Aberforth Smaller Companies Trust plc

Annual Report and Financial Statements

31 December 2025

Contents

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Investor Disclosure Document

The Alternative Investment Fund Managers Directive ("AIFMD") requires certain information to be made available to investors prior to their investment in the shares of the Company. The Company's Investor Disclosure Document, which is available for viewing at www.aberforth.co.uk, contains details of the Company's investment objective, policy and strategy, together with leverage and risk policies.

Strategic Report

The Company

Aberforth Smaller Companies Trust plc ("the Company" or "ASCoT") is an investment trust. Its ordinary shares are listed on the Official List of the Financial Conduct Authority and traded on the London Stock Exchange.

The Company has appointed Aberforth Partners LLP as the investment managers ("the Managers"). The Managers adhere to a value investment philosophy in managing the Company's investments in small UK quoted companies as described on page 24.

Investment Objective

The investment objective of the Company is to achieve a net asset value total return (with dividends reinvested) greater than that of the Deutsche Numis Smaller Companies Index (excluding Investment Companies) ("DNSCI (XIC)" or "benchmark") over the long term.

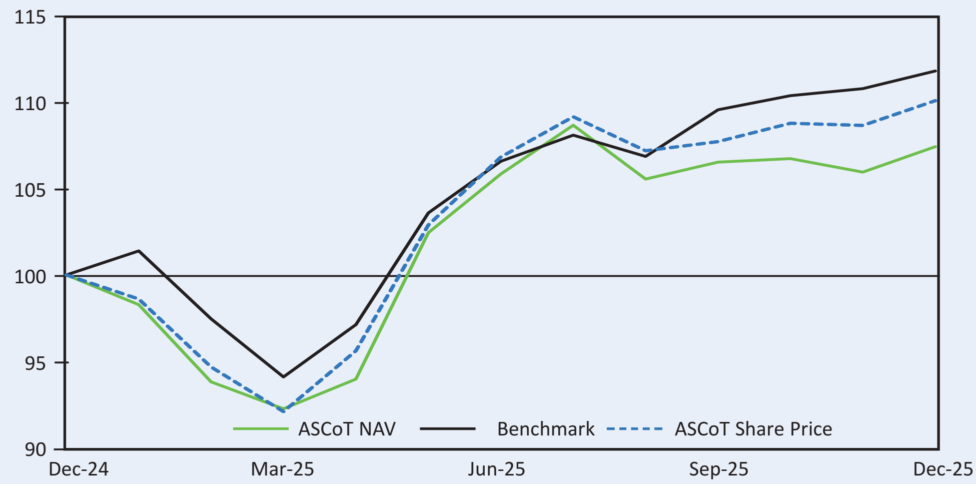
Financial Highlights

	31 December 2025	31 December 2024	% Change
Total Returns for the year			
Net Asset Value per Ordinary Share[2]	**7.9%**	12.1%	n/a
DNSCI (XIC)	**12.7%**	9.5%	n/a
Ordinary Share Price[2]	**10.8%**	10.7%	n/a
Asset Values at 31 December			
Shareholders' Funds[1]	**£1,392m**	£1,397m	-0.4
Net Asset Value per Ordinary Share[1]	**1,745.26p**	1,666.95p	4.7
Share Price at 31 December			
Market Capitalisation[2]	**£1,255m**	£1,232m	1.9
Ordinary Share Price[2]	**1,574.00p**	1,470.00p	7.1
Ordinary Share Discount[2]	**9.8%**	11.8%	n/a
Returns and Dividends for the year			
Revenue Return per Ordinary Share[1]	**64.02p**	56.59p	13.1
Dividends per Ordinary Share (excluding special dividends)[1]	**46.80p**	43.60p	7.3
Dividends per Ordinary Share (including special dividends)[1]	**58.80p**	49.60p	18.5
Total Return per Ordinary Share[1]	**117.90p**	180.09p	n/a
Gearing[2]	**4.8%**	7.2%	n/a
Ongoing Charges[2]	**0.80%**	0.78%	n/a
Portfolio Turnover[2]	**34.5%**	19.6%	n/a

[1] UK GAAP Measure [2] Alternative Performance Measure (refer to glossary on page 68)

Source: Aberforth Partners LLP

Cumulative Performance over past year
(figures are total returns and have been rebased to 100 at 31 December 2024)



Chairman's Statement

Review of performance

ASCoT completed its 35th year in the twelve months to 31 December 2025 and recorded a net asset value total return of 7.9%. The share price total return was higher at 10.8%, which reflected a narrowing of the discount between the net asset value and share price. ASCoT's small company benchmark is the Deutsche Numis Smaller Companies Index (excluding investment companies), which is abbreviated throughout this report as DNSCI (XIC). Its total return in 2025 was 12.7%. The positive return from small companies is welcome, but it was eclipsed in 2025 by that of larger companies: the FTSE All-Share was up by a remarkable 24.0%. I touch on the context for performance in 2025 below, while the Managers' Report as usual goes into the important influences on absolute and relative performance in greater depth.

ASCoT's long term performance record is strong. Since inception in 1990, ASCoT's net asset value total return has compounded at an 11.7% annual rate, which compares with 9.7% for the DNSCI (XIC).

Investment background in 2025

Donald Trump's second presidency took shape in the opening months of 2025. It was dominated by the so-called Liberation Day tariffs, which shocked financial markets and sent share prices around the world lower. The long lasting impact on businesses is unclear since the measures are subject to legal challenge in the US itself and negotiations between countries continue. However, after their initial consternation, markets took confidence from a series of trade deals that indicate a pragmatism on the part of the US's trading partners, and that would seem to reduce the risk of a spiralling trade war. Sentiment also improved as geopolitical risk eased. The war in Ukraine continues, but the US has worked to achieve a ceasefire between Israel and Hamas. The recovery in share prices was further enhanced by what often feels like an obsession with AI. There is growing excitement that the vast amounts being invested by the large US technology companies will generate commensurate profits in due course.

However, I would note that the strong returns in 2025 were not the preserve of the AI leaders, as the performance of larger companies in the UK showed in shrugging off concerns about the UK's politics and economy. If the FTSE All-Share showed what was possible, the valuation of smaller companies continues to bear the brunt of concerns about the UK's fiscal position. Their share prices have struggled as both recent Budgets leaned on the private sector and the political stability promised by Labour's decisive majority remained elusive. Amid this uncertainty, it is important to remember that the market's reservations about smaller companies contrasted with another year of dividend growth and share buy-backs, funded by the strong free cash flow and balance sheets that characterise the DNSCI (XIC) and ASCoT's portfolio. These qualities are not lost on overseas companies or private equity as takeovers of small companies carry on at an unusually high rate. ASCoT's performance continued to benefit from this takeover interest as recommended bids for eight of the investee companies were received in 2025.

Dividends

Despite the caution about the state of the UK's politics and economy, the Investment Income from Revenue that ASCoT received from its investee companies grew by 7% in 2025. This outcome was better than the Managers' estimates at the start of the year and surpassed the previous high point in 2023. The Revenue Return per Ordinary Share was 64.0p. Excluding special dividends received in both years, the Revenue Return per Ordinary Share rose by 13% in 2025 compared with 2024. This good rate of progress was helped by the year's share buy-back activity, which is described below.

The Board's ambition is to grow ASCoT's full year ordinary dividend above the year-on-year rate of CPI inflation, which was 3.4% in December 2025. Our dividend deliberations are also influenced by ASCoT's dividend experience over the year and on the Managers' forecasts for coming years. We are conscious that the dividends paid by ASCoT are an output of the Managers' investment process and that they should not lead that process. With this in mind, we take comfort from ASCoT's healthy revenue reserves, which afford the Managers investment flexibility and allow dividends to move ahead even in testing times, most recently during the pandemic.

The Board proposes a final dividend of 32.5p per Ordinary Share, which compares with the previous year's 30.0p. Together with the interim dividend of 14.3p, the full year dividend would be 46.8p. Growth for the full year dividend would be 7.3%, which would be comfortably above the rate of inflation. On top of the ordinary dividend, we propose a special dividend of 12.0p, which brings the total dividend to 58.8p per share and ensures that ASCoT complies with HMRC's minimum retention test for investment trusts. The total of these means that ASCoT would distribute c.£47m in the form of dividends to its Shareholders in respect of 2025. Even after these payments, ASCoT would be able to retain 5.2p of revenue per Ordinary Share. This would increase revenue reserves to 99.1p per Ordinary Share to keep the ordinary dividend covered close to a healthy two times.

Share buy-backs

The Board and Managers have two aims for ASCoT's share buy-backs. First, when conducted at a discount to net asset value, they deliver an economic uplift for those Shareholders wishing to remain invested in the Company. Second, they provide additional liquidity at the margin for those Shareholders looking to crystallise their investment. An additional benefit is that consistently applied share buy-backs may bring additional tension to the share price of an investment trust when the market loses sight of the portfolio's value. This last point is less certain since the discount depends on many factors that the Board and Managers cannot influence. Nevertheless, the reasons for buy-backs are convincing and ASCoT was active in 2025.

In the year to 31 December 2025, 4,082,000 shares were bought back and cancelled. The total value of these repurchases was £60m, on an average discount of 11.2%. Since 2008, ASCoT has deployed £226m of its capital on share buy-backs, which have added £33m of value to Shareholders.

Abnormal market circumstances may influence the pace of buy-backs, but ASCoT can fund them over time through cash generated from the natural turnover of the portfolio. This is consistent with the Managers' value investment philosophy and has been supported by the high level of M&A activity in recent years. Additional flexibility is provided by the credit facility with the Royal Bank of Scotland International.

The Company seeks authority to buy back up to 14.99% of its Ordinary Shares at each Annual General Meeting. Shareholders voted in favour in March 2025 and the Board will seek to renew the authority at the Annual General Meeting on 5 March 2026.

Gearing

The ability to gear is an important differentiator for investment trusts. The Board's gearing policy has been consistent throughout ASCoT's life. Gearing is deployed in a tactical fashion with the aim of taking advantage of periods of stress in equity markets. ASCoT has been geared on four occasions in its 35 years. The current phase started amid the pandemic in early 2020 and has since enhanced ASCoT's net asset value performance. The Board and Managers regularly review the level of gearing. They judge that it remains appropriate in view of the attractive stockmarket valuations and the prospects for the profitability of the underlying companies. At the year end, £75m of gearing was deployed and the gearing ratio, which is defined in the glossary on page 68, was 5%. Beyond the potential to enhance investment returns, the credit facility provides other benefits. It gives flexibility to conduct share buy-backs and allows the Managers to react nimbly to new opportunities without disturbing existing investments. This is particularly important in what can be a volatile and relatively illiquid asset class.

ASCoT has a credit facility with The Royal Bank of Scotland International Limited. This £130m facility runs to June 2026, which is aligned with the three yearly continuation vote cycle. After the Annual General Meeting on 5 March 2026, and providing that the continuation vote is passed, the Board and Managers will seek to put in place a new facility.

Annual General Meeting (AGM) and continuation vote

The AGM will be held at 14 Melville Street, Edinburgh EH3 7NS at 10.30 am on 5 March 2026. Details of the resolutions to be considered by Shareholders are set out in the Notice of the Meeting on page 64. Shareholders are encouraged to submit their vote by proxy in advance of the meeting. In accordance with normal practice, the results of the AGM will be issued in a regulatory news announcement and posted on Aberforth's website. An update on performance and the portfolio will also be available on the website following the meeting.

It is the Company's policy to hold a continuation vote every three years. March's Annual General Meeting will include the eleventh such vote in its history. The Board views the continuation vote as an important shareholder right and encourages all Shareholders to exercise it.

ASCoT's performance in the continuation vote period just completed was frustrating. The difficult conclusion to 2025 meant that ASCoT under-performed the DNSCI (XIC) over the three years to 31 December 2025. The net asset value total return was 31.0%, while the share price total return was 32.5%. The comparable performance of the DNSCI (XIC) was 35.9%. Naturally, the Board has sought to understand the reasons for this.

Importantly, it is clear to us that there has been no deviation from how the Managers have always implemented ASCoT's investment policy. Their value investment discipline, fundamental analysis of companies and constructive approach to stewardship are all unchanged. Confidence in this allows us to look to longer term patterns of performance. A corollary of the Managers' consistency is a volatility to ASCoT's relative performance, even over three year periods, as the mood of the stockmarket ebbs and flows.

For much of the most recent continuation vote period, the stockmarket's mood was one of gloom towards the UK's politics and economy, with further uncertainty emanating from the US's experiment with tariffs. These factors affected sentiment towards and valuations of many smaller companies. From our interactions with the Managers, we know that they have confidence in the resilience of many smaller companies and that they are therefore comfortable investing in such businesses, notwithstanding their greater sensitivity to swings in economic activity. We saw this sensitivity in action during the pandemic in 2020, when ASCoT's investment performance suffered particularly badly as economic activity collapsed. Clearly, the reasons for the economic uncertainty then were different from today's, but the Managers' confidence in the resilience of the portfolio's businesses was vindicated as the recovery took hold.

Chairman's Statement

This has not been the first continuation vote period in which ASCoT's total return has lagged its benchmark's. For the Board, the reassuring point is that the consistency of the investment approach has allowed a rebound in ASCoT's fortunes in earlier instances and has underpinned an excellent record of relative and absolute performance over longer time periods. Three years ago, following a continuation vote period in which ASCoT out-performed the DNSCI (XIC), I observed that ASCoT's differentiated and consistent investment proposition *"does not guarantee superior performance every year, but it does improve the likelihood of success over time"*. The relevance of this point stands, which gives the Board confidence to focus on the investment opportunity at hand and on ASCoT's prospective returns.

Conclusion

The Managers' Report addresses ASCoT's investment opportunity in detail. I would draw out the following points as important aspects of what is a positive outlook.

- Sentiment towards the UK remains downbeat, which is affecting the stockmarket's valuations of smaller companies.
- We have a good idea why this pessimism persists. The dominant narrative since the EU Referendum – almost ten years ago now – has been one of political dysfunction and economic stagnation in the UK.
- Large companies have shrugged off these concerns – even domestically oriented companies such as the banks have participated in the FTSE All-Share's resurgence. History gives encouragement that where large companies lead small companies follow.
- My personal suspicion is that the UK gloom has been overdone and that the UK's institutional advantages are being overlooked. However, I am more confident in asserting that the dominant narrative has drowned out recognition of the underlying progress of smaller companies.
- In recent years, ASCoT's portfolio holdings have endured a pandemic, a surge in inflation, higher interest rates and a recession. In the Board's discussions with the Managers about the investee companies, we are struck by their resilience. They have retained strong balance sheets and continued to generate cash, which is coming back to their shareholders in the form of rising dividends and share buy-backs.
- The underlying qualities and valuations of these companies are being recognised, though not yet in a broad fashion. The beneficiaries hitherto have been overseas companies and private equity who are responsible for the still high rate of M&A within the small company universe. Another lesson from history is that when the appetite for small companies improves share prices move rapidly and substantially.
- The current lack of interest in small UK quoted companies contrasts sharply with the great confidence that the stockmarket has in the giant technology companies as they spend their billions on AI development. In my experience of equity markets, such disparities in sentiment and valuation are not uncommon but tend to be overdone. As in the past, ASCoT is well positioned to benefit when fashions do inevitably change.

None of this is to deny the risks confronting smaller companies, from domestic politics, through the threat of a trade war and actual conflicts, to the implications of the vast investment in AI. However, investment is always risky. The returns generated by equities over time have been the rewards for exposing capital to risk. In my experience, what is crucial is that the capital should be deployed in assets whose valuations provide a margin of safety and should be managed in accordance with a tried and tested investment process.

On both counts, ASCoT's record suggests that it is well positioned. The Managers' approach to the asset class sets the portfolio apart from the majority of small company funds. It has driven good returns to Shareholders over time and the Board notes that the Managers continue to add to their personal holdings in ASCoT. We also recognise the advantages of ASCoT's investment trust status, particularly when operating in a relatively illiquid and volatile asset class such as small UK quoted companies. The ability to retain income helps dividends to grow in real terms even in difficult circumstances and contrasts with the more volatile capital performance. Meanwhile, share buy-backs and tactical gearing promise to improve what we expect to be a positive performance from the portfolio over coming years.

I would also note that ASCoT enjoys significant flexibility in its capital allocation by virtue of its natural portfolio turnover, ability to gear and revenue reserves. These features allow meaningful sums to be returned to Shareholders – dividends and share buy-backs totalled £107m in respect of 2025. The Board is therefore optimistic about ASCoT's prospects from here and recommends that Shareholders vote in favour of the Company's continuation at March's AGM.

Ahead of that event, my fellow Directors and I welcome views and questions from Shareholders. Please contact me at my e-mail address, which is noted below.

Richard Davidson
Chairman
29 January 2026
richard.davidson@aberforth.co.uk

Key Performance Indicators

The Board assesses the Company's performance in meeting its objective against the following key performance indicators (also referred to as Alternative Performance Measures): net asset value total return with dividends reinvested; share price total return with dividends reinvested; performance relative to the DNSCI (XIC); dividend growth; and any share price discount to net asset value. Information on the Company's performance is provided in the Chairman's Statement and Managers' Report and a record of these measures is shown below and in the Historical Information on page 7. A glossary of Alternative Performance Measures can be found on page 68 and the Company's objective is on page 1.

Cumulative Performance (Total Returns)

Periods to 31 December 2025	1 Year	3 Years	5 Years	10 Years	Since inception (10 December 1990)
Net Asset Value per Ordinary Share[1]	7.9%	31.0%	55.5%	82.5%	4,698.1%
DNSCI (XIC)	12.7%	35.9%	36.0%	83.1%	2,505.4%
Ordinary Share Price[1]	10.8%	32.5%	47.8%	78.8%	4,430.5%

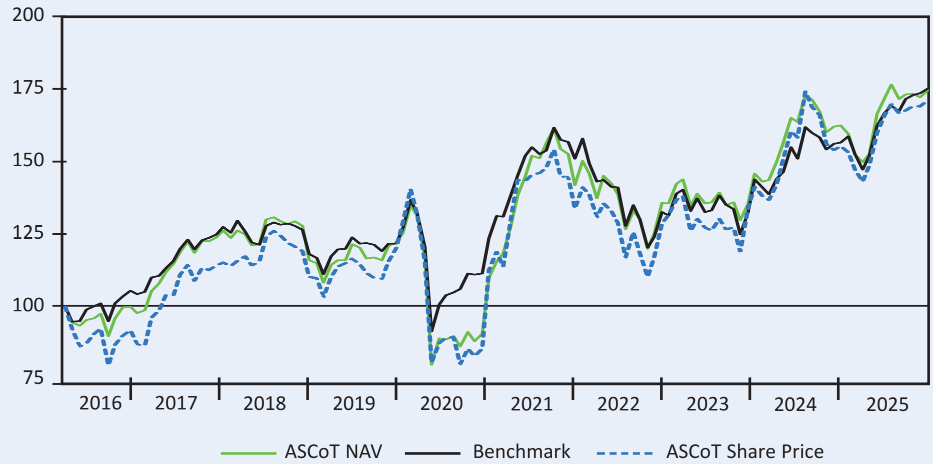
Annualised Performance (Total Returns)

Periods to 31 December 2025	1 Year	3 Years	5 Years	10 Years	Since inception (10 December 1990)
Net Asset Value per Ordinary Share[1]	7.9%	9.4%	9.2%	6.2%	11.7%
DNSCI (XIC)	12.7%	10.8%	6.3%	6.2%	9.7%
Ordinary Share Price[1]	10.8%	9.8%	8.1%	6.0%	11.5%

[1] Alternative Performance Measure (refer to glossary on page 68)

Source: Aberforth Partners LLP

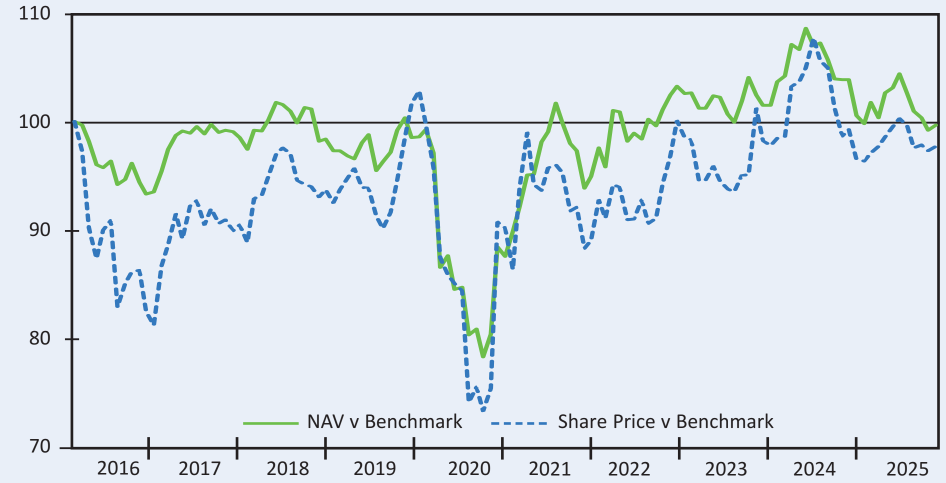
Cumulative Performance over 10 years
(figures are total returns and have been rebased to 100 at 31 December 2015)



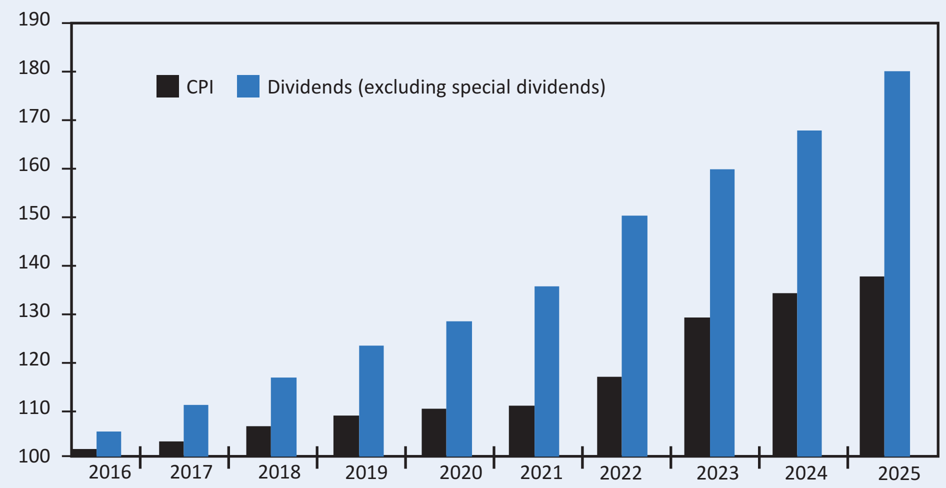
Key Performance Indicators (continued)

Ten Year Summary

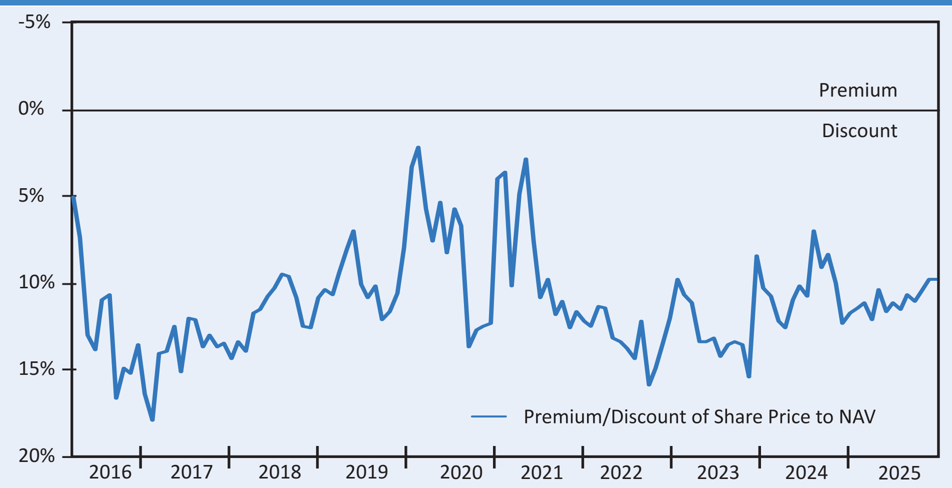
Relative Performance (figures are total returns and have been rebased to 100 at 31 December 2015)



Dividends and CPI Cumulative Growth (figures have been rebased to 100 at 31 December 2015)



Premium/Discount (being the difference between Share Price and NAV)



Historical Information

Total Returns

Period	Discrete Annual Returns (%) ASCoT NAV	Index	ASCoT Share Price
1 year to 31 December 2025	**7.9**	**12.7**	**10.8**
1 year to 31 December 2024	12.1	9.5	10.7
1 year to 31 December 2023	8.2	10.1	8.0
1 year to 31 December 2022	-10.4	-17.9	-7.3
1 year to 31 December 2021	32.5	21.9	20.3
1 year to 31 December 2020	-15.4	-4.3	-16.5
1 year to 31 December 2019	26.9	25.2	39.8
1 year to 31 December 2018	-15.4	-15.3	-11.8
1 year to 31 December 2017	22.1	19.5	22.6
1 year to 31 December 2016	5.8	11.1	-4.2

Periods to 31 December 2025	Annualised Returns (%)			Cumulative Returns (%)		
	ASCoT NAV	Index	ASCoT Share Price	ASCoT NAV	Index	ASCoT Share Price
2 years from 31 December 2023	10.0	11.1	10.7	21.1	23.3	22.7
3 years from 31 December 2022	9.4	10.8	9.8	31.0	35.9	32.5
4 years from 31 December 2021	4.1	2.8	5.3	17.4	11.6	22.8
5 years from 31 December 2020	9.2	6.3	8.1	55.5	36.0	47.8
6 years from 31 December 2019	4.7	4.5	3.6	31.6	30.2	23.5
7 years from 31 December 2018	7.6	7.2	8.1	67.0	63.0	72.5
8 years from 31 December 2017	4.4	4.1	5.4	41.3	38.0	52.2
9 years from 31 December 2016	6.2	5.7	7.2	72.4	64.9	86.7
10 years from 31 December 2015	6.2	6.2	6.0	82.5	83.1	78.8
15 years from 31 December 2010	8.7	8.1	9.4	247.2	221.4	287.2
20 years from 31 December 2005	7.6	7.9	7.7	333.6	361.0	344.0
35.1 years from inception on 10 December 1990	11.7	9.7	11.5	4,698.1	2,505.4	4,430.5

Ten Year Summary (ASCoT)

As at 31 December	Net Asset Value per Share p	Share Price p	Discount %	Revenue per Ordinary Share p	Dividends per Ordinary Share p	Ongoing Charges %	Gearing %
2025	**1,745.3**	**1,574.0**	**9.8**	**64.02**	**58.80**	**0.80**	**4.8**
2024	1,667.0	1,470.0	11.8	56.59	49.60	0.78	7.2
2023	1,536.7	1,378.0	10.3	59.79	50.50	0.79	5.1
2022	1,465.7	1,322.0	9.8	55.64	47.30	0.80	5.7
2021	1,674.4	1,464.0	12.6	36.76	35.20	0.75	5.6
2020	1,292.4	1,248.0	3.4	13.28	33.30	0.81	6.1
2019	1,570.2	1,540.0	1.9	42.26	36.00	0.77	0.8
2018	1,273.7	1,138.0	10.7	45.30	38.00	0.79	1.3
2017	1,543.7	1,326.0	14.1	41.59	35.50	0.76	0.3
2016	1,292.6	1,109.0	14.2	36.93	30.10	0.80	2.7
2015	1,254.3	1,193.0	4.9	35.03	28.75	0.79	0.3

The Historical Information above includes Alternative Performance Measures (refer to glossary on page 68).

Managers' Report

Introduction

Since inception in 1990, ASCoT's purpose has been to achieve a net asset value total return greater than that of the DNSCI (XIC) over the long term. To achieve this objective, the Managers have applied a consistent and differentiated investment strategy, which has three notable aspects.

- The basis of the investment process is understanding companies within the DNSCI (XIC). The Managers consider factors such as financial performance, competitive dynamics and capital allocation priorities, as well as relevant environmental and social matters. Company analysis is conducted by individual investment managers, but decisions about which stocks merit a place in the portfolio are taken by the full investment team. The team is experienced and well-resourced. It is often the case that it has known investee companies for longer than the directors running the companies.
- Stock selection is guided by a value investment philosophy. The reason for this is that there is strong historical evidence that a value premium can be harvested within equity markets over time. In practice, the Managers seek companies whose share prices are trading at wide discounts to their true values. As the gap between the two narrows, positions are reduced, with the proceeds recycled into other companies with greater upside, a process that the Managers term the "value roll".
- Consideration of governance issues and engagement with company directors, especially chairs, is an important element of Aberforth's investment process. Throughout ASCoT's history, the Managers have aimed to engage in a purposeful, discreet and constructive fashion, both as part of their research and to effect change if necessary. They engage on any topic that affects a company's valuation and are willing to be taken inside for extended periods. In return for this commitment to responsible stewardship of their clients' capital, the Managers expect that consultation will be timely and that they will not be presented with *faits accomplis* by the boards of investee companies.

The consistent application of these features does not guarantee strong returns in each year. However, it does ensure that ASCoT benefits from a differentiated and relevant investment strategy, which has contributed to a good outcome for investors over ASCoT's 35 years.

Performance

ASCoT's superior total returns since its inception are shown in the table below. The table also shows performance data for the three year continuation vote period that ended on 31 December 2025. The three indices provide context and include the DNSCI (XIC), which is ASCoT's benchmark of small UK quoted companies.

Total returns	2023	2024	2025	CAGR to 31 December 2025 3 years	 Inception
ASCoT NAV	+8.2%	+12.1%	+7.9%	+9.4%	+11.7%
DNSCI (XIC)	+10.1%	+9.5%	+12.7%	+10.8%	+9.7%
FTSE All-Share	+7.9%	+9.5%	+24.0%	+13.6%	+8.5%
MSCI World (£ terms)	+18.0%	+21.6%	+13.2%	+17.5%	+9.9%

- Equity returns through the continuation vote period were positive, supported by the continued recovery from the pandemic.
- The strongest performance came from the MSCI World index. This is dominated by the US stockmarket and so reflected the incredibly strong returns from the very large technology companies that are seen to be leading the AI race.
- Perhaps the most notable number in the table is the resurgence of the UK in 2025, with large company share prices rising by even more than world equities.
- The strength of the FTSE All-Share in 2025 meant that smaller companies under-performed large over the three years. This large cap out-performance is considered in greater detail below.
- ASCoT's total return lagged that of the benchmark across the continuation vote period. This was largely a result of a disappointing outcome for 2025 and so the performance analysis commentary later in this report focuses on events in 2025.

Over the past three years, the valuations of small UK quoted companies experienced two challenges, one more relevant to those companies that earn their profits within the UK economy, and the other to those companies reliant on overseas markets.

- The former group, the domestics, comprises consumer-oriented companies, such as retailers, leisure businesses and media companies. It accounts for around 53% of the revenues of DNSCI (XIC) constituents. These companies were most severely affected by Brexit and by lockdown during the pandemic. They operated resiliently in the face of these challenges but were confronted in 2025 by intensifying concerns about the UK government's fiscal situation. The Chancellor has struggled to achieve convincing fiscal headroom as she contends with her own fiscal rules, manifesto commitments and the internal politics of the Labour Party. The predicament was encapsulated by the gyrations in gilt yields through 2025 and by the rising cost of government debt here in comparison with the rest of the world: ten year gilt yields started 2025 in line with those in the US but ended the year 31 basis points higher. The UK private sector, wary after the 2024 Budget, was naturally cautious ahead of the 2025 Budget. It is likely that economic activity suffered as, in a classic Ricardian fashion, households and businesses held back on spending and investment. This was to the disadvantage of the domestically oriented companies.

- The overseas facing companies tend to be industrial businesses and account for the other 47% of the DNSCI (XIC)'s total revenues. They were less affected by the pandemic and their profitability even benefited from the EU referendum as sterling weakened in its aftermath. The disruption of supply chains in the wake of the pandemic, along with the conflicts in Ukraine and Gaza, were unhelpful, but these companies tended to enjoy good trading conditions for much of the three year period. That changed in April 2025 with Donald Trump's tariff announcements. Their longer lasting effects on global trade and broad economic activity are as yet uncertain, but it is clear that businesses have incurred near term headwinds in the form of higher costs and working capital requirements. Consequently, the valuations of overseas facing companies within the DNSCI (XIC) also came under pressure in 2025.

These twin pressures have hampered the valuation of smaller companies, particularly those whose profits are perceived to be more sensitive to broader economic activity. This has affected ASCoT's performance since many of the most attractively valued smaller companies today are in the more economically sensitive sectors of the stockmarket. Indeed, the market's near term fears of cyclicality can often be what presents the Managers with investment opportunity as they take a longer term view of a business's underlying qualities and profit potential.

For most of the three year continuation vote period, gloom about the UK's politics and economics affected sentiment towards the UK stockmarket in general, with the valuations of both small and large companies below their long term averages. That started to change in 2025. The very strong total returns from large companies took their valuations above the long term average, even as smaller companies continued to languish. A common explanation for this performance divergence rests in the different sector profiles of the large and small company universes. Among the stronger performers in the FTSE All-Share in 2025 were banks, defence, mining, telecoms and life assurance, which are all sectors with a lower representation in the DNSCI (XIC). However, this explanation struggles when the banks are considered further. Most of the banks are heavily reliant on the domestic UK economy. They are literally geared into the health of British businesses and households, the same sort of exposure that many smaller companies have.

Smaller companies are being penalised for their very size and relative illiquidity, rather than for fundamental reasons. This suspicion is backed up by analysis of the dividend characteristics of the DNSCI (XIC) and the FTSE All Share. For the first time since the global financial crisis, the dividend yield of the DNSCI (XIC) is higher than the FTSE All-Share's. This is despite small companies' average dividend cover being above that of large companies and despite small companies' balance sheets being stronger than those of large companies. Moreover, dividend growth of the DNSCI (XIC) has remained superior to that of the FTSE All-Share. Since 2015 – the year before the EU referendum and therefore a fair starting point – small company dividend growth has been 63%, whereas large company dividend growth has been 29%. Since 2019 – the year before the pandemic – small companies have grown their dividends by 23%, whereas large companies have seen their aggregate dividends decline by 6%.

The superior dividend growth from smaller companies is evident in almost all time periods and supports the growing dividends paid by ASCoT to its Shareholders. These dividends also benefit from how the Managers invest ASCoT's capital. An important facet of the process is the "value roll", in which capital is rotated from companies with low upside to the Managers' target prices into companies with high upsides. This rotation implies that capital is moved from companies with low dividend yields into those with high dividend yields, a dynamic that enhances the income earned by the portfolio over time. This has enabled ASCoT's dividends to grow by 7.1% per annum since inception in 1990, well ahead of the DNSCI (XIC)'s 4.9%, the FTSE All-Share's 3.4% and the consumer price index at 2.4%. The steadiness and consistency of ASCoT's dividend growth contrast with the volatility of annual capital performance. They have also contributed to the good absolute and relative total returns that ASCoT has achieved over time.

Influences on performance in 2025

In 2025, ASCoT's NAV total return was 7.9%, which was behind the DNSCI (XIC)'s 12.7%. The table below sets out the contribution of certain factors to ASCoT's relative return. As usual, the most important influence was the investment portfolio. The paragraphs that follow provide context and explanation for the portfolio's performance in 2025.

For the twelve months ended 31 December 2025	Basis points
Attributable to the portfolio of investments, based on mid prices	
(after transaction costs of 18 basis points)	**(429)**
Movement in mid to bid price spread	12
Cash/gearing	(27)
Purchase of ordinary shares	54
Management fee	(70)
Other expenses	(12)
Total attribution based on bid prices	**(472)**

Note: 100 basis points = 1%. Total Attribution is the difference between the total return of the NAV and the Benchmark Index (i.e. NAV = 7.95%; Benchmark Index = 12.67%; difference is -4.72% being -472 basis points).

Managers' Report

Economic cyclicality

As described above, ASCoT's returns in 2025 were influenced by concerns about economic activity both domestically and overseas. Many of the most attractively valued companies within the DNSCI (XIC) at present are perceived as sensitive to the economic cycle. The Managers are prepared to look beyond these near term concerns, putting more store in the resilience of business models, records of profit progress from cycle to cycle and strength of balance sheets. Such bouts of concern are not unusual in ASCoT's 35 year history. Economic cyclicality hampered ASCoT's performance in 2025, but it is the Managers' experience that the stockmarket tends to under-estimate the resilience of smaller companies and thus creates the conditions for a strong recovery in due course.

Value style

The Managers follow a value investment philosophy. They calculate target valuations for existing and potential investments. These are influenced by fundamental analysis of the companies, judgement informed by experience, and reference to other relevant valuations in equity markets or corporate activity. Growth of profits is an important component of target valuations, but the Managers find that stockmarket valuations are often too generous in their assumptions of the sustainability and pace of growth.

To gauge the style effect on ASCoT's performance, the Managers use analysis by the London Business School (LBS). This defines value narrowly in terms of low price to book ratios, rather than in the broader fashion undertaken by the Managers. Therefore, while useful, the LBS approach is an imperfect measure of style effects, particularly over short periods. Despite AI leading the way among global equity markets, the LBS analysis suggests that value stocks within the DNSCI (XIC) out-performed the index as a whole in 2025. On this basis, style would have benefited ASCoT's returns in 2025.

Size, within the DNSCI (XIC)

The DNSCI (XIC) includes all main listed stocks in the UK with market capitalisations below c.£2.5bn. It therefore has an extensive overlap with the FTSE 250 and includes many mid caps, which the Managers refer to as "larger small" companies. However, ASCoT has a relatively high exposure to the DNSCI (XIC)'s "smaller small" companies and has had for much of the period since the global financial crisis in 2008. This positioning reflects the more attractive valuations available down the market capitalisation scale, which are demonstrated in the Valuations section later in this report. Analysis by LBS shows that the return from "smaller small" companies was slightly ahead of that from "larger small" companies in 2025. Accordingly, ASCoT had a modest benefit from its size positioning over the past twelve months.

Corporate activity

The pattern is a familiar one of recent years – a lot of takeovers targeting small UK quoted companies, a lot of buy-backs and few IPOs.

On M&A, the takeovers of eleven companies in the DNSCI (XIC) were completed in 2025. On top of those, there were offers outstanding for another ten companies at the year end. Of these 21 deals, the bidders were most often trade buyers, with private equity houses less active than in 2024. The bidders were overwhelmingly from overseas, attracted by the presently low stockmarket valuations of small UK quoted companies. The average premium of the bid price to the undisturbed share price before announcement of the deal was 44%, which is above the longer term average premium for control of 25-30%. ASCoT had investments in eleven of the 21 takeover targets. Four of the eleven deals were announced in 2024, with the deals completing in 2025. The takeover premiums therefore benefited 2024 returns. Nevertheless, M&A helped ASCoT's returns in 2025.

Takeovers can be an effective means by which the value in ASCoT's portfolio is realised. However, there is an important caveat. The low valuations of smaller companies mean that takeovers may be proposed on unattractive terms and that investors' interests might be better served by rejecting the takeover approach. The risk is exacerbated by boards and some shareholders yielding too quickly to takeover interest, no doubt succumbing to the gloomy sentiment towards the UK. The Managers attempt to mitigate the risk by engaging with boards to support their independence if the terms of a bid are unattractive or to improve the terms. This engagement is helped by the often significant stakes that ASCoT and Aberforth's other clients hold in investee companies. At 31 December 2025, 15% of ASCoT's portfolio was invested in companies that had attracted takeover interest over the previous 18 months, but where the approaches had not developed into formal bids. In several of these situations, the Managers were consulted by the boards of the target companies and, if the standalone option promised superior returns, supported their independence.

The depressed valuations of small UK quoted companies mean that the IPO market remains subdued. There were just two IPOs of a reasonable size and eligible for the DNSCI (XIC) in 2025. The Managers view this dearth of activity as a temporary phenomenon and a function of prevailing valuations. Recent regulatory change, to the listing rules and prospectus regime, are likely to encourage IPOs once the valuation basis of the small UK quoted companies recovers.

While the DNSCI (XIC) has not been refreshed by IPOs, it is experiencing an influx of companies that are choosing to move from AIM to the Main Market. ASCoT does not invest in AIM quoted companies except in limited circumstances. These

Managers’ Report

include when an AIM company makes a public announcement of its intention to move to the Main List. Over the past 18 months, 15 AIM quoted companies have announced an intention to relist. Of these, six completed the process in 2025 and were included in the DNSCI (XIC) on its annual rebalancing on 1 January 2026. Of the 15 companies, ASCoT has invested in four. These businesses were subject to the Managers’ usual investment process of research and engagement. Their valuations were attractive and consistent with the existing portfolio’s.

Income

The UK’s economic and political uncertainties contributed to a lacklustre capital performance in 2025, but the dividend performance from small UK quoted companies remained resilient. ASCoT’s income experience is shown in the following table, which splits the portfolio’s 78 holdings into categories determined by the most recent dividend action.

Nil Payer	Cutter	Unchanged Payer	Increased Payer	New/Returner
14	9	23	28	4

The drag on ASCoT’s income from the 9 cutters was out-weighed by the 28 companies that increased their dividends and by the four companies that either resumed dividends or paid for the first time. Overall, ASCoT’s Investment Income from Revenue, as shown in the Income Statement, rose by 7% in 2025. There was a slightly larger contribution from special dividends received than in 2024, but the effect was not significant. The 7% growth took Investment Income to its highest level in ASCoT’s 35 years, surpassing the previous high in 2023.

The historical dividend yield of ASCoT’s holdings at 31 December 2025 was 4.3%, which was 31% higher than the average over ASCoT’s 35 year history. Dividend cover was 2.2x, which is less than the long term average of 2.8x. The lower dividend cover was due to the effect of macro economic uncertainty on profits, together with the higher dividends as companies looked through the near term uncertainty and took confidence from strong balance sheets. The Managers’ forecasts suggest that dividend cover will rise in 2026 and 2027.

Significant stakes

Engagement with the boards of investee companies has always been a crucial component of the Managers’ investment process. It is particularly relevant at present in view of the high rate of takeover activity among smaller companies and of the recent regulatory changes to the listing rules and prospectus regime. The latter are intended to make the UK stockmarket a more attractive place to list, but they come at a cost by undermining governance protections for investors in UK listed companies.

The Managers’ scope to engage effectively is supported by their ability to take significant stakes of up to 25% in issued share capital across their client base. At 31 December 2025, ASCoT had six holdings in which Aberforth’s clients had a stake of more than 20% and 28 holdings in which the stake exceeded 10%. The 28 holdings had a combined portfolio weight of 32%.

Significant stakes bring increased influence but come with a downside in the form of illiquidity – reducing these positions by selling into the stockmarket can be difficult. However, there are compensating factors. First, the increased influence, coupled with patience and support, has contributed to improved investment outcomes – significant stakes have enhanced ASCoT’s performance over time. Second, illiquidity has been manageable. Exiting significant stakes has been facilitated by M&A or by renewed investor appetite as prospects for the business improve. Third, ASCoT’s closed-end structure is ideally suited to holding significant stakes – patient support from investors is often required as boards work to improve business performance. The Managers are confident that their approach to engagement and ability to take significant stakes have enhanced ASCoT’s returns over time and will continue to do so.

ASCoT’s gearing

As an investment trust ASCoT can employ gearing with the aim of enhancing returns from the portfolio. ASCoT’s approach to gearing is tactical and seeks to take advantage of periods of stress in economies and financial markets. It is currently geared for the fourth time in its history, having drawn on its borrowing facility amid the pandemic in early 2020. Since then, returns from small UK quoted companies have been positive and gearing has enhanced ASCoT’s returns, which was also the case in 2025 specifically. Since UK equity valuations continue to be attractive, the Managers believe that it is appropriate that ASCoT remains geared. At 31 December 2025, the gearing ratio was 5%. The realisation of proceeds from takeovers was substantial through 2025, which meant that the gearing ratio was often below the Managers’ target. Given the attractiveness of valuations and the profusion of investment opportunities, it is likely, all else equal, that the gearing ratio will rise from its current level.

Managers' Report

Portfolio characteristics

The next table presents a selection of important characteristics for both the portfolio and the DNSCI (XIC). The subsequent paragraphs expand on some of these characteristics.

	31 December 2025		31 December 2024	
Portfolio characteristics	**ASCoT**	**DNSCI (XIC)**	ASCoT	DNSCI (XIC)
Number of companies	**78**	**352**	79	350
Weighted average market capitalisation	**£578m**	**£1,225m**	£649m	£1,019m
Weighting in "smaller small" companies*	**49%**	**17%**	55%	21%
Weighting in companies with net cash**	**39%**	**26%**	29%	30%
Portfolio turnover	**34%**	**–**	20%	–
Active share	**80%**	**–**	78%	–
Price earnings (PE) ratio (historical)	**10.5x**	**13.8x**	9.6x	13.0x
Dividend yield (historical)	**4.3%**	**3.4%**	4.0%	3.4%
Dividend cover (historical)	**2.2x**	**2.1x**	2.6x	2.2x

*"Smaller small" companies are members of the DNSCI (XIC) that are not also members of the FTSE 250; **Tracked Universe reference explained below.

Balance sheets

The following table sets out the balance sheet profile of ASCoT's portfolio and of the Managers' Tracked Universe. This subset of the DNSCI (XIC) represents 99% by value of the index as a whole and is made up of the 246 companies that the Managers follow closely.

Weight in companies with:	**Net cash**	**Net debt/EBITDA < 2x**	**Net debt/EBITDA > 2x**	**Other***
Portfolio 2025	39%	46%	14%	1%
Tracked Universe 2025	26%	43%	24%	7%

*Includes loss-makers and lenders

Balance sheets remain robust both within the portfolio and among small caps in general. Compared with a year ago, the portfolio's exposure to companies with stronger balance sheets has risen: the weighting in companies with net cash and leverage below two times was 75% at the end of 2024 and 85% at the end of 2025. This shift reflects both the cash generation of the investee companies and portfolio activity. The stockmarket's lack of interest in smaller companies means that stronger balance sheets are not being reflected in higher valuations. This lack of discernment has brought more companies into the Managers' valuation range and has contributed to the higher exposure to companies with strong balance sheets.

The strength of balance sheets raises the question of how capital should be deployed. This is a frequent topic of engagement for the Managers with the boards of ASCoT's investee companies. The highest priority should be organic investment to maintain the viability of a business and allow it to grow. This is especially pertinent at present since it seems that the economic and political uncertainty has discouraged companies from larger capital expenditure projects. After organic investment, a coherent and appropriate dividend policy is essential, optimally one that allows ordinary dividends to grow in real terms through economic cycles. After that, acquisitions may be considered, but these should be assessed against the benchmark of lower risk special dividends or share buy-backs. Many small companies again bought back shares in 2025, including 29 companies within ASCoT's portfolio of 78 stocks.

Active share

Active share is a measure of how different a portfolio is from an index. The ratio is calculated as half of the sum of the absolute differences between each stock's weighting in the index and its weighting in the portfolio. The higher a portfolio's active share, the higher its chance of performing differently from the index, for better or worse. The Managers target an active share ratio of at least 70% for ASCoT's portfolio compared with the DNSCI (XIC). At 31 December 2025, it stood at 80%.

Value roll and portfolio turnover

The main influence on ASCoT's portfolio turnover in any period is usually the stockmarket's appetite for small UK quoted companies. If prices and valuations are rising, the upsides to the Managers' target prices are likely to be narrowing. All else being equal, this would encourage the rotation of ASCoT's capital from companies with lower upsides to those with higher.

Portfolio turnover is defined as the lower of purchases and sales divided by the average portfolio value. In 2025, turnover was 34%, which is in line with the long term average of 33%. This rate of turnover was influenced by the year's significant takeover activity.

Managers' Report

Environmental, social and governance (ESG)

In their analysis and assessment of companies, the Managers consider any issue that affects valuation. This includes matters that come under the umbrella term of ESG. If the Managers determine that a company's valuation can be enhanced by addressing such an issue, they engage with the board in question. Most engagements remain concerned with governance, which reflects the Managers' firm belief that good governance is a pre-requisite for a good performance in environmental and social terms. Examples are provided in the Stewardship & ESG section of the Managers' website at www.aberforth.co.uk. Further details of the Managers' approach to ESG are set out on pages 16 to 18 of this annual report.

Valuations

Recent Managers' Reports have described how ASCoT benefits from a triple valuation discount. This referred to ASCoT's portfolio being on lower valuations than small UK quoted companies, which were on lower valuations than UK large companies, which were on lower valuations than world equities. The table below updates the analysis.

Price earnings (PE) ratio:	35 year average	31 December 2023	31 December 2024	31 December 2025
World equities*	16.0x	16.0x	17.0x	18.1x
FTSE All-Share	15.3x	10.3x	14.6x	17.6x
Smaller companies**	13.5x	10.3x	11.9x	12.2x
Portfolio	12.0x	7.9x	9.6x	10.5x

* Source: Bloomberg; Panmure Liberum, ** DNSCI (XIC) to 2013 then Tracked Universe

Twelve months on, the triple discount remains in place, and yet there has been movement. The historical PEs of all four groups have risen, but the most significant move over the past twelve months has been among large UK companies. The PE of the FTSE All-Share has jumped from 14.6x to 17.6x and now sits above its long term average of 15.3x. Meanwhile, the PE of smaller companies, and of ASCoT's portfolio in particular, remain below their long term averages. As noted in the opening section of this report, it is unclear at the fundamental level why the valuation gap between small and large companies should have opened up to this degree. In view of the fundamental qualities of smaller companies – stronger balance sheets and higher growth – their lower valuations offer the opportunity of stronger future share price returns.

The following table turns to forward looking valuations. It uses the Managers' favoured valuation metric, EV/EBITA (enterprise value to earnings before interest, tax and amortisation). Ratios are set out for the portfolio, the Tracked Universe and certain subdivisions of the Tracked Universe. The profits underlying the ratios are based on the Managers' forecasts for each company that they track. The bullet points following the table summarise its main messages.

EV/EBITA	2024	2025	2026
ASCoT's portfolio	7.8x	8.0x	7.2x
Tracked Universe (246 stocks)	11.2x	11.1x	9.7x
– 34 growth stocks	19.8x	17.5x	15.5x
– 212 other stocks	10.5x	10.5x	9.1x
– 113 stocks >60% revenue within UK	11.5x	11.2x	10.1x
– 113 stocks >60% revenue overseas	10.8x	10.7x	9.2x
– 110 stocks > £600m market cap	12.0x	11.8x	10.4x
– 136 stocks < £600m market cap	9.0x	9.0x	7.8x

- ASCoT's EV/EBITA ratio is higher for 2025 than for 2024, which implies that profits earned by portfolio companies fell slightly in 2025. This is consistent with the slowdown in activity through the second half of the year as concern about the Budget grew. The decline in the ratio in 2026 compared with 2025 suggests that, based on the Managers' bottom-up estimates, profits will increase again in 2026.
- The average EV/EBITA multiples of the portfolio are lower than those of the Tracked Universe. This has been a consistent feature over ASCoT's history and is consistent with the Managers' value investment style.
- The portfolio's 8.0x EV/EBITA ratio for 2025 is considerably lower than the average multiple of 14.7x at which takeover offers for DNSCI (XIC) constituents have been made in the past four years.

Managers' Report

- Each year, the Managers identify a cohort of growth stocks within the DNSCI (XIC). The 34 growth stocks for 2026 are on much higher multiples than both the portfolio and the rest of the Tracked Universe.
- The "smaller small" companies within the DNSCI (XIC) remain more attractively valued than the "larger smalls". This explains why ASCoT's portfolio has a relatively high exposure to the "smaller smalls".
- For more of the period since the EU referendum, overseas facing companies have enjoyed higher valuations than have their peers that are more reliant on the UK's domestic economy. The gap between the two narrowed in 2025 as sentiment towards the overseas cohort was affected by the tariffs.

Outlook and conclusion

The "Liberation Day" tariff announcements convulsed stockmarkets in 2025. The full effects on global trade and economic activity are still unclear, particularly when the status of some of the tariffs remains subject to legal challenge. What is clear is that companies, both in ASCoT's portfolio and more widely, are incurring extra cost when exporting to the US. This is another factor in the broad theme of deglobalisation, which has developed since the pandemic as geopolitical tensions have intensified. The implication for ASCoT is a more uncertain outlook for its cohort of investee companies that generate their revenues outside the UK.

Despite the tariff shock, equity valuations have recovered well from the Liberation Day nadir. Returns have been particularly good for the group of companies seen to be benefiting from AI. As 2025 ended, the hopes and valuations for the AI leaders were very high, but some caution is merited. The business models of the US technology giants are no longer capital light since AI development necessitates significant investment in computing power and infrastructure. More broadly, the US economy is becoming increasingly reliant on AI, with growth driven by the investment boom and with buoyant equity prices supporting the wealth effect. Furthermore, it is not clear what the returns on the investment will prove to be or who will emerge the eventual winners of the AI arms race, as the US technology giants compete with each other and with Chinese rivals. In the meantime, the effects of AI on companies more broadly are as yet unclear. Some business models will be challenged and it is important for the Managers to consider where these threats lie. On the other hand, it is also important to consider the productivity gains that AI promises. Despite what the relative valuations might suggest, the upside from AI investment is unlikely to be confined to the companies currently deploying the capital – it is plausible that ASCoT's portfolio holdings can also benefit.

The more significant near term influence on the fortunes of small UK quoted companies is likely to be the direction of the UK economy. The immediate challenges are the government's fiscal position and a set of policies that are likely to increase costs and the regulatory burden on the private sector. These problems are well known and have contributed to the gloom surrounding the valuations of small UK quoted companies. However, there are other more positive dynamics at work, which tend to be overlooked at present and which suggest that the often hysterical talk about the UK is overdone.

- The private sector in the UK has deleveraged meaningfully over two decades – the ratio of private non financial debt to GDP is back to the levels last seen in 2000. Financial risk today is therefore reduced and there is the potential to re-leverage in the future. While many companies are choosing to deploy surplus capital on share buy-backs at present, a pick-up in investment would be good for growth of profits and the economy in general.
- The recent Budget, while unhelpfully late in the year, was not as threatening to economic activity as feared. The Chancellor tested her fiscal rules by deferring most tax increases until later in the parliament. This pragmatism gives the economy breathing space, especially as government spending does increase in the near term. One can debate the merits of such policies, but at the margin they bode well for economic activity.
- Inflation in the UK remains stickier than elsewhere but does seem to be on a downward path. This has given the Bank of England scope to reduce interest rates, which again should be supportive of near term economic activity.

So there is good reason to believe that the UK economy may turn out to be better, or at least less bad, than commonly perceived. This would be significant for the valuations of small UK quoted companies, especially the more economically sensitive businesses since so little is expected of them. The revaluation of larger companies in 2025 – particularly the banks – shows what is possible when sentiment turns. The opportunity is encapsulated by small companies' low valuations and high resilience. Self-help, strong balance sheets and free cash generation are supporting dividend growth and share buy-backs as we await improved trading conditions.

The attractiveness of this combination is being recognised by more than the Managers. The elevated rate of M&A activity shows that other companies and private equity, particularly from overseas, understand the value on offer among the constituents of the DNSCI (XIC). At the same time, traditional holders of UK equities, such as insurance companies and larger asset managers, are being replaced on share registers by other sorts of investor. These are typically smaller institutions or individuals, often again from overseas, who share the Managers' contrarian approach to investment and, amid a broad opportunity set, have identified the value on offer among small UK quoted companies.

Managers' Report

Over ASCoT's 35 years, the Managers' consistent investment approach has achieved superior returns for Shareholders. Their value investment philosophy, understanding of the companies and active engagement are particularly well suited to the current opportunity in small UK quoted companies and bode well for future returns.

The Managers' optimism is also rooted in ASCoT's structural advantages. Tactical gearing and share buy-backs can enhance the investment performance of the portfolio. They can also benefit growth in the dividends paid to ASCoT's Shareholders. The underlying resilience of the investee companies, along with ASCoT's healthy revenue reserves, suggest that dividends can continue to grow in real terms, even in more difficult economic conditions. Finally, the closed-end nature of an investment trust affords the Managers a longer term investment horizon, allowing them to take advantage of concerns about illiquidity, to engage constructively and to support investee companies. The aim here, as always, is the improvement of investment returns for Shareholders.

Aberforth Partners LLP
Managers

29 January 2026

Stewardship and Environmental, Social and Governance (ESG)

Board oversight and activities

At the heart of the Board's approach to stewardship is promoting the success of the Company for the benefit of Shareholders as a whole. The main gauge of success is achievement of the Company's investment objective in a manner consistent with its investment policy and strategy. The Board also considers its corporate governance obligations, regulation, risk and market integrity. Both these and the investment objective are affected by environmental, social and governance matters.

In discharging these stewardship responsibilities, the Board benefits from a group of directors with deep and diverse expertise. Their main role is one of oversight, since the Company's day-to-day activities are undertaken by external firms. Monitoring is primarily based on quarterly updates from the Managers and Secretaries. During a year of steady development, the Board reviewed the Managers' stewardship and ESG related activity. This included the following.

- Continued updates to the Managers' stewardship and ESG policies and practices.
- Continued development of Aberforth's proprietary methodology for assessing investee companies' ESG issues and for tracking related engagement objectives and activity.
- Refresh and publication of the Managers' Engagement and Voting framework.
- Publication of Aberforth's fifth *Governance and Corporate Responsibility* statement, which describes Aberforth's own approach to ESG matters.

Since the Company has no employees and the Board has engaged external firms to undertake the Company's activities, the Company has no greenhouse gas emissions to report from its operations and does not have responsibility for any other emissions-producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. The Board considered the applicability to the Company of the Streamlined Energy & Carbon Reporting Statement ('SECR') and determined that the Managers' voluntary detailed disclosures under SECR are most relevant.

The Managers, to whom the Board has delegated investment management responsibilities and discretion to exercise voting rights, play a crucial role in how the Company's approach to stewardship is put into practice. Their investment decisions, engagement with companies and voting are conducted in a manner consistent with their own stewardship policy. This is designed to deliver the Company's investment objective, while taking into account broader responsibilities to the economy, environment and society. The Board has reviewed, and endorses, the Managers' Stewardship approach and Policy, the details of which are set out below.

Managers' Activities

Philosophy, policies and practices

The Managers' approach to Stewardship and ESG is available on the Aberforth website (www.aberforth.co.uk) in the "About Aberforth" section. The policy framework is set out in the following documents.

- *About Aberforth:* the firm's background and founding principles, its strategic philosophy and nature of the business.
- *Investment Philosophy:* the Managers' approach to investing as adopted for the Company.
- *Stewardship Policy:* Aberforth's approach to stewardship of clients' capital, set out in the format of the Financial Reporting Council's (FRC) UK Stewardship Code.
- *ESG Integration Framework*: how Aberforth's integrated ESG framework operates in practice.
- *Engagement and Voting Framework:* how Aberforth engages and votes, and what it expects of investee companies.
- *Examples of Engagement and Voting:* examples of how the Engagement and Voting framework is put into action.
- *Governance and Corporate Responsibility:* Aberforth Partners LLP's approach to its own stewardship, governance and ESG matters.

The Managers' approach to Stewardship and ESG is overseen by their Stewardship Committee, which is a sub-committee of the partnership committee, Aberforth's ultimate governance body.

Stewardship and Environmental, Social and Governance (ESG)

The investment cases for many of the Company's holdings are influenced by environmental, social and governance matters, particularly as the increased profile of such issues affects the stockmarket's valuations of companies. The Managers do not exclude investments from the portfolio based on ESG considerations alone. Rather, analysis of ESG matters is integrated into the investment process and is considered alongside other factors in forming an investment case.

Engagement

Where ESG or other matters impinge upon the investment case, the Managers engage with the investee company's board. This engagement is purposeful, discreet and always occurs with the objective of improving investment outcomes. The Managers are well placed to undertake this activity. Engagement has always been a fully integrated element of their investment process and their influence is supported by meaningful stakes in the investee companies. The Managers believe that their willingness to engage constructively with the boards of investee companies has benefited investment performance over time and is therefore important to the long term success of the Company.

Proprietary Aberforth database

To support the investment process, Aberforth continues to enhance a module within its proprietary investment database that tracks and analyses important ESG data and issues. The database captures relevant metrics, such as greenhouse gas emissions, Task Force for Climate-related Financial Disclosures (TCFD) compliance, and net zero and science-based targets. It also evaluates investee companies on the basis of several ESG subfactors. The methodology starts with a sector-driven risk assessment, which is determined by Aberforth's Stewardship Committee and is influenced by inputs from several third parties such as the Sustainability Accounting Standards Boards (SASB). From there, each investee company is evaluated taking into account the risk materiality, mitigating practices, targets for improvement and opportunities. This methodology allows the portfolio's ESG profile to be snapshotted and to be tracked through time, as well as helping to identify risks to investment cases and to focus engagement efforts. The methodology is described in greater detail in Aberforth's "ESG Integration Framework" document. The methodology is reviewed annually.

Voting Policy and Activity

The Board has given discretion to the Managers to exercise voting rights on behalf of the Company. The Managers consider and vote on every resolution that is put to shareholders of the companies in which ASCoT is invested. The Board endorses the Managers' voting philosophy, which treats clients as part owners of the underlying companies. These voting principles are set out in the Managers "Engagement and Voting Framework" document. The Managers vote against resolutions that they believe may damage shareholders' rights or economic interests.

The Board receives quarterly reports from the Managers on governance and voting issues pertaining to investee companies. The annual voting activity for the Company is noted in the table below.

ASCoT's voting activity, 12 months to 31 December 2025	
Shareholder meetings at which ASCoT's shares were voted	96
Shareholder meetings at which ASCoT's shares voted against or abstained	17
Number of resolutions voted	1,421
Number of resolutions voted against	26
Number of resolutions abstained	10

Voting is often the conclusion of engagement, which is undertaken directly and over time with the boards of investee companies. In normal circumstances, concerns would have been raised and discussed with an investee company's directors before the vote. Such engagement improves understanding of issues underlying controversial resolutions and can result in change that allows the Managers to vote in favour of the relevant resolutions.

Among small UK quoted companies, there remain few general meeting resolutions directly relevant to environmental and social issues, so much of the voting is focused on governance. During 2025, the Managers did not vote in favour of resolutions for the re-election of non-independent directors who could risk board independence. Votes against were also prompted by concerns about directors' effectiveness in M&A transactions and capital allocation decisions.

Stewardship and Environmental, Social and Governance (ESG)

The Managers' submission to the UK Stewardship Code

The UK Stewardship Code, issued by the FRC, sets out the principles of effective stewardship by institutional investors. The Managers are committed to effective stewardship and were early adopters of the UK Stewardship Code. They were again recognised as an approved signatory of the code in August 2025. The Managers publish their submission on their website, along with supporting documentation.

UN Principles For Responsible Investment ('UNPRI')

The Managers are a signatory to, and participate in, the UNPRI assessment. The results are available within the "About Aberforth" section of the Managers' website.

Aberforth Partners LLP's governance and corporate responsibility

The Managers' approach for their business to Stewardship and ESG is governed by the Stewardship Committee. Details are set out in their "Governance and Corporate Responsibility" statement. This includes their policies and practices covering their approach to governance, risk and control, company culture, human resources and environmental matters. The document also sets out Aberforth's approach to emissions disclosures, along with its Scope 1, 2 and 3 emissions. These voluntary disclosures are reported under the Streamlined Energy & Carbon Reporting Statement ('SECR').

Thirty Largest Investments

As at 31 December 2025

No.	Company	Value £'000	% of Total Net Assets	% of Company Held[1]	Business Activity
1	CMC Markets	42,997	3.1	5.1	Financial derivatives trading platform
2	Jupiter Fund Management	41,990	3.0	5.0	Investment manager
3	Vesuvius	38,917	2.8	4.0	Metal flow engineering
4	ZIGUP	38,403	2.8	4.4	Van rental
5	Marstons	37,766	2.7	10.1	Pub operator
6	Wilmington Group	36,789	2.6	13.9	Business information and training
7	Galliford Try Holdings	36,255	2.6	6.9	Building and infrastructure contractor
8	Senior	35,830	2.6	4.4	Aerospace and automotive engineering
9	Rathbones Group	35,690	2.6	2.0	Wealth management
10	Morgan Advanced Materials	33,367	2.4	5.5	Manufacturer of carbon and ceramic materials
	Top Ten Investments	**378,004**	**27.2**		
11	Ashmore Group	32,968	2.3	2.6	Investment manager
12	MONY Group	31,032	2.2	3.2	Price comparison websites
13	NCC Group	30,230	2.1	6.9	IT security
14	C&C Group	29,135	2.1	5.8	Brewer and drinks distributor
15	Workspace Group	28,892	2.1	3.8	Property - rental to small businesses
16	Mitchells & Butlers	27,145	2.0	1.7	Operator of restaurants, pubs and bars
17	Capital	26,185	1.9	10.2	Rental of drilling equipment
18	Rank Group	26,144	1.9	5.6	Multi-channel gaming operator
19	Crest Nicholson	25,004	1.8	6.8	Housebuilding
20	Smiths News	24,996	1.8	13.4	Newspaper distribution
	Top Twenty Investments	**659,735**	**47.4**		
21	Ecora Resources	24,600	1.8	8.6	Natural resources royalties
22	Bodycote	24,406	1.7	2.0	Engineering - heat treatment
23	XP Power	23,984	1.7	9.5	Power controls
24	Foxtons Group	23,460	1.7	13.4	Estate agent
25	Conduit Holdings	22,257	1.6	3.5	Bermuda based (re)insurer
26	Sabre Insurance Group	22,221	1.6	6.9	Car insurance
27	FirstGroup	21,762	1.6	2.0	Bus and rail operator
28	Halfords Group	21,382	1.5	6.9	Automotive and cycling products retailer
29	DFS Furniture	20,277	1.5	4.9	Furniture retailer
30	Hilton Food Group	20,239	1.5	4.5	Food manufacturer
	Top Thirty Investments	**884,323**	**63.6**		
	Other Investments (48)[1]	573,548	41.2		
	Total Investments	**1,457,871**	**104.8**		
	Net Current Assets/(Creditors)	(66,155)	(4.8)		
	Total Net Assets	**1,391,716**	**100.0**		

Investments are in Ordinary Shares unless otherwise stated.

[1] In addition to the 25 portfolio holdings of 3% or more of the investee company's share capital disclosed in the top thirty table above, which were valued at £742m, the Company's other investments included 35 other portfolio holdings of 3% or more, which were valued at £416m.

Investment Portfolio

As at 31 December 2025

Security	Value £'000	% of Total Net Assets	% of DNSCI (XIC)[1]
Software and Computer Services	**61,262**	**4.3**	**4.1**
MONY Group	31,032	2.2	
NCC Group	30,230	2.1	
Technology Hardware and Equipment	**13,546**	**1.0**	**0.4**
TT Electronics	13,546	1.0	
Telecommunications Service Providers	**17,175**	**1.2**	**1.4**
Gamma Communications	17,175	1.2	
Health Care Providers	**–**	**–**	**0.4**
Medical Equipment and Services	**–**	**–**	**0.2**
Pharmaceuticals and Biotechnology	**–**	**–**	**2.3**
Banks	**12,748**	**0.9**	**3.2**
Close Brothers Group	12,748	0.9	
Finance and Credit Services	**–**	**–**	**2.2**
Investment Banking and Brokerage Services	**187,514**	**13.5**	**12.1**
Ashmore Group	32,968	2.3	
City of London Investment Group	14,267	1.1	
CMC Markets	42,997	3.1	
Jupiter Fund Management	41,990	3.0	
Rathbones Group	35,690	2.6	
Brooks Macdonald Group	19,602	1.4	
Life Insurance	**4,749**	**0.3**	**1.7**
Hansard Global	4,749	0.3	
Non-life Insurance	**44,478**	**3.2**	**1.5**
Conduit Holdings	22,257	1.6	
Sabre Insurance Group	22,221	1.6	
Real Estate Investment and Services	**38,515**	**2.8**	**3.8**
Foxtons Group	23,460	1.7	
Savills	15,055	1.1	
Real Estate Investment Trusts	**47,045**	**3.4**	**8.2**
Helical	18,153	1.3	
Workspace Group	28,892	2.1	
Automobiles and Parts	**–**	**–**	**1.0**
Consumer Services	**15,896**	**1.1**	**0.1**
RM	15,896	1.1	
Household Goods and Home Construction	**45,184**	**3.2**	**1.5**
Crest Nicholson	25,004	1.8	
MJ Gleeson	20,180	1.4	
Leisure Goods	**1,240**	**0.1**	**0.3**
Videndum	1,240	0.1	
Personal Goods	**8,390**	**0.6**	**1.0**
Watches of Switzerland Group	8,390	0.6	
Media	**69,815**	**5.0**	**1.5**
Centaur Media	7,549	0.5	
Reach	16,619	1.2	
S4 Capital	6,090	0.4	
STV Group	2,768	0.3	
Wilmington Group	36,789	2.6	
Retailers	**92,078**	**6.6**	**5.8**
Card Factory	18,422	1.3	
DFS Furniture	20,277	1.5	
Halfords Group	21,382	1.5	
Headlam Group	4,857	0.3	
Pets at Home Group	17,725	1.3	
Topps Tiles	9,415	0.7	

Investment Portfolio (continued)

As at 31 December 2025

Security	Value £'000	% of Total Net Assets	% of DNSCI (XIC)[1]
Travel and Leisure	**160,405**	**11.5**	**6.5**
Hostelworld Group	15,336	1.1	
Marstons	37,766	2.7	
Mitchells & Butlers	27,145	2.0	
Mobico Group	7,529	0.5	
Rank Group	26,144	1.9	
Hollywood Bowl	17,332	1.2	
Domino's Pizza Group	18,339	1.3	
Wetherspoon (JD)	10,814	0.8	
Beverages	**29,135**	**2.1**	**0.7**
C&C Group	29,135	2.1	
Food Producers	**20,239**	**1.5**	**4.7**
Hilton Food Group	20,239	1.5	
Personal Care, Drug and Grocery Stores	**16,237**	**1.3**	**3.0**
McBride	1,194	0.2	
Greggs	15,043	1.1	
Construction and Materials	**85,778**	**6.2**	**6.0**
Eurocell	17,459	1.3	
Forterra	17,194	1.2	
Galliford Try Holdings	36,255	2.6	
Severfield	3,946	0.3	
Breedon Group	10,924	0.8	
Aerospace and Defense	**38,143**	**2.8**	**2.8**
Avon Technologies	2,313	0.2	
Senior	35,830	2.6	
Electronic and Electrical Equipment	**43,235**	**3.1**	**1.9**
Dialight	19,251	1.4	
XP Power	23,984	1.7	
General Industrials	**11,375**	**0.9**	**1.9**
Macfarlane Group	11,375	0.9	
Industrial Engineering	**119,972**	**8.6**	**1.3**
Bodycote	24,406	1.7	
Castings	14,701	1.1	
Morgan Advanced Materials	33,367	2.4	
Vesuvius	38,917	2.8	
XAAR	8,581	0.6	
Industrial Support Services	**80,637**	**5.7**	**6.2**
PageGroup	17,295	1.2	
PayPoint	11,157	0.8	
Robert Walters	8,912	0.6	
SIG	7,431	0.5	
Smiths News	24,996	1.8	
Speedy Hire	10,846	0.8	
Industrial Transportation	**80,214**	**5.8**	**2.2**
FirstGroup	21,762	1.6	
Fisher (James) & Sons	11,828	0.8	
VP	8,221	0.6	
ZIGUP	38,403	2.8	
Industrial Metals and Mining	**62,134**	**4.5**	**3.2**
Capital	26,185	1.9	
Ecora Resources	24,600	1.8	
Kenmare Resources	11,349	0.8	
Precious Metals and Mining	**–**	**–**	**0.6**
Chemicals	**–**	**–**	**1.8**

Investment Portfolio (continued)

As at 31 December 2025

Security	Value £'000	% of Total Net Assets	% of DNSCI (XIC)[1]
Oil, Gas and Coal	**50,732**	**3.6**	**2.2**
EnQuest	20,141	1.4	
Pharos Energy	10,223	0.7	
Ashtead Technology Holdings	9,438	0.7	
Serica Energy	10,930	0.8	
Alternative Energy	**–**	**–**	**0.3**
Electricity	**–**	**–**	**0.6**
Gas, Water and Multi-utilities	**–**	**–**	**1.4**
Portfolio Total	**1,457,871**	**104.8**	**100.0**
Net Current Assets/(Creditors)	(66,155)	(4.8)	
Total Net Assets	**1,391,716**	**100.0**	

[1] Reflects the rebalanced index as at 1 January 2026

Portfolio Information

Summary of Material Investment Transactions for the year ended 31 December 2025

Purchases	Cost £'000	Sales	Proceeds £'000
Pets at Home Group	20,883	Just Group	56,170
Domino's Pizza Group	20,032	Bakkavor Group	52,161
Gamma Communications	19,208	Zegona Communications	51,307
Brooks Macdonald Group	19,047	International Personal Finance	39,275
Ashmore Group	18,628	TI Fluid Systems	38,114
Hollywood Bowl	15,571	Quilter	34,475
Greggs	15,158	Dowlais Group	30,281
Savills	14,566	Avon Technologies	29,809
Workspace Group	12,673	Ricardo	25,635
Breedon Group	11,684	De La Rue	24,986
Ashtead Technology Holdings	10,767	Galliford Try Holdings	12,690
Serica Energy	10,479	National World	10,813
MJ Gleeson	10,405	Close Brothers Group	9,212
MONY Group	10,324	Rank Group	8,922
Wetherspoon (JD)	9,838	Jupiter Fund Management	8,475
Hilton Food Group	9,272	FirstGroup	6,755
Forterra	8,785	Empiric Student Property	6,448
Crest Nicholson	7,847	McBride	5,546
PageGroup	7,294	On The Beach Group	4,637
Watches of Switzerland Group	6,656	TT Electronics	4,444
Other Purchases	110,319	Other Sales	901
Total Purchases (incl. transaction costs)	**369,436**	**Total Sale Proceeds (incl. transaction costs)**	**461,056**

FTSE Industry Classification Exposure Analysis

Sector	31 December 2024 Portfolio Weight %	31 December 2024 Portfolio Valuation £'000	Net Purchases/ (Sales)[1] £'000	Net Appreciation/ (Depreciation) £'000	**31 December 2025 Portfolio Valuation £'000**	**Portfolio Weight %**	**DNSCI (XIC)[2] Weight %**
Technology	4	63,989	11,041	(221)	**74,809**	**5**	**5**
Telecommunications	2	32,603	(32,099)	16,671	**17,175**	**1**	**1**
Health care	–	–	–	–	–	**–**	**3**
Financials	19	277,117	(91,708)	64,080	**249,489**	**17**	**21**
Real Estate	4	66,374	25,400	(6,214)	**85,560**	**6**	**12**
Consumer Discretionary	28	414,786	21,840	(43,618)	**393,008**	**27**	**18**
Consumer Staples	6	89,789	(29,900)	5,723	**65,612**	**5**	**8**
Industrials	32	486,315	(34,470)	7,508	**459,353**	**32**	**22**
Basic Materials	3	40,285	7,765	14,083	**62,133**	**4**	**6**
Energy	2	26,046	30,511	(5,825)	**50,732**	**3**	**2**
Utilities	–	–	–	–	–	**–**	**2**
	100	1,497,304	**(91,620)**	**52,187**	**1,457,871**	**100**	**100**

FTSE Index Classification Exposure Analysis

Index Classification	31 December 2024 No. of Companies	Portfolio Valuation £'000	Weight %	DNSCI (XIC) Weight %	**31 December 2025 No. of Companies**	**Portfolio Valuation £'000**	**Weight %**	**DNSCI (XIC)[2] Weight %**
FTSE 100	–	–	–	–	**–**	**–**	**–**	**–**
FTSE 250	26	673,440	45	79	**30**	**738,555**	**50**	**83**
FTSE SmallCap	42	658,138	44	15	**41**	**607,930**	**42**	**12**
FTSE Fledgling	5	29,216	2	–	**2**	**12,298**	**1**	**–**
Other	6	136,510	9	6	**5**	**99,088**	**7**	**5**
Total	79	1,497,304	100	100	**78**	**1,457,871**	**100**	**100**

[1] Includes transaction costs and effect of sector reclassification. [2] Reflects the rebalanced index as at 1 January 2026.

Business Model and Company Matters

Company Status

The Company is a closed-ended investment trust listed on the London Stock Exchange and an Alternative Investment Fund under the Alternative Investment Fund Managers (AIFM) Directive. The Company has been approved by HM Revenue & Customs as an investment trust for accounting periods commencing on or after 1 January 2013 subject to the Company continuing to meet the eligibility conditions. The Company will continue to conduct its affairs as an investment trust. Furthermore, the Company is an investment company as defined within the meaning of Section 833 of the Companies Act 2006.

Investment Policy

The Company aims to achieve its objective by investing in small UK quoted companies. These are companies with a market capitalisation, at time of purchase, equal to or lower than that of the largest company in the bottom 10% of the main UK equity market or companies in the DNSCI (XIC). At 1 January 2026 (the date of the last annual index rebalancing), the index included 352 companies, with an aggregate market capitalisation of £180 billion. Its upper market capitalisation limit was £2.5 billion, although this limit changes owing to movements in the stockmarket. If any holding no longer falls within this definition of a small company, its securities become candidates for sale.

Portfolio risk is spread by diversification of holdings in individual companies: the portfolio will usually have holdings in around 80 small UK quoted companies. The Company may, at time of purchase, invest up to 15% of its assets in any one security. However, in practice, each investment will typically be substantially less and, at market value, represent less than 5% of the portfolio on an on-going basis.

The Company's policy towards companies quoted on the Alternative Investment Market ("AIM") generally precludes investment, except either where an investee company moves from the "Main Market" to AIM (so as to avoid being a forced seller) or where a company quoted on AIM has committed to move from AIM to the "Main Market" (so as to enable investment before a full listing is obtained) or where an AIM quoted company has acquired an existing holding in the Company's portfolio with part of the consideration being shares of the acquiring company (so as to avoid being a forced seller). The Company does not invest in any unquoted companies. Neither does the Company invest in securities issued by other UK listed closed-ended investment funds except where they are eligible to be included in the DNSCI (XIC). In any event, the Company invests no more than 15% of total assets in other listed closed-ended investment funds.

The Managers aim to keep the Company near fully invested in equities at all times and there is normally no attempt to engage in market timing by holding high levels of liquidity. The Company may employ gearing. The Board, in conjunction with the Managers, is responsible for determining the parameters for gearing. When considered appropriate, gearing is used tactically in order to enhance returns.

The Board believes that small UK quoted companies continue to provide opportunities for positive total returns over the long term. Any material changes to the Company's investment objective and policy will be subject to Shareholder approval.

Investment Strategy

The Managers adhere to a value investment philosophy. In practice, this approach utilises several valuation metrics, recognising that flexibility is required when assessing businesses in different industries and that buyers of these businesses may include other corporates as well as stockmarket investors. As a result of this philosophy, the Company's holdings are usually on more attractive valuations than the average for the DNSCI (XIC). While there is good evidence that a value approach within small UK quoted companies results in superior returns over the long term, there can be extended periods when the value style is out of favour.

The Managers select companies for the portfolio on the basis of fundamental or "bottom-up" analysis. Analysis involves scrutiny of businesses' financial statements and assessment of their market positions. An important part of the process is regular engagement with board members of prospective and existing investments. Holdings are sold typically when their valuations reach targets determined by the Managers.

In order to improve the odds of achieving the investment objective, the Managers believe that the portfolio must be adequately differentiated from the benchmark index. Therefore, within the diversification parameters described in Investment Policy, the Managers regularly review the level of differentiation, with the aim of sustaining an active share ratio for the portfolio of at least 70%.

Dividend Policy

The Board confirms its ambition to grow dividends in real terms on an annual basis. In addition, in order to qualify as an investment trust, the Company must not retain more than 15% of its income from any financial year. The Company pays an interim dividend in August each year based on the forecast net revenue position for the current financial year. A final dividend, subject to shareholder approval, is then paid in March each year based on the actual net income for the financial year just ended and the future earnings forecasts.

Directors’ Duty to Promote the Success of the Company

The Directors have a duty to promote the success of the Company for the benefit of Shareholders as a whole and to describe how they have performed this duty having regard to section 172(1) of the Companies Act 2006. The Directors have fulfilled this duty and taken decisions during the year in relation to the matters described below, having considered the likely consequences of their actions over the long term and on other stakeholders.

Stakeholders – As an externally managed investment company, the Company does not have employees. Its main stakeholders therefore comprise its Shareholders, who are also its customers, and a small number of suppliers. These suppliers are external firms engaged by the Board to provide, amongst others, investment management, secretarial, depositary, custodial and banking services. The principal relationship is with the Managers and page 30 contains further information. Their investment management services are fundamental to the long term success of the Company through the pursuit of the investment objective. The Board regularly monitors the Company’s investment performance in relation to its objective and also to its investment policy and strategy. It seeks to maintain a constructive working relationship with the Managers and on an annual basis reviews their continuing appointment to ensure it is in the best long term interests of Shareholders. The Board receives and reviews detailed presentations and reports from the Managers and other suppliers to enable the Directors to exercise effective oversight of the Company’s activities. Further information on the Board’s review process is set out in the Corporate Governance Report. The Managers seek to maintain constructive relationships with other suppliers on behalf of the Company, typically through regular communications, provision of relevant information and update meetings.

Shareholder communications and engagement – To help the Board in its aim to act fairly in respect of the Company’s members, the Board encourages communications with all Shareholders. The Annual and Interim reports are issued to Shareholders and are available on the Managers’ website together with other relevant information including monthly factsheets. The Managers offer to meet the larger Shareholders twice a year to provide detailed reports on the progress of the Company and receive feedback, which is provided to the Board. Directors are also available to meet Shareholders during the year and at the AGM. Shareholders’ views are considered as part of the Board’s regular strategy reviews. Shareholders have the opportunity to validate the Board's strategy through a triennial vote on the continuation of the Company and the Board encourages Shareholders to participate in this vote. The continuation vote was last put to Shareholders at the 2023 Annual General Meeting and was resoundingly supported. A resolution for the continuation of the Company is being put to Shareholders at the Annual General Meeting to be held on 5 March 2026.

Enhancing value – In seeking to enhance value for Shareholders over the long term, the Board has a range of capital allocation options. It has established guidelines to allow the Managers to deploy gearing on a tactical basis when opportunities arise and to implement share buy-backs. The Company has a borrowing facility to June 2026 and the Directors are considering the refinancing of the facility for a further three years to June 2029. As described in the Chairman's Statement, part of it has been drawn down to take advantage of attractive investment valuations. During the year, 4,082,000 shares were bought back and cancelled at a total cost of £60.2m, adding value for Shareholders remaining invested in the Company. In addition, the Board remains committed to a progressive dividend policy, as reflected in the dividends it decided upon and announced for the year.

Corporate Governance – As described in more detail within the Corporate Governance Report, the Board is committed to maintaining and demonstrating high standards of corporate governance in relation to the Company’s business conduct.

Stewardship – The Board also expects good standards at the companies in which the Company is invested. In this regard, it is satisfied that the Managers’ investment process incorporates regular consideration of investee companies’ governance structures and procedures. It is also encouraged that the Managers engage with the boards of investee companies on governance and other matters that are material to the investment case. These activities are ultimately important to the long term success of the Company. Further information on Stewardship matters is provided on pages 16 to 18.

Summary – In summary, the Board’s primary focus in promoting the long term success of the Company for the benefit of its Shareholders as a whole is to direct the Company with a view to achieving the investment objective in a manner consistent with its stated investment policy and strategy. In doing so, and as described above, it has due regard to the impact of its actions on other stakeholders and the wider community.

Principal Risks

The Board carefully considers the risks faced by the Company and seeks to manage these risks through continual review, evaluation, mitigating controls and action as necessary. A risk matrix for the Company is maintained. It groups risks into the following categories: portfolio management; investor relations; regulatory and legal; financial reporting; and core objectives. Further information regarding the Board's governance oversight of risk and the context for risks can be found in the Corporate Governance Report on page 37. The Audit Committee Report (pages 38 to 40) details the Committee's review process, matters considered, and actions taken on internal controls and risks during the year.

The Company outsources all the main operational activities to recognised, well-established firms and the Board receives internal control reports from these firms, where available, to review the effectiveness of their control frameworks including cyber security. This review is also recorded in the Company's risk documentation.

Emerging risks are those that are still evolving, and are not fully understood, but that could have a future meaningful impact on the Company. The Board regularly reviews them and, during the year, it added to the matrix the emerging risks related to various economic and geopolitical market events and to uses of Artificial Intelligence. The Board monitors these risks and how the Managers integrate them into their investment decision making. The Board also monitored the current corporate development activity in the investment company sector and regularly considered implications for the Company and Shareholders.

Principal risks are those risks in the matrix that have the highest ratings based on likelihood and impact. They tend to be relatively consistent from year to year given the nature of the Company and its business. The principal risks faced by the Company, together with the approach taken by the Board towards them, are summarised below. To indicate the extent to which the principal risks change during the year and the level of monitoring required, each principal risk has been categorised as either dynamic risk, requiring detailed monitoring as it can change regularly, or stable risk.

Market risk	
Risk–this is a portfolio management risk	**Mitigation**
Investment performance is affected by external market risk factors, including those creating uncertainty about future price movements of investments. The factors include geo-political and economic conditions. The Board delegates consideration of market risk to the Managers to be carried out as part of the investment process.	The Managers regularly assess the exposure to market risk when making investment decisions and the Board monitors the results via the Managers' quarterly and other reporting. The Board and Managers closely monitor significant economic and political developments including the potential effects of climate change (see pages 16 to 18). This remained a dynamic risk during the year, in which the Managers reported on market risks including economic and geopolitical issues as addressed in the Managers' Report.

Investment strategy/performance risk	
Risk–this is a portfolio management risk	**Mitigation**
The Company's investment policy and strategy exposes the portfolio to share price movements. The performance of the investment portfolio typically differs from the performance of the benchmark and is influenced by investment strategy and policy, investment style, stock selection, liquidity and market risk factors (see Market risk above and Note 19 for further details). Investment in small companies is generally perceived to carry more risk than investment in large companies. While this is reasonable when comparing individual companies, it is much less so when comparing the risks inherent in diversified portfolios of small and large companies.	The Board monitors performance against the investment objective over the long term by ensuring the investment portfolio is managed appropriately, in accordance with the investment policy and strategy. The Board has outsourced portfolio management to experienced investment managers with a clearly defined investment philosophy and investment process. The Board receives regular and detailed reports on investment performance including detailed portfolio analysis, risk profile and attribution analysis. Senior representatives of Aberforth Partners attend each Board meeting. Peer group performance is also regularly monitored by the Board. This remains a dynamic risk, with detailed consideration during the year. The Managers' Report contains information on portfolio investment performance and risks.

Principal Risks

Share price discount	
Risk–this is an investor relations risk	**Mitigation**
Investment trust shares tend to trade at discounts to their underlying net asset values, but a significant share price discount, related volatility, or a discount significantly beyond peers', could reduce shareholder returns and confidence.	The Board and the Managers monitor the discount daily, both in absolute terms and relative to ASCoT's peers. In this context, the Board intends to continue to use the buy-back authority as described in the Directors' Report. This is considered a dynamic risk as the discount moves daily.

Gearing risk	
Risk–this is a portfolio management risk	**Mitigation**
Tactical gearing can negatively affect investment performance. In rising markets, gearing enhances returns, but in falling markets it reduces returns to shareholders.	The Board and the Managers have specifically considered the gearing strategy and associated risks during the year. At present this is a dynamic risk as the Company's tactical gearing facility is partially deployed.

Reputational risk	
Risk–this is an investor relations risk	**Mitigation**
The risk of an event damaging the Company's reputation and shareholder demand. The reputation of the Company is important in maintaining the confidence of shareholders.	The Board and the Managers regularly monitor factors that may affect the reputation of the Company and/or of its main service providers and take action if appropriate. The Board reviews relevant internal control reporting for critical outsourced service providers. This has been monitored as a stable risk.

Regulatory risk	
Risk–this is a regulatory and legal risk	**Mitigation**
Failure to comply with applicable legal, tax and regulatory requirements could lead to suspension of the Company's share price listing, financial penalties or a qualified audit report. A breach of Section 1158 of the Corporation Tax Act 2010 could lead to the Company losing investment trust status and, as a consequence, any capital gains would then be subject to capital gains tax.	The Board receives quarterly compliance reports from the Secretaries to evidence compliance with rules and regulations, together with information on future developments. This is a stable risk.

Viability Statement

The Directors have assessed the viability of the Company over the five years to December 2030, taking account of the Company's position, its investment strategy, and the potential impact of the principal risks detailed on pages 26 and 27. Based on this assessment, the Directors have a reasonable expectation that the Company will meet its liabilities as they fall due and be able to continue in operation, notwithstanding that the Company's Shareholders vote on the continuation of the Company every three years with the next vote at the AGM on 5 March 2026.

In making this assessment, the Directors took comfort from the results of a series of stress tests, which considered the impact of severe market downturn scenarios on the Company's financial position and, in particular, its ability to settle projected liabilities of the Company as they fall due and to adhere to borrowing covenants (see note 12 on page 59). Portfolio liquidity modelling was conducted to identify values that could be liquidated within different time periods. The Company invests in companies listed and actively traded on the London Stock Exchange and, whilst less liquid than larger quoted companies, the portfolio is well diversified by both number of holdings and industry sector. The triennial continuation vote was considered including the outcome of the last vote in 2023, which was passed overwhelmingly. The Directors determined that the five years to December 2030 is an appropriate period for which to provide this statement given the Company's long term investment objective, the simplicity of the business model, the resilience demonstrated by the stress testing, and the relatively low working capital requirements.

Other Information

Board Diversity

The Board's diversity policy and information on Board diversity, including in relation to FCA Listing Rules and targets, is set out on page 36.

Environmental, Human Rights, Employee, Social and Community Issues

The requirement to detail information about environmental matters, human rights, social and community issues does not apply to the Company as it has no employees, all Directors are non-executive and it has outsourced its functions to third party service providers. The Company's and the Managers' approaches to environmental, social and governance matters is set out on pages 16 to 18.

Strategic Report

The Strategic Report, contained on pages 1 to 28, has been prepared by the Directors in accordance with Section 414 of the Companies Act 2006 and has been approved by the Board of Directors on 29 January 2026 and signed on its behalf by:

Richard Davidson,
Chairman

Governance Report

Board of Directors

Richard Davidson, Chairman

Appointed: 26 January 2019
Shareholding in the Company: 37,000 Ordinary Shares

Richard is also Chair of MIGO Opportunities Trust plc. Formerly, he was a Partner and Manager of the Macro Fund at Lansdowne Partners. Prior to that, he was a Managing Director and No.1 ranked investment strategist at Morgan Stanley. In more recent years, Richard was also the Chair of Foresight Sustainable Forestry Company plc and of the University of Edinburgh's Investment Committee. Since 2003, Richard has also been heavily involved in forestry investment and management.

Jaz Bains

Appointed: 10 October 2022
Shareholding in the Company: 1,030 Ordinary Shares and is a member of the Audit Committee

Jaz has worked in the energy sector for over 30 years. In 2013 he helped set up and launch The Renewables Infrastructure Group ('TRIG'), a FTSE 250 listed investment company, and until January 2025 he was responsible for leading the Operations Manager function of TRIG. He has also been, until 2025, a non-executive director and senior independent director for the Jupiter Green Investment Trust Plc.

Patricia Dimond, Senior Independent Director (SID)

Appointed: 3 March 2022
Shareholding in the Company: 10,008 Ordinary Shares and chairs the Audit Committee

Patricia is a non-executive director of Hilton Food Group plc and of Foresight VCT Plc. She is a trustee of the Booker Prize Foundation and until 2025 was a trustee of English National Opera and the National Academy for Social Prescribing. She has had an international career with over 30 years in the consumer, retail and financial sectors. As an industry executive or strategic advisor she has worked with FTSE 100, private equity and founder/owner managed companies with a focus on finance, strategy and corporate governance. She is a McKinsey & Company alumna, CFA charter holder, has an MBA from IMD Switzerland and qualified as a chartered accountant with Deloitte, Haskins & Sells.

Victoria Stewart

Appointed: 1 September 2020
Shareholding in the Company: 4,200 Ordinary Shares and is a member of the Audit Committee

Victoria spent twenty two years as a fund manager, mostly with Royal London Asset Management. She was the sole manager of the Royal London UK Smaller Companies Fund from its inception in 2007, leaving in 2016 and taking up a non-executive director role with Secure Trust Bank PLC where she was chair of the remuneration committee. She stood down as a director of Secure Trust Bank PLC on 31 December 2024. Victoria has considerable experience of managing and investing in various investment vehicles and mid and small-cap listed companies and has a strong working knowledge of performance analysis and corporate governance. Victoria is a non-executive director of JPMorgan Claverhouse Investment Trust plc and until 2024 was a non-executive director of Artemis Alpha Trust plc.

Martin Warner

Appointed: 1 March 2018
Shareholding in the Company: 10,000 Ordinary Shares and is a member of the Audit Committee

Martin co-founded Michelmersh Brick Holdings plc in 1997 and served as Chief Executive and subsequently, from 2017 until 2024, as non-executive Chairman. Martin is a Fellow of the Royal Institute of Chartered Surveyors and until 2024 was Chairman of the Brick Development Association.

Directors' Report

The Directors submit their Annual Report and Financial Statements for the year ended 31 December 2025.

Directors

The Directors of the Company during the financial year are listed on page 42. Further information about the Board can be found in the Corporate Governance Report, which forms part of this Directors' Report.

It is the responsibility of the Board to ensure that there is effective stewardship of the Company's affairs. In common with the majority of investment trusts, the Company has neither executive directors nor any employees. However, the Board has engaged external firms to undertake the investment management, secretarial, depositary and custodial activities of the Company.

Objective, Investment Policy, Investment Strategy, Dividend Policy and Risks

These are explained fully in the Strategic Report.

Return and Dividends

The total return attributable to Shareholders for the year ended 31 December 2025 amounted to a profit of £96,235,000 (2024: profit of £151,591,000). The Net Asset Value per Ordinary Share at 31 December 2025 was 1,745.26p (2024: 1,666.95p).

Your Board is pleased to declare a final dividend of 32.50p and a special dividend of 12.00p (total of £35,485,000), which produces total dividends for the year of 58.80p (total of £47,116,000). The final and special dividends, subject to Shareholder approval, will be paid on 9 March 2026 to Shareholders on the register at the close of business on 6 February 2026.

Investment Managers

Aberforth Partners LLP (the firm, Managers or Aberforth) act as Alternative Investment Fund Manager and Secretaries to the Company. The business was established in 1990 to provide institutional and wholesale investors with a high level of resources focused exclusively on small UK quoted companies and deployed in accordance with a value investment philosophy.

At 31 December 2025, funds under management were £2.1 billion, of which 78% was represented by investment trusts, 8% by a unit trust and 14% by segregated charity funds. All these funds are managed in line with the value philosophy applied to the Company's portfolio. The Managers believe that diseconomies of scale come with managing too much money within an asset class such as small UK quoted companies. Accordingly, they impose a ceiling on funds under management, which in normal circumstances would be equivalent to 1.5% of the total market capitalisation of the DNSCI (XIC) benchmark. Consistent with this, capacity at 31 December 2025 was circa £730 million of funds under management.

The firm is wholly owned by six partners – five Investment Partners and an Operations Partner, who is responsible for the firm's administration. The investment team comprised the five Investment Partners and one investment manager. Analytical responsibilities are divided by stockmarket sector among the investment team, but investment decisions and portfolio management are undertaken on a collegiate basis by the full team. The investment managers are remunerated on the basis of the success of the firm and its funds as a whole. Alignment with the Company's Shareholders is further enhanced by the team's meaningful personal investments in ASCoT's shares, as set out on page 32.

These investment management services can be terminated by either party at any time by giving six months' notice of termination. Compensation would be payable in respect of this six month period only if termination were to occur sooner. Aberforth receives an annual management fee, payable quarterly in advance, equal to 0.75% of the net assets up to £1 billion, and 0.65% thereafter. The management fee amounted to £9,842,000 in the year ended 31 December 2025 (2024: £9,888,000).

The secretarial fee amounted to £119,000 (excluding VAT) during 2025 (2024: £114,800). It is adjusted annually in line with the Consumer Price Index and is subject to VAT, which is currently irrecoverable by the Company.

The Board reviews the Company's investment management and secretarial arrangements on an on-going basis and formally at its October meeting. Lintstock Limited facilitated an external review of the Managers during the year, with each Director completing a Managers' Evaluation questionnaire. The Board then considered the results of the questionnaire and discussed the following matters, amongst others, in its review:

- investment performance in relation to the investment objective, policy and strategy;
- the continuity and quality of personnel managing the assets;
- the level of the management fee;
- the quality of reporting to the Board;
- the alignment of interests between the Managers and the Company's Shareholders;
- the administrative services provided by the Secretaries; and
- the level of satisfaction of major Shareholders with the Managers.

Following the most recent review, the Board was of the opinion that the continued appointment of Aberforth as investment managers, on the terms agreed, remains in the best interests of Shareholders.

Directors' Report

Consumer Duty

The Company is not directly subject to the FCA's Consumer Duty regulations. However, Aberforth, as ASCoT's FCA authorised Alternative Investment Fund Manager, is subject to the Consumer Duty, and, in respect of its role with the Company, reports certain data about the Company to product distributors via the European MiFID Template reporting standard.

In 2024 the passing of the Packaged Retail and Insurance-based Investment Products (Retail Disclosure) (Amendment) Regulations 2024, meant that the PRIIPS regulation does not apply to shares in a closed-ended investment company that is UK-listed. In December 2025 the FCA published new rules for Consumer Composite Investments (CCI), which will replace the previous rules for consumer facing disclosures. The Company and Managers are preparing for the adoption of the new disclosures before the implementation date in June 2027.

During the year, Aberforth provided the Board with regular compliance updates, its value assessment report and supporting papers. The Board also assessed the Company's relevant costs and services. The Board considered and is satisfied with Aberforth's value assessment report. Additionally, in its monitoring of consumer outcomes to ensure their consistency with Consumer Duty, the Board is satisfied that the value provided to retail investors is fair and is in line with the Company's stated objectives and investment philosophy.

Depositary

NatWest Trustee & Depositary Services Limited carry out the duties of Depositary as specified in the Alternative Investment Fund Managers (AIFM) Directive in relation to the Company, including:

- holding or controlling all assets of the Company that are entrusted to it for safekeeping;
- cash monitoring and verifying the Company's cash flows; and
- oversight of the Company and the Managers.

In carrying out such duties, the Depositary acts in the best interests of the Shareholders of the Company. The Depositary is contractually liable to the Company for the loss of any securities entrusted to it. The Depositary is also liable to the Company for all other losses suffered as a result of the Depositary's fraud, negligence and/or failure to fulfil its duties properly.

NatWest Trustee & Depositary Services Limited receive an annual fee, payable quarterly in arrears, of 0.0095% of the net assets of the Company, being £162,000 for the year ended 31 December 2025 (2024: £145,000) and their appointment may be terminated at any time by giving at least six months' notice. A Depositary may only be removed from office when a new Depositary is appointed by the Company.

Capital Structure and Share Buy-Backs

At 31 December 2025, the Company's authorised share capital consisted of 333,299,254 Ordinary Shares of 1p of which 79,742,605 were issued and fully paid. During the year, 4,082,000 shares (5.1% of the Company's issued share capital with a nominal value of £40,820) were bought back and cancelled at a total cost of £60,245,000. No shares are held in treasury. Share buy-backs may succeed in narrowing the discount between the Company's share price and net asset value per share or in limiting its volatility, but their influence is inevitably subject to broader stockmarket conditions. Irrespective of their effect on the discount, buy-backs at the margin provide an increase in liquidity for those Shareholders seeking to crystallise their investment and at the same time deliver an economic uplift for those Shareholders wishing to remain invested in the Company. Accordingly, it is the intention to continue to use the share purchase facility within guidelines established from time to time by the Board.

Going Concern

The Audit Committee has undertaken and documented an assessment of whether the Company is a going concern for the period of at least 12 months from the date of approval of the financial statements. The Committee reported the results of its assessment to the Board.

The Company's business activities, capital structure and borrowing facilities, together with the factors likely to affect its development and performance, are set out in the Strategic Report. In addition, the Annual Report includes the Company's objectives, policies and processes for managing its capital and financial risk, along with details of its financial instruments and its exposures to credit risk and liquidity risk. The Company's assets comprise mainly readily realisable equity securities and funding flexibility can typically be achieved through the use of the borrowing facilities, which are described in notes 12 and 13 to the financial statements. The Company has adequate financial resources to enable it to meet its day-to-day working capital requirements. The triennial continuation vote was considered including the outcome of the last vote in 2023, which was passed overwhelmingly, and the prospects for passing the continuation vote to be held on 5 March 2026.

In summary and taking into consideration all available information, the Directors have concluded it is appropriate to continue to prepare the financial statements on a going concern basis.

Directors' Report

Voting Rights of Shareholders

At Shareholder meetings and on a show of hands, every Shareholder present in person or by proxy has one vote. On a poll, every Shareholder present in person has one vote for each share he/she holds and a proxy has one vote for every share in respect of which he/she is appointed.

The Board is pleased to offer electronic proxy voting, including CREST voting capabilities. Further details can be found in the Notice of the AGM.

Notifiable Share Interests

The Board has received notifications of the following interests in the voting rights of the Company as at 31 December 2025 and 29 January 2026. The total number of voting rights amounted to 79,742,605 at 31 December 2025. Since 31 December 2025, 323,500 shares have been bought back and cancelled and therefore the total number of voting rights at 29 January 2026 amounted to 79,419,105.

Notified interests	Percentage of Voting Rights Held
Rathbones Investment Management Ltd	11.0%
Evelyn Partners	5.1%
RBC Europe Limited	5.0%
Allspring Global Investments Holdings, LLC	4.9%
IntegraFin Holdings plc (Transact Nominees)	3.0%

Managers' Interests

The Managers' interests are further aligned with those of the Company through their significant personal holdings of the Company's Ordinary Shares. Interests of the partners including their connected parties and investment team staff in the voting rights of the Company as at 31 December 2025 totalled circa 590,000 Ordinary Shares, representing 0.7% of the Ordinary share capital.

Continuation of the Company

The Company has no fixed duration. However, in accordance with the Company's Articles of Association, Shareholders are asked every three years to vote on the continuation of the Company and an ordinary resolution will be proposed at the Annual General Meeting to be held on 5 March 2026. Further details on the continuation vote are included in the Chairman's Statement on pages 3 and 4, along with the Directors' recommendation.

If such resolution is not passed, the Directors will prepare and submit to Shareholders (for approval by special resolution) proposals for the unitisation or appropriate reconstruction of the Company. In putting forward such proposals the Directors will seek, inter alia, to provide Shareholders with a means whereby they can defer any liability to capital gains tax on their investment at that time. If such proposals are not approved, Shareholders will, within 180 days of the relevant Annual General Meeting, have the opportunity of passing an ordinary resolution requiring the Company to be wound up. On a winding-up, after meeting the liabilities of the Company, the surplus assets will be paid to the holders of Ordinary Shares and distributed, pro rata, among such holders.

Annual General Meeting

The AGM will be held on 5 March 2026 at 10.30 a.m. at 14 Melville Street, Edinburgh EH3 7NS. Shareholders are encouraged to submit their votes by proxy in advance of the meeting. The Notice of the Meeting and explanatory notes are set out on pages 64 and 65. The following special resolution will be proposed at the AGM.

Purchase of Own Shares (Special Resolution)

The current authority of the Company to make market purchases of up to 14.99% of the issued Ordinary Shares of the Company expires at the end of the AGM. Resolution 13, as set out in the Notice of the AGM, seeks renewal of such authority until the AGM in 2027. The price paid for shares will not be less than the nominal value of 1p per share and the maximum price shall be the higher of (i) 105% of the average of the middle market quotations for the shares for the five business days immediately preceding the date of purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out. This authority, if conferred, will be used as described on page 31 and only if to do so would be in the best interests of Shareholders generally. Any shares purchased under the authority will be automatically cancelled, rather than being held in treasury, thereby reducing the Company's issued share capital. There are no outstanding options or warrants to subscribe for equity shares in the capital of the Company.

Directors' Report

Directors' Recommendation

The Directors consider each resolution being proposed at the AGM to be in the best interests of Shareholders as a whole and they unanimously recommend that all Shareholders vote in favour of them, as they intend to do so in respect of their own beneficial shareholdings.

Additional information in respect of the Companies Act 2006

The following information is disclosed in accordance with Section 992 of the Companies Act 2006.

- The Company's capital structure and voting rights are summarised on pages 31 and 32.
- Details of the substantial shareholders in the Company are listed above.
- The rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and are covered on pages 34 and 35.
- Amendment of the Company's Articles of Association and powers to issue shares on a non pre-emptive basis or buy back the Company's shares requires a special resolution to be passed by shareholders.
- There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; and no agreements to which the Company is party that might affect its control following a takeover bid.
- There are no agreements between the Company and its Directors concerning compensation for loss of office.

Bribery Act 2010

The Company does not tolerate bribery and is committed to carrying out business fairly, honestly and openly. Aberforth Partners LLP, the Company's Investment Managers, have confirmed that anti-bribery policies and procedures are in place and they do not tolerate bribery.

Modern Slavery Statement

The Company is not within scope of the Modern Slavery Act 2015 and is not, therefore, obliged to make a human trafficking statement. The Company has no employees and its supply chain consists mainly of professional advisers so is considered to be low risk in relation to this matter.

Criminal Finances Act 2017

The Company does not tolerate the criminal facilitation of tax evasion.

Post Balance Sheet Events

Since 31 December 2025, there are no post balance sheet events that would require adjustment of or disclosure in the financial statements.

Independent Auditor

Johnston Carmichael LLP has expressed its willingness to continue in office as auditor and a resolution proposing its re-appointment will be put to the forthcoming Annual General Meeting.

Disclosure of Information to Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware. They also confirm that each Director has taken all steps that they ought to have taken as a Director to make themselves aware of any relevant audit information, and to establish that the Company's Auditor is aware of that information.

Future Developments

The future success of the Company is dependent primarily on the performance of its investments. Although the Company invests in companies that are listed or quoted in the United Kingdom, the underlying businesses of those companies are affected by various economic factors, many of an international nature. The Board's intention is that the Company will continue to pursue its investment objective and the stated investment strategy and policy.

Approved and authorised for issue by the Board of Directors
Richard Davidson
Chairman

29 January 2026

Corporate Governance Report

Introduction

The Board is committed to maintaining and demonstrating high standards of corporate governance. The Board has considered the principles and provisions of the Association of Investment Companies Corporate Governance Code ("the AIC Code") issued in 2024. The AIC Code addresses all the principles and provisions set out in the UK Corporate Governance Code, which applies for the year ended 31 December 2025, as well as setting out additional principles and provisions on issues that are of specific relevance to investment trusts. The Board considers that reporting in accordance with the AIC Code provides more relevant and comprehensive information to shareholders. The AIC Code is available on the AIC website at www.theaic.co.uk. This report forms part of the Directors' Report on pages 30 to 33.

Compliance

Throughout the year ended 31 December 2025 the Company complied with the recommendations of the AIC Code except, as explained below, where the Company does not believe it appropriate to comply.

The Board, being small in size and composed entirely of independent non-executive Directors, has not appointed a Remuneration or a Nomination Committee. Directors' fees and the appointment of new Directors are considered by the Board as a whole.

The UK Corporate Governance Code includes provisions relating to the role of the chief executive, executive Directors' remuneration and the need for an internal audit function. For reasons set out in the AIC Code, the Board considers these provisions are not relevant to the Company as it is an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive Directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

The Board

The Board is responsible for the effective stewardship of the Company's affairs. Strategic issues and all operational matters of a material nature are considered at its meetings. At 31 December 2025, the Board comprised five non-executive Directors, of whom Richard Davidson is Chairman. A formal schedule of matters reserved for decision by the Board has been adopted. The Board has engaged external firms to provide investment management, secretarial, depositary and custodial services. Contractual arrangements are in place between the Company and these firms.

The Board carefully considers the various guidelines for determining the independence of non-executive Directors, placing particular weight on the view that independence is evidenced by an individual being independent of mind, character and judgement. All Directors are presently considered to be independent. All Directors retire at the AGM each year and, if appropriate and continuing, seek re-election. Each Director has signed a letter of appointment to formalise the terms of their engagement as a non-executive Director, copies of which are available on request and at the AGM.

Meetings

The Board meets at least quarterly to review the overall business of the Company and to consider the matters specifically reserved for it. Detailed information is provided by the Managers and Secretaries for these meetings and additionally at regular intervals to enable the Directors to monitor compliance with the investment objective of the Company. The Directors also review several important areas including:

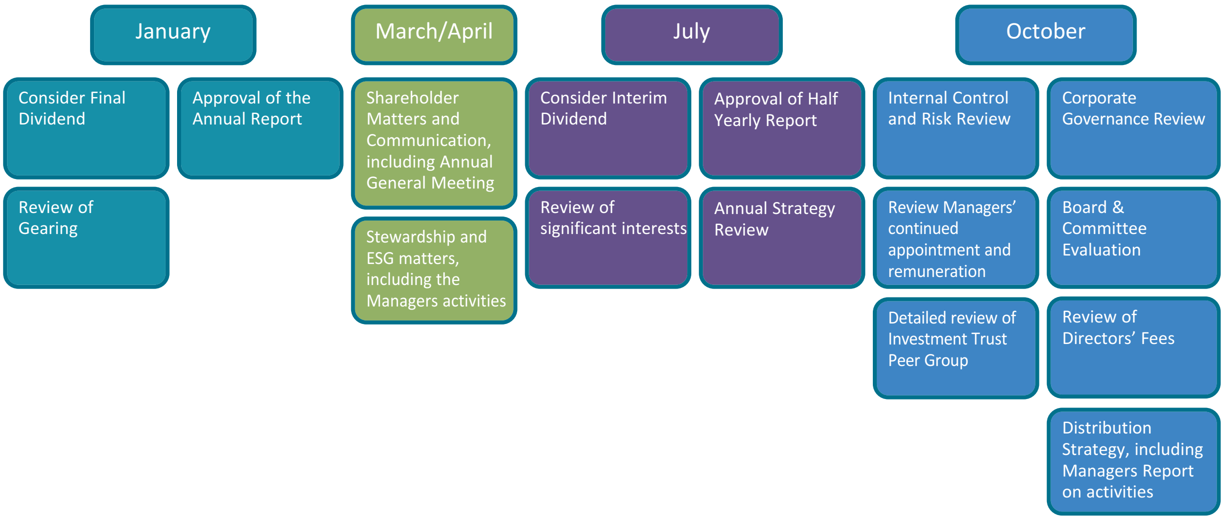
- the stockmarket environment;
- the Company's investment activity over the quarter relative to its investment policy;
- performance in relation to comparable investment trusts and open-ended funds;
- the revenue account, balance sheet and gearing position;
- share price discount (both absolute levels and volatility);
- shareholder register (including significant changes);
- regulatory matters; and
- relevant industry issues.

The Board also holds an annual strategy session to consider, amongst other matters, the Company's objective and investment strategy.

Corporate Governance Report

Annual Plan

The following highlights various additional matters considered by the Board during the past year.



The following table sets out the Directors of the Company during the financial year, together with the number of Board and Committee meetings held and the number of meetings attended by each Director (whilst a Director or Committee member). Directors who are not members of the Audit Committee were invited to be present at meetings of the Audit Committee. Richard Davidson attended each of the three Audit Committee meetings held during the year.

Director	Board Eligible to attend	Board Attended	Audit Committee Eligible to attend	Audit Committee Attended
Richard Davidson, Chairman	5	5	–	n/a
Jaz Bains	5	5	3	3
Patricia Dimond, Chair of the Audit Committee	5	5	3	3
Victoria Stewart	5	5	3	3
Martin Warner	5	5	3	3

There has been no change to the Directors between 31 December 2025 and 29 January 2026.

Appointments to the Board

The Board regularly reviews its composition, having regard to the Board's structure and to the present and future needs of the Company. The Board takes into account its diversity, the balance of expertise and skills brought by individual Directors, and length of service, where continuity and experience can add significantly to the strength of the Board.

The Board is also of the view that length of service will not necessarily compromise the independence or contribution of directors of an investment trust company. Continuity and experience can add significantly to the strength of the Board especially in times of market turbulence. Nevertheless, the Board's policy is that in normal circumstances the Chairman and Directors are expected to serve for a nine-year term, though this may be adjusted for reasons of flexibility.

Board Diversity Policy and Information

The Board's policy for the appointment of non-executive directors reflects its belief in the benefits of having a diverse range of experience, skills, length of service and backgrounds. The policy is always to seek to appoint the best person for the job. In pursuing this policy, the Board actively promotes equality and fairness and does not discriminate on the grounds of gender, race, ethnicity, religion, sexual orientation, age, physical ability or socio-economic backgrounds. The overriding aim of the policy is to seek to ensure that the Board and its committees are composed of the best combination of people to promote the success of the Company for Shareholders over the long term. The current Directors have a range of relevant business, financial and asset management skills, and experience. Brief biographical details of the members of the Board are shown on page 29.

Corporate Governance Report

The Company meets the diversity targets set out in the FCA's Listing Rules as at 31 December 2025 and there have been no changes since that date that have affected the Company's ability to meet them. In respect of gender representation, the FCA's Listing Rules target that at least 40% of individuals on a board are women and at least one of the senior board positions is held by a woman. The FCA's Listing Rules also target that at least one individual on a board is from a minority ethnic background.

Board Gender as at 31 December 2025	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, Chair)
Men	3	60.0%	see explanation below
Women	2	40.0%	

Board Ethnic Background as at 31 December 2025	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, Chair)
White British or other White (including minority White groups)	4	80.0%	see explanation below
Minority Ethnic (see below)	1	20.0%	

The Company is externally managed and does not have executive functions and therefore does not have all of the senior positions on its Board referenced in the final column of the tables above; specifically it does not have a CEO or a CFO. The position of chair of the Board is held by a man and the position of Senior Independent Director is held by a woman. Patricia Dimond, the Senior Independent Director, is also chair of the Audit Committee, which the Company considers to be a senior role in an investment trust context.

As the Company has no executive directors or management, it has not provided diversity information on executive management. Minority Ethnic includes categories for: Asian/Asian British; Black/African/Caribbean/Black British; Mixed/Multiple Ethnic Groups; and Other Ethnic Groups.

The diversity data included above were obtained from individual Directors by self-disclosure using a survey tool.

Board performance and re-appointment of Directors

The Board undertakes a formal annual assessment of Directors and their collective performance on a range of issues including the Board's role, processes, culture and interaction with the Managers. The Board appointed Lintstock Limited to facilitate an external independent review of the Board and the Audit Committee conducted by way of an evaluation questionnaire, the results of which were discussed by the Directors in October 2025, providing valuable feedback for improving Board effectiveness and highlighting areas for further development. The appraisal of the Chairman of the Board was led by the Senior Independent Director.

The Board has agreed to utilise external facilitators every three years.

In line with the Board's policy, all continuing Directors offer themselves for re-election at the forthcoming AGM. The Board believes that each Director continues to be effective, bringing a wealth of knowledge and experience to the Board, and the Chairman recommends their re-election to Shareholders.

Directors' and Officers' Liability Insurance

The Company maintains appropriate insurance cover in respect of legal action against its Directors. The Company has also entered into qualifying third party deeds of indemnity with each Director to cover any liabilities that may arise to a third party, other than the Company, for negligence, default or breach of trust or duty. The deeds were in force during the year to 31 December 2025 and up to the date of approval of this report. The Directors are not indemnified in respect of liabilities to the Company or costs incurred in connection with criminal proceedings in which the Director is convicted or required to pay any regulatory or criminal fines.

Training and Advice

New Directors are provided with an induction programme that is tailored to the particular requirements of the appointee. Thereafter regular briefings are provided on changes in regulatory requirements that affect the Company. Directors are also encouraged to attend industry and other seminars. Directors, in the furtherance of their duties, may also seek independent professional advice at the expense of the Company. No individual Director took such advice during the financial year under review.

Corporate Governance Report

All Directors have access to the advice and services of the Company's Secretaries, Aberforth Partners LLP, who are responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. The Company Secretaries are also responsible for advising the Board through the Chairman on all governance matters.

Conflicts of Interest

Company directors have a statutory obligation to avoid a situation in which they (and connected persons) have, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company. The Board has in place procedures for managing any actual or potential conflicts of interest. No interests conflicting with those of the Company arose during the year under review.

Risk Management and Internal Control

The Board has overall responsibility for the Company's risk management and internal control systems and for reviewing their effectiveness. The Company applies the guidance published by the Financial Reporting Council on internal controls. Internal control systems are designed to manage, rather than eliminate, the risk of failure to achieve the business objective and can provide only reasonable and not absolute assurance against material misstatement or loss. These controls aim to ensure that the assets of the Company are safeguarded, that proper accounting records are maintained and that the Company's financial information is reliable. Further information on risk management and internal control is contained on pages 38 to 40. The Directors have not identified any significant factors or weaknesses in respect of the Company's internal control systems.

The Directors are well progressed in considering procedures to support the declaration of the effectiveness of material controls, as required by provision 34 of the AIC Code, which will be included in the Company's Annual Report for the year to 31 December 2026. In 2025, whilst not new, the Board enhanced the Company's risk matrix to identify material controls more explicitly. In addition, the risk matrix formatting was adjusted to record material controls for risks beyond the principal risks, including those related to reporting, data/price-sensitive information, compliance, and technology and cyber. This includes reviewing the effectiveness of those related material controls. Recognising that many of the Company's risks and associated controls are outsourced to third parties, the Company has also enhanced its recording of oversight and assurance from third parties during the year. During 2026 the Board will continue to consider any further enhancements to the Company's documentation and processes required to meet provision 34 of the AIC Code.

Relations with Shareholders

The Board places great importance on communication with Shareholders. Directors of the Company are available to meet any Shareholder on request. The Managers offer to meet the larger Shareholders twice a year to provide them with a detailed report on the progress of the Company and to receive feedback. The Board receives reports from the Managers on these Shareholder meetings. The Shareholder presentation is published on the Managers' website. Furthermore, following publication of the Annual Report, the Chairman emails the largest Shareholders inviting questions on all aspects concerning the Company. The Directors may be contacted via the Secretaries whose details are shown in the 'Corporate Information' section on page 69 or through the Chairman's email address, richard.davidson@aberforth.co.uk.

All Shareholders have the opportunity to vote at and in normal circumstances attend the AGM where the Directors and Managers are available to discuss important issues affecting the Company. The results of resolutions put to the AGM will be available on the Managers' website shortly thereafter. In addition to the annual and half yearly reports, the Company's performance, daily Net Asset Values, monthly factsheets and other relevant information are published at www.aberforth.co.uk.

By Order of the Board
Richard Davidson
Chairman
29 January 2026

Audit Committee Report

The Audit Committee members are all independent non-executive directors who have been selected by the Board to fulfil the Committee's duties based upon their range of financial and commercial expertise. The Committee members during the year were Patricia Dimond, Jaz Bains, Victoria Stewart and Martin Warner. The current members' biographies can be found on page 29. Each member of the Committee has recent and relevant financial experience and the Committee as a whole has competence relevant to the sector in which the Company operates.

Principal Objective

The objective of the Committee is to provide assurance to the Board as to the effectiveness of the Company's internal controls and the integrity of its financial records and externally published results. The Committee operates within terms of reference that have been agreed by the Board. These are reviewed annually and are available upon request.

Principal Responsibilities

The Committee has been given the following responsibilities:

- reviewing the Company's internal financial controls and risk management systems, identifying principal risks and monitoring the mitigating controls that have been established;
- monitoring compliance with the relevant statutory, regulatory and taxation requirements for a UK based investment trust that is listed on the London Stock Exchange;
- reviewing the Company's annual and interim financial statements and any formal announcements on the Company's financial performance, the accounting policies adopted and the main judgemental areas;
- ensuring that the Annual Report, taken as a whole, is fair, balanced and understandable;
- agreeing the external auditor's terms of appointment and remuneration, determining the independence and objectivity of the auditor, assessing the effectiveness of the audit and conducting audit tenders;
- considering whether it is appropriate for certain non-audit services to be carried out by the auditor and reviewing the need for an internal audit function; and
- assessing the going concern and viability of the Company, including assumptions used.

The Chair reports formally to the Board on the Committee's proceedings after each meeting. To assist with the various duties of the Committee, a meeting plan has been adopted and is reviewed annually. A summary of the latest version is shown below.

Audit Committee Annual Plan

Risk Management and Internal Control

The Directors have a robust process for identifying, evaluating and managing the significant risks faced by the Company, which are recorded in a risk matrix. As part of this, the Audit Committee seeks to identify emerging risks to ensure that they are effectively managed as they develop and are recorded in the risk matrix. The Audit Committee considers each risk in the matrix as well as reviewing the mitigating controls in place. Each risk is rated for its "likelihood" and "impact" and the resultant numerical rating determines its ranking into High, Medium or Low Risk. The principal risks faced by the Company and the Board's approach to managing these risks are set out on pages 26 and 27. This process was in operation during the year and continues in place up to the date of this report. It principally involves the Audit Committee receiving and examining regular reports from the main service providers. Further information on risk management and internal control is contained on page 40. The Audit Committee has not identified any significant failures or weaknesses in respect of the Company's internal control systems.

Audit Committee Report

Meetings

Typically three meetings are held each year as highlighted in the Audit Committee Annual Plan. Representatives of Aberforth Partners LLP, who provide the Company with secretarial services, attend all of the meetings. The external auditor attends the meetings in January and October.

During the year to 31 December 2025 the Committee focused on the areas described below.

Matters Considered and Action Taken by the Committee

Financial Reporting

In July 2025, the Committee focused on the preparation and content of the Half Yearly Report, including supporting documentation from the Secretaries. The Half Yearly Report was not audited, as is customary for investment trusts.

In January 2026, the Committee received a report and supporting presentation from the external auditor on its audit of the financial statements for the year to 31 December 2025. In addition, the Secretaries reported on the preparation of the financial results and other relevant matters. The Committee considered these reports in detail and took further comfort from the internal control and risks review covered below. The Committee discussed the outcome of the audit process and the Annual Report with the audit partner without representatives of Aberforth Partners being present. As part of its review of the financial statements, the Committee considered the following significant issues.

Significant Issue	*How the issue was addressed*
Ownership and valuation of the investment portfolio as at 31 December 2025	The Committee reviewed the Managers' control framework, which includes controls over valuation and ownership of investments. The appointed Depositary is responsible for holding and controlling all assets of the Company entrusted for safekeeping. Ownership of investments is verified through reconciliations by the Managers to Custodian records. The Committee reviewed internal control reports from the Company's Custodian. The valuation of the portfolio is undertaken in accordance with the accounting policy for investments as stated in Note 1 to the financial statements. The external auditor verifies 100% of the portfolio for ownership and valuation of investments as part of its audit.
Revenue recognition including dividend completeness and the accounting treatment of special dividends	The Committee reviewed the Managers' control framework, which includes controls over revenue recognition. The Committee reviewed actual and forecast revenue entitlement at each meeting. The accounting treatment of all special dividends was reviewed by the Committee and the external auditor.
Investment Trust Status	The Committee confirmed the position of the Company in respect of compliance with investment trust status at each meeting with reference to a checklist prepared by the Secretaries. The position is also assessed by the external auditor as part of the audit process.
Calculation of management fees	The Committee reviewed the Managers' control framework, which includes controls over expenses, including management fees. The Committee reviewed management fees payable to the Managers. The external auditor tested the management fees as part of its audit.

The Committee read and discussed this Annual Report and concluded that it is fair, balanced and understandable. It provides the information necessary for Shareholders to assess the Company's performance, objective and strategy. Accordingly, the Committee recommended to the Board that the financial statements be approved for publication.

Going Concern and Viability

The Committee received reports on going concern from the Secretaries in July 2025 and January 2026. The content of the investment portfolio, trading activity, portfolio diversification and the existing borrowing facilities were also discussed. After due consideration, the Committee concluded it was appropriate to prepare the Company's accounts on a going concern basis and made this recommendation to the Board. The main factors that led to this conclusion were the portfolio composition, the relatively low levels of cash required to continue operating the Company and the availability of the borrowing facilities. It was also recognised that the Company's Shareholders vote on the continuation of the Company every three years with the next such vote on 5 March 2026.

The Committee assessed the viability of the Company and agreed that it was appropriate to provide a Viability Statement for a five year period for the reasons set out in the Statement on page 28. In January 2026, the Committee reviewed a series of stress tests that considered the impact of severe market downturn scenarios on Shareholders' funds, the borrowing facilities and investment income, and also the impact of losing investment trust status. The outcome of this review led the Committee to recommend the Viability Statement to the Board.

Audit Committee Report

Matters Considered and Action Taken by the Committee

Internal Control and Risks

The Committee carefully considered a matrix of the Company's principal and emerging risks and the mitigating controls at each meeting. During the year the matrix was reassessed to ensure continued focus on the main risks for the Company. In October 2025 the risks and controls were addressed in more detail. The Committee enhanced and updated the content of the matrix during the year, including: monitoring economic and political developments in market risks; updating risk ratings where appropriate; adding further content in anticipation of the new declaration requirement on the effectiveness of material controls; moving certain risks from emerging to emerged but not principal risks; and reviewing and adding additional emerging risks. The Committee believes the matrix continues to reflect accurately the Company's principal risks. These risks are detailed on pages 26 and 27.

In October 2025 the Committee received the Managers' report on internal controls, including the assurance report issued by Blick Rothenberg Audit LLP (Blick Rothenberg) on the nature and effectiveness of the control framework that has been established by the Managers. A representative of Blick Rothenberg attended the meeting. In addition, the Committee received internal control reports from the Custodian, Northern Trust, and from the Registrar, MUFG Corporate Markets. The Committee reviewed these reports and concluded that there were no significant control weaknesses or other issues that needed to be brought to the Board's attention.

The Committee continues to monitor closely the increasing risk arising from cyber threats, notwithstanding that the Company outsources all of its activities to external parties. In October 2025, the Committee received a report from Aberforth Partners and their external service provider on cyber security, covering the measures that are in place to protect the Managers' systems and the Company information that they contain. The Committee noted the assurances that have been given about the effectiveness of control measures. It concluded that, although cyber-attack represents an increasing threat to companies and public bodies worldwide, the Company has taken all reasonable steps to ensure that appropriate protection measures are in place.

External Auditor, Audit Planning and Audit fees

Johnston Carmichael LLP was appointed as the Company's Auditor on 3 March 2022, following a formal tender process and this appointment has been renewed at each subsequent AGM. The Committee reviews the reappointment of the auditor every year. The rotation of the audit partner is required every five years and Richard Sutherland was first appointed audit partner for the 2023 audit. Johnston Carmichael LLP presented its audit plan to the Committee in October 2025 in advance of the 2025 audit. The plan set out the scope of the audit, the principal risks that would be addressed (as detailed in the Independent Auditor's Report), the timetable and the proposed fees. The fees amounted to £38,000, excluding VAT, for the year (2024: £36,000). There were no non-audit activities carried out by Johnston Carmichael LLP. Regulations require the Company to tender the audit at least every ten years and the next audit tender process will be conducted no later than 2032.

Auditor

Following the completion of the audit in January 2026, the Committee reviewed the auditor's effectiveness. Audit quality was assessed in a framework of various criteria, including planning, challenge and resolution of issues, judgements and findings, and working relationships with the Secretaries. The Committee acknowledged that the audit team comprised staff with appropriate levels of knowledge and experience. The Committee noted positive feedback from the Secretaries on Johnston Carmichael LLP's performance on the audit. Additionally Johnston Carmichael LLP provided confirmation that they have complied with the relevant UK professional and regulatory requirements on independence. Taking these factors into account, the Committee was satisfied that the external audit was carried out effectively.

Committee Evaluation

A review of the Committee's effectiveness, using an external online evaluation questionnaire, was facilitated by Lintstock Limited during the year. The outcome was positive with no significant concerns expressed. The Committee has agreed to utilise external facilitators every three years.

Patricia Dimond
Audit Committee Chair
29 January 2026

Directors' Remuneration Policy

This section provides details of the remuneration policy applying to the Directors of the Company. All Directors are non-executive, appointed under the terms of letters of appointment and none has a service contract. The Board has prepared this report in accordance with the requirements of the Companies Act 2006.

This policy was previously approved by Shareholders at the Annual General Meeting held in 2023. The policy provisions continue to apply until they are next put to Shareholders for approval, which must be at intervals not exceeding three years. A resolution is being put at the 2026 Annual General Meeting to seek Shareholders' approval for the Directors' Remuneration Policy. This policy, together with the Directors' letters of appointment, may be inspected at the Company's registered office.

The Board considers and determines all matters relating to the Directors' remuneration at the beginning of each financial period. A Remuneration Committee has not been formed as all of the Directors are non-executive and considered independent.

Company's Policy on Directors' Remuneration

The Company's policy is that the remuneration of the Directors should be commensurate with the duties and responsibilities of the role and consistent with the requirement to attract and retain Directors of appropriate quality and experience. Any views expressed by Shareholders to the Company in respect of the Directors' remuneration policy during the year will be taken into consideration when the Company's remuneration policy is reviewed and Directors' fees are set. The remuneration policy is not subject to employee consultation as the Company has no employees. It is intended that this policy will remain in place for the following financial year and subsequent periods.

The Board, at its discretion, determines Directors' remuneration subject to the aggregate annual fees not exceeding £250,000 in accordance with the Company's Articles of Association. Such remuneration solely comprised Directors' fees as set out below and Directors are not eligible for any other remuneration.

The table below sets out the Directors' fees in respect of the year ended 31 December 2025 and year ending 31 December 2026.

	Annual Fees 2026 £	Annual Fees 2025 £
Chairman of the Company	**51,900**	50,000
Director and Chair of the Audit Committee	**43,600**	42,000
Director and Member of the Audit Committee	**35,300**	34,000

The increase in Directors' fees for 2026 followed an analysis of comparable investment trust companies and reflected the Company's policy on Directors' Remuneration.

Loss of Office

A Director may be removed without notice and no compensation will be due on loss of office.

Expenses

All directors are entitled to the reimbursement of expenses paid by them in order to perform their duties as a Director of the Company.

Review of the Remuneration Policy

The Board has agreed to review the above policy at least annually to ensure that it remains appropriate.

Directors' Remuneration Report

The Board has prepared this report in accordance with the requirements of the Companies Act 2006. The law requires the Company's auditor to audit certain elements of this report. These elements are described below as "Audited". The auditor's opinion is included in the Independent Auditor's Report on page 45.

Directors' Letters of Appointment

Each Director has entered into a letter of appointment with the Company and is subject to annual re-election by Shareholders. Directors are subject to election by Shareholders at the first Annual General Meeting after their appointment and thereafter at every subsequent Annual General Meeting. The following Directors held office during the year.

Director	Date of Appointment	Date of election/ re-election
Richard Davidson, Chairman	26 January 2019	AGM 2026
Jaz Bains	10 October 2022	AGM 2026
Patricia Dimond, Chair of the Audit Committee and SID	3 March 2022	AGM 2026
Victoria Stewart	1 September 2020	AGM 2026
Martin Warner	1 March 2018	AGM 2026

Directors' Fees (Audited)

The emoluments of the Directors who served during the year were as follows.

Director	**Fees (Total Emoluments) 2025 £**	Fees (Total Emoluments) 2024 £
Richard Davidson, Chairman	**50,000**	44,250
Jaz Bains	**34,000**	31,250
Patricia Dimond, Chair of the Audit Committee and SID	**42,000**	36,600
Victoria Stewart	**34,000**	31,250
Martin Warner	**34,000**	31,059
	194,000	174,409

Directors are remunerated exclusively by fixed fees and do not receive bonuses, share options, pension contributions or other benefits apart from the reimbursement of allowable expenses.

The following table shows the remuneration of the Directors in relation to distributions to Shareholders by way of dividends and share buy-backs.

	2025 £'000	2024 £'000	Absolute change £'000
Total Directors' remuneration	**194**	174	20
Total dividends in respect of that year	**47,116**	41,620	5,496
Total share buy-back consideration	**60,245**	8,371	51,874

The annual percentage change in Directors' remuneration is provided in the table below.

	2025	2024	2023	2022	2021
Chairman of the Company	13.0%	6.7%	5.5%	5.0%	0.0%
Director and Chair of the Audit Committee	14.8%	6.7%	5.5%	5.0%	0.0%
Director and Member of the Audit Committee	8.8%	6.7%	5.5%	5.0%	0.0%

The Company does not have any employees and hence no comparisons are given between Directors' and employees' pay increases.

Directors’ Remuneration Report

Statement of Directors’ Shareholdings and Share Interests (Audited)

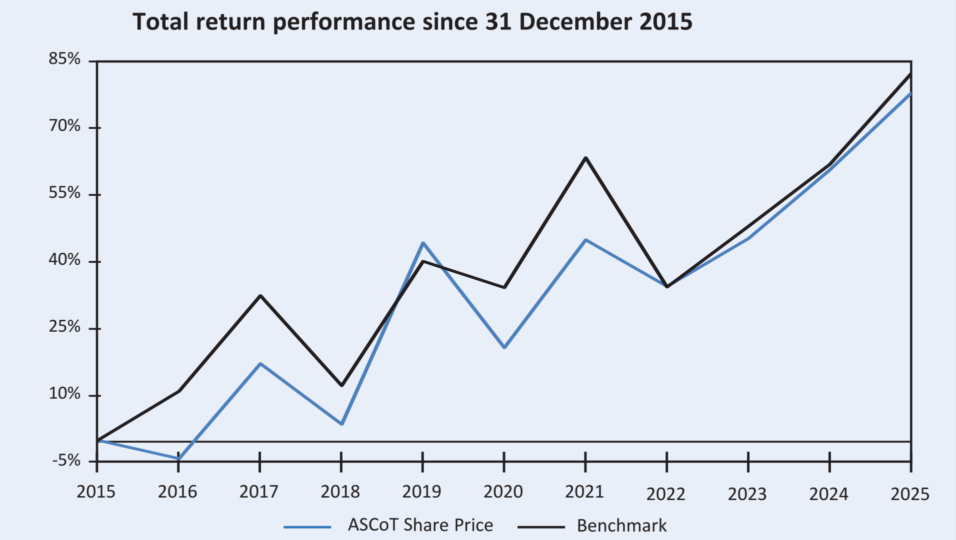
Directors	Nature of Interest	Ordinary Shares **31 December 2025**	1 January 2025
Richard Davidson, Chairman	Beneficial	37,000	37,000
Jaz Bains	Beneficial	1,030	1,030
Patricia Dimond	Beneficial	10,008	10,008
Victoria Stewart	Beneficial	4,200	4,200
Martin Warner	Beneficial	–	–
	Non Beneficial	10,000	10,000

There has been no change in the beneficial or non-beneficial holdings of the Directors between 31 December 2025 and 29 January 2026. The Company has no share options or share schemes. Directors are not required to own shares in the Company.

Consideration of Shareholders’ Views and Statement of Voting

An ordinary resolution to approve the remuneration report is put to members at each Annual General Meeting. During the year no Shareholders have commented in respect of the remuneration report or policy. At the last Annual General Meeting held on 6 March 2025, Shareholders, on a poll, passed the resolution to approve the Directors’ Remuneration Report: of the proxy votes cast, 47,812,027 were cast in favour, 56,659 were cast against and 25,864 votes were withheld. An ordinary resolution to approve the remuneration policy is put to members every three years. At the Annual General Meeting held on 2 March 2023, Shareholders, on a poll, passed the resolution to approve the Directors’ Remuneration Policy: of the proxy votes cast, 53,799,099 votes were cast in favour, 713,699 were cast against and 19,861 votes were withheld.

Share Price Performance



Note: For further information on the above graph, please refer to the Historical Total Returns tables on page 7.

This graph compares the performance of the Company’s share price with the Deutsche Numis Smaller Companies Index (excluding Investment Companies), on a total return basis (assuming all dividends reinvested) since 31 December 2015. This index has been selected for the purposes of comparing the Company’s share price performance as it has been the Company’s benchmark since inception.

The main influences on performance over the year are described in the Managers' Report.

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, I confirm that the above Directors’ Remuneration Report summarises, as appropriate, for the year ended 31 December 2025:

(a) the major decisions on Directors’ remuneration;

(b) any substantial changes relating to Directors’ remuneration made during the year; and

(c) the context in which those changes occurred and decisions were taken.

On behalf of the Board

Richard Davidson
Chairman

29 January 2026

Directors' Responsibility Statement

The Directors are required by law to prepare financial statements for each financial year in accordance with applicable law and regulations. The Directors are also required to prepare a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement.

The Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102 and applicable law). 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:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Company will continue in business.

The Directors are responsible for keeping 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 that 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 Annual Report is published on www.aberforth.co.uk, which is the website maintained by the Managers. The work undertaken by the auditor does not involve consideration of the maintenance and integrity of the website and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Declaration

Each of the Directors confirms to the best of their knowledge that:

(a) the financial statements, which have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;

(b) the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces; and

(c) the Annual Report, taken as a whole, is fair, balanced and understandable and provides information necessary for Shareholders to assess the Company's position, performance, business model and strategy.

On behalf of the Board
Richard Davidson
Chairman

29 January 2026

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ABERFORTH SMALLER COMPANIES TRUST PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aberforth Smaller Companies Trust plc ("the Company"), for the year ended 31 December 2025, which comprise the Income Statement, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its return for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

We planned our audit by first obtaining an understanding of the Company and its environment, including its key activities delegated by the Board to relevant approved third-party service providers and the controls over provision of those services.

We conducted our audit using information maintained and provided by Aberforth Partners LLP (the "Investment Manager", the "Company Secretary", and "Administrator"), NatWest Trustee & Depositary Services Limited (the "Depositary"), The Northern Trust Company (the "Custodian") and MUFG Corporate Markets (the "Registrar") to whom the Company has delegated the provision of services.

We tailored the scope of our audit to reflect our risk assessment, taking into account such factors as the types of investments within the Company, the involvement of the Administrator, the accounting processes and controls, and the industry in which the Company operates.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in the evaluation of the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Independent Auditor's Report

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We summarise below the key audit matters in arriving at our audit opinion above, together with how our audit addressed these matters and the results of our audit work in relation to these matters.

Key audit matters	How our audit addressed the key audit matters and our conclusions
Valuation of listed investments As per page 39 (Report of the Audit Committee), page 55 (Accounting Policies) and Note 10. The valuation of the portfolio at 31 December 2025 was £1,458m (2024: £1,497m) and comprised entirely of listed equity investments. As this is the largest component of the Company's Balance Sheet and a key driver of the Company's net assets and total return, the valuation of the investments has been designated as a key audit matter, being one of the most significant assessed risks of material misstatement due to error. There is a further risk that investments held at fair value may not be actively traded and the quoted prices may not be reflective of their fair value.	We obtained and assessed controls reports provided by The Northern Trust Company (as Custodian) and Aberforth Partners LLP (as Administrator) to evaluate the design of the process and implementation of key controls. We compared market prices applied to all investments held at 31 December 2025 to an independent third-party source and recalculated the investment valuations. We obtained average trading volumes from an independent third-party source for all listed investments held at year end and assessed their liquidity. Where trading volumes indicated lower levels of liquidity, we obtained management's active market assessment to assess whether the year-end fair value was appropriate. From our completion of these procedures, we identified no material misstatements in relation to the valuation of the investments.
Revenue recognition, including allocation of special dividends as revenue or capital returns As per page 39 (Report of the Audit Committee), page 55 (Accounting Policies) and Note 3. Investment income recognised up to 31 December 2025 amounted to £59.4m (2024: £54.5m), predominantly derived from dividend receipts on listed securities. Revenue-based performance metrics are often one of the key performance indicators for stakeholders. The investment income received by the Company during the year directly impacts these metrics and the minimum dividend required to be paid by the Company. There is a risk that revenue is incomplete, did not occur or is inaccurate through failure to recognise income entitlements or failure to appropriately account for their treatment. It has therefore been designated as a key audit matter, being one of the most significant assessed risks of material misstatement due to error. Additionally, there is a further fraud risk of incorrect allocation of special dividends as revenue or capital returns, as judgement is required in determining their allocation within the Income Statement.	We obtained and assessed the controls report provided by Aberforth Partners LLP (as Administrator) to evaluate the design of the process and implementation of key controls. We considered whether income was recognised and disclosed in accordance with the AIC SORP by assessing the accounting policies. We recalculated 100% of dividends due to the Company based on investment holdings throughout the year and announcements made by investee companies. We agreed a sample of dividends received to bank statements. We assessed the completeness of the special dividend population and determined whether special dividends recognised were revenue or capital in nature with reference to the underlying commercial circumstances of the investee companies' dividend payment. From our completion of these procedures, we identified no material misstatements in relation to revenue recognition, including allocation of special dividends as revenue or capital returns.

Independent Auditor's Report

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature and extent of our work and in evaluating the results of that work.

Materiality measure	
Materiality for the financial statements as a whole We have set materiality as 1% of net assets as we believe that net assets is the primary performance measure used by investors and is the key driver of shareholder value. We determined the measurement percentage to be commensurate with the risk and complexity of the audit and the Company's listed status.	£13.92m (2024: £13.97m)
Performance materiality Performance materiality represents amounts set by the auditor at less than materiality for the financial statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In setting this we consider the Company's overall control environment, our past experience of the audit that indicates a lower risk of material misstatements. Based on our judgement of these factors, we have set performance materiality at 75% of our overall financial statement materiality.	£10.44m (2024: £10.48m)
Specific materiality Recognising that there are transactions and balances of a lesser amount which could influence the understanding of users of the financial statements we calculate a lower level of materiality for testing such areas. Specifically, given the importance of the distinction between revenue and capital for the Company, we also applied a separate testing threshold for the revenue column of the Income Statement, set as 5% of the net revenue return on ordinary activities before tax. We have set a specific materiality in respect of related party transactions and Directors' remuneration. We used our judgement in setting these thresholds and considered our past experience of the audit, the history of misstatements and industry benchmarks for specific materiality.	£2.61m (2024: £2.38m)
Audit Committee reporting threshold We agreed with the Audit Committee that we would report to them all differences in excess of 5% of overall materiality in addition to other identified misstatements that warranted reporting on qualitative grounds, in our view. For example, an immaterial misstatement as a result of fraud.	£0.70m (2024: £0.70m)

During the course of the audit, we reassessed initial materiality and found no reason to alter the basis of calculation used at year-end.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating management's method of assessing going concern, including consideration of the continuation vote and macro-economic uncertainties;
- Assessing and challenging the forecast cashflows and associated sensitivity modelling used by management in support of their going concern assessment by reference to supporting documentation, our own understanding of the Company and the economic environment in which it operates, and the results of other audit work;
- Assessing the accuracy of management's forecasting by comparing the reliability of past forecasts to actual results;
- Performing arithmetical and consistency checks on management's base forecast;
- Reviewing the adherence to loan covenants in place based on the forecasts and considered the likelihood of these being breached in the future via the sensitivity analyses performed;
- Obtaining and recalculating management's assessment of the Company's ongoing maintenance of investment trust status;
- Considering management's evaluation of the likely outcome of the upcoming continuation vote and obtaining evidence to support their conclusions; and
- Assessing the adequacy of the Company's going concern disclosures included in the Annual Report.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor’s report thereon. The Directors are responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors’ Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic Report and the Directors’ Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Directors’ Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors’ Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements and the part of the Directors’ Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors’ remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- A corporate governance statement has not been prepared by the Company.

Corporate governance statement

We have reviewed the Directors’ statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the entity’s compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- The Directors’ statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 31;
- The Directors’ explanation as to its assessment of the Company’s prospects, the period this assessment covers and why the period is appropriate set out on page 28;
- The Directors’ statement on fair, balanced and understandable set out on page 44;
- The Directors’ statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 28;
- The Directors’ confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 26;
- The section of the Annual Report that describes the review of the effectiveness of risk management and internal control systems set out on pages 37 and 38; and
- The section describing the work of the Audit Committee set out on pages 38 to 40.

Independent Auditor's Report

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 44, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- Companies Act 2006;
- Financial Conduct Authority (FCA) listing and Disclosure Guidance and Transparency Rules (DTR);
- The principles of the UK Corporate Governance Code applied by the AIC Corporate Governance Code (the "AIC Code");
- Industry practice represented by the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("the SORP") issued in July 2022;
- The Company's qualification as an Investment Trust under section 1158 of the Corporation Tax Act 2010; and
- Financial Reporting Standard 102.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- Management override of controls
- The allocation of special dividends as revenue or capital returns.

Audit procedures performed in response to the risks relating to the allocation of special dividends as revenue or capital returns are set out in the section on key audit matters above, and audit procedures performed in response to the risk of management override of controls are included below.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Performing audit procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, recalculating the investment management fee, evaluating the business rationale of significant transactions outside the normal course of business and assessing judgements made by management in their calculation of accounting estimates for potential management bias;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006 and the Listing Rules; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Other matters which we are required to address

Following the recommendation of the Audit Committee, we were appointed by the Board on 3 March 2022 to audit the financial statements for the year ended 31 December 2022 and subsequent financial years. The period of our total uninterrupted engagement is four years, covering the years ended 31 December 2022 to 31 December 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Sutherland (Senior Statutory Auditor)
For and on behalf of Johnston Carmichael LLP
Statutory Auditor
Edinburgh, United Kingdom
29 January 2026

Income Statement

For the year ended 31 December 2025

		2025			2024		
	Note	**Revenue £'000**	**Capital £'000**	**Total £'000**	Revenue £'000	Capital £'000	Total £'000
Net gains on investments	10	**–**	**54,778**	**54,778**	–	116,364	116,364
Investment income	3	**58,557**	**776**	**59,333**	54,506	–	54,506
Other income	3	**66**	**–**	**66**	118	–	118
Investment management fee	4	**(3,691)**	**(6,151)**	**(9,842)**	(3,708)	(6,180)	(9,888)
Portfolio transaction costs	5	**–**	**(2,591)**	**(2,591)**	–	(2,179)	(2,179)
Other expenses	5	**(980)**	**–**	**(980)**	(858)	–	(858)
Net return before finance costs and tax		**53,952**	**46,812**	**100,764**	50,058	108,005	158,063
Finance costs	6	**(1,698)**	**(2,831)**	**(4,529)**	(2,427)	(4,045)	(6,472)
Return on ordinary activities before tax		**52,254**	**43,981**	**96,235**	47,631	103,960	151,591
Tax on ordinary activities	7	**–**	**–**	**–**	–	–	–
Return attributable to equity shareholders		**52,254**	**43,981**	**96,235**	47,631	103,960	151,591
Returns per Ordinary Share	9	**64.02p**	**53.88p**	**117.90p**	56.59p	123.50p	180.09p

The Board declared on 29 January 2026 a final dividend of 32.50p per Ordinary Share and a special dividend of 12.00p per Ordinary Share. The Board declared on 29 July 2025 an interim dividend of 14.30p per Ordinary Share.

The total column of this statement is the profit and loss account of the Company. All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year. A Statement of Comprehensive Income is not required as all gains and losses of the Company have been reflected in the above statement.

The accompanying notes form an integral part of this statement.

Reconciliation of Movements in Shareholders' Funds

For the year ended 31 December 2025

	Note	**Share capital £'000**	**Capital redemption reserve £'000**	**Special reserve £'000**	**Capital reserve £'000**	**Revenue reserve £'000**	**Total £'000**
Balance as at 31 December 2024		838	150	30,469	1,262,006	103,854	1,397,317
Return on ordinary activities after taxation		–	–	–	43,981	52,254	96,235
Equity dividends paid	8	–	–	–	–	(41,591)	(41,591)
Purchase of Ordinary Shares	14	(41)	41	(30,469)	(29,776)	–	(60,245)
Balance as at 31 December 2025		**797**	**191**	**–**	**1,276,211**	**114,517**	**1,391,716**

For the year ended 31 December 2024

	Note	Share capital £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance as at 31 December 2023		844	144	38,840	1,158,046	99,353	1,297,227
Return on ordinary activities after taxation		–	–	–	103,960	47,631	151,591
Equity dividends paid	8	–	–	–	–	(43,130)	(43,130)
Purchase of Ordinary Shares	14	(6)	6	(8,371)	–	–	(8,371)
Balance as at 31 December 2024		838	150	30,469	1,262,006	103,854	1,397,317

The accompanying notes form an integral part of this statement.

Balance Sheet

As at 31 December 2025

	Note	**2025 £'000**	2024 £'000
Fixed assets			
Investments at fair value through profit or loss	10	**1,457,871**	1,497,304
Current assets			
Debtors	11	**4,010**	2,874
Cash at bank		**5,141**	1,349
		9,151	4,223
Creditors (amounts falling due within one year)	12	**(75,306)**	(302)
Net current (liabilities)/assets		**(66,155)**	3,921
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,391,716**	1,501,225
Creditors (amounts falling due after more than one year)	13	**–**	(103,908)
TOTAL NET ASSETS		**1,391,716**	1,397,317
CAPITAL AND RESERVES: EQUITY INTERESTS			
Called up share capital	14	**797**	838
Capital redemption reserve	15	**191**	150
Special reserve	15	**–**	30,469
Capital reserve	15	**1,276,211**	1,262,006
Revenue reserve	15	**114,517**	103,854
TOTAL SHAREHOLDERS' FUNDS		**1,391,716**	1,397,317
Net Asset Value per Ordinary Share	16	**1,745.26p**	1,666.95p

Approved and authorised for issue by the Board of Directors on 29 January 2026 and signed on its behalf by:

Richard Davidson,
Chairman

Company Number: SC126524
Registered in Scotland

The accompanying notes form an integral part of this statement.

Cash Flow Statement

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Operating activities			
Net revenue return before finance costs and tax		**53,952**	50,058
Receipt of special dividends taken to capital	3	**776**	–
Investment management fee charged to capital	4	**(6,151)**	(6,180)
(Increase) in debtors		**(1,136)**	(213)
Increase in other creditors	12	**10**	8
Net cash inflow from operating activities		**47,451**	43,673
Investing activities			
Purchases of investments		**(369,470)**	(307,701)
Sales of investments		**461,056**	288,596
Cash inflow/(outflow) from investing activities		**91,586**	(19,105)
Financing activities			
Purchases of Ordinary Shares	14	**(60,245)**	(8,371)
Equity dividends paid	8	**(41,591)**	(43,130)
Interest and fees paid	17	**(4,409)**	(6,452)
Gross drawdowns of bank debt facilities (before any costs)	18	**95,000**	79,000
Gross repayments of bank debt facilities (before any costs)	18	**(124,000)**	(47,000)
Cash (outflow) from financing activities		**(135,245)**	(25,953)
Change in cash during the period		**3,792**	(1,385)
Cash at the start of the period		**1,349**	2,734
Cash at the end of the period		**5,141**	1,349

The accompanying notes form an integral part of this statement.

Notes to the Financial Statements

1 Significant Accounting Policies

A summary of the principal accounting policies adopted, all of which have been applied consistently throughout the year and the preceding year, is set out below.

(a) Basis of accounting

The financial statements have been presented under Financial Reporting Standard 102 ("FRS 102") and under the AIC's Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP"). The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include the revaluation of the Company's investments as described below. The Directors' assessment of the basis of going concern is described on page 31. The functional and presentation currency is pounds sterling, which is the currency of the environment in which the Company operates. The Board confirms that no critical accounting judgements or significant sources of estimation uncertainty have been applied to the financial statements and therefore there is not a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(b) Investments

The Company's investments have been categorised as "financial assets at fair value through profit or loss" as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income. Quoted investments are valued at their fair value, which is represented by the closing bid price. Where trading in the securities of an investee company is suspended, the investment is valued at the Board's estimate of its fair value. Purchases and sales of investments are recognised and de-recognised on trade date. Gains and losses arising from changes in fair value are included in the capital return and transaction costs on acquisition or disposal of a security are expensed to the capital reserve.

(c) Income

Dividends receivable on quoted equity shares are accounted for on the ex dividend date as revenue, except where, in the opinion of the Board, the dividend is capital in nature, in which case it is treated as a return of capital. Where the Company has received its dividends in the form of additional shares rather than in cash, an amount equivalent to the cash dividend forgone is recognised as income. Any surplus or deficit in the value of the shares received compared to the cash dividend forgone is recognised as capital. Other income is accounted for on an accruals basis.

(d) Expenses

All expenses are accounted for on an accruals basis. Expenses are charged to revenue except as follows.

- Expenses that are related to the acquisition and disposal of an investment are charged to capital.
- Expenses are charged to capital reserve where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect the investment management fee has been allocated 62.5% to capital reserve and 37.5% to revenue reserve, 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 of the Company.

(e) Bank borrowings and finance costs

The arrangement fee in relation to the £130 million bank debt facility is amortised over the expected life of the facility (with 62.5% allocated to capital reserve and 37.5% to revenue reserve) on a straight line basis. As borrowings carry a market rate of interest, they are recognised in the balance sheet at the outstanding balance advanced, less unamortised transaction costs.

Interest costs are accounted for on an accruals basis. Finance costs of debt, insofar as they relate to the financing of the Company's investments or to financing activities aimed at maintaining or enhancing the value of the Company's investments, are allocated 62.5% to capital reserve and 37.5% to revenue reserve, 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 of the Company.

(f) Capital reserve

The following are accounted for in this reserve:

- gains and losses on the realisation of investments;
- increases and decreases in the valuation of investments held at the year end;
- gains on the return of capital by way of investee companies paying dividends that are capital in nature; and
- expenses, together with the related taxation effect, charged to this reserve in accordance with the above policies.

The part of this reserve represented by realised capital profits is available for distribution by way of share buy-backs but not by way of dividends.

(g) Special reserve

During the year to 31 December 2025 the Special Reserve, which was used to account for the cost of purchasing Ordinary Shares for cancellation, was exhausted. Following this, the Capital Reserve represented by realised capital profits, is being used.

(h) Revenue reserve

This reserve represents the only reserve from which dividends can be funded.

(i) Capital Redemption Reserve

The nominal value of shares bought back for cancellation is added to this reserve. This reserve is presently not distributable.

(j) Share Capital

This relates to the number of shares in issue. When shares are bought back for cancellation, the nominal value is transferred to the Capital Redemption Reserve. Share Capital is not distributable.

(k) Taxation

UK corporation tax payable is provided on taxable profits at the current rate and the tax charge includes irrecoverable overseas tax suffered. Deferred tax assets, using substantially enacted tax rates, are only recognised if it is considered more likely than not that there will be suitable taxable profits from which the future reversal of deferred tax assets may be deducted.

Notes to the Financial Statements

2 Alternative Performance Measures

Alternative Performance Measures ("APMs") are measures that are not defined by FRS 102. The Company believes that APMs, referred to as "Key Performance Indicators" on page 5, provide Shareholders with important information on the Company and are appropriate for an investment trust company. These APMs are also a component of reporting to the Board. A glossary of APMs can be found on page 68.

3 Income

	Revenue	**2025 Capital**	**Total**	Revenue	2024 Capital	Total
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
Income from investments						
UK dividends	**53,005**	**776**	**53,781**	46,924	–	46,924
Overseas dividends	**4,234**	**–**	**4,234**	5,954	–	5,954
Property income distributions	**1,318**	**–**	**1,318**	1,628	–	1,628
	58,557	**776**	**59,333**	54,506	–	54,506
Other income						
Interest income	**66**	**–**	**66**	118	–	118
Total income	**58,623**	**776**	**59,399**	54,624	–	54,624

Overseas dividends relate to investments in companies that are UK quoted and registered overseas. During the year the Company received special dividends amounting to £1,866,000 (2024: £822,000), of which £776,000 (2024: £nil) were considered a return of capital by the investee company.

4 Investment Management Fee

	Revenue	**2025 Capital**	**Total**	Revenue	2024 Capital	Total
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
Investment management fee	**3,691**	**6,151**	**9,842**	3,708	6,180	9,888

Details of the investment management contract can be found on page 30.

5 Other Expenses and Portfolio transaction costs

	2025	2024
	£'000	£'000
The following expenses (including VAT, where applicable) have been charged to revenue.		
Directors' fees (refer to Directors' Remuneration Report)	**194**	174
Depositary fee	**162**	145
FCA and LSE listing fees	**148**	112
Secretarial services	**143**	138
Custody and other bank charges	**65**	70
Registrar fee	**60**	58
Auditor's fee – audit of the financial statements	**46**	43
– for non-audit services	**–**	–
AIC fee	**25**	22
Directors' and Officers' liability insurance	**13**	14
Legal fees	**11**	6
Other expenses	**113**	76
	980	858

Notes to the Financial Statements

5 Other Expenses and Portfolio transaction costs *(continued)*

Expenses incurred in acquiring or disposing of investments classified at fair value through profit or loss, and charged to capital, are analysed below.

	2025 £'000	2024 £'000
Analysis of total purchases		
Purchase consideration before expenses	**367,317**	305,859
Commissions	**481**	409
Taxes	**1,638**	1,467
Total purchase expenses (a)	**2,119**	1,876
Total purchase consideration	**369,436**	307,735
Analysis of total sales		
Sales consideration before expenses	**461,528**	288,899
Commissions (b)	**(472)**	(303)
Total sale proceeds net of expenses	**461,056**	288,596
Total expenses incurred in acquiring/disposing of investments (a)-(b)	**2,591**	2,179

6 Finance Costs

	2025 Revenue £'000	**2025 Capital £'000**	**2025 Total £'000**	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000
Interest/non-utilisation costs on bank borrowings	**1,674**	**2,790**	**4,464**	2,403	4,004	6,407
Amortisation of bank debt facility costs	**24**	**41**	**65**	24	41	65
	1,698	**2,831**	**4,529**	2,427	4,045	6,472

7 Taxation

Analysis of tax charged on return on ordinary activities	**2025 Revenue £'000**	**2025 Capital £'000**	**2025 Total £'000**	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000
UK corporation tax charge for the year (see below)	**–**	**–**	**–**	–	**–**	–

Factors affecting current tax charge for the year

The tax assessed for the period is lower than the standard rate of corporation tax in the UK for a large company. The differences are explained below.

	2025 Revenue £'000	**2025 Capital £'000**	**2025 Total £'000**	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000
Total returns on ordinary activities before tax	**52,254**	**43,981**	**96,235**	47,631	103,960	151,591
Corporation tax at 25% (2024: 25%)	**13,064**	**10,995**	**24,059**	11,908	25,990	37,898
Adjusted for the effects of:						
Non-taxable UK dividend income	**(13,251)**	**(194)**	**(13,445)**	(11,731)	–	(11,731)
Non-taxable overseas dividend income	**(1,059)**	**–**	**(1,059)**	(1,489)	–	(1,489)
Expenses not deductible for tax purposes	**–**	**648**	**648**	–	545	545
Excess expenses for which no relief has been taken	**1,246**	**2,245**	**3,491**	1,312	2,556	3,868
Non-taxable capital (gains)	**–**	**(13,694)**	**(13,694)**	–	(29,091)	(29,091)
UK corporation tax charge for the year	**–**	**–**	**–**	–	–	–
Irrecoverable overseas taxation suffered	**–**	**–**	**–**	–	–	–
Total tax charge for the year	**–**	**–**	**–**	–	–	–

The Company has not recognised a potential asset for deferred tax of £52,878,000 (2024: £49,385,000) in respect of unutilised management expenses because it is unlikely that there will be suitable taxable profits from which the future reversal of a deferred tax asset may be deducted. The potential deferred tax asset has been calculated using a corporation tax rate of 25% (2024: 25%).

Notes to the Financial Statements

8 Dividends

	2025 £'000	2024 £'000
Amounts recognised as distributions to equity holders in the period:		
Final dividend for the year ended 31 December 2024 of 30.00p (2023: 28.55p) paid on 10 March 2025	**24,967**	24,091
Special dividend for the year ended 31 December 2024 of 6.00p (2023: 9.00p) paid on 10 March 2025	**4,993**	7,595
Interim dividend for the year ended 31 December 2025 of 14.30p (2024: 13.60p) paid on 28 August 2025	**11,631**	11,444
	41,591	43,130
Amounts not recognised in the period:		
Final dividend for the year ended 31 December 2025 of 32.50p (2024: 30.00p) payable on 9 March 2026	**25,916**	25,147
Special dividend for the year ended 31 December 2025 of 12.00p (2024: 6.00p) payable on 9 March 2026	**9,569**	5,029
	35,485	30,176

The final and special dividends have not been included as liabilities in the financial statements for 2025 and 2024.

9 Returns per Ordinary Share

The returns per Ordinary Share are based on:

	2025	2024
Returns attributable to Ordinary Shareholders	**£96,235,000**	£151,591,000
Weighted average number of shares in issue during the year	**81,626,049**	84,175,009
Returns per Ordinary Share	**117.90p**	180.09p

There are no dilutive or potentially dilutive shares in issue.

10 Investments

	2025 £'000	2024 £'000
Opening fair value	**1,497,304**	1,363,980
Opening fair value adjustment	**186,264**	188,097
Opening book cost	**1,683,568**	1,552,077
Purchases at cost	**367,317**	305,859
Sale proceeds	**(461,528)**	(288,899)
Realised gains on sales	**96,000**	114,531
Closing book cost	**1,685,357**	1,683,568
Closing fair value adjustment	**(227,486)**	(186,264)
Closing fair value	**1,457,871**	1,497,304

All investments are in ordinary shares listed on the London Stock Exchange unless otherwise stated on pages 20 to 22.

Gains/(losses) on investments:		
Net realised gains on sales	**96,000**	114,531
Movement in fair value adjustment	**(41,222)**	1,833
Net gains on investments	**54,778**	116,364

The company received £461,528,000 (2024: £288,899,000) from investments sold in the year. The book cost of these investments was £365,528,000 (2024: £174,368,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Notes to the Financial Statements

10 Investments *(continued)*

In accordance with FRS 102 fair value measurements have been classified using the fair value hierarchy:

Level 1 - using unadjusted quoted prices for identical instruments in an active market;
Level 2 - using inputs, other than quoted prices included within Level 1, that are directly or indirectly observable (based on market data); and
Level 3 - using inputs that are unobservable (for which market data is unavailable).

Investments held at fair value through profit or loss

As at 31 December 2025	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Listed equities	**1,457,871**	**–**	**–**	**1,457,871**
Unlisted equities	**–**	**–**	**–**	**–**
Total financial asset investments	**1,457,871**	**–**	**–**	**1,457,871**

As at 31 December 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Listed equities	1,497,304	–	–	1,497,304
Unlisted equities	–	–	–	–
Total financial asset investments	1,497,304	–	–	1,497,304

11 Debtors

	2025 £'000	2024 £'000
Investment income receivable	**3,921**	2,794
Taxation recoverable	**47**	47
Other debtors	**42**	33
Total	**4,010**	2,874

12 Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Interest/non-utilisation costs on bank borrowings	**217**	162
Other creditors	**116**	106
Amounts due to brokers	**–**	34
Bank debt facility	**75,000**	–
Less: Unamortised costs on bank debt facility	**(27)**	–
Total	**75,306**	302

The Company has an uncommitted overdraft credit facility of £20 million with The Northern Trust Company. The interest rate applying to overdrawn balances is 1.4% over the UK Base Rate. In addition, an annual administration fee of £15,000 is incurred in respect of the facility. No amounts were drawn under this facility at 31 December 2025 or 31 December 2024.

On 19 May 2023, the Company refinanced its existing three year unsecured £130 million Facility Agreement with The Royal Bank of Scotland International Limited. A 0.15% arrangement fee was paid on entering into the agreement and is being amortised over the expected life of the facility. Under the facility, all funds drawn down attract interest at a margin of 1.15% over SONIA equivalent. A non-utilisation fee of 0.5% is also payable on any undrawn element. The facility is due to expire on 15 June 2026.

The main covenant under the facility requires that, every month, total borrowings shall not exceed 25% of the Company's total adjusted gross assets. There were no breaches of the covenants during the year. As at 31 December 2025, total borrowings represented 5.1% (2024: 6.9%) of total adjusted gross assets (as defined by Facility Agreement).

13 Creditors: amounts falling due after more than one year

	2025 £'000	2024 £'000
Bank debt facility	**–**	104,000
Less: Unamortised costs on bank debt facility	**–**	(92)
Total	**–**	103,908

Amounts in 2024 relate to the Facility Agreement with Royal Bank of Scotland International referred to in Note 12.

Notes to the Financial Statements

14 Share Capital

	2025		2024	
	No. of Shares	**£'000**	No. of Shares	£'000
Authorised:				
Ordinary Shares of 1p	**333,299,254**	**3,333**	333,299,254	3,333
Allotted, issued and fully paid:				
Ordinary Shares of 1p	**79,742,605**	**797**	83,824,605	838

During the year, the Company bought back and cancelled 4,082,000 shares (2024: 590,000) at a total cost of £60,245,000 (2024: £8,371,000). During the period 1 January to 29 January 2026, 323,500 shares have been bought back for cancellation.

15 Capital and Reserves

	Share capital £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 31 December 2023	**844**	**144**	**38,840**	**1,158,046**	**99,353**	**1,297,227**
Net gains on sale of investments	–	–	–	114,531	–	114,531
Movement in fair value adjustment	–	–	–	1,833	–	1,833
Cost of investment transactions	–	–	–	(2,179)	–	(2,179)
Management fees charged to capital	–	–	–	(6,180)	–	(6,180)
Finance costs charged to capital	–	–	–	(4,045)	–	(4,045)
Special dividends taken to capital	–	–	–	–	–	–
Revenue return attributable to equity shareholders	–	–	–	–	47,631	47,631
Equity dividends paid	–	–	–	–	(43,130)	(43,130)
Purchase of Ordinary Shares	(6)	6	(8,371)	–	–	(8,371)
At 31 December 2024	**838**	**150**	**30,469**	**1,262,006**	**103,854**	**1,397,317**
Net gains on sale of investments	–	–	–	96,000	–	96,000
Movement in fair value adjustment	–	–	–	(41,222)	–	(41,222)
Cost of investment transactions	–	–	–	(2,591)	–	(2,591)
Management fees charged to capital	–	–	–	(6,151)	–	(6,151)
Finance costs charged to capital	–	–	–	(2,831)	–	(2,831)
Special dividends taken to capital	–	–	–	776	–	776
Revenue return attributable to equity shareholders	–	–	–	–	52,254	52,254
Equity dividends paid	–	–	–	–	(41,591)	(41,591)
Purchase of Ordinary Shares	(41)	41	(30,469)	(29,776)	–	(60,245)
At 31 December 2025	**797**	**191**	**–**	**1,276,211**	**114,517**	**1,391,716**

The capital reserve includes a closing fair value adjustment, representing unrealised gains/(losses) on investments of £(227,486,000) (2024: £(186,264,000)).

16 Net Asset Value per Share

The Net Asset Value per Share and the net assets attributable to the Ordinary Shares at the year end are calculated in accordance with their entitlements in the Articles of Association and were as follows.

	2025	2024
Net assets attributable	**£1,391,716,000**	£1,397,317,000
Ordinary Shares in issue at the end of year	**79,742,605**	83,824,605
Net Asset Value per Ordinary Share (a)	**1,745.26p**	1,666.95p
Dividend reinvestment factor (defined in glossary as an alternative performance measure) (b)	**1.031025**	1.033876
Net Asset Value Total Return basis (defined in glossary as an alternative performance measure) (a) x (b)	**1,799.41p**	1,723.42p

The net asset value total return for the year ended 31 December 2025 is the percentage movement from the net asset value as at 31 December 2024 of 1,666.95p (31 December 2023: 1,536.73p) to the net asset value, on a total return basis, at 31 December 2025 of 1,799.41p (31 December 2024: 1,723.42p), which is 7.9% (2024: 12.1%).

Notes to the Financial Statements

17 Interest and Finance Costs Paid

	2025 £'000	2024 £'000
Interest/non-utilisation costs on bank debt facility	**4,409**	6,452
Total	**4,409**	6,452

18 Analysis of changes in net debt

	Net debt at 1 January 2025 £'000	Cash flow £'000	Other non-cash movements £'000	Net debt at 31 December 2025 £'000
Cash at bank	1,349	3,792	–	5,141
Bank debt facility	(104,000)	29,000	–	(75,000)
Bank debt facility fee (see note 12)	92	–	(65)	27
Total	**(102,559)**	**32,792**	**(65)**	**(69,832)**

19 Financial instruments and risk management

The Company's financial instruments comprise its investment portfolio (see pages 20 to 22), cash balances, bank debt facilities, debtors and creditors that arise directly from its operations such as sales and purchases awaiting settlement, and accrued income. Bank debt facilities are utilised when the Board and Managers believe it is in the interest of the Company to gear the portfolio. Note 1 sets out the significant accounting policies, including the basis of measurement applied for significant financial instruments, principally investments, excluding cash at bank, which is carried at fair value. Note 1 also includes the basis on which income and expenses arising from financial assets and liabilities are recognised and measured.

The main risks that the Company faces arising from its financial instruments are as follows.

(i) *Interest rate risk* is the risk that the interest receivable/payable and the market value of investment holdings may fluctuate because of changes in market interest rates. The Company's investment portfolio is not directly exposed to interest rate risk.

(ii) *Liquidity risk* is the risk that the Company will encounter difficulty raising funds to meet its cash commitments as they fall due. Liquidity risk may result from either the inability to sell financial instruments quickly at their fair values or from the inability to generate cash inflows as required.

(iii) *Credit risk* is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

(iv) *Market price risk* is the risk that the market value of investment holdings will move as a result of fluctuations in market prices caused by factors other than interest rate or currency rate movement.

The Company's financial instruments are all denominated in sterling and therefore the Company is not directly exposed to significant currency risk. However, it is recognised that most investee companies, whilst listed in the UK, are exposed to global economic conditions and currency fluctuations.

(i) Interest rate risk

The Company's policy is to hold cash in variable rate bank accounts and not usually to invest in fixed rate securities. Cash deposit balances are held on variable rate bank accounts yielding 0.045% as at 31 December 2025 (2024: 0.18%).

The Company has a bank debt facility of £130,000,000 of which £75,000,000 was drawn down as at 31 December 2025 (2024: debt facility of £130,000,000 of which £104,000,000 was drawn down). Further details of this facility can be found in Notes 12 and 13.

If SONIA equivalent and the bank base rate had been 1% point higher at 31 December 2025, the impact on the profit or loss and therefore Shareholders' funds would have been negative £750,000 per annum (2024: negative £1,040,000). If SONIA equivalent and the bank base rate had been 1% point lower at 31 December 2025, the impact on the profit or loss and therefore Shareholders' funds would have been a positive £750,000 per annum (2024: positive £1,040,000). There would be no direct impact on the portfolio valuation. The calculations are based on the bank facility drawn down and cash balances as at the respective balance sheet dates and are not representative of the year as a whole and assume all other variables remain constant. The level of change is considered to be a reasonable illustration based on current market conditions.

Notes to the Financial Statements

19 Financial instruments and risk management *(continued)*

(ii) Liquidity risk

The Company's assets comprise mainly readily realisable equity securities, which are typically all Level 1 assets and actively traded. Whilst less liquid than larger quoted companies, the portfolio is well diversified by both number of holdings and industry sector. Short term funding flexibility can be achieved through the use of bank debt facilities. The Company's current liabilities all have a remaining contractual maturity of less than three months with the exception of the bank debt facility.

(iii) Credit risk

The Company invests in UK equities traded on the London Stock Exchange. Investment transactions are carried out with a number of FCA regulated brokers, with trades typically undertaken on a delivery versus payment basis and on a short settlement period.

The investment portfolio assets of the Company, which at 31 December 2025 amounted to £1,457,871,000 (2024: £1,497,304,000), are held by The Northern Trust Company, the Company's custodian, in a segregated account. In the event of the bankruptcy or insolvency of Northern Trust the Company's rights with respect to the securities held by the custodian may be delayed or limited. The Secretaries and the Depositary monitor the Company's risk by reviewing Northern Trust's credit ratings and their internal control report. Cash at bank is held with reputable banks with acceptable external credit ratings. Outstanding investment income is reconciled to receipts on payment date.

The exposure to credit risk, other than as described above in respect of investment portfolio assets, at the year-end comprises the following.

	2025 **£'000**	2024 £'000
Investment income receivable	**3,921**	2,794
Taxation recoverable	**47**	47
Cash at bank	**5,141**	1,349
Total	**9,109**	4,190

(iv) Market price risk

The Company's investment portfolio is exposed to market price fluctuations, which are monitored by the Managers in pursuance of the investment objective. Further information on the investment portfolio is set out in the Managers' Report on pages 8 to 15. It is not the Managers' policy to use derivatives or hedging instruments to manage market price risk.

If the investment portfolio valuation fell by 10% at 31 December 2025, the impact on the profit or loss and therefore Shareholders' funds would have been negative £145.8m (2024: negative £149.7m). If the investment portfolio valuation rose by 10% at 31 December 2025, the impact on the profit or loss and therefore Shareholders' funds would have been positive £145.8m (2024: positive £149.7m). The calculations are based on the portfolio valuation as at the respective balance sheet dates, are not representative of the year as a whole and assume all other variables remain constant. The level of change is considered to be a reasonable illustration based on historical stockmarket volatility.

As at 31 December 2025, the investment portfolio consisted of investments valued at their bid price, which represents fair value. Any cash balances, which are held in variable rate bank accounts, can be withdrawn on demand with no penalty.

Maturity profile of the Company's financial liabilities
As at 31 December 2025

(All in £'000)	Due or due no later than 1 month	Due between 1 and 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
Liabilities:						
Bank debt facility and unamortised costs	**217**	**–**	**74,973**	**–**	**–**	**75,190**
Amount due to brokers	**–**	**–**	**–**	**–**	**–**	**–**
Other creditors	**–**	**116**	**–**	**–**	**–**	**116**
Total liabilities	**217**	**116**	**74,793**	**–**	**–**	**75,306**

Notes to the Financial Statements

19 Financial instruments *(continued)*

As at 31 December 2024

(All in £'000)	Due or due no later than 1 month	Due between 1 and 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
Liabilities:						
Bank debt facility and unamortised costs	162	–	–	103,908	–	104,070
Amount due to brokers	34	–	–	–	–	34
Other creditors	–	106	–	–	–	106
Total liabilities	196	106	–	103,908	–	104,210

Cash flows payable under financial liabilities by remaining contractual maturities

As at 31 December 2025

(All in £'000)	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
Bank debt facility	**–**	**2,153**	**76,818**	**–**	**–**	**78,971**
Interest/non-utilisation costs on bank borrowings	**–**	**217**	**–**	**–**	**–**	**217**
Other creditors	**–**	**116**	**–**	**–**	**–**	**116**
Total	**–**	**2,486**	**76,818**	**–**	**–**	**79,304**

As at 31 December 2024

(All in £'000)	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
Bank debt facility	–	1,534	4,689	106,830	–	113,053
Amount due to brokers	–	34	–	–	–	34
Interest/non-utilisation costs on bank borrowings	–	162	–	–	–	162
Other creditors	–	106	–	–	–	106
Total	–	1,836	4,689	106,830	–	113,355

Capital Management

The Company's capital management objectives are to support the Company's investment objective and to ensure that the Company will be able to continue as a going concern.

This is achieved through the appropriate balance of equity capital and borrowings. The capital of the Company is its share capital and reserves as set out in notes 14 and 15 together with its borrowings (see note 12 and 13). Borrowing parameters are set by the Board in conjunction with the Managers and the bank debt facility is used tactically in order to enhance returns. The Company has the authority to buy back its own shares and activity during the year is detailed in note 14. The Company does not have any externally imposed capital requirements other than the covenants on its bank debt facility as set out in note 12 and 13.

20 Related Party Transactions

The Directors have been identified as related parties and their fees and shareholdings are detailed in the Directors' Remuneration Report on pages 42 and 43. During the year no Director was interested in any contract or other matter requiring disclosure under section 412 of the Companies Act 2006.

21 Contingencies, guarantees, financial commitments and contingent assets

The Company had no contingencies, guarantees or financial commitments as at 31 December 2025 (2024: nil).

22 Company information

Aberforth Smaller Companies Trust plc is a closed-ended investment company, registered in Scotland No SC126524, with its Ordinary Shares listed on the London Stock Exchange. The address of the registered office is 14 Melville Street, Edinburgh, EH3 7NS.

Notice of the Annual General Meeting

Notice is hereby given that the thirty-fifth Annual General Meeting of Aberforth Smaller Companies Trust plc will be held at 14 Melville Street, Edinburgh on 5 March 2026 at 10.30 a.m. for the following purposes.

To consider and, if thought fit, pass the following Ordinary Resolution.

1. That the Report and Financial Statements for the year ended 31 December 2025 be received and adopted.
2. That the Directors’ Remuneration Report for the year ended 31 December 2025 be received, adopted and approved.
3. That the Directors' Remuneration Policy as set out in the Annual Report be approved.
4. That a final dividend of 32.50p per share and a special dividend of 12.00p per share be approved.
5. That Richard Davidson be re-elected as a Director.
6. That Jaz Bains be re-elected as a Director.
7. That Patricia Dimond be re-elected as a Director.
8. That Victoria Stewart be re-elected as a Director.
9. That Martin Warner be re-elected as a Director.
10. That Johnston Carmichael LLP be re-appointed as Independent Auditor of the Company to hold office until the conclusion of the next Annual General Meeting at which the Financial Statements are laid before the Company.
11. That the Audit Committee be authorised to determine the remuneration of the Independent Auditor for the year to 31 December 2026.
12. That the Company continues to manage its affairs as an investment trust (as defined by Section 1158 of the Corporation Taxes Act 2010).

To consider and, if thought fit, pass the following Special Resolution.

13. That pursuant to and in accordance with its Articles of Association and in substitution for any existing authority but without prejudice to the exercise of such authority prior to the passing of this resolution, the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 (the “Act”) to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 1p each in the capital of the Company (“Shares”), provided that:
    (a) the maximum aggregate number of Shares hereby authorised to be purchased shall be 11,904,924 (or, if less, 14.99% of the issued share capital of the Company on the date on which this resolution is passed);
    (b) the minimum price which may be paid for a Share shall be 1p being the nominal value of a Share;
    (c) the maximum price (exclusive of expenses) which may be paid for a Share shall be the higher of (i) 5% above the average of the middle market quotations (as derived from the London Stock Exchange Daily Official List) for the Shares for the five business days immediately preceding the date of purchase and (ii) the higher of the price of the last independent trade of a Share and the highest current independent bid for such a Share on the trading venue where the purchase is carried out at the time the purchase is carried out; and
    (d) unless previously varied, revoked or renewed by the Company in a general meeting, the authority hereby conferred shall expire on 31 July 2027 or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2027, save that the Company may, prior to such expiry, enter into a contract to purchase Shares under such authority which will or might be executed wholly or partly after the expiry of such authority and may make a purchase of Shares pursuant to any such contract.

By Order of the Board

Aberforth Partners LLP, *Secretaries*

29 January 2026

Notice of the Annual General Meeting

1. **Attending the Annual General Meeting in Person and Voting**

   A member who is entitled to vote at this meeting is entitled to appoint one or more proxies to attend, speak and vote on their behalf. Such a proxy need not also be a member of the Company. Shareholders are encouraged to submit their votes by proxy in advance of the meeting.

   To be entitled to vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), members must be registered in the Company's register of members at close of business on 3 March 2026 (or, if the Annual General Meeting is adjourned, at close of business on the day two days (excluding non-working days) prior to the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to vote at the Annual General Meeting.

2. **Appointment of Proxy**

   A Form of Proxy for use by Shareholders is enclosed. Shareholders are strongly encouraged to appoint the Chairman of the meeting as their proxy to vote on their behalf. Completed Forms of Proxy should be returned to the Registrar, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. To register a vote electronically, log on to the Registrar's website at www.signalshares.com and follow the instructions on screen.

   A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. To appoint more than one proxy, please contact the Registrar of the Company. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. Unless otherwise indicated on the Form of Proxy, CREST or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

   To be valid the proxy form must be completed and lodged, together with the power of attorney or authority (if any) under which it is signed, or a notarially certified copy of such power of authority, with the Registrar of the Company no later than 48 hours (excluding non-working days) before the time set for the meeting, or any adjourned meeting.

   CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 5 March 2026 and any adjournment(s) thereof by using the procedures described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, MUFG Corporate Markets (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the meeting. Unless otherwise indicated on the Form of Proxy, CREST or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

3. **Questions and Answers**

   The Board continues to welcome questions from Shareholders in respect of the Annual General Meeting. However, it asks Shareholders to submit any questions to the Board by email to enquiries@aberforth.co.uk before close of business on 3 March 2026. Pursuant to section 319A of the Companies Act 2006, the Company must provide an answer to any question that is put by a member attending the AGM relating to the business being considered, except if a response would not be in the interest of the Company or for the good order of the meeting or if to do so would involve the disclosure of confidential information. The Company may, however, elect to provide an answer to a question within a reasonable period of days after the conclusion of the Annual General Meeting.

4. **Total Voting Rights**

   As at 29 January 2026, the latest practicable date prior to publication of this document, the Company had 79,419,105 Ordinary Shares in issue with a total of 79,419,105 voting rights.

5. **Information on the Company's Website**

   In accordance with section 311A of the Companies Act 2006, this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the Annual General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Managers' website www.aberforth.co.uk.

6. **Nominated Persons**

   Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may, under an agreement between such person and the Shareholder nominating such person, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise such right, the Nominated Person may, under any such agreement, have a right to give instructions to the registered Shareholder as to the exercise of voting rights.

7. **Audit concerns**

   The members of the Company may require the Company (without payment) to publish, on the website, a statement, which is also to be passed to the auditor, setting out any matter relating to the audit of the Company's accounts, including the auditor's report and the conduct of the audit. The Company will be required to do so once it has received such requests from either members representing at least 5% of the total voting rights of the Company or at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing and must state the member's full name and address and be sent to the registered address of the Company.

Shareholder Information

Shareholder Register Enquiries

All administrative enquiries relating to shareholders such as queries concerning holdings, dividend payments, notification of change of address, loss of certificate or requests to be placed on a mailing list should be addressed to the Company's Registrar. Contact details are shown on the 'Corporate Information' page.

Payment of Dividends

To ensure that dividends are received as quickly as possible the Company's Registrar may be instructed to pay them directly into a bank account; tax vouchers are then mailed to shareholders separately. This method also avoids the risk of dividend cheques being delayed or lost in the post. The Company also operates a Dividend Re-investment Plan to allow shareholders to use their cash dividends to buy shares easily and at a low cost via the Company's Registrar from whom the necessary forms are available.

Electronic Communications

Shareholders can choose to receive communications (including the Annual and Interim reports) from the Company in electronic form. This method may be more convenient and secure for many Shareholders, reduces costs and has environmental benefits. To use this service, Shareholders can register and provide their email address on the Registrar's share portal at www.signalshares.com. Thereafter, Shareholders will receive an email providing the website address link to the relevant document(s). After registering, Shareholders will be able to request paper copies in the future.

Sources of Further Information

Shareholders can find up-to-date information about the Company on the Managers' website at www.aberforth.co.uk. This includes items such as the latest net asset value, share price and stock exchange announcements, as well as information relating to the portfolio, management fee and dividend history. Other websites containing useful information on the Company include www.trustnet.com, www.theaic.co.uk and www.ft.com. The price of the Ordinary shares is also quoted daily in the Financial Times newspaper.

How to Invest

The Company's Ordinary Shares are traded on the London Stock Exchange. They can be bought or sold by placing an order with a stockbroker, by asking a professional adviser to do so, or through most banks. The Company's Managers, Aberforth Partners LLP, do not offer any packaged products such as ISAs, Savings Schemes or Pension Plans.

Security Codes (Ordinary Shares)

SEDOL	Bloomberg	Reuters	GIIN	Legal Entity Identifier
0006655	ASL LN	ASL.L	U6SSZS.99999.SL.826	213800GZ9WC73A92Q326

Continuation Vote

The Company has no fixed duration. However, in accordance with the Articles of Association, an ordinary resolution will be proposed at the Annual General Meeting to be held on 5 March 2026 (and at every third subsequent Annual General Meeting) that the Company continues to manage its affairs as an investment trust.

Retail Distribution/NMPI Status

The Company's shares are intended for UK investors including retail investors, professionally advised private clients and institutional investors who are seeking exposure to smaller companies in the United Kingdom, and who understand and are willing to accept the risks of exposure to equities.

The Company currently conducts its affairs, and intends to continue to conduct its affairs, so that its Ordinary Shares can be recommended by Independent Financial Advisers ("IFAs") to ordinary retail investors in accordance with the rules of the Financial Conduct Authority ("FCA") in relation to non-mainstream pooled investment ("NMPI") products. The Company's Ordinary Shares are excluded from the FCA's restrictions that apply to NMPI products because they are shares in an investment trust.

Please note that past performance is not a guide to the future. Your investment may be at risk as the value of investments may go down as well as up and is not guaranteed. Therefore you may not get back the amount originally invested.

Individual Savings Accounts (ISA) Status

The Company's Ordinary Shares are eligible for inclusion in the "Stocks and Shares" component of an ISA.

AIC

The Company is a member of The Association of Investment Companies, which produces detailed monthly information on the majority of investment trusts. This can be obtained by contacting The Association of Investment Companies, 9th Floor, 24 Chiswell Street, London EC1Y 4YY; website: www.theaic.co.uk; tel: 020 72825555.

Shareholder Information

Financial Calendar

Dividends in respect of the year ended 31 December 2025			
	Interim	**Special**	**Final**
Rate per Share:	14.30p	12.00p	32.50p
Ex Dividend:	7 August 2025	5 February 2026	5 February 2026
Record date:	8 August 2025	6 February 2026	6 February 2026
Pay date:	28 August 2025	9 March 2026	9 March 2026

Half Yearly Report	Published late July/early August
Annual Report and Financial Statements	Published late January/early February
Annual General Meeting	5 March 2026
Publication of Net Asset Values	Daily (via the Managers' website)

Alternative Investment Fund Managers Directive ("AIFMD")

The Company has appointed Aberforth Partners LLP as its alternative investment fund manager ("AIFM"). In accordance with the AIFMD, information in relation to the Company's leverage is required to be made available to Shareholders. The Company's maximum and actual leverage levels as at 31 December 2025 are shown below. There have been no changes to, or breaches of, the maximum level of leverage employed by the Company.

	2025		2024	
Leverage Exposure (refer to the Glossary)	**Commitment Method**	**Gross Method**	Commitment Method	Gross Method
Maximum limit	**2.00:1**	**2.00:1**	2.00:1	2.00:1
Actual	**1.05:1**	**1.05:1**	1.07:1	1.07:1

Furthermore, in accordance with the Directive, the AIFM's remuneration policy and the numerical disclosures in respect of the AIFM's relevant reporting period (year ended 30 April 2025) are available on the Aberforth Partners website or on request.

Automatic Exchange of Information

The OECD Common Reporting Standard for Automatic Exchange of Financial Account information ('Common Reporting Standard') requires investment trust companies to provide personal information to HMRC on certain investors who purchase shares in investment trusts. Accordingly Aberforth Smaller Companies Trust plc provides information annually to the local tax authority on the tax residencies of a number of non-UK based certificated Shareholders and corporate entities.

All new Shareholders, excluding those whose shares are held in CREST, who come on to the share register will be sent a certification form for the purposes of collecting this information.

For further information, please see HMRC's *Quick Guide: Automatic Exchange of Information – information for account holders* https://www.gov.uk/government/publications/exchange-of-information-account-holders.

Beware of Share Fraud

Investment scams are designed to look like genuine investment opportunities. You might have been contacted by fraudsters if you have been contacted out of the blue, promised tempting returns and told the investment is safe, called repeatedly or told the offer is only available for a limited time. Shareholders may receive unsolicited phone calls or correspondence concerning investment matters that imply a connection to the Company. These may be from overseas based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high risk shares. Shareholders may also be advised that there is an imminent offer for the Company, and the caller may offer to buy shares at significantly above the market price if an administration fee is paid. Shareholders should treat all such approaches with caution.

You can find more information about investment scams at the Financial Conduct Authority (FCA) website:
www.fca.org.uk/consumers/protect-yourself-scams. You can also call the FCA Consumer Helpline on 0800 111 6768.

Glossary

Glossary of UK GAAP Measures

Net Asset Value, also described as Shareholders' Funds, is the value of total assets less all liabilities. The Net Asset Value, or NAV, per Ordinary Share is calculated by dividing this amount by the total number of Ordinary Shares in issue.

Glossary of Alternative Performance Measures

Benchmark Total Return is the return on the benchmark, on a closing market price basis, assuming that all dividends received were reinvested into the shares of the underlying companies at the time their shares were quoted ex dividend. Further information on the Company's benchmark, the Deutsche Numis Smaller Companies Index (excluding Investment Companies), can be found on page 24.

Discount is the amount by which the stockmarket price per Ordinary Share is lower than the Net Asset Value, or NAV, per Ordinary Share. The discount is normally expressed as a percentage of the NAV per Ordinary Share. The opposite of a discount is a premium.

Gearing represents the amount by which total investments exceed Shareholders' Funds, expressed as a percentage of Shareholders' Funds. If stockmarkets rise, gearing can increase the Company's returns, but, if they fall, losses will be greater. If the gearing percentage calculated is a negative percentage then total investments are less than Shareholders' Funds.

Net Asset Value Total Return represents the theoretical return on NAV per Ordinary Share, assuming that dividends paid to shareholders were reinvested at the NAV per Ordinary Share at the close of business on the day the shares were quoted ex dividend (see note 16 on page 60 for details of the calculation).

Ongoing Charges represent the total cost of investment management fees and other expenses of £10,822,000 (2024: £10,746,000), as disclosed in the Income Statement, as a percentage of the average published net asset value of £1,351,485,000 (2024: £1,380,735,000) over the period, and are calculated in accordance with the guidelines issued by the AIC.

Portfolio Turnover is calculated by summing the lesser of purchases and sales over a one year period divided by the average portfolio value for that period.

Share Price Total Return represents the theoretical return to a Shareholder, on a closing market price basis, assuming that all dividends received were reinvested, without transaction costs, into the Ordinary Shares of the Company at the close of business on the day the shares were quoted ex dividend. The share price as at 31 December 2025 was 1,574.00p (2024: 1,470.00p) and dividends, which went ex dividend during the year (see note 8 on page 58) were 50.30p (2024: 51.15p). The dividend reinvestment factor was 1.034957 (2024: 1.037541). The share price total return was therefore 10.8% (2024: 10.7%), being the percentage derived from the closing share price, adjusted by the dividend reinvestment factor, divided by the closing share price at the previous year end.

Other Glossary Terms

Active share ratio is calculated by summing the absolute differences between a portfolio's weight in a stock and an index's weight in a stock for all the stocks in the portfolio or index. The total is then divided by two to give a ratio between 0% and 100%. Active Share is addressed in "How Active Is Your Fund Manager?" (Antti Petajisto and Martijn Cremers, Yale School of Management, 2009).

Dividend Reinvestment Factor is used to calculate total return performance by including the effect of dividends from the Company. It is calculated on the assumption that dividends paid by the Company were reinvested into Ordinary Shares of the Company at the NAV per Ordinary Share or share price, as appropriate, on the day the Ordinary Shares were quoted ex dividend.

Leverage, for the purposes of the AIFM Directive, is any method that increases the Company's exposure to stockmarkets whether through borrowings, derivatives or any other means. It is expressed as a ratio of the Company's exposure to its NAV. In summary, the gross method measures the Company's exposure before applying hedging or netting arrangements. The commitment method allows certain hedging or netting arrangements to be offset. The Company has no hedging or netting arrangements.

Corporate Information

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Martin Warner

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