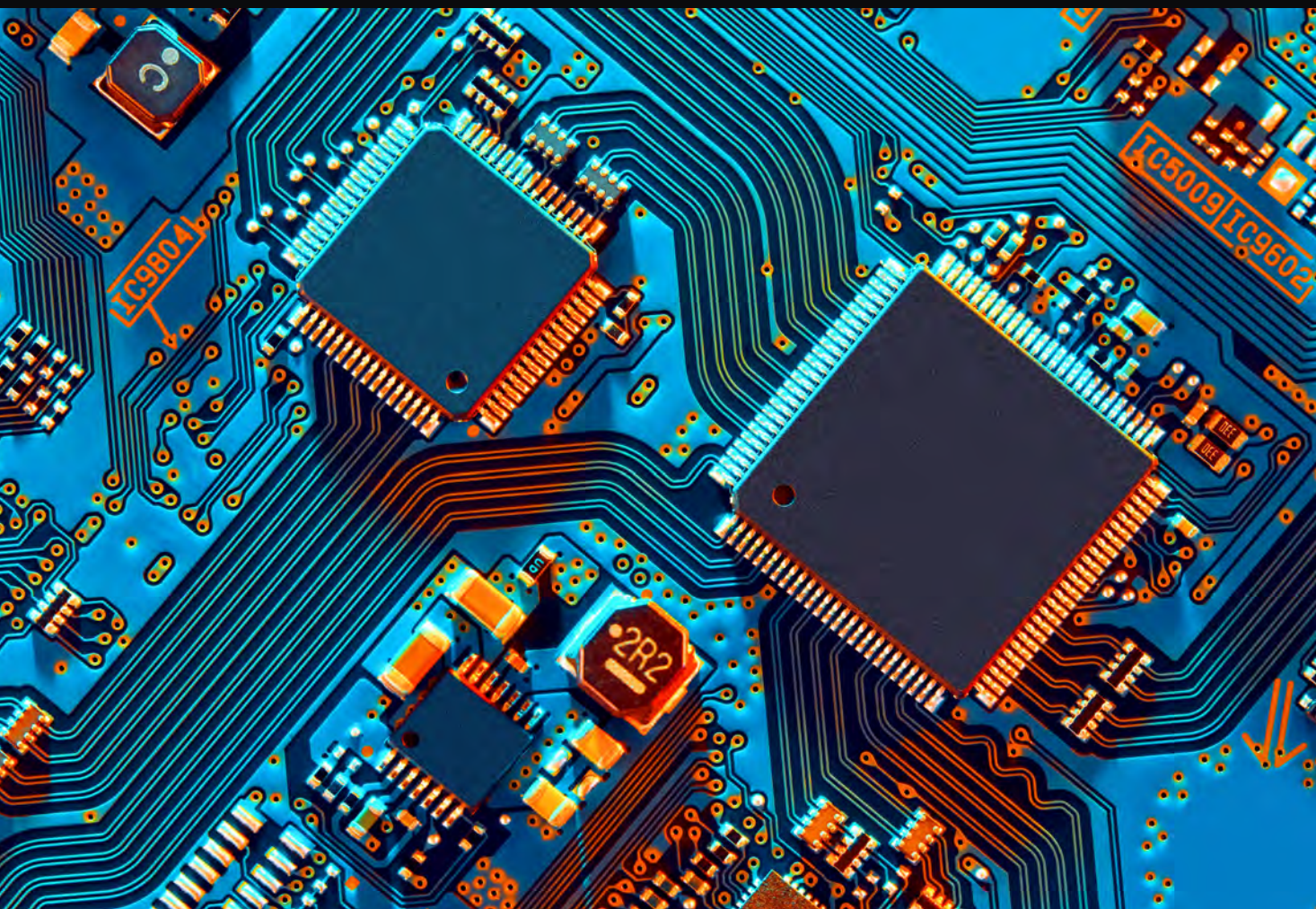


BlackRock

BlackRock Throgmorton Trust plc

Half Yearly Financial Report 31 May 2022



Keeping in touch

We know how important it is to receive up-to-date information about the Company. To ensure that you are kept abreast of developments, please visit our website at <https://go.blackrock.com/LP=2142> to sign up to the Trust Matters newsletter. You will then receive the latest factsheets, market commentary and insights from your Portfolio Manager. You will also be notified of our upcoming events and webinars. You can find further information about the Company on our website at www.blackrock.com/uk/thrg

General enquiries about the Company should be directed to the Company Secretary at: cosec@blackrock.com



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





Financial highlights

635.00p¹

Ordinary share price

-31.4%^{2,3}

672.58p

NAV per ordinary share

-26.3%^{2,3}

2.60p

Interim dividend

+4.0%

6.12p

Revenue earnings per share

+16.8%

£690.2m

Total net assets

-26.3%

NAV per share underperformed Benchmark Index⁴ by

-16.9%^{3,5}

Share price underperformed Benchmark Index⁴ by

-22.0%³

Percentage comparisons are period-on-period against 30 November 2021 for share price, net assets and NAV. Comparisons for revenue return and dividends are against figures for the six month period to 31 May 2021.

¹ Mid-market.

² Performance figures are calculated with dividends reinvested.

³ Alternative Performance Measure. See Glossary on page 35.

⁴ The Company use the Numis Smaller Companies plus AIM (excluding Investment Companies) Index as its Benchmark Index.

⁵ Calculated on NAV per ordinary share performance versus the Benchmark Index performance, both with dividends reinvested.

Why BlackRock Throgmorton Trust plc?

Investment objective

The Company's objective is to provide shareholders with long-term capital growth and an attractive total return through investment primarily in UK smaller and mid-capitalisation companies traded on the London Stock Exchange.

Reasons to invest



Outperforming asset class

The Company offers investors exposure to primarily UK smaller and mid-capitalisation companies, an asset class that has historically outperformed larger companies by 4% per annum.



Active management

Smaller and mid-capitalisation companies operate in a less efficient and under-researched area of the market, which makes it an attractive environment for active managers.



Additional alpha opportunities

We are able to increase our long exposure where we see opportunity, and can also short companies that we find unattractive, enabling the Company to profit if their share prices rise or fall in each case. This provides a differentiated source of alpha.



Flexible market exposure

The Company has an enhanced toolkit for generating outperformance. Leverage enables us to increase overall gross market exposure whilst varying the net exposure through time, with the aim of enhancing returns over the long-term.



Broader exposure

The Company is able to invest without restriction in AIM listed companies, has the ability to invest 15% of gross assets in companies listed overseas and 2.5% of net assets in unquoted companies. This further expands our investment universe and provides differentiation from other trusts in the market.



Proven track record

Proven strategy with a long-term track record of over 4.5% annualised outperformance over our Benchmark Index.²

¹ Source: Datastream. For the period 1955 to 2022, Numis Smaller Companies Index plus AIM (excluding Investment Companies) Total Return Index (previously known as Hoare Govett). Barclays Equity Total Return (December 1955 to December 2006), representative of smaller company performance. FTSE All-Share Total Return (January 2008 to May 2022), representative of larger company performance.

² Since BlackRock was appointed as Manager on 1 July 2008.



A member of the Association of Investment Companies

Further details about the Company, including the latest annual and half yearly financial reports, fact sheets and stock exchange announcements, are available on the website at www.blackrock.com/uk/thrg

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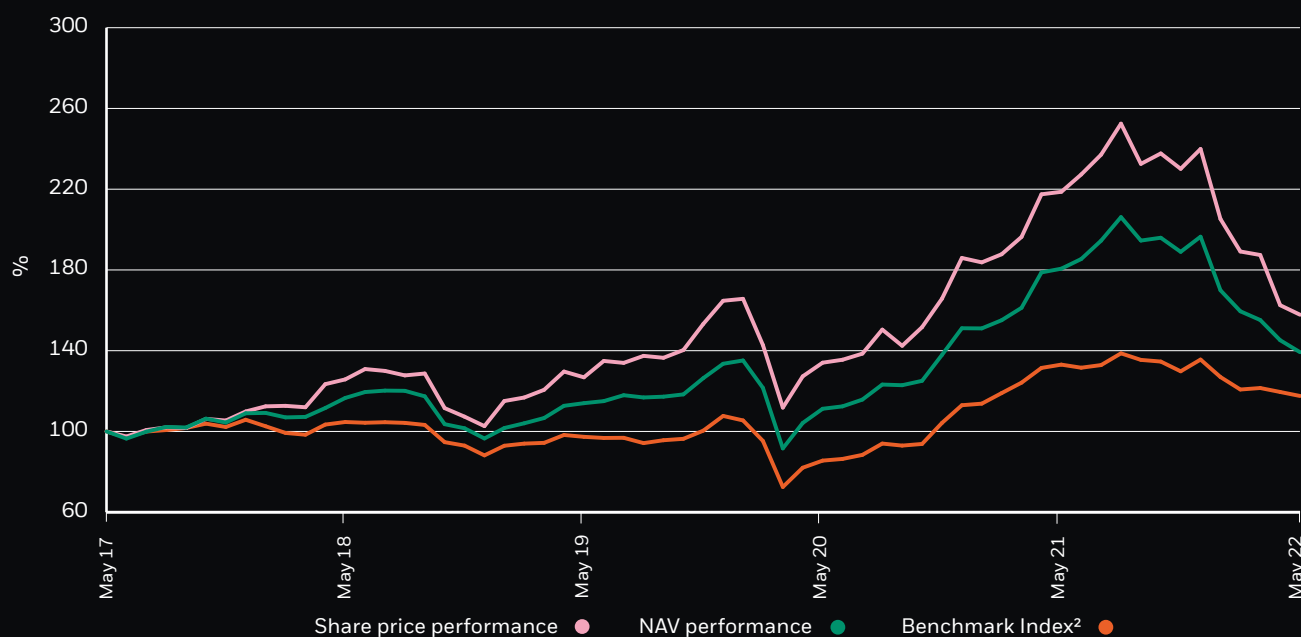
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Performance record

	31 May 2022 (unaudited)	30 November 2021 (audited)
Net assets (£'000) ¹	690,173	935,148
Net asset value per ordinary share (pence)	672.58	921.91
Ordinary share price (mid-market) (pence)	635.00	935.00
Benchmark Index ²	17,182.07	18,968.77
(Discount)/premium to cum income net asset value ³	(5.6)%	1.4%
Average (discount)/premium to cum income net asset value for the period/year ³	(1.8)%	1.2%
Performance (with dividends reinvested)		
Net asset value per share ³	-26.3%	+37.0%
Ordinary share price ³	-31.4%	+38.8%
Benchmark Index ²	-9.4%	+24.5%

	For the six months ended 31 May 2022 (unaudited)	For the six months ended 31 May 2021 (unaudited)	Change %
Revenue			
Net revenue profit on ordinary activities after taxation (£'000)	6,303	4,749	+32.7
Revenue return per ordinary share (pence) ⁴	6.12	5.24	+16.8
Dividends per ordinary share (pence)			
Interim	2.60	2.50	+4.0

Performance for the five years to 31 May 2022



Total return performance record, rebased to 100 at 31 May 2017.
Sources: BlackRock and Datastream.

- ¹ The change in net assets reflects market movements, share issues, the purchase of the Company's own shares and dividends paid during the period.
- ² The Company's Benchmark Index is the Numis Smaller Companies plus AIM (excluding Investment Companies) Index. With effect from 22 March 2018, the Numis Smaller Companies plus AIM (excluding Investment Companies) Index replaced the Numis Smaller Companies excluding AIM (excluding Investment Companies) Index as the Company's Benchmark Index. From 1 December 2013 to 21 March 2018, the Company's Benchmark Index was the Numis Smaller Companies excluding AIM (excluding Investment Companies) Index. Prior to 1 December 2013, the Company's Benchmark Index was the Numis Smaller Companies plus AIM (excluding Investment Companies) Index. The performance of the Benchmark Indices during these periods has been blended to reflect these changes.
- ³ Alternative Performance Measures, see Glossary on pages 35 to 38.
- ⁴ Further details are given in the Glossary on page 38.

Chairman's statement

Dear Shareholder

Period highlights

- NAV per ordinary share decreased by 26.3%, versus the Benchmark Index decrease of 9.4%
- Share price decreased by 31.4%
- Earnings per share increased by 16.8%
- Interim dividend declared of 2.60p per share (2021: 2.50p)
- 1,773,900 new ordinary shares were issued, and 594,670 ordinary shares were repurchased into treasury for a total consideration of £16,551,000 and £3,498,000 respectively

(All returns are in sterling terms with dividends reinvested.)



Christopher Samuel
Chairman

“Our portfolio manager has selected what he believes are the ‘best of breed’ UK smaller companies, with superior business models and competitive advantage, and which are well-placed to, over time, prosper as those competitors less able to adapt to rising operating costs and increased debt burdens flounder.”

Overview

The Board recognises that this has been a difficult period for both shareholders and the Company with the underperformance of our benchmark at the NAV level exacerbated by a widening discount. The past six months have been particularly challenging to navigate for the Company, with our Manager's growth style firmly out of favour as investors rushed from strongly performing growth companies into energy stocks, lower growth value and defensives. I would like to assure shareholders that although the half-year results have been disappointing, both the Board and our Manager remain focused on achieving the Company's objectives of providing shareholders with long-term capital growth and an attractive total return.

The period under review was dominated by significant geo-political instability and heightened market volatility as a result of the ongoing war in Ukraine and the devastating humanitarian crisis that has followed. The resulting energy supply shock, driven by concerns around energy and commodity scarcity, has seen energy and food prices soar, driving UK inflation to a 40 year high of 9.4% in June 2022.

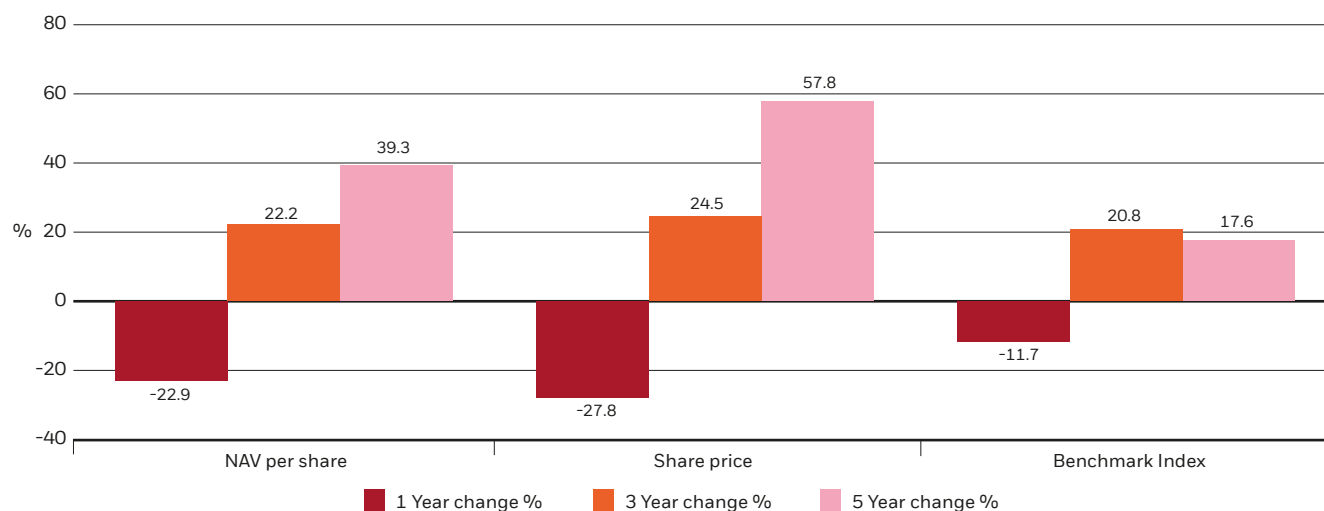
The outlook for the UK economy has deteriorated as powerful inflationary drivers acted to exacerbate residual COVID-19 related supply chain disruption. The invasion was also the catalyst for a further market rotation from growth to value stocks which saw many of our portfolio holdings de-rate, seemingly indiscriminately, and with, in many cases, no material change in the investment thesis or outlook. This was primarily led by the strong performance of energy stocks and a rotation away from more highly rated, fast growing, companies whose previous strong share price performance provided easy profit taking.

As is often the case at any time of significant macroeconomic uncertainty, the Company's investment universe of small and medium-sized companies has been disproportionately impacted, with UK Small & Mid-Cap stocks underperforming UK Large Caps by the largest amount for more than 20 years. To provide some context, the FTSE 100 is dominated by several large Oil & Gas companies which rallied strongly as the price of energy related commodities rose sharply. The Large Cap index is also less domestically focused, deriving a significant proportion of its revenues from overseas. These factors contributed to the relative under performance of

Chairman's Statement

continued

Performance record to 31 May 2022 (with dividends reinvested)



the UK Mid-Cap indices to which our portfolio is heavily exposed.

This market turmoil has left central banks with the unenviable task of navigating a fine line between intervening to address soaring inflation, while seeking to avoid derailing an already fragile economic recovery. In May of this year the Bank of England raised the base interest rate by 0.25 percentage points to 1%, with a further rise of 0.25 percentage points announced in June. Central bank rhetoric around the potential for further rate hikes later this year, coupled with other policy tightening measures, has led some to forecast that inflation will peak in the second half of the year. What is clear is that the rapidly rising cost of living is likely to result in lower consumer spending and higher operational costs for UK companies as the costs of raw materials, logistics and wages apply pressure to corporate profit margins.

Against this challenging economic backdrop, our portfolio manager remains optimistic about the longer term prospects for the companies within our portfolio, and for the asset class more broadly given the historic longer-term outperformance of UK smaller companies over their larger counterparts. In addition, he believes

that the market is presently expressing an overly pessimistic view of the outlook for the asset class, as reflected in current UK Small and Mid-Cap valuations. Whilst the market remains concerned over the sensitivity of UK listed companies to a weakening domestic economic outlook, it is important to note that for many of the Company's portfolio investments our portfolio manager considers that trading remains strong and their future growth prospects very compelling.

As you will read in Dan Whitestone's report which follows, our portfolio is constructed of differentiated and innovative companies, those with strong balance sheets that can provide financial resilience and the option to deploy capital to take advantage of the opportunities the market volatility will inevitably create. Our portfolio manager has selected what he believes are those UK smaller companies with superior business models and competitive advantage, and which are best-placed to, over time, prosper as those competitors less able to adapt to rising operating costs and increased debt burdens flounder.

Performance

Over the six months to 31 May 2022, the Company's Net Asset Value (NAV) return was -26.3% compared to a return of

-9.4% from the Company's Benchmark Index, an underperformance of 16.9%. The Company's share price decreased by 31.4%, underperforming the Benchmark Index by 22.0%, which resulted in the Company's share price ending the period on a discount to NAV of 5.6% (30 November 2021: a premium of 1.4%). Since the period end and up to the close of business on 18 July 2022, the Company's NAV has fallen by 9.6%, and the Benchmark Index has fallen by 9.1% (all figures with dividends reinvested).

This short-term performance should of course be viewed in the context of the strong, long-term, performance delivered over many years. Over the five-year period to 31 May 2022, the Company's NAV returned 39.3% and the share price returned 57.8%, versus the benchmark index return of 17.6% over the same period.

Further information on the Company's performance and the factors that contributed to performance during the period and the outlook for the second half of the financial year are set out in the Investment Manager's Report on pages 9 and 10.

Revenue return and dividends

The revenue return per share for the period amounted to 6.12 pence per share, compared to 5.24 pence per share earned during the same six-month period last year. This represents an increase of 16.8%. It is positive to see that despite the broader market turmoil the income generated through our investment portfolio has increased year-on-year.

The Board recognises that, although the Company's objective is capital growth, shareholders value consistency of dividends paid by the Company; an interim dividend of 2.60p per share (2021: 2.50p per share) has therefore been declared, payable on 26 August 2022 to shareholders on the register on 29 July 2022 (the ex-dividend date is 28 July 2022). The interim dividend is fully covered by revenue generated by the portfolio during the period.

Board composition and diversity

I am pleased to report that the Board is in compliance with the recently published recommendations of the BEIS-sponsored FTSE Women Leaders Review. The review sets new targets for FTSE 350 companies which are designed to achieve boards with 40% female representation (previously 33%) and at least one woman in the role of Chair or Senior Independent Director on the board by the end of 2025.

It is encouraging to note that the Company meets both of these requirements already. The Board has been 50% female since 2019 and in 2020, Mrs Nash was appointed Senior Independent Director. During the period under review, Mrs Nash accompanied the Chairman at several meetings with our major shareholders, seeking feedback on the Company and its activities, and also discussed developing corporate governance and best practice.

The Board has considered the recommendation of the Parker Review which is focused on increasing the ethnic diversity of UK boards. Historically, our Board has focused on matters of diversity, more broadly considering, amongst others, a balance of skill sets, gender, age, experience and independence as well as the selection process itself when determining the Board's succession plans. We believe this is demonstrated through the ongoing refreshment of the Board, an appropriate range of director age and tenure ensuring there is a suitable balance of experience and corporate memory, as well as regular infusions of new thinking and alternative approaches.

The Board recognises the benefits of diversity, including that of ethnicity, and therefore it intends to comply with the Parker Review recommendation that FTSE 350 companies have at least one director from an ethnically diverse background by 2024.

In order to achieve compliance with this target, the Board has agreed that it will incorporate this diversity characteristic into its succession plans and any search brief and the Board may engage a specialist recruitment firm to assist it in achieving its Board diversity objectives.

Environmental, Social and Governance (ESG) integration

The Board recognises that ESG issues can present both opportunities and risks to long-term investment performance. An assessment of these issues forms an important part of the decision-making process of the Investment Manager, though the Company does not exclude investments based solely on ESG criteria. These considerations also guide BlackRock, the Investment Manager, in its stewardship of portfolio companies and its assessment of the issues on which to engage with investee companies, how this is best done and whether or not to support proposals put to shareholders.

BlackRock incorporates material ESG information and consideration of sustainability risks into investment decisions in order to seek to enhance risk-adjusted returns. ESG insights and data, including sustainability risks, are considered as part of the investment process, including company research and portfolio construction. These ESG insights are not the sole consideration when making investment decisions; ESG integration does not change the Company's investment objective or policy or constrain the investable universe. The extent to which ESG insights are considered during investment decision-making will also be determined by other factors including, for example, the portfolio company's sector and operations.

Share price premium/discount

During the six months to 31 May 2022, the Company's share price premium/discount to NAV ranged between a premium of 2.7% and a discount of 14.3%, ending the period at a discount of 5.6%. This compares very favourably with the weighted average discount of the UK Smaller Companies peer group which ended the period at a discount of 13.0%. As at 18 July 2022, the Company's shares were trading at a discount of 6.6% versus the peer group discount of 13.1%.

There were two distinct market environments during the period under review. During the four months to 31 March 2022 we saw demand for the Company's shares increase. The Company consequently issued a total of 1,773,900 new shares for a total consideration of £16.6m. All shares were issued at a premium to the prevailing NAV and were therefore accretive to existing shareholders. The issue of new shares has not only prevented an excessive premium arising but has also benefitted existing shareholders as it increases the size of the Company and therefore the fixed costs borne by shareholders are shared over a wider asset base. The issue of new shares can also act to increase liquidity, helping to moderate

Chairman's Statement

continued

any undesirable volatility in our share rating that may arise.

Russia's invasion of Ukraine and the associated energy supply shock witnessed our share rating, and that of the peer group, deteriorate in April as the UK Smaller Companies sector fell out of favour. The Company's share price traded at a discount to NAV and following consultation with the Manager and the Company's corporate broker, the Board determined that it was in shareholders' interests to seek to buy back shares with the objective of ensuring that an excessive discount to NAV did not arise.

The Company has not bought back its own shares for many years and, as I have mentioned in the past, the Board believes that the best way of addressing any discount over the longer term is to generate good performance and to create demand for the Company's shares in the secondary market through broadening awareness of the Company's unique structure and other attractions.

In determining whether the premium/discount to NAV at which the Company's shares trade is excessive or otherwise, the Board considers several factors. These may include but are not limited to: whether the share rating is commensurate with the current demand for UK Smaller Companies and whether the Company's shares were trading in normal market conditions; the ongoing attractiveness of the investment proposition, in particular the strength of the portfolio management team and process; and the strong long-term performance delivered for shareholders, both in absolute and relative terms.

During the period the Company bought back a total of 594,670 ordinary shares for a total consideration of £3.5m to be held in treasury. The advantage of holding shares in treasury over cancelling them is that they remain listed. This means that where there is an opportunity to re-issue these shares, the Company does not have to

pay additional fees for admission to trading as would be required with an issue of new shares. It is the Board's policy that it will generally only take shares into treasury where it believes there is a reasonable likelihood of re-issue in the future. Since 31 May 2022 and up to the latest practicable date of 18 July 2022, a further 537,757 shares have been bought back for a total consideration of £3,006,000. All shares were bought back at a discount to the prevailing NAV and were therefore accretive to existing shareholders.

Following this share buy back activity the Company's discount narrowed substantially from 14.3% to 5.6% at the period end, comparing favourably with the peer group weighted average discount of 13.0%. The Board believes that this action has been effective in achieving the Board's objectives and was in shareholders' interests.

As we seek to navigate these more volatile and uncertain markets your Board will continue to monitor the Company's share rating and may deploy its powers to issue or buy back the Company's shares where it believes that it is in shareholders' long-term best interests to do so. As it does each year, the Board will once again seek to renew the authorities granted by shareholders to issue or buy back shares at the Company's AGM.

As I mentioned in my Chairman's Statement in last year's annual report, the size of the Company, and the extent and speed of any further share issuance, will continue to be kept under close review. There can be no certainty that share issuance will continue at the same level that it has in previous years and as a result it is possible that the Company's shares may in future trade at a higher premium to NAV than they have in the past. Conversely, although we have seen fit to buy back shares during the period, the Board will continue to consider whether such action in the future is in shareholders' long-term interests on a case-by-case basis and with the overarching objective that the Company's shares

should not trade at an excessive discount to NAV.

Shareholder communication

We appreciate how important access to regular information is to our shareholders. To supplement our Company website, we now therefore offer shareholders the ability to sign up to the Trust Matters newsletter which includes information on the Company as well as news, views and insights on the investment trust market. Information on how to sign up is included on the inside cover of this report.

Outlook

As we move into the second half of the year, the Board shares our portfolio manager's view that company specifics and the strong trading reported by many of the constituents of our portfolio can triumph over the macroeconomic malaise currently weighing heavily on UK smaller company valuations and that we will, in time, see a return to the strong and consistent investment performance delivered to shareholders over many years.

Our portfolio manager's fundamental philosophy remains unchanged, with a continued focus on financially strong companies with innovative and disruptive business models and differentiated offerings which are capable of delivering sustained growth over time. This approach has served the Company well over many years and the Board remains fully supportive of our portfolio manager.

Christopher Samuel

Chairman
20 July 2022

Investment manager's report

For the six months ended 31 May 2022



Dan Whitestone
Portfolio Manager

“We firmly believe that our investments have exciting long-term futures and will capitalise on this uncertain period which in turn will reward loyal shareholders in the years to come.”

Market review and overall investment performance

Volatility has been a key feature of equity markets during the first half of the financial year, with concerns around inflation, monetary tightening, the humanitarian and geo-political ramifications of Russia's invasion of Ukraine and COVID-19 all driving large scale market moves. For the most part, the strongest sectors have been the energy-related sectors and those deemed most defensive as investors continue to grapple with the fear of an economic slowdown. Within the UK equity market, the effect of this can be seen in the gap between the performance year-to-date of the FTSE 100 (make up is over 50% in resources, staples and healthcare) and the FTSE 250, which now has the largest dispersion on record, and we think gives some measure of the extremes of positioning caused by current events. The period has also been characterised by a marked stock market rotation from growth to value, negatively impacting the Company's positioning as companies with strong growth prospects and solid financial foundations have retraced in recent months as investors question the appropriate valuation for long duration assets in a rising interest rate environment.

Performance review

Performance during the first half of the year has been disappointing,

with the Company's NAV returning -26.3%, while our Benchmark Index has fallen by 9.4%. This is clearly not where we would wish the portfolio to be at the half-year stage, and although we acknowledge that shareholders will find this underperformance disappointing, the Company's longer-term track record of absolute and relative performance remains strong. This is not to make an excuse, only to observe that this is a volatile investment universe but the gains over the long term can prove very attractive and the philosophy and process of this Company have delivered returns comfortably in excess of the Benchmark Index.

Navigating a period where our investment style is out of favour reflecting the recent rotation away from growth to value shares is always going to be difficult, but unfortunately, we started 2022 with a large gross and net exposure. To stress, this was not a direct call on the market, but to reflect our conviction in our investments following a strong reporting period through late 2021 and indeed the confidence of the management teams that have guided their companies through very difficult times such as the Global Financial Crisis, and the outlook for revenue and profit growth they believe they are capable of generating. Whilst financial reporting overall has been generally positive this year many of our shares have de-rated through the period and of course this effect

Investment manager's report

continued

on the NAV has been magnified by the Company's gearing. Furthermore, the Company's large exposure to Consumer Services, Financials, and Industrials has been a headwind, as has been our underweight exposure to Resources and Basic Materials.

It is important to draw the distinction between a period of fund underperformance by a de-rating in profitable growth companies with strong balance sheets and exciting growth prospects, like your Company has endured, as opposed to permanent capital loss through a series of negative investment case developments in speculative cash consumptive loss-making businesses. Whilst voices may grow louder about the discount rate and "what's the right p/e multiple", it is worth stressing that we see this share price underperformance very much as a transient period and do not see the falls in our long positions as reflective of permanent loss of capital. Whilst we can't predict the precise timing of this recovery, we firmly believe that these investments have exciting long-term futures and will capitalise on this uncertain period which in turn will reward loyal shareholders in the years to come.

Whilst the economic outlook has undoubtedly become more challenging post Russia's invasion of Ukraine, a slowdown looks unavoidable as rising input costs and supply chain challenges weigh on demand both at the consumer and corporate level. Our companies have strong financial frameworks where a large percentage of their market value is in cash which affords protection in a downturn but also provides capital to fund buy-backs or make acquisitions to drive faster earnings recovery.

At a stock specific level, many of the largest detractors year-to-date have been holdings in UK mid-caps which have been aggressively sold off throughout the period, which we feel has largely happened regardless of their end market exposure. For example, **Watches of Switzerland** has been one of the largest detractors during the year, which we would attribute to ongoing concerns around

the outlook for the consumer despite the supply limitations of the industry and the robustness of demand. Whilst the outlook for the consumer has deteriorated, we do not see the "cost of living" crisis as a particularly acute problem for high-end luxury watches where demand continues to far exceed supply. **Impax Asset Management (Impax)** has seen mark-to-market downgrades on falling equity markets, but Impax continues to see net inflows reflecting the long-term strength of its franchises and its ability to continue to take market share. **Gamma Communications** also delivered two positive updates through the period, but the shares were weak along with many other UK mid-cap names.

One position worth highlighting is **IntegraFin**, a UK wealth management platform for advisers, which did disappoint the market over their guidance for costs. The major feature of this business should be high levels of recurring (and growing) revenues and this has indeed been true. However, the company has felt it necessary to take a step up in operating spend to deliver best in class service and so margins will need to fall back from the mid 40% range. This should not really change the fundamental long term investment case but it is a disappointment given previous statements on cost control; we have reduced the position accordingly.

There is little value to add from listing several shares which individually have made a positive contribution to performance given the overall underperformance of the Company. However, we do feel it is worth noting that many of our holdings have continued to trade extremely well. **WH Smith** is one example which reported strong trading on a rebound in travel volumes notably in the USA. There were therefore earnings upgrades following its results and the shares rebounded sharply.

Portfolio Positioning & Outlook

Overall, this has been a very 'macro' driven year to date. When looking at individual company results and looking at the state of company P & L's and

balance sheets, we are often struck by just how much protection and upside there is, which is why we have retained our exposure and remain modestly net long. Acknowledging the heightened levels of uncertainty and recognising that strong numbers aren't translating into instant share price recovery in this market back-drop, we reduced the gross exposure to c.115% and the net to around 102% (as a percentage of net assets).

A valid market concern is that sell-side forecasts look too high, certainly true in some cases (but not all), with the result that share prices have certainly moved. We believe many of our longs are already pricing in very bearish scenarios (indeed as some of our short positions are now, which we've reduced) and we continue to believe in the ability of many of our longs to achieve double-digit growth over many years. Some names are now trading on free cash flow yields of 4-5% and as such represent significant value for us. It would seem many of the management teams agree, judging by the size of share buy-back programmes that have been commenced in recent weeks, and, as we have articulated before, we own many companies where a sizeable percentage of their market cap is in net cash. Furthermore, at a time of increased economic uncertainty, we think differentiated companies with strong pricing power and enviable market positions and long-term prospects for earnings growth are more valuable than ever.

We understand that the year to date may have been a disappointing period for our shareholders. We appreciate your ongoing support and can assure you that our confidence in the recovery of our long book is undiminished. We remain of the view that there is significant upside to come in time.

Dan Whitestone

BlackRock Investment Management (UK) Limited
20 July 2022

Portfolio of investments

Top Ten

1 ▲ **Gamma Communications*** (2021: 3rd)

Mobile Telecommunications

Market value: £23,429,000

Share of net assets: 3.4% (2021: 3.1%)

Provider of communication services to UK businesses.

2 ▼ **Electrocomponents** (2021: 1st)

Support Services

Market value: £22,237,000¹

Share of net assets: 3.2% (2021: 3.5%)

Distributor of industrial and electronic products.

3 ▲ **CVS Group*** (2021: 12th)

General Retailers

Market value: £21,184,000

Share of net assets: 3.1% (2021: 1.9%)

Operator of veterinary surgeries.

4 ▼ **Watches of Switzerland** (2021: 2nd)

Personal Goods

Market value: £20,721,000

Share of net assets: 3.0% (2021: 3.3%)

Retailer of luxury watches.

5 ▲ **Auction Technology Group** (2021: 7th)

General Retailers

Market value: £19,859,000¹

Share of net assets: 2.9% (2021: 2.7%)

Operator of marketplaces for curated online auctions.

6 ▶ **Oxford Instruments** (2021: 6th)

Electronic & Electrical Equipment

Market value: £19,449,000¹

Share of net assets: 2.8% (2021: 2.7%)

Designer and manufacturer of tools and systems for industry and research.

7 ▲ **YouGov*** (2021: 10th)

Media

Market value: £18,867,000

Share of net assets: 2.7% (2021: 2.3%)

Provider of survey data and specialist data analytics.

8 ▲ **WH Smith** (2021: 24th)

General Retailers

Market value: £17,276,000

Share of net assets: 2.5% (2021: 1.5%)

Retailer of books, stationery, magazines, newspapers and confectionery.

9 ▼ **Dechra Pharmaceuticals** (2021: 8th)

Pharmaceuticals & Biotechnology

Market value: £15,869,000

Share of net assets: 2.3% (2021: 2.5%)

Developer and supplier of pharmaceutical and other products focused on the veterinary market.

10 ▼ **Impax Asset Management*** (2021: 4th)

Financial Services

Market value: £15,544,000

Share of net assets: 2.2% (2021: 2.9%)

Provider of asset management services.

* Traded on the Alternative Investment Market (AIM) of the London Stock Exchange.

¹ Includes long derivative positions.

Arrows indicate the change in the relative ranking of the position in the top ten holdings compared to its ranking as at 30 November 2021.

All percentages reflect the value of the holding as a percentage of net assets.

Percentages in brackets represent the value of the holding as at 30 November 2021.

Portfolio of investments

continued

#	Company	£'000	%	Description
11	Baltic Classifieds Group Software & Computer Services	15,483 ¹	2.2	Operator of online classified businesses in the Baltics
12	Computacenter Software & Computer Services	15,426 ¹	2.2	Computer services
13	IntegraFin Financial Services	14,606 ¹	2.1	UK savings platform for financial advisors
14	Ergomed* Pharmaceuticals & Biotechnology	14,283 ¹	2.1	Provider of pharmaceuticals services
15	SigmaRoc* Construction & Materials	14,106	2.0	Buy-and-build group targeting construction materials assets in the UK and Northern Europe
16	Sirius Real Estate Real Estate Investment & Services	13,763	2.0	Owner and operator of business parks, offices and industrial complexes in Germany
17	Workspace Group Real Estate Investment Trusts	13,366 ¹	1.9	Supply of flexible workspace to businesses in London
18	Grafton Group Support Services	13,051	1.9	Builders merchants in the UK, Ireland and Netherlands
19	Next Fifteen Communications* Media	12,881	1.9	Provider of digital communication products and services
20	Leslie's Leisure Goods	12,864 ¹	1.9	US direct to consumer retailer of swimming pool maintenance products
21	Breedon* Construction & Materials	12,447	1.8	Supplier of construction materials
22	Diploma Support Services	12,252 ¹	1.8	Supplier of specialised technical products and services
23	Dunelm Group General Retailers	11,635 ¹	1.7	Retailer of homeware products
24	Mattoli Woods* Financial Services	11,026	1.6	Provider of wealth management services
25	Euronext Financial Services	10,768 ¹	1.6	European stock exchange
26	Tatton Asset Management* Financial Services	10,728	1.5	Provision of discretionary fund management services to the IFA market
27	XP Power Electronic & Electrical Equipment	10,431	1.5	Leading provider of power solutions
28	Games Workshop Leisure Goods	10,138 ¹	1.5	Developer, publisher and manufacturer of miniature war games
29	4imprint Group Media	10,113	1.5	Supplier of promotional merchandise in the US
30	Bytes Technology Software & Computer Services	9,639	1.4	Specialist in software, security and cloud services
31	Alliance Pharma* Pharmaceuticals & Biotechnology	9,526	1.4	Distributor of pharmaceutical and healthcare products
32	Qinetiq Group Aerospace & Defence	9,166	1.3	Provider of scientific and technological services to the defence, security and aerospace markets
33	Spirent Technology Hardware & Equipment	9,059	1.3	Multinational telecommunications testing
34	Morgan Sindall Construction & Materials	8,818 ¹	1.3	Supplier of office fit out, construction and urban regeneration services
35	Genuit Group Construction & Materials	8,464	1.2	Manufacturer of plastic piping systems
36	Treatt Chemicals	8,118	1.2	Developer and manufacturer of ingredients for the flavour and fragrance industry
37	Pets at Home General Retailers	8,083	1.2	Retailer of pet supplies
38	Learning Technologies* Software & Computer Services	8,005	1.2	Provider of e-learning services
39	DiscoverIE Electronic & Electrical Equipment	7,459 ¹	1.1	International designer, manufacturer and supplier of customised electronics
40	Robert Walters Support Services	7,125	1.0	Provider of specialist recruitment services

#	Company	£'000	%	Description
41	Dart Group* Travel & Leisure	7,002	1.0	Low cost tour operator and airline
42	Londonmetric Property Real Estate Investment Trusts	6,998 ¹	1.0	Investor in, and developer of property
43	Spectris Electronic & Electrical Equipment	6,686	1.0	Supplier of productivity enhancing instrumentation and controls
44	OSB Group Financial Services	6,674	1.0	Specialist lending business
45	Alfa Financial Software Software & Computer Services	6,652	1.0	Provider of software to the finance industry
46	Howden Joinery Group General Retailers	6,429 ¹	0.9	Kitchen and joinery product supplier
47	Safestore Real Estate Investment Trusts	6,079	0.9	Provider of self-storage units
48	GB Group* Software & Computer Services	6,016	0.9	Developer and supplier of identity verification solutions
49	Young & Co's Brewery* Travel & Leisure	6,014	0.9	Owner and operator of pubs mainly in the London area
50	Johnson Service Group* Support Services	6,005	0.9	Provider of textile services
51	Hunting Oil Equipment and Services	5,763 ¹	0.8	Oil services business
52	Boku* Support Services	5,585	0.8	Digital payments platform
53	AJ Bell Financial Services	5,426	0.8	UK savings platform for financial advisors & individual investors
54	Team17* Leisure Goods	5,265	0.8	Video game developer and publisher
55	Restore* Support Services	5,018	0.7	Records management business
56	Xero* Software & Computer Services	5,005 ¹	0.7	Software company specialising in accounting for small businesses
57	Axon Enterprise Support Services	4,972 ¹	0.7	US based provider of technology and weapons products
58	The Pebble Group* Media	4,892	0.7	Designer and manufacturer of promotional goods
59	Clarkson Industrial Transportation	4,862	0.7	Provider of shipping services
60	Accesso Technology* Software & Computer Services	4,857 ¹	0.7	Provider of ticketing and virtual queuing solutions
61	Polar Capital Holdings* Financial Services	4,698	0.7	Provider of investment management services
62	Hiscox Non-life Insurance	4,542 ¹	0.6	Provision of insurance services
63	Judges Scientific* Electronic & Electrical Equipment	4,537	0.6	Designer and producer of scientific instruments
64	Moneysupermarket.com Software & Computer Services	4,425 ¹	0.6	Price comparison website specialising in financial services
65	Rotork Electronic & Electrical Equipment	4,404	0.6	Manufacturer of industrial flow equipment
66	GlobalData* Media	4,254 ¹	0.6	Data analytics and consulting
67	Zotefoams Chemicals	3,939 ¹	0.6	Manufacturer of polyolefin foams used in sport, construction, marine, automation, medical equipment and aerospace
68	Anpario* Pharmaceuticals & Biotechnology	3,900	0.6	Manufacturer and distributor of natural animal feed additives for animal health, nutrition and biosecurity
69	Ashmore Group Financial Services	3,858 ¹	0.6	Emerging Market focused investment manager
70	Hill & Smith Holdings Industrial Metals & Mining	3,853	0.6	Supplier of infrastructure products and galvanizing services

Portfolio of investments

continued

#	Company	£'000	%	Description
71	Babcock International Group Aerospace & Defence	3,767	0.6	British aerospace, defence and nuclear engineering services company
72	Animalcare Group* Pharmaceuticals & Biotechnology	3,709	0.5	Veterinary pharmaceuticals business
73	Eckoh* Software & Computer Services	3,690	0.5	Global provider of secure payments products
74	Advanced Medical Solutions Group* Healthcare Equipment & Services	3,586 ¹	0.5	Developer and manufacturer of advanced wound care solutions
75	Domo Software & Computer Services	3,309 ¹	0.5	US based operator of mobile, cloud-based operating systems
76	Porvair Industrial Engineering	3,223	0.5	Specialist filtration and environmental technology
77	SThree Support Services	3,117	0.4	Provider of specialist professional recruitment services
78	888 Travel & Leisure	2,997	0.4	Operator and platform for online gaming
79	Vistry Group Household Goods & Home Construction	2,931	0.4	UK housebuilder
80	Five9 Software & Computer Services	2,875 ¹	0.4	Provider of cloud-based contact centre software
81	Kainos Group Software & Computer Services	2,854 ¹	0.4	Provider of digital technology solutions
82	Genus Pharmaceuticals & Biotechnology	2,821	0.4	Animal genetics company
83	Balfour Beatty Construction & Materials	2,730 ¹	0.4	Multinational infrastructure group
84	Luceco Electronic & Electrical Equipment	2,703	0.4	Supplier and manufacturer of high quality LED lighting products
85	Renishaw Electronic & Electrical Equipment	2,696	0.4	Engineering and scientific technology company
86	Kier Group Support Services	2,663	0.4	UK construction, services and property group
87	AB Dynamics* Industrial Engineering	2,577	0.4	Developer and supplier of specialist automotive testing systems
88	Gooch & Housego* Electronic & Electrical Equipment	2,516	0.4	Designer and manufacturer of advanced photonic systems
89	Craneware* Software & Computer Services	2,366	0.3	Provider of financial business software for US hospitals
90	Moonpig General Retailers	2,211	0.3	Internet based provider of personalised cards and gifts
91	MaxCyte* Pharmaceuticals & Biotechnology	1,791	0.3	Clinical-stage global cell-based therapies and life sciences company
92	Serica Energy* Oil, Gas & Coal	1,574	0.2	Oil and gas producer
93	Health Catalyst Healthcare Equipment & Services	1,386 ¹	0.2	Provider of data and analytics technology and services to healthcare organizations
94	Chapel Down† Beverages	1,117	0.2	UK producer of sparkling and still wines, and Curious beers and ciders
Long investment positions (excluding BlackRock's Institutional Cash Series plc - Sterling Liquid Environmentally Aware Fund)		751,083	108.8	
Short investment positions		(43,347)	(6.3)	

¹ Includes long derivative positions.

* Traded on the Alternative Investment Market (AIM) of the London Stock Exchange.

† Traded on the Aquis Stock Exchange (AQSE) (formally the NEX exchange). AQSE is a stock market providing primary and secondary markets for equity and debt products. It is permitted as a Recognised Investment Exchange, which allows it to operate a regulated listings venue.

Percentages shown are the share of net assets.

At 31 May 2022, the Company held equity interests in 5 companies comprising more than 3% of a company's share capital as follows: Tatton Asset Management: 4.3%; SigmaRoc: 3.4%; Eckoh: 3.3%; Mattioli Woods: 3.1%; and Anpario: 3.0%.

Fair value and gross market exposure of investments

as at 31 May 2022

	Fair value ¹	Gross market exposure ²	Gross market exposure as a % of net assets ²		
	£'000	£'000	31 May 2022	31 May 2021	30 November 2021
Long investment positions (excluding BlackRock's Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund)	632,020	751,083	108.8	121.8	121.4
Short investment positions ¹	(816)	(43,347)	(6.3)	(1.5)	(2.7)
Cash and cash equivalents ^{1,3}	228	(76,304)	(11.0)	(21.8)	(21.1)
BlackRock's Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund	67,645	67,645	9.8	3.1	2.7
Other net current liabilities	(8,904)	(8,904)	(1.3)	(1.6)	(0.3)
Net assets	690,173	690,173	100.0	100.0	100.0

The Company uses gearing through the use of long and short CFD positions. Gross and Net Gearing as at 31 May 2022 were 115.1% and 102.5% respectively (31 May 2021: 123.3% and 120.3%; year ended 30 November 2021: 124.1% and 118.7%). Gross and Net Gearing are Alternative Performance Measures, see Glossary on pages 35 to 38.

¹ Fair value is determined as follows:

- Listed and AIM quoted investments are valued at bid prices where available, otherwise at published price quotations.
- The sum of the fair values of the long and short investment positions above is determined based on the difference between the purchase or transaction price and value of the underlying shares in the contract (in effect the unrealised gains/(losses) on the exposed positions). The cost of purchasing the securities held through long derivative positions directly in the market would have amounted to £119,063,000 at the time of purchase, and subsequent market rises in prices have resulted in unrealised gains on the long derivative positions of £8,737,000, resulting in the value of the total market exposure to the underlying securities increasing to £127,800,000 as at 31 May 2022.
- The notional price of selling the securities to which exposure was gained via the short derivative positions would have been £42,531,000 at the time of entering into the contract, and subsequent price rises have resulted in unrealised losses on the short derivative positions of £816,000 and the value of the market exposure of these investments increasing to £43,347,000 at 31 May 2022. If the short derivative positions had been closed on 31 May 2022 this would have resulted in a loss of £816,000 for the Company.

² Market exposure in the case of equity investments is the same as fair value. In the case of long and short derivative positions it is the market value of the underlying shares to which the portfolio is exposed via the contract.

³ The gross market exposure column for cash and cash equivalents has been adjusted to assume the Company traded direct holdings rather than exposure being gained through long and short investment positions.

Distribution of investments

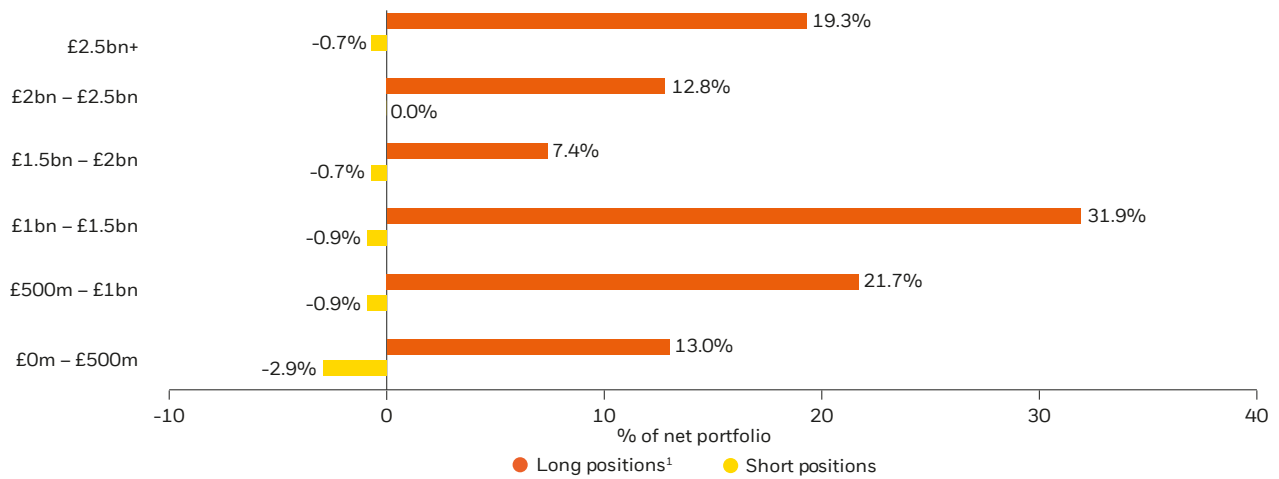
as at 31 May 2022

Sector	% of long portfolio	% of short portfolio	% of net portfolio
Oil Equipment and Services	0.8	0.0	0.8
Oil, Gas & Coal	0.3	0.0	0.3
Oil & Gas	1.1	0.0	1.1
Chemicals	1.7	(0.1)	1.6
Industrial Metals & Mining	0.6	0.0	0.6
Basic Materials	2.3	(0.1)	2.2
Renewable Energy Equipment	0.0	(0.2)	(0.2)
Energy	0.0	(0.2)	(0.2)
Aerospace & Defence	1.8	0.0	1.8
Construction & Materials	6.6	(0.4)	6.2
Electronic & Electrical Equipment	8.6	0.0	8.6
Industrial Engineering	0.8	0.0	0.8
Industrial Transportation	0.7	0.0	0.7
Support Services	11.6	(0.2)	11.4
Industrials	30.1	(0.6)	29.5
Beverages	0.2	0.0	0.2
Household Goods & Home Construction	0.4	(0.2)	0.2
Personal Goods	2.9	(0.2)	2.7
Consumer Staples	3.5	(0.4)	3.1
Healthcare Equipment & Services	0.7	(0.4)	0.3
Pharmaceuticals & Biotechnology	7.3	0.0	7.3
Health Care	8.0	(0.4)	7.6
General Retailers	12.2	(0.3)	11.9
Household Furnishings	0.0	(0.1)	(0.1)
Leisure Goods	4.0	0.0	4.0
Media	7.2	0.0	7.2
Specialty Retailers	0.0	(0.3)	(0.3)
Travel & Leisure	2.3	0.0	2.3
Consumer Discretionary	25.7	(0.7)	25.0
Closed-end Investments	0.0	(0.4)	(0.4)
Financial Services	11.8	(2.9)	8.9
Non-life Insurance	0.6	0.0	0.6
Financials	12.4	(3.3)	9.1
Real Estate Investment & Services	1.9	0.0	1.9
Real Estate Investment Trusts	3.7	(0.2)	3.5
Real Estate	5.6	(0.2)	5.4
Software & Computer Services	12.8	(0.1)	12.7
Technology Hardware & Equipment	1.3	(0.1)	1.2
Technology	14.1	(0.2)	13.9
Mobile Telecommunications	3.3	0.0	3.3
Telecommunications	3.3	0.0	3.3
Total Investments	106.1	(6.1)	100.0

The above percentages are calculated on the net portfolio as at 31 May 2022. The net portfolio is calculated as long equity and derivative positions, less short derivative positions as at 31 May 2022.

Analysis of the portfolio

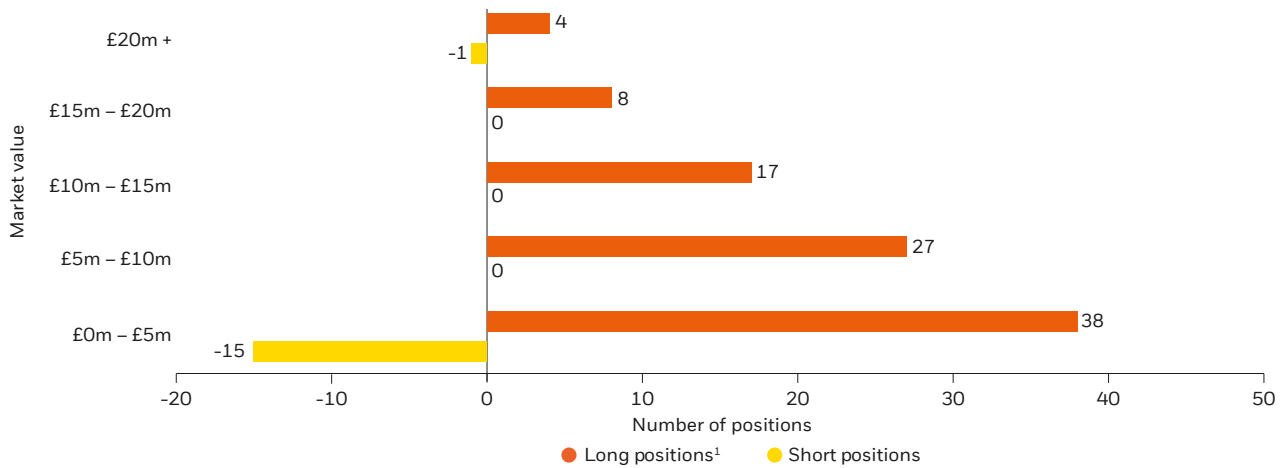
Market capitalisation as at 31 May 2022



¹ The above investments may comprise exposures to long equity and long derivative positions.

Source: BlackRock.

Position size as at 31 May 2022

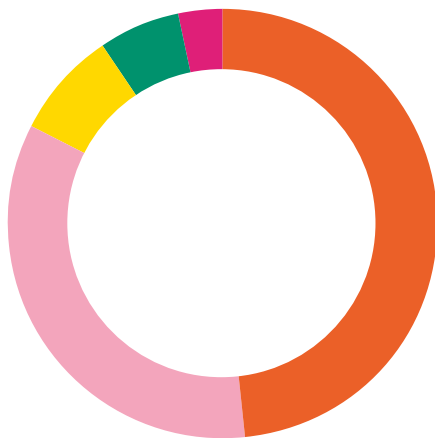


¹ The above investments may comprise exposures to long equity and long derivative positions.

Source: BlackRock.

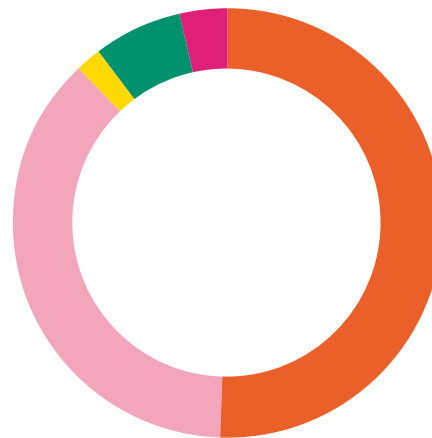
Portfolio holdings within Key Benchmark Indices

Gross Basis¹



- FTSE 250 **48.6%**
- FTSE AIM **34.1%**
- Other **7.9%**
- FTSE Small Cap **6.3%**
- FTSE 100 **3.1%**

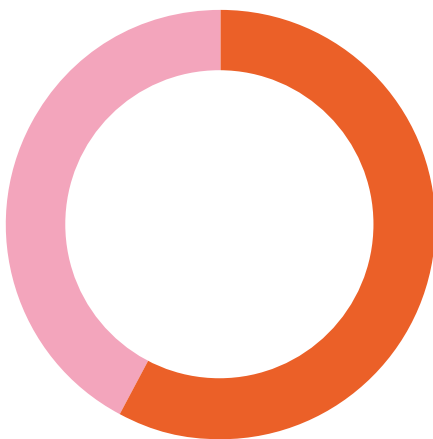
Net Basis²



- FTSE 250 **50.6%**
- FTSE AIM **37.4%**
- Other **1.8%**
- FTSE Small Cap **6.7%**
- FTSE 100 **3.5%**

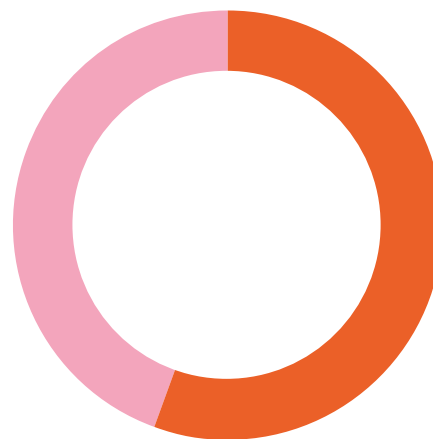
Portfolio holdings within Benchmark Index (the Numis Smaller Companies plus AIM (excluding Investment companies index)

Gross Basis^{1,3}



- Held in Benchmark **57.9%**
- Other **42.1%**

Net Basis^{2,3}



- Held in Benchmark **55.7%**
- Other **44.3%**

Source: BlackRock.

¹ Long exposure plus short exposure as a percentage of the portfolio in aggregate excluding investment in BlackRock's Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund.

² Long exposure less short exposure as a percentage of the portfolio excluding investment in BlackRock's Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund.

³ Holdings included within the Benchmark Index as at 31 May 2021 were 59.1% on a Gross Basis and 58.2% on a Net Basis.

Interim Management Report and responsibility statement

The Chairman's Statement on pages 5 to 8 and the Investment Manager's Report on pages 9 and 10 give details of the important events which have occurred during the period and their impact on the financial statements.

Principal risks and uncertainties

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

- Performance;
- Market;
- Income/dividend;
- Financial;
- Operational; and
- Regulatory.

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Financial Statements for the year ended 30 November 2021. A detailed explanation can be found in the Strategic Report on pages 41 to 44 and in note 16 on pages 106 to 118 of the Annual Report and Financial Statements which are available on the website maintained by BlackRock at www.blackrock.com/uk/thrg.

Certain financial markets have fallen towards the end of the financial period due primarily to geo-political tensions arising from Russia's invasion of Ukraine and the impact of the subsequent range of sanctions, regulations and other measures which impaired normal trading in Russian securities.

The Directors have also assessed the impact of market conditions arising from the conflict in Ukraine and the ongoing COVID-19 outbreak on the Company's ability to meet its investment objective. Based on the latest available information, the Company continues to be managed in line with its investment objective, with no disruption to its operations.

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

Related party disclosure and transactions with the Investment Manager

BlackRock Fund Managers Limited (BFM) was appointed as the Company's Alternative Investment Fund Manager (AIFM) with effect from 2 July 2014. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Both BFM and BIM (UK) are regarded as related parties under the Listing Rules. Details of the fees payable are set out in note 4 and note 11 of the financial statements.

The related party transactions with the Directors are set out in note 12 of the financial statements.

Going concern

The Board remains mindful of the ongoing uncertainty surrounding the potential duration of the COVID-19 pandemic and its longer-term effects on the global economy and the current heightened geo-political risk. Nevertheless, the Directors, having considered the nature and liquidity of the portfolio, the Company's investment objective and the Company's projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound. The Board is still mindful of the COVID-19 pandemic and its longer-term effects on the global economy and recovery of economies. The Board believes that the Company and its key third-party service providers have in place appropriate business continuity plans and these services have continued to be supplied without interruption throughout the COVID-19 pandemic.

The Company has a portfolio of investments which are predominantly readily realisable and is able to meet all its liabilities from these assets. Accounting revenue and expense forecasts are maintained and reported to the Board regularly and it is expected that the Company will be able to meet all its obligations. Ongoing charges for the year ended 30 November 2021 were 0.57% of net assets and it is expected that this is unlikely to change significantly going forward.

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

Interim Management Report and responsibility statement continued

Directors' responsibility statement

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

The Directors confirm to the best of their knowledge that:

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

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

The Half Yearly Financial Report was approved by the Board on 20 July 2022 and the above responsibility statement was signed on its behalf by the Chairman.

Christopher Samuel

For and on behalf of the Board
20 July 2022

Statement of Comprehensive Income

for the six months ended 31 May 2022

	Notes	Six months ended 31 May 2022 (unaudited)			Six months ended 31 May 2021 (unaudited)			Year ended 30 November 2021 (audited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income from investments held at fair value through profit or loss	3	5,966	91	6,057	5,017	-	5,017	12,188	-	12,188
Net income from derivatives	3	1,119	-	1,119	644	-	644	1,272	-	1,272
Other income	3	76	-	76	3	-	3	7	-	7
Total revenue		7,161	91	7,252	5,664	-	5,664	13,467	-	13,467
Net (loss)/profit on investments held at fair value through profit or loss		-	(200,574)	(200,574)	-	173,076	173,076	-	192,102	192,102
Net (loss)/profit on foreign exchange		-	(507)	(507)	-	(43)	(43)	-	141	141
Net (loss)/profit from derivatives		-	(53,754)	(53,754)	-	18,289	18,289	-	29,070	29,070
Total		7,161	(254,744)	(247,583)	5,664	191,322	196,986	13,467	221,313	234,780
Expenses										
Investment management fee and performance fees	4	(438)	(1,315)	(1,753)	(399)	(7,115)	(7,514)	(913)	(9,394)	(10,307)
Other operating expenses	5	(418)	(10)	(428)	(492)	(14)	(506)	(1,078)	(27)	(1,105)
Total operating expenses		(856)	(1,325)	(2,181)	(891)	(7,129)	(8,020)	(1,991)	(9,421)	(11,412)
Net profit/(loss) on ordinary activities before finance costs and taxation		6,305	(256,069)	(249,764)	4,773	184,193	188,966	11,476	211,892	223,368
Finance costs		(2)	(7)	(9)	(1)	(3)	(4)	(1)	(4)	(5)
Net profit/(loss) on ordinary activities before taxation		6,303	(256,076)	(249,773)	4,772	184,190	188,962	11,475	211,888	223,363
Taxation		-	-	-	(23)	-	(23)	(29)	-	(29)
Net profit/(loss) on ordinary activities after taxation		6,303	(256,076)	(249,773)	4,749	184,190	188,939	11,446	211,888	223,334
Earnings/(loss) per ordinary share (pence)	7	6.12	(248.72)	(242.60)	5.24	203.20	208.44	12.15	224.96	237.11

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

The Company does not have any other comprehensive income/(loss). The net profit/(loss) for the period disclosed above represents the Company's total comprehensive income/(loss).

The notes on pages 25 to 32 form part of these financial statements.

Statement of Changes in Equity

for the six months ended 31 May 2022

Note	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
For the six months ended 31 May 2022 (unaudited)							
At 30 November 2021	5,072	225,660	11,905	44,582	637,028	10,901	935,148
Total comprehensive income:							
Net (loss)/profit for the period	-	-	-	-	(256,076)	6,303	(249,773)
Transactions with owners, recorded directly to equity:							
Ordinary shares issued	89	16,479	-	-	-	-	16,568
Share issue costs	-	(17)	-	-	-	-	(17)
Ordinary shares bought back into treasury	-	-	-	(3,482)	-	-	(3,482)
Share purchase costs	-	-	-	(16)	-	-	(16)
Dividends paid ¹	6	-	-	-	-	(8,255)	(8,255)
At 31 May 2022	5,161	242,122	11,905	41,084	380,952	8,949	690,173
For the six months ended 31 May 2021 (unaudited)							
At 30 November 2020	4,376	101,368	11,905	44,580	425,140	8,846	596,215
Total comprehensive income:							
Net profit for the period	-	-	-	-	184,190	4,749	188,939
Transactions with owners, recorded directly to equity:							
Ordinary shares issued	301	47,936	-	-	-	-	48,237
Share issue costs	-	(48)	-	-	-	-	(48)
Dividends paid ²	-	-	-	-	-	(6,972)	(6,972)
At 31 May 2021	4,677	149,256	11,905	44,580	609,330	6,623	826,371
For the year ended 30 November 2021 (audited)							
At 30 November 2020	4,376	101,368	11,905	44,580	425,140	8,846	596,215
Total comprehensive income:							
Net profit for the year	-	-	-	-	211,888	11,446	223,334
Transactions with owners, recorded directly to equity:							
Ordinary shares issued	696	124,418	-	-	-	-	125,114
Share issue costs	-	(126)	-	-	-	-	(126)
Tender costs written back	-	-	-	2	-	-	2
Dividends paid ³	-	-	-	-	-	(9,391)	(9,391)
At 30 November 2021	5,072	225,660	11,905	44,582	637,028	10,901	935,148

¹ Final dividend of 8.00p per share for the year ended 30 November 2021, declared on 7 February 2022 and paid on 31 March 2022.

² Final dividend of 7.70p per share for the year ended 30 November 2020, declared on 10 February 2021 and paid on 1 April 2021.

³ Final dividend of 7.70p per share for the year ended 30 November 2020, declared on 10 February 2021 and paid on 1 April 2021 and interim dividend of 2.50p per share for the year ended 30 November 2021, declared on 23 July 2021 and paid on 27 August 2021.

For information on the Company's distributable reserves, please refer to note 9 on page 29.

The notes on pages 25 to 32 form part of these financial statements.

Statement of Financial Position

as at 31 May 2022

	Notes	31 May 2022 (unaudited) £'000	31 May 2021 (unaudited) £'000	30 November 2021 (audited) £'000
Non current assets				
Investments held at fair value through profit or loss	10	623,283	809,636	921,204
Current assets				
Current tax asset		141	16	81
Other receivables		3,529	4,437	2,984
Derivative financial assets held at fair value through profit or loss		10,056	3,632	-
Cash collateral pledged with brokers		4,730	-	7,380
Cash and cash equivalents		67,873	26,547	25,223
Total current assets		86,329	34,632	35,668
Total assets		709,612	844,268	956,872
Current liabilities				
Other payables		(14,904)	(13,714)	(13,008)
Derivative financial liabilities held at fair value through profit or loss		(2,135)	(153)	(8,716)
Liability for cash collateral received		(2,400)	(4,030)	-
Total current liabilities		(19,439)	(17,897)	(21,724)
Net assets		690,173	826,371	935,148
Equity attributable to equity holders				
Called up share capital	8	5,161	4,677	5,072
Share premium account		242,122	149,256	225,660
Capital redemption reserve		11,905	11,905	11,905
Special reserve		41,084	44,580	44,582
Capital reserves		380,952	609,330	637,028
Revenue reserve		8,949	6,623	10,901
Total equity	7	690,173	826,371	935,148
Net asset value per ordinary share (pence)	7	672.58	883.45	921.91

The financial statements on pages 21 to 32 were approved and authorised for issue by the Board of Directors on 20 July 2022 and signed on its behalf by Mr Christopher Samuel, Chairman.

BlackRock Throgmorton Trust plc
Registered in England, No. 00594634

The notes on pages 25 to 32 form part of these financial statements.

Cash Flow Statement

for the six months ended 31 May 2022

	Six months ended 31 May 2022 (unaudited) £'000	Six months ended 31 May 2021 (unaudited) £'000	Year ended 30 November 2021 (audited) £'000
Operating activities			
Net (loss)/profit on ordinary activities before taxation	(249,773)	188,962	223,363
Add back finance costs	9	4	5
Loss/(profit) on investments and derivatives held at fair value through profit or loss (including transaction costs)	253,923	(191,593)	(221,688)
Net loss/(profit) on foreign exchange	507	43	(141)
Sales of investments held at fair value through profit or loss	217,580	190,761	322,822
Purchases of investments held at fair value through profit or loss	(120,232)	(237,096)	(461,699)
Net (payments)/receipts on closure of derivatives	(69,987)	19,041	42,306
Decrease/(increase) in other receivables	637	(732)	(64)
Increase in other payables	3,780	2,340	3,517
(Increase)/decrease in amounts due from brokers	(2,312)	2,062	3,977
Decrease in amounts due to brokers	(2,367)	(2,915)	(4,798)
Net cash collateral received/(pledged)	5,050	2,870	(8,540)
Net cash inflow/(outflow) from operating activities before taxation	36,815	(26,253)	(100,940)
Taxation paid	(60)	(12)	(83)
Net cash inflow/(outflow) from operating activities	36,755	(26,265)	(101,023)
Financing activities			
Interest paid	(9)	(4)	(5)
Cash proceeds from ordinary shares issued	17,681	48,189	123,859
Cash paid for ordinary shares bought back into treasury	(3,015)	-	-
Dividends paid	(8,255)	(6,972)	(9,391)
Net cash inflow from financing activities	6,402	41,213	114,463
Increase in cash and cash equivalents	43,157	14,948	13,440
Effect of foreign exchange rate changes	(507)	(43)	141
Change in cash and cash equivalents	42,650	14,905	13,581
Cash and cash equivalents at start of period	25,223	11,642	11,642
Cash and cash equivalents at end of the period	67,873	26,547	25,223
Comprised of:			
Cash at bank	228	850	143
Cash Fund ¹	67,645	25,697	25,080
	67,873	26,547	25,223

¹ Cash Fund represents funds invested in the BlackRock Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund.

The notes on pages 25 to 32 form part of these financial statements.

Notes to the financial statements

for the six months ended 31 May 2022

1. Principal activity

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

2. Basis of presentation

The Half Yearly Financial Statements for the six month period ended 31 May 2022 have been prepared in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the Financial Conduct Authority and with the UK-adopted International Accounting Standard 34 (IAS 34), Interim Financial Reporting. The Half Yearly Financial Statements should be read in conjunction with the Company's Annual Report and Financial Statements for the year ended 30 November 2021, which have been prepared in accordance with International Accounting Standards (IASs) in conformity with the requirements of the Companies Act 2006.

Insofar as the Statement of Recommended Practice (SORP) for investment trust companies and venture capital trusts, issued by the Association of Investment Companies (AIC) in October 2019 and updated in April 2021, is compatible with UK-adopted IASs, the financial statements have been prepared in accordance with guidance set out in the SORP.

Adoption of new and amended standards and interpretations:

Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest rate benchmark reform Phase 2 (effective 1 January 2021). The Phase 2 amendments address issues that might affect financial reporting during the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate (replacement issues).

The objectives of the Phase 2 amendments are to assist companies in:

- applying IFRS Standards when changes are made to contractual cash flows or hedging relationships because of the interest rate benchmark reform; and
- providing useful information to users of financial statements.

In Phase 2 of its project, the Board amended requirements in IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases relating to:

- changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities;
- hedge accounting; and
- disclosures.

The Phase 2 amendments apply only to changes required by the interest rate benchmark reform to financial instruments and hedging relationships.

These amendments have been adopted by the UK. The adoption of these amendments did not have any significant impact on the Company.

International Accounting Standards that have yet to be adopted:

IFRS 17 – Insurance contracts (effective 1 January 2023). This standard replaces IFRS 4, which currently permits a wide range of accounting practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. This standard is unlikely to have any impact on the Company as it has no insurance contracts.

IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction (effective 1 January 2023). The IASB has amended IAS 12 Income Taxes to require companies to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. According to the amended guidance, a temporary difference that arises on initial recognition of an asset or liability is not subject to the initial recognition exemption if that transaction gave rise to equal amounts of taxable and deductible temporary differences. These amendments might have a significant impact on the preparation of financial statements by companies that have substantial balances of right-of-use assets, lease liabilities, decommissioning, restoration and similar liabilities. The impact for those affected would be the recognition of additional deferred tax assets and liabilities.

The amendment of this standard is unlikely to have any significant impact on the Company.

Notes to the financial statements

continued

3. Income

	Six months ended 31 May 2022 (unaudited) £'000	Six months ended 31 May 2021 (unaudited) £'000	Year ended 30 November 2021 (audited) £'000
Investment income:			
UK dividends	4,244	3,736	8,940
UK special dividends ¹	576	251	1,320
UK stock dividends	44	21	108
UK REIT dividends	210	135	464
Overseas dividends	892	704	1,186
Overseas special dividends ¹	–	170	170
Total investment income	5,966	5,017	12,188
Net income from derivatives	1,119	644	1,272
Other income:			
Deposit interest	10	–	–
Interest from Cash Fund	66	3	7
	76	3	7
Total income	7,161	5,664	13,467

¹ UK and overseas special dividends are split out on a country of domicile basis.

Dividends and interest received in cash in the six months ended 31 May 2022 amounted to £6,069,000 and £50,000 (six months ended 31 May 2021: £4,435,000 and £2,000; year ended 30 November 2021: £11,919,000 and £6,000).

Special dividends of £91,000 have been recognised in capital in the six months ended 31 May 2022 (six months ended 31 May 2021: £nil; year ended 30 November 2021: £nil).

4. Investment management and performance fees

	Six months ended 31 May 2022 (unaudited)			Six months ended 31 May 2021 (unaudited)			Year ended 30 November 2021 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	438	1,315	1,753	399	1,198	1,597	913	2,739	3,652
Performance fee	–	–	–	–	5,917	5,917	–	6,655	6,655
Total	438	1,315	1,753	399	7,115	7,514	913	9,394	10,307

The performance fee is 15% of Net Asset Value total return outperformance of the Benchmark Index measured on a two year rolling basis annualised and is applied on the average Gross Assets over two years. The performance fee is calculated and accrued on a daily basis and payable on 30 November each year in relation to the performance period ending on that date. Gross Assets are defined as the economic exposure to the total long and short positions and all derivative positions less current liabilities. There is a cap on the annual total management and performance fees of 1.25% of average Gross Assets over a two year period which has the effect of capping annual performance fees at circa 0.9%.

On the first day of the financial year, any performance fee for the ongoing performance period not yet recognised is accrued in the daily NAV released to the London Stock Exchange on that day.

Performance fees have been wholly allocated to the capital account of the Statement of Comprehensive Income as the performance has been predominantly generated through capital returns from the investment portfolio. For the six months ended 31 May 2022, a performance fee of £nil has been accrued (six months ended 31 May 2021: £5,917,000; year ended 30 November 2021: £6,655,000).

The investment management fee is calculated at the rate of 0.35% per annum on month end Gross Assets. The management fee is charged 25% to the revenue account and 75% to the capital account of the Statement of Comprehensive Income. There is no additional fee for company secretarial and administration services.

5. Other operating expenses

	Six months ended 31 May 2022 (unaudited) £'000	Six months ended 31 May 2021 (unaudited) £'000	Year ended 30 November 2021 (audited) £'000
Allocated to revenue:			
Custody fees	5	8	12
Auditor's remuneration ¹	26	26	52
Registrar's fees	20	22	47
Directors' emoluments	99	90	184
Broker fees	17	26	45
Depositary fees	48	39	92
Marketing fees	66	72	157
FCA fees	10	8	19
Printing and postage fees	22	51	76
AIC fees	11	8	16
Stock exchange listing fees	80	87	268
Other administrative costs	14	55	110
	418	492	1,078
Allocated to capital:			
Custody transaction charges ²	10	14	27
	428	506	1,105

¹ No non-audit services were provided by the auditors.

² For the six month period ended 31 May 2022, expenses of £10,000 (six months ended 31 May 2021: £14,000; year ended 30 November 2021: £27,000) were charged to the capital account of the Statement of Comprehensive Income. This relates to transaction costs charged by the custodian on sale and purchase trades.

The transaction costs incurred on the acquisition of investments amounted to £378,000 for the six months ended 31 May 2022 (six months ended 31 May 2021: £880,000; year ended 30 November 2021: £1,619,000). Costs relating to the disposal of investments amounted to £147,000 for the six months ended 31 May 2022 (six months ended 31 May 2021: £134,000; year ended 30 November 2021: £224,000). All transaction costs have been included within capital reserves.

6. Dividends

The Board has declared an interim dividend of 2.60p per share payable on 26 August 2022 to shareholders on the register at 29 July 2022 (six months ended 31 May 2021: interim dividend of 2.50p per share paid on 27 August 2021 to shareholders on the register at 6 August 2021). This dividend has not been accrued in the financial statements for the six months ended 31 May 2022 as, under IAS, interim dividends are not recognised until paid. Dividends are debited directly to reserves.

Notes to the financial statements

continued

7. Earnings and net asset value per ordinary share

Total revenue return, capital return and net asset value per ordinary share are shown below and have been calculated using the following:

	Six months ended 31 May 2022 (unaudited)	Six months ended 31 May 2021 (unaudited)	Year ended 30 November 2021 (audited)
Net revenue profit attributable to ordinary shareholders (£'000)	6,303	4,749	11,446
Net capital (loss)/profit attributable to ordinary shareholders (£'000)	(256,076)	184,190	211,888
Total (loss)/profit attributable to ordinary shareholders (£'000)	(249,773)	188,939	223,334
Equity shareholders' funds (£'000)	690,173	826,371	935,148
The weighted average number of ordinary shares in issue during the period on which the earnings per ordinary share was calculated was:	102,956,409	90,644,426	94,190,181
The actual number of ordinary shares in issue at the period end on which the net asset value per ordinary share was calculated was:	102,615,194	93,539,037	101,435,964
Earnings per ordinary share			
Revenue earnings per share (pence) – basic and diluted	6.12	5.24	12.15
Capital (loss)/earnings per share (pence) – basic and diluted	(248.72)	203.20	224.96
Total (loss)/earnings per share (pence) – basic and diluted	(242.60)	208.44	237.11

There were no dilutive securities at the period end (six months ended 31 May 2021: nil; 30 November 2021: nil).

	As at 31 May 2022 (unaudited)	As at 31 May 2021 (unaudited)	As at 30 November 2021 (audited)
Net asset value per ordinary share (pence)	672.58	883.45	921.91
Ordinary share price (pence)	635.00	891.00	935.00

8. Called up share capital

(unaudited)	Ordinary shares in issue number	Treasury shares number	Total shares number	Nominal value £'000
Allotted, called up and fully paid share capital comprised:				
Ordinary shares of 5 pence each:				
At 30 November 2021	101,435,964	–	101,435,964	5,072
Ordinary shares bought back into treasury	(594,670)	594,670	–	–
Ordinary shares issued	1,773,900	–	1,773,900	89
At 31 May 2022	102,615,194	594,670	103,209,864	5,161

During the six months ended 31 May 2022, the Company bought back 594,670 ordinary shares into treasury (six months ended 31 May 2021: none; year ended 30 November 2021: none) for a total consideration of £3,498,000 (six months ended 31 May 2021: £nil; year ended 30 November 2021: £nil) including costs.

During the six months ended 31 May 2022, the Company issued 1,773,900 new ordinary shares (six months ended 31 May 2021: 6,020,108; year ended 30 November 2021: 13,917,035) for a total consideration of £16,551,000 (six months ended 31 May 2021: £48,189,000; year ended 30 November 2021: £124,988,000) including costs.

Since 31 May 2022 and up to the latest practicable date of 18 July 2022, a further 537,757 shares have been bought back into treasury for a total consideration of £3,006,000. No further shares have been issued.

The ordinary shares give shareholders voting rights, the entitlement to all of the capital growth in the Company's assets and to all income from the Company that is resolved to be distributed.

9. Reserves

The share premium and capital redemption reserve are not distributable profits under the Companies Act 2006. In accordance with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under the Companies Act 2006, the special reserve and capital reserve may be used as distributable profits for all purposes and, in particular, the repurchase by the Company of its ordinary shares and for payments as dividends. In accordance with the Company's Articles of Association, the special reserve, capital reserves and the revenue reserve may be distributed by way of dividend. The capital reserve arising on the revaluation of investments of £47,224,000 (31 May 2021: gain of £269,406,000; year ended 30 November 2021: gain of £238,163,000) is subject to fair value movements and may not be readily realisable at short notice, as such it may not be entirely distributable. The investments are subject to financial risks; as such capital reserves (arising on investments sold) and the revenue reserve may not be entirely distributable if a loss occurred during the realisation of these investments.

10. Valuation Of Financial Instruments

Market risk arising from price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, climate change or other events could have a significant impact on the Company and its investments.

Valuation of financial instruments

Financial assets and financial liabilities are either carried in the Statement of Financial Position at their fair value (investments and derivatives) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash at bank and bank overdrafts). IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Company are explained in the accounting policies note 2(g) as set out on pages 96 and 97 in the Company's Annual Report and Financial Statements for the year ended 30 November 2021.

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

The fair value hierarchy has the following levels:

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

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

Level 2 – Valuation techniques using observable inputs

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

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

As at the period end the long and short derivative positions were valued using the underlying equity bid price (offer price in respect of short positions) and the contract price at the inception of the trade or at the trade reset date. There have been no changes to the valuation technique since the previous year or as at the date of this report.

Contracts for difference have been classified as Level 2 investments as their valuation has been based on market observable inputs represented by the market prices of the underlying quoted securities to which these contracts expose the Company.

Level 3 – Valuation techniques using significant unobservable inputs

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

Notes to the financial statements

continued

10. Valuation of financial instruments continued

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager.

Fair values of financial assets and financial liabilities

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

Financial assets/(liabilities) at fair value through profit or loss at 31 May 2022 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	623,283	–	–	623,283
Contracts for difference (fair value)	–	10,056	–	10,056
Liabilities:				
Contracts for difference (fair value)	–	(1,573)	–	(1,573)
Futures (fair value)	(562)	–	–	(562)
	622,721	8,483	–	631,204

Financial assets/(liabilities) at fair value through profit or loss at 31 May 2021 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	809,636	–	–	809,636
Contracts for difference (fair value)	–	3,632	–	3,632
Liabilities:				
Contracts for difference (fair value)	–	(153)	–	(153)
	809,636	3,479	–	813,115

Financial assets/(liabilities) at fair value through profit or loss at 30 November 2021 (audited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	921,204	–	–	921,204
Contracts for difference (fair value)	–	–	–	–
Liabilities:				
Contracts for difference (fair value)	–	(8,716)	–	(8,716)
	921,204	(8,716)	–	912,488

There were no transfers between levels for financial assets and financial liabilities during the period recorded at fair value as at 31 May 2022 and 31 May 2021 or the year ended 30 November 2021. The Company did not hold any Level 3 securities during the period ended 31 May 2022.

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

11. Transactions with the Investment Manager and AIFM

BlackRock Fund Managers Limited (BFM) provides management and administration services to the Company under a contract which is terminable on six months' notice. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed on pages 56 and 57 of the Directors' Report in the Company's Annual Report and Financial Statements for the year ended 30 November 2021.

The investment management fee due for the six months ended 31 May 2022 amounted to £1,753,000 (six months ended 31 May 2021: £1,597,000; year ended 30 November 2021: £3,652,000). In addition, a performance fee of £nil (six months ended 31 May 2021: £5,917,000; year ended 30 November 2021: £6,655,000) was accrued for the six months ended 31 May 2022.

At the period end, £1,753,000 was outstanding in respect of management fees (31 May 2021: £2,183,000; 30 November 2021: £2,923,000). Any final performance fee for the full year ending 30 November 2022 will not crystallise and fall due until the calculation date of 30 November 2022.

In addition to the above services, BlackRock has provided the Company with marketing services. The total fees paid or payable for these services to 31 May 2022 amounted to £66,000 excluding VAT (six months ended 31 May 2021: £72,000; year ended 30 November 2021: £157,000). Marketing fees of £186,000 excluding VAT (31 May 2021: £203,000; 30 November 2021: £120,000) were outstanding at 31 May 2022.

The Company has an investment in BlackRock Institutional Cash Series plc - Sterling Liquid Environmentally Aware Fund of £67,645,000 as at 31 May 2022 (31 May 2021: £25,697,000; 30 November 2021: £25,080,000).

As at 31 May 2022, an amount of £83,000 (31 May 2021: £155,000; 30 November 2021: £78,000) was payable to the Manager in respect of Directors' fees.

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

Notes to the financial statements

continued

12. Related party disclosure

Directors' emoluments

The Board consists of six non-executive Directors, all of whom are considered to be independent of the Manager by the Board. None of the Directors has a service contract with the Company. With effect from 1 December 2021, the Chairman receives an annual fee of £44,000, the Chairman of the Audit Committee receives an annual fee of £35,000 and each of the other Directors receives an annual fee of £30,000.

As at 31 May 2022, an amount of £16,500 (31 May 2021: £15,000; 30 November 2021: £15,000) was outstanding in respect of Directors' fees.

At the period end, members of the Board, including any connected persons, held ordinary shares in the Company as set out below:

	Ordinary shares 31 May 2022	Ordinary shares 30 November 2021
Christopher Samuel (Chairman)	64,019	63,352
Loudon Greenlees	15,000	15,000
Nigel Burton	16,167	16,000
Angela Lane	11,602	11,496
Louise Nash	3,900	2,100
Merryn Somerset Webb	3,727	3,727

13. Contingent liabilities

There were no contingent liabilities as at 31 May 2022 (31 May 2021 and 30 November 2021: nil).

14. Publication of non statutory accounts

The financial information contained in this half yearly financial report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial information for the six months ended 31 May 2022 and 31 May 2021 has not been audited.

The information for the year ended 30 November 2021 has been extracted from the latest published audited financial statements, which have been filed with the Registrar of Companies. The report of the auditor on those financial statements contained no qualification or statement under Sections 498(2) or 498(3) of the Companies Act 2006.

15. Annual results

The Board expects to announce the annual results for the year ending 30 November 2022 in February 2023. Copies of the results announcement can be obtained from the Secretary on 020 7743 3000 or by email at cosec@blackrock.com. The Annual Report and Financial Statements should be available by the beginning of February 2023, with the Annual General Meeting expected to be held in March 2023.

Directors, management and other service providers

Directors

Christopher Samuel (Chairman)
Louise Nash (Senior Independent Director)
Loudon Greenlees (Chairman of the Audit Committee)
Angela Lane (Chairman of the Remuneration Committee)
Nigel Burton
Merryn Somerset Webb

Registered office

Registered in England, No. 00594634
12 Throgmorton Avenue
London EC2N 2DL

Alternative Investment Fund Manager

BlackRock Fund Managers Limited*
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000

Investment Manager and Company Secretary

BlackRock Investment Management (UK) Limited*
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Registrar

Computershare Investor Services PLC*
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 707 4016

Auditor

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Atria One, 144 Morrison Street
Edinburgh
EH3 8EX

Depository, Custodian and Banker

The Bank of New York Mellon (International) Limited*
One Canada Square
London E14 5AL

Stockbroker

Stifel Nicolaus Europe Limited*
150 Cheapside
London EC2V 6ET

Solicitor

Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

* Authorised and regulated by the Financial Conduct Authority.

Shareholder information

Contact information

General enquiries about the Company should be directed to:

The Company Secretary
BlackRock Throgmorton Trust plc
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Website

www.blackrock.com/uk/thrg

Investment Trust Newsletter

Should you wish to receive investment trust related news and insights you can subscribe to BlackRock's Investment Trust Matters newsletter at: <https://go.blackrock.com/LP=2142>

Shareholder enquiries

The Company's registrar is Computershare Investor Services PLC. Certain details relating to your holding can be checked through the Computershare Investor Centre website. As a security check, specific information will be required to gain access to your account, including your shareholder reference number available from your most recent dividend voucher or other communication received from the registrar. Computershare's website address is investorcentre.co.uk. Alternatively, please contact the registrar on 0370 707 4016.

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

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

Dividend tax allowance

The annual tax-free allowance on dividend income across an individual's entire share portfolio is £2,000. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances.

The Company continues to provide registered shareholders with a confirmation of the dividends paid and this should be included with any other dividend income received when calculating and reporting total dividend income received.

It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

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

Results

Full year announced in February
Half year announced in July

Annual General Meeting

March

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Alternative Performance Measure (APM)

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

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

Benchmark Index

The Company's Benchmark Index used for performance comparative purposes is the Numis Smaller Companies plus AIM (excluding Investment Companies) Index.

Benchmark Index outperformance/underperformance is measured by comparing the Company's net asset value return (NAV) total return, with the performance of the Benchmark Index on a total return basis.

As at 31 May 2022, the Company's NAV total return was -26.3% and the total return of the Benchmark Index was -9.4%, therefore the Company's underperformance of the Benchmark Index was 16.9%.

As at 31 May 2022, the Company's share price return was -31.4% and the total return of the Benchmark Index was -9.4%, therefore the Company's Share Price underperformance of the Benchmark Index was 22.0%.

Closed-end company

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

Contract for difference (CFD)

A contract for difference is an agreement to exchange the difference in value of a particular share or index between the time at which a contract is opened and the time at which it is closed. A CFD allows an investor to gain access to the movement in the share price by putting down a small amount of cash known as a margin.

CFDs do not have an expiry date like options or futures contracts. As opposed to an expiry date a CFD is effectively renewed at the close of each trading day and rolled forward if desired.

Discount and premium*

Investment trust shares frequently trade at a discount to NAV. This occurs when the share price (based on the mid-market share price) is less than the NAV. In this circumstance, the price that an investor pays or receives for a share would be less than the value attributable to it by reference to the underlying assets. The discount is the difference between the share price and the NAV, expressed as a percentage of the NAV.

As at 31 May 2022, the share price was 635.00p (31 May 2021: 891.00p; 30 November 2021: 935.00p) and the NAV was 672.58p (31 May 2021: 883.45p; 30 November 2021: 921.91p), therefore the discount was 5.6% (31 May 2021: premium of 0.9%; 30 November 2021: premium of 1.4%) (please see note 7 of the financial statements for the inputs to the calculation).

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

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

Gearing and borrowings*

The Company may achieve gearing through borrowings or the effect of gearing through an appropriate balance of equity capital, investment in derivatives and borrowings. The maximum exposure the Company may have to derivatives for investment purposes and efficient portfolio management purposes, in aggregate, is 120% of the Company's gross assets. The Company may use borrowings and enter into derivative transactions that have the effect of gearing the Company's portfolio to enhance performance.

* Alternative Performance Measures.

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The Company's gross and net gearing through the use of long and short CFD positions as at 31 May 2022, 31 May 2021 and 30 November 2021 is set out in the table below.

	Page	31 May 2022 £'000	31 May 2021 £'000	30 November 2021 £'000	
Gross and net gearing					
Long investment positions (excluding BlackRock's Institutional Cash Series plc – Sterling Liquid Environmentally Aware Fund)	15	751,083	1,006,573	1,134,772	(a)
Short investment positions	15	43,347	12,071	24,925	(b)
Gross geared exposure (c = a + b)		794,430	1,018,644	1,159,697	(c)
Net geared exposure (d = a - b)		707,736	994,502	1,109,847	(d)
Net assets	23	690,173	826,371	935,148	(e)
Gross gearing % of net assets (f = c / e x 100)		115.1	123.3	124.1	(f)
Net gearing % of net assets (g = d / e x 100)		102.5	120.3	118.7	(g)

Gross and net exposure

Market exposure gained through a CFD contract refers to the gross market value of the underlying securities to which the investor is exposed through the CFD contract. Gross exposure refers to the total exposure the investor has through both long and short positions added together. For example, an investor who has 110% long market exposure through CFDs and 20% short market exposure through CFDs has gross market exposure of 130%.

Net exposure refers to the exposure the investor has through long positions less any short positions. For example, an investor who has 110% long market exposure through CFDs and 20% short market exposure through CFDs has net market exposure of 90%; this method of measurement is looking at the net directional market exposure and takes into account the fact that long and short positions theoretically offset one another when the market moves in a particular direction.

Leverage

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

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

$$\text{Leverage ratio} = \frac{\text{exposure}}{\text{net asset value}}$$

The Directive sets out two methodologies for calculating exposure. These are the Gross Method and the Commitment Method. The treatment of cash and cash equivalent balances in terms of calculating what constitutes an "exposure" under AIFMD differs for these two methods. The definitions for calculating the Gross Method exposures require that "the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF,

that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond" should be excluded from exposure calculations.

The Commitment Method enables instruments to be netted off to reflect 'netting' or 'hedging' arrangements and the entity's exposure is effectively reduced.

Long and short exposure

CFDs enable an investor to benefit from the price of a stock falling as well as rising. This enables the investor to benefit from negative as well as positive views on individual stocks.

Entering into a CFD that results in a profit if the share price movement falls, is referred to as taking a short position. The counterparty pays the investor interest on the cash deposited with it, which collateralises the short positions and deductions are made from the value of the short CFD contract in respect of dividends payable in relation to these stocks. Entering into a CFD contract that results in a profit if the share price movement rises, is referred to as taking a long position. The investor pays a financing charge on long positions and receives payments from the counterparty in respect of dividends payable in relation to these long positions.

NAV per share (cum income NAV)

This is the value of the Company's assets attributable to one ordinary share. It is calculated by dividing 'total equity' by the total number of ordinary shares in issue (excluding treasury shares) as set out in note 7 to the financial statements on page 23 for the inputs to the calculation. For example, as at 31 May 2022, total equity was £690,173,000 (31 May 2021: £826,371,000; 30 November 2021: £935,148,000) and there were 102,615,194 (31 May 2021: 93,539,037, 30 November 2021: 101,435,964) ordinary shares in issue (excluding treasury shares); the NAV was therefore 672.58p per ordinary share (31 May 2021: 883.45p; 30 November 2021: 921.91p).

Total equity is calculated by deducting from the Company's total assets, its current and long-term liabilities and any provision for liabilities and charges.

NAV and share price return (with dividends reinvested)*

Performance statistics enable the investor to make performance comparisons between investment trusts with different dividend policies. The performance measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. This is calculated by the movement in the share price or NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV/share price (please see note 7 of the financial statements for the inputs to the calculations).

NAV total return	Page	Six months to 31 May 2022 £'000 (unaudited)	Six months to 31 May 2021 £'000 (unaudited)	Year to 30 November 2021 £'000 (audited)	
Closing NAV per share (pence)	28	672.58	883.45	921.91	
Add back interim and final dividends (pence)	28	8.00	7.70	10.20	
Effect of dividend reinvestment (pence)		(1.16)	1.11	1.40	
Adjusted closing NAV (pence)		679.42	892.26	933.51	(a)
Opening NAV per share (pence)	28	921.91	681.24	681.24	(b)
NAV total return (c = ((a - b)/b)) (%)		(26.3)	31.0	37.0	(c)

Share price total return	Page	Six months to 31 May 2022 £'000 (unaudited)	Six months to 31 May 2021 £'000 (unaudited)	Year to 30 November 2021 £'000 (audited)	
Closing share price (pence)	28	635.00	891.00	935.00	
Add back interim and final dividends (pence)	28	8.00	7.70	10.20	
Effect of dividend reinvestment (pence)		(1.64)	1.10	1.43	
Adjusted closing share price (pence)		641.36	899.80	946.63	(a)
Opening share price (pence)	28	935.00	682.00	682.00	(b)
Share price total return (c = ((a - b)/b)) (%)		(31.4)	31.9	38.8	(c)

Ongoing charges ratio*

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

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

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

* Alternative Performance Measures.

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

Ongoing charges calculation	Page	30 November 2021 £'000 (audited)	30 November 2020 £'000 (audited)	
Management fee	26	3,652	2,097	
Other operating expenses	27	1,078	822	
Total management fee and other operating expenses		4,730	2,919	(a)
Performance fee	26	6,655	4,890	(b)
Total management and performance fees and other operating expenses (c = a + b)		11,385	7,809	(c)
Average daily net assets in the year		824,909	486,694	(d)
Ongoing charges in the year excluding performance fees (e = a/d)		0.57%	0.60%	(e)
Ongoing charges in the year including performance fees (f = c/d)		1.38%	1.60%	(f)

Revenue profit and revenue reserves

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

Treasury shares

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

Share fraud warning

Be ScamSmart



Investment scams are designed to look like genuine investments

Spot the warning signs



Have you been:

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

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1 Reject cold calls

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

2 Check the FCA Warning List

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

3 Get impartial advice

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

Report a scam

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

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at www.fca.org.uk/scamsmart

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

SGN001

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