



# Heartwood Partners

## SAFECHARGE

Heartwood Partners has been retained by SafeCharge to advise and implement its Investor Relations program.

SafeCharge is an ambitious AIM listed company in the payments processing and merchant acquiring space. It is a technology based company with an excellent client list in the gaming and FX verticals and is breaking into new areas such as online retail.

Heartwood Partners is advising on all aspects of its IR program.

## Specialist investor relations advisory

Heartwood Partners is a specialist investor relations advisory that helps companies to improve their communication with investors. We work with clients to build a stable, well-informed shareholder base and to increase the number of investors who understand the investment proposition.

### Our Services

We provide in depth shareholder analysis to INFORM our clients as to the profile of existing and potential investors, as well as the thoughts of both groups via perception studies. We help them to COMMUNICATE their message, across all formats, concentrating on delivering a clear and consistent investment case. We CONNECT our clients to targeted investors, with emphasis on the often neglected Private Client Wealth Manager (PCWM) market. We ADVISE on the whole IR program, with the aim of becoming a trusted advisor. We can work with your advisors to maximise your company's understanding with the buy and sell side.

### Why Heartwood Partners?

Heartwood Partners has in-depth knowledge to connect you with the most suitable potential investors in a time efficient manner. We have over 40 years of fund management and investment banking experience and understand the best way to communicate your investment case clearly such that it receives maximum consideration.

### Heartwood Co-founders



[Alex Schlich](#)



[Simon Young](#)

*"In a post MiFID II world, companies are realizing that doing investor relations well becomes imperative".*

*Alex Schlich, Co-founder*

## Heartwood Partners

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### The (unintended) Impact of MiFID II

The Markets in Financial Instruments Directive (MiFID II) becomes law on 3<sup>rd</sup> January 2018. The Directive will force fund managers to unbundle payments for research and trading. Historically fund managers were able to pay for research through client commissions on trading which were then passed back to clients.

Most fund management houses are opting to pay for research out of their own cost base. Industry data shows that research payments and research coverage are shrinking as fund managers look to reduce these costs, forcing research providers to retrench. **Reduced investor understanding of your company may raise your company's cost of capital, reducing the**

### About Heartwood Partners

The business was founded by Alex Schlich and Simon Young who have over 40 years experience in fund management, investment banking and strategy consulting. They have a deep understanding of the importance of a clear and consistent investment message and are passionate about sharing that knowledge with management teams.

[www.heartwoodpartners.com/contact-us](http://www.heartwoodpartners.com/contact-us)



# Our Services

Heartwood's services are based around 4 areas: Inform, Communicate, Connect and Advise.

## Inform

- Understanding your shareholder base
- Shareholder registry analysis, Perception studies
- Identifying potential new investors

## Communicate

- Articulation of the investment proposition and business model
- Communicating in a clear & consistent manner
- RNSs, results presentations, factsheets, website

## Connect

- Arranging investor meetings in a time efficient way
- PCWM roadshows, investor profiling, CMDs
- Detailed collection and analysis of feedback from meetings

## Advise

- Expert advice to maximise your investor relations strategy
- Messaging around IPOs, M&A, secondary offerings
- Trusted Advisor with no conflict of interest

## Case Study SAFECHARGE

Heartwood's Insights	Joint Plan	Execution & Outcome
<p>In a crowded payments space, SafeCharge had underperformed its peer group despite delivering on the majority of its pre IPO targets from 2014.</p> <p>Heartwood Partners worked with existing and potential shareholders to understand the issues facing the company.</p> <p>Our analysis also focused on the quality of the information presented to shareholders on both the website and in investor presentations. Were shareholders being given enough data to make informed decisions?</p>	<p><b>Heartwood Partners</b> worked with SafeCharge's executive team to increase disclosure in results statements, presentations and the website.</p> <p>The purpose was to show how management had foregone some revenue streams in the promotion of a higher quality base.</p> <p>We liaised with the marketing team to add detail to the investor relations part of the website, including new sections on the investment case and Safecharge's business model</p>	<p>The greater granularity of information in the results presentation and results was well received by investors and sell side analysts, prompting new lines of discussion.</p> <p>Heartwood Partners worked with house broker Shore Capital to widen the post results investor roadshow. This included meeting new accounts where Heartwood had strong relationships and introducing some international investors. A plan was introduced to meet new accounts away from the 'noise' of results.</p> <p>Detailed feedback from investor meetings was circulated to the Board.</p>

## INFORM IN ACTION: THE PERCEPTION STUDY

A **perception study** is an unbiased, in-depth report with the goal of collecting investor impressions, from both current investors and non-investors, about a specific set of issues facing a company. It delivers actionable insights to your Board of Directors.

The study will measure the effectiveness of your investor communications: Are investors hearing the corporate message? Is there enough transparency? It will also highlight knowledge gaps in the investor base which can be addressed afterwards. The findings can be compared against peer companies and crucially investor perceptions may change over time, which can be measured.

Corporate governance best practice requires the Board to interact with investors and understand their concerns. The report will augment relationships between the Board, the executives and the investment community.