

Aurora UK Alpha plc

Half Yearly Report for the
six months ended 30 June 2026

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Financial and Performance Highlights

Performance

At 30 June 2026
(unaudited)

275.32p

Net Asset Value ("NAV") per share¹

248.00p

Share price

9.9%

Share price discount to NAV per share¹

0.34%

Annualised ongoing charges¹

At 31 December 2025
(audited)

299.22p

NAV per share¹

272.00p

Share price

9.1%

Share price discount to NAV per share¹

0.35%

Ongoing charges¹

The total returns in sterling for the period/year were as follows:

Six months to 30 June 2026
(unaudited)

(6.3)%

NAV total return per share^{1,2}

(7.0)%

Share price total return^{1,2}

7.2%

FTSE All-Share Index total return
("Benchmark")

Year to 31 December 2025
(audited)

16.8%

NAV total return per share^{1,2}

19.8%

Share price total return^{1,2}

23.9%

FTSE All-Share Index total return
("Benchmark")

¹ Definitions of these Alternative Performance Measures ("APMs") together with how these have been calculated can be found on pages 24 and 25.

² Including dividend reinvested.

Chair's Statement



Lucy Walker
Chair

28 September 2026

This report covers the activities of Aurora UK Alpha plc (the "Company") over the six months to 30 June 2026 and its financial position at that date.

Performance

Portfolios like the Company's - concentrated and in unloved names - do suffer spells of underperformance; however, the current one now spans two years. The Board is grateful for the trust and patience of shareholders. Further details are set out below, both on the detractors and on the Board's outlook.

Over the six months to 30 June 2026, the Company's net asset value ("NAV") per share declined from 299.22p to 275.32p, resulting in a NAV total return of -6.3% (six months to 30 June 2025: 11.5%). The Company's share price fell from 272.00p to 248.00p over the same period, producing a share price total return of -7.0% (six months to 30 June 2025: 13.2%). These returns compare with a total return of 7.2% from the FTSE All-Share Index, the Company's benchmark (six months to 30 June 2025: 9.1%). At 30 June 2026, the Company's shares traded at a discount of 9.9% to the NAV per share.

The portfolio's underperformance against the benchmark was driven primarily by the market effects of the outbreak of war in Iran in the first quarter, which drove oil prices sharply higher and pushed up interest rate expectations. Domestically focused holdings, most notably Barratt Redrow, sold off. Other detractors were Nintendo, Castelnau Group and Ryanair, while top contributors to performance in the period were Lloyds Banking Group and Frasers.

Phoenix Asset Management Partners Limited ("Phoenix"), the Investment Manager, acted on the market moves, switching approximately 4% of the portfolio from Lloyds Banking Group into Barratt Redrow in March, and subsequently making a public call for Barratt Redrow's board to commit their excess capital to share buybacks. Since the period end, Barratt Redrow has announced a £400 million shareholder return for its 2027 financial year, to be delivered principally through buybacks.

The Investment Manager's Report, starting on page 5, provides further details on activity and outlook.

Investment Manager Presentation Event

Shareholders are invited to the Company's fourth Investor Event, which is being held at 4pm on 14 October 2026 at the Chartered Accountants' Hall, One Moorgate Place, London EC2R 6EA. Both existing and prospective shareholders are welcome and the event will follow the successful format from the last three years, with multiple speakers from the Investment Manager and an opportunity to talk afterwards to analysts covering each company in the portfolio. We plan to record the event and publish it on the Company's website. If you would like to attend, please contact ir@frostrow.com to register.

Share Price Discount

The share price discount to the NAV per share widened slightly from 9.1% at the end of 2025 to 9.9% as at 30 June 2026. Closing the share price discount continues to be one of the Board's key objectives, with marketing being a key part of the strategy. Phoenix, Deutsche Numis, and Frostrow Capital continue to actively promote the Company. Additionally, the Board has maintained the discretionary share buyback programme commenced in February 2025. In the six months ended 30 June 2026, the Company bought back into treasury 2,554,684 ordinary shares, at an average price of

Chair's Statement

Continued

240.56p per share. These buybacks are aimed at helping to provide market liquidity when it is lacking, which should help to stabilise the discount and be accretive to remaining shareholders. Since the half year end to the date of this report, the Company has bought back a further 2,179,149 shares into treasury, at an average price of 251.90p per share.

Annual General Meeting

At the AGM on 10 June 2026, all 13 resolutions put to shareholders were passed, each with more than 99% of the votes cast in favour. I would like to thank shareholders for their continued strong support. Among the resolutions passed was the cancellation of the Company's share premium account, which the High Court confirmed on 28 July 2026, after the period covered in this report. The cancellation creates additional distributable reserves, giving the Company greater flexibility to support share buybacks and the payment of dividends or other distributions in the future.

Outlook

In good times and bad, the Board discusses the portfolio and its performance with Phoenix. Phoenix's approach remains consistent - to buy exceptional companies when they are out of favour, and patiently wait for the value to be realised. Unfortunately, the market is forcing us to be significantly more patient than we would like.

Phoenix typically earns its long-term outperformance through purchases made during crises, and the first half provided such an opportunity. That value has yet to be realised. The Board remains confident that the Investment Manager's long-term approach will deliver for shareholders.

At the period end, Phoenix estimated the portfolio's intrinsic value to be 167% above its market value. Historically, that gap has been the best guide to the portfolio's future long-term returns.

We remain grateful for the continued support of our shareholders and look forward to welcoming many of you to the Investor Event in October.

Lucy Walker
Chair
28 September 2026

Investment Manager's Report



Gary Channon & Kartik Kumar
Phoenix Asset Management Partners
Investment Manager

28 September 2026

Performance

The Company's NAV per share total return over the half year was -6.3% and the share price total return was -7.0%. At the end of June, the shares were trading at a 9.9% discount to the NAV per share. The FTSE All-Share total return index rose by 7.2% over the same period.

Lloyds Banking Group contributed 1.0% following a 16% rise in its share price. **Frasers Group** contributed 0.9%, as its share price increased by 6%.

The outbreak of war in Iran drove a sharp rise in oil prices and an upward shift in interest rate expectations. This led to a decline in share prices across the portfolio, with **Barratt Redrow** detracting 3.3% as its share price fell by 25%. **Ryanair** detracted 0.8% as its share price declined by 7%.

Nintendo reduced performance by 1.1%, as its share price fell 37% on concerns over the impact of rising memory prices on its profitability. **Castelnau Group** detracted 0.9%, as its share price fell 5% and the discount to net asset value widened.

We recognise that recent returns have fallen short of your expectations and ours. Periods like this, though never desired, are in the nature of value investing, and concentration sharpens them. The longer they run, the more they test patience.

But patience is not only what we ask of shareholders. It is what allows us to act on the opportunities such periods create, and it is what capturing the long-term compounding of business returns requires. In the half year we acted on the dislocation we saw, and the upside to our estimate of the portfolio's value now stands at a level that has been rare in our 28 years of investing this way.

Activity

The most material transaction of the half year was a switch of approximately 4% of the portfolio out of **Lloyds Banking Group** and into **Barratt Redrow**, made in March.

The opportunity came from a drawdown in prices caused by the war. Around two thirds of our historic market outperformance has been earned during crisis-triggered declines, and yet these are the moments at which acting feels least comfortable. Visible danger reads as greater danger, a bias known as the availability heuristic, and it is why prices come adrift from values in a crisis rather than in calmer conditions.

What came adrift this time was the interest rate market. It read the rise in oil prices as a reason to expect rate rises and marked down the sectors it judged most exposed to them. We disagreed. Higher interest rates do not bring more oil to market, and an oil shock does its own work in restraining demand. The result was a divergence in price between Barratt and Lloyds of over 25%.

From our work, we estimate that both businesses earn returns of above 15% on their real tangible capital. What differs is the price of access to it. Lloyds trades at twice its capital, so a pound invested buys fifty pence of it. Barratt Redrow trades at 0.6 times, so the same pound buys £1.66. Switching between the two roughly triples what that capital earns, without either business having to do anything differently.

Investment Manager's Report

Continued

None of this assumes any self-help from the company, where a change in capital allocation has the scope to transform its value for shareholders.

In June we made a public call for the Board of Barratt Redrow to commit the considerable excess capital in the business to an aggressive buyback programme. We published our work at www.buybarrattback.com, which sets out, amongst other things, that on a liquidation basis the business is worth around £11 billion. That is what shareholders would receive if it built out the land it already owns, replaced none of it, and returned the proceeds net of overheads and tax, and it is roughly three times the company's market value.

It is a strange thing for a business to be worth nearly twice its £6 billion in capital in a wind-up while the market prices that same capital at 60p in the pound (£3.5 billion). The distance between those two numbers is the scope for creating value by reallocating capital rather than holding it.

We have long argued that housebuilders' accounts obscure the cash economics of the industry, and that argument has not shifted how the sector is valued. Buying back shares at 60p in the pound requires no such shift but converts the undervaluation itself into a permanent gain for the shareholders who remain.

On 15 July Barratt Redrow announced a shareholder return of £400 million for the 2027 financial year, to be met principally through buybacks rather than the dividends it has favoured in the past. That is a meaningful change of approach and we are encouraged by it. Our engagement with the Barratt Redrow Board continues.

Outlook

The war in Iran has receded from the market's attention, and with it prices have recovered. The recovery has been narrow, led by companies seen as beneficiaries of the boom in artificial intelligence ("AI") spending.

The market is right to be focused on AI. We have said before that, when looking back in ten years, AI is likely to have shaped the winners and losers of the business landscape more than any other factor. Nothing in the last six months has changed that view.

But it is not inconsistent with that view to be concerned about how the boom is being priced and financed. The history of transformative technologies is that their importance offers no protection to the capital that funds them. Railways transformed the world and ruined many of their early investors; the internet did the same a century later. What determines returns is not how much a technology matters but the price paid for a share of it and the competition that price attracts. Today, extreme valuations are drawing in capital on a vast scale, and it seems to us that more attention is being paid to the prospective return on that investment than to its risk.

The uncertainties are not small. The capital being committed is heavily front-loaded and largely irreversible. The returns being earned today owe a good deal to shortages, as in memory, and shortages attract the supply that ends them. Chinese competitors are advancing in exactly the way that has eroded excess returns in other industries.

The financing of the boom is changing too. What was funded from internal cash flows now leans on equity issuance and on debt at a rising cost, which is how capital cycles have tended to enter their late phase. There is also evidence of behaviour that is simply speculative. High returns caused by scarcity are not the same as high returns protected by competitive advantage, and the difference shows itself only when the new capital arrives.

Investment Manager's Report

Continued

This matters beyond the stock market. The investment boom has supported growth in developed economies through a period when conditions would otherwise have been weak, particularly in the US. A reversal would therefore carry real economic consequences, and it would arrive at a time when bond markets are already fragile.

We cannot time any of this, and we do not try. Our discipline is to pay prices at which the investment works across a range of futures rather than requiring a particular one. That is what a margin of safety means, and it is the first line of defence when parts of the market are priced for a single outcome.

The United Kingdom sits at the opposite pole of the world's attention. It has few technology companies, and while the FTSE 100 has performed respectably, much of the domestic-facing market has endured years of neglect and stands at valuations that assume little goes right.

We are not alone in seeing this. Takeover offers for UK companies reached some £170 billion in the first half of the year, approaching the total for the whole of 2025 and a level exceeded only once since records began. Trade buyers and financial sponsors, most of them from overseas, are acting on the same arithmetic, and their agreement is telling: those who know the businesses best and those who care only for the return have reached the same conclusion.

Our portfolio is positioned to be a port in that potential storm. We own strong businesses run by competent people, bought at low valuations, whose demand is enduring and whose risk of obsolescence from AI is low. The market currently places little value on that resilience, which is precisely why it is available cheaply.

At the period end, the upside to our estimate of the portfolio's intrinsic value was 167%. That gap, rather than any forecast of markets, remains the best guide to future returns. Should markets present us with opportunities, as they did in the first half, we are prepared to take advantage of them.

Gary Channon & Kartik Kumar
Phoenix Asset Management Partners
Investment Manager
28 September 2026

Portfolio

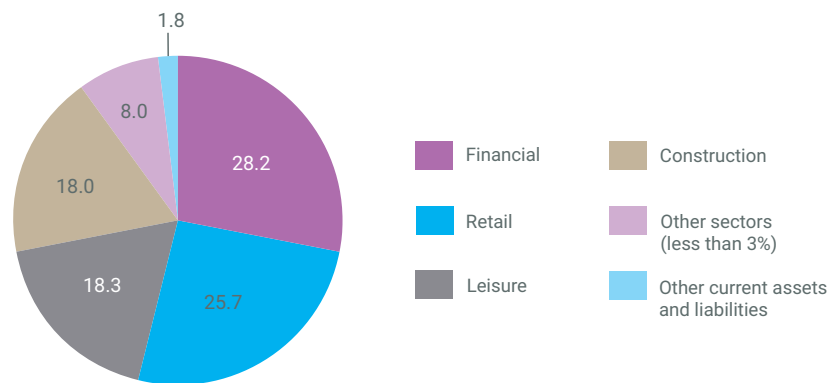
Top Holdings as at 30 June 2026

Company	Sector	Holding in Company	Fair value	Percentage of net assets
			£'000	%
Frasers Group Plc	Retail	7,120,364	51,195	17.2
Castelnau Group Limited [#]	Financial	52,442,587	46,149	15.6
Barratt Redrow Plc	Construction	15,972,603	44,899	15.2
Ryanair Holdings Plc	Leisure	1,624,450	38,271	12.9
Lloyds Banking Group Plc	Financial	22,866,100	25,404	8.6
Other holdings (less than 3%)			84,523	28.7
Total holdings			290,441	98.2
Other current assets and liabilities			5,472	1.8
Net assets			295,913	100.0

[#] Castelnau is a financial holding company, listed on the Specialist Fund Segment of the London Stock Exchange. Castelnau is also managed by Phoenix and its value is excluded from the Company's net assets when calculating performance fees earned by Phoenix to avoid double charging.

Portfolio Allocation as at 30 June 2026

Sector	Percentage of Net Assets
	%
Financial*	28.2
Retail	25.7
Leisure	18.3
Construction	18.0
Other sectors (less than 3%)	8.0
Other current assets and liabilities	1.8
Total	100



* Castelnau is included in the Financial classification as it is a multi-sector financial holding company.

Interim Management Report

For and on behalf of the Board of Directors
Lucy Walker
Chair

28 September 2026

The Directors are required to provide an Interim Management Report in accordance with the Financial Conduct Authority's ("FCA") Disclosure Guidance and Transparency Rules ("DTR"). The Directors consider that the Chair's Statement on pages 3 and 4 and the Investment Manager's Report on pages 5 to 7 of this Half Yearly Financial Report provide details of the important events in the period and their impact on the financial statements. The following statement on the Principal Risks and Uncertainties, the Related Party Transactions, the Statement of Directors' Responsibilities, and the Investment Manager's Report together constitute the Interim Management Report of the Company for the six months ended 30 June 2026. The outlook for the Company for the remaining six months of the year ending 31 December 2026 is discussed in the Investment Manager's Report.

Details of the investments held at the period end and the structure of the portfolio at the period end are provided on pages 8 and 9.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company are set out on pages 29 to 32 of the Company's most recent Annual Report, for the year ended 31 December 2025, which can be found on the Company's website at www.auroraukalpha.com. The Board believes that the Company's principal risks and uncertainties have not changed materially since the date of the Annual Report and are not expected to change materially for the remaining six months of the Company's financial year.

In summary, the principal risks and uncertainties facing the Company comprise:

- Geopolitical and economic risks: including from interest rates, inflation, possible recession, local and global politics; and disruptive local and global events;
- Investment objective and strategy risks: the investment strategy may not achieve the published investment objective;
- Risks related to the Investment Manager: the Company's success is closely dependent on the performance of the Investment Manager;
- Discount risk: the return to shareholders could be compromised by the discount at which the Company's shares trade;
- Operational risks: incorporates, amongst other things, the potential for errors or irregularities in published information, cyber risks, business continuity risks, and regulatory risks;
- ESG risks: portfolio companies could be affected by ESG factors; and
- Financial risks: the Company is exposed to liquidity and other financial risks.

Interim Management Report

Continued

Related Party Transactions

The Company's Investment Manager is Phoenix Asset Management Partners Limited, ("Phoenix" or the "Investment Manager"). Phoenix is considered a related party in accordance with the UK Listing Rules. Phoenix does not earn an ongoing annual management fee. It will be paid an annual performance fee equal to one third of the outperformance of the Company's net asset value total return (including dividends and adjusted for the impact of share buybacks and the issue of new shares) over the FTSE All-Share Index total return for each financial year. Details of the investment management arrangements are shown in Note 5 to the financial statements on pages 20 and 21.

The Directors are also considered to be related parties. Details of the Board's remuneration and shareholdings can be found on pages 54 to 58 of the Company's Annual Report for the year ended 31 December 2025.

Castelnau Group Limited, one of the Company's holdings, is also managed by Phoenix and is considered a related party.

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company.

Going Concern

The financial statements have been prepared on the going concern basis. The Directors believe that the Company has adequate resources to continue in existence for at least 12 months from the date of approval of this Interim Report. In reaching this conclusion, the Directors have taken account of the principal risks and uncertainties the Company faces and considered the liquidity of the Company's portfolio of investments, together with its cash position, income and expense flows.

As at 30 June 2026, the Company held £4,055,000 (30 June 2025: £5,892,000) in cash and cash equivalents, £280,900,000 (30 June 2025: £308,256,000) in quoted investments and £9,541,000 (30 June 2025: £9,655,000) in unquoted investments. It is estimated that 58.7% of the portfolio could be realised in seven days under normal conditions. Total operating expenses for the six months to 30 June 2026 were £516,000 (30 June 2025: £559,000). Total income during the half-year period was £3,260,000 (30 June 2025: £3,780,000).

Directors' Responsibilities

The Board of Directors confirms that, to the best of its knowledge:

- (i) the condensed set of financial statements contained within this Half Year Report has been prepared in accordance with applicable International Accounting Standards ("IAS") 34; and
- (ii) the interim management report includes a true and fair review of the information required by:
 - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

Interim Management Report

Continued

- (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Half Year Report has not been audited by the Company's auditors.

This Half Year Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the date of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

For and on behalf of the Board of Directors
Lucy Walker
Chair
28 September 2026

Condensed Income Statement

		Six months to 30 June 2026			Six months to 30 June 2025		
		Revenue	Capital	Total	Revenue	Capital	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
(Losses)/gains on investments		–	(24,718)	(24,718)	–	30,328	30,328
Losses on currency		–	(12)	(12)	–	(26)	(26)
Income	4	3,260	–	3,260	3,780	–	3,780
Gross return		3,260	(24,730)	(21,470)	3,780	30,302	34,082
Other expenses		(516)	–	(516)	(554)	(5)	(559)
Net return/(loss) before tax		2,744	(24,730)	(21,986)	3,226	30,297	33,523
Tax		(99)	–	(99)	(153)	–	(153)
Net return for the period		2,645	(24,730)	(22,085)	3,073	30,297	33,370
Return per share – basic and diluted	8	2.4p	(22.7)p	(20.3)p	2.7p	26.5p	29.2p

The total column of this statement is the Income Statement of the Company, prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the United Kingdom. The supplementary revenue and capital columns are presented in accordance with the Statement of Recommended Practice issued by the AIC ("AIC SORP").

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period. All revenue is attributable to the equity holders of the Company.

There is no other comprehensive income, and therefore the net return for the period is also the total comprehensive income.

The notes on pages 18 to 23 form part of these accounts.

Condensed Statement of Financial Position

		At 30 June 2026	At 31 December 2025
	Notes	£'000	£'000
NON-CURRENT ASSETS			
Investments held at fair value through profit or loss	3	290,441	327,236
CURRENT ASSETS			
Trade and other receivables		1,649	1,137
Cash and cash equivalents		4,055	1,090
		5,704	2,227
TOTAL ASSETS		296,145	329,463
CURRENT LIABILITIES:			
Investment management fees payable			
Other payables		(232)	(216)
		(232)	(216)
NET ASSETS		295,913	329,247
EQUITY			
Called up share capital	7	28,643	28,643
Share premium account*		202,665	202,665
Capital redemption reserve		312	312
Other reserve		(559)	(559)
Capital reserve		61,229	92,104
Revenue reserve		3,623	6,082
TOTAL EQUITY		295,913	329,247
Shares in issue	7	107,479,234	110,033,918
NAV per share		275.32p	299.22p

* On 28 July 2026, the share premium account was cancelled and a new special reserve was created. This reserve is distributable by way of dividends and may also be used to fund repurchases of the Company's own shares.

The notes on pages 18 to 23 form part of these accounts.

Condensed Statement of Changes in Equity

Six months to
30 June 2026 (unaudited)

		Called up share capital	Capital redemption reserve	Share premium account	Other reserve	Treasury shares	Capital reserve	Revenue reserve	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening equity		28,643	312	202,665	(559)	–	92,104	6,082	329,247
Net return for the period		–	–	–	–	–	(24,730)	2,645	(22,085)
Ordinary shares bought back and held in treasury	7	–	–	–	–	–	(6,145)	–	(6,145)
Dividends paid	6	–	–	–	–	–	–	(5,104)	(5,104)
Closing equity		28,643	312	202,665	(559)	–	61,229	3,623	295,913

The notes on pages 18 to 23 form part of these accounts.

Condensed Statement of Changes in Equity

Six months to
30 June 2025 (unaudited)

		Called up share capital	Capital redemption reserve	Share premium account	Other reserve	Treasury shares	Capital reserve	Revenue reserve	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening equity		28,665	312	202,665	(559)	(22)	61,534	906	293,501
Net return for the period		–	–	–	–	–	30,297	3,073	33,370
Ordinary shares bought back and held in treasury	7	–	–	–	–	–	(2,210)	–	(2,210)
Share cancellation in relation to 2021 performance fee		(22)	–	–	–	22	–	–	–
Closing equity		28,643	312	202,665	(559)	–	89,621	3,979	324,661

The notes on pages 18 to 23 form part of these accounts.

Cash Flow Statement

	Notes	Six months to 30 June 2026 (unaudited) £'000	Six months to 30 June 2025 (unaudited) £'000
Net cash inflow from operating activities		2,122	1,419
Investing activities			
Payments to acquire non-current asset investments		(24,214)	(18,792)
Receipts on disposal of non-current asset investments		36,226	8,131
Net cash inflow/(outflow) from investing activities		12,012	(10,661)
Financing activities			
Dividends paid	6	(5,104)	–
Purchase of shares held in treasury	7	(6,053)	(1,916)
Net cash outflow from financing activities		(11,157)	(1,916)
Increase/(decrease) in cash and cash equivalents		2,977	(11,158)
Cash and cash equivalents at beginning of period		1,090	17,076
Losses on currency		(12)	(26)
Increase/(decrease) in cash and cash equivalents		2,977	(11,158)
Cash and cash equivalents at the end of period		4,055	5,892

The notes on pages 18 to 23 form part of these accounts.

Notes to the Financial Statements

1. Reporting entity

The condensed financial statements contained in this half yearly report do not constitute statutory accounts as defined in s434 of the Companies Act 2006. The financial information for the six months to 30 June 2026 and 30 June 2025 has not been audited or reviewed by the Company's external auditor.

The information for the year ended 31 December 2025 has been extracted from the latest published audited financial statements. Those statutory financial statements have been filed with the Registrar of Companies and included the report of the auditor, which was unqualified and did not contain a statement under Sections 498(2) or (3) of the Companies Act 2006.

No statutory accounts in respect of any period after 31 December 2025 have been reported on by the Company's auditor or delivered to the Registrar of Companies.

Returns for the first six months should not be taken as a guide to the results for the full year.

2. Accounting policies

The half yearly financial information has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies are unchanged from those used in the last published annual financial statements except where otherwise stated.

3. Investments held at Fair Value Through Profit or Loss

	At 30 June 2026 (unaudited)	At 31 December 2025 (audited)
	£'000	£'000
Listed securities	280,900	317,945
Unquoted securities	9,541	9,291
Total non-current investments held at fair value through profit or loss	290,441	327,236

Notes to the Financial Statements

Continued

3. Investments held at Fair Value Through Profit or Loss continued

Under IFRS 13 investment companies are required to disclose the fair value hierarchy that classifies financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair values.

Classification	Input
Level 1	Valued using quoted prices in active markets for identical assets
Level 2	Valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1
Level 3	Valued by reference to valuation techniques using inputs that are not based on observable market data

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.

Classification	At 30 June 2026 £'000	At 31 December 2025 £'000
Level 1	280,900	317,945
Level 2	–	–
Level 3	9,541	9,291
Total non-current investments held at fair value through profit or loss	290,441	327,236

The movement on the Level 3 unquoted investments during the period/year is shown below:

	Six months to 30 June 2026 £'000	Year to 31 December 2025 £'000
Opening balance	9,291	4,817
Disposals during the year	–	(369)
Unrealised gains/(losses) at period/year end	250	(369)
Transfer from Level 1 to Level 3	–	4,843
Closing balance	9,541	9,291

Notes to the Financial Statements

Continued

4. Income

	Six months to 30 June 2026	Six months to 30 June 2025
	£'000	£'000
Income from investments:		
UK dividends	2,274	2,372
Overseas dividends	981	1,283
Other income:		
Deposit interest	5	125
Total income	3,260	3,780

5. Investment management fees

The Company's Investment Manager does not earn an ongoing annual management fee, but is instead paid an annual performance fee equal to one third of any outperformance of the Company's NAV per share total return (including dividends and adjusted for the impact of share buybacks and the issue of new shares) over the FTSE All-Share Index total return for each financial year.

The total annual performance fee is capped at 4% per annum of the NAV of the Company at the end of the relevant financial year if the NAV per share has increased in absolute terms over the period and 2% if the NAV per share has decreased in absolute terms over the period. Any outperformance that exceeds these caps will be carried forward and only paid if the Company outperforms, and the annual cap is not exceeded, in subsequent years.

The performance fee is subject to a high-water mark so that no fee will be payable in any year until all underperformance of the Company's net asset value since the last performance fee was paid has been made up.

Performance fees are settled by issuance of the Company's ordinary shares. Such shares are issued at the NAV per share on the date of issue, so that the then current value of the shares equates in terms of NAV to the performance fees liability.

Any part of the performance fee that relates to the performance of Phoenix SG will be accrued but will not be paid until such time as the Company's investment in Phoenix SG has been realised or is capable of realisation. The position will be reviewed at that time by reference to the realised proceeds of sale or the fully realisable value of Phoenix SG as compared to the original cost of acquisition.

Any performance of Castelnau Group Limited will be excluded from the calculation of the performance fee payable by the Company to Phoenix.

All other performance fees are subject to a review and clawback procedure if the Company underperforms its benchmark over a period of three years following the end of the financial year in respect of which the relevant fee was paid. Shares received by the Investment Manager under this arrangement must be retained by the Investment Manager throughout the three-year period to which the clawback procedure applies.

Notes to the Financial Statements

Continued

5. Investment management fees continued

As a result of the above all or any part of the performance fees might become recoverable. The Company reflects this in the charge recognised in subsequent accounting periods within the vesting period of the Investment Manager through the true-up mechanism in IFRS 2.

No performance fee has been charged in the Income Statement for the period ended 30 June 2026 (30 June 2025: £nil).

6. Dividends

The interim dividend of 4.7 pence per ordinary share or £5,104,000 in total in respect of the year ended on 31 December 2025 went ex-dividend on 14 May 2026 and had a record date of 15 May 2026. The dividend was paid on 25 June 2026. This dividend was not reflected in the financial statements for the year ended 31 December 2025, but is reflected during the period to 30 June 2026.

There is no interim or final dividend reflected during the period to 30 June 2025.

7. Share Capital and Reserves

	At 30 June 2026	At 31 December 2025
Ordinary Shares of 25p allotted, called up and fully paid (£'000)	28,643	28,643
(Number)	107,479,234	114,572,742

Notes to the Financial Statements

Continued

7. Share Capital and Reserves continued

	Six months ended 30 June 2026 (Number)	Year ended 31 December 2025 (Number)
Shares in issue with full voting rights:		
Opening	110,033,918	114,572,742
Shares purchased into treasury	(2,554,684)	(4,538,824)
Closing shares in issue with full voting rights	107,479,234	110,033,918
Treasury Shares:		
Opening	4,538,824	89,096
Shares purchased into treasury	2,554,684	4,538,824
Shares cancelled from treasury	–	(89,096)
Closing shares held in treasury	7,093,508	4,538,824

The Company has a single share class, being ordinary shares that each have a nominal value of 25p, and has not issued any other forms of security.

No shares were issued during the six months to 30 June 2026 (2025: none).

During the six months to 30 June 2026 the Company bought back into treasury 2,554,684 ordinary shares, at an average price (excluding ancillary charges) of 240.56p per share. During the year ended 31 December 2025 the Company bought back into treasury 4,538,824 shares, at an average price (excluding ancillary charges) of 252.16p per share.

The clawback period on restricted shares issued to the Investment Manager in relation to the performance period ended 31 December 2021 finished on 31 December 2024 and 89,096 shares originally issued to the Investment Manager were clawed back. These were cancelled in January 2025. No shares were cancelled during the six months to 30 June 2026.

8. Return per share

The capital, revenue and total return per share are based on the net return shown in the Income Statement and the weighted average of 109,035,334 shares in issue during the period (30 June 2025: 114,212,727). In accordance with IAS 33, the calculation excludes shares issued in relation to the performance fee which remain subject to a three-year clawback mechanism, as such shares are not regarded as outstanding.

Notes to the Financial Statements

Continued

9. Transactions with Related Parties and Investment Manager

The Board of Directors are key management personnel of the Company and therefore related parties. Fees payable to the Directors in respect of the period to 30 June 2026 were £74,000 (30 June 2025: £72,000).

Phoenix Asset Management Partners Limited ("Phoenix"), the Company's AIFM and Investment Manager, and Castelnau Group Limited ("Castelnau") are related parties under the Listing Rules. Castelnau is a related party as the Company is a substantial shareholder under the UK Listing Rules.

There were no transactions between the Company and Castelnau during the six months ended 30 June 2026. Fees payable to the Investment Manager are detailed in the Income Statement and Note 5.

As previously disclosed, Phoenix agreed to make a contribution of £750,000 to the Company towards the direct costs incurred in connection with the November 2024 transaction with Artemis Alpha Trust plc. The contribution was originally due to be settled in full by 31 December 2026.

The Board and Phoenix have subsequently agreed to a revised settlement timetable, under which the contribution will be paid in three annual instalments of £250,000, commencing on 31 December 2026, subject to any earlier offset against future performance fees.

The aggregate contribution remains unchanged at £750,000 and Phoenix remains obligated to satisfy the contribution in full. Having considered the revised arrangements, including the preservation of the Company's full entitlement to the contribution, the ability for the contribution to be settled earlier through future performance fee offsets and the limited impact of the revised payment timetable on the Company, the Board concluded that the revised arrangements were pragmatic and reasonable.

Alternative Performance Measures ("APMs")

Annualised ongoing charges

A measure of the regular, recurring annual costs of running an investment company, expressed as a percentage of average net assets. The measure is calculated by expressing the regular expenses of the year as a percentage of the average net assets during the year.

	Note	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)
		£'000	£'000
Average NAV	a	304,488	311,164
Annual expenses	b	1,032	1,141
Non-recurring credit	c	–	48
Annual ongoing expenses	d=b-c	1,032	1,093
Annualised ongoing charges figure	d÷a	0.34%	0.35%

Share price discount to NAV per share

The amount, expressed as a percentage, by which the share price is less than the NAV per share.

	Note	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)
NAV per share	a	275.32	299.22
Share price	b	248.00	272.00
Discount	(b÷a)-1	(9.9)%	(9.1)%

Total returns

A measure of performance that includes both income and capital returns. This takes into account capital gains and reinvestment of dividends paid out by the Company on the ex-dividend date.

		Six months to 30 June 2026 (unaudited)		Year to 31 December 2025 (audited)	
		NAV per share	Share price	NAV per share	Share price
Opening balance	a	299.22p	272.00p	256.17p	227.00p
Closing balance	b	275.32p	248.00p	299.22p	272.00p
Price movement	c=(b÷a)-1	(8.0)%	(8.8)%	16.8%	19.8%
Impact of dividend reinvestment	d	1.7%	1.8%	–	–
Total returns	c+d	(6.3)%	(7.0)%	16.8%	19.8%

Alternative Performance Measures ("APMs")

Continued

Net Asset Value per Share (NAV per share)

The Company recognises performance fees and clawbacks on fees paid in prior performance periods under IFRS 2 – Share Based Payment in its annual and half year financial statements. However, for the purposes of the Company's unaudited NAVs that are announced daily to the London Stock Exchange and other regulatory information services the current performance fee, and any clawback on fees paid in prior performance periods, are recognised on a liability basis, which diverges from the Company's accounting policy.

The table below is a reconciliation between the NAV per share as at 30 June 2026 announced on the London Stock Exchange on 1 July 2026 and the NAV per share disclosed in these financial statements. The difference is principally the result of amortising performance fees over the vesting period in accordance with IFRS 2 – Share-based Payment in these financial statements, whereas the NAV per share as at 30 June 2026 published on 1 July 2026 treated the performance fee clawback as receivable on 30 June 2026, in accordance with the investment management agreement. The remaining reconciling balances relate to adjustment of the unquoted investment valuations and expenses, due to timing lag.

	NAV	NAV
	£'000	per share
End of period NAV as published on 1 July 2026	296,044	275.44p
Reversal of performance fee clawback accounted for under non-IFRS 2 approach	(561)	(0.52)p
Adjustments on final valuation of unquoted investments and expenses	430	0.40p
NAV as disclosed in this half yearly report	295,913	275.32p

NAVs and performance quoted on the Company's website, other than within the Interim and Annual Reports, are based on the unaudited daily NAVs.

Glossary

AIC	Association of Investment Companies.
Alternative Investment Fund or "AIF"	An investment vehicle under UK AIFMD (see below). The Company is classified as an AIF.
Alternative Investment Fund Managers Regulations ("UK AIFMD")	A directive agreed by the European Parliament and the Council of the EU and transposed into UK legislation, the UK AIFMD classifies certain investment vehicles, including investment companies, as Alternative Investment Funds ("AIFs") and requires them to appoint an Alternative Investment Fund Manager ("AIFM") and depositary to manage and oversee the operations of the investment vehicle. The Board of the Company retains responsibility for strategy, operations and compliance and the Directors retain a fiduciary duty to shareholders.
Annual General Meeting or AGM	A meeting held once a year which shareholders can attend, vote on resolutions put forward at the meeting and ask Directors questions about the company in which they are invested.
Alternative Performance Measures ("APMs")	See definitions of each APM on pages 24 and 25.
Custodian	An entity that is appointed to safeguard a company's assets.
Discount	The amount, expressed as a percentage, by which the share price is less than the net asset value per share.
Depositary	Certain AIFs must appoint depositaries under the requirements of UK AIFMD. A depositary's duties include, inter alia, safekeeping of the Company's assets and cash monitoring. Under UK AIFMD the depositary is appointed under a strict liability regime.
Dividend	Income receivable from an investment in shares.
Ex-dividend date	The date from which a purchaser of shares is not entitled to receive a dividend which has been declared and is due to be paid to shareholders.
Financial Conduct Authority or "FCA"	The independent body that regulates the financial services industry in the UK.
Index	A basket of stocks which is considered to replicate a particular stock market or sector.
Investment company	A company formed to invest in a diversified portfolio of assets.
Liquidity	The extent to which assets can be converted into cash at short notice, or in the context of market liquidity, the extent to which shares are available to match the demand from buyers or sellers.
Net assets	An investment company's assets less its liabilities.
Net asset value per share (NAV per share)	The Company's net assets divided by the number of shares in issue (excluding any shares held in Treasury).

Glossary

Continued

Portfolio

A collection of different investments held in order to deliver returns to shareholders and to spread risk.

Share buyback

A purchase of a company's own shares. Shares can either be bought back for cancellation or held in Treasury.

Share price

The price of a share as determined by a relevant stock market.

Treasury shares

A company's issued shares owned by itself which are available to be sold by the company to raise funds.

Corporate Information

Directors

Lucy Walker (Chair)
Farah Buckley
Alex Denny
Lady Rachael Robathan

Alternative Investment Fund Manager ("AIFM") and Investment Manager

Phoenix Asset Management Partners Limited
80-82 Glenthams Road
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Depository & Custodian

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Company Secretary, Administrator & Registered Office

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Telephone: 020 3008 4910
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Stockbroker

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Auditor

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Registrar

MUFG Corporate Markets
Central Square
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Leeds LS1 4DL
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Shareholder Portal

You can register online to view your holdings using the Share Portal, a service offered by MUFG Corporate Markets at www.signalshares.com. The Share Portal is an online service enabling you to quickly and easily access and maintain your shareholding online – reducing the need for paperwork and providing 24 hour access to your shareholding details.

Through the Share Portal you may:

- Cast your proxy vote online;
- View your holding balance and get an indicative valuation;
- View movements on your holding;
- Update your address;
- Register and change bank mandate instructions so that dividends can be paid directly to your bank account;
- Elect to receive shareholder communications electronically; and
- Access a wide range of shareholder information including the ability to download shareholder forms.

Corporate Information

Continued

Company Information and Identification Codes

ISIN	GB0000633262
Sedol	0063326
EPIC	ARR
Website	www.auroraukalpha.com
Registered in	England and Wales
Company Number	03300814
Bloomberg	ARR:LN
Legal Entity Identifier	21380070UWIZFMAG0575



