

Menhaden PLC

Information as at 31 December 2020

www.menhaden.com

Investment Objective

Menhaden PLC (the "Company") seeks to generate long-term shareholder returns, predominantly in the form of capital growth, by investing in businesses and opportunities that are demonstrably delivering or benefiting significantly, from the efficient use of energy and resources, irrespective of their size, location or stage of development. To reflect its non-benchmarked total return investment strategy, the Company uses RPI+3% as its primary long term financial performance comparator. In addition to this absolute return performance measure, the Company also uses a range of specialist, sectoral and peer group benchmarks to assess its relative performance.

10 Largest Holdings at 31 December 2020 (% of total assets)

Name	Total
Alphabet	19.9
Charter Communications	19.8
Safran	10.9
X-ELIO *	10.6
Canadian Pacific Railway	7.5
Calisen Group **	5.7
Canadian National Railway	4.9
Microsoft	4.5
Airbus	4.2
Ocean Wilsons	3.1
Total	91.1

*investment made through Helios Co-Invest LP

**investment made through KKR Evergreen Co-Invest II LP

Commentary

During December, the Company's net asset value ('NAV') per share was up 1.2%, the share price was up 5.3%, while the RPI+3% was unchanged.

Our public equities delivered mixed performance with freight railroad operator, **Canadian Pacific**, adding 0.4% to our NAV, whilst aircraft engine manufacturer, **Safran**, detracted 0.6%.

Within our private portfolio, **Calisen**, the smart meter installer, added 1.5% to our NAV with the shares trading higher after a bid from a consortium of infrastructure investors led by Blackrock. The takeover offer of 261p per share represented a premium of approximately 26% compared to the group's share price at the previous close and approximately 9% compared to its initial public offering in February 2020. This transaction will mark the end of our original co-investment in Calvin Capital, which was made alongside KKR in January 2017.

Our non-sterling denominated holdings were negatively impacted by the appreciation of sterling, as the EU and UK agreed a trade deal. The impact was partly offset by our currency forward hedges which currently amount to approximately half of our Euro and US dollar exposures.

Risk Warnings

This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Before investing in the Company, or any other investment product, you should satisfy yourself as to its suitability and the risks involved, and you may wish to consult a financial adviser.

Any return you receive depends on future market performance and is uncertain. The Company does not seek any protection from future market performance so you could lose some or all of your investment. Shares of the Company are bought and sold on the London Stock Exchange. The price you pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company. Usually, at any given time, the price you pay for a share will be higher than the price you could sell it. For further information on the principal risks the Company is exposed to please refer to the Company's Annual Report or Investor Disclosure Document available at www.menhaden.com.

The Company currently deploys leverage using currency forwards. These are designed to partially protect/hedge the NAV from unfavourable movements in foreign exchange rates by reducing the Company's exposure to foreign currencies. The Company can borrow but does not currently.

Portfolio Manager Profile

Portfolio management services are provided by Menhaden Capital Management LLP ('MCM'). Three of the partners of MCM, Ben Goldsmith, Luciano Suana and Graham Thomas, form the Investment Committee, which makes all investment and divestment decisions in respect of the Company. Their investment philosophy is to assess all investment opportunities through a value lens, with the aim of acquiring investments with low downside risk, backed by identifiable assets and cash flows, at attractive valuations. The team seeks to invest with a long-term perspective and with high conviction. MCM is authorised and regulated by the Financial Conduct Authority.

Biographies

Graham Thomas is the non-executive chairman of MCM's Investment Committee. Graham is the Chief Executive of Stage Capital, a private equity firm backed by Goldman Sachs Asset Management and Glendower Capital. Before Stage Capital, he chaired RIT Capital Partners plc's Executive Committee and was a member of its investment committee with responsibility for its private investments. Previously he held senior roles at Standard Bank Group, and was a partner at MidOcean Partners, having started his career at Goldman Sachs in London. Graham also serves on the investment committee of Apis Partners.

Ben Goldsmith is the Chief Executive Officer of MCM. Before co-founding MCM, Ben co-founded the WHEB group, one of Europe's leading energy and resource-focused fund investment businesses. Ben is a director of Cavamont Holdings, the Goldsmith family's investment holding vehicle and also chairs the UK Conservative Environment Network.

Luciano Suana is the Chief Investment Officer at MCM. Before joining MCM, Luciano was a Director at Barclays Capital in the Capital Markets division where he ran the credit trading operations for Brazil out of São Paulo. Before Barclays, Luciano was a Director at Dresdner Kleinwort in London. There he focused mainly on Infrastructure, Utilities and Real Estate assets as head of the Illiquids Credit group.

Edward Pybus is a Research Analyst at MCM. Before joining MCM, Edward was an analyst at Exane BNP Paribas in the Research division, where he was a member of the Oil & Gas team and covered European integrated oil companies. Edward is a CFA Charterholder and qualified as a Chartered Accountant at Deloitte.

Investment Policy

The Company's investment objective is pursued through constructing a conviction-driven portfolio consisting primarily of direct listed and unlisted holdings across different asset classes and geographies. The Company invests, either directly or through external funds, in a portfolio that is comprised of three main allocations: listed equity; yield assets; and special situations. The flexibility to invest across asset classes affords the Company two main benefits: 1) It enables construction of a portfolio based on an assessment of market cycles; and 2) It enables investment in all opportunities which benefit from the investment theme. It is expected the portfolio will comprise approximately 15 to 30 positions.

The portfolio will be predominantly focused on investments in developed markets, though if opportunities that present an attractive risk and reward profile are available in emerging markets then these may also be pursued. While many of the companies forming the portfolio are headquartered in the UK, USA or Europe, it should be noted that many of those companies are global in nature so their reporting currency may not reflect their actual geographic or currency exposures. Subject to any applicable investment restrictions contained in the Listing Rules from time to time, the Company will not make an investment if it would cause a breach of any of the following limits at the point of investment: 1) no more than 20% of the Company's gross assets may be invested, directly or indirectly through external funds, in the securities of any single entity; and, 2) no more than 20% of the Company's gross assets may be invested in a single external fund.

Menhaden PLC conducts its affairs so that its shares can be recommended by independent financial advisers ("IFAs") to retail private investors. The shares are excluded from the Financial Conduct Authority's ("FCA's") restrictions which apply to non-mainstream investment products because they are shares in a UK-listed investment trust.

Asset Allocation Breakdown as at 31 December 2020 (%)

Asset	Total
Public equities	80.1
Private investments	16.5
Yield investments	2.1
Liquidity	1.3
Total	100.0

Source: All portfolio information sourced from Frostrow Capital LLP

Geographic Breakdown as at 31 December 2020 (%)

Asset	Total
US	50.1
Europe	27.2
Canada	12.5
UK	5.7
Emerging Markets	3.1
Unquoted UK LPs	0.1
Liquidity	1.3
Total	100.0

Source: All portfolio information sourced from Frostrow Capital LLP. Geographic classification based on location of primary economic activity.

Standardised Discrete Performance (%)

Percentage Growth	1 month	YTD	1 Year	3 Years	5 Years	Since Inception
NAV	1.2%	13.0%	13.0%	45.2%	59.4%	37.0%
Share Price	5.3%	3.1%	3.1%	46.5%	30.3%	-2.1%
Index [^]	0.0%	3.3%	3.9%	16.4%	31.2%	32.2%

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed. An investor may receive back less than the original amount invested.

Source: Morningstar/Frostrow.

[^] RPI +3%, and the data is quoted on a month lag.

Fast Facts

AIC Sector	Environmental
Launch Date	31 July 2015
Annual Management Fee (payable by the Company):	Portfolio Management Fee 1.25% p/a on first £100m of AUM, 1.0% thereafter; AIFM Fee 0.225% p/a up to £100m, 0.20% p/a thereafter up to £500m, 0.175% in excess of £500m
Performance fee	See Prospectus for details
Ongoing charges*	2.0%
Continuation Vote	At AGM in 2020; every 5 years

Year / Half Year 31 December / 30 June

Capital Structure 80,000,001 Ordinary Shares of 1p

*Calculated at the financial year-end, includes management fees and all other operating expenses.

Trust Characteristics

Number of Holdings	17
Total Net Assets (£m)	£105.9m
Market Capitalisation (£m)	£79.2m
Gearing (AIC basis) *	0%
Leverage**:	
Gross	145.3%
Commitment	96.8%
Share Price (p)	99.00
NAV (p)	132.33
(Discount) / Premium	(25.2%)

* Calculated as borrowings / by Net Assets

** Calculated as exposures (as defined in the AIFMD) / Net Assets. The Gross method takes the absolute exposure of all instruments, including hedging arrangements, whilst the commitment method takes the net exposure. The Board has set a maximum leverage level of 200% under the gross method and the commitment method.

Codes

Sedol	BZ0XWD0
ISIN	GB00BZ0XWD04
Legal Entity Identifier	2138004NTCUZTHFWXS17
Bloomberg	MHN LN
Epic	MHN

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Important Information

Menhaden PLC (the Company) is a public limited company whose shares are premium listed on the London Stock Exchange (LSE) and is registered with HMRC as an investment trust.

The Company has an indeterminate life although shareholders consider and vote on the continuation of the Company every five years (the next such vote will be held in 2020).

The Company may, but does not currently, borrow to purchase investments. Borrowing could potentially magnify any gains or losses made by the Company.

