

RIGHTS AND ISSUES INVESTMENT TRUST PLC

Legal Entity Identifier (LEI): 2138002AWAMB3Z6BP574

Annual Results for the year to 31st December 2024

The following text is extracted from the Company's financial statements for the year ended 31st December 2024. Page numbers refer to the full financial statements.

CHAIRMAN'S STATEMENT

Market backdrop

For small cap industrials and this investment trust which focuses on them 2024 can perhaps best be described as a year of two quite distinct halves. The first half of the year saw the continued effects of economic policy decisions on containing and reducing energy led inflation. This was combined with increasing levels of investor confidence helping to support the FTSE All-Share index to gain 7.4%. This was followed by a second half largely driven by the post UK election sentiment where we saw government trying to manage economic expectations downwards. Thus, despite inflation remaining steady and two reductions in bank base rates, investor confidence weakened with a corresponding reduction in demand. Consequently, progress in the overall market was more subdued, with gains of only 1.9% in the second half. The timing and results of the US elections and the UK Government's autumn budget may also have played a role in making investors more cautious towards the year end. These factors, as well as competitive pressures, will continue to test the management of our portfolio companies. Our Investment Manager will continue to monitor closely their ability to maintain market share and margins.

Company performance

The Company's investments generated a NAV per share return for shareholders of 8.8% in 2024 compared to 5.5% for our chosen benchmark, the FTSE All-Share Index. The share price increased by 11.7% over the year, from 2130.0p to 2380.0p; and at the end of the year the discount to NAV had narrowed to 6.4%, a reduction from 8.9% at the end of the prior year, and averaged 9.7% over the course of the year.

Jupiter

As reported in the half year report our portfolio is now managed by lead manager Matt Cable, supported by Tim Service. They have continued to actively manage the portfolio. In 2024 four complete exits were achieved and five new positions were acquired. These changes and the performance of the individual holdings that have driven the Company's performance are more fully described in the Investment Manager's Review.

The Management Engagement Committee carried out its second formal review of Jupiter's performance in November. It noted the continuity of investment style, the changes that had been made to reduce the concentration of the portfolio and discussed the new positions that have been taken. The Board will continue to keep the Investment Manager's performance under regular review. The increase in marketing activities for the Company reported on last year have continued. These are carried out to try to raise awareness of the Company to a much wider audience of investors, particularly the self-directed private individual. Over the course of the year online and in person events were held for a variety of investors, including wealth managers, professional fund managers and private individuals. The Board recognises the importance of engaging with existing and potential shareholders and supports the use of third party 'paid for' research and video content agencies to achieve this. This content can be found on the Company's web pages at www.jupiteram.com

Discount

At the end of December 2024 the discount stood at 6.4%. During the year the Company bought back 778,881 Ordinary shares in the market at a cost of £17.7 million. The share buyback programme remains an important tool to try to narrow the discount between the Company's share price and net asset value per share or reduce its volatility. Buybacks at the margin provide a useful increase in liquidity for those shareholders seeking to realise their investment whilst also delivering an economic uplift for those shareholders wishing to remain invested in the Company. Subject to shareholder approval of the share buyback resolution at the forthcoming Annual General Meeting the current buyback programme will run until July 2025.

Shareholder consultations

Over the course of 2024 the Board consulted with a number of major shareholders to hear their views on a potential share split. Whilst there was some continued support for this initiative on the basis that it was thought it might help increase liquidity, the clear and significant majority thought that at this time the costs of such an exercise far outweighed any potential benefits to shareholders. Consequently, the Board has decided to call an indefinite pause on these plans. There were also some shareholders that thought a change of name might help promote the Company. Again, a clear and significant majority of shareholders that were consulted were of the view that the potential distraction of such an exercise far outweighed any likely benefits.

Dividend

The Directors are aware of the appetite our shareholders have for income and are proposing a final dividend of 32.00p per share which, if approved at the upcoming AGM, would result in total dividends for the year of 44.00p per share, an increase of 2.3% over the previous year's dividend.

Annual General Meeting

The Company's Annual General Meeting is to be held at 12 noon on Monday, 24th March 2025 at Jupiter's offices, the Zig Zag Building, 70

Victoria Street, London SW1E 6SQ. The AGM will be followed by a presentation by our Investment Manager. My fellow Directors and I look forward to meeting as many shareholders as possible at the meeting.

As we know, a significant number of shareholders hold their shares via execution only platforms. These platforms are increasingly making it easier to participate in voting. Your platform provider will be able to assist you in this regard.

Irrespective of whether you intend to attend the AGM in person, please submit your proxy votes in respect of the resolutions via the registrar's portal. Details of how to do this can be found in the notice of AGM in the Annual Report and Accounts. Alternatively, if you hold your shares via an execution only platform or online stockbroker, the AIC has produced a helpful summary setting out how to vote your shares on its website: www.theaic.co.uk/how-to-vote-your-shares. Should you have any questions for the Board these can be submitted to our Company Secretary at the registered office or via email to cosec-uk@apexgroup.com.

Outlook

As we look forwards into 2025 it is fair to say that we expect to see continued volatility in the markets, with the completion of the elections in the UK and USA in 2024 potentially mitigating some of this. So, whilst there are some signs that energy prices, inflation and interest rates may have peaked, we are now seeing rising gilt yields and, in the UK where we focus, higher employment taxes to contend with. As a Board we are very mindful of these factors. These and other factors will provide opportunities as well as challenges. Accordingly, we will continue to encourage our Investment Manager to seek investments in differentiated companies operated by good management teams that they believe to be fundamentally underpriced. The Board believes that our team at Jupiter have the skills and knowledge to identify these and so continue to be well placed to deliver for your Company into the future.

Dr Andrew J Hosty

Chairman

20th February 2025

INVESTMENT MANAGER'S REVIEW

Introduction

We are pleased to present our investment report to shareholders of Rights and Issues for the year to December 2024.

As mentioned in our interim report, Dan Nickols announced his retirement from the industry at the end of June. We wish him well and thank him for his considerable contributions to the team and the early success of Rights and Issues following our appointment as investment managers. In line with Jupiter's well established succession plans, Matt Cable assumed the role of lead manager for Rights and Issues, supported by Tim Service, who was also appointed head of Jupiter's Small and Mid-Cap team. Tim is a longstanding member of the team who also has lead manager responsibilities for a number of Jupiter's small and mid-cap capabilities.

Given the continuity of management within the Jupiter team there is no change to the Company's overall investment strategy. It remains a fundamental, bottom-up stock picking process, expressed in a relatively concentrated but well diversified portfolio. With the team's change of leadership, we have made certain enhancements to this process, with a particular focus on stronger risk controls based on new monitoring tools. These are designed to reduce unintended exposures in the portfolio and hence limit unexpected performance surprises.

In this report we discuss the current market backdrop, update shareholders on performance and changes to the portfolio over the year and provide an outlook for the year ahead.

Market backdrop

The first half of the year was characterised by moderating inflation and increasing investor confidence that interest rates would fall and economic growth accelerate. As we noted in our interim report, the FTSE All-Share index gained 7.4% in the year to June. Inflation has remained broadly stable, as expected, through the balance of the year and there have been two cuts to the bank base rate. However, market interest rates have risen, with the yield on two- year government gilts reaching around 4.4% at the end of the year - well above the lows of about 3.6% in the summer.

As we have discussed before, higher interest rates generally have the effect of suppressing economic activity, which in turn impacts the value of equities. At the same time, the newly elected Labour government spent much of the second half of the year strenuously attempting to lower expectations, with much talk of fiscal 'black holes' and 'painful decisions'. In the event, the autumn budget was relatively benign (with the exception of an unwelcome increase in employer national insurance contributions). The damage to confidence, however, appeared to have been done, again reflected in equity performance.

In November Donald Trump was elected US President for a second time. Furthermore, the Republican Party gained full control of Congress which will allow the new administration much greater scope to implement its agenda. How much of the pre-election rhetoric around tariffs, immigration and foreign relations translates into policy remains to be seen, driving further uncertainty. Interestingly the US equity market seems to have taken this all in its stride, but elsewhere investors are once again taking a more cautious approach.

Despite these challenges the UK market was broadly stable through the second half of the year, with the FTSE All- Share returning 1.9%, and hence 9.5% for the year as a whole.

Portfolio Performance

The Company's portfolio of investments returned 9.3% for the year on a total return basis, marginally behind its benchmark, the FTSE All- Share Index. The Company's shares performed significantly better than this at 14.0%, reflecting a narrowing of their discount to net asset value.

Given the concentrated nature of the portfolio, relative performance is largely a result of individual stock returns. Some of the most significant contributors and detractors to performance for the year included (total return for the year shown in brackets):

Renold (+35%)

For the second year running, industrial chain manufacturer Renold was one of the top contributors to fund performance in 2024. Picking up

where it left off the previous year, the company has delivered a series of profit upgrades driven by strong operational performance and attractive acquisitions. After the share price peaked towards the end of the first half, it has drifted back through the balance of the year. As such the valuation remains compelling in our view and we remain positive on the investment case.

Eleco (+83%)

Building design and management software company Eleco was also a strong performer in the year. Following a strong transition from a mainly licence-based business model to one more focused on subscription income, Eleco is now experiencing strong profit growth which has been rewarded by the market. We see considerable scope for further growth and hence continue to hold the shares.

Gamma Communications(+37%)

Supplier of telecommunications services mainly to smaller and mid-sized businesses, Gamma Communications also contributed strongly to performance in 2024. Concerns about pricing power that had previously weighed on the valuation have proved to be largely unfounded, allowing the shares to re-rate throughout the year, supported by modest increases to profit expectations. Again, we remain positive on prospects.

Spirax Group (-35%)

Industrial thermal energy and fluid products business Spirax Group was a major detractor from performance for the year. Weakness in end markets drove a series of profit downgrades and undermined confidence, resulting in a de-rating of the shares. We believe that recovery may now take longer than the market expects and have therefore sold the position completely.

Videndum (-58%)

Content creation product manufacturer Vendendum detracted from performance for the second year in a row as its end markets took longer to recover than expected following strikes in Hollywood and a consumer downturn. Management was changed towards the end of the year and we will wait to hear the plans of the new team before taking a view on the future of the investment.

Vp (-6.4%)

Specialist equipment rental business Vp was also a performance detractor in 2024 as construction markets remained weak and profit expectations were lowered. While frustrating, we continue to view Vp as a quality business with what is now a very attractive valuation. We remain holders.

Portfolio changes

There were four complete sales and five new additions to the portfolio over the year.

Sales included **Spirax Group**, as mentioned above, as well as agricultural supplies and industrial business **Carr's Group**. We believe that recovery in Carr's end market may take longer and be less complete than the market expects. Software business **Gresham Technologies** and telecoms testing company **Spirent** also left the portfolio as each received takeover bids.

New stocks added to the portfolio during the year included:

Jet2 is a vertically integrated airline and tour operator with what we see as a differentiated model and customer proposition. This is validated by consistent share gains that have left it as the largest operator (by IATA licences) in its target markets.

Identity verification and fraud prevention business **GB Group** is a high-quality operator in our view, but has been through a difficult post-pandemic period as markets have normalised, exacerbated by an acquisition that was poorly received by the stock market. We believe that this has created an opportunity to invest in a quality business at an attractive valuation.

Alternative asset manager **Foresight Group** has strong positions in the attractive infrastructure and regional private equity niches. It serves clients ranging from retail investors to large institutions and has ambitious plans to grow profits over the next few years.

Norcros is a designer and distributor of bathroom hardware through brands such as Triton and Vado. Since disposing of its Johnson Tiles business, it has operated a largely capital-light model with most of the manufacturing outsourced to third parties. With a relatively new management team firmly focused on a growth agenda we think the opportunity to create value is significant.

Sthree is a global recruitment business with a focus on contract (rather than permanent) placements and STEM (Science, Technology, Engineering and Maths) disciplines. It is in a cyclical sector currently experiencing a deep and prolonged downturn which, we believe, has created an attractive valuation opportunity for long term investors.

Summary and Outlook

In many ways the year has played out broadly as expected. Inflation has continued to moderate and interest rates have started to come down. By the standards of recent years there have been relatively few macroeconomic shocks for markets to contend with. While conflicts continue in Ukraine and the Middle East (as well as other regions that attract less attention) they cannot be said to be influencing commodity prices or global supply chains as they did previously.

In this context it was not surprising to see markets performing reasonably well in the first half of the year and somewhat frustrating that they have lost momentum more recently. On a global level it is fair to say that caution remains the watchword in many areas. The US remains an exception as deficit funded spending and ongoing enthusiasm for all things AI have helped sustain an appetite for risk that seems ever more decoupled from the rest of the world.

In the UK a hoped-for recovery in activity has been choked off as much by negative sentiment as policy (although higher employment taxes will have an effect). Both consumers and businesses still seem to be in 'wait and see' mode before committing to higher spending. While few businesses are seeing outright market weakness, there are also few reports of sustained recovery.

In this environment we expect the equity market to remain fairly volatile with potentially repeated 'false dawns' and occasional periods of weakness. This does not mean we are any less enthusiastic about the longer term. Many companies are still reporting depressed earnings and valuations remain attractive. Pockets of strong structural growth remain. Hence there are opportunities for investors with a longer-term outlook.

Given this backdrop we believe that a balanced approach to portfolio construction remains appropriate. We are not positioned for a rapid recovery, but neither are we taking an overly defensive stance that might miss out on the recovery when it arrives. This will require patience but, we believe, will ultimately yield positive results.

Matt Cable
Lead Manager

Tim Service
Fund Manager

20th February 2025

PORTFOLIO STATEMENT

Details of the investments held within the portfolio as at 31st December 2024 are given below by market value:

	31st December 2024			31st December 2023		
	Holdings	Market Value	% of Net Assets	Holdings	Market Value	% of Net Assets
UK Investments						
Renold	18,813,923	8,843	7.19	28,745,000	9,802	7.46
Gamma Communications	516,289	7,899	6.42	640,919	7,204	5.48
Vp	1,393,566	7,665	6.22	2,404,250	14,906	11.35
Macfarlane	7,090,653	7,587	6.16	11,680,653	13,666	10.40
Hill & Smith	404,313	7,544	6.13	522,465	9,969	7.59
Telecom Plus	430,975	7,387	6.00	459,113	7,401	5.63
Eleco	4,479,758	6,540	5.31	4,520,781	3,617	2.75
Colefax	835,952	6,520	5.29	1,055,952	7,286	5.55
Jet2	399,296	6,321	5.14	-	-	-
Trealtt	1,281,009	6,232	5.06	1,281,009	6,444	4.91
OSB	1,401,694	5,666	4.95	1,401,694	6,501	4.95
GB	1,663,873	5,657	4.59	-	-	-
Alpha Group International	241,738	5,633	4.57	336,513	5,721	4.36
IM	292,263	5,322	4.32	292,263	4,922	3.75
Oxford Instruments	245,735	5,296	4.30	58,268	1,337	1.02
Marshalls	1,545,642	4,536	3.68	1,545,642	4,319	3.29
RS	604,401	4,107	3.34	464,401	3,806	2.90
Morgan Advanced Materials	1,500,000	4,080	3.31	1,500,000	4,245	3.23
Foresight	877,203	3,588	2.91	-	-	-
Sthree	890,288	2,622	2.13	-	-	-
Videndum	959,582	1,397	1.13	959,582	3,339	2.54
Norcros	318,554	812	0.66	-	-	-
Dyson	1,000,000	31	0.03	1,000,000	41	0.03
Spirax-Sarco Engineering*	-	-	-	59,668	6,268	4.77
Gresham Technologies*	-	-	-	2,360,303	2,714	2.07
Spirent Communications*	-	-	-	1,516,091	1,869	1.42
Carr's*	-	-	-	4,750,000	4,617	3.51
Total Investments		121,285	98.49		129,994	98.96
						-
Net current assets		1,862	1.51		1,365	1.04
Net Assets		123,147	100.00		131,359	100.00

Unless otherwise specified, the actual holdings are, in each case, of ordinary shares or stock units and of the nominal value for which listing has been granted.

*Sold during the year to 31st December 2024.

STRATEGIC REPORT

The Strategic Report is designed to provide information primarily about the Company's business and results for the year ended 31st December 2024 and should be read in conjunction with the Chairman's Statement and the Investment Manager's Review.

PERFORMANCE STATISTICS

	31st December 2024	31st December 2023
NAV per Ordinary share	2,543.4p	2,337.1p
Closing mid-market price per Ordinary share	2,380.0p	2,130.0p
Discount to NAV*	(6.4%)	(8.9%)
Dividends per Ordinary Share ¹	44.00p	43.00p
Dividend yield*	1.8%	2.0%
Ongoing Charges*	0.9%	0.9%
Earnings per Ordinary Share - basic		
Revenue	42.1p	50.4p
Capital	181.2p	11.0p
NAV return per Ordinary share*	8.8%	2.4%
FTSE All-Share Index	5.5%	3.8%

*These are Alternative Performance Measures.

¹Assumes shareholder approval of the proposed final dividend of 32.00p per Ordinary share at the forthcoming AGM

Explanation of Alternative Performance Measures ("APM")

An alternative performance measure is a financial measure of historical or future financial performance, financial position or cash flow that is not prescribed by the relevant accounting standards. The APMs are the discount to NAV, dividend yield, ongoing charges and NAV return as defined below.

Discount to NAV

The discount to net asset value is the amount, expressed as a percentage, by which the share price is less than the net asset value per share.

The discount to NAV is calculated as follows:

	2024	2023
Net asset value per Ordinary share (a)	2,543.4p	2,337.1p
Closing mid-market price Ordinary Share (b)	2,380.0p	2,130.0p
Discount to NAV ((a-b)/a)*100	6.4%	8.9%

Dividend Yield

The dividend yield is a financial ratio which indicates how much the Company pays out in dividends each year relative to its share price. The figure is calculated by dividing the aggregate value of dividends per share in a given year by the closing share price as at 31st December each year and is represented as a percentage.

The dividend yield is calculated as follows:

	2024	2023
Total Dividends paid per Ordinary Share ¹ (a)	44.00p	43.00p
Closing mid-market price Ordinary Share (b)	2,380.0p	2,130.0p
Dividend Yield (a)/(b)*100	1.8%	2.0%

¹Assumes shareholder approval of the proposed final dividend of 32.00p per Ordinary share at the forthcoming AGM

Ongoing Charges

Ongoing charges are expenses charged to revenue or capital that relate to the operation of the Company as an investment trust and are deemed likely to recur in the foreseeable future. They do not include the costs of acquisition or disposal of investments, financing costs and gains or losses arising on investments. Ongoing charges are calculated on the basis of the annualised ongoing charge as a percentage of the average net asset value in the period.

The calculation methodology for ongoing charges is set out by the Association of Investment Companies ("AIC") and was calculated as follows:

	2024 £'000	2023 £'000
Investment management fee	672	670
Other expenses	522	470
Total Expenses (a)	1,194	1,140
Average NAV (b)	134,330	133,930
Ongoing Charge (a)/(b)*100	0.9%	0.9%

NAV Return

The NAV return is the percentage change in closing NAV per share compared with opening NAV per share.

The NAV return is calculated as follows:

NAV per Ordinary Share 31st December 2024 (a)	2,543.4p
NAV per Ordinary Share 31st December 2023 (b)	2,337.1p
NAV return (a/b-1)*100	8.8%

Status

The Company is registered as an investment company as defined in section 833 of the Companies Act 2006 and operates as such. The Company is not a close company within the meaning of the provisions of the Corporation Tax Act 2010.

The Company is an "alternative investment fund" ("AIF") for the purposes of the EU Alternative Investment Fund Managers ("AIFM") Directive, as adopted in the UK. In the opinion of the Directors the Company has conducted its affairs during the year under review so as to qualify as an investment trust for the purposes of Chapter 4 of Part 24 of the Corporation Tax Act 2010 and continues to meet the eligibility conditions set out in section 1158 of the Corporation Tax Act 2010.

The Board is directly accountable to shareholders. The Company is listed on the London Stock Exchange and is subject to the UK Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules published by the Financial Conduct Authority ("FCA"). The Company is governed by its articles of association, amendments to which must be approved by shareholders by special resolution. The Company is a member of the Association of Investment Companies ("AIC").

The FCA rules in relation to non-mainstream pooled investments do not apply to the Company.

Strategy for Meeting the Objectives

The Company's objective is to exceed the benchmark index over the long-term whilst managing risk.

To achieve this objective, the Board appointed Jupiter on 3rd October 2022 to continue the Company's long-term strategy of seeking out undervalued investments. This is supported by the five-yearly review that addresses the above objective. The most recent review was conducted in January 2021, at which the Board concluded that the continuation of the Company for the period until July 2026 was in the best interests of shareholders.

The Company fulfils its investment objective and policy by operating as an investment company. The Board delegates operational matters to specialist third-party service providers. The closed-ended nature of the Company allows a longer-term view on investments because liquidity issues as a result of redemptions are less likely to arise. The Board has closely monitored performance in 2024 to ensure the Company's strategic objectives are continuing to be met.

In pursuing its strategy, close attention is also paid to the control of costs. Further information on this is contained in the Key Performance Indicators.

Investment Selection

There is a rigorous process of risk analysis at the level of the individual investment, based on the characteristics of the investee company. This controls the overall risk profile of the investment portfolio.

Since its appointment the Investment Manager has taken steps to balance risk and improve performance by reducing the Company's largest holdings and investing in additional holdings at similar weights. The Investment Manager has also invested in companies from a broader range of industries and sectors over the past year and will continue to seek out undervalued investments that offer the opportunity for capital growth.

The investment portfolio is managed on a medium-term basis with a low level of investment turnover. This minimises transaction costs and ensures medium-term consistency of the investment approach.

The Company's investment activities are subject to the following limitations and restrictions:

The policy does not envisage hedging either against price or currency fluctuations. Whilst performance is compared against major UK indices, the composition of indices has no influence on investment decisions or the construction of the portfolio. As a result, it is expected that the Company's investment portfolio and performance will deviate from comparator indices.

Full details of the Company's portfolio are set out above and further information is set out in Notes 9 to 10 inclusive.

Sustainability of Business Model and promoting the success of the Company

The Board is responsible for the overall strategy of the Company and decisions regarding corporate governance, asset allocation, risk and control. The day-to-day management of the investments is delegated to the Investment Manager and the management of the operations to specialist third-party suppliers.

The Directors are conscious of their duties under section 172 of the Companies Act 2006 and, in particular, the overarching duty to promote the success of the Company for the benefit of the shareholders, with careful attention paid to wider stakeholders' interests. The Board is aware of the importance of ensuring that the Company has a sustainable, well-governed business model to achieve its strategy and objectives.

As part of discharging its section 172 duties, the Company, through the Investment Manager, uses its influence as a shareholder, where possible, to encourage the companies in which it invests to adopt best practice on environmental, social and corporate governance ("ESG") matters. Further related information can be found on pages 18 to 20 of the Annual Report and Accounts.

The third-party service providers are a key element of ensuring the success of the business model. The Board monitors the chosen service providers closely to ensure that they continue to deliver the expected level of service. The Board also receives regular reporting from them, evaluates the control environment and governing contract in place at each service provider and formally assesses their appointment annually.

Culture & Values

All the Directors seek to discharge their responsibilities and meet shareholder expectations in an open and transparent manner. The Board seeks to recruit Directors who have diverse business experience including managing the types of companies in which the Company invests. The industry experience on the Board ensures that there is detailed knowledge and constructive challenge in the decision-making process. This helps the Company achieve its overarching aim of enhancing shareholder value. The Directors are mindful of costs and seek to ensure that the best value is achieved in managing the Company.

The Company's values of skill, knowledge and integrity are aligned to the delivery of its investment objective and are monitored closely by the Board.

The Board seeks to employ third party providers who share the Company's values and, importantly, will work with the Directors

openly and transparently to achieve the Company's aims. As detailed in the Business Ethics section below, the Board expects and seeks assurance that the companies with which it works adopt working practices that are of a very high standard.

The Responsibilities as an Institutional Shareholder section below describes the Company's approach to managing its investments, including ESG matters.

Business Ethics

The Company maintains a zero-tolerance policy towards the provision of illegal services, bribery and corruption in its business activities, including the facilitation of tax evasion. As the Company has no employees and the Company's operations are delegated to third-party service providers, the Board seeks assurances from those providers that they comply with the provisions of the Modern Slavery Act 2015 and maintain adequate safeguards in keeping with the provisions of the Bribery Act 2010 and Criminal Finances Act 2017.

As an investment vehicle the Company does not provide goods or services in the normal course of business, and does not have customers. Accordingly, the Directors consider that the Company is not within the scope of the Modern Slavery Act 2015.

Board Diversity

The Company's affairs are overseen by a Board comprising four non-executive Directors, one of whom is female, three of whom are male. None of the Directors is from an ethnic minority background. The UK Listing Rules on board diversity targets are as follows: at least 40% of board members should be women, at least one board member should be from an ethnic minority background and at least one of the senior positions on the board should be held by a woman. The role of Audit, Risk and Compliance Committee Chair is held by a woman, however, the first two of these targets are currently not met by the Company. In terms of progress in achieving diversity, the Board is committed to ensuring that vacancies arising are filled by the best qualified candidates, whilst recognising the benefits of diversity in the composition of the Board. Improving the Board's gender and ethnic diversity will be a key focus when the Board undertakes any further recruitment. Further details on the gender and ethnic background of the Directors are included in the Corporate Governance Statement in the Annual Report and Accounts.

The Directors have broad experience, bringing knowledge of investment markets, business, financial services, accounting and regulatory expertise to discussions on the Company's business. The Directors regularly consider the leadership needs and specific skills required to achieve the Company's investment objective. Whilst appointments are based on skills and experience, the Board is mindful of the importance of diversity of gender, social and ethnic backgrounds, cognitive and personal strengths and experience. All appointments are based on objective criteria and merit and are made following a formal, rigorous and transparent process.

Responsibilities as an Institutional Shareholder

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In such circumstances the Investment Manager would not normally vote against investee company management but would seek, through engagement, to achieve its aim. The Investment Manager would, however, vote against resolutions it considers would damage the Company's shareholder rights or economic interests.

The Company has a procedure in place such that where the Investment Manager, on behalf of the Company, has voted against an investee company resolution, it is reported to the Board.

The Board considers that it is not appropriate for the Company to formally adopt the UK Stewardship Code. However, many of the UK Stewardship Code's principles on good practice on engagement with investee companies are used by the Company, as described above.

Corporate and Social Responsibility

When investments are made, the primary objective is to achieve the best investment return while allowing for an acceptable degree of risk. In pursuing this objective, various factors that may impact on the performance are considered and these may include socially responsible investment issues.

As an investment trust, the Company's own direct environmental impact is minimal. The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions-producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 for the year to 31st December 2024 (2023: same). The Directors receive and use electronic meeting packs only. The Company provides electronic copies of the annual and half-yearly reports and other shareholder information on its website. All printed material, wherever possible, is on recycled material. The Investment Manager attempts to minimise the Company's carbon footprint. The Company's indirect impact occurs through the investments it makes.

The Company does not purchase electricity, heat, steam or cooling for its own use nor does it have responsibility for any other emissions producing sources.

Environmental, Social & Governance ("ESG") Reporting

Overview

As a high-conviction active asset manager, the Investment Manager recognises that it has an important role to play in the allocation of capital, both as active owners and long-term stewards of the assets in which it invests on behalf of clients. The investment team has a defined investment process, and consideration of material ESG issues is integrated into both investment analysis and decision-making, influencing asset allocation, portfolio construction, security selection, position sizing, stewardship, engagement and subsequent decisions on whether to remain invested or exit.

This context is important when viewing the Investment Manager's approach to ESG factors that are highlighted below. These are complex matters where progress may not be linear and may manifest over multiple years. Furthermore, certain environmental and

social issues may also depend on a policy or regulatory response in addition to investor input.

The Investment Manager's Responsible Investment Policy and Stewardship Report, available on its website (<https://www.jupiteram.com/global/en/corporate/sustainability-at-jupiter/reports/>), describes how it supports the Company's integration of environmental, social and governance (ESG) responsibilities, setting out its sustainability governance and oversight, its approach to ESG integration and materiality and core material ESG issues.

ESG in a UK small and mid-cap context

The Company's investment universe comprises small and mid-size companies which may be exposed to important sustainability risks and opportunities that can have material impacts on value. As an active investment manager, the Investment Manager believes that effective ESG integration cannot be outsourced to third parties, but must be incorporated into the fundamental analysis conducted by the investment team.

In particular, smaller companies remain under-researched by ESG rating agencies relative to their larger listed peers. Where they are covered at all, smaller companies are often penalised by rating agencies, either due to their corporate governance arrangements or a relative lack of detailed corporate disclosure about ESG issues. These factors present challenges but also, in the Investment Manager's view, opportunities to identify ESG risks or opportunities affecting companies which are not priced efficiently by financial markets.

Corporate Governance

To grow successfully, the leadership of smaller companies must not only execute strategically, they must also lay the foundations for future growth by creating appropriate corporate governance structures. The Investment Manager believes that as corporate culture is set at an early stage, the relationships formed with key stakeholders such as customers, the workforce and suppliers at this point in a company's development can be fundamental to long-term success. The Investment Manager fully endorses the principles of the UK Corporate Governance Code and, while it acknowledges the need for pragmatism with smaller companies, it still expects high standards of governance at investee companies to support their growth in a sustainable manner.

The Investment Manager assesses company governance on a range of issues. These issues may include but are not limited to:

- **Boards and executive leadership:** The Investment Manager builds an understanding of the quality of leadership teams and boards through assessment of i) board and committee composition and independence, ii) board and executive tenure and succession planning, iii) Diversity, Equity and Inclusion ("DE&I") oversight and actions at board level and throughout an enterprise, iv) oversight and management of corporate culture.
- **Remuneration:** Management incentivisation structures should be aligned with shareholder interests. The Investment Manager considers KPIs governing short and long-term incentivisation, as well as the overall quantum, when assessing remuneration packages. It seeks to understand how remuneration structures encourage correct behaviours and how management compensation decisions are linked to successful strategic execution, management effectiveness, workforce considerations and the sustainability agenda.
- **Protection of minority rights and related party transactions:** The Investment Manager will escalate engagement where it believes that minority rights have been compromised.
- **Systemic risks:** The environment in which companies operate continues to change rapidly and the Investment Manager considers where businesses are exposed to wider systemic risks, including through the assessment of global standards, such as the UN Global Compact.
- **Conduct, litigation and relations with policy makers and regulators:** Poor relations with regulators can severely hamper corporate success and result in value destruction for investors. The Investment Manager seeks to understand board oversight of regulatory matters and how a company guards against malpractice.
- **Corporate culture:** The Investment Manager may engage with boards to understand how corporate culture is being led, developed, and monitored and to highlight strengths and areas for development. Where relevant, it seeks to understand how management is advancing culture and where and how culture challenges emerge.
- **Audit and control environment:** The Investment Manager considers quality and independence of auditors. It may escalate engagement with Audit Committee chairs where it believes that audit standards are not in line with its expectations.

Environmental

Climate

Limiting global temperature rises to 1.5 degrees above preindustrial levels, in line with the Paris Agreement, is an urgent challenge facing the global economy. The Investment Manager uses its influence as an investor through stewardship and active ownership to encourage companies to identify, manage and mitigate climate change risks or opportunities. It believes that the scale of climate change will impact all sectors, industries and asset classes and it acknowledges the positive role that investors can play in tackling it through its investment decisions and capital allocation.

Biodiversity

The Investment Manager considers biodiversity impacts in its ESG analysis of companies, in line with its approach and commitments. It engages with investee companies where it believes their practices are unsustainable, with the goal of achieving change, reversing biodiversity loss, while preserving and enhancing the value of the Company's assets.

Social

Human Rights

Companies with poor management of human rights can face a range of issues including fines, workforce issues and supply chain challenges which may affect their licence to operate. The Investment Manager monitors and assesses human rights policies and procedures for its investee companies to ensure that they are promoting good governance and management of human rights issues. It expects companies to comply with internationally-recognised human rights codes and standards.

Human Capital

Good human capital management supports both value creation and business resilience, and the Investment Manager believes that investing in human capital correlates with longer-term business success. Promoting Diversity, Equity and Inclusion (DE&I) enables companies to attract talent from a wider talent pool. It also contributes to better decision-making, performance, innovation and employee satisfaction and retention. The Investment Manager understands that approaches to human capital management, including DE&I, will differ and, as an active owner, it seeks to understand an investee company's operating model and engage to advise on best practice and potential improvements.

Health and safety

Where a company fails to meet health and safety standards, the Investment Manager will engage and encourage the company to improve its practices and to disclose health and safety indicators. Good health and safety should be embedded in a business and the Investment Manager promotes a zero-harm ethos.

Engagement

Engagement is central to the Investment Manager's active ownership approach. The investment team maintains a dialogue with companies to inform its investment decisions and carry out strategic engagement, based on ESG materiality. The Investment Manager regularly engages with companies to monitor material ESG issues that will impact the long-term success of an investment. The Investment Manager is committed to long-term engagement goals; however, to protect shareholders' interests it reserves the right to exit an investment if the investment team concludes that progress is insufficient or does not meet the Company's strategic objectives. The Investment Manager also engages in collective engagement where such action aligns with its own objectives and this may also include dialogue with industry bodies/associations and policy makers as well as dialogue with other investors.

Proxy Voting

Exercising its shareholder voice through active proxy voting is central to the Investment Manager's stewardship approach to represent the Company's interests, hold boards to account and support investee companies. Its investment managers are accountable for the exercise of their shareholder votes supported by the Stewardship team, which is responsible for proxy voting operations, the monitoring of meeting ballots and providing an initial assessment of each meeting's agenda, including an assessment of independent proxy advisory research. The Investment Manager's Proxy Voting Policy is available on the above mentioned website.

Data Science and third-party data resource

The Investment Manager's in-house data science team has built a proprietary desktop tool, known as ESG Hub, which allows the investment teams to apply multi-factor ESG screening to their investment universe and to build custom reports. The data science team also works with third-party ESG data providers to challenge and provide constructive feedback to enhance the quality and integrity of the ESG data sets it uses.

Screening

The Investment Manager does not exclude, except i) where required by law, ii) in line with the specifications of the Company's mandate, or iii) if a company is involved in banned activities under the following international conventions:

- The 1997 Ottawa Convention (Anti-Personnel Mine Ban Treaty)
- The 2008 Convention on Cluster Munitions (CCM)

It uses third party vendors to screen for involvement in controversial and banned weaponry.

Task Force on Climate-related Financial Disclosures

The Investment Manager's report on the UK's Task Force on Climate-related Financial Disclosures Report ('TCFD') discloses estimates of the Company's portfolio's climate-related risks and opportunities according to the Financial Conduct Authority's Environmental, Social and Governance Sourcebook and the Task Force on Climate-related Financial Disclosures Recommendation. It is available on the Investment Manager's website: www.jupiteram.com/task-force-on-climate-related-financial-disclosures/.

Streamlined Energy and Carbon Reporting

The Company is categorised as a lower energy user under the HMRC Environmental Reporting Guidelines March 2019 and is therefore not required to make the detailed disclosures of energy and carbon information set out within the guidelines. The Company's energy and carbon information is therefore not disclosed in this Report.

Review of the Business

A review of the year and commentary on the future outlook is provided in the Chairman's Statement.

During the year under review, the assets of the Company were invested in accordance with the Company's investment policy.

During the year the Company's net assets have decreased from £131.4m to £123.1m, largely as a result of the ongoing share buyback programme, offset by a modest increase in the value of investments. At 31st December 2024 the net asset value per Ordinary share was 2543.4p (2023: 2,337.1p).

Key Performance Indicators

The Board is provided with detailed information on the Company's performance at every Board meeting. Key Performance Indicators are:

- Shareholders' funds equity return compared to the FTSE All-Share Index (the Company's benchmark index).
- Dividends per Ordinary share.
- Ongoing Charges ratio (formerly titled the Total Expense Ratio).

Further information is provided in the Glossary of Terms in the Annual Report and Accounts.

Shareholders' funds equity return

In reviewing the performance of the Company, the Board monitors shareholders' funds in relation to the FTSE All-Share Index. During the year NAV per Ordinary share increased by 8.8% compared to an increase of 5.5% in the FTSE All-Share Index. Over the five years ended 31st December 2024 NAV per Ordinary share increased by 11.8% compared with an increase of 6.5% in the FTSE All-Share Index. The NAV return calculation can be found above.

Dividends per Ordinary share

The total dividend per Ordinary share paid and proposed is 44.0p (2023: 43.0p).

Ongoing Charges

Ongoing charges are expenses charged to revenue or capital that relate to the operation of the Company as an investment trust and are deemed likely to recur in the foreseeable future. They include the investment management fee but do not include the costs of acquisition or disposal of investments, financing costs and gains or losses arising on investments. Ongoing charges are calculated on the basis of the annualised ongoing charges as a percentage of the average net asset value in the period. The Ongoing Charges for the year ended 31st December 2024 were 0.9% (2023: 0.9%). Under the terms of the Investment Management Agreement, an operating expenses cap will be applied to the Company's annual ordinary operating expenses at 0.8 per cent. of the Company's average daily NAV during each financial year for a period of five years with effect from 3rd October 2022. Further details are given in Note 3 to the financial statements.

Principal and Emerging Risks and Uncertainties

The Board of Directors has a process for identifying, evaluating and managing the key risks of the Company. This process operated during the year and has continued to the date of this report. The Directors confirm that during the year they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. Most of these risks are market related and are similar to those of other investment trusts investing primarily in listed markets. The Audit, Risk and Compliance Committee reviews the Company's Risk Matrix and Risk Heat Map at each meeting and, as part of this process, gives consideration to identifying emerging risks. Any emerging risks that are identified and that are considered to be of significance will be recorded in the Company's Risk Matrix, together with any mitigations. In carrying out this assessment, consideration is given to the current market conditions which may impact the Company. No emerging risks have been identified.

The Company's principal risks and how they are being managed or mitigated are described below.

Investment in an individual smaller company inherently carries a higher risk than investment in an individual large company. In a diversified portfolio, the portfolio risk of a smaller company portfolio is only slightly greater than the portfolio risk of a large company portfolio. The Company's portfolio is diversified. Additionally, the Company invests overwhelmingly in smaller UK listed and AIM traded companies and has no exposure to derivatives. The principal financial risks are therefore market price risk and liquidity risk. Further details on these risks and how they are managed may be found in Note 18 to the financial statements in the Annual Report and Accounts.

Additional principal risks identified by the Company, together with the Board's approach to dealing with them are as follows:

Investment performance - The performance of the investment portfolio will deviate from the performance of the benchmark index. The Board's objective is to exceed the benchmark index over the long-term whilst managing risk. The Board ensures that the Investment Manager is managing the portfolio within the scope of the investment policy; the Board monitors the Company's performance against the benchmark; and the Board also receives detailed portfolio attribution analyses. The Board has a clearly defined investment philosophy which requires the Investment Manager to operate a diversified portfolio.

Share price discount - Investment trust shares often trade at a discount to their underlying net asset values. A disproportionate widening of the discount comparative to peers could lead to a decrease in value for shareholders. The Board continually monitors the level of the discount and discusses its discount management policy with the Investment Manager. On 7th December 2016, the Company implemented share buy-back arrangements to mitigate the risk of the discount increasing. In July 2024, the Board announced a further extension to the share buy-back programme. The Board authorised the repurchase of shares of an average rolling £1 million per month until 31st July 2025 (subject to the renewal of the buy-back authority at the forthcoming AGM).

Loss of key personnel - The Investment Manager is crucial to performance and the loss of key personnel could adversely affect performance in the medium term. The Board reviews its strategy for this risk annually. Jupiter Unit Trust Managers Limited (JUTM) provides two dedicated fund managers to the Company as part of the Investment Management Agreement. Jupiter also regularly considers its remuneration packages in order to retain staff and routinely reviews succession planning. Following the retirement of Dan Nickols, the lead investment manager, in June 2024 the Board reviewed the management arrangements for the Company within JUTM and concluded that Matt Cable was well placed to succeed Mr Nickols as lead manager. Mr Cable is supported by Tim Service. The Board took comfort from the many years combined investment experience of Mr Cable and Mr Service, as well as the strength in depth of Jupiter's Small and Mid-Cap Equities team.

Regulatory risk - The Company must comply with the requirements of section 1158 of the Corporation Tax Act 2010 to maintain its investment trust status. This is achieved by the consistent investment policy and is monitored by the Board. The Board seeks assurance from the Administrator that the investment trust status is being maintained. The Audit, Risk and Compliance Committee reviews a schedule of regulatory risk items at its meetings and takes action to address any regulatory changes.

Protection of assets - The Company's assets are protected by the use of an independent custodian, Northern Trust Company. The Board monitors the custodian to ensure assets remain protected. The Company operates internal controls to safeguard assets held by the custodian, for example, through the Administrator which reconciles the Company's cash and stock positions to the custodian's records on a daily basis.

Geopolitical risk - Changes in the political landscape could substantially affect the Company's prospects and the value of its investment portfolio. Geopolitical risks are discussed at Board meetings. The risks to market stability as a result of international conflicts are discussed between the Investment Manager and the Board, including the impact of the ongoing war between Russia and Ukraine and the hostilities in the Middle East. The Company has no exposure to investments within or impacted by the current conflict areas.

Climate change risk - Climate change will bring fundamental shifts to economic activity and human behaviour across the planet. The Board and Investment Manager regularly consider how climate change could affect the Company's investment portfolio and shareholder returns. In line with UK adopted International Accounting Standards investments are valued at fair value which, for the Company, are quoted bid prices for investments in active markets at the Statement of Financial Position date and therefore reflect market participants' views of climate change.

Pandemic Risk - The COVID-19 pandemic highlighted the speed at and extent to which a pandemic or health emergency can exert strain on both global and localised economies and infrastructure. The structural changes that have been accelerated by the pandemic continue to present risks and opportunities for different sectors and their products, markets and supply chains. The Investment Manager mitigates exposure to these risks by carefully monitoring performance and adaptability of portfolio companies, diversifying investments and seeking to learn lessons from the COVID-19 pandemic which may be of use in the event of future pandemics or health crises.

Cyber Risk - Cyber incidents are becoming increasingly common and may cause disruption and impact business operations, potentially resulting in financial losses, theft, interference with the ability to maintain the Company's financial records, and reputational issues. The Company has appointed experienced service providers that invest heavily in their IT operations, with a particular focus on cyber security. The Board met with representatives from the cyber security teams of each of the key service providers during the year to gain an understanding of the processes that each has in place to manage these risks in general and, specifically, in relation to the Company. The Board took comfort from the assurances provided and will continue to keep this area under review. The Company's key service providers periodically confirm to the Board that they have in place business continuity plans and procedures to mitigate the impact on the Company of a disruption in service.

Economic conditions - Changes in economic conditions including, but not limited to, interest rates, rates of inflation, competition and tax legislation, could have a significant effect on the Company's prospects and the value of its investment portfolio. The Board reviews the investment strategy and the portfolio with the Investment Manager at each Board meeting. The Investment Manager

continually considers economic conditions whilst seeking to meet the Company's investment objective.

These and other risks facing the Company are reviewed regularly by the Audit, Risk and Compliance Committee and the Board.

Section 172 Statement

The Board seeks to promote the success of the Company for the benefit of its shareholders. In doing so it gives consideration to the likely long-term consequences of any decision with regard to the interests of its business relationships and the environment in which it operates. As at 31st December 2024, the Company had no employees.

Stakeholder Group	Engagement in the year and their material issues
Shareholders	<p>Shareholders play an important role in monitoring and safeguarding the governance of the Company. They have access to the Board via the Company Secretary throughout the year. The Board welcomes the opportunity to engage with shareholders at its Annual General Meeting. The Company continues to communicate with shareholders via the Company Secretary, its website and the publication of its financial reports throughout the year. The Chairman regularly meets with larger investors to gauge investor sentiment and always responds to questions from shareholders.</p> <p>The Board encourages shareholders to ask questions of the Chairman of the Board and all other Directors via the Company Secretary and to ask questions of the Investment Manager. Shareholders may submit questions to cosec-uk@apexgroup.com or investmentcompanies@jupiteram.com. Communication with shareholders enables the Board to make informed decisions when considering how to promote the success of the Company over the long term.</p>
Suppliers	<p>The Board relies on a number of advisors for support in the successful operation of the Company and in meeting its obligations. The Board therefore considers the Investment Manager, Secretary/Administrator, Broker, Registrar, Custodian and Depository to be stakeholders.</p> <p>Key suppliers are required to report to the Board on a regular basis and there is a robust framework in place to evaluate their performance annually. The Company employs a collaborative approach and looks to build long-term partnerships based on open terms of business and fair payment terms.</p> <p>The Secretary engages with key suppliers to ensure that services provided are satisfactory.</p>
Investee Companies	<p>The Board recognises the benefits of good communication with and stewardship of investee companies and the importance of such in meeting the Company's investment objective.</p> <p>The Investment Manager meets with the management of companies in which the Company has a significant interest and reports on findings to the Board regularly.</p>
Regulators	<p>As a company listed on the London Stock Exchange, the Board ensures compliance with the necessary rules and regulations relevant to the Company in order to build trust and maintain its reputation in the market.</p>
Community and environment	<p>As discussed in more detail in the Annual Report, in pursuing the Company's objectives, various factors that may impact on performance are considered. These may include environmental, social and governance ('ESG') issues. The Board believes that poor practices can have an impact on the value of investments and potential investments and consideration of ESG factors as part of the investment process is therefore key.</p>

Factoring Stakeholders into Principal Decisions

The Board defines principal decisions as not only those that are material to the Company but also those that are significant to any of the Company's key stakeholders as identified above. In making the following principal decisions, the Board considered the outcome from its stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly as between the members of the Company.

Principal Decision 1	<p><i>Share buy-back programme</i></p> <p>In July 2024 the Company announced a further extension of the share buyback programme. The Board authorised repurchases of shares of up to an average £1 million per month until July 2025. The continuation of the programme is designed to address the share price discount.</p>
Principal Decision 2	<p><i>Board Composition</i></p> <p>The Board undertakes a detailed review of its own composition annually, including assessing the knowledge and experience therein. As a result of this review the Board concluded that it was not necessary to increase the current number of directors at present. Mr Roper has declared his intention to retire at the conclusion of the Annual General Meeting in 2026. A recruitment exercise will be undertaken in 2025 to identify a suitable successor. The Board will continue to review its composition annually or in the event of any further changes.</p>
Principal Decision 3	<p><i>Dividend Policy</i></p> <p>The Board continues to operate a progressive dividend policy. The Board has increased the annual dividend, having paid and recommended dividends totalling 44.00p per share to shareholders for the financial year ended 31st December 2024 (2023: 43.0p).</p>

Principal Decision 4	<p><i>Remuneration</i></p> <p>During the year the Nominations and Remuneration Committee undertook a review of the level of non-executive Directors' fees. The Committee considered the level of fees relative to various benchmarks, together with the Company's performance and the need to attract and retain directors of a high calibre. The Committee concluded that Directors' fees should be increased with effect from 1st January 2025 by £1,635 for the Chair of the Audit, Risk and Compliance Committee, by £1,900 for the Chairman and by £1,425 for each of the other non- executive directors and that the fees should continue to be reviewed annually to ensure that the levels of remuneration remain attractive to current and prospective directors. On the recommendation of the Nominations and Remuneration Committee the Board considered and approved the proposed increase in Directors' fees.</p>
Principal Decision 5	<p><i>Management Engagement Committee</i></p> <p>The Board monitors the Investment Manager's performance against the Company's investment objective at each Board meeting. In addition, the Board took the decision to establish a Management Engagement Committee in early 2023. The Committee meets annually to review the contractual terms of the Investment Management Agreement and the performance of the Investment Manager. On the recommendation of the Management Engagement Committee the Board approved the continuing appointment of the Investment Manager, having concluded that it was in the best interests of the Company and its shareholders.</p>
Principal Decision 6	<p><i>Consideration of Share Split</i></p> <p>During the year the Board reconsidered a sub-division of the Company's shares. After due deliberation it again concluded that the benefits would not be sufficiently far-reaching for the Company and its shareholders.</p>
Principal Decision 7	<p><i>Change of Name</i></p> <p>Following feedback from a number of shareholders the Board considered the merits of a change of name for the Company. After due deliberation the Board concluded that a name change would not inherently improve the Company's marketability and liquidity. Instead, the Board requested that JUTM put greater emphasis on raising the profile of the Company.</p>

Viability Statement

The Board reviews the performance and progress of the Company over five-year periods and uses these assessments, regular investment performance updates from the Investment Manager and a continuing programme of risk monitoring to assess the future viability of the Company. The Directors consider that a period of five years is a reasonable time horizon to consider the viability of the Company. The Company also uses this period for its strategic planning. The following facts support the Directors' view of the viability of the Company:

- The Company's portfolio comprises marketable smaller UK-listed and AIM traded securities and has short term cash on deposit.
- The Company does not use gearing.
- The expenses of the Company were covered three times by investment income in 2024.

In order to maintain viability, the Company has a robust risk control framework for the identification and mitigation of risk which is reviewed regularly by Board. Consideration was also given to the principal risks and uncertainties faced by the Company, as detailed on pages 22 to 23 of the Annual Report and Accounts. The Directors seek assurances from suppliers that their operations are well managed and that they are taking appropriate action to monitor and mitigate risk. The Board also considered the political and economic environment in relation to the Company's investment positions, its future income streams and its ability to continue trading.

Based on the above, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.

Shareholder Communication

The Board is committed to maintaining open channels of communication with shareholders. It is the Chairman's role to ensure effective communication with the Company's shareholders and it is the responsibility of the Board to ensure that satisfactory dialogue takes place, based on the mutual understanding of objectives. The Board remains cognisant of the importance of clear communications with shareholders and will respond to all reasonable requests for information or meetings.

The Investment Manager maintains a regular dialogue with major shareholders and reports to the Board. In the event that shareholders wish to raise issues or concerns with the Directors, they are welcome to do so at any time via the Company Secretary at cossec-uk@apexgroup.com. The Annual Report and half-year results are circulated to shareholders wishing to receive them and are available on the Company's website. These provide shareholders with a clear understanding of the Company's portfolio and financial position. This information is supplemented by the daily calculation and publication of the NAV per share. JUTM also publishes a monthly factsheet that can be found on the Company's website, www.jupiteram.com/uk/en/individual/rights-and-issues-investment-trust-plc. Shareholders are encouraged to ask questions either at the Annual General Meeting or via the Company Secretary.

2024 AGM Voting

At the AGM held on 27th March 2024 resolution 2, to approve the Directors' Remuneration Report, and resolution 5, to re-elect Mr Simon Knott as a Director, were passed with the necessary majority but with less than 80% of the votes cast in favour of the resolutions by shareholders. In accordance with Provision 4 of the UK Corporate Governance Code the Company is required to provide an update on its consultation with the shareholder(s) that voted against these resolutions.

The Board liaised with the significant shareholder who voted against both resolutions and understands that the reason for the vote against the Directors' Remuneration Policy was because of the ex-gratia payment to Dr David Bramwell, the former Chairman. This payment was to fund a gift in recognition of Dr Bramwell's long service to the Company and his contribution as Chair. The shareholder acknowledged that the sum of the payment was insignificant and the Board confirmed that this payment was not intended to set a precedent for any such payments in the future and does not envisage making such a payment again.

Regarding the decision to vote against the re-election of Mr Simon Knott, the Board understands that it was a compliance driven vote reflecting the institutional shareholder's view that Mr Knott was non-independent, having formerly been the CEO of the Company prior to the appointment of Jupiter Unit Trust Managers Limited as investment manager in October 2022, when it was a self-managed investment trust. This contrasts with positive feedback received by the Board regarding Mr Knott's continuing involvement as a non-executive director. The Board clarified with the shareholder that Mr Knott has no current or former association with JUTMother than as a non-executive director of the Company and, despite his tenure as Investment Director, the Board considers him to be independent. Furthermore, with his extensive investment knowledge and in-depth understanding of the companies within the portfolio, Mr Knott's contribution to the Board and its committees is invaluable.

The percentage of the total shares in issue cast against resolutions 2 and 5 was 6.5% and 6.4% respectively. The weighting of these votes was disproportionately distorted due to the relatively low number of votes cast at the AGM. The Board urges shareholders to exercise their right to vote by appointing the Chairman as their proxy and indicating how they would like their votes to be cast.

Company's Directors and Employees

The number of directors at 31st December 2024 was four (2023: four).

	2024		2023	
	Male	Female	Male	Female
Directors (non-executive)	3	1	3	1
Other Employees	0	0	0	0

The Directors have considered the Strategic Report and believe that taken as a whole it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance and strategy.

The Strategic Report was approved by the Board and signed on its behalf by:

Dr Andrew J. Hosty

Chairman

20th February 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable United Kingdom law and UK adopted International Accounting Standards.

The Directors are required to prepare the financial statements for each financial year which present fairly the financial position, the financial performance and cash flows of the Company for that period. In preparing those financial statements the Directors are required to:

- select suitable accounting policies in accordance with UK adopted International Accounting Standard 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of UK adopted International Accounting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
- state that the Company has complied with UK adopted International Accounting Standards subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report, Strategic Report and Directors' Remuneration Report that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Visitors to the website need to be aware that legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors consider that the Annual Report and financial statements taken as a whole are fair, balanced and understandable and provide shareholders with the information necessary to assess the Company's position and performance, business model and strategy.

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Dr A. J. Hosty

Statement of Comprehensive Income

for the year ended 31st December 2024

	Notes	Year ended 31st December 2024			Year ended 31st December 2023		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment income	2	3,313	-	3,313	3,999	-	3,999
Other operating income	2	108	-	108	94	-	94
Total income		3421	-	3,421	4,093	-	4,093
Gains on fair value through profit or loss assets	10	-	9,706	9,706	-	797	797
		3421	9,706	13,127	4,093	797	4,890
Expenses							
Investment management fee	3	672	-	672	670	-	670
Other expenses	4	522	131	653	470	156	626
		1,194	131	1,325	1,140	156	1,296
Profit before finance costs and taxation		2,227	9,575	11,802	2,953	641	3,594
Finance costs		-	-	-	-	-	-
Profit before tax		2,227	9,575	11,802	2,953	641	3,594
Tax	6	-	-	-	-	-	-
Profit for the year		2,227	9,575	11,802	2,953	641	3,594
Return per Ordinary share	8	42.1p	181.2p	223.3p	50.4p	11.0p	61.4p

The total column represents the statement of comprehensive income of the Company.

The revenue and capital columns, including the revenue and capital earnings per Ordinary Share, are supplementary information prepared under guidance published by the AIC.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period. All income is attributable to the equity holders of the Company.

The Company does not have any other comprehensive income. Therefore no separate Statement of Comprehensive Income has been presented.

The accompanying notes form part of these financial statements.

Statement of Financial Position

as at 31st December 2024

	Notes	31st December 2024 £'000	31st December 2023 £'000
Non-current assets			
Investments - fair value through profit or loss	10	121,285	129,994
Current assets			
Other receivables	12	457	556
Cash and cash equivalents		1,893	1,051
		2,350	1,607
Total assets		123,635	131,601
Current liabilities			
Other payables	13	488	242
Total assets less current liabilities		123,147	131,359
Net assets		123,147	131,359

Equity

Equity			
Called up share capital	14	1,210	1,405
Capital redemption reserve	15	1,045	850
Retained reserves:			
Capital reserve	15	81,693	84,416
Revaluation reserve	15	36,483	41,873
Revenue reserve	15	2,716	2,815
Total equity		123,147	131,359
Net asset value per share			
Ordinary shares	16	2,543.4p	2,337.1p

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board and authorised for issue on 20th February 2025. They were signed on its behalf by:

Dr A. J. Hosty

Chairman

Statement of Changes in Equity

for the year ended 31st December 2024

	Share capital £'000	Capital Redemption reserve £'000	Capital reserve £'000	Revaluation reserve £'000	Revenue reserve £'000	Total £'000
For the year ended 31st December 2024						
Balance at 31st December 2023	1,405	850	84,416	41,873	2,815	131,359
Profit for the year	-	-	14,965	(5,390)	2,227	11,802
Total recognised income and expense	1,405	850	99,381	36,483	5,042	143,161
Ordinary shares bought back and cancelled	(195)	195	(17,688)	-	-	(17,688)
Dividends (Note 7)	-	-	-	-	(2,326)	(2,326)
Balance at 31st December 2024	1,210	1,045	81,693	36,483	2,716	123,147

	Share capital £'000	Capital Redemption reserve £'000	Capital reserve £'000	Revaluation reserve £'000	Revenue reserve £'000	Total £'000
For the year ended 31st December 2023						
Balance at 31st December 2022	1,542	713	67,191	69,032	2,305	140,783
Loss for the year	-	-	27,800	(27,159)	2,953	3,594
Total recognised income and expense	1,542	713	94,991	41,873	5,258	144,377
Ordinary shares bought back and cancelled	(137)	137	(10,575)	-	-	(10,575)
Dividends (Note 7)	-	-	-	-	(2,443)	(2,443)
Balance at 31st December 2023	1,405	850	84,416	41,873	2,815	131,359

The accompanying notes form part of these financial statements.

Dividends paid were paid from the revenue reserve.

Cash Flow Statement

for the year ended 31st December 2024

	Notes	31st December 2024 £'000	31st December 2023 £'000
Cashflows from operating activities			
Profit before tax		11,802	3,594

Adjustments for:			
Gains on investments		(9,706)	(797)
Purchases of investments	10	(23,495)	(30,042)
Proceeds on disposal of investments	10	41,910	35,292
Operating cash flows before movements in working capital		20,511	8,047
Decrease in receivables		99	5
Increase/(decrease) in payables		62	(22)
Net cash from operating activities before income tax		20,672	8,030
Income taxes received		-	-
Net cash flows from operating activities		20,672	8,030
Cashflows from financing activities			
Ordinary shares bought back		(17,504)	(10,575)
Dividends paid	7	(2,326)	(2,443)
Net cash used in financing activities		(19,830)	(13,018)
Net increase/(decrease) in cash and cash equivalents		842	(4,988)
Cash and cash equivalents at beginning of year		1,051	6,039
Cash and cash equivalents at end of year		1,893	1,051

The net cash flows from operating activities includes cash flows of £3,414,000 from dividend income (2023: £4,099,000) and £108,000 from interest income (2023: £94,000).

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

for the year ended 31st December 2024

1. Reporting Entity

Rights and Issues Investment Trust PLC is a closed-ended investment company, registered in England and Wales on 2nd October 1962 with Company number 00736898. The Company's registered office is Hamilton Centre, Rodney Way, Chelmsford CM1 3BY. Business operations commenced on 28th July 1966 when the Company's shares were admitted to trading on the London Stock Exchange. The Company invests primarily in a portfolio of equity securities with an emphasis on smaller companies. UK smaller companies will normally constitute at least 80% of the investment portfolio. UK smaller companies include those listed on either the London Stock Exchange or the Alternative Investment Market ("AIM").

Details of the Directors, Investment Manager and Advisors can be found on page 4 of the Annual Report and Accounts.

The financial statements of the Company are presented for the year ended 31st December 2024 and were authorised for issue by the Board on 20th February 2025.

Basis of Accounting

The financial statements have been prepared in accordance with international accounting standards and the applicable legal requirements of the Companies Act 2006.

In preparing these financial statements, the Directors have considered the impact of climate change risk and concluded there was no impact as the values of investments are based on market quoted prices and therefore reflect market participants view of climate change risk. None of the Company's other assets and liabilities are considered to be potentially impacted by climate change.

Under international accounting standards, the AIC Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP") issued in July 2022 has no formal status, but the Company adheres to the guidance of the SORP.

Going concern

The financial statements have been prepared on a going concern basis. In forming this opinion, the Directors have considered the general economic backdrop, the potential impact of the war in Ukraine and the escalating hostilities in the Middle East on the going concern and viability of the Company. In making their assessment, the Directors have reviewed income and expense projections and the liquidity of the investment portfolio, and considered the mitigation measures which key service providers, including the Investment Manager, have in place to maintain operational resilience.

The Directors have a reasonable expectation that the Company has adequate operational resources to continue in operational existence for at least twelve months from the date of approval of these financial statements and up to 28th February 2026.

Significant accounting policies

a. Accounting convention

The accounts are prepared under the historical cost basis, except for the measurement of fair value of investments.

b. Adoption of new IFRS standards

There have been minor amendments to IAS 1 and 7 and IFRS 7 and 16 which were effective for annual periods beginning on or after 1st January 2024 and have not had any material impact on the accounts. Amendments to IAS 21 (The Effects of Changes in Foreign Exchange Rates) are effective for annual periods beginning on or after 1st January 2025 and are not expected to have a material impact on the accounts.

periods beginning on or after 1st January 2025 and are not anticipated to have any material impact on the accounts.

c. Income

Dividend income is included in the financial statements on the ex-dividend date. All other income is included on an accruals basis.

d. Expenses

The Company's policy is to expense transaction costs on acquisition/disposal through the gains on investment at fair value through profit or loss. All other expenses are accounted for on an accruals basis and charged through the revenue account.

e. Taxation

The charge for taxation is based on the net revenue for the year. Deferred taxation is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date to which there are none (2023: none). Investment trusts which have approval under section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

f. Dividends

Dividends payable to shareholders are recognised in the financial statements when they are paid or, in the case of final dividends, when they are approved by the shareholders.

g. Cash and cash equivalents

Cash comprises cash in hand and deposits payable on demand. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash.

h. Investments

Investments are classified as fair value through profit or loss as the Company's business is investing in financial assets with a view to profiting from their total return in the form of interest, dividends or capital growth.

Changes in the value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Income Statement as "Gains or losses on investments held at fair value through profit or loss". Also included within this heading are transaction costs in relation to the purchase or sale of investments.

All investments, classified as fair value through profit or loss, are further categorised into the following fair value hierarchy:

Level 1 - Unadjusted prices quoted in active markets for identical assets and liabilities.

Level 2 - Having inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).

Level 3 - Having inputs for the asset or liability that are not based on observable data.

Investments traded on active stock exchange markets are valued at their fair value, which is determined by the quoted market bid price at the close of business at the balance sheet date. Where trading in a security is suspended, the investment is valued at the Board's estimate of its fair value.

The unquoted investment is valued by the Board at fair value using the International Private Equity and Venture Capital Valuation Guidelines.

Judgments, estimates or assumptions

The Directors have reviewed matters requiring judgments, estimates or assumptions. The preparation of the financial statements require management to make judgments, estimates or assumptions that affect the amounts reported for assets and liabilities as at the year end date and the amounts reported for revenue and expenses during the year. However, the nature of the estimate means that actual outcomes could differ from those estimates. No significant judgments, estimates or assumptions have been made in the preparation of these financial statements.

2. Income

	2024 £'000	2023 £'000
Income from investments		
Franked investment income	3,313	3,999
Other operating income		
Deposit interest	108	94
Total income	3,421	4,093
Total income comprises:		
Dividends	3,313	3,999
Interest	108	94
	3,421	4,093
Income from investments		
UK	3,313	3,990
Unlisted stock	-	9
Total	3,313	3,999

3. Investment Management fee

	2024 £'000	2023 £'000
Investment management fee	806	804
Operating expenses rebate	(134)	(134)

Total	672	670
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Following the appointment of Jupiter as Investment Manager on 3rd October 2022 a management fee is payable quarterly to the Investment Manager on the following basis:

0.60% per cent per annum on the Company's NAV up to and including £200 million.

0.50% per cent per annum on the Company's NAV in excess of £200 million.

An operating expenses cap (rebate) will be applied, in respect of each financial year by means of a balancing charge, which will reduce the management fee payable to the Investment Manager with respect to the quarter ending 31st March of the following financial year. It will apply for a period of 5 years with effect from 3rd October 2022. The operating expenses cap will not apply to the extent that the management fee would be less than 0.50% of the Company's average daily NAV during any financial year. The Manager and the Board will review the operating expenses cap at least annually to determine whether the level of the cap remains appropriate.

4. Other Expenses

	2024 £'000	2023 £'000
Staff costs (note 5)	7	4
Non-executive Directors' fees	128	147
Administration fees	94	94
Auditor's remuneration		
- Audit	66	19
Secretarial services	58	42
Other	169	164
	522	470
Capital expenses	131	156
Total	653	626

5. Staff Costs and Directors' Remuneration

	2024 £'000	2023 £'000
Social security costs	7	4
Total	7	4

	2024 £'000	2023 £'000
Directors' emoluments	128	139
Payments to former directors	-	8
	128	147

The Company has not had any employees since the appointment of JUTMas Investment Manager on 3rd October 2022.

5. Taxation

	2024			2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Corporation tax at 25% (2023: 23.5%)	-	-	-	-	-	-
Profit before tax	2,227	9,575	11,802	2,953	641	3,594
Tax on profit at effective rate 25% (2023: 23.5%)	557	2,394	2,951	694	151	845
Factors affecting the recovery/charge for the year:						
Income not taxable	(828)	-	(828)	(940)	-	(940)
Capital items not taxable	-	(2,427)	(2,427)	-	(187)	(187)
Unutilised losses	271	33	304	246	36	282
Current tax charge for the year	-	-	-	-	-	-

At the year end there is a potential deferred tax asset of £2,486,287 (2023: £2,214,810) in relation to surplus management expenses of £9,945,149 (2023: £8,859,238). It is unlikely that the Company will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year. The Company has not provided for deferred tax on capital gains or losses arising on the revaluation or disposal of investments as it is exempt from tax on these items because of its status as an investment trust company.

Factors that may affect future tax charges

The Company has not recognised any deferred tax asset relating to a surplus of £9,945,149 of management expenses. These expenses will only be

The Company has not recognised any deferred tax asset arising as a result of having unutilised management expenses. These expenses will only be utilised if the tax treatment of the Company's income and capital gains changes or if the Company's investment profile changes.

7. Dividends

Amounts recognised as distributions to equity holders in the year:

	2024	2023
	£'000	£'000
Paid		
Final dividend for the year ended 31st December 2023 of 31.25p per share (year ended 31st December 2022: 29.25p)	1,702	1,767
Interim dividend for the year ended 31st December 2024 of 12p per share (year ended 31st December 2023: 11.75p)	624	676
	2,326	2,443
	2024	2023
	£'000	£'000
Proposed		
Final dividend payable for the year ended 31st December 2024 of 32.00p per share (year ended 31st December 2023: 31.25p)	1,537	1,720

The final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

Set out below is the total dividend paid and payable in respect of the financial year, which is the basis on which the requirements of section 1158 of the Corporation Tax Act 2010 are considered.

	2024	2023
	£'000	£'000
Revenue available for distribution by way of dividend for the year	2,227	2,953
Interim dividend for the year ended 31st December 2024 of 12p per share (year ended 31st December 2023: 11.75p)	(624)	(676)
Proposed final dividend for the year ended 31st December 2024 of 32.00p per share (year ended 31st December 2023: 31.25p)	(1,537)	(1,720)
Net addition to Revenue reserve	66	557

8. Return per Ordinary Share

	2024	2023
	£'000	£'000
Return attributable to equity shareholders		
Revenue return	2,227	2,953
Capital return	9,575	641
	11,802	3,594
	p	p
Revenue return per share	42.1	50.4
Capital return per share	181.2	11.0
	223.3	61.4

Return by share is calculated using the weighted average number of income shares in issue during the year of 5,249,524 (2023: 5,854,307).

9. Investments

Analysis of the investments

The number of companies or institutions in which equities, convertibles or fixed interest securities were held was 22 (2023: 22).

	2024		2023*	
	£'000	%	£'000	%
Equity Groups				
Basic Materials				
Chemicals	6,232	5.14	6,444	4.96
Industrial Metals and Mining	7,544	6.22	9,969	7.67
Consumer Discretionary				
Leisure Goods	1,397	1.15	3,339	2.57
Consumer Staples				
Food Producers	-	-	4,617	3.55
Financials				
Finance and Credit Services	5,666	4.67	6,501	5.00
Investment Banking and Brokerage Services	9,221	7.60	5,721	4.40
Industrials				
Construction and Materials	5,348	4.41	4,319	3.32
Electronic and Electrical Equipment	14,698	12.12	10,504	8.08
General Industrials	5,555	4.53	10,622	8.14

General Industrials	7,587	6.25	13,666	10.51
Industrial Engineering	-	-	6,268	4.82
Industrial Support Services	6,729	5.55	3,806	2.93
Industrial Transportation	7,665	6.32	14,906	11.47
Technology				
Software and Computer Services	-	-	2,714	2.09
Telecommunications				
Telecommunications Equipment	-	-	1,869	1.44
Utilities				
Electricity	7,387	6.09	7,401	5.69
AIM Traded Stocks	41,780	34.45	27,909	21.47
Delisted	31	0.03	41	0.03
Fixed Interest				
Preference	-	-	-	-
Total UK	121,285	100.00	129,994	100.00

* The figures for 2023 have been reworked based on the latest categories as per the latest FTSE categorisation.

10. Investments held at fair value through profit or loss

	2024 £'000	2023 £'000
Investments listed on a recognised investment exchange		
UK equity listed investments at fair value	79,474	96,323
AIM traded stocks	41,780	33,630
Unlisted stock	31	41
	121,285	129,994

	Listed 2024 £'000	AIM traded/ Unlisted 2024 £'000	Total 2024 £'000
Opening book cost	69,954	18,167	88,121
Opening unrealised appreciation	26,369	15,504	41,873
Opening valuation	96,323	33,671	129,994
Movement in the year:			
Purchases at cost	13,762	9,733	23,495
Sales - proceeds	(33,544)	(8,366)	(41,910)
Sales - realised gains on sales	11,474	3,622	15,096
Decrease/(increase) in unrealised appreciation	(8,541)	3,151	(5,390)
Closing valuation	79,474	41,811	121,285
Closing book cost	61,646	23,156	84,802
Closing unrealised appreciation	17,828	18,655	36,483
	79,474	41,811	121,285
Realised gains on sales	11,474	3,622	15,096
Decrease/(increase) in unrealised appreciation	(8,541)	3,151	(5,390)
Gains on investments	2,933	6,773	9,706

With the exception of the unlisted stock, the Company's investments are Level 1 assets under the definition of IFRS 13 and comprise equity listed and AIM traded investments classified as held at fair value through profit or loss.

Investments have been revalued over time and, until they are sold, any unrealised gains or losses are included in the fair value movement on investments.

During the year transaction costs of £75,583 were incurred on the acquisition of investments (2023: £133,196). Costs relating to disposals of investments during the year amounted to £19,154 (2023: £14,624). All transaction costs have been included within the capital column of the Income Statement.

11. Significant Interests in Investee Companies

The Company has a holding of 3% or more that is material in the context of the financial statements in the following investments as at 31st December 2024:

Name	% holding
Colefax Group	14.13
Renold	8.35
Elecosoft	5.38
Macfarlane Group	4.44
Vp	3.44

12. Other Receivables

	2024 £'000	2023 £'000
Amounts due from brokers	2	-
Prepayments and accrued income	455	556
	457	556
Cash and cash equivalents		
Cash at bank	1,893	1,051

13. Other payables

	2024 £'000	2023 £'000
Accruals	304	242
Outstanding share buybacks	184	-
	488	242

14. Share Capital

	2024 £'000	2023 £'000
Allotted, Called Up and Fully Paid		
4,841,803 Ordinary shares of 25p each (2023: 5,620,684)	1,210	1,405
		Number of Ordinary shares 2024
Balance at beginning of year		5,620,684
Ordinary shares bought back and cancelled		(778,881)
		4,841,803

15. Reserves

	2024			
	Capital redemption reserve £'000	Capital reserve £'000	Revaluation reserve £'000	Revenue reserve £'000
Beginning of year	850	84,416	41,873	2,815
Ordinary shares bought back and cancelled	195	(17,688)	-	-
Decrease in unrealised appreciation	-	-	(5,390)	-
Net gains on realisation of investments	-	15,096	-	-
Expenses	-	(131)	-	-
Profit for year	-	-	-	2,227
Dividends	-	-	-	(2,326)
End of year	1,045	81,693	36,483	2,716

	2023			
	Capital redemption reserve £'000	Capital reserve £'000	Revaluation reserve £'000	Revenue reserve £'000
Beginning of year	713	67,191	69,032	2,305
Ordinary shares bought back and cancelled	137	(10,575)	-	-
Decrease in unrealised appreciation	-	-	(27,159)	-

Net gains on realisation of investments	-	27,956	-	-
Expenses	-	(156)	-	-
Profit for year	-	-	-	2,953
Dividends	-	-	-	(2,443)
End of year	850	84,416	41,873	2,815

The capital reserve represents realised profits and losses arising on the disposal of investments. The revaluation reserve represents unrealised profits and losses arising on the revaluation of investments held. The revenue reserve represents accumulated revenue less the distributions paid. Both the capital reserve and revenue reserve together represent the total distributable reserves at the year end.

16. Net Asset Value per share

The net asset value per Ordinary share calculated in accordance with the Articles of Association was as follows:

	Net asset value per Ordinary share attributable		Net asset value attributable	
	2024 p	2023 p	2024 £'000	2023 £'000
Ordinary shares	2543.4	2337.1	123,147	131,359

The movements during the year attributable to each class of share were as follows:

	Ordinary shares 2024 £'000	Ordinary shares 2023 £'000
Total net assets at beginning of year	131,359	140,783
Shares bought back and cancelled	(17,688)	(10,575)
Total recognised gains for the year	9,575	641
Transfer to reserves	(99)	510
Total net assets attributable at end of year	123,147	131,359
Number of shares in issue	4,841,803	5,620,684

The Company may repurchase its own shares and then cancel them, reducing the freely traded shares ranking for dividends and enhancing returns and earnings per Ordinary Share to the remaining Shareholders. When the Company repurchases its share, it does so at a total cost below the prevailing NAV per share.

The estimated percentage added to the NAV per share as a result of buybacks of 1.8% (2023: 1.6%) is derived from the repurchase of shares in the market at a discount to the prevailing NAV at the point of repurchase. The shares were bought back at a weighted average discount of 11.4% (2023: 16.0%).

	2024	2023	
Weighted average discount of buybacks	11.4%	16.0%	a
Percentage of shares bought back	13.9%	8.8%	b
NAV accretion from buyback	1.8%	1.6%	(a*b)/(100-b)

17. Related Party Transactions

Fees payable during the year to the Directors and their interests in shares of the Company are considered to be related party transactions. Details are disclosed within the Directors' Remuneration Report in the Annual Report and Accounts. The balance of fees due to Directors at the year end was £nil (2023: £nil).

The Company has an agreement with Jupiter Unit Trust Managers Limited for the provision of Investment Management services. Details of fees earned during the year and balances outstanding at the year end are disclosed in note 3.

18. Financial assets and liabilities

The Company's financial assets and liabilities comprise securities, cash balances and debtors and creditors that arise from its operations, for example, in respect of sales and purchases awaiting settlement and debtors for accrued income.

The investment policy and objectives of the Company are stated on page 2 of the Annual Report and Accounts.

As an investment trust, the Company invests in securities for the long term. Accordingly it is and has been throughout the year under review, the Company's policy that no short term trading in investments or other financial instruments should be undertaken.

The main risks arising from the Company's financial instruments are market price risk, liquidity risk and credit risk. The Board's policy for managing these risks is summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate.

Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. Market Risk comprises other price risk and interest rate risk.

Other price risk

The Board meets at least quarterly to consider the asset allocation of the portfolio in order to minimise the risk associated with industry sectors. The Investment Manager has responsibility for monitoring the existing portfolio selected in accordance with the Company's investment objectives and seeks to ensure that individual stocks meet an acceptable risk-reward profile.

Company's exposure to changes in market prices as at 31st December 2024 on its quoted equity investments was £121,254,000 (2023: £129,953,000).

If the price of the investments held increased or decreased by 10%, with all other variables held constant, the net assets attributable to Shareholders would increase or decrease by approximately £1,212,500 (2023: £1,299,530).

Interest rate risk

The Company has limited exposure to Interest Rate risk on the underlying investments held. The only exposure to interest rate risk is from cash held at bank of £1,893,000 (2023: £1,051,000).

If the value of sterling increased or decreased by 10%, with all other variables held constant, then the net assets attributable to Shareholders would increase or decrease by approximately £189,300 (2023: £105,100).

Liquidity risk

Liquidity risk is not considered significant. All liabilities are payable within three months. The company's assets comprise mainly readily realisable securities which can be sold to meet funding requirements if necessary. The Company currently holds one unquoted security, Dyson, which is not quoted on the London Stock Exchange or AIM.

Credit risk

Credit risk is the failure of the counterparty to a transaction to discharge its obligations which could result in the Company suffering a loss. At the year end the Company's maximum exposure to credit risk was as follows:

	2024 £'000	2023 £'000
Receivables	457	556
Cash and cash equivalents	1,893	1,051
	2,350	1,607

The risk is managed by dealing only with brokers and banks which have satisfactory credit ratings and are approved by the Audit, Risk and Compliance Committee.

Financial assets and liabilities

All assets and liabilities are included at fair value.

Valuation of financial instruments

IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Company are explained in the accounting policies note 1h Investments.

The fair value hierarchy has the following levels:

Level 1 - Unadjusted prices quoted in active markets for identical assets and liabilities.

Level 2 - Having inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).

Level 3 - Having inputs for the asset or liability that are not based on observable data.

31st December 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss				
UK Equity Listed	79,474	-	-	79,474
AIM traded stocks	41,780	-	-	41,780
Unlisted stock	-	31	-	31
Net fair value	121,254	31	-	121,285

31st December 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss				
UK Equity Listed	96,323	-	-	96,323
AIM traded stocks	33,630	-	-	33,630
Unlisted stock	-	41	-	41
Net fair value	129,953	41	-	129,994

There were no transfers between Level 1 and Level 2 during the period.

The fair value of the Company's investment in Dyson, which is classified above as Level 2, is determined using the outsourced provider S&P Global with their valuation techniques and price assessed and agreed by the governance process in place by the Unlisted Assets Valuation Committee of the Investment Manager and ratified by the Board.

19. Capital Management Policies and Procedures

The Company's capital comprises the equity share capital, share premium and reserves as shown in the Statement of Financial Position.

The Board, with the assistance of the Investment Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- The need to buy back Ordinary shares, either for cancellation or to hold in treasury, which takes account of the difference between the net asset value per share and the share price (i.e. the level of share price discount or premium); and
- The extent to which revenue in excess of that which is required to be distributed should be retained. During the period, the Company complied with the externally imposed capital requirements:
- As a public company, the Company has a minimum share capital of £50,000; and
- In order to be able to pay dividends out of profits available for distribution, the Company has to be able to meet one of the two capital restriction tests imposed on investment companies by Company law

20. Post Balance Sheet Events

Between the year end and 19th February 2025, the latest practicable date before the publication of the financial statements, the Company has bought back and cancelled 39,120 Ordinary shares for a cost of £848,653.

A copy of the Company's Annual Report for the year ended 31st December 2024 will shortly be available to view and download from the Company's website www.jupiteram.com/uk/en/individual/rights-and-issues-investment-trust-plc.

Printed copies of the Annual Report will be sent to those shareholders electing to receive hard copies shortly. Additional copies may be obtained from the Company Secretary - Apex Fund Administration Services (UK) Limited, Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY.

The Annual General Meeting of the Company will be held in the **Zig Zag Building, 70 Victoria Street, London SW1E 6SQ** on 24th March 2025, at 12 noon.

<END>

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