

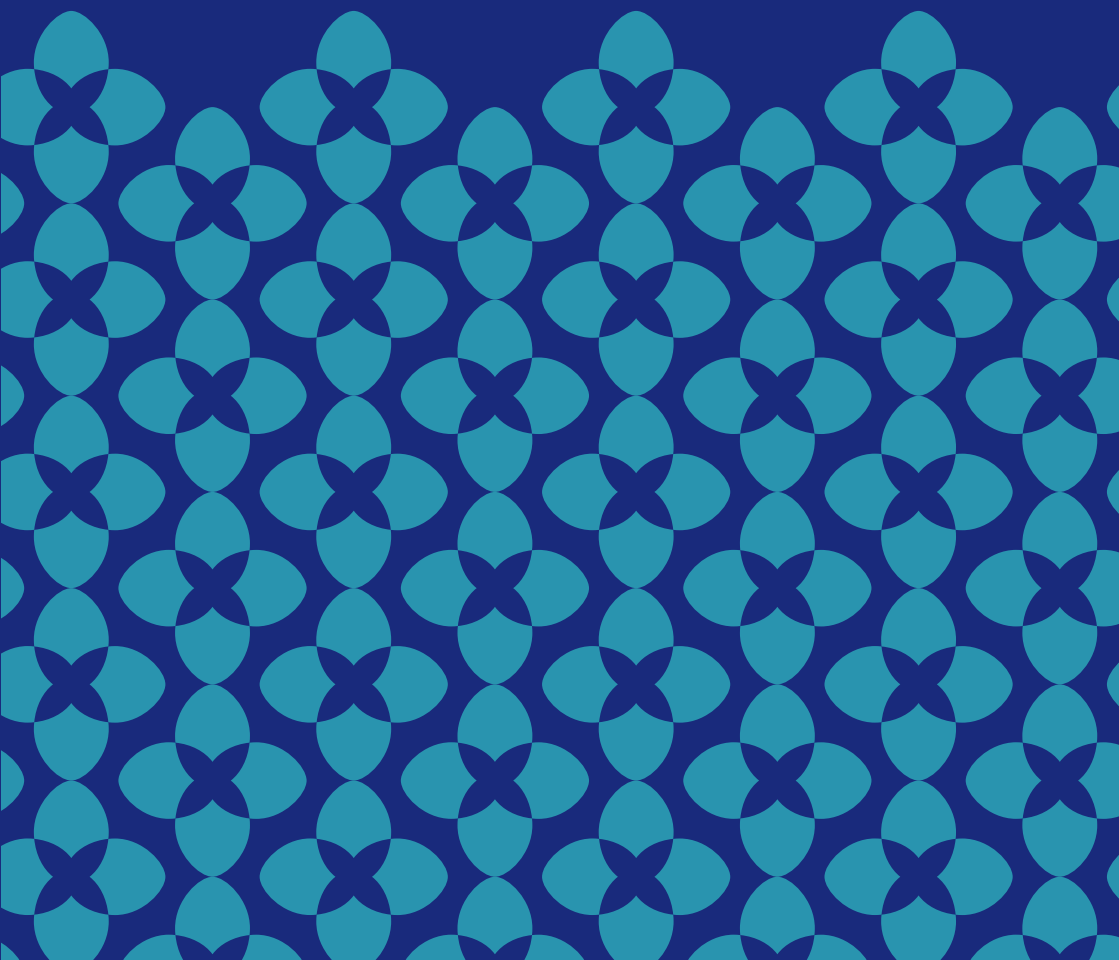


MAJEDIE INVESTMENTS PLC

2023 HALF-YEARLY REPORT

31 March 2023

Company number: 00109305



CONTENTS

1	Financial Highlights
2	Investment Objectives and Policy Statement
6	Chief Executive's Report
12	Interim Management Report
13	Responsibility Statement of the Directors in respect of the Half-Yearly Financial report
14	Condensed Statement of Comprehensive Income
16	Condensed Statement of Changes in Equity
18	Condensed Balance Sheet
20	Condensed Cash Flow Statement
21	Notes to the Accounts
36	Company Information

Financial Highlights

	Half Year ended 31 March 2023
Total shareholder return (including dividends):	32.6%
Net asset value (NAV) total return (debt at par including dividends):	13.9%
NAV total return (debt at fair value including dividends):	13.8%
NAV per share (debt at par value):	245.0p
NAV per share (debt at fair value):	244.2p
Revenue Return per share:	0.7p
Quarterly Dividend:	1.8p
Total assets*:	£150.6m

* Total assets are defined as total assets less current liabilities.

Investment Objectives and Policy Statement

Investment Objective

The Company's investment objective is both to deliver long-term capital growth whilst preserving shareholders' capital and to pay a regular dividend.

Benchmark

The performance target is to achieve net annualised total returns (in GBP) of at least 4 per cent. above the UK CPI over rolling five-year periods.

Investment Policy

The Company's strategy to achieve its investment objective is to create a balanced portfolio of investments that is diversified both across asset classes and by geography. Holdings will be focussed on the following three main segments:

1. Special Investments: opportunities including co-investments, special-purpose vehicles and thematic funds. These eclectic and episodic opportunities are generally hard-to-access investments targeting potential IRRs of 20 per cent. or better. These investments may be somewhat illiquid in nature, with an expected duration of 24 to 36 months.
2. External Managers: allocations to pooled vehicles managed by third parties. These funds pursue fundamental strategies; and
3. Direct Investments: targeted investments in listed securities, predominantly equities.

The Company's underlying investments are expected to be primarily in equities and related instruments (which shall include, without limitation, preference shares, convertible debt instruments, equity-related and equity-linked notes and warrants) issued by quoted and unquoted portfolio companies as well as in partnerships, limited liability partnerships, offshore or un-regulated funds and other legal forms of entity where the investment has equity-like return characteristics. The Company may invest in publicly traded companies (including participating in the IPO of an existing unquoted company investment), subject to the investment restrictions below. The Company is not expected to take majority shareholder positions in portfolio companies but shall not be restricted from doing so.

Though the Company's underlying investments are expected to be primarily in equities, the Company may also invest in securities and financial instruments of any kind, including, without limitation, sovereign debt and related options and/or futures and other fixed income instruments issued by sovereign borrowers or their agencies, equity and equity-related securities, bonds and other fixed-income securities, loans, futures, forward contracts, warrants, options, swaps, contracts for difference and other derivative instruments, currencies, commodities, pooled investment vehicles (which may be open-ended or closed-ended and established in any jurisdiction), money-market funds, commercial paper, certificates of deposit and other cash equivalents. Debt securities in which the Company may invest may be of investment-grade, sub-investment-grade, or unrated. In addition, the Company may pursue any of these strategies through privately negotiated investments as well as public market transactions. From time to time, the Company may acquire assets or securities that are illiquid and the fair value of which may not be readily derived from third-party sources.

The Company may use derivatives and similar instruments, whether for the purpose of capturing specific opportunities, to create return asymmetry, mitigate currency exposure or for capital preservation.

The Company may make investments directly or indirectly through special purpose vehicles, intermediate holding vehicles or other fund or similar structures or other vehicles where the Investment Manager considers that that this would be commercially beneficial or confer legal, regulatory or tax advantages, or provide the only practicable means of access to the relevant investment.

Investment Objective and Policy Statement

Investment Restrictions

The Company will invest and manage its assets with the object of spreading investment risk. It shall not be restricted in the jurisdictions or sectors in which it may invest. However, no more than 10 per cent. of the Company's gross assets may be directly or indirectly (through derivatives or similar instruments) invested in any one investment or issuer, or allocated to a single external third-party manager, as at the time of investment. When fully invested, the Company will aim to allocate its assets between the three main investment segments within the below strategic ranges:

1. Special Investments: 10 per cent. to 40 per cent. of gross assets
2. External Managers: 30 per cent. to 60 per cent. of gross assets
3. Direct Investments: 10 per cent. to 30 per cent. of gross assets

The Company will not be required to dispose of any investment or rebalance its portfolio as a result of a change in the respective value of any of its investments.

Not more than 10 per cent. of the Company's gross assets at the time an investment is made will be invested in other closed-ended investment funds which are listed on the Official List.

Borrowing policy

The Board is empowered to borrow up to 100 per cent. of adjusted capital and reserves. The Board reviews the level of gearing (borrowings less cash) on an ongoing basis and sets a range at its discretion, with an upper limit set at 30 per cent. of the Company's gross assets, measured at time of drawdown. Where the Company invests in portfolio companies indirectly (whether through a third-party manager, special purpose vehicles as holding entities or otherwise), notwithstanding the previous paragraph, indebtedness in such holding entity will not be included in the calculation of indebtedness of the Company provided that the provider of such debt only has recourse to the assets of the holding entity and does not have recourse to the other assets of the Company or other investments made by the Company.

Cash and portfolio management

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include but shall not be limited to, short-term investments in money market funds, gilts, and tradeable debt securities.

There is no restriction on the amount of cash or cash equivalent investments that the Company may hold or where it is held. When fully invested, the Company will hold an appropriate value of the Company's gross assets in cash or cash equivalent investments for the purposes of making follow-on investments and to manage working capital requirements of the Company.

The Company may also use derivative instruments. The Company may, but shall not be required to, hedge currency exposure in its portfolio.

Changes to the investment policy and breaches of investment restrictions

As required by the Listing Rules, any material change to the investment policy of the Company will be made only with the approval of Shareholders. In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the remedial actions to be taken by the Company through a Regulatory Information Service announcement.

Chief Executive's Report

In the six months ended 31 March 2023 the NAV at par and the NAV at fair value (net asset value with debt at par and fair value) rose by 13.9% and 13.8% respectively on a total return basis. Total shareholder return (including dividends) increased by 32.6%.

The Company announced a change to its Investment Management Arrangements in November 2022 and held a General Meeting on 25 January 2023 at which shareholders approved the appointment of Marylebone Partners LLP (Marylebone) and a change in its Investment Policy. Subsequent to the meeting, Marylebone took over the management of the Company's portfolio and by 31 March it had been largely transitioned to the new investment policy.

Since the announcement of the appointment of Marylebone, it is encouraging that the discount to NAV of the Company has narrowed, especially as many peers' discounts have widened. The Board also notes the higher turnover in the Company's shares and that several new investors have joined the share register.

Results and Dividends

The Company had a capital gain for the six months to 31 March 2023 of £15.8m. Total income from investments fell to £1.2m compared to £2.0m in the six months to 31 March 2022 largely due to the absence of a dividend from Majedie Asset Management following its sale to Liontrust PLC (Liontrust) on 30 March 2022.

Total administrative expenses and management fees were £1.2m compared to £0.8m for the six months to 31 March 2022. The increase is due to fees incurred in the change in Investment Management Arrangements, in particular fees payable to JP Morgan Cazenove, as corporate broker, and Dickson Minto LLP, as legal advisor. Marylebone has agreed to waive half of the investment management fees payable by the Company for a period of twelve months from their appointment as investment manager, this will be amortised over two and a half years as shown in note 3. The Company also paid performance fees to Liontrust of £0.7m which relate to its holding, now sold, in the Tortoise Fund.

Following the approval of the changes to the investment objective and policy the Company will pay quarterly dividends which are expected to comprise approximately 0.75% of the relevant quarter end NAV, leading to an aggregate annual dividend target of approximately 3%. Accordingly, in relation to the quarter ended 31 March 2023 a quarterly dividend of 1.8p was declared on 5 May 2023 which will be paid on 2 June 2023 to shareholders on the register on 19 May 2023.

As a consequence of the new arrangements the Company will no longer be self-managed and Marylebone will become the AIFM in due course. The Company will no longer have an office or any employees.

Performance

The overall performance for the Company was strong as equity markets recovered during the period. The large allocation that the Company had in the UK equity market was beneficial as was the continued strong performance of the Tortoise Fund. The UK Equity Segregated Portfolio was sold on 25 January 2023 and the Global Equity Fund, International Equity Fund and the Tortoise Fund were all sold on 22 February 2023 to enable the Company's assets to remain invested during the transition.

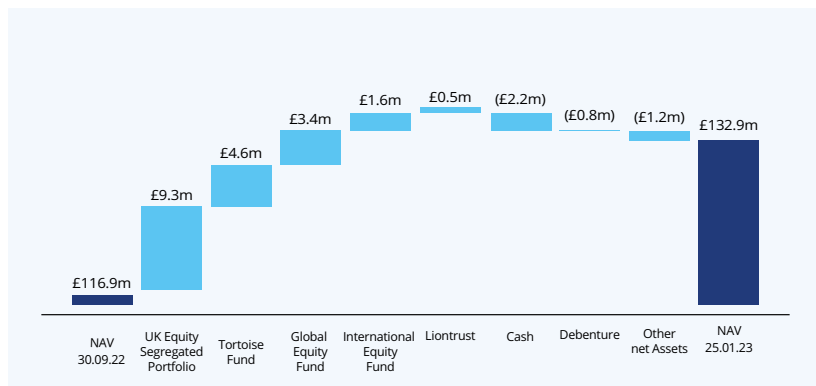
The share price of Liontrust increased by 43% in the six months to 31 March 2023, though the price remains 50% below the level received as consideration by the Company as part of the sale of Majedie Asset Management (MAM). The performance targets (to be met by MAM by 31 March 2023) which would have triggered a deferred benefit from Liontrust to the Company were not achieved, therefore the deferred payment benefit has lapsed. The Company had attributed no value to this contingent payment in its NAV. The Company has continued to reduce its holding in Liontrust, selling 216,000 shares for a consideration of £2.3m over the six months to 31 March 2023.

Performance of Liontrust Funds until their sale

	30 September to sale date			Since MI invested		
	% Fund return	% Benchmark return	% Relative performance	% Fund return	% Benchmark return	% Relative performance
UK Equity Segregated Fund to 25 January 2023	15.4	13.9	1.5	38.9	60.9	(22.0)
Global Equity Fund to 22 February 2023	7.8	6.5	1.3	156.9	144.9	12.0
International Equity Fund to 22 February 2023	10.0	10.4	(0.4)	27.6	16.1	11.5
Tortoise Fund to 22 February 2023	18.0	–	–	48.7	–	–
MAM/Liontrust 6 months to 31 March 2023	42.8	–	–	(49.6)	–	–

Chief Executive's Report

NAV Bridge 30 September 2022 to 25 January 2023 (date of Fund Manager change)



Transition to the New Investment Policy

Under the recently adopted Investment Objective and Policy, the Company will target annualised total returns (net of fees and expenses, in GBP) of at least 4% above the UK Consumer Price Index, measured over rolling five year periods. Marylebone, the Company's investment manager will invest in three differentiated investment strategies, in order to achieve the Board's key objectives of improving performance, reducing the Company's discount to NAV and developing the Company's culture;

1. Special Investments
2. External Managers
3. Direct Investments

Following approval of the new objective and policy the portfolio has been transitioned so that all Liontrust Funds were sold. Marylebone have re-invested the proceeds in both External Managers and Direct Investments and made initial investments into Special Investments. It is anticipated that this will be fully transitioned by the end of the calendar year as suitable investments are sourced.

The investments that feature in the new 'Liquid Endowment' Strategy offer not only a clearly differentiated portfolio, but also (and importantly) a portfolio that is marked to market regularly. This is possible either because the underlying assets are both liquid and traded on recognised markets, or the idea sponsor has a policy which usually entails asking an independent third party to price the investment on a regular basis. The only asset in the portfolio as at the date of this interim report that requires a Director's valuation is the 7.5% holding in the Marylebone Partnership LLP. This is currently valued at £5,000 (see Note 12). One Special Investment is Tier 3 (see Note 9) and is currently valued at £2.2m.

Under the new investment policy, the portfolio has a more significant exposure to non-sterling assets, predominantly USD, which exposes the shareholders to currency risk and therefore the manager has a currency hedge in place, as permitted under the Company's investment policy. The portfolio is hedged monthly using forward contracts and covers the currency exposure within External Managers and Direct Investments, Special Investments are not hedged because they are less liquid.

The Current Portfolio

Allocation of Total Assets at 31 March 2023

	Value £000s	% of Total Assets
External Managers	72,339	48.0%
Direct Investments	29,932	19.9%
Special Investments	9,510	6.3%
Liontrust	3,297	2.2%
Net Cash/Other Assets/Realisation Fund*	35,532	23.6%
Total Assets	150,610	100.0

* £12.2m had been allocated to External Managers and settled on 1 April 2023.

Special Investments

The portfolio holds 6.3% of total assets in Special Investments that are sourced through Marylebone's proprietary network. These comprise two 'stressed' credit opportunities, two activist co-investments in public equities (one in a niche Software business and the other in a Consumer Discretionary business) and a commodity investment. The final Special Investment is completely uncorrelated to markets and pursues a strategy similar to factoring, overseen by a manager in the US with whom Marylebone has a fifteen-year relationship.

External Managers

At 31 March 2023 the portfolio held 48.0% in fourteen External Managers with a further £12.2m allocated to External Managers awaiting settlement. Marylebone regards all of these managers as pre-eminent in their respective specialist areas. By 'role in portfolio' profile, equity centric funds comprise 53% of the total External Manager allocation and is invested with specialists in mid cap software, turnarounds, value-based activist situations, biotech, Scandinavian, other European and Chinese equities.

To complement these equity funds, Marylebone has allocated to four credit funds with a focus on 'performing yet stressed' opportunities in the US, Europe and emerging markets, this comprises 32% of External Managers.

Chief Executive's Report

Marylebone's chosen managers have targeted situations that are short duration, where risk is mitigated by positioning at the top of the company's capital structure. Having navigated at least four previous cycles, the Marylebone team consider stressed/distressed credit an area of true differentiation for the Company's portfolio.

The final allocation to External Managers, which comprises 15%, is to managers that offer exposure to commodities, (in particular uranium and copper) as well as to the broader theme of energy transition from fossil fuels to clean energy.

Direct Investments

Direct Investments in public equities comprises 19.9% of total assets. After the dislocations of the previous eighteen months Marylebone has built a focussed portfolio of equities that have not only met their quality criteria, but have also satisfied their strict research and selection process. This part of the Company's portfolio has divergent return drivers and is not determined by style or specific macroeconomic outcomes. As a general observation, Marylebone believes that earnings estimates for developed markets do not appear to fully reflect the possibility of an economic slowdown and the portfolio therefore, has modest exposure to sectors such as Property, Energy and Financials where expectations are high and is overweight Industrials and IT where expectations are more realistic.

Largest ten holdings in each Strategy

Special Investments	%	External Managers	%	Direct Investments	%
Project Bungalow	2.0	Perseverance DXF Value Fund	4.3	Alight Inc	1.8
Project Uranium	1.5	Silver Point Capital Offshore	4.3	KBR Inc	1.7
Project Retain	1.4	Eicos Fund SA	4.1	Pernod Ricard SA	1.7
Project Saint	1.2	KL Event Driven UCITS Fund	4.0	Laboratory Corp	1.6
Project Challenger	1.0	Keel Capital SA SICAV-SIF Longhorn	3.8	Weir Group	1.6
Project Care	0.7	Millstreet Credit Offshore	3.7	Wabtec Corp	1.5
		Praesidium Strategic Software Opportunities	3.7	Howmet Aerospace Inc	1.4
		Energy Dynamics	3.4	Sage Group PLC	1.3
		Paradigm BioCapital Partners	3.3	UnitedHealth Group Inc	1.2
		CastleKnight Offshore	3.2	Adobe Inc	1.1

The 7.5% stake in Marylebone Partners LLP is currently valued at cost as in note 12.

At the end of the period the Company held larger than normal levels of net cash and other assets, a significant proportion of which was subsequently deployed in early April into External Managers and Special Investments.

Following the change in investment policy and the transition to the 'Liquid Endowment' strategy the Company will no longer publish daily NAVs. Instead, an estimate of the month end will be published around the tenth day of the month. A mid-month NAV will be published around the twenty fifth day of each month accompanied by the final NAV for the prior month. Importantly the prices are almost all generated from observed marked to market prices with the exception of the 7.5% stake in Marylebone Partners LLP and Project Retain. The proportion of the portfolio that is marked to markets accounts for over 98% of the assets.

Outlook

The consequences of Central Bank tightening in 2022 are becoming apparent especially in the US Regional Bank sector evidenced by the collapse of Silicon Valley Bank and the subsequent failure of Signature and First Republic. The ensuing crisis of confidence across the sector led to the acquisition of Credit Suisse by UBS. Whilst prices have largely recovered after the initial shock as the largest banks are well capitalised, markets remain nervous. One of the consequences could be Central Banks adopting a less hawkish stance on further tightening as the availability of credit has become scarcer. Inflation remains stubborn, but adjustment to commodity price increases and fuel prices caused by the invasion of Ukraine by Russia over a year ago, tight money supply and improvements in the global supply chain as China opens up should lead to lower inflation in the second half of the year. Geo-political risks remain at heightened levels and increase uncertainty. Against such a background the Company's portfolio which now combines idiosyncratic equity return with targeted positioning in External Managers together with specialist credit and real assets should provide downside protection as well as benefiting from increased sources of returns.

Sir William Barlow Bt.

Chief Executive

For and on behalf of the Board

25 May 2023

Interim Management Report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal uncertainties for the remaining six months of the financial year are set out in the Chief Executive's Report on pages 6 to 11. This Half-Yearly Financial Report has not been audited or reviewed by the Company's auditor.

The financial statements continue to be prepared on a going concern basis. The approach used for the Annual Report is applied, giving proper consideration to financial and cashflow forecasts, including any on-going COVID-19 and Ukraine war impacts, and it is believed that the Company has adequate financial resources to continue to operate for a period of at least twelve months from the date on which these financial statements were approved.

The principal risks facing the Company remain unchanged since the date of the Annual Report for the year ended 30 September 2022, as set out in the Business Review section of the Strategic Report (pages 25 to 26). The recovery from COVID-19 and the effects of the Ukraine war continues to add uncertainty to global equity markets, both economically and politically, with the impact on the Company as set out in the Chief Executive's Report. The Company and its service providers continue to maintain operations and service levels effectively. Risks faced by the Company include, but are not limited to, market risk, operational risk, discount volatility, compliance risk (including non-compliance with Section 1158 of the Corporation Tax Act 2010) and financial risk.

Responsibility Statement of the Directors in respect of the Half-Yearly Financial Report

In accordance with the Disclosure Guidance and Transparency Rules 4.2.7R and 4.2.8R, we confirm that to the best of our knowledge:

- (a) the condensed set of financial statements has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as required by the Disclosure Guidance and Transparency Rule 4.2.4R, and gives a true and fair view of the assets, liabilities and financial position of the Company;
- (b) the Chief Executive's Report includes a fair review of the information required to be disclosed under the Disclosure Guidance and Transparency Rule 4.2.7R, interim management report. This includes (i) an indication of important events that have occurred during the first six months of the financial year; and their impact on the condensed set of financial statements presented in the Half-Yearly Financial Report and (ii) a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- (c) except as disclosed in the Chief Executive's Report, there were no changes in the transactions or arrangements with related parties as described in the annual Report for the year ended 30 September 2022 that would have had a material effect on the financial position or performance of the Company in the first six months of the current financial year.

Christopher D Getley

Chairman

For and on behalf of the Board

25 May 2023

Condensed Statement of Comprehensive Income

for the half year ended 31 March 2023

Half year ended 31 March 2023			
(unaudited)			
	Revenue	Capital	Total
Notes	return	return	
	£'000	£'000	£'000
Investments			
(Losses)/gains on investments at fair value through profit or loss		17,606	17,606
Net investment result		17,606	17,606
Income			
Income from investments	2	1,030	1,030
Other income	2	190	190
Total income		1,220	1,220
Management fees	3	(34)	(136)
Performance Fees	3	(711)	(711)
Administration expenses		(635)	(1,042)
Return/(loss) before finance costs and taxation		551	16,937
Finance costs		(192)	(766)
Return/(loss) before taxation		359	16,171
Taxation	4	(8)	(8)
Net return/(loss) after taxation for the period		351	16,163
Return per ordinary share:		pence	pence
Basic	5	0.7p	29.8p
			30.5p

The total column of the Statement of Comprehensive Income of the Company. The supplementary revenue return and capital return columns are prepared under guidance published by the Association of Investment Companies (AIC).

See notes 1 to 19.

Half year ended 31 March 2022		
	(unaudited)	
Revenue return £'000	Capital return £'000	Total £'000
	(12,650)	(12,650)
	(12,650)	(12,650)
1,994		1,994
43		43
2,037		2,037
(40)	(121)	(161)
(349)	(319)	(668)
1,648	(13,090)	(11,442)
(193)	(573)	(766)
1,455	(13,663)	(12,208)
(13)		(13)
1,442	(13,663)	(12,221)
pence	pence	pence
2.7	(25.8)	(23.1)

Year ended 30 September 2022		
	(audited)	
Revenue return £'000	Capital return £'000	Total £'000
	(29,848)	(29,848)
	(29,848)	(29,848)
3,835		3,835
81		81
3,916		3,916
(75)	(226)	(301)
(673)	(746)	(1,419)
3,168	(30,820)	(27,652)
(388)	(1,146)	(1,534)
2,780	(31,966)	(29,186)
(22)		(22)
2,758	(31,966)	(29,208)
pence	pence	pence
5.2	(60.3)	(55.1)

Condensed Statement of Changes in Equity

for the half year ended 31 March 2023

	Notes	Share capital £'000	Share premium £'000	Capital redemption reserve £'000
Half year ended 31 March 2023				
(unaudited)				
1 October 2022		5,299	3,054	101
Net return after taxation for the period				
Dividends declared and paid in period	7			
31 March 2023		5,299	3,054	101
Half year ended 31 March 2022				
(unaudited)				
1 October 2021		5,300	3,054	100
Share buybacks for cancellation	14	(1)		1
Net return after taxation for the period				
Dividends declared and paid in period	7			
31 March 2022		5,299	3,054	101
Year ended 30 September 2022				
(audited)				
1 October 2021		5,300	3,054	100
Share buybacks for cancellation	14	(1)		1
Net return/(loss) after taxation for the period				
Dividends declared and paid in period	7			
30 September 2022		5,299	3,054	101

Capital reserve £'000	Retained earnings £'000	Total £'000
87,411	21,022	116,887
15,812	351	16,163
	(3,180)	(3,180)
103,223	18,193	129,870

119,393	24,306	152,153
(16)		(16)
(13,663)	1,442	(12,221)
	(3,710)	(3,710)
105,714	22,038	136,206

119,393	24,306	152,153
(16)		(16)
(31,966)	2,758	(29,208)
	(6,042)	(6,042)
87,411	21,022	116,887

Condensed Balance Sheet

as at 31 March 2023

		31 March 2023 (unaudited) £'000	31 March 2022 (unaudited) £'000	30 September 2022 (audited) £'000
	Notes			
Non-current assets				
Property and equipment		151	214	183
Investment in Marylebone Investment Partnership LLP	12	5		
Investments at fair value through profit or loss	8,9	115,121	148,026	131,598
		<u>115,277</u>	<u>148,240</u>	<u>131,781</u>
Current assets				
Trade and other receivables		13,812	598	409
Cash and cash equivalents		22,661	9,295	6,746
		<u>36,473</u>	<u>9,893</u>	<u>7,155</u>
Total assets		<u>151,750</u>	<u>158,133</u>	<u>138,936</u>
Current liabilities				
Trade and other payables		(1,140)	(1,148)	(1,289)
Total assets less current liabilities		<u>150,610</u>	<u>156,985</u>	<u>137,647</u>
Non-current liabilities				
Debenture and lease liability	16	(20,740)	(20,779)	(20,760)
Total liabilities		<u>(21,880)</u>	<u>(21,927)</u>	<u>(22,049)</u>
Net assets		<u>129,870</u>	<u>136,206</u>	<u>116,887</u>

	31 March 2023 (unaudited) £'000	31 March 2022 (unaudited) £'000	30 September 2022 (audited) £'000
Notes			
Represented by:			
Ordinary share capital	5,299	5,299	5,299
Share premium account	3,054	3,054	3,054
Capital redemption reserve	101	101	101
Capital reserve	103,223	105,714	87,411
Revenue reserve	18,193	22,038	21,022
Equity Shareholders' Funds	129,870	136,206	116,887
Net asset value per share	pence	pence	pence
Basic	13 245.0	257.0	220.6

Condensed Cash Flow Statement

for the half year ended 31 March 2023

		Half year ended 31 March 2023 (unaudited) £'000	Half year ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000
	Notes			
Net cash inflow from operating activities	15	18,520	10,662	11,232
Investing activities				
Purchase of tangible assets		(1)		(1)
Net cash outflow from investing activities		(1)		(1)
Financing activities				
Interest paid on debentures	16	(750)	(750)	(1,501)
Interest paid on lease liability	16	(1)	(2)	(5)
Currency Hedging	11	1,365		
Dividends paid	7	(3,180)	(3,710)	(6,042)
Lease liability principal payments	16	(33)	(33)	(65)
Investment in Marylebone	12	(5)		
Share buybacks for cancellation			(34)	(34)
Net cash outflow from financing activities		(2,604)	(4,529)	(7,647)
Increase/decrease in cash and cash equivalents for the period		15,915	6,133	3,584
Cash and cash equivalents at start of period		6,746	3,162	3,162
Cash and cash equivalents at end of period		22,661	9,295	6,746

Notes to the Accounts

as at 31 March 2023

1. Accounting Policies

The Condensed Financial Statements on pages 14 to 20 comprise the unaudited results of the Company for the six months to 31 March 2023 and are presented in pounds sterling, as this is the functional currency of the Company.

The Condensed Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all financial information required for full financial statements. The Condensed Financial Statements have been prepared using the accounting policies adopted in the audited financial statements for the year ended 30 September 2022.

New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 September 2022. Since 1 October 2022 the following new standards or amendments were adopted:

- Amendments to IFRS 3 Updating a Reference to the Conceptual Framework
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract
- Annual improvements 2018-2020 cycle.

The Directors note that the adoption of these amendments will not have any material impact on the Company.

Notes to the Accounts

as at 31 March 2023

2. Income

	Half year ended 31 March 2023 £'000	Half year ended 31 March 2022 £'000	Year ended 30 September 2022 £'000
Income from investments			
Dividend income*	504	1,741	3,143
Accumulation dividend income	472	167	529
Overseas dividend income	54	86	163
	1,030	1,994	3,835
Other income			
Interest income	70		17
Sundry income	120	43	64
	190	43	81
Total income	1,220	2,037	3,916
Income from investments			
Listed UK	504	591	1,993
Listed overseas	54	86	163
Unlisted - MAM funds	472	167	529
Unlisted		1,150	1,150
	1,030	1,994	3,835

* Includes MAM dividend income of £1,150,000 (half year to 31 March 2022).

3. Fees

a. Fund Manager Fees

Marylebone will receive an annual management fee of 0.9% of market capitalisation of the company up to £150 million; 0.75% of market capitalisation between £150 million and £250 million and 0.65% above £250 million. The market capitalisation for the calculation of the fee shall be subject to a cap of a 5% premium to net asset value. Marylebone has agreed to waive one half of the management fee payable by the Company for a period of 12 months from Marylebone's appointment as investment manager on 25 January 2023. The benefits to the Company of this are being amortised over the minimum non-cancellable period of the contract of two and a half years.

At 31 March 2023 Marylebone had earned £180k in fees, based on the above formula, of which £90K had been rebated in terms of the above agreement. Of the rebated amount £34k had been recognised to 31 March 2023.

b. Performance fees

A Performance fee was paid to Liontrust in relation to the Tortoise Fund amounting to £711,000.

4. Taxation

The charge for the half year to 31 March 2023 is £8,000 (half year to 31 March 2022: £13,000; year ended 30 September 2022: £22,000). These amounts represent irrecoverable withholding tax paid on overseas investment income.

The Company has an effective corporation tax rate of 0%. As investment gains are exempt from tax owing to the Company's status as an approved Investment Trust, and as there is currently an excess of management expenses over taxable income, there is no charge for corporation tax.

5. Calculation of returns per ordinary share

Basic returns per ordinary share in each period are based on the return on ordinary activities after taxation attributable to equity shareholders. Basic return per ordinary share for the period is based on 52,998,795 shares (half year ended 31 March 2022: 52,999,278 shares, and the year ended 30 September 2022: 52,998,795), being the weighted average number of shares in issue.

6. Business segments

For management purposes the Company is organised into one principal activity, being investing activities, as described below:

Investing activities

The Company's investment objective is both to deliver long-term capital growth whilst preserving shareholders' capital and to pay a regular dividend. The Company operates as an investment trust company and its portfolio contains investments in companies listed in a number of countries.

Notes to the Accounts

as at 31 March 2023

7. Dividends

In accordance with IAS 10: Events After the Balance Sheet Date, interim dividends are not accounted for until paid. The following table summarises the amounts recognised as distributions to equity holders in the relevant period:

Investing activities

	Half year ended 31 March 2023 £'000	Half year ended 31 March 2022 £'000	Year ended 30 September 2022 £'000
2022 Final Dividend of 4.2p paid on 27 January 2023	2,226		
2022 Special Dividend of 1.8p paid on 27 January 2023	954		
2022 Interim Dividend of 4.4p paid on 24 June 2022			2,332
2021 Final Dividend of 7.0p paid on 28 January 2022		3,710	3,710
	3,180	3,710	6,042

Distributable reserves of the Company comprise the Capital and Revenue Reserves.

Dividends for the half year ended 31 March 2023 (and for the half year ended 31 March 2022 and the year ended 30 September 2022) have been solely made from the Revenue Reserve.

8. Investments

All investments are designated upon initial recognition as held at fair value through profit or loss, and are measured at subsequent reporting dates at fair value, which is either the bid exchange on which the investment is quoted. Investments in unit trusts or open ended investment companies are valued at the closing price, the bid price or the single price as appropriate, released by the relevant investment manager.

Fair values for unquoted investments, or investments for which the market is inactive, are established by using various valuation techniques in accordance with the International Private Equity and Venture Capital Valuation Guidelines (IPEV). These may include recent arm's length market transactions, the current fair value of another instrument which has substantially the same earnings multiples, discounted cash flow analysis and option pricing models. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised.

9. Fair Value Hierarchy

Except for the Company's 7.25% 2025 Debenture Stock, which is measured at amortised cost under the effective interest rate method, financial assets and liabilities of the Company (re investments) are carried in the Balance Sheet at their fair value. Additionally, the balance sheet amount is a reasonable approximation of fair value (re amounts in respect of sales for future settlement, dividends receivable, cash at bank, purchases for future settlement and the lease liability). The fair value is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than a forced or liquidation sale.

The table below sets out fair value measurements of financial assets in accordance with the IFRS 13 fair value hierarchy:

	Half year ended 31 March 2023			Total £'000
	Level 1 £'000	Level 2 £'000	Level 3 £'000	
Financial assets				
Financial assets held at fair value through profit or loss				
Equities and managed funds				
Listed equity securities	34,960			34,960
Listed fixed interest securities	2,563			2,563
Unlisted equity securities (External Managers)		75,358		75,358
Unlisted share of partnership			5	5
Unlisted equity securities			2,240	2,240
	<u>37,523</u>	<u>75,358</u>	<u>2,245</u>	<u>115,126</u>

Notes to the Accounts

as at 31 March 2023

9. Fair Value Hierarchy continued

Financial assets	Half year ended 31 March 2022			Total £'000
	Level 1 £'000	Level 2 £'000	Level 3 £'000	
Financial assets held at fair value through profit or loss				
Equities and managed funds				
Listed equity securities	65,507			65,507
Unlisted equity securities (Liontrust Funds)		82,477		82,477
Unlisted equity securities			42	42
	<u>65,507</u>	<u>82,477</u>	<u>42</u>	<u>148,026</u>

Financial assets	Year ended 30 September 2022			Total £'000
	Level 1 £'000	Level 2 £'000	Level 3 £'000	
Financial assets held at fair value through profit or loss				
Equities and managed funds				
Listed equity securities	53,822			53,822
Unlisted equity securities (Liontrust Funds)		77,727		77,727
Unlisted equity securities			49	49
	<u>53,822</u>	<u>77,727</u>	<u>49</u>	<u>131,598</u>

There have been no transfers during the period between Levels 1, 2 and 3.

Investments whose values are based on quoted market prices in active markets, and are therefore classified as Level 1, include active listed equities and fixed interest securities. The Company does not adjust the quoted price for these instruments in normal market conditions (although it may invoke its fair value pricing policy in times of market disruption – this was not the case for 31 March 2023, 31 March 2022 or 30 September 2022).

9. Fair Value Hierarchy continued

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified as Level 2. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

- Liontrust funds are priced daily, remain highly liquid and are not subject to any such adjustments.
- External Managers are priced monthly, remain liquid and are not subject to any such adjustments.

Instruments classified within Level 3 have significant unobservable inputs. As observable prices are not available for these securities, the Company has used valuation techniques to derive fair value. In respect of unquoted instruments, or where the market for a financial instrument is not active, fair value is established by using recognised valuation methodologies, in accordance with IPEV Valuation Guidelines. New instruments are initially valued at cost, for a limited period, being the price of the most recent investment in the investee. This is in accordance with IPEV Guidelines as the cost of recent investments will generally provide a good indication of fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company's current level 3 classified investments comprise:

- Legacy individual immaterial unlisted investments totalling £44,000.
- Special Investment (not actively priced) totalling £2,196,000 (see investment policy on Page 2).
- Investment in Marylebone Investment Partners LLP of £5,000 (see note 12).

Notes to the Accounts

as at 31 March 2023

9. Fair Value Hierarchy continued

The table below sets out the movement in Level 3 instruments for the period:

	31 March 2023	
	Total £000	Equity investments £000
Opening balance	49	49
New Special Investments	2,196	2,196
Investment in Marylebone Investment Partners LLP	5	5
Fair value adjustment unlisted investments	(5)	(5)
	2,245	2,245

The fair value of the Company's debenture stock is calculated using a standard present value methodology and by reference to the market yields of a comparable UK Treasury Bond instrument with a 2.50% risk premium being added.

	Half year ended 31 March 2023		Half year ended 31 March 2022		Year ended 30 September 2022	
	Book Value £000	Fair Value £000	Book Value £000	Fair Value £000	Book Value £000	Fair Value £000
Financial liabilities						
£20.7m (2022:£20.7m) 7.25% 2025 debenture stock	20,637	21,088	20,609	22,600	20,623	20,817
Lease liability (including current portion)	170	170	235	235	203	203
	20,807	21,258	20,844	22,835	20,826	21,020

The above financial liabilities would be classified as Level 3 financial instruments in the IFRS 13 Fair Value Hierarchy.

10. Principal financial risks

The principal risks, which the Company has exposure to, includes:

- Market risk
- Foreign currency risk
- Interest rate risk
- Other price risk
- Credit risk
- Liquidity risk

Further details of the Company's management of these risks and the exposure to them are set out in Note 22 of the Company's Annual Report for the year ended 30 September 2022, as issued on 13 December 2022. The change in investment approach has had an impact on two of the risks these being the Company's exposure to liquidity and currency risk.

- **Liquidity risk**

Some special investments are less liquid than past direct investments or managed funds, however, such investments represent less than 2% of the portfolio at 31 March 2023.

- **Foreign currency risk**

Foreign currency risk has increased but has been mitigated by a foreign exchange programme see note 11 for details.

11. Currency Hedging

The new investment approach adopted on 25 January 2023 has increased the exposure of the Company's investment portfolio to fluctuations in the foreign exchange markets. As the Company aims to deliver steady NAV growth for shareholders, the Company, guided by the new Investment Manager, has set in place a foreign exchange hedging programme in order to reduce the Company's exposure. The programme uses derivative financial instruments (one month forward foreign currency contracts). Such instruments are used for the sole purpose of efficient portfolio management. All derivative financial instruments are held at fair value through profit and loss.

Notes to the Accounts

as at 31 March 2023

Foreign exchange hedging programme

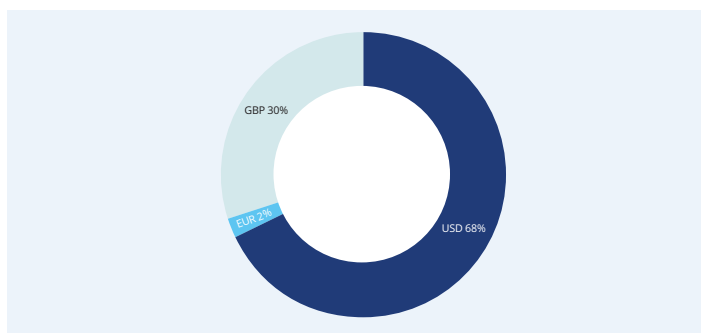
The programme seeks to mitigate the impact of currency risks on the portfolio by:

- where possible investments in non-GBP denominated funds will be invested via a GBP Hedge share class
- where a GBP Hedged share class is not available, the invested amount will be hedged using monthly FX forward currency contracts to hedge back into the Company's base currency of GBP. As the hedged portfolio is subject to movement over the month the hedging cover may be adjusted to compensate for the pricing movement
- Special Investments, which are denominated in non-GBP, will remain unhedged, as these are considered less liquid, however, where the fund manager deems that the overall impact of leaving special investments unhedged would be detrimental to the portfolio's active currency risk, these may be hedged as per the rest of the portfolio
- the hedge is rebalanced as and when sales and/or purchases occur.

The portfolio is strongly weighted towards USD as shown in the chart below. Marylebone aims to deliver steady NAV growth for the Company's shareholders, and the foreign exchange hedging programme helps them to do this by reducing our exposure to fluctuations in the foreign exchange markets.

The exchange loss on investments was £1.7m over the period, however this was partially mitigated by income of £1.4m generated by the hedging program.

Portfolio Value by currency



Derivative Instruments

Derivative financial instruments are initially recognised at fair value on the contract date and subsequently remeasured at each reporting date. All changes in the fair value of derivative financial instruments are taken to the Statement of comprehensive income. All derivative instruments have a duration of one month. At 31 March 2023 there were two open forward contracts with notional values of USD 98,036,000 and EUR 2,789,000 and a fair value of £253,000 (asset) and £3,000 (asset) respectively.

12. Investment in Marylebone Investment Partners LLP

The Company became a partner of Marylebone Partners LLP on 25 January 2023, entitling it to a 7.5% of residual profits and capital. The Company was granted the partnership at no cost but was required to make the standard capital contribution upon admission to the Partnership (returnable upon leaving the Partnership) of £5,000 which was paid in March 2023.

Repurchase provision

The LLP Deed states that Marylebone Partners LLP can repurchase the stake for £ nil consideration if the agreement is terminated within two and a half years from 25 January 2023 (date of commencement) or thereafter to buy back the stake for a cash payment based on the recent financial performance and assets under management of Marylebone Partners LLP (excluding the value of the investment management agreement with the Company).

The investment is valued at £5,000 (return of partnership contribution) as at 31 March 2023.

The valuation will be reassessed at each reporting date.

13. Net Asset Value

The net asset value per share has been calculated based on Equity Shareholders' Funds and on 52,998,795 (31 March 2022: 52,998,795 and 30 September 2022: 52,998,795) ordinary shares, being the number of shares in issue at the relevant period end.

14. Share capital

	Half year ended 31 March 2023	Half year ended 31 March 2022	Year ended 30 September 2022
Opening balance	52,998,795	53,005,887	53,005,887
Shares purchased for cancellation	–	(7,092)	(7,092)
Closing balance	52,998,795	52,998,795	52,998,795

Share buybacks are debited against the Capital Reserve in accordance with the Company's articles.

Notes to the Accounts

as at 31 March 2023

15. Reconciliation of Operating Profit to Operating Cash Flow

	31 March 2023 (unaudited) £'000	31 March 2022 (unaudited) £'000	30 September 2022 (audited) £'000
Net (loss)/gain before taxation	16,171	(12,208)	(29,186)
Adjustments for:			
Losses/(gains) on investments	(17,606)	12,650	29,848
Accumulation dividends	(471)	(167)	(528)
Depreciation	31	31	63
Foreign exchange (losses)/gains			(2)
Purchases of investments	(141,991)	(13,936)	(37,216)
Sales of investments	162,267	23,671	46,647
	18,401	10,041	9,626
Finance costs	766	766	1,533
Operating cash flows before movements in working capital	19,167	10,807	11,159
(Decrease)/increase in trade and other payables	(88)	(28)	120
(Increase)/decrease in trade and other receivables	(557)	(96)	(17)
Net cash flow from operating activities before tax	18,522	10,683	11,262
Tax recovered	8	2	7
Tax on overseas dividends	(10)	(23)	(37)
Net cash inflow from operating activities	18,520	10,662	11,232

16. Reconciliation of changes in liabilities arising from financing activities

	1 October 2022 £000	Cash flows £000	Other (non cash) £000	Amortisation of expenses (non cash) £000	31 March 2023 £000
Long term borrowings					
£20.7m 7.25% 2025 debenture stock	20,623			14	20,637
Lease liability	137	(34)			103
Interest payable on debenture stock		(750)		750	
Total liabilities from financing activities	20,760	(784)		764	20,740

	1 October 2021 £000	Cash flows £000	Other (non cash) £000	Amortisation of expenses (non cash) £000	31 March 2022 £000
Long term borrowings					
£20.7m 7.25% 2025 debenture stock	20,595			14	20,609
Lease liability	203	(33)			170
Interest payable on debenture stock		(750)		750	
Total liabilities from financing activities	20,798	(785)		766	20,779

Notes to the Accounts

as at 31 March 2023

16. Reconciliation of changes in liabilities arising from financing activities continued

	1 October 2021 £000	Cash flows £000	Other (non cash) £000	Amortisation of expenses (non cash) £000	30 September 2022 £000
Long term borrowings					
£20.7m 7.25% 2025 debenture stock	20,595			28	20,623
Lease liability	203	(70)		4	137
Interest payable on lease liability		(1,501)		1,501	
Total liabilities from financing activities	20,798	(1,571)		1,534	20,760

17. Capital commitments

The Company subscribed to a Special Investment which committed it to provide a USD5,000,000 capital contribution. At the 31 March 2023 USD2,399,686 remained undrawn and payable on demand.

18. Related Party Transactions

The Company had no related parties at 31 March 2023, 30 September 2022 and 31 March 2022. Majedie Asset Management Limited was a related party until it was sold on 30 March 2022 to Liontrust Asset management PLC.

The table below discloses the transactions and balances for the related party:

	Half year ended 31 March 2023 £'000	Half year ended 31 March 2022 £'000	Year ended 30 September 2022 £'000
Transactions during the period			
Dividend income received from MAM		1,150	7,621
Consideration re sale of the Company's holding in MAM		20,783	
Management fee income due to MAM (Segregated Portfolio only)		161	76
Balances outstanding at the end of the period:			
Between the Company and MAM (Segregated portfolio investment management fee)		77	
Value of the Company's investment in Liontrust		8,207	

Transactions between related party companies during the period were made on terms equivalent to those that occur in arm's length transactions.

19. Financial information

The financial information contained in this Half-Yearly Financial Report does not constitute full statutory accounts as defined in section 434 of the Companies Act 2006.

The information for the year ended 30 September 2022 has been extracted from the latest published audited accounts. Those accounts have been filed with the Registrar of Companies and include the report of the auditors which was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006. Those statutory accounts were prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

Company Information

Board of Directors

C D Getley, Chairman

J M Lewis

Sir William Barlow Bt. (Executive)

A M J Little

R W Killingbeck

All Directors are non-executive unless indicated

Registered Office

1 King's Arms Yard

London EC2R 7AF

Telephone: 020 7382 8170

E-mail: majedie@majedieinvestments.com

Registered number: 109305 England

Company Secretary

Link Company Matters Limited

6th Floor

65 Gresham Street

London EC2V 7NQ

Fund Manager

Marylebone Partners LLP

35 Portman Square

London W1H 6LR

Telephone: 020 3468 9910

E-mail: info@marylebonepartners.com

Solicitor

Dickson Minto W.S.

16 Charlotte Square

Edinburgh EH2 4DF

Website

www.majedieinvestments.com

Depository

The Bank of New York Mellon

(International) Limited

1 Canada Square

London E14 5AL

The Depository acts as global custodian and may delegate safekeeping to one or more global sub-custodians. The Depository has delegated safe keeping of the assets of the Company to The Bank of New York Mellon SA/NV and The Bank of New York Mellon.

AIFM

Majedie Investments PLC

Registrars

Computershare Investor Services PLC

The Pavilions

Bridgwater Road

Bristol BS99 6ZZ

Telephone: 0370 707 1159

Auditors

Ernst & Young LLP

25 Churchill Place

Canary Wharf

London E14 5EY

Stockbrokers

J.P. Morgan Cazenove

25 Bank Street

London E14 5JP

Company Information

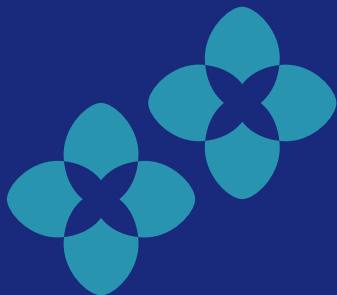
Financial Calendar

Year end	30 September
Annual results	December
Half year results	May
Annual General Meeting	January
Dividends declared	February, May, August & November

2023 Interim Dividend Timetable

The quarterly dividend for the period ended 31 March 2023 is 1.8p per share.

Ex-dividend date	18 May 2023
Record date	19 May 2023
Payment date	02 June 2023



Majedie Investments PLC

1 King's Arms Yard

London EC2R 7AF

Telephone: 020 7382 8170

E-mail: majedie@majedieinvestments.com

www.majedieinvestments.com