

## North Atlantic Smaller Companies Investment Trust plc

Half-Yearly Report for the six months ended 31 July 2024

Registered in England and Wales number 1091347

### objective of the company and financial highlights

North Atlantic Smaller Companies Investment Trust plc is a company incorporated and registered in England and Wales.

The objective of the Company is to provide capital appreciation through investment in a portfolio of smaller companies principally based in countries bordering the North Atlantic Ocean.

	31 July 2024 (unaudited)	31 January 2023 (audited)	% Change
Net asset value ("NAV") per 5p Ordinary Share*:			
Basic and diluted	5,551p	5,127p	8.3
Basic and diluted adjusted <sup>#</sup>	5,766p	5,391p	7.0
Mid-market price of the 5p Ordinary Shares	4,350p	3,690p	17.9
Discount to net asset value	21.6%	28.0%	
Discount to adjusted net asset value	24.6%	31.6%	
Standard & Poor's 500 Composite Index <sup>†</sup>	4,301.90	3,810.10	12.9
Russell 2000 Index <sup>†</sup>	1,756.20	1,531.20	14.7
Ongoing charges (annualised)	1.2%	1.2%	

\* Includes current period revenue.

<sup>#</sup> Adjusted to reflect Oryx International Growth Fund plc ("Oryx") under the equity method of accounting, which is how the Company previously accounted for its share of Oryx, prior to the adoption of IFRS 10. This is useful to the shareholder as it shows the NAV based on valuing Oryx at NAV. See note 6.

<sup>†</sup> Sterling adjusted.

### chief executive's review

During the six months under review the net asset value adjusted for the dividend payment rose by 8.3% compared to a rise in the sterling adjusted Standard and Poor's index of 12.9%. Performance was adversely impacted by the Trust's large cash holdings and the underperformance of the Private Equity Portfolio although I expect that as a number of sales come through over the next few months this will be reversed.

The Trust reported net income for the period of £8,076,000 (2023: £4,615,000). Consistent with prior years no dividend is being declared until the outcome for the current year becomes clearer. However based on my current expectations, it is anticipated that dividends in respect of the financial year ending January 2025 will comfortably exceed that paid in respect of fiscal 2024.

During the six month period the Trust purchased approximately 178,237 shares for cancellation at a discount to NAV of approximately 30%. This policy which is ongoing increased the NAV for all long term shareholders and helped to modestly reduce the discount compared to the end of January 2024, net asset value, at a time when many other trusts, particularly those with unquoted holdings, have seen a significant widening.

### quoted portfolio

Quoted markets performed well over the period, helped by a number of takeovers which sadly did not benefit the Trust. Nevertheless, the performance of the quoted portfolio as a whole was a rise broadly in line with the comparable UK indices.

Stocks that performed notably well included Pinewood Technology at 50%, Gleeson at +22%, Hargreaves Services at +21.5%, Paypoint +26%, Polar Capital +33%, TP ICAP +17.5% and Restore +15.5% since purchase. On the other hand EKF fell by 8% despite very encouraging results and Niox only rose 2% despite excellent early growth. Frenkel Topping was also flat following concerns as to how the FCA application of the Consumer Duty issues might adversely impact the business.

### unquoted portfolio

The UK Portfolio rose 2% during the period as there were no major realisations. However, this is expected to change over the next few months following a recent bid for Journey Group and the likely sale of another substantial holding at good premium to the end of July valuation.

The United States portfolio which was relatively small at £28 million was flat during the period. In reality there are only two investments, Crest Foods which was acquired in February and is performing in line with expectations and Performance Chemicals which is under offer at a modest premium to the July valuation.

### outlook

August saw very considerable turbulence in the financial markets, although other than the fall in Polar Capital which reduced the NAV by 0.6%, the impact on the balance of the portfolio was negligible. It is therefore frustrating to see the share price fall by 7%.

I have had a chance to meet with all our major quoted holdings over the past three weeks and in not a single case do I see cause for alarm and in some cases such as Spire Health we will be adding to the holdings if we can find attractive entry points. I am also hopeful that some of our indirect holdings through Oryx and Odyssean will be subject to corporate activity in the coming months.

Our unquoted portfolio is, I believe, well positioned to build value for shareholders both in the short and long term and it would be disappointing if it failed to deliver over £40 million of capital over the next eighteen months at a good uplift from the current valuations.

In short I remain optimistic for the portfolio as a whole and shareholder returns will hopefully be enhanced by a higher dividend and further share buybacks over the course of the next twelve months.

Finally is it my intention that in addition to the shareholder annual general meeting, there will be a meeting of shareholders towards the end of each calendar year which will be announced through an RNS. I very much hope you will be able to join us.

### C H B Mills

Chief Executive

24 September 2024

### top ten investments as at 31 July 2024

		Fair value £'000	% of net assets
Oryx International Growth Fund Limited*	UK Quoted	106,249	14.4
US Treasury Bills	US Treasury Stock	64,095	8.7
Polar Capital Holdings Plc	UK Quoted on AIM	42,000	5.7
Hargreaves Services Plc	UK Quoted on AIM	38,304	5.2
Harwood Private Equity Fund V LP	UK Unquoted	34,388	4.7
MJ Gleeson Group Plc	UK Quoted	30,952	4.2
Odyssean Investment Trust Plc	UK Quoted	27,520	3.7
Conduit Holdings Limited	UK Quoted	26,150	3.5
EKF Diagnostics Holdings Plc	UK Quoted on AIM	26,112	3.5
Niox Group Plc	UK Quoted on AIM	23,250	3.2
		419,020	56.8

\* Traded Price under IFRS10, incorporated in Guernsey.

All investments are valued at fair value.

## **interim management report**

### **investment objective**

The objective of North Atlantic Smaller Companies Investment Trust PLC is to provide capital appreciation to its shareholders through investing in a portfolio of smaller companies which are principally based in countries bordering the North Atlantic Ocean.

### **material events**

There were no material events during the period.

### **material transactions**

There were no material transactions during the period.

### **risk profile**

The principal risks and uncertainties for the remaining six months of the year continue to be as described in the Annual Report for the year ended 31 January 2024. The principal risks arising from the Company's financial instruments are market price risk, including currency risk, interest rate risk and other price risk, liquidity risk and credit risk. The Directors review and agree policies with the Manager, Harwood Capital LLP, for managing these risks. The policies have remained substantially unchanged in the six months since the year end.

The Company does not have any significant exposure to credit risk arising from any one individual party. Credit risk is spread across a number of counterparties, each having an immaterial effect on the Company's cash flows, should a default happen. The Company assesses the credit worthiness of its debtors from time to time to ensure that they are neither past due or impaired.

To support its investment in unquoted companies, the Company may periodically agree to guarantee all or part of the borrowings of investee companies. Provision is made for any costs that may be incurred when the Directors consider it likely that the guarantee will crystallise.

The Company's exposure to market price risk comprises mainly movements in the value of the Company's investments. It should be noted that the prices of options tend to be more volatile than the prices of the underlying securities. The Manager assesses the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

The functional and presentational currency of the Company is Sterling, and therefore, the Company's principal exposure to foreign currency risk comprises investments priced in other currencies, principally US Dollars.

The Company invests in equities and other investments that are realisable.

### **related party transactions**

These are listed in note 9 to the half yearly condensed financial statements on page 23.

By Order of the Board

**Sir Charles Wake**

Chairman

24 September 2024

## **responsibility statement**

The Directors confirm to the best of their knowledge that:

- The condensed set of financial statements contained within this half yearly financial report have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' in conformity with the requirement of the Companies Act 2006 and gives a true and fair view of the assets

compliance with the requirement of the Companies Act 2006 and gives a true and fair view of the assets, liabilities, financial position and profit of the Company; and

- The half yearly financial report includes a fair review of the information required by the FCA's Disclosure and Transparency Rule 4.2.7R being disclosure of important events that have occurred during the first six months of the financial year, their impact on the condensed set of financial statements and a description of the principal risks and uncertainties for the remaining six months of the year; and
- The half yearly financial report includes a fair review of the information required by the Disclosure and Transparency Rule 4.2.8R being disclosure of related party transactions during the first six months of the financial year, how they have materially affected the financial position of the Company during the period and any changes therein.

The half yearly financial report was approved by the Board on 24 September 2024 and the above responsibility statement was signed on its behalf by:

**Sir Charles Wake**

Chairman

24 September 2024

### condensed statement of comprehensive income (unaudited)

	Six months ended 31 July 2024			Six months ended 31 July 2023			Year ended 31 January 2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income	12,416	-	12,416	8,922	-	8,922	20,817	-	20,817
Net gains/ (losses) on investments at fair value	-	55,123	55,123	-	(27,643)	(27,643)	-	(9,539)	(9,539)
Currency exchange gains/(losses)	-	81	81	-	(669)	(669)	-	(523)	(523)
<b>total income</b>	<b>12,416</b>	<b>55,204</b>	<b>67,620</b>	<b>8,922</b>	<b>(28,312)</b>	<b>(19,390)</b>	<b>20,817</b>	<b>(10,062)</b>	<b>10,755</b>
Expenses									
Investment management fee (note 9)	(3,629)	-	(3,629)	(3,561)	-	(3,561)	(7,122)	-	(7,122)
Other expenses	(699)	-	(699)	(731)	-	(731)	(1,449)	-	(1,449)
<b>return before taxation</b>	<b>8,088</b>	<b>55,204</b>	<b>63,292</b>	<b>4,630</b>	<b>(28,312)</b>	<b>(23,682)</b>	<b>12,246</b>	<b>(10,062)</b>	<b>2,184</b>
Taxation	-	-	-	-	-	-	(6)	-	(6)
<b>return before taxation</b>	<b>8,088</b>	<b>55,204</b>	<b>63,292</b>	<b>4,630</b>	<b>(28,312)</b>	<b>(23,682)</b>	<b>12,240</b>	<b>(10,062)</b>	<b>2,178</b>
Taxation	(12)	-	(12)	(15)	-	(15)	(30)	-	(30)
<b>return for the period</b>	<b>8,076</b>	<b>55,204</b>	<b>63,280</b>	<b>4,615</b>	<b>(28,312)</b>	<b>(23,697)</b>	<b>12,210</b>	<b>(10,062)</b>	<b>2,148</b>
<b>earnings per ordinary share (note 5)</b>									
Basic and diluted			472.5p			(174.9p)			15.90p

The total column of the statement is the Statement of Comprehensive Income of the Company prepared in accordance with International Financial Reporting Standards ("IFRS") in conformity with the requirement of the Companies Act 2006.

The supplementary revenue and capital columns are presented for information purposes as recommended by the Statement of Recommended Practice ("SORP") issued by the Association of Investment Companies ("AIC").

All items in the above Statement derive from continuing operations. No operations were acquired or discontinued in the period.

The accompanying notes are an integral part of these financial statements.

## condensed statement of changes in equity (unaudited)

	Share capital £'000	Capital redemption reserve £'000	Share premium £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
<b>six months ended 31 July 2024</b>						
31 January 2024	673	197	1,301	670,168	17,891	690,230
Total comprehensive income for the period	-	-	-	55,204	8,076	63,280
Shares purchased for cancellation	(9)	9	-	(6,986)	-	(6,986)
Dividend	-	-	-	-	(9,195)	(9,195)
31 July 2024	664	206	1,301	718,386	16,772	737,329
<b>six months ended 31 July 2023</b>						
31 January 2023	680	190	1,301	685,504	5,681	693,356
Total comprehensive (loss)/income for the period	-	-	-	(28,312)	4,615	(23,697)
Shares purchased for cancellation	(4)	4	-	(2,828)	-	(2,828)
31 July 2023	676	194	1,301	654,364	10,296	666,831
<b>year ended 31 January 2024</b>						
31 January 2023	680	190	1,301	685,504	5,681	693,356
Total comprehensive income for the year	-	-	-	(10,062)	12,210	2,148
Shares purchased for cancellation	(7)	7	-	(5,274)	-	(5,274)
31 January 2024	673	197	1,301	670,168	17,891	690,230

The accompanying notes are an integral part of these financial statements.

## condensed balance sheet (unaudited)

	As at 31 July 2024 £'000	As at 31 July 2023 £'000	As at 31 January 2024 £'000
<b>non current assets</b>			
Investments at fair value through profit or loss	700,544	635,150	612,425
	700,544	635,150	612,425
<b>current assets</b>			
Trade and other receivables	9,231	6,329	69,272
Cash and cash equivalents	28,149	27,699	9,203
	37,380	34,028	78,475
<b>total assets</b>	737,924	669,178	690,900
<b>current liabilities</b>			
Trade and other payables	(595)	(2,347)	(670)
<b>total liabilities</b>	(595)	(2,347)	(670)
<b>total assets less current liabilities</b>	737,329	666,831	690,230
<b>net assets</b>	737,329	666,831	690,230
<b>represented by:</b>			
Share capital	664	676	673
Capital redemption reserve	206	194	197
Share premium account	1,301	1,301	1,301
Capital reserve	718,386	654,364	670,168
Revenue reserve	16,772	10,296	17,891
<b>total equity attributable to equity holders of the company</b>	737,329	666,831	690,230

**net asset value per ordinary share (note 6):**

Basic and diluted	5,551p	4,929p	5,127p
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The accompanying notes are an integral part of these financial statements.

**condensed cash flow statement (unaudited)**

	Six months ended 31 July 2024 £'000	Six months ended 31 July 2023 £'000	Year ended 31 January 2024 £'000
<b>cash flows from operating activities</b>			
Investment income received	7,173	6,752	17,362
Deposit interest received	719	96	765
Investment Manager's fees and performance fees paid	(3,636)	(3,517)	(7,078)
Other cash payments	(870)	(876)	(1,581)
<b>cash received/(expended) from operations (note 7)</b>	<b>3,386</b>	<b>2,455</b>	<b>9,468</b>
Taxation paid	(12)	(15)	(30)
<b>net cash inflow from operating activities</b>	<b>3,374</b>	<b>(2,440)</b>	<b>9,438</b>
<b>cash flows from investing activities</b>			
Purchases of investments	(158,833)	(204,318)	(424,801)
Sales of investments	190,162	227,331	424,503
<b>net cash inflow/(outflow) from investing activities</b>	<b>31,329</b>	<b>23,013</b>	<b>(298)</b>
<b>cash flows from financing activities</b>			
Dividend paid	(9,195)	(2,992)	(2,992)
Repurchase of Ordinary Shares for cancellation	(6,985)	(2,828)	(5,274)
<b>net cash outflow from financing activities</b>	<b>(16,180)</b>	<b>(5,820)</b>	<b>(8,266)</b>
<b>increase/(decrease) in cash and cash equivalents for the period</b>	<b>18,523</b>	<b>19,633</b>	<b>874</b>
<b>cash and cash equivalents at the start of the period</b>	<b>9,203</b>	<b>9,010</b>	<b>9,010</b>
Revaluation of foreign currency balances	423	(944)	(681)
<b>cash and cash equivalents at the end of the period</b>	<b>28,149</b>	<b>27,699</b>	<b>9,203</b>

The accompanying notes are an integral part of these financial statements.

**notes to the financial statements (unaudited)****1. a) basis of accounting**

North Atlantic Smaller Companies Investment Trust plc is a company incorporated and registered in England and Wales. The principal activity of the Company is that of an investment trust company within the meaning of Sections 1158/1159 of the Corporation Tax Act 2010.

The condensed financial statements of the Company have been prepared in accordance with International Accounting Standard ("IAS") 34 - "Interim Financial Reporting" in conformity with the requirement of the Companies Act 2006. The accounting policies and methods of computation followed in these half-yearly condensed financial statements are consistent with the most recent annual financial statements for the year ended 31 January 2024 included in the Annual Report.

The financial statements have also been prepared in accordance with the AIC SORP for the financial statements of investment trust companies and venture capital trusts, except to any extent where it is not consistent with the requirements of IFRS.

The financial information contained in this Half-Yearly Report does not constitute statutory accounts as defined in the Companies Act 2006. The financial information for the periods ended 31 July 2024 and 31 July 2023 have not been audited or reviewed by the Company's Auditor. The figure and financial information for the year ended 31 January 2024 are an extract from the latest published audited financial statements, which have been filed with the Registrar of Companies. The report of the Auditor on those financial statements was unqualified and did not contain a statement under either Section 498(2) or 498(3) of the Companies Act 2006.

**b) functional currency**

The functional currency of the Company is Pounds Sterling because this is the primary economic currency in which the Company operates. The financial statements are presented in Pounds Sterling rounded to the nearest thousand, except where otherwise indicated.

**c) significant accounting policies**

The accounting policies applied are consistent with those of the Annual Financial Report for the year ended 31 January 2024. Since the year end no new standards have been adopted.

**d) accounting developments**

In the current period, the Company has applied a number of amendments to IFRS, issued by the IASB mandatorily effective for an accounting period that begins on or after 1 January 2024. These include annual improvements to IFRS, changes in standards, legislative and regulatory amendments, changes in disclosure and presentation requirements. The adoption of these has not had any material impact on these condensed financial statements.

**e) segmental reporting**

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business. The Company invests in smaller companies principally based in countries bordering the North Atlantic Ocean.

**f) going concern**

The financial statements have been prepared on a going concern basis and on the basis that approval as an investment trust company will continue to be met. The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future, being a period of 12 months from the date when these financial statements were approved. The Directors are of the view that the Company can meet its obligations as and when they fall due. The cash and US treasury bills available enables the Company to meet any funding requirements and finance future additional investments. The Company is a closed-end fund, where assets are not required to be liquidated to meet day-to-day redemptions.

**2. investment management and performance fees**

A Performance Fee is only payable if the investment portfolio, including Oryx at the adjusted price, outperforms the Sterling adjusted Standard & Poor's 500 Composite Index at the end of each financial year and is limited to a maximum payment of 0.5% of Shareholders' Funds, and is allocated 100% to capital.

An amount would be included in these financial statements for the Performance Fee that could be payable based on investment performance to 31 July 2024. At that date, no Performance Fee, inclusive of VAT, has been accrued for in the accounts (31 July 2023: £nil; 31 January 2024: £nil).

Further details of fees paid to the investment manager can be found in Note 9, Related Party transactions.

**3. taxation**

The Company has an effective tax rate of 0%. The estimated effective tax rate is 0% as investment gains are exempt from tax owing to the Company's status as an Investment Trust and there is expected to be an excess of management expenses over taxable income and thus there is no charge for corporation tax.

During the half year to 31 July 2024, the Company recognised a total charge of £12,000 (half year to 31 July 2023: £15,000, year ended 31 January 2024: £30,000), representing irrecoverable withholding tax paid on overseas investment income.

#### 4. dividends

For the year ended 31 January 2024, the Board declared an interim dividend of 68.5p per Ordinary share (31 January 2023: 22p) which was paid on 28 March 2024. For the year end 31 January 2024, no final dividend was proposed (31 January 2023; nil).

#### 5. earnings per ordinary share

	Net return £'000	Revenue Ordinary Shares	Per Share pence	Net return £'000	Capital Ordinary Shares	Per Share pence	Net return £'000	Total Ordinary Shares	Per Share pence
<b>six months ended 31 July 2024</b>									
Basic and diluted return per Share	8,076	13,392,121	60	55,204	13,392,121	412	63,280	13,392,121	473
<b>six months ended 31 July 2023</b>									
Basic and diluted return per Share	4,615	13,546,346	34	(28,312)	13,546,346	(210)	(23,697)	13,546,346	(175)
<b>year ended 31 January 2024</b>									
Basic and diluted return per Share	12,210	13,508,610	90	(10,062)	13,508,610	(75)	2,148	13,508,610	16

Basic return per Ordinary Share has been calculated using the weighted average number of Ordinary Shares in issue during the period.

#### 6. net asset value per ordinary share

The basic net asset value per Ordinary Share is based on net assets of £737,329,000 (31 July 2023: £666,831,000; 31 January 2024: £690,230,000) and on 13,283,338 Ordinary Shares (31 July 2023: 13,527,634; 31 January 2024: 13,461,575) being the number of Ordinary Shares in issue at the period end.

During the period to 31 July 2024, there were 178,237 shares bought back for cancellation at a cost, including stamp duty of £6,986,000 (31 July 2023: 74,434 shares bought back for cancellation at a cost, including stamp duty of £2,828,000; 31 January 2024: 140,493 shares at a cost, including stamp duty of £5,274,000).

#### adjustment for Oryx

The Company has also reported an adjusted net asset value per share using equity accounting, in accordance with its previous method of valuing its investment in Oryx. The Company has chosen to report this net asset value per share to show the difference derived if equity accounting were to be used. Equity accounting permits the use of net asset value pricing for listed assets which in the case of Oryx is higher than its fair value.

The values of Oryx, as at each period end, are as follows:

	31 July 2024 £'000	31 July 2023 £'000	31 January 2024 £'000
Oryx at Fair value (traded price)	106,249	81,494	83,706
Oryx value using Equity Accounting	134,831	114,534	119,254
Increase in net assets using Equity Accounting	28,582	33,040	35,548
<b>31 July 2024</b>			
Net asset value per Share			
- Basic and diluted	5,551p	4,929p	5,127p
<b>31 July 2023</b>			
Net asset value per Share adjusted			
- Basic and diluted	5,766p	5,174p	5,391p

#### 7. reconciliation of total return before taxation to cash expended from operations



## 7. reconciliation of total return before taxation to cash expended from operations

	Six months ended 31 July 2024 £'000	Six months ended 31 July 2023 £'000	Year ended 31 January 2024 £'000
Total return before taxation	63,292	(23,682)	2,178
(Gains)/losses on investments and currency	(55,204)	28,312	10,062
Income reinvested	(133)	-	(549)
Increase in trade and other receivables	(4,493)	(2,074)	(2,186)
Decrease in trade and other payables	(76)	(101)	(37)
Cash expended from operations	3,386	2,455	9,468

## 8. investments

### financial assets at fair value through profit or loss

This requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following three levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data from investments actively traded in organised financial markets; fair value is generally determined by reference to Stock Exchange quoted market bid prices at the close of business on the Balance Sheet date, without adjustment for transaction costs necessary to realise the asset.

The table below sets out fair value measurements as at the period end, by the level in the fair value hierarchy into which the fair value measurement is categorised.

six months ended 31 July 2024	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
Equity investments	596,202	478,796	-	117,406
Fixed interest investments	104,342	64,095	-	40,247
Total	700,544	542,891	-	157,653

  

six months ended 31 July 2023	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
Equity investments	524,318	412,203	-	112,115
Fixed interest investments	110,832	80,612	-	30,220
Total	635,150	492,815	-	142,335

  

year ended 31 January 2024	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
Equity investments	519,988	414,074	-	105,914
Fixed interest investments	92,437	60,757	-	31,680
Total	612,425	474,831	-	137,594

### reconciliation of level 3 movement - financial assets at 31 July 2024

	Total £'000	Equity investments £'000	Fixed interest investments £'000
Opening fair value at 31 January 2024	137,594	105,914	31,680
Purchases	27,923	18,191	9,732
Sales	(5,890)	(5,145)	(745)
Total gains included in gains on investments in the statement of comprehensive income:			
- on assets sold	(71)	(20)	(51)
- on assets held at the end of the period	(1,903)	(1,534)	(369)

Closing fair value	157,653	117,406	40,247
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#### unquoted at directors' estimate of fair value

Unquoted investments are valued in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines. Their valuation incorporates all factors that market participants would consider in setting a price. The primary valuation techniques employed to value the unquoted investments are earnings multiples, recent transactions and the net asset basis. Valuations in local currency are translated into Sterling at the exchange rate ruling on the Balance Sheet date.

Included within the Statement of Comprehensive Income as at 31 July 2024, is a loss of £1,903,000 relative to the movement in the fair value of the unquoted investments valued using IPEV valuation techniques.

#### the valuation techniques applied are based on the following assumptions:

Unquoted investments are usually valued by reference to the valuation multiples of similar listed companies or from transactions of similar businesses. Where appropriate discounts are then applied to those comparable multiples to reflect differences in size and liquidity. These enterprise values are then adjusted for net debt to arrive at an equity valuation. Where companies are in compliance with the loan note terms these loans are generally held at par plus accrued interest (where applicable) unless the enterprise value suggests that the debt cannot be recovered.

#### 9. related party transactions

There have been no changes to the related party arrangements or transactions as reported in the Statutory Annual Financial Report for the year ended 31 January 2024.

The Administrator, Harwood Capital LLP, is regarded as a related party of the Company. The amounts incurred by Harwood Capital LLP and Growth Financial Services Limited in respect of investment management for the period are as follows:

	Six months ended 31 July 2024 £'000	Six months ended 31 July 2023 £'000	Year ended 31 January 2024 £'000
Fees due to Harwood Capital LLP	2,177	2,137	4,273
Fees due to GFS	1,452	1,424	2,849
Performance fee	-	-	-
	<b>3,629</b>	<b>3,561</b>	<b>7,122</b>

At 31 July 2024, £363,000 was payable to Harwood Capital in respect of outstanding management fees (31 July 2023: £356,000, 31 January 2024: £356,000). At 31 July 2024, there was no fee payable to GFS in respect of outstanding performance fees (31 July 2023: £nil, 31 January 2024: £nil) net of VAT.

Fees paid to Directors, for the six months ended 31 July 2024 amounted to £109,000 (six months ended 31 July 2023: £97,000; year ended 31 January 2024: £206,000).

At 31 July 2024, £18,000 was payable to Directors in respect of outstanding fees (31 July 2023: £18,000, 31 January 2024 £18,000).

During the half year to 31 July 2024, £85,000 was transferred to the Company's 100% owned subsidiary Consolidated Venture Finance Limited ("CVF"). During the same period CVF bought two investments from the Company at a cost of £84,000.

#### shareholder information

##### financial calendar

Announcement of results and annual report	May
Annual General Meeting	June
Half Yearly figures announced	September
Half Yearly Report posted	September

##### share price

The Company's mid-market share price is quoted daily in the Financial Times appearing under "Investment Companies".

It also appears on:

SEAQ Ordinary Shares: NAS  
Trustnet: [www.trustnet.com](http://www.trustnet.com)

**net asset value**

The latest net asset value of the Company can be found on the Company's website: [www.nascit.co.uk](http://www.nascit.co.uk)

**share dealing**

Investors wishing to purchase more Ordinary Shares or dispose of all or part of their holding may do so through a stockbroker. Many banks also offer this service.

The Company's registrars are Link Group. In the event of any queries regarding your holding of shares, please contact the registrars on: 0871 664 0300, or by email on [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk)

Changes of name or address must be notified to the registrars in writing at:

Link Group  
Central Square  
29 Wellington Street  
Leeds LS1 4DL

**Directors**

Sir Charles Wake (Chairman)  
Christopher Mills (Chief Executive)  
Professor Fiona Gilbert  
Lord Howard of Rising  
G Walter Loewenbaum  
Peregrine Moncreiffe  
Julian Fagge

**Administrator**

Harwood Capital LLP  
*(Authorised and regulated by the Financial Conduct Authority)*  
6 Stratton Street  
Mayfair  
London W1J 8LD  
Telephone: 020 7640 3200

**Financial Adviser and Stockbroker**

Winterflood Investment Trusts  
Riverbank House  
2 Swan Lane  
London EC4R 3GA

**Registered Office**

6 Stratton Street  
Mayfair  
London W1J 8LD  
Telephone: 020 7640 3200

**Registrars**

Link Group  
Central Square  
29 Wellington Street  
Leeds LS1 4DL

**Auditors**

RSM UK Audit LLP  
25 Farringdon Street  
London EC4A 4AB

**Company Secretary**

SGH Company Secretaries Limited  
60 Gracechurch Street  
London EC3V 0HR

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