FIDELITY SPECIAL VALUES PLC

LEI: 549300XODK7D2K2KYV43

Final Results for the year ended 31 August 2026

Financial Highlights:

- During the year ended 31 August 2026, Fidelity Special Values PLC ("the Company") reported an ordinary share price total return of +27.8% and a net asset value (NAV) return of +23.4%.
- Over the same period, the Benchmark Index, the FTSE All-Share Index, returned +21.3%.
- The Board recommends a final dividend of 7.31 pence per share which together with the interim dividend payment of 3.49 pence per share (totalling 10.80 pence) represents an increase of 5.9% over the prior year.
- Strong stock selection in industrials, recruitment, and banking contributed positively.
- The Portfolio Managers see performance narrowing between large-cap companies and small and mid-cap companies.

Contacts

For further information, please contact:

Smita Amin
Company Secretary
01737 836347

CHAIR'S STATEMENT

This is my first full-year report to you as Chair of the Company, and I am very pleased to report another strong year of performance, with the investment approach continuing to deliver attractive returns for shareholders in what has remained a challenging and uncertain environment.

The UK economy has continued to face a number of headwinds, including geopolitical turmoil, changes in global trade policy, elevated commodity prices and uncertainty around the path of interest rates. Despite this somewhat volatile backdrop, it is encouraging to note that domestic outflows slowed, and the equity market performed strongly, while the Company has delivered a further year of positive absolute and relative performance.

For the year ended 31 August 2026, the Company's net asset value ("NAV") total return was 23.4%, while the share price total return was 27.8%, compared with a total return of 21.3% from the FTSE All-Share Index, the Company's Benchmark. This represents strong absolute performance and outperformance of the Benchmark, with the share price return also benefiting from the narrowing of the discount to NAV.

The outperformance of larger capitalisation companies over the mid-sized and smaller companies favoured in your portfolio has been a headwind to performance over the last few years – the FTSE 100 Index, a measure of the UK's largest companies, has performed as well as or better than the FTSE 250 Index of mid-sized companies in each of the last five calendar years – so it is encouraging to note that this trend has reversed in the last six months, with the FTSE 250 rising nearly 5% compared to the FTSE 100 falling by 0.8%. The Portfolio Manager's Review contains a wealth of detail on the contributors to performance as well as changes in the portfolio during the year, but in brief, it is gratifying to note that strong performance has been achieved across the spectrum of the portfolio, from large banks that benefit from a higher interest rate environment, to smaller staffing companies, whose adaptability has enabled them to thrive even in a relatively difficult job market.

The year just ended marks a fourth consecutive year in which both the Company's NAV and share price total returns have risen in absolute terms and outperformed the total return of the Benchmark. This is a feat that has now been achieved in seven of the past ten years. Alex Wright and Co-Portfolio Manager Jonathan Winton's contrarian investment style – identifying unloved companies where the turnaround potential has not been recognised by the market – and their focus on downside protection as well as upside potential, allows them to find attractive investment opportunities irrespective of underlying market conditions.

The Company's long record of success in achieving its objectives has led to recognition on a number of fronts, including being the highest-ranked UK equity fund in the Association of Investment Companies' ISA Millionaires list, reflecting the significant value that has been generated for long-term shareholders. The Company also won the Investment Week Investment Company of the Year Award in the UK All Companies category for the fourth consecutive year and Citywire's Best UK All Companies Investment Trust, the third time in five years that the Company has won this prestigious award. We would like to congratulate Alex and Jonathan, and all the team at Fidelity for their excellent record, testament to the enduring nature of the robust investment process.

DIVIDENDS

While the Company's investment objective is focused on long-term capital growth rather than income generation, dividends have historically formed an important part of the total shareholder return. The Board's policy is to pay dividends twice a year.

The Company's revenue return for the year ended 31 August 2026 was 12.05 pence per share (2025: 12.28 pence). An interim dividend of 3.49 pence per share (2025: 3.36 pence) was paid in June 2026 and the Board is recommending a final dividend of 7.31 pence per share (2025: 6.84 pence) for approval by shareholders at the Annual General Meeting on 19 January 2027. Together, the interim and final dividend total 10.80 pence, representing an increase of 5.9% over the 10.20 pence paid in 2025. The final dividend will be paid on 27 January 2027 to shareholders on the register at the close of business on 18 December 2026 (ex-dividend date 17 December 2026).

This will provide shareholders with their 17th consecutive year of dividend growth and we are proud to be high on the AIC's list of "next generation dividend heroes". Although dividends are not the primary objective of the investment strategy, the Board understands the value to shareholders of a regular dividend stream, and remains committed to maintaining a progressive dividend policy where supported by the Company's revenue generation and reserves. The Company's substantial revenue reserves provide additional flexibility to help smooth dividend payments through different market conditions should it be considered necessary.

GEARING

The Company ended the financial year with net gearing lower than at the beginning, falling from 5.4% on 31 August 2025 to 2.5% on 31 August 2026, although it had been higher in the intervening period (8.5% at the half-year end, 28 February 2026). This reduction largely reflected cash generated by corporate activity. As in the prior year, merger and acquisition activity remained a theme of the UK equity market, which has led to cash inflows in the portfolio as deals were agreed. Furthermore, the presence of some small index hedges at the year end (1.0% of net assets) had the effect of further reducing headline gearing.

The Board considers the ability to use gearing to be an important structural advantage of the investment trust model and believes that the existing gearing range of 0–25% remains appropriate in normal market conditions, providing the Portfolio Managers with flexibility while maintaining an appropriate level of financial discipline, and continuing to add value for shareholders over the longer-term, as has been the case historically.

DISCOUNT MANAGEMENT AND SHARE ISSUANCE

The discount environment for the investment trust sector is still challenging, with average discounts remaining in double figures. Against this backdrop it is encouraging to note that your Company's rating has continued to compare very favourably, remaining by some distance the narrowest in its AIC UK All Companies sector.

Following a sustained narrowing in the discount during the prior reporting year and the first half of the current period, the share price moved to a premium to NAV for the first time since April 2022, with a premium of 1.8% as at 28 February 2026. For the balance of the year the shares traded in a relatively tight range between a 1.5% premium and a 1.5% discount to NAV, ending the period at a premium of 0.3% on 31 August 2026. This improvement reflects the Company's strong investment performance, resulting in continued demand for its shares, and meant your Board was able to issue shares to meet that demand, just as we may repurchase shares in the market when excess supply sees the shares trading at a discount. In aggregate, during the year, 1,500,000 shares were issued (including 1,050,000 shares reissued from Treasury). No shares were repurchased.

While continued strong performance has undoubtedly helped to maintain demand for your Company's shares, the Board and Fidelity continue to work to broaden awareness of the Company and its differentiated investment approach among both institutional and retail investors. The Board would like to note our appreciation of Fidelity's ongoing efforts to raise the profile of the strategy, and in particular the time that both Alex and Jonathan take to promote the Company both in the media and at investor events. New marketing initiatives in the period under review have included a broader programme of investor engagement across media, events, and digital channels that aims to bring Fidelity's investment company capabilities to a wider audience.

At the Company's AGM on 19 January 2027, the Board will again seek to renew shareholders' authority to repurchase up to 14.99% of the issued share capital and to allot shares up to the equivalent of 10% of the share capital in order to help manage the discount or premium. As in previous years, we will seek to use these authorities when we believe that to do so will be effective and to the benefit of shareholders.

BOARD AND GOVERNANCE

As noted above, I became Chair of the Company following the AGM in December 2025, succeeding Dean Buckley, who had served on the Board for nearly ten years, the last three as Chair. My fellow Directors and I would like to thank Dean for his considerable contribution to the Company and for the strong foundations he leaves for the Board, and to wish him well in his future endeavours.

Following my appointment as Chair, Christopher Casey, a Director since January 2025, took on my roles as both Senior Independent Director and Chair of the Audit and Risk Committee, as part of our ongoing board succession planning. Chris brings extensive experience as a chartered accountant and non-executive director, including significant experience with investment companies.

We also welcomed Hamish Baillie to the Board at the beginning of 2026. Hamish brings further investment trust management and closed-end fund governance experience and strengthens the Board's collective knowledge in these areas.

Maintaining an effective Board with the appropriate balance of skills and experience remains a priority. With Directors' tenures ranging from one to seven years, succession remains well ordered and, as Chair, I will continue to focus on ensuring that the Board provides effective oversight, constructive challenge and appropriate support to the Portfolio Managers and Fidelity, while remaining focused on the long-term interests of shareholders.

OUTLOOK

Both the Company and the UK equity market have achieved strong returns amid a challenging backdrop during the year under review. The investment environment remains uncertain. The ongoing wars in the Middle East and Ukraine, geopolitical tensions, domestic political change, volatile commodity prices and concerns over the future path of inflation and interest rates will continue to influence markets. At the same time, the UK equity market continues to offer a broad opportunity set, particularly among mid and smaller-sized companies where research coverage can be less extensive and valuations can diverge significantly from underlying fundamentals.

The Company's investment approach does not require the UK equity market as a whole to be in demand. Instead, Alex and Jonathan seek to identify individual companies where they believe the market is overly focused on short-term concerns and is not fully recognising the potential for longer-term improvement.

The Board believes that the combination of Fidelity's extensive research resources, the Portfolio Managers' disciplined value and contrarian approach and the Company's closed-ended structure will continue to provide a durable foundation for navigating different market environments. The strong performance delivered over the past year, continued dividend growth and the opportunity to issue shares at a premium demonstrate the benefits that can be generated by a successful investment strategy and a well-functioning investment trust structure.

I would like to thank Alex, Jonathan and the wider Fidelity team for their commitment to the Company, and my fellow Directors for their support during my first year as Chair. Most importantly, I would like to thank our shareholders for their continued support and confidence in Fidelity Special Values.

Claire Boyle
Chair
17 November 2026

ANNUAL GENERAL MEETING – TUESDAY, 19 JANUARY 2027 AT 11.00 AM

The AGM of the Company will be held at 11.00 am on **Tuesday, 19 January 2027** at 4 Cannon Street, London EC4M 5AB (nearest tube stations are St Paul's or Mansion House) and virtually via the online Lumi AGM meeting platform. Full details of the meeting are given in the Notice of Meeting in the Annual Report

.

For those shareholders who are unable to attend in person, we will live-stream the formal business and presentations of the meeting online.

Alex Wright, the Portfolio Manager, will be making a presentation to shareholders discussing the performance of the past year and the prospects for the year to come. He and the Board will be very happy to answer any questions that shareholders may have. Following the AGM, copies of his presentation can be requested by email at **investmenttrusts@fil.com** or in writing to the Secretary at FIL Investments International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Properly registered shareholders joining the AGM virtually will be able to vote on the proposed resolutions. Please see Note 9 to the Notes to the Notice of Meeting in the Annual Report

for details on how to vote virtually. Investors viewing the AGM online will be able to submit live written questions to the Board and the Portfolio Manager and these will be addressed at an appropriate juncture during the meeting.

Further information and links to the Lumi platform can be found in Note 9 in the Notes to the Notice of Meeting in the Annual Report.

On the day of the AGM, in order to join electronically and ask questions via the Lumi platform, shareholders will need to connect to the website **https://meetings.lumiconnect.com/100-193-776-462**.

Please note that investors on platforms, such as Fidelity Personal Investing, Hargreaves Lansdown, Interactive Investor or AJ Bell Youinvest, will need to request attendance at the AGM in accordance with the policies of their chosen platform. They may request that you submit electronic votes in advance of the meeting. If you are unable to obtain a unique IVC and PIN from your nominee or platform, we will also welcome your online participation as a guest. Once you have accessed **https://meetings.lumiconnect.com/100-193-776-462** from your web browser on a tablet, smartphone or computer, you should then select the 'Guest Access' option before entering your name and who you are representing, if applicable. This will allow you to view the meeting and ask questions, but you will not be able to vote.

Further information on how to vote across the most common investment platforms is available at: **https://www.theaic.co.uk/how-to-vote-your-shares**

PORTFOLIO MANAGER'S REVIEW

QUESTION

How has the Company performed in the year to 31 August 2026, and what have been the key drivers of returns?

ANSWER

The Company delivered strong absolute and relative performance over the reporting year, with a net asset value and a share price total return of +23.4% and +27.8% respectively, compared to the Benchmark (FTSE All-Share Index) total return of +21.3%.

Overall, our holdings performed well against a dynamic market environment characterised by heightened geopolitical uncertainty, elevated commodity prices and higher-for-longer interest rates. Encouragingly, stock selection contributed strongly to returns, with both our mid and large-cap holdings adding meaningfully to performance. Continued momentum in takeover activity provided a further tailwind, reflecting sustained interest in UK equities.

From a sector perspective, industrials made the largest contribution, particularly stock picking in support services and construction and materials. Our technology allocation also added relative value, alongside stock selection in utilities. Conversely, our positioning in basic materials and holdings within housebuilding and media held back gains.

Within industrials, geotechnical engineering company Keller Group was the top contributor over the year, supported by a continued run of earnings upgrades. The business has become more streamlined and continues to benefit from strong demand linked to infrastructure projects and data centre activity in the US. Support services group DCC Energy was another notable contributor, with its share price rising sharply after the company received a takeover proposal from a US consortium comprising Energy Capital Partners and Kohlberg Kravis Roberts & Co (KKR).

Elsewhere, staffing companies staged a sharp recovery after navigating one of the weakest recruitment environments in decades. Holdings in SThree and Hays rebounded strongly following upbeat trading updates across the staffing industry. The market responded positively as companies reported gross profit ahead of consensus expectations, alongside signs of stabilisation across recruitment markets in the UK, Asia-Pacific and US. Encouragingly, the latter two markets are also where artificial intelligence ("AI") adoption is arguably most advanced, reinforcing our view that the industry's challenges are more cyclical in nature.

Banks were also among the strongest contributors, with holdings in Standard Chartered and AIB Group benefiting from the higher-for-longer interest rate environment. Continued momentum in Standard Chartered's wealth management business supported gains, with the business playing an increasingly important role in the bank's earnings mix and driving profitability growth. AIB's dominant market position, shareholder distributions and the robust Irish economic backdrop supported its shares.

Compared with the Benchmark, our underweight position in health care group AstraZeneca added relative value. Investor sentiment weakened following the failure of its late-stage Wainua Cardio-TTR Transform trial and speculation about a potential merger with US rival Bristol Myers Squibb. These concerns outweighed otherwise robust results. We continue to see strengths in the underlying business, including its diversified product portfolio and broad research pipeline, which provide multiple potential drivers of future growth. Reflecting our increased conviction, we added meaningfully to the position over the course of the year.

Retailer Halfords Group revealed strong results this year, with notable strength across all of cycling, autocentres and retail. Profit before tax was materially ahead of the company's guidance range. Halfords has benefited from a recovery in cycling and tyres, greater operating efficiency within its autocentres, and continued progress in its Fusion programme which integrates retail stores and garages into a single local motoring hub. This has made it easier to cross-sell products and services, improve customer convenience, and increase profitability per location.

Finally, avoiding expensive 'quality' companies contributed positively to relative performance. Concerns over AI disruption weighed on technology-related companies including RELX, Experian and London Stock Exchange Group, resulting in significant valuation de-ratings. Elsewhere, disappointing earnings developments contributed to weaker performance from Diageo, 3i Group and Unilever. Our lack of exposure here benefited the Company's performance compared to the Benchmark.

QUESTION

How has the portfolio evolved over the past year, and what changes best illustrate your current investment convictions?

ANSWER

We have actively recycled capital from areas of strong performance into unloved businesses where we see attractive turnaround potential. While the investment process is driven by bottom-up stock selection, we group the market into four super sectors – financials, resources, defensive and other GDP sensitive companies – to provide a broader view of portfolio positioning. Encouragingly, we continue to find ideas across all four areas and throughout the market-cap spectrum.

Financials: Our exposure to banks stands close to its highest levels during our tenure, although importantly this is diversified across a range of geographies and business models. Strengthening fundamentals and higher interest rates have created a more supportive earnings environment, while valuations remain discounted. Against this backdrop, we added to Lloyds Banking Group and AIB Group, while modestly trimming NatWest Group following strong performance. We also selectively added to alternative investment manager Man Group and wealth manager St James's Place.

Resources: We have consistently remained underweight in resources, primarily reflecting the large benchmark weights of energy and mining companies and our selective, contrarian investment approach. However, we continue to find stock-specific opportunities. We initiated a new position in oil major BP due to its attractive turnaround potential and greater conviction in its oil and gas strategy. Recent exploration success has strengthened its longer-term outlook, while higher energy prices and asset disposals should support its balance sheet.

Strong performance among mining companies also prompted us to take profits, reducing our gold mining positions and exiting two small-cap copper miners. We maintain a position in Glencore, the diversified mining and commodity marketing business. Unlike many other miners, where higher energy costs can weigh on profitability, Glencore's coal exposure provides a natural offset in an environment of higher gas prices, while its global commodity trading operation can benefit from periods of heightened market volatility.

Defensives: Several of our defensive holdings performed strongly over the period, leading to higher valuations and providing an opportunity to take profits and reduce exposure. We exited regulated grid operator National Grid, defence company Babcock International Group and telecommunications business Hellenic Telecom, while also reducing our positions in consumer goods company Reckitt Benckiser Group and British American Tobacco. At the same time, we recycled capital into new turnaround opportunities such as the global distributor of non-consumable products for the food services industry, Bunzl. Its defensive revenues, strong returns on capital and acquisition strategy have historically supported a premium valuation. However, problems within its North American foodservice division caused earnings to disappoint and the shares to de-rate materially. Our research suggested these problems were temporary rather than structural. Management has since reversed some of the changes and replaced the divisional leadership, while recent trading has shown improving organic growth. We also bought into water utilities, primarily through United Utilities, where a recent equity raise strengthened the balance sheet and improved the growth outlook.

Other GDP sensitives: These remain our largest overweight position relative to the Benchmark, although we have remained selective given the volatile economic backdrop. We added across real estate, recruitment, retail and industrial distribution, where depressed industry activity and company-specific catalysts are creating potential turnaround opportunities. Within real estate, we increased exposure to prime London offices through Derwent and student accommodation through Unite Group. Both trade at significant discounts to net asset value, benefit from rising rents and continue to deploy attractive capital allocation policies.

We also increased our staffing exposure after research and site visits suggested that the industry's challenges were predominantly cyclical rather than structural. These businesses have flexible, people-based cost structures and net-cash balance sheets, allowing them to adjust costs as recruitment activity falls. This provides downside protection and the flexibility to weather an extended period of depressed recruitment activity, while offering substantial upside should a recovery in hiring activity materialise.

We reduced our overall exposure to domestic housebuilders, including exiting Barratt Redrow, in response to higher expected build costs and weaker house-price inflation. We also sold kitchen supplier Howden Joinery Group, as its share price remained surprisingly resilient despite weakening fundamentals and a more demanding valuation relative to peers.

Strong execution from Rolls-Royce Holdings in civil aerospace led to a significant valuation re-rating, prompting us to close and recycle the position. We also sold airline Ryanair Holdings following strong performance as our investment thesis had largely played out. Elsewhere, we took profits in Keller Group and Glenveagh Properties following strong trading updates, while selling Genuit Group and Morgan Advanced Materials for stock-specific reasons.

QUESTION

UK equities continue to trade at a discount to many international markets and remain under-owned by global investors. Are you seeing early signs of a reappraisal of the asset class?

ANSWER

UK equities have enjoyed a strong run in recent years, helping to narrow the valuation gap with international markets. However, a meaningful discount remains, leaving valuations attractive relative to global markets.

Today's environment has also brought many of the UK market's strengths into sharper focus. Its meaningful exposure to energy and financials, alongside defensive sectors such as consumer staples, health care and utilities, has proved relatively resilient against the backdrop of geopolitical uncertainty, higher commodity prices and higher-for-longer interest rates.

Overseas investors have maintained their interest in UK equities, attracted by a market that looks very different from the US and global markets. Greater exposure to businesses backed by physical assets, combined with relatively limited exposure to technology and the AI build-out, offers a differentiated source of returns from the areas that have driven global markets in recent years.

There are encouraging signs elsewhere too. Takeover activity continues to highlight the value available in UK companies, while many businesses continue to take advantage of low valuations to buy back their own shares. Domestic investor flows also appear to be improving at the margin. While UK equity funds remain in net outflow, the direction of travel is becoming more encouraging, and global funds are signalling an increased appetite for allocating to the UK.

Importantly, we do not need the UK market as a whole to become more popular to deliver strong performance and for our investment approach to work. We focus on a diversified portfolio of individual turnaround stories where attractive valuations provide downside protection, and our research identifies the potential for positive change. With opportunities across the market-cap spectrum, we continue to see fertile ground for bottom-up, contrarian stock pickers.

QUESTION

Small and mid-cap companies have been a key area of conviction for the Company. How do you assess the outlook for this part of the market?

ANSWER

One of the key advantages of the investment company structure is that we can maintain meaningful exposure further down the market-cap spectrum. We have always held a structural bias towards smaller companies, which tend to be less well known to investors and receive less sell-side research coverage, creating greater scope for our active investment approach to uncover investment opportunities.

Much of the UK market's performance in recent years has come from large-cap companies, while mid and small-cap companies have faced a more challenging backdrop. Encouragingly, this gap has started to narrow, with market leadership broadening and mid and small-caps performing broadly in line with large-cap companies this year. Several of our smaller cyclical holdings have also started to benefit from company-specific developments, including in previously depressed areas such as industrials and recruitment. This highlights the stock-specific opportunities that can emerge even against a challenging economic backdrop.

We remain constructive on the long-term opportunity in small and mid-cap companies. Valuations look especially attractive among smaller companies after several challenging years, while lower sell-side research coverage provides fertile ground for our bottom-up approach. Fidelity's extensive analyst resources give us an important advantage in this less researched part of the market, helping us uncover businesses where the potential for positive change remains underappreciated. Importantly, we invest across the market-cap spectrum, allowing us to pursue the most compelling investment opportunities wherever we find them.

QUESTION

Corporate activity remains a prominent feature of the UK market. What is the likely impact of the current level of mergers and acquisitions (M&A) on the Company's portfolio?

ANSWER

Takeover activity has remained elevated and accelerated further during 2026, despite higher borrowing costs and periods of heightened uncertainty. We believe this sustained appetite for UK-listed companies shines a spotlight on the attractive valuations and overlooked opportunities across the domestic market. Overseas buyers have been particularly active, notably US corporates and private-equity firms.

The portfolio's performance has benefited directly, with several holdings receiving takeover approaches this year, including large positions in DCC Energy and Mitie Group. A takeover can accelerate the process of unlocking a company's underlying value, allowing us to realise returns earlier than expected and recycle capital into new contrarian ideas.

More broadly, takeover activity and shareholder activism have long played an important role in the UK market. Both can act as catalysts for change, encouraging management teams to improve operations, sharpen capital allocation or realise value from underappreciated assets. Importantly, we do not invest in anticipation of a takeover and are prepared to challenge an offer where we believe it fails to reflect a company's longer-term value. While we cannot assume today's elevated pace of M&A will persist, it provides an additional route through which the value in our holdings can be recognised and realised.

QUESTION

Artificial intelligence (AI) is creating both opportunities and challenges across equity markets. How is AI influencing your investment decisions and what implications does it have for valuations and stock selection within the portfolio?

ANSWER

AI is clearly a transformational technology and is reshaping industries and markets. Companies perceived to be vulnerable to disruption have sold off sharply, often before there is clear evidence of a structural impact on their businesses. We believe this growing uncertainty can create opportunities for value investors and plays to Fidelity's strengths in fundamental research.

Valuation discipline becomes even more important in an environment of heightened uncertainty. Companies trading on high multiples leave little room for disappointment. When investors assume a competitive advantage will persist far into the future, even the minor possibility of AI-driven disruption can trigger a significant de-rating. We have already seen this across several industries, but many of these businesses remain highly valued despite recent falls.

We take a different approach. Rather than trying to predict precisely how AI will reshape an industry a decade from now, we focus on a three-to-five-year investment horizon where we can assess a more realistic range of outcomes. We look for attractively valued businesses where we believe the market has overreacted to perceived AI threats, particularly where strong balance sheets provide downside protection. We also look for cheap, underappreciated beneficiaries of AI. For us, AI does not change the investment process; it reinforces the importance of valuation discipline, downside protection and fundamental research in identifying where the market may have got it wrong.

Overall, the portfolio benefits from a favourable upside/downside profile and our holdings trade at a meaningful discount to the broader UK market, despite having the potential for robust earnings growth, strong returns on capital and relatively low levels of debt. This quality profile reinforces our confidence in delivering attractive long-term returns for investors.

Alex Wright
Portfolio Manager
17 November 2026

PRINCIPAL RISKS AND UNCERTAINTIES AND RISK MANAGEMENT

As required by provisions 33 and 34 of the 2024 AIC Code of Corporate Governance ("AIC Code") (equivalent provisions 28 and 29 of the 2024 UK Code of Corporate Governance ("UK Code")), the Board has a robust ongoing process for identifying, evaluating and managing the principal risks and uncertainties faced by the Company, including those that could threaten its business model, future performance, solvency or liquidity. The Board will implement the new requirement under provision 34 of the AIC Code (equivalent provision 29 of the UK Code) applicable for reporting periods from 1 January 2026, of a Board declaration on the effectiveness of material risk management and internal controls in the Company's next reporting year.

The Board, with the assistance of the Alternative Investment Fund Manager (FIL Investment Services (UK) Limited/the "Manager"), has developed a risk matrix which, as part of the risk management and internal controls process, identifies the key existing and emerging risks and uncertainties that the Company faces.

The Board considers the risks listed below as the principal risks and uncertainties faced by the Company.

EMERGING RISKS

The Audit and Risk Committee continues to identify any new emerging risks and take any action necessary to mitigate their potential impact. The risks identified are placed on the Company's risk matrix and graded appropriately. This process, together with the policies and procedures for the mitigation of existing and emerging risks, is updated and reviewed regularly in the form of comprehensive reports by the Audit and Risk Committee. The Board determines the nature and extent of any risks it is willing to take in order to achieve the Company's strategic objectives.

The Board, together with the Manager, is monitoring the emerging risks posed by the rapid advancement of artificial intelligence ("AI") and technology and how it may threaten the Company's activities and its potential impact on the portfolio and investee companies. AI can provide asset managers powerful tools, such as enhancing data analysis risk management, trading strategies, operational efficiency and client servicing, all of which can lead to better investment outcomes and more efficient operations. However, with these advances in computing power that will impact society, there are risks from its increasing use and manipulation with the potential to harm, including a heightened threat to cybersecurity.

Globally, climate change (large scale shift in the planet's weather patterns and average temperatures) effects are already being experienced in the form of changing weather patterns. Extreme weather events can potentially impact the operations of investee and potential investee companies, their supply chains and their customers. Climate change continues to be an emerging risk. The Board notes that the Manager includes ESG considerations, including climate change, into the Company's investment process. The Board will continue to monitor how this may impact the Company as a risk to investment valuations and potentially affect shareholder returns.

Other emerging risks may continue to evolve from unforeseen geopolitical and economic events. There are currently a number of geopolitical factors that could mean greater stock market risks and heightened macroeconomic changes such as inflation, interest rates, elevated bond yields, currency fluctuations, energy costs and an increased regulatory environment.

EMERGING RISKS - MANAGER'S ROLE

The Manager also has responsibility for risk management for the Company. It works with the Board to identify and manage the principal and emerging risks and uncertainties and to ensure that the Board can continue to meet its UK corporate governance obligations.

ANNUAL Review of the Risk Register

The Company has a full risk register which the Board reviews at least annually.

PRINCIPAL RISKS

1. Economic, Political and Market Risks

Trend: Stable

Description and Impact

- The Company and its assets may be affected by economic and market risks. These include market downturns, interest rate movements, inflation and market events, such as the UK economic recovery. Inflation and economic instability continue to lead to a prolonged cost-of-living crisis and may potentially impact investors' risk appetite.
- The Company is exposed to several geopolitical risks. The global geopolitical landscape continues to change and is largely shaped by the ongoing effects of conflicts, tariff wars, deglobalisation trends and significant supply disruption. The Middle East and Russia are both significant net exporters of oil, natural gas and a variety of soft commodities with supply limitations fuelling global inflation and economic instability, specifically within Western nations. Energy price inflation continues to be a primary risk but has impacted countries to various degrees depending on their reliance on energy imports. The macroeconomic uncertainty continues to impact Western investment appetite.
- China's relationships with the US, Japan and Europe continue to generate bouts of volatility. A fragile truce with the US holds but the long-term trajectory remains one of strategic competition in technology, supply chains and security.

Mitigation

- The Company's portfolio is made up mainly of listed securities. The Portfolio Manager's success or failure to protect and increase the Company's value against the market, economic and political background is core to the Company's continued success. His investment philosophy of stock-picking and investing in attractively valued companies should outperform the Benchmark over time.
- The risk from the likely effects of unforeseen economic and market events is somewhat mitigated by the Company's investment trust structure which means no forced sales need to take place to deal with any redemptions. Therefore, investments can be held over a longer time horizon.
- The Board reviews market, economic and political risks and legislative changes at each Board meeting. The Portfolio Manager provides an investment review at each meeting which includes a review of the economic and political environment, and any risks and challenges faced by the Company.
- The Board regularly reviews the impact of gearing and derivatives and has comfort that the portfolio is sufficiently diversified by sector and number of holdings.
- Risks to which the Company is exposed to in the market and currency risk category are included in Note 17 to the Financial Statements below together with summaries of the policies for managing these risks. It is the Company's policy not to hedge the underlying currencies of the holdings in the portfolio but rather to take the currency risk into consideration when making investment decisions.

2. Cybercrime and Information Security

Trend: Increased

Description and Impact

- There is cybersecurity risk from the increased use of artificial intelligence ("AI") and cyberattacks or threats to the functioning of global markets and to the Manager's own business model, including its and the Company's outsourced suppliers.
- The external threat environment has intensified, driven by AI enhanced ransomware operators, identity-centric attacks, rapidly expanding supply chain compromise vectors and rising nation state activity.

Mitigation

- The risk is monitored by the Board with the help of the Manager's global cybersecurity team and their extensive Strategic Cyber and Information Security programme and assurances from outsourced suppliers.
- The Manager has established a comprehensive framework of information security policies and standards which provide a structured approach to identify, prevent, and respond to information security threats. The framework ensures consistency in Fidelity's security measures, enhances its ability to adapt to evolving and emerging threats, and ensures compliance with changing regulatory requirements.

- The Manager obtains assurance that the Company's other key service providers also have cybersecurity measures in place.
- Key performance indicators and metrics have been developed by the Manager to monitor the overall efficacy of cybersecurity processes and controls and to further enhance the Manager's cybersecurity strategy and operational resilience.

3. Competition Risks and Marketplace Threats Impacting Business Growth

Trend: Stable

Description and Impact

- There is increased merger and acquisition activity across the investment company marketplace and alternative investment offerings (including passive vehicles) which could influence the demand for the Company's shares.
- There is a risk of costly shareholder activism in the investment company sector, pursuing goals that may not be in the interests of most shareholders.

Mitigation

- The Board, the Company's Broker and the Manager closely monitor industry activity, the peer group and the share register.
- An annual review of strategy is undertaken by the Board to ensure that the Company continues to offer a relevant product to investors.

4. Changes in Legislation, Taxation or Regulation

Trend: Stable

Description and Impact

- Changes in legislation, taxation or regulation, or other external influence that require changes to the investment trust structure of the Company are a significant risk for the Company.
- A breach of Section 1158 of the Corporation Tax Act 2010 could lead to a loss of investment trust status resulting in the Company being subject to tax on capital gains.
- There have been concerns about investment cost disclosures and their impact on the industry.

Mitigation

- The Board and Manager closely monitor regulatory, taxation and legislative changes, with developments impacting the Company summarised in the form of regular reporting to the Board.
- The Manager monitors Section 1158 status to ensure any issues are escalated to the Board and addressed promptly.
- The Manager participates in industry discussions regarding regulatory changes impacting investment companies. Regulatory developments are monitored and managed by Fidelity through active lobbying and negotiations as well as a robust change management process.

5. Business Continuity and Crisis Management

Trend: Stable

Description and Impact

- There is business process disruption risk from the continued threats of cyberattacks, geopolitical events, outages, fire events and natural disasters, resulting in financial and/or reputational impact to the Company affecting the functioning of the business.
- In addition to the Manager, the Company relies on a number of third-party service providers, principally the Registrar, Custodian and Depositary who may be subject to business continuity and crisis management issues.

Mitigation

- Fidelity has Business Continuity and Crisis Management Frameworks in place to deal with business disruption and assure operational resilience.
- All third-party service providers are subject to a risk-based programme of risk oversight and internal audits by the Manager. Third-party service providers' internal controls reports are received on an annual basis and any concerns are investigated.

6. Operational Risks

Trend: Stable

Description and Impact

- There is risk of financial losses and/or reputational damage from inadequate or failed internal processes, people and systems or from external parties and events.

Mitigation

- Fidelity's Operational Risk Management Framework is designed to pro-actively prevent, identify and manage operational risks inherent in most activities.
- Fidelity uses robust systems and procedures dedicated to its operational processes. Its risk management structure is designed according to the FCA's three lines of defence model.

7. Key Person Risk and Operational Support Risks

Trend: Stable

Description and Impact

- The loss of the Portfolio Manager or other key individuals could lead to potential performance and/or operational issues.
- The Portfolio Manager, Alex Wright, has a differentiated style in relation to his peers. This style is intrinsically linked with the Company's investment philosophy and strategy and, therefore, the Company has a key person dependency on him.
- There is also a risk that the Manager has inadequate succession plans for other key operational individuals.

Mitigation

- The Company has a Co-Portfolio Manager, Jonathan Winton, who works alongside the Portfolio Manager, and has extensive experience in the same markets and companies and shares a common investment approach and complementary investment experience with the Portfolio Manager. The Portfolio Manager is also supported by an Investment Specialist and a team of Fidelity analysts which helps strengthen the investment process.
- The Manager identifies key dependencies which are then addressed through succession plans, particularly for portfolio managers.

8. Investment Performance Risk (including the use of Derivatives and Gearing)

Trend: Stable

Description and Impact

- The achievement of the Company's investment performance objective relative to the market requires the taking of risk, such as investment strategy, asset allocation and stock selection, and may lead to NAV and share price underperformance compared to the Benchmark and/or peer group companies.
- The Board relies on the Portfolio Manager's skills and judgement to make investment decisions based on research and analysis of individual stocks and sectors and there is a risk of volatility of performance in the short-term. Continued underperformance could lead to the Company and its objective becoming unattractive to investors.
- The Company gears using derivatives including CFDs which provide greater flexibility and are generally cheaper than bank loans. The principal risk is that the Portfolio Managers fail to use gearing effectively which then has an impact on investment performance.
- Derivative instruments are used to enhance investment returns, as well as for hedging and efficient portfolio management purposes. There is a risk that the use of derivatives may lead to higher volatility on the NAV/share price, than may otherwise be the case.

Mitigation

- The Portfolio Manager is responsible for actively monitoring the portfolio in accordance with the asset allocation parameters and seeks to ensure that individual stocks meet an acceptable risk/reward profile.
- The Board reviews Fidelity's compliance with agreed investment restrictions; investment performance and risk; relative performance; the portfolio's risk profile; and whether appropriate strategies are employed to mitigate any negative impact of substantial changes in the markets. The Board and the Company's Broker also regularly canvass major shareholders for their views with respect to company matters.
- The Investment Policy sets the gearing limits within which the Manager must operate. The Board regularly considers the level of gearing and gearing risk.
- The Board has put in place policies and limits to control the Company's use of derivatives and exposures. These are monitored daily by Fidelity's Compliance team and regular reports are provided to the Board. Further detail on derivative instruments risk is included in Note 17 to the Financial Statements below.

9. Discount Control Risk

Trend: Decreased

Description and Impact

- There is a risk that share price performance lags NAV performance and shareholders would be unable to realise the true underlying value of their investment.
- The price of the Company's shares and its discount to NAV are factors which are not completely within the Company's control. The Board has a discount management policy and some short-term influence over the discount may be exercised by carrying out share repurchases at acceptable prices and within the parameters set by the Board.
- In considering the risk that the discount to NAV poses to shareholder value and returns, both the absolute level of the discount and the amount relative to the Company's peer group and the wider market are considered.

Mitigation

- The Board reviews the investment strategy, investment performance and the marketing approach, given the influence of all these factors on the discount.
- The Company's share price, NAV and discount volatility are monitored daily by the Manager and the Company's Broker and considered by the Board on a regular basis. The demand for shares can be influenced through good performance and an active investor relations programme.
- The Board regularly reviews the Company's share register and the Chair meets with large shareholders.
- Discretionary repurchases of ordinary shares are made within guidelines set by the Board, and considering prevailing market conditions.

CONTINUATION VOTE

A continuation vote takes place every three years. There is a risk that shareholders do not vote in favour of continuation during periods when performance of the Company's NAV and share price is poor. The last continuation vote was at the AGM held on 11 December 2025, and 97.12% of shareholders voted in favour of the continuation of the Company. The next continuation vote will take place at the AGM in January 2029.

GOING CONCERN STATEMENT

The Directors have considered the Company's investment objective, risk management policies, liquidity risk, credit risk, capital management policies and procedures, the nature of its portfolio and its expenditure and cash flow projections. The Directors, having considered the liquidity of the Company's portfolio of investments (being mainly securities which are readily realisable) and the projected income and expenditure, are satisfied that the Company is financially sound and has adequate resources to meet all of its liabilities and ongoing expenses and continue in operational existence for the foreseeable future. The Board has, therefore, concluded that the Company has adequate resources to continue to adopt the going concern basis for the period to 30 November 2027 which is at least twelve months from the date of approval of the Financial Statements. This conclusion also takes into account the Board's assessment of the ongoing risks from significant global geopolitical and market events and regulatory changes that could impact the Company's performance, prospects and operations.

Accordingly, the Financial Statements of the Company have been prepared on a going concern basis.

The prospects of the Company over a period longer than twelve months can be found in the Viability Statement below.

VIABILITY STATEMENT

In accordance with provision 36 of the 2024 AIC Code (equivalent provision 34 of the 2024 UK Code), the Directors have assessed the prospects of the Company over a longer period than the twelve month period required by the "Going Concern" basis. The Company is an investment trust with the objective of achieving long-term capital growth. The Board considers that five years is an appropriate investment horizon to assess the viability of the Company, although the life of the Company is not intended to be limited to this or any other period.

In making an assessment of the viability of the Company, the Board has considered the following:

- The ongoing relevance of the investment objective in prevailing market conditions;
- The Company's level of gearing;
- The Company's NAV and share price performance compared to its Benchmark;
- The principal and emerging risks and uncertainties facing the Company and their potential impact, as set out above;
- The likely future demand for the Company's shares;
- The Company's share price discount to the NAV and the Board's discount management policy;
- The liquidity of the Company's portfolio;
- The level of income generated by the Company; and
- Future income and expenditure forecasts.

The Company's performance for the five year reporting period to 31 August 2026 was a NAV total return of +77.2% and a share price total return of +76.7% compared to the Benchmark total return of +69.8%.

The Board regularly reviews the investment policy to consider whether it remains appropriate.

The Board has concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five years based on the following considerations:

- The Investment Manager's compliance with the Company's investment objective and policy, its investment strategy and asset allocation;
- The Company's portfolio mainly comprises of readily realisable securities which can be sold to meet funding requirements if necessary;
- The Board's discount management policy; and
- The ongoing processes for monitoring operating costs and income which are considered to be reasonable in comparison to the Company's total assets.

In preparing the Financial Statements, the Directors have considered the potential emerging risks from the use of artificial intelligence and the continued impact of climate change as detailed above. The Board has also considered the impact of regulatory changes, unforeseen market events, geopolitical issues and the ongoing global implications of the wars in Ukraine and the Middle East and how this may affect the Company.

In addition, the Directors' assessment of the Company's ability to operate in the foreseeable future is included in the Going Concern Statement which is above.

PROMOTING THE SUCCESS OF THE COMPANY

Under Section 172(1) of the Companies Act 2006, the Directors of a company must act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the likely consequences of any decision in the long-term; the need to foster relationships with the Company's suppliers, customers and others; the impact of the Company's operations on the community and the environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the company.

As an externally managed investment company, the Company has no employees or physical assets, and a number of its functions are outsourced to third parties. The key outsourced function is the provision of investment management services by the Manager, but other professional service providers support the Company by providing administration, custodial, banking, accounting and audit services. The Board considers the Company's key stakeholders to be the existing and potential shareholders, the external appointed Manager (FIL Investment Services (UK) Limited) and other third-party professional service providers. The Board considers that the interest of these stakeholders is aligned with the Company's objective of delivering long-term capital growth to investors, in line with the Company's stated objective and strategy, while providing the highest standards of legal, regulatory and commercial conduct.

The Board, with the Portfolio Manager, sets the overall investment strategy and reviews this at an annual strategy day which is separate from the regular cycle of board meetings. In order to ensure good governance of the Company, the Board has set various limits on the investments in the portfolio, whether in the maximum size of individual holdings, the use of derivatives, the level of gearing and others. These limits and guidelines are regularly monitored and reviewed and are set out in the Annual Report.

The Board receives regular reports from the Company's Broker which covers market activity, how the Company compares with its peers in its sector on performance, discount and share repurchase activity, an analysis of the Company's share register and market trends.

The Board places great importance on communication with shareholders. The Annual General Meeting ("AGM") provides the key forum for the Board and the Portfolio Manager to present to the shareholders on the Company's performance and future plans and the Board encourages all shareholders to attend in person or virtually and raise any questions or concerns. The Chair and other Board members are available to meet shareholders as appropriate. Shareholders may also communicate with Board members at any time by writing to them at the Company's registered office at FIL Investments International, Beech Gate, Millfield Lane, Tadworth, Surrey KT20 6RP or via the Company Secretary in writing at the same address or by email at **investmenttrusts@fil.com**.

The Portfolio Manager meets with major shareholders, potential investors, stock market analysts, journalists and other commentators throughout the year. These communication opportunities help inform the Board in considering how best to promote the success of the company over the long-term.

The Board seeks to engage with the Manager and other service providers and advisers in a constructive and collaborative way, promoting a culture of strong governance, while encouraging open and constructive debate, in order to ensure appropriate and regular challenge and evaluation. This aims to enhance service levels and strengthen relationships with service providers, with a view to ensuring shareholders' interests are best served, by maintaining the highest standards of commercial conduct while keeping cost levels competitive.

Whilst the Company's direct operations are limited, the Board recognises the importance of considering the impact of the Company's investment strategy on the wider community and environment and considers the Manager's ESG approach.

In addition to ensuring that the Company's investment objective was being pursued, key decisions and actions taken by the Directors during the reporting year, and up to the date of approval of this report, have included:

- As part of the Board's succession plan, the appointment of Claire Boyle as Chair of the Board to replace Dean Buckley from 11 December 2025 and for Christopher Casey to replace her as Chair of the Audit and Risk Committee and as Senior Independent Director on the same date;
- As part of the Board's succession plan, appointing Hamish Baillie as a Non-Executive Director with effect from 1 January 2026;
- The decision to pay an interim dividend of 3.49 pence per share and to propose the payment of a final dividend of 7.31 pence per share (a total of 10.80 pence per share). This maintains the Company's 17 year track record of increasing dividends, while retaining funds for reinvestment, consistent with the objective of long-term capital growth;
- Following a regular review of the Company's Financial Adviser and Stockbroker, the Board carried out a tender process and appointed Panmure Liberum in July 2026;
- Authorising the issue of 1,500,000 ordinary shares in total from Treasury and the Company's blocklisting up to the latest practicable date of this Annual Report;
- Following an audit tender process, appointing PricewaterhouseCoopers LLP as the Company's Independent Auditors for the financial year ended 31 August 2026;
- Carrying out an externally facilitated Board evaluation;
- Meetings by the Chair with some of the Company's key shareholders during the reporting year; and
- The decision to once again hold a hybrid AGM in January 2027 so as to make it more accessible to those investors who are unable or prefer not to attend in person.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial period. Under that law, the Directors have elected to prepare the Financial Statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including Financial Reporting Standard FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). 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 return of the Company for the reporting period.

In preparing these Financial Statements the Directors are required to:

- Select suitable accounting policies in accordance with Section 10 of FRS 102 and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Present information, including accounting policies, in a fair and balanced manner that provides relevant, reliable, comparable and understandable information;
- State whether applicable UK Accounting Standards, including FRS 102, 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 that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Company and 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.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, a Directors' Report, a Corporate Governance Statement and a Directors' Remuneration Report which comply with that law and those regulations.

The Directors have delegated the responsibility for the maintenance and integrity of the corporate and financial information included on the Company's pages of the Manager's website at **www.fidelity.co.uk/specialvalues** to the Manager. Visitors to the website need to be aware that legislation in the UK governing the preparation and dissemination of the Financial Statements may differ from legislation in their jurisdictions.

The Directors confirm that to the best of their knowledge:

- The Financial Statements, prepared in accordance with UK Generally Accepted Accounting Practice, including FRS 102, give a true and fair view of the assets, liabilities, financial position and return of the Company;

- The Annual 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 it faces; and

- The Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Statement of Directors' Responsibility was approved by the Board on 17 November 2026 and signed on its behalf by:

Claire Boyle
Chair

INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2026

		Year ended 31 August 2026			Year ended 31 August 2025		
		Revenue	**Capital**	**Total**	Revenue	Capital	Total
	Notes	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000
Gains on investments	10	**–**	**220,218**	**220,218**	–	117,016	117,016
Gains on derivative instruments	11	**–**	**33,719**	**33,719**	–	2,195	2,195
Investment and derivative income	3	**50,456**	**–**	**50,456**	51,646	–	51,646
Other interest	3	**3,623**	**–**	**3,623**	2,375	–	2,375
Investment management fees	4	**(8,225)**	**–**	**(8,225)**	(6,857)	–	(6,857)
Other expenses	5	**(1,101)**	**–**	**(1,101)**	(944)	–	(944)

Foreign exchange losses		**–**	**(887)**	**(887)**	–	(546)	(546)
Net return on ordinary activities before finance costs and taxation		**44,753**	**253,050**	**297,803**	46,220	118,665	164,885
Finance costs	6	**(5,590)**	**–**	**(5,590)**	(6,225)	–	(6,225)
Net return on ordinary activities before taxation		**39,163**	**253,050**	**292,213**	39,995	118,665	158,660
Taxation on return on ordinary activities	7	**(160)**	**–**	**(160)**	(272)	–	(272)
Net return on ordinary activities after taxation for the year		**39,003**	**253,050**	**292,053**	39,723	118,665	158,388
Basic and diluted return per ordinary share	8	**12.05p**	**78.15p**	**90.20p**	12.28p	36.67p	48.95p

The Company does not have any other comprehensive income. Accordingly, the net return on ordinary activities after taxation for the year is also the total comprehensive income for the year and no separate Statement of Comprehensive Income has been presented.

The total column of this statement represents the Income Statement of the Company. The revenue and capital columns are supplementary and presented for information purposes as recommended by the Statement of Recommended Practice issued by the AIC.

No operations were acquired or discontinued in the year and all items in the above statement derive from continuing operations.

BALANCE SHEET AS AT 31 AUGUST 2026

Company number 2972628

	Notes	**2026 £'000**	2025 £'000
Fixed assets			
Investments	10	**1,416,601**	1,164,423
Current assets			
Derivative instruments	11	**6,406**	1,213
Debtors	12	**10,807**	10,672
Amounts held at futures clearing houses and brokers		**8,018**	1,300
Cash and cash equivalents		**103,712**	94,109
		128,943	107,294
Current liabilities			
Derivative instruments	11	**(5,321)**	(3,530)
Other creditors	13	**(7,612)**	(999)
		(12,933)	(4,529)

		=========	=========
Net current assets		**116,010**	102,765
		=========	=========
Total assets less current liabilities		**1,532,611**	1,267,188
		=========	=========
Capital and reserves			
Share capital	14	**16,227**	16,205
Share premium account	15	**241,737**	238,442
Capital redemption reserve	15	**3,256**	3,256
Other non-distributable reserve	15	**5,152**	5,152
Capital reserve	15	**1,206,295**	949,776
Revenue reserve	15	**59,944**	54,357
		---	---
Total shareholders' funds		**1,532,611**	1,267,188
		=========	=========
Net asset value per ordinary share	16	**472.23p**	392.26p
		=========	=========

The Financial Statements above and below were approved by the Board of Directors on 17 November 2026 and were signed on its behalf by:

Claire Boyle
Chair

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2026

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other non-distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total share-holders' funds £'000
Total shareholders' funds at 1 September 2025		**16,205**	**238,442**	**3,256**	**5,152**	**949,776**	**54,357**	**1,267,188**
Net return on ordinary activities after taxation for the year		**–**	**–**	**–**	**–**	**253,050**	**39,003**	**292,053**
New ordinary shares issued		**22**	**2,059**	**–**	**–**	**–**	**–**	**2,081**
Issue of ordinary shares from Treasury	14	**–**	**1,236**	**–**	**–**	**3,469**	**–**	**4,705**
Dividends paid to shareholders	9	**–**	**–**	**–**	**–**	**–**	**(33,416)**	**(33,416)**
Total shareholders' funds at 31 August 2026		**16,227**	**241,737**	**3,256**	**5,152**	**1,206,295**	**59,944**	**1,532,611**

Total shareholders' funds at 1 September 2024		**16,205**	**238,442**	**3,256**	**5,152**	**834,580**	**45,906**	**1,143,541**
Net return on ordinary activities after taxation for the year		**–**	**–**	**–**	**–**	**118,665**	**39,723**	**158,388**
Repurchase of ordinary shares	14	**–**	**–**	**–**	**–**	**(3,469)**	**–**	**(3,469)**
Dividends paid to shareholders	9	**–**	**–**	**–**	**–**	**–**	**(31,272)**	**(31,272)**
Total shareholders' funds at 31 August 2025		**16,205**	**238,442**	**3,256**	**5,152**	**949,776**	**54,357**	**1,267,188**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2026

	Notes	**Year ended 31 August 2026 £'000**	Year ended 31 August 2025 £'000
Operating activities			
Investment income received		**42,641**	42,920
Net derivative income received		**7,526**	5,969
Interest received		**3,619**	2,352
Investment management fee paid		**(8,133)**	(6,820)
Directors' fees paid		**(203)**	(181)
Other cash payments		**(861)**	(801)
Net cash inflow from operating activities before finance costs and taxation	20	**44,589**	43,439
Finance costs paid		**(5,545)**	(6,228)
Overseas taxation suffered		**(603)**	(223)
Net cash inflow from operating activities		**38,441**	36,988
Investing activities			
Purchases of investments		**(511,537)**	(352,069)
Sales of investments		**486,101**	425,818
Receipts on long CFDs		**87,952**	70,434
Payments on long CFDs		**(49,112)**	(61,062)
Receipts on short CFDs		**–**	460
Payments on short CFDs		**–**	(1,622)
Payments on futures		**(5,664)**	–
Purchase of options		**(2,343)**	–

Movement on amounts held at futures clearing houses and brokers		**(6,718)**	(1,300)
Net cash (outflow)/inflow from investing activities		**(1,321)**	80,659
Net cash inflow before financing activities		**37,120**	117,647
Financing activities			
Dividends paid	9	**(33,416)**	(31,272)
Repurchase of ordinary shares	14	**–**	(3,469)
Net proceeds from issue of ordinary shares		**6,786**	–
Net cash outflow from financing activities		**(26,630)**	(34,741)
Net increase in cash and cash equivalents		**10,490**	82,906
Cash and cash equivalents at the beginning of the year		**94,109**	11,749
Effect of movement in foreign exchange		**(887)**	(546)
Cash and cash equivalents at the end of the year		**103,712**	94,109
Represented by:			
Cash at bank		**2,093**	1,937
Amount held in Fidelity Institutional Liquidity Fund		**101,619**	92,172
		103,712	94,109

NOTES TO THE FINANCIAL STATEMENTS

1 PRINCIPAL ACTIVITY

Fidelity Special Values PLC is an Investment Company incorporated in England and Wales that is listed on the London Stock Exchange. The Company's registration number is 2972628, and its registered office is Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP. The Company has been approved by HM Revenue & Customs as an Investment Trust under Section 1158 of the Corporation Tax Act 2010 and intends to conduct its affairs so as to continue to be approved.

2 ACCOUNTING POLICIES

The Company has prepared its Financial Statements in accordance with UK Generally Accepted Accounting Practice ("UK GAAP"), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", issued by the Financial Reporting Council ("FRC"). The Financial Statements have also been prepared in accordance with the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("SORP") issued by the Association of Investment Companies ("AIC"), in December 2025.

a) Basis of accounting – The Financial Statements have been prepared on a going concern basis and under the historical cost convention, except for the measurement at fair value of investments and derivative instruments. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence up to 30 November 2027 which is at least twelve months from the date of approval of these Financial Statements. In making their assessment the Directors have reviewed income and expense projections, reviewed the liquidity of the investment portfolio and considered the Company's ability to meet liabilities as they fall due. This conclusion also takes into account the Director's assessment of the risks faced by the Company as detailed in the Going Concern Statement above.

In preparing these Financial Statements the Directors have considered the impact of climate change risk as an emerging risk as set out above, and have concluded that there was no further impact of climate change to be taken into account as the investments are valued based on market pricing. In line with FRS 102, investments are valued at fair value, which for the Company are quoted bid prices for investments in active markets at the Balance Sheet date. Investments which are unlisted are priced using market-based valuation approaches. All investments therefore reflect the market participants view of climate change risk on the investments held by the Company.

The Company's Going Concern Statement above takes account of all events and conditions up to 30 November 2026, which is at least twelve months from the date of approval of these Financial Statements.

b) Significant accounting estimates and judgements – The Directors make judgements and estimates concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, such as expectations of future events, and are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The judgements required in order to determine the appropriate valuation methodology of level 3 financial instruments have a risk of causing an adjustment to the carrying amounts of assets. These judgements include making assessments of the possible valuations in the event of a listing or other marketability related risks.

c) Segmental reporting – The Company is engaged in a single segment business and, therefore, no segmental reporting is provided.

d) Presentation of the Income Statement – In order to reflect better the activities of an investment company and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been prepared alongside the Income Statement. The net revenue return after taxation for the year is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 1159 of the Corporation Tax Act 2010.

e) Income – Income from equity investments is accounted for on the date on which the right to receive the payment is established, normally the ex-dividend date. Overseas dividends are accounted for gross of any tax deducted at source. Amounts are credited to the revenue column of the Income Statement. Where the Company has elected to receive its dividends in the form of additional shares rather than cash, the amount of the cash dividend foregone is recognised in the revenue column of the Income Statement. Any excess in the value of the shares received over the amount of the cash dividend is recognised in the capital column of the Income Statement. Special dividends are treated as a revenue receipt or a capital receipt depending on the facts and circumstances of each particular case. Interest on securities is accounted for on an accruals basis and is credited to the revenue column of the Income Statement.

Derivative instrument income received from dividends on long contracts for difference ("CFDs") is accounted for on the date on which the right to receive the payment is established, normally the ex-dividend date. The amount net of tax is credited to the revenue column of the Income Statement.

Interest received on CFDs, bank deposits, collateral and money market funds is accounted for on an accruals basis and credited to the revenue column of the Income Statement. Interest received on CFDs represents the finance costs calculated by reference to the notional value of the CFDs.

f) Investment management fees and other expenses – Investment management fees and other expenses are accounted for on an accruals basis and are charged as follows:

- Investment management fees are allocated in full to revenue; and
- All other expenses are allocated in full to revenue with the exception of those directly attributable to share issues or other capital events.

g) Functional currency and foreign exchange – The functional and reporting currency of the Company is UK sterling, which is the currency of the primary economic environment in which the Company operates. Transactions denominated in foreign currencies are reported in UK sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Foreign exchange gains and losses arising on translation are recognised in the Income Statement as a revenue or a capital item depending on the nature of the underlying item to which they relate.

h) Finance costs – Finance costs comprise interest on bank overdrafts and finance costs paid on CFDs, which are accounted for on an accruals basis. Finance costs are charged in full to the revenue column of the Income Statement.

i) Taxation – The taxation charge represents the sum of current taxation and deferred taxation.

Current taxation is taxation suffered at source on overseas income less amounts recoverable under taxation treaties. Taxation is charged or credited to the revenue column of the Income Statement, except where it relates to items of a capital nature, in which case it is charged or credited to the capital column of the Income Statement. Where expenses are allocated between revenue and capital any tax relief in respect of the expenses is allocated between revenue and capital returns on the marginal basis using the Company's effective rate of corporation tax for the accounting period. The Company is an approved Investment Trust under Section 1158 of the Corporation Tax Act 2010 and is not liable for UK taxation on capital gains.

Deferred taxation is the taxation expected to be payable or recoverable on timing differences between the treatment of certain items for accounting purposes and their treatment for the purposes of computing taxable profits. Deferred taxation is based on tax rates that have been enacted or substantively enacted when the taxation is expected to be payable or recoverable. Deferred tax assets are only recognised if it is considered more likely than not that there will be sufficient future taxable profits to utilise them.

j) Dividend paid – Dividends payable to equity Shareholders are recognised when the Company's obligation to make payment is established.

k) Investments – The Company's business is investing in financial instruments with a view to profiting from their total return in the form of income and capital growth. This portfolio of investments is managed and its performance evaluated on a fair value basis, in accordance with a documented investment strategy, and information about the portfolio is provided on that basis to the Company's Board of Directors. Investments are measured at fair value with changes in fair value recognised in profit or loss, in accordance with the provisions of both Section 11 and Section 12 of FRS 102. The fair value of investments is initially taken to be their cost and is subsequently measured as follows:

- Listed investments are valued at bid prices, or last market prices, depending on the convention of the exchange on which they are listed; and

- Unlisted investments are not quoted, or are not frequently traded, and are stated at the best estimate of fair value. The Manager's Fair Value Committee ("FVC"), which is independent of the Portfolio Manager's team, meets quarterly to determine the fair value of unlisted investments.

The FVC provides a recommendation of fair values to the Board using market-based approaches such as multiples, industry valuation benchmarks and available market prices. Consideration is given to the cost of the investment, recent arm's length transactions in the same or similar investments and the financial performance of the investment since purchase. This pricing methodology is subject to a detailed review and appropriate challenge by the Directors.

In accordance with the AIC SORP, the Company includes transaction costs, incidental to the purchase or sale of investments, within gains on investments in the capital column of the Income Statement and has disclosed these costs in Note 10 below.

l) Derivative instruments – When appropriate, permitted transactions in derivative instruments are used. Derivative transactions into which the Company may enter include long and short CFDs, futures, options and warrants. Derivatives are classified as other financial instruments and are initially accounted for and measured at fair value on the date the derivative contract is entered into and subsequently measured at fair value as follows:

- Long and short CFDs – the difference between the strike price and the value of the underlying shares in the contract;

- Futures – the difference between the contract price and the quoted trade price; and
- Options – value based on similar instruments or the quoted trade price for the contract.

Where transactions are used to protect or enhance income, if the circumstances support this, the income and expenses derived are included in net income in the revenue column of the Income Statement. Where such transactions are used to protect or enhance capital, if the circumstances support this, the gains and losses derived are included in gains/(losses) on derivative instruments in the capital column of the Income Statement. Any positions on such transactions open at the year end are reflected on the Balance Sheet at their fair value within current assets or current liabilities.

m) Debtors – Debtors include securities sold for future settlement, amounts receivable on settlement of derivatives, accrued income, taxation recoverable and other debtors and prepayments incurred in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer) they are classified as current assets. If not, they are presented as non-current assets. They are recognised initially at fair value and, where applicable, subsequently measured at amortised cost using the effective interest rate method.

n) Amounts held at futures clearing houses and brokers – These are amounts held in segregated accounts as collateral on behalf of brokers and are carried at amortised cost.

o) Cash and cash equivalents – Cash and cash equivalents may comprise cash at bank and money market funds which are short-term, highly liquid and are readily convertible to a known amount of cash. These are subject to an insignificant risk of changes in value.

p) Other creditors – Other creditors include securities purchased for future settlement, finance costs payable, investment management fees and other creditors and expenses accrued in the ordinary course of business. If payment is due within one year or less (or in the normal operating cycle of the business, if longer) they are classified as current liabilities. If not, they are presented as non-current liabilities. They are recognised initially at fair value and, where applicable, subsequently measured at amortised cost using the effective interest rate method.

q) Capital reserve – The following are accounted for in the capital reserve:

- Gains and losses on the disposal of investments and derivative instruments;
- Changes in the fair value of investments and derivative instruments held at the year end;
- Foreign exchange gains and losses of a capital nature;
- Dividends receivable which are capital in nature; and
- Costs of repurchasing or issuing ordinary shares.

Technical guidance issued by the Institute of Chartered Accountants in England and Wales in TECH 02/17BL, guidance on the determination of realised profits and losses in the context of distributions under the Companies Act 2006, states that changes in the fair value of investments which are readily convertible to cash, without accepting adverse terms at the Balance Sheet date, can be treated as realised. Capital reserves realised and unrealised are shown in aggregate as capital reserve in the Statement of Changes in Equity and the Balance Sheet. At the Balance Sheet date, the portfolio of the Company consisted of investments listed on a recognised stock exchange and derivative instruments contracted with counterparties having an adequate credit rating, and the portfolio was considered to be readily convertible to cash, with the exception of the level 3 investments which had unrealised investment holding losses of £1,858,000 (2025: losses of £26,458,000).

3 INCOME

Year ended 31 August 2026 £'000	Year ended 31 August 2025 £'000

Investment income		
UK dividends	**31,682**	33,971
UK property income distributions	**2,530**	1,522
UK scrip dividends	**264**	512
Interest on securities	**357**	1,512
Overseas dividends	**7,942**	7,562
	42,775	45,079
Derivative income		
Dividends received on long CFDs	**7,681**	6,567
Investment and derivative income	**50,456**	51,646
Other interest		
Interest received on bank deposits, collateral and money market funds	**3,619**	2,352
Interest received on CFDs	**4**	23
	3,623	2,375
Total income	**54,079**	54,021

Special dividends of £1,133,000 (2025: £2,947,000) have been recognised in capital during the year.

4 INVESTMENT MANAGEMENT FEES

	Year ended 31 August 2026 £'000	Year ended 31 August 2025 £'000
Investment management fees	**8,225**	6,857

FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management to FIL Investments International ("FII"). Both companies are Fidelity group companies.

FII charges investment management fees at an annual rate of 0.60% of net assets. Fees are accrued on a daily basis and payable monthly.

5 OTHER EXPENSES

	Year ended 31 August 2026	Year ended 31 August 2025

	£'000	£'000
AIC fees	**28**	24
Custody fees	**26**	28
Depositary fees	**47**	59
Directors' expenses	**20**	18
Directors' fees[1]	**227**	182
Legal and professional fees	**112**	93
Marketing expenses	**274**	230
Printing and publication expenses	**210**	147
Registrars' fees	**83**	80
Fees payable to the Company's Independent Auditors for the audit of the Financial Statements[2]	**51**	59
Sundry other expenses	**23**	24
Other Expenses	**1,101**	944

1 Details of the breakdown of Directors' fees are disclosed in the Directors' Remuneration Report in the Annual Report. Costs relating to the Directors' national insurance and levies are included. In the prior year these costs were included in Other expenses.

2 Included in the prior year's audit fee is £3,750 for audit work performed in relation to the transition of Fidelity's reporting functions to JP Morgan. This amount was paid by Fidelity.

6 FINANCE COSTS

	Year ended 31 August 2026 £'000	Year ended 31 August 2025 £'000
Interest paid on CFDs	**5,543**	6,122
Interest paid on bank overdrafts	**47**	103
	5,590	6,225

7 TAXATION ON RETURN ON ORDINARY ACTIVITIES

	Year ended 31 August 2026 £'000	Year ended 31 August 2025 £'000
a) Analysis of the taxation charge for the year		
Overseas taxation	**160**	272
Taxation charge for the year (see Note 7b)	**160**	272

b) Factors affecting the taxation charge for the year

The taxation charge for the year is lower than the standard rate of UK corporation tax for an investment trust company of 25% (2025: 25%). A reconciliation of the standard rate of UK corporation tax to the taxation charge for the year is shown below:

	Year ended 31 August 2026 £'000	Year ended 31 August 2025 £'000
Net return on ordinary activities before taxation	**292,213**	158,660
Net return on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 25% (2025: 25%)	**73,053**	39,665
Effects of:		
Capital gains not taxable[1]	**(63,262)**	(29,666)
Income not taxable	**(9,972)**	(10,558)
Prior period adjustment	**46**	–
Excess management expenses	**135**	559
Overseas taxation	**160**	272
Total taxation charge for the year (see Note 7a)	**160**	272

1 The Company is exempt from UK corporation tax on capital gains as it meets the HM Revenue & Customs criteria for an investment company set out in Section 1159 of the Corporation Tax Act 2010.

c) Deferred taxation

A deferred tax asset of £18,820,000 (2025: £18,685,000), in respect of excess expenses of £75,280,000 (2025: £74,740,000) available to be set off against future taxable profits has not been recognised as it is unlikely that there will be sufficient future taxable profits to utilise these expenses.

8 BASIC AND DILUTED RETURN PER ORDINARY SHARE

	Year ended 31 August 2026	Year ended 31 August 2025
Revenue return per ordinary share	**12.05p**	12.28p
Capital return per ordinary share	**78.15p**	36.67p
Total return per ordinary share	**90.20p**	48.95p

The return per ordinary share is based on the net return on ordinary activities after taxation for the year divided by the weighted average number of ordinary shares held outside of Treasury during the year, as shown below:

	£'000	£'000

Net revenue return on ordinary activities after taxation	**39,003**	39,723
Net capital return on ordinary activities after taxation	**253,050**	118,665
Net total return on ordinary activities after taxation	**292,053**	158,388

	Number	Number
Weighted average number of ordinary shares held outside of Treasury	**323,768,098**	323,570,427

9 DIVIDENDS PAID TO SHAREHOLDERS

	Year ended 31 August 2026	Year ended 31 August 2025
	£'000	£'000
Dividends paid		
Interim dividend of 3.49 pence per ordinary share paid for the year ended 31 August 2026	**11,319**	–
Final dividend of 6.84 pence per ordinary share paid for the year ended 31 August 2025	**22,097**	–
Interim dividend of 3.36 pence per ordinary share paid for the year ended 31 August 2025	**–**	10,854
Final dividend of 6.30 pence per ordinary share paid for the year ended 31 August 2024	**–**	20,418
	33,416	31,272
Dividends proposed		
Final dividend proposed of 7.31 pence per ordinary share for the year ended 31 August 2026	23,725	–
Final dividend proposed of 6.84 pence per ordinary share for the year ended 31 August 2025	**–**	22,097
	23,725	22,097

The Directors have proposed the payment of a final dividend of 7.31 pence per ordinary share for the year ended 31 August 2026 which is subject to approval by shareholders at the Annual General Meeting on 19 January 2027 and has not been included as a liability in these Financial Statements. The dividends will be paid on 27 January 2027 to shareholders on the register at the close of business on 18 December 2026 (ex-dividend date 17 December 2026).

10 INVESTMENTS

	2026	2025
	£'000	£'000
Listed investments	**1,416,408**	1,162,102
Unlisted investments	**193**	2,321
Total investments at fair value	**1,416,601**	1,164,423

Opening book cost	**989,274**	1,003,728
Opening investment holding gains	**175,149**	116,958
Opening fair value	**1,164,423**	1,120,686
Movements in the year		
Purchases at cost	**518,112**	352,391
Sales – proceeds	**(486,152)**	(425,670)
Gains on investments	**220,218**	117,016
Closing fair value	**1,416,601**	1,164,423
Closing book cost	**1,150,693**	989,274
Closing investment holding gains	**265,908**	175,149
Closing fair value	**1,416,601**	1,164,423

The Company received £486,152,000 (2025: £425,670,000) from investments sold in the year. The book cost of these investments when they were purchased was £356,693,000 (2025: £366,845,000). 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.

Investment transaction costs

Transaction costs incurred in the acquisition and disposal of investments, which are included in the gains on investments above, were as follows:

	Year ended 31 August 2026 £'000	Year ended 31 August 2025 £'000
Purchases transaction costs	**2,581**	1,869
Sales transaction costs	**273**	215
	2,854	2,084

11 DERIVATIVE INSTRUMENTS

	Year ended 31 August 2026 £'000	Year ended 31 August 2025 £'000
Gains on long CFD positions closed	**38,325**	9,792
Losses on short CFD positions closed	**–**	(1,162)
Losses on futures contracts closed	**(5,664)**	–

Movement in investment holding gains/(losses) on long CFDs	**3,546**	(6,537)
Movement in investment holding gains on short CFDs	**–**	102
Movement in investment holding losses on futures	**(849)**	–
Movement in investment holding losses on options	**(1,639)**	–
	33,719	2,195

	2026 Fair value £'000	2025 Fair value £'000
Derivative instruments recognised on the Balance Sheet		
Derivative instrument assets	**6,406**	1,213
Derivative instrument liabilities	**(5,321)**	(3,530)
	1,085	(2,317)

	Fair value £'000	**2026 Asset exposure £'000**	Fair value £'000	2025 Asset exposure £'000
At the year end the Company held the following derivative instruments				
Long CFDs	**1,229**	**216,641**	(2,317)	171,164
Short futures contracts (hedging exposure)	**(849)**	**(15,437)**	–	–
Short options	**705**	**47,612**	–	–
	1,085	**248,816**	(2,317)	171,164

12 DEBTORS

	2026 £'000	2025 £'000
Securities sold for future settlement	**50**	–
Amounts receivable on settlement of derivatives	**–**	420
Accrued income	**8,895**	8,866
Overseas taxation recoverable	**1,803**	1,359
Other debtors and prepayments	**59**	27
	10,807	10,672

13 OTHER CREDITORS

	2026 £'000	2025 £'000
Securities purchased for future settlement	**6,393**	81
Amounts payable on settlement of derivatives	**94**	–
Finance costs payable	**193**	147
Creditors and accruals	**932**	771
	7,612	999

14 SHARE CAPITAL

	2026 Number of shares	2026 Nominal value £'000	2025 Number of shares	2025 Nominal value £'000
Issued, allotted and fully paid Ordinary shares of 5 pence each held outside of Treasury				
Beginning of the year	**323,048,920**	**16,152**	324,098,920	16,205
Ordinary shares issued out of Treasury	**1,050,000**	**53**	–	–
New ordinary shares issued	**450,000**	**22**	–	–
Ordinary shares repurchased into Treasury	**–**	**–**	(1,050,000)	(53)
End of the year	**324,548,920**	**16,227**	323,048,920	16,152
Ordinary shares of 5 pence each held in Treasury[1]				
Beginning of the year	**1,050,000**	**53**	–	–
Ordinary shares repurchased into Treasury	**–**	**–**	1,050,000	53
Ordinary shares issued out of Treasury	**(1,050,000)**	**(53)**	–	–
End of the year	**–**	**–**	1,050,000	53
Total share capital		**16,227**		16,205

1 Ordinary shares held in Treasury carry no rights to vote, to receive a dividend or to participate in a winding up of the Company.

During the period, 450,000 new ordinary shares were issued (2025: nil). The premium arising on the issue of these new ordinary shares amounting to £2,059,000 was credited to the share premium account.

In addition, 1,050,000 ordinary shares held in Treasury were issued (2025: nil). As a result, £1,236,000 was credited to the share premium account and £3,469,000 to capital reserve.

No ordinary shares were repurchased into Treasury during the year (2025: 1,050,000 ordinary shares repurchased at a cost of £3,469,000).

15 CAPITAL AND RESERVES

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other non-distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total share-holders' funds £'000
At 1 September 2025	**16,205**	**238,442**	**3,256**	**5,152**	**949,776**	**54,357**	**1,267,188**
Gains on investments (see Note 10)	**–**	**–**	**–**	**–**	**220,218**	**–**	**220,218**
Gains on long CFDs (see Note 11)	**–**	**–**	**–**	**–**	**41,871**	**–**	**41,871**
Losses on futures (see Note 11)	**–**	**–**	**–**	**–**	**(6,513)**	**–**	**(6,513)**
Losses on options (see Note 11)	**–**	**–**	**–**	**–**	**(1,639)**	**–**	**(1,639)**
Foreign exchange losses	**–**	**–**	**–**	**–**	**(887)**	**–**	**(887)**
Revenue return on ordinary activities after taxation for the year	**–**	**–**	**–**	**–**	**–**	**39,003**	**39,003**
Dividends paid to shareholders (see Note 9)	**–**	**–**	**–**	**–**	**–**	**(33,416)**	**(33,416)**
New ordinary shares issued (see Note 14)	**22**	**2,059**	**–**	**–**	**–**	**–**	**2,081**
Ordinary shares issued out of Treasury (see Note 14)	**–**	**1,236**	**–**	**–**	**3,469**	**–**	**4,705**
At 31 August 2026	**16,227**	**241,737**	**3,256**	**5,152**	**1,206,295**	**59,944**	**1,532,611**

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other non-distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total share-holders' funds £'000
At 1 September 2024	16,205	238,442	3,256	5,152	834,580	45,906	1,143,541
Gains on investments (see Note 10)	–	–	–	–	117,016	–	117,016
Gains on long CFDs (see Note 11)	–	–	–	–	3,255	–	3,255
Losses on short CFDs (see Note 11)	–	–	–	–	(1,060)	–	(1,060)
Foreign exchange losses	–	–	–	–	(546)	–	(546)
Revenue return on ordinary activities after taxation for the year	–	–	–	–	–	39,723	39,723
Dividends paid to shareholders (see Note 9)	–	–	–	–	–	(31,272)	(31,272)
Repurchase of ordinary shares (see Note 14)	–	–	–	–	(3,469)	–	(3,469)
At 31 August 2025	16,205	238,442	3,256	5,152	949,776	54,357	1,267,188

The capital reserve balance at 31 August 2026 includes investment holding gains of £265,908,000 (2025: gains of £175,149,000) as detailed in Note 10. See Note 2 (q) for further details.

16 NET ASSET VALUE PER ORDINARY SHARE

The calculation of the net asset value per ordinary share is based on the total shareholders' funds divided by the number of ordinary shares held outside of Treasury.

	2026	2025

Total shareholders' funds	**£1,532,611,000**	£1,267,188,000
Ordinary shares held outside of Treasury at year end	**324,548,920**	323,048,920
Net asset value per ordinary share	**472.23p**	392.26p
	=========	=========

It is the Company's policy that shares held in Treasury will only be reissued at net asset value per ordinary share or at a premium to net asset value per ordinary share and, therefore, shares held in Treasury have no dilutive effect.

17 FINANCIAL INSTRUMENTS

Management of risk

The Company's investing activities in pursuit of its investment objective involve certain inherent risks. The Board confirms that there is an ongoing process for identifying, evaluating and managing the risks faced by the Company. The Board, with the assistance of the Manager, has developed a risk matrix which, as part of the internal control process, identifies the risks that the Company faces. Risks are identified and graded in this process, together with steps taken in mitigation, and are updated and reviewed on an ongoing basis. Risks identified are shown above.

This note refers to the identification, measurement and management of risks potentially affecting the value of financial instruments. The Company's financial instruments may comprise:

- Equity shares (listed and unlisted) and bonds held in accordance with the Company's investment objective and policies;
- Derivative instruments which comprise CFDs, forward currency contracts, futures and options on listed stocks and equity indices; and
- Cash, liquid resources and short-term debtors and creditors that arise from its operations.

The risks identified arising from the Company's financial instruments are market price risk (which comprises interest rate risk, foreign currency risk and other price risk), liquidity risk, counterparty risk, credit risk and derivative instruments risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below. These policies are consistent with those followed last year.

MARKET PRICE RISK

Interest rate risk

The Company finances its operations through its share capital and reserves. In addition, the Company has gearing through the use of derivative instruments. The Board imposes limits to ensure gearing levels are appropriate. The Company is exposed to a financial risk arising as a result of any increases in interest rates associated with the funding of the derivative instruments.

Interest rate risk exposure

The values of the Company's financial instruments that are exposed to movements in interest rates are shown below:

	2026	2025
	£'000	£'000
Exposure to financial instruments that bear interest		
Long CFDs – exposure less fair value	**215,412**	173,481
Exposure to financial instruments that earn interest		
Cash and cash equivalents	**103,712**	94,109
Amounts held at futures clearing houses and brokers	**8,018**	1,300
	----------	----------
	111,730	95,409

	=========	=========
Net exposure to financial instruments that bear interest	**103,682**	78,072
	=========	=========

Foreign currency risk

The Company does not carry out currency speculation. The Company's net return on ordinary activities after taxation for the year and its net assets can be affected by foreign exchange rate movements because the Company has income, assets and liabilities which are denominated in currencies other than the Company's functional currency which is UK sterling. The Company can also be subject to short-term exposure to exchange rate movements, for example, between the date when an investment is purchased or sold and the date when settlement of the transaction occurs.

Three principal areas have been identified where foreign currency risk could impact the Company:

- Movements in currency exchange rates affecting the value of investments and derivative instruments;
- Movements in currency exchange rates affecting short-term timing differences; and
- Movements in currency exchange rates affecting income received.

The portfolio management team monitors foreign currency risk, but it is not the Company's policy to hedge against currency risk.

Currency exposure of financial assets

The currency exposure profile of the Company's financial assets is shown below:

Currency	**Investments held at fair value £'000**	**Long exposure to derivative instruments[1] £'000**	**Debtors[2] £'000**	**Cash and cash equivalents[3] £'000**	**2026 Total £'000**
Euro	**29,144**	**118,241**	**7,584**	**–**	**154,969**
Swiss franc	**29,847**	**–**	**521**	**–**	**30,368**
US dollar	**17,920**	**–**	**1,773**	**–**	**19,693**
Australian dollar	**9,552**	**–**	**–**	**–**	**9,552**
Swedish Krona	**1,498**	**–**	**–**	**–**	**1,498**
South African rand	**676**	**–**	**–**	**–**	**676**
Canadian dollar	**–**	**–**	**–**	**27**	**27**
UK sterling	**1,327,964**	**98,400**	**8,947**	**103,685**	**1,538,996**
	---	---	---	---	---
	1,416,601	**216,641**	**18,825**	**103,712**	**1,755,779**
	=========	=========	=========	=========	=========

1 The exposure to the market of long CFDs.

2 Debtors include amounts held at futures clearing houses and brokers.

3 Cash and cash equivalents are made up of £2,093,000 cash at bank and £101,619,000 held in Fidelity Institutional Liquidity Fund.

Currency	Investments held at fair value £'000	Long exposure to derivative instruments[1] £'000	Debtors[2] £'000	Cash and cash equivalents[3] £'000	2025 Total £'000
Euro	60,130	80,138	1,510	–	141,778
US dollar	10,891	–	981	59,871	71,743
Australian dollar	14,744	–	–	–	14,744
Swiss franc	11,268	–	443	–	11,711
South African rand	1,347	–	–	–	1,347
Georgian lari	–	–	121	–	121
Canadian dollar	–	–	–	27	27
UK sterling	1,066,043	91,026	8,917	34,211	1,200,197
	1,164,423	171,164	11,972	94,109	1,441,668

1 The exposure to the market of long CFDs.
2 Debtors include amounts held at futures clearing houses and brokers.
3 Cash and cash equivalents are made up of £1,937,000 cash at bank and £92,172,000 held in Fidelity Institutional Liquidity Fund.

Currency exposure of financial liabilities

The Company finances its investment activities through its ordinary share capital and reserves. The Company's financial liabilities comprise short positions on derivative instruments and other creditors. The currency profile of these financial liabilities is shown below:

Currency	Short exposure to derivative instruments[1] £'000	Other creditors £'000	2026 Total £'000
US dollar	**18,979**	**146**	**19,125**
UK sterling	**44,070**	**7,466**	**51,536**
	63,049	**7,612**	**70,661**

1 The exposure to the market of short options contracts and short futures contracts.

Currency	Short exposure to derivative instruments[1] £'000	Other creditors £'000	2025 Total £'000
Euro	–	48	48
UK sterling	–	951	951
	–	999	999

1 The exposure to the market of short CFDs.

Other price risk

Other price risk arises mainly from uncertainty about future prices of financial instruments used in the Company's business. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The Board meets quarterly to consider the asset allocation of the portfolio and the risk associated with particular industry sectors within the parameters of the investment objective. The Portfolio Manager is responsible for actively monitoring the existing portfolio selected in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk/reward profile. Other price risks arising from derivative positions, mainly due to the underlying exposures, are estimated using Value at Risk and Stress Tests as set out in the Company's internal Risk Management Process Document.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. The Company's assets mainly comprise readily realisable securities and derivative instruments which can be sold easily to meet funding commitments if necessary. Short-term flexibility is achieved by the use of a bank overdraft, if required.

Liquidity risk exposure

At 31 August 2026, the undiscounted gross cash outflows of the financial liabilities were all repayable within one year and consisted of derivative instrument liabilities of £5,321,000 (2025: £3,530,000) and other creditors of £7,612,000 (2025: £999,000).

Counterparty risk

Certain derivative instruments in which the Company may invest are not traded on an exchange, but instead will be traded between counterparties based on contractual relationships, under the terms outlined in the International Swaps and Derivatives Association's ("ISDA") market standard derivative legal documentation. These are known as Over the Counter ("OTC") trades. As a result, the Company is subject to the risk that a counterparty may not perform its obligations under the related contract. In accordance with the risk management process which the Investment Manager employs, this risk is minimised by only entering into transactions with counterparties which are believed to have an adequate credit rating at the time the transaction is entered into, by ensuring that formal legal agreements covering the terms of the contract are entered into in advance, and through adopting a counterparty risk framework which measures, monitors and manages counterparty risk by the use of internal and external credit agency ratings and by evaluating derivative instrument credit risk exposure.

For OTC and exchange traded derivative transactions, collateral is used to reduce the risk of both parties to the contract. Collateral is managed on a daily basis for all relevant transactions.

	2026		2025	
	collateral received	**collateral pledged**	collateral received	collateral pledged
Collateral	**£'000**	**£'000**	£'000	£'000
Goldman Sachs International Ltd	**–**	**110**	260	–
HSBC Bank plc	**–**	**775**	140	–
J.P. Morgan plc	**540**	**–**	–	260
Morgan Stanley & Co. International Ltd	**–**	**150**	–	–
UBS AG	**1,240**	**6,983**	–	1,040
Total	**1,780**	**8,018**	400	1,300

Credit risk

Financial instruments may be adversely affected if any of the institutions with which money is deposited suffer insolvency or other financial difficulties. All transactions are carried out with brokers that have been approved by the Manager and are settled on a delivery versus payment basis. Limits are set on the amount that may be due from any one broker and are kept under review by the Manager. Exposure to credit risk arises on unsettled security transactions and derivative instrument contracts and cash at bank.

Derivative instrument risk
The risks and risk management processes which result from the use of derivative instruments are set out in a Risk Management Process Document. Derivative instruments are used by the Manager for the following purposes:

- To gain unfunded long exposure to equity markets, sectors or single stocks. Unfunded exposure is exposure gained without an initial flow of capital;

- To hedge equity market risk using derivatives with the intention of at least partially mitigating losses in the exposures of the Company's portfolio as a result of falls in the equity market; and

- To position short exposures in the Company's portfolio. These uncovered exposures benefit from falls in the prices of shares which the Portfolio Managers believes to be overvalued. These positions, therefore, distinguish themselves from other short exposures held for hedging purposes since they are expected to add risk to the portfolio.

RISK SENSITIVITY ANALYSIS
Interest rate risk sensitivity analysis
Based on the financial instruments held and interest rates at 31 August 2026, an increase of 1.00% in interest rates throughout the year, with all other variables held constant, would have decreased the Company's net return on ordinary activities after taxation for the year and decreased the net assets of the Company by £1,037,000 (2025: decreased the net return and decreased the net assets by £781,000). A decrease of 1.00% in interest rates throughout the year would have had an equal but opposite effect.

Foreign currency risk sensitivity analysis
Based on the financial instruments held and currency exchange rates at 31 August 2026, a 10% strengthening of the UK sterling exchange rate against foreign currencies, with all other variables held constant, would have decreased the Company's net return on ordinary activities after taxation for the year and decreased the net assets of the Company by £21,445,000 (2025: decreased the net return and decreased the net assets by £21,947,000). A 10% weakening of the UK sterling exchange rate against foreign currencies, with all other variables held constant, would have increased the Company's net return on ordinary activities after taxation for the year and increased the net assets of the Company by £26,211,000 (2025: increased the net return and increased the net assets by £26,824,000).

Other price risk – exposure to investments sensitivity analysis
Based on the listed investments held and share prices at 31 August 2026, an increase of 10% in share prices, with all other variables held constant, would have increased the Company's net return on ordinary activities after taxation for the year and increased the net assets of the Company by £141,641,000 (2025: increased the net return and increased the net assets by £116,398,000). A decrease of 10% in share prices would have had an equal and opposite effect.

An increase of 10% in the valuation of unlisted investments held at 31 August 2026 would have increased the Company's net return on ordinary activities after taxation for the year and increased the net assets of the Company by £19,000 (2025: increased the net return and increased the net assets by £44,000). A decrease of 10% in the valuation would have had an equal and opposite effect.

Other price risk – net exposure to derivative instruments sensitivity analysis
Based on the derivative instruments held and share prices at 31 August 2026, an increase of 10% in the share prices underlying the derivative instruments, with all other variables held constant, would have increased the Company's net return on ordinary activities after taxation for the year and increased the net assets of the Company by £24,882,000 (2025: increased the net return and increased the net assets by £17,116,000). A decrease of 10% in share prices would have had an equal and opposite effect.

Fair Value of Financial Assets and Liabilities

Financial assets and liabilities are stated in the Balance Sheet at values which are not materially different to their fair values. As explained in Notes 2 (k) and (l) above, investments and derivative instruments are shown at fair value.

Fair Value Hierarchy

The Company is required to disclose the fair value hierarchy that classifies its financial instruments measured at fair value at one of three levels, according to the relative reliability of the inputs used to estimate the fair values.

Classification	**Input**
Level 1	Valued using quoted prices in active markets for identical assets
Level 2	Valued by reference to inputs other than quoted prices included in level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly
Level 3	Valued by reference to valuation techniques using inputs that are not based on observable market data

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset. The valuation techniques used by the Company are explained in Notes 2 (k) and (l). The table below sets out the Company's fair value hierarchy:

				2026
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	**£'000**	**£'000**	**£'000**	**£'000**
Investments	**1,406,993**	**9,415**	**193**	**1,416,601**
Derivative instrument assets	**2,235**	**4,171**	**–**	**6,406**
	1,409,228	**13,586**	**193**	**1,423,007**
Financial liabilities at fair value through profit or loss				
Derivative instrument liabilities	**(2,379)**	**(2,939)**	**(3)**	**(5,321)**

				2025
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	£'000	£'000	£'000	£'000
Investments	1,159,745	2,357	2,321	1,164,423
Derivative instrument assets	–	1,213	–	1,213
	1,159,745	3,570	2,321	1,165,636
Financial liabilities at fair value through profit or loss				
Derivative instrument liabilities	–	(3,530)	–	(3,530)

The table below sets out the movements in level 3 financial instruments during the year:

	2026		2025	
	Non-Derivatives £'000	**Derivatives £'000**	Non-Derivatives £'000	Derivatives £'000
Beginning of the year	**2,321**	**–**	871	–
Purchases – John Wood Group	**1,677**	**–**	–	–
Sales – TVC Holdings	**(124)**	**–**	–	–
Sales – John Wood Group	**(4,982)**	**–**	–	–
Transfer into level 3 at cost – Hostmore & John Wood Group[1]	**–**	**–**	17,040	–
Transfers from Level 2 – Unbound Group (CFD)	**–**	**(3)**	–	–
Movement in investment holding losses	**1,301**	**–**	(15,590)	–
End of the year	**193**	**(3)**	2,321	–

1 Financial instruments are transferred into level 3 on the date they are suspended, delisted or when they have not traded for thirty days.

Greencore Group
Manufactures food ingredients and prepared foods for the consumer and industrial sectors. Following Greencore's acquisition of Bakkavor, shareholders received 1 contingent right (CVR) entitling holders a right to potential future payments based on the amount by which the sale value of Bakkavor's US business exceeds nine times its earnings before interest, tax, depreciation and amortisation, calculated over the preceding 12 months. It has been determined that the agreed price is £nil. As at 31 August 2026, its fair value was £nil.

Marwyn Value Investors
Marwyn Value Investors is a closed-ended fund incorporated in the United Kingdom. The fund is highly illiquid and the valuation at 31 August 2025 continues to be based on the indicative bid price in the absence of a last trade price. As at 31 August 2026, its fair value was £193,000 (2025: £154,000).

Prax Exploration & Production
Hurricane Energy plc, an oil and gas exploration company, delisted from the London Stock Exchange in June 2023, after it was acquired by Prax Exploration & Production. The valuation on 31 August 2026 was reduced to £nil following the company entering administration. As at 31 August 2026, its fair value was £nil (2025: £390,000).

Unbound Group
Unbound Group plc is a UK based company engaged in selling a range of brands focused on the over 55 age demographics. On 17 July 2023, the company stopped trading and has subsequently entered administration. As at 31 August 2026, its fair value was £nil (2025: £nil).

18 CAPITAL RESOURCES AND GEARING

The Company does not have any externally imposed capital requirements. The financial resources of the Company comprise its share capital and reserves, as disclosed in the Balance Sheet above and any gearing, which is managed by the use of derivative instruments. Financial resources are managed in accordance with the Company's investment policy and in pursuit of its investment objective, both of which are detailed in the Strategic Report in the Annual Report. The principal risks and their management are disclosed above.

The Company's gross and net gearing at the year end is set out below:

	2026

		Gross gearing Asset exposure		Net gearing Asset exposure
	£'000	%[1]	£'000	%[1]
Investments	**1,416,601**	**92.4**	**1,416,601**	**92.4**
Long CFDs	**216,641**	**14.2**	**216,641**	**14.2**
Total long exposures before hedges	**1,633,242**	**106.6**	**1,633,242**	**106.6**
Less: Hedged futures contract exposures	**(15,437)**	**(1.0)**	**(15,437)**	**(1.0)**
Total long exposures after the netting of hedges	**1,617,805**	**105.6**	**1,617,805**	**105.6**
Short options	**47,612**	**3.1**	**(47,612)**	**(3.1)**
Gross asset exposure/net market exposure	**1,665,417**	**108.7**	**1,570,193**	**102.5**
Shareholders' funds	**1,532,611**		**1,532,611**	
Gearing[2]		**8.7%**		**2.5%**

2025

		Gross gearing Asset exposure		Net gearing Asset exposure
	£'000	%[1]	£'000	%[1]
Investments	1,164,423	91.9	1,164,423	91.9
Long CFDs	171,164	13.5	171,164	13.5
Total long exposures	1,335,587	105.4	1,335,587	105.4
Gross asset exposure/net market exposure	1,335,587	105.4	1,335,587	105.4
Shareholders' funds	1,267,188		1,267,188	
Gearing[2]		5.4%		5.4%

1 Asset exposure to the market expressed as a percentage of shareholders' funds.

2 Gearing is the amount by which gross asset exposure/net market exposure exceeds shareholders' funds expressed as a percentage of shareholders' funds.

19 TRANSACTIONS WITH THE MANAGERS AND RELATED PARTIES

FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management and the role of company secretary to FIL Investments International ("FII"). Both companies are Fidelity group companies.

Details of the current fee arrangements are given in the Directors' Report in the Annual Report. During the year, the following expenses were payable to FII:

	31 August 2026	31 August 2025
	£'000	£'000
Investment management fees	**8,225**	6,857
Marketing expenses	**274**	230

	=========	=========

At the Balance Sheet date, the following balances payable to FII were accrued and included in other creditors:

	31 August 2026 £'000	31 August 2025 £'000
Investment management fees	**700**	607
Marketing expenses	**98**	33
	=========	=========

Disclosures of the Directors' interests in the ordinary shares of the Company and Directors' fees and taxable expenses relating to reasonable travel expenses payable to the Directors are given in the Directors' Remuneration Report in the Annual Report. In addition to the fees and taxable expenses disclosed in the Directors' Remuneration Report, £28,000 (2025: £24,000) of employers' National Insurance contributions were paid by the Company. At the Balance Sheet date, Directors' fees of £28,000 (2025: £13,000) were accrued and payable.

20 RECONCILIATION OF NET RETURN ON ORDINARY ACTIVITIES BEFORE FINANCE COSTS AND TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES BEFORE FINANCE COSTS AND TAXATION

	Year ended 31 August 2026 £'000	Year ended 31 August 2025 £'000
Net total return on ordinary activities before finance costs and taxation	**297,803**	164,885
Less: net capital return on ordinary activities before finance costs and taxation	**(253,050)**	(118,665)
Net revenue return on ordinary activities before finance costs and taxation	**44,753**	46,220
Scrip dividends	**(264)**	(512)
Increase in debtors	**(61)**	(2,247)
Increase/(decrease) in creditors	**161**	(22)
Net cash inflow from operating activities before finance costs and taxation	**44,589**	43,439
	=========	=========

ALTERNATIVE PERFORMANCE MEASURES

The Company uses the following Alternative Performance Measures and these are all defined in the Glossary of Terms in the Annual Report.

DISCOUNT/PREMIUM

Details of the Company's premium/discount are on the Financial Highlights page in the Annual Report.

GEARING

See Note 18 above for details of the Company's gearing (both gross and net).

NET ASSET VALUE ("NAV") PER ORDINARY SHARE

See the Balance Sheet and Note 16 above for further details.

ONGOING CHARGES RATIO

The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and other expenses expressed as a percentage of the average net asset values throughout the year.

	2026	2025
Investment management fees (£'000)	**8,225**	6,857
Other expenses (£'000)	**1,101**	944
Ongoing charges (£'000)	**9,326**	7,801
Ongoing charges ratio	**0.68%**	0.68%

REVENUE, CAPITAL AND TOTAL RETURNS PER SHARE

See the Income Statement and Note 8 for further details.

TOTAL RETURN PERFORMANCE

Total return performance is considered to be an Alternative Performance Measure. The NAV per ordinary share total return includes reinvestment of the dividend in the NAV of the Company on the ex-dividend date. The ordinary share price total return includes the reinvestment of the net dividend in the month that the share price goes ex-dividend.

The tables below provide information relating to the NAV per ordinary share and the ordinary share price of the Company, the impact of the dividend reinvestments and the total returns for the years ended 31 August 2026 and 31 August 2025.

2026	**Net asset value per ordinary share**	**Ordinary share price**
31 August 2025	**392.26p**	**380.00p**
31 August 2026	**472.23p**	**473.50p**
Change in year	**+20.4%**	**+24.6%**
Impact of dividend reinvestments	**+3.0%**	**+3.2%**
Total return for the year	**+23.4%**	**+27.8%**

2025	Net asset value per ordinary share	Ordinary share price
31 August 2024	352.84p	321.50p
31 August 2025	392.26p	380.00p

Change in year	+11.2%	+18.2%
Impact of dividend reinvestments	+3.1%	+3.6%
Total return for the year	+14.3%	+21.8%

The Annual Financial Report Announcement is not the Company's statutory accounts. The above results for the year ended 31 August 2026 are an abridged version of the Company's full Annual Report and Financial Statements, which have been approved and audited with an unqualified report. The 2025 and 2026 statutory accounts received unqualified reports from the Company's Independent Auditors in respect of those years and did not include any reference to matters to which the Independent Auditors drew attention by way of emphasis without qualifying the reports and did not contain a statement under s.498 of the Companies Act 2006. The statutory accounts for 2025 have been delivered to the Registrar of Companies. The 2026 Financial Statements will be filed with the Registrar of Companies in due course.

A copy of the Annual Report will shortly be submitted to the National Storage Mechanism and will be available for inspection at:
https://data.fca.org.uk/#/nsm/nationalstoragemechanism