RNS Number : 7675E
Schroder British Opportunities Tst.
19 September 2024

Schroder British Opportunities Trust plc

Net Asset Value as at 30 June 2024

Schroder British Opportunities Trust plc (the "Company") announces its unaudited net asset value ("NAV") as at 30 June 2024 was £78.8 million or 106.66p per share (31st March 2024: £81.3 million or 110.05 per share), following the quarterly valuation of the Company's private equity holdings. This represents a decrease of 3.04p per share (-2.8%) compared with the NAV reported at the quarter end.

The Company's daily NAV calculation re-values the public company holdings on a daily basis, and the private equity holdings quarterly post period end. This latest quarterly valuation of the private equity holdings will be reflected in the daily unaudited NAV per share as of 19 September 2024, which will be published later today.

Portfolio

As at 30 June 2024, the Company had 31 portfolio company positions comprising 10 private and 21 public companies.

Financial performance (unaudited)

Attribution Analysis (£m)	Public	Private	Money Market	Net (debt)/cash	Other	NAV
Value as at 31.03.2024	**19.4**	**52.9**	**10.8**	**0.8**	**(2.6)**	**81.3**
Investments	0.1	3.4	1.2	(4.7)	-	-
Realisations for cash	(0.9)	-	(4.3)	5.2	-	-
Fair value gains / (losses)	(0.8)	(1.9)	0.1	-	-	(2.6)
Costs and other movements	-	-	-	(0.4)	0.5	0.1
Value as at 30.06.2024	**17.8**	**54.4**	**7.8**	**0.9**	**(2.1)**	**78.8**

The 3.1% decrease in NAV, from £81.3 million at 31 March 2024 to £78.8 million at 30 June 2024, comprised:

- Public holdings: (0.98%)
- Private holdings: (2.33%)
- Money market funds: 0.12%
- Cost and other movements: 0.12%

The Company's public equity holdings saw an aggregate decrease in fair value of £0.8 million over the quarter ended 30 June 2024. The main detractors to performance were SSP Group and Trainline; positive contributors included GB Group and Watches of Switzerland.

The Company's private equity holdings saw an aggregate fair value decrease of £1.9 million over the quarter ended 30 June 2024. This was principally driven by the performance of Learning Curve group and Rapyd. The Learning Curve Group has seen some demand weakness leading to a write down in valuation. In addition, the valuation of Rapyd was adjusted to reflect a re-rating in public fintech comparators. Positive contributors to the NAV development were Graphcore and Headfirst. As previously announced by the Company, Graphcore was acquired by SoftBank Group which led to an outcome in which the Company will receive back its original capital investment, less some minor expenses. This was a positive development in fair market value as the investment was carried at below cost in Q1. Headfirst has been benefiting from its recent merger with Impellam, resulting in a positive impact on the valuation of the company.

Investment activity

During the period, the Company made an investment into Headfirst, an international HR tech service provider operating in fifteen European countries.

After the period ended, the Company made two new public equity investments in Warpaint and Forterra. In addition, it exited its holding in Ascential following the bid by Informa.

Top 10 holdings

Holding	Quoted / unquoted	Fair value as at 31 December 2023 (£'000)	% of total investments	Fair value as at 30 June 2024 (£'000)	% of total investments
Mintec	Unquoted	9'591	13.3%	9'596	13.3%
Cera	Unquoted	8'038	11.1%	8'065	11.2%
Pirum Sytems	Unquoted	6'884	9.5%	7'002	9.7%
EasyPark	Unquoted	6'170	8.5%	5'847	8.1%
Culligan	Unquoted	5'585	7.7%	5'774	8.0%
CFC Underwriting	Unquoted	5'661	7.8%	5'635	7.8%

Rapyd Financial Network	Unquoted	6'837	9.5%	4'493	6.2%
Headfirst	Unquoted	0	0%	4'158	5.8%
Graphcore	Unquoted	2'533	3.5%	3'090	4.3%
Watches of Switzerland	Quoted	1'326	1.8%	1'530	2.1%

Outlook

For the private equity part of the portfolio, despite the higher interest rate environment, small-mid cap buyout exits have remained relatively stable when compared to 2019 levels and we expect the easing of interest rates, forecast for later this year, to provide a favourable backdrop for future exits.

We continue to believe that small and medium sized companies provide good investment opportunities as they find it easier to achieve growth through expansion of product lines or their geographic footprint and to improve profit margins than larger companies, which have often been through several rounds of private equity or institutional ownership. The pipeline for attractive UK opportunities remains robust.

On the public side, UK equities continue to trade at a steep discount relative to their global counterparties, which we do not believe to be justified given the strong growth that can be found here - particularly within small and mid-caps. We believe that a combination of political stability and the recent rate cut by the Bank of England should help to improve market sentiment, acting as a basis for UK equities to do well from here.

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