RIVER UK MICRO CAP LIMITED

HALF-YEARLY FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 MARCH 2025

THE COMPANY AT A GLANCE

Purpose
River UK Micro Cap Limited (the "Company") is a closed-ended investment company. Its purpose is to deliver high and sustainable returns to investors by delivering the investment objective detailed below.

Investment objective
The Company aims to achieve long term capital growth from investment in a diversified portfolio of UK micro-cap companies, typically comprising companies with a free float market capitalisation of less than £100 million at the time of purchase.

Investment strategy and policy
The Company's investment strategy is to take advantage of the illiquidity risk premium inherent in UK micro-cap companies and exploit fully the underlying investment opportunities in that area of the market to deliver high and sustainable returns to Shareholders, in the form of capital gains. It is expected that the majority of the Company's investible universe will comprise companies whose securities are admitted to trading on the Alternative Investment Market of the London Stock Exchange. While it is intended that the Company will be fully invested in normal market conditions, the Company may hold cash or similar instruments.

About the Alternative Investment Fund Manager ("AIFM")
The AIFM of the Company, for the purposes of the AIFM Directive, is Carne Global AIFM Solutions (C.I.) Limited ("Carne" or the "AIFM") which is authorised and regulated by the Jersey Financial Services Commission. The AIFM provides an oversight and risk management function but delegates portfolio management to River Global Investors LLP. The AIFM is independent and has no legal ownership connection with River Global Investors LLP.

About River Global Investors LLP (the "Portfolio Manager")
The Portfolio Manager is an active equity manager, specialising in UK and global equity strategies since its launch in 2006. Since 2014, it has been part of the River Global Group (the "Group"). The Group is a subsidiary of River Global PLC. The Portfolio Manager is authorised and regulated by the Financial Conduct Authority.

George Ensor, the appointed fund manager, has been responsible for the Company's portfolio since February 2018. Refer to page 16 for George's biography.

Capital redemptions and dividend policy
The Company is committed to achieving long term capital growth and, where possible, returning such growth to Shareholders throughout the life of the Company. Furthermore, the Board believes that a Net Asset Value ("NAV") in the region of £100 million will best position the Company to maximise returns from a portfolio of micro-cap companies. Accordingly, the Directors operate a Capital Redemption Mechanism under which a portion of the Company's share capital is redeemed compulsorily at the discretion of the Company, to return the NAV back to around £100 million in order to:

- enable the Company to exploit fully the underlying investment opportunity and to deliver high and sustainable returns to Shareholders, principally in the form of capital gains;
- enable portfolio holdings to have a meaningful impact on the Company's performance, which might otherwise be marginal within the context of a larger fund; and
- ensure that the Company can continually take advantage of the illiquidity risk premium inherent in micro-cap companies.

The Company does not expect to pay dividends.

Management of your Company
The Board of the Company comprises a majority of independent non-executive Directors with extensive knowledge of investment matters, the regulatory and legal framework within which the Company operates, as well as the various roles played by investment companies in Shareholders' portfolios. The Board provides oversight of the Company's activities and ensures that the appropriate financial resources and controls are in place to deliver the investment strategy and manage the risks associated with such activities. The Board actively supervises both the AIFM and the Portfolio Manager in the performance of their respective functions.

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FINANCIAL HIGHLIGHTS AND PERFORMANCE SUMMARY

Key Performance Indicators

Performance for the six months ended 31 March 2025
During the six months ended 31 March 2025, the NAV total return of the Company outperformed the Numis Smaller Companies plus Alternative Investment Market ("AIM") (excluding Investment Companies) Index (the "Comparative Index") by 5.03% (31 March 2024: 0.22%), delivering a NAV total return of (2.38)% (31 March 2024: 6.23%), compared to (7.41)% (31 March 2024: 6.01%) posted by the Comparative Index.

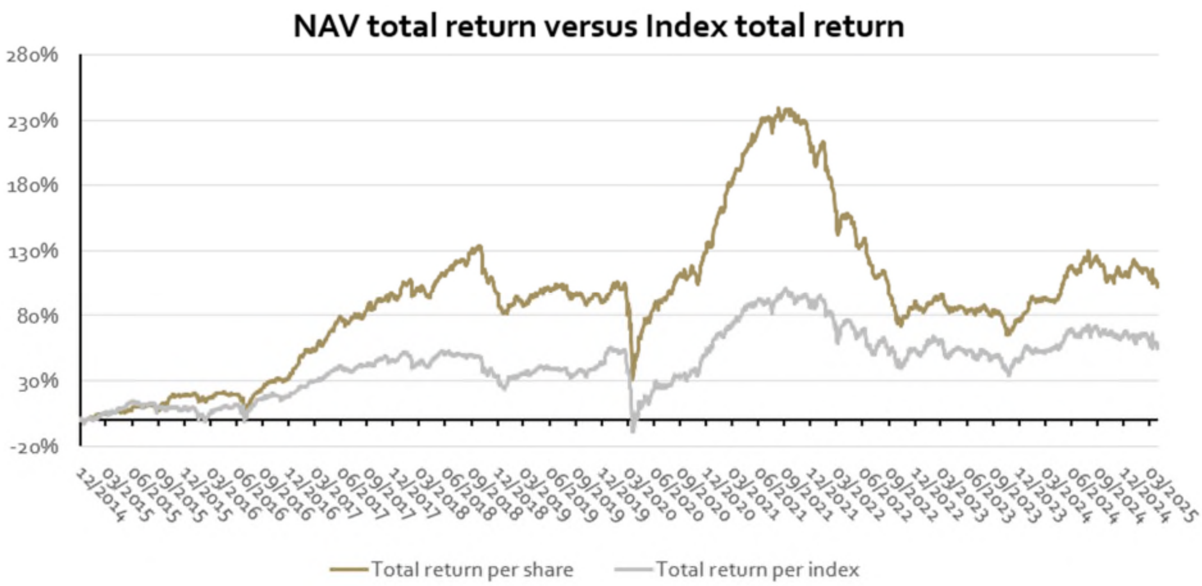
NAV and Share price

	As at 31 March 2025	As at 30 September 2024
NAV per Ordinary Share[1]	£1.9864	£2.0348
Ordinary Share price (bid price)[2]	£1.6400	£1.7400
Share price discount to NAV[3]	(17.44)%	(14.49)%

Period highs and lows

	Six months ended 31 March 2025 High	Six months ended 31 March 2025 Low	Year ended 30 September 2024 High	Year ended 30 September 2024 Low
NAV per Ordinary Share[1]	£2.1845	£1.9864	£2.2494	£1.6185
Ordinary Share price (bid price)[2]	£1.7500	£1.6400	£1.8200	£1.3100

Performance since inception
NAV total return[4] from inception (net of all fees) was 7.08% (31 March 2024: 7.25%) on an annualised basis, outperforming the Comparative Index total return[5] of 4.33% (31 March 2024: 4.85%). Refer to the chart below showing the NAV total return versus the Comparative Index from inception:



Capital redemptions
Since inception to 31 March 2025, the Company has exercised its Capital Redemption Mechanism on five separate occasions, as detailed below, redeeming a total of 34,609,615 Ordinary Shares and returning a total of £76,924,351 to Shareholders.

Redemption Date	Redemption price per Ordinary Share[6]	Number of Ordinary Shares Redeemed	Amount returned to Shareholders
9 June 2017	£1.7217	8,712,240	£14,999,864
1 December 2017	£1.9124	7,843,469	£14,999,850
27 July 2018	£2.1659	5,506,817	£11,927,215
29 January 2021	£2.5335	5,921,631	£15,002,452
7 May 2021	£3.0179	6,625,458	£19,994,970

Refer to note 8 for full details of the Company's redemption mechanism, including the conditions required for the Company to be able to operate the Capital redemption mechanism.

[1] –The NAV per Ordinary Share is the value of all the Company's assets, less any liabilities it has, divided by the total number of Ordinary Shares.
[2] – Source: Bloomberg.
[3] – As the Company's Ordinary Shares are traded on the London Stock Exchange's Main Market, the share price may be higher or lower than the NAV. The Company's discount / premium to NAV is the difference between the Ordinary Share price (bid price) and the NAV per Ordinary Share on the same day. This comparison is expressed as a percentage.
[4] – The NAV total return measures how the NAV per Ordinary Share has performed on an annualised basis from the initial issuance of Ordinary Shares to 31 March 2025, taking into account capital returns. The Board monitors the Company's NAV total return against the Numis Smaller Companies plus AIM (excluding Investment Companies Index).
[5] – Source: Numis Securities Limited.
[6] – Excludes the cost of each redemption, amounting to a total of £33,008 across all redemptions.

CHAIR'S STATEMENT

Six months on from reporting that we could see some light at the end of the tunnel for this persistent market down-cycle, we have suffered from further depressed valuations and an extension of negative sentiment.

This is a frustrating report to write to you but, as you read this, the mini slump in performance that happened over this six-month reporting period has resolved itself and there are tentative signs that we are at the start of another growth cycle.

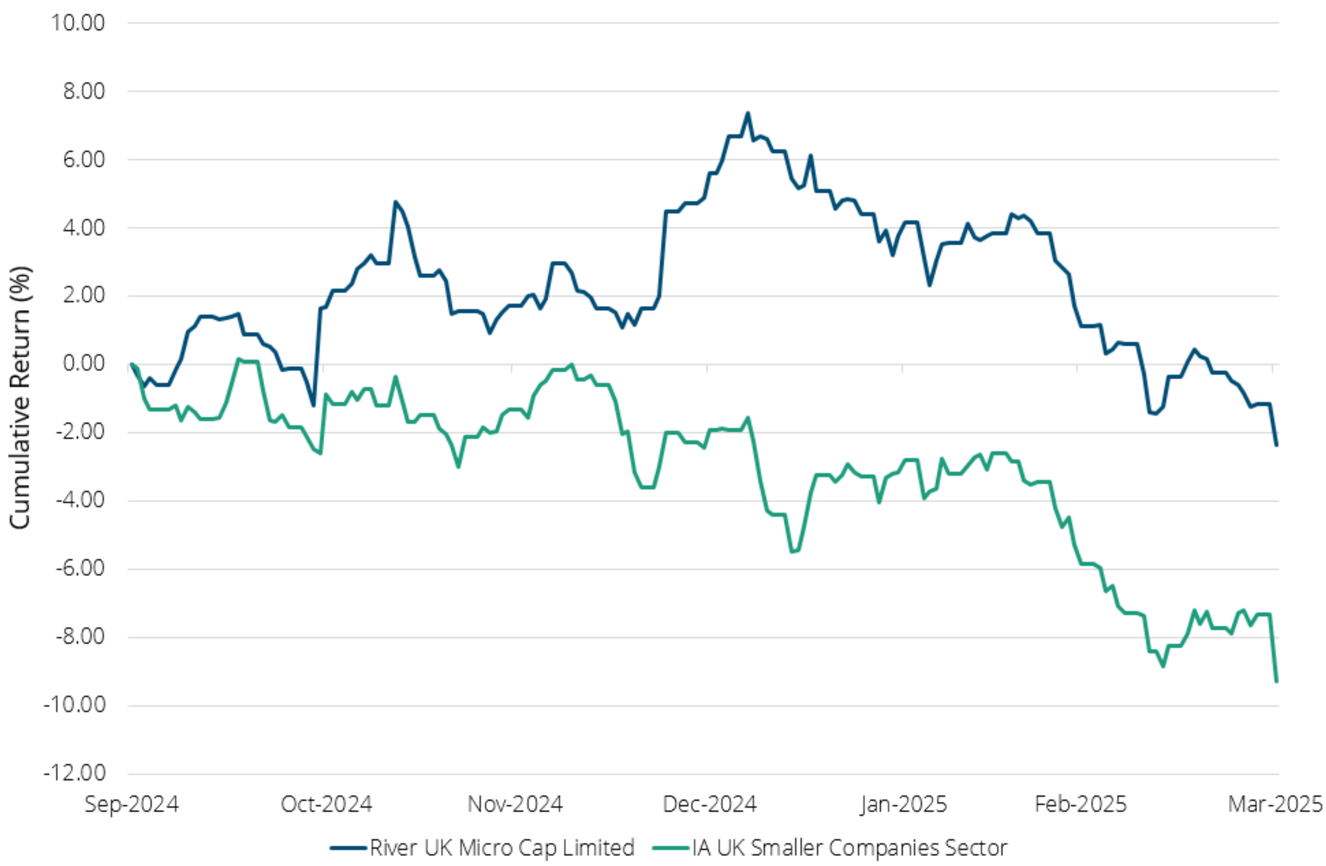
We have also been listening closely to shareholders, including firms like Saba Capital, who are keen to see wider reform in the sector including more activity in closing discounts.

During the period, we have been very active courting existing shareholders and attracting new ones, marketing our exciting growth story.

What is that story? In a nutshell, we as a Board - and our portfolio manager - believe there is amazing potential in the companies we have invested in, and they are now almost embarrassingly undervalued.

Fundamentally, these are excellent companies, with all the hallmarks of the high-growth characteristics we would expect of the UK's most exciting small businesses.

River UK Micro Cap Limited – Performance of the reporting period



Source: Morningstar Direct

Yet, UK small-cap firms have remained out of favour in the market, instead being overshadowed by the US large-cap/tech firms that have relentlessly drawn the world's capital towards them.

More recently, we have been buffeted by further market uncertainty with the incoming US administration playing fast and loose with world economies and certainly delaying the recovery we were expecting to gather pace at the beginning of this year.

And in this maelstrom of global uncertainty, I believe that the market we represent and provide unique access to – that of the UK's smallest and most promising, listed companies – is set to benefit strongly, as US markets lose their appeal and capital comes flowing back to these shores.

When we look at the small-cap growth-cycle, we have waited longer for this next up-tick than ever before in our Company's 10-year history but expect it to be stronger as a result.

Here's why we believe that to be true. The UK market as a whole has had depressed valuations, particularly lately, and we expect that to improve as the lustre of US markets lose their appeal. Furthermore, small-caps and AIM stocks in particular, have seen super-depressed valuations, completely out of kilter with their financial performance. The London listing option is coming back strongly as the US markets look fraught with risk.

Thirdly, the Company itself has been trading at a significant discount (in the higher teens) during this period and as the share price starts to rise, we expect this discount to close.

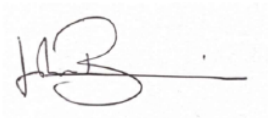
In summary, we are working tirelessly to achieve three things:

1. To provide the manager with the support he needs to continue to manage a portfolio of exceptional companies, to achieve their growth potential and maximise their true market value. Our primary objective is to deliver the next capital payout to investors as soon as we can.

2. Market the Company to the investors in the consumer and institutional sectors to explain what an important part of the market we represent and why we expect a significant increase in value.

3. Managing the Company's discount. We are aiming for a gradual reduction of the discount and are considering several methods to deliver this reduction.

Lastly, we need to remind ourselves that the Company provides access to a key part of an investor's portfolio. Other competitive investment companies also offering access to this market have now withdrawn, meaning that we provide a unique offering to investors. That of high growth-potential smaller companies and these companies are currently significantly undervalued. It's a great time to buy now, buy low and benefit from our next and 6th capital redemption as the UK small-cap market starts to reflect its true value.



John Blowers
Chair
12 June 2025

PORTFOLIO MANAGER'S REPORT

Executive Summary

- Trump's global tariff war has driven heightened volatility. It is important to reappraise investment risk and opportunities in this new environment.
- We have increased conviction that the period of exceptional returns from US equities is over, a potential watershed moment for rest-of-world equities.
- UK smaller companies have experienced a massive relative de-rating over the last five years and trade at or close to trough earnings multiples, presenting attractive risk/reward.
- The Company's NAV fell by 2.4% since the end of September 2024, outperforming the Comparative Index by 5.0%. NAV has outperformed by 5.9% over the last 12-months.
- We made two new Recovery investments in the period:
    - Tracsis, a digital transformation business for UK and US rail operators.
    - Sylvania Platinum, a low-cost producer of platinum group metals via the processing of Chrome tailings.

Market Backdrop

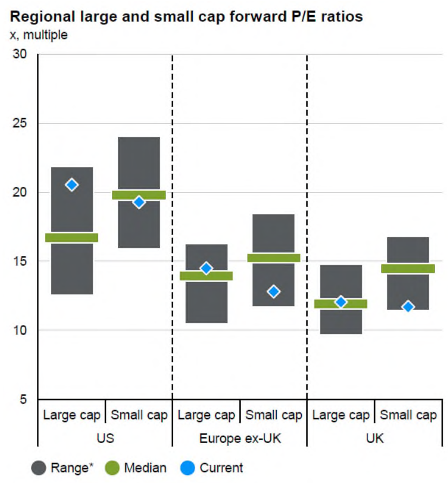
It seems likely that markets have entered a period of greater uncertainty and higher volatility. Whilst recognising that there are many unknowns, it is important for us to reappraise the risks and opportunities within our fund and investment universe. In an investment universe where price discovery is skewed by the weight of passive investing, there are likely to be great opportunities to benefit from the current uncertainty. Our strength in combining a robust process with a strong fundamental investment philosophy should place us at an advantage.

As things stand – which is a caveat that we unfortunately need to rely on – the greatest direct impact from the global tariff trade war within our investable universe is through companies that source products globally which they sell into the US and/or companies which have a significant revenue exposure to the US. The exposure in the Company to the former is low at approximately 0.7%[1] of look-through revenues. In this regard, the UK and UK smaller companies in particular are relative safe havens. There are a myriad of potential second order effects such as credit events, the risk of excess global inventory, slowing global growth and declining investment and consumer confidence.

It is possible that the valuation dispersion between high and low return on capital businesses and businesses with resilient versus cyclical end-market demand continues to expand. Equity risk premia have rightly expanded and we need to be even more cautious than usual on the combination of operational and financial leverage which can result in equity dilution.

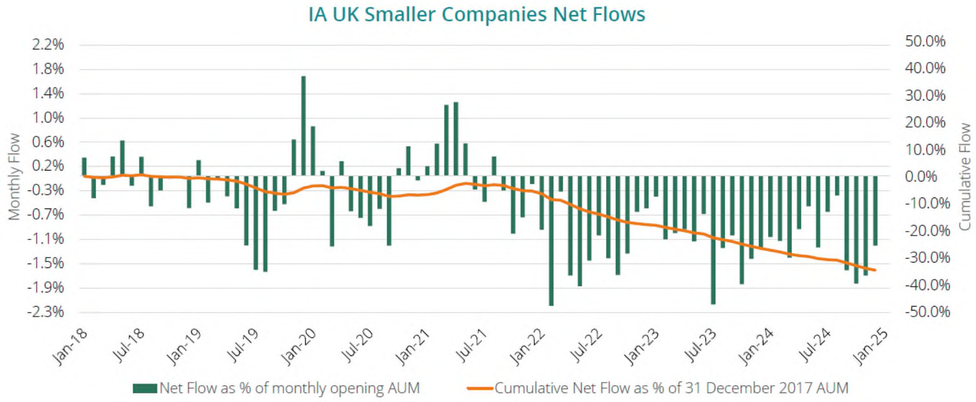
The gulf in sentiment towards US listed large caps and UK small caps has rarely been wider, as demonstrated in the chart below from J.P. Morgan which shows price-to-earnings multiples relative to history for different geographies. The consensus sentiment around US exceptionalism through late last year is likely to go down as a 'this time is different' top of the cycle moment.

[1] *River Global, Company Reports, 15 April 2025.*



Source: J.P. Morgan Asset Management, Guide to the Markets, UK Q2 25, 31 March 2025.

We believe that the outperformance of US equities versus rest-of-world equities is over and – given the massive challenge to flows that this has driven – this is potentially a watershed moment for our investment opportunity. The chart below illustrates the consistent outflows from the open-ended UK Smaller Companies peer group which shows that the industry has experienced outflows of 33% since January 2018 and 25% of starting assets since September 2021.



Source: The IA, River Global Investors LLP, data to 31 December 2024.

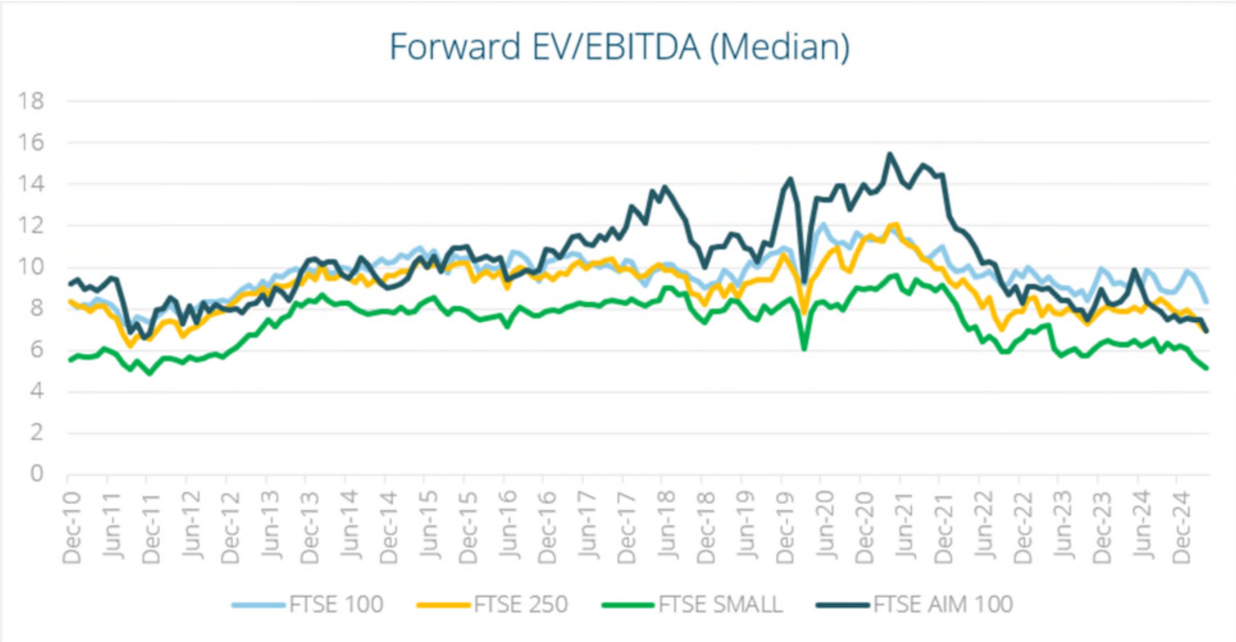
The table on the following page, which shows local currency equity performance of US and UK large and small caps for the three and five years to the close on 8 April 2025, illustrates the extent to which US equities have outperformed UK equities and large caps have outperformed small. You will struggle to find a period of time in the last 35 years in which UK smaller companies have underperformed by a greater margin[2].

[2] *The sole period of greater relative underperformance of UK small caps to UK large caps was the late 90s cycle (June 1994 to Jan 1999).*

Index	Total Return – 3 years	Total Return – 5 years
S&P 500 (in USD)	24.0%	95.5%
FTSE 100 (in GBP)	22.7%	66.4%
Russell 2000 (in USD)	-7.8%	57.7%
Numis Small Cap + AIM ex ITs (in GBP)	-16.5%	33.3%

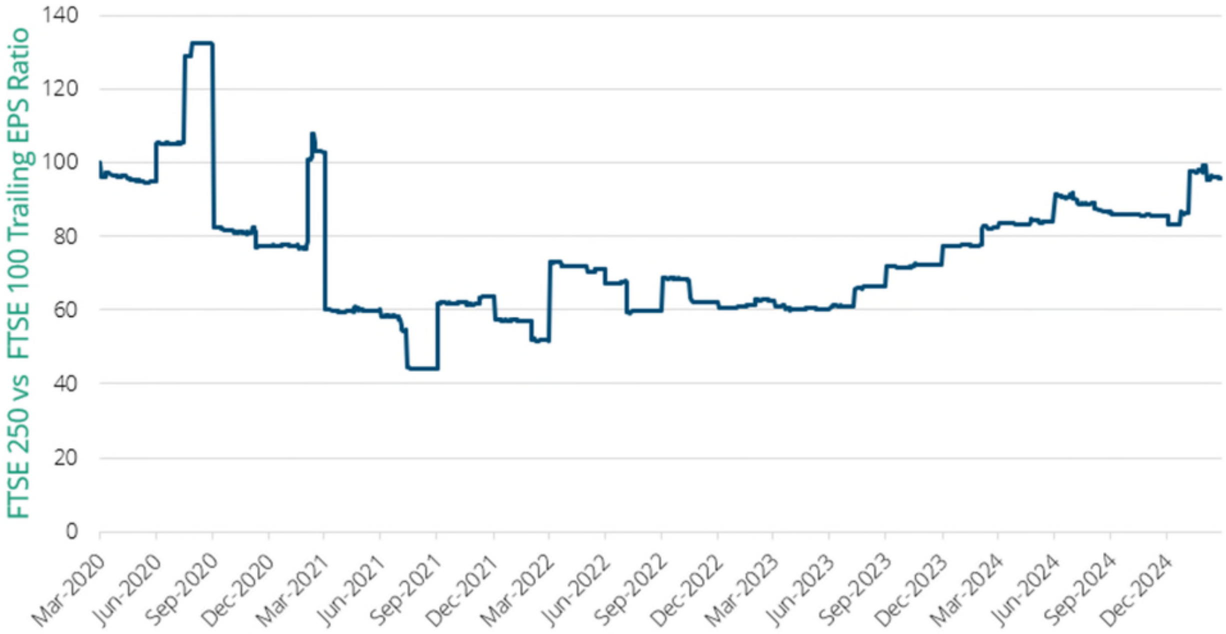
Source: Bloomberg LP, River Global Investors LLP, data to 8 April 2025.

Equity performance is a function of earnings and the multiple the market puts on those earnings. The chart below not only shows the absolute de-rating of UK Smaller Companies (AIM All Share and FTSE Small Cap) but the relative de-rating of small versus large. Whilst conceding that forecast earnings do not yet reflect the impact of tariffs, both the FTSE Small and AIM 100 indices are trading at or close to trough multiples.



Source: Bloomberg LP, River Global Investors LLP, data to 8 April 2025.

What has happened to earnings within the UK market? Unfortunately, we do not have data for the Comparative Index, but, using FTSE 250 earnings as a proxy, we can see that there was a period of relative earnings underperformance (shown on the chart below as a decline in the trailing earnings per share of the FTSE 250 relative to the FTSE 100) but that this has since recovered. The divergence of performance between large caps and small caps within the UK over the last five years has been driven by relative rating performance and not earnings.



Source: Bloomberg LP, data to 31 March 2025.

As we have previously described, our NAV performance has historically been geared to the relative performance of smaller companies. We have shown the data below previously and update it for the latest six-month period to the end of March 2025. Whilst relative NAV performance over the last 30 months has been a modest 7.3%, this has been delivered against a backdrop of severe underperformance of smaller companies which have underperformed the wider UK market by 25% over the same time period[3].

	Sept 15 (10 months)	Sept 16	Sept 17	Sept 18	Sept 19	Sept 20	Sept 21	Sept 22	Sept 23	Sept 24	March 25 (6 months)
NAV Performance	13%	14%	45%	25%	-17%	9%	59%	-48%	4%	15%	-2%
Style Bias	Growth	Growth	Value	Growth	None	Growth	Value	Value	Value	Value	Value
Interest Rates	Neutral	–	Neutral	+	+	–	Neutral	+	++	–	–
GDP vs Trend	Above	Trend	Trend	Trend	Below	Below	Below	Above	Below	Below	Below
Small Cap Premium	++	–	+	–	– –	++	++	– –	– –	=	– –
Rel. Performance	5%	4%	24%	22%	-10%	12%	14%	-21%	1%	1%	5%
Quartile	3rd	1st	1st	1st	4th	1st	2nd	4th	2nd	3rd	1st
Perf Rel. AIM	10%	0%	21%	14%	2%	-2%	29%	-14%	12%	11%	5%

Source: River Global Investors LLP, BNP Paribas, Bloomberg. Performance to 31 March 2025. Since Inception is 02 December 2014. 'Rel. Performance' is performance relative to Numis Smaller Companies + AIM ex Investment Trusts. 'Perf Rel. AIM' is performance relative to Ail Share. 'Small Cap Premium' is performance of Numis Small Cap plus AIM ex Investment Trusts relative to UK All Share with a double sign (++ or --) indicating performance delta was greater than 10%.

[3] *Source: Bloomberg, Performance of Numis Small Cap + AIM ex ITs compared to FTSE All-Share, 30 September 2022 to 31 March 2025.*

Performance Review and Attribution

Period	NAV	Comparative Index	Active Return
6 months	**-2.4%**	**-7.4%**	**5.0%**
12 months	**5.6%**	**-0.4%**	**5.9%**
3 years	**-20.9%**	**-11.1%**	**-9.8%**
5 years	**36.1%**	**49.0%**	**-13.0%**
Since inception	**101.0%**	**52.9%**	**48.1%**

Source: River Global Investors LLP, BNP Paribas, Bloomberg. Performance to 31 March 2025. Since Inception is 02 December 2014.

Merger and acquisition activity was – again – a key driver of positive performance in the period with **Windward** (+2.4 percentage points of relative ("ppt relative") performance) and **Aquis Exchange** (+1.5ppt relative) bid for in the period. Windward's 215p bid was at a 76% premium to the undisturbed share price while Aquis – which is being acquired by a strategic buyer – was an impressive 120% premium. Our investment in Windward was initiated in late 2023 and our average price paid was 94.5p, we therefore realised a return of 127.5% on our investment. We initially invested in Aquis at their initial public offering in June 2018 which was at a price of 269p which compares to the 727p takeout price.

Brazilian Gold exploration and production business **Serabi Gold** (+2.7ppt relative) benefitted from both the strong rally in the Gold price and solid operational delivery. 2025 is expected to be another year of significant production growth and improving profitability given the accelerating ramp up of the second asset, Coringa. The company's recent first quarter results demonstrated 11% production growth and guidance that the management team are considering the best way to return capital to shareholders given both the ongoing strong cash generation and net cash balance sheet.

Specialist lender **DF Capital** (+2.5ppt relative) provided a positive earnings update to the market in December 2024 and a further update in early January 2025 which included upgraded targets for growth and profitability. The shares continue to trade at a large discount to their growing book value which justifies our high conviction asset-backed Recovery investment case. We continue to believe, given the high loan book growth and net interest margin and improving return-on-capital, that DF Capital deserves to trade at or close to book value which is almost double the current share price.

SigmaRoc (+1.4ppt relative) rallied strongly on the announcement of Germany's ambitious new stimulus plan. Following the acquisition of CRH's European lime assets last year, the group generates more than 40% of revenues from the region and is directly exposed to construction and steel end markets. An improving demand environment combined with the company's strong operational track record of improving returns and continued deleveraging on an attractive valuation means it remains a high conviction position.

Both **Science in Sport** (+0.9ppt relative) and **InvestAcc Group** (+0.7ppt relative) benefitted from positive trading updates in the period. Science in Sport's updated demonstrated that the new management team is delivering on their plan to improve profitability. The company received a bid at a 24% premium from private equity in April 2025 – we do not believe that the bid appropriately values the company.

InvestAcc – which we initiated as a position last July 2024 – is delivering on its plan to consolidate the complex SIPP[4] market in the UK. The company has outperformed expectation on an underlying basis and executed its first acquisitions, acquiring AJ Bell's Platinum SIPP[4] and SSAS[5] business.

[4] *Self Invested Personal Pension.*
[5] *Small Self Administered Scheme.*

Digital mental health business **Kooth** (-2.4ppt relative) was impacted by the loss of a small pilot contract in Pennsylvania and an article that illustrated the materially larger Californian contract had been reviewed as part of a budget process (but ultimately survived unchanged). The company's recent results – which were announced in April 2025 – provided us with usage data for California for the first time and a target has been set for the end of this year which is comparable to the engagement that Kooth realises in the UK. In our opinion, the current share price implies little to zero probability that the contract is extended in 2027 and that the company fails to secure any additional contracts.

Litigation Capital Management (-1.2ppt relative) has a fantastic long-term track record, a return-on-invested capital of 140%[6], or 76% IRR[7], over 13.5-years from investing in litigation cases. The performance track record is naturally inclusive of losses which tend to be rare. Since early December 2024, the company has announced three unsuccessful arbitration results, two of which they are likely to appeal. The company's share price has declined from 118p to 46p[8]. On our analysis, the book value, excluding any value for the three recent unsuccessful cases and valuing all other investment at invested cost is 42p. At the current price there is therefore an implied expectation that they fail to come close to replicating their track record on both the existing portfolio, which they have funded through their own capital, plus the third-party funds (on which they have previously benefitted from substantial performance fees) and that they fail to raise any additional third-party funds. This is despite commentary that they are close to first close on their latest fund. Like Kooth, the share price seems to us to be implying a scenario which the company is likely to materially outperform.

Concerns over the availability of funding for **hVIVO's** (-1.1ppt relative) biotech clients and so demand for the company's human challenge trials resulted in a 53% fall in the share price. An ambitious expectation set leaves risk to the downside on short term earnings but – as if often the case – this does overlook some excellent progress. For example, in January 2025, the company announced its largest human challenge trial to date, a phase 3 trial for ILiAD which, if successful, could transform the addressable market. We added to our position as the shares traded well below our downside scenario target price.

IG Design Group (-1.0ppt relative) was acquired as a cyclical Recovery investment case given the commitment from the new management team that they could move the business back to historic margins, which had been severely impacted by shipping costs. The company was delivering to this investment case with margins improving from a low in March 2022 of 0.3% to 4.1% in March 2024 (and an expectation of at least 4.5% for March 2025). The group margin is a function of a small but more profitable international business (ex-US) and a larger but lower margin US business. Following weak Christmas trading which resulted in a substantial downgrade to full year profit guidance and a provision being taken following Chapter 11 announcements from customers, we have lost confidence in the recovery potential of the US business but believe the standalone European and Australian business – which has averaged $24.6m of profit (EBIT) for the last 5-years with a $19.8m low[9] – remains attractive. We await a full year trading update but expect net cash to be c.$60m which compares to the current market value for the company of $66m[10] suggesting the company is materially undervalued on a sum-of-the-parts basis.

ActiveOps (-0.7ppt relative) announced the loss of one of their largest customers at their interim results in November 2024. The company provided a full year trading update in April 2025 in which the company reported excellent ARR[11] growth – on our analysis c.18% year-on-year constant currency growth in the second half – which is despite the customer loss. Results beat consensus expectations for ARR[11], profit and net cash. It appears that investment in product and sales and marketing is beginning to pay off with new logo additions at three times the level of the prior year. The shares continue to trade on a remarkably depressed valuation and we are running a high conviction position.

Capital (-0.7ppt relative) – previously Capital Drilling – disappointed as 2024 reported revenue and margin were below company guidance. The first key area of weakness was associated with the slow ramp up of their assay lab business. Management reported that this was now on an improving trajectory as utilisation builds and this has been confirmed in the recent first quarter update. The slower than expected and less profitable rollout of their drilling business in Nevada was the second key area of underperformance. The company appears to have provided suitably

[6] Company Report, Data to 31 December 2024.
[7] Company Report, Data to 31 December 2024, IRR is internal rate of return.
[8] Bloomberg, 3 December 2024 to 15 April 2025.
[9] Company Reports, Data to 31 March 2024. Analysis is prior to group central cost (which have averaged $5.9m per annum).
[10] Bloomberg, 14 April 2025.
[11] Annual Recurring Revenue.

conservative guidance for 2025 and trades on 0.6x book value, a material discount to the average 10-year price-to-book multiple of 1x.

Medical device business **AOTI** (-0.6ppt relative) has performed poorly since their initial public offering in June 2024. The recent trading update confirmed that revenue growth has exceeded guidance – 32% year-on-year growth which compares to guidance of at least 30% – but margin and therefore profit would be just below guidance. We were cautious of the ambitious expectations which was reflected in our position size and will look to increase conviction if we can build confidence that the company can outperform guidance.

Finally, **Renold** (-0.6ppt relative) performed poorly in February 2025, we expect given concerns over tariffs. Whilst Renold does have onshore manufacturing in the US, it also relies on imports from the EU to service demand. The US imports c.50% of chain demand with a significant share of that coming from China. We believe Renold is therefore relatively well positioned, and the company has stated that they expect to pass any incremental cost onto customer. A strong trading update in April reported recorded order intake, a growing order book and profits ahead of expectations – we had added to our position prior to the update.

Activity
We initiated two new positions in the period – Sylvania Platinum and Tracsis:

South African based **Sylvania Platinum** is a low-cost producer of platinum group metals ("PGM"). The company extracts PGM from the tailings (or mine dumps) associated with partner Chrome mines. Sylvania is therefore less exposed to the typical operational challenges that we experience in mining companies and the approach, which involves no mining, also supports their attractive cost proposition. The company is currently in an investment phase given expansionary capex to open a new PGM processing and chrome beneficiation plant and a regulatory requirement that new tailings dams are lined. Nevertheless, the current market value, of which 45% is cash, is at odds with the earnings potential, particularly given depressed PGM prices. The Johnson Matthey PGM market report illustrates the compelling supply and demand dynamics of PGM which each recorded a significant supply deficit in 2023 and are expected to have done the same in 2024[12]. The same report states that falling prices led to consumers reducing excess inventory, hence attractive fundamentals are being undermined by destocking. Any recovery in PGM prices – from extremely depressed levels in the case of palladium and rhodium – would accelerate the margin recovery that this investment case is premised on.

Tracsis is a provider of software and hardware solutions enabling high return on investment digital transformation primarily in the rail industry for long-term blue-chip customers. Under previous management, the group executed a buy-and-build strategy with limited integration. Under new management, the company is professionalising into a corporate with short-term margin recovery potential underpinned by growing into a larger operating cost base plus a higher software mix. The group's relatively small scale compared to large incumbent peers like Hitachi and Siemens that have exploited monopoly type positions affords it agility and more of a trusted partnership approach with customers who welcome a mid-sized competitor. Tracsis should benefit from long-term tailwinds in the UK and North America as the transportation industry (a relative laggard) increasingly adopts digital solutions. We believe this provides a strong foundation for the group to transition to a quality-growth investment case in the mid-term. We initiated a small position given a compelling valuation which discounts limited growth and margins below history. We remain cautious on short-term trading given demanding short-term expectations and soft Control Period 7 (5y planning and funding cycle for Network Rail) activity.

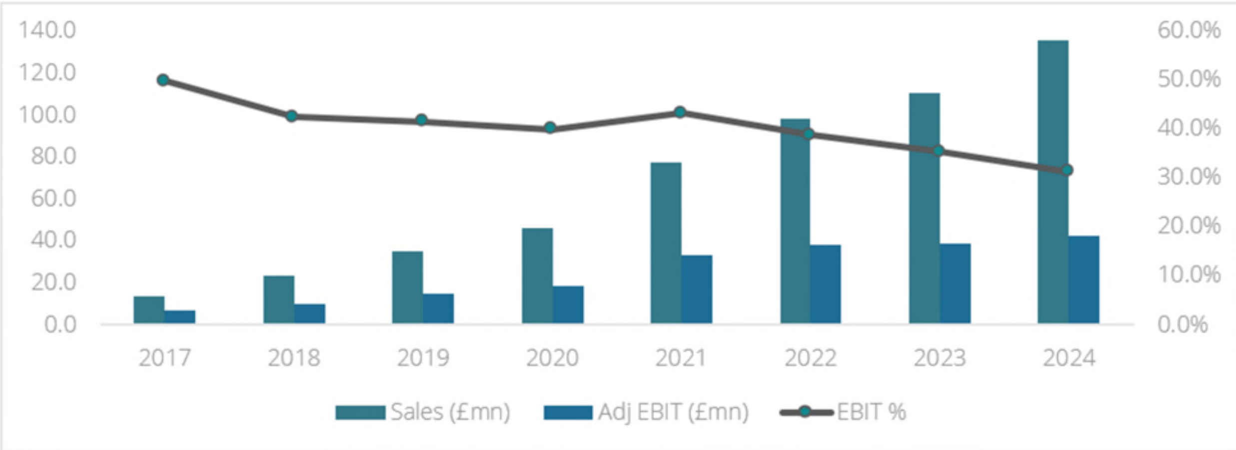
As discussed in the prior section, we added to hVIVO and Renold on weakness. We also added to Ten Lifestyle, Mpac Group and MaxCyte. We took profits in SigmaRoc and Serabi Gold which both delivered significant performance in the period. We exited two unsuccessful investments – Mind Gym and Virgin Wines – and Alpha Group which we have detailed in the following section.

[12] *Johnson Matthey PGM Market Report May 2024*

Philosophy & Process in Action – Alpha Group Case Study

Alpha Group International ("Alpha") is a good example of how our process enables and supports us in running our winners in our Micro Cap strategy which typically consists of companies with a free float market cap of under £100m at the time of purchase but has no market cap limitation thereafter. We first initiated a position at the company's initial public offering ("IPO") in April 2017. Since IPO, Alpha has grown revenues and core operating profits almost entirely organically at a +39% and +30% 7-year CAGR respectively; its EBIT margins have averaged 40% since IPO but moderated to around 30% over the last 3 years as the business accelerates investment for long-term growth.

Alpha Group Sales, Profit and Margin Evolution Since IPO



Source: Company data

Since adding Alpha to our Company at IPO in April 2017, the shares are up +1,258%, materially outperforming both the Comparative Index and the S&P 500 and have made a significant contribution to relative return over the period. In 2024, less than 8 years since IPO, Alpha graduated from the Aim Market to the FTSE 250 Main Market. Alpha has generated superior returns not only through its own performance, but also because of the consequent growth in its market cap which breaks through other market participants' minimum market cap size and liquidity thresholds thereby exposing the business to a wider pool of investors and increased scrutiny.

Performance 03/04/17 – 31/03/25	**Total Return**
Alpha Group International (in GBP)	+1,257.8%
S&P 500 Index (in GBP)	+172.5%
FTSE 250 Index (in GBP)	+26.5%
Numis Small Cap + AIM ex ITs (in GBP)	+16.3%

Source: Bloomberg

Alpha's genesis lies in offering unique and disruptive FX risk management ("FXRM") services to corporates trading currency for commercial purposes. It focuses on advisory services that put in place rolling hedging programmes rather than speculative ad-hoc FX trades with cliff-edge effects favoured by the big incumbent banks. Alpha's distinct FXRM staff remuneration model, whereby staff have no recurring revenue targets at a client level, generates a virtuous cycle where better results for clients leads to improved retention and stronger annuity income for employees. The global market opportunity for this business is significant with non-banks holding only a small fraction of the overall market.

Corporate FX Risk Management – Key Differentiators

The traditional way (banks & brokers)	The Alpha way
× Financial markets experts	✓ Risk management experts
× Sales and financial market conversations	✓ Business and risk management conversations
× Publish market predictions and commentary	✓ Avoid the noise and distraction of the markets
× Encourage emotional decision making	✓ Encourage rational decision making
× Recurring client revenue targets	✓ No recurring client revenue targets since inception
× Closing deals	✓ Building portfolios
× Promote complex products	✓ Promote simple products
× Sell clients what they want	✓ Sell clients what they need
× High volumes of low-value clients	✓ Low volumes of high-value value clients
× Legacy and/or centralised technology	✓ Modern decentralised technology

Source: Company

Initially, the group's corporate client led growth in FXRM was forward transaction heavy. This was working capital consumptive resulting in the group raising capital twice post IPO in order to scale the business further by expanding the forward book, acquiring new clients and investing in new markets and products. However, in 2021 Alpha began offering Accounts & Payments Solutions aimed at Private market clients (e.g. private equity, private credit, venture capital). From a standing start, this now represents 30% of group revenue and has also contributed to significant growth in Private Market FXRM revenues (more spot transaction heavy) which represents over 20% of group revenue. As these new business areas grew, the group transitioned to become self-funding as the proportion of products that quickly convert to cash increased. This was a material but subtle change in the investment case that resulted in us running a higher conviction position.

Alpha's accounts & payments solutions are focused on using new technologies to simplify the banking processes for alternative asset managers and the fund administrators that support them. Unlike the competition, which is almost exclusively traditional banks, Alpha is unencumbered by the inertia of legacy technology which is not built to handle the specialised and often complex nature of alternative investment structures.

Accounts and Payments – Key Differentiators

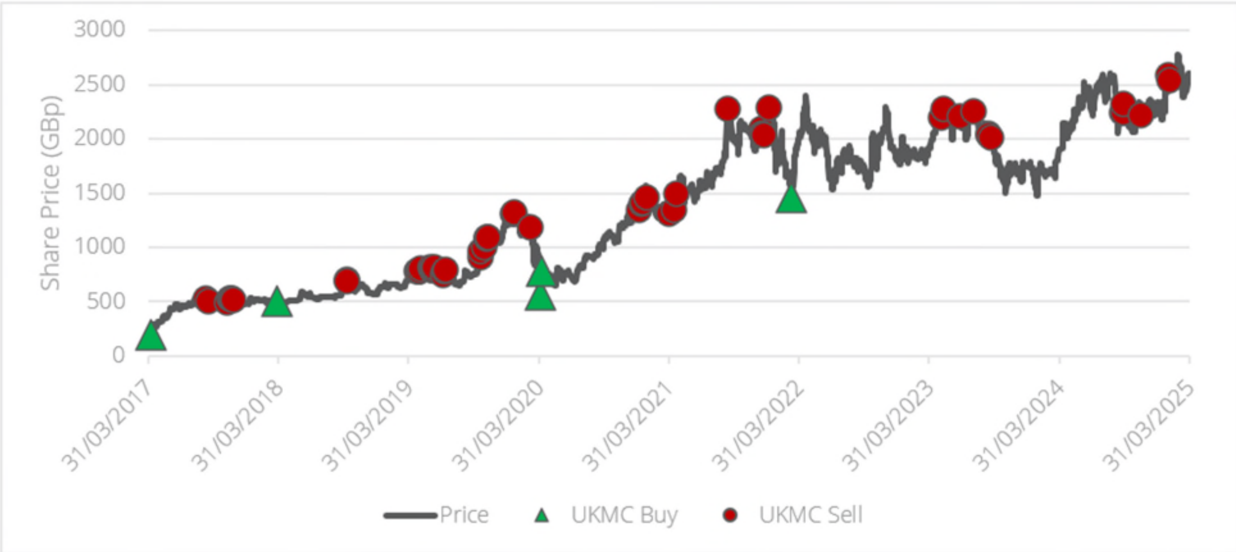
The traditional way	The Alpha way
× One-size-fits-all approach, servicing mass volumes of corporate and retail clients	✓ People, processes & technology dedicated to the private markets industry
× High volumes of low-quality interactions from generalist teams	✓ Low volumes of high-quality interactions from specialist teams with deep domain expertise
× Generic compliance processes	✓ Purpose-built compliance processes
× Slow and unreliable account opening times	✓ Fast and reliable account opening times
× Accounts managed via multiple banks, platforms and logins	✓ All accounts managed through a single platform, built for service providers
× Ancillary contractual obligations outside of opening accounts	✓ Transparent subscription pricing model
× Legacy technology	✓ Cutting-edge technology

Source: Company

Alpha benefits from strong incentives for management, current and future staff to perform with over 30% of employees having an equity interest in the company (the founder and ex-CEO retains a 13.5% shareholding). The group's investment in its own recruitment team and process underpins a high-performance culture which has to-date remained undiluted as the business scales.

We believe a few key features of our investment process have enabled us to avoid selling a winner prematurely. Firstly, we run our own financial models for our portfolio holdings as it helps us exercise a valuation discipline whilst recognising the added alpha from the momentum factor, underpinning conviction to run our position at a justifiably high rating. More specifically, proprietary modelling is a valuable tool for evaluating the risks and opportunities around market expectations. It has enabled us to stay ahead of the earnings upgrade and downgrade cycle most of the time, tactically changing our position size accordingly (as illustrated below).

River UK Micro Cap Limited Buys and Sells – Alpha Group



Source: River Global Investors LLP, Bloomberg

It also helps us make a fair assessment of valuation as the business generates substantial interest income on client overnight cash deposits (currently c.2x core operating profit) which could be partially transitory if there is a return to a lower interest rate environment. Secondly, we have typically had biannual meetings with management where we constantly re-test our conviction. This is particularly important for a business at Alpha's stage in the corporate lifecycle where there is rapid change. We made our final sale and exited the position in the period.

Outlook

We've argued for some time that global equity performance needed to broaden out and we reiterate our confidence that we are at a turning point for ex-US equity performance. We have witnessed a period of 'US exceptionalism' that has led many to believe that it is almost pointless to bet against its continuation. However, investors backing this argument are doing so from valuation levels for market-cap weighted US indices, and by extension US-dominated global equity indices, that have historically led to subdued returns.

We have a remarkably depressed starting valuation for UK small and micro companies. Despite anaemic UK GDP[13] growth, listed companies can and have delivered attractive earnings. There is scope for recovery in what are depressed UK manufacturing (UK Manufacturing PMI[14] has averaged 47.7 over the last 2.5 years) and construction (Construction PMI[15] has averaged 50.8 over the same period) industries. More importantly, following the longest period of positive real wage growth since 2015, the UK consumer appears to have started to spend. Lower interest

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[13] *Gross Domestic Product.*
[14] *S&P, Bloomberg, Data to 31 March 2025*
[15] *S&P, Bloomberg, Data to 31 March 2025*

rates and energy prices – both of which are now more likely than they were at the start of the year – could start to generate a more positive cycle.

Any rotation out of US equities, which represented 64.6% of the global benchmark[16], could have a transformational impact on UK equity flows which represented just 3.4%, less than Apple (4.4%), Nvidia (3.5%) and Microsoft (3.5%).

We also retain our view that there is scope for further positive structural reform to support domestic growth and investment which seem critical to the Labour manifesto. Imminent updates on North Sea Oil and Gas regulation, pension reform and ISAs[17] should provide insight as to what the government is willing to do to enable growth.

George Ensor
Fund Manager
River Global Investors LLP

12 June 2025

This Portfolio Manager Report is compiled with reference to the investment portfolio. Therefore, all positions are calculated by reference to their official closing prices (as opposed to the closing bid prices basis within the condensed interim financial statements). The estimated unaudited NAV referenced below is calculated on a daily basis utilising closing bid prices and is inclusive of all estimated charges and accruals.

Fund Manager Biography

George graduated from Bristol University with an Upper Second-Class degree in Chemistry in 2008 before joining Smith & Williamson Investment Management as a graduate trainee where he worked for five years as an analyst and Private Client Investment Manager.

George joined River Global Investors LLP in March 2014 as a UK equity analyst and is currently Portfolio Manager of the RGI UK Listed Smaller Companies Fund and the Company. George is a CFA charter holder.

[16] *MSCI, 31 March 2025*
[17] *Individual Savings Accounts.*

EXECUTIVE SUMMARY

This Executive Summary provides information about the Company's operation and results for the six months ended 31 March 2025. It should be read in conjunction with the Chair's Statement and the Portfolio Manager's Report which provides a detailed review of investment activities for the period and an outlook for the future.

Corporate summary
The Company was incorporated in Guernsey on 2 October 2014, with registered number 59106, as a non-cellular company with liability limited by shares. The Company is registered by the Guernsey Financial Services Commission ("GFSC") as a registered closed-ended collective investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended, and the Registered Collective Investment Scheme Rules and Guidance 2021("RCIS Rules").

The Company has no fixed life. The Directors shall propose one or more ordinary resolutions at every fifth Annual General Meeting ("AGM") that the Company continues as a closed-ended investment company (the "Continuation Resolution"). The last Continuation Resolution was proposed at the AGM on 12 March 2024 and was passed by the Company's Shareholders. The next Continuation Resolution will be proposed at the AGM in 2029.

The Company's share capital is denominated in Sterling and each share carries equal voting rights.

The Company's Ordinary Shares are listed on the Equity Share (Commercial Companies) (ESCC) segment of the Official List as maintained by the FCA and admitted to trading on the Main Market of the London Stock Exchange. As at 31 March 2025, the Company's issued share capital comprised 33,897,954 Ordinary Shares (30 September 2024: 33,897,954 Ordinary Shares).

The Company has appointed BNP Paribas S.A., Guernsey Branch (the "Administrator") to provide administration, custodian and company secretarial services.

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

Significant events during the six months ended 31 March 2025

AGM held on 12 March 2025
On 12 March 2025, the AGM was held. All resolutions proposed at the meeting were duly passed.

Company investment objective
The Company aims to achieve long term capital growth from investment in a diversified portfolio of UK micro-cap companies, typically comprising companies with a free float market capitalisation of less than £100 million at the time of purchase.

Company investment policy
The Company invests in a diversified portfolio of UK micro-cap companies. It is expected that the majority of the Company's investible universe will comprise companies whose securities are admitted to trading on AIM.

While it is intended that the Company will be fully invested in normal market conditions, the Company may hold cash on deposit or invest on a temporary basis in a range of high quality debt securities and cash equivalent instruments. There is no restriction on the amount of cash or cash equivalent instruments that the Company may hold and there may be times when it is appropriate for the Company to have a significant cash position instead of being fully or near fully invested.

Diversification
The number of holdings in the portfolio will usually range between 30 and 50.

The portfolio is expected to be broadly diversified across sectors and, while there are no specific limits placed on exposure to any sector, the Company will invest and manage the portfolio in a manner consistent with spreading investment risk.

Investment restrictions
No exposure to any investee company will exceed 10% of NAV at the time of investment.

The Company may from time to time take sizeable positions in portfolio companies. However, in such circumstances, the Company would not normally intend to hold more than 25% of the capital of a single investee company at the time of investment.

Although the Company would not normally expect to hold investments in securities that are unquoted, it may do so from time to time but such investments will be limited in aggregate to 10% of NAV.

The Company may invest in other investment funds, including listed closed-ended investment funds, to gain investment exposure to UK micro-cap companies but such exposure will be limited, in aggregate, to 10% of NAV at the time of investment.

Further information can be found in the Portfolio Manager's Report.

Investment strategy and approach
The Company's investment strategy is to take advantage of the illiquidity risk premium inherent in UK micro-cap companies and exploit fully the underlying investment opportunity in the UK micro-cap market to deliver high and sustainable returns to Shareholders, principally in the form of capital gains in line with the Company investment objective and policy.

The Company pursues its investment strategy through the appointment of Carne as AIFM, whereby the AIFM has been given responsibility, subject to the supervision of the Board, for the management of the Company in accordance with the Company's investment objective and policy. In conjunction with the Board, the AIFM has engaged the Portfolio Manager to manage the portfolio. The Company depends on the diligence, skill, judgement and business contacts of the Portfolio Manager's investment professionals, in particular George Ensor, in identifying investment opportunities which are in line with the investment objective and policy of the Company. The Portfolio Manager attends all Board meetings at which the investment strategy and performance of the Company are discussed.

Director interests
As at 31 March 2025, the Board comprised of four Directors, three of whom are independent: John Blowers, Ted Holmes and Serena Tremlett; Mark Hodgson is managing director of the AIFM and is therefore not regarded as independent by the 2019 AIC Code of Corporate Governance (the "Code"). All the independent Directors are also members of the Audit Committee, Management Engagement Committee and Remuneration and Nomination Committee.

As at the date of approval of the Half-Yearly Financial Report, Directors held the following number of Ordinary Shares in the Company:

Director	**Ordinary Shares held**
John Blowers	14,559
Ted Holmes	22,970
Mark Hodgson	7,721
Serena Tremlett	3,432

Information on the Directors' remuneration and Ordinary Share holdings as at 31 March 2025 and 30 September 2024 is detailed in note 6.

No Director has any other interest in any contract to which the Company is a party except for Mark Hodgson who acts as the managing director of the AIFM. Information on each Director is shown in the Board Members section of this Half-Yearly Financial Report.

Principal risks and uncertainties
When considering the total return of the Company, the Board takes account of the risk which has been taken to achieve that return. The Board do not consider the risk factors described in the Annual Financial Report for the year ended 30 September 2024 have changed and expect them to remain relevant for the remaining six months of the year. The Board looks at the following risk factors as listed below:

Investment (Macroeconomic factors)
The Company is exposed to market factors. The unrealised performance can be affected by the sentiment of the market, supply/demand of asset types, expectations on unemployment, and Gross Domestic Product growth.

High interest rates, an inflationary macroeconomic environment and the threat of global recession may drive down growth stocks especially, which would adversely affect the underlying value of the Company's investment portfolio, leading to an adverse impact on the Company's NAV.

The Company is closed-ended and has no leverage. It is well set up to ride out any short-term dislocations in pricing without being forced to liquidate investments at technically distressed prices.

The skill and expertise of the Portfolio Manager allows the Company to be positioned effectively in the event of macro events which impact the value of the Company's assets.

Geopolitical
Along with other investment companies, the Company faces an increased and emerging risk from the impact of global political unrest and rising geopolitical tensions which potentially impacts the Company's investment portfolio and the general sentiment towards capital markets.

The Portfolio Manager will analyse stress scenarios and reposition the portfolio accordingly.

Liquidity
The Company invests in a diversified portfolio of UK micro-cap companies, typically comprising companies with a free float market capitalisation of less than £100 million at the time of purchase. The relatively small market capitalisation of micro-cap companies can make the market in their shares illiquid. As a result of lower liquidity, prices of micro-cap companies tend to stick at one level but can be at risk of sudden jumps in price when momentum of sentiment is strong enough and certain pools of investors are forced to liquidate. As a consequence, the Company may not necessarily be able to realise its investments within a reasonable period.

Both the liquidity and valuation issues highlighted above may be totally out of sync with the underlying investee company fundamentals. There can therefore be no guarantee that any realisation of an investment will be on a basis which necessarily reflects the valuation of that investment.

Risks within the portfolio are monitored by the AIFM, which holds monthly AIFM Risk Committee meetings with the Portfolio Manager. Portfolio liquidity forms a key part of these monthly discussions. The AIFM provides an update of the Risk Committee meetings to the Board and the risks are discussed accordingly. The Portfolio Manager also undertakes ongoing reviews of the underlying investee companies particularly those whose businesses are impacted by the current macro environment.

Share price discount
The price of the Company's shares may trade at a discount or premium relative to the underlying NAV of the Ordinary Shares.

There is a risk that Shareholders become dissatisfied with a continuing discount to NAV and seek further action.

The Directors note that, in an environment where investment companies are trading at a discount, there has been a growing trend towards activism.

The Board monitors the Company's share price discount or premium to the published NAV and regularly consults with the Company's brokers regarding share trading volumes, significant buyers and sellers, and comparative data from the Company's peer group. In order to further manage the discount, the Board has developed a marketing plan to broaden interest in the Company's Ordinary shares.

Since its inception the Company has operated the Redemption Mechanism to return capital to investors which the Board understands Shareholders are still supportive of.

Further, the Board considers that in the current environment, selling portfolio investments at depressed values in order to raise funds to buy back the Company's own shares is not in the best interests of investors and that the Redemption Mechanism remains the best tool to manage the discount in the longer term.

Reliance on the Portfolio Manager
The Company is dependent on the expertise of a small team led by George Ensor to evaluate investment opportunities and to implement the Company's investment objective and investment policy.

The Portfolio Manager has experienced investment professionals ready and available to step in if required in the short term, should the lead manager be unavailable, and would hire a full time experienced and proven replacement lead manager, if necessary.

The Board and the AIFM continue to monitor and review the service and performance of the Portfolio Manager.

Cyber security
The incidence of cyber related events and attacks heightens the risk of inappropriate access to data leading to loss of sensitive information which may have a material adverse effect on the Company's financial condition, reputation and investor confidence.

The Company's service providers maintain cyber security policies. These are reviewed by the AIFM as part of its oversight responsibilities and reported to the Board, including any breaches of information security. Service providers perform regular testing of their cyber security controls to ensure that they remain robust.

Sustainable investment
Investors are placing increased emphasis on Environmental, Social and Governance ("ESG") matters, including climate change, and the Board sees any failure by the Portfolio Manager to identify future potential issues within the underlying portfolio in this area as a key risk which may lead to the Company's shares becoming less attractive to investors. A failure to adopt a sustainable approach to environmental and social matters, or a failure of governance is likely to adversely impact the Company's performance.

The Board believes that the adoption by the Portfolio Manager of a comprehensive sustainable investment policy, in combination with the development of regular reporting to the Board, allows the Company to mitigate this risk. The Board has developed a strategy to engage with service providers across ESG matters more generally.

The Company is a closed-ended investment entity and so its own direct environmental and social impact is minimal. The Company does not exclude any types of business from its universe of potential investments. However, the Portfolio Manager does deploy an ESG lens on all potential investments and adopts a rigorous corporate ESG policy. The Company, in common with most investment companies, relies substantially on outsourced providers, including the Portfolio Manager. The Board believes therefore its focus should be centred around governance, ensuring that appropriate ESG policies and a sustainable investing approach is followed as well as monitoring and measuring the Company's service providers' future progress towards ESG objectives. The Company also wants to ensure it has a positive impact, for example minimising its carbon footprint. Both the Company and its service providers are evolving their approach.

Taxation
The Company invests in AIM listed shares. Any change to the tax status of those shares, such as the reduction of inheritance tax (IHT) relief, could reduce investor appetite for AIM listed shares and make it harder to achieve the Company's investment objectives.

Going concern
The Directors consider it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements as no material uncertainties exist that may cast significant doubt concerning the Company's ability to continue for 12 months after the date of approval of the condensed interim financial statements. Refer to note 2.1 for further information on going concern.

ESG
The Board detailed the ESG approach of the Company in the Annual Financial Report for the year ended 30 September 2024 and it remains relevant for the six months interim reporting period.

Events after the reporting date
The Directors are not aware of any developments that might have a significant effect on the operations of the Company in subsequent financial periods which are not already disclosed in this report or note 13 of the attached condensed interim financial statements.

Future strategy
The Board continues to believe that the investment strategy and policy adopted is appropriate for and can meet the Company's objectives.

The overall strategy remains unchanged and it is the Board's assessment that the AIFM and Portfolio Manager's resources are appropriate to properly manage the Company's investment portfolio in the current and anticipated investment environment.

Refer to the Portfolio Manager's Report for details regarding performance to date of the investment portfolio and the main trends and factors likely to affect those investments.

Related parties

There have been no material changes to related party transactions as described in the Annual Financial Report for the year ended 30 September 2024. Refer to note 11 for information on related party transactions.

BOARD MEMBERS

All Directors are non-executive.

CHAIR

John Blowers, (Independent) – Chair of the Board. Appointed 1 August 2022.
John has been instrumental in the digital revolution in financial services for 35 years, with a series of key achievements. He was involved with the UK's first digital fund platform at Interactive Investor and went on to design, build and run several digital investment offerings for AMP, UBS and latterly for FE fundinfo.

His skills revolve around strategic proposition development and has a successful track record in sales & marketing roles in the investment industry. Over the years, he has held a range of CEO, MD and senior management roles in both multi-national and start-up businesses and is well-known in the UK investment and financial media community.

He is now managing director of financial information company Stockomendation Limited, which operates three websites including Investegate.co.uk.

Key Relevant Skills
- Marketing
- Retail Distribution
- Product Design

DIRECTORS

Ted Holmes, (Independent) – Audit Committee Chair. Appointed 26 September 2023.
Ted is currently on the board of the City of London Investment Trust and a Director for Blue Ocean Investment Partners.

Ted had a twenty-year career at UBS Asset Management. During that time, he worked as a managing director in both the Chicago office (previously Brinson Partners) and London office (previously Phillips and Drew) in a variety of positions, from analyst to European Head of Equities.

Prior to UBS, he worked for Ernst & Young where he earned his Certified Public Accountant license. He has an MBA from the University of Chicago Booth School of Business and is a qualified Chartered Financial Analyst.

Key Relevant skills
- 28 years of experience in investment management (Chartered Financial Analyst)
- Investment Oversight
- Investment Trust Oversight and Governance
- Qualified accountant, Certified Public Accountant (US CPA)

Mark Hodgson. Appointed 2 October 2014.
Mark Hodgson is a Channel Islands fund director based in Jersey, with considerable experience in the funds industry. He has a broad fund expertise covering a wide range of differing asset classes, including real estate, infrastructure, credit and private equity.

Mark joined Carne in April 2014 and is Head of the Channel Islands Fund business. He has over 25 years of financial services experience, with an extensive banking background. Mark spent over 20 years with HSBC Global Bank where he gained in depth knowledge of credit, financial markets and complex Real Estate structures.

Mark moved to Jersey in 2006 to Head up HSBC's Commercial Centre having full operational responsibility for credit and lending within the jurisdiction later moving to Capita Fiduciary Group in 2008 as Managing Director, acting as non-executive director on a number of fund boards.

Mark acts as a Non-Executive Director on a number of high-profile fund boards based in Jersey, Guernsey and Luxembourg. Mark is also a Fellow of the Institute of Directors and a qualified Chartered Director.

Key Relevant skills

- 29 years financial services experience, 21 years of being the member of various boards
- Extensive fund risk management experience across multiple asset classes

Serena Tremlett, (Independent) - Remuneration and Nomination Committee Chair and Management Engagement Committee Chair. Appointed 1 May 2024.
Serena is a Guernsey-based company director and consultant with over 25 years of experience in funds, listed companies, company secretarial and regulatory matters.

Serena was a co-founder and managing director of Morgan Sharpe Administration Limited, a Guernsey fund and corporate services administrator which was established in April 2008 and then sold to Estera Group in 2017. Morgan Sharpe's clients included listed companies and some of the biggest names in private equity and real estate.

Prior to Morgan Sharpe, Serena was managing director of Assura Group's Guernsey office and company secretary to what was a FTSE 250 listed company at that time from 2006 to 2008. From 1996 to 2006, she developed her funds career at Mourant (Guernsey) Limited and Guernsey International Fund Managers Limited.

Serena also holds the Institute of Directors Diploma in Company Direction.

Key Relevant skills

- Over 25 years of financial services experience, primarily in Guernsey
- Since 2001, has been a director of listed, unlisted, and general partner companies in many jurisdictions
- Strength in corporate governance and Guernsey regulation

DIRECTORS' STATEMENT OF RESPONSIBILITIES

The Directors are responsible for preparing the Half-Yearly Financial Report and unaudited condensed interim financial statements in accordance with applicable Guernsey law and regulations.

The Directors confirm to the best of their knowledge that:

- the unaudited condensed interim financial statements contained within the Half-Yearly Financial Report have been prepared in accordance with IAS 34 – "Interim Financial Reporting" and provide a fair, balanced and understandable view of the affairs of the Company as at 31 March 2025, as required by the Financial Conduct Authority ("FCA") through the Disclosure Guidance and Transparency Rule ("DTR") 4.2.4R;

- the combination of the Chair's Statement, the Portfolio Manager's Report and the Executive Summary includes a fair review of the information required by:

  a) DTR 4.2.7R, being an indication of important events that have occurred during the period up to 31 March 2025 and their impact on the condensed interim set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  b) DTR 4.2.8R, being related party transactions that have taken place during the period up to 31 March 2025 and that have materially affected the financial position or performance of the Company during that period; and any changes in the related parties transactions in the Annual Financial Report that could have a material impact on the financial position or financial performance of the Company in the first six months of the current financial year.

John Blowers
Chair
12 June 2025

Ted Holmes
Audit Committee Chair
12 June 2025

Independent Auditor's Review Report to River UK Micro Cap Limited

Introduction

We have reviewed the unaudited condensed interim financial statements of River UK Micro Cap Limited (the "Company") for the period ended 31 March 2025, and the related Unaudited Condensed Interim Statement of Financial Position, Unaudited Condensed Interim Statement of Comprehensive Income, the Unaudited Condensed Interim Statement of Changes in Shareholders' Equity, the Unaudited Condensed Interim Statement of Cash Flows for the six month period then ended, and significant accounting policies and other explanatory notes .

Management is responsible for the preparation and fair presentation of this interim unaudited condensed financial information in accordance with International Accounting Standard 34 (IAS 34), *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority (FCA). Our responsibility is to express a conclusion on this interim unaudited condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (ISRE 2410). A review of interim unaudited condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim unaudited condensed financial information does not present fairly,, in all material respects, the financial position of the entity as at 31 March 2025, and of its financial performance and its cash flows for the six month period then ended in accordance with IAS 34 as issued by the IASB, and the Disclosure Guidance and Transparency Rules of the FCA.

Use of our report

This report is made solely to the Company in accordance with guidance contained in ISRE 2410. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Grant Thornton Limited
Chartered Accountants
St Peter Port, Guernsey

Date: 12 June 2025

UNAUDITED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 31 March 2025

	Notes	Six months ended 31 March 2025 (Unaudited) £	Six months ended 31 March 2024 (Unaudited) £
Income			
Investment income	3	163,537	203,439
Net (loss)/gain on financial assets designated at fair value through profit or loss	7	(1,159,547)	4,099,012
Total (loss)/income		**(996,010)**	**4,302,451**
Expenses			
Portfolio management fees	4	(264,575)	(227,147)
Operating expenses	5	(386,603)	(332,084)
Foreign exchange gain/(loss)		5,420	(20)
Total expenses		**(645,758)**	**(559,251)**
(Loss)/profit before taxation		**(1,641,768)**	**3,743,200**
Taxation		-	-
(Loss)/profit after taxation and total comprehensive income		**(1,641,768)**	**3,743,200**
Basic and diluted (loss)/earnings per Ordinary Share	9	(0.0484)	0.1104

The Company has no items of other comprehensive (loss)/income, and therefore the (loss)/income for the period is also the total comprehensive (loss)/income.

All items in the above statement are derived from continuing operations. No operations were acquired or discontinued during the period.

The notes on pages 30 to 37 form an integral part of these unaudited condensed interim financial statements.

UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at 31 March 2025

	Note	31 March 2025 (Unaudited) £	30 September 2024 (Audited) £
Non-current assets			
Financial assets designated at fair value through profit or loss	7	61,327,184	66,668,888
Current assets			
Cash and cash equivalents		1,342,400	1,769,894
Trade receivables – securities sold awaiting settlement		4,837,500	680,187
Prepayments		16,780	8,073
Other receivables		13,766	61,484
Total current assets		**6,210,446**	**2,519,638**
Total assets		**67,537,630**	**69,188,526**
Current liabilities			
Trade payables – securities purchased awaiting settlement		(33,153)	-
Other payables		(170,996)	(213,277)
Total current liabilities		**(204,149)**	**(213,277)**
Net assets		**67,333,481**	**68,975,249**
Capital and reserves			
Share capital		-	-
Retained earnings		67,333,481	68,975,249
Equity Shareholders' funds		**67,333,481**	**68,975,249**

The unaudited condensed interim financial statements on pages 26 to 37 were approved and authorised for issue by the Board of Directors on 12 June 2025 and signed on its behalf by:

John Blowers
Chair

Ted Holmes
Audit Committee Chair

The notes on pages 30 to 37 form an integral part of these unaudited condensed interim financial statements.

UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the six months ended 31 March 2025 (Unaudited)

	Share capital £	Retained earnings £	Total £
Opening equity Shareholders' funds at 1 October 2024	**-**	**68,975,249**	**68,975,249**
Total comprehensive loss for the period	-	(1,641,768)	(1,641,768)
Closing equity Shareholders' funds at 31 March 2025	**-**	**67,333,481**	**67,333,481**

For the six months ended 31 March 2024 (Unaudited)

	Share capital £	Retained earnings £	Total £
Opening equity Shareholders' funds at 1 October 2023	**-**	**60,045,189**	**60,045,189**
Total comprehensive income for the period	-	3,743,200	3,743,200
Closing equity Shareholders' funds at 31 March 2024	**-**	**63,788,389**	**63,788,389**

The notes on pages 30 to 37 form an integral part of these unaudited condensed interim financial statements.

UNAUDITED CONDENSED INTERIM STATEMENT OF CASH FLOWS
For the six months ended 31 March 2025

	Note	Six months ended 31 March 2025 (Unaudited) £	Six months ended 31 March 2024 (Unaudited) £
Cash flow from operating activities			
(Loss)/profit after taxation and total comprehensive income		(1,641,768)	3,743,200
Adjustments to reconcile profit after taxation to net cash flows:			
- Realised (gain)/loss on financial assets designated at fair value through profit or loss	7	(4,756,986)	2,351,559
- Unrealised loss/(gain) on financial assets designated at fair value through profit or loss	7	5,916,533	(6,450,571)
Purchase of financial assets designated at fair value through profit or loss[1]	7	(8,356,260)	(8,193,111)
Proceeds from sale of financial assets designated at fair value through profit or loss[2]	7	8,414,257	9,252,192
Changes in working capital			
Decrease in other receivables and prepayments		39,011	213,402
Decrease in other payables		(42,281)	(69,097)
Net cash (used in)/from operating activities		**(427,494)**	**847,574**
Net (decrease)/increase in cash and cash equivalents in the period		**(427,494)**	**847,574**
Cash and cash equivalents at beginning of the period		1,769,894	415,330
Cash and cash equivalents at the end of the period		**1,342,400**	**1,262,904**

[1] – Payables relating to purchases of financial assets designated at fair value through profit or loss at 31 March 2025 amounted to £33,153 (31 March 2024: £62,144).
[2] – Proceeds receivable as at 31 March 2025 relating to sales of financial assets designated at fair value through profit amounted to £4,157,313 (31 March 2024: £565,795).

The notes on pages 30 to 37 form an integral part of these unaudited condensed interim financial statements.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1. General information

The Company was incorporated as a non-cellular company with liability limited by shares in Guernsey under The Companies (Guernsey) Law 2008 (the "Companies Law") on 2 October 2014. It listed its Ordinary Shares on the Equity Shares (Commercial Companies) (ESCC) segment (previously the 'Premium segment') of the Official List as maintained by the FCA and was admitted to trading on the Main Market of the London Stock Exchange on 2 December 2014.

The Company has been registered by the GFSC as a registered closed-ended collective investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended, and the RCIS Rules. The Company registered number is 59106.

The Company's registered address is BNP Paribas House, St Julian's Avenue, St Peter Port, Guernsey, GY1 1WA.

2. Material Accounting policies

The unaudited condensed interim financial statements contained in the Half-Yearly Financial Report have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the FCA. The unaudited condensed interim financial statements do not include all the notes of the type normally included in audited financial statements. Accordingly, this report is to be read in conjunction with the Annual Financial Report for the year ended 30 September 2024. The unaudited condensed interim financial statements contained in the Half-Yearly Financial Report have been prepared using the same material accounting policies applied for the year ended 30 September 2024 audited financial statements contained in the 2024 Annual Financial Report, which was prepared in accordance with IFRS Reporting ("IFRS") accounting standards issued by the IASB.

2.1 Going Concern

Under the Code and applicable regulations, the Directors are required to satisfy themselves that it is reasonable to assume that the Company is a going concern and to identify any material uncertainties to the Company's ability to continue as a going concern for at least 12 months from the date of approving the condensed interim financial statements.

The Board is satisfied that, at the time of approving the condensed interim financial statements, no material uncertainties exist that may cast significant doubt concerning the Company's ability to continue for the foreseeable future, being 12 months after approval of the condensed interim financial statements. In addition, the Company's holdings of cash and cash equivalents, the liquidity of investments and the income deriving from those investments, means the Company has adequate financial resources to meet its liabilities as they fall due.

At the 2024 Annual General Meeting the Continuation Vote was passed, approving the continuation of the Company for another five years. The Board also considered the continuing impact of the current macro-economic environment and the impact that ongoing geopolitical tensions may have on the Company, which it believes has a minimal risk at this stage on the going concern of the Company.

Therefore, the Board consider it appropriate to adopt the going concern basis in preparing the condensed interim financial statements.

2.2 Segmental reporting

The chief operating decision maker, which is the Board, is of the opinion that the Company is engaged in a single segment being investment in UK micro-cap companies. The financial information used by the chief operating decision maker to manage the Company presents the business as a single segment. Segment information is measured on the same basis as that used in the preparation of the Company's financial statements. The Company receives revenues from the UK. The Company holds no non-current assets not listed in the UK.

2.3 Seasonality

The Company's business is not subject to seasonal fluctuations.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

3. Investment income

	Six months ended 31 March 2025 (Unaudited) £	Six months ended 31 March 2024 (Unaudited) £
Dividend income	133,523	173,474
Bank interest	16,714	29,965
Other income	13,300	-
Total investment income	**163,537**	**203,439**

4. Portfolio management and performance fees

On 3 November 2014, the Company signed an Investment Management Agreement (the "IMA") with the AIFM and the Portfolio Manager, whereby the AIFM delegated to the Portfolio Manager overall responsibility for the discretionary management of the Company's assets in accordance with the Company's investment objective and policy.

The AIFM or the Portfolio Manager may voluntarily terminate the IMA by providing six months' notice in writing. The AIFM's power to terminate the appointment of the Portfolio Manager under the IMA may only be exercised under the direction of the Board and the AIFM has agreed to comply with the instructions of the Board as regards to any proposed termination of the Portfolio Manager's appointment.

Under the IMA, the Portfolio Manager is entitled to receive a base fee and performance fee. The Portfolio Manager base fee is payable monthly in arrears at a rate of one-twelfth of 0.75% of NAV. A performance fee equal to 15% of the amount by which the Company's NAV outperforms the total return on the Comparative Index will be payable to the Portfolio Manager over a performance period.

The performance period is the period between two redemptions, being the first business day after the calculation date, (referable to the earlier redemption (opening date)), and the end day of the calculation date (referable to the later redemption (closing date)). The first opening date was the date of admission and in circumstances in which a performance fee may be payable upon termination of this Agreement, the final closing date shall be the date in which the agreement is terminated. The calculation date is the date determined by the Board for the calculation of the price to be paid on any particular exercise of the redemption mechanism.

The performance fee is only paid when the Company implements the redemption mechanism as detailed in note 8.

During the six-month period ended 31 March 2025, no performance fees were accrued or paid by the Company (31 March 2024: £nil). Refer to the Financial Highlights and Performance Summary for details of the Company's previous redemptions on page 3.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

5. Operating expenses

	Six months ended 31 March 2025 (Unaudited)	Six months ended 31 March 2024 (Unaudited)
	£	£
Administration fees[1]	124,880	65,046
Directors' fees	81,000	81,607
AIFM fees	29,000	29,000
Audit fees	29,150	26,500
Non-audit fees	18,700	17,000
Custody fees	19,254	6,885
Broker fees	20,000	20,000
Transaction fees	11,934	10,589
Registrar fees	14,131	12,472
Legal and professional fees	8,480	5,761
Listing fees	12,523	8,269
Regulatory fees	7,527	7,340
Insurance fees	2,432	3,090
Marketing fees	1,680	7,780
Sundry expenses	5,912	30,745
Total operating expenses	**386,603**	**332,084**

[1]Effective 1 July 2024, an updated fee schedule was implemented whereby the Administrator is entitled to an annual fixed fee. Ad hoc services are chargeable for an agreed fee or on a time cost basis. Invoices for the period 1 July 2024 to 30 September 2024 were billed in the six months ended 31 March 2025. Administration fees had remained unchanged since the inception of the Company.

Non-audit fees
Non-audit fees incurred during the six months ended 31 March 2025 and 31 March 2024 related to interim review services performed by Grant Thornton Limited.

AIFM fees
The Company has entered into an agreement with the AIFM, and under that agreement, the AIFM is entitled to an annual fixed fee of £58,000.

6. Directors' fees and interests

The Directors of the Company were remunerated for their services at a fee of £36,000 per annum with the Chair of the Board and the Chair of the Audit Committee receiving an additional £13,000 and £5,000 respectively.

Directors' fees incurred for the six months ended 31 March 2025 were £81,000 (six months ended 31 March 2024: £81,607). Directors' fees payable as at 31 March 2025 were £40,950 (30 September 2024: £40,950).

The Directors held the following number of Ordinary Shares in the Company:

Director	Ordinary Shares held	
	31 March 2025	**30 September 2024**
John Blowers	14,559	14,559
Ted Holmes	22,970	22,970
Mark Hodgson	7,721	7,721
Serena Tremlett	3,432	3,432

No pension contributions were payable in respect of any of the Directors for both period ends.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

7. Financial assets designated at fair value through profit or loss

The Company has invested in a portfolio of UK micro-cap companies in line with its investment strategy. These investments are comprised of companies whose securities are admitted to trading on the AIM, with a free float market capitalisation of less than £100 million at the time of purchase.

Fair value hierarchy

IFRS 13 'Fair Value Measurement' ("IFRS 13") requires an analysis of investments valued at fair value based on the reliability and significance of information used to measure their fair value.

The Company categorises its financial assets according to the following fair value hierarchy detailed in IFRS 13 that reflects the significance of the inputs used in determining their fair values:

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 variable 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 Directors determined that an active market exists based on the frequency and volume of transactions of each asset classified as Level 1. The Company's financial assets classified as Level 1 are quoted securities which are traded in active markets as at 31 March 2025. In the opinion of the Directors, the quoted price for these financial assets as at 31 March 2025 is representative of fair value.

31 March 2025

Financial assets	Level 1 (Unaudited) £	Level 2 (Unaudited) £	Level 3 (Unaudited) £	Total (Unaudited) £
Financial assets designated at fair value through profit or loss	61,327,184	-	-	61,327,184

30 September 2024

Financial assets	Level 1 (Audited) £	Level 2 (Audited) £	Level 3 (Audited) £	Total (Audited) £
Financial assets designated at fair value through profit or loss	66,668,888	-	-	66,668,888

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

7. Financial assets designated at fair value through profit or loss (continued)

Financial assets designated at fair value through profit or loss reconciliation

The following table shows a reconciliation of all movements in the fair value of financial assets categorised within Level 1 to 3 between the beginning and the end of the reporting period.

31 March 2025	**Level 1 (Unaudited) £**	**Level 2 (Unaudited) £**	**Level 3 (Unaudited) £**	**Total (Unaudited) £**
Opening valuation	**66,668,888**	**-**	**-**	**66,668,888**
Purchases during the period	8,389,413	-	-	8,389,413
Sales proceeds during the period	(12,571,570)	-	-	(12,571,570)
Realised gain on financial assets designated at fair value through profit or loss[1]	4,756,986	-	-	4,756,986
Unrealised loss on financial assets designated at fair value through profit or loss[2]	(5,916,533)	-	-	(5,916,533)
Closing valuation	**61,327,184**	**-**	**-**	**61,327,184**
Total net loss on financial assets for the period ended 31 March 2025	(1,159,547)	-	-	(1,159,547)

[1]Realised gain on financial assets designated at fair value through profit or loss is made up of £6,210,508 gain and £(1,453,522) loss.
[2] Unrealised loss on financial assets designated at fair value through profit or loss is made up of £5,998,012 gain and £(11,914,545) loss.

30 September 2024	**Level 1 (Audited) £**	**Level 2 (Audited) £**	**Level 3 (Audited) £**	**Total (Audited) £**
Opening valuation	**59,625,665**	**-**	**-**	**59,625,665**
Purchases during the year	16,057,690	-	-	16,057,690
Sales proceeds during the year	(18,487,491)	-	-	(18,487,491)
Realised loss on financial assets designated at fair value through profit or loss[1]	(4,030,780)	-	-	(4,030,780)
Unrealised gain on financial assets designated at fair value through profit or loss[2]	13,503,804	-	-	13,503,804
Closing valuation	**66,668,888**	**-**	**-**	**66,668,888**
Total net gain on financial assets for the year ended 30 September 2024	9,473,024	-	-	9,473,024

[1] Realised loss on financial assets designated at fair value through profit or loss is made up of £6,487,854 gain and £(10,518,634) loss.
[2] Unrealised gain on financial assets designated at fair value through profit or loss is made up of £19,391,473 gain and £(5,887,669) loss.

During the six months ended 31 March 2025, there were no reclassifications between levels of the fair value hierarchy (30 September 2024: no transfers).

As at 31 March 2025, none of the investments held are illiquid in nature and on this basis are not subject to any special arrangements.

The carrying amount of the trade and other receivables/payables is a reasonable approximation of fair value because of its short-term nature.

8. Share capital

Authorised

The authorised share capital of the Company is represented by an unlimited number of redeemable Ordinary Shares at no par value.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

8. Share capital (continued)
Allotted, called up and fully paid

	Number of Ordinary Shares	Number of Ordinary Shares
	31 March 2025	30 September 2024
Total issued share capital	**33,897,954**	**33,897,954**

No Ordinary Shares were redeemed during the period.

Each holder of Ordinary Shares is entitled to attend and vote at all general meetings that are held by the Company. Each holder is also entitled to receive payment of a dividend should the Company declare such a dividend payment. Any dividends payable by the Company will be distributed to the holders of the Company's Ordinary Shares, and on the winding-up of the Company or other return of capital (other than by way of a repurchase or redemption of shares in accordance with the provisions of the Articles and the Companies Law), the Company's surplus assets, after payment of all creditors, will be distributed among the holders of the Company Ordinary Shares.

The Board anticipates that returns to Shareholders will be made through the Company's redemption mechanism and therefore does not expect that the Company will pay any dividends.

No dividends have been declared or paid during the period (31 March 2024: £nil).

Redemption mechanism
As the Company has been established as a closed-ended collective investment scheme, there is no right or entitlement attaching to the Ordinary Shares that allows them to be redeemed or repurchased by the Company at the option of the Shareholder.

The redemption mechanism allows the Board to redeem any number of shares at the prevailing NAV per share at the calculation date, (being the date determined by the Board for the calculation of the price to be paid on any particular exercise of the redemption mechanism), less the cost of redemption. This right will only be exercised in specific circumstances and for the purpose of returning capital growth.

Accordingly, assuming that the NAV exceeds £100 million, the Directors can make an assessment to operate the redemption mechanism to return the NAV back to around £100 million in order to:

- enable the Company to exploit fully the underlying investment opportunity and to deliver high and sustainable returns to Shareholders, principally in the form of capital gains;
- enable portfolio holdings to have a meaningful impact on the Company's performance, which might otherwise be marginal within the context of a larger fund; and
- ensure that the Company can continually take advantage of the illiquidity risk premium inherent in micro-cap companies.

The Directors are not obliged to operate the redemption mechanism and will not do so if:

- calculation and publication of the NAV has been suspended; or
- the Directors are unable to make the solvency statement required by Guernsey law; or
- other circumstances exist that the Board believes make the operation of the redemption mechanism undesirable or impracticable.

Redemptions will, subject to compliance with all applicable law and regulation, be carried out pro rata to a shareholder's holding of Ordinary Shares, but all redemptions will normally be subject to a de minimis value to be returned of approximately £10 million (before costs). The Company will not redeem fractions of shares.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

8. Share capital (continued)
Redemption mechanism (continued)

Redemptions will be recognised against retained earnings of the Company.

The price at which any Ordinary Shares are redeemed under the redemption mechanism will be calculated by reference to unaudited NAV calculations. To the extent that any redemption takes place at a time when the Ordinary Shares are trading at a significant premium to the prevailing unaudited NAV, Shareholders may receive an amount in respect of their redeemed Ordinary Shares that is materially below the market value of those shares prior to redemption.

In order to facilitate any redemptions, the Company may be required to dispose of assets within the investment portfolio. There is no certainty of the price that can be achieved on such sales and any sale price could be materially different from the carrying value of those assets. Consequently, the value received in respect of redeemed Ordinary Shares may be adversely affected where the Company is not able to realise assets at their carrying values. In addition, during any period when the Company is undertaking investment portfolio realisations, it may hold the sale proceeds (which could, in aggregate, be a material amount) in cash, which could impact the Company’s returns, until the redemption is implemented and the cash is distributed to Shareholders.

Investors should note that the redemption mechanism has a specific and limited purpose, and no expectation or reliance should be placed on the redemption mechanism being operated on any one or more occasions or as to the proportion of Ordinary Shares that may be redeemed or as to the price at which they will be redeemed. The redemption mechanism may also lead to a more concentrated and less liquid portfolio, which may adversely affect the Company’s performance and value.

In the absence of the availability of the redemption mechanism, Shareholders wishing to realise their investment in the Company will be required to dispose of their shares on the stock market. Accordingly, Shareholders’ ability to realise their investment at any particular price and/or time may be dependent on the existence of a liquid market in the shares. Please refer to the Financial Highlights and Performance Summary section on page 3 for details of the Company’s historical redemptions.

9. Basic and diluted (loss)/profit per Ordinary Share

	Six months ended 31 March 2025 (Unaudited) £	**Six months ended 31 March 2024 (Unaudited) £**
Total comprehensive (loss)/income for the period	(1,641,768)	3,743,200
Weighted average number of Ordinary Shares during the period	33,897,954	33,897,954
Basic and diluted (loss)/earnings per Ordinary Share	(0.0484)	0.1104

10. NAV per Ordinary share

	31 March 2025 (Unaudited) £	**30 September 2024 (Audited) £**
NAV	67,333,481	68,975,249
Number of Ordinary Shares at period/year end	33,897,954	33,897,954
NAV per Ordinary Share	1.9864	2.0348

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. Related party disclosure

The AIFM
The AIFM is a related party and is entitled to an annual fixed fee as disclosed in note 5. Mark Hodgson is the Managing Director of the AIFM.

The Portfolio Manager
The Portfolio Manager is a related party and is entitled to management and performance fees as disclosed in note 4.

The Portfolio Manager and George Ensor held the following Ordinary Shares in the Company:

	31 March 2025	**30 September 2024**
Portfolio Manager	3,096,178	3,109,578
George Ensor	90,194	90,194

The Directors
The Directors are entitled to remuneration for their services and also hold Ordinary Shares in the Company as disclosed in note 6.

All transactions between these related parties and the Company were conducted on terms equivalent to those prevailing in an arm's length transaction.

12. Controlling party

In the Directors' opinion, the Company has no ultimate controlling party.

13. Material events after the Condensed Interim Statement of Financial Position date

There were no events which occurred subsequent to the period end until the date of approval of the condensed interim financial statements, which would have a material impact on the condensed interim financial statements of the Company for the period ended 31 March 2025.

COMPANY INFORMATION

Board members
John Blowers (Chair)
Mark Hodgson
Ted Holmes (Audit Committee Chair)
Serena Tremlett (Remuneration and Nomination Committee Chair and Management Engagement Committee Chair)

Advocates to the Company
(as to Guernsey law)
Carey Olsen (Guernsey) LLP
PO Box 98
Carey House
Les Banques
St Peter Port
Guernsey
GY1 4BZ

Registered Office
BNP Paribas House
St Julian's Avenue
St Peter Port
Guernsey
GY1 1WA

Custodian
BNP Paribas S.A., Guernsey Branch[1]
BNP Paribas House
St Julian's Avenue
St Peter Port
Guernsey
GY1 1WA

Portfolio Manager
River Global Investors LLP
30 Coleman Street
London
EC2R 5AL

Independent Auditor
Grant Thornton Limited
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

AIFM
Carne Global AIFM Solutions (C.I.) Limited
Channel House
Green Street
St Helier
Jersey
JE2 4UH

Administrator and Company Secretary
BNP Paribas S.A., Guernsey Branch[1]
BNP Paribas House
St Julian's Avenue
St Peter Port
Guernsey
GY1 1WA

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

Registrar
Computershare Investor Services (Guernsey) Limited
2nd Floor, Lefebvre Place
Lefebvre Street
St Peter Port
Guernsey
GY1 2JP

Solicitors to the Company
(as to English law)
CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place
78 Cannon Street
London
EC4N 6AF

[1] BNP Paribas S.A. Guernsey Branch is regulated by the GFSC.