



Net Assets £7.2m

Net Assets excluding unaudited current period revenues £7.2m

ORDINARY SHARES

Share Price 377.00p

NAV per Share 390.38p*

Premium / (Discount to NAV) (-3.43%)

Share Capital 1,837,205**

* includes unaudited revenue reserve to 31/10/2024

** excludes shares held in Treasury

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.

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

The unremitting gloom from the new government about the state of the economy ahead of the Chancellor's first Budget, despite inheriting a low rate of inflation, real wage growth, relatively full employment and a modest growth rate in excess of many other developed economies, has become self-fulfilling in putting a dampener on consumer and business confidence since the summer. The Budget itself increased both taxes, particularly on business, with the corporate sector squeezed by both higher National Insurance contributions and above inflation increases in the Minimum Wage, and government borrowing to fund higher public spending. The former move impacts corporate profitability, and the latter the speed with which interest rates can come down, neither of which are helpful for the UK equity market. The worst fears for AIM were not realised with IHT relief on investing in AIM shares halved to 20% rather than removed altogether. Whilst this partial relief is likely to stop the wholesale unwinding of AIM IHT portfolios, it remains to be seen what impact it has on the rate of new investment with the rate of relief for investing in what are perceived to be riskier assets materially reduced.

From the Trust's performance point of view, the Budget news on AIM shares came as a welcome relief right at the end of the month. Circa 55% of the Trust is invested in AIM shares, which have performed very poorly post the Election, disconnecting from the performance of main list small and mid-cap stocks over worries that AIM IHT relief would be abolished, only to bounce back sharply once the measures were announced, recovering some of their earlier losses whilst main list stocks reacted more negatively. Consequently, the Trust recorded only a modest negative return for the month (from a NAV perspective).

At the individual stock level, SigmaRoc performed strongly, as did 1Spatial, on interim results in line with expectations. In the Technology segment, Eckoh received a recommended bid, albeit at a relatively modest premium. Kooth was the main detractor to the Trust's return, falling back on the termination of their small Pennsylvania contract and concerns about their larger Californian contract. Merit was weak on poorer than expected conversion of their sales pipeline and Industrials (Nexteq and TT Electronics) were generally weak as industrial demand weakened and destocking persisted. Finally slowing sales impacted Inchcape's performance.

During the month, we started a holding in Ashtead Technology, the subsea equipment rental business, and Personal Group, the workforce benefits and health insurance provider. We also added to Luceco, Warpaint and Hostelworld on weakness. On the sale side, we trimmed the Trust's SigmaRoc and Premier Foods positions into share price strength, exited our Breedon holding to reinvest in lower market-cap opportunities and trimmed Eckoh post the announcement of the bid.

Although the build-up to the Budget was unhelpful, as were some of the measures announced, it is now out of the way and we can start to look forward, in what remains a growing economy with lower inflation and the prospect of rate cuts to come.

RETURNS

31/10/2024

Since change of investment policy
(26 July 2023)*

	CURRENT MONTH	3 MONTHS	6 MONTHS	1 YEAR	FROM INCEPTION
Share Price Ordinary Shares	0.53%	4.43%	17.81%	18.55%	14.24%
NAV Ordinary Shares	-1.04%	-6.69%	1.09%	20.20%	15.59%
Numis Small Companies Index	-2.13%	-5.32%	3.33%	20.03%	6.99%

Source: Chelverton Asset Management Limited and Morningstar and Numis

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

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TOP TWENTY HOLDINGS

Holding	Sector*	% of Net Assets
JTC	Financials	2.3%
Big Technologies	Technology	2.3%
Eurocell	Construction	2.2%
Alpha Group International	Financials	2.1%
Global Data	Media	2.0%
Restore	Support Services	2.0%
Sigmaroc	Construction	1.9%
Celebrus Technologies	Technology	1.9%
Learning Technologies Group	Technology	1.9%
On the Beach Group	Consumer	1.9%
dotdigital	Technology	1.9%
Auction Technology Group	Technology	1.8%
Gamma Communications	Technology	1.8%
Hostelworld	Consumer	1.8%
Severfield	Construction	1.7%
Oxford Metrics	Technology	1.6%
Bodycote	Industrials	1.5%
Warpaint London	Consumer	1.5%
Inchcape	Support Services	1.5%
Epwin Group	Construction	1.5%
Total		36.9%

* Source Chelverton Asset Management Limited

SECTOR BREAKDOWN %

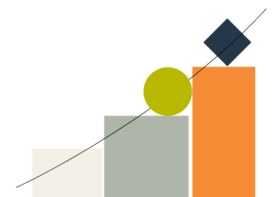
Sector %	% of Net Assets
Technology	26.7%
Financials	11.7%
Industrials	11.6%
Consumer	10.6%
Construction	10.2%
Media	9.5%
Support Services	9.1%
Healthcare	4.2%
Resources	1.0%
Cash & Income	5.4%
Total	100.0%

Source: Chelverton Asset Management Limited

MARKET CAP BREAKDOWN

% of Net Assets	No of stocks
Above £1bn	13
£500m - £1bn	10
£250m - £500m	15
£100m - £250m	24
Below £100m	26
Cash & Income	5.4%
Total	100.00%
	88

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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