



2022

Majedie Investments PLC
Half-Yearly Financial Report

31 March 2022

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Financial Highlights

	Half Year ended 31 March 2022
Total shareholder return (including dividends):	-12.5%
Net asset value (NAV) total return (debt at par including dividends):	-8.2%
NAV total return (debt at fair value including dividends):	-7.7%
NAV per share (debt at par value):	257.0p
NAV per share (debt at fair value):	253.2p
Revenue Return per share:	2.7p
Interim Dividend:	4.4p
Realised gain on the sale of the investment in Majedie Asset Management Limited:	£20.2m
Total assets*:	£157.0m

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

Investment Objective and Policy Statement

Investment Objective

The Company's investment objective is to maximise total shareholder return whilst increasing dividends by more than the rate of inflation over the long term.

General

The Company invests principally in securities of publicly quoted companies worldwide and in funds managed by its investment manager, though it may invest in unquoted securities up to levels set periodically by the Board, including its investment in Majedie Asset Management Limited (MAM). Investments in unquoted securities, other than those managed by its investment manager or made prior to the date of adoption of this investment policy, (measured by reference to the Company's cost of investment) will not exceed 10% of the Company's gross assets.

Risk Diversification

Whilst the Company will at all times invest and manage its assets in a manner that is consistent with spreading investment risk, there will be no rigid industry, sector, region or country restrictions. The overall approach is based on an analysis of global economies sector trends with a focus on companies and sectors judged likely to deliver strong growth over the long term. The number of investments held, together with the geographic and sector diversity of the portfolio, enable the Company to spread its risks with regard to liquidity, market volatility, currency movements and revenue streams.

The Company will not invest in any holding that would, at the time of investment, represent more than 15% of the value of its gross assets save that the Company may invest up to 25% of its gross assets in any single fund managed by its investment manager where the Board believes that the investment policy of such funds is consistent with the Company's objective of spreading investment risk.

The Company may utilise derivative instruments including index-linked notes, contracts for difference, covered options and other equity-related derivative instruments for efficient portfolio management and investment purposes.

Any use of derivatives for investment purposes will be made on the basis of the same principles of risk spreading and diversification that apply to the Company's direct investments, as described above.

Asset Allocation

The assets of the Company will be allocated principally between investments in publicly quoted companies worldwide, in investments intended to provide an absolute return (in each case either directly or through other funds or collective investment schemes managed by the Company's investment manager) and the Company's investment in MAM itself.

Benchmark

The Company does not have one overall benchmark, rather each distinct group of assets is viewed independently. Any investments made into funds managed by the Company's investment manager will be measured against the benchmark or benchmarks, if any, whose constituent investments appear to the Company to correspond most closely to those investments. It is important to note that in all cases investment decisions and portfolio construction are made on an independent basis. The Board however sets various specific portfolio limits for stocks and sectors in order to restrict risk levels from time to time, which remain subject to the investment restrictions set out in this section.

Gearing

The Company uses gearing currently via long term debentures. The Board has the ability to borrow up to 100% of adjusted capital and reserves. The Board also reviews the level of net gearing (borrowings less cash) on an on-going basis and sets a range at its discretion as appropriate. The Company's current debenture borrowings are limited by covenant to 66²/₃%, and any additional indebtedness is not to exceed 20%, of adjusted capital and reserves.

In the six months ended 31 March 2022 the NAV at par and the NAV at FV (net asset value with debt at par and fair value) fell by 8.2% and 7.7% respectively, on a total return basis. The share price fell by 12.5% over the period, also on a total return basis. Over the six months the FTSE All-Share index rose by 4.7% and the MSCI All Country Index rose by 3.4% in sterling terms.

The sale of Majedie Asset Management (MAM), in which the Company had a stake of 17.6%, to Liontrust Asset Management PLC (Liontrust) was announced in December 2021, went unconditional in March 2022 and completed on 1 April 2022. Following the sale, the investment team responsible for the management of the Company's assets have joined Liontrust as its new Global Fundamental Team, retaining their flexible investment process based on detailed company research.

As a result of this transaction, the Company received a combination of shares in Liontrust and cash which was valued at £22.4m on the announcement date, compared with the valuation of the Company's holding in MAM at 30 September 2021 of £25.2m. Subsequent to the announcement the share price of Liontrust has fallen and at 31 March 2022 the transaction value had reduced by £6.3m to £16.1m. Excluding the Company's investment in MAM (now Liontrust) the managed portfolio, which represents 90.2% of total assets, fell by 1.5%.

Stock markets performed well in the final quarter of 2021 as the global economy recovered more strongly than expected as the impact of COVID-19 faded. Inflation, though a concern, was thought to be transitory and was expected to weaken in the second half of 2022 as supply side bottlenecks eased and Central Banks tightened their expansionary monetary policy. The invasion of Ukraine, apart from the horrendous human cost, has changed that optimistic outlook. It has proved a major shock to the global economy as commodity prices, particularly oil and wheat, have spiked. It is evident that inflation is now more persistent and that Central Banks were behind the curve. They have signalled a more hawkish stance and some commentators are concerned that the global economy is moving towards stagflation, a period of elevated inflation accompanied by low economic growth. Stock markets reacted by de-rating growth stocks as their valuations appeared stretched in a world of higher interest rates. The UK Market, in which the Company has an overweight position, has performed well and continues to do so due to its relatively large exposure to commodities and low exposure to highly valued technology stocks.

Results and Dividends

The Company had a capital loss for the six months to 31 March 2022 of £13.7m which includes the loss on the holding in MAM.

Total income received from investments fell to £2.0m compared to £3.7m in the six months to 31 March 2021. This was due to a smaller dividend from MAM of £1.2m compared to £2.8m for the six months to 31 March 2021. Total administrative expenses and management fees of £0.8m were unchanged as were finance costs of £0.8m. The net revenue after tax was £1.4m compared to £3.1m in the six months to 31 March 2021.

The dividend from MAM has, in recent years, represented a significant proportion of the Company's total income that will not be fully replaced by the income from its Liontrust shares or other assets. Notwithstanding this, the Board has decided to maintain the interim dividend at 4.4p pence per share. The Board notes the Company's substantial revenue reserves of £22.0m and understands the importance placed on dividend payments by many of its shareholders.

The dividend will be payable on 24 June 2022 to shareholders on the register at 6 June 2022 and the shares will go ex dividend on 1 June 2022.

Management Arrangements

As a self managed trust, Majedie has managed its holding in MAM in addition to allocating the Company's assets between the various MAM/Liontrust funds.

Following the sale of MAM to Liontrust, the Board is considering the Company's investment objective together with the range of assets that should be considered for inclusion in the Company's portfolio, as well as its own responsibilities for portfolio allocation. The Board will update shareholders on this matter later in 2022.

The Board is in discussion with Liontrust regarding the terms of the locked up Liontrust shares received as part of the transaction.

Allocation of Total Assets at 31 March 2022

	Value £000s	% of Total Assets
UK Equity Segregated Portfolio	63,450	40.4
Global Equity Fund	42,413	27.0
International Equity Fund	12,235	7.8
Tortoise Fund	23,575	15.0
Liontrust	8,424	5.4
Net cash/realisation fund*	6,888	4.4
Total Assets	156,985	100.0

* Net cash and realisation fund does not include cash held in the funds.

The sale of MAM has resulted in a higher cash position than usual as the Company received a pre completion cash payment of £6.5m in addition to shares in Liontrust. The Company has no overall benchmark, rather each fund has its own benchmark and it is expected that performance will be generated by stock picking at the fund level. The allocation to the Tortoise Fund, an absolute return fund is to reduce the downside volatility of the overall return for the Company, as the fund can short individual stocks and indices. The International Equity Fund gives overseas exposure particularly to developed markets and emerging markets excluding North America. The monthly factsheets of the relevant Liontrust Funds are available on the Company's website as are the Company's monthly factsheets which show the allocation between funds and the top twenty holdings on a look through basis. The Company's total assets were £157.0m at 31 March as defined on page 1.

In early January 2022 the Board took the decision to disinvest £3.5m from the UK Segregated Portfolio, Global Equity and International Equity Funds at higher market levels than at 31 March 2022.

MAM/Liontrust Funds and Investment Performance

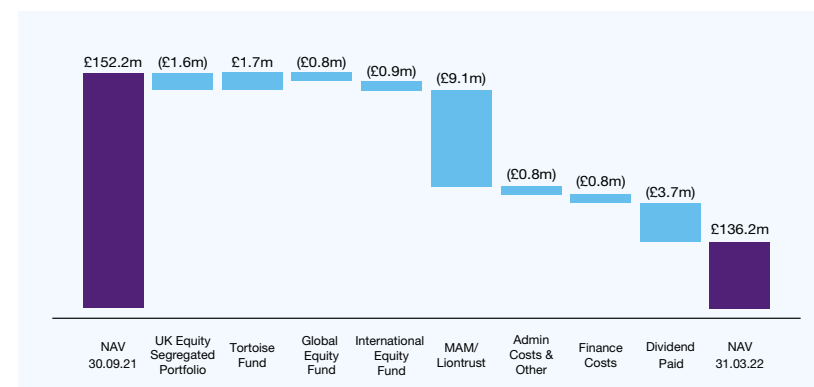
The performance of the MAM/Liontrust Funds relative to their respective benchmarks has been disappointing with the notable exception of the Tortoise Fund which has demonstrated its resilience in a period of market turbulence and remains a key differentiator for the Company. The asset allocation between the funds has been positive with a relatively high weighting to the UK Equity Market, compared to peers, and to the Tortoise Fund. After several years of UK equities underperforming Global markets, UK equities are valued at close to thirty year lows. The structure of the UK equity market with high exposure to oil, commodities and pharmaceuticals with a low exposure to technology is attractive in the current market and therefore the overweight will be retained.

Performance Table

	6 months to 31 March 2022			Since MI invested (annualised)		
	% Fund return	% Benchmark return	% Relative performance	% Fund return	% Benchmark return	% Relative performance
UK Equity Segregated Portfolio	(2.9)	4.7	(7.6)	3.9	5.4	(1.5)
Global Equity Fund	(1.9)	3.4	(5.3)	13.1	12.5	0.6
International Equity Fund	(5.9)	(1.1)	(4.8)	13.0	6.2	7.8
Tortoise Fund	7.9			2.8		
MAM/Liontrust	(36.0)					

Development of Net Asset Value

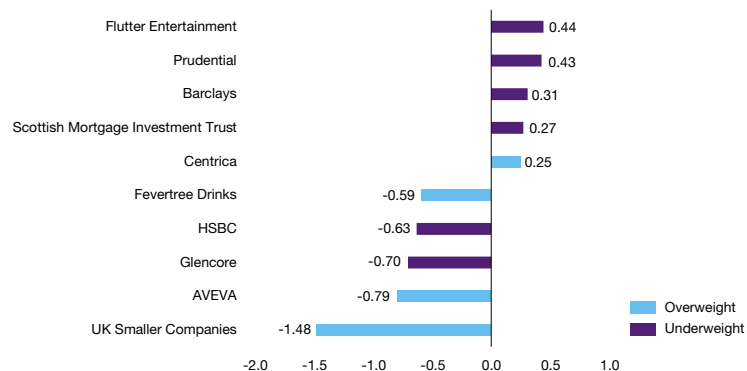
The chart below outlines the change in the Company's NAV (debt at par) over the six months to 31 March 2022. In aggregate the NAV decreased by £16.0m, comprised of net investment losses at the MAM/Liontrust Funds, including the UK Equity Segregated Portfolio, of £1.6m, a loss on the investment in MAM/Liontrust of £9.1m net of dividends received, administration expenses and finance costs of £1.6m and dividends paid to shareholders of £3.7m.



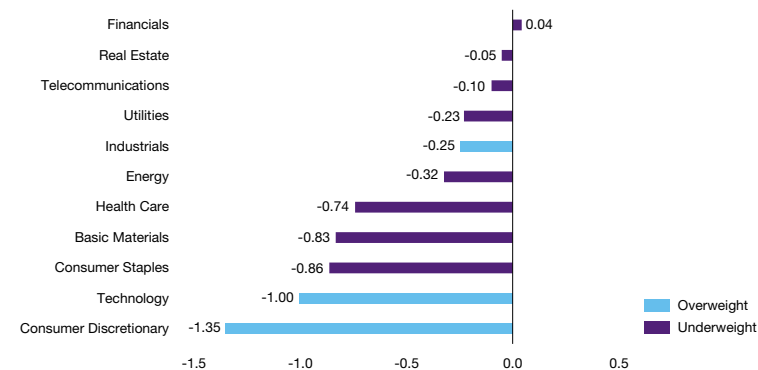
UK Equity Segregated Portfolio

The objective of the UK Equity Segregated Portfolio is to produce total return in excess of the FTSE All-Share Index after costs, over any five year period, through a diversified portfolio of predominately UK Equities with the flexibility to invest up to 20% in shares listed outside of the UK. The portfolio is managed pari passu to the UK Equity Fund and includes a dedicated investment in smaller companies. Since the Company invested on 22 January 2014 the segregated portfolio has returned on an annualised basis 3.9% net of fees, which is an underperformance of 1.5% per annum compared to the benchmark return. In the six months to 31 March 2022, the UK Equity Segregated Portfolio returned -2.9% net of fees which is an underperformance of 7.6%.

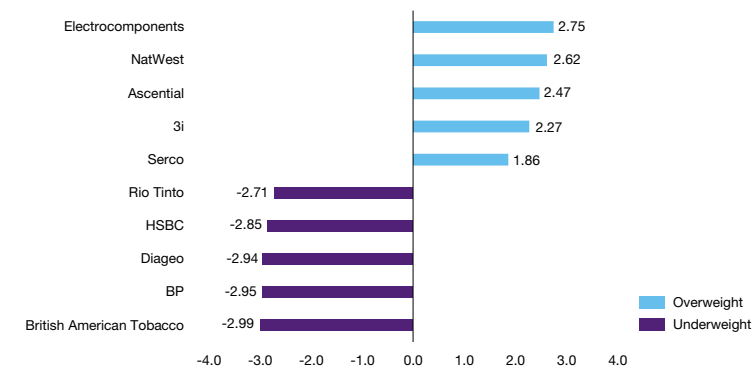
The most significant positive and negative stock contributors to the relative performance of the UK Equity Segregated Portfolio for the six months to 31 March 2022, in %



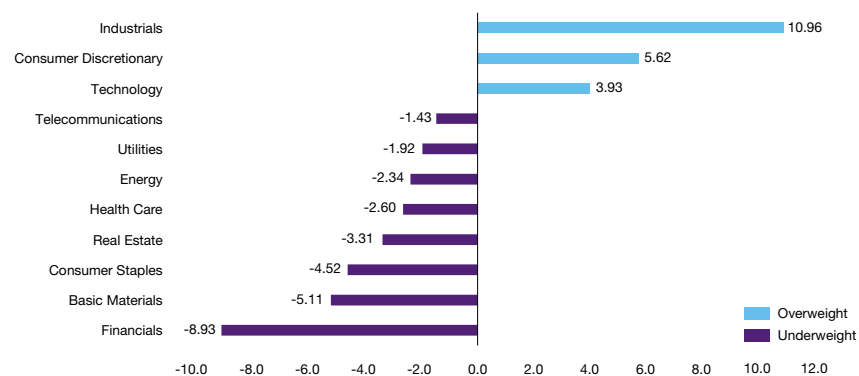
The most significant positive and negative sector contributors to the relative performance of the UK Equity Segregated Portfolio for the six months to 31 March 2022, in %



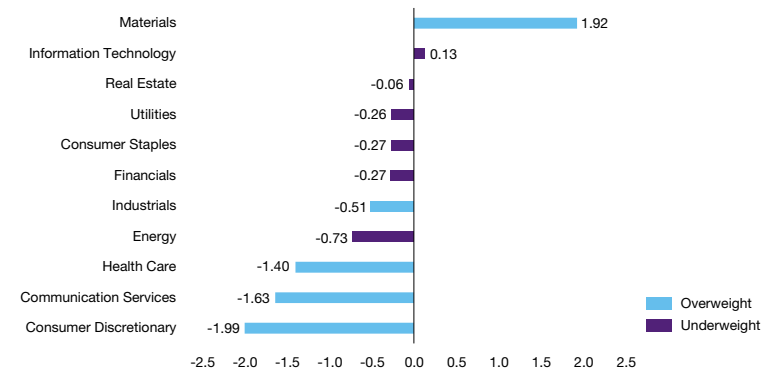
The principal overweight and underweight stock positions of the UK Equity Segregated Portfolio at 31 March 2022 relative to the FTSE All-Share Index, in %



The principal overweight and underweight sector positions of the UK Equity Segregated Portfolio at 31 March 2022 relative to the FTSE All-Share Index, in %



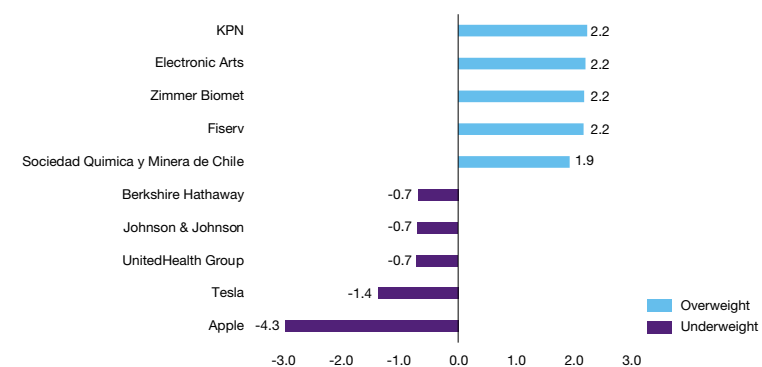
The most significant positive and negative sector contributors to the relative performance of the Global Equity Fund for the six months to 31 March 2022, in %



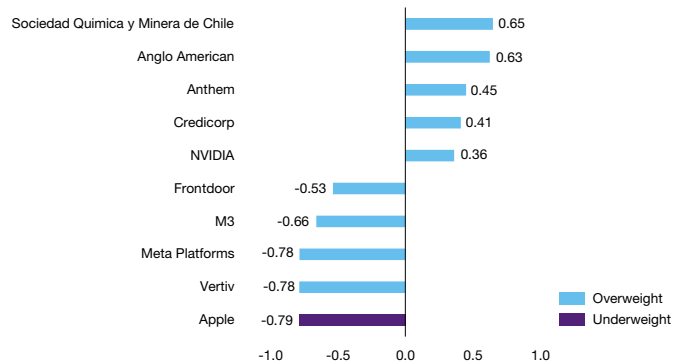
Global Equity Fund

The Global Equity Fund was launched in June 2014 and its objective is to produce a total return in excess of the MSCI All Country World Index after costs over any five year period through an investment in a diversified portfolio of global equities. Since inception to 31 March 2022 the Global Equity Fund has returned on an annualised basis 13.1% net of fees for the sterling share class, which is an outperformance of 0.6% per annum compared to the benchmark. In the six months to 31 March 2022 the Global Equity Fund returned -1.9% which is an underperformance of 5.3%.

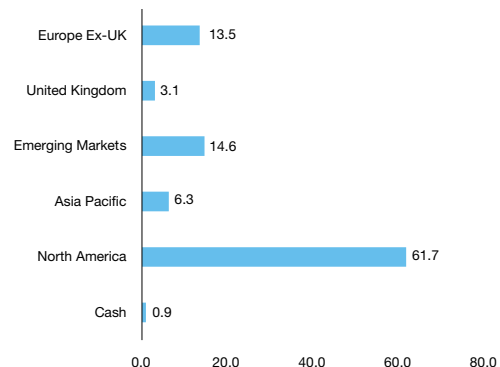
The principal overweight and underweight stock positions of the Global Fund at 31 March 2022 relative to the MSCI All Country Index, in %



The most significant positive and negative stock contributors to the relative performance of the Global Equity Fund for the six months to 31 March 2022, in %



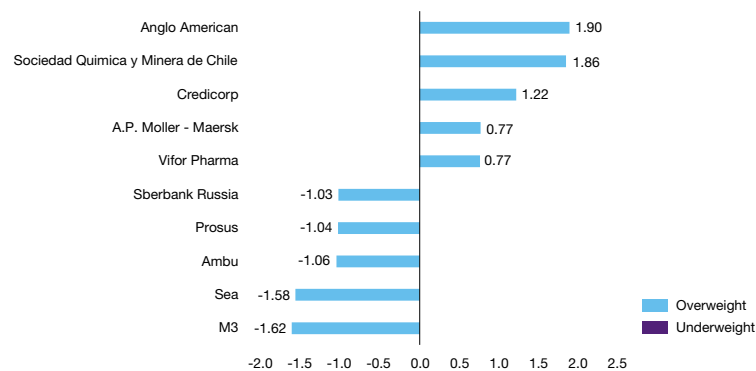
Geographic analysis of the Global Equity Fund at 31 March 2022, in %



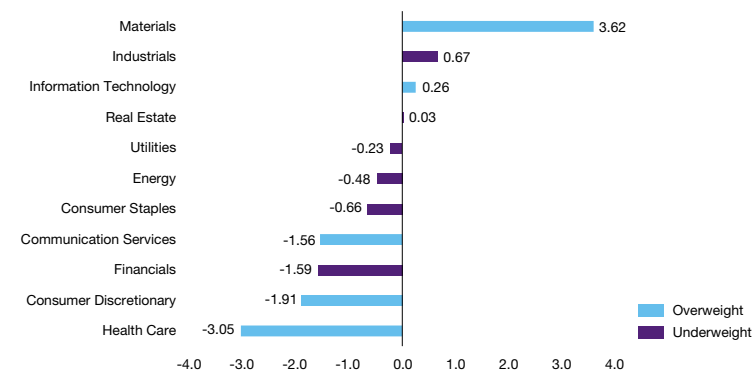
International Equity Fund

The International Equity Fund was launched in December 2019 and its objective is to produce a total return in excess of the MSCI All Country World Index (ex US) after costs over any five year period. It is a high conviction fund which captures developed and emerging market opportunities and can invest up to 10% in US equities. Since inception the International Equity Fund has returned on an annualised basis 13.0% net of fees, for the sterling share class, which is an outperformance of 7.8% against its benchmark. In the six months to 31 March 2022 the International Equity Fund returned -5.9% which is an underperformance of 4.8%.

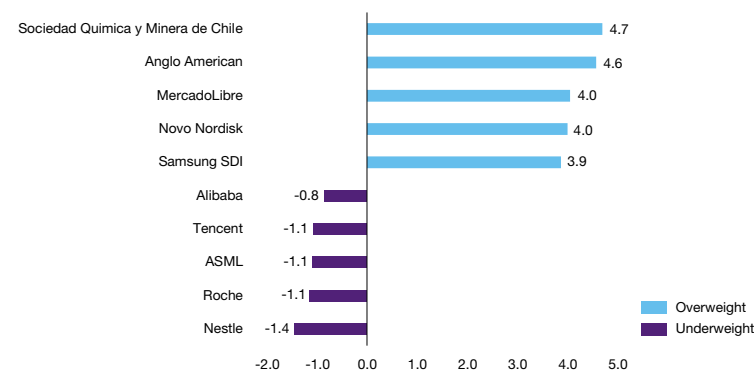
The most significant positive and negative stock contributors to the relative performance of the International Equity Fund for the six months to 31 March 2022, in %



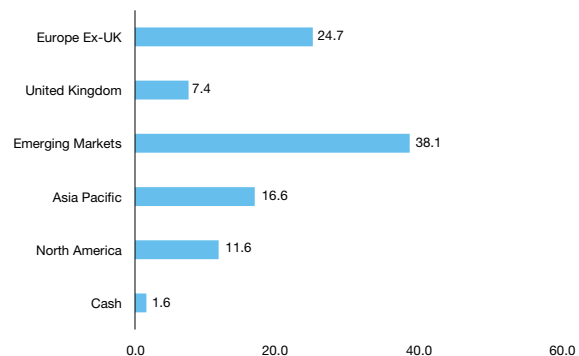
The most significant positive and negative sector contributors to the relative performance of the International Equity Fund for the six months to 31 March 2022, in %



The principal overweight and underweight stock positions of the International Equity Fund at 31 March 2022 relative to the MSCI All Country Index (ex US), in %



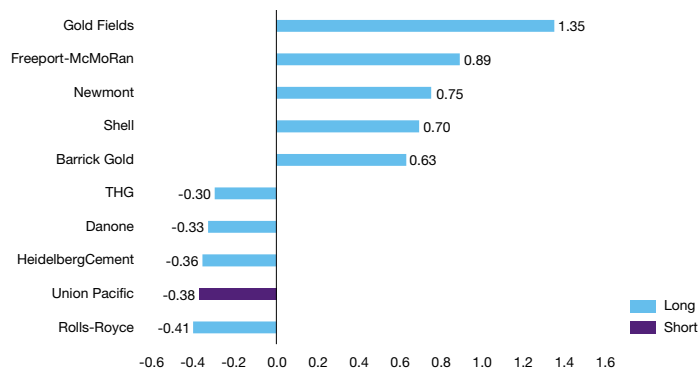
Geographic analysis of the International Equity Fund at 31 March 2022, in %



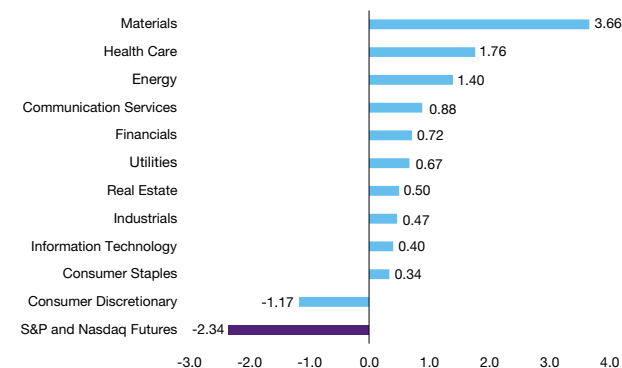
Tortoise Fund

The Tortoise Fund is a global equity absolute return fund which was launched in August 2007. Its objective is to achieve positive absolute returns in all market conditions, through investment in long and synthetic short positions in equities over rolling three year time periods, with less volatility than a conventional long only equity fund. Since the Company invested on 29 January 2014 the fund has returned on an annualised basis 2.8% net of fees. In the six months to 31 March 2022 the Tortoise Fund has returned 7.9% net of fees. Currently the gross exposure of the fund is 147.7% of NAV and net exposure is 18.7% of NAV and the short positions are focused on S&P 500 and Nasdaq 100 futures.

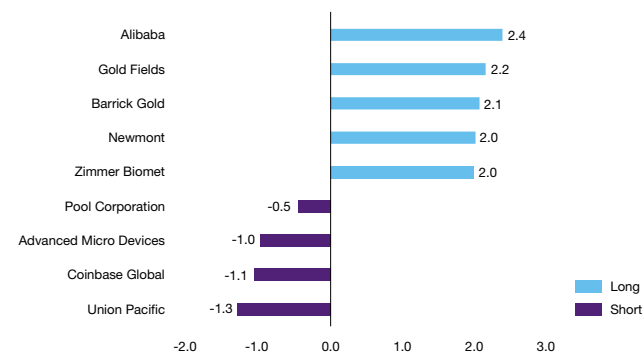
The most significant positive and negative stock contributors to the absolute performance of the Tortoise Fund for the six months to 31 March 2022, in %



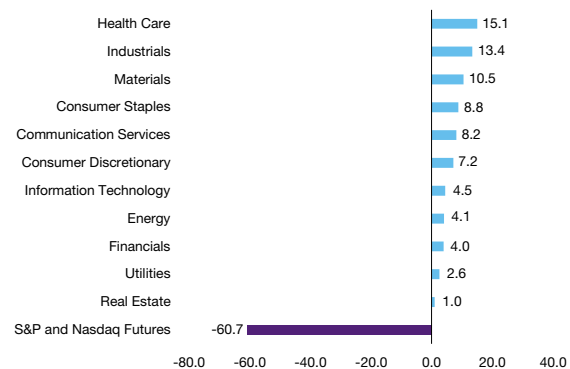
The most significant positive and negative sector contributors to the absolute performance of the Tortoise Fund for the six months to 31 March 2022, in %



The principal long and short stock positions of the Tortoise Fund at 31 March 2022



The principal long and short sector positions of the Tortoise Fund at 31 March 2022



Geographic and Sector Exposure at 31 March 2022

	% Europe ex UK	% United Kingdom	% Emerging Markets	% Asia Pacific	% North America	% Cash	% Total
Basic Materials		1.8	1.6		2.9		6.3
Consumer Staples	0.3	5.3			1.4		7.0
Consumer Discretionary	1.2	8.3	1.9	0.6	5.3		17.3
Financials	0.6	6.7	0.8	0.5	2.1		10.7
Real Estate					0.2		0.2
Health Care	4.3	3.5	0.5	0.6	4.7		13.6
Industrials	2.7	10.5	0.1	0.7	3.8		17.8
Energy	0.9	3.4			0.5		4.8
Technology	0.3	2.9	4.1	0.3	5.4		13.0
Telecommunications	2.1	0.2		0.8			3.1
Utilities	0.3	0.9					1.2
Cash						5.0	5.0
Total	12.7	43.5	9.0	3.5	26.3	5.0	100.0

Futures* (10.1)

Notes:

The assets analysed above are the net exposures of the UK Equity Segregated Portfolio, Global Equity Fund, International Equity Fund and the Tortoise Fund. The Tortoise Fund as an absolute return fund invests through equities, CFDs and futures. The net exposure of the fund is shown in the table. The aggregate of the funds represents a total of 90.2% of the Company's total assets.

Exposures are classified by the stock exchange on which the underlying stocks is listed and by the relevant FTSE sector classification.

*The Tortoise Fund has short positions on the S&P 500 and the Nasdaq 100 indices.

Thirty Largest Holdings at 31 March 2022

Company	Fair Value £000	% of Total Assets
Liontrust Asset Management PLC	8,424	5.4
Shell plc	4,799	3.1
AstraZeneca plc	2,636	1.7
Anglo American plc	2,414	1.5
NatWest Group PLC	2,082	1.3
Royal KPN NV	2,075	1.3
RS Group plc (formerly Electrocomponents PLC)	1,877	1.2
Tesco PLC	1,863	1.2
3i Group plc	1,786	1.1
Amazon.com, Inc.	1,782	1.1
RELX plc	1,692	1.1
Microsoft Corporation	1,661	1.1
Newmont Corporation	1,655	1.1
Ascential PLC	1,639	1.0
Unilever plc	1,572	1.0
Barrick Gold Corporation	1,556	1.0
Compass Group plc	1,544	1.0
Fevertree Drinks PLC	1,500	1.0
Zimmer Biomet Holdings, Inc.	1,417	0.9
Sociedad Quimica y Minera de Chile S.A	1,411	0.9
Alphabet Inc.	1,349	0.9
NVIDIA Corporation	1,349	0.9
Taiwan Semiconductor Manufacturing Co., Ltd.	1,330	0.8
Ashtead Group PLC	1,288	0.8
Weir Group PLC	1,275	0.8
St. James's Place PLC	1,270	0.8
TotalEnergies SE	1,266	0.8
Thales SA	1,262	0.8
Novo Nordisk A/S	1,254	0.8
Samsung Electronics Co., Ltd.	1,254	0.8
	58,282	37.2%

The Tortoise Fund holds two short futures positions in S&P500 and Nasdaq 100 that are, in aggregate, 9.1% of total assets.

Discount

The Board continues to monitor the Company's discount to NAV and will take action when appropriate. The Company bought back 7,092 shares in the six months to 31 March 2022.

Outlook

Stock markets volatility has continued and growth stocks, in particular, have suffered a further de-rating. Investor sentiment is unsurprisingly low, faced with the headwinds of inflation, hawkish Central Banks, a slowing economy and war in Europe. Markets are rated at 30% below their peak last year and, apart from the US, are below their long term medians. In general corporate earnings, thus far, have been resilient and though earnings revisions have sharply decelerated from last year, they remain positive. It seems likely that there will be a significant slowdown in the second half of 2022, the only question is the magnitude.

The current volatility reflects the wide range of outcomes that could occur for the global economy and earnings. In such an uncertain background fund managers such as the Global Fundamental Team at Liontrust, that focus on detailed, research based stock selection, should thrive. Their flexible approach allows them to invest in companies that are significantly mis-priced and avoid the rigid selection criteria that style based managers face.

In terms of asset allocation it is encouraging the UK equity market has continued its relative good performance as investors recognise its low relative and historic valuation. Takeover bids from corporates and private equity remain a feature and validate the attractive valuation. The Company retains a relatively high exposure to the UK. The holding in the Tortoise Fund remains a key differentiating factor for the Company and as a Global Equity Long/Short Fund with a value bias it has successfully navigated the volatile markets and continues to perform well.

William Barlow

Chief Executive

For and on behalf of the Board

24 May 2022

Interim Management Report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal uncertainties for the remaining six months of the financial year are set out in the Chief Executive's Report on pages 4 to 19. This Half-Yearly Financial Report has not been audited or reviewed by the Company's auditor.

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

The principal risks facing the Company remain unchanged since the date of the Annual Report for the year ended 30 September 2021, as set out in the Business Review section of the Strategic Report (pages 25 to 26). The recovery from COVID-19 continues to add uncertainty to global equity markets, both economically and politically, with the impact on the Company as set out in the Chief Executive's Report. The Company and its service providers continue to maintain operations and service levels effectively. Risks faced by the Company include, but are not limited to, market risk, operational risk, discount volatility, compliance risk (including non-compliance with Section 1158 of the Corporation Tax Act 2010) and financial risk.

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

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

- (a) the condensed set of financial statements has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as required by the Disclosure Guidance and Transparency Rule 4.2.4R, and gives a true and fair view of the assets, liabilities and financial position of the Company;
- (b) the Chief Executive's Report includes a fair review of the information required to be disclosed under the Disclosure Guidance and Transparency Rule 4.2.7R, interim management report. This includes (i) an indication of important events that have occurred during the first six months of the financial year; and their impact on the condensed set of financial statements presented in the Half-Yearly Financial Report and (ii) a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- (c) except as disclosed in the Chief Executive's Report, and in note 15 on page 42, in respect of the sale of the Company's investment in MAM to Liontrust, there were no changes in the transactions or arrangements with related parties as described in the Annual Report for the year ended 30 September 2021 that would have had a material effect on the financial position or performance of the Company in the first six months of the current financial year.

Christopher D Getley

Chairman

For and on behalf of the Board

24 May 2022

Condensed Statement of Comprehensive Income

for the half year ended 31 March 2022

	Notes	Half year ended 31 March 2022 (unaudited)			Half year ended 31 March 2021 (unaudited)			Year ended 30 September 2021 (audited)		
		Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Investments										
(Losses)/gains on investments at fair value through profit or loss			(12,650)	(12,650)		18,808	18,808		23,839	23,839
Net investment result			(12,650)	(12,650)		18,808	18,808		23,839	23,839
Income										
Income from investments	2	1,994		1,994	3,662		3,662	6,078		6,078
Other income	2	43		43	44		44	70		70
Total income		2,037		2,037	3,706		3,706	6,148		6,148
Management fees		(40)	(121)	(161)	(35)	(106)	(141)	(76)	(228)	(304)
Administration expenses		(349)	(319)	(668)	(366)	(324)	(690)	(681)	(573)	(1,254)
Return/(loss) before finance costs and taxation		1,648	(13,090)	(11,442)	3,305	18,378	21,683	5,391	23,038	28,429
Finance costs		(193)	(573)	(766)	(194)	(572)	(766)	(387)	(1,145)	(1,532)
Net return/(loss) before taxation		1,455	(13,663)	(12,208)	3,111	17,806	20,917	5,004	21,893	26,897
Taxation	3	(13)		(13)	(9)		(9)	(15)		(15)
Net return/(loss) after taxation for the period		1,442	(13,663)	(12,221)	3,102	17,806	20,908	4,989	21,893	26,882
Return per ordinary share:		pence	pence	pence	pence	pence	pence	pence	pence	pence
Basic	4	2.7	(25.8)	(23.1)	5.9	33.6	39.5	9.4	41.3	50.7

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

See notes 1 to 16.

Condensed Statement of Changes in Equity

for the half year ended 31 March 2022

	Notes	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserve £'000	Retained earnings £'000	Total £'000
Half year ended 31 March 2022 (unaudited)							
1 October 2021		5,300	3,054	100	119,393	24,306	152,153
Share buybacks for cancellation	12	(1)		1	(16)		(16)
Net return after taxation for the period					(13,663)	1,442	(12,221)
Dividends declared and paid in period	6					(3,710)	(3,710)
31 March 2022		5,299	3,054	101	105,714	22,038	136,206
Half year ended 31 March 2021 (unaudited)							
1 October 2020		5,301	3,054	99	97,518	25,361	131,333
Net return after taxation for the period					17,806	3,102	20,908
Dividends declared and paid in period	6					(3,711)	(3,711)
31 March 2021		5,301	3,054	99	115,324	24,752	148,530
Year ended 30 September 2021 (audited)							
1 October 2020		5,301	3,054	99	97,518	25,361	131,333
Share buybacks for cancellation	12	(1)		1	(18)		(18)
Net return/(loss) after taxation for the period					21,893	4,989	26,882
Dividends declared and paid in period	6					(6,044)	(6,044)
30 September 2021		5,300	3,054	100	119,393	24,306	152,153

Condensed Balance Sheet

as at 31 March 2022

		31 March 2022 (unaudited) £'000	31 March 2021 (unaudited) £'000	30 September 2021 (audited) £'000
	Notes			
Non-current assets				
Property and equipment		214	277	244
Investments at fair value through profit or loss	7,8	148,026	164,567	170,550
		<u>148,240</u>	<u>164,844</u>	<u>170,794</u>
Current assets				
Trade and other receivables		598	546	400
Cash and cash equivalents		9,295	5,256	3,162
		<u>9,893</u>	<u>5,802</u>	<u>3,562</u>
Total assets		<u>158,133</u>	<u>170,646</u>	<u>174,356</u>
Current liabilities				
Trade and other payables		(1,148)	(1,307)	(1,405)
Total assets less current liabilities		<u>156,985</u>	<u>169,339</u>	<u>172,951</u>
Non-current liabilities				
Debenture and lease liability	14	(20,779)	(20,809)	(20,798)
Total liabilities		<u>(21,927)</u>	<u>(22,116)</u>	<u>(22,203)</u>
Net assets		<u>136,206</u>	<u>148,530</u>	<u>152,153</u>

		31 March 2022 (unaudited) £'000	31 March 2021 (unaudited) £'000	30 September 2021 (audited) £'000
	Notes			
Represented by:				
Ordinary share capital	12	5,299	5,301	5,300
Share premium account		3,054	3,054	3,054
Capital redemption reserve		101	99	100
Capital reserve		105,714	115,324	119,393
Revenue reserve		22,038	24,752	24,306
Equity Shareholders' Funds		<u>136,206</u>	<u>148,530</u>	<u>152,153</u>
Net asset value per share		pence	pence	pence
Basic	11	257.0	280.2	287.1

Condensed Cash Flow Statement

for the half year ended 31 March 2022

		Half year ended 31 March 2022 (unaudited) £'000	Half year ended 31 March 2021 (unaudited) £'000	Year ended 30 September 2021 (audited) £'000
Net cash inflow from operating activities	13	10,662	2,218	3,223
Investing activities				
Purchase of tangible assets			(2)	(1)
Initial direct costs incurred for the right-of-use asset			(6)	(15)
Net cash outflow from investing activities			(8)	(16)
Financing activities				
Interest paid on debentures	14	(750)	(750)	(1,501)
Interest paid on lease liability	14	(2)	(4)	(6)
Dividends paid	6	(3,710)	(3,711)	(6,044)
Lease liability principal payments	14	(33)	(14)	(19)
Share buybacks for cancellation		(34)		
Net cash outflow from financing activities		(4,529)	(4,479)	(7,570)
Increase/decrease in cash and cash equivalents for the period		6,133	(2,269)	(4,363)
Cash and cash equivalents at start of period		3,162	7,525	7,525
Cash and cash equivalents at end of period		9,295	5,256	3,162

Notes to the Accounts

as at 31 March 2022

1. Accounting Policies

The Condensed Financial Statements on pages 22 to 28 comprise the unaudited results of the Company for the six months to 31 March 2022 and are presented in pounds sterling, as this is the functional currency of the Company.

The Condensed Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all financial information required for full financial statements. The Condensed Financial Statements have been prepared using the accounting policies adopted in the audited financial statements for the year ended 30 September 2021.

New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 September 2021. Since 1 October 2021 the following new standards or amendments were adopted – being amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 and COVID-19 related rent concessions amendment to IFRS 16. The Directors note that the adoption of these amendments will not have any material impact on the Company.

Notes to the Accounts

as at 31 March 2022

2. Income

	Half year ended 31 March 2022 £'000	Half year ended 31 March 2021 £'000	Year ended 30 September 2021 £'000
Income from investments			
Dividend income*	1,741	3,528	5,647
Accumulation dividend income	167	76	326
Overseas dividend income	86	58	105
	1,994	3,662	6,078
Other income			
Interest income			
Sundry income	43	44	70
	43	44	70
Total income	2,037	3,706	6,148
Income from investments			
Listed UK	591	440	1,408
Listed overseas	86	58	105
Unlisted – MAM Funds	167	288	538
Unlisted	1,150	2,876	4,027
	1,994	3,662	6,078

* Includes MAM dividend income of £1,150,000 (half year to 31 March 2021: £2,876,000 and the year ended 30 September 2021: £4,027,000).

3. Taxation

The charge for the half year to 31 March 2022 is £13,000 (half year to 31 March 2021: £9,000; year ended 30 September 2021: £15,000). These amounts represent irrecoverable withholding tax paid on overseas investment income.

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

4. Calculation of returns per ordinary share

Basic returns per ordinary share in each period are based on the return on ordinary activities after taxation attributable to equity shareholders. Basic return per ordinary share for the period is based on 52,999,278 shares (half year ended 31 March 2021: 53,013,887 shares, and the year ended 30 September 2021: 53,013,842), being the weighted average number of shares in issue.

5. Business segments

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

Investing activities

The Company's investment objective is to maximise total shareholder return whilst increasing dividends by more than the rate of inflation over the long term. The Company operates as an investment trust company and its portfolio contains investments in companies listed in a number of countries. Geographical information about the portfolio is provided on page 17.

Notes to the Accounts

as at 31 March 2022

6. Dividends

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

	Half year ended 31 March 2022 £'000	Half year ended 31 March 2021 £'000	Year ended 30 September 2021 £'000
2021 Final dividend of 7.00p paid on 28 January 2022	3,710		
2021 Interim dividend of 4.40p paid on 18 June 2021			2,333
2020 Final dividend of 7.00p paid on 26 January 2021		3,711	3,711
	3,710	3,711	6,044

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

Dividends for the half year ended 31 March 2022 (and for the half year ended 31 March 2021 and the year ended 30 September 2021) have been solely made from the Revenue Reserve.

7. Investments

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

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

8. Fair Value Hierarchy

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

Notes to the Accounts

as at 31 March 2022

8. Fair Value Hierarchy continued

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

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

Financial assets	Half year ended 31 March 2021			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets held at fair value through profit or loss				
Equities and managed funds				
Listed equity securities	55,917			55,917
Unlisted equity securities (MAM Funds)		83,305		83,305
Unlisted equity securities			25,345	25,345
	<u>55,917</u>	<u>83,305</u>	<u>25,345</u>	<u>164,567</u>

8. Fair Value Hierarchy continued

Financial assets	Year ended 30 September 2021			Total £'000
	Level 1 £'000	Level 2 £'000	Level 3 £'000	
Financial assets held at fair value through profit or loss				
Equities and managed funds				
Listed equity securities	60,563			60,563
Unlisted equity securities (MAM Funds)		84,786		84,786
Unlisted equity securities			25,201	25,201
	<u>60,563</u>	<u>84,786</u>	<u>25,201</u>	<u>170,550</u>

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

Investments whose values are based on quoted market prices in active markets, and are therefore classified as Level 1, include active listed equities. The Company does not adjust the quoted price for these instruments in normal market conditions (although it may invoke its fair value pricing policy in times of market disruption – this was not the case for 31 March 2022, 31 March 2021 or 30 September 2021).

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

Notes to the Accounts

as at 31 March 2022

8. Fair Value Hierarchy continued

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

The Company's current level 3 classified investments comprise certain individually immaterial unlisted investments, which total in aggregate £42,000. The investment in MAM was sold during the period and further details are contained in note 10 and the Chief Executive's Report.

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

	31 March 2022	
	Total £000	Equity investments £000
Opening balance	25,201	25,201
Total consideration re the sale of the investment in MAM	(20,783)	(20,783)
Total net loss for the period included in the Condensed Statement of Comprehensive Income	(4,376)	(4,376)
	42	42

8. Fair Value Hierarchy continued

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

	Half year ended 31 March 2022		Half year ended 31 March 2021		Year ended 30 September 2021	
	Book Value £000	Fair Value £000	Book Value £000	Fair Value £000	Book Value £000	Fair Value £000
Financial liabilities						
£20.7m (2017: £20.7m) 7.25% 2025 debenture stock	20,609	22,600	20,582	24,208	20,595	23,617
Lease liability (including current portion)	235	235	282	282	268	268
	20,844	22,835	20,864	24,490	20,863	23,885

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

9. Principal financial risks

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

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

Further details of the Company's management of these risks and the exposure to them are set out in Note 22 of the Company's Annual Report for the year ended 30 September 2021, as issued on 13 December 2021. There have been no changes to the management of these risks since that date, although the Company's exposure to liquidity and concentration risk has substantially reduced following the sale of the investment in MAM.

Notes to the Accounts

as at 31 March 2022

10. Majedie Asset Management Limited (MAM)

On 7 December 2021 Liontrust Asset Management PLC (Liontrust) announced that it had entered into a conditional agreement to purchase the entire share capital of MAM, in which the Company had a 17.6% shareholding. The transaction became unconditional on 25 March 2022 with completion in two parts, initially on 1 April 2022 and a final completion which is expected to be finalised and paid in June 2022.

The consideration for MAM shareholders is made up of shares in Liontrust and cash. Also before completion MAM shareholders will receive a 2021 year final dividend and a special dividend. The 2021 year final dividend has been taken to income (see note 2 on page 30).

Additionally there is further deferred consideration of cash and Liontrust shares which may potentially be due three years after completion that is dependent on future investment performance and growth in assets under management.

In accordance with IFRS 3 the transaction has been accounted for as follows:

	Half year ended 31 March 2022	
Consideration	£'000	£'000
Liontrust shares*	14,057	
Cash & Liontrust shares – to be finalised and due in June 2022^	255	
Cash – Special dividend	6,471	
Total consideration recognised		20,783
Book cost		540
Realised gain on the sale of MAM holding		20,243

* The consideration for the Liontrust shares is valued as per the reference price included in the agreement. The value of these shares using the share price of Liontrust shares as at 31 March 2022 is £8.2m.

^ The actual consideration will be known at final completion in June 2022 and includes Liontrust shares valued using the reference price as per the agreement. The consideration received will be amended once final figures are derived. The value of the consideration due using the Liontrust share price as at 31 March 2022 is £0.2m.

The additional deferred consideration aspect of the transaction has also been analysed to determine how and what value should be assigned to it. It has been determined that, at this time, no value should be assigned to the deferred consideration, however this will be reviewed regularly as required under IFRS 3.

11. Net Asset Value

The net asset value per share has been calculated based on Equity Shareholders' Funds and on 52,998,795 (31 March 2021: 53,013,887 and 30 September 2021: 53,005,887) ordinary shares, being the number of shares in issue at the relevant period end.

12. Share capital

	Half year ended 31 March 2022	Half year ended 31 March 2021	Year ended 30 September 2021
Opening balance	53,005,887	53,013,887	53,013,887
Shares purchased for cancellation	(7,092)		(8,000)
Closing balance	52,998,795	53,013,887	53,005,887

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

Notes to the Accounts

as at 31 March 2022

13. Reconciliation of Operating Profit to Operating Cash Flow

	Half year ended 31 March 2022 £'000	Half year ended 31 March 2021 £'000	Year ended 30 September 2021 £'000
Net (loss)/gain before taxation	(12,208)	20,917	26,897
Adjustments for:			
Losses/(gains) on investments	12,650	(18,808)	(23,839)
Accumulation dividends	(167)	(76)	(326)
Depreciation	31	34	66
Foreign exchange (losses)/gains		(2)	2
Purchases of investments	(13,936)	(39,344)	(47,536)
Sales of investments	23,671	38,787	46,496
	10,041	1,508	1,760
Finance costs	766	766	1,532
Operating cash flows before movements in working capital	10,807	2,274	3,292
(Decrease)/increase in trade and other payables	(28)	18	42
(Increase)/decrease in trade and other receivables	(96)	(80)	(106)
Net cash flow from operating activities before tax	10,683	2,212	3,228
Tax recovered	2	17	19
Tax on overseas dividends	(23)	(11)	(24)
Net cash inflow from operating activities	10,662	2,218	3,223

14. Reconciliation of changes in liabilities arising from financing activities

	1 October 2021 £000	Cash flows £000	Other (non cash) £000	Amortisation of expenses (non cash) £000	31 March 2022 £000
Long term borrowings					
£20.7m 7.25% 2025 debenture stock	20,595			14	20,609
Lease liability	203	(33)			170
Interest payable on debenture stock		(750)		750	
Interest payable on lease liability		(2)		2	
Total liabilities from financing activities	20,798	(785)		766	20,779
	1 October 2020 £000	Cash flows £000	Other (non cash) £000	Amortisation of expenses (non cash) £000	31 March 2021 £000
Long term borrowings					
£20.7m 7.25% 2025 debenture stock	20,570			12	20,582
Lease liability	250	(14)	(9)		227
Interest payable on debenture stock		(4)		4	
Interest payable on lease liability		(750)		750	
Total liabilities from financing activities	20,820	(768)	(9)	766	20,809

Notes to the Accounts

as at 31 March 2022

14. Reconciliation of changes in liabilities arising from financing activities *continued*

	1 October 2020 £000	Cash flows £000	Other (non cash) £000	Amortisation of expenses (non cash) £000	30 September 2021 £000
Long term borrowings					
£20.7m 7.25% 2025 debenture stock	20,570			25	20,595
Lease liability	250	(25)	(28)	6	203
Interest payable on lease liability		(1,501)		1,501	
Total liabilities from financing activities	20,820	(1,526)	(28)	1,532	20,798

15. Related Party Transactions

Majedie Asset Management (MAM) & Liontrust Asset Management PLC (Liontrust)

MAM was the Company's Investment Manager until 25 March 2022 (Liontrust subsequently, following its acquisition of MAM) providing investment management services under an Investment Agreement. The agreement provides for MAM/Liontrust to manage the Company's investment assets on both a segregated portfolio basis and also by investments into various collective investment vehicles or funds. Details of the Investment Agreement are contained in the material contracts section of the Directors' Report in the Company's Annual Report for the year ended 30 September 2021. As Investment Manager, MAM/Liontrust is entitled to receive investment management fees. In respect of the Segregated Portfolio these are charged directly to the Company and are shown as an expense in its accounts. Any management fees due in respect of the investments made into any funds are charged in the fund and are therefore included as part of the investment value of the relevant holding. MAM/Liontrust is also entitled to performance fees in respect of the investment in the Tortoise fund. The fees crystallise annually on 31 December and are calculated and charged against each individual investor. As such these are also shown as an expense in the Company's accounts and are charged wholly to capital. Details concerning the Company's investments in the period in the funds are shown in the Chief Executive's Report on pages 6 to 18.

15. Related Party Transactions *continued*

In addition to the above, the Company did have an investment in MAM itself but this has now been sold following the acquisition of MAM by Liontrust. Mr JWM Barlow was a non-executive director of MAM until 15 March 2022 but received no remuneration for this role. Details concerning the sale of the Company's investment in MAM are included in the Chief Executive's Report on pages 4 to 7 and in note 10.

The table below discloses the transactions and balances between the Company and those entities:

	Half year ended 31 March 2022 £'000	Half year ended 31 March 2021 £'000	Year ended 30 September 2021 £'000
Transactions during the period:			
Dividend income received from MAM	1,150	2,876	4,027
Consideration re the sale of the Company's holding in MAM	20,783		
Management fee income due to MAM/Liontrust (Segregated Portfolio only)	161	141	304
Balances outstanding at the period end:			
Between the Company and MAM/Liontrust (Segregated Portfolio investment management fees)	77	70	81
Value of the Company's investment in Liontrust	8,207		
Value of the Company's investment in MAM		25,310	25,161

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

16. Financial Information

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

The information for the year ended 30 September 2021 has been extracted from the latest published audited accounts. Those accounts have been filed with the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006. Those statutory accounts were prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

Company Information

Board of Directors

C D Getley, Chairman

J M Lewis

J W M Barlow (Executive)

A M J Little

R W Killingbeck

All Directors are non-executive unless indicated

Registered Office

1 King's Arms Yard

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E-mail: majedie@majedieinvestments.com

Registered number: 109305 England

Company Secretary

Link Company Matters Limited

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65 Gresham Street

London EC2V 7NQ

Fund Manager

Liontrust Investment Partners LLP

2 Savoy Court

London WC2R 0EZ

Telephone: 020 7412 1700

E-mail: info@liontrust.co.uk

Solicitor

Dickson Minto W.S.

16 Charlotte Square

Edinburgh EH2 4DF

Website

www.majedieinvestments.com

Depositary

The Bank of New York Mellon

(International) Limited

1 Canada Square

London E14 5AL

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

AIFM

Majedie Investments PLC

Registrars

Computershare Investor Services PLC

The Pavilions

Bridgwater Road

Bristol BS99 6ZZ

Telephone: 0370 707 1159

Auditors

Ernst & Young LLP

25 Churchill Place

Canary Wharf

London E14 5EY

Stockbrokers

J.P. Morgan Cazenove

25 Bank Street

London E14 5JP

Company Information

Financial Calendar

Year end 30 September

Annual results December

Half year results May

Annual General Meeting January

Dividends paid January and June

2022 Interim Dividend Timetable

The interim dividend for the period ended 31 March 2022 is 4.4p per share.

Ex-dividend date 1 June

Record date 6 June

Payment date 24 June

