Allianz Global Investors

The Brunner Investment Trust PLC

A GLOBAL EQUITY INVESTMENT TRUST

Half-Yearly Financial Report, 31 May 2026

aic DIVIDEND HERO

INVESTMENT WEEK INVESTMENT COMPANY OF THE YEAR AWARDS 2024 WINNER GLOBAL

aic Shareholder Communication Awards 2024 COMMENDED

The Brunner Investment Trust PLC

A GLOBAL EQUITY INVESTMENT TRUST

Capital growth and dividends

The Brunner Investment Trust PLC (Brunner) aims to provide growth in capital value and dividends for investors over the long term through investing in a portfolio of global and UK equities.

'All-weather' portfolio

The company provides a balanced solution for investors looking for a global and UK portfolio of equities and a quarterly dividend.

Independence

Brunner has an independent board of directors and no employees. Like many other investment companies, it outsources investment management and administration to an investment management company – Allianz Global Investors – and other third parties to provide shareholders with an efficient, competitive, cost-effective way to gain wide equity investment exposure through a single investment vehicle.

Benchmark

For the year under review the benchmark against which the portfolio is measured was a composite of 70% FTSE World Ex UK Index and 30% FTSE All-Share Index.

Association of Investment Companies

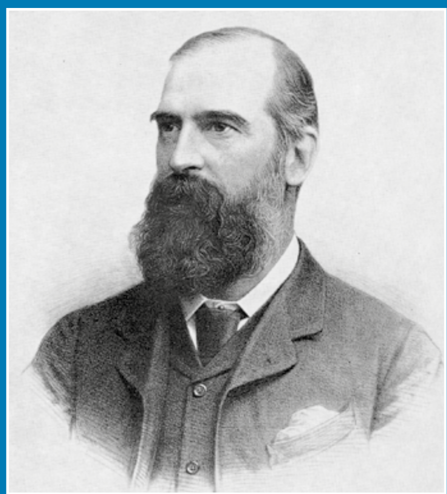
Brunner is a member of the Association of Investment Companies (AIC) and the company's shares are recognised by the AIC as suitable for retail investors. AIC Category: Global.

A family investment from the beginning...

Like many long-established investment trusts, Brunner's name reflects its history rather than its investment strategy. Johannes Brunner was born in Canton Zürich and migrated to Lancashire in 1832. His son, Sir John Brunner, Bart, was one of the most successful industrialists of the nineteenth century, and in politics an influential radical Liberal MP until well into the twentieth century. In 1873 he and the scientist Ludwig Mond founded Brunner, Mond and Co, the largest of the four companies which came together to form ICI in 1926. The following year the Brunner family chose to sell its ICI shares and establish a broad, long-term investment vehicle – so in 1927, The Brunner Investment Trust was formed.

John Brunner was a passionate campaigner, including for welfare reforms and free trade, and used his wealth for philanthropic purposes. Jim Sharp, a director of the company, is connected to the Brunner family by marriage and continues the link between board and family.

Brunner, Mond & Co. factory, worker cottages and Co-operative Society



Sir John Brunner

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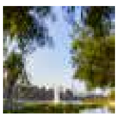
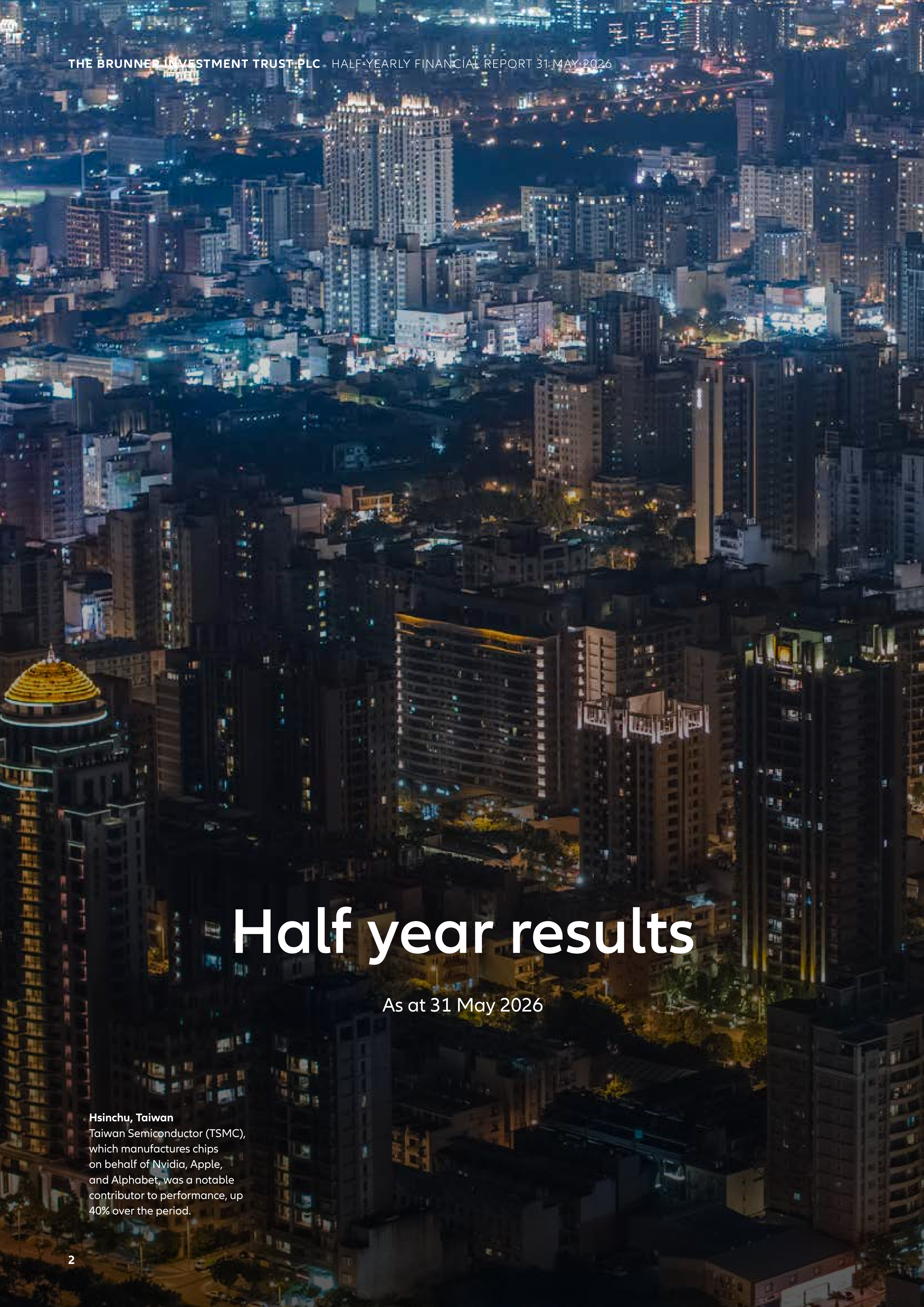


The fountain photograph on the cover of this report is inspired by the Arms of the Brunner family. The family originated from Switzerland and 'Brunnen' is German for spring, fountain or water well.



Half year results

As at 31 May 2026

Hsinchu, Taiwan
Taiwan Semiconductor (TSMC), which manufactures chips on behalf of Nvidia, Apple, and Alphabet, was a notable contributor to performance, up 40% over the period.

Net Asset Value total return Debt at fair value[2]	Net Asset Value total return Debt at par[2]	Benchmark total return index[3]
+5.6%	+5.6%	+12.0%
31.05.25 -1.5%	31.05.25 -1.7%	31.05.25 -0.1%

Net assets per ordinary share[1] Debt at fair value[2]	Net assets per ordinary share[1] Debt at par	Share price total return[2,4]
1,640.1p	1,616.1p	+8.1%
30.11.25 1,565.8p +4.7%	30.11.25 1,543.2p +4.7%	31.05.26 1,506.0p 30.11.25 1,406.0p

Earnings per ordinary share	Dividend per ordinary share
19.7p	13.5p
2025 17.3p +13.9%	2025 12.5p +8.0%

Discount – average in the period[2]	Consumer price index
8.8%	+2.9%
2025 3.3%	2026 142.4 2025 138.4

All figures are UK GAAP unless they are stated to be Alternative Performance Measures. (Glossary page 32).

[1] All references to Net Asset Value (NAV) in our commentary and the Strategic Report are to NAV with debt at fair value since this is the measure that the board considers best reflects the value to shareholders. However, NAV with debt at par value is reported above and in the Performance – half year review on page 8. [2] Alternative Performance Measures (APM). See Glossary on page 32. [3] The benchmark index of 70% FTSE World Ex UK Index and 30% FTSE All-Share Index. [4] Share price total return is based on the movement in share price including dividends reinvested.

Chair's Statement

Dear Shareholder,

The first half of the Company's financial year once again provided equity investors generally with the conditions for growth, but only in a narrow field of view. Equity markets in aggregate rose over the period, but the make up of those returns was far more selective than the headline numbers suggested. The Investment Manager's Review describes a market environment shaped mainly by enthusiasm for artificial intelligence-related capital spending and to a lesser degree by renewed geopolitical and energy market disruption. The former was certainly the key driver for markets, the exuberance on occasion completely offsetting any negative response to geopolitical events. Consequently, returns varied hugely by sector, with Information Technology and Energy performing strongly, while several other areas of the market were much more subdued. Outside of markets, the world at large remained volatile, with further escalation in Ukraine, and the US, Israel and Iran re-igniting tensions in the middle east, further exposing both regional and global fragility.

In part this backdrop helps explain Brunner's performance over the six-month review period to 31 May 2026. This has been yet another period in which benchmark returns were shaped by unusually narrow and momentum-driven markets, with much of the leadership connected to companies perceived to be beneficiaries of the current investor enthusiasm for all things AI. Brunner is not eschewing this theme though. The portfolio includes companies that are important beneficiaries of technological change and the massive growth in the infrastructure required to support it. However, we have chosen to participate through a considered set of established and durable businesses where we can be more comfortable with their valuations, rather than through concentrated exposure to the most highly valued parts of the market. That choice has undoubtedly weighed on our performance relative to the benchmark in the short term, but we continue to believe it is the most prudent course for long-term shareholders.

We recognise that extended periods of relative underperformance are frustrating for shareholders, particularly when headline markets appear so strong. It is though precisely in such periods that clarity of purpose matters most. As we described at length in the Annual Report, Brunner's role is not to chase every short-term market fashion, nor to reshape the portfolio simply because the benchmark has become more concentrated in one area. The Trust's purpose is to provide you, our shareholders, with balanced exposure to a diverse basket of global equities, a rising income over time, and an investment approach that seeks to remain robust across a range of market conditions.

That "all-weather" approach as we have dubbed it, is tested most visibly when markets reward a narrow group of companies or a single dominant investment theme. It could be tempting in such periods to judge success only by reference to the index over a short timeframe. We feel that long-term stewardship though requires a wider perspective – one that considers the fundamental investing tenets of valuation, diversification, free cash flow and income generation/return of cash to shareholders, while avoiding any overt overdependence on assumptions that have not yet been fully proven.

> **"The Trust's purpose is to provide you, our shareholders, with balanced exposure to a diverse basket of global equities, a rising income over time, and an investment approach that seeks to remain robust across a range of market conditions.**

Performance

Over the six months to 31 May 2026, Brunner's Net Asset Value rose by 5.6% in total return terms with debt valued at market value. The benchmark rose by 12.0% over the same period. The discount to Net Asset Value narrowed slightly, resulting in a share price return of 8.1%, again in total return terms. Whilst these are respectable absolute returns, they have clearly trailed the benchmark in a period when market gains were heavily influenced by companies most directly linked to the current technology-led market leadership, something the managers cover in more detail in their report on pages 10 to 22.

The portfolio was not without exposure to this theme. You will see that the managers highlight strong contributions from Taiwan Semiconductor Manufacturing Company (TSMC) and ASML, both of which are central to the global semiconductor supply chain. Microchip was also a strong contributor on the back of a recovery in memory demand. This should hopefully demonstrate to Shareholders that Brunner is in no way avoiding technological change, but that the managers are seeking exposure in a considered fashion where they believe business quality, competitive position and valuation can all be reconciled.

Where the portfolio did not participate fully was in some of the more momentum-driven areas of the market – for those not familiar, this describes the investment phenomenon where investors continue to buy stocks that are outperforming in terms of share price gains and to sell those that are underperforming. Whilst this has undoubtedly been making money in the short term for investors following that strategy, it should hopefully be clear that at its extremes it will naturally create valuation anomalies, both in terms of over-valued as well as under-valued stocks.

Active management by definition requires making choices, and some of those choices can be uncomfortable in periods when market returns are concentrated in a narrow set of companies. The development of the technology market over the past decade or so has demonstrated this on repeat, with 'FAANGS', the 'Magnificent Seven', and now AI seeming to write their own – at the time – apparently unassailable narratives. However, we do not believe that shareholders are best served by allowing one theme to overly dominate the portfolio. Brunner's approach is based on diversified stock selection, valuation discipline, cash generation and a long-term view of risk.

Periods such as this can make such focus on risk look at the very least unrewarded, and even unnecessary at the extreme, but they are also the moments when its need is clearest in our view. Our responsibility is not to ensure the portfolio keeps pace with every short-term market fashion, but to support an approach that seeks to grow shareholders' capital sensibly through a range of different market conditions.

Please do read the detail on the portfolio returns in the Portfolio Managers' Report as it shows clearly, that in a period of extremely narrow technology-focused market leadership, how positive contributions for Brunner's portfolio came from a range of holdings outside the most obvious AI beneficiaries, including IG Group, TotalEnergies, ConocoPhillips, Kia and CBIZ. We regard this variety of contribution as important. It reflects the kind of diversified portfolio construction that we feel remains appropriate for shareholders seeking long-term capital growth and a rising income from global equities.

There is little doubt that AI is likely to change industries and business models in ways that are not yet fully visible, or perhaps even conceptualised. However, we believe the appropriate response is careful analysis, not indiscriminate enthusiasm, or avoidance – as the software sector has witnessed this year for example against a narrative of being an AI loser. Some companies will be strengthened by AI, some may be weakened, and some will be misunderstood by the market along the way. This is precisely why the Board continues to support the managers' analytical bottom-up stock picking approach.

Dividend

Income remains an important part of Brunner's investment proposition. We are mindful that many shareholders value not only the trust's exposure to the growth potential of global equities, but also the predictable income stream that the investment trust structure allows us to construct for shareholders. This is particularly important in periods when market leadership is narrow and price returns can be correspondingly volatile.

In June, the board declared a first interim dividend of 6.75p per ordinary share, payable on 24 July 2026. For the remainder of the year ending 30 November 2026, the Board also anticipates second and third interim dividends, and the final dividend, being paid at a similar level. Brunner's revenue reserves comfortably cover a full year's dividend payment, allowing the Board to forecast this year's dividend with confidence. This would represent a full year's dividend of 27.0p per ordinary share, an increase of 8.0% over the previous year.

The board therefore declares a second interim dividend of 6.75p per ordinary share payable on 18 September 2026 to shareholders on the register at the close of business on 31 July 2026. The ex-dividend date is 30 July 2026. A Dividend Reinvestment Plan (DRIP) is available for this dividend and the last date for the DRIP election is 21 August 2026.

The Board continues to regard Brunner's revenue reserves as an important strength. They provide the flexibility to support dividend growth in more challenging market conditions and underpin a key part of Brunner's appeal: a global equity portfolio offering both long-term growth potential and a visible, growing income stream.

Brunner's dividend record remains one of the Trust's defining features. As noted in the 2025 annual report, the full-year dividend was 25.0p per ordinary share, an increase of 5.3% over the 2024 dividend. That raised the Trust to 54 years of consecutive dividend increases, remaining one of the AIC's longest running 'Dividend Heroes'. The Board remains committed to maintaining this long-term record in a prudent and sustainable manner. Dividend predictability is not an afterthought for us – it is one of the Trust's defining features.

Discount and shareholder demand

The discount to Net Asset Value (calculated on a total return with debt at market value basis) narrowed slightly over the period, contributing to a share price total return of 8.1%, being slightly ahead of the NAV return of 5.6% The average discount over the period was 8.8%. The

Board continues to monitor the rating of the Trust carefully and recognises that a period such as we have witnessed where the discount remains stubbornly high for a protracted period is an unwelcome scenario for shareholders. As a result we have performed selective share buybacks over the period. During the period the Company bought back 156,470 shares for holding in treasury at a cost of £2.2m. Since 31 May to the date of this report, we have bought back a further 100,324 shares (£1.5m).

Shareholder demand – which ultimately drives the discount or premium – is influenced by a range of factors, including investment performance, sector sentiment, market conditions and the clarity with which the trust's proposition is communicated. For the reasons noted earlier, we recognise that, over the period, Brunner has not necessarily been a primary short-term allocation choice for global equity investors chasing outright performance, with stronger short-term returns generated by those peers with a closer alignment to the dominant AI theme. However, we believe that Brunner's differentiated characteristics – a balanced global and UK equity portfolio, a progressive dividend record and a genuinely long-term investment approach – remain highly relevant to both existing and prospective shareholders who value our long-term-focused prudent investment approach.

Sales, marketing and PR activity continue to support awareness of the trust, and the Board remains focused on ensuring that Brunner's investment case is explained clearly and consistently. We feel this is important at a time when some investors may equate global equity exposure simply with owning a small number of very large technology companies, particularly if that exposure is via passive investment vehicles, more closely aligned with the market index. Brunner offers something different – global equity exposure with greater balance, dividend discipline and a valuation-aware investment process.

Risks

The Board continues to review the principal risks facing the company. These remain broadly consistent with those set out in the Annual Report, although the current environment has increased our focus on geopolitical fragmentation, policy uncertainty, inflation and interest-rate sensitivity, and the risks that can arise from unusually narrow market leadership. The Board does not regard these risks as reasons to depart from Brunner's disciplined approach – rather, they reinforce the importance of portfolio diversification, valuation discipline in stock selection and review, and active oversight.

AGM

It was a pleasure to see so many shareholders at this year's Annual General Meeting. All resolutions were passed on a show of hands. Our Portfolio Managers presented an investment update, and we encourage shareholders who were unable to attend to view the various recordings and interviews available on the Brunner website. The Board values this opportunity to engage directly with shareholders and thanks all those who participated.

Board appointment

Since the half-year end, the board was pleased to announce it had completed its search for a new director who would be able to become Chair when I step down after the AGM in 2027. We welcome Beatrice Hollond who will join the board on 1 September 2026.

Outlook

Unfortunately, there do not appear to be any signals that would indicate that the market backdrop might become simpler in the near term. Equity markets continue to exude apparent confidence, yet that confidence rests predominantly on assumptions that still need to be proven in the AI segment of the technology sector.

We are in no way questioning the importance of artificial intelligence; indeed, it may well prove to be one of the defining technological shifts of our time. The investment question, however, is not only whether the technology is important. It is really about which companies will capture the economic benefits over the long term, whether those economics will justify the capital being committed today, and what price investors are being asked to pay in advance for that unknown economic benefit. Ultimately, without certainty on those factors, any other methods of 'valuing' some of these companies will naturally be more speculative and based on point-in-time mass market sentiment and, dare one say, an element of herd mentality. Whilst money can still be made in the short term under a more speculative framework, it should not – in our view – be the fundamental approach for risk-aware investors.

Transformational technologies can create very significant long-term value and even create new sectors in their own right. However, the ultimate rewards do not always go to the companies most enthusiastically valued at the early stages of investment cycles – something seen strongly in the history of the development of the internet. We therefore support the portfolio managers' approach of seeking exposure to long-term growth themes where they are supported by business quality, competitive strength and sensible valuations, while also looking for opportunities in companies that may have been overlooked as capital has crowded into narrower areas of the market. Talking of that capital allocation in the market, there can be no doubt that come our next report in six months, we will be reporting on another noteworthy period for markets – shortly after this current period end, we saw the largest IPO of all time, with plenty of investor enthusiasm from both professional and retail investors alike as the much vaunted SpaceX came to the public markets, with two of the leading 'pure-play' AI LLM providers, Anthropic and Open AI, planning to follow. That itself was followed swiftly by a painful rout in technology stocks.

Brunner's portfolio is not built around macroeconomic forecasts or one dominant market narrative. It is built from individual companies that the managers believe can deliver attractive returns over time, across a range of economic and market conditions. This remains central to Brunner's "all-weather" proposition and to our confidence in the Trust's long-term role for shareholders.

Markets may continue to reward momentum in the near term. It's not possible to predict precisely when market leadership will broaden or when investors will again place greater emphasis on free cash flow and valuation discipline. However, we believe Brunner is best served by remaining consistent in its approach – to provide shareholders with long-term capital growth and a rising income from a diversified portfolio of global equities.

Carolan Dobson
Chair
20 July 2026

Material events and transactions

In the six months ended 31 May 2026 there were no related party transactions. 240,177 shares were bought back for holding in treasury for a total consideration of £2.2m.

Principal risks

The principal risks facing the company remain consistent with those outlined in the Annual Report, including Investment and Portfolio Risks, Business and Strategic Risks, Operational Risks, and Emerging Risks, but we continue to watch the development of AI and its impact on investments and general system processes. The Board oversees a detailed review of these risks at least twice a year to ensure the assessment remains current and relevant.

Going concern

The directors have considered the company's investment objective and capital structure in the context of the current macroeconomic background. Given the portfolio consists mainly of readily realisable securities, the directors have concluded that the company has the ability to continue in operation and meet its objectives for the foreseeable future. The going concern basis has therefore been adopted in preparing the financial statements.

Responsibility Statement

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 FRS 102 as set out in Notes 3 and 4, and the Accounting Standards Board's Statement 'Half-Yearly Financial Reports'; and
- This report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7 R of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks for the remaining six months of the financial year; and
- This report includes a fair review of the information concerning related party transactions as required by the Disclosure Guidance and Transparency Rule 4.2.8 R. Note 17 of the company's 2025 Annual Report gives details of related party transactions and transactions with the AIFM. The basis for these has not changed during the six months under review.

The half-yearly financial report was approved by the board on 20 July 2026 and the above responsibility statement was signed on its behalf by the Chair.

Performance – half-year review

Revenue

Six months ended 31 May	2026	2025	% change
Income available for ordinary dividend (£'000s)	£8,507	£7,481	+13.7
Earnings per ordinary share	19.7p	17.3p	+13.9
Dividends per ordinary share	13.5p	12.5p	+8.0
Consumer price index	142.4	138.4	+2.9

Assets

	31 May 2026	30 November 2025	Capital return % change	Total return[1] % change
Net Asset Value per ordinary share with debt at fair value	1,640.1p	1,565.8p	+4.7	+5.6
Net Asset Value per ordinary share with debt at par	1,616.1p	1,543.2p	+4.7	+5.6
Share price	1,506.0p	1,406.0p	+7.1	+8.1
Total net assets with debt at fair value (£'000s)[2]	£706,575	£676,985	+4.4	
Total net assets with debt at par (£'000s)	£696,230	£667,223	+4.3	

Net Asset Value with debt at fair value[3] relative to benchmark[4]

	Capital return	Total return[1]
Change in Net Asset Value	+4.7%	+5.6%
Change in benchmark	+10.6%	+12.0%
Percentage point performance against benchmark	**-5.9**	**-6.4**

A Glossary of Alternative Performance Measures (APMs) can be found on page 32.

1 Total return is based on the capital Net Asset Value, including dividends reinvested. (APM).

2 Total net assets with debt at fair value. (APM).

3 The board prefers to measure performance using Net Asset Value with debt at fair value in line with industry practice, as demonstrated in the Chair's statement on page 4. (APM).

4 For the period under review the benchmark was 70% FTSE World Ex UK Index and 30% FTSE All-Share Index.

Investment Manager's Review

Arizona, USA
Headquartered in Phoenix, Arizona, semiconductor manufacturer Microchip Technology was the largest contributor to portfolio performance.

Portfolio Managers' report

Julian Bishop

James Ashworth

Market review

Markets continued their upward march during the half year, with most major developed-market indices rising nearly 10% in British Pounds. The FTSE All Share (up 8.8%) slightly lagged the S&P 500 (up 9.4%) and the MSCI Europe (up 9.6%). But this apparent uniformity masks wide dispersion at a sector level, which was dominated by two big themes: artificial intelligence investment spending and geopolitical tension.

The first theme was the continuation of the boom associated with artificial intelligence (AI) infrastructure spending, which we wrote about extensively in the last annual report. The so-called hyperscalers (Amazon's AWS, Alphabet's GCP, Microsoft Azure, Meta, and Oracle OCI) have continued to pump ever more money into building out AI data centres in order to host clients such as OpenAI and Anthropic. Since the start of the financial year, market expectations of 2026 capital expenditure for the hyperscalers have risen from $465bn to $686bn, an increase of nearly 50%. Many forecasts now place the 2027 figure over $1 trillion dollars. Most of the hyperscalers are now spending all the cash they generate from their tremendously profitable core businesses on this build-out, and then some; just after the half year ended, Alphabet announced it would raise $80bn from the equity markets to fund even more capital expenditures, whilst many others are raising debt. This deluge of spending has driven euphoria across the supply chain. The euphoria is most evident amongst semiconductor stocks, driving Brunner holdings such as **Taiwan Semiconductor (TSMC)** and **ASML** (which makes the equipment to manufacture semiconductors) to new highs. The Information Technology sector rose 30.4% in the half, a truly astonishing amount in such a short period. Other associated suppliers involved in data centre construction, including Industrials (+13.4%) and Materials (17.5%), also benefitted.

As we highlighted in the 2025 annual report, the enormous spending on artificial intelligence infrastructure remains controversial. The actual revenues generated by the AI labs are low in the context of the amount being spent, albeit they are growing rapidly. Profits are currently non-existent. Therefore, there is a very legitimate and healthy debate about the existence or otherwise of an AI bubble. So far, the market has proven willing to trust that this spending will generate reasonable returns. In reality, the evidence to prove or disprove this assumption right or wrong does not yet exist.

The second theme was a turbulent geopolitical backdrop. American actions included seizing a foreign head of state (President Maduro of Venezuela), threatening to invade a fellow NATO member's territory (Greenland) and attacks on Iran which led to closure of the Strait of Hormuz. This waterway is a crucial shipping lane, through which about 20% of the world's oil and liquefied natural gas (LNG) normally passes. This disruption led to a significant spike in oil and gas prices, raising the profitability and market values of many energy companies. The Energy sector rose 22.2% in the half year in response. Brunner holdings such as **TotalEnergies**, **Shell** and **ConocoPhillips** all participated.

Away from these themes, markets were anaemic. The Healthcare and Consumer Discretionary sectors fell, while Financials, Telecom Services, Consumer Staples and Utilities rose between 1% and 4%. These areas are not viewed by the market as being beneficiaries of AI investment spending and in some instances are seen as being at risk of medium-term disruption from AI technologies. Higher energy prices also act as a tax on consumers and companies, depressing spending and margins. One of the key reasons to hold energy investments in our 'all weather' portfolio is precisely for this reason; when they do well because of rising prices, other sectors tend to feel pain. They therefore act as a neat hedge against geopolitical tail risks.

Emerging market indices, which are heavily weighted to technology businesses that are benefitting from AI spending, performed much better than developed markets, rising 27.3% in the half, and boosting the performance of the FTSE All World index to +12.1% in the half year.

Given the stellar performance of the US equity market in recent years, the US now accounts for around 70% of global equity indices. Within the US, we now believe over half the market's value comes from either tech stocks or those associated with the AI boom. This is a level of concentration we find unnerving and we feel it would be folly to mimic this weighting in a diversified, all weather portfolio. We also note that the US market's P/E (price-to-earnings ratio) multiple is expensive versus other markets and its own history. This

ASML, which provides the lithography machines used in chip manufacturing, was up over 50% over the period, boosted by rising demand for semiconductors.

PHOTO © ASML

> We believe the free cash flow yield on the US market is now at its lowest level since the dotcom bubble. This is all very well if the returns on capital deployment prove to be lucrative but this crucial point remains open to question.

issue is even more pronounced when looking at free cash flow (our preferred measure) as opposed to accounting profits. There is a simple accounting reason for this. If, for example, company A buys $100bn of chips from company B, company B reports the associated profits immediately whilst company A depreciates – spreads the cost out – over several years. We believe the free cash flow yield on the US market is now at its lowest level since the dotcom bubble, partially because some of the largest market constituents are company As, spending all their cash flow on chips from company Bs, rather than returning it to shareholders. This is all very well if the returns on that capital deployment prove to be lucrative but as we noted earlier, this crucial point remains open to question.

Portfolio review

Brunner's equity performance and NAV rose by 5.9% and 5.6% in the first half; a strong absolute result, consistent with the trust's five-year record of growing NAV approximately 10% per year. The discount vs NAV tightened slightly over the half year. As such, the share price rose 7.1%.

Brunner's 70/30 global/UK benchmark rose 12.0% during the period. Whilst the absolute performance of the Trust is reasonable, the underweight positioning of the Trust to AI beneficiaries meant we did not fully participate in the recent tech rally. As we have noted, the market (and therefore the index) is becoming more concentrated in one specific, speculative area and we believe it is therefore becoming ever riskier. While we do benefit from spending on the AI build-out, it is at a level that is lower than the benchmark. When doing this we have three things in mind; our 'all weather' approach, downside capital protection and the view that diversification is a cornerstone of prudent, sensible equity investment. In short, we do not want to put all our eggs in one basket, simply because the index is doing so. We believe that time will tell that this is the correct approach.

At the individual stock level, the top contributors to performance included our investments in companies that are integral to the AI datacentre build out. **TSMC**, which manufactures semiconductor chips on behalf of Nvidia, Apple, Alphabet and many others, was up 40% whilst **ASML**, which provides critical lithography machines that enable TSMC and others to manufacture chips, was up over 50%. Whilst both firms benefit from rising demand for semiconductors, neither have all their eggs in the AI basket: until recently TSMC's largest customer was in fact Apple, who consumes vast numbers of chips for consumer products, including iPhones, iMacs and iPads. Both companies are proven leaders in their field with minimal effective competition.

Our single strongest contributor to performance was **Microchip**, which manufactures simpler semiconductors with wide industrial and automotive use cases. After a period of weak demand there is now clear evidence that a cyclical recovery is underway. We noted the first signs of this recovery in our half year report a year ago.

Encouragingly, other positive contributors were broad based, both geographically and by sector. These included UK trading platform **IG Group**, energy companies TotalEnergies and ConocoPhillips, South Korean auto maker **Kia**, and US accountancy business **CBIZ**. We believe this demonstrates the benefits of a broadly diversified 'all weather' investment portfolio.

Our holding in **Auto Trader** was the single biggest detractor from performance during the period. Some investors worry AI will harm its business by allowing consumers to search for cars on portals such as ChatGPT rather than on Auto Trader itself. As such, the stock has been caught up in a widespread sell-off of any company deemed vulnerable to disruption.

We think this misses the source of Auto Trader's competitive advantage. It is a unique, digital marketplace where buyers and sellers come together. The value is primarily in the data aggregation (more than 400,000 vehicles from around 23,000 dealers), not the distribution format. Auto Trader began as a print publication, before migrating to a website and now apps. But the value is in the data, which we don't believe others can or will replicate.

Similar concerns about disruption from AI also hit shares in **S&P Global**, the leading provider of financial ratings and data. The vast majority of their data is

Luxury automotive giant BMW was a new addition to the portfolio.

PHOTO © BMW

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This half year was a period of elevated activity for the Trust with new investments in ten companies and the complete sales of five others.

proprietary, including their credit ratings, indices, and benchmark pricing. In each case, the moat is not the technological barrier to producing competing products but their position of being the industry standard, which is widely accepted by market participants.

Even more impactful to relative performance was not holding the three main manufacturers of memory semiconductors which are essential to current AI chip architectures. Because of the boom, demand for such memory currently exceeds supply, driving its market price to levels never seen before and providing Micron, Samsung and SK Hynix with an unprecedented profits windfall.

Memory is a commodity market with repeated cycles of boom and bust. As recently as 2023 these companies lost money on every unit sold. Memory manufacturers are now increasing capacity, thereby potentially sowing the seeds of a future cyclical downturn. However, this capacity is not expected to come online until 2027 or 2028 – a lifetime away for short-term investors. As a result of these buoyant market conditions, the share prices of Micron, Samsung and SK Hynix rose between 200% and 323% during the half year, costing us more than twice as much as Auto Trader on a relative basis. We caution that these stocks now look extraordinarily expensive should memory prices revert to historical norms.

Other detractors from performance include **Thermo-Fisher** who provide laboratory supplies and services to the life science industry. The company continues to grapple with sluggish end markets, with customers reluctant to commit to major new spending. There is nothing alarming here; simply a modest slowdown in growth.

Microsoft has also been weak. We have long admired the company for its strong position in enterprise software. However, its pivot to hosting AI concerns us and, increasingly, the broader market. The company is increasingly like Company A, taking all the cash flow from its very profitable core business, and spending it on expensive AI data centres at uncertain returns. Their primary relationship is with OpenAI, who may be losing the race for AI model supremacy with competitor Anthropic. We have reduced our position and are further reflecting upon our investment given the pivot in strategy.

Another detractor was Australian company **Brambles**, which operates a large pallet network in the US. They reduced profit guidance slightly due to a temporary shortage of pallets. US payment network operator **Visa** was also fairly weak, for no obvious credible reason. We have previously highlighted both companies as examples of those which benefit from ‘network effects’; a key source of competitive advantage. Those remain unscathed, but like all businesses they have temporary setbacks from time to time.

Significant transactions

This half year was a period of elevated activity for the Trust with new investments in ten companies and the complete sales of five others. This reflects a turbulent time in global markets. AI is changing industrial landscapes. Valuations have been unusually volatile, with companies seeing huge changes in their multiples depending on their exposure to the AI narrative.

In the banking sector, we bought new positions in **Lloyds Bank** in the UK and **Wells Fargo** in the US. Both are leading incumbent banks in their core markets. In both cases, cash flow generation is strong and expected to rise significantly over the coming years. In the case of Lloyds’ this is driven by the repricing of low yielding investments made when interest rates were lower, and in Wells Fargo’s case following the removal of regulatory restrictions and costs that followed a mis-selling scandal nearly a decade ago. Although growth in both cases is likely to be moderate, we expect them both to return significant capital to shareholders in the next few years through dividends and share buybacks.

A month before hostilities commenced in Iran, and without any foresight of that situation, we acquired a new position in **ConocoPhillips**. ConocoPhillips is a leading global independent oil and gas exploration and production company with a diverse portfolio of projects primarily in the US, where production costs are low and shareholder protections are strong. The company is currently investing in a large new project which should lead to a significant inflection in cash flow later this decade once construction is complete and sales

We added independent oil and gas exploration and production company ConocoPhillips to the portfolio during the period.

PHOTO © CONOCOPHILLIPS

> We believe some traditional quality stocks have been sold merely to finance purchases in the AI space. Several prominent funds that hold such stocks have seen widespread redemptions, making them forced sellers.

commence. At the time of purchase, energy stocks had been out of favour due to fears of over-supply and low oil prices (about $65 a barrel). We saw little chance of oil prices dropping substantially from that level given industry production costs, providing downside protection. We were also aware that geopolitical tensions often caused oil prices to spike, as the conflict in Iran was shortly to demonstrate.

German automaker **BMW** was another new position in the half year. This is a deep value investment, with the company valued at €50bn when we acquired our position, despite having more than €45bn in net cash. Effectively we bought BMW, Mini and Rolls Royce cars for close to zero once the cash position is taken into consideration. Whilst the auto space is notoriously competitive and faces some well-known challenges, we think all three brands continue to have material value.

The Trust also acquired a position in **Melrose**, a manufacturer of vital components found in most of the world's jet engines. When these engines are initially being developed, Melrose contributes to the huge development cost via 'RRSPs' (risk and revenue sharing partnerships) with manufacturers such as GE, Rolls Royce and Pratt and Whitney. In return, Melrose receives a share of the revenues associated with each engine, including aftermarket spares, servicing etc, for the engine's life, which can be many decades once in operation. We acquired a position on the expectation that Melrose could be on the cusp of an inflection in cash flows, with development costs declining and cash flow from these RRSPs rising sharply.

We also acquired a stake in US auto insurer **Progressive**; a company we have long admired. It is the second largest auto insurer in the US with a strong track record of growth and profitability. Its low-cost model and data-rich underwriting have enabled it to double its market share over the past decade, providing it with scale benefits that should ensure consistent supernormal profits. Largely out of favour with investors on myopic concerns that profit growth over the next year or two might be slow as the market cycle normalises, we saw the opportunity to acquire this high-quality and defensive business at a compelling price.

Over the past year we have seen the market values of many asset-light, intellectual property rich businesses decline materially. Some investors are worried that AI will dramatically reduce the earnings of these businesses, either by allowing people to bypass them entirely, or by allowing their capabilities to be replicated by competitors. There is little evidence for this, but equities are long-duration assets providing owners with a share of profits in perpetuity. Any increase in perceived riskiness mathematically has a large impact on present values. In some instances we think the fears are legitimate, but in other cases we believe the threat to the 'moats' surrounding these companies are much exaggerated. We also believe some traditional quality stocks have been sold merely to finance purchases in the AI space. It is also notable that several prominent funds that hold such stocks have seen widespread redemptions, making them forced sellers.

During the half year we acquired stakes in four businesses that may have been affected by these factors, allowing us to acquire shares at vastly discounted values compared to their history.

Firstly, we bought back shares in **RELX**. We sold these for over £35 in August 2025 and repurchased them for £22 in February. RELX has dominant positions within the financial risk, legal and academic journal markets, where it typically provides mission-critical information, analytics and decision tools. While some of the underlying data is public, much of it is proprietary, and the value to customers comes from integrating the two. Financial services firms rely on RELX's vast datasets to screen hundreds of millions of transactions a day for fraud, while law firms rely on LexisNexis for commentary and analysis on complex US case law. We don't believe such data can be replicated by competitors or replaced by the customers. In fact, we believe AI only makes such datasets more valuable and essential.

Secondly, we acquired a new position in **Equifax**. Equifax is one of three US credit bureaus - institutions which collect and process information on debts and payments for all individuals in the US to help lenders assess risk. This is a vast data set with information coming from more than 10,000 sources. Equifax

Booking Holdings, the largest online travel agent and owner of Booking.com, was another new investment.

In America, the budget deficit remains above 6% of GDP, a figure historically reserved for deep, painful recessions or global conflicts, not periods of full employment and steady growth.

also operates the dominant income verification database allowing lenders, government agencies and employers to rapidly verify an individual's employment status and eligibility for benefits or credit. We believe such data will remain essential even as AI tools and decisioning becomes more common: the underlying data is what these tools need.

The third purchase was online travel agent **Booking Holdings**, the largest online travel agent and owner of Booking.com, Agoda (the Asian equivalent) and OpenTable. In 2025, Booking facilitated 1.2 billion hotel room nights across 4.4 million properties in over 220 countries and territories. Whilst consumers may use AI chatbots for ideas of where to travel, we expect these to rely on platforms like Booking.com for hotel information, real-time availability and to execute the transaction.

The fourth purchase in this category was **CBIZ**. CBIZ is one of the largest accountancy firms in the US after the 'big four'. The majority of their revenues come from routine audit and accountancy work which is sticky due to long-term customer relationships and regulatory requirements. Over the past year, the shares have de-rated as customers cut some discretionary projects and as investors digest the impact of AI on the industry. While we expect AI to improve the efficiency of accountants and auditors, in the same way as technologies such as Microsoft Excel may have done, we do not expect the role of accountants and auditors to be eliminated. At purchase, the company had a forward free cash flow yield of about 20% based on consensus estimates. Whilst the company carries some debt, the significant cash flow allows it to be paid down quickly. A forward P/E (price-to-earnings ratio) of 7x provided us with an attractive entry point with the possibility of a rerating as the balance sheet improves.

There were five exits in the half year, as we looked to raise capital to fund our purchases.

Firstly, we sold our position in **Amphenol**. Amphenol makes connectors which are used in a variety of industrial applications. In recent years, demand for their products has rocketed thanks to their use in data centres. The stock has been a phenomenal success as a result, with forecast profits almost quadrupling since 2021 and the multiple expanding. We decided to take profits, noting its correlation to our other successful holdings associated with AI.

Roper, a maker of industry-specific software, was also sold. Over recent years growth has slowed and we recognise that AI coding tools have lowered the barriers to creating competing products. Similar reasons lay behind the sale of **Paycom**, a leading vendor of human resources management software for mid-market firms. Our decision to focus more on data businesses rather than pure software firms led us to exit the position.

We also sold our position in Swiss private equity firm **Partners Group**, acknowledging that the combination of higher interest rates, leverage and rapid technological change is likely to cause problems within the PE model.

Lastly, the Trust sold the shares in **The Magnum Ice Cream Company** which it received following a demerger from Unilever.

Comments and outlook

Investors can be forgiven for feeling there is a disconnect between global events and financial markets. News reports are filled with a grim litany of global instability: a grinding war of attrition in Eastern Europe, active conflict in the Middle East, choked maritime trade routes and elevated oil prices, and an increasingly fractured Sino-American relationship. Yet financial markets see nothing but unbroken blue skies, with equity markets reaching all-time highs at the end of the half year.

How does one reconcile the two? The answer lies not in a belief in an outbreak of global harmony but in the unprecedented volume of capital in the system.

The twin engines of the buoyant market are fiscal profligacy and enormous AI-related capital expenditure. On the fiscal side, government deficits that rose during 2008 financial crisis have never been closed. In America, the budget deficit remains above 6% of GDP, a figure historically reserved for deep, painful recessions or global conflicts, not periods of full employment and steady growth. Politicians of all stripes have seemingly discarded the concept of a balanced budget, realising there is little electoral penalty for running an economy on fumes. Every G20 country ran a deficit in 2025, ranging from Argentina (0.4% of GDP, following significant fiscal retrenchment under right-wing libertarian President Milei) to Brazil (8.1% of GDP, under centre-left President Luiz Inácio Lula da Silva). For equities, this torrent of government spending acts as a powerful support to demand. Ultimately, bond markets will police what is acceptable. Stubbornly high long-term interest rates are one of the more obvious signs that the market is reaching the limits of what it will tolerate.

The impact of government spending has been turbocharged by capital expenditure on AI infrastructure. As noted above, the major hyperscalers are expected to spend $686bn in 2026 on new datacentres, equivalent to more than 2% of US GDP. Talk is of $1 trillion next year, mostly coming from the deep pockets of the most successful companies ever to have existed. In finance there is an adage; 'don't fight the Fed'. Loosely translated, this means do not bet against the Federal Reserve's ability to stimulate the economy via monetary policy. Perhaps this saying should be bought augmented; 'don't fight the Fed, or the hyperscalers'.

But as economist Herb Stein at the American Enterprise Institute has wonderfully noted "If something cannot go on forever, it will stop." Government deficits and rising public debt to GDP ratios cannot continue indefinitely, and there is a limit to how much hyperscalers can spend on AI infrastructure. Their appetite to spend will be tempered if AI-related revenues do not increase rapidly from current levels. We believe $1 trillion dollars in annual investment requires many trillions of dollars in annual revenues to be sustained. Today AI revenues are counted in the 'mere' tens of billions. This is not hyperbole. Oil and gas companies, for context, collectively spend 'only' around $550bn a year but this generates $4 trillion in sales. Financial markets appear not to worry about this risk, but as managers of an 'all weather' portfolio and custodians of your money, we do.

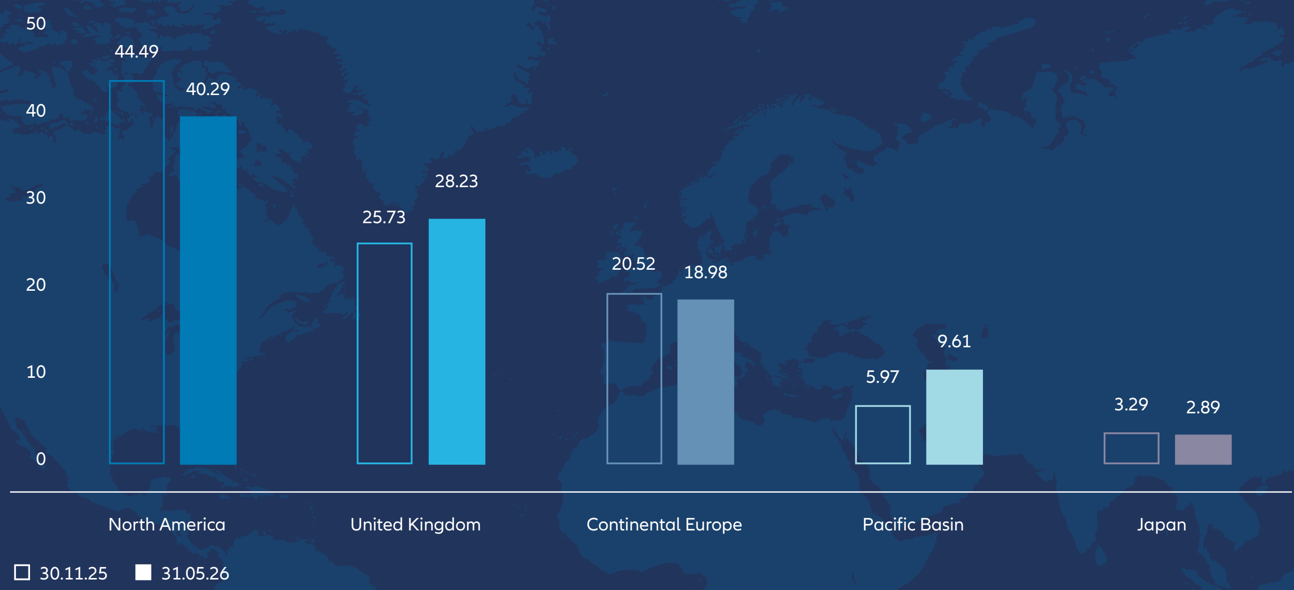
In the annual report, we wrote extensively about the difference between relative risk (the risk of underperforming a benchmark) and absolute risk (the risk of losing money). We noted that it would be simple to reduce relative risk by buying positions in the high-fliers to match their weight in the benchmark, regardless of their attractiveness or the excessive concentration issues that this would necessarily introduce.

This balancing act continues as markets have become ever more concentrated. As we noted in the annual report, just 10 companies represent 40% of the S&P 500 index. At the end of the half year, every one of these was a technology business. We think well over half the US market is now tech or AI-driven. This no longer provides sufficient diversification in our view. It has generated strong performance for investors, but we strongly believe matching index weights entails unacceptable absolute risk.

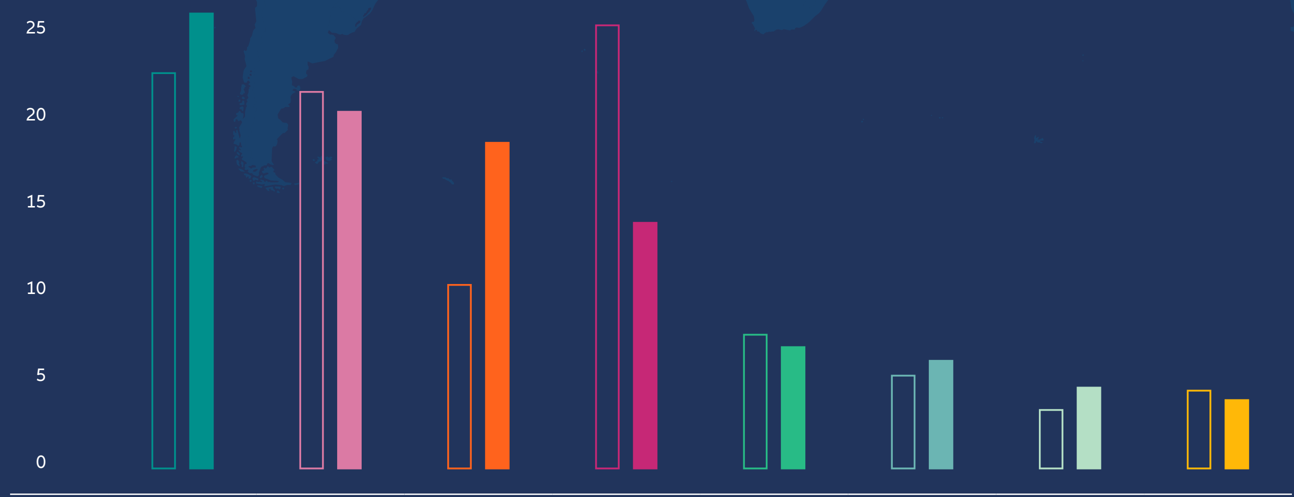
Doing things in a similar way to others can be reassuring. Herd mentality is a real thing, particularly in the investment world, where financial history is replete with examples of people doing risky things merely because others were doing them too. In 2007 Chuck Prince, the CEO of US banking behemoth Citigroup, famously said 'When the music stops, in terms of liquidity, things will be complicated, but as long as the music is playing, you've got to get up and dance. We're still dancing'. Within a year shares in Citi were down 97%. Today, the herd is huddling together in a handful of tech darlings. But when the cycle eventually turns it is the absolute risk that will suddenly, and painfully, matter most. Prudency may be expensive today but historically it is the only reliable currency for tomorrow.

Portfolio analysis

Geographical distribution (%)



Sector distribution (%)



	Industrials	Financials	Consumer Goods	Technology	Health Care	Energy	Consumer Staples	Utilities
■ 31.05.26	25.91	20.20	18.71	14.02	6.94	5.97	4.47	3.78
□ 30.11.25	22.53	21.32	10.59	25.21	7.64	5.16	3.26	4.29

Listed equity holdings

at 31 May 2026

Name	Sector	Value (£'000s)	% of invested funds
Alphabet	*Media*	39,578	5.58
Taiwan Semiconductor	*Technology Hardware & Equipment*	30,823	4.35
Microsoft	*Software & Computer Services*	26,646	3.76
Visa	*Industrial Support Services*	23,155	3.26
Corpay	*Industrial Support Services*	20,448	2.88
Tesco	*Personal Care, Drug And Grocery*	19,986	2.82
AIA	*Life Insurance*	19,177	2.70
Shell	*Oil, Gas & Coal*	18,584	2.62
InterContinental Hotels Group	*Travel & Leisure*	17,692	2.49
Schneider Electric	*Electronic & Electrical Equipment*	17,273	2.44
TotalEnergies	*Oil, Gas & Coal*	17,019	2.40
SSE	*Electricity*	16,705	2.36
Thermo Fisher Scientific	*Medical Equipment & Services*	16,360	2.31
Microchip Technology	*Technology Hardware & Equipment*	15,929	2.25
Booking Holdings	*Travel & Leisure*	14,998	2.11
GSK	*Pharmaceuticals & Biotechnology*	14,446	2.04
DNB Bank	*Banks*	14,428	2.03
Itochu	*General Industrials*	13,887	1.96
ASML Holding	*Technology Hardware & Equipment*	13,646	1.92
CBIZ	*Industrial Support Services*	13,420	1.89
IG Group	*Investment Banking & Brokerage*	13,209	1.86
AMETEK	*Electronic & Electrical Equipment*	13,122	1.85
Aena	*Industrial Transportation*	12,633	1.78
Assa Abloy	*Construction & Materials*	12,629	1.78
Bank Of Ireland Group	*Banks*	12,361	1.74
Admiral Group	*Non-Life Insurance*	12,008	1.69
Unilever	*Personal Care, Drug And Grocery*	11,725	1.65
Federal Signal	*Industrial Transportation*	10,791	1.52
KIA	*Automobiles And Parts*	10,724	1.51
S&P Global	*Finance & Credit Services*	10,720	1.51
Lloyds Banking Group	*Banks*	10,662	1.50
American Financial Group	*Non-Life Insurance*	10,606	1.50
Iberdrola	*Electricity*	10,129	1.43
Melrose Industries	*Aerospace And Defence*	9,709	1.37
Amazon	*Retailers*	9,595	1.35
Wells Fargo & Co	*Banks*	9,524	1.34

	Name	Sector	Value (£'000s)	% of invested funds
	General Electric	*Aerospace And Defence*	9,141	1.29
●	Bayerische Motoren Werke	*Automobiles And Parts*	9,105	1.28
	Roche Holding	*Pharmaceuticals And Biotechnology*	8,760	1.24
	Auto Trader Group	*Software And Computer Services*	8,533	1.20
●	RELX	*Media*	8,014	1.13
	Inchcape	*Retailers*	7,959	1.12
	Munich Re	*Non-Life Insurance*	7,899	1.11
	Charles Schwab	*Investment Banking & Brokerage*	7,833	1.10
	Atlas Copco	*Industrial Engineering*	7,597	1.07
	Brambles	*General Industrials*	7,353	1.04
●	ConocoPhillips	*Oil, Gas And Coal*	6,718	0.95
	Monotaro	*Retailers*	6,630	0.93
	DCC	*Industrial Support Services*	6,347	0.90
●	Progressive Corp	*Non-Life Insurance*	6,211	0.88
●	Equifax	*Industrial Support Services*	6,210	0.88
	Cooper	*Medical Equipment And Services*	5,767	0.81
	Barratt Redrow	*Household Goods & Home Construction*	4,912	0.69
	CME Group	*Investment Banking & Brokerage*	4,883	0.69
	Arthur J. Gallagher & Co.	*Non-Life Insurance*	3,937	0.56
	Haleon	*Pharmaceuticals & Biotechnology*	3,903	0.55
	Baltic Classifieds	*Software & Computer Services*	3,658	0.52
	Jumbo	*Leisure Goods*	3,641	0.51
			709,358	**100.00**

● Added during the period.

Financial Statements

Hertfordshire, UK
The percentage of UK investments in the portfolio rose modestly over the period. Grocery giant Tesco PLC, our largest UK holding, is headquartered in Welwyn Garden City.

Income Statement

	Notes	For the six months ended 31 May 2026 Revenue £'000s	Capital £'000s	Total Return £'000s	For the six months ended 31 May 2025 Revenue £'000s	Capital £'000s	Total Return £'000s
				2			2
Gains (losses) on investments held at fair value through profit or loss		-	29,777	29,777	-	(16,996)	(16,996)
Losses on foreign currencies		-	(268)	(268)	-	(52)	(52)
Income from investments		10,455	-	10,455	9,371	-	9,371
Investment management fee		(479)	(1,119)	(1,598)	(426)	(995)	(1,421)
Administration expenses		(590)	(1)	(591)	(465)	(2)	(467)
Profit (loss) before finance costs and taxation		**9,386**	**28,389**	**37,775**	**8,480**	**(18,045)**	**(9,565)**
Finance costs: interest payable and similar charges		(129)	(252)	(381)	(200)	(440)	(640)
Profit (loss) on ordinary activities before taxation		**9,257**	**28,137**	**37,394**	**8,280**	**(18,485)**	**(10,205)**
Taxation		(750)	-	(750)	(799)	-	(799)
Profit (loss) after taxation attributable to ordinary shareholders		**8,507**	**28,137**	**36,644**	**7,481**	**(18,485)**	**(11,004)**
Earnings (losses) per ordinary share (basic and diluted)	*1*	**19.70p**	**65.15p**	**84.85p**	**17.30p**	**(42.75p)**	**(25.45p)**

Balance Sheet

	Notes	As at 31 May 2026 £'000s	As at 31 May 2025 £'000s	As at 30 November 2025 £'000s
Fixed assets				
Investments held at fair value through profit or loss	*3*	709,358	635,783	677,851
Net current assets (liabilities)		**11,999**	**(4,448)**	**14,493**
Total assets less current liabilities		**721,357**	**631,335**	**692,344**
Creditors: amounts falling due after more than one year		(25,127)	(25,116)	(25,121)
Total net assets		**696,230**	**606,219**	**667,223**
Called up share capital		10,812	10,812	10,812
Share premium account		7,945	7,945	7,945
Capital redemption reserve		5,327	5,327	5,327
Capital reserve		648,261	560,511	622,356
Revenue reserve		23,885	21,624	20,783
Equity shareholders' funds		**696,230**	**606,219**	**667,223**
Net asset value per ordinary share		**1,616.1p**	**1,401.7p**	**1,543.2p**
The net asset values is based on ordinary shares in issue:		**43,080,761**	**43,247,727**	**43,237,231**

Statement of Changes in Equity

	Notes	Called up share capital £'000s	Share premium account £'000s	Capital redemption reserve £'000s	Capital reserve £'000s	Revenue reserve £'000s	Total £'000s
Six months ended 31 May 2025							
Net assets as at 1 December 2024		10,741	3,840	5,327	578,996	19,278	618,182
Revenue profit		-	-	-	-	7,481	7,481
Shares issued in the period		71	4,105	-	-	-	4,176
Dividends on ordinary shares	*4*	-	-	-	-	(5,135)	(5,135)
Capital loss		-	-	-	(18,485)	-	(18,485)
Net assets at 31 May 2025		**10,812**	**7,945**	**5,327**	**560,511**	**21,624**	**606,219**
Six months ended 31 May 2026							
Net assets as at 1 December 2025		10,812	7,945	5,327	622,356	20,783	667,223
Revenue profit		-	-	-	-	8,507	8,507
Shares repurchased during the period		-		-	(2,232)	-	(2,232)
Dividends on ordinary shares	*4*	-	-	-	-	(5,405)	(5,405)
Capital profit		-	-	-	28,137	-	28,137
Net assets at 31 May 2026		**10,812**	**7,945**	**5,327**	**648,261**	**23,885**	**696,230**

Cash Flow Statement

	Six months ended 31 May 2026 £000's	Six months ended 31 May 2025 £000's
Operating activities		
Profit (loss) before finance costs and taxation*	37,775	(9,565)
(Less) add: (gains) losses on investments held at fair value through profit or loss	(29,777)	16,996
Add: Losses on foreign currency	268	52
Less: Overseas tax suffered	(750)	(799)
Increase in other receivables	(2,557)	(1,862)
Decrease in other payables	(128)	(126)
Purchase of fixed asset investments held at fair value through profit or loss	(128,595)	(76,640)
Sales of fixed asset investments held at fair value through profit or loss	116,876	68,598
Net cash outflow from operating activities	**(6,888)**	**(3,346)**
Financing activities		
Interest paid	(365)	(797)
Dividend paid on cumulative preference stock	(11)	(11)
Dividends paid on ordinary shares	(5,405)	(5,135)
Repurchase of ordinary shares for cancellation	(2,239)	-
Share issue proceeds	-	8,084
Net cash (outflow) inflow from financing activities	**(8,020)**	**2,141**
Decrease in cash and cash equivalents	**(14,908)**	**(1,205)**
Cash and cash equivalents at the start of the period	17,603	4,812
Effect of foreign exchange rates	(268)	(52)
Cash and cash equivalents at the end of the period	2,427	3,555
Comprising:		
Cash at bank	2,427	3,555

* Cash inflow from dividends was £9,035,241 (2025: £8,169,331) and cash inflow from interest was £113,327 (2025: £46,676).

Notes to the Financial Statements

Note 1

The returns per ordinary share have been calculated using a weighted average number of shares in issue of 43,185,323 (31 May 2025: 43,233,657 shares).

Note 2

The total column of this statement is the profit and loss account of the company.

All revenue and capital items derive from continuing operations. No operations were acquired or discontinued in the period.

Purchases for the half year ended 31 May 2026 were £125,132,000 (31 May 2025: £76,640,000) and sales for the half year ended 31 May 2026 were £123,402,000 (31 May 2025: £68,678,000).

Included in the cost of investments are transaction costs on purchases which amounted to £238,000 (31 May 2025: £174,000) and transaction costs on sales which amounted to £34,000 (31 May 2025: £9,000).

Note 3

Investments are designated as held at fair value through profit or loss in accordance with FRS 102 sections 11 and 12. Investments are initially recognised at fair value, which is determined to be their cost. Subsequently, investments are revalued at fair value which is the bid market price for listed investments.

FRS 102 sets out three fair value levels.

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly

Level 3: Inputs are unobservable (i.e., for which market data are unavailable) for the asset or liability

As at 31 May 2026, the financial assets at fair value through profit and loss of £709,358,000 (30 November 2025: £677,851,000) are categorised as follows:

	Six months ended 31 May 2026 £'000s	Year ended 30 November 2025 £'000s
Level 1	709,358	677,851
Level 2	-	-
Level 3	-	-
	709,358	**677,851**

Note 4

In accordance with section 32 FRS 102 'Events After the end of the Reporting Period', dividends declared after the end of the reporting period shall not be recognised as a liability.

Dividends paid on ordinary shares in respect of earnings for each period are as follows:

	Six months ended 31 May 2026 £'000s	Six months ended 31 May 2025 £'000s	Year ended 30 November 2025 £'000s
Final dividend - 6.25p paid 2 April 2026 (2025: 6.05p)	2,702	2,616	2,616
First interim dividend - 6.25p paid 24 July 2025 (2024: 5.90p)	-	-	2,703
Second interim dividend - 6.25p paid 19 September 2025 (2024: 5.90p)	-	-	2,703
Third interim dividend - 6.25p paid 11 December 2025 (2024: 5.90p)	2,703	2,519	2,519
	5,405	**5,135**	**10,541**

Dividends declared after the period end are not recognised as a liability under section 32 FRS 102 'Events after the end of the reporting period'. Details of these dividends are set out below.

	Six months ended 31 May 2026 £'000s	Six months ended 31 May 2025 £'000s	Year ended 30 November 2025 £'000s
First interim dividend - 6.75p payable 24 July 2026 (2025: 6.25p)	2,908	2,703	-
Second interim dividend - 6.75p payable 19 September 2026 (2025: 6.25p)	2,908	2,703	-
Third interim dividend - 6.25p	-	-	2,702
Final dividend - 6.25p	-	-	2,702
	5,816	**5,406**	**5,404**

The final and interim dividends above are based on the number of shares in issue at the period end. However, the dividend payable will be based upon the number of shares in issue on the record date and will reflect any purchase or cancellation of shares by the company settled subsequent to the period end.

Note 5

The directors believe it is appropriate to continue to adopt the going concern basis in preparing the financial statements, as the assets of the company consist mainly of securities which are readily realisable and accordingly, that the company has adequate financial resources to continue in operational existence for the foreseeable future.

Note 6

The half-yearly report has neither been audited nor reviewed by the company's auditors. The financial information for the year ended 30 November 2025 has been extracted from the statutory accounts for that year which have been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified and did not contain a statement under either section 498(2) or (3) of the Companies Act 2006.

Investor Information

Ohio, USA
Accounting, insurance brokerage, financial and advisory services provider CBIZ, another notable new addition to the portfolio, is headquartered in Cleveland.

Investor information

Directors
Carolan Dobson BSc Chartered FCSI (Chair)
Amanda Aldridge BSc FCA
Elizabeth Field MA
Andrew Hutton MA, CFA
Jim Sharp MA

Investment Manager
Julian Bishop and James Ashworth, Co-Lead managers, representing Allianz Global Investors UK Limited, 199 Bishopsgate, London EC2M 3TY (the manager).

Head of Investment Trusts
Stephanie Carbonneil
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Registrars
MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Telephone: 0371 664 0300. Lines are open 9.00 a.m. to 5.30 p.m. (UK time) Monday to Friday.
Email:shareholderenquiries@cm.mpms.mufg.com
Website: https://eu.mpms.mufg.com

Financial calendar
Year end 30 November.
Full year results announced and Annual Report posted to shareholders in February.
Annual General Meeting held in March/April.
Half year results announced and half-yearly Financial Report posted to shareholders in July.

Ordinary dividends
It is anticipated that dividends will be paid as follows:

1st quarterly	June/July
2nd quarterly	September
3rd quarterly	December
Final	March/April

Preference dividends
Payable half-yearly 30 June and 31 December.

Website
Further information about The Brunner Investment Trust PLC, including monthly factsheets, daily share price and performance, is available on the company's website: brunner.co.uk.

How to Invest
Information is available from AllianzGI UK either via Investor Services on 020 3246 7513 or on the company's website: brunner.co.uk. A list of providers can be found on the company's website: brunner.co.uk/about-us/how-to-invest.

Shareholder enquiries
In the event of queries regarding their holdings of shares, lost certificates, dividend payments, registered details, etc., shareholders should contact the registrars on 0371 664 0300. Lines are open 9.00 a.m. to 5.30 p.m. (UK time) Monday to Friday. Calls to the helpline number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes.

Changes of name and address must be notified to the registrars in writing. Any general enquiries about the company should be directed to the Company Secretary, The Brunner Investment Trust PLC, 199 Bishopsgate, London EC2M 3TY. Telephone: 020 3246 7513.

Association of Investment Companies (AIC)
The company is a member of the AIC, the trade body of the investment trust industry, which provides a range of literature including fact sheets and a monthly statistical service. Copies of these publications can be obtained from the AIC, 9th Floor, 24 Chiswell Street, London EC1Y 4YY, or at theaic.co.uk.

AIC Category: Global.

Glossary

UK GAAP performance measures

Net Asset Value is the value of total assets less all liabilities. The Net Asset Value, or NAV, per ordinary share is calculated by dividing this amount by the total number of ordinary shares in issue. The debt in the company used in the calculation is measured at par value, that is, the net proceeds on issue plus accrued finance costs to date. As at 31 May 2026, the NAV with debt at par value was £696,230,000 (30 November 2025: £667,223,000) and the NAV per share was 1,616.1p (30 November 2025: 1,543.2p).

Earnings per ordinary share is the profit after taxation, divided by the weighted average number of shares in issue for the period. For the period ended 31 May 2026 earnings per ordinary share was 19.7p (2025: 17.3p), calculated by taking the profit after tax of £8,507,000 (2025: £7,481,000), divided by the weighted average shares in issue of 43,185,323 (2025: 43,233,657).

Alternative Performance Measures (APMs)

Net Asset Value, debt at fair value is the value of total assets less all liabilities, with the company's debt measured at the fair value at the time of calculation. The Net Asset Value, or NAV, per ordinary share with debt at fair value is calculated by dividing this amount by the total number of ordinary shares in issue. As at 31 May 2026, the NAV with debt at fair value was £706,575,000 (30 November 2025: £676,985,000) and the NAV per share with debt at fair value was 1,640.1p (30 November 2025: 1,565.8p).

Net Asset Value per ordinary share, total return represents the theoretical return on NAV per ordinary share, assuming that dividends paid to shareholders were reinvested at the NAV per ordinary share at the close of business on the day the shares were quoted ex dividend.

Share price total return the theoretical return to a shareholder, on a closing market price basis, assuming that all dividends received were reinvested, without transaction costs, into the ordinary shares of the company at the close of business on the day the shares were quoted ex dividend (see page 3). The share price as at 31 May 2026 was 1,506.0p, an increase of 100.0p from the price of 1,406.0p as at 30 November 2025. The increase in share price of 100.0p plus the dividends declared for the period of 13.5p are divided by the opening share price of 1,406.0p to arrive at the share price total return for the period ended 31 May 2026 of +8.1% (2025: -3.9%).

Benchmark total return is the return on the benchmark, on a closing market price basis, assuming that all dividends received were reinvested into the shares of the underlying companies at the time their shares were quoted ex dividend (see page 3).

Discount or premium is the amount by which the stock market price per ordinary share is lower (discount) or higher (premium) than the Net Asset Value, or NAV, with either debt at par or debt at market value, per ordinary share. The discount/premium is normally expressed as a percentage of the NAV per ordinary share (see page 3).

Ongoing charges are operating expenses incurred in the running of the company, whether charged to revenue or capital, but excluding financing costs. These are expressed as a percentage of the average net asset value during the year and this is calculated in accordance with guidance issued by the Association of Investment Companies.

Yield represents dividends declared in the past year as a percentage of share price.

Gearing is the amount of debt as a percentage of the net assets.

Warning to Shareholders

We are aware that some shareholders may have received unsolicited telephone calls or correspondence concerning investment matters. These are typically from overseas based organisations who target UK shareholders offering to sell them, what often turn out to be, worthless or high risk shares in US or UK investments or encourage them to dispose of UK shares. They can be extremely persistent and persuasive. Shareholders are therefore advised to be very wary of any unsolicited advice or offers.

Please note that it is most unlikely that either the company or the company's Registrar, MUFG Corporate Markets (formerly Link Group), would make unsolicited telephone calls to shareholders. Any such calls would only ever relate to official documentation already circulated to shareholders and never in respect of investment 'advice'.

If you are in any doubt about the veracity of an unsolicited telephone call, please call the Company Secretary on +44 (0)800 389 4696 or the Registrar on +44 (0) 371 664 0300.

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