

# Stellar Family Trading Companies Service Overview



## Active Management

We are not passive investment managers, we are hands-on in our approach and seek to actively transform the businesses we acquire, and to unlock their growth potential. Our focus is on actively optimising value at each stage of the asset lifecycle. This can be distilled as: acquiring well, managing well and ultimately selling well. We are not afraid to be a seller and have a track record of crystallising returns for investors early if we feel it is in the best interests of our investors to do so.



## Diversification

Our approach to diversification is multi-faceted. We are the most diverse Business Relief offering in terms of the number of business sectors in which we operate, with a track record of adding value across nine business activities all of which qualify for Business Relief. Diversification underpins all that we do and is a key element of our strategy at portfolio level and at the underlying business level. As well as mitigating risk, spreading capital across a range of qualifying activities enables us to be flexible in our investment approach.



## Uncapped Upside

Whilst we do not expect the Service to generate linear annual returns as we are investing in real businesses with seasonal and economical fluctuations; the returns from the Service are uncapped. It is fundamental to our core principles that, if we exceed target expectations, it is those who have entrusted us with their capital that get their rightful share of the benefits.



## Excellent Value

We take pride in delivering real value for investors. There should be no compromise between fees and service; our charges are transparent, highly competitive and specifically structured to maximise client performance.



## Adaptability

It is important for us not to be beholden or committed long-term to any certain sector(s). Sectors are cyclical in nature and can often be impacted by factors outside of our control. The breadth of our experience across a range of sectors, coupled with our extensive network of specialist partners in these areas, enables us to adapt effectively to market cycles. We are flexible, nimble and seek to focus capital allocation on areas in which we see the greatest opportunity for value.



## Rigorous risk control

The foundations for security are the tangible assets of land and real estate. There is limited use of leverage within some of our business sectors. Further protection at portfolio level comes from diversification, capital is spread across a range of business activities, many of which are uncorrelated. At the underlying business level, each asset benefits from multi-layered oversight. Our specialist partners oversee day-to-day operations, whilst Stellar's investment team and committee ensure assets are always guided in alignment with the service's core mandate. All deals are structured to ensure that Stellar investors have a priority return and our partners are always incentivised to drive performance without taking on additional risk.



## ESG

ESG is an embedded part of our investment process. We believe sound ESG analysis should be looked at holistically, incorporating both quantitative and qualitative factors, to form the most rounded view.

## Portal access

All investor reports are available to download or view online providing valuations, transaction history, and portfolio performance. Please visit [www.stellar-am.com/portal](http://www.stellar-am.com/portal) for more information.

## Important Information

Stellar Asset Management Limited does not offer investment or tax advice or make recommendations regarding investments. This document has been prepared for Stellar investors and their advisers. It is provided for information purposes only. Prospective investors should ensure that they read the product literature and fully understand the fee structure and the risk factors before making any investment decision. Stellar Asset Management Limited of 20 Chapel Street, Liverpool, L3 9AG is authorised and regulated by the Financial Conduct Authority.

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