

# Final Results

## BlackRock Throgmorton Trust plc

(Legal Entity Identifier: 5493003B7ETS1JEDPF59)  
Information disclosed in accordance with Article 5 Transparency Directive and DTR 4.1

## Annual Results Announcement for the year ended 30 November 2025

### Performance record

|                                                                          | As at<br>30 November<br>2025                               | As at<br>30 November<br>2024                               |
|--------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Net assets (£'000) <sup>1</sup>                                          | 501,618                                                    | 595,908                                                    |
| Net asset value per ordinary share (pence)                               | 668.53                                                     | 682.82                                                     |
| Ordinary share price (pence)                                             | 612.00                                                     | 593.00                                                     |
| Benchmark Index <sup>2</sup>                                             | 18,494.13                                                  | 16,794.26                                                  |
| Discount to cum income net asset value <sup>3</sup>                      | (8.5)%                                                     | (13.2)%                                                    |
|                                                                          | =====                                                      | =====                                                      |
|                                                                          | For the year<br>ended<br>30 November<br>2025               | For the year<br>ended<br>30 November<br>2024               |
| Performance (with dividends reinvested)                                  |                                                            |                                                            |
| Net asset value per share <sup>3</sup>                                   | 0.7%                                                       | 16.3%                                                      |
| Ordinary share price <sup>3</sup>                                        | 6.5%                                                       | 5.0%                                                       |
| Benchmark Index <sup>2</sup>                                             | 10.1%                                                      | 14.1%                                                      |
| Average discount to cum income net asset value for the year <sup>3</sup> | (10.5)%                                                    | (9.3)%                                                     |
|                                                                          | =====                                                      | =====                                                      |
|                                                                          | Performance<br>for the ten years<br>to 30 November<br>2025 | Performance<br>for the ten years<br>to 30 November<br>2024 |
| Performance (with dividends reinvested)                                  |                                                            |                                                            |
| Net asset value per share <sup>3</sup>                                   | 105.1%                                                     | 150.9%                                                     |
| Ordinary share price <sup>3</sup>                                        | 119.8%                                                     | 163.7%                                                     |
| Benchmark Index <sup>2</sup>                                             | 59.6%                                                      | 62.1%                                                      |
|                                                                          | =====                                                      | =====                                                      |
|                                                                          | For the year<br>ended<br>30 November<br>2025               | For the year<br>ended<br>30 November<br>2024               |
| Revenue                                                                  |                                                            | Change<br>%                                                |
| Net revenue profit after taxation (£'000)                                | 13,949                                                     | 17,046                                                     |
| Revenue earnings per ordinary share (pence) <sup>4</sup>                 | 17.70                                                      | 18.54                                                      |

**Dividends per ordinary share (pence)**

|                                     |              |              |            |
|-------------------------------------|--------------|--------------|------------|
| Interim                             | 3.80         | 3.75         | 1.3        |
| Second Interim                      | 15.20        | 14.25        | 6.7        |
|                                     | -----        | -----        | -----      |
| <b>Total dividends payable/paid</b> | <b>19.00</b> | <b>18.00</b> | <b>5.6</b> |
|                                     | =====        | =====        | =====      |

**Strategic Report**

**Chairman’s Statement**

**Dear Shareholder,**

**Future of the Company**

On 20 February this year, your Board announced that the Company had, subject to shareholder approval, agreed a proposed combination of assets (the “Combination”) with BlackRock Smaller Companies Trust plc (‘BRSC’). A Circular to shareholders (the “Circular”) giving information on, and reasons for, the Combination was sent to shareholders on 23 February to convene the necessary general meetings to seek shareholder approval. It is currently anticipated that the Combination will become effective around 16 April 2026.

The Combination offers a number of attractions to shareholders which are set out below under ‘Board review and benefits of the Combination’ and in the Circular which can be found on the Company’s website at <http://www.blackrock.com/uk/thrg>. Not only will the Combination consolidate BRSC’s position as the largest growth-focused UK Smaller Companies trust in the investment trust sector but it will also deliver greater scale and improved liquidity for shareholders as well as cost efficiencies - through reduced management fees and a lower operating charges ratio (with fixed expenses spread over a larger asset base).

The combined company will benefit from an enlarged portfolio management team with Roland Arnold as lead portfolio manager, joined by Dan Whitestone, the current portfolio manager of the Company, as co-manager. Shareholders will also benefit from a value realisation opportunity at close to NAV through the cash exit which is being offered (for up to 38% of the Company’s issued share capital excluding treasury shares), and shareholders that remain invested in the enlarged entity will also benefit from the introduction of a triennial 100 per cent. conditional tender offer, linked to performance against the benchmark.

The Combination brings together two similar investment companies with portfolio overlap of over 75 per cent. and a deep investment heritage spanning several decades and investment cycles. The Combined entity will provide continuing shareholders in both companies with continued exposure to a diverse range of high-quality, growth orientated UK Smaller Companies, with net assets of approximately £780 million in aggregate.

**Performance**

Over the year ended 30 November 2025 the Company’s NAV per share increased by 0.7% and the share price increased by 6.5%, underperforming the benchmark return of 10.1%. Although the portfolio delivered a modest increase in absolute terms, the underperformance compared with our benchmark was disappointing; particularly so given our portfolio manager has reported that many of our holdings performed strongly but this was often not reflected in share prices.

Notwithstanding this fact, your Board believes that the Company’s current approach remains valid, with a strong rationale for investors to seek exposure to domestic companies with good earnings growth, resilient balance sheets and minimal debt, of the type that your Manager invests in. It is worth noting that over the longer term the small cap universe has delivered significant value to investors: since 1955 the annualised returns from the Deutsche Numis Smaller Companies index vs the Deutsche Numis Large Cap Index (all excluding investment companies) were 14.1% and 11.2%, respectively. Compounded up over 71 years, the returns from smaller companies in particular have generated exceptional levels of wealth for investors. Excluding taxes and trading costs, £1 invested in the Company’s benchmark would have grown to £11,312 by the end of 2025 compared to just £1,900 for the Deutsche Numis Large Cap index.

The Company’s longer-term performance is set out in the table below; over the ten years ended 30 November 2025, the Company’s NAV and share price returned +105.1% and +119.8% respectively, compared to the Benchmark Index return of +59.6%. Further information on the Company’s performance is set out in the Investment Manager’s Report below.

**Performance record to 30 November 2025 (with dividends reinvested)**

|                 | 1 Year change % | 3 Years change % | 5 Years change % | 10 Years change % |
|-----------------|-----------------|------------------|------------------|-------------------|
| NAV per share   | 0.7             | 14.5             | 8.1              | 105.1             |
| Share price     | 6.5             | 10.9             | -0.6             | 119.8             |
| Benchmark Index | 10.1            | 18.2             | 21.4             | 59.6              |

**Revenue return and dividends**

The revenue return per share for the year amounted to 17.70 pence per share, compared to 18.54 pence per share in the prior year. This small decrease of 4.6% is as a result of lower dividends received from portfolio companies and lower net income from derivative positions compared to the prior year.

Notwithstanding the Combination proposals, the Company’s current dividend policy will remain unchanged until the Combination is implemented, although the timing of any dividend payments may vary from previous years and for the current year the second dividend will be declared as a further interim dividend rather than a final dividend to avoid any delay in payment to shareholders.

The Board recognises that, although the Company's objective is capital growth, shareholders value consistency of dividends paid by the Company. With this in mind, the Directors are pleased to declare a second interim dividend in respect of the year to 30 November 2025 of 15.20 pence (2024: a final dividend of 14.25p). This, together with the interim dividend of 3.80 pence per share paid on 5 September 2025, gives a total dividend for the year of 19.00 pence per share, increasing the total dividend distributed to shareholders compared to the prior financial year by 5.6%. The second interim dividend will be paid on 2 April 2026, to shareholders who are on the Company's register on 13 March 2026.

Should the Combination be approved, a further dividend will also need to be paid out in respect of earnings between 1 December 2025 and the Combination implementation date (expected to be 16 April 2026) to ensure that the Company is compliant with investment trust tax regulations. The Board hereby declares a pre-liquidation dividend of 5.50p per ordinary share to be paid on 2 April 2026 to shareholders who are on the Company's register on 13 March 2026.

### Share buyback activity

Over the year to 30 November 2025, the Company's share rating traded at an average discount of 10.5% to NAV and ended the period at a discount of 8.5% (2025: 13.2%). This compares with the weighted average discount of the UK smaller companies peer group which ended the period at an average discount to NAV of 11.9%.

During the period under review, the Company bought back a total of 12,238,500 ordinary shares for a total consideration of £70,833,000. Since 30 November 2025 and up to the latest practicable date of 25 February 2026, no shares have been bought back into treasury. As at 25 February 2026, the Company's shares were trading at a discount of 9.4% versus an average discount for the rest of the peer group of 9.2%. All shares were bought back at a discount to the prevailing NAV and were therefore accretive to existing shareholders.

Overall, the Board believes that the share buyback activity undertaken has been beneficial in reducing the volatility of our share rating and delivering NAV accretion. Your Board will continue to monitor the Company's share rating and may deploy its powers to support it by buying back the Company's shares where it believes that it is in shareholders' long-term best interests to do so.

### Board review and benefits of the Combination

In reaching its decision to propose the Combination, and as part of its continued focus on driving long-term Shareholder value, the Board, with the support of Stanhope Consulting, undertook an extensive sector-wide review which included an analysis of the strategies and performance of peer group companies and an assessment of all the options available to the Company. Based on the results of this review and regular engagement with Shareholders, the Board concluded that the Combination is in Shareholders' best interests. In reaching its conclusions the Board note a range of attractions to a combination with BRSC, as set out below:

- **Scale:** The enlarged BRSC is expected to have net assets of approximately £780 million (on the basis of the trusts' respective net asset values as at 16 February 2026 and assuming full take up of both the cash option and the BRSC tender offer). This increased scale is expected to improve secondary market liquidity for continuing Shareholders, support the marketability of the enlarged BRSC and provide the BRSC Board with additional flexibility in pursuing discount control initiatives.
- **Continuity:** shareholders in the enlarged BRSC will see benefits from the effective continuity of Investment Manager and closed-ended structure. These include:
  - *Combined portfolio manager expertise:* Building on a combined investment track record spanning several decades and investment cycles, the enlarged BRSC will bring together two highly experienced, well-regarded UK small-cap managers, Roland Arnold and Dan Whitestone, who have collaborated for over 10 years, and will co-manage a clear and distinct investment strategy, remaining disciplined in their investment philosophy and process that have proven successful over the long term.
  - *Portfolio of quality growth companies:* the enlarged BRSC will create a single BlackRock-managed UK smaller companies trust, merging two diversified portfolios with approximately 75 per cent. overlap as at 31 January 2026. The enlarged BRSC will continue to prioritise quality growth companies driven by strong management teams, leading market positions, pricing power, robust balance sheets, healthy margins, strong earnings growth and high levels of cash conversion.
  - *Closed-ended vehicle:* the investment trust structure will continue to allow for investment in less liquid securities, where a longer-term investment horizon and the ability to invest patiently is often required, and will continue to offer the ability to smooth dividend payments over time, to use gearing and to uphold strong governance standards through an independent board of directors.
  - *Attractive dividend policy:* the enlarged BRSC's dividend policy is expected to build on the track record achieved by BRSC, categorised as a 'Dividend Hero' by the AIC as a result of delivering annual dividend growth for more than 20 years. With effect from 1 March 2026, BRSC intends to pay dividends on a quarterly basis.
- **Compelling long-term prospects:** the Board and BlackRock believe UK smaller companies have the potential to outperform their larger counterparts over the long-term, consistent with the 2.8 per cent. annualised outperformance over the period December 1955 to January 2026, and believe in the enlarged BRSC's ability to outperform its benchmark (being the Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies) Index) over the long-term.
  - Both the Company and BRSC have outperformed the Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies) Index over the last 10 years to 31 January 2026, having delivered NAV total returns of approximately 129 per cent. and 97 per cent., respectively, compared to the benchmark return of approximately 86 per cent.
  - The sector has faced significant challenges over the last few years, caused by greater outflows leading to significant under-valuation, which has impacted short term performance. However, UK smaller companies continue to display robust fundamentals and good long-term growth prospects. Given investment cycle trends, the portfolio managers are confident that there remain significant opportunities within the asset class for the patient investor.
  - The Board and BlackRock believe that the Combination strongly positions the enlarged BRSC to capitalise on any change in sentiment towards UK smaller companies.
- **Initial cash exit opportunity:** while the Board believes the benefits and strategic rationale of the Combination are compelling for continuing Shareholders, all Shareholders will be offered a cash exit opportunity in connection with the scheme, subject to a 1 per cent. discount, for up to 38 per cent. of THRG's issued share capital (excluding shares held in treasury).
- **Triennial conditional exit opportunity:** subject to completion of the Combination, the enlarged BRSC will offer a triennial performance-related tender offer for up to 100 per cent. of its issued share capital (excluding shares held in treasury) at a 4 per cent. discount to NAV (less costs), which will be triggered if the enlarged BRSC underperforms its benchmark, the Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies) Index, over the relevant performance period.
- **Reduced management fees:** subject to completion of the Combination, BlackRock has agreed to a reduction in the annual management fee payable by the enlarged BRSC to: 50 bps on NAV up to £500 million; 47.5 bps on NAV in excess of £500 million and up to £750 million; and 45 bps on NAV in excess of £750 million. This will be the lowest management fee for investment companies in the AIC's UK Smaller Companies sector that do not have a performance fee.
- **BlackRock cost contribution:** continuing shareholders will be materially, if not entirely, insulated from the costs of the Proposals as a result of the application of the BlackRock Cost Contribution, by way of a fee waiver equal to six months of the reduced management fee that would otherwise be payable by the enlarged BRSC following implementation of

the Scheme based on the estimated Net Asset Value of the enlarged BRSC as at the calculation date.

- **Lower ongoing charges:** The proposals will reduce fixed costs proportionately to NAV and, in combination with the reduced management fees, deliver a competitive OCR for the enlarged BRSC estimated to be 0.63 per cent. (which excludes the benefit of the BlackRock Cost Contribution) compared to BRSC's OCR of 0.76 per cent. and THRG's average OCR over the last five years to 30 November 2025 of 0.82 per cent. with performance fees included. This will be the lowest OCR for investment companies in the AIC's UK Smaller Companies sector that do not have a performance fee.

### Timescale

The Combination will be subject to approval by shareholders of both the Company and BRSC, in addition to regulatory and tax approvals. The Company and BRSC have each received an irrevocable undertaking from Saba Capital representing 17.8% of the Company's issued share capital and 10.4% of BRSC's issued share capital (excluding treasury shares) and letters of intent or indicators of support representing an additional 12% of the Company's issued share capital and 23.9% of BRSC issued share capital (excluding treasury shares) in support of the Combination.

A circular setting out details of the Combination and convening General meetings to approve the Combination, has been posted to shareholders on 23 February, and can also be found on the Company's website at [www.blackrock.com/uk/thrg](http://www.blackrock.com/uk/thrg). It is anticipated that the Combination will be implemented in mid-April 2026, with shareholders electing for the cash exit to receive their proceeds in approximately eight weeks. In the event of the Combination being implemented, it is intended that Mrs Nash and Mrs Lane, each Non executive Directors of the Company, will join the five existing BRSC Directors on the Board of the enlarged company.

### Annual General Meeting

The Company's AGM will be held on Thursday 26, March 2026 at 10.15 a.m. or, if later, immediately after the conclusion or adjournment of the General Meeting of the Company to be held on the same day. In light of the Combination proposals, the Board has also convened a separate General Meeting on this date to approve the combination proposals and details of the notice of General Meeting can be found in the Combination circular which is available on the Company's website at [www.blackrock.com/uk/thrg](http://www.blackrock.com/uk/thrg). Given the timing of the general meeting at which shareholders are being asked to vote on the Combination proposals, the Board, in conjunction with the BRSC Board, have arranged for a video to be recorded which myself and the Chair of BRSC, Ronald Gould, will provide an overview of the transaction, following which the portfolio managers of the combined entity, Roland Arnold and Dan Whitestone, will provide an update for investors on the strategy for the combined entity on a forward looking basis. We have also produced a Shareholder Information document which can also be found on our website at the following link [blackrock-throgmorton-trust-plc-shareholder-information-2026.pdf](#). In light of the recommended proposals to combine the Company with BlackRock Smaller Companies Trust plc (as set out above) this year's AGM will be a short, technical meeting, required to be held in accordance with the Companies Act 2006. As such, there will not be the usual Manager's presentation with refreshments following the AGM. If you cannot attend in person we encourage you to vote in advance by completing and returning your Form of Proxy. Voting at the Annual General Meeting will be by way of a Poll.

The Board considers that the resolutions being proposed at the AGM are in the best interest of the Company's shareholders as a whole. The Board therefore recommends unanimously to shareholders that they vote in favour of each of the resolutions, as the Directors intend to do in respect of their own beneficial holdings.

### Outlook

Since the Company's year end, and up to 25 February 2026, the Company's NAV had increased by 7.5% compared to an increase in the benchmark of 5.7%.

2025 has been a challenging year for markets in general and the UK SMID market has not been immune with sustained outflows and economic uncertainty all putting pressure on share prices throughout the sector, de-coupling these from underlying company fundamentals. Notwithstanding these challenging dynamics, your Board and Manager believe that the asset class (and the Company's portfolio) offers significant value for investors that are prepared to take a longer-term view.

The Emerging Companies team at BlackRock seeks out quality companies with strong market positioning and earnings growth, and the Board is confident in the Manager, the portfolio managers and BlackRock Emerging Companies investment team to run the Combined entity going forward to deliver the long-term compelling opportunities that UK smaller companies can offer investors.

### JAMES WILL

Chairman

27 February 2026

## Investment Manager's Report

For the 12 months ended 30 November 2025

### Market review and investment performance

What a year! This is probably the most challenging one of my career. When I started drafting this report it struck me just how many challenges we have faced over the course of the year. Geopolitical tensions, from Trump's tariff escalations and various retaliations across the globe, tech rotations, defence spending reforms across Europe, lower inflation, and the first meaningful signs of a global easing cycle.

In the UK, the lack of growth, persistent inflation, and increasingly precarious fiscal position, combined with Labour's constant U-turns, and growing public frustration, have not been conducive to a healthy consumer spending environment or a stimulant for businesses to invest. The chancellor announced her long anticipated budget, and whilst there was some relief there was no repeat of last year's badly conceived national insurance hike, there was precious little to be cheerful about in a further £26 billion of tax rises. Against this backdrop, UK large caps continued to outperform small and mid-caps, with little optimism on the horizon to turn the dire flow picture facing the market (discussed further below).

Performance in the second half of the financial year continued to trail the benchmark. Our NAV was up 3.0% however, this compared to our benchmark return of 6.5%. This resulted in the Company delivering a return of 0.7% for the full year to 30 November 2025 and underperforming the benchmark return of 10.1%. While in absolute terms, the small positive return was an improvement on the result reported at the interim in May, the extent of the underperformance relative to the benchmark was disappointing and frustrating as we do not feel this necessarily reflects the underlying performance of the holdings or positioning of the Company through the financial year.

All readers will be well versed in the narrative coming from the US. A narrow market, with the overall outstanding market return in recent years being driven by a select few tech and AI related shares, namely the "Magnificent 7". Also, although perhaps less well communicated, is the challenge for active stock pickers to outperform a market that is so narrowly focused, which has seen US and Global benchmarks delivering top decile performance in recent years, far outperforming the average active manager. But this narrowness is not just a US phenomenon. Returns in UK large caps, as well as small and mid caps have been unusually narrow. Key features of the market during the last financial year has been the outperformance of value versus growth, and the underperformance of quality. Both of which have caused a significant headwind to our quality growth focused investment philosophy. To put some of these headwinds discussed into some context:

- 100% of the benchmark's return over the last 12 months was generated by only 30 shares! More remarkable, when one considers the benchmark comprises of over 1000 companies.
- Sadly, 60% of the companies in the benchmark underperformed through the year.
- Of the top 30 shares that generated 100% of the benchmark's return, they include 6 companies that were bid for, 6x resource companies, and 6x value financials. Holders should know that resources and esoteric value financials are not in our wheelhouse, and not what shareholders in the Company would/should expect us to have exposure to. As for the bids, we owned one (Alpha Group) but not the others.
- Frustratingly, many of our investments have executed well through the financial year, beating and raising for the majority; indeed our net upgrade/downgrade ratio (number of shares in long book upgrading versus downgrading) is almost double the average of the benchmark.
- Unfortunately, despite the positive earnings revisions many of our shares have delivered, it has not translated into rising share prices, so many investments have ended the year cheaper than where they started, we think due to the persistent outflows we have witnessed.

To provide some context for the outflow environment facing the UK SMID universe, UK small and mid-cap total AUM shrank by 14% purely from outflows in the last 12 months, following c.7% and c.12% in the prior two years.

While there were of course the stylistic headwinds, discussed above to contend with during the year, as is always the case, there were also some stock specifics that detracted as well. The largest detractor during the year was **Just Group**, the financial services business which received an offer from Brookfield Wealth Solutions at a massive 75% premium. Frustratingly, this is a share that we had been both long and short during the period. We decided to go short as we saw challenges in the size and scale of activity within the pension buyout market and we were concerned about the company's ability to meet current market forecasts. Shortly after the bid, the company issued a profit warning, with group profits down 23%, for the exact reasons that we had grown concerned. If that wasn't enough, the company profit warned again in January 2026. While the thesis to go short was right, this was scant consolation, and the bid ended up costing c.63 bps of performance for the year.

The second biggest detractor was **Breedon** which has been weak due to ongoing adverse weather in the US as well as softer trading in UK as recovery in GB volumes seems to be being pushed out to the right (again). While disappointing, we retain the position given Breedon's dominant market position in aggregates, strong pricing power and exposure to new growth markets like the US. The shares languish on a single digit P/E multiple and a double digit FCF yield for what we believe are trough/near trough earnings. When volumes recover we think the recovered earnings makes Breedon represent outstanding value, though we accept in the very near term the outlook for the UK remains soft.

The third largest detractor, as highlighted at the half-year, was **Trainline** which fell on the news that Department for Transport will begin a consultation process on the Rail Reform Bill, designed to establish Great British Railways (GBR) as the governing body for passenger rail. While Trainline has a strong market position, built on its strong technology platform, the shares are no longer in the benchmark and therefore we exited the holding because of the increased uncertainty.

On the positive side, while clearly the overarching headwinds faced during the year were too strong for stock specific contributors to drive a year of outperformance, we were still able to benefit from several high-quality businesses, that were able to deliver on their promises to investors.

The largest positive contributor was **Alpha Group**, which was discussed at length in the half-year report. The company had performed well on the back of strong results, with impressive revenue and profit growth, underpinned by increasing regulation, digitalisation and its scalable technology. The shares then soared after receiving a bid from US listed Corpay, in a deal that completed in October 2025 and valued the FX solutions provider at approximately US\$2.2 billion. Shares in **Chemring** have continued to deliver solid results (beating forecasts, record results, order book etc) whilst it has also benefitted from continued outperformance of the Aerospace & Defence sector.

While shorts in aggregate detracted due to the large premium paid for the acquisition of Just Group, the Company was able to benefit from some stock specific short successes, leveraging its unique toolkit to deliver a differentiated source of alpha. Short successes during the year included a **delivery-focused pizza delivery chain**, which has been impacted by having too many stores, too much competition and falling store densities impacting profitability. Other notable short contributors included a well-known **pet supplies retailer** and a **data analytics business**.

While the decision through the year to increase exposure to non-UK listed shares was, in hindsight a little late than it should have been, the decision was still a positive to alpha in the second half of the year. **Advanced Energy Industries**, a precision power solutions provider, listed in the US, which supplies solutions used in semiconductor manufacturing and data centres, continued to report results that were ahead of guidance, driven by increased demand for data centre solutions.

### Portfolio positioning and outlook

Since reducing UK domestic exposure at the end of H1 we have made little changes to overall fund positioning. Whilst relative performance has lagged the benchmark, as I wrote above, many of our investments continue to execute well with positive revisions to forecasts but just haven't really been rewarded for their efforts with a rising share price. Therefore, with the fund getting cheaper, and the majority of shares executing well, we aren't inclined to change, nor chase esoteric value areas of the market that are going up on re-rating and not earnings.

We have been through periods like this before and I remind myself that upgrades don't get de-rated forever. The Company therefore remains focused on idiosyncratic stock positions, with differentiated propositions, where our confidence in the underlying businesses remains as positive as ever, even if the market has yet to reflect their prospects in the share prices. Shares like XPS, the leading pensions administrator, operating in a market that is a non-discretionary purchase for many pension schemes, driven by regulation and risk aversion from trustees, and completely non-cyclical. XPS is taking market share, winning larger contracts and demonstrating value, growing high single digit, expanding margins and capacity and a willingness to do deals, saw a double digit EPS upgrade and is now trading at a multi-year low valuation 15X PE. Tatton Asset Management also de-rated by 20% despite strong upgrades and growth, they are the market leading provider of MPS solutions to the UK wealth management market, effectively offering a low-cost fund management solution for IFAs who want to spend more time advising clients and less time on investment compliance and rebalancing. This fits well into the underserved mass affluent category and has grown to be almost 7.5x in revenue since we backed Tatton at IPO in 2018. These are just two of many names within the Company, where strong earnings delivery has not resulted in share price performance we'd expect, but we remain confident that if we focus on bottom-up fundamentals, in time, share price performance will eventually follow.

The outlook for the UK remains challenged, with softer growth, weaker employment and higher inflation as the effects of Labour's tax on jobs have now transmitted into the economy. This, coupled with a lack of confidence in the UK equity market more broadly, has contributed to the ongoing outflows that we are seeing from the UK market, particularly small & mid-caps, further pressuring valuations of thinly traded shares.

We remain of the view that there is compelling value on offer in the UK small and mid cap complex but concede there are limited positive catalysts in the near term to stem the sector outflows. M&A activity is likely to continue at pace as Private Equity and Corporates take advantage of this backdrop, whilst the broader de-equitisation from company share buyback programmes continues.

Given the ongoing headwinds facing the asset class the gross remains at c.116% and the net came down marginally to c.110%.

We thank you for your patience and your support.

**DAN WHITESTONE**

BlackRock Investment Management (UK) Limited  
27 February 2026

**Portfolio of investments**

**1 XPS Pensions Group** (2024: n/a)

**Financial Services**

**Market value: £18,492,000**

**Share of net assets: 3.7%** (2024: n/a)

Pension consulting and administration business

**2 Rosebank<sup>1</sup>** (2024: 96th)

**Financial Services**

**Market value: £15,403,000<sup>2</sup>**

**Share of net assets: 3.1%** (2024: 0.4%)

Industrial company with a “Buy, improve, sell” strategy

**3 Boku<sup>1</sup>** (2024: 16th)

**Support Services**

**Market value: £15,380,000**

**Share of net assets: 3.1%** (2024: 2.0%)

Digital payments platform

**4 Morgan Sindall** (2024: 15th)

**Construction & Materials**

**Market value: £15,279,000**

**Share of net assets: 3.0%** (2024: 2.1%)

Supplier of office fit out, construction and urban regeneration services

**5 Tatton Asset Management<sup>1</sup>** (2024: 3rd)

**Financial Services**

**Market value: £14,875,000**

**Share of net assets: 3.0%** (2024: 2.8%)

Provision of discretionary fund management services to the IFA market

**6 Serco Group** (2024: n/a)

**Support Services**

**Market value: £14,676,000**

**Share of net assets: 2.9%** (2024: n/a)

Provider of public services across health, transport, immigration, defence, justice and citizen services

**7 Great Portland Estates** (2024: 8th)

**Real Estate Investment Trusts**

**Market value: £12,889,000<sup>2</sup>**

**Share of net assets: 2.6%** (2024: 2.6%)

Owner of commercial real estate in central London

**8 IntegraFin** (2024: 2nd)

**Financial Services**

**Market value: £12,237,000**

**Share of net assets: 2.4%** (2024: 3.1%)

UK savings platform for financial advisors

**9 Rotork** (2024: 4th)

**Electronic & Electrical Equipment**

**Market value: £10,693,000**

**Share of net assets: 2.1%** (2024: 2.8%)

Manufacturer of industrial flow equipment

**10 IG Group Holdings** (2024: 29th)

**Financial Services**

**Market value: £10,394,000**  
**Share of net assets: 2.1%** (2024: 1.3%)  
Online provider of spread betting and CFD trading services

<sup>1</sup> Traded on the Alternative Investment Market (AIM) of the London Stock Exchange.  
<sup>2</sup> Includes long derivative positions.

Percentages shown are the share of net assets.  
The market value shown is the gross exposure to the shares through equity investments and long derivative positions. For equity investments, the market value is the fair value of the shares. For long derivative positions, it is the market value of the underlying shares to which the portfolio is exposed via the contract.  
Percentages in brackets represent the portfolio holding as at 30 November 2024.

| #  | Company                                                   | £'000 <sup>1</sup> | %   | Description                                                                                          |
|----|-----------------------------------------------------------|--------------------|-----|------------------------------------------------------------------------------------------------------|
| 11 | FRP Advisory Group PLC <sup>2</sup><br>Support Services   | 10,073             | 2.0 | Provider of forensics, corporate finance, debt and financial advisory services                       |
| 12 | Goodwin<br>General Industrials                            | 10,011             | 2.0 | Mechanical and refractory engineering company                                                        |
| 13 | Alfa Financial Software<br>Software & Computer Services   | 9,998              | 2.0 | Provider of software to the finance industry                                                         |
| 14 | Hochschild Mining<br>Precious Metals & Mining             | 9,463              | 1.9 | A precious metals mining company                                                                     |
| 15 | Genus<br>Pharmaceuticals & Biotechnology                  | 9,181 <sup>3</sup> | 1.8 | Animal genetics company                                                                              |
| 16 | Chemring Group<br>Aerospace & Defence                     | 9,028              | 1.8 | Provider of technology products and services to aerospace, defence and security markets              |
| 17 | Plus500 Ltd<br>Financial Services                         | 8,691              | 1.7 | Online trading platform provider                                                                     |
| 18 | Bellway<br>Household Goods & Home Construction            | 8,283              | 1.7 | UK housebuilder                                                                                      |
| 19 | Sigmaroc <sup>2</sup><br>Construction & Materials         | 8,001              | 1.6 | Buy-and-build group targeting construction materials assets in the UK and Northern Europe            |
| 20 | Luceco<br>Electronic & Electrical Equipment               | 7,873              | 1.6 | Supplier & manufacturer of high quality LED lighting products                                        |
| 21 | Craneware <sup>2</sup><br>Healthcare Equipment & Services | 7,827              | 1.6 | Provider of financial business software for US hospitals                                             |
| 22 | Helios Towers<br>Telecommunications Service Providers     | 7,827              | 1.6 | Provider of telecommunications infrastructure                                                        |
| 23 | Breedon<br>Construction & Materials                       | 7,632              | 1.5 | Supplier of construction materials                                                                   |
| 24 | Elementis<br>Chemicals                                    | 7,616              | 1.5 | Speciality chemicals company                                                                         |
| 25 | Grafton Group<br>Support Services                         | 7,506              | 1.5 | Builders merchants in the UK, Ireland and Netherlands                                                |
| 26 | AJ Bell<br>Financial Services                             | 7,461              | 1.5 | UK savings platform for financial advisors & individual investors                                    |
| 27 | Greencore Group<br>Food Producers                         | 7,426              | 1.5 | An international convenience food manufacturer                                                       |
| 28 | DiscoverIE<br>Electronic & Electrical Equipment           | 7,426              | 1.5 | International designer, manufacturer and supplier of customised electronics                          |
| 29 | Ithaca Energy<br>Oil Equipment & Services                 | 7,285              | 1.5 | An independent oil and gas company focused on the UK North Sea                                       |
| 30 | Computacenter<br>Software & Computer Services             | 7,050              | 1.4 | Computer services                                                                                    |
| 31 | JTC plc<br>Support Services                               | 6,745              | 1.3 | Provider of fund administration, company secretarial and administration, and private wealth services |
| 32 | Cranswick<br>Food Producers                               | 6,564              | 1.3 | Producer of premium, fresh and added-value food products                                             |

|    |                                                                            |                    |                                                                                                                       |
|----|----------------------------------------------------------------------------|--------------------|-----------------------------------------------------------------------------------------------------------------------|
| 33 | Safestore<br>Real Estate Investment Trusts                                 | 6,416              | 1.3 Provider of self-storage units                                                                                    |
| 34 | Pollen Street Group<br>Investment Banking and Brokerage Services           | 6,164 <sup>3</sup> | 1.2 Alternative asset management firm focused on investments in financial and business services sectors               |
| 35 | Sirius Real Estate<br>Real Estate Investment & Services                    | 6,142              | 1.2 Owner and operator of business parks, offices and industrial complexes in Germany                                 |
| 36 | Porvair<br>Electronic & Electrical Equipment                               | 6,092              | 1.2 Specialist filtration and environmental technology                                                                |
| 37 | Genuit<br>Construction & Materials                                         | 6,010              | 1.2 Manufacturer of plastic piping systems                                                                            |
| 38 | Advanced Energy Industries <sup>4</sup><br>Technology Hardware & Equipment | 5,782 <sup>3</sup> | 1.2 Technology company                                                                                                |
| 39 | Oxford Biomedica<br>Pharmaceuticals & Biotechnology                        | 5,758 <sup>3</sup> | 1.1 Gene cell therapy                                                                                                 |
| 40 | TP ICAP<br>Financial Services                                              | 5,443              | 1.1 Inter-dealer broker                                                                                               |
| 41 | TBC Bank Group<br>Banks                                                    | 5,332              | 1.1 A bank and financial services provider in Georgia                                                                 |
| 42 | Oxford Instruments<br>Electronic & Electrical Equipment                    | 5,331              | 1.1 Designer and manufacturer of tools and systems for industry and research                                          |
| 43 | CVS Group <sup>2</sup><br>General Retailers                                | 5,303              | 1.1 Operator of veterinary surgeries                                                                                  |
| 44 | VSE Corporation <sup>4</sup><br>Aerospace & Defence                        | 5,300 <sup>3</sup> | 1.1 Provider of aftermarket distribution, and maintenance, repair and overhaul services to the aviation sector        |
| 45 | Mitie Group PLC<br>Industrial Support Services                             | 5,244              | 1.0 UK strategic outsourcing and facilities management company                                                        |
| 46 | Zotefoams<br>Chemicals                                                     | 5,073 <sup>3</sup> | 1.0 Manufacturer of polyolefin foams used in sport, construction, marine, automation, medical equipment and aerospace |
| 47 | OSB Group<br>Financial Services                                            | 5,055              | 1.0 Specialist lending business                                                                                       |
| 48 | Kier Group<br>Construction & Materials                                     | 4,933              | 1.0 UK construction, services and property group                                                                      |
| 49 | SPX Technologies <sup>4</sup><br>Electronic & Electrical Equipment         | 4,854 <sup>3</sup> | 1.0 Supplier of highly engineered products and technologies, including heating, ventilation and air conditioning      |
| 50 | 4imprint Group<br>Media                                                    | 4,844              | 1.0 Supplier of promotional merchandise in the US                                                                     |
| 51 | Hill & Smith Holdings<br>Industrial Metals & Mining                        | 4,741              | 0.9 Supplier of infrastructure products and galvanizing services                                                      |
| 52 | Pan African Resources <sup>2</sup><br>Industrial Metals & Mining           | 4,696              | 0.9 Mining company offering sustainable gold production                                                               |
| 53 | Watches of Switzerland<br>Personal Goods                                   | 4,646              | 0.9 Retailer of luxury watches                                                                                        |
| 54 | Atalaya Mining Copper<br>Industrial Metals & Mining                        | 4,632              | 0.9 Producer of copper and other critical metals that are essential for economic growth and the energy transition     |
| 55 | GBG <sup>2</sup><br>Software & Computer Services                           | 4,563              | 0.9 Identity verification, location intelligence and fraud prevention company                                         |
| 56 | Telecom Plus<br>Electricity                                                | 4,263              | 0.8 UK multi-utility supplier                                                                                         |
| 57 | Polar Capital Holdings <sup>2</sup><br>Financial Services                  | 4,204              | 0.8 Provider of investment management services                                                                        |
| 58 | LPL Financial <sup>4</sup><br>Investment Banking and Brokerage Services    | 4,002 <sup>3</sup> | 0.8 Wealth management firm                                                                                            |
| 59 | Bloomsbury Publishing<br>Media                                             | 3,922              | 0.8 Independent publishing house                                                                                      |
| 60 | Boot Barn Holdings <sup>4</sup><br>Specialty Retailers                     | 3,839 <sup>3</sup> | 0.8 Lifestyle retailer                                                                                                |

|    |                                                                            |                    |                                                                                                            |
|----|----------------------------------------------------------------------------|--------------------|------------------------------------------------------------------------------------------------------------|
| 61 | Princes Group<br>Food Producers                                            | 3,839              | 0.8 Food and drink company                                                                                 |
| 62 | Construction Partners <sup>4</sup><br>Construction & Materials             | 3,642 <sup>3</sup> | 0.7 Civil structure company                                                                                |
| 63 | Baltic Classifieds Group<br>Software & Computer Services                   | 3,642              | 0.7 Operator of online classified businesses in the Baltics                                                |
| 64 | Rambus <sup>4</sup><br>Semiconductors & Semiconductor Equipment            | 3,569 <sup>3</sup> | 0.7 US listed chip and silicon IP producer                                                                 |
| 65 | Savills<br>Real Estate Investment & Services                               | 3,489              | 0.7 Provision of specialist real estate services                                                           |
| 66 | PayPoint<br>Industrial Support Services                                    | 3,488 <sup>3</sup> | 0.7 Digital payments business                                                                              |
| 67 | Cairn Homes <sup>4</sup><br>Household Durables                             | 3,450 <sup>3</sup> | 0.7 Builder of community apartments and homes                                                              |
| 68 | Moneysupermarket.com<br>Software & Computer Services                       | 3,402              | 0.7 Provider of price comparison website specialising in financial services                                |
| 69 | Lancashire Holdings<br>Non-life Insurance                                  | 3,313              | 0.7 Provider of global specialty insurance and reinsurance products                                        |
| 70 | Lottomatica <sup>4</sup><br>Travel & Leisure                               | 3,306 <sup>3</sup> | 0.7 Gaming operator                                                                                        |
| 71 | Cohort Plc <sup>2</sup><br>Aerospace & Defence                             | 3,288              | 0.7 Defence and security technology company                                                                |
| 72 | Costain Group PLC<br>Industrial Support Services                           | 3,279              | 0.7 Engineering and construction company                                                                   |
| 73 | Paragon Banking Group<br>Financial Services                                | 3,244 <sup>3</sup> | 0.6 A specialist banking group                                                                             |
| 74 | Crane Co. <sup>4</sup><br>Electronic & Electrical Equipment                | 3,161 <sup>3</sup> | 0.6 Industrial products company                                                                            |
| 75 | Animalcare Group <sup>2</sup><br>Pharmaceuticals & Biotechnology           | 3,109              | 0.6 Veterinary pharmaceuticals business                                                                    |
| 76 | Quilter Plc<br>Financial Services                                          | 2,945              | 0.6 A wealth management company                                                                            |
| 77 | Team 17 <sup>2</sup><br>Leisure Goods                                      | 2,872              | 0.6 UK video game developer and publisher                                                                  |
| 78 | Mears Group<br>Industrial Support Services                                 | 2,844              | 0.6 UK provider of housing solutions                                                                       |
| 79 | Advanced Medical Solutions <sup>2</sup><br>Healthcare Equipment & Services | 2,705 <sup>3</sup> | 0.5 Developer and manufacturer of advanced wound care solutions                                            |
| 80 | Spie <sup>4</sup><br>Construction & Materials                              | 2,625 <sup>3</sup> | 0.5 Engineering, technical services and construction company                                               |
| 81 | JFrog <sup>4</sup><br>Software & Computer Services                         | 2,586              | 0.5 Provider of software supply chain solutions                                                            |
| 82 | Bodycote<br>Industrial Engineering                                         | 2,583              | 0.5 Provision of thermal processing services                                                               |
| 83 | Gooch & Housego <sup>2</sup><br>Electronic & Electrical Equipment          | 2,563              | 0.5 Designer and manufacturer of advanced photonic systems                                                 |
| 84 | Ashmore Group<br>Financial Services                                        | 2,456              | 0.5 Emerging market focused investment manager                                                             |
| 85 | Trustpilot<br>Software & Computer Services                                 | 2,398 <sup>3</sup> | 0.5 An online review platform for consumers to post reviews about businesses and products/services         |
| 86 | Jupiter Fund Management<br>Investment Banking and Brokerage Services       | 2,380              | 0.5 UK fund management group, managing equity and bond investments for private and institutional investors |
| 87 | Funding Circle Holdings<br>Financial Services                              | 2,364 <sup>3</sup> | 0.5 Provider of funding services to small businesses                                                       |
| 88 | Cerillion <sup>2</sup><br>Software & Computer Services                     | 2,339              | 0.5 Provider of billing, charging and customer management systems                                          |

|    |                                                                                                                 |                    |       |                                                                             |
|----|-----------------------------------------------------------------------------------------------------------------|--------------------|-------|-----------------------------------------------------------------------------|
| 89 | Restore <sup>2</sup><br>Support Services                                                                        | 2,329              | 0.5   | Records management business                                                 |
| 90 | Crest Nicholson<br>Household Goods & Home Construction                                                          | 2,290 <sup>3</sup> | 0.5   | UK housebuilder                                                             |
| 91 | Young & Co's Brewery <sup>2</sup><br>Travel & Leisure                                                           | 2,251              | 0.4   | Owner and operator of pubs mainly in the London area                        |
| 92 | Trainline<br>Travel & Leisure                                                                                   | 2,236              | 0.4   | Provider of online rail and train ticketing services                        |
| 93 | AB Dynamics <sup>2</sup><br>Industrial Engineering                                                              | 2,010              | 0.4   | Developer and supplier of specialist automotive testing systems             |
| 94 | Forterra<br>Construction & Materials                                                                            | 1,808              | 0.4   | Manufacturer of building products                                           |
| 95 | Central Asia Metals <sup>2</sup><br>Industrial Metals & Mining                                                  | 1,792 <sup>3</sup> | 0.4   | Production of base metals with operations in Kazakhstan and North Macedonia |
| 96 | Dynatrace <sup>4</sup><br>Software & Computer Services                                                          | 1,665 <sup>3</sup> | 0.3   | Software intelligence platform                                              |
| 97 | Hilton Food Group<br>Food Producers                                                                             | 1,539              | 0.3   | Provider of specialist food packaging services                              |
| 98 | GitLab <sup>4</sup><br>Software & Computer Services                                                             | 1,429 <sup>3</sup> | 0.3   | Software development company                                                |
| 99 | SIG<br>Industrial Support Services                                                                              | 784                | 0.2   | Supplier of building, roofing and insulation products                       |
|    | Long investment positions (excluding<br>BlackRock's Institutional Cash Series plc -<br>Sterling Liquidity Fund) | 566,883            | 113.4 |                                                                             |
|    | Short investment positions                                                                                      | (30,552)           | (6.1) |                                                                             |

<sup>1</sup> The market value shown is the gross exposure to the shares through equity investments and long derivative positions. For equity investments, the market value is the fair value of the shares. For long derivative positions, it is the market value of the underlying shares to which the portfolio is exposed via the contract.

<sup>2</sup> Traded on the Alternative Investment Market (AIM) of the London Stock Exchange.

<sup>3</sup> Includes long derivative positions.

<sup>4</sup> Holdings listed on exchanges outside of the UK.

Percentages shown are the share of net assets.

At 30 November 2025, the Company held equity interests in two companies comprising more than 3% of a company's share capital as follows: Luceco (3.6%) and Tatton Asset Management (3.5%).

## Fair value and gross market exposure of investments

as at 30 November 2025

|                                                                                                                                     | Fair value <sup>1</sup> | Gross market exposure <sup>2,3</sup> | Gross market exposure as a % of net assets <sup>2</sup> |       |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------|---------------------------------------------------------|-------|
|                                                                                                                                     | £'000                   | £'000                                | 2025                                                    | 2024  |
| Long equity investment positions (excluding BlackRock's Institutional Cash Series plc - Sterling Liquid Environmentally Aware Fund) | 474,824                 | 474,824                              | 94.6                                                    | 93.6  |
| Long derivative positions                                                                                                           | (1,038)                 | 92,059                               | 18.4                                                    | 18.4  |
| <b>Subtotal of long investment positions</b>                                                                                        | 473,786                 | 566,883                              | 113.0                                                   | 112.0 |
| Short investment positions                                                                                                          | (232)                   | (30,552)                             | (6.1)                                                   | (3.4) |
| <b>Subtotal of long and short investment positions</b>                                                                              | 473,554                 | 536,331                              | 106.9                                                   | 108.6 |
| Cash and cash equivalents                                                                                                           | 27,683                  | (35,094)                             | (7.0)                                                   | (7.3) |
| Other net current assets/(liabilities)                                                                                              | 381                     | 381                                  | 0.1                                                     | (1.3) |

|                   |                |                |              |              |
|-------------------|----------------|----------------|--------------|--------------|
|                   | -----          | -----          | -----        | -----        |
| <b>Net assets</b> | <b>501,618</b> | <b>501,618</b> | <b>100.0</b> | <b>100.0</b> |
|                   | =====          | =====          | =====        | =====        |

The Company was geared through the use of long and short derivative positions. Gross and net gearing as at 30 November 2025 were 119.1% and 106.9% respectively (2024: 115.4% and 108.6% respectively). Gross and net gearing are Alternative Performance Measures, see Glossary contained within the Annual Report and Financial Statements.

- 1 Fair value is determined as follows:
  - Long equity investment positions are valued at bid prices where available, otherwise at latest market traded quoted prices.
  - The exposure to securities held through long derivative positions directly in the market would have amounted to £93,097,000 at the time of purchase, and subsequent movement in market prices have resulted in unrealised losses on the long derivative positions of £1,038,000 resulting in the value of the total long derivative market exposure to the underlying securities decreasing to £92,059,000 as at 30 November 2025. If the long positions had been closed on 30 November 2025, this would have resulted in a loss of £1,038,000 for the Company.
  - The notional exposure of selling the securities gained via the short derivative positions would have been £30,320,000 at the time of entering into the contract, and subsequent movement in market prices have resulted in unrealised losses on the short derivative positions of £232,000 resulting in the value of the total short derivative market exposure of these investments decreasing to £30,552,000 at 30 November 2025. If the short positions had been closed on 30 November 2025, this would have resulted in a loss of £232,000 for the Company.
- 2 Gross market exposure for equity investments is the same as fair value; bid prices are used where available and, if unavailable, latest market traded quoted prices are used. For both long and short derivative positions, the gross market exposure is the market value of the underlying shares to which the portfolio is exposed via the contract.
- 3 The gross market exposure column for cash and cash equivalents has been adjusted to assume the Company traded direct holdings, rather than exposure being gained through long and short derivative positions.

## Distribution of investments

as at 30 November 2025

| Sector                                    | % of<br>long portfolio | % of<br>short portfolio | % of<br>net portfolio |
|-------------------------------------------|------------------------|-------------------------|-----------------------|
| Oil, Gas & Coal                           | 0.0                    | (0.3)                   | (0.3)                 |
| Oil Equipment & Services                  | 1.4                    | 0.0                     | 1.4                   |
|                                           | -----                  | -----                   | -----                 |
| <b>Oil &amp; Gas</b>                      | <b>1.4</b>             | <b>(0.3)</b>            | <b>1.1</b>            |
| Chemicals                                 | 2.4                    | 0.0                     | 2.4                   |
| Construction & Materials                  | 9.3                    | (0.1)                   | 9.2                   |
| Industrial Metals & Mining                | 2.9                    | 0.0                     | 2.9                   |
| Precious Metals & Mining                  | 1.8                    | 0.0                     | 1.8                   |
|                                           | -----                  | -----                   | -----                 |
| <b>Basic Materials</b>                    | <b>16.4</b>            | <b>(0.1)</b>            | <b>16.3</b>           |
| Aerospace & Defence                       | 3.3                    | (0.3)                   | 3.0                   |
| General Industrials                       | 1.9                    | 0.0                     | 1.9                   |
| Electronic & Electrical Equipment         | 8.9                    | 0.0                     | 8.9                   |
| Industrial Engineering                    | 0.9                    | 0.0                     | 0.9                   |
| Industrial Support Services               | 2.9                    | 0.0                     | 2.9                   |
| Support Services                          | 10.6                   | 0.0                     | 10.6                  |
|                                           | -----                  | -----                   | -----                 |
| <b>Industrials</b>                        | <b>28.5</b>            | <b>(0.3)</b>            | <b>28.2</b>           |
| Beverages                                 | 0.0                    | 0.0                     | 0.0                   |
| Food Producers                            | 3.6                    | (0.2)                   | 3.4                   |
| Leisure Goods                             | 0.5                    | 0.0                     | 0.5                   |
| Personal Goods                            | 0.9                    | 0.0                     | 0.9                   |
|                                           | -----                  | -----                   | -----                 |
| <b>Consumer Staples</b>                   | <b>5.0</b>             | <b>(0.2)</b>            | <b>4.8</b>            |
| Healthcare Equipment & Services           | 2.0                    | 0.0                     | 2.0                   |
| Pharmaceuticals & Biotechnology           | 3.3                    | 0.0                     | 3.3                   |
|                                           | -----                  | -----                   | -----                 |
| <b>Health Care</b>                        | <b>5.3</b>             | <b>0.0</b>              | <b>5.3</b>            |
| Food & Drug Retailers                     | 0.0                    | (0.4)                   | (0.4)                 |
| General Retailers                         | 1.0                    | (0.2)                   | 0.8                   |
| Household Goods & Home Construction       | 2.0                    | 0.0                     | 2.0                   |
| Household Durables                        | 0.6                    | (0.3)                   | 0.3                   |
| Media                                     | 1.6                    | (0.2)                   | 1.4                   |
| Specialty Retailers                       | 0.7                    | (0.4)                   | 0.3                   |
| Travel & Leisure                          | 1.5                    | (0.5)                   | 1.0                   |
|                                           | -----                  | -----                   | -----                 |
| <b>Consumer Discretionary</b>             | <b>7.4</b>             | <b>(2.0)</b>            | <b>5.4</b>            |
| Banks                                     | 1.0                    | 0.0                     | 1.0                   |
| Financial Services                        | 21.1                   | (2.3)                   | 18.8                  |
| Investment Banking and Brokerage Services | 2.3                    | 0.0                     | 2.3                   |
| Non-life Insurance                        | 0.6                    | 0.0                     | 0.6                   |
|                                           | -----                  | -----                   | -----                 |
| <b>Financials</b>                         | <b>25.0</b>            | <b>(2.3)</b>            | <b>22.7</b>           |
| Real Estate Investment & Services         | 1.8                    | 0.0                     | 1.8                   |

|                                          |              |              |              |
|------------------------------------------|--------------|--------------|--------------|
| Real Estate Investment Trusts            | 3.6          | 0.0          | 3.6          |
| <b>Real Estate</b>                       | <b>5.4</b>   | <b>0.0</b>   | <b>5.4</b>   |
| Technology Hardware & Equipment          | 1.1          | 0.0          | 1.1          |
| Semiconductors & Semiconductor Equipment | 0.7          | 0.0          | 0.7          |
| Software & Computer Services             | 7.2          | (0.5)        | 6.7          |
| <b>Technology</b>                        | <b>9.0</b>   | <b>(0.5)</b> | <b>8.5</b>   |
| Telecommunications Service Providers     | 1.5          | 0.0          | 1.5          |
| <b>Telecommunications</b>                | <b>1.5</b>   | <b>0.0</b>   | <b>1.5</b>   |
| Electricity                              | 0.8          | 0.0          | 0.8          |
| <b>Utilities</b>                         | <b>0.8</b>   | <b>0.0</b>   | <b>0.8</b>   |
| <b>Total Investments</b>                 | <b>105.7</b> | <b>(5.7)</b> | <b>100.0</b> |

The above percentages are calculated on the net portfolio as at 30 November 2025. The net portfolio is calculated as long equity and derivative positions, less short derivative positions as at 30 November 2025.

## Analysis of the portfolio

### Market capitalisation as at 30 November 2025

|               | Long positions <sup>1</sup><br>% of net portfolio | Short positions<br>% of net portfolio |
|---------------|---------------------------------------------------|---------------------------------------|
| £10bn+        | 1.1%                                              | 0.0%                                  |
| £5bn – £10bn  | 4.5%                                              | 0.0%                                  |
| £2.5bn – £5bn | 15.7%                                             | -0.6%                                 |
| £2bn – £2.5bn | 12.7%                                             | -0.6%                                 |
| £1.5bn – £2bn | 8.3%                                              | -0.7%                                 |
| £1bn – £1.5bn | 24.3%                                             | -0.6%                                 |
| £500m – £1bn  | 23.3%                                             | -0.7%                                 |
| £0m – £500m   | 15.9%                                             | -2.6%                                 |

<sup>1</sup> The above investments may comprise exposures to long equity and long derivative positions.

Source: BlackRock

### Position size as at 30 November 2025

| Market value | Long positions <sup>1</sup> | Short positions |
|--------------|-----------------------------|-----------------|
| £15m – £20m  | 4                           | 0               |
| £10m – £15m  | 8                           | -1              |
| £5m – £10m   | 35                          | 0               |
| £2.5m – £5m  | 36                          | 0               |
| £0m – £2.5m  | 16                          | -14             |

<sup>1</sup> The above investments may comprise exposures to long equity and long derivative positions.

Source: BlackRock.

### Portfolio holdings within Key Benchmark Indices

|          | Gross Basis <sup>1</sup> | Net Basis <sup>2</sup> |
|----------|--------------------------|------------------------|
| FTSE 250 | 54.8%                    | 50.6%                  |
| FTSE AIM | 19.4%                    | 21.2%                  |

|                |       |       |
|----------------|-------|-------|
| FTSE Small Cap | 12.7% | 14.2% |
| Other          | 13.1% | 14.0% |

**Portfolio holdings within Benchmark Index (the Deutsche Numis Smaller Companies plus AIM (excluding Investment companies) Index)**

|                  | Gross Basis <sup>1</sup> | Net Basis <sup>2</sup> |
|------------------|--------------------------|------------------------|
| Within Benchmark | 87.3%<br>(2024: 82.5%)   | 83.3%<br>(2024: 78.3%) |
| Off-Benchmark    | 12.7%<br>(2024: 17.5%)   | 16.7%<br>(2024: 21.7%) |

Source: BlackRock.

<sup>1</sup> Long exposure plus short exposure as a percentage of the portfolio in aggregate excluding investment in BlackRock’s Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund.

<sup>2</sup> Long exposure less short exposure as a percentage of the portfolio excluding investment in BlackRock’s Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund.

## Business review

### Future of the Company

Shareholders' attention is drawn to the Proposal for the combination with BlackRock Smaller Companies Trust plc detailed under the 'Future of the Company' and 'Board review and benefits of the Combination' sections of the Chairman's Statement above.

### Principal activities

The Company is a public company limited by shares which carries on business as an investment trust and its principal activity is portfolio investment.

### Objective

The Company’s objective is to provide shareholders with long-term capital growth and an attractive total return through investment primarily in UK smaller and mid-capitalisation companies traded on the London Stock Exchange.

### Strategy, business model, investment policy and investment process

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 the Manager, BlackRock Fund Managers Limited (BFM). Matters for the Board include setting the Company’s strategy, including its investment objective and policy, setting limits on gearing (both bank borrowings and the effect of derivatives), capital structure, governance, and appointing and monitoring of performance of service providers, including the Manager.

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.

The management of the investment portfolio and the administration of the Company have been contractually delegated to BFM. 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.

Other service providers include the Depositary and the Fund Accountant, The Bank of New York Mellon (International) Limited, and the Registrar, Computershare Investor Services PLC. Details of the contractual terms with third party service providers are set out in the Directors’ Report.

### Combination with BlackRock Smaller Companies Trust plc

On 20 February 2026 the Company announced that it had agreed terms with the board of BlackRock Smaller Companies Trust plc (‘BRSC’) in respect of a proposed combination of the assets of the Company with those of BRSC. Subject to shareholder approval at General Meeting to be held on 26 March 2026 and 16 April 2026, this will be effected by way of a scheme of reconstruction and winding up of BlackRock Throgmorton Trust plc under section 110 of the Insolvency Act 1986 (the ‘Scheme’) and the associated transfer of the majority of the cash, assets and undertaking of BlackRock Throgmorton Trust plc to BRSC in exchange for the issue of new Ordinary shares in BRSC to those BlackRock Throgmorton Trust shareholders who elected to roll over. BRSC shareholders will also be voting on this combination at a General Meeting to be held on 30 March 2026. More information in respect of the transaction can be found in the Circular and Notice of Meeting at the following link: [blackrock-throgmorton-trust-plc-circular.pdf](#).

### Investment Policy

The Company’s performance is measured against the Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies) Index (the Benchmark Index). The Investment Manager, BlackRock Investment Management (UK) Limited (BIM (UK)), may invest in companies outside the Benchmark Index without restriction, subject to the following limits.

The Company may hold up to 15% of its gross assets, at the time of acquisition, in securities of companies which are listed or traded on a stock exchange outside the UK.

In addition to the normal long only portfolio, the Company will likely hold a mixture of long and short contracts for difference (CFDs) and/or comparable equity derivatives that would result in a typical net market exposure of between 100% and 115%. In extremis, the Company could deploy the full 30% of permissible leverage into short CFDs and/or comparable equity derivatives, thereby reducing its overall net market exposure to 70%.

The Company may also invest up to 2.5% of its net assets (measured at the time of investment) in unquoted securities, including securities issued by companies incorporated outside the United Kingdom. However, the Company may invest more than 2.5%, but no more than 3.75%, of its net assets (both measured at the time of investment), in unquoted securities in circumstances where such investment is in an existing investee company and, in the Investment Manager's opinion, a failure of the Company to make such investment would have a material adverse effect on the value of the Company's investment in such investee company.

In addition, the Company is permitted to employ leverage up to 30% of net assets, which it does primarily through the use of CFDs and/or comparable equity derivatives, rather than bank borrowings, therefore enabling the Company to have a maximum net market exposure of 130%.

In normal circumstances the Company will likely hold a mixture of long and short CFDs and/or comparable equity derivatives that would result in a typical net market exposure of between 100% and 115%<sup>1</sup>.

Portfolio risk will be mitigated by investment in a diversified portfolio of holdings. No more than 5% of the Company's gross assets, at the time of acquisition, may be invested in any one single holding, excluding holdings in cash or money market funds, where up to 10% of the Company's gross assets may be held. The Company may also invest in collective investment vehicles. However, the Company will not invest more than 10% of its gross assets, at the time of the acquisition, in other listed closed-ended investment funds, unless such companies have a stated investment policy not to invest more than 15% of their gross assets in other listed closed-ended investment funds, in which case the limit is 15% of gross assets.

The Board's policy is that net gearing, borrowings less cash, should not exceed 20% of gross assets. The Company expects to employ any leverage primarily through its use of CFDs and/or comparable equity derivatives.

No material change will be made to the investment objective and policy without shareholder approval.

Shareholders should note that as part of the proposed merger with BlackRock Smaller Companies Trust plc, a new investment policy will be adopted by the ongoing enlarged entity. Further details are given in Part 4 of the BRSC circular which can be found at <http://www.blackrock.com/uk/literature/shareholder-letters/blackrock-smaller-companies-trust-plc-shareholder-circular-2026.pdf>.

<sup>1</sup> The AIC measures gearing at gross level, rather than net market exposure level (i.e. gearing is calculated as borrowings + long CFDs and/or comparable equity derivatives + short CFDs and/or comparable equity derivatives) and therefore the published gearing figures will be higher than the typical net market exposure of between 100% and 115%.

**Investment process**

A unique feature of the Company is that it has the ability to go both long and short up to approximately 30% of the Company's net assets. While the UK Smaller Companies sector has generated positive returns over the long term, there can be significant volatility. Such an environment provides an attractive opportunity to add value via both long and short positions which can exploit share price moves whether up or down. As the maximum short portfolio exposure through derivatives is 30% of net assets, the Company will at all times retain an exposure to the market. In the course of their research the investment management team comes across companies which they judge are likely to underperform; the ability to take short positions therefore enhances the opportunity to make money for shareholders. This is not possible in a conventional or long only portfolio.

Idea generation can come from anywhere, though the primary focus is on meeting companies, speaking to management teams, and seeking to gain an in-depth understanding of the business and the industry in which they operate. This is the greatest source of idea generation. Our portfolio manager focuses on identifying strong management teams with clarity of strategic vision, in growing markets with attractive industry dynamics, where they have a leading market position supported by a differentiated product offering, giving them pricing power and strong margins. These characteristics are then combined with strong financial structures. We seek to avoid indebted companies, therefore we look for companies that have strong balance sheets, and importantly those with high levels of cash conversion, where cash can be reinvested back into the business at a high rate of return. From here our manager constructs a diversified portfolio of high quality, growth companies, while also identifying stock specific shorting opportunities in companies that do not meet the above criteria. These are often in industries under significant pressure or companies with weak financial structures (i.e. too much debt and not enough cash flow).

When markets are expected to rise in the medium term, the long/short strategy is used to generate additional market exposure through ensuring that the long exposure exceeds the short exposure in a range between 0% to 15% of the net assets of the Company. Rising or 'bull' markets have historically (in the UK) persisted for longer than falling or 'bear' markets. A typical net market exposure might therefore be between 100% and 115%. This is lower than the 'gross exposure', which is the combination of the long equity positions, plus the net of long and short derivative positions expressed as a percentage of net assets.

**Performance**

The Investment Manager's report above 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 Statement of Comprehensive Income below. The total loss for the year, after taxation, was £9,045,000 (2024: profit of £86,322,000) of which the net revenue profit amounted to £13,949,000 (2024: profit of £17,046,000) and the net capital loss amounted to £22,994,000 (2024: profit of £69,276,000).

Details of the dividends declared in respect of the year are set out in the Chairman's Statement above.

**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 those reported by other investment trusts, are set out in the table below. 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.

The Board monitors the KPIs at each meeting. Additionally, it regularly reviews a number of indices and ratios to understand the impact on the Company's relative performance of the various components such as asset allocation and stock selection. This includes an assessment of the Company's performance and ongoing charges against its peer group of investment trusts with similar investment objectives.

| Year ended<br>30 November<br>2025 | Year ended<br>30 November<br>2024 |
|-----------------------------------|-----------------------------------|
|-----------------------------------|-----------------------------------|

|                                                           |        |        |
|-----------------------------------------------------------|--------|--------|
| Net asset value total return <sup>1,2</sup>               | 0.7%   | 16.3%  |
| Share price total return <sup>1,2</sup>                   | 6.5%   | 5.0%   |
| Benchmark Index total return <sup>3</sup>                 | 10.1%  | 14.1%  |
| Discount to cum income net asset value <sup>2</sup>       | 8.5%   | 13.2%  |
| Revenue return per share                                  | 17.70p | 18.54p |
| Ongoing charges <sup>2,4</sup>                            | 0.63%  | 0.56%  |
| Ongoing charges including performance fees <sup>2,5</sup> | 0.51%  | 0.82%  |

<sup>1</sup> This measures the Company’s share price and NAV total return, which assumes dividends paid by the Company have been reinvested.

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

<sup>3</sup> The Company’s Benchmark Index is the Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies) Index.

<sup>4</sup> Ongoing charges represent the management fee and all other operating expenses, excluding the performance fee, 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.

<sup>5</sup> Ongoing charges represent the management fee, performance 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. Further information on the management fees paid by the Company can be found in Note 4 to the financial statements below.

**Share price discount/premium**

The Directors recognise that it is in the long-term interests of shareholders that the Company’s shares do not trade at an excessive discount or premium to their prevailing NAV for any material length of time. In the year under review the discount to NAV of the ordinary shares on a cum income basis has ranged between a discount of 8.1% and 13.6%, with the average being a discount of 10.5%. The shares ended the year at a discount of 8.5% on a cum income basis. As at 25 February 2026 the discount was 9.4%.

Following the financial year end, the Board convened a General Meeting of its shareholders on 17 February 2025. The purpose of the meeting was to seek to renew the power taken at the last AGM to buy back up to 14.99% of the Company’s shares.

As it does each year, the Board will also be seeking to renew the authority from shareholders at the AGM to issue new shares (or to reissue shares held in treasury) and to buy back shares. Further information on these powers and the Board’s policy in this respect can also be found in the Chairman’s Statement above.

**Principal risks**

As required by the UK Code of Corporate Governance, the Board has in place a robust, ongoing process to identify, assess and monitor the principal and emerging risks of the Company, including those that they consider would threaten its business model, future performance, solvency or liquidity. Emerging risks are considered by the Board as they come into view and are incorporated into the Company’s risk register where applicable. 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.

A core element of this process is the Company’s risk register, which identifies the risks facing the Company and the likelihood and potential impact of each risk, together with the controls established for mitigation. A residual risk rating is calculated for each risk, which allows the effect of any mitigating procedures to be reflected in the register. The current risk register includes a range of risks spread between investment performance risk, income/dividend risk, legal & regulatory risk, counterparty risk, operational risk, market risk, political risk and financial risk.

The risk register, its method of preparation and the operation of key controls in the Manager’s and third party service providers’ systems of internal control are reviewed on a regular basis by the Audit Committee. In order to gain a more comprehensive understanding of the Manager’s and other third party service providers’ risk management processes and how these apply to the Company’s business, the Audit Committee periodically receives presentations from BlackRock’s Internal Audit and Risk & Quantitative Analysis teams. Where produced, the Audit Committee also reviews summaries of the Service Organisation Control (SOC1) reports from 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 heightened geo-political tensions, a global pandemic, hyperinflation, stagflation, a liquidity event or significant changes in technology and the evolution of artificial intelligence (AI)) may have a significant negative impact on global markets (notably through increased commodity and labour price volatility, driving inflation and impacting global trade) and consequently a negative impact on the Company’s NAV, performance and discount. 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 escalating geo-political conflict, technological advances and issues around shareholder voting against a backdrop of heightened activism across the UK investment companies sector.

**The key emerging risks identified are as follows:**

Geo-political risk: Escalating geo-political tensions (including, but not limited to tensions in the Middle East and the ongoing war 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.

Artificial Intelligence (‘AI’): Advances in computing power means 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.

Shareholder voting: There has been an increase in activist activity across the UK closed end funds sector, with general meetings being requisitioned on a number of UK investment trusts to change the composition of the board, and potentially the manager and investment policy. Some investors may find it difficult to vote at general meetings, and against this

backdrop of heightened activity there is a risk that low voting turnout at AGMs and GMs may result either in changes being made that are not in all shareholders' best interests or in the failure to implement changes that are in the best interests of shareholders.

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.

Notwithstanding the outcome of the Board's strategic review as described in the Chairman's Statement, 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 below.

## **INVESTMENT PERFORMANCE**

### **Principal risk**

The Board is responsible for:

- setting the investment policy to fulfil the Company's objectives; and
- monitoring the performance of the Company's Investment Manager and the strategy adopted.

An inappropriate policy or strategy may lead to:

- poor performance compared to the Company's Benchmark Index, peer group or shareholder expectations;
- reduced demand for the Company's shares;
- a widening discount to NAV;
- a reduction or permanent loss of capital; and
- dissatisfied shareholders and reputational damage.

### **Mitigation/Control**

To manage these risks the Board:

- regularly reviews the Company's investment mandate and long-term strategy;
- has set, and regularly reviews, the investment guidelines and has put in place appropriate limits on levels of gearing and the use of derivatives;
- receives from the Investment Manager a regular explanation of stock selection decisions, portfolio gearing and any changes in gearing and the rationale for the composition of the investment portfolio;
- receives from the Investment Manager regular reporting on the portfolio's exposure through derivatives, including the extent to which the portfolio is geared in this manner and the value of any short positions;
- monitors the maintenance of an adequate spread of investments in order to minimise the risks associated with particular sectors, based on the diversification requirements inherent in the Company's investment policy;
- considers the risk of incapacitation of the portfolio manager or his departure from the Manager;
- monitors the share price discount or premium to NAV; and
- undertook a strategic review in the year with the support of the external firm, Stanhope Consulting, This review resulted in the announcement on 20 February 2026 of proposals for a combination with BRSC expected to result in a larger vehicle with improved liquidity and lower operating charges.

## **MARKET RISK**

### **Principal risk**

Market risk arises from changes to the prices of the Company's investments. It represents the potential loss the Company might suffer through holding investments and derivatives. Market risk includes the potential impact of events which are outside the scope of the Company's control including heightened geo-political tensions as set out above, which may have a significant negative impact on global markets and consequently a negative impact on the Company's NAV, performance and discount. Companies operating within the sectors in which the Company invests may be impacted by new legislation governing climate change and environmental issues, which may have a negative impact on their valuation and share price.

### **Mitigation/Control**

The Board carefully considers the diversification of the portfolio, asset allocation, stock selection, unquoted investments 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, and key market risk factors are discussed.

The Board also recognises the benefits of a closed-end fund structure in extremely volatile markets. Unlike open-ended counterparts, closed-end funds are not obliged to sell down portfolio holdings at low valuations to meet liquidity requirements for redemptions. Although the Board has taken shareholder authority to buy back shares to manage the discount, it retains the discretion to decide whether to implement buy backs and the timing and degree to which this is done. During times of elevated volatility and market stress, this discretion and the ability of a closed-end fund structure to remain invested for the longer term potentially enables the Investment Manager to adhere to disciplined fundamental analysis from a bottom-up perspective and be ready to respond to dislocations in the market as opportunities present themselves.

## **INCOME/DIVIDEND RISK**

### **Principal risk**

The amount of dividends and future dividend growth will depend on the performance of the Company's underlying portfolio holdings. Changes in the composition of the portfolio and any change in the tax treatment of the dividends or interest received by the Company may reduce the level of dividends received by shareholders.

**Mitigation/Control**

The Board monitors this risk through the receipt of detailed income forecasts and considers the level of income at each meeting. The Company also has a revenue reserve and powers to pay dividends from capital which could potentially be used to support the Company's dividend if required.

**FINANCIAL RISK****Principal risk**

The Company's investment activities expose it to a variety of financial risks that include market risk, foreign currency risk, counterparty risk and interest rate risk. At 30 November 2025, the Company had approximately 22.6% of its gross asset value invested in AIM traded equity securities and 9.5% of its gross assets in international markets, and, by the very nature of its investment objective, largely invests in smaller companies. Liquidity in these securities can from time to time become constrained, making these investments difficult to realise at or near published prices.

**Mitigation/Control**

The Company is not materially exposed to foreign currency and interest rate risk. For mitigation of market risk, see above. There are also risks linked to the Company's use of derivative transactions including long and short investment positions. Details are disclosed in note 11 contained within the Annual Report and Financial Statements, together with a summary of the policies for managing and controlling these risks in note 16 (contained within the Annual Report and Financial Statements).

**OPERATIONAL RISK****Principal risk**

In common with most other investment trust companies, the Company has no employees. The Company therefore relies upon the services provided by BlackRock (the Manager and AIFM) and The Bank of New York Mellon (International) Limited (the Depositary and Fund Accountant) who maintain the Company's accounting records.

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, as a result of a cyber-attack or otherwise, could impact the monitoring and reporting of the Company's financial position.

The security of the Company's assets, dealing procedures, accounting records and maintenance of regulatory and legal requirements, depend on the effective operation of these systems.

**Mitigation/Control**

The Board reviews the overall performance of the Manager, Investment Manager and all other third party service providers and compliance with the investment management agreement on a regular basis.

The Fund Accountant's and the Manager's internal control processes are regularly tested and monitored throughout the year and are evidenced through their Service Organisation Control (SOC 1) reports, which are subject to review by an Independent Service Assurance Auditor. The SOC 1 reports provide assurance in respect of the effective operation of internal controls.

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 assets of an identical type or the corresponding amount, unless able to demonstrate that the loss was a result of an event beyond its reasonable control.

The Board considers succession arrangements for key employees of the Manager and 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 also receives regular updates from BlackRock's internal audit function and the Company's Audit Committee Chairman attends an annual briefing from the head of BlackRock's internal audit function once a year. This is supplemented by a written report which describes the progress made against the current internal audit plan, any issues identified and the plan for the forthcoming year.

**LEGAL AND REGULATORY RISK****Principal risk**

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 capital gains tax on the profits realised from the sale of its investments.

Any breach of the relevant eligibility conditions could lead to the Company losing its 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. Any serious 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 would in turn lead to a breach of the Corporation Tax Act 2010.

**Mitigation/Control**

The Investment Manager monitors investment movements, the level of forecast income and expenditure and the amount of proposed dividends, if any, to ensure that the provisions of Chapter 4 of Part 24 of the Corporation Tax Act 2010 are not breached, and the results are reported to the Board at each meeting.

Following authorisation under the Alternative Investment Fund Managers' Directive as retained and onshored in the UK (AIFMD), the Company and its appointed Alternative Investment Fund Manager (AIFM) are subject to the risks that the requirements of the AIFMD are not correctly complied with. The Board and the AIFM also monitor changes in government policy and legislation which may have an impact on the Company.

Compliance with the accounting standards applicable to quoted companies and those applicable to investment trusts are also regularly monitored to ensure compliance.

**COUNTERPARTY****Principal risk**

The potential loss that the Company could incur if a counterparty is unable (or unwilling) to perform on its commitments. The risk that a bank the Company has deposits with will fail and the Company will not recover monies deposited with such bank.

The Company's investment policy also permits the use of both exchange-traded and over-the-counter derivatives (including contracts for difference).

#### **Mitigation/Control**

Due diligence is undertaken before contracts are entered into and exposures are diversified across a number of counterparties. The Board reviews the controls put in place by the Investment Manager to monitor and to minimise counterparty exposure, which include intra-day monitoring of exposures to ensure that these are within set limits.

The Depositary is liable for restitution for the loss of financial instruments held in custody, unless it is able to demonstrate that the loss was due to an event beyond its reasonable control.

The creditworthiness of financial institutions is assessed by BlackRock's Portfolio Management Group ("PMG") Fundamental Fixed Income Credit Research Team prior to entering into any banking arrangements. The Company has restricted the amount of cash which may be held with any one financial institution, and cash balances are monitored daily and any significant surplus cash is invested substantially in BlackRock's UCITS compliant Cash Fund to diversify risk.

#### **Viability statement**

The Directors have assessed the prospects of the Company over a longer period than the 12 months referred to by the "Going Concern" guidelines.

It is proposed that the Company combines with BRSC to consolidate the latter's position as the largest growth focused UK Smaller Companies trust in the investment trust sector. The combination, if approved at the general meetings by the shareholders of both companies, will be effected by way of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 (the "Scheme") and the associated transfer of part of the assets and undertaking of the Company to BRSC in exchange for the issue of new ordinary shares in BRSC. The outcome of the general meetings to make the Scheme effective represents a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Notwithstanding this material uncertainty, the Board has concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Board has come to the view that, as the Scheme is contingent on shareholder approval and the Company is considered solvent in all other regards, there is no requirement for the Company to be liquidated and thus going concern remains the most appropriate basis for preparation. In reaching this conclusion, the Board has also given due consideration to the risks associated with the Proposal.

Notwithstanding this material uncertainty, for the purpose of this viability statement, the Board conducted this review for the period up to the AGM in 2031, being a five-year period from the date that this Annual Report will be approved by shareholders. This is generally the investment holding period investors consider while investing in the smaller companies' sector. The Board is cognisant of the uncertainty surrounding the potential duration of the Russia/Ukraine conflict and the hostilities in the Middle East, the imposition of tariffs and their impact on the global economy, and the prospects for the Company's portfolio holdings. In making its assessment the Board has also considered the following factors:

- the Company's principal risks as set out above;
- the impact of a significant fall in UK equity markets on the value of the Company's investment portfolio in the light of the heightened volatility resulting from the ongoing Russia/Ukraine conflict, the hostilities in the Middle East, the imposition of tariffs and any potential impact on the global economy, and the path of inflation and interest rates in the UK;
- the ongoing relevance of the Company's investment objective; and
- the level of demand for the Company's shares.

The Directors have also considered the Company's revenue and expense forecasts and the fact that expenses and liabilities are relatively stable. The Company also has a portfolio of investments which provides a level of cash receipts in the form of dividends and which are considered to be relatively realisable if required.

The Directors reviewed the assumptions and considerations underpinning the Company's existing going concern assertion (please see the disclosure in the Directors' Report contained within the Annual Report and Financial Statements), which are based on:

- processes for monitoring costs;
- key financial ratios;
- evaluation of risk management and controls;
- compliance with the investment objective;
- the Company's ability to meet its liabilities as they fall due;
- portfolio risk profile;
- share price discount to NAV;
- gearing;
- counterparty exposure and liquidity risk;
- 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; and
- the effectiveness of business continuity plans in place for the Company and key service providers.

The Company has a relatively liquid portfolio and largely fixed overheads (excluding any applicable performance fees) which comprise a very small percentage of net assets 0.63% excluding performance fees, 0.51% including performance fees in 2025. The effective performance fee cap in the event that the NAV return exceeds the Benchmark Index return over the performance period is circa 0.90% of the average gross assets over the two years and the applicable percentage to be applied to the outperformance of the NAV total return over the Benchmark Index return is 15%. In addition, the maximum cap on total management and performance fees is 1.25% of average gross assets (measured over a rolling two-year period). Therefore, the Board has concluded that the Company would be able to meet its ongoing operating costs as they fall due.

The Directors have also considered the impact of potential changes in law, regulation and taxation and the matter of foreign exchange risk. They have determined that although there are a number of potential risks associated with the legal, fiscal and regulatory landscape they do not believe that this represents a material threat to the Company's strategy and business model, nor do they believe that the Investment Manager will be materially impeded in achieving the Company's investment objective.

Based on the results of their analysis, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.

## Section 172 statement: promoting the success of BlackRock Throgmorton Trust plc

The Companies (Miscellaneous Reporting) Regulations 2018 require directors to explain more fully 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 enhanced disclosure 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 and the key service providers (being the Manager and Investment Manager, the Custodian, Depositary, Registrar and Broker). The reasons for this determination, and the Board's overarching approach to engagement, are set out below:

### 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 growth and income.

In turn, 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.

#### 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.

Following proposals announced on 20 February 2026 for the reconstruction and voluntary winding-up of the Company, the Company has given notice to terminate the IMA with immediate effect from the date that an effective resolution for the winding-up of the Company is passed and the Manager has agreed to such termination.

#### Other key service providers

In order for the Company to function as an investment trust with a listing on the premium segment of the official list of the FCA and trade on the London Stock Exchange's (LSE) main market for listed securities, 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, either directly or through the Manager, maintains regular contact with its key external providers and receives regular reporting from them through the Board and Committee meetings, as well as outside of the regular meeting cycle.

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.

### INVESTMENT MANDATE AND OBJECTIVE

#### Issue

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.

#### Engagement

The Board works closely with the Investment Manager throughout the year in further developing our 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.

The Board is kept advised in respect of the Manager's consideration of ESG factors as part of the investment process; a summary of BlackRock's approach to ESG matters is set out within the Annual Report and Financial Statements.

During the year, the Board's remained focused on the performance of the Manager in achieving the Company's investment objective within an appropriate risk framework. A significant amount of time was expended in the process of reviewing strategic options for the Company, agreeing heads of terms for combining with BRSC and drafting the requisite documentation.

In particular, a number of key activities and decisions have been taken by the Board during the year, as set out below:

- The Board appointed Stanhope Consulting to assist in an extensive sector-wide review which included an analysis of the strategies and performance of peer group companies and an assessment of all the options available to the Company.
- The Board met with a number of key shareholders representing 43% of the register in total to understand their requirements and obtain feedback.

### **Impact**

Details regarding the Company's NAV and share price performance can be found in the Chairman's Statement above and in the Strategic Report contained within the Annual Report and Financial Statements.

The portfolio activities undertaken by the Manager can be found in the Investment Manager's Report above.

Based on the results of the review and engagement with Shareholders, the Board concluded that the Combination would be in Shareholders' best interests, and on 20 February published a circular and notices of general meetings (to be held on 26 March 2026 and 16 April 2026) to approve the transaction. In reaching its conclusions the Board notes that there are a range of attractions to a combination with BRSC, including larger scale, greater liquidity, a more competitive management fee structure (without the performance fee) and operating charges (as compared to the Company's average operating charges with performance fees included over the past 5 years).

## **MANAGEMENT OF THE SHARE RATING**

### **Issue**

The Board believes that the best way of addressing the discount over the longer term is to continue to generate good performance and to create demand for the Company's shares in the secondary market through broadening awareness of the Company's unique structure. The Board believes that it is in shareholders' interests that the share price does not trade at an excessive premium or discount to NAV. Therefore, where deemed to be in shareholders' long-term interests, it 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.

### **Engagement**

The Manager reports total return performance statistics to the Board on a regular basis, along with the portfolio yield and the impact of dividends paid on brought forward distributable reserves.

The Board reviews the Company's discount/premium to NAV on a regular basis and holds regular discussions with the Manager and the Company's broker regarding the discount/premium level.

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.

The Manager provides the Board with feedback and key performance statistics regarding the success of the Company's marketing initiatives.

As noted above, the Board appointed Stanhope Consulting to assist in an extensive sector-wide review which included an analysis of the strategies and performance of peer group companies and an assessment of all the options available to the Company, and met with a number of key shareholders representing 43% of the register in total to understand their requirements and obtain feedback. A significant amount of time was expended in the process of reviewing strategic options for the Company, agreeing heads of terms for combining with BRSC and drafting the requisite documentation.

### **Impact**

The average discount for the year to 30 November 2025 was 10.5%. During the year the Company's share price has traded between a discount of 8.1% and 13.6%.

The Board anticipates that the Combination, if approved, will bring a range of benefits for shareholders that elect to roll their shares into BlackRock Smaller Companies Trust plc, including larger scale, greater liquidity, a more competitive management fee structure and lower operating charges. This in turn should help to support demand for the shares and help them trade at closer to NAV.

## **SERVICE LEVELS OF THIRD PARTY PROVIDERS**

### **Issue**

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 performance and delivering on the Company's investment mandate; the Depositary in respect of its 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 Brokers in respect of the provision of advice and acting as a market maker for the Company's shares.

### **Engagement**

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 of the service levels of all third party service providers and concludes on their suitability to continue in their role.

The Board has received updates in respect of business continuity planning from the Company's Manager, Depositary, Fund Administrator, Brokers, Registrar and Printers, and is confident that arrangements are in place to ensure that a good level of service will continue to be provided.

### **Impact**

Performance evaluations were performed on a timely basis and the Board concluded that all third party service providers, including the Manager, Depositary and Fund Administrator were operating effectively and providing a good level of service.

## **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 Corporate Governance Code, including guidance on tenure and the composition of the Board's committees.

### **Engagement**

During the year the Board undertook a review of succession planning arrangements and identified the need for action to ensure that the composition of the Board remained appropriate and that there was an ongoing process of refreshment, bringing in new ideas and different perspectives. The Board, through its Nomination Committee, agreed the selection criteria and the method of selection, recruitment and appointment. Board diversity, including factors such as age, ethnicity, and gender, was taken into account when establishing the criteria.

All Directors are subject to a formal evaluation process on an annual basis (more details and the conclusions in respect of the 2025 evaluation process are given within the Annual Report and Financial Statements). All Directors stand for re-election by shareholders annually. Shareholders may attend the AGM 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 if they wish to raise any issues.

### **Impact**

The Directors are not aware of any issues that have been raised directly by shareholders in respect of Board composition in 2025. Details for the proxy voting results in favour and against individual Directors' re-election at the 2025 AGM are given on the Company's website at [www.blackrock.com/uk/thrg](http://www.blackrock.com/uk/thrg).

It is intended that, following completion of the Scheme, Angela Lane and Louise Nash will be appointed as non-executive Directors of the ongoing enlarged BRSC. It is anticipated that the Board of the ongoing entity will be compliant with the gender and diversity recommendations of the Parker Review.

## **SHAREHOLDERS**

### **Issue**

Continued shareholder support and engagement are critical to the continued existence of the Company and the successful delivery of its long-term strategy.

The dividend is funded out of current year revenue and, where deemed appropriate, may be supported from revenue reserves if current year revenue is insufficient. The Company does not have a policy of seeking income, however, the portfolio has, to date, continued to deliver a level of income such that the Board is able to pay an attractive dividend.

### **Engagement**

The Board is committed to maintaining open channels of communication and to engaging with shareholders and welcomes and encourages attendance and participation from shareholders at its Annual General Meetings. Shareholders therefore have the opportunity to meet the Directors and Investment Manager and to address questions to them directly. The Chairman and Senior Independent Director also meet directly with shareholders providing a forum for canvassing their views and enabling the Board to be aware of any issues of concern.

As noted above, the Board appointed Stanhope Consulting to assist in an extensive sector-wide review which included an analysis of the strategies and performance of peer group companies and an assessment of all the options available to the Company, and met with a number of key shareholders representing 43.5% of the register in total to understand their requirements and obtain feedback. The outcome of these discussions was that the majority of shareholders indicated support for a combination with BlackRock Smaller Companies Trust on the basis set out in the Circular published on 20 February 2026. The Board also made available an information document to help shareholders understand the transaction and how to vote and participate.

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 website at [www.blackrock.com/uk/thrg](http://www.blackrock.com/uk/thrg).

The Board also works closely with the Manager to develop the Company's marketing strategy, with the aim of ensuring effective communication with shareholders in respect of the investment mandate and objective. Unlike trading companies, shareholder meetings usually take the form of a meeting with the Investment Manager as opposed to members of the Board. As well as attending regular investor meetings the Investment Manager holds regular discussions with wealth management desks and offices to build on the case for, and understanding of, long-term investment opportunities in the UK smaller companies' sector.

However, the Board is ultimately responsible for communication with shareholders and all substantive matters arising from such communication are referred to the Board.

The Manager also coordinates public relations activity, including meetings between the Investment Manager and relevant industry publications to set out their vision for the portfolio strategy and outlook for the UK equity market. The Manager releases the daily NAV and monthly portfolio updates to the market to ensure that investors are kept up to date in respect of performance and other portfolio developments and maintains a website on behalf of the Company that contains relevant information in respect of the Company's investment mandate and objective. 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 provided within the Annual Report and Financial Statements.

### **Impact**

The feedback from shareholders in respect of the proposal to combine with BlackRock Smaller Companies Trust plc resulted in the publication of a circular on 20 February 2026 and notice of a general meeting to approve this combination. The Board anticipates that the Combination, if approved, will bring a range of benefits for shareholders. These include the ability to realise cash at close to NAV (for up to 38% of issued share capital). Shareholders that choose to roll into the ongoing and enlarged BRSC will benefit from larger scale, greater liquidity, a more competitive management fee structure and lower operating charges.

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 Investment Manager attended professional investor meetings and held discussions with a range of different wealth management desks and offices in respect of the Company during the year under review. Investors were also impressed with the wide pool of resource available through BlackRock's Emerging Companies team, and the rigorous 'bottom-up' investment approach.

## **RESPONSIBLE INVESTING**

## Issue

Consideration of material Environmental, Social and Governance (ESG) information and sustainability risks are considered when making investment decisions. Sustainability-related risks, including climate-related risks, are becoming a defining factor in companies' long-term prospects across the investment spectrum, with significant and lasting implications for economic growth and prosperity.

## BlackRock's reporting and disclosures

In terms of its own reporting, BlackRock believes that the Sustainability Accounting Standards Board provides a clear set of standards for reporting sustainability information across a wide range of issues, from labour practices to data privacy to business ethics. For evaluating and reporting climate-related risks, as well as the related governance issues that are essential to managing them, the Task Force on Climate-related Financial Disclosures (TCFD) provides a valuable framework. BlackRock recognises that reporting to these standards requires significant time, analysis, and effort. BlackRock's 2024 TCFD report can be found at [www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/climate-report-blkinc.pdf](https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/climate-report-blkinc.pdf).

## Future prospects

The Board's main focus is on the achievement of capital growth and the future of the Company is dependent upon the success of the investment strategy. The outlook for the Company is discussed in the Chairman's Statement and in the Investment Manager's Report above.

## Social, community and human rights issues

As an investment trust, the Company has no direct social or community responsibilities. However, the Company believes that it is 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 socially responsible investment is set out above and contained within 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. The Board considers the Company's supply chain, 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 30 November 2025, all of whom held office throughout the year, are set out within the Annual Report and Financial Statements. The Board recognises the importance of having a range of experienced Directors who, both individually and collectively, possess a suitable balance of skills, knowledge, independence and diversity to enable it to fulfil its obligations. As at 30 November 2025, the Board consisted of two men and three women, resulting in 60% female representation. The Company has no employees, and all of its Directors are non-executive. Therefore, there are no disclosures to be made in respect of employees.

The Chairman's Statement and the Investment Manager's Report above form part of this Strategic Report.

The Strategic Report was approved by the Board at its meeting on 27 February 2026.

By order of the Board

## KEVIN MAYGER

for and on behalf of  
BlackRock Investment Management (UK) Limited  
Company Secretary  
27 February 2026

## Related party and 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.

The investment management fee due for the year ended 30 November 2025 amounted to £2,179,000 (2024: £2,575,000). At the year end, £545,000 (2024: £1,906,000) was outstanding in respect of management fees.

The performance fee payable for the year ended 30 November 2025 amounted to £nil (2024: £2,982,000). The accrual of £625,000 which was accrued in the prior year and related to two-year period ended 30 November 2025 has been written back due to the reduction in outperformance for the period (2024: accrual of £3,607,000) and is calculated as follows:

- For the annualised rolling two-year performance period to 30 November 2025, the Company has underperformed the benchmark by 5.2% as at 30 November 2025. As a result, an amount of £625,000 has been written back from the performance fee accrued in the prior period.
- For the annualised rolling two-year performance period to 30 November 2026, the Company has underperformed the benchmark by 5.3% as at 30 November 2025. No performance fee relating to this performance period has been accrued at the date of this report.

In addition to the above services, BIM (UK) has provided marketing services. The total fees paid or payable for these services for the year ended 30 November 2025 amounted to £159,000 excluding VAT (2024: £175,000). Marketing fees of £124,000 (2024: £124,000) were outstanding at the year end.

The Company has an investment in the BlackRock Institutional Cash Series plc - Sterling Liquid Environmentally Aware Fund of £26,793,000 (2024: £43,477,000) which for the year ended 30 November 2025 and 30 November 2024 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.

As at 30 November 2025, the Board consisted of five non-executive Directors, all of whom were considered to be independent by the Board\*. None of the Directors has a service contract with the Company. For the year ended 30 November 2025, the Chairman received an annual fee of £50,250, the Chairman of the Audit and Management Engagement Committee received an annual fee of £40,000, the Senior Independent Director received an annual fee of £36,100 and each other Director received an annual fee of £34,100. With effect from 1 December 2025 the Chairman will receive an annual fee of £52,500, the Chairman of the Audit and Management Engagement Committee will receive an annual fee of £41,800, the Senior Independent Director will receive an annual fee of £37,700 and each other Director will receive an annual fee of £35,600.

As at 30 November 2025, all members of the Board held shares in the Company. James Will held 10,000 ordinary shares, Louise Nash held 5,500 ordinary shares, Angela Lane held 11,899 ordinary shares, Nigel Burton held 17,583 ordinary shares and Merryn Somerset Webb held 3,954 ordinary shares.

All of the holdings of the Directors are beneficial. Since the year end there have been no further changes to the Directors' share interests.

## Statement of Directors' responsibilities in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report and Financial Statements, (including the Directors' Remuneration Report) in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors are required to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. 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 and of the profit or loss of the Company for that period.

In preparing these Financial Statements, the Directors are required to:

- present fairly the financial position, financial performance and cash flows of the Company;
- select suitable accounting policies in accordance with IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' 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 the Financial Statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the Financial Statements;
- provide additional disclosures when compliance with the specific requirements in international accounting standards in conformity with the requirements of the Companies Act 2006, is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; 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 and the Corporate Governance Statement 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 Investment Manager and the AIFM for the maintenance and integrity of the Company's corporate and financial information included on BlackRock's 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, whose names are listed within the Annual Report and Financial Statements, confirms to the best of his or her knowledge that:

- the Financial Statements, which have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and net loss of the Company; and
- the Annual Report and Financial Statements include 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 2018 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 Committee advise on whether it considers that the Annual Report and Financial Statements fulfil these requirements. The process by which the Committee has reached these conclusions is set out in the Audit 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 30 November 2025, taken as a whole, are fair, balanced and understandable and provided the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

For and on behalf of the Board

**JAMES WILL**

Chairman  
27 February 2026

Statement of Comprehensive Income
for the year ended 30 November 2025

|                                                                            | Notes | 2025    |          |          | 2024    |         |         |
|----------------------------------------------------------------------------|-------|---------|----------|----------|---------|---------|---------|
|                                                                            |       | Revenue | Capital  | Total    | Revenue | Capital | Total   |
|                                                                            |       | £'000   | £'000    | £'000    | £'000   | £'000   | £'000   |
| Income from investments held at fair value through profit or loss          | 3     | 13,762  | 18       | 13,780   | 16,070  | 518     | 16,588  |
| Net income from derivatives                                                | 3     | 252     | –        | 252      | 1,024   | –       | 1,024   |
| Other income                                                               | 3     | 1,571   | –        | 1,571    | 1,569   | –       | 1,569   |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Total income                                                               |       | 15,585  | 18       | 15,603   | 18,663  | 518     | 19,181  |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Net (loss)/profit on investments held at fair value through profit or loss |       | –       | (11,294) | (11,294) | –       | 59,598  | 59,598  |
| Net profit/(loss) on foreign exchange                                      |       | –       | 13       | 13       | –       | (61)    | (61)    |
| Net (loss)/profit from derivatives                                         |       | –       | (10,644) | (10,644) | –       | 12,839  | 12,839  |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Total                                                                      |       | 15,585  | (21,907) | (6,322)  | 18,663  | 72,894  | 91,557  |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Expenses                                                                   |       |         |          |          |         |         |         |
| Investment management and performance fees                                 | 4     | (544)   | (1,010)  | (1,554)  | (644)   | (3,524) | (4,168) |
| Other operating expenses                                                   | 5     | (1,001) | (26)     | (1,027)  | (922)   | (21)    | (943)   |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Total operating expenses                                                   |       | (1,545) | (1,036)  | (2,581)  | (1,566) | (3,545) | (5,111) |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Net profit/(loss) before finance costs and taxation                        |       | 14,040  | (22,943) | (8,903)  | 17,097  | 69,349  | 86,446  |
| Finance costs                                                              |       | (17)    | (51)     | (68)     | (24)    | (73)    | (97)    |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Net profit/(loss) before taxation                                          |       | 14,023  | (22,994) | (8,971)  | 17,073  | 69,276  | 86,349  |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Taxation charge                                                            |       | (74)    | –        | (74)     | (27)    | –       | (27)    |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Net profit/(loss) for the year                                             |       | 13,949  | (22,994) | (9,045)  | 17,046  | 69,276  | 86,322  |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |
| Earnings/(loss) per ordinary share (pence)                                 | 7     | 17.70   | (29.18)  | (11.48)  | 18.54   | 75.37   | 93.91   |
|                                                                            |       | =====   | =====    | =====    | =====   | =====   | =====   |

The total columns of this statement represent the Company’s Statement of Comprehensive Income, prepared in accordance with UK-adopted International Accounting Standards (IASs). 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 Company does not have any other comprehensive income/(loss) (2024: £nil). The net profit/(loss) for the year disclosed above represents the Company’s total comprehensive income/(loss).

Statement of Changes in Equity
for the year ended 30 November 2025

|                                                        | Notes | Called up<br>share<br>capital<br>£'000 | Share<br>premium<br>account<br>£'000 | Capital<br>redemption<br>reserve<br>£'000 | Special<br>reserve<br>£'000 | Capital<br>reserves<br>£'000 | Revenue<br>reserve<br>£'000 | Total<br>£'000 |
|--------------------------------------------------------|-------|----------------------------------------|--------------------------------------|-------------------------------------------|-----------------------------|------------------------------|-----------------------------|----------------|
| <b>For the year ended 30 November 2025</b>             |       |                                        |                                      |                                           |                             |                              |                             |                |
| <b>At 30 November 2024</b>                             |       | <b>5,160</b>                           | <b>242,122</b>                       | <b>11,905</b>                             | <b>–</b>                    | <b>316,033</b>               | <b>20,688</b>               | <b>595,908</b> |
| Total comprehensive (loss)/income:                     |       |                                        |                                      |                                           |                             |                              |                             |                |
| Net (loss)/profit for the year                         |       | –                                      | –                                    | –                                         | –                           | (22,994)                     | 13,949                      | (9,045)        |
| Transactions with owners, recorded directly to equity: |       |                                        |                                      |                                           |                             |                              |                             |                |
| Ordinary shares repurchased into treasury              | 8,9   | –                                      | –                                    | –                                         | (14,145)                    | (56,321)                     | –                           | (70,466)       |
| Share repurchase costs                                 | 8,9   | –                                      | –                                    | –                                         | –                           | (367)                        | –                           | (367)          |
| Cancellation of share premium <sup>1</sup>             |       | –                                      | (242,122)                            | –                                         | 242,122                     | –                            | –                           | –              |
| Dividends paid <sup>2</sup>                            | 6     | –                                      | –                                    | –                                         | –                           | –                            | (14,412)                    | (14,412)       |
|                                                        |       | -----                                  | -----                                | -----                                     | -----                       | -----                        | -----                       | -----          |
| <b>At 30 November 2025</b>                             |       | <b>5,160</b>                           | <b>–</b>                             | <b>11,905</b>                             | <b>227,977</b>              | <b>236,351</b>               | <b>20,225</b>               | <b>501,618</b> |
|                                                        |       | =====                                  | =====                                | =====                                     | =====                       | =====                        | =====                       | =====          |
| <b>For the year ended 30 November 2024</b>             |       |                                        |                                      |                                           |                             |                              |                             |                |
| At 30 November 2023                                    |       | 5,160                                  | 242,122                              | 11,905                                    | 3,231                       | 295,624                      | 17,883                      | 575,925        |
| Total comprehensive income:                            |       |                                        |                                      |                                           |                             |                              |                             |                |
| Net profit for the year                                |       | –                                      | –                                    | –                                         | –                           | 69,276                       | 17,046                      | 86,322         |
| Transactions with owners, recorded directly to equity: |       |                                        |                                      |                                           |                             |                              |                             |                |
| Ordinary shares repurchased into treasury              | 8,9   | –                                      | –                                    | –                                         | (3,213)                     | (48,620)                     | –                           | (51,833)       |
| Share repurchase costs                                 | 8,9   | –                                      | –                                    | –                                         | (18)                        | (247)                        | –                           | (265)          |
| Dividends paid <sup>3</sup>                            | 6     | –                                      | –                                    | –                                         | –                           | –                            | (14,241)                    | (14,241)       |
|                                                        |       | -----                                  | -----                                | -----                                     | -----                       | -----                        | -----                       | -----          |
| <b>At 30 November 2024</b>                             |       | <b>5,160</b>                           | <b>242,122</b>                       | <b>11,905</b>                             | <b>–</b>                    | <b>316,033</b>               | <b>20,688</b>               | <b>595,908</b> |
|                                                        |       | =====                                  | =====                                | =====                                     | =====                       | =====                        | =====                       | =====          |

<sup>1</sup> The Company's share premium account was cancelled pursuant to shareholders' approval of a special resolution at the Company's Annual General Meeting on 25 March 2025 and Court approval on 29 April 2025. The share premium account which totalled £242,122,000 at the time of cancellation was transferred to a special reserve. This action was taken, in part, to increase the Company's distributable reserves, thereby providing a greater ability to pay dividends and repurchase shares.

<sup>2</sup> Final dividend of 14.25p per share for the year ended 30 November 2024, declared on 20 February 2025 and paid on 11 April 2025 and interim dividend of 3.80p per share for the year ended 30 November 2025, declared on 1 August 2025 and paid on 5 September 2025.

<sup>3</sup> Final dividend of 11.45p per share for the year ended 30 November 2023, declared on 2 February 2024 and paid on 28 March 2024 and interim dividend of 3.75p per share for the year ended 30 November 2024, declared on 24 July 2024 and paid on 27 August 2024.

For information on the Company's distributable reserves please refer to note 15 contained within the Annual Report and Financial Statements.

### Statement of Financial Position

as at 30 November 2025

|                                                       | Notes | 2025<br>£'000 | 2024<br>£'000 |
|-------------------------------------------------------|-------|---------------|---------------|
| <b>Non current assets</b>                             |       |               |               |
| Investments held at fair value through profit or loss |       | 474,824       | 557,602       |
|                                                       |       | =====         | =====         |
| <b>Current assets</b>                                 |       |               |               |
| Other receivables                                     |       | 2,182         | 1,536         |

|                                                                            |          |                |                 |
|----------------------------------------------------------------------------|----------|----------------|-----------------|
| Derivative financial assets held at fair value through profit or loss      | 10       | 28             | 2,173           |
| Current taxation asset                                                     |          | 187            | 400             |
| Cash collateral pledged with brokers                                       | 10       | 3,200          | 700             |
| Cash and cash equivalents – cash at bank                                   | 10       | 890            | 412             |
| Cash and cash equivalents - Cash Fund <sup>1</sup>                         | 10       | 26,793         | 43,477          |
|                                                                            |          | -----          | -----           |
| <b>Total current assets</b>                                                |          | <b>33,280</b>  | <b>48,698</b>   |
|                                                                            |          | =====          | =====           |
| <b>Total assets</b>                                                        |          | <b>508,104</b> | <b>606,300</b>  |
|                                                                            |          | =====          | =====           |
| <b>Current liabilities</b>                                                 |          |                |                 |
| Other payables                                                             |          | (3,598)        | (8,262)         |
| Derivative financial liabilities held at fair value through profit or loss | 10       | (1,298)        | (360)           |
| Liability for cash collateral received                                     | 10       | (1,590)        | (1,770)         |
|                                                                            |          | -----          | -----           |
| <b>Total current liabilities</b>                                           |          | <b>(6,486)</b> | <b>(10,392)</b> |
|                                                                            |          | =====          | =====           |
| <b>Net assets</b>                                                          |          | <b>501,618</b> | <b>595,908</b>  |
|                                                                            |          | =====          | =====           |
| <b>Equity</b>                                                              |          |                |                 |
| Called up share capital                                                    | 8        | 5,160          | 5,160           |
| Share premium account                                                      | 9        | –              | 242,122         |
| Capital redemption reserve                                                 | <b>9</b> | 11,905         | 11,905          |
| Special reserve                                                            | <b>9</b> | 227,977        | –               |
| Capital reserves                                                           | <b>9</b> | 236,351        | 316,033         |
| Revenue reserve                                                            | <b>9</b> | 20,225         | 20,688          |
|                                                                            |          | -----          | -----           |
| <b>Total shareholders' funds</b>                                           |          | <b>501,618</b> | <b>595,908</b>  |
|                                                                            |          | =====          | =====           |
| <b>Net asset value per ordinary share (pence)</b>                          | <b>7</b> | <b>668.53</b>  | <b>682.82</b>   |
|                                                                            |          | =====          | =====           |

<sup>1</sup> Cash Fund represents funds held on deposit with the BlackRock Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund.

## Cash Flow Statement

for the year ended 30 November 2025

|                                                 | <b>2025</b>  | <b>2024</b>  |
|-------------------------------------------------|--------------|--------------|
|                                                 | <b>£'000</b> | <b>£'000</b> |
| <b>Operating activities</b>                     |              |              |
| Net (loss)/profit before taxation <sup>1</sup>  | (8,971)      | 86,349       |
| <i>Changes in working capital items:</i>        |              |              |
| (Increase)/decrease in other receivables        | (327)        | 63           |
| (Decrease)/increase in other payables           | (5,007)      | 1,499        |
| (Increase)/decrease in amounts due from brokers | (319)        | 681          |

|                                                                            |                 |                 |
|----------------------------------------------------------------------------|-----------------|-----------------|
| Increase/(decrease) in amounts due to brokers                              | 343             | (734)           |
| <i>Other adjustments:</i>                                                  |                 |                 |
| Finance costs                                                              | 68              | 97              |
| Net loss/(profit) on investments held at fair value through profit or loss | 11,294          | (59,598)        |
| Net loss/(profit) from derivatives                                         | 10,644          | (12,839)        |
| Financing costs on derivatives                                             | (2,516)         | (3,230)         |
| Net (profit)/loss on foreign exchange                                      | (13)            | 61              |
| Sales of investments held at fair value through profit or loss             | 361,139         | 310,643         |
| Purchases of investments held at fair value through profit or loss         | (289,655)       | (251,053)       |
| Net (payments)/receipts on closure of derivatives                          | (5,045)         | 13,505          |
| Net movement in cash collateral held with brokers                          | (2,680)         | 1,225           |
|                                                                            | -----           | -----           |
| <b>Net cash inflow from operating activities before taxation</b>           | <b>68,955</b>   | <b>86,669</b>   |
|                                                                            | =====           | =====           |
| Taxation received/(paid)                                                   | 139             | (62)            |
|                                                                            | -----           | -----           |
| <b>Net cash inflow from operating activities</b>                           | <b>69,094</b>   | <b>86,607</b>   |
|                                                                            | =====           | =====           |
| <b>Financing activities</b>                                                |                 |                 |
| Interest paid                                                              | (68)            | (97)            |
| Ordinary shares repurchased into treasury                                  | (70,833)        | (52,341)        |
| Dividends paid                                                             | (14,412)        | (14,241)        |
|                                                                            | -----           | -----           |
| <b>Net cash outflow from financing activities</b>                          | <b>(85,313)</b> | <b>(66,679)</b> |
|                                                                            | =====           | =====           |
| <b>(Decrease)/increase in cash and cash equivalents</b>                    | <b>(16,219)</b> | <b>19,928</b>   |
| Effect of foreign exchange rate changes                                    | 13              | (61)            |
|                                                                            | =====           | =====           |
| <b>Change in cash and cash equivalents</b>                                 | <b>(16,206)</b> | <b>19,867</b>   |
| Cash and cash equivalents at start of year                                 | 43,889          | 24,022          |
|                                                                            | -----           | -----           |
| <b>Cash and cash equivalents at end of year</b>                            | <b>27,683</b>   | <b>43,889</b>   |
|                                                                            | =====           | =====           |
| <b>Comprised of:</b>                                                       |                 |                 |
| Cash at bank                                                               | 890             | 412             |
| Cash Fund <sup>2</sup>                                                     | 26,793          | 43,477          |
|                                                                            | -----           | -----           |
|                                                                            | <b>27,683</b>   | <b>43,889</b>   |
|                                                                            | =====           | =====           |

<sup>1</sup> Dividends and interest received in cash during the year amounted to £13,057,000 and £1,675,000 respectively (2024: £15,643,000 and £1,459,000).

<sup>2</sup> Cash Fund represents funds held on deposit with the BlackRock Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund.

## Notes to the Financial Statements

for the year ended 30 November 2025

## **1. Principal activity**

The principal activity of the Company is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010.

## **2. Accounting policies**

The principal accounting policies adopted by the Company have been applied consistently, other than where new policies have been adopted and are set out below.

### **(a) Basis of preparation**

The financial statements have been prepared under the historic cost convention modified by the revaluation of certain financial assets and financial liabilities held at fair value through profit or loss and in accordance with UK-adopted International Accounting Standards (IAS), with future changes being subject to endorsement by the UK Endorsement Board and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. All of the Company's operations are of a continuing nature.

Insofar as the Statement of Recommended Practice (SORP) for investment trust companies and venture capital trusts, issued by the Association of Investment Companies (AIC) in October 2019 and updated in July 2022, is compatible with UK-adopted IAS, the Financial Statements have been prepared in accordance with the guidance set out in the SORP.

It is proposed that the Company combines with BlackRock Smaller Companies Trust plc (BRSC) to consolidate the latter company's position as the largest growth focused UK Smaller Companies trust in the investment trust sector. The combination, if approved at the general meetings by the shareholders of both the Company and BRSC, will be effected by way of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 (the "Scheme") and the associated transfer of part of the assets and undertaking of the Company to BRSC in exchange for the issue of new ordinary shares in BRSC. The outcome of the general meetings to make the Scheme effective cannot be reasonably predicted. This represents a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. Notwithstanding this material uncertainty, the Board has concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Board has come to the view that, as the Scheme is contingent on shareholder approval and the Company is considered solvent in all other regards, there is no requirement for the Company to be liquidated and thus going concern remains the most appropriate basis for preparation. In reaching this conclusion, the Board has also given due consideration to the risks associated with the Proposal.

The financial statements do not include liquidation expenses and related adjustments that would result if the company were unable to continue as a going concern.

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 IFRS 13.

None of the Company's other assets and liabilities were considered to be potentially impacted by climate change. The Company's Financial Statements are presented in Sterling, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

### **Adoption of new and amended International Accounting Standards and interpretations:**

IAS 1 – Classification of liabilities as current or non current and non current liabilities with covenants (effective 1 January 2024). The IASB has amended IAS 1 Presentation of Financial Statements to clarify its requirement for the presentation of liabilities depending on the rights that exist at the end of the reporting period. The amendment requires liabilities to be classified as non current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendment no longer refers to unconditional rights. The IASB has also introduced additional disclosures for liabilities with covenants within 12 months of the reporting period. The additional disclosures include the nature of covenants, when the entity is required to comply with covenants, the carrying amount of related liabilities and circumstances that may indicate that the entity will have difficulty complying with the covenants.

The amendment of this standard did not have any significant impact on the Company.

IAS 21 - Lack of exchangeability (effective 1 January 2025 - early adopted from 1 October 2024). The IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendment of this standard did not have any significant impact on the Company's operations as IAS 21 better reflects the practical considerations of establishing fair values for the Company's foreign currency assets.

### **Relevant International Accounting Standards that have yet to be adopted:**

IFRS 18 – Presentation and disclosure in financial statements (effective 1 January 2027). The IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

The amendment of this standard is expected to have an impact on the disclosure and presentation of the Statement of Comprehensive Income but will not have any impact on the accounting or financial results.

### **(b) Presentation of the Statement of Comprehensive Income**

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 Statement of Comprehensive Income between items of a revenue and a capital nature has been presented alongside the Statement of Comprehensive Income.

### **(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 recognised 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. Provision is made for any dividends not expected to be received. Special dividends, if any, are treated as a capital or a revenue receipt depending on the facts or circumstances of each particular case. The return on a debt security is recognised on a time apportionment basis so as to reflect the effective yield on the debt security.

Deposit interest receivable is accounted for on an accruals basis. Interest income from the Cash Fund is accounted for on an accruals basis.

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 income. 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 column of the Statement of Comprehensive Income, except as follows:

- expenses which are incidental to the acquisition or sale of an investment are charged to the capital column of the Statement of Comprehensive Income. Details of transaction costs on the purchases and sales of investments are disclosed within note 10 to the Financial Statements 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;
- the investment management fee and finance costs have been allocated 25% to the revenue account and 75% to the capital account column of the Statement of Comprehensive Income in line with the Board's expected long term split of returns, in the form of capital gains and income, respectively, from the investment portfolio; and
- performance fees are allocated 100% to the capital column of the Statement of Comprehensive Income as fees are generated in connection with enhancing the value of 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 Statement of Comprehensive Income 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.

Where expenses are allocated between capital and revenue accounts, any tax relief in respect of expenses is allocated between capital and revenue returns 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 temporary differences that have originated but not reversed at the financial reporting date, where transactions or events that result in an obligation to pay more taxation in the future or right to pay less taxation in the future have occurred at the financial reporting 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 temporary differences can be deducted. Deferred taxation assets and liabilities are measured at the rates applicable to the legal jurisdictions in which they arise.

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

In accordance with IFRS 9, the Company classifies its investments at initial recognition as held at fair value through profit or loss and are managed and evaluated on a fair value basis in accordance with its investment strategy and business model.

All investments are measured initially and subsequently at fair value through profit or loss. Purchases of investments are recognised on a trade date basis. Sales of investments are recognised at the trade date of the disposal.

The fair value of the financial investments is based on their quoted bid price at the financial reporting date, without deduction for the estimated selling costs. This policy applies to all current and non-current asset investments held by 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 Statement of Comprehensive Income as "Net profit/(loss) on investments held at fair value through profit or loss". Also included within the heading are transaction costs in relation to the purchase or sale of investments.

For all financial instruments not traded in an active market, the fair value is determined by using various valuation techniques. Valuation techniques include market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (e.g., discounted cash flow analysis and option pricing models making use of available and supportable market data where possible). See note 2(o) below.

#### **(h) Derivatives**

The Company can hold long and short positions in contracts for difference (CFDs) and index futures which are held at fair value based on the bid prices of the underlying securities in respect of long positions and the offer prices of the underlying securities in respect of short positions.

Profits and losses on derivative transactions are recognised in the Statement of Comprehensive Income. They are shown in the capital column of the Statement of Comprehensive Income if they are of a capital nature and are shown in the revenue column of the Statement of Comprehensive Income if they are of a revenue nature. To the extent that any profits or losses are of a mixed revenue and capital nature, they are apportioned between revenue and capital accordingly. Derivative assets and derivative liabilities that are subject to netting arrangements are offset in the Statement of Financial Position.

#### **(i) Other receivables and other payables**

Other receivables and other payables do not carry any interest and are short term in nature and are accordingly stated on an amortised cost basis.

#### **(j) Dividends payable**

Under IAS, final dividends should not be accrued in the Financial Statements unless they have been approved by shareholders before the financial reporting date. Interim dividends should not be recognised in the Financial Statements unless they have been paid.

Dividends payable to equity shareholders are recognised in the Statement of Changes in Equity.

#### **(k) Foreign currency translation**

Transactions involving foreign currencies are converted at the rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities and non-monetary assets held at fair value are translated into Sterling at the rate ruling on the financial reporting date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income as a revenue or capital item depending on the income or expense to which they relate. For investment transactions and investments held at the year end, denominated in a foreign currency, the resulting gains or losses are included in the gain on investments held at fair value through profit or loss in the Statement of Comprehensive Income.

**(l) Cash and cash equivalents**

Cash comprises cash in hand and on demand deposits. Cash equivalents are 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 investment in the Cash Fund is managed as part of the Company's cash and cash equivalents as defined under IAS 7 and is presented as a cash equivalent in the Financial Statements.

**(m) Bank borrowings**

Bank overdrafts are recorded as the proceeds received. Finance charges, including any premium payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the Statement of Comprehensive Income using the effective interest rate method and are added to the carrying amount of the instruments to the extent that they are not settled in the period in which they arise.

**(n)**

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 re-issued:

- amounts received to the extent of the repurchase price are credited to the special reserve; 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.

**(o) Critical accounting estimates and judgements**

The Directors of the Company make 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. There are no critical accounting estimates or judgements

**3. Income**

|                                            | <b>2025</b>   | <b>2024</b>   |
|--------------------------------------------|---------------|---------------|
|                                            | <b>£'000</b>  | <b>£'000</b>  |
| <b>Investment income:</b>                  |               |               |
| UK dividends                               | 10,414        | 12,887        |
| UK special dividends                       | 592           | 575           |
| UK property income distributions           | 298           | 803           |
| Dividends from UK REITs <sup>1</sup>       | 538           | 169           |
| Overseas dividends                         | 1,058         | 1,346         |
| Overseas special dividends                 | 605           | –             |
| Overseas property income distributions     | –             | 118           |
| Dividends from overseas REITs <sup>1</sup> | 257           | 172           |
|                                            | -----         | -----         |
| <b>Total investment income<sup>2</sup></b> | <b>13,762</b> | <b>16,070</b> |
|                                            | =====         | =====         |
| <b>Net income from derivatives</b>         | 252           | 1,024         |
|                                            | =====         | =====         |
| <b>Total income from derivatives</b>       | <b>252</b>    | <b>1,024</b>  |
|                                            | =====         | =====         |
| <b>Other income:</b>                       |               |               |
| Deposit interest                           | 10            | 14            |
| Interest from Cash Fund                    | 1,489         | 1,530         |
| Collateral interest                        | 72            | 25            |
|                                            | -----         | -----         |
| <b>Total other income</b>                  | <b>1,571</b>  | <b>1,569</b>  |
|                                            | =====         | =====         |

|                     |               |               |
|---------------------|---------------|---------------|
| <b>Total income</b> | <b>15,585</b> | <b>18,663</b> |
|                     | =====         | =====         |

<sup>1</sup> REITs – real estate investment trusts.

<sup>2</sup> UK and overseas dividends are presented based on the country of domicile of the respective underlying portfolio company.

Special dividends of £18,000 have been recognised in capital during the year (2024: £518,000).

4. Investment management and performance fees

|                                      | 2025       |              |              | 2024       |              |              |
|--------------------------------------|------------|--------------|--------------|------------|--------------|--------------|
|                                      | Revenue    | Capital      | Total        | Revenue    | Capital      | Total        |
|                                      | £'000      | £'000        | £'000        | £'000      | £'000        | £'000        |
| Investment management fee            | 544        | 1,635        | 2,179        | 644        | 1,931        | 2,575        |
| Performance fee (write back)/expense | –          | (625)        | (625)        | –          | 1,593        | 1,593        |
|                                      | -----      | -----        | -----        | -----      | -----        | -----        |
| <b>Total</b>                         | <b>544</b> | <b>1,010</b> | <b>1,554</b> | <b>644</b> | <b>3,524</b> | <b>4,168</b> |
|                                      | =====      | =====        | =====        | =====      | =====        | =====        |

Investment management fee

The investment management fee is calculated at the rate of 0.35% per annum on month end Gross Assets. For the purposes of this note, Gross Assets are defined as the value of the portfolio of the Company, including uninvested cash, with the portfolio valuation based on value at risk (with value at risk being the gross asset value of the long-only portfolio plus the gross value of the underlying equities, long and short, to which the Company is exposed through derivatives including CFDs and index futures). The investment management fee is charged 25% to the revenue account and 75% to the capital account of the Statement of Comprehensive Income. There is no additional fee for company secretarial and administration services.

Performance fee

The performance fee is calculated at the rate of 15% of the outperformance of the Company. For the purpose of this note, outperformance is defined as the amount by which the annualised percentage Net Asset Value total return of the Company arithmetically exceeds the annualised percentage return of the Benchmark Index, measured over a rolling two-year performance period. This rate is applied to the average Gross Assets, in that rolling two-year performance period. Outperformance is the amount by which the Net Asset Value total return arithmetically exceeds the Benchmark Index total return.

There is a cap on the annual total management and performance fees of 1.25% per financial year of the average Gross Assets over the rolling two-year performance period (the “Cap” or “Capped Amount”) which has the effect of capping the annual performance fees at circa 0.9% of average Gross Assets and which means that the performance fee from any performance period will not exceed 0.9% of average Gross Assets for the relevant performance period.

The performance fee is calculated daily for the rolling two-year performance period ending 30 November 2025 and the rolling two-year performance period ending 30 November 2026, and accruals are made in the NAV subject to the Cap. The performance fee is payable on 30 November each year in relation to the rolling two-year performance period ending on that date. The accrual is calculated applying the following assumptions:

- The Benchmark Index remains unchanged;
- The Net Asset Value total return performs in line with the Benchmark Index total return for the remainder of the respective rolling two-year performance periods ending 30 November 2025 and 30 November 2026; and
- The future value of Gross Assets for performance fee purposes is the same at the balance sheet date.

The amount of outperformance on which a performance fee has not been paid in a financial year due to the application of the Cap will be carried forward to offset against future shortfall returns. As at 1 December 2025, the carried forward unpaid net underperformance was 0.4% (1 December 2024: net outperformance available to offset against future shortfall returns of 4.8%).

On the first day of the financial year, due to the application of the Cap in the prior financial year, any performance fee for the ongoing rolling two-year performance period not yet recognised is accrued in the daily NAV released to the London Stock Exchange on that day.

Performance fees have been wholly allocated to the capital account of the Statement of Comprehensive Income as the performance has been predominantly generated through capital returns from the investment portfolio. The performance fee accrual at 30 November 2024 of £3,607,000 for the rolling two-year periods included an amount of £2,982,000 crystallised for the period ended 30 November 2024 and £625,000 accrued for the period ended 30 November 2025. As at 30 November 2025, the accrual of £625,000 has been written back due to a reduction in outperformance for the period ended 30 November 2025 (2024: accrual of £3,607,000) and is calculated as follows:

- For the annualised rolling two-year performance period to 30 November 2025, the Company has underperformed the benchmark by 5.2% as at 30 November 2025. As a result, an amount of £625,000 has been written back from the amount of performance fee accrued in the prior period.
- For the annualised rolling two-year performance period to 30 November 2026, the Company has underperformed the benchmark by 5.3% as at 30 November 2025. No performance fee relating to this performance period has been accrued at the date of this report.

Termination of the Investment Management Agreement

Following proposals announced on 20 February 2026 for the reconstruction and voluntary winding-up of the Company, the Company has given notice to terminate the IMA with immediate effect from the date that an effective resolution for the winding-up of the Company is passed and the Manager has agreed to such termination. The base management fee shall immediately cease to accrue as from the date on which the Winding-Up Resolution is passed, no Performance Fee shall become payable on the passing of the Winding-Up Resolution. The Manager has waived any further entitlement to any management fee or reimbursement of expenses under the IMA from the date of the Winding-Up Resolution.

5. Other operating expenses

|                                                           | 2025         | 2024        |
|-----------------------------------------------------------|--------------|-------------|
|                                                           | £'000        | £'000       |
| Allocated to revenue:                                     |              |             |
| Custody fee                                               | 6            | 7           |
| Auditor's remuneration <sup>1</sup>                       | 69           | 70          |
| Registrar's fee                                           | 57           | 44          |
| Directors' emoluments <sup>2</sup>                        | 202          | 211         |
| Broker fees                                               | 61           | 48          |
| Depositary fees                                           | 59           | 70          |
| Marketing fees                                            | 159          | 175         |
| FCA fees                                                  | 32           | 29          |
| Printing and postage fees                                 | 75           | 55          |
| Directors' search fees                                    | –            | 51          |
| Directors' evaluation fees                                | –            | 30          |
| AIC fees                                                  | 24           | 22          |
| Stock exchange listing fees                               | 37           | 36          |
| Write back of prior year expenses <sup>3</sup>            | (23)         | (27)        |
| Other administrative costs                                | 243          | 101         |
|                                                           | -----        | -----       |
| <b>Total revenue expenses</b>                             | <b>1,001</b> | <b>922</b>  |
|                                                           | =====        | =====       |
| <b>Allocated to capital:</b>                              |              |             |
| Custody transaction charges <sup>4</sup>                  | 26           | 21          |
|                                                           | -----        | -----       |
| <b>Total capital expenses</b>                             | <b>26</b>    | <b>21</b>   |
|                                                           | =====        | =====       |
| <b>Total</b>                                              | <b>1,027</b> | <b>943</b>  |
|                                                           | =====        | =====       |
|                                                           | <b>2025</b>  | <b>2024</b> |
| Ongoing charges (excluding performance fees) <sup>5</sup> | 0.63%        | 0.56%       |
| Ongoing charges (including performance fees) <sup>6</sup> | 0.51%        | 0.82%       |
|                                                           | =====        | =====       |

<sup>1</sup> No non-audit services were provided by the Company's auditors.

<sup>2</sup> 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.

<sup>3</sup> Relates to printing and postage fees and other administrative costs written back during the year (2024: Directors' recruitment fees, miscellaneous fees and postage fees).

<sup>4</sup> For the year ended 30 November 2025, expenses of £26,000 (2024: £21,000) were charged to the capital account of the Statement of Comprehensive Income. These relate to transaction costs charged by the Custodian on sale and purchase trades.

<sup>5</sup> The Company's ongoing charges calculated as a percentage of average daily net assets and using the management fee and all other operating expenses, excluding performance fees, 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.

<sup>6</sup> The Company's ongoing charges calculated as a percentage of average daily net assets and using the management fee and all other operating expenses, including performance fees, 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

|                                                                                       |                  |                  | 2025   | 2024   |
|---------------------------------------------------------------------------------------|------------------|------------------|--------|--------|
| Dividends paid on equity shares:                                                      | Record date      | Payment date     | £'000  | £'000  |
| Final dividend of 14.25p per share for the year ended 30 November 2024 (2023: 11.45p) | 28 February 2025 | 11 April 2025    | 11,514 | 10,841 |
| Interim dividend of 3.80p per share for the year ended 30 November 2025 (2024: 3.75p) | 15 August 2025   | 5 September 2025 | 2,898  | 3,400  |
|                                                                                       |                  |                  | -----  | -----  |
| Accounted for in the financial statements                                             |                  |                  | 14,412 | 14,241 |
|                                                                                       |                  |                  | =====  | =====  |

The total dividends payable in respect of the year ended 30 November 2025 which form the basis of Section 1158 of the Corporation Tax Act 2010 and Section 833 of the Companies Act 2006, and the amounts proposed, meet the relevant requirements as set out in this legislation.

|                                                                                                             | 2025   | 2024   |
|-------------------------------------------------------------------------------------------------------------|--------|--------|
| Dividends paid or declared on equity shares:                                                                | £'000  | £'000  |
| Interim dividend of 3.80p per share for the year ended 30 November 2025 (2024: 3.75p)                       | 2,898  | 3,400  |
| Second interim dividend of 15.20p per share for the year ended 30 November 2025 <sup>1</sup> (2024: 14.25p) | 11,405 | 11,603 |
|                                                                                                             | -----  | -----  |
| Total for the year                                                                                          | 14,303 | 15,003 |
|                                                                                                             | =====  | =====  |

<sup>1</sup> Based on 75,033,364 ordinary shares in issue on 25 February 2026.

7. Earnings/(loss) 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:

|                                                                                                                                          | Year ended<br>30 November 2025 | Year ended<br>30 November 2024 |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
| Net revenue profit attributable to ordinary shareholders (£'000)                                                                         | 13,949                         | 17,046                         |
| Net capital (loss)/profit attributable to ordinary shareholders (£'000)                                                                  | (22,994)                       | 69,276                         |
|                                                                                                                                          | -----                          | -----                          |
| Total (loss)/profit attributable to ordinary shareholders (£'000)                                                                        | (9,045)                        | 86,322                         |
|                                                                                                                                          | =====                          | =====                          |
| Equity shareholders' funds (£'000)                                                                                                       | 501,618                        | 595,908                        |
|                                                                                                                                          | =====                          | =====                          |
| The weighted average number of ordinary shares in issue during the year on which the earnings per ordinary share was calculated was:     | 78,793,175                     | 91,924,583                     |
| 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: | 75,033,364                     | 87,271,864                     |
| Earnings/(loss) per ordinary share                                                                                                       |                                |                                |
| Revenue earnings per share (pence) – basic and diluted                                                                                   | 17.70                          | 18.54                          |
| Capital (loss)/earnings per share (pence) - basic and diluted                                                                            | (29.18)                        | 75.37                          |
|                                                                                                                                          | -----                          | -----                          |
| Total (loss)/earnings per share (pence) - basic and diluted                                                                              | (11.48)                        | 93.91                          |
|                                                                                                                                          | -----                          | -----                          |
|                                                                                                                                          | As at<br>30 November 2025      | As at<br>30 November 2024      |
| Net asset value per ordinary share (pence)                                                                                               | 668.53                         | 682.82                         |
| Ordinary share price (pence)                                                                                                             | 612.00                         | 593.00                         |
|                                                                                                                                          | =====                          | =====                          |

There were no dilutive securities at the year end.

8. Called up share capital

|                                                             | Ordinary<br>shares<br>in issue | Treasury<br>shares | Total<br>shares | Nominal<br>value |
|-------------------------------------------------------------|--------------------------------|--------------------|-----------------|------------------|
|                                                             | number                         | number             | number          | £'000            |
| Allotted, called up and fully paid share capital comprised: |                                |                    |                 |                  |
| Ordinary shares of 5 pence each                             |                                |                    |                 |                  |
| At 30 November 2023                                         | 95,872,161                     | 7,337,703          | 103,209,864     | 5,160            |
| Ordinary shares bought back into treasury                   | (8,600,297)                    | 8,600,297          | —               | —                |
| At 30 November 2024                                         | 87,271,864                     | 15,938,000         | 103,209,864     | 5,160            |
| Ordinary shares bought back into treasury                   | (12,238,500)                   | 12,238,500         | —               | —                |
|                                                             | -----                          | -----              | -----           | -----            |
| At 30 November 2025                                         | 75,033,364                     | 28,176,500         | 103,209,864     | 5,160            |
|                                                             | =====                          | =====              | =====           | =====            |

During the year ended 30 November 2025, the Company bought back 12,238,500 shares into treasury (2024: 8,600,297) for a total consideration of £70,833,000 (2024: £52,098,000) including costs.

Since 30 November 2025 and up to 25 February 2026, no shares have been bought back into treasury.

The ordinary shares give shareholders voting rights, the entitlement to all of the capital growth in the Company’s assets and to all income from the Company that is resolved to be distributed.

9. Reserves

|                                                        | Distributable reserves      |                                  |                    |                                                         |                                                                              |                 |
|--------------------------------------------------------|-----------------------------|----------------------------------|--------------------|---------------------------------------------------------|------------------------------------------------------------------------------|-----------------|
|                                                        | Share<br>premium<br>account | Capital<br>redemption<br>reserve | Special<br>reserve | Capital<br>reserve<br>arising on<br>investments<br>sold | Capital<br>reserve<br>arising on<br>revaluation<br>of<br>investments<br>held | Revenue reserve |
|                                                        | £'000                       | £'000                            | £'000              | £'000                                                   | £'000                                                                        | £'000           |
| At 30 November 2023                                    | 242,122                     | 11,905                           | 3,231              | 322,729                                                 | (27,105)                                                                     | 17,883          |
| Movement during the year:                              |                             |                                  |                    |                                                         |                                                                              |                 |
| Total comprehensive income:                            |                             |                                  |                    |                                                         |                                                                              |                 |
| Net profit for the year                                | —                           | —                                | —                  | 895                                                     | 68,381                                                                       | 17,046          |
| Transactions with owners, recorded directly to equity: |                             |                                  |                    |                                                         |                                                                              |                 |
| Ordinary shares repurchased into treasury              | —                           | —                                | (3,213)            | (48,620)                                                | —                                                                            | —               |
| Share repurchase costs                                 | —                           | —                                | (18)               | (247)                                                   | —                                                                            | —               |
| Dividends paid                                         | —                           | —                                | —                  | —                                                       | —                                                                            | (14,241)        |
|                                                        | -----                       | -----                            | -----              | -----                                                   | -----                                                                        | -----           |
| At 30 November 2024                                    | 242,122                     | 11,905                           | —                  | 274,757                                                 | 41,276                                                                       | 20,688          |
|                                                        | =====                       | =====                            | =====              | =====                                                   | =====                                                                        | =====           |
| Movement during the year:                              |                             |                                  |                    |                                                         |                                                                              |                 |
| Total comprehensive (loss)/income:                     |                             |                                  |                    |                                                         |                                                                              |                 |
| Net (loss)/profit for the year                         | —                           | —                                | —                  | (29,808)                                                | 6,814                                                                        | 13,949          |
| Transactions with owners, recorded directly to equity: |                             |                                  |                    |                                                         |                                                                              |                 |
| Ordinary shares repurchased into treasury              | —                           | —                                | (14,145)           | (56,321)                                                | —                                                                            | —               |
| Share repurchase costs                                 | —                           | —                                | —                  | (367)                                                   | —                                                                            | —               |

|                               |           |               |                |                |               |               |
|-------------------------------|-----------|---------------|----------------|----------------|---------------|---------------|
| Cancellation of share premium | (242,122) | –             | 242,122        | –              | –             | –             |
| Dividends paid                | –         | –             | –              | –              | –             | (14,412)      |
|                               | -----     | -----         | -----          | -----          | -----         | -----         |
| <b>At 30 November 2025</b>    | <b>–</b>  | <b>11,905</b> | <b>227,977</b> | <b>188,261</b> | <b>48,090</b> | <b>20,225</b> |
|                               | =====     | =====         | =====          | =====          | =====         | =====         |

The share premium account and capital redemption reserve of £nil and £11,905,000 (2024: £242,122,000 and £11,905,000) 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 reserve 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 £227,977,000 (2024: £nil), capital reserves of £236,351,000 (2024: £316,033,000) and the revenue reserve of £20,225,000 (2024: £20,688,000) may be distributed by way of dividend. At 30 November 2025, the gain on capital reserve arising on the revaluation of investments of £48,090,000 (2024: £41,276,000) is subject to fair value movements and may not be readily realisable at short notice, as such any gains may not be entirely distributable. The investments are subject to financial risks, as such 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 30 November 2025, the Company's distributable reserves excluding capital reserves on the revaluation of investments amounted to £436,463,000 (2024: £295,445,000).

The Company's share premium account was cancelled pursuant to shareholders' approval of a special resolution at the Company's Annual General Meeting on 25 March 2025 and Court approval on 29 April 2025. The share premium account which totalled £242,122,000 at the time of cancellation was transferred to a special reserve. This action was taken, in part, to increase the Company's distributable reserves, thereby providing a greater ability to pay dividends and repurchase shares.

#### 10. Valuation of financial instruments

Financial assets and financial liabilities are either carried in the Statement of Financial Position at their fair value (investments and derivatives) 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). IFRS 13 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 2(g) to the Financial Statements above.

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 or liability.

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 than active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

As at the year end the long and short derivative positions were valued using the underlying equity bid price (offer price in respect of short positions) and the contract price at the inception of the trade or at the trade reset date. There have been no changes to the valuation technique since the previous year or as at the date of this report.

Contracts for difference have been classified as Level 2 investments as their valuation has been based on market observable inputs represented by the market prices of the underlying quoted securities to which these contracts expose the Company.

##### 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 measurement of Level 3 assets or liabilities.

#### Fair values of financial assets and financial liabilities

The table below sets out fair value measurements using the IFRS 13 fair value hierarchy.

| Financial assets/(liabilities) at fair value through profit or loss at 30 November 2025 | Level 1        | Level 2        | Level 3  | Total          |
|-----------------------------------------------------------------------------------------|----------------|----------------|----------|----------------|
|                                                                                         | £'000          | £'000          | £'000    | £'000          |
| <b>Assets:</b>                                                                          |                |                |          |                |
| Equity investments                                                                      | 474,824        | —              | —        | 474,824        |
| Contracts for difference                                                                | —              | 28             | —        | 28             |
| <b>Liabilities:</b>                                                                     |                |                |          |                |
| Contracts for difference                                                                | —              | (1,105)        | —        | (1,105)        |
| Index future                                                                            | (193)          | —              | —        | (193)          |
|                                                                                         | -----          | -----          | -----    | -----          |
| <b>Total</b>                                                                            | <b>474,631</b> | <b>(1,077)</b> | <b>—</b> | <b>473,554</b> |
|                                                                                         | =====          | =====          | =====    | =====          |

| Financial assets/(liabilities) at fair value through profit or loss at 30 November 2024 | Level 1        | Level 2      | Level 3  | Total          |
|-----------------------------------------------------------------------------------------|----------------|--------------|----------|----------------|
|                                                                                         | £'000          | £'000        | £'000    | £'000          |
| <b>Assets:</b>                                                                          |                |              |          |                |
| Equity investments                                                                      | 557,602        | —            | —        | 557,602        |
| Contracts for difference                                                                | —              | 2,173        | —        | 2,173          |
| <b>Liabilities:</b>                                                                     |                |              |          |                |
| Contracts for difference                                                                | —              | (72)         | —        | (72)           |
| Index future                                                                            | (288)          | —            | —        | (288)          |
|                                                                                         | -----          | -----        | -----    | -----          |
| <b>Total</b>                                                                            | <b>557,314</b> | <b>2,101</b> | <b>—</b> | <b>559,415</b> |
|                                                                                         | =====          | =====        | =====    | =====          |

There were no transfers between levels for financial assets and financial liabilities during the year recorded at fair value as at 30 November 2025 and 30 November 2024. The Company did not hold any Level 3 securities throughout the financial year or as at 30 November 2025 (2024: nil).

For exchange listed equity investments, the quoted price is the bid price. Contracts for difference are valued based on the bid price of the underlying quoted securities that the contracts relate to. 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 price related risks, including climate risk, in accordance with the fair value related requirements of the Company’s financial reporting framework.

11. Related party disclosure

Directors’ emoluments

At the date of this report, the Board consists of six non-executive Directors, all of whom are considered to be independent of the Manager by the Board.

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 30 November 2025, £16,000 (2024: £16,000) 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 30 November 2025 | 1.2   | n/a   | n/a   |
| As at 30 November 2024 | 1.2   | n/a   | n/a   |
|                        | ===== | ===== | ===== |

12. 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.

The investment management fee due for the year ended 30 November 2025 amounted to £2,179,000 (2024: £2,575,000). At the year end, £545,000 (2024: £1,906,000) was outstanding in respect of management fees.

The performance fee payable for the year ended 30 November 2025 amounted to £nil (2024: £2,982,000). The accrual of £625,000 which was accrued in the prior year and related to two-year period ended 30 November 2025 has been written back due to the reduction in outperformance for the period (2024: accrual of £3,607,000) and is calculated as follows:

- For the annualised rolling two-year performance period to 30 November 2025, the Company has underperformed the benchmark by 5.2% as at 30 November 2025. As a result, an amount of £625,000 has been written back from the performance fee accrued in the prior period.
- For the annualised rolling two-year performance period to 30 November 2026, the Company has underperformed the benchmark by 5.3% as at 30 November 2025. No performance fee relating to this performance period has been accrued at the date of this report.

In addition to the above services, BIM (UK) has provided marketing services. The total fees paid or payable for these services for the year ended 30 November 2025 amounted to £159,000 excluding VAT (2024: £175,000). Marketing fees of £124,000 (2024: £124,000) were outstanding at the year end.

The Company has an investment in the BlackRock Institutional Cash Series plc - Sterling Liquid Environmentally Aware Fund of £26,793,000 (2024: £43,477,000) which for the year ended 30 November 2025 and 30 November 2024 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.

13. Contingent liabilities

There were no contingent liabilities at 30 November 2025 (2024: none).

14. Subsequent events

Subsequent to the year end, the Company has proposed combining with BlackRock Smaller Companies Trust plc. For further details please refer to Note 2(a).

15. 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 30 November 2025 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 30 November 2025 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 Throgmorton Trust plc for the year ended 30 November 2024, 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.

16. Annual report

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

17. Annual general meeting

The Annual General Meeting of the Company will be held at 12 Throgmorton Avenue, London EC2N 2DL on Thursday, 26 March 2026 at 10:15 a.m.

ENDS

The Annual Report will also be available on the BlackRock website at [blackrock.com/uk/thrg](https://blackrock.com/uk/thrg). 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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27 February 2026

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London EC2N 2DL