



Net Assets	£7.1m
Net Assets excluding unaudited current period revenues	£7.1m

## ORDINARY SHARES

Share Price	320.00p
NAV per Share	386.23p*
Premium / (Discount to NAV)	(-17.15%)
Share Capital	1,837,205**

\* includes unaudited revenue reserve to 30/04/2024

\*\* excludes shares held in Treasury

## INVESTMENT OBJECTIVE AND POLICY

The Company invests in cash-generative quoted UK Small and Mid-Cap Companies that are expected to grow faster than the UK stock market as a whole over the long term and which can finance their own organic growth.

The Company's objective is to outperform the UK equity market by investing in companies with higher -than-average earnings growth that are listed outside the top 100 stocks on either of the Main Market, AQSE or traded on AIM, to capture the smaller companies' outperformance effect. The Investment Manager believes the investment trust structure of the Company lends itself to investing in smaller, more illiquid growth stocks, as the closed-end structure removes the potential scenario where the Company needs to sell holdings at the wrong time to meet redemptions.

The Company principally invests (approximately 75 per cent of its funds) in shares of companies which are listed on the Main Market or AQSE or traded on AIM, with market capitalisations of less than £250 million. The Company also invests (approximately 25 per cent of its funds) in some UK listed companies with larger market capitalisations, for liquidity purposes.

## MONTHLY MANAGER COMMENTARY

April was a positive month for the Trust, with the continued downward path of UK inflation (to 3.2% in March) and upwards on GDP numbers (with early signs that the economy has emerged from the Q4 recession) proving supportive for domestic markets. Rising real wages and an improving property market appear to be contributing towards the economy gaining some momentum and, whilst company forecasts for 2024 broadly assume no H2 recovery, sustained economic improvement could drive upgrades in the latter half of the year. In the US, continued strength has driven market volatility, with inflation readings ahead of expectations and a strong labour market calling into question the size and timing of potential rate cuts by the Fed.

As with March, one of our top performers in the month was the subject of an agreed offer for the company. This month, Tyman, a US focused market leader in the supply of fenestration components, recommended a bid from an American peer for a 35% premium. Our top contributor was GlobalData, recovering from oversold levels, and we also saw a strong performance from Accesso and Severfield, which both issued reassuring updates, and Alpha Group International. Our main detractor to performance was Auction Technology, which disappointed the market again by downgrading their organic growth and EBITDA expectations. Whilst the company continue to have success with Value Added Services, it saw higher than expected churn in its Proxibid business after adjusting pricing (which has now been reversed). Also weak were Learning Technology and Alliance Pharma, the latter on the repeated delay of their results announcement.

During April, we added holdings in Vesuvius, Balfour Beatty and TT Electronics, amongst others. We also exited our Pinewood Technologies holding, and trimmed Somero and JTC on valuation grounds.

## FUND MANAGERS



JAMES BAKER

**James** joined Chelverton Asset Management in June 2014 to manage MI Chelverton UK Equity Growth Fund.

A history graduate from Cambridge University, he has over 30 years of equity market experience on both buy and sell sides, specialising for all of his career in UK small and mid-capitalisation stock selection. He has worked for several organisations over the years, but most notably spent from 1999 to 2011 as part of the ABN Amro, small mid cap sales team which was consistently top ranked by Extel. Prior to joining Chelverton he worked as the assistant fund manager on the Rathbone UK Recovery Fund.



EDWARD BOOTH

**Edward** joined Chelverton Asset Management in 2016 as an Assistant Fund Manager, becoming a Fund Manager in November 2017. Having graduated from the London School of Economics with a degree in Economics with Economic History, Edward qualified as a Chartered Accountant at Deloitte, where he focused on the insurance sector. Prior to joining Chelverton, he worked as a Business Analyst for Barclays, focusing on a number of areas including Investment Bank Revenue and Group Capital performance.



HENRY BOTTING

**Henry** joined Chelverton Asset Management in 2021 and was appointed co-manager in August 2022. Prior to joining, Henry worked on the Equity Sales team at FinnCap, where he specialised in UK small and micro-cap companies. He has a degree in Economic and Social History from the University of Edinburgh and prior investment management experience at Rathbones and OLIM. Henry is a CFA Charterholder.

## RETURNS

30/04/2024

Since change of investment policy (26 July 2023)*	
Share Price Ordinary Shares	-3.03%
NAV Ordinary Shares	14.34%

Source: Chelverton Asset Management Limited and Morningstar

Past performance is not a guide to future results

\* The Investment Company PLC changed its investment policy on 26 July 2023. The NAV as of that date has been taken as the tender price, which was equal to the estimated Post-Transaction NAV per Ordinary Share. For reasons of clarity, previous track record has been excluded from the performance table. For details of previous performance please see annual reports on The Investment Company plc website: <https://theinvestmentcompanyplc.co.uk>





## DIRECTORS

### IAN DIGHÉ

Non-Executive Chairman

### TIM METCALFE

Senior Independent Non-Executive Director

### MARTIN PERRIN

Non-Executive Director

### DAVID HORNER

Non-Independent Non-Executive Director

## CALENDAR

Year End 30 June

AGM November

Management Fee Up to 0.75%\*

Ongoing Fee 2%\*

\* The Investment Manager has waived the management fee of 0.75% and shall instead make a contribution to the company costs to ensure that the annualised ongoing charge does not exceed 2% of NAV.

## PRICE INFORMATION

Reuters INVM.L

SEDOL 0465825

## CONTACT US

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## TOP TWENTY HOLDINGS

Holding	Sector*	% of Net Assets
Global Data	Media	2.4%
Premier Foods	Consumer	2.3%
Clarkson	Support Services	2.2%
Restore	Support Services	2.1%
Sigmaroc	Construction	2.1%
Alpha Group International	Financials	2.0%
Bodycote	Industrials	2.0%
JTC	Financials	2.0%
Auction Technology Group	Technology	1.9%
Oxford Metrics	Technology	1.9%
Eurocell	Construction	1.9%
Gamma Communications	Technology	1.8%
dotdigital	Technology	1.8%
Ascential	Media	1.8%
Ebiquity	Media	1.7%
Inchcape	Support Services	1.7%
AJ Bell	Financials	1.6%
Learning Technologies Group	Technology	1.5%
Volution Group	Construction	1.5%
Vesuvius	Industrials	1.5%
<b>Total</b>		<b>37.7%</b>

\* Source Chelverton Asset Management Limited

## SECTOR BREAKDOWN %

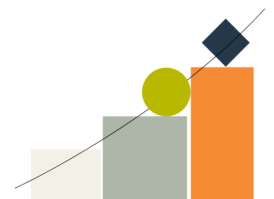
Sector %	% of Net Assets
Technology	20.1%
Media	12.2%
Construction	11.4%
Financials	10.5%
Support Services	10.2%
Industrials	9.1%
Consumer	8.1%
Healthcare	3.8%
Resources	1.1%
Cash & Income	13.5%
<b>Total</b>	<b>100.0%</b>

Source: Chelverton Asset Management Limited

## MARKET CAP BREAKDOWN

% of Net Assets	No of stocks
Above £1bn	14
£500m - £1bn	10
£250m - £500m	15
£100m - £250m	19
Below £100m	17
Cash & Income	13.5%
<b>Total</b>	<b>100.00%</b>
	<b>75</b>

Source: Chelverton Asset Management Limited



## Risk Factors

The value of investments and the income from them may go down as well as up and you may not get back your original investment. "Investment trusts can borrow money to make additional investments on top of shareholders funds (gearing), however, this is investment trust does not currently use any gearing. An investor could lose all of their capital. Smaller companies are riskier and less liquid than larger companies which means their share price may be more volatile. Some of the annual management fee is currently charged to the capital of the Fund. Whilst this increases the yield, it will restrict the potential for capital growth. The level of yield may be subject to fluctuation and is not guaranteed. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns the same as NAV performance.

**Risk Rating of Shares** Ordinary shares - High

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