

The information contained in this release was correct as at 31 October 2024. Information on the Company's up to date net asset values can be found on the London Stock Exchange Website at:

<https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>

BLACKROCK THROGMORTON TRUST PLC (LEI: 5493003B7ETS1JEDPF59)

All information is at **31 October 2024** and **unaudited**.

Performance at month end is calculated on a cum income basis

	One Month %	Three months %	One year %	Three years %	Five years %
Net asset value	-2.5	-6.7	21.9	-25.6	23.1
Share price	-3.6	-12.1	16.5	-35.2	9.9
Benchmark*	-2.1	-5.3	20.0	-15.2	18.5

Sources: BlackRock and Deutsche Numis

*With effect from 15 January 2024 the Numis Smaller Companies plus AIM (excluding Investment Companies) Index to Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies).

At month end

Net asset value capital only:	658.24p
Net asset value incl. income:	672.47P
Share price	591.00p
Discount to cum income NAV	12.1%
Net yield ¹ :	2.6%
Total Gross assets ² :	£590.1m
Net market exposure as a % of net asset value ³ :	109.8%
Ordinary shares in issue ⁴ :	87,746,864
2023 ongoing charges (excluding performance fees) ^{5,6} :	0.54%
2023 ongoing charges ratio (including performance fees) ^{5,6,7} :	0.87%

1. Calculated using the Final Dividend declared on 05 February 2024 paid on 28 March 2024, together with the Interim Dividend declared on 24 July 2024 paid on 21 August 2024.

2. Includes current year revenue and excludes gross exposure through contracts for difference.

3. Long exposure less short exposure as a percentage of net asset value.

4. Excluding 15,463,000 shares held in treasury.

5. The Company's ongoing charges are calculated as a percentage of average daily net assets and using the management fee and all other operating expenses, excluding performance fees, finance costs, direct transaction charges, VAT recovered, taxation and certain other non-recurring items for the year ended 30 November 2023.

6. With effect from 1 August 2017 the base management fee was reduced from 0.70% to 0.35% of gross assets per annum. The Company's ongoing charges are calculated as a percentage of average daily net assets and using the management fee and all other operating expenses, including performance fees, but excluding finance costs, direct transaction charges, VAT recovered, taxation and certain other non-recurring items for the year ended 30 November 2023.

7. Effective 1st December 2017 the annual performance fee is calculated using performance data on an annualised rolling two-year basis (previously, one year) and the maximum annual performance fee payable is effectively reduced to 0.90% of two year rolling average month end gross assets (from 1% of average annual gross assets over one year). Additionally, the Company now accrues this fee at a rate of 15% of outperformance (previously 10%). The maximum annual total management fees (comprising the base management fee of 0.35% and a potential performance fee of 0.90%) are therefore 1.25% of average month end gross assets on a two-year rolling basis (from 1.70% of average annual gross assets).

<u>Sector Weightings</u>	<u>% of Total Assets</u>
Industrials	34.3
Consumer Discretionary	17.3
Financials	17.1
Basic Materials	7.5
Technology	6.6
Real Estate	3.9
Telecommunications	3.7
Consumer Staples	1.7
Health Care	1.4
Communication Services	1.0
Energy	0.4
Other	0.1
Net Current Assets	5.0
Total	100.0
<u>Country Weightings</u>	<u>% of Total Assets</u>

United Kingdom	92.3
United States	3.0
Ireland	2.6
Australia	1.0
France	0.5
Canada	0.5
Switzerland	0.4
Sweden	(0.3)
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Total	100.0
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Market Exposure (Quarterly)

Å	30.11.23	29.02.24	31.05.24	31.08.24
Å	%	%	%	%
Long	111.3	117.9	114.9	111.7
Short	3.8	3.2	2.3	2.7
Gross exposure	115.1	121.1	117.2	114.4
Net exposure	107.5	114.7	112.6	109.0

Ten Largest Investments

<u>Company</u>	<u>% of Total Gross Assets</u>
Å	Å
Breedon	3.6
IntegraFin	3.0
Grafton Group	3.0
Oxford Instruments	2.9
Ibstock	2.8
Tatton Asset Management	2.7
GPE	2.7
Gamma Communications	2.7
WH Smith	2.6
Workspace Group	2.5

Commenting on the markets, Dan Whitestone, representing the Investment Manager noted:

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The Company returned -2.5% in October, while its benchmark, the Deutsche Numis Smaller Companies +AIM (excluding Investment Companies) Index, returned -2.1%.¹

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October witnessed a weak month for markets, with bonds and equities falling across the globe, however the drivers varied by market. In the US, equities fell on better-than-expected economic growth as well as a tick up in core CPI which resulted in a reappraisal of the speed and number of rate cuts ahead. The increase in bond yields was driven from the growing belief of a Republican clean sweep and the potential for fiscal policy risk amidst inflationary protectionist measures. As for the UK, markets continued to weaken into the Budget and then took a further leg down on rising concerns over the quantum of tax rises and borrowing.

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Overall portfolio performance during the month was hurt particularly in rate sensitive areas like property and consumer. However, we did have several successes in Industrials, for example Morgan Sindall and Ibstock. Shares in **Morgan Sindall** rose after a strong trading update. Trading in its 'fit out' division was the driver of the upgrade as several large contracts were won in the period which should benefit 2024 and 2025. Morgan Sindall is the number one player in the market and post the recent demise (bankruptcy) of the number two player; this favourable evolution of market structure should lead to improved returns and further market share gains from here. Digital payments business **Boku** continued to rise during the month following strong interim results released at the end of September, which showed continued growth in transaction volumes across all Local Payment Methods, driving a 24% increase in H1 revenues. Shares in brick manufacturer **Ibstock** rose in response to its third quarter trading update, which showed flat year-on-year sales, but with early signs of an improving demand outlook. We have spoken many times about our thesis around Ibstock and the industry backdrop for brick manufacturers, where volumes are running more than 30% below pre-covid levels, and therefore we see significant upside to sales and profitability as housebuilding volumes begin to recover through 2025.

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Great Portland was the biggest detractor which fell in the month on renewed concerns for the outlook in the UK, UK interest rates and the impact of the budget. This came despite a trading statement highlighting continued resilient lettings performance, renting space out at 7% ahead of ERV (Estimated Rental Value).

Workspace also fell on fears around the UK and interest rates in the month despite a resilient statement on trading with strong pricing across its estate. Shares in **WH Smith** gave back some of its strong performance from September following its positive trading update, with concerns around the impact of the budget adding further pressure to the shares. As a reminder, last month we highlighted the mix of the business now consists of more than 80% of profits coming from its travel division.

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The UK budget is now behind us, but it has not been the clearing event we had quietly hoped for, with the consequences ahead of us. We have not added to rate sensitive areas in this most recent budget induced sell-off, yet we haven't panicked either and made wholesale changes to the portfolio. We are keeping a wary eye on bond yields, 5-year swap rates and incoming data on economic activity, mindful of any budget induced impacts. We do have some short positions to high staff-based companies with low margins where we can see additional staff costs (either through NI, or more problematic is the increase in numbers/percentages of temporary staff who will now be caught up in this tax grab) adding pressure to fragile unit economics, and we have added to short exposures here. It remains to be seen how swathes of leisure, retail and hospitality sectors will react to these cost headwinds, with some unable to pass it on due to competitive pressures.

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The gross exposure remains lower than normal levels at around 11% but the net of the portfolio has increased to around 109% as we think the broader UK small and mid-cap sector remains very cheap. However, with the UK and US elections and the UK budget now out of the way, we are more minded to add back to the gross exposure of the portfolio, but to do so gradually as opportunities present themselves.Â

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We thank shareholders for your ongoing support.

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¹Source: BlackRock as at 31 October 2024

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26 November 2024

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Latest information is available by typing www.blackrock.com/uk/thrg on the internet, "BLRKINDEX" on Reuters, "BLRK" on Bloomberg or "8800" on Topic 3 (ICV terminal).Â Neither the contents of the Manager's website nor the contents of any website accessible from hyperlinks on the Manager's website (or any other website) is incorporated into, or forms part of, this announcement.

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