



Net Assets £7.2m

Net Assets excluding unaudited current period revenues £7.2m

## ORDINARY SHARES

Share Price 375.00p

NAV per Share 394.49p\*

Premium / (Discount to NAV) (-4.94%)

Share Capital 1,837,205\*\*

\* includes unaudited revenue reserve to 30/09/2024

\*\* 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 macro picture in the UK continues to be dominated by the upcoming Budget, the first by the newly elected Labour Government. The downbeat narrative of the Chancellor about the UK economy and speculation about the future direction of taxation, business and economic policy has started to show in economic data, with consumer confidence dropping to the lowest level in 6 months. However, PMIs remain positive, real wages are growing and monetary policy should continue to ease from here, post the first cut to interest rates in August, and we look forward to greater clarity post the Budget announcement on October 30th.

Elsewhere, tensions remain high in the Middle East post the Iranian missile attack on Israel and Israeli action in Lebanon, which has driven up the oil price. In the US, the Fed started to cut interest rates with a 50bps rate cut, with economic data from the US remaining solid. In Europe, the macro picture is weaker and there remains speculation as to whether that may drive accelerated monetary easing. Finally, the Bank of China took steps to stabilise the nation's property market, amongst continued economic weakness.

September is a busy month for company results, as our December year-end companies release interim statements. Our key detractor to performance this month was Next Fifteen. The company announced weakness in B2B spend from its large technology customers, a theme we have seen elsewhere in our portfolio. More significantly however, they announced the non-renewal of a large contract, which meant materially reduced forecasts for future years. Also weak was Oxford Metrics, as the company issued a profit warning on extended customer buying cycles, and TT Electronics, on operational issues in its North American operation, and a slower than expected recovery in order intake in its components business.

On the positive side, Learning Tech was up after confirming it had received a conditional approach for the company and Eurocell was strong after interim results and unchanged expectations for the full year. We received the cash proceeds of our Mattioli Woods and Alpha Financial Markets holdings post take-over and reduced our Volution and Victorian Plumbing holdings on valuation grounds. We added to our Brooks MacDonald holding and started a new position in Eagle Eye, the loyalty and promotions platform, both on weakness.

Amidst speculation about the future of business relief on AIM in the upcoming budget, several of our AIM stocks have been under pressure in recent weeks. As part of recent company meetings, many of our AIM holdings have articulated that they would consider a move to the Main Market (as we have seen Alpha Group do recently, and Gamma Communication publicly announce they are considering) should business relief be withdrawn, given the easing main market listing rules and the demand from index funds.

## RETURNS

30/09/2024

Since change of investment policy  
(26 July 2023)\*

	CURRENT MONTH	3 MONTHS	6 MONTHS	1 YEAR	FROM INCEPTION
Share Price					
Ordinary Shares	2.46%	6.23%	19.43%	11.94%	13.64%
NAV					
Ordinary Shares	-3.57%	-1.74%	5.62%	17.41%	16.80%
Numis Small Companies Index	-2.07%	2.46%	7.62%	14.10%	9.32%

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

## CONTACT US

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## TOP TWENTY HOLDINGS

Holding	Sector*	% of Net Assets
JTC	Financials	2.4%
Eurocell	Construction	2.2%
Sigmaroc	Construction	2.2%
Big Technologies	Technology	2.2%
Celebrus Technologies	Technology	2.0%
Learning Technologies Group	Technology	2.0%
Global Data	Media	1.9%
Premier Foods	Consumer	1.9%
Alpha Group International	Financials	1.9%
Gamma Communications	Technology	1.8%
Restore	Support Services	1.8%
On the Beach Group	Consumer	1.8%
dotdigital	Technology	1.7%
Bodycote	Industrials	1.7%
Inchcape	Support Services	1.6%
Auction Technology Group	Technology	1.6%
Oxford Metrics	Technology	1.6%
Severfield	Construction	1.5%
Hostelworld	Consumer	1.5%
Spectris	Industrials	1.4%
Total		36.7%

\* Source Chelverton Asset Management Limited

## SECTOR BREAKDOWN %

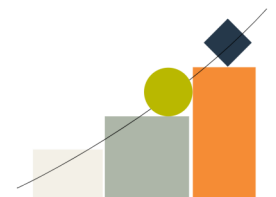
Sector %	% of Net Assets
Technology	26.5%
Industrials	11.8%
Consumer	11.3%
Construction	10.7%
Financials	10.3%
Media	9.9%
Support Services	7.8%
Healthcare	4.2%
Resources	1.1%
Cash & Income	6.4%
Total	100.0%

Source: Chelverton Asset Management Limited

## MARKET CAP BREAKDOWN

% of Net Assets	No of stocks
Above £1bn	15
£500m - £1bn	10
£250m - £500m	14
£100m - £250m	24
Below £100m	25
Cash & Income	6.4%
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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