THE SMALL COMPANY

SHARE WATCH

July 2026

MARKET COMMENT

As I write, Starmer has resigned and the Labour Party's leadership steps are still unknown. The ink is barely dry on the Iran "deal," Japan and Europe have increased interest rates, and the UK has held them steady. Gold is down a chunk (7%), and oil is down a lot (nearer 20%).

The SpaceX IPO was undoubtedly the big market news. The share price briefly surged more than 50% from its launch level, despite the already surreal valuation. IPOs are typically issued at the best time for the issuer, not the prospective investor. As Jay Ritter warns, "IPOs are systematically timed by insiders to coincide with peaks in valuations." That said, Musk did not sell any of his own shares. The offering was structured purely to raise new capital. Still, history shows that IPOs tend to cluster around market peaks, and there are other smart sellers waiting in the wings - notably OpenAI and Anthropic. This IPO undoubtedly kept the pot boiling in the US, though over the month the tech-centric NASDAQ-100 was up only 2.3%, just less than the FTSE-250. The UK indices gained 0.5%-2.5%, with the FTSE-100 being the laggard, and this small edge for the domestically-focussed indices implies three positive takeaways: (1) Investors are travelling in the hope that a new Labour government won't do anything too damaging; (2) UK interest rates can hold steady; and (3) if both of these come to fruition, there is notable upside in cheap UK small and mid-caps, especially deep cyclicals such as construction and similar sectors.

To prevent this Summer morphing from a mere wall of worry to walking over hot coals, we do need clarity on Labour. Trump's "deal" must also stick, though the healing of energy markets will undoubtedly be stop-start.

Market views remain sharply divided. Valuation-focused investors point out that the Shiller PE (CAPE) ratio would need to fall 62% just to return to its long-term average, without even accounting for the overshoot that typically occurs in such corrections. On the other hand, strategist Ed Yardeni notes the remarkable resilience of financial markets since 2020, that central banks are less likely to raise interest rates if the oil price and inflation highs prove transitory, and that this new-found stability will trigger a new confidence and peace dividend fuelling a new bull market stampede.

You don't need to agree with either. All you can do is focus more on controlling the consequences of being wrong with stoplosses and appropriate position sizing.

ENSILICA (ENSI)

Sector :	AIM, Technology	
Latest Price :	98p	
High/Low :	125p - 32p	
Market Cap. :	£115.5m	
Shares in issue:	117.9m	
end5/2025 EPS/PER	-	-
end5/2026 EPS/PER est	0.5p	196.0
end5/2027 EPS/PER est	1.6p	61.3
Contact	info@ensilica.com	
Website	www.ensilica.com	

CALENDAR

Int/Fins/AGM	FEB/NOV/NOV

Most investors still look at EnSilica and see a chip-design consultancy. That's a bit like looking at a caterpillar and valuing it as a slightly ambitious worm. What they're missing is that the company is trying to transform itself from an engineering-services firm into a genuine fabless semiconductor company, selling ASSPs (application-specific standard products) and generating recurring silicon supply revenue rather than simply billing engineers by the hour. Much of the heavy lifting has been funded by subsidies from the European and UK space agencies, and the result is a growing portfolio of proprietary communications and space IP that could become vastly more valuable than the design fees that created it.

And the contracts are starting to emerge. Proper, eye-watering large contracts. EnSilica helped develop critical silicon for AST SpaceMobile's BlueBird satellites, one of the most ambitious direct-to-mobile constellations on the planet. More recently, it landed what CEO Ian Lankshear describes as its largest long-term supply opportunity ever with a major European satellite constellation operator - Europe's answer to Starlink - a deal that points directly at the future: payload chips, user terminals and potentially tens of millions in recurring supply revenues.

Fabless semiconductor company

Oxfordshire-based EnSilica was co-founded back in 2001 by Lankshear, an engineer who had spent 30 years at Hitachi Europe and Nokia. The

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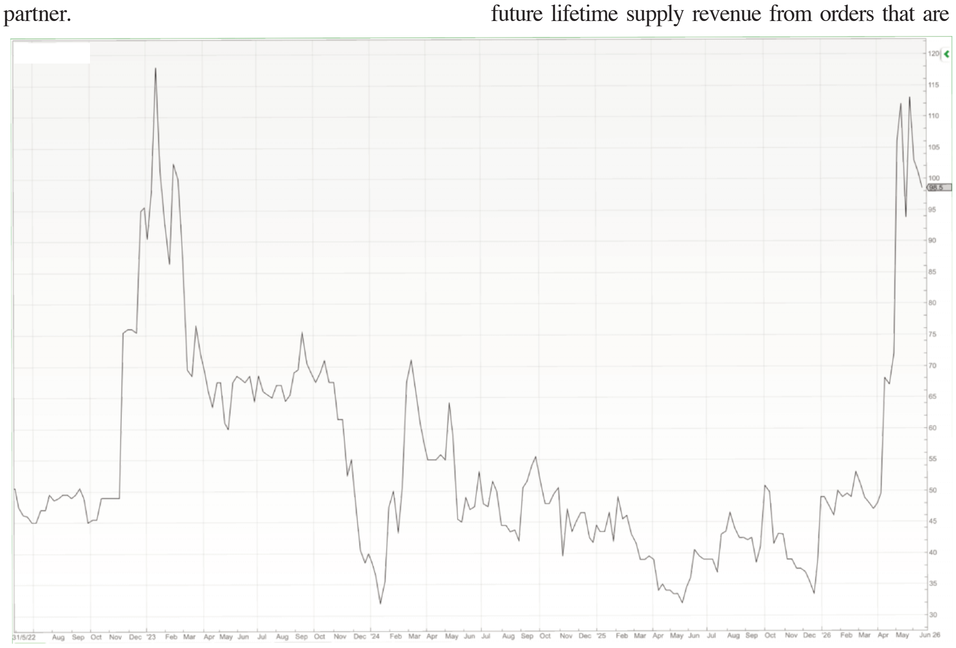
business started as a specialist Application-Specific Integrated Circuit (ASIC) design consultancy, full of clever engineers who would help the likes of Nokia, Sony, Panasonic and ARM. Its particular expertise was in designing digital and complex mixed-signal ASICs (mixed signal integrates both digital and analogue functions onto a single chip).

But in 2016, Lankshear decided to stop simply handing over the blueprints and to begin running the whole show - taking custom ASIC design through to full production, assembly and delivery. The aim? Instead of earning non-recurring engineering (NRE) design fees he wanted the much higher and recurring high-margin royalty stream per chip. A chip design phase might only last 2-3 years whereas supply can go on for a further 5-7 years.

These days, EnSilica operates as what the tech industry calls a "fabless semiconductor company." This means the company focuses on designing advanced chips while outsourcing the physical manufacturing to specialist foundries - typically TSMC in Taiwan.

As Lankshear explains, the business cut its teeth in the automotive sector. "It took a very long time to achieve validation with our first automotive customer, but once you've met their standards, you can meet almost anyone's," he notes. "Now we're taking that same expertise in specialised, high-reliability microchips into the space industry - not the everyday chips you'd find in a toaster; these devices must survive the vacuum of space, extreme cosmic radiation and the brutal economics of production."

EnSilica has earned validation from some of the world's biggest players, including Siemens, Continental, Visteon, AST SpaceMobile and indirectly, Jaguar Land Rover. Today, Lankshear leads a team of 200 engineers across the UK, with major hubs in Oxfordshire, Bristol, Wokingham and Sheffield, plus overseas outposts in Bangalore (India), Porto Alegre (Brazil) and Budapest. The company is deeply embedded in the semiconductor ecosystem as an ARM Approved Design Partner, a TSMC Design Service Alliance member, and a GlobalFoundries Design Enablement Network partner.



The bumpy road

Now, because this is a British engineering story, it hasn't all been plain sailing. Since floating on AIM in May 2022, EnSilica has hit a few rather irritating potholes.

First off, EnSilica has had to play the waiting game. Designing a custom chip takes an absolute age - gestation periods run from two to five years. If a customer delays a contract, the revenue recognition gets pushed back into later periods. This is precisely why EnSilica's FY25 revenue took a bit of a tumble to £18.2m compared to £25.3m the year before.

Then there is the cash crunch. You have to pay engineers upfront long before the customer actually buys millions of finished chips or pays a royalty on production devices. EnSilica has historically admitted that it couldn't convert some fabless design wins purely due to upfront cash requirements like mask costs. Because of this timing mismatch, cash reserves have been tight. In truth, EnSilica raised too little at IPO as markets were so torrid back in 2022 and it has been forced to come back to the City for multiple equity placings since listing, with a £5.2m raise in May 2024 and further raises spanning into 2025, just to keep the lights on, and then £10m in 2026. It currently has £5m left.

To top it all off, a cyber attack on Jaguar Land Rover in 2025 then also threw a massive spanner into their automotive production schedules, slowing down projects and causing broader customer cash flow issues, such as clients stubbornly twiddling their thumbs waiting for EU grants before launching projects.

That is the brutal reality of the microchip business. But I think it's starting to look much brighter - and just take a look at the Total Addressable Markets it is playing in: EnSilica operates across attractive end markets with multi-billion-dollar TAMs: Automotive (US$89bn), Industrial (US$73bn), Satellite Communications/Space (US$7bn) and Healthcare (US$7.5bn).

The numbers look rather juicy

As I sit here, having just come off my call with Lankshear, the company now has US$250m in visible future lifetime supply revenue from orders that are booked or highly expected. On top of that, he says he is also staring at a US$431m sales opportunity pipeline.

It presently has just five chips in production and a healthy pipeline of 14 design-stage projects expected to convert to supply revenues over the next one to three years, a vast jump from the measly three design projects it held at the time of their 2022 IPO. Medium-term revenue ambitions are north of £60m (3-5 years), with a long-term eye on £100m.

Why "LEO" changes everything

To understand why space is a massive deal, we have to look at how satellite internet actually works.

Old-fashioned satellites sit incredibly far away - about 35,800 kilometres out in space. Because they are so far out, they move at the same speed the Earth spins at, meaning they stay stuck over the exact same spot on the ground. The problem is, because they are so far away, your internet signal takes an absolute eternity to travel up and back, giving you shockingly slow, laggy data.

Low Earth Orbit - or LEO - satellites fix this because they fly much closer to the ground, just 500km to 2,000 kilometres up. Because they are practically on our doorstep, your internet signal zips back and forth in a flash. The global market for these flying internet boxes was worth US$10 billion in 2024 and is expected to blast past US$40 billion by 2033.

But there is a giant technical catch. Because these LEO satellites are so close to Earth, they can only see a tiny bit of the ground at once, and they have to zoom along at a blistering 17,000 miles per hour to avoid falling out of the sky. They circle the entire planet every 90 minutes.

This means a single satellite is only over your head for a few brief minutes before it shoots over the horizon. If you only had one satellite, your internet would drop out every two minutes. To get non-stop, uninterrupted internet, you need a giant pack of thousands of LEO satellites up there, constantly handing your connection over from one satellite to the next like a massive game of pass-the-parcel in the sky.

Because these satellites are moving like greased lightning, you can't use an old-fashioned motorised satellite dish that physically turns to follow them - the motors would shake themselves to pieces trying to keep up. Instead, you need ground-based flat-panel phased-array antennas that you bolt onto roofs, cars, ships or planes. These clever panels use an electronic trick called "digital beamforming" to track the fast-moving satellites in real-time without a single physical moving part.

Now imagine you are charging down the motorway at seventy miles an hour. The flat antenna bolted to your roof locks onto the first fast-moving satellite overhead. Minutes later, as that satellite dips toward the horizon, the system seamlessly hands off your connection to the next one rising behind it so your internet never blinks.

Inside each of these flat dishes sit hundreds of tiny, highly specialized microchips: mmWave chips to grab the ultra-high frequency space signals (Ka/Ku bands) out of the air; "digital beamformer" chips that act as the smart brain to steer the signal;

and "modems" that convert the space signal into normal internet data you can use to browse the web.

The market for these ground dishes is set to explode to US$16.5 billion by 2031. Elon Musk's Starlink network has already slapped c. 10 million of them onto roofs and cars, and because every single dish requires a dense matrix of dozens of integrated beamforming chips to seamlessly govern hundreds of individual antenna paths, all directed by a central digital modem brain, that represents billions of dollars worth of proprietary tech flying off foundry shelves.

But as the industry matures, apart from the two giants run by billionaire founders - Amazon and SpaceX - who have their own chips, everyone else relies on more standardised, off-the-shelf components. And the blokes from Oxfordshire are right at the front of this queue.

Britain's space chips

EnSilica is now translating years of specialised research into commercial reality as its "payload" chip architecture moves from laboratory testing to orbital deployment. This is the highly specialised silicon that sits directly inside the satellite hull itself. Its job is to act as the master traffic controller up in orbit, using massive processing power to decode, manage and route thousands of internet streams flying up from ground dishes simultaneously - all while operating within the unforgiving power and thermal limits of outer space.

In fact, EnSilica's experience with payload chips goes back pre-IPO to December 2021, when it was chosen by NASDAQ-listed **AST SpaceMobile** (ASTS; US$85.4) to design a next-generation payload ASIC for its LEO constellation, which aims to beam cellular broadband directly to standard mobile phones. EnSilica pocketed substantial non-recurring engineering design fees between 2022-2024 for the *AST5000* chip, which completed its tape-out phase at TSMC and is ready to feature in its Bluebird satellites launching across 2026 and 2027. A recurring, high-margin royalty stream per chip is now starting as the constellation becomes active; as I write, a SpaceX rocket has just sent three of its Bluebirds into space.

Lankshear says EnSilica is also one of the very few European companies offering a complete three-part chipset solution for user terminals - the RFIC, the beamformer and the modem.

The beautiful aspect is that, with support from £20m in combined subsidies from the ESA and the UK Space Agency (UKSA), EnSilica has moved beyond purely custom ASICs. It now offers ASSPs - standard catalogue chips - that can be sold off-the-shelf to multiple customers. You design an ASSP chip once and sell it millions of times, leading to massive operating leverage: 55-75% gross margins versus 40-50% for ASICs.

I asked Lankshear about why the UKSA and ESA were happy to fund the £20m that it's taken to get here whilst leaving EnSilica 100% of the precious IP at the end and the freedom to sell it to multiple customers. For example, in February 2025, the UKSA had awarded £10.4m of funding for a family of LEO user terminal chips. ESA funding has been more fragmented (multiple programmes rather than one large cheque) but has included €2.1m for a multi-band RF component, €2.2m for a Ka-band mmWave ASIC and €5m for a beamformer ASIC.

"It's a very fair question. The space agencies aren't just handing out money - they're making strategic investments in sovereign capability. By funding us while allowing us to keep the IP, they accelerate the development of critical technologies that European and UK industry needs for next-generation satellite communications, GNSS and LEO constellations. These chips will benefit multiple constellations and many downstream companies. Second, because EnSilica retains the IP, it can sell ASSPs to multiple customers, and one strong fabless company serving many players creates more jobs than a single closed project."

The agencies understand this multiplier effect very well. For EnSilica, ultimately, public funding has derisked the enormous R&D investment required for radiation-hardened, space-qualified silicon - something very few companies can fund entirely privately at this stage.

Down on the ground, for instance, German firm Vites is putting EnSilica's beamformer chips into high-tech flat antennas (ViSAT-Ka-band terminals) for vehicles. These aren't for watching television in a caravan; they are for police cars, fire engines and government fleets that need rock-solid internet while charging through disaster zones or remote areas.

More recently, in April 2025, EnSilica also signed a massive new contract with an unnamed "major European satellite operator" for a high-value payload ASIC. They haven't said who it is but it can only be Eutelsat's OneWeb low-Earth orbit constellation, which is often likened to Europe's sovereign answer to Starlink.

The contract includes NRE design revenues of US$6.8m unlocking up to US$3m of matched funding from the UKSA. Volume production will commence in 2027 and lifetime supply revenues exceed US$50m once the constellation enters service in 2030 (this figure relates solely to the user terminal elements), making it EnSilica's largest potential supply revenue opportunity to date.

And finally... it's not just space

Space sales are only just starting but at the moment EnSilica's income is from chips in cars, on factory floors and in medicine cabinets. There are five chips in production.

In the automotive world, EnSilica is an approved supplier to global Tier-1 giants including Visteon, Continental and Vitesco Technologies. A major mixed-signal ASIC project that originally kicked off design work in 2018 entered initial production in 2021, securing delivery schedules for over 2.5m devices, spanning a seven-year production life. Depending on the vehicle model, it packs up to 24 EnSilica chips per car to drive a highly differentiating chassis control system.

Adding massive fuel to the fire, EnSilica announced on 1 June that it has bagged a seven-year manufacturing contract for an ARM-based sensing chip aimed at a premier German automotive component maker.

In factories, they have had an ASIC in active production since mid-2020 forming the absolute core of a precision electronic timing system, netting annual volumes between 250,000 and 500,000 units across a 10-year lifespan.

They have also achieved formal supplier approval status with Siemens for factory automation chips, a relationship projected to net over US$30m in revenue over a 7-year supply life.

Meanwhile, over in the healthcare sector, they've created an ultra-low-power chip for medical wearables that can monitor your heart rate and blood pressure. The technology is completely battery-free, harvesting power directly from an NFC smartphone tap or contactless terminal to transmit clinical data. Now fully developed, the silicon is being pitched to multinational healthcare giants as either a customisable ASIC or a high-margin off-the-shelf catalogue part.

The verdict

Financially, EnSilica is at a massive inflection point. While revenues dipped to £18m in FY25 due to contract timing bumps, forecasts project revenues to explode by roughly 54% to £28m in FY26, and hit £33m in FY27. More importantly, underlying EBITDA is projected to swing from a flat breakeven in FY25 to £3.8m in FY26 and £5.5m in FY27 as high-margin chip supply volumes finally rev up.

Satellite constellations are going to multiply, cars are going to require ever-smarter brains, and medical gear will keep digitising. I am a buyer.

UPDATES

Brave Bison (BBSN) 100p

Sector: AIM, Software & Computing

Last month I said BBSN should be trading at 150p already, and I wasn't too surprised to see the company set this as a hurdle for a new LTIP. Under the plan, Oli and Theo Green benefit if the share price rises from 80p (when it was announced) to >150p. Above that level, they share 12% of the additional value created. For example, at 150p, the increase in shareholder value is £78.6m so the LTIP pool receives £6.6m (about 12% of the qualifying value) and Oli and Theo each get £3.3m.

The AGM was also told the year had started well. Cavendish nudged its EPS forecast up from 8p to 8.1p.

Once over 100p, the moves will become bigger and it's also eligible for inclusion in the MCSI. Buy.

SDI Group (SDI) 83p

Sector: AIM, Health Care Equipment & Services

Another recent entrant into GP3, SDI, the roll up in specialist lab equipment and industrial sensors, has seen organic growth improving through H2.

During the year, SDI completed two acquisitions: Severn Thermal Solutions, a specialist in high-temperature furnace systems and environmental chambers, and PRP, a designer of advanced microLED and optoelectronic solutions for aerospace, defence and industrial applications. Net debt following the acquisition of PRP was £24m.

FY27 has started with strong momentum and a healthy order book. *Keep buying*.

Luceco (LUCE) **259p**

Sector: Electronic & Electrical Equipment

Sending the shares close to £3 at one point was Luceco's Q1 update. Consensus heading into the update sat at £38.3m operating profit for FY26 but is now expected to exceed £40m. Berenberg forecasts EPS of 17.5p for the year climbing to 18.6p next.

Q1 Revenue was up 11% organically to £68m. The swing factor is EV charging with sales jumping around 80% year-on-year. More importantly, Luceco is no longer just a hardware supplier. Revenues from using its charger network for grid-balancing schemes are beginning to build a recurring, service-like income stream on top of hardware sales. The installed base, however, is only 18,000 chargers and in the context of the wider energy flexibility market, is tiny.

Elsewhere, the group's core electrical and lighting products delivered 6% organic growth.

Net debt stands at £66m with leverage of 1.4x EBITDA paving the way for more M&A.

With the share price up 80% in the year to date, CEO John Hornby sold 1.1m shares at 269p and has also announced a decision to stand down after 21 years. I would be inclined to topslice holdings. Gain to date : 243%.

Audioboom (BOOM) **445p**

Sector: AIM, Leisure

Following a strategic review that began in October, Audioboom said it received three cash offers at a premium to the 540p (the price prevailing at the time of entering the offer period) but has concluded that shareholders will be better served by it remaining independent. Profitability is accelerating and management now expects to deliver record H1 sales of at least US$45m, up 28% year-on-year. Adjusted EBITDA is expected to be >US$3m, a 67% improvement year-on-year.

I suspect the shares will rally as we get closer to results on 16 July. Buy.

Zotefoams (ZTF) **459p**

Sector: Industrial Materials

The shares shot ahead after Zotefoams said sales for the first four months grew by 26% year-on-year to £64.1m. A maiden contribution from Overseas Konstellation Company and growth in aviation, space and automotive applications more than offset the anticipated moderation in the Footwear division.

Construction of the new Vietnam facility and the Footwear Innovation Centre in South Korea is progressing. In terms of other capacity enhancements, North America performance is also supported by recently expanded capacity from the second low-pressure vessel. *Keep on buy list*.

Bloomsbury Publishing (BMY) **638p**

Sector: Media

Bloomsbury's results for the year to 28 February were one of those weird ones where the sales decline from £361m to £325m might make you think it looks a bit rubbish… until you look closer and realise it's actually rather brilliant. Pretax profit was up from £42.1m to £44.9m (EPS 44.6p).

The sales decline was entirely down to the Consumer division, which saw sales drop 21% to £218.2m and pretax profit fall 32% to £20.5m but this was only because Bloomsbury was up against last year's blockbuster Sarah J. Maas numbers, which were of a type that only come around once in a blue moon. That said, it did have Gillian Anderson's *Want* hanging around the Sunday Times Top 10 for 22 weeks like a stubborn hangover, and *Harry Potter*, in its 29th year, still selling well.

The Academic & Professional arm saved the day. Revenue was up 29% to £107.7m and pretax profit doubled to £25m at a very healthy 23.4% margin. While everyone else is still panicking about robots taking over, Bloomsbury is quietly printing money from AI and delivered its first non-exclusive, AI licensing agreement for academic content, and the underlying business (excluding AI) is growing again across all territories. Digital revenues shot up 57% or £24m. Print was flat, but who cares when the AI tap is just starting to open and more authors opt-in to the agreement.

But the outlook for this year is absolutely humming. Brokers are forecasting 25% revenue growth in Consumer: two new Sarah J. Maas books are coming, plus a follow-up from Gillian Anderson, Katherine Rundell's next *Impossible Creatures*, and fresh offerings from Samantha Shannon, Louise Kennedy, Dan Jones, Peter Frankopan and Stephen Graham.... and that's before the HBO Harry Potter series lands at Christmas, which is almost certain to shift another mountain of Potter books. Forecast EPS of 45.7p look very lowball, especially as the balance sheet's also back to rude health with £29.2m net cash. *Buy.*

Lords Group Trading (LORD) **16.75p**

Sector: AIM, Construction

Although the building trade has been moribund, Lords has still managed to post record revenue of £472.8m for the year, up 8.3%. LFL growth was a modest 0.7%, but that's not really the point. The point is this: Lords is a far better business than it was 12 months ago.

Sure, inflationary rubbish has been kicking it squarely in the teeth - Employer's National Insurance is going through the roof, National Minimum Wage is climbing and it is having to absorb the extra 100 heads from the CMO acquisition. All of that hammered profitability and cash flow. EBITDA dropped 6.2% to £21m and pretax profit fell 26% to £2.8m. EPS slipped from 1.8p to 1.1p, and they've cut the dividend to 0.52p.

But while everyone else was whining about the market, Lords got on with it. They've opened three new Merchanting branches in Mansfield (A.W. Lumb), Maidstone (George Lines) and Bicester, made solid operational improvements across the board, and bought the CMO e-commerce platform last June, turbocharging their digital offering and giving proper national reach. They've also slashed net debt by 59% to just £13.4m and sorted a new £65m new bank facility.

In Merchanting, covering everything from timber and building materials to civils and landscaping across 33 locations, Lords delivered revenue growth of 6% to £227.1m, with 3.1% LFL. That's proper market share gains in a flat market, even though the second half was tougher with that pre-Budget uncertainty.

Plumbing & Heating, with 16 locations, held up well in a flat boiler market. Sales were slightly down at £219.9m but margins improved by 60 basis points through smarter product mix. Lords has just kicked off a move to rationalise distribution centres from seven down to four, which should sharpen up stock control, improve service consistency and boost efficiency. Renewables, meanwhile, continue to fly with revenues up 57% as Ultimate Renewables goes from strength-to-strength; it's being moved to a larger site and becomes an increasingly important part of the mix.

And then there's CMO. On acquisition it had 140,000 SKUs but Lords has already added 15,000 products, including boilers and spares from the P&H portfolio. Leverage the group's supplier relationships and that range will only get broader and more efficient. In total, Digital chipped in £25.8m of sales in its first partial year and turned profitable in H2.

This business is now wired so that when volumes finally come back - and they will, because houses can't be built out of paper - the profits should shoot up disproportionately. *Buy the dip*.

ME Group (MEGP) **108.5p**

Sector: Leisure Goods

Regular readers will know that ME Group runs a perfectly sensible business sticking photo booths in shopping centres and washing machines in car parks across Europe. People need dodgy passport pictures and clean pants; it is, as they say, the circle of life.

MEGP had earlier this year rejected takeover offers in the 200-220p range and went on to report a solid first half, but then April arrived. It seems that when tensions flared in the Middle East and everyone was lobbing missiles 2,000 miles away, oil prices spiked, French drivers panicked, and consumer confidence evaporated. Photobooth revenues dropped 17%. Laundry growth slumped from a healthy 17% to a meagre 3%. May showed things return to normal, but the damage has been done and MEGP has guided FY26 pretax profit down to £69m-£74m from £80m.

Peel Hunt cut its target price from 275p to 230p, and Canaccord from 220p to 190p. Both, however, retain their Buy ratings with the view that this is a temporary tantrum, not terminal decline. The core laundry rollout of more than 1,300 Wash.ME units remains on track and should drive higher-margin growth.

At current levels, the shares trade on roughly 8 times this year's expected EPS of 13.5p, falling to 7 times next year's 15.1p. That is not expensive for a cash-generative business with a credible long-term story in unattended services. Net cash position is solid, the dividend is forecast at 7.6p or 7%, and the balance sheet supports further buybacks. *Buy.*

On The Beach (OTB) **170.5p**

Sector: Tourism &Leisure

The shares spiked after OTB did just what I anticipated and announced a buyback. It is launching a £10m buyback, which will reduce the equity base by 4-5% and means more upgrades. Before that, Shore Cap forecasts EPS of 12.3p for the year to end September, with 20.6p and 25.3p over the next two. *Keep buying*.

Mpac Group (MPAC) **235p**

Sector: AIM, Support Services

MPAC's order book grew to £98.8m at the end of May, up from £90m in December. However, near-term trading remains under pressure. Operationally, the business has faced a double impact: the absence of expected upfront payments from new contracts

Editorial shareholdings of companies covered in this issue: Liontrust, Dr Martens, Debenhams, Brave Bison, SDI, Lords and MPAC.

(resulting in net debt of £47.9m at the end of 2025) and reduced margins and profits due to lower volumes. Against this backdrop, MPAC has announced the disposal of Lambert for £16m, plus potential earn-out payments of £4m. Lambert made a pretax loss of £1.6m in FY25. It leaves MPAC a more focused, scalable business model centred on high-speed packaging and automation solutions but the short term outlook remains blurry.

The shares seem a mile away from the 639p hit after I tipped them at 302p in February '20. Hold.

Auction Technology Group (ATG) 414p

Sector: Software & Technology

Having avoided the clutches of private equity suitor FitzWalter, which made a dozen approaches - the last being at 400p cash - ATG has seen its shares comfortably trade above that level.

What stands out from the latest H1 is the clean decoupling of revenue growth from Gross Merchandise Value (the total final sale value of all items sold through the platform). Total Group GMV was entirely flat at US$1.8bn, yet underlying revenues grew nearly 8% to US$126.1m, proving that ATG is successfully extracting more dollars from each deal by embedding services such as shipping. Overall the take rate climbed from 6.6% to 7.1%, pushing adjusted EBITDA up 9.9% to US$42.7m and advancing adjusted EPS 5% to 19.9 cents.

This growth was heavily anchored in the high-margin Arts & Antiques division, where revenue surged 12.5% to US$89.1m and the take rate jumped a full percentage point to 17.7%. Divisional GMV rose 5% to US$0.5bn. The period also benefited from first-time inclusion of Chairish, the vintage marketplace acquired last year. Importantly, Chairish has turned profitable and is absorbing the group's platform tools and buyer ecosystem, realising US$3m in operational synergies so far but with US$8m ultimately expected.

The Industrial & Commercial division faced macroeconomic headwinds, with revenue sliding 1.8% to US$37m and GMV dropping 2% to US$1.3bn. The take rate was flat at 2.9%. Because this side of the business deals with massive, high-ticket B2B transactions - such as heavy construction equipment and agricultural machinery - the percentage cut ATG takes is much lower but final sale values have also been dragged down by a cyclical downturn in farming equipment.

To insulate overall margins against this cyclical softness, the group reduced headcount in March, which is expected to deliver US$4m of savings.

Free cash flow surged to US$26.5m, reducing net debt to US$152m or 1.8x EBITDA. Meanwhile, Investec has upgraded forecasts to EPS of 39.4 cents for the year to end September with 45.8 cents next year.

ATG was a NAP in January. I will have more to say next month; buy.

Debenhams (DEBS) 24p

Sector: AIM, Retail

DEBS' Q1 to end May showed group GMV rose 0.5% year on year- the first period of positive GMV growth after several years of decline. Performance was driven by a strong recovery at the Debenhams brand *PrettyLittleThing*. Separately DEBS has also sublet its 1.1m sq. ft US distribution centre in Pennsylvania, which was mothballed at the end of 2024, although the sublease is at a discount to its original lease.

UPDATES & IDEAS

• Benjamin Graham once wrote about a fictional chap called "Mr. Market." He's your business partner, but he's also a complete and utter lunatic. Some days he bounds into the office high on life, offering you billions for your share of the firm. Other days, he watches a depressing documentary, lapses into a pit of weeping despair, and offers to sell you his entire life's work for the price of a half-eaten sandwich.

This month, the City algorithms and day traders that make up modern-day Mr. Market had an absolute textbook psychological meltdown over **GB Group** (GBG; 205p) after the business, which specialises in identity data, published its full-year financial results.

The actual business performed brilliantly, showing superb momentum. But because the headline numbers required more than three seconds of thought, the City panicked. The shares, which had been moving ahead strongly to 245p, suddenly found themselves at 189p a day later. Speaking to CEO Dev Dhiman and finance director David Ward, I couldn't help but get the feeling that they were pretty miffed by the market's reaction.

What caused this sudden, dramatic wetting of the financial bed? It all came down to two numbers. First, the statutory headline announced a massive loss before tax of £74.5m. The automated trading computers saw the word "loss" and immediately slammed the sell button. But if they had bothered to read the next sentence, they'd have seen that £73.1m of that was a non-cash goodwill impairment. It is a purely aesthetic accounting adjustment regarding what they paid for some American companies years ago. They also wrote off £16.5m by purposefully binning a legacy compliance software platform that was no longer fit for purpose.

Crucially, neither of these things took a single actual penny out of the bank account. It is paper history.

If you ignore the accounting fiction, the business is starting to hum along beautifully. Total sales rose 3.2% to £285m, dragged upwards by a strong second-half performance where the core Identity and Location arms grew by 5.7%. Adjusted operating profit held rock-solid at £67.5m at an operating margin of 23.7%, proving that management has a tight grip on costs. And because they have been aggressively buying back their own shares - more on that in a moment - EPS leaped by 9% to 19p.

The City also seems to have missed a massive shift in how the world works. In the old days, ID verification meant checking if a bloke's name matched his gas bill. Now, because the internet is awash with AI deepfakes and teenage hackers in Belarus, it is a hell of a lot more complicated. A modern business has to check five to 10 completely different signals all at once: device footprints, biometrics, behavioural ticks and AI risk scores.

You can't do that with an old spreadsheet. You need a massive, complex digital platform to aggregate the data and route it instantly. GBG saw this coming and built exactly that last year - its platform called *GBG Go* - and the customer adoption rate is strong. Go ended H1 with 18 live enterprise clients. By the full year, that figure had climbed past 100, including massive global outfits like Uber, and had they not had Go, it's unlikely they would have won that customer. In the first two months of the new financial year, it has already hit 120 clients and to top it all off, they recently signed a monumental deal with Equifax. The American credit giant is plugging its massive fraud solutions directly into GBG Go.

The final thing that spooked the fragile souls in the City was management's decision to invest. The company is financially bulletproof, sitting on strong cash conversion and a fresh £175m credit facility through to 2030. So, after customer requests for some changes, Dhiman decided to use some of that strength to invest an extra £6m into finishing Go - layered on top of the existing c£45m annual spend.

Ward characterises it as a one-off £6m step to complete the platform, with a clear focus on long-term returns rather than near-term margin optimisation. Yes, it means next year's operating margins will sit around 21% to 22% instead of 23%, but it sets the business up.

Dhiman noted that they had a choice between paying down debt, buying back shares, or investing. They decided that spending £6m now to potentially add £6m of annual recurring revenue in perpetuity was an absolute no-brainer. He is entirely right. After costs, that's around £4m more profit per year - a 66% recurring return on investment is fabulous.

The City might currently be whining that net revenue retention is flat at 100% and say it's reliant on new customers. But that is a backward-looking, lagging indicator. It doesn't reflect the massive wave of new product adoption and big enterprise wins currently coming through the door.

As Ward explained it, "Growth will be stepping up towards a 7% to 9% run rate, which is better than it has been in years and we're confident to be giving such guidance for the first time. On margins, guidance is 21-22% in FY27, reflecting the incremental investment and mix effects, before recovering to 23-24% by next year." And it's not as if they are starving the shareholders, either. GBG poured £56m back to shareholders over the year. Most of that was a massive £45m share buyback that erased 8% of the company's equity base from existence, and they've already topped it up with another £10m for the coming year. That's going to ensure it beats its EPS forecast of 18.1p this year and 21.7p next. *With renewed momentum, I think the shares remain a Buy.*

DEBS has reiterated its guidance for "double-digit percentage growth in FY27 EBITDA" from the £53m delivered in FY26, together with further deleveraging towards below 1x net debt to EBITDA. *Strong hold*.

DiscoverIE (DSCV) 709p

Sector: Electronic & Electrical Equipment

After delivering double-digit expansion in the several prior years, sales growth has emerged as the clearest area of concern in DiscoverIE's recent performances. Organic growth, in particular, has turned distinctly anaemic, which has, at least temporarily, taken some shine out of the story.

Chairman Nick Jefferies was refreshingly candid in acknowledging that and argues persuasively that the last three years - organic growth of +1%, -7%, and +2% respectively - represent the low point of the cycle. Partly to blame, he says, were recent acquisitions where sales stalled post acquisition - before recovering - but expects it is now well positioned for the next upturn. In the previous cycle, the group delivered peak organic sales growth of 25%.

As it was, for FY26 as a whole, sales were 5% higher to £443.3m. PBT and adjusted EPS both grew 4% to £51.9m and 40.3p, respectively. Margins eased from 14.2% to 13.8%.

Encouragingly, momentum is building. Orders last year rose 5% organically with a sharp 10% increase seen in H2 and a particularly strong 14% organic order surge in Q4. This has left DiscoverIE with a £165m order book - 4.5 months of visibility - while the book-to-bill ratio improved to 1.03x in H2.

Meanwhile, Jefferies has remained active on M&A. Since my last update he has deployed £95m across three deals at an average 9x operating profit. The largest is the £50m acquisition of a 90% stake in 3Gmetalworx, a North American manufacturer of electromagnetic shielding products for defence and commercial satellite applications. This was followed by the £39.9m purchase of Trival Antene, a Slovenian designer and manufacturer of communication antennas and masts for defence, and the smaller £5.5m acquisition of Storm, a maker of audio accessibility and voice guidance products for payment kiosks.

Net debt/EBITDA has risen to 2.2x as a result, but comes back down towards 1.8x by next March. Shore Cap. forecasts EPS of 44.5p this year. *Strong hold*.

Liontrust (LIO) 306p

Sector: Brokerage Services

Things are looking up. Despite Q4 net outflows of £836m and a 9% drop in AUM to £19.6bn due to March's geopolitical "risk-off" environment, Liontrust is showing strong signs of recovery for the year started 1 April. By mid-April, AUM rebounded 6% to £20.8bn. Liontrust also secured two institutional mandates totalling £500m across Sustainable and Cashflow Solution strategies. It is also, of course, due to complete on River Global's asset management business, which will add c£2.7bn AUM and brightens the picture further.

Panmure forecasts EPS of 37.9p in the year started on 1 April with a full year inclusion from River Global delivering EPS of 55.8p next year. *Buy*.

DR MARTENS (DOCS)

Sector :	Personal Goods	
Latest Price :	70.5p	
High/Low :	101p - 59p	
Market Cap. :	£675m	
Shares in issue:	957.1m	
end3/2026 EPS/PER	4.2p	16.8
end3/2027 EPS/PER est	5.5p	12.8
end3/2028 EPS/PER est	6.9p	10.2
Contact	company.secretariat@drmartens.com	
Website	www.drmartensplc.com	

CALENDAR	
Int/Fins/AGM	NOV/MAY/JUL

Dr. Martens' decision to appoint Ije Nwokorie - a former Apple executive - as CEO is, I think, a masterstroke.

But what does a Silicon Valley veteran know about heavy leather boots? Plenty, as it turns out. You see, Apple cracked the code decades ago. Apple's core genius has always been commodity alchemy: transforming a slab of aluminum and glass into a high-margin necessity and then convincing consumers to shell out four figures for a replacement when it breaks.

Apple is the undisputed master of selling products at eye-watering margins to consumers who insist they cannot live without them. Nwokorie arrived at Dr. Martens two years ago with this mindset fully intact. Shifting focus away from his predecessor's obsession with opening capital-intensive brick-and-mortar stores, he locked in on brand desire, market heat, and ensuring customers pay full price without flinching. Nwokorie has also injected a distinct confidence regarding the expansion of global wholesale to push the brand deeper into the premium footwear market.

Think about it. A "DM" is basically the iPhone of footwear. It's got that recognisable appearance - the yellow stitching, which is a bit like the Apple logo of the pavement. It completely transcends fashion. A teenager in Tokyo, a trendy barista in Brooklyn, and a middle-aged man washing his Mondeo on a Sunday in Sutton are all wearing the exact same thing.

It has somehow turned a utilitarian chunk of leather and PVC into an essential, premium lifestyle product. You don't buy DMs because you need footwear to walk to the shops; you buy them because you insist on having that specific brand on your feet. And with the average customer buying three pairs in a lifetime, it's the closest thing the fashion world has ever seen to an iphone. It is utterly brilliant. And it means the profit margins are absolutely... colossal.

CEO Buys

The market is yet to agree with me. And the share price chart over the page doesn't yet reflect the turnaround - having endured a brutal gravity-defying drop from its 2021 pandemic peak of 503p down to the present 70.5p - but I think Nwokorie's strategy is working. Putting my money where my mouth is, you will have noticed that I almost tripled Growth Portfolio 3's holding last month. During the month, Nwokorie also acquired 112,500 shares at 76.1p.

Nwokorie's premium strategy is starting to transform the income statement. In the FY26 full-year results last month, while constant-currency revenue contracted by 1.4% to £765m due to a deliberate reduction in promotional clearance and off-price wholesale activity, profitability reacted sharply. Fewer shoes were sold but more were at full price. Helped by operational cost controls, with non-marketing overheads down 6%, pretax profit was up 61% year-on-year to £55m, with EPS printing at 4.2p, representing a 75% increase over the previous year's depressed baseline. The gross margins expanded by 120 basis points to 66.2% - a solid lift from the 63.7% margin recorded right after the post-IPO float.

Product-wise it's transformed

To understand what this high-margin strategy looks like on the ground, one only has to look at how the company's underlying product mix has fundamentally shifted. These days, the classic boots or "DMs" are still the absolute bedrock of the business, accounting for 57% of all sales. But the real magic - the properly clever bit - is happening where the brand is subverting its own heritage.

Take shoes, for example. They have exploded into a standout, growth engine and 19% of sales. And that is entirely fuelled by a massive, global, cultural craving for both the iconic *Adrian loafer* - which is crafted in buttery, soft Ambassador leather and features a rather lovely signature tassel fringe - and the sleek new *Lowell* line. Nwokorie's strategy here is completely intentional: he is expanding the brand's footprint across all weathers and all occasions, which means you can now wear them when it's raining, or when it's sunny, or when you're simply popping down to the pub.

Concurrently, the summer portfolio has scaled rapidly, with sandals now commanding a chunky 12% share of total revenue. Leading this casual, effortless charge is the breakout *Zebzag* "family." It was designed as the ultimate "easy-on" luxury slider, prioritizing pure underfoot comfort, and it now spans everything from mules and sandals to transitional shoes. Alongside it, Nwokorie has unleashed the new *Buzz* styles, which come with massively chunky platforms that look like they could drive over a reasonably sized dog.

And it doesn't stop there. Even the accessories are being elevated from mere afterthoughts into high-margin statement pieces. Yes, the basic boot polish and the logo socks are still keeping the registers ringing, but the brand's premium leather goods are stepping right into the spotlight. They've built masterpieces like a structured, rich burgundy Weekender bag - retailing at a cool £310 - helping accessories scale to 9% of sales.

And that proves that a quarter of the future strategy is already materializing.

Immersive brand beacons

As well as changing what they are selling, what has also changed is how they are selling it with a total repositioning of the brand's marketing strategy - the second element of the strategy.

For decades, Dr. Martens' entire advertising strategy was based around a very narrow, incredibly specific crowd of angry, alternative youth subcultures.

It was all a bit exhausting, really. If you weren't an anti-establishment punk rock bassist or a moody goth who enjoys sitting under piers in January, they didn't want to know you. Slowly this had expanded into "Style Seekers," who would buy for current fashion trends.

But today? The message is fiercely, brilliantly inclusive. They've launched a massive new global campaign called "With Bouncing Soles," and it is a masterstroke. Instead of telling you how rebellious you need to be to wear a pair, they are celebrating the actual engineering. They are talking about the legendary, air-cushioned PVC grooved sole. They are highlighting tactile things that normal human beings actually care about - like ultra-supple soft leathers and properly engineered underfoot comfort. By focusing on quality rather than angst, Dr. Martens is successfully recruiting a brand new, highly lucrative, completely mainstream demographic of people who call themselves "Craft Curators" but who are, in reality, just well-off people with sense and who are motivated heavily by product quality, premium craft and comfort. It is securing long-term customer loyalty and unlocking vast sums of cash.

As an extension of this product strategy, out are the basic, stock-stuffed points of sale; in are what Nwokorie refers to as immersive "brand beacons" and "brand centres." The Brewer Street flagship store in London is the pioneer of this concept, complete with exclusive events, live customisation and an in-store café. It is already delivering average selling prices roughly 15% higher than other London branches despite carrying 60% fewer SKUs. In Seoul, the brand centre format is doing something similar, driving massive basket value simply by making the purchase feel like a destination.

From German housewives to punk rock

The Dr. Martens story began in 1945 when Klaus Maertens, a 25-year-old German soldier and doctor, engineered a unique air-cushioned rubber sole out of discarded tires to support his broken ankle.

By 1947, he and engineer Dr Herbert Funck had a booming business selling these remarkably comfortable shoes. Ironically enough, their core customer base back then consisted of German housewives over the age of 40.

The true British transformation occurred in 1959 when the Griggs family, multi-generational cobblers out of Wollaston, Northamptonshire, snapped up a license. They entered into an exclusive and perpetual global licensing agreement with the Funck and Maertens families, agreeing to pay them a 2% royalty on everything produced. This royalty is, even now, still accounted for through operating expenses, making the huge margins that Dr. Martens generates all the more amazing.

The Griggs family tweaked the design, added the iconic yellow welt stitching, the black-and-yellow heel loop, and dubbed the creation "Airwair," releasing the original *1460 boot* in 1960.

For decades, the business was a beautifully simple manufacturing and distribution engine, evolving into the anti-establishment armour of punk, grunge and alternative youth subcultures. But corporate reality arrived in 2014 when private equity firm Permira bought it for £300m. What the suits had clocked onto was that Dr. Martens was making two to four times the gross profit per pair of shoes sold directly through e-commerce or retail compared to traditional wholesale channels - equating to roughly £124 after VAT online versus just £50 from a distributor and so they began to open owned stores. The story at the IPO was that the brand would target its efforts in just seven strategic countries - the UK, US, Germany, France, Italy, Japan and China - where it identified a £6bn revenue opportunity. To chase this, it set out to open 25 new physical stores a year.

By the time the company floated on the Full List in January 2021 at 370p per share, sales had raced past £1bn at a frothy pandemic peak, and shares soared over £5. Permira sold down part of its holding but still has a 38.2% stake. The Griggs family has 5%.

Organisational overhaul

But as the pandemic-era boot obsession waned, the aggressive own-store expansion left the company exposed to rising operational costs and also high marketing costs. What followed between November 2022 and April 2024 was then a bruising sequence of profit warnings caused by operational self-inflicted wounds. It really was a laundry list of retail nightmares: US wholesale revenues took a severe hit as major accounts choked on excess inventory whilst a doubling of shipping times from the Far East to the US then caused management to over-order stock.

In 2025, a year into his tenure, Nwokorie made the gut-wrenching call to purge £67m of stagnant inventory to get stock levels back to normal - so that clearance stock from prior years would no longer drag on performance. He also put a total stranglehold on discounted sales and completely axed off-price wholesale deals.

To prevent another catastrophic supply chain cock-up, Nwokorie didn't just sit around twiddling his thumbs. No. He rolled out a new Customer Data Platform across the whole of Europe and America and overnight, the previously hopelessly vague, regional guesswork was thrown into the skip. In its place is a unified, cross-channel view of exactly what human beings are actually buying.

When you couple that with a truly gargantuan global supply and demand planning system, the boffins at the factory can now track every single boot down to its specific size. It is a data-driven safety net of the absolute highest order. And its job is simple: to ensure that the core, timeless classics - the legendary 1460 boot, the *1461 shoe* and the *2976 Chelsea boot*, which make up a massive 57% of everything they sell - are always perfectly stocked and never, ever discounted while highly volatile seasonal lines are kept tightly restricted.

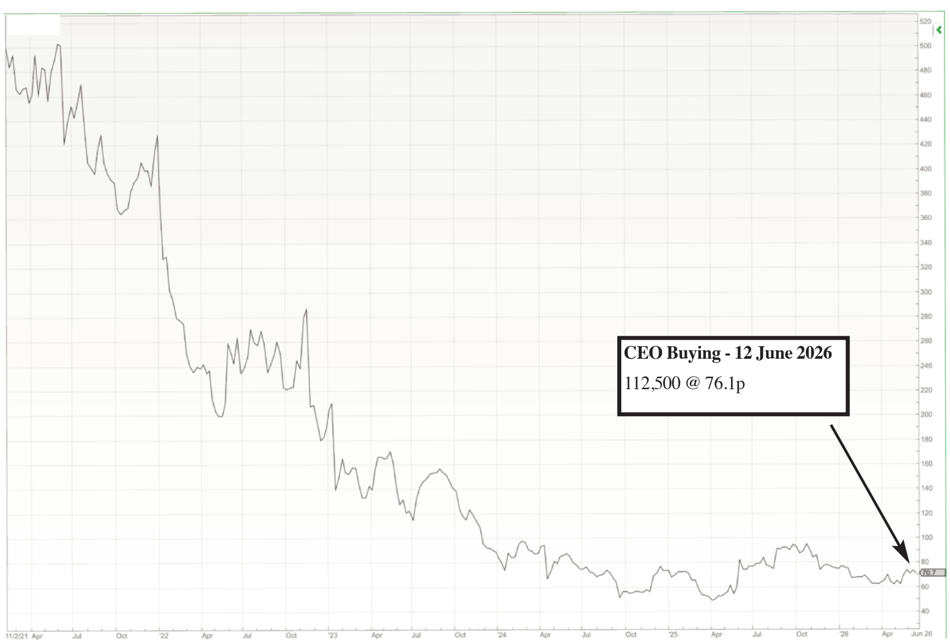
Behind this now sits a significant organizational overhaul where regional corporate layers have been stripped out entirely and replaced with global functions and local general managers. Alongside that, a new tech hub in Bangalore is feeding AI and analytics into everything from demand planning to customer targeting, replacing instinct with data wherever possible.

£10m illegal tariff to be repaid!

Of course, while all that was going on, Nwokorie had to contend with a layer of geopolitical drama caused by a deeply concentrated supply chain. Dr. Martens may still be designed in Camden, but 98% to 99% of its physical manufacturing is outsourced to Asia. Five factories in Vietnam account for a massive 65% of cost of goods sold, and two in Laos chip in 30%.

This concentration turned into an immediate roadblock when US import tariffs on Vietnam jumped to 20% and Laos skyrocketed to 40%. Given that the US accounts for roughly 40% of total group revenues, this could have spelled absolute disaster for gross margins.

To protect the bottom line, management orchestrated a frantic logistical sprint, intentionally pulling forward shipping schedules to flood stock into US warehouses before the August tariff deadline hit and Nwokorie and CFO Giles Wilson committed to keeping shelf prices absolutely flat for US consumers through to the end of the calendar year to protect fragile relationships. The mid-term goal, however, is a tactical retreat from Laos-based manufacturing for the US market, shifting the sourcing mix heavily towards Vietnam to exploit its lower tariff rate once the calendar flips. Meanwhile, Donald Trump's illegal



tariff strategy has now been reversed - and Dr. Martens has lodged an application with the US government to get its money back. And we aren't talking about a few loose coins here: £10m is coming.

Strict pricing discipline returns to US and Asia

Having ripped up the management chart and thrown the corporate deadwood into a skip, Nwokorie moved on to the final part of his master plan.

He has looked at the company's 239 brick-and-mortar shops around the globe, said he won't be opening new ones for 12-18 months, and decided instead to embrace the wonderful, low-fat world of wholesale. Why? Because running a high-street shop is a financial nightmare. You have to pay rent, electricity and wages. In wholesale the partner absorbs those costs plus the cost of acquiring individual buyers (NB. the 6% reduction seen this year). Bulk order books also create factory cost efficiencies to lower baseline manufacturing costs.

Geographically, however, the world map has split into two very distinct performing halves. The good, and the ugly. In the "good" column, we have America and Asia, where people are happily paying proper, full retail price. The US is doing some seriously heavy lifting here. Full price direct sales are up 14%, and wholesale is staging a magnificent comeback because they've stopped dumping cheap stock-slashing bargain volumes by a third, which has dragged average wholesale prices up by a staggering 23%. Over in South Korea, it's the same story: a 15% jump because they're showing pricing discipline.

Localises management in Europe

Conversely, we have Europe. And Europe is where things are lagging. The UK and Germany are seemingly stuck in a permanent, tight-fisted discount culture. European sales were down by 13% last year. Nwokorie has looked at this mess, admitted the execution was hopeless, and reacted with total, cold-hearted efficiency: he fired the regional bosses, smashed the corporate structure, and installed localised general managers.

Broker Investec expect sales to climb 6%-7% a year, lifting to £813m this year and £860m next. More importantly, they're anticipating a monumental rebound in earnings. Pretax profits are expected to rocket to £71.8m this year (EPS 5.5p), before soaring to £90.4m (6.9p) the year after.

But even better news on the balance sheet. Net bank debt is now just £69.7m, a beautifully safe, perfectly sensible 1.4x EBITDA. And that then, dear reader, is the touch paper. Because right now, Dr. Martens is sitting there looking lean, profitable and cheap and it could only be a matter of time before LVMH, or some other luxury conglomerate, decides to lock in the Permira/Griggs holdings and buy the whole thing. *I am a buyer.*

THE GROWTH PORTFOLIO 3

PERFORMANCE TABLE		Change on One Month	Since Start
Growth Portfolio		-0.86%	+417.69%
FTSE-100	10508.61	+0.62%	+60.49%
FTSE-All Share	5649.69	+0.76%	+60.32%

Elon Musk has let the genie out of the bottle with SpaceX's debut. Investors have had their first real taste of proper, unadulterated, frontier ambition. We are watching reusable rockets land back on Earth as if it was routine engineering, the Starlink constellation blanketing the globe and a long-term vision of making humanity multiplanetary. And while everyone was staring into deep space, small caps were flexing. The Small Cap Index has been building a base around 7,900, holding solid support near 7,700 on dips, and US small caps (Russell 2000) have begun to assert leadership after lagging. And there is good news. The Strait of Hormuz is set to reopen, which means inflation risks are cooling. This is creating the perfect conditions for a proper, wide-ranging rally.

Turning to GP3, OTB rose 20% after announcing a £10m share buyback and we are also seeing some compelling chart set ups: SDI, Brave Bison and Winvia. Luceco also went on a tear, hitting 290p against GP3's buy price of 90p and the CEO sale was a cue for GP3 to topslice at 270p.

This month, MEGP catches my eye (page 4). When Trump started lobbing missiles in April, 2,000 miles away the French stopped washing clothes. Trading normalised in May yet the shares now stand at around half the rejected takeover offers of 200-220p earlier this year. I also look at DOCS. The CEO has been buying and it is due to be repaid £10m in illegal tariffs slapped on it by Trump.

Musk also tweeted that SpaceX could pull in US$1 trillion in annual revenue in 2030, miles above the forecasts of those who took the company public, so it seems the space sector is going to stay red-hot. McKinsey estimates the broader space economy is worth US$600 billion today and will balloon to US$1.8 trillion by 2035. It is for this reason that I am covering EnSilica, a company that secured public grant funding to develop its own advanced chips.

		Shares Bought	Date Bought	Buying Price (p)	Total Cost (£)	Present Price (p)	Value Now (£)
15500	*	Luceco	31/1/19	90	13950	259	40145
10000		Volex	9/12/19	133	71334	597	59700
10000	•	Mpac	3/2/20	259	25990	235	23500
26069	•∞	Reach	3/2/20	98.8	26019	51.5	13426
7000		Supreme	5/3/21	189	13275	155	10850
16000	•	On the Beach	5/7/21	199	32065	170.5	27280
25000		Staffline	7/8/21	65.4	16395	41.5	10375
1500	*	Yu	12/12/22	426	6435	1740	26100
7000		GB Group	3/7/23	228	16005	205	14350
28000	•	Dr. Martens	14/8/23	98.3	27696	70.5	19740
10000	*	McBride	11/12/23	77	7784	148	14800
20000	•	Microlise	12/2/24	87	17490	41	8200
12000		AdvancedAdvT	8/4/24	132.5	15945	155	18600
1400		XP Power	9/5/24	1152	16254	1970	27580
20000		Amcomri	2/6/25	76	15245	146.5	29300
50000		Lords Group Trading	2/6/25	36	18045	16.75	8375
4000		Audioboom	1/8/25	380	15245	445	17800
25000		Brave Bison	11/9/25	71.4	17895	100	25000
1900		Kainos	3/10/25	940	17994	833	15827
8000		Winvia	1/12/25	200	16045	255	20400
20000		Big Technologies	19/1/26	97.3	19505	102.5	20500
20000		SDI	3/2/26	80	16045	83	16600
1500		Craneware	27/3/26	1330	19950	1430	21450
						Cash £	27790
						Total £	517688

Transactions take full account of dealing charges and bid offer spreads. Income from dividends is ignored. Current holdings in the portfolio are valued at mid prices and include all buying costs. Starting cap £100,000 (2 Jan '15). * Part profits taken • Averaged down. ^Adj for special divs. # Adj. for rights issue ∞ Adj. for bonus share issue