

► Portfolio Update

Thursday 14th July 2022



 **AIM Investor**
FROM REGENCY CAPITAL

► Kitwave (KITW)

Thursday 14th July 2022

Kitwave jumps on HY profit

Kitwave (KITW) published a strong set of interim results last week which were well received by the market...

The delivered wholesale business said trading returned to pre-pandemic levels with Half-Year revenue up 51.8% to £223.3m (H1 2021: £147.1m).

Gross margin improved to 19.8% (H1 2021: 17.9%; FY 2021: 18.0%), and there was a "strong recovery in profit after tax" at £4.4m (H1 2021: loss after tax £3.4m).



Cash generation remained strong at £17.1m (H1 2021: £9.8m; FY 2021: £7.9m) leading to pre-tax operational cash conversions of 166% (H1 2021: 174%; FY 2021: 85%).

Kitwave said trading since the period end has been "significantly ahead of expectations", prompting a revision of its financial expectations upwards for the full year ended 31 October 2022.

CEO, Paul Young commented:

"The outlook for the UK economy is dominated by cost-of-living issues which provide an element of uncertainty in relation to end consumer demand for the Group's products. While the Board is cognisant that these issues could impact trading in future periods, given the better than expected performance in H1 and the strong start to H2, we expect to be significantly ahead of expectations for the current year."

The market responded well to the numbers and the shares have retested last year's highs.



▶ Central Asian Metals (CAML)

Thursday 14th July 2022

Central Asian Metals gives operations update

Kazakhstan copper miner, **Central Asian Metals (CAML)** published an operations update this week...

Copper production at its Kounrad recovery plant was 6,617 tonnes for the first half of the year. And zinc production at its Sasa mine was 10,465 tonnes.

CAML maintained a strong balance sheet with cash in the bank on 30 June 2022 of \$57.7m versus debt of \$12.1m.

In terms of outlook, CAML said it was "on track to achieve 2022 full year guidance" with copper production "towards the top end of the 12,500 to 13,500 tonne guidance range" and "zinc production in the 20,000 to 22,000 tonnes range", and "lead in concentrate production in the 27,000 to 29,000 tonnes range".

CAML CEO, Nigel Robinson commented:

"Production was strong for all three of our base metals."

"There have clearly been global inflationary pressures during the last six months, but we have also seen strong metal prices during the last six months and therefore look forward to releasing our H1 2022 financial results on 14 September 2022, when we will also announce our interim dividend."

"We remain on track to repay our corporate debt facility in full in August 2022."



► Renold (RNO)

Thursday 14th July 2022

Renold posts ‘significant revenue and earnings rebound’

Renold (RNO) released their Final Results for the year ended 31 March 2022 yesterday and they made for pleasant reading...

The industrial chain maker said there had been a *"significant revenue and earnings rebound"*, a record order book, and continued net debt reduction...

Full-year revenue jumped 18.1% to £195.2m and adjusted operating profit rose 34.2% to £15.3m.

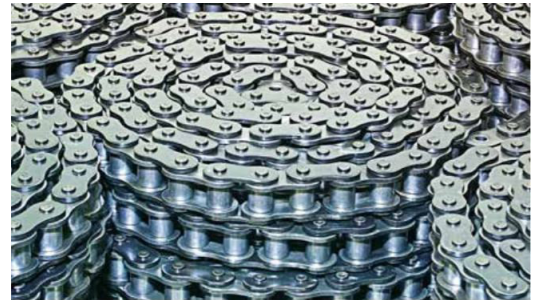
Net debt reduced £4.6m to £13.8m, and order intake surged 31.7% to £223.9m (2021: £170.0m).

Renold CEO, Robert Purcell commented:

"I am pleased with the Group's robust performance through the pandemic which reflected the benefits of the strategic development completed in recent years."

"Throughout the reported period the business performance has been on an improving trend and our order books have continued to grow in the early part of the new financial year."

"We are cognisant that there remain considerable Covid-19-related challenges in some parts of the world; supply chain issues are still prevalent and inflation is high. However, we have entered the new financial year with good momentum and a belief in the excellent fundamentals of the Renold business upon which we are building."



► Mpac Group (MPAC)

Thursday 14th July 2022

Mpac share tumble on profit warning

Shares in **Mpac Group (MPAC)** dropped more than 30% this week following the release of a shock profit warning.

The high-speed packaging and automation solutions provider said Full-Year profit was likely to be significantly below current market expectations.

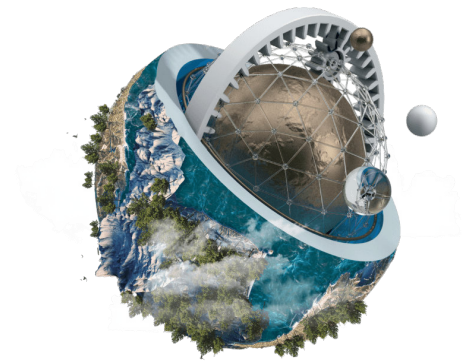
Mpac blamed *"increasing macro-economic uncertainty and unprecedented volatility in the global supply chain"* for impacting the timing of customers' order placement. Mpac also said the supply problems were *"causing operational challenges, in particular relating to the sourcing of critical, customer specified electronic components"*.

And whilst Mpac said it expects to First Half revenue to meet expectations, it warned that Full Year revenue was likely to be *"significantly below current market expectations"*.

The profit warning caused the shares to gap significantly lower and break below the bottom of the descending retracement channel that has been in place since the turn of the year.

At this point it makes no sense to panic, instead we will monitor the position closely over the next quarter.

Mpac said the supply chain and operational challenges are "likely to continue for the remainder of 2022, before easing in 2023".



► Surface Transforms (SCE)

Thursday 14th July 2022

Surface Transforms H1 revenues grew 240% to £2.9m

In a trading statement, released last week, **Surface Transforms (SCE)** said H1 2022 revenues grew 240% to £2.9m (H1 2021: £1.2m).

The carbon ceramic brake specialist said the jump in revenue reflected deliveries on the Aston Martin Valkyrie project as well as catch up on the OEM arrears reported at the end of 2021.

Gross cash at 30 June 2022 was £6.7m, which includes £3m in the form of an irrevocable letter of credit for furnaces and excludes an R&D tax credit of £0.7m expected in September 2022.

On the production issues reported at the year-end, Surface Transforms said:

"All arrears have been cleared and we can meet the immediate demand requirements of all customers".

On its full year outlook, Surface Transforms said:

"The commencement of OEM 8 full monthly volumes will bring Surface Transforms into profitability for the financial year ending 31 December 2022. The small delay in OEM 8 SOP is offset by higher than forecast development revenues with other customers and the Board is therefore pleased to restate the guidance provided in the Chairman's report in the 2021 preliminary results; "The Company continues its journey to profitability in 2022 and remains confident that this goal will be achieved, whilst maintaining our commitment to environmental and social goals."



SCE Daily Candle Chart



▶ Totally (TLY)

Thursday 14th July 2022

Totally secure urgent care contract extensions and deliver strong prelims

It's been another strong month of newsflow for NHS insourcing group, **Totally (TLY)**...

Totally kick-started the month with the announcement of further contract extensions at its urgent care division.

The contract extensions, together valued at £19 million, have been awarded to Totally's wholly owned subsidiaries, Greenbrook Healthcare and Vocare, which make up its urgent care division and run until 31 January 2023.



Totally followed this up with a strong set of preliminary results, released this week...

The prelims for the period ended 31 March 2022, saw a 12% increase in revenue to £127.4m, and a 24% jump in adjusted earnings (EBITDA) to £6.2m.

On Totally's outlook, CEO, Wendy Lawrence commented:

"Recent acquisitions and new opportunities within existing business areas present opportunities to grow organically and we remain acquisitive in line with our stated buy and build strategy."

"We are working in partnership with NHS England at the forefront of plans to deliver a single virtual contact centre framework which presents opportunity for the business to grow flexibly, utilising a centre of excellence structure to deliver the absolute best care to patients."

Totally's share price continues to show high levels of strength relative to the wider market, and the shares are currently consolidating near trend highs.

TLY Daily Candle Chart






Closed Positions

The table below shows full performance data for every AIM Investor closed position since the service was launched in January 2019.

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 nd 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%
D4t4 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%
Arcotech	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 nd tranche)	RNW	24/09/2020	432	797	06/09/2021	+ 84.49%
Next Fifteen Communications	NFC	10/09/2020	480	1154	14/09/2021	+ 140.42%
Ramsdens Holdings	RFX	11/07/2019	189.94	155	29/11/2021	- 14.40%
Quixant	QXT	04/02/2021	128	160.10	29/11/2021	+ 28.10%
Serica Energy	SQZ	04/03/2021	120	209	29/11/2021	+ 77.10%
IG Design	IGR	25/07/2019	584	279	05/01/2022	- 48.20%
Kape Technologies	KAPE	23/04/2020	174	445	05/01/2022	+ 155.70%
Suresurve	SUR	08/10/2020	53	98	07/01/2022	+ 86.80%
Ideagen	IDEA	13/08/2020	197	345	26/05/2022	+ 75.13%

*The table above shows ALL stock recommendations since AIM Investor's launch on 4th January 2019. Please be aware that all entry and current price levels are mid-prices. Profit/loss includes any dividends received during holding period. No allowance for dealing costs, fees or taxes has been made. Past performance is not a guarantee of future performance.

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Open Positions

The table below shows performance data for every AIM Investor open position since the service was launched in January 2019.

Name	Ticker	Open Date	Entry Price	Current Price*	Profit/Loss (%)*
Bioventix	BVX	19/09/2019	3825	3360	-12.15%
boohoo	BOO	14/11/2019	266	54.96	-79.33%
Midwich Group PLC	MIDW	28/11/2019	599	581.6	-2.90%
Learning Tech	LTG	02/01/2020	141	116.1	-17.65%
Eckoh	ECK	16/01/2020	59	40.5	-31.35%
Cohort	CHR	07/05/2020	561	517	-7.84%
Anglo Asian Mining	AAZ	21/05/2020	142	84.9	-40.21%
Bango	BGO	18/06/2020	177	177.24	0.13%
Craneware	CRW	02/07/2020	1705	1726	1.23%
Robinson	RBN	16/07/2020	121	85	-29.75%
Oxford Metrics	OMG	30/07/2020	75.2	102.18	35.87%
Begbies Traynor	BEG	27/08/2020	84.9	142.8	68.19%
Spectra Systems	SPSY	22/10/2020	190	129.55	-31.81%
Pan African Resources	PAF	05/11/2020	22	19.24	-12.54%
Tracsis	TRCS	03/12/2020	622	877	40.99%
Restore	RST	17/12/2020	375	442.11	17.89%
Central Asian Metals	CAML	07/01/2021	268	216	-19.40%
Somero	SOM	21/01/2021	385	370	-3.89%
Inspecc	SPEC	18/02/2021	329	234.65	-28.67%
Ceres Power	CWR	18/03/2021	1094	543.4	-50.32%
Eckoh	ECK	15/04/2021	78.7	40.5	-48.53%
Tremor International	TRMR	29/04/2021	715	370.2	-48.22%
MPAC Group	MPAC	13/05/2021	524	226.06	-56.85%
Character Group	CCT	27/05/2021	635	490	-22.83%
Bango	BGO	10/06/2021	210	177.24	-15.59%
Keywords Studios	KWS	24/06/2021	2490	2234	-10.28%
Science Group	SAG	08/07/2021	396	400	1.01%
Xpediator Plc	XPD	22/07/2021	70	33.59	-52.01%
Ixico	IXI	05/08/2021	68	33.92	-50.11%
EQTEC	EQE	19/08/2021	1.29	0.65	-49.61%
Renold	RNO	02/09/2021	23	27.25	18.47%
Gattaca	GATC	16/09/2021	207	72.03	-65.20%
Yellow Cake	YCA	30/09/2021	332	316.4	-4.69%
TMX Impact	TPX	14/10/2021	235	137.22	-41.60%
Enwell Energy	ENW	28/10/2021	42.3	23	-45.62%
Marlowe Plc	MRL	11/11/2021	937	787.1	-15.99%
Warpaint London	W7L	25/11/2021	155	126.71	-18.25%
Surface Transforms	SCE	09/12/2021	54	48.26	-10.62%
Mulberry	MUL	16/12/2021	320	294	-8.12%
Inland Homes	INL	06/01/2022	56	30.9	-44.82%
eEnergy	EAAS	20/01/2022	15	7.5	-50.00%
Learning Tech (2 nd tranche)	LTG	03/02/2022	170	116.1	-31.70%
Solid State	SOLI	17/02/2022	1160	1040	-10.34%
Gamma Communications	GAMA	03/03/2022	1488	1082	-27.28%
K3 Capital	K3C	17/03/2022	271	248.25	-8.39%
Totally	TLY	31/03/2022	35	43.4	24.00%
Kitwave	KITW	14/04/2022	146	170.57	16.82%
CentralNic	CNIC	28/04/2022	125	108.48	-13.21%
Alliance Pharma	APH	12/05/2022	109	117.12	7.44%
Atalaya Mining	ATYM	26/05/2022	371	282	-23.98%
iEnergizer	IBPO	09/06/2022	397	497	25.18%
Keywords Studios (2 nd tranche)	KWS	23/06/2022	2266	2234	-1.41%
Equals Group	EQL	07/07/2022	91	88.75	-2.47%

*Prices correct as of 13th July 2022. The table above shows ALL stock recommendations since AIM Investor's launch on 4th January 2019. Please be aware that all entry and current price levels are mid-prices. Profit/loss includes any dividends received during holding period. No allowance for dealing costs, fees or taxes has been made. Past performance is not a guarantee of future performance.

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