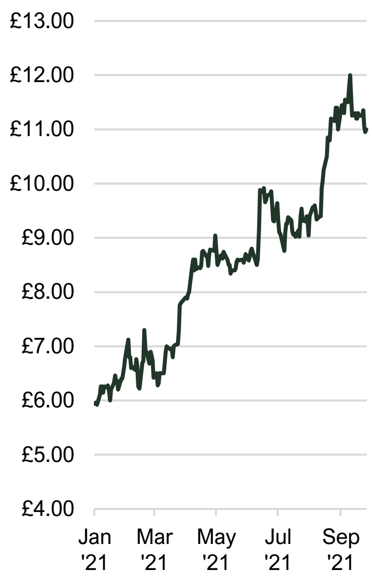
Next Fifteen Communications Group PLC

NFC | AIM | Media | 1100p | £1,021m

H1 results: +3% revenue / PBT upgrade

1 Year Chart



Next Fifteen's H1 results have provided more colour on the strong financial performance indicated in the recent trading update. All the group segments are delivering strong YoY organic growth, bolstered by recent acquisitions. The performance of the Delivery segment continues to be eye-catching, especially in terms of margin. As previously flagged, the structural margin gains from property and post pandemic cost efficiencies have now been fully captured with the group now re-investing back into headcount and capacity. Given the strength of current trading, we have upgraded our FY22 expectations by a further 3% although we do not see further margin gains until FY23.

Productisation is a growing theme for Next Fifteen as it looks to break clear of the margin constraints typically associated with agency business models. C.40% of group revenue is already derived outside of "time and materials" and delivers a materially higher margin. The pathway to the group generating EBITA margins in excess of 25% is becoming clearer and will be driven by a combination of internal investment, M&A and current revenue growth trends being maintained.

Next Fifteen currently trades on a FY23E PE of 20.7x which, despite the strong recent run, still represents a material discount to a number of peers. Given the strength of delivery and the medium-term outlook, this discount continues to feel anomalous.

11 October 2021

Iain Daly

id@radnorcp.com
+44 (0) 203 897 1832

- **Strong headlines:** Headline revenue growth +32% (organic +23%) driving +69% growth in PBT. Adjusted EPS +51% post increased minorities charge. Net cash of £6.6m.
- **Productisation likely to be a growing theme:** Although not new news, the emphasis on productisation has definitely grown in prominence. This is likely to be more impactful in the Delivery, Transformation and Insight segments. In the short term, NFC is likely to be a net investor (£1m - £2m of incremental internal spend) and have indicated that FY23 is likely to be first year where the revenue and margin benefits are likely to be felt in a material sense.
- **Margin progression to be driven primarily by revenue mix:** The outlook for margins remains positive for NFC, although the main driver of future margin expansion is likely to be the mix effect of higher margin businesses growing faster than the group average. The immediate property costs savings (which are structural) have now been secured and staff costs are now likely to grow as the group reinvests to secure strong levels of client demand.
- **Estimate upgrades:** We are upgrading our revenue and adjusted PBT estimates for FY22 by +3% respectively and FY23 by +3% / +7% respectively. An increased minorities charge drops through to a +2% EPS upgrade for FY22.

Next Fifteen Communications Group PLC is a research client of Radnor Capital Partners Ltd.

MiFID II – this research is deemed to be a minor, non-monetary benefit.

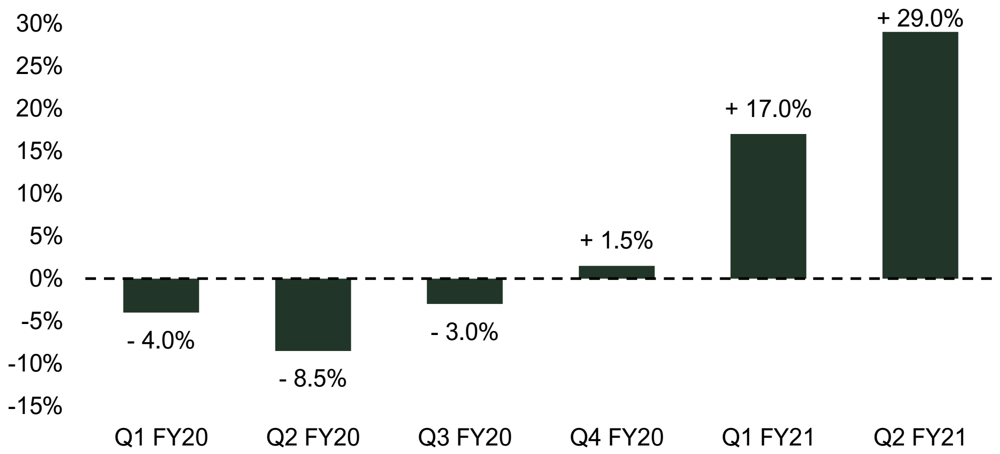
Y/E January, £m	Sales	PBT adj	EPS (p)	Div (p)	Net Cash	Fiscal PER x	Yield %
FY 2020A	248.5	40.2	34.8	2.5	-9.4	31.6	0.2
FY 2021A	266.9	49.1	40.7	7.0	14.0	27.0	0.6
FY 2022E	*339.5*	*67.1*	*50.2*	*10.5*	*25.3*	*21.9*	*1.0*
FY 2023E	*365.2*	*74.5*	*54.3*	*12.1*	*55.2*	*20.2*	*1.1*
FY 2024E	*391.0*	*81.5*	*59.2*	*13.2*	*101.2*	*18.6*	*1.2*

Source: Radnor Capital Partners

Organic growth has moved beyond recovery

In Figure 1 below, we show the quarterly progression of organic revenue growth by quarter through the course of FY'21 and into FY'22.

Figure 1: Quarterly organic revenue growth through FY'21



Source: Company, Radnor

It is now clear that NFC has moved beyond recovering the ground lost due to Covid. Anecdotal evidence from other companies in the sector (listed and private) confirms the strength of the current spending environment. If we look back to our pre-Covid FY22e revenue estimate, we had been looking for £281m of revenue. If we adjust this for the acquisitions of Shopper Media and Mach49 in the intervening period (c.£20m of acquired revenue), our current FY22e revenue estimate of £339.4m is now c.13% ahead.

The other interesting comparison with pre Covid estimates is at the margin line. Again, if we look back at our last pre-Covid estimate for FY22e, we had been looking for EBITA margins (pre-central overhead) of 22.3%, some 240 basis points below our latest estimate of 24.4%. According to our internal calculations, acquisitions represent c.50 basis points of this improvement with the combination of property cost savings and net revenue drop through accounting for the balance.

Figure 2: H1 results by segment

Customer Insight		Customer Engagement		Customer Delivery		Business Transformation	
Analytics, data and research led. Enabling clients to make better marketing & product decisions		*Content, strategy and message creation and delivery.*		*Sales delivery through the application of technology and data*		*Organisational value maximisation through investment and transformation*	
H1 22 Revenue	**£18.8m**	*H1 22 Revenue*	**£91.2m**	*H1 22 Revenue*	**£36.3m**	*H1 22 Revenue*	**£19.7m**
H1 22 EBITA	**£3.3m**	*H1 22 EBITA*	**£20.4m**	*H1 22 EBITA*	**£13.2m**	*H1 22 EBITA*	**£4.6m**
Margin	**17.7%**	*Margin*	**22.3%**	*Margin*	**36.3%**	*Margin*	**23.4%**
Organic growth	**+23%**	*Organic growth*	**+15%**	*Organic growth*	**+49%**	*Organic growth*	**+47%**

Source: Company

Key highlights from the H1 results are as follows:

- Headline H1 revenue growth +32% YoY to £165.9m;
- Organic H1 revenue growth +23% YoY, of which Q1 organic growth was +17% and Q2 +29%. All four of the group's segments reported healthy organic growth;
- Pre-central cost contribution margin came in at 25.0%, +440 basis points vs H1 FY21. Post central cost EBITA margin (the group's headline measure) came in at 21.1%, +430 basis points over FY21;
- Adjusted PBT (post IFRS16 lease liabilities) +69% YoY to £35.0m;
- Adjusted EPS of 26.3p, +51% YoY;
- Interim dividend of 3.6p (FY21: nil);
- Net cash of £6.6m (H1 FY21 net debt of £6.6m).

Key highlights at the segment level:

- **Customer Engagement:** This is the largest segment in the group and is where the core of the group's more established comms agencies can be found. The key stories here have been the steady recovery of the large Archetype agency in the US (itself the result of a previous internal agency merger in FY19) and a very strong performance from the MBooth agency, which includes the healthcare business acquired in FY21. Organic YoY revenue growth came in at +15%, with reported revenue growth YoY +10.2% to £91.2m and EBIT contribution of £20.4m (H1 FY21: £16.4m). EBIT margins grew +250 basis points to 22.3%.
- **Customer Insight:** This segment had been the most impacted by the initial pandemic impact as consumer facing marketing budgets came under short term pressure. However, since the start of FY22 Insight has seen a steady recovery. The core brand is Savanta, which made a couple of small North American acquisition during the period. Headline YoY revenue growth was +22% to £18.8m, (organic growth of +23%). Segment margins are still recovering and showed the largest YoY growth in the group, +710 basis points to 17.7%. Historically, margins from this area of the group have trended in the mid 20% range.
- **Customer Delivery**: This segment has been the most consistent performer through the pandemic with its core focus on direct revenue and lead generation. Agencies such as Activate, Twogether and Agent 3 have been some of the strongest performers across the group. The most recent larger acquisition, Shopper Media Group, with its data driven approach to point of sales optimisation, falls into this segment. Segment headline YoY revenue growth was +60% to £36.3m (H1 FY21: £22.6m) with organic revenue growth +49%. Segment contribution margin was +660 basis points YoY to 36.3%, the highest overall margins in the group.
- **Business Transformation:** The organic revenue performance was driven primarily by a very strong performance from Blueshirt, which leveraged off a very strong US tech IPO environment and Palladium, which offers digital advisory services into the private equity space. Mach49, acquired in August 2020 and is focused more into the corporate venturing and strategic value consultancy space, also

performed strongly, driving a near quadrupling of reported segment revenue to £19.7m (H1 FY21: £5.5m) and EBIT contribution of £4.6m (H1 FY21: £1.3m).

- **M&A** remains a key growth driver for Next Fifteen, with the company sticking to its tried and tested M&A model which is based around backing entrepreneurial management teams who are looking to de-risk their next stage of growth. Despite the headlines being dominated by PE and VC led deals at hugely inflated multiples, Next Fifteen has maintained its valuation discipline (especially around initial consideration multiples). In our view, Next Fifteen has one of the better articulated M&A models which has gone a long way to delivering material growth benefits at a lower level of valuation risk than has often been the case elsewhere in the sector.

  Alongside some small bolt-on acquisitions made by Savanta (Insight segment) the most notable recent acquisitions have been:

  - **Shopper Media Group** - acquired in April 2021 for an initial consideration of £15.7m and a five year earn out structure (realistic total value of c.£40m) and a look through multiple of 8x EBIT. SMG is a data driven retail sales agency that sits within the Delivery segment.

  - **BCA** – Here Next Fifteen acquired a 31% controlling interest (on top of the 20% already owned) in a business formed in 2016 by the Blueshirt investor relations agency. BCA is focused primarily on advising on IPOs (technology and SPACs) and has been performing strongly (2020 revenue of $4.1m with EBIT margins in excess of 60%). Next Fifteen had reported BCA as an associate historically but will now fully consolidate the venture alongside a 49% minority interest. Next Fifteen has the right to acquire a further 29% in two years' time, taking the ownership position to 80%.

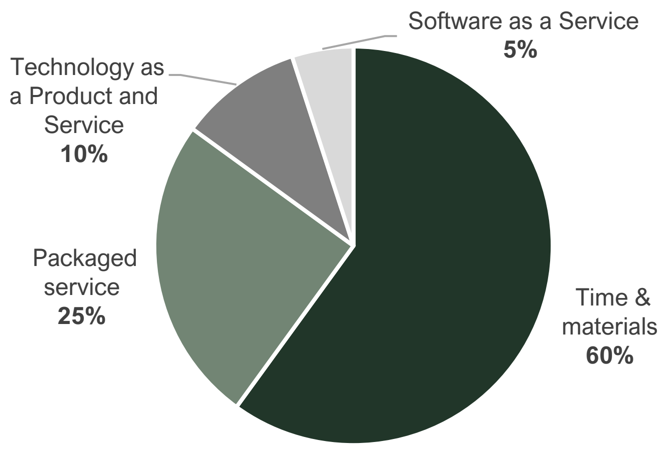
- **Productisation is a growing theme.** Although the potential of "productisation" has been well flagged by Next Fifteen in the past, there is a clear and growing emphasis on this as a new and material route to growth for the group.

  Historically, the majority of group revenue has been generated from traditional consultancy and advisory services. Although subject to a high degree of variation across the group's businesses, fundamentally these revenues were representative of time and capacity utilisation with a natural limit on their scalability. This also created a more direct and linear link between capacity and margin potential. Traditional agency economics suggest that a delivering a contribution margin consistently in excess of 25% is challenging to maintain for a "time and materials" business model.

  Over the last five years, a number of the business acquired by Next Fifteen have displayed margins materially in excess of 25% and have also been able to deliver growth rates well in excess of the group average. These businesses have been able to do so primarily through the application of technology as part of the client solution but also through pricing as a function of client outcome rather than cost input.

  Next Fifteen has provided more colour around the current revenue mix by revenue type as opposed to geography and client application. This segmentation is not part of the group's formal financial reporting.

Figure 3: Next Fifteen revenue mix by type



Source: Company, Radnor

We can see from Figure 3 that c.60% of Next Fifteen's revenue is derived from traditional agency services with the remaining 40% coming from more productised elements.

- Packaged services are where technology sits at the heart of the offering but where the service, or informational outcome, is sold on a discrete or project basis. Our understanding is that the Insight segment and elements of the Engagement and Delivery segment sit within this bucket.

- Technology as a Product and Service is a more interesting area where subscription / licence models dominate and where pricing is more determined by the value to the client rather than the cost to deliver. Next Fifteen's Delivery segment and elements of Business Transformation are most exposed to this revenue type.

Next Fifteen are clear in their expectation that it is in the Packaged Services and Technology as a Product and Service where the most attractive routes to growth lie. Although it is unrealistic to expect the Engagement segment (dominated by the more traditional communications agencies) to fully shift away from the time and materials model, management are clearly focused on exploring newer service and delivery models here.

So what does all this mean and why should investors care? Margins, put simply. History shows that it is difficult to sustain time and material margins in excess of 25% without running the risk of becoming underinvested or seeing higher employee churn. Margins in the Engagement segment are currently 22.3% and we anticipate incremental improvements from this point onwards, however we do not see margins expanding beyond 23.5% over the medium term. In the absence of material margin expansion, earnings growth will then become solely a function of organic revenue growth (high single digit percentage) and M&A contribution.

However, margins elsewhere in the group are materially higher, especially with the Delivery segment (36%) where the highest level of productisation currently resides. The Insight segment historically has delivered margins well in excess of 25% and is an area where investment in further productisation is being focused (ie roll out of the BrandVue service).

Next Fifteen margins are therefore likely to be driven by the evolving product mix. If current growth trends between the segments are maintained and if meaningful further progress is made in developing internal Packaged Service and Technology as a Product offerings then a medium term (post central costs) group EBIT margin of c.25% (currently 21.1%) should be achievable.

Estimate Revisions: PBT +3% for FY 2022, +7% for FY 2023

We have revisited our forecast model and have made the following changes:

Figure 4: Radnor estimate revisions

		Previous		New		*Change, %*	
£m	FY21A	2022E	2023E	**2022E**	**2023E**	**2022E**	**2023E**
Customer Engagement	166.5	199.8	211.8	186.5	197.7		
Customer Delivery	49.6	61.9	68.1	74.3	81.8		
Customer Insight	33.1	41.3	44.6	39.7	42.9		
Business Transformation	17.7	26.6	29.2	39.0	42.9		
Revenue	**266.9**	**329.7**	**353.9**	**339.5**	**365.2**	***+ 3%***	***+ 3%***
Customer Engagement	36.9	46.6	49.6	41.0	45.5		
Customer Delivery	15.2	19.8	21.9	26.0	28.9		
Customer Insight	4.9	7.0	7.7	6.7	7.4		
Business Transformation	3.9	6.1	6.7	9.0	9.9		
Central Overhead	-11.4	-14.0	-15.6	-15.3	-16.4	*+ 9%*	*+ 5%*
EBITA	**49.5**	**65.5**	**70.3**	**67.5**	**75.1**	***+ 3%***	***+ 7%***
- margin %	*18.5%*	*19.9%*	*19.9%*	*19.9%*	*20.6%*		
Adj. PBT	**49.1**	**65.1**	**69.8**	**67.1**	**74.5**	***+ 3%***	***+ 7%***
Adj. EPS (p)	**40.7**	**49.2**	**52.2**	**50.2**	**54.3**	***+ 2%***	***+ 4%***

Source: Radnor

We have updated our segmental forecasts to reflect the strong performance from Delivery and Business Transformation.

We have also reflected the commentary around internal product development investment (c.£1m to £2m per annum) and also broader cost re-investment around headcount. Unlike earlier upgrades this year, we are not increasing our FY22 margin expectations at this stage. Our FY23 margin expectations have been upgraded due primarily to favourable revenue mix changes and initial contributions from internal development spend this year.

Valuation

Figure 5: Next Fifteen FY2 **PE**

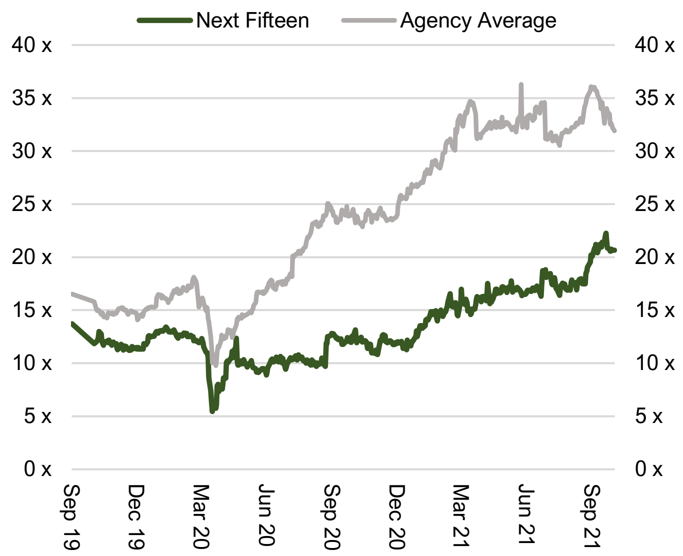
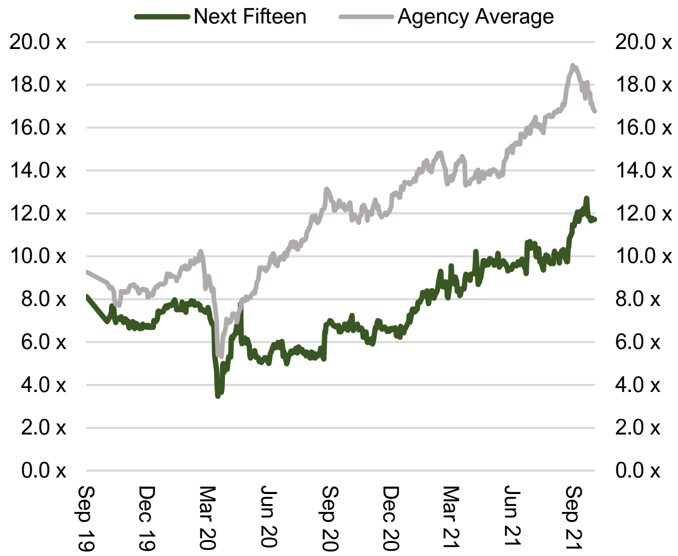


Figure 6: Next Fifteen FY2 **EV/EBITDA**



Source: FactSet, Radnor

In Figures 5 & 6 above, we show the evolution of the Next Fifteen FY2 PE and EV/EBITDA multiple over the last two years, compared to the Small Cap Agency average. We focus on FY2 earnings as short-term earnings volatility is clearly pronounced in the current year and we believe investors have now moved beyond their initial focus on near term security and are looking through to the 2022 earnings outlook.

In Figures 7 and 8 below, we compare Next Fifteen to the peer group and Small Cap Media average in terms of PE vs Revenue Growth and PE vs EBITDA margins. On both measures we can see that Next Fifteen sits well ahead of the peer group averages in terms of both growth and margin, yet still does not command the premium multiples shown by a number of peers.

Figure 7: Next Fifteen FY2 PE vs Growth

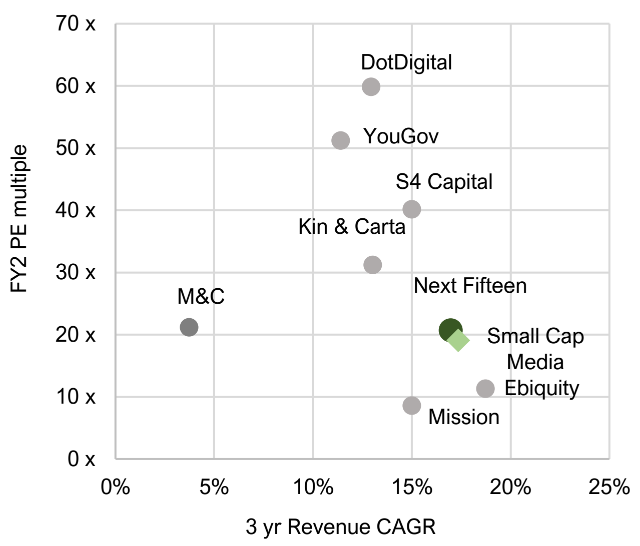
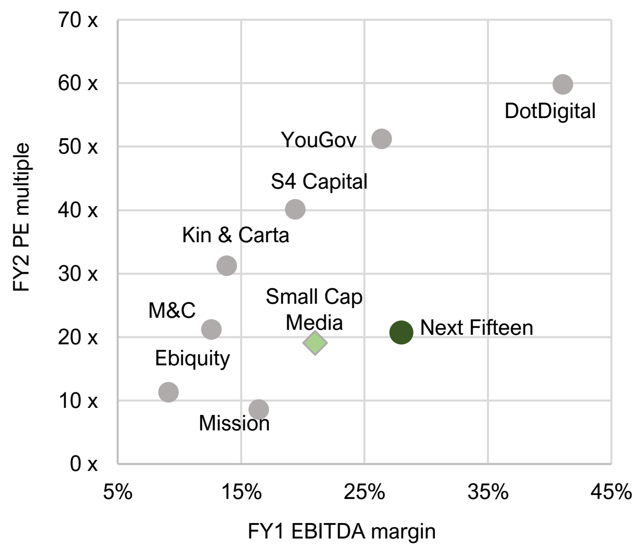


Figure 8: Next Fifteen FY2 PE vs Margin



Source: FactSet, Radnor

Next Fifteen Communications PLC

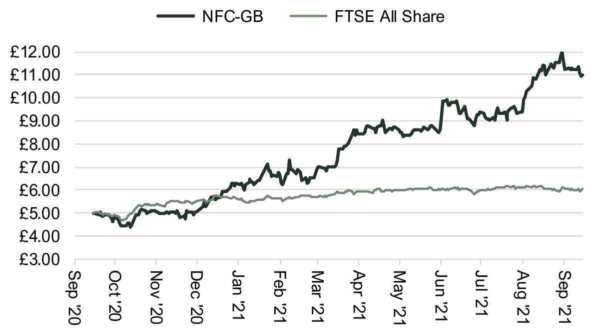
Iain Daly
+44 203 897 1832
id@radnorcp.com

Price (p):	**1100 p**
Market Cap:	1,021 m
EV:	1,007 m

PROFIT & LOSS

Year to 31 January, £m	**FY18**	**FY19**	**FY20**	**FY21**	**FY22e**	**FY23e**	**FY24e**
Customer Engagement				*166.5*	*186.5*	*197.7*	*207.6*
Customer Delivery				*49.6*	*74.3*	*81.8*	*89.9*
Customer Insight				*33.1*	*39.7*	*42.9*	*46.3*
Business Transformation				*17.7*	*39.0*	*42.9*	*47.2*
Group Net Revenue	**196.8**	**224.1**	**248.5**	**266.9**	**339.5**	**365.2**	**391.0**
Customer Engagement				*36.9*	*41.0*	*45.5*	*48.8*
Customer Delivery				*15.2*	*26.0*	*28.9*	*31.9*
Customer Insight				*4.9*	*6.7*	*7.4*	*8.1*
Business Transformation				*3.9*	*9.0*	*9.9*	*10.9*
Head Office	*(8.9)*	*(9.3)*	*(9.5)*	*(11.4)*	*(15.3)*	*(16.4)*	*(17.6)*
EBITA - Adjusted	**30.0**	**37.0**	**40.9**	**49.5**	**67.5**	**75.1**	**82.1**
Associates & JV's	0.0	0.1	0.2	0.4	0.2	-	-
Net Bank Interest	(0.7)	(1.0)	(0.8)	(0.8)	(0.6)	(0.6)	(0.6)
PBT - Adjusted	**32.8**	**36.0**	**40.2**	**49.1**	**67.1**	**74.5**	**81.5**
Non Operating Items	(12.8)	(16.3)	(23.0)	(37.2)	(29.6)	(26.0)	(22.8)
Other Financial Items	(3.2)	(0.9)	(11.6)	(13.2)	(16.5)	(10.0)	(10.0)
PBT - IFRS	**13.3**	**18.8**	**5.6**	**(1.3)**	**19.9**	**37.5**	**47.6**
Tax	(4.0)	(4.3)	(2.7)	(2.6)	(4.1)	(9.4)	(11.9)
Tax - Adjusted	(5.9)	(7.2)	(8.0)	(9.9)	(15.8)	(17.9)	(19.6)
Tax rate - Adjusted	*17.9%*	*20.0%*	*20.0%*	*20.2%*	*23.5%*	*24.0%*	*24.0%*
Minority interests	0.7	0.6	0.6	1.0	2.9	4.2	4.8
No. shares m	74.3	79.2	85.3	89.4	92.0	92.0	92.0
No. shares m, diluted	82.1	85.0	90.9	93.8	96.4	96.4	96.4
IFRS EPS (p)	11.6	17.5	2.7	(5.5)	14.1	25.9	33.6
Adj EPS (p), diluted	**32.1**	**33.1**	**34.8**	**40.7**	**50.2**	**54.3**	**59.2**
Total DPS (p)	6.3	7.6	2.5	7.0	10.5	12.1	13.2

PRICE CHART - 1 YEAR ABSOLUTE vs FTSE ALL SHARE



Source: FactSet

SHAREHOLDERS

	% of ord. Share capital
Liontrust Investment Partners	14.1%
Octopus Investments	14.1%
Aviva Investors	11.8%
Aberdeen Stan Life	7.9%
Tim Dyson (CEO)	5.9%
BlackRock	5.1%
Canaccord Wealth	5.0%
Herald Inv Mgmt	4.4%
	68.3%

CASH FLOW

Year to 31 January, £m	**FY18**	**FY19**	**FY20**	**FY21**	**FY22e**	**FY23e**	**FY24e**
Net Profit: (add back)	9.3	14.5	2.8	(3.9)	15.8	28.1	35.7
Depreciation & Amortisation	*11.4*	*13.8*	*26.4*	*28.0*	*27.6*	*27.8*	*28.1*
Net Finance costs	*4.0*	*1.9*	*14.1*	*15.4*	*18.2*	*11.7*	*11.7*
Tax	*4.0*	*4.3*	*2.7*	*2.6*	*4.1*	*9.4*	*11.9*
Working Capital	(4.2)	1.2	(3.3)	6.6	(6.3)	(4.5)	(0.8)
Other	4.4	2.6	6.8	24.3	8.8	9.0	9.0
Cash from Ops	**28.9**	**38.4**	**49.5**	**72.9**	**68.2**	**81.5**	**95.6**
Cash Tax	(4.3)	(6.2)	(6.0)	(8.4)	(10.0)	(9.4)	(11.9)
Tangible Capex	(3.0)	(5.6)	(3.5)	(2.0)	(3.0)	(3.0)	(3.0)
Intangible Capex	(1.2)	(2.4)	(1.8)	(2.1)	(2.0)	(2.0)	(2.0)
Free Cashflow	**20.4**	**24.1**	**38.2**	**60.4**	**53.2**	**67.2**	**78.7**
Dividends	(5.7)	(6.6)	(7.5)	(0.7)	(7.3)	(10.6)	(12.1)
Acquisitions & Inv.	(15.4)	(29.6)	(24.2)	(23.6)	(25.0)	(17.0)	(11.0)
Financing	3.8	7.7	1.8	(37.7)	(9.7)	(9.7)	(9.7)
Net Cashflow	**3.1**	**(4.4)**	**8.3**	**(1.6)**	**11.3**	**29.9**	**46.0**
Net Cash (Debt)	(11.6)	(5.2)	(9.4)	14.0	25.3	55.2	101.2

Announcements

Date	**Event**
September 2021	H1 results
August 2021	Trading update
April 2021	Final results (y/e Jan 2021)
April 2021	Acquisition of Shopper Media for £15m
January 2021	Trading update
September 2020	Trading update
September 2020	Acquisition of Mach49 for $2.7m

RATIOS

	FY20	**FY21**	**FY22e**	**FY23e**	**FY24e**
RoE	28.1%	32.7%	35.6%	28.6%	26.2%
RoCE	33.6%	48.5%	61.0%	58.7%	70.3%
Asset Turnover (x)	0.9x	0.8x	0.7x	0.6x	0.5x
NWC % Revenue	41.2%	42.4%	33.1%	24.5%	22.7%
Op Cash % EBITA	121.2%	147.4%	101.1%	108.5%	116.5%
Net Debt / EBITDA	0.1x	-	-	-	-

BALANCE SHEET

Year to 31 January, £m	**FY18**	**FY19**	**FY20**	**FY21**	**FY22e**	**FY23e**	**FY24e**
Intangibles	94.8	126.1	155.4	163.8	175.8	179.8	177.8
P,P+E	13.6	15.9	14.2	8.9	12.3	10.4	8.3
Tax Asset & Other	11.7	13.0	54.7	43.4	35.4	27.4	19.4
Total Fixed Assets	**120.1**	**155.0**	**224.4**	**216.1**	**223.4**	**217.6**	**205.5**
Net Working Capital	(32.2)	(38.4)	(102.3)	(113.2)	(112.5)	(89.6)	(88.9)
Capital Employed	**87.9**	**116.6**	**122.1**	**102.9**	**110.9**	**128.0**	**116.7**
Net Funds	(11.6)	(5.2)	(9.4)	14.0	25.3	55.2	101.2
Net Assets	**76.3**	**111.5**	**112.7**	**116.9**	**136.2**	**183.2**	**217.8**

VALUATION

Fiscal	**FY20**	**FY21**	**FY22e**	**FY23e**	**FY24e**
P/E	31.6x	27.0x	21.9x	20.2x	18.6x
EV/EBITDA	14.7x	13.0x	14.9x	13.4x	12.3x
Div Yield	0.2%	0.6%	1.0%	1.1%	1.2%
FCF Yield	3.8%	6.0%	5.3%	6.7%	7.8%
EPS growth	4.9%	17.1%	23.3%	8.2%	9.0%
DPS growth	-66.9%	180.0%	49.5%	15.4%	9.0%

REGULATORY DISCLOSURES

Radnor Capital Partners Ltd is authorised and regulated by the Financial Conduct Authority.

Radnor Capital Partners Ltd
1 King Street
London
EC2V 8AU

www.radnorcp.com

DISCLAIMER

 This report has been commissioned by **Next Fifteen Communications PLC** *and prepared and issued by* **Radnor Capital Partners Ltd**. *All information used in this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report. Opinions contained in this report represent those of the analyst at the time of publication. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.*

This report is not intended as a solicitation or inducement to buy, sell, subscribe or underwrite any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research. However, Radnor Capital Partners Ltd does have strict rules relating to personal dealings by individuals employed or instructed to help prepare investment research. A copy of these rules is available upon request. Radnor Capital Partners Ltd does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contracted persons or entities may have a position in any or related securities mentioned in this report. Radnor Capital Partners Ltd, or its affiliates, may perform services or solicit business from any of the companies mentioned in this report. The value of securities mentioned in this report can fall as well as rise and can be subject to volatility. In addition, it may be difficult to or not possible to buy, sell or obtain accurate information about the value of securities mentioned in this report. Past performance is not necessarily a guide to future performance. Forward looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations. To the maximum extent permitted by law, Radnor Capital Partners Ltd, or its affiliates and their respective directors, officers and employees will not be held liable for any loss or damage as a result of reliance being placed on any of the information contained in this report and do not guarantee the returns on investments in the products discussed in this publication.