



The Investment
Company plc

REPORT & ACCOUNTS

FOR THE SIX MONTHS ENDED
31 DECEMBER 2025





HALF YEAR REPORT 2025

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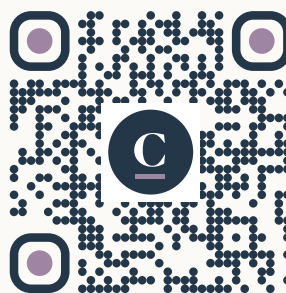
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SEDOL: BV4FKD0
Bloomberg: INV LN
LEI: 2138004PBWN5WM2XST62



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SUMMARY OF RESULTS

	At 31 December 2025 (unaudited)	At 30 June 2025 (audited)	Change %
Equity Shareholders' funds (£)	7,178,298	7,313,735	(1.85)
Number of ordinary shares in issue*	9,186,025	9,186,025	0.00
Net asset value ("NAV") per ordinary share	78.14p	79.62p	(1.86)
Ordinary share price (mid)	68.00p	63.50p	7.09
Discount to NAV	12.98%	20.25%	7.27
	6 months to 31 December 2025 (unaudited)	6 months to 31 December 2024 (unaudited) (restated)	
Total return per ordinary share**	(1.47p)	(0.24p)	
Dividends paid per ordinary share	nil	nil	

* Excluding 18,738,365 shares held in Treasury.

** The total return per ordinary share is based on total income after taxation as detailed in the Condensed consolidated income statement and in note 4. The 31 December 2024 figure has been restated for comparative purposes only to reflect the 5 for 1 share split, as discussed in note 6.



INVESTMENT OBJECTIVE

The Company's investment objective is to maximise capital growth for Shareholders over the long-term by investing in high-quality, quoted, UK small and mid-cap companies.

INVESTMENT POLICY

The Company intends to fulfil its investment objective through investing 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 will primarily invest in equity securities of companies with shares admitted to listing on the Main Market, the AQSE or to trading on AIM with a market capitalisation of less than £250 million at the time of investment. The Company may also invest in companies with shares admitted to listing on the Main Market, the AQSE or to trading on AIM with a market capitalisation of £250 million or more at the time of investment for liquidity purposes. The Company will identify prospective companies through a formal quantitative and qualitative screening process which focuses on criteria such as the ability to convert a high proportion of profit into cash, sustainable margins, limited working capital intensity and a strong management team. Companies that successfully pass the screening process will form part of the Company's 'investable universe' of prospective companies.

The Company has not set any limits on sector weightings within the portfolio but its exposures to sectors and stocks will be reported to, and monitored by, the Board in order to ensure that adequate diversification is achieved. The Company will maintain a diversified portfolio of a minimum of 60 holdings in UK small and mid-cap companies.

The Company may also invest in cash, cash equivalents, near cash instruments and money market instruments.

The Company will apply the following restrictions on its investments:

- not more than 10% of the Company's Gross Assets at the time of investment will be invested in the securities of a single issuer;
- no investment will be made in companies that are not listed or traded on the Main Market, the AQSE or AIM at the time of investment, nor in any companies which have not applied for their shares to be admitted to listing or trading on these markets;
- no investment will be made in other listed or unlisted closed-ended investment funds or in any open-ended investment funds; and
- the Company will not invest directly in FTSE 100 companies (preference shares, loan stocks or notes, convertible securities or fixed interest securities or any similar securities convertible into shares), nor will it invest in the securities of other investment trusts or in unquoted companies. The Company may, on some occasions, hold such investments as a result of corporate actions by investee companies. If the Company holds shares in a company which enters the FTSE 100, it may not immediately divest of those shares but will do so when it considers appropriate, subject to market conditions.

The Company may hold assets acquired by the Company prior to the adoption of its investment policy on 26 June 2023 for which there is no market and whose value the Company has written down to zero. The Company shall dispose of such assets as soon as is reasonably practicable.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

CHAIRMAN'S STATEMENT

In the first half of the financial year to 30 June 2026 the UK continued to experience macroeconomic and policy uncertainty, particularly surrounding the November budget, which impacted on the equity performance of UK small and mid-cap companies. This was reflected in the Company's overall performance in the six-month period to 31 December 2025, with the net asset value ("NAV") decreasing by 1.86% to 78.14p per share. The Company's performance over the period is set out in the Summary of Results table on page 3 and a full explanation of the performance is provided in the Investment Manager's Report on pages 6 and 7.

As I outlined in the last Annual Report, under the Investment Management Agreement ("IMA") with Chelverton Asset Management ("CAM") there is an overall expenses cap of 2% of the Company's NAV. Since CAM took on the role of Investment Manager they have been subsidising the Company's expenses to bring them below the 2% level. The Board is very grateful for the support of CAM, but was conscious that this could not continue on an indefinite basis and CAM indicated to the Board that its preference would be to step down as Investment Manager to the Company, subject to the Company agreeing that it would be willing to terminate the existing IMA entered into in July 2023.

The Company therefore announced on 2 December 2025 that the Board was considering options for the Company's future and we were pleased to announce earlier today, 24 February 2026, that heads of terms have been agreed with Dowgate Wealth Limited ("Dowgate") in relation to proposals regarding the

appointment of a new portfolio manager, the adoption of a new investment policy, a tender offer to existing Shareholders and the recapitalisation of the Company. The implementation of these proposals will be subject to a number of Shareholder approvals, regulatory approvals and court approvals, as well as enough capital being raised to ensure that the Company has sufficient scale following completion.

With a heritage dating back to 1868, making the Company one of the oldest investment companies on the London Stock Exchange, your Board are keen to secure an appropriate future for the Company with a mandate which is designed to protect and grow the real purchasing power of Shareholders' capital over the long-term.

The Board believes that the proposals on which we have reached preliminary agreement with Dowgate achieve this, offering Shareholders the opportunity to continue their investment in the Company, in what we believe will be an exciting new strategy, or to exit should they so wish.

The Board is grateful to CAM for supporting the Board in reaching agreement on the proposals. We look forward to announcing further details in due course and, with the support of you, our Shareholders, securing an exciting future for the Company.

I.R. Dighé
Chairman

24 February 2026

INVESTMENT MANAGER'S REPORT

The first half of the current year to 30 June 2026 was characterised by continued macroeconomic and policy uncertainty, which weighed on sentiment towards UK small and mid-cap equities. Although easing labour market conditions and moderating inflation supported expectations of further monetary easing, these positives were offset by prolonged speculation surrounding the November Budget, which undermined business and consumer confidence.

Inflation gradually eased over the period, with headline CPI falling from 3.8% in July to 3.4% in December, supported by cooling wage growth. Expectations are for inflation to continue to moderate in 2026, driven in part by the lapping of the National Insurance increase from the 2024 Budget and the 6.7% rise in the National Living Wage in April 2025, alongside other regulated price rises. During the period, cooling inflation allowed the Bank of England to cut rates from 4.25% to 3.75%, with market expectations for a further two cuts in 2026.

Fiscal uncertainty proved to be a persistent headwind, as it has been for much of the current Government's term in power. Concerns over potential tax rises and public finance sustainability intensified ahead of the Autumn Budget, not helped by a later Budget than normal, prolonging the period of market uncertainty. This contributed to a slowdown in investment and discretionary spending. When the Budget arrived, it proved less punitive than anticipated, with public sector finances in better shape than previously indicated. Importantly, from an equity market perspective, the gilt market took it in its stride, with the Chancellor leaving herself with a higher level of fiscal headroom, and the removal of environmental surcharges on household energy bills, alongside the

freezing of fuel duty and rail fares, rendering the Budget modestly deflationary.

By year-end, macroeconomic conditions had begun to stabilise, with services and manufacturing PMIs remaining expansionary. Although construction activity and consumer confidence remained weak, the combination of improved fiscal visibility and monetary easing supported a modest recovery in market sentiment.

The company underperformed its benchmark in the period. This was driven partly by stock specific issues, as touched on below, but most notably by strong performance from sectors we do not typically own. Materials stocks were the single biggest contributor to the benchmark performance, driven by strong share price appreciation from gold, silver and copper miners, amidst very strong commodity price performance. Also strong in the period were banks. We typically are very underweight in both materials stocks and banks on account of their capital intensity and our preference for high margin, low capital intensity companies.

From a stock specific perspective, two of our top five performers were driven by bid activity. JTC, the fund and trust administration company, performed strongly as Private Equity made an agreed offer for the company at a 49% premium. Similarly, Alpha Group International, a financial solutions provider, exited to a trade buyer at a 55% premium. Man Group performed strongly on evidence of improved fund performance as did Zotefoams on strong underlying trading. Finally, Seeing Machines did well as the date on which it is mandatory for all new cars in the EU to have a Driver Monitoring System approaches in July 2026.

INVESTMENT MANAGER'S REPORT continued

From a negative perspective, Warpaint, the branded cosmetics provider, was our poorest performer, as the company reduced expectations given the uncertain consumer environment. Ebiquity was weak as demand for its media analysis services softened in North America given economic uncertainty, as was Spectra Systems, as project delays drove downgrades to FY26 estimates. Auction Technology warned on softer than expected end-markets and Ashtead Technology warned that they had experienced project delays driven by US tariffs and the conflict in the Middle East. Notably, the latter two have performed very strongly thus far in 2026, the former due to a bid approach from its largest shareholder and the latter on a reassuring in-line trading update. We continued to add new names to the portfolio such as Telecom Plus, Genuit and Moonpig, funded largely by cash receipts from the aforementioned bid activity.

Going into 2026, with the Budget behind us, we hope the combination of fiscal stability and monetary easing will provide a more supportive backdrop to UK Small and Mid-Caps, which we hope can drive a narrowing of the discount between current valuations and their historic averages.

Chelverton Asset Management

24 February 2026

PORTFOLIO AND ASSETS

At 31 December 2025

Security	Holding	Fair Value £	% of total net assets
JTC	15,000	192,600	2.7
Man Group	72,500	165,736	2.3
Restore	57,500	150,075	2.1
GB Group	57,500	147,490	2.1
dotdigital	215,000	145,340	2.0
Gamma Communications	15,000	138,600	1.9
Everplay Group	40,000	133,599	1.9
Hostelworld	99,962	123,953	1.7
Premier Foods	68,346	117,829	1.6
Norcros	34,500	114,885	1.6
Advanced Medical Solutions Group	50,000	108,500	1.5
Big Technologies	142,500	107,730	1.5
Coats Group	125,000	105,626	1.5
Bodycote	15,000	104,700	1.5
Brooks Macdonald	6,250	99,063	1.4
Luceco	75,000	98,850	1.4
Ashtead Technology	31,250	96,875	1.4
Discoverie Group	16,100	96,600	1.4
Avingtrans	20,000	94,000	1.3
Eurocell	70,520	90,617	1.3
SDI Group	107,500	89,225	1.2
Global Data	80,000	88,401	1.2
Clarkson	2,250	85,162	1.2
Telecom Plus	6,250	84,876	1.2
Boku	40,000	84,000	1.2
Auction Technology Group	30,000	83,701	1.2
Genuit Group	25,000	81,625	1.1
Sigmaroc	62,500	79,626	1.1
Trufin	67,500	78,975	1.1
Spectra Systems	52,500	78,750	1.1
Zotefoams	19,500	78,000	1.1
Alfa Financial Software Holdings	36,000	76,318	1.1

PORTFOLIO AND ASSETS continued

At 31 December 2025

Security	Holding	Fair Value £	% of total net assets
Focusrite	32,500	73,125	1.0
Bloomsbury Publishing	15,191	73,069	1.0
Wickes	30,000	70,500	1.0
Essentra	70,000	67,620	0.9
Elementis	40,000	66,400	0.9
DFS Furniture	38,000	66,120	0.9
LSL Property Services	25,000	65,750	0.9
Rotork	20,000	65,040	0.9
Moonpig Group	32,000	64,800	0.9
Centaur Media	150,000	64,500	0.9
Mercia Asset Management	218,265	63,297	0.9
Tristel	15,000	62,250	0.9
Personal Group	20,000	62,000	0.9
Seeing Machines	1,125,000	60,300	0.8
Volution Group	9,158	58,978	0.8
M&C Saatchi	45,000	58,950	0.8
Aptitude Software Group	20,000	58,600	0.8
On the Beach Group	25,500	58,140	0.8
The Pebble Group	133,523	57,415	0.8
RM	50,000	57,000	0.8
LBG Media	66,000	56,232	0.8
Pinewood Technologies	15,123	54,067	0.8
CT Automotive Group	200,000	52,000	0.7
Mortgage Advice Bureau	7,500	51,600	0.7
PCI-PAL	100,000	51,000	0.7
Future	9,500	49,971	0.7
AJ Bell	10,750	47,408	0.7
Tate & Lyle	12,500	46,825	0.7
Pulsar	118,263	44,940	0.6
Oxford Metrics	90,899	44,904	0.6
Tracsis	15,000	44,252	0.6
Next 15 Group	13,750	43,725	0.6
Accesso Technology Group	12,500	41,125	0.6

PORTFOLIO AND ASSETS continued

At 31 December 2025

Security	Holding	Fair Value £	% of total net assets
Eagle Eye Solutions	15,000	41,100	0.6
YouGov	15,725	40,100	0.6
Vesuvius	10,000	39,680	0.6
Inchcape	5,000	38,427	0.5
SThree	20,000	38,201	0.5
Warpaint London	20,000	38,000	0.5
Microlise Group	40,000	36,800	0.5
Severfield	129,800	36,344	0.5
Bytes Technology	10,000	35,860	0.5
Victorian Plumbing	50,000	35,500	0.5
RWS Holdings	40,000	34,521	0.5
EKF Diagnostics	125,000	33,000	0.5
Somero Enterprise Inc.	15,000	32,250	0.5
Breedon Group	9,500	31,274	0.4
Diaceutics	25,000	31,250	0.4
Ebiquity	250,000	31,250	0.4
Celebrus Technologies	23,677	30,779	0.4
FDM Group (Holdings)	22,500	30,105	0.4
Wilmington	10,000	29,600	0.4
Getbusy	35,000	27,650	0.4
System1 Group	12,500	27,500	0.4
Corero Network Security	250,000	22,750	0.3
Invinity Energy Systems	71,739	13,272	0.2
Dianomi	62,500	10,000	0.1
Narf Industries	1,885,000	9,425	0.1
Quanex Building Supplies	215	2,458	0.0
Total equity investments		6,100,326	85.0
Cash		615,198	8.6
Other assets net of other liabilities		462,774	6.4
Total cash and other net current assets		1,077,972	15.0
Total net assets		7,178,298	100.0

INTERIM MANAGEMENT REPORT AND DIRECTORS' RESPONSIBILITY STATEMENT

Interim Management Report

The important events that have occurred during the period under review and their impact on the financial statements are set out in the Investment Manager's Report on pages 6 and 7.

In the view of the Board, the principal risks facing the Group are substantially unchanged since the date of the Report and Accounts for the year ended 30 June 2025 and continue to be as set out in that report. Risks faced by the Group include, but are not limited to, market risk (which comprises market price risk, interest rate risk and liquidity risk). Details of the Group's management of these risks and exposure to them is set out in the Group's Report and Accounts for the year ended 30 June 2025.

Other than as disclosed in note 9, there have been no significant changes in the related party disclosures set out in the Annual Report.

Directors' Responsibility Statement

The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- this Half-Yearly Financial Report includes a fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period; and any changes in the related party transactions that could do so.

This Half-Yearly Financial Report was approved by the Board of Directors on 24 February 2026 and the above responsibility statement was signed on its behalf by:

I. R. Dighé
Chairman

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 31 December 2025 (unaudited)

	Notes	6 months to 31 December 2025			6 months to 31 December 2024 (restated*)			Year ended 30 June 2025		
		Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Losses on investments at fair value through profit or loss		-	(123,668)	(123,668)	-	(11,153)	(11,153)	-	(97,879)	(97,879)
Exchange loss on capital items		-	-	-	-	(1)	(1)	-	(1)	(1)
Investment income	2	60,194	-	60,194	59,187	3,750	62,937	149,033	3,750	152,783
Investment management fee	3	-	-	-	-	-	-	-	-	-
Expenses		(72,429)	-	(72,429)	(74,834)	-	(74,834)	(150,072)	24,744	(125,328)
Loss before taxation		(12,235)	(123,668)	(135,903)	(15,647)	(7,404)	(23,051)	(1,039)	(69,386)	(70,425)
Taxation		466	-	466	801	-	801	(1,049)	-	(1,049)
Total loss after taxation		(11,769)	(123,668)	(135,437)	(14,846)	(7,404)	(22,250)	(2,088)	(69,386)	(71,474)
		Revenue pence	Capital pence	Total pence	Revenue pence	Capital pence	Total pence	Revenue pence	Capital pence	Total pence
Loss after taxation per 10p (2024: 50p) ordinary share – basic & diluted	4	(0.13)	(1.34)	(1.47)	(0.16)	(0.08)	(0.24)	(0.02)	(0.76)	(0.78)

The total column of this statement is the Income Statement of the Group prepared in accordance with International Accounting Standards in conformity with the Companies Act 2006. The supplementary revenue and capital columns are prepared in accordance with the Statement of Recommended Practice (“AIC SORP”) issued in July 2022 by the Association of Investment Companies.

The Group did not have any income or expense that was not included in total income for the period. Accordingly, total income is also total comprehensive income for the period, as defined by IAS 1 (revised) and no separate Statement of Comprehensive Income has been presented.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period.

* The 31 December 2024 figures have been restated for comparative purposes only to reflect the 5 for 1 share split, as discussed in note 6.

The notes on pages 16 to 21 form part of these condensed financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2025 (unaudited)

	Ordinary share capital £	Share premium £	Capital reserve £	Revenue reserve £	Total £
Balance at 1 July 2025	2,792,439	2,425,325	1,548,380	547,591	7,313,735
Total comprehensive income					
Net loss for the period	–	–	(123,668)	(11,769)	(135,437)
Transactions with Shareholders recorded directly to equity					
Ordinary dividends – (note 5)	–	–	–	–	–
Balance at 31 December 2025	2,792,439	2,425,325	1,424,712	535,822	7,178,298
Balance at 1 July 2024	2,792,439	2,425,325	3,662,726	(1,503,749)	7,376,741
Total comprehensive income					
Net loss for the period	–	–	(7,404)	(14,846)	(22,250)
Transactions with Shareholders recorded directly to equity					
Ordinary dividends – (note 5)	–	–	–	2,369	2,369
Balance at 31 December 2024	2,792,439	2,425,325	3,655,322	(1,516,226)	7,356,860
Balance at 1 July 2024	2,792,439	2,425,325	3,662,726	(1,503,749)	7,376,741
Total comprehensive income					
Net loss for the year	–	–	(69,386)	(2,088)	(71,474)
Transactions with Shareholders recorded directly to equity					
Transfer between reserves on deconsolidation of NCT	–	–	(2,044,960)	2,044,960	–
Ordinary dividends – (note 5)	–	–	–	8,468	8,468
Balance at 30 June 2025	2,792,439	2,425,325	1,548,380	547,591	7,313,735

The notes on pages 16 to 21 form part of these condensed financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025 (unaudited)

	Notes	31 December 2025 £	31 December 2024 £	30 June 2025 £
Non-current assets				
Investments held at fair value through profit or loss	8	6,100,326	6,722,973	6,359,558
Current assets				
Trade and other receivables		535,084	332,043	482,840
Cash and cash equivalents		615,198	425,303	584,176
		<u>1,150,282</u>	<u>757,346</u>	<u>1,067,016</u>
Current liabilities				
Trade and other payables		(72,310)	(123,459)	(112,839)
		<u>(72,310)</u>	<u>(123,459)</u>	<u>(112,839)</u>
Net current assets		<u>1,077,972</u>	<u>633,887</u>	<u>954,177</u>
Net assets		<u>7,178,298</u>	<u>7,356,860</u>	<u>7,313,735</u>
Capital and reserves				
Ordinary share capital	6	2,792,439	2,792,439	2,792,439
Share premium		2,425,325	2,425,325	2,425,325
Capital reserve		1,424,712	3,655,322	1,548,380
Revenue reserve		535,822	(1,516,226)	547,591
Shareholders' funds		<u>7,178,298</u>	<u>7,356,860</u>	<u>7,313,735</u>
NAV per 10p ordinary share	7	<u>78.14p</u>	<u>80.09p*</u>	<u>79.62p</u>

* The NAV at 31 December 2024 has been restated for comparative purposes only to reflect the 5 for 1 share split as discussed in Note 6.

The notes on pages 16 to 21 form part of these condensed financial statements.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 31 December 2025 (unaudited)

	31 December 2025 £	31 December 2024 £	30 June 2025 £
Cash flows used in operating activities			
Income received from investments	65,519	68,758	147,778
Interest received	4,301	2,738	4,445
Overseas taxation received/(paid)	466	808	(1,043)
Investment management fees paid	-	-	-
Other cash payments	(203,785)	(233,486)	(401,222)
Net cash used in operating activities	(133,499)	(161,182)	(250,042)
Cash flows generated from investing activities			
Purchase of investments	(1,633,371)	(1,769,680)	(3,386,658)
Sale of investments	1,797,892	2,103,873	3,968,583
Net cash generated from investing activities	164,521	334,193	581,925
Net increase in cash and cash equivalents	31,022	173,011	331,883
Reconciliation of net cash flow to movement in net cash			
Increase in cash	31,022	173,011	331,883
Exchange rate movements	-	(1)	-
Increase in net cash	31,022	173,010	331,883
Net cash at start of period	584,176	252,293	252,293
Net cash at end of period	615,198	425,303	584,176
Analysis of net cash			
Cash and cash equivalents	615,198	425,303	584,176
	615,198	425,303	584,176

The notes on pages 16 to 21 form part of these condensed financial statements.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025 (unaudited)

1. Significant Accounting Policies

Basis of Preparation

The condensed consolidated financial statements, which comprise the unaudited results of the Company and its wholly owned subsidiary, Abport Limited, together referred to as the “Group”, have been prepared in accordance with United Kingdom adopted International Accounting Standards and in accordance with the requirements of the Companies Act 2006. The financial statements have been prepared in accordance with the AIC SORP, except to any extent where it is not consistent with the requirements of International Accounting Standards. The accounting policies are as set out in the Report and Accounts for the year ended 30 June 2025.

The half-year financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”.

The financial information contained in this half year financial report does not constitute statutory accounts as defined by the Companies Act 2006. The financial information for the periods ended 31 December 2025 and 31 December 2024 have not been audited or reviewed by the Company’s Auditor. The figures and financial information for the year ended 30 June 2025 are an extract from the latest published audited statements, and do not constitute the statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and include a report of the Auditor, which was unqualified and did not contain a statement under either Section 498(2) or 498(3) of the Companies Act 2006.

Going Concern

The Directors have made an assessment of the Group’s ability to continue as a going concern. This has included consideration of portfolio liquidity, the Group’s financial position in respect of its cash flows and investment commitments (of which there are none of significance), the working arrangements of the key service providers, the continued eligibility to be approved as an investment trust company and the current economic environment. In addition, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Group’s ability to continue as a going concern.

The Directors are satisfied that the Group has the resources to continue in business for the foreseeable future being a period of at least 12 months from the date that these financial statements were approved. Therefore, the financial statements have been prepared on the going concern basis.

Segmental Reporting

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

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the six months ended 31 December 2025 (unaudited)

2. Income

	6 months to 31 December 2025 £	6 months to 31 December 2024 £	Year ended 30 June 2025 £
Income from investments:			
UK dividends	53,813	58,998	140,926
Unfranked dividend income	1,182	1,201	7,412
	54,995	60,199	148,338
Other income			
Bank deposit and other interest	5,199	2,738	4,445
Total income	60,194	62,937	152,783

3. Investment Management Fee

	6 months to 31 December 2025 £	6 months to 31 December 2024 £	Year ended 30 June 2025 £
Investment management fee	–	–	–

The Company was self-managed until 26 July 2023 when Chelverton Asset Management was appointed as Investment Manager.

The Investment Manager is entitled to an annual fee of 0.75% of the Net Asset Value. To the extent that the ongoing charges ratio exceeds 2% of Net Asset Value, the Investment Manager has waived the management fee and shall instead make a contribution to the Company to ensure that the ongoing charges ratio does not exceed 2% of Net Asset Value. An amount of £99,895 has become available to offset against future investment management fees during the period.

At 31 December 2025, there was an amount of £513,430 due to the Group as a contribution towards the running costs of the Group.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the six months ended 31 December 2025 (unaudited)

4. Return per Ordinary Share

Returns per share are based on the weighted average number of shares in issue during the period. Normal and diluted returns per share are the same as there are no dilutive elements on share capital.

	6 months to 31 December 2025		6 months to 31 December 2024 (restated*)		Year ended 30 June 2025	
	Net return £	Pence per share	Net return £	Pence per share	Net return £	Pence per share
Loss after taxation attributable to ordinary Shareholders						
Revenue	(11,769)	(0.13)	(14,846)	(0.16)	(2,088)	(0.02)
Capital	(123,668)	(1.34)	(7,404)	(0.08)	(69,386)	(0.76)
Total comprehensive income	(135,437)	(1.47)	(22,250)	(0.24)	(71,474)	(0.78)
Weighted average number of ordinary shares	9,186,025		9,186,025		9,186,025	

* The 31 December 2024 figures have been restated for comparative purposes only to reflect the 5 for 1 share split, as discussed in note 6.

5. Dividends per Ordinary Share

Amounts recognised as distributions to equity holders in the period.

	6 months to 31 December 2025 £	6 months to 31 December 2024 £	Year ended 30 June 2025 £
Ordinary shares			
Unclaimed dividends in respect of prior periods clawed back after 12 years	–	2,369	8,468
Total	–	2,369	8,468

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the six months ended 31 December 2025 (unaudited)

6. Ordinary Share Capital

	31 December 2025		31 December 2024 (restated*)		30 June 2025	
	Number	£	Number	£	Number	£
Ordinary shares of 10p each	<u>27,924,390</u>	<u>2,792,439</u>	<u>27,924,390</u>	<u>2,792,439</u>	<u>27,924,390</u>	<u>2,792,439</u>

* On 10 March 2025, the Company announced a share split resulting in Shareholders receiving 5 new ordinary 10p shares in exchange for each existing ordinary 50p share held at the record date of 12 March 2025. The figure for 31 December 2024 has been restated for comparative purposes only to reflect this.

The Company's total issued share capital comprises of 27,924,390 ordinary shares. The Company holds all 18,738,365 ordinary shares that were repurchased pursuant to the Tender Offer in Treasury. Therefore, the total number of shares with voting rights in the Company is 9,186,025.

The above figure of 9,186,025 may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

The ordinary shares entitle the holders to receive all ordinary dividends and all remaining assets on a winding up.

At 31 December 2025, the Company holds 18,738,365 ordinary shares in Treasury (31 December 2024 (restated): 18,738,365, 30 June 2025: 18,738,365).

7. Net Asset Value per Ordinary Share

The NAV per ordinary share is calculated as follows:

	31 December 2025 £	31 December 2024 (restated)* £	30 June 2025 £
Net assets	7,178,298	7,356,860	7,313,735
Ordinary shares in issue (excluding shares held in Treasury)	9,186,025	9,186,025	9,186,025
NAV per ordinary share	78.14p	80.09p	79.62p

* The NAV at 31 December 2024 has been restated for comparative purposes only to reflect the 5 for 1 share split as discussed in Note 6.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the six months ended 31 December 2025 (unaudited)

8. Fair Value Hierarchy

The fair value is the amount at which an asset could be sold in an ordinary transaction between market participants at the measurement date, other than a forced or liquidation sale. The Group measures fair values using the following hierarchy that reflects the significance of the inputs used in making the measurements.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices, unadjusted in active markets for identical assets and liabilities.

Level 2 – valued by reference to valuation techniques using observable inputs for the asset or liability other than quoted prices included in Level 1.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data for the asset or liability.

The table below sets out fair value measurement of financial instruments as at 31 December 2025, by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Level 1 £	Level 2 £	Level 3 £	Total £
At 31 December 2025				
Investments held at fair value through profit or loss	<u>6,100,326</u>	<u>–</u>	<u>–</u>	<u>6,100,326</u>
At 31 December 2024				
Investments held at fair value through profit or loss	<u>6,722,973</u>	<u>–</u>	<u>–</u>	<u>6,722,973</u>
At 30 June 2025				
Investments held at fair value through profit or loss	<u>6,359,558</u>	<u>–</u>	<u>–</u>	<u>6,359,558</u>

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

For the six months ended 31 December 2025 (unaudited)

9. Related Party Transactions

Fiske plc, a company in which Mr Perrin is a non-executive director, is the Company's custodian. An amount of £1,716 (2024: £3,535) was paid to Fiske plc pursuant to the custody agreement and, as at the period end, £839 (2024: £1,755) was payable to Fiske plc.

David Horner was appointed as a non-executive Director on 26 July 2023. Mr Horner is the Investment Trust Director of the Investment Manager. The transactions with the Investment Manager are described in note 3. At 31 December 2025, there was an amount of £513,430 due to the Group as a contribution towards the running costs of the Group.

During the first six months of the financial year, no other transactions with related parties have taken place which have materially affected the financial position or performance of the Group.

10. Post Balance Sheet Events

This is described in the Chairman's Statement on page 5.



**The Investment
Company plc**

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