Henderson Opportunities Trust plc

Annual Report 2024

MANAGED BY
Janus Henderson
INVESTORS

Strategic Report

Investment Objective

The Company aims to achieve capital growth in excess of the FTSE All-Share Index from a portfolio of primarily UK investments.

Strategic Report

Governance

Financial Statements

Additional information

To receive insights into the Company scan the QR code and register with Janus Henderson

Performance highlights

Total return performance to 31 October 2024

	1 year %	3 years %	5 years %	10 years %
NAV[1, 5]	17.1	-21.8	14.7	60.9
Share price[2]	26.9	-16.1	31.5	56.1
Benchmark[3]	16.3	19.7	31.9	81.9
Peer group NAV[4]	23.4	-1.6	27.7	79.8

Year to 31 October

NAV per share at year end[5]

2024	2023*
235.5p	*207.0p*

Share price at year end

2024	2023*
212.0p	*173.0p*

Total return per share[5]

2024	2023*
35.5p	*(20.7p)*

Net assets

2024	2023
£93.0m	*£81.8m*

Discount at year end[5, 6]

2024	2023
10.0%	*16.4%*

Ongoing charge

2024	2023
1.03%	*1.02%*

Dividend for year[7]

2024	2023*
7.1p	*7.1p*

*Comparative figures for the period ended 31 October 2023 have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

1 Net asset value ("NAV") per ordinary share total return (including dividends reinvested)
2 Share price total return (including dividends reinvested)
3 FTSE All-Share Index
4 AIC UK All Companies simple average
5 Alternative performance measure
6 Calculated based on the NAV per share and share price at year end
7 This represents three interim dividends of 1.5p each, and one interim dividend of 2.6p, to be paid on 11 March 2025. See page 4 for more details. The dividend yield[5] for the year ended 31 October 2024 was 3.3% (2023: 4.1%) based on the share price at the year end

Sources: Morningstar Direct, Janus Henderson, LSEG Datastream
A glossary of terms can be found on pages 74 and 75 and alternative performance measures can be found on pages 76 and 77

Strategic Report

Chairman's statement

Chairman's statement

Result of the Requisitioned General Meeting

In December 2024, the Company received a requisition notice from Saba Capital Management L.P. ("Saba"), requesting the convening of a general meeting to consider resolutions to remove the current directors and to appoint two new directors to the Board. The requisitioned general meeting was held on 4 February 2025 and the resolutions put forward were defeated on a poll (approximately 65% of the total votes cast were voted against the resolutions).

The Board was very pleased to see a voting turnout of approximately 73.4%. The Board would like to extend its gratitude to all of the Company's shareholders for their support and participation in the vote.

Scheme of Reconstruction

At the Company's annual general meeting in March 2023, although shareholders voted in favour of the triennial resolution for the continuation of the Company, 24.2 per cent. of the votes cast were voted against. In response to shareholder feedback around the Company's size, its longer-term NAV and share price performance, the discount at which the shares traded and the limited share liquidity, the Board took various steps with a view to creating additional demand for the shares and enhancing value for shareholders. These included removing the performance fee, effecting a share split, reducing gearing and increasing the focus on marketing. Working with the Fund Managers, the Board also undertook a detailed review of the portfolio scrutinising risk, volatility and allocation. This resulted in a reduction in gearing and in the Company's exposure to AIM stocks.

Following the last continuation vote, the Board also started exploring strategic options for the future of the Company. These included a possible combination with another investment trust or a change of mandate. In November 2024, the Board concluded that, although in the most recent financial year ended 31 October 2024 the Company had seen some recovery and had modestly outperformed its benchmark, in the Board's view and taking into account the various challenges the Company continued to face, shareholders' interests would be best served through pursuit of a strategic option. Having assessed all available choices, the Board then determined that proposing a scheme of reconstruction – offering a full cash exit at NAV and/or the opportunity to roll into an open-ended fund – was the best achievable option.

The work to deliver this scheme had commenced prior to the receipt by the Company of the requisition notice from Saba and the Company published the circular relating to the Scheme of Reconstruction on 3 February 2025 (the "Circular"). The Circular sets out proposals to shareholders for the winding-up of the Company by way of a scheme of reconstruction pursuant to Section 110 of the Insolvency Act 1986 (the "Scheme"). Under the terms of the Scheme, shareholders will be offered the opportunity to roll over their investment into Janus Henderson UK Equity Income & Growth Fund (the "OEIC Sub-Fund"), a sub-fund of Janus Henderson UK & Europe Funds whose portfolio is also managed by Janus Henderson Investors UK Limited, or to receive cash in respect of their investment in the Company, or a combination of both (the "Proposals").

The OEIC Sub-Fund's individual fund managers are Laura Foll and James Henderson (who also currently manage the Company's portfolio). The OEIC Sub-Fund aims to provide a dividend income, with prospects for both income and capital growth over the long term (5 years or more). It invests at least 80 per cent. of its assets in shares of companies, in any industry, in the UK and will typically have a bias towards small and medium-sized companies. The OEIC Sub-Fund is larger than the Company, with net assets of around £165.56 million (as at 31 December 2024).

Full details of the Proposals are set out in the Circular which can be found at **www.hendersonopportunitiestrust.com**.

As part of its campaign, Saba has publicly stated its aim to deliver substantial liquidity options for shareholders. The Scheme is designed to deliver full liquidity for shareholders. However, given Saba's current interest in over 25% of the Company's issued share capital Saba will be able to block the Scheme by voting against the Scheme resolutions should it decide to do so.

In the event that the resolutions required to approve the Scheme and the winding-up of the Company are not passed and the Scheme does not become effective, the Board will need to consider alternative proposals for the future of the Company that are in the best interests of shareholders as a whole.

Board Recommendation

Two general meetings will be held on 21 February 2025 at 9.00am and on 14 March 2025 at 9.30am at Janus Henderson's offices at 201 Bishopsgate, London EC2M 3AE to approve the Scheme and the winding up of the Company respectively.

Full details are set out in the Notices of Meetings in the Circular.

The Board is unanimously of the opinion that the proposals set out in the Circular are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends that shareholders vote in favour of all of the resolutions to be proposed at the Scheme general meetings.

Shareholders on the main register should complete the Forms of Proxy sent to them on 3 February 2025. To be valid, the Forms of Proxy should be completed, signed and returned to the Company's Registrar, Computershare Investor Services PLC by post to The Pavilions, Bridgwater Road,

Chairman's statement (continued)

Bristol BS99 6AH as soon as possible but in any event they must arrive no later than 9.00am on 19 February 2025 in respect of the first Scheme general meeting and 9.30am on 12 March 2025 in respect of the second Scheme general meeting. Alternatively, shareholders can submit their vote electronically by visiting Computershare's website (**www.investorcentre.co.uk/eproxy**). CREST members may utilise the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the Notices of General Meeting contained in the Circular.

If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to **www.proxymity.io**.

Shareholders who hold their shares through an investment platform or other nominee service are encouraged to contact their investment platform provider or nominee as soon as possible to arrange for votes to be lodged on their behalf. Appointment of a proxy does not preclude you from attending the meeting and voting in person.

Performance review

As mentioned above, the year saw some recovery from the depressed levels of last year and the Company modestly outperformed its Benchmark, the FTSE All-Share Index. Over the longer term the Company lags the Benchmark and the Fund Managers' report looks at the reasons. The problem has been the over weight position in smaller companies compared to the Benchmark with much of the upward momentum of the Index coming from a select number of very large companies. The reasons for this are partly technical. Traditional shareholders have for a number of years been selling down their UK holdings. This has been particularly the case with pension funds that have reduced their equity exposure to derisk their portfolios and other shareholders with concerns about the UK economy moving funds overseas. The remaining buyers of UK stock tend to be large international investors who concentrate their interest in large international based UK companies. This trend has left a dearth of investors for UK smaller companies. The pick-up in takeover activity during the year as overseas companies made bids for UK-based companies and the realisation that the UK recession at the end of last year was short-lived both helped the portfolio. Both the Fund Managers and the Board recognised that, ahead of the October 2024 Budget, the AIM market was facing considerable uncertainty from tax changes. As a result of this uncertainty it was felt prudent to apply greater scrutiny to AIM holdings in particular, and a few were reduced and in a small number of cases, sold.

Dividend

A fourth interim dividend of 2.6p per share for the year ended 31 October 2024 and a first interim dividend of 1.5p per share for the year ended 31 October 2025 will be paid on 11 March 2025, to shareholders on the register at the close of business on 21 February 2025. The shares will go ex-dividend on 20 February 2025.

Gearing

Gearing was a modest positive contributor to returns during the financial year, as the Fund Managers show in the 'Attribution' section of their report. The Board continued to view gearing as one of the key advantages of the investment trust structure and gearing has, over the long term (as well as over one year), positively contributed to the Company's performance.

The Fund Managers, following discussion with the Board, reduced the gearing during the year, with the Company finishing the year with 5.3% gearing compared to 9.6% at the previous financial year end.

The discount level

During the year the discount relative to the Company's net asset value fluctuated between 5.9% and 17.8%, finishing the year at 10.0%. This was a lower discount than the 16.4% at the previous financial year end. The average discount for the Company during the year was 12.2%, compared to 10.5% for the AIC UK All Companies peer group and 15.4% for the AIC UK Smaller Companies group.

There were no shares bought back or issued during the financial year.

Annual General Meeting

The Company's 2025 AGM will only be scheduled in the event that shareholders do not approve the Scheme and it does not become effective. In this event, a separate notice of meeting for the AGM will be sent to shareholders in or around March 2025.

Wendy Colquhoun
Chairman
12 February 2025

Strategic Report

Fund Managers' report

Fund Managers' report

Overview

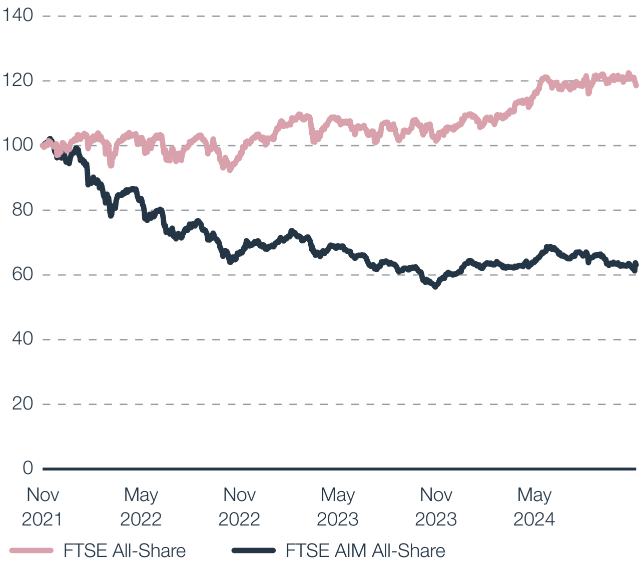
It was a difficult year for investors to have a clear view of what the economy had in store for companies. The last few months of 2023 saw the UK economy slip into recession, but it was shallow and the economy was back growing in early 2024. Rosier projections, however, proved short-lived and interest rates did not fall as fast as had been hoped, resulting in anaemic economic growth for much of the period.

Performance in the medium and smaller company area of the market was very mixed. Low valuations led to takeover approaches for a few companies and this buoyed some share prices, but there was no real pick-up in investor flows to the sector. Redemptions in trust portfolios investing in this sector continued, which meant there was a lack of real demand for shares. The demand there was would evaporate on the smallest concern about an individual company. This resulted in little appetite to take on risk so potential high growth early-stage companies were savagely sold down. The reliable, slower growing but cash generative business fared better as it was the sort of stock that could attract bid attention.

Attribution

While we are reporting on a year of strong absolute performance and modest relative outperformance, the majority of this has been driven by the holdings in larger companies (we go into more detail on the stock specific drivers below). The Company's weighting in AIM has continued to be a detractor from performance, with AIM underperforming the broader UK market. This means that over a three-year period, AIM has underperformed the FTSE All-Share by a staggering 55%, as the chart below shows:

AIM performance over 3 years



Source: Bloomberg, total return, GBP, rebased to 100 as at 1 November 2021

In our view the material underperformance of the AIM market has come about for a number of reasons including fund managers' increasing desire for liquidity, weak sentiment resulting in outflows from UK equities and, increasingly ahead of the Budget in October 2024, concern about the future of inheritance tax relief on AIM shares.

As the table below shows, the Company's holdings in the FTSE 100 substantially outperformed (the FTSE 250 was approximately in line), while the holdings in AIM and the FTSE Small Cap Index underperformed (comparing the fourth and fifth columns of the table below).

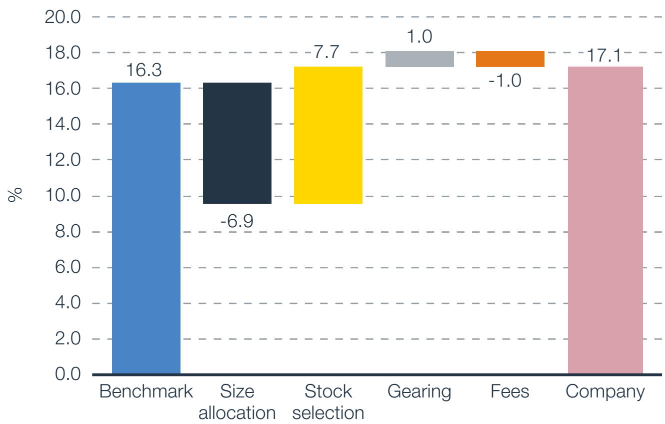
Index:	Company weighting (%)	Benchmark weighting (%)	Company total return (%)	Benchmark total return (%)
FTSE 100	34.3	84.9	45.1	15.0
FTSE 250	19.5	13.1	23.1	23.4
FTSE SmallCap	8.8	1.9	2.9	24.1
FTSE AIM All-Share	32.9	–	-0.1	10.5

Company and Benchmark weights are as at financial year end (31 October 2024)

Source: Factset, Morningstar Direct

When viewed though a different lens, stock selection has, overall, been positive (driven by the FTSE 100) but size allocation, and in particular the weight on AIM, has been a substantial detractor. In a rising market, the use of gearing was a modest positive contributor during the year:

Attribution returns



Source: Janus Henderson

Turning to stocks, three of the top ten absolute contributors to performance during the year were banks, as higher interest rates aided lending margins at a time when loan losses remained subdued.

Of the other best contributors, two (**Rolls-Royce** and **Marks & Spencer**) were driven by ongoing recovery. In the case of Rolls-Royce, under a new management team they have reduced costs and improved commercial delivery. In the case of Marks & Spencer, they are taking market share in both food and clothing under a new management team and a

Fund Managers' report (continued)

refreshed (and more competitively priced) offering. Smaller companies that performed well included Scottish housebuilder **Springfield Properties**, which has been successfully undertaking disposals in order to strengthen its balance sheet. Defence equipment provider **Cohort** benefited from a rising defence spending environment, while telecoms and utilities software provider **IQGeo** was taken over by private equity.

The top ten contributors to absolute return were:

Company name	Contribution to absolute return (%)	Share price total return (%)
1. Rolls-Royce	3.0	126.3
2. Barclays	2.7	90.2
3. Springfield Properties	2.0	90.4
4. Natwest	1.5	120.0
5. Cohort	1.4	89.2
6. IQGeo	1.3	133.0
7. Marks & Spencer	1.3	75.4
8. Standard Chartered	1.2	46.5
9. Boku	1.1	31.0
10. Marshalls	1.0	66.9

Examining the detractors in more detail, three of the top ten were exposed to the North Sea (**Jersey Oil & Gas**, **Serica** and **Deltic Energy**). In our view, the share price falls in this area were largely as a result of uncertainty around the future fiscal regime. The lack of clarity around, for example, the ability to offset taxation with capital spend meant that it was difficult for large projects (such as the Buchan field) to reach final investment decision. This impacted the share price of Jersey Oil & Gas in particular. Elsewhere, the detractors tended to be early-stage companies (**Surface Transforms**, **ITM Power**, **AFC Energy** and **Creo Medical**) where in some cases, such as Surface Transforms, there have been operational issues with scaling to meet demand.

The top ten detractors from absolute return were:

Company name	Contribution to absolute return (%)	Share price total return (%)
1. Jersey Oil & Gas	-1.6	-64.0
2. Surface Transforms	-1.4	-98.9
3. Serica Energy	-0.8	-27.4
4. ITM Power	-0.5	-36.6
5. Vanquis Banking	-0.5	-60.4
6. AFC Energy	-0.4	-37.3
7. Marks Electrical	-0.4	-34.7
8. Creo Medical	-0.4	-39.6
9. Deltic Energy	-0.4	-68.5
10. TT Electronics	-0.4	-48.1

Portfolio activity

During the year a diverse mix of large, medium and small companies were purchased. Within larger companies, new holdings included **BP**, **Sainsbury (J)** and **Glencore**. These holdings bring ballast to the portfolio at sensible valuations. Within small and medium sized companies, new purchases included **Shaftesbury Capital** which is a portfolio of iconic London properties. It is seeing rental growth with high levels of occupancy, yet the shares trade at a substantial discount to the asset value.

The largest disposal was the holding in **Rolls-Royce**, the aerospace business. The company has made a remarkable recovery in operational share price returns over the last couple of years and its strengths are now better reflected in the share price.

Other large disposals were the result of the investee company being taken over, namely **IQGeo** and **International Distribution Services**. In smaller company investing, if a company does not grow over time as we thought it would at purchase, a hard decision needs to be made. We need to realise the mistake and the position should be sold. The sales of **ZOO Digital** and **Dianomi** were examples of this discipline. Certain small company holdings were reduced after strong share price appreciation for the overall balance of the portfolio. Examples of this would be **Vertu Motors**, **Boku** and **Redde Northgate**.

Income

Earnings per share fell during the year to 6.3p, down from 6.7p the previous year (adjusted for the 5 for 1 share split). Within this figure is a contribution of £229,000 from securities lending income (2023: £183,000). Investment income levels were impacted by the reduction in gearing of the Company (some of which consisted of reductions in some of the higher dividend yield shares, such as financials) as well as a trend across the UK market for companies to undertake share buybacks rather than pay special dividends.

Outlook

The Company announced a Scheme of Reconstruction on 3 February 2025 and the Company's future will be determined by shareholders at the Scheme General Meetings. Please see the Chairman's Statement on page 3 for more information.

James Henderson and Laura Foll
Fund Managers
12 February 2025

Strategic Report

Portfolio information

Twenty largest holdings at 31 October 2024

The stocks in the portfolio are a diverse mix of businesses operating in a wide range of end markets.

Ranking 2024 (2023)	Company	% of portfolio	Approximate market capitalisation	Valuation 2023 £'000	Purchases £'000	Sales £'000	Appreciation/ (depreciation) £'000	**Valuation 2024 £'000**
1 (7)	**Standard Chartered** A global bank that provides international banking and financial services. Their lending margins have benefited in recent years from higher interest rates.	3.5	£22bn	2,426	–	–	1,040	**3,466**
2 (6)	**HSBC** A global bank that provides international banking and financial services. Their lending margins have benefited in recent years from higher interest rates.	3.1	£129bn	2,550	–	(71)	585	**3,064**
3 (3)	**Boku**[1] A mobile payments company which allows customers including Apple and Spotify to charge for their services via an individual's mobile phone bill.	3.1	£541m	2,857	–	(714)	860	**3,003**
4 (1)	**Barclays** A leading retail, commercial and investment bank. Earnings have benefited in recent years from higher interest rates, and the Barclays management team is committed to improving returns from the investment bank.	2.7	£34bn	3,224	–	(2,890)	2,278	**2,612**
5 (5)	**Rio Tinto** A diversified miner with exposure to commodities including iron ore and copper. It operates at the lower end of the cost curve, enabling attractive cash generation.	2.6	£85bn	2,627	–	–	(119)	**2,508**
6 (15)	**Springfield Properties**[1] A Scottish housebuilder of both private and affordable housing. It trades at a valuation discount to much of the housebuilding sector and has a large land bank.	2.4	£118m	1,713	82	(1,114)	1,680	**2,361**
7 (11)	**Anglo American** A diversified miner with exposure including copper and iron ore, operating good quality assets from a relatively low cost base.	2.4	£32bn	2,044	–	–	296	**2,340**
8 (17)	**Cohort**[1] A provider of equipment and services for the defence and security sector. They have benefited in recent years from a higher defence spending environment.	2.4	£371m	1,497	–	(417)	1,251	**2,331**
9 (12)	**Tesco** The largest food retailer in the UK. In recent years it has re-set its price competitiveness relative to the discounters and this is enabling it to gain market share.	2.4	£23bn	1,820	–	–	490	**2,310**
10 *	**Shaftesbury Capital** An owner of mixed use property across much of London's West End (such as Carnaby Street). The shares trade at a discount to net asset value with good prospects for rental growth.	2.1	£3bn	–	1,860	–	176	**2,036**

* Not in the top 20 largest investments last year
1 Quoted on AIM

Twenty largest holdings at 31 October 2024 (continued)

Ranking 2024 (2023)	Company	% of portfolio	Approximate market capitalisation	Valuation 2023 £'000	Purchases £'000	Sales £'000	Appreciation/ (depreciation) £'000	**Valuation 2024 £'000**
11 (14)	**Marks & Spencer** A clothing and food retailer. Under a new management team they have refreshed their clothing offering and become more price competitive across both sides of the business. They have seen a good earnings recovery as a result of the changes made.	2.0	£8bn	1,734	–	(950)	1,186	**1,970**
12 (20)	**SigmaRoc**[1] A heavy building materials company with exposure to the UK and Continental Europe. The company has grown well via acquisitions in recent years and trades at an attractive valuation.	2.0	£870m	1,458	–	(346)	835	**1,947**
13 (2)	**Vertu Motors**[1] A UK car dealer with brands including Ford and Vauxhall. The management team has a successful track record and the balance sheet is strong.	2.0	£225m	3,120	–	(1,035)	(158)	**1,927**
14 *	**Flutter Entertainment** A global provider of gambling services. They have grown successfully in the US and are one of the market leaders in a fast growing market.	1.8	£32bn	1,290	–	–	524	**1,814**
15 *	**BP** A vertically integrated oil and gas business. At the current oil price it remains highly cash generative, much of which is being returned to shareholders via an attractive dividend yield and ongoing share buyback.	1.8	£61bn	–	1,930	–	(141)	**1,789**
16 (16)	**Van Elle**[1] A provider of ground services such as piling to the UK construction industry. They would be well placed were housebuilding volumes to recover.	1.8	£46m	1,607	–	–	169	**1,776**
17 (19)	**Babcock** A provider of services such as submarine maintenance, predominantly to the UK defence industry. Under a new management team they have re-focused the business and improved the balance sheet.	1.8	£2bn	1,466	–	–	304	**1,770**
18 *	**GlaxoSmithKline** A global pharmaceutical company. The shares trade at a substantial valuation discount to peers despite being world leading in areas such as HIV treatment and vaccines.	1.8	£58bn	1,341	562	–	(135)	**1,768**
19 *	**Entain** A global provider of gambling services. Under a new management team performance is showing signs of improvement, while there is potentially underappreciated value in their US business.	1.8	£5bn	–	1,472	–	278	**1,750**
20 *	**NatWest** The company is a leading commercial and retail bank in the UK. Conservative lending practises have meant loan losses have remained low, while higher interest rates have enabled better returns and an attractive dividend yield paid to shareholders.	1.7	£31bn	1,260	–	(768)	1,188	**1,680**

At 31 October 2024 these investments totalled £44,222,000 or 45.0% of the portfolio.

* Not in the top 20 largest investments last year
1 Quoted on AIM

Investment portfolio at 31 October 2024

Ranking 2024	Company	Main activity	Valuation 2024 £'000
1	Standard Chartered	Banking	3,466
2	HSBC	Banking	3,064
3	Boku[1]	Mobile payment software provider	3,003
4	Barclays	Retail, commercial and investment banking services	2,612
5	Rio Tinto	General mining	2,508
6	Springfield Properties[1]	Scottish housebuilder	2,361
7	Anglo American	Diversified miner	2,340
8	Cohort[1]	Military products and services	2,331
9	Tesco	Food retailer	2,310
10	Shaftesbury Capital	Mixed use London property owner	2,036
	10 largest		**26,031**
11	Marks & Spencer	Clothing and food retailer	1,970
12	SigmaRoc[1]	Construction materials	1,947
13	Vertu Motors[1]	Motor retailer	1,927
14	Flutter Entertainment	Global gambling services	1,814
15	BP	Integrated oil and gas producer	1,789
16	Van Elle[1]	Construction services	1,776
17	Babcock	Defence services	1,770
18	GlaxoSmithKline	Global pharmaceuticals	1,768
19	Entain	Global gambling services	1,750
20	NatWest	UK retail and corporate bank	1,680
	20 largest		**44,222**
21	Serica Energy[1]	Oil and gas exploration and production	1,646
22	Aviva	General insurance	1,636
23	Redcentric[1]	IT managed services	1,623
24	Tracsis[1]	Logistics software and services	1,612
25	Kier Group	Construction services	1,598
26	Renold[1]	Industrial chains	1,542
27	Morgan Advanced Materials	Specialist materials producer	1,533
28	Marshalls	Building materials producer	1,530
29	Oxford Instruments	Scientific instruments	1,497
30	Prudential	Insurance	1,450
	30 largest		**59,889**
31	Ceres Power	Fuel cell technology	1,401
32	STV	Scottish free-to-air TV broadcaster	1,386
33	Workspace	London office real estate investment trust	1,357
34	IntegraFin Holdings	Advisor platform	1,351
35	BT Group	Fixed and mobile telecommunications	1,313
36	The Gym Group	Affordable gyms	1,287
37	GB Group[1]	Identity data intelligence	1,276
38	Sainsbury (J)	Food retail	1,264
39	ITM Power[1]	Green energy technology	1,248
40	International Personal Finance	Sub prime and digital lending	1,197
	40 largest		**72,969**

1 Quoted on AIM
2 Unlisted

Investment portfolio at 31 October 2024 (continued)

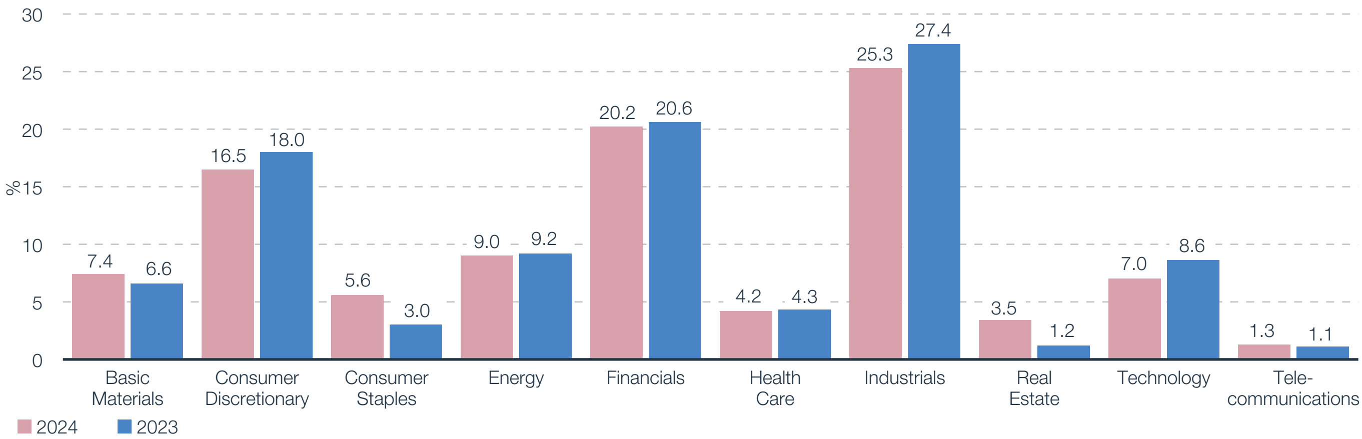
Ranking 2024	Company	Main activity	Valuation 2024 £'000
41	Oxford Nanopore Technology	DNA sequencing technology	1,164
42	Senior	Aerospace and industrial engineer	1,133
43	Premier Miton Group[1]	Fund management	1,072
44	Next 15 Group[1]	Digital marketing agency	1,067
45	M&G	UK financial services	1,066
46	Zigup	Flexible vehicle hire	1,051
47	Glencore	Diversified miner	1,016
48	Halfords Group	Auto parts and cycling retailer	1,004
49	Jersey Oil & Gas[1]	Oil and gas exploration and production	935
50	Johnson Matthey	Advanced materials technology	893
	50 largest		**83,370**
51	RWS Holdings[1]	Patent translation services	829
52	Dowlais	Automotive components	806
53	Ricardo	Automotive technology consultancy	799
54	Marks Electrical	Online electricals retailer	794
55	International Consolidated Airlines	Airline	791
56	CML Microsystems	Specialist semiconductors	786
57	XP Power	Electrical power components	752
58	AFC Energy[1]	Fuel cell technology	690
59	Vanquis Banking	Sub prime lending	677
60	DFS Furniture	Furniture retailer	660
	60 largest		**90,954**
61	IP Group	Portfolio of early stage companies from universities	634
62	Alfa Financial Software	Asset finance software and consultancy	630
63	Creo Medical[1]	Surgical devices	557
64	Reach	News publisher	528
65	Accsys Technologies[1]	Wood treatment technology	492
66	Oxford Sciences Enterprises[2]	Portfolio of companies from Oxford University	490
67	Westminister[1]	Security services	490
68	Jubilee Metals[1]	Platinum metals producer	405
69	Jadestone Energy	Oil and gas production	392
70	Invinity Energy Systems[1]	Next generation batteries	388
	70 largest		**95,960**
71	TT Electronics	Industrial components	356
72	Ilika[1]	Advanced materials	342
73	Tribal Group[1]	Educational sector software and services	326
74	I3 Energy[1]	Predominantly Canadian oil and gas	299
75	Deltic Energy	Oil and gas exploration	214
76	Deltex Medical[1]	Medical monitoring equipment	141
77	KRM22[1]	Risk monitoring system	139
78	Chamberlin	Iron casting	106
79	Atlantis Resources[1]	Renewable energy generation	103
80	Reabold Resources[1]	Oil and gas exploration	100
	80 largest		**98,086**
81	IQE[1]	Semiconductor components	90
82	Surface Transforms[1]	Braking systems	13
83	Indus Gas[1]	Gas production in India	8
84	Oxford Biodynamics[1]	Drug and technology	5
	Total Investments		**98,202**

1 Quoted on AIM
2 Unlisted

Portfolio information

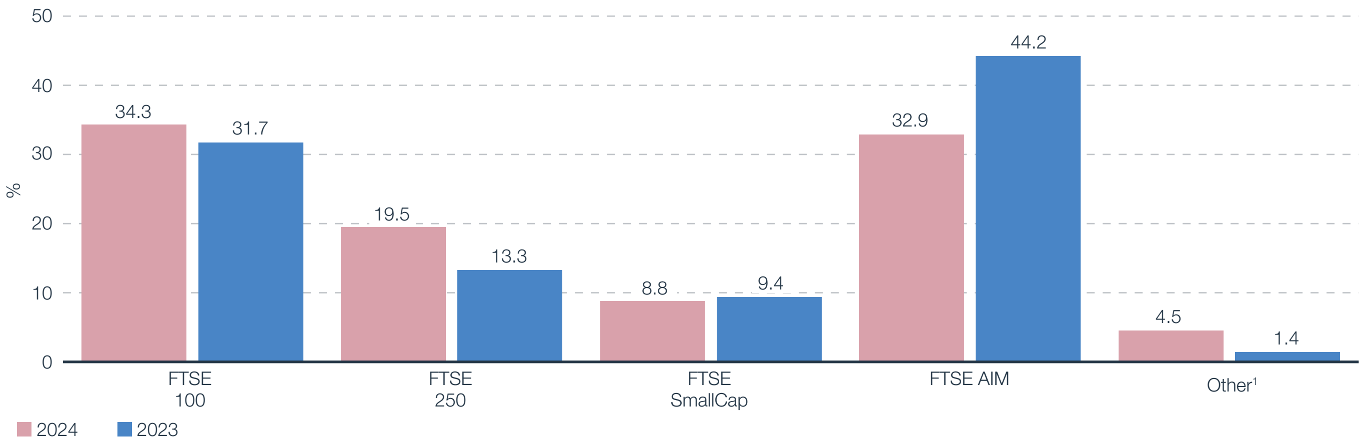
Portfolio by sector at 31 October

As a percentage of the investment portfolio excluding cash



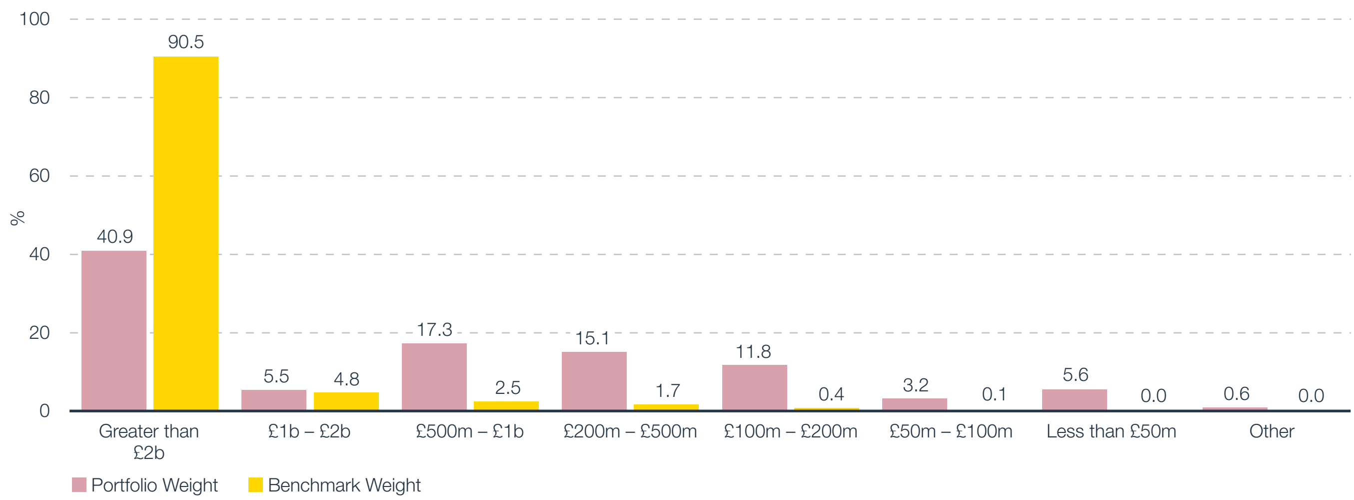
Portfolio by index at 31 October

As a percentage of the investment portfolio excluding cash



1 Other also includes AIM investments outside the FTSE AIM Index and shares listed on the main market which are not included in the FTSE All-Share Index

Market capitalisation of the portfolio at 31 October 2024

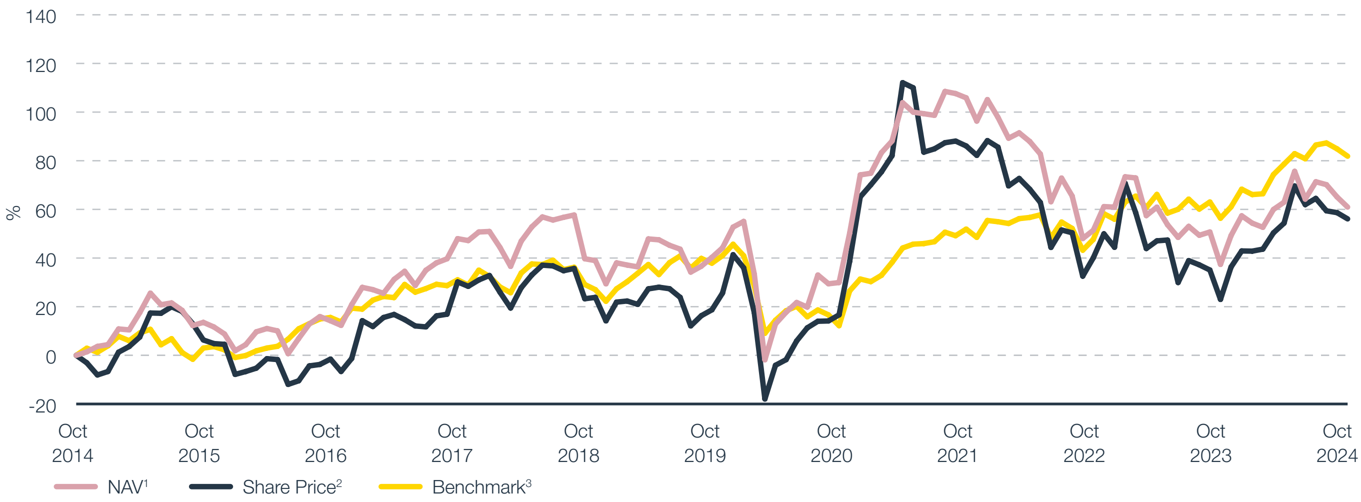


A glossary of terms can be found on pages 74 and 75

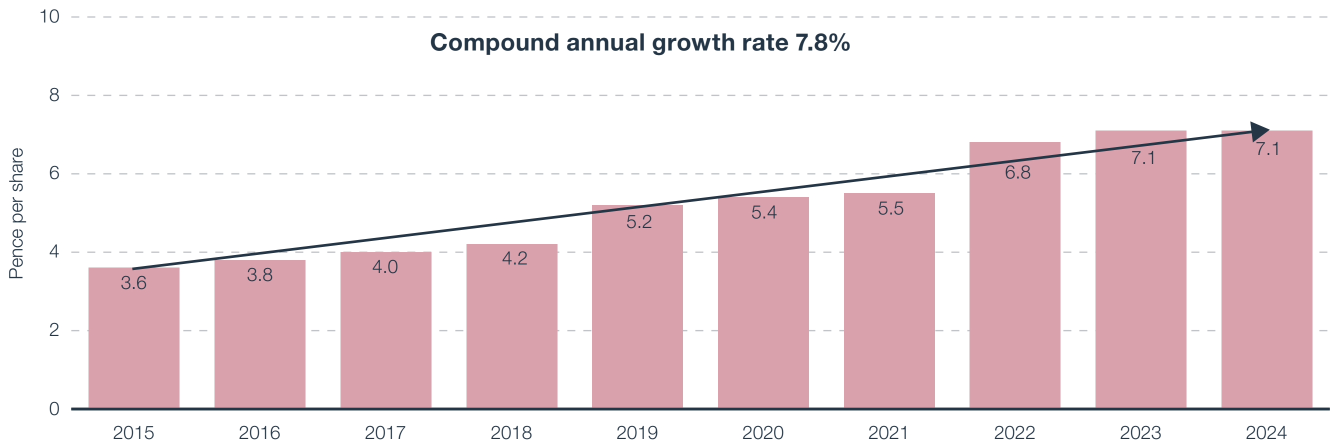
Sources: Morningstar Direct, Janus Henderson, LSEG Datastream

Historical record

Total return performance over the last 10 years



Dividend[4]



Financial information

Year ended 31 October	Total net assets £'000	Net asset value per ordinary share pence[4]	Net revenue return per ordinary share pence[4]
2015	81,007	202.5	4.5
2016	79,782	199.4	4.1
2017	101,599	254.0	4.4
2018	94,360	235.9	4.0
2019	91,798	232.4	6.0
2020	82,643	209.3	2.6
2021	128,497	325.4	4.9
2022	92,701	234.7	8.1
2023	81,765	207.0	6.7
2024	**92,989**	**235.5**	**6.3**

1 NAV per ordinary share total return (including dividends reinvested)
2 Share price total return (including dividends reinvested)
3 FTSE All-Share Index
4 Comparative figures have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024

A glossary of terms can be found on pages 74 and 75 and alternative performance measures can be found on pages 76 and 77

Sources: Morningstar Direct, Janus Henderson, LSEG Datastream

Key performance indicators

Measuring our performance

To measure the success of the Company in meeting its objective and to evaluate the performance of the Manager, the Directors take into account the following key performance indicators ("KPIs").

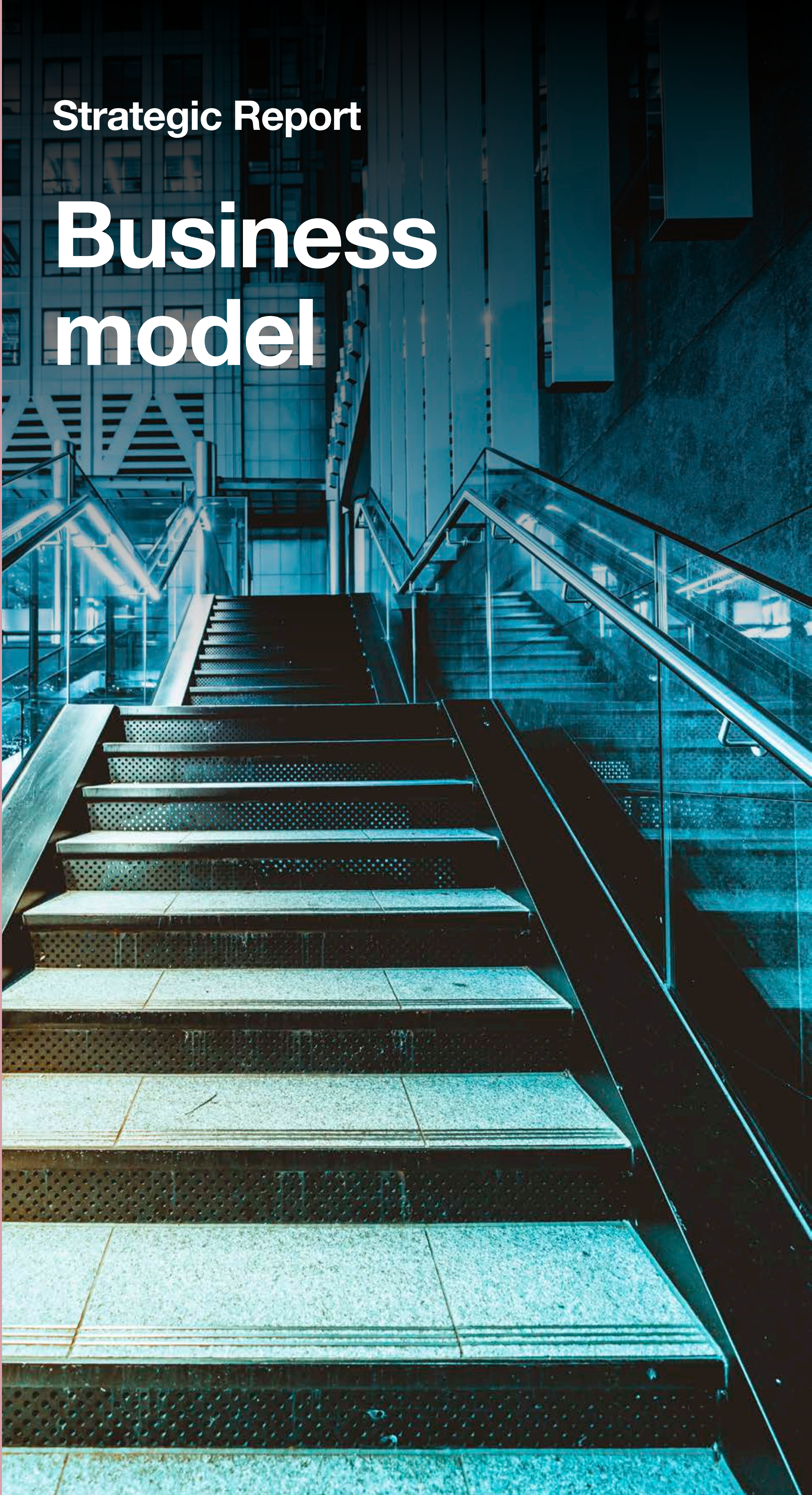
The Chairman's statement and Fund Managers' report (on pages 3 to 7) and the charts, tables and data on pages 1 and 13 provide information on how the Company has performed against those KPIs, and a glossary of terms and alternative performance measures is included on pages 74 to 77.

KPI	Action
Absolute performance	The Board reviews, at each of its meetings, the performance of the portfolio, gearing levels, the net asset value per share and the Company's share price.
Performance measured against the Benchmark	The Board reviews at each of its meetings, the performance of the portfolio as well as the net asset value and share price for the Company and compares them with the performance of the Company's Benchmark, the FTSE All-Share Index.
Performance against the Company's peer group	The Company is included in the AIC's UK All Companies Sector, which represents the Company's peer group. In addition to comparison against the stated Benchmark, the Board also considers the performance against the peer group at each Board meeting.
Discount/premium to the NAV per share*	The Board monitors the level of the Company's share price discount/premium to NAV and looks at ways of managing this. The Board reviews the average discount/premium of the peer group companies in the AIC UK All Companies Sector. In accordance with the authority granted at the last AGM, the Company retains the flexibility to repurchase shares when it sees fit. The Fund Managers consider whether to use share buybacks to enhance shareholder value. Shares are only bought back at a price below the prevailing NAV, thereby increasing the NAV for the remaining shareholders. The Fund Managers would instruct purchases under authority given by the Board as required and in accordance with the authority granted. The Company publishes its NAV per share figure on a daily basis, through the official newswire of the London Stock Exchange. This figure is calculated in accordance with the AIC formula and includes current financial year revenue, the same basis as that calculated for the Financial Statements.
Earnings per share growth	The Board reviews and compares at each of its meetings the progression of the earnings per share over the course of the year and uses this information to declare dividends to shareholders.

* Alternative performance measure. Details of alternative performance measures can be found on pages 76 and 77

Strategic Report

Business model



Business model

Strategy

The purpose of Henderson Opportunities Trust plc (the "Company") is to achieve capital growth in excess of the FTSE All-Share Index for the Company's shareholders from a portfolio of primarily UK investments. This is achieved through the Company's operation as an investment company with a Board of Directors that delegates investment and operational matters to specialist third-party service providers. The Manager operates in accordance with the Company's Investment Policy following a disciplined process of investment, controlling costs and using borrowings to enhance returns. Their performance is monitored and challenged by the Board which retains oversight of the Company's operations.

The framework of delegation provides a cost-effective mechanism for achieving the Company's obligations as an investment trust under Section 1158/9 of the Corporation Tax Act 2010, as amended ("Section 1158").

The Company's status

The Company is an investment company as defined in Section 833 of the Companies Act 2006 (the "Act"). The Company operates as an investment trust in accordance with Section 1158. The Company has obtained approval from HM Revenue & Customs ("HMRC") of its status as an investment trust under Section 1158; the Directors are of the opinion that the Company has conducted its affairs in compliance with Section 1158 since approval was granted and intends to continue to do so. The Company is liable to corporation tax on its net revenue profits but is exempt from corporation tax on capital gains if it has complied at all times with Section 1158.

The Company and the Board are governed by the Articles of Association, amendments to which must be approved by shareholders by way of a special resolution. The Board is comprised entirely of non-executive directors who are accountable to the Company's shareholders. The Company is not a close company.

The Company has a listing in the closed-ended investment funds category of the FCA's UK Listing Rules and trades on the main market of the London Stock Exchange. The Company must comply with the UK Listing, Prospectus Regulation and Disclosure Guidance and Transparency Rules of the FCA. The Company is a member of the Association of Investment Companies ("AIC").

Investment Objective

The Company aims to achieve capital growth in excess of the FTSE All-Share Index from a portfolio of primarily UK investments.

Investment Policy

Asset allocation

The following investment ranges apply:

Equities: 70% to 100%;
Fixed Income and Cash: 0% to 30%

Stock selection is not constrained by the FTSE All-Share Index and there are no limits on investment by sector or market capitalisation. Therefore, the makeup and weighting of the portfolio will differ materially from the FTSE All-Share Index.

Investment restrictions

There will be at least 60 individual holdings in the portfolio.

No more than 10% of the Company's gross assets will be invested in companies outside of the UK.

No single investment will represent more than 10% of gross assets (at the time of investment).

The Company can, but normally will not, invest up to 15% of its gross assets in investment companies (including listed investment trusts).

The Company may invest up to a maximum of 10% of its gross assets in private securities not quoted on an exchange (at the time of investment).

Dividend

Income growth is a secondary objective to capital growth. However, the Company does seek dividend growth over time.

Derivatives

The Company may use financial instruments known as derivatives for the purpose of efficient portfolio management while maintaining a level of risk consistent with the risk profile of the Company.

Gearing

Net gearing (defined as all borrowings less cash balances and investments in cash funds) is limited by the Board to a maximum of 25% of the Company's net assets.

Other restrictions

As noted In the Investment Policy above, it is the Company's policy to invest no more than 15% of its gross assets in other listed closed-ended investment funds. Accordingly, the Company's shares are an eligible investment under UK Listing Rule 11.2.6(R) for other listed closed-ended investment funds.

Business model (continued)

Management

The Company is an Alternative Investment Fund in accordance with the Alternative Investment Fund Managers Directive ("AIFMD").

The Company does not have any employees. The Board has appointed Janus Henderson Fund Management UK Limited to act as its Alternative Investment Fund Manager. The Board entered into an updated and restated management agreement with Janus Henderson Fund Management UK Limited as Manager effective from 25 June 2024. The updates reflect current regulation and industry standards since the previous agreement was implemented in July 2014. There were no changes to terms affecting the relationship with the Manager. Janus Henderson Fund Management UK Limited delegates investment management services to Janus Henderson UK Limited in accordance with that agreement. The agreement with Janus Henderson Fund Management UK Limited is reviewed annually by the Management Engagement Committee (see page 36), and can be terminated on six months' notice. Both entities are authorised and regulated by the FCA. References to the Manager within this report refer to the services provided by Janus Henderson Fund Management UK Limited and Janus Henderson UK Limited. Both entities are wholly owned subsidiaries of Janus Henderson Group plc, referred to as Janus Henderson.

Janus Henderson and its subsidiaries also provide accounting, corporate secretarial and general administrative services. Some of the administration, accounting and cash management services are carried out, on behalf of Janus Henderson, by BNP Paribas. Melanie Stoner (Fellow of the Chartered Governance Institute) acts as Company Secretary on behalf of the Corporate Secretary, Janus Henderson Secretarial Services UK Limited.

Fund Managers

The portfolio is managed by James Henderson and Laura Foll.

James was appointed as a joint Fund Manager of the Company's portfolio in 2007. He joined Janus Henderson in 1984 and has been involved with investment trusts throughout his career. He has been the fund manager of Lowland Investment Company plc since 1990 and has been responsible for the investment portfolio of The Law Debenture Corporation plc since 2003. He is also deputy fund manager of the Janus Henderson UK Equity Income & Growth Fund.

Laura was appointed as a joint Fund Manager of the Company's portfolio in September 2018. She joined Janus Henderson in 2009 as part of the graduate scheme. During this time, she worked in various teams including fixed income, performance, marketing and equities. Laura then became a global analyst in the value and income team and later an assistant fund manager. In 2013 she became deputy fund manager of Lowland Investment Company plc and joint fund manager in November 2016. She was appointed as co-manager of the Janus Henderson UK Equity Income & Growth Fund in 2014 and became lead manager of that fund in September 2020.

Fees

The management agreement provides for the payment of a base management fee which is calculated and paid quarterly in arrears. The base management fee is charged at 0.55% of net assets per annum payable quarterly at a rate of 0.1375% based on net assets at the end of the previous quarter.

Performance fee arrangements were removed with effect from 20 October 2023.

Dividend approach

The Company pays quarterly dividends.

Ongoing charges

Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund, excluding the costs of acquisition or disposal of investments, financing costs and gains or losses arising on investments. The ongoing charge is based on actual costs incurred in the year as being the best estimate of future costs. The Board reviews the ongoing charges and monitors the expenses incurred by the Company on a regular basis.

Borrowings

The Company has an unsecured loan facility in place which allows it to borrow as and when appropriate. £20m (2023: £30m) is available under the facility. Net gearing is limited by the Board to 25% of net assets. The maximum amount drawn down in the period under review was £18.0m (2023: £18.2m), with borrowing costs for the year totalling £674,000 (2023: £817,000). £7.0m (2023: £10.2m) of the facility was in use at the year end. Net gearing at 31 October 2024 was 5.3% (2023: 9.6%) of net asset value.

Section 172 statement

The Directors refer to section 172 of the Act ("Section 172") and the factors for consideration when making decisions. In particular, that the Directors must act in the 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 interests of the Company's employees (the Company has no employees);
- The need to foster the Company's business relationships with suppliers, customers and others;

Business model (continued)

- 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;
- The need to act fairly as between members of the Company.

The Board is responsible for approving the Company's long-term objectives and commercial strategy and for promoting the Company's success. The Board devotes time in at least one of its meetings each year to reviewing overall strategy and progress is monitored throughout the year. The Directors' overarching duty is to promote the success of the Company for the benefit of investors, with consideration of stakeholders' interests, as set out in Section 172. The Board regards a well governed business model as essential for the successful delivery of its investment proposition. The Directors consider the likely consequences of their decisions in the longer term and how they have taken wider stakeholders' needs into account. The Company manages shareholders' assets with constant awareness of the Company's stakeholders and their interests. The Board uses a map to support the Directors in identifying and understanding the Company's stakeholders and fostering the appropriate level and form of interaction with them. The Directors regard the Company's key stakeholders to be the Company's shareholders and potential investors, the Manager and other key third-party service providers.

The Board engages reputable third-party suppliers with established track records to deliver the day-to-day operations. The most important of these is the Manager, and in particular the Fund Managers, who are responsible for the management of the Company's assets in line with the Investment Objective and Investment Policy. The Board maintains a close working relationship with the Manager and holds it to account for the smooth running of the Company's day-to-day business. The Board retains responsibility for decisions regarding corporate strategy, corporate governance, risk and internal control assessment, determining the overall limits and restrictions for the portfolio and in respect of gearing and asset allocation, investment performance monitoring and setting marketing budgets.

To ensure the chosen service providers continue to deliver the expected level of service, the Board receives regular reporting from them, evaluates the control environments in place at each service provider and formally assesses their appointment annually. By doing so the Board seeks to ensure that the key service providers continue to be appropriately remunerated to deliver the expected level of service.

Business model (continued)

Engagement with key stakeholders

The Company's key stakeholders are listed below and on the next page with examples of the way the Board and the Company has interacted with them in the year under review.

Stakeholders	Engagement	Outcome
Shareholders and potential investors	The Board is committed to maintaining open channels of communication with shareholders in a manner which they find most meaningful. Unlike trading companies, the Board appreciates that this often takes the form of shareholders meeting with the Fund Managers rather than members of the Board. The Manager provides information on the Company, press releases and videos of the Fund Managers on the Company's website and via LinkedIn. Feedback from all meetings between the Fund Managers and shareholders is shared with the Board. The Chairman is available to meet with shareholders to understand their views on governance and the Company's performance where they wish to do so. With assistance from the Manager, the Chairman seeks meetings with shareholders who might wish to meet with her. The annual report and half-year results are circulated to shareholders and made available on the Company's website. These provide shareholders with a clear understanding of the Company's portfolio and financial position. This information is supplemented by the daily calculation and publication of the NAV per share and a monthly factsheet which is available on the website. The Fund Managers provide presentations to shareholders and analysts following the publication of the annual and half year financial results. The Fund Managers attend the AGM and provide a presentation on the Company's performance and the future outlook. The Board encourages shareholders to attend and participate in the AGM which is also available to watch live and shareholders have the opportunity to address questions to the Chairman of the Board, the Fund Managers and all Directors. The Fund Managers promote the Company with the support of the Manager's dedicated investment trust sales team and the Board makes additional spend available to support marketing activities aimed at raising the profile of the Company among retail investors in the UK.	Clear communication of the Company's strategy and performance against its objective helps shareholders to make informed decisions about their investments. Close interaction with shareholders enables the Board to run the Company in line with shareholders' interests as a whole and for the Company's long-term success. In the event shareholders wish to raise issues or concerns with the Directors, they are welcome to do so at any time by writing to the Chairman at the registered office or by email to **itsecretariat@ janushenderson.com**. Correspondence from shareholders is shared with the Chairman and the Board. Other members of the Board are also available to shareholders if they have concerns that have not been addressed through the normal channels.

Business model (continued)

Stakeholders	Engagement	Outcome
Janus Henderson as Manager • Fund Manager • Sales and marketing • Corporate secretarial • Financial reporting • Internal controls functions • Internal audit • Investment accounting and administration (outsourced by Janus Henderson to BNP Paribas)	The most important of the Company's third-party service providers is the Manager, and in particular the Fund Managers, who are responsible for the management of the Company's assets in line with the Investment Objective and Investment Policy. Representatives of the Manager attend Board meetings, providing the opportunity for the Manager and the Board to reinforce further their mutual understanding of what is expected from all parties. Through receipt of timely and accurate information (including monthly performance and compliance reporting against a schedule of investment limits and restrictions determined by the Board and Fund Managers) and regular engagement with representatives of the Manager, the Board is able to provide timely and constructive feedback to the Manager in order that the Manager can meet the Company's Investment Objective to the best of its ability and thereby ensuring that the interests of the Manager are also protected.	The Board and the Manager operate in a supportive, co-operative and open environment, resulting in an effective and strong working relationship. The Fund Managers execute the Investment Objective and deliver returns for shareholders, and the Board places great value on the Manager's internal controls and risk management. The Board is in regular contact with the Manager, receiving updates from the Fund Managers on areas such as portfolio activity (to manage the volatility in the market and to take advantage of opportunities), gearing and the ability to meet the ongoing income requirements of shareholders. The Board's engagement with the Manager is necessary to evaluate the Company's portfolio's performance against the stated strategy and benchmark and to understand any risks or opportunities this may present to the Company.
Other third-party service providers	As an investment company, all services are outsourced to third-party service providers. The Board relies on the Manager to provide the third-party service providers with the information required to meet the Company's requirements. The Manager maintains and oversees the day-to-day relationship with third party service providers and the Company's third-party service suppliers' performance is assessed in detail at least annually by the Management Engagement Committee. The Corporate Secretary and Financial Reporting Senior Manager for Investment Trusts, in particular, engage with the key suppliers on a regular and continuous basis and the Manager provides the third-party service providers with feedback from the Board about the day-to-day service provided.	The Audit and Risk Committee meets directly with representatives of the Depositary and Custodian on an annual basis and with other service providers as and when considered necessary. The Audit and Risk Committee reviews the internal controls and risk management systems in place at BNP Paribas, the Registrar, Depositary and Custodian predominantly through the assessment of each supplier's internal controls and assurance reports. This regular interaction provides an environment where day-to-day matters, issues and business development needs can be dealt with efficiently and effectively.

Board discussions and decision-making

The Board is aware that not all decisions made by the Board will result in a positive outcome for all of the Company's stakeholders. The Board takes into consideration the Company's purpose, Investment Objective and Investment Policy as well as the interests of the Company's stakeholders when discussing matters and making decisions. The following are examples of the key discussions held and decisions made by the Board during the financial year ended 31 October 2024:

- **Engagement with Fund Managers**
  Our engagement with the Fund Managers about investment process, assessing allocation across the market segments, stock selection and gearing has assisted the Board in coming to the conclusion that the proposed Scheme of Reconstruction is in the best interests of shareholders as a whole.
- **General Meeting**
  Directors are required to act in a way they consider to be for the benefit of the Company's members as a whole. Consideration and approval of the resolutions put to shareholders at the AGM in 2024 and to be put to shareholders in 2025, including the dividend payment (providing income to investors) and the Scheme of Reconstruction and the recommendation made to shareholders to vote against the resolutions put to the Requisitioned General Meeting in February 2025 were considered by the Directors to be for the benefit of the Company's members as a whole.

Business model (continued)

- **Shareholder information**
  Through the presentation of the Company's half-year and annual results, announcements via the London Stock Exchange and circulars sent to shareholders and by meeting with shareholders, the Company has provided information in order that shareholders and potential investors are able to make informed decisions about their investment in the Company.
- The Directors use shareholder feedback and act in a way they consider to be for the benefit of the Company's members as a whole.

Culture

As explained in the Section 172 statement on page 19, the Directors' overarching duty is to promote the success of the Company for the benefit of investors, with consideration of stakeholders' interests.

The Board applies various policies, practices and behaviour to ensure that the Board's culture is in line with the Company's purpose, values and strategy. The Directors promote and encourage a culture of transparency and honesty between the Board and the Manager. The Manager is considered by the Board to be the Company's most significant third-party service provider therefore the relationship with key individuals, in particular the Fund Managers, the Company Secretary, the Head of Investment Trusts and the Financial Reporting Senior Manager for Investment Trusts, are paramount to the success of the Company. There is continuous engagement and dialogue between these key individuals and the Directors between Board meetings (in particular with the Chairman and Chairman of the Audit and Risk Committee). Communication channels are open and information, ideas and advice flow between the Board and the Manager with the aim of delivering better results for shareholders and other stakeholders and ultimately driving the Company's long-term success. The need to foster, maintain and continually evolve corporate culture is taken into account when making decisions and is therefore integral to the Company's policies and practices.

The Company has a number of policies and procedures in place to assist with maintaining a culture of good governance including those relating to Directors' conflicts of interest and Directors' dealings in the Company's shares, as well as those related to bribery and tax evasion. The Board assesses and monitors compliance with these policies regularly through Board meetings and the annual evaluation process.

The Board appoints appropriate service providers and evaluates their service on a regular basis as described on page 36. The Board considers the culture of the Manager and other service providers through regular reporting and by receiving regular presentations from these stakeholders. The Board has been advised that the Manager fosters and maintains an environment that values the unique talents and contributions of individuals, and strives to cultivate and practice inclusiveness for the long-term success of the business and for the benefit of its own employees and shareholders. The Board also seeks to control the Company's costs, thereby enhancing performance and returns for the Company's shareholders (see Ongoing charge on page 18 and Other administrative expenses (see Note 6 on page 62).

Board diversity policy

It is the Company's aim to have an appropriate level of diversity in the boardroom. The current Directors are broad in their experience and skills, bringing knowledge of investment markets, business, financial services and stakeholder expertise to discussions on the Company's business. The Board recognises that having a diverse and inclusive culture is essential to its long-term success. The Board discusses matters in such a way as to facilitate a culture of inclusivity among Board members and encourages active contributions from all Directors. The Directors regularly consider the leadership needs and specific skills required to achieve the Company's Investment Objective.

The Nominations Committee considers diversity when making recommendations for appointments to the Board, taking into account gender, social and ethnic backgrounds, cognitive and personal strengths, and experience. The Board uses search firms that access talent from wide and diverse pools and whose values and approach in identifying and proposing suitable candidates is aligned with the Board's aims.

The FCA's UK Listing Rules require companies to report on whether they have met the following targets on board diversity: that at least 40% of the individuals on the board are women; at least one of the senior positions on the board is held by a woman; and that at least one individual on the board is from a minority ethnic background.

At 31 October 2024, three out of the four Directors (75%) were women. As an investment company with a Board of only non-executive Directors, the Company has no employees and therefore does not have senior executive positions, such as a chief executive officer or chief financial officer. Accordingly, there are no disclosures about executive management positions to be included.

Given the size of the Company, the Board is small, focused and experienced. None of the four Directors, as at 31 October 2024, were from a minority ethnic background. The Board's prime responsibility is the strength of the Board and its overriding aim in making any new appointments upon rotation of Directors is to select the best candidate based on objective criteria and merit, which it did at the time the current Directors were selected. When it recruits, the Board requests the relevant search firm retained provides a diverse list of potential candidates.

Business model (continued)

The following tables show the breakdown of the Board in terms of gender and ethnic background:

Gender identity	Number of Directors	Percentage of the Board	Number of senior positions on the Board[1]
Men	1	25	–
Women	3	75	2
Ethnic diversity			
White British or other White (including minority white groups)	4	100	2

1 This column is not applicable as the Company is externally managed and does not have executive management functions, specifically the roles of CEO and CFO. However the Board considers that chairing the Board, its permanent committees and the role of Chairman of the Audit and Risk Committee are senior positions in an investment company context. The positions of Chairman of the Board and Chairman of the Audit and Risk Committee are both women and these individuals consider themselves "White British or Other White (including minority white groups)"

The information in the tables was provided by individual Directors in response to a request from the Company.

There have been no changes to the Board or the roles of the Directors between 31 October 2024 and the date of publication of this report.

The Board takes a keen interest in the diversity initiatives in place at its service providers and in particular, supports and encourages the Manager's diversity training and initiatives to improve any imbalances. These include Janus Henderson's gender and ethnicity pay gap analysis, trainee, apprenticeship and internship programmes, such as the Greenwood Project, Investment 2020 and #10,000 Black Interns.

Managing our risks

The Board, with the assistance of the Manager, has carried out a robust assessment of the principal risks and uncertainties facing the Company, including those that would threaten its business model, future performance, solvency, liquidity and reputation. The principal risks and uncertainties facing the Company relate primarily to investing in the shares of companies that are listed in the UK, including small companies. Although the Company invests almost entirely in securities that are listed on recognised markets, share prices may move rapidly, whether upwards or downwards, and it may not be possible to realise an investment at the Manager's assessment of its value. Falls in the value of the Company's investments can be caused by unexpected external events. The companies in which investments are made may operate unsuccessfully, or fail entirely, such that shareholder value is lost. The Company is also exposed to the operational risk that one or more of its contractors or sub-contractors may not provide the required level of service.

The Board considers regularly the principal and emerging risks facing the Company in order to mitigate them as far as practicable. The Board monitors the Manager, its other service providers and the internal and external environments in which the Company operates to identify new and emerging risks. The Board's policy on risk management has not materially changed from last year. "Shareholder base and voting on platforms" was added as a new category. "Decline in popularity of the investment trust sector and the UK equity market" was moved from emerging risks to a principal risk. The risk that shareholders may not approve the proposed Scheme of Reconstruction has been added as a new category of risk.

The Board has drawn up a risk map which identifies the substantial risks to which the Company is exposed. The Board has also put in place a schedule of investment limits and restrictions, appropriate to the Company's Investment Objective and Investment Policy. These principal risks fall broadly under the following categories:

Risk	Trend	Controls and mitigation
Shareholders may not approve the proposed Scheme of Reconstruction Having considered the advice of the Company's professional advisers the Board has put forward a proposal for a Scheme of Reconstruction (see the Chairman's Statement on page 3 for more information). The proposals will be voted on by shareholders at general meetings to be held on 21 February 2025 at 9.00am and 14 March 2025 at 9.30am. There is a risk that at least 75% of shareholders voting do not vote in favour of the proposals.	New	In the event that the Scheme of Reconstruction is not approved by shareholders, the Board will consider alternative proposals for the future of the Company that are in the best interests of shareholders as a whole.

Business model (continued)

Risk	Trend	Controls and mitigation
Decline in popularity of the investment trust sector and the UK equity market Interest rate rises and external pressures have had an impact on the popularity of the investment trust sector and the UK equity market.	New	The Manager, Board and Fund Managers sought ways of promoting the investment trust sector and the Company's profile, including initiatives such as using an external marketing firm to promote the Company and updating the Company's website to provide more information for stakeholders.
Investment activity and strategy An inappropriate investment strategy (for example, in terms of asset allocation, stock selection, failure to anticipate external shocks or the level of gearing) may lead to a reduction in NAV and/or underperformance against the Company's benchmark and the Company's peer group; it may also result in the Company's shares trading on a wider discount to NAV.	↑	The Manager provides the Directors with management information including performance data reports and portfolio analyses on a monthly basis. The Board monitors the implementation and results of the investment process with the Fund Managers, who attend all Board meetings, and reviews regularly data that monitors risk factors in respect of the portfolio. The Manager operates in accordance with investment limits and restrictions determined by the Board; these include limits on the extent to which borrowings may be used. The Board reviews its investment limits and restrictions regularly and the Manager confirms its compliance with them each month. The Board reviews investment strategy at each Board meeting. The Board seeks to manage these risks by ensuring a diversification of investments. The Board has regular meetings with the Fund Managers to review performance and the extent of borrowings. In light of the Company's longer term NAV and share price performance, its size, the discount at which its shares track and the limited liquidity in its shares, the Board decided in November 2024 that shareholder interests would best be served by proposing a Scheme of Reconstruction (see the Chairman's Statement on page 3 for more information).
Shareholder base and voting on platforms The Company has a large number of retail shareholders, many of whom hold their shares via platforms. The Company has no easy way of communicating directly with these shareholders or encouraging them to vote at general meetings. If these shareholders do not vote, there is a risk that the outcome of any votes may represent the views of a relatively small number of shareholders and that the decision reached may not reflect the views of, or be in the best interests of, the majority of the Company's shareholders	↑	The Manager, Board and Fund Managers regularly consider shareholder views and look to implement initiatives that benefit all shareholders. Through general communications in Company documents they also seek to identify ways of assisting shareholders with voting through platforms, for example, by referring shareholders to guidance made available by the Association of Investment Companies and provided information in relation to how to vote ahead of the Requisitioned General Meeting held in February 2025.
Financial instruments and the management of risk By its nature as an investment trust, the Company is exposed in varying degrees to market risk, interest rate risk, liquidity risk, currency risk and credit and counterparty risk.	↔	An analysis of these financial risks, including liquidity and gearing, and the Company's policies for managing them are set out in Note 15 on pages 65 to 69.

Business model (continued)

Risk	Trend	Controls and mitigation
Operational and cyber Disruption to, or failure of, the Manager's accounting, dealing or payment systems or the Custodian or the Depositary's records could prevent the accurate reporting and monitoring of the Company's financial position. The Company is also exposed to the operational risk that one or more of its services providers may not provide the required level of service or be exposed to the risk of cyber-attack on its service providers.		The Board monitors the services provided by the Manager and its other suppliers and receives reports on the key elements in place to provide effective internal control. During the year the Board received reports on the Manager's approach to information security and cyber attack defence.
Accounting, legal and regulatory A breach of Section 1158 could lead to a loss of investment trust status, resulting in capital gains realised within the portfolio being subject to corporation tax. A breach of the FCA's UK Listing Rules could result in suspension of the Company's shares, while a breach of the Companies Act 2006 could lead to legal proceedings, or financial or reputational damage.		The Manager is contracted to provide investment, corporate secretarial, administration and accounting services through qualified professionals. The Board receives internal controls reports produced by Janus Henderson on a quarterly basis, which confirm regulatory compliance.
Failure of Janus Henderson A failure of the Manager's business, whether or not as a result of regulatory failure, cyber risk or other failure could result in the Manager being unable to meet its obligations and its duty of care to the Company.		The Board meets regularly with representatives of the Manager's Investment Management, Risk, Compliance, Internal Audit and Investment Trust teams and reviews internal control reports from the Manager on a quarterly basis. The failure of the Manager would not necessarily lead to a loss of the Company's assets, however, and this risk is mitigated by the Company's ability to change its investment manager if necessary, subject to the terms of its management agreement.

Details of how the Board monitors the services provided by Janus Henderson and its other suppliers, and the key elements designed to provide effective internal control, are explained further in the internal controls section of the Corporate Governance report on page 35 and the Audit and Risk Committee report on pages 40 and 41.

Emerging risks

In addition to the principal risks facing the Company, the Board also regularly considers potential emerging risks, which are defined as potential trends, sudden events or changing risks which are characterised by a high degree of uncertainty in terms of the probability of them happening and the possible effects on the Company. Should an emerging risk become sufficiently clear, it may be moved to a substantial risk as was the case with the 'decline in popularity of the investment trust sector and the UK equity market'.

The Board has identified the following as potential emerging risks:

- **Demographic change**
  Increasing financial inequality, lack of knowledge, trend of passive investment and new trends in social attitudes.
- **Technological change**
  Artificial intelligence, sector disruption, changes to existing job roles, ethical oversight of technological change, autonomous vehicles, electrification and healthcare impact.
- **Environmental sustainability**
  Climate change, decarbonisation, extreme bad weather events, increasing legislation/political action, resource scarcity and reputational consequences.
- **Political and economic change**
  Tax risk (including impact on dividends paid by the Company to shareholders) and impact on performance if the UK were to remain out of favour.

Business model (continued)

The Company's emerging risks are macro-economic and political in nature and the Company has no control over these. These include ongoing heightened macro-economic uncertainty from political events such as Russia's invasion of Ukraine and the conflict in the Middle East. The Board monitors these emerging risks and, if specific action relating to the investments, or the Company's marketing approach were to arise, the Board would take appropriate action.

Viability statement and going concern

The Directors have assessed the viability of the Company taking account of the Company's current position and the potential impact of the principal risks and uncertainties documented in this Strategic Report on pages 23 to 25.

The assessment considered the impact and likelihood of the principal risks and uncertainties facing the Company. Key areas of focus were the shareholder base and voting on platforms in the light of the Requisitioned General Meeting, shareholders not approving the proposed Scheme of Reconstruction which the Directors believe is in the best interests of shareholders as a whole, investment strategy and performance against benchmark, including a consideration of the risks around asset allocation, stock selection and gearing. Market risk was also assessed in terms of the impact of severe but plausible scenarios and the effectiveness of the mitigating controls in place.

The Directors took into account the liquidity of the portfolio and the borrowings in place when considering the viability of the Company over the next five years and its ability to meet liabilities as they fall due. This included consideration of the duration of the Company's borrowing facilities and the ability to renew such facilities, consideration of the impact of rising interest rates and how a breach of any covenants could impact the Company's net asset value and share price. The Board has reviewed three additional model scenarios which evaluate the impact on the revenue forecast and reserves. These range from a worst case scenario which includes a 5% reduction in income and net assets, through to a scenario where there is no income growth and no reduction in income or net assets. Increasing dividends to shareholders could continue under all three scenarios, although the Company would need to use its capital reserves in some cases. None of the results of the scenarios used would therefore threaten the viability of the Company.

The Directors do not expect there to be any significant change to the principal risks and adequacy of the mitigating controls in place. Large cap stocks are held as ballast for the portfolio and for liquidity, and the percentage of the portfolio holding of these stocks generally exceeds the gearing percentage. The Board actively monitors investment performance and considers factors such as significant falls in the NAV, ongoing heightened macro-economic uncertainty from political events such as Russia's invasion of Ukraine and the conflict in the Middle East. Any recent experience has not materially affected the long-term viability of the Company. The Board is therefore confident that significant market collapses would not impact the Company's viability. Also, the Directors do not envisage any change in strategy or objectives or any events that would prevent the Company from continuing to operate over that period as the majority of the Company's assets are liquid, its commitments are limited, and, subject to the outcome of the Scheme (referred to below), the Company intends to continue to operate as an investment trust. In coming to this conclusion, the Board has considered the factors aforementioned and does not believe that they will have a long-term impact on the viability of the Company and its ability to continue in operation, notwithstanding the short-term uncertainty they have caused in the markets.

The Directors recognise that a circular relating to a Scheme of Reconstruction has been issued to shareholders. The Directors currently believe that the Company will continue to exist for the foreseeable future, and at least for the period of assessment if the shareholders were not to approve the Scheme of Reconstruction (subject to the outcome of a continuation vote that is due to take place at the AGM in 2026). If the Scheme were to be approved, then the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due until such date that the Company is put into liquidation and the Scheme is completed.

Based on this assessment, the Board has 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-year period.

Due to the uncertainty arising from the proposed Scheme of Reconstruction, the Directors have disclosed a material uncertainty in respect of adopting the going concern basis of accounting in preparing the Financial Statements (see page 58 for further details).

Approval

The Strategic Report has been approved by the Board.

On behalf of the Board

Wendy Colquhoun
Chairman
12 February 2025

Our approach to ESG matters

The Company integrates Environmental, Social and Governance ("ESG") but does not pursue a sustainable investment objective or otherwise take ESG factors into account in a binding manner. ESG integration is the practice of incorporating material environmental/social and governance information or insights in a non-binding manner alongside traditional measures into the investment decision process to improve long-term financial outcomes of portfolios. ESG related research is one of many factors considered within the investment process.

Defining ESG

- Environmental factors include climate change, energy efficiency, resource depletion and water and waste management.
- Social factors include employee and community relations, diversity, quality of life, enhancements in knowledge and advances in supportive technology for improved resilience.
- Governance factors include mitigation of risks such as bribery and corruption, board diversity, executive pay, accounting standards and shareholder rights, and corporate behaviour.

ESG policy

Investment approach and ESG engagement

Responsible Investment is the term used to cover the Manager's work on ESG issues in the Company's investee companies. It is very wide ranging and all investment decisions are made with consideration of the ESG context.

In some ESG areas the issues are easily measurable and considerable progress can be seen.

The governance of many businesses has improved. Board composition has become more diverse and gender equality is gradually being tackled by the business community.

Remuneration packages are (broadly) being set with careful consideration in dialogue with shareholders, and many of the investee companies within the Company's portfolio have good levels of management ownership so shareholders and management teams are well aligned.

There are, however, some ESG issues that are more subjective and as a result progress is difficult to monitor. The environmental area is particularly challenging. We prefer dialogue with, rather than the exclusion of, companies or sectors that do not score as highly in environmental screening so as to try and understand the issues. For example, the portfolio continues to hold companies with exposure to fossil fuels. It is our view that in the current stage of the energy transition there is a need for fossil fuels, particularly lower carbon emission fuels such as natural gas.

One of the ways an awareness of these issues colours investment decisions is in the search for companies that are helping to provide answers. When viewed in this context, ESG issues are both a challenge and also potential investment opportunity. For example, some of the early-stage companies held within the portfolio are addressing the need for de-carbonisation through a variety of technologies including solid state batteries, renewable energy and fuel cells. There are also companies held within the portfolio where their end products could have a societal benefit if they become fully commercialised. For example, companies developing less invasive surgical tools, or low-cost gene sequencing that would allow more personalised medicine. Janus Henderson seeks to protect and enhance value for the Company's shareholders through active management, integration of ESG factors into investment decision making, company engagement and voting.

Voting and the Stewardship Code

The Board believes that voting at general meetings is an important aspect of corporate stewardship and a means of signalling shareholder views on board policy, practices and performance. The Board has chosen to delegate responsibility to the Manager for voting the rights attached to the shares held in the Company's portfolio, and the Manager actively votes at shareholder meetings and engages with companies as part of the voting process. Voting decisions are guided by the best interests of the investee companies' shareholders and made in consultation with the Fund Managers, who have an in-depth understanding of the respective companies' operations. On occasion, the Manager might make a voting decision following consultation with the Chairman of the Board. Voting decisions are taken in keeping with the provisions of the Manager's Responsible Investment Policy (see **www. janushenderson.com**) which sets out the Manager's approach to corporate governance and compliance with the Stewardship Code (see **www.frc.org.uk**). The Manager is also a signatory to the Principles for Responsible Investment (see **www.unpri.org**) and an active member of a wide range of organisations and initiatives that work to promote ESG integration and responsible investment.

In the year to 31 October 2024, investee companies held 106 general meetings and the shares held in the Company's portfolio were voted at these meetings. The level of governance in the companies held in the portfolio is generally of a high standard which meant support in favour of the majority of resolutions proposed by management was warranted and the Company voted with management on the majority of occasions (1,299 resolutions). However, in respect of 1.5% of the resolutions proposed, the Fund Managers believed that support in line with management recommendation was not warranted so the shares were voted against management recommendation on 20 resolutions.

During the year the Manager and Fund Managers engaged with management and non-executives of companies held by the Company to discuss corporate governance issues and to help shape their policies on such matters. We go into three case studies of recent engagements on the next page. References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be

Our approach to ESG matters (continued)

profitable. Janus Henderson, its affiliated advisor, or its employees, may have a position in the securities mentioned.

These engagements have taken place either directly via the Fund Management team and/or via the Responsible Investment & Governance team at Janus Henderson.

Marks & Spencer Group

We engaged with senior management to discuss progress on supply chain management and specifically on human rights issues. This was a follow-up meeting to a call we had in November 2022 to check on progress in increasing monitoring of tier 2 suppliers. M&S provided excellent detail on progress made and showed a strong level of pro-active monitoring of suppliers across both clothing and food.

International Distribution Services

Following news of their takeover approach we engaged with the chairman several times to fully understand the implications of the deal and any concerns among the relevant parties (for example the views of the regulator, the government and the trade union). We also worked with the chairman (alongside the CEO) to better understand what reform to the universal service obligation could look like, which in turn helped us to better understand what the appropriate valuation of the UK business was within the scope of any takeover offer.

IP Group

We have met several times to discuss strategy. We encouraged them to abandon their dividend policy and said if they really wanted to return money to shareholders it would be better to buy back shares instead. The reason for this is that the shares trade on a 40% discount to NAV. This may seem strange given Henderson Opportunities Trust plc seeks to offer its own shareholders a steady income, but it is important not to be dogmatic and treat every case individually. IP Group are not an appropriate vehicle from which to get regular dividends.

Climate change/the environment

As an investment company, the Company's own direct environmental impact is minimal. The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 or the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The Company itself is also not required to report against the recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD"). Many of these recommendations are relevant to "trading" companies, but the Company acknowledges that it has a look-through responsibility in assessing how its investee companies approach ESG matters. Janus Henderson produces product-level TCFD reports. These reports include an overview of the climate-related governance, strategy, risk management, and metrics and targets of Janus Henderson and its portfolios. Product-level metrics include absolute carbon emissions, carbon footprint, weighted average carbon intensity, implied temperature rise and climate scenario analysis (Climate Value at Risk). Janus Henderson's TCFD Report specific to the Company is available at **www.hendersonopportunitiestrust.com**.

The Fund Managers engage with investee companies on environmental matters where they arise. The Company's indirect impact occurs through the investments it makes.

Janus Henderson as Manager recognises the importance of managing its operational activities in a sustainable way and minimising any adverse impact on the environment. In 2021, Janus Henderson reached its three-year target to reduce its carbon footprint by 15% per full-time employee ("FTE") from 2018 levels.

In 2022, using guidance from the Science-Based Target Initiative, Janus Henderson set ambitious new five-year reduction targets versus a 2019 baseline and per FTE:

- reduction target of 29.4% in Scope 1 (fuel) and Scope 2 (electricity) emissions;
- reduction target of 17.5% in Scope 3 (business travel, freight, paper, water, waste) emissions; and
- reduction target of 17.5% on water and waste consumption by FTEs.

In addition to this, Janus Henderson has maintained a CarbonNeutral® certification since 2007 and offsets all its operational Scope 1, Scope 2 and Scope 3 operational emissions each year.

Through this process, Janus Henderson has invested in a variety of offset projects around the world, delivering financial support to essential renewable energy, forestry and resource conservation projects that support reductions in greenhouse gas emissions. All projects Janus Henderson supports have been classified as 'additional' by an independent third party, meaning they would not happen without the sale of carbon credits.

Business ethics

As the Company's operations are delegated to third-party service providers, the Board seeks assurances, at least annually, from its suppliers that they comply with the provisions of the UK Modern Slavery Act 2015 and maintain adequate safeguards in keeping with the provisions of the Bribery Act 2010, Criminal Finances Act 2017 and the sanctions element of the Economic Crime (Transparency and Enforcement) Act 2023. The Company has received assurances from its main suppliers that they maintain a zero-tolerance policy towards the provision of illegal services.

Governance

Board of Directors

The Directors appointed to the Board at the date of this Annual Report are:

Wendy Colquhoun

Position: Chairman

Date of appointment: 1 September 2018 (Chairman 11 March 2021)

Relevant skills and experience: Wendy was previously a senior corporate partner at international law firm CMS Cameron McKenna Nabarro Olswang LLP and advised investment trust boards for over 25 years on advisory and transactional matters. She has also previously held positions at Dickson Minto and Linklaters.

External appointments: Wendy is the senior independent director for Schroder UK Mid Cap Fund plc and Capital Gearing Trust plc and a non-executive director of Murray International Trust plc.

Davina Curling

Position: Independent non-executive Director

Date of appointment: 1 November 2019

Relevant skills and experience: Davina has over 25 years of fund management experience. Davina was managing director and head of Pan European equities at Russell Investments. Prior to that she was head of European equities at F&C, ISIS and Royal & SunAlliance. Davina has also previously held positions at Nikko Capital Management (UK) and Kleinwort Benson. Davina was a non-executive director of BlackRock Greater Europe Investment Trust plc (until December 2023) and Invesco Global Equity Income Trust plc (until November 2024) and a member of the investment committee of St James's Place (until December 2024).

External appointments: Davina is currently the senior independent director for abrdn Asia Focus plc and a non-executive director of Baillie Gifford European Growth Trust plc.

Frances Daley

Position: Audit and Risk Committee Chairman

Date of appointment: 18 June 2015

Relevant skills and experience: Frances is a Chartered Accountant (FCA) with significant financial and commercial experience having held several senior finance and general management positions in accountancy, investment banking and corporate sector companies over the last 30 years.

External appointments: Frances is the chairman of Barings Emerging EMEA Opportunities PLC and a non-executive director of Regional REIT Limited.

Harry Morgan

Position: Independent non-executive Director

Date of appointment: 1 August 2021

Relevant skills and experience: Harry has over 30 years' experience of investment management for private clients, financial advisers and charities. Harry was previously a director of investment management and head of key clients (Scotland) for Tilney and a non-executive director of Mid Wynd International Investment Trust plc and the Association of Investment Companies. Harry has also held senior investment management positions at Adam & Company, Newton and Edinburgh Fund Managers. He is a Fellow of the Chartered Institute for Securities and Investment, and holds an MBA from the Edinburgh Business School.

External appointments: Harry is a member of the investment committees of the Robertson Trust and the National Trust for Scotland.

All Directors are non-executive and independent of Janus Henderson. All are members of the Audit and Risk Committee, chaired by Frances Daley, and the Insider Committee, Management Engagement Committee and Nominations Committee, chaired by Wendy Colquhoun.

Corporate governance report

Corporate governance

The Board is accountable to shareholders for the governance of the Company's day-to-day affairs and is pleased to report on the Company's governance arrangements and how the principles of the applicable codes have been applied during the year under review.

Applicable corporate governance codes

The Company maintains a premium listing on the London Stock Exchange and is therefore required to report on how the principles of the 2018 UK Corporate Governance Code ("UK Code") issued by the Financial Reporting Council ("FRC") have been applied. Being an investment company, a number of the provisions of the UK Code are not applicable as the Company has no executive directors or internal operations and all day-to-day activities are outsourced to external service providers. The Board has therefore considered the principles and provisions of the AIC Code of Corporate Governance ("AIC Code") issued in February 2019. The AIC Code addresses the principles and provisions set out in the UK Code, as well as setting out additional provisions and recommendations on issues that are of specific relevance to investment companies. A new UK Code was published in January 2024, with an updated AIC Code published in August 2024. The new Codes will be applicable to financial years beginning on or after 1 January 2025.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to shareholders about the Company's governance arrangements, and that by reporting against the AIC Code the Company has met its obligations in relation to the UK Code and associated disclosure requirements under paragraph 6.6.6(5) of the UK Listing Rules.

The UK Code is available on the FRC website (**www.frc.org.uk**). The AIC Code is available on the AIC website (**www.theaic.co.uk**) and includes an explanation of how the AIC Code adapts the UK Code's principles and provisions for investment companies.

Statement of compliance

No senior independent director has been appointed; the Chairman of the Audit and Risk Committee leads the annual evaluation of the Chairman's performance and shareholders are invited to raise any concerns with either the Chairman of the Audit and Risk Committee or with any of the other Directors, each of whom has areas of expertise on which they lead.

The Company has no chief executive or other executive directors and has therefore not reported further in respect of these provisions.

In addition, the Company does not have any internal operations and therefore does not maintain an internal audit function. However, the Audit and Risk Committee considers the need for such a function at least annually (see pages 39 and 40 for further information).

As the Company has no employees and has a small Board of solely non-executive Directors, the Board has not established a separate Remuneration Committee. The remuneration of Directors is dealt with by the Board as a whole.

The Company has complied with all other principles and provisions of the AIC Code throughout the year to 31 October 2024.

Directors

The Board has set, and each Director has agreed to adopt, generic terms and conditions of appointment of non-executive Directors of the Company.

Any shareholder wishing to inspect the terms and conditions can do so by making a request to the Corporate Secretary at **itsecretariat@janushenderson.com**.

Appointment and retirement

The Board may appoint Directors to the Board without shareholder approval. Any Director so appointed must stand for appointment by the shareholders at the next AGM in accordance with the Articles.

In accordance with the AIC Code, all Directors stand for re-appointment annually.

The contribution and performance of the Directors seeking re-appointment was reviewed by the Nominations Committee at its meeting in November 2024, which recommended their continuing appointment to the Board.

Under the Articles shareholders may remove a Director before the end of his or her term by passing a special resolution at a general meeting. A special resolution is passed if more than 75% of the votes cast, in person or by proxy, are in favour of the resolution. Alternatively, pursuant to section 168(1) of the Companies Act 2006 a company may by ordinary resolution at a meeting remove a director before the expiration of his or her period of office.

Tenure

Whilst there is no requirement to implement a formal tenure policy for Directors (other than the Chairman), it is not anticipated that any of the Directors would normally serve in excess of nine years. In exceptional circumstances, which would be fully explained to shareholders at the time, a one or two year extension might be necessary.

Corporate governance report (continued)

Frances Daley has been on the Board since June 2015 and in light of the Scheme of Reconstruction it is proposed for continuity purposes that she will remain on the Board until the date on which the Scheme becomes effective or, if later, the date on which any alternative strategic proposals for the future of the Company have been implemented.

Chairman tenure policy

Given the entirely non-executive nature of the Board and as the Chairman may not be appointed as such at the time of their initial appointment as a Director, the Chairman's tenure may be longer than nine years where this is considered by the Board to be in the best interests of the Company. As with all Directors, the continuing appointment of the Chairman is subject to satisfactory performance evaluation and annual re-appointment by shareholders and may be further subject to the particular circumstances of the Company at the time he or she intends to retire from the Board. The Directors are cognisant of the benefits of Board diversity and the regular refreshment of the Board's membership and seek to refresh the Board while retaining a balance of knowledge of the Company, diversity and the relationship with the Fund Managers.

Directors' independence

All Directors are non-executive and have a range of other interests. At the Nominations Committee meeting in November 2024, the Directors reviewed their independence and confirmed that all Directors remain wholly independent of the Manager. The Board has determined that all Directors are independent in character and judgement and that their individual skills, broad business experience and high degree of knowledge and understanding of the Company are of great benefit to shareholders.

There were no contracts in force during or at the end of the year in which a Director of the Company is or was materially interested and which is or was significant in relation to the Company's business. No Director has a contract of service with the Company and there are no agreements between the Company and its Directors concerning compensation for loss of office.

Directors' conflicts of interest

The Company's Articles permit the Board to consider and, if it sees fit, to authorise situations where a Director has an interest that conflicts, or may possibly conflict, with the interests of the Company ("situational conflicts"). The Board has a formal system in place for Directors to declare situational conflicts for consideration by those Directors who have no interest in the matter. In deciding whether to authorise the situational conflict, the non-conflicted Directors must act honestly and in good faith in the best interests of the Company and they may impose limits or conditions when giving the authorisation, or subsequently, if they think this is appropriate. Any situational conflicts considered, and any authorisations given, are recorded in the minutes of the relevant meeting and the register of directors' interests. The prescribed procedures would be followed in deciding whether, and on what terms, to authorise situational conflicts and the Board believes that the system it has in place for reporting and considering situational conflicts continues to operate effectively. The Chairman has had no relationships that may have created a conflict between her interests and those of the Company's shareholders.

Directors' professional development

When a new Director is appointed he or she attends an induction seminar which is held by the Manager. Directors are also provided on a regular basis with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise. Directors are also able to attend external training facilities and industry seminars at the expense of the Company and each Director's individual training requirements are considered as part of the annual performance evaluation.

Directors' insurance and indemnification

Directors' and officers' liability insurance cover was in place throughout the financial year and remains in place at the date of this report. The Company's Articles provide, subject to the provisions of UK legislation, an indemnity for Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising from their positions as Directors, in which they are acquitted or judgement is given in their favour by the Court.

Corporate governance report (continued)

The Board's Committees

The Board has three principal Committees: the Audit and Risk Committee, the Management Engagement Committee and the Nominations Committee.

Board of Directors
comprises four independent non-executive directors

Chairman: Wendy Colquhoun

Audit and Risk Committee
Chairman: Frances Daley

Purpose: Ensure the integrity of the financial reporting, evaluate the effectiveness of the systems of internal control and risk management and oversee the relationship with the external auditor

Management Engagement Committee
Chairman: Wendy Colquhoun

Purpose: Ensure that the performance of the Manager and other third-party service providers meet expectations and consider whether their continuing appointment is in the interests of shareholders and their terms of engagement remain appropriate

Nominations Committee
Chairman: Wendy Colquhoun

Purpose: Ensure the Board has a balance of skills, experience and diversity, oversee performance evaluations of the Board and its Committees, a formal approach to the appointment of directors and ensure the maintenance of an effective framework for succession planning

Third-party service providers appointed by the Board

Janus Henderson
Fund Managers: James Henderson and Laura Foll

Investment Management, Sales, Marketing, Corporate Secretary

Alternative Investment Fund Manager:
Janus Henderson Fund Management UK Limited

Janus Henderson has contracted with BNP Paribas to provide accounting and administration services

HSBC Bank plc
Depositary and Custodian

J.P. Morgan Cazenove
Corporate Broker

Computershare Investor Services plc
Registrar

The Board has also constituted an Insider Committee which meets when required to assist the Board in discharging its responsibilities under the Market Abuse Regulations and the FCA's UK Listing Rules and Disclosure Guidance and Transparency Rules. All Directors are members of the Insider Committee, which is chaired by the Chairman of the Board.

The terms of reference for each Committee are kept under regular review by the Board and are available on the Company's website **www.hendersonopportunitiestrust.com**. The reports on the activities of each of the Board's principal Committees are set out on pages 36 to 40.

Corporate governance report (continued)

Board of Directors

The Board comprises four non-executive Directors. Their biographies are included on page 30. Those details demonstrate the breadth of investment, commercial and professional experience relevant to their position as Directors. All of the current Directors served throughout the year. All Directors are resident in the UK.

Role of the Board

The Board is collectively responsible for the success of the Company. Its role is to provide leadership within a framework of prudent and effective controls that enables risk to be assessed and managed. The Board is responsible for setting the Company's standards and values and for ensuring that its obligations to its shareholders and others are understood and met. The Board sets the Company's strategic aims (subject to the Company's Articles, and to such approval of the shareholders in general meeting as may be required from time to time) and ensures that the necessary resources are in place to enable the Company's objectives to be met.

The Board meets formally at least five times a year, with additional Board or Committee meetings arranged when required. The Directors have regular contact with the Fund Managers and representatives of the Corporate Secretary between formal meetings.

The Chairman is responsible for leading the Board and for ensuring that it continues to deal effectively with all aspects of its responsibilities. Further detail on the Role of the Chairman is available on the Company's website **www.hendersonopportunitiestrust.com**.

The Board has a formal schedule of matters specifically reserved for its decision, which include: strategy and management; structure and capital; financial reporting and controls; internal controls and risk management; contracts; communications and public relations; Board membership and other appointments; delegation of authority; remuneration; corporate governance; and policies. The schedule of matters reserved for the Board is available on the website **www.hendersonopportunitiestrust.com**.

The Board is responsible for the approval of annual and half year results and other public documents and for ensuring that such documents provide a fair, balanced and understandable assessment of the Company's position and prospects.

At each meeting the Directors follow a formal agenda, which includes a review of the Company's NAV, share price, discount, financial position, gearing levels, peer group performance, investment performance, asset allocation and transactions and any other relevant business matters to ensure control is maintained over the affairs of the Company. The Board monitors compliance with the Company's Investment Objective and is responsible for setting asset allocation, investment and gearing limits within which the Manager has discretion to act, and regularly reviews investment strategy. The Board receives regular reports from the Manager on marketing and investor relations.

The Board has adopted a procedure for Directors to take independent professional advice in the furtherance of their duties at the expense of the Company. To enable them to discharge their responsibilities, all Directors have full and timely access to relevant information.

Board attendance

The table below sets out the number of scheduled Board and Committee meetings held during the year under review and the number of meetings attended by each Director. All Directors attended the AGM in March 2024.

	Board	ARC	MEC	NC
Number of meetings				
Wendy Colquhoun	5/5	3/3	1/1	1/1
Davina Curling	5/5	3/3	1/1	1/1
Frances Daley	5/5	3/3	1/1	1/1
Harry Morgan	5/5	3/3	1/1	1/1

ARC: Audit and Risk Committee
MEC: Management Engagement Committee
NC: Nominations Committee

The Insider Committee did not meet during the year.

The Directors and Committees of the Board also met during the year to undertake business such as the approval of the Company's results and dividends and to consider other ad hoc matters.

Performance evaluation

The Nominations Committee has conducted a review of the Board's performance, together with that of its Committees, the Chairman and each individual Director for the year under review. The Nominations Committee met without the Chairman present to discuss the performance of the Chairman. The evaluation of the Board, its Committees and each individual Director was conducted by way of an evaluation questionnaire. The results of the questionnaires were supplied to the Chairman who collated the results and provided a summary to the Board. The Chairman of the Audit and Risk Committee led the Chairman's evaluation. It was concluded that the performance of the Board, its Committees, the Chairman and each individual Director was satisfactory and the Board has a good balance of skills and experience. In particular, it is considered that each Director makes a significant contribution to the affairs of the Company, the Chairman continues to display effective leadership and Directors seeking re-appointment at an AGM merit re-appointment by shareholders.

Corporate governance report (continued)

Audit, risk and internal control

The Board has established an Audit and Risk Committee, whose report is on pages 38 to 40. The report explains why the Company does not have its own internal audit function, how the independence and effectiveness of the external auditor is assessed, and how the Board satisfies itself on the integrity of the financial statements. The report covers the process by which the Board satisfied itself that the Annual Report presents a fair, balanced and understandable assessment of the Company's position and prospects. It also describes risk management procedures, as well as how the Board oversees the internal control framework and determines the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives.

Relationship with Janus Henderson

The Board has contractually delegated to external third parties the management of the investment portfolio, the custodial services (which include the safeguarding of the assets delegated through the appointment of the Depositary as explained on page 74), the day-to-day accounting and cash management, corporate secretarial and administration requirements and registration services. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of the services offered, including the control systems in operation in so far as they relate to the affairs of the Company.

The Board receives and considers regular reports from the Manager and ad hoc reports and information are supplied to the Board as required. In addition, the Chairman is invited to attend meetings of all the chairmen of the investment trust companies managed by Janus Henderson. This provides a forum to discuss industry matters which are then reported to the Board.

The Manager takes decisions as to the purchase and sale of individual investments. The Manager also ensures that all Directors receive, in a timely manner, all relevant management, regulatory and financial information. Representatives of Janus Henderson attend Board meetings enabling the Directors to probe further on matters of concern.

The Directors have access to the advice and services of the Corporate Secretary through its appointed representative who is responsible to the Board for ensuring that Board and Committee procedures are followed and that applicable rules and regulations are complied with. The proceedings at all Board and Committee meetings are minuted, ensuring that any Director's concerns are recorded. The Board and the Manager operate in a supportive, co-operative and open environment.

The Corporate Secretary, Janus Henderson Secretarial Services UK Limited, is a subsidiary of Janus Henderson with its own reporting lines and audited internal controls. There are processes and controls in place to ensure that there is a clear distinction between Janus Henderson Secretarial Services UK Limited and Janus Henderson, particularly when dealing with any conflicts or issues between the Company and Janus Henderson.

Any correspondence from shareholders addressed to the Chairman or the Company received at Janus Henderson's offices is forwarded to the Chairman of the Company in line with the established procedures in place.

Janus Henderson and BNP Paribas, which acts for Janus Henderson, have arrangements in place by which their staff may, in confidence, raise concerns about possible improprieties in relation to financial reporting or other matters.

Continuing appointment of the Manager

The Board considers the arrangements for the provision of investment management and other services to the Company on an ongoing basis. The principal contents of the agreement with the Manager can be found on pages 18 and 19.

In addition to the monitoring of investment performance at each Board meeting, the Management Engagement Committee undertakes an annual review of the Company's investment performance over both the short and longer term, together with the quality of other services provided by the Manager including corporate secretarial and accounting.

Following the annual review (see Management Engagement Committee on page 36 for more detail), it is the Directors' opinion that the continuing appointment of the Manager on the existing terms is in the best interests of the Company and the shareholders as a whole.

Corporate governance report (continued)

Management Engagement Committee

The Management Engagement Committee is responsible for reviewing the management contract on a regular basis, ensuring that the terms are fair and reasonable and that its continuance, given the Company's performance over both short and longer terms, is in the best interests of the Company and its shareholders. It is also responsible for reviewing the performance and cost effectiveness of the Company's other service providers.

Membership

All Directors are members of the Management Engagement Committee, which is chaired by the Chairman of the Board.

Meetings

The Committee meets at least annually, with additional meetings scheduled when required.

Role and responsibilities

In discharging its duties over the course of the year, the Committee considered:

- the investment performance of the Company, taking account of the benchmark and performance of competitors in the AIC peer group, the share price total return, NAV total return, dividend growth and dividend yield;
- the quality and experience of the team involved in managing all aspects of the Company's business;
- the fee structures of its competitors in the AIC peer group and other Janus Henderson managed investment trusts;
- the key clauses of the management agreement, how the Manager had fulfilled these and whether these continued to be appropriate; and
- the performance and fees of the Company's other third-party service providers, including the Broker, Depositary, Custodian, Registrar, research providers, auditors, legal counsel and the Company's accountants.

Continuing appointment of the Manager

Following completion of its annual review of the Manager in September 2024, the Committee concluded that the continued appointment of the Manager remained in the best interests of the Company and the shareholders, and therefore recommended to the Board the continued appointment of Janus Henderson. More detail can be found on page 36.

Committee evaluation

The activities of the Management Engagement Committee were considered as part of the Board appraisal process.

Nominations Committee

The Nominations Committee is responsible for Board succession planning and tenure policy, the performance of the Board as a whole and the Board Committees and any recommendation to the Board on the appointment of new Directors through an established formal procedure.

Membership

The Committee is chaired by the Chairman of the Board, except when the Chairman's performance or successor is being considered. All Directors are members of the Committee; the Board believes that this is appropriate as the Board comprises only four directors, and to lose the contribution of any Director to the Committee's deliberations would not be in the best interests of shareholders.

Meetings

The Committee meets at least annually, with additional meetings scheduled when required.

Role and responsibilities

In discharging its duties over the course of the year, the Committee considered:

- the composition of the Board and each of its Committees, taking account of the skills, experience and knowledge of each Director, and the contribution of the Directors to the success of the Company (see also Board diversity policy on pages 22 and 23);
- the outcome of the Board performance evaluation with a view as to whether adjustments should be made to the number of Directors or knowledge and skills represented on the Board;
- the use of an independent external facilitator for the Board evaluation, concluding that it was not necessary for the year under review;
- the tenure of each of the Directors, giving consideration as to whether the Board retained a sufficient balance of tenure without becoming complacent;
- the independence of the Directors taking account of the Directors' other commitments, in line with the guidelines established by the AIC Code;
- the time commitment of the Directors, in the context of their other business commitments and appointments, and whether this had been sufficient over the course of the year;
- succession planning for appointments and the recommendations of the AIC Code in respect of the length of service of Directors and the Chairman; and
- the performance and contribution of the individual Directors.

Corporate governance report (continued)

Following completion of its reviews, the Committee concluded that the Board continued to operate effectively. No Director was considered to be "overboarded".

When considering succession planning and tenure policy, the Nominations Committee bears in mind the balance of skills, knowledge, experience, gender and diversity of Directors, the achievement of the Company's Investment Objective and compliance with the Company's Articles and the AIC Code. Individual performance and the contribution of each Director remain a key element of the Company's approach in making determinations on tenure.

The Nominations Committee considers diversity as part of the annual performance evaluation and it is considered that there is a broad range of backgrounds, and that each Director brings different qualities to the Board and its discussions. Given the small size of the Board, it is not considered appropriate for the Company to have set targets for gender diversity; candidates are assessed in relation to the relevant needs of the Company at the time of appointment.

In all the Committee's activities there will be no discrimination on the grounds of gender, race, ethnicity, religion, sexual orientation, age or physical ability.

The Company may use external agencies if recruitment becomes necessary. No such agency was used during the year ended 31 October 2024.

The Nominations Committee also reviews any Directors seeking appointment or re-appointment and makes recommendations to the Board as to whether this is appropriate. Recommendation is not automatic and will follow a process of evaluation of each Director's performance and consideration of the Director's independence. The Nominations Committee also takes into account the mix of skills and experience of the current Board members. The Committee considers the time commitment of the Directors including other business commitments and appointments. Having considered the performance of individual Directors, the Committee recommended to the Board that it should support the re-appointment of the Directors.

The Nominations Committee meets in December each year to carry out its annual review of the Board and its Committees. The results of the performance evaluation are detailed on page 34.

Committee evaluation

The activities of the Nominations Committee were considered as part of the Board appraisal process.

Audit and Risk Committee report

The Audit and Risk Committee is responsible for ensuring the integrity of the Company's financial reporting, evaluating the effectiveness of the systems of internal control and risk management and overseeing the relationship with the external auditor.

Composition

The Audit and Risk Committee comprises all Directors and is chaired by Frances Daley, who is a Chartered Accountant. The other Audit and Risk Committee members have a combination of financial, investment and other experience gained throughout their careers and the Board is satisfied that at least one of the Audit and Risk Committee members has recent and relevant financial experience. The Audit and Risk Committee as a whole is considered to have competence relevant to the financial services sector. The biographies of the Audit and Risk Committee members are shown on page 30. All members of the Audit and Risk Committee are independent. The Board believes that it is appropriate for the Chairman of the Board to be a member of the Audit and Risk Committee. This is because the Board comprises only four directors, and to lose the Chairman's contribution to the Audit and Risk Committee's deliberations would not be in the best interests of shareholders, given her experience and expertise. The Audit and Risk Committee will monitor the situation and take into account shareholder views on the matter.

Meetings

The Audit and Risk Committee met formally three times during the year under review: in advance of the publication of both the annual and the half year results and on one other occasion with an agenda that was focused on its broader responsibilities. The Company's auditor is invited to attend meetings as necessary. Representatives of the Manager (including representatives of the Operational Risk, Internal Audit and Business Resilience functions, and the Chief Information Security Officer), BNP Paribas and the Depositary/Custodian may also be invited.

Role and responsibilities

The role of the Audit and Risk Committee is to assist the Board in applying the financial reporting and internal controls and to maintain an appropriate relationship with the auditor.

In the year under review the main duties undertaken were:

- consideration of the appropriateness of the Company's accounting policies and of the quality and effectiveness of the accounting records and management information maintained on behalf of the Company, relying on meetings with and reports from Janus Henderson;
- a review of the half year results and the Annual Report, including the disclosures made therein in relation to internal controls and risk management, viability, going concern and related parties and consideration of whether the report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model, strategy and continued operation (including advising the Board on whether the Company is able to meet its liabilities as they fall due) in order to make recommendations to the Board. In assessing whether the report is fair, balanced and understandable, each Director reviewed the disclosures made, applying their respective knowledge and expertise. The internal controls over financial reporting were also considered, together with feedback from the Company's auditor, the Manager and the Corporate Secretary;
- consideration of the valuation of the Company's unquoted and nil value investments for recommendation to the Board;
- consideration of the appropriate level of dividend to be paid by the Company for recommendation to the Board;
- consideration of the internal controls in place at Janus Henderson and the Company's other principal third-party service providers;
- consideration of Janus Henderson's policies in relation to Information Security and Business Resilience, meeting with representatives of Janus Henderson's Internal Audit, Information Security and Risk departments periodically;
- consideration of the key risks faced by the Company, risk management systems in place and the Company's risk map;
- consideration of the Company's Anti-Bribery Policy and the policies and procedures in place to prevent tax evasion;
- annual consideration of whether there is a need for an internal audit function;
- consideration of the appointment of the auditor, the auditor's independence, objectivity, effectiveness, provision of any non-audit services and tenure of appointment;
- consideration of the audit plan, including the principal areas of focus;
- consideration of the nature, scope and cost of the external audit and the findings therefrom;
- consideration of Janus Henderson's whistleblowing policy for its staff to raise concerns about possible improprieties, including in relation to the Company, in confidence;
- consideration of the management fee calculations; and
- consideration of the annual confirmation from the Company's Depositary in respect of the safe-keeping of the Company's assets.

Committee evaluation

The Committee's responsibilities are set out in formal terms of reference which are reviewed at least annually. The Committee formally reports to the Board after each of its meetings and the Committee's activities were considered as part of the Board appraisal process.

Audit and Risk Committee report (continued)

Annual report for the year ended 31 October 2024

In relation to the Annual Report for the year ended 31 October 2024 the following significant issues were considered by the Audit and Risk Committee:

Significant issue	How the issue was addressed
Valuation and ownership of the Company's investments	Actively traded investments are valued using stock exchange prices provided by third party pricing vendors. Ownership of listed investments is verified by reconciliation to the Custodian's records and the Directors have received quarterly reports and an annual confirmation from the Depositary who has responsibility for overseeing operations of the Company, including verification of ownership and valuation.
Recognition of income	Income received is accounted for in line with the Company's accounting policies, as set out on page 59, and is reviewed by the Committee.
Compliance with Section 1158 of the Corporation Tax Act 2010	The Committee regularly considers the controls in place to ensure that the regulations for ensuring investment trust status are observed at all times, receiving supporting documentation from Janus Henderson and BNP Paribas.
Maintaining internal controls	The Committee receives regular reports on internal controls from Janus Henderson and its delegates and has access to the relevant personnel of Janus Henderson who have a responsibility for risk management and internal audit. The assurance report for one of the Company's service providers was qualified by their service auditor. The Committee reviewed the instances giving rise to the qualification and received confirmation that the exceptions identified had no impact on the Company.
Material Uncertainty Related to Going Concern	In light of the proposed Scheme of Reconstruction, the Committee considered the description for the Company's viability statement and going concern, as set out on page 26.

The Committee is satisfied that the annual report for the year ended 31 October 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

Internal control and risk management

The Board has overall responsibility for the Company's system of internal control and for reviewing its effectiveness. The Audit and Risk Committee supports the Board in the continuous monitoring of the internal control and risk management framework (see Managing our risks on pages 23 to 25).

The Board has established an ongoing process for identifying, evaluating and managing the principal and new or emerging risks faced by the Company. The process accords with the FRC's UK Corporate Governance Code. The system was in operation throughout the period and up to the date of this report. The system is designed to meet the specific risks faced by the Company and takes account of the nature of the Company's reliance on its service providers and their internal controls. The system therefore manages rather than eliminates the risk of failure to achieve the Company's business objectives and provides reasonable, but not absolute, assurance against material misstatement or loss.

The key components of the internal control framework include:

- clearly defined investment criteria which specify levels of authority and exposure limits. The Board reviews reports on compliance with the criteria at each meeting;
- regular reporting which allows the Board to assess the Company's financial position. The management accounts and forecasts are reviewed by the Board at each meeting;
- the contractual agreements with the Manager and other third-party service providers. The Board reviews performance levels and adherence to relevant provisions of the agreements on a regular basis through reports received and the Management Engagement Committee conducts a formal evaluation of the overall level of service provided at least annually (see Management Engagement Committee on page 36);
- the review of controls at the Manager and other third-party service providers. The Board receives quarterly reporting from the Manager and Depositary and reviews annual assurance reports on the effectiveness of the control environments at the Company's key service providers; and
- review of additional reporting provided by:
  - the Manager's Operational Risk team on the control environment in operation at the Manager and their view of the control environments in place at the third-party service providers used by the Company; and
  - the Manager's Internal Audit team on areas of operation which are relevant to the Company.

The Board has reviewed the Company's system of internal controls for the year ended 31 October 2024. During the course of its review the Board has not identified or been advised of any failings or weaknesses relating to the Company's portfolio that have been determined as significant.

Internal audit function

Systems are in operation to safeguard the Company's assets and shareholders' investments, to maintain proper accounting records and to ensure that financial information used within the business, or published, is reliable.

Audit and Risk Committee report (continued)

The Company is an investment company, has no employees and delegates all executive activities to third-party service providers, principally among them, the Manager, Janus Henderson.

The Board places reliance on the Company's framework of internal control and the Audit and Risk Committee's view on reporting received from specific second and third line of defence teams at the Manager.

The Manager's Operational Risk team supports the Audit and Risk Committee in considering the independently audited reports on the effectiveness of internal controls in place at the Company's third-party service providers. The Manager's Internal Audit department provides regular reporting to the Board on the operations at the Manager and presents at least annually to the Audit and Risk Committee. The Board has therefore concluded that it is not necessary at the present time for the Company to have its own internal audit function.

Auditor appointment and tenure

Regulations currently in force require the Company to rotate audit firms after a period of ten years, which may be extended where audit tenders are carried out or where more than one audit firm is appointed to carry out the audit. The Committee last carried out an audit tender process in 2017 which led to the appointment of BDO LLP ("BDO") for the statutory audit for the financial year ended 31 October 2018 and the audits since that date.

The auditor is required to rotate partners every five years. This is the second year that the current audit partner has been in place.

Auditor review and independence

The Committee monitors the auditor's objectivity and independence through the approval of a policy regulating the non-audit services that may be provided by the auditor to the Company, assessing the appropriateness of audit fees paid and by reviewing the information and assurances provided by the auditor on their compliance with the relevant ethical standards.

BDO confirmed that all its partners and staff involved with the audit were independent of any links to the Company, and that these individuals had complied with their ethics and independence policies and procedures which are fully consistent with the FRC's Ethical Standards.

Non-audit services policy

The Audit and Risk Committee has approved, and keeps under regular review, the policy on the provision of non-audit services by the auditor. The Audit and Risk Committee has determined that the statutory auditor will not be engaged to provide any non-audit services without the approval of the Audit and Risk Committee. The statutory auditor is not pre-approved to provide any non-audit services. The Audit and Risk Committee may approve the provision of non-audit services if they consider such services to be:

- relevant to the statutory audit work;
- more efficiently provided by the statutory audit firm than by a third party; and
- at low risk of impairing the independence, objectivity and effectiveness of the audit.

The Audit and Risk Committee will refer to the Board any engagement with a cost or potential cost greater than £10,000. All engagements for non-audit services will be determined on a case-by-case basis. In addition, the provision of any non-audit services by the auditors is not permitted to exceed 70% of the average annual statutory audit fee for the three consecutive financial periods preceding the financial period to which the cap applies.

No non-audit services have been provided by BDO since their appointment.

Effectiveness and quality of the external audit

The auditors attended one Committee meeting in the year, when the Committee considered the annual results. This included a review of BDO's policies and procedures, including an assessment of their quality assurance procedures and independence, which the Committee concluded were satisfactory. The Audit and Risk Committee has the opportunity to discuss the audit process with the auditor without representatives of the Manager present.

The Committee considers the effectiveness and quality of the audit process after each audit including how the auditor demonstrated professional scepticism and challenge of management's assumptions, where necessary. Following review of the plan for the audit for the year ended 31 October 2024 the Audit and Risk Committee Chairman agreed that the auditors should also focus on the material uncertainty related to going concern. The Committee reviewed and discussed the findings of the FRC's recent 2024 Audit Quality Report on the quality of audits performed by BDO LLP and has satisfied itself that none of the shortcomings as identified in the Audit Quality Report were materially relevant to the audit of the Company.

The Audit and Risk Committee remained satisfied with the performance of BDO and the effectiveness of the audit for the year ended 31 October 2024 and recommended their continuing appointment to the Board. A resolution to re-appoint BDO as statutory auditor will be put shareholders at the next AGM (which will be convened in the event that shareholders do not approve the Scheme of Reconstruction and it does not become effective (see Chairman's statement on page 4 for more information)).

Fees

Fees paid or payable to the auditor are detailed in Note 6 on page 62.

Frances Daley
Audit and Risk Committee Chairman
12 February 2025

Directors' remuneration report

Annual statement

As Chairman, Wendy Colquhoun reports that following an annual review of fees in June 2024, Directors' fees were increased with effect from 1 July 2024 to £38,500 for the Chairman, £33,500 for the Audit and Risk Committee Chairman and £27,500 for other Directors. When making the decision to increase remuneration the Directors had reviewed the fees paid to the boards of directors of other comparable investment trust companies and considered independent research.

The Directors consider a relatively small but focused Board to be appropriate given the size of the Company and since the conclusion of the AGM in March 2022 there have been four Directors on the Board. The Company's Articles of Association state that the aggregate remuneration of the Directors may not exceed £165,000 per annum.

As required by Section 439 of the Act, an ordinary resolution to approve the Directors' remuneration report will be proposed at the next AGM (which will be convened in the event that shareholders do not approve the Scheme of Reconstruction and it does not become effective (see Chairman's statement on page 4 for more information). The vote is advisory.

The Company's remuneration policy was last approved by shareholders at the AGM in 2023. Other than the change to the increase in the aggregate fee limit to £165,000, as approved by shareholders in March 2024, there have been no changes to the policy since March 2023. No changes to the policy are proposed and there will be no significant change in the way that the remuneration policy will be implemented.

There have been no other major decisions on Directors' remuneration or any other changes to the remuneration paid to each individual Director in the year under review.

Report on implementation

This report is submitted in accordance with Schedule 8 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended (the "Regulations"). The report also meets the relevant requirements of the Act and the UK Listing Rules of the FCA and describes how the Board has applied the principles relating to Directors' remuneration.

The Board may amend the level of remuneration paid to individual Directors within the parameters of the remuneration policy.

The Board has agreed that the Directors can currently claim expenses (see Remuneration Policy for more detail) up to £500 per Director per Board or other meeting in respect of travel and accommodation expenses. The cap on expenses was increased from £250 to £500 in September 2024 due to the significant rise in travel and accommodation costs and in order not to disincentivise Directors from serving on the Board, whilst ensuring that costs are monitored appropriately.

The Company's auditor is required to report on certain information contained within this report; where information set out has been audited it is indicated as such.

All Directors are non-executive and the Company has no chief executive officer or employees; therefore some of the reporting requirements contained in the Regulations are not applicable and have not been reported on, including the requirement for a future policy table and an illustrative representation of the level of remuneration that could be received by each individual Director. It is believed that all relevant information is disclosed within this report in an appropriate format.

The Board as a whole considers the Directors' remuneration. The Board has not appointed a remuneration committee to consider such matters. The Board has not been provided with advice or services by any person in respect of its consideration of the Directors' remuneration (although the Directors review annually the fees paid to directors of other comparable investment trust companies).

In determining the remuneration policy, the Board takes into account all factors which it deems necessary including relevant legal and regulatory requirements, the AIC Code and whether the policy supports the Company's success.

Remuneration policy

Directors are remunerated in the form of fees, payable quarterly in arrears. The Company's Articles limit the fees payable to the Directors in aggregate to £165,000 per annum. Subject to the overall limit, the Company's policy is that the fees payable to the Directors should reflect the time spent by the Board on the Company's affairs and the responsibilities borne by the Directors and should be sufficient to promote the long-term success of the Company.

All Directors, including any new appointments to the Board, are paid at the same rate, apart from the Chairman of the Board and the Chairman of the Audit and Risk Committee who are paid a higher fee in recognition of their additional responsibilities. The policy is to review fee rates annually, although such review will not necessarily result in any change to the rates, and account is taken of fees paid to the directors of other investment trust companies.

Directors are authorised to claim reasonable expenses from the Company in relation to the performance of their duties.

No Director has a service contract with the Company. Directors' appointments may be terminated at any time by written notice with no compensation payable.

No Director is eligible to receive bonuses, pension benefits, share options or other benefits and no long-term incentive schemes are in place.

Directors' remuneration report (continued)

Directors' interests in shares (audited)

The interests of the Directors in the ordinary shares of the Company at the beginning and end of the financial year are shown in the table below.

	Ordinary shares of 5p	
	31 October 2024	1 November 2023*
Wendy Colquhoun	**10,000**	10,000
Davina Curling	**4,000**	4,000
Frances Daley	**10,000**	10,000
Harry Morgan	**10,492**	10,185

*Comparative figures have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024

There have been no changes to the Directors' holdings in the period 1 November 2024 to the date of this Annual Report.

In accordance with the Company's Articles no Director is required to hold any shares in the Company by way of qualification.

Directors' remuneration (audited)

The remuneration paid to the Directors who served during the years ended 31 October 2024 and 31 October 2023 was as follows:

	Year ended 31 October 2024 Total salary and fees £	Year ended 31 October 2023 Total salary and fees £	**Year ended 31 October 2024 Expenses and taxable benefits £**	Year ended 31 October 2023 Expenses and taxable benefits £	**Year ended 31 October 2024 Total £**	Year ended 31 October 2023 Total £
Wendy Colquhoun[1]	37,501	35,868	1,733	1,931	39,234	37,799
Davina Curling	26,168	24,635	384	369	26,552	25,004
Frances Daley[2]	32,501	30,535	–	–	32,501	30,535
Harry Morgan	26,168	24,634	216	286	26,384	24,920
Total	**122,338**	**115,672**	**2,333**	**2,586**	**124,671**	**118,258**

Notes:
The table above omits other columns set out in the relevant regulations because no payments of other types such as performance related pay, vesting performance related pay and pension related benefits were made.

1 Chairman and Highest Paid Director
2 Audit and Risk Committee Chairman

For the years ended 31 October 2024 and 31 October 2023, the fees paid to Directors were:

Period	Chairman (per annum)	Audit and Risk Committee Chairman (per annum)	Directors (per annum)
1 July 2022 to 30 June 2023	£35,300	£29,800	£24,200
1 July 2023 to 30 June 2024	£37,000	£32,000	£25,500
from 1 July 2024	£38,500	£33,500	£27,500

Directors' remuneration report (continued)

Relative importance of spend on pay

Annual percentage change in Directors' remuneration

The table below sets out the annual percentage change in fees (excluding expenses) for each Director who served during the year ended 31 October 2024:

	Year to 31 October 2024 %	Year to 31 October 2023 %	Year to 31 October 2022 %	Year to 31 October 2021 %	Year to 31 October 2020 %
Wendy Colquhoun[1]	**4.6**	8.1	23.5	34.3	0.0
Davina Curling	**6.2**	8.4	10.0	3.3	n/a[2]
Frances Daley	**6.4**	9.1	10.0	3.4	0.0
Harry Morgan	**6.2**	8.4	n/a[2]	n/a[2]	n/a[2]

1 Became Chairman on 11 March 2021
2 Percentages not calculated as joined the Board during the previous year

Expenditure by the Company on remuneration and distributions to shareholders

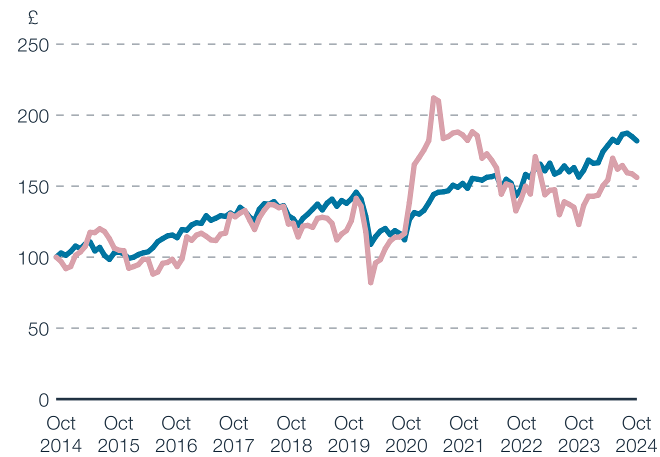
The table below compares the total level of remuneration paid to Directors to the distributions made to shareholders in each year. There were no share buybacks during the year ended 31 October 2024. There were no other significant distributions, payments or other uses of the Company's net return or cash flow deemed to assist in the understanding of the relative importance of spend on pay.

	Year ended 31 October 2024 £	Year ended 31 October 2023 £	Change £	Change %
Total remuneration paid to Directors[1]	124,671	118,258	6,413	5.4
Ordinary dividend paid during the year	2,803,923	2,764,431	39,492	1.4

1 Amounts paid will fluctuate due to the number of Directors in any one year

Performance

The graph below compares the mid-market price of the Company's ordinary shares over the ten year period ended 31 October 2024 with the return from the benchmark, the FTSE All-Share Index, over the same period.



Henderson Opportunities Trust plc share price total return, assuming the investment of £100 on 31 October 2014 and the reinvestment of all dividends (excluding dealing expenses) (source: Morningstar Direct)

FTSE All-Share Index total return, assuming the notional investment of £100 on 31 October 2014 and the reinvestment of all income (excluding dealing expenses) (source: Morningstar Direct)

Statement of voting at AGM

At the 2024 AGM 1,788,874 votes (98.90%) were received in favour of the resolution seeking approval of the Directors' Remuneration Report, 19,838 (1.10%) were against and 12,047 were withheld. In relation to the approval of the Remuneration Policy, last voted on at the 2023 AGM, 2,032,720 votes (99.34%) were in favour of the resolution, 13,506 (0.66%) were against and 35,461 were withheld. All percentages of votes exclude votes withheld.

Approval

The Directors' remuneration report has been approved by the Board.

On behalf of the Board

Wendy Colquhoun
Chairman
12 February 2025

Directors' report

The Directors present the audited Financial Statements of Henderson Opportunities Trust plc (the "Company") and their report for the year from 1 November 2023 to 31 October 2024. The Company (a public limited company registered and domiciled in England & Wales with company registration number 01940906) was active throughout the year under review and was not dormant.

The corporate governance statement (see pages 31 to 43) and viability statement and going concern (see page 26) form part of the Directors' report.

Directors

Details of the Directors and their appointments can be found on page 30. All Directors served throughout the period under review.

Share capital

At the AGM in March 2024, shareholders approved the sub-division of each ordinary share of 25p each into 5 new ordinary shares of 5p each. The Company's share capital currently comprises ordinary shares with a nominal value of 5p each. The voting rights of the shares on a poll are one vote for every share held. There are no restrictions on the transfer of the Company's ordinary shares or voting rights, no shares which carry specific rights with regard to the control of the Company and no agreement which the Company is party to that affects its control following a takeover bid. To the extent that they exist, the revenue profits of the Company (including accumulated revenue reserves and capital reserves) are available for distribution by way of dividends to the holders of the ordinary shares. Upon a winding-up, after meeting the liabilities of the Company, the surplus assets would be distributed to the shareholders pro rata to their holding of ordinary shares.

At 31 October 2023 and 31 October 2024 there were 40,004,290[1] ordinary shares in issue (of which 512,415[1] were held in treasury). No shares were issued (outside of the shares issued in relation to the share split) or bought back during the year or in the period from 1 November 2024 to 12 February 2025. Shares in treasury do not carry voting rights, therefore, as at 31 October 2024 and 12 February 2025 the number of shares in issue with voting rights was 39,491,875.

The Directors seek annual authority from shareholders to allot new ordinary shares, to disapply pre-emption rights of existing shareholders and to buyback ordinary shares for cancellation or to be held in treasury. At the AGM held in March 2024 the Directors were granted authority to allot relevant securities up to an aggregate nominal amount of £197,459 and buyback 5,919,832 shares (being 10% and 14.99% respectively of the issued ordinary share capital, excluding treasury shares, as at 7 March 2024). No shares have been issued or bought back under these authorities. These authorities will expire on 6 June 2025 or at the conclusion of the 2025 AGM, if the Company remains in existence and an AGM is duly convened. The Directors would intend to renew these authorities subject to shareholder approval.

Fund Managers' interests

James Henderson has a beneficial interest in 429,750 (2023: 429,750[1]) ordinary shares. Laura Foll has a beneficial interest in 10,810 (2023: 10,810[1]) ordinary shares.

Five largest shareholders

As at 31 October 2024 the Company's five largest shareholders were:

	% of voting rights
Hargreaves Lansdown	12.5
Interactive Investor	12.2
Halifax Share Dealing	11.1
Cazenove Capital Management	6.1
Janus Henderson	5.7

Source: RD:IR

Holdings in the Company's shares

Declarations of interests in the voting rights of the Company as at 31 October 2024 in accordance with the Disclosure Guidance and Transparency Rules were as follows:

	% of voting rights
Janus Henderson	5.7
Saba Capital Management L.P.	4.9[2]

Declarations of interests in the voting rights of the Company as at 12 February 2025 in accordance with the Disclosure Guidance and Transparency Rules were as follows:

	% of voting rights
Jefferies Financial Group Inc.	0.5[3]
Janus Henderson	5.7
Saba Capital Management L.P.	29.1

1 Comparative figures have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024
2 With an additional 11.7% held through economically equivalent swaps
3 With an additional 4.1% held through economically equivalent swaps

Directors' report (continued)

Related party transactions

The Company's transactions with related parties in the year were with its Directors and the Manager. There have been no material transactions between the Company and its Directors during the year and the only amounts paid to them were in respect of expenses and remuneration for which there were no outstanding amounts payable at the year end. Directors' shareholdings are disclosed on page 42.

In relation to the provision of services by the Manager, other than fees payable by the Company in the ordinary course of business and the facilitation of marketing activities with third parties, there have been no material transactions with the Manager affecting the financial position of the Company during the year under review. More details on transactions with the Manager, including amounts outstanding at the year end, are given in Note 21 on page 71.

Dividend

See Note 10 on pages 63 and 64 to the Financial Statements which sets out details relating to the dividends paid on the ordinary shares for the year ended 31 October 2024.

Energy and carbon reporting

Details of the Company's disclosures with regard to energy and carbon reporting can be found on pages 27 and 28.

Post balance sheet events and future developments

Details of the post balance sheet events can be found in Note 22 on page 72.

Annual General Meeting

The Company's 2025 AGM will only be scheduled in the event that shareholders do not approve the Scheme of Reconstruction and it does not become effective. In this case, a separate notice of meeting for the AGM will be sent to shareholders in or around March 2025.

Re-appointment of auditor

BDO were appointed as auditor at the AGM on 15 March 2018. BDO have indicated their willingness to continue in office as auditor to the Company and a resolution proposing their re-appointment and authorising the directors to determine their remuneration for the ensuing year will be put to shareholders at the next AGM, if the Company remains in existence and an AGM is duly convened. Further information in relation to their re-appointment can be found in the Audit and Risk Committee report on page 40.

Directors' statement as to disclosure of information to auditors

Each of the Directors who was a member of the Board at the date of approval of this Report confirms that to the best of his or her knowledge and belief, there is no information relevant to the preparation of the Annual Report of which the Company's auditor is unaware and he or she has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

UK Listing Rule 6.6.4

UK Listing Rule 6.6.4 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard.

Securities financing transactions

As the Company undertakes securities lending it is required to report on securities financing transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Company's involvement in and exposures related to securities lending for the accounting period ended 31 October 2024 are detailed on pages 78 and 79.

Other information

Information on financial risk management is detailed in Note 15 to the Financial Statements on pages 65 to 69.

Approval

The Directors' report has been approved by the Board.

By order of the Board

Janus Henderson Secretarial Services UK Limited
Corporate Secretary
12 February 2025

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Company's Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" and applicable law). Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the net return or loss of the Company for that year. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a Director's report, a Strategic Report and Director's remuneration report which comply with the requirements of the Companies Act 2006.

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 enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors consider that 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 position, performance, business model and strategy.

Website publication

The Directors are responsible for ensuring the Annual Report and the Financial Statements are made available on a website. The Financial Statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the Financial Statements contained therein.

Statement under Disclosure Guidance and Transparency Rule 4.1.12

Each of the Directors, who are listed on page 30, confirms that, to the best of his or her knowledge:

- the Company's Financial Statements, which have been prepared in accordance with UK Accounting Standards, give a true and fair view of the assets, liabilities, financial position and returns of the Company; and
- the Annual Report and Financial Statements include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board

Wendy Colquhoun
Chairman
12 February 2025

Financial Statements

Independent Auditor's Report to the Members of Henderson Opportunities Trust plc

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 October 2024 and of its return for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Henderson Opportunities Trust plc (the "Company") for the year ended 31 October 2024 which comprise the Income Statement, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the Audit and Risk Committee.

Independence

Following the recommendation of the Audit and Risk Committee, we were appointed by the shareholders at the Annual General Meeting on 15 March 2018 to audit the financial statements for the year ended 31 October 2018 and subsequent financial periods. The period of total uninterrupted engagement including reappointments is seven years, covering the years ended 31 October 2018 to 31 October 2024. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Material uncertainty related to going concern

We draw attention to Note 1b to the financial statements, which indicates that the Company's ability to continue as a going concern is dependent on whether the shareholders approve the proposed scheme of reconstruction and subsequent liquidation at the upcoming general meetings. This approval is not guaranteed. As stated in Note 1b, these events or conditions, along with other matters as set forth in Note 1b, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Given the material uncertainty noted above and in our assessment, we considered going concern to be a key audit matter.

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting and in response to the key audit matter included the following:

- Considering the appropriateness of the Directors' conclusion in relation to the upcoming shareholder vote in relation to a scheme of reconstruction;
- Evaluating the appropriateness of the Directors' method of assessing the going concern in the light of economic and market conditions by reviewing the information used by the Directors in completing their assessment;
- Assessing the appropriateness of the Directors' assumptions and judgements made by comparing the prior year forecasted costs to the actual costs incurred to check that the projected costs are reasonable;
- Assessing the projected management fees for the year to check that it was in line with the current assets under management levels and the projected market growth forecasts for the following year;
- Assessing the appropriateness of the Directors' assumptions and judgements made in their base case and stress tested forecasts including consideration of the available cash resources relative to forecast expenditure and commitments; and
- Challenging the Directors' assumptions and judgements made in their forecasts including performing an independent analysis of the liquidity of the portfolio.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Independent Auditor's Report to the Members of Henderson Opportunities Trust plc (continued)

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

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

Overview

		2024	2023
Key audit matters	Valuation and ownership of quoted investments	✓	✓
	Going concern	✓	
Materiality	Company financial statements as a whole £0.93m (2023: £0.82m) based on 1% (2023: 1%) of net assets		

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Key audit matters

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

In addition to the matter described in the "material uncertainty related to going concern" above, we have determined the matter below to also be a key audit matter to be communicated in our report.

Key audit matter	How the scope of our audit addressed the key audit matter
Valuation and ownership of quoted investments (Note 11 on Page 64) The investment portfolio at the year-end comprised of equity investments held at fair value through profit or loss of which 99% is quoted. We considered the valuation and ownership of investments to be the most significant audit area as investments represent the most significant balance in the financial statements and underpins the principal activity of the entity. There is a risk that the bid price used as a proxy for fair value of investments held at the reporting date is inappropriate. Given the nature of the portfolio is such that it comprises predominantly listed level 1 investments, we do not consider the use of bid price to be subject to significant estimation uncertainty. There is also a risk of error in the recording of investment holdings such that those recorded do not appropriate reflect the property of the Company. For these reasons and the materiality to the financial statements as a whole, they are considered to be a key area of our overall audit strategy and allocation of our resources and hence a Key Audit Matter.	We have responded to this matter by testing the valuation and ownership of 100% of the portfolio of quoted investments. We performed the following procedures: • Confirmed the year-end bid price was used by agreeing to externally quoted prices: • Assessed if there were contra indicators, such as liquidity considerations, to suggest bid price was not the most appropriate indication of fair value by considering the theoretical realisation period for individual holdings; • Obtained direct confirmation of the number of shares held per equity investment from the custodian regarding all investments held at the balance sheet date; and • Recalculated the valuation by multiplying the number of shares held per the statement obtained from the custodian by the valuation per share. Key observations: Based on our procedures performed we found that the valuation and ownership of quoted investments to be appropriate.

Independent Auditor's Report to the Members of Henderson Opportunities Trust plc (continued)

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	2024	2023
Materiality	£0.93m	£0.82m
Basis for determining materiality	1% of net assets	
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	
Performance materiality	£0.70m	£0.62m
Basis for determining performance materiality	75% of materiality	
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	

Reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all individual audit differences in excess of £46,000 (2023: £40,000) for the financial statements as a whole. We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

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

We have nothing to report in this regard.

Corporate governance statement

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

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

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 58; and • The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 26.

Independent Auditor's Report to the Members of Henderson Opportunities Trust plc (continued)

Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 46; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 23; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 39 and 40; and • The section describing the work of the Audit and Risk Committee set out on pages 38 to 40.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic Report and Directors' Report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or • the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Henderson Opportunities Trust plc (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with the Investment Manager, and those charged with governance;
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the Companies Act 2006, the FCA's UK Listing and DTR rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and qualification as an Investment Trust under UK tax legislation as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

Our procedures in respect of the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management and those charged with governance relating to the existence of any non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance throughout the period for instances of non-compliance with laws and regulations; and
- Reviewing the calculation in relation to Investment Trust compliance to check that the Company was meeting its requirements to retain their Investment Trust Status.

Fraud

We assessed the susceptibility of the financial statement to material misstatement including fraud.

Our risk assessment procedures included:

- Enquiry with the Investment Manager and those charged with governance regarding any known or suspected instances of fraud;
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment we considered the fraud risk areas to be management override of controls.

Our procedures in respect of the above included:

- In addressing the risk of management override of control, we:
  - Performed a review of estimates and judgements applied by management in the financial statements to assess their appropriateness and the existence of any systematic bias;
  - Considered the opportunity and incentive to manipulate accounting entries and reviewed the appropriateness of any adjustments made in the period end financial reporting process;
  - Reviewed for significant transactions outside the normal course of business; and
  - Performed a review of unadjusted audit differences, if any, for indications of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Independent Auditor's Report to the Members of Henderson Opportunities Trust plc (continued)

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Use of our report

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

Chris Meyrick (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
12 February 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Income Statement

Notes		Year ended 31 October 2024 Revenue return £'000	Year ended 31 October 2024 Capital return £'000	Year ended 31 October 2024 Total return £'000	Year ended 31 October 2023 Revenue return £'000	Year ended 31 October 2023 Capital return £'000	Year ended 31 October 2023 Total return £'000
2	Gains/(losses) on investments held at fair value through profit or loss	–	12,384	12,384	–	(9,892)	(9,892)
3	Income from investments held at fair value through profit or loss	2,998	–	2,998	3,269	–	3,269
4	Other interest receivable and other income	288	–	288	242	–	242
	Gross revenue and capital gains/(losses)	**3,286**	**12,384**	**15,670**	**3,511**	**(9,892)**	**(6,381)**
5	Management fees	(154)	(360)	(514)	(151)	(351)	(502)
6	Other administrative expenses	(452)	(6)	(458)	(466)	–	(466)
	Net return/(loss) before finance costs and taxation	**2,680**	**12,018**	**14,698**	**2,894**	**(10,243)**	**(7,349)**
7	Finance costs	(202)	(472)	(674)	(245)	(572)	(817)
	Net return/(loss) before taxation	**2,478**	**11,546**	**14,024**	**2,649**	**(10,815)**	**(8,166)**
8	Taxation	(2)	–	(2)	(6)	–	(6)
	Net return/(loss) after taxation	**2,476**	**11,546**	**14,022**	**2,643**	**(10,815)**	**(8,172)**
9	**Net return/(loss) per ordinary share – basic and diluted**	**6.27p**	**29.24p**	**35.51p**	6.70p*	(27.40p)*	(20.70p)*

* Comparative figures have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

The total columns of this statement represent the Profit and Loss Account of the Company. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. All revenue and capital items in the above statement derive from continuing operations. The Company had no recognised gains or losses other than those disclosed in the Income Statement.

The notes on pages 58 to 72 form part of these financial statements

Statement of Changes in Equity

Notes	Year ended 31 October 2024	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total shareholders' funds £'000
	At 1 November 2023	2,000	14,838	2,431	59,924	2,572	81,765
10	Ordinary dividends paid	–	–	–	–	(2,803)	(2,803)
10	Refund of unclaimed dividends over 12 years old	–	–	–	–	5	5
	Net return after taxation	–	–	–	11,546	2,476	14,022
	At 31 October 2024	**2,000**	**14,838**	**2,431**	**71,470**	**2,250**	**92,989**

Notes	Year ended 31 October 2023	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total shareholders' funds £'000
	At 1 November 2022	2,000	14,838	2,431	70,739	2,693	92,701
10	Ordinary dividends paid	–	–	–	–	(2,764)	(2,764)
	Net (loss)/return after taxation	–	–	–	(10,815)	2,643	(8,172)
	At 31 October 2023	**2,000**	**14,838**	**2,431**	**59,924**	**2,572**	**81,765**

The notes on pages 58 to 72 form part of these financial statements

Statement of Financial Position

Notes		31 October 2024 £'000	31 October 2023 £'000
	Fixed assets		
11	**Investments held at fair value through profit or loss**		
	Listed at market value	64,477	50,270
	Quoted on AIM at market value	33,235	38,703
	Unlisted	490	513
		98,202	**89,486**
	Current assets		
12	Investment held at fair value through profit or loss	2	2
13	Debtors	347	487
	Cash at bank and in hand	2,091	2,315
		2,440	**2,804**
14	Creditors: amounts falling due within one year	(7,653)	(10,525)
	Net current liabilities	**(5,213)**	**(7,721)**
	Total assets less current liabilities	**92,989**	**81,765**
	Net assets	**92,989**	**81,765**
	Capital and reserves		
16	Called up share capital	2,000	2,000
	Share premium account	14,838	14,838
17	Capital redemption reserve	2,431	2,431
17	Other capital reserves	71,470	59,924
	Revenue reserve	2,250	2,572
	Total shareholders' funds	**92,989**	**81,765**
19	**Net asset value per ordinary share – basic and diluted**	**235.5p**	**207.0p***

* Comparative figure for the period ended 31 October 2023 has been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

These financial statements on pages 54 to 72 were approved and authorised for issue by the Board of Directors on 12 February 2025 and were signed on their behalf by:

Wendy Colquhoun
Chairman

The notes on pages 58 to 72 form part of these financial statements

Statement of Cash Flows

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Cash flows from operating activities		
Net return/(loss) before taxation	14,024	(8,166)
Add: finance costs	674	817
(Less)/add: (gains)/losses on investments held at fair value through profit or loss	(12,384)	9,892
Withholding tax on dividends deducted at source	(2)	–
Increase in other debtors	(56)	(81)
Increase/(decrease) in creditors	332	(12)
Net cash inflow from operating activities[1]	**2,588**	**2,450**
Cash flows from investing activities		
Purchase of investments	(21,452)	(7,527)
Sale of investments	25,244	13,647
Proceeds from capital dividends	72	–
Net cash inflow from investing activities	**3,864**	**6,120**
Cash flows from financing activities		
Equity dividends paid	(2,798)	(2,764)
Net loans repaid	(3,168)	(3,937)
Interest paid	(710)	(773)
Net cash outflow from financing activities	**(6,676)**	**(7,474)**
Net (decrease)/increase in cash and cash equivalents	(224)	1,096
Cash at bank and in hand at start of year	2,315	1,219
Cash at bank and in hand at end of year	**2,091**	**2,315**
Comprising:		
Cash at bank and in hand	**2,091**	**2,315**

1 Cash inflow from dividends was £2,942,000 (2023: £3,211,000) and cash inflow from interest was £57,000 (2023: £52,000)

The notes on pages 58 to 72 form part of these financial statements

Notes to the Financial Statements

1 Accounting policies

(a) Basis of accounting

The Company is a registered investment company as defined in Section 833 of the Companies Act 2006 and is incorporated in the United Kingdom. It operates in the United Kingdom and is registered at the address on page 81.

The Financial Statements have been prepared in accordance with the Companies Act 2006, FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland and with the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts (the "SORP") issued in July 2022 by the Association of Investment Companies.

The principal accounting policies applied in the presentation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented. The Financial Statements have been prepared under the historical cost basis except for the measurement of fair value of investments. In applying FRS 102, financial instruments have been accounted for in accordance with Sections 11 and 12 of the standard. All of the Company's operations are of a continuing nature.

b) Going concern

The Directors acknowledge that they have proposed a Scheme of Reconstruction, which is subject to the shareholders' approval at General Meetings scheduled for 21 February 2025 and 14 March 2025. If the resolutions approving the Scheme and placing the Company into liquidation are passed, the Company will not continue as a going concern beyond 14 March 2025.

If the resolutions are not passed, the Directors having considered the Company's financial position, the principal risks, and broader macroeconomic factors outlined in the viability statement on page 26, are satisfied that the Company could continue in operational existence for at least 12 months from the date of approval of the financial statements.

In coming to this conclusion, the following matters have been considered. The assets of the Company consist primarily of securities that are listed (or quoted on AIM), which are readily realisable. The net current liabilities position is primarily due to borrowings under the loan facility, and the Company's portfolio is sufficiently liquid to meet the net current liabilities in the event that the loan needs to be fully repaid. The securities lending programme entered into by the Company (see Note 15.3 on page 68 for more information) is supported by indemnification and therefore does not impact the liquidity of the portfolio or the Company's ability to continue as a going concern. Accordingly, the Directors believe that the Company has adequate resources to continue in operational existence for at least twelve months from the date of approval of the Financial Statements.

The Company's ability to continue as a going concern is dependent on whether the shareholders approve the proposed Scheme of Reconstruction and subsequent liquidation at the upcoming general meetings. This approval is not guaranteed and therefore indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

The Company's Articles of Association also require that at every third AGM, an ordinary resolution be put to shareholders to approve the continuation of the Company. The resolution was last put to the AGM in 2023 and was duly passed, and should the Company continue in existence, the next triennial continuation resolution will next be put to the shareholders at the AGM in 2026.

Based on this assessment, the Directors consider that, although there is material uncertainty due to the upcoming shareholder votes in respect of the Scheme, the Company would otherwise remain a going concern for a period of at least 12 months from the date of approval of the financial statements and have therefore prepared the Financial Statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

c) Significant judgements and areas of estimation uncertainty

Considerations in respect of the classification of any dividends as revenue or capital are set out in accounting policy f) and the valuation policy of any unlisted investments is set out in accounting policy d). There have been no other significant judgements or estimations applied to the Financial Statements.

d) Investments held at fair value through profit or loss

Listed investments, including quoted AIM stocks, are held at fair value through profit or loss and accordingly are valued at fair value, deemed to be bid prices or the last trade price depending on the convention of the exchange on which the investment is quoted.

Unlisted investments are held at fair value through profit or loss and are valued by the Directors with regard to the International Private Equity and Venture Capital Guidelines ("IPEV") using primary valuation techniques such as recent transactions and net assets. Where fair value cannot reliably be measured the investment will be carried at the previous reporting date value unless there is evidence that the investment has since been impaired, in which case the value will be reduced. All such valuations are reviewed by both Janus Henderson's EMEA & APAC Pricing Committee and by the Directors.

Changes in the value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Income Statement as "gains or losses on investments held at fair value through profit or loss". Transaction costs in relation to the purchase or sale of investments are also expensed within this line. All purchases and sales are accounted for on a trade date basis. Investments on loan under the Company's stock lending agreement are held on the balance sheet and not derecognised because the Company is still exposed to the risks and rewards of holding the investments.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

e) Foreign currency

The results and financial position of the Company are expressed in sterling, which is the functional and presentational currency of the Company. Sterling is the functional currency because it is the currency of the primary economic environment in which the Company operates.

Transactions recorded in overseas currencies during the year are translated into sterling at the appropriate daily exchange rates. Monetary assets and liabilities and equity investments held at fair value through profit or loss, which are denominated in foreign currencies at the Statement of Financial Position date, are translated into sterling at the exchange rates ruling at that date.

Any gains or losses on the translation of foreign currency balances, whether realised or unrealised, are taken to the capital return or to the revenue return of the Income Statement, depending on whether the gain or loss is of a capital or revenue nature.

f) Income

Dividends receivable from equity shares are taken to the revenue return on an ex-dividend basis except where, in the opinion of the Directors, the dividend is capital in nature, in which case it is taken to the capital return. When a dividend received is capital in nature, the associated proportion of the investment's underlying book cost relating to the capital reduction of the investment is allocated to the dividend and the book cost adjusted accordingly. This results in the realised profits from the capital dividend being the value of the dividend received less the underlying book cost allocated to the dividend. Income from fixed interest debt securities and preference shares is recognised using the effective interest rate method in accordance with the SORP. The ordinary element of scrip dividends received in lieu of cash dividends is recognised as revenue. Any enhancement above the cash dividend is treated as capital.

Bank interest is accounted for on an accruals basis and shown in the revenue return based on amounts to which the Company is entitled.

Fees earned from stock lending are accounted for on an accruals basis and shown in the revenue return based on amounts to which the Company is entitled. This is after deduction of amounts withheld by the counterparty arranging the stock lending facility. The stock lending accounting policy is set out in note 15.3.

Where the Company enters into a commitment to sub-underwrite an issue of securities, in exchange for the receipt of commission, a derivative financial instrument is recognised initially at fair value. The derivative is re-measured subsequently at fair value, with the related gains and losses being reflected in the Income Statement. Net losses arising from these derivatives, where the actual or expected loss from taking up the securities underwritten exceeds the commission income, are allocated to the capital return. Net gains are allocated to the revenue return.

g) Management fee, administrative expenses and finance costs

All expenses and finance costs are accounted for on an accruals basis.

The Board has determined that the capital return should reflect the indirect costs of earning capital returns. The Company allocates 70% of its management fee and finance costs to the capital return of the Income Statement with the remaining 30% being allocated to the revenue return.

The management fee is calculated quarterly in arrears, as 0.55% per annum of the net assets. Performance fee provisions were removed with effect from 20 October 2023.

All other administrative expenses are charged to the revenue return of the Income Statement.

Expenses which are incidental to the purchase or sale of an investment are recognised immediately in the capital return of the Income Statement, and are included within the gains/losses from investments held at fair value through profit or loss.

h) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the applicable rate of corporation tax for the accounting period.

In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital returns in the supplementary information in the Income Statement is the "marginal basis". Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue return column of the Income Statement, then no tax relief is transferred to the capital return column.

Deferred taxation is provided on all timing differences that have originated but not reversed by the Statement of Financial Position date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of timing differences can be deducted. Any liability to deferred tax is provided at the average rate of tax expected to apply based on tax rates and laws that have been enacted or substantively enacted at the Statement of Financial Position date. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

i) Bank borrowings

Interest bearing bank loans and overdrafts are recorded initially at fair value, being the proceeds received, less direct issue costs. They are subsequently remeasured at amortised cost. Finance costs, including interest payable, premiums on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the Income Statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

j) Cash and liquid resources

For the purposes of the Statement of Cash Flows, cash comprises bank deposits that are repayable on demand and bank overdrafts. Liquid resources comprise readily disposable shares of value that do not qualify as cash, and include investments in money market funds as explained more fully in Note 12.

k) Dividends payable to shareholders

Dividends payable to shareholders are recognised in the financial statements when they are paid or, in the case of final dividends, when they are approved by shareholders. Dividends are recognised within the Statement of Changes in Equity.

l) The issue and repurchase of ordinary shares and the associated costs

The proceeds from the issue of new ordinary shares (including those relating to the sale of shares out of treasury), and the aggregate cost of repurchasing ordinary shares (including those to be held in treasury) are taken directly to equity. Issue costs incurred in respect of new ordinary shares are offset against the proceeds received and dealt with in the share premium account. Issue costs incurred in respect of shares sold out of treasury are offset against proceeds received and dealt with in the share premium account. Share issue and repurchase transactions are accounted for on a trade date basis.

m) Capital reserves

Called up share capital represents the nominal value of ordinary shares issued.

The share premium account represents the premium above nominal value received by the Company on issuing shares net of issue costs.

The revenue reserve represents accumulated revenue profits retained by the Company that have not currently been distributed to shareholders as a dividend.

The capital redemption reserve represents the nominal value of ordinary shares that have been repurchased and cancelled.

Other capital reserves are split into two components, the capital reserve arising on investments sold and the capital reserve arising on investments held. The following analyses what is accounted for in each of these components.

Capital reserve arising on investments sold

The following are accounted for in this reserve:

- gains and losses on the disposals of investments;
- expenses and finance costs allocated to capital net of tax relief;
- realised foreign exchange differences of a capital nature; and
- cost of repurchasing ordinary share capital.

Capital reserve arising on revaluation of investments held

The following are accounted for in this reserve:

- increases and decreases in the valuation of investments held at the year end; and
- unrealised foreign exchange differences of a capital nature.

n) Distributions

Distributions can be made from the revenue reserve and from realised gains in other capital reserves, for further details in respect to the other capital reserves please see note 17. Distributions cannot be made from the share premium account or the capital redemption reserve.

Notes to the Financial Statements (continued)

2 Gains/(losses) on investments held at fair value through profit or loss

	2024 £'000	2023 £'000
Gains/(losses) on the sale of investments based on historical cost	5,224	(3,497)
Revaluation losses recognised in previous years	3,270	4,342
Gains on investments sold in the year based on carrying value at previous Statement of Financial Position date	**8,494**	**845**
Revaluation gains/(losses) on investments held at 31 October	3,890	(10,737)
	12,384	**(9,892)**

Included within gains/(losses) on investments are special capital dividends of £72,000 (2023: £nil). These are accounted for in accordance with accounting policy 1f).

3 Income from investments held at fair value through profit or loss

	2024 £'000	2023 £'000
UK:		
Dividends from listed investments	2,096	1,384
Dividends from AIM investments	809	1,795
	2,905	**3,179**
Non-UK:		
Dividends from listed investments	93	90
	93	**90**
	2,998	**3,269**

4 Other interest receivable and other income

	2024 £'000	2023 £'000
Deposit interest	56	56
Stock lending commission	229	183
Underwriting commission (allocated to revenue)	3	3
	288	**242**

Stock lending commission has been shown net of brokerage fees of £57,000 (2023: £46,000).

During the year the Company was not required to take up shares in respect of underwriting commission; no commission was taken to capital (2023: same).

5 Management fee

	2024			2023		
	Revenue return £'000	Capital return £'000	Total return £'000	Revenue return £'000	Capital return £'000	Total return £'000
Management fee	154	360	514	151	351	502
	154	**360**	**514**	**151**	**351**	**502**

The basis on which the management fee is calculated is set out on page 18 in the Strategic Report. Performance fee provisions were removed with effect from 20 October 2023.

Notes to the Financial Statements (continued)

6 Other administrative expenses

	2024 £'000	2023 £'000
Auditor's remuneration for audit services	49	45
Directors' fees and expenses (see the Directors' remuneration report on page 42)	125	118
Directors' and officers' liability insurance	13	14
Listing and regulatory fees	19	17
Custody fees	(2)	17
Depositary fees	9	9
Printing and postage	14	18
Registrar's fees	18	15
Marketing expenses recharged by Janus Henderson	13	20
Bank facilities: arrangement and non-utilisation fees	73	79
Other expenses	87	80
Irrecoverable VAT	34	34
	452	**466**

All transactions with Directors are disclosed in the Directors' remuneration report and are related party transactions.

7 Finance costs

	2024			2023		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
On bank loans and overdrafts	**202**	**472**	**674**	**245**	**572**	**817**

The allocation between revenue return and capital return is explained in Note 1(g) on page 59.

8 Taxation

Approved investment trusts are exempt from tax on capital gains.

The effective rate of UK corporation tax for the year was 25% (2023: effective rate of 22.5%). The tax charge for the year is lower than the corporation tax rate of 25%.

The tax charge for the year ended 31 October 2024 is £2,000 (2023: £6,000).

The differences are explained below:

	2024			2023		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Net return/(loss) before taxation	**2,478**	**11,546**	**14,024**	**2,649**	**(10,815)**	**(8,166)**
Corporation tax at 25% (2023: 22.5%)	620	2,887	3,507	596	(2,433)	(1,837)
Non-taxable UK dividends	(721)	–	(721)	(715)	–	(715)
Non-taxable overseas dividends	(5)	–	(5)	(7)	–	(7)
Excess management expenses	106	209	315	126	207	333
Irrecoverable overseas withholding tax	2	–	2	6	–	6
Capital (gains)/losses not subject to tax	–	(3,096)	(3,096)	–	2,226	2,226
Total tax charge	**2**	**–**	**2**	**6**	**–**	**6**

No provision for deferred taxation has been made in the current or prior accounting year. The Company has not provided for deferred tax on capital gains or losses arising on the revaluation and disposal of investments as it is exempt from tax on these items because of its investment trust status. The Company can offset management fees, other administrative expenses and interest costs against taxable income to eliminate any tax charge on such income. The tax legislation refers

Notes to the Financial Statements (continued)

8 Taxation (continued)

to these as management expenses (management fees and other administrative expenses) and non-trade loan relationship deficits (interest costs) and these are captured together under the heading "Excess management expenses" in the table on the previous page. Where these are not fully utilised, they can be carried forward to future years. As the Company is unlikely to generate future taxable profits to utilise these amounts, the Company cannot recognise an asset to reflect them, but must still disclose the deferred tax amount carried forward arising from any unutilised amounts. Consequently, the Company has not recognised a deferred tax asset totalling £6,910,000 (2023: £6,593,000) arising as a result of having unutilised management expenses and unutilised non-trade loan relationship deficits totalling £27,639,000 (2023: £26,374,000), and based on a prospective tax rate of 25% (2023: 25%).

9 Net return/(loss) per ordinary share – basic and diluted

The total return per ordinary share is based on the total profit attributable to the ordinary shares of £14,022,000 (2023: total loss of £8,172,000) and on 39,491,875 ordinary shares (2023: 39,491,875*) being the weighted average number of shares in issue during the year.

The return/(loss) per ordinary share can be further analysed as follows:

	2024 £'000	2023 £'000
Revenue return	2,476	2,643
Capital return/(loss)	11,546	(10,815)
Total return/(loss)	**14,022**	**(8,172)**
Weighted average number of ordinary shares	**39,491,875**	**39,491,875***

	2024	2023
Revenue return per ordinary share	6.27p	6.69p*
Capital return/(loss) per ordinary share	29.24p	(27.39p)*
Total return/(loss) per ordinary share – basic and diluted	**35.51p**	**(20.70p)***

* Comparative figures for the period ended 31 October 2023 have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

10 Ordinary dividends paid

	Record date	Payment date	**2024 £'000**	2023 £'000
Amounts recognised as distributions to equity holders in the year:				
Third Interim dividend for the year ended 31 October 2022 of 1.4p*	18 November 2022	16 December 2022	–	553
Final dividend for the year ended 31 October 2022 of 2.6p*	17 February 2023	24 March 2023	–	1,027
First Interim dividend for the year ended 31 October 2023 of 1.5p*	19 May 2023	23 June 2023	–	592
Second Interim dividend for the year ended 31 October 2023 of 1.5p*	18 August 2023	22 September 2023	–	592
Third Interim dividend for the year ended 31 October 2023 of 1.5p*	17 November 2023	15 December 2023	592	–
Final dividend for the year ended 31 October 2023 of 2.6p*	16 February 2024	22 March 2024	1,027	–
First Interim dividend for the year ended 31 October 2024 of 1.5p	17 May 2024	20 June 2024	592	–
Second Interim dividend for the year ended 31 October 2024 of 1.5p	16 August 2024	20 September 2024	592	–
Refund of unclaimed dividends over 12 years old			(5)	–
			2,798	**2,764**

* Comparative figures for the period ended 31 October 2023 have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

Notes to the Financial Statements (continued)

10 Ordinary dividends paid (continued)

The Board declared a third interim dividend of 1.5p per ordinary share, paid on 13 December 2024 to shareholders on the register of the Company at the close of business on 15 November 2024. The ex-dividend date was 14 November 2024. Based on the number of ordinary shares in issue on 31 October 2024, the cost of this dividend was £592,000.

A fourth interim dividend for the year ended 31 October 2024 of 2.6p per ordinary share will be paid on 11 March 2025 to shareholders on the register of members at the close of business on 21 February 2025. The shares will be quoted ex-dividend on 20 February 2025.

The total dividends payable in respect of the financial year, which form the basis of the test under Section 1158 of the Corporation Tax Act 2010, are set out below:

	Year ended 31 October 2024 £'000	Year ended 31 October 2023 £'000
Revenue available for distribution by way of dividends for the year	2,476	2,643
First interim dividend for the year ended 31 October 2024: 1.5p (2023: 1.5p*)	(592)	(592)
Second interim dividend for the year ended 31 October 2024: 1.5p (2023: 1.5p*)	(592)	(592)
Third interim dividend for the year ended 31 October 2024: 1.5p (2023: 1.5p*)	(592)	(592)
Declared fourth interim dividend for the year ended 31 October 2024: 2.6p (based on the 39,491,875 ordinary shares in issue at 12 February 2025) (2023: 2.6p* on 39,491,875* ordinary shares)	(1,027)	(1,027)
Transferred from revenue reserve[1]	**(327)**	**(160)**

* Comparative figures for the period ended 31 October 2023 have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

All dividends have been paid or will be paid out of revenue profit and the revenue reserve.

1 Undistributed revenue comprises nil% of income from investments (2023: nil)

11 Investments held at fair value through profit or loss

	2024 £'000	2023 £'000
Valuation at 1 November	89,486	105,695
Investment holding losses at 1 November	17,095	10,699
Cost at 1 November	**106,581**	**116,394**
Purchases at cost	21,452	7,527
Sales at cost	(19,824)	(17,340)
Cost allocated to capital dividends	(72)	–
Cost at 31 October	**108,137**	**106,581**
Investment holding losses at 31 October	(9,935)	(17,095)
Valuation of investments at 31 October	**98,202**	**89,486**

The Company received £25,120,000 (2023: £13,843,000) from investments sold in the year. The book cost of these investments when they were purchased was £19,824,000 (2023: £17,340,000). 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.

All the investments were equity investments (2023: same). At 31 October 2024, the total value of securities on loan by the Company for stock lending purposes was £14,833,000 (2023: £11,760,000). The maximum aggregate value of securities on loan at any one time during the year ended 31 October 2024 was £17,990,000 (2023: £19,850,000). The Company's agent holds collateral at 31 October 2024 with the value of £15,646,000 (2023: £12,380,000) in respect of securities on loan, the value of which is reviewed on a daily basis and comprises CREST Delivery By Value ("DBVs") and Government Bonds with a market value of 105% (2023: 105%) of the market value of any securities on loan.

Total transaction costs amounted to £90,000 (2023: £29,000) of which purchase transaction costs for the year ended 31 October 2024 were £81,000 (2023: £24,000). These comprise mainly stamp duty and commissions. Sale transaction costs for the year ended 31 October 2024 were £9,000 (2023: £5,000).

Notes to the Financial Statements (continued)

11 Investments held at fair value through profit or loss (continued)

Substantial interests in investments

As at 31 October 2024 the Company holds 3% or more of any class of capital in 6 investee companies (2023: 6). Within the 6, there was 1 whose valuation represented more than 1% of the value of the total investment portfolio held by the Company, which is:

	2024 Valuation £'000	**2024 % of voting**	2023 Valuation £'000	2023 % of voting
Van Elle	**1,776**	**3.9**	**1,607**	**4.0**

12 Current asset investment held at fair value through profit or loss

The Company has a holding in Deutsche Global Managed Platinum Income Fund, a money market fund which is viewed as a readily disposable store of value and which is used to invest cash balances that would otherwise be placed on short-term deposit. At 31 October 2024 this holding had a value of £2,000 (2023: £2,000).

13 Debtors

	2024 £'000	2023 £'000
Sales for future settlement	–	196
Prepayments and accrued income	347	291
	347	**487**

14 Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Unsecured sterling bank loans (see Note 15.6)	7,001	10,169
Bank loan interest payable	36	72
Other creditors	616	284
	7,653	**10,525**

15 Financial risk management policies and procedures

As an investment trust, the Company invests in equities and other investments for the long term so as to secure its Investment Objective and Investment Policy as stated on page 17. In pursuing its Investment Objective and Investment Policy, the Company is exposed to a variety of financial risks that could result in either a reduction in the Company's net assets or a reduction in the profits available for distribution by way of dividends.

These financial risks: market risk (comprising market price risk, currency risk and interest rate risk), liquidity risk and credit and counterparty risk, and the Directors' approach to the management of these risks, are set out below and have not changed from the previous accounting period. The Board and Janus Henderson co-ordinate the Company's risk management and there are various risk management systems in place.

The Board determines the objectives, policies and processes for managing risks, and these are set out below under the relevant risk category. The policies for management of risk have not changed from the previous accounting period and are the same for the Company except where separate disclosures are made.

15.1 Market risk

The fair value of a financial instrument held by the Company will fluctuate due to changes in market prices. This market risk comprises market price risk (see Note 15.1.1), currency risk (see Note 15.1.2) and interest rate risk (see Note 15.1.3). The Board reviews and agrees policies for managing these risks. The Fund Managers assess the exposure to market risk when making each investment decision, and monitor the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

15.1.1 Market price risk

Market price risk (i.e. changes in market prices other than those arising from interest rate risk or currency risk) will affect the fair value of investments.

The Company's exposure to market price risk at 31 October 2024 and at 31 October 2023, is represented by the investments it holds, as shown on the Statement of Financial Position on page 56 under the heading "Investments held at fair value through profit or loss".

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.1.1 Market price risk (continued)

Management of the risk

The Board manages the risks inherent in the investment portfolio by ensuring full and timely access to relevant information from Janus Henderson. The Board meets regularly and at each meeting reviews investment performance. The Board monitors Janus Henderson's compliance with the Company's objective and is responsible for investment strategy and asset allocation.

Concentration of exposure to market price risk

An analysis of the Company's investment portfolio is shown on pages 11 to 12. This shows that the value of the investments is primarily in companies that are listed in the UK. Accordingly, there is a concentration of exposure to market price risk in the UK, although it is recognised that an investment's country of domicile or of listing does not necessarily equate to its exposure to the economic conditions in that country.

Market price risk sensitivity

The table below illustrates the sensitivity of the total return after taxation for the year and the net assets to an increase or decrease of 20% in the fair values of the Company's investments. This level of change is considered to be reasonable based on historic market conditions.

Sensitivity analysis

	2024		2023	
	If prices go up 20% £'000	**If prices go down 20% £'000**	If prices go up 20% £'000	If prices go down 20% £'000
Investments (excluding investments in money market funds)	98,202	98,202	89,486	89,486
Impact on the income statement:				
Revenue return	(32)	32	(29)	29
Capital return	19,564	(19,564)	17,828	(17,828)
Impact on net assets and total return	**19,532**	**(19,532)**	**17,799**	**(17,799)**

15.1.2 Currency risk

A small proportion of the Company's assets, liabilities and income are denominated in currencies other than sterling (the Company's functional currency and presentational currency). As a result, movements in exchange rates may affect the sterling value of those items. The Company had no cash at bank and in hand at 31 October 2024 (2023: none) denominated in foreign currency.

Management of the risk

Janus Henderson monitors the Company's exposure to foreign currencies and reports any significant changes to the Board. Janus Henderson measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and total return of a movement in the exchange rate to which the Company's assets, liabilities, income and expenses are exposed.

Investment income denominated in foreign currencies is converted into sterling on receipt. The Company does not use financial instruments to mitigate the currency exposure in the period between the time that income is included in the financial statements and its receipt.

Foreign currency exposure and sensitivity

The Company's investments are predominately in sterling-based securities and its exposure to currency risk is not considered material.

15.1.3 Interest rate risk

Interest rate movements may affect:

- the level of income receivable from interest-bearing securities, money market funds and cash at bank and in hand and on deposit; and
- the interest payable on the Company's variable rate borrowings.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions and borrowing under the Company's bank loan facility. The Company, generally, may make use of money market fund placings and does not hold significant cash balances; it uses short-term borrowings when required. The Company may finance part of its activities through borrowings at levels approved and monitored by the Board. Derivative contracts are not used to hedge against the exposure to interest rate risk.

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.1.3 Interest rate risk (continued)

Management of the risk

Interest rate exposure

The Company's exposure at 31 October 2024 and at 31 October 2023 of financial assets and financial liabilities to interest rate risk is shown by reference to floating interest rates – when the interest rate is due to be reset.

	2024 Within one year £'000	2023 Within one year £'000
Exposure to floating interest rates:		
Cash at bank and in hand	2,091	2,315
Money market funds	2	2
Creditors – amounts falling due within one year:		
Borrowings under loan facility	(7,001)	(10,169)
Total exposure to interest rates	**(4,908)**	**(7,852)**

Interest receivable and finance costs are at the following rates:

- interest received on cash balances and money market funds, or paid on bank overdrafts, is at a margin linked to interest rates (2023: same); and
- interest paid on borrowings under the loan facility is at a margin over SONIA in line with the terms of the agreement. The weighted average interest rate of these is 6.2% as at 31 October 2024 (2023: 6.2%).

Interest rate risk sensitivity

The Company is exposed to interest rate risk primarily through its loan facility with The Royal Bank of Scotland International Limited (London Branch) and money market funds balances. The sensitivity is as follows: borrowings vary throughout the year as a result of the Board's borrowing policy. Net borrowings at the year end were £4,908,000 (2023: £7,852,000) and if that level of borrowings was maintained for a full year, then a 200 basis points change in interest rates (up or down) would decrease or increase total net return after taxation and shareholders' funds by £98,000 (2023: £157,000).

15.2 Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk

Liquidity risk is not significant as the majority of the Company's assets are investments in listed securities that are readily realisable. The Company had unsecured sterling loan facilities totalling £20m (2023: £30m) and an overdraft facility with the sub custodian, the extent of which is determined by the Custodian on a regular basis by the value of the securities held by it on behalf of the Company. The facilities are subject to regular review.

The Board gives guidance to Janus Henderson as to the maximum amount of the Company's resources that should be invested in any one company. The policy is that the Company's assets should generally remain fully invested in equities. Any short term cash requirements will generally be met by short term borrowings.

The Board monitors the Company's exposure to smaller companies on a monthly basis and reviews this in detail at Board meetings. The liquidity of the whole portfolio is also considered at Board meetings.

The contractual maturities of the financial liabilities at 31 October based on the earliest date on which payment can be required are as follows:

	2024		2023	
	Due within one month £'000	**Due between one and three months £'000**	Due within one month £'000	Due between one and three months £'000
Bank overdraft, loans and interest	7,037	–	4,123	6,118
Other creditors	616	–	284	–
	7,653	**–**	**4,407**	**6,118**

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.3 Credit and counterparty risk

The failure of the counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss.

Management of the risk

The risk is managed as follows:

- investment transactions are carried out with a large number of brokers, whose credit standard is reviewed regularly by Janus Henderson, and limits are set on the amount that may be due from any one broker; and
- cash at bank is held only with reputable banks with high quality external credit ratings or through a money market fund that uses such banks.

Stock lending transactions are carried out with a number of approved counterparties, whose credit rating is reviewed regularly by Janus Henderson and limits are set on the amount that may be lent to any one counterparty. Stock lending is the temporary transfer of securities by a lender to a borrower, with an agreement by the borrower to return equivalent securities to the lender at an agreed future date. Stock lending revenue is received for making the investments available to the borrower, which increases the returns on the portfolio. In all cases securities lent continue to be recognised in the Statement of Financial Position. Details of the value of securities on loan at the year end, and the collateral held, can be found in Note 11.

HSBC's Securities Lending Programme provides broad market access supported by indemnification. This indemnification covers replacement of loaned securities (and all ancillary benefits such as outstanding income and fees) in the event of a borrower default. HSBC will make whole any shortfall between the value realised out of selling collateral and value of the loaned securities.

In summary, the exposure to credit risk at 31 October 2024 was to cash at bank and in hand and money market funds of £2,093,000 (2023: £2,317,000) and to debtors of £347,000 (2023: £487,000) (see Note 13).

15.4 Fair values of financial assets and financial liabilities

The financial assets and financial liabilities are either carried in the Statement of Financial Position at their fair value (investments) or the Statement of Financial Position amount is a reasonable approximation of fair value (sales for future settlement, dividends and interest receivable, purchases for future settlement, accruals, cash at bank and in hand, bank overdrafts and amounts due under the loan facility).

15.5 Fair value hierarchy disclosures

The table below analyses fair value measurements for investments held at fair value through profit or loss. These fair value measurements are categorised into different levels in the fair value hierarchy based on the valuation technique used and are defined as follows:

Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets;

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included in Level 1; and

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

Fair value hierarchy at 31 October 2024	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Equity investments	97,712	–	490	98,202
Current asset investments	2	–	–	2
	97,714	**–**	**490**	**98,204**

Fair value hierarchy at 31 October 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	88,973	–	513	89,486
Current asset investments	2	–	–	2
	88,975	**–**	**513**	**89,488**

There have been no transfers during the year between any of the levels.

Notes to the Financial Statements (continued)

15 Financial risk management policies and procedures (continued)

15.5 Fair value hierarchy disclosures (continued)

The total carrying value of receivables, as stated in Note 13, is a reasonable approximation of their fair value as at the year end date. The total carrying value of financial liabilities, as disclosed in Note 14, is a reasonable approximation of their fair value at the year end date.

A reconciliation of movements within Level 3 is set out below:

	2024 £'000	2023 £'000
Opening balance at 1 November	513	517
Revaluation	(23)	(4)
Closing balance at 31 October	**490**	**513**

The investment valuation of the Company's holding in Oxford Science Enterprises has been reviewed and revalued accordingly.

15.6 Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that it will be able to continue as a going concern; and
- to maximise the revenue and capital return to its equity shareholders through an appropriate balance of equity capital and debt.

The Company's capital at 31 October 2024 comprised its equity share capital, reserves and loans (as shown in Note 14) that are included in the Statement of Financial Position at a total of £99,990,000 (2023: £91,934,000).

The Board, with the assistance of Janus Henderson, monitors and reviews the structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes into account Janus Henderson's view on the market;
- the need to buy back equity shares, either for cancellation or to hold in treasury, which takes account of the difference between the net asset value per share and the share price (i.e. the level of share price discount or premium) as well as the discount of the peer group and the level of the equity market;
- the need for new issues of equity shares, including allotments from treasury; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company is subject to externally imposed capital requirements:

- borrowings under the loan facility must not exceed 30% of the adjusted investment portfolio value (as defined by the bank providing the loan facility) and the consolidated net tangible asset value must not be less than £70m at any time;
- as a public company, the Company has a minimum share capital of £50,000; and
- in order to be able to pay dividends out of profits available for distribution by way of dividends, the Company has to be able to meet the capital restriction tests imposed on investment companies by company law.

The Company has complied with these requirements.

The Company's loan facility has a £20m limit and is with The Royal Bank of Scotland International Limited (London Branch).

The maximum drawn down position in the year was £17,990,000 and the lowest position in the year was £7,001,000. The facility is due to expire in March 2027 and the Board has secured pricing for its renewal.

The Board reviews the level of net gearing at each Board meeting in the light of the liquidity of the portfolio and ensures that it is well within the covenants so that the risk of breaching the covenants or the gearing range determined by the Board leading the Company to become a forced seller of investments with possible losses for shareholders is unlikely to arise.

Notes to the Financial Statements (continued)

16 Called up share capital

	2024 £'000	2023 £'000
Allotted and issued ordinary shares of 5p each 39,491,875 (2023: 39,491,875*)	1,974	1,974
Ordinary shares of 5p each held in treasury 512,415 (2023: 512,415*)	26	26
	2,000	**2,000**

* Comparative figures for the period ended 31 October 2023 have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

During the year ended 31 October 2024 no ordinary shares were issued or repurchased by the Company (outside of the shares issued in relation to the share split) (2023: no shares issued or repurchased). Shares held in treasury do not carry a right to receive dividends or vote.

17 Capital redemption reserve and other capital reserves

	Capital redemption reserve £'000	Capital reserve arising on investments sold £'000	Capital reserve arising on revaluation of investments held £'000	Other capital reserves total £'000
At 1 November 2023	2,431	77,009	(17,085)	59,924
Transfer on disposal of investments	–	(3,270)	3,270	–
Net gains on investments	–	8,494	3,890	12,384
Expenses and finance costs allocated to capital	–	(838)	–	(838)
At 31 October 2024	**2,431**	**81,395**	**(9,925)**	**71,470**

	Capital redemption reserve £'000	Capital reserve arising on investments sold £'000	Capital reserve arising on revaluation of investments held £'000	Other capital reserves total £'000
At 1 November 2022	2,431	81,429	(10,690)	70,739
Transfer on disposal of investments	–	(4,342)	4,342	–
Net gains/(losses) on investments	–	845	(10,737)	(9,892)
Expenses and finance costs allocated to capital	–	(923)	–	(923)
At 31 October 2023	**2,431**	**77,009**	**(17,085)**	**59,924**

The capital reserve arising on revaluation of investments held includes £3,151,000 of unrealised losses on nil valued investments (2023: £3,151,000). Any distributions from capital reserve arising on investments sold would be restricted by this amount.

18 Net debt reconciliation

	Cash at bank and in hand £'000	Bank loans and overdraft repayable within one year £'000	Total £'000
Net debt as at 31 October 2023	2,315	(10,169)	(7,854)
Cash flows	(224)	3,168	2,944
Net debt as at 31 October 2024	**2,091**	**(7,001)**	**(4,910)**

Notes to the Financial Statements (continued)

18 Net debt reconciliation (continued)

	Cash at bank and in hand £'000	Bank loans and overdraft repayable within one year £'000	Total £'000
Net debt as at 31 October 2022	1,219	(14,106)	(12,887)
Cash flows	1,096	3,937	5,033
Net debt as at 31 October 2023	**2,315**	**(10,169)**	**(7,854)**

19 Net asset value per ordinary share – basic and diluted

The net asset value per ordinary share at the year end was 235.46p (2023: 207.04p*). The net asset value per ordinary share is based on the net assets attributable to the ordinary shares of £92,989,000 (2023: £81,765,000) and on the 39,491,875 ordinary shares in issue at 31 October 2024 (2023: 39,491,875*). There are no dilutive securities so the basic and diluted net asset value per ordinary share are the same.

The movements during the year of the assets attributable to the ordinary shares were as follows:

	2024 £'000	2023 £'000
Total net assets at 1 November	81,765	92,701
Total net profit/(loss)	14,022	(8,172)
Dividends paid in the year	(2,798)	(2,764)
Total net assets at 31 October	**92,989**	**81,765**

* Comparative figures for the period ended 31 October 2023 have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

20 Capital commitments and contingent commitments

Capital commitments

There were no capital commitments at 31 October 2024 (2023: none).

Contingent commitments

As at 31 October 2024 there were no contingent commitments (2023: none).

21 Transactions with Janus Henderson

The Board entered into an updated and restated management agreement with Janus Henderson Fund Management UK Limited as Manager effective from 25 June 2024. The updates reflect current regulation and industry standards since the previous agreement was implemented in July 2014. There were no changes to terms affecting the relationship with the Manager. Under the terms of the agreement, the Company appointed a wholly owned subsidiary company of Janus Henderson to provide investment management, accounting, administrative and corporate secretarial services. Janus Henderson has contracted with BNP Paribas to provide accounting and administration services.

Details of the management fee arrangements for these services are given in the Strategic Report on page 18. The total of the management fees paid or payable under this agreement to Janus Henderson in respect of the year ended 31 October 2024 was £514,000 (2023: £502,000) of which £302,000 was outstanding at 31 October 2024 (2023: £161,000). With effect from 20 October 2023, the performance fee was removed.

Janus Henderson also provides certain sales and marketing services for which there is no separate charge.

In addition to the above, Janus Henderson facilitates marketing activities with third parties which are recharged by Janus Henderson to the Company. The total amount in respect of these third party marketing activities for the year ended 31 October 2024 amounted to £13,000 (2023: £20,000) of which £5,000 was outstanding at 31 October 2024 (2023: £10,000).

Details of fees paid to Directors are included in the Directors' remuneration report on page 42 and in Note 6 on page 62.

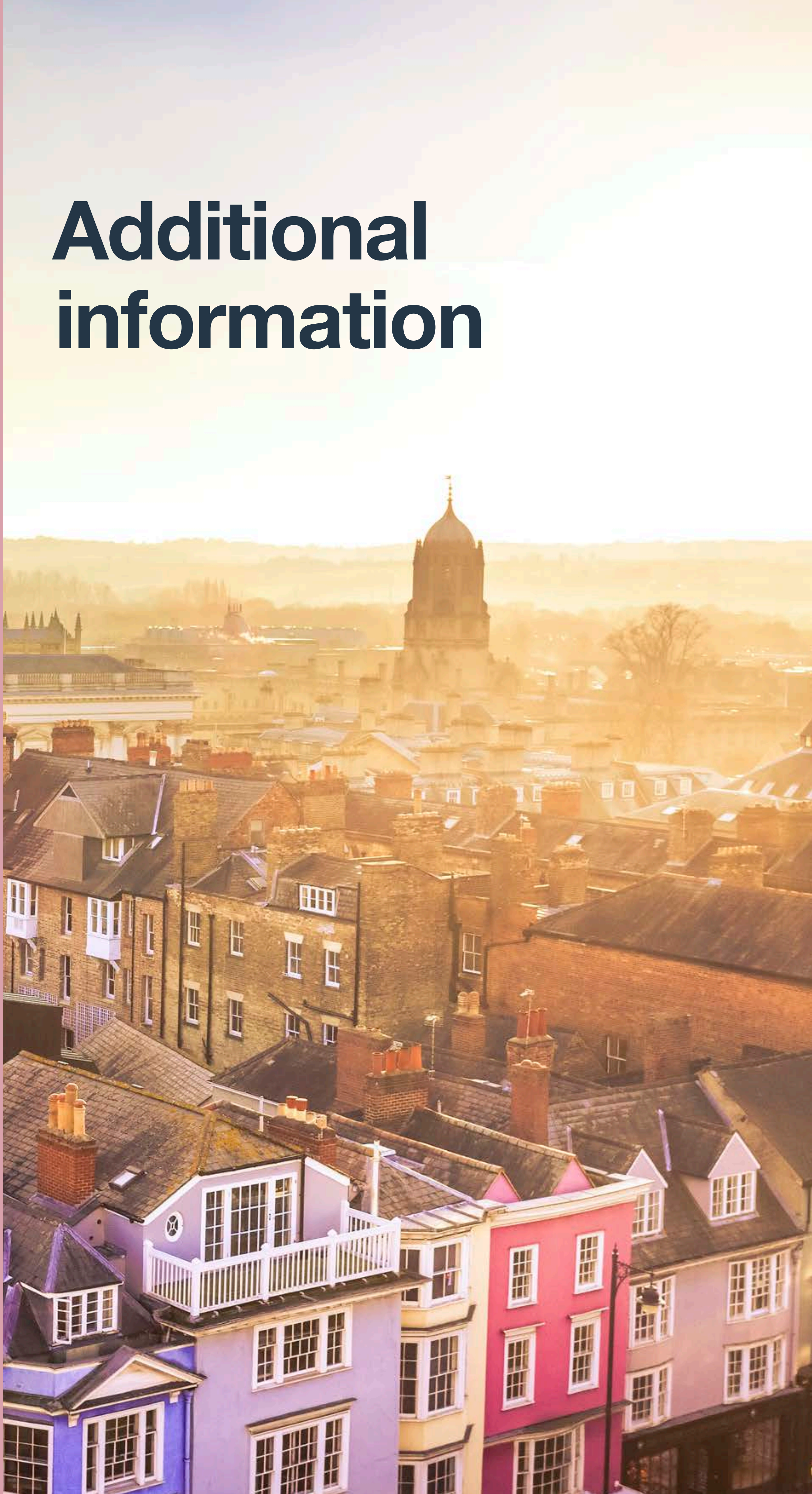
Notes to the Financial Statements (continued)

22 Subsequent events

Subsequent to the year end, on 18 December 2024, the Company received a requisition notice in respect of shares beneficially owned by Saba Capital Management, L.P. The resolutions to be put to shareholders at the Requisitioned General Meeting, which was subsequently held on 4 February 2025, comprised the removal of all four of the independent directors of the Company and the appointment of two new directors proposed by Saba. The majority of shareholders voted against the Resolutions proposed by Saba on 4 February 2025.

Before the Requisition was received, the Board, in light of the Company's longer-term NAV and share price performance, as well as size, had already instructed advisers to commence work on putting forward a scheme of reconstruction to give all shareholders the choice between ongoing investment in an open-ended investment company managed by Janus Henderson, and an unlimited cash exit at NAV. The Board subsequently published a circular on 3 February 2025 including details of the proposed reconstruction and members' voluntary winding-up of the Company, through a scheme of reconstruction under Section 110 of the Insolvency Act 1986, with general meetings to be held in respect of the Scheme on 21 February 2025 and 14 March 2025.

Additional information



Glossary

Alternative Investment Fund Managers Directive ("AIFMD")

Agreed by the European Parliament and the Council of the European Union and adopted into UK legislation, the AIFMD classifies certain investment vehicles, including investment companies, as Alternative Investment Funds ("AIFs") and requires them to appoint an Alternative Investment Fund Manager ("AIFM") and Depositary to manage and oversee the operations of the investment vehicle. The Board of the Company retains responsibility for strategy, operations and compliance and the Directors retain a fiduciary duty to shareholders.

Alternative performance measures

A glossary of alternative performance measures (including discount, premium, net gearing, NAV per ordinary share, ongoing charge, revenue return per share, total return and dividend yield) can be found on pages 76 and 77.

Association of Investment Companies ("AIC")

The Company is a member of the AIC which is the trade body for investment companies and represents the industry in relation to various matters which impact the regulation of such entities. The Company is in the UK All Companies Sector.

Benchmark

An index against which performance is compared. For the Company this is the FTSE All-Share Index.

Custodian

The Custodian is responsible for ensuring the safe custody of the Company's assets and that all transactions in the underlying holdings are transacted in an accurate and timely manner.

Depositary

As an AIF the Company is required to appoint a Depositary which has responsibility for overseeing the operations of the Company including safekeeping, cash monitoring and verification of ownership and valuation of the underlying holdings and is responsible for the appointment of a Custodian. The Depositary is strictly liable for the loss of any investments or other assets in its custody unless it has notified that it has discharged its liability in certain markets. The Depositary has confirmed that it did not discharge liability in relation to any of the Company's assets in the year under review.

Derivative

A contract between two or more parties in relation to an underlying security. The value of a derivative will fluctuate in accordance with the value of the security and is a form of gearing as the fluctuations in value are usually greater than the fluctuations in the underlying security's value. Examples of derivatives are put and call options, swap contracts, futures and contracts for difference. Foreign exchange, interest rates and commodities may also be traded using derivative contracts.

Dividend dates

When declared or announced, each dividend will have three key dates applied to it. The payment date is the date on which shareholders will receive their dividend, either by BACS transfer or by receipt of a dividend cheque. The record date applied to the dividend is used as a cut-off for the Company's Registrar to know which shareholders should be paid a dividend. Only shareholders on the register of members at the close of business on the record date will receive the dividend. The ex-dividend date is the business day before the record date and is the date upon which the Company's NAV and share price will be disclosed ex-dividend.

Investment trusts

Investment trusts are public limited companies, listed on the London Stock Exchange, which provide shareholders with a professionally managed portfolio of investments. Investment trusts are exempt from tax on the capital gains arising on their investments subject to meeting certain criteria. Income, net of expenses and tax, is substantially distributed to shareholders. Investment trusts are also known as investment companies, although the tax legislation retains the reference to investment trusts.

Liquidity

In the context of the liquidity of shares in the stock market, this refers to the availability of buyers in the market for the share in question. Where the market in a particular share is described as liquid, that share will be in demand and holders wishing to sell their shares should find ready buyers. Conversely, where the market in a share is illiquid the difficulty of finding a buyer will tend to depress the price that might be negotiated for a sale.

Glossary (continued)

Market capitalisation

The market value of a company, calculated by multiplying the mid-market price per share by the number of shares in issue.

Securities financing transactions

Securities financing transactions include activities such as repurchase agreements, securities or commodities lending, securities or commodities borrowing, buy or sell back transactions and margin lending transactions. When a company carries out such activities, there are disclosures that are required to be made under Regulation (EU) 2015-2365. The Company carries out stock lending activities, so needs to disclose the following under these regulations: the value of securities as a proportion of total lendable assets and net assets ("Global Data"), the ten largest collateral issuers and counterparties ("Concentration Data"), a summary by counterparty of collateral received from securities on loan ("Aggregate Transaction Data"), whether any re-use of collateral is carried out and the gross income and costs from securities lending ("Return and Cost").

Treasury shares

Shares repurchased by the Company but not cancelled.

Alternative performance measures (unaudited)

The Company uses the following Alternative Performance Measures ("APMs") throughout the Annual Report, Financial Statements and Notes to the Financial Statements. The APMs are reconciled to the Financial Statements through the narrative below. The Board believes that each of the APMs, which are typically used within the investment trust sector, provide additional useful information to shareholders to help assess the Company's performance against its peer group and benchmark.

Discount or premium

The amount by which the market price per share of an investment trust is either higher (premium) or lower (discount) than the NAV per share, expressed as a percentage of the NAV per ordinary share.

		31 October 2024	31 October 2023
Net asset value per ordinary share (pence)	(A)	235.5	207.0*
Share price per share (pence)	(B)	212.0	173.0*
(Discount) or premium (C=(B-A)/A) (%)	(C)	(10.0)	(16.4)

* Comparative figures for the period ended 31 October 2023 have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

Net gearing

The net gearing reflects the amount of borrowings (see Note 14) (i.e. bank loans or overdrafts) the Company has used to invest in the market less cash and investment in cash funds (see Statement of Financial Position), divided by net assets.

		2024	2023
Bank loans or overdrafts (Note 14) (£'000)	(A)	7,001	10,169
Less:			
Cash at bank and in hand	(B)	(2,091)	(2,315)
Investment in cash funds	(C)	(2)	(2)
Net gearing (£'000)	(D)	**4,908**	**7,852**
Net assets (see page 56) (£'000)	(E)	**92,989**	**81,765**
Gearing (F=D/E) (%)	(F)	5.3	9.6

NAV per ordinary share

The value of the Company's assets (i.e. investments held at fair value through profit or loss (see Note 11) and cash held (see Statement of Financial Position)) less any liabilities (i.e. bank borrowings (see Note 14)) for which the Company is responsible divided by the number of shares in issue (see Note 16). The aggregate NAV is also referred to as total shareholders' funds in the Statement of Financial Position. The NAV per ordinary share is published daily and the year end NAV can be found on page 1 and further information is available on page 71 in Note 19 within the Notes to the Financial Statements.

Alternative performance measures (unaudited)
(continued)

Ongoing charges

	2024 £'000	2023 £'000
Management fee (Note 5)	514	502
Other administrative expenses (Note 6)	452	466
Less non-recurring administrative expenses	(3)	–
Total	**963**	**968**
Average net assets[1]	**93,721**	**94,737**
Ongoing charge ratio	**1.03%**	**1.02%**

1 Calculated using the average daily net asset value

Revenue return per share

The revenue return per share, is the revenue return for the year (see Income Statement) divided by the weighted average number of ordinary shares in issue during the year (see Note 9 on page 63).

Total return

The return on the share price or NAV taking into account both the rise and fall of NAV/share prices and dividends paid to shareholders. Any dividends received by a shareholder are assumed to have been reinvested in either additional shares (for share price total return) or the Company's assets (for NAV total return). Dividends paid and payable are set out in Note 10 on pages 63 and 64.

	NAV per share	Share price
NAV/share price per share at 31 October 2023 (pence)	207.0	173.0*
NAV/share price per share at 31 October 2024 (pence)	235.5	212.0*
Change in the year (%)	13.8	22.5
Impact of dividends reinvested (%)	3.1	3.6
Total return for the year (%)	**17.1**	26.9

Dividend yield

The yield is the annual dividend expressed as a percentage of the year end share price.

		31 October 2024	31 October 2023
Annual dividend (pence)	(A)	7.1	7.1*
Share price (pence)	(B)	212.0	173.0*
Yield (C=A/B) (%)	(C)	3.3	4.1

* Comparative figures for the period ended 31 October 2023 have been restated due to the sub-division of each ordinary share of 25p into five ordinary shares of 5p each on 11 March 2024.

Securities financing transactions (unaudited)

The Company engages in securities financing transactions (as defined in Article 3 of Regulation (EU) 2015-2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Company's involvement in and exposures related to securities lending for the year ended 31 October 2024 are detailed below.

Global data

The amount of securities on loan as a proportion of total lendable assets and the Company's net assets as at 31 October 2024 are disclosed below:

Stocklending		
Market value of securities on loan £'000	% of lendable assets	% of assets under management
14,833	15.10	15.95

Concentration data

The ten largest collateral issuers across all the securities financing transactions as at 31 October 2024 are disclosed below:

Issuer	Market value of collateral received £'000
Government of Japan	8,365
UK Treasury	5,370
Imperial Tobacco	153
Microsoft	147
Barratt Developments	115
Halma	115
Hargreaves Lansdown	115
Shopify	115
Restaurant Brand	115
Brookfield	115
	14,725

The top ten counterparties of each type of securities financing transactions as at 31 October 2024 are disclosed below:

Counterparty	Market value of securities on loan £'000
Goldman Sachs	5,114
Barclays	2,430
Merrill Lynch International	2,100
Morgan Stanley	1,728
Citi Group	1,684
Bank of Nova Scotia	1,087
JP Morgan	392
UBS	145
BNP Paribas	128
HSBC	25
	14,833

All counterparties have been included.

Securities financing transactions (unaudited)

(continued)

Aggregate transaction data

The following table discloses a summary of aggregate transaction data related to the collateral received from securities on loan as at 31 October 2024:

Stock lending

Counterparty	Counterparty country of origin	Type	Quality	Collateral currency	Settlement basis	Custodian	Market value of collateral received £'000
BNP Paribas	France	Equity	Main Market Listing	HKD	Tri-party	HSBC	14
		Equity	Main Market Listing	JPY	Tri-party	HSBC	68
		Equity	Main Market Listing	EUR	Tri-party	HSBC	54
Barclays	United Kingdom	Government Debt	Investment Grade	JPY	Tri-party	HSBC	2,574
Citi Group	United Kingdom	Government Debt	Main Market Listing	JPY	Tri-party	HSBC	1,769
Goldman Sachs	United Kingdom	UK Gilts	Main Market Listing	GBP	Tri-party	HSBC	5,370
HSBC	Hong Kong	Equity	Main Market Listing	GBP	Tri-party	HSBC	26
		UK Gilts	Main Market Listing	GBP	Tri-party	HSBC	26
JP Morgan	United Kingdom	Equity	Main Market Listing	GBP	Tri-party	HSBC	213
		Equity	Main Market Listing	USD	Tri-party	HSBC	124
		Equity	Main Market Listing	EUR	Tri-party	HSBC	78
Merrill Lynch	United Kingdom	Government Debt	Main Market Listing	JPY	Tri-party	HSBC	2,207
Morgan Stanley	United Kingdom	Government Debt	Investment Grade	JPY	Tri-party	HSBC	1,815
Bank of Nova Scotia	Canada	Equity	Main Market Listing	USD	Tri-party	HSBC	230
		Equity	Main Market Listing	CAD	Tri-party	HSBC	461
		Equity	Main Market Listing	GBP	Tri-party	HSBC	462
UBS	Switzerland	Equity	Main Market Listing	HKD	Tri-party	HSBC	31
		Equity	Main Market Listing	USD	Tri-party	HSBC	46
		Equity	Main Market Listing	EUR	Tri-party	HSBC	31
		Equity	Main Market Listing	JPY	Tri-party	HSBC	5
		Equity	Main Market Listing	SGD	Tri-party	HSBC	12
		Equity	Main Market Listing	AUD	Tri-party	HSBC	30
							15,646

Re-use of collateral

The Company does not engage in any re-use of collateral.

Return and cost

The return and cost of engaging in securities lending by the Company and the securities lending agent in absolute terms and as a percentage of overall returns are disclosed below:

Total gross amount of securities lending income £'000	Direct and indirect costs and fees deducted by securities lending agent £'000	% return of the securities lending agent	Net securities lending income retained by the Company £'000	% return of the Company
286	57	20	229	80

General shareholder information

AIFMD disclosures and remuneration

In accordance with the AIFMD, information in relation to the Company's leverage and remuneration of Janus Henderson Fund Management UK Limited, as the Company's AIFM is required to be made available to investors. These disclosures, including those on the AIFM's remuneration policy, are contained in a separate document "AIFMD Disclosure" which can be found on the Company's website **www.hendersonopportunitiestrust.com**.

BACS

Dividends can be paid to shareholders by means of BACS (Bankers' Automated Clearing Services); mandate forms for this purpose are available from the Registrar. Alternatively, shareholders can write to the Registrar (the address is given on page 81) to give their instructions; these must include the bank account number, the bank account title and the sort code of the bank to which payments are to be made.

Common Reporting Standard ("CRS")

Tax legislation requires the Company to provide personal information to HMRC on certain investors who purchase shares in investment trusts. This information has to be provided annually to the local tax authority of the tax residencies of a number of non-UK based certificated shareholders and corporate entities.

Equality Act

Copies of this report and other documents issued by the Company are available from the Corporate Secretary. If needed, copies can be made available in a variety of formats, including Braille or larger type as appropriate.

A `typetalk' operator, provided by the Royal National Institute for Deaf People, is available to support speech and hearing-impaired people to make telephone calls. Please dial 18001 followed by the number you wish to dial.

Foreign Account Tax Compliance Act ("FATCA")

FATCA is a United States federal law with the purpose of enforcing the requirement for United States persons (including those living outside the USA) to file yearly reports on their non-USA financial accounts. Investment trusts need to monitor each year the trading volume and frequency of their shares and securities to assess whether they have financial accounts. The Company makes an annual assessment, before the FATCA return is due, to determine if the shares represent financial accounts and, where they do, identify and report USA reportable accounts to HMRC, as required.

General Data Protection Regulation ("GDPR")

A privacy statement can be found on the website **www.janushenderson.com**.

ISA

The Company intends to continue to manage its affairs in order to qualify as an eligible investment for a stocks and shares ISA.

Non-Mainstream Pooled Investment ("NMPI") status

The Company currently conducts its affairs so that its ordinary shares of 5p each can be recommended by IFAs and wealth managers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Performance details/share price information

Details of the Company's share price and NAV per share can be found on the website. The address is **www.hendersonopportunitiestrust.com**.
The Company's NAV is published daily.

The market price of the Company's shares can also be found in the London Stock Exchange Daily Official List.

Shareholder details

Shareholders who hold their shares in certificated form can check their shareholding with the Registrar via **www.investorcentre.co.uk**.

Please note that to gain access to your details on the Computershare site you will need the holder reference number shown on your share certificate.

Taxonomy Regulation

Regulation (EU) 2020/852 ("Taxonomy Regulation") establishes the basis for the EU taxonomy. The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities to provide companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. In accordance with the Taxonomy Regulation, the Company states that the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Corporate information

Registered office

201 Bishopsgate
London EC2M 3AE

Service providers

Alternative Investment Fund Manager

Janus Henderson Fund Management UK Limited
201 Bishopsgate
London EC2M 3AE

Corporate Secretary

Janus Henderson Secretarial Services UK Limited
201 Bishopsgate
London EC2M 3AE
Telephone: 020 7818 1818
Email: **itsecretariat@janushenderson.com**

Depositary and Custodian

HSBC Bank plc
8 Canada Square
London E14 5HQ

Broker

J.P. Morgan Cazenove
25 Bank Street
Canary Wharf
London E14 5JP

Registrar

Computershare Investor Services plc
The Pavillions
Bridgewater Road
Bristol BS99 6ZZ
Telephone: 0370 707 1059
Email: **WebCorres@computershare.co.uk**

Investors with share certificates (i.e. not those in a share plan or ISA) can check their holdings at **www.investorcentre.co.uk.**

Independent auditor

BDO LLP
55 Baker Street
London W1U 7EU

Financial calendar

Annual results	announced February 2025
Fourth interim dividend ex dividend date	20 February 2025
Fourth Interim dividend record date	21 February 2025
First General Meeting	21 February 2025
Fourth interim dividend payable on	11 March 2025
Second General Meeting	14 March 2025

Information sources

For more information about Henderson Opportunities Trust plc, visit the website at **www.hendersonopportunitiestrust.com**.

To receive regular insights on investment trusts from the Manager, visit: **https://www.janushenderson.com/en-gb/investor/subscriptions/** or scan the QR code and register with Janus Henderson.

Follow Janus Henderson Investment Trusts LinkedIn – Janus Henderson Investment Trusts, UK.

Investing

Shares can be purchased in the market via a stockbroker or through share dealing platforms. They can also be held through share plans, ISAs or pensions and links to various providers are included on the website.

Potential investors are reminded that the value of investments and the income from them may go down as well as up and investors may not receive back the full amount invested. Tax benefits may vary as a result of statutory changes and their value will depend on individual circumstances.

Warning to shareholders

Many companies are aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based "brokers" who target UK shareholders offering to sell them what often turn out to be worthless or high risk shares in US or UK investments. They can be very persistent and extremely persuasive. Shareholders are therefore advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

Please note that it is very unlikely that either the Company or the Company's Registrar, Computershare Investor Services plc, would make unsolicited telephone calls to shareholders and that any such calls would relate only to official documentation already circulated to shareholders and never in respect of investment "advice".

If you are in any doubt about the veracity of an unsolicited phone call, please call the Corporate Secretary at the number provided on page 81. You can also check the FCA Warning List at #BeScamSmart **https://www.fca.org.uk/scamsmart**.

Henderson Opportunities Trust plc
Registered as an investment company in England and Wales
Registration number 01940906
Registered office: 201 Bishopsgate, London EC2M 3AE

SEDOL/ISIN number: BSHRGN4/GB00BSHRGN41
London Stock Exchange (TIDM) Code: HOT
Legal Entity Identifier (LEI): 2138005D884NPGHFQS77

Global Intermediary Identification Number (GIIN): LVAHJH.99999.SL.826

Telephone: **020 7818 1818**
Email: **itsecretariat@janushenderson.com**

www.hendersonopportunitiestrust.com

MANAGED BY Janus Henderson INVESTORS

aic The Association of Investment Companies

MAIN MARKET LONDON STOCK EXCHANGE

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