AMATI GLOBAL INVESTORS

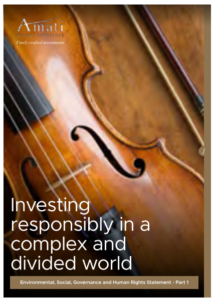
Newsletter

Summer 2023: Issue 24

Amati's Approach to ESGH (Environmental, Social, Governance & Human Rights) Statement

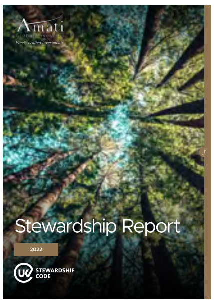
Part 1 - *Investing responsibly in a complex and divided world*

"Was Greta right to pull out of the Edinburgh International Book Festival because they were sponsored by Baillie Gifford, who (like most fund managers) invest in oil and gas companies? Is Grant Shapps right to say in a ministerial statement that there is nothing contradictory between the principles of ESG and the defence industry? There are a myriad of misconceptions about what investing responsibly should mean for fund managers and relatively little in the way of guides as to how to think about these questions. Having been doing the job for 25 years now, this is my attempt to set down a framework for thinking the issues through, and how this forms the basis of an approach to controversial sectors. All feedback welcome!" **Dr Paul Jourdan**



Part 1

Part 2



Stewardship Report

Part 2 - *ESGH in Practice*

In this second part to our ESGH statement, we highlight the consideration of the risks and opportunities related to environmental, social, governance and human rights (ESGH) factors. This has always been implicit in our investment process and we actively engage with investee and potential investee companies on such matters. We are signatories to the Principles of Responsible Investment (PRI) and the UK Stewardship Code, whose broad frameworks underpin our approach to responsible investment and serve both to support and strengthen our investment strategy.

Stewardship Code

We are pleased to announce that Amati's application to remain signatories to the UK Stewardship Code was successful. Stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society. The Code sets high stewardship standards for those investing money on behalf of UK savers and pensioners, and those that support them. Our updated Stewardship Report features several interesting case studies, which will give investors an insight as to how we engage with investee companies on a wide range of issues, from executive remuneration, governance structures and board diversity, to environmental and social issues, including human rights.

Upcoming Events

28th September - PFS Webinar, Overview of BPR, IHT & the AIM Market

In conjunction with the Personal Finance Society we will be offering an overview of Business Property Relief, IHT & the AIM Market with Scott McKenzie, Amati Fund Manager & Philip Hare, tax adviser at Philip Hare & Associates.

17th October - Boutiques Breakfast

Fund Manager Mikhail Zverev will deliver an overview of Amati's approach and views on the current investment climate.

19th October - Under the Radar, Fund Manager Event

We have teamed up with Montanaro, Aikya and Vanneck for the event which will take place at The Lansdowne Club in Mayfair, London.

For further information on our upcoming events, please click here.

Upcoming Brighttalks

14th November 2023, 11am - **TB Amati Strategic Innovation Fund Update.** To register, please click here.

16th November 2023, 11am - **TB Amati Strategic Metals Update**. To register, please click here.

21st November 2023, 11am - **TB Amati UK Listed Smaller Companies Fund Update.** To register, please click here.

23rd November 2023, 11am - **Amati AIM IHT Portfolio Service Update.** To register, please click here.

28th November 2023, 11am - **Amati AIM VCT Fund Update.** To register, please click here.

Opinion Pieces / Videos / Podcasts

In case you missed some of our recent publications, please note a selection below:

- UK SmallCap - Valuation v Liquidity
- Innovation Frontier - Digital Twins
- Reunion & G2 Goldfields, Guyana
- Amati Insights: Bioprocessing
- Amati Insights: Where do we go from here?

Please click here to visit our media section to view further content.

Awards / Ratings

Morningstar Ratings

Medalist Ratings - The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned.

TB Amati Strategic Metals Fund

The Fund has been awarded a Silver Morningstar Medalist Rating.

Silver

To read the full Morningstar report for the fund please click here.

TB Amati Strategic Innovation Fund

The fund has been awarded a Bronze Morningstar Medalist Rating and the second highest Morningstar Sustainability Rating of 4 globes. The fund has a relatively low exposure to ESGH risk compared with its peers in the IA Global Sector. The Fund has also been awarded the Morningstar Low Carbon designation.

Bronze Low Carbon

To read the full Morningstar report for the fund please click here.

Analyst Rating - The Morningstar Analyst Rating for funds is expressed on a five-tier scale running from Gold to Negative. For actively managed funds, the top three ratings of Gold, Silver, and Bronze all indicate that our analysts expect the rated investment vehicle to produce positive alpha relative to its Morningstar Category index over the long term, meaning a period of at least five years.

TB Amati UK Listed Smaller Companies Fund

MORNINGSTAR Silver

The fund has a Silver Analyst Rating and the full report can be found here.

TB AMATI STRATEGIC INNOVATION FUND

Bioprocessing: Enabling innovation in life sciences

Written by
Mikhail Zverev

The life sciences, pharma and biotech industries are driven by innovation and technical progress. Even to an outside observer, recent press headlines indicate thriving innovation in this space: game changing obesity treatments (Wegovy / Ozempic drugs by Novo Nordisk), promising breakthroughs for Alzheimer treatment (Donanemab drug, currently in final stages of clinical trials by Eli Lilly), or less well-publicised but equally dramatic breakthroughs in cancer treatment, such as curing the previously incurable leukaemia of a teenage patient in the Great Ormond Street Hospital (CAR-T cell therapy).

This is a dramatic change since just over a decade ago. In 2008 / 2009 the pharma industry was in the doldrums. Perceived to be under threat from more price controls in the lucrative US market, it was also viewed by some as running out of innovation. In fact, the MSCI ACWI Pharma and Biotech index was trading at 10x forward P/E ratio, with some major pharma companies on single digit P/Es, suggesting that investors expected no growth from the industry going forward.

As we now know, this was an overly pessimistic assessment. The emergence and growth of so-called biologic drugs, large and complex organic molecules, as well as completely new ways of treating disease, such as cell and gene therapies, replaced chemically synthesised "small molecules" and reinvigorated the innovation in the sector. It looks like we're still early in this process.

According to industry data, there were 6,147 products in active development from Phase I to regulatory submission, up 49% from 2017 and even more so compared to the dark days of the early 2010s.

Biologics have already gained substantial commercial traction, accounting for 20% of total pharma sales in 2022 and growing at twice the annual growth rate of traditional small molecules. This is set to continue. For example, in oncology, the largest area of innovation measured by research pipeline product count, small molecules are now in the minority, compared to biologics or next generation treatments such as cell and gene therapies.

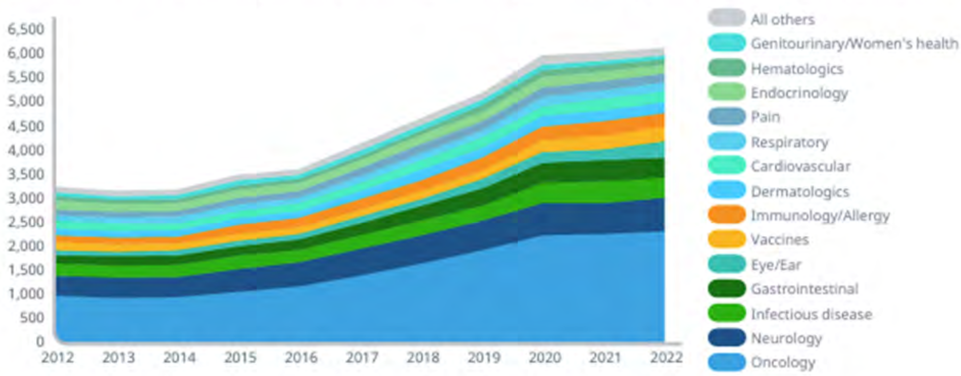
Fundamental scientific breakthroughs from the past decade and before, new biochemical pathways, novel compounds, new modes of action are being commercialised into new therapies.

The COVID-19 pandemic illustrated this. The unprecedented pace of analysis and vaccine development became in many ways a showcase for the innovation and progress in life sciences, albeit in an emergency situation.

All this has justified more R&D spending and investment in the space – there simply is more to go after.

That fundamental merit and the sense of urgency and opportunity during the pandemic catalysed strong investor interest in healthcare and turbo-charged the capital flows into the sector. Total healthcare funding, from IPOs to venture capital rounds, in both 2020 and 2021 was more than twice the level of 2019, and more than three times the level of 2016.

Exhibit 8: Number of pipeline products Phase I to regulatory submission by therapeutic drug class, 2012–2022



Source: IQVIA Pipeline Intelligence, December 2022; IQVIA Institute, Jan 2023

Zero interest rate policies, which reduced the cost of capital and increased investor risk appetite, played a role as well.

This has now reversed – with 2022 total funding falling back to pre-pandemic levels.

While it's tempting to see this as another manifestation of zero interest rate induced bubble, the underlying fundamental merits of this investment remain. In fact, R&D spending by traditional large pharma companies has reached new record levels, even as funding of smaller biotechs collapsed. The number of therapies in all stages of clinical research also remain at a record level. These new molecules are still worth pursuing, even if capital markets are no longer as generous in their funding and valuations.

A key enabler of this innovation is the bioprocessing industry. Manufacturing biologic drugs or cell and gene therapies is a very different process from the chemical synthesis behind the small molecule drugs. These processes often involve cultivating and modifying living organisms such as bacteria or viruses or even mammalian cells (particular type of Chinese Hamster cells, known as CHO cells, are a firm favourite). These cells and organisms produce, or "express" the compounds that are the active ingredients behind the innovative new drugs. The technical challenge of growing, modifying, nurturing and harvesting these biological systems is formidable, creating high barriers to entry, and very few players have mastered it. In fact, 4 companies – Danaher, Sartorius, Merck and ThermoFisher – dominate the business of producing equipment and consumables involved in bioprocessing. It is a good business – long term revenue growth is in double digits, margins are high, and recurring revenues constitute 70-80% of the total in the relevant business lines.

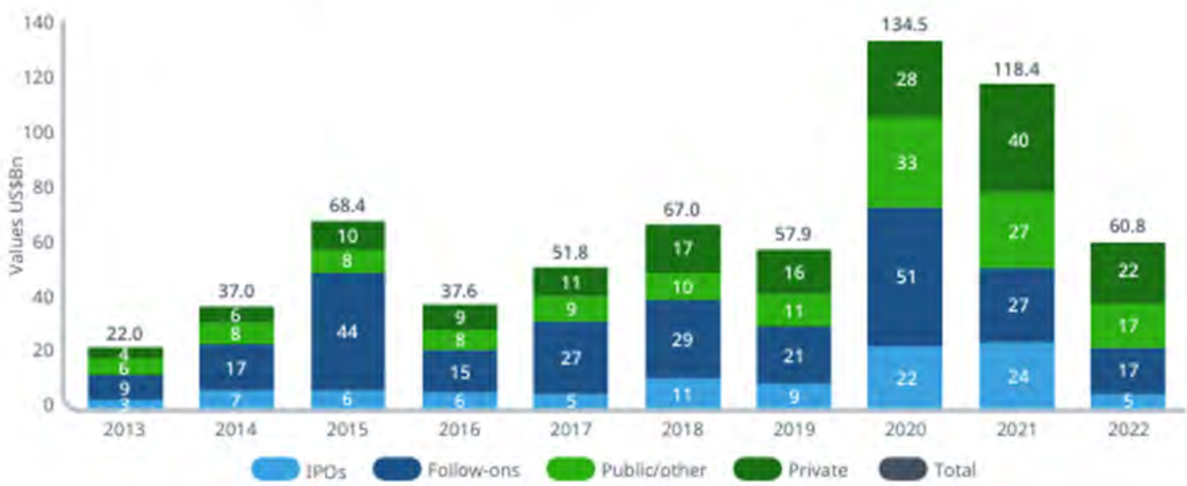
Increasingly the complexity of the process means that the actual manufacturing is conducted by an outsourced partner – so called Contract Development and Manufacturing Organizations (CDMOs). Again, it's a concentrated industry, with the top 4 players controlling more than 50% of global capacity. Biologic CDMOs also show double digit revenue growth, further benefiting by increasing propensity to outsource biomanufacturing.

Customer relationships in the industry are "sticky" – once the drug is being manufactured in a particular venue, with a particular set of tools and processes, the risks of moving it to a new set-up are too high. This results in multi-year contractual relationships and great revenue visibility.

In short, biomanufacturing is a great industry, with a multi-year growth runway. However, these positives are currently obscured by three major headwinds.

First, COVID related business (such as manufacturing vaccines) is rapidly diminishing. Secondly, that reversal of the biotech funding boom did impact R&D spending by the smaller, riskier end of the market – impacting both equipment companies and CDMOs. Finally, the supply chain disruption that affected most industries during the post-COVID recovery had impacted biologic drugs as well. Pharma companies and their suppliers had built safety stocks, which now that supply crunch has eased are no longer needed. As a result, we have seen a slew of profit warnings and guidance downgrades. For some suppliers these amounted to 40% consensus EPS forecast cuts for this year. Both share price and earnings momentum scores are negative. Companies are hopeful that the de-stocking phase is close to the end, but investors are reluctant to get involved before this is clear-cut.

Exhibit 1: Biopharma funding levels US$Bn, 2013-2022



Source: BioWorld, January 2023

In our view, long term structural growth obscured by transitory and finite headwinds tends to create opportunities for longer term investors who have conviction in the strength of secular technological change. This is such a case.

Not only the pipeline of new biologic therapies is fuller than ever, but the underlying demand for manufacturing capacity required to support it continues to increase.

The best-selling biologic drug up until this point is AbbVie's Humira, treating auto-immune diseases such as rheumatoid arthritis. Humira's global sales were over $20bn in 2022. Yet the estimated volume of Donanemab, that promising Alzheimier treatment by Eli Lilly, will require 15x more manufacturing capacity in volume terms than Humira requires today. This is why global CDMOs are aggressively expanding capacity, despite temporary stumbles in demand trends.

In our view, investing in innovation requires a careful balancing of understanding the technical complexity and picking business models that offer compelling risk/reward for an investor.

Within that, our portfolio holding is Danaher. Their bioprocessing assets are best in class, but that is combined with a high quality business model. Their balance sheet and cash generation are the strongest in the sector, and they have history of profitability and superior management execution that attained almost iconic status in more optimistic times. When the merits and secular growth of bioprocessing become clearer, we believe Danaher stands to benefit from both fundamental growth and recovery in investor interest.

Exhibit 6: Large pharma R&D spending and spending as a percentage of sales 2013-2022*, US$Bn

Source: Company financial statements; IQVIA Institute, Jan 2023

TB AMATI UK LISTED SMALLER COMPANIES FUND

Volex

Written by
David Stevenson

Volex is a global designer and manufacturer of critical power and data transmission products.

This includes consumer appliance power cords, data centre cabling, EV charging solutions, wire harnesses, and high-speed data transfer cables. We had been monitoring the company for some time, dating from the involvement of the current largest shareholder and CEO, Nat Rothschild. Over several years he has developed the company from an over-exposure to commoditised and cyclical consumer electronics, into a diversified power product supplier involved in some fast growth niches.

Over six years the group has achieved compound growth of 15% in revenues and 20% in earnings per share.

This has been through a combination of organic growth plus value-add acquisitions, and our entry point to the business was through a placing to fund its latest and largest deal for a Turkish manufacturer of integrated wire harnesses and battery cables, used in manufacturing equipment and off-road vehicles. This will constitute a fifth trading division, covering industrial, construction and agricultural markets. The transaction was materially earnings enhancing, making Volex's discount valuation to its peer group look increasingly anomalous. Subsequent to the deal, the company announced that it has been selected to be a supplier of EV couplers to Tesla's charging system technology in North America, and further growth potential comes from the extensive build programme which is taking place in the US for data centres driven by the AI revolution. We have taken positions in Volex in both our Smaller Companies Fund and our AIM IHT service.

Source: Volex

Weighting in the TB Amati UK Listed Smaller Companies Fund - 1.7% as at 26/09/2023

Weighting in the AIM IHT Portfolio Service - 1.2% as at 26/09/2023

Investment in smaller companies can be higher risk than Investment in well-established blue chip companies. Funds investing significantly in smaller companies can be subject to more volatility due to the limited marketability of the underlying asset.

TB AMATI UK LISTED SMALLER COMPANIES FUND

Tan Delta

Written by
David Stevenson

Tan Delta develops and supplies sensors and systems which use innovative oil analysis technology, allowing operators of commercial and industrial equipment to cut maintenance costs, improve reliability, and reduce carbon footprint. The sensors fire radio frequencies through engineering oil to measure a range of qualities, such as conductivity and polarisation. If these highly accurate measurements are within normal ranges, then the oil can continue in use. The sensors replace lab testing of oil samples, which is slow and expensive, and supercede preset service intervals, which often result in oil being discarded when it still has up to 50% of its useful life left. Sensors are retrofit, installed into existing inspection ports within equipment, or can be designed in. Tan Delta also supplies mobile solutions which comprise sensors, software and connecting hardware to allow in-field oil testing.

A SaaS-type subscription service is also a future opportunity.

Tan Delta launched its first commercial product in 2020 and has built a customer list containing blue chip names such as Shell, Schlumberger and Aggreko. The addressable market is global, involving all types of installed engineering equipment using both mineral and synthetic oils. Although early stage, the company is profitable with net cash, and another key attraction was the Non-Executive Chairman, and largest shareholder, who is someone already known to us as the CEO of SRT Marine Systems, an existing holding within our VCT. We participated in the company's IPO and took a new position in our VCT.

Source: Tan Delta

Weighting in the Amati AIM VCT - 1.2% as at 26/09/2023

TB AMATI STRATEGIC METALS FUND

You are one ride away from a good mood – M&A cycle continues

Written by
Mark Smith

The fund was set up to have two strong investment bookends – (1) precious metals and (2) critical metals for the global decarbonization.

Within this investment framework we designed 3 legs to the fund (stool) – investing in development risk; investing in exploration geological potential and M&A.

While the broader equity markets have largely been risk off in 2023 due to growing western world recessionary fears, Chinese deflation and widespread geopolitical risk, the M&A cycle has quietly been turning.

Copper - The depressed copper price due to global economic growth concerns, is forcing some small-to-mid sized companies to cut back exploration budgets and other expenses. But that may not be sufficient for them to survive and the current scenario may pave the way for more M&A in the sector. So far this year, some $22 billion worth of copper M&A has been launched: Hudbay Minerals' $439 million bid for Copper Mountain, Lundin Mining's purchase of Japan's JX Nippon Mining and Metals stake in Caserone mines in Chile, and Newmont Corp's acquisition of gold and copper miner Newcrest for $19 billion. Copper M&A more than doubled in 2022 to $14.24 billion from the previous year.

Gold - The world's biggest gold miners have made blockbuster deals in the past couple of years to boost production and replace older assets. Newmont Corp. acquired Newcrest Mining Ltd., solidifying its position as the top bullion producer. Agnico Eagle Mines Ltd. has done two major deals since 2022 to become the third-largest producer of the precious metal. Barrick, the No. 2 gold miner, is reported to have approached copper producer First Quantum Minerals Ltd. earlier this year to informally discuss a deal and was rebuffed.

M&A is a component of any industry rearrangement — but the problem is that, in the gold and base metal industries, most of the tier one assets remaining are embedded in bad assets or difficult corporate structures and you can't unlock them to monetize them. With lack of large mines up for grabs, we expect that large miners will be looking to expand their production by acquiring smaller mines.

Lithium - Driven by receding prices of lithium and by major producer Chile nationalizing the industry earlier this year, companies such as Albemarle Corp, the world's biggest lithium producer, have been sniffing around for buys in Australia, which makes the most lithium in the world and has more than 80 lithium-related companies listed on its main stock exchange. However, they are reluctant to pay up for listed producers whose market valuations have sky-rocketed on the back of booming prices, while offers have been rebuffed on the promise of soaring demand to come from sales of electric vehicles and the lithium-loaded batteries that power them. This is forcing acquirers to shift their hunt to earlier stage lithium developers.

- Develop Global, a base metals explorer backed by diversified miner Mineral Resources, last month proposed to acquire lithium developer Essential Metals for A$152.6 million ($97.98 million).

- Chile's SQM, the world's second-biggest lithium producer, made an offer last month for Azure Minerals after buying a 19.95% stake in it for A$20 million in March.

- Albemarle's $3.7 billion bid earlier in 2023 for Liontown Resources before it starts producing the material next year was also rejected.

- Albemarle invested c$109m in Patriot battery Metals (4.9%).

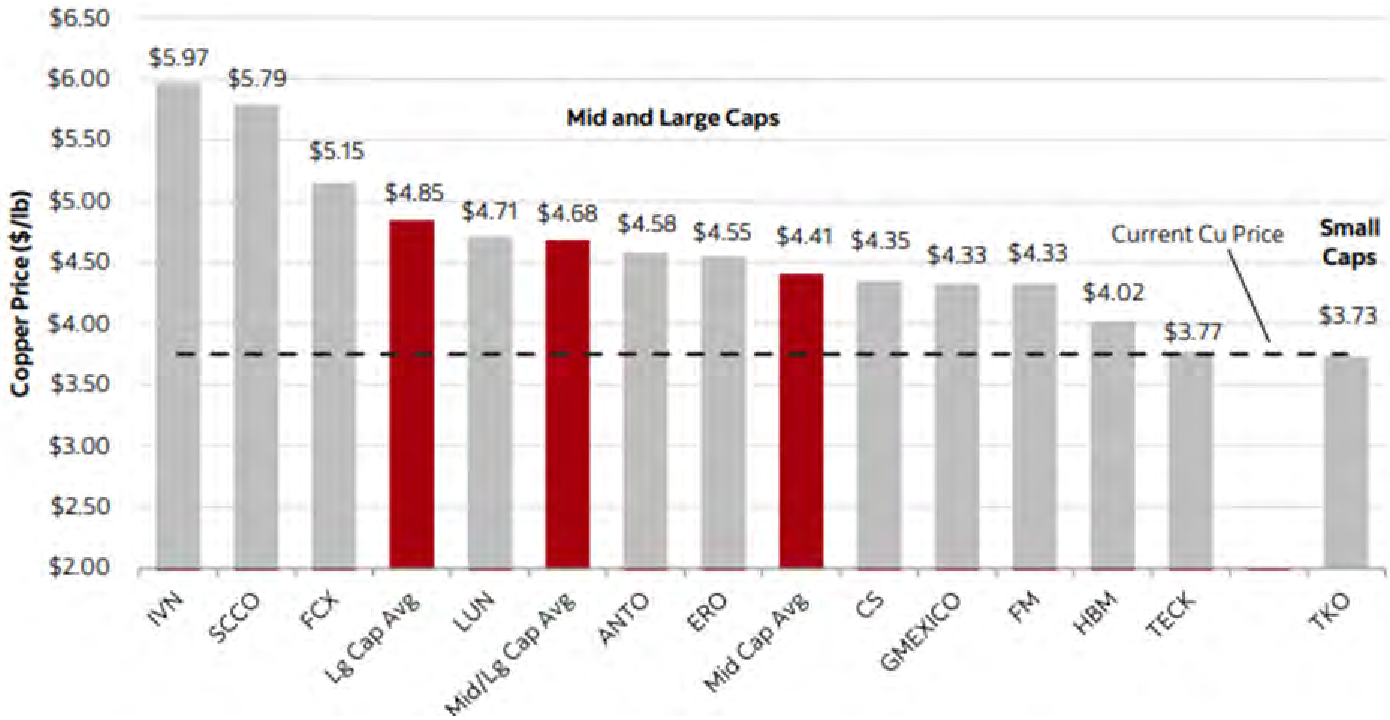
Consolidation of the industry is also being driven by companies expanding activities across the value chain. Downstream facilities need product, so that continues to drive M&A.

With these strong industry thematics we continue to invest in small and mid-cap companies which can create value from derisking mine development or by making geological discoveries. The frustrating part of this strategy over the past 12 months has been the low market value of acquisitions. When the market goes risk off, equity valuations fall, as can be seen in Exhibit 1.

Exhibit 1 - Implied Gold Producer Premium/Discounts to Spot

Source: Scotia Bank

Exhibit 2 - Implied Copper Price in Current Equity Share price (based on 8% NAV) for large/mid caps



Source: Scotia Bank

However we are cautious over the current copper equity valuations, trading over 1.0x Price/Net Asset Value (P/NAV). Valuation multiples appear elevated in the context of current spot prices. However, this is likely supported by the very constructive medium to long term fundamental picture, the energy transition thematic, and by ongoing M&A speculation. However, these thematics are not reflected in the other critical metal equity valuations. The lithium producers are trading at 0.76xP/NAV and lithium developers 0.47x P/NAV, while you could argue the future fundamentals for lithium are much stronger.

So while the markets have shied away from commodity risk and development risk we have picked stocks that the mining companies want. As value investors we recognise the same investment opportunities as the mining companies, and are waiting for the broader market to play catch up. Since the launch of the fund we have had 8 stocks taken out. We will continue with our strategy.

Exhibit 3 – Stocks taken out in the Amati Strategic Metals fund since launch

Lithium:

1. Bacanora Lithium by Ganfeng Lithium
2. Arena Minerals by Lithium Americas

Nickel:

3. Mincor Resources by Wyloo Metals

Gold:

4. Golden Star by Chifeng Jilong Gold
5. Yamana by pan American Silver
6. Sabina Gold & Silver by B2Gold
7. Orecorp by Silver Corp
8. Cheser Resources by Fortuna Silver

Source: Amati Global Investors

Most of these deals were done at a 40-50% premium to the last 20 day VWAP (Volume Weighted Average Price), however we have been disappointed as our internal valuations on these stocks were 100-150% higher. When the market is not there to support a company's share price and hence too dilutive to raise capital, they become vulnerable to M&A. Fortunately we hold some of the acquirers in the fund and hope to capitalize on future value. We look forward to Q3 and Q4 2023 as the market gets clarity of the US rate decisions and China considers an economic stimulus to deter deflationary pressures. Both topics should be positive for metal prices.

The TB Amati Strategic Metals Fund invests in companies that have operations in developing markets and which therefore may be subject to higher volatility due to political, economic and currency instability.

Past performance is not a reliable indicator of future performance.

TB AMATI UK LISTED SMALLER COMPANIES FUND

UK SmallCap - Valuation v Liquidity

Written by
Scott McKenzie

The UK equity market has been unloved for many years now and 2023 has seen a continuation of this trend. So far this year the FT Allshare index is broadly flat compared to a >15% return in the S&P500 and more than 10% from global equity markets overall. As the chart below shows we can track this trend back to the Brexit vote in 2016. Indeed for much of the preceding 10 years, UK shares traded on a valuation premium to the rest of the world (shown in green). Since 2016 the relative valuation has been in steep decline such that today UK shares trade on a 40% discount to other global markets (shown in red).

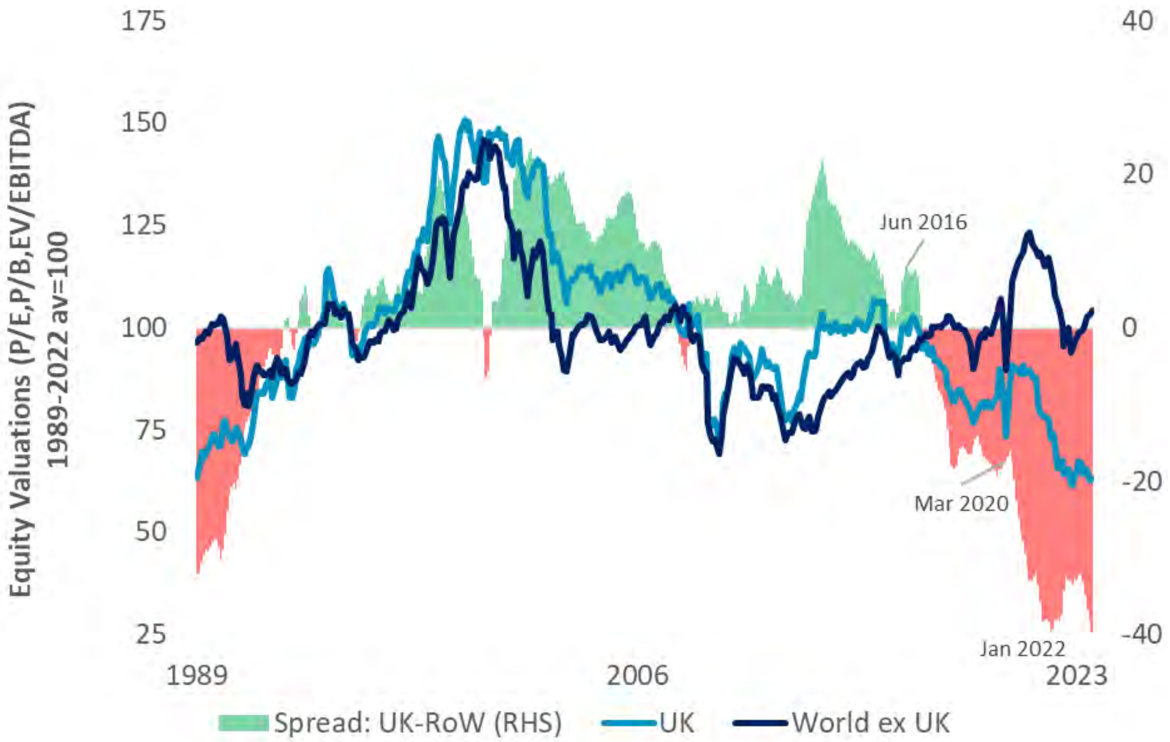
The key reasons for this decline are a combination of political, economic and index construction factors.

Politics – Brexit has significantly undermined confidence in the UK which has been exacerbated by chaotic government post COVID and no less than three prime ministers in the past year, albeit under Rishi Sunak a sense of stability and focus is being rebuilt.

Economics – the above factors have led to weakness in sterling, falling productivity, low levels of GDP growth and stubbornly high inflation. As a result interest rates and bond yields have risen faster in the UK than elsewhere.

Index – the UK market (dominated by the FTSE100) has a far less dynamic composition than the US, with very low exposure to technology and high exposure to mature sectors such as banks, oils and mining. The attractions of London as a listing venue have diminished post Brexit and low valuations have encouraged growing companies to list elsewhere or remain private.

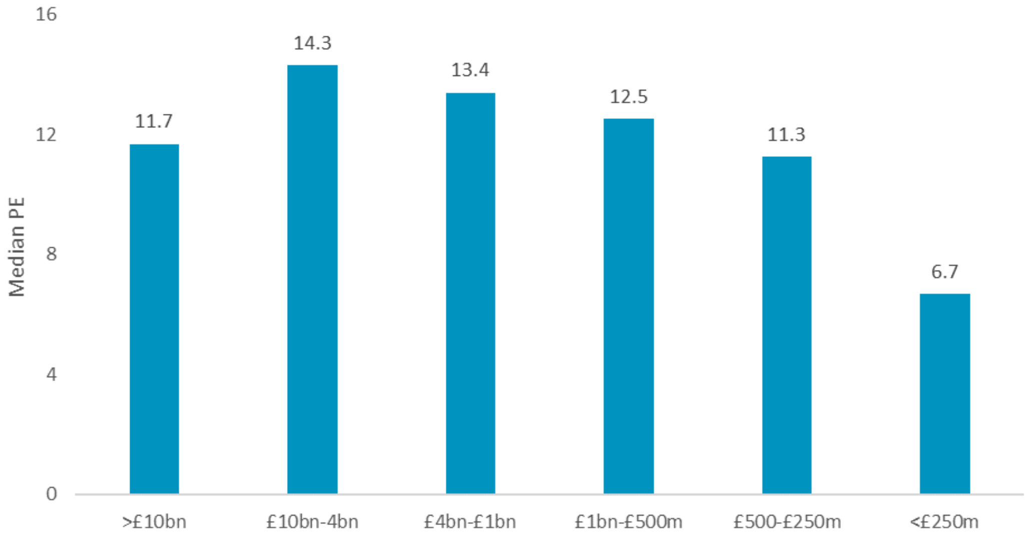
All of the above factors have led to a rapidly depleting pool of liquidity and we have seen significant redemptions in UK equity funds, both at a retail and pension fund level, such that the UK is now less than 5% of the MSCI World index, having been more than 20% at its peak.



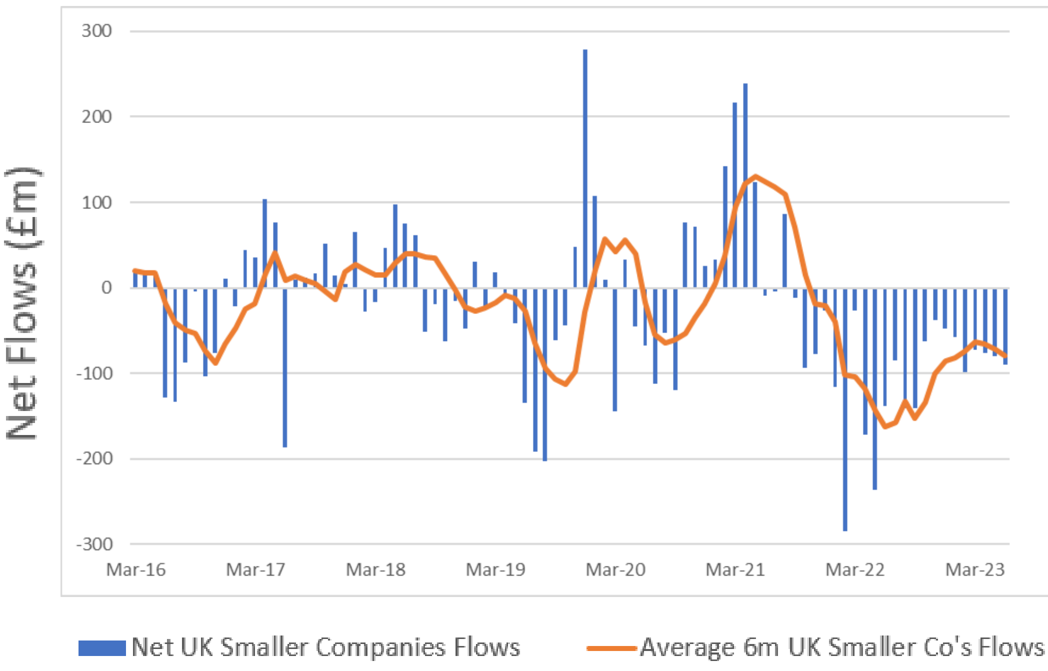
Source: Panmure Gordon, Refinitiv (at 31/07/23)

Poor returns and weak liquidity have meant that smaller companies have borne the brunt of the derating of UK companies. The chart below shows the price-earnings ratios of UK companies by market capitalisation. The further down the capitalisation scale we go the lower the valuation. This has left UK smaller companies (especially those below £250m) friendless, with limited new investor appetite.

This has been exacerbated by redemptions from IA UK Smaller Companies Funds, which have escalated rapidly over the past 18 months, putting further downward pressure on share prices, as shown below.



Source: Panmure Gordon, Refinitiv (at 31/07/23)



Source: Panmure Gordon, Refinitiv (at 31/07/23)

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Charitable Engagement

Amati Global Investors gives 10% of its net profits to UK registered charities. These are chosen by Amati's shareholders in proportion to the percentage that they own.

LRC
LYME RESOURCE CENTRE

Rachel Le Derf has chosen to allocate her charitable donation to a Scottish Charity – Lyme Resource Centre (LRC) https://www.lymeresourcecentre.com. The mission of the charity is to educate the public and healthcare professionals about Lyme disease and other tick-borne illnesses. One of Rachel's friend's sons has been severely impacted by Lyme disease as a result of a tick bite whilst completing his Duke of Edinburgh Award in the Scottish Hills a few of years ago. There are a large number of people in the UK badly affected as a result of this little mite and for some it can be truly devastating. The LRC aims to educate the general public to help understand what preventions to take and to ensure that healthcare professionals are adequately equipped to properly diagnose at an early stage.

A charity Ceilidh is being held on Thursday 12 October in Edinburgh and should you like to attend and help raise funds for LRC then please get in touch with Rachel for further details and ticket sales at Rachel.lederf@amatiglobal.com

Source: Lyme Resource Centre

Stockbridge Music Hub

Two years ago, as a COVID recovery project, Amati wanted to support Clea Friend, an outstanding cellist and highly-trained community musician, to set up accessible music making and participation in Edinburgh. We found a wonderful venue in Stockbridge Parish Church, which was keen to start hosting some online concerts, and teamed up with them to bring the Stockbridge Music Hub into being. There are four sets of activities: Music Makers, which provides classes for adults with additional needs and their carers; Culture Club, which puts on concerts, film screenings and other events at the venue, which are free with suggested donations; Spectrum, which provides individual and group music sessions for autistic children aged 6-20; and a Cello Choir, for cello players of all ages and abilities to join in with. Amati's support was designed to get the project up and running over three years and we're hopeful that it has gathered enough local support and attention for further afield to continue on for the longer term. We're also hoping it can provide a model for similar projects to start up elsewhere.

Clea Friend is also a volunteer with Edinburgh Direct Aid (EDA), whose work in Lebanon and Ukraine Amati has also supported, and many of the events at the Music Hub have raised additional funds for EDA. Paul Jourdan will be interviewing Denis Rutovitz, the remarkable 95-year-old founder of EDA, and discussing EDA's work at Stockbridge Parish Church on Saturday 11th November at 6pm. Please do come along if you're in the area.

Source: Stockbridge Music Hub

Feedback to Amati on Communications

We would really appreciate your feedback on what we deliver at Amati. We take pride in what we offer our investors and therefore should there be any area that you think we could improve on, please send an email to info@amatiglobal.com.

The following are areas in particular that we'd welcome engagement from our investors:

Amati Insights

This is a fortnightly event that we launched back in January of this year. We seek to offer investors a 10-15 minute insight into the Amati fund managers' views and opinions on key events. Some of the topics that we have covered to date are: Trends & opportunities across Global & UK Markets; Tesla Results and the threat of EV price war; Chat GPT & AI; Machine Technology; Fall of Silicon Valley Bank; Lithium Pricing; Bioprocessing......

If there are areas that you would like us to address or have any feedback on the format, please email on info@amatiglobal.com and we will do our best to accommodate any thoughts that you have.

Quarterly Fund Reviews

At the end of June for the first time we offered quarterly TB Amati fund reviews both in written form and through video presentation. Given that this is a new format, we would welcome any thoughts that you may have. Again any feedback would be welcome at info@amatiglobal.com

Email Communications

We are conscious not to overload our investors with emails but also from an environmental standpoint we are looking to reduce this where possible. More recently we are tending to promote content and news via Linkedin and so if you are not already following Amati via Linkedin then we recommend you follow us by clicking here.

TB Amati Funds' Name Change

In October 2022, T Bailey Fund Services (ACD of the TB Amati funds) was acquired by Waystone Group.

With effect from 1 October 2023, T Bailey Fund Services Ltd will change its name to Waystone Fund Services (UK) Ltd. As a result, our three **TB Amati** funds will become **WS Amati**.

Risk Warning

This newsletter does not constitute investment, tax, or legal advice, and nor does it constitute an offer, invitation or solicitation to invest in the products described. Amati will not provide any investment, tax, or legal advice, or make any personal recommendations as to the suitability or otherwise of these products. Before investing in our products we recommend that you contact your financial adviser.

These investment products place your capital at risk and you may not get back the full amount invested, even allowing for any tax breaks. The value of your investment may go down as well as up. Past performance is not a reliable indicator of future performance. Investors should be aware that any investment in equities is subject to risk, and that investment in smaller companies, in particular unquoted companies and those quoted on the Alternative Investment Market (AIM), carries an even higher risk than that of larger companies listed on the main market of the London Stock Exchange. This is due to the higher volatility and lack of liquidity often found in smaller company shares, as well as typically higher levels of business specific risks. Illiquidity means that buying and selling portfolio holdings may take some time, and in a worst case scenario portfolio companies could be delisted from AIM, making them very difficult to buy or sell, which in turn could affect the value of your investment. Current tax rules and the available tax reliefs offered on investments into AIM-quoted stocks may change at any time, and there is a considerable risk that if the legislation changed in respect of these tax reliefs, then those portfolio companies that no longer qualified for such reliefs would be subject to heavy selling pressure, potentially leading to significant investment losses.

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