Final Results

BlackRock Greater Europe Investment Trust plc

LEI: 5493003R8FJ6I76ZUW55

Annual Report and Financial Statements 31 August 2026

PERFORMANCE RECORD

	As at 31 August 2026	As at 31 August 2025	Change %
Net assets (£'000)[1]	577,179	569,079	+1.4
Net asset value per ordinary share (pence)	643.30	598.05	+7.6
Ordinary share price (pence)	610.00	570.00	+7.0
Reference index[2]	2975.23	2461.90	+20.9
Discount to cum income net asset value[3]	5.2%	4.7%	

Performance (with dividends reinvested)	For the year ended 31 August 2026	For the year ended 31 August 2025	For the period since inception[4] to 31 August 2026	For the period since inception[4] to 31 August 2025
Net asset value per share[3]	8.8%	-6.1%	817.3%	742.7%
Ordinary share price	8.4%	-3.9%	782.1%	714.0%
Reference index[2]	20.9%	10.9%	652.3%	522.5%

	For the year ended 31 August 2026	For the year ended 31 August 2025	Change %
Revenue			
Net profit after taxation (£'000)	8,069	6,684	+20.7
Revenue earnings per ordinary share (pence)[5]	8.74	6.89	+26.9
Dividends (pence)			
Interim dividend	1.75	1.75	–
Final dividend	6.25	5.40	+15.7
Total dividends payable/paid	**8.00**	**7.15**	+11.9

1 The change in net assets reflects payments for shares repurchased into treasury, portfolio movements and dividends paid.

2 FTSE World Europe ex UK Index.

3 Alternative Performance Measures, see Glossary contained within the Annual Report and Financial Statements.

4 20 September 2004.

5 Further details are given in the Glossary contained within the Annual Report and Financial Statements.

CHAIRMAN'S STATEMENT

Dear Shareholder

I am pleased to present the Company's Annual Financial Report for the year ended 31 August 2026.

Overview

The Company's net asset value per share (NAV) returned +8.8% and the share price +8.4%. In comparison, the FTSE World Europe ex UK Index (the Company's reference index) returned +20.9% (all percentages calculated in Sterling terms with dividends reinvested).

	1 year change %	3 year change %	5 year change %	10 year change %
NAV per share	8.8	18.9	0.5	156.3
Share price	8.4	20.2	-6.3	158.6
Reference index	20.9	55.2	59.1	173.4

All performance returns in the table above are in Sterling terms with dividends reinvested.

Sources: BlackRock and LSEG Datastream.

This disappointing relative performance primarily reflects a continued challenging environment for quality growth investing. Stock selection has also been a negative factor. As I commented in the interim report, having reflected on more recent poor performance, and after discussion with the Board, our Manager has refined the investment approach to place greater emphasis on the price paid for quality investments, whilst continuing to focus on quality companies with good long-term growth potential. Following his appointment on 31 March 2026, Benjamin Moore has also broadened the range of companies considered for investment, including businesses and industries where returns are improving, and has made changes to the portfolio to reflect this. Relative performance in the second half of the year has improved, and the portfolio has outperformed since Benjamin's appointment. More details on this and the significant contributors to and detractors from performance during the year are given in the Investment Manager's Report below.

Following the thorough review of the Company's investment approach the Board undertook a comprehensive review of the Company's strategic positioning with the objective of enhancing shareholder returns, improving marketability and strengthening the long-term investment proposition.

Strategic initiatives

The Company offers actively managed, focused and unconstrained exposure to Europe, differentiating it from more index aware and passive strategies. Following feedback from shareholders and consultation with its advisors, the Board has approved a package of initiatives designed to make better use of the advantages of the investment trust structure while maintaining the Company's established high-quality growth-oriented investment approach.

These initiatives include:

i) the introduction of an enhanced dividend policy equivalent to 4.5% of the Company's NAV per year (with a commitment to increase the dividend in absolute terms to ensure the dividend grows each year) to broaden the Company's appeal to income-seeking investors;

ii) a change of name to BlackRock European Growth & Dividend Trust plc to reflect the Company's enhanced dividend policy;

iii) a reduction in management fees which will reduce the overall cost of investing in the Company;

iv) a new 5-year performance-linked tender offer designed to provide shareholders with a partial exit opportunity should they not be satisfied with the Company's performance; and

v) a more strategic use of gearing to capitalise on investment opportunities, delivered by derivatives to reduce cost.

Collectively, these initiatives are intended to enhance shareholder outcomes, broaden the Company's appeal to a wider investor audience and support a growing share price for the Company's shares.

More information on each of these initiatives is set out below and in the Strategic Report contained within the Annual Report and Financial Statements.

Revenue earnings and dividends

Your Company's total revenues each year reflect the dividends we receive from portfolio companies. The revenue return per share for the year ended 31 August 2026 amounted to 8.74p per share, which compares with 6.89p per share for the previous year, a substantial increase of 26.9%. Shareholders should note that underlying portfolio earnings can be volatile and may vary year to year, and the current year increase is not necessarily indicative of future trends.

In May the Board declared an interim dividend of 1.75p per share (2025: 1.75p) and the Board is proposing the payment of a final dividend of 6.25p per share for the year (2025: 5.40p). This, together with the interim dividend, makes a total

dividend for the year of 8.00p per share (2025: 7.15p), an increase of 11.9%. The Company has now delivered more than 20 consecutive years of dividend growth to its shareholders, making the Company an AIC Dividend Hero. This also reflects the resilience of the Company's underlying portfolio and its focus on companies with durable competitive advantages and quality management teams committed to long-term value creation. The dividend will be funded from revenue received in the year. Subject to shareholder approval, the dividend will be paid on 18 December 2026 to shareholders on the Company's register on 20 November 2026, the ex-dividend date being 19 November 2026

Enhanced dividend policy

The Board remains committed to maintaining the Company's AIC Dividend Hero status through a progressive dividend policy. The Board also recognises the importance of income to its shareholders and therefore is introducing a new enhanced dividend policy under which the Company will target an annual dividend equivalent to 4.5% of the Company's NAV at the preceding financial year end (31 August), payable in four quarterly instalments. The Board is committed to increasing the dividend in absolute terms to ensure the progressive nature of the policy. The Board's intention is to make three equal interim dividend payments in March, June and September each year. It will then declare a final dividend for the full year (payable in December) reflecting the final amount required to ensure an appropriate level of full year dividend. The Board believes that the introduction of an enhanced dividend, whilst also maintaining a progressive dividend, will allow the Company to appeal to a wider audience of income-seeking investors and use one of the key advantages of the investment trust structure. For investors that would prefer to focus on capital growth, the Company offers a Dividend Reinvestment Scheme which offers shareholders the option to request that their dividends be reinvested and used to purchase further shares in the Company; more information can be found in the shareholder information section contained within the Annual Report and Financial Statements.

It is important to emphasise that the implementation of an enhanced dividend policy will not influence the investment decisions made by the portfolio managers. Instead, the Company's investment trust structure (with the ability to distribute from capital) will be used to maintain dividend progression, allowing the portfolio managers to remain unconstrained by income targets and continue to focus on quality growth companies capable of delivering attractive total returns.

Reduction in management fee

I am pleased to report that, following a further review of management fees and engagement with BlackRock, the Board reached an agreement to reduce the Company's management fee arrangements. With effect from 1 September 2026, the Company's annual management fee, which is payable quarterly in arrears, will be reduced to a new fee of 0.60% of net assets up to and including £400 million, 0.55% of net assets in excess of £400 million up to and including £1 billion and 0.525% of net assets in excess of £1 billion. Previously, the management fee was 0.65% of net assets up to and including £400 million, 0.60% of net assets in excess of £400 million up to and including £1 billion and 0.525% of net assets in excess of £1 billion. The revised fee will result in a reduction in the Company's ongoing charges ratio, which is estimated to fall to 0.75% post implementation, based on the Company's net asset value at 31 August 2026.

Conditional Tender Offer

The Board has agreed to introduce a new performance-linked conditional tender mechanism, designed to strengthen accountability to shareholders and provide a clear potential route to liquidity in the event of sustained investment underperformance. This is in addition to the Company's existing semi-annual discretionary tender offers.

Under the new mechanism, the Company's NAV total return will be measured against the FTSE World Europe ex UK Total Return Index (GBP) over a 5-year period ending in the 2031 financial year. The Board considers a 5-year time horizon a reasonable period over which the new management approach should be assessed while providing shareholders with a clear liquidity option in the event of further sustained underperformance. If the Company underperforms the reference index over that period, shareholders will be offered the opportunity to tender up to 25% of the Company's issued share capital at a 2% discount to the prevailing NAV, subject to the necessary shareholder approvals and applicable legal and regulatory requirements at that time.

Strategic use of gearing

The Board has determined that the Company should make more strategic use of gearing, where appropriate, as part of its broader capital allocation framework. With this in mind, the Company will now target a baseline gearing level of c.10% in market environments where earnings are growing and increase this when the team see market dislocations leading to mispricing of quality assets. Gearing will be reduced in scenarios where earnings risk is materially heightened, with the investment manager having the flexibility to hold net cash up to 15% of the portfolio to the extent the portfolio managers wish to take risk off. The current gearing range of 0-15% remains unchanged and in normal market circumstances the Company would be at least fully invested.

The Board believes that gearing is an important structural advantage available to investment trusts and, when used in a disciplined and considered manner, has the potential to enhance long-term shareholder returns. The use of gearing will continue to be carefully monitored by the Board and the portfolio management team, taking into account market conditions, portfolio opportunities and the overall risk profile of the Company.

In addition, the Board has agreed to amend the Company's investment policy to permit the use of derivatives for the purposes of obtaining leverage to capitalise on investment opportunities. This is in addition to the existing permissions contained within the investment policy to use derivatives for efficient portfolio management. The Board is making this change in recognition that (given the Company's structure and investment mandate) obtaining leverage through total return swaps is more efficient and flexible and is significantly cheaper than doing so through a conventional bank overdraft. More information can be found within the Strategic Report contained within the Annual Report and Financial Statements.

Management of share rating

Over the year to 31 August 2026, the Company's shares have traded at an average discount of 5.9%. During the year, the Company purchased 5,434,110 ordinary shares at an average price of 582.95p per share (representing 5.8% of shares in issue excluding treasury shares) and an average discount of 5.9% and for a total cost of £31,815,000. Since the year end and up to 29 October 2026, a further 982,297 ordinary shares have been bought back at an average price of 583.02p per share for a total cost of £5,727,000. All shares have been placed in treasury. This buy back activity was considered successful in dampening the Company's discount volatility through the period, and hence the Board concluded that it was not in the interests of shareholders as a whole to implement the semi-annual tender offers for up to 20% of share capital in May and November 2026.

The Board will also use the Company's share issue powers if required to ensure that the share price does not trade at an excessive premium to the underlying NAV and to allow the Company to grow, thereby increasing liquidity and improving its Ongoing Charges. The Directors recognise the importance to investors that the market price of the Company's shares should not trade at a significant premium or discount to the underlying NAV. Accordingly, in normal market conditions, the Board may use the Company's share buy back and share issue powers, or operate six monthly tender offers, to ensure that the share price does not go to an excessive discount or premium to the underlying NAV. Resolutions to renew the Company's semi-annual tender offers and the authorities to issue and buy back shares will be put to shareholders at the forthcoming Annual General Meeting.

Amendments to the Company's Articles

The Directors are proposing amendments to the Company's Articles of Association to strengthen governance and support informed shareholder decision-making. The principal purpose of the amendments is to ensure that, where a proposed investment manager has a significant existing interest in the Company, or is associated with a shareholder who does, shareholders are provided with appropriate information and any decision regarding that appointment is determined by shareholders who are independent of the relevant conflict of interest. This amendment does not restrict the Board's right to appoint or replace an investment manager. Rather, it is intended to ensure that decisions affecting the Company's management arrangements are taken transparently and in the interests of shareholders as a whole.

The other material amendment seeks to ensure that there is a clear procedure in the event that there are insufficient directors (fewer than three), following directors failing to be reappointed at a general meeting or following directors being removed at a general meeting. In this instance, sufficient of the outgoing directors will be automatically reappointed, solely for the purpose of appointing sufficient new directors following which they will resign. The new Articles also increase the minimum number of Directors from two to three and also include other non-substantive tidy-up and clarificatory amendments. More information is set out in the Directors' report contained within the Annual Report and Financial Statements. The Directors believe that these measures are consistent with good corporate governance, enhance the integrity of shareholder decision-making and are in the best interests of shareholders as a whole. The Directors unanimously recommend that all Shareholders vote in favour of Resolution 17 at the AGM.

Changes to portfolio manager

It was with sadness that the Board announced on 31 March 2026 that Stefan Gries, Lead Portfolio Manager, would retire from the industry to focus on treatment and recovery following personal health issues. Having served as portfolio manager for the Company since 20 June 2017, Stefan had worked tirelessly to deliver excellent long-term returns for shareholders during his tenure. The Board thanks Stefan for his contribution and wishes him well for the future and his recovery.

Benjamin Moore, a Managing Director within BlackRock's European Fundamental Equity team, took over as Lead Portfolio Manager, bringing 11 years of experience at Columbia Threadneedle, including six years as Lead Portfolio Manager for the CT European Select Fund. He began his career in equity research at Goldman Sachs covering European mid-cap companies. Benjamin is supported by Brian Hall as co-Portfolio Manager on the portfolio, and both are supported by the 22-strong BlackRock European Fundamental Equity team. Benjamin has a strong track record built on a quality growth style, similar to that employed by the Company, seeking quality companies which can grow over the long term, while sustaining attractive economics thanks to robust competitive advantages. Benjamin's investment approach brings a greater emphasis on the price paid for quality investments, alongside a willingness to consider businesses or industries where returns are improving, thanks to factors such as operational transformation, improved capital allocation or market consolidation. This broadens the range of potential investments while maintaining a strong focus on quality. The Board supports this approach and believes it aligns well with the goal of dampening fund volatility and enhancing returns for our shareholders over time.

Russian exposure

At present, the dividends paid from the Russian securities in the Company's portfolio are held in a frozen custody account in Moscow and cannot currently be repatriated back to the UK. The balance as at 31 August 2026 was equivalent to approximately £2.5 million at the exchange rate applicable on that date. As there is significant uncertainty that these sums will ever be received by the Company, they are not recognised in the Company's net asset value or in its income statement.

The Board also monitors the underlying local value of the Russian securities on the Moscow Stock Exchange which at 31 August 2026 were approximately £21.9 million at the exchange rate applicable on that date, although again there is much uncertainty of these values ever being realisable by the Company. These investments have been held at a nominal value of £0.01 in the net asset value at 31 August 2026.

Board composition

Having served as a Director since April 2015 and as part of the Board's succession planning, Peter Baxter will retire as a Director of the Company following the Annual General Meeting in December 2026 and, accordingly, will not be seeking re-election. The Board would like to express its strong appreciation for Peter's wise counsel and invaluable contribution to the Company.

During the year, the Board commenced a search to identify a new Director and (as previously announced) is delighted to welcome Stephen Russell to the Board. Stephen joins with effect from 2 November 2026 and will stand for election at the forthcoming Annual General Meeting. He has over 40 years of experience as a multi-asset fund manager, investment strategist, analyst and non-executive director, with extensive knowledge of the investment trust sector. He was co-founder and manager of the Ruffer Investment Company and has served as a non-executive director for over 20 years. He also held senior management roles at HSBC and SLC Asset Management. He retired as a non-executive director of JPMorgan European Investment Trust plc in 2021. Stephen is currently a non-executive director of F&C Investment Trust plc and Aberdeen UK Smaller Companies Growth Trust plc.

Shareholder engagement

Given the changes in the management of the portfolio during the year, the Board has placed considerable emphasis on refining the Company's messaging around portfolio management changes and how the co-portfolio management structure operates. Significant resource was directed towards face-to-face meetings, presentations and adviser updates to highlight the evolution of the Company's strategy and the quality and significant resource of BlackRock's award-winning European team. The Board increased its engagement with wealth managers, advisers and major shareholders and encouraged extensive engagement programmes. The Board also focused on measures to improve engagement with and demand from self-directed retail investors. Website improvements, enhanced digital marketing, webinars, Investor Meet events, shareholder mailings and improved "Reasons to Invest" content were all aimed at strengthening retail engagement and are continuing to be developed.

Shareholder communications

The Board appreciates how important access to regular information is to our shareholders. To supplement our website, we offer shareholders the ability to sign up to the Trust Matters newsletter which includes information on the Company, as well as news, views and insights. Further information on how to sign up is included on the inside cover of the Annual Report and Financial Statements and via the link http://go.blackrock.com/it-subscribe

Outlook

Since the financial year end and up to close of business on 29 October 2026, the Company's NAV has decreased by 5.6% compared with a fall in the reference index of 3.4% over the same period.

In their outlook, the portfolio managers outline the compelling opportunity that they perceive in quality European companies. Europe remains home to many world-class franchises including, but by no means restricted to, companies owning core technologies that make them the enablers of some of the large transformational changes going on around us. Benjamin and Brian bring a greater awareness that quality is not a static label and that long-term investors also need to adapt to changing circumstances. The resultant changes to the portfolio mean that, at the time of writing, we are positioned to take advantage of opportunities across semiconductors, electrification, banks, defence, select industrials and civil aerospace, as well as some defensive assets within healthcare. Our portfolio managers believe that the backdrop for European quality growth companies is becoming increasingly supportive, notwithstanding the current geopolitical and interest rate environment, with the relative underperformance of European companies leaving many businesses trading on attractive valuations. We believe this disconnect creates a favourable environment for quality growth companies to recover performance when investors focus on fundamentals.

Annual General Meeting (AGM) arrangements

The Annual General Meeting of the Company will be held in person at the offices of BlackRock at 12 Throgmorton Avenue, London EC2N 2DL on Thursday, 10 December 2026 at 12 noon. Details of the business of the meeting are set out in the Notice of Annual General Meeting within the Annual Report. The Board very much looks forward to meeting shareholders and answering any questions you may have on the day.

For the benefit of shareholders who are unable to attend this year's AGM in person, we have arranged for the proceedings to be viewed via a webinar. You can register to watch the AGM by scanning the QR Code inside the cover of the Annual Report or by visiting our website at www.blackrock.com/uk/brge and clicking on the registration banner.

Please note that it is not possible to speak or vote at the AGM via this medium and joining the webinar does not constitute attendance at the AGM. Shareholders wishing to exercise their right to attend, speak and vote at the AGM should either attend in person or exercise their right to appoint a proxy to do so on their behalf. For further details please refer to the Annual Report.

Andrew Impey
Chairman

2 November 2026

INVESTMENT MANAGER'S REPORT

Key takeaways

- **A challenging market backdrop:** European equities rose strongly over the period, but the companies leading the market changed rapidly. Often, share price moves were driven by high-level themes such as geopolitics and AI, rather than the prospects of individual businesses. Moreover, quality companies remained out of favour and their valuations fell despite generally performing well.

- **Stock-level performance was mixed:** Company-specific issues and concerns about disruption from AI hurt the performance of some holdings. By contrast, semiconductor equipment companies, European banks and defence stocks were among the strongest contributors.

- **The portfolio has evolved, but quality remains at its core:** We believe quality equities have the power to compound attractive returns for investors over the long term. However, we must not be complacent about how we assess quality against a changing backdrop. We have broadened the range of companies considered for investment and placed greater emphasis on the price paid, while continuing to favour well-run businesses, with enduring competitive advantages and the ability to deliver improving returns. Early results have been encouraging, with the Company outperforming its reference index since Benjamin Moore's appointment as Lead Portfolio Manager.

- **A compelling opportunity emerging in quality:** Quality valuations have reset despite continued improvements in earnings and business performance for many businesses. We believe this dislocation is creating unusually attractive investment opportunities today.

- **Improving European fundamentals underpin our constructive outlook:** Key areas of conviction reflected in the portfolio include electrification, civil aerospace, selected semiconductors and AI infrastructure, European banks and a new generation of stocks with defensive characteristics.

Market review

For the year ended 31 August 2026, the share price of the Company rose 8.4%, while the net asset value per share rose by 8.8%. The reference index gained 20.9% over the same period. All percentages are in Sterling terms with dividends reinvested.

While the Company delivered a positive absolute return over the year, we are disappointed to have underperformed the reference index. The market backdrop remained particularly challenging for the Company's investment style, with many of the conditions that have weighed on quality-growth investing in recent years continuing through the period.

Despite the challenging environment, we retain conviction in the potential for quality equities in a long-term portfolio. We believe businesses with structural long-term growth opportunities, strong profitability and cash generation, and durable competitive advantages have the ability to compound their earnings over many years, and that this will ultimately be the most meaningful driver of share price returns. Identifying these businesses requires a deep understanding of their fundamentals and the price one should pay for them. Our research therefore focuses on assessing the quality and durability of a company's earnings, including its management, competitive positioning, market dynamics and revenue drivers, alongside detailed analysis of its financial statements and valuation. This allows us to look beyond shorter-term market noise and focus on the fundamental driver of long-term returns.

At the same time, we recognise that the backdrop for quality-growth investing has changed, requiring us to consider how these beliefs should be reflected in how we manage the portfolio today. This has been an important focus since Benjamin Moore joined the Company as Lead Portfolio Manager on 31 March 2026. While closely aligned with the Company's existing philosophy, Benjamin has placed greater emphasis on the price paid for quality investments (employing greater valuation discipline) and brought a willingness to consider businesses where returns are improving through operational change, better capital allocation or industry consolidation. This has been an opportunity to reassess our long-term convictions and introduce new holdings in excellent, well-priced businesses. We are encouraged by the early impact of these changes: while six months is a relatively short period, the Company's NAV outperformed the reference index by +4.1% between Benjamin's appointment on 31 March and 30 September 2026.

Three features of the market were particularly important in the Company's relative performance over the full year. First, while value shares enjoyed further strong gains, often from rising valuations as opposed to improving fundamentals, the valuations of quality-growth companies continued to fall. The Company's style bias to quality-growth stocks continues to be the greatest detriment to active returns, followed by stock selection. Second, markets were increasingly driven by macro themes – from geopolitics and tariffs to defence spending and artificial intelligence – which regularly overwhelmed the underlying earnings delivered by individual companies. Third, these themes contributed to unusually severe and rapid market rotations, with investors moving quickly between different styles, sectors and themes, at odds with the long-term nature of the Company's fundamental strategy.

The most persistent challenge was the continued fall in quality company valuations, even where earnings remained resilient. Conversely, value shares continued to perform strongly, in some cases through investors being willing to pay increasingly high valuations without a corresponding change in future earnings. This dynamic was particularly pronounced in November 2025, as a rotation away from quality was driven less by a change in the fundamental outlook and more by how investors were positioned and where money was moving. Investors unwound previously well-owned quality and growth exposures in favour of value and higher-volatility stocks. There was little clear, economic rationale for this.

The second defining feature of the year was the extent to which macro themes dictated market returns. Tariffs, fiscal stimulus, defence spending, geopolitics and AI repeatedly shaped investor sentiment, often having a greater influence on share prices than the earnings being delivered by individual companies. Investors who focus on individual company fundamentals found the market difficult to navigate.

Companies could report robust results and improving outlooks, but still see their shares move primarily according to their perceived exposure to the prevailing market narrative. The treatment of perceived AI 'losers' was a clear example, with software, payments and information-services companies coming under pressure on fears of future disruption even where there was limited evidence of any impact on current earnings. While we have been pragmatic in responding where we believe the balance of risks has changed, our investment decisions remain grounded in the long-term earnings and cash-flow prospects of individual businesses rather than predicting which narrative will dominate markets next, as we ultimately believe share prices follow earnings.

A related, but distinct, challenge was the severity and speed of market rotations. Market leadership could reverse abruptly as expectations changed, producing substantial moves across entire sectors and styles in a matter of days. Severe rotations were particularly acute around geopolitical developments and, later, the AI investment cycle. The escalation of conflict involving Iran drove oil prices sharply higher in March, triggering a sell-off in European equities on concerns around inflation, higher input costs and weaker economic growth.

Rather than reacting to the initial market moves, we focused on stress-testing the portfolio against a sustained elevated oil price. Using our own in-house analysis across our European investment team, we assessed the impact sector by sector and company by company. This work, alongside discussions with management teams, highlighted how many European businesses had strengthened their supply chains and reduced their vulnerability to energy shocks in recent years. This gave us confidence to look through much of the short-term volatility, with many of the areas initially affected subsequently recovering as oil prices fell.

July provided another example, as concerns around the sustainability of AI investment triggered a sharp reversal across semiconductors and data-centre infrastructure. We responded by reassessing our exposure stock by stock, assessing new risks arising from rapid AI innovation against the adoption, demand for computing power and company earnings signals we monitor. With these fundamentals remaining strong, we maintained our conviction in the semiconductor opportunity.

Despite these challenging market dynamics, the fundamental picture in Europe became increasingly encouraging as the year progressed. The second quarter 2026 reporting season delivered the strongest headline earnings growth in many years, with the ratio of companies beating expectations versus missing close to the highest since Covid-19 and earnings per share growth reaching 14% year-on-year. Earnings strength extended across semiconductors, electrical infrastructure, civil aerospace and banks - all of which are key themes in the portfolio.

There remains some unevenness beneath these headline numbers, with structurally supported areas performing considerably better than more subdued consumer and industrial end-markets. Market leadership has consequently remained relatively narrow. Nevertheless, we believe the broad improvement in European earnings is important. Ultimately, it is earnings and cash-flow growth that create value for shareholders, and a market increasingly

supported by improving corporate fundamentals should provide a healthier backdrop for active stock selection.

Portfolio performance

Top five stock detractors to performance

Stock	Sector	Country	Average Active Weight* (%)	Total Return (%)	Attribution Effect (%)
Adyen	Industrials	Netherlands	1.4	-27.8	-1.9
RELX	Industrials	United Kingdom	1.9	-19.4	-1.6
Nemetschek	Technology	Germany	0.8	-40.4	-1.4
Belimo	Industrials	Switzerland	3.2	-2.7	-1.2
MTU Aero Engines	Industrials	Germany	2.6	-7.6	-1.1

Top five stock contributors to performance

Stock	Sector	Country	Average Active Weight* (%)	Total Return (%)	Attribution Effect (%)
BE Semiconductor	Technology	Netherlands	3.2	69.0	1.5
Allied Irish Banks	Financials	Ireland	3.3	67.5	1.3
CaixaBank	Financials	Spain	2.4	60.6	0.7
Novo Nordisk	Healthcare	Denmark	-1.4	-15.7	0.6
UniCredit	Financials	Italy	0.5	32.1	0.6

* Active weight is the difference between portfolio weight and reference index weight.

Source: BlackRock.

At a stock level, the largest detractors reflected a combination of the market dynamics discussed above and more company specific developments. The adoption of generative AI created significant pressure for several holdings perceived by the market to be at risk of disruption, most notably **RELX** (information and analytics), **Nemetschek** (construction design software), **SAP** (enterprise software) and **Adyen** (payments technology). While these companies were increasingly traded as a common group of perceived ‘AI losers’, the underlying fundamental picture was more nuanced. For RELX and Nemetschek in particular, we continued to see resilient trading and limited evidence that AI was disrupting current earnings. Nemetschek, for example, reported 17% year-on-year constant-currency growth in January, 4% ahead of market expectations. However, the market’s concern centred on the longer-term risk that AI could replicate elements of the services these businesses provide, which had previously been protected by durable competitive advantages.

There were also instances where the fundamental picture became less supportive. SAP’s cloud backlog fell short of increasingly elevated expectations, while Adyen slightly reduced its 2026 revenue-growth guidance. In both cases, the market had little appetite for disappointment against a backdrop of heightened fears around AI replacing existing products or services, amplifying the share-price reaction. Given these market dynamics, we recognised the need to take a sensible and pragmatic approach. Even when companies continued to deliver strong results, this was not enough to change the market’s concerns around AI disruption, and we also had to recognise the genuine unknowns around how AI will develop and ultimately reshape these industries, impacting visibility. We therefore reduced these exposures significantly and ultimately exited Adyen, RELX and Nemetschek, while retaining only a small position in SAP by the end of the period.

Belimo, a Swiss manufacturer of heating, ventilation and air conditioning (HVAC) control systems, was another notable detractor, despite delivering exceptional underlying results. Full-year organic sales grew 23% and return on capital employed reached 36%. Growth accelerated through the fiscal year as demand from data centres was complemented by an improvement in the core HVAC business. However, this success had also driven expectations increasingly higher, setting a demanding bar for the company to clear. As a result, strong earnings delivery alone was not enough; the market was increasingly looking for guidance upgrades to justify the growth already reflected in the valuation, and shares came under pressure when these were not produced. We continue to see strong structural demand from data-centre cooling and energy efficiency, where Belimo’s specialist technology and leading position in the control of heating, ventilation and cooling systems provide a differentiated way to benefit from the increasingly complex cooling requirements of data centres. We remain mindful of the valuation demanded and in turn have reduced the position accordingly.

MTU Aero Engines, a German aircraft engine manufacturer, was another detractor despite continued strength in the underlying business. Demand for engine servicing remained robust, with earnings ahead of expectations and guidance upgraded through the year. However, shares came under pressure following the escalation of conflict in the Middle East as higher oil and jet-fuel prices raised concerns that airlines could reduce flying hours and defer engine shop visits. Several months into the conflict, we have yet to see these concerns translate into the underlying businesses. MTU and its peers have reported no material deterioration in trading, while feedback from across the industry continues to point to strength in shop visits and maintenance demand. This reflects the structural nature of aftermarket demand, where maintenance can be delayed at the margin but ultimately cannot be avoided, particularly against a backdrop of ageing fleets and constrained maintenance capacity.

ChemoMetec, a Danish manufacturer of cell counting and analysis equipment used in life sciences, was also among the detractors after a more mixed year operationally. Interim results were weaker than expected, reflecting disruption from the US government shutdown as well as slower instrument sales as customers took longer to validate new products. However, we believe the market reaction overlooked an important development in the longer-term investment case. During the year, ChemoMetec entered into a collaboration with Roche Diagnostics, although the formalisation of the agreement took longer than initially anticipated, pushing out some of the expected benefit. The agreement was finalised in August and will integrate ChemoMetec's new XM30 cell counter with Roche's established diagnostic platform, alongside a joint go-to-market strategy. We see this as meaningful validation of ChemoMetec's technology and an opportunity to accelerate adoption by gaining access to Roche's large existing customer base.

BE Semiconductor was the largest individual contributor over the year. The Dutch manufacturer of semiconductor assembly and packaging equipment benefitted from accelerating investment in AI infrastructure and the increasing complexity of the chips required to support it. In January, BE Semiconductor reported orders up 43% quarter-on-quarter and 105% year-on-year, as customers increased capacity to meet growing AI demand. The strength was also evident across the wider semiconductor supply chain. **ASML** recorded its largest-ever booking quarter at €13.2 billion, almost double market expectations of €7.0 billion, while later results showed accelerating demand across both memory and logic chips and prompted an upgrade to 2026 guidance. This provides tangible evidence that the AI investment cycle is translating into real orders and earnings for the companies supplying the infrastructure behind it. While the sharp reversal in July demonstrated that sentiment around AI can change quickly, the underlying demand signals we monitor regarding AI adoption rates and computing power demand remained strong, supporting our continued conviction in the semiconductor opportunity at present.

European banks were among the strongest contributors, with **AIB**, **CaixaBank** and **UniCredit** delivering notable returns. The sector has continued to benefit from a much healthier industry structure following a decade of consolidation and balance sheet repair. Lending and deposit growth has returned, costs remain well-controlled and credit quality has been resilient, while stronger balance sheets have allowed significant capital to be returned to shareholders through dividends and share buybacks. These trends were consistently reinforced through reported earnings over the year. AIB reported interest and fee income ahead of expectations, with better cost control contributing to profit before tax 5% above expectations. CaixaBank grew its loan book by 8.2% year-on-year and first-half profit by 8.5%, while UniCredit delivered record first-half results, with loans and deposits growing 8%.

Kongsberg, a Norwegian defence and aerospace technology company, was another positive contributor over the year, supported by evidence that the increase in European defence spending is translating into demand for its products. The company is particularly well-positioned in areas such as air defence and missile systems, where the need to replenish inventories and rebuild European capabilities extends well beyond the outcome of any single conflict. While the shares were volatile as markets reacted to changing prospects for a ceasefire in Ukraine, orders continued to run well ahead of revenues, providing increasing visibility over future growth.

Novonesis, a Danish biotechnology company specialising in enzymes and microorganisms for food, agriculture and industrial applications was also a contributor, with an acceleration in the company's earnings towards the end of the period. The company delivered 9% organic sales growth in the second quarter, ahead of expectations, with strength broad-based across Food & Health, Household Care and its industrial end-markets. This was particularly encouraging against a softer consumer backdrop, demonstrating the value Novonesis can provide to customers through biosolutions that improve productivity, reduce costs and replace more expensive traditional ingredients. Management subsequently raised its full-year growth guidance to 7–8% and announced a €1 billion share buyback programme. We continue to see scope for Novonesis to grow ahead of its end-markets as customers increase their adoption of biosolutions.

Portfolio changes

The period of greatest portfolio activity came following Benjamin Moore's appointment as Lead Portfolio Manager on 31 March 2026. Benjamin's approach remains focused on identifying quality companies, but with a greater focus on the price to be paid for such assets. We reduced exposure to companies facing potential AI disruption, as mentioned above, while increasing exposure to beneficiaries of AI investment, including semiconductor equipment companies **ASML** and **ASM International**. We also broadened industrials exposure through **Airbus** and **Leonardo** in aerospace and defence, **Legrand** and **ABB Group** in data-centre infrastructure, and **Air Liquide** as a more defensive industrial holding. These additions were partly funded by reducing exposure to Consumer Discretionary sector luxury goods companies significantly, including exiting **LVMH** and **Hermès**. We retain less conviction in the industry, moving relative exposure to underweight, as subdued Chinese demand and increasing local competition have reduced the potential returns available from current valuations. While there is limited visibility on the timing and strength of a cyclical recovery in Chinese consumer spending, we also see more structural questions around the longer-term growth outlook for European luxury brands, as Chinese domestic competitors gain traction and challenge the historically dominant market positions of European players.

Elsewhere over the year, European banks moved from an underweight to an overweight position, reflecting our growing conviction in a sustained improvement in returns. New holdings included **ABN AMRO Bank** and **Intesa Sanpaolo**, alongside changes within existing bank positions.

We also broadened the portfolio into new sources of earnings growth, including mining equipment through **Epiroc**. Lock manufacturer **Assa Abloy** was introduced as a more defensive industrial holding, with around two-thirds of sales coming from their aftermarket business, where demand is less dependent on new construction and provides a more resilient earnings stream through changing economic environments.

Capital continued to be recycled where our conviction changed. Luxury sports car company **Ferrari** was exited following a disappointing Capital Markets Day, where its longer-term growth targets fell short of our expectations and raised questions around the valuation justified by the business. **Thales** was also sold in favour of alternative defence names where we saw greater potential for earnings upgrades.

Outlook

The broader macroeconomic outlook remains uncertain, in the context of geopolitical risks, inflationary pressures, and a broad range of possible outcomes as AI adoption ramps up. We are encouraged by the improving earnings picture in Europe, however beneath the headline numbers there is a divergence between sectors and stocks. This means selectivity will be key and should benefit our focused investment style. Within the European market, our portfolio is built around areas of structural growth, in niches where strong competitive positions support attractive and durable returns.

We continue to expect a strong **semiconductor** cycle. With AI adoption in its infancy, we think the duration and scale of the infrastructure buildout are meaningfully underappreciated. Europe offers differentiated exposure to this opportunity through some of the world's leading semiconductor and electrical equipment companies and tool and component suppliers that represent critical bottlenecks in the value chain. To these "picks and shovels" businesses, the winners and losers of the AI race matter less than the scale of the buildout – which we think far exceeds current expectations. Equally, we are mindful of the risks associated with the scale and pace of investment. We are meticulous in tracking data points and qualitative evidence coming from throughout the value chain, and considering the impact on stocks held in the portfolio.

We also see a significant opportunity across **electrification**. While rapidly growing power demand from data centres is adding a further driver of demand, the opportunity stretches far beyond AI. Europe's electricity networks require substantial modernisation after years of underinvestment, while the electrification of industry and wider economy is placing increasing demands on already constrained grid infrastructure.

Outside AI, we deliberately seek exposure to businesses whose earnings are driven by different structural trends, providing diversification without compromising on the quality of the underlying businesses.

Civil aerospace is one such area, where we see growing demand, high barriers to entry, and strong capital returns. Constrained aircraft supply, an ageing global fleet and an industry dominated by a small number of manufacturers support a strong growth outlook with attractive economics in the sector.

European banks are another area of conviction. Years of reform, balance-sheet repair and industry consolidation have created stronger businesses with improving returns. Earnings are well-supported by loan growth, disciplined cost control and capital returns, while we see AI-powered automation as an additional driver of profit margins. We remain selective, favouring banks with stronger structural growth or meaningful cost opportunities that can drive growth over the coming years.

Finally, we are hunting for **a new generation of defensives**, as traditional defensive sectors such as consumer staples and healthcare have rarely acted as such in recent years. We favour businesses with predictable revenue streams and demand that is less sensitive to the economic cycle. This includes areas supported by recurring maintenance and servicing requirements, replacement demand and other essential spending that is difficult for customers to defer. This theme provides an important counterbalance to the portfolio's exposure to more economically sensitive investments.

The Opportunity in Quality

After a difficult few years for quality investing, we believe the opportunity ahead is increasingly compelling.

Periods of volatility and changing market leadership are a natural part of investing through a business cycle. However, the headwinds that have faced quality in recent years have gone well beyond these normal fluctuations. Higher interest rates and changing market leadership have drawn investors away from many of the quality businesses we favour. This has weighed on the Company's performance, but it has also transformed the investible opportunities available to us today.

In many cases, share prices have fallen despite sustained growth in the underlying businesses' profits and cash flows. The premium investors pay for quality companies relative to the wider market has fallen substantially and, on some measures, reached levels rarely seen outside periods of sharp economic recovery. Markets rarely move neatly from expensive to fairly valued. Just as enthusiasm can push valuations too high, pessimism can push them too far in the opposite direction. We believe the pendulum of quality valuations has now swung beyond normalisation , creating opportunities to invest in strong and growing businesses at unusually attractive prices.

Importantly, the appeal from here is not simply revisiting the same quality stocks at lower prices. The opportunity set itself is evolving. Quality is not a static label. It is built through management decisions, changing competitive landscapes and the ability to sustain attractive economics. Some businesses can lose these characteristics; others can grow into them.

European banks are a good example. Stronger balance sheets, healthier loan books, consolidation, and a return to positive interest rates have transformed the economics of parts of the sector. Banks with dominant competitive positions can keep the cost benefits offered by technology, while balance sheet strength allows for significant capital returns. Recognising these changes, we have added selected banks to the portfolio over the past 18 months, and they have been among the Company's strongest contributors.

For active investors, understanding this changing landscape is critical. A long-term investment horizon cannot be a pretext for inaction when the facts change. Just as we treasure adaptability in the management teams we invest with, we must ourselves respond to changes in industry dynamics or company-specific turnarounds.

Having invested in European equities through many different market environments, we believe this is a particularly exciting time to be a quality investor. It is rare to find so many strong businesses making good fundamental progress yet valued cautiously by the market. An easing of this style headwind should provide a more supportive backdrop following a difficult period for the Company. More importantly, we believe the portfolio is well-positioned to capitalise on the opportunities available today, giving us renewed optimism about the potential for returns over the years ahead.

Benjamin Moore and Brian Hall

BlackRock Investment Management (UK) Limited

2 November 2026

TEN LARGEST INVESTMENTS

Together, the Company's ten largest investments represented 41.7% of the Company's portfolio as at 31 August 2026 (2025: 49.1%)

1 ▲ ASML (2025: 22nd)

Technology company
Market value: £55,896,000
Share of investments: 8.9%

ASML is a Dutch semiconductor equipment manufacturer with a unique position as the sole supplier of extreme ultraviolet (EUV) lithography systems used to manufacture the world's most advanced chips. Its differentiated technology and critical role in advanced semiconductor production provide a strong competitive position, with increasing chip complexity supporting sustained demand. At the same time, accelerating AI adoption and increasingly compute-intensive applications are driving greater investment in advanced logic and memory capacity, providing a long-term structural growth opportunity.

2 ▼ Safran (2025: 1st)

Industrials company
Market value: £31,488,000
Share of investments: 5.0%

Safran supplies aircraft engines and equipment across civil aerospace and defence, with a significant business servicing those products throughout their operating lives. Operating in a specialised oligopolistic industry, Safran combines technologically complex products with a long-term service business, as its engines require maintenance and replacement parts throughout decades of operation. This creates recurring revenues, long-lasting customer relationships and strong visibility over future demand, while the transition to the newer Leading Edge Aviation Propulsion (LEAP) generation engines provides a long runway for this model to continue.

3 ▲ ASM International (2025: 24th)

Technology company
Market value: £24,336,000
Share of investments: 3.9%

ASM International (ASM) is a semiconductor equipment business specialising in atomic layer deposition (ALD), a technology used to create the precise material layers required in advanced chip manufacturing. Its strong position in ALD is underpinned by decades of innovation, a broad technology portfolio and close relationships with major manufacturers, creating a durable competitive advantage. As advanced logic and memory chips become more

complex, ASM's technology becomes increasingly important to their production, supporting the durability and visibility of demand.

4 ▲ Airbus (2025: n/a)

Industrials company
Market value: £23,669,000
Share of investments: 3.8%

Airbus is one of the world's major aerospace manufacturers with a strong competitive position across commercial aircraft, helicopters and defence and space systems. In commercial aircraft, Airbus operates in an effective duopoly, reflecting the scale, technical expertise and investment required to compete in the industry. Long aircraft programme cycles reinforce this position, while strong demand for new aircraft has built a substantial order backlog. Continued development of its aircraft portfolio, including new variants, provides an additional opportunity to meet evolving airline requirements.

5 ▲ Siemens (2025: n/a)

Industrials company
Market value: £23,362,000
Share of investments: 3.7%

Siemens is a high-quality industrial business which combines exposure to some of the most attractive industrial growth themes, including electrification, grid investment, industrial automation and AI. Its unique mix of infrastructure assets and industrial software positions the company to benefit from both the physical build-out of the digital economy and the software used to design and operate it, supporting long-term earnings growth and improving profitability.

6 ▲ UniCredit (2025: n/a)

Financials company
Market value: £23,039,000
Share of investments: 3.7%

UniCredit is a major European banking group with a broad geographic footprint, serving individuals and businesses across retail and corporate banking, payments, savings and investments. The combination of exposure to several European markets and a broad range of financial services provides a diversified banking franchise with multiple sources of earnings. In recent years, the business has been reshaped around greater efficiency, disciplined cost management and more selective use of capital. Loan and deposit growth has continued across the group, providing an additional source of earnings support.

7 ▲ Novonesis (2025: n/a)

Health Care company
Market value: £21,593,000
Share of investments: 3.5%

Novonesis is a biosolutions company providing enzymes and microorganisms used in food and beverages, human health, household care, agriculture and energy. Specialist expertise, combined with the ability to apply technology across a wide range of industries, creates a differentiated innovation platform. A strong pipeline and new product launches demonstrate its ability to turn this expertise into commercially relevant solutions, thereby outgrowing underlying markets.

8 ▲ CaixaBank (2025: 21st)

Financials company
Market value: £20,416,000
Share of investments: 3.3%

CaixaBank is a banking group combining a large retail and commercial banking franchise with insurance, payments and wealth management. A large customer base provides a substantial source of deposits, while activities across banking, insurance, payments and wealth management create a diversified revenue mix. Strong asset quality and disciplined cost management support the resilience of the business, while growth across corporate, consumer and mortgage lending provides an additional driver of earnings and capital generation.

9 ▲ Allied Irish Banks (2025: 11th)

Financials company
Market value: £18,783,000
Share of investments: 3.0%

Allied Irish Banks (AIB) is Ireland's main retail and business bank, providing mortgages, savings and lending to individuals and businesses, with around a 30% share of the Irish mortgage market. AIB's scale and customer

deposit base support a strong domestic franchise. Disciplined lending and strong capital levels add to the resilience of the business, providing a solid foundation for continued lending and deposit growth.

10 ▲ Siemens Energy (2025: n/a)

Energy company
Market value: £17,879,000
Share of investments: 2.9%

Siemens Energy is an energy technology business spanning electricity generation and long-term servicing to the grid infrastructure required to transmit power. Broad capabilities across power generation and grid infrastructure position the company at the centre of the investment required to meet rising global electricity demand. This demand is supported by electrification and the rapid expansion of data centres, while strong order backlogs provide visibility and improving execution is translating into stronger profitability.

All percentages reflect the value of the holding as a percentage of total investments.
Arrows indicate the change in relative ranking of the position in the portfolio compared to its ranking as at 31 August 2025.

INVESTMENTS as at 31 August 2026

	Country of operation	Market value £'000	% of investments
Industrials			
Safran	France	31,488	5.0
Airbus	France	23,669	3.8
Siemens	Germany	23,362	3.7
MTU Aero Engines	Germany	17,476	2.8
Legrand	France	17,262	2.8
Kone	Finland	16,904	2.7
ABB Group	Switzerland	16,323	2.6
Kongsberg Gruppen	Norway	10,999	1.8
Holcim	Switzerland	10,865	1.7
Belimo	Switzerland	10,613	1.7
Ferrovial	Netherlands	10,157	1.6
Sandvik	Sweden	9,369	1.5
Assa Abloy	Sweden	9,289	1.5
Leonardo	Italy	7,347	1.2
Epiroc	Sweden	6,726	1.1
SPIE	France	5,177	0.8
		227,026	**36.3**
Financials			
UniCredit	Italy	23,039	3.7
CaixaBank	Spain	20,416	3.3
Allied Irish Banks	Ireland	18,783	3.0
KBC Groep	Belgium	15,707	2.5
Erste Group Bank	Austria	15,271	2.4
Intesa Sanpaolo	Italy	13,632	2.2
ABN AMRO Bank	Netherlands	11,466	1.8
ASR Nederland	Netherlands	9,290	1.5
BPER Banca	Italy	6,313	1.0
Talanx	Germany	6,007	1.0
Poste Italiane	Italy	5,882	0.9
Sberbank[1]	Russia	1	–
		145,807	**23.3**
Technology			
ASML	Netherlands	55,896	8.9
ASM International	Netherlands	24,336	3.9
BE Semiconductor	Netherlands	15,310	2.4
SAP	Germany	12,668	2.0
Technoprobe	Italy	1,683	0.3
		109,893	**17.5**
Health Care			
Novonesis	Denmark	21,593	3.5
Lonza Group	Switzerland	17,079	2.7
Novartis	Switzerland	14,277	2.3
ChemoMetec	Denmark	8,524	1.4
UCB	Belgium	6,370	1.0
		67,843	**10.9**

		========	========
Basic Materials			
Air Liquide	France	12,605	2.0
Linde[2]	United States	9,064	1.5
		----------	----------
		21,669	**3.5**
		========	========
Consumer Discretionary			
Compagnie Financière Richemont	Switzerland	11,942	1.9
Inditex	Spain	9,220	1.5
		----------	----------
		21,162	**3.4**
		========	========
Energy			
Siemens Energy	Germany	17,879	2.9
Lukoil[1]	Russia	–	–
		----------	----------
		17,879	**2.9**
		========	========
Utilities			
Engie	France	13,682	2.2
		----------	----------
		13,682	**2.2**
		========	========
Total investments		**624,961**	**100.0**
		========	========

1 The investments in Sberbank and Lukoil have been fair valued to a nominal value of £0.01 per share due to sanctions imposed on Russia. The underlying value of the positions on the Moscow Stock Exchange as at 31 August 2026 were £13.1 million and £8.8 million respectively.

2 Linde is listed in the US but the business is historically rooted in Europe as it was founded in Germany and incorporated in Ireland. The company moved to a sole US listing in 2023.

All investments are in ordinary shares unless otherwise stated. The total number of investments held at 31 August 2026 was 45 (2025: 34).

Industry classifications in the table above are based on the Industrial Classification Benchmark standard for categorisation of companies by industry and sector.

As at 31 August 2026, the Company did not hold any equity interests comprising more than 3% of any company's share capital.

INVESTMENT EXPOSURE as at 31 August 2026

Market capitalisation

	% of portfolio 2026	% of portfolio 2025
€1bn to €10bn	3.9	14.2
€10bn to €20bn	10.0	14.6
€20bn to €50bn	36.6	20.4
>€50bn	49.5	50.8

Investment size

	Number of investments 2026	Number of investments 2025	% of portfolio 2026	% of portfolio 2025
<£1m	2	3	0.0	0.1
£1m to £3m	1	2	0.3	0.9
£3m to £5m	0	1	0.0	0.7
£5m to £10m	13	3	15.9	5.2
>£10m	29	25	83.8	93.1

Distribution of investments

	% of portfolio 2026	% of portfolio 2025
Industrials	36.3	38.9
Financials	23.3	12.9

Technology	17.5	19.3
Health Care	10.9	7.7
Basic Materials	3.5	6.1
Consumer Discretionary	3.4	14.7
Energy	2.9	0.0
Utilities	2.2	0.0
Real Estate	0.0	0.4

Source: BlackRock.

Portfolio country allocation - % change from 31 August 2025

	31 August 2026	Change from 31 August 2025
France	16.6	-3.4
Switzerland	12.9	-3.3
Ireland	3.0	-3.0
Germany	12.4	-1.2
Sweden	4.1	1.2
Netherlands	20.1	7.2
Denmark	4.9	2.2
Belgium	3.5	-0.9
Spain	4.8	2.6
Italy	9.3	4.4
Central Eastern Europe & Other	8.4	-5.8

Source: BlackRock.

Portfolio sector allocation - % change from 31 August 2025

	31 August 2026	Change from 31 August 2025
Utilities	2.2	2.2
Real Estate	0.0	-0.4
Technology	17.5	-1.8
Industrials	36.3	-2.6
Health Care	10.9	3.2
Financials	23.3	10.4
Energy	2.9	2.9
Consumer Discretionary	3.4	-11.3
Basic Materials	3.5	-2.6

Source: BlackRock

STRATEGIC REPORT

The Directors present the Strategic Report of the Company for the year ended 31 August 2026. The aim of the Strategic Report is to provide shareholders with the information to assess how the Directors have performed their duty to promote the success of the Company for the collective benefit of shareholders.

The Chairman's Statement together with the Investment Manager's Report form part of this Strategic Report. The Strategic Report was approved by the Board at its meeting on 2 November 2026.

Principal activity

The Company carries on business as an investment trust and is listed on the London Stock Exchange. Its principal activity is portfolio investment. Investment trusts are pooled investment vehicles which allow exposure to a diversified range of assets through a single investment, thus spreading investment risk.

Investment objective

The Company's objective is the achievement of capital growth, primarily through investment in a focused portfolio constructed from a combination of the securities of large, mid and small capitalisation European companies, together with some investment in the developing markets of Europe.

The Company has the flexibility to invest in any country included in the FTSE World Europe ex UK Index, as well as the freedom to invest in developing countries not included in the index but considered by the Manager and the Directors as part of greater Europe.

Strategy, business model and investment policy

Strategy

The Company invests in accordance with the objective given above. The Board is collectively responsible to shareholders for the long-term success of the Company and is its governing body. There is a clear division of responsibility between the Board and BlackRock Fund Managers Limited (the Manager). Matters reserved for the Board include setting the Company's strategy, including its investment objective and policy, setting limits on gearing, capital structure, governance, and appointing and monitoring of performance of service providers, including the Manager.

Business model

The Company's business model follows that of an externally managed investment trust. Therefore, the Company does not have any employees and outsources its activities to third-party service providers including the Manager, who is the principal service provider. In accordance with the Alternative Investment Fund Managers' Directive (AIFMD), as implemented, retained and onshored in the UK, the Company is an Alternative Investment Fund (AIF). BlackRock Fund Managers Limited is the Company's Alternative Investment Fund Manager.

The management of the investment portfolio and the administration of the Company have been contractually delegated to the Manager who in turn (with the permission of the Company) has delegated certain investment management and other ancillary services to BlackRock Investment Management (UK) Limited (BIM (UK) or the Investment Manager). The Manager, operating under guidelines determined by the Board, has direct responsibility for the decisions relating to the day-to-day running of the Company and is accountable to the Board for the investment, financial and operating performance of the Company.

The Company delegates fund accounting services to the Manager, which in turn sub-delegates these services to The Bank of New York Mellon (International) Limited (BNY). Other service providers include the Depositary (also BNY) and the Registrar, Computershare Investor Services PLC. Details of the contractual terms with the Manager and the Depositary and more details of arrangements in place governing custody services are set out in the Directors' Report contained within the Annual Report and Financial Statements.

Investment policy

The Company's policy is that the portfolio should consist of approximately 30-70 securities and the majority of the portfolio will be invested in larger capitalisation companies, being companies with a market capitalisation of over €5 billion. Up to 25% of the portfolio may be invested in companies in developing Europe. The Company may also invest up to 5% of the portfolio in unquoted investments. However, overall exposure to developing European companies and unquoted investments will not in aggregate exceed 25% of the Company's portfolio.

As at 31 August 2026, the Company held 45 investments (2025: 34). None (2025: none) of the portfolio was invested in developing Europe. The Company had no unquoted investments.

Investment in developing European securities may be either direct or through other funds, including those managed by BlackRock Fund Managers Limited, subject to a maximum of 15% of the portfolio. Direct investment in Russia is limited to 10% of the Company's assets. Investments may also include depositary receipts or similar instruments representing underlying securities.

The Company also has the flexibility to invest up to 20% of the portfolio in debt securities, such as convertible bonds and corporate bonds. No bonds were held at 31 August 2026. The use of any derivative instruments such as financial futures, options and warrants and the entering into of stock lending arrangements has, up to the date of this report, only been for the purposes of efficient portfolio management. However, with effect from the date of this report, the Board has determined to expand the use of derivatives to also provide leverage to gear the Company within the gearing limits set out below.

The Board is making this change in recognition that (given the Company's structure and investment mandate) obtaining leverage through total return swaps is more efficient and flexible and is significantly cheaper than doing so through a conventional bank overdraft. Total return swaps enable the Company to access leveraged market exposure without the need to hold the underlying securities directly, reducing dealing, custody, settlement and administration requirements. No change is being made to the Company's gearing limits, which the Board anticipates will not exceed 15 per cent of net asset value (NAV) in normal market conditions.

While the Company may hold shares in other investment companies (including investment trusts), the Board has agreed that the Company will not invest more than 15%, in aggregate, of its total assets in other listed closed-ended investment funds.

In order to comply with the current Listing Rules, the Company will also not invest more than 10% of its gross asset value in other listed closed-ended investment funds which themselves may invest more than 15% of their gross assets in other listed closed-ended investment funds. This restriction does not form part of the Company's

investment policy.

The Company achieves an appropriate spread of risk by investing in a diversified portfolio of securities.

The Investment Manager believes that appropriate use of gearing can add value over time. This gearing typically is in the form of an overdraft facility which can be repaid at any time. The level and benefit of any gearing is discussed and agreed regularly by the Board. The Investment Manager generally aims for a baseline gearing level of c.10% in normal market conditions, keeping within a range of +/- 15%, with the portfolio managers having the flexibility to hold net cash up to 15% of net asset value (NAV). At the balance sheet date, the Company had net gearing of 8.3% (2025: net cash of 3.1%)[1].

Performance

In the year to 31 August 2026, the Company's NAV per share increased by 8.8%[1] (compared with an increase in the reference index of 20.9%) and the share price increased by 8.4% (all percentages calculated in Sterling terms with dividends reinvested). The Investment Manager's Report includes a review of the main developments during the year, together with information on investment activity within the Company's portfolio.

Results and dividends

The results for the Company are set out in the Income Statement in the Financial Statements. The total profit for the year, after taxation, was £46,569,000 (2025: loss of £40,196,000) which is reflected in the increase in the net asset value of the Company. The revenue return amounted to £8,069,000 (2025: £6,684,000) and relates to net revenue earnings from dividends received during the year after adjusting for expenses allocated to revenue.

As explained in the Company's Half Yearly Financial Report, the Directors declared an interim dividend of 1.75p per share (2025: 1.75p). The Directors recommend the payment of a final dividend of 6.25p per share, making a total dividend of 8.00p per share (2025: 7.15p). Subject to approval at the forthcoming Annual General Meeting, the dividend will be paid on 18 December 2026 to shareholders on the register of members at the close of business on 20 November 2026.

Future prospects

The Board's main focus is to achieve capital growth. The future performance of the Company is dependent upon the success of the investment strategy and, to a large extent, on the performance of financial markets. The outlook for the Company is discussed in both the Chairman's Statement and Investment Manager's Report.

Social, community and human rights issues

As an investment trust, the Company has no direct social or community responsibilities or impact on the environment and the Company has not adopted an ESG investment strategy or exclusionary screens. However, the Directors believe that it is important and in shareholders' interests to consider human rights issues and environmental, social and governance factors when selecting and retaining investments. Details of the Company's approach to ESG integration and socially responsible investment are set out in the Annual Report and Financial Statements.

Modern Slavery Act

As an investment vehicle the Company does not provide goods or services in the normal course of business and does not have customers. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

Directors, gender representation and employees

The Directors of the Company on 31 August 2026 are set out in the Directors' Biographies contained within the Annual Report and Financial Statements. The Board currently consists of four male Directors and two female Directors. The Company's policy on diversity is set out within the Annual Report and Financial Statements. The Board currently meets the recommendations of the Parker Review but not those of the FTSE Women Leaders Review. Following Mr Baxter's retirement at the AGM, women will represent 40% of the Board and the Board will therefore meet the Review's recommendation. The Company does not have any executive employees.

Key performance indicators

At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objectives. The key performance indicators (KPIs) used to measure the progress and performance of the Company over time, and which are comparable to other investment trusts, are set out below. As

indicated in footnote 2 to the table, some of these KPIs fall within the definition of 'Alternative Performance Measures' (APMs) under guidance issued by the European Securities and Markets Authority (ESMA) and additional information explaining how these are calculated is set out in the Glossary contained within the Annual Report and Financial Statements.

Additionally, the Board regularly reviews the performance of the portfolio, as well as the net asset value and share price of the Company and compares this against various companies and indices. The Company does not have a benchmark. However, the Board reviews performance and ongoing charges against a peer group of European investment trusts, as well as the reference index.

The Board uses a number of financial KPIs to monitor and assess the performance of the Company. The principal KPIs are:

	2026	2025
Net asset value per share	643.30p	598.05p
Share price	610.00p	570.00p
Net asset value total return[1,2]	8.8%	-6.1%
Share price total return[1,2]	8.4%	-3.9%
Discount to net asset value[2]	5.2%	4.7%
Revenue return per share	8.74p	6.89p
Ongoing charges[2,3]	0.80%	0.95%
	=======	=======

1 This measures the Company's net asset value and share price total return, which assumes dividends paid by the Company have been reinvested.

2 Alternative Performance Measures, see Glossary contained within the Annual Report and Financial Statements.

3 Ongoing charges represent the management fee and all other operating expenses, excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items, as a % of average daily net assets.

Performance against the reference index

This is an important KPI by which relative performance is judged. Please refer to charts contained within the Annual Report and Financial Statements.

Discount/premium

The Board has adopted a share issuance and repurchase policy and is committed to buy back shares when they stand at anything more than a small discount to enhance the NAV per share for remaining shareholders and to issue shares at a premium where the Board is confident of consistent market demand. During the year ended 31 August 2026, the shares traded between a discount of 3.7% and 8.2%. Please refer to the Chairman's Statement above for further information.

Principal risks

The Company is exposed to a variety of risks and uncertainties. As required by the 2024 UK Corporate Governance Code (the UK Code), the Board has in place a robust ongoing process to identify, assess and monitor the principal risks and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. A core element of this process is the Company's risk register which identifies the risks facing the Company and assesses the likelihood and potential impact of each risk and the quality of controls operating to mitigate it. A residual risk rating is then calculated for each risk based on the outcome of the assessment.

The risk register, its method of preparation and the operation of key controls in BlackRock's and third-party service providers' systems of internal control, are reviewed on a regular basis by the Audit and Management Engagement Committee. In order to gain a more comprehensive understanding of BlackRock's and other third-party service providers' risk management processes and how these apply to the Company's business, BlackRock's internal audit department provides an annual presentation to the Audit Committee chairs of the BlackRock investment trusts setting out the results of testing performed in relation to BlackRock's internal control processes. The Audit and Management Engagement Committee also periodically receives and reviews internal control reports from BlackRock and the Company's service providers.

The Board has undertaken a robust assessment of both the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. For instance, the risk that unforeseen or unprecedented events including (but not limited to) heightened geopolitical tensions such as

the conflicts in Ukraine and in the Middle East, inflation and the current cost of living crisis has had a significant impact on global markets. The Board has taken into consideration the risks posed to the Company by these events and incorporated them into the Company's risk register.

Emerging risks are considered by the Board as they come into view and are incorporated into the existing review of the Company's risk register. Additionally, the Manager considers emerging risks in numerous forums and the Risk and Quantitative Analysis team produces an annual risk survey. Any material risks of relevance to the Company identified through the annual risk survey will be communicated to the Board.

Emerging risks that have been considered by the Board over the year include the impact of climate change, escalating geopolitical conflict and technological advances.

The key emerging risks identified are as follows:

Climate change: Investors can no longer ignore the impact that the world's changing climate will have on their portfolios, with the impact of climate change on returns, including climate-related natural disasters, now potentially significant and with the potential to escalate more swiftly than one is able to predict. The Board receives ESG reports from the Manager on the portfolio and the way ESG considerations are integrated into the investment decision-making, so as to mitigate risk at the level of stock selection and portfolio construction.

Artificial Intelligence (AI): Advances in computing power indicate that AI has become a powerful tool that will impact a huge range of areas and with a wide range of applications that have the potential to dislocate established business models and disrupt labour markets, creating uncertainty in corporate valuations. The significant energy required to power this technological revolution will create further pressure on environmental resources and carbon emissions.

Geopolitical risk: Escalating geopolitical tensions (including, but not limited to tensions in the Middle East and the ongoing conflict in Ukraine, or deteriorating relations between China and the US/other countries) have a significant negative impact on global markets, with an increasing use of tariffs and domestic regulations making global trade more complex and driving economic fragmentation.

The Board will continue to assess these risks on an ongoing basis. In relation to the UK Code, the Board is confident that the procedures that the Company has put in place are sufficient to ensure that the necessary monitoring of risks and controls has been carried out throughout the reporting period.

The principal risks and uncertainties faced by the Company during the financial year, together with the potential effects, controls and mitigating factors are set out within the Annual Report and Financial Statements.

Principal risk	Description	Mitigating activities	Movement from the prior year[1]
Investment performance	Returns achieved are reliant primarily upon the performance of the portfolio.The Board is responsible for: • deciding the investment strategy to fulfil the Company's objective;and • monitoring the performance of the Investment Manager and the implementation of the investment strategy.An inappropriate investment strategy may lead to: • underperformance compared to the reference index and the Company's peer group; • a reduction or permanent loss of capital; and • dissatisfied shareholders and reputational damage. The Board is also cognisant of the long-term risk to performance from inadequate attention to ESG issues and in particular the impact of climate change.	To manage this risk the Board: • regularly reviews the Company's investment mandate and long-term strategy; • has set investment restrictions and guidelines which the Investment Manager monitors and regularly reports on; • receives from the Investment Manager a regular explanation of stock selection decisions, portfolio exposure, gearing and any changes in gearing and the rationale for the composition of the investment portfolio; • monitors the maintenance of an adequate spread of investments in order to minimise the risks associated with particular countries or factors specific to particular sectors, based on the diversification requirements inherent in the investment policy; and • receives and reviews regular reports showing an analysis of the Company's performance against the reference index and other similar indices.	▲

		ESG analysis is integrated into the Manager's investment process as set out within the Annual Report and Financial Statements. This is monitored by the Board.	
Legal and regulatory compliance	The Company has been approved by HM Revenue & Customs as an investment trust, subject to continuing to meet the relevant eligibility conditions and operates as an investment trust in accordance with Chapter 4 of Part 24 of the Corporation Tax Act 2010. As such, the Company is exempt from corporation tax on capital gains on the profits realised from the sale of its investments. Any breach of the relevant eligibility conditions could lead to the Company losing investment trust status and being subject to corporation tax on capital gains realised within the Company's portfolio. In such event, the investment returns of the Company may be adversely affected. A serious regulatory breach could result in the Company and/or the Directors being fined or the subject of criminal proceedings, or the suspension of the Company's shares which could in turn lead to a breach of the Corporation Tax Act 2010. Amongst other relevant laws, the Company is required to comply with the provisions of the Companies Act 2006, the Alternative Investment Fund Managers' Directive, the UK Listing Rules and Disclosure Guidance and Transparency Rules, the Sanctions and Anti-Money Laundering Act 2018 and the Market Abuse Regulation.	The Investment Manager monitors investment movements, the level and type of forecast income and expenditure and the amount of proposed dividends to ensure that the provisions of Chapter 4 of Part 24 of the Corporation Tax Act 2010 are not breached. The results are reported to the Board at each meeting. Compliance with the accounting rules affecting investment trusts is also carefully and regularly monitored. The Company Secretary and the Company's professional advisers provide regular reports to the Board in respect of compliance with all applicable rules and regulations. The Board and the Manager also monitor changes in government policy and legislation which may have an impact on the Company. The Company's Investment Manager, BlackRock, at all times complies with the sanctions administered by the UK Office of Financial Sanctions Implementation, the United States Treasury's Office of Foreign Assets Control, the United Nations, European Union member states and any other applicable regimes.	►
Market	Market risk arises from volatility in the prices of the Company's investments. It represents the potential loss the Company might suffer through realising investments in the face of negative market movements. Changes in general economic and market conditions, such as currency exchange rates, interest rates, rates of inflation, industry conditions, tax laws and political events can also substantially and adversely affect the securities and, as a consequence, the Company's prospects and share price. Market risk includes the potential impact of events which are outside the Company's control, including (but not limited to) heightened geopolitical tensions and military conflict, a global pandemic and high inflation. Companies operating in the sectors in which the Company invests may be impacted by new legislation governing climate change and environmental	The Board considers the diversification of the portfolio, asset allocation, stock selection and levels of gearing on a regular basis and has set investment restrictions and guidelines which are monitored and reported on by the Investment Manager. The Board monitors the implementation and results of the investment process with the Investment Manager. The Board also recognises the benefits of a closed-end fund structure in extremely volatile markets such as those experienced during the Russia/Ukraine and Middle East conflicts, as well as recent trade and tariff related disruptions. Unlike open-ended counterparts, closed-end funds are not obliged to sell down portfolio holdings at low valuations to meet liquidity requirements for redemptions. During times of elevated volatility and market stress, the ability of a closed-end fund structure to remain invested for the long term enables the portfolio managers to adhere to disciplined fundamental analysis from a bottom-up perspective and be ready to respond to	▲

	issues, which may have a negative impact on their valuation and share price.	dislocations in the market as opportunities present themselves. The portfolio managers spend a considerable amount of time understanding the environmental, social and governance (ESG) risks and opportunities facing companies and industries in the portfolio. The Company does not exclude investment in stocks based on ESG criteria, but the portfolio managers consider ESG information when conducting research and due diligence on new investments and again when monitoring investments in the portfolio.
Operational	In common with most other investment trust companies, the Company has no employees. The Company therefore relies on the services provided by third parties and is dependent on the control systems of the Manager, the Depositary and Fund Accountant which maintain the Company's assets, dealing procedures and accounting records. The security of the Company's assets, dealing procedures, accounting records and adherence to regulatory and legal requirements depend on the effective operation of the systems of these other third-party service providers. There is a risk that a major disaster, such as floods, fire, a global pandemic, or terrorist activity, renders the Company's service providers unable to conduct business at normal operating capacity and effectiveness. Failure by any service provider to carry out its obligations to the Company could have a material adverse effect on the Company's performance. Disruption to the accounting, payment systems or custody records (including cyber security risk) could prevent the accurate reporting and monitoring of the Company's financial position.	Due diligence is undertaken before contracts are entered into with third-party service providers. Thereafter, the performance of the provider is subject to regular review and reported to the Board. ► The Board reviews on a regular basis an assessment of the fraud risks that the Company could potentially be exposed to and also a summary of the controls put in place by the Manager, Depositary, Custodian, Fund Accountant and Registrar specifically to mitigate these risks. The Company's key third-party service providers produce Service Organisation Control (SOC 1) reports to provide assurance regarding the effective operation of internal controls as reported on by their reporting accountants. BNYM acts as the Company's Depositary, Custodian and Fund Accountant and also provides a SOC2 report in respect of its Information Technology Business Unit. In addition, BlackRock's Information Security and Enterprise Resilience teams provide regular updates to the Board in respect of cybersecurity. These reports are provided to the Audit and Management Engagement Committee for review. The Committee would seek further representations from service providers if not satisfied with the effectiveness of their control environment. The Company's financial instruments held in custody are subject to a strict liability regime and, in the event of a loss of such financial instruments held in custody, the Depositary must return financial instruments of an identical type or the corresponding amount, unless able to demonstrate the loss was a result of an event beyond its reasonable control. The Board reviews the overall performance of the Manager, Investment Manager and all other third-party service providers on a regular basis and compliance with the Investment Management Agreement annually. The Board also considers the business continuity arrangements of the Company's key service providers on an ongoing basis

		and reviews these as part of its review of the Company's risk register. The Board considers the portfolio managers' succession plans so far as they affect the services provided to the Company.	
Financial	The Company's investment activities expose it to a variety of financial risks which include interest rate risk, counterparty credit risk and liquidity risk.	Details of these risks are disclosed in note 16 to the Financial Statements contained within the Annual Report and Financial Statements, together with a summary of the policies for managing these risks.	►
Marketing	Marketing efforts are inadequate or do not comply with relevant regulatory requirements. There is a failure to communicate adequately with shareholders or reach out to potential new shareholders resulting in reduced demand for the Company's shares and a widening of the discount.	The Board reviews marketing strategy and initiatives and the Manager is required to provide regular updates on progress. BlackRock has a dedicated investment trust sales team visiting both existing and potential clients on a regular basis. Data on client meetings and issues raised are provided to the Board on a regular basis. All investment trust marketing documents are subject to appropriate review and authorisation.	►

[1] Change Key Increased ▲ Broadly Unchanged ► Decreased ▼

Viability statement

In accordance with provision 30 of the 2024 UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the twelve months referred to by the 'Going Concern' guidelines. The Company is an investment trust with the objective of achieving capital growth.

The Directors expect the Company to continue for the foreseeable future and have therefore conducted this review for the period up to the Annual General Meeting in 2031. The Directors believe that five years is an appropriate investment horizon to assess the viability of the Company. This is based on the Company's long-term mandate, the low turnover in the portfolio and the investment holding period investors generally consider while investing in the European sector.

In making an assessment on the viability of the Company, the Board has considered the following:

- the impact of a significant fall in European equity markets on the value of the Company's investment portfolio;
- the ongoing relevance of the Company's investment objective, business model and investment policy in the prevailing market;
- the principal and emerging risks and uncertainties, as set out above, and their potential impact;
- the level of ongoing demand for the Company's shares;
- the Company's share price discount/premium to NAV;
- the liquidity of the Company's portfolio; and
- the level of income generated by the Company and future income and expenditure forecasts.

The Directors have concluded that there is a reasonable expectation that the Company will continue in operation and meet its liabilities as they fall due over the period of their assessment based on the following considerations:

- the Investment Manager's compliance with the investment objective and policy, its investment strategy and asset allocation;
- the portfolio is liquid and mainly comprises readily realisable assets, which continue to offer a broad range of investment opportunities for shareholders as part of a balanced investment portfolio;
- the operational resilience of the Company and its key service providers and their ability to continue to provide a good level of service for the foreseeable future;
- the effectiveness of business continuity plans in place for the Company and its key service providers;

- the ongoing processes for monitoring operating costs and income which are considered to be reasonable in comparison to the Company's total assets;

- the Board's discount management policy; and

- the Company is a closed-end investment company and therefore does not suffer from the liquidity issues arising from unexpected redemptions.

In addition, the Board's assessment of the Company's ability to operate in the foreseeable future is included in the Going Concern Statement which can be found within the Annual Report and Financial Statements in the Directors' Report.

Section 172 Statement: promoting the success of the Company

The Companies (Miscellaneous Reporting) Regulations 2018 require directors to explain in greater detail how they have discharged their duties under Section 172(1) of the Companies Act 2006 in promoting the success of their companies for the benefit of members as a whole. This includes the likely consequences of their decisions in the longer term and how they have taken wider stakeholders' needs into account.

The disclosure that follows covers how the Board has engaged with and understands the views of stakeholders and how stakeholders' needs have been taken into account, the outcome of this engagement and the impact that it has had on the Board's decisions. As the Company is an externally managed investment company and does not have any employees or customers, the Board considers the main stakeholders in the Company to be the shareholders, the Manager and Investment Manager. In addition to this, the Board considers investee companies and key service providers of the Company to be stakeholders; the latter comprise the Company's Custodian, Depositary, Registrar and Broker.

Stakeholders

Shareholders	Continued shareholder support and engagement are critical to the continued existence of the Company and the successful delivery of its long-term strategy. The Board is focused on fostering good working relationships with shareholders and on understanding the views of shareholders in order to incorporate them into the Board's strategy and objectives in delivering long-term capital growth.
Manager and Investment Manager	The Board's main working relationship is with the Manager, who is responsible for the Company's portfolio management (including asset allocation, stock and sector selection) and risk management, as well as ancillary functions such as administration, secretarial, accounting and marketing services. The Manager has sub-delegated portfolio management to the Investment Manager. Successful management of shareholders' assets by the Investment Manager is critical for the Company to successfully deliver its investment strategy and meet its objective. The Company is also reliant on the Manager as AIFM to provide support in meeting relevant regulatory obligations under the AIFMD and other relevant legislation.
Other key service providers	In order for the Company to function as an investment trust on the London Stock Exchange's (LSE) main market for listed securities and generally function as an investment trust with a listing on the official list of the FCA, the Board relies on a diverse range of advisors for support in meeting relevant obligations and safeguarding the Company's assets. For this reason, the Board considers the Company's Custodian, Depositary, Registrar and Broker to be stakeholders. The Board maintains regular contact with its key external service providers and receives regular reporting from them through the Board and committee meetings, as well as outside of the regular meeting cycle.
Investee companies	Portfolio holdings are ultimately shareholders' assets and the Board recognises the importance of good stewardship and communication with investee companies in meeting the Company's investment objective and strategy. The Board monitors the Manager's stewardship arrangements and receives regular feedback from the Manager in respect of meetings with the management of portfolio companies.

A summary of the key areas of engagement undertaken by the Board with its key stakeholders in the year under review and how Directors have acted upon this to promote the long-term success of the Company are set out below.

Area of Engagement

Investment mandate and objective

Issue	Engagement	Impact
The Board is committed to promoting the role and success of the Company in delivering on its investment mandate to shareholders over the long term. The Board also has responsibility to shareholders to ensure that the Company's portfolio of assets is invested in line with the stated investment objective and in a way that ensures an appropriate balance between spread of risk and portfolio returns.	The Board worked closely with the Investment Manager throughout the year in further developing investment strategy and underlying policies, not simply for the purpose of achieving the Company's investment objective but in the interests of shareholders and future investors. In addition to the scheduled Board meetings each year, the Board holds a Strategy session which is dedicated to an in-depth review of the Company's strategy in conjunction with key advisers, including the Company's Broker. As a result of discussions undertaken through the course of the year, the Board has agreed with the Manager changes to the portfolio management arrangements for the Company, with Benjamin Moore now Lead Portfolio Manager and Brian Hall as co-Portfolio Manager. The Board has also agreed new strategic initiatives including the introduction of an enhanced dividend policy and conditional tender offer, a management fee change and a new approach to gearing with the use of total return swaps (TRS). The Company does not exclude investment in stocks based on Environmental, Social and Governance (ESG) criteria, but the approach of the portfolio managers to the consideration of ESG factors in respect of the Company's portfolio, as well as engagement with investee companies, is to encourage the adoption of sustainable business practices which support long-term value creation.	The portfolio activities undertaken by the Investment Manager can be found in their report contained within the Annual Report and Financial Statements. The Investment Manager aims to construct a portfolio that is high conviction and concentrated in nature but diversified by end market exposures. During the financial year, Brian Hall replaced Alexandra Dangoor as co-Portfolio Manager. Brian is a multi-award-winning portfolio manager with 26 years of investment experience, and has worked with Stefan Gries for nearly 19 years having joined BlackRock in 2007. The Board believes that the addition of Brian as an experienced investor with a quality value focus will bring the flexibility needed to ensure future success of the portfolio. Further to this, on 31 March 2026 Stefan retired from the industry to focus on treatment and recovery following personal health issues. Benjamin Moore, a Managing Director within BlackRock's European Fundamental Equity team, took over Stefan's role as portfolio manager and brings 11 years of experience at Columbia Threadneedle. Benjamin acts as Lead Portfolio Manager for the Company, supported by Brian Hall who remains co-Portfolio Manager on the portfolio. They will both continue to be supported by the 22-strong BlackRock European Fundamental Equity team. Benjamin has a strong track record built on a quality growth style, similar to that employed by the Company, seeking quality companies which can grow over the long term, while sustaining attractive economics thanks to robust competitive advantages. Benjamin's investment approach is expected to bring an increased valuation awareness, as well as appreciation of businesses or industries where returns are improving – thanks to factors such as operational transformation, improved capital allocation or market consolidation. This broadens the investable universe, allowing for more valuation discipline while maintaining a strong focus on quality. The Board supports the changes to the portfolio management arrangements and believes they align well with the goal of dampening fund volatility and enhancing returns for our shareholders over time. Details regarding the Company's NAV and share price performance can be found in the Chairman's Statement and in this Strategic Report contained within the Annual Report and Financial Statements.

Shareholders

Issue	Engagement	Impact
Continued shareholder support and engagement are critical to the continued existence of the Company and the	The Board is committed to maintaining open channels of communication and to engage with shareholders. The Chairman has proactively engaged with shareholders and also when considering	The Board values any feedback and questions from shareholders ahead of and during Annual General Meetings in order to gain an understanding of their views and will take action when and as appropriate.Feedback and

successful delivery of its long-term strategy.	new strategic initiatives for the Company. The Company welcomes and encourages attendance and participation from shareholders at its Annual General Meetings. Shareholders will have the opportunity to meet the Directors and Investment Manager and to address questions to them directly. The Investment Manager will also provide a presentation on the Company's performance and the outlook. The Annual Report and Half Yearly Financial Report are available on the BlackRock website and are also circulated to shareholders either in printed copy or via electronic communications. In addition, regular updates on performance, monthly factsheets, the daily NAV and other information are also published on the Manager's website at www.blackrock.com/uk/brge. The Board also works closely with the Manager to develop the Company's marketing strategy, with the aim of ensuring effective communication with shareholders. Unlike trading companies, one-to-one shareholder meetings normally take the form of a meeting with the portfolio managers as opposed to members of the Board. The Company's willingness to enter into discussions with institutional shareholders is also demonstrated by the programmes of institutional presentations by the portfolio managers. If shareholders wish to raise issues or concerns with the Board, they are welcome to do so at any time. The Chairman is available to meet directly with shareholders periodically to understand their views on governance and the Company's performance where they wish to do so. He may be contacted via the Company Secretary whose details are contained within the Annual Report and Financial Statements.	questions will also help the Company evolve its reporting, aiming to make reports more transparent and understandable. Feedback from all substantive meetings between the Investment Manager and shareholders will be shared with the Board. The Directors will also receive updates from the Company's Broker on any feedback from shareholders, as well as share trading activity, share price performance and an update from the Investment Manager. The portfolio management team attended a number of professional investor meetings and held discussions with a number of wealth management desks and offices in respect of the Company during the year under review. The portfolio managers also held group webcasts in the year to provide investors with portfolio updates. Portfolio holdings are ultimately shareholders' assets and the Board recognises the importance of good stewardship and communication with investee companies in meeting the Company's investment objective and strategy. The Board monitors the Manager's stewardship activities and receives regular feedback from the Investment Manager in respect of meetings with the management of portfolio companies.

Responsible investing

Issue	Engagement	Impact
Good governance and consideration of sustainable investment are key factors in making investment decisions. Climate change is becoming a defining factor in companies' long-term prospects across the investment spectrum, with significant and lasting implications for economic growth and prosperity.	The Company does not exclude investment in stocks based on ESG criteria but the Board believes that responsible investment and sustainability are integral to the longer-term delivery of the Company's success. The Board works closely with the Investment Manager to regularly review the Company's performance, investment strategy and underlying policies to ensure that the Company's investment objective continues to be met in an effective and responsible way in the interests of shareholders and future investors. The Investment Manager's approach to	The Investment Manager believes there is likely to be a positive correlation between strong ESG practices and investment performance over time. Details of the Company's performance in the year are given in the Chairman's Statement above and the Performance Record contained within the Annual Report and Financial Statements. The Company does not meet the criteria for Article 8 or 9 products under the EU Sustainable Finance Disclosure Regulation and the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

	the consideration of ESG factors in respect of the Company's portfolio, as well as the Investment Manager's engagement with investee companies are kept under review by the Board. The Board also expects to be informed by the Manager of any sensitive voting issues involving the Company's investments. The Investment Manager reports to the Board in respect of its ESG policies and how these are integrated into the investment process; a summary of BlackRock's approach to ESG is set out within the Annual Report and Financial Statements. The Investment Manager's engagement and voting policy is detailed within the Annual Report and Financial Statements and on the BlackRock website.	

Management of share rating

Issue	Engagement	Impact
The Board recognises that it is in the long-term interests of shareholders that shares do not trade at a significant discount or premium to their prevailing NAV. Therefore, where deemed to be in shareholders' long-term interests, the Board may exercise its powers to issue shares or buy back shares with the objective of ensuring that an excessive premium or discount does not arise.	The Board monitors the Company's share rating on an ongoing basis and receives regular updates from the Manager and the Company's Broker regarding the level of discount or premium and the drivers behind this. The portfolio managers provide regular performance updates and detailed performance attribution. The Board believes that the best way of maintaining the share rating at an optimal level over the long term is to create demand for the shares in the secondary market. To this end, the Investment Manager is devoting considerable effort to broadening the awareness of the Company, particularly to wealth managers and to the wider retail shareholder market. In addition, the Board has worked closely with the Manager to develop the Company's marketing strategy, with the aim of ensuring effective communication with existing shareholders and to attract new shareholders to the Company in order to improve liquidity in the Company's shares and to sustain the share rating of the Company. During the year, the Board engaged regularly with the Manager and welcomed the increased level of marketing support provided to promote BlackRock Investment Trusts in the UK market. The Board was pleased to see additional marketing resources committed to the development of a new advertising campaign designed to raise awareness of the BlackRock Investment Trust range. Alongside this, the Board recognises the importance of income to its shareholders and, following discussions with its advisers, concluded that an increased frequency	The Board will continue to monitor the Company's premium/discount to NAV and will look to issue, buy back shares and/or operate six monthly tender offers if it is deemed to be in the interests of shareholders as a whole. The Board decided not to implement a semi-annual tender offer in November 2026 as, over the six months to 31 August 2026, the average discount to NAV (cum income) was 6.7%[1]. It also decided not to implement the May 2026 semi-annual tender offer, as over the six months to 31 March 2026, the average discount to NAV (cum income) was 5.3%[1]. As the Company's buyback activity has minimized the Company's discount volatility, the Board concluded that it was not in the interests of shareholders to implement the latest semi-annual tender offers. During the financial year the Company did not reissue any ordinary shares from treasury. The Company bought back 5,434,110 ordinary shares during the financial year and a further 982,297 since the year end (up to close of business on 29 October 2026). As at 29 October 2026 the Company's shares were trading at a discount of 7.7%[1] to the cum income NAV.

	of dividend payments would be welcomed by shareholders. The Board also notes the importance of the Company's dividend approach being attractive to both existing and also new investors, which will help to support demand for its shares and to narrow the discount. The Company is therefore introducing a progressive enhanced dividend policy whereby it will make four quarterly dividend payments in place of the previous bi-annual dividend payments. The Company will target an annual dividend equivalent to 4.5% of the Company's NAV at the preceding financial year end (31 August), payable in four quarterly instalments. The Board retains discretion to increase the dividend in absolute terms to ensure the progressive nature of the policy. The Board's intention is to make three interim dividend payments in March, June and September each year. It will then declare a final dividend for the full year (payable in December) reflecting the final amount required to ensure an appropriate level of full year dividend. As part of its ongoing consideration of the Company's approach to shareholder returns and liquidity, the Board has also agreed to introduce a performance-linked conditional tender mechanism. The new mechanism will be in addition to the Company's existing discretionary tender mechanism and is intended to provide shareholders with a clear and transparent potential liquidity opportunity in the event of sustained investment underperformance. The conditional tender mechanism will operate over a five-year performance measurement period ending in the 2031 financial year. Performance will be assessed by reference to the Company's NAV total return against its reference index, the FTSE World Europe ex UK Total Return Index (GBP). If the Company's NAV total return underperforms the reference index over the relevant five-year measurement period, the Board intends to offer shareholders the opportunity to tender up to 25% of the Company's issued share capital at a price equivalent to a 2% discount to the prevailing NAV, subject to obtaining the necessary shareholder approvals and satisfying all applicable legal and regulatory requirements at that time.	

Service levels of third party providers

Issue	Engagement	Impact
The Board acknowledges the importance of ensuring that the Company's principal suppliers are providing a suitable level of service, including the Manager in respect of investment	The Manager reports to the Board on the Company's performance on a regular basis. The Board carries out a robust annual evaluation of the Manager's performance, their commitment and available resources. The Board performs an annual review	All performance evaluations were performed on a timely basis and the Board concluded that all key third-party service providers, including the Manager, were operating effectively and providing a good level of service. The Board has received updates in respect of

performance and delivering on the Company's investment mandate; the Custodian and Depositary in respect of their duties towards safeguarding the Company's assets; the Registrar in its maintenance of the Company's share register and dealing with investor queries; and the Company's Broker in respect of the provision of advice and acting as a market maker for the Company's shares.

of the service levels of all third-party service providers and concludes on their suitability to continue in their role. The Board receives regular updates from the AIFM, Depositary, Registrar and Broker on an ongoing basis.

The Board works closely with the Manager to gain comfort that relevant business continuity plans are in place and operating effectively for all of the Company's key service providers.

The Board monitors the fees paid to third party providers and works closely with the Manager to ensure that fees are competitive and in line with market levels.

business continuity planning from the Company's Manager, Custodian, Depositary, Fund Accountant, Registrar, Printer and Broker and is confident that arrangements in place are appropriate.

During the year the Board entered into negotiations with the Manager over the level of management fee paid and it agreed that a reduced fee would apply with effect from 1 September 2026, whereby a rate of 0.60% would apply on net assets up to and including £400 million, 0.55% on net assets in excess of £400 million up to and including £1 billion and 0.525% on net assets in excess of £1 billion. This reduction in the management fee increases shareholders' investment returns and will reduce the ongoing charges ratio.

Board composition

Issue

The Board is committed to ensuring that its own composition brings an appropriate balance of knowledge, experience and skills, and that it is compliant with best corporate governance practice under the UK Code, including guidance on tenure and the composition of the Board's committees.

Engagement

During 2026 the Board engaged the services of an external search consultant, Cornforth Consulting, to identify potential candidates to replace Mr Baxter who will retire following the Annual General Meeting on 10 December 2026. The Nomination Committee agreed the selection criteria and the method of selection, recruitment and appointment.

The Board engaged an external firm (BoardForms) to carry out an independent external evaluation of the Board in 2026.

All Directors are subject to a formal evaluation process on an annual basis (more details and the conclusions of the 2026 evaluation process are given within the Annual Report and Financial Statements). All Directors stand for re-election/election by shareholders annually.

Shareholders may attend the Annual General Meeting and raise any queries in respect of Board composition or individual Directors in person or may contact the Company Secretary or the Chairman using the details provided within the Annual Report and Financial Statements with any issues.

Impact

As a result of the recruitment process, Mr Stephen Russell was appointed as a Director of the Company on 2 November 2026.

The Board has considered the recommendations of both the Parker Review, which focuses on ethnic diversity, and the FTSE Women Leaders Review, which focuses on gender diversity and the representation of women on boards and in senior leadership. As at the date of this report, the Board was comprised of four men and two women. Two Board Directors, Mr Baxter and Dr Subacchi, have a tenure in excess of 9 years. In accordance with the Board's succession plan, Mr Baxter will retire at the forthcoming Annual General Meeting (AGM) and Dr Subacchi at the AGM in 2027. The Board currently meets the recommendations of the Parker Review but not those of the FTSE Women Leaders Review. However, following Mr Baxter's retirement at the AGM, women will represent 40% of the Board and the Board will therefore meet the Review's recommendation.

Details of each Director's contribution to the success and promotion of the Company are set out in the Directors' Report contained within the Annual Report and Financial Statements and details of Directors' biographies can be found within the Annual Report and Financial Statements.

The Directors are not aware of any issues that have been raised directly by shareholders in respect of Board composition in the year under review. Details of the proxy voting results in favour and against individual Directors' re-election at the 2025 Annual General Meeting are given on the Manager's website at www.blackrock.com/uk/brge.

[1] Alternative Performance Measures, see Glossary in the Annual Report and Financial Statements.

Environmental, Social and Governance issues and approach

The Company's approach to ESG

Environmental, Social and Governance (ESG) issues can present both opportunities and risks to long-term investment performance. Whilst the Company does not exclude investment in stocks purely on ESG criteria, material ESG analytics are integrated into the investment process when weighing up the risk and reward benefits of investment decisions and the Board believes that communication and engagement with portfolio companies is important and can lead to better outcomes for shareholders and the environment than merely excluding investment in certain areas.

More information on BlackRock's global approach to ESG integration, as well as activity specific to the BlackRock Greater Europe Investment Trust plc portfolio, is set out below. BlackRock has defined ESG integration as the practice of incorporating financially material E, S and/or G data and information and consideration of sustainability risks into investment decisions with the objective of enhancing risk-adjusted returns. ESG integration does not change the Company's investment objective. More information on sustainability risks may be found in the AIFMD Fund Disclosures document of the Company available on the Company's website at www.blackrock.com/uk/brge.

BlackRock's approach to material ESG integration

BlackRock's clients have a wide range of perspectives on a variety of issues and investment themes, including sustainable and low-carbon transition investing. Given the wide range of unique and varied investment objectives sought by its clients, BlackRock's investment teams have a range of approaches to considering financially material E, S, and/or G factors. As with other investment risks and opportunities, the financial materiality of E, S and/or G considerations may vary by issuer, sector, product, mandate, and time horizon. Depending on the investment approach, this financially material E, S and/or G data or information may help inform due diligence, portfolio or index construction, and/or monitoring processes of client portfolios, as well as BlackRock's approach to risk management.

BlackRock's ESG integration framework is built upon its history as a firm founded on the principle of thorough and thoughtful risk management. Aladdin, BlackRock's core risk management and investment technology platform, allows investors to leverage financially material E, S and/or G data or information as well as the combined experience of BlackRock's investment teams to effectively identify investment opportunities and investment risks. BlackRock's heritage in risk management combined with the strength of the Aladdin platform enables BlackRock's approach to ESG integration.

BlackRock's ESG Integration Statement can be found at
http://www.blackrock.com/corporate/literature/publication/blk-esg-investment-statement-web.pdf.

Investment Stewardship

BlackRock Greater Europe Investment Trust plc – Investment Stewardship engagement with portfolio companies for the year ended 31 August 2026

The BlackRock European Equity team has excellent access to company management teams and undertakes about 2,500 company meetings each year to identify high quality, cash generative businesses with strong management teams that are able to generate growth in a more challenging economic environment. In addition, BlackRock also has a separate stewardship function. Effective from 1 January 2025, BlackRock's stewardship policies are being developed and implemented by two independent, specialist teams: BlackRock Investment Stewardship (BIS) and BlackRock Active Investment Stewardship (BAIS). BIS is responsible for activities in relation to clients' assets managed by certain index equity portfolio managers, while BAIS partners with BlackRock's active investment teams on company engagement and voting in relation to their holdings. Since 1 January 2025, BAIS has overseen investment stewardship for the Company's portfolio holdings.

The respective investment stewardship teams engage with companies, vote proxies on behalf of clients, contribute to industry dialogue on stewardship and report on their activities. The teams aim to maintain a globally consistent approach while acknowledging the unique markets and sectors in which companies operate.

For the year to 31 August 2026, the BlackRock Active Investment stewardship team at BlackRock engaged on a range of governance issues with the management teams of 15 companies in the portfolio of BlackRock Greater Europe Investment Trust plc, representing 33.0% of the portfolio holdings at 31 August 2026. Additional information is set out in the table below and the charts contained within the Annual Report and Financial Statements as well as the key engagement themes for the meetings held in respect of the Company's portfolio holdings.

	Year ended 31 August 2026
Number of engagements held[1]	20
Number of companies met[1]	15
% of equity investments covered[2]	33.0%
Shareholder meetings voted at[3]	42
Number of proposals voted on[3]	666
Number of votes against management[1]	19
% of total items voted represented by votes against management	2.9%

========

[1] Source: BlackRock as at 31 August 2026.

[2] Source: BlackRock. As a percentage of total portfolio holdings at 31 August 2026.

[3] Source: BlackRock, Institutional Shareholder Services as at 31 August 2026.

Investment stewardship policies

The benchmark investment stewardship policies, which include BIS' Global Principles, regional voting guidelines and Engagement Priorities, and BAIS' Global Engagement and Voting Guidelines, set out the core elements of corporate governance that guide the investment stewardship teams' efforts. Each team takes a globally consistent approach, while recognising the unique markets and sectors in which companies operate.

These benchmark policies are reviewed annually to reflect changes in market standards, regulations, and feedback from clients and companies.

BlackRock is committed to transparency in terms of disclosure of its stewardship activities on behalf of clients. The investment stewardship teams publish their voting policies to help BlackRock's clients understand their work to advance clients' interests as investors in public companies. BlackRock's stewardship policies and reporting are available at www.blackrock.com/corporate/insights/investment-stewardship.

By order of the Board

LUCY DINA
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary

2 November 2026

Related Party Transactons

BlackRock Fund Managers Limited (BFM) provides management and administration services to the Company under a contract which is terminable on six months' notice. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed in the Directors' Report contained within the Annual Report and Financial Statements.

With effect from 1 September 2025, the investment management fee is levied quarterly based on a tiered basis: 0.65% of month-end net assets up to and including £400 million, 0.60% of month-end net assets in excess of £400 million up to and including £1 billion and 0.525% of month-end net assets in excess of £1 billion. The investment management fee for the year ended 31 August 2026 amounted to £3,632,000 (2025: £4,772,000). At the year end, £1,856,000 was outstanding in respect of the management fee (2025: £1,192,000).

In addition to the above services, BIM (UK) provided the Company with marketing services. The total fees for these services for the year ended 31 August 2026 amounted to £209,000 excluding VAT (2025: £101,000). Marketing fees of £257,000 excluding VAT were outstanding at 31 August 2026 (2025: £168,000).

During the year, the Manager pays the fees and expenses due to the Directors. These amounts are then reimbursed by the Company for the payments made on its behalf. As at 31 August 2026, an amount of £347,000 was payable to the Manager in respect of Directors' fees (2025: £141,000).

The Company has an investment in the BlackRock Institutional Cash Series plc - Euro Liquid Environmentally Aware Fund of £nil (2025: £16,221,000) which has been presented in the financial statements as a cash equivalent.

The ultimate holding company of the Manager and the Investment Manager is BlackRock, Inc., a company incorporated in Delaware, USA.

Disclosures of the Directors' interests in the ordinary shares of the Company and fees and expenses payable to the Directors are set out in the Directors' Remuneration Report contained within the Annual Report and Financial Statements. At 31 August 2026, an amount of £17,000 (2025: £19,000) was outstanding in respect of Directors' fees.

The Board currently consists of six non-executive Directors, all of whom are considered to be independent of the Company's Manager. Provision 9 of the UK Code which relates to the combination of the roles of the chairman and chief executive does not apply as the Company has no executive directors. The UK Code recommends that the Board should appoint one of the independent non-executive directors to be the senior independent director to provide a sounding board for the Chairman and to serve as an intermediary for the other Directors when necessary. The Code states that the senior independent director should be available to shareholders if they have concerns which contact through the normal channel of the chairman has failed to resolve or for which such contact is inappropriate. Dr Subacchi is the Company's Senior Independent Director. The Board's primary purpose is to direct the Company to maximise shareholder value within a framework of proper controls and in accordance with the Company's investment objective.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company as at the end of each financial year and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- present fairly the financial position, financial performance and cash flows of the Company;

- select suitable accounting policies and then apply them consistently;

- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing the Strategic Report, the Directors' Report, the Directors' Remuneration Report, the Corporate Governance Statement and the Report of the Audit and Management Engagement Committee in accordance with the Companies Act 2006 and applicable regulations, including the requirements of the Listing Rules and the Disclosure Guidance and Transparency Rules. The Directors have delegated responsibility to the Manager for the maintenance and integrity of the Company's corporate and financial information included on the BlackRock website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors at the date of this report, whose names are listed within the Annual Report and Financial Statements, confirms to the best of their knowledge that:

- the Financial Statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and

- the Strategic Report contained in the Annual Report and Financial Statements includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The 2024 UK Corporate Governance Code also requires Directors to ensure that the Annual Report and Financial Statements are fair, balanced and understandable. In order to reach a conclusion on this matter, the Board has requested that the Audit and Management Engagement Committee advise on whether it considers that the Annual Report and Financial Statements fulfils these requirements. The process by which the Committee has reached these

conclusions is set out in the Audit and Management Engagement Committee's Report contained within the Annual Report and Financial Statements. As a result, the Board has concluded that the Annual Report and Financial Statements for the year ended 31 August 2026, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

For and on behalf of the Board
ANDREW IMPEY
Chairman

2 November 2026

INCOME STATEMENT

for the year ended 31 August 2026

	Notes	2026 Revenue £'000	2026 Capital £'000	2026 Total £'000	2025 Revenue £'000	2025 Capital £'000	2025 Total £'000
Gains/(losses) on investments held at fair value through profit or loss		–	41,287	41,287	–	(41,608)	(41,608)
Gains/(losses) on foreign exchange		–	865	865	–	(249)	(249)
Income from investments held at fair value through profit or loss	3	12,169	–	12,169	9,222	–	9,222
Other income	3	54	–	54	1	–	1
Total income/(loss)		**12,223**	**42,152**	**54,375**	**9,223**	**(41,857)**	**(32,634)**
Expenses							
Investment management fee	4	(726)	(2,906)	(3,632)	(954)	(3,818)	(4,772)
Other operating expenses	5	(1,013)	(14)	(1,027)	(826)	(15)	(841)
Total operating expenses		**(1,739)**	**(2,920)**	**(4,659)**	**(1,780)**	**(3,833)**	**(5,613)**
Net profit/(loss) before finance costs and taxation		**10,484**	**39,232**	**49,716**	**7,443**	**(45,690)**	**(38,247)**
Finance costs		(183)	(732)	(915)	(297)	(1,190)	(1,487)
Net profit/(loss) before taxation		**10,301**	**38,500**	**48,801**	**7,146**	**(46,880)**	**(39,734)**
Taxation charge		(2,232)	–	(2,232)	(462)	–	(462)
Net profit/(loss) after taxation	**7**	**8,069**	**38,500**	**46,569**	**6,684**	**(46,880)**	**(40,196)**
Earnings/(loss) per ordinary share (pence)	**7**	**8.74**	**41.71**	**50.45**	**6.89**	**(48.30)**	**(41.41)**

The total columns of this statement represent the Company's profit and loss account. The supplementary revenue and capital accounts are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the year. All income is attributable to the equity holders of the Company.

The net profit/(loss) after taxation for the year disclosed above represents the Company's total comprehensive income/(loss).

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 August 2026

	Notes	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
For the year ended 31 August 2026								
At 31 August 2025		118	85,325	130	34,141	437,981	11,384	569,079
Total comprehensive income:								
Net profit for the year		–	–	–	–	38,500	8,069	46,569
Transaction with								

owners, recorded directly to equity:								
Ordinary shares repurchased into treasury	8,9	–	–	–	(31,655)	–	–	(31,655)
Share repurchase costs	8,9	–	–	–	(160)	–	–	(160)
Dividends paid[1]	6	–	–	–	–	–	(6,654)	(6,654)
At 31 August 2026		**118**	**85,325**	**130**	**2,326**	**476,481**	**12,799**	**577,179**
For the year ended 31 August 2025								
At 31 August 2024		118	85,325	130	58,331	484,862	11,534	640,300
Total comprehensive (loss)/income:								
Net (loss)/profit for the year		–	–	–	–	(46,880)	6,684	(40,196)
Transaction with owners, recorded directly to equity:								
Ordinary shares repurchased into treasury	8,9	–	–	–	(24,099)	–	–	(24,099)
Share repurchase costs	8,9	–	–	–	(91)	(1)	–	(92)
Dividends paid[2]	6	–	–	–	–	–	(6,834)	(6,834)
At 31 August 2025		**118**	**85,325**	**130**	**34,141**	**437,981**	**11,384**	**569,079**

1 Interim dividend paid in respect of the year ended 31 August 2026 of 1.75p per share was declared on 20 May 2026 and paid on 24 June 2026. Final dividend paid in respect of the year ended 31 August 2025 of 5.40p per share was declared on 4 November 2025 and paid on 19 December 2025.

2 Interim dividend paid in respect of the year ended 31 August 2025 of 1.75p per share was declared on 6 May 2025 and paid on 18 June 2025. Final dividend paid in respect of the year ended 31 August 2024 of 5.25p per share was declared on 5 November 2024 and paid on 20 December 2024.

For information on the Company's distributable reserves, please refer to note 9 below.

BALANCE SHEET

as at 31 August 2026

	Notes	2026 £'000	2025 £'000
Non current assets			
Investments held at fair value through profit or loss		624,961	551,175
Current assets			
Current taxation asset		2,385	4,229
Debtors		543	640
Cash and cash equivalents – cash at bank		–	576
Cash and cash equivalents – cash fund[1]		–	16,221
Total current assets		**2,928**	**21,666**
Current liabilities			
Cash and cash equivalents – bank overdraft		(47,733)	(1,468)
Other creditors		(2,977)	(2,294)
Total current liabilities		**(50,710)**	**(3,762)**
Net current (liabilities)/assets		**(47,782)**	**17,904**
Net assets		**577,179**	**569,079**
Total equity			
Called up share capital	8	118	118
Share premium account	9	85,325	85,325
Capital redemption reserve	9	130	130
Special reserve	9	2,326	34,141
Capital reserves	9	476,481	437,981

Revenue reserve	9	12,799	11,384
Total shareholders' funds	**7**	**577,179**	**569,079**
Net asset value per ordinary share (pence)		**643.30**	**598.05**

1 Cash fund represents funds held on deposit with the BlackRock Institutional Cash Series plc - Euro Liquid Environmentally Aware Fund.

STATEMENT OF CASH FLOWS

for the year ended 31 August 2026

	Note	2026	2025
		£'000	£'000
Operating activities			
Net profit/(loss) before taxation		48,801	(39,734)
Changes in working capital items:			
Decrease in debtors		97	108
Increase/(decrease) in other creditors		1,050	(3,131)
Other adjustments:			
Finance costs		915	1,487
(Gains)/losses on investments held at fair value through profit or loss		(41,287)	41,608
(Gains)/losses on foreign exchange		(865)	249
Sale of investments held at fair value through profit or loss		500,096	302,212
Purchase of investments held at fair value through profit or loss		(532,595)	(203,164)
Taxation on investment income		(501)	(3,247)
Interest paid		(915)	(1,487)
Refund of withholding tax reclaims		113	1,656
Net cash (used in)/generated from operating activities		**(25,091)**	**96,557**
Financing activities			
Ordinary shares repurchased into treasury		(32,182)	(24,003)
Dividends paid		(6,654)	(6,834)
Net cash used in financing activities		**(38,836)**	**(30,837)**
(Decrease)/increase in cash and cash equivalents		**(63,927)**	**65,720**
Effect of foreign exchange rate changes		865	(249)
Cash and cash equivalents at start of year		15,329	(50,142)
Cash and cash equivalents at end of year		**(47,733)**	**15,329**
Comprised of:			
Cash at bank		–	576
Cash fund[1]		–	16,221
Bank overdraft		(47,733)	(1,468)
		(47,733)	**15,329**

1. Cash fund represents funds held on deposit with the BlackRock Institutional Cash Series plc - Euro Liquid Environmentally Aware Fund.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2026

1. Principal activity

The Company was incorporated on 1 June 2004 and its principal activity is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010.

2. Significant accounting policies

The principal accounting policies adopted by the Company are set out below:

(a) Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the revised Statement of Recommended Practice – Financial Statements of Investment Trust Companies and Venture Capital Trusts (SORP), issued by the Association of Investment Companies (AIC) in October 2019 and updated in July 2022, and the provisions of the Companies Act 2006.

Substantially, all of the assets of the Company consist of securities that are readily realisable and, accordingly, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the period to 30 November 2027, being a period of at least 12 months from the date of approval of the financial statements, and therefore consider the going concern assumption to be appropriate. The Directors have reviewed compliance with covenants associated with the bank overdraft facility, income and expense projections and the liquidity of the investment portfolio in making their assessment.

The Directors have considered the impact of climate change on the value of the investments included in the Financial Statements and have concluded that there was no further impact of climate change to be considered as the investments are valued based on market pricing as required by FRS 102.

None of the Company's other assets and liabilities were considered to be potentially impacted by climate change.

The principal accounting policies adopted by the Company are set out below. Unless specified otherwise, the policies have been applied consistently throughout the year and are consistent with those applied in the preceding year. All of the Company's operations are of a continuing nature.

The Company's financial statements are presented in Sterling, which is the functional currency of the Company and the primary economic environment in which the Company operates. All values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

(b) Presentation of Income Statement

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and a capital nature has been presented alongside the Income Statement.

(c) Segmental reporting

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

(d) Income

Dividends receivable on equity shares are treated as revenue for the year on an ex-dividend basis. Where no ex-dividend date is available, dividends receivable on or before the year end are treated as revenue for the year. Provisions are made for dividends not expected to be received.

Special dividends are recognised on an ex-dividend basis and treated as capital or revenue depending on the facts or circumstances of each particular dividend.

Dividends are accounted for in accordance with Section 29 of FRS 102 on the basis of income actually receivable, without adjustment for tax credits attaching to the dividend. Dividends from overseas companies continue to be shown gross of withholding tax.

Deposit interest receivable is accounted for using the effective interest rate method in accordance with Section 11 of FRS 102.

Where the Company has elected to receive its dividends in the form of additional shares rather than in cash, the cash equivalent of the dividend is recognised as revenue. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital.

(e) Expenses

All expenses, including finance costs, are accounted for on an accruals basis. Expenses have been charged wholly to the revenue account of the Income Statement, except as follows:

- expenses which are incidental to the acquisition or disposal of an investment are treated as capital. Details of transaction costs on the purchases and sales of investments are disclosed in note 10 contained within the Annual Report and Financial Statements;

- expenses are treated as capital where a connection with the maintenance or enhancement of the value of the investments can be demonstrated; and

- the investment management fee and finance costs have been allocated 20% to the revenue account and 80% to the capital account of the Income Statement in line with the Board's expected long-term split of returns, in the form of income and capital gains respectively, from the investment portfolio.

(f) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that were applicable at the balance sheet date.

The current tax effect of different items of expenditure is allocated between capital and revenue on the marginal basis using the Company's effective rate of corporation tax for the accounting period.

Deferred taxation is recognised in respect of all timing differences at the financial reporting date, where transactions or events that result in an obligation to pay more taxation in the future or right to less taxation in the future have occurred at the balance sheet date. Deferred taxation is measured on a non-discounted basis, at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. This is subject to deferred taxation assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the timing differences can be deducted.

(g) Investments held at fair value through profit or loss

The Company's investments are classified as held at fair value through profit or loss in accordance with Sections 11 and 12 of FRS 102 and are managed and evaluated on a fair value basis in accordance with its investment strategy.

All investments are classified upon initial recognition as held at fair value through profit or loss. Purchases of investments are recognised on a trade date basis. Sales are recognised at the trade date of the disposal and the proceeds are measured at fair value, which is regarded as the proceeds of the sale less any transaction costs.

The fair value of the financial investments is based on their quoted bid price at the balance sheet date on the exchange on which the investment is quoted, without deduction for the estimated future selling costs.

Unquoted investments are valued by the Directors at fair value using International Private Equity and Venture Capital Valuation Guidelines. This policy applies to all current and non-current asset investments of the Company.

Changes in the value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Income Statement 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.

The fair value hierarchy consists of the following three levels:

Level 1 – Quoted market price for identical instruments in active markets.

Level 2 – Valuation techniques using observable inputs.

Level 3 – Valuation techniques using significant unobservable inputs.

(h) Debtors

Debtors include sales for future settlement, other debtors and prepayments and accrued income in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

(i) Creditors

Creditors include purchases for future settlement, interest payable, share buy back costs and accruals in the ordinary course of business. Creditors are classified as creditors - amounts due within one year if payment is due within one year or less (or in the normal operating cycle of business if longer). If not, they are presented as creditors - amounts due after more than one year.

(j) Dividends payable

Under Section 32 of FRS 102, final dividends should not be accrued in the financial statements unless they have been approved by shareholders before the balance sheet date. Dividends payable to equity shareholders are recognised in the Statement of Changes in Equity when they have been approved by shareholders and have become a liability of the Company. Interim dividends are only recognised in the financial statements in the period in which they are paid.

(k) Cash and cash equivalents

Cash comprises cash in hand and on demand deposits. Cash equivalents include bank overdrafts repayable on demand and short term, highly liquid investments, that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

The Company's investment in the cash fund is managed as part of the Company's investment policy and, accordingly, the investment is managed as part of the Company's cash and cash equivalents as defined under FRS 102 and is presented as a cash equivalent in the Financial Statements.

(l) Foreign currency translation

In accordance with Section 30 of FRS 102, the Company is required to nominate a functional currency being the currency in which the Company predominately operates. The functional and reporting currency is Sterling, reflecting the primary economic environment in which the Company operates. Transactions in foreign currencies are translated into Sterling at the rates of exchange ruling on the date of the transaction. Foreign currency monetary assets and liabilities are translated into Sterling at the rates of exchange ruling at the balance sheet date. Profits and losses thereon are recognised in the capital account of the Income Statement and taken to the capital reserves.

(m) Share repurchases, share reissues and new share issues

Shares repurchased and subsequently cancelled – share capital is reduced by the nominal value of the shares repurchased and the capital redemption reserve is correspondingly increased in accordance with Section 733 of the Companies Act 2006. The full cost of the repurchase is charged to the special reserve.

Shares repurchased and held in treasury – the full cost of the repurchase is charged to the special reserve.

Where treasury shares are subsequently reissued:

- amounts received to the extent of the repurchase price are credited to the special reserve and capital reserves based on a weighted average basis of amounts utilised from these reserves on repurchases; and

- any surplus received in excess of the repurchase price is taken to the share premium account.

Where new shares are issued, the par value is taken to called up share capital and amounts received to the extent of any surplus received in excess of the par value are taken to the share premium account.

Share issue costs are charged to the share premium account. Costs on share reissues are charged to the special reserve and capital reserves.

(n) Bank borrowings

Bank overdrafts are recorded as the proceeds received. Finance charges are accounted for on an accruals basis in the Income Statement.

(o) Critical accounting estimates and judgements

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors do not believe that any accounting judgements or estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

3. Income

	2026 £'000	2025 £'000
Investment income:		
UK dividends	–	656
Overseas dividends	11,712	8,442
Overseas special dividends	457	124

Total investment income	**12,169**	**9,222**
Other income:		
Interest from cash fund	53	–
Interest received	1	1
Total other income	**54**	**1**
Total	**12,223**	**9,223**

Dividends and interest received in cash during the year amounted to £11,931,000 and £54,000 respectively (2025: £6,719,000 and £1,000).

No special dividends have been recognised in capital during the year (2025: £nil).

4. Investment management fee

	2026			2025		
	Revenue £'000	**Capital £'000**	**Total £'000**	**Revenue £'000**	**Capital £'000**	**Total £'000**
Investment management fee	726	2,906	3,632	954	3,818	4,772
Total	**726**	**2,906**	**3,632**	**954**	**3,818**	**4,772**

Up to 31 August 2025, the investment management fee was levied quarterly based on a tiered basis: 0.85% per annum of the month-end net asset value up to £350 million and 0.75% per annum of the month-end net asset value above £350 million.

With effect from 1 September 2025, the Company's annual management fee was reduced to the following tiers: 0.65% of month-end net assets up to and including £400 million, 0.60% of month-end net assets in excess of £400 million up to and including £1 billion and 0.525% of month-end net assets in excess of £1 billion.

The investment management fee is allocated 20% to the revenue account and 80% to the capital account of the Income Statement. There is no additional fee for company secretarial and administration services.

5. Other operating expenses

	2026 £'000	**2025 £'000**
Allocated to revenue:		
Broker fees	49	48
Custody fees	66	68
Depositary fees	66	68
Audit fees[1]	59	59
Registrar's fees	106	98
Directors' emoluments[2]	215	207
Marketing fees	142	101
Marketing fees - under accrual for prior years[3]	67	–
Postage and printing fees	59	59
AIC fees	29	23
Legal and professional fees	18	27
Stock exchange listing fees	39	37
Write back of prior year expense accruals[4]	–	(10)
Other administration costs	98	41
Total revenue expenses	**1,013**	**826**
Allocated to capital:		
Custody transaction costs[5]	14	15
Total capital expenses	**14**	**15**
Total	**1,027**	**841**
	2026 %	**2025 %**
Ongoing charges[6]	0.80	0.95

1 No non-audit services are provided by the Company's auditors (2025: none).

2 Further information on Directors' emoluments can be found in the Directors' Remuneration Report contained within the Annual Report and Financial Statements. The Company has no employees.

3 Marketing expenses under accrued for prior years of £67,000 have been expensed in the current year (2025: £nil).

4 No expenses were written back in the year ended 31 August 2026 (2025: legal fees and other administration costs).

5 For the year ended 31 August 2026, expenses of £14,000 (2025: £15,000) were charged to the capital account of the Income Statement. These relate to transaction costs charged by the custodian on sale and purchase trades.

6 The Company's ongoing charges are calculated as a percentage of average daily net assets and using the management fee and all other operating expenses, excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items. Alternative Performance Measure, see Glossary contained within the Annual Report and Financial Statements.

6. Dividends

	2026	2025
Dividends paid on equity shares:	**£'000**	**£'000**
Year ended 31 August 2024		
Final dividend of 5.25p paid on 20 December 2024	–	5,154
Year ended 31 August 2025		
Interim dividend of 1.75p paid on 18 June 2025	–	1,680
Final dividend of 5.40p paid on 19 December 2025	5,060	–
Year ended 31 August 2026		
Interim dividend of 1.75p paid on 24 June 2026	1,594	–
Accounted for in the financial statements	**6,654**	**6,834**

The Directors have proposed a final dividend of 6.25p per share in respect of the year ended 31 August 2026. The final dividend will be paid on 18 December 2026, subject to shareholders' approval on 10 December 2026, to shareholders on the Company's register on 20 November 2026. The proposed final dividend has not been included as a liability in these financial statements as final dividends are only recognised in the financial statements when they have been approved by shareholders.

The total dividends payable in respect of the year which form the basis of determining retained income for the purpose of Section 1158 of the Corporation Tax Act 2010 and Section 833 of the Companies Act 2006, and the amount proposed for the year ended 31 August 2026, meet the relevant requirements as set out in this legislation.

	2026	2025
Dividends paid or proposed on equity shares:	**£'000**	**£'000**
Interim paid of 1.75p (2025: 1.75p)	1,594	1,680
Final proposed of 6.25p[1] (2025: 5.40p)	5,546	5,075
Total for the year	**7,140**	**6,755**

1 Based on 88,739,015 ordinary shares (excluding treasury shares) in issue on 29 October 2026.

All dividends paid or payable are distributed from the Company's current year revenue profits and, if required, from brought forward revenue reserves.

7. Earnings and net asset value per ordinary share

Revenue, capital earnings/(loss) and net asset value per ordinary share are shown below and have been calculated using the following:

	2026	2025
Net revenue profit attributable to ordinary shareholders (£'000)	8,069	6,684
Net capital profit/(loss) attributable to ordinary shareholders (£'000)	38,500	(46,880)

Total profit/(loss) attributable to ordinary shareholders (£'000)	**46,569**	**(40,196)**
Total shareholders' funds (£'000)	**577,179**	**569,079**
Earnings per share		
The weighted average number of ordinary shares in issue during the year on which the earnings per ordinary share was calculated was:	92,298,842	97,066,146
The actual number of ordinary shares in issue at the end of the year on which the net asset value per ordinary share was calculated was:	89,721,312	95,155,422
Calculated on weighted average number of ordinary shares:		
Revenue earnings per share (pence) – basic and diluted	8.74	6.89
Capital earnings/(loss) per share (pence) - basic and diluted	41.71	(48.30)
Total earnings/(loss) per share (pence) – basic and diluted	**50.45**	**(41.41)**
	As at 31 August 2026	**As at 31 August 2025**
Net asset value per share (pence)	643.30	598.05
Ordinary share price (pence)	610.00	570.00

There were no dilutive securities at the year end (2025: none).

8. Called up share capital

	Ordinary shares number	Treasury shares number	Total shares number	Nominal value £'000
Allotted, called up and fully paid share capital comprised:				
Ordinary shares of 0.1 pence each:				
At 31 August 2024	**99,332,161**	**18,596,777**	**117,928,938**	**118**
Ordinary shares repurchased into treasury	(4,176,739)	4,176,739	–	–
At 31 August 2025	**95,155,422**	**22,773,516**	**117,928,938**	**118**
Ordinary shares repurchased into treasury	(5,434,110)	5,434,110	–	–
At 31 August 2026	**89,721,312**	**28,207,626**	**117,928,938**	**118**

During the year ended 31 August 2026, 5,434,110 ordinary shares (2025: 4,176,739) were repurchased and held in treasury for a net consideration after expenses of £31,815,000 (2025: £24,191,000).

Since 31 August 2026 and up to the latest practicable date of 29 October 2026, a further 982,297 ordinary shares have been repurchased for a net consideration after expenses of £5,727,000.

9. Reserves

				Distributable Reserves[1]		
	Share premium account £'000	Capital redemption reserve £'000	Special reserve[2] £'000	Capital reserve (arising on investments sold) £'000	Capital reserve (arising on revaluation of investments held) £'000	Revenue reserve £'000
At 31 August 2024	**85,325**	**130**	**58,331**	**255,347**	**229,515**	**11,534**
Movement during the year:						
Total comprehensive income/(loss):						
Net profit/(loss) for the year	–	–	–	53,218	(100,098)	6,684
Transactions with owners, recorded directly to equity:						
Ordinary shares repurchased into treasury	–	–	(24,099)	–	–	–
Share repurchase costs	–	–	(91)	(1)	–	–
Dividends paid during the year	–	–	–	–	–	(6,834)
At 31 August 2025	**85,325**	**130**	**34,141**	**308,564**	**129,417**	**11,384**
Movement during the year:						
Total comprehensive						

income/(loss):						
Net profit/(loss) for the year	–	–	–	84,031	(45,531)	8,069
Transactions with owners, recorded directly to equity:						
Ordinary shares repurchased into treasury	–	–	(31,655)	–	–	–
Share repurchase costs	–	–	(160)	–	–	–
Dividends paid during the year	–	–	–	–	–	(6,654)
At 31 August 2026	**85,325**	**130**	**2,326**	**392,595**	**83,886**	**12,799**

1 The share premium account and capital redemption reserve of £85,325,000 and £130,000 (2025: £85,325,000 and £130,000) are not distributable reserves under the Companies Act 2006. In accordance with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under the Companies Act 2006, the special reserve and capital reserves may be used as distributable reserves for all purposes and, in particular, the repurchase by the Company of its ordinary shares and for payments such as dividends. In accordance with the Company's Articles of Association, the special reserve of £2,326,000 (2025: £34,141,000), capital reserves of £476,481,000 (2025: £437,981,000) and the revenue reserve of £12,799,000 (2025: £11,384,000) may be distributed by way of dividend. The gain on the capital reserve arising on the revaluation of investments held of £83,886,000 (2025: £129,417,000) is subject to fair value movements and may not be readily realisable at short notice. The distributability of this portion of the reserve has not been analysed as it is complex to determine. This complexity is explained further in ICAEW Technical Release 02/17BL, which offers guidance on the realised and distributable profits under the Companies Act 2006, as such it may not be entirely distributable. The investments are subject to financial risks, as such the capital reserves (arising on investments sold) and the revenue reserve may not be entirely distributable if a loss occurred during the realisation of these investments.
As at 31 August 2026, the Company's distributable reserves excluding capital reserves on the revaluation of investments amounted to £407,720,000 (2025: £354,089,000).

2 Relates to amount transferred from the share premium account to a special reserve pursuant to Court approval received on 15 October 2004.

10. Valuation of financial instruments

Financial assets and financial liabilities are either carried in the Balance Sheet at their fair value (investments) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash at bank and bank overdrafts). Section 34 of FRS 102 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Company are explained in the accounting policies note to the Financial Statements contained within the Annual Report and Financial Statements.

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.

The fair value hierarchy has the following levels:

Level 1 – Quoted market price for identical instruments in active markets

A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Company does not adjust the quoted price for these instruments.

Level 2 – Valuation techniques using observable inputs

This category includes instruments valued using quoted prices for similar instruments in markets that are considered less active, or other valuation techniques where significant inputs are directly or indirectly observable from market data.

Level 3 – Valuation techniques using significant unobservable inputs

This category includes all instruments where the valuation technique includes inputs not based on market data and these inputs could have a significant impact on the instrument's valuation.

This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that

measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability including an assessment of the relevant risks including but not limited to credit risk, market risk, liquidity risk, business risk and sustainability risk. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager and these risks are adequately captured in the assumptions and inputs used in the measurement of Level 3 assets or liabilities.

Fair values of financial assets and financial liabilities

The table below is an analysis of the Company's financial instruments measured at fair value at the balance sheet date.

Financial assets at fair value through profit or loss	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Equity investments at 31 August 2026	624,960	–	1	624,961
Equity investments at 31 August 2025	551,174	–	1	551,175

The Company held two Level 3 securities as at 31 August 2026 (2025: two).

A reconciliation of fair value measurement in Level 3 is set out below.

Level 3 financial assets at fair value through profit or loss	**2026 £'000**	**2025 £'000**
Opening fair value	1	1
Loss on investments included in gains on investments in the Income Statement	–	–
Closing balance	**1**	**1**

As at 31 August 2026, the investments in Sberbank and Lukoil have been valued at a nominal value of £0.01 due to the closure of the Moscow Stock Exchange to overseas investors and the secondary listings of depositary receipts of Russian companies having been suspended from trading. At the time of the invasion of Ukraine on 23 February 2022, the original book cost of these holdings was £28.7 million and its carrying value was £20.7 million and these amounts were fair valued to a nominal value of £0.01 on 3 March 2022

For exchange listed equity investments, the quoted price is the bid price. Substantially, all investments are valued based on unadjusted quoted market prices. Where such quoted prices are readily available in an active market, such prices are not required to be assessed or adjusted for any business risks, including climate change risk, in accordance with the fair value related requirements of the Company's financial reporting framework.

11. Transactions with the Investment Manager and AIFM

BlackRock Fund Managers Limited (BFM) provides management and administration services to the Company under a contract which is terminable on six months' notice. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed in the Directors' Report contained within the Annual Report and Financial Statements.

With effect from 1 September 2025, the investment management fee is levied quarterly based on a tiered basis: 0.65% of month-end net assets up to and including £400 million, 0.60% of month-end net assets in excess of £400 million up to and including £1 billion and 0.525% of month-end net assets in excess of £1 billion. The investment management fee for the year ended 31 August 2026 amounted to £3,632,000 (2025: £4,772,000). At the year end, £1,856,000 was outstanding in respect of the management fee (2025: £1,192,000).

In addition to the above services, BIM (UK) provided the Company with marketing services. The total fees for these services for the year ended 31 August 2026 amounted to £209,000 excluding VAT (2025: £101,000). Marketing fees of £257,000 excluding VAT were outstanding at 31 August 2026 (2025: £168,000).

During the year, the Manager pays the fees and expenses due to the Directors. These amounts are then reimbursed by the Company for the payments made on its behalf. As at 31 August 2026, an amount of £347,000 was payable to the Manager in respect of Directors' fees (2025: £141,000).

The Company has an investment in the BlackRock Institutional Cash Series plc - Euro Liquid Environmentally Aware Fund of £nil (2025: £16,221,000) which has been presented in the financial statements as a cash equivalent.

The ultimate holding company of the Manager and the Investment Manager is BlackRock, Inc., a company incorporated in Delaware, USA.

12. Related party disclosure

Disclosures of the Directors' interests in the ordinary shares of the Company and fees and expenses payable to the Directors are set out in the Directors' Remuneration Report contained within the Annual Report and Financial Statements. At 31 August 2026, an amount of £17,000 (2025: £19,000) was outstanding in respect of Directors' fees.

Significant holdings

The following investors are:

a. funds managed by the BlackRock Group or are affiliates of BlackRock, Inc. (Related BlackRock Funds); or

b. investors (other than those listed in (a) above) who held more than 20% of the voting shares in issue in the Company and are, as a result, considered to be related parties to the Company (Significant Investors).

	Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
As at 31 August 2026	1.1	n/a	n/a
As at 31 August 2025	1.3	n/a	n/a

13. Contingent liabilities

There were no contingent liabilities at 31 August 2026 (2025: none).

14. Publication of non-statutory accounts

The financial information contained in this announcement does not constitute statutory accounts as defined in the Companies Act 2006. The Annual Report and Financial Statements for the year ended 31 August 2026 will be filed with the Registrar of Companies after the Annual General Meeting.

The figures set out above have been reported upon by the auditor, whose report for the year ended 31 August 2026 contains no qualification or statement under Section 498(2) or (3) of the Companies Act 2006.

The comparative figures are extracts from the audited financial statements of BlackRock Greater Europe Investment Trust plc for the year ended 31 August 2025, which have been filed with the Registrar of Companies. The report of the auditor on those financial statements contained no qualification or statement under Section 498 of the Companies Act.

15. Annual report

Copies of the Annual Report and Financial Statements will be published shortly and will be available from the registered office, c/o The Company Secretary, BlackRock Greater Europe Investment Trust plc, 12 Throgmorton Avenue, London EC2N 2DL.

16. Annual General Meeting

The Annual General Meeting of the Company will be held at the offices of BlackRock, 12 Throgmorton Avenue, London EC2N 2DL on Thursday, 10 December 2026 at 12 noon.

ENDS

The Annual Report will also be available on the BlackRock website at www.blackrock.com/uk/brge. Neither the contents of the Manager's website nor the contents of any website accessible from hyperlinks on the Manager's website (or any other website) is incorporated into, or forms part of, this announcement.

For further information please contact:

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2 November 2026