

# Key Information Document

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

### Product

Name: Rockwood Strategic PLC (“the Company”)  
 ISIN: GB00BRRD5L66  
 PRIIP Manufacturer: Rockwood Strategic PLC  
 Contact number: 020 7640 3200  
 Competent authority: The Financial Conduct Authority (FCA)

Date of Production 16/10/2023

## What is this product?

This product is an Investment Trust Company quoted and traded with a Premium Listing on the Main Market of the London Stock Exchange.

Rockwood Strategic invests predominantly in a diversified portfolio of publicly listed UK equities capitalised under £250 million at the point of investment. The targeted annualised return from each investment is 15% generated over a typical holding period of 3 to 5 years. The strategy intends to invest the majority of its capital in a concentrated portfolio of up to 35 companies of which up to 10 will be ‘core’ investments, the majority of the portfolio’s capital being in the largest ten positions. The Company will retain flexibility to invest in non-listed, private investments (including debt instruments) that will not cumulatively exceed 15 per cent of the Company’s Net Asset Value (NAV) at the time of any investment.

For maximum flexibility, given the full range of potential future corporate situations and opportunities, investments may result in the Company investing directly or indirectly in companies listed in non-UK OECD countries. Non-UK OECD investments will cumulatively not exceed 25 per cent of NAV at the time of investment.

The Manager targets undervalued shares in companies where it believes operational, strategic or management changes are occurring, or can occur, which could realise, create and unlock shareholder value.

The product has no required minimum holding period but is designed for investors with a medium to long-term investment period. The recommended minimum holding period of 5 years has been selected as the Company’s ordinary shares are designed to be held over the long term and may not be suitable as short-term investments.

## What are the risks and what could I get in return?

The risk indicator assumes you keep the product for 5 years. If you sell your product earlier you may have to sell at a price that significantly impacts how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 4 out of 7, which is a medium risk class. This suggests the risk from market movements is medium. However, the summary risk indicator only reflects historic share price volatility of the company shares based on historic price. It excludes other risks inherent in the product and, therefore, does not show the full risk to the investor. This product does not include any protection from future market performance, so you could lose some or all of your investment.

The company may (from time to time) invest in unlisted equities which have valuation and performance uncertainties and liquidity risk. The ‘Other relevant information’ section gives more detail on the risks investors should consider.



## Investment performance information

In addition to the factors outlined in the Investment Objective, within the 'What is this product?' section. Other factors that may affect the return include stock-specific factors (including those relating to the sustainability of the business model of investments). Global, and regional, political, and macroeconomic events such as Brexit, high interest rates, supply chain issues, or labour shortages can all be expected to lead to market volatility.

### What could affect my return positively?

Factors that are likely to have a positive impact on returns include market increases in sectors and regions invested in, and the narrowing discount or higher premium attached to the Company's share price relative to its Net Asset Value. The Company's portfolio is more concentrated than many other funds, and as a result positive news flow on individual stocks can have a disproportionately positive impact on returns compared with other more diversified funds.

### What could affect my return negatively?

Factors that are likely to have a negative impact on returns include market falls in sectors and regions invested in, and the widening discount or reduced premium attached to the Company's share price relative to its Net Asset Value. The Company's portfolio is more concentrated than many other funds, and as a result negative news flow on individual stocks can have a disproportionately negative impact on returns compared with more diversified funds.

If a shareholder decides to sell their shares under severely adverse market conditions, they may get back less than the amount initially invested.

## What happens if Rockwood Strategic Plc is unable to pay out?

The Company is not required to make any payment to you in respect of your investment. If the Company was liquidated, you would be entitled to receive a distribution equal to your share of the Company's assets, after payment of all of its creditors. As a shareholder you would not be able to make a claim to the Financial Services Compensation Scheme, or other compensation or guarantee scheme, in the event that the Company is unable to pay out. If you invest in the Company, you should be prepared to assume the risk that you could lose some or all of your investment.

## What are the costs?

The table shows the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the shares and how well the Company does. The amounts shown here are illustrations based on an example investment amount of £10,000 and different possible investment periods. The person selling you or advising you about the Company may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment £10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at 5 years
Total costs	£283	£958	£1815
Impact on return (RIY) per year	2.45%	2.45%	2.45%

## What are the costs? (continued)

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

One-off costs	Entry costs	N/A	There are no direct entry costs associated with the Company.
	Exit costs	N/A	There are no direct exit costs associated with the Company
Ongoing costs	Portfolio transaction costs	0%	The impact of the costs of us buying and selling underlying investments for the Company.
	Other ongoing costs	1.19%	The impact of the costs that are incurred each year for managing your investments and running the Company.
Incidental costs	Performance fees	1.26%	We take these from your investment only if the Product outperforms its hurdle adjusted High Watermark.
	Carried interests	N/A	This product does not charge any carried interest.

## How long should I hold it and can I take money out early?

Recommended required minimum holding period: 5 years

The product has no required minimum holding period but is designed for medium to long-term investment. The recommended minimum holding period of 5 years has been selected as the Company's ordinary shares are designed to be held over the long term and may not be suitable as short-term investments.

There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investments. The value of the ordinary shares and the income derived from them (if any) may go down as well as up. Although the ordinary shares are traded on the Main Market, it is possible that there may not be a liquid market in the shares and investors may have difficulty selling them. Accordingly, investors may be unable to realise their shares at the quoted market price (or at the prevailing net asset value per share), or at all.

There are no additional fees or penalties incurred on exit however the price you receive on the open market may not reflect the underlying Net Asset Value ("NAV") of the shares.

### **How can I complain?**

As a shareholder of the Company you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of The Company. Complaints about the company or the Key Information Document ("KID") should be directed to The Chief Operating Officer of Harwood Capital LLP. More information can be found by telephoning 020 7640 3200.

You can submit your complaint via post to Chief Operating Officer, Harwood Capital LLP, 6 Stratton Street, London, W1J 8LD.

### **Other relevant information**

The latest annual report and accounts for the Company can be found at <https://www.rockwoodstrategic.co.uk/results-reports/>. The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules. Depending on how you buy these shares you may incur other costs, including broker commission, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary. Further information on the Company's investment policies, the types of assets in which the Company may invest, borrowing limits as well as details of its management, administration and depositary arrangements can be found at <https://www.rockwoodstrategic.co.uk>.

If you are in any doubt about the action you should take, you should seek independent financial advice.