The Investment Company

Monthly Factsheet 31 May 2025

Net Assets	£7.1m
Net Assets excluding unaudited current period revenues	£7.1m

	Ordinary Shares
Share Price	62.50p
NAV per Share	77.62p*
Premium / (Discount to NAV)	(-19.48%)
Share Capital	9,186,025**

** includes unaudited revenue reserve to 31/05/2025*

*** 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

May was a better month for financial markets, with the ongoing recovery post the pause of the "Liberation Day" tariffs, further aided by a de-escalation of the tariff situation between the US and China on May 12th. For now, the picture remains ever changing, with the US courts ruling the tariffs unlawful before being temporarily reinstated and, most recently, seeing Steel and Aluminium tariffs rising to 50%. From the UK perspective, the government have been busy striking deals, with agreements made with India, the US and the EU, all of which should make life incrementally easier for UK companies. Added to that, the UK had a further rate cut to 4.25%, an upside surprise on UK Q1 GDP (0.7% quarter on quarter), and robust consumer spending, all painting a better than expected picture for the UK economy.

Corporate activity has picked up after the lull around Liberation Day, with takeover approaches for GlobalData and Alpha, alluded to in last month's factsheet, followed by 2 bids for Renold plc announced this month. Also strong was Big Technologies, on management change and further clarity on ongoing litigation and Gooch & Housgo, on unchanged full year expectations.

From a negative perspective, a number of our holdings provided trading updates noting unsurprising uncertainty in end markets, which was poorly received by the equity market. For example, Gamma Communications and Auction Technologies, whilst keeping profit guidance for the year referred to a potentially slower outlook which caused their shares to fall 10% and 22% over the month, respectively. Similarly, Ashtead Technology was down 14% despite an in-line trading update, on investor concerns about the likelihood of slower end markets. Finally, hVIVO was poor, as they announced contract cancellations and postponements given uncertainty in the pharmaceutical industry.

From a trading perspective, we trimmed Tracsis and DotDigital into strength and sold some Alpha to derisk if a firm bid is not forthcoming. On the buy side, we added some Gamma and Auction Tech on weakness and added new holdings in LSL and Focusrite.

As is often the case in times of elevated uncertainty, Growth stocks derate, but we remain confident in the portfolio given the strong margin and cash generation profiles, robust balance sheets and quality management teams. Our chief concern at the moment is that trade buyers or private equity, with longer investment horizons and thus willing to look through short-term uncertainty, will also recognise these characteristics.

Returns
31/05/2025

Since change of investment policy (26 July 2023)*	Current Month	3 Months	6 Months	1 Year	From Inception
Share Price Ordinary Shares	-0.79%	-10.97%	-16.89%	-11.97%	-5.30%
NAV Ordinary Shares	6.59%	1.28%	-2.37%	-5.60%	14.87%
Deutsche Numis Smaller Companies plus AIM ex Investment Trusts Total	7.30%	6.45%	3.44%	1.10%	11.40%

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 the avoidance of doubt, this fund does not have a formal benchmark. All comparisons are for information purposes only. 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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31 May 2025

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

Contact Us

E: info@theinvestmentcompany.com

A: The Investment Company plc
The Office Suite, Den House,
Den Promenade
Teignmouth TQ14 8SY

W: www.theinvestmentcompanyplc.co.uk

Top Twenty Holdings

Holding	*Sector**	*% of Net Assets*
Everplay Group	Consumer	2.0%
Restore	Support Services	2.0%
Alpha Group International	Financials	2.0%
Gamma Communications	Technology	1.9%
JTC	Financials	1.8%
dotdigital	Technology	1.7%
Global Data	Media	1.7%
Hostelworld	Consumer	1.7%
Brooks Macdonald	Financials	1.7%
Ashtead Technology	Support Services	1.6%
Eurocell	Construction	1.6%
Microlise Group	Technology	1.6%
Man Group	Financials	1.5%
Luceco	Construction	1.5%
Gooch & Housego	Industrials	1.5%
Spectra Systems	Industrials	1.5%
Renold	Industrials	1.4%
GB Group	Technology	1.4%
Auction Technology Group	Technology	1.4%
Discoverie Group	Industrials	1.4%
Total		33.0%

** Source Chelverton Asset Management Limited*

Sector Breakdown %

Sector %	*% of Net Assets*
Technology	21.5%
Industrials	13.0%
Financials	12.0%
Consumer	11.5%
Media	9.0%
Construction	7.9%
Support Services	6.8%
Healthcare	5.4%
Property	0.7%
Resources	0.6%
Cash and Income	11.6%
Total	100.0%

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Net Assets	*No of stocks*
Above £1bn	17.4%	13
£500m - £1bn	9.8%	10
£250m - £500m	18.0%	15
£100m - £250m	25.9%	26
< £100m	17.3%	26
Cash and Income	11.6%	
Total	100.00%	90

Source: Chelverton Asset Management Limited

Risk Factors

The value of investments and the income from them may go down as well as up and you may not get back your original investment. "Investment trusts can borrow money to make additional investments on top of shareholders funds (gearing), however, this is investment trust does not currently use any gearing. An investor could lose all of their capital. Smaller companies are riskier and less liquid than larger companies which means their share price may be more volatile. Some of the annual management fee is currently charged to the capital of the Fund. Whilst this increases the yield, it will restrict the potential for capital growth. The level of yield may be subject to fluctuation and is not guaranteed. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns the same as NAV performance.

Risk Rating of Shares *Ordinary shares - High*

THE INVESTMENT COMPANY PLC IS REGISTERED IN ENGLAND: COMPANY NUMBER 00004205