



Dunedin Enterprise Investment Trust PLC
Half Year Report 2024

Dunedin Enterprise Investment Trust PLC specialises in the provision of private equity finance. Private equity is medium to long term finance provided in return for an equity stake in established, potentially high growth, private companies.

The Company's investment objective is to conduct an orderly realisation of its assets, to be effected in a manner that seeks to achieve a balance between maximising the value of the Company's investments and progressively returning cash to shareholders.

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Financial Highlights

Net asset value total return: 2.1%

Net asset value per share at 30 June 2024: 627.6p, after 10p dividend (624.8p at 31/12/23)

Share price total return: 1.8%

Share price at 30 June 2024: 502.5p (510.5p at 31/12/23)

Total net assets: £34.5m (of which 74% cash)

£204m returned to shareholders since 2012

Comparative Total Return Performance

| Periods to 30 June 2024 | Net Asset value (per share) | Share price | FTSE Small Cap (ex Inv Cos) Index | FTSE All-Share (ex Inv Cos) Index |
|-------------------------|--------------------------------|-------------|--|--|
| Six months | 2.1% | 1.8% | 8.9% | 7.8% |
| One year | 4.7% | -8.5% | 18.4% | 12.8% |
| Three years | 49.1% | 77.0% | 0.8% | 25.5% |
| Five years | 87.9% | 66.0% | 45.6% | 29.3% |
| Ten years | 165.5% | 194.1% | 90.3% | 75.7% |

Chairman's Statement

The total return in the half year to 30 June 2024 was 2.1% in terms of net asset value per share which increased from 624.8p to 627.6p in the half year. This is stated after allowing for a final dividend of 10.0p (paid in January 2024), relating to the year ended 31 December 2023.

The share price total return was 1.8% during the period under review. The price of 502.5p at 30 June 2024 represented a discount of 19.9% to the net asset value of 627.6p per share.

Since a managed wind-down was approved by shareholders in 2016 we have distributed £147m to shareholders and delivered a NAV total return per share of 166.2% and, in terms of share price, 288.5%. This compares favourably with returns of 86.1% and 82.1% in the FTSE Small Cap and the FTSE All-Share indices respectively.

Portfolio

Unrealised valuation increases totalling £0.7m were offset by value decreases of £0.3m. The valuation uplift was principally generated from EV (£0.6m). The valuation reduction was at FRA (£0.3m).

Following the half year end Dunedin Buyout Fund III LP entered into a legally binding agreement for the realisation of its investment in EV. Proceeds from the sale will amount to £2.6m and the transaction is expected to complete by the end of 2024.

Further details are provided in the Manager's Review.

Cash, Commitments & Liquidity

At 30 June 2024 the Company held cash and near cash equivalents totalling £25.5m out of total net assets of £34.5m. At that date there were outstanding commitments to limited partnership funds of £6.9m, consisting of £6.2m to Dunedin-managed funds and £0.7m to Realza.

Dividends

A dividend of 10.0p per share relating to the year ended 31 December 2023 was paid to shareholders in January 2024, amounting to £0.6m. An interim dividend of 23.0p per share relating to the year ended 31 December 2024 is to be paid to shareholders on 4 October 2024.

Outlook

In my Chairman's Statement in the Annual Report for the year ended 31 December 2023 I set out the Board's thinking on the optimum way of returning cash to shareholders and mentioned that one of the options open to us was to place the Company into a members' voluntary liquidation. With the sale of EV, which is likely to complete by the end of the year, we will only be left with four underlying investments, none of which is likely to be realised in the immediate future. We have therefore decided, after consulting our advisers, that we should proceed with a members' voluntary liquidation. We intend to send to shareholders proposals for such a liquidation following completion of the EV realisation.

Duncan Budge

11 September 2024

Manager's Review

Results for the six months to 30 June 2024

In the six months to 30 June 2024, the net asset value per share total return was 2.1%, after taking account of dividends paid for 2023 of 10.0p per share (paid in January 2024). This compares with an increase in the FTSE Small Cap Index (ex Inv. Cos) over the same period of 8.9%.

Net asset and cash movements in the half year to 30 June 2024

The movement in net asset value is summarised in the table below:-

| | £'m |
|--------------------------------------|-------|
| Net asset value at 31 December 2023 | 34.4 |
| Unrealised value increases | 0.7 |
| Unrealised value decreases | (0.3) |
| Realised loss over opening valuation | (0.1) |
| Dividends paid to shareholders | (0.6) |
| Other movements | 0.4 |
| Net asset value at 30 June 2024 | 34.5 |

Cash movements in the half year to 30 June 2024 can be summarised as follows:-

| | £'m |
|---|-------|
| Cash & near cash balances at 31 December 2023 | 26.5 |
| Investments made | (0.7) |
| Dividends paid to shareholders | (0.6) |
| Operating activities | 0.3 |
| Cash & near cash balances at 30 June 2024 | 25.5 |

Portfolio composition and movements

Dunedin Enterprise holds investments in unquoted companies through:-

- Dunedin managed funds, and
- Third party managed funds.

The portfolio movements can be analysed as shown in the table below:-

| | Valuation at 31-12-23 £'m | Additions in half year £'m | Disposals in half year £'m | Realised movement £'m | Unrealised movement £'m | Valuation at 30-6-24*1 £'m |
|---|---------------------------------|----------------------------------|----------------------------------|-----------------------------|-------------------------------|----------------------------------|
| Dunedin managed | 4.3 | 0.7 | – | (0.1) | 0.3 | 5.2 |
| Third party managed | 3.2 | – | – | – | 0.1 | 3.3 |
| Investment portfolio | 7.5 | 0.7 | – | (0.1) | 0.4 | 8.5 |
| AAA rated money market funds (excluding cash on deposit) | 17.2 | 2.9 | – | – | – | 20.1 |
| Total | 24.7 | 3.6 | – | (0.1) | 0.4 | 28.6 |

*1 – in addition the Company held net current assets of £5.9m

Realisations

There were no significant realisations in the half year.

Following the half year end on 4 August 2024 Dunedin Buyout Fund III LP entered into a legally binding agreement for the realisation of its investment in EV, a provider of high-performance video cameras and quantitative visual analytics to the global energy industry. Proceeds from the sale, net of carried interest, will amount to £2.6m, consisting entirely of capital. The transaction is subject to regulatory approval and is expected to complete in Q4 2024.

Investment activity

A further £0.2m was drawn down by Dunedin and third-party managed funds to meet management fees and ongoing expenses.

Unrealised movements in valuations

Unrealised valuation increases in the half year amounted to £0.7m. As noted above a legally binding agreement for the sale of EV was entered into in August 2024. EV has been valued at the expected proceeds from the sale contributing £0.6m of the total-uplift.

The unrealised valuation decrease at FRA in the half year was £0.3m. Trading at FRA has not progressed as quickly as expected with maintainable EBITDA reducing by 7% in the half year. However, trading and the outlook for the remainder of the year are positive.

The portfolio continues to be valued in accordance with the International Private Equity Venture Capital valuation guidelines (www.privateequityvaluation.com).

Dunedin LLP

11 September 2024

Current Investments

by value at 30 June 2024

| Company name | Approx. percentage of equity % | Cost of investment £'000 | Directors valuation* ² £'000 | Percentage of net assets % |
|--------------|---|--------------------------------|---|-------------------------------------|
| EV | 9.5 | 8,321 | 3,254 | 9.4 |
| Realza | 8.9 | 4,066 | 3,248 | 9.4 |
| FRA | 5.2 | 1,997 | 3,159 | 9.2 |
| Thredd | 1.5 | 1,994 | – | – |
| | | 16,378 | 9,661 | 28.0 |

Total return of current investments

at 30 June 2024

| Company name | Original cost of investment £'000 | Gross realised to date* ¹ £'000 | Directors valuation* ² £'000 | Total return £'000 |
|--------------|--|---|---|--------------------------|
| EV | 8,321 | – | 3,254 | 3,254 |
| Realza | 11,545 | 14,551 | 3,248 | 17,799 |
| FRA | 6,619 | 5,505 | 3,159 | 8,664 |
| Thredd | 8,220 | 18,203 | – | 18,203 |
| | 34,705 | 38,259 | 9,661 | 47,920 |

*¹ – dividends and capital

*² – valuations stated before carried interest

Top Investments



| | |
|---------------------------|--------------|
| Percentage of equity held | 9.5% |
| Cost of Investment | £8.3m |
| Directors' valuation | £3.3m |
| Percentage of net assets | 9.4% |

EV

EV is a UK headquartered, global market leader in the provision of high performance, harsh environment, video cameras and quantitative visual analytics to the global energy industry.

It offers a highly specialist service, providing skilled engineers to operate its market leading cameras in the most difficult down-hole conditions. The high-resolution video images produced by EV's cameras allow oil and gas well operators to identify, quantify and solve problems rapidly. EV has offices in Dubai, Perth, Kuala Lumpur, Calgary, Aberdeen, Houston and Norwich. It has a further presence in seventeen worldwide locations across Europe, Canada, USA, South America, West Africa, the Middle East, Asia and Australasia. The business employs more than 100 staff.



| | |
|---------------------------|--------------|
| Percentage of equity held | 8.9% |
| Cost of Investment | £4.1m |
| Directors' valuation | £3.2m |
| Percentage of net assets | 9.4% |

Realza

Realza Capital FCR is a Spanish private equity fund making investments in Spain and Portugal. The fund is limited to investing 15% of commitments in Portugal. Dunedin Enterprise's investment is held via Dunedin Fund of Funds LP.

The fund invests in companies with leading market positions and attractive growth prospects either through organic growth or through merger & acquisition activity. Realza seeks to invest in companies with an enterprise value normally ranging from €20m to €100m. The fund's typical equity investment ranges from €10m to €25m.

- a producer of premium tomatoes; and
- a producer of cannabis for medicinal and pharmaceutical use.



| | |
|---------------------------|-------|
| Percentage of equity held | 5.2% |
| Cost of Investment | £2.0m |
| Directors' valuation | £3.2m |
| Percentage of net assets | 9.2% |

FRA

FRA is an international consultancy that provides forensic accounting, data analytics and e-discovery expertise, helping businesses respond to regulatory investigations in an increasingly regulated global environment.

FRA works on some of the largest and most complex regulatory investigations globally. Its clients are typically blue-chip multinational corporates seeking advice to help navigate regulatory scrutiny, effect compliant cross-border data transfer, and manage risk. The company has offices in London, Dubai, Dallas, New York, Washington DC, Paris, Zurich, Stockholm and Seoul. It also runs data centres near each office location as well as in Montreal.



| | |
|---------------------------|-------|
| Percentage of equity held | 1.5% |
| Cost of Investment | £2.0m |
| Directors' valuation | £-m |
| Percentage of net assets | -% |

Thredd

Thredd is a UK headquartered payments processing business providing customers with leading edge payment processing and ancillary services. Customers include new emerging fintech or challenger banks, offering a significantly differentiated proposition for their clients; as well as specialist payment firms serving the travel, insurance and foreign exchange markets. It offers a best in class, scalable payment processing platform with flexibility, innovative features and an accelerated speed to market for new market entrants. It has over 100 clients, including many UK fintech and challenger banks, and is seeing significant growth opportunities from emerging overseas challenger banks as they seek to disrupt their own domestic banking markets.

Statement of Comprehensive Income

for the six months ended 30 June 2024

| | | Six months ended 30 June 2024 (unaudited) | | |
|---|------|--|------------------|----------------|
| | Note | Revenue £'000 | Capital £'000 | Total £'000 |
| Investment income | 3 | 628 | – | 628 |
| Gain on investments | | – | 287 | 287 |
| Total Income | | 628 | 287 | 915 |
| Expenses | | | | |
| Investment management fees | | (19) | (57) | (76) |
| Other expenses | | (134) | – | (134) |
| Profit before finance costs and tax | | 475 | 230 | 705 |
| Finance costs | | – | – | – |
| Profit before tax | | 475 | 230 | 705 |
| Taxation | | – | – | – |
| Profit for the period | | 475 | 230 | 705 |
| Earnings per ordinary share (basic & diluted) | 6 | 8.63p | 4.18p | 12.81p |

The Total column of this statement represents the Statement of Comprehensive Income of the Company, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies.

All income is attributable to the equity shareholders of Dunedin Enterprise Investment Trust PLC.

| Six months ended 30 June 2023 (unaudited) | | | Year ended 31 December 2023 (audited) | | |
|--|------------------|----------------|--|------------------|----------------|
| Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 |
| 171 | – | 171 | 629 | – | 629 |
| – | 430 | 430 | – | 1,052 | 1,052 |
| 171 | 430 | 601 | 629 | 1,052 | 1,681 |
| (7) | (22) | (29) | (13) | (40) | (53) |
| (172) | (11) | (183) | (370) | (10) | (380) |
| (8) | 397 | 389 | 246 | 1,002 | 1,248 |
| – | – | – | – | – | – |
| (8) | 397 | 389 | 246 | 1,002 | 1,248 |
| – | – | – | (77) | 77 | – |
| (8) | 397 | 389 | 169 | 1,079 | 1,248 |
| (0.14)p | 7.20p | 7.06p | 3.08p | 19.59p | 22.67p |

Statement of Changes in Equity for the six months ended 30 June 2024

Six months ended 30 June 2024 (unaudited)

| | Share capital £'000 | Capital redemption reserve £'000 |
|------------------------------|---------------------------|---|
| At 31 December 2023 | 1,376 | 3,149 |
| Profit/(loss) for the period | – | – |
| Dividends paid | – | – |
| At 30 June 2024 | 1,376 | 3,149 |

Six months ended 30 June 2023 (unaudited)

| | Share capital £'000 | Capital redemption reserve £'000 |
|------------------------------|---------------------------|---|
| At 31 December 2022 | 1,376 | 3,149 |
| Profit/(loss) for the period | – | – |
| Dividends paid | – | – |
| At 30 June 2023 | 1,376 | 3,149 |

Year ended 31 December 2023 (audited)

| | Share capital £'000 | Capital redemption reserve £'000 |
|----------------------------|---------------------------|---|
| At 31 December 2022 | 1,376 | 3,149 |
| Profit/(loss) for the year | – | – |
| Dividends paid | – | – |
| At 31 December 2023 | 1,376 | 3,149 |

| Capital reserve – realised £'000 | Capital reserve – unrealised £'000 | Special distributable reserve £'000 | Revenue account £'000 | Total retained earnings £'000 | Total equity £'000 |
|---|---|--|-----------------------------|--|--------------------------|
| 25,522 | (8,706) | 9,584 | 3,465 | 29,865 | 34,390 |
| (119) | 348 | – | 475 | 704 | 704 |
| – | – | – | (550) | (550) | (550) |
| 25,403 | (8,358) | 9,584 | 3,390 | 30,019 | 34,544 |

| Capital reserve – realised £'000 | Capital reserve – unrealised £'000 | Special distributable reserve £'000 | Revenue account £'000 | Total retained earnings £'000 | Total equity £'000 |
|---|---|--|-----------------------------|--|--------------------------|
| 33,947 | (18,220) | 9,594 | 4,672 | 29,993 | 34,518 |
| 548 | (142) | (10) | (8) | 388 | 388 |
| – | – | – | (1,376) | (1,376) | (1,376) |
| 34,495 | (18,362) | 9,584 | 3,288 | 29,005 | 33,530 |

| Capital reserve – realised £'000 | Capital reserve – unrealised £'000 | Special distributable reserve £'000 | Revenue account £'000 | Total retained earnings £'000 | Total equity £'000 |
|---|---|--|-----------------------------|--|--------------------------|
| 33,947 | (18,220) | 9,594 | 4,672 | 29,993 | 34,518 |
| (8,425) | 9,514 | (10) | 169 | 1,248 | 1,248 |
| – | – | – | (1,376) | (1,376) | (1,376) |
| 25,522 | (8,706) | 9,584 | 3,465 | 29,865 | 34,390 |

Balance Sheet

As at 30 June 2024

| | Note | 30 June 2024 (unaudited) £'000 | 30 June 2023 (unaudited) £'000 | 31 December 2023 (audited) £'000 |
|--|------|---|---|---|
| Non-current assets | | | | |
| Investments held at fair value through profit or loss | 5 | 28,586 | 18,194 | 24,685 |
| Current assets | | | | |
| Other receivables | | 606 | 5,205 | 445 |
| Cash and cash equivalents | | 5,373 | 10,152 | 9,331 |
| | | 5,979 | 15,357 | 9,776 |
| Total assets | | 34,565 | 33,551 | 34,461 |
| Current liabilities | | | | |
| Other liabilities | | (21) | (21) | (71) |
| Net assets | | 34,544 | 33,530 | 34,390 |
| Equity attributable to equity holders | | | | |
| Share capital | | 1,376 | 1,376 | 1,376 |
| Capital redemption reserve | | 3,149 | 3,149 | 3,149 |
| Capital reserve – realised | | 25,403 | 34,495 | 25,522 |
| Capital reserve – unrealised | | (8,358) | (18,362) | (8,706) |
| Special distributable reserve | | 9,584 | 9,584 | 9,584 |
| Revenue reserve | | 3,390 | 3,287 | 3,465 |
| Total equity | | 34,544 | 33,530 | 34,390 |
| Net asset value per ordinary share (basic and diluted) | | 627.6p | 609.2p | 624.8p |

Cash Flow Statement

for the six months ended 30 June 2024

| | 30 June 2024 (unaudited) £'000 | 30 June 2023 (unaudited) £'000 | 31 December 2023 (audited) £'000 |
|--|---|---|---|
| Operating activities | | | |
| Profit before tax | 705 | 389 | 1,248 |
| Adjustments for: | | | |
| (Gains) on investments | (287) | (430) | (1,052) |
| (Increase)/decrease in debtors | (162) | 804 | 909 |
| (Decrease) in creditors | (50) | (102) | (50) |
| Net cash inflow/(outflow) from operating activities | 206 | 661 | 1,055 |
| Investing activities | | | |
| Purchase of investments | (686) | (177) | (340) |
| Drawdown from subsidiary | – | (24) | (347) |
| Purchase of 'AAA' rated money market funds | (2,968) | (123) | (15,848) |
| Sale of investments | 40 | 113 | 15,109 |
| Sale of 'AAA' rated money market funds | – | 10,300 | 10,300 |
| Net cash inflows from investing activities | (3,614) | 10,089 | 8,874 |
| Financing activities | | | |
| Dividends paid | (550) | (1,376) | (1,376) |
| Net cash outflows from financing activities | (550) | (1,376) | (1,376) |
| Net (decrease)/increase in cash and cash equivalents | (3,958) | 9,374 | 8,553 |
| Cash and cash equivalents at the start of period | 9,331 | 778 | 778 |
| Cash and cash equivalents at the end of period | 5,373 | 10,152 | 9,331 |

Statement of Principal Risks and Uncertainties

The Directors have an ongoing process for identifying, evaluating and managing principal risks, emerging risks and uncertainties of the Company. The principal risks faced by the Company related to the Company's investment activities and these are set out below:-

- war in Ukraine and the Middle East
- investment and liquidity risk
- portfolio concentration risk
- financial risk
- economic risk
- credit risk
- currency risk
- internal control risk

Information on each of these risks, and an explanation of how they are managed, is on page 13 of the Company's Annual Report for the year ended 31 December 2023.

The Company's principal risks, emerging risks and uncertainties have not changed materially since the date of the Annual Report and are not expected to change materially for the remaining six months of the Company's financial year.

On behalf of the Board
Duncan Budge
Chairman

Statement of Directors' Responsibilities in respect of the half-yearly financial report

In accordance with Chapter 4 of the Disclosure Guidance and Transparency Rules, the Directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with applicable International Financial Reporting Standards, and gives a true and fair view of the assets, liabilities, financial position and net return of the Company;
- the half-yearly report includes a fair review of the development and performance of the Company and important events that have occurred during the first six months of the financial year and their impact on the financial statements;

- the Directors' Statement of Principal Risks and Uncertainties shown on page 14 is a fair review of the principal risks and uncertainties for the remainder of the financial year; and
- the half-yearly report includes a fair review of the related party transactions that have taken place in the first six months of the financial year.

On behalf of the Board
Duncan Budge
Chairman

Notes to the Accounts

1. Unaudited Interim Report

The comparative financial information contained in this report for the year ended 31 December 2023 does not constitute the Company's statutory accounts but is derived from those accounts. Statutory accounts for the year ended 31 December 2023 have been delivered to the Registrar of Companies. The auditor has reported on those accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The financial statements for the six months ended 30 June 2023 and 30 June 2024 have not been audited.

2. Basis of Preparation

These condensed set of financial statements for the six months ended 30 June 2024 have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority (FCA) and IAS 34 'Interim Financial Reporting'. They do not include all the information required by International Financial Reporting Standards (IFRS) in full annual financial statements and should be read in conjunction with the Annual Report and Accounts for the year ended 31 December 2023.

In May 2016 shareholders approved a change in the investment policy of the Company. The Company's investment objective is to conduct an orderly realisation of its relatively illiquid assets, to be effected in a manner that seeks to achieve a balance between maximising the value of its assets and progressively returning cash to shareholders. As it is likely this process will ultimately lead to the liquidation of the Company, these financial statements have not been prepared on a going concern basis. No adjustments were necessary to the investment valuations or other assets and liabilities included in the financial statement as a consequence of the change in the basis of preparation.

3. Income

| | Six months to 30 June 2024 £'000 | Six months to 30 June 2023 £'000 | Year to 31 December 2023 £'000 |
|------------------------------|---|---|---|
| AAA rated money market funds | 493 | 123 | 279 |
| Deposit interest | 135 | 48 | 350 |
| | 628 | 171 | 629 |

4. Dividends

| | Six months to 30 June 2024 £'000 | Six months to 30 June 2023 £'000 | Year to 31 December 2023 £'000 |
|------------------------------|---|---|---|
| Dividends paid in the period | 550 | 1,376 | 1,376 |

5. Investments

All investments are designated fair value through profit or loss at initial recognition, therefore all gains and losses that arise on investments are designated at fair value through profit or loss. Given the nature of the Company's investments the fair value gains recognised in these financial statements are not considered to be readily convertible to cash in full at the balance sheet date and therefore the movement in these fair values are treated as unrealised.

Fair value hierarchy

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- **Level 1:** Quoted market price (unadjusted) in an active market for an identical instrument.
- **Level 2:** Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or 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 observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

| | At 30 June 2024 £'000 | At 30 June 2023 £'000 | At 31 December 2023 £'000 |
|--------------------------------------|-----------------------------|-----------------------------|---------------------------------|
| Level 1 | | | |
| 'AAA' rated money market funds OEICS | 20,135 | 1,442 | 17,167 |
| Level 2 | – | – | – |
| Level 3 | | | |
| Unlisted investments | 8,451 | 16,752 | 7,518 |
| | 28,586 | 18,194 | 24,685 |

The Company recognises transfers between the levels of the fair value hierarchy as of the end of the reporting period during which the transfer occurred. There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the six months ended 30 June 2024.

Level 3 fair values

Details of the determination of Level 3 fair value measurements and the movements in Level 3 fair values during the six months ended 30 June 2024 are set out below:-

| | Level 3 £'000 |
|-------------------------------------|--------------------------|
| Book cost at 31 December 2023 | 16,225 |
| Unrealised depreciation | (8,707) |
| Valuation at 31 December 2023 | 7,518 |
| Purchases at cost | 686 |
| Sales – proceeds | (40) |
| Sales – realised gain on sales | (61) |
| Decrease in unrealised appreciation | 348 |
| Valuation at 30 June 2024 | 8,451 |
| Book cost at 30 June 2024 | 16,809 |
| Closing unrealised appreciation | (8,358) |

Details of the determination of Level 3 fair value measurements and the movements in Level 3 fair values during the six months ended 30 June 2023 are set out below:-

| | Level 3 £'000 |
|-------------------------------------|--------------------------|
| Book cost at 31 December 2022 | 35,088 |
| Unrealised depreciation | (18,220) |
| Valuation at 31 December 2022 | 16,868 |
| Purchases at cost | 201 |
| Sales – proceeds | (113) |
| Sales – realised gain on sales | (63) |
| Decrease in unrealised appreciation | (141) |
| Valuation at 30 June 2023 | 16,752 |
| Book cost at 30 June 2023 | 35,113 |
| Closing unrealised appreciation | (18,361) |

Details of the determination of Level 3 fair value measurements and the movements in Level 3 fair values during the year ended 31 December 2023 are set out below:-

| | Level 3 £'000 |
|-------------------------------------|--------------------------|
| Book cost at 31 December 2022 | 35,088 |
| Unrealised depreciation | (18,220) |
| Valuation at 31 December 2022 | 16,868 |
| Purchases at cost | 687 |
| Sales – proceeds | (10,519) |
| Sales – realised gain on sales | (9,032) |
| Decrease in unrealised appreciation | 9,514 |
| Valuation at 31 December 2023 | 7,518 |
| Book cost at 31 December 2023 | 16,225 |
| Closing unrealised depreciation | (8,707) |

Valuation of investments

Unquoted investments are fair valued by the Directors in accordance with the following rules, which are consistent with the International Private Equity and Venture Capital Valuation Guidelines:

- Investments are only valued at cost for a limited period after the date of acquisition, otherwise investments are valued on one of the other basis detailed below. Generally, the earnings multiple basis of valuation will be used.
- When valuing on an earnings basis, the maintainable earnings of a company are multiplied by an appropriate multiple.
- When valuing on a revenue basis, the maintainable revenue of a company is multiplied by an appropriate multiple.
- An investment may be valued by reference to the value of its net assets. This is appropriate for businesses whose value derives mainly from the underlying value of its assets rather than its earnings.
- When investments have obtained an exit (either by listing or trade sale) after the valuation date but before finalisation of the relevant accounts (interim or final), the valuation is based on the exit valuation.
- Accrued interest on loans to portfolio companies is included in valuations where there is an expectation that the interest will be received.

IFRS 13 requires disclosure, by class of financial instrument, if the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. The information used in determination of the fair value of Level 3 investments is chosen with reference to the specific underlying circumstances and position of the investee company. On that basis the Board believe that the impact of changing one or more of the inputs to reasonably possible alternative assumptions would not change the fair value significantly.

The Directors consider the carrying value of financial instruments in the financial statements to represent their fair value.

6. Earnings per share

| | Six months to 30 June 2024 | Six months to 30 June 2023 | Year to 31 December 2023 |
|---------------------------------------|----------------------------------|----------------------------------|--------------------------------|
| Revenue return per ordinary share (p) | 8.63 | (0.14) | 3.08 |
| Capital return per ordinary share (p) | 4.18 | 7.20 | 19.59 |
| Earnings per ordinary share (p) | 12.81 | 7.06 | 22.67 |
| Weighted average number of shares | 5,504,274 | 5,504,274 | 5,504,274 |

The earnings per share figures are based on the weighted average numbers of shares set out above. Earnings per share is based on the revenue profit in the period as shown in the consolidated income statement.

7. Related party transactions

There have been no material changes to the related party transactions described in the last annual report.

Information for Investors

Dunedin Enterprise is managed by Dunedin. Dunedin is authorised and regulated by the Financial Conduct Authority. All enquiries in relation to Dunedin Enterprise should be directed to Dunedin at Easter Dalry House, 3 Distillery Lane, Edinburgh, EH11 2BD or info@dunedinenterprise.com.

The Company's share price is available on the Company website www.dunedinenterprise.com.

Investors can buy and sell shares in an investment trust directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. An investment trust should be considered only as part of a balanced portfolio.

Registrar

Equiniti
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Telephone: 0371 384 2440
International: +44 121 415 7047
Website: www.shareview.co.uk

Glossary of Terms and Definitions and Alternative Performance Measures

Buy-out fund

A fund which acquires stakes in established unquoted companies.

Commitment

The amount committed by the Company to a fund investment, whether or not such amount has been advanced in whole or in part by or repaid in whole or in part to the Company.

Distribution

A return that an investor in a private equity fund receives.

Draw down

A portion of a commitment which is called to pay for an investment.

EBITDA

Earnings before interest expense, taxes, depreciation and amortisation.

Enterprise value

The value of the financial instruments representing ownership interests in a company plus the net financial debt of the company.

Net Asset Value ("NAV") per Ordinary Share

The value of the Company's assets and cash held less any liabilities for which the Company is responsible divided by the number of shares in issue.

NAV Total Return

The NAV total return is calculated by adding dividends and capital returned in the period to the increase or decrease in the net asset value. The dividends or capital returned are assumed to be re-invested in the quarter that the dividend or capital return is paid.

Ongoing Charges

Management fees and all other recurring operating expenses that are payable by the Company excluding the costs of purchasing and selling investments, finance costs, taxation, non-recurring costs and costs of returning capital to shareholders, expressed as a percentage of the average net asset value during the period.

Premium/Discount

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

Secondary transaction

The purchase or sale of an investment and its undrawn commitment (if any) to a fund or collection of fund interests in the market.

Share buy-back transaction

The repurchase by the Company of its own shares which will reduce the number of shares on the market.

Share price total return

The share price total return is calculated by adding dividends and capital returned in the period to the increase or decrease in the share price. The dividends or capital returned are assumed to be re-invested on the day the share price goes ex-dividend.

Financial Calendar

Announcements, regular dividend payments and the issue of the annual and half year reports may normally be expected in the months shown below:

March

Preliminary figures and recommended dividend for the year announced.

April

Annual Report and Accounts published.

May

Annual General Meeting and dividend paid.

September

Half year report published.

Corporate Information

Directors

Duncan Budge, Chairman
Brian Finlayson
Angela Lane, Senior Independent Director

Manager and Secretary

Dunedin LLP
(Authorised and Regulated by the Financial Conduct Authority)

Registered Office

Easter Dalry House
3 Distillery Lane
Edinburgh EH11 2BD
Registered No. 52844 Scotland
Email: info@dunedinenterprise.com
Website: www.dunedinenterprise.com

Broker

Singer Capital Markets Advisory LLP
One Bartholomew Lane
London EC2N 2AX

Registrar

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Telephone: 0371 384 2440

Easter Dalry House
3 Distillery Lane
Edinburgh
EH11 2BD

www.dunedinenterprise.com