

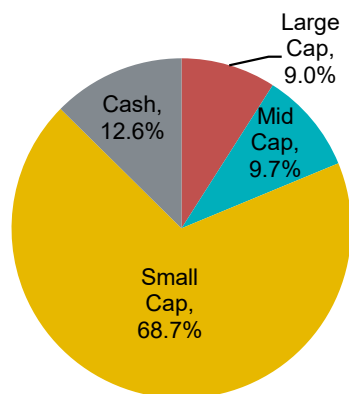
## Commentary

We've written before about Graham Net-Nets (Nov'22 & Mar'23) - rare gems trading below current assets less total liabilities. A Net-Net calculation is like a very conservative liquidation value. This provides a Margin of Safety. Our last Net-Net (International Design Group) achieved a return of 153% on our book cost over the 9-month holding period. This time the stock is Wynnstay (WYN), an agricultural supplier which manufactures and distributes fertilizer, seeds and animal feeds, and sells general farm supplies through nationwide depots. In 15-months shares have roughly halved. Short-term trading is prey to cyclical & seasonal factors, including the weather. This month they slipped below their (pre-IFRS16) Net-Net value of 332p, and there we opened a position. We also bought WYN last time they were down on their luck. On that occasion the analysts following the stock (and investors following the analysts) were slow to notice the improving market conditions which drove six earnings upgrades over 12 months. History rarely repeats, but our Margin of Safety gives us the conviction to wait for better weather.

## Top Ten Equity Holdings

1	Gulf Marine Services	7.3%
2	Somero Enterprises	6.8%
3	Costain Group	5.5%
4	Enquest	4.8%
5	Future	4.8%
6	Synthomer	4.5%
7	James Fisher and Sons	4.1%
8	Newriver Reit	4.1%
9	Renewi	4.1%
10	Int'l Personal Finance	4.1%
TOTAL		50.1%

## Portfolio by Size



Small Cap below £500m,  
Mid Cap from £500m to £3,000m,  
Large Cap above £3,000m

## Portfolio Characteristics

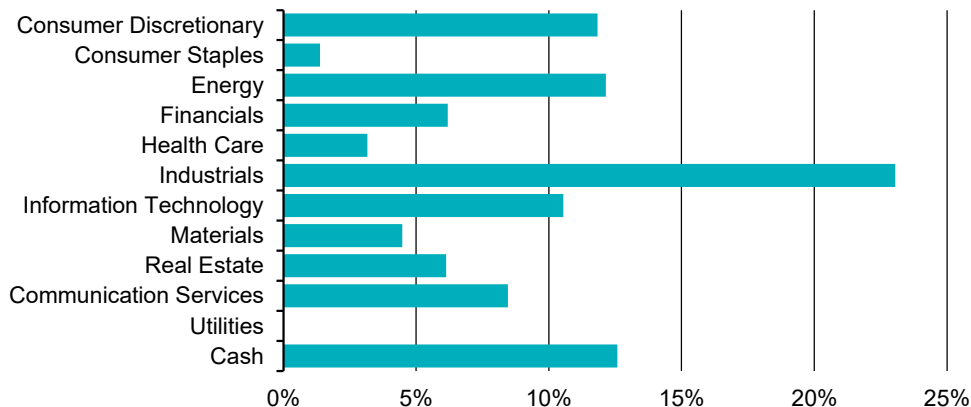
Holdings (ex cash) that:	
Trade at < TBV <sup>+</sup>	30.8%
Trade at < 10x P / E <sup>++</sup>	81.2%
Trade at > 10% FCFE yield <sup>+</sup>	61.5%
Have balance sheet net cash <sup>+</sup>	30.0%

## Key Facts

Structure	UK NURS OEIC
AUM	£12.4m
Class A / B price	135.2p / 133.1p
% held by CWC employees	12.0%
Holdings	23
Launch date	3 October 2016
Share type	Net accumulation
Class A OCF / Performance fee*	0.45% / 20% versus benchmark** + HWM
Class B OCF / Performance fee*	0.90% / nil

<sup>+</sup> Last reported / <sup>++</sup> Consensus forecast  
<sup>^</sup> Excluding IFRS16  
<sup>\*</sup> Refer to prospectus for full details  
<sup>\*\*</sup> MSCI UK IMI Net Dividends Reinvested

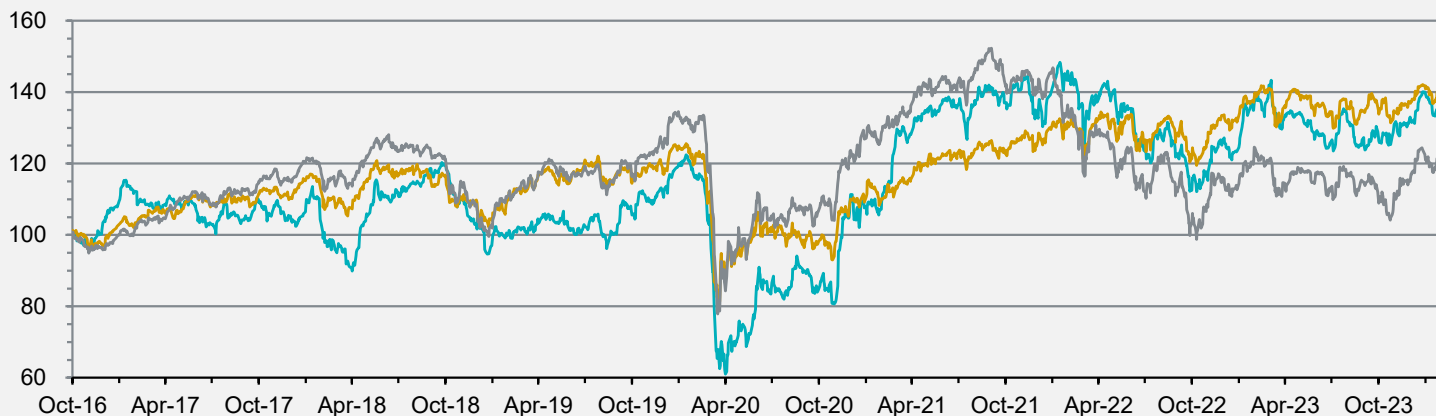
## Portfolio by Sector



## Performance

3 October 2016 – 31 January 2024

	1 m	6 m	1 y	3 y	5 y	Inception
Class A GBP Net Accumulation	-3.5%	0.3%	0.2%	26.9%	34.4%	35.2%
MSCI UK IMI Net TR - rebased	-1.3%	1.5%	2.0%	29.4%	28.6%	40.2%
MSCI UK Smallcap Net TR - rebased	-1.9%	2.5%	1.3%	-3.1%	10.0%	21.3%



Past performance is not indicative of future results

## Investment Objective

The investment objective of the Fund is to generate capital growth over the long term by typically investing at least 70% in a concentrated portfolio of UK listed equities. The Fund follows a value philosophy, looking for situations in which investors have overreacted to events and valuations no longer reflect company fundamentals. The best opportunities often are found after a period of disappointment has created emotional reasons not to invest. Every investment requires a clear catalyst, which impacts on earnings, or the multiple the market applies to those earnings.

## Platforms

AJ Bell	Fidelity Adviser Solutions
Alliance Trust Savings	Fusion
Allfunds	Hargreaves Lansdown
Ascentric	Novia Global
Aviva	Quilter
Charles Stanley Direct	Raymond James
Cofunds	Transact
Embark	Valu-Trac Administration Services

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## Fund Manager



### Adam Rackley, CFA

After working as an analyst at the Alliance Trust, Adam joined Montanaro Asset Management, where he managed a smallcap income fund. Leaving the City in 2010, he taught the CFA qualification at BPP, and later managed equity research teams for CRISIL in Mumbai. In 2015 Adam returned to London and set-up Cape Wrath Capital. He has degrees in Philosophy, Politics & Economics, and Finance & Financial Law. Adam has served as a platoon commander with the 1st Battalion Black Watch and is the Principal at Curzon Financial Training. In his free time, Adam enjoys making marmalade and spending time outdoors with his children. He once took six months off to write a book ('Salt, Sweat, Tears'), and has swum the Channel, rowed the Atlantic, cycled Lands End to John o' Groats and run across England, Scotland and Wales.

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## Dealing Information

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Class B GBP ISIN: GB00BYQLQV79

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