Lowland Investment Company plc

Update for the Half-Year Ended
31 March 2020

MANAGED BY
Janus Henderson
INVESTORS

Investment Objective

The Company aims to give shareholders a higher than average return with growth of both capital and income over the medium to long-term by investing in a broad spread of predominantly UK companies. The Company measures its performance against the FTSE All-Share Index Total Return.

Investment Policy

Asset Allocation

The Company will invest in a combination of large, medium and smaller companies listed in the UK. We are not constrained by the weightings of any index; we focus instead on controlling absolute risk by diversifying on the basis of underlying company characteristics such as size, industry, economic sensitivity, clients and management. In normal circumstances up to half the portfolio will be invested in FTSE 100 companies; the remainder will be divided between small and medium-sized companies. On occasions the Manager will buy shares listed overseas. The Manager may also invest a maximum of 15% in other listed trusts.

Dividend

The Company aims to provide shareholders with better-than-average dividend growth.

Gearing

The Board believes that debt in a closed-end fund is a valuable source of long-term outperformance, therefore the Company will usually be geared. At the point of drawing down debt, gearing will never exceed 29.99% of the portfolio valuation. Borrowing will be a mixture of short and long-dated debt, depending on relative attractiveness of rates.

Key Data*

Net Asset Value Total Return
-30.3%

Benchmark Total Return
-22.0%

Growth in Dividend
1.7%

Dividend
30.0p

* For the six months to 31 March 2020

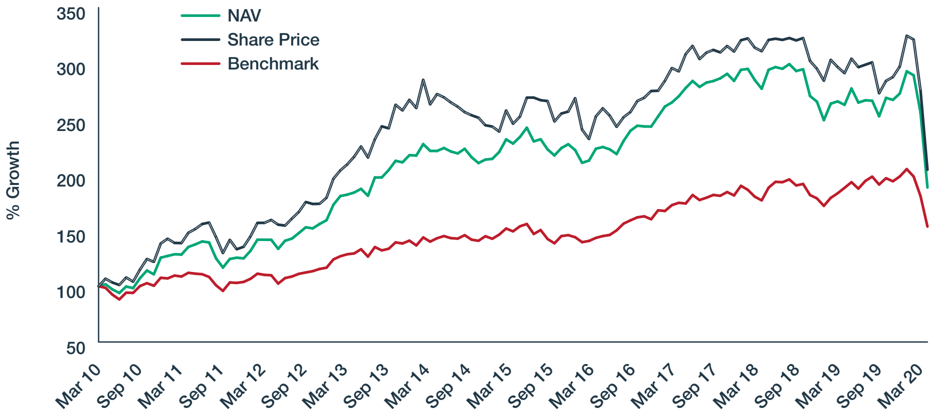
Financial Highlights

	Half-Year Ended 31 Mar 2020	Half-Year Ended 31 Mar 2019	Year Ended 30 Sept 2019
NAV Per Ordinary Share[1]	**985p**	1,431p	1,428p
Share Price[2]	**900p**	1,340p	1,280p
Market Capitalisation	**£243m**	£362m	£346m
Dividend Per Share	**30.0p**	29.5p	59.5p
Ongoing Charge Including Performance Fee	**0.7%**	0.6%	0.6%
Ongoing Charge Excluding Performance Fee	**0.7%**	0.6%	0.6%
Dividend Yield[3]	**6.7%**	4.3%	4.6%
Gearing	**17.2%**	11.9%	12.8%
Discount	**8.6%**	6.4%	9.1%

[1] NAV (Net Asset Value) with debt at par value
[2] Using mid-market closing price
[3] Based on dividends paid and declared in respect of the previous twelve months

Historical Performance

Total Return Performance (including dividends reinvested and excluding transaction costs)



Sources: Morningstar, Funddata, Refinitiv Datastream and Janus Henderson

	6 months %	1 year %	3 years %	5 years %	10 years %
Net Asset Value	**-30.3**	-29.5	-31.1	-18.6	84.2
Share Price[1]	**-28.1**	-29.8	-30.2	-16.8	104.4
Benchmark[2]	**-22.0**	-18.5	-12.2	2.9	53.6

[1] Using mid-market closing price
[2] FTSE All-Share Index
Sources: Morningstar, Funddata, Refinitiv Datastream and Janus Henderson

Historical Record

Year to 30 Sept	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	As at 31 Mar 2020
Net Assets[1] (£m)	204	214	266	347	362	355	387	440	439	386	**266**
Per Ordinary Share											
Net Asset Value[2]	770p	811p	1,008p	1,307p	1,346p	1,318p	1,432p	1,628p	1,625p	1,428p	**985p**
Share Price	700p	763p	992p	1,325p	1,355p	1,287p	1,337p	1,504p	1,515p	1,280p	**900p**
Net Revenue	22.5p	28.8p	31.1p	36.7p	39.4p	46.4p	47.7p	49.1p	58.6p	68.0p	**14.5p**
Net Dividends Paid	27.0p	28.0p	30.5p	34.0p	37.0p	41.0p	45.0p	49.0p	54.0p	59.5p	**30.0p[3]**

[1] Attributable to Ordinary Shares
[2] NAV with debt at par value
[3] First Interim Dividend of 15.0p per Ordinary Share paid on 30 April 2020 and Second Interim Dividend of 15.0p per Ordinary Share that will be paid on 31 July 2020
Sources: Morningstar, Funddata, Refinitiv Datastream and Janus Henderson

Chairman's Statement

Overview

Coronavirus has had a dramatic adverse impact on Lowland's quest for growth in both capital and income. The first quarter of the financial year saw modest growth in Net Asset Value ('NAV'), and outperformance of the FTSE All-Share benchmark. This was sharply reversed in the second quarter, and most especially in March, as the impact on global and domestic economies of the steps taken to contain coronavirus became more evident. Since then markets have recovered some of their losses, perhaps based more on the scale of governmental assistance than confidence in a rapid recovery from the consequences of the pandemic.

During the month of March the NAV fell 26.5% versus a 15.1% fall in the benchmark. In the half year as a whole, NAV fell by 30.3% against a 22.0% decline in the index. The relative underperformance therefore occurred entirely in March, and was largely a result of the portfolio's bias to certain stocks in the industrial and financial sectors, exacerbated by the effect of gearing in a falling market. The Fund Managers go into more detail on the most immediately problematic areas of the aerospace sector, banks, and insurance, in their report.

Dividends

Underlying earnings per share fell to 14.5p during the period compared to 22.2p last year. As a result of uncertainty surrounding coronavirus many companies across a broad range of industries have reduced, suspended or cancelled their dividends. This has created a very difficult environment for an income investor, with 2020 dividend cuts steeper than during the financial crisis.

The Fund Managers discuss the dividend outlook in more detail in their section of the report, and in their view, there may be an extent to which some dividends have been deferred; but a good many companies will take time to return to paying dividends; and recent levels of income are unlikely to return before 2022.

Lowland has pursued a progressive quarterly dividend policy since 2013. I said in my last annual statement that we were committed to maintaining this policy, with each quarterly declaration being no less than the previous year's equivalent, barring really adverse circumstances. That we face really adverse circumstances is clear. As greater clarity emerges on the timing and degree of recovery, the Board will consider whether we are able to maintain this policy. Aside from very substantial capital reserves, Lowland's revenue reserve, before payment of last year's third interim and final dividends, amounted to £18.4m at the financial year end, equivalent to 68p per share. We have added over £11m to the reserve since we last paid an uncovered dividend in 2010, when earnings were still recovering from the financial crisis. Revenue reserves are there for a rainy day. At present, it feels more like a thunderstorm, and we will have to make a judgement on whether we can maintain the policy. We are cognisant of shareholders' desire for regular income and it is our firm intention to maintain the policy if possible.

We declared a first interim dividend of 15p in January (2019: 14.5p), and the Board has today declared an unchanged second interim of 15p, thus far maintaining our policy.

Chairman's Statement

Gearing

As at the 31st March, gearing was 17.2%, up from 12.8% as at the financial year end. This rise in gearing was largely passive, driven by the fall in asset value. The absolute level of net debt remained fairly constant during the six months, at around £46m.

Since the year end debt has reduced slightly to £40.4m. Gearing is now 14.2%, reflecting lower debt and slightly recovered asset values.

Share price discount

During this volatile period, trading in the Company's shares fluctuated between a discount of 13.0% and a premium of 7.4%. As at the period end it was trading at an 8.6% discount versus a 9.1% discount at the financial year end.

Outlook

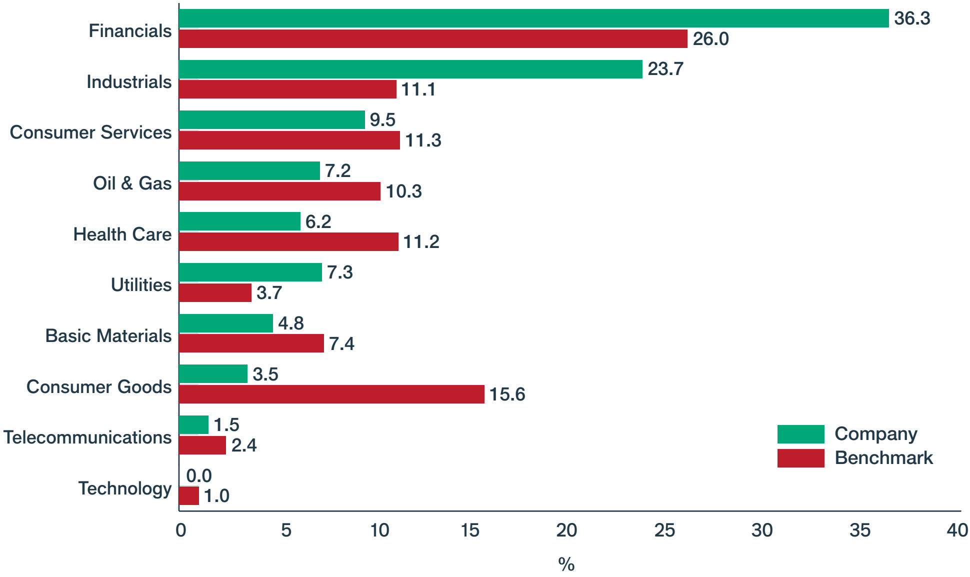
Chairmen are prone to remarking that times are unusually unpredictable. I think such an observation is excusable today. There will be long-term consequences of the hiatus in normal life, caused by governments' risk-averse reactions to the possible scale of the pandemic. To a degree these consequences will be sectoral; the great majority of companies throughout the economy will suffer to some extent. The speed and shape of recovery from such an unprecedented decline in economic activity is highly unpredictable.

Our intention is to maintain a level of gearing which is prudent. We certainly do not rule out further sharp market shocks. At the same time our gearing must allow us to benefit from opportunities in the market and from the recovery when it does come. The Fund Managers' approach remains based on bottom-up stock picking, although at this time stock picking is more than usually influenced by macro considerations. Lowland is invested in a diverse range of good quality companies which should benefit when economies recover.

Robert Robertson
Chairman
5 June 2020

Performance as at 31 March 2020

Sector Analysis



Fund Managers' Statement

Performance review

The six months to the end of March was a very difficult performance period for Lowland on an absolute and a relative basis. The Company's NAV fell 30.3%; the FTSE All-Share benchmark declined by 22.0% (both on a total return basis). This underperformance was concentrated in March as it became clear that coronavirus would have significant implications for both the domestic and global economy. In March the Company's NAV fell 26.5% versus a 15.1% fall in the FTSE All-Share.

Use of gearing detracted from returns by 3.5% during the six months. Gearing over the long term has been a positive contributor to performance and is one of the advantages of the investment trust structure; however during a period when equity markets fell sharply it has been a material detractor. At the end of the period the gearing level was 17.2%. The increase since the year end was driven passively by market falls rather than our having been a net investor.

At the sector level, the largest detractors from performance were our holdings in the industrials sector, which constituted 23.7% of the portfolio at the end of March. This detraction from returns was predominantly a result of stock selection rather than sector allocation, as the industrials sector as a whole performed only marginally worse than the overall benchmark. With parts of the global economy temporarily mothballed this will have a material impact on future earnings within the industrials sector. While in some cases we think the earnings impact will prove temporary (for example companies exposed to infrastructure spending, which we expect to continue to grow), in other areas such as civil aerospace, the path to earnings recovery is much less clear.

Within the portfolio we have two industrial companies which are materially exposed to civil aerospace – **Senior**, which designs and manufactures components such as structures for the wing, and engine maker **Rolls-Royce**. Going into this downturn, civil aerospace had been a structural growth area as passenger miles flown had, for many years, grown above global GDP growth, as emerging market demand increased. However, the temporary grounding of a substantial portion of the global aeroplane fleet has created a much more difficult outlook for the aerospace industry than either the financial crisis or 9/11. There will be excess capacity in aeroplanes, even after Boeing and Airbus have curtailed production. For Senior and Rolls Royce the earnings impact will be severe, but both have other end-market exposure, including defence aerospace, which is proving more resilient. For now we have maintained the positions. The shares are trading on a low valuation relative to their history with experienced management teams to steer the companies through this challenging period.

At the stock level, the largest contributors to relative performance during the six months are detailed in the table below.

Company name	Share price total return (%)	Relative contribution (%)
Avon Rubber	+39.4	+0.8
Severn Trent	+7.2	+0.5
Pennon	+32.9	+0.4
Direct Line	-1.4	+0.3
Phoenix Group	-9.4	+0.3

Taking each in turn:

1. **Avon Rubber** – completed the acquisition of a US body armour and helmets company from 3M. The deal was on attractive terms for Avon and is highly complementary to their existing defence equipment business.

2. **Severn Trent** – shares re-rated following the UK General Election, which removed the threat of renationalisation. Their operations are also relatively unaffected by the virus.

3. **Pennon** – announced the sale of their waste management business, Viridor, to private equity at a high valuation relative to historic earnings and invested capital.

4. **Direct Line** – resilient underwriting results in a period of rising claims costs in their motor book, along with an encouraging presentation to investors, led to the shares re-rating.

5. **Phoenix Group** – life insurance business which consists predominantly of pre-existing policies that are in gradual run-off, therefore should be relatively unaffected by the current economic back drop. The dividend yield remains attractive.

The largest relative detractors from performance during the six months are detailed in the table below.

Company name	Share price total return (%)	Relative contribution (%)
Senior	-62.1	-0.9
Hiscox	-44.3	-0.5
Ince	-84.7	-0.4
Hammerson	-72.7	-0.4
Rolls-Royce	-56.7	-0.3

Taking each in turn:

1. **Senior** – exposed to the civil aerospace market (see above under 'Performance Review').

2. **Hiscox** – a writer of small and medium-sized business insurance in the US and UK, including business interruption and event cancellation insurance. In the current backdrop the claims outlook in this area is unclear (although they do have reinsurance cover in place). This uncertainty has led to a de-rating of the shares.

3. **Ince Group** – a legal services company that announced a rights issue in order to cover working capital requirements following an acquisition. This has been a disappointing holding and is now a small portion of the overall portfolio (0.2% as at the end of March, following the period end the position has been sold).

4. **Hammerson** – shopping centres in the UK and Europe are largely closed as a result of the virus, and second quarter rent receipts as a result have been much weaker than they would otherwise have been. There are question marks around the long-term value of retail assets at a time when a growing portion of consumer spend is online. Hammerson owns prime retail assets in city centres (such as the Bullring in Birmingham) and in our view there is still a role for flagship retail assets. However valuations will be likely to continue to decline and the closure period as a result of the virus is likely to accelerate pre-existing trends in the retail sector with weaker companies entering administration.

5. **Rolls-Royce** – exposed to the civil aerospace market (please again see above in 'Performance Review').

Income review

It was a difficult period for income generation, with many of our companies choosing to suspend their dividends. These dividend suspensions were across a broad range of sectors including banks, industrials, housebuilders, non-life insurers and property companies. Other sectors, including utilities, pharmaceuticals, oil & gas producers and life insurers, have so far been more resilient. This has caused a fall in earnings per share from 22.2p this time last year to 14.5p this financial year.

Assessing the capacity for dividends to recover from their current level is difficult, and needs to be done on a company-by-company basis rather than at the sector level. Some companies may use the current suspension as an opportunity to rebase their payout ratio to a lower level. Other companies that we have spoken to see the decision as a genuine deferral (rather than cancellation) of the dividend and are keen to 'catch up' the forgone dividend as soon as the outlook is clearer. There are other nuances to be aware of – where companies are currently using, or are considering using any of the applicable government schemes (for example staff furloughing) they are pre-emptively cancelling dividends. Many extended bank facilities in the current environment are also coming with the proviso of no dividends being paid to shareholders for as long as the facility is being used (and in some cases for a set period afterwards as well). There may be a political consideration for the dividend payouts of some sectors such as banks. Therefore the dividend outlook is complex. In our view 2021 will see some recovery in dividend levels, but not to the levels seen in 2019.

Activity

The largest new investment during the period was asset manager and life insurance company **M&G**. This came into the portfolio via a spin-out from the existing holding in Prudential and we subsequently purchased more shares, attracted by the high yield that we believe they can continue to pay. Cash generation should be resilient thanks to the large asset base attached to their closed book of life insurance business (while their asset management business will naturally be more volatile dependent on net flows and market levels). Other new positions included **Ricardo** – a UK consultancy business that specialises in environmental consulting (for example working with governments and companies on how to reduce carbon emissions and water wastage) – and specialist retailer **Halfords**. Under a new management team Halfords is becoming more focused on return on capital and has taken steps to integrate its business better (for example bringing the Halfords and Autocentre business together onto one website for customers). We have used periods of share price weakness to add to our positions in all of these companies.

The largest individual sale during the period was pub operator **Greene King**, which we sold at a small discount to the takeover price, ahead of the completion of the takeover by Hong Kong conglomerate CK Asset Holdings. We also sold medical device designer and manufacturer **Consort Medical** ahead of its takeover by European peer company Recipharm. We removed our position in **Royal Mail**. This had been a disappointing performer for the portfolio as a result of a steeper than expected fall in letter volumes and difficulty in achieving targeted cost reductions.

Towards the end of the period we reduced the positions in some banks including **Royal Bank of Scotland** and **HSBC**. We originally held these on the basis of their strong capital positions which offered some scope for the return of excess capital to shareholders over time. This was particularly the case for RBS, which went into this calendar year with a strong capital position versus peers and which had already announced a special dividend was to be paid to shareholders in March. However, it became clear during the lockdown that given the banks (particularly the domestic banks) would be indirect beneficiaries of a number of government support schemes, they would not be paying dividends to shareholders for at least the remainder of the calendar year. Our original investment thesis of an attractive dividend yield for shareholders was therefore invalidated.

Outlook

Since the period end there has been a slight return of investor confidence with both the NAV total return and the FTSE All-Share total return rising by 8.5% (at the end of May). The sentiment is fragile with concerns that there might be second waves of the infection. However, companies have been adapting fast to the changed circumstances and have reduced their cost bases materially. When the economic recovery happens we therefore expect the earnings impact of a rise in sales to be substantial. Many companies have also raised equity in order to emerge from the crisis with a better balance sheet and stronger competitive position. We have selectively participated in these placings for Lowland since the period end.

Lowland has historically performed well when emerging from an economic downturn as a result of its sector positioning (such as the significant weighting in industrials) and small company holdings, which tend to be more tied into the domestic economic cycle. Understandably given the lack of visibility about the speed at which lockdown restrictions will be eased, and therefore the speed and scale of earnings recovery, these areas have performed poorly during this period. However, valuations on any historic sales or earnings basis are low. What has given us the most confidence during this difficult period is speaking frequently to the management teams of companies held. These are highly experienced management teams who are pulling all necessary levers to get businesses through to a period of economic recovery. In many cases businesses will emerge to a weakened competitive environment in which they can take market share. When the economic recovery comes there could be a period of both earnings and valuation recovery in those areas that have been most impacted by the current disruption. While we fully understand that this has been a disappointing performance period, we do not think now is the time to change course.

James Henderson and Laura Foll
Fund Managers
5 June 2020

Financial Summary

Extract from the Condensed Income Statement	31 Mar 2020 Revenue Return £'000	31 Mar 2020 Capital Return £'000	31 Mar 2020 Total £'000	31 Mar 2019 Revenue Return £'000	31 Mar 2019 Capital Return £'000	31 Mar 2019 Total £'000
			Unaudited Half-Year Ended			
Losses on investments held at fair value through profit or loss	-	(114,880)	(114,880)	-	(49,907)	(49,907)
Income from investments	4,913	–	4,913	7,117	–	7,117
Other interest receivable and similar income	81	–	81	51	–	51
Gross revenue and capital losses	**4,994**	**(114,880)**	**(109,886)**	**7,168**	**(49,907)**	**(42,739)**
Expenses, finance costs and taxation	(1,082)	(747)	(1,829)	(1,165)	(812)	(1,977)
Net return on ordinary activities after taxation	**3,912**	**(115,627)**	**(111,715)**	**6,003**	**(50,719)**	**(44,716)**
Return per ordinary share – basic and diluted	**14.5p**	**(428.0p)**	**(413.5p)**	**22.2p**	**(187.7p)**	**(165.5p)**

Extract from the Condensed Statement of Financial Position	Unaudited as at 31 Mar 2020 £'000	Unaudited as at 31 Mar 2019 £'000	Audited as at 30 Sep 2019 £'000
Investments held at fair value through profit or loss	311,793	432,493	435,187
Net liabilities	(45,710)	(45,840)	(49,283)
Net assets	266,803	386,653	385,904
Net asset value per ordinary share – basic and diluted	**984.8p**	**1,431.1p**	**1,428.3p**

Dividend

On 30 April 2020, a first interim dividend of 15.0p (2019: 14.5p) per ordinary share was paid in respect of the year ending 30 September 2020. A second interim dividend of 15.0p per ordinary share for the year ending 30 September 2020 has been declared and will be paid on 31 July 2020 to shareholders on the register of members at the close of business on 3 July 2020. The ex-dividend date is 2 July 2020. Based on the number of shares in issue on 5 June 2020 of 27,018,565, the cost of the dividend will be £4,053,000 (2019: £4,053,000).

Going Concern

The assets of the Company consist of securities that are readily realisable and, accordingly, the Directors believe that the Company has adequate resources to continue in operational existence for at least twelve months from the date of approval of the financial statements. Having assessed these factors and the principal risks, the Board has determined that it is appropriate for the financial statements to be prepared on a going concern basis.

Principal Risks and Uncertainties

The principal risks and uncertainties associated with the Company's business can be divided into various areas:

- Investment Activity and Strategy;
- Portfolio and Market Price;
- Financial;
- Gearing;
- Operational; and
- Accounting, Legal and Regulatory.

There are a number of risks stemming from the COVID-19 pandemic and the uncertainty that this has created in global markets, both economically and politically, that may impact the operation of the Company, as referenced in the Chairman's Statement. The Fund Managers will continue to review carefully the composition of the Company's portfolio and be proactive in taking investment decisions where necessary. Janus Henderson (the "Manager") and the Company's other third-party service providers remain fully operational and have implemented appropriate business continuity plans to ensure that there has been no change in service while the majority of staff are working from home.

Statement of Directors' Responsibilities

The Directors confirm that, to the best of their knowledge:

(a) the set of financial statements for the half-year to 31 March 2020 has been prepared in accordance with "FRS 104 Interim Financial Reporting";

(b) the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

(c) the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

For and on behalf of the Board
Robert Robertson
Chairman
5 June 2020

Investment Portfolio as at 31 March 2020

Company	Sector	Market Value £'000	% of Portfolio
GlaxoSmithKline	Pharmaceuticals & Biotechnology	13,707	4.4
Royal Dutch Shell	Oil & Gas Producers	12,224	3.9
Phoenix	Life Insurance	10,479	3.4
Severn Trent	Gas Water & Multiutilities	8,550	2.7
National Grid	Gas Water & Multiutilities	7,730	2.5
Direct Line	Non-Life Insurance	7,693	2.5
HSBC	Banks	7,177	2.3
Relx	Media	6,928	2.2
Prudential	Life Insurance	6,731	2.2
Hiscox	Non-Life Insurance	6,303	2.0
10 Largest		**87,522**	**28.1**
Standard Chartered	Banks	5,924	1.9
Pennon	Gas Water & Multiutilities	5,428	1.7
Irish Continental (Ireland)	Travel & Leisure	5,035	1.6
BP	Oil & Gas Producers	4,991	1.6
Avon Rubber	Aerospace & Defence	4,841	1.6
Aviva	Life Insurance	4,699	1.5
BAE Systems	Aerospace & Defence	4,696	1.5
Rio Tinto	Mining	4,648	1.5
Vodafone	Mobile Telecommunications	4,597	1.5
Ten Entertainment	Travel & Leisure	4,505	1.4
20 Largest		**136,886**	**43.9**
Randall & Quilter [1]	Non-Life Insurance	4,361	1.4
FBD (Ireland)	Non-Life Insurance	4,225	1.4
Mondi	Forestry & Paper	4,143	1.3
Morgan Advanced Materials	Electronic & Electrical Equipment	4,026	1.3
St Modwen Properties	Real Estate	3,938	1.3
Senior	Aerospace & Defence	3,830	1.2
Henderson Opportunities Trust	Equity Investment Instruments	3,798	1.2
Johnson Service [1]	Support Services	3,781	1.2
Clarkson	Industrial Transportation	3,727	1.2
Sabre Insurance	Non-Life Insurance	3,693	1.2
30 Largest		**176,408**	**56.6**
Standard Life Aberdeen	Financial Services	3,562	1.2
XP Power	Electronic & Electrical Equipment	3,539	1.1
Croda	Chemicals	3,529	1.1
Headlam	Household Goods & Home Construction	3,493	1.1
Hill & Smith	Industrial Engineering	3,362	1.1
Land Securities	Real Estate	3,341	1.1
HICL Infrastructure	Equity Investment Instruments	3,236	1.0
DS Smith	General Industrials	3,205	1.0
Anexo [1]	Support Services	3,156	1.0
H&T Group [1]	Financial Services	3,134	1.0
40 Largest		**209,965**	**67.3**

Investment Portfolio as at 31 March 2020 (continued)

Company	Sector	Market Value £'000	% of Portfolio
Castings	Industrial Engineering	3,113	1.0
Churchill China [1]	Household Goods & Home Construction	3,078	1.0
Babcock	Support Services	3,066	1.0
Balfour Beatty	Construction & Materials	3,048	1.0
Chesnara	Life Insurance	2,992	1.0
Rolls-Royce	Aerospace & Defence	2,980	0.9
Somero Enterprises [1] (USA)	Industrial Engineering	2,975	0.9
TT Electronics	Electronic & Electrical Equipment	2,746	0.9
Epwin [1]	Construction & Materials	2,687	0.9
AstraZeneca	Pharmaceuticals & Biotechnology	2,634	0.8
50 Largest		**239,284**	**76.7**
Bellway	Household Goods & Home Construction	2,479	0.8
K3 Capital [1]	Financial Services	2,472	0.8
Numis [1]	Financial Services	2,468	0.8
IMI	Industrial Engineering	2,456	0.8
Royal Bank of Scotland	Banks	2,427	0.8
M&G	Financial Services	2,421	0.8
International Personal Finance	Financial Services	2,411	0.8
Palace Capital	Real Estate	2,410	0.8
STV	Media	2,402	0.7
Helical	Real Estate	2,275	0.7
60 Largest		**263,505**	**84.5**
Studio Retail	General Retailers	2,252	0.7
Lloyds Banking	Banks	2,240	0.7
Gibson Energy (Canada)	Oil & Gas Producers	2,217	0.7
Herald Investment Trust	Equity Investment Instruments	2,013	0.7
International Consolidated Airlines	Travel & Leisure	1,936	0.6
Appreciate [1]	Financial Services	1,863	0.6
IP Group	Financial Services	1,854	0.6
Shoe Zone [1]	General Retailers	1,841	0.6
Redde Northgate	Industrial Transportation	1,813	0.6
Provident Financial	Financial Services	1,811	0.6
70 Largest		**283,345**	**90.9**
Daily Mail & General Trust	Media	1,737	0.5
Euromoney	Media	1,620	0.5
Elecosoft [1]	Technology	1,577	0.5
Oxford Sciences Innovation [2]	Pharmaceuticals & Biotechnology	1,573	0.5
Vitec	Industrial Engineering	1,472	0.5
Ilika [1]	Alternative Energy	1,456	0.5
Ibstock	Construction & Materials	1,410	0.4
Ricardo	Construction & Materials	1,307	0.4
Elementis	Chemicals	1,201	0.4
Tyman	Construction & Materials	1,154	0.4
80 Largest		**297,852**	**95.5**

Investment Portfolio as at 31 March 2020 (continued)

Company	Sector	Market Value £'000	% of Portfolio
Hammerson	Real Estate	1,122	0.4
Stobart	Industrial Transportation	1,114	0.4
Anglo American	Mining	1,062	0.3
Centrica	Gas Water & Multiutilities	1,047	0.3
Airea [1]	Personal Goods	907	0.3
Low & Bonar	General Industrials	883	0.3
Renold [1]	Industrial Engineering	861	0.3
Taylor Wimpey	Household Goods & Home Construction	823	0.3
Indus Gas [1]	Oil & Gas Producers	794	0.2
Wadworth - Ordinary shares [2]	Travel & Leisure	709	0.2
90 Largest		**307,174**	**98.5**
Ince [1]	Support Services	659	0.2
Halfords	General Retailers	628	0.2
Horizon Discovery [1]	Pharmaceuticals & Biotechnology	508	0.2
Faron Pharmaceuticals [1] (Finland)	Pharmaceuticals & Biotechnology	450	0.1
4D Pharma [1]	Pharmaceuticals & Biotechnology	423	0.1
Atlantis Resources [1]	Alternative Energy	323	0.1
Severfield	Industrial Engineering	300	0.1
Velocys [1]	Chemicals	228	0.1
Premier Oil	Oil & Gas Producers	215	0.1
Hornby [1]	Leisure Goods	209	0.1
100 Largest		**311,117**	**99.8**

[1] AIM Stocks
[2] Unlisted Investments
Source: Janus Henderson

Directors and other information

Directors

Robert Robertson (Chairman)
Duncan Budge
Gaynor Coley
Karl Sternberg
Tom Walker

All of the Directors are non-executive, and members of the Audit Committee (except the Chairman and Mr. Sternberg), Management Engagement Committee and Nominations Committee.

The Management Engagement Committee and the Nominations Committee are chaired by Robert Robertson and the Audit Committee by Gaynor Coley.

Investment Manager

Henderson Investment Funds Limited, authorised and regulated by the Financial Conduct Authority.
Tel: 020 7818 1818

Fund Managers

James Henderson
Laura Foll

Corporate Secretary

Henderson Secretarial Services Limited
Email: ITSecretariat@janushenderson.com

Performance Details/ Share Price Information

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

Shareholder Details

Shareholders who hold their shares in certificated form can check their shareholding with the Registrar, Computershare Investor Services PLC, via www.computershare.com. Please note that to gain access to your details on the Computershare site you will need the holder reference number shown on your share certificate.

Share Price Listings

The market price of the Company's ordinary shares is published daily in The Financial Times. The Financial Times also shows figures for the estimated NAV and the discount. The market price of the Company's shares can be found in the London Stock Exchange Daily Official List.

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