



# valueSeeker

## ANALYTICS

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*Only the facts with none of the fluff...*

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# WELCOME...



For a while now I'd been thinking of producing a once-a-week newsletter. But whilst I felt it could add value in terms of it's content, I was also concerned about the fact that email newsletters are a bit dull. I wanted to do something different. I've always loved writing, adding value wherever I can, and I've worked in magazines in the past. So this kinda made sense to me. I think it's more interesting to read, and opens the door to using more visuals. Please bear with me over the coming issues as I find my feet both with the content delivery and the scheduling. As producing this does take time out of my week. But I can see this being the start of something quite interesting. There's potential to do more with it. For now, I just wanted to gauge opinion, see if people feel it adds value or not, and go from there. Minimal commitment, minimal investment at this early stage. But, if you do like it and would like to see more, pop on over to the Discord, or my Instagram, and drop me a line to let me know. - Chris

## CONTACT ME

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PODCAST: Diary of a UK Stock Investor



# LATEST STOCK NEWS

A quick round-up of some of the more interesting stories surrounding UK stocks over the last week.

## ROLLS ROYCE PLC [LSE: RR]

Rolls-Royce backed its guidance, saying that all of its divisions were performing well amid increased uncertainty caused by global tariffs.

The U.K. aircraft engine maker said it had a strong start to the year backed by an increase in aftermarket revenue--which includes maintenance, repairs, and upgrades-- at its civil aerospace unit and further revenue growth, supported by increased orders at its power systems business. Meanwhile, in defense, the company saw what it said was robust demand with strong intake of new orders.

Rolls-Royce said that despite the increase in uncertainties in the market caused by global tariffs, it maintained its guidance for 2025.

Rolls-Royce continues to expect between 2.7 billion and 2.9 billion pounds (\$3.60 billion - \$3.87 billion) of underlying operating profit and between 2.7 billion and 2.9 billion pounds of free cash flow.

The company's confidence in achieving this outlook comes amid what it said was an improvement in profit and cash flow in the three months to the end of March.

The group will disclose its half-year results on July 31.



## ASSOCIATED BRITISH FOODS PLC [LSE: ABF]

Shares in ABF, the owner of Primark, plunged 9% to £20.44 after the global consumer conglomerate posted a slide in first-half profits and downgraded full-year guidance for its Sugar business. The volatile Sugar arm is now expected to make a loss of up to £40 million this year versus previous expectations of a £50 million to £70 million profit. Results for the half ended 1 March 2025 from the diversified foods-to-fashion giant showed a 21% drop in pre-tax profit to £692 million as the Sugar business delivered a £16 million loss. The outlook for Sugar has worsened, mainly due to lower European sugar prices and losses in Vivergo, the UK bioethanol business, but also due to challenges in Tanzania due to the overhang of high levels of sugar imports in 2024 and in South Africa due to drought. Associated British Foods' chief executive George Weston conceded he was 'frustrated with the results in our Sugar business,' yet insisted management was 'clear on what needs to be done by way of operational and regulatory solutions to improve financial performance'.



## EVOKE PLC [LSE: EVOK]

Gambling and gaming firm Evoke (EVOK), formerly known as 888, said revenue for the first quarter to March grew 1% and reiterated expectations for an acceleration in growth from the second quarter onwards.

In support of its upbeat view, the Mr Green and William Hill brand owner noted that as of 22 April, revenue growth for the year had accelerated to approximately 4%.

Full-year revenue growth is expected to be consistent with the group's mid-term target range of between 5% and 7%.

## ASTON MARTIN LAGONDA PLC [LSE: GRG]

Aston Martin on Wednesday reported that its loss narrowed during the first quarter despite its revenue falling 13%. The Warwickshire, based car manufacturer reported a pretax loss of £79.6 million in the first quarter, narrowing from £138.8 million the previous year.

However, revenue fell 13% to £233.9 million from £267.7 million, owing to a decrease in Specials deliveries. Specials volumes reduced 69% to 14 from 45. Vehicle sales fell 14% to £205.7 million, down from £239.6 million the prior year. The narrowing of its loss was partly due to a decrease in net finance costs, which fell 85% to a £12.3 million from £80.1 million.

The firm added that it is "limiting imports" to the US in response to the US tariff regulations, with it relying on existing vehicle inventory already in the US instead of shipping large volumes of new cars, which would now face a 25% import tariff under new measures introduced by US President Donald Trump.

Chief Executive Officer Adrian Hallmark said: "We are carefully monitoring the evolving US tariff situation and are currently limiting imports to the US while leveraging the stock held by our US dealers. We remain vigilant in monitoring events and will respond to changes in the operating environment as they materialise."



## DELIVEROO PLC [LSE: ROO]

Food delivery business Deliveroo's shares surged 24% in early London trading Monday after the company said it has suspended its £100 million share buyback programme, just days after revealing it had received a takeover proposal from US-based DoorDash (DASH:NASDAQ).

The company revealed after the market close on Friday that it had been approached on 5 April with a £2.7 billion bid, equivalent to 180p share. Deliveroo said it would likely recommend the offer to shareholders, pending agreement on final terms.

According to a source cited by Reuters, the proposed deal is not expected to trigger regulatory concerns, as it would give DoorDash entry into 10 new markets where it currently has no presence.

## MARLOWE PLC [LSE: MRL]

Investors in business services group Marlowe seemed underwhelmed at the company's full-year trading update and news of a further share buyback.

The shares, which last September jumped 42% to 340p on the spin-off of Optima Health (OPT:AIM), only managed a gain of 6p or 1.8% to 334p. Ahead of its official results for the year, the firm said it had delivered 'strong financial and strategic progress', with revenue expected to be in the region of £305 million.



# CAN I BECOME AN ISA MILLIONAIRE BY 60?

***I'm 43 years old, with a Stocks & Shares ISA worth over £50,000. I'd like to get to £1 million by the age of 60. But I'll need to pick great stocks.***

This week has been a big week for the Stocks & Shares ISA portfolio as it finally closed above the £50,000 milestone. And for what feels like it might be the first time, I really took a moment to soak in the achievement. £50,000 is a lot of money. The sort of money I've never had in my life. There may be people reading this to whom £50k is chicken feed, or at least 'not a big deal'. But it's all relative to our own situations. In truth, it's taken me years of saving and investing in good businesses to get here. And most of the investments I've made in the last 5 years haven't yet had the opportunity to come to fruition. The pandemic, the war in Ukraine, the passing of our Queen, changes in government, energy rises, inflationary rises. I'm sure I've missed a few things. So to be at £50,000, despite those events I think is a strong sign. To reach my £1 million target before I hit 60, I'm going to need to beat the market most years whilst pumping capital in each month. But it's what I love doing. Buying slices of businesses. For what feels like my whole life, I've wanted to have a business. Starting a business from scratch is a real ballache. Most new business ventures fail. I should know, I've tried many back when I had no idea how to do it. Today, I'm much more savvy and educated on the subject. As well as experienced. But I'd also rather not take the risk anymore. Instead, I'd rather own slices of other peoples. And there's genuinely nothing I enjoy more in life right now than sitting in my cosy home, in my comfy chair, with a cup of my favourite coffee beside me, whilst



I flick through the annual report of some shoe making company. Or a furniture maker. Or a doughnut company. What the company does doesn't interest me as much as how good a job that company does in making cash from it. And it's that quest to find a company that's doing a terrific job of adding value in the world, well enough that money flows towards them. But they also need to be doing clever things with that money. And there's a certain criteria I look for in a business that I seldom find all that often. But when I do, it's tremendously exciting. I feel like Lara Croft hunting for treasure. Or perhaps Indiana Jones for those of you a little older than me. I'm 43, and I'm sitting on an investment portfolio of £50,000. If I do a good

job of picking the right businesses to invest in, by the time I'm 60, I'll have over £1,000,000.

Any investor worth their salt will crunch the numbers on a deal and walk away if the numbers aren't right. I discovered this long before I ever bought my first stock, meeting a property investor back in my 20's. He explained to me that he would reverse engineer any deal to the point where he always knew how much he would be willing to pay for a house. This would be based on a few metrics such as the rental income he'd receive relative to the amount he bought the house for. But also included the capital gains of the property itself. By crunching these numbers he'd arrive at a

## THE BLUE LINE

This week saw a rebound in the market which led to the portfolio reaching a new all time high in value. Surpassing £50,000. The blue line here shows the trajectory for the account reaching £1 million in 17 years. So far, we're ahead of schedule. Meaning we'll get there early. But there are still many years ahead of me on this journey.



***“Overall, my Stocks & Shares ISA portfolio achieved a 7.5% rise in value for April 2025”***

This coming week I'll be doing the same thing I always do. Analysing stocks. Making sure I'm up to date on what's going on with the stocks I already own, but also looking at stocks I don't, to see whether they meet my very strict criteria or not. Most do not make the grade. But every now and again, something does. Doing the work I do, producing my podcast, running our Discord chat, gives people the opportunity to ask my opinion on many stocks. I have a list of requests from my clients on stocks they want me to go through for them. Most of them I've looked at before and discarded. But I always get to them and take another look. You never know when a company may start to turn things around. This week will be no different. More coffee and more analysis. Which is my idea of heaven. But, I don't tend to answer questions like "should I buy X stock?". Without wanting to sound like an arse, it's too lazy a question to answer. Better questions to ask would be "am I getting good value on the price of this stock right now?", "what's the EPS growth trajectory look like?" or "how much cash is this company keeping and what are they doing with it once they have it?".

£314 in dividends in May, so this year, after a full year of additional purchases, I'm expecting to achieve a higher level of dividend income. So far in 2025, we've only received £166.84.

Overall for April 2025, the portfolio achieved a +7.5% rise in value worth £3,397.36 (after adjusting for additional deposits), making April our best month of 2025 so far.

**NEW EPISODE OUT EVERY THURSDAY!**



We have a bumper dividend month coming. Last year the portfolio received



Imagine you're at a bustling farmers' market, and a popular bakery stall decides to buy back some of its freshly baked loaves from customers. Why would they do that? And what does it mean for the folks still holding their bread? In the world of investing, companies sometimes do something similar with their shares, called a share buyback. For beginner investors, understanding this move can feel like decoding a secret recipe, but don't worry—it's simpler than it sounds, and it can have a big impact on your investment. Let's dive into the story of share buybacks, why companies do them, and what they mean for you as a shareholder.

## WHAT ARE SHARE BUY-BACKS?

A share buyback happens when a company decides to purchase its own shares from the open market, much like that bakery buying back loaves. These shares are the pieces of ownership that investors like you hold. When a company buys them back, it's essentially reducing the number of shares floating around. But what happens to those shares next? That's where the plot thickens, as companies can either hold them in a "treasury" or cancel them entirely.

## TREASURY VS CANCELLED SHARES

Picture the company as a collector. If it buys back shares and keeps them in its treasury, it's like stashing those loaves in a pantry for later. These treasury shares are still part of the company's inventory—they can be resold, used to pay employees, or even swapped in future deals. The total number of shares the company could have in circulation stays the same, but fewer are actually out there in the market.

Now, if the company chooses to cancel the shares, it's like the bakery tossing those loaves into

*"keep an eye on buybacks, they're a clue to how a company sees its future and values its shareholders"*

## SHARE BUY-BACKS WHAT ARE THEY?

the compost—they're gone for good. This permanently reduces the total number of shares in existence. For shareholders, this is a bigger deal because it increases the value of each remaining share. Think of it like slicing a pie: fewer slices mean each one is a bit bigger.

## WHY BUY-BACK SHARES?

So, why would a company spend its hard-earned cash to buy its own shares? There are a few reasons, and they're all about signaling confidence and creating value. First, a buyback can show that the company believes its stock is undervalued—like a chef knowing their dish is worth more than the price tag. By buying shares, the company says, "We're a good investment!"

Second, buybacks can boost a key number called earnings per

share (EPS). With fewer shares in circulation, the company's profits are spread across a smaller pool, making each share's slice of the profit pie larger. This can make the stock more attractive to investors, potentially pushing the share price higher. Finally, buybacks can be a way to return money to shareholders without paying dividends. Instead of sending you a check, the company increases the value of your shares by making them scarcer. It's like the bakery making fewer loaves, so each one becomes more coveted.

## WHAT IMPACT DO THEY HAVE ON SHAREHOLDERS?

For you, the shareholder, a buyback can be exciting but comes with nuances. If shares are cancelled, your ownership stake in the company grows slightly because there are fewer shares overall. This can lead to higher share prices and bigger profits if you sell later. Treasury shares, while still reducing shares in the market, don't have the same permanent effect since they could be reissued.

However, buybacks aren't always a golden ticket. If a company spends too much on buybacks instead of investing in growth—like new products or innovation—it might

hurt its future. As a beginner investor, watch for companies that balance buybacks with smart growth plans.

## THE BIGGER PICTURE

Share buybacks are like a company's way of fine-tuning its recipe for success. They can make your shares more valuable, signal confidence, and boost key financial numbers.

But, like any good story, the outcome depends on how the company plays its cards. As you dip your toes into investing, keep an eye on buybacks—they're a clue to how a company sees its future and values its shareholders, including you.

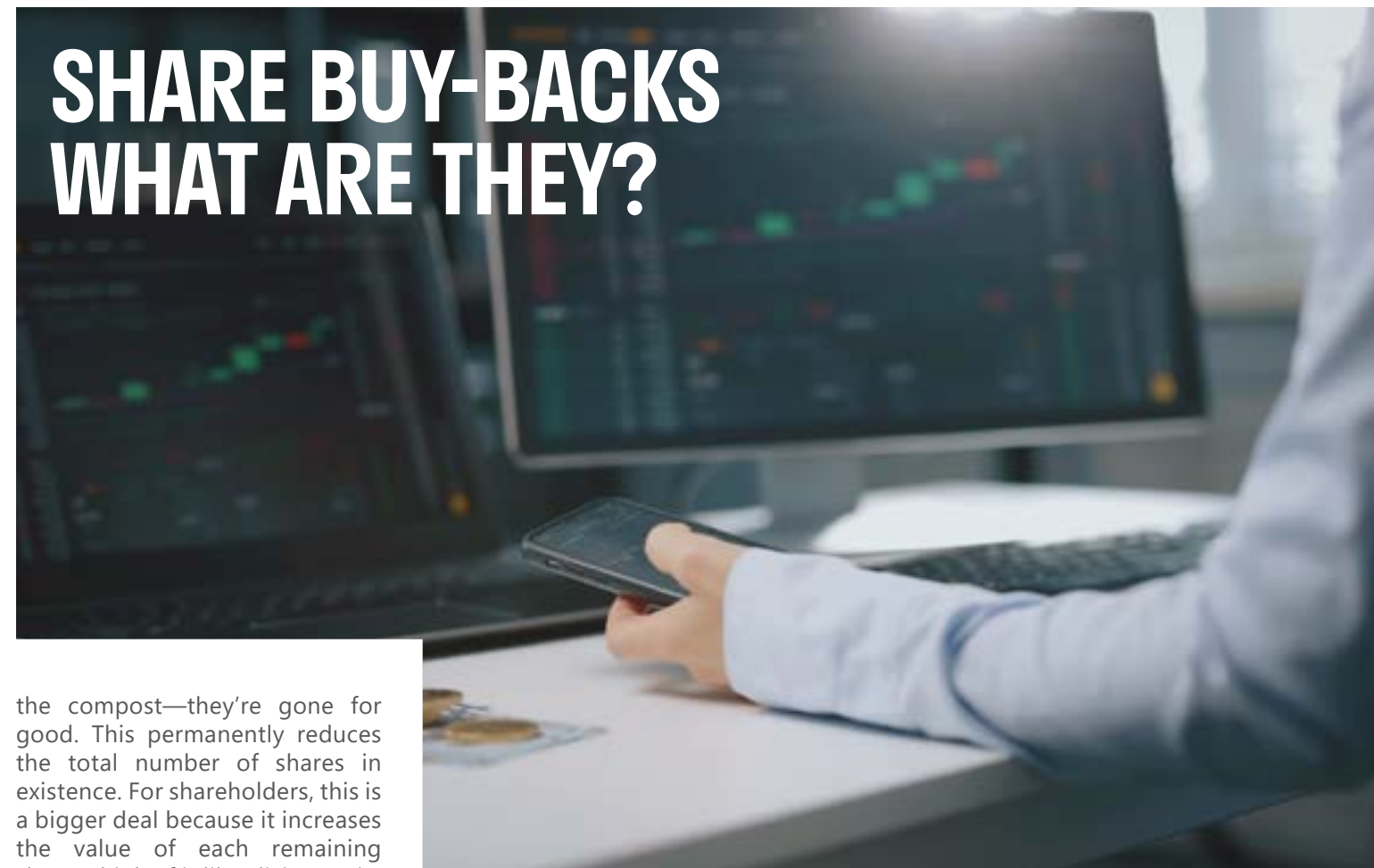


## TESCO BUYS 2.3 MILLION SHARES BACK

Tesco has been steadily buying back shares, with a recent move to cancel 2.3 million shares as part of its ongoing program. In 2023, its buybacks increased shareholders' ownership of future profits by 5% without additional investment. Tesco's buybacks, paired with a 4% dividend yield, made it a favorite for income-focused investors. Cancelled shares boost EPS and your stake in the company.



# THE INVESTORS ACADEMY





FILTRONIC PLC  
[LSE: FTC]

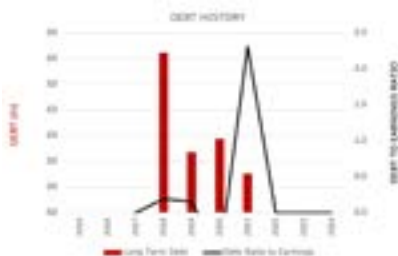


Filtronic plc is a UK-based company that designs and manufactures advanced radio frequency (RF), microwave, and millimeter-wave technologies. In simple terms, they create specialized components and systems that help transmit, receive, and manage radio signals for critical communication networks. Their products are used in industries like telecommunications, aerospace, defense, and space, supporting clients like SpaceX, BAE Systems, and the European Space Agency. They provide custom, high-performance solutions that ensure reliable, high-speed communication in demanding environments, such as satellite systems or defense networks. By operating precision manufacturing facilities in the UK and USA, and focusing on innovation, Filtronic ensures superior performance and reliability, making them a trusted partner for mission-critical applications in fast-evolving industries.



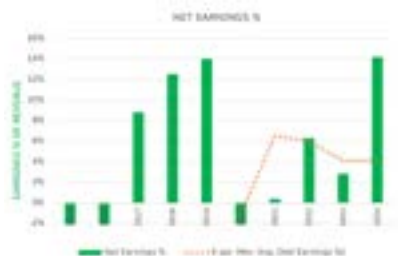
REVENUE

Revenue has been vastly inconsistent over the last decade with this company and does not seem to be showing a strong trend of growth. Company sales peaked between 2013-2017 at around £35m a year, and have never been back. Revenue saw a jump in 2024, but the company are still a long way from the height of their peak reporting £25m in sales for the year.



DEBT

The chart is a bit messy, but Filtronic plc haven't now carried any long or short term debt since 2022 when they became debt free. Prior to this, debt was never a problem with the company and at no point has the business ever bitten off more than it can chew in relation to earnings.



NET EARNINGS

Again, largely inconsistent, with a history of loss making years over the last decade. However, in 2024, earnings leapt to a record high of £3.6m. However, whilst it was a clear jump, it still only represented £0.014p per share in earnings. However, this increase in sales and net earnings was largely driven by the company netting SpaceX as a client.



CHRIS'S THOUGHTS

Following the announcement of a £2.8m contract with SpaceX in 2023, supplying modules for the Starlink satellites. This led to another £20m of contracted work and SpaceX partnering with the company and obtaining a 10% stake in Filtronic plc.

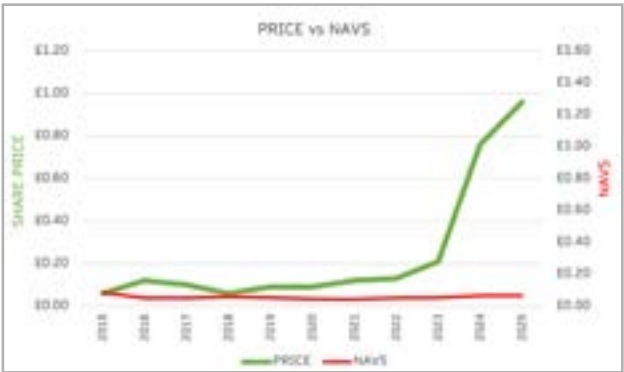
Of course, this news has sent the stock price flying. From £0.21 in January 2024, to £0.93 today. That's quite the jump, and anyone with shares pre-2024 got very lucky.

But the price has soared far quicker than the underlying value of the business. To put it into context, sales rose 56% in 2024, net value rose 28%. But the share price rose 256%. You're getting 1.47% earnings at today's price, and £0.07 in net asset value. It's a P/E ratio of 69 and a Price to Book value of 14.4x.

Whilst the SpaceX move is exciting, buying a stock that could potentially do very well, for above and beyond what it's worth, in the hope that one day it'll become worth what you paid for it, is a risky move. To be worth £1 a share, the company would need to be making £100m a year in revenue and £14m a year in net earnings. Is that likely? Very hard to say in my opinion.

PRICE ANALYSIS

Following the SpaceX partnership announcement, the price has gone haywire. Despite no clear increase in earnings, or business net asset value, the price has leapt over 200%. This is purely on the investor sentiment that the stock could do very well from the partnership. But based on 2024's financials, investors are grossly overpaying now, in the hope that the business will grow and catch up with their future perceived valuation. A risky move, as if the partnership does not live up to the hype then the price could eventually come back down to reflect the true intrinsic value.



KEY FINANCIALS

ABILITY TO GENERATE CASH	2020	2021	2022	2023	2024
REVENUE	£17.2m	£15.6m	£17.0m	£16.3m	£25.4m
NET EARNINGS	£-0.5m	£0.0m	£1.1m	£0.5m	£3.6m
NET EARNINGS (%)	-3%	0%	6.3%	2.9%	14.2%
EARNINGS PER SHARE (EPS)	£0.00	£0.00	£0.00	£0.00	£0.01
BUSINESS NET WORTH					
TOTAL ASSETS	£17.3m	£14.6m	£16.4m	£18.1m	£25.3m
TOTAL LIABILITIES	£7.9m	£5.3m	£5.4m	£6.5m	£10.5m
NET ASSET VALUE (NAV)	£9.3m	£9.3m	£11.0m	£11.5m	£14.8m
WEIGHTED SHARES IN CIRC	211m	214m	215m	216m	223m
NAV PER SHARE (NAVS)	£0.04	£0.04	£0.05	£0.05	£0.07







**We help retail investors make informed stock market decisions by providing concise, fact-based, 10-minute analysis reports that summarize a company's financial performance and history without jargon or opinions.**

## WHAT WE DO

- **Problem Solved:** Retail investors lack the time, expertise, or desire to analyse complex financial data and annual reports.
- **Unique Differentiator:** Jargon-free, bias-free, fact-only reports condensed to key information.
- **Outcome:** Clients gain clear, actionable insights in just 10 minutes, empowering them to make confident investment decisions.

STAGE	WHAT WE DO	CLIENT BENEFIT
Data Collection	Gather publicly available financial data and annual reports.	Ensures accuracy and transparency using trusted sources.
Analysis & Condensation	Extract key metrics and historical milestones, removing jargon.	Saves hours of research, delivering insights in a 10-minute read.
Report Delivery	Send tailored reports to clients via email and subscription platform.	Provides actionable information to guide investment decisions.
Ongoing Updates	Provide periodic updates on covered stocks.	Keeps clients informed without additional effort.
Community Building	Curate a chat room for clients/investors to meet and discuss investments.	Being part of a positive likeminded investment community

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Struggling to understand complex stock data? We provide retail investors with clear, fact-based stock analysis reports that condense financials and company histories into 10-minute reads, empowering you to make informed decisions without the jargon.

## OUR REPORTS INCLUDE ...

### CHRONOLOGICAL STORY

Every report we provide contains all the key details extracted from the companies annual reports relating to the businesses story so that 'you' the investor, understands the business and knows precisely what they are investing in. We extract all the important information spanning the last 15-20 years and condense it down into 2-3 pages for ease of consumption. A service you'll get nowhere else.



### PRICE TO EPS

This chart shows the price of the shares relative to the earnings power per share. It helps investors know if the price of a stock is underpriced or overpriced



### PRICE TO NAVS

If you take the assets of a company, and deduct their liabilities, you're left with the equity, the difference. This chart again helps investors know if they're getting good value



### DEBT TO EARNINGS

Knowing how much debt a company has relative to its ability to pay it off helps investors stay away from riskier debt ridden stocks.



