

# Portfolio Update

The information contained in this release was correct as at 31 May 2026. Information on the Company's up to date net asset values can be found on the London Stock Exchange Website at:

<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

## **BLACKROCK INCOME & GROWTH INVESTMENT TRUST PLC (LEI:5493003YBY59H9EJLJ16)**

All information is at **31 May 2026** and unaudited.

Performance at month end with net income reinvested

	<b>One Month</b>	<b>Three Months</b>	<b>One Year</b>	<b>Three Years</b>	<b>Five Years</b>	<b>Since 1 April 2012</b>
<b>Sterling</b>						
Share price	-2.1%	-0.9%	15.6%	35.5%	48.5%	188.8%
Net asset value	-0.2%	-6.6%	11.7%	34.0%	46.3%	181.8%
FTSE All-Share Total Return	1.2%	-3.0%	21.6%	53.6%	67.0%	210.8%

Source: BlackRock

BlackRock took over the investment management of the Company with effect from 1 April 2012.

### **At month end**

Sterling:

Net asset value - capital only:	245.36p
Net asset value - cum income*:	250.39p
Share price:	229.00p
Total assets (including income):	£52.6m
Discount to cum-income NAV:	8.5%
Gearing:	3.4%
Net yield**:	3.4%
Ordinary shares in issue***:	18,624,568
Gearing range (as a % of net assets):	0-20%
Ongoing charges****:	1.15%

\* Includes net revenue of 5.03 pence per share

\*\* The Company's yield based on dividends announced in the last 12 months as at the date of the release of this announcement is 3.3% and includes the 2025 final dividend of 5.00p per share declared on 28 January 2026 with pay date 20 March 2026 and the Interim Dividend of 2.70p per share declared on 19 June 2025 with pay date 02 September 2025.

\*\*\* excludes 10,081,532 shares held in treasury.

\*\*\*\* The Company's ongoing charges are calculated as a percentage of average daily net assets and using management fee and all other operating expenses excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation and certain non-recurring items for the year ended 31 October 2025. In addition, the Company's Manager has also agreed to cap ongoing charges by rebating a portion of the management fee to the extent that the Company's ongoing charges exceed 1.15% of average net assets.

### **Sector Analysis**

	<b><u>Total assets (%)</u></b>
Banks	14.7
Pharmaceuticals & Biotechnology	10.3
Oil & Gas Producers	7.1
General Retailers	5.5

Household Goods & Home Construction	5.5
Mining	5.4
Tobacco	4.9
Support Services	4.9
Nonlife Insurance	4.2
Aerospace & Defence	4.2
Electronic & Electrical Equipment	3.9
General Industrials	3.6
Software & Computer Services	2.7
Life Insurance	2.7
Industrial Engineering	2.2
Real Estate Investment Trusts	1.8
Food Producers	1.8
Food & Drug Retailers	1.7
Gas, Water & Multiutilities	1.6
Personal Goods	1.6
Construction & Materials	0.8
Electricity	0.5
Net Current Assets	8.4
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Total	100.0
	=====

### Country Analysis

### Percentage

United Kingdom	87.1
United States	4.5
Net Current Assets	8.4
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	100.0

### Top 10 Holdings

### Fund %

AstraZeneca	8.2
HSBC	5.7
Shell	5.2
British American Tobacco	4.9
Standard Chartered	4.7
Lloyds Banking Group	4.4
Reckitt Benckiser Group	3.6
Anglo American	3.0
Rolls-Royce Holdings	2.8
Next	2.8

### **Commenting on the markets, representing the Investment Manager noted:**

#### **Market Summary:**

Global markets continued to advance in May despite ongoing geopolitical tensions and periods of volatility across energy and bond markets. Investor sentiment improved as hopes for a diplomatic resolution between the United States and Iran helped ease concerns around inflation and energy supply disruption, allowing global equities to finish the month near their strongest levels of the year.

The month was defined by two key themes: the continued dominance of AI-related investment and shifting expectations around the Middle East conflict. Technology and semiconductor stocks led global markets higher, supported by strong earnings and ongoing investment in AI infrastructure. At the same time, oil prices fell sharply as prospects for a ceasefire improved, helping to reduce inflation concerns after bond yields had briefly reached multi-year highs across several major markets.

U.S. equities remained at the forefront of global performance, with gains concentrated among a small number of large-cap technology companies. European

markets also moved higher despite softer economic data, supported by resilient corporate earnings. In the UK, political uncertainty following local election losses for the Labour government contributed to volatility in gilt markets, although easing inflation concerns and confidence in fiscal discipline helped sentiment recover into month-end.

Asia and emerging markets were among the strongest-performing regions, led by technology-focused markets such as South Korea and Japan. Chinese equities delivered more mixed returns as concerns around domestic demand and the property sector persisted.

Commodity markets diverged significantly during May. Brent crude oil recorded its largest monthly decline since 2020, while copper continued to benefit from themes linked to electrification, infrastructure investment and data-centre expansion. Overall, resilient earnings, continued enthusiasm for AI and optimism around geopolitical de-escalation supported another positive month for global risk assets.

**Stock Comments:**

**Hiscox Ltd** contributed to relative returns. The company delivered a solid first-quarter update, with particularly strong growth in its Retail division, an increasingly important driver of the investment case. Growth across the London Market business and a benign catastrophe claims environment further supported results. Market speculation regarding potential corporate activity also provided some additional support to sentiment during the period.

**Standard Chartered PLC** contributed to relative returns. The company benefited from positive investor sentiment following senior management appointments, including a new Chief Financial Officer viewed as well aligned with shareholder priorities. Expectations for refreshed medium-term targets, including sustained revenue growth, attractive returns and disciplined capital distribution, further supported performance. Confidence in these targets was underpinned by continued momentum in the wealth management business, which has delivered strong growth in income and assets under management in recent years.

**Oxford Instruments** contributed to relative returns. The company benefited from strong investor enthusiasm following a major order for its Advanced Technologies division, reinforcing confidence in demand for advanced chips used in AI and communications infrastructure. The order, which was significantly larger than any previously secured by the business, strengthened confidence in the company's exposure to attractive structural growth trends in semiconductor markets. Sentiment was further supported by robust order intake growth across the division, highlighting continued momentum in key end markets, while ongoing M&A speculation across the UK market provided an additional tailwind for investor sentiment towards high-quality UK-listed companies.

**3i Group PLC** detracted from relative returns. The company reported slower trading at Action, its largest portfolio holding, with like-for-like sales growth moderating as weakness in seasonal categories weighed on performance. Investors were particularly concerned by softer demand in France and a slowdown in Germany, although trading in other Northern and Southern European markets remained more resilient. A £750 million share buyback announcement provided some support but was insufficient to offset concerns around slowing growth and a modestly weaker-than-expected net asset value. The team exited the position during the period.

**Rentokil Initial plc** detracted from relative returns. The company announced the appointment of a new leader for its US pest control operations as it continues efforts to improve execution in its largest market. While the appointment was viewed positively given the executive's operational experience, investors remained focused on the pace of turnaround and integration progress. As a result, sentiment towards the shares remained cautious.

**The Weir Group PLC** detracted from relative returns. The company faced a more challenging first-quarter backdrop, with softer end-market conditions and a competitive environment limiting pricing opportunities. Investor sentiment was further affected by broker earnings downgrades, uncertainty around the transition of software revenues towards a SaaS-based recognition model, and the appointment of a new Chief Executive Officer with limited public market experience. While

management maintained full-year guidance, the market remained cautious given the range of earnings expectations and demanding valuation.

**Changes:**

As stated above, **we sold our position in 3i Group** during the period. Following recent developments at Action, its largest portfolio holding, we reassessed the investment case and concluded that the balance of risks and potential returns had become less favorable.

**We reduced our position in SSE** over the month following policy signals from the UK government that increased the risk of intervention in the power market. Potential measures to lower electricity prices, alongside possible changes to Carbon Price Support, could create meaningful earnings headwinds for the sector. Given SSE's long-duration contracted exposure and what we view as a full valuation, we chose to reduce the position as the risk-reward profile became less compelling.

**We added to United Utilities and HSBC** over the month. The addition to United Utilities reflected our view that concerns around potential regulatory intervention were overdone. We also added to our position in HSBC following its Capital Markets Day in Hong Kong, which reinforced our conviction in the bank's exposure to the attractive growth and return opportunities available in the region. This marks a reduction in our underweight position. In both cases, we believed the risk-reward profile had become increasingly attractive.

**Outlook:**

The immediate outlook for the global economy, particularly for 2026, will largely be shaped by the duration of the war in Iran and the cost of energy, a function of what happens with the Strait of Hormuz and the severity of the damage to local energy and refinery facilities. With energy prices rising significantly, there are likely to be negative growth impacts and inflationary pressures, notably for those economies which are net importers of energy including parts of Asia, Europe and the UK, whilst the US is more insulated given its domestic resources. The scale of these impacts is linked to the duration of the conflict. The outlook for inflation will impact the path for rates with the rate cutting cycle in the developed world at risk. The wide range of outcomes and President Trump's unpredictable policy stance suggests volatility across equity and bond markets will stay elevated. Against this backdrop, we continue to favour companies with well invested foundations, durable competitive advantages and pricing power, while looking for opportunities created by heightened market swings.

In the UK and Europe, the spectre of an energy shock has reared its head once again and exacerbated weak fiscal backdrops and low consumer and business confidence. In the UK, the impact has been most evident in the path for interest rates, ending the quarter with the bond markets pricing three rate hikes having entered the 2026 pricing in two cuts. With a domestic backdrop that had showed signs of stabilisation in confidence and activity, this is clearly an unhelpful backdrop ahead of the May local elections which may precipitate further political unrest. In Europe, Germany's fiscal push, centred on defence and infrastructure, had boosted economic momentum but it remains unclear whether this will be sustained. In the US, gasoline price rises are likely to contribute to inflation and weigh on consumer sentiment though the overall economic impact should be limited given domestic energy supply and a resilient economic outlook supported by a significant capital expenditure. Meanwhile, China's sensitivity to rising energy prices is mitigated by significant stockpiles and the substantial investment in renewables made in recent years. However, domestic demand remains subdued, with recent US trade tariff announcements adding to the uncertainty.

Notwithstanding the uncertainty in the UK, this energy shock is somewhat different to 2022, with rates being substantially higher and domestic valuations, notably amongst rate sensitives being lower. With relatively strong balance sheets amongst our portfolio companies, we would anticipate further buybacks and continued inbound M&A. While volatility is expected to persist, we believe risk appetite will return and opportunities are emerging.

Cash-generative businesses with enduring competitive advantages continue to be a priority, and we are confident they are best positioned to deliver long-term returns. While volatility is likely to persist, the opportunities it presents are encouraging - both in resilient growth stories and compelling turnaround cases.

17 June 2026