Keystone Investment Trust plc

Half-Yearly Financial Report for the Six Months to 31 March 2020

Keystone Investment Trust plc is a public listed investment company whose shares are traded on the London Stock Exchange. The Company is managed by Invesco Fund Managers Limited.

OBJECTIVE OF THE COMPANY

The objective of Keystone Investment Trust plc is to provide shareholders with long-term growth of capital, mainly from UK investments.

Full details of the Company's investment policy, risk and limits can be found in the annual financial report for the year ended 30 September 2019. Subsequent changes to the gearing policy are detailed in the Chairman's Statement.

PERFORMANCE STATISTICS

SIX MONTHS ENDED 31 MARCH	2020	2019
Total Return[1][3] (dividends reinvested)		
Net asset value (NAV)[2][3]	–29.6%	–4.2%
Share price	–27.4%	–4.7%
FTSE All-Share Index[4]	–22.0%	–1.8%
Capital Statistics		
NAV[2][3] per share	–30.8%	–6.3%
Share price[1]	–28.9%	–7.1%
FTSE All-Share Index[1][4]	–23.5%	–3.6%
Revenue Statistics		
Revenue return per ordinary share	3.9p	4.5p[5]
Dividends per ordinary share[6]		
– first interim	2.4p	4.8p[5]
– second interim	2.4p	—
– total	4.8p	4.8p[5]

AT PERIOD END	31 MARCH 2020	30 SEPTEMBER 2019
NAV[2] per share	257.7p	372.5p[5]
Share price	219.0p	308.0p[5]
Discount[3] of share price to NAV[2] per share	(15.0)%	(17.3)%
Gearing from borrowings[2][3]:		
– gross	13.5%	15.1%
– net	13.2%	6.1%

(1) Source: Refinitiv.

(2) Figures with debt at market value.

(3) Alternative Performance Measures (APM) see pages 7 and 8 for the explanation and calculation of APMs. Further details are provided in the Glossary of Terms and Alternative Performance Measures in the 2019 annual financial report.

(4) The benchmark index of the Company.

(5) Restated following the sub-division of each existing ordinary share of 50p into five ordinary shares of 10p each on 13 February 2020.

(6) The Company moved to a quarterly dividends model in 2019 and, as a consequence of the timing of this decision, the sum of the first and second interim dividends for 2020 compares to the first interim dividend for 2019.

CHAIRMAN'S STATEMENT

Performance

The Board acknowledged the continued underperformance and shareholder concerns in November's annual report. In the months that followed, there were signs that both our and the Portfolio Manager's patience was beginning to pay off. However, in the last few weeks of the period under review we witnessed the spread and impact of COVID-19, giving rise to a global health crisis, worldwide economic and social disruption and government intervention, on a scale surely unprecedented in peacetime. It has been an extremely challenging environment for any company seeking to generate returns for shareholders through investment in equity markets.

For the six months ended 31 March 2020, the Company delivered a NAV per ordinary share total return of –29.6% compared with a return of –22.0% for the Company's benchmark index, the FTSE All-Share Index. The share price total return was –27.4% for the period, reflecting a slight narrowing of the discount at which the shares traded relative to the NAV from 17.3% to 15.0%.

The factors contributing to the portfolio's performance over the period are explained in the Portfolio Manager's report, which follows. The Board remains supportive of James Goldstone's contrarian and unconstrained investment approach in seeking companies which are truly undervalued, which are likely to be favoured in an eventual rebound of equity markets, balanced by holdings in defensive stocks and gold miners to guard against prolonged uncertainty.

Gearing Policy and Restructuring of Borrowings

The Board is responsible for the Company's gearing strategy and sets parameters within which the Manager operates. During March 2020 as markets and liquidity fell sharply, the Board revised these parameters so that no net purchases be made which would take the level of net gearing above 15% of net assets, and that sales be made if, as a result of market movements, net gearing goes higher than 20% (previously 15%) of net assets. Net gearing stood at 13.2% at 31 March 2020 compared with 6.1% at 30 September 2019.

To introduce more flexible and lower cost borrowings, the Board made the decision to redeem all of the Company's outstanding debenture and bonds on 13 March 2020. The redemption was funded from a new bank facility. The legacy debt securities were redeemed at prices that were close to the fair value of the liabilities, so substantial interest savings were secured at negligible cost to NAV. Given the likely dividend cuts and cancellations among investee companies, some of which have already been announced, and the potential for further market setbacks, the timing of the Company's debt restructuring looks especially fortuitous.

Share Split

Following approval by shareholders at the AGM on 11 February 2020, the Company's shares were sub-divided on a 5 for 1 basis, effective on 13 February 2020. The intention of the share split was to improve market liquidity and to make the Company more attractive to retail investors.

Share Buybacks

The Board believes that share buy-backs offer the opportunity to purchase, at a discount, exposure to the Company's portfolio of quality investments that are themselves undervalued. It was announced in late December 2019, in light of the increased clarity resulting from the UK general election result, that the Company intended to buy back, in the market, up to the equivalent of 6 million ordinary shares of 10p arising from the share split on 13 February 2020, to be held in treasury.

During the period to the end of February 2020, the Company repurchased into treasury for aggregate consideration of £12.3 million, the equivalent of 3.56 million ordinary shares of 10p each, representing 5.3% of the issued ordinary share capital at the beginning of the year.

The enhancement to NAV was approximately £1.8 million or 1.1% of shareholders' funds at the period end.

Dividend

The Board decided, in May 2019, to start paying dividends quarterly to provide shareholders with a more attractive flow of income. A first quarterly dividend in respect of the current year of 2.4p per 10p ordinary share was paid to shareholders on 13 March 2020. The Board has declared a second quarterly interim dividend of 2.4p per ordinary share, which will be paid on 12 June 2020 to shareholders on the register on 22 May 2020. The shares will be marked ex-dividend on 21 May 2020. It is expected that the total ordinary dividend for the financial year to 30 September 2020, excluding any special dividend, will be similar to, but not less than, last year's ordinary dividend which was the equivalent of 11.2p per 10p ordinary share, using reserves if required.

Outlook

After the period end the Board decided to increase the limit on the portfolio's exposure to overseas securities to 20% (from 15%), allowing James to continue to express his high conviction in the prospects for selected gold mining companies whose shares are quoted on North American exchanges.

The Company's performance since the half-year end (1 April to 6 May 2020) delivered a NAV total return of +10.8% compared with a return of +3.7% for the Company's benchmark index, the FTSE All-Share Index. These are encouraging signs of an improving performance outlook and the Board remains committed in its objective to providing shareholders with long-term growth of capital.

Karen Brade

Chairman

7 May 2020

Portfolio Manager's Report

Market Review

The half-year to 31 March 2020 has been nothing if not eventful. The first half of the period was dominated by the UK general election in December. The second three months to March 2020 saw the biggest quarterly fall in equity markets for more than three decades as a result of COVID-19. The devastating social and economic impact of the virus will be remembered for generations.

From October to mid-December, the FTSE All-Share Index was in a holding pattern in the approach to the UK general election on 12 December. The differing stances of the two major parties on Brexit left the equity market very dependent on the outcome, and the marked divergence in the two manifestos made this particularly acute in certain sectors. With the Conservative party securing a convincing victory with an 80 seat majority, significant uncertainty was seen to have lifted and the benchmark rose 4% into year-end, led by UK domestic cyclicals and utilities.

With the emergence of COVID-19 in China in January, the market initially moved to price in supply chain disruption in a number of sectors but overall things remained relatively calm. That changed very suddenly in late February once a spike in cases in a number of Western countries made it clear that this was a global pandemic. As one country followed another imposing social lockdown in an attempt to limit the spread of the virus, markets began to face the fact that there would be a decline in global economic activity of historic proportions. At its low point in mid-March, the FTSE All-Share Index had fallen 35% from the start of the year before recovering somewhat to finish the quarter down 26%.

The economic damage from the virus was laid bare as weekly jobless claims in the US multiplied from the average of around 200,000 that had prevailed over many months to 6.7 million for the final week of March. Global financial markets exhibited extreme volatility. The VIX Index, a measure of the stock market's expectation of volatility, hit 85 as forced liquidations produced highly correlated moves across asset classes and, within equities, across sectors. These declines were punctuated by sharp rallies which, on a number of occasions, promptly reversed the same day. The US 10-Year Treasury bond yield was range-bound for the first five months of the period but broke the bottom of that range at 150bps in late February and in mid-March touched 31bps. The price of oil had also remained in a tight range through the second half of 2019 with Brent Crude averaging just over $60. The price rose above $70 in early January but by the end of March it had collapsed to $22 and sparked discussions between OPEC and Russia on steep cuts in output. Credit spreads jumped almost 200bps with high yield spreads particularly hard hit, up 750bps.

However, stocks and credit rallied towards the end of March as governments around the world launched dramatic stimulus measures while central banks cut interest rates and expanded their balance sheets at an unprecedented rate to support economic activity in the coming months. The strength and depth of the measures announced by the Chancellor and the Bank of England in the form of the furlough scheme to pay workers and the various corporate liquidity facilities to ensure businesses remain solvent should provide material support to the real economy. Volatility has since subsided, however the lags in economic data mean that the impact on economic activity to date is yet to be fully understood. Without knowing how long the outbreak or social distancing measures will last, markets appear to be struggling to anticipate what may lie ahead with any confidence.

Given the extraordinary events witnessed in recent weeks, some companies have already announced the suspension or deferral of dividends and some are refinancing to ensure that they have sufficient liquidity to see them through the crisis. Additionally, some company boards have announced cuts to executive pay. On the last day of March, the UK's biggest banks were forced by the Prudential Regulatory Authority to preserve their balance sheets by cancelling dividends that in a number of cases had already been declared. Whilst disappointing, this should be seen in the context of extensive support they have been given by the authorities around the recognition of impairments as well as the underwriting of so much credit risk by the government schemes. 12 years on from the global financial crisis the banks have a role to play in supporting lending to households, businesses and large corporates to help the economy weather the storm of COVID-19.

Portfolio Review

The holdings in the gold mining sector stand out as having performed particularly well. During the first four months to the end of January 2020, their share prices tracked the gold price, modestly outperforming it over the period. As uncertainty around COVID-19 increased, the market tumbled from mid-February whilst the gold price edged up and the gold holdings started to perform extremely strongly. For a brief period in mid-March they mirrored weakness in the gold price as it suffered from forced liquidations as institutions de-risked multi-asset portfolios but this was short lived and the strength continued into the month and period end. Over the six months, Barrick Gold rose 14%, Newmont 21% and Wheaton Precious Metals 4%. Agnico Eagle Mines was the exception as it revised its gold production forecast down in mid-February, however the shares have now recovered to levels they traded at before the change to the forecast.

Tesco has outperformed the market over the period whilst adapting to the challenges posed by COVID-19. UK sales increased by around 30% as customers panic bought food and non-food items but this appears to have now normalised. The company has provided full sickness support to staff and hired some 45,000 new staff, increasing home shopping capacity by over 20% with priority for the most vulnerable. Costs for the business have increased, but it is believed that the increase in food volumes will largely offset this. The disposal of the Asian business was negotiated at a very attractive price and a large proportion of the proceeds are to be returned to shareholders upon completion.

Purchased in December 2019, SSE is a relatively new addition to the portfolio. The holding was added post the general election as the threat of nationalisation by a far-left Labour government was removed. The company has two attractive growth businesses, one in wind generation and the other an electricity networks business that will be a key enabler of this migration to renewables as wind and solar plant is connected to the grid. The shares have held up well, have an attractive yield, and whilst there is some risk from a regulator that might be disinclined to see dividends paid to shareholders, whilst customers struggle to pay their bills in a virus impacted world, the company provides defensive qualities in a challenging environment.

International value holdings British American Tobacco (BATS) and Ultra Electronics, a defence and aerospace design and manufacturing business, have shown defensive qualities over the period. BATS has largely escaped any impact from COVID-19 and is set to pay its next dividend uninterrupted, whilst Ultra Electronics said that demand in their defence markets and most of their critical detection and control markets remained robust, and they had seen little impact to their day to day business.

McBride, the household cleaning and personal care product manufacturer, has had a difficult trading period over the last 12 months. The company released a trading statement in January pointing to weaker than expected revenues, which caused an 18% fall in the share price. Since then they have experienced an increase in demand for cleaning products as a result of COVID-19 and increased focus on hygiene. They have been able to meet demand despite some issues with the availability of labour and they also stand to benefit from the lower oil price. Being in the right industry at the right time will hopefully allow the company to grapple with its costs whilst trading is firm. Further positive relative contributions were seen from Chesnara and PureTech Health.

In contrast, companies in the portfolio that are more heavily exposed to sterling weakness tended to underperform over the period and fashion retailers such as Next, N Brown and, in turn, thread manufacturer Coats, have been particularly impacted, with trading either reduced significantly or indeed ceased altogether for the time being. Staff have been furloughed and costs have been controlled as carefully as possible to weather the disruption to business. Whilst this will impact sales and revenues we expect that demand will recover once normal trading can resume.

For Victoria a troubled eighteen month period was just about behind them when the pandemic took hold. The company does not believe that the current situation presents an existential threat to the business, but short-term trading will be affected. The business carries debt but has strong liquidity, the opportunity for further M&A in the European ceramics business may be accelerated and the long-term outlook for the company remains positive.

EasyJet and International Consolidated Airlines (IAG) also saw significant share price falls as the impact of COVID-19 affected the travel sector heavily. Both companies have effectively closed for business with staff being furloughed. A skeleton staff is required to keep airframes and pilot licenses 'current' by completing regular short flights, thus preventing costly maintenance and maintaining pilot competence. Careful control of costs and fuel hedging has also benefitted overall costs. The key question is whether weaker competitors, who were loss-making even before the virus emerged, are bailed out by governments or allowed to fail, as this will determine whether industry capacity is reduced to a level that is better aligned with demand. Other weaker performers included Barratt Developments, JD Sports Fashion and Barclays.

In terms of relative performance against the benchmark, being overweight gold and underweight oils in the portfolio was positive. On the contrary, being underweight in large international pharmaceuticals, AstraZeneca and GlaxoSmithKline, and consumer goods companies, Reckitt Benckiser and Unilever, detracted from performance.

Over the period key disposals included the longstanding holding of AJ Bell. After delivering considerable positive return for the portfolio both pre and post IPO, the shares were on a full rating and the position had already been meaningfully reduced. Given the exposure of profits to market levels and with the COVID-19 crisis in full swing, subsequent to the period end the decision was taken to sell the remaining holding. The holding of Melrose was also sold. The company has a high level of balance sheet gearing and relies on supply chains that, in the early stages of the COVID-19 outbreak, were considered to be at risk of severe disruption.

Outlook

At the time of writing, economies and markets are in the grip of perhaps the greatest global crisis since the late 1920s. Alongside the human tragedy of COVID-19, the government response to the virus has been to shut down swathes of the global economy and we therefore face an economic as well as a health emergency.

The duration of restrictions on people's movement, and therefore on economic activity around the world, is unknown and as a result there is a huge amount of economic and financial market uncertainty. The lags in economic data mean we are not yet able to judge the impact of the millions of job losses and thousands of insolvencies that have already occurred, let alone those that extended social lockdowns would cause. Estimates of second quarter GDP range from –15% to –40% and economists are sparring over whether forthcoming quarters will resemble a V, a U, a back-to-front ✓or an L, as well as the timing of a potential recovery. There is risk on all sides. Risk of further downside should this evolve into a multi-year rolling lockdown, but also upside risk from such depressed market levels should government priorities shift to restarting the economy or should a medical breakthrough appear.

With no insight into public policy or medical innovations, I have decided to position as best I can for the various possible scenarios. The changes I have made have de-risked the portfolio by reducing direct exposure to the worst affected sectors of the economy in favour of those that should prove resilient, but not to such an extent that the portfolio would be left behind on the emergence of better news. In making these changes I have stuck rigidly to my valuation-based philosophy and only sold riskier shares at attractive relative prices and purchased their more defensive replacements at appealing absolute valuations. This will not change.

In the midst of all this uncertainty, there is one issue on which I have strong conviction. The fiscal and monetary response has been hugely decisive and has represented an intervention by the authorities on a historic scale. However, this support comes at a cost. Both in the UK and elsewhere, these programmes have been funded by an expansion of central banks' balance sheets on a hitherto unprecedented scale. In the US in particular, the pace of expansion (from below $4 trillion to almost $7 trillion) and the broadening of the asset base that qualifies for purchase has been breath-taking. As we await deteriorating economic data, governments' tax bases have been dramatically reduced whilst their spending commitments have significantly increased. It is my belief that announcements of further stimulus are therefore inevitable. There will be more of the same, but we should also be prepared for various flavours of Modern Monetary Theory, be that something akin to Ben Bernanke's famous helicopter money or direct monetisation of ballooning fiscal deficits on an ever larger scale.

The banks enter this crisis in a far stronger position to absorb the coming losses and are therefore more likely to lend to the real economy as it recovers. The US monetary base is already growing at twice the pace it did in 2009-11 and four times the pace Japan's has done during three decades of monetary experiment. There is no doubt that the current situation is deflationary and that is the direction for economic data in the near-term. But the "whatever-it-takes response" has sown the seeds for that impending deflation to turn to inflation that will be very difficult to control at a desirable level. We have been used to monetary policy that has resembled fine tuning. This will be more like filling a hole in the ground by tipping soil from a 20 tonne truck: the hole will get filled but it will be impossible not to leave a large mound of soil where the hole used to be.

I have long believed the US fiscal position, and therefore the dollar's reserve currency status, to be unsustainable. The economic impact of the virus has brought forward the inevitable and condensed what might have taken several years into what is likely to be several quarters. We have just witnessed the effective unification of the US Treasury and the US Federal Reserve into a single force to fight deflation, to monetise government deficits and to lay the ground for recovery. It may very well succeed, but will in my view prove to be inflationary. Inflationary forces that were already in play from tariffs and the rolling back of globalisation will also remain once economies stabilise and recover. Real interest rates can be expected to be in significantly negative territory for an extended period as all this new debt is inflated away.

The one currency than cannot be diluted in this way is gold. The portfolio's holdings in four North American gold mining companies have performed their protective role admirably during this market rout and now represent c.15% of the portfolio. At the current gold price their valuations remain extremely attractive and if things develop as I anticipate, gold has further gains to make. These stocks continue to play a critical role and I intend to maintain the position at or around its current weighting for the foreseeable future.

The outcome I expect will be good for equities in general, certainly relative to (non-index-linked) fixed-income and cash. Within equities, inflation and negative real interest rates will be good for the value style relative to other investment styles and it will be a particularly good environment for gold. In the short-term the recent changes I have made to increase the defensive allocation should offer protection as we face the potential of a deflationary shock. As the full impact of fiscal monetary policy is felt in the coming years I believe that this portfolio should generate very attractive returns.

James Goldstone
7 May 2020

Related Party Transactions and Transactions with the Manager

Under United Kingdom Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), the Company has identified the Directors as related parties. No other related parties have been identified. No transactions with related parties have taken place which have materially affected the financial position or the performance of the Company.

Principal Risks and Uncertainties

The Board carries out a review, regularly, of the risk environment in which the Company operates, including consideration of emerging risks and COVID-19. The principal risks and uncertainties relating to the Company can be summarised as:

- Investment Objective – the Company may not achieve its published objective.
- Market Risk – a fall in the stock market as a whole will affect the performance of the portfolio and individual investments.
- Investment Risk – the active fund management approach employed can result in a portfolio that looks and behaves differently from the benchmark index.
- Shares – the share price is affected by market sentiment, supply and demand, and dividends declared as well as portfolio performance.
- Gearing – borrowing will amplify the effect on shareholders' funds of portfolio gains and losses.
- Reliance on the Manager and Other Service Providers – failure by any service provider to carry out its obligations to the Company could have a materially detrimental impact on the operations of the Company and affect the ability of the Company to pursue its investment policy successfully.
- Regulatory – whilst compliance with rules and regulations is closely monitored, breaches could affect returns to shareholders.
- Pandemic (COVID-19) Risk – restrictions to movement of people and disruption to business operations are impacting portfolio company valuations and returns and could impact operational resilience of service providers. As the spread of COVID-19 continues, the Directors are monitoring the situation closely, together with the Manager and third-party service providers. A range of actions has been implemented to ensure that the Company and its service providers are able to continue to operate as normal, even in the event of prolonged disruption. The Manager's business continuity plans are reviewed on an ongoing basis and the Directors are satisfied that the Manager has in place robust plans and infrastructure to minimise the impact on its operations so that the Company can continue to trade, meet regulatory obligations, report and meet shareholder requirements.

  The Manager has mandated work from home arrangements and implemented split team working for those whose work is deemed necessary to be carried out on business premises. Any meetings are being held virtually or via conference calls.

  Other similar working arrangements are in place for the Company's third-party service providers.

  The Directors remain confident that with these measures in place, the Company is in a good position to continue operating largely as normal in these extreme market conditions. In addition, due to the nature of the Company being a closed end investment company, the Portfolio Manager is not presented with regular daily inflows and outflows that require managing.

Except for the pandemic risk above, a detailed explanation of these principal risks and uncertainties can be found on pages 8 to 10 of the 2019 annual financial report, which is available on the Company's section of the Manager's website.

In the view of the Board, these principal risks and uncertainties are equally applicable to the remaining six months of the financial year as they were to the six months under review.

GOING CONCERN

This half-yearly financial report has been prepared on a going concern basis. The Directors consider this is the appropriate basis as they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being taken as at least 12 months after the date of approval of this half-yearly financial report. In considering this, the Directors took into account the diversified portfolio of readily realisable securities which can be used to meet short-term funding commitments, and the ability of the Company to meet all of its liabilities and ongoing expenses. The Directors also considered the revenue forecasts for the year and future dividend payments in concluding on the going concern basis. As discussed in Principal Risks and Uncertainties, the Company's operations and those of its core service providers have adapted successfully to the restrictions imposed in the UK as a result of the COVID-19 pandemic.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
in respect of the preparation of the half-yearly financial report.

The Directors are responsible for preparing the half-yearly financial report using accounting policies consistent with applicable law and UK Accounting Standards.

The Directors confirm that to the best of their knowledge:

– the condensed financial statements contained within this half-yearly financial report have been prepared in accordance with the FRC's FRS 104 *Interim Financial Reporting*;

– the interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R of the FCA's *Disclosure Guidance and Transparency Rules*; and

– the interim management report includes a fair review of the information required on related party transactions.

The half-yearly financial report has not been audited or reviewed by the Company's auditor.

Signed on behalf of the Board of Directors.

Karen Brade
Chairman

7 May 2020

INVESTMENTS IN ORDER OF VALUATION AT 31 MARCH 2020

UK listed ordinary shares unless otherwise stated

COMPANY	SECTOR	MARKET VALUE £'000	% OF PORTFOLIO
Barrick Gold – *Canadian listed*	Mining	9,833	5.3
BP	Oil & Gas Producers	9,059	4.9
British American Tobacco	Tobacco	8,804	4.7
Tesco	Food & Drug Retailers	8,274	4.5
SSE	Electricity	7,541	4.1
Barclays	Banks	7,372	4.0
Newmont – *US listed*	Mining	6,614	3.6
Next	General Retailers	6,580	3.5
Babcock International	Aerospace & Defence	5,770	3.1
JD Sports Fashion	General Retailers	4,877	2.6
Top Ten Investments		74,724	40.3
PureTech Health	Pharmaceuticals & Biotechnology	4,345	2.3
Ultra Electronics	Aerospace & Defence	4,218	2.3
Future	Media	4,147	2.2
RELX	Media	3,925	2.1
Royal Dutch Shell – *B shares*	Oil & Gas Producers	3,745	2.0
Agnico Eagle Mines – *Canadian listed*	Mining	3,731	2.0
CVS[AIM]	General Retailers	3,208	1.7
Coats	General Industrials	3,180	1.7
Phoenix Spree Deutschland	Real Estate Investment & Services	3,130	1.7
Wheaton Precious Metals – *Canadian listed*	Mining	3,071	1.7
Top Twenty Investments		111,424	60.0
HomeServe	General Retailers	2,870	1.5
PRS REIT	Real Estate Investment Trusts	2,840	1.5
Barratt Developments	Household Goods & Home Construction	2,763	1.5
Johnson Service[AIM]	Support Services	2,722	1.5
Chesnara	Life Insurance	2,695	1.5
Secure Trust Bank	Banks	2,676	1.4
Royal Bank of Scotland	Banks	2,623	1.4
Ashtead	Support Services	2,594	1.4
Fevertree Drinks[AIM]	Beverages	2,527	1.4
MJ Gleeson	Household Goods & Home Construction	2,501	1.3
Top Thirty Investments		138,235	74.4
Harworth	Real Estate Investment & Services	2,501	1.3
XPS Pensions	Financial Services	2,465	1.3
Sigma Capital[AIM]	Financial Services	2,188	1.2
DS Smith	General Industrials	2,185	1.2
Victoria[AIM]	Household Goods & Home Construction	2,180	1.2
easyJet	Travel & Leisure	2,055	1.1
Essentra	Support Services	2,038	1.1
Hollywood Bowl	Travel & Leisure	2,006	1.1
Burford Capital[AIM]	Financial Services	1,998	1.1
Legal & General	Life Insurance	1,935	1.0
Top Forty Investments		159,786	86.0
Countryside	Household Goods & Home Construction	1,935	1.0
Urban Logistics REIT[AIM]	Real Estate Investment Trusts	1,903	1.0
McBride	Household Goods & Home Construction	1,811	1.0
Aviva	Life Insurance	1,807	1.0
BT	Fixed Line Telecommunications	1,681	0.9
Pearson	Media	1,651	0.9
Bushveld Minerals[AIM]	Mining	1,647	0.9
United Utilities	Gas, Water & Multiutilities	1,494	0.8
On the Beach	Travel & Leisure	1,218	0.7
IAG	Travel & Leisure	1,116	0.6
Top Fifty Investments		176,049	94.8
Alfa Financial Software	Software & Computer Services	981	0.5
National Grid	Gas, Water & Multiutilities	979	0.5
Sirius Real Estate	Real Estate Investment & Services	949	0.5
HWSI Realisation *(formerly Hadrian's Wall Secured Investments)*	Equity Investment Instruments	900	0.5
Horizon Discovery[AIM]	Pharmaceuticals & Biotechnology	846	0.5
Marwyn Value Investors	Equity Investment Instruments	786	0.4
DFS Furniture	General Retailers	737	0.4
Sherborne Investors Guernsey C	Financial Services	726	0.4
Tungsten[AIM]	Financial Services	717	0.4
Distribution Finance Capital[AIM]	Financial Services	673	0.4
Top Sixty Investments		184,343	99.3
Safestyle UK[AIM]	General Retailers	362	0.2
Ceres Power Holdings[AIM]	Alternative Energy	289	0.2
N Brown	General Retailers	243	0.1
Amigo	Financial Services	173	0.1
AJ Bell	Financial Services	97	0.1
TruFin[AIM]	Financial Services	60	—
Nexeon[UQ]	Electronic & Electrical Equipment	32	—
Eurovestech[UQ]	Financial Services	12	—
Experian	Support Services	5	—
Jaguar Health – *US indemnity shares*[UQ]	Pharmaceuticals & Biotechnology	—	—
Top Seventy Investments		185,616	100.0
Motif Bio – *ADR warrants 9 Nov 2021*[UQ]	Pharmaceuticals & Biotechnology	—	—
Total Investments (71)		185,616	100.0

AIM: Investments quoted on AIM.
UQ: Unquoted investment.
ADR: American Depositary Receipts – are certificates that represent shares in the relevant stock and are issued by a US bank. They are denominated and pay dividends in US dollars.

CONDENSED BALANCE SHEET

Registered number 538179	AT 31 MARCH 2020 £'000	AT 30 SEPTEMBER 2019 £'000
Fixed assets		
Investments held at fair value through profit or loss – note 7	185,616	267,380
Current assets		
Unrealised profit on forward currency contracts	—	98
Amounts due from brokers	1,408	146
Tax recoverable	4	286
Prepayments and accrued income	798	252
Cash and cash equivalents	567	22,557
	2,777	23,339
Creditors: amounts falling due within one year		
Bank facility	(22,030)	—
Amounts due to brokers	(227)	—
Accruals	(400)	(1,042)
Unrealised loss on forward currency contracts	(453)	—
	(23,110)	(1,042)
Net current (liabilities)/assets	(20,333)	22,297
Total assets less current liabilities	165,283	289,677
Creditors: amounts falling due after more than one year		
Debenture and bonds	—	(31,821)
5% cumulative preference shares	(250)	(250)
Net assets	165,033	257,606
Capital and reserves		
Share capital	6,760	6,760
Share premium account	3,449	3,449
Capital redemption reserve	466	466
Capital reserve	148,668	239,073
Revenue reserve	5,690	7,858
Shareholders' funds	165,033	257,606
Net asset value per ordinary share – basic		
– debt at par value – note 10	257.7p	381.1p[1]
– debt at market value – note 10	257.7p	372.5p[1]
Number of 10p ordinary shares in issue at the period end	64,029,837	67,593,995[1]

(1) Restated following the sub-division of each existing ordinary share of 50p into five ordinary shares of 10p each on 13 February 2020.

CONDENSED CASH FLOW STATEMENT

	SIX MONTHS TO 31 MARCH 2020 £'000	SIX MONTHS TO 31 MARCH 2019 £'000
Cash flow from operating activities		
Net return before finance costs and taxation	(69,404)	(10,038)
Tax on overseas income – note 5	(38)	(8)
Adjustments for:		
Purchases of investments	(50,011)	(20,989)
Sales of investments	59,815	31,095
	9,804	10,106
Scrip dividends	(217)	(118)
Losses on investments held at fair value	71,142	13,306
Net movement from derivative instruments – forward currency contracts	551	102
Increase in debtors	(818)	(538)
Increase/(decrease) in creditors	566	(43)
Net cash inflow from operating activities	11,586	12,769
Cash flow from financing activities		
Interest paid on bank loan and overdraft	(14)	(7)
Interest paid on debenture and bonds	(1,668)	(1,083)
Preference dividends paid	(6)	(6)
Redemption of debenture and bonds	(36,836)	—
Bank facility drawdown	22,030	—
Shares bought back and held in treasury	(12,290)	—
Dividends paid – note 6	(4,792)	(5,374)
Return of unclaimed dividends from previous years	—	37
Net cash outflow from financing activities	(33,576)	(6,433)
Net (decrease)/increase in cash and cash equivalents	(21,990)	6,336
Cash and cash equivalents at start of the period	22,557	1,078
Cash and cash equivalents at the end of the period	567	7,414
Reconciliation of cash and cash equivalents to the Balance Sheet is as follows:		
Cash held at custodian	567	504
Invesco Liquidity Funds plc*	—	6,910
Cash and cash equivalents	567	7,414
Cash flow from operating activities includes:		
Dividends received	3,040	2,915
Interest received	1	88
Changes in liabilities arising from financing activities:		
Opening balance as at 30 September	32,071	32,037
Redemption of debenture and bonds	(36,836)	—
Debenture and bonds repayment premium	4,868	—
Bank facility drawdown	22,030	—
Increase due to amortisation of discount and issue expenses on debenture and bonds in the period	147	16
Closing balance as at 31 March	22,280	32,053

* Formerly Short-Term Investments Company (Global Series) plc (STIC).

CONDENSED STATEMENT OF CHANGES IN EQUITY

	CALLED UP SHARE CAPITAL £'000	SHARE PREMIUM £'000	CAPITAL REDEMPTION RESERVE £'000	CAPITAL RESERVE £'000	REVENUE RESERVE £'000	TOTAL £'000
For the six months ended 31 March 2020						
At 30 September 2019	6,760	3,449	466	239,073	7,858	257,606
Return on ordinary activities	—	—	—	(78,069)	2,624	(75,445)
Dividends paid – note 6	—	—	—	—	(4,792)	(4,792)
Shares bought back and held in treasury	—	—	—	(12,336)	—	(12,336)
At 31 March 2020	6,760	3,449	466	148,668	5,690	165,033
For the six months ended 31 March 2019						
At 30 September 2018	6,760	3,449	466	244,888	10,583	266,146
Return on ordinary activities	—	—	—	(14,200)	3,042	(11,158)
Dividends paid – note 6	—	—	—	—	(5,374)	(5,374)
At 31 March 2019	6,760	3,449	466	230,688	8,251	249,614

CONDENSED INCOME STATEMENT

	SIX MONTHS TO 31 MARCH 2020			SIX MONTHS TO 31 MARCH 2019		
	REVENUE £'000	CAPITAL £'000	TOTAL £'000	REVENUE £'000	CAPITAL £'000	TOTAL £'000
Losses on investments held at fair value	—	(71,142)	(71,142)	—	(13,306)	(13,306)
(Losses)/gains on foreign exchange	—	(780)	(780)	—	284	284
Income – note 3	3,287	—	3,287	3,647	—	3,647
	3,287	(71,922)	(68,635)	3,647	(13,022)	(9,375)
Investment management fee – note 4	(102)	(306)	(408)	(116)	(349)	(465)
Other expenses	(234)	(127)	(361)	(198)	—	(198)
Net return before finance costs and taxation	2,951	(72,355)	(69,404)	3,333	(13,371)	(10,038)
Finance costs – note 4						
Interest payable	(283)	(846)	(1,129)	(277)	(829)	(1,106)
Premium on redemption of debenture and bonds	—	(4,868)	(4,868)	—	—	—
Distributions in respect of preference shares	(6)	—	(6)	(6)	—	(6)
Return before taxation	2,662	(78,069)	(75,407)	3,050	(14,200)	(11,150)
Tax on ordinary activities – note 5	(38)	—	(38)	(8)	—	(8)
Return on ordinary activities after taxation for the financial period	2,624	(78,069)	(75,445)	3,042	(14,200)	(11,158)
Return per ordinary share:						
Basic	3.9p	(117.1)p	(113.2)p	4.5p(1)	(21.0)p(1)	(16.5)p(1)
Number of ordinary shares in issue			66,629,936			67,593,995(1)

The total column of this statement represents the Company's profit and loss account, prepared in accordance with UK Accounting Standards. The return on ordinary activities after taxation is the total comprehensive income and therefore no additional statement of other comprehensive income is presented. The supplementary revenue and capital columns are presented for information purposes in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies. All items in the above statement derive from continuing operations of the Company. No operations were acquired or discontinued in the period.

(1) Restated following the sub-division of each existing ordinary share of 50p into five ordinary shares of 10p each on 13 February 2020.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. **Accounting Policies**
   The condensed financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, FRS 104 Interim Financial Reporting and the Statement of Recommended Practice Financial Statements of Investment Trust Companies and Venture Capital Trusts, issued by the Association of Investment Companies in October 2019. The financial statements are issued on a going concern basis.

   Following the sub-division of each existing 50p ordinary shares into five new 10p ordinary shares on 13 February 2020, the prior period number of shares in issue and the corresponding net asset value per ordinary share, returns per ordinary share and share price have been restated to reflect the sub-division. There is no effect on the total £'s amounts shown in the financial statements.

   The accounting policies applied to these condensed financial statements are consistent with those applied in the financial statements for the year ended 30 September 2019.

2. **Foreign Currency and Forward Currency Contracts**
   The equity portfolio includes £23,249,000 (30 September 2019: £24,712,000) of equities denominated in currencies other than pounds sterling. In order to manage the currency risk, the Manager may hedge part of the currency exposure into pounds sterling through the use of forward foreign exchange contracts. Foreign exchange contracts are designated as fair value hedges through profit or loss.

3. **Income**

		SIX MONTHS TO 31 MARCH	
		2020 £'000	2019 £'000
Income from investments			
UK dividends	– ordinary	2,569	2,886
	– special	78	299
Overseas dividends		422	240
Income from interest distribution		—	86
Scrip dividends		217	118
		3,286	3,629
Other Income			
Deposit interest		1	—
Other		—	18
		3,287	3,647

No special dividends have been recognised in capital during the period (31 March 2019: £nil).

4. **Management Fee, Performance Fees and Finance Costs**
   The base management fee is allocated 75% to capital and 25% to revenue and is calculated at a rate of 0.1125% of the 10 day average value of the mid-market capitalisation of the Company at each quarter end date.

   The performance-related fee is allocated wholly to capital. The performance-related fee is due when the Company's annualised total return over the previous three years exceeds the annualised return of the benchmark over the same period plus the hurdle of 1.25%. There was no performance-related fee provision for the six months ended 31 March 2020 (2019: £nil).

   The finance costs of borrowings and debt are allocated 75% to capital and 25% to revenue. The distributions in respect of preference shares are charged to revenue in the income statement.

   The premium on redemption of the debenture and bonds has been charged wholly to capital.

5. **Tax**
   The tax effect of expenditure is allocated between capital and revenue on the same basis as the particular item to which it relates, using the Company's effective rate of tax for the accounting period.

6. **Dividends Paid**

	SIX MONTHS TO 31 MARCH	
	2020 £'000	2019 £'000
Second interim dividend(1) (for the year ended 30 September 2019) 7.6p(2)	—	5,137
Third interim dividend(1) (for the year ended 30 September 2019) 4p(2) (2018: N/A(1))	2,704	—
Special dividend (for the year ended 30 September 2019) 0.734p(2) (2018: 0.35p(2))	496	237
First interim dividend (for the year ended 30 September 2020) 2.4p (2019: N/A(1))	1,592	—
Total paid	4,792	5,374

(1) The Company has moved to a quarterly dividends model and will pay four interim dividends this year: March, June, September and December, the fourth interim being in lieu of a final dividend. For the year ended 30 September 2019, the Company paid three interim dividends: June, September and December, the third interim being in lieu of a final dividend (2018: second interim being in lieu of final dividend). The first interim dividend of 2.4p for the year ending 30 September 2020 was paid on 13 March 2020. The second interim dividend of 2.4p will be paid on 12 June 2020 to shareholders on the register on 22 May 2020.

(2) Dividend rate restated following the sub-division of each existing ordinary share of 50p into five ordinary shares of 10p each on 13 February 2020.

7. **Classification under Fair Value Hierarchy**
FRS 102 sets out three fair value levels. These are:

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

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

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

The fair value hierarchy analysis for investments and related forward currency contracts held at fair value at the period end is as follows:

	AT 31 MARCH 2020 £'000	AT 30 SEPTEMBER 2019 £'000
Financial assets designated at fair value through profit or loss:		
Level 1	185,572	267,252
Level 2	—	104
Level 3	44	122
Total for financial assets	185,616	267,478

At 31 March 2020 financial liabilities designated at fair value though profit or loss, consisted of currency hedges totalling £453,000 (30 September 2019: financial assets £98,000) and are classified as level 2 items.

8. **Debenture and Bonds**
As detailed in an announcement on 16 March 2020, the Company has redeemed all of its outstanding 7.75% Debenture Stock 2020 and all of the outstanding 6.5% Bonds 2023.

The redemption was funded from a new committed revolving credit facility provided by The Bank of New York Mellon.

	AT 31 MARCH 2020 £'000	AT 30 SEPTEMBER 2019 £'000
7.75% Debenture redeemable 1 October 2020	—	7,000
6.5% Bonds redeemable 27 April 2023	—	24,968
Total	—	31,968
Discount and issue expenses on debenture and bonds	—	(147)
	—	31,821

9. **Share Capital, including Movements**
(a) Ordinary Shares of 10p each

	SIX MONTHS TO 31 MARCH 2020	YEAR TO 30 SEPTEMBER 2019
Number of ordinary shares in issue:		
Brought forward	67,593,995[(1)]	67,593,995[(1)]
Shares bought back into treasury	(3,564,158)[(1)]	—
Carried forward	64,029,837	67,593,995[(1)]

(b) Treasury Shares

	SIX MONTHS TO 31 MARCH 2020	YEAR TO 30 SEPTEMBER 2019
Number of treasury shares:		
Brought forward	—	—
Shares bought back into treasury	3,564,158	—
Carried forward	3,564,158	—
Ordinary shares in issue (including treasury)	67,593,995	67,593,995[(1)]

(1) Restated following the sub-division of each existing ordinary share of 50p into five ordinary shares of 10p each on 13 February 2020.

10. **Net Asset Value**
The following shows a reconciliation of NAV with debt at par to NAV with debt at market value. The difference in the NAVs arises solely from the valuation of the preference shares (2019: debenture, bonds and preference shares). The number of shares at the period end was 64,029,837 (2019: 67,593,995[(1)])

	AT 31 MARCH 2020 NAV PER SHARE PENCE	AT 30 SEPTEMBER 2019 NAV PER SHARE PENCE RESTATED[(1)]
NAV – debt at par	257.7	381.1
Debenture, bonds and preference shares:		
– debt at par, after amortised costs	0.4	47.4
– debt at market value	(0.4)	(56.0)
NAV – debt at market value	257.7	372.5

(1) Restated following the sub-division of each existing ordinary share of 50p into five ordinary shares of 10p each on 13 February 2020.

The market value of the debenture, bonds and preference shares in the above reconciliation, which is based on the offer value is:

	AT 31 MARCH 2020 £'000	AT 30 SEPTEMBER 2019 £'000
7.75% Debenture 2020[(1)]	—	7,491
6.5% Bonds 2023[(1)]	—	30,168
Preference shares	246	246
	246	37,905

(1) Redeemed in full on 13 March 2020.

11. **Investment Trust Status**
It is the intention of the Directors to conduct the affairs of the Company so that it satisfies the conditions for approval as an investment trust company within the meaning of section 1159 of the Corporation Tax Act 2010.

12. **Status of Half-Yearly Financial Report**
The financial information contained in this half-yearly report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the half-years ended 31 March 2020 and 31 March 2019 has not been audited. The figures and financial information for the year ended 30 September 2019 are extracted and abridged from the latest audited accounts and do not constitute the statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and included the Report of the Independent Auditor, which was unqualified and did not include a statement under section 498 of the Companies Act 2006.

By order of the Board
Invesco Asset Management Limited
Company Secretary
7 May 2020

ALTERNATIVE PERFORMANCE MEASURES (APMs)

An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the financial statements. APMs used by the Company are fully disclosed in the annual financial report, and those that are used in this half-year financial report are shown below.

Benchmark (or Benchmark Index)

A standard against which performance can be measured, usually an index that averages the performance of companies in a stock market or a segment of the market. The benchmark used in these accounts is the FTSE All-Share Index.

Premium/(Discount)

Discount is a measure of the amount by which the mid-market price of an investment company share is lower than the underlying net asset value (NAV) of that share. Conversely, Premium is a measure of the amount by which the mid-market price of an investment company share is higher than the underlying net asset value of that share. In this half-yearly financial report the discount is expressed as a percentage of the net asset value per share and is calculated according to the formula set out below. If the shares are trading at a premium the result of the below calculation will be positive and if they are trading at a discount it will be negative.

		31 MARCH 2020	30 SEPTEMBER 2019
Share price	a	219.0p	308.0p[(1)]
Net asset value per share – debt at market value	b	257.7p	372.5p[(1)]
Discount	c = (a–b)/b	(15.0)%	(17.3)%

(1) Restated following the sub-division of each existing ordinary share of 50p into five ordinary shares of 10p each on 13 February 2020.

Gearing

The gearing percentage reflects the amount of borrowings that a company has invested. This figure indicates the extra amount by which net assets, or shareholders' funds, would move if the value of a company's investments were to rise or fall. A positive percentage indicates the extent to which net assets are geared; a nil gearing percentage, or 'nil', shows a company is ungeared. A negative percentage indicates that a company is not fully invested and is holding net cash as described below.

There are several methods of calculating gearing and the following has been used in this report:

Gross Gearing

This reflects the amount of gross borrowings in use by a company and takes no account of any cash balances. It is based on gross borrowings as a percentage of net assets.

		31 MARCH 2020 DEBT AT MARKET VALUE	30 SEPTEMBER 2019 DEBT AT MARKET VALUE
Bank facility		22,030	—
5% cumulative preference shares of £1 each		246	246
Debenture and bonds		—	37,659
Gross borrowings	a	22,276	37,905
Net asset value	b	165,037	251,772
Gross gearing	c = a/b	13.5%	15.1%

Net Gearing or Net Cash

Net gearing reflects the amount of net borrowings invested, i.e. borrowings less cash and cash equivalents (incl. investments in money market funds). It is based on net borrowings as a percentage of net assets. Net cash reflects the net exposure to cash and cash equivalents, as a percentage of net assets, after any offset against total borrowings.

		31 MARCH 2020 DEBT AT MARKET VALUE	30 SEPTEMBER 2019 DEBT AT MARKET VALUE
Bank facility		22,030	—
5% cumulative preference shares of £1 each		246	246
Debenture and bonds		—	37,659
Less: cash and cash equivalents		(567)	(22,557)
Net borrowings	a	21,709	15,348
Net asset value	b	165,037	251,772
Net gearing	c = a/b	13.2%	6.1%

Net Asset Value (NAV)

Also described as shareholders' funds, the NAV is a value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The NAV per share is calculated by dividing the net asset value by the number of ordinary shares in issue. For accounting purposes assets are valued at fair (usually market) value and liabilities are valued at par (their repayment – often nominal – value). An alternative, NAV with debt at market value, values long-term liabilities at their market (fair) value.

Return

The return generated in a period from the investments.

Capital Return

Reflects the return on NAV, excluding any dividends reinvested.

Total Return

Total return is the theoretical return to shareholders that measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. In this half-yearly financial report these return figures have been sourced from Refinitiv who calculate returns on an industry comparative basis.

Net Asset Value Total Return

Total return on net asset value per share, with debt at market value, assuming dividends paid by the Company were reinvested into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

Share Price Total Return

Total return to shareholders, on a mid-market price basis, assuming all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

31 MARCH 2020		NET ASSET VALUE	SHARE PRICE
As at 31 March 2020		257.7p	219.0p
As at 30 September 2019[2]		372.5p	308.0p
Change in period	a	–30.8%	–28.9%
Impact of dividend reinvestments[1]	b	1.2%	1.5%
Total return for the period	c = a+b	–29.6%	–27.4%

30 SEPTEMBER 2019		NET ASSET VALUE	SHARE PRICE
As at 31 March 2019[2]		360.1p	313.0p
As at 30 September 2018[2]		384.3p	337.0p
Change in period	a	–6.3%	–7.1%
Impact of dividend reinvestments[1]	b	2.1%	2.4%
Total return for the period	c = a+b	–4.2%	–4.7%

(1) Total dividends paid during the period of 7.134p (2019: 7.95p), adjusted for the 5 for 1 sub-division of the ordinary shares, reinvested at the NAV or share price on the ex-dividend date. NAV or share price falls subsequent to the reinvestment date consequently further reduce the returns, vice versa if the NAV or share price rises.

(2) Restated following the sub-division of each existing ordinary share of 50p into five ordinary shares of 10p each on 13 February 2020.

Benchmark

Total return on the benchmark is on a mid-market value basis, assuming all dividends received were reinvested, without transaction costs, into the shares of the underlying companies at the time the shares were quoted ex-dividend.

FINANCIAL CALENDAR 2020

Announcements

Half-yearly Financial Report	May
Annual Financial Report	November
Annual General Meeting	February 2021
Year end	30 September

Ordinary Share Dividends

First interim	March
Second interim	June
Third interim	September
Fourth interim (in lieu of final)	December

DIRECTORS, INVESTMENT MANAGER AND ADMINISTRATION

Directors

Karen Brade (Chairman)
Ian Armfield (Audit Committee Chairman)
Katrina Hart
William Kendall
John Wood

Alternative Investment Fund Manager

Invesco Fund Managers Limited

Company Secretary

Invesco Asset Management Limited
Company Secretarial contact: Shilla Pindoria

Registered Office and Company Number

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Invesco Client Services

Invesco's Client Services team is available from 8.30am to 6pm Monday to Friday (excluding bank holidays):

☎ 0800 085 8677

www.invesco.co.uk/investmenttrusts

Website

Information relating to the Company can be found on the Company's section of the Manager's website, at www.invesco.co.uk/keystone.

The contents of websites referred to in this document, or accessible from links within those websites, are not incorporated into, nor do they form part of, this half-yearly report.

Depositary, Custodian and Banker

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

Corporate Broker

Numis Securities Limited
10 Paternoster Square
London EC4M 7LT

General Data Protection Regulation

The Company's privacy notice can be found at www.invesco.co.uk/keystone

Registrar

Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

If you hold your shares directly and not through a savings scheme or ISA and have queries relating to your shareholding you should contact the Registrar on: ☎ 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider.

Shareholders holding shares directly can also access their holding details via Link's website www.signalshares.com

Link Asset Services provides an on-line and telephone share dealing services to existing shareholders who are not seeking advice on buying or selling. This service is available at www.linksharedeal.com or ☎ 0371 664 0445. Calls are charged at the standard geographic rate and will vary by provider. Lines are open 9.00am to 5.30pm Monday to Friday (excluding Bank Holidays).

Investor Warning

The Company, Invesco and the Registrar would never contact members of the public to offer services, or require any type of upfront payment. If you suspect you have been approached by fraudsters, please contact the FCA Consumer Helpline on 0800 111 6768 and Action Fraud on 0300 123 2040. Further details for reporting frauds, or attempted frauds, can be found on page 67 of the 2019 annual report.

Invesco

Invesco Fund Managers Limited

Invesco Fund Managers Limited is a wholly owned subsidiary of Invesco Limited and is authorised and regulated by the Financial Conduct Authority

Invesco is a business name of Invesco Fund Managers Limited

Linkway Financial Printers – Typeset & Printed in London (UK) 17156