

**BlackRock**

# **BlackRock Greater Europe Investment Trust plc**

Half Yearly Financial Report 29 February 2024





## Keeping in touch

We know how important it is to receive up-to-date information about the Company.

To ensure that you are kept abreast, please scan the QR code to the right of this page to visit our website. If you have a smartphone, you can activate the QR code by opening the camera on your device and pointing it at the QR code. This will then open a link to the relevant section on the Company's website. By visiting our website, you will have the opportunity to sign up to our monthly newsletter which includes our latest factsheets and market commentary, as well as upcoming events and webinars. Information about how we process personal data is contained in our privacy policy available on our website.

Further information about the Company can be found on our website at [www.blackrock.com/uk/brgs](http://www.blackrock.com/uk/brgs).

General enquiries about the Company should be directed to the Company Secretary at: [cssec@blackrock.com](mailto:cssec@blackrock.com).



Use this QR code to take you to the Company's website where you can sign up to monthly insights and factsheets.



# Financial highlights

as at 29 February 2024

**658.25p**

Net asset value (NAV) per ordinary share

**+18.6%<sup>1,2</sup>**

**2,100.60**

Reference index

**+9.6%<sup>1</sup>**

**629.00p**

Ordinary share price

**+20.5%<sup>1,2</sup>**

**£662.6m**

Net assets

**+17.1%**

**1.75p**

Interim dividend

**0.0%<sup>2</sup>**

**1.1%<sup>2,3</sup>**

Yield



The above financial highlights are at 29 February 2024 and percentage comparisons are against 31 August 2023.

<sup>1</sup> NAV per ordinary share, mid-market share price and FTSE World Europe ex UK Index (the reference index) are calculated in Pounds Sterling terms with dividends reinvested.

<sup>2</sup> Alternative Performance Measures, see Glossary on pages 32 to 35.

<sup>3</sup> Based on dividends paid and declared for the twelve months to 29 February 2024 and share price as at 29 February 2024.

# Why BlackRock Greater Europe Investment Trust plc?

## Investment objective

The Company's objective is the achievement of capital growth, primarily through investment in a focused portfolio constructed from a combination of the securities of large, mid and small capitalisation European companies, together with some investment in the developing markets of Europe.

The Company has the flexibility to invest in any country included in the FTSE World Europe ex UK Index, as well as the freedom to invest in developing countries not included in the index but considered by the Manager and the Directors as part of greater Europe.

## Reasons to invest



### Conviction

A concentrated portfolio focusing on the best ideas existing within the European Equity Market. Not constrained by market cap, sub-sector or region, the portfolio managers can invest across the breadth of the European market, comprising a portfolio of the best 30-45 investment ideas.



### Long-term focus

Looking through the daily noise which impacts the market for the best long-term opportunities. We wish to be an investor in companies, not a trader of shares. We look to align ourselves with the best management teams in the region which we believe have the ability to create value for shareholders over the long term.



### Risk aware

The portfolio is concentrated but highly risk aware. The portfolio managers aim to ensure risk and returns are diversified by end market exposures. They work closely with partners in the BlackRock Risk and Quantitative Analysis team to ensure that portfolio risk is deliberate, diversified and scaled.



### Personnel

The Company benefits from the 22-strong European Equity team within BlackRock's Fundamental Equity division.



### High quality

The Company is designed for investors looking to invest in a selection of Europe's highest quality, fastest-growing companies, irrespective of their size and geography.



A member of the Association of Investment Companies

Further details about the Company, including the latest annual and half yearly financial reports, factsheets and stock exchange announcements, are available on the website at [www.blackrock.com/uk/brge](http://www.blackrock.com/uk/brge).

# Contents

## **Section 1: Overview and performance**

Financial highlights	1
Why BlackRock Greater Europe Investment Trust plc?	2
Performance record	4
Chairman's Statement	5
Investment Manager's Report	7

## **Section 2: Portfolio**

Ten largest investments	9
Portfolio analysis	11
Investments	12

## **Section 3: Governance**

Interim Management Report and Responsibility Statement	14
--	----

## **Section 4: Financial statements**

Income Statement	16
Statement of Changes in Equity	17
Balance Sheet	18
Statement of Cash Flows	19
Notes to the Financial Statements	20

## **Section 5: Additional information**

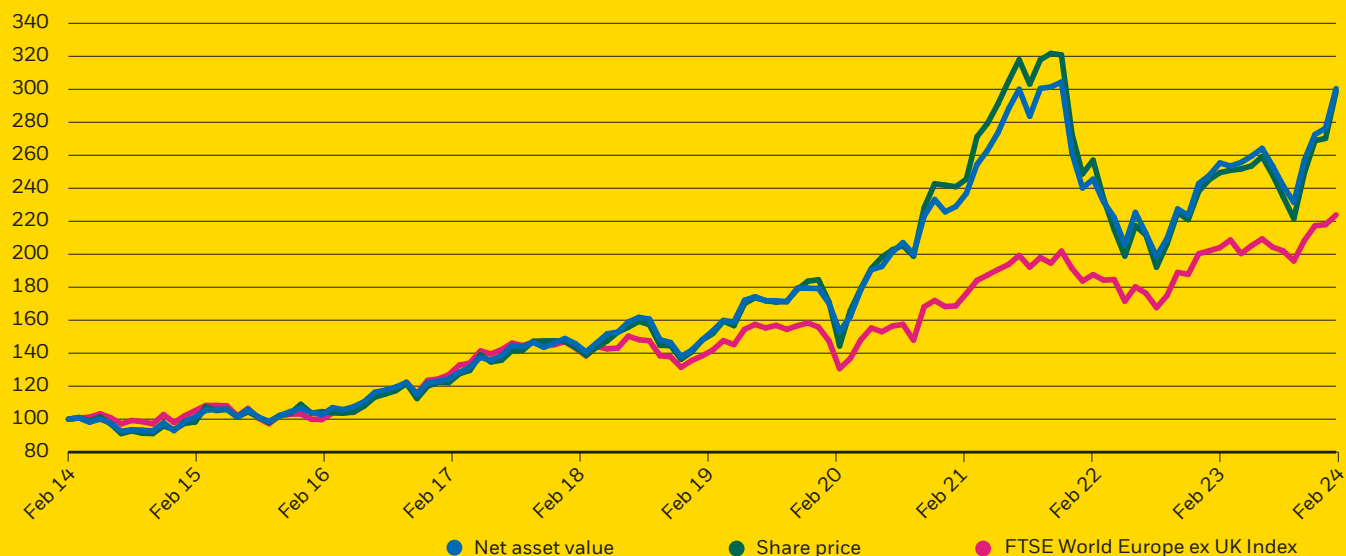
Management and other service providers	27
Directors	28
Shareholder information	29
Glossary	32



# Performance record

	As at 29 February 2024	As at 31 August 2023	
Net assets (£'000) <sup>1</sup>	662,619	565,710	
Net asset value per ordinary share (pence)	658.25	560.11	
Ordinary share price (mid-market) (pence)	629.00	527.00	
Discount to cum income net asset value <sup>2</sup>	4.4%	5.9%	
FTSE World Europe ex UK Index	2,100.60	1,916.71	
	For the six months ended 29 February 2024	For the six months ended 28 February 2023	
<b>Performance (with dividends reinvested)</b>			
Net asset value per share <sup>2</sup>	18.6%	16.6%	
Ordinary share price <sup>2</sup>	20.5%	15.9%	
FTSE World Europe ex UK Index	9.6%	14.6%	
	For the period since inception to 29 February 2024	For the period since inception to 28 February 2023	
<b>Performance since inception (with dividends reinvested)</b>			
Net asset value per share <sup>2</sup>	814.2%	654.1%	
Ordinary share price <sup>2</sup>	784.3%	626.0%	
FTSE World Europe ex UK Index	431.2%	379.7%	
	For the six months ended 29 February 2024	For the six months ended 28 February 2023	Change %
<b>Revenue</b>			
Net profit on ordinary activities after taxation (£'000)	63	22	+186.4
Revenue earnings per ordinary share (pence) <sup>3</sup>	0.06	0.02	+200.0
<b>Dividends (pence)</b>			
Interim dividend	1.75	1.75	-

## Performance over the ten years to 29 February 2024



Sources: BlackRock and Datastream.

Performance with dividends reinvested in Pounds Sterling terms, rebased to 100 at 28 February 2014.

<sup>1</sup> The change in net assets reflects payments for shares repurchased into treasury, portfolio movements and dividends paid.

<sup>2</sup> Alternative Performance Measures, see Glossary on pages 32 to 35.

<sup>3</sup> Further details are given in the Glossary on page 35.

# Chairman's Statement



**Eric Sanderson**  
Chairman

## Overview

The first six months of this year resulted in a strong performance for European equities and we comfortably exceeded the performance of the FTSE World Europe ex UK Index (the reference index) over this period, maintaining the excellent performance of the Company.

In general, European equities have been strong performers in 2023, defying concerns that the region might slip into recession. In fact, 2023 turned out much better than most market participants had expected despite changes in European Central Bank (ECB) monetary policy. Geopolitical events, although far from resolved, also had a less significant impact than expected and European gas and electricity prices fell back to late 2021 levels and are expected to remain broadly stable. Consequently, growth was far better and inflation much lower than generally anticipated.

Initial weakness in January, following strong markets during the fourth quarter of 2023, was soon replaced by solid earnings reports from European large cap stocks, as well as evidence of a strong underlying economy. The robust corporate earnings, combined with positive outlook statements from companies and support from reasonably resilient macroeconomic data, drove markets higher in February.

## Performance

Against this backdrop, I am pleased to report that over the six months ended 29 February 2024, the Company's net asset value per share (NAV) returned 18.6%, outperforming the reference index which returned 9.6%. Over the same period, the Company's share price returned 20.5% (all percentages calculated in Pounds Sterling terms with dividends reinvested).

Since the period end to 1 May 2024, the Company's NAV has decreased by 3.4% compared with a rise in the FTSE World Europe ex UK Index of 2.0% over the same period.

## Revenue earnings and dividends

The Company's revenue return per share for the six-month period ended 29 February 2024 amounted to 0.06p compared with 0.02p for the corresponding period in 2023. The majority of the Company's income typically is generated in the second half of the year when portfolio companies announce and pay dividends. The Board has taken this into account in considering the interim dividend payment level.

The Board has declared an interim dividend of 1.75p (2023: 1.75p) per share. The dividend will be paid on 19 June 2024 to shareholders on the Company's register on 24 May 2024, the ex-dividend date being 23 May 2024.

## Management of share rating

Investor sentiment and discounts have been influenced by various external factors and uncertainties, including rising interest rates, and discounts have widened generally across the investment trust sector. The average discount for the AIC Europe sector was 9.2% over the six months ended 29 February 2024 and the Company's discount was not immune to market pressures and also widened, with the shares trading at an average discount of 6.3% over the period under review. The Board monitors the discount closely and, following consultation with the Manager and Company's corporate broker, Cavendish Securities, it was determined that it was in shareholders' interests to buy back shares with the objective of ensuring that an excessive discount to NAV did not arise.

As part of this program, the Company bought back 336,310 shares for a total consideration of £1,914,000 over the six months under review. Since 29 February 2024 and up to the latest practicable date of 1 May 2024, a further 519,329 shares have been bought back for a total consideration of £3,298,000. As at this date, the Company's shares were trading at a discount of 3.6%, a significantly narrower discount than all other companies in our sector reflecting our strong investment performance.

All shares were bought back at a discount to the prevailing NAV and the buy backs were therefore accretive to existing shareholders. All shares bought back have been placed in treasury for future reissue.

## Tender offers

The Directors of the Company have the discretion to make semi-annual tender offers at the prevailing NAV less 2%, for up to 20% of the issued share capital in May and November of each year. The Board announced on 20 September 2023 that it had decided not to proceed with a tender offer in November 2023 and on 21 March 2024 that the tender offer in May 2024 would also not be implemented.

Despite a challenging period for discounts, it is pleasing that the Company's share rating has been relatively stable versus the market and peer group and the Board believes that the buyback activity undertaken has been beneficial in reducing the volatility of the Company's share rating and in shareholders' interests. As the Company's discount was trading at 5.3% on 20 March 2024 and was trading at the narrowest discount within its peer group, the Board concluded that it was not in the interests of shareholders as a whole to implement the May 2024 semi-annual tender offer.

The Board will continue to monitor the Company's discount and may use the Company's share buyback powers to ensure that the share price does not go to an excessive discount to the underlying NAV. The Board remains committed to supporting the share price to a narrow discount or premium to its NAV.

## Outlook

The outlook for Europe is mixed in 2024 but European equities surprised positively last year and this could be repeated. Stock markets will continue to be dominated by interest rates and European stocks have been boosted by expectations of interest rate cuts, but the ECB is likely to be cautious and will presumably take its time in adjusting policy despite Eurozone inflation falling at a brisk pace. There are additional risks, aside from the prospect of recession: operating margins for European stocks hit record highs in 2023 which may not be replicated this year, continued weak growth in China and less exposure to artificial intelligence, a key driver for US stocks.

However, our portfolio managers are cautiously optimistic as the ECB should be able to start cutting interest rates later in the year as inflationary pressures continue to ease. The surge in commodity prices driven by the war in Ukraine and rise in goods prices driven by the supply-chain disruptions during the COVID-19 pandemic are largely in the past. Additionally, the earnings situation of most companies in Europe has significantly improved compared to 2022 and the region's stocks remain lowly valued versus history and on an international basis, suggesting there could still be scope for share price gains in 2024.

Against this backdrop, our portfolio managers remain positive on the outlook for European equities. The Board is also confident that they will continue to remain selective and focus on issuer fundamentals in a concentrated, high conviction portfolio.

**Eric Sanderson**

2 May 2024



# Investment Manager's Report



**Stefan Gries**



**Alexandra Dangoor**

## Market review

The Company's share price and underlying net asset value per share (NAV) rose by 20.5% and 18.6%, respectively, over the six months to 29 February 2024. By way of comparison, the FTSE World Europe ex UK Index returned 9.6% during the same period. (All percentages calculated in Pounds Sterling terms with dividends reinvested.)

European equities delivered very strong returns over the last six months despite a backdrop of cautious sentiment given concerns over a potential recession, weaker China macro data and geopolitical risks. The asset class remains under-owned by investors and we observe a generally defensive positioning.

Our optimism entering the period – reflected in a pro-cyclical portfolio positioning – was rewarded as inflation fell closer to central bank targets and wages began growing in real terms, while corporate earnings came through better than the market had expected. Technology, industrials, financials and consumer discretionary sectors led the strong market rally, while defensive sectors including consumer staples and utilities underperformed.

## Portfolio overview

The portfolio's positioning in the technology sector, semiconductors in particular, delivered the strongest contribution to returns over the period. The industry sells into a range of different end markets and applications including autos, phones, PCs, gaming as well as industrial applications like 5G, cloud infrastructure and Artificial Intelligence (AI).

Over the past six months, there has been increasing evidence of the positive impact from AI on the semiconductor sector as material orders from large technology companies started to come through. We seem to be entering a semiconductor upcycle, which tends to have duration and can produce significant opportunities for growth. The scale of capital expenditure (capex) increases that many technology firms have committed to in order to build out their AI infrastructure and capabilities has been impressive. This is not solely a US phenomenon and we believe we own European stocks that will see significant benefits from this investment spend.

**BE Semiconductor** was the top contributor to relative returns over the period. The company is one of the leading providers of packaging solutions such as hybrid bonding, which is set to become an increasingly important technology in enabling semiconductor chips to continue getting smaller, yet more powerful and more energy efficient. Other semiconductor businesses in the portfolio including **ASM International** and **ASML** were also amongst the best performers.

A positive contribution also came from areas that we consider 'capex winners'. After a long period of under-investment from many corporates post the global financial crisis, we believe we are at the beginning of significant investment spend to come. Companies enabling the energy transition, the electrification of our economies or that help re-shore supply chains can truly benefit from these transformations. The portfolio's position in **Schneider Electric** (Schneider) was amongst the best performers, benefiting from these trends. Around 75% of Schneider's sales come from their energy management division. Schneider plays a key role in emission reduction initiatives due to their solutions that help make public and private buildings more energy efficient. On the infrastructure side, Schneider holds a leading position in medium voltage solutions that allow for making power grids smarter, more energy efficient and capable to deal with renewable energy. That infrastructure segment is expected to grow at a double-digit rate over the next few years.

Within luxury, concerns around deteriorating demand trends and operating deleverage were disproved by the most established brands selling to high-end consumers. The portfolio's position in **Hermès** contributed positively given strong Q4 results and upbeat commentary around 2024 trading so far. Elsewhere in the sector, luxury sportscar maker **Ferrari** also impressed with strong results as the brand continues to see strong demand worldwide across models. The order book is full, giving investors earnings visibility out to 2026 whilst revenue from personalisation options is hitting record highs.

Finally, **Novo Nordisk** (Novo), a global leader in the treatment of diabetes and obesity, continued to perform well. Demand for Novo's obesity drug Wegovy, which was launched two years ago, has been a key driver in moving the share price almost 30% higher over the last six months. We believe the obesity market opportunity is significant. Currently, only a very small percentage of an estimated 800 million people who live with obesity globally receive long-term medical treatment given the severe side effects of older therapies. Wegovy, however, has shown a strong efficacy in weight loss, with a manageable side effect profile alongside a significant reduction in major adverse cardiovascular events. These results will not only help to underpin the validity of this new category of drugs, but they also underwrite future growth of the group at high returns for a long time to come.

Outside of Novo Nordisk, the portfolio's health care investments were less successful over the period. Regardless of the attractive long-term fundamentals, the life sciences industry experienced continued weakness related to inventory destocking. The interest rate environment also weighed on this part of the market as tighter financial conditions meant less funding for early stage and experimental projects. In this context, shares in **Lonza** and **Sartorius Stedim** were amongst the largest detractors from relative returns and we reduced the former and exited the latter given our lower conviction.

Shares in logistics company **DSV** were the single largest detractor. The main weakness came from the company's announcement to enter a US\$10 billion exclusive logistics joint venture with Saudi's NEOM city project which led to concerns over the capital intensity of the project, as well as a shift in business strategy. Having discussed these issues with DSV's management, we are somewhat reassured that the deal is financially solid and DSV have protection mechanisms in place should the project disappoint. We continue to closely monitor the position and run slightly lower weights than we have in the past.

Other changes to the portfolio were limited. We added **Linde**, a leader in industrial gases with strong pricing power, geared into structural growth in energy transition and capex spend and with diversified end-markets and low financial leverage. **Royal Unibrew** was sold after a prolonged period of weaker volumes and a disappointing performance from one of its recently acquired brands.

## Outlook

Looking to the future we remain cautiously optimistic as inflation is trending down and the economy appears resilient, even with interest rates at current levels. Financial conditions have already started to ease and mortgage rates in many European countries are already falling. Leverage in the corporate sector is low, margins are strong and the end of the destocking cycle is in sight with a positive inflection to come.

### Stefan Gries and Alexandra Dangoor

BlackRock Investment Management (UK) Limited  
2 May 2024

# Ten largest investments

**Together, the Company's ten largest investments represented 52.2% of the Company's portfolio as at 29 February 2024 (31 August 2023: 53.4%)**

## **1 ▶ Novo Nordisk** (2023: 1st)

**Health Care company**

**Market value: £62,558,000**

**Share of investments: 8.8%**

Novo Nordisk is a Danish multinational pharmaceutical company and a leader in diabetes care. Novo Nordisk is expected to post strong earnings and cash flow growth driven by demand for Ozempic which treats Type 2 diabetes and its weight management drug Wegovy. The latter has recently provided evidence of reducing major adverse cardiovascular events by 20%.

## **2 ▲ ASML** (2023: 3rd)

**Technology company**

**Market value: £52,062,000**

**Share of investments: 7.3%**

ASML is a Dutch company specialising in photolithography systems for the semiconductor industry. The company is at the forefront of technological change, investing in leading research and development to capture the structural growth opportunity coming from growth in mobile devices and microchip components. High barriers to entry within the industry give ASML a protected position with strong pricing power allowing growth in margins.

## **3 ▼ LVMH** (2023: 2nd)

**Consumer Discretionary company**

**Market value: £44,228,000**

**Share of investments: 6.2%**

LVMH is a French multinational corporation specialising in luxury goods. The group has a strong and well-diversified portfolio of luxury brands ranging from handbags to spirits to cosmetics. LVMH's business model enjoys high barriers to entry due to the heritage, provenance and exquisite quality of its product offering. Its consistent brand investment through economic cycles has helped to spur brand desirability and allowed for significant pricing power.

## **4 ▶ RELX** (2023: 4th)

**Consumer Discretionary company**

**Market value: £43,697,000**

**Share of investments: 6.2%**

RELX is a multinational information and analytics company with high barriers to entry in most of its divisions, including scientific publishing. Their capital light business model enables a high rate of cash conversion with repeat subscription-based revenues. The business benefits from increasing usage of data globally supporting their data analytics business.

## **5 ▲ BE Semiconductor** (2023: 9th)

**Technology company**

**Market value: £34,977,000**

**Share of investments: 4.9%**

BE Semiconductor is a Dutch supplier of semiconductor assembly equipment. The company can continue to grow its market share of an overall growing market given its best-in-class position to capture the advanced packaging segment of the assembly market. The chip makers will have to rely on more innovative packaging solutions (e.g. hybrid bonding) to continue to improve chip efficiency (faster processing, lower power consumption) while also keeping control over manufacturing costs.

# Ten largest investments

continued

## 6 ▲ **Hermès** (2023: 7th)

### Consumer Discretionary company

**Market value: £30,492,000**

**Share of investments: 4.3%**

Hermès is a French luxury design house specialising in leather goods, lifestyle accessories, home furnishings, perfumery, jewellery, watches and high-end clothing. With good brand management and craftsmanship, Hermès products are supply constrained and the company enjoys strong earnings visibility as some of its most iconic products are sold on allocation via waiting lists. Hermès has been run in a conservative fashion for generations with strategic decisions taken with the longest of timeframes.

## 7 ▲ **Ferrari** (2023: 11th)

### Consumer Discretionary company

**Market value: £27,199,000**

**Share of investments: 3.8%**

Ferrari is an Italian luxury sports car manufacturer emphasising exclusivity, performance and quality globally, with a strong focus on innovation and delivering unique driving experiences to its clientele. There is a lot of excitement for 2024 as limited release models are being introduced including the SF90 XX Stradale, followed by the Spider in the second quarter of 2024. Both cars are expected to come at higher price points that will be additive to Ferrari's overall revenue mix. Demand will remain strong beyond 2024, with the company's order book already sold out up to 2026.

## 8 ▲ **Safran** (2023: 10th)

### Industrials company

**Market value: £26,997,000**

**Share of investments: 3.8%**

Safran is a French multinational supplier of aerospace, defence and security systems. The industry has emerged from a heavy investment period and Safran is well-placed to benefit from continued strength in its best in class after-market business and strong execution in its LEAP engine program which should drive growth for the next decade.

## 9 ▲ **ASM International** (2023: 13th)

### Technology company

**Market value: £24,935,000**

**Share of investments: 3.5%**

ASM International is a Dutch international company that designs and manufactures equipment and process solutions to produce semiconductor devices for wafer processing. The company aims to create sustainable, long-term value for their stakeholders and a degree of recovery in logic/foundry. The company is also set to benefit from the increasing importance of power emerging technologies such as Artificial Intelligence (AI), where we've seen a step change with the roll out of generative AI tools in 2023.

## 10 ▲ **Partners Group** (2023: 19th)

### Financials company

**Market value: £24,126,000**

**Share of investments: 3.4%**

Partners Group is a Swiss-based global private markets firm. Partners Group specialise in private equity, although also offer private debt, private real estate and private infrastructure to clients. Their aim is to provide clients with solutions, providing them with a diverse portfolio of alternatives which suit their needs. With the funding environment easing, Partners Group is well set up to raise assets under management (AUM) in the alternatives space. On top of this, the dividend yield is 4% and the company has an impressive historic dividend payout policy. In the second half of 2023 the company started seeing an uptrend towards more normalised conversion periods, with demand expected to be carried over into the next few years.

All percentages reflect the value of the holding as a percentage of total investments.

Arrows indicate the change in relative ranking of the position in the portfolio compared to its ranking as at 31 August 2023.



# Portfolio analysis

as at 29 February 2024

	% France	% Switzerland	% Ireland	% Germany	% Sweden	% Netherlands	% Denmark	% Belgium	% Spain	% Italy	% Central Eastern Europe & Other	% Portfolio 29.02.24	% Portfolio 31.08.23	FTSE World Europe ex UK 29.02.24
Basic Materials	-	-	-	-	-	2.5	-	-	-	-	2.4	4.9	2.6	4.4
Consumer Discretionary	13.4	-	-	-	-	-	-	-	-	3.8	6.2	23.4	20.7	13.8
Consumer Staples	-	1.2	-	-	-	-	-	-	-	-	-	1.2	4.4	7.6
Energy	-	-	-	-	-	-	-	-	-	-	-	-	-	3.9
Financials	-	3.4	2.8	-	-	-	-	1.8	-	-	0.6	8.6	8.1	18.1
Health Care	-	4.2	-	-	-	-	10.9	-	-	-	-	15.1	18.0	15.7
Industrials	7.1	4.9	2.4	1.7	3.5	2.1	2.0	-	-	-	-	23.7	22.7	18.4
Real Estate	-	-	-	-	-	-	-	-	-	-	-	-	-	1.0
Technology	1.7	3.3	-	-	2.4	15.7	-	-	-	-	-	23.1	23.5	10.5
Telecommunications	-	-	-	-	-	-	-	-	-	-	-	-	-	2.9
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	3.7
% Portfolio 29.02.24	22.2	17.0	5.2	1.7	5.9	20.3	12.9	1.8	-	3.8	9.2	100.0	-	-
% Portfolio 31.08.23	18.8	19.9	5.4	1.3	4.6	17.3	17.9	1.9	2.4	4.2	6.3	-	100.0	-
FTSE World Europe ex UK 29.02.24	22.1	18.4	0.5	16.6	6.5	10.9	6.6	1.6	4.8	4.8	7.2	-	-	100.0

Percentages in the table above are a % of total investments.

# Investments

as at 29 February 2024

	Country of operation	Market value £'000	% of investments
<b>Industrials</b>			
Safran	France	26,997	3.8
Schneider Electric	France	23,550	3.3
Sika	Switzerland	20,420	2.9
Kingspan	Ireland	17,041	2.4
Atlas Copco	Sweden	16,801	2.4
Adyen	Netherlands	14,897	2.1
DSV Panalpina	Denmark	14,324	2.0
Rational	Germany	12,303	1.7
Epiroc	Sweden	7,844	1.1
Belimo	Switzerland	7,373	1.0
VAT Group	Switzerland	7,296	1.0
		<b>168,846</b>	<b>23.7</b>
<b>Consumer Discretionary</b>			
LVMH	France	44,228	6.2
RELX	United Kingdom	43,697	6.2
Hermès	France	30,492	4.3
Ferrari	Italy	27,199	3.8
L'Oreal	France	20,844	2.9
Fix Price Group*	Russia	1	-
		<b>166,461</b>	<b>23.4</b>
<b>Technology</b>			
ASML	Netherlands	52,062	7.3
BE Semiconductor	Netherlands	34,977	4.9
ASM International	Netherlands	24,935	3.5
STMicroelectronics	Switzerland	23,313	3.3
Hexagon	Sweden	17,265	2.4
ALTEN Group	France	12,097	1.7
		<b>164,649</b>	<b>23.1</b>
<b>Health Care</b>			
Novo Nordisk	Denmark	62,558	8.8
Lonza Group	Switzerland	19,532	2.7
ChemoMetec	Denmark	14,868	2.1
Straumann	Switzerland	10,896	1.5
		<b>107,854</b>	<b>15.1</b>
<b>Financials</b>			
Partners Group	Switzerland	24,126	3.4
Allied Irish Banks (AIB)	Ireland	20,189	2.8
KBC Groep	Belgium	12,353	1.8
Allfunds Group	United Kingdom	4,504	0.6
Sberbank*	Russia	-	-
		<b>61,172</b>	<b>8.6</b>

	Country of operation	Market value £'000	% of investments
<b>Basic Materials</b>			
IMCD	Netherlands	17,426	2.5
Linde	United States	17,033	2.4
		<b>34,459</b>	<b>4.9</b>
<b>Consumer Staples</b>			
Lindt	Switzerland	8,529	1.2
		<b>8,529</b>	<b>1.2</b>
<b>Energy</b>			
Lukoil*	Russia	–	–
<b>Total investments</b>		<b>711,970</b>	<b>100.0</b>

\* During the year ended 31 August 2022, the investments in Fix Price Group, Sberbank and Lukoil were marked down to a nominal value of £0.01 as the secondary listings of depositary receipts of Russian companies were suspended from trading.

All investments are in ordinary shares unless otherwise stated. The total number of investments held at 29 February 2024 was 36 (31 August 2023: 39).

Industry classifications in the table above are based on the Industrial Classification Benchmark standard for categorisation of companies by industry and sector.

As at 29 February 2024, the Company did not hold any equity interests comprising more than 3% of any company's share capital.

# Interim Management Report and Responsibility Statement

The Chairman's Statement on pages 5 and 6 and the Investment Manager's Report on pages 7 and 8 give details of the important events which have occurred during the period and their impact on the financial statements.

## Principal risks and uncertainties

The principal risks faced by the Company can be divided into various areas as follows:

- Counterparty;
- Investment performance;
- Legal & regulatory compliance;
- Market;
- Operational;
- Financial; and
- Marketing.

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Financial Statements for the year ended 31 August 2023. A detailed explanation can be found in the Strategic Report on pages 33 to 37 and in note 16 on pages 98 to 104 of the Annual Report and Financial Statements which are available on the website maintained by BlackRock at [www.blackrock.com/uk/brge](http://www.blackrock.com/uk/brge).

In the view of the Board, there have not been any changes to the fundamental nature of the principal risks and uncertainties since the previous report and these are equally applicable to the remaining six months of the financial year as they were to the six months under review.

## Going concern

The Directors, having considered the nature and liquidity of the portfolio, the Company's investment objective and the Company's projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound. The Board is mindful of the continuing uncertainty surrounding the current environment of heightened geopolitical risk given the war in Ukraine and conflict in the Middle East. The Board believes that the Company and its key third-party service providers have in place appropriate business continuity plans and these services have continued to be supplied without interruption.

The Company has a portfolio of investments which are predominantly readily realisable and is able to meet all of its liabilities from its assets and income generated from these assets. Accounting revenue and expense forecasts are maintained and reported to the Board regularly and it is expected that the Company will be able to meet all its obligations. The Investment Manager generally aims to be fully invested and it is anticipated that gearing will not exceed 15% of net asset value (NAV) at the time of drawdown of the relevant borrowings. Borrowings under the overdraft facility shall at no time exceed £75 million or 15% of the Company's net asset value (whichever is lower) and this covenant was complied with during the period. At 29 February 2024, the Company had net gearing of 7.4% (28 February 2023: 4.6%; 31 August 2023: 5.1%). Based on the above, the Board is satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. Ongoing charges for the year ended 31 August 2023 were approximately 0.98% of net assets.

## Related party disclosure and transactions with the Manager

BlackRock Fund Managers Limited (BFM) was appointed as the Company's Alternative Investment Fund Manager (AIFM) with effect from 2 July 2014. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Both BFM and BIM (UK) are regarded as related parties under the Listing Rules. Details of the fees payable are set out in note 4 on page 20 and note 13 on page 26. The related party transactions with the Directors are set out in note 12 on pages 25 and 26.

## Directors' responsibility statement

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



The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the Half Yearly Financial Report has been prepared in accordance with applicable UK Accounting Standards and the Accounting Standards Board's Statement 'Half Yearly Financial Reports'; and
- the Interim Management Report, together with the Chairman's Statement and Investment Manager's Report, include a fair review of the information required by 4.2.7R and 4.2.8R of the FCA's Disclosure Guidance and Transparency Rules.

This Half Yearly Financial Report has not been audited or reviewed by the Company's auditors.

The Half Yearly Financial Report was approved by the Board on 2 May 2024 and the above responsibility statement was signed on its behalf by the Chairman.

**Eric Sanderson**

For and on behalf of the Board

2 May 2024

# Income Statement

for the six months ended 29 February 2024

Notes	Six months ended 29 February 2024 (unaudited)			Six months ended 28 February 2023 (unaudited)			Year ended 31 August 2023 (audited)			
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	
Gains on investments held at fair value through profit or loss	–	106,000	106,000	–	80,774	80,774	–	87,830	87,830	
Gains on foreign exchange	–	423	423	–	106	106	–	1,149	1,149	
Income from investments held at fair value through profit or loss	3	1,252	–	1,252	930	–	930	10,699	–	10,699
<b>Total income</b>	<b>1,252</b>	<b>106,423</b>	<b>107,675</b>	<b>930</b>	<b>80,880</b>	<b>81,810</b>	<b>10,699</b>	<b>88,979</b>	<b>99,678</b>	
<b>Expenses</b>										
Investment management fee	4	(470)	(1,879)	(2,349)	(419)	(1,675)	(2,094)	(888)	(3,554)	(4,442)
Other operating expenses	5	(406)	(8)	(414)	(424)	(61)	(485)	(1,934)	(89)	(2,023)
<b>Total operating expenses</b>		<b>(876)</b>	<b>(1,887)</b>	<b>(2,763)</b>	<b>(843)</b>	<b>(1,736)</b>	<b>(2,579)</b>	<b>(2,822)</b>	<b>(3,643)</b>	<b>(6,465)</b>
<b>Net profit on ordinary activities before finance costs and taxation</b>		<b>376</b>	<b>104,536</b>	<b>104,912</b>	<b>87</b>	<b>79,144</b>	<b>79,231</b>	<b>7,877</b>	<b>85,336</b>	<b>93,213</b>
Finance costs		(184)	(736)	(920)	(14)	(57)	(71)	(167)	(665)	(832)
<b>Net profit on ordinary activities before taxation</b>		<b>192</b>	<b>103,800</b>	<b>103,992</b>	<b>73</b>	<b>79,087</b>	<b>79,160</b>	<b>7,710</b>	<b>84,671</b>	<b>92,381</b>
Taxation charge		(129)	–	(129)	(51)	–	(51)	(790)	–	(790)
<b>Net profit on ordinary activities after taxation</b>	<b>7</b>	<b>63</b>	<b>103,800</b>	<b>103,863</b>	<b>22</b>	<b>79,087</b>	<b>79,109</b>	<b>6,920</b>	<b>84,671</b>	<b>91,591</b>
<b>Earnings per ordinary share (pence)</b>	<b>7</b>	<b>0.06</b>	<b>102.96</b>	<b>103.02</b>	<b>0.02</b>	<b>78.20</b>	<b>78.22</b>	<b>6.85</b>	<b>83.77</b>	<b>90.62</b>

The total columns of this statement represent the Company's profit and loss account. The supplementary revenue and capital accounts are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period. All income is attributable to the equity holders of the Company.

The net profit on ordinary activities for the period disclosed above represents the Company's total comprehensive income.

# Statement of Changes in Equity

for the six months ended 29 February 2024

	Note	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
<b>For the six months ended 29 February 2024 (unaudited)</b>								
At 31 August 2023		117	85,325	130	68,558	400,631	10,949	565,710
Total comprehensive income:								
Net profit for the period		-	-	-	-	103,800	63	103,863
Transactions with owners, recorded directly to equity:								
Ordinary shares repurchased into treasury		-	-	-	(1,904)	-	-	(1,904)
Share buyback costs		-	-	-	(10)	-	-	(10)
Dividends paid <sup>1</sup>	6	-	-	-	-	-	(5,040)	(5,040)
<b>At 29 February 2024</b>		<b>117</b>	<b>85,325</b>	<b>130</b>	<b>66,644</b>	<b>504,431</b>	<b>5,972</b>	<b>662,619</b>
<b>For the six months ended 28 February 2023 (unaudited)</b>								
At 31 August 2022		117	85,325	130	71,572	315,960	10,695	483,799
Total comprehensive income:								
Net profit for the period		-	-	-	-	79,087	22	79,109
Transactions with owners, recorded directly to equity:								
Ordinary shares repurchased into treasury		-	-	-	(3,001)	-	-	(3,001)
Share buyback costs		-	-	-	(13)	-	-	(13)
Dividends paid <sup>2</sup>	6	-	-	-	-	-	(4,899)	(4,899)
<b>At 28 February 2023</b>		<b>117</b>	<b>85,325</b>	<b>130</b>	<b>68,558</b>	<b>395,047</b>	<b>5,818</b>	<b>554,995</b>
<b>For the year ended 31 August 2023 (audited)</b>								
At 31 August 2022		117	85,325	130	71,572	315,960	10,695	483,799
Total comprehensive income:								
Net profit for the year		-	-	-	-	84,671	6,920	91,591
Transactions with owners, recorded directly to equity:								
Ordinary shares repurchased into treasury		-	-	-	(3,001)	-	-	(3,001)
Share buyback costs		-	-	-	(13)	-	-	(13)
Dividends paid <sup>3</sup>	6	-	-	-	-	-	(6,666)	(6,666)
<b>At 31 August 2023</b>		<b>117</b>	<b>85,325</b>	<b>130</b>	<b>68,558</b>	<b>400,631</b>	<b>10,949</b>	<b>565,710</b>

<sup>1</sup> Final dividend paid in respect of the year ended 31 August 2023 of 5.00p per share was declared on 8 November 2023 and paid on 20 December 2023.

<sup>2</sup> Final dividend paid in respect of the year ended 31 August 2022 of 4.85p per share was declared on 3 November 2022 and paid on 16 December 2022.

<sup>3</sup> Interim dividend paid in respect of the year ended 31 August 2023 of 1.75p per share was declared on 10 May 2023 and paid on 19 June 2023. Final dividend paid in respect of the year ended 31 August 2022 of 4.85p per share was declared on 3 November 2022 and paid on 16 December 2022.

For information on the Company's distributable reserves, please refer to note 10 on page 23.

# Balance Sheet

as at 29 February 2024

	Notes	29 February 2024 (unaudited) £'000	28 February 2023 (unaudited) £'000	31 August 2023 (audited) £'000
<b>Fixed assets</b>				
Investments held at fair value through profit or loss	11	711,970	580,767	594,727
<b>Current assets</b>				
Current tax asset		2,446	1,673	2,350
Debtors		7,017	26	1,517
<b>Total current assets</b>		<b>9,463</b>	<b>1,699</b>	<b>3,867</b>
<b>Creditors – amounts falling due within one year</b>				
Bank overdraft		(55,509)	(23,869)	(27,617)
Other creditors		(3,305)	(3,602)	(5,267)
<b>Total current liabilities</b>		<b>(58,814)</b>	<b>(27,471)</b>	<b>(32,884)</b>
<b>Net current liabilities</b>		<b>(49,351)</b>	<b>(25,772)</b>	<b>(29,017)</b>
<b>Net assets</b>		<b>662,619</b>	<b>554,995</b>	<b>565,710</b>
<b>Capital and reserves</b>				
Called up share capital	9	117	117	117
Share premium account		85,325	85,325	85,325
Capital redemption reserve		130	130	130
Special reserve		66,644	68,558	68,558
Capital reserves		504,431	395,047	400,631
Revenue reserve		5,972	5,818	10,949
<b>Total shareholders' funds</b>		<b>662,619</b>	<b>554,995</b>	<b>565,710</b>
<b>Net asset value per ordinary share (pence)</b>	<b>7</b>	<b>658.25</b>	<b>549.50</b>	<b>560.11</b>

The financial statements on pages 16 to 26 were approved and authorised for issue by the Board of Directors on 2 May 2024 and signed on its behalf by Eric Sanderson, Chairman.

BlackRock Greater Europe Investment Trust plc

Registered in England, No. 5142459



# Statement of Cash Flows

for the six months ended 29 February 2024

	Six months ended 29 February 2024 (unaudited) £'000	Six months ended 28 February 2023 (unaudited) £'000	Year ended 31 August 2023 (audited) £'000
<b>Operating activities</b>			
Net profit on ordinary activities before taxation	103,992	79,160	92,381
Add back finance costs	920	71	832
Gains on investments held at fair value through profit or loss	(106,000)	(80,774)	(87,830)
Gains on foreign exchange	(423)	(106)	(1,149)
Sale of investments held at fair value through profit or loss	85,303	39,221	86,863
Purchase of investments held at fair value through profit or loss	(103,559)	(61,398)	(115,924)
Decrease/(increase) in debtors	125	194	(25)
(Decrease)/increase in other creditors	(967)	858	1,231
Taxation on investment income	(608)	(260)	(1,754)
Interest paid	(920)	(71)	(832)
Refund of withholding tax reclaims	479	455	533
<b>Net cash used in operating activities</b>	<b>(21,658)</b>	<b>(22,650)</b>	<b>(25,674)</b>
<b>Financing activities</b>			
Ordinary shares repurchased into treasury	(1,617)	(3,592)	(3,592)
Dividends paid	(5,040)	(4,899)	(6,666)
<b>Net cash used in financing activities</b>	<b>(6,657)</b>	<b>(8,491)</b>	<b>(10,258)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(28,315)</b>	<b>(31,141)</b>	<b>(35,932)</b>
Cash and cash equivalents at the start of the period/year	(27,617)	7,166	7,166
Effect of foreign exchange rate changes	423	106	1,149
<b>Cash and cash equivalents at the end of the period/year</b>	<b>(55,509)</b>	<b>(23,869)</b>	<b>(27,617)</b>
<b>Comprised of:</b>			
Bank overdraft	(55,509)	(23,869)	(27,617)
	<b>(55,509)</b>	<b>(23,869)</b>	<b>(27,617)</b>

# Notes to the Financial Statements

for the six months ended 29 February 2024

## 1. Principal activity

The principal activity of the Company is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010.

## 2. Basis of preparation

The financial statements of the Company are prepared on a going concern basis in accordance with Financial Reporting Standard 104 Interim Financial Reporting (FRS 104) applicable in the United Kingdom and Republic of Ireland and the revised Statement of Recommended Practice – ‘Financial Statements of Investment Trust Companies and Venture Capital Trusts’ (SORP) issued by the Association of Investment Companies (AIC) in October 2019, and updated in July 2022, and the provisions of the Companies Act 2006.

The accounting policies and estimation techniques applied for the condensed set of financial statements are as set out in the Company’s Annual Report and Financial Statements for the year ended 31 August 2023.

## 3. Income

	Six months ended 29 February 2024 (unaudited) £'000	Six months ended 28 February 2023 (unaudited) £'000	Year ended 31 August 2023 (audited) £'000
<b>Investment income:</b>			
UK dividends	–	–	764
Overseas dividends	1,252	929	9,907
Overseas special dividends	–	–	27
<b>Total investment income</b>	<b>1,252</b>	<b>929</b>	<b>10,698</b>
<b>Other income:</b>			
Interest received	–	1	1
<b>Total income</b>	<b>1,252</b>	<b>930</b>	<b>10,699</b>

Dividends and interest received in cash during the period amounted to £758,000 and £nil respectively (six months ended 28 February 2023: £691,000 and £1,000; year ended 31 August 2023: £7,781,000 and £1,000).

No special dividends have been recognised in capital during the period (six months ended 28 February 2023: £nil; year ended 31 August 2023: £nil).

## 4. Investment management fee

	Six months ended 29 February 2024 (unaudited)			Six months ended 28 February 2023 (unaudited)			Year ended 31 August 2023 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	470	1,879	2,349	419	1,675	2,094	888	3,554	4,442
<b>Total</b>	<b>470</b>	<b>1,879</b>	<b>2,349</b>	<b>419</b>	<b>1,675</b>	<b>2,094</b>	<b>888</b>	<b>3,554</b>	<b>4,442</b>

With effect from 1 January 2023, the investment management fee is levied quarterly based on a tiered basis: 0.85% per annum of the month-end net asset value up to £350 million and 0.75% per annum of the month-end net asset value above £350 million.

Up to and including 31 December 2022, the investment management fee was levied quarterly, based on 0.85% per annum of the net asset value on the last day of each month.

The investment management fee is allocated 20% to the revenue account and 80% to the capital account of the Income Statement. There is no additional fee for company secretarial and administration services.

## 5. Other operating expenses

	Six months ended 29 February 2024 (unaudited) £'000	Six months ended 28 February 2023 (unaudited) £'000	Year ended 31 August 2023 (audited) £'000
<b>Allocated to revenue:</b>			
Broker fees	24	24	48
Custody fees	27	14	36
Depositary fees	32	32	65
Audit fees <sup>1</sup>	26	29	57
Legal fees	13	13	26
Registrar's fees	45	48	97
Directors' emoluments	89	84	173
Marketing fees	77	46	97
Postage and printing fees	22	35	68
AIC fees	11	11	21
Professional fees	11	43	66
Stock exchange listing fees	12	24	35
Write back of prior year expense accruals <sup>2</sup>	(12)	–	(23)
Other administration costs	29	21	24
Provision for doubtful debts <sup>3</sup>	–	–	1,144
	<b>406</b>	<b>424</b>	<b>1,934</b>
<b>Allocated to capital:</b>			
Custody transaction costs <sup>4</sup>	8	61	89
	<b>414</b>	<b>485</b>	<b>2,023</b>

<sup>1</sup> No non-audit services are provided by the Company's auditors.

<sup>2</sup> Relates to postage and printing fees and other administration costs written back in the period (six months ended 28 February 2023: no prior year accruals written back; year ended 31 August 2023: legal fees and registrar's fees).

<sup>3</sup> Provision for doubtful debts relate to dividend income from Sberbank which has not been received due to measures imposed by the Russian authorities in response to the sanctions that have been imposed on Russia as a result of the invasion of Ukraine.

<sup>4</sup> For the six month period ended 29 February 2024, expenses of £8,000 (six months ended 28 February 2023: £61,000; year ended 31 August 2023: £89,000) were charged to the capital account of the Income Statement. These relate to transaction costs charged by the custodian on sale and purchase trades.

The direct transaction costs incurred on the acquisition of investments amounted to £191,000 for the six months ended 29 February 2024 (six months ended 28 February 2023: £98,000; year ended 31 August 2023: £342,000). Costs relating to the disposal of investments amounted to £52,000 for the six months ended 29 February 2024 (six months ended 28 February 2023: £28,000; year ended 31 August 2023: £74,000). All transaction costs have been included within the capital account.

## 6. Dividends

The Directors have declared an interim dividend of 1.75p per share for the period ended 29 February 2024, payable on 19 June 2024 to shareholders on the register on 24 May 2024. The total cost of the dividend based on 100,144,522 ordinary shares in issue at 1 May 2024 was £1,752,529 (28 February 2023: £1,768,000).

In accordance with FRS 102, Section 32 Events After the End of the Reporting Period, the interim dividend payable on the ordinary shares has not been included as a liability in the financial statements, as interim dividends are only recognised when they have been paid.

# Notes to the Financial Statements

continued

## 7. Earnings and net asset value per ordinary share

Revenue, capital earnings and net asset value per ordinary share are shown below and have been calculated using the following:

	Six months ended 29 February 2024 (unaudited)	Six months ended 28 February 2023 (unaudited)	Year ended 31 August 2023 (audited)
Net revenue profit attributable to ordinary shareholders (£'000)	63	22	6,920
Net capital profit attributable to ordinary shareholders (£'000)	103,800	79,087	84,671
<b>Total profit attributable to ordinary shareholders (£'000)</b>	<b>103,863</b>	<b>79,109</b>	<b>91,591</b>
<b>Total shareholders' funds (£'000)</b>	<b>662,619</b>	<b>554,995</b>	<b>565,710</b>
<b>Earnings per share</b>			
The weighted average number of ordinary shares in issue during the period on which the earnings per ordinary share was calculated was:	100,816,318	101,136,375	101,067,709
The actual number of ordinary shares in issue at the end of the period on which the net asset value per ordinary share was calculated was:	100,663,851	101,000,161	101,000,161
<b>Calculated on weighted average number of ordinary shares:</b>			
Revenue earnings per share (pence) – basic and diluted	0.06	0.02	6.85
Capital earnings per share (pence) – basic and diluted	102.96	78.20	83.77
<b>Total earnings per share (pence) – basic and diluted</b>	<b>103.02</b>	<b>78.22</b>	<b>90.62</b>
	<b>As at 29 February 2024 (unaudited)</b>	<b>As at 28 February 2023 (unaudited)</b>	<b>As at 31 August 2023 (audited)</b>
Net asset value per share (pence)	658.25	549.50	560.11
Ordinary share price (pence)	629.00	523.00	527.00

There were no dilutive securities at 29 February 2024 (28 February 2023: none; 31 August 2023: none).

## 8. Reconciliation of liabilities arising from financing activities

	Six months ended 29 February 2024 (unaudited) £'000	Six months ended 28 February 2023 (unaudited) £'000	Year ended 31 August 2023 (audited) £'000
Bank overdraft at beginning of the period/year	27,617	182	182
Cash flows:			
Movement in overdraft	28,256	23,885	27,934
Non cash flows:			
Effects of foreign exchange gain	(364)	(198)	(499)
<b>Bank overdraft at end of the period/year</b>	<b>55,509</b>	<b>23,869</b>	<b>27,617</b>

## 9. Called up share capital

(unaudited)	Ordinary shares number	Treasury shares number	Total shares number	Nominal value £'000
<b>Allotted, called up and fully paid share capital comprised:</b>				
<b>Ordinary shares of 0.1 pence each:</b>				
At 31 August 2023	101,000,161	16,928,777	117,928,938	117
Ordinary shares repurchased into treasury	(336,310)	336,310	–	–
<b>At 29 February 2024</b>	<b>100,663,851</b>	<b>17,265,087</b>	<b>117,928,938</b>	<b>117</b>

During the six months ended 29 February 2024, 336,310 ordinary shares were repurchased and held in treasury (six months ended 28 February 2023: 698,692; year ended 31 August 2023: 698,692) for a net consideration after expenses of £1,914,000 (six months ended 28 February 2023: £3,014,000; year ended 31 August 2023: £3,014,000).

Since 29 February 2024 and up to the latest practicable date of 1 May 2024, 519,329 ordinary shares have been repurchased and placed in treasury for a total consideration of £3,298,000.

## 10. Reserves

The share premium account and capital redemption reserve are not distributable reserves under the Companies Act 2006. In accordance with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under the Companies Act 2006, the special reserve and capital reserves may be used as distributable reserves for all purposes and, in particular, the repurchase by the Company of its ordinary shares and for payments such as dividends. In accordance with the Company's Articles of Association, the special reserve, capital reserves and the revenue reserve may be distributed by way of dividend. The gain on the capital reserve arising on the revaluation of investments held of £247,433,000 (28 February 2023: gain of £132,037,000; 31 August 2023: gain of £149,450,000) is subject to fair value movements and may not be readily realisable at short notice; as such it may not be entirely distributable. The investments are subject to financial risks; as such capital reserves (arising on investments sold) and the revenue reserve may not be entirely distributable if a loss occurred during the realisation of these investments.

## 11. Financial risks and valuation of financial instruments

The Company's investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The risks are substantially consistent with those disclosed in the previous annual financial statements, with the exception of those outlined below.

### Market risk arising from price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, climate change or other events could have a significant impact on the Company and the market price of its investments and could result in increased premiums or discounts to the Company's net asset value.

### Valuation of financial instruments

Financial assets and financial liabilities are either carried in the Balance Sheet at their fair value (investments) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash and cash equivalents and overdrafts). Section 34 of FRS 102 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Company are explained in the accounting policies note on page 88 of the Annual Report and Financial Statements for the year ended 31 August 2023.

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

# Notes to the Financial Statements

continued

## 11. Financial risks and valuation of financial instruments continued

The fair value hierarchy has the following levels:

### Level 1 – Quoted market price for identical instruments in active markets

A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Company does not adjust the quoted price for these instruments.

### Level 2 – Valuation techniques using observable inputs

This category includes instruments valued using quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

### Level 3 – Valuation techniques using significant unobservable inputs

This category includes all instruments where the valuation technique includes inputs not based on market data and these inputs could have a significant impact on the instrument's valuation.

This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability, including an assessment of the relevant risks including but not limited to credit risk, market risk, liquidity risk, business risk and sustainability risk. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager and these risks are adequately captured in the assumptions and inputs used in measurement of Level 3 assets or liabilities.

### Fair values of financial assets and financial liabilities

The table below is the analysis of the Company's financial instruments measured at fair value at the balance sheet date.

Financial assets at fair value through profit or loss at 29 February 2024 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	711,969	–	1	711,970
<b>Total</b>	<b>711,969</b>	<b>–</b>	<b>1</b>	<b>711,970</b>

Financial assets at fair value through profit or loss at 28 February 2023 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	580,764	–	3	580,767
<b>Total</b>	<b>580,764</b>	<b>–</b>	<b>3</b>	<b>580,767</b>

Financial assets at fair value through profit or loss at 31 August 2023 (audited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	593,785	–	942	594,727
<b>Total</b>	<b>593,785</b>	<b>–</b>	<b>942</b>	<b>594,727</b>

The Company held three Level 3 securities as at 29 February 2024 (28 February 2023: four; 31 August 2023: four).

A reconciliation of fair value measurement in Level 3 is set out on the following page.



### Level 3 financial assets at fair value through profit or loss

	Six months ended 29 February 2024 (unaudited)	Six months ended 28 February 2023 (unaudited)	Year ended 31 August 2023 (audited)
	£'000	£'000	£'000
Opening fair value	942	3	3
(Loss)/gain on investments included in gains on investments in the Income Statement	(939)	–	939
Sale of investments included in gains on investments in the Income Statement	(2)	–	–
<b>Closing balance</b>	<b>1</b>	<b>3</b>	<b>942</b>

As at 29 February 2024, the investments in Sberbank, Fix Price Group and Lukoil have been valued at a nominal value of £0.01 as the secondary listings of depositary receipts of Russian companies have been suspended from trading. The investment in Fix Price Group was previously valued at a nominal value of £0.01. At 31 August 2023, the BlackRock Pricing Committee determined that this investment should be valued at US\$1.75 based on the price quotation received from brokers in the OTC markets. At 29 February 2024, this investment was revalued at a nominal value of £0.01.

For exchange listed equity investments, the quoted price is the bid price. Substantially all investments are valued based on unadjusted quoted market prices. Where such quoted prices are readily available in an active market, such prices are not required to be assessed or adjusted for any business risks, including climate change risk, in accordance with the fair value related requirements of the Company's financial reporting framework.

## 12. Related party disclosure

The Board consists of five non-executive Directors, all of whom are considered to be independent by the Board. None of the Directors has a service contract with the Company. The Chairman receives an annual fee of £46,500, the Chair of the Audit and Management Engagement Committee receives an annual fee of £37,000 and each of the other Directors receives an annual fee of £31,500. The Senior Independent Director receives an additional fee of £1,000.

As at 29 February 2024, the following members of the Board hold shares in the Company: Eric Sanderson held 4,000 ordinary shares, Peter Baxter held 11,000 ordinary shares, Ian Sayers held 4,000 ordinary shares and Paola Subacchi held 11,109 ordinary shares.

Since the period end and up to the date of this report there have been no changes in Directors' holdings.

The transactions with the Investment Manager and AIFM are stated in note 13.

### Significant holdings

The following investors are:

- funds managed by the BlackRock Group or are affiliates of BlackRock Inc. (Related BlackRock Funds); or
- investors (other than those listed in (a) above) who held more than 20% of the voting shares in issue in the Company and are, as a result, considered to be related parties to the Company (Significant Investors).

#### As at 29 February 2024

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
1.3	n/a	n/a

#### As at 31 August 2023

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
1.4	n/a	n/a

# Notes to the Financial Statements

continued

## 12. Related party disclosure continued

As at 28 February 2023

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
0.9	n/a	n/a

## 13. Transactions with the Investment Manager and AIFM

BlackRock Fund Managers Limited (BFM) provides management and administration services to the Company under a contract which is terminable on six months' notice. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed in the Directors' Report on page 48 in the Annual Report and Financial Statements for the year ended 31 August 2023.

The investment management fee is levied quarterly based on a tiered basis: 0.85% per annum of the month-end net asset value up to £350 million and 0.75% per annum of the month-end net asset value above £350 million. Up to and including 31 December 2022, the investment management fee was levied quarterly, based on 0.85% per annum of the net asset value on the last day of each month. The investment management fee due for the six months ended 29 February 2024 amounted to £2,349,000 (six months ended 28 February 2023: £2,094,000; year ended 31 August 2023: £4,442,000). At the period end, £2,349,000 was outstanding in respect of the management fee (28 February 2023: £3,145,000; 31 August 2023: £3,426,000).

In addition to the above services, BIM (UK) provided the Company with marketing services. The total fees paid or payable for these services for the six months ended 29 February 2024 amounted to £77,000 excluding VAT (six months ended 28 February 2023: £46,000; year ended 31 August 2023: £97,000). Marketing fees of £117,000 excluding VAT were outstanding at 29 February 2024 (28 February 2023: £117,000; 31 August 2023: £168,000).

During the year, the Manager pays the amounts due to the Directors. These fees are then reimbursed by the Company for the amounts paid on its behalf. As at 29 February 2024, an amount of £202,000 was payable to the Manager in respect of Directors' fees (28 February 2023: £111,000; 31 August 2023: £113,000).

The ultimate holding company of the Manager and the Investment Manager is BlackRock, Inc., a company incorporated in Delaware, USA.

## 14. Contingent liabilities

There were no contingent liabilities at 29 February 2024 (28 February 2023: none; 31 August 2023: none).

## 15. Publication of non statutory accounts

The financial information contained in this half yearly report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial information for the six months ended 29 February 2024 and 28 February 2023 has not been audited.

The information for the year ended 31 August 2023 has been extracted from the latest published audited financial statements, which have been filed with the Registrar of Companies. The report of the auditor on those accounts contained no qualification or statement under Sections 498 (2) or (3) of the Companies Act 2006.

## 16. Annual results

The Board expects to announce the annual results for the year ending 31 August 2024 in early November 2024. Copies of the annual results announcement can be obtained from the Secretary on 020 7743 3000 or [cosec@blackrock.com](mailto:cosec@blackrock.com). The Annual Report should be available by November 2024 with the Annual General Meeting being held in December 2024.

# Management and other service providers

## Registered Office

(Registered in England and Wales, No. 5142459)  
12 Throgmorton Avenue  
London EC2N 2DL

## Alternative Investment Fund Manager

BlackRock Fund Managers Limited<sup>1</sup>  
12 Throgmorton Avenue  
London EC2N 2DL

## Investment Manager and Company Secretary

BlackRock Investment Management (UK) Limited<sup>1</sup>  
12 Throgmorton Avenue  
London EC2N 2DL  
Telephone: 020 7743 3000  
Email: [cosec@blackrock.com](mailto:cosec@blackrock.com)

## Fund Accountant, Depositary, Custodian and Banker

The Bank of New York Mellon (International) Limited<sup>1</sup>  
160 Queen Victoria Street  
London EC4V 4LA

## Registrar

Computershare Investor Services PLC<sup>1</sup>  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ  
Telephone: 0370 707 1163

## Independent Auditors

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

## Stockbrokers

Cavendish Securities plc<sup>1</sup>  
One Bartholomew Close  
London EC1A 7BL

## Solicitors

Herbert Smith Freehills LLP  
Exchange House  
Primrose Street  
London EC2A 2EG

1. Authorised and regulated by the Financial Conduct Authority.

# Directors



**Eric Sanderson**  
**Chairman**  
Appointed April 2013



**Ian Sayers**  
**Audit and Management Engagement  
Committee Chair**  
Appointed February 2022



**Paola Subacchi**  
**Senior Independent Director**  
Appointed July 2017



**Peter Baxter**  
Appointed April 2015



**Sapna Shah**  
Appointed December 2023

# Shareholder information

## Financial calendar

The timing of the announcement and publication of the Company's results may normally be expected in the months shown below:

### April/May

Half yearly figures announced and Half Yearly Financial Report published.

### June

Interim dividend paid.

### November

Annual results and final dividend for year announced. Annual Report and Financial Statements published.

### December

Annual General Meeting and final dividend paid.

## Interim dividend

The proposed interim dividend in respect of the year ending 31 August 2024 is 1.75p per share.

Ex-dividend date (shares transferred without the dividend)	23 May 2024
Record date (last date for registering transfers to receive the dividend)	24 May 2024
Last date for registering DRIP instructions	30 May 2024
Dividend payment date	19 June 2024

## Payment of dividends

Cash dividends will be sent by cheque to the first-named shareholder at their registered address. Dividends may also be paid direct into a shareholder's bank account via BACSTEL-IP (Bankers' Automated Clearing Service – Telecom Internet Protocol). This may be arranged by contacting the Company's registrar, Computershare Investor Services PLC, through their secure website [www.investorcentre.co.uk](http://www.investorcentre.co.uk), or by telephone on 0370 707 1163, or by completing the Mandate Instructions section on the reverse of your dividend counterfoil and sending this to the Company's registrar, Computershare. Confirmation of dividends paid will be sent to shareholders at their registered address, unless other instructions have been given, to arrive on the payment date.

## Dividend reinvestment scheme (DRIP)

Shareholders may request that their dividends be used to purchase further shares in the Company. Dividend reinvestment forms may be obtained from Computershare Investor Services PLC, through their secure website [www.investorcentre.co.uk](http://www.investorcentre.co.uk), or by telephone on 0370 707 1163. Shareholders who have already opted to have their dividends reinvested do not need to reapply. The last date for registering for this service for the forthcoming dividend is 30 May 2024.

## Share price

The Company's mid-market ordinary share price is quoted daily in The Financial Times and The Times under 'Investment Companies' and in The Daily Telegraph under 'Investment Trusts'. The share price is also available on the BlackRock website at [www.blackrock.com/uk/brge](http://www.blackrock.com/uk/brge).

## ISIN/SEDOL numbers

The ISIN/SEDOL numbers and mnemonic codes for the Company's ordinary shares are:

	Ordinary shares
ISIN	GB00B01RDH75
SEDOL	B01RDH7
Reuters code	BRGE.L
Bloomberg code	BRGE LN

# Shareholder information

continued

## Dividend tax allowance

The annual tax-free allowance on dividend income across an individual's entire share portfolio is £500. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances.

The Company continues to provide registered shareholders with confirmation of the dividends paid and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is a shareholder's responsibility to include all dividend income when calculating any tax liability.

If you have any tax queries, please contact a financial advisor.

## Share dealing

Investors wishing to purchase more shares in the Company, or sell all or part of their existing holding, may do so through a stockbroker. Most banks also offer this service. Alternatively, please go to [www.computershare.com/dealing/uk](http://www.computershare.com/dealing/uk) for a range of dealing services made available by Computershare.

## CREST

The Company's shares may be held in CREST, an electronic system for uncertificated securities trading. Private investors can continue to retain their share certificates and remain outside the CREST system. Private investors are able to buy and sell their holdings in the same way as they did prior to the introduction of CREST, although there may be differences in dealing charges.

## Electronic communications

We encourage you to play your part in reducing our impact on the environment and elect to be notified by email when your shareholder communications become available online. This means you will receive timely, cost-effective and greener online annual reports, half yearly financial reports and other relevant documentation.

Shareholders who opt for this service will receive an email from Computershare with a link to the relevant section of the BlackRock website where the documents can be viewed and downloaded. Please submit your email address by visiting [www.investorcentre.co.uk/ecomms](http://www.investorcentre.co.uk/ecomms). You will require your shareholder reference number which you will find on your share certificate or dividend confirmation statement.

You will continue to receive a printed copy of these reports if you have elected to do so. Alternatively, if you have not submitted your email address nor have elected to receive printed reports, we will write and let you know where you can view these reports online.

## Risk factors

- Past performance is not necessarily a guide to future performance.
- The value of your investment in the Company and the income from it can fluctuate as the value of the underlying investments fluctuate.
- The price at which the Company's shares trade on the London Stock Exchange is not the same as their net asset value (NAV) (although they are related) and therefore you may realise returns which are lower or higher than NAV performance.

## Nominee code

Where shares are held in a nominee company name, the Company undertakes:

- to provide the nominee company with multiple copies of shareholder communications, so long as an indication of quantities has been provided in advance; and
- to allow investors holding shares through a nominee company to attend general meetings, provided the correct authority from the nominee company is available.

## Publication of net asset value/portfolio analysis

The net asset value (NAV) per share of the Company is calculated daily, with details of the Company's investments and performance being published monthly.

The daily NAV per share and monthly information are released through the London Stock Exchange's Regulatory News Service and are available on the BlackRock website at [www.blackrock.com/uk/brge](http://www.blackrock.com/uk/brge) and through the Reuters News Service under the code 'BLRKINDEX', on page 8800 on Topic 3 (ICV terminals) and under 'BLRK' on Bloomberg (monthly information only).



## Individual Savings Accounts (ISAs)

ISAs are a tax-efficient method of investment and the Company's shares are eligible investments for inclusion within stocks and shares Individual Savings Accounts. In the 2024/2025 tax year, investors have an annual ISA allowance of £20,000 (2023/2024: £20,000) which can be invested in either cash or shares.

## Online access

Other details about the Company are available on the website at [www.blackrock.com/uk/brge](http://www.blackrock.com/uk/brge). The financial statements and other literature are published on the website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Shareholders can also manage their shareholding online by using Investor Centre, Computershare's secure website, at [investorcentre.co.uk](http://investorcentre.co.uk). To access Computershare's website, you will need your shareholder reference number (SRN) which can be found on paper or electronic communications you have previously received from Computershare. Listed below are the most frequently used features of the website.

- Holding enquiry – view balances, values, history, payments and reinvestments.
- Payments enquiry – view your dividends and other payment types.
- Address change – change your registered address.
- Bank details update – choose to receive your dividend payment directly into your bank account instead of by cheque.
- e-Comms sign-up – choose to receive email notification when your shareholder communications become available instead of paper communications.
- Outstanding payments – reissue payments using the online replacement service.
- Downloadable forms – including dividend mandates, stock transfer, dividend reinvestment and change of address forms.

## Shareholder enquiries

The Company's registrar is Computershare Investor Services PLC. Certain details relating to your holding can be checked through the Computershare Investor Centre website. As a security check, specific information needs to be input accurately to gain access to an individual's account. This includes your shareholder reference number, available from your share certificate, dividend confirmation statement or other electronic communications you have previously received from Computershare. The address of the Computershare website is [www.investorcentre.co.uk](http://www.investorcentre.co.uk). Alternatively, please contact the registrar on 0370 707 1163.

Changes of name or address must be notified in writing either through Computershare's website, or to the registrar at:

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ

## General enquiries

Enquiries about the Company should be directed to:

The Company Secretary  
BlackRock Greater Europe Investment Trust plc  
12 Throgmorton Avenue  
London EC2N 2DL  
Telephone: 020 7743 3000  
Email: [cosec@blackrock.com](mailto:cosec@blackrock.com)

# Glossary

## Alternative Performance Measure (APM)

An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the financial statements.

The Company's APMs are set out below and are cross referenced where relevant to the financial inputs used to derive them as contained in other sections of the Half Yearly Financial Report.

## Closed-end company

An investment trust works along the same lines as a unit trust, in that it pools money from investors which is then managed on a collective basis. The main difference is that an investment trust is a company listed on the Stock Exchange and, in most cases, trading takes place in shares which have already been issued, rather than through the creation or redemption of units. As the number of shares which can be issued or cancelled at any one time is limited and requires the approval of existing shareholders, investment trusts are known as closed-end funds or companies. This means that investment trusts are not subject to the same liquidity constraints as open-ended funds and can therefore invest in less liquid investments.

## Discount and premium\*

Investment trust shares can frequently trade at a discount to NAV. This occurs when the share price (based on the mid-market share price) is less than the NAV and investors may therefore buy shares at less than the value attributable to them by reference to the underlying assets. The discount is the difference between the share price and the NAV, expressed as a percentage of the NAV. As at 29 February 2024, the share price was 629.00p (28 February 2023: 523.00p; 31 August 2023: 527.00p) and the NAV was 658.25p (28 February 2023: 549.50p; 31 August 2023: 560.11p); therefore, the discount was 4.4% (28 February 2023: 4.8%; 31 August 2023: 5.9%) (please see note 7 of the financial statements on page 22 for the inputs to the calculation).

A premium occurs when the share price (based on the mid-market share price) is more than the NAV and investors would therefore be paying more than the value attributable to the shares by reference to the underlying assets. For example, if the share price was 630.00p and the NAV 625.00p, the premium would be 0.8%.

Discounts and premiums are mainly the consequence of supply and demand for the shares on the stock market.

## Gearing and borrowings\*

Investment companies can borrow to purchase additional investments. This is called 'gearing'. It allows investment companies to take advantage of a favourable situation or a particularly attractive stock without having to sell existing investments.

Gearing works by magnifying the Company's performance. If a company 'gears up' and then markets rise and the returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

The Company may achieve gearing through borrowings or the effect of gearing through an appropriate balance of equity capital and borrowings.

Gearing is calculated in line with AIC guidelines and represents net gearing. This is defined as total assets of the Company less current liabilities (excluding bank overdrafts), less any cash or cash equivalents held minus total shareholders' funds, divided by total shareholders' funds. Cash and cash equivalents are defined by the AIC as net current assets or net current liabilities (as relevant). To the extent that the Company has net current liabilities, the net current liabilities total is added back to the total assets of the Company to calculate the numerator in this equation. The calculation and the various inputs are set out in the following table.

\* Alternative Performance Measure.

		<b>29 February 2024 (unaudited) £'000</b>	<b>28 February 2023 (unaudited) £'000</b>	<b>31 August 2023 (audited) £'000</b>	
<b>Net gearing calculation</b>	<b>Page</b>				
Net assets	18	662,619	554,995	565,710	(a)
Borrowings <sup>1</sup>	18	55,509	23,869	27,617	(b)
Total assets (a + b)		718,128	578,864	593,327	(c)
Current assets <sup>2</sup>	18	9,463	1,699	3,867	(d)
Current liabilities (excluding borrowings)	18	(3,305)	(3,602)	(5,267)	(e)
Net current assets/(liabilities) (d + e)		6,158	(1,903)	(1,400)	(f)
<b>Net gearing (g = (c - f - a) / a) (%)</b>		<b>7.4</b>	<b>4.6</b>	<b>5.1</b>	<b>(g)</b>

<sup>1</sup> Includes bank overdraft.

<sup>2</sup> Includes cash at bank.

## Leverage

Leverage is defined in the AIFM Directive as 'any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means'.

Leverage is measured in terms of 'exposure' and is expressed as a ratio of net asset value:

$$\text{Leverage ratio} = \frac{\text{Total assets}}{\text{Net assets}}$$

The Directive sets out two methodologies for calculating exposure. These are the Gross Method and the Commitment Method. The treatment of cash and cash equivalent balances in terms of calculating what constitutes an 'exposure' under AIFMD differs for these two methods. The definitions for calculating the Gross Method exposures require that 'the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond' should be excluded from exposure calculations.

## Net asset value per share (capital only NAV)

The capital only NAV is a point of reference when comparing a range of investment trusts. This NAV focuses on the value of the Company's assets disregarding the current period revenue income, on the basis that most trusts will distribute substantially all of their income in any financial period. It is calculated by dividing 'equity shareholders' funds' (excluding current period revenue) by the total number of ordinary shares in issue.

As at 29 February 2024, equity shareholders' funds less the current year net revenue return (after interim dividends) amounted to £662,556,000 (28 February 2023: £554,973,000; 31 August 2023: £560,558,000) and there were 100,663,851 (28 February 2023: 101,000,161; 31 August 2023: 101,000,161) ordinary shares in issue (excluding treasury shares); therefore, the capital only NAV was 658.19p (28 February 2023: 549.48p; 31 August 2023: 555.01p).

Equity shareholders' funds (excluding current period revenue) of £662,556,000 (28 February 2023: £554,973,000; 31 August 2023: £560,558,000) are calculated by deducting from the Company's net assets £662,619,000 (28 February 2023: £554,995,000; 31 August 2023: £565,710,000) its current period revenue £63,000 (28 February 2023: £22,000; 31 August 2023: £6,920,000) and adding back the interim dividends £nil (28 February 2023: £nil; 31 August 2023: £1,768,000) paid.

## Net asset value per share (cum income NAV)

This is the value of the Company's assets attributable to one ordinary share. It is calculated by dividing 'equity shareholders' funds' by the total number of ordinary shares in issue (excluding treasury shares). For example, as at 29 February 2024, equity shareholders' funds were worth £662,619,000 (28 February 2023: £554,995,000; 31 August 2023: £565,710,000) and there were 100,663,851 (28 February 2023: 101,000,161; 31 August 2023: 101,000,161) ordinary shares in issue (excluding treasury shares); the undiluted NAV was therefore 658.25p (28 February 2023: 549.50p; 31 August 2023: 560.11p) per ordinary share (please see note 7 of the financial statements for the inputs to the calculations).

\* Alternative Performance Measure.

# Glossary

continued

Equity shareholders' funds are calculated by deducting from the Company's total assets, its current and long-term liabilities and any provision for liabilities and charges.

## NAV and share price return (return with dividends reinvested)\*

Performance statistics enable the investor to make performance comparisons between investment trusts with different dividend policies. The performance measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. This is calculated by the movement in the share price or NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV/share price (please see note 7 of the financial statements for the inputs to the calculations).

		Six months to 29 February 2024	Six months to 28 February 2023	Year ended 31 August 2023	
NAV total return	Page	(unaudited)	(unaudited)	(audited)	
Closing NAV per share (pence)	22	658.25	549.50	560.11	
Add back interim and final dividends (pence)	17	5.00	4.85	6.60	
Effect of dividend reinvestment (pence)		0.89	0.46	0.55	
Adjusted closing NAV (pence)		664.14	554.81	567.26	(a)
Opening NAV per share (pence)	22	560.11	475.72	475.72	(b)
<b>NAV total return (c = ((a - b)/b)) (%)</b>		<b>18.6</b>	<b>16.6</b>	<b>19.2</b>	<b>(c)</b>

		Six months to 29 February 2024	Six months to 28 February 2023	Year ended 31 August 2023	
Share price total return	Page	(unaudited)	(unaudited)	(audited)	
Closing share price (pence)	22	629.00	523.00	527.00	
Add back interim and final dividends (pence)	17	5.00	4.85	6.60	
Effect of dividend reinvestment (pence)		1.05	0.52	0.50	
Adjusted closing share price (pence)		635.05	528.37	534.10	(a)
Opening share price (pence)	22	527.00	456.00	456.00	(b)
<b>Share price total return (c = ((a - b)/b)) (%)</b>		<b>20.5</b>	<b>15.9</b>	<b>17.1</b>	<b>(c)</b>

## Ongoing charges ratio\*

$$\text{Ongoing charges (\%)} = \frac{\text{Annualised ongoing charges}}{\text{Average undiluted net asset value in the period}}$$

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. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs and include the annual management charge.

As recommended by the AIC in its guidance, ongoing charges are the Company's management fee and all other operating expenses (excluding finance costs, direct transaction costs, custody transaction costs, VAT recovered, taxation, prior year expenses written back and certain non-recurring items) expressed as a percentage of the average daily net assets of the Company during the year.

\* Alternative Performance Measure.

The inputs that have been used to calculate the ongoing charges percentage are set out in the following table.

<b>Ongoing charges calculation</b>	<b>Page</b>	<b>31 August 2023 (audited) £'000</b>	<b>31 August 2022 (audited) £'000</b>	
Management fee	20	4,442	4,884	
Other operating expenses <sup>1</sup>	21	813	749	
<b>Total management fee and other operating expenses</b>		<b>5,255</b>	<b>5,635</b>	<b>(a)</b>
Average daily net assets in the year		537,913	576,678	(b)
<b>Ongoing charges (c = a/b) (%)</b>		<b>0.98</b>	<b>0.98</b>	<b>(c)</b>

<sup>1</sup> Excluding prior year expenses written back of £23,000 (31 August 2022: non recurring expenses relating to legal work for the aborted issuance of a long-dated loan note of £117,000 and prior year expenses written back of £55,000).

## Quoted securities and unquoted securities

Quoted securities are securities that trade on an exchange for which there is a publicly quoted price. Unquoted securities are financial securities that do not trade on an exchange and for which there is not a publicly quoted price.

## Revenue profit and revenue reserves

Revenue profit is the net revenue income earned after deduction of fees and expenses allocated to the revenue account and taxation suffered by the Company. The revenue reserve is the undistributed income that the Company keeps as reserves. Investment trusts do not have to distribute all the income they generate, after expenses. They may retain up to 15% of revenue generated which will be held in a revenue reserve. This reserve can be used at a later date to supplement dividend payments to shareholders.

## Treasury shares

Treasury shares are shares that a company keeps in its own treasury which are not currently issued to the public. These shares do not pay dividends, have no voting rights and are not included in a company's total issued share capital amount for calculating percentage ownership. Treasury stock may have come from a repurchase or buy back from shareholders, or it may never have been issued to the public in the first place. Treasury shares may be reissued from treasury to the public to meet demand for a company's shares in certain circumstances.

## Total dividends and yield\*

Total dividends represent total quarterly and final dividends declared by the Company for a particular year. The yield is the amount of cash (in percentage terms) that is returned to the owners of the security, in the form of interest or dividends received from it. Normally, it does not include the price variations, distinguishing it from the total return.

<b>Yield</b>	<b>Page</b>	<b>As at 29 February 2024 (unaudited)</b>	<b>As at 28 February 2023 (unaudited)</b>	<b>As at 31 August 2023 (audited)</b>	
Interim and final dividends paid/payable (pence) <sup>1</sup>	17	6.75	6.60	6.75	(a)
Ordinary share price (pence)		629.00	523.00	527.00	(b)
<b>Yield (c = a/b) (%)</b>		<b>1.1</b>	<b>1.3</b>	<b>1.3</b>	<b>(c)</b>

<sup>1</sup> Comprising dividends declared/paid for the twelve months to 29 February 2024, 28 February 2023 and 31 August 2023 respectively.

\* Alternative Performance Measure.

# Share fraud warning

Be ScamSmart



Investment scams are designed to look like genuine investments



## Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

## Avoid investment fraud

### 1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

### 2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

### 3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

## Report a scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at [www.fca.org.uk/consumers](http://www.fca.org.uk/consumers). You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at [www.actionfraud.police.uk](http://www.actionfraud.police.uk)

Find out more at [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)

**Remember: if it sounds too good to be true, it probably is!**

SGN001



Printed by Park Communications on FSC® certified paper.

Park works to the EMAS standard and its Environmental Management System is certified to ISO 14001.

This publication has been manufactured using 100% offshore wind electricity sourced from UK wind.

100% of the inks used are vegetable oil based, 95% of press chemicals are recycled for further use and, on average 99% of any waste associated with this production will be recycled and the remaining 1% used to generate energy.

This document is printed on paper made of material from well-managed FSC®-certified forests and other controlled sources.



