

# Kestrel Opportunities

("KOF" or the "Fund")

KOF NAV rose 0.5% to £6.43 in December, compared to increases of 5.6% in the FTSE Small Cap (ex-Inv Trusts) index and 2.5% in the FTSE AIM All-Share index.

For the year as a whole, KOF returned 22.5% versus 28.5% for the FTSE Small Cap (ex-Inv Trusts) index and 5.2% for the FTSE AIM All-Share index.

Annual performance was well spread across our portfolio and looking back over the year it has been encouraging to review how much progress has been made.

The biggest drivers of annual performance were **Access Intelligence** and **CentralNIC** contributing 5.7% and 5.5% respectively. Access made the transformational £44m acquisition of iSentia, opening up the Asian market, trebling the company's revenues and accelerating its path to cash generation. CentralNIC reported record H1 growth of 57% driven both by M&A and organic initiatives.

**Idox** delivered a 3.8% contribution, confirming its transformation and also starting to deliver on its strategic plans to supplement core cash generation with multiple bolt-on acquisitions.

**K3 Business Technology** made a big recovery, contributing 3.7% having transformed its balance sheet and leadership. After making three disposals over the past two years, the company is now starting to articulate a much clearer strategic vision.

**IQGeo** and **Gresham** contributed 2.1% and 1.5% respectively. Both companies made interesting acquisitions during the year and are now, we believe, poised for breakout growth.

There were three loss contributions of any note in the year: **Attract** -0.6%, **Eckoh** -0.6%, and **IDE** -0.5%.

Looking forward into 2022, we eagerly await trading updates for our December and March year-end companies. We anticipate these will confirm the operational and financial progress of the last 12 months and set new base levels for the continued delivery against challenging growth targets.

Share Price *	Monthly Change	YTD Change	Strategy AUM†
£6.43	Up 0.5%	Up 22.5%	£344.8m
(at 31 December 2021)			

## Fund Objective

KOF aims to provide investors with long term capital growth. It is a sterling denominated long only, open-ended offshore fund with no financial leverage.

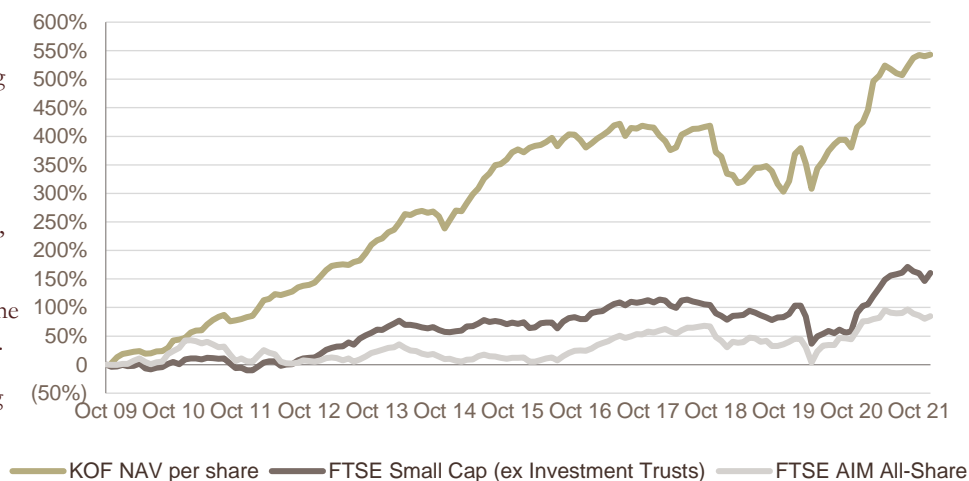
KOF's primary strategy is to acquire significant equity and quasi-equity stakes in smaller quoted companies on the Official List or AIM and proactively work with management to improve their value. The Fund is able to invest in smaller quoted company

debt and related instruments that have an equity component.

It also occasionally takes opportunistic trading positions to capitalise on market inefficiencies.

The Fund will not borrow to make investments and does not hedge or take short positions.

## KOF performance since launch at £1.00 (20 Nov 2009)



### \* Basis for calculating share price and NAV.

The share price and NAV is calculated after taking into account all charges paid by the Fund including fees paid to Kestrel. However, no account is taken of any performance fee which is only payable on redemption and to the extent that the performance hurdle has been achieved. For further details on the KOF performance fee, please refer to the Fees & Expenses section of the KOF Supplement (dated December 2021). No account has been taken of any other fees or charges that may be payable by the investor such as tax or advisers' fees.

### † Strategy AUM

The Strategy AUM includes the NAV of the Fund and the NAV of specific small cap mandates managed by Kestrel.

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KOF, contact Frances Jackson:  
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E: [kofenquiry@kestrelpartners.com](mailto:kofenquiry@kestrelpartners.com)

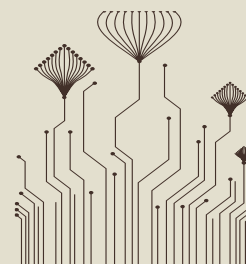
KOF is classified as a UCIS and is not suitable for Retail Investors.

Kestrel Partners LLP, is a limited liability partnership registered in England and Wales and is authorised and regulated by the Financial Conduct Authority and the SEC.

This Fact Sheet is issued by Kestrel. It contains sources of information believed to be reliable but, without seeking to limit any liability under the UK regulatory system, no guarantee, warranty, or representations, express or implied, is given as to their accuracy or completeness.

In Switzerland, the Fund has appointed a Swiss Representative Waystone Swiss Fund Services SA, Av. Villamont 17, 1005 Lausanne, Switzerland, T: +41 21311 1777  
E: [clientsolutions@waystone.com](mailto:clientsolutions@waystone.com)

The Fund's paying agent is Swissquote Bank SA.



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## Performance – last 12 months

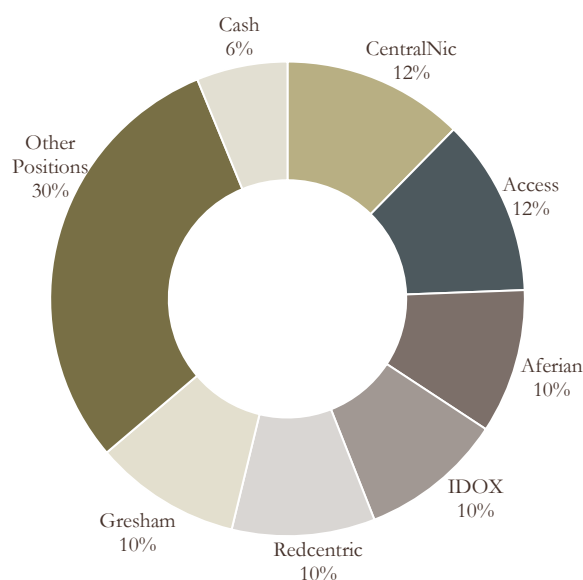
	KOF NAV (£)	Monthly change	FTSE Small Cap (ex Inv Trusts)	FTSE AIM All-Share
Dec '21	6.4309	0.5%	5.6%	2.5%
Nov '21	6.4018	-0.3%	-5.1%	-2.9%
Oct '21	6.4236	0.7%	-1.3%	-1.7%
Sep '21	6.3776	2.5%	-2.9%	-3.8%
Aug '21	6.2213	2.5%	3.9%	3.3%
Jul '21	6.0701	-0.6%	1.1%	0.2%
Jun '21	6.1047	-1.2%	0.8%	-0.6%
May '21	6.1801	-1.0%	2.9%	-2.2%
Apr '21	6.2398	2.8%	6.0%	7.3%
Mar '21	6.0680	1.7%	6.7%	1.2%
Feb '21	5.9648	9.2%	7.0%	1.9%
Jan '21	5.4604	4.0%	1.5%	0.3%

## Fund facts

Monthly performance by year since launch (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2021	4.0%	9.2%	1.7%	2.8%	-1.0%	-1.2%	-0.6%	2.5%	2.5%	0.7%	-0.3%	0.5%	22.5%
2020	2.2%	-5.6%	-9.9%	8.8%	2.9%	3.8%	2.5%	1.6%	0.0%	-2.7%	7.3%	1.8%	11.9%
2019	-0.5%	-3.3%	0.7%	2.9%	2.7%	0.2%	0.6%	-2.0%	-5.1%	-3.3%	4.5%	11.3%	8.0%
2018	-1.8%	-3.3%	1.0%	4.8%	1.0%	0.9%	0.1%	0.6%	0.4%	-9.0%	-1.6%	-6.5%	-13.3%
2017	1.7%	1.2%	1.4%	2.0%	0.6%	-4.1%	2.8%	-0.3%	1.1%	-0.5%	-0.2%	-2.8%	2.7%
2016	1.7%	0.6%	0.4%	1.0%	1.5%	-2.9%	2.6%	1.6%	-0.1%	-1.9%	-2.7%	1.6%	3.4%
2015	-0.3%	3.8%	4.0%	2.6%	4.3%	2.1%	3.4%	0.4%	1.8%	2.7%	1.0%	-1.0%	27.6%
2014	1.4%	3.4%	4.6%	-0.5%	1.4%	0.6%	-1.0%	0.7%	-2.3%	-5.9%	4.4%	4.7%	11.5%
2013	4.3%	2.9%	0.5%	0.6%	-0.4%	2.1%	0.7%	4.3%	5.2%	2.5%	1.1%	3.3%	30.4%
2012	7.2%	7.1%	1.2%	3.9%	-0.8%	1.3%	1.6%	3.2%	1.2%	0.6%	1.6%	4.4%	37.2%
2011	6.7%	2.1%	0.4%	6.3%	4.7%	3.1%	1.9%	-6.0%	1.0%	1.2%	1.9%	1.1%	26.6%
2010	4.9%	1.7%	1.4%	1.1%	-3.4%	0.5%	2.6%	0.4%	4.7%	10.1%	1.0%	1.8%	29.6%
2009	-	-	-	-	-	-	-	-	-	-	2.4%	10.4%	13.1%

## Asset allocation – Top 5 holdings



### Administration

**Investment Manager**  
Kestrel Partners LLP

**Manager**  
Saltus (Channel Islands) Limited

**Administrator**  
Zedra Fund Managers (Guernsey) Limited

**Custodian**  
Butterfield Bank (Guernsey) Limited

**Launch date**  
20 Nov 2009

**Launch price**  
£1.00

**Base currency**  
GBP£

### Quotation information

**Status**  
Listed on the TISE  
([www.tiscgroup.com/market/securities/5074](http://www.tiscgroup.com/market/securities/5074))

**Mnemonic**  
KEOP

**Sedol**  
B3YQL90

**ISIN**  
GG00B3YQL906

### Dealing & valuation

**Status**  
Open

**Dealing day**  
The first business day of each month

**Subscription notice**  
One business day

**Standard redemption notice**  
12 months

**Valuation day**  
Last business day of each month

**Valuation basis**  
The bid price for each asset at the valuation date

**Minimum investment**  
Initial £100,000 (subject to the Manager's discretion). Subsequent £10,000

### Charges

**Initial subscription**  
None

**Investment management fee**  
2% of NAV per annum

### Performance fee

15% of the difference between subscription price and redemption price. Only payable on redemption and subject to achieving an annual hurdle rate of BoE base rate +300bp

### General

**Fund description**  
A Guernsey based Open Ended Investment Company, being a protected cell of Guernsey Portfolios PCC Ltd

**Authorisation**  
By the Guernsey Financial Services Commission under the Class B collective investment scheme

**Tax domicile**  
Guernsey

**Tax status**  
UK RFS granted with effect from 1 April 2012

**Annual Dividend**  
Nil

## Risk warning

KOF, a cell of Guernsey Portfolios PCC Limited ("GPPCC"), is an unregulated collective investment scheme in the UK. This document has not been issued for circulation to the general public. It is intended only for persons who are eligible to receive it under

Chapter 4.12 of the FCA's Conduct of Business Sourcebook. If you are not eligible to receive this newsletter you must not seek to rely upon it. No investment in KOF should be considered without reading the GPPCC Scheme Particulars and the KOF supplement in relation thereto

and in particular, the risk warnings contained therein. Investors should always be aware that the price of shares in KOF can go down as well as up and you may not get back the amount invested.

Kestrel makes no recommendation or gives any advice in relation to buying, selling or holding any security. Views and opinions expressed by Kestrel are for information only and may be subject to change and should not be construed as investment advice.

