

SEPT
2018

CARLTON JAMES DIVERSIFIED ALPHA FUND



FUND OBJECTIVE

Over the last 5 years, the firm have delivered an annualised net dividend of 13.39% (without leverage) on capital deployed through their lending programme & U.S. Commercial Real Estate Fund. DAF is a 'multi-asset' strategy which has at its core, a senior & secured debt approach running alongside 'alpha' generating components. DAF is now looking to raise USD \$100m in a Cayman Regulated fund structure.

CARLTON JAMES GLOBAL MANAGEMENT (CJGM)

- Based in Royal Wootton Bassett, Wiltshire (about 70 miles west of London)
- Part of the Carlton James Group, founded in 2012 by Simon Calton, Ryan Whitefield & Robert Holmes
- Small team of 15
- Focus on boutique investments across diverse asset classes with a capital protection focus

MODUS OPERANDI

- Utilise an 'ABC' Investment approach
- Diversification, capital protection and management of risk are key to a successful portfolio and underpin the approach taken
- Seek investment in asset classes that offer multiple exit strategies & capital protection
- Core ethos is combined with an alpha strategy that results in high returns in the short term
- Seek a mixture of equity and debt in order to achieve secured returns for investors

CONTACT US

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FUND HIGHLIGHTS

- Cayman regulated mutual fund
- Expected net yield to investors of 8% p.a. (paid quarterly)
- Over half the portfolio will be in senior and secured yield generating debt investments
- Scarcity of global capital & lack of flexibility provides significant opportunities for DAF
- Fund will utilise an 'ABC' (Alpha, Balanced, Core) Investment approach
- Carlton James - positive 5 year track record with net annualised dividend of 13.39%.

INVESTMENT PHILOSOPHY

Carlton James Global Management Ltd (CJGM) is based in Royal Wootton Bassett, Wiltshire (UK) and is the distribution management company within the Carlton James Group. Carlton James Group have recently launched the Diversified Alpha Fund (DAF), the strategy of which is to invest in a range of different asset classes by utilising an 'ABC' (Alpha, Balanced, and Core) investment approach. The 'core' aspect of the strategy underpins the expected net dividend payment of 8% p.a. to investors (paid quarterly).

ALPHA Commodities Trading, Technology
BALANCED Sports & Entertainment, Art, Insurance Backed Investments
CORE Hospitality, Land Development, Commercial Real Estate, Residential Developments

NAV PERFORMANCE PER SHARE AS OF 31/08/18

Share Class	Currency	NAV (Lead Series)	1 Mth	2 Mths	3 Mths
CJDAFUS KY	USD	\$967.77	+1.57%	+1.40%	-3.00%
CJDAFGB KY	GBP	£920.04	+2.51%	+3.00%	-0.73%

FUND PERFORMANCE

The strategy of the Diversified Alpha Fund continues to be implemented as expected in accordance with the investment strategy. The positive curvature of the funds performance will now continue its ascent seeing increased returns for the shareholders. The diverse nature of the Carlton James Diversified Alpha Fund, and the concept of individual asset classes within, attract an initial return at the 3 month period, with an ever steepening degree of increase in value as the year progresses. All other share series within the fund are seeing positive values from outset, and this will be reflected in the final consolidated Net Asset Value to be calculated at the end of the calendar year.

CARLTON JAMES DIVERSIFIED ALPHA FUND

DATA AS AT 31st AUGUST 2018



VEHICLE & STRUCTURE

Company: Carlton James Mollitium Offshore Fund Manager Platform SPC

Segregated Portfolio: Carlton James Diversified Alpha Fund

Investment Manager: Carlton James Mollitium Investment Management Ltd

Domicile: Cayman Islands

Structure: Regulated unlisted fund

Share Classes:

GBP: ISIN KYG6190R1184

USD: ISIN KYG6190R1002

Management Fee: 1%

Performance Fee: 30% over a hurdle of 9% per annum

Liquidity: Monthly liquidity, with 10 day notice period

KEY PEOPLE

- **Simon Calton** (CEO), co-founder of Carlton James Group, c.15 years industry experience
- **Bob Pain**, over 30 years' experience with leading international investment and life insurance companies
- **Ryan Whitefield**, over 20 years of real estate development & construction
- **Simon Johnson**, debt fund manager with over 25 years experience in debt fund management
- **Mike Andrews**, recognised expert in commodity investment management and algorithm research and development

PLATFORM AVAILABILITY

- Hansard International
- Custodian Life
- Cornhill Management
- Capital International Group
- Gravitass
- Dentons

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THE GLOBAL OPPORTUNITY

- **Scarcity of Capital** - sources of finance difficult to obtain
- **Low Interest Rates** – investors search for yield continues
- **Regulations** – increased levels of regulation on banks has impacted lending levels
- **Monetary Stimulus** – the gradual withdrawal will likely impact the confidence of companies to invest; this gap can be filled by flexible investors

INVESTMENT CASE – THE OPPORTUNITY

- To invest in a Cayman regulated mutual fund
- Benefit from the 'ABC' approach of Carlton James which has risk management and diversification as it's central premise
- Tap into global network of investment opportunities including:
 - **Core** investments, asset backed, senior and secured
 - **Alpha** opportunities, potential for significant upside returns
- High Yield - expected dividend of net 8% p.a. paid quarterly
- Multi-asset funds, typically lower risk & less volatile than single asset funds
- Differentiation – a multi-asset fund quite different from others
- The capacity for the strategy runs into several billion dollars & a sizeable pipeline of opportunities has already been identified

HOW INVESTORS CAN RESPOND

- **Scarcity of finance** – creates opportunities for flexible investors
- **Low Interest Rates** – investors can seek out high yielding secured assets
- **Regulations** – an opportunity to take business ordinarily destined for banks
- **Stimulus** – as government money withdraws, the need for private and flexible capital arises