

# ► Portfolio Update

Thursday 4<sup>th</sup> November 2021



 **AIM Investor**  
FROM REGENCY CAPITAL

# ► Restore (RST)

Thursday 4<sup>th</sup> November 2021

## Restore strategically snap up The Document Warehouse

Last week, **Restore (RST)** announced the 'strategic acquisition' of The Document Warehouse (TDW) in the UK for a cash sum of £6.5m.

TDW has a modern freehold warehouse and logistics centre that will provide a strategically well-located site with capacity to service the key London and the South of England markets for Restore's growing box estate.

Charles Bligh, CEO, commented:

*"I am delighted with the acquisition of TDW, which brings new customers and associated revenue to the Group, alongside a strategically valuable freehold site. The potential to create c. 680k of new box capacity near London will enable Restore to support both organic and inorganic growth in the region as well as generating further cost saving opportunities as part of our footprint optimisation strategy."*

*"We have made excellent progress on our strategic priority to grow with acquisitions, with close to £84m invested across six transactions so far this year and we have a number of well advanced opportunities across all business units to close in 2021 and 2022."*





# ► Inspecs (SPEC)

Thursday 4<sup>th</sup> November 2021

## Inspecs posts confident trading update

**Inspecs (SPEC)** delivered revenue of \$185m for the nine months to September 30 with \$125.7m of that achieved in the six months to June.

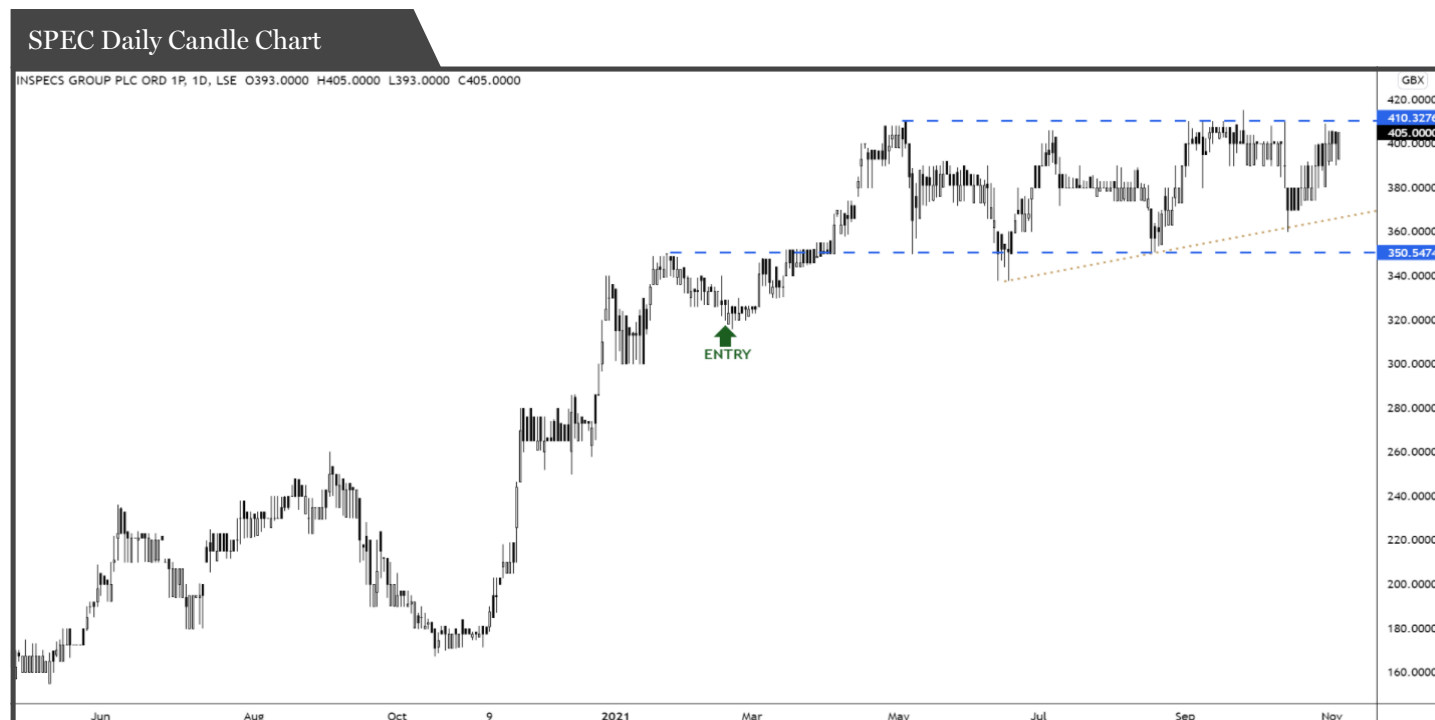
The Bath-based eyewear designer and distributor did note that it remains "*cautious*" about the trading performance in the fourth quarter, as Covid-19 continues to impact the global supply chain.

Nonetheless, Inspecs asserted confidence in its full-year outlook and stated that it expected trading for 2022 to be "*in line with management's expectation*".

The shares have performed well for us since our entry earlier in the year.

Prices have started to carve out a series of higher swing lows – 'funnelling' the shares towards the apex of a bullish ascending triangle pattern (see chart below).

With this in mind, and the robust quarterly numbers, we are more than happy to hold Inspecs in our AIM Investor portfolio.



# ► IG Design (IGR)

Thursday 4<sup>th</sup> November 2021

## IG Design suffer supply disruption

**IG Design's (IGR)** share price was sold off sharply last week following a disappointing trading update.

The giftware company are facing a margin squeeze following unprecedented disruption within the Company's global supply chain, partially related to the impact of Covid-19.

Sea freight costs are up significantly across all regions, alongside raw material and labour inflation. Because of this, IG have said that full year earnings will be significantly below current market expectations.

Paul Fineman, Group CEO, commented:

*"It is more than frustrating to have to report a decline in expected earnings at a time when demand from our customers remains so positive, driven by the continued execution of our strategy and our best ever portfolio of products, brands and service."*

*"However, we are not immune to the unprecedented supply chain issues affecting just about every sector, including the significant increase in shipping costs, and despite our best and ongoing efforts to mitigate the impact, these factors have affected our margins. No one knows how long these supply issues will last and we are taking a cautious approach to the near-term outlook, especially in light of the recent increased Covid-19 concerns."*

We're not going to be too reactive following the large sell-off. The festive period is typically IG Designs strongest quarter of the year, and we will assess our position in the New Year.

The company will announce its Interim Results on Tuesday 23rd November.



### IGR Daily Candle Chart



# ► Serica Energy (SQZ)

Thursday 4<sup>th</sup> November 2021

## Serica post Columbus field update

North Sea oil & gas producer **Serica Energy (SQZ)** published an operational update on its Columbus field last week...

Serica said Columbus production will flow into the Arran subsea system before processing on the Shell operated Shearwater platform.

However, Shell have informed Serica that the Shearwater platform is "currently operating at restricted capacity" which will result in a delay to the start-up of Columbus production, although it is still "expected that first production will be achieved in Q4 this year".

As a result of the delays, Serica's full year net production is "expected to be slightly lower than the current guidance of 23,000 to 25,000 boe/d".

Serica CEO, Mitch Flegg commented:

*"There will be no significant long-term impact resulting from this short delay to the Columbus start-up and I am pleased that the well is ready to produce as soon as the export system allows".*

After such a strong run higher in recent weeks, it's no real surprise to see Serica's share price undergo a retracement on the back of this news.



### SQZ Daily Candle Chart



# ► Eckoh (ECK)

Thursday 4<sup>th</sup> November 2021

## Eckoh on-track to meet full-year guidance

**Eckoh (ECK)** released a half-year trading update this week, in which it said full year performance was “expected to be in line with market expectations”.

The global secure payments firm has seen a recovery in the UK offering which has enhanced revenue visibility.

On an underlying basis revenue was “slightly higher” and recurring revenues increased by 7% (representing 73% of total revenues) and operating profit grew by 18%.

Eckoh said growth in its cloud-based offering was being driven the long-term structural factors including; tightening regulation, the need to mitigate the risk of data breaches (and fraud) within our clients’ IT and Contact Centre operations and the migration to a greater level of remote working.



Despite the solid trading update, the market remains unimpressed and this is a concern...

We took the decision to buy a second tranche of Eckoh on news that it’s US business was in rude health. Since then, the shares have been trending lower – creating a headache for us.

On the price chart we have a major level of support at March 2020 lows, and we would expect Eckoh’s downtrend to reverse prior to this structural level. For now, we will remain patient and continue to hold firm.

ECK Daily Candle Chart



# ► Yellow Cake (YCA)

Thursday 4<sup>th</sup> November 2021

## Yellow Cake announces placing to raise \$150m for uranium purchase

**Yellow Cake's (YCA)** share price dropped last week after the announcement of a \$150m share placing.

The uranium holding company said it was going to use all the proceeds of the placement to purchase more uranium.

Yellow Cake said the placement comprises of 30 million new ordinary shares to raise about £109m (\$149.9m).

Periodic placements of this nature are to be expected and our long-term outlook on uranium and Yellow Cake remains unchanged.



YCA Daily Candle Chart



# ► Gattaca (GATC)

Thursday 4<sup>th</sup> November 2021

## Gattaca drops on underwhelming prelims

We've seen **Gattaca's** share price drop this morning following the release of their unaudited Preliminary Results for the year ended 31 July 2021...

The engineering and technology recruiter said it "continues to trade in line with market expectations", but market conditions for its clients are challenging given the scarcity of talent.

Gattaca delivered net fee income of £42.1m (2020 restated: £52.8m), and reported continuing underlying profits before tax of £3.2m (2020 restated: £4.8m), which Gattaca said had exceeded their expectations at the beginning of the year.

Gattaca also confirmed that it will reinstate its dividend and that an initial

Whilst the shares have dropped this morning, we're not overly concerned given that there were no real surprises in the numbers.

Prices are trading back at a long-term level of support and we expect this level to hold firm.



GATC Daily Candle Chart








## Open Positions

Name	Ticker	Open Date	Entry Price	Current Price*	Profit/Loss (%)
Ramsdens Holdings	RFX	11/07/2019	189.94	150.27	-20.88%
IG Design	IGRI	25/07/2019	584	246	-57.87%
Bioventix	BVX	19/09/2019	3825	3611	-5.59%
boohoo	BOO	14/11/2019	266	183.7	-30.93%
Midwich Group PLC	MIDW	28/11/2019	599	674	12.52%
Learning Tech	LTG	02/01/2020	141	189.8	34.60%
Eckoh	ECK	16/01/2020	59	48.5	-17.79%
Kape Tech	KAPE	23/04/2020	174	407.65	134.28%
Cohort	CHRT	07/05/2020	561	591	5.34%
Anglo Asian Mining	AAZ	21/05/2020	142	120	-15.49%
Bango	BGO	18/06/2020	177	196.22	10.85%
Craneware	CRW	02/07/2020	1705	2295.1	34.60%
Robinson	RBN	16/07/2020	121	93.85	-22.43%
Oxford Metrics	OMG	30/07/2020	75.2	119.51	58.92%
Ideagen	IDEA	13/08/2020	197	293.8	49.13%
Begbies Traynor	BEG	27/08/2020	84.9	144.51	70.21%
Sureserve	SUR	08/10/2020	53	91.88	73.35%
Spectra Systems	SPSY	22/10/2020	190	152.7	-19.63%
Pan African Resources	PAF	05/11/2020	22	16.61	-24.50%
Tracsis	TRCS	03/12/2020	622	922.12	48.25%
Restore	RST	17/12/2020	375	486	29.59%
Central Asian Metals	CAML	07/01/2021	268	236.01	-11.93%
Somero	SOM	21/01/2021	385	499.6	29.76%
Quixant	QXT	04/02/2021	128	180	40.62%
Inspects	SPEC	18/02/2021	329	393	19.45%
Serica Energy	SQZ	04/03/2021	120	205.63	71.35%
Ceres Power	CWR	18/03/2021	1094	1198.52	9.55%
Eckoh	ECK	15/04/2021	78.7	48.5	-38.37%
Tremor International	TRMR	29/04/2021	715	686.2	-4.02%
MPAC Group	MPAC	13/05/2021	524	571.99	9.15%
Character Group	CCT	27/05/2021	635	534.75	-15.78%
Bango	BGO	10/06/2021	210	196.22	-6.56%
Keywords Studios	KWS	24/06/2021	2490	2820	13.25%
Science Group	SAG	08/07/2021	396	457.5	15.53%
Xpediator Plc	XPD	22/07/2021	70	56	-19.99%
Ixico	IXI	05/08/2021	68	69.9	2.79%
EQTEC	EQE	19/08/2021	1.29	1.3999	8.51%
Renold	RNO	02/09/2021	23	30	30.43%
Gattaca	GATC	16/09/2021	207	208.8	0.86%
Yellow Cake	YCA	30/09/2021	332	344.31	3.70%
TMX Impact	TPX	14/10/2021	235	259	10.21%
Enwell Energy	ENW	28/10/2021	42.3	41	-3.07%

## Closed Positions

Name	Ticker	Open Date	Open Price	Closed Price	Close Date	Profit/Loss (%)
Trans-Siberian Gold	TSG	31/01/2019	44.3	50.0	28/01/2020	+ 12.87%
Dart Group	DTG	27/06/2019	831	1712	28/01/2020	+ 106.82%
Johnson Service	JSG	08/08/2019	165	126	30/04/2020	- 23.64%
Churchill China	CHH	24/10/2019	1580	1460	30/04/2020	- 7.59%
Best Of The Best	BOTB	12/12/2019	320	603	13/05/2020	+ 88.44%
Goldplat	GLDP	12/03/2020	4,300	7,690	30/07/2020	+ 78.84%
Highland Gold	HGM	13/02/2020	205	294.40	05/08/2020	+ 45.07%
Codemasters	CDM	14/02/2019	178.7	370.0	06/08/2020	+ 107.05%
Sylvania	SLP	03/10/2019	36.93	67.50	03/09/2020	+ 82.78%
Frontier Developments	FDEV	30/01/2020	1404	2401	11/11/2020	+ 71.01%
Frontier Developments (2 <sup>nd</sup> tranche)	FDEV	26/03/2020	1157	2401	11/11/2020	+ 107.52%
Quartix	QTX	05/09/2019	335	370	08/12/2020	+ 10.40%
Ergomed	ERGO	09/04/2020	453	925	08/12/2020	+ 104.19%
Scientific Digital Imaging	SDI	22/08/2019	53	122.90	31/01/2021	+ 131.89%
Gamma Communications	GAMA	28/12/2019	876	1910	20/05/2021	+ 118.13%
Keystone Law	KEYS	18/04/2019	426	640	02/06/2021	+ 50.23%
GB Group	GBG	31/10/2019	610	901	10/06/2021	+ 47.70%
D414 Solutions	D4T4	14/03/2019	223.7	345	30/06/2021	+ 54.22%
Clinigen	CLIN	28/03/2019	918	613	14/07/2021	- 33.22%
Alumasc Group	ALU	01/04/2021	173	261	26/07/2021	+ 50.87%
MTI Wireless Edge	MWE	04/06/2020	38.5	80	17/08/2021	+ 107.79%
Arcontech	ARC	19/11/2020	198	142.70	02/09/2021	- 27.93%
Renew Holdings	RNW	27/02/2020	525	797	06/09/2021	+ 51.81%
Renew Holdings (2 <sup>nd</sup> tranche)	RNW	24/09/2020	432	797	06/09/2021	+ 84.49%
Next Fifteen Communications	NFC	10/09/2020	480	1154	14/09/21	+ 140.42%

\*Prices correct as of 3<sup>rd</sup> November 2021. The table above shows ALL stock recommendations since AIM Investor's launch on 4<sup>th</sup> January 2019. Please be aware that all entry and current price levels are mid-prices. No allowance for dealing costs, fees or taxes has been made. Past performance is not a guarantee of future performance.

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