

**BlackRock**<sup>®</sup>

# **BlackRock Energy and Resources Income Trust plc**

Half Yearly Financial Report 31 May 2025





## Keeping in touch

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

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

Further information about the Company can be found on our website at

<http://www.blackrock.com/uk/berl>.

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



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

# Financial highlights

as at 31 May 2025

**111.00p**

Ordinary share price

▼**6.5%**<sup>1,2</sup>

**£142.3m**

Net assets

▼**14.9%**

**121.81p**

Net asset value (NAV) per ordinary share

▼**10.0%**<sup>1,2</sup>

**2.250p**

Interim dividends per ordinary share

**No change**

**2.00p**

Revenue earnings per ordinary share

▲**9.3%**

**4.1%**<sup>2,3</sup>

Yield

The above financial highlights are as at 31 May 2025 and percentage comparisons are against 30 November 2024. Revenue earnings per ordinary share and interim dividends per ordinary share percentage comparisons are against 31 May 2024.

<sup>1</sup> Mid-market share price and NAV performance are calculated in Sterling terms with dividends reinvested.

<sup>2</sup> Alternative Performance Measures, see Glossary on pages 46 to 50.

<sup>3</sup> Based on dividends paid and declared for the twelve months to 31 May 2025 and share price as at 31 May 2025.



The Energy Transition is a key megatrend. Specialists such as GE Vernova and Schneider Electric supply the power transformers and grid connection technology that will be critical in expanding the electricity infrastructure necessary to grow generation capacity. Both companies were strong contributors to returns over the year.

# Why BlackRock Energy and Resources Income Trust plc?

## Investment objective

The Company's objectives are to achieve an annual dividend target and, over the long term, capital growth by investing primarily in securities of companies operating in the mining and energy sectors.

## Reasons to invest



### Inflation sensitivity

A conviction-led approach, with the potential to benefit from inflation, delivering an attractive income from investing in companies with the best ideas in the Mining, Traditional Energy and Energy Transition sectors.



### Yield

The Company aims to offer a progressive dividend, as the managers focus on higher quality companies with strong cash flows that are good allocators of capital, and which generate earnings from businesses around the world. The Company will target a dividend in each financial year of at least 4% of NAV per share at the end of the preceding financial year with effect from 1 December 2025 onwards.



### Flexibility

The Company's flexibility means that the portfolio will adapt as the demand for Mining, Traditional Energy and Energy Transition related stocks changes. This approach allows the team to take advantage of the inevitable valuation cycles which occur as the Energy Transition megatrend evolves.



### Energy Transition opportunities

Mining and Energy companies lie at the heart of the global economy. Without them, countries cannot grow and develop. Mining companies provide everything from materials to build wind turbines to lithium for electric cars. These companies provide an important role in the long-term de-carbonisation of the global economy. Energy companies power our cars, our homes and drive economic development. The path to a lower carbon global economy is forecast to disrupt many industries and business models creating remarkable opportunities. Investment in a specialist trust gives targeted exposure to these important companies, as it is positioned to capture such industry shifts and reap the benefits from this transition.



### Expertise

The Company's assets are managed by BlackRock's Natural Resources Team. The team have been running Mining funds since 1993, Traditional Energy funds since 1999 and Energy Transition funds since 2001, so is one of the most experienced in the industry. The team undertakes extensive, proprietary, on-the-ground research to get to know the management of the companies in which they invest.



**A member of the Association of Investment Companies**

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

# Contents

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

Financial highlights	1
Why BlackRock Energy and Resources Income Trust plc?	2
Performance record	4
Chairman's Statement	5
Investment Managers' Report	9

## **Section 2: Portfolio**

Distribution of investments	19
Ten largest investments	20
Investments	22

## **Section 3: Governance**

Interim Management Report and Responsibility Statement	25
--	----

## **Section 4: Financial statements**

Consolidated Statement of Comprehensive Income	27
Consolidated Statement of Changes in Equity	28
Consolidated Statement of Financial Position	29
Consolidated Cash Flow Statement	30
Notes to the financial statements	31

## **Section 5: Additional information**

Directors, management and other service providers	43
Shareholder information	44
Glossary	46
Share fraud warning	51

# Performance record

	As at 31 May 2025	As at 30 November 2024
Net assets (£'000) <sup>1</sup>	142,334	167,327
Net asset value per ordinary share (pence)	121.81	137.66
Ordinary share price (mid-market) (pence)	111.00	121.00
Discount to net asset value <sup>2</sup>	8.9%	12.1%

	For the six months ended 31 May 2025	For the year ended 30 November 2024
<b>Performance<sup>3</sup> (with dividends reinvested)</b>		
Net asset value per share <sup>2</sup>	-10.0%	15.3%
Ordinary share price <sup>2</sup>	-6.5%	14.0%
Reference index <sup>3</sup>	-9.2%	0.5%

	Since inception to 31 May 2025	Since inception to 30 November 2024
<b>Performance since inception<sup>4</sup> (with dividends reinvested)</b>		
Net asset value per share <sup>2</sup>	224.0%	259.9%
Ordinary share price <sup>2</sup>	197.7%	218.4%

	For the six months ended 31 May 2025	For the six months ended 31 May 2024	Change %
<b>Revenue</b>			
Net profit on ordinary activities after taxation (£'000)	2,381	2,334	2.0
Revenue earnings per ordinary share (pence) <sup>5</sup>	2.00	1.83	9.3
<b>Interim dividends (pence)</b>			
1st interim	1.125	1.125	-
2nd interim <sup>6</sup>	1.125	1.125	-
<b>Total dividends payable/paid</b>	<b>2.250</b>	<b>2.250</b>	-

## Performance from 1 June 2020 to 31 May 2025



Sources: BlackRock and LSEG Datastream.

Performance figures are calculated on a total return basis in Sterling terms, with dividends reinvested.

Share price and NAV at 31 May 2020, rebased to 100.

<sup>1</sup> The change in net assets reflects portfolio movements, the repurchase of shares and dividends paid during the period.

<sup>2</sup> Alternative Performance Measures, see Glossary on pages 46 to 50.

<sup>3</sup> Reference index is the blended reference index comprised of three indices – the MSCI ACWI Select Metals & Mining Producers Ex Gold and Silver IM (Mining), the MSCI World Energy Index (Traditional Energy) and S&P Global Clean Energy Index (Energy Transition) with a 40:30:30 mix of the 3 indices. Net total return indices calculate the reinvestment of dividends net of withholding taxes.

<sup>4</sup> The Company was launched on 13 December 2005.

<sup>5</sup> Further details are given in the Glossary on page 50.

<sup>6</sup> Paid on 14 July 2025.

# Chairman's Statement



**Adrian Brown**  
Chairman

## Dear Shareholder,

I am pleased to present the Company's Half Yearly Financial Report for the six months to 31 May 2025.

## Period Highlights

- NAV underperformance of the blended reference index of -0.8% for the six months to 31 May 2025 against a challenging market backdrop;
- Strong longer-term performance with NAV per share outperformance of the blended reference index over 1, 3 and 5 years to 31 May 2025 of 7.4%, 14.0% and 55% respectively;
- Quarterly dividend increased by 11.1% to 1.25p per share for the financial year to November 2025;
- New dividend policy introduced with effect from 1 December 2025, with target dividend to be the higher of the total prior year dividend and 4% of the closing NAV at the end of the financial year; and
- Continuation vote to be held at the AGM to be held in 2026 to give all shareholders a voice in respect of the future of their investment in the Company.

## Market overview

At the start of the Company's financial year on 1 December 2024 and through the first half of 2025, markets were impacted by both geopolitical tensions and the US announcements of trade tariffs on its key trading partners which resulted in significant equity market volatility. Equity market investors sought alternative assets such as gold and money market funds, reducing exposure to US equities and bonds in favour of UK and European securities. Global markets recovered towards the end of the period as negotiations between the US and China appeared to progress more positively. Given the mix of opportunity and risks, the Board is confident in your Company's 3-pronged investment strategy (Mining, Traditional Energy and Energy Transition), giving the portfolio managers the flexibility to manoeuvre the portfolio around volatile markets to invest in stocks where they think the best investment opportunities can be found. The portfolio managers decreased Traditional Energy exposure through 2024 and into 2025, to stand at 29.5% at the end of the period, and increased the weighting in the Energy Transition sector to 29.5% at 31 May 2025. The rationale for these changes is detailed in the Investment Managers' Report but can be summarised as a view that oil markets are well supplied and with the de-rating of many Energy Transition stocks relative to the overall market, more compelling opportunities in this sector have emerged for the first time in a number of years.

## Performance

In the challenging market during the six months ended 31 May 2025, the Company's net asset value (NAV) per share fell by 10.0% and its share price fell by 6.5% (both percentages in Sterling terms with dividends reinvested). Over the last six months, the NAV performance was slightly behind the internal reference index that the fund manager and the Board use to evaluate performance (-9.2% on the same basis), although since the adoption of the new reference index, NAV performance has been substantially ahead of this index, as shown in the table overleaf. Performance has been measured against a blended reference index which comprised three indices (all net, total return indices) with a 40:30:30 mix – the MSCI ACWI Select Metals & Mining Producers Ex Gold and Silver IM (Mining), the MSCI World Energy Index (Traditional Energy) and S&P Global Clean Energy Index (Energy Transition). Subsequent to the period end and as at 29 July 2025, performance has been strong, with the NAV of the Company increasing by 11.1% from 121.81 pence per share to 134.10 pence per share and the Company's share price rising by 10.6% from 111.00 pence per share to 121.50 pence per share (all percentages in Sterling terms with dividends reinvested).

## Cumulative performance as at 31 May 2025

	Six months Change %	1 Year change %	2 Years change %	3 Years change %	5 Years change %	Since inception <sup>1</sup> %
Performance to 31 May 2025						
Net Asset Value (with dividends reinvested) <sup>2</sup>	-10.0	-8.8	6.2	-2.6	125.0	224.0
Share price (with dividends reinvested) <sup>2</sup>	-6.5	-5.1	7.4	-12.6	147.9	197.7
Reference index <sup>3,4</sup>	-9.2	-16.2	-9.9	-16.6	70.0	N/A
Relative (underperformance)/ outperformance of NAV return against the reference index	-0.8	7.4	16.1	14.0	55.0	N/A

<sup>1</sup> The Company was launched on 13 December 2005.

<sup>2</sup> Further details of the calculation of net total return performance net of withholding taxes and with dividends reinvested are given in the Glossary on pages 46 to 50.

<sup>3</sup> Reference index is the blended reference index comprised of three indices – the MSCI ACWI Select Metals & Mining Producers Ex Gold and Silver IM (Mining), the MSCI World Energy Index (Traditional Energy) and S&P Global Clean Energy Index (Energy Transition) with a 40:30:30 mix of the 3 indices. This reference index was adopted effective from 1 June 2020.

<sup>4</sup> Please note though, that the Company's objectives are to achieve both an annual dividend target and, over the long term, capital growth (see table above). Consequently, the Board does not formally benchmark performance against mining and energy sector indices as meeting a specific dividend target is not within the scope of these indices. In addition, there is no publishable index with a close match to the Energy Transition portfolio; the S&P Global Clean Energy Index following recent changes is the best available proxy.

Source: BlackRock. Data as at 31 May 2025.

Our portfolio managers provide a detailed description of the main contributors and detractors to performance during the period, insight into the positioning of the portfolio and their views on the outlook for the forthcoming year in their report on pages 9 to 18.

## Revenue return and dividends

The Company's revenue return for the six-month period was 2.00 pence per share, an increase of 9.3% over the same period last year (1.83 pence per share). The Board is cognisant of the importance of a reliable, steady income to its shareholders. The Board is also mindful of the need to ensure the dividend yield remains competitive and aligned to developments in the wider market, noting in particular the evolution of the interest rate environment and inflationary pressures in recent years. With this in mind, the Board is pleased to announce that it is increasing the quarterly dividend target from 1.125 pence per share to 1.25 pence per share (an increase of 11.1%) for the remainder of the year to 30 November 2025. Together with the two quarterly dividends of 1.125 pence per share already paid this financial year, this new run rate will deliver a total dividend of 4.75 pence per share in respect of the current financial year, an increase of 5.6% compared to the previous year, which represents a yield of 4.3% based on the share price at 31 May 2025 (3.9% based on NAV).

In addition to the increased quarterly dividend, the Board has decided to target a dividend in each financial year of the greater of (i) the total dividend per share in respect of the prior year, and (ii) at least 4% of NAV per share at the end of the preceding financial year with effect from 1 December 2025 onwards (with any additional top up required to be paid at the time of the fourth quarterly dividend as needed).

The Company will take advantage of the flexibilities, offered by its structure as a closed-ended fund to meet this target dividend next year and beyond. Dividends will be funded primarily from a mix of dividend income from the portfolio and revenue reserves (the Company has substantial accumulated revenue reserves), and this may be supported by other distributable reserves if required.

The Company may also continue to write options to generate revenue return, although the portfolio managers' focus is on investing the portfolio to generate an optimal level of total return without striving to meet an annual income target and will only undertake option transactions to the extent that the overall contribution is beneficial to total return.

This dividend target should not be interpreted as a profit forecast.



## Gearing

The Company operates a flexible gearing policy which depends on prevailing market conditions. It is not intended that gearing will exceed 20% of the gross assets of the Company. The maximum gearing used during the period was 13.9%, and the level of gearing at 31 May 2025 was 8.1%. For calculations, see the Glossary on pages 46 and 47.

## Agreement with Saba Capital Management L.P.

On 22 January 2025 the Company announced that it had entered into an agreement with Saba Capital Management L.P. ('Saba') pursuant to which Saba has given a number of undertakings to the Company, including commitments not to put forward any proposals to shareholders nor to requisition any resolution or general meeting of the Company nor to seek to control or influence the Board or the Company or the policies or management of the Company. More detail can be found in the stock exchange announcement which is available at the following link <https://www.londonstockexchange.com/news-article/BERI/agreement-with-saba/16863476>. The agreement covers the period up to the Company's 2027 AGM (expected to be held in March 2027). The Board is committed at all times to exercising the best standards of corporate governance, promoting the success of the Company and putting first the interests of shareholders as a whole, and the agreement in no way restricts the Board's or the Company's independence.

## AGM Resolution – votes 'against' in excess of 20%

At the Company's Annual General Meeting held on 20 March 2025, resolution 2 (to approve the Directors' Remuneration Report for the year ended 30 November 2024) received 10.6 million votes against, representing 42% of total shares voted. The substantial majority of these votes were cast by a single shareholder, and the Board, in conjunction with its Broker (Winterflood Securities Limited), has discussed the reasons for the 'against' vote with this shareholder. The main issues raised concerned the level and persistence of the discount to NAV at which the Company's shares had traded over time.

The Board highlighted its policies for managing its share rating as described below. To the extent this policy may impact on scale, the Board has sought to insulate shareholders from the risk of a smaller scale impacting cost by negotiating with BlackRock a further reduction in the cap on operating costs in 2024 from 1.25% to 1.15% of NAV.

In addition, the Board highlighted that it had regularly sought the views of other shareholders, who have generally been supportive, and the importance of ensuring that views of all shareholders were taken into account. It also noted that the Company had announced on 26 February 2025 that it would offer a continuation vote at the 2026 AGM to allow all shareholders to have a voice in respect of the future of their investment in the Company.

## Management of share rating

The Directors recognise the importance to investors that the Company's share price should not trade at a significant premium or discount to NAV, and therefore, in normal market conditions, may use share repurchases, sales of shares from treasury and share issues to ensure that the share price does not differ excessively from the underlying NAV.

Discounts across the closed-end funds sector remained wide over the period under review, driven by ongoing uncertainty around interest rates, cost inflation and global economic growth. Against this challenging backdrop, the Company's shares started the six months under review trading at a discount of 12.1% and ended the period at 8.9%, which compared to a closed-end fund sector average (excluding 3i Group) of 14.0% and an average for the AIC Commodities and Natural resources peer group of 10.2% at 31 May 2025. The Board stepped in actively to manage the discount, buying back 4,708,000 shares in the period under review at a cost of £5,497,000 and at an average discount of 9.7%. This discount management activity has continued since the period end, and up to 29 July 2025, the Company repurchased 1,875,000 ordinary shares for a net consideration of £2,161,000 at an average discount of 9.4%. As at 29 July 2025 the Company's shares were trading at a discount of 9.4%. The Board's objectives in exercising the buy back are to seek to minimise share price volatility and encourage the Company's share price to trade within as tight a range as possible, taking into account the various factors described above. The Board seeks to balance this aim, and to control discount volatility, against its desire to avoid excessive buybacks which impact the size of the Company and hence the liquidity of its shares and the Ongoing Charges Ratio. However, despite consistent and targeted action in support of the share rating, it was disappointing to see the discount remain wide during the period. The Board recognises that shareholders experience the share price performance of the Company and, in conjunction with our Broker and the Manager, keep the share rating under continuous review seeking to understand and address the drivers of the discount.

There are of course several factors which influence the level of premium/discount at which a Company's shares trade in the market, many of which are outside of the Board's direct scope of control or influence. It is important to view the Company's share rating in the wider market context, noting that the Investment Trust sector average discount at 29 July 2025 had

widened to 13.3% compared to 12.1% at the year ended 30 November 2024. Overall, we believe the share buyback activity undertaken has been beneficial in reducing the volatility of our share rating and delivering a NAV accretion of £583,000 (0.5 pence per share) during the period.

## **Market outlook and portfolio positioning**

Increased power demand from artificial intelligence (AI) applications are likely to spur increased demand on electricity grids and the materials and fuels that power them. Therefore, the flexibility of the Company's investment mandate with the ability to shift exposure between Mining, Traditional Energy and Energy Transition sectors, means that it is uniquely positioned to serve investors as these sectors evolve. The Board considers that all three sectors have an important role to play as the energy system continues its transition to a lower carbon economy; the Mining sector provides the material supply chain for low carbon technologies from steel for wind turbines to lithium for electric cars; traditional energy is needed to support base load energy to continue to power economies during the transition; and the path to a lower carbon economy is expected to disrupt many industries and business models with scope for the Company to invest directly in opportunities in the Energy Transition space. In April 2025, Spain and Portugal experienced a prolonged electricity blackout, as large parts of the power grid went offline, whilst in the UK, a fire at one of the sub-stations serving London Heathrow Airport led to a power outage. California has experienced rolling power blackouts in the past, most notably during a heatwave in August 2020, due to a combination of high demand and insufficient power supply. These events are underpinning a need for substantial investment in aged European (and US) power and grid infrastructure, providing exciting growth opportunities to investors.

As the global economy navigates a complex landscape of geopolitical uncertainty, the focus of the portfolio is on the long-term demand drivers, such as green infrastructure, AI-driven data centres, and demographic shifts in emerging markets, alongside constrained supply. Mining and traditional energy equities are currently trading at attractive valuations relative to other sectors and to their own history, while Energy transition offers growth possibilities and now more reasonable valuations. The Board is confident that the Company remains well-placed to benefit from these key investment trends over the long term.

### **Adrian Brown**

Chairman

1 August 2025

# Investment Managers' Report



**Tom Holl**

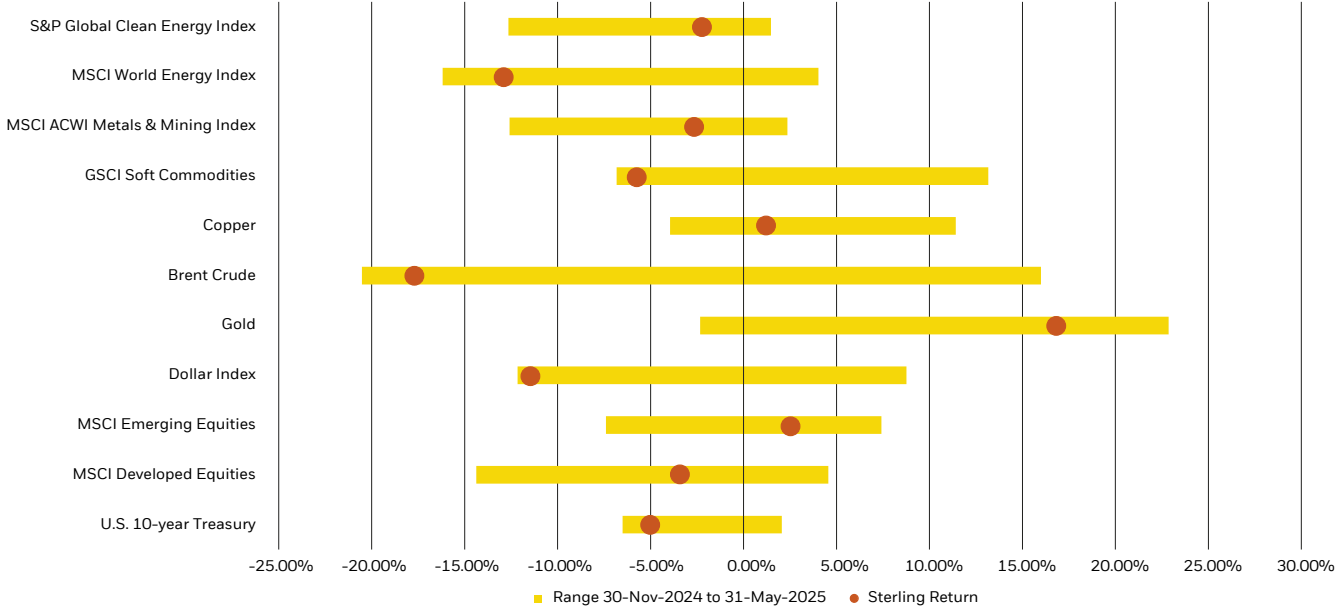


**Mark Hume**

**Market overview**

The first six months of 2025 saw global stock markets experience notable volatility and the Company's net asset value per share (NAV) delivering a negative return, where the Traditional Energy and Mining sectors of the Company lagged the modest fall in broader markets. This experience was in contrast to the US mega cap-led rising market trend during the prior twelve-month period.

**Figure 1: Asset performance and range (in GBP)**



MSCI ACWI: Morgan Stanley Capital International All Country Weighted Index

GSCI: Goldman Sachs Commodity Index

MSCI: Morgan Stanley Capital International

Sources: BlackRock with data from LSEG Datastream as at 31 May 2025.

Past performance is not a reliable indicator of current or future results. Indices are unmanaged and do not account for fees.

Trade policy and geopolitical factors were key drivers of market volatility and of investor sentiment throughout the period. The new US administration imposed higher tariffs on imports from China and implemented a series of trade tariffs on Canada and Mexico, before a widespread announcement of tariffs on imports from European and Asian countries on 2 April 2025. However, initial market falls were quickly reversed following a 90-day tariff implementation delay announced on 9 April 2025.

The US House of Representatives and the Senate passed the 'One Big Beautiful Bill Act' which would potentially increase the size of primary fiscal deficit, adding to the US debt and interest obligations. Longer-dated US Treasury yields rose immediately following the development, whilst the US Dollar index moved substantially lower. The draft bill contained a number of changes and reductions to the clean energy related incentives within the Inflation Reduction Act, but importantly, continued to support utility-scale solar build out in the US. This was in line with our view that the US will pursue an "all of the above" approach to building energy supply, given the expected increase in electricity demand over the coming years.

Increased geopolitical tensions between the US and Iran continued as well as frictions emerging between the US and Russia, with a lack of apparent progress towards a ceasefire in Ukraine. Germany's government passed a €500 billion package boosting defence and infrastructure spending, €100 billion of which will be guaranteed for green projects. This follows a similar announcement in February of the EU's Clean Industrial Deal, which mobilised €100 billion to support EU-made clean manufacturing and a focus on the decarbonisation of industrial sectors.

Technology related uncertainty was also evident. Chinese artificial intelligence (AI) group DeepSeek's latest AI model, which aimed to rival technology developed by OpenAI, Meta and Google, claimed to have trained and developed the model at a fraction of the cost and computing power. Broadly supportive quarterly earnings results from the US mega technology companies together with confirmation of continued large-scale AI investment provided reassurance in the AI theme. A number of the hyperscalers (large cloud service providers with the IT architecture to scale up to meet significant increases in demand) are halting data centre plans and there are mounting environmental issues globally (Ireland, Chile, Uruguay, etc.). A rotation in stock market performance favouring European equities was also evident, in contrast to the strong outperformance of the US stock market, relative to European indices in 2024.

Commodity	31 May 2025	30 November 2024	% change	H1 2025 on H1 2024 Average Price % Change <sup>1</sup>
<b>Base Metals (US\$/tonne)</b>				
Aluminium	2,438	2,577	-5.4%	9.7%
Copper	9,548	8,892	7.4%	4.2%
Lead	1,934	2,048	-5.6%	-6.7%
Nickel	15,041	15,671	-4.0%	-10.9%
Tin	30,328	28,695	5.7%	12.3%
Zinc	2,597	3,109	-16.5%	8.1%
<b>Precious Metals (US\$/ounce)</b>				
Gold	3,285.3	2,659.5	23.5%	44.2%
Silver	33.1	30.1	10.0%	31.2%
Platinum	1,071.0	940.0	13.9%	3.9%
Palladium	964.0	983.0	-1.9%	-13.5%
<b>Energy</b>				
Oil (West Texas Intermediate) (US\$/barrel)	61.5	68.3	-10.0%	-13.4%
Oil (Brent) (US\$/barrel)	64.3	74.2	-13.3%	-14.3%
Natural Gas (US\$/Metric Million British Thermal Unit)	2.9	3.4	-15.6%	53.8%
<b>Bulk Commodities (US\$/tonne)</b>				
Iron ore	97.5	106.0	-8.0%	-16.3%
Coking coal	145.5	205.0	-29.0%	-37.7%
Thermal coal	100.8	141.5	-28.8%	-18.3%
<b>Reference Equity Indices</b>				
MSCI ACWI <sup>2</sup> Select Metals & Mining Producers Ex Gold and Silver IMI Net Index (£)	1,474.4	1,666.1	-11.5%	-11.6%
MSCI <sup>3</sup> World Energy Index (£)	580.3	669.3	-13.3%	-0.2%
S&P Clean Energy Index (£)	669.6	686.5	-2.5%	-17.4%

Commodity	31 May 2025	30 November 2024	% change	H1 2025 on H1 2024 Average Price % Change <sup>1</sup>
MSCI ACWI Select Metals & Mining Producers Ex Gold and Silver IMI Net Index (US\$)	1,221.1	1,300.6	-6.1%	-10.4%
MSCI World Energy Index (US\$)	470.4	511.3	-8.0%	1.1%
S&P Clean Energy Index (US\$)	1,174.4	1,132.2	3.7%	-16.3%

Source: LSEG Datastream, June 2025.

<sup>1</sup> Average of 1/12/2023-31/05/2024 to 1/12/2024-31/05/2025.

<sup>2</sup> Morgan Stanley Capital International All Country Weighted Index.

<sup>3</sup> Morgan Stanley Capital International.

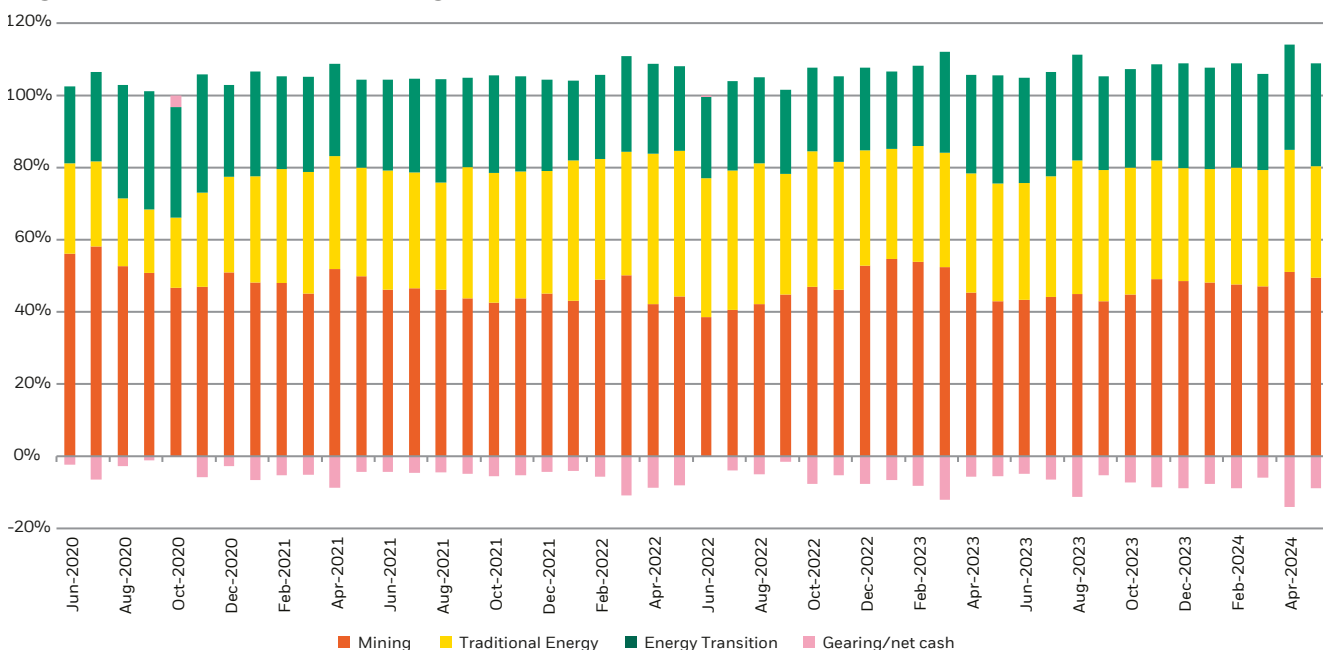
## Investment performance & portfolio activity

The Company's portfolio delivered an NAV return of -10.0% (in Sterling terms net of withholding taxes and with dividends reinvested) for the period, which was a slight underperformance of the -9.2% return for the reference index. In all of the three major sectors, the portfolio investments saw negative absolute returns, although the energy transition sector saw the least negative performance. Our slight underweight to the energy transition sector on average for the first half was therefore a modest detractor from performance. The underperformance was also driven by negative stock selection in the conventional energy sector where a couple of our natural gas services companies, Kodiak Gas Services and Archrock, both saw their share prices pull back sharply as net margins came in lower than expected on cost inflation. Partially offsetting these detractors was some positive stock selection in mining. This was driven by a modest allocation to some gold companies during the first half (with the rapidly rising gold price driving earnings and free cashflow expectations higher through the period) and also a holding in a European cement company that performed well on the back of the infrastructure stimulus plans announced by the German government.

It was a tough period overall for commodities both on the energy and mining side with prices for most commodities (precious metals aside) falling during the half year. This was despite meaningful weakness in the US dollar, which is more typically associated with a more positive environment for commodities – this reflects just how weak the macro demand environment was with the uncertainties caused by the ongoing tariff uncertainties, although these uncertainties seem to have eased somewhat, as a number of countries strike tariff deals ahead of the August deadline.

Market volatility, in addition to fundamental stock decisions, contributed to allocation moves throughout the period. From a top-down perspective, during the first six months we reduced overall exposure to Traditional Energy, given expectations of a well-supplied market through 2025 and in the absence of supply disruption, an expectation that oil prices may trade in the US\$50-70/barrel range. Within our Energy Transition holdings, exposure was reduced through January and February across electrification, energy efficiency and renewables, before leaning back into these areas on emerging clarity of US energy policy (see Figure 2 below).

**Figure 2: Portfolio positioning**



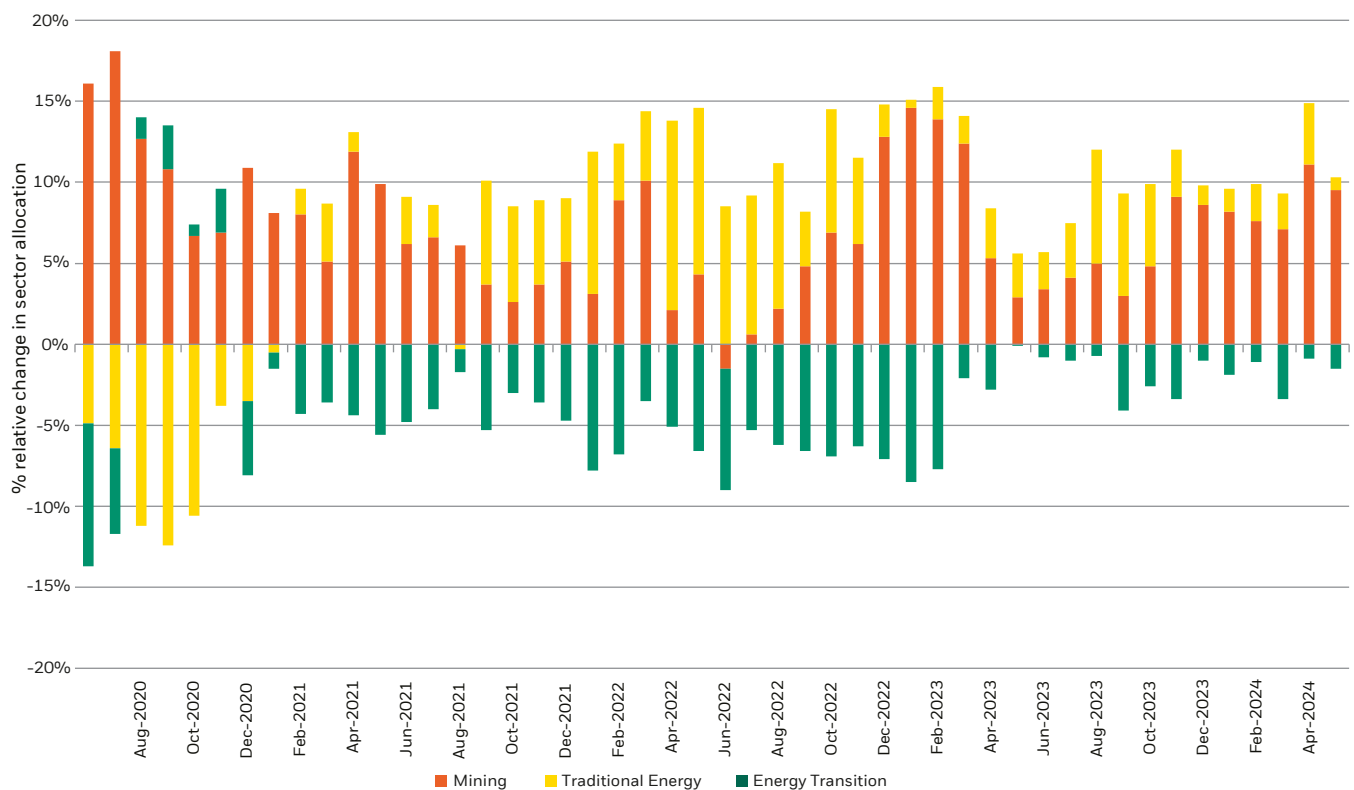
Within the three sectors we made notable changes to the high-level fund allocation split, to the sub-sectors and to the bottom-up stock specific exposures.

In the Energy Transition sector, we increased exposure to beneficiaries of investment in electrification and in selected renewables. We reduced exposure to industrial energy efficiency companies perceived to be at risk from decisions to delay investment through a period of tariff uncertainty.

In the Traditional Energy sector, we added exposure to integrated oil companies, which included several new purchases. These purchases were funded by exiting a number of exploration & production companies and US focused oilfield services companies.

Within Mining, we added to iron ore exposure given the relative valuations and initiated exposure to European cement production companies.

**Figure 3: Portfolio positioning relative to Reference Index**



Source: BlackRock.

## Income

The Company paid a total of 2.250p in dividends for the first six months of the year, split between the two quarterly payments. From a dividend perspective, the additions to Vale within Mining, to power utilities SSE and Centrica within Energy Transition and to the large integrated oil companies within Traditional Energy were supportive for income generation. Commodity price movements and therefore implications for earnings of the commodity producers were mixed during the period, with strength in the copper price and weakness in iron ore and oil prices.

We have previously noted that Sterling has strengthened versus the US Dollar and this trend has continued throughout the first six months of 2025. This will act as a headwind for the Company's income generation in Sterling terms as most of the dividends from the underlying portfolio companies are paid in US Dollars.

Gearing was reduced through the middle of the reporting period due to trade tensions giving rise to an uncertain outlook for economic growth.

## Traditional Energy

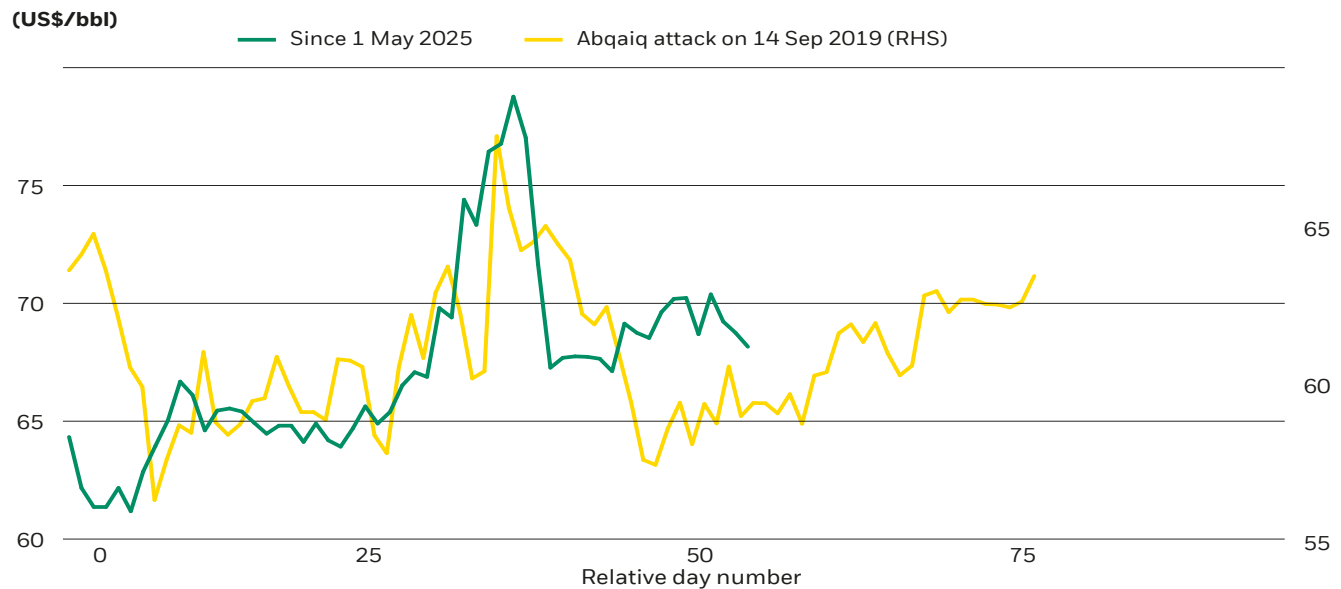
Market expectations for oil prices over the coming quarters have moved lower following the fall in the oil price towards US\$60/barrel and the imposition of import tariffs by the US. In the absence of disruption to supply, oil prices moved lower through the reporting period, with Brent and WTI Crude ending at US\$64/barrel and US\$61/barrel, respectively.

The fall in the oil price led Traditional Energy stocks lower and the Company's holdings in Exxon Mobil, Archrock, Kodiak Gas Services and the pipeline group Targa Resources were among the largest detractors from returns. On the other hand, services company Gaztransport & Technigaz rose strongly following full-year results that reported a jump in revenues and earnings. The company supplies the essential liners for liquefied natural gas (LNG) tankers and reported a strong order book.

We made a number of changes in our Traditional Energy holdings during the period. We increased exposure to the larger integrated oil companies via additions to Exxon Mobil, Shell and a new purchase in TotalEnergies. Exposure to exploration & production (E&P) companies was significantly reduced as these companies typically display a higher volatility to the moves in the oil price. We exited E&P companies where revenues may be more vulnerable to lower oil prices and US onshore oilfield services companies, where drilling activity may slow, impacting on revenues. We exited E&P companies Arc Resources, ConocoPhillips, Kosmos Energy and Diamondback Energy and oil services companies Archrock and Kodiak Gas Services.

Oil and Petroleum Exporting Countries (OPEC) have exercised supply discipline in recent years in an effort to manage and support the oil price. However, there has been a change in their behaviour with OPEC announcements of intention to add back production to the market - to no longer cede market share to US shale producers. In a market that is already well-supplied with oil, this action has contributed to the downward move in oil prices. Whilst geopolitical risk appears elevated, particularly in the Middle East, the reduced reliance on imported oil by the US, coupled with increased reliance by China on oil imports, suggests a changed dynamic when compared with past events and that any spike in the oil price may be expected to fade, given the current well-supplied oil market. Movements in the oil price following Israel's targeted attacks on Iran's nuclear facilities in early June, have followed a similar path to the oil price reaction to the drone attacks on Saudi Arabian oil processing facilities in September 2019. There was no notable impact on oil supply following the 2019 attacks and the market quickly faded the initial spike in the oil price.

**Figure 4: Brent crude oil price**



Source: Bloomberg, Morgan Stanley Research.

The Company is positioned for an energy market that appears well-supplied with oil through 2025, with new oil production growth expected to match or exceed oil demand growth. We therefore see oil prices trending lower through 2025. This view underpins a preference for defensive exposure within integrated oil companies and to E&P companies. We have exposure to the integrated oil companies as we view them having stronger balance sheets, cost structures and are able to generate sufficient cash flows at lower oil prices to continue to pay dividends and share buybacks and invest in production. Within the E&P sub-sector we have lower exposure, focused on international oil and gas producers as we view them having lower production costs, which we expect to prove more resilient through a lower oil price environment.

The Company has exposure to US pipeline energy distribution companies that we expect will benefit from strong natural gas volumes and to internationally focused oilfield services companies, typically involved in longer-life projects, where we expect capital expenditure budgets are likely to be maintained.

We believe electricity demand in the US and Europe will increase and drive investment into power and energy related infrastructure, including natural gas. We expect Europe's demand for natural gas imports in the form of LNG to increase, as it replaces Russian sourced natural gas. These views underpin exposure to US pipeline distribution companies that we see as beneficiaries of higher natural gas and LNG volumes and related energy infrastructure investment.

## **Energy Transition**

Since the US presidential election, Energy Transition companies have seen considerable dispersion and volatility in returns. The sector continued to see a de-rating in valuations throughout December and January before an initial recovery in returns, led by select US renewables companies following expected changes to US energy policy that were less bad than many feared.

Suppliers of power grid equipment performed strongly during the period and the Company's holdings in GE Vernova and Siemens Energy rose 40% and 70%, respectively. Both companies reported results that showed an increase in order backlog and profit margin expansion. Power utilities were also beneficiaries of this market trend with National Grid delivering a positive return. The Company benefited from participation in a private placing in Belgian-listed utility company, Elia Group, as part of its €2.2bn funding package to support grid investment plans. The placing strengthened the company balance sheet, removing a key risk for the shares, which subsequently rose strongly.

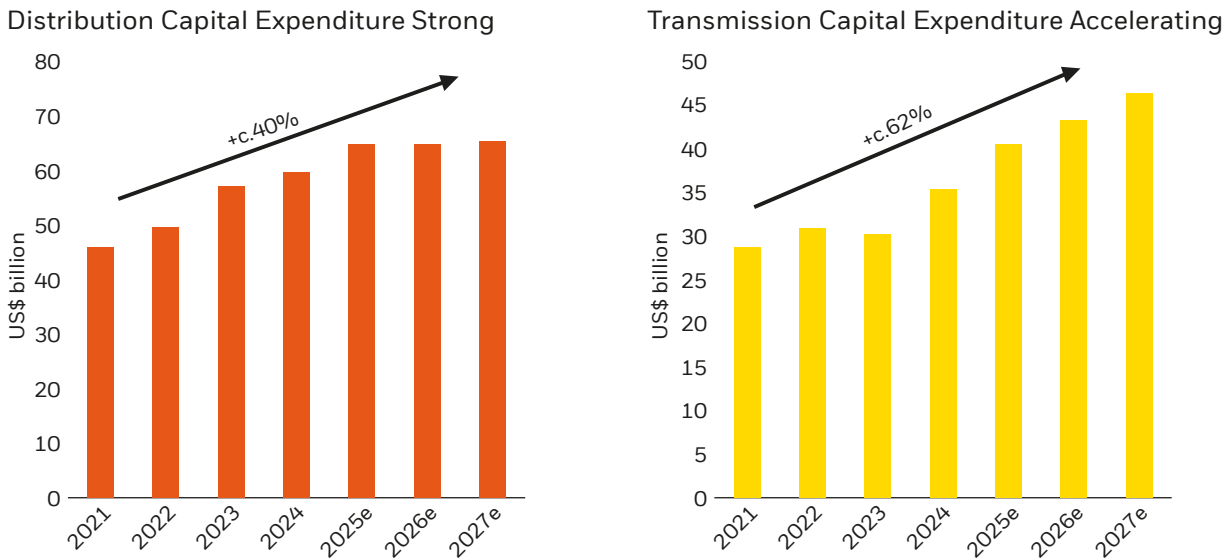
Exposure to industrial energy efficiency companies detracted from returns as companies perceived to have greater economic sensitivity fell on the tariff related uncertainty. Specialist air compression equipment supplier Ingersoll-Rand and electric motors manufacturer Regal Rexnord were among the key detractors during the period.

We made a number of changes in positioning within the Energy Transition sector throughout the period, partly due to dispersion in returns from the companies and partly due to greater conviction in the outlook with greater clarity around US energy policy. Exposure to industrial companies Trane Technologies and Ingersoll-Rand was reduced and we exited utilities Nextera Energy and Constellation Energy, following a positive re-rating of the shares. These sales funded new positions in UK utility SSE, US utility groups CenterPoint Energy and NiSource and an increase in exposure to US solar panel manufacturer, First Solar. Towards the end of the period, we initiated a position in UK based Centrica, where we see potential for a medium term re-rating as the company repositions its business towards more stable cash flow generating businesses.

The US has a fundamental and pressing need for electricity, which we expect to be fulfilled from an "all of the above" approach to power generation. The changes to US energy policy contained within the "One Big Beautiful Bill Act" continued to support domestic supply chains and utility-scale solar. Whilst US and European energy policies are especially supportive for the build-out of fast-deployable solar and onshore wind power, we see investment opportunities longer-term from increased investment across natural gas and nuclear, but primarily around power grid investment, with the amount of expected growth showing in Figure 5. There is increased talk of a nuclear renaissance, it should be noted that there is a considerable time-to-build any form of new nuclear facilities and very limited number of facilities that may be restarted such as with the US Three Mile Island power station, expected to return on line in 2028. For the coming decade, we therefore expect a continuation of the increased build out of utility scale solar in the US and Europe, supported by wind power and natural gas.



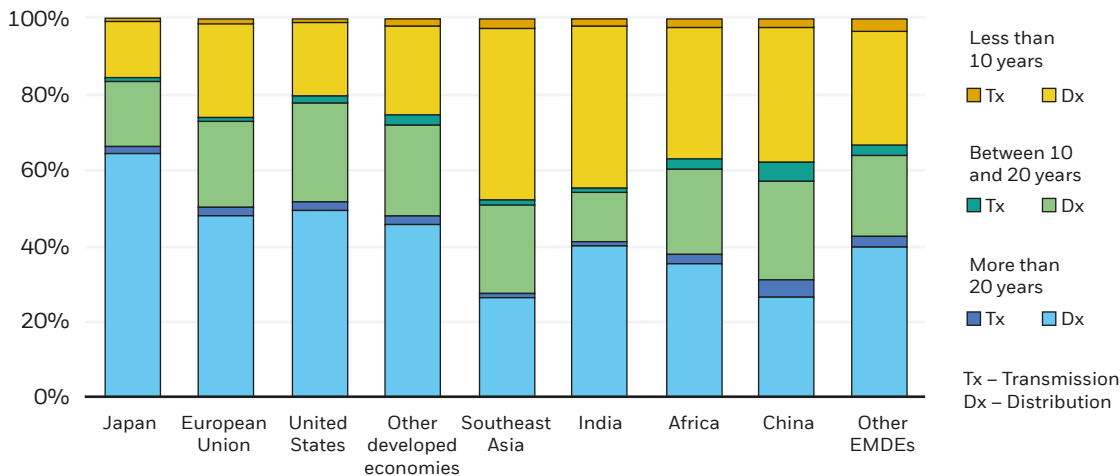
**Figure 5: Utility distribution and transmission capex is predicted to continue accelerating to improve grid resiliency**



Source: EEI distribution and transmission capital expenditure data Sep2024, Industry Capital Expenditures and EUCI (forecast).

In April, Spain and Portugal experienced a prolonged electricity blackout, as large parts of the power grid went offline, whilst in the UK, a fire in one of the sub-stations serving London Heathrow Airport led to a power outage. California has experienced rolling power blackouts in the past, most notably during a heatwave in August 2020, due to a combination of high demand and insufficient power supply. These events are underpinning a need for investment in aging European (and US) electricity and grid infrastructure, where analysis has shown that around half of the infrastructure may be over 20 years old (see Figure 6). In the UK, the average age of electricity transformers may be over 60 years old<sup>1</sup>. These events suggest added importance to increased investments in UK, European and US power grid infrastructure.

**Figure 6: Power grids are getting old and may require significant investment and updating to cope with increased electrification and renewable energy**



Source: IEA, October 2023. The graphic shows the age of different parts of the energy grid. Transmission infrastructure (Tx) carries power from generation plants. Distribution infrastructure (Dx) is the last mile to end users. EMDE-Emerging Markets and Developing Economies.

The valuation of a number of energy transition companies remains attractive, in our view, with negative market sentiment over the past 18 months towards such companies, having led to valuation multiples moving lower. It is noteworthy that private equity, which typically have longer investment time horizons, has been taking advantage by buying publicly listed renewables assets.

<sup>1</sup> Source: Harper Macleod, June 2024.

## Mining

Mining companies came under pressure in the first six months of the year with US tariff uncertainty, which impacted investor expectations around potential for retaliation, increased domestic commodity prices and near-term commodity demand.

A fall in the iron ore price impacted the Company's holdings in Vale and Anglo American, which detracted from returns during the period. Battery metals were weak impacting on Company's positions in Albemarle and Lifezone Metals.

The 23% rise in the gold price was positive for gold and silver royalty company Wheaton Precious Metals and gold producer Kinross Gold.

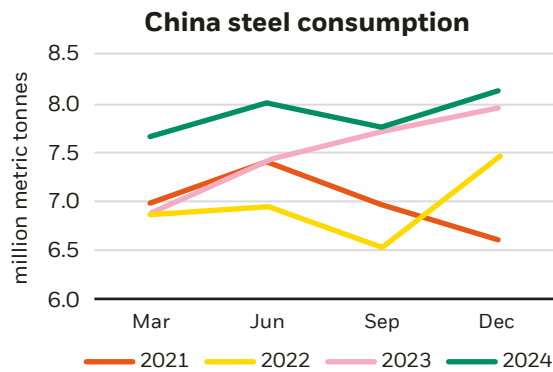
As the outlook for bulk commodities has become more benign, we have broadened investment beyond those areas, such as with the purchase of cement group Heidelberg Materials which rose strongly. The outlook for European cement production is supported by the coming implementation of the Carbon Border Adjustment Mechanism (CBAM), but the recent catalyst to performance has come from Germany's €500billion commitment on infrastructure investment over the next ten years. Infrastructure investment required for the build-out of AI data centres and grid infrastructure may also be underestimated by the market. During the period, relative valuation led us to increase exposure to Vale and Freeport-McMoRan and initiate a position in platinum group metals producer Valterra Platinum, a spin-off from Anglo American.

Historically, mined commodities were linked to the pace of property development in China, given the need for steel and copper in their construction. This historic relationship no longer appears to hold true, with the rapid increase in production of clean technologies that are materials intensive. This can be seen in Figure 7 with China's floor space under construction remaining weak, yet steel demand remaining robust. The charts depicting the extraordinary growth in China's monthly renewable energy capacity and in electric vehicle (EV) sales helps to explain how China's relationship with raw materials is evolving.

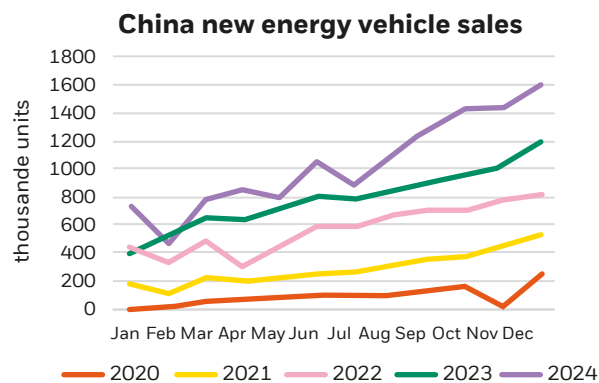
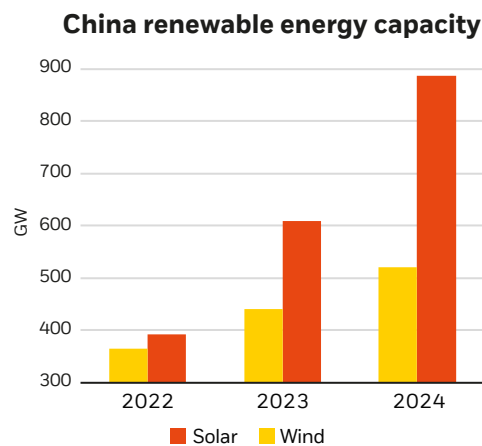
**Figure 7**



Source: Refinitiv Datastream, March 2025



Source: Refinitiv Datastream, January 2025



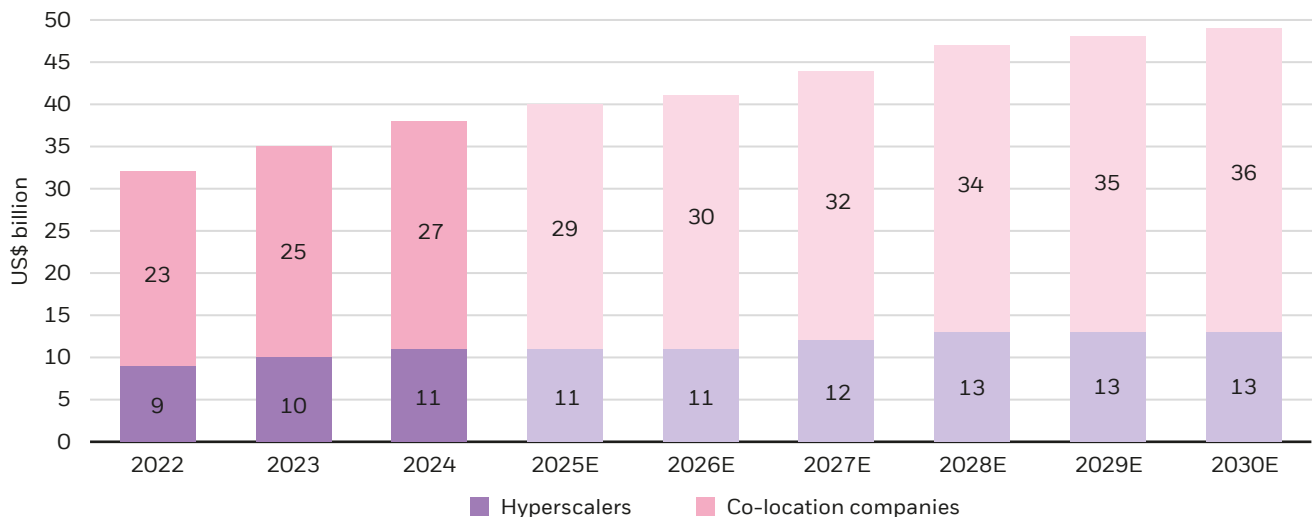
Source: China Association of Automobile Manufacturers January 2025

Mined raw materials are necessary to produce many of the new technologies and to enable the energy transition – these materials include lithium, cobalt, nickel, rare earth elements, copper, and graphite. They enable the production of batteries for EVs, magnets for wind turbines, silicon for solar panels, and wiring for grid infrastructure. Demand is rising as electrification expands, with energy technologies driving the majority of growth across many of these materials.

The supply of critical materials faces a number of potential risks, which are important considerations for companies and countries. Mining and refining are highly concentrated, mostly in China, which refines 70–95% of many energy-related critical raw materials<sup>1</sup>. Any disruption to supply may have significant implications for the cost and production of new technologies that rely on these materials. Companies producing these materials may be well placed to benefit from efforts to build supply chain resiliency.

Data centres, required to train large AI models and for inferencing the rapidly increasing use of these models, consume large amounts of power to run and cool. The hyperscalers are committing to significant expansion of these data centres, as shown in Figure 8. This investment is materials intensive, something that is often overlooked, with metals such as copper being critical in the data centres themselves as well as for the grid connections and extra power generation that will be required.

**Figure 8: Global data centre construction spending**



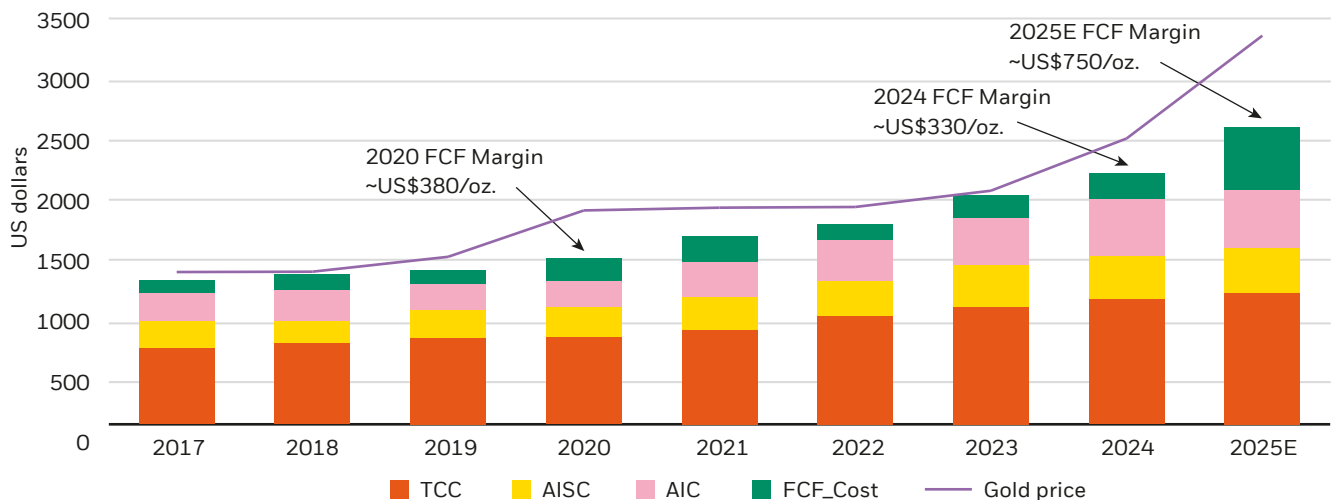
Source: Synergy Research Group, 2024. For illustrative purpose only. There is no guarantee that any forecasts made will come to pass.

The shift towards electrification, now additionally boosted by AI investment, coupled with a relatively constrained supply backdrop underpins our medium-term positive view on copper. In order to form an investment opinion, we seek to understand the strategy of the companies in which we invest and their operations. For a mining company, there is no substitute for going to their site to gain a clearer understanding of the potential from the asset. Earlier this year, our team member visited BHP’s Escondida copper mine in Chile to better understand how BHP’s investment plans translate on the ground and to form a view on how effective they may be.

The Company maintains modest exposure to gold producers. Gold and silver have important industrial uses but are viewed as safe-haven assets during times of uncertainty and for this reason they are not core to the Company’s mining exposure, but we retain investment flexibility. Non-Western central banks, particularly China, have been increasing their gold purchases in this period of elevated geopolitical risk, which has supported the gold price and earnings for gold producers and royalty companies, which can be seen in Figure 9 on the following page.

<sup>1</sup> Source: Harper Macleod, June 2024.

**Figure 9:**  
**Gold miner costs versus the gold price for 2017–2025E**



Source: Global Mining Research. Gold price in 2025 based on actual first quarter 2025 and spot prices ahead. 31 May 2025. TCC: total cash cost, AISC: all in sustaining cost, AIC: all in cost, FCF Cost: free cash flow breakeven.

For illustrative purpose only. There is no guarantee that any forecasts made will come to pass.

As the global economy navigates a complex landscape of geopolitical uncertainty, within our mining exposure, we focus on the long-term demand drivers – such as green infrastructure, AI-driven data centres, and demographic shifts in emerging markets, alongside constrained supply. We view mining equities as trading at attractive valuations relative to other sectors and historical values, in current markets.

### Market outlook and portfolio positioning

What sets AI apart from past technological shifts is its potential to mimic, or even enhance, human intelligence. BlackRock’s Investment Institute (“BII”) noted that AI could reshape the economy, accelerating scientific breakthroughs and creating entirely new industries. A transition to an AI-driven cloud and accelerated computing, will require significant build out of physical supporting infrastructure, including data centres, all of which require critical raw materials and electricity to power.

We expect power demand to accelerate, driven by AI, heating/ventilation/air conditioning, electric vehicles and reshoring production. This demand is colliding with a grid infrastructure that may be ill-equipped to scale quickly. Energy policy has also shifted post the Ukraine conflict, to energy security, emphasizing domestic supply and reliability. We see recent clarification of US energy policy as a catalyst to unlocking value across parts of the energy sector. We see a resultant ramp up in power demand being met by a prolonged level of electricity and grid investment not seen for decades, to be met by renewables and battery storage build out and also from natural gas and nuclear over the longer term.

Looking forward we see confirmation of US energy policy as an important catalyst for the renewable energy industry in the US. Whilst not our base case, the risk of an escalation in events in the Middle East remains a consideration for energy markets in particular, with about 20% of the global oil supply sailing from the region. Market expectations appear for trade related uncertainty to subside as we move through the year, but with a number of key trade deals still to be finalised, the risk of further volatility certainly remains.

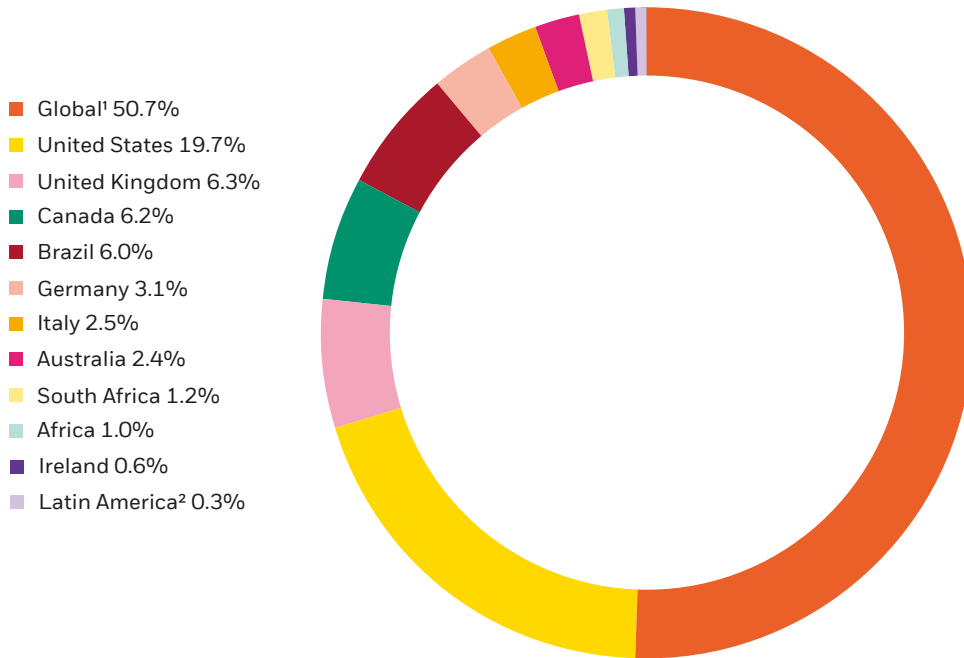
#### Tom Holl and Mark Hume

BlackRock Investment Management (UK) Limited  
1 August 2025

# Distribution of investments

as at 31 May 2025

## Asset allocation – Geography

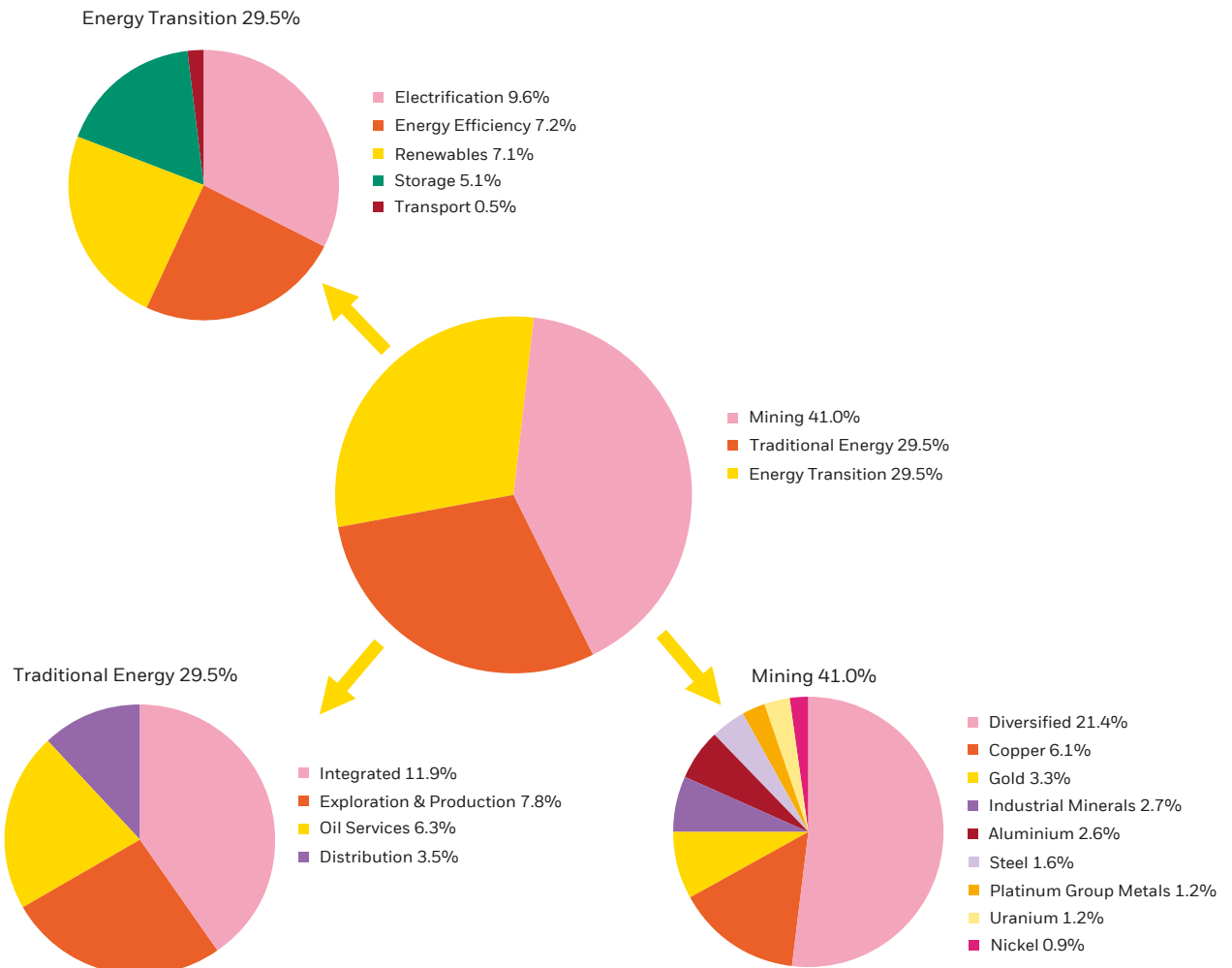


<sup>1</sup> Global relates to companies having businesses and operations in multiple countries and territories.

<sup>2</sup> Latin America represents Argentina.

Source: BlackRock.

## Asset allocation – Commodity/sub-sectors



Source: BlackRock.

# Ten largest investments

Together, the Company's ten largest investments represent 39.2% of the Company's portfolio as at 31 May 2025 (30 November 2024: 32.5%).

## 1 ▲ Vale (2024: 8th)

### Diversified mining group

Market value: £9,142,000

Share of investments: 6.0%<sup>1</sup> (2024: 2.8%)

One of the largest mining groups in the world, with operations in 30 countries. Vale is the world's largest producer of iron ore and iron ore pellets, and the world's largest producer of nickel. The group also produces manganese ore, ferroalloys, metallurgical and thermal coal, copper, platinum group metals, gold, silver, cobalt, potash, phosphates and other fertiliser nutrients.

## 2 ▼ Anglo American (2024: 1st)

### Diversified mining group

Market value: £8,305,000

Share of investments: 5.4% (2024: 4.6%)

A global mining group. The group's mining portfolio includes bulk commodities including iron ore, manganese, metallurgical coal, base metals including copper and nickel and precious metals and minerals such as platinum and diamonds. Anglo American has mining operations globally, with significant assets in Africa and South America.

## 3 ▲ Exxon Mobil (2024: 12th)

### Integrated oil group

Market value: £7,633,000

Share of investments: 5.0% (2024: 2.5%)

An American multinational oil and gas corporation. They continue to evolve to meet growing global demand for oil, natural gas and refined products and plan to play a role in the energy transition.

## 4 ▼ Rio Tinto (2024: 2nd)

### Diversified mining group

Market value: £7,299,000

Share of investments: 4.8% (2024: 4.5%)

One of the world's leading mining companies. The group's primary product is iron ore, but it also produces aluminium, copper, diamonds, gold, industrial minerals and energy products.

## 5 ▼ Shell (2024: 4th)

### Integrated oil group

Market value: £6,091,000

Share of investments: 4.0% (2024: 2.9%)

One of the largest integrated energy companies globally with five main operating segments: Integrated Gas, Upstream, Marketing, Chemicals and Products, and Renewables and Energy Solutions. The company has a high quality, gas/liquified natural gas (LNG) weighted portfolio.

# Ten largest investments

continued

## 6 ▲ NiSource (2024: n/a)

### Oil services

**Market value: £5,065,000**

**Share of investments: 3.3%** (2024: n/a)

One of the largest fully regulated utility companies in the United States, serving approximately 3.3 million natural gas customers and 500,000 electric customers across six states.

## 7 ▲ Abaxx Technologies (2024: 30th)

### Diversified mining group

**Market value: £4,492,000**

**Share of investments: 2.9%**<sup>2</sup> (2024: 1.3%)

A financial software and market infrastructure company focused on developing technology for global commodity exchanges and digital marketplaces, which owns and operates Abaxx Exchange and Abaxx Clearing.

## 8 ▲ Elia Group (2024: n/a)

### Storage

**Market value: £4,064,000**

**Share of investments: 2.6%** (2024: n/a)

A transmission system operator, primarily active in Belgium and Germany, responsible for transmitting electricity from producers to consumers. They own and operate high-voltage electricity grids and facilitate the import and export of electricity between countries.

## 9 ▼ Hydro (2024: 6th)

### Aluminium mining

**Market value: £4,024,000**

**Share of investments: 2.6%** (2024: 2.9%)

A Norwegian aluminium and renewable energy company that has 33,000 employees in more than 140 locations and 40 countries.

## 10 ▲ SSE (2024: 46th)

### Renewables

**Market value: £3,931,000**

**Share of investments: 2.6%** (2024: 0.9%)

A leading energy company in the UK and Ireland, focused on electricity networks and renewable energy generation and is a major player in onshore and offshore wind, hydro power, and electricity transmission and distribution networks.

<sup>1</sup> 1.2% relates to interest in Vale shareholder debentures.

<sup>2</sup> 1.5% relates to interest in fixed income investments which is unlisted and held at fair value.

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

Arrows indicate the change in relative ranking of the position in the portfolio compared to its ranking as at 30 November 2024.

Percentages in brackets represent the value of the holding as at 30 November 2024.

# Investments

as at 31 May 2025

	Main geographic exposure	Market value £'000	% of investments
<b>Mining</b>			
<b>Diversified</b>			
Vale	Brazil	7,312	} 6.0
Vale Debentures <sup>1</sup>	Brazil	1,830	
Anglo American	Global	8,305	5.4
Rio Tinto	Global	7,299	4.8
Abaxx Technologies 7.0% 21/03/2028 – convertible debentures <sup>2</sup>	Global	2,335	} 2.9
Abaxx Technologies	Global	2,157	
Teck Resources	Global	2,345	1.5
BHP	Global	1,291	0.8
		<b>32,874</b>	<b>21.4</b>
<b>Copper</b>			
First Quantum Minerals	Global	2,325	} 2.0
First Quantum Minerals 6.875% 15/10/2027 <sup>4</sup>	Global	726	
Freeport-McMoRan	United States	2,054	1.3
Metals Acquisition	Australia	1,312	0.9
Foran Mining	Canada	1,096	0.7
Ivanhoe Electric	United States	744	0.5
Develop Global	Australia	661	0.4
Ngex Minerals	Latin America	496	0.3
		<b>9,414</b>	<b>6.1</b>
<b>Gold</b>			
Wheaton Precious Metals	Global	2,077	1.4
Allied Gold Corporation 8.75% 07/09/2028 – bonds <sup>4</sup>	Africa	1,569	1.0
Kinross Gold	Global	1,312	0.9
		<b>4,958</b>	<b>3.3</b>
<b>Industrial Minerals</b>			
Heidelberg Materials	Global	1,448	0.9
Lynas Corporation	Australia	995	0.6
Nutrien	United States	940	0.6
Albemarle	Global	918	0.6
		<b>4,301</b>	<b>2.7</b>
<b>Aluminium</b>			
Hydro	Global	4,024	2.6
		<b>4,024</b>	<b>2.6</b>
<b>Steel</b>			
ArcelorMittal	Global	2,507	1.6
		<b>2,507</b>	<b>1.6</b>
<b>Platinum Group Metals</b>			
Anglo American Platinum	South Africa	1,830	1.2
		<b>1,830</b>	<b>1.2</b>
<b>Uranium</b>			
Cameco	Canada	1,740	1.2
		<b>1,740</b>	<b>1.2</b>
<b>Nickel</b>			
Nickel Mines	Australia	749	0.5
Lifezone Metals	Global	666	0.4
		<b>1,415</b>	<b>0.9</b>
<b>Total Mining</b>		<b>63,063</b>	<b>41.0</b>



	Main geographic exposure	Market value £'000	% of investments
<b>Traditional Energy</b>			
<b>Integrated</b>			
Exxon Mobil	Global	7,633	5.0
Shell	Global	6,091	4.0
TotalEnergies	Global	3,083	2.0
Suncor Energy	Canada	1,372	0.9
Gazprom <sup>3</sup>	Russian Federation	–	–
		<b>18,179</b>	<b>11.9</b>
<b>Exploration &amp; Production</b>			
Hess	Global	2,959	1.9
Canadian Natural Resources	Canada	2,360	1.5
Permian Resources	United States	2,080	1.4
EQT Corporation	United States	1,614	1.0
EOG Resources	United States	1,575	1.0
Tourmaline Oil	Canada	1,492	1.0
		<b>12,080</b>	<b>7.8</b>
<b>Oil Services</b>			
NiSource	United States	5,065	3.3
TechnipFMC	Global	2,965	1.9
Gaztransport & Technigaz	Global	1,685	1.1
		<b>9,715</b>	<b>6.3</b>
<b>Distribution</b>			
Cheniere Energy	United States	2,380	1.5
Targa Resources	United States	1,697	1.1
TC Energy	Canada	1,389	0.9
		<b>5,466</b>	<b>3.5</b>
<b>Total Traditional Energy</b>		<b>45,440</b>	<b>29.5</b>
<b>Energy Transition</b>			
<b>Electrification</b>			
Centrica	United Kingdom	3,694	2.4
Centerpoint Energy	United States	3,654	2.4
EDP Renováveis	Global	2,826	1.8
National Grid	United Kingdom	2,041	1.3
Vistra	United States	953	0.6
Talen Energy	United States	891	0.6
Howmet Aerospace	United States	718	0.5
		<b>14,777</b>	<b>9.6</b>
<b>Energy Efficiency</b>			
Schneider Electric	Global	3,075	2.0
Trane Technologies	United States	2,850	1.9
Ingersoll-Rand	United States	2,134	1.4
Analog Devices	Global	1,423	0.9
Kingspan Group	Ireland	917	0.6
Vertiv Holdings	Global	724	0.5
Owens Corning Put Option 18/07/2025	United States	(202)	(0.1)
		<b>10,921</b>	<b>7.2</b>

# Investments

as at 31 May 2025

	Main geographic exposure	Market value £'000	% of investments
<b>Renewables</b>			
SSE	United Kingdom	3,931	2.6
First Solar	Global	3,773	2.4
Siemens Energy	Global	2,143	1.4
GE Vernova	United States	1,064	0.7
		<b>10,911</b>	<b>7.1</b>
<b>Storage</b>			
Elia Group	Germany	4,064	2.6
Prysmian Spa	Italy	3,788	2.5
		<b>7,852</b>	<b>5.1</b>
<b>Transport</b>			
Infineon Technologies	Germany	706	0.5
		<b>706</b>	<b>0.5</b>
<b>Total Energy Transition</b>		<b>45,167</b>	<b>29.5</b>
<b>Total Portfolio</b>		<b>153,670</b>	<b>100.0</b>
<b>Comprising:</b>			
Equity and debt investments		153,872	100.1
Derivative financial instruments – written options		(202)	(0.1)
		<b>153,670</b>	<b>100.0</b>

<sup>1</sup> The investment in the Vale debentures is illiquid and has been valued using secondary market pricing information provided by the Brazilian Financial and Capital Markets Association (ANBIMA).

<sup>2</sup> Investment is unlisted and is held at fair value.

<sup>3</sup> The investment in Gazprom has been valued at a nominal value of RUB0.01 as secondary listings of the depositary receipts on Russian companies have been suspended from trading.

<sup>4</sup> Bonds are illiquid and held at broker prices.

All investments are ordinary shares unless otherwise stated. The total number of holdings (including options) at 31 May 2025 was 67 (30 November 2024: 74).

There was one open option as at 31 May 2025 (30 November 2024: one).

The equity and fixed income investment total of £153,872,000 (30 November 2024: £189,752,000) above before the deduction of the negative option valuation of £202,000 (30 November 2024: £51,000) represents the Group's total investments held at fair value as reflected in the Consolidated Statement of Financial Position. The table above excludes cash and gearing; the level of the Group's gearing may be determined with reference to the bank overdraft of £13,181,000 (30 November 2024: £25,944,000) and cash and cash equivalents of £nil (30 November 2024: £3,714,000) that are also disclosed in the Consolidated Statement of Financial Position. Details of the AIC methodology for calculating gearing are given in the Glossary on pages 46 and 47.

As at 31 May 2025, the Company did not hold any equity interests comprising more than 3% of any company's share capital.

# Interim Management Report and Responsibility Statement

The Chairman's Statement on pages 5 to 8 and the Investment Managers' Report on pages 9 to 18 give details of the important events which have occurred during the period and their impact on the financial statements.

## Principal risks and uncertainties

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

- Investment performance;
- Income/dividend;
- Gearing;
- Legal and regulatory compliance;
- Operational;
- Market; and
- Financial.

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Financial Statements for the year ended 30 November 2024. A detailed explanation can be found in the Strategic Report on pages 40 to 44 and in note 17 on pages 111 to 123 of the Annual Report and Financial Statements which are available on the Company's website at [www.blackrock.com/uk/beri](http://www.blackrock.com/uk/beri).

The Board and the Investment Manager continue to monitor investment performance in line with the Company's investment objectives, and the operations of the Company and the publication of net asset values are continuing.

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

## Going concern

The Board is mindful of the risk that unforeseen or unprecedented events including (but not limited to) heightened geopolitical tensions such as the wars in Ukraine and Middle East, their longer-term effects on the global economy, high inflation and the current cost of living crisis could have a significant impact on global markets.

Notwithstanding this significant degree of uncertainty, the Directors, having considered the nature and liquidity of the portfolio, the Company's investment objective, the Company's projected income and expenditure, the continuation vote proposals coming up at the forthcoming Annual General Meeting in March 2026 and the Company's substantial distributable reserves, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound.

The Company has a portfolio of investments which are considered to be readily realisable and is able to meet all of its liabilities from its assets and income generated from these assets. Borrowings under the overdraft facility shall be lower of £40.0 million or 20% of the Company's net assets (calculated at the time of draw down) and this covenant was complied with during the period. Up to 30 November 2024, ongoing charges (excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non recurring charges) have been capped by the Manager at 1.25% of average daily net assets and were 1.20% of average daily net assets for the year ended 30 November 2024. From 1 December 2024, the cap reduced to 1.15% per annum of average daily net assets.

The Board has considered the Company's more recent performance, its discount, the make up of the share register, and the unique and attractive nature of its offering. Following due consideration, it has determined, to the best of its ability given it is a future event, that the forthcoming continuation vote does not represent a material uncertainty as it pertains to the going concern assessment.

Based on the above, the Board is satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

# Interim Management Report and Responsibility Statement continued

## **Related party disclosure and transactions with the Investment Manager**

BlackRock Fund Managers Limited (BFM) is the Company's Alternative Investment Fund Manager (AIFM) and has, with the Company's consent, delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Both BFM and BIM (UK) are regarded as related parties under the Listing Rules. Details of the management fee payable are set out in note 4 on page 33 and note 14 on pages 41 and 42 of the financial statements. The related party transactions with the Directors are set out in note 13 on page 41 of the financial statements.

## **Directors' responsibility statement**

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

The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the Half Yearly Financial Report has been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting; and
- the Interim Management Report together with the Chairman's Statement and Investment Managers' Report include a fair review of the information required by 4.2.7R and 4.2.8R of the FCA's Disclosure Guidance and Transparency Rules.

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

The Half Yearly Financial Report was approved by the Board on 1 August 2025 and the above responsibility statement was signed on its behalf by the Chairman.

### **Adrian Brown**

For and on behalf of the Board

1 August 2025

# Consolidated Statement of Comprehensive Income

for the six months ended 31 May 2025

	Notes	Six months ended 31 May 2025 (unaudited)			Six months ended 31 May 2024 (unaudited)			Year ended 30 November 2024 (audited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income from investments held at fair value through profit or loss	3	2,626	–	2,626	2,700	–	2,700	4,951	–	4,951
Other income	3	491	–	491	428	–	428	1,200	–	1,200
<b>Total income</b>		<b>3,117</b>	<b>–</b>	<b>3,117</b>	<b>3,128</b>	<b>–</b>	<b>3,128</b>	<b>6,151</b>	<b>–</b>	<b>6,151</b>
Net (loss)/profit on investments and derivatives held at fair value through profit or loss		–	(18,639)	(18,639)	–	19,011	19,011	–	18,986	18,986
Net profit/(loss) on foreign exchange		–	134	134	–	(1)	(1)	–	25	25
<b>Total</b>		<b>3,117</b>	<b>(18,505)</b>	<b>(15,388)</b>	<b>3,128</b>	<b>19,010</b>	<b>22,138</b>	<b>6,151</b>	<b>19,011</b>	<b>25,162</b>
<b>Expenses</b>										
Investment management fees	4	(161)	(487)	(648)	(181)	(543)	(724)	(356)	(1,069)	(1,425)
Other operating expenses	5	(219)	(3)	(222)	(240)	(4)	(244)	(511)	(9)	(520)
<b>Total operating expenses</b>		<b>(380)</b>	<b>(490)</b>	<b>(870)</b>	<b>(421)</b>	<b>(547)</b>	<b>(968)</b>	<b>(867)</b>	<b>(1,078)</b>	<b>(1,945)</b>
<b>Net profit/(loss) on ordinary activities before finance costs and taxation</b>		<b>2,737</b>	<b>(18,995)</b>	<b>(16,258)</b>	<b>2,707</b>	<b>18,463</b>	<b>21,170</b>	<b>5,284</b>	<b>17,933</b>	<b>23,217</b>
Finance costs		(82)	(247)	(329)	(128)	(385)	(513)	(230)	(690)	(920)
<b>Net profit/(loss) on ordinary activities before taxation</b>		<b>2,655</b>	<b>(19,242)</b>	<b>(16,587)</b>	<b>2,579</b>	<b>18,078</b>	<b>20,657</b>	<b>5,054</b>	<b>17,243</b>	<b>22,297</b>
Taxation (charge)/credit		(274)	59	(215)	(245)	34	(211)	(513)	128	(385)
<b>Net profit/(loss) on ordinary activities after taxation</b>		<b>2,381</b>	<b>(19,183)</b>	<b>(16,802)</b>	<b>2,334</b>	<b>18,112</b>	<b>20,446</b>	<b>4,541</b>	<b>17,371</b>	<b>21,912</b>
<b>Earnings/(loss) per ordinary share (pence)</b>	<b>7</b>	<b>2.00</b>	<b>(16.10)</b>	<b>(14.10)</b>	<b>1.83</b>	<b>14.17</b>	<b>16.00</b>	<b>3.63</b>	<b>13.87</b>	<b>17.50</b>

The total columns of this statement represent the Group's Statement of Comprehensive Income, prepared in accordance with UK-adopted International Accounting Standards (IAS). The supplementary revenue and capital accounts are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period. All income is attributable to the equity holders of the Group.

The Group does not have any other comprehensive income/(loss) (31 May 2024: £nil; 30 November 2024: £nil). The net profit/(loss) for the period disclosed above represents the Group's total comprehensive income/(loss).

The notes on pages 31 to 42 form part of these financial statements.

# Consolidated Statement of Changes in Equity

for the six months ended 31 May 2025

	Notes	Called up share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
<b>For the six months ended 31 May 2025 (unaudited)</b>							
At 30 November 2024		1,356	69,980	54,812	36,031	5,148	167,327
Total comprehensive (loss)/income:							
Net (loss)/profit for the period		–	–	–	(19,183)	2,381	(16,802)
Transaction with owners, recorded directly to equity:							
Ordinary shares repurchased into treasury		–	–	(5,460)	–	–	(5,460)
Share repurchase costs		–	–	(37)	–	–	(37)
Dividends paid <sup>1</sup>	6	–	–	–	–	(2,694)	(2,694)
<b>At 31 May 2025</b>		<b>1,356</b>	<b>69,980</b>	<b>49,315</b>	<b>16,848</b>	<b>4,835</b>	<b>142,334</b>
<b>For the six months ended 31 May 2024 (unaudited)</b>							
At 30 November 2023		1,356	69,980	66,100	18,660	6,266	162,362
Total comprehensive income							
Net profit for the period		–	–	–	18,112	2,334	20,446
Transaction with owners, recorded directly to equity:							
Ordinary shares repurchased into treasury		–	–	(7,631)	–	–	(7,631)
Share repurchase costs		–	–	(53)	–	–	(53)
Dividends paid <sup>2</sup>	6	–	–	–	–	(2,891)	(2,891)
<b>At 31 May 2024</b>		<b>1,356</b>	<b>69,980</b>	<b>58,416</b>	<b>36,772</b>	<b>5,709</b>	<b>172,233</b>
<b>For the year ended 30 November 2024 (audited)</b>							
At 30 November 2023		1,356	69,980	66,100	18,660	6,266	162,362
Total comprehensive income							
Net profit for the year		–	–	–	17,371	4,541	21,912
Transaction with owners, recorded directly to equity:							
Ordinary shares repurchased into treasury		–	–	(11,208)	–	–	(11,208)
Share repurchase costs		–	–	(80)	–	–	(80)
Dividends paid <sup>3</sup>		–	–	–	–	(5,659)	(5,659)
<b>At 30 November 2024</b>		<b>1,356</b>	<b>69,980</b>	<b>54,812</b>	<b>36,031</b>	<b>5,148</b>	<b>167,327</b>

<sup>1</sup> 4th interim dividend of 1.125p per share for the year ended 30 November 2024, declared on 28 November 2024 and paid on 7 January 2025 and 1st interim dividend of 1.125p per share for the year ending 30 November 2025, declared on 20 March 2025 and paid on 25 April 2025.

<sup>2</sup> 4th interim dividend of 1.125p per share for the year ended 30 November 2023, declared on 7 December 2023 and paid on 12 January 2024 and 1st interim dividend of 1.125p per share for the year ended 30 November 2024, declared on 15 March 2024 and paid on 26 April 2024.

<sup>3</sup> 4th interim dividend of 1.125p per share for the year ended 30 November 2023, declared on 7 December 2023 and paid on 12 January 2024; 1st interim dividend of 1.125p per share for the year ended 30 November 2024, declared on 15 March 2024 and paid on 26 April 2024; 2nd interim dividend of 1.125p per share for the year ended 30 November 2024, declared on 4 June 2024 and paid on 15 July 2024 and 3rd interim dividend of 1.125p per share for the year ended 30 November 2024, declared on 18 September 2024 and paid on 28 October 2024.

For information on the Company's distributable reserves, please refer to note 11 on page 37.

The notes on pages 31 to 42 form part of these financial statements.

# Consolidated Statement of Financial Position

as at 31 May 2025

	Notes	31 May 2025 (unaudited) £'000	31 May 2024 (unaudited) £'000	30 November 2024 (audited) £'000
<b>Non current assets</b>				
Investments held at fair value through profit or loss	12	153,872	188,694	189,752
<b>Current assets</b>				
Other receivables		1,444	484	436
Current tax asset		205	195	193
Cash collateral pledged with brokers		801	343	591
Cash and cash equivalents – cash at bank		–	73	3,714
<b>Total current assets</b>		<b>2,450</b>	<b>1,095</b>	<b>4,934</b>
<b>Total assets</b>		<b>156,322</b>	<b>189,789</b>	<b>194,686</b>
<b>Current liabilities</b>				
Other payables		(605)	(2,338)	(1,364)
Derivative financial liabilities held at fair value through profit or loss	12	(202)	(5)	(51)
Cash and cash equivalents – bank overdraft	9	(13,181)	(15,213)	(25,944)
<b>Total current liabilities</b>		<b>(13,988)</b>	<b>(17,556)</b>	<b>(27,359)</b>
<b>Net assets</b>		<b>142,334</b>	<b>172,233</b>	<b>167,327</b>
<b>Equity attributable to equity holders</b>				
Called up share capital	10	1,356	1,356	1,356
Share premium account	11	69,980	69,980	69,980
Special reserve	11	49,315	58,416	54,812
Capital reserves	11	16,848	36,772	36,031
Revenue reserve	11	4,835	5,709	5,148
<b>Total equity</b>		<b>142,334</b>	<b>172,233</b>	<b>167,327</b>
<b>Net asset value per ordinary share (pence)</b>	<b>8</b>	<b>121.81</b>	<b>138.24</b>	<b>137.66</b>

The financial statements on pages 27 to 42 were approved and authorised for issue by the Board of Directors on 1 August 2025 and signed on its behalf by Adrian Brown, Chairman.

BlackRock Energy and Resources Income Trust plc  
Registered in England, No. 5612963

The notes on pages 31 to 42 form part of these financial statements.

# Consolidated Cash Flow Statement

for the six months ended 31 May 2025

	Six months ended 31 May 2025 (unaudited) £'000	Six months ended 31 May 2024 (unaudited) £'000	Year ended 30 November 2024 (audited) £'000
<b>Operating activities:</b>			
Net (loss)/profit on ordinary activities before taxation <sup>1</sup>	(16,587)	20,657	22,297
Add back finance costs	329	513	920
Net loss/(profit) on investments and derivatives held at fair value through profit or loss (including transaction costs)	18,639	(19,011)	(18,986)
Net (profit)/loss on foreign exchange	(134)	1	(25)
Sales of investments held at fair value through profit or loss	108,596	61,484	123,914
Purchases of investments held at fair value through profit or loss	(91,204)	(56,512)	(119,979)
(Increase)/decrease in other receivables	(32)	204	182
(Decrease)/increase in other payables	(759)	253	(55)
Increase in amounts due from brokers	(976)	(70)	-
Increase/(decrease) in amounts due to brokers	-	23	(569)
Net movement in cash collateral held with brokers	(210)	1,195	947
<b>Net cash inflow from operating activities before taxation</b>	<b>17,662</b>	<b>8,737</b>	<b>8,646</b>
Taxation on investment income included within gross income	(227)	(276)	(448)
<b>Net cash inflow from operating activities</b>	<b>17,435</b>	<b>8,461</b>	<b>8,198</b>
<b>Financing activities</b>			
Interest paid	(329)	(513)	(920)
Shares repurchased into treasury	(5,460)	(7,557)	(11,208)
Share repurchase costs	(37)	(53)	(80)
Dividends paid	(2,694)	(2,891)	(5,659)
<b>Net cash outflow from financing activities</b>	<b>(8,520)</b>	<b>(11,014)</b>	<b>(17,867)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>8,915</b>	<b>(2,553)</b>	<b>(9,669)</b>
Effect of foreign exchange rate changes	134	(1)	25
<b>Change in cash and cash equivalents</b>	<b>9,049</b>	<b>(2,554)</b>	<b>(9,644)</b>
Cash and cash equivalents at start of period/year	(22,230)	(12,586)	(12,586)
<b>Cash and cash equivalents at end of period/year</b>	<b>(13,181)</b>	<b>(15,140)</b>	<b>(22,230)</b>
<b>Comprised of:</b>			
Cash at bank	-	73	3,714
Bank overdraft	(13,181)	(15,213)	(25,944)
	<b>(13,181)</b>	<b>(15,140)</b>	<b>(22,230)</b>

<sup>1</sup> Dividends and interest received in cash during the year amounted to £2,106,000 and £230,000 (six months ended 31 May 2024: £2,374,000 and £287,000; year ended 30 November 2024: £4,080,000 and £436,000).

The notes on pages 31 to 42 form part of these financial statements.



# Notes to the financial statements

for the six months ended 31 May 2025

## 1. Principal activity

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

The principal activity of the subsidiary, BlackRock Energy and Resources Securities Income Company Limited, is investment dealing and options writing.

## 2. Basis of preparation

The half yearly financial statements for the period ended 31 May 2025 have been prepared in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the Financial Conduct Authority and with the UK-adopted International Accounting Standard 34 (IAS 34), Interim Financial Reporting. The half yearly financial statements should be read in conjunction with the Group's Annual Report and Financial Statements for the year ended 30 November 2024, which have been prepared in accordance with UK-adopted International Accounting Standards (IAS).

Insofar as the Statement of Recommended Practice (SORP) for investment trust companies and venture capital trusts, issued by the Association of Investment Companies (AIC) in October 2019 and updated in July 2022, is compatible with UK-adopted IAS, the financial statements have been prepared in accordance with guidance set out in the SORP.

The Directors, having considered the nature and liquidity of the portfolio, the Company's investment objective, the continuation vote proposals coming up at the forthcoming Annual General Meeting in March 2026 and the Company's projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future for the period to 31 May 2026, being a period of at least twelve months from the date of approval of the financial statements, and therefore consider the going concern assumption to be appropriate.

### Adoption of new and amended International Accounting Standards and interpretations:

**IAS 1 – Classification of liabilities as current or non current** (effective 1 January 2024). The IASB has amended IAS 1 Presentation of Financial Statements to clarify its requirement for the presentation of liabilities depending on the rights that exist at the end of the reporting period. The amendment requires liabilities to be classified as non current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendment no longer refers to unconditional rights.

**IAS 1 – Non current liabilities with covenants** (effective 1 January 2024). The IASB has amended IAS 1 Presentation of Financial Statements to introduce additional disclosures for liabilities with covenants within 12 months of the reporting period. The additional disclosures include the nature of covenants, when the entity is required to comply with covenants, the carrying amount of related liabilities and circumstances that may indicate that the entity will have difficulty complying with the covenants.

The amendment of these standards did not have any significant impact on the Company.

### Relevant International Accounting Standards that have yet to be adopted:

**IAS 21 – Lack of exchangeability** (effective 1 January 2025). The IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

**IFRS 18 – Presentation and disclosure in financial statements** (effective 1 January 2027). The IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

None of the standards that have been issued, but are not yet effective, are expected to have a material impact on the Company.

# Notes to the financial statements

continued

## 3. Income

	Six months ended 31 May 2025 (unaudited) £'000	Six months ended 31 May 2024 (unaudited) £'000	Year ended 30 November 2024 (audited) £'000
<b>Investment income:</b>			
UK dividends	625	654	1,184
UK stock dividends	–	–	128
Fixed income	295	332	505
Overseas dividends	1,539	1,560	2,835
Overseas special dividends	167	154	299
<b>Total investment income</b>	<b>2,626</b>	<b>2,700</b>	<b>4,951</b>
<b>Other income:</b>			
Bank interest	6	2	4
Interest on collateral received	8	8	32
Option premium income	477	418	1,164
<b>Total other income</b>	<b>491</b>	<b>428</b>	<b>1,200</b>
<b>Total</b>	<b>3,117</b>	<b>3,128</b>	<b>6,151</b>

During the period, the Group received option premium income in cash totalling £477,000 (six months ended 31 May 2024: £418,000; year ended 30 November 2024: £1,164,000) for writing covered call and put options for the purposes of revenue generation.

Option premium income is amortised evenly over the life of the option contract and accordingly, during the period, option premiums of £477,000 (six months ended 31 May 2024: £418,000; year ended 30 November 2024: £1,164,000) were amortised to revenue.

At 31 May 2025, there was one open position (31 May 2024: one; 30 November 2024: one) with an associated liability of £202,000 (31 May 2024: £5,000; 30 November 2024: £51,000).

Dividends and interest received in cash during the period amounted to £2,106,000 and £230,000 (six months ended 31 May 2024: £2,374,000 and £287,000; year ended 30 November 2024: £4,080,000 and £436,000).

No special dividends have been recognised in capital during the period (six months ended 31 May 2024: £nil; year ended 30 November 2024: £nil).

## 4. Investment management fee

	Six months ended 31 May 2025 (unaudited)			Six months ended 31 May 2024 (unaudited)			Year ended 30 November 2024 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	163	489	652	181	543	724	356	1,069	1,425
Investment management fee rebate	(2)	(2)	(4)	–	–	–	–	–	–
<b>Total</b>	<b>161</b>	<b>487</b>	<b>648</b>	<b>181</b>	<b>543</b>	<b>724</b>	<b>356</b>	<b>1,069</b>	<b>1,425</b>

The investment management fee is levied at 0.80% of gross assets per annum. Gross assets for the purposes of calculating the management fee equate to the value of the portfolio's gross assets held on the relevant date as valued on the basis of applicable accounting policies, less the value of any investments in in-house funds.

The fee is allocated 25% to the revenue account and 75% to the capital account of the Consolidated Statement of Comprehensive Income. There is no additional fee for company secretarial and administration services.

The Company is entitled to a rebate from the investment management fee charged by the Manager in the event the Company's ongoing charges exceed the cap. Up to 30 November 2024, the cap was 1.25% per annum of average daily net assets. From 1 December 2024, the cap was reduced to 1.15% per annum of average daily net assets.

The amount of rebate accrued for the six months ended 31 May 2025 amounted to £4,000 (six months ended 31 May 2024: £nil; year ended 30 November 2024: £nil). The rebate, if any, is offset against management fees and is allocated between revenue and capital in the ratio of total ongoing charges (as defined on page 142 of the Annual Report and Financial Statements for the year ended 30 November 2024) allocated between revenue and capital during the period.

# Notes to the financial statements

continued

## 5. Other operating expenses

	Six months ended 31 May 2025 (unaudited) £'000	Six months ended 31 May 2024 (unaudited) £'000	Year ended 30 November 2024 (audited) £'000
<b>Allocated to revenue:</b>			
Custody fee	3	4	7
Auditor's remuneration – audit services <sup>1</sup>	26	28	51
Registrars' fee	19	17	32
Directors' emoluments	69	75	143
Broker fees	5	13	25
Depository fees	7	8	16
Marketing fees	15	15	80
Printing and postage fees	20	21	40
Legal and professional fees	12	12	24
Bank charges	10	7	14
Stock exchange listings fees	5	5	11
Other administration costs	28	35	68
<b>Total revenue expenses</b>	<b>219</b>	<b>240</b>	<b>511</b>
<b>Allocated to capital:</b>			
Custody transaction charges <sup>2</sup>	3	4	9
<b>Total</b>	<b>222</b>	<b>244</b>	<b>520</b>

<sup>1</sup> No non-audit services were provided by the Company's auditors in the six months ended 31 May 2025 (six months ended 31 May 2024: none; year ended 30 November 2024: none).

<sup>2</sup> For the six months ended 31 May 2025, expenses of £3,000 (six months ended 31 May 2024: £4,000; year ended 30 November 2024: £9,000) were charged to the capital account of the Statement of Comprehensive Income.

The transaction costs incurred on the acquisition of investments amounted to £113,000 for the six months ended 31 May 2025 (six months ended 31 May 2024: £99,000; year ended 30 November 2024: £150,000). Costs relating to the disposal of investments amounted to £26,000 for the six months ended 31 May 2025 (six months ended 31 May 2024: £21,000; year ended 30 November 2024: £43,000). All transaction costs have been included within Net (losses)/gains on investments and derivatives held at fair value through profit or loss in the capital reserves.

## 6. Finance costs

	Six months ended 31 May 2025 (unaudited)			Six months ended 31 May 2024 (unaudited)			Year ended 30 November 2024 (audited)		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Interest payable – bank overdraft	82	247	329	128	385	513	230	690	920
<b>Total</b>	<b>82</b>	<b>247</b>	<b>329</b>	<b>128</b>	<b>385</b>	<b>513</b>	<b>230</b>	<b>690</b>	<b>920</b>

Finance costs for the Company are charged 25% to the revenue account and 75% to the capital account of the Consolidated Statement of Comprehensive Income. Finance costs incurred by the subsidiary company are charged 100% to the revenue account of the Consolidated Statement of Comprehensive Income.

## 7. Dividends

The Board's current dividend target is to declare quarterly dividends of 1.125 pence per share in the year to 30 November 2025, making a total of at least 4.500 pence per share for the year as a whole.

A first interim dividend for the year ending 30 November 2025 of £1,329,000 (1.125 pence per share) was paid on 25 April 2025 to shareholders on the register on 27 March 2025.

The Directors have declared a second interim dividend for the year ending 30 November 2025 of 1.125 pence per share. The total cost of the dividend was £1,308,000 and was paid on 14 July 2025 to shareholders on the Company's register on 13 June 2025. This dividend has not been accrued in the financial statements for the six months ended 31 May 2025, as under IAS, interim dividends are not recognised until paid. Dividends are debited directly to reserves.

The third and fourth interim dividends will be declared in September 2025 and December 2025 respectively.

Dividends on equity shares paid during the period were:

	Six months ended 31 May 2025 (unaudited) £'000	Six months ended 31 May 2024 (unaudited) £'000	Year ended 30 November 2024 (audited) £'000
2nd interim dividend of 1.125p per share for the year ended 30 November 2024 (2023: 1.100p)	–	–	1,396
3rd interim dividend of 1.125p per share for the year ended 30 November 2024 (2023: 1.100p)	–	–	1,373
4th interim dividend of 1.125p per share for the year ended 30 November 2024 (2023: 1.125p)	1,365	1,468	1,468
1st interim dividend of 1.125p per share for the year ending 30 November 2025 (2024: 1.125p)	1,329	1,423	1,422
<b>Accounted for in the financial statements</b>	<b>2,694</b>	<b>2,891</b>	<b>5,659</b>

# Notes to the financial statements

continued

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

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

	Six months ended 31 May 2025 (unaudited)	Six months ended 31 May 2024 (unaudited)	Year ended 30 November 2024 (audited)
Net revenue profit attributable to ordinary shareholders (£'000)	2,381	2,334	4,541
Net capital (loss)/profit attributable to ordinary shareholders (£'000)	(19,183)	18,112	17,371
<b>Total (loss)/profit attributable to ordinary shareholders (£'000)</b>	<b>(16,802)</b>	<b>20,446</b>	<b>21,912</b>
<b>Total shareholders' funds (£'000)</b>	<b>142,334</b>	<b>172,233</b>	<b>167,327</b>
The weighted average number of ordinary shares in issue during the period on which the earnings per ordinary share was calculated was:	119,126,516	127,790,523	125,204,148
The actual number of ordinary shares in issue at the end of the period on which the net asset value per ordinary share was calculated was:	116,844,497	124,586,194	121,552,497
<b>Calculated on weighted average number of ordinary shares</b>			
Revenue earnings per share (pence) - basic and diluted	2.00	1.83	3.63
Capital (loss)/earnings per share (pence) - basic and diluted	(16.10)	14.17	13.87
<b>Total (loss)/earnings per share (pence) - basic and diluted</b>	<b>(14.10)</b>	<b>16.00</b>	<b>17.50</b>
	<b>As at 31 May 2025 (unaudited)</b>	<b>As at 31 May 2024 (unaudited)</b>	<b>As at 30 November 2024 (audited)</b>
Net asset value per share (pence)	121.81	138.24	137.66
Ordinary share price (pence)	111.00	121.50	121.00

There were no dilutive securities at the period end (six months ended 31 May 2024: nil; year ended 30 November 2024: nil).

## 9. Reconciliation of liabilities arising from financing activities

	Six months ended 31 May 2025 (unaudited) £'000	Six months ended 31 May 2024 (unaudited) £'000	Year ended 30 November 2024 (audited) £'000
<b>Debt arising from financing activities at beginning of the period/year</b>			
Bank overdraft	25,944	17,862	17,862
<b>Cash flows:</b>			
Movement in overdraft	(12,763)	(2,649)	8,082
<b>Debt arising from financing activities at end of the period/year</b>			
Bank overdraft	13,181	15,213	25,944

The Group has an overdraft facility of the lower of £40 million or 20% of the Group's net assets (31 May 2024 and 30 November 2024: lower of £40 million or 20% of the Group's net assets) which is updated and renewed on an annual basis. The overdraft facility is provided by The Bank of New York Mellon (International) Limited. The interest rate on the overdraft facility is Sterling Overnight Interbank Average (SONIA) plus 0.90% (31 May 2024: SONIA plus 0.90%; 31 December 2024: SONIA plus 0.90%).

## 10. Called up share capital

	Ordinary shares number	Treasury shares number	Total shares number	Nominal value £'000
<b>Allotted, called up and fully paid share capital comprised:</b>				
<b>Ordinary shares of 1 pence each:</b>				
<b>At 30 November 2023 (audited)</b>	<b>131,386,194</b>	<b>4,200,000</b>	<b>135,586,194</b>	<b>1,356</b>
Ordinary shares repurchased into treasury	(6,800,000)	6,800,000	–	–
<b>At 31 May 2024 (unaudited)</b>	<b>124,586,194</b>	<b>11,000,000</b>	<b>135,586,194</b>	<b>1,356</b>
Ordinary shares repurchased into treasury	(3,033,697)	3,033,697	–	–
<b>At 30 November 2024 (audited)</b>	<b>121,552,497</b>	<b>14,033,697</b>	<b>135,586,194</b>	<b>1,356</b>
Ordinary shares repurchased into treasury	(4,708,000)	4,708,000	–	–
<b>At 31 May 2025 (unaudited)</b>	<b>116,844,497</b>	<b>18,741,697</b>	<b>135,586,194</b>	<b>1,356</b>

During the period ended 31 May 2025, 4,708,000 shares were repurchased into treasury (six months ended 31 May 2024: 6,800,000; year ended 30 November 2024: 9,833,697) for a net consideration after costs of £5,497,000 (six months ended 31 May 2024: £7,684,000; year ended 30 November 2024: £11,288,000).

Since 31 May 2025 and as at 29 July 2025, the Company has bought back 1,875,000 shares for costs of £2,161,000.

## 11. Reserves

The share premium account of £69,980,000 (31 May 2024: £69,980,000; 30 November 2024: £69,980,000) is not a distributable reserve under the Companies Act 2006. In accordance with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under the Companies Act 2006, the special reserve of £49,315,000 (31 May 2024: £58,416,000; 30 November 2024: £54,812,000), capital reserve of £17,803,000 (31 May 2024: £39,226,000; 30 November 2024: £36,986,000) and revenue reserve of £3,880,000 (31 May 2024: £3,255,000; 30 November 2024: £4,193,000) of the Parent Company may be used as distributable reserves for all purposes and, in particular, the repurchase by the Parent Company of its ordinary shares and for payments such as dividends. In accordance with the Company's Articles of Association, the special reserve, capital reserves and revenue reserve may be distributed by way of dividend. The Parent Company's gain on the capital reserve arising on the revaluation of investments of £1,791,000 (31 May 2024: £32,843,000; 30 November 2024: £27,046,000) is subject to fair value movements and may not be readily realisable at short notice, as such it may not be entirely distributable. The investments are subject to financial risks, as such capital reserves (arising on investments sold) and the revenue reserve may not be entirely distributable if a loss occurred during the realisation of these investments. The reserves of the subsidiary company are not distributable until distributed as a dividend to the Parent Company.

As at 31 May 2025, the Parent Company's distributable reserves (excluding capital reserves on the revaluation of investments) amounted to £69,207,000 (31 May 2024: £68,054,000; 30 November 2024: £69,900,000).

## 12. Financial risks and valuation of financial instruments

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

### Market risk arising from price risk

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

# Notes to the financial statements

continued

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

### Valuation of financial instruments

Financial assets and financial liabilities are either carried in the Consolidated Statement of Financial Position at their fair value (investments and derivatives) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash at bank and bank overdrafts). IFRS 13 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Group are explained in the accounting policies note 2(h) as set out on page 101 of the Group's Annual Report and Financial Statements for the year ended 30 November 2024.

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

The fair value hierarchy has the following levels:

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

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

#### Level 2 – Valuation techniques using observable inputs

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

Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

Over-the-counter derivative option contracts have been classified as Level 2 investments as their valuation has been based on market observable inputs represented by the underlying quoted securities to which these contracts expose the Group.

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

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

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

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

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



### Fair values of financial assets and financial liabilities

The table below sets out fair value measurements using the IFRS 13 fair value hierarchy.

Financial assets/(liabilities) at fair value through profit or loss at 31 May 2025 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets:</b>				
Equity investments	146,746	666	–	147,412
Fixed income investments	–	4,125	2,335	6,460
<b>Liabilities:</b>				
Derivative financial instruments – written options	(202)	–	–	(202)
<b>Total</b>	<b>146,544</b>	<b>4,791</b>	<b>2,335</b>	<b>153,670</b>

Financial assets/(liabilities) at fair value through profit or loss at 31 May 2024 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets:</b>				
Equity investments	186,532	–	–	186,532
Fixed income investments	–	2,162	–	2,162
<b>Liabilities:</b>				
Derivative financial instruments – written options	(5)	–	–	(5)
<b>Total</b>	<b>186,527</b>	<b>2,162</b>	<b>–</b>	<b>188,689</b>

Financial assets/(liabilities) at fair value through profit or loss at 30 November 2024 (audited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets:</b>				
Equity investments	184,586	–	–	184,586
Fixed income investments	–	5,166	–	5,166
<b>Liabilities:</b>				
Derivative financial instruments – written options	(51)	–	–	(51)
<b>Total</b>	<b>184,535</b>	<b>5,166</b>	<b>–</b>	<b>189,701</b>

The investment in Vale debentures has been classified as Level 2 in the tables above for all periods as these are priced using secondary market pricing information provided by the Brazilian Financial and Capital Markets Association (ANBIMA).

A reconciliation of fair value measurement in Level 3 is set out below.

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

	Six months ended 31 May 2025 £'000	Six months ended 31 May 2024 £'000	Year ended 30 November 2024 £'000
Opening fair value	–	–	–
Additions at cost	2,190	–	–
Total profit or loss included in net profit/(loss) on investments in the Consolidated Statement of Comprehensive Income – assets held at the end of the period/year	145	–	–
<b>Closing balance</b>	<b>2,335</b>	<b>–</b>	<b>–</b>

The Level 3 valuation process and techniques used are explained in the accounting policies in note 2(h) on page 101 of the Company's Annual Report and Financial Statements for the year ended 30 November 2024.

The Level 3 investments as at 31 May 2025 in the table that follows relate to the investment in convertible debentures of Abaxx Technologies. In accordance with IFRS 13, this investment is categorised as Level 3.

# Notes to the financial statements

continued

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

In arriving at the fair value of this investment, the key inputs are the underlying yield to maturity and volatility in the listed equity stock price.

The Level 3 valuation process and techniques used by the Company are explained in the accounting policies in notes 2(h) and 2(p) of the Company's Annual Report and Financial Statements for the year ended 30 November 2024.

### Quantitative information of significant unobservable inputs – Level 3 – Group and Company

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy, together with an estimated quantitative sensitivity analysis, as at 31 May 2025 is as shown below.

	As at 31 May 2025 £'000	Valuation technique	Unobservable input	Range of weighted average inputs	Reasonable possible shift <sup>1</sup> +/-	Impact on fair value
Abaxx Technologies convertible debentures	2,335	Hybrid of yield to maturity and embedded conversion option value	Yield to maturity Volatility in listed equity stock price	16.58% – 17.58% 45%-55%	0.50% 5.00%	£21,000 £60,000
Gazprom equity shares	–	Listing suspended – valued at nominal RUB 0.01				
<b>Total</b>	<b>2,335</b>					

	As at 31 May 2024 £'000	Valuation technique	Unobservable input	Range of weighted average inputs	Reasonable possible shift <sup>1</sup> +/-	Impact on fair value
Gazprom equity shares	–	Listing suspended – valued at nominal RUB 0.01				
<b>Total</b>	<b>–</b>					

	As at 30 November 2024 £'000	Valuation technique	Unobservable input	Range of weighted average inputs	Reasonable possible shift <sup>1</sup> +/-	Impact on fair value
Gazprom equity shares	–	Listing suspended – valued at nominal RUB 0.01				
<b>Total</b>	<b>–</b>					

<sup>1</sup> The sensitivity analysis refers to a percentage amount added or deducted from the input and the effect this has on the fair value. The sensitivity impact on fair value is calculated based on the sensitivity estimates based on range of weighted average inputs. Significant increases/(decreases) in unobservable inputs in isolation would result in a significantly higher/(lower) fair value measurement. Generally, a change in the assumption made for the estimated value is accompanied by a directionally similar change in the unobservable inputs.

As at 31 May 2025, the investment in Gazprom has been valued at a nominal value of RUB0.01 (31 May 2024: RUB0.01; 30 November 2024: RUB0.01) due to lack of access to the Moscow Stock Exchange as a result of sanctions against Russia following the invasion of Ukraine. Following the suspension of the secondary listings of depositary receipts of Russian companies, the investment in Gazprom ADRs was transferred from Level 1 to Level 3. Towards the year ended 30 November 2023, the ADRs in Gazprom were converted into equity shares of Gazprom. As at the period-end, this investment is considered a Level 3 financial asset.

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

The Company may invest no more than 10% of its net asset value in investments held through Stock Connect as set out on page 122 of the Group's Annual Report and Financial Statements for the year ended 30 November 2024.

### 13. Related party disclosure

#### Directors' emoluments

The Board consists of four non-executive Directors, all of whom are considered to be independent of the Manager by the Board. None of the Directors has a service contract with the Company. The Chairman receives an annual fee of £43,500, the Chairman of the Audit and Management Engagement Committee receives an annual fee of £36,000, the Senior Independent Director receives an annual fee of £32,000 and each of the other Directors receives an annual fee of £31,000.

As at 31 May 2025, an amount of £12,000 (31 May 2024: £11,000; 30 November 2024: £12,000) was outstanding in respect of Directors' fees.

At the period end, interests of the Directors in the ordinary shares of the Company are as set out below:

	31 May 2025	31 May 2024	30 November 2024
Mr Adrian Brown (Chairman)	35,000	35,000	35,000
Mr Andrew Robson	35,000	35,000	35,000
Mrs Anne Marie Cannon	15,000	15,000	15,000
Mrs Carole Ferguson	14,505	14,505	14,505

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

#### Significant Holdings

The following investors are:

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

	Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
As at 31 May 2025	0.70	n/a	n/a
As at 30 November 2024	0.70	n/a	n/a
As at 31 May 2024	0.75	n/a	n/a

### 14. Transactions with the Investment Manager and AIFM

BlackRock Fund Managers Limited (BFM) provides management and administrative services to the Group under a contract which is terminable on six months' notice. BFM has (with the Group's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed on page 55 of the Directors' Report in the Company's Annual Report and Financial Statements for the year ended 30 November 2024.

The investment management fee due for the six months ended 31 May 2025 amounted to £652,000 (six months ended 31 May 2024: £724,000; year ended 30 November 2024: £1,425,000). At the period end £303,000 was outstanding in respect of these fees (31 May 2024: £1,088,000; 30 November 2024: £1,072,000).

The Company is entitled to a rebate from the investment management fee charged by the Manager in the event the Company's ongoing charges exceed the cap. Up to 30 November 2024, the cap was 1.25% per annum of average daily net assets. From 1 December 2024, the cap was reduced to 1.15% per annum of average daily net assets. The amount of rebate accrued to 31 May 2025 amounted to £4,000 (31 May 2024: £nil; 30 November 2024: £nil). Any final rebate for the year ending 30 November 2025 will not crystallise and fall due until the calculation date of 30 November 2025.

# Notes to the financial statements

continued

## **14. Transactions with the Investment Manager and AIFM** continued

In addition to the above services, BIM (UK) has provided the Group with marketing services. The total fees paid or payable for these services for the period ended 31 May 2025 amounted to £15,000 excluding VAT (six months ended 31 May 2024: £15,000; year ended 30 November 2024: £80,000). Marketing fees of £43,000 (31 May 2024: £121,000; 30 November 2024: £28,000) were outstanding at 31 May 2025.

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

## **15. Capital commitments and contingent liabilities**

The Group had no capital commitments at 31 May 2025 (31 May 2024: none; 30 November 2024: none). There were no contingent liabilities at 31 May 2025 (31 May 2024: none; 30 November 2024: none).

## **16. Publication of non-statutory accounts**

The financial information contained in this Half Yearly Financial Report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial information for the six months ended 31 May 2025 and 31 May 2024 has not been reviewed or audited by the auditor.

The information for the year ended 30 November 2024 has been extracted from the latest published audited financial statements, which have been filed with the Registrar of Companies unless otherwise stated. The report of the Auditors on those accounts contained no qualification or statement under Sections 498(2) or 498(3) of the Companies Act 2006.

## **17. Annual results**

The Board expects to announce the annual results for the year ending 30 November 2025 in January 2026.

Copies of the annual results announcement can be obtained from the Secretary on 020 7743 3000 or at [cosec@blackrock.com](mailto:cosec@blackrock.com). The Annual Report and Financial Statements should be available at the beginning of February 2026, with the Annual General Meeting being held in March 2026.

# Directors, management and other service providers

## Directors

Adrian Brown (Chairman)  
Andrew Robson (Chairman of the Audit and Management Engagement Committee)  
Anne Marie Cannon (Senior Independent Director)  
Carole Ferguson

## Registered office

(Registered in England, No. 5612963)  
12 Throgmorton Avenue  
London EC2N 2DL

## Alternative Investment Fund Manager<sup>1</sup>

BlackRock Fund Managers Limited<sup>2</sup>  
12 Throgmorton Avenue  
London EC2N 2DL  
Telephone: 020 7743 3000

## Investment Manager and Company Secretary

BlackRock Investment Management (UK) Limited<sup>2</sup>  
12 Throgmorton Avenue  
London EC2N 2DL

## Banker, Custodian and Depositary

The Bank of New York Mellon (International) Limited<sup>2</sup>  
160 Queen Victoria Street  
London EC4V 4LA

## Registrar

Computershare Investor Services PLC<sup>2</sup>  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ  
Telephone: 0370 707 1476

## Auditor

Deloitte LLP  
Chartered Accountants and Statutory Auditors  
1 New Street Square  
London EC4A 3HQ  
United Kingdom

## Stockbroker

Winterflood Securities Limited<sup>2</sup>  
The Atrium Building  
25 Dowgate Hill  
London EC4R 2GA

## Solicitor

Gowling WLG (UK) LLP  
4 More London Riverside  
London SE1 2AU

<sup>1</sup> BlackRock Fund Managers Limited (BFM) was appointed as the Alternative Investment Fund Manager on 2 July 2014. BlackRock Investment Management (UK) Limited continues to act as the Investment Manager under a delegation agreement with BFM.

<sup>2</sup> Authorised and regulated by the Financial Conduct Authority.

# Shareholder information

## Contact information

General enquiries about the Company should be directed to:

The Company Secretary  
BlackRock Energy and Resources Income Trust plc,  
12 Throgmorton Avenue,  
London EC2N 2DL  
Telephone: 020 7743 3000

Email: [cosec@blackrock.com](mailto:cosec@blackrock.com)

## Website

[www.blackrock.com/uk/beri](http://www.blackrock.com/uk/beri)

## Shareholder enquiries

The Company's registrar is Computershare Investor Services PLC. Certain details relating to your holding can be checked through the Computershare Investor Centre website. As a security check, specific information will be required to gain access to your account, including your shareholder reference number available from your most recent dividend counterfoil or other communication received from the registrar. Computershare's website address is [www.investorcentre.co.uk](http://www.investorcentre.co.uk). Alternatively, please contact the registrar on 0370 707 1476.

Changes of name or address must be notified in writing either through Computershare's website or sent to:

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

## Results

Full year announced in late January/early February

Half year announced in July/early August

## Annual General Meeting

March

## Quarterly Dividends

Dividends are paid quarterly as follows:

<b>Period ending</b>	<b>Ex-date</b>	<b>Payment date</b>
28 February	March	April
31 May	June	July
31 August	September	October
30 November	December	January

## **Dividend tax allowance**

The annual tax-free allowance on dividend income across an individual's entire share portfolio is £500. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company continues to provide registered shareholders with confirmation of the dividends paid and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is a shareholder's responsibility to include all dividend income when calculating any tax liability.

If you have any tax queries, please contact a Financial Advisor.

## **Dividend reinvestment scheme (DRIP)**

Shareholders may request that their dividends be used to purchase further shares in the Company. Dividend reinvestment forms may be obtained from Computershare Investor Services PLC on 0370 707 1476 or through their secure website: [www.investorcentre.co.uk](http://www.investorcentre.co.uk). Shareholders who have already opted to have their dividends reinvested do not need to reapply.

## **Climate-related Financial Disclosure**

BlackRock Fund Managers Limited (the Manager) has produced a supplemental detailed Climate Report which can be found on the website at [www.blackrock.com/uk/literature/public-disclosure/tcfd-product-level-disclosure-report-it.pdf](http://www.blackrock.com/uk/literature/public-disclosure/tcfd-product-level-disclosure-report-it.pdf) which is a response to, and is consistent with, all the recommendations and relevant recommended disclosures of the Task Force on Climate-related Financial Disclosures. These disclosures describe how the Manager incorporates climate-related risks and opportunities into governance, strategy, risk management, metrics and targets and how the Manager is responding to the expectations of our stakeholders.

# Glossary

## Alternative Performance Measures (APM)

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

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

## Closed-end company

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

## Discount and premium\*

Investment trust shares can frequently trade at a discount to NAV. This occurs when the share price (based on the mid-market share price) is less than the NAV and investors may therefore buy shares at less than the value attributable to them by reference to the underlying assets. The discount is the difference between the share price and the NAV, expressed as a percentage of the NAV.

Discount calculation	Page	As at 31 May 2025 (unaudited)	As at 31 May 2024 (unaudited)	As at 30 November 2024 (audited)	
Ordinary share price (pence)	36	111.00	121.50	121.00	(a)
Net asset value per ordinary share (pence)	36	121.81	138.24	137.66	(b)
<b>(Discount)/premium (c = ((a-b)/b)) (%)</b>		<b>(8.9)</b>	<b>(12.1)</b>	<b>(12.1)</b>	<b>(c)</b>

A premium occurs when the share price (based on the mid-market share price) is more than the NAV and investors would therefore be paying more than the value attributable to the shares by reference to the underlying assets. For example, if the share price was 370p and the NAV was 365p, the premium would be 1.4%.

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

## Gearing and borrowings\*

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

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

The Group may achieve gearing through borrowings or the effect of gearing through an appropriate balance of equity capital, investment in derivatives and structured financial instruments, and borrowings. Gearing through the use of derivatives is limited to a maximum of 30% of the Group's assets for the purposes of efficient portfolio management and to enhance portfolio returns. Gearing through borrowings is limited to 40% of the Group's gross assets; however borrowings are not envisaged to exceed 20% of the Group's gross assets at the date of drawdown.

\* Alternative Performance Measure.



<b>Net gearing calculation</b>	<b>Page</b>	<b>As at 31 May 2025 £'000 (unaudited)</b>	<b>As at 31 May 2024 £'000 (unaudited)</b>	<b>As at 30 November 2024 £'000 (audited)</b>	
Net assets	29	142,334	172,233	167,327	(a)
Borrowings	29	13,181	15,213	25,944	(b)
<b>Total assets (a + b)</b>		<b>155,515</b>	<b>187,446</b>	<b>193,271</b>	<b>(c)</b>
Current assets <sup>1</sup>	29	2,450	1,095	4,934	(d)
Current liabilities (excluding borrowings)	29	(807)	(2,343)	(1,415)	(e)
Net current assets/(liabilities) (d + e)		1,643	(1,248)	3,519	(f)
<b>Net gearing (g=(c-f-a)/a) (%)</b>		<b>8.1</b>	<b>9.6</b>	<b>13.4</b>	<b>(g)</b>

<sup>1</sup> Includes cash at bank.

## Gross assets

Gross assets is defined as the total of the Group's net assets and borrowings.

## Leverage

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

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

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

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

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

Performance statistics enable the investor to make performance comparisons between investment trusts with different dividend policies. The performance measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. This is calculated by the movement in the share price or NAV plus the dividends paid by the Group assuming these are reinvested in the Group at the prevailing NAV/share price (please see note 8 of the financial statements for the inputs to the calculations).

### For the period

<b>NAV total return</b>	<b>Page</b>	<b>Six months to 31 May 2025 (unaudited)</b>	<b>Six months to 31 May 2024 (unaudited)</b>	<b>Year to 30 November 2024 (audited)</b>	
Closing NAV per share (pence)	36	121.81	138.24	137.66	
Add back quarterly dividends (pence)	28	2.25	2.25	4.50	
Effect of dividend reinvestment (pence)		(0.15)	0.20	0.37	
Adjusted closing NAV (pence)		123.91	140.69	142.53	(a)
Opening NAV per share (pence)	36	137.66	123.58	123.58	(b)
<b>NAV total return (c = ((a - b)/b)) (%)</b>		<b>(10.0)</b>	<b>13.8</b>	<b>15.3</b>	<b>(c)</b>

\* Alternative Performance Measure.

# Glossary

continued

<b>Share price total return</b>	<b>Page</b>	<b>Six months to 31 May 2025 (unaudited)</b>	<b>Six months to 31 May 2024 (unaudited)</b>	<b>Year to 30 November 2024 (audited)</b>	
Closing share price (pence)	36	111.00	121.50	121.00	
Add back quarterly dividends (pence)	28	2.25	2.25	4.50	
Effect of dividend reinvestment (pence)		(0.13)	0.20	0.31	
Adjusted closing share price (pence)		113.12	123.95	125.81	(a)
Opening share price (pence)	36	121.00	110.40	110.40	(b)
<b>Share price total return (c = ((a - b)/b)) (%)</b>		<b>(6.5)</b>	<b>12.3</b>	<b>14.0</b>	<b>(c)</b>

## Since inception

<b>NAV total return since inception</b>	<b>Page</b>	<b>For the period since inception to 31 May 2025 (unaudited)</b>	<b>For the period since inception to 31 May 2024 (unaudited)</b>	<b>For the period since inception to 30 November 2024 (audited)</b>	
Closing NAV per share (pence)	36	121.81	138.24	137.66	
Add back quarterly dividends (pence)		96.92	92.42	94.67	
Effect of dividend reinvestment (pence)		98.78	117.52	120.40	
Adjusted closing NAV (pence)		317.51	348.18	352.73	(a)
Opening NAV per share (pence)		98.00	98.00	98.00	(b)
<b>NAV total return (c = (a-b)/b) (%)</b>		<b>224.0</b>	<b>255.3</b>	<b>259.9</b>	<b>(c)</b>

<b>Share price total return since inception</b>	<b>Page</b>	<b>For the period since inception to 31 May 2025 (unaudited)</b>	<b>For the period since inception to 31 May 2024 (unaudited)</b>	<b>For the period since inception to 30 November 2024 (audited)</b>	
Closing share price (pence)	36	111.00	121.50	121.00	
Add back quarterly dividends (pence)		96.92	92.42	94.67	
Effect of dividend reinvestment (pence)		89.76	99.79	102.75	
Adjusted closing share price (pence)		297.68	313.71	318.42	(a)
Opening share price (pence)		100.00	100.00	100.00	(b)
<b>Share price total return (c = (a-b)/b) (%)</b>		<b>197.7</b>	<b>213.7</b>	<b>218.4</b>	<b>(c)</b>

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

This is the value of the Group's assets attributable to one ordinary share. It is calculated by dividing 'equity shareholders' funds' by the total number of ordinary shares in issue (excluding treasury shares).

<b>Cum income NAV calculation</b>	<b>Page</b>	<b>As at 31 May 2025 (unaudited)</b>	<b>As at 31 May 2024 (unaudited)</b>	<b>As at 30 November 2024 (audited)</b>	
Equity shareholders' funds (£'000)	36	142,334	172,233	167,327	(a)
Ordinary shares in issue	36	116,844,497	124,586,194	121,552,497	(b)
<b>Cum income NAV (pence) (c = a / b)</b>		<b>121.81</b>	<b>138.24</b>	<b>137.66</b>	<b>(c)</b>

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

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

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

\* Alternative Performance Measure.

<b>Capital only NAV calculation</b>	<b>Page</b>	<b>As at 31 May 2025 (unaudited)</b>	<b>As at 31 May 2024 (unaudited)</b>	<b>As at 30 November 2024 (audited)</b>	
Equity shareholders' funds (£'000) (g)		141,282	171,322	166,977	(a)
Ordinary shares in issue	36	116,844,497	124,586,194	121,552,497	(b)
<b>Capital only NAV (pence) (c = a / b)</b>		<b>120.91</b>	<b>137.51</b>	<b>137.37</b>	<b>(c)</b>

	<b>Page</b>	<b>As at 31 May 2025 (unaudited)</b>	<b>As at 31 May 2024 (unaudited)</b>	<b>As at 30 November 2024 (audited)</b>	
Net assets (£'000)	36	142,334	172,233	167,327	(d)
Current period revenue return (£'000)	36	(2,381)	(2,334)	(4,541)	(e)
Quarterly dividends paid from current year revenue (£'000)	35	1,329	1,423	4,191	(f)
<b>Equity shareholders funds (£'000) (g = d - e + f)</b>		<b>141,282</b>	<b>171,322</b>	<b>166,977</b>	<b>(g)</b>

### Ongoing charges ratio\*

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

Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs and include the annual management charge.

As recommended by the AIC in its guidance, ongoing charges are calculated using the Group's annualised recurring revenue and capital expenses (excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items) expressed as a percentage of the average daily net assets of the Group during the year.

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

<b>Ongoing charges calculation</b>	<b>Page</b>	<b>Year ended 30 November 2024 £'000 (audited)</b>	<b>Year ended 30 November 2023 £'000 (audited)</b>	
Management fee	33	1,425	1,549	
Other operating expenses <sup>1</sup>	34	511	556	
Total management fee and other operating expenses		1,936	2,105	(a)
Average daily net assets in the year		161,847	176,911	(b)
<b>Ongoing charges (c = a/b) (%)</b>		<b>1.20</b>	<b>1.19</b>	<b>(c)</b>

<sup>1</sup> Excluding the write back of prior year expenses totalling £nil for the year ended 30 November 2024 (2023: £21,000).

Up to 30 November 2024, the Company's ongoing charges were capped at 1.25% per annum of average daily net assets. From 1 December 2024, this cap was reduced to 1.15% per annum of average daily net assets.

### Options and options overwriting strategy

An option is a contract that offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security or other financial asset at an agreed-upon price (the strike price) during a certain period of time or on a specific date (exercise date) for a fee (the premium). The sale of call or put options on stocks that are believed to be overpriced or underpriced, based on the assumption that the options will not be exercised, is referred to as an 'options overwriting' strategy.

\* Alternative Performance Measure.

# Glossary

continued

The seller of the option collects a premium but, if the option subsequently expires without being exercised, there will be no downside for the seller. However, if the stock rises above the exercise price the holder of the option is likely to exercise the option and this strategy can reduce returns in a rising market.

The Group employs an options overwriting strategy but seeks to mitigate risk by utilising predominantly covered call options (meaning that call options are only written in respect of stocks already owned within the Group's portfolio such that, if the options are exercised, the Group does not need to purchase stock externally at fluctuating market prices to meet its obligations under the options contract). Any use of derivatives for efficient portfolio management and options for investment purposes will be made on the basis of the same principles of risk spreading and diversification that apply to the Group's direct investments.

## Quoted securities and unquoted securities

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

## Reference index

Reference index is the blended reference index comprised of three indices – the MSCI ACWI Select Metals & Mining Producers Ex Gold and Silver IM (Mining), the MSCI World Energy Index (Traditional Energy) and S&P Global Clean Energy Index (Energy Transition) with a 40:30:30 mix of the 3 indices.

## Revenue profit and revenue reserves

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

## Treasury shares

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

## Total dividends and yield\*

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

Yield	Page	As at 31 May 2025 (unaudited)	As at 31 May 2024 (unaudited)	As at 30 November 2024 (audited)	
Interim dividends payable/paid (pence) <sup>1</sup>	28	4.500	4.475	4.500	(a)
Ordinary share price (pence)	36	111.00	121.50	121.00	(b)
<b>Yield (c = a/b) (%)</b>		<b>4.1</b>	<b>3.7</b>	<b>3.7</b>	<b>(c)</b>

<sup>1</sup> Comprising dividends declared/paid for the twelve months to 31 May and 30 November.

\* Alternative Performance Measure.

# Share fraud warning

Be ScamSmart



## Investment scams are designed to look like genuine investments

### Spot the warning signs



Have you been:

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

If so, you might have been contacted by fraudsters.

### Avoid investment fraud

**1 Reject cold calls**

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

**2 Check the FCA Warning List**

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

**3 Get impartial advice**

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

### Report a scam

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

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

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

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

SGN001



Printed by Park Communications on FSC® certified paper.

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

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

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

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



