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*Case Study*

Engaging with Generalist Investors

# Background

## ■ Client is a leading metals resources company

Client Sector  
**Metals & Mining**

Market Cap.  
**~\$2.0 Bn**

Average Daily Vol.  
**975k Shares**

Engaged Rose & Co.  
**February 2019**

### Situation overview

- Due to the limited reach of Canadian banks into the United States, [Redacted] repeatedly met with the same group of specialty investors
- Declining AUM of natural resources funds had turned [Redacted] into a “relative value” investment where it was consistently benchmarked against a narrow peer group
- [Redacted] had historically supplemented its use of the sell-side by attending industry-specific and retail investor conferences

### Scope of Rose & Co. engagement

- Adjust [Redacted]’s narrative to reposition [Redacted] as a specialty finance company with exposure to metals pricing and exploration upside, thereby creating a unique narrative to appeal to a broader group of investors
- Define and qualify new investor targets using a sector-agnostic approach based on a new comp group comprised of companies with similar financial metrics outside of [Redacted]’s sector
- Develop comprehensive investor outreach program to expose [Redacted] to generalist portfolio managers and also uncover lesser-known specialist investment managers

# Investor Engagement Framework

1



Reposition [Redacted]'s investment narrative away from natural resources to better align with [Redacted]'s business model and value proposition.

2



Broaden audience of potential investor targets by developing new comp group comprised of companies with similar business models and financial profiles.

3



Actively target prospective generalist shareholders outside of the traditional sell-side channel, an activity facilitated by Rose & Co. Review targets periodically to prioritize.

4



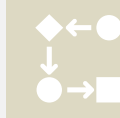
Conduct an ongoing outreach to targeted prospective investors, an activity being actively facilitated by Rose & Co. Ensure all “live” targets are aware of important developments and spoken to periodically – converting these to shareholders rarely occurs after one meeting.

5



Set goals (eg # of meetings with high quality targets, # of new shareholders) and manage time and resources most efficiently to meet those goals.

6

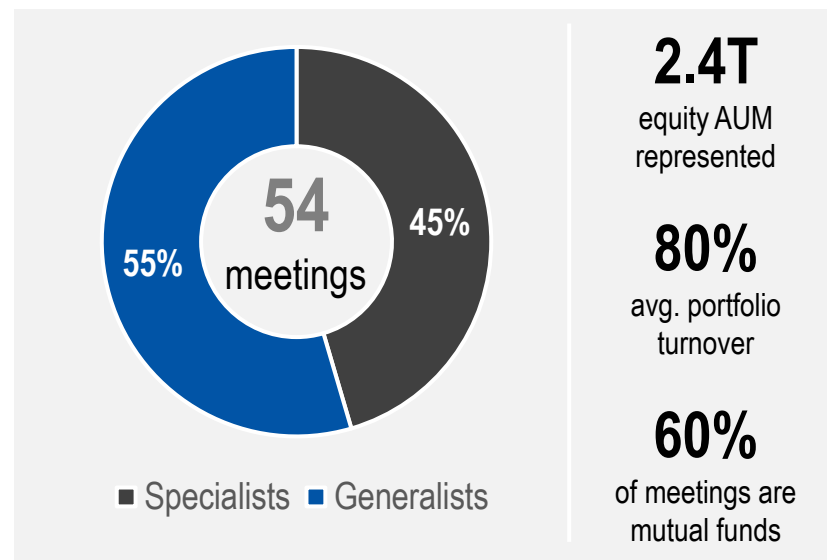
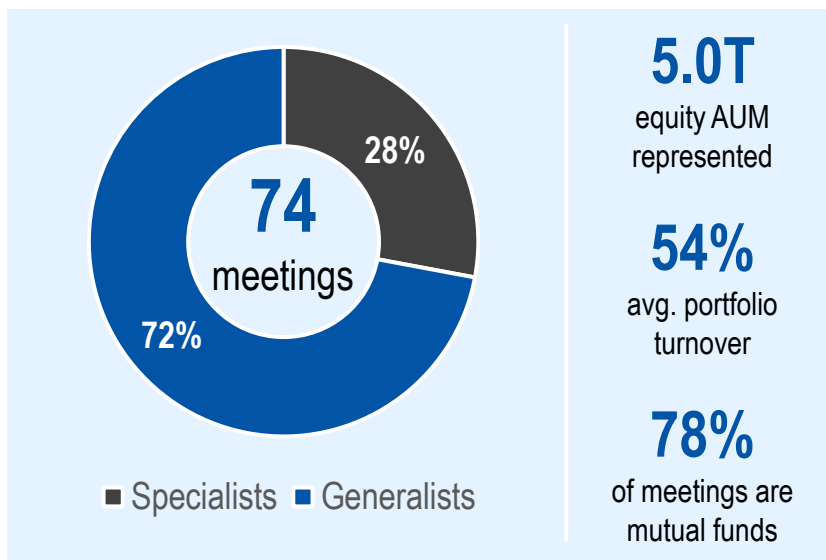


Track progress and adapt messaging, targets and tactics depending on outcomes and business conditions.

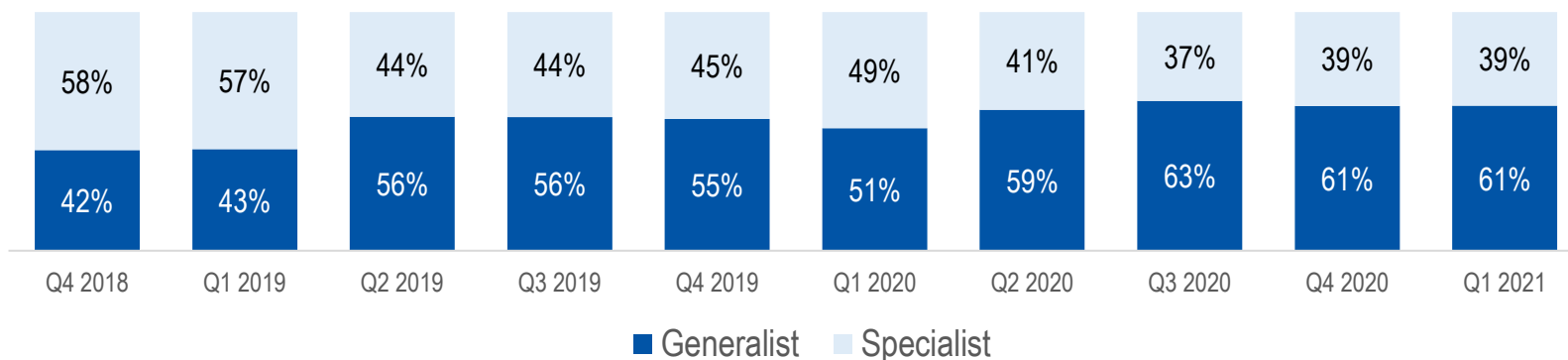
# Outreach Heavily Weighted to Generalists Yields Results

## Rose & Co. meetings arranged (LTM)

## Bank-sponsored meetings (LTM)



## Shift in shareholder base since Rose & Co. engagement



# Strong Buying from Generalist Investors

Total Buyers

103

Shares Bought

23,283,627

New Positions

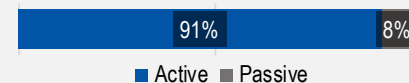
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Top 25 Institutional Buyers	Position $\Delta$	Position	S/H Rank	As Of	Type	Style	Orientation	Metro
1 BlackRock Investment Manage	7,313,498	7,386,267	5	2/28/21	MF	Growth	Active	London
2 Columbia Wanger Asset Mana	2,954,044	3,175,401	9	2/28/21	MF	GARP	Active	Chicago
3 Norges Bank Investment Mana	2,208,821	2,208,821	14	12/31/20	Sovereign F	Value	Active	Oslo
4 Millennium Management, LLC	1,602,927	2,255,714	12	12/31/20	HF	Alternative	Active	Old Greenwich
5 Van Eck Associates Corporatic	1,383,451	15,897,709	2	12/31/20	MF	Value	Active	New York
6 Global Alpha Capital Managen	684,200	684,200	26	12/31/20	MF	GARP	Active	Montreal
7 Janus Henderson Investors (A	552,323	552,323	28	12/31/20	MF	Growth	Active	Sydney
8 American Century Investment	516,976	528,435	29	12/31/20	MF	Growth	Active	Kansas City
9 Rice Hall James & Associates,	453,639	453,639	33	12/31/20	MF	Growth	Active	San Diego
10 Wells Fargo Clearing Services	426,666	430,523	34	12/31/20	BROKER	Broker	Passive	St. Louis
11 Sprott Asset Management, L.P	423,500	4,853,349	6	12/31/20	MF	gressive Gro	Active	Toronto
12 CI Investments, Inc.	391,856	2,565,774	11	12/31/20	MF	Value	Active	Toronto
13 U.S. Global Investors, Inc. (As	371,903	371,903	38	12/31/20	MF	Specialty	Active	San Antonio
14 Two Sigma Investments, L.P.	319,915	396,738	36	12/31/20	HF	Alternative	Passive	New York
15 Horizons ETFs Management (	312,824	699,027	25	2/28/21	MF	Index	Passive	Toronto
16 AIFM Capital AB	310,500	365,000	40	2/28/21	MF	0	0	0
17 Neuberger Berman Investmen	263,111	820,000	21	12/31/20	MF	Value	Active	New York
18 The Vanguard Group, Inc.	238,119	4,538,827	7	12/31/20	MF	Index	Passive	Malvern
19 Invesco Advisers, Inc.	209,834	2,075,173	15	12/31/20	MF	Growth	Active	Atlanta
20 Stifel, Nicolaus & Company, In	203,277	203,277	52	12/31/20	BROKER	Broker	Passive	Columbus
21 Knoll Capital Management, L.F	190,000	190,000	55	12/31/20	HF	Alternative	Active	New York
22 Raffles Capital Management, L	165,000	190,000	56	12/31/20	HF	Alternative	Active	New York
23 D.E. Shaw & Company, L.P.	148,685	500,192	31	12/31/20	HF	Alternative	Active	New York
24 Euro Pacific Asset Managemer	123,689	802,343	23	12/31/20	MF	Value	Active	Dorado
25 Waratah Capital Advisors, LTC	122,569	122,569	68	12/31/20	HF	Alternative	Active	Toronto

New shareholder since start of Rose & Co. engagement

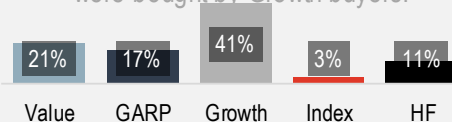
## Orientation\*

91% of shares were bought during the year bought by active buyers.



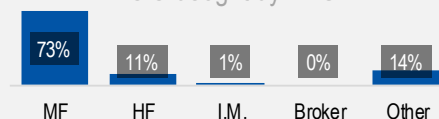
## Investment Style\*

The majority of shares bought this year were bought by Growth buyers.



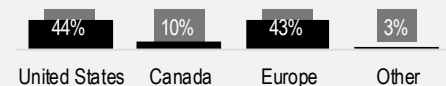
## Investor Type\*

The majority of shares bought this year were bought by MFs.



## Investor Location\*

The majority of shares bought this year were bought by U.S. buyers.



# Buying Offset the Impact of Passive Money Flows and Specialist Sales

Total Sellers

62

Shares Sold

(18,673,703)

Sold Out

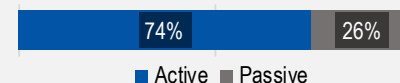
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Top 25 Institutional Buyers	Position Δ	Position	S/H Rank	As Of	Type	Style	Orientation	Metro
1 Fonds de Solidarité FTQ	(5,056,040)	3,356,700	8	12/31/20	VC	enture Capit	Active	Montreal
2 Arrowstreet Capital, L.P.	(2,242,575)	183,400	59	12/31/20	MF	Deep Value	Active	Boston
3 Acadian Asset Management, L	(1,973,533)	19,922	123	12/31/20	MF	Deep Value	Passive	Boston
4 GAMCO Asset Management, I	(1,337,860)	16,700	130	12/31/20	MF	Value	Active	Rye
5 EdgePoint Investment Group, I	(1,256,042)	12,636,411	3	12/31/20	MF	GARP	Active	Toronto
6 Federated Global Investment M	(1,077,044)	1,387,756	17	12/31/20	MF	gressive Gro	Active	New York
7 Fidelity Management & Resea	(1,000,000)	3,000,000	10	12/31/20	MF	Growth	Active	Boston
8 Renaissance Technologies, LL	(871,400)	1,491,200	16	12/31/20	HF	Alternative	Passive	New York
9 BlackRock Fund Advisors	(462,555)	1,284,504	18	4/1/21	MF	Index	Passive	San Francisco
10 Intact Investment Management	(418,600)	501,200	30	12/31/20	MF	Growth	Active	Montreal
11 RBC Global Asset Managemen	(284,150)	1,711	173	12/31/20	MF	Growth	Active	Toronto
12 ALPS Advisors, Inc.	(249,670)	126,699	67	4/1/21	MF	Index	Passive	Denver
13 Morgan Stanley Canada, LTD	(232,394)	128,502	66	12/31/20	BROKER	Broker	Passive	Calgary
14 UBS Asset Management (U.K.	(214,134)	179,111	60	12/31/20	MF	Value	Active	London
15 CPP Investment Board	(213,307)	0		12/31/20	Pension (G)	Growth	Active	Toronto
16 BlackRock Advisors (U.K.), LT	(165,354)	1,065,341	20	4/1/21	MF	Index	Passive	London
17 Sun Valley Gold, LLC (U.S.)	(164,200)	2,249,943	13	12/31/20	HF	Alternative	Active	Ketchum
18 Merrill Lynch Canada, Inc.	(161,588)	3,612	164	12/31/20	BROKER	Broker	Passive	Toronto
19 Desjardins Global Asset Mana	(117,975)	220,418	50	3/31/21	MF	Index	Passive	Montreal
20 Amundi Asset Management S.	(100,000)	50,000	88	12/31/20	MF	Value	Active	Paris
21 UBS Asset Management Switz	(87,834)	54,786	87	12/31/20	MF	Value	Active	Zürich
22 Hexavest, Inc.	(78,887)	27,084	109	2/28/21	MF	Growth	Passive	Montreal
23 Group One Trading, L.P.	(72,951)	33,187	101	12/31/20	PROP	Alternative	Passive	Chicago
24 Raymond James & Associates	(70,089)	58,054	85	12/31/20	BROKER	Broker	Passive	West Palm Beach
25 First Trust Advisors, L.P.	(66,409)	83,825	74	12/31/20	MF	Index	Passive	Wheaton

■ Prior shareholders who fully exited their positions

## Orientation\*

74% of shares sold during the year were sold by active sellers.



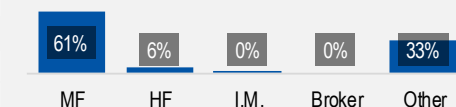
## Investment Style\*

The majority of shares sold this year were sold by Value sellers.



## Investor Type\*

The majority of shares sold this year were sold by MFs.



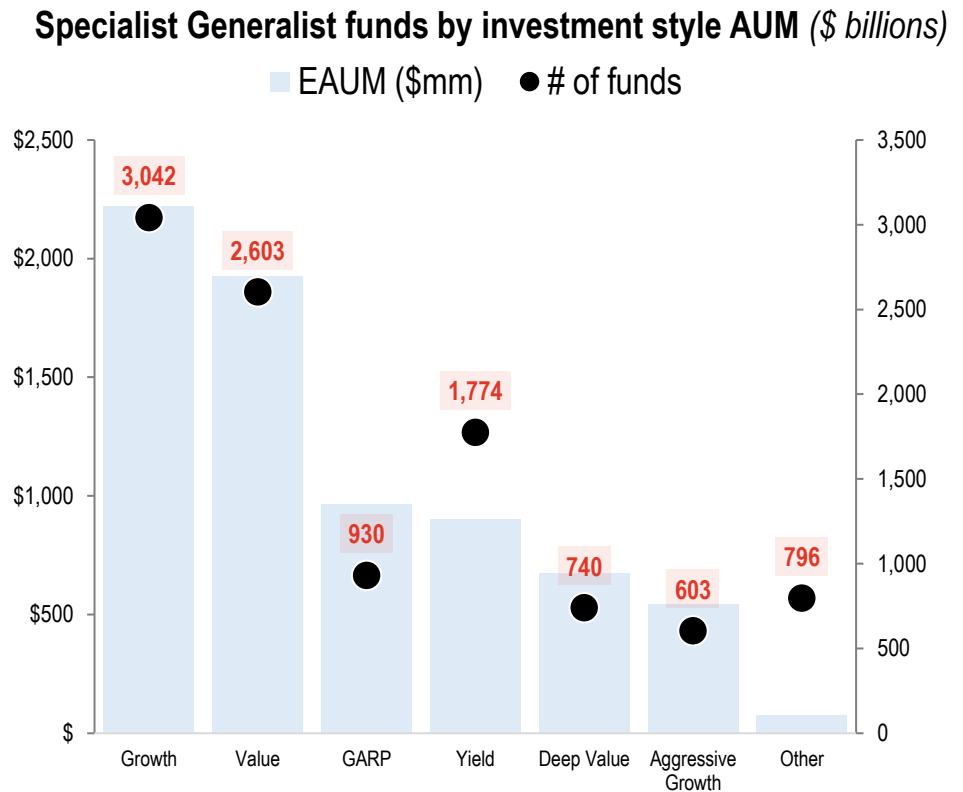
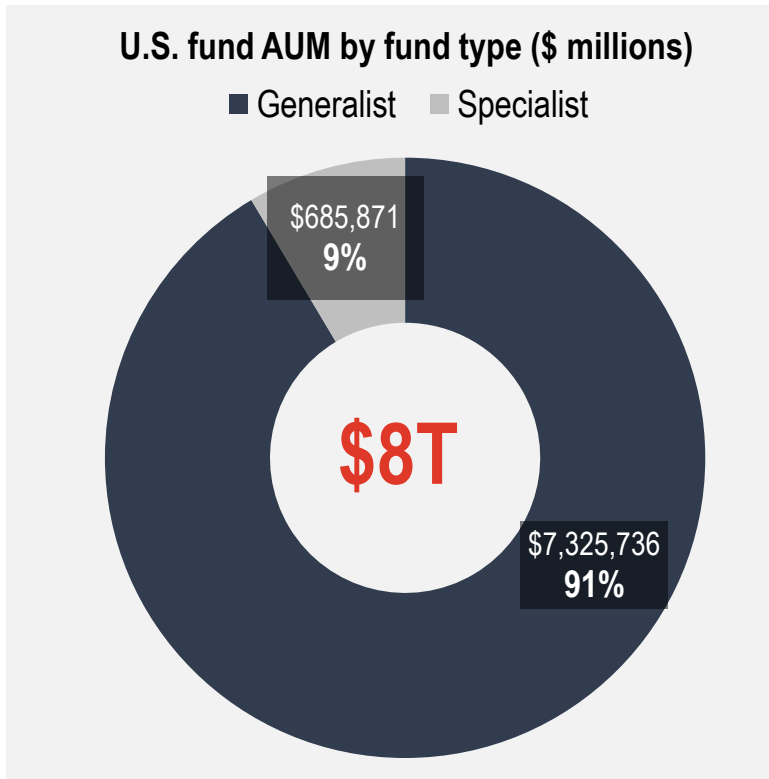
## Investor Location\*

The majority of shares sold this year were sold by U.S. sellers.



# The Generalist Wallet is Large and Diverse

The generalist wallet is so much bigger than the specialist wallet and is comprised of a wide variety of investors



(1) Source: IHS Markit; Rose & Company research  
Note: Specialist funds are defined as funds that have allocated greater than 50% of their equity assets to a specific industry group

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