

## The Investment Company plc

### Half Year Report for the six months ended 31 December 2024

LEI: 2138004PBWN5WM2XST62

The Investment Company plc (the "Company") is pleased to announce its unaudited results for the six months ended 31 December 2024.

#### Summary of Results

|  | At 31 December<br>2024<br>(unaudited)          | At 30 June<br>2024<br>(audited)                   | Change % |
|--|--|---|----------|
| Equity Shareholders' funds (£)             | 7,356,860                                      | 7,376,741   | (0.27)   |
| Number of ordinary shares in issue *       | 1,837,205                                      | 1,837,205   | -        |
| Net asset value ("NAV") per ordinary share | 400.44p  | 401.52p   | (0.27)   |
| Ordinary share price (mid)                 | 369.00p  | 353.00p   | 4.53     |
| Discount to NAV                            | 7.85%  | 12.08%  | 4.23     |
|  | 6 months to<br>31 December 2024<br>(unaudited) | 6 months to<br>31 December<br>2023<br>(unaudited) |          |
| Total return per ordinary share **         | (1.21p)  | 11.09p  |          |
| Dividends paid per ordinary share          | nil  | nil   |          |

\* Excluding 3,747,673 shares held in Treasury.

\*\* The total return per ordinary share is based on total income after taxation as detailed in the Condensed consolidated income statement and in note 4.

#### Introduction

At a General Meeting held on 26 June 2023, the members voted to amend the investment objective. On 26 July 2023, the Company adopted the new investment objective and policy following the completion of a tender offer and fund raising. Alongside the change of investment objective and policy, Chelverton Asset Management Limited were appointed as the Company's Investment Manager.

#### Investment Objective

The Company's investment objective is to maximise capital growth for Shareholders over the long-term by investing in high-quality, quoted, UK small and midcap companies.

#### Investment Policy

The Company intends to fulfil its investment objective through investing in cash-generative quoted UK small and mid-cap companies that are expected to grow faster than the UK stock market as a whole over the long term and which can finance their own organic growth. The Company will primarily invest in equity securities of companies with shares admitted to listing on the Main Market, the AQSE or to trading on AIM with a market capitalisation of less than £250 million at the time of investment. The Company may also invest in companies with shares admitted to listing on the Main Market, the AQSE or to trading on AIM with a market capitalisation of £250 million or more at the time of investment for liquidity purposes. The Company will identify prospective companies through a formal quantitative and qualitative screening process which focuses on criteria such as the ability to convert a high proportion of profit into cash, sustainable margins, limited working capital intensity and a strong management team. Companies that successfully pass the screening process will form part of the Company's 'investable universe' of prospective companies.

The Company has not set any limits on sector weightings within the portfolio but its exposures to sectors and stocks will be

reported to, and monitored by, the Board in order to ensure that adequate diversification is achieved. The Company will maintain a diversified portfolio of a minimum of 60 holdings in UK small and mid-cap companies.

The Company may also invest in cash, cash equivalents, near cash instruments and money market instruments.

The Company will apply the following restrictions on its investments:

- not more than 10% of the Company's Gross Assets at the time of investment will be invested in the securities of a single issuer;
- no investment will be made in companies that are not listed or traded on the Main Market, the AQSE or AIM at the time of investment, nor in any companies which have not applied for their shares to be admitted to listing or trading on these markets;
- no investment will be made in other listed or unlisted closed-ended investment funds or in any open-ended investment funds; and
- the Company will not invest directly in FTSE 100 companies (preference shares, loan stocks or notes, convertible securities or fixed interest securities or any similar securities convertible into shares), nor will it invest in the securities of other investment trusts or in unquoted companies. The Company may, on some occasions, hold such investments as a result of corporate actions by investee companies. If the Company holds shares in a company which enters the FTSE 100, it may not immediately divest of those shares but will do so when it considers appropriate, subject to market conditions.

The Company may hold assets acquired by the Company prior to the adoption of its investment policy for which there is no market and whose value the Company has written down to zero. The Company shall dispose of such assets as soon as is reasonably practicable.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

## **Investment Managers Report**

2024 was very much a year of two halves, with optimism and gains in the first half reined back by the downbeat tone of the new Government in the second half. The prospect of a majority Labour government that promoted fiscal prudence and a pro-business stance, meant investors were looking forward to political stability in the second half as the economy continued to improve. The reality unfortunately proved very different. The new government almost immediately started talking down the economy, undermining both business and consumer confidence, continually referencing the existence of a £22 billion black hole in public finances, which would need to be repaired by tax increases. With increases in VAT, Income Tax and individual National Insurance ruled out in the election campaign, the burden fell on business and savers.

The scale of the tax rises on business still surprised the market, with companies curtailing new investment and hiring plans, and either looking to pass on additional costs with inflationary price rises, where they can, or cutting back on staff to reduce costs in labour intensive operations where pricing power isn't a feature, curtailing the prospect of private sector growth. At the same time, the Chancellor announced an increase in unfunded public sector spending, undermining any confidence in the new government's fiscal propriety and putting upward pressure on bond yields, undermining the prospect of near-term rate cuts.

One issue that was particularly challenging for investors in UK smaller companies was speculation surrounding the possible removal of business relief from Inheritance Tax (IHT) on AIM shares. With the new government committing to retaining tax relief for EIS and AIM VCT investing, the lack of mention of AIM IHT relief caused a severe underperformance in AIM shares, where the Company is circa 55% weighted (to get exposure to growth sectors like Technology, Media and Healthcare). This underperformance was driven by investors' concerns that relatively illiquid AIM IHT portfolios would need to be unwound into an unreceptive market. As it was, AIM IHT relief was partially withdrawn, moving AIM shares down the list of tax planning priorities but not causing a wholesale sell-off, with AIM stocks enjoying a brief relief rally on the budget, but only partially recovering the damage already done. With the tax incentive substantially reduced, an increasing number of AIM-listed holdings have either completed or proposed a move from AIM to the Main Market (Alpha Group, Gamma Communications, Brooks Macdonald and Global Data). We expect this trend to continue, particularly for larger AIM listed companies that could benefit from Index inclusion when moving to a full listing.

As a consequence of the factors above, the Company endured an underwhelming second half of 2024, with NAV performance of -0.3%, after returning 11.5% in the first half of 2024. Whilst the UK market remains unloved by domestic investors with all eyes on US Tech giants, the low valuations of its constituents trade on have caught the eye of Private Equity and overseas trade buyers with a high level of agreed takeovers, with 5 agreed offers for holdings of the Company in the period.

The Company's highest contribution in the period came from online travel operator On The Beach, which resolved a long-standing dispute with Ryanair alongside reporting strong customer bookings growth, whilst the bid activity referred to above

standing dispute with Ryanair alongside reporting strong customer bookings growth, whilst the old activity related to above drove contribution from Windward, Aquis Exchange and Eckoh. Detractors included Oxford Metrics, which experienced customer order delays within its motion-capture camera business, and several holdings that provide discretionary B2B services (Ebiquity, Next 15 Group and Pulsar).

At a sectoral level, Technology remained the largest exposure within the Company at 23.1%, perhaps unsurprisingly given the sector is home to many high margin, high revenue visibility businesses with above average growth prospects. As mentioned in the previous report, the largest divergence in sector weightings in the period has been the increase in the Industrials weighting (12.5%). Whilst less exposed to the domestic economy, we have more recently built up the portfolio's Industrials exposure as overstocking caused by earlier post pandemic supply chain disruption, which has impacted industrial companies recent trading, starts to normalise. Outside of these sectors, we have added a holding in Ashtead Technology, the subsea equipment rental provider, and built up our positions in Brooks Macdonald and Luceco on share price weakness.

Looking forward, as managers we feel that most of the bad news from the Budget is now priced into the market. Inflation remains relatively subdued and real interest rates remain high, with the prospect of further cuts, especially if the economy continues to slow. President Trump's election has brought with it significant uncertainty around tariffs, with some proposals implemented then postponed whilst others, such as those focused on China, have gone ahead. Meanwhile, the UK and EU await any potential tariff news and thus what possible mitigating actions or concessions may be required. The Company's investment process of identifying sustainably high margin, asset light businesses means that most of the companies in the portfolio have pricing power, with limited exposure to labour intensive businesses with poor pricing power. Most of the Company's holdings have also advised that profits for 2024 will be at least in line with expectations in their year-end trading updates, the exceptions being discretionary B2B services groups, which are suffering from reduced discretionary spend by customers given the subdued economic conditions. UK cyclical building materials stocks, whilst not seeing a downturn, have not yet seen the rebound they had hoped for given the fewer rate cuts than anticipated at the start of 2024.

In 2025, the Labour party's 'Growth Agenda' will be under close scrutiny and we await with further clarification of capital projects and pro-growth de-regulation. A manifesto commitment to increase UK pension fund allocation to domestic investments would be a welcome change from the steady disinvestment we've seen for many years, providing a real liquidity boost for the Company's small and mid-cap end of the market. We continue to see the portfolio as attractively valued and believe this is borne out by the unprecedented level of takeover activity across the investment universe, as well as the extent of share buy-backs as managers of the portfolio companies see greater value using spare cash to buy their own shares back rather than making acquisitions.

## Chelverton Asset Management

14 February 2025

### Enquiries

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## Portfolio and Assets

At 31 December 2024

| Security                    | Holding | Fair Value<br>£ | % of total<br>net assets |
|-----------------------------|---------|-----------------|--------------------------|
| Alpha Group International   | 6,950   | 161,937         | 2.2                      |
| On the Beach Group          | 60,000  | 152,099         | 2.1                      |
| Learning Technologies Group | 150,000 | 146,851         | 2.0                      |
| JTC                         | 15,000  | 146,849         | 2.0                      |
| Global Data                 | 72,500  | 136,663         | 1.8                      |
| Hostelworld                 | 100,000 | 133,000         | 1.8                      |
| Restore                     | 55,000  | 132,000         | 1.8                      |

|                                  |           |         |     |
|----------------------------------|-----------|---------|-----|
| dotdigital                       | 150,321   | 130,479 | 1.8 |
| Eurocell                         | 75,000    | 128,250 | 1.7 |
| Bodycote                         | 20,000    | 126,400 | 1.7 |
| Brooks Macdonald                 | 7,500     | 125,626 | 1.7 |
| Auction Technology               | 22,500    | 123,750 | 1.7 |
| Trufin                           | 150,000   | 123,000 | 1.7 |
| Ashtead Technology               | 22,056    | 122,853 | 1.7 |
| Gamma Communications             | 8,000     | 122,400 | 1.7 |
| Big Technologies                 | 87,500    | 120,314 | 1.6 |
| Celebrus Technologies            | 45,000    | 119,250 | 1.6 |
| Sigmaroc                         | 161,301   | 116,137 | 1.6 |
| Warpaint London                  | 22,381    | 115,038 | 1.6 |
| Man Group                        | 52,500    | 112,560 | 1.5 |
| Clarkson                         | 2,786     | 109,907 | 1.5 |
| Inchcape                         | 12,500    | 96,189  | 1.3 |
| Vesuvius                         | 22,500    | 95,063  | 1.3 |
| Epwin Group                      | 100,000   | 95,000  | 1.3 |
| Duke Capital Limited             | 315,990   | 94,797  | 1.3 |
| Coats Group                      | 100,000   | 94,300  | 1.3 |
| Spectris                         | 3,750     | 93,975  | 1.3 |
| Luceco                           | 72,500    | 92,945  | 1.3 |
| Advanced Medical Solutions Group | 45,000    | 88,920  | 1.2 |
| ISpatial                         | 125,000   | 86,250  | 1.2 |
| LBG Media                        | 66,000    | 85,800  | 1.2 |
| Spectra Systems                  | 36,250    | 83,375  | 1.1 |
| Windward                         | 40,000    | 82,800  | 1.1 |
| Zotefoams                        | 25,000    | 78,750  | 1.1 |
| Personal Group                   | 42,500    | 78,200  | 1.1 |
| Gooch and Housego                | 15,000    | 77,700  | 1.1 |
| Alfa Financial Software Holdings | 36,000    | 77,220  | 1.0 |
| Diaceutics                       | 62,500    | 76,875  | 1.0 |
| Systeml Group                    | 12,500    | 76,250  | 1.0 |
| Ebiquity                         | 400,000   | 76,000  | 1.0 |
| Premier Foods                    | 40,000    | 75,040  | 1.0 |
| EnSilica                         | 175,000   | 73,500  | 1.0 |
| The Pebble Group                 | 162,500   | 73,125  | 1.0 |
| Wickes                           | 47,500    | 71,820  | 1.0 |
| SDI Group                        | 125,000   | 71,250  | 1.0 |
| FDM Group (Holdings)             | 22,500    | 70,875  | 1.0 |
| Microlise Group                  | 75,000    | 69,750  | 0.9 |
| Concurrent Technologies          | 50,000    | 68,500  | 0.9 |
| Severfield                       | 132,750   | 68,233  | 0.9 |
| RWS Holdings                     | 37,500    | 67,800  | 0.9 |
| Aptitude Software Group          | 20,000    | 67,000  | 0.9 |
| Accesso Technology Group         | 12,500    | 66,750  | 0.9 |
| Adriatic Metals                  | 35,000    | 66,640  | 0.9 |
| DFS Furniture                    | 45,495    | 63,693  | 0.9 |
| YouGov                           | 15,000    | 62,250  | 0.8 |
| Tracsis                          | 12,500    | 61,250  | 0.8 |
| XP Power Limited                 | 4,694     | 60,553  | 0.8 |
| Pulsar                           | 111,378   | 60,144  | 0.8 |
| Kooth                            | 32,500    | 57,850  | 0.8 |
| Zoo Digital                      | 150,000   | 57,000  | 0.8 |
| Volution Group                   | 10,000    | 56,000  | 0.8 |
| Oxford Metrics                   | 100,000   | 55,400  | 0.8 |
| Somero Enterprise Inc.           | 17,500    | 55,125  | 0.7 |
| Team17                           | 25,000    | 55,000  | 0.7 |
| Macfarlane Group                 | 50,000    | 53,500  | 0.7 |
| DP Poland                        | 500,000   | 52,500  | 0.7 |
| TT Electronics                   | 50,000    | 52,000  | 0.7 |
| Brave Bison                      | 2,500,000 | 50,000  | 0.7 |
| Next 15 Group                    | 12,500    | 49,125  | 0.7 |
| AJ Bell                          | 10,750    | 48,643  | 0.7 |
| Windar Photonics                 | 78,000    | 46,800  | 0.6 |
| PCI-PAL                          | 75,893    | 46,295  | 0.6 |
| Alliance Pharma                  | 100,000   | 44,940  | 0.6 |
| Eagle Eye Solutions              | 7,500     | 35,400  | 0.5 |
| Seeing Machines                  | 760,000   | 34,200  | 0.5 |
| Water Intelligence               | 8,233     | 33,755  | 0.5 |
| Nexteq                           | 50,596    | 31,874  | 0.4 |
| Dianomi                          | 75,000    | 29,250  | 0.4 |
| Getbusy                          | 50,000    | 28,000  | 0.4 |
| Inspired                         | 65,000    | 26,650  | 0.4 |

|  |           |                  |              |
|--|-----------|------------------|--------------|
| Smarttech247 Group                             | 250,000   | 26,250           | 0.4          |
| Victorian Plumbing                             | 25,000    | 23,200           | 0.3          |
| Acuity RM                                      | 1,142,857 | 21,714           | 0.3          |
| Arecor Therapeutics                            | 30,000    | 21,600           | 0.3          |
| Merit Group                                    | 70,000    | 21,000           | 0.3          |
| Future   | 1,925     | 17,826           | 0.2          |
| Quanex Building Supplies                       | 750       | 14,511           | 0.2          |
| Narf Industries                                | 2,500,000 | 12,500           | 0.2          |
| Invinity Energy Systems                        | 71,739    | 11,120           | 0.1          |
| PJSC Lukoil ADR (Rep 1 Ord RUB0.025)           | 9,500     | -                | 0.0          |
| <b>Total equity investments</b>                |           | <b>6,722,973</b> | <b>91.4</b>  |
| Cash   |           | 425,303          | 5.8          |
| Other assets net of other liabilities          |           | 208,584          | 2.8          |
| <b>Total cash and other net current assets</b> |           | <b>633,887</b>   | <b>8.6</b>   |
| <b>Total net assets</b>                        |           | <b>7,356,860</b> | <b>100.0</b> |

## Interim management report and Directors' responsibility statement

### Interim management report

The important events that have occurred during the period under review and their impact on the financial statements are set out in the Investment Manager's Report above.

In the view of the Board, the principal risks facing the Group are substantially unchanged since the date of the Report and Accounts for the year ended 30 June 2024 and continue to be as set out in that report. Risks faced by the Group include, but are not limited to, market risk (which comprises market price risk, interest rate risk and liquidity risk). Details of the Group's management of these risks and exposure to them is set out in the Group's Report and Accounts for the year ended 30 June 2024.

Other than as disclosed in note 9, there have been no significant changes in the related party disclosures set out in the Annual Report.

The Board has undertaken a review of the Company's subsidiaries and has concluded that it is in the best interests of the Group to commence the wind-up of New Centurion Trust Limited which became a subsidiary of the Company in 2005. It is a dormant company whose only asset is the preference shares in the Company which are eliminated on consolidation. Therefore, the wind up will have no impact on the Group's financial statements.

### Directors' responsibility statement

The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- this Half-Yearly Financial Report includes a fair review of the information required by:
  - a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period; and any changes in the related party transactions that could do so.

This Half-Yearly Financial Report was approved by the Board of Directors on 14 February 2025 and the above responsibility statement was signed on its behalf by I. R. Dighé, Chairman.

## Condensed consolidated income statement

For the six months ended 31 December 2024 (unaudited)

6 months to 31 December  
2024

6 months to 31 December 2023

Year ended 30 June 2024

| Notes  | 2024          |               |             | Periods to 31 December 2023 |               |             | Periods to 30 June 2023 |               |             |
|--|---------------|---------------|-------------|-----------------------------|---------------|-------------|-------------------------|---------------|-------------|
|  | Revenue<br>£  | Capital<br>£  | Total<br>£  | Revenue<br>£                | Capital<br>£  | Total<br>£  | Revenue<br>£            | Capital<br>£  | Total<br>£  |
| (Losses)/gains on investments at fair value through profit or loss             | -             | (11,153)      | (11,153)    | -                           | 258,021       | 258,021     | -                       | 886,415       | 886,415     |
| Exchange loss on capital items   | -             | (1)           | (1)         | -                           | (10,475)      | (10,475)    | -                       | (10,484)      | (10,484)    |
| Investment income  | 2 59,187      | 3,750         | 62,937      | 84,002                      | -             | 84,002      | 210,040                 | 118,536       | 328,576     |
| Investment Management fee  | 3 -           | -             | -           | -                           | -             | -           | -                       | -             | -           |
| Expenses   | (74,834)      | -             | (74,834)    | (80,660)                    | -             | (80,660)    | (188,232)               | -             | (188,232)   |
| (Loss)/return before taxation  | (15,647)      | (7,404)       | (23,051)    | 3,342                       | 247,546       | 250,888     | 21,808                  | 994,467       | 1,016,275   |
| Taxation   | 801           | -             | 801         | (1,123)                     | -             | (1,123)     | (3,629)                 | -             | (3,629)     |
| Total (loss)/return after taxation   | (14,846)      | (7,404)       | (22,250)    | 2,219                       | 247,546       | 249,765     | 18,179                  | 994,467       | 1,012,646   |
|  | Revenue pence | Capital pence | Total pence | Revenue pence               | Capital pence | Total pence | Revenue pence           | Capital pence | Total pence |
| Return on total income after taxation per 50p ordinary share - basic & diluted | 4 (0.81)      | (0.40)        | (1.21)      | 0.10                        | 10.99         | 11.09       | 0.89                    | 48.61         | 49.50       |

The total column of this statement is the Income Statement of the Group prepared in accordance with International Accounting Standards in conformity with the Companies Act 2006. The supplementary revenue and capital columns are prepared in accordance with the Statement of Recommended Practice ("AIC SORP") issued in July 2022 by the Association of Investment Companies.

The Group did not have any income or expense that was not included in total income for the period. Accordingly, total income is also total comprehensive income for the period, as defined by IAS 1 (revised) and no separate Statement of Comprehensive Income has been presented.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period.

The notes form part of these condensed financial statements.

## Condensed consolidated statement of changes in equity

For the six months ended 31 December 2024 (unaudited)

|  | Ordinary share capital<br>£ | Share redemption premium reserve<br>£ | Capital reserve<br>£ | Special Reserve<br>£ | Capital reserve<br>£ | Revenue reserve<br>£ | Total<br>£   |
|--|-----------------------------|---------------------------------------|----------------------|----------------------|----------------------|----------------------|--------------|
| Balance at 1 July 2024   | 2,792,439                   | 2,425,325                             | -                    | -                    | 3,662,726            | (1,503,749)          | 7,376,741    |
| Total comprehensive income   |                             |                                       |                      |                      |                      |                      |              |
| Net loss for the period  | -                           | -                                     | -                    | -                    | (7,404)              | (14,846)             | (22,250)     |
| Transactions with Shareholders recorded directly to equity           |                             |                                       |                      |                      |                      |                      |              |
| Ordinary dividends (note 5)  | -                           | -                                     | -                    | -                    | -                    | 2,369                | 2,369        |
| Balance at 31 December 2024  | 2,792,439                   | 2,425,325                             | -                    | -                    | 3,655,322            | (1,516,226)          | 7,356,860    |
| Balance at 1 July 2023   | 2,386,025                   | 4,453,903                             | 2,408,820            | -                    | 8,545,911            | (1,523,855)          | 16,270,804   |
| Total comprehensive income   |                             |                                       |                      |                      |                      |                      |              |
| Net return for the period  | -                           | -                                     | -                    | -                    | 247,546              | 2,219                | 249,765      |
| Transactions with Shareholders recorded directly to equity           |                             |                                       |                      |                      |                      |                      |              |
| Cancellation of share premium account and capital redemption reserve | -                           | (4,453,903)                           | (2,408,820)          | 6,862,723            | -                    | -                    | -            |
| Share issue  | 406,414                     | 2,425,325                             | -                    | -                    | -                    | -                    | 2,831,739    |
| Costs of shares purchased under Tender Offer and held in Treasury    | -                           | -                                     | -                    | -                    | (12,658,140)         | -                    | (12,658,140) |
| Tender offer and share issue costs                                   | -                           | -                                     | -                    | -                    | (82,235)             | -                    | (82,235)     |
| Ordinary dividends (note 5)  | -                           | -                                     | -                    | -                    | -                    | 1,927                | 1,927        |
| Balance at 31 December 2023  | 2,792,439                   | 2,425,325                             | -                    | 6,862,723            | (3,946,918)          | (1,519,709)          | 6,613,860    |

|  | 2023      | 2024        | 2025        | 2026        | 2027        | 2028        | 2029         |
|--|-----------|-------------|-------------|-------------|-------------|-------------|--------------|
| <b>Balance at 1 July 2023</b>  | 2,386,025 | 4,453,903   | 2,408,820   | -           | 8,545,911   | (1,523,855) | 16,270,804   |
| <b>Total comprehensive income</b>                                    |           |             |             |             |             |             |              |
| Net return for the year  | -         | -           | -           | -           | 994,467     | 18,179      | 1,012,646    |
| <b>Transactions with Shareholders recorded directly to equity</b>    |           |             |             |             |             |             |              |
| Cancellation of share premium account and capital redemption reserve | -         | (4,453,903) | (2,408,820) | 6,862,723   | -           | -           | -            |
| Share issue  | 406,414   | 2,425,325   | -           | -           | -           | -           | 2,831,739    |
| Cost of shares purchased under Tender Offer and held in Treasury     | -         | -           | -           | (6,862,723) | (5,795,417) | -           | (12,658,140) |
| Tender offer and share issue costs                                   | -         | -           | -           | -           | (82,235)    | -           | (82,235)     |
| Ordinary dividends (note 5)  | -         | -           | -           | -           | -           | 1,927       | 1,927        |
| <b>Balance at 30 June 2024</b>                                       | 2,792,439 | 2,425,325   | -           | -           | 3,662,726   | (1,503,749) | 7,376,741    |

The notes form part of these condensed financial statements.

## Condensed consolidated balance sheet

At 31 December 2024 (unaudited)

|   | Notes | 31 December 2024<br>£ | 31 December 2023<br>£ | 30 June 2024<br>£ |
|---|-------|-----------------------|-----------------------|-------------------|
| <b>Non-current assets</b>                             |       |                       |                       |                   |
| Investments held at fair value through profit or loss | 8     | 6,722,973             | 6,209,733             | 7,069,820         |
| <b>Current assets</b>                                 |       |                       |                       |                   |
| Trade and other receivables                           |       | 332,043               | 140,531               | 264,926           |
| Cash and cash equivalents                             |       | 425,303               | 368,049               | 252,293           |
|   |       | <b>757,346</b>        | <b>508,580</b>        | <b>517,219</b>    |
| <b>Current liabilities</b>                            |       |                       |                       |                   |
| Trade and other payables                              |       | (123,459)             | (104,453)             | (210,298)         |
|   |       | <b>(123,459)</b>      | <b>(104,453)</b>      | <b>(210,298)</b>  |
| <b>Net current assets</b>                             |       | <b>633,887</b>        | <b>404,127</b>        | <b>306,921</b>    |
| <b>Net assets</b>                                     |       | <b>7,356,860</b>      | <b>6,613,860</b>      | <b>7,376,741</b>  |
| <b>Capital and reserves</b>                           |       |                       |                       |                   |
| Ordinary share capital                                | 6     | 2,792,439             | 2,792,439             | 2,792,439         |
| Share premium   |       | 2,425,325             | 2,425,325             | 2,425,325         |
| Special reserve                                       |       | -                     | 6,862,723             | -                 |
| Capital reserve                                       |       | 3,655,322             | (3,946,918)           | 3,662,726         |
| Revenue reserve                                       |       | (1,516,226)           | (1,519,709)           | (1,503,749)       |
| <b>Shareholders' funds</b>                            |       | <b>7,356,860</b>      | <b>6,613,860</b>      | <b>7,376,741</b>  |
| <b>NAV per ordinary share of 50p</b>                  | 7     | <b>400.44p</b>        | <b>360.00p</b>        | <b>401.52p</b>    |

The notes form part of these condensed financial statements.

## Condensed consolidated cash flow statement

For the six months ended 31 December 2024 (unaudited)

|   | 31 December 2024<br>£ | 31 December 2023<br>£ | 30 June 2024<br>£   |
|---|-----------------------|-----------------------|---------------------|
| <b>Cash flows used in operating activities</b>                  |                       |                       |                     |
| Income received from investments                                | 68,758                | 14,451                | 269,318             |
| Interest received   | 2,738                 | 48,236                | 50,708              |
| Overseas taxation received (paid)                               | 808                   | (2,609)               | (4,475)             |
| Investment management fees paid                                 | -                     | -                     | -                   |
| Other cash payments   | (233,486)             | (211,259)             | (352,286)           |
| <b>Net cash used in operating activities</b>                    | <b>(161,182)</b>      | <b>(151,181)</b>      | <b>(36,735)</b>     |
| <b>Cash flows generated from/(used in) financing activities</b> |                       |                       |                     |
| Proceeds from Share Issue                                       | -                     | 3,618,690             | 3,618,690           |
| Funding of Tender Offer   | -                     | (13,445,091)          | (13,445,091)        |
| Share Issue and Tender Offer expenses paid                      | -                     | (539,075)             | (539,075)           |
| <b>Net cash used in financing activities</b>                    | <b>-</b>              | <b>(10,365,476)</b>   | <b>(10,365,476)</b> |
| <b>Cash flows generated from investing activities</b>           |                       |                       |                     |

|  |                |                    |                    |
|--|----------------|--------------------|--------------------|
| Purchase of investments  | (1,769,680)    | (5,956,391)        | (9,459,505)        |
| Sale of investments  | 2,103,873      | 8,558,662          | 11,831,583         |
| <b>Net cash generated from investing activities</b>            | <b>334,193</b> | <b>2,602,271</b>   | <b>2,372,078</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents</b>    | <b>173,011</b> | <b>(7,914,386)</b> | <b>(8,030,133)</b> |
| <b>Reconciliation of net cash flow to movement in net cash</b> |                |                    |                    |
| Increase/(decrease) in cash                                    | 173,011        | (7,914,386)        | (8,030,133)        |
| Exchange rate movements  | (1)            | 9                  | -                  |
| Increase/(decrease) in net cash                                | 173,010        | (7,914,377)        | (8,030,133)        |
| Net cash at start of period                                    | 252,293        | 8,282,426          | 8,282,426          |
| Net cash at end of period                                      | 425,303        | 368,049            | 252,293            |
| <b>Analysis of net cash</b>                                    |                |                    |                    |
| Cash and cash equivalents                                      | 425,303        | 368,049            | 252,293            |
|  | 425,303        | 368,049            | 252,293            |

The notes form part of these condensed financial statements.

## Condensed notes to the consolidated financial statements

For the six months ended 31 December 2024 (unaudited)

### 1. Significant accounting policies

#### Basis of Preparation

The condensed consolidated financial statements, which comprise the unaudited results of the Company and its wholly owned subsidiaries, Abport Limited and New Centurion Trust Limited, (until the date of liquidation) together referred to as the "Group", have been prepared in accordance with United Kingdom adopted International Accounting Standards and in accordance with the requirements of the Companies Act 2006. The financial statements have been prepared in accordance with the AIC SORP, except to any extent where it is not consistent with the requirements of International Accounting Standards. The accounting policies are as set out in the Report and Accounts for the year ended 30 June 2024.

The half-year financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting".

The financial information contained in this half year financial report does not constitute statutory accounts as defined by the Companies Act 2006. The financial information for the periods ended 31 December 2024 and 31 December 2023 have not been audited or reviewed by the Company's Auditor. The figures and financial information for the year ended 30 June 2024 are an extract from the latest published audited statements, and do not constitute the statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and include a report of the Auditor, which was unqualified and did not contain a statement under either Section 498(2) or 498(3) of the Companies Act 2006.

#### Going Concern

The Directors have made an assessment of the Group's ability to continue as a going concern. This has included consideration of portfolio liquidity, the Group's financial position in respect of its cash flows and investment commitments (of which there are none of significance), the working arrangements of the key service providers, the continued eligibility to be approved as an investment trust company, the impact of the conflicts in Ukraine and the Middle East, and the current economic environment. In addition, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern.

The Directors are satisfied that the Group has the resources to continue in business for the foreseeable future being a period of at least 12 months from the date that these financial statements were approved. Therefore, the financial statements have been prepared on the going concern basis.

#### Segmental Reporting

The Directors are of the opinion that the Group is engaged in a single segment of business, being investment business.

### 2. Income

|   | 6 months to<br>31 December<br>2024<br>£ | 6 months to<br>31 December<br>2023<br>£ | Year ended<br>30 June<br>2024<br>£ |
|---|---|---|------------------------------------|
| <b>Income from investments:</b>                       |   |   |                                    |
| UK dividends  | 58,998                                  | 22,061                                  | 241,132                            |
| Unfranked dividend income (including scrip dividends) | 1,201                                   | 5,115                                   | 13,548                             |
| UK fixed interest                                     | -                                       | 7,723                                   | 23,188                             |



|                                 | 6 months to<br>31 December<br>2024 | 6 months to<br>31 December<br>2023 | Year ended<br>30 June<br>2024 |
|---------------------------------|------------------------------------|------------------------------------|-------------------------------|
| Other income                    | 60,199                             | 34,899                             | 277,868                       |
| Bank deposit and other interest | 2,738                              | 49,103                             | 50,708                        |
| <b>Total income</b>             | <b>62,937</b>                      | <b>84,002</b>                      | <b>328,576</b>                |

### 3. Investment Management Fee

|                           | 6 months to<br>31 December<br>2024 | 6 months to<br>31 December<br>2023 | Year ended<br>30 June<br>2024 |
|---------------------------|------------------------------------|------------------------------------|-------------------------------|
|                           | £                                  | £                                  | £                             |
| Investment management fee | -                                  | -                                  | -                             |

The Company was self-managed until 26 July 2023 when Chelverton Asset Management were appointed as Investment Manager.

The Investment Manager is entitled to an annual fee of 0.75% of the Net Asset Value. To the extent that the ongoing charges ratio exceeds 2% of Net Asset Value, the Investment Manager has waived the management fee and shall instead make a contribution to the Company to ensure that the ongoing charges ratio does not exceed 2% of Net Asset Value. An amount of £118,352 has become available to offset against future investment management fees during the period.

At 31 December 2024, there was an amount of £307,828 due to the Group as a contribution towards the running costs of the Group.

### 4. Return per Ordinary Share

Returns per share are based on the weighted average number of shares in issue during the period. Normal and diluted returns per share are the same as there are no dilutive elements on share capital.

|  | 6 months to<br>31 December 2024 |                    | 6 months to<br>31 December 2023 |                    | Year ended<br>30 June 2024 |                    |
|--|---------------------------------|--------------------|---------------------------------|--------------------|----------------------------|--------------------|
|  | Net return<br>£                 | Pence per<br>share | Net return<br>£                 | Pence per<br>share | Net return<br>£            | Pence per<br>share |
| <b>Return after taxation<br/>attributable to ordinary<br/>Shareholders</b> |                                 |                    |                                 |                    |                            |                    |
| Revenue  | (14,846)                        | (0.81)             | 2,219                           | 0.10               | 18,179                     | 0.89               |
| Capital  | (7,404)                         | (0.40)             | 247,546                         | 10.99              | 994,467                    | 48.61              |
| <b>Total comprehensive income</b>  | <b>(22,250)</b>                 | <b>(1.21)</b>      | <b>249,765</b>                  | <b>11.09</b>       | <b>1,012,646</b>           | <b>49.50</b>       |
| <b>Weighted average number of<br/>ordinary shares</b>                      | <b>1,837,205</b>                |                    | <b>2,251,911</b>                |                    | <b>2,045,691</b>           |                    |

### 5. Dividends per Ordinary Share

Amounts recognised as distributions to equity holders in the period.

|  | 6 months to<br>31 December<br>2024 | 6 months to<br>31 December<br>2023 | Year ended<br>30 June<br>2024 |
|--|------------------------------------|------------------------------------|-------------------------------|
|  | £                                  | £                                  | £                             |
| <b>Ordinary shares</b>   |                                    |                                    |                               |
| Unclaimed dividends in respect of prior periods clawed back after 12 years | (2,369)                            | (1,927)                            | (1,927)                       |
| <b>Total</b>   | <b>(2,369)</b>                     | <b>(1,927)</b>                     | <b>(1,927)</b>                |

### 6. Ordinary Share Capital

|                                    | 31 December 2024 |                  | 31 December 2023 |                  | 30 June 2024     |                  |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                    | Number           | £                | Number           | £                | Number           | £                |
| <b>Ordinary shares of 50p each</b> | <b>5,584,878</b> | <b>2,792,439</b> | <b>5,584,878</b> | <b>2,792,439</b> | <b>5,584,878</b> | <b>2,792,439</b> |

As announced on 18 July 2023, 3,980,664 ordinary shares were validly tendered pursuant to the Tender Offer, constituting 83.4% of the existing issued share capital of the Company at that date. All validly tendered ordinary shares were accepted in full, with 3,747,673 ordinary shares repurchased by the Company and 232,991 ordinary shares sold to Incoming Shareholders pursuant to the Matched Bargain Facility.

In addition, on 26 July 2023 the Company issued 812,829 new ordinary shares in connection with the Offer for Subscription and Intermediaries Offer.

Following Admission, and completion of the Tender Offer, the Company's total issued share capital comprises of 5,584,878 ordinary shares. Of the shares in issue, 3,747,673 ordinary shares are held in Treasury. Therefore, the total number of shares

with voting rights in the Company is 1,837,205.

The above figure of 1,837,205 may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

The ordinary shares entitle the holders to receive all ordinary dividends and all remaining assets on a winding up, after the fixed rate preference shares have been satisfied in full.

At 31 December 2024, the Company holds 3,747,673 ordinary shares in Treasury (31 December 2023: 3,747,673, 30 June 2024: 3,747,673).

## 7. Net Asset Value per Ordinary Share

The NAV per ordinary share is calculated as follows:

|  | 31 December 2024 | 31 December 2023 | 30 June 2024 |
|--|------------------|------------------|--------------|
|  | £                | £                | £            |
| Net assets   | 7,356,860        | 6,613,860        | 7,376,741    |
| Ordinary shares in issue (excluding shares held in Treasury) | 1,837,205        | 1,837,205        | 1,837,205    |
| NAV per ordinary share                                       | 400.44p          | 360.00p          | 401.52p      |

## 8. Fair Value Hierarchy

The fair value is the amount at which an asset could be sold in an ordinary transaction between market participants at the measurement date, other than a forced or liquidation sale. The Group measures fair values using the following hierarchy that reflects the significance of the inputs used in making the measurements.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 - valued using quoted prices, unadjusted in active markets for identical assets and liabilities.

Level 2 - valued by reference to valuation techniques using observable inputs for the asset or liability other than quoted prices included in Level 1.

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data for the asset or liability.

The table below sets out fair value measurement of financial instruments as at 31 December 2024, by the level in the fair value hierarchy into which the fair value measurement is categorised.

|   | Level 1   | Level 2 | Level 3 | Total     |
|---|-----------|---------|---------|-----------|
|   | £         | £       | £       | £         |
| <b>At 31 December 2024</b>                            |           |         |         |           |
| Investments held at fair value through profit or loss | 6,722,973 | -       | -       | 6,722,973 |
| <b>At 31 December 2023</b>                            |           |         |         |           |
| Investments held at fair value through profit or loss | 6,209,733 | -       | -       | 6,209,733 |
| <b>At 30 June 2024</b>                                |           |         |         |           |
| Investments held at fair value through profit or loss | 7,069,820 | -       | -       | 7,069,820 |

## 9. Related party transactions

Fiske plc, a company in which Mr Perrin is a non-executive director, is the Company's custodian. An amount of £3,535 (2023: £3,088) was paid to Fiske plc pursuant to the custody agreement and, as at the period end, £1,755 (2023: £1,553) was payable to Fiske plc.

David Homer was appointed as a non-executive Director on 26 July 2023. Mr Homer is the Investment Trust Director of the Investment Manager. The transactions with the Investment Manager are described in note 3. At 31 December 2024, there was an amount of £307,828 due to the Group as a contribution towards the running costs of the Group.

During the first six months of the financial year, no other transactions with related parties have taken place which have materially affected the financial position or performance of the Group.

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on this announcement (or any other website) is incorporated into, or forms part of this announcement.

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