

Temple Bar Investment Trust Plc
(the "Trust" or "Company")
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Annual Financial Report for the year ended 31 December 2024

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London, 21 March 2025 – Temple Bar Investment Trust Plc (LSE:TMPL), the UK-listed investment company that focuses on intrinsic value and long-term growth by investing primarily in UK-listed securities, has today announced annual results for the year ended 31 December 2024.

Highlights:

- Net Asset Value ("NAV") total return 19.9% (2023: 12.3%) and significantly exceeding the Benchmark, the FTSE All-Share Index, which delivered 9.5%^[1]
- Share price total return of 19.1% (2023: 12.5%)^[2]
- Dividend of 11.25 pence per ordinary share – an increase of 17.2% (2023: 9.60 pence)
- Proposals to dividend policy would see quarterly dividends rise to 3.75p per share
- Dividend yield of 4.1% (2023: 4.0%)^[3]

^[1] Source: Frostrow for Company returns, Redwheel for FTSE All-Share returns

^[2] Source: Frostrow for Company returns, Redwheel for FTSE All-Share returns

^[3] Calculated as dividends per share divided by the year-end share price

Richard Wyatt, Chairman of Temple Bar Investment Trust comments:

I am pleased to report that the Trust has again outperformed its Benchmark, the FTSE All-Share Index, by a significant margin. The Net Asset Value total return with debt at fair value was +19.9%, the share price total return was +19.1%, and the total return on the FTSE All-Share Index was +9.5%. Since Redwheel took over the management of the Trust at the end of October 2020, the Net Asset Value total return to the end of 2024 has been 123.9% compared with 64.2% for the Benchmark, again a significant outperformance.

Total dividends for the year amounted to 11.25p per share, an increase of 17.2% on 2023. The Board closely monitors the Trust's net revenue position and, based on the latest forecasts, expects future annual dividends to increase from this level over time.

In recent years, companies have been altering the nature of their distributions to shareholders. Increasingly, they have been looking to provide investors with a return via share buybacks either alongside or instead of dividends. Unlike dividends, which are recognised as revenue in your Company's accounts, and which underpin the dividends we pay, buybacks by portfolio companies have not contributed to the distributions paid to our shareholders. In order to address this distributional shift in the behaviour of portfolio companies, Temple Bar is proposing to amend its dividend policy to enhance the dividend it pays.

This revised dividend policy would see the recent quarterly dividends declared by the Company of 3.0p per share rise to 3.75p per share, representing an annualised dividend yield of c. 5.0%, based on the share price at the time of writing.

The Portfolio Manager's report highlights the fact that the UK stock market continues to be out of favour with investors. While the resulting poor valuations provide our Portfolio Manager with attractive entry points when building an investment position, the continued poor perception of the UK market will, ultimately, lead to a reduction in the breadth of investment opportunities. Whilst for now, we believe that leaves our Portfolio Manager with an opportunity set large enough to meet our current restrictions, this will have to be monitored closely if the trend of delisting from London continues.

Against a backdrop of continued, albeit slower than anticipated, growth from the UK economy in 2025, the valuation of UK equities continues to look compelling compared to their equivalents overseas.

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Ian Lance and Nick Purves, co-managers of Temple Bar Investment Trust comment:

The Trust's portfolio performed strongly in the year, significantly outpacing the rise in the UK equity market. Over one half of the companies in the Trust's portfolio are or have been buying back stock in 2024 and these buy backs have undoubtedly been a key driver of portfolio returns.

The consensus view today is that American "exceptionalism" will continue, suggesting to us that expectations are already high and that the potential for disappointment is great. The UK stock market in contrast contains a good number of neglected companies, where the bar of expectation is much lower, and where the likelihood of positive surprise is much greater. Accordingly, we believe that the long-term outlook for investment returns in the UK stock market is better.

The ability to be truly long term is the biggest advantage that one can have in the stock market today, and we are optimistic that we can continue to use this advantage to generate excess investment returns for the Trust.

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Objective

The investment objective of Temple Bar Investment Trust Plc* is to provide growth in income and capital to achieve a long-term total return greater than the benchmark FTSE All-Share Index, through investment primarily in UK-listed securities. The Company's policy is to invest in a broad spread of securities with the majority of the portfolio typically selected from the constituents of the FTSE 350 Index.

Purpose

The purpose of the Company is to deliver long-term returns for shareholders from a diversified portfolio of investments.

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Think value investing, think Temple Bar.

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The Portfolio Manager's report highlights the fact that the UK stock market continues to be out of favour with investors. While the resulting poor valuations provide our Portfolio Manager with attractive entry points when building an investment position, the continued poor perception of the UK market will, ultimately, lead to a reduction in the breadth of investment opportunities open to your Company as companies look to IPO elsewhere and currently listed companies leave the UK market through redomiciling, takeover, or being taken private.

A consequence of increased de-equitisation in the UK market is the concentration of dividend payments from a narrower group of UK index constituents. The top 20 dividend payers in the FTSE All-Share Index now account for around 74% of the index dividend.

Our Portfolio Manager informs us that the UK investable universe of listed companies greater than £1bn is now around 201 companies, 21 of which we already hold. Whilst for now, we believe that leaves our Portfolio Manager with an opportunity set large enough to meet our current restrictions, this will have to be monitored closely if the trend of delisting from London continues. As a result, your Board regularly reviews the appropriateness of its current UK-focused investment policy. Should the opportunities offered by UK listed companies reduce materially, the Board may in the future propose a broadening of the investment policy to increase the ability of our Portfolio Manager to access overseas opportunities beyond the current 30% limit. Any such proposal will require shareholder approval.

Environmental, Social & Governance (ESG) Issues

ESG matters continue to be an important priority for the Board and our objective remains to have full disclosure on the topic. The Board continues to request that our Portfolio Manager monitors, evaluates and actively engages with investee companies with the aim of preserving or adding value to the portfolio. Our Portfolio Manager reports back to the Board regularly on ESG related matters. Further details can be found in the Portfolio Manager's Report.

The Board

I have served on the Board since 2017, and became Chairman in 2023. It is my intention, therefore, to retire from the Board at or before the Company's Annual General Meeting in 2026 dependent on the progress of succession plans. Plans to refresh the Board are currently being finalised.

Annual General Meeting (AGM) The AGM this year will be held at Barber-Surgeons' Hall, Monkwell Square, Wood St, Barbican, London EC2Y 5BL, on Tuesday, 6 May 2025 at 11.30am.

Shareholders are welcome to attend in person where you will be able to hear a presentation from the portfolio management team Nick Purves and Ian Lance and also to meet the Board of Directors.

I very much look forward to seeing as many shareholders as possible this year. For those investors who are not able to attend the meeting in person, a video recording of the Portfolio Manager's presentation will be uploaded to the website after the meeting. Shareholders can submit questions in advance by writing to the Company Secretary at info@frostron.com.

Shareholders are invited to register their vote in advance by 11.30am on Thursday, 1 May 2025 at the latest.

The votes on the resolutions to be proposed at the AGM will be conducted on a poll. The results of the proxy votes will be published following the conclusion of the AGM by way of a stock exchange announcement and on the Company's website: www.templebarinvestments.co.uk.

Outlook

Against a backdrop of continued, albeit slower than anticipated, growth from the UK economy in 2025, the valuation of UK equities continues to look compelling compared to their equivalents overseas.

Your Board shares the view of our Portfolio Manager that the Trust's portfolio is priced to offer shareholders further excess investment returns in the future. Accordingly, we believe that long-term investors in the Trust will continue to be rewarded.

Richard Wyatt
Chairman

20 March 2025

Investment Approach

A classic approach to value investing

The portfolio management team of Nick Purves and Ian Lance are long-term intrinsic value investors who believe that short-term sentiment amongst many market participants causes them to overreact to news, which has little or no impact on the long-run value of a business. This overreaction causes share prices to diverge from the intrinsic value of the underlying business and provides an opportunity for long-term investors to purchase shares at less than their true value. In the long term the share price tends to move closer to the intrinsic value of the business and this creates excess returns for investors who purchased shares at low valuations. The team form a view of a company's long-run profit potential and make balance sheet adjustments to assess intrinsic value. They use their experience and knowledge of companies and sectors to identify those companies that are more likely to recover and improve in the future.

Identifying quality and avoiding value traps

Some value strategies simply apply mechanistic measures to identify undervalued stocks but this can lead to investing in businesses that are in structural decline; they may be cheap but their potential to recover is limited. Instead, the portfolio management team's 'intrinsic value' approach aims to identify undervalued, yet good, quality companies with strong cash flows and robust balance sheets. The portfolio management team put a strong emphasis on financial strength because it gives them the confidence that a company can survive through a prolonged period of lower profitability caused by company-specific issues, or an unexpected downturn in the economy.

As Temple Bar's Portfolio Manager, Redwheel aims to avoid lower-quality stocks or so called 'value traps' by monitoring companies against three different types of risk:

Valuation – extrapolating favourable trends and paying more than the intrinsic value of the business (e.g. avoiding a situation where something is positively impacting a company's share price in the short term but that isn't sustainable longer term);

Earnings – the risk that the earnings of the Company decline for cyclical or secular reasons (e.g. the industry or sector that the business operates in is itself in cyclical or long-term decline); and

ESG – unethical or neglectful behaviour by a company in one of these areas can harm those who invest as well as the environment or society in which a company is located. We believe that applying ESG best practices, such as consideration of environmental and product safety, workplace diversity and strong corporate governance can contribute to long-term investment returns while mitigating risks.

In the diagram overleaf Redwheel has set out some of the key factors it considers when seeking to uncover the most compelling value opportunities:

10 Pillars of value investing

Ian Lance and Nick Purves believe value investing is making a comeback. With more than six decades of combined experience in UK equities, here's how they do it.

Consider probabilities and payoffs

No matter the research, there are always surprises, positive and negative. Think best and worst case scenarios. If we think a share price could go to zero in one scenario, but has 400% upside in another, there is probably a case for investing.

Enhance, don't drift

Discipline is key to value investing – stick to your philosophy, you're here for the long run. Always look to improve and adapt as things change.

Simple but not easy

Buying shares for less than their worth then selling when the value has been realised is easy to understand. But most don't invest this way due to a lack of sticking with it. Value investing is tricky – we are hard-wired to conform – but can be rewarding.

Cycles, cycles, cycles

Profits and share prices are impacted by cycles such as credit, commodity and business. An investor's overreaction can throw up opportunities. An advantage lies in knowing which cycles impact an investment and where we are in that cycle.

Be contrarian but not mindless contrarian

Investors love to buy what everyone else hates. But having respect for what the market is saying is key. Eagerly buying shares being sold in companies with too much debt, or declining profits, can prove costly and mindlessly contrarian.

Don't buy rubbish

Recently the market has become fixated with quality and growth. Quality and growth are intrinsic to a business's value. We've had success when high quality businesses have been questioned by the market, resulting in low value entry.

Bargains are rare, make the most of them

It's unlikely that you're going to buy a business trading at half its intrinsic value. However, a company or an industry will suffer a drawdown at some stage, which may present an opportunity to buy at a good value.

Adopt an absolute return mindset

Value investing is a risk averse strategy born out of a reaction to the Great Depression. By buying a dollar of value for 50¢, you build in a margin of safety in case the economy and/or the stock market suffer. Value investors see risk as the risk of permanent capital impairment, so invest with this at top of mind.

Be patient, be long term

A struggling, out-of-favour business is unlikely to turn around the day after you invest. It's more likely that things continue to get worse, so we try to be patient, allowing for profitability to improve and for the market to recognise it. Our typical holding period is at least five years.

There is no single correct method

Value investing relies on estimating the intrinsic worth of a business. Our experience tells us to be flexible, by adjusting earnings for cyclicalities, and to recognise the positive (hidden value), and the negative (e.g. pension fund deficit), on a balance sheet.

The Portfolio Manager's Team

Nick Purves

Ian Lance

How would you describe your investment approach?

We are value investors. This means that we invest the Trust's assets in companies whose stock market value is at a significant discount to our assessment of the fair or intrinsic value of the business. Investing in under-valued companies provides two benefits. First, it provides investors with a margin of safety if events don't unfold in a way that investors would have hoped and second, they can expect to receive an excess investment return as and when this under valuation is corrected by the stock market.

What evidence is there supporting this style of investment?

Numerous academic studies have shown that systematically investing in lowly valued companies has seen investors enjoy an excess long-term investment return above the wider stock market, even though it is often these companies that are seen to operate in the most challenged industries. We believe the reason for this outperformance comes down to psychological factors where investors systematically overpay for those companies whose prospects are seen to be the most attractive, whilst being too quick to overlook or dismiss companies where the outlook is more difficult. By investing the Trust's assets in lowly valued companies, we aim to take advantage of these behavioural inconsistencies to the benefit of the Trust's shareholders.

How does this work in practice when selecting companies and building a portfolio?

A company's shares will normally trade at a discount to its intrinsic value for one of two main reasons: either because of neglect or controversy. Where the cause is neglect, the stock market is not concerned that there is a particular problem with the business; it is just that the company is seen to offer relatively dull prospects in a world where many investors crave excitement. Where there is a controversy surrounding the company, investors are worried that either a downturn in the economy or some secular change in the company's industry will negatively impact profitability. This uncertainty is unsettling for many investors and can cause them to sell the shares. In a desire to avoid what are sometimes seen as troubled businesses, investors often forget that the purchase of a share exposes them to a very long-term stream of corporate cash flows, the true value of which only changes by a relatively small amount even in the event of a severe recession. The result is that share prices will often overreact to short term news flow. The Trust seeks to take advantage of this excess volatility by investing in companies whose shares are significantly undervalued based on a conservative view of a business's long-term profit potential.

We seek, therefore, to identify fundamentally sound but lowly valued companies whose shares are priced to offer higher investment returns in the future. A fundamentally sound business is one that can grow its profits over time (although not necessarily in each year), has strong finances and a capable and sensible management team who allocate capital in the best interests of their shareholders.

Are there any economic or market conditions in which you might expect the portfolio to perform particularly well, or poorly?

Our experience has taught us that over shorter time periods, share price movements are driven by changing investor sentiment, itself driven by changes in the more immediate outlook for company profits. It is only over longer time periods that starting valuation becomes the most important determinant of subsequent share price performance.

It has been said that over short time periods, the stock market is a "voting" machine, whilst over the long term it is a "weighing" machine. We entirely agree with this view and accordingly we recognize that it is only those investors with a multi-year time frame who can truly expect to harvest the excess investment return that lowly valued stocks can deliver. Given that many of the Trust's investments are in industries where profits are sensitive to the prevailing economic conditions, as a rule of thumb, shareholders should expect the Trust's portfolio to perform well in benign economic conditions but struggle in an economic downturn.

Looking at the financial year, how has the portfolio performed and what were the major winners and losers?

The Trust's portfolio performed strongly in the year, significantly outpacing the rise in the UK equity market. The Trust benefitted from significant rises in the share prices of the three UK listed banks, NatWest Group, Barclays, and Standard Chartered and the electrical retailer Currys, with each of these companies adding 2% or more to the Trust's investment return. The portfolio was also helped by strong performances from Marks & Spencer and ITV. The one significant detractor in the year was Stellantis, whose share price fell by around 40% in 2024.

In 2024, NatWest, Barclays and Standard Chartered all continued to benefit from a benign economic backdrop, which in turn leads to healthy net interest margins and a low level of loan losses. All three companies are currently generating an attractive 10% plus return on equity, are strongly capitalised and are taking advantage of low stock market valuations to return profits to shareholders through dividends and value accretive share buybacks. Despite the strong share price performance in 2024, each is currently valued at around just 8 times 2024 earnings.

Currys has traded strongly in the first half of its financial year ended April 2025, both in the UK and in the Nordics where conditions had been very challenging post the COVID pandemic. This came on top of a takeover bid from Elliott Capital in February 2024 at a 40% premium to the prevailing share price. The mixture of takeover interest and healthy trading enabled the shares to rise by more than 80% in 2024. Again, despite the strong share price performance, at the time of writing, the company is valued at less than 10 times this year's expected earnings.

Also in the retail sector, Marks & Spencer continued to trade strongly in 2024, taking further market share in both food and clothing. For some time, we have believed that there is much unrealised potential in the M&S brand, and it is heartening to see that this is now being realised. With the shares having risen roughly threefold from very depressed levels in the last two years, today's valuation is clearly not as compelling as it was but nevertheless, it is modestly priced, and we continue to believe that the company can grow its profits at an attractive rate in the coming years.

In March, ITV announced that they would be selling their 50% of the Britbox International joint venture to their partners, the BBC, for £255m and using the proceeds to buy back their stock. This led to a sharp upward move in the share price. The joint venture makes little in the way of profit and the fact that the sales proceeds accounted for around 10% of the company's market value, demonstrates the considerable value that exists in the shares. The company is undertaking a difficult transition from declining linear TV advertising revenues to digital advertising revenues but is nevertheless on target to achieve its medium-term objectives. Whilst not wishing to underestimate the challenges that the company faces, we are hopeful that over time this can lead to a re-rating of the company's shares.

On the downside, Stellantis fell sharply in 2024 as it downgraded its profit guidance for the year. Demand for autos has weakened quite considerably in recent months, in the US, Europe and China, thus prompting a slew of profit warnings from companies in the industry. Auto manufacturers have large, fixed cost bases and accordingly small changes in demand have an outsized effect on profitability. The company's operating margin expectations for this year were therefore cut back significantly. Nevertheless, the company is still expected to generate a reasonable profit for the year and sentiment in the shares is so poor that company is valued at around 4 times 2024 earnings. Even if we assume therefore that profit margins never recover from last year's depressed levels, in our view, the shares have considerable upside potential.

Although, portfolio turnover is comparatively low, have you made any major changes to the portfolio in the past year?

There were four significant new investments in the portfolio during the year: International Consolidated Airlines (IAG), Direct Line Group, ABN Amro and Aberdeen Group.

The airline IAG was formed via the 2011 merger of flag-carriers British Airways and Iberia. The company has a particularly strong foothold in the highly profitable transatlantic market, with dominant positions to North and South America. Given the quality of the management team alongside a reinforced balance sheet, and formidable market shares on profitable routes, we view the company's valuation as being highly attractive at less than 7 times 2024 earnings.

Direct Line is one of the UK's leading insurance companies and although it is a low growth business, up until 2022 it had been relatively stable. In 2022, however, the company badly underestimated the level of claims inflation that it would see, with the result that it was effectively underpricing its insurance and writing loss making contracts. Although the long-term profit potential was unaffected, the share price duly halved, creating an attractive entry point. In December, the company agreed to be taken over by Aviva at a price that will result in a large profit for the Trust.

ABN Amro is a conservatively managed Dutch bank, which derives almost all its profits from the Netherlands. Two thirds of group loans are residential mortgages with an average loan to value of just 50%. The company has little in the way of a financial markets exposure. The last two years have been good for the bank and yet the shares are valued at around 6 times 2024 earnings, and they offer a dividend of around 9%.

Although Aberdeen Group is primarily known as an asset manager, the company operates three different businesses: Investments (asset management), Adviser, a B2B trading to platform, and Interactive Investor (II), a direct-to-consumer trading platform. Both Aberdeen Group's Adviser and II businesses have strong positions in attractive markets and in our view are worth around the current share price. Although the Investments business is struggling, shareholders are paying nothing for it and were it to achieve its profit potential, there would in our view, be scope for the shares to double from today's level.

These purchases were partly funded through the sale of shares in International Distribution Services (previously Royal Mail), which agreed to be taken over in the year.

The past financial year has seen a pickup in takeover activity in the UK market. Why was this and has this had an impact on companies in the portfolio? How have you responded to these bids?

2024 saw a continuation of the 2023 pickup in the number of takeover bids for UK listed companies as both corporate and private equity investors (most often from overseas) sought to take advantage of the low valuations available in the UK stock market. Four of the Trust's holdings were subject to takeover bids in the year, in each case at a significant premium to the prevailing share price. The premiums offered ranged between 40% and 70% and the bids thereby crystallised significant value for the Trust's shareholders. Our response to a takeover bid is always to compare the bid price to our view of the long-term value of the company and turn it down where we deem it to be inadequate. We are prepared to be vocal in such instances. This was the case in respect of Elliott Capital's bid for Currys, which despite being at over a 40% premium to the prevailing share price, in our view, materially undervalued the company. Here we put out a statement saying that the 67p bid was inadequate. At the time of writing the shares were priced at around 90p. Given the continued low valuation of the Trust's portfolio, we would not be surprised to see further bids for its holdings in 2025.

The UK stock market continues to be perceived as relatively unattractive when compared with other equity markets. Do you share this view?

It is certainly true to say that the UK stock market continues to be relatively out of favour with investors. The easiest measure of investor sentiment, perhaps, is valuation and following another year of relative underperformance, the valuation differential between the US stock market and the UK stock market widened further in 2024 from already elevated levels.

As we have stated previously, there is much historical evidence to show that the best predictor of long-term future investment return is starting valuation, with lowly valued companies being priced to enjoy elevated investment returns in the future. Some will point out that US companies have grown profits more rapidly in the last decade or so and that therefore, the US stock market premium is justified. Whilst it may be the case that profits have grown more rapidly in the US, investors should reflect on the fact that by far the largest portion of the excess return that has come from US stocks, has been due to an absolute and relative re-rating of those profit streams. This is significant in that a re-rating is not a sustainable form of investment return unless you believe that those profit streams will continue to re-rate indefinitely.

It is important to remember that as valuations rise, so the level of expectation incorporated into share prices increases and the better the companies must perform operationally to satisfy those lofty expectations. The consensus view today is that American exceptionalism will continue, suggesting to us that expectations are already high and that the potential for disappointment is great. The UK stock market in contrast contains a good number of neglected companies, where the bar of expectation is much lower, and where the likelihood of positive surprise is much greater. Accordingly, we believe that the long-term outlook for investment returns in the UK stock market is better.

You have the ability to invest up to 30% of the portfolio in companies listed outside the UK. To what extent do you use this flexibility and how do investment opportunities within and outside the UK compare?

The ability to invest a portion of the Trust's portfolio outside of UK listed companies is valuable and serves two purposes. First it enables us as portfolio managers to access sectors of the stock market which we believe to be undervalued but which are not well represented in the UK share index. An example here is automotive manufacturers and the Trust has shareholdings in Honda and Stellantis. Second, it enables us to partially diversify the stock specific risk of holding a large a position in a sector, again where we believe that the sector is undervalued. An example here is the Energy sector, where the Trust holds a position in Total Energies alongside its holdings in Shell and BP.

How is the portfolio currently positioned and what is your outlook for the year ahead?

The Trust's portfolio in aggregate is valued at around 9 times 2024 estimated earnings and it therefore continues to be priced for attractive future returns. Shareholders might ask themselves how it is that a portfolio that has appreciated quite markedly in 2024 can still be valued on such a low multiple of profits. The answer is that whilst there has been some growth in earnings (as the environment for corporate profits has been relatively good), a significant portion of the Trust's return has come through the beneficial effect of companies using cash flows to buy back cheap shares. It is worth reflecting on the fact that a company that trades on a price earnings ratio of 10x, which grows its profits by 5% and uses half of its profits to buy back stock, delivers earnings per share growth of 10%. In this example, the share price would have to rise by 10% in order maintain a constant price earnings ratio. If this company were to return the other half of its profits as a 5% dividend, then assuming no change in the share rating, the annual total return to the shareholders would be 15%. This serves to make the important point that you don't need that ever elusive re-rating of the UK stock market to enjoy excellent returns from UK equities. Over one half of the companies in the Trust's portfolio are or have been buying back stock in 2024 and these buy backs have undoubtedly been a key driver of portfolio returns.

As the portfolio managers on the Trust, we see it as our job to take advantage of the excessively low valuations caused by a sentiment driven short-term selling for the long-term benefit of the Trust's shareholders. However, if the Trust's shareholders are going to take advantage of the short termism of others, they need to be long term in their thinking. *The ability to be truly long term is the biggest advantage that one can have in the stock market today, and we are optimistic that we can continue to use this advantage to generate excess investment returns for the Trust.* But the path will not always be smooth, and there will be periods of underperformance. The prize is great for the long-term value investor, but shareholders must recognise that the road will be bumpy at times and thus ensure that their expectations are correctly set.

Ian Lance and Nick Purves
Redwheel

20 March 2025

Portfolio of Investments

Top ten holdings

	Company	Sector	Place of primary listing	Valuation £m	% of Portfolio
1	Barclays Barclays is a global financial services provider engaged in retail banking, credit cards, wholesale banking, investment banking, wealth management, and investment management services.	Financials	UK	55,313	6.2
2	Royal Dutch Shell Shell explores for, produces, and refines petroleum. The company produces fuels, chemicals, and lubricants. Shell owns and operates gasoline filling stations worldwide.	Energy	UK	51,380	5.8
3	NatWest Group NatWest Group operates as a banking and financial services company. The Bank provides personal and business banking, consumer loans, asset and invoice financing, commercial and residential mortgages, credit cards, and financial planning services, as well as life, personal, and income protection insurance.	Financials	UK	50,366	5.7
4	Standard Chartered Standard Chartered PLC is an international banking group operating principally in Asia, Africa, and the Middle East. The company offers its products and services in the personal, consumer, corporate, institutional and treasury	Financials	UK	43,329	4.9

5	BP BP is an oil and petrochemicals company. The company explores for and produces oil and natural gas, refines, markets, and supplies petroleum products, generates solar energy, and manufactures and markets chemicals.	Energy	UK	40,754	4.6
6	ITV ITV provides broadcasting services. The company produces and distributes content on multiple platforms. ITV serves customers in the United Kingdom.	Communications	UK	39,951	4.5
7	Aviva Aviva operates as an international insurance company that provides all classes of general and life assurance. The company also offers a variety of financial services, including long-term savings and fund management.	Financials	UK	37,836	4.3
8	Anglo American Anglo American is a global mining company. The company's mining portfolio includes bulk commodities including iron ore, manganese, and metallurgical coal, base metals including copper and nickel, and precious metals and minerals including platinum and diamonds.	Materials	UK	36,005	4.1
9	Marks & Spencer Group Marks & Spencer Group operates a chain of retail stores. The company sells consumer goods and food products, as well as men's, women's, and children's clothing and sportswear.	Consumer Staples	UK	35,625	4.0
10	TotalEnergies TotalEnergies operates as an energy company. The company produces, transports, and supplies crude oil, natural gas, and low carbon electricity, as well as refines petrochemical products. TotalEnergies owns and manages gasoline filling stations worldwide.	Energy	France	35,582	4.0

Top Ten Investments			426,141	48.1
11 NN Group	Financials	Netherlands	33,620	3.8
12 Direct Line Insurance	Financials	UK	32,287	3.6
13 WPP	Communications	UK	31,364	3.5
14 Currys	Consumer Discretionary	UK	30,849	3.5
15 Pearson	Consumer Discretionary	UK	30,264	3.4
16 Kingfisher	Consumer Discretionary	UK	26,714	3.0
17 HP	Information Technology	United States	26,466	3.0
18 BT Group	Communications	UK	25,830	2.9
19 GSK	Healthcare	UK	24,630	2.8
20 Stellantis	Consumer Discretionary	Netherlands	22,805	2.6
Top 20 Investments			710,970	80.2
21 Centrica	Utilities	UK	22,319	2.5
22 Aberdeen Group	Financials	UK	22,080	2.5
23 ABN Amro	Financials	Netherlands	18,779	2.1
24 International Airlines Group	Industrials	Spain	16,452	1.9
25 Honda Motor	Consumer Discretionary	Japan	13,992	1.6
26 Vodafone Group	Communications	UK	13,046	1.5
27 Forterra	Materials	UK	13,032	1.5
28 CK Hutchison Group	Industrials	Hong Kong	10,554	1.2
29 Newmont	Materials	United States	9,689	1.1
30 Barrick Gold	Materials	Canada	8,587	1.0
31 Continental	Consumer Discretionary	Germany	7,216	0.8
32 Capita	Industrials	UK	7,009	0.8
33 Molson Coors Beverage	Consumer Discretionary	United States	6,878	0.8
Total Equity Investments			880,603	99.5
Short-dated UK T-Bills	Fixed Interest	UK	4,202	0.5
Total Valuation of Portfolio			884,805	100.0

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Portfolio Distribution

As at 31 December 2024

Industry	Temple Bar %	FTSE All-Share*
Financials	33.1	21.9
Consumer Discretionary	15.7	7.5
Energy	14.4	10.0
Communications	12.4	3.0
Materials	7.7	7.2
Consumer Staples	4.0	16.8
Industrials	3.9	15.1

Information Technology	3.0	1.6
Healthcare	2.8	10.3
Utilities	2.5	4.3
Real Estate	â€	2.3
Total Equities	99.5	100.0
Fixed Interest	0.5	â€
Total Portfolio	100.0	100.0

Source: Redwheel

*Â FTSE All-Share ex investment Trusts

Overview of Strategy

The Strategic Report is designed to help shareholders assess how the Directors have performed their duty to promote the success of the Company during the year under review.

Business of the Company

Temple Bar Investment Trust Plc was incorporated in England and Wales in 1926 with the registered number 00214601.

The Company carries on business as an investment company under Section 833 of the Companies Act 2006 and has been approved by HM Revenue & Customs as an investment trust in accordance with Section 1158 of the Corporation Tax Act 2010.

Section 172 Statement

The Directorsâ€™ overarching duty is to act in good faith and in a way that is the most likely to promote the success of the Company as set out in Section 172 of the Companies Act 2006 (â€œSection 172â€). In doing so, Directors must take into consideration the interests of the various stakeholders of the Company, having regard, amongst other matters, to the following six items:

The likely consequences of any decision in the long term	All Board discussions include consideration of the longer-term consequences of key decisions and their implications for relevant stakeholders. In managing the Company during the year under review, the Board acted in the way which it considered, in good faith, would be most likely to promote the Companyâ€™s long-term sustainable success and to achieve its wider objectives for the benefit of our shareholders as a whole, having had regard to our wider stakeholders and the other matters set out in Section 172.
The interests of the Companyâ€™s employees	This provision is not relevant as the Company does not have any employees.
The need to foster the Companyâ€™s business relationships with suppliers, customers and others	The Boardâ€™s approach is described under â€œStakeholdersâ€ on the following page.
The impact of the Companyâ€™s operations on the community and the environment	The Board takes a close interest in responsible investment issues and sets the overall strategy. Management of the portfolio is delegated to the Portfolio Manager, which is responsible for the practical implementation of policy. A description of the Companyâ€™s approach to stewardship and the role of the Portfolio Manager is set out in the Strategic Report.
The desirability of the Company maintaining a reputation for high standards of business conduct	The Boardâ€™s approach is described under â€œCultureâ€ in the Strategic Report.
The need to act fairly between shareholders of the Company	The Boardâ€™s approach is described under â€œShareholdersâ€ on the following page.

In considering the primary purpose of the Company, the Board made several key decisions during the year. The Board:

- continued to instruct the use of share buy backs as a means of stabilising the share price discount to NAV in response to sector weakness;
- worked with the Portfolio Manager and Frostrow to maintain a high level of shareholder engagement via webinars and newsletters; and
- increased dividend payments at a sustainable level based on income received from investments.

The Directors have reviewed and discussed each aspect of Section 172 and consider that the information set out in the Strategic Report is particularly relevant in the context of the Companyâ€™s business as an externally managed investment company which does not have any employees or suppliers.

Stakeholders

The Board continuously seeks to understand the needs and priorities of the Companyâ€™s stakeholders, and these are taken into account during all of its discussions and as part of its decision making. As the Company is an externally managed investment company and does not have any employees or customers, it therefore has very little direct impact on the community or the environment. Its key stakeholders comprise its shareholder base and its lender. The Company also has important contractual relationships with its key service providers but does not consider these to be stakeholders. The Company recognises the indirect impact it may have on the community and the environment through its investee companies. Further details on this are set out in the Strategic Report. The sections below outline why these key stakeholders are considered of importance to the Company and the actions taken to ensure that their interests are considered.

Shareholders

The primary purpose of the Company is to deliver long-term returns for shareholders from a diversified portfolio of investments. Continued shareholder support and engagement are critical to the existence of the Company and the delivery of its long-term strategy.

The Board recognises the importance of engaging with shareholders on a regular basis to maintain a high level of transparency and accountability and to inform the Companyâ€™s decision making and future strategy.

The Board primarily engages with shareholders through direct engagement by the Chairman and through the Portfolio Manager and Frostrow who maintain an ongoing dialogue with shareholders through regular shareholder communications, both written and verbal. The Portfolio Manager has continued to publish quarterly newsletters written by the portfolio management team, which explore their ideas and philosophies around investing and explain the positioning of the portfolio. Online statistics on engagement show that these newsletters remain very popular with shareholders. Additional dialogue with shareholders is achieved through the annual and half-yearly reports, both of which contain reports from the Portfolio Manager, the daily

NAV announcements and the monthly fact sheet which is available on the Company's website. Portfolio data is also provided to external providers such as Morningstar, which feeds several websites on a monthly basis.

One of the Board's long-term strategic aspirations has been that the Company's shares should trade consistently at a price close to the NAV per share. During the year under review investment companies as a sector again saw discounts widen significantly, in the face of economic headwinds and political instability (the average discount was 12.9%* as at 31 December 2024). The Company continued to use share buy backs throughout the year to protect its discount, generally maintaining it at a level less than 6%. The Board, the AIFM and the Portfolio Manager have continued to focus heavily on the promotion of the Company, in order to maintain buying interest in the Company's shares and to support a natural narrowing of the discount.

An important role of the Board is to ensure that the Company's ongoing charges are competitive both in terms of its peer group and other comparable investment products. While having an optimal service provider structure brings inevitable cost, excessive expense can eat away at investment returns over time. For that reason, despite the exercise described later in the document the Board remains focused on limiting cost increases to shareholders as far as possible, despite the current inflationary environment.

All shareholders are encouraged to attend and vote at AGMs, at which the Board and the portfolio management team are available to discuss issues affecting the Company and to answer any questions. Further details regarding the AGM are set out in the Notice of AGM.

*Source: Cavendish Securities.

Lenders

Alongside shareholders' equity, the Company is partly funded by debt. All the Company's debt is subject to contractual terms and restrictions. We have an established procedure to report regularly to our lender on compliance with debt terms. It is our policy that all interest payments and repayments of principal will continue to be made in full and on time.

Service Providers

To function as an investment trust with a premium listing on the London Stock Exchange, the Company relies on a number of suppliers and advisers for support in complying with all relevant legal and regulatory obligations.

The Company's day-to-day operational functions are delegated to a number of third-party service providers, each engaged under separate contracts. The Company's principal service providers are the Portfolio Manager, Alternative Investment Fund Manager, Administrator and Company Secretary, Custodian and Depository, Broker and the Registrar.

Over the past three years the Board believes it has continued to develop a close and constructive working relationship with the Portfolio Manager, which it believes is crucial to promoting the long-term success of the Company. Representatives of the Portfolio Manager attend Board meetings and provide reports and verbal updates on matters relating to investments, performance and marketing.

The Board, primarily through the Audit and Risk and Management Engagement Committees, keeps the ongoing performance of the Portfolio Manager and the Company's other principal third-party service providers under continual review.

Culture

The purpose of the Company is to deliver long-term returns for shareholders from a diversified portfolio of investments. These investments will primarily be UK listed. The Company has no employees, but the culture of the Board is to promote strong governance and a long-term investment outlook with an emphasis on investing in businesses that can deliver enduring value to shareholders. Therefore, the Board asks the Company's Portfolio Manager to invest in stocks that fulfil the traditional metrics of the value style but also possess a business model that is resilient and viable in the long term.

Investment Objective and Policy

The Company's investment objective is to provide growth in income and capital to achieve a long-term total return greater than the benchmark FTSE All-Share Index, through investment primarily in UK-listed securities. The Company's policy is to invest in a broad spread of securities with typically the majority of the portfolio selected from the constituents of the FTSE 350 Index.

Investment Guidelines

The UK equity element of the portfolio will be mostly invested in the FTSE All-Share Index; however, exceptional positions may be sanctioned by the Board and up to 30% of the portfolio may be held in listed international equities, subject to a maximum 10% exposure to emerging markets. The Company may continue to hold securities that cease to be quoted or listed if the Portfolio Manager considers this to be appropriate. There is an absolute limit of 10% of the portfolio in any individual stock with a maximum exposure to a specific sector of 35%, in each case irrespective of their weightings in the Benchmark.

It is the Company's policy to invest no more than 15% of its gross assets in other listed investment companies (including listed investment trusts).

The Company maintains a diversified portfolio of investments, typically comprising 30-50 holdings, but without restricting the Company from holding a more or less concentrated portfolio from time-to-time as circumstances require.

The Company's long-term investment strategy emphasises stocks of companies that are out of favour and whose share prices do not match the Portfolio Manager's assessment of their longer-term value.

From time-to-time fixed interest holdings or non-equity interests may be held for yield enhancement and other purposes. Derivative instruments may be used in certain circumstances, and with the prior approval of the Board, for hedging purposes or to take advantage of specific investment opportunities.

Liquidity and borrowings are managed with the aim of increasing returns to shareholders. The Company's gross gearing range may fluctuate between 0% and 30%, based on the current balance sheet structure, with an absolute limit of 50%.

As a general rule, it is the Board's intention that the portfolio should be reasonably fully invested. An investment level of 90% of shareholder funds is regarded as a guideline minimum investment level dependent on market conditions.

Risk is managed through diversification of holdings, investment limits set by the Board and appropriate financial and other controls relating to the administration of assets.

Key Performance Indicators

The key performance indicators (KPIs) used to determine the progress and performance of the Company over time, and which are comparable to those reported by other investment trusts, are:

- NAV total return relative to the FTSE All-Share Index;
- Discount/premium to NAV;

- Dividends per share; and
- Ongoing charges.

While some elements of performance against KPIs are beyond the Board's and Portfolio Manager's control, they provide measures of the Company's absolute and relative performance and are, therefore, monitored by the Board on a regular basis.

NAV Total Return

In reviewing the performance of the assets in the Company's portfolio the Board monitors the NAV in relation to the FTSE All-Share Index. This is the most important KPI by which performance is judged. During the year the NAV total return with debt at fair value of the Company was 19.9% compared with a total return of 9.5% by the FTSE All-Share Index. As noted in both the Chairman's Statement and Portfolio Manager's Report, the Company outperformed the FTSE All-Share Index on both a NAV and share price basis.

Discount to NAV

The Board monitors the premium/discount at which the Company's shares trade in relation to their NAV. During the year the shares traded at an average discount to NAV of 6.8%. This compares with an average discount of 6.0% in the previous year. As set out in the Chairman's Statement, during the year the Board closely monitored the discount and utilised share buy backs when it was considered appropriate to do so. The Board and Portfolio Manager closely monitor both movements in the Company's share price and significant dealings in the shares. In order to avoid substantial overhangs or shortages of shares in the market the Board asks shareholders to approve resolutions which allow for both the buy back of shares and their issuance, which can assist in the management of the discount or premium.

Dividends per Share

It remains the Directors' intention to distribute, over time, by way of dividends, substantially all of the Company's net revenue income after expenses and taxation. The Portfolio Manager aims to maximise total returns from the portfolio. The Company has paid dividends totalling 11.25p per ordinary share for the year ended 31 December 2024 (2023: 9.60p), representing a dividend yield of 4.1% (2023: 4.0%). The Board hopes to continue sustainable dividend growth over the coming years. This, together with a proposed enhancement to the Company's Dividend Policy, is explained in more detail in the Chairman's Statement.

Ongoing Charges

Ongoing charges is an expression of the Company's management fees and other operating expenses as a percentage of average daily net assets over the year. The ongoing charges for the year ended 31 December 2024 were 0.61% (2023: 0.56%). The Board reviews the Company's ongoing charges on a regular basis. While the level of the Company's ongoing charges has increased slightly over the year, it compares favourably with peers in the UK Equity Income sector of investment trust companies.

Ten-Year KPI Summary

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Returns										
NAV with debt at fair value ³	(1.2%)	20.6%	10.2%	(11.3%)	27.9%	(28.0%)	24.6%	0.9%	12.3%	19.9%
Share Price ³	(7.9%)	20.7%	11.0%	(9.7%)	34.3%	(31.5%)	20.0%	3.6%	12.5%	19.1%
FTSE All-Share Index ³	1.0%	16.8%	13.1%	(9.5%)	19.2%	(9.8%)	18.3%	0.3%	7.9%	9.5%
NAV per share* (p)	226.0	236.2	280.0	239.9	294.6	202.0	241.7	228.5	248.0	286.2
NAV per share with debt at fair value*(p)	222.9	259.6	277.4	238.1	292.5	199.2	240.4	233.5	252.2	291.1
Share Price* (p)	210.4	244.6	262.8	229.2	295.2	191.0	221.6	220.5	238.0	272.0
Premium/ (Discount) ²	(5.6%)	(5.8%)	(5.3%)	(3.7%)	0.9%	(4.1%)	(7.8%)	(5.6%)	(5.6%)	(6.6%)
Dividends per share* (p)	7.93	8.09	8.49	9.34	10.28	7.70	7.90	9.35	9.60	11.25
Dividend Yield ¹	3.8%	3.3%	3.2%	4.1%	3.5%	4.0%	3.6%	4.2%	4.0%	4.1%
Ongoing Charges	0.49%	0.51%	0.49%	0.47%	0.49%	0.50%	0.48%	0.54%	0.56%	0.61%

* 1. Comparative periods have been restated for the sub-division of each ordinary share into 5 new ordinary shares, approved at the AGM held on 10 May 2022 and completed on 13 May 2022.

2. Redwheel was appointed as Portfolio Manager on 30 October 2020.

3. Calculated as dividends per share divided by the year-end share price.

2. Premium/ (Discount) of share price to NAV per share with debt at fair value

3. Source: Frostraw for Company returns, Redwheel for FTSE All-Share returns.

Principal and Emerging Risks

The Board has overall responsibility for reviewing the effectiveness of the system of risk management and internal control which is operated by the Portfolio Manager and the Company's other service providers. The Company's ongoing risk management process is designed to identify, evaluate and mitigate the significant risks that the Company faces. A 'heat map' system is used, allowing a visual assessment of the different risks identified and adjustment of the inputs based on changing internal and external factors.

The Board undertakes a semi-annual risk review with the assistance of the Audit and Risk Committee, to assess the adequacy and effectiveness of the Portfolio Manager and other service providers' risk management and internal control processes.

The Board has carried out a robust assessment of its principal and emerging risks during the period under review, including those that would threaten its business model, future performance, solvency or liquidity.

The principal and emerging risks and uncertainties faced by the Company are set out overleaf. The risks arising from the Company's financial instruments are set out in note 20 to the Financial Statements.

Risk	Mitigation and Management
Market Risk	
By the nature of its activities and Investment Objective, the Company's portfolio is exposed to fluctuations in market prices (from both individual security prices and foreign exchange rates). As such investors should be aware that by investing in the Company	To manage these risks the Board and the AIFM have appointed Redwheel to manage the portfolio within the remit of the investment objective and policy, and imposed various limits and guidelines, set out in the Strategic Report. These limits ensure that the portfolio is diversified, reducing the risks

they are exposing themselves to market risks.

The Company also uses gearing, via the private placement loans issued, the effect of which is to amplify the gains or losses the Company experiences.

associated with individual stocks. The compliance with those limits and guidelines is monitored daily by Frostrow and Redwheel and reported to the Board weekly.

In addition, Redwheel reports at each Board meeting on the performance of the Company's portfolio, including the rationale for investment decisions, the make-up of the portfolio and the investment strategy.

As part of its review of the viability of the Company, the Board also considers the sensitivity of the Company to changes in market prices and foreign exchange rates (see note 20), how the portfolio would perform during a market crisis, and the ability of the Company to liquidate its portfolio if the need arose. Further details are included in the Going Concern and Viability Statements.

Geopolitical and Macro Risks

As recent years have demonstrated, global events, including unforeseen events, can have a dramatic effect on both financial markets and everyday life. The Company is at risk from both the financial impacts of such events, as well as possible disruption to the day-to-day activities of its service providers and portfolio companies. Ongoing geopolitical tensions around the world while not currently directly affecting the Company may have an impact on its investments.

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While global events are outside the control of the Company the Board reviews regularly, and discusses with the Portfolio Manager, the wider economic and political environment, along with the portfolio exposure and the execution of the investment policy against the long-term objectives of the Company. The Portfolio Manager performs risk analysis, including country and industry specific monitoring, on an ongoing basis.

Climate Risks

While the Company itself faces limited direct risk from climate change, the board is cognisant of the potential impact on portfolio companies and their operations. Significant changes in climate, or indeed Government measures taken to combat climate change, could present a material risk to the value of the portfolio.

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The Board regularly reviews global environmental, geopolitical and economic developments with the Portfolio Manager, along with the implications of these risks and events on portfolio construction and the Company's operations. ESG considerations are incorporated into the investment process of Redwheel, as part of the drive to invest in companies with long-term viability. The Portfolio Manager also uses its voting powers to engage with and influence investee companies towards taking positive steps against climate change and other environmental impacts.

Shareholder Relations and Share Price Performance Risk

The Company is exposed to the risk, particularly if the investment strategy and approach are unsuccessful, that the Company may underperform resulting in the Company becoming unattractive to investors, a widening of the share price discount to NAV per share and the Company may become vulnerable to activist shareholders.

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In managing this risk the Board:

- reviews the Company's investment strategy and objective in relation to market and economic conditions, and the operation of the Company's peers;
- discusses at each Board meeting the Company's future development and strategy;
- reviews the shareholder register at each Board meeting; and,
- actively seeks to promote the Company to current and potential investors.

In addition the Company's share price and premium or discount to NAV are monitored by the Portfolio Manager and the Board on a regular basis. The Directors attach considerable importance to the level of premium or discount to NAV at which the shares trade, both in absolute terms and relative to the rating at which the UK Equity Income sector of investment trusts is trading, and will take action where levels are deemed to be excessive. The Directors are prepared to be proactive in premium/ discount management to minimise potential disadvantages to shareholders, which continued to be demonstrated during 2024.

Loss of Investment Team or Portfolio Manager

A sudden departure of the members of the portfolio management team could result in a short-term deterioration in investment performance.

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The investments of the Company are managed by a team of two managers, Ian Lance and Nick Purves. The Portfolio Manager takes steps to reduce the likelihood of such an event by aligning the interests of the investment team with the wider organisation, as well as providing a high degree of autonomy with no overarching chief investment officer or investment committee. Furthermore, the AIFM, in consultation with the Board, may terminate the Portfolio Management Agreement should Ian Lance and Nick Purves cease to be able to perform their duties or cease to be associated with the Portfolio Manager and not be replaced by people with relevant experience.

Income Risk – Dividend

Risk that the portfolio does not generate the necessary level of income, over time, from which to maintain progressive dividend payments to shareholders.

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The Board monitors this risk through the review of detailed income reports and forecasts which are considered at each meeting, with input from the Portfolio Manager. As at 31 December 2024 the Company had distributable revenue reserves of £15.7 million. Furthermore, income risk is mitigated by the Company's ability to distribute realised capital gains if required to meet any revenue shortfall. With the level of income paid and forecast by investee companies continuing to increase across the year, the Company has been able to raise its dividend.

Cyber Security

The Company has limited direct exposure to cyber risk. However, the Company's operations or reputation could be affected if any of its service providers suffered a major cyber security breach. A State-backed cyberattack could also result in widespread disruption across the financial services industry.

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The Audit and Risk Committee receives control reports and confirmation from its service providers regarding the measures that they take in this regard. The cyber security policies of all providers have also been reviewed by the Board. Equiniti, the Company's Registrar, provided a cyber security update to the Audit and Risk Committee at its meeting in August 2024. For more widespread disruption such as a state-backed cyberattack limited mitigation is

possible, however all service providers remain vigilant given the increased likelihood of such an event in the current climate.

Service Provider Risk

The Company is reliant on the systems of its service providers and as such disruption to, or a failure of, those systems (including, for example, as a result of cyber-crime or a “black swan” event) could lead to a failure to comply with law and regulations leading to reputational damage and/or a financial loss.

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To manage these risks the Board, via its Management Engagement Committee and Audit and Risk Committee:

- receives reports from Frostrow at each Board meeting, which includes, *inter alia*, details of compliance with applicable laws and regulations;
- reviews internal control reports, key policies, including measures taken to combat cyber security issues, and also the disaster recovery procedures of its service providers;
- maintains a risk matrix with details of risks the Company is exposed to and the controls/mitigation in relation to those risks;
- receives updates on pending changes to the regulatory and legal environment and progress towards the Company’s compliance with these; and
- has considered the increased risk of cyberattacks and received reports and assurance at meetings with its service providers that appropriate information security controls are in place.

The AIFM, in addition, to its ongoing monitoring of the investment portfolio and transactions, carries out a formal due diligence exercise on the Portfolio Manager annually, ensuring that the appropriate controls, processes and resourcing are in place to manage the portfolio within the stated investment policies and guidelines.

Emerging Risks

The Board has in place a robust process to identify, assess and monitor the principal risks and uncertainties and also to identify and evaluate newly emerging risks. The Board, through the Audit and Risk Committee, regularly reviews all risks to the Company, including emerging risks, which are identified by a variety of means, including advice from the Company’s professional advisors, the Association of Investment Companies (the “AIC”), and Directors’ knowledge of markets, changes and events. No new or emerging risks were identified during the year.

Going Concern

The Directors have reviewed the going concern basis of accounting for the Company. The Company’s assets consist substantially of equity shares in listed companies and in most circumstances are realisable within a short timescale. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern. The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months from the date of the approval of these Financial Statements. Accordingly, the Directors continue to adopt the going concern basis in preparing the accounts. See note 1 for further detail.

Viability Statement

The Board makes an assessment of the longer-term prospects of the Company beyond the timeframe envisaged under the going concern basis of accounting, having regard to the Company’s current position and the principal and emerging risks and uncertainties it faces. The AIFM and Portfolio Manager have assisted the Board in making this assessment via financial modelling and income forecasting, which demonstrates the financial viability of the Company. Stress-testing scenarios, such as an extreme drop in equity markets, have also been carried out and the projected financial position remains strong and all payment obligations achievable.

The stress-testing scenarios used to assess future viability incorporate a number of inputs. The financial structure of the Company is stable, with known payment obligations that can be modelled for future years with a low likelihood of any changes. Revenue expectations are modelled by the Portfolio Manager for future years with decreasing levels of certainty over time, based on the financial position and performance of investee companies. This is combined with an expectation of the rate of dividend payments to be made by the Company over the coming years to give an overall financial projection in normal market conditions.

To stress-test this projection, scenarios are then modelled for a 20% and 50% fall in both investee company valuations and the level of dividend payments they make. In both cases, because the Company has both the ability to control its own dividend payments and a liquid portfolio of investments, the impact to reserves could be managed and the Company would remain viable during such periods.

The Company is a long-term investment vehicle and the Directors, therefore, believe that it is appropriate to assess its viability over a long-term horizon. For the purposes of assessing the Company’s prospects in accordance with the AIC Code of Corporate Governance (the “AIC Code”), the Board considers that assessing the Company’s prospects over a period of five years is appropriate given the nature of the Company and the inherent uncertainties over a longer time period.

The Directors believe that a five-year period appropriately reflects the long-term strategy of the Company and over which, in the absence of any adverse change to the regulatory environment and the tax treatment afforded to UK investment trusts, they do not expect there to be any significant change to the current principal and emerging risks and to the adequacy of the mitigating controls in place.

In assessing the viability of the Company, the Directors have conducted a thorough assessment of each of the Company’s principal and emerging risks and uncertainties set out in the Strategic Report. Particular scrutiny was given to the impact of a significant fall in equity markets on the value of the Company’s investment portfolio.

The Directors have also considered the Company’s leverage and liquidity in the context of its long-dated fixed-rate borrowings (see notes 8 and 15 for further details on the borrowings), its income and expenditure projections and the fact that the Company’s investments comprise mainly readily realisable quoted securities which can be sold to meet funding requirements if necessary.

All of the key operations required by the Company are outsourced to third-party providers and alternative providers could be secured at relatively short notice if necessary.

Having taken into account the Company’s current position and the potential impact of its principal and emerging risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of five

years from the date of this Annual Report.

Modern Slavery Act

Due to the nature of the Company's operational model and the fact that it generates no turnover, the Board is satisfied that the Company is not subject to the UK's Modern Slavery Act 2015. The Company does not therefore make a modern slavery and human trafficking statement. The Board however appreciates the significance of Modern Slavery as an issue but considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to represent a low risk of exposure to modern slavery.

In relation to the Company's investments, the Board has noted that the Portfolio Manager signed a letter in both 2023 and 2024, and will again in 2025, which is sent to FTSE 350 companies considered at that time not to be in compliance with the requirements of the Modern Slavery Act 2015. This initiative, coordinated by Rathbones, was awarded the Stewardship Initiative of the Year award in 2022 by the UN Principles for Responsible Investment. Infractions tend to be of a technical nature, such as not having a Modern Slavery Statement available on websites, or not evidencing that such Statements have approval from the board of the relevant organisation. In 2024, the Portfolio Manager engaged with investee companies to highlight where corrections were required to achieve compliance and worked with Rathbones to monitor responses.

Within its investment process, Redwheel principally assesses the risk of modern slavery exposure through reference to the Corporate Human Rights Benchmark (which scores companies on governance and policies; remedies and grievance mechanisms; and embedding respect and human rights due diligence) and through company compliance with the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises.

The Portfolio Manager also uses Sustainalytics data to monitor breaches in global norms and controversies including employee incidents. The Materiality Map developed originally by the Sustainability Accounting Standards Board helps improve understanding of the sectors in which companies are most at risk of exposure to labour and modern slavery issues.

Gender Diversity

At the year-end, there were two male and two female Directors on the Board. The Company has no employees and therefore there is nothing further to report in respect of gender representation within the Company.

The Company's policy on diversity is detailed in the Corporate Governance Statement.

Bribery Act

The Company has a zero-tolerance policy towards bribery and is committed to carrying out business fairly, honestly and openly. The Portfolio Manager also adopts a zero-tolerance approach and has policies and procedures in place to prevent bribery.

Criminal Finances Act 2017

The Company has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

Stewardship/Engagement

The Board requires the Portfolio Manager to adopt an active stewardship role, including the effective exercising of shareholders' ownership rights. It believes that this is central to the achievement of its aim to preserve and grow the long-term real purchasing power of the assets entrusted to it by shareholders.

The Portfolio Manager thus monitors, evaluates and if necessary, actively engages or withdraws from investments with the aim of preserving or adding value to the portfolio. It became a signatory to the UN Principles for Responsible Investment in 2020, had been a signatory to the UK Stewardship Code 2012, and in 2024 was again endorsed as a signatory to the UK Stewardship Code 2020.

Both the Board and the Portfolio Manager firmly believe that environmental, social and governance issues can have a material financial impact on the value of a company along with its social licence to operate, and therefore on the value of its investors' capital. It is thus important for a long-term responsible investor to integrate these issues into the investment process.

The Portfolio Manager believes that its stewardship role is wholly consistent with supporting companies to grow in a sustainable way, for executive teams and board members to run their companies for the long term and for the benefit of all stakeholders. Moreover, it believes that, considered over the long term, shareholder capital is put at greatest risk where companies are not run in a sustainable manner, whether from lack of prudence on financial strength or from recklessness in the pursuit of growth at the expense of the environment and relations with business stakeholders. Conversely, companies that are run more prudently and which take into greater consideration the needs and expectations of stakeholders more broadly are believed to offer greater potential to be successful, resilient, and financially rewarding for shareholders.

Further detail on the Portfolio Manager's approach to stewardship is detailed within its Stewardship Policy¹.

Environment

As an investment trust which outsources all of its operations, there are no greenhouse gas emissions to report from the operations of the Company other than those of the service providers and limited home working by the Board. The Company does not have responsibility for any other emissions producing sources reportable under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 or the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. Consequently, the Company consumed very little direct energy during the year and therefore is exempt from the disclosures required under the Streamlined Energy and Carbon Reporting criteria.

Environmental and climate considerations – both in a systemic sense and idiosyncratically – have become increasingly important for many in the investment industry and beyond over the past decade. Physical and transitional climate risks remain very much at the top of the list of factors considered to potentially have a material financial impact over the longer term. Attention is now also increasing in relation to the use and management by companies of natural resources, such as water, as well as biodiversity impacts arising in particular from pollution and waste management practices. The Portfolio Manager believes active engagement with portfolio companies is required to address these kinds of challenges. Divesting simply does not address the problem. Instead, by supporting companies as they transition over time to more sustainable business models, the Portfolio Manager believes that environmental impacts can be both reduced and mitigated.

Detail on the carbon characteristics of the Company is shown in the following sections.

It is worth noting that in June 2024 our Portfolio Manager published its entity level report on how it manages climate related risks and opportunities in its investment portfolios and across its business operations in line with the recommendations of the Taskforce on Climate-Related Financial Disclosures. A product level report for the Company will be made available on the Company's website from July 2025.

¹ www.redwheel.com/uk/en/individual/resources

Carbon Emissions

Approach

When monitoring and reporting the carbon credentials of the Company, we use the metrics and methodologies recommended by the Taskforce on Climate-Related Financial Disclosures (â€œTCFDâ€). Analysis focuses on the emissions of companies that are considered to be either â€œScope 1â€ or â€œScope 2â€. Scope 1 emissions are the emissions directly attributable to a companyâ€™s operations, whereas Scope 2 emissions are the emissions indirectly attributable to a companyâ€™s operations (e.g. relating to the power it consumes). Both are expressed in terms of tonnes of carbon dioxide equivalent (t CO₂eq), the universal unit of measurement used to indicate the global warming potential of greenhouse gases, definition and methodology by Greenhouse Gas Protocol.

The integration into the analysis of corporate â€œScope 3â€ emissions remains an aspiration as there are issues relating to data quality and the double-counting of emissions within methodologies which continue to hamper expansion of the analysis.

Total Scope 1 & 2 Emissions

A chart contained in the Companyâ€™s Annual Report provides representations of the absolute greenhouse gas emissions (GHG) attributable both to the Company, and also to a notional investment of equal value in a basket of companies comprising FTSE All-Share.

An equity ownership approach is used to allocate both Scope 1 and Scope 2 emissions to investments. Under this approach, if an investor holds shares equal in value to 5% of a companyâ€™s total market capitalisation, then the investor is considered to own 5% of the Company; accordingly, it is considered to be liable for 5% of the Companyâ€™s GHG (orâ€ carbon) emissions.

As compared to FTSE All-Share, the Company exhibits a higher value for its Scope 1 (+25%) but a lower Scope 2 emissions (-1%) compared to last year.

These metrics are presented on an absolute basis; as the value of the Company increases, we would expect the overall emissions attributable to the Company to increase. The respective values for the Company and FTSE All Share, normalised by the value of the Company, which in essence is the carbon footprint metric, are 164.1 and 104.09 tCO₂eq/ GBPm, respectively. The Companyâ€™s carbon footprint is 56% higher as it is more exposed to high intensive carbon industries than the index.

Weighted Average Carbon Intensity (â€œWACIâ€):

A chart contained in the Companyâ€™s Annual Report shows the asset-weighted emissions intensity both of the Company, and also of an investment of equal value in a basket of companies comprising FTSE All-Share.

Emissions intensity as a metric reflects the value of a companyâ€™s Scope 1 and Scope 2 carbon emissions (t CO₂eq), normalised by revenues derived (here, using GBP millions), over a particular period in line with the carbon reporting one, which is financial year 2023 and 2022 respectively.

The weighted average carbon intensity of the Trust is 12% higher than FTSE All-Share.

Observations

As compared to FTSE All-Share, the Company has a higher allocation to the Oil & Gas (Fund: 14%; benchmark: 9%) and the Automobiles (+4%) sectors. At the same time, the Companyâ€™s allocation to the Materials and Utilities sectors is roughly the same as FTSE All-Share. These are sectors responsible for a significant amount of carbon emissions and the previous figures and charts above demonstrate this.

That said, it is important to note that whilst the Company has 100% reported emissions coverage, this is not the case for FTSE All-Share as only 53.6% of companies disclose emissions data directly. Another 7.2% is estimated and there is no data for close to 40% of constituents.

Social

The Portfolio Manager continues to believe that the financial impact from social issues can be substantial.

Companies treating their employees, customers or suppliers inappropriately, store up future problems for the business in terms of human capital (lower productivity, disruption to production, staff turnover), brand value (dissatisfied customers, litigation) and reputation (supply-chain issues, health and safety). Local communities are also important to consider, particularly in extractive industries.

Cyber security is a notable risk for many companies, particularly for those holding customer information, sensitive sectors such as banks or utilities or where intellectual property is the basis of the value of a company.

The Portfolio Manager researches and monitors social risks, reviewing issues for focus based on the Companyâ€™s composition. Exposure to conflict regions is monitored for a risk of human rights abuses. Where there is potential exposure the Portfolio Manager will monitor news flow and speak with the investee companies to evaluate the risk. It may also speak to a companyâ€™s wider stakeholders in order to seek a more holistic assessment of specific situations. For instance, during the course of the year, a representative of the Portfolio Manager spoke with a shareholder representative organisation based in Canada, as well as a major Canadian investor, as part of information gathering undertaken ahead of engagement with a Canadian company.

Governance

The consideration of companiesâ€™ approaches to governance has been at the heart of the Portfolio Managerâ€™s process since inception. Governance describes the controls and oversight processes in place to manage operational risks (including environmental and social risks); it also sets the basis for the culture of a firm. The Portfolio Manager seeks investee companies whose management runs the business as owners, and thinks long term about customers, employees, suppliers, and community. Such an approach is believed ultimately to benefit shareholders.

The Portfolio Manager believes in the importance of investee companies possessing a strong board, with non-executive directors possessing the requisite skills, experience and independence to counter the impact of a powerful or dominant chief executive officer. Diversity can support this aim and helps to counter â€œgroup thinkâ€ and incorporate better the views of wider stakeholders. Remuneration is an area of controversy, with management pay ratcheting higher, often without consequence for failure or poor performance. Compensation packages must be tied to long-term drivers of sustainable value, rather than a function of financial engineering. The timeframe for executive evaluations should be extended and there should also be a downside risk by requiring management to put significant â€œskin in the gameâ€.

If companies behave responsibly and act sustainably there are benefits for society in terms of economic prosperity, political stability, and trust in free markets. This in turn drives further benefits for the companies themselves. The Portfolio Manager therefore believes it makes sense to integrate into the investment process the consideration of a companyâ€™s performance in addressing sustainability issues, even if the advantages of doing so takes time to emerge.

Remuneration

The Portfolio Manager believes that governance within UK companies is generally of a very high standard. This reflects the UK Corporate Governance Code and the long history of efforts to raise standards. Whilst there are many individual aspects of corporate governance that the Portfolio Manager considers, remuneration â€œ the design and implementation in practice of pay structures to reward and incentivise behaviours that help the Company

execute against its strategy – remains one of the most important.

The Portfolio Manager’s view is that the basis of a good corporate remuneration policy is a well-constituted remuneration committee. This requires both the independence of the committee members and relevant experience in the field of remuneration. A committee must guard against the ratcheting upward of compensation awards, balancing this with attracting and retaining talent.

The Portfolio Manager encourages companies to set remuneration metrics that align with the overall strategy, reflecting appropriate financial incentives, in combination with non-financial metrics relating to environment and social issues. Environmental metrics should be calibrated to help address specific operational challenges, while on social issues relations with employees, customers, suppliers and the community should be reflected as appropriate.

Remuneration is a complex area and challenging to find the right balance between the various objectives and agendas. Shareholders will invariably give conflicting feedback to remuneration committees. Where the Portfolio Manager can have significant influence, they will engage with companies in the construction of the remuneration policy. Where they feel their shareholding in a given company is too low to ensure a constructive basis for engagement, they will share their own remuneration expectations document which sets out for companies what the Portfolio Manager expects to see.

The Portfolio Manager in conjunction with the Board will continue to develop the overall approach and push for higher standards, ensuring that they collectively protect shareholder interests and promote long-termism, set in the context of sustainability for all stakeholders.

Engagement Policy

Engagement is central to the Portfolio Manager’s process. Communicating with investee companies on areas of concern is a key aspect of the Portfolio Manager’s approach. Having a long-term investment horizon and concentrated portfolio allows the Portfolio Manager to build meaningful relationships.

The engagement process is led and carried out by the Portfolio Manager, consistent with the Redwheel Stewardship Policy. The specifics of each process will be determined by the size of the exposure within the portfolio and the materiality of the identified risk, amongst other factors. The Portfolio Manager will draw from its own experience in assessing materiality risks as well as both the Company’s own materiality assessment and independent assessments on a sector basis, such as the Materiality Map developed originally by the Sustainability Accounting Standards Board.

The method of engagement will depend on the engagement objectives. For example, where the Portfolio Manager holds a position in an investee company and is materially at odds with the Company’s strategic direction or specific actions, it will usually set out its concerns in a letter to the Company and follow up with a meeting. In some instances, the Portfolio Manager will go further and set out a detailed analysis of the business or sector, with proposed alterations to strategy, and discuss this analysis with management.

The Portfolio Manager will engage with the chair of an investee company, particularly at times of management change or in relation to long-term questions on strategic direction. It may also engage with the investee company’s senior independent director should it have concerns about the chair or about board effectiveness. Other engagements may take place in response to a request from the investee company themselves, such as engagements with the chair of the remuneration committee to discuss incentive structures and policies. Engaging in collaboration with other shareholders, and casting votes against management at a company’s AGM provide further means to escalate concerns when direct bilateral engagement fails. As regards remuneration, the Portfolio Manager aligns its approach to reflect the guidance provided by the Pensions and Lifetime Savings Association and The Investment Association, as updated from time to time.

The evaluation of the outcome of the Portfolio Manager’s engagements will depend on the type of engagement and the extent to which the original objective can be considered to have been achieved.

Where the Portfolio Manager looks for specific actions, it will assess the outcome on whether management or the board engaged and subsequently chose to act on the suggestions made. On other issues, the evaluation of the engagement may be more qualitative and not as transparent. The Portfolio Manager tries to be very open about the nature of its engagements and the outcomes of them.

Case studies of the Portfolio Manager’s engagement with investee companies during the year are provided in the Strategic Report and are just some of numerous calls, meetings and written correspondence that the Portfolio Manager had with companies to discuss a variety of sustainability and ESG-related issues.

Externalities and Non-Environmental Issues

In addition to adopting a stewardship approach to investment and integrating sustainability and ESG considerations into its investment approach, the Board asks the Portfolio Manager to consider systemic externalities when assessing a company’s suitability for inclusion in the portfolio. Systemic externalities are costs, usually considered as costs to society or the environment, which are not captured by market pricing. In particular, there are some areas where companies operating legally and ethically may, through their joint actions (whether or not coordinated), inadvertently contribute to the delivery of unintended consequences for people and planet, particularly in relation to climate change, global financial fragility, artificial intelligence, and antimicrobial resistance.

These are areas where the Board believes that engagement with investee companies, in conjunction with other asset owners, is of particular importance in order to raise awareness amongst companies of the need for market-based responses. The Portfolio Manager reports regularly to the Board with regard to its engagement with portfolio companies in relation to such issues.

Future Developments

The future development of the Company is dependent on the success of its investment strategy in the light of economic and equity market developments. The outlook is discussed in the Chairman’s Statement and the Portfolio Manager’s Report.

Strategic Report
On behalf of the Board

Richard Wyatt
Chairman

20 March 2025

Report of Directors

The Directors present the Annual Report & Financial Statements of the Company for the year ended 31 December 2024.

Directors

As at 31 December 2024, the Board of Directors of the Company comprised two male and two female Directors.

All Directors will retire and stand for re-election at the Company’s AGM on 6 May 2025. The rules concerning the appointment and replacement of Directors are set out in the Company’s Articles of Association. There are no agreements between the Company and its Directors concerning any compensation for their loss of office.

Ordinary Dividends

The interim dividends paid by the Company are set out in note 10 to the financial statements.

Subsequent to the year-end, the Board approved a fourth interim dividend for the year ended 31 December 2024 of 3.0p per ordinary share, which will be paid on 2 April 2025.

Share Capital

At the AGM held on 7 May 2024, the Company was granted authority to allot ordinary shares in the Company up to an aggregate nominal amount of £1,434,055, being 10% of the total issued share capital at that date, amounting to 28,684,101 ordinary shares. No shares were issued during the year.

The Company was also granted authority to purchase up to 14.99% of the Company's ordinary share capital in issue at that date, amounting to 42,948,772 ordinary shares.

The Company bought back 5,217,257 shares of 5p each at a total cost of £12.7m during the year. This represented 1.8% of the total voting rights at 31 December 2024. The shares bought back are held in treasury.

At 31 December 2024, the Company had 334,363,825 ordinary shares in issue, 48,968,201 of which were held in treasury. The total voting rights of the Company at 31 December 2024 were 285,395,624.

Subsequent to the year-end and up to 19 March 2025, the Company bought back 791,246 ordinary shares for treasury, at a total cost of £2.2m. At 19 March 2025, the Company had 334,363,825 ordinary shares in issue, 49,759,447 of which are held in treasury. The total voting rights at 19 March 2025 are 284,604,378.

Authorities given to the Directors at the 2024 AGM to allot shares, disapply statutory pre-emption rights and buy back shares will expire at the forthcoming AGM.

At general meetings of the Company, shareholders are entitled to one vote on a show of hands and on a poll, for every share held. The ordinary shares carry the right to receive dividends and have one voting right per ordinary share. To the extent that they exist, the revenue, profits and capital of the Company (including accumulated revenue and realised capital reserves) are available for distribution by way of dividends to holders of ordinary shares.

Upon a winding-up, after meeting the liabilities of the Company, the surplus assets would be distributed to the shareholders pro rata to their holding of ordinary shares. There are no restrictions on the transfer of securities in the Company or on the voting rights of each ordinary share. There are no special rights attached to any of the shares and no agreements between holders of shares regarding their transfer known to the Company and no agreements which the Company is party to that might affect its control following a takeover bid.

An amendment to the Company's Articles of Association and the giving of authority to issue or buy back the Company's shares requires an appropriate resolution to be passed by shareholders. Proposals for the renewal of the Board's current authorities to issue and buy back shares are set out in the Notice of AGM. Any issuance of shares, whether new shares or the re-issuance of treasury shares, will only be made at prices greater than the prevailing cum income NAV per share (with debt at fair value).

Substantial Shareholders

As at 31 December 2024, the Company had been notified of the following substantial interests in the Company's voting rights and there have not been any new holdings notified between the year end and the date of this report.

	Number of ordinary shares	Percentage of voting rights
City of London Investment Management Company Limited	14,206,978	4.96

This table reflects those shareholders who have notified the Company of a substantial interest in its shares when they have crossed certain thresholds and may not reflect their current holding. The table does not reflect the full range of investors in the Company. The shareholder register is principally comprised of private wealth managers and retail investors owning their shares through a variety of online platforms.

Management Arrangements

Under the terms of the Portfolio Management Agreement, Redwheel is paid a management fee equal to 0.325% per annum of the Company's total assets. The Portfolio Management Agreement may be terminated on six months' notice. The Portfolio Management Agreement is also capable of termination in certain circumstances including in the event that both Nick Purves and Ian Lance cease to be responsible for the management of the Company's assets or otherwise become incapacitated.

Under the terms of the AIFM agreement, Frostrow Capital LLP (a Frostrow) are paid 0.125% of market capitalisation up to £250m and 0.1% of market capitalisation above £250m.

Continued Appointment of the AIFM and Portfolio Manager

The Board keeps the performance of the Portfolio Manager under continual review, and the Management Engagement Committee conducts an annual appraisal of the Portfolio Manager's performance, and makes a recommendation to the Board about the continuing appointment of the Portfolio Manager. It is the opinion of the Board that the continuing appointment of the Portfolio Manager, on the existing terms, is in the best interests of shareholders as a whole. The reasons for this view are that the Portfolio Manager has executed the investment strategy according to the Board's expectations and has produced positive returns relative to the broader market.

The Company appointed Frostrow as its AIFM with effect from 1 July 2023. Frostrow is also responsible for the Company's marketing and distribution strategy. It is the Directors' opinion that the continuing appointment of Frostrow as AIFM is also in the best interests of the Company and its shareholders as a whole.

Requirements of the UK Listing Rules

UK Listing Rule 6.6.6 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard.

Streamlined Energy and Carbon Reporting

The Company's approach to ESG is set out in the Strategic Report.

Stakeholder Engagement

While the Company has no employees, or customers, the Directors give regular consideration to the need to foster the Company's business relationships with its stakeholders. The effect of this consideration upon the principal decisions taken by the Company during the financial year is set out in further detail in the Strategic Report.

Financial Risk Management

Information about the Company's financial risk management objectives and policies is set out in note 20 to the Financial Statements.

Disclosure of Information to the Auditor

The Directors who held office at the date of the approval of the Annual Report confirm that, so far as they are aware, there is no relevant audit information of which the Company's Auditor is unaware, and each Director has taken all reasonable steps that he/ she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Post Balance Sheet Events

Post balance sheet events are disclosed in note 21 to the financial statements.

Future Developments

Details on the outlook of the Company are set out in the Chairman's Statement and the Portfolio Manager's Report.

Annual General Meeting (AGM)

In particular, resolutions regarding the following items of business will be proposed.

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Dividend Policy

Resolution 9 set out in the Notice of AGM is for shareholders to approve the Company's dividend policy which is to authorise Directors of the Company to declare and pay all dividends of the Company as interim dividends, and for the last dividend referable to a financial year to not be categorised as a final dividend. This is subject to shareholder approval.

As set out in the Chairman's Statement, it is proposed that the dividend policy is amended so that interim dividends are enhanced by the distribution of approximately 3.0p per share per annum to be sourced from the Company's distributable capital reserves.

Authority to Allot Shares

Resolution 10 set out in the Notice of AGM is an ordinary resolution and will, if passed, authorise the Directors to allot up to 28,460,437 ordinary shares with a nominal value of £1,423,021 or 10% of the Company's ordinary shares in issue at the date at which this resolution is passed. This will replace the current authority granted to the Directors at the last AGM. This authority will expire at the AGM to be held in 2026 when a resolution to renew the authority will be proposed.

The Directors intend to use this authority whenever they believe it would be in the best interests of shareholders to do so. Any such issues would only be made at prices greater than the prevailing NAV per share at the time of issue, including current year income, as adjusted for the market value of the Company's debt and would therefore increase the assets underlying each share. The issue proceeds would be available for investment in line with the Company's investment policy.

Authority to Disapply Pre-Emption Rights

When shares are to be allotted for cash, the Companies Act 2006 requires such new shares to be offered first to existing shareholders in proportion to their existing holdings of ordinary shares.

However, in certain circumstances, it is beneficial to allot shares for cash otherwise than by pro rata to existing shareholders and the ordinary shareholders can, by special resolution, waive their pre-emption rights.

Resolution 11 set out in the Notice of AGM is a special resolution and will, if passed, authorise the Directors to allot up to 28,460,437 ordinary shares with a nominal value of £1,423,021 or 10% of the Company's ordinary shares in issue at the date at which this resolution is passed, for cash on a non-pre-emptive basis. This will replace the current authority granted to the Directors at the last AGM. This authority will expire at the AGM to be held in 2026 when a resolution to renew the authority will be proposed.

The Directors intend to use this authority whenever they believe it would be in the best interests of shareholders to do so. Any such issues (including the re-issuance of shares held in treasury) would only be made at prices greater than the prevailing NAV per share (with debt at fair value) at the time of issue, including current year income, and would therefore increase the assets underlying each share. The issue proceeds would be available for investment in line with the Company's investment policy.

No issues of shares will be made which would alter the control of the Company without the prior approval of shareholders in general meeting.

Authority to Purchase the Company's Own Shares

The Directors consider it desirable to give the Company the opportunity to buy back shares in circumstances where the shares may be bought for a price which is below the NAV per share of the Company. The purchase of ordinary shares is intended to reduce the discount at which ordinary shares trade in the market through the Company becoming a source of demand for such shares, as well as being accretive to the NAV per share. During the year, the Company continued to buy back shares for this purpose with the shares being held in treasury.

Resolution 12 set out in the Notice of AGM is a special resolution and will, if passed, authorise the Directors to buy back up to 14.99% of the Company's shares in issue at the date at which the resolution is passed. This will replace the current authority granted to the Directors at the last AGM. This authority will expire at the AGM to be held in 2026 when a resolution to renew the authority will be proposed. 5,217,257 shares have been bought back under this authority during the year and 791,246 shares have been bought back under this authority post year-end to 19 March 2025. The maximum price (exclusive of expenses) which may be paid by the Company in relation to any such purchase is the higher of:

- i) 5% above the average of the mid-market value of shares for the five business days before the day of purchase; or
- ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange.

The minimum price which may be paid for an ordinary share is the nominal value of 5p each.

The decision as to whether to buy back any ordinary shares will be at the discretion of the Board. Ordinary shares bought back in accordance with the authority granted to the Board will either be held in treasury or cancelled. Shares held in treasury may be reissued from treasury but will only be reissued at a price that is in excess of the Company's then prevailing NAV per share with debt at fair value. This authority will expire at the AGM to be held in 2026 when a resolution to renew the authority will be proposed.

Notice Period for General Meetings

Under the Companies Act 2006, the notice period of general meetings (other than an AGM) is 21 clear days' notice unless the Company: (i) has

gained shareholder approval for the holding of general meetings on a shorter notice period (subject to a minimum of 14 clear days notice) by passing a special resolution at the most recent AGM; and (ii) offers the facility for all shareholders to vote by electronic means.

The Company would like the ability to call general meetings (other than an AGM) on less than 21 clear days notice. The shorter notice period proposed by Resolution 13, a special resolution, would not be used as a matter of routine, but only where the flexibility is merited taking into account the business of the meeting and is thought to be in the interests of shareholders as a whole. The approval will be effective until the end of the AGM to be held in 2026, when it is intended that a similar resolution will be proposed.

Recommendation

The Board considers the resolutions to be proposed at the AGM to be in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that shareholders should vote in favour of the resolutions to be proposed at the AGM, as they intend to do so in respect of their own beneficial holdings.

On behalf of the Board

Richard Wyatt
Chairman

20 March 2025

Statement of Comprehensive Income

		2024	2023			
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000
Total Income	4	38,981	â€	38,981	32,422	â€
Profit on investments	12	â€	110,111	110,111	â€	62,826
Currency exchange loss	â€	â€	(128)	(128)	â€	(143)
Total income	â€	38,981	109,983	148,964	32,422	62,683
Expenses	â€	â€	â€	â€	â€	â€
Portfolio management fees	6	(1,128)	(1,691)	(2,819)	(1,103)	(1,654)
Other expenses	7	(1,419)	(885)	(2,304)	(1,068)	(721)
Profit before finance costs and tax	â€	36,434	107,407	143,841	30,251	60,308
Finance costs	8	(1,123)	(1,684)	(2,807)	(1,123)	(1,685)
Profit before tax	â€	35,311	105,723	141,034	29,128	58,623
Tax	9	(1,488)	â€	(1,488)	(926)	â€
Profit for the year	â€	33,823	105,723	139,546	28,202	58,623
Earnings per share	11	11.8p	36.8p	48.6p	9.3p	19.4p

The total column of this statement represents the Statement of Comprehensive Income prepared in accordance with IFRS. The supplementary revenue return and capital return columns are both prepared under guidance issued by the AIC. All items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the year.

The Company does not have any income or expense that is not included in profit for the year. Accordingly, the profit for the year is also the Total Comprehensive Income for the year, as defined in IAS1 (revised).

The notes form an integral part of the financial statements.

Statement of Changes in Equity

		Called-up share capital £'000	Share premium account £'000	Capital reserves £'000	Revenue reserve £'000	Total equity £'000
	Notes					
Year ended at 1 January 2023	â€	16,719	96,040	600,206	13,381	726,346
Total comprehensive income for the year	â€	â€	â€	58,623	28,202	86,825
Cost of shares bought back for treasury	â€	â€	â€	(63,535)	â€	(63,535)
Dividends paid	10	â€	â€	â€	(28,932)	(28,932)
At 31 December 2023	â€	16,719	96,040	595,294	12,651	720,704
Total comprehensive income for the year	â€	â€	â€	105,723	33,823	139,546
Cost of shares bought back for treasury	â€	â€	â€	(12,708)	â€	(12,708)
Dividends paid	10	â€	â€	â€	(30,817)	(30,817)
At 31 December 2024	â€	16,719	96,040	688,309	15,657	816,725

As at 31 December 2024, the Company had distributable revenue reserves of £15,657,000 (2023: £12,651,000) and distributable capital reserves of £688,309,000 (2023: £595,294,000) for the payment of future dividends. Only the revenue reserve and capital reserves are distributable.

The notes form an integral part of the financial statements.

Statement of Financial Position

		31 December 2024	31 December 2023	
	Notes	£'000	£'000	
Non-current assets	â€	â€	â€	â€
Investments at fair value through profit or loss	12	â€	880,603	776,875
Current assets	â€	â€	â€	â€
Investments at fair value through profit or loss	12	4,202	â€	13,713
Cash and cash equivalents	â€	6,354	â€	4,275
Receivables	13	2,059	â€	2,979
Total assets	â€	â€	12,615	20,967
Current liabilities	â€	â€	â€	â€
Payables	14	â€	(1,712)	(2,394)

Total assets less current liabilities	£	£	891,506	£	795,448
Non-current liabilities	£	£	£	£	£
Interest bearing borrowings	15	£	(74,781)	£	(74,744)
Net assets	£	£	816,725	£	720,704
Capital and reserves	£	£	£	£	£
Ordinary share capital	16	16,719	£	16,719	£
Share premium	£	96,040	£	96,040	£
Capital reserves	£	688,309	£	595,294	£
Revenue reserve	£	15,657	£	12,651	£
Total equity attributable to equity holders	£	£	816,725	£	720,704
NAV per share	18	£	286.2p	£	248.0p
NAV per share with debt at fair value¹	18	£	291.1p	£	252.2p

1£ Alternative Performance Measure " See glossary of terms for definition and more information.

The notes form an integral part of the financial statements.

The financial statements of Temple Bar Investment Trust Plc (registered number: 00214601) were approved by the Board of Directors and authorised for issue on 20 March 2025. They were signed on its behalf by:

Richard Wyatt
Chairman

Statement of Cash Flows

	£		31 December 2024		31 December 2023	
	£	Notes	£££™000	£££™000	£££™000	£££™000
Cash flows from operating activities	£	£	£	£	£	£
Profit before tax	£	£	£	141,034	£	87,751
Adjustments for:	£	£	£	£	£	£
Gains on investments	£	(110,111)	£	(62,826)	£	(62,826)
Finance costs	£	2,807	£	2,808	£	2,808
Dividend income	4	(38,635)	£	(32,278)	£	(32,278)
Interest income	4	(346)	£	(144)	£	(144)
Dividends received	£	38,999	£	32,037	£	32,037
Interest received	£	516	£	(97)	£	(97)
Decrease in other receivables	£	407	£	38	£	38
(Decrease)/increase in other payables	£	(652)	£	584	£	584
Net overseas withholding tax paid	9	(1,488)	£	(1,229)	£	(1,229)
£	£	£	(108,503)	£	(61,107)	£
Net cash flows from operating activities	£	£	£	32,531	£	26,644
Purchases of investments	£	(108,442)	£	(137,215)	£	(137,215)
Sales of investments	£	124,317	£	197,110	£	197,110
Net cash flows from investing activities	£	£	£	15,875	£	59,895
Cash flows from financing activities	£	£	£	£	£	£
Equity dividends paid	10	(30,817)	£	(28,932)	£	(28,932)
Interest paid on borrowings	£	(2,772)	£	(2,773)	£	(2,773)
Shares bought back for treasury	£	(12,738)	£	(63,799)	£	(63,799)
Net cash flows used in financing activities	£	£	£	(46,327)	£	(95,504)
Net increase/(decrease) in cash and cash equivalents	£	£	£	2,079	£	(8,965)
Cash and cash equivalents at the start of the year	£	£	£	4,275	£	13,240
Cash and cash equivalents at the end of the year	£	£	£	6,354	£	4,275

The notes form an integral part of the financial statements.

Notes to the Financial Statements

General information

Temple Bar Investment Trust Plc was incorporated in England and Wales in 1926 with the registered number 00214601.

The Company carries on the business as an investment trust company within the meaning of Sections 1158/1159 of the Corporation Tax Act 2010.

1. Principal Accounting Policies

Basis of accounting

The financial statements have been prepared on a going concern basis, under the historical cost convention, modified by the valuation of investments at fair value, prepared in accordance with UK adopted international accounting standards.

The annual financial statements have also been prepared in accordance with the AIC SORP for investment trusts issued by the AIC in July 2022, except to any extent where it is not consistent with the requirements of IFRS. The principal accounting policies adopted by the Company are set out below.

All values are rounded to the nearest thousand pounds unless otherwise indicated.

Going concern

The Directors are required to make an assessment of the Company's ability to continue as a going concern and that the Company has adequate resources to continue in operational existence for 12 months from the date when these financial statements are approved.

In making this assessment, the Directors have considered a wide variety of emerging and current risks to the Company, as well as mitigation strategies that are in place. The Board has also reviewed stress-testing and scenario analyses prepared by the AIFM to assist it in assessing the impact of changes in market value and income with associated cash flows. In making this assessment, the AIFM has considered plausible downside scenarios.

These tests are carried out as an arithmetic exercise, which can apply equally to any set of circumstances in which asset value and income are significantly impaired. It was concluded that in a plausible downside scenario, the Company could continue to meet its liabilities. Whilst the economic

future is uncertain, the opinion of the Directors is that no foreseeable downside scenario would be to a level which would threaten the Company's ability to continue to meet its liabilities as they fall due.

Based on the information available to the Directors at the time of this report, including the results of the stress tests and scenario analyses, and having taken account of the liquidity of the investment portfolio, the Company's cash flow and borrowing position (see notes 8 and 15 for further details on borrowings), the Directors are satisfied that the Company has adequate financial resources to continue in operation for 12 months from the date of signing of these financial statements and that, accordingly, it is appropriate to adopt the going concern basis.

Presentation of Statement of Comprehensive Income

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Statement of Comprehensive Income.

Income

Dividend income from investments is recognised when the Company's right to receive payment has been established, normally the ex-dividend date.

Where the Company has elected to receive its dividends in the form of additional shares rather than cash, the amount of cash dividend foregone is recognised as income. Any excess in the value of shares received over the amount of cash dividend foregone is recognised as a capital gain in the Statement of Comprehensive Income.

Interest income is recognised in line with coupon terms on a time-apportioned basis using the effective interest method. Special dividends are credited to capital or revenue according to their circumstances.

Foreign currency

The financial statements are prepared in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The primary objective of the Company is to generate returns in pounds sterling, its capital-raising currency. The liquidity of the Company is managed on a day-to-day basis in sterling as the Company's performance is evaluated in that currency. Therefore, the Directors consider pounds sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Transactions involving foreign currencies are converted at the exchange rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities as well as instruments carried at fair value are translated into pounds sterling at the exchange rate ruling on the year-end date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

Expenses

All expenses are accounted for on the accruals basis. In respect of the analysis between revenue and capital items presented within the Statement of Comprehensive Income, all expenses have been presented as revenue items except as follows:

• transaction costs which are incurred on the purchases or sales of investments designated as fair value through profit or loss are expensed to capital in the Statement of Comprehensive Income; and

• expenses are split and presented partly as capital items where a connection with the maintenance or enhancement of the value of the investments held can be demonstrated and, accordingly, the investment management fee and finance costs have been allocated 40% to revenue and 60% to capital, in order to reflect the Directors' long-term view of the nature of the expected investment returns of the Company; this remains consistent with the prior year.

Taxation

The tax expense represents the sum of the current tax expense. The tax currently payable is based on the taxable profit for the year. The taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using a blended rate as applicable throughout the year.

In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital returns in the supplementary information in the Statement of Comprehensive Income is the 'marginal basis'. Under this basis, if taxable income is capable of being entirely offset by expenses in the revenue column of the income statement, then no tax relief is transferred to the capital column.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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

• Investment trusts which have approval under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

• Irrecoverable withholding tax is recognised on any overseas dividends on an accruals basis using the applicable rate for the country of origin.

Financial instruments

The Company classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial assets are measured at fair value through profit or loss if their contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest and at amortised cost if they do. Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument. The Company will offset financial assets and financial liabilities if it has a legally enforceable right to offset the recognised amounts and interest and intends to settle on a net basis. A financial asset is derecognised when the right to receive cash flows from the asset expires or the rights to receive cash flows from the asset have been transferred and a financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

Investments

Equity investments are held at fair value through profit or loss as they fail the contractual cash flows test under IFRS 9. Debt instruments that pass the contractual cash flow test are held under a business model to manage them on a fair value basis for investment income and fair value gains and are therefore classified as fair value through profit or loss.

Upon initial recognition, investments are measured at fair value through profit or loss. Gains or losses on investments measured at fair value through profit or loss are included in net profit or loss as a capital item and transaction costs on acquisition or disposal of investments are expensed. For investments that are actively traded in organised financial markets, fair value is determined by reference to stock exchange quoted market bid prices at the close of business on the year-end date.

All purchases and sales of investments are recognised on the trade date, i.e. the date that the Company commits to purchase or sell an asset.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Interest bearing borrowings

Interest bearing borrowings, being the debenture stock and loans issued by the Company, are initially recognised at a carrying value equivalent to the proceeds received net of issue costs associated with the borrowings. After initial recognition, interest bearing borrowings are subsequently measured at amortised cost using the effective interest rate method.

When calculating the NAV with debt at fair value the fair value of the private placement loans is determined using discounted cash flow techniques which utilise inputs including interest rates obtained from comparable loans in the market.

Equity dividends payable

Equity dividends payable are recognised when the shareholders' right to receive payment is established. For interim dividends this is when they are paid and for final dividends this is when they are approved by shareholders.

Cash and cash equivalents

Cash and cash equivalents (which are presented as a single class of asset on the Statement of Financial Position) comprise cash at bank and in hand,

and deposits with an original maturity of three months or less.

The carrying value of these assets approximates their fair value.

Reserves

The share capital represents the nominal value of the Company's ordinary shares.

The share premium account represents the excess over nominal value of the fair value of consideration received for the Company's ordinary shares, net of expenses of the share issue. This reserve cannot be distributed.

The capital reserve represents realised and unrealised capital and exchange gains and losses on the disposal and revaluation of investments and of foreign currency items. Realised gains can be distributed, unrealised gains cannot be distributed.

The revenue reserve represents retained profits from the income derived from holding investment assets less the costs and interest on cash balances associated with running the Company. This reserve can be distributed.

2. Significant Accounting Judgements, Estimates and Assumptions

There are no significant judgements, estimates or assumptions involved in the presentation of the Company's accounts, other than the judgement on the functional and presentational currency of the Company as set out in the preceding note.

3. Adoption of New and Revised Standards New standards, interpretations and amendments adopted from 1 January 2024

There are no new standards impacting the Company that have had a significant effect on the annual financial statements for the year ended 31 December 2024.

Standards issued but not yet effective

There are no standards or amendments not yet effective which are relevant or have a material impact on the Company.

4. Income

	2024		2023			
	Revenue	Capital	Total	Revenue	Capital	Total
	£€™000	£€™000	£€™000	£€™000	£€™000	£€™000
Investment Income						
UK dividends	24,718	â€”	24,718	23,085	â€”	23,085
Overseas dividends	13,917	â€”	13,917	9,193	â€”	9,193
Interest from fixed-interest securities	297	â€”	297	84	â€”	84
	38,932	â€”	38,932	32,362	â€”	32,362
Other income						
Deposit interest	49	â€”	49	60	â€”	60
Total income	38,981	â€”	38,981	32,422	â€”	32,422

During the year ended 31 December 2024, the Company received no special dividends (2023: £nil).

5. Segmental Reporting

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

6. Portfolio Management Fee

	2024	2024	2024	2023	2023	2023
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Portfolio management fee	1,128	1,691	2,819	1,103	1,654	2,757
	1,128	1,691	2,819	1,103	1,654	2,757

Under the terms of the Portfolio Management Agreement, Redwheel is entitled to a management fee, details of which are set out in the Directors' Report. As at 31 December 2024, an amount of £728,000 (2023: £1,306,000) was payable to Redwheel in relation to the management fees.

7. Other Expenses

	2024	2023				
	Revenue	Capital	Total	Revenue	Capital	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Transaction costs on fair value through profit or loss assets ¹	€	386	386	€	430	430
Directors' fees (see Report on Directors' Remuneration)	152	€	152	181	€	181
AIFM fee	333	499	832	194	291	485
Company Secretary fee	€	€	€	69	€	69
Registrar's fee	159	€	159	60	€	60
Marketing costs	109	€	109	59	€	59
Auditor's remuneration € annual audit ²	56	€	56	51	€	51
Depository fee	96	€	96	92	€	92
Other expenses	514	€	514	362	€	362
	1,419	885	2,304	1,068	721	1,789

All expenses are inclusive of VAT where applicable.

¹ Transaction costs represent costs incurred on both the purchase and sale of investments. Transaction costs on purchases amounted to £349,000 (2023: £360,000) and on sales amounted to £37,000 (2023: £70,000).

² During the year audit fees of £46,500 (2023: £42,600) (excluding VAT) were due to the Auditor.

8. Finance Costs

	2024	2023				
	Revenue	Capital	Total	Revenue	Capital	Total
	€'000	€'000	€'000	€'000	€'000	€'000
4.05% Private Placement Loan 2028	823	1,233	2,056	823	1,234	2,057
2.99% Private Placement Loan 2047	300	451	751	300	451	751
Total finance costs	1,123	1,684	2,807	1,123	1,685	2,808

The amortisation of the loan issue costs is calculated using the effective interest method.

9. Taxation

The Company has no corporation tax liability for the year ended 31 December 2024 (2023: nil).

	2024			2023		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Analysis of charge for the year:						
Overseas withholding tax suffered	1,488	â€"	1,488	926	â€"	926
	1,488	â€"	1,488	926	â€"	926

The charge for the year can be reconciled to the profit per the Statement of Comprehensive Income as follows:

	2024			2023		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Profit before taxation	35,311	105,723	141,034	29,128	58,623	87,751
Tax at UK corporation tax rate of 25% (2023: 23.5%)	8,828	26,430	35,258	6,845	13,776	20,621
Tax effects of:	£	£	£	£	£	£
Non-taxable gains on investments ¹	£	(27,496)	(27,496)	£	(14,730)	(14,730)

Disallowed expenses	â€"	96	96	â€"	101	101
Non-taxable UK dividends	(6,180)	â€"	(6,180)	(5,425)	â€"	(5,425)
Overseas withholding tax suffered	1,488	â€"	1,488	926	â€"	926
Non-taxable overseas dividends	(3,479)	â€"	(3,479)	(2,161)	â€"	(2,161)
Excess management expenses	831	970	1,801	741	853	1,594
Total tax charge for the year	1,488	â€"	1,488	926	â€"	926

1Â Investment trusts are not subject to corporation tax on these items.

No provision for deferred taxation has been made in the current year. The Company has not provided for deferred tax on capital profits arising on the revaluation of investments, as it is exempt from tax on these items because of its status as an investment trust company.

The Company has not recognised a deferred tax asset on the excess management expenses of Â£137,227,000 (2023: Â£130,092,000). It is not anticipated that these excess expenses will be utilised in the foreseeable future.

10. Dividends

	2024	2023
	Â£â€™000	Â£â€™000
Amounts recognised as distributions to equity holders in the year	Â	Â
Fourth interim dividend for year ended 31 December 2023 of 2.5p (2023: fourth interim dividend for year ended 31 December 2022 of 2.5p) per share	7,212	7,790
Interim dividends for year ended 31 December 2024. One payment of 2.5p, one payment of 2.75p and one payment of 3.0p (2023: Two payments of 2.3p and one payment of 2.5p) per share	23,605	21,142
	30,817	28,932
Fourth interim dividend for the year ended 31 December 2024 of 3.0 p (fourth interim dividend 2023: 2.5p) per share	8,538	7,214

The fourth interim dividend is not included as a liability in these financial statements.

Therefore, also set out below is the total dividend payable in respect of these financial years, which is the basis on which the requirements of Section 1158 of the Corporation Tax Act 2010 are considered.

	2024	2023
	Â£â€™000	Â£â€™000
Interim dividends (three)	23,605	21,142
Fourth interim dividend for year ended 31 December 2024 of 3.0p (2023: 2.5p) per share	8,538	7,214
	32,143	28,356

11. Earnings per Share

	2024			2023		
	Revenue	Capital	Total	Revenue	Capital	Total
Basic and diluted	Â	Â	Â	Â	Â	Â
Profit for the year (Â£000â€™s)	33,823	105,723	139,546	28,202	58,623	86,825
Weighted average number of ordinary shares	Â	Â	286,995,073	Â	Â	302,388,667
Earnings per ordinary share (pence)	11.8	36.8	48.6	9.3	19.4	28.7

12. Investments

(a) Investment portfolio summary

	Â	2024	Â	Â	2023	Â
	Quoted equities	Debt securities	Total	Quoted equities	Debt securities	Total
	Â£â€™000	Â£â€™000	Â£â€™000	Â£â€™000	Â£â€™000	Â£â€™000
Opening cost at the beginning of the year	733,313	13,652	746,965	734,594	5,172	739,766
Opening unrealised appreciation/ (depreciation) at the beginning of the year	43,562	61	43,623	47,869	(2)	47,867
Opening fair value at the beginning of the year	776,875	13,713	790,588	782,463	5,170	787,633
Movements in the year:	Â	Â	Â	Â	Â	Â
Purchases at cost	100,405	8,018	108,423	123,559	13,680	137,239
Sales proceeds	(106,870)	(17,447)	(124,317)	(191,910)	(5,200)	(197,110)
Realised gain/(loss) on sale of investments	38,114	(20)	38,094	67,070	â€"	67,070
Change in unrealised appreciation/(depreciation)	72,079	(62)	72,017	(4,307)	63	(4,244)
Closing fair value at the end of the year	880,603	4,202	884,805	776,875	13,713	790,588
Closing cost at the end of the year	764,962	4,203	769,165	733,313	13,652	746,965
Closing unrealised appreciation/ (depreciation) at the end of the year	115,641	(1)	115,640	43,562	61	43,623
Closing fair value at the end of the year	880,603	4,202	884,805	776,875	13,713	790,588

The Company received Â£124,317,000 (2023: Â£197,110,000) from investments sold in the year. The book cost of these investments when they were purchased was Â£86,223,000 (2023: Â£130,040,000). These investments have been revalued over time and until they were sold any gains/losses were included in the fair value of the investments.

(b) Fair value of financial instruments

IFRS 13 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following classifications:

Â-Â Level 1 â€" valued using quoted prices in active markets for identical investments.

Â-Â Level 2 â€" valued using other significant observable inputs (including quoted prices for similar investments, interest rates, prepayments, credit risk, etc). There are no level 2 financial assets (2023: Â£nil).

Â-Â Level 3 â€" valued using significant unobservable inputs (including the Companyâ€™s own assumptions in determining the fair value of investments). There are no level 3 financial assets (2023: Â£nil).

All of the Companyâ€™s investments are in quoted securities actively traded on recognised stock exchanges, with their fair value being determined by

reference to their quoted bid prices at the reporting date and have therefore been determined as Level 1.

There were no transfers between levels in the year (2023: no transfers) and as such no reconciliation between levels has been presented.

13. Receivables

	2024	2023
Â£â€™000	Â£â€™000	Â£â€™000
Accrued income	1,424	1,937
Other receivables	635	1,042
Â	2,059	2,979

Accrued income includes dividends and fixed-interest income.

14. Current Liabilities

	2024	2023
Â£â€™000	Â£â€™000	Â£â€™000
Accruals	1,711	2,363
Due to broker	1	31
Â	1,712	2,394

Accruals include the interest payable on borrowings amount to Â£800,000 (2023: Â£802,000).

15. Borrowings

	2024	2023
Â£â€™000	Â£â€™000	Â£â€™000
Interest bearing borrowings	Â	Â
Amounts payable after more than one year:	Â	Â
4.05% Private Placement Loan 2028 ¹	49,882	49,849
2.99% Private Placement Loan 2047 ¹	24,899	24,895
Total	74,781	74,744

	2024	2023
Â£â€™000	Â£â€™000	Â£â€™000
Opening balance as per the Statement of Financial Position	74,744	74,707
Interest movement	(2,770)	(2,771)
Finance costs for the year as per the Statement of Comprehensive Income	2,807	2,808
Closing balance as per the Statement of Financial Position	74,781	74,744

The 4.05% Private Placement Loan is secured by a floating charge over the assets of the Company. The loan is repayable at par, Â£50,000,000, on 3 September 2028.

The 2.99% Private Placement Loan is secured by a floating charge over the assets of the Company. The loan is repayable at par, Â£25,000,000, on 24 October 2047.

See note 20 for the disclosure and fair value categorisation of the financial liabilities.

The 4.05% and 2.99% Private Placement Loans contain the following principal financial or other covenants, with which failure to comply could necessitate the early repayment of the loan.

These were all complied with during the current and previous year:

- Â net tangible assets of at least Â£275 million;
- Â aggregate principal amount of financial indebtedness not to exceed 50% of net tangible assets;
- Â prior approval by the note holder of any change of Portfolio Manager; and
- Â prior approval by the note holder of any change in the Company's investment objective and policy.

16. Ordinary Share Capital

	2024	2023
	Number of shares	Number of shares
As at 1 January	290,612,881	317,822,386
Purchase of shares into treasury	(5,217,257)	(27,209,505)
As at year-end:	Â	Â
In circulation	285,395,624	290,612,881
In Treasury	48,968,201	43,750,944
Listed	334,363,825	334,363,825
Nominal Value of 5p ordinary shares (Â£â€™000)	16,719	16,719

During the year, the Company bought back ordinary shares at a cost of Â£12,708,000 (Year ended 31 December 2023: Â£63,535,000).

17. Contingent Liabilities And Capital Commitments

As at 31 December 2024, there were no contingent liabilities or capital commitments for the Company (2023: Â£nil).

18. Net asset value (â€œNAVâ€) per share

The NAV per share is based on the net assets attributable to the equity shareholders of Â£816,725,000 (31 December 2023: Â£720,704,000) and 285,395,624 (31 December 2023: 290,612,881) shares being the number of shares in issue at the year-end.

The NAV per share with debt at fair value is based on the net assets attributable to the equity shareholders, adjusted for the difference between the debt at book value and fair value as shown in note 20, and the number of shares in issue at the year-end. Adjusting for debt at fair value resulted in an increase in net assets of Â£14,039,000 or 4.9p per share (31 December 2023: increase of Â£12,290,000 or 4.2p per share).

19. Related Party Transactions and Transactions with the Portfolio Manager

IAS 24 “Related party disclosures” requires the disclosure of material transactions between the Company and any related parties. Accordingly, the disclosures required are set out below:

Directors – The remuneration of the Directors is set out in the Report on Directors’ Remuneration. There were no contracts existing during or at the end of the year in which a Director of the Company is or was interested and which are or were significant in relation to the Company’s business. There were no other material transactions during the year with the Directors of the Company.

At 31 December 2024, there was £nil (2023: £nil) payable to the Directors for fees and expenses.

AIFM and Portfolio Manager – Frostrow Capital LLP was appointed the AIFM of the Company on 1 July 2023, and has delegated portfolio management to Redwheel, who are deemed to be Key Management Personnel for the purposes of disclosing related party information under IAS24. Details of the services provided by the Portfolio Manager are given in the Report of the Directors and their fees for the year, along with outstanding balances to them, are set out in note 6.

20. Risk Management and Financial Instruments

The Company’s investing activities undertaken in pursuit of its investment objective, as set out in the Strategic Report, involve certain inherent risks. The main financial risks arising from the Company’s financial instruments are market price risk, interest rate risk, liquidity risk, credit risk and currency risk. The Board reviews and agrees policies for managing each of these risks as summarised below. The Board has also established a series of investment parameters, which are reviewed annually, designed to limit the risk inherent in managing a portfolio of investments. These policies have remained substantially unchanged during the current and preceding periods. The Board meets on four scheduled occasions in each year and at each meeting it receives sufficient financial and statistical information to enable it to monitor adequately the investment performance and status of the business.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments used in the Company’s business. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The Company’s borrowings have the effect of increasing the market risk faced by shareholders.

Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments or interest income cash flows that arise as a result of fluctuations in interest rates. The Company finances its operations through retained profits including capital profits, and additional financing is obtained through the two Private Placement Loans, on both of which interest is paid at a fixed rate and therefore subject to fair value interest rate risk.

Cash flow interest rate risk

The majority of the Company’s financial assets are equity shares and other investments which neither pay interest nor have a maturity date. The Company’s fixed-interest holdings have a market value of £4,202,000, representing 0.51% of net assets (2023: £13,713,000; 1.9%). The weighted average running yield as at 31 December 2024 was 5.0% (2023: 5.0%) and the weighted average remaining life was 0.5 years (2023: 1.6 years). The Company’s cash balance of £6,354,000 (2023: £4,275,000) earns interest, calculated on a tiered basis, depending on the balance held, by reference to the base rate. Cashflow interest rate risk is not considered a significant risk to the Company.

Fair value interest rate risk

The 4.05% Private Placement Loan and the 2.99% Private Placement Loan, which are repayable in 2028 and 2047 respectively, pay interest at fixed rates. The weighted average period until maturity of the loans is 10 years (2023: 11 years) and the weighted average interest rate payable is 3.7% (2023: 3.7%) per annum. The fair value of the loans will vary with changes in interest rates. As interest rates increase the fair value of the loan liability is expected to decrease, while when interest rates decrease the fair value of the loan liability is expected to increase.

Liquidity risk

The Company’s assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of cash balances and short-term bank deposits.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. This is mitigated by the Portfolio Manager reviewing the credit ratings of broker counterparties. The Company’s Custodian is responsible for the collection of income on behalf of the Company. Cash is held either with reputable banks with high quality external credit ratings or in liquidity/cash funds providing a spread of exposures to various underlying banks in order to diversify risk. The carrying amounts of financial assets represent their maximum exposure to credit risk at the Statement of Financial Position date, and the main exposure to credit risk is via the Custodian which is responsible for the safeguarding of the Company’s investments and cash balances. The full portfolio can be found in the Strategic Report. The debt security held at the year-end has a credit rating of AA (2023: AA).

Currency risk

The income and capital value of the Company’s investments and liabilities can be affected by exchange rate movements as some of the Company’s assets and income are denominated in currencies other than Pounds Sterling, which is the Company’s reporting currency. The Company does not currently hedge its currency exposure. The key areas where foreign currency risk could have an impact on the Company are:

- movements in rates that would affect the value of investments; and
- movements in rates that would affect the income received.

The Company had the following currency exposures, all of which are included in the Statement of Financial Position based on the exchange rates ruling at the respective year ends. Exposures vary throughout the year as a consequence of changes in the composition of the net assets of the Company arising out of the investment and risk-management processes.

	2024					
	Investments £’000	Cash £’000	Receivables £’000	Payables £’000	Borrowings £’000	Total £’000
Euro	118,002	–	–	–	–	118,002
US Dollar	43,033	–	200	–	–	43,233
Canadian Dollar	8,587	–	–	–	–	8,587
Hong Kong Dollar	10,554	–	–	–	–	10,554
Japanese Yen	13,992	–	–	–	–	13,992
Pounds Sterling	690,637	6,354	1,859	(1,712)	(74,781)	622,357
£	884,805	6,354	2,059	(1,712)	(74,781)	816,725

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Â

	2023					
	Investments Â£â€™000	Cash Â£â€™000	Receivables Â£â€™000	Payables Â£â€™000	Borrowings Â£â€™000	Total Â£â€™000
Euro	114,111	â€”	â€”	â€”	â€”	114,111
US Dollar	55,052	â€”	189	â€”	â€”	55,241
Canadian Dollar	9,892	â€”	â€”	â€”	â€”	9,892
Hong Kong Dollar	10,394	â€”	â€”	â€”	â€”	10,394
Japanese Yen	14,609	â€”	â€”	â€”	â€”	14,609
Pounds Sterling	586,530	4,275	2,790	(2,394)	(74,744)	516,457
Â	790,588	4,275	2,979	(2,394)	(74,744)	720,704

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	2024		2023		
Foreign currency sensitivity	Â£â€™000	Â£â€™000	Â£â€™000	Â£â€™000	
Projected movement	+10%	-10%	+10%	-10%	
Effect on net assets for the year	(17,851)	21,374	(18,568)	22,694	

Other price risk exposure

If the investment valuation fell by 20% at 31 December 2024, the impact on the profit or loss and net assets would have been negative Â£177.0 million (2023: 20% negative Â£158.1million). If the investment portfolio valuation rose by 20% at 31 December 2024, the impact on the profit or loss and net assets would have been positive Â£177.0 million (2023: 20% positive Â£158.1 million). The calculations are based on the portfolio valuation as at the respective year-end dates.

The Company held the following categories of financial instruments, all of which are included in the Statement of Financial Position at fair value or amortised cost which is an approximation of fair value, with the exception of interest-bearing borrowings which are shown at amortised cost at 31 December.

	Â	2024	Â	2023	Â
	Â	Amortised cost Â£â€™000	Fair value Â£â€™000	Amortised cost Â£â€™000	Fair value Â£â€™000
Assets at fair value through profit or loss		884,805	884,805	790,588	790,588
Cash		6,354	6,354	4,275	4,275
Receivables and Payables		Â	Â	Â	Â
Investment income receivable		1,424	1,424	1,937	1,937
Other receivables		635	635	1,042	1,042
Payables		(1,712)	(1,712)	(2,394)	(2,394)
Interest-bearing borrowings:		Â	Â	Â	Â
4.05% Private Placement Loan		(49,882)	(46,830)	(49,849)	(47,291)
2.99% Private Placement Loan		(24,899)	(13,912)	(24,895)	(15,163)
Â		816,725	830,764	720,704	732,994

The 4.05% Private Placement Loan 2028 and the 2.99% Private Placement Loan 2047 do not have prices quoted on an active market, however their fair values have been calculated using observable inputs. As such they have been classified as Level 2 instruments (2023: Level 2).

Liquidity risk exposure

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Contractual maturities of the financial liabilities at the year-end, including future interest payments not yet accrued for, based on the earliest date on which payment can be required, are as follows:

	Â	2024					
	Â	Three months or less Â£â€™000	Not more than one year Â£â€™000	Two years Â£â€™000	Three years Â£â€™000	More than three years Â£â€™000	Total Â£â€™000
Loan Interest due		1,012	1,760	2,772	2,772	16,975	25,291
Loan principle		â€”	â€”	â€”	â€”	75,000	75,000
Accruals		912	â€”	â€”	â€”	â€”	912
Â							
	Â	2023					
	Â	Three months or less Â£â€™000	Not more than one year Â£â€™000	Two years Â£â€™000	Three years Â£â€™000	More than three years Â£â€™000	Total Â£â€™000
Loan Interest due		1,012	1,760	2,772	2,772	19,748	28,064
Loan principle		â€”	â€”	â€”	â€”	75,000	75,000
Accruals		1,452	140	â€”	â€”	â€”	1,592

Capital management policies and procedures

The Company's capital management objectives are to ensure that it will be able to continue as a going concern, and to provide long-term growth in revenue and capital, principally by investment in UK securities. There have been no changes in the Company's objectives, policies and processes for managing capital from the prior year.

The Company's capital is its equity share capital and reserves that are shown in the Statement of Financial Position and fixed-term loans (see note 15) at a gross total of Â£891,506,000 (2023: Â£795,488,000).

The Company is subject to several externally imposed capital requirements:

- as a public Company, the Company has a minimum share capital of Â£50,000;
- in order to be able to pay dividends out of profits available for distribution by way of dividends, the Company has to be able to meet one of the two capital restriction tests imposed on investment companies by company law; and
- the Note Purchase Agreements governing the terms of the Private Placement Loans also contain certain financial covenants as set

out in note 8. These are measured in accordance with the policies used in the Annual Report & Financial Statements.

The Company has complied with all of the above requirements during the current and prior year.

21. Post Balance Sheet Events

Subsequent to the year-end and up to 19 March 2025, the Company bought back 791,246 ordinary shares for treasury, at a total cost of Â£2,161,000, representing 0.3% of the issued share capital as at 31 December 2024.

On 11 February 2025, the Board approved a fourth interim dividend for the year ended 31 December 2024, of 3.0p per ordinary share payable on 2 April 2025.

Notice of Annual General Meeting

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you take you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your ordinary shares in Temple Bar Investment Trust Plc, please forward this document and the accompanying form of proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was or is being effected for delivery to the purchaser or transferee.

NOTICE IS HEREBY GIVEN that the 99th Annual General Meeting (the "AGM") of Temple Bar Investment Trust Plc will be held at Barber-SurgeonsTM Hall, Monkwell Square, Wood Street, Barbican, London EC2Y 5BL on Tuesday, 6 May 2025 at 11.30 am for the purpose of considering and, if thought fit, passing the resolutions below.

1. To approve the Company'sTM Annual Report & Financial Statements for the year ended 31 December 2024 (together with the reports of the Directors and Auditor therein).
2. To approve the Report on Directors' Remuneration for the year ended 31 December 2024.
3. To re-elect Mrs Carolyn Sims as a Director of the Company.
4. To re-elect Mr Charles Cade as a Director of the Company.
5. To re-elect Mr Richard Wyatt as a Director of the Company.
6. To re-elect Dr Shefaly Yogendra as a Director of the Company.
7. To re-appoint BDO LLP as the Auditor to the Company, to hold office from the conclusion of this meeting until the conclusion of the next meeting at which financial statements are laid before the Company.
8. To authorise the Audit and Risk Committee to determine the remuneration of the Auditor.
9. To approve the Company'sTM dividend policy, authorising the Directors of the Company to declare and pay all dividends of the Company as interim dividends, and for the last dividend referable to a financial year not to be categorised as a final dividend that is subject to shareholder approval. Also, that the Company'sTM dividend policy be amended so that the interim dividends that the Company pays are enhanced by the distribution of approximately 3.0p per ordinary share per annum to be sourced from the Company'sTM distributable capital reserves.
10. That, in substitution of all existing authorities, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Companies Act") to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (the "Rights") up to an aggregate maximum nominal amount of Â£1,423,021, being 10% of the issued share capital of the Company as at 19 March 2025 and representing 28,460,437 ordinary shares in the capital of the Company (or if changed, the number representing 10% of the issued share capital of the Company at the date at which this resolution is passed), such authority to expire at the conclusion of the AGM of the Company to be held in 2026 (unless previously renewed, varied, revoked or extended by the Company in general meeting), save that the Company may, before such expiry, make offers or agreements which would or might require ordinary shares to be allotted after such expiry, and the Directors may allot ordinary shares in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTIONS

11. That, subject to the passing of resolution 10 set out above, the Directors be and they are hereby generally empowered pursuant to Sections 570 and 573 of the Companies Act to allot equity securities (as defined in Section 560 of the Companies Act) for cash, including for the avoidance of doubt, the sale of shares held by the Company as treasury shares, in accordance with the authority conferred on the Directors by resolution 10, as if Section 561 of the Companies Act did not apply to the allotment or sale, up to an aggregate nominal amount of Â£1,423,021 (being 10% of the issued ordinary share capital of the Company at 19 March 2025), (or, if changed, the number representing 10% of the issued share capital of the Company at the date at which this resolution is passed), such power to expire at the conclusion of the AGM of the Company to be held in 2026 (unless previously renewed, varied, revoked or extended by the Company in general meeting) save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require ordinary shares to be allotted or sold from treasury after the expiry of such power and the Directors may allot or sell ordinary shares from treasury in pursuance of such an offer or agreement as if such power had not expired.
12. That, the Company generally be and is hereby authorised for the purpose of Section 701 of the Companies Act to make market purchases (as defined in Section 693 of the Companies Act) of its ordinary shares in issue, either for retention as treasury shares for future reissue, resale, transfer or cancellation provided that:

AA) the maximum number of ordinary shares hereby authorised to be purchased is 14.99% of the issued share capital of the Company as at the date of the passing of this resolution;

AA) the minimum price (exclusive of expenses payable by the Company) which may be paid for such ordinary shares is the nominal value per share;

AA) the maximum price (exclusive of expenses payable by the Company) which may be paid for such ordinary shares shall be the higher of:

AA) an amount equal to 105% of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official

List for the five business days immediately preceding the date on which the ordinary shares are purchased; and

the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out.

This authority shall expire at the conclusion of the AGM of the Company to be held in 2026 (unless previously revoked, varied, renewed or extended by the Company in general meeting) save that the Company may, before such expiry, enter into a contract to purchase shares which will or may be executed wholly or partly after the expiry of such authority.

13. That, a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

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By order of the Board
Frostrow Capital LLP
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20 March 2025

Registered Office:Â
25 SouthamptonÂ
BuildingsÂ
LondonÂ
WC2A 1ALÂ
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NOTES

1. Entitlement to attend and vote

Members who hold ordinary shares in the Company in uncertificated form must have been entered on the Company's register of members by 6.30pm on Thursday, 1 May 2025 in order to be able to attend and vote at the meeting, or if the meeting is adjourned, 6.30pm on the day two business days before the time fixed for the adjourned meeting. Such members may only vote at the meeting in respect of ordinary shares held at the time.

2. Proxies

A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend the meeting to speak and vote on a show of hands and, on a poll, to vote instead of them. A proxy need not be a member of the Company. A member wishing to appoint more than one proxy must appoint each proxy in respect of a specified number of shares within their holding. For this purpose, a member may photocopy the enclosed form of proxy before completion and must indicate the number of shares in respect of which each proxy is appointed.

Instruments of proxy should be sent to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive no later than 11.30 am on Thursday, 1 May 2025. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting should they wish to do so.

It is possible for you to submit your proxy votes online by going to Equiniti's Shareview website, www.shareview.co.uk, and logging in to your Shareview Portfolio. Once you have logged in, simply click 'View' on the 'My Investments' page and then click on the link to vote and follow the on-screen instructions. If you have not yet registered for a Shareview Portfolio, go to www.shareview.co.uk and enter the requested information. It is important that you register for a Shareview Portfolio with enough time to complete the registration and authentication processes.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a 'CREST proxy instruction') must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com). The CREST message must be transmitted so as to be received by the issuer's agent (ID RA19) by not later than 48 hours (excluding non-working days) before the time appointed for the holding of the meeting or the adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST message by the CREST Applications Host) from which the issuer's agent is able to retrieve the CREST message by enquiry to CREST in the manner prescribed by CREST.

After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member(s) is/are a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) is/are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

3. Proximity

If you are an institutional investor you may be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to www.proximity.io. Your proxy must be lodged by 11.30 am on Thursday, 1 May 2025 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

4. Corporate representatives

A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the AGM. In accordance with the provisions of the Companies Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

5. Nominated persons

In accordance with Section 325 of the Companies Act, the right to appoint proxies does not apply to persons nominated to receive information rights under Section 146 of the Companies Act. Persons nominated to receive information rights under Section 146 of the Companies Act who have been sent a copy of this Notice are hereby informed, in accordance with Section 149 (2) of the Companies Act, that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.

6. Joint holders

In the case of joint holders, the signature of only one of the joint holders is required on the proxy form and, where more than one joint holder has signed the proxy form or where more than one joint holder purports to appoint a proxy, only the signature of, or the appointment submitted by the most senior holder will be accepted to the exclusion of the other joint holders. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first named being the most senior).

7. Members' requests under Section 527 of the Companies Act

Under Section 527 of the Companies Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to (i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM for the financial year ended 31 December 2024; or (ii) any circumstance connected with an Auditor of the Company appointed for the financial year ended 31 December 2024 ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 (requirements as to website availability) of the Companies Act. Where the Company is required to place a statement on a website under Section 527 of the Companies Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act to publish on a website.

8. Members' rights to ask questions

Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

9. Members' rights under Sections 338 and 338A of the Companies Act

Shareholders meeting the threshold under Sections 338 and 338A of the Companies Act can instruct the Company: (i) to give shareholders (entitled to receive notice of the AGM) notice of a resolution which may properly be proposed and is intended to be proposed at the AGM; and/or (ii) to include in the business to be dealt with at the AGM any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be proposed or a matter may properly be included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective; (b) it is defamatory of any person; or (c) it is frivolous or vexatious. Such a request may be in hard copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 25 March 2025, being the date six weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

10. Total number of shares and voting rights

As at 19 March 2025, the latest practicable date prior to publication of this Notice, the Company had 334,363,825 ordinary shares in issue, with a total of 284,604,378 voting rights. 49,759,447 shares were held in treasury.

11. Website

In accordance with Section 311A of the Companies Act, the contents of this Notice, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice will be available on the Company's website at: www.templebarinvestments.co.uk.

12. Documents available for inspection

Copies of letters of appointment between the Company and the Non-Executive Directors may be inspected during usual business hours on any weekday (public holidays excepted) at the registered office of the Company from the date of this Notice until the date of the AGM and at the place of the Meeting from 11.15 am until the Meeting's conclusion. Any shareholders wishing to inspect the documents are requested to contact the Company Secretary by email at cosec@frostrow.com in advance of any visit to ensure that appropriate arrangements can be made and access can be arranged.

Glossary of Terms

Discount or Premium of share price to NAV per share*

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

Fixed Interest

Fixed-interest securities, also known as bonds, are loans usually taken out by a government or company which normally pay a fixed rate of interest over a given time period, at the end of which the loan is repaid.

FTSE All-Share Index

A comparative index that tracks the market price of the UK's leading companies listed on the London Stock Exchange. Covering around 600 companies, including investment trusts, the name FTSE is taken from the Financial Times and the London Stock Exchange, who are its joint owners.

FTSE 350 Index

A comparative index that tracks the market price of the UK's 350 largest companies, by market value, listed on the London Stock Exchange.

Gilts

A bond that is issued by the British government which is generally considered low risk.

Gross Gearing

Total assets divided by shareholders funds expressed as a percentage.

Liquidity

The ease with which an asset can be purchased or sold at a reasonable price for cash.

Market Capitalisation

The total value of a company's equity, calculated by the number of shares multiplied by their market price.

NAV (Net Asset Value) per Share

The value of total assets less liabilities, with debenture and loan stocks at book value. Book value is the amount borrowed less the current loan arrangement fee debtor still to be expensed. The NAV per share is calculated by dividing this amount by the number of ordinary shares outstanding.

NAV per Share with debt at fair value*

The value of total assets less liabilities, with the loans at fair value. The NAV per share with debt at fair value is calculated by dividing this amount by the number of ordinary shares outstanding.

Net asset value (NAV) per share total return with debt at fair value*

The theoretical total return on shareholders' funds per share, reflecting the change in NAV with debt at fair value assuming that dividends paid to shareholders were reinvested at NAV with debt at fair value at the time the shares were quoted ex-dividend. A way of measuring performance which is not affected by movements in discounts/premiums.

	Year to 31 December 2024 (p)	Year to 31 December 2023 (p)
£		
Opening NAV with debt at fair value	252.2	233.5
Increase/(decrease) in NAV	49.0	29.1
Less dividends paid	(10.75)	(9.60)
Adjustment for movement in fair value of debt	0.7	(0.8)
Closing NAV with debt at fair value	291.1	252.2
% increase in NAV with debt at fair value	19.7%	12.1%
Impact of reinvesting dividends	0.2%	0.2%
NAV total return with debt at fair value	19.9%	12.3%

Net Gearing

Total assets (less cash and cash equivalents) divided by shareholders' funds expressed as a percentage.

Ongoing Charges*

Ongoing charges are calculated on an annualised basis. This figure excludes any portfolio transaction costs and may vary from period to period. The calculation below is in line with AIC guidelines.

		Year to 31 December 2024 (p)	Year to 31 December 2023 (p)
£	£		
Investment management fee	£	2,819	2,757
Other expenses (excluding transaction costs)	£	1,918	1,359
Less: one off legal and professional fees	£	£	(21)
Total	(a)	4,737	4,095
Average cum income net asset value throughout the period	(b)	780,321	731,023
Ongoing charges (c=a/b)	(c)	0.61%	0.56%

*£ Alternative Performance Measure.

Portfolio Turnover

The portfolio turnover rate measures the Company's trading activity. It is calculated by taking the lower of investment purchases and sales and dividing by the average gross asset value (net assets with debt added back) of the Company. It is expressed as a % and the lower the % the lower the turnover. For example a turnover rate of 25% would suggest that the fund holds stocks for four years on average, while a 50% turnover rate would suggest a two year holding period.

Transactions in gilts are excluded from the investment purchases and sales for the purposes of calculating the turnover rate.

Share Price Total Return*

Return to the investor on mid-market prices assuming that all dividends paid were reinvested at the share price at the time the shares were quoted ex-dividend.

	Year to 31 December 2024 (p)	Year to 31 December 2023 (p)
£		
Opening share price	238.0	220.5
Increase in share price	44.8	27.1
Less: dividends paid	(10.75)	(9.60)
Closing share price	272.0	238.0
% increase in share price	18.8%	12.3%
Impact of reinvesting dividends	0.3%	0.2%
Share price total return	19.1%	12.5%

Value Investing

An investment strategy that aims to identify undervalued yet good quality companies with strong cash flows and robust balance sheets, putting an emphasis on financial strength.

Dividend Yield*

A measure of the income return earned on an investment. In the case of a share the yield expresses the annual dividend payment as the percentage of the market price of the share.

*£ Alternative Performance Measure.

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Annual Report and Financial Statements

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Copies of the Annual Report and Financial Statements will be posted to shareholders on 31 March 2025 and will be available on the Company's website (www.templebarinvestments.co.uk) or in hard copy format from the Company Secretary.

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The Company's Annual Report and Financial Statements for the year ended 31 December 2024 have been submitted to the Financial Conduct Authority and will shortly be available for inspection on the National Storage Mechanism (NSM) via <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

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The Annual General Meeting will be held on Tuesday, 6 May 2025.

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

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-ENDS-

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For further information please contact

Mark Pope

For and on behalf of Frostrow Capital LLP

Company Secretary

0203 008 4913

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