



Net Assets £7.4m

Net Assets excluding unaudited current period revenues £7.4m

### ORDINARY SHARES

Share Price 353.00p

NAV per Share 401.53p\*

Premium / (Discount to NAV) (-12.09%)

Share Capital 1,837,205\*\*

\* includes unaudited revenue reserve to 30/06/2024

\*\* 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

After a sustained recovery from the lows of last October, the Trust gave up some of its gains in June as it and the wider market paused in the absence of any meaningful commentary on the direction of interest rates from the Bank of England ahead of the election. The main detractors to the Fund's performance were YouGov and Next Fifteen, both of which highlighted ongoing softness in corporate spend in Europe and North America, with YouGov warning of a material profits miss. The main positive contributors were Alpha Financial Markets Consulting, where a Private Equity approach led to a recommended offer for the business, and Warpaint, as it issued a strong AGM trading update with 25% sales growth in the first 6 months of its financial year.

On the trading front we continued to build the Trust's exposure to Industrials, adding a holding in Spectris, which offers precision testing and measurement solutions to a variety of end markets. We also added a position in Coats, the global market leader in threads. We trimmed our holdings in Pulsar, Alliance Pharma, Warpaint, Luceco and LBG Media into rising prices.

We go into the second half of the year with a new government with a sizeable majority, which should help provide some stability after the frequent changes of leadership under the Conservatives. Given the fiscal constraints, it will be interesting to see how the new government can fund its growth agenda, but the dialogue around engaging with the private sector to drive growth suggests a reasonably business friendly approach. The manifesto commitment to increase investment from domestic pension funds in UK markets, suggest an appreciation that healthy economies benefit from successful local equity markets. Any reversal of the trend of consistent outflows from the London equity market would benefit the UK market's performance.

### 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

30/06/2024

Since change of investment policy (26 July 2023)*	
Share Price Ordinary Shares	6.97%
NAV Ordinary Shares	18.87%

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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### 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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## TOP TWENTY HOLDINGS

Holding	Sector*	% of Net Assets
Restore	Support Services	2.3%
Clarkson	Support Services	2.2%
JTC	Financials	2.1%
Alpha Group International	Financials	2.0%
Sigmaroc	Construction	2.0%
Global Data	Media	2.0%
Premier Foods	Consumer	2.0%
Gamma Communications	Technology	1.9%
Bodycote	Industrials	1.8%
AJ Bell	Financials	1.8%
Eurocell	Construction	1.7%
dotdigital	Technology	1.7%
Learning Technologies Group	Technology	1.7%
Oxford Metrics	Technology	1.7%
Tate & Lyle	Consumer	1.6%
Celebrus Technologies	Technology	1.6%
Ebiquity	Media	1.6%
Volution Group	Construction	1.5%
Auction Technology Group	Technology	1.5%
Inchcape	Support Services	1.5%
<b>Total</b>		<b>36.5%</b>

\* Source Chelverton Asset Management Limited

## SECTOR BREAKDOWN %

Sector %	% of Net Assets
Technology	22.2%
Construction	11.9%
Consumer	11.7%
Financials	11.6%
Media	11.5%
Industrials	11.3%
Support Services	11.0%
Healthcare	3.6%
Resources	1.0%
Cash & Income	4.2%
<b>Total</b>	<b>100.0%</b>

Source: Chelverton Asset Management Limited

## MARKET CAP BREAKDOWN

% of Net Assets	No of stocks
Above £1bn	15
£500m - £1bn	13
£250m - £500m	16
£100m - £250m	21
Below £100m	20
Cash & Income	4.2%
<b>Total</b>	<b>100.00%</b>
	<b>85</b>

Source: Chelverton Asset Management Limited

