Aurora UK Alpha plc

Annual Report for the year ended 31 December 2025

Company No. 03300814

Contents

Strategic Report

Image courtesy of Frasers Group PLC

Company Summary

Aurora UK Alpha plc ("the Company") is a closed-ended investment company, incorporated in England and Wales under the Companies Act (Registered number 03300814), listed in the UK and traded on the main market of the London Stock Exchange. It operates as an investment trust, as approved by HMRC, in accordance with the Corporation Tax Act.

The Company does not have a fixed life but does hold a triennial continuation vote. The next continuation vote is expected to take place at the annual general meeting of the Company to be held in 2028.

Investment Objective and Policy

The Company's investment objective is to provide shareholders with long-term total returns by investing predominantly in a portfolio of UK listed companies.

The Company seeks to achieve its investment objective by investing predominantly in a portfolio of UK listed companies, but may from time to time also invest in companies listed outside the UK and unlisted securities. The investment policy is subject to certain restrictions, as set out on page 9, where the Company's investment policy is set out in full. The portfolio is relatively concentrated. The exact number of individual holdings will vary over time, but typically the portfolio will include core holdings in 15 to 20 companies.

Investment Manager

To implement the Company's investment policy, Phoenix Asset Management Partners Limited ("Phoenix") was appointed as Investment Manager on 28 January 2016. Phoenix applies a differentiated value-driven investment philosophy using intensive research to thoroughly understand the businesses invested in and the intrinsic value they represent.

Benchmark

Performance is benchmarked against the FTSE All-Share Index (total return), representing the overall UK market.

Dividend

The Board expects to distribute substantially all of the Company's net revenue. Accordingly, the Board is recommending a final dividend for the year ended 31 December 2025 of 4.70p per share, to be paid on 25 June 2026 to shareholders who appear on the register as at 15 May 2026. The applicable ex-dividend date will be 14 May 2026. This dividend will be proposed at the forthcoming AGM to be held on 10 June 2026.

Annual General Meeting ("AGM") and separate Manager presentation event

The AGM of the Company will be held at 25 Southampton Buildings, London WC2A 1AL on 10 June 2026 at 1 p.m. There will be no Investment Manager presentation at the AGM. Instead, there will be a separate Investment Manager presentation and Q&A event at 4 p.m. on 14 October 2026 at the Chartered Accountants Hall, 1 Moorgate Place, London EC2R 6EA.

Company Performance

As at 31 December 2025	For the year ended 31 December 2025
299.22p Net Asset Value ("NAV") per share[1] (2024: 256.17p)	**16.8%** NAV per share total return[1] (2024: −4.3%)
272.00p Share price (2024: 227.00p)	**19.8%** Share price total return[1] (2024: −5.5%)
9.1% Share price discount to NAV per share[1] (2024: 11.4%)	**23.9%** FTSE All-Share Index total return ("Benchmark") (2024: 9.5%)
95.9% Active Share ratio[1] (2024: 95.9%)	**4.70p** Dividend per share (2024: 3.00p)
£329.2m Net Assets (2024: £293.5m)	**0.35%** Ongoing charges[1] (2024: 0.45%)

1 Definitions of these Alternative Performance Measures ("APMs") together with how these have been calculated can be found on pages 101 to 104.

Company Performance

Continued

Five Year Summary

As at 31 December	2025	2024	2023	2022	2021
Share price	272.00p	227.00p	247.00p	194.50p	234.50p
NAV per share	299.22p	256.17p	274.34p	203.45p	253.78p#
Share price discount to NAV per share	(9.1)%	(11.4)%	(10.0)%	(4.4)%	(7.6)%

Year ended 31 December					
Share price total return	19.8%	(5.7)%	28.8%	(16.3)%	13.5%
NAV per share total return	16.8%	(4.3)%	36.3%	(19.1)%	17.1%#
FTSE All-Share Index total return	23.9%	9.5%	7.9%	0.3%	18.3%
Dividends per share	4.70p	3.00p	3.45p	2.97p	1.84p

Before 2022 the NAV per share was not adjusted for IFRS2.

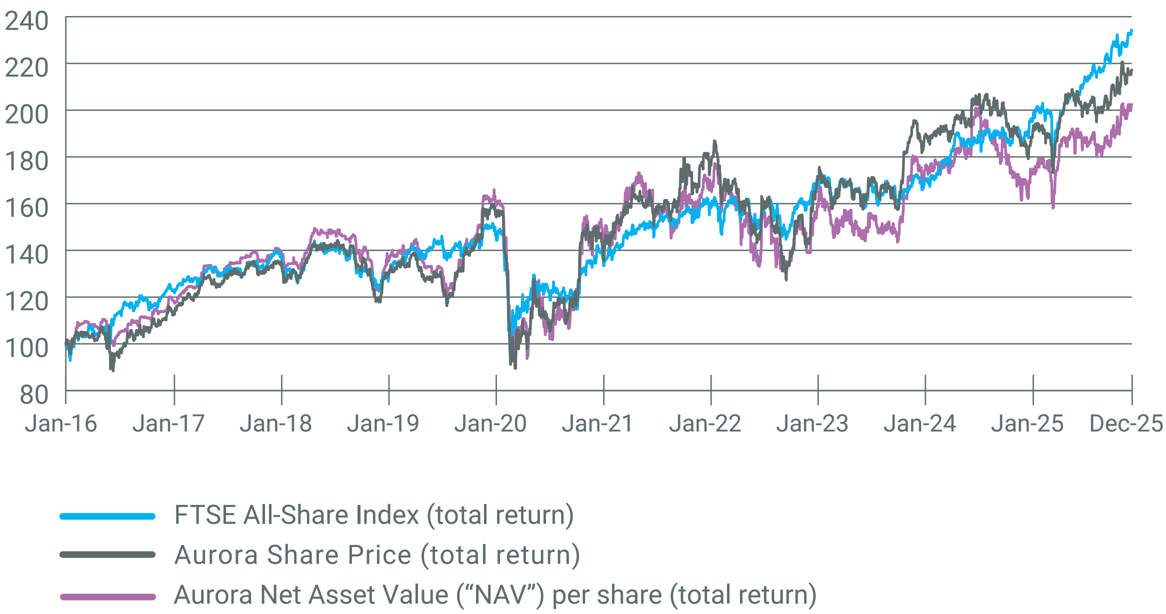
Cumulative return since appointment of the Investment Manager

The Company's performance in absolute terms and relative to the FTSE All-Share Index (total return) benchmark since Phoenix was appointed as Investment Manager on 28 January 2016 is shown below:

Cumulative total return	%
Share price (total return)	102.4
NAV per share (total return)	117.0
Benchmark (total return)	134.0

Performance Chart

Performance (total return, including dividends) since the appointment of Phoenix Asset Management Partners as Investment Manager



Source: Morningstar.

Chair's Statement

Lucy Walker
Chair

30 March 2026

I am pleased to present the Aurora UK Alpha plc annual report for the year ended 31 December 2025.

Performance

Performance for the year to 31 December 2025 was a welcome improvement on 2024, though lagging the FTSE All-Share Index. The NAV per share total return* for the year was 16.8% (2024: –4.3%) and, with the discount of the share price to the NAV having narrowed, the share price total return* was 19.8% (2024: –5.5%). The benchmark FTSE All-Share Index total return was 23.9% (2024: 9.5%). With a concentrated portfolio and a focus on identifying out of favour names the portfolio diverges significantly from the benchmark, as reflected in its active share ratio* of 96%. It is therefore expected for performance to diverge over shorter periods, but the strategy is targeted at outperforming the index over the long-term and we remain confident that it can.

Top positive contributors in the year were Ryanair, Lloyds Banking Group, Frasers Group and Burberry. Barratt Redrow was the most significant detractor.

For further details on the portfolio and performance, please see the Investment Manager's Report on pages 22 to 25.

Cancellation of Share Premium Account

In short, this will give the Board greater flexibility to return capital to shareholders in future, including through buybacks.

The Company has built up a substantial share premium account through historic share issuances, augmented by the large share issuance made in connection with the combination with Artemis Alpha Trust plc ("ATS") in 2024. The share premium account is non-distributable.

The Companies Act 2006 and the Companies (Reduction of Share Capital) Order 2008 permit the Company, with the sanction of a special resolution of its shareholders and the confirmation of the High Court of Justice in England and Wales (the "Court"), to cancel the amount standing to the credit of its share premium account and apply the amount to create distributable reserves. The creation of a distributable reserve in this manner will provide a significant pool of reserves which can be used, if required, to fund share buybacks or other distributions/returns of capital to shareholders in accordance with applicable law. The cancellation will therefore provide the Company with more flexibility in how capital may be managed in the future.

Accordingly, the Board is proposing special resolution (Resolution 13) at the forthcoming AGM, which seeks shareholder approval to cancel the entire amount standing to the credit of the Company's share premium account, following which the Company will make an application to the Court to obtain its confirmation of the cancellation. Subject to confirmation by the Court and the cancellation of the share premium account taking effect, the amount so cancelled will be credited to a distributable reserve.

The Investment Manager and Performance Fees

Phoenix has managed the Company's portfolio since January 2016 and throughout their appointment the team has employed a focused and patient investment approach.

*Alternative Performance Measure (see page 102).

Chair's Statement

Continued

Phoenix earns no ongoing annual management fee, and instead is paid an annual performance fee, equal to one third of any outperformance of the Company's NAV against its benchmark, the FTSE All-Share Index (total return).

The performance fee is paid by issuance of the Company's ordinary shares, which are subject to a fixed three-year clawback period. This means issued shares will be returned by the Investment Manager in the event that outperformance versus the index reverses on the third-year anniversary. If outperformance fully reverses, the Investment Manager receives nothing. No performance fee was earned in the year to 31 December 2025 (2024: £nil).

Share Price Discount

The Board closely monitors the discount to NAV at which the Company's shares trade. During 2025 the discount narrowed from 11.4% at the end of 2024 to 9.1% at the end of 2025. This narrowing is welcome and closing the discount continues to be one of the Board's key objectives. To encourage demand for the Company's shares, which should tend to increase their price and narrow the discount, Phoenix, Deutsche Numis, and Frostrow Capital promote the Company proactively.

Additionally, on 11 February 2025 the Board announced the commencement of a discretionary share buyback programme and the Company undertook its first share buyback on 6 June 2025. Up to 31 December 2025 the Company bought back into treasury 4,538,824 shares, at an average price of 252.0p per share. These buybacks are aimed at helping to provide market liquidity when it is lacking and also demonstrate the Board's faith in the value of the portfolio. The activity seems to have helped to stabilise the discount, while also being accretive to remaining shareholders.

The Board is seeking to renew the power granted to it by shareholders to buy back shares at the forthcoming annual general meeting. The Board will also seek to renew its powers to issue new shares and sell shares from treasury in order to be able to issue shares to investors should the shares return to a premium, as well as to enable the issue of shares to the Investment Manager in respect of performance fees earned.

Annual General Meeting ("AGM") and separate Investment Manager presentation event

Consistent with the Company's recent practice, this year's AGM will not include an Investment Manager presentation. The AGM will be held at the Company's registered office, 25 Southampton Buildings, London WC2A 1AL, on 10 June 2026 at 1 p.m. to consider the business set out in the Notice of Meeting on pages 106 to 108.

A separate investor event will be held at 4 p.m. on 14 October 2026 at the Chartered Accountants Hall, 1 Moorgate Place, London EC2R 6EA. This event has been well attended in previous years and is intended to be of interest to both existing and prospective Aurora shareholders. It will include multiple speakers from the Investment Manager and is intended to be recorded and made available afterwards on the Company's website.

With respect to the AGM, the Board strongly encourages shareholders to register their votes online in advance of the meeting by visiting https://uk.investorcentre.mpms.mufg.com/login and following the instructions on the site. Appointing a proxy online will not restrict shareholders from attending the meeting in person should they wish to do so and will ensure their votes are counted if they are not able to attend. Shareholders are invited to send any questions they may have to the Company Secretary by email to info@frostrow.com ahead of the meeting.

Chair's Statement

Continued

Ongoing Charges

It is pleasing that the ongoing charges have reduced from 0.45% to 0.35%. This follows the ATS transaction in 2024, which increased the asset base and reduced the fixed charges on a per share basis. As a reminder, shareholders pay the Investment Manager no annual management fee, as outlined above and on pages 41 and 42.

Dividend

The Board's policy on dividends is to pay out substantially all of the Company's net revenue earned in the year. Accordingly, the Board is recommending a final dividend of 4.70p per ordinary share in respect of the year ended 31 December 2025. If approved by shareholders at the AGM the dividend will be paid on 25 June 2026 to shareholders who appear on the share register as at 15 May 2026, with an ex-dividend date of 14 May 2026. Last year no final dividend was paid. Instead, an interim dividend of 3.0p per share was declared in advance of the ATS combination and paid to shareholders on 6 December 2024. Dividends in respect of the last five years are shown on page 5. Revenue earnings are not a key objective of the Company and dividends are expected to vary each year.

Lord Howard Flight

It is with sadness that I report the passing of Lord Howard Flight, who served as Company Chair from July 2011 to June 2022. Howard was instrumental in Aurora moving to Phoenix as its Investment Manager in 2016 and during his tenure the Company grew from £35 million to £194 million. Howard had a long and illustrious career in finance and politics.

From a personal perspective, Howard invited me onto the Board in 2019, when my profile was far from typical for an investment trust director. That decision, like his earlier support for Phoenix's management of Aurora, reflected something characteristic of him: a willingness to look beyond convention and back people he believed in. I am deeply grateful for the trust he placed in me.

On behalf of the Board, I thank Howard for his many contributions, and our thoughts are with his family.

Outlook

Markets are volatile with many uncertainties globally, not least the war in Iran, and for patient, long-term investors, periods like this have historically set the foundations for strong future returns. This is backed up by Phoenix's estimate of the portfolio's intrinsic value which stands at a substantial premium to the current NAV. The buyback programme underscores the Board's confidence in the portfolio's value, and the narrowing of the discount during the year is encouraging. The Company offers a differentiated, deeply researched portfolio with genuine alignment of interests through Phoenix's fee structure. We remain confident that, over time, this approach will greatly reward shareholders.

Lucy Walker
Chair
30 March 2026

Investment Objective and Policy

Investment objective

The Company's investment objective is to provide shareholders with long-term total returns by investing predominantly in a portfolio of UK listed companies.

Investment policy

The Company seeks to achieve its investment objective by investing predominantly in a portfolio of UK listed companies. The Company may from time to time also invest in companies listed outside the UK and unlisted securities. The investment policy is subject to the following restrictions, all of which are at the time of investment:

- The maximum permitted investment in companies listed outside the UK at cost price is 20% of the Company's gross assets;
- The maximum permitted investment in unlisted securities at cost price is 10% of the Company's gross assets;
- There are no pre-defined maximum or minimum sector exposure levels but these sector exposures are reported to and monitored by the Board in order to ensure that adequate diversification is achieved;
- The Company's policy is not to invest more than 15% of its gross assets in any one underlying issuer (measured at the time of investment) including in respect of any indirect exposure through Castelnau Group Limited ("Castelnau");
- The Company may from time to time invest in other UK listed investment companies, but the Company will not invest more than 10% in aggregate of the gross assets of the Company in other listed closed-ended investment funds; and
- Save for Castelnau Group Limited, the Company will not invest in any other fund managed by the Investment Manager.

While there is a comparable index for the purposes of measuring performance over material periods, no attention is paid to the composition of this index when constructing the portfolio and the composition of the portfolio is likely to vary substantially from it. The portfolio will be relatively concentrated. The exact number of individual holdings will vary over time but typically the portfolio will include core holdings in 15 to 20 companies. The Company may use derivatives and similar instruments for the purposes of capital preservation.

The Company does not currently intend to use gearing. However, if the Board did decide to utilise gearing the aggregate borrowings of the company would be restricted to 30% of the aggregate of the paid-up nominal capital plus the capital and revenue reserves.

Any material change to the investment policy of the Company will only be made with the approval of shareholders at a general meeting. In the event of a breach of the Company's investment policy, the Directors will announce through a Regulatory Information Service the actions which will be taken to rectify the breach.

Dividend Policy

The Company does not have a fixed dividend policy. However, the Board expects to distribute substantially all of the net revenue arising from the investment portfolio. Accordingly, the Company is expected to pay an annual dividend that may vary each year.

Borrowing Policy

The Company is not prohibited from incurring borrowings for working capital purposes, however the Board has no current intention to utilise borrowings. Whilst the use of

Investment Objective and Policy

Continued

borrowings should enhance the total return on the Company's shares where the return on the underlying assets is rising and exceeds the cost of borrowing, it will have the opposite effect where the underlying return is falling, further reducing the total return on the shares. As a result, the use of borrowings by the Company may increase the volatility of the NAV per share.

The Company has a policy not to invest more than 10% of its gross assets in other UK listed investment companies. As a consequence of its investments, the Company may therefore itself be indirectly exposed to gearing through the borrowings from time to time of these underlying investment companies.

Company Purpose and Key Performance Indicators

Company purpose and strategy

The Company's purpose is encapsulated in its investment objective, which is to provide shareholders with long-term total returns by investing predominantly in a portfolio of UK listed companies.

To achieve the investment objective, the Board has agreed an investment policy, as set out on page 9) and has delegated its implementation to Phoenix Asset Management Partners Ltd ("Phoenix" or "the Investment Manager").

As an externally managed investment trust, all of the Company's day-to-day management and administrative functions are outsourced to third party service providers. As a result, the Company has no executive directors, employees or internal operations.

However, the Board remains responsible for all aspects of the Company's affairs, including monitoring the investment strategy and the review of investment performance. It also has responsibility for all strategic policy issues, including share issuance and buy backs, share price and discount/premium monitoring, corporate governance matters, investor relations, dividends and gearing.

Key performance indicators "KPI's"

The Board measures the Company's success in attaining its objective by reference to KPI's as follows:

a. To make an absolute total return for shareholders on a long-term basis;
b. To make a relative total return for shareholders on a long-term basis, as measured against the Company's benchmark, the FTSE All-Share Index (total return);
c. The Board seeks to ensure that the operating expenses of running the Company as a proportion of NAV (the Ongoing Charges Ratio) are kept to a minimum; and
d. The discount/premium to NAV per share at which the Company's shares trade is also closely monitored in view of its effect on shareholder returns.

These are alternative performance measures ("APMs"). Whereas the Financial Statements (on pages 76 to 100) set out the required statutory reporting measures of the Company's financial performance, the Board additionally assesses the Company's performance against these APMs, which are viewed as being particularly relevant for the Company. These APMs are widely used within the investment company sector and the Directors believe they enhance the comparability of information and assist investors in understanding the Company's performance. Further information on each of the KPI's is set out below. Definitions of the APMs and the basis of their calculation are set out on pages 101 and 102.

The Chair's Statement on pages 6 to 8 incorporates a review of the highlights during the year.

The Investment Manager's Report on pages 22 to 25 gives further details on the portfolio and how performance has been achieved.

Company Purpose and Key Performance Indicators

Continued

Performance

(KPIs a and b)

The Directors regard the Company's share price total return to be the overall measure of performance over the long term, since it approximates the return in the hands of shareholders. It combines the change in the share price with the dividends paid to shareholders, which are added back as though reinvested at the ex-dividend date.

The Directors consider the Company's NAV per share total return to be a key indicator of the Investment Manager's performance. The NAV per share total return is the change in the Company's NAV per share with distributions to shareholders added back.

The Board monitors these against the Company's benchmark, the FTSE All-Share index (total return), outperformance of which drives the remuneration of the Investment Manager.

19.8% **Shareholder return (share price total return) for the year ended 31 December 2025** (2024: -5.5%)	**(4.1)%** **Share price total return relative over/(under) performance against the FTSE All-Share index (total return) benchmark for the year ended 31 December 2025** (2024: -15.0%)
16.8% **NAV per share total return for the year ended 31 December 2025** (2024: -4.3%)	**(7.1)%** **NAV per share total return relative over/(under) performance against the FTSE All-Share index (total return) benchmark for the year ended 31 December 2025** (2024: -13.8%)

The Company delivered positive performance in 2025 under both of these total return measures, so the absolute return target was achieved in the year, but performance fell short of the return posted by the benchmark index.

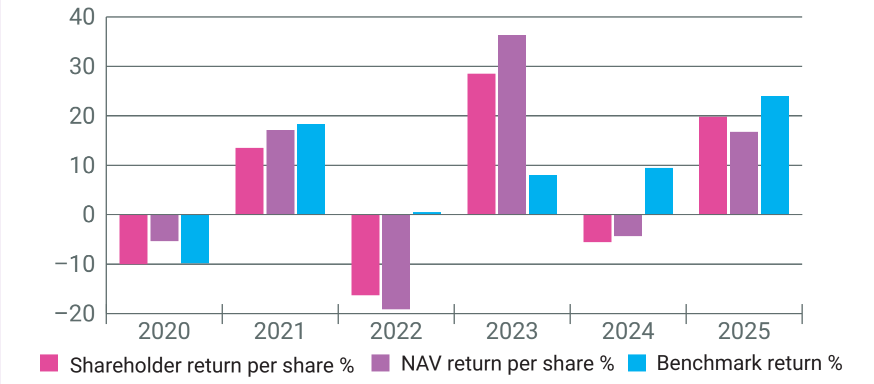
Longer term, the Company's cumulative return since Phoenix was appointed has been positive, achieving the absolute return objective. However, long term performance against the benchmark has been mixed, with a cumulative shortfall since appointment.

102.4% **Cumulative shareholder return, including dividends, since the appointment of Phoenix as Investment Manager, from 28 January 2016 to 31 December 2025**	**(31.6)%** **Cumulative shareholder return over/(under) performance against the benchmark from 28 January 2016 to 31 December 2025**
117.0% **Cumulative NAV per share total return, including dividends, since the appointment of Phoenix as Investment Manager, from 28 January 2016 to 31 December 2025**	**(17.0)%** **Cumulative NAV per share total return over/(under) performance against the benchmark from 28 January 2016 to 31 December 2025**

Company Purpose and Key Performance Indicators

Continued

Shareholder and NAV total returns versus the benchmark index over the last 5 years:



Ongoing charges

(KPI c)

Ongoing charges represent the costs that shareholders can reasonably expect the Company to pay from one year to the next under normal circumstances, excluding performance fees and taxation.

Phoenix does not earn an ongoing annual management fee, but instead is paid an annual performance fee, only if the benchmark is outperformed, equal to one third of the outperformance of the Company's NAV against its FTSE All-Share Index (total return) benchmark.

The Board monitors the Company's other operating costs carefully and aims to maintain a sensible balance between good quality services and costs. As the size of the Company grows the ongoing charge figure is expected to reduce.

Premium/Discount to NAV

(KPI d)

The discount of the price at which the Company's shares trade to the NAV per share is considered a key indicator of performance as it impacts the share price total return and can provide an indication of how investors view the Company's performance and its investment objective. Accordingly, it is closely monitored by the Board.

0.35%

Ongoing charge 2025

Based on the Company's average net assets for the year ended 31 December 2025, the Company's ongoing charge figure calculated in accordance with the Association of Investment Companies ("AIC") methodology was 0.35% (2024: 0.45%).

9.1%

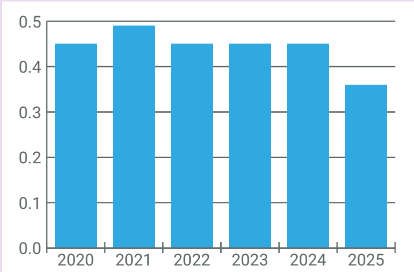
Discount at 31 December 2025

The share price closed at a discount of 9.1% to the NAV per share as at 31 December 2025 (2024: 11.4% discount). During the course of the year, based on the daily published NAVs per share (which are not adjusted to comply with IFRS 2 (see page 15)), the Company's shares traded at a discount of between 7.3% and 13.2%, with an average discount of 10.2% (2024: the Company's shares traded at a discount of between 3.6% and 15.5% to NAV per share, with an average discount of 9.4%).

Company Purpose and Key Performance Indicators

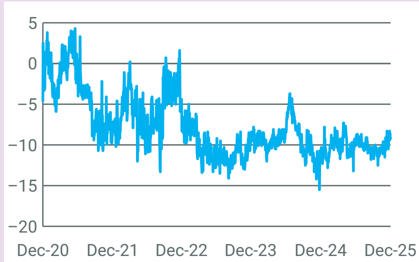
Continued

Ongoing charge % last 5 years:



The ongoing charge has shown a welcome reduction following the Company's combination with Artemis Alpha Trust plc in November 2024.

Premium/(discount) last 5 years:



Discount is further discussed on pages 7 and 41.

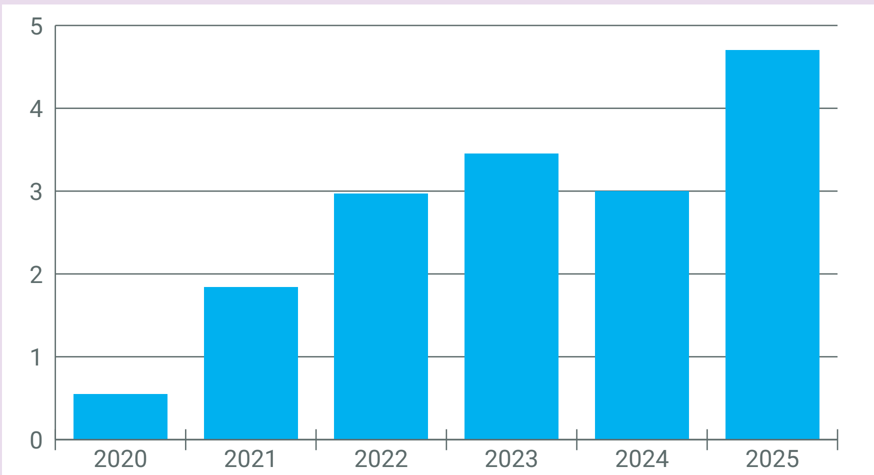
Other Performance Indicators

Given their contribution to total returns, the Board also closely monitors the Revenue Result and Dividend.

Revenue Result and Dividend

The Company's revenue after tax for the year ended 31 December 2025 was £5,176,000 (2024: £2,556,000). The Board is recommending a final dividend of 4.70p per share, to be paid on 25 June 2026 to shareholders on the register on 15 May 2026 (2024: interim dividend 3.0p).

Dividends in respect of the last 5 years (pence):



Our registrar, MUFG Corporate Markets ("MUFG"), administers a Dividend Re-Investment Plan ("DRIP") on behalf of the Company whereby direct shareholders resident in the United Kingdom can choose for MUFG to apply their cash dividend to buy further shares in the market. Details about the DRIP, including the terms and conditions and how to join or exit the DRIP are available at https://uk.investorcentre.mpms.mufg.com/login or by calling MUFG on +44 (0)371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. Elections for the DRIP to be applied in respect of the 2025 dividend must be received by the registrar by 4 June 2026.

Company Purpose and Key Performance Indicators

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 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 31 December 2025 announced on the London Stock Exchange on 2 January 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 31 December 2025 published on 2 January 2026 treated the performance fees as earned on 31 December 2025, 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 per share
	£'000	p
NAV as published on 2 January 2026	**329,582**	**299.53**
Reversal of performance fee clawback accounted for under non-IFRS 2 approach	**(561)**	**(0.51)**
Adjustments on final valuation of unquoted investments and expenses	**226**	**0.20**
NAV as disclosed in these financial statements	**329,247**	**299.22**

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

Portfolio

Top Holdings
as at 31 December 2025

Company	Sector	Holding in Company	Valuation	Percentage of net assets	Date of first purchase	Average cost per share*	Share price	Market capitalisation
			£'000	%				Million
Castelnau Group Limited#	Financial	51,877,587	48,506	14.7	Oct-21	£0.92	£0.94	£314
Frasers Group Plc	Retail	7,120,364	48,276	14.7	Jun-07	£4.36	£6.78	£3,051
Barratt Redrow Plc	Construction	11,558,366	44,026	13.4	Nov-18	£4.55	£3.81	£5,437
Lloyds Banking Group Plc	Financial	39,857,700	39,156	11.9	Sep-08	£0.54	£0.98	£57,849
Ryanair Holdings Plc	Leisure	1,447,150	37,301	11.3	May-19	€13.28	€29.52	€ 30,996
Burberry Group Plc	Retail	1,123,025	14,251	4.3	Jan-24	£6.20	£12.69	£4,581
Other holdings (less than 3%)			95,720	29.1				
Total holdings			327,236	99.4				
Other current assets and liabilities			2,011	0.6				
Net assets			**329,247**	**100.0**				

* Average net cost including sales.

Castelnau is a multi-sector 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. As at 31 December 2025, the Company held 15.6% of the issued share capital of Castelnau (2024: 15.8%).

The AIC SORP recommends disclosure of the ten largest portfolio holdings. The Company has instead chosen to disclose all holdings representing more than 3% of the portfolio, consistent with the Investment Manager's longstanding approach to portfolio reporting. The Board considers this threshold to be in the best interests of shareholders, as disclosure of smaller positions, which are typically less liquid and may represent holdings in the course of being built or realised, could allow other market participants to anticipate the Company's trading activity to the detriment of existing shareholders.

Given the highly concentrated nature of the portfolio, disclosure on this basis captures a substantial proportion of total assets, in many cases a larger share than would result from a mechanical top ten disclosure applied to a more diversified portfolio. As at the year end, six holdings exceeded the 3% threshold and these have been presented, representing the substantial majority of the portfolio by value.

Portfolio

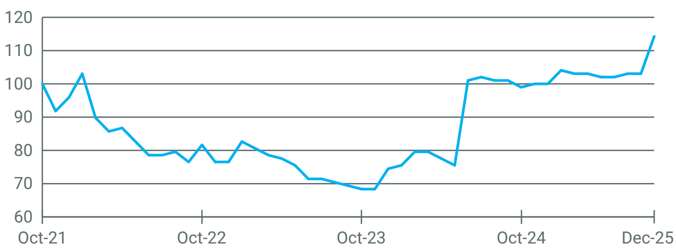
Continued

Castelnau Group Limited is a closed-ended investment company listed on the Specialist Fund Segment of the London Stock Exchange, formed by Phoenix Asset Management Partners in 2020.

Its objective is to compound shareholders' capital at a higher rate than the FTSE All-Share Index over the long term, investing in a concentrated portfolio of businesses acquired at prices that provide a material margin of safety against permanent loss of capital.

Castelnau's primary asset is Dignity, the UK's largest funeral services business, which Castelnau helped take private in May 2023 through a joint venture alongside Sir Peter Wood's investment vehicle. Dignity operates funeral homes, crematoria and a pre-paid funeral plan business across the country. Dignity alone is valued at more than the entirety of Castelnau's net asset value, with the balance of the portfolio comprised of a collection of private businesses.

Since inception performance chart

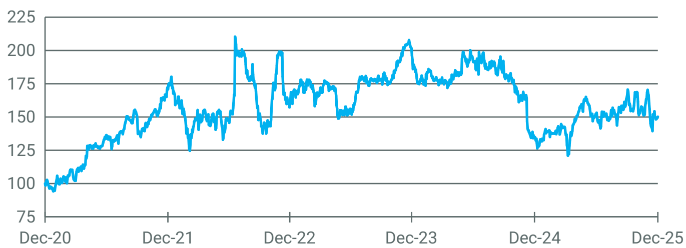


Castelnau Group share price total return rebased to 100

The Company's holding in Castelnau Group represented 14.7% of the Company's NAV at 31 December 2025.

Frasers Group was founded in 1982 by Mike Ashley as a sports retailer. By the late 1990s there were 100 stores across the UK, branded as Sports Soccer. By 2008 the business was trading under the name Sports Direct and had become a high street staple. As the Group continued to grow it became more than just a sports retailer, rebranding as Frasers Group in 2019 with three core pillars: Sports, Premium Lifestyle and Luxury. These pillars underpin their Elevation Strategy, which focuses on store experience, digital and product. Today the Group generates revenues of approximately £4.9 billion and operating profit of approximately £557 million. The Group continues to grow its store estate and brand portfolio, both in the UK and internationally.

5-year performance chart



Frasers Group share price total return rebased to 100

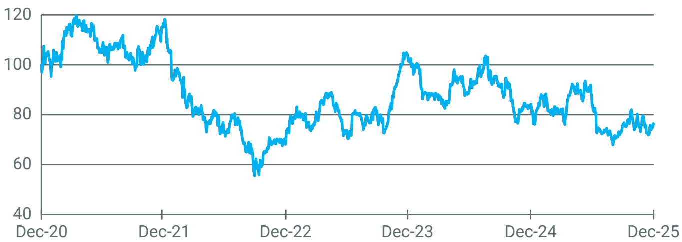
The Company's holding in Frasers Group represented 14.7% of the Company's NAV at 31 December 2025.

Portfolio

Continued

Barratt Redrow is the UK's largest housebuilder following Barratt's acquisition of Redrow, completed in August 2024. The combination brought a complementary premium brand and high-quality land assets to create a business of significant scale. In its financial year to June 2025 it delivered 16,565 home completions, supported by a land bank of over 80,000 plots valued at more than £5 billion, equivalent to more than six years of supply at current build rates. The business carried net cash of £772 million at the year end.

5-year performance chart

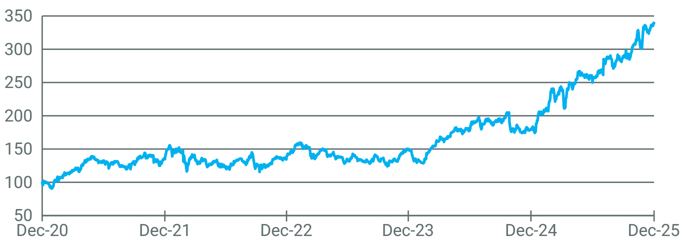


Barratt Redrow share price total return rebased to 100

The Company's holding in Barratt Redrow represented 13.4% of the Company's NAV at 31 December 2025.

Lloyds Banking Group traces its origins to Taylors & Lloyds, founded in Birmingham in 1765, and has grown through a series of mergers and acquisitions into the UK's largest retail bank. The Group incorporates many household names including Lloyds Bank, Halifax, Bank of Scotland and Scottish Widows, and operates across three divisions: Retail; Insurance, Pensions and Investments; and Commercial Banking. With a mortgage book of over £320 billion and customer deposits of approximately £496 billion, the Group holds dominant market shares in both UK mortgages and retail deposits, serving over 26 million customers.

5-year performance chart



Lloyds Banking Group share price total return rebased to 100

The Company's holding in Lloyds Banking Group represented 11.9% of the Company's NAV at 31 December 2025.

Portfolio

Continued

Ryanair was founded in 1984 and began operations in 1985 with a single route from Waterford, Ireland, to London Gatwick. The company adopted a low-cost, no-frills model under CEO Michael O'Leary in 1990 and expanded rapidly following EU aviation deregulation in 1992. Today it is Europe's largest airline by passenger numbers, carrying a record 200 million passengers in its financial year to March 2025, generating revenues of €14.0 billion across over 2,600 routes serving 37 countries.

5-year performance chart

Ryanair Holdings share price total return rebased to 100

The Company's holding in Ryanair represented 11.3% of the Company's NAV at 31 December 2025.

Burberry was founded in 1856 by Thomas Burberry, who invented the durable, breathable fabric known as gabardine and created the iconic trench coat. The brand expanded globally over the following century and a half, becoming one of Britain's most recognisable luxury labels, known for its outerwear, the check pattern and its scarves. It generates revenues of approximately £2.5 billion across stores in all major luxury markets worldwide.

Following a period of difficult trading, the company appointed Josh Schulman as CEO in July 2024. Under his "Burberry Forward" strategy, the business is refocusing on its core heritage products and returning to sustainable, profitable growth.

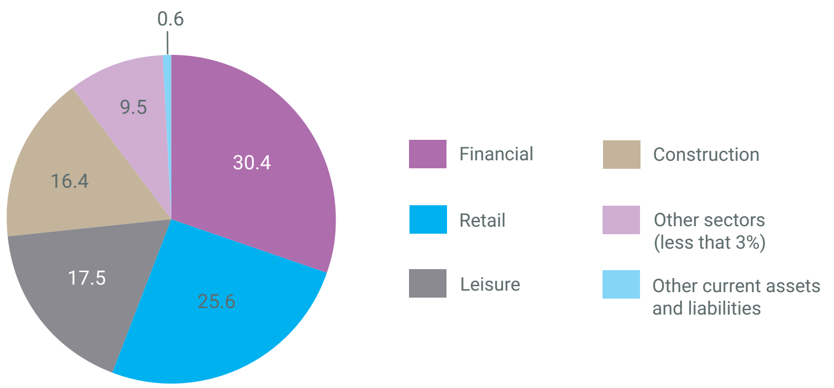
5-year performance chart

Burberry Group share price total return rebased to 100

The Company's holding in Burberry represented 4.3% of the Company's NAV at 31 December 2025.

Portfolio Allocation as at 31 December 2025

Sector	Percentage of Net Assets
	%
Financial*	30.4
Retail	25.6
Leisure	17.5
Construction	16.4
Other sectors (less than 3%)	9.5
Other current assets and liabilities	0.6
Total	100.0



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

Statement from the Chief Investment Officer of the Investment Manager

Gary Channon
Chief Investment Officer Phoenix Asset Management Partners

30 March 2026

The outbreak of conflict in Iran in recent weeks has generated significant news flow and, with it, triggered the natural human impulse to shorten one's time horizon in response to threat. We think this instinct is worth resisting. Geopolitical shocks of this kind, however alarming in the moment, rarely alter the long-term economics of well-run businesses in a fundamental way.

A more consequential force, in our view, is the profound shift underway in artificial intelligence. The internet created and destroyed more value than any recession in living memory. AI has the potential to do the same, rewriting competitive dynamics, changing human behaviour and rendering some business models obsolete while creating new ones that are difficult to imagine today.

We have thought carefully about what this means for each business we own. For a funeral home, a housebuilder or an airline, the scope for AI to fundamentally disrupt the underlying economics is limited. Where we believe disruption is possible, we are careful to invest with management teams that are genuinely alert to it.

Periods of profound uncertainty tend to produce overreactions in both directions. The opportunity, as ever, lies in knowing what something is worth when the price alone is all anyone can see. If we navigate the uncertainty clearly and think carefully through what it means for each business, we believe we will find ourselves well positioned to act when the opportunities are most compelling.

We recognise that a decade is a period long enough to be a fair judge of any investment manager and over that time frame, our returns have fallen short of what we set out to achieve and what our investors deserved. We examined that record honestly in the Company's September 2025 Factsheet, which we encourage investors interested in the findings to read (it can be found at www.auroraukalpha.com in the Investor Centre). The process is stronger as a result, and what the analysis also made clear is that the core investment engine, applied to its intended purpose, has not only been performing well but getting better throughout.

Today, the portfolio on our own measures of value is more attractively priced than it has been for some time. Historically, it is from precisely these conditions, when value is abundant and patience is tested, that our best returns have come. We do not know when that value will be recognised, but are confident that it will be.

The Investment Manager's Report that follows is written by Kartik Kumar and covers the portfolio positions and activity in detail.

Gary Channon
Chief Investment Officer
Phoenix Asset Management Partners
30 March 2026

Investment Manager's Report

Kartik Kumar
Portfolio Manager
Phoenix Asset Management Partners

30 March 2026

The Phoenix Approach

At Phoenix, we seek to deliver high returns with low risk.

We aim to do so by identifying exceptional businesses, waiting patiently for a compelling opportunity to invest, and then holding until the underlying economics of the business is recognised in dividends and share prices.

Stocks, unlike most investments, have no maturity date and can be held indefinitely. Yet their immediate liquidity tempts most investors to behave as though they do, often creating mis-pricings that we seek to exploit. We aim to invest with a long-term mindset that the market in aggregate rarely seems to apply.

Our portfolios are deliberately focused with typically no more than 15 to 20 core holdings, each the product of intensive and often years-long research. Our primary protection against risk is knowledge and understanding, rather than the number of investments we hold. We diversify only to the degree necessary to protect against our own mistakes.

What we have described is value investing, a well-established philosophy that is simple to understand but genuinely difficult to apply. In investing, we are often our own worst enemy as human nature itself works against us. For that reason, we draw on behavioural psychology in our approach with the aim of fostering clear thinking.

Since our founding in 1998, we have applied both disciplines with the same consistency, embedding the lessons of our mistakes into our framework along the way. The result over that extended period has been significant long-term outperformance, although we are conscious that past success is no guarantee of future wisdom.

Performance

Our performance is best understood alongside three points of context.

Share prices in the short term are driven by sentiment and narrative rather than fundamentals. The cash flows that ultimately determine the value of a business change far more slowly than prices suggest. We are therefore reluctant to place too much weight on any single period's movements. It is a little like explaining the weather when what matters is the climate.

We own a concentrated portfolio of typically no more than 15 to 20 core holdings against an index of hundreds. That concentration means our performance will deviate meaningfully from the index in any given period: sometimes in our favour, sometimes not. Over the long term, we expect that deviation to be significantly in our favour.

Our fee structure is straightforward and we believe genuinely unusual. We charge no management fee. We earn a performance fee from the Company only when we outperform the index, paid entirely in the Company's shares rather than cash. Those shares are subject to a three-year clawback, so if the outperformance that generated the fee subsequently reverses, we return them. If it fully reverses, we receive nothing. We think that is the right way to align our interests with shareholders.

Investment Manager’s Report

Continued

Over the year to 31 December 2025, NAV per share increased by 16.8% and the share price rose by 19.8%, against a FTSE All-Share total return of 23.9%. Given the underperformance relative to the benchmark in 2025, no performance fee was earned. Since Phoenix assumed management of the Trust in January 2016, NAV has risen 117.0% against the index’s 134.0% (figures all total returns, including dividends reinvested).

The largest contributors to performance during the year were Lloyds Banking Group, Ryanair and Frasers Group, adding 7.5%, 5.1% and 1.7% respectively. Burberry contributed a further 1.7%. Barratt Redrow detracted 1.7%.

Portfolio Overview

The portfolio is best understood not as a collection of share prices but as a collection of businesses, each at a different stage of its journey. What follows is a summary of where we stand in our largest holdings, how our positioning changed during the period, and the aggregate opportunity we see across the portfolio.

Castelnau is an investment trust managed by Phoenix whose primary asset is **Dignity**, the UK's leading funeral services business. Funerals are an attractive market. Demand is steady, predictable and grows gradually over time. Dignity is well placed to serve it, owning funeral homes, crematoria and a pre-paid funeral planning business. After a difficult period under previous management, the business is in the midst of a comprehensive turnaround. The opportunity is significant. Small improvements in revenue from growth flow through to large increases in value.

In the last year, the company’s management team restructured operations, launched a probate service, which is a large neighbouring market Dignity is well placed to enter, and introduced a more accessible pre-paid funeral product. The business also repaid a significant amount of debt, strengthening its financial position. What is being built here is a significantly more valuable business, and the foundations are stronger than they have been in years.

Frasers Group was founded by Mike Ashley from a single sports shop in Maidenhead and has grown into one of the UK's leading retailers, spanning sporting goods and premium lifestyle brands. What makes the business exceptional is the combination of a low-cost retail operation and a growing portfolio of owned and partner brands, which together generate persistently high returns. The management team has built a culture that thrives and adapts in one of the most unforgiving industries in the world, with a consistent ability to invest money wisely and at the right moment.

The past year demonstrated the resilience of the business in a difficult trading environment, with strong cash generation supported by the completion of warehouse automation. The company continued to invest selectively, acquiring strategic stakes in brands and retailers, expanding its UK property portfolio and growing its overseas presence. The business ends the year with more opportunities than it started with, and that is a pattern that has repeated itself year after year.

Investment Manager's Report

Continued

Barratt Redrow is the UK's leading housebuilder. Housing is a fundamental human need. Demand is driven by demographics and changes slowly and predictably. In the UK, decades of underbuilding have created a shortage that successive governments have struggled to address. No new housebuilder of scale has entered the market since 1974, a testament to how difficult it is to establish a new business in this industry. Beneath an appearance of cyclicality, the economics are consistently attractive: when costs and prices fluctuate, the adjustment is largely absorbed by landowners rather than the builder, leaving cash returns high and stable.

The past year saw volume expectations trimmed as planning delays slowed the pace at which Barratt could open new sites. The company also increased its provisions for building safety remediation, a legacy issue that continues to affect the wider industry. In a market where overall volumes remain suppressed, the underlying demand is nonetheless there. People still need homes, and that need does not disappear because it is delayed. Meanwhile, the underlying economics of the market continue to improve quietly as land is replenished at today's prices. Our view of the significant long-term value of the business is unchanged.

Lloyds is the UK's largest retail bank, with a dominant share of the nation's current accounts and mortgages. Banking is a heavily regulated industry with high barriers to entry, which protects established players from new competition. Its customers rarely switch, and it is that inertia that allows Lloyds to set its own terms, providing a stable and low-cost source of funds. As the lowest cost operator in the market, Lloyds is well placed to grow its share over time.

Lloyds delivered strong earnings, with bad debts remaining low and the benefit of prior years' rate rises continuing to feed through its business. The Supreme Court judgment and subsequent FCA redress scheme brought greater certainty to the motor finance issue that had cast a shadow since 2023, with worst-case outcomes now firmly off the table. The business is also investing heavily in artificial intelligence across its operations, from mortgage applications to customer service, with early results suggesting meaningful improvements in both efficiency and customer experience. The underlying franchise is in good health.

Ryanair was founded in 1984 as a small Irish carrier and has grown into Europe's largest airline carrying over 200 million passengers a year. Its success rests on a single idea, brilliantly executed by Michael O'Leary over four decades: be the lowest cost operator in the market and offer prices that no competitor can match. The result is an airline that consistently takes market share, using periods of industry weakness both to push out weaker competitors and to invest counter-cyclically in its own future.

Profitability improved meaningfully during the year as fares recovered, supported by a shortage of new aircraft and engine issues across the industry that kept capacity constrained and pricing firm. Ryanair continued to demonstrate strong cost discipline throughout. The business ended the period in a net cash position with a largely unencumbered fleet, leaving it well placed to invest and withstand shocks.

During the period, we added to our positions in **Barratt Redrow** and **Burberry** at points of price weakness, reflecting our confidence in the long-term value of both businesses. We exited our positions in **RHI Magnesita**, following a change in our assessment of the business, and **Bellway**, following a change in management. We also trimmed our position in **Lloyds** and initiated three new holdings, which we will disclose once they reach 3% of the portfolio.

Investment Manager's Report

Continued

The weighted average holding period for our 16 core positions is currently 6.5 years. That is not a target but a natural consequence of owning exceptional businesses and giving them the time they need to fulfil their potential. In truth, our ideal holding period is forever. In practice, we sell when the price has fully reflected the value we saw, when we find a more compelling opportunity elsewhere, or when we recognise that we were wrong in our thinking.

For each business we own, we maintain an estimate of what we believe it is truly worth, independent of its share price, that we call intrinsic value. At the year end, our estimate stood at approximately 710p per share against a NAV of 300p. Since then, NAV has declined to 278p while our estimate of intrinsic value has remained broadly stable at 715p, making the opportunity more attractive still. In simple terms, we believe that for every £1 invested today, there is approximately £2.57 of intrinsic value.

We have applied the same disciplined approach to this calculation for nearly 30 years, and we are under no illusion that it is a precise science. What we have found is that over time, upside to intrinsic value is our most reliable guide to future returns, and that the greater the gap, the more powerful the force that closes it.

Kartik Kumar
Portfolio Manager
Phoenix Asset Management Partners
30 March 2026

Report under Section 172 of the Companies Act 2006

Directors' duty to promote the success of the Company

Section 172 of the Companies Act 2006 requires the Directors to seek to promote the success of the Company for the benefit of its members as a whole, having regard to the likely consequences of any decision in the long term, the need to foster the Company's business relationships with suppliers and others, the impact of the Company's operations on the community and the environment, the desirability of the company maintaining a reputation for high standards of business conduct, and the need to act fairly as between members of the Company.

The Board seeks to understand the views of the Company's shareholders and their interests, and those of its other key stakeholders, and to consider these, together with the other matters set out in section 172, in Board discussions and decision-making. The Board keeps engagement mechanisms under review so that they remain effective and in fulfilling their duties the Directors carefully consider the likely consequences of their actions over the long term.

The following describes how the Directors have had regard to the views of the Company's stakeholders in their decision-making.

Shareholders

The Investment Manager regularly meets the largest shareholders and beneficial owners and reports back to the Board on those meetings. The Company's corporate broker, Deutsche Numis, and Frostrow Capital LLP ("Frostrow"), in its capacity as the Company's investor relations & marketing adviser, also meet with investors and seek to understand their views, which they relay to the Board. Additionally, the Company Chair is available to meet with investors on request and did engage with shareholders during the year. Through these interactions and other communications, the Board and the Investment Manager seek to promote a supportive investor base of long-term investors.

The Board communicates with investors twice a year via the Annual Report and Half-yearly Report and more frequently via the Company's website which hosts various information, including news reports, video presentations by the Investment Manager and monthly factsheets. Additionally, the NAV per share is announced daily via a regulatory information service.

Shareholders may attend the Company's AGM, at which the Directors are available in person to meet with shareholders and to answer their questions. However, consistent with the Company's practice in recent years, the AGM will not include a presentation from the Investment Manager. Instead, a separate Investment Manager presentation and Q&A event, which the Directors will also attend, will be held at 4 p.m. on 14 October 2026 at the Chartered Accountants Hall, 1 Moorgate Place, London EC2R 6EA. This event is intended to be of interest to both existing and prospective Aurora shareholders and will include multiple speakers from the Investment Manager. It is intended for this event to be recorded and made available afterwards on the Company's website.

The Notice of Meeting on pages 106 to 108 sets out the business of the AGM and each resolution is explained in Explanatory Notes to the Resolutions, which follow the Notice, starting on page 113. Separate resolutions are proposed for each substantive issue. The Company Chair, and where relevant, each Committee Chair, welcomes engagement with the Company's shareholders (and the Company's other key stakeholders) on significant issues raised by them at the AGM or at other times. Details of the votes cast on each resolution will be announced via a regulatory information service shortly after the AGM and published on the Company's website.

Report under Section 172 of the Companies Act 2006

Continued

At each of its regular meetings the Board tracks shareholder changes and monitors the evolving shareholder profile. A list of the largest shareholders in the Company can be found on page 44.

Other stakeholders

As an externally managed investment company, the Company has no employees and all operational activities are outsourced to third party service providers. These include the Investment Manager, the Company Secretary and Administrator, the Registrar, the Depositary, the Custodian, lawyers and financial advisers. The Board has identified these service providers to be key stakeholders in the Company, together with its shareholders and investee companies. The Board is aware of the need to foster the Company's relationships with its key stakeholders through its stakeholder management activities.

As part of the Board and stakeholder evaluation processes that are undertaken annually, the Board reviews its engagement mechanisms to ensure they remain effective.

In fulfilling their duties, the Directors carefully consider the likely consequences, for stakeholders and otherwise, of their actions over the long term.

During the Board's quarterly meetings the Directors consider and are mindful of:

i. the Company's investment objective and policy;
ii. the main trends and factors likely to affect the future development, performance and financial position of the Company;
iii. the Company's key performance indicators;
iv. the Company's peers;
v. the Company's overall strategy; and
vi. the Company's core values, which are integrity, accountability, transparency and commitment.

The service provider most fundamental to the Company's long-term success is the Investment Manager, and the Board provides oversight and challenge to the Investment Manager at all Board meetings to ensure that the portfolio is managed in line with the Company's published investment policy.

A description of key service providers' roles together with the terms of their engagement can be found on pages 41 to 43. The Management Engagement Committee, on behalf of the Board, reviews the performance and terms of engagement of each of the Company's key service providers annually to ensure each remains competitive and to consider the quality of the services they provide.

Environmental, Social and Governance ("ESG") Matters

The Board expects companies in which the Company invests to have good governance standards and satisfies itself that the Investment Manager consistently and proactively engages with them on this basis.

All shareholdings are voted at listed company meetings worldwide where practicable in accordance with the Investment Manager's own corporate governance policies.

Further details of the Investment Manager's approach to ESG within its investment framework can be found on its website at **www.phoenixassetmanagement.com**.

Report under Section 172 of the Companies Act 2006

Continued

Monitoring of Key Decisions and the outcome of those decisions

The Board meets at least quarterly and at such other times as deemed appropriate. During these meetings, the Board considers reports from the Investment Manager on the Company's portfolio, investment activity and sector diversification. In addition, the Investment Manager provides an overview of engagement with current and potential investee companies. The Board discusses the Company's portfolio and notable acquisitions or disposals at each of its meetings and challenges stock selection where deemed appropriate.

The Board receives reports from Frostrow, in its capacity as Company Secretary, Administrator and Investor Relations & Marketing Adviser, respectively, on the latest governance, legal and investment trust sector issues, the Company's management accounts and, together with the Company's corporate stockbroker, on the Company's shareholder base, including changes thereto. The Depositary provides oversight reports and the Company's corporate stockbroker also reports on performance relative to the Company's peers and the market liquidity of the Company's shares. Contact with shareholders by the Investment Manager, Frostrow and the Company's corporate stockbroker is also relayed to the Board who consider these discussions at their quarterly meetings.

During the year, in addition to regular interactions, the Management Engagement Committee on behalf of the Board reviewed the performance and terms of engagement of each of the Company's key service providers, which included a review of their control reports and policies, such as whistleblowing, anti-bribery, anti-money laundering and corruption, cyber security, data protection policies and each entity's business continuity arrangements to ensure they were in place and were adequate. Additionally, for the third consecutive year, service providers were asked to participate in a 360 degree review whereby they provided comments on their interactions with the Board and each other.

In relation to engagement with shareholders, the Board decided in 2023 to decouple the Investment Manager's presentation from the AGM and hold a separate Manager presentation event in October, where Directors were also available to interact. This was repeated in 2024 and 2025. It seems to be a successful formula for increasing engagement, with good attendances each year, and will be continued in 2026 as mentioned above.

Particular decisions during the year included the change of the Company's corporate broker to Deutsche Numis following a review. The Company also implemented a discretionary share buyback programme in the year, aimed at helping to provide market liquidity when it is lacking. This appears to have helped to stabilise the discount, while being accretive to remaining shareholders. The Board has also been active in seeking to enhance the Company's profile, including a restyle of this annual report. In relation to costs, the Board has negotiated an improved fee with the Company's administrator, Frostrow Capital LLP, as shown on pages 42 and 43, and continues to keep costs under review generally.

Principal Risks and Risk Management

Principal Risks and Risk Management

The Board is responsible for the identification, evaluation and management of the risks facing the Company. Risk is a key element of all the Board's deliberations. Additionally, the Board has delegated to the Audit Committee the formal regular review of these risks, together with their mitigation and the discerning of emerging risks, on its behalf. This process accords with the UK Corporate Governance Code and the FRC's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting.

The Audit Committee, on behalf of the Board, has carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity.

The Board's policy on risk management has not materially changed during the course of the reporting period and up to the date of this report.

The Audit Committee maintains a framework of the key risks and the policies and processes in place to monitor, manage and mitigate them where possible. This risk map is reviewed regularly by the Audit Committee, as set out in the Audit Committee Report starting on page 62.

The Audit Committee and the Board consider that the risks, and the uncertainties inherent therefrom, that are summarised below are the principal risks currently facing the Company. It is not an exhaustive list of all risks faced by the Company. The assessment of the risks outlined below did not change significantly over the course of the year.

Principal Risks and Uncertainties

Geopolitical and economic risks

The Company and its portfolio are exposed to risks arising from economic and market conditions such as from rising interest rates; inflation; recession; local and global politics; and disruptive local and global events. These can disrupt trade and supply chains and cause increased market volatility, which could substantially and adversely affect the Company's prospects and the market prices of its investments. Increased interest rates, inflation and the threat of recession continue to be contemporary areas of concern, together with the conflicts in Ukraine and the Middle East.

The opportunity for the Board to mitigate such macro risks is somewhat limited. However, mitigations applied include that the Board has appointed an experienced Investment Manager, regularly reviews the portfolio, the Company's macro risk exposures, including to emerging risks, and receives updates from the Investment Manager and other advisers. The Investment Manager monitors the Company's investment positions closely and provides updates to the Board at all Board meetings, together with relevant market, economic and political developments. The Company's portfolio, although concentrated, is diversified across a range of sectors, the Company has no leverage and a net cash balance, and the Board receives monthly reports on compliance with the Company's investment objective and policy.

Principal Risks and Risk Management

Continued

Investment objective and strategy risks

The Company's investment objective is to provide shareholders with long-term total returns by investing predominantly in a portfolio of UK listed companies. It is not assured that the objective will be met or that it will continue to meet investors' needs. Poor performance or the investment objective losing its attractiveness to shareholders could result in reputational damage and a widening discount.

The Board reviews performance at every Board meeting and challenges the Investment Manager on stock selection and diversification.

The Board also seeks to understand shareholder sentiment with respect to the investment objective and the strategy being followed with the help of the Company's Investment Manager, corporate broker and investor relations & marketing adviser.

Shareholders are provided with an opportunity to vote on the Company's continuation every three years. The continuation vote provides a gauge of the attractiveness of the Company to its shareholders. The next opportunity to vote on the Company's continuation will be at the AGM in 2028. The last continuation vote took place at the Company's AGM on 11 June 2025 and was successfully passed with overwhelming support from shareholders (99% of votes cast were in favour).

Risks related to the Investment Manager

The Company's success is closely dependent on the performance of the Investment Manager. In addition to the performance of the portfolio, the Company is also exposed to any potential loss of key personnel from, and the reputation of, the Investment Manager.

The Investment Manager has a well-defined investment strategy, a proven process and an extensive track record. The performance and the terms of engagement of the Investment Manager are reviewed annually by the Management Engagement Committee on behalf of the Board, in addition to the Board's ongoing communications, monitoring and challenge. The Investment Manager also reports regularly to the Board on personnel changes and other developments.

Discount risk

The Board specifically recognises the risk that the price of the Company's shares may not reflect their underlying net asset value, which could compromise shareholders' returns.

The Board, along with its advisers and the Investment Manager, monitors the discount closely and seeks to enhance share price performance through effective marketing. The Board also seeks authority from shareholders each year to buy back shares and instigated buybacks during the last year.

Principal Risks and Risk Management

Continued

Operational risks

Operational risks incorporate, amongst other things, the potential for errors or irregularities in published information, cyber risks, business continuity risks, and regulatory risks.

The Audit Committee has received internal controls reports from the relevant service providers, where available, and has satisfied itself that adequate controls and procedures are in place to limit any impact on the Company's operations, particularly with regard to a financial loss. It has also satisfied itself that they have appropriate business continuity plans in place. The performance of service providers is reviewed annually by the Management Engagement Committee. Each service provider's contract defines their duties and responsibilities and has safeguards in place including provisions for termination in the event of a breach or under certain circumstances.

ESG risks

The Board recognises the risks posed by environmental, social and governance ("ESG") factors, particularly with respect to portfolio risks and potential reputational risk should the Company not meet investor expectations in relation to ESG.

Investment companies are currently exempt from reporting under the Task Force on Climate-Related Financial Disclosures ("TCFD") and the Company has not voluntarily adopted the requirements, but considers ESG factors that might affect portfolio companies to be an emerging risk area for the Company. The Board and Investment Manager also recognise the potential opportunity afforded by attention to the wider climate change agenda. ESG risk assessment is embedded in the Investment Manager's due diligence and decision-making process when investing in new companies and monitored thereafter. However, the Company does not have explicit sustainability investment objectives or policies and accordingly has not adopted a sustainability label under the FCA's UK Sustainability Disclosure Requirements and investment labels regime ("SDR").

Principal Risks and Risk Management

Continued

Financial risks

The Company is exposed to liquidity risk and credit risk arising from the use of counterparties. If a counterparty were to fail it could adversely affect the Company through either delay in settlement or loss of assets. The most significant counterparty to which the Company is exposed is the Depositary, which is responsible for the safekeeping of the Company's custodial assets.

Further details on the Company's financial risks are included in Note 13 to the financial statements starting on page 96.

The Board reviews the services provided by the Depositary and the internal controls report of the Custodian to ensure that the security of the Company's custodial assets is maintained.

The Investment Manager is responsible for undertaking reviews of the creditworthiness of the counterparties that it uses.

Other Strategic Report Information

Viability Statement

In accordance with the UK Corporate Governance Code, the Directors have carefully assessed the Company's position and prospects as well as the principal risks and have formed a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five financial years to 31 December 2030.

The Board has chosen a five-year horizon in view of the long-term nature and outlook adopted by the Investment Manager when making investment decisions.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due for at least five years to 31 December 2030. A continuation vote, as required by the Company's Articles, was held on 11 June 2025 and passed with overwhelming support from shareholders. The next vote will take place at the Company's AGM in 2028. The Board has received no indication that this will not also pass.

In reaching their conclusion, the Directors have considered each of the principal risks and uncertainties set out above as well as the following assumptions in assessing the Company's viability:

- there will continue to be demand for investment trusts;
- the Board and Investment Manager will continue to adopt a long-term view when making investments;
- the Company invests principally in the securities of UK listed companies to which investors will wish to continue to have exposure; and
- regulation will not increase to a level that makes running the Company uneconomical.

Factors including higher interest rates, inflation and the conflicts in Ukraine and the Middle East were also incorporated into the key assumptions. As part of this process the Board considered the impact of severe but plausible adverse scenarios, including the impact of significant market movements, on the Company's liquidity and solvency, its income and expenses profile and that (although not utilised) gearing is an instrument permitted by the Company's investment policy. A significant proportion of the Company's investments comprise readily realisable securities which could, if necessary, be sold to meet the Company's cash requirements. The financial considerations were based on the going concern assessment, discussed on pages 44 and 45, extended to cover the five-year period from the date of approval of this annual report.

The Board aspires for the Company to continue to grow and keeps its potential for doing so under review. Portfolio changes and market developments are also discussed at quarterly Board meetings.

The internal control framework of the Company is subject to formal review on at least an annual basis and this includes consideration of the operational resilience of the Company's service providers.

Other Strategic Report Information

Continued

Boardroom Diversity

The Board supports the principle of Boardroom diversity. The Board currently comprises four non-executive Directors of which three are female and one male. One Director is from a minority ethnic background. The Board considers its composition, including the balance of skills, knowledge, diversity (including gender and ethnicity) and experience, amongst other factors on an annual basis and when appointing new Directors. The Board has considered the requirements under the FCA's Listing Rule UKLR 6.6.6R (10) in relation to target reporting, and has provided full details in the Corporate Governance Statement section on pages 47 and 48. Summary biographical details of the Directors are set out on pages 36 and 37.

Stewardship code

The Board and the Investment Manager support and have a strong commitment to the FRC's 2020 UK Stewardship Code, which is endorsed by the AIC and sets out principles of effective stewardship by institutional investors. Whilst the Investment Manager is not a formal signatory to the Stewardship Code, it has chosen to adhere to the 12 principles as closely as possible. Further details of the Investment Manager's approach to the Stewardship code can be found on the Investment Manager's website at **www.phoenixassetmanagement.com**.

Modern slavery disclosure

Due to the nature of the Company's business, being a company that does not have employees and does not offer goods or services to consumers, the Board considers that the Company falls outside of the scope of the Modern Slavery Act 2015 and is not required to issue a slavery and human trafficking statement. The Board considers the Company's supply chains, since it deals predominantly with professional advisers and service providers in the UK financial services industry, to be low risk in this matter.

Anti-bribery and corruption

It is the Company's policy to conduct all of its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates. The Company's policy and the procedures that implement it are designed to support that commitment. The Board has made enquiries of its third-party service providers to ensure they have procedures and policies in place.

Criminal Finances Act 2017

The Company maintains a zero-tolerance policy towards the provision of illegal services, including the facilitation of tax evasion. The Company has received assurances from the Company's main service providers that they maintain a zero-tolerance policy towards the provision of illegal services, including the facilitation of tax evasion.

Outlook

The outlook for the Company is discussed in the Chair's Statement on page 8.

This Strategic Report was approved by the Board on 30 March 2026.
Lucy Walker
Chair of the Board of Directors

Governance

Image courtesy of Barratt Redrow plc.

Directors, Investment Manager, Other Service Providers and Advisers

Directors

Lucy Walker
Company Chair
Lucy Walker joined the Board on 2 December 2019 and became Chair of the Company on 28 June 2022.

Lucy Walker is a founder and chair in investment management and technology. She founded the award-winning AM Insights fund data platform in 2020 to transform how fund data informs decisions in asset and wealth management. She is former SID of Henderson International Income Trust plc and former head of fund research and fund manager at Sarasin & Partners, where she advised on over £1.2 billion for clients. Named Marketing Influencer of the Year at the 2024 Women in Investment Awards, Lucy has been regularly featured in publications including the FT, and she engages a wide audience through her LinkedIn platform and Fund Selectors podcast.

Farah Buckley
Chair of the Audit Committee
Farah Buckley joined the Board as a non-executive Director on 8 September 2022 and became chair of the Audit Committee on 27 February 2023.

Farah spent over 23 years in financial services across audit, mergers & acquisitions and private equity. Previously the Head of Investment Solutions at asset manager Hermes GPE and the Head of UK at Adveq, the Swiss private equity investor, Farah brings extensive experience of growth, innovation and strategy. Farah worked at boutique corporate finance house McQueen where she worked on numerous deals within the retail, consumer and leisure sectors. She is a qualified chartered accountant having gained her ACA qualification at Deloitte. Farah is a non-executive director of Caledonia Investments plc, Leeds Building Society and Lloyds of London managing agent Apollo Syndicate Management Limited.

Directors, Investment Manager, Other Service Providers and Advisers

Continued

Lady Rachael Robathan

Chair of the Management Engagement Committee and the Nomination & Remuneration Committee

Lady Robathan joined the Board on 2 December 2019 and served as Audit Committee chair from then until 8 September 2022, when she became chair of the Management Engagement Committee and the Nomination & Remuneration Committee.

She is a Westminster City Councillor and former Leader of the Council. First elected in 2010, she held the Finance, Property and Housing Cabinet portfolios before becoming Leader from 2020 to 2022. Prior to this, she worked for 20 years in emerging market investment management at Invesco and AIB Govett before joining Pictet as part of the UK based Family Office team. She is also a Trustee of Westminster Almshouses Foundation, a sheltered housing charity, a director of The Knightsbridge Neighbourhood Forum Limited and is a member of The Royal Parks Investment Committee.

Alex Denny

Alex Denny joined the Board as a non-executive Director on 1 January 2026.

Alex brings over 20 years' experience in asset management and investment trusts, with a background spanning both public and private markets. He spent the majority of his career at Fidelity International, where he served as Head of Investment Trusts, before joining Pantheon as Managing Director, European Private Wealth. Alex began his career in 2003 in Fidelity's retail platform business and became involved with investment companies in 2011 when he led the development of Fidelity's brokerage platform, introducing investment companies to it for the first time.

Alex was until September 2025 a non-executive director of Apax Global Alpha Limited and played a lead role in its take-private transaction. Alex is also a board member of The Association of Investment Companies and of University of Sussex SU Trading Limited, a trustee of the Nautical Archaeology Society, and was recently appointed as an independent non-executive director of Margetts Fund Management.

Directors, Investment Manager, Other Service Providers and Advisers

Continued

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

Phoenix Asset Management Partners Limited
80-82 Glentham Road
London SW13 9JJ
Telephone: 0208 600 0100

The Company's Investment Manager is Phoenix Asset Management Partners Limited ("Phoenix"). Phoenix is a specialist fund management company, founded in 1998. Phoenix manages the Phoenix UK Fund, which it has managed since 1998, and other segregated accounts following the same strategy. Phoenix has been the Company's Investment Manager since 28 January 2016.

Phoenix is a focused and patient investor, aiming to buy a relatively small number of great businesses, with a high return on capital, pricing power and strong prospects, at attractive prices and which it expects to hold for very long periods.

Phoenix defines risk as being the potential for a permanent loss of capital, rather than share price volatility. They see permanent loss of capital as a function of an insufficiently thorough understanding of a business and the potential threats it faces. An ongoing monitoring and research programme for every stock in the portfolio seeks to mitigate this risk.

Although the portfolio is concentrated, Phoenix pay attention to the fundamental business risks across the holdings, ensuring sufficient diversification and avoiding duplication and doubling up.

Other Service Providers and Advisers

Company Secretary, Administrator, Investor Relations & Marketing Adviser and the Company's Registered Office

Frostrow Capital LLP
25 Southampton Buildings
London WC2A 1AL

Registrar

MUFG Corporate Markets
Central Square
29 Wellington Street
Leeds LS1 4DL

Depositary & Custodian

Northern Trust Investor Services Ltd
50 Bank Street
London E14 5NT

Stockbroker

Deutsche Numis
45 Gresham Street
London EC2V 7BF

Auditor

BDO LLP
55 Baker Street
London W1U 7EU

Website Address: **www.auroraukalpha.com**
Registered Number – 03300814
A MEMBER OF THE ASSOCIATION OF INVESTMENT COMPANIES

Directors' Report

By Order of the Board
Frostrow Capital LLP
Company Secretary

30 March 2026

The Directors present their report and Financial statements for the year ended 31 December 2025.

Strategic Report

The Strategic Report on pages 3 to 34 is incorporated within this Directors' Report by reference. Amongst other things, the Strategic Report includes a review of the business of the Company including details about its investment objective and policy, its KPIs, the principal risks and uncertainties the Company faces, information on stakeholder engagement, information on the Company's contractual arrangements with key service providers, the Directors' recommendation for a final dividend in respect of 2025 and likely future developments.

Corporate Governance

The Corporate Governance Statement on pages 46 to 53 forms part of this report.

Legal and Taxation Status

The Company was incorporated and registered in England and Wales on 10 January 1997 as a public limited company, registered number 03300814. It is an investment company as defined by section 833 of the Companies Act 2006 and operates as an investment trust within the meaning of the Corporation Tax Act 2010 (CTA) and the Investment Trusts (Approved Company) (Tax) Regulations 2011. HM Revenue & Customs has approved the Company's status as an investment trust and, in the opinion of the Directors, the Company has conducted its affairs so as to enable it to maintain such approval.

The Board and Re-Election of Directors

The Directors of the Company are listed on pages 36 and 37. Lucy Walker, Farah Buckley and Lady Rachael Robathan served throughout the year to 31 December 2025. Alex Denny joined the Board on 1 January 2026. All Directors are non-executive. In accordance with the AIC Corporate Governance Code, the entire Board is subject to annual re-election and accordingly resolutions will be put to shareholders to elect or re-elect as appropriate, all of the Directors at the Company's forthcoming AGM.

The report on Corporate Governance starting on page 46 contains a description of the Board's method of operation, its work during the year, together with that of its Committees, and of how its performance has been evaluated.

Director's Indemnities and Insurance

Subject to the provisions of the Companies Act 2006 and certain provisions contained in the deeds of indemnity issued by the Company, the Company will indemnify each of the Directors against all liabilities which each Director may suffer or incur arising out of or in connection with any claim made or proceedings taken against them, or any application made under sections 661(3), 661(4) or 1157 of the Companies Act 2006 by them, on the grounds of their negligence, default, breach of duty or breach of trust, in relation to the Company or any Associated Company. The indemnities would provide financial support from the Company after the level of cover provided by the Company's Directors' and Officers' insurance policy has been fully utilised.

A policy of insurance against Directors' and Officers' liabilities is maintained by the Company.

Directors' Report

Continued

Directors are permitted, in the furtherance of their duties, to take independent professional advice at the expense of the Company.

Disclosure of information to the auditor

The Directors are listed on pages 36 and 37. The Directors confirm that:

- to the best of each Director's knowledge and belief, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Continuation of the Company

The Company's articles require that a continuation vote is held every three years. A resolution to approve the continuation of the Company as an investment trust will next be put to shareholders at the AGM to be held in 2028.

Share Capital and Voting Rights

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. Each share, other than any held by the Company in Treasury, entitles the holder to one vote on a poll. Should voting on a resolution at a shareholder meeting be by show of hands rather than by poll, each shareholder present in person or by proxy will have one vote.

Shares contractually issued to the Investment Manager in lieu of the Investment Manager's fees are subject to a three-year lock-in period during which the Investment Manager cannot sell the shares awarded to it. Aside from this, no special restrictions or obligations apply to any of the Company's shares. Shareholders have equal rights with regards to distributions of all kinds in proportion to their shareholdings. Final dividends are payable subject to approval by shareholders at general meetings or AGMs; interim dividends can be declared by the Directors and do not require shareholder approval.

The Board seeks shareholders' authority each year to issue and buy back shares. As at 31 December 2025 the Directors had shareholders' authority to buy back up to 12,831,153 shares and to issue, and/or sell from Treasury, up to 22,868,548 shares.

No shares were issued in 2025. During the year ended 31 December 2024 the Company issued 214,264 shares at an average price of 261.78p per share to the Company's Investment Manager, representing the performance fee earned for the year ended 31 December 2023. These are subject to a three-year lock-in and clawback period from the date of their issue.

On 29 November 2024 the Company issued 38,369,114 shares to holders of Artemis Alpha Trust plc ("ATS") shareholders, at a deemed price of 262.58p per share, in consideration for the transfer to the Company of approximately £101 million of net assets from ATS.

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

Directors' Report

Continued

(£11,445,000 in aggregate). The Company did not purchase any of its own shares during the year ended 31 December 2024.

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.

Discount and Premium Control

The Board aims for the share price over the long term to reflect the level and movement of the NAV per share. Means by which it is hoped this can be achieved are as follows:

(i) The Company will use clear and transparent communication that seeks to attract new and existing investors to invest and keep investing in the Company.

(ii) Execution of the investment strategy as communicated and the delivery of excellent long-term investment returns in excess of most peers and the benchmark.

(iii) The Board may arrange for the Company to buy back its shares when the discount to NAV per share is persistent and it considers that a share buyback represents the best use of shareholders' funds. A share buyback programme was implemented during 2025. Purchasing shares at a discount to their underlying net asset value enhances the NAV per share for remaining shareholders, enhances market liquidity and demonstrates the Board's belief in the portfolio's intrinsic value.

(iv) The Board intends to issue new shares and/or sell shares from Treasury when the Company's shares trade at a premium to the then prevailing NAV per share when the Board considers this to be in the best interest of shareholders.

Holding Shares in Treasury

The Board monitors on an ongoing basis whether shares in the Company should be repurchased and, if so, whether they should be held in Treasury or whether they can and should be sold from Treasury. Any sales of shares from Treasury are made at prices not less than the latest available NAV per share at the time of sale. As at 31 December 2025 4,538,824 shares had been bought back and were held in treasury. On 31 December 2024, the clawback period on restricted shares issued to the Investment Manager in relation to the performance period to 31 December 2021 ended and 89,096 shares that had been issued to the Investment Manager in respect of that period were returned to the Company. These were held in Treasury as at 31 December 2024 and subsequently cancelled on 15 January 2025.

Investment Management Agreement

The Company entered into an Investment Management Agreement with Phoenix on 28 January 2016.

Phoenix does not earn an ongoing annual management fee. Rather, it is paid an annual performance fee equal to one third of the 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 Company's NAV per share return is based on the weighted number of shares in issue and NAV over the relevant period.

Directors' Report

Continued

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, in the event that the NAV per share has increased in absolute terms over the period, and 2% in the event that 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 performance fee will be payable in any year until all underperformance of the Company's NAV since the last performance fee was payable has been made up. The performance fee will also be subject to a clawback if over a rolling period of three years following the end of the last financial year for which a performance fee was payable the Company underperforms. Specifically, Phoenix must return a number of shares the value of which equals the difference between the calculated Performance Fee and the Performance Fee that would have been earned had the relevant performance period included the lock-in period.

The performance fee will be paid to Phoenix by means of the issue of shares (issued at the prevailing NAV per share at the time) and such shares must be retained by Phoenix for a minimum period of three years from the date of issue. No performance fee was earned in the performance fee period ended 31 December 2025 (2024: £nil). Further details on the performance fees are disclosed in Note 4, starting on page 89.

Continuing Appointment of the Investment Manager

The Management Engagement Committee has reviewed the position of the Investment Manager and recommended to the Board that the Phoenix Investment Management Agreement should be continued. The process of evaluation is described in the report on Corporate Governance. Having taken into account the potential for outperformance coupled with the volatility inherent in the strategy and the recommendations of the Management Engagement Committee, the Board has concluded that continuing the appointment of Phoenix as Investment Manager on the terms outlined above is in the best long-term interests of shareholders.

Alternative Investment Fund Managers' Regulation ("UK AIFMD")

The Company is classified as an Alternative Investment Fund under UK AIFMD and is therefore required to have an Alternative Investment Fund Manager ("AIFM"). Because of the scale of its overall funds under management, Phoenix, the Company's AIFM, is classed as a full-scope AIFM. This brings the Company into the full scope of UK AIFMD, requiring *inter alia* the appointment of a Depositary. The AIFM is required to make certain disclosures on its remuneration in respect of the AIFM's relevant reporting period, which is the year ended 31 December 2025. These disclosures are available on the AIFM's website, **www.phoenixassetmanagement.com**, in a document labelled MIFIDPRU Disclosure that can be found in the regulatory documents, or are available on request from the AIFM.

Company Secretary, Administrator and Investor Relations & Marketing Adviser

Frostrow Capital LLP provides the Company with all of the usual and necessary services of an administrator and company secretary and also serves as the Company's investor relations & marketing adviser, under an administration and distribution agreement dated 28 September 2022 that is terminable on six months notice. From 1 January 2026

Directors' Report

Continued

Frostrow is entitled to a periodic fee equal to 15 basis points per annum of the Company's market capitalisation up to (but not including) £200 million plus 13.5 basis points per annum on that part of the Company's market capitalisation in excess of £200 million. Previously, Frostrow was entitled to a periodic fee equal to 17.5 basis points per annum of the Company's market capitalisation up to (but not including) £150 million plus 15 basis points per annum on that part of the Company's market capitalisation in excess of £150 million.

Depositary and Custodian

Since 28 September 2022 the positions of Depositary and Custodian to the Company have been held by Northern Trust Investor Services Ltd.

Banking

The Company's cash balances were held with Northern Trust at 31 December 2025 and 31 December 2024. At 31 December 2025 the gross external borrowings of the Company were £nil (2024: £nil).

Leverage (under UK AIFMD)

The AIFM is required to set a limit as a percentage of net assets for the Company utilising methods prescribed under UK AIFMD. These methods are known as the gross method and the commitment method. Under both methods the AIFM has set a maximum limit of leverage for the Company of 15,000%. This equates to 150x leverage.

The Company's leverage under each of these methods at its year end is shown below:

	Gross method	Commitment method
Maximum leverage limit	15,000%	15,000%
Actual leverage at 31 December 2025	99.22%	99.58%

Disclosure Required By Listing Rule UKLR 6.6.4

The above rule requires listed companies to report certain information in a single identifiable section of their annual financial reports. The Company confirms that, there is no information to report under this rule for the year ended 31 December 2025.

Retail Distribution of Investment Company Shares

The Company has concluded that the distribution of its shares, being ordinary shares in an investment trust, is not restricted as a result of the FCA rules determining which investment products can be promoted to ordinary retail investors. The Company conducts its affairs so that there is no bar to a financial adviser recommending the Company's shares to ordinary retail investors when the adviser deems it appropriate.

Market Information

The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the *Financial Times*. The NAV per share is calculated daily and released daily to the London Stock Exchange and monthly to the AIC. The Company's performance can be compared with its peer group at www.trustnet.com.

Directors' Report

Continued

Substantial Interests in Share Capital

The Company was aware of the following substantial interests of 3% or more in the voting rights of the Company as at 31 December 2025 and 28 February 2026.

	28 February 2026		31 December 2025	
Shareholder	Number of shares	% of issued share capital	Number of shares	% of issued share capital
Rothschild Wealth Management	**11,273,246**	**10.3**	11,323,620	10.3
1607 Capital Partners	**6,955,486**	**6.3**	7,865,768	7.1
Raymond James Investment Services	**6,904,682**	**6.3**	7,008,371	6.4
RBC Brewin Dolphin	**6,707,482**	**6.1**	6,777,698	6.2
Hargreaves Lansdown	**5,899,350**	**5.4**	5,899,926	5.4
Phoenix Asset Management Partners	**5,136,147**	**4.7**	5,136,147	4.7
Rossie House Investment Management	**4,794,490**	**4.4**	4,475,263	4.1
ING Luxembourg	**4,457,873**	**4.1**	4,107,873	3.7
Interactive Investor	**4,426,368**	**3.9**	4,100,745	3.7
HSBC Private Bank	**3,603,656**	**3.3**	3,634,679	3.3

Greenhouse Gas Emissions

As an Investment Company with no physical assets, property, employees or operations of its own, the Company does not provide goods or services in the normal course of its business and nor does it have customers. In consequence, the Company has no direct greenhouse gas emissions to report from its operations, nor does it have responsibility for any other sources of emissions under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 ("SECR"). The Company consumed less than 40,000 kWh of energy during the year and is therefore exempt from having to report against SECR.

Going Concern

The financial statements have been prepared on the going concern basis. The Directors have a reasonable expectation, after making enquiries, that the Company has adequate resources to continue in existence for at least 12 months from the date of approval of this Annual Report. In reaching this conclusion, the Directors have considered the liquidity of the Company's portfolio of investments as well as its latest financial position and forecast of income and expenses.

As at 31 December 2025, the Company held £1,090,000 (2024: £17,076,000) in cash and cash equivalents, £317,945,000 (2024: £272,105,000) in quoted investments and £9,291,000 (2024: £4,817,000) in unquoted investments. The total ongoing operating expenses for the year ended 31 December 2025 were £1,093,000 (2024: £966,000). It is estimated that 46.7% of the Company's latest portfolio could be liquidated in a non-market impacting way within seven days, using 25% of historic three-month average daily volume. This approach is considered conservative as it does not include the Company's ability to access liquidity through block trades.

Directors' Report

Continued

The Company's going concern status has been assessed under stress scenarios, which incorporated key assumptions such as significant falls in the Company's investment portfolio value and investment income. These scenario tests encompassed possible impacts from factors such as the existing and potential further risks arising from the conflicts in Ukraine and the Middle East. A prolonged and deep market decline could lead to falling investment values or interruptions to cash flow, however the Company currently has more than sufficient liquidity to meet any liabilities when they fall due in the foreseeable future. The Board is keeping the development of external risk factors under close scrutiny and does not believe that these will have any impact on the Company's going concern status.

At the date of approval of this Annual Report the aggregate value of the Company's cash and cash equivalents and its investments is well in excess of the estimated level of liabilities and the Company has substantial operating expenses cover.

Annual General Meeting

The Company's Annual General Meeting ("AGM") will be held at 25 Southampton Buildings, London WC2A 1AL on 10 June 2026 at 1 p.m.

The notice of AGM is included in this Annual Report, starting at page 106. This Notice of Meeting section of the Annual Report also includes explanatory notes to the resolutions, starting at page 113.

The AGM resolutions include the following items of special business:

Resolution 9 (ordinary resolution) Authority to allot shares.

Resolution 10 (special resolution) Authority to disapply pre-emption rights.

Resolution 11 (special resolution) Authority to repurchase shares.

Resolution 12 (special resolution) Authority to hold General Meetings (other than the AGM) on at least 14 clear days' notice.

Resolution 13 (special resolution) Authority, subject to the confirmation of the Court, to cancel the entire amount standing to the credit of the Company's share premium account and to apply the amount to create distributable reserves.

The full text of the resolutions can be found in the Notice of AGM beginning on page 106.

The Board considers that the proposed resolutions are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends to shareholders that they vote in favour of the resolutions to be proposed at the forthcoming AGM, as the Directors intend to do in respect of their own beneficial holdings.

By order of the Board
Frostrow Capital LLP
Company Secretary
30 March 2026

Corporate Governance Statement

The Corporate Governance Statement forms part of the Directors' Report

30 March 2026

Introduction

The Board is committed to maintaining and demonstrating high standards of corporate governance. The Board has considered the Association of Investment Companies' 2024 Code of Corporate Governance (the "AIC Code"); the AIC Code addresses the principles and provisions set out in the 2024 UK Corporate Governance Code (the "UK Code") as well as setting out additional provisions on issues that are of specific relevance to investment companies, including the Company.

The Board considers that reporting against the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders. The AIC Code is available on the AIC website (www.theaic.co.uk) and includes an explanation of how the AIC Code adapts the principles and provisions set out in the UK Code to make them relevant for investment companies.

The Company has complied with the AIC Code and the relevant provisions of the UK Code, except as set out below. The Board considers that the following provisions are not relevant to the position of the Company, being an externally managed investment company with no employees. The Company has therefore not reported further in respect of these provisions.

- Senior Independent Director – In view of the small size of the Board, the Directors consider it unnecessary to appoint a Senior Independent Director.
- Executive Directors – The UK Code includes provisions relating to the role of the chief executive and executive Directors' remuneration. The Board considers these provisions are not relevant to the Company as it does not have any employees and, as such, it does not have any executive board members.
- Internal Audit function – The UK Code includes provisions for an internal audit function. The Board considers these provisions are not relevant to the Company as it is an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no internal operations.

Evaluation of the Board and its Committees

The Board engaged an external independent consultancy, Cyclico, to undertake an evaluation of the Board and its Committees during 2025. At the same time a 360 degree evaluation process was also conducted whereby questionnaires were completed by the Board and the Company's principal service providers, each providing scores and comments on the respective entities they had interactions with, giving additional third party insight into their views of the Board's and each others' effectiveness. The external review did not identify any significant weaknesses, but did make a small number of suggestions to improve meeting processes, highlighted certain risks and encouraged the focus of marketing efforts towards retail investors. The suggestions are being kept under consideration and some changes have been made, such as extending the time provided for Board meetings. The Directors concluded from both exercises that, overall, the Board and its Committees worked effectively, incorporated appropriate qualifications, skills, knowledge, experience, diversity and independence and provided good oversight of the Company on behalf of shareholders.

Corporate Governance Statement

Continued

Re-elections at the forthcoming AGM

Having considered the appointment of each Board member individually, the Board regards each to have invaluable experience, knowledge and commitment, and strongly recommends that shareholders vote in favour of each Board member's election and re-election, as appropriate, at the forthcoming AGM.

Independence

The Board has noted the inference of the provisions in the AIC Code that Non-Executive Directors who sit on the board of other companies managed by the same manager should be presumed not to be independent. Lady Rachael Robathan, as the Company's nominated representative on the Board of Castelnau Group Limited which was the Company's largest investment position at 31 December 2025, falls within this definition. However, it is the Board's assessment that she remains independent and that the provisions in place to manage actual or potential situational conflicts of interest are sufficiently robust. All of the Directors undertake to always promote the success of the Company and Lady Rachael Robathan continues to demonstrate independence of character and judgement. Her skills and experience contribute significantly to the strength of the Board and her continued service is invaluable to the long-term success of the Company. The Directors have a broad range of relevant experience to meet the Company's requirements as can be seen from their biographies on pages 36 and 37. In accordance with the Company's Conflicts of Interest policy (see page 51), Lady Rachael Robathan will recuse herself from any decisions relating to Castelnau.

The Board believes that during the period ended 31 December 2025 its composition was appropriate for the Company's nature and size and that this continues to be the case in 2026 to date. All of the Directors are considered independent of the Investment Manager and are able to allocate sufficient time to the Company to discharge their responsibilities effectively.

Balance of Skills and Diversity

As described on the previous page under "Evaluation of the Board and its Committees", the Nomination & Remuneration Committee, on behalf of the Board, conducts a review of the Board's strengths and weaknesses with the aim of ensuring that a good balance of attributes are available that are useful to the direction of the Company, in addition to the skills and commitment of the Investment Manager.

The Company's policy on diversity is that the Board should be comprised of Directors who collectively possess the necessary balance of professional skills, experience, length of service and industry knowledge and that appointments to the Board should be made on merit, against objective criteria, including diversity in its broadest sense.

The objective of the policy is to have a broad range of approaches, backgrounds, skills, knowledge and experience represented on the Board. The Board believes that this will make the Board more effective in promoting the long-term success of the Company and generating value for its shareholders by ensuring there is a breadth of perspectives among the Directors and the capacity to challenge needed to support good decision-making.

The Board confirms that its members are highly experienced, both generally and in respect of the direction of an investment trust company, and that the backgrounds and seniority of the Directors provide the Board with a high overall level of independence.

Corporate Governance Statement

Continued

The Board has noted the FCA's listing rules UKLR 6.6.6R(9) to (11) which require companies to report against the following diversity targets using prescribed tables:

(a) At least 40% of individuals on the board are women;

(b) At least one of the senior board positions is held by a woman; and

(c) At least one individual on the board is from a minority ethnic background.

The following tables set out the Company's positions against these targets in compliance with the rules. Being an externally managed investment company, the Company does not have the roles of CEO or CFO, nor has the Board appointed a senior independent director, and therefore, as allowed by the rules, it does not need to report against target (b) above as it is not applicable. Accordingly, for both tables, the right hand column, which relates to target (b), is deliberately left blank and other columns related specifically to executive management have been excluded in entirety. Each Director volunteered how they wished to be included in the tables.

The Board has chosen to align its diversity reporting reference date with the Company's financial year end and proposes to maintain this alignment for future reporting periods.

(a) Table for reporting on gender identity or sex

As at 31 December 2025	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)
Men	1	25	
Women	3	75	
Not specified/prefer not to say	–	–	

(b) Table for reporting on ethnic background

As at 31 December 2025	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)
White British or other White (including minority-white groups)	3	75	
Mixed/Multiple Ethnic Groups	–	–	
Asian/Asian British	1	25	
Black/African/Caribbean/Black British	–	–	
Other ethnic group	–	–	
Not specified/prefer not to say	–	–	

Policy with regard to tenure and reappointment

The Directors recognise that independence is not a function of length of service and that experience is an important attribute within the Board. The Board has noted the implication of the provisions in the UK Corporate Governance Code that Non-executive

Corporate Governance Statement

Continued

Directors who have served for more than nine years should be presumed not to be independent. The AIC does not believe that this presumption is appropriate for investment companies and therefore does not recommend that long-serving Directors be prevented from forming part of the independent majority of an investment trust board. Accordingly, the Directors may decide to recommend a Director with more than nine years' service for re-election. In accordance with the AIC Code of Corporate Governance, Directors stand for re-election annually. The performance of each Director is appraised by the Nomination & Remuneration Committee annually. The Directors have appointment letters which do not state any specific term. Notwithstanding the forgoing, the tenure of each independent non-executive Director, including the Chair, is not ordinarily expected to exceed nine years.

How the Board operates

The Company does not have any employees. The Board has contractually delegated the Company's operations to external agencies, including the Investment Manager for the management of the Company's investment portfolio, the depositary (which includes responsibility for the safeguarding of the Company's custodial assets), the registrar and the administrator and company secretary. Each of these contracts was entered into after full and proper consideration of the quality and cost of services offered, including the financial control systems in operation in so far as they relate to the affairs of the Company. The Board reviews these contracts annually.

The Board does not undertake any executive function but is responsible to shareholders for the overall strategy and performance of the Company. It reviews and evaluates all aspects of the Company's performance and all functions performed by the service providers. The Board has a culture of open and inclusive debate on all issues and aims to conduct itself responsibly, ethically and fairly in its dealings with shareholders, service providers and other stakeholders.

A formal schedule of matters reserved for the Board has been established covering strategy; structure and capital; investment objective, policy and limits; gearing; dividend and corporate governance policy; performance; key contracts; risk; financial reporting and Board membership. This is reviewed annually to ensure compliance with latest regulatory requirements and best market practice.

Division of Responsibility

The AIC Corporate Governance Code requires the Board to agree the responsibilities of the Chair, Board and Committees and to set them out in writing and make them publicly available.

Role of the Board

- To set the parameters for monitoring the investment strategy and investment policy;
- To review the Company's investment performance;
- To consider all strategic policy matters, including share issuances and buy backs, discount/premium monitoring, corporate governance matters, dividends, gearing and oversight of the Company's activities;
- To promote the long-term success of the Company and generate value for shareholders;
- To establish the Company's purpose, values and strategy, and satisfy itself that these and its culture are aligned;
- To ensure the necessary resources are in place for the Company to meet its objective;
- To establish key performance indicators and to measure performance against them;

Corporate Governance Statement

Continued

- To establish a framework of prudent and effective controls, which enable risk to be assessed and managed; and
- To ensure effective engagement with and encourage participation from shareholders and other stakeholders.

Role of the Chair of the Board

- To provide leadership to the Board;
- To promote high standards of governance;
- To ensure the Board is provided with sufficient information to enable it to discharge its duties;
- To ensure each Board member's views are considered and appropriate action taken;
- To ensure each Committee has the support required to fulfil its duties;
- To ensure the Board assesses and improves its performance, following the advice of the Nomination & Remuneration Committee;
- To oversee the induction of new Directors and the development of existing Directors;
- To remain independent of the Investment Manager, whilst providing effective support, challenge and advice;
- To support other service providers;
- To ensure the Board as a whole has a clear understanding of the views of shareholders;
- To ensure regular engagement with each service provider; and
- To keep up to date with key developments.

Role of Committees

Audit Committee

- To consider the Company's risk management;
- To consider the internal control reports of each of the Company's key service providers;
- To consider the need for an internal audit function;
- To review the Half-yearly and the Annual Report and financial statements and recommend them to the Board for approval;
- To agree the scope of the external Auditor's work;
- To approve the remuneration of the external Auditor;
- To consider the external Auditors' appointment/re-appointment and the Auditor's independence and objectivity; and
- To manage the audit tender process.

Management Engagement Committee

- To consider the terms of engagement and continued appointment of the Investment Manager; and
- To consider the terms of appointment of each of the Company's other service providers and the continued appointment of each.

Nomination & Remuneration Committee

- To consider succession planning arrangements;
- To oversee the Board's appraisal process;
- To consider the engagement of an external board evaluation agency or recruitment consultant and agree their fees;
- To consider Board appointments/re-appointments;
- To oversee the recruitment process of additional Board members; and
- To consider the Board's remuneration.

Corporate Governance Statement

Continued

Conflicts of Interest

As required by law, a Director must avoid a situation where they have an interest that conflicts with the Company's interests. The Company's Articles of Association permit the Directors to authorise potential conflicts of interest. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate. The policy observed by the Board in dealing with conflicted matters is as follows:

- Any Board member so conflicted must recuse themself from the decisions involving the relevant conflict. As stated earlier, Lady Rachael Robathan will recuse herself from decisions concerning Castelnau Group Limited;
- Only Directors who have no interest in the matter being considered are able to debate the matter and take the relevant decision; and
- In taking decisions the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's long-term success and be in the best interest of the Company's shareholders.

The Directors have declared any potential conflicts of interest to the Company. These are entered into the Company's conflicts of interest register, which is reviewed regularly by the Board. The Directors are obliged to advise the Company Secretary as soon as they become aware of any potential conflicts of interest.

Attendance at Board meetings

The Board holds at least four meetings a year. During the year ended 31 December 2025 there were five regular meetings of the Board, one of which being specifically to consider strategy matters. Additional ad hoc Board and committee meetings were held as required for administrative purposes. Directors' attendance of all meetings is set out below.

	Board (scheduled)	Audit Committee	Management Engagement Committee	Nomination & Remuneration	Ad Hoc Board and Committees
Type and number of meetings	5	3	1	1	4
Lucy Walker	5	3	1	1	4
Farah Buckley	5	3	1	1	4
Lady Rachael Robathan	5	3	1	1	3
David Stevenson*	5	3	1	1	2

* David Stevenson retired from the Board on 31 December 2025. Alex Denny joined the Board on 1 January 2026.

Board Committees

The Board has formed three permanent committees: the Audit Committee, the Management Engagement Committee and the Nomination & Remuneration Committee. The role, responsibilities and activities during the year of the Audit Committee are detailed in its report on pages 61 to 64. Those of the Management Engagement Committee and the Nomination & Remuneration Committee are shown below.

The Board considers that all of the Directors are independent and so may be members of each Committee. The main purpose of the Committees in the context of the Company's structure is that their existence ensures time is set aside on a formal basis to cover certain important issues of governance, without those issues obscuring the flow of general Board business. Each Committee has a separate chair, as detailed under

Corporate Governance Statement

Continued

the separate headings below. The Committees have formal terms of reference, which are available to shareholders upon request from the Company's registered office and can be viewed via the Company's website at **www.auroraukalpha.com**.

Management Engagement Committee

The Management Engagement Committee considers issues related to the engagement of the Investment Manager and other service providers, making recommendations as appropriate to the Board. The Committee considers whether amounts paid to service providers are appropriate, with particular reference to those contracted to the Company on a continuing basis, including the Investment Manager, and whether those contracts should be maintained. Lady Rachael Robathan chairs the Management Engagement Committee and all of the Directors are members.

The criteria taken into consideration when reviewing the performance of the Investment Manager include:

- The performance of the Company;
- Strategy differentiation and capacity for outperformance;
- Commitment to the investment trust business generally and to the Company in particular;
- Investment management skills and experience, track record, use of gearing, knowledge of currency issues and other investment-related considerations;
- General management skills – understanding of administrative and financial issues and working relationship with the Administrator/Company Secretary;
- Shareholder relations – consciousness of and commitment to shareholders and share price awareness; and
- Reasonableness of the Investment Management Agreement – fees, notice period and duties.

The Management Engagement Committee is also responsible for reviewing the remuneration and services of the Company's other service providers.

The Committee met once in 2025 and considered the appraisal of the Investment Manager and other key service providers. As explained on page 46 under "Evaluation of the Board and its Committees", a 360 degree evaluation process was conducted in December 2025 whereby questionnaires were completed by the Board and the Company's principal service providers, each providing scores and comments on the respective entities they had interactions with. This provided third party insight into the effectiveness of the service providers, and the Board, in addition to findings from the external evaluation of the Board.

The Committee concluded that the continued appointment of each of the service providers, including the Investment Manager, was in the best interest of shareholders.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been established to identify and interview candidates for vacancies on the Board, consider the Board's remuneration and undertake Board appraisals. It is established as a principle that this process should be led by independent Directors. Lady Rachael Robathan chairs the Committee and all of the Directors are members. The Committee meets at least annually.

During the year the Committee arranged the recruitment of a new Director, oversaw an externally facilitated Board and Committee appraisal process and considered the Directors' fees.

Corporate Governance Statement

Continued

Internal Controls and Risk Management

The Board has delegated the review of the effectiveness of the Company's risk management and system of internal controls to the Audit Committee, as set out in the Audit Committee Report on pages 62 and 63. The Board recognises its ultimate responsibility for the Company's system of internal controls and accordingly receives and considers reports from the Audit Committee. The system of internal controls is designed to manage rather than eliminate the risk of errors and irregularities, so it can provide only reasonable assurance against material misstatement or loss. The Board has undertaken a robust review of the Company's risk management and internal control framework, which covers financial, operational and compliance controls.

As an externally managed investment company, the Board has contractually delegated to external agencies the services the Company requires to operate. The Board continuously monitors the performance of all the principal service providers with a formal evaluation process being undertaken each year. The Audit Committee, on behalf of the Board, reviews internal controls reports and key policies (including measures taken to mitigate cyber risks and disaster recovery procedures) put in place by its principal service providers.

The Administrator reports separately in writing to the Board concerning risks and internal control matters within its purview, including internal financial control procedures, compliance with investment trust rules and secretarial matters, highlighting any changes that have occurred. Additional ad hoc reports are received as required and Directors have access at all times to the advice and services of the Corporate Company Secretary, which is responsible to the Board for ensuring that Board procedures are followed and applicable rules and regulations are complied with. Contact with the Investment Manager and the Administrator enables the Board to monitor the Company's progress towards its objectives and encompasses an analysis of the risks involved.

The Board believes that the existing arrangements represent an appropriate control framework and has concluded that the Company's risk management and internal control systems are adequate to meet the needs of the Company.

The Directors' statement of responsibilities in respect of the accounts is on pages 59 and 60, a statement of going concern is on pages 44 and 45, and the report of the independent auditor is on pages 65 to 74.

Principal and emerging risks

The Directors confirm that they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. The principal risks and how they are being managed are set out in the Strategic Report.

By order of the Board
Frostrow Capital LLP
Company Secretary
30 March 2026

Directors' Remuneration Report

Lady Rachael Robathan
Chair of the Nomination & Remuneration Committee

30 March 2026

This Remuneration Report has been prepared in accordance with the requirements of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013.

The Directors' Remuneration Policy (which must be put to shareholders at least every three years and is binding) was approved by shareholders at the AGM in 2023 and is set out below. Both this and the annual Remuneration Policy Implementation Report (which must be put to a shareholder advisory vote every year) for 2025 will be put to shareholders at this year's Annual General Meeting.

The law requires the Company's Auditor to audit certain disclosures provided in this report. Where disclosures have been audited, they are indicated as such and the Auditor's opinion is included in their report to shareholders on pages 65 to 74.

Directors' Remuneration Policy

It is the policy of the Board and the Nomination & Remuneration Committee that the remuneration of non-executive Directors should be fair and should reflect experience, time commitment and work involved, responsibilities and potential liabilities of the Board as a whole. The non-executive Directors' fees are determined within the maximum limit set out in the Company's Articles of Association, which currently stands at £250,000 per year.

The Directors are not eligible for bonuses, pension benefits, share benefits, share options, long-term incentive schemes or other benefits and fees are not linked to Director's individual or collective performance.

There are no arrangements in place with respect to compensation for loss of office (for whatever reason) or recruitment incentive remuneration and Directors have no entitlement to any such payments.

No Director has waived or agreed to waive any emoluments from the Company.

Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties and attendance at board, general and committee meetings.

The Directors' fees are subject to regular review by the Nomination & Remuneration Committee having regard to the above factors, the rate of inflation and fee trends in the investment company sector. Notwithstanding the above, the Company's Articles also provide that additional discretionary payments can be made for services which in the opinion of the Board are outside the scope of the ordinary duties of a Director. Any such payment would reflect the Board's assessment of the value to the Company of such services. The above principles also apply to any new appointments.

The Company has no employees and consequently has no policy on the remuneration of employees. The Board will consider, where raised, shareholders' views on Directors' remuneration.

The Directors do not have service contracts. Directors are appointed under letters of appointment, copies of which are available for inspection at the registered office of the Company. These do not state any specific term. In accordance with the AIC Corporate Governance Code all of the Directors put themselves forward for annual re-election.

Directors' Remuneration Report

Continued

Remuneration Policy Implementation Report

The Nomination & Remuneration Committee considers the framework for the remuneration of the Directors on an annual basis. It reviews the ongoing appropriateness of the Company's remuneration policy and the individual remuneration of the Directors by reference to the activities and particular complexities of the Company and in comparison with other companies of a similar structure and size, also taking into account the inflationary environment. No remuneration consultants were appointed during the year (2024: none).

For the duration of 2025 the Directors fees were set at: £47,124 per annum for the Company Chair; £35,460 per annum for the Audit Committee Chair; and £30,384 per annum for the other Directors. No additional discretionary payments were made in the year, nor in the previous year. No payments were made to former Directors.

During its latest review, in December 2025, the Committee decided to continue the practice adopted in recent years of incrementing the fees by the annual increase in the Consumer Price Index. Accordingly, with effect from 1 January 2026 the Directors' fees increased to: £48,720 per annum for the Company Chair; £36,660 per annum for the Audit Committee Chair; and £31,416 per annum for the other Directors. No additional discretionary payments were made in the year, nor in the previous year.

Performance

The chart below shows the performance of the Company's shares, with dividends reinvested, compared with that of the FTSE All-Share Index (total return), which is the Company's Benchmark, over the past 10 years.

Source: Morningstar.

Directors' Remuneration Report

Continued

Relative importance of spend on pay

The table below shows the proportion of the Company's income spent on pay.

	Year to 31 December 2025 £'000	Year to 31 December 2024 £'000	Change favourable/ (unfavourable) £'000
Revenue income	**6,496**	3,568	**2,928**
Spend on Directors' fees	**145**	140	**(5)**
Other expenses	**996**	826	**(170)**
Dividends paid to Shareholders[#]	**–**	4,921	**n/a**
Share buybacks	**11,511**	–	**(11,511)**

[#] The dividends paid in 2024 represented two years' dividends, a final dividend in respect of 2023 and an interim dividend (in lieu of a final dividend) in respect of 2024. A final dividend in respect of 2025 will be paid in 2026.

The information in the table above is required by the Regulations with the exception of other expenses, which have been included to show the total operating expenses of the Company.

Single Total Figure of Remuneration for The Year (Audited)

The fees and expenses paid to the Directors who served during the years ended 31 December 2025 and 31 December 2024 were as follows:

	31 December 2025			31 December 2024		
	Fees £	Taxable expenses[^] £	Total £	Fees £	Taxable expenses[^] £	Total £
Lucy Walker	**47,124**	**179**	**47,303**	45,968	–	45,968
Farah Buckley	**35,460**	**493**	**35,953**	34,590	203	34,793
Lady Rachael Robathan	**30,384**	**–**	**30,384**	29,640	–	29,640
David Stevenson	**30,384**	**1,075**	**31,459**	29,640	104	29,744
Total	**143,352**	**1,747**	**145,099**	139,838	307	140,145

^ Taxable expenses primarily comprise travel and associated expenses incurred by the Directors in attending Board and Committee meetings in London. These are reimbursed by the Company and, under HMRC Rules, are subject to tax and National Insurance and therefore are grossed up and treated as a benefit in kind within this table.

None of the fees referred to above were paid to any third-party in respect of services provided by the Directors.

Directors' Remuneration Report

Continued

Changes in Directors' Remuneration

Director	2026 Fee Level (projected)	2026 % Change	2025 Fee Level	2025 % Change	2024 Fee Level	2024 % Change	2023 Fee Level	2023 % Change	2022 Fee Level
Lucy Walker[1]	**48,720**	**3.4**	47,124	2.5	45,968	4.0	44,200	29.5	34,133
Farah Buckley[2]	**36,660**	**3.4**	35,460	2.5	34,590	6.4	32,503	300.1	8,124
Lady Rachael Robathan[3]	**31,416**	**3.4**	30,384	2.5	29,640	4.0	28,500	(0.6)	28,675
Alex Denny[4]	**31,416**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a	n/a
David Stevenson[5]	**n/a**	**n/a**	30,384	2.5	29,640	4.0	28,500	10.5	25,800

1 Appointed as a non-executive Director on 2 December 2019. Appointed Deputy Chair of the Board on 19 October 2021 and became Chair of the Company on 28 June 2022.
2 Appointed as a non-executive Director on 8 September 2022. Appointed as Audit Committee Chair on 27 February 2023.
3 Appointed as Audit Committee Chair on 2 December 2019. Stepped down from being Chair of the Audit Committee on 8 September 2022.
4 Appointed as a non-executive Director 1 January 2026.
5 Retired 31 December 2025.

Directors' Shareholdings (audited)

The Directors' shareholdings in the Company were:

	Ordinary shares of 25p each as at 31 December 2025	2024
Lucy Walker	**31,050**	31,050
Farah Buckley	**10,000**	4,500
Lady Rachael Robathan	**9,584**	9,584
David Stevenson*	**18,266**	18,266
A new Director, Alex Denny, joined the Board on 1 January 2026. He held 17,008 shares in the Company on appointment.		

* David Stevenson retired from the Board on 31 December 2025.

There are no requirements or formal guidelines in effect for Directors to hold shares in the Company, although the Board welcomes such holdings. The interests of each Director includes the interests of connected persons of which the Company is aware. Connected persons are persons closely associated as defined in the Market Abuse Regulation. There have been no changes to current Directors' shareholdings since 31 December 2025 to the date of this report.

Statement of shareholder voting

The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors' remuneration, the reasons for any such vote will be sought and any actions in response will be detailed in future Directors' Remuneration Reports.

Directors' Remuneration Report

Continued

The voting on the 2024 Remuneration Policy Implementation Report that was put to shareholders at the AGM on 11 June 2025 and on the Directors' Remuneration Policy that was put to shareholders at the AGM on 27 June 2023 is set out below.

Resolution	Votes For	%	Votes Against	%	Total Votes Cast	Votes Withheld
Approval of the Remuneration Policy Implementation Report for the year ended 31 December 2024	32,215,415	99.9	48,132	0.1	32,263,547	7,910
Approval of the Directors' Renumeration Policy	22,711,675	99.9	21,763	0.1	22,733,438	91,792

Lady Rachael Robathan
Chair of the Nomination & Remuneration Committee
30 March 2026

Statement of Directors' Responsibilities for the Annual Report

Lucy Walker
Chair of the Board of Directors

30 March 2026

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK-adopted International Accounting Standards and in accordance with those parts of the Companies Act 2006 that apply to companies reporting under UK-adopted International Accounting Standards.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Under applicable law and regulations, the Directors are responsible for preparing a Strategic Report, a Directors' Report, a Corporate Governance Statement and a Directors' Remuneration Report which comply with that law and those regulations.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have delegated responsibility to the Investment Manager for the maintenance and integrity of the Company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Directors' Responsibilities for the Annual Report

Continued

Directors' confirmations

The Directors consider that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. Each of the Directors, whose names and functions are listed on pages 36 and 37 confirm that, to the best of their knowledge:

- the Company's financial statements, which have been prepared in accordance with UK-adopted international accounting standards and in accordance with those parts of the Companies Act 2006 that apply to those companies reporting under UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and net return of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

For and on behalf of the Board
Lucy Walker
Chair of the Board of Directors
30 March 2026

Audit Committee Report

Farah Buckley
Chair of the Audit Committee

30 March 2026

I am pleased to present the Audit Committee's report to shareholders for the year ended 31 December 2025.

Composition

All of the Directors are members of the Audit Committee (the "Committee").

According to the UK Code the Chair of the Board should not be a member. However, the AIC Code permits the Chair to be a member of, but not chair, the Committee if they were independent on appointment – which the Company Chair was and in the Board's view continues to be. In view of the size of the Board, the Directors feel it is appropriate for her to continue as a member, so that the Committee can continue to benefit from her experience and knowledge.

The members of the Committee consider that they have the requisite skills and experience to fulfil the responsibilities of the Committee. The Committee as a whole has competence relevant to the sector.

Role and Responsibilities

The Committee's principal functions are:

- to monitor the integrity of the Company's annual and half-year financial statements and any announcements relating to the Company's financial performance and to challenge judgements and assumptions made in their construction;
- to review the internal controls and risk management systems of the Company and its third-party service providers;
- to make recommendations to the Board regarding the appointment, re-appointment or removal of the external Auditor, and to be responsible for leading an audit tender process at least once every 10 years;
- to have primary responsibility for the Company's relationship with the external Auditor, including reviewing the external Auditor's independence and objectivity as well as the effectiveness of the external audit process;
- to agree the scope of the external Auditor's work and to approve their remuneration; and
- to develop and implement policy on the engagement of the external Auditor to supply non-audit services and to review and approve any non-audit work to be carried out by the external Auditor.

Meetings

The Committee meets formally at least twice a year. There were three Committee meetings during the year ended 31 December 2025. In addition, the Committee Chair met the audit partner for a private discussion on the audit process and was pleased to find that the auditors had nothing significant to bring to her attention.

Committee evaluation

The Committee's activities fell within the scope of the review of Board effectiveness performed during the year as mentioned on page 46.

Audit Committee Report

Continued

Work of the Audit Committee

During the year ended 31 December 2025 the Committee:

- Reviewed the Audit Committee terms of reference and the Company's accounting policies;
- Reviewed and recommended to the Board for approval the Annual Report and financial statements for the year to 31 December 2024;
- reviewed and recommended to the Board for approval the Half-yearly Report for the six months to 30 June 2025;
- In relation to the financial statements, agreed the valuations of the Company's portfolio of investments and considered significant accounting matters including going concern;
- Considered the Company's exposure to illiquid investments;
- Met with the external auditor without management present;
- Reviewed and approved the audit plan with respect to the 31 December 2025 year end audit;
- Discussed and approved the audit fee;
- Reviewed the Company's key risks and internal controls, including reviewing the internal control reports of its key service providers; and
- Assessed whether there was a need for an internal audit function.

Risk Management

The Board has overall responsibility for risk management. The Audit Committee, on behalf of the Board, reviews the key business, operational, compliance and financial risks facing the Company. In arriving at its judgement of what risks the Company faces, the Committee and the Board have considered the Company's operations in light of the following factors:

- the nature of the Company, with all management functions outsourced to third party service providers;
- the nature and extent of risks which it regards as acceptable for the Company to bear within its overall investment objective;
- the likelihood of such risks crystallising; and
- the Company's ability to reduce the likelihood and impact of such risk.

Against this background, a risk matrix has been developed which covers the key risks the Company faces, the likelihood of their occurrence and their potential impact, how these risks are monitored and the mitigating controls in place.

The Board has delegated to the Audit Committee responsibility for the review and maintenance of the risk matrix and it reviews, in detail, the risk matrix each time it meets, bearing in mind emerging risks and any changes to the Company, its environment or service providers since the last review. Any significant changes to the risk matrix are discussed with the whole Board.

There were no changes to the Company's risk management processes during the year.

A summary of the principal risks facing the Company is provided in the Strategic Report on pages 29 to 32.

Internal Controls

The Audit Committee, on behalf of the Board, oversees the review and recording of risks to the Company, as per above, and related controls and other mitigations.

The Board's oversight constitutes a key control. Since the Company has no executive personnel it must otherwise rely on the internal controls operated by its service providers.

Audit Committee Report

Continued

Material controls in addition to the Board's and its Committees' oversight include that:

- appropriate contracts are in place with service providers, which have relevant expertise and experience;
- the outsourced nature of operations means there is clear segregation of duties;
- assets are safeguarded by the depositary;
- in addition to continuous Board oversight, the Audit Committee reviews audited internal controls reports and compliance reports from the Company's principal service providers on at least an annual basis;
- expenses are subject to approval at multiple levels and expense summaries are reviewed at Board meetings;
- there is daily monitoring of NAV calculations and compliance with investment restrictions;
- there is monthly reporting to the board on adherence to the Company's stated investment policy and other key regulatory requirements; and
- there is appropriate review of investment valuations. The most significant controls in relation to the annual and interim financial statements are those around valuation of the portfolio. Listed investments are valued daily and a proportionate approach is taken in the valuation of unquoted investments.

From its reviews and the oversight by the Board of the controls outlined above, the Committee is satisfied that there is an appropriate and effective controls framework in place to minimise fraud and error.

Financial statements and significant accounting matters

The Audit Committee considered the following significant accounting matters in relation to the Company's financial statements for the year ended 31 December 2025:

Performance fee

No performance fee was earned for the performance period from 1 January 2024 to 31 December 2025. The clawback period in relation to the performance fee for the year to 31 December 2021 ended on 31 December 2024 and this resulted in an entitlement for the Company to claw back 89,096 shares from Phoenix. These shares were duly delivered to the Company and cancelled in January 2025. This clawback was treated in the financial statements for the year ended 31 December 2024 as having occurred as at 31 December 2024.

Performance fees have been accounted for under IFRS 2 Share-based Payment in the Company's financial statements on the basis of accounting advice sought in 2022. This varies from the treatment used for the purpose of the unaudited net asset values per share released daily by the Company because the Board believes that for that purpose recognising performance fee charges and any subsequent clawback on a liability basis (i.e. divergent from IFRS 2), better represents the related economic impacts and is more informative to investors.

Valuation of investments

The Company holds most of its assets in quoted investments. The valuation of these investments is the most material matter in the production of the financial statements. The Audit Committee reviewed the procedures in place for ensuring accurate valuation of investments and discussed the valuation of the Company's investments at the year end with the Investment Manager and the Administrator. The results of the audit in this area were discussed with the external auditor, with no significant issues arising.

Audit Committee Report

Continued

The Company holds a small proportion of the portfolio in unquoted companies. These were predominantly holdings transferred to the Company from Artemis Alpha Trust plc following its combination with the Company in November 2024. The Committee considered and accepted the valuations of the unquoted holdings as at 31 December 2025, which were provided by the Investment Manager using methodologies consistent with International Private Equity and Venture Capital Valuation ("IPEV") Guidelines. The most material were also independently valued by Kroll Advisory Ltd. The valuations of the unquoted holdings were discussed with the external auditor.

Going concern

The Audit Committee reviewed the Company's financial resources and concluded that it is appropriate for the Company's financial statements to be prepared on a going concern basis as described in the Directors' Report.

External Auditor

David Reeves was the audit partner for the financial year under review, which was his first audit of the Company's financial statements and the fourth conducted by BDO LLP since their appointment. He confirmed BDO LLP's willingness to continue to act as Auditor to the Company for the forthcoming financial year. The re-appointment of BDO will be put to shareholders at the forthcoming AGM.

Conclusion with respect to the Annual Report and financial statements

The Audit Committee has concluded that the Annual Report for the year ended 31 December 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. The Audit Committee has reported its conclusions to the Board of Directors. The Audit Committee reached this conclusion through a process of review of the document and enquiries to the various parties involved in the production of the annual report.

Provision of non-audit services

The Audit Committee has put in place a non-audit services policy to ensure that the auditor's independence and objectivity are not impaired. No non-audit work was performed for the Company by the auditor during the year ended 31 December 2025 and the Committee has no current plans to seek any non-audit services from the auditor.

Effectiveness of external audit

The Audit Committee is responsible for reviewing the effectiveness of the external audit process. The Committee undertook a formal evaluation of the audit process following completion of the December 2024 year end audit. The Committee was, and continues to be, satisfied with the Auditor's independence and the effectiveness of the audit process, together with the degree of diligence and professional scepticism brought to bear. The Audit Committee received a presentation of the audit plan for the December 2025 year end audit from the external auditor prior to its commencement and a presentation of the results of the audit following completion of the main audit testing.

Farah Buckley
Chair of the Audit Committee
30 March 2026

Independent Auditor's Report to the Members of Aurora UK Alpha plc

David Reeves
Senior Statutory Auditor
for and on behalf of
BDO LLP
Statutory Auditor,
Chartered Accountants
London

30 March 2026

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Aurora UK Alpha plc (the 'Company') for the year ended 31 December 2025 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the appropriateness of the Directors' method of assessing going concern in light of economic and market conditions by reviewing the information used by the Directors in completing their assessment;
- Evaluating the sensitivity analysis applied by the Directors in their going concern assessment including the impact of a significant reduction in the fair value of investments;

Independent Auditor's Report

Continued

- Assessing the appropriateness of the Directors' assumptions and judgements made in their base case and stress tested forecasts, including consideration of the available cash and liquid assets relative to forecast expenditure and other commitments;
- Challenging the Directors' assumptions and judgements made in their forecasts by performing an independent analysis of the liquidity of the portfolio; and
- Reviewing the disclosures in the financial statements relating to going concern to assess whether they are consistent with the Company's circumstances.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

		2025	2024
Key audit matters	Valuation and ownership of listed and unlisted investments	✓	✓
Materiality	Company financial statements as a whole: £3.29 million (2024: £3.00 million) based on 1% (2024: 1%) of net assets.		

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, the applicable financial reporting framework and the system of internal control. We identified and assessed the risks of material misstatement of the financial statements. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risk of material misstatement to the financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the risk of material misstatement to an acceptable level, to provide a basis for our opinion.

Independent Auditor's Report

Continued

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation and ownership of listed and unlisted investments (Note 1(c) and Note 2(c) to the financial statements	The investment portfolio at the year-end comprised listed and unlisted equity investments, held at fair value through profit or loss. We considered the valuation and ownership of investments to be a significant audit area as investments represent the most significant balance in the financial statements and underpins the principal activity of the Company. While we do not consider the valuation of listed investments to involve a significant degree of estimation or judgement, there is a risk that the prices used for the listed investments held by the Company may not reflect their fair value at the year end. The unlisted investments may have significant judgement involved in selecting a valuation methodology and estimation uncertainty involved in determining their valuations. Additionally, in relation to ownership and recording, there is a risk of error in the recording of the listed and unlisted investment holdings which could result in the incorrect recognition of investments by the Company.	We responded to this matter by testing the valuation and ownership of 100% of the portfolio of listed investments by performing the following procedures: In respect of listed investment valuations (97% of the total portfolio by value) we have: • Confirmed that the year-end bid price was used by agreeing to externally quoted prices; • Obtained direct confirmation of ownership from the custodian regarding all investments held at the balance sheet date; • Recomputed the valuation by multiplying the number of shares held (as per the statement independently obtained from the custodian), by the price per share; and • Assessed whether there were contra indicators, such as liquidity considerations, that could suggest the bid price was not the most appropriate measure of fair value by considering the realisation period for individual holdings. Our unlisted investments valuation testing was risk-based, with individual investments assessed based on the following criteria: • Fair value at year end exceeding performance materiality; • Movement between current and prior year fair value exceeding performance materiality; • Change in the valuation methodology from prior year unless the change is from more complex to less complex methodology; and • If the company experienced a significant event during the year.

Independent Auditor's Report

Continued

Key audit matter		How the scope of our audit addressed the key audit matter
	For these reasons and due to the materiality of the balance in the context of the financial statements as a whole, we considered this to be a Key Audit Matter.	For 100% of the unlisted portfolio our procedures included: • Assessed the design and implementation of controls over the unlisted investment valuations; • Considered the appropriateness of the valuation methodology applied by Phoenix Asset Management Partners Limited ("the Manager") under the International Private Equity and Venture Capital Valuation ('IPEV') Guidelines and applicable accounting standards; • Reviewed the valuations prepared by the Manager and challenged and corroborated the inputs to the valuation with reference to management information on investee companies, market data and our own understanding of the investee companies and assessed the impact of the estimation uncertainty regarding these assumptions; and • Agreed the holdings either to independently received third-party confirmation from the custodian or confirmation from the underlying investee company, to confirm ownership. Our sample of unlisted investment valuations selected for detailed testing was risk-based where individual investments were assessed based on certain risk criteria. For the unlisted investments sample selected for detailed testing our procedures included: • Re-performing the calculation of valuation for the investment; • Corroborating and benchmarking key inputs and estimates to independent information from our own research and against metrics from the most recent investments, sales or offers; • Challenging the assumptions inherent to valuation of unlisted investments and assessment of impact of the estimation uncertainty concerning these assumptions and the disclosure of these uncertainties in the financial statements; and • Where appropriate, we performed sensitivity analysis on the valuation calculations where there was sufficient evidence to suggest reasonable alternative inputs might exist. Key observations: Based on our procedures performed we did not identify any matters to suggest that the valuation or ownership of the listed or unlisted investments was not appropriate.

Independent Auditor's Report

Continued

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Company Financial Statements	
	2025 £million	2024 £million
Materiality	3.29	3.00
Basis for determining materiality	1% of net assets	
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	
Performance materiality	2.47	2.25
Basis for determining performance materiality	75% of materiality	
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £165,000 (2024: £150,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our

Independent Auditor's Report

Continued

knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

The UK Listing Rules sourcebook requires us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements, or our knowledge obtained during the audit.

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 44 and 45; and • The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 33.
Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 60; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 29; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 62 and 63; and • The section describing the work of the audit committee set out on page 62.

Independent Auditor's Report

Continued

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or • the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

Continued

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

However, the primary responsibility for the prevention and detection of fraud rests with both Those Charged with Governance of the Company and management.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with the Investment Manager, Administrator and Those Charged with Governance; and
- Obtaining an understanding of the Company's policies and procedures regarding compliance with laws and regulations we considered the significant laws and regulations to be the Companies Act 2006, the FCA's UK listing and Disclosure Guidance and Transparency Rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and qualification as an Investment Trust under UK tax legislation as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

Our procedures in respect of the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of the Investment Manager, Administrator and Those Charged with Governance relating to the existence of any non-compliance with laws and regulations;
- Reviewing minutes of meeting of Those Charged With Governance throughout the period for instances of non-compliance with laws and regulations; and
- Reviewing the calculation in relation to Investment Trust compliance to check that the Company was meeting its requirements to retain their Investment Trust status.

Fraud

We assessed the susceptibility of the financial statements to material misstatement including fraud.

Our risk assessment procedures included:

- Enquiry with the Investment Manager, Administrator and the Those Charged with Governance regarding any known or suspected instances of fraud;

Independent Auditor's Report

Continued

- Obtaining an understanding of the Company's policies and procedures relating to:
  - o Detecting and responding to the risks of fraud; and
  - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of Those Charged with Governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to fraud to be valuation of unlisted investments and management override of controls.

Our procedures in respect of the above included:

- In addressing the risk of valuation of unlisted investments, the procedures set out in the key audit matters section in our report were performed;
- In addressing the risk of management override of controls, we:
  - o Performed a review of estimates and judgements applied by the Directors in the financial statements to assess their appropriateness and the existence of any systematic bias;
  - o Considered the opportunity and incentive to manipulate accounting entries and assessed the appropriateness of any post-closing adjustments made in the period end financial reporting process;
  - o Reviewed for significant transactions outside the normal course of business; and
  - o Performed a review of unadjusted audit differences, if any, for indications of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

We were appointed by the Board of Directors on 20 September 2022 to audit the financial statements for the year ended 31 December 2022. Our total uninterrupted period of engagement is four years, covering the years ended 31 December 2022 to 31 December 2025.

Our audit opinion is consistent with the additional report to the Audit Committee.

Independent Auditor's Report

Continued

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.15R – 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

David Reeves (Senior Statutory Auditor)
For and on behalf of BDO LLP Statutory Auditor
London, UK
30 March 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Financial Statements

Image courtesy of Lloyds Banking Group plc.

Income Statement

		Year ended 31 December 2025			Year ended 31 December 2024		
		Revenue	Capital	Total	Revenue	Capital	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Gains/(losses) on investments	2	**–**	**42,141**	**42,141**	–	(13,648)	(13,648)
(Losses)/gains on currency		**–**	**(28)**	**(28)**	–	202	202
Income	3	**6,496**	**–**	**6,496**	3,568	–	3,568
Gross return/(loss)		**6,496**	**42,113**	**48,609**	3,568	(13,446)	(9,878)
Investment performance fee clawback	4	**–**	**–**	**–**	–	166	166
Other expenses	4	**(1,141)**	**(32)**	**(1,173)**	(966)	14	(952)
Net return/(loss) before tax		**5,355**	**42,081**	**47,436**	2,602	(13,266)	(10,664)
Tax	5	**(179)**	**–**	**(179)**	(46)	–	(46)
Net return/(loss) for the year		**5,176**	**42,081**	**47,257**	2,556	(13,266)	(10,710)
Return/(loss) per share – basic and diluted	8	**4.59p**	**37.30p**	**41.89p**	3.22p	(16.40)p	(13.18)p

The total column represents the Income Statement of the Company, prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the United Kingdom.

The revenue and capital columns, including the revenue and capital earnings per share data, are supplementary information prepared under guidance published by the AIC.

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

The Company does not have any other comprehensive income. Therefore, no separate Statement of Comprehensive Income has been presented.

The notes on pages 81 to 100 form part of these accounts.

Statement of Financial Position

Approved by the Board of Directors on 30 March 2026 and signed on its behalf by:
Lucy Walker
Chair of the Board
Company no. 03300814

	Notes	31 December 2025 £'000	31 December 2024 £'000
NON-CURRENT ASSETS			
Investments held at fair value through profit or loss	2	**327,236**	276,922
CURRENT ASSETS			
Trade and other receivables	6	**1,137**	1,109
Cash and cash equivalents	13	**1,090**	17,076
		2,227	18,185
TOTAL ASSETS		**329,463**	295,107
CURRENT LIABILITIES:			
Other payables		**(216)**	(1,606)
		(216)	(1,606)
NET ASSETS		**329,247**	293,501
EQUITY			
Called up share capital	9	**28,643**	28,665
Share premium account		**202,665**	202,665
Capital redemption reserve		**312**	312
Treasury shares		**–**	(22)
Other reserve	9	**(559)**	(559)
Capital reserve	9	**92,104**	61,534
Revenue reserve		**6,082**	906
TOTAL EQUITY		**329,247**	293,501
Number of voting shares in issue	9	**110,033,918**	114,572,742
NAV per share	10	**299.22p**	256.17p

The notes on pages 81 to 100 form part of these accounts.

Statement of Changes in Equity

Year to 31 December 2025

	Notes	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Treasury shares £'000	Other reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening equity		**28,665**	**202,665**	**312**	**(22)**	**(559)**	**61,534**	**906**	**293,501**
Net return for the year		–	–	–	–	–	42,081	5,176	47,257
Shares bought back and held in treasury	9	–	–	–	–	–	(11,511)	–	(11,511)
Share cancellation in relation to 2021 performance fee	4	(22)	–	–	22	–	–	–	–
Closing equity		**28,643**	**202,665**	**312**	**–**	**(559)**	**92,104**	**6,082**	**329,247**

The notes on pages 81 to 100 form part of these accounts.

Statement of Changes in Equity

Year to 31 December 2024

	Notes	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Treasury shares £'000	Other reserve £'000	Share-based payment reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Opening equity		**19,019**	**111,166**	**312**	**–**	**(219)**	**166**	**74,999**	**3,271**	**208,714**
Net return for the year		–	–	–	–	–	–	(13,432)	2,556	(10,876)
Share-based payment credit	9	–	–	–	–	–	(166)	166	–	–
Performance fee clawback in relation to performance year 2021	4	–	–	–	(22)	221	–	(199)	–	–
Share issuance in relation to 2023 performance fee	4	54	507	–	–	(561)	–	–	–	–
Dividends paid	7	–	–	–	–	–	–	–	(4,921)	(4,921)
Issue of new Shares on the combination with Artemis Alpha Trust plc		9,592	90,992	–	–	–	–	–	–	100,584
Closing equity		**28,665**	**202,665**	**312**	**(22)**	**(559)**	**–**	**61,534**	**906**	**293,501**

The notes on pages 81 to 100 form part of these accounts.

Cash Flow Statement

	Notes	Year to 31 December 2025	Year to 31 December 2024
		£'000	£'000
Net cash inflow from operating activities	11	**3,812**	3,324
Investing activities			
Payments to acquire non-current asset investments	2	**(41,232)**	(29,265)
Receipts on disposal of non-current asset investments	2	**32,973**	41,488
Net cash (outflow)/inflow from investing activities		**(8,259)**	12,223
Financing activities			
Purchase of shares held in treasury	9	**(11,511)**	–
Dividends paid	7	**–**	(4,921)
Net cash outflow from financing activities		**(11,511)**	(4,921)
(Decrease)/increase in cash and cash equivalents		**(15,958)**	10,626
Cash and cash equivalents at beginning of year		**17,076**	6,248
(Losses)/gains on currency		**(28)**	202
Cash and cash equivalents at the end of the year		**1,090**	17,076

The notes on pages 81 to 100 form part of these accounts.

Notes to the Financial Statements

1. Reporting entity

The Company is a closed-ended investment company, registered in England and Wales on 10 January 1997 with Company number 03300814. The Company's registered office is 25 Southampton Buildings, London WC2A 1AL.

Details of the Directors, Investment Manager and Advisers can be found on pages 36 to 38.

Basis of Accounting

The financial statements of the Company have been prepared in accordance with UK-adopted International Accounting Standards ("IFRS") and the applicable legal requirements of the Companies Act 2006.

The annual financial statements have also been prepared in accordance with the Association of Investment Companies ("AIC") Statement of Recommended Practice ("SORP") for the financial statements of investment trust companies and venture capital trusts, except to any extent where it is not consistent with the requirements of IFRS, then this will be noted and explained.

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been prepared alongside the Income Statement.

The functional currency of the Company is Sterling because this is the currency of the primary economic environment in which the Company operates. The financial statements are presented in Sterling rounded to the nearest thousand, except where otherwise indicated.

Going concern

The financial statements have been prepared on the going concern basis. The Directors have a reasonable expectation, after making enquiries, that the Company has adequate resources to continue in existence for at least 12 months from the date of approval of this Annual Report.

In reaching this conclusion, the Directors have considered the liquidity of the Company's portfolio of investments as well as its latest financial position and forecast of income and expenses.

As at 31 December 2025, the Company held £1,090,000 (2024: £17,076,000) in cash and cash equivalents, £317,945,000 (2024: £272,105,000) in quoted investments and £9,291,000 (2024: £4,817,000) in unquoted investments. The total ongoing operating expenses for the year ended 31 December 2025 were £1,093,000 (2024: £966,000). It is estimated that 46.7% of the Company's latest portfolio could be liquidated in a non-market impacting way within seven days, using 25% of historic three-month average daily volume. This approach is considered conservative as it does not include the Company's ability to access liquidity through block trades.

Notes to the Financial Statements

Continued

1. Reporting entity continued

The Company's going concern status has been assessed under stress scenarios, which incorporated key assumptions such as significant falls in the Company's investment portfolio value and investment income. These scenario tests encompassed possible impacts from factors such as the existing and potential further risks arising from the conflicts in Ukraine and the Middle East. A prolonged and deep market decline could lead to falling investment values or interruptions to cash flow, however the Company currently has more than sufficient liquidity to meet any liabilities when they fall due in the foreseeable future. The Board is keeping the development of external risk factors under close scrutiny and does not believe that these will have any impact on the Company's going concern status.

At the date of approval of this Annual Report, the aggregate value of the Company's cash and cash equivalents and its investments is well in excess of the estimated level of liabilities, and the Company has substantial operating expenses cover.

Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment being an investment business in accordance with its Investment Objective and Policy.

Material accounting policies

The material accounting policies adopted are described below:

a. Accounting Convention

The accounts are prepared under the historical cost basis, except for the measurement at fair value of investments and measurement of performance fees awarded.

b. Issue of Shares Pursuant to the Combination of Artemis Alpha Trust plc ("ATS") with the Company

On 29 November 2024, the Company issued new shares to shareholders of ATS in consideration for the receipt by the Company of assets pursuant to the combination with ATS. The cost to acquire the assets and liabilities of ATS was allocated between the acquired identifiable assets and liabilities based on their relative fair values on the acquisition date without attributing any amount to goodwill or to deferred taxes. Investments, cash and other assets were transferred from ATS. All assets were acquired at their fair value. The value of the assets received, in exchange for shares issued by the Company, were recognised in share capital and share premium, as shown in the Statement of Changes in Equity. Listing costs in respect of the shares issued were recognised in share premium, whereas other costs in relation to the combination were recognised through capital in the Income Statement.

c. Investments

Investments are measured at fair value through profit or loss ("FVTPL"). Gains or losses on investments and transaction costs on acquisition or disposal of investments are included in the Income Statement as a capital item.

Notes to the Financial Statements

Continued

1. Reporting entity continued

For investments that are actively traded in organised financial markets, fair value is determined by reference to stock exchange quoted market bid prices at the close of business on the year-end date. All purchases and sales of investments are recognised on the trade date, i.e. the date that the Company commits to purchase or sell an asset.

Unquoted investments are measured at fair value in accordance with the International Private Equity and Venture Capital ("IPEV") valuation guidelines and IFRS 13. Further details on the valuation of unquoted investments may be found in Notes 1(i) and 13.

d. Income from Investments

Special Dividends are assessed on their individual merits and are credited to the capital column of the Income Statement if the substance of the payment is a return of capital. All other investment income is taken to the revenue column of the Income Statement.

e. Share Capital and Reserves

The share capital represents the nominal value of equity shares.

The share premium account represents the accumulated premium paid for shares issued above their nominal value less issue expenses. This reserve is not distributable.

The capital redemption reserve arises when shares are bought back by the Company or returned by the Investment Manager under the performance fee clawback arrangement, and subsequently cancelled, at which point an amount equal to the par value of the shares is transferred from share capital to this reserve. This reserve is not distributable.

Other reserve represents the restricted shares issued in settlement of performance fees that are still within a lock-in period. This reserve is not distributable.

The share-based payment reserve represents the cumulative share-based payment expenses in relation to performance fees earned. Upon vesting, the relevant share-based payment reserve balance will be transferred to the realised capital reserve. This reserve is not distributable.

The capital reserve represents realised and unrealised capital and exchange gains and losses on the disposal and revaluation of investments and of foreign currency items. In addition, performance fee costs are allocated to the capital reserve. The amount within the capital reserve less unrealised gains (those on investments not readily convertible to cash) is available for distribution. The realised gains within the capital reserve amounted to £44,497,000 as at 31 December 2025 (2024: £56,397,000). The Company may use this reserve for share buybacks, but otherwise has no current intention to make distributions out of its capital reserve.

The revenue reserve represents the surplus of accumulated revenue profits, being the excess of income derived from holding investments less the costs associated with running the Company. This reserve may be distributed by way of dividends, to the extent realised.

Notes to the Financial Statements

Continued

1. Reporting entity continued

f. Expenses

All expenses are charged through the revenue column of the Income Statement except the following:

- expenses that are incidental to the acquisition or disposal of an investment are charged to the capital column of the Income Statement; and
- expenses are charged to the capital column of the Income Statement where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect, performance fees are charged to the Income Statement in line with the Board's expected long-term returns, in the form of capital gains, from the Company's portfolio.

g. Equity dividends payable

Equity dividends payable are recognised when the shareholders' right to receive payment is established. For interim dividends this is when they are paid and for final dividends this is when they are approved by shareholders.

h. Performance Fees

Performance fees are calculated based on the Company's net asset value ("NAV") outperformance against its benchmark, in accordance with the terms of the Investment Management Agreement.

Performance fees, if earned, are settled by the issue of shares in the Company. Such shares are subject to a fixed three-year clawback period, under which the Company is entitled to recover and cancel shares should the outperformance versus the benchmark reverse over that period.

The performance fee is accounted for as a share-based payment in accordance with IFRS 2, as it is settled by the issue of a variable number of shares based on a fixed monetary amount. The arrangement contains a non-market performance condition, being the outperformance of the Company's NAV against its benchmark.

The performance fee is recognised as an expense in the Income Statement on a straight-line basis over the relevant service period, based on the outcome of the performance fee calculation. This amount excludes any projection of potential clawback at the end of the performance period.

The expense recognised is adjusted at each reporting date to reflect management's estimate of the number of shares expected to ultimately vest. Where appropriate, adjustments arising from changes in these estimates are recognised in the Income Statement.

i. Critical Judgements, Estimations or Assumptions

The Directors have reviewed matters requiring judgements, estimations or assumptions. The preparation of the financial statements requires management to make judgements, estimations or assumptions that affect the amounts reported for assets and liabilities as at the year end date and the amounts reported for revenue and expenses during the year. However, the nature of the estimation means that actual outcomes could differ from those estimates.

Notes to the Financial Statements

Continued

1. Reporting entity continued

Performance fees

The Board has determined that the appropriate service period over which the performance fee should be recognised comprises the current year of service together with the subsequent three-year clawback period.

Judgement has also been applied in determining that the performance condition attached to the performance fee is a non-market performance condition under IFRS 2, as it is based on the Company's NAV outperformance relative to its benchmark.

Estimation is required in assessing the number of shares expected to ultimately vest, including consideration of whether clawback conditions are likely to be triggered over the clawback period. These estimates are reviewed at each reporting date and may result in adjustments to the performance fee charge recognised in the Income Statement.

Due to the nature of the arrangement, the cumulative expense recognised over the service period will equal either the amount initially calculated where performance conditions are met in full, or a lower amount where clawback is expected to apply.

The Board considers the assumptions and judgements applied to be reasonable and supportable; however, different assumptions regarding performance outcomes or clawback expectations could result in materially different timing of expense recognition within the service period.

The Investment Manager earned a performance fee of £560,903 in 2023 and this was settled by the issuance of 214,264 shares in 2024. As at 31 December 2025, based on estimates produced by the Company's in-house assessment model, it is expected that no shares issued in relation to 2023 will ultimately vest at the end of the clawback period on 31 December 2026, and therefore no IFRS 2 expenses have been charged in the Income Statement.

No performance fee was earned during 2024 or 2025 and the fee assessment period has been extended to 2026.

Valuation of Unquoted Investments

The Company has seven unquoted investments, two of which are nil valued. These are classified as Level 3 investments under the fair value hierarchy, please refer to Note 13 for definitions of fair value hierarchy. Their fair value as at 31 December 2025 is £9,291,000 or 2.8% of NAV (2024: £4,817,000 or 1.6% of NAV).

The investments are valued in accordance with the Company's accounting policy set out in 1c. In estimating the fair value of unquoted investments, the AIFM and Board apply valuation techniques which are appropriate in light of the nature, facts and circumstances of the investment, and use reasonable current market data and inputs combined with judgement and assumptions and apply these consistently. For each unlisted investment, one or more of the following valuation techniques is used:

Market Approach (Multiples and Benchmarks): Based on reference to prices and financial information generated by market transactions involving similar assets or investments. Where relevant and reliable data exists, comparable company multiples (e.g., EV/EBITDA, EV/Revenue) and available market prices from recent transactions in comparable unlisted entities are applied, adjusted for differences in size, growth prospects, and liquidity.

Notes to the Financial Statements

Continued

1. Reporting entity continued

Income Approach (Discounted Cash Flow): Based on discounting projected future cash flows of the investee to their present value using risk-adjusted discount rates that reflect market participant assumptions. Projections are based on latest financial forecasts, and terminal value assumptions are included where appropriate.

Cost/Replacement Approach (Net Asset/Cost Approach): Based on the current replacement cost of the underlying assets, less adjustments for functional and economic obsolescence.

The IPEV guidelines also allow for Other Relevant Information to be used as a starting point for estimating fair value, however, this will also be evaluated using one of the above techniques.

Observable market data is preferred when assessing the appropriate methodology.

Unquoted companies are held at 'fair value' i.e. the price that would be paid in an open market transaction. Valuations are adjusted both during regular valuation cycles (at interim and year end), and on an ad hoc basis in response to 'trigger events'. Our valuation process ensures that unquoted companies are valued in both a fair and timely manner.

In making the judgment that the valuation method is appropriate, the Board considers additional information, including an independent valuation review report produced by Kroll Advisory Ltd where available, and published financial statements.

A sensitivity analysis of the unquoted investments can be found in Note 13 a (iii) Other Price Risk Sensitivity.

Notes to the Financial Statements

Continued

2. Investments held at Fair Value Through Profit or Loss

	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Listed securities	**317,945**	272,105
Unquoted securities	**9,291**	4,817
Total non-current investments held at fair value through profit or loss	**327,236**	276,922
Movements during the year:		
Opening balance of investments, at cost	**271,951**	170,145
Additions, at cost	**41,232**	129,849
Disposals – proceeds received or receivable*	**(33,059)**	(41,488)
– realised (losses)/profits	**(495)**	13,445
– at cost	**(33,554)**	(28,043)
Cost of investments held at fair value through profit or loss at 31 December	**279,629**	271,951
Revaluation of investments to market value:		
Opening balance	**4,971**	32,064
Unrealised gains/(losses)	**42,636**	(27,093)
Balance at 31 December	**47,607**	4,971
Market value of non-current investments held at fair value through profit or loss at 31 December	**327,236**	276,922

* These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Notes to the Financial Statements

Continued

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

Gains/(losses) on investments

	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Realised (losses)/gains on disposal of investments	**(495)**	13,445
Movement in unrealised gains/(losses) on investments held	**42,636**	(27,093)
Total gains/(losses) on investments	**42,141**	(13,648)

Transaction costs on investment purchases and sales for the year ended 31 December 2025 are disclosed in the following table.

Transaction costs

	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Transaction costs on purchases of investments	**205**	127
Transaction costs on disposals of investments	**25**	21
Total transaction costs included in gains or losses on investments at fair value through profit or loss	**230**	148

3. Income

	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Income from investments:		
UK dividends	**4,553**	2,396
Overseas dividends	**1,792**	695
Other income:		
Deposit interest	**151**	477
Total income	**6,496**	3,568

Notes to the Financial Statements

Continued

4. Investment Management Performance Fees and Other Expenses

	Year ended 31 December 2025			Year ended 31 December 2024		
	Revenue*	Capital	Total	Revenue*	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Investment management performance fee clawback	–	–	–	–	(166)	(166)
Administration fees	**483**	–	**483**	350	–	350
Depositary and Custody fees	**122**	–	**122**	74	–	74
Registrar's fees	**42**	–	**42**	43	–	43
Directors' fees	**145**	–	**145**	140	–	140
Audit fees**	**79**	–	**79**	84	–	84
Printing	**20**	–	**20**	16	–	16
Broker's fees	**67**	–	**67**	48	–	48
Professional fees	**76**	–	**76**	90	–	90
Consultancy fees	**13**	–	**13**	13	–	13
Miscellaneous expenses	**94**	**32**	**126**	108	–	108
Combination related expenses***	–	–	–	–	(14)	(14)
Total other expenses	**1,141**	**32**	**1,173**	966	(180)	786

* All expenses include any relevant irrecoverable VAT.

** The amounts excluding VAT paid or accrued for the audit of the Company are £63,000 (2024: £70,000).

*** As part of the combination between the Company and Artemis Alpha Trust plc that took place on 29 November 2024, the Company incurred £735,000 of costs which have been charged to capital. Within the terms of the combination, Phoenix will contribute £750,000 towards the offsetting of the direct costs related to the transaction. The contribution will be made by way of a reduction in the performance fee payable to Phoenix by the Company in respect of the financial years ending 31 December 2024, 31 December 2025 and 31 December 2026. The fee reduction will constitute a waiver of the performance fee of £750,000. As no performance fee was earned in relation to 2024 or 2025, a £750,000 receivable has been recognised as at 31 December 2024 and 31 December 2025 (see Note 6).

Investment Management Performance Fees

The Company's Investment Manager does not earn an ongoing annual management fee, but will be paid a 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 or, if applicable, extended performance period.

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, in the event that the NAV per Share has increased in absolute terms over the period, and 2% in the event that 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 following year until all underperformance of the Company's NAV since the last performance fee was paid has been made up.

Performance fees are settled by issuance of new shares. Such shares are issued at the NAV per share prevailing at the date of issue, so that the then current value of the shares equates in terms of NAV to the performance fees calculated at the end of the relevant financial period.

Notes to the Financial Statements

Continued

4. Investment Management Performance Fees and Other Expenses continued

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.

Performance fees are calculated annually and, if earned, settled by way of share issuance by the Company. 80% is settled shortly after the year end date and the remaining 20% is settled upon approval of the Company's Annual Report. Shares issued to the Investment Manager are subject to a three-year clawback period, during which the Investment Manager is not entitled to sell, pledge or transfer the shares, but is entitled to dividends and voting rights. If the Company's NAV underperforms its benchmark index on a total return basis over the clawback period, shares issued to the Investment Manager will be proportionally or entirely clawed back and cancelled by the Company. Any dividends that were paid on the shares are not clawed back.

Share-based Payment

The performance fee arrangement is recognised as an equity-settled share-based payment under IFRS 2, and the related expenses are charged or credited in the Income Statement on a straight-line basis over a vesting period of the performance fee calculation period followed by three years of clawback period.

At the end of each reporting period, the Company reviews cumulative total returns between the Company's NAV and its benchmark index in relation to each performance year in which a performance fee was earned and adjusts the cumulative charges of share-based payment expenses accordingly.

No share-based payment charge/clawback was recognised in the Company's Income Statement for the year ended 31 December 2025 (2024: clawback of £166,000).

Performance year	Fees earned (£)	Shares issued (Number of)	Vesting period (Years)	Vesting status	Year to 31 December 2025 Income Statement credit (£)	Year to 31 December 2024 Income Statement credit (£)
2021	222,195	89,096	4	Fully clawed back on 31 December 2024	–	(165,896)
2022*	–	–	n/a	n/a	n/a	n/a
2023	560,903	172,373	5	Vesting period ends on 31 December 2026	–	–
2024**	–	–	n/a	n/a	n/a	n/a
2025***	–	–	n/a	n/a	n/a	n/a

* No performance fee was earned during 2022 and the fee assessment period was extended to 2023.
** No performance fee was earned during 2024 and the fee assessment period was extended to 2025.
*** No performance fee was earned during 2025 and the fee assessment period has been extended to 2026.

Notes to the Financial Statements

Continued

4. Investment Management Performance Fees and Other Expenses continued

Share-based Payment Sensitivity Analysis

The performance fee clawback period for the years ended 31 December 2022 and 31 December 2023 ends on 31 December 2026. As at 31 December 2025, the Company is underperforming the benchmark, as per below.

As at 31 December 2025		%
Company cumulative NAV returns	a	13.5
Cumulative index returns	b	47.0
Underperformance	(1+a)/(1+b)−1	(22.8)

If the Company's underperformance changed by +10%/-10% there would be no impact on the Company's profit after tax for the year ended 31 December 2025.

5. Taxation

	Year to 31 December 2025			Year to 31 December 2024		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Corporation tax	**–**	**–**	**–**	–	–	–
Overseas withholding tax	**179**	**–**	**179**	46	–	46
Tax charge in respect of the current year	**179**	**–**	**179**	46	–	46

Current taxation

The taxation charge for the year is different from the standard rate of corporation tax in the UK of 25.0% (2024: 25.0%). The differences are explained below:

	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Net return/(loss) before tax	**47,436**	(10,664)
Theoretical tax at UK corporation tax rate of 25.0% (2024: 25.0%)	**11,859**	(2,666)
Effects of:		
Capital (gains)/losses that are not taxable	**(10,535)**	3,412
UK dividends which are not taxable	**(1,138)**	(599)
Overseas withholding tax	**179**	46
Overseas dividends that are not taxable	**(448)**	(174)
Excess management expenses	**262**	27
Tax charge in respect of the current year	**179**	46

Notes to the Financial Statements

Continued

5. Taxation continued)

Due to the Company's status as an investment trust and its intention to continue meeting the conditions required to maintain its status in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

Deferred Tax

The Company has £15,823,000 (2024: £14,681,000) in respect of excess unutilised management expenses, equivalent to a potential tax saving of £3,960,000 (2024: £3,670,000) at the prospective tax rate of 25% (2024: 25%) and £1,491,000 (2024: £1,491,000) in respect of loan interest, equivalent to a potential tax saving of £373,000 (2024: £373,000) at the prospective tax rate of 25% (2024: 25%).

These amounts could be utilised to the extent that the Company has sufficient future taxable revenue. A deferred tax asset has not been recognised in respect of these expenses.

6. Trade and other receivables

	At 31 December 2025	At 31 December 2024
Phoenix contribution receivable	**750**	750
Other receivables	**387**	359
Total trade and other receivables	**1,137**	1,109

The £750,000 contribution receivable (2024: £750,000) from Phoenix Asset Management Partners Limited ("Phoenix"), relates to the Manager's contribution towards offsetting the costs directly related to the ATS combination which completed on 29 November 2024. Please refer to Note 4 for further detail.

7. Dividends

	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Dividends reflected in the financial statements:		
No final dividend for the year ended 31 December 2024 (2023: 3.45p per share)	**–**	2,632
No interim dividend paid for the year ended 31 December 2025 (2024: 3.00p)	**–**	2,289
Dividends not reflected in the financial statements:		
Final dividend for the year ended 31 December 2025 at 4.70p per share	**5,176**	–

8. Earnings Per Share

Earnings per share ("EPS") are based on the profit of £47,257,000 (2024: loss of £10,710,000) attributable to the weighted average of 112,803,770 (2024: 79,368,511) voting shares in issue during the year, excluding shares that are considered to not be outstanding in accordance with IAS 33..

Notes to the Financial Statements

Continued

Supplementary information is provided as follows: revenue earnings per share are based on the revenue profit of £5,176,000 (2024: profit of £2,556,000); capital earnings per share are based on the net capital profit of £42,081,000 (2024: loss of £13,266,000), attributable to the weighted average of 112,803,770 (2024: 79,368,511) voting shares. Shares issued in relation to the performance fee are subject to a three-year clawback mechanism. While legally issued, these shares are contingently returnable and are therefore not treated as outstanding for the purposes of basic EPS. For the purposes of diluted EPS, shares subject to the performance fee clawback are treated as contingently issuable shares, and only included within the calculation when the relevant performance conditions have been satisfied. Accordingly, such shares have been excluded from the weighted average number of shares used in the calculation of basic and diluted EPS.

9. Share Capital and Reserves

	At 31 December 2025	At 31 December 2024
Ordinary Shares of 25p allotted, called up and fully paid (£'000)	**28,643**	28,665
(Number)	**114,572,742**	114,661,838

Shares in issue with full voting rights:	Year ended 31 December 2025 (Number)	Year ended 31 December 2024 (Number)
Opening	**114,572,742**	76,078,460
Shares issued	**–**	38,583,378
Shares clawed back into treasury	**–**	(89,096)
Shares purchased into treasury	**(4,538,824)**	–
Closing shares in issue with full voting rights	**110,033,918**	114,572,742

Treasury Shares:	Year ended 31 December 2025 (Number)	Year ended 31 December 2024 (Number)
Opening	**89,096**	–
Shares clawed back into treasury	**–**	89,096
Shares purchased into treasury	**4,538,824**	–
Shares cancelled from treasury	**(89,096)**	–
Closing shares held in treasury	**4,538,824**	89,096

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.

The Company has a Block Listing Facility which was last renewed on 17 April 2020. As at 31 December 2025, 14,245,062 shares remained unallotted under the facility (2024: 14,245,062 shares).

Notes to the Financial Statements

Continued

9. Share Capital and Reserves continued

No shares were issued under the Block Listing Facility, or otherwise, during the year ended 31 December 2025. During the year ended 31 December 2024 the Company issued 214,264 shares at an average price of 261.78p per share to the Company's Investment Manager, representing the performance fee earned for the year ended 31 December 2023. These are subject to a three-year lock-in and clawback period from the date of their issue.

On 29 November 2024 the Company issued 38,369,114 shares to holders of Artemis Alpha Trust plc ("ATS") shares, at a deemed price of 262.58p per share, in consideration for the transfer to the Company of approximately £101 million of net assets from ATS.

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 Company did not purchase any of its own shares during the year ended 31 December 2024. Since the year end, up to 27 March 2026, the Company has bought back into treasury a further 422,526 shares, at an average price of 248.5p 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.

Other Reserve

The other reserve balance represents the restricted shares issued in settlement of performance fees that are still within a lock-in period.

The clawback period for the performance fee earned during the year ended 31 December 2021 ended on 31 December 2024. The Company's cumulative NAV total return underperformed that of the benchmark index over the vesting period. As a result, the 89,096 restricted shares originally issued in settlement of the £221,219 performance fee earned were clawed back as at 31 December 2024.

Share-based Payment Reserve

The share-based payment reserve represents the cumulative share-based payment expenses in relation to performance fees earned. A share-based payment clawback of £166,000 in relation to the 2021 performance fee crystallised on 31 December 2024, resulting in a nil balance at that year end. No share-based payment expenses have been charged subsequently as no shares issued in settlement of the fee earned in the performance fee period ended 31 December 2023 are expected to ultimately vest based on the estimates produced by the Company's in-house model and no performance fee was earned in the subsequent period to 31 December 2025. This is subject to review and change at the Company's future reporting dates. Further details can be found in Note 4.

10. Net Assets Per Share

The figure for Net Assets per Share is based on Net Assets of £329,247,000 (2024: £293,501,000) divided by 110,033,918 voting shares in issue at 31 December 2025 (2024: 114,572,742).

Notes to the Financial Statements

Continued

11. Reconciliation of Net Cash Flow from Operating Activities

	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Net returns after tax	**47,257**	(10,710)
(Gains)/losses on investments	**(42,113)**	13,446
Decrease/(increase) in trade and other receivables	**58**	(737)
(Decrease)/increase in other payables	**(1,390)**	1,491
Investment performance fee clawback	**–**	(166)
Tax charge	**179**	46
Operating cash inflow before tax paid	**3,991**	3,370
Tax paid	**(179)**	(46)
Net cash inflow from operating activities	**3,812**	3,324

12. Transactions with Related Parties

The Board of Directors is defined as a related party. Under the FCA Listing Rules, the Manager is also defined as a related party. However, under the AIC SORP, in accordance with which these financial statements are prepared, the Manager is not considered to be a related party.

There were no transactions with Directors other than as disclosed in the Directors' Remuneration Report on pages 55 to 57 and in Note 4 on page 89. No fees payable to the Directors were outstanding as at 31 December 2025.

Notes to the Financial Statements

Continued

13. Financial Instruments

Investments are carried in the balance sheet at fair value. For other financial assets and financial liabilities, the balance sheet value is considered to be a reasonable approximation of fair value.

Financial assets

The Company's financial assets may include equity investments, fixed interest securities, short-term receivables and cash and cash equivalents balances. The currency and cash-flow profile of those financial assets was:

			2025			2024
	Interest bearing	Non-interest bearing	Total	Interest bearing	Non-interest bearing	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Non-current equity investments at fair value through profit or loss:						
£ sterling denominated security holdings	–	**250,734**	**250,734**	–	228,871	228,871
€ euro denominated security holdings	–	**51,491**	**51,491**	–	25,492	25,492
$ usd denominated security holdings	–	**25,011**	**25,011**	–	22,511	22,511
kr sek denominated security holdings	–	–	–	–	48	48
	–	**327,236**	**327,236**	–	276,922	276,922
Cash at bank and cash equivalents:						
Floating rate – £ sterling	**1,090**	–	**1,090**	17,156	–	17,156
Floating rate – € euro	–	–	–	(80)	–	(80)
	1,090	–	**1,090**	17,076	–	17,076
Current assets:						
Receivables	–	**1,137**	**1,137**	–	1,109	1,109
	1,090	**328,373**	**329,463**	17,076	278,031	295,107

The cash and equivalents balance comprises cash at bank of £1,090,000 (2024: £9,169,000) held by the Company's Depositary, Northern Trust Investor Services Ltd, and no UK Treasury Bills (2024: £7,907,000).

Financial liabilities

The Company finances its investment activities through its ordinary share capital and reserves. It does not currently use borrowing for such purposes. The Company's financial liabilities comprise short-term trade payables. Foreign currency balances are stated in the accounts in sterling at the exchange rate as at the Balance Sheet date.

There were no short-term trade payables (other than accrued expenses).

Notes to the Financial Statements

Continued

13. Financial Instruments continued

Fair Value Hierarchy

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	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Level 1	**317,945**	272,105
Level 2	**–**	–
Level 3	**9,291**	4,817
Total non-current investments held at 'FVTPL'	**327,236**	276,922

During the year, £4,840,000 of Level 1 assets (2024: nil) were delisted and transferred to Level 3.

The movement in the Level 3 unquoted investments during the year is shown below:

	Year to 31 December 2025	Year to 31 December 2024
	£'000	£'000
Opening balance	**4,817**	1,476
Additions during the year*	**–**	4,681
Unrealised losses	**(369)**	(1,340)
Transfer from Level 1 to Level 3**	**4,843**	–
Closing balance	**9,291**	4,817

* Additions to the Level 3 unquoted investments during 2024 related to the ATS combination. No other unquoted assets were acquired during the year.

** Hornby transferred from Level 1 to Level 3 during the year (2024: none).

The Level 3 unquoted investment balance represents the Company's investment in seven unquoted investments, two of which are valued at nil value. Valuation reports prepared by the Investment Manager are used as an input into the Company's fair value assessment. These valuations are evaluated to ensure the methodologies applied are consistent with fair value principles and market participant assumptions, in line with the Company's accounting policies and valuation methods set out in Note 1(g) for unquoted investments.

Notes to the Financial Statements

Continued

13. Financial Instruments continued

Risk Analysis

The general risk analysis undertaken by the Board and its overall policy approach to risk management are set out in the Strategic Report. Issues associated with portfolio distribution and concentration risk are discussed in the Investment Policy section of the Strategic Report. This note, which is incorporated in accordance with accounting standard IFRS 7, examines in greater detail the identification, measurement and management of risks potentially affecting the value of financial instruments and how those risks potentially affect the performance and financial position of the Company. The risks concerned are categorised as follows:

a. Potential Market Risks, which are principally:

   i. Currency Risk
   ii. Interest Rate Risk and
   iii. Other Price Risk.

b. Liquidity Risk
c. Credit Risk

Each is considered in turn below:

A (i) Currency Risk

The portfolio as at 31 December 2025 was invested predominantly in sterling denominated securities and there was limited currency risk arising from the possibility of a fall in the value of sterling impacting upon the value of investments or income.

The Company had no foreign currency borrowings at 31 December 2025 or 31 December 2024.

The Company does not hedge its currency exposures currently, but under its investment policy and restrictions, derivative or similar financial instruments can be employed if considered necessary for the purpose of capital preservation.

Currency sensitivity

The table below shows the impact on the Company's profit after taxation for the year ended and net assets as at 31 December 2025, if sterling had strengthened/weakened by 10% against Euro, USD and SEK.

	2025	2024
	£'000	£'000
Euro	**(4,681)/5,721**	(2,310)/2,824
USD	**(2,274)/2,779**	(2,046)/2,501
SEK	**–/–**	(4)/5

A (ii) Interest Rate Risk

The Company held no UK Treasury Bills at 31 December 2025 (31 December 2024: £7,907,000).

With the exception of cash and cash equivalents, no interest rate risks arise in respect of any current asset. All cash and cash equivalents held as a current asset is sterling denominated, earning interest at the bank's or custodian's variable interest rates.

The Company had no borrowings at 31 December 2025 or 31 December 2024.

Notes to the Financial Statements

Continued

13. Financial Instruments continued

A (iii) Other Price Risk

The principal price risk for the Company is the price volatility of shares that are owned by the Company. As described in the Investment Manager's Review, the Company spreads its investments across different sectors and geographies, but as shown by the Portfolio Analysis on page 20, the Company may maintain relatively strong concentrations in particular sectors selected by the Investment Manager.

The Board manages these risks through the use of investment limits and guidelines as set out in the Company's investment policy and restrictions, and monitors the risks through regular financial and compliance reports provided by the Company's key service providers.

The effect on the portfolio of a 10.0% increase or decrease in market prices would have resulted in an increase or decrease of £32,724,000 (2024: £27,692,000) in the investments held at fair value through profit or loss at the period end, which is equivalent to 9.9% (2024: 9.4%) in the net assets attributable to equity holders. This analysis assumes that all other variables remain constant.

The significant unobservable inputs used in fair value measurement categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity, as at 31 December 2025 are shown below, with the exception of the Market Value approach as it does not involve significant subjectivity:

As at 31 December 2025	Fair value of investments £'000	Key unobservable inputs	Estimate of input	Sensitivity of fair value to changes in unobservable inputs
Sum of Parts, Market Value	4,840	Third Party Offers, Delisting Price	n/a	n/a
Market approach using comparable trading multiples	3,818	Multiple to NAV	1.3x	An increase to 1.4x/(decrease to 1.2x) would increase/(decrease) fair value by +8%/(−8%)
Discounted cash flow	329	Discount rate	15%, 25%	An increase of 1% in discount rates/ (decrease of 1% in discount rates) would increase/ (decrease) fair value by +8%/(−7%)
Market Value	300	Par value of debt	n/a	n/a

Notes to the Financial Statements

Continued

13. Financial Instruments continued

B Liquidity Risk

Liquidity Risk is considered to be low, because most of the portfolio is invested in readily realisable securities. As a consequence, cash flow risks are also considered to be low. The Investment Manager estimates that, under normal market conditions and without causing excessive disturbance to the prices of the securities concerned, 46.7% (2024: 39.0%) of the portfolio could be liquidated within seven days, based on 25% of average daily volume. This is conservative as it does not include the ability to access liquidity through block trades.

C Credit Risk

The Company invests in quoted and unquoted equities in line with its investment objective and policy. The Company's investments are held by Northern Trust Investor Services Ltd ("the Depositary"), which is a large and reputable international banking institution. The Company's normal practice is to remain fully invested at most times and not to hold large quantities of cash. At 31 December 2025, cash at bank comprised £1,090,000 (2024: £9,242,000) held by the Depositary, and no UK Treasury Bills (2024: £7,907,000).

Credit Risk arising on transactions with brokers relates to transactions awaiting settlement. This risk is considered to be very low because transactions are almost always undertaken on a delivery versus payment basis with member firms of the London Stock Exchange.

A credit risk also arises due to the £750,000 payable from Phoenix in relation to the combination expenses costs, as detailed in Notes 4 and 6. The credit risk associated with this receivable is considered to be low because the amount is contractually due from the Investment Manager under the terms of the Investment Management Agreement. Phoenix is a regulated financial institution with a strong credit profile and a long-standing operational relationship with the Company, further reducing the likelihood of default.

D Capital management policies and procedures

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders

by pursuing investment policies commensurate with the level of risk.

The Company considers its capital to be issued share capital and reserves, and monitors capital on the basis of the carrying amount of equity, less cash as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company does not currently intend to use gearing, but as set out in its investment objective and policy, borrowings of up to 30% of the aggregate of the paid-up nominal capital plus the capital and revenue reserves are permitted.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders (within the statutory limits applying to investment trusts), return capital to shareholders, issue new shares, or sell assets.

14. Post Year End Events

No post balance sheet events have occurred since 31 December 2025.

Alternative Performance Measures ("APMs")

An APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. Definitions of these APMs together with how these measures have been calculated follow:

Share price discount to NAV per share (APM)

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

		As at 31 December 2025	As at 31 December 2024
NAV per share	a	**299.22**	256.17
Share price	b	**272.00**	227.00
Discount	(b÷a)-1	**9.1%**	11.4%

Ongoing charges ratio (APM)

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. Charges relating to performance fees are excluded from the calculation.

		As at 31 December 2025	As at 31 December 2024
		£'000	£'000
Average NAV	a	**311,164**	215,951
Annual expenses	b	**1,141**	1,118
Adjusting for non-recurring expenses*	c	**48**	152
Annual ongoing expenses	d=b-c	**1,093**	966
Ongoing charges figure	d÷a	**0.35%**	0.45%

* Non-recurring expenses are costs incurred in connection with the recruitment of the new Director (2024: Non-recurring items are costs incurred in connection with the combination of Artemis Alpha Trust plc with the Company, which completed on 29 November 2024).

Alternative Performance Measures

Continued

Total returns (APM)

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.

Year ended 31 December		31 December 2025 NAV per share	31 December 2025 Share price	31 December 2024 NAV per share	31 December 2024 Share price
Opening at 1 January	a	**256.17p**	**227.00p**	274.34p	247.00p
Closing at 31 December	b	**299.22p**	**272.00p**	256.17p	227.00p
Price movement	c=(b÷a)−1	**16.8%**	**19.8%**	(6.6%)	(8.1%)
Impact of dividend reinvestment	d	**–**	**–**	2.3%	2.4%
Total return	c+d	**16.8%**	**19.8%**	(4.3%)	(5.7%)

Glossary

Active Share ratio	A measure of the extent to which a fund's holdings and their weightings differ from those of the fund's benchmark index. A ratio close to 0% would suggest that the portfolio is virtually identical to the index and performance should track it closely (passive management), whereas a ratio nearer to 100% would signify that there is very little overlap with the index (active management).
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 and where they can 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 101 and 102.
Articles	The Company's Articles of Association adopted on 10 June 2019.
Company Secretary or **Administrator**	Frostrow Capital LLP.
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.

Glossary

Continued

Investment company	A company formed to invest in a diversified portfolio of assets.
Investment Manager	Phoenix Asset Management Partners Limited.
Investment Trust	An investment company based in the UK which meets certain tax conditions that enable it to be exempt from UK corporation tax on its capital gains. The Company is an investment trust.
Leverage	An alternative word for "Gearing". Under UK AIFMD, leverage is any method by which the exposure of an AIF is increased through borrowing of cash or securities or leverage embedded in derivative positions. Under UK AIFMD, leverage is broadly similar to gearing, but is expressed as a ratio between the assets (excluding borrowings) and the net assets (after taking account of borrowing). Under the gross method, exposure represents the sum of the Company's positions after deduction of cash balances, without taking account of any hedging or netting arrangements. Under the commitment method, exposure is calculated without the deduction of cash balances and after certain hedging and netting positions are offset against each other.
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).
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.
Source: Morningstar	Certain statistics in this annual report are referenced as sourced from Morningstar (Morningstar 2026. All rights reserved). The information sourced from Morningstar: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied, adapted or distributed; (3) is not warranted to be accurate, complete or timely; and (4) does not constitute advice of any kind, whether investment, tax, legal or otherwise. User is solely responsible for ensuring that it complies with all laws, regulations and restrictions applicable to it. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information, except where such damages or losses cannot be limited or excluded by law in your jurisdiction. Past performance is no guarantee of future results.
Treasury shares	A company's issued shares owned by itself which are available to be sold by the company to raise funds.
Volatility	A measure of how much a share moves up and down in price over a period of time.

Notice of Meeting

Image courtesy of Ryanair Holdings plc.

Notice of Meeting

Frostrow Capital LLP
Company Secretary

Registered Office:
25 Southampton Buildings
London WC2A 1AL

30 March 2026

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to any matter referred to in this document or as to the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your ordinary shares, please send this document at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee. However, the distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

Notice is hereby given that the Annual General Meeting ("AGM") of Aurora UK Alpha plc will be held at 25 Southampton Buildings, London WC2A 1AL on 10 June 2026 at 1 p.m.

There will be no Investment Manager presentation at the AGM. Instead, there will be a separate Investment Manager presentation and Q&A event at 4 p.m. on 14 October 2026 at the Chartered Accountants Hall, 1 Moorgate Place, London EC2R 6EA.

The AGM is being called for the following purposes:

To consider, and if thought fit to pass, the following resolutions, of which resolutions 1 to 9 inclusive will be proposed as ordinary resolutions and resolutions 10 to 13 will be proposed as special resolutions.

ORDINARY RESOLUTIONS

1. To receive the Annual Report for the year ended 31 December 2025, including the financial statements and the Directors' and Auditor's reports thereon.
2. To approve the Directors' Remuneration Policy.
3. To approve the Remuneration Policy Implementation Report for 2025.
4. To re-elect Lucy Walker as a Director of the Company.
5. To re-elect Farah Buckley as a Director of the Company.
6. To re-elect Lady Rachael Robathan as a Director of the Company.
7. To elect Alex Denny as a Director of the Company.
8. To re-appoint BDO as Auditor to the Company and to authorise the Audit Committee to fix the Auditor's remuneration.
9. THAT in substitution for any pre-existing power to allot or grant rights to subscribe for or convert any securities into ordinary shares in the Company the Directors be and are hereby generally and unconditionally authorised, pursuant to and in accordance with section 551 of the Companies Act 2006 (the "Act") to exercise all powers of the Company to allot ordinary shares in the Company up to a maximum of 20% of the issued share capital in the Company as at the date of passing this resolution. This authority shall expire (unless previously varied, revoked or renewed by the Company in general meeting) 15 months after the date of the passing of

this resolution or at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, whichever should first occur, save that the Company may before such expiry make an offer or enter into an agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or enter into an agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTIONS

10. THAT, subject to the passing of resolution 9, and in addition to all existing powers, the Directors be and are hereby empowered, pursuant to section 570 of the Act, to allot equity securities (as defined in section 560 of the Act) for cash either pursuant to the authority conferred by resolution 10 or by way of a sale of Treasury shares, as if section 561 of the Act did not apply to any such allotment or sale, provided that this power:
    a. shall expire (unless previously varied, revoked or renewed by the Company in general meeting) 15 months from the passing of this resolution, or at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, whichever is earlier, save that the Company may before such expiry make an agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot equity securities (including by way of sale of Treasury shares) as if such expiry had not occurred; and
    b. shall be limited to the allotment of equity securities up to a maximum of 20% of the issued share capital of the Company as at the date of passing this resolution.
11. THAT, in substitution for any pre-existing authority that will have expired on the date hereof, but without prejudice to the exercise of such authority prior to the date hereof, the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 ("the Act") to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 25p each in the capital of the Company ("ordinary shares") provided that:
    a. the maximum aggregate number of ordinary shares hereby authorised to be purchased shall be 14.99% of the issued share capital of the Company at the date of passing this resolution;
    b. the minimum price which may be paid for an ordinary share is 25p;
    c. the maximum price which may be paid for an ordinary share is an amount equal to the higher of (i) 105% of the average of the middle market quotations for an ordinary share taken from the Daily Official List of the UK Listing Authority for the 5 business days immediately preceding the day on which the ordinary share is purchased; and (ii) the higher of the price of the last independent trade in ordinary shares and the highest then current independent bid for ordinary shares on the London Stock Exchange; and
    d. unless varied, revoked or renewed the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2026 or, if

earlier, on the expiry of 15 months from the passing of this resolution, save that the Company may at any time prior to such expiry, enter into a contract or contracts to purchase ordinary shares under such authority which would or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract or contracts as if the authority conferred hereby had not expired.

12. THAT the period of notice required for general meetings of the Company (other than Annual General Meetings) shall be not less than 14 days.
13. THAT subject to the confirmation of the High Court of Justice in England and Wales (the "Court"):
    a. the share capital of the Company be reduced by the cancellation of the entire amount standing to the credit of the Company's share premium account as at the date of the final hearing before the Court at which confirmation of the said cancellation is sought; and
    b. the credit thereby arising in the Company's books of account from the cancellation of the Company's share premium account be applied in crediting a distributable reserve (to be designated the 'Distributable Capital Reserve') to be established in the Company's books of account which shall be able to be applied in any manner in which the Company's profits available for distribution (as determined in accordance with the Companies Act 2006) are able to be applied.

By order of the Board
For and on behalf of Frostrow Capital LLP
Company Secretary
25 Southampton Buildings
London WC2A 1AL
30 March 2026

Notes

1. Proxies

Members are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy need not be a member of the Company, but must attend the meeting for your votes to be counted. Appointing the Chair of the AGM as your proxy will ensure that your votes are cast in accordance with your wishes.

2. Voting by proxy

Hard copy forms of proxy have not been included with this notice. Members are strongly urged to vote electronically, by logging onto https://uk.investorcentre.mpms.mufg.com/ and following the instructions. However, you can request a hard copy proxy form directly from our Registrar, MUFG Corporate Markets, via telephone on +44 (0) 371 664 0300 or via email at: shareholderenquiries@cm.mpms.mufg.com. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be completed and returned to the office of the Company's registrar, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, not later than 1 p.m. on 8 June 2026. In the case of a member that is a company, the instrument appointing a proxy must be executed under its seal or signed on its behalf by a duly authorised officer or attorney or other person authorised to sign. Any power of attorney or other authority under which the instrument is signed (or a certified copy of it) must be included with the instrument.

Investor Centre is a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Investor Centre via a web browser at: https://uk.investorcentre.mpms.mufg.com/.

Download on the App Store

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Members who wish to change their proxy instructions should submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. CREST members may register votes by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 1 p.m. on 8 June 2026 in order to be considered valid. Before you can appoint a proxy via this process, you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Appointing a proxy will not prevent a member from attending the meeting and voting in person.

3. Revoking instructions

In order to revoke a proxy instruction, members will need to inform the Company. Members should send a signed hard copy notice clearly stating their intention to revoke a proxy appointment to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL.

In the case of a member that is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of attorney) must be included with the revocation notice. If a member attempts to revoke their proxy appointment but the revocation is received after the time for receipt of proxy appointments then, subject to paragraph 2, the proxy appointment will remain valid.

4. Right to attend and vote

Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company at close of business on 8 June 2026 or, in the event of any adjournment, at close of business on the date which is two business days before the day of the adjourned meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

5. Corporate members

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

6. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may have a right, under an agreement between him/her and the member by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights.

The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by shareholders of the Company.

7. Total number of shares and voting rights

As at 27 March 2026 (being the last practicable business day prior to the publication of this notice) the Company's issued share capital consists of 114,572,742 ordinary shares, of which 4,961,350 shares are held in Treasury. The total available voting rights in the Company as at that date are 109,611,392.

8. Website

This annual report, incorporating this notice of meeting, together with any further information regarding the meeting which the Company is required by section 311A of the Companies Act 2006 to publish on a website in advance of the meeting can be accessed at **www.auroraukalpha.com**.

9. Joint Shareholders

In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

10. CREST Shareholders

Shareholders who hold their shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's registrar by not later than 48 hours before the start of the meeting. Instructions on how to vote through CREST can be found by accessing the following website: euroclear.com. Shareholders are advised that CREST and the internet are the only methods by which completed proxies can be submitted electronically.

If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by MUFG Corporate Markets (ID number RA10) not later than 48 hours before the start of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which MUFG Corporate Markets is able to retrieve the message. CREST personal members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

11. Withheld votes and votes at discretion

A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolutions. If no voting indication is given, a proxy may vote or abstain from voting at their discretion. A proxy may vote (or abstain from voting) as they think fit in relation to any other matter that is put before the meeting.

12. Questions

Any member attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or

(c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.

Questions may be tendered ahead of the meeting, by email to: info@frostrow.com, or by writing to the Company Secretary at the Company's Registered address, which is set out on page 38.

13. Website statements from Shareholders

Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:

(i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are laid before the meeting; or
(ii) any circumstance connected with an Auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006.

The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

14. Shareholder resolutions

Under sections 338 and 338A of the Companies Act 2006, members meeting the threshold requirements in those sections have the right to require the Company:

(i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or
(ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business.

A resolution may properly be moved or a matter may properly be included in the business unless:

(a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise);
(b) it is defamatory of any person; or
(c) it is frivolous or vexatious.

Such a request may be in hard copy form or in electronic form, and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 29 April 2026, being the date six clear weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

Explanatory Notes to the Resolutions

Resolution 1 – To receive the Annual Report
The principal purpose for an annual general meeting is for members to formally receive the Company's annual report and financial statements. The Annual Report for the year ended 31 December 2025, incorporating the financial statements and this Notice of Meeting, will be presented at the AGM and shareholders will have the opportunity to ask questions relating to it.

Resolution 2 – Directors' Remuneration Policy
It is mandatory for listed companies to put their Directors' Remuneration Policy to a binding shareholder vote at least every three years. The Directors' Remuneration Policy is set out on page 54 of this Annual Report.

Resolution 3 – Remuneration Policy Implementation Report
It is mandatory for listed companies to put their report on the implementation of the remuneration policy to an advisory shareholder vote every year. The Remuneration Policy Implementation Report is set out on page 55 of this Annual Report.

Resolutions 4 to 7 – Re-election of Directors
Resolutions 4 to 7, which will each be proposed as ordinary resolutions, deal with the re-election of the Directors. Biographies of each of the Directors can be found on pages 36 and 37 of this Annual Report.

Specific reasons why (in the Board's opinion) each Directors' contribution is, and continues to be, important to the Company's long-term success are as follows:

Lucy Walker
Lucy brings deep investment management experience, enabling her to engage with the Investment Manager on portfolio and strategy, as well as a first-hand understanding of the Company's investor base.

Farah Buckley
Farah brings extensive experience of growth, innovation and strategy gained from over 23 years in financial services across audit, mergers & acquisitions and private equity, allowing effective oversight of the investment activities of the Company and complementing the perspectives and experience of the other Directors.

Lady Rachael Robathan
Rachael has over 20 years' experience as an investment manager as well as a broad range of skills from her leadership of a major Local Authority and other Board roles.

Alex Denny
Alex brings over 20 years of experience in investment trusts and retail marketing.

Resolution 8 – Re-appointment of the Auditor and the determination of their remuneration
Resolution 8, which will be proposed as an ordinary resolution, is for the re-appointment of BDO LLP as the Company's independent Auditor to hold office until the next AGM of the Company and also authorises the Audit Committee to set their remuneration. Following the implementation of the Competition and Markets Authority order on Statutory Audit Services, only the Audit Committee may negotiate and agree the terms of the Auditor's service agreement.

Resolutions 9 and 10 – Issue of Shares
Resolution 9, which will be proposed as an ordinary resolution, in the Notice of Annual General Meeting is to renew the authority to allot new ordinary shares up to an aggregate of 20% of the Company's existing issued share capital (excluding treasury shares) at the date of the Annual General Meeting. As at 27 March 2026 this amounted to 21,922,278 shares. This authority (if granted) will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of the passing of the resolution, whichever is earlier. This means that the authority will have to be renewed at the next Annual General Meeting unless previously renewed.

When shares are to be allotted, Section 551 of the Companies Act 2006 (the "Act") provides that existing shareholders have pre-emption rights and that the new shares must be offered first to such shareholders in proportion to their existing holding of shares. However, shareholders can, by special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing shareholders. Special Resolution 10 will, if passed, give the Directors power to allot (and/or sell from Treasury) for cash equity securities up to the equivalent of 20% of the Company's existing share capital, as if Section 551 of the Act does not apply. This is the same nominal amount of share capital that the Directors are seeking the authority to allot pursuant to Resolution 9. This authority will also expire on the date of the next Annual General Meeting or after a period of 15 months, whichever is earlier. This authority will not be used in connection with a rights issue by the Company.

The Directors intend to use the authority given by Resolutions 9 and 10 to allot shares and disapply pre-emption rights only in circumstances where this will be clearly beneficial to shareholders as a whole. The issue proceeds would be available for investment in line with the Company's investment policy. No issue of shares will be made which would effectively alter the control of the Company without the prior approval of shareholders in general meeting.

Resolution 11 – Share Repurchases
The principal aim of a share buyback facility is to enhance shareholder value by acquiring shares at a discount to net asset value, as and when the Directors consider this to be appropriate. The purchase of shares when they are trading at a discount to net asset value per share should result in an increase in the net asset value per share for the remaining shareholders. This authority, if conferred, will only be exercised if to do so would result in an increase in the net asset value per share for the remaining shareholders and if it is considered to be in the best interests of shareholders generally. Any purchase of shares will be made within guidelines established from time to time by the Board.

Under the current Listing Rules, the maximum price that may be paid on the exercise of this authority must not exceed the higher of (i) 105% of the average of the middle market quotations for the shares over the five business days immediately preceding the date of purchase and (ii) the higher of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out. The minimum price which may be paid is 25p per share.

Resolution 11, which will be proposed as a special resolution, seeks to renew the authority to purchase in the market a maximum of 14.99% of shares in issue (excluding treasury shares), amounting to 16,430,747 shares at 27 March 2026. The authority (if granted) will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of passing of the resolution, whichever is earlier. This means in effect that the authority will have to be renewed at the next Annual General Meeting or earlier if the authority has been exhausted.

Resolution 12 – General Meetings

Resolution 12, which will be proposed as a special resolution, seeks shareholder approval for the Company to hold General Meetings (other than the AGM) on 14 clear days' notice, which is the minimum notice period permitted by the Companies Act 2006. This is a routine resolution necessitated by the EU Shareholder Rights Directive, which has been transcribed into UK law.

The Company will only use this shorter notice period where it is merited by the purpose of the meeting and will endeavour to give at least 14 working days' notice if possible.

Resolution 13 – Cancellation of Share Premium Account

The Company has built up a substantial share premium account through historic share issuance, most recently from the combination with Artemis Alpha Trust plc and the issuance of new shares to Artemis Alpha shareholders who elected or were deemed to elect to rollover their shares into the Company. This account is non-distributable.

The Companies Act 2006 (the "Act") and the Companies (Reduction of Share Capital) Order 2008 permit the Company, with the sanction of a special resolution of its shareholders and the confirmation of the High Court of Justice in England and Wales (the "Court"), to cancel the amounts standing to the credit of its share premium account and apply the sums resulting from such cancellation to create distributable reserves. The creation of a distributable reserve in this manner will create a significant pool of reserves which can be used in the future, if required, to fund dividends, share buybacks or other distributions/returns of capital to shareholders in accordance with applicable law. The cancellation will therefore provide the Company with more flexibility in how capital may be managed in the future.

Resolution 13, which will be proposed as a special resolution, seeks shareholder approval to cancel the entire amount standing to the credit of the current share premium account, pursuant to the Act and subject to the confirmation of the Court (the "Cancellation").

Subject to confirmation by the Court and the Cancellation taking effect, the amounts so cancelled will be credited to the Company's distributable reserves.

Recommendation

The Board considers that the resolutions relating to the above items are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends to shareholders that they vote in favour of the above resolutions, as the Directors intend to do in respect of their own beneficial holdings totalling 67,642 shares.

Aurora UK Alpha plc – Annual Report for the year ended 31 December 2025

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