller Companies
Investment Trust PLC**



ORYX INTERNATIONAL GROWTH FUND LIMITED

Management Group

- Harwood Capital Management Group ("HCMG") was established in 2011 by Christopher Mills
- Existing HCM Group infrastructure: operations, finance, compliance and IT



⁽¹⁾ Assets under management as of 31 December 2022 and excluding Private Clients; ⁽²⁾ Committed capital across funds of over c. £500m; ⁽³⁾ Capital raising

Harwood Private Equity capability

- **Jeremy Brade - Director. Partner, Harwood Private Equity** Jeremy is a Director of Harwood Capital Management Limited. He joined the firm in 2001 and dedicates his time to investing the Harwood Private Equity funds in the UK's lower mid-market. Jeremy originates, negotiates, executes and monitors transactions. He serves as a non-executive director of several portfolio companies. Jeremy spent nine years at HM Diplomatic Service after serving in the British Army. He holds a degree in zoology from the University of Oxford.
- **Geoffrey Gorman – Partner, Harwood Private Equity** Geoffrey joined the firm as a partner in 2012, having enjoyed a close working relationship with the team at Harwood for 22 years. His activities with the firm have focused on cross border public-to-private transactions and North American private equity. He has served as an executive director of two Harwood portfolio companies and as a non-executive director of several other publicly listed and private companies. Prior to joining Harwood, he was a partner at Private Equity Partners LLC and, before that, he was a partner at Ardshiel Inc. Geoffrey holds a bachelor's degree from Boston University and an MBA from the Amos Tuck School at Dartmouth College.
- **James Agnew – Partner, Harwood Private Equity** James joined the firm in 2005 and has 26 years of financial services experience, including private equity investment, M&A, equity and debt capital raisings and a wide range of corporate finance and restructuring transactions. James has responsibilities that include the origination, negotiation, execution and monitoring of transactions. He is a non-executive director of several portfolio companies. He spent nine years in corporate finance at Credit Suisse First Boston. James holds a degree in accounting and finance from the University of Auckland (New Zealand).
- **Timothy Sturm – Partner, Harwood Private Equity** Timothy joined the firm in 2008 and has 23 years of financial services experience, including private equity investing, M&A, equity & debt financing and strategy consulting. Timothy has responsibilities for originating, negotiating, executing and monitoring deals. He is a non-executive director of several Fund III portfolio companies. Timothy holds a degree in economics from the University of Otago (New Zealand) and a Masters degree in finance and economics from the London School of Economics. He is a CFA charterholder.
- **Harry Mills – Partner, Harry** joined the firm in 2020 and has five years of financial services experience including transactional work across IPOs, M&A and secondary placings. Previously he spent four years in the investment banking team at N+1 Singer. Harry holds a degree in economics from Boston College (USA).

Harwood Private Equity Performance ⁽¹⁾

2.3x cash multiple returned on 75 realised investments since 1993

	Vintage	No. of Deals	Fund	Fund + co-invest	Realised	Unrealised ¹	Realised	
							Cash multiple	Gross IRR
Pre-fund investments	1993	24	£37 m	£37 m	£148 m	-	3.9x	36%
Fund 1 (£19m)	1999	20	£19 m	£74 m	£118 m	-	1.6x	30%
Fund 2 (£64m)	2005	15	£61 m	£172 m	£405 m	-	2.4x	48%
Fund 3 (£78m)	2009	9	£71 m	£123 m	£350 m	£4 m	2.9x	26%
Fund 4 (£152m)	2015	11	£144 m	£188 m	£197 m	£89 m	1.4x	15%
Fund 5 (£160m)	2020	10	£122 m	£138 m	£21 m	£178 m	2.7x	168%
Total		89	£454 m	£732 m	£974 m	£272 m	1.8x	
Realised Investments		75	£282 m	-	£634 m	£4 m	2.3x	

¹ Unrealised fund valuation (excluding co-invest).

At 31-Dec-22

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