



**Fidelity**<sup>TM</sup>  
INTERNATIONAL



# FIDELITY SPECIAL VALUES PLC

Half-Yearly Report for the  
six months ended 28 February 2025

# Investment Objective and Overview

**Fidelity Special Values PLC aims to achieve long-term capital growth primarily through investment in equities (and their related financial instruments) of UK companies which the Investment Manager believes to be undervalued or where the potential has not been recognised by the market.**

The Company aims to achieve long-term capital growth for shareholders by investing in 'special situations'. It primarily invests in companies listed in the UK, but may invest up to 20% of total net assets outside of UK companies.

**Contrarian stock-picking approach** – The Portfolio Manager, Alex Wright, looks for unloved companies that are entering a period of positive change that the market has not yet recognised. He follows a highly disciplined investment process that focuses first on

evaluating downside risk and then on identifying positive change and potential upside. The focus is first and foremost on downside protection. Alex's philosophy is to base investment decisions on company fundamentals rather than top-down factors (market or macroeconomic drivers).

**Leveraging Fidelity's global research platform** – This contrarian approach is research intensive in order to identify and gain conviction in opportunities that are out of favour with other investors.

The depth of Fidelity's research ensures that there is a sufficient number of strong investment ideas to build a diversified portfolio at all points of the market cycle.

**Performance** – In the six month reporting period, the Company's net asset value total return was +1.8%. The share price and the FTSE All-Share Index (Benchmark) both returned +5.2%.

Dean Buckley, Chairman



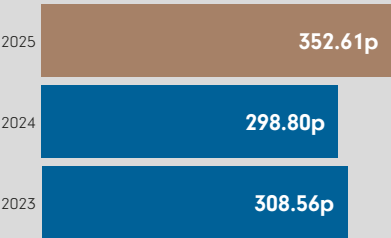
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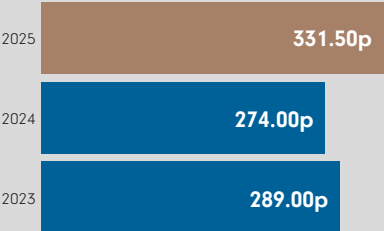
## Portfolio Manager's Half-Yearly Review

Read more on pages 04 to 07

### Net Asset Value per Ordinary Share as at 28 February 2025, 29 February 2024 and 28 February 2023



### Ordinary Share Price as at 28 February 2025, 29 February 2024 and 28 February 2023



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# At a Glance

Six months ended 28 February 2025

Net Asset Value per  
Ordinary Share  
total return<sup>1,2</sup>

+1.8%

(29 February 2024: +4.0%)

Ordinary Share Price  
total return<sup>1,2</sup>

+5.2%

(29 February 2024: +4.8%)

FTSE All-Share Index  
(Benchmark)  
total return<sup>1</sup>

+5.2%

(29 February 2024: +3.9%)

Interim Dividend per  
Ordinary Share

3.36p

(29 February 2024: 3.24p)

1 Includes reinvested income.  
2 Alternative Performance Measures. See Glossary of Terms on page 34.

## As at 28 February 2025

### Shareholders' Funds

£1,140.0m

### Market Capitalisation

£1,071.7m

### Capital Structure

Ordinary Shares of 5 pence each

323,298,920

## Summary of the key aspects of the Investment Policy

The investment approach is flexible, with positions in large, medium and smaller sized companies, across all industries. The Company may make limited investments in companies outside of the UK.

The Company may also invest in other transferable securities, collective investment schemes, money market instruments, cash and deposits, and is also able to use derivatives for efficient portfolio management and investment purposes.

The Company is able to gear the portfolio and the Board takes the view that long-term returns for shareholders can be enhanced by the use of gearing in a carefully considered and monitored way.

# Financial Highlights

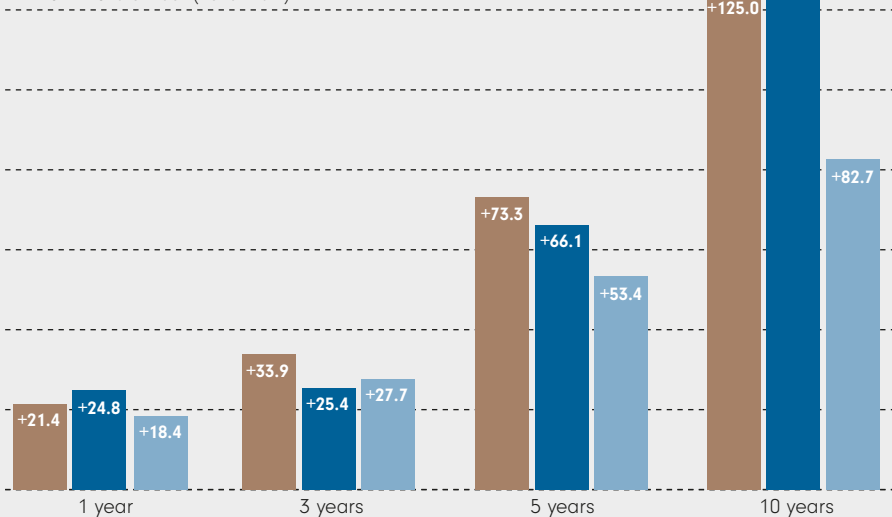
	28 February 2025	31 August 2024
<b>Assets</b>		
Shareholders' funds	<b>1,140.0m</b>	£1,143.5m
Net Asset Value ("NAV") per ordinary share <sup>1</sup>	<b>352.61p</b>	352.84p
<b>Share price and discount data</b>		
Share price at period end	<b>331.50p</b>	321.50p
Share price: period high <sup>2</sup>	<b>332.00p</b>	334.00p
Share price: period low <sup>2</sup>	<b>301.50p</b>	252.50p
Discount at period end <sup>1</sup>	<b>6.0%</b>	8.9%
Discount: period high <sup>2</sup>	<b>10.1%</b>	10.0%
Discount: period low <sup>2</sup>	<b>5.8%</b>	4.8%

<sup>1</sup> Alternative Performance Measures. See Glossary of Terms on page 34.

<sup>2</sup> For the six month period to 28 February 2025 and for the year to 31 August 2024.

## Total Return Performance<sup>1</sup> (%)

■ NAV per ordinary share  
■ Share price  
■ FTSE All-Share Index (Benchmark)



Periods ended 28 February 2025.

<sup>1</sup> Includes reinvested income.

Sources: Fidelity and Datastream.

Past performance is not a guide to future returns.



# Portfolio Manager's Half-Yearly Review

## Performance

Over the six months ended 28 February 2025, the Company recorded a net asset value ("NAV") per ordinary share return of +1.8% and a share price return of +5.2%, compared to a +5.2% return for the FTSE All-Share Index ("the Benchmark"), all on a total return basis. This report seeks to summarise the period, highlight the key drivers of performance and set out the Portfolio Manager's forward-looking views.

The Company's NAV underperformance against the Benchmark was primarily due to the significant performance divergence between large and mid-cap stocks in the UK market. This was reflected in the FTSE 100's 6.5% gain, compared to the FTSE 250's 2.5% decline. Given the Company's substantial exposure to mid-cap stocks, this market bifurcation weighed on relative returns.

## Stock market and portfolio review

UK equities advanced, driven primarily by gains since the start of the calendar year. Global markets grappled with significant news flow as political developments, economic uncertainty and the outlook for interest rate cuts tempered investor sentiment.

The period began with UK equities posting losses in September and October amid moderating economic activity and uncertainty surrounding the implications of the UK Autumn Budget. Although a relief rally occurred in November, following President Trump's election in the US and China's new stimulus measures, UK equities remained broadly flat in the final quarter of the year. Global central banks continued to ease their restrictive policy stance, with the US Federal Reserve ("Fed") cutting interest rates again in November. The Bank of England ("BoE") followed suit, reducing its base rate to 4.75%. While the BoE downplayed the

immediate impact of the new UK Government's expansionary fiscal policies, it cautioned that measures from the Budget could drive higher inflation, potentially prolonging a higher interest rate environment. Investor optimism moderated in December after the Fed signalled fewer rate cuts for 2025. The BoE Governor Andrew Bailey also maintained a cautious stance on future interest rate decisions, refraining from providing specific guidance on the timing or extent of cuts in 2025. Meanwhile, domestic economic data continued to highlight challenges, with manufacturing and consumer confidence indicators remaining subdued.

2025 started on a positive note with UK equities delivering strong returns despite an initial bout of volatility in early January. Equities continued to advance in February, demonstrating resilience despite several geopolitical and trade policy developments emanating from the US. Performance across international markets diverged, as investors sought diversification opportunities away from US equities following their relative weakness. Meanwhile, growing investor confidence in the prospect of a ceasefire in Ukraine provided particular support to European equity markets. Investors also welcomed a further interest rate cut, the third since August 2024, bringing the BoE's base rate to 4.50%.

From a sector perspective, market gains were primarily led by financials, with industrials and technology also delivering notable returns. Conversely, real estate and health care were the weakest performing sectors. While both value and growth segments advanced, value outperformed by a considerable margin. Large-cap stocks were the strongest performers, whereas small and mid-cap stocks underperformed over the period.

Engineering consultancy group John Wood was among the key detractors, as the market reacted negatively to its recent quarterly results. The company announced an independent audit review of its accounts and weaker free cash flow forecast for the next financial year, citing multiple headwinds. Encouragingly, its operational results were robust, and it remains in the early stages of its turnaround, continuing to benefit from an attractive franchise in oil services, energy and consulting. Additionally, at the time of writing, the company has re-engaged with its previous bidder, who had walked away in February 2024.

Geotechnical engineering company Keller underperformed, following a strong run over the past few years. Investors took profits as concerns grew that its US earnings may have peaked after two consecutive years of strong growth. Nevertheless, the company has benefited positively from large US projects despite mixed market conditions. The group's geographically diverse portfolio and attractive valuation relative to peers should provide support as it navigates a potential slowdown in the US.

The position in IG Design, a manufacturer of celebrations products and gifts, also weighed on performance, as challenging retail conditions in the US and the bankruptcy of a large customer negatively impacted sales. Despite this near-term cyclical weakness, the company is trading at a highly attractive valuation and is supported by a robust balance sheet. The company's management is actively working to improve the business's margin profile.

Within the banking sector, several of our holdings, including Standard Chartered, NatWest and AIB Group, benefited from strong

results, share buyback announcements and rising interest rate expectations. In February 2025, Standard Chartered announced a new \$1.5 billion share buyback program after reporting an 18% increase in annual pre-tax profit. This growth was driven by strong performance in its wealth business and global markets division, pushing shares to a near-decade high. The diversified bank, which has an emerging market focus, is continuing to make strides in its turnaround journey. NatWest's annual results also exceeded consensus estimates, supported by substantial share buybacks, lower impairments and rebounding margins, which contributed to share price gains in 2024. Conversely, not owning HSBC detracted from relative performance.

The position in tobacco group Imperial Brands supported performance. The company's annual results highlighted further progress in stabilising its core tobacco business across key markets. It continues to provide an attractive distribution to shareholders. Meanwhile, the underweight position in health care group AstraZeneca was a key contributor to performance, as its shares declined following allegations of corruption in its China business.

Merger and acquisition ("M&A") activity continued to be a driver for performance. Notably, the holding in Direct Line Insurance added value after Aviva agreed to acquire the company for £3.7 billion, a deal that would create the UK's largest motor insurer.

We have been finding new investment opportunities in cyclical areas such as industrials, advertising and staffing, while also selectively adding back exposure to selected real estate stocks and housing related names, where demand appears to be stabilising and valuations remain attractive. We recently

## Portfolio Manager's Half-Yearly Review continued

increased exposure to retailers specialising in big-ticket items such as kitchens and sofas, where sales are 10-25% below historical volumes. We anticipate an improving outlook as housing market volumes strengthen and interest rates decline, coinciding with a reduction in industry competition. We have also found opportunities in defensive sectors, adding to positions in Reckitt Benckiser, British American Tobacco and National Grid following recent weakness. Within the resources sector, we continue to maintain an underweight position in large-cap mining companies, reflecting our cautious view on iron ore. We also do not hold the two large-cap UK oil companies, Shell and BP.

Smaller-cap equities are a particularly attractive hunting ground today, as they trade at an aggregate price to earnings ratio of below 10x. The Company's portfolio maintains a strategic bias toward small and mid-cap companies, comprising approximately 50% of the portfolio. We remain well diversified, with 105 holdings as at the end of February.

### Use of gearing

We have continued to use contracts for difference to gear the portfolio's long exposure and eliminate some of the currency exposure for those holdings listed outside of the UK. Overall, the Company's net gearing increased from 7.9% at the beginning of the period to 10.9% at the end of February 2025. Gross gearing increased from 8.3% at the start of the period to 10.9% at the end of the period.

### Outlook

Despite their improved performance over recent years, UK equities remain relatively cheap compared to other markets. Historically, the UK market traded at around 85-90% of global markets, but this has dropped to around 75% in recent years<sup>1</sup>. While other markets face excessive valuations and the risk of a de-rating, the UK market benefits from a meaningful margin of safety, offering protection if exogenous events impact markets. The market's consensus last year was that US dominance would persist; however, trends have moved in the opposite direction so far this year.

While we are undoubtedly entering a turbulent period in global politics and economic uncertainty, as tariffs will likely impede global economic growth, the UK market is well-positioned to withstand this US-centric storm. Direct tariff exposure is minimal given the UK's small export base and service-oriented economy. Moreover, the UK's sector composition is skewed toward defensive areas such as consumer staples and utilities, which could provide resilience against global growth weakness and trade downturns. This is strikingly different to other regions with high export dependencies to the US and significant sector weightings in affected areas, such as technology, aerospace and manufacturing which are heavily reliant on dispersed globalised supply chains.

The UK market's international nature means that it will feel some effects from the tariffs, but mostly from the broader implications of a likely deceleration in US and global economic growth, rather than direct tariff-related hits. Recession risks have clearly escalated, and the lingering uncertainty is what the market is

<sup>1</sup> JP Morgan Equity Strategy, DataStream, February 2025. Valuations adjusted for sectoral differences between markets and is based on 12m forward P/E of the MSCI UK Index vs MSCI World Index (both are sector neutral indices).



currently pricing in. The Company's diversified portfolio and its underweight positions to the most exposed areas, such as oil and pharmaceuticals, should prove relatively supportive, but its cyclical holdings will feel the effects of this. We have been strategically adding to attractively valued domestic-facing businesses that are relatively insulated from these events, supporting a meaningful overweight to UK revenues compared to the Benchmark. We believe there are numerous attractive opportunities prevailing in the current market, available at low valuations, and we continue to uncover compelling investment ideas, particularly in periods of high market volatility.

The unpopularity of the UK market has made it an attractive hunting ground for contrarian value investors. We believe that the combination of favourable valuations and the large divergence in performance between different markets provides a strong opportunity for attractive returns on a three-to-five-year view. Their unloved status means we are finding overlooked companies with good upside potential across industries and the market cap spectrum.

While domestic investors have yet to fully recognise this value, it is being acknowledged by other market participants. Overseas corporates and private equity firms are actively capitalising on these attractive valuations, as evidenced by the strong historical M&A activity in the UK market. We have experienced considerable success with M&A activity across the portfolio in the last year. The low valuations are also reflected in the substantial buyback activity among UK corporates.

We believe current market conditions continue to favour our value-contrarian investment style. The vulnerability of growth companies is that they tend to be priced for optimism, with share prices declining significantly if good news does not materialise. The opposite is true for value companies: If the consensus view is negative, an investor does not lose much if it turns out to be correct; in contrast, if it is wrong, the share price can move significantly higher.

Overall, we believe the UK market has an underappreciated richness of opportunity, combining strong earnings growth, high dividend yields and low valuations. The portfolio benefits from a favourable upside/downside profile and our holdings trade at a meaningful discount to the broader UK market, despite exhibiting resilient earnings, superior 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  
25 April 2025

# Twenty Largest Investments

as at 28 February 2025

The Asset Exposures shown below and on the next two pages measure exposure to market price movements as a result of owning shares, corporate bonds and derivative instruments. The Fair Value is the realisable value of the portfolio as reported in the Balance Sheet. Where the Company holds shares and corporate bonds, the Asset Exposure and Fair Value will be the same. For derivative instruments, Asset Exposure is the market value of the underlying asset to which the Company is exposed, while the Fair Value reflects the profit or loss on the contract since it was opened, and is based on how much the share price of the underlying asset has moved.

	Asset Exposure		Fair Value
	£'000	% <sup>1</sup>	£'000
<b>Long Exposures – shares unless otherwise stated</b>			
<b>AIB Group (corporate bond and long CFD)</b>			
Banks	49,664	4.4	18,017
<b>Standard Chartered</b>			
Banks	48,077	4.2	48,077
<b>Imperial Brands</b>			
Tobacco	45,869	4.0	45,869
<b>DCC</b>			
Industrial Support Services	40,660	3.6	40,660
<b>Reckitt Benckiser Group</b>			
Personal Care, Drug and Grocery Stores	39,428	3.5	39,428
<b>NatWest Group</b>			
Banks	39,226	3.4	39,226
<b>Direct Line Insurance Group</b>			
Non-Life Insurance	34,186	3.0	34,186
<b>Just Group</b>			
Life Insurance	31,978	2.8	31,978
<b>British American Tobacco</b>			
Tobacco	31,899	2.8	31,899
<b>National Grid</b>			
Gas, Water and Multi-Utilities	31,401	2.8	31,401
<b>Keller Group (shares and long CFD)</b>			
Construction and Materials	30,854	2.7	18,994
<b>Coats Group</b>			
General Industrials	29,298	2.6	29,298

	Asset Exposure		Fair Value
	£'000	% <sup>1</sup>	£'000
<b>Barclays</b>			
Banks	27,351	2.4	27,351
<b>Mitie Group</b>			
Industrial Support Services	25,081	2.2	25,081
<b>Glenveagh Properties</b>			
Household Goods and Home Construction	24,786	2.2	24,786
<b>Cairn Homes (long CFDs)</b>			
Household Goods and Home Construction	24,585	2.2	(769)
<b>Aviva</b>			
Life Insurance	24,320	2.1	24,320
<b>TotalEnergies (long CFD)</b>			
Oil, Gas and Coal	24,242	2.1	(117)
<b>Roche Holding</b>			
Pharmaceuticals and Biotechnology	23,661	2.1	23,661
<b>Serco Group (shares and long CFD)</b>			
Industrial Support Services	22,414	1.9	17,549
<b>Twenty largest long exposures</b>	<b>648,980</b>	<b>57.0</b>	<b>550,895</b>
Other long exposures	614,977	53.9	541,947
<b>Gross Asset Exposure (107 holdings)</b>	<b>1,263,957</b>	<b>110.9</b>	
<b>Portfolio Fair Value</b>			<b>1,092,842</b>

1 Asset Exposure is expressed as a percentage of Shareholders' Funds.

See the next page for details of the Fair Value and Asset Exposure of Investments.

## Twenty Largest Investments continued

### Fair Value and Asset Exposure of Investments as at 28 February 2025

	Fair Value £'000	Asset Exposure £'000	% <sup>1</sup>
Investments	1,094,910	1,094,910	96.1
Long CFDs	(2,068)	169,047	14.8
	<b>1,092,842</b>	<b>1,263,957</b>	<b>110.9</b>
Cash at bank <sup>2</sup>	2,408	(168,707)	(14.8)
Fidelity Institutional Liquidity Fund	39,268	39,268	3.4
Other net current assets (excluding derivative assets and liabilities)	5,459	5,459	0.5
<b>Shareholders' Funds</b>	<b>1,139,977</b>	<b>1,139,977</b>	<b>100.0</b>

The Company uses gearing through the use of CFD positions. Gross gearing as at 28 February 2025 was 10.9% (31 August 2024: 8.3% and 29 February 2024: 5.9%).

<sup>1</sup> Asset Exposure is expressed as a percentage of Shareholders' Funds.

<sup>2</sup> The Asset Exposure column for cash at bank has been adjusted to assume the Company traded direct holdings rather than exposure being gained through long CFD positions. The amount is derived by taking the cost of the shares underlying the long CFDs when the contracts were opened less the cash at bank balance at the period end.

# Interim Management Report and Directors’ Responsibility Statement

## Board Changes

Nigel Foster, having served as a non-executive Director and Senior Independent Director, completed his nine year tenure on the Board and stepped down at the conclusion of the Annual General Meeting on 12 December 2024. Following a recruitment process for his replacement as non-executive Director, Christopher Casey was appointed to the Board on 1 January 2025. Claire Boyle replaced Mr Foster as Senior Independent Director on 12 December 2024, whilst also continuing to serve as Audit Committee Chair.

## Interim Dividend

The Company’s investment approach is focused on long-term capital growth rather than income generation, however the Board recognises that dividends are an important part of total shareholder returns. The Board’s policy is to pay dividends twice a year in order to smooth the dividend payments for the Company’s financial year.

The Company’s revenue return for the six months to 28 February 2025 was 3.51 pence per share.

The Board has declared an interim dividend of 3.36 pence per share which is 3.7% higher than the 3.24 pence per share paid as the interim dividend in 2024. This will be paid on 19 June 2025 to shareholders on the register on 9 May 2025 (ex-dividend date 8 May 2025). Shareholders should note that the Board will review the final dividend payment later in the year based on dividend receipts from the companies held in the portfolio in the second half of the reporting year. However, based on current forecasts, the Board would hope to maintain at least the same level of dividend as paid in the prior year and would intend to pay it entirely from the revenue earned in the reporting period.

## Discount Management and Share Repurchases

Investment trust discounts continue to generally remain wide across the investment companies’ market and compared to long-term averages, and the Company at times has not been immune to this trend. As at 28 February 2025, the average discount for the companies in the UK All Companies peer group was 8.1% compared to the Company’s discount of 6.0%. Under the Company’s discount management policy, the Board seeks to maintain the discount in single digits in normal market conditions and will repurchase shares to help stabilise the share price discount. During the reporting period, the Company repurchased 800,000 ordinary shares into Treasury. Since then and at the latest practicable date of this report, a further 250,000 ordinary shares have been repurchased into Treasury.

The Board continues to monitor the level of the Company’s discount closely and takes action when it believes to do so will be effective and to the benefit of shareholders.

## Principal and Emerging Risks

The Board, with the assistance of the Manager (FIL Investment Services (UK) Limited), 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 faced by the Company.

The Board considers that the principal risks and uncertainties faced by the Company continue to fall into the following categories: market, economic and political; investment performance (including the use of derivatives and gearing); regulatory; cybercrime and information security; business continuity; key person and operational support; discount control; and environmental, social and governance (“ESG”) risks. Information on each

## Interim Management Report and Directors' Responsibility Statement continued

of these risks is given on pages 26 to 28 in the Strategic Report section of the Annual Report for the year ended 31 August 2024, a copy of which can be found on the Company's pages of the Manager's website at **[www.fidelity.co.uk/specialvalues](http://www.fidelity.co.uk/specialvalues)**.

There continues to be increased geopolitical risks facing the company, including political and trade tensions globally, trade sanctions and a challenging regulatory environment hindering investment. Global economic uncertainty is raised by the ongoing war in Ukraine, the potential for further conflict in the Middle East, trade tensions between the US and China, ongoing tensions between South Korea and North Korea, the South China Sea dispute and implications of China and Taiwan relations. The Board and the Manager remain vigilant in monitoring such risks.

In recent months, there have been increased concerns around investment cost disclosure and its impact on the industry. There is a risk that the FCA's proposed Consumer Composite Investment (CCI) regime may make investment companies more complex for investors to understand and increase the regulatory burden imposed on the sector if it proceeds with some of the proposals as drafted.

Climate change continues to be a key principal risk confronting asset managers and their investors. Globally, climate change effects are already being experienced in the form of a changing pattern of weather events. Climate change can potentially impact the operations of investee companies, their supply chains and their customers. Additional risks may also arise from increased regulations, costs and net-zero programmes which can all impact investment returns. The Board notes that the Manager has integrated ESG considerations into the Company's investment process. The Board will

continue to monitor how this may impact the Company as a risk on investment valuations and potentially affect shareholder returns.

The Board and the Manager are also monitoring the emerging risks and rewards posed by the rapid advancement of artificial intelligence (AI) and technology and how this may threaten the Company's activities and its potential impact on the portfolio and investee companies. AI can provide asset managers with 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 computer 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.

Other emerging risks may continue to evolve from future geopolitical and economic events.

Investors should be prepared for market fluctuations and remember that holding shares in the Company should be considered to be a long-term investment. Risks are mitigated by the investment trust structure of the Company which means that the Portfolio Manager is not required to trade to meet investor redemptions. Therefore, investments in the Company's portfolio can be held over a longer-time horizon.

The Manager has appropriate business continuity and operational resilience plans in place to ensure the continued provision of services. This includes investment team key activities, including those of portfolio managers, analysts and trading/support functions. The Manager reviews its operational resilience strategies on an ongoing basis and continues to take all reasonable steps in meeting its



regulatory obligations, assess its ability to continue operating and the steps it needs to take to serve and support its clients, including the Board.

The Company's other third-party service providers also have similar measures in place to ensure that business disruption is kept to a minimum.

### **Transactions with the Manager and Related Parties**

The Manager has delegated the Company's portfolio management and company secretariat services to FIL Investments International. Transactions with the Manager and related party transactions with the Directors are disclosed in Note 13 to the Financial Statements on page 29.

### **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, 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 can continue in operational existence for a period of at least twelve months from the date of this Half-Yearly Report.

This conclusion also takes into account the Board's assessment of the ongoing risks as outlined on pages 11 and 12 and in the previous column.

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

Continuation votes are held every three years and the next continuation vote will be put to shareholders at the AGM in December 2025.

By Order of the Board  
**FIL Investments International**  
 25 April 2025

## Directors' Responsibility Statement

The Disclosure and Transparency Rules ("DTR") of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge that:

- a) the condensed set of Financial Statements contained within the Half-Yearly Report has been prepared in accordance with the Financial Reporting Council's Standard: FRS 104: Interim Financial Reporting; and
- b) the Portfolio Manager's Half-Yearly Review on pages 4 to 7 and the Interim Management Report on pages 11 to 13, include a fair review of the information required by DTR 4.2.7R and 4.2.8R.

In line with previous years, the Half-Yearly Report has not been audited by the Company's Independent Auditor.

The Half-Yearly Report was approved by the Board on 25 April 2025 and the above responsibility statement was signed on its behalf by Dean Buckley, Chairman.

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# Income Statement

for the six months ended 28 February 2025

		Six months ended 28 February 2025 unaudited		
	Notes	Revenue £'000	Capital £'000	Total £'000
Gains on investments		–	9,427	9,427
(Losses)/gains on derivative instruments		–	(1,264)	(1,264)
Investment and derivative income	4	17,399	–	17,399
Other interest	4	845	–	845
Investment management fees	5	(3,315)	–	(3,315)
Other expenses		(470)	–	(470)
Foreign exchange (losses)/gains		–	(66)	(66)
<b>Net return on ordinary activities before finance costs and taxation</b>		<b>14,459</b>	<b>8,097</b>	<b>22,556</b>
Finance costs	6	(2,956)	–	(2,956)
<b>Net return on ordinary activities before taxation</b>		<b>11,503</b>	<b>8,097</b>	<b>19,600</b>
Taxation on return on ordinary activities	7	(118)	–	(118)
<b>Net return on ordinary activities after taxation for the period</b>		<b>11,385</b>	<b>8,097</b>	<b>19,482</b>
<b>Return per ordinary share</b>	8	<b>3.51p</b>	<b>2.50p</b>	<b>6.01p</b>

The Company does not have any other comprehensive income. Accordingly, the net return on ordinary activities after taxation for the period is also the total comprehensive income for the period 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 period and all items in the above statement derive from continuing operations.

Year ended 31 August 2024 audited			Six months ended 29 February 2024 unaudited		
Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
-	166,057	166,057	-	20,869	20,869
-	19,524	19,524	-	5,742	5,742
48,413	-	48,413	15,462	-	15,462
2,751	-	2,751	1,861	-	1,861
(6,095)	-	(6,095)	(2,863)	-	(2,863)
(898)	-	(898)	(468)	-	(468)
-	204	204	-	220	220
44,171	185,785	229,956	13,992	26,831	40,823
(5,794)	-	(5,794)	(2,994)	-	(2,994)
38,377	185,785	224,162	10,998	26,831	37,829
(848)	-	(848)	(154)	-	(154)
37,529	185,785	223,314	10,844	26,831	37,675
11.58p	57.32p	68.90p	3.34p	8.28p	11.62p

# Statement of Changes in Equity

for the six months ended 28 February 2025

	Notes	Share capital £'000
<b>Six months ended 28 February 2025 (unaudited)</b>		
<b>Total shareholders' funds at 31 August 2024</b>		<b>16,205</b>
Repurchase of ordinary shares into Treasury	11	-
Net return on ordinary activities after taxation for the period		-
Dividend paid to shareholders	9	-
<b>Total shareholders' funds at 28 February 2025</b>		<b>16,205</b>
<b>Year ended 31 August 2024 (audited)</b>		
<b>Total shareholders' funds at 31 August 2023</b>		<b>16,205</b>
Net return on ordinary activities after taxation for the year		-
Dividends paid to shareholders	9	-
<b>Total shareholders' funds at 31 August 2024</b>		<b>16,205</b>
<b>Six months ended 29 February 2024 (unaudited)</b>		
<b>Total shareholders' funds at 31 August 2023</b>		<b>16,205</b>
Net return on ordinary activities after taxation for the period		-
Dividend paid to shareholders	9	-
<b>Total shareholders' funds at 29 February 2024</b>		<b>16,205</b>



Share premium account £'000	Capital redemption reserve £'000	Other non-distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total shareholders' funds £'000
238,442	3,256	5,152	834,580	45,906	1,143,541
-	-	-	(2,628)	-	(2,628)
-	-	-	8,097	11,385	19,482
-	-	-	-	(20,418)	(20,418)
238,442	3,256	5,152	840,049	36,873	1,139,977
238,442	3,256	5,152	648,795	39,199	951,049
-	-	-	185,785	37,529	223,314
-	-	-	-	(30,822)	(30,822)
238,442	3,256	5,152	834,580	45,906	1,143,541
238,442	3,256	5,152	648,795	39,199	951,049
-	-	-	26,831	10,844	37,675
-	-	-	-	(20,321)	(20,321)
238,442	3,256	5,152	675,626	29,722	968,403

# Balance Sheet

as at 28 February 2025

Company number 2972628

	Notes	28.02.25 unaudited £'000	31.08.24 audited £'000	29.02.24 unaudited £'000
<b>Fixed assets</b>				
Investments	10	1,094,910	1,120,686	912,136
<b>Current assets</b>				
Derivative instruments	10	4,028	4,318	2,675
Debtors		12,374	8,200	5,908
Amounts held at futures clearing houses and brokers		795	-	775
Cash and cash equivalents		41,676	11,749	55,180
		58,873	24,267	64,538
<b>Current liabilities</b>				
Derivative instruments	10	(6,096)	(200)	(1,580)
Bank overdraft		-	-	(5,260)
Other creditors		(7,710)	(1,212)	(1,431)
		(13,806)	(1,412)	(8,271)
<b>Net current assets</b>		45,067	22,855	56,267
<b>Net assets</b>		1,139,977	1,143,541	968,403
<b>Capital and reserves</b>				
Share capital	11	16,205	16,205	16,205
Share premium account		238,442	238,442	238,442
Capital redemption reserve		3,256	3,256	3,256
Other non-distributable reserve		5,152	5,152	5,152
Capital reserve		840,049	834,580	675,626
Revenue reserve		36,873	45,906	29,722
<b>Total shareholders' funds</b>		1,139,977	1,143,541	968,403
<b>Net asset value per ordinary share</b>	12	352.61p	352.84p	298.80p

# Cash Flow Statement

for the six months ended 28 February 2025

	28.02.25 unaudited £'000	31.08.24 audited £'000	29.02.24 unaudited £'000
<b>Operating activities</b>			
Investment income received	18,750	42,980	18,069
Net derivative income	1,796	4,454	859
Interest received	822	2,723	1,861
Investment management fee paid	(3,361)	(6,008)	(2,887)
Directors' fees paid	(93)	(170)	(85)
Other cash payments	(141)	(696)	(332)
<b>Net cash inflow from operating activities before finance costs and taxation</b>	<b>17,773</b>	<b>43,283</b>	<b>17,485</b>
Finance costs paid	(2,974)	(5,853)	(3,040)
Overseas taxation recovered/(suffered)	251	(536)	216
<b>Net cash inflow from operating activities</b>	<b>15,050</b>	<b>36,894</b>	<b>14,661</b>
<b>Investing activities</b>			
Purchases of investments	(162,160)	(353,057)	(133,738)
Sales of investments	194,529	282,830	124,932
Receipts on long CFDs	27,326	51,625	23,200
Payments on long CFDs	(21,241)	(35,747)	(17,719)
Receipts on short CFDs	460	950	-
Payments on short CFDs	(1,621)	(588)	-
Movement on amounts held at futures clearing houses and brokers	(795)	-	(775)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>36,498</b>	<b>(53,987)</b>	<b>(4,100)</b>
<b>Net cash inflow/(outflow) before financing activities</b>	<b>51,548</b>	<b>(17,093)</b>	<b>10,561</b>
<b>Financing activities</b>			
Dividends paid	(20,418)	(30,822)	(20,321)
Repurchase of ordinary shares	(1,137)	-	-
<b>Net cash outflow from financing activities</b>	<b>(21,555)</b>	<b>(30,822)</b>	<b>(20,321)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>29,993</b>	<b>(47,915)</b>	<b>(9,760)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>11,749</b>	<b>59,460</b>	<b>59,460</b>
<b>Effect of movement in foreign exchange</b>	<b>(66)</b>	<b>204</b>	<b>220</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>41,676</b>	<b>11,749</b>	<b>49,920</b>
<b>Represented by:</b>			
Cash at bank	2,408	2,072	66
Bank overdraft	-	-	(5,260)
Amount held in Fidelity Institutional Liquidity Fund	39,268	9,677	55,114
	<b>41,676</b>	<b>11,749</b>	<b>49,920</b>

# 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 Publication of Non-statutory Accounts

The Financial Statements in this Half-Yearly Report have not been audited by the Company's Independent Auditor and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006 (the "Act"). The financial information for the year ended 31 August 2024 is extracted from the latest published Financial Statements of the Company. Those Financial Statements were delivered to the Registrar of Companies and included the Independent Auditor's Report which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Act.

## 3 Accounting Policies

### (i) Basis of Preparation

The Company prepares its Financial Statements on a going concern basis and in accordance with UK Generally Accepted Accounting Practice ("UK GAAP") and FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland, issued by the Financial Reporting Council. The Financial Statements are also 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 July 2022. FRS 104: Interim Financial Reporting has also been applied in preparing this condensed set of Financial Statements. The accounting policies followed are consistent with those disclosed in the Company's Annual Report and Financial Statements for the year ended 31 August 2024.

### (ii) Going Concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these Financial Statements. Accordingly, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing these Financial Statements. This conclusion also takes into account the Directors' assessment of the risks faced by the Company as detailed in the Interim Management Report on pages 11 to 13.

#### 4 Income

	Six months ended 28.02.25 unaudited £'000	Year ended 31.08.24 audited £'000	Six months ended 29.02.24 unaudited £'000
<b>Investment income</b>			
UK dividends	11,409	30,235	10,044
UK property income distributions	788	135	-
UK scrip dividends	512	1,310	526
UK property income scrip dividends	-	157	-
Interest on securities	964	1,528	785
Overseas dividends	2,283	10,395	3,096
	15,956	43,760	14,451
<b>Derivative income</b>			
Dividends received on long CFDs	1,443	4,653	1,011
<b>Investment and derivative income</b>	17,399	48,413	15,462
<b>Other interest</b>			
Interest received on bank deposits, collateral and money market funds	823	2,723	1,861
Interest received on short CFDs	22	28	-
	845	2,751	1,861
<b>Total income</b>	18,244	51,164	17,323

Special dividends of £2,947,000 have been recognised in capital during the period (year ended 31 August 2024: £5,206,000 and six months ended 29 February 2024: £nil).

# Notes to the Financial Statements continued

## 5 Investment Management Fees

	Six months ended 28.02.25 unaudited £'000	Year ended 31.08.24 audited £'000	Six months ended 29.02.24 unaudited £'000
Investment management fees	3,315	6,095	2,863

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

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

## 6 Finance Costs

	Six months ended 28.02.25 unaudited £'000	Year ended 31.08.24 audited £'000	Six months ended 29.02.24 unaudited £'000
Interest paid on long CFDs	2,938	5,765	2,992
Interest paid on bank overdrafts and collateral balances	18	29	2
	2,956	5,794	2,994

## 7 Taxation on Return on Ordinary Activities

	Six months ended 28.02.25 unaudited £'000	Year ended 31.08.24 audited £'000	Six months ended 29.02.24 unaudited £'000
Overseas taxation	118	848	154
<b>Total taxation charge for the period</b>	<b>118</b>	<b>848</b>	<b>154</b>



## 8 Return per Ordinary Share

	Six months ended 29.02.25 unaudited	Year ended 31.08.24 audited	Six months ended 29.02.24 unaudited
Revenue return per ordinary share	3.51p	11.58p	3.34p
Capital return per ordinary share	2.50p	57.32p	8.28p
<b>Total return per ordinary share</b>	<b>6.01p</b>	68.90p	11.62p

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

	£'000	£'000	£'000
Net revenue return on ordinary activities after taxation	11,385	37,529	10,844
Net capital return on ordinary activities after taxation	8,097	185,785	26,831
<b>Net total return on ordinary activities after taxation</b>	<b>19,482</b>	223,314	37,675
	<b>Number</b>	Number	Number
Weighted average number of ordinary shares held outside of Treasury	324,066,047	324,098,920	324,098,920

# Notes to the Financial Statements continued

## 9 Dividends Paid to Shareholders

	Six months ended 28.02.25 unaudited £'000	Year ended 31.08.24 audited £'000	Six months ended 29.02.24 unaudited £'000
Final dividend of 6.30 pence per ordinary share paid for the year ended 31 August 2024	20,418	-	-
Interim dividend of 3.24 pence per ordinary share paid for the year ended 31 August 2024	-	10,501	-
Final dividend of 6.27 pence per ordinary share paid for the year ended 31 August 2023	-	20,321	20,321
	20,418	30,822	20,321

The Company has declared an interim dividend for the six month period to 28 February 2025 of 3.36 pence per ordinary share (2024: 3.24 pence). The interim dividend will be paid on 19 June 2025 to shareholders on the register at the close of business on 9 May 2025 (ex-dividend date 8 May 2025). The total cost of this interim dividend, which has not been included as a liability in these Financial Statements, is £10,854,000 (2024: £10,501,000). This amount is based on the number of ordinary shares in issue held at the date of this report.

## 10 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

**10 Fair Value Hierarchy** continued

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 as disclosed in the Company's Annual Report for the year ended 31 August 2024 (Accounting Policies Notes 2 (k) and 2 (l) on pages 59 and 60). The table below sets out the Company's fair value hierarchy:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>28 February 2025 (unaudited)</b>				
<b>Financial assets at fair value through profit or loss</b>				
Investments	1,070,007	24,358	545	1,094,910
Derivative instrument assets	–	4,028	–	4,028
	1,070,007	28,386	545	1,098,938
<b>Financial liabilities at fair value through profit or loss</b>				
Derivative instrument liabilities	–	(6,096)	–	(6,096)
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>31 August 2024 (audited)</b>				
<b>Financial assets at fair value through profit or loss</b>				
Investments	1,096,402	23,413	871	1,120,686
Derivative instrument assets	–	4,318	–	4,318
	1,096,402	27,731	871	1,125,004
<b>Financial liabilities at fair value through profit or loss</b>				
Derivative instrument liabilities	–	(200)	–	(200)
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>29 February 2024 (unaudited)</b>				
<b>Financial assets at fair value through profit or loss</b>				
Investments	884,245	23,919	3,972	912,136
Derivative instrument assets	–	2,675	–	2,675
	884,245	26,594	3,972	914,811
<b>Financial liabilities at fair value through profit or loss</b>				
Derivative instrument liabilities	–	(1,559)	(21)	(1,580)

# Notes to the Financial Statements continued

## 11 Share Capital

	28 February 2025 unaudited		31 August 2024 audited		29 February 2024 unaudited	
	Number of shares	Nominal value £'000	Number of shares	Nominal value £'000	Number of shares	Nominal value £'000
<b>Issued, allotted and fully paid Ordinary shares of 5 pence each held outside of Treasury</b>						
<b>Beginning of the period</b>	<b>324,098,920</b>	<b>16,205</b>	324,098,920	16,205	324,098,920	16,205
Ordinary shares repurchased into Treasury	(800,000)	(40)	-	-	-	-
<b>End of the period</b>	<b>323,298,920</b>	<b>16,165</b>	324,098,920	16,205	324,098,920	16,205
<b>Issued, allotted and fully paid Ordinary shares of 5 pence each held in Treasury<sup>1</sup></b>						
<b>Beginning of the period</b>	-	-	-	-	-	-
Ordinary shares repurchased into Treasury	800,000	40	-	-	-	-
<b>End of the period</b>	<b>800,000</b>	<b>40</b>	-	-	-	-
<b>Total share capital</b>		<b>16,205</b>		16,205		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, the Company repurchased 800,000 ordinary shares (year ended 31 August 2024: nil shares and six months to 29 February 2024: nil shares) and held them in Treasury. The £2,628,000 cost of repurchase was charged to the capital reserve (31 August 2024 and 29 February 2024 £nil).

## 12 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.

	28.02.25 unaudited	31.08.24 audited	29.02.24 unaudited
Total shareholders' funds	<b>£1,139,977,000</b>	£1,143,541,000	£968,403,000
Ordinary shares held outside of Treasury at the period end	<b>323,298,920</b>	324,098,920	324,098,920
Net asset value per ordinary share	<b>352.61p</b>	352.84p	298.80p

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.

### 13 Transactions with the Manager 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 ("FIL"). Both companies are Fidelity group companies.

Details of the fee arrangements are given in Note 5 on page 24. During the period, fees payable to FIL for portfolio management services of £3,315,000 (year ended 31 August 2024: £6,095,000 and six months ended 29 February 2024: £2,863,000). At the Balance Sheet date, fees for portfolio management services of £525,000 (year ended 31 August 2024: £570,000 and six months ended 29 February 2024: £459,000).

FIL also provides the Company with marketing services. The total amount payable for these services during the period was £123,000 (year ended 31 August 2024: £229,000 and six months ended 29 February 2024: £132,000). At the Balance Sheet date, marketing services of £87,000 (year ended 31 August 2024: £52,000 and six months ended 29 February 2024: £98,000) were accrued and included in other creditors.

As at 28 February 2025, the Board consisted of five Non-Executive Directors (as shown in the Directory on page 32), all of whom are considered to be independent. None of the Directors have a service contract with the Company. The Chairman receives an annual fee of £47,000, the Audit Committee Chair an annual fee of £37,500, plus an additional £1,500 for acting as the Senior Independent Director and each other Director an annual fee of £31,000.

As at the date of this report, the following members of the Board held ordinary shares in the Company: Claire Boyle 7,466 shares, Dean Buckley 50,000 shares, Christopher Casey nil shares, Ominder Dhillon 7,750 shares and Alison McGregor 20,000 shares.

# Shareholder Information

## Investing in Fidelity Special Values PLC

Fidelity Special Values PLC is a company listed on the London Stock Exchange and you can buy its shares through a platform, stockbroker, share shop or bank. Fidelity also offers a range of options, so that you can invest in the way that is best for you. Details of how to invest and the latest Key Information Document can be found on the Company's pages on the Manager's website at [www.fidelity.co.uk/specialvalues](http://www.fidelity.co.uk/specialvalues)

## CONTACT INFORMATION

Shareholders and Fidelity's Platform Investors should contact the appropriate administrator using the contact details given below and on the next page. Links to the websites of major platforms can be found online at [www.fidelity.co.uk/its](http://www.fidelity.co.uk/its)

## Shareholders on the main share register

Contact MUFG Corporate Markets, Registrar to Fidelity Special Values PLC, Central Square, 29 Wellington Street, Leeds LS1 4DL.

Email:

[shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com)

Telephone: **0371 664 0300** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9:00 - 17:30, Monday to Friday, excluding public holidays in England and Wales).

Details of individual shareholdings and other information can also be obtained from the Registrar's Investor Centre at [uk.investorcentre.mpms.mufg.com/Login](http://uk.investorcentre.mpms.mufg.com/Login). Shareholders are able to manage their shareholding online by registering for the Investor Centre, a free and secure online service.

Facilities include:

**Account Enquiry** – Shareholders can access their personal shareholding, including share transaction history, dividend payment history and obtain an up-to-date shareholding valuation.

**Amendment of Standing Data** – Shareholders can change their registered postal address and add, change or delete dividend mandate instructions. Shareholders can also download forms such as change of address, stock transfer and dividend mandate forms as well as buy and sell shares in the Company.

Should you have any queries in respect of the Investor Centre, contact the helpline on **0371 664 0391** (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 9:00 - 17:30, Monday to Friday excluding public holidays in England and Wales).

## Fidelity Platform Investors

Contact Fidelity, using the freephone numbers given below, or by writing to: UK Customer Service, Fidelity, PO Box 391, Tadworth KT20 9FU.

Website: [www.fidelity.co.uk](http://www.fidelity.co.uk)

**Private investors:** call free on **0800 41 41 10**, 9:00 - 18:00, Monday to Saturday.

**Financial advisers:** call free on **0800 41 41 81**, 8:00 - 18:00, Monday to Friday.



**General Enquiries**

General enquiries should be made to the Secretary, at the Company’s registered office: FIL Investments International, Investment Trusts, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Telephone: **01737 836347**

Email: **investmenttrusts@fil.com**

Website: **www.fidelity.co.uk/its**

If you hold Fidelity Special Values PLC shares in an account provided by Fidelity International, you will receive a report every six months detailing all of your transactions and the value of your shares.

**ShareGift**

You may donate your shares to charity free of charge.

FINANCIAL CALENDAR 2025/2026 – KEY DATES	
28 February 2025	Half-Yearly Period End
April 2025	Announcement of Half-Yearly Results
May 2025	Publication of Half-Yearly Report
08 May 2025	Ex-Dividend Date
09 May 2025	Dividend Record Date
19 June 2025	Payment of Interim Dividend
31 August 2025	Financial Year End
November 2025	Publication of Annual Report
December 2025	Ex-Dividend and Dividend Record Dates
December 2025	Annual General Meeting
January 2026	Payment of Final Dividend

# Directory

## Board of Directors

Dean Buckley (Chairman)  
Claire Boyle (Senior Independent Director and  
Chair of the Audit Committee)  
Christopher Casey  
Ominder Dhillon  
Alison McGregor

## Alternative Investment Fund Manager (AIFM/the Manager)

FIL Investment Services (UK) Limited  
Beech Gate  
Millfield Lane  
Lower Kingswood  
Tadworth  
Surrey KT20 6RP

## Investment Manager, Secretary and Registered Office

FIL Investments International  
Beech Gate  
Millfield Lane  
Lower Kingswood  
Tadworth  
Surrey KT20 6RP  
Email: [investmenttrusts@fil.com](mailto:investmenttrusts@fil.com)

## Banker and Custodian

JPMorgan Chase Bank (London Branch)  
125 London Wall  
London  
EC2Y 5AJ

## Depository

J.P. Morgan Europe Limited  
25 Bank Street  
London  
E14 5JP

## Financial Adviser and Stockbroker

Winterflood Investment Trusts  
Riverbank House  
2 Swan Lane  
London  
EC4R 3GA

## Independent Auditor

Ernst & Young LLP  
25 Churchill Place  
London  
E14 5EY

## Lawyer

Simmons & Simmons LLP  
1 Ropemaker Street  
London  
EC2Y 9SS

## Registrar

MUFG Corporate Markets (name changed from  
Link Group on 20 January 2025)  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

## General Data Protection Regulation ("GDPR")

### What personal data is collected and how is it used

The Company is an investment trust which is a public limited company and has certain regulatory obligations such as the requirement to send documents to its shareholders, for example, the Annual Report and other documents that relate to meetings of the Company. The Company will therefore collect shareholders' personal data such as names, addresses and identification numbers or investor codes and will use this personal data to fulfil its statutory obligations.

Any personal data collected will be kept securely on computer systems and in some circumstances on paper. Personal information is kept secure in line with Fidelity's Information Security policies and standards. If you are unhappy with how we have used your personal data, you can complain by contacting the UK Data Protection Officer, Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

### Sharing personal data

In order to assist the Company in meeting its statutory requirements, the Company delegates certain duties around the processing of this data to its third party service providers, such as the Company's Registrar and Printers. The Company has appointed Fidelity to undertake marketing activities for the Company and their privacy statement can be found on the Company's website at <https://investment-trusts.fidelity.co.uk/security-privacy/>

The Company's agreements with the third party service providers have been updated to be compliant with GDPR requirements. The Company confirms to its shareholders that their data will not be shared with any third party for any other purpose, such as for marketing purposes. In some circumstances, it may be necessary to transfer shareholders' personal data across national borders to Fidelity Group entities operating in the European Economic Area ("EEA"). Where this does occur, the European standard of protections will be applied to the personal data that is processed. Where personal data is transferred within the Fidelity group, but outside of the EEA, that data will subsequently receive the same degree of protection as it would in the EEA.

### Retention period

Personal data will be kept for as long as is necessary for these purposes and no longer than legally permitted to do so.

### Requesting access, making changes to personal data and other important information

Shareholders can access the information that the Company holds about them or ask for it to be corrected or deleted by contacting Fidelity's UK Data Protection Officer, Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

## Fair treatment of investors

The legal and regulatory regime to which the Company and the Directors are subject ensures the fair treatment of investors. The Listing Rules require that the Company treats all shareholders of the same class of shares equally. In particular, the Directors have certain statutory duties under the Companies Act 2006 with which they must comply. These include a duty upon each Director to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

# Glossary of Terms

## AIC

The Association of Investment Companies ("AIC"). The Company is a member of the AIC.

## AIF

Alternative Investment Fund ("AIF"). The Company is an AIF.

## AIFM

Alternative Investment Fund Manager ("AIFM"). The Board has appointed FIL Investment Services (UK) Limited to act as the Company's AIFM (the Manager).

## AIFMD

The Alternative Investment Fund Managers Directive ("AIFMD") is a European Union Directive implemented on 22 July 2014.

## Alternative Performance Measures

The Company uses the following Alternative Performance Measures which are all defined in this Glossary of Terms:

- Discount/Premium;
- Gearing;
- Net Asset Value (NAV) per Ordinary Share;
- Ongoing Charges;
- Revenue, Capital and Total Returns; and
- Total Return Performance (Net Asset Value Total Return or Ordinary Share Price Total Return).

## Asset Exposure

The value of an underlying security or instrument to which the Company is exposed, whether through direct or indirect investment (including the economic value of the exposure in the underlying asset of derivatives).

## Benchmark

FTSE All-Share Index against which the performance of the Company is measured.

## Collateral

Asset provided as security for the unrealised gain or loss under a contract for difference.

## Contract For Difference (CFD)

A contract for difference is a derivative. It is a contract between the Company and an investment house at the end of which the parties exchange the difference between the opening price and the closing price of an underlying asset of the specified financial instrument. It does not involve the Company buying or selling the underlying asset, only agreeing to receive or pay the movement in its share price. A contract for difference allows the Company to gain access to the movement in the share price by depositing a small amount of cash known as collateral. The Company may reason that the asset price will rise, by buying ("long" position) or fall, by selling ("short" position). If the Company holds long positions, dividends are received and interest is paid. If the Company holds short positions, dividends are paid and interest is received.

## Custodian

An entity that holds (as intermediary) the Company's assets, arranges the settlement of transactions and administers income, proxy voting and corporate actions. The Company's Custodian is JPMorgan Chase Bank.

## Depository

An entity that oversees the custody, cash arrangements and other AIFM responsibilities of the Company. J.P.Morgan Europe Limited act as the Company's Depository.

## Derivatives

Financial instruments (such as futures, options and contracts for difference) whose value is derived from the value of an underlying asset or other financial instrument.

## Discount

If the share price of the Company is lower than the **net asset value per ordinary share**, the Company is said to be trading at a **discount**. The **discount** is shown as a percentage of the **net asset value per ordinary share**.

## Fair Value

The **fair value** is the best estimate of the value of the investments, including **derivatives**, at a point in time and this is measured as:

- **Listed and AIM quoted investments** – valued at bid prices or last market prices, as available, otherwise at published price quotations;
- **Unlisted investments** – valued using an appropriate valuation technique in the absence of an active market;
- **Contracts for difference** – valued as the difference between the settlement price of the contract and the value of the underlying shares in the contract (unrealised gains or losses); and
- **Futures and options** – valued at the quoted trade price for the contract.

## Fidelity International (Fidelity)

FIL Limited and its subsidiary group companies including FIL Investment Services (UK) Limited and FIL Investments International which act as the **AIFM**, Secretary and **Investment Manager**.

## Future

An agreement to buy or sell a fixed amount of an asset at a fixed future date and a fixed price.

## Gearing

The economic exposure of the portfolio to its underlying assets in excess of total net assets. It represents the additional exposure to the market above **Shareholders' Funds**. The Company uses two measures of **gearing** (**Gross Gearing** and **Net Gearing**).

## Gross Asset Exposure

The value of the portfolio to which the Company is exposed, whether through direct or indirect investment (including the economic value of the exposure in the underlying asset of the **derivatives**). It is the sum total of all **Asset Exposures**.

## Gross Gearing

The amount by which **Gross Asset Exposure** exceeds **Shareholders' Funds** expressed as a percentage of **Shareholders' Funds**.

## Hedging

A strategy aimed at minimising or eliminating the risk or loss through adverse movements, normally involving taking a position in a **derivative** such as a **future** or an **option**.

## Investment Manager

FIL Investments International.

## Manager

FIL Investment Services (UK) Limited is the appointed **Manager** under the **AIFMD**. It has delegated the portfolio management of assets to the **Investment Manager**.

## Net Assets or Net Asset Value (NAV)

Also described as "**Shareholders' Funds**", **net assets** represent the total value of the Company's assets less the total value of its liabilities. For valuation purposes it is common to express the **net asset value** on a per ordinary share basis.

## Net Asset Value per Ordinary Share

The **net asset value** divided by the number of ordinary shares in issue.

## Net Gearing

The amount by which **Net Market Exposure** exceeds **Shareholders' Funds** expressed as a percentage of **Shareholders' Funds**.

## Net Market Exposure

**Net Market Exposure** is the total of all long exposures, less short exposures and less exposures **hedging** the portfolio.

## Glossary of Terms continued

### Ongoing Charges

Total operating expenses (excluding finance costs and taxation) incurred by the Company as a percentage of the average daily [net asset values](#) for the reporting year.

### Options

An [option](#) is a contract which gives the right but not the obligation to buy or sell an underlying asset at an agreed price on or before an agreed date. [Options](#) may be calls (buy) or puts (sell) and are used to gain or reduce exposure to the underlying asset on a conditional basis.

### Portfolio Manager

Alex Wright is the appointed [Portfolio Manager](#) of the Company and is responsible for managing the Company's assets.

### Premium

If the share price of the Company is higher than the [net asset value per ordinary share](#), the Company's shares are said to be trading at a [premium](#). The [premium](#) is shown as a percentage of the [net asset value per ordinary share](#).

### Registrar

An entity that manages the Company's shareholder register. The Company's [Registrar](#) is MUFG Corporate Markets (name changed from Link Group on 20 January 2025).

### Reserves

- **Share premium account** represents the amount by which the proceeds from the issue of ordinary shares has exceeded the cost of those ordinary shares. It is not distributable by way of dividends and cannot be used to fund share repurchases.
- **Capital redemption reserve** maintains the equity share capital of the Company and represents the nominal value of shares repurchased and cancelled. It is not distributable by way of dividends and cannot be used to fund share repurchases.

- **Other non-distributable reserve**

represents amounts transferred from the warrant reserve. It is not distributable by way of dividends and cannot be used to fund share repurchases.

- **Capital reserve** represents realised gains or losses on investments and derivatives sold, unrealised increases and decreases in the fair value of investments and derivatives held and other income and costs recognised in the capital column of the Income Statement. It can be used to fund repurchases and issuance of shares from Treasury and it is distributable by way of dividends.

- **Revenue reserve** represents retained revenue surpluses recognised through the revenue column of the Income Statement. It is distributable by way of dividends.

### Return

The [return](#) generated in a given period from investments:

- **Revenue return** reflects the dividends and interest from investments and other income net of expenses, finance costs and taxation;
- **Capital return** reflects the return on capital, excluding any revenue return; and
- **Total return** reflects the aggregate of revenue and capital return.

### Shareholders' Funds

[Shareholders' funds](#) are also described as "[net asset value](#)" and represent the total value of the Company's assets less the total value of its liabilities as shown in the balance sheet.

### Total Return Performance

The return on the share price or [net asset value per ordinary share](#) taking into account the rise and fall of share prices and the dividends paid to shareholders. Any dividends received by the shareholder are assumed to have been reinvested in additional shares (for share price total return) or the Company's assets (for [net asset value](#) total return).

### Treasury Shares

Ordinary shares of the Company that have been repurchased by the Company and not cancelled but held in Treasury. These shares do not pay dividends, have no voting rights and are excluded from the [net asset value per ordinary share](#) calculation.





# Would you like updates directly from your Portfolio Manager?

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