

23 October 2024

B.P. Marsh & Partners Plc
("B.P. Marsh", "the Company" or "the Group")

Half Year Results

B.P. Marsh & Partners Plc (AIM: BPM), the specialist investor in early stage financial services businesses, announces its unaudited Group Half Year Results for the six months to 31 July 2024 (the "Period").

Highlights:

- Total Shareholder return of 12.1% for the Period comprising the growth in Net Asset Value and the aggregate dividends paid in March, May and July 2024
- Net Asset Value has increased by £23.7m over the Period to £252.9m, a 10.3% increase (31 January 2024: £229.2m; 31 July 2023: £203.5m)
- Net Asset Value per share 690.8p*, a 9.8% increase (31 January 2024: 629.0p; 31 July 2023: 567.3p)
- Consolidated profit before tax of £29.0m for the Period (six months to 31 July 2023: £15.6m; year ending 31 January 2024: £43.6m)
- Group liquidity of £80.2m as at 31 July 2024
- Two Post Period new investments, both Underwriting Agencies, in CEE Specialty and Volt UW
- Current liquidity £78.4m

*The fully diluted Net Asset Value per share is 658.5p and includes the remaining 1,038,699 shares held within the Employee Benefit Trust, but also includes £2.9m of loan repayable if the remaining shares, including 236,259 currently unallocated, are sold. The diluted NAV per share also includes the 1,682,500 options over ordinary shares granted to certain Directors and employees of the Group in November 2023 as the performance criteria for NAV growth had been met as at 31 July 2024 (31 January 2024: 626.9p; 31 July 2023: 556.3p).

Commenting on the results, Brian Marsh OBE, Chairman, said:

"We are pleased to report another strong set of results, delivering growth in portfolio value, investment realisations and shareholder returns.

"The completion of the disposal of Paladin during the period showcases the success of B.P. Marsh's investment model, our ability to identify opportunities and to back successful management teams.

"We remain committed to maintaining this momentum, leveraging our expertise to drive further sustainable growth via new investment opportunities and follow-on funding.

"The Board is pleased to welcome Fran as CFO, and given her extensive experience and long-standing tenure, we believe she is well-suited to assume the role. We would also like to thank Jon for his service and wish him well for his future endeavours."

Analyst briefing and investor presentation:

An analyst presentation, hosted by the Company, will be held on Wednesday 23 October 2024 at 10.00 a.m. BST. Analysts wishing to attend should contact bpm@tavistock.co.uk to register.

Management will also provide a live presentation for all existing and potential shareholders via the Investor Meet Company platform at 11.00 a.m. on 23 October 2024.

Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9.00 a.m. today or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet B.P. Marsh via: <https://www.investormeetcompany.com/bp-marsh-partners-plc/register-investor>

Note

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

For further information, please visit www.bpmarsh.co.uk or contact:

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Notes to Editors:

B.P. Marsh's current portfolio contains seventeen companies. More detailed descriptions of the portfolio can be found at www.bpmarsh.co.uk.

Since formation over 30 years ago, the Company has assembled a management team with considerable experience both in the financial services sector and in managing private equity investments. Many of the directors have worked with each other in previous roles, and all have worked with each other for over ten years.

Statement by the Chairman and Managing Director

We are pleased to present the unaudited Consolidated Financial Statements of B.P. Marsh & Partners Plc for the Period to 31 July 2024.

Half Year Results

During the Period the Group's Net Asset Value ("NAV") has grown by £23.7m from £229.2m (31 January 2024) to £252.9m which together with the aggregate dividends paid in March 2024, May 2024 and July 2024 represents a Total Shareholder Return of 12.1%. This equals an NAV per share of 658.5p on a fully diluted basis following the vesting of the shares in the Group's Joint Share Ownership Plan and inclusion of the options over the Company's shares granted under the Group's Share Option Plan in November 2023 following achievement of the NAV growth criteria; an increase of 5.0% from 31 January 2024.

As previously announced, during the Period, the Group completed a new investment in Devonshire UW Limited, a transactional risk Underwriting Agency. The Group also made a further investment into Pantheon Specialty Group Limited, acquiring a further 7% from Management, bringing its shareholding up to 32%. The Company also participated in a pre-emption process at XPT Group LLC, whereby it acquired US 1.0m worth of shares as part of a wider internal share issue.

Post Period end the Group has made two further new investments. These were also in Underwriting Agencies; one based in the Czech Republic, CEE Specialty s.r.o, and the other is a newly established energy Underwriting Agency, Volt UW Ltd. The Board was impressed with the track record and strategic positioning displayed by the respective management teams and is looking forward to partnering with these strong management teams and assisting them to achieve their growth ambitions.

During the Period, the Company distributed the first year of its intended three year aggregate £12m dividend distribution programme with a total of 10.72p per share (£4.0m in total) distributed in the Period. The Company has distributed 49.17p per share to its shareholders since its flotation, equivalent to 8.7% of the share price at the date of writing (567.5p).

The Board continues to aspire to pay at least a further £4m in the year to 31 January 2026 and in the year to 31 January 2027.

The Company initiated a new Share Buy-back programme in June 2024, permitting purchases up to a 15% discount to Net Asset Value, with a £1m budget allocation. During the Period 13 Share buy-back trades were conducted, purchasing an aggregate 63,132 shares for a quantum of £326,379, at an average of 517p per share. Post Period end, the maximum purchase price was increased, and the discount to Net Asset Value threshold was lowered to 10%, and a further 93,570 Shares have been bought-back, with £164,733 of the original £1m budget remaining. The Board considers that the buy-back programme has been successful, allowing the Company to purchase small yet consistent parcels of Shares where available in a NAV accretive way within the restrictions set by the Market Abuse (Amendment) (EU Exit) Regulations 2019.

As we progress through the remainder of 2024, the Group is well-positioned in terms of cash reserves and new business opportunities, enabling us to capitalise on prospects both within and beyond our current portfolio in line with the methodology that has delivered strong historic results. We aim to meet the capital needs of our portfolio to support further growth while ensuring we remain ready to invest in any promising new business opportunities that meet our criteria. The Group will carefully evaluate each investment approach to ensure that capital is invested and protected appropriately. We are encouraged by the breadth of the current pipeline of new business opportunities.

The Board welcomed Francesca Chappell as Chief Finance Officer in September 2024, following the departure of Jonathan Newman. Ms. Chappell has been with the Company since 2013, with a wealth of experience in all areas of the business, and has been able to seamlessly transition into this role. The Company has always prioritised investment and further training within its staff base at all levels and the inherent succession planning that this can accommodate we feel will benefit all stakeholders.

The Group remains fully cognisant of the ongoing challenges posed by the broader economic climate. While there are positive indicators, such as inflation stabilising and interest rates potentially nearing their peak, these challenges are not yet fully resolved. The Group continues to monitor these developments closely, recognising that the economic landscape remains uncertain. The Group has consistently monitored the effects of the rising cost of living on its employees and has taken action where deemed necessary. Due to the Group's debt-free status and its dual investment strategy, which includes both equity and loan funding benchmarked against the base rate, we have successfully mitigated the negative impact of rising interest rates.

The Group is pleased with its performance as of July 31 2024, which reaffirms the strength of its track record.

Brian Marsh
Chairman
23 October 2024

Alice Foulk
Managing Director
23 October 2024

Chief Investment Officer Update

In the six month period to 31 July 2024 the underlying portfolio performed well, continuing on from the Group's strongest set of full year results to 31 January 2024.

Over the Period, the valuation of the Group's equity portfolio has increased by 24% adjusting for additions and disposals, with NAV increasing by 10.3%.

Over the past 12 months, the equity portfolio has increased by 61.8% adjusting for additions and disposals, with NAV increasing by 24.3%.

The Group's current cash balance is £78.4m and will allow the Group to continue to do what it does best:-

- Identify enterprises with robust management teams and significant growth potential;

- Provide funding, support, and development resources to these companies, enabling them to capitalise on growth opportunities; and
- Generate returns on investments made for our shareholders through a combination of ongoing equity growth within the portfolio and regular shareholder distributions.

In line with previous disposals, the Group is committed to reinvesting its cash balances into both its existing portfolio and new ventures, while also ensuring an appropriate return to shareholders through our announced dividends and Share Buy-back policies.

The Group continues to focus on identifying new business opportunities and has an active pipeline of prospects currently under consideration. This has been shown by the three investments completed by the Group both within the Period and post.

During the Period, the Group completed one new investment, being Devonshire UW Limited, a London-based Underwriting Agency, specialising in transactional risks encompassing Warranty & Indemnity, Specific Tax, and Legal Contingency Insurance.

Post Period end, the Group completed two new investments, as follows:-

- CEE Specialty s.r.o - an underwriting agency based in Prague, Czech Republic with a branch office in Bucharest, Romania, which specialises in Marine Hull, Bonds and Liability insurance, targeting business in Central and Eastern Europe._
- Volt UW Holdco Limited - a London-based Underwriting Agency, which specialises in energy insurance with a clear focus on insuring property risks associated with power generation and midstream energy, in both the non-renewable and renewable sector.

The Group remains dedicated to uncovering new business opportunities and has an active pipeline of prospects currently in evaluation. With this robust pipeline, the Group anticipates making additional investments by the end of its financial year on 31 January 2025.

B.P. Marsh is highly regarded within the financial services (sub)sector in which it specialises, particularly concerning Insurance Brokers and Underwriting Agencies.

The Group continues to commit to investing in niche SME sectors, backed by skilled and knowledgeable management teams, which promotes long-term growth and generates significant value.

Given the strength of the Group's cash position and its market reputation, we believe the business is well-equipped to seize opportunities within our current portfolio, as well as explore new prospects in the financial services sector, particularly in the insurance market.

The Group is actively tracking emerging trends in the insurance sector, with a focus on premium rates and mergers and acquisitions (M&A).

The latest trends in rate changes show that across the global insurance market, rates were flat in the second quarter of 2024. This is the first time since the third quarter of 2017 that global insurance has not increased. This also represents a decrease from the peak rate of 22% observed in the fourth quarter of 2020.

Rate increases were less consistent across all lines and regions in which our portfolio operates. Rates are still increasing across specific product lines and in regions across the world.

Global Casualty rates increased by 3% in the second quarter of 2024, which was the same increase as in the first quarter of 2024. Global Property rates were flat in the second quarter of 2024, down from a 3% increase in the first quarter of 2024.

Global Financial and Professional lines, alongside Cyber, were the main driver of overall rate increasing slowing down, falling by 5% and 6% in the second quarter of 2024 respectively.

Rate increases continue to slow as overall market capacity has increased, via new market entrants and existing carriers increasing their exposure.

Overall, the Group does not anticipate a return to the pricing levels seen during the last soft market in the short

term. Given the portfolio predominantly operates in specialist risk areas, rates tend to be less volatile and therefore we remain confident that our portfolio is suitably prepared to weather a softening market.

Regarding the insurance M&A market, the ongoing consolidation trends in the Insurance Market show no indication of abating in 2024. This activity remains a catalyst for substantial prospects for the Group, both in terms of new investments and activity within our core portfolio.

Portfolio Update

New Investments

During the Period to 31 July 2024, the Group completed one new acquisition:-

Devonshire UW Limited ("Devonshire")

- N/A pence NAV per share change in the Period

In March 2024, the Group completed the investment in Devonshire, the London-based underwriting agency specialising in transactional risks, including Warranty & Indemnity, Specific Tax, and Legal Contingency Insurance.

The business has been founded by four experienced industry practitioners, Natasha Attray, James Dodd, James Fletcher and Charles Turnham, who have a collective 30 years of transactional liability underwriting experience.

Devonshire is backed by Lloyd's capacity with support from a strong panel of A-rated insurance capacity providers. The business will provide risk solutions for large M&A transactions for brokers, corporates, private equity firms, professional advisers and other specialist investors.

Date of initial investment: March 2024

31 July 2024 valuation: £300,000

Cost of Equity: £300,000

Equity stake: 30.00%

Post Period end, the Group completed on two further acquisitions:-

CEE Specialty s.r.o ("CEE Specialty")

- N/A pence NAV per share change in the Period

In September 2024, B.P. Marsh acquired a 44% shareholding in CEE Specialty, an underwriting agency based in Prague, Czech Republic with a branch office in Bucharest, Romania.

CEE Specialty was founded in 2019 and specialises in Marine Hull, Bonds and Liability Insurance, targeting businesses in Central and Eastern Europe.

The business is led by James Grindley (CEO) and Tomáš Maršálek (CFO), with CEE Specialty being previously majority owned by CEE Specialty Holdings S.A., a subsidiary of Royaltan Capital Investors II L.P., an alternative investment fund manager.

James Grindley has 28 years of experience in various executive management positions within the re/insurance industry, including Lloyd's and the Central and Eastern European markets.

Tomáš Maršálek has 19 years of experience in fund management and venture capital. This has included various senior executive management positions at SMEs (including start-ups), mainly as Chief Financial Officer.

With a team of 15 insurance professionals, CEE Specialty provided B.P. Marsh with an excellent opportunity to invest in a business with a well-established and highly experienced leadership team and strong growth potential over the coming years.

The Company provided €3.3m of funding to complete this transaction, which was utilised in full upon completion as part of a management buy-out, with management now owning 56% of CEE Specialty.

Date of initial investment: September 2024

31 July 2024 valuation: N/A

Cost of Equity: €2,819,852 (£2,354,134)

Equity stake: 44.00%

Volt UW Holdco Limited ("Volt")**- N/A pence NAV per share change in the Period**

In October 2024, the Group announced that it had subscribed for a 25.5% Cumulative Preferred Ordinary shareholding in Volt, a London-based Underwriting Agency. B.P. Marsh provided funding of up to £2.5m via both equity and a loan facility, which will be partially drawn down upon completion.

Volt specialises in energy insurance, focusing specifically on insuring property risks related to power generation and midstream energy across both non-renewable and renewable sectors. The agency was established by three seasoned industry professionals: Chris Allison, Andrew Tokley, and Kevin Cleary.

With the backing of B.P. Marsh, management aims to develop a best-in-class, client-centric energy underwriting agency with a strong emphasis on Environmental, Social, and Governance (ESG) principles. The company will be headquartered in London and will underwrite a global portfolio of energy-related business, with a particular emphasis on the United States.

Volt operates as a Lloyd's Coverholder and has secured A-rated capacity from both Lloyd's and non-Lloyd's carriers, with long-term profitability and sustainability for insurers and reinsurers being integral to Volt's business strategy.

The Co-founders, Chris Allison, Andrew Tokley and Kevin Cleary each have over 25 years' experience working in senior leadership positions at various underwriting-led businesses; including large (re)insurance companies, Lloyd's syndicates and underwriting agencies, each having a proven track record of success.

The Group looks forward to continuing its support for Volt and its management team in the years ahead, assisting the business in achieving its long-term aspirations and objectives.

Date of initial investment: October 2024

31 July 2024 valuation: N/A

Cost of Equity: £25.50

Equity stake: 25.50%

Follow-on Investments and Funding**XPT Group LLC ("XPT")****+ 15.5 pence NAV per share uplift in Period**

The Group's investment in XPT, the specialty lines insurance distribution company, continues to perform well, with the business on track to produce Gross Written Premium of close to US 900m in its financial year to 31 December 2024 (31 December 2023: US 675m).

XPT's exceptional growth has been driven by various factors, both via its acquisition strategy, individual and team hires and underlying organic growth. This has included strong performance from XPT's property and casualty divisions and successful new producer hires in the Platinum Construction business.

XPT continues to look at new acquisitions and further announcements on this should be made before the year end.

XPT has made 16 business acquisitions since the Group first invested in 2017. XPT now has offices in 20 locations across 13 States, acting for insureds across all of the USA.

XPT's performance since its inception has been impressive and its continued acquisition strategy, alongside strong organic growth means that XPT is well positioned to continue this growth into 2025.

In the Period, the Group provided XPT with a further US 1m of funding (c. £0.8m) as part of pre-emption offering.

Date of investment: June 2017

31 July 2024 valuation: £48,788,000

Cost of Equity: £13,842,158

Equity stake: 27.49%

Pantheon Specialty Limited ("Pantheon")
+ 27.3 pence NAV per share uplift in the Period

The Group first invested in Pantheon in June 2023, when it subscribed for a 25% stake in a new holding company established in partnership with Robert Dowman.

Robert has over 30 years' experience in the market and is seen by the industry as a leading London Market Casualty broker, specialising in the larger more complex liability placements across the world, whether that be on a facultative or programme basis.

Within the Period, the Group acquired from Pantheon's founders a further 7% shareholding in Pantheon for an upfront consideration paid of £7.3m, increasing the Group's equity stake to 32%.

Since Pantheon was established, just over one year ago, Mr Dowman has hired a number of key individuals, and has built a market leading independent specialist broker with the Pantheon team recognised as leading London Market Casualty brokers, specialising in complex liability placements worldwide.

Since investment, Pantheon has performed strongly, and in its current financial year to 31 December 2024, Pantheon is forecast to produce an adjusted EBITDA in excess of £16m. This growth has been demonstrated in Pantheon's notable increase in valuation to £32.6m as at 31 July 2024.

Pantheon is well positioned to continue this impressive growth into 2025 and beyond.

Date of initial investment: June 2023

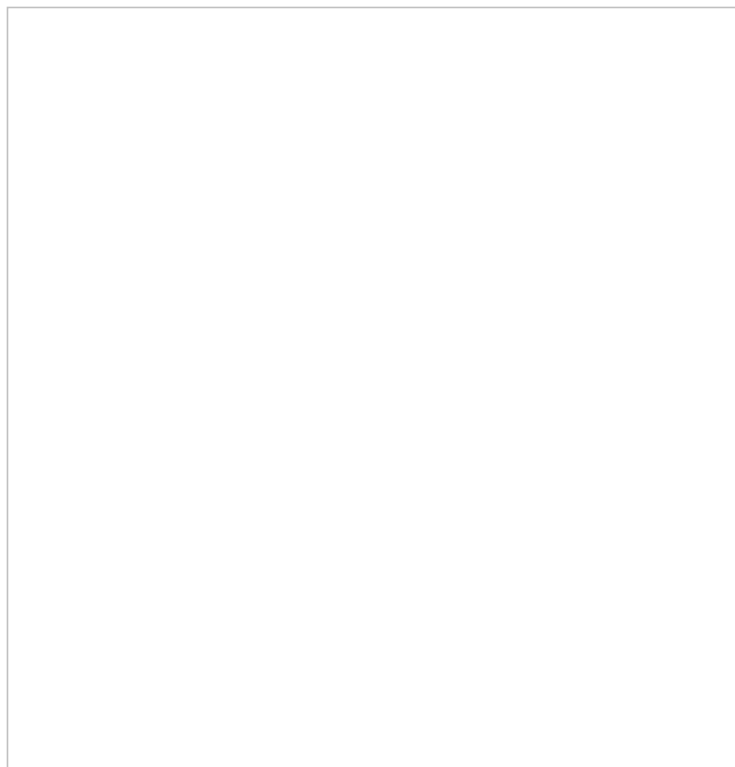
31 July 2024 valuation: £32,694,000

Cost of Equity: £7,300,025

Equity stake: 32.00%

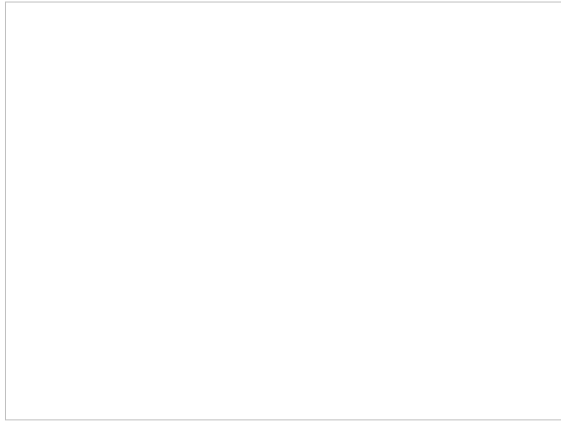
NAV breakdown by portfolio company

The composition of B.P. Marsh's underlying investment portfolio can be found here:



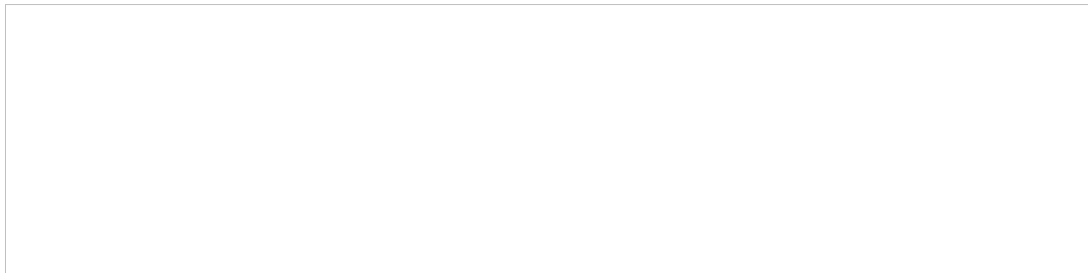
The Group's current active investments are in the Insurance Intermediary sector.

These insurance investments are budgeting to produce in the aggregate £1.34bn of insurance premium during 2024, and a breakdown between brokers and MGAs can be found here:-



Insurance Brokers

Investments:

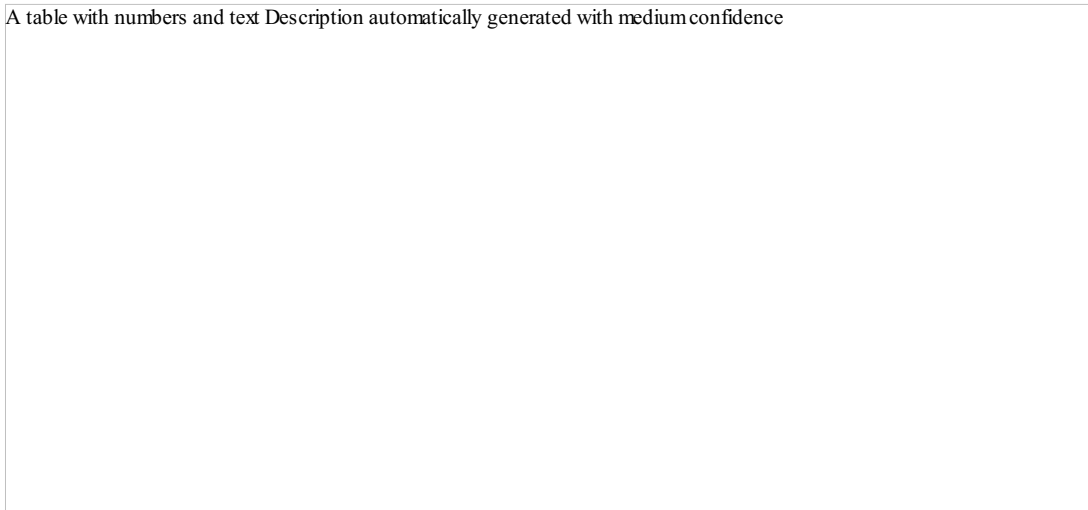


The Group's Broking investments are budgeting to place over £739m of GWP, producing over £69m of commission income in 2023, accessing specialty markets around the world.

Underwriting Agencies / Managing General Agents ("MGAs")

Investments:

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The Group's MGAs are budgeting to place almost £605m of GWP, producing over £71m of commission income in 2024, across over 30 product areas, on behalf of more than 50 insurers.

Holding Company for exited investment with Deferred Consideration

LEBC Holdings Limited ("LEBC")

- 2.4 pence NAV per share change in the Period

In the Period, the previously announced transaction whereby LEBC sold its wholly owned subsidiary Aspira Corporate Solutions Limited to Titan Wealth Holdings Limited, completed on 16 April 2024.

The transaction allowed LEBC to meet all its obligations as agreed with the Financial Conduct Authority regarding historical defined benefit pension transfer advice.

Further proceeds of the sale will be received over a three year earn-out period. As at our last set of results, due to the number of variables involved, the Group have taken a conservative approach to potential proceeds, which has

been factored into its valuation of LEBC as at 31 July 2024.

Date of initial investment: April 2007

31 July 2024 valuation: £4,156,000

Cost of Equity: £13,473,657

Equity stake: 61.86%

Portfolio Company Highlights:

ATC Insurance Solutions PTY Limited ("ATC")

+ 13.6 pence NAV per share change in the Period

ATC continues to perform strongly across its many product offerings in accident & health, motor and sports insurance, amongst others.

For the financial year ending 30 June 2024, ATC achieved substantial year-on-year growth in Gross Written Premium, Revenue, and EBITDA.

Specifically, ATC generated EBITDA approaching AU 15m, marking an increase of over 40% compared to the previous financial year.

Looking ahead, ATC are looking to increase GWP by over 20% to over AU 225m in their current financial year to June 2025, which demonstrates ATC's continued ambition to continue their impressive growth record to date.

Date of initial investment: July 2018

31 July 2024 valuation: £23,566,000

Cost of Equity: £6,476,595

Equity stake: 25.39%

Lilley Plummer Risks Limited ("LPR")

+ 9.5 pence NAV per share change in the Period

Lilley Plummer Risks (LPR) has continued to deliver outstanding performance, driven by growth in its core marine insurance portfolio and expansion into additional sectors.

The company has made strategic hires to support its entry into new business lines, reflecting a long-term goal of evolving into a multi-line specialist insurance broker. LPR is actively exploring the market for team acquisitions to accelerate this growth.

In terms of financial expectations, the company forecasts an EBITDA of no less than £5m for its financial year ending December 2024 as previously announced.

Date of initial investment: October 2019

31 July 2024 valuation: £17,132,000

Cost of Equity: £308,242

Equity stake: 28.43%

Stewart Specialty Risk Underwriting Ltd ("SSRU")

0 pence NAV per share change in the Period

SSRU continues to deliver specialist insurance products to a wide array of clients in the Construction, Manufacturing, Onshore Energy, Public Entity and Transportation sectors.

In SSRU's year to 31 December 2023, Gross Written Premium exceeded CA 75m, with the budget of approaching CA 100m for 2024, with further growth expected into 2025.

If SSRU achieves its 2024 budget, EBITDA would have over doubled since 2020, from c. CA 3.5m to CA 9.2m, with further growth expected into 2025.

During the Period, SSRU entered into two new carrier partnerships. These new strategic alliances not only expand SSRU's capacity but also reinforce its commitment to offering innovative solutions to their broker partners and

SSRU's capacity but also remains as committed to seeking innovative solutions to their clients' problems and insureds.

These new carrier partnerships will allow SSRU to continue on its journey of organic growth of its existing, highly profitable business lines.

Date of initial investment: January 2017

31 July 2024 valuation: £11,870,000

Cost of Equity: £19.00

Equity stake as at 31 July 2024: 28.41%

Dan Topping

Chief Investment Officer

23 October 2024

Chief Finance Officer Update

I am pleased to present my first update as Group Chief Finance Officer.

The Group had another strong period, delivering an increase in NAV of £23.7m (10.3%) to £252.9m, compared with an increase of £13.9m (7.3%) in the same period in 2023. Including the £4.0m aggregate dividend paid in March 2024, May 2024 and July 2024, this represented an overall return of 12.1% for the Period.

Over the year to 31 July 2024 the NAV has increased by £49.4m (24.3%). Including the £5.0m aggregate dividend paid in November 2023, March 2024, May 2024 and July 2024, this represents an overall return of 26.7%.

The NAV of £252.9m at 31 July 2024 represents a total increase in NAV of £223.7m since the Group was originally formed in 1990 having adjusted for the original capital investment of £2.5m, the £10.1m net proceeds raised on AIM in 2006 and the £16.6m net proceeds raised through the Share Placing and Open Offer in July 2018. The Directors note that the Group has delivered an annual compound growth rate of 9.7% in Group NAV after running costs, realisations, losses, distributions and corporation tax since flotation and 12.2% since 1990.

The equity investment portfolio continued to increase in value, rising by 24.0% to £153.4m (31 January 2024: £165.4m) after adjusting for £42.1m of net realisations and £9.5m of acquisitions in the Period, and after adjusting for a £9.0m reclassification of deferred consideration relating to the disposal of Paladin from the equity investment portfolio to a debtor within the Consolidated Statement of Financial Position.

The Group made one realisation during the Period totalling £42.1m, being the sale of the Group's entire 38.63% investment in Paladin which completed on 22 March 2024.

The Group invested a total of £9.5m in equity in the portfolio during the Period (6 months to 31 July 2023: £0.4m):-

- £9.2m into the existing portfolio, including £7.3m in Pantheon, £1.1m in LEBC and £0.8m in XPT; and
- £0.3m into one new investment, Devonshire.

Operating income

Net gains from investments were £28.3m for the Period, of which £28.1m related to unrealised gains on the revaluation of the investment portfolio, compared to £14.8m of net gains for the 6 months to 31 July 2023, a 91.2% increase.

Despite the Group making two significant realisations in the 12 month period to 31 July 2024, income from the portfolio for the Period increased from £4.0m in H1 2023 to £4.2m in H1 2024. Dividend income was £0.1m higher due to strong investment portfolio performance, whilst loan interest increased by £0.3m as a result of new loans granted and higher interest rates charged due to Bank of England base rate increases. Fee income decreased by £0.1m due to there being a higher amount of one-off transaction and loan arrangement fees charged in H1 2023 compared to H1 2024 as well as a general reduction in fees charged due to the realisations made over the 12 months to 31 July 2024.

Operating expenses

A significant proportion of the increase in operating expenses to £4.9m in the Period from £2.8m in H1 2023 related to increased staff costs of £1.9m in line with the Company's financial performance and realisations made, which resulted in one-off bonuses being awarded to staff. The remaining £0.2m increase related to general cost inflation and expenses relating to the implementation of the Group's Share Option Scheme.

Profit on ordinary activities

The consolidated profit on ordinary activities before taxation for the Period was £29.0m which represented an increase of 86% over the £15.6m reported in the same period in 2023. The consolidated profit on ordinary activities after tax was £26.6m, representing an increase of 71% over the £15.5m reported in H1 2023.

The Group's strategy is to cover expenses from the portfolio yield. On an underlying basis, including treasury returns and realised gains, but excluding unrealised investment activity (unrealised gains on equity revaluation and provision against loans receivable from investee companies), this was achieved with a pre-tax profit of £0.9m for the Period (H1 2023: £0.8m).

Liquidity and loan portfolio

In addition to contributing equity to its investment portfolio, the Group frequently extends loan financing, either as part of the initial investment structure or as subsequent funding to support further growth. This additional financing may be used for acquisitions, working capital, recruitment, or product development.

The loan portfolio decreased by £9.7m during the Period to £19.2m at 31 July 2024 (31 January 2024: £28.9m, 31 July 2023: £17.8m). The Group provided £1.4m in new loans - £0.4m to Ai Marine and £1.0m to Devonshire. The Group received £11.0m in loan repayments - £5.9m from Paladin, £3.3m from LEBC, £1.5m from Pantheon and £0.3m from Fiducia. In addition there was a £0.1m reduction due to foreign exchange movements and loan impairments.

Since 31 July 2024 the Group has provided £2.2m in further loans, including £1.6m in respect of its new investments in Volt (£1.2m) and CEE Specialty (£0.4m) and £0.6m to its existing portfolio in respect of further drawdowns from agreed loan facilities, with £0.3m provided to Devonshire, £0.2m to Ai Marine and £0.1m to Verve. The Group also received £1.1m in loan repayments, including £1.0m from Pantheon and £0.1m from Fiducia. The loan portfolio balance is currently £20.2m.

At 31 July 2024 the Group had total available cash and treasury funds of £80.2m (31 January 2024: £40.5m, 31 July 2023: £4.3m).

Between 31 January 2024 and 31 July 2024 the Group paid dividends totalling £4.0m and bought back £0.3m in shares.

The Group is debt free.

Undiluted / diluted NAV per share

The NAV per share at 31 July 2024 is 690.8p (31 January 2024: 629.0p and 31 July 2023: 567.3p). Previously, 1,461,302 shares being held within an Employee Benefit Trust as part of a long-term share incentive plan for certain directors and employees of the Group were excluded as they did not carry voting or dividend rights. However, in October 2023, voting and dividend rights were granted for the 1,206,888 allocated shares which resulted in them being included in the undiluted NAV per share calculation. During the Period 404,448 of these allocated shares were sold, leaving 802,440 allocated shares within the Employee Benefit Trust. During the period the Group received £1.2m of loan debt owed by the Trust in relation to the original transfer of shares which is reflected within the Group's NAV of £252.9m as at 31 July 2024. The remaining 802,440 allocated shares are included in the undiluted NAV per share calculation, alongside £2.2m of loan debt, which remains repayable by the Trust in relation to the original transfer of shares. This debt cannot currently be consolidated within the accounts but will be repaid if the shares are sold.

The diluted NAV per share as at 31 July 2024 is 658.5p (31 January 2024: 626.9p and 31 July 2023: 556.3p). This includes the full 1,038,699 shares remaining within the Employee Benefit Trust and also includes £2.9m of loan

includes the 1,682,500 shares remaining within the Employee Benefit Trust and also includes 236,259 shares repayable if the shares, including the 236,259 shares that are currently unallocated, were sold.

The diluted NAV per share calculation also includes the 1,682,500 options over ordinary shares granted to certain Directors and employees of the Group in November 2023, which became dilutive as at 31 July 2024 as the performance criteria for NAV growth had been met.

Francesca Chappell
Chief Finance Officer
23 October 2024

Investments

As at 31 July 2024 the Group's equity interests were as follows:

Ag Guard PTY Limited

www.agguard.com.au

Ag Guard is a Managing General Agency, which provides insurance to the agricultural sector, based in Sydney, Australia. The Group holds its investment through Ag Guard's Parent Company, Agri Services Company PTY Limited.

Date of investment: July 2019

Equity stake: 41.0%

31 July 2024 valuation: £1,818,000

Ai Marine Risk Limited

www.aimarinerisk.com

Ai Marine is a start-up MGA with a focus on marine hull insurance and with a strong focus on the UK & Europe, Middle East and Asia Pacific regions.

Date of investment: December 2023

Equity stake: 30.0%

31 July 2024 valuation: £30,000

Asia Reinsurance Brokers (Pte) Limited

www.arbrokers.asia

ARB is an independent specialist reinsurance and insurance risk solutions provider headquartered in Singapore.

Date of investment: April 2016

Equity stake: 25.0%

31 July 2024 valuation: £1,734,000

ATC Insurance Solutions PTY Limited

www.atcis.com.au

ATC is a Managing General Agency and Lloyd's Coverholder, specialising in accident & health, construction & engineering, trade pack, motor and sports insurance headquartered in Melbourne, Australia.

Date of investment: July 2018

Equity stake: 25.4%

31 July 2024 valuation: £23,566,000

Criterion Underwriting (Pte) Limited

Criterion was established to provide specialist insurance products to a variety of clients in the cyber, financial lines and marine sectors in Far East Asia, based in Singapore.

Date of investment: July 2018

Equity stake: 29.4%

31 July 2024 valuation: £0

Devonshire UW Limited

Devonshire is a London-based Underwriting Agency specialising in transactional risks.

Date of investment: March 2024

Equity stake: 30.0%

31 July 2024 valuation: £300,000

The Fiducia MGA Company Limited

(www.fiduciamga.co.uk)

Fiducia is a UK marine cargo Underwriting Agency and Lloyd's Coverholder which specialises in the provision of insurance solutions across a number of marine risks including, cargo, transit liability, engineering and terrorism Insurance.

Date of investment: November 2016

Equity stake: 35.2%

31 July 2024 valuation: £5,631,000

LEBC Holdings Limited

(www.lebc-group.com)

LEBC is an Independent Financial Advisory company providing services to individuals, corporates and partnerships, principally in employee benefits, investment and life product areas.

Date of investment: April 2007

Equity stake: 61.9%

31 July 2024 valuation: £4,156,000

Lilley Plummer Risks Limited

(www.lprisks.co.uk)

Lilley Plummer Risks is an independent Lloyd's broker that provides a wide array of offerings in several diverse and niche areas. The Group holds its investment in Lilley Plummer Risks through its holding company Lilley Plummer Holdings Limited.

Date of investment: October 2019

Equity stake: 28.4%

31 July 2024 valuation: £17,132,000

Pantheon Specialty Group Limited

(www.pantheonspecialty.com)

Pantheon is a holding company established in partnership with Robert Dowman. With the support of B.P Marsh, Robert Dowman is looking to build a market leading independent specialist broker, across multiple markets.

Date of investment: June 2023

Equity stake: 32.0%

31 July 2024 valuation: £32,694,000

Sage Program Underwriters, Inc.

(www.sageuw.com)

Sage provides specialist insurance products to niche industries, initially in the inland delivery and field sport sectors based in Bend, Oregon.

Date of Investment: June 2020

Equity Stake: 30.0%

31 July 2024 Valuation: £2,036,000

Sterling Insurance PTY Limited

(www.sterlinginsurance.com.au)

Sterling is a specialist Underwriting Agency offering a range of insurance solutions within the Liability sector, specialising in niche markets including mining, construction and demolition based in Sydney Australia. The Group holds its investment in Sterling via a joint venture with Besso Insurance Group Limited, Neutral Bay Investments Limited.

Date of investment: June 2013

Equity stake: 19.7%

31 July 2024 valuation: £3,326,000

Stewart Specialty Risk Underwriting Ltd

(www.ssrui.ca)

SSRU is a Managing General Agency, providing insurance solutions to a wide array of clients in the construction, manufacturing, onshore energy, public entity and transportation sectors based in Toronto, Canada.

Date of investment: January 2017

Equity stake: 28.4%

31 July 2024 valuation: £11,870,000

Verve Risk Services Limited

Verve is a London based Managing General Agency specialising in Professional and Management Liability for the insurance industry. Verve operates in the USA, Canada, Bermuda, Cayman Islands and Barbados.

Date of investment: April 2023

Equity stake: 35.0%

31 July 2024 valuation: £365,000

XPT Group LLC

(www.xptspecialty.com)

XPT is a wholesale insurance broking and Underwriting Agency platform across the U.S. Specialty Insurance Sector operating from many locations in the United States of America.

Date of investment: June 2017

Equity stake: 27.5%

31 July 2024 valuation: £48,788,000

These investments have been valued in accordance with the accounting policies on Investments set out in note 1 of our Half Year Consolidated Financial Statements.

Forward-looking statements:

Certain statements in this announcement are forward-looking statements. In some cases, these forward looking statements can be identified by the use of forward looking terminology including the terms "anticipate", "believe", "intend", "estimate", "expect", "may", "will", "seek", "continue", "aim", "target", "projected", "plan", "goal", "achieve" and words of similar meaning or in each case, their negative, or other variations or comparable terminology. Forward-looking statements are based on current expectations and assumptions and are subject to a number of known and unknown risks, uncertainties and other important factors that could cause results or events to differ materially from what is expressed or implied by those statements. Many factors may cause actual results, performance or achievements of B.P. Marsh to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important factors that could cause actual results, performance or achievements of B.P. Marsh to differ materially from the expectations of B.P. Marsh, include, among other things, general business and economic conditions globally, industry trends, competition, changes in government and changes in regulation and policy, changes in its business strategy, political and economic uncertainty and other factors. As such, undue reliance should not be placed on forward-looking statements. Any forward-looking statement is based on information available to B.P. Marsh as of the date of the statement. All written or oral forward-looking statements attributable to B.P. Marsh are qualified by this caution. Other than in accordance with legal and regulatory obligations, B.P. Marsh undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Nothing in this announcement should be regarded as a profit forecast.

Half Year Consolidated Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST JULY 2024

	Notes	Unaudited 6 months to 31 st July 2024 £'000 £'000		Unaudited 6 months to 31 st July 2023 £'000 £'000		Audited Year to 31 st January 2024 £'000 £'000	
GAINS ON INVESTMENTS							
Realised gains / (losses) on disposal of equity investments (net of costs)	6	1,551		(41)		(37)	
Net (provision) / release of provision made against equity investments and loans	6	(1,369)		12		24	
Unrealised gains on equity investment revaluation	4	<u>28,113</u>		<u>14,755</u>		<u>43,711</u>	
			28,295		14,726		43,698
INCOME							
Dividends		2,368		2,280		3,504	
Income from loans and receivables		1,123		815		1,861	
Fees receivable		721		860		2,103	

		4,212	3,955	7,468
OPERATING INCOME		<u>32,507</u>	<u>18,681</u>	<u>51,166</u>
Operating expenses		(4,909)	(2,844)	(7,881)
OPERATING PROFIT		<u>27,598</u>	<u>15,837</u>	<u>43,285</u>
Financial income		1,566	95	721
Financial expenses		(86)	(25)	(55)
Exchange movements		<u>(30)</u>	<u>(349)</u>	<u>(333)</u>
		<u>1,450</u>	<u>(279)</u>	<u>333</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>29,048</u>	<u>15,558</u>	<u>43,618</u>
Income taxes		(2,428)	(6)	(1,089)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u></u>	<u></u>	<u></u>
ATTRIBUTABLE TO EQUITY HOLDERS	7	<u>£26,620</u>	<u>£15,552</u>	<u>£42,529</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	7	<u>£26,620</u>	<u>£15,552</u>	<u>£42,529</u>
Earnings per share - basic (pence)	3	72.0p	43.3p	114.7p
Earnings per share - diluted (pence)	3	68.4p	41.6p	114.0p

The result for the period is wholly attributable to continuing activities.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31ST JULY 2024

(Company Number: 05674962)

	Notes	Unaudited 31 st July 2024		Unaudited 31 st July 2023		Audited 31 st January 2024	
		£'000	£'000	£'000	£'000	£'000	£'000
ASSETS							
NON-CURRENT ASSETS							
Property, plant and equipment		59		72		65	
Right-of-use asset		425		590		507	
Investments - equity portfolio	4	153,446		133,489		115,833	
Loans and receivables		<u>21,017</u>		<u>13,741</u>		<u>16,197</u>	
			174,947		147,892		132,602
CURRENT ASSETS							
Investments - assets held for sale		-		52,326		49,549	
Investments - treasury portfolio	5	-		80		78	
Trade and other receivables		7,927		6,415		15,633	
Cash and cash equivalents		<u>80,233</u>		<u>4,257</u>		<u>40,435</u>	
			88,160		63,078		105,695
LIABILITIES							
NON-CURRENT LIABILITIES							
Lease liabilities		(315)		(505)		(416)	
Deferred tax liabilities	9	<u>(9,081)</u>		<u>(5,604)</u>		<u>(6,687)</u>	
			(9,396)		(6,109)		(7,103)
CURRENT LIABILITIES							
Trade and other payables		(649)		(1,226)		(1,843)	
Lease liabilities		<u>(189)</u>		<u>(180)</u>		<u>(180)</u>	
			(838)		(1,406)		(2,023)
NET ASSETS			<u>£252,873</u>		<u>£203,455</u>		<u>£229,171</u>
CAPITAL AND RESERVES - EQUITY							
Called up share capital		3,729		3,747		3,729	
Share premium account		29,351		29,348		29,345	
Fair value reserve		88,941		121,291		112,768	
Reverse acquisition reserve		393		393		393	
Capital redemption reserve		25		7		25	
Capital contribution reserve		72		72		72	
Retained earnings		130,362		48,597		82,839	
SHAREHOLDERS' FUNDS - EQUITY		7	<u>£252,873</u>		<u>£203,455</u>		<u>£229,171</u>

Net Asset Value per share - undiluted (pence)	3	690.8p	567.3p	629.0p
Net Asset Value per share - diluted (pence)	3	658.5p	556.3p	626.9p

The Interim Consolidated Financial Statements were approved by the Board of Directors and authorised for issue on 22nd October 2024 and signed on its behalf by:

B.P. Marsh & F.L. Chappell

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31ST JULY 2024

	Unaudited 31 st July 2024 £'000	Unaudited 31 st July 2023 £'000	Audited 31 st January 2024 £'000
Cash from / (used by) operating activities			
Income from loans to investee companies	1,123	815	1,861
Dividends	2,368	2,280	3,504
Fees received	721	860	2,103
Operating expenses	(4,909)	(2,844)	(7,881)
Net corporation tax paid	(34)	(33)	(33)
Purchase of equity investments (Note 4)	(9,500)	(431)	(3,364)
Net proceeds from sale of equity investments	42,079	791	53,117
Net loan repayments from / (payments to) investee companies	9,700	(6,592)	(17,630)
Adjustment for non-cash share incentive plan	216	58	186
Exchange movement	(3)	(49)	(53)
Decrease / (increase) in receivables	810	(447)	(1,052)
(Decrease) / increase in payables	(1,194)	(603)	13
Depreciation and amortisation	93	94	191
Net cash from / (used by) operating activities	41,470	(6,101)	30,962
Net cash from investing activities			
Purchase of property, plant and equipment	(5)	(7)	(13)
Net proceeds from the sale of treasury investments net of cash and cash equivalents	79	600	1,130
Net cash from investing activities	74	593	1,117
Net cash used by financing activities			
Financial income	1,566	-	87
Financial expenses	(86)	(20)	(39)
Net decrease in lease liabilities	(92)	(87)	(175)
Dividends paid (Note 7)	(3,964)	(1,000)	(2,028)
Payments made to repurchase company shares	(327)	(692)	(1,053)
Cash received in respect of JSOP shares sold	1,157	-	-
Net cash used by financing activities	(1,746)	(1,799)	(3,208)
Change in cash and cash equivalents	39,798	(7,307)	28,871
Cash and cash equivalents at beginning of the period	40,435	11,564	11,564
Cash and cash equivalents at end of period	£80,233	£4,257	£40,435

All differences between the amounts stated in the Consolidated Statement of Cash Flows and the Consolidated Statement of Comprehensive Income are attributed to non-cash movements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31ST JULY 2024

	Unaudited 6 months to 31 st July 2024 £'000	Unaudited 6 months to 31 st July 2023 £'000	Audited Year to 31 st January 2024 £'000
Opening total equity	229,171	189,537	189,537
Comprehensive income for the period	26,620	15,552	42,529
Dividends paid	(3,964)	(1,000)	(2,028)
Repurchase of company shares	(327)	(692)	(1,053)
Share incentive and share option plan	216	58	186
Amounts received from the Employee Benefit Trust on the sale of shares held under joint ownership	1,157	-	-
Total equity	£252,873	£203,455	£229,171

Refer to Note 7 for detailed analysis of the changes in the components of equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

These consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards, and in accordance with the Companies Act 2006.

The consolidated financial statements are presented in sterling, the functional currency of the Group, rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The preparation of financial statements in conformity with UK-adopted international accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable in the circumstances, the results of which form the basis of judgements about the carrying amounts of assets and liabilities. Actual results may differ from those amounts.

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

Assessment as an investment entity

Entities that meet the definition of an investment entity within IFRS 10: Consolidated Financial Statements ("IFRS 10") are required to account for their investments in controlled entities, as well as investments in associates at fair value through profit or loss. Subsidiaries that provide investment related services or engage in permitted investment related activities with investees that relate to the parent investment entity's investment activities continue to be consolidated in the Group results. The criteria which define an investment entity are currently as follows:

- a) an entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- b) an entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- c) an entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Group's annual and interim consolidated financial statements clearly state its objective of investing directly into portfolio investments and providing investment management services to investors for the purpose of generating returns in the form of investment income and capital appreciation. The Group has always reported its investment in portfolio investments at fair value. It also produces reports for investors of the funds it manages and its internal management report on a fair value basis. The exit strategy for all investments held by the Group is assessed, initially, at the time of the first investment and this is documented in the investment paper submitted to the Board for approval.

The Board has also concluded that the Company meets the additional characteristics of an investment entity, in that it has more than one investment; the investments are predominantly in the form of equities and similar securities; it has more than one investor and its investors are not related parties. The Board has concluded that B.P. Marsh & Partners Plc and its two trading subsidiaries, B.P. Marsh & Company Limited and B.P. Marsh (North America) Limited, which provide investment related services on behalf of B.P. Marsh & Partners Plc, all meet the definition of an investment entity. These conclusions will be reassessed on an annual basis for changes to any of these criteria or characteristics.

Application and significant judgments

When it is established that a parent company is an investment entity, its subsidiaries are measured at fair value through profit or loss. However, if an investment entity has subsidiaries that provide services that relate to the investment entity's investment activities, the exception to the Amendment of IFRS 10 is not applicable as in this case, the parent investment entity still consolidates the results of its subsidiaries. Therefore, the results of B.P. Marsh & Company Limited and B.P. Marsh (North America) Limited continue to be consolidated into its Group financial statements for the period.

The most significant estimates relate to the fair valuation of the equity investment portfolio as detailed in Note 4 to the Financial Statements. The valuation methodology for the investment portfolio is detailed below. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

These interim consolidated financial statements were approved by the Board on 22nd October 2024. They have not been audited nor reviewed by the Group's Auditors, as is the case with the comparatives to 31st July 2023, and do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The financial statements have been prepared using the accounting policies and presentation that were applied in the audited financial statements for the year ended 31st January 2024. Those accounts upon which the Group's Auditor issued an unqualified opinion have been filed with the

accounts, upon which the Group's Auditor issued an unqualified opinion, have been filed with the Registrar of Companies and do not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control, as defined by IFRS 10, is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- a) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- b) exposure, or rights, to variable returns from its involvement with the investee; and
- c) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a) rights arising from other contractual arrangements; and
- b) the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

B.P. Marsh & Partners Plc ("the Company"), an investment entity, has two subsidiary investment entities, B.P. Marsh & Company Limited and B.P. Marsh (North America) Limited, that provide services that relate to the Company's investment activities. The results of these two subsidiaries, together with other subsidiaries (except for LEBC Holdings Limited ("LEBC")), are consolidated into the Group consolidated financial statements. The Group has taken advantage of the Amendment to IFRS 10 not to consolidate the results of LEBC. Instead the investment in LEBC is valued at fair value through profit or loss.

(ii) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Investments that are held as part of the Group's investment portfolio are carried in the Consolidated Statement of Financial Position at fair value even though the Group may have significant influence over those companies.

Business Combinations

The results of subsidiary undertakings are included in the consolidated financial statements from the date that control commences until the date that control ceases. Control exists where the Group has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

All business combinations are accounted for by using the acquisition accounting method. This involves recognising identifiable assets and liabilities of the acquired business at fair value. Goodwill represents the excess of the fair value of the purchase consideration for the interests in subsidiary undertakings over the fair value to the Group of the net assets and any contingent liabilities acquired.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Investments that are held as part of the Group's investment portfolio are carried in the Consolidated Statement of Financial Position at fair value even though the Group may have significant influence over those companies. This treatment is permitted by IAS 28: Investment in Associates ("IAS 28"), which requires investments held by venture capital organisations to be excluded from its scope where those investments are designated, upon initial recognition, as at fair value through profit or loss and accounted for in accordance with IAS 39: Financial Instruments ("IAS 39"), with changes in fair value recognised in the profit or loss in the period of the change. The Group has no interests in associates through which it carries on its business.

Employee services settled in equity instruments

The Group has entered into a joint share ownership plan ("JSOP") with certain employees and directors.

On 12th June 2021 (the "vesting date") the performance criteria was met for 1,206,888 of 1,461,302 shares held under joint share ownership arrangements within the Employee Benefit Trust, after which the members of the scheme became joint beneficial owners of the shares and became entitled to any gain on sale of the shares in excess of 312.6 pence per share.

On 26th October 2023 following the removal of a dividend waiver and block on voting rights on the 1,206,888 allocated ordinary shares held by the Employee Benefit Trust, these ordinary shares became eligible for dividend and voting rights and therefore became fully dilutive for the Group.

236,259 ordinary shares held within the Employee Benefit Trust are unallocated and do not have voting or

dividend rights. The Employee Benefit Trust remains the owner of these unallocated shares, however if these shares are sold from the Employee Benefit Trust in the future they would then, post-sale, have voting and dividend rights attached, such that they would become fully dilutive for the Group.

Provided that the shares are eventually sold from the Employee Benefit Trust for at least 284.5 pence per share on average, the Group would be entitled to receive £4,106,259 in total.

The Group has established an HMRC approved Share Incentive Plan ("SIP"). Ordinary shares in the Company previously repurchased and held in Treasury by the Company have been transferred to The B.P. Marsh SIP Trust ("the SIP Trust"), an employee share trust, in order to be issued to eligible employees.

Under the rules of the SIP, eligible employees can each be granted up to £3,600 worth of ordinary shares ("Free Shares") by the SIP Trust in each tax year. The number of shares granted is dependent on the share price at the date of grant. In addition, all eligible employees have been invited to take up the opportunity to acquire up to £1,800 worth of ordinary shares ("Partnership Shares") in each tax year and for every Partnership Share that an employee acquires, the SIP Trust will offer two ordinary shares in the Company ("Matching Shares") up to a total of £3,600 worth of shares. The Free and Matching Shares are subject to a one year forfeiture period, however the awards are not subject to any vesting conditions, hence the related expenses are recognised when the awards are made and are apportioned over the forfeiture period.

The fair value of the services received is measured by reference to the listed share price of the parent company's shares listed on the AIM on the date of award of the free and matching shares to the employee.

The Group has also established a Share Option Plan ("SOP") for certain employees and directors. Share Options ("Options") over 1,682,500 ordinary shares of 10p each in the Company, in aggregate, have been granted. 3,470 Options of the total 1,685,970 available for allocation are unallocated.

Each of the Options will vest, on a ratchet basis, subject to certain Net Asset Value growth targets being achieved for the three consecutive financial years ending 31st January 2024, 31st January 2025 and 31st January 2026 (the "Performance Period"). The first exercise date is 6th September 2026 whereby 50% of vested Options will be exercisable at 10p per share, with the remaining 50% exercisable at 10p per share from 6th September 2027.

The number of Options which vest will vary depending on the level of Net Asset Value growth achieved, subject to the growth performance criteria as set out below, alongside the percentage of Options that will vest at each value:

Compounded annual growth of Net Asset Value over the Performance Period	% vesting of Options
Less than 8.5%	0%
Between 8.5% and less than 9.25%	25%
Between 9.25% and less than 10%	50%
10% or above	100%

For these purposes, Net Asset Value is defined as "audited Total Assets less Total Liabilities for the consolidated Group plus any dividends or other form of shareholder return that are paid in the relevant Financial Year".

Therefore, for all Options to vest, the Net Asset Value (as defined above) would need to exceed £252.2m, adjusted for any shareholder distributions.

Investments - equity portfolio

All equity portfolio investments are designated as "fair value through profit or loss" assets and are initially recognised at the fair value of the consideration. They are measured at subsequent reporting dates at fair value.

The Board conducts the valuations of equity portfolio investments. In valuing equity portfolio investments the Board applies guidelines issued by the International Private Equity and Venture Capital Valuation Committee ("IPEVCV Guidelines"). The following valuation methodologies have been used in reaching fair value of equity portfolio investments, some of which are in early stage companies:

- at cost, unless there has been a significant round of new equity finance in which case the investment is valued at the price paid by an independent third party. Where subsequent events or changes to circumstances indicate that an impairment may have occurred, the carrying value is reduced to reflect the estimated extent of impairment;
- by reference to underlying funds under management;
- by applying appropriate multiples to the earnings and revenues and/or premiums of the investee company; or
- by reference to expected future cash flow from the investment where a realisation or flotation is imminent.

Both realised and unrealised gains and losses arising from changes in fair value are taken to the Consolidated Statement of Comprehensive Income for the period. In the Consolidated Statement of Financial Position the unrealised gains and losses arising from changes in fair value are shown within a "fair value reserve" separate from retained earnings. Transaction costs on acquisition or disposal of equity portfolio investments are expensed in the Consolidated Statement of Comprehensive Income.

Equity portfolio investments are treated as 'Non-current Assets' within the Consolidated Statement

Equity portfolio investments are treated as non-current Assets within the Consolidated Statement of Financial Position unless the directors have committed to a plan to sell the investment and an active programme to locate a buyer and complete the plan has been initiated. Where such a commitment exists, and if the carrying amount of the equity portfolio investment will be recovered principally through a sale transaction rather than through continuing use, the investment is classified as an 'Investments - Assets held for sale' under 'Current Assets' within the Consolidated Statement of Financial Position.

Income from equity portfolio investments

Income from equity portfolio investments comprises:

- a) gross interest from loans, which is taken to the Consolidated Statement of Comprehensive Income on an accruals basis;
- b) dividends from equity investments are recognised in the Consolidated Statement of Comprehensive Income when the shareholders rights to receive payment have been established; and
- c) advisory fees from management services provided to investee companies, which are recognised on an accruals basis in accordance with the substance of the relevant investment advisory agreement.

Investments - treasury portfolio

All treasury portfolio investments are designated as "fair value through profit or loss" assets and are initially recognised at the fair value of the consideration. They are measured at subsequent reporting dates at fair market value as determined from the valuation reports provided by the fund investment manager.

Both realised and unrealised gains and losses arising from changes in fair market value are taken to the Consolidated Statement of Comprehensive Income for the period. In the Consolidated Statement of Financial Position the unrealised gains and losses arising from changes in fair value are shown within the retained earnings as these investments are deemed as being easily convertible into cash. Costs associated with the management of these investments are expensed in the Consolidated Statement of Comprehensive Income.

Income from treasury portfolio investments

Income from treasury portfolio investments comprises of dividends receivable which are either directly reinvested into the funds or received as cash.

Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the property, plant and equipment cost, less their estimated residual value, over their expected useful lives on the following bases:

- Furniture & equipment - 5 years
- Leasehold fixtures and fittings and other costs - over the life of the lease

Right-of-use asset

IFRS 16 requires lessees to recognise a lease liability, representing the present value of the obligation to make lease payments, and a related right of use ("ROU") asset. The lease liability is calculated based on expected future lease payments, discounted using the relevant incremental borrowing rate. An incremental borrowing rate of 5% was used to discount the future lease payments when measuring the lease liability on adoption of IFRS 16.

The ROU asset is recognised at cost less accumulated depreciation and impairment losses, with depreciation charged on a straight-line basis over the life of the lease. In determining the value of the ROU asset and lease liabilities, the Group considers whether any leases contain lease extensions or termination options that the Group is reasonably certain to exercise.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies at the reporting period end are translated at the exchange rate ruling at the reporting period end.

Transactions in foreign currencies are translated into sterling at the foreign exchange rate ruling at the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Comprehensive Income.

Income taxes

The tax credit or expense represents the sum of the tax currently recoverable or payable and any deferred tax. The tax currently recoverable or payable is based on the estimated taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated Statement of Comprehensive Income because it excludes items of income or expense that are taxable or

deductible in other years and it further excludes items that are never taxable or deductible. The Group's receivable or liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of the Consolidated Statement of Financial Position.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and of liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and it is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each date of the Consolidated Statement of Financial Position and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the Consolidated Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current assets and liabilities on a net basis.

2. SEGMENTAL REPORTING

The Group operates in one business segment; the provision of consultancy services to as well as making and trading investments in financial services businesses.

Under IFRS 8: Operating Segments ("IFRS 8") the Group identifies its reportable operating segments based on the geographical location in which each of its investments is incorporated and primarily operates. For management purposes, the Group is organised and reports its performance by two geographic segments: UK and Non-UK.

If material to the Group overall (where the segment revenues, reported profit or loss or combined assets exceed the quantitative thresholds prescribed by IFRS 8), the segment information is reported separately.

The Group allocates revenues, expenses, assets and liabilities to the operating segment where directly attributable to that segment. All indirect items are apportioned based on the percentage proportion of revenue that the operating segment contributes to the total Group revenue (excluding any realised and unrealised gains and losses on the Group's current and non-current investments).

Each reportable segment derives its revenues from three main sources from equity portfolio investments as described in further detail in Note 1 under 'Income from equity portfolio investments' and also from treasury portfolio investments as described in Note 1 under 'Income from treasury portfolio investments'.

All reportable segments derive their revenues entirely from external clients and there are no inter-segment sales.

	Geographic segment 1: UK		Geographic segment 2: Non-UK		Group	
	Unaudited 6 months to 31 st July 2024	Unaudited 6 months to 31 st July 2023	Unaudited 6 months to 31 st July 2024	Unaudited 6 months to 31 st July 2023	Unaudited 6 months to 31 st July 2024	Unaudited 6 months to 31 st July 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Operating income	16,359	15,432	16,148	3,249	32,507	18,681
Operating expenses	(2,741)	(1,532)	(2,168)	(1,312)	(4,909)	(2,844)
Segment operating profit	13,618	13,900	13,980	1,937	27,598	15,837
Financial income	874	51	692	44	1,566	95
Financial expenses	(48)	(13)	(38)	(12)	(86)	(25)
Exchange movements	(9)	(43)	(21)	(306)	(30)	(349)
Profit before tax	14,435	13,895	14,613	1,663	29,048	15,558
Income taxes	-	-	(2,428)	(6)	(2,428)	(6)
Profit for the period	£14,435	£13,895	£12,185	£1,657	£26,620	£15,552

Included within the operating income reported above are the following amounts requiring separate disclosure owing to the fact that they are derived from a single investee company and the total revenues attributable to that investee company are 10% or more of the total realised and unrealised income generated by the Group during the period:

Total net operating income attributable to the investee company (£'000)	% of total realised and unrealised operating income	Reportable geographic segment
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	Unaudited 6 months to 31 st July 2024	Unaudited 6 months to 31 st July 2023	Unaudited 6 months to 31 st July 2024	Unaudited 6 months to 31 st July 2023	Unaudited 6 months to 31 st July 2024	Unaudited 6 months to 31 st July 2023
Investee Company						
Pantheon Specialty Group Limited ¹	11,232	-	35	-	1	-
XPT Group LLC ¹	9,126	-	28	-	2	-
ATC Insurance Solutions PTY Limited ¹	5,600	-	17	-	2	-
Lilley Plummer Holdings Limited	4,157	2,072	13	11	1	1
Paladin Holdings Limited ¹	-	11,984	-	64	-	1

¹ There is no disclosure for Paladin Holdings Limited in the current period as the income derived from this investee company did not exceed the 10% threshold prescribed by IFRS 8 and it was sold during the period. There are also no disclosures shown for Pantheon Specialty Group Limited, XPT Group LLC and ATC Insurance Solutions PTY Limited in the prior period as the income derived from these investee companies did not exceed the 10% threshold prescribed by IFRS 8 in that period.

	Geographic segment 1: UK		Geographic segment 2: Non-UK		Group	
	Unaudited 6 months to 31 st July 2024 £'000	Unaudited 6 months to 31 st July 2023 £'000	Unaudited 6 months to 31 st July 2024 £'000	Unaudited 6 months to 31 st July 2023 £'000	Unaudited 6 months to 31 st July 2024 £'000	Unaudited 6 months to 31 st July 2023 £'000
Non-current assets						
Property, plant and equipment	23	43	36	29	59	72
Right-of-use asset	167	355	258	235	425	590
Investments - equity portfolio	60,308	59,398	93,138	74,091	153,446	133,489
Loans and receivables	15,739	8,291	5,278	5,450	21,017	13,741
	<u>76,237</u>	<u>68,087</u>	<u>98,710</u>	<u>79,805</u>	<u>174,947</u>	<u>147,892</u>
Current assets						
Investments - assets held for sale	-	52,326	-	-	-	52,326
Investments - treasury portfolio	-	80	-	-	-	80
Trade and other receivables	7,047	5,077	880	1,338	7,927	6,415
Cash and cash equivalents	80,233	4,257	-	-	80,233	4,257
	<u>87,280</u>	<u>61,740</u>	<u>880</u>	<u>1,338</u>	<u>88,160</u>	<u>63,078</u>
Total assets	<u>163,517</u>	<u>129,827</u>	<u>99,590</u>	<u>81,143</u>	<u>263,107</u>	<u>210,970</u>
Non-current liabilities						
Lease liabilities	(124)	(304)	(191)	(201)	(315)	(505)
Deferred tax liabilities	-	-	(9,081)	(5,604)	(9,081)	(5,604)
	<u>(124)</u>	<u>(304)</u>	<u>(9,272)</u>	<u>(5,805)</u>	<u>(9,396)</u>	<u>(6,109)</u>
Current liabilities						
Trade and other payables	(644)	(1,223)	(5)	(3)	(649)	(1,226)
Lease liabilities	(74)	(108)	(115)	(72)	(189)	(180)
	<u>(718)</u>	<u>(1,331)</u>	<u>(120)</u>	<u>(75)</u>	<u>(838)</u>	<u>(1,406)</u>
Total liabilities	<u>(842)</u>	<u>(1,635)</u>	<u>(9,392)</u>	<u>(5,880)</u>	<u>(10,234)</u>	<u>(7,515)</u>
Net assets	<u>£162,675</u>	<u>£128,192</u>	<u>£90,198</u>	<u>£75,263</u>	<u>£252,873</u>	<u>£203,455</u>

Additions to property, plant and equipment	2	3	3	4	5	7
Depreciation and amortisation of property, plant and equipment	(36)	(56)	(57)	(38)	(93)	(94)
Net (provision) / release of provision against investments and loans	(16)	12	-	-	(16)	12
Cash flow arising from:						
Operating activities	42,525	(6,638)	(1,055)	537	41,470	(6,101)
Investing activities	74	593	-	-	74	593
Financing activities	(1,746)	(1,799)	-	-	(1,746)	(1,799)
Change in cash and cash equivalents	40,853	(7,844)	(1,055)	537	39,798	(7,307)

	Geographic segment 1: UK		Geographic segment 2: Non-UK		Group	
	Audited 31 st January 2024 £'000		Audited 31 st January 2024 £'000		Audited 31 st January 2024 £'000	
Operating income		45,345		5,821		51,166
Operating expenses		(4,356)		(3,525)		(7,881)
Segment operating profit		<u>40,989</u>		<u>2,296</u>		<u>43,285</u>
Financial income		399		322		721

Financial expenses	(31)	(24)	(55)
Exchange movements	(39)	(294)	(333)
Profit before tax	41,318	2,300	43,618
Income taxes	-	(1,089)	(1,089)
Profit for the year	£41,318	£1,211	£42,529

Included within the operating income reported above are the following amounts requiring separate disclosure owing to the fact that they are derived from a single investee company and the total revenues attributable to that investee company are 10% or more of the total realised and unrealised income generated by the Group during the period:

	Total net operating income attributable to the investee company (£'000)	% of total realised and unrealised operating income	Reportable geographic segment
	Audited 31 st January 2024	Audited 31 st January 2024	Audited 31 st January 2024
Investee Company			
Paladin Holdings Limited	32,382	63	1
Pantheon Specialty Group Limited	14,955	29	1
Lilley Plummer Holdings Limited	6,888	13	1

	Geographic segment 1: UK	Geographic segment 2: Non-UK	Group
	Audited 31 st January 2024 £'000	Audited 31 st January 2024 £'000	Audited 31 st January 2024 £'000
Non-current assets			
Property, plant and equipment	34	31	65
Right-of-use asset	268	239	507
Investments - equity portfolio	37,783	78,050	115,833
Loans and receivables	10,775	5,422	16,197
	48,860	83,742	132,602
Current assets			
Investments - assets held for sale	49,549	-	49,549
Investments - treasury portfolio	78	-	78
Trade and other receivables	14,840	793	15,633
Cash and cash equivalents	40,435	-	40,435
	104,902	793	105,695
Total assets	153,762	84,535	238,297
Non-current liabilities			
Lease liabilities	(220)	(196)	(416)
Deferred tax liabilities	-	(6,687)	(6,687)
	(220)	(6,883)	(7,103)
Current liabilities			
Trade and other payables	(1,838)	(5)	(1,843)
Lease liabilities	(95)	(85)	(180)
	(1,933)	(90)	(2,023)
Total liabilities	(2,153)	(6,973)	(9,126)
Net assets	£151,609	£77,562	£229,171

Additions to property, plant and equipment	7	6	13
Depreciation and amortisation of property, plant and equipment	(101)	(90)	(191)
Release of provision against investments and loans	24	-	24
Cash flow arising from:			
Operating activities	37,534	(6,572)	30,962
Investing activities	1,117	-	1,117
Financing activities	(3,208)	-	(3,208)
Change in cash and cash equivalents	35,443	(6,572)	28,871

As outlined previously, under IFRS 8 the Group reports its operating segments (UK and Non-UK) and associated income, expenses, assets and liabilities based upon the country of domicile of each of its investee companies.

In addition to the segmental analysis disclosure reported above, the Group has undertaken a further assessment of each of its investee companies' underlying revenues, specifically focusing on the geographical origin of this revenue. Geographical analysis of each investee company's 2024 and 2023 revenue budgets was carried out and, based upon this analysis, the directors have determined that on a look-through basis, the Group's portfolio of investee companies can also be analysed as follows:

	Unaudited 31 st July 2024 %	Unaudited 31 st July 2023 %	Audited 31 st January 2024 %
UK	23	36	29
Non-UK	77	64	71
Total	100	100	100

3. **EARNINGS AND NET ASSET VALUE PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS**

	Unaudited 31 st July 2024 £'000	Unaudited 31 st July 2023 £'000	Audited 31 st January 2024 £'000
Earnings			
Earnings for the purposes of basic and diluted earnings per share being total comprehensive income attributable to equity shareholders	26,620	15,552	42,529
Earnings per share - basic	72.0p	43.3p	114.7p
Earnings per share - diluted	68.4p	41.6p	114.0p
Number of shares	Number	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	36,972,204	35,958,783	37,081,306
Number of dilutive shares under option	1,918,759	1,443,147	236,259
Weighted average number of ordinary shares for the purposes of diluted earnings per share	38,890,963	37,401,930	37,317,565
Net Asset Value			
Basic Net Asset Value			
Net Asset Value attributable to equity shareholders	252,873	203,455	229,171
Adjustment to Net Asset Value ¹	2,255	-	3,391
Adjusted Net Asset Value for the purposes of basic Net Asset Value per share being total Net Asset Value attributable to equity shareholders	255,128	203,455	232,562
Diluted Net Asset Value			
Net Asset Value attributable to equity shareholders	252,873	203,455	229,171
Adjustment to Net Asset Value ²	2,949	4,055	4,106
Adjusted Net Asset Value for the purposes of diluted Net Asset Value per share being total Net Asset Value attributable to equity shareholders	255,822	207,510	233,277
Net Asset Value per share - basic	690.8p	567.3p	629.0p
Net Asset Value per share - diluted	658.5p	556.3p	626.9p
Number of shares	Number	Number	Number
Number of ordinary shares for the purposes of basic Net Asset Value per share	36,933,439	35,860,775	36,974,191
Number of dilutive shares under option	1,918,759	1,443,147	236,259
Number of ordinary shares for the purposes of diluted Net Asset Value per share			

38,852,198

37,303,922

37,210,450

¹Adjustment to Net Asset Value represents the cash receivable by the Group when the 802,440 remaining allocated ordinary shares that are held under joint ownership arrangements within the Employee Benefit Trust, and which were considered fully dilutive as at 31st July 2024, are sold.

²Adjustment to Net Asset Value represents the cash receivable by the Group when the total remaining 1,038,699 (31st July 2023 and 31st January 2024: 1,443,147) allocated and unallocated ordinary shares that are held under joint ownership arrangements within the Employee Benefit Trust, are sold.

During the period the Company paid a total of £327,120, including commission, in order to repurchase 63,132 ordinary shares at an average price of 517 pence per share (6 months to 31st July 2023: the Company paid £691,820, including commission, in order to repurchase 190,008 ordinary shares at an average price of 363 pence per share and 12 months to 31st January 2024: the Company paid £1,052,751, including commission, to repurchase 283,480 ordinary shares at an average price of 370 pence per share).

Ordinary shares held by the Company in Treasury

Movement of ordinary shares held in Treasury:	Unaudited 31st July 2024 Number	Unaudited 31st July 2023 Number	Audited 31st January 2024 Number
Opening total ordinary shares held in Treasury	77,550	4,850	4,850
Ordinary shares repurchased into Treasury during the period	63,132	190,008	283,480
Ordinary shares transferred to the B.P. Marsh SIP Trust during the period	(22,380)	(32,780)	(32,780)
Ordinary shares cancelled from Treasury during the period	-	-	(178,000)
Total ordinary shares held in Treasury at period end	118,302	162,078	77,550

The Treasury shares do not have voting or dividend rights and have therefore been excluded for the purposes of calculating earnings per share and Net Asset Value per share.

The repurchase of the ordinary shares is borne from the Group's commitment to reduce share price discount to Net Asset Value. As outlined in the Group's Share Buy-Back Policy announcement on 14th November 2023, its policy has been throughout the period, subject to ordinary shares in the Company being available to purchase, to be able to buy small parcels of shares (for up to a maximum aggregate consideration of £500,000) at a price representing a discount of at least 20% to the most recently announced Net Asset Value per share and place them into Treasury. Prior to 14th November 2023, and in accordance with its Share Buy-Back Policy announcement on 16th January 2023, the Group's policy was to buy back shares when the share price was below 20% of its published Net Asset Value (for up to a maximum aggregate consideration of £1,000,000).

On 11th June 2024 the Group announced a new Share Buy-Back Programme allowing it to repurchase ordinary shares in the Company for up to a maximum aggregate consideration of £1,000,000 and subject to ordinary shares being available to purchase at a price representing a discount of at least 15% to the most recently announced diluted Net Asset Value per share.

Since 31st July 2024 the Group has revised the maximum purchase price under the Share Buy-Back Programme to enable it to repurchase ordinary shares up to a price representing a discount of at least 10% to the most recently announced diluted Net Asset Value per share.

As at 31st July 2023 and 31st January 2024 there were 1,443,147 shares held within the Employee Benefit Trust, of which 236,259 shares were unallocated. The Employee Benefit Trust remains the owner of these unallocated shares.

Following the removal of a dividend waiver and block on voting rights on the 1,206,888 allocated ordinary shares held by the Employee Benefit Trust under the Joint Share Ownership Plan ("JSOP") in October 2023, these ordinary shares became eligible for full dividend and voting rights.

During the period 404,448 of the shares held within the Employee Benefit Trust were sold, including 99,700 shares jointly-owned by 2 executive directors of the Company. As at 31st July 2024 1,038,699 shares remained within the Employee Benefit Trust, of which 236,259 were unallocated.

The weighted average number of shares used for the purposes of calculating the basic earnings per share, net asset value and net asset value per share of the Group includes the 802,440 remaining allocated ordinary shares held within the Employee Benefit Trust as these were considered fully dilutive as at 31st July 2024 due to the dividend and voting rights attached to them. The Group net asset value also includes an adjustment representing the economic right the Group has to the first 281 pence per share (£2,254,856) on the 802,440 allocated ordinary shares held within the Employee Benefit Trust as when the joint share ownership arrangements are eventually exercised, this would also increase the Group's net asset value by £2,254,856.

236,259 unallocated shares currently held within the Employee Benefit Trust have been excluded for the purposes of calculating the basic earnings per share, net asset value and net asset value per share as these shares do not have voting rights or dividend rights whilst they are held within this

Employee Benefit Trust. The Group net asset value has also excluded the economic right the Group has to the first 281 pence per share on the 236,259 unallocated shares issued to the Employee Benefit Trust for the same reasons.

On this basis the current undiluted net asset value per share is 690.8 pence for the Group. When the joint share ownership arrangements are eventually exercised in full, although this would increase the number of shares in issue entitled to voting and dividend rights, this would also increase the Group's net asset value by a further £694,403 (total of £4,106,259 based upon the total 1,461,302 shares originally issued to the Employee Benefit Trust at 281 pence per share).

The diluted earnings per share and net asset value per share include the 1,682,500 options over ordinary shares granted as part of the Company's Share Option Plan ("SOP") as these became dilutive for the Group as at 31st July 2024 based upon the performance conditions attached to the options (Note 10).

The diluted net asset value per share is therefore 658.5 pence.

The diluted weighted average number of ordinary shares at 31st July 2024 has been calculated by proportioning the 236,259 vested, but unallocated, shares held under joint share ownership arrangements from the vesting date over the period.

The decrease to the undiluted weighted average number of ordinary shares between the 2023 and 2024 interim periods is mainly attributable to the 63,132 ordinary shares repurchased into Treasury during the period, offset by the 22,380 ordinary shares transferred from Treasury to the SIP Trust during the period that have been treated as re-issued for the purposes of calculating earnings per share.

22,380 ordinary shares (comprising 22,380 ordinary shares transferred from Treasury to the SIP Trust in April 2024) were allocated to the participating employees as Free, Matching and Partnership shares under the share incentive plan arrangement on 11th April 2024 (Note 10).

4. NON-CURRENT INVESTMENTS - EQUITY PORTFOLIO

Group Investments

Unaudited 31st July 2024

	Continuing investments £'000	Current Assets - Investments held for sale £'000	Total £'000
At valuation			
At 1st February	115,833	49,549	165,382
Additions	9,500	-	9,500
Disposals	-	(49,549)	(49,549)
Unrealised gains in this period	28,113	-	28,113
At period end	<u>£153,446</u>	<u>£ -</u>	<u>£153,446</u>
At cost			
At 1st February	45,923	4	45,927
Additions	9,500	-	9,500
Disposals	-	(4)	(4)
At period end	<u>£55,423</u>	<u>£ -</u>	<u>£55,423</u>

Unaudited 31st July 2023

	Continuing investments £'000	Current Assets - Investments held for sale £'000	Total £'000
At valuation			
At 1st February	171,461	-	171,461
Transfers between categories	(52,326)	52,326	-
Additions	431	-	431
Disposals	(832)	-	(832)
Unrealised gains in this period	14,755	-	14,755
At period end	<u>£133,489</u>	<u>£52,326</u>	<u>£185,815</u>
At cost			
At 1st February	59,321	-	59,321
Transfers between categories	(12,927)	12,927	-
Additions	431	-	431
Disposals	(832)	-	(832)
At period end	<u>£45,993</u>	<u>£12,927</u>	<u>£58,920</u>

Group Investments (continued)

Audited
31st January 2024

	Continuing investments	Current Assets - Investments held for sale	Total
	£'000	£'000	£'000
At valuation			
At 1 st February 2023	171,461	-	171,461
Transfers between categories	(18,380)	18,380	-
Additions	3,364	-	3,364
Disposals	(53,154)	-	(53,154)
Unrealised gains in this period	12,542	31,169	43,711
At 31 st January 2024	<u>£115,833</u>	<u>£49,549</u>	<u>£165,382</u>
At cost			
At 1 st February 2023	59,321	-	59,321
Transfers between categories	(4)	4	-
Additions	3,364	-	3,364
Disposals	(16,758)	-	(16,758)
At 31 st January 2024	<u>£45,923</u>	<u>£ 4</u>	<u>£45,927</u>

The additions relate to the following transactions in the period:

On 27th March 2024 the Group acquired a 30% cumulative preferred ordinary equity stake in Devonshire UW Limited ("Devonshire") via a holding company, Devonshire UW Topco Limited, for consideration of £300,000. Devonshire is a London-based Underwriting Agency specialising in transactional risks, including Warranty & Indemnity, Specific Tax and Legal Contingency Insurance, with the ability to underwrite transactions in the UK, Europe, Middle East, Africa, Asia, South America, Central America and Australasia. The Group also provided Devonshire with a loan facility of £1,600,000, of which £990,125 had been drawn down as at 31st July 2024, with a remaining undrawn facility of £909,875.

On 17th April 2024, the Group acquired a further 2.52% ordinary equity holding in LEBC Holdings Limited ("LEBC") for consideration of £1,100,000. On completion the ordinary shares were immediately converted into preferred shares. The transaction increased the Group's holding in LEBC from 59.34% as at 31st January 2024 to 61.86% as at 31st July 2024.

On 9th May 2024 the Group acquired a further 7% cumulative preferred ordinary equity stake in Pantheon Specialty Group Limited ("Pantheon") for consideration of £7,300,000 increasing its equity holding from 25% as at 31st January 2024 to 32% as at 31st July 2024.

On 13th May 2024 the Group acquired, through its wholly-owned subsidiary company B.P. Marsh (North America) Limited, a further 0.95% equity stake in XPT Group LLC ("XPT") for USD 1,000,787 (£800,073) as part of a pre-emption share offer. Following this investment, and the uptake of other shareholder's pre-emptive rights and other dilutive events, the Group's fully diluted shareholding in XPT reduced from 29.10% as at 31st January 2024 to 27.49% as at 31st July 2024.

The disposals relate to the following transaction in the period:

On 22nd March 2024 the Group completed the disposal of its entire 38.63% holding in Paladin Holdings Limited ("Paladin") to Specialist Risk Group Limited ("SRG"), following receipt of regulatory approval. On completion, the Group received £42,075,838 in initial cash consideration, net of transaction costs, plus repayment in full of its £5,900,500 loans to Paladin. The initial cash proceeds received represented an overall gain of £42,072,338 above the net cost of investment. As well as the initial consideration, the Group will also be entitled to receive its proportion of any net working capital adjustment. The Group will then be entitled to receive deferred contingent consideration of up to £17,800,000 in cash, based upon 20% EBITDA growth targets above Paladin's actual adjusted EBITDA for 2023, in FY24 and FY25, payable in 2025 and 2026. There is also the possibility for the Group to receive further consideration in FY25 should Paladin outperform these growth targets.

The carrying value of the Group's investment in Paladin as at 1st February 2024 was £49,549,000. A proportion of this carrying value related to the Group's discounted deferred contingent consideration estimate. On disposal, the fair value attributed to the deferred contingent consideration element of the sale amounting to £9,021,000 was reclassified within the Consolidated Statement of Financial Position from 'Investments - assets held for sale' to a debtor balance within 'Other receivables'. As at 31st July 2024 the fair value of the deferred contingent consideration was revalued at £7,668,000 and the associated loss of £1,353,000 has been recognised within the Consolidated Statement of Comprehensive Income.

The unquoted investee companies, which are registered in England except Asia Reinsurance Brokers Pte Limited (Singapore), Stewart Specialty Risk Underwriting Ltd (Canada), XPT Group LLC (USA), ATC Insurance Solutions PTY Limited (Australia), Criterion Underwriting Pte Limited (Singapore), Agri Services Company PTY Limited (Australia) and Sage Program Underwriters, Inc (USA) are as follows:

Name of company	% holding of share Capital	Date information available to	Aggregate capital and reserves £	Post tax profit/(loss) for the year £	Principal activity
Agri Services Company PTY Limited	41.00	30.06.23	1,465,168	64,998	Holding company for specialist Australian agricultural Managing

					agricultural managing General Agency
Asia Reinsurance Brokers Pte Limited	25.00	31.05.23	2,088,147	90,564	Specialist reinsurance broker
ATC Insurance Solutions PTY Limited	25.56	30.06.23	12,991,892	3,470,843	Specialist Australian Managing General Agency
Criterion Underwriting Pte Limited ¹	29.40	31.05.20	(445,842)	(32,019)	Specialist Singaporean Managing General Agency
Dempsey Group Limited ²	30.00	-	-	-	Holding company for specialist Managing General Agency
Devonshire UW Topco Limited ³	30.00	-	-	-	Specialist UK Managing General Agency
The Fiducia MGA Company Limited	35.18	31.12.23	345,832	511,692	Specialist UK Marine Cargo Underwriting Agency
LEBC Holdings Limited	61.86	30.09.23	(671,916)	(2,427,586)	Independent financial advisor company
Lilley Plummer Holdings Limited	30.00	31.12.23	2,849,170	2,559,514	Specialist Marine broker
Neutral Bay Investments Limited	49.90	31.03.23	4,054,833	218,553	Investment holding company
New Denison Limited ⁴	40.00	-	-	-	Dormant company
Pantheon Specialty Group Limited ⁵	32.00	-	-	-	Holding company for specialist insurance broker
Sage Program Underwriters Inc	30.00	31.12.23	(12,151)	48,267	Specialist Managing General Agency
Stewart Specialty Risk Underwriting Limited	30.00	31.12.23	6,013,626	3,096,411	Specialist Canadian Casualty Underwriting Agency
Verve Risk Services Limited ⁶	35.00	-	-	-	Specialist Managing General Agency
XPT Group LLC	27.49	31.12.23	(17,929,386)	(6,089,523)	USA Specialty lines insurance distribution company

¹Recent statutory financial information is not available for Criterion Underwriting Pte Limited as the company is not currently trading.

²Dempsey Group Limited is a newly incorporated company. Statutory accounts are not available as these are not yet due.

³Devonshire UW Topco Limited is a newly incorporated company. Statutory accounts are not available as these are not yet due.

⁴New Denison Limited is a newly incorporated company that is not currently trading. Statutory accounts are not available as these are not yet due.

⁵Pantheon Specialty Group Limited is a newly incorporated company. Statutory accounts are not available as these are not yet due.

⁶Verve Risk Services Limited is a newly incorporated company. Statutory accounts are not available as these are not yet due.

The Group's 35% equity investment in EC3 Brokers Group Limited has not been listed above as the company went into administration in November 2022 and remained in administration as at 31st July 2024. The Group does not expect to recover any amounts in respect of this investment which has been provided against in full.

The aggregate capital and reserves and profit/(loss) for the year shown above are extracted from the relevant local GAAP accounts of the investee companies.

5. CURRENT INVESTMENTS - TREASURY PORTFOLIO

Group At valuation	Unaudited 31 st July 2024	Unaudited 31 st July 2023	Audited 31 st January 2024
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	2023 £'000	2022 £'000	2021 £'000
Market value at 1st February	27,525	11,337	11,337
Additions at cost	44,750	1,000	64,000
Disposals	(16,250)	(10,006)	(48,430)
Change in value in the period	1,125	89	618
Market value at period end	£57,150	£2,420	£27,525

Disclosed as:

Cash and cash equivalents	57,150	2,340	27,447
Investments - treasury portfolio	-	80	78
Total	£57,150	£2,420	£27,525

Investment fund split:

GAM London Limited	14,566	12	7,175
Rathbone Investment Management Limited	21,183	2,408	10,310
Rothschild & Co Wealth Management UK Limited	21,401	-	10,040
Total	£57,150	£2,420	£27,525

The treasury portfolio comprises of investment funds managed and valued by the Group's investment managers, GAM London Limited, Rathbone Investment Management Limited and Rothschild & Co Wealth Management UK Limited. All investments in securities are included at year end market value.

The initial investment into the funds was made following the realisation of the Group's investment in Summa Insurance Brokerage, S.L. in 2022 and further funds were invested following the sale of Kentro Capital Limited in the 12 months to 31st January 2024. Further funds have been invested following the sale of Paladin Holdings Limited during the current period.

The purpose of the funds is to hold (and grow) the Group's surplus cash until such time that suitable investment opportunities arise.

As at 31st July 2024 all amounts held in the funds were non-risk interest bearing deposits (as at 31st July 2023, of the total £2,419,764 held within the funds, only £79,992 was risk bearing, with the remaining funds of £2,339,772 being non-risk interest bearing deposits and as at 31st January 2024 of the total £27,525,222 held within the funds, only £78,462 was risk bearing, with the remaining funds of £27,446,760 being non-risk interest bearing deposits).

The risk bearing fund values can increase, but also have the potential to fall below the amount initially invested by the Group. However, the performance of each fund is monitored on a regular basis and the appropriate action is taken if there is a prolonged period of poor performance.

Investment management costs of £71,491 (6 months to 31st July 2023: £5,667 and 12 months to 31st January 2024: £15,569) were charged to the Consolidated Statement of Comprehensive Income during the period.

6. REALISED GAINS / (LOSSES) ON DISPOSAL OF EQUITY INVESTMENTS

The realised gains / (losses) on disposal of investments for the period comprises of a net gain of £1,551,216 (6 months to 31st July 2023: net loss on disposal of investments of £(40,689) and 12 months to 31st January 2024: net loss on disposal of investments of £(36,689)).

£1,547,838 of this net gain was in relation to the Group's disposal of its entire 38.63% holding in Paladin Holdings Limited ("Paladin") for initial cash consideration of £42,075,838, compared to the attributable fair value of £40,528,000 at 1st February 2024.

As outlined in Note 4, the Group expects to receive deferred contingent consideration based upon Paladin achieving certain EBITDA growth targets. The total carrying value of the Group's investment in Paladin as at 1st February 2024 including the deferred contingent consideration was £49,549,000. On disposal, the fair value attributed to the deferred contingent consideration element of the sale of £9,021,000 was reclassified within the Consolidated Statement of Financial Position from 'Investments - assets held for sale' to a debtor balance included within 'Other receivables'. As at 31st July 2024 the fair value of the deferred contingent consideration was revalued at £7,668,000 resulting in a loss of £1,353,000 which has been recognised within the Consolidated Statement of Comprehensive Income under 'Net (provision) / release of provision made against equity investments and loans'.

The disposal of Paladin resulted in a net release of previously unrealised gains to Retained Earnings from the Fair Value Reserve of £49,545,500.

£3,378 of this net gain was in relation to the receipt of an additional capital distribution from the Group's former investment in Walsingham Holdings Limited ("WHL") following the conclusion of WHL's liquidation process which commenced in February 2022.

The amount included in realised gains / (losses) on disposal of investments for the 6 months to 31st July 2023 comprised of a net loss of £(40,689).

£132,000 of this net loss was in respect of the Group's disposal of its entire 40% equity investment in Denison and Partners Limited ("Denison and Partners") for nil cash consideration, compared to the fair value of £132,000 at 1st February 2023. There were no releases of previously unrealised gains or losses to Retained Earnings from the Fair Value Reserve as a result of this disposal in that period as the investment had been held at cost.

the Fair Value Reserve as a result of the disposal in that period as the investment had been held at cost.

The above realised loss arising from the disposal of Denison and Partners was offset by a realised gain of £91,311 relating to an additional capital distribution recognised during that period from the Group's former investment in Summa Insurance Brokerage, S.L. ("Summa") which was sold during the year to 31st January 2022.

The amount included in realised gains / (losses) on disposal of investments for the 12 months to 31st January 2024 comprised of a net loss of £(36,689).

This comprised of the £(40,689) net realised loss in relation to Denison and Partners and Summa referred to above, offset by a £4,000 realised gain relating to the Group's partial disposal of 250,000 ordinary shares (c.5.9% at the time of divestment) in Paladin in that year which were held under a call option arrangement, for consideration of £804,000, compared to the fair value of £800,000 at 1st February 2023. There were no releases of previously unrealised gains or losses to Retained Earnings from the Fair Value Reserve as a result of this disposal in that year as the investment had been held at cost.

7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital (£'000)	Share premium account (£'000)	Fair value reserve (£'000)	Reverse acquisition reserve (£'000)	Capital redemption reserve (£'000)	Capital contribution reserve (£'000)	Retained earnings (£'000)	Total (£'000)
At 1 st February 2024	3,729	29,345	112,768	393	25	72	82,839	229,171
Comprehensive income for the period	-	-	25,719	-	-	-	901	26,620
Net transfers on disposal of investments (Note 4 & Note 6)	-	-	(49,546)				49,546	-
Dividends paid	-	-	-	-	-	-	(3,964)	(3,964)
Repurchase of Company shares (Note 3)	-	-	-	-	-	-	(327)	(327)
Share based payment arrangements (Note 10)	-	6	-	-	-	-	210	216
Amounts received from the Employee Benefit Trust on the sale of shares held under joint ownership (Note 10)	-	-	-	-	-	-	1,157	1,157
At 31 st July 2024	£3,729	£29,351	£88,941	£393	£25	£72	£130,362	£252,873

8. LOAN AND EQUITY COMMITMENTS

On 26th June 2020 (as amended on 1st June 2023) the Group entered into an agreement to provide Sage Program Underwriters, Inc. with a loan facility of USD 300,000. As at 31st July 2024 USD 150,000 had been drawn down, leaving a remaining undrawn facility of USD 150,000. Any drawdown is subject to satisfying certain agreed criteria.

On 28th April 2023 the Group entered into an agreement to provide Verve Risk Services Limited with a loan facility of £569,209. As at 31st July 2024 the full £569,209 had been drawn down. Since 31st July 2024 this facility has been increased by a further £500,000 to £1,069,209 and a further £75,000 has been drawn down, increasing total loans outstanding to £644,209, with a remaining undrawn facility of £425,000 at the date of this report.

On 21st December 2023 the Group entered into an agreement to provide Dempsey Group Limited with a loan facility of £1,570,000. As at 31st July 2024 £875,000 had been drawn down, leaving a remaining undrawn facility of £695,000. Since 31st July 2024 a further £250,000 has been drawn down from this facility increasing total loans outstanding to £1,125,000, with a remaining undrawn facility of £445,000 at the date of this report.

On 27th March 2024 the Group entered into an agreement to provide Devonshire UW Topco Limited with a loan facility of £1,600,000. As at 31st July 2024 £990,125 had been drawn down, leaving a remaining undrawn facility of £609,875. Since 31st July 2024 a further £300,000 has been drawn down from this facility increasing total loans outstanding to £1,290,125, with a remaining undrawn facility of £309,875 at the date of this report.

9. DEFERRED TAX AND CONTINGENT LIABILITIES

Group	Unaudited 31 st July 2024 £'000	Unaudited 31 st July 2023 £'000	Audited 31 st January 2024 £'000
At 1 st February	6,687	5,631	5,631

At 31 January	2022	2021	2020
Tax movement relating to investment revaluation for the period	2,394	(27)	1,056
At period end	£9,081	£5,604	£6,687

Finance (No.2) Act 2017 introduced significant changes to the Substantial Shareholding Exemption ("SSE") rules in Taxation of Chargeable Gains Act 1992 Sch. 7AC which applied to share disposals on or after 1 April 2017. In general terms, the rule changes relaxed the conditions for the Group to qualify for SSE on a share disposal.

New tax legislation was introduced in the US in 2018 which taxes at source gains on disposal of any foreign partnership interests in US limited liability companies ("LLCs"). As such, deferred tax needs to be assessed on any potential net gains from the Group's investment interests in US LLCs.

Having reviewed the Group's current investment portfolio, the directors consider that the Group should benefit from this reform to the SSE rules on all non-US LLC investments. As a result, the directors anticipate that on a disposal of shares in the Group's current non-US LLC investments, so long as the shares have been held for 12 months they should qualify for SSE and no tax charge should arise on their disposal.

The requirement for a deferred tax provision is subject to continual assessment of each investment to test whether the SSE conditions continue to be met based upon information that is available to the Group and that there is no change to the accounting treatment in this regard under UK-adopted international accounting standards. It should also be noted that, until the date of the actual disposal, it will not be possible to ascertain if all the SSE conditions are likely to have been met and, moreover, obtaining agreement of the tax position with HM Revenue & Customs may possibly not be forthcoming until several years after the end of a period of accounts.

Having assessed the current US portfolio, the directors anticipate that there is a requirement to provide for deferred tax in respect of the unrealised gains on investments under the current requirements of UK-adopted international accounting standards as the US LLC investments currently show a net gain. As such, a provision of £9,081,000 has been made as at 31st July 2024 (Interim 6 months to 31st July 2023: £5,604,000 and full year to 31st January 2024: £6,687,000).

The deferred tax provision of £9,081,000 as at 31st July 2024 has been calculated based upon an assessment of the US tax liability arising from the valuations of the Group's holdings within US LLCs at 31st July 2024, using the US Federal rate of 21% together with US State Tax rates prevailing in the states where the Group's US LLCs operate, which range between 0% and 11.5%. Adjustments were then made based upon available allowances and taxable losses. Given the complexity, the Group utilised the services of a specialist US tax advisory firm.

The UK corporation tax increased from 19% to 25% effective 1st April 2023. This change in tax rate has not had a material impact on the Group financial statements for the period ended 31st July 2024 and is not expected to have a material impact on future periods as the directors do not consider there is any deferred tax due at the year end in respect of its non-US LLC investments due to the SSE rules.

10. SHARE BASED PAYMENT ARRANGEMENTS

Joint Share Ownership Plan

During the year to 31st January 2019, B.P. Marsh & Partners Plc entered into joint share ownership agreements ("JSOAs") with certain employees and directors.

On 12th June 2018 1,461,302 new 10p Ordinary shares in the Company were issued and transferred into joint beneficial ownership for 12 employees (including 4 directors) under the terms of joint share ownership agreements. No consideration was paid by the employees for their interests in the jointly-owned shares.

The new Ordinary shares have been issued into the name of RBC cees Trustee Limited ("the Trustee") as trustee of the B.P. Marsh Employees' Share Trust ("the Employee Benefit Trust") at a subscription price of 281 pence per share, being the mid-market closing price on 12th June 2018. Following the acquisition of the Trustee by JTC Plc on 10th December 2020, the Trustee has since been rebranded to JTC Employer Solutions Trustee Limited.

The jointly-owned shares are beneficially owned by (i) each of the 7 currently participating employees and (ii) the trustee of the Employee Benefit Trust upon and subject to the terms of the JSOAs entered into between the participating employee, the Company and the Trustee.

Under the terms of the JSOAs, the employees and directors are entitled to receive on vesting the growth in value of the shares above a threshold price of 281 pence per share (market value at the date of grant) plus an annual carrying charge of 3.75% per annum (simple interest) to the market value at the date of grant to the date of vesting. The Employee Benefit Trust retains the carrying cost, with 281 pence per share due back to the Company.

On 12th June 2021 (the "vesting date") the performance criteria were met, after which the members of the scheme became joint beneficial owners of the shares and therefore became entitled to any gain on sale of the shares in excess of 312.6 pence per share. Alternatively, the participant and the Trustee may exchange their respective interests in the jointly-owned shares such that each becomes the sole owner of a number of Ordinary shares of equal value to their joint interests.

There were 254,414 shares where the performance criteria was not met on the vesting date that had been forfeited by departing employees and which remained unallocated within the Employee Benefit Trust as at 31st January 2022.

During the year to 31st January 2023, 18,155 of the 254,414 unallocated shares within the Employee Benefit Trust were transferred to the B.P. Marsh SIP Trust ("SIP Trust") to be used as part of the 22-23 SIP awards made in April 2022. Following this transfer and as at 31st January 2024 there were 1,443,147 shares held within the Employee Benefit Trust, of which there were 326,250 shares where the performance criteria was not met as

the Employee Benefit Trust, of which there were 236,259 shares where the performance criteria was not met on the vesting date and which remained unallocated. The Employee Benefit Trust remains the owner of these unallocated shares and they do not have dividend and voting rights attached.

On 26th October 2023 following the removal of a dividend waiver and block on voting rights on the 1,206,888 allocated ordinary shares held by the Employee Benefit Trust, these ordinary shares became eligible for dividend and voting rights and therefore became fully dilutive for the Group.

Provided that the shares are eventually sold from the Employee Benefit Trust for at least 284.5 pence per share on average, the Group would be entitled to receive £4,106,259 in total.

During the period 404,448 of the shares held within the Employee Benefit Trust were sold, including 99,700 shares jointly-owned by 2 executive directors of the Company. As at 31st July 2024 1,038,699 shares remained within the Employee Benefit Trust, of which 236,259 were unallocated.

Of the £4,106,259 receivable by the Group in total, £1,157,000 was received during the period, leaving a balance outstanding of £2,949,259. Since 31st July 2024 a further £143,259 has been received leaving a balance outstanding of £2,806,000. As such, provided that the remaining shares are eventually sold from the Employee Benefit Trust for at least 270.1p/share on average, the Group will receive this balance in full.

Share Incentive Plan

During the year to 31st January 2017 the Group established an HMRC approved Share Incentive Plan ("SIP").

During the period a total of 22,380 ordinary shares in the Company, which were held in Treasury as at 31st January 2024 (6 months to 31st July 2023 and also 12 months to 31st January 2024: 32,780 ordinary shares in the Company, of which 4,850 were held in Treasury as at 31st January 2023 and 27,930 were bought back into Treasury during that period/year), were transferred to the B.P. Marsh SIP Trust ("SIP Trust"). As a result, a total of 22,380 ordinary shares in the Company were available for allocation to the participants of the SIP (6 months to 31st July 2023 and also 12 months to 31st January 2024: 32,780 ordinary shares were available for allocation).

On 11th April 2024, a total of 12 eligible employees (including 3 executive directors of the Company) applied for the 24-25 SIP and were each granted 746 ordinary shares ("24-25 Free Shares"), representing approximately £3,600 at the price of issue.

Additionally, on the same date, all eligible employees were also invited to take up the opportunity to acquire up to £1,800 worth of ordinary shares ("Partnership Shares"). For every Partnership Share that an employee acquired, the SIP Trust offered two ordinary shares in the Company ("Matching Shares") up to a total of £3,600 worth of shares. All 12 eligible employees (including 3 executive directors of the Company) took up the offer and acquired the full £1,800 worth of Partnership Shares (373 ordinary shares) and were therefore awarded 746 Matching Shares.

The 24-25 Free and Matching Shares are subject to a 1 year forfeiture period.

A total of 22,380 (6 months to 31st July 2023 and also 12 months to 31st January 2024: 32,780) Free, Matching and Partnership Shares were granted to the 12 (6 months to 31st July 2023 and also 12 months to 31st January 2024: 11) eligible employees during the period, including 5,595 (6 months to 31st July 2023 and also 12 months to 31st January 2024: 8,940) granted to 3 (6 months to 31st July 2023 and also 12 months to 31st January 2024: 3) executive directors of the Company.

20,102 ordinary shares were withdrawn from the SIP Trust during the period (6 months to 31st July 2023 and 12 months to 31st January 2024: No withdrawals).

As at 31st July 2024, and after adjusting for a total of 40,053 ordinary shares withdrawn from the SIP Trust by employees on departure and 8,334 ordinary shares forfeited on departure (since inception), a total of 296,395 Free, Matching and Partnership Shares had been granted to 11 currently eligible employees under the SIP, including 101,787 granted to 3 executive directors of the Company.

£42,772 of the IFRS 2 charges (6 months to 31st July 2023: £38,427 and 12 months to 31st January 2024: £77,492) associated with the award of the SIP shares to the 12 (6 months to 31st July 2023 and also 12 months to 31st January 2024: 11) eligible directors and employees of the Company have been recognised in the Statement of Comprehensive Income as employment expenses.

The results of the SIP Trust have been fully consolidated within these financial statements on the basis that the SIP Trust is controlled by the Company.

Share Option Plan

On 6th September 2023 the Group established a new employee Share Option Plan ("SOP").

On 17th October 2023 Share Options ("Options") over 1,682,500 ordinary shares of 10p each in the Company, in aggregate, were granted to 12 employees, including 3 executive directors of the Company.

The total number of Options available for allocation amounted to 1,685,970, which represented 4.5% of the Company's total ordinary shares in issue at the time the SOP was adopted. 3,470 Options remain unallocated as at 31st July 2024.

Each of the Options will vest, on a ratchet basis, subject to certain Net Asset Value growth targets being achieved for the three consecutive financial years ending 31st January 2024, 31st January 2025 and 31st January 2026 ("Performance Period"). The first exercise date is 6th September 2026 whereby 50% of vested Options will be exercisable at 10p per share, with the remaining 50% exercisable at 10p per share from 6th September 2027.

The number of Options which vest will vary depending on the level of Net Asset Value growth achieved, subject to the growth performance criteria as set out below, alongside the percentage of Options that will vest at each

value:

Compounded annual growth of Net Asset Value over the Performance Period	% vesting of Options
Less than 8.5%	0%
Between 8.5% and less than 9.25%	25%
Between 9.25% and less than 10%	50%
10% or above	100%

For these purposes, Net Asset Value is defined as "audited Total Assets less Total Liabilities for the consolidated Group plus any dividends or other form of shareholder return that are paid in the relevant Financial Year".

Therefore, for all Options to vest, the Net Asset Value (as defined above) would need to exceed £252.2m, adjusted for any shareholder distributions.

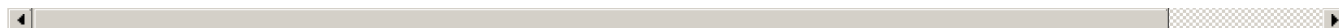
The details of the arrangements are described in the following table:

Nature of the arrangement	Share options
Form of option	Asian options
Type of option	Nominal-cost option
Date of grant	17th October 2023
Number of instruments granted	1,682,500
Exercise price (pence)	10.00
Share price (market value) at grant (pence)	354.22
Vesting period (years)	3 years
Vesting conditions	<p>The recipient must remain an employee throughout the vesting period. The awards vest after 3 years or earlier resulting from either:</p> <ul style="list-style-type: none"> a) a change of control resulting from a person, or another company, obtaining control of the Company either (i) as a result of a making a General Offer; (ii) pursuant to a court sanctioned Compromise or Scheme of Arrangement; or (iii) in consequence of a Compulsory Acquisition; or b) a person or another company becoming bound or entitled to acquire shares in the Company pursuant to sections 974 to 991 of the Companies Act 2006; or c) a winding up. <p>In such circumstances, an Option may be exercised at any time during the period of six months following the date of the event. Any Option not exercised within this period shall lapse immediately upon the expiry of the six-month period.</p> <p>If a Participant ceases to be a Group Employee before the Vesting Date by reason of being a Good Leaver, the Pro-rated Portion of their Option shall be capable of vesting on the Cessation Date.</p> <p>If a Participant ceases to be a Group Employee by reason of being a Good Leaver after the Vesting Date but before the Exercise Date the Participant shall be entitled to exercise the vested Shares of such a vested Option at any time after the Exercise Date.</p>
Performance period	The three consecutive financial years beginning 1st February 2023 (i.e. the three periods ending on 31st January 2026)
Net Asset Value at which Options vest	<p>10% compound annual growth over the Performance Period, or a Net Asset Value threshold of £252.2m, adjusted for any shareholder distributions, with the percentage of Options vesting as follows:</p> <p>Compound Annual Growth achieved:</p> <p>Less than 8.5%: 0% vest Between 8.5% and less than 9.25%: 25% vest Between 9.25% and less than 10%: 50% vest 10% or above: 100% vest</p>
Exercise period	50% of the vested options may be exercised immediately after the end of the Performance Period or 6th September 2026 (whichever is the latter) with the remaining 50% being capable of exercise after 6th September 2027

Expected volatility	19% annual volatility
Risk free rate	5%
Expected annual dividends (pence)	2.78
Settlement	Cash settled on sale of shares
% expected to vest (based upon leavers)	80%
Number expected to vest	1,346,000
Valuation model	Monte Carlo techniques using the assumptions of Geometric Brownian Motion
Fair value per granted instrument (pence)	75.24
Charge for period ended 31st July 2024	£152,126

£152,126 of the IFRS 2 charges (6 months to 31st July 2023: N/A and 12 months to 31st January 2024: £89,437) associated with the grant of the SOP options to 12 (2023: N/A) eligible directors and employees of the Company has been recognised in the Statement of Comprehensive Income as employment expenses.

-Ends-



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