



Financial Statements / Statement of Comprehensive Income

For the year ended 30 September 2025

	Notes	2025 Revenue return £'000	2025 Capital return £'000	2025 Total £'000	2024 Revenue return £'000	2024 Capital return £'000	2024 Total £'000
Income							
Investment income	2	29,197	6,244	35,441	26,603	3,153	29,756
Gains on financial assets and financial liabilities held at fair value	8	–	106,007	106,007	–	130,745	130,745
Exchange losses on cash and cash equivalents		–	(2,249)	(2,249)	–	(4,367)	(4,367)
		29,197	110,002	139,199	26,603	129,531	156,134
Expenses							
Investment management fee	3	(2,298)	(5,362)	(7,660)	(2,283)	(5,328)	(7,611)
Other expenses	3	(1,946)	–	(1,946)	(2,035)	–	(2,035)
Profit before finance costs and taxation		24,953	104,640	129,593	22,285	124,203	146,488
Finance costs	4	(1,368)	(3,238)	(4,606)	(1,602)	(3,781)	(5,383)
Exchange gains on revaluation of loan notes	4	–	1,158	1,158	–	6,008	6,008
Profit before taxation		23,585	102,560	126,145	20,683	126,430	147,113
Taxation	5	(1,818)	(4,179)	(5,997)	(1,741)	(2,715)	(4,456)
Profit for the year		21,767	98,381	120,148	18,942	123,715	142,657
Earnings per Ordinary Share (pence)	7	5.07	22.93	28.00	4.20	27.45	31.65

The total column of this statement is the Income Statement of the Company prepared in accordance with UK-adopted international accounting standards. The supplementary revenue and capital columns are presented in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies ("AIC SORP").

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

There is no other comprehensive income, and therefore the profit/loss for the year after tax is also the total comprehensive income.

The accompanying notes are an integral part of these financial statements.



Financial Statements / Statement of Changes in Equity

For the year ended 30 September 2025

	Ordinary share capital £'000	Capital redemption reserve £'000	Share premium £'000	Capital reserve* £'000	Merger reserve £'000	Revenue reserve** £'000	Total £'000
For the year to 30 September 2025							
Balance as at 30 September 2024	9,753	9,182	28,078	989,795	41,406	34,511	1,112,725
Treasury Shares cancelled	(475)	475	–	–	–	–	–
Ordinary Shares bought back for cancellation	(573)	573	–	(69,612)	–	–	(69,612)
Total comprehensive income for the year	–	–	–	98,381	–	21,767	120,148
Ordinary dividends paid (see note 6)	–	–	–	–	–	(17,569)	(17,569)
Balance as at 30 September 2025	8,705	10,230	28,078	1,018,564	41,406	38,709	1,145,692
For the year to 30 September 2024							
Balance as at 30 September 2023	10,155	8,780	28,078	910,267	41,406	32,332	1,031,018
Ordinary Shares bought back for cancellation	(402)	402	–	(44,187)	–	–	(44,187)
Total comprehensive income for the year	–	–	–	123,715	–	18,942	142,657
Ordinary dividends paid (see note 6)	–	–	–	–	–	(16,763)	(16,763)
Balance as at 30 September 2024	9,753	9,182	28,078	989,795	41,406	34,511	1,112,725

* Within the balance of the capital reserve, £874,920,000 relates to realised gains (2024: £899,960,000) which under the Articles of Association is distributable by way of dividend. The remaining £143,644,000 relates to unrealised gains and losses on financial instruments (2024: £89,835,000) and is non-distributable.

** Revenue reserve is fully distributable.

The accompanying notes are an integral part of these financial statements.



Financial Statements / Balance Sheet

As at 30 September 2025

	Notes	2025 £'000	2024 £'000
Non-current assets			
Investments held at fair value through profit or loss	8	1,224,903	1,205,675
		1,224,903	1,205,675
Current assets			
Total Return Swap assets	8, 9, 16	–	606
Trade receivables, prepayments and other debtors	9	16,858	26,027
Cash and cash equivalents	10	72,696	48,597
		89,554	75,230
Total assets		1,314,457	1,280,905
Current liabilities			
Total Return Swap liabilities	8, 11, 16	–	(4,414)
Trade payables, accruals and short term borrowings	11	(7,506)	(1,395)
		(7,506)	(5,809)
Total assets less current liabilities		1,306,951	1,275,096
Non-current liabilities			
4.184% Series A Sterling Senior Unsecured Loan 2036	12	(29,934)	(29,927)
3.249% Series B Euro Senior Unsecured Loan 2036	12	(26,133)	(24,902)
2.93% Euro Senior Unsecured Loan 2037	12	(17,373)	(16,549)
1.38% JPY Senior Unsecured Loan Notes 2032	12	(40,113)	(41,558)
1.44% JPY Senior Unsecured Loan Notes 2033	12	(22,595)	(23,413)
2.28% JPY Senior Unsecured Loan Notes 2039	12	(25,111)	(26,022)
		(161,259)	(162,371)
Net assets		1,145,692	1,112,725

	Notes	2025 £'000	2024 £'000
Non-current liabilities continued			
Ordinary Share capital	13	8,705	9,753
Capital redemption reserve		10,230	9,182
Share premium		28,078	28,078
Capital reserve		1,018,564	989,795
Merger reserve		41,406	41,406
Revenue reserve		38,709	34,511
Total equity		1,145,692	1,112,725
Net Asset Value per Ordinary Share – basic and diluted (pence)	14	277.13	251.71
Number of shares in issue excluding Treasury	13	413,411,671	442,061,671

These financial statements were approved and authorised for issue by the Board of AVI Global Trust plc on 11 November 2025 and were signed on its behalf by:

Graham Kitchen
Chairman

The accompanying notes are an integral part of these financial statements.
Registered in England & Wales No. 28203



Financial Statements / Statement of Cash Flows

For the year ended 30 September 2025

	2025 £'000	2024 £'000
Reconciliation of profit before taxation to net cash inflow from operating activities		
Profit before taxation	126,145	147,113
Gains on investments held at fair value through profit or loss	(106,007)	(130,745)
Decrease in other receivables	22,367	16,547
Increase/(Decrease) in other payables	329	(710)
Taxation paid	(14,751)	(4,627)
Exchange gains on Loan Notes and revolving credit facility	(1,158)	(7,542)
Amortisation of loan issue expenses	45	43
Net cash inflow from operating activities	26,970	20,079
Investing activities		
Purchases of investments	(537,658)	(752,490)
Sales of investments	621,966	809,394
Net cash inflow from investing activities	84,308	56,904
Financing activities		
Dividends paid	(17,551)	(16,763)
Payments for Ordinary Shares bought back	(69,623)	(44,177)
Drawdown of revolving credit facility	–	82,957
Repayment of revolving credit facility	–	(81,423)
Issue of loans net of costs	–	26,788
Net cash outflow from financing activities	(87,174)	(32,618)
Increase in cash and cash equivalents	24,104	44,365

	2025 £'000	2024 £'000
Reconciliation of net cash flow movements in funds:		
Cash and cash equivalents at beginning of year	48,597	4,231
Exchange rate movements	(5)	1
Increase in cash and cash equivalents	24,104	44,365
Increase in net cash	24,099	44,366
Cash and cash equivalents at end of year	72,696	48,597
Dividends received	32,127	27,372
Interest paid	4,643	5,531
Interest received	2,159	2,711

The accompanying notes are an integral part of these financial statements.



Financial Statements / Notes to the Financial Statements

1. General information and accounting policies

AVI Global Trust plc is a company incorporated and registered in England and Wales. The principal activity of the Company is that of an investment trust company within the meaning of Sections 1158/1159 of the Corporation Tax Act 2010 and its investment approach is detailed in the Strategic Report.

The Company's financial statements have been prepared in accordance with UK-adopted international accounting standards and the AIC SORP.

Basis of preparation

The functional currency of the Company is Pounds Sterling because this is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in Pounds Sterling rounded to the nearest thousand, except where otherwise indicated.

Going concern

The financial statements have been prepared on the going concern basis and on the basis that approval as an investment trust company will continue to be met.

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date when these financial statements were approved.

In making the assessment, the Directors of the Company have considered the likely impacts of geopolitical and economic challenges around the world including, but not limited to, the US/China trade dispute and US-imposed tariffs, and inflationary pressures on the Company, operations and the investment portfolio. The Directors also regularly assess the resilience of key third-party service providers, most notably the Investment Manager and Fund Administrator. In making their assessment, the Directors have considered the likely impacts of international and economic uncertainties on the Company, operations and the investment portfolio.

The Directors noted that the Company, with the current cash balance and holding a portfolio of listed investments, is able to meet the obligations of the Company as they fall due. The current cash balance enables the Company to meet any funding requirements and finance future additional investments. The Company is a closed-ended fund, where assets are not required to be liquidated to meet day-to-day redemptions.

The Directors have completed stress tests assessing the impact of changes in market value and income with associated cash flows. In making this assessment, they have considered severe but plausible downside scenarios and simulated a 35% reduction in NAV during January 2026, the impact on future cash flows as a result of this through to September 2030. The conclusion was that in a severe but plausible downside scenario the Company could continue to meet its liabilities. Whilst the economic future is uncertain, and the Directors believe that it is possible that the Company could experience further reductions in income and/or market value, and changes in expenses, the opinion of the Directors is that this should not be to a level which would threaten the Company's ability to continue as a going concern.

The Directors are not aware of any material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern, having taken into account the liquidity of the Company's investment portfolio and the Company's financial position in respect of its cash flows and investment commitments (of which there are none of significance). Therefore, the financial statements have been prepared on the going concern basis.

Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business. The Company primarily invests in companies listed in the UK and on other recognised international exchanges.

Accounting developments

In the current year, the Company has applied a number of amendments to UK-adopted international standards that are mandatorily effective for an accounting period that begins on or after 1 October 2024.

- Classification of liabilities as current or non-current (Amendments to IAS 1);
- Non-current liabilities with Covenants (Amendments to IAS 1); and
- Supplier Finance Arrangements – Amendments to IAS7 and IFRS7.

There are amendments to IAS/IFRS that will apply from 1 October 2025 as follows:

- Lack of Exchangeability – Amendments to IAS21.

There are amendments to IAS/IFRS that will apply from 1 October 2026 as follows:

- Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7; and
- Annual Improvements to IFRS Accounting Standards.

There are amendments to IAS/IFRS that will apply from 1 October 2027 as follows:

- IFRS 18 Presentation and Disclosure in Financial Statements.

The Company intends to adopt the Standards in the reporting period when they become effective. The adoption of these Standards impact the Company's accounting policy disclosures, with revised presentations and additional disclosures to the Financial Statements.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with UK-adopted international accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts in the Balance Sheet, the Statement of Comprehensive Income and the disclosure of contingent assets and liabilities at the date of the financial statements.



Financial Statements / Notes to the Financial Statements continued

1

1. General information and accounting policies continued**Critical accounting judgements and key sources of estimation uncertainty continued**

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The areas requiring judgement and estimation in the preparation of the financial statements relate to the determination of the carrying value of unquoted investments at fair value through profit or loss. The policies for these are set out in the notes to the financial statements below. The Company values unquoted investments by following the International Private Equity Venture Capital Valuation (IPEV) guidelines. Further areas are recognising and classifying unusual or special dividends received as either capital or revenue in nature; the valuation of derivatives; the recognition of expenses between capital and revenue; and the level of deferred tax.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods. There are no further significant judgements or estimates in these financial statements.

Investments

The Company's business is investing in financial assets with a view to capital growth. The portfolio of financial assets is managed and its performance evaluated on a fair value basis in accordance with the documented investment strategy and information is provided internally on that basis to the Company's Board of Directors.

The investments held by the Company are designated "at fair value through profit or loss". All gains and losses are allocated to the capital return within the Statement of Comprehensive Income as "Gains or losses on investments held at fair value through profit or loss". Also included within this heading are transaction costs in relation to the purchase or sale of investments. When a purchase or sale is made under a contract, the terms of which require delivery within the time frame of the relevant market, the investments concerned are recognised or derecognised on the trade date.

All investments are designated upon initial recognition as held at fair value through profit or loss, and are measured at subsequent reporting dates at fair value, which is either the bid price or closing price for Stock Exchange Electronic Trading Service – quotes and crosses (SETSqx). The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all of the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been accumulated is recognised in profit or loss.

Fair values for unquoted investments, or for investments for which the market is inactive, are established by using various valuation techniques in accordance with the International Private Equity and Venture Capital (IPEV) guidelines. These may include recent arm's length market transactions, the current fair value of another instrument that is substantially the same, net asset value, discounted cash flow analysis, option pricing models and reference to similar quoted companies. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised. Unquoted investments are constantly monitored with fair values approved by the Company's Board of Directors.

All investments for which a fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy levels in note 15. A transfer between levels may result from the date of an event or a change in circumstances.

Foreign currency

Transactions denominated in currencies other than Pounds Sterling are recorded at the rates of exchange prevailing on the date of the transaction. Items which are denominated in foreign currencies are translated at the rates prevailing on the Balance Sheet date. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the capital reserve or the revenue account depending on whether the gain or loss is capital or revenue in nature.

Derivatives

Derivatives, including Total Return Swaps, are classified as financial instruments at fair value and included in current assets/liabilities. Derivatives are derecognised when the contract expires or on the trade on which the contract is sold. Changes in fair value of derivative instruments are recognised as they arise in the capital column of the Statement of Comprehensive Income. The fair value is calculated by either the quoted price (if listed) or a broker using models with inputs from market prices. On disposal or expiry, realised gains and losses are also recognised in the Statement of Comprehensive Income as capital items. Cash flows relating to the derivatives' underlying security are reflected within the revenue account. The cost of financing derivatives is allocated in accordance with the Company's accounting policy, with 70% charged to capital and 30% charged to revenue.

Cash and cash equivalents

Cash comprises cash in hand and demand deposits. Cash equivalents are short-term, highly liquid investments and money market funds, that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Cash held in margin/collateral accounts at the Company's brokers is presented within trade receivables, prepayments and other debtors in the financial statements.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.



Financial Statements / Notes to the Financial Statements continued

1

1. General information and accounting policies continued**Income**

Dividends receivable on quoted equity shares are taken to revenue on an ex-dividend basis. Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Company's right to receive payment is established. Fixed returns on non-equity shares are recognised on a time-apportioned basis. Dividends from overseas companies are shown gross of any withholding taxes which are disclosed separately in the Statement of Comprehensive Income.

Special dividends are taken to the revenue or capital account depending on their nature. In deciding whether a dividend should be regarded as a capital or revenue receipt, the Board reviews all relevant information as to the reasons for the sources of the dividend on a case-by-case basis.

When the Company has elected to receive scrip dividends in the form of additional shares rather than in cash, the amount of the cash dividend forgone is recognised as income. Any excess in the value of the cash dividend is recognised in the capital column.

Interest income on fixed interest securities is recognised in the Statement of Comprehensive Income based on the effective yield to maturity of the fixed interest security.

All other income is accounted on a time-apportioned accruals basis and is recognised in the Statement of Comprehensive Income.

Expenses and finance costs

All expenses are accounted on an accruals basis. On the basis of the Board's expected long-term split of total returns in the form of capital and revenue returns of 70% and 30% respectively, the Company charges 70% of its management fee and finance costs to capital.

Expenses incurred directly in relation to arranging debt finance are amortised over the term of the finance.

Expenses incurred in buybacks of shares are charged to the capital reserve through the Statement of Changes in Equity.

Taxation

The charge for taxation is based on the net revenue for the year and takes into account taxation deferred or accelerated because of temporary differences between the treatment of certain items for accounting and taxation purposes.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date. Deferred tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of timing differences can be deducted. In line with the recommendations of the SORP, the allocation method used to calculate the tax relief on expenses charged to capital is the "marginal" basis.

Under this basis, if taxable income is capable of being offset entirely by expenses charged through the revenue account, then no tax relief is transferred to the capital account.

Dividends payable to shareholders

Dividends to shareholders are recognised as a liability in the period in which they are paid or approved in general meetings and are taken to the Statement of Changes in Equity. Dividends declared and approved by the Company after the Balance Sheet date have not been recognised as a liability of the Company at the Balance Sheet date.

Non-current liabilities: Loan Notes

The non-current liabilities are valued at amortised cost. Costs in relation to arranging the finance have been capitalised and are amortised over the term of the finance. The amortised cost is the par value less the amortised costs with exchange difference on the principal amounts to be repaid reflected. Any gain or loss arising from changes in the exchange rates are included in the capital reserves and shown in the capital column of the Statement of Comprehensive Income.

Further details of the non-current liabilities are set out in note 12 and in the Glossary.

Capital redemption reserve

The capital redemption reserve represents non-distributable reserves that arise from the purchase and cancellation of shares.

Share premium

The share premium account represents the accumulated premium paid for shares issued in previous periods above their nominal value less issue expenses. This is a reserve forming part of the non-distributable reserves. The following items are taken to this reserve:

- costs associated with the issue of equity; and
- premium on the issue of shares.

Capital reserve

The following are taken to the capital reserve through the capital column in the Statement of Comprehensive Income:

Capital reserve – other, forming part of the distributable reserves:

- gains and losses on the disposal of investments;
- amortisation of issue expenses of Loan Notes;
- costs of share buybacks;
- exchange differences of a capital nature; and
- expenses, together with the related taxation effect, allocated to this reserve in accordance with the above policies.



Financial Statements / Notes to the Financial Statements continued

1 2 3

1. General information and accounting policies continued

Capital reserve continued

Capital reserve – investment holding gains, not distributable:

- increase and decrease in the valuation of investments held at the year-end.

Merger reserve

The merger reserve represents the share premium on shares issued on the acquisition of Selective Assets Trust plc on 13 October 1995 and is not distributable.

Revenue reserve

The revenue reserve represents the surplus of accumulated profits and is distributable by way of dividends.

2. Income

	2025 £'000	2024 £'000
Income from investments		
UK dividends	983	1,852
Overseas dividends	26,159	22,657
	27,142	24,509
Other income		
Deposit interest	2,013	2,784
Total Return Swap dividends*	(45)	(480)
Exchange gains/(losses) on receipt of income**	86	(210)
Sundry income	1	–
	29,197	26,603
Capital dividend***	6,244	3,153
	35,441	29,756

* Net income (paid)/received on underlying holdings in Total Return Swaps.

** Exchange movements arise from ex-dividend date to payment date.

*** Dividend received is attributed to a distribution of capital.

3. Investment management fee and other expenses

	2025 Revenue return £'000	2025 Capital return £'000	2025 Total £'000	2024 Revenue return £'000	2024 Capital return £'000	2024 Total £'000
Management fee	2,298	5,362	7,660	2,283	5,328	7,611
Other expenses:						
Directors' emoluments – fees	211	–	211	201	–	201
Auditor's remuneration – audit	58	–	58	61	–	61
Marketing	514	–	514	605	–	605
Printing and postage costs	71	–	71	76	–	76
Registrar fees	104	–	104	96	–	96
Custodian fees	86	–	86	77	–	77
Depository fees	131	–	131	126	–	126
Advisory and professional fees	537	–	537	487	–	487
Costs associated with dividend receipts	3	–	3	21	–	21
Irrecoverable VAT	21	–	21	89	–	89
Regulatory fees	131	–	131	119	–	119
Directors' insurances and other expenses	79	–	79	77	–	77
	1,946	–	1,946	2,035	–	2,035

The management fee calculated in accordance with the IMA amounted to 0.7% of net assets for assets up to £1bn and 0.6% of net assets over £1bn calculated on a quarterly basis.

Details of the IMA and fees paid to the Investment Manager are set out in the Report of the Directors.



Financial Statements / Notes to the Financial Statements continued

4

4. Finance costs

	2025 Revenue return £'000	2025 Capital return £'000	2025 Total £'000	2024 Revenue return £'000	2024 Capital return £'000	2024 Total £'000
Loan notes and revolving credit facility interest						
4.184% Series A Sterling Senior Unsecured Loan Notes 2036	377	879	1,256	377	879	1,256
3.249% Series B Euro Senior Unsecured Loan Notes 2036	252	589	841	246	575	821
2.93% Euro Senior Unsecured Loan Notes 2037	151	353	504	149	347	496
1.38% JPY Senior Unsecured Loan Notes 2032	167	389	556	168	393	561
1.44% JPY Senior Unsecured Loan Notes 2033	98	229	327	100	233	333
2.28% JPY Senior Unsecured Loan Notes 2039	173	405	578	9	22	31
JPY Revolving credit facility	–	–	–	80	187	267
Total Return Swap interest	149	347	496	455	1,061	1,516
	1,367	3,191	4,558	1,584	3,697	5,281
Amortisation						
4.184% Series A Sterling Senior Unsecured Loan Notes 2036	–	7	7	–	7	7
3.249% Series B Euro Senior Unsecured Loan Notes 2036	–	5	5	–	5	5
2.93% Euro Senior Unsecured Loan Notes 2037	–	7	7	–	7	7
1.38% JPY Senior Unsecured Loan Notes 2032	–	18	18	–	18	18
1.44% JPY Senior Unsecured Loan Notes 2033	–	5	5	–	5	5
2.28% JPY Senior Unsecured Loan Notes 2039	–	3	3	–	–	–
JPY Revolving credit facility	–	–	–	17	40	57
	–	45	45	17	82	99
Bank interest						
Bank debit interest	1	2	3	1	2	3
Total	1,368	3,238	4,606	1,602	3,781	5,383
Exchange gains in Loan Notes*	–	1,158	1,158	–	6,008	6,008

* Revaluation of Euro and JPY Loan Notes.



Financial Statements / Notes to the Financial Statements continued

5

5. Taxation

	Year ended 30 September 2025			Year ended 30 September 2024		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Analysis of charge for the year						
Overseas tax suffered*	1,818	4,179	5,997	1,741	2,715	4,456
Tax charge for the year	1,818	4,179	5,997	1,741	2,715	4,456

* Tax deducted on payment of overseas dividends by local tax authorities.

The taxation assessed for the year is lower (2024: lower) than the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

	Year ended 30 September 2025			Year ended 30 September 2024		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Profit before taxation	23,585	102,560	126,145	20,683	126,430	147,113
Profit before taxation multiplied by the standard rate of corporation tax of 25% (2024: 25%)	5,897	25,640	31,537	5,171	31,608	36,779
Effects of the non-taxable items:						
– UK dividends that are not taxable	(150)	–	(150)	(334)	–	(334)
– Foreign dividends that are not taxable	(6,561)	(1,137)	(7,698)	(5,611)	(788)	(6,399)
– Non-taxable investment gains	–	(26,229)	(26,229)	–	(33,097)	(33,097)
– Irrecoverable overseas tax	1,818	4,179	5,997	1,741	2,715	4,456
– Current period tax losses not utilised	750	1,696	2,446	686	2,088	2,774
– Prior year taxable income recorded as not taxable	19	–	19	–	–	–
– Corporate interest restriction	12	30	42	80	189	269
– Offshore income gains	33	–	33	8	–	8
Tax charge for the year	1,818	4,179	5,997	1,741	2,715	4,456



Financial Statements / Notes to the Financial Statements continued

5 6 7

5. Taxation continued

At 30 September 2025, the Company had excess management expenses of £113,091,000 (30 September 2024: £105,307,000), a non-trade loan relationship deficit of £27,688,000 (30 September 2024: £25,688,000) and carried forward disallowed interest expense of £8,051,000 (30 September 2024: £7,883,000) that are potentially available to offset future taxable revenue. A deferred tax asset of £37,208,000 (30 September 2024: £34,719,000), based on the enacted UK corporation tax rate of 25% that applied from 1 April 2023, has not been recognised because the Company is not expected to generate sufficient taxable income in future periods that the carried forward tax losses and disallowed interest expense can be utilised against.

Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the Company meets (and intends to continue for the foreseeable future to meet) the conditions for approval as an Investment Trust Company.

6. Dividends

	2025 £'000	2024 £'000
Amounts recognised as distributions to equity holders in the year:		
Final dividend for the year ended 30 September 2024 of 2.55p (2023: 2.30p) per Ordinary Share	11,190	10,484
Special dividend for the year ended 30 September 2024 of nil (2023: 0.20p) per Ordinary Share	–	912
Interim dividend for the year ended 30 September 2025 of 1.50p (2024: 1.20p) per Ordinary Share	6,361	5,367
	17,551	16,763

During the year the Company received a claim for shares forfeited in 2022 and, after verifying the claim, £18,000 was paid to the former owner of the shares in question.

Set out below are the interim and final dividends paid or proposed on Ordinary Shares in respect of the financial year, which is the basis on which the requirements of Section 1159 of the Corporation Tax Act 2010 are considered.

	2025 £'000	2024 £'000
Interim dividend for the year ended 30 September 2025 of 1.50p (2024: 1.20p) per Ordinary Share	6,361	5,367
Proposed final dividend for the year ended 30 September 2025 of 3.00p (2024: 2.55p) per Ordinary Share	12,371*	11,190
	18,732	16,557

* Based on shares in circulation on 6 November 2025.

7. Earnings per Ordinary Share

The earnings per Ordinary Share is based on the Company's net profit after tax of £120,148,000 (2024: net profit of £142,657,000) and on 429,089,217 (2024: 450,758,728) Ordinary Shares, being the weighted average number of Ordinary Shares in issue (excluding shares in treasury) during the year.

The earnings per Ordinary Share detailed above can be further analysed between revenue and capital as follows:

	30 September 2025			30 September 2024		
Basic and diluted	Revenue	Capital	Total	Revenue	Capital	Total
Net profit (£'000)	21,767	98,381	120,148	18,942	123,715	142,657
Weighted average number of Ordinary Shares		429,089,217			450,758,728	
Earnings per Ordinary Share (pence)	5.07	22.93	28.00	4.20	27.45	31.65

There are no dilutive instruments issued by the Company (2024: none).



Financial Statements / Notes to the Financial Statements continued

8

8. Investments held at fair value through profit or loss

	30 September 2025				30 September 2024			
	Equities £'000	Unrealised derivatives asset £'000	Unrealised derivatives liabilities £'000	Total £'000	Equities £'000	Unrealised derivatives asset £'000	Unrealised derivatives liabilities £'000	Total £'000
Financial assets held at fair value								
Opening book cost	1,120,850	–	–	1,120,850	983,849	–	–	983,849
Opening investment holding gains/(losses)	84,825	606	(4,414)	81,017	160,910	2,174	(20,873)	142,211
Opening fair value	1,205,675	606	(4,414)	1,201,867	1,144,759	2,174	(20,873)	1,126,060
Movement in the year:								
Purchases at cost	543,434	–	–	543,434	751,187	–	–	751,187
Sales/Close – Proceeds	(635,099)	8,694	–	(626,405)	(812,627)	6,502	–	(806,125)
– realised gains/(losses) on sales and close of Total Return Swaps	62,498	(8,694)	–	53,804	198,441	(6,502)	–	191,939
Increase/(decrease) in investment holding gains	48,395	(606)	4,414	52,203	(76,085)	(1,568)	16,459	(61,194)
Closing fair value of investments	1,224,903	–	–	1,224,903	1,205,675	606	(4,414)	1,201,867
Closing book cost	1,091,683	–	–	1,091,683	1,120,850	–	–	1,120,850
Closing investment holding gains/(losses)	133,220	–	–	133,220	84,825	606	(4,414)	81,017
Closing fair value	1,224,903	–	–	1,224,903	1,205,675	606	(4,414)	1,201,867



Financial Statements / Notes to the Financial Statements continued

8. Investments held at fair value through profit or loss continued

Financial assets and liabilities held at fair value

	30 September 2025 £'000	30 September 2024 £'000
Equities	1,224,903	1,205,675
Total Return Swaps – asset	–	606
Total Return Swaps – liability	–	(4,414)
	1,224,903	1,201,867

	Year ended 30 September 2025 £'000	Year ended 30 September 2024 £'000
Transaction costs		
Cost on acquisitions	334	724
Cost on disposals	347	631
	681	1,355

Analysis of capital gains/(losses)

Gains on sales/close out of financial assets	53,804	191,939
Movement in investment holding gains/(losses) for the year	52,203	(61,194)
Net gains on investments	106,007	130,745

The Company received £626,405,000 (2024: £806,125,000) from investments sold in the year. The book cost of these investments when they were purchased was £572,602,000 (2024: £614,186,000). These investments have been revalued over time and until they were sold any unrealised gains or losses were included in the fair value of the investments.

The Company has thirteen interests amounting to an investment of 3% or more of the equity capital of investee companies which are set out in the table below.

Company	% of investee company
JPEL Private Equity	18.4
Better Capital (2009)	17.4
Symphony International Holdings	15.7
Chrysalis Investments	15.4
Partners Group Private Equity	7.7
Cordiant Digital Infrastructure	7.0
Abrdn European Logistics Income	7.0
Oakley Capital Investments	6.1
Net Lease Office Properties	5.0
GCP Infrastructure Investments	4.5
Gerresheimer AG	4.1
Wacom	4.0
Vivendi	3.1

9. Trade receivables, prepayments and other debtors

	2025 £'000	2024 £'000
Total Return Swaps	–	606
Trade receivables, prepayments and other debtors		
Sales for future settlement	4,444	–
Cash collateral receivable	–	23,113
Tax recoverable	9,381	627
Prepayments and accrued income	2,973	2,259
VAT recoverable	60	28
Total trade receivables, prepayments and other debtors	16,858	26,027

Cash collateral receivable is cash held at Jefferies International Limited against exposure to derivatives.

Tax recoverable relates to withholding tax in a number of countries, some of which is past due, but is in the process of being reclaimed by the Custodian through local tax authorities and also tax deducted on UK REIT dividends, which the Company expects to receive in due course.

No other receivables are past due or impaired.



Financial Statements / Notes to the Financial Statements continued

10 11

10. Cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank	22,696	13,597
Liquidity account	50,000	35,000
	72,696	48,597

11. Current liabilities

	2025 £'000	2024 £'000
Total Return Swaps	–	4,414
Trade payables, accruals and short-term borrowings		
Purchases for future settlement	5,777	–
Amounts owed for share buybacks	1	13
Management fees	638	–
Interest payable	868	859
Other payables	222	523
Total trade payables, accruals and short term borrowings	7,506	1,395
Total current liabilities	7,506	5,809

Revolving credit facility

The unsecured revolving credit facility with Scotiabank Europe Plc for ¥8.0bn (£41,700,000) (the facility) was terminated at the end of its contracted life on 26 September 2024. It was repaid on 10 September 2024 and no drawings were made after that date. The facility when in existence consisted of a multi-currency facility with drawings available in Japanese Yen, Pounds Sterling, US Dollars and Euros.

The interest charged was the appropriate risk free rate (RFR)* plus the additional margin:

- Japanese Yen 1.025% margin over the Tokyo unsecured overnight rate (TONAR)**;
- Pounds Sterling 1.42% margin over SONIA (sterling overnight index average);
- US Dollars 1.25% margin above the secured overnight financing rate (SOFR); and
- Euros 1.25% margin above the Euro short-term rate (€ STR).

Undrawn balances below ¥2.0bn were charged at 0.35% and any undrawn portion above this were charged at 0.30%.

Under the terms of the facility, the covenant required net assets not to be less than £300m and the adjusted net asset coverage to borrowings not less than 4:1.

The facility is shown at amortised cost and revalued for exchange rate movements. Any gain or loss arising from changes in exchange rates is included in the capital reserves and shown in the capital column of the Statement of Comprehensive Income. Interest costs are charged to capital and revenue in accordance with the Company's accounting policies.

** If TONAR was less than 0% it was deemed to be 0%.

	At 30 September 2025		At 30 September 2024	
	¥'000	£'000	¥'000	£'000
Opening balance	–	–	–	–
Proceeds from amounts drawn	–	–	16,000,000	82,957
Repayment	–	–	(16,000,000)	(81,423)
Exchange rate movement	–	–	–	(1,534)
Total	–	–	–	–



Financial Statements / Notes to the Financial Statements continued

12 13

12. Non-current liabilities

	2025 £'000	2024 £'000
4.184% Series A Sterling Senior Unsecured Loan Notes 2036	29,934	29,927
3.249% Series B Euro Senior Unsecured Loan Notes 2036	26,133	24,902
2.93% Euro Senior Unsecured Loan Notes 2037	17,373	16,549
1.38% JPY Senior Unsecured Loan Notes 2032	40,113	41,558
1.44% JPY Senior Unsecured Loan Notes 2033	22,595	23,413
2.28% JPY Senior Unsecured Loan Notes 2039	25,111	26,022
Total	161,259	162,371

The amortised costs of issue expenses are set out in note 4.

The fair values of the Loan Notes are set out in note 15.

The Company issued two Loan Notes on 15 January 2016:

£30,000,000 4.184% Series A Sterling Senior Unsecured Loan Notes due 15 January 2036

€30,000,000 3.249% Series B Euro Senior Unsecured Loan Notes due 15 January 2036

The Company issued further Loan Notes on 1 November 2017:

€20,000,000 2.93% Euro Senior Unsecured Loan Notes due 1 November 2037

The Company issued further Loan Notes on 6 July 2022:

¥8,000,000,000 1.38% JPY Senior Unsecured Loan Notes due 6 July 2032

The Company issued further Loan Notes on 25 July 2023:

¥4,500,000,000 1.44% JPY Senior Unsecured Loan Notes due 25 July 2033

The Company issued further Loan Notes on 12 September 2024:

¥5,000,000,000 2.28% JPY Senior Unsecured Loan Notes due 12 September 2039

Under the terms of the Loan Notes, the covenants require that the net assets of the Company shall not be less than £300,000,000 and total indebtedness shall not exceed 30% of net assets.

13. Called-up share capital

	As at 30 September 2025		As at 30 September 2024	
	Ordinary Shares of 1p each Number of shares	Nominal value £'000	Ordinary Shares of 1p each Number of shares	Nominal value £'000
Allotted, called up and fully paid				
Ordinary Shares of 2p each (2024: 2p)				
Balance at beginning of the year	487,662,627	9,753	507,774,638	10,155
Treasury Shares cancelled	(23,727,872)	(475)	–	–
Ordinary Shares bought back and cancelled	(28,650,000)	(573)	(20,112,011)	(402)
Balance at end of the year	435,284,755	8,705	487,662,627	9,753
Treasury Shares				
Balance at beginning of the year	45,600,956		45,600,956	
Cancellation of Treasury Shares	(23,727,872)		–	
Balance at end of the year	21,873,084		45,600,956	
Total Ordinary Share capital excluding treasury shares	413,411,671		442,061,671	

At 30 September 2025, the Company held 21,873,084 shares in treasury, with a nominal value of £437,000.

Ordinary Shares of 2 pence each

During the year to 30 September 2025, 28,650,000 Ordinary Shares of 2 pence were bought back for cancellation for an aggregate consideration of £69,612,000 (2024: 20,112,011 shares for aggregate consideration of £43,967,000).

The allotted, called up and fully paid shares at 30 September 2025 consisted of 435,284,755 Ordinary Shares of 2 pence each in issue, and 21,873,084 Ordinary Shares held in treasury. The total voting rights attaching to Ordinary Shares in issue and ranking for dividends was 413,411,671 as at 30 September 2025.



Financial Statements / Notes to the Financial Statements continued

14 15

14. Net asset value

The net asset value per Ordinary Share and the net asset value attributable to the Ordinary Shares at the year-end are calculated in accordance with their entitlements in the Articles of Association and were as follows:

	30 September 2025		30 September 2024	
	NAV per Ordinary Share Pence	Net asset value attributable £'000	NAV per Ordinary Share Pence	Net asset value attributable £'000
Basic and diluted	277.13	1,145,692	251.71	1,112,725

Net asset value per Ordinary Share is based on net assets and on 413,411,671 Ordinary Shares (2024: 442,061,671), being the number of Ordinary Shares in issue excluding Treasury Shares at the year-end.

15. Financial instruments and capital disclosures

Investment objective and policy

The Company's investment objective and policy are detailed on page 50.

The Company's financial instruments comprise equity and fixed-interest investments, cash balances, receivables, payables and borrowings. The Company makes use of borrowings to achieve improved performance in rising markets. The risk of borrowings may be reduced by raising the level of cash balances or fixed-interest investments held.

Risks

The risks identified arising from the financial instruments are market risk (which comprises market price risk, interest rate risk and foreign currency risk), liquidity risk and credit and counterparty risk. The Company may also enter into derivative transactions to manage risk.

The Board and Investment Manager consider and review the risks inherent in managing the Company's assets which are detailed below.

Market risk

Market risk arises mainly from uncertainty about future prices of financial instruments used in the Company's business. It represents the potential loss which the Company might suffer through holding market positions by way of price movements, interest rate movements, exchange rate movements and systematic risk (risk inherent to the market, reflecting economic and geopolitical factors). The Investment Manager assesses the exposure to market risk when making each investment decision and these risks are monitored by the Investment Manager on a regular basis and the Board at quarterly meetings with the Investment Manager.

Market price risk

Market price risk (i.e. changes in market prices other than those arising from currency risk or interest rate risk) may affect the value of investments.

Adherence to investment policies mitigates the risk of excessive exposure to any particular type of security or issuer. The portfolio is managed with an awareness of the effects of adverse price movements through detailed and continuing analysis with the objective of maximising overall returns to shareholders. The assessment of market risk is based on the Company's portfolio as held at the year-end. The Company has experienced volatility in the fair value of investments during recent years due to geopolitical events. The Company has used 20% to demonstrate the impact of a significant reduction/increase in the fair value of the investments and the impact upon the Company that might arise from future significant events.

If the fair value of the listed equity investments at the year-end of £1,221,501,000 (2024: £1,204,157,000) decreased or increased by 20%, then it would have had an adverse/positive impact on the Company's capital return and equity of £244,300,000 (2024: £240,831,000).

As at 30 September 2025, £3,402,000 (2024: £1,518,000) of the Company's investments are in unquoted companies held at fair value. A change in market inputs that would result in a 20% decrease in the fair value of the unquoted investments at 30 September 2025 would have decreased the net assets attributable to the Company's shareholders by £680,000 (30 September 2024: £304,000); an equal change in the opposite direction would have increased the net assets attributable to the Company's shareholders and reduced the loss for the year by an equal amount.

Foreign currency

The value of the Company's assets and the total return earned by the Company's shareholders can be significantly affected by foreign exchange rate movements, as most of the Company's assets are denominated in currencies other than Pounds Sterling, the currency in which the Company's financial statements are prepared. Income denominated in foreign currencies is converted to Pounds Sterling upon receipt.

A 5% increase or decrease in foreign exchange rates has been used to illustrate the potential effect on net asset value. This percentage is considered appropriate based on:

- Historical volatility of the relevant currencies;
- The nature of the Company's foreign currency exposures, which are diversified and not concentrated in highly volatile markets;
- Industry practice, where a 5% sensitivity is commonly used for similar investment companies.

A 5% rise or decline of Sterling against foreign currency denominated (i.e. non Pounds Sterling) assets and liabilities held at the year-end would have increased/decreased the net asset value by £36,793,000 (2024: £35,073,000).



Financial Statements / Notes to the Financial Statements continued

15

15. Financial instruments and capital disclosures continued

The currency exposure is as follows:

Currency risk	GBP £'000	USD £'000	EUR £'000	JPY £'000	KRW £'000	NOK £'000	SEK £'000	Total £'000
At 30 September 2025								
Other receivables	527	9,127	784	6,303	117	–	–	16,858
Cash and cash equivalents	72,624	1	1	–	70	–	–	72,696
Other payables	(1,123)	(389)	–	(5,331)	(663)	–	–	(7,506)
Total Return Swaps	–	–	–	–	–	–	–	–
4.184% Series A Sterling Senior Unsecured Loan Notes 2036	(29,934)	–	–	–	–	–	–	(29,934)
3.249% Series B Euro Senior Unsecured Loan Notes 2036	–	(26,133)	–	–	–	–	–	(26,133)
2.93% Euro Senior Unsecured Loan Notes 2037	–	(17,373)	–	–	–	–	–	(17,373)
1.38% JPY Senior Unsecured Loan Notes 2032	–	–	–	(40,113)	–	–	–	(40,113)
1.44% JPY Senior Unsecured Loan Notes 2033	–	–	–	(22,595)	–	–	–	(22,595)
2.28% JPY Senior Unsecured Loan Notes 2039	–	–	–	(25,111)	–	–	–	(25,111)
Currency exposure on net monetary items	42,094	(34,767)	785	(86,847)	(476)	–	–	(79,211)
Investments held at fair value through profit or loss – equities	367,741	310,472	166,664	237,478	91,452	47,465	3,631	1,224,903
Total net currency exposure	409,835	275,705	167,449	150,631	90,976	47,465	3,631	1,145,692



Financial Statements / Notes to the Financial Statements continued

15

15. Financial instruments and capital disclosures continued

Foreign currency continued

This exposure is representative at the Balance Sheet date and may not be representative of the year as a whole. The balances are of the holding investment and may not represent the actual exposure of the subsequent underlying investment.

Currency risk	GBP £'000	USD £'000	EUR £'000	JPY £'000	NOK £'000	SEK £'000	Total £'000
At 30 September 2024							
Other receivables	611	23,476	627	1,313	–	–	26,027
Cash and cash equivalents	48,597	–	–	–	–	–	48,597
Other payables	(679)	(118)	(371)	(227)	–	–	(1,395)
Total Return Swaps	–	(3,808)	–	–	–	–	(3,808)
4.184% Series A Sterling Senior Unsecured Loan Notes 2036	(29,927)	–	–	–	–	–	(29,927)
3.249% Series B Euro Senior Unsecured Loan Notes 2036	–	–	(24,902)	–	–	–	(24,902)
2.93% Euro Senior Unsecured Loan Notes 2037	–	–	(16,549)	–	–	–	(16,549)
1.38% JPY Senior Unsecured Loan Notes 2032	–	–	–	(41,558)	–	–	(41,558)
1.44% JPY Senior Unsecured Loan Notes 2033	–	–	–	(23,413)	–	–	(23,413)
2.28% JPY Senior Unsecured Loan Notes 2039	–	–	–	(26,022)	–	–	(26,022)
Currency exposure on net monetary items	18,602	19,550	(41,195)	(89,907)	–	–	(92,950)
Investments held at fair value through profit or loss – equities	392,664	259,661	291,864	215,730	41,267	4,489	1,205,675
Total net currency exposure	411,266	279,211	250,669	125,823	41,267	4,489	1,112,725

Interest rate risk

Interest rate movements may affect:

- the fair value of investments in fixed-interest rate securities;
- the level of income receivable on cash deposits;
- the interest payable on variable rate borrowings; and
- the fair value of the Company's long-term debt.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

The Loan Notes issued by the Company pay a fixed rate of interest and are carried in the Company's Balance Sheet at amortised cost rather than at fair value. Hence, movements in interest rates will not affect net asset values, as reported under the Company's accounting policies, but may have an impact on the Company's share price and discount/premium. The fair value of the debt and its effect on the Company's assets is set out below.

The exposure at 30 September of financial assets and financial liabilities to interest rate risk is shown by reference to floating interest rates.



Financial Statements / Notes to the Financial Statements continued

15

15. Financial instruments and capital disclosures continued

Interest rate risk continued

	At 30 September 2025 £'000	At 30 September 2024 £'000
Exposure to floating interest rates		
Cash collateral receivable from broker	–	23,113
Cash and cash equivalents	72,696	48,597

	30 September 2025		30 September 2024	
	Book cost £'000	Fair value £'000	Book cost £'000	Fair value £'000
4.184% Series A Sterling Senior Unsecured Loan Notes 2036	29,934	25,629	29,927	26,103
3.249% Series B Euro Senior Unsecured Loan Notes 2036	26,133	24,029	24,902	23,119
2.93% Euro Senior Unsecured Loan Notes 2037	17,373	15,186	16,549	14,671
1.38% JPY Senior Unsecured Loan Notes 2032	40,113	37,221	41,558	40,203
1.44% JPY Senior Unsecured Loan Notes 2033	22,595	20,795	23,413	22,623
2.28% JPY Senior Unsecured Loan Notes 2039	25,111	22,968	26,022	26,377
Total	161,259	145,828	162,371	153,096

Interest rate sensitivity of the Company's Loan Notes is an APM as set out in the Glossary.



Financial Statements / Notes to the Financial Statements continued

15

15. Financial instruments and capital disclosures continued

Liquidity risk

Liquidity risk is mitigated by the fact that the Company has £72,696,000 (2024: £71,710,000) cash and cash equivalents, the assets are readily realisable. The Company is a closed-ended fund, assets do not need to be liquidated to meet redemptions, and sufficient liquidity is maintained to meet obligations as they fall due. The remaining contractual payments on the Company's financial liabilities at 30 September, based on the earliest date on which payment can be required and current exchange rates at the Balance Sheet date, were as follows:

	In 1 year or less £'000	In more than 1 year but not more than 2 years £'000	In more than 2 years but not more than 3 years £'000	In more than 3 years but not more than 10 years £'000	In more than 10 years £'000	Total £'000
At 30 September 2025						
4.184% Series A Sterling Senior Unsecured Loan Notes 2036	(1,255)	(1,255)	(1,255)	(8,786)	(30,628)	(43,179)
3.249% Series B Euro Senior Unsecured Loan Notes 2036	(851)	(851)	(851)	(5,955)	(26,609)	(35,117)
2.93% Euro Senior Unsecured Loan Notes 2037	(511)	(511)	(511)	(3,580)	(18,734)	(23,847)
1.38% JPY Senior Unsecured Loan Notes 2032	(555)	(555)	(555)	(42,459)	–	(44,124)
1.44% JPY Senior Unsecured Loan Notes 2033	(326)	(326)	(326)	(24,263)	–	(25,241)
2.28% JPY Senior Unsecured Loan Notes 2039	(573)	(573)	(573)	(4,014)	(27,442)	(33,175)
Total Return Swap liabilities	–	–	–	–	–	–
Other payables	(7,506)	–	–	–	–	(7,506)
	(11,577)	(4,071)	(4,071)	(89,057)	(103,413)	(212,189)
	In 1 year or less £'000	In more than 1 year but not more than 2 years £'000	In more than 2 years but not more than 3 years £'000	In more than 3 years but not more than 10 years £'000	In more than 10 years £'000	Total £'000
At 30 September 2024						
4.184% Series A Sterling Senior Unsecured Loan Notes 2036	(1,255)	(1,255)	(1,255)	(8,786)	(31,883)	(44,434)
3.249% Series B Euro Senior Unsecured Loan Notes 2036	(811)	(811)	(811)	(5,676)	(26,175)	(34,284)
2.93% Euro Senior Unsecured Loan Notes 2037	(488)	(488)	(488)	(3,413)	(18,345)	(23,222)
1.38% JPY Senior Unsecured Loan Notes 2032	(575)	(575)	(575)	(44,578)	–	(46,303)
1.44% JPY Senior Unsecured Loan Notes 2033	(338)	(338)	(338)	(25,483)	–	(26,497)
2.28% JPY Senior Unsecured Loan Notes 2039	(594)	(594)	(594)	(4,160)	(29,034)	(34,976)
Total Return Swap liabilities	(4,032)	(382)	–	–	–	(4,414)
Other payables	(1,395)	–	–	–	–	(1,395)
	(9,488)	(4,443)	(4,061)	(92,096)	(105,437)	(215,525)



Financial Statements / Notes to the Financial Statements continued

15

15. Financial instruments and capital disclosures continued

Credit risk

Credit risk is mitigated by diversifying the counterparties through which the Investment Manager conducts investment transactions. The credit standing of all counterparties is reviewed periodically, with limits set on amounts due from any one counterparty. As at the year-end cash is held with JP Morgan (A2*) and Morgan Stanley in a Liquidity Fund (AAA*).

The total credit exposure represents the carrying value of fixed-income investments, cash and receivable balances and totals £89,573,000 (2024: £75,231,000).

Fair values of financial assets and financial liabilities

Valuation of financial instruments

The Company measures fair values using the following fair value 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 assets as follows:

- Level 1 – valued using quoted prices unadjusted in active markets for identical assets or liabilities.
- Level 2 – valued by reference to valuation techniques using observable inputs for the asset or liability other than quoted prices included within 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 tables below set out fair value measurements of financial instruments as at the year-end, by the level in the fair value hierarchy into which the fair value measurement is categorised.

Financial assets at fair value through profit or loss at 30 September 2025	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	1,221,501	–	3,402	1,224,903
Total Return Swap assets	–	–	–	–
	1,221,501	–	3,402	1,224,903

Financial assets at fair value through profit or loss at 30 September 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	1,204,157	–	1,518	1,205,675
Total Return Swap assets	–	606	–	606
	1,204,157	606	1,518	1,206,281

Fair value of Level 3 investments

	30 September 2025 £'000	30 September 2024 £'000
Opening fair value of investments	1,518	1,823
Acquisition	1,058	–
Sales – proceeds	(146)	(61)
Realised gains on equity sales	131	33
Movement in investment holding gains/(losses)	841	(277)
Closing fair value of investments	3,402	1,518

Investments classified within Level 3 are reviewed on a regular basis by the Manager. As observable prices are not available for these investments, the Manager has used appropriate valuation techniques per IPEV guidelines to derive the fair value. The Manager considers the appropriateness of the valuation model inputs, as well as the valuation result using various methods and techniques generally recognised as standard.

* Moody's credit ratings.

Financial liabilities

The financial liabilities in the table below are shown at their fair value, being the amount at which the liability may be transferred in an orderly transaction between market participants.

Financial liabilities at 30 September 2025	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Total Return Swap liabilities	–	–	–	–
	–	–	–	–
Financial liabilities at 30 September 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Total Return Swap liabilities	–	(4,414)	–	(4,414)
	–	(4,414)	–	(4,414)

The fair value of the Total Return Swaps is derived using the market price of the underlying instruments and exchange rates and therefore would be categorised as Level 2.



Financial Statements / Notes to the Financial Statements continued

15 16

15. Financial instruments and capital disclosures continued

Financial liabilities continued

Capital management policies and procedures

The structure of the Company's capital is described on page 51 and details of the Company's reserves are shown in the Statement of Changes in Equity on page 66.

The Company's capital management objectives are:

- to ensure that it will be able to continue as a going concern;
- to achieve capital growth through a focused portfolio of investments, particularly in companies whose share prices stand at a discount to estimated underlying net asset value, through an appropriate balance of equity capital and debt; and
- to maximise the return to shareholders while maintaining a capital base to allow the Company to operate effectively and meet obligations as they fall due.

The Board, with the assistance of the Investment Manager, regularly monitors and reviews the broad structure of the Company's capital on an ongoing basis. These reviews include:

- the level of gearing, which takes account of the Company's position and the Investment Manager's views on the market; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from last year but a revised Investment Policy was adopted at the AGM on 19 December 2024.

The Company is subject to externally imposed capital requirements:

- a) as a public company, the Company is required to have a minimum share capital of £50,000; and
- b) in accordance with the provisions of Sections 832 and 833 of the Companies Act 2006, the Company, as an investment company:
 - (i) is only able to make a dividend distribution to the extent that the assets of the Company are equal to at least one and a half times its liabilities after the dividend payment has been made; and
 - (ii) is required to make a dividend distribution with respect to each accounting year such that it does not retain more than 15% of the income that it derives from shares and securities in that year.

These requirements are unchanged since last year and the Company has complied with them at all times.

16. Derivatives

The Company may use a variety of derivative contracts, including Total Return Swaps, to enable it to gain long exposure to individual securities. Derivatives are valued by reference to the underlying market value of the corresponding security.

	At 30 September 2025 £'000	At 30 September 2024 £'000
Total Return Swaps		
Current assets	–	606
Current liabilities	–	(4,414)
Net value of derivatives	–	(3,808)

The gross positive exposure on Total Return Swaps as at 30 September 2025 was £nil (30 September 2024: £58,296,000) and the total negative exposure of Total Return Swaps was £nil (30 September 2024: £53,100,000). The liabilities are secured against assets held with Jefferies International Limited. The collateral held as at 30 September 2025 was £nil (30 September 2024: £23,113,000).



17. Contingencies, guarantees and financial commitments

At 30 September 2025, the Company had no significant financial commitments.

18. Related party transactions and transactions with the Investment Manager

Fees paid to the Company's Directors are disclosed in the Report on Remuneration Implementation on page 96. At the year-end, £nil was outstanding due to Directors (2024: £nil).

The transaction pursuant to the IMA with AVI is set out in the Report of the Directors on page 55. Management fees for the year amounted to £7,660,000 (2024: £7,611,000).

As at the year-end, the following amounts were outstanding in respect of management fees: £638,000 (2024: £nil).

19. Post balance sheet events

Since the year-end, the Company has bought back 1,050,000 Ordinary Shares with a nominal value of £21,000 at a total cost of £2,717,000.