ROCKWOOD STRATEGIC

Investor Presentation
June 2024

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.

Disclaimer

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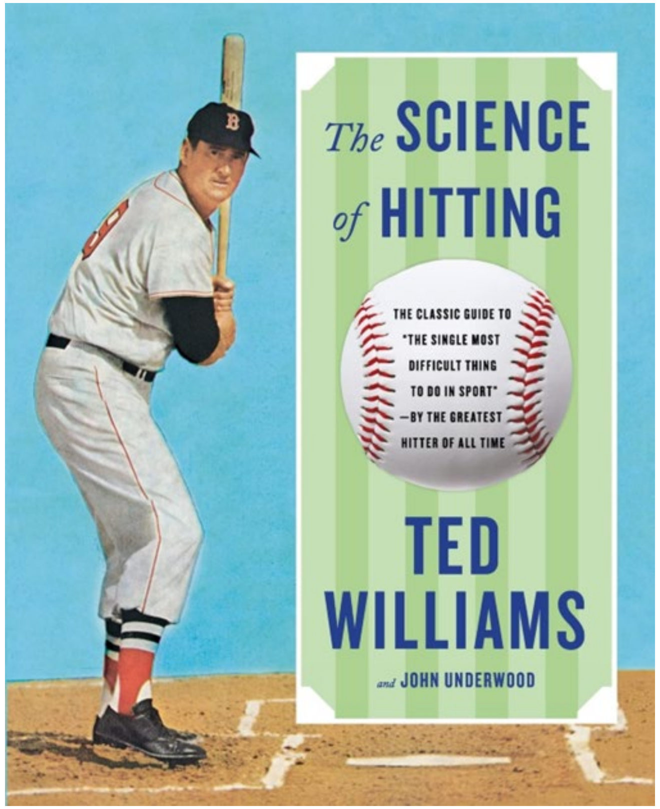
Registered Office: 60 Gracechurch Street, London EC3V 0HR

Executive Summary

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

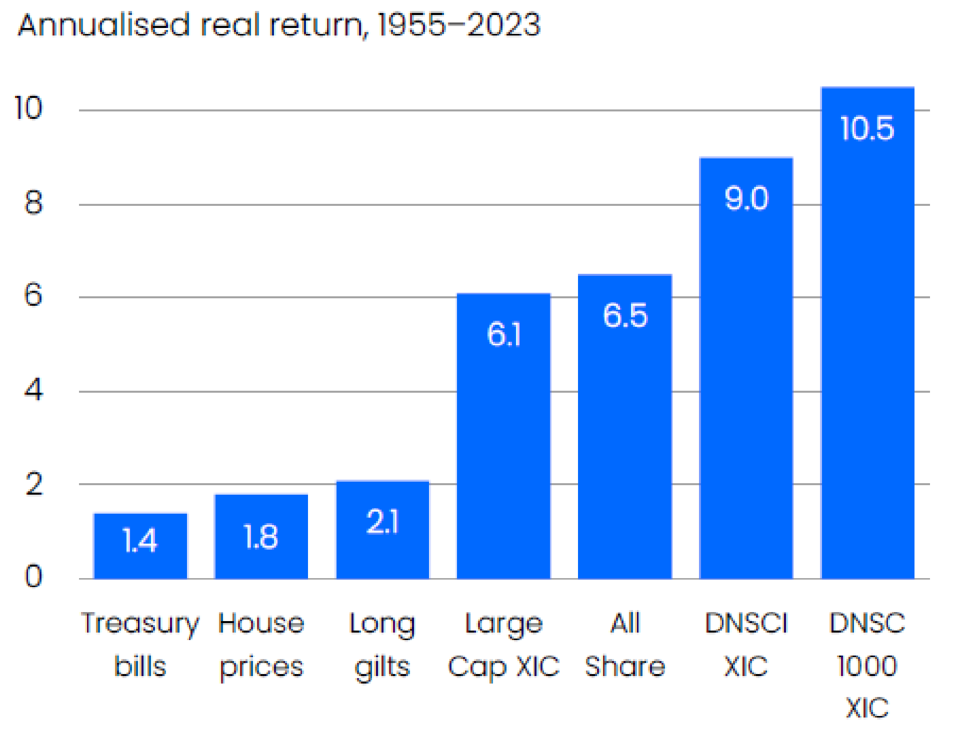
- Specialist, differentiated, proven strategy in an inefficient market
- Targeting 15% IRR investments over the long-term
- Value investor, concentrated portfolio, ‘Active’
- Access full Harwood network, also giving private markets perspective
- 100% focused, aligned fund manager with ‘skin in the game’



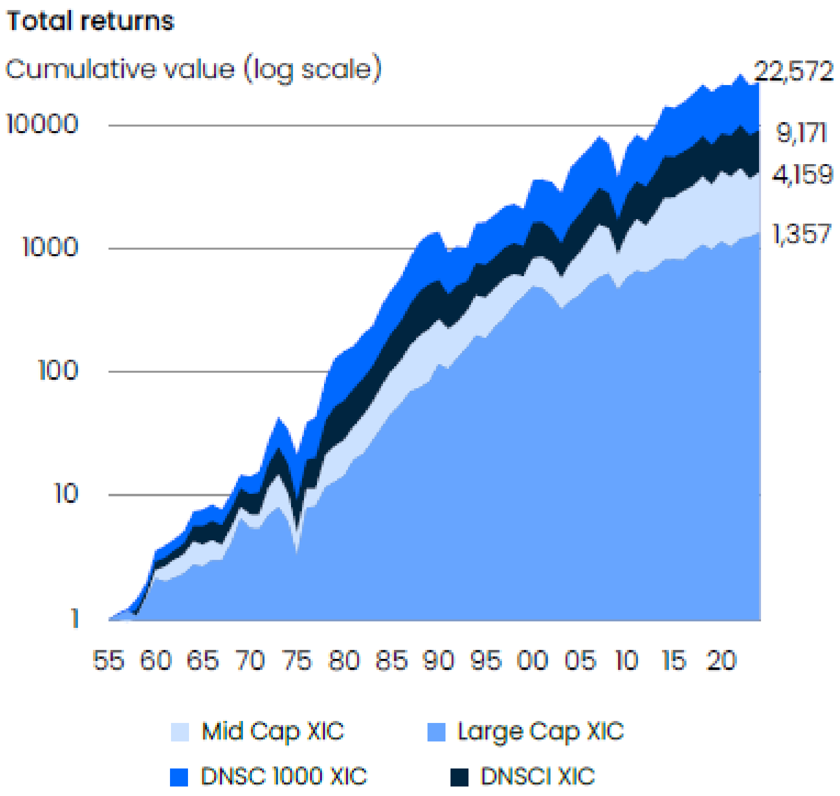
UK Small Cap long term returns are excellent

"From acorns grow oak trees" Geoffrey Chaucer.

Its time <u>IN</u> UK small caps, <u>not timING </u>the market which matters most…..



Source: Dimson-Marsh-Staunton (DMS) database, Scott Evans and Paul Marsh, Deutsche Numis



Source: Elroy Dimson, Scott Evans and Paul Marsh, Numis

Source: Harwood Capital, Deutsche Numis & Bloomberg

Historic Performance to Q2 2024

No. 1 UK Small Companies Fund (AIC Sector) over 1, 3 and 5 years

Performance %

	YTD	3M	12M	36M	48M
Total Shareholder Return	29.8	26.7	32.3	78.7	179.1
NAV Return	21.5	21.6	29.4	61.2	132.1
FTSE Small (ex ITs)	6.2	7.9	14.4	-8.5	48.3
FTSE Aim All Share	0.1	2.8	1.4	-38.8	-13.5

Financial Year's Performance % (March)

	2024	2023	2022	2021	2020
Total Shareholder Return	15.4	28.2	22.2	59.3	-5.3
NAV Return	5.1	21.4	27.5	44.3	-14.3
FTSE All-Share Total Return	8.4	2.9	13.0	26.7	-18.5

Realised Money Multiples & IRRs

- Augean 8.8x, 99.9%
- RPS Group 2.6x, 148.9%
- National World 2.9x, 170.7%
- Universe Group 2.3x, 27.2%
- Ted Baker 1.9x, 130.7%
- Crestchic 4.8x, 30.3%
- Smoove 1.1x, 2.0%
- Finsbury Foods 1.3x, 33.4%
- OnTheMarket.com 1.6x, 94.0%
- City Pub Group 1.8x, 43%

Source: Harwood Capital, using audited NAVs where available and published NAVs, LSE price data

Recent investor sentiment has been very depressed…

> *“Bull markets are born on pessimism, grow on scepticism, mature on optimism and die on euphoria. The time of maximum pessimism is the best time to buy”. John Templeton*

The Death of Small Cap Equities?

NOVEMBER 13, 2023

Don’t Fall Into the Small-Cap Stocks Death Trap. The Bear Market Isn’t Over Yet.

MARCH 6, 2024

UK Small Caps: It’s the Hope that Kills You

by Dewi John.

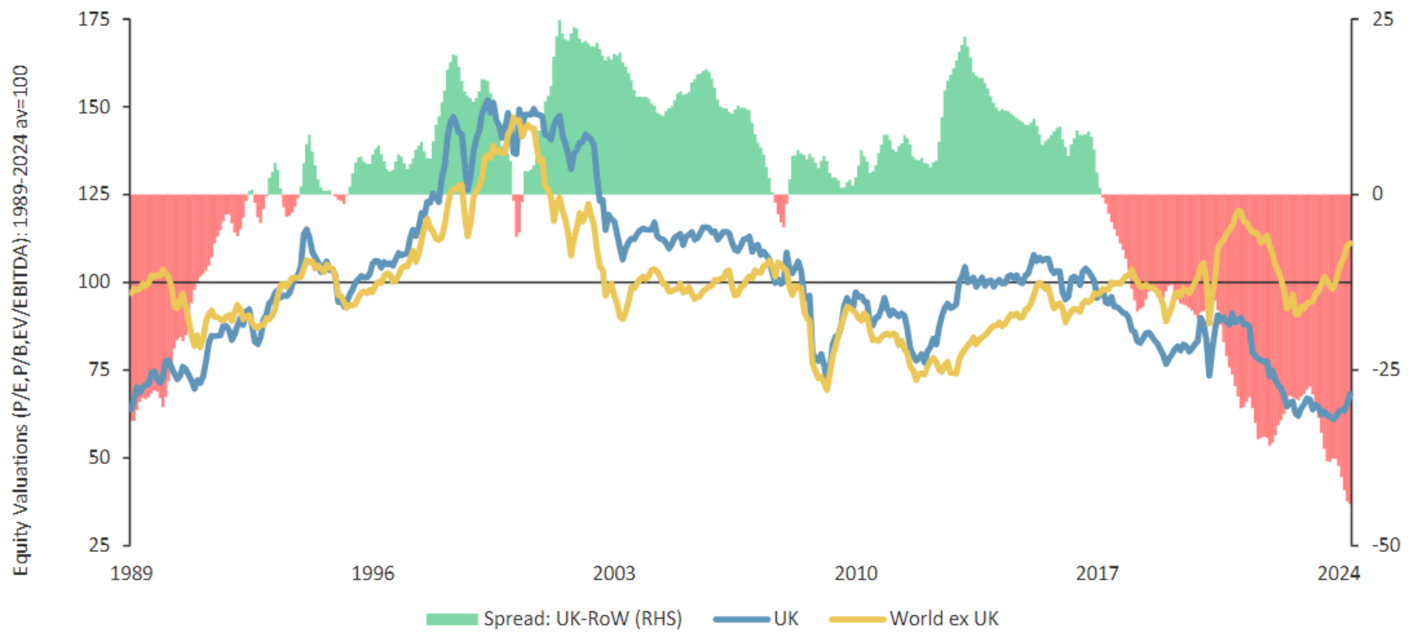
Is Small Cap Dead?

Source: Harwood Capital, Panmure, Refinitive

UK valuations are severely discounted…

"Bull markets are born on pessimism, grow on scepticism, mature on optimism and die on euphoria. The time of maximum pessimism is the best time to buy". John Templeton

Figure 3a: Valuation Premium/Discount (100=35Y average)



***Source** Panmure Gordon, Refinitiv*

Figure 7a: Leading P/E by market cap

***Source** Panmure Gordon, Refinitiv*

Source: Harwood Capital, Panmure, Refinitive

What might change?

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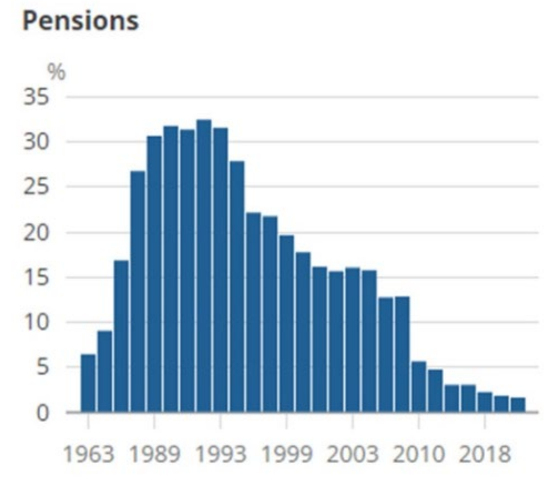
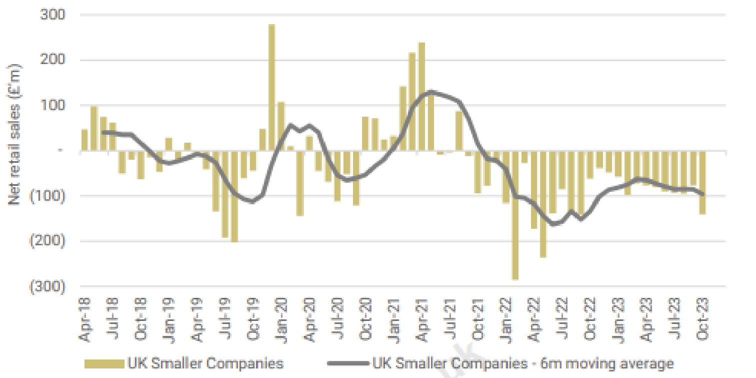
Figure 4: Declining ownership of UK equities by pension funds



Source: ONS

Could pension funds increase UK weightings?

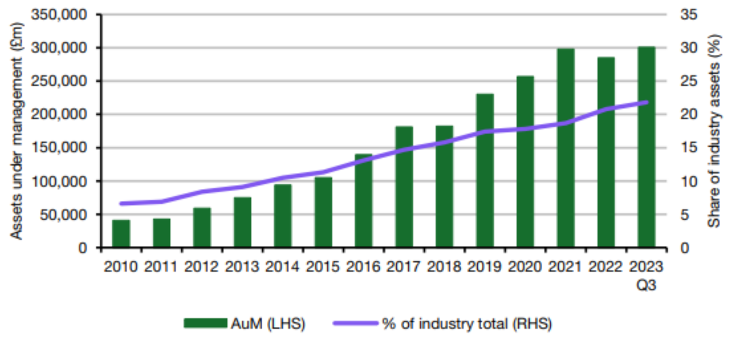
Exhibit 3: Net retail sales (inflows/outflows) for UK Smaller Companies funds (£'m)



Source: The Investment Association, Zeus analysis

Could retail fund flows turn positive on UK?

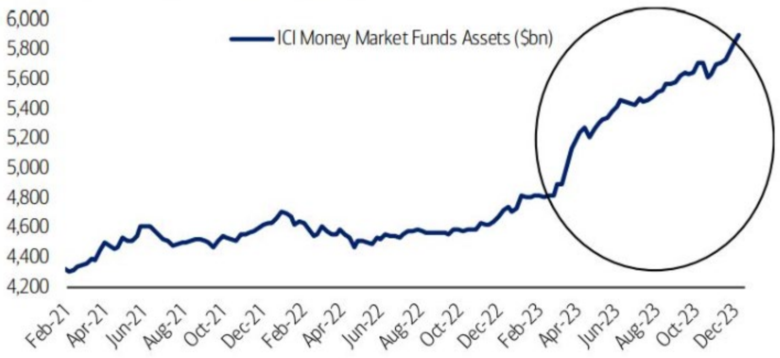
Figure 28: Index trackers continue to gain market share



Source: Liberum, The Investment Association

Could faith in trackers/ETFs be undermined?

Exhibit 7: Over $1tr moved into money market funds in 2023.
Money market fund AUM jumped by $1.2tr YtD in 2023.



Source: Bloomberg.

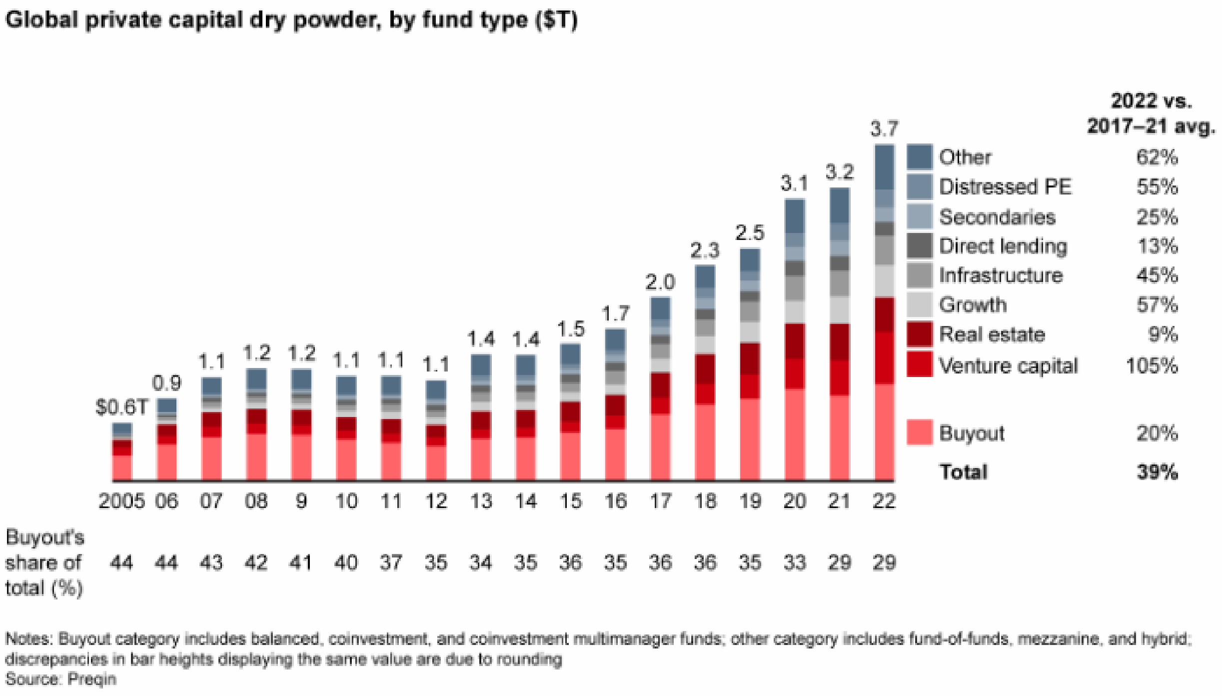
BofA GLOBAL RESEARCH

Could cash become less Interesting?

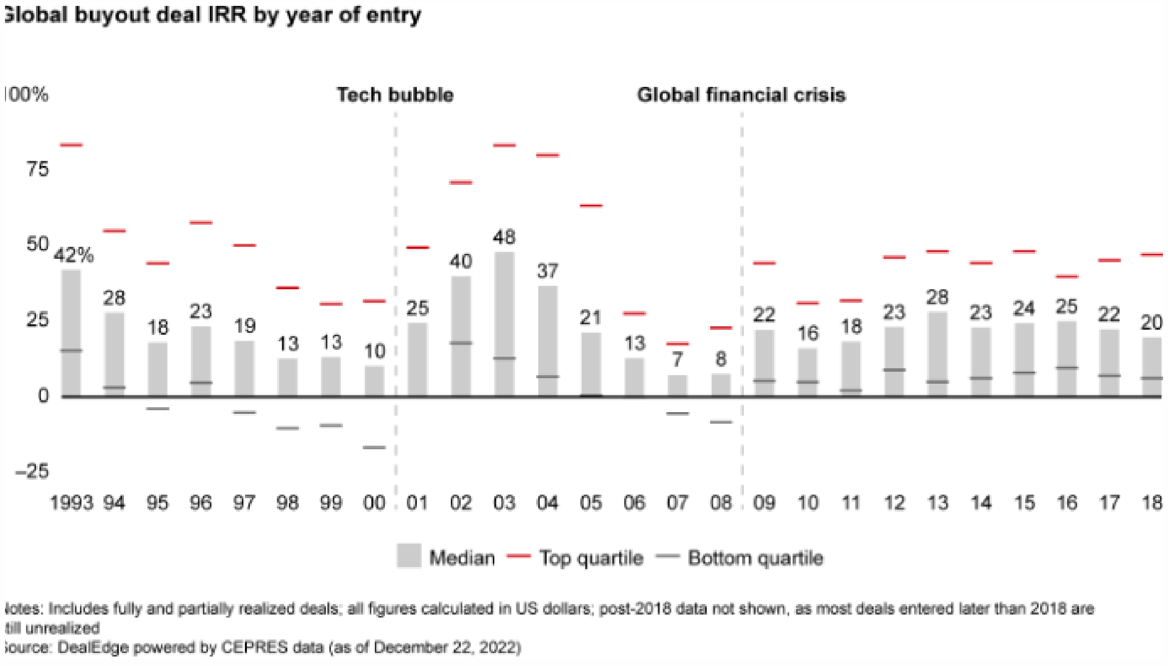
Q: What will change? A: Interest rates. This is likely to be a key catalyst.

Rockwood is positioned 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



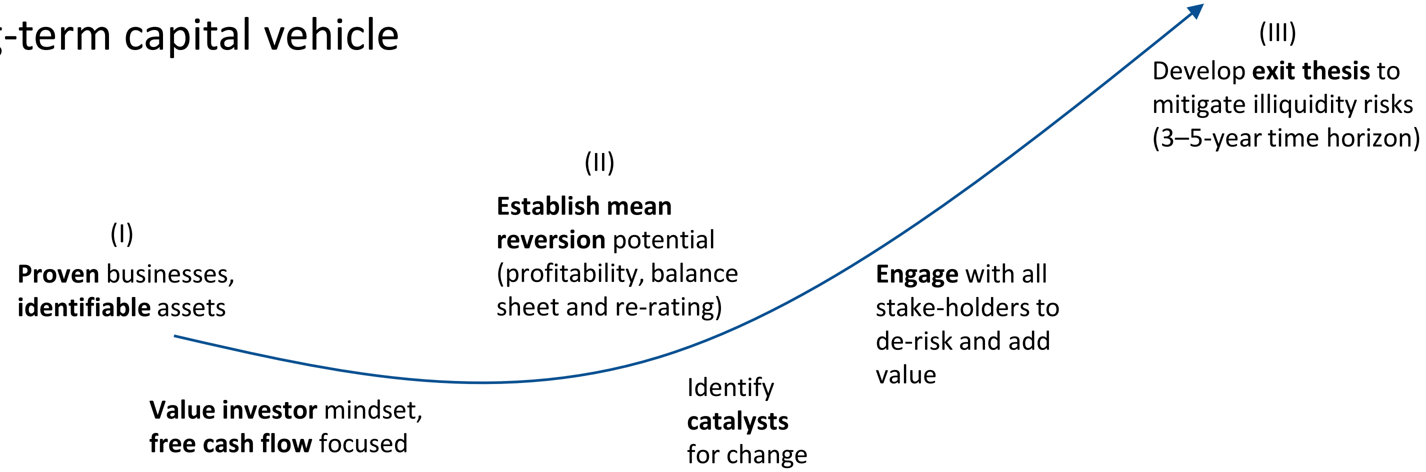
Source: Harwood Capital, Bain & Co

Investment Opportunity

> *"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.*

- Significant universe
- Value & Recovery mindset differentiated, less competition
- Material due-diligence creating information advantage
- 'Engaged' approach enhances investment outcomes
- Long-term capital vehicle

Index	Number of stocks
FTSE Small Cap (ex-ITs)	116
FTSE Fledgling (ex-ITs)	32
AIM All-share	694



Target Company 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')

(I)

- Strategic error
- Bad M&A
- Complacent, tired, poor management
- Ineffective operational execution

- Depressed valuation
- Financial stress
- High emotional backdrop for stakeholders
- Dominant narrative negative

(II)

- Value creation /realisation strategy
- Replace/enhance management/board
- Operational plan
- Establish target returns
- Stabilise Balance Sheet

(III)

- Rating normalisation
- Improving returns
- Refreshed narrative
- Exit = IRR 15%

rps

Realised IRR 148.9%*

RM plc

CRESTCHIC

Realised IRR 30.4%*

Augean

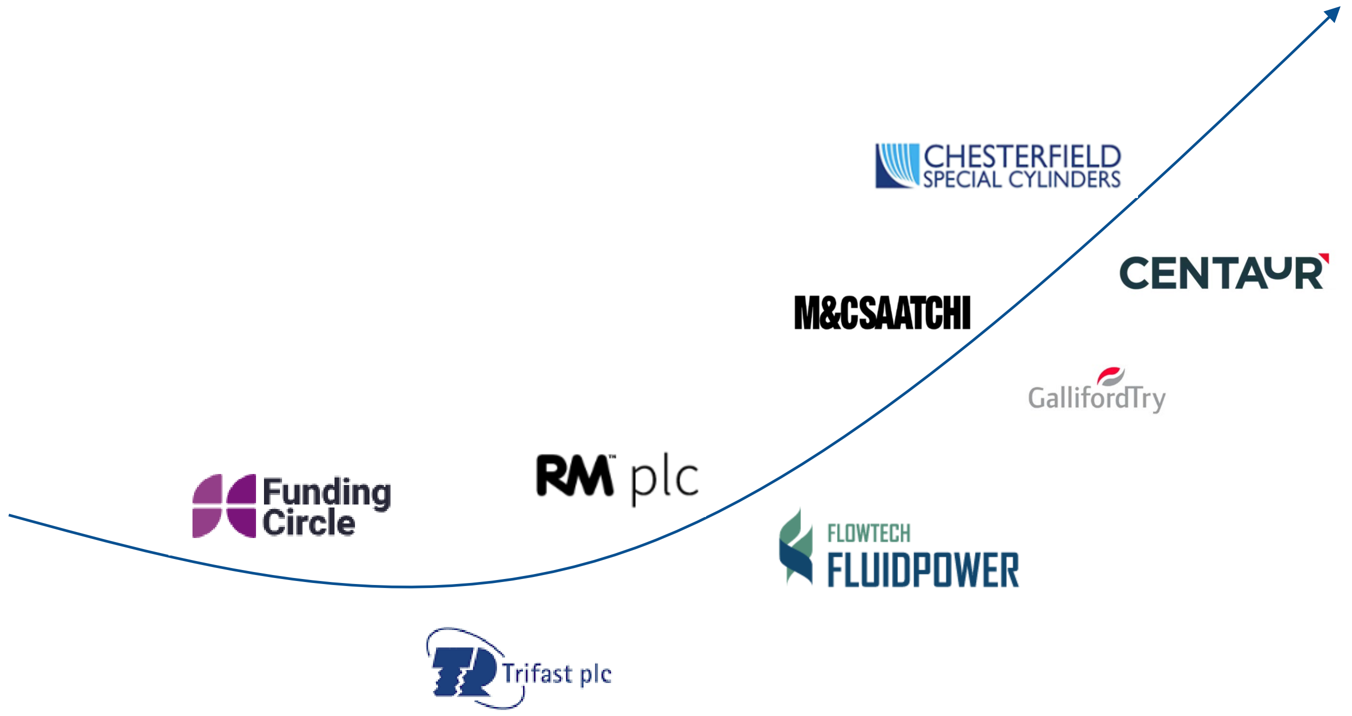
Realised IRR 99.9%*

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

Target Investment Lifecycle

“The single biggest advantage a value investor has is not IQ. It's patience and waiting.” Mohnish Pabrai

‘Due Diligence’	(I) ‘Stabilisation’ 6-18 months	(II) ‘Delivery’ 24-30 months	(III) ‘Realisation’ 12-18 months	‘Time Horizon’ 3-5 years



Investment Process

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

Idea Generation	Due diligence	Expanded due diligence	Engagement	Portfolio Management
• Extensive network • Quantitative screening	• Deep analysis • **Result:** ‘Springboard’ investment (2-4%) or move to expanded DD	• Deeper analysis • Investment Advisory Group (IAG) • **Result:** ’Core’ investment (5-15%)	• Stakeholder engagement • Structuring • Core investment executed via block trade/re-financing.	• Thesis monitoring – industry, results, engagement etc. • Exit liquidity through corporate activity (primarily) or secondary market (larger investors post recovery)

Investment Advisory Group

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 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, Titon Holdings, 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.

Key catalysts recently put in place….

Flowtech CEO: Mike England **4/23**
+ Rockwood IAG member NED

RM CEO: Mark Cook **1/23**
+ new CFO, new NED

Trifast CEO: Iain Percival **9/23**
+ Rockwood NED + new CFO, COO, Chair

Restore CEO: Charles Skinner **9/23**
+ new CFO

Capita CEO: Adolfo Hernandez **1/24**

Titon Chair: Jamie Brooke **12/23**
+ CEO

James Fisher CEO: Jean Vernet **9/22**
+ new CFO, Chair

Pennant Chair: Ian Dighe **2/24**

Source: Company Filings.

Recent fundamental catalysts….

City A.M.

Filtronic shares soar 52 per cent after landing Spacex deal and raising guidance

Shares in microwave technology firm Filtronics soared as much as 52 per cent on Wednesday morning after it unveiled a new deal with SpaceX.

24 Apr 2024

Proactive Investors

James Fisher jumps after selling oil and gas business

James Fisher & Sons PLC (LSE:FSJ) jumped in early trading after announcing the £90 million sale of RMSpumptools to ChampionX UK.

22 Mar 2024

Investors' Chronicle

Hostmore makes ambitious £177mn bid for TGI Fridays

Hostmore makes ambitious £177mn bid for TGI Fridays ... An unlikely counterpoint to the prevailing trend of US giants buying out UK listed...

16 Apr 2024

Building

Galliford Try says 4% margin is firm's official target

Galliford Try says 4% margin is firm's official target ... Galliford Try is targeting an industry-beating 4% margin by 2030, the firm announced...

1 month ago

Sharecast.com

Pennant International reports record gross profit margin

Pennant International reported a successful return to operating profit in its final results on Friday, achieving a record gross profit...

Investors' Chronicle

M&C Saatchi's shares look cheap as its tranformation starts to bear fruit

M&C Saatchi's shares look cheap as its tranformation starts to bear fruit ... 2023 was a tough year for M&C Saatchi (SAA). The advertising agency...

10 Apr 2024

Source: Company Filings.

Portfolio 'Core' Holdings (37.7% NAV, Cash 0.8%)

Outstanding value – material scope for profit growth

Holding	Portfolio Weighting (%)	Rockwood ISC Stake (%)	EV/Ebitda est. '25 (x)	Market Cap (£m)	Net Cash (Debt) (£m)
RM	11.6	14.0	7.4	70	(52)
Trifast	6.9	5.7	5.7	97	(22)
Flowtech Fluidpower	5.2	6.1	7.5	71	(11)
Pressure Technologies	4.2	20.0	14.0	13	(1)
Centaur Media	4.2	6.0	5.4	58	9
Titon Holdings	2.9	28.0	P/B 0.5	9	2
Van Elle Holdings	2.7	5.6	2.4	39	6

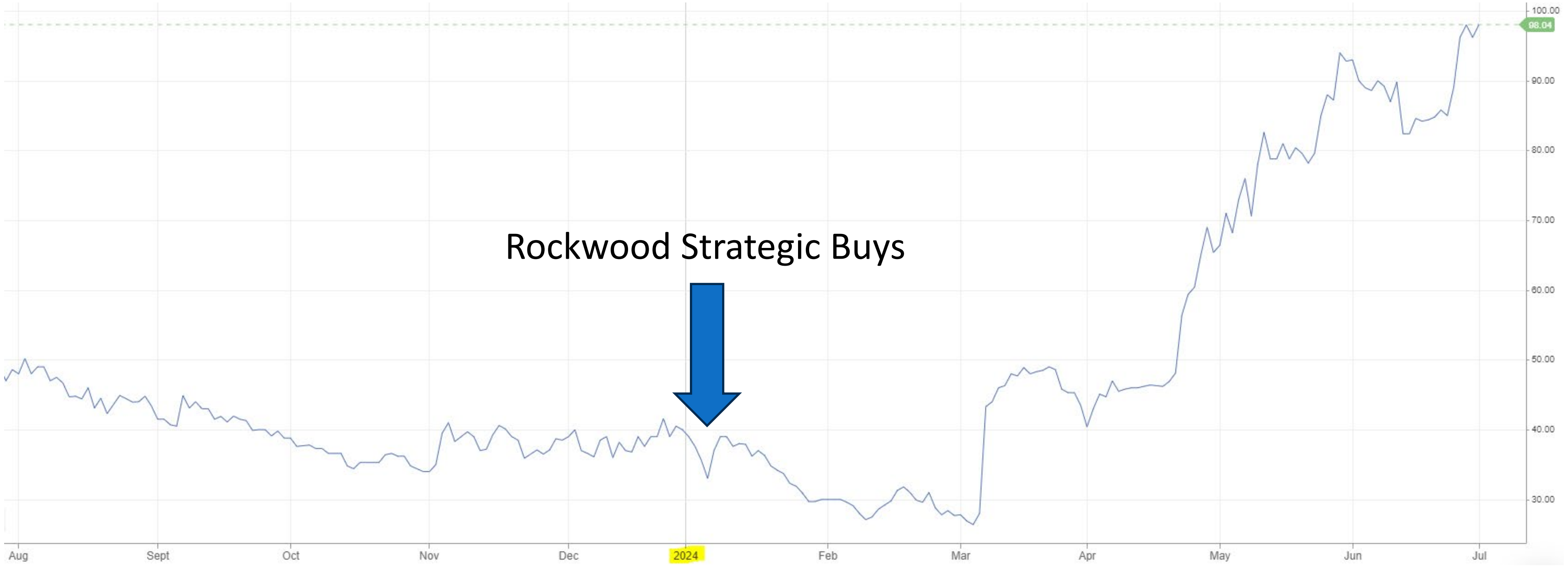
Source: All data on 30 June 2024, Harwood and House broker estimates, Company Filings

Q2 'Constructive engagement'…

FinTech Futures

Funding Circle to cut 120 jobs in £15m cost savings drive

Small business lending platform Funding Circle is set to axe around 120 roles as part of a bid to simplify and streamline its UK business.



Source: All data on 30 June 2024, Stockopedia

Funding Circle - £336mcap

Funding Circle

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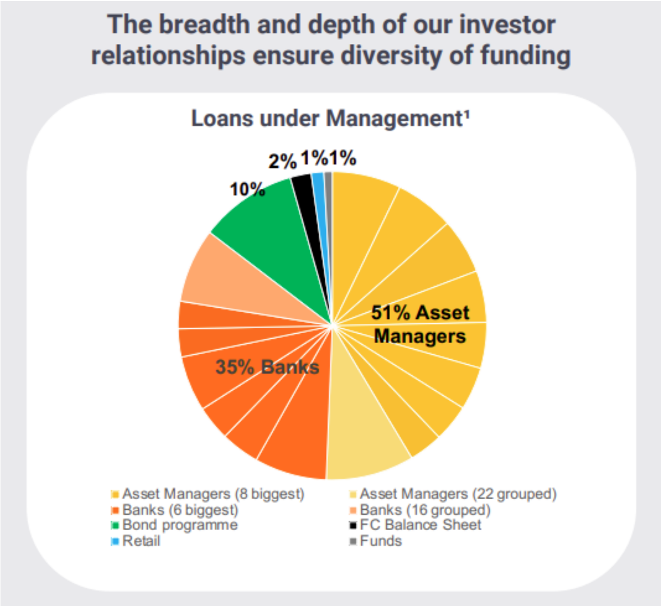
- Leading UK & US SME lending platform since 2010 matching professional lending demand with SME financing needs generating income in fees for arrangement and servicing. AUM £2.9bn
- 150,000 businesses have borrowed £17bn since '10 creating huge 'data-lake' of >2bn data-points for 29m businesses enabling fast approval process for this huge but poorly served part of the Banking market.
- In-line impairment record, stopped peer-to-peer, proven partner for govt lending schemes (which created excess lending growth during Covid)
- '23 Run-rate UK Sales £130m, Aebitda £7m. Loss-making due to lack of scale vs cost-base
- Loss making and Balance sheet intensive US operations exited
- £170m of unrestricted cash, £50m of restricted cash, £64m of equity invested in loans (to facilitate, otherwise exit). Tax losses £185m.
- Overdue share buybacks of £25m commenced, can afford more
- Cost-cutting initiated to accelerate move to break-even.
- Company targeting 15-20% annual growth and 15% PBT margin
- Requires further Board evolution, Buy-backs and improved comms
- Rockwood holding 3.1%
- Valuation: P/B 1.2x. Goldman Sachs IPO '18 £1.5bn Mcap.

Thesis: Overdue 'awakening' leads to focus on shareholder value, cash profitability (via cost-cutting & growth), buy-backs and re-rating of unique platform. Material upside.

	Revenue stream	Loans: UK & US	FlexiPay: UK	Typical yield	Drivers	% of 2023 Total income[2]
Fees	Transaction fees	✓		c.6%	Loan Originations 2023: £1,456m	55%
Fees	Servicing fees[1]	✓		c.1%	LuM 2023: £3,284m	30%
Fees	Drawdown fees		✓	c.4.9%	FlexiPay Transactions 2023: £234m	5%
Other	Bank interest	✓	✓	Variable	Cash balances & base rates	6%
Other	Investment income	✓		Variable	Invested capital 2023: £64m	4%



Source: All data on 30 June 2024, Harwood and House broker estimates, Company Filings

RM Plc - £70m mcap

RM plc

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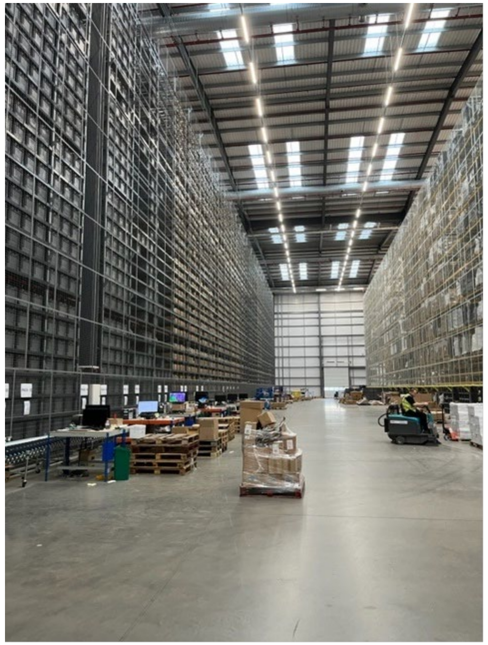
- Established supplier to UK education market, £180m sales
- Resources to 90% of Primary schools with market leadership position (TTS), £80m sales (incl overseas), target 10% margin (turnaround)
- Assessment services marking exams internationally under contracts, >£45m sales, target >20% margin (growth). ‘Jewel in the crown’.
- Technology division providing IT services to schools, £60m sales, target >8% margin (market share strategy)
- Shambles execution of new ERP system roll-out and warehouse consolidation project resulted in excess cash outflows, operational issues and elevated debt of £52m, covenant waivers needed (banks supportive)
- Large pension scheme but deficit now materially reduced.
- New CEO, CFO, + Heads of Transformation, Digital, Technology Div, People
- Valuation: SOTP £170m = >100% upside
- Harwood stake 15.2%, Proposed NED successfully appointed as SID

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



"RM have been our trusted friends and mentors on this journey. As a large company, one of their key strengths is the depth and breadth of both their educational and technical knowledge, which I see as unrivalled. My experience is that RM listen carefully to any concerns and ‘take ownership’ of issues to ensure a speedy and satisfactory resolution."
Dave Magee, Headteacher, Mossfield Primary School

CAMBRIDGE UNIVERSITY PRESS & ASSESSMENT | ACCA | Cambridge Assessment International Education | International Baccalaureate | ICAEW CHARTERED ACCOUNTANTS

Source: Harwood Capital estimates and Company Filings.

Trifast - £100mcap

Trifast plc

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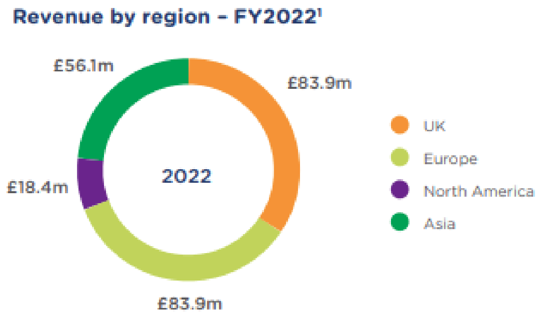
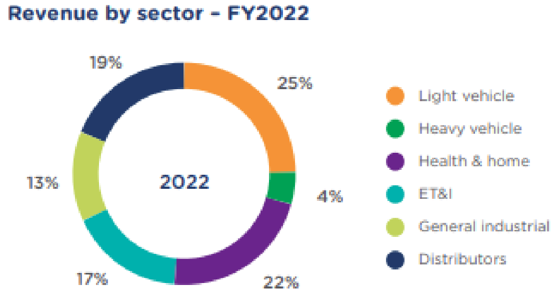
- International manufacturer (30%) and distributor (70%) of fasteners (nuts 'n' bolts): 33 locations, 7 high volume manufacturing sites, 15bn parts sold per year, 1400 employees
- Sales £245m, 25% GPM, Ebitda £15m '23
- NAV £132m (Gross PPM £66m) 2023, returns poor with ROCE 5.4%
- Operating margin depressed vs long history ('23 5.3%, vs target of 10-13%.)
- 75% of sales are customer-specific branded products, 18-year avg tenure of top ten customers, largest <7.5% sales. Focus for growth USA.
- ERP system roll-out finally completing (£17.5m investment)
- New Chair/CEO/CFO/COO – restructuring commenced in UK
- Net Debt falling £28m, elevated inventory position - was £91m
- Harwood stake 14%, Nick Mills appointed NED
- Valuation: EV/Sales 0.5x sales, Recovery multiple target 1x. >100% upside. Target >£35m Ebitda.

Thesis: Significant turnaround and recovery opportunity, early stage. Scope to materially increase cash generation (reduce leverage), improve returns and profits leading to normalisation of rating

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023e
EBITDA margin	8.8	4.3	2.6	4.8	5.6	7.5	8.3	9.8	10.2	11.1	11.3	11.4	10.6	8.3	9.3	8.0
EBIT margin	7.9	3.1	1.4	3.9	4.8	6.5	7.4	9.1	9.4	10.2	10.3	10.4	7.9	5.3	6.7	5.5





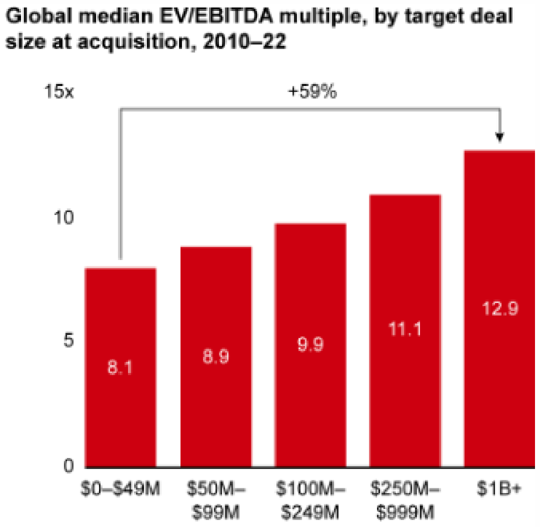
Source: Harwood Capital Estimates and Company Filings

'Springboard / Opportunity' examples over 2% weighting

Holding	Portfolio Weighting (%)	EV/Ebitda est. '25 (x)	Market Cap (£m)	Net Cash (Debt) (£m)
Funding Circle*	13.1	3.2	336	225
Filtronic	10.5	19.0	157	2
M&C Saatchi	7.3	4.8	238	19
STV Group	5.1	5.2	124	(37)
James Fisher & Sons	4.9	4.0	160	(74)
Restore	4.1	5.2	365	(88)
Galliford Try**	3.8	1.9	245	150
Capital	3.1	3.1	196	(50)
National World	2.3	3.2	48	10
Capita	2.1	2.0	230	(225)

* Harwood notes Funding Circle has 'unrestricted' cash of £170m, an extra £50m of 'restricted cash' and loan assets of £64m
**Harwood estimates period-end net cash held by Galliford Try of >£200m. However, average net cash, as guided by the company, is less at c.£150m, the company also has PFI investments valued at £43m.

Source: All data on 30 June 2024, Harwood and House broker estimates, Company Filings



Source: Pitchbook, Bain & Co

James Fisher & Sons - £160mcap

James Fisher and Sons plc
Pioneering Sustainably

- Provides specialist engineering services to the energy, defence, renewables and marine markets. 175-year-old business, 2367 employees, 18 countries.
- ‘23 Sales £496m, Ebitda £54.4m, underlying EBIT £29.6m. ROCE 6.6%
- Net margin low (c.6%) vs history (>10%) due to loss of operational oversight and some (temporary) external issues
- Became over-leveraged due to poorly executed acquisition strategy.
- Recovery opportunities (company target 10% margin, 15% ROCE): Defence business 2.1% margin ‘23
- New Chairman, CEO and CFO high quality, CEO already re-organised to 3 divisions and appointed new Heads of each (2 external)
- Net Debt was elevated (£150m), now materially addressed by recent sale of RMS PumpTools for £83m net cash
- Valuation: Target recovery £85m Ebitda. Current depressed multiples est. ‘25 4x Ebitda, >10% FCF yield, 0.5x EV/Sales

Thesis: New management to deliver margin/return recovery and stronger balance sheet driving on-market re-rating to historical avg (>10x Ebitda)

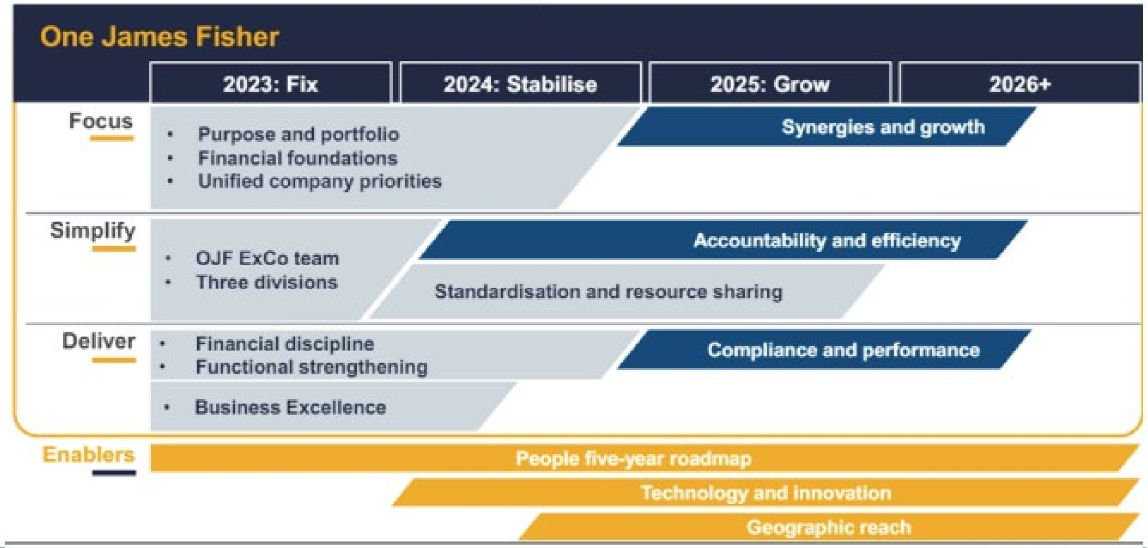
Figure 10: EV/EBITDA vs 10-year average

Source: FactSet

https://youtu.be/MIZzoybljEk

https://youtu.be/xGqftWOz-dM

Our turnaround roadmap



Source: Company

Source: All data on 30 June 2024, Harwood and House broker estimates, Company Filings

Capita £245mcap Capita

- Leading provider of business process services, driven by data/tech and people. 2 divisions; Public and Private sectors. 43,000 employees. No.1 UK, No.4 Europe.
- Sales £2.6bn, 21% GPM, Ebitda £214m, PBT £56.5m ’23, orderbook £5.8bn
- Terrible past with over-expansion leading to contract difficulties, excess debt (was >3x), pension burden, Woodford. Margins fell from >10% to <4%.
- Long process of ‘stabilisation’ via disposals (raised >£500m), pension injection/deal = no contributions from ’25. Cyber-attack delayed progress.
- Excellent clients, sticky long-term contracts, significant opportunity for technology transformation offer. Strong brand name with customers (~~investors~~)
- New CEO extended restructuring = £160m cost savings target my mid ‘25
- Net Debt £182m (extension to ‘26), leases £545m (reducing office footprint), £133m deferred tax asset and unrecognised tax losses £847m
- Life & Pensions activity cash drain must be addressed, would transform FCF generation. Key is margin recovery – company target 6-8%
- Valuation: EV/Sales 0.3x, PE & EV/Ebitda <3.5x. Target £90m FCF, 10% yield

Thesis: Scope for improved profitability (public 6.1%, private 4.3%), re-rating, further simplification, tech-enabled growth acceleration, significant inflection in FCF generation. Possible further business mix change to improve narrative.

Santander · SLC Student Loans Company · Virgin media · O2 · Civil Service Pensions · ARMY BE THE BEST · ROYAL NAVY · Department for Work & Pensions · TV LICENSING

Short term focus on driving the changes we need in 2024, leading to success in 2025 and beyond

Strategy components:

- More efficient and spend less
- Digitise our offerings
- Leverage technology partnerships strongly
- More precision in our delivery
- Governance and evolved culture

Underpinned by simplification and differentiation

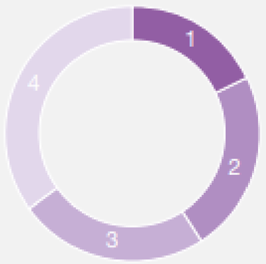
Taking steps towards Capita becoming:

A company with a **growing customer list** and **satisfied customers** + A company where our people can be **proud** to work, underpinned by a culture that drives high performance and accountability + A company that **grows** and generates **cash backed profits** + A company that delivers a **positive and growing return on the investment** made by our shareholders

Competitors

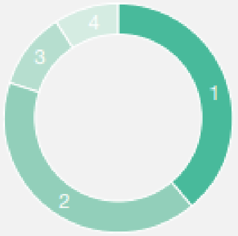
- Atos
- G4S
- Sopra Steria
- CGI
- Tata Consultancy Services
- Cognizant
- Accenture
- Serco
- Maximus

Revenue by market[3]



1. Health & Welfare	18%
2. Justice, Central Government & Transport	23%
3. Local Public Services	24%
4. Defence, Fire, Security & Learning	35%

Revenue by market



1. Telecoms, Media & Technology	39%
2. Financial Services	41%
3. Energy & Utilities	11%
4. Retail (including charities)	9%

Competitors

- Atento
- Teleperformance
- Accenture
- Concentrix & Webhelp
- Foundever
- TTEC
- Tech Mahindra
- Firstsource
- Tata Consultancy Services
- In-sourced

Source: All data on 30 June 2024, Harwood and House broker estimates, Company Filings

Fund Information

Legal Structure	Investment Trust
Domicile	UK
Fund listing	Main market, premium listing
Identifiers	Ticker; RKW.LN Sedol; BRRD5L6 ISIN; GB00BRRD5L66
NAV frequency	Weekly
Number of Holdings	22
Financial year end	31st March
Manager	Harwood Capital LLP, 27.3% share ownership, voting ‘restricted’ to 10% to avoid conflicts
Directors	Noel Lamb (Chairman), Ken Lever, Paul Dudley
Investment Policy	UK listed companies <£250m, Private instruments <15% (Current: 1.3%)
Costs	Estimated OCF 1.85% (pre-performance fee), ‘exceptional costs’ in FY ’22-23 often unadjusted by platforms
Fees	Management fee 1%; Performance fee 10% over 6% hurdle (high watermark)
NAV	£80m (32,194,886 shares in issue)
Broker & Adviser	Singer Capital Markets – Alan Geeves, William Gumpel, Sam Greatrex,
Website	www.rockwoodstrategic.co.uk (Quarterly Factsheets)

All data as of 30th June 2024

Executive Summary

"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

Investment Policy

" 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 (64.5%), universe <£250mcap	**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

All data as of 29th December 2023.

Investment Team

HARWOOD CAPITAL MANAGEMENT

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 Closed End Funds. He has a Bachelor of Science Degree from Boston College’s Carroll School of Management. He also works on North Atlantic Small Companies IT and is Co-Fund Manager of Oryx International Growth Limited. He currently sits on the Boards of Niox Group Plc, Trifast 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.

Rockwood Board

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 Cirata 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.

E.S.G.

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)	27.8
Interactive Investor	8.0
Hargreaves Lansdown	7.2
James Sharp & Co	5.4
Unicorn Asset Management	4.9
Investec Wealth & Investment	4.4
A J Bell Securities	3.1
River Global	3.0
Charles Stanley	2.8
AVI Global Investors	2.6
Richard Staveley (& family)	1.1

All data as of 30 December 2023

Rockwood Strategic

"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'

Harwood

Harwood Investment Capabilities

HARWOOD
CAPITAL MANAGEMENT

- £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

	Public equities	Harwood Private Equity	Harwood Private Capital	Harwood Real Estate
	Investment Trusts £1.1b (1)	**HPE Fund V £160m** (2)	**HPC Fund £75m** (3)	**Deal by deal**
Strategy	Listed companies	Private equity	Private debt	Residential and commercial
Small/mid cap	£10m < EV < £250m	£15m < EV < £75m	£20m < EV < £100m	£2m < MV < £15m

North Atlantic Smaller Companies Investment Trust PLC™

Oryx International Growth Fund Limited

Odyssean Investment Trust PLC

Rockwood Strategic

Head of Trading
Stavros Jones

Chief Operating Officer
Chris Hart

Head of Finance
Chandra Sethia

Head of Compliance
Arafat Shah

Head of Fund Accounting
James Stuart

Head of Fund Accounting
Rahul Kunder

(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

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