

**SHINING A LIGHT ON THE.....
Schroder British Opportunities Ltd**

AT A GLANCE

Investment Objective
To deliver long-term total returns throughout the life of the Company by investing in a diversified public equity and private equity portfolio of predominantly UK Companies. UK Companies means companies which are incorporated, headquartered or have their principal business activities in the United Kingdom, and companies headquartered outside the United Kingdom which derive, or are expected to derive, a significant proportion of their revenues or profits from the United Kingdom.

Inception Date	1 December 2020
Fund Factsheet Link	http://tools.morningstar.co.uk/uk/cefreport/default.aspx?SecurityToken=F0000163Z9]2]0]FCGBR\$\$ALL

Management	
Manager Name	Start Date
Tim Creed	1 December 2020
Rory Bateman	1 December 2020

UPDATE....

This is a brand-new investment trust which they see as a once in a generation opportunity to invest in companies which will benefit post COVID and post Brexit. They believe that the UK is back, and the post Brexit economy is recovering strongly. They also see the UK as offering some of the best companies in terms of governance, technology, and healthcare. The UK market is trading at 30-year lows so is attractive to investors.

The aim of the trust is to invest in the best of British with roughly a split of 50 / 50 between private and public companies. This year they have seen a lot of companies looking to raise money and this is an area the trust looks to exploit. They have already invested in two IPOs and are looking at another ten, although they expect this to come down to one opportunity.

The trust has been set for a period of seven years which reflects the life cycle of the private equity part of the investment. They are hoping that investors will roll this on beyond seven years but that is a risk that investors need to be aware of. They will look to see if the plan is likely to be rolled over and if it looks like they may have to close the trust they will move money out of the private equity holdings to public equity to ensure there is sufficient liquidity to wind up the trust.

Since they started the trust, they have invested private equity into Cera, EasyPark, Graphcore, Learning Curve, Rapyd and Waterlogic. They have invested in two IPOs – tinyBuild and Trustpilot. tinyBuild are a global video games publisher and developer, and generate 70% of revenues from the back catalogue of 11 games, have 23 games in the pipeline.

They hold 28 public equity holdings and are currently investing the cash to deliver the 50 / 50 split between private and public.

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They exited from Calisen after this was purchased by private equity investors, and Volution where they saw a 90% return since the initial investment. They hold trainline where they see opportunities across Europe, but this is under review following the Governments nationalisation programme.

In summary, we think this is an interesting opportunity for investors and something different due to the focus on both private and public companies. They do not invest in “blue sky” companies; these are companies that are already growing. They are taking market share and likely beneficiaries of COVID and Brexit. This is very different to other strategies managed by Schrodgers. This is likely to be a trust we would watch as we would like to see the concept matched in terms of performance and holdings. Investors also need to be aware of the additional risk of investing in private equity and the seven-year life cycle of the trust.

The source of information in this note has been provided by AXA and is correct as at July 2021. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.