The Investment Company

Monthly Factsheet
30 April 2025

Net Assets	£6.7m
Net Assets excluding unaudited current period revenues	£6.7m

	Ordinary Shares
Share Price	63.00p
NAV per Share	72.76p*
Premium / (Discount to NAV)	(-13.41%)
Share Capital	9,186,025**

** includes unaudited revenue reserve to 30/04/2025*

*** excludes shares held in Treasury*

Fund Managers

James Baker

James joined Chelverton Asset Management in June 2014 to manage MI Chelverton UK Equity Growth Fund.

A history graduate from Cambridge University, he has over 30 years of equity market experience on both buy and sell sides, specialising for all of his career in UK small and mid-capitalisation stock selection. He has worked for several organisations over the years, but most notably spent from 1999 to 2011 as part of the ABN Amro, small mid cap sales team which was consistently top ranked by Extel. Prior to joining Chelverton he worked as the assistant fund manager on the Rathbone UK Recovery Fund.

Edward Booth

Edward joined Chelverton Asset Management in 2016 as an Assistant Fund Manager, becoming a Fund Manager in November 2017. Having graduated from the London School of Economics with a degree in Economics with Economic History, Edward qualified as a Chartered Accountant at Deloitte, where he focused on the insurance sector. Prior to joining Chelverton, he worked as a Business Analyst for Barclays, focusing on a number of areas including Investment Bank Revenue and Group Capital performance.

Henry Botting

Henry joined Chelverton Asset Management in 2021 and was appointed co-manager in August 2022. Prior to joining, Henry worked on the Equity Sales team at FinnCap, where he specialised in UK small and micro-cap companies. He has a degree in Economic and Social History from the University of Edinburgh and prior investment management experience at Rathbones and OLIM. Henry is a CFA Charterholder.

Investment Objective and Policy

The Company invests in cash-generative quoted UK Small and Mid-Cap Companies that are expected to grow faster than the UK stock market as a whole over the long term and which can finance their own organic growth.

The Company's objective is to outperform the UK equity market by investing in companies with higher-than-average earnings growth that are listed outside the top 100 stocks on either of the Main Market, AQSE or traded on AIM, to capture the smaller companies' outperformance effect. The Investment Manager believes the investment trust structure of the Company lends itself to investing in smaller, more illiquid growth stocks, as the closed-end structure removes the potential scenario where the Company needs to sell holdings at the wrong time to meet redemptions.

The Company principally invests (approximately 75 per cent of its funds) in shares of companies which are listed on the Main Market or AQSE or traded on AIM, with market capitalisations of less than £250 million. The Company also invests (approximately 25 per cent of its funds) in some UK listed companies with larger market capitalisations, for liquidity purposes.

Monthly Manager Commentary

Another turbulent month for financial markets, with Trump's "Liberation Day" tariff announcement being far more draconian than any commentators had expected, sending the market into freefall, only for them to rally a few days later with the announcement of a 90 day suspension beyond a 10% base tariff for trading partners, with the exception of China, Canada and Mexico and specific sectors like steel, aluminium and automobiles. The main impact of the US administration's tariff regime and constant changes in policy to date has been the dampening effect it has had on business confidence, with companies pausing investment plans until the eventual trading landscape becomes clearer, in turn prompting a slowdown in economic activity. Our main take-away is that tariffs will be inflationary in the USA, where it will be difficult to replace complex supply chains built up over many years, with companies having to pass on additional costs via price rises, restricting the Fed's room for manoeuvre in reducing interest rates. Conversely, manufacturers in low-cost centres will be looking to other markets for their products, which coupled with a more general economic slowdown could prove deflationary in other developed markets, enabling faster rate cuts in economies like the UK.

This message has started to resonate in UK mid and small cap markets, which despite the alarming headline news, managed a positive return in April, as UK domestic earners started to rally, with Gamma Communications and On The Beach performing well in the Trust. Even AIM stocks, such as DotDigital, staged a rally after a prolonged period of underperformance caused by worries over their diminished IHT sheltering status. This rally may have been helped by technical factors, as AIM IHT managers recycle Trusts held in some larger stocks, like Gamma Communications, which are migrating to the Main List, into remaining relatively illiquid AIM listed candidates.

Given the modest rally in Small and Mid-cap and AIM stocks, the Trust's negative return for the month was disappointing, and can be put down to the following reasons. Firstly, given its Growth mandate, the Trust is underweight UK domestic cyclical names, which performed well in April as investors sought out exposure to stocks likely to benefit from rate cuts. Furthermore, we also saw poor performance from a number of our growth stocks whose growth rate might be moderated by current economic uncertainty, particularly in the USA. This drove underperformance from GB Group, System1 and Celebrus. The Trust's worst contributor was RWS, which despite a pick-up in sales growth, warned on profits yet again, this time as it experienced problems migrating two large translation customers onto a more automated delivery model.

It's interesting to note that, having seen some potential PE bids fall away at the start of the month given heightened uncertainty (notably Advanced Medical Solutions), towards the end of the month, bid activity has resurfaced with approaches for two of the Trust's largest holdings, namely Alpha Group International from a US trade buyer and with GlobalData seeing approaches from two PE buyers.

Returns
30/04/2025

Since change of investment policy (26 July 2023)*	Current Month	3 Months	6 Months	1 Year	From Inception
Share Price Ordinary Shares	-5.97%	-12.98%	-16.45%	-1.56%	-4.55%
NAV Ordinary Shares	-0.95%	-7.66%	-6.76%	-5.75%	7.77%
Deutsche Numis Smaller Companies plus AIM ex Investment Trusts Total Return	2.56%	-4.40%	-2.97%	0.26%	3.82%

Source: Chelverton Asset Management Limited and Morningstar and Deutsche Numis

Past performance is not a guide to future results

** The Investment Company PLC changed its investment policy on 26 July 2023. The NAV as of that date has been taken as the tender price, which was equal to the estimated Post-Transaction NAV per Ordinary Share. For reasons of clarity, previous track record has been excluded from the performance table. For details of previous performance please see annual reports on The Investment Company plc website: https://theinvestmentcompanyplc.co.uk*

The Key Information Document ("KID") is available on The Investment Company plc website - theinvestmentcompanyplc.co.uk

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Directors

Ian Dighé
Non-Executive Chairman

Tim Metcalfe
Senior Independent Non-Executive Director

Martin Perrin
Non-Executive Director

David Horner
Non-Independent Non-Executive Director

Calendar

Year End	30 June
AGM	November

Management Fee	Up to 0.75%*
Ongoing Fee	2%*

* *The Investment Manager has waived the management fee of 0.75% and shall instead make a contribution to the company costs to ensure that the annualised ongoing charge does not exceed 2% of NAV.*

Price Information

Reuters	INVM.L
SEDOL	0465825

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Top Twenty Holdings

Holding	*Sector**	*% of Net Assets*
Alpha Group International	Financials	2.3%
dotdigital	Technology	2.1%
Ashtead Technology	Support Services	2.0%
Gamma Communications	Technology	2.0%
Everplay Group	Consumer	2.0%
JTC	Financials	1.9%
Restore	Support Services	1.9%
Auction Technology Group	Technology	1.8%
Global Data	Media	1.8%
Microlise Group	Technology	1.8%
Eurocell	Construction	1.7%
Brooks Macdonald	Financials	1.6%
Hostelworld	Consumer	1.6%
Luceco	Construction	1.6%
Celebrus Technologies	Technology	1.5%
Spectra Systems	Industrials	1.5%
Man Group	Financials	1.5%
On the Beach Group	Consumer	1.4%
Ebiquity	Media	1.4%
Advanced Medical Solutions Group	Healthcare	1.4%
Total		35%

** Source Chelverton Asset Management Limited*

Sector Breakdown %

Sector %	*% of Net Assets*
Technology	23.8%
Financials	12.3%
Industrials	11.8%
Consumer	11.1%
Media	9.6%
Construction	7.8%
Support Services	7.2%
Healthcare	5.7%
Resources	0.7%
Cash and Income	10.0%
Total	100.0%

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Net Assets	*No of stocks*
Above £1bn	16.6%	12
£500m - £1bn	9.4%	9
£250m - £500m	17.3%	14
£100m - £250m	28.3%	27
< £100m	18.4%	27
Cash and Income	10.0%	
Total	100.00%	89

Source: Chelverton Asset Management Limited