

Stramongate

June 2021

Fund Objective and Investment Policy

The Company's long term investment goal is to double the assets of the Stramongate Group in real terms over 30 years while paying an annual dividend that keeps pace with inflation. This translates into an average annual rate of growth in NAV per share of approximately inflation + 2.3% and a net total return objective of inflation + 4% after fees and other costs. The Fund will invest in a diversified international portfolio across a range of asset classes and including both quoted and unquoted investments.

This is not intended to be a profit forecast and there is no assurance that the Company will meet its investment objective.

Investment Managers

Alex Tate & Mike Pickett

Managed since

19 December 2020

Fund size (£m)

275.23

NAV per share (£)

7.69

Total number of shares in issue

35,778,999

Past 12m yield

1.69%

Dividend distribution dates

Semi-annually

Latest Dividend (payable in two tranches)

13.00p

ISIN

LU0707675970

Website

(incl. historic NAV and dividend information)
www.stramongate.com

Contact

Charles.peacock@cazenovecapital.com

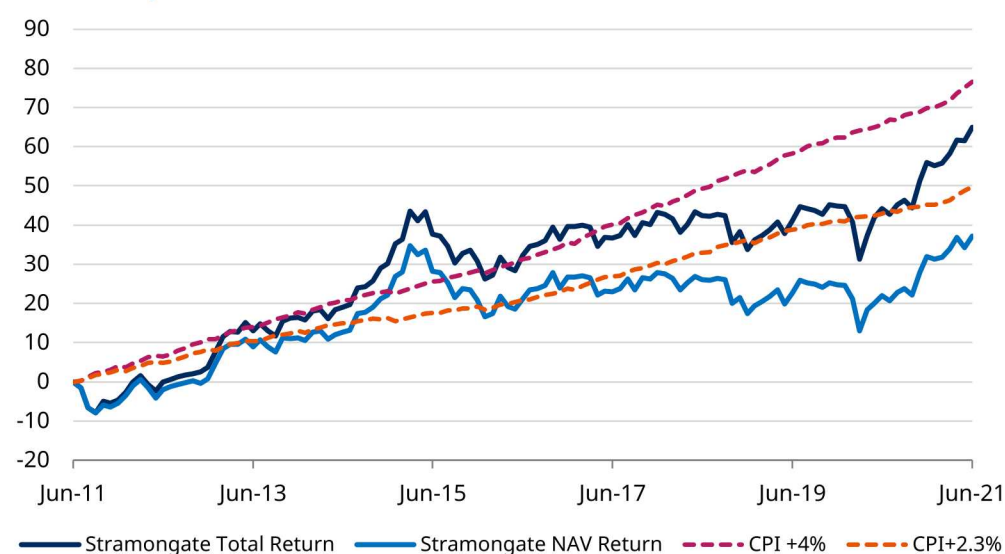
Performance analysis

Performance % (total return)	3 Mon	YTD	1 Year	3 Year	5 Year	10 Year
Stramongate	4.2%	5.7%	14.4%	15.8%	24.6%	64.9%
CPI +4%	2.7%	4.0%	6.6%	18.3%	34.5%	76.6%
ARC Sterling Growth	4.9%	6.0%	15.9%	19.4%	43.3%	82.5%
MSCI AC World	7.4%	11.4%	25.1%	45.9%	96.4%	214.9%

Performance % (total return)	Jun 20 - Jun 21	Jun 19 - Jun 20	Jun 18 - Jun 19	Jun 17 - Jun 18	Jun 16 - Jun 17
Stramongate	14.4%	2.2%	-0.9%	4.2%	3.3%
CPI +4%	6.6%	4.6%	6.1%	6.5%	6.7%
ARC Sterling Growth	15.9%	-0.5%	3.5%	4.9%	14.4%
MSCI AC World	25.1%	5.7%	10.3%	9.5%	22.9%

Performance over past 10 years %

Cumulative performance (%)



Performance is net of all corporate costs, investment management and underlying fund fees. Past performance is not a guide to future performance. The value of an investment and the income from it may go down as well as up and investors may not get back the amount originally invested.

The performance returns for ARC Sterling Growth in Q2 2021 are estimated returns.

Market and Portfolio Comment

Stramontgate generated a total return (net of all Company costs) of +4.2% in the second quarter, predominantly driven by the equity holdings which produced a return of +5.9%, ahead of the global equity benchmark (+3.2%).

Global equity markets continued to make gains in Q2 despite bouts of volatility. New Covid variants, a slight tempering of inflation expectations as well as continued support from central banks saw the 'reflation trade' lose momentum, and performance was broad based across markets and sectors. Against this backdrop we have been adding to equities to reflect our views on the asset class and increase exposure to longer term themes such as clean energy, sustainability and infrastructure. Strong performers included Edgewood US Growth, Veritas Asian, the European holdings and those funds with a good exposure to the outperforming Technology sector such as Morgan Stanley Global Opportunities.

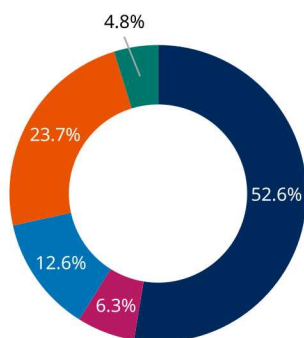
Outside of equities, fixed income returns were positive (+2.4%) albeit muted compared to equities. The US Inflation-Linked bonds performed well, as did the long-dated US Treasury which recovered from Q1 weakness. After a challenging start to the year gold performed better during the second quarter (+3.5%) and private equity returns were boosted as the valuation for Nano Dimension increased following an uplift in portfolio company, Inscripta, completing a funding round at a premium of 93% to the last valuation.

As we move into Q3, we retain a positive view on equities and will continue to add, albeit we expect to continue a gradual transition towards our revised SAA. The current environment should continue to be supportive for further 'value' performance, due to improving economic activity as restrictions are lifted, the potential for higher short-term inflation driven by rising commodity prices and returning consumer demand as the service sector re-opens. However, we also see a potential market shift towards more 'quality' sectors trading at attractive valuations, such as healthcare. Risks remain to the outlook: given the growing momentum we have seen in vaccine distributions, we feel the probability of a significant deflationary risk event (a vaccine fail scenario) has declined, with the greater risk coming from inflationary scenarios. We therefore maintain an exposure to defensive and diversifying assets, with a preference for inflation protection (such as US TIPS and gold), as well as hedge funds with a low correlation to equity markets that can offer down side protection.

Asset Allocation

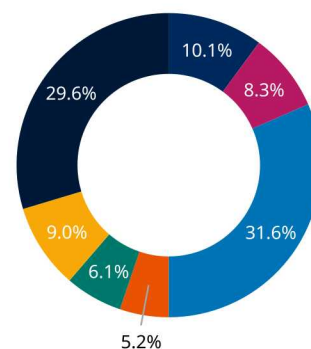
Asset Mix

- Equities
- Bonds
- Private Equity
- Alternatives
- Cash



Equity Allocation

- United Kingdom
- Europe ex. UK
- North America
- Japan
- Asia ex. Japan
- Emerging Markets
- Global



Holdings analysis

Top ten holdings	Sector	% NAV
Applerrigg 1p Ordinary Shares	Private Equity	6.8%
SSGA SPDR MSCI US Value ETF-GBP-Acc	North America Equity	6.1%
Robeco BP GI Prem Eq-IB-GBP-Dis	Global Equity	5.1%
Schroder GI Citi RE -Z-GBP-Inc	Alternatives	4.8%
RWC Global Em Markets -S-GBP-Dis	Emerging Markets Equity	4.8%
Vanguard S+P 500 ETF -GBP-Dis	North America Equity	4.6%
SSGA SPDR MSCI ACWI ETF-GBP-Acc	Global Equity	3.6%
T.Rowe Cont Euro Eq -I-EUR-Acc	Europe ex. UK Equity	3.5%
Lennox Prime London Res II LP	Alternatives	3.2%
Vanguard FTSE Japan ETF -GBP-Dis	Japan Equity	2.7%
Total:		45.2%

Source: Cazenove Capital & Pictet. as at 30 June 2021

Note: the holding in Applerrigg Limited is outside the portfolio managed by Cazenove Capital.

Asset allocation is subject to change

Risk considerations

Liquidity risk: In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares. Currency risk: The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses. Interest rate risk: A rise in interest rates generally causes long-lived asset prices to fall. Leverage risk: Some funds use derivatives for leverage, which makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss. Operational risk: Failures at service providers could lead to disruptions of fund operations or losses. Emerging markets & frontier risk: Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk.

The above asset allocation is based on holdings as at 30 June 2021. Nothing in this document should be deemed to constitute the provision of financial, investment or other professional advice in any way. Past performance is not a guide to future performance. The value of an investment and the income from it may go down as well as up and investors may not get back the amount originally invested. This document may include forward-looking statements that are based upon our current opinions, expectations and projections. We undertake no obligation to update or revise any forward-looking statements. Actual results could differ materially from those anticipated in the forward-looking statements. All data contained within this document is sourced from Cazenove Capital unless otherwise stated.

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