

Investment Objective & Strategy

Rockwood Strategic plc (the "Fund") seeks investments capable of delivering 15% IRRs over a 3-5 year time horizon in publicly listed UK Small companies. The strategy targets 5-8 'core' positions, with the top 10 holdings represent the majority of NAV and a further 10-25 generally more liquid, smaller investments. We have a 'value' investor mindset, are cash-flow focused, and seek proven businesses and opportunities for strategic, operational or management change to unlock shareholder value. The team adopts an 'engaged' approach with its investments, alongside material shareholdings.

Performance %

	3M	12M	36M	48M	60M	72M
Total Shareholder Return	-11.3	2.4	42.6	82.8	105.0	225.3
NAV Return	-7.2	7.1	36.3	65.5	97.4	183.9
FTSE Small (ex ITs)	-5.2	8.9	20.7	1.7	5.0	80.5
FTSE AIM All Share	-6.4	5.1	-11.4	-31.2	-40.1	5.1

Financial Year's Performance %

	2026	2025	2024	2023	2022	2021
Total Shareholder Return	2.4	20.8	15.4	28.2	22.2	59.3
NAV Return	7.1	21.1	5.1	21.4	27.5	44.3
FTSE All-Share Total Return	21.5	10.5	8.4	2.9	13.0	26.7

Investment Manager's Commentary

It is extremely frustrating to report on a negative quarter for the strategy. Frustrating because of the unrewarded considerable progress demonstrated clearly in many portfolio financial results released during Q1. Frustration further inflamed by the lack of reward for positive changes, mainly as a result of our own constructive engagement with holdings, also announced during the period. The undeniable fact is that Trump's, seemingly poorly thought through, military action against Iran has upturned our cart of juicy, ripe apples. It has had a direct and substantial negative impact on risk appetite, interest rate, inflation and earnings expectations. This is understandable as energy remains a key cost to both consumers and businesses and the resultant hike in prices a shock to the world economy which it can ill afford, if it is sustained. We have opined that falling interest rates were a key requirement for improved small company share performance. These are now on hold.

At the time of writing, it seems a lottery as to what happens next or how long energy markets are disrupted. We know what we would like; an immediate end to the conflict, ideally with the Iranians committing to no future nuclear development and support for their 'proxies' causing trouble beyond their borders and a fully functioning Straits of Hormuz. The quid pro quo would be the removal of sanctions. However, that outcome is by no means securable and Trump's approach to diplomacy and negotiations unorthodox. It churns the stomach thinking of the smirks in Moscow and Beijing.

Q1 Rockwood investee company updates were, on the whole, excellent. [James Fisher & Sons](#) announced margin progress and profit ahead of expectations as the Defence division recovers. [Filtronic](#) announced very positive new business momentum and a record orderbook. [Eagle Eye Solutions](#) beat H1 expectations with first wins announced from its transformational OEM relationship. [Funding Circle](#) smashed market expectations, achieving 2026 revenue forecasts in 2025 and 6x growth in PBT. [Capital Ltd](#) released materially improved financial results alongside significant investment gains from its Gold Miner equity stakes. [Vanquis Banking Group](#) returned to profitability as their turnaround gains pace. [Restore's](#) results highlighted revenue growth of 27% and a beat of its margin target of 20%. It also announced a buyback programme. [RM's](#) results boasted 33.2% operating profit growth and 19.9% sales growth in its key Assessment division. On the engagement front we were delighted to see Nick Shott and Vin Murria joining the Board of [M&C Saatchi](#) where there is significant value to unlock for shareholders. We helped finance a smart acquisition by [Flowtech Fluidpower](#) in Europe.

There was a huge positive development, that has seemingly been ignored by the stock market, at [Capita](#). During March (post Iran attack), they released results demonstrating great progress in the business, the Public Sector division growing 4.4% and operating margins up from 3.8% to 5.2%, but cautioned on the Contact Centre activities 2026 outlook. The shares were punished hard in a 'risk-off' market. 16 days later the disposal of those loss-making activities was announced, a critical strategic decision we have engaged management on. The quality businesses which now remain at Capita, we believe, are worth more than £1billion vs the market capitalisation of £315million at quarter end. As the dust settles this should become clearer to all.

The main investment in the period was our support for the comprehensive [Videndum](#) re-financing. This was more dilutive than we anticipated, and raised far more than we felt was needed. However, as a result, the company is now on a very strong financial footing and able to turn its attentions to a full recovery of profitability. Management are targeting 15% margins on £350m of sales and, if achieved, should justify a valuation to deliver our target returns on investment (>100% over 5 years). We increased our stake in [STV](#) to 10%, [M&C Saatchi](#) to 6%, [Kooth](#) to 11% and [Videndum](#) to 6%.

Top Ten Holdings as % of NAV

RM	Education Services	9.6%
Vanquis Banking Group	Financial Services	7.5%
Capita	Business Services	7.1%
Videndum	Media Equipment	6.0%
Funding Circle	Financial Services	5.8%
Filtronic	Technology	5.6%
Capital Limited	Mining Services	5.5%
M&C Saatchi	Media & Communications	5.4%
James Fisher & Sons	Industrial Services	4.9%
Restore	Business Services	4.8%
Total		62.2%
Cash & equivalents	Cash & equivalents	3.0%

Key Risk Considerations

Past performance is not a reliable indicator of current or future performance, and investors may not get back the original amount invested. Investment in RKW may not be appropriate for investors who plan to withdraw their money within 5 years. Shares of RKW may trade at a discount or a premium to Net Asset Value ("NAV") for a variety of reasons. On a sale you could realise less than the NAV and less than you initially invested. RKW's portfolio is focused towards small companies; these may involve a higher degree of risk than larger sized companies.

Key Facts as at 31 March 2026

Manager	Richard Staveley
Year end	March
NAV £m	149.4
Share price (Mid)	259p
NAV per share	266.44p
Discount to NAV	2.8%
No. of holdings	25
Net cash	£4.5m
AMC	1%
Performance fee	10% over 6% p.a. hurdle
Total fee cap	3%
Bloomberg Ticker	RKW.LN
ISIN / Sedol	GB00BRRD5L66 / BRRD5L6

Holding Information

- Richard Staveley is a Non-Executive Director at Chesterfield Special Cylinders
- Investment Advisory Group ("IAG") member Jamie Brooke is a Non-Executive Director at Flowtech Fluidpower and Chairman of Titon Holdings.
- Nick Mills is a Non-Executive Director at Trifast

Fund Management Team



Richard Staveley has been the lead manager of Rockwood Strategic for over 6 years. He was also lead fund manager of Majedie UK Small Companies, River & Mercantile UK Small Companies, and Société Générale UK Small Companies, all after he had qualified as a Chartered Accountant at PWC. He is a CFA Charterholder and has 27 years small company fund management experience.



Nicholas Mills has over a decade of investment experience having 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.

Other Features

- 'Skin in the Game' - Christopher Mills (CIO and Founder of Harwood) and Richard Staveley own c.15% of the issued share capital of Rockwood Strategic plc.
- Premium listing on the London Stock Exchange.
- Investment universe of >500 UK small companies, predominantly below £250m market capitalisation at point of purchase.
- Focused portfolio, majority of capital in top ten 10 holdings.
- Ability to hold up to 15% in private companies or instruments.
- There is significant information on the Investment Opportunity, Philosophy and Process on the website www.rockwoodstrategic.com
- The website also hosts recordings of recent video interviews with the manager and the latest Fund Presentation.

Investment Advisory Group (>200 years combined experience)

Christopher Mills; Founder of Harwood Capital, JO Hambro Capital Management and Harwood Wealth. CEO North Atlantic Smaller Companies IT, Executive Director of Oryx International Growth Fund Ltd, >45 years investment experience

Adam Parker; Co-Founder of Majedie Asset Management, formerly at Mercury Asset Management, >35 years UK small companies fund management experience (Oxford, Chemistry).

Jamie Brooke; Formerly Hannover, Lombard Odier, Henderson Global, Gartmore, 3i and Deloitte (ACA), >30 years UK small companies investment experience. NED at Flowtech Fluidpower, Titon Holdings and Chapel Down plc. Director Kelso Plc (Oxford, Maths).

Rupert Dyson; Founder of Edale Capital LLP, formerly Sloane Robinson and Invesco, >30 years European equities investing experience (Bristol, History).

Yuri Khodjamirian; Formerly an analyst and fund manager at Majedie Asset Management, >15 years UK and Global equities experience. CIO Tema ETFs and founder of www.snippet.finance (Cambridge & LSE, Economics and Bioscience Enterprise).

Richard Pease; >40 years of fund management experience incl. Head of European Equities with Jupiter Asset Management, New Star Asset Management and Henderson. Founded Crux Asset Management (Durham, General Arts).

Board Directors

Noel Lamb (Chairman), Ken Lever, Paul Dudley, Sangita Shah

Company History

- Initially listed as NewMediaSpark in 1999 into the heights of the TMT boom, the company's tech-biased investment portfolio was gradually exited in the years that followed.
- In 2015 it adopted a new investment strategy focused on UK publicly listed small companies and renamed Gresham House Strategic plc. Richard Staveley joined as Fund Manager in 2019.
- In October 2021 Harwood Capital was appointed as investment manager and in April 2022 the company was re-named Rockwood Strategic plc and re-started actively investing under the returning lead fund manager, Richard Staveley.
- In September 2022 the company migrated from the AIM to the premium segment of the London Stock Exchange.
- In October 2023 the company effected a share sub-division on a 10-for-1 basis.

How to Invest

Investors can access the strategy on the London Stock Exchange (ticker: RKW).

Prospective investors can buy shares through their wealth manager, financial adviser, investment platform or stockbroker.

Contact Information

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Important Information

An investment should be considered only as part of a balanced portfolio. To ensure you understand whether this product is suitable against your individual needs and risk tolerance, please read the information provided on the website and the key information document, available at rockwoodstrategic.co.uk, which provides more information about the risk profile of the investment. If you are in any doubt as to the suitability of RKW for your investment needs, we recommend you seek independent professional advice prior to investing. Harwood Private Capital LLP / Rockwood Asset Management is authorized by the FCA Reference number: 815275

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