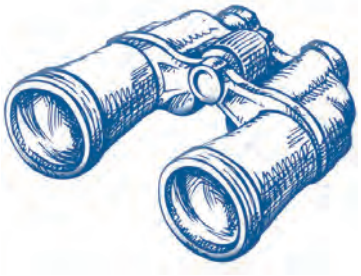
ARTEMIS
The PROFIT Hunter

Artemis UK Future Leaders *plc*



Annual Financial Report (audited)

for the year ended 31 January 2026

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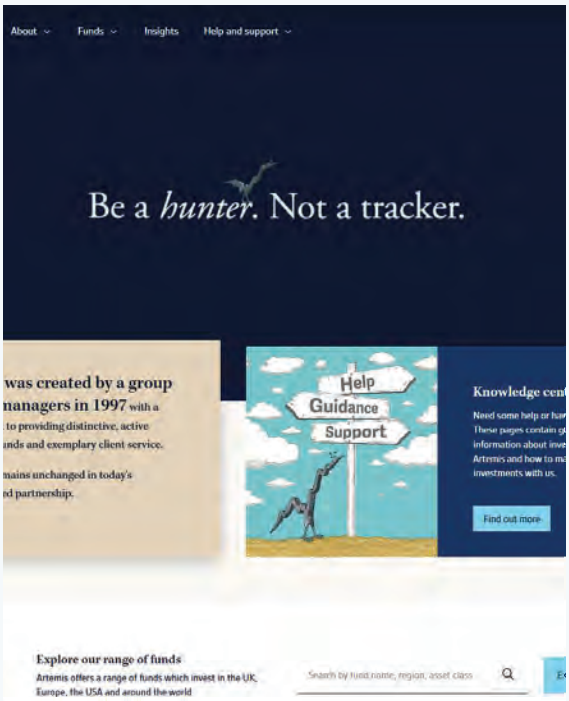

- Monthly fund commentaries and factsheets
- Market and fund insights
- Fund briefings and research articles
- Daily fund prices
- Fund literature

artemisfunds.com

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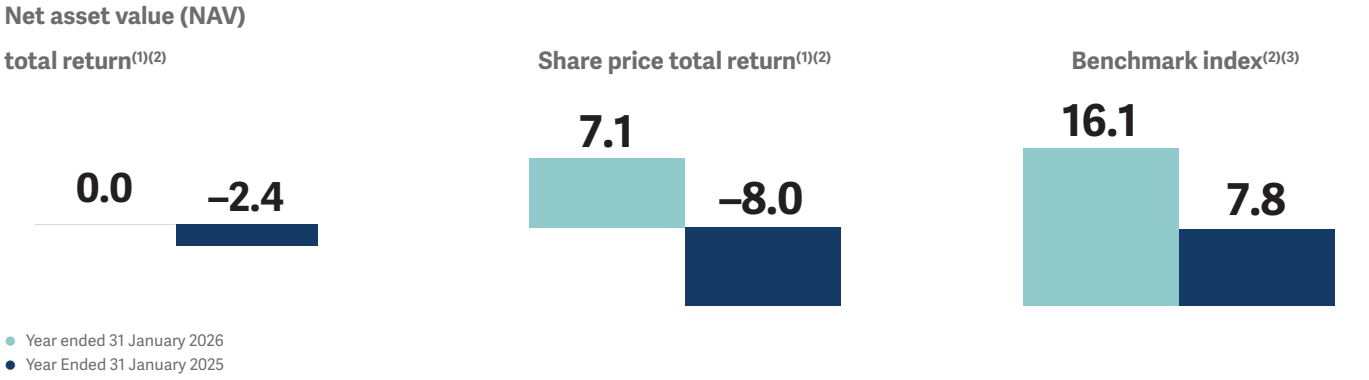
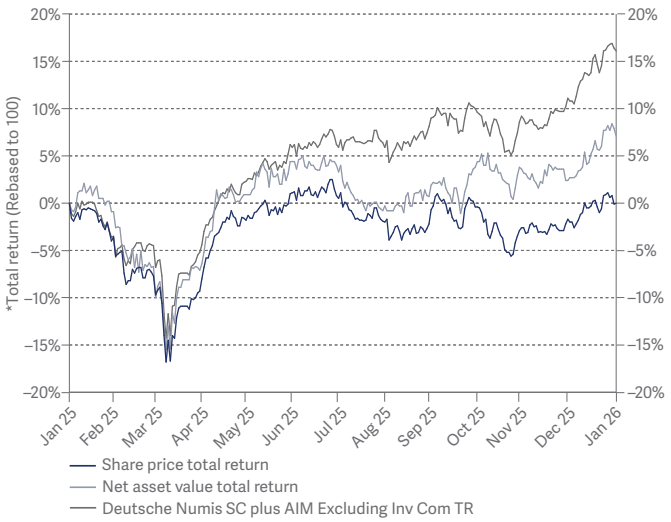
Financial Highlights

Total return statistics (with dividends reinvested)

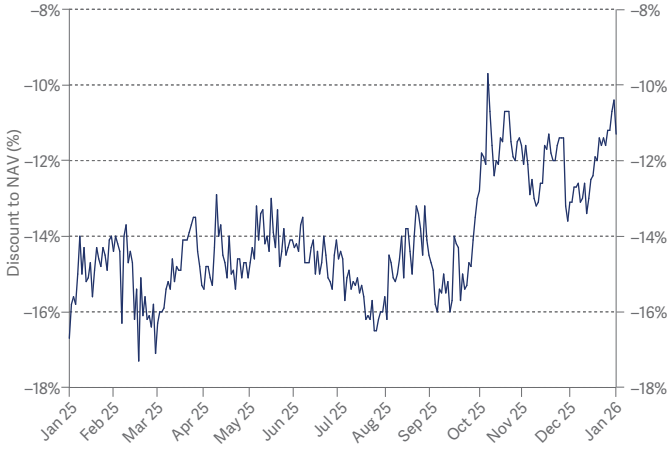


Performance during the year ending 31 January 2026



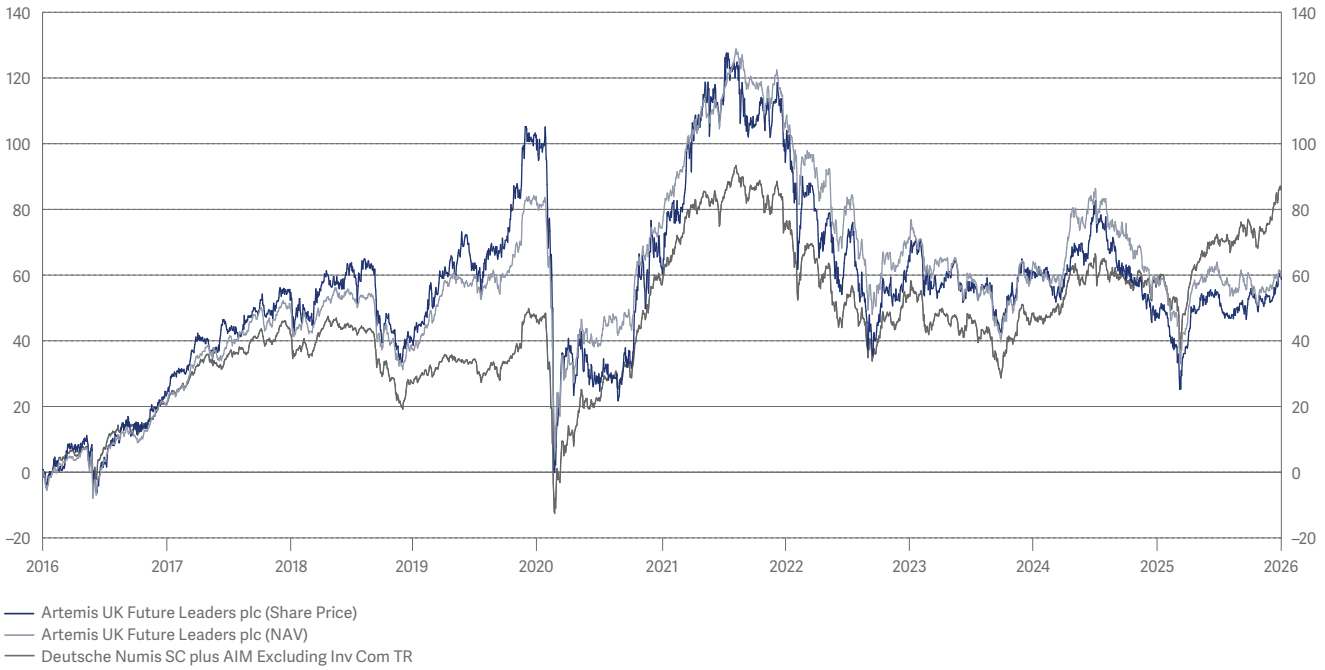
Source: Artemis/Datastream.

Discount during the year ending 31 January 2026



Source: Artemis/Datastream.

Performance from 31 January 2016 to 31 January 2026



Total returns	1 year	3 years	5 years	10 years	Since appointment
Net asset value per ordinary share	0.0%	(6.4)%	(8.3)%	59.8%	5.3%
Ordinary share price	7.1%	(3.3)%	(2.2)%	58.7%	12.3%
Deutsche Numis Smaller Companies plus AIM (Excl. Inv-Trust)	16.1%	21.0%	18.3%	85.8%	21.5%

Source: Artemis/Datastream.

Capital statistics

At 31 January	2026	2025	Change
Total shareholders' funds (£'000)	129,385	136,644	(5.3)%
Net asset value ('NAV') per share	434.66p	449.88p	(3.4)%
Share price[1,2]	386.00p	375.00p	2.9%
Discount[1]	(11.2)%	(16.6)%	
Gearing[1]:			
– gross gearing	8.6%	9.0%	
– net gearing	8.2%	7.2%	
Maximum authorised gearing	19.3%	14.6%	
For the year ended 31 January	**2026**	**2025**	
First interim dividend	3.85p	3.85p	
Second interim dividend	3.85p	3.85p	
Third interim dividend	3.85p	3.85p	
Final dividend	3.89p	3.45p	
Total dividends	15.44p	15.00p	2.9%
Dividend yield[1,4]	4.0%	4.0%	
Dividend payable for the year (£'000)[4]:			
– from current year net revenue	3,745	4,254	
– from capital reserve	883	437	
	4,628	4,691	
Capital dividend as a % of year end net assets[1,4]	0.7%	0.3%	
Capital returns paid in the year:			
– Special dividend	–	484.85p	
Capital returns payable for the year (£'000):			
– Special dividend	–	16,401	
Ongoing charges[1]	1.00%	1.03%	

[1] Alternative Performance Measure (APM). See Glossary of Terms and Alternative Performance Measures on pages 70 to 72 of the financial report for details of the explanation and reconciliations of APMs.
[2] Source: LSEG Data & Analytics.
[3] The Benchmark Index of the Company is the Deutsche Numis Smaller Companies + AIM (excluding Investment Companies) Index with dividends reinvested.
[4] Excludes the one-off elective special dividend (return of capital) of 484.85p paid to shareholders on 8 October 2024.

Bridget Guerin

Chairman's statement

Dear shareholders,

The year was a challenging one for the Company and for the UK smaller companies sector more broadly. Over the 12 months to 31 January 2026, the Company delivered a flat total return on a net asset value ("NAV") basis, while the share price total return was 7.1%. This compared with a return of 16.1% from the Company's benchmark index. Investor sentiment towards UK domestic equities remained subdued throughout much of the period and improving business fundamentals in many of the portfolio's holdings were not reflected at the share-price level.

Change of Investment Manager

On 10 March 2025, following a formal review process, the Board appointed Artemis as Investment Manager to the Company, which was previously known as Invesco Perpetual UK Smaller Companies Investment Trust plc ("IPU"). The Board considered the change to be in the best long term interests of shareholders and has remained closely engaged throughout the transition and subsequent period.

Performance since the change has been difficult. This reflects a combination of continued headwinds facing UK smaller companies, cautious investor sentiment, and portfolio repositioning following the transition to Artemis. The portfolio was realigned during the year to reflect the new Investment Manager's investment philosophy and approach. The Board notes with encouragement that the Company has recently been awarded a Gold rating by Morningstar. This recognition is particularly welcome following a challenging period of performance, and reflects the strength of the investment process and the long-term potential of the strategy. While short-term returns have been disappointing, the Board takes reassurance from this independent endorsement and remains confident in the Manager's disciplined approach and its ability to deliver improved outcomes for shareholders over time.

A reduction in the investment management fee

As part of the negotiations with Artemis, they agreed to a nine-month fee waiver which ended on 10 December 2025. This fee waiver offset the termination fee paid to Invesco (in lieu of notice) plus an additional five months where no management fees were paid. In addition, the investment management fee was reduced from 0.75% of gross assets (before expenses) to 0.65% per annum on the first £50 million of the net assets (after expenses) of the Company. The balance above £50 million will be charged at a reduced rate of 0.55% per annum.

Performance and markets

Market conditions over the year were characterised by weak confidence in UK domestic equities, with returns driven largely by stock specific factors rather than broad market support. Relative performance was affected by a range of smaller negative contributions rather than any single material detractor. Notwithstanding this, a number of portfolio companies continued to demonstrate resilient operating performance, reinforcing the Board's confidence in the portfolio's underlying fundamentals. Further details are given in the Investment Managers' Report.

The Company's shares traded at a discount to NAV throughout the year. The Board monitors the discount closely and recognises the importance of liquidity and market confidence for shareholders. Accordingly, the Company bought back 606,699 shares representing 2.0% of the Company during the year. We will continue to consider the use of the tools available to us, where appropriate, to address any sustained imbalance between supply and demand for the Company's shares.

Market context

The Board notes that valuations across the UK smaller companies universe remain attractive by historical standards and at a discount to both larger UK companies and international peers. This valuation backdrop has continued to support elevated levels of corporate activity, including mergers and acquisitions and share buybacks, across the sector. Such activity underlines the disconnect between market valuations and underlying fundamentals and provides a potential source of support for shareholder returns during periods of subdued sentiment.

While confidence towards UK equities remains cautious, the Board is mindful that periods of prolonged underperformance are not unprecedented. Historically, recoveries in UK smaller companies have often been sharp once confidence returns. The Board therefore continues to believe that the long term investment case for the asset class remains intact.

Dividends and dividend policy

The Company's regular dividend policy is to target a yield of 4% of the year-end share price, paid from income earned within the portfolio and enhanced, as necessary, through the use of realised capital profits. In accordance with this policy, the Company has declared and paid three interim dividends of 3.85p which are in line with the amounts paid in 2024. The Board has resolved that the Company will propose a final dividend payable in June 2026 of 3.89p per share to bring the total dividends paid for the year to 15.44p per share (2025: 15.00p). The final dividend will be payable on 11 June 2026, subject to shareholder approval, to shareholders on the register on 8 May 2026 and the shares will go ex-dividend on 7 May 2026. This represents all the available revenue earned by the Company's portfolio over the year, equating to 80% of the dividend payment, with the remainder being paid from realised capital reserves. Shareholders who hold shares on the main register and are residents of the UK, Channel Islands or Isle of Man can reinvest their dividend via the Dividend Reinvestment Plan ('DRIP'). Shareholders will need to submit an election by 21 May 2026. Further information can be found on the Company's webpage: https://www.artemisfunds.com/futureleaders

Board composition

I would like to take the opportunity to thank Simon Longfellow who resigned from the Board on 31 December 2025 for all his hard work and service to the Company. His experience of investment trust marketing and communication, especially when communicating with retail shareholders, has been very valuable. As previously communicated, the Board will comprise three Directors going forward, all of whom are independent non-executive Directors and who have experience in all the key areas of investment trust governance.

Annual General Meeting

This year's meeting will be held at the offices of Artemis at 12.00pm on Tuesday 2 June 2026. As well as the Company's formal business, there will be a presentation from Mark Niznik and William Tamworth on the Company's portfolio of companies and their prospects and you will have the opportunity to ask questions of the Portfolio Managers and Directors and to chat informally with all of us over lunch. Shareholders may bring a guest to these meetings. The Directors and I look forward to meeting as many of you as possible. For those unable to attend in person, a video update from the Portfolio Managers will be available on the Company's website after the AGM. Shareholders wishing to lodge questions in advance of the AGM should do so by email to the Company Secretary at artemisukfutureleaders@ntrs.com or, by letter, to 50 Bank Street, Canary Wharf, London, E14 5NT.

Outlook

While near-term market conditions remain uncertain, the Board takes encouragement from the Investment Manager's assessment of the opportunity set now available within UK smaller companies. It is well documented that smaller companies significantly outperform larger companies over the long-term. Therefore, for any long-term investor, it has paid to buy the dips. The managers have each bought over 1% of your investment trust, ensuring that their interests are aligned with yours as shareholders.

Valuations across the sector are at historically attractive levels and, in many cases, imply unduly pessimistic assumptions about economic and earnings prospects. In fact, we are currently in the second longest and second most severe period of UK smaller company underperformance since 1955. This period, beginning in August 2021, has encompassed two oil price shocks and several wars. Such periods of underperformance have, historically, been followed by strong recoveries once confidence begins to return. Importantly, the portfolio is positioned around businesses with robust balance sheets, strong cash generation and clear long-term growth potential, characteristics which we believe leave the Company well placed to benefit when sentiment improves.

The Iran conflict is a new negative that was not known about at the start of the year. The longer it continues, inflationary risks increase as higher energy prices filter through the economy. However, as the Managers point out in their report, the UK is in a position of low household debt and high savings. They feel the conflict is unlikely to have a material effect on smaller company prospects on their three-to-five-year view.

In the meantime, elevated levels of corporate activity, including mergers, acquisitions and share buybacks, continue to underline the disconnect between market valuations and underlying fundamentals and provide an additional source of potential returns. The Board therefore remains confident that, with the portfolio now fully aligned to Artemis' investment philosophy and stewardship approach, the Company is well positioned to capture the long-term opportunities available within UK smaller companies.

Bridget Guerin
Chairman

28 April 2026

Statement from the previous managers Invesco Fund Managers

Invesco Perpetual UK Smaller Companies plc's net asset value (NAV) delivered a total return of –5.1% during the period 1 February to 9 March 2025. This was modestly behind its Deutsche Numis Smaller Companies plus AIM (Inv-Trust) benchmark which returned –4.4% during the same period.

During this period the fund managers had been instructed by the Board to administer the portfolio on a 'care and maintenance' basis. We were asked not to purchase any new holdings and to take instructions on sales and reductions in holdings in order to raise funds for the redemption of the debt facility. Effectively we were taking instructions from the Board and Artemis via the Board.

Jonathan Brown & Robin West
Invesco Fund Managers Limited
Portfolio managers until 9 March 2025

Statement from the new managers Artemis Fund Managers Limited from 10 March 2025

Mark Niznik

Mark has managed Artemis' 'UK smaller companies' strategy since joining the firm in 2007. He started his investment career in 1985 and has worked at firms including Invesco Perpetual and Standard Life.

William Tamworth

William works alongside Mark in managing Artemis' 'UK smaller companies' strategy. Prior to joining Artemis in 2015, William worked at Liberum and Citigroup where he analysed small and mid-cap companies.

Performance

Artemis UK Future Leaders plc's net asset value (NAV) rose 5.3% between the point Artemis took charge on 7 March 2025 and 31 January 2026, compared with gains of 21.5% from its Deutsche Numis Smaller Companies plus AIM (-InvTrust) benchmark[1].

We are disappointed with and apologise for this performance. While some of it relates to the transition and the performance of the stocks that we inherited, the larger component came in the period after the transition was complete, which we take full responsibility for (in the second half of the year, the NAV was down 1%, or 9 percentage points behind the benchmark).

Our overweight position in UK consumer discretionary holdings detracted from fund performance in the second half of the year. Rampant speculation ahead of the delayed autumn Budget sapped already fragile consumer confidence (and investor confidence). In the end the Budget was (largely) a non-event but our UK consumer discretionary shares underperformed over this period despite, in aggregate, largely unchanged earnings expectations.

Our technology and media holdings also detracted from our performance. We have traditionally been attracted to the recurring earnings of subscription media businesses and software as a service revenue of technology businesses. Over the last six months there has been growing investor concern with regards to the potential disruption risk from AI for several stocks in these two sectors – hence the drag on our performance. We believe these concerns are overdone but it will take time for this to become evident. We stress the importance of first party (proprietary) data; the potential opportunities that come from AI (rather than just the risks) and the very attractive valuations of many of these companies.

What we did not own also impacted the relative performance – most notably basic material companies (for example Greatland Resources and Pan African Resources were amongst the best performing shares in the benchmark) which benefited from a gold price that was up over 70% in the year.

[1] Artemis/Lipper Limited.

We have tended to have little mining and oil & gas exposure as we feel poorly placed to judge future directions in commodity prices and we dislike the inherently high capital intensity of most businesses in these sectors. This was to the detriment of the portfolio last year.

After the transition period was complete, Artemis UK Future Leaders performed roughly in line with the open-ended fund we manage. While both had a poor second half, this was offset by a much stronger start to the year for the open-ended fund. We retain confidence in both our process and the small-cap opportunity over the long term.

Negatives

Future (specialist media) and **Hilton Food Group** (food packager) were our two biggest detractors. Although Future's earnings were reduced, the main negative came from the multiple placed on those earnings which has fallen yet further. For Hilton Foods, headwinds included high white-fish prices and delays in getting one of its facilities signed off, having previously discovered traces of listeria.

Orders fell at promotional products supplier **4imprint Group**, but the expected hit to profit margins from tariffs (most of its products are made outside the US) failed to materialise. The long-term prospects for the company remain compelling: it offers an 8% free cashflow yield, has an excellent record of taking market share and there is scope for further growth in a fragmented market (despite being the leader, 4imprint's market share is only about 5%).

Gamma Communications, a B2B provider of voice and data services, was one of the best performers in our open-ended fund in 2024, but more than gave up those gains last year. Earnings expectations were pretty stable over 2025, meaning the fall in the share price was again down to the market putting a lower multiple on those earnings. Since the business was listed in 2014 it has increased its earnings per share by 7x (equivalent to a compound annual growth rate of 19%). It has never traded on such a low valuation as it does today – 9x price to earnings (P/E) or a 9% free cashflow yield. We added to our position.

Positives

Since we took charge of the trust on 7 March, our defence stocks have done well, with holdings in **Avon Technologies**, **Chemring Group** and **Serco Group** (which generates about 40% of its revenues from this area) rising strongly.

The portfolio's single best performer during the period was **Secure Trust Bank**, which fell significantly in October 2024 when three Court of Appeal decisions relating to motor finance went against FirstRand Bank and Close Brothers (which we don't own). Aside from a potentially large compensation bill, Secure Trust Bank also issued a profit warning driven by a slower recovery in its vehicle finance division, after the FCA's Borrowers in Financial Difficulty (BiFD) review led to a temporary pause in collections and a higher default rate.

At the time, we felt that the shares offered substantial potential upside, trading as they were at a 75% discount to book value. Since then, they have rebounded past their October 2024 starting price, with the company's loss-making vehicle finance book put into run-off and then subsequently sold at a premium to its book value. The UK Supreme Court largely overturned the Court of Appeal's rulings albeit there is still some uncertainty surrounding how the FCA will implement a customer redress scheme.

Pawnbroker **H&T Group** and foreign exchange specialist **Alpha Group** announced they were to be taken over, at premiums of 44% and 55% respectively to their pre-offer share prices. M&A has been and is likely to remain a driver of performance.

Another is buybacks: we saw a record number of holdings in our open-ended fund reduce their share count in 2025. We see this as indicative of management teams expressing the view that:

a) Their businesses have surplus capital (our median holding is forecast to have no net debt);

b) They are confident in the outlook; and

c) Their share prices do not reflect fundamental value.

Activity

Upon taking management of the trust, it took us about three months to rebalance it so it more closely reflected our investment philosophy. There is now an overlap of more than 85% between the trust and our open-ended Artemis UK Smaller Companies Fund.

After the initial rebalancing, some of our notable purchases have included bakery Greggs, subsea equipment-rental firm Ashtead Technology, specialist consultancy Science Group, Bloomsbury Publishing and specialist electrical-component manufacturer DiscoverIE. Although this is a disparate group of companies, what unites them is attractive valuations underpinned by strong cashflow, decent growth prospects and leading market positions in their niches.

Outlook

We are currently in the second longest and second most severe relative drawdown for UK small caps since 1955. You may question whether the small-cap effect – smaller companies' long-term outperformance of their larger counterparts – remains valid. We think the answer is a resounding 'yes'.

The small-cap effect is a global phenomenon. Since 2000 – including the recent period of underperformance (which extends beyond the UK) – there has been a positive small-cap premium in all major global markets except for Taiwan.

Despite the compelling long-term numbers, there have been sustained periods of underperformance. Small-cap returns are lumpy. We do not know when the tide will turn, but when it does, a sharp rebound is likely. In 44% of calendar years since

1955, returns have exceeded 20% – and 52 months into a relative bear market does not feel like the time to capitulate[2].

Meanwhile, UK mid and small caps remain cheap relative to history – which is not the case for most equity markets around the world. The FTSE 250 traditionally trades on a premium (higher price-to-earnings ratio) to the FTSE 100, but the current discount represents a 20-year relative low[3]. Valuations fall further as you go down the market-cap spectrum. Meanwhile, the FTSE 250 now has a higher dividend yield than the FTSE 100[4]. Again, this last happened more than 20 years ago.

With small caps deriving about 60% of revenues from the UK, compared with 20% for large caps[5], these valuations make sense if you think the economic outlook is dire. But we think it isn't.

Over the last few years, the UK economy has consistently outperformed (admittedly low) consensus expectations set 12 months previously. With consumer spending accounting for 60% of the UK economy, we believe confidence is the key to unlocking small-cap returns. While it is currently moribund, we are confident that when it improves, the impact on small-caps will be material.

In the short term the recovery may (again) have been deferred by the Iran conflict as inflation rises (rather than falls), interest rate cuts are delayed and consumer sentiment hit. Real incomes are now likely to be (broadly) flat this year because of higher inflation. However, the high starting point for the UK household savings ratio (around 10%, double that of the US) and low household debt (household debt to income has been falling for 17 years[6]) means consumer spending growth is likely to exceed expectations when confidence recovers. The impact of this recovery will be magnified by the low starting valuations.

Unemployment, which has continued to tick up, is an important risk. Our conversations with company management teams give us confidence we will not see a sudden spike in job losses, but it is nevertheless the biggest threat to our macro view. Working in the other direction is an improvement in the participation rate (people working or actively looking for work). The UK also has a relatively favourable medium-term outlook for the working-age population, which is expected to grow.

Politics is generally far less important than commonly believed. Local politics matters even less. Gilt spreads are already elevated and a pivot to the left risks a further jump in borrowing costs (which are negatively correlated with UK small caps).

Balancing the risks for 2026, we see significant opportunity. As at the end of March, the median holding in the fund was trading on a P/E of 9x or a free cash flow yield of 10%. This is cheaper than at any point we can remember. This feels very attractive as the businesses that we own are forecast on average to grow their earnings by double digits, earn a return on their capital of over 20% and have no debt.

Mark Niznik & William Tamworth
Artemis Fund Managers Limited
Portfolio managers from 10 March 2025
28 April 2026

2. Deutsche Numis UK Smaller Companies index (ex IT) relative to FTSE All-Share.
3. Panmure Liberum, LSEG Workspace.
4. Panmure Liberum, LSEG Workspace.
5. Bloomberg.
6. Bank of England, Stifel.

ESG & stewardship at Artemis

Enhancing value for investors

Artemis believes stewardship activities can contribute to better performing companies and therefore enhanced returns for investors. We assess a broad range of investment factors which can impact a company's value, including environmental, social and governance (ESG).

Our stewardship approach

- We have an investment horizon of 3-5 years and therefore look to assess material risks and opportunities over the medium to long term.
- Our approach focuses on:
  - an in-house research-intensive process
  - assessing ESG factors on a company specific basis both as a source of risk, but also competitive advantage
  - direct access to management and boards.
- We believe that good ESG analysis offers significant scope for better returns given the challenges of limited stock coverage from traditional research providers and inconsistent company reporting.
- Meetings with management and board directors is fundamental to our investment process. We have a significant number of company meetings every year.
- Meaningful stock positions together with our long-term focus have the potential to bring influence. We use engagement and voting in combination to drive change where necessary.

At Artemis, ESG analysis and integration, engagement, and voting is the responsibility of each investment team, but they work alongside the Stewardship & Sustainability Governance Team whose role is to provide specialist insight, research, analysis and discussion on these matters. The team also participates in industry wide initiatives to develop and promote best practices across the investment management industry and the areas in which we invest.

We have not made any material changes to the Artemis Stewardship, Engagement and Voting policies over the last 12 months. Our policies can be found in the literature section of our website together with our latest Stewardship Report which contains more information on our approach with examples.

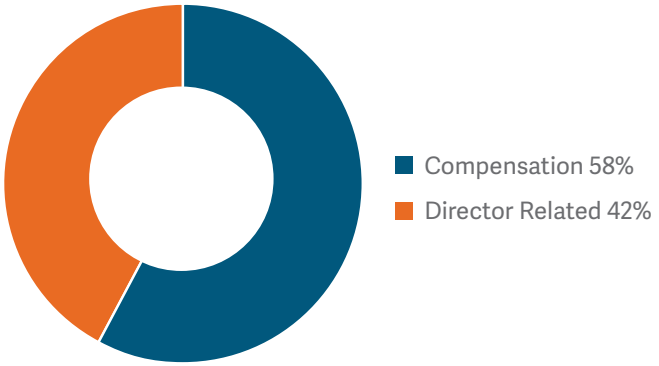
Stewardship activity – summary

Company meetings	226
Companies met	113
Engagement activities	25
Companies engaged	18

Stewardship activity – summary

Votable meetings	61	
Meetings voted	61	100.0%
Meetings with against management votes	7	11.5%
Votable proposals	938	
Proposals voted	938	100.0%
Votes against management	12	1.3%
Votes against policy	15	1.6%

Votes Against Management



Source: Artemis, ISS. Data from 10 March 2025 to 31 January 2026.

Examples of stewardship activity

ESG integration example

Coats Group, a current portfolio holding, manufactures thread and other products used in the clothing industry. Sustainability is defined as one of three "strategic enablers" (alongside Innovation and Digital) that underpin the company's goal to accelerate profitable sales growth. The company leverages its sustainability leadership to win business from sustainable brands and traditional retailers who are increasingly demanding sustainable supply chains. Sustainability compliance for customers is now a key factor in market share gains, particularly in premium athleisure/sport segments. The company's four Innovation Hubs focus on materials of the future, such as recycled and circular materials, to meet evolving consumer requirements. This allows Coats to maintain pricing power and improve margins through a more favourable product mix. Recent acquisitions, such as OrthoLite, share similar sustainability credentials, which strengthens the overall quality of the portfolio. The company has a long-term commitment to achieve net zero greenhouse gas (GHG) emissions by 2050. Both near-term and long-term targets have been approved by the Science-Based Targets initiative (SBTi). The company has exceeded its Scope 1 & 2 emissions reduction target set for 2026 through renewable energy adoption and has a target for 100% renewable electricity sourcing by 2030. The Board also tracks other key material factors such as health & safety, diversity and Great Place to Work[1] metrics.

[1] https://www.greatplacetowork.com/worlds-best-profile/coats%20.

Engagement example

In 2023 Artemis became a supporting investor of the investment firm CCLA's CCLA's Find it, Fix it, Prevent it initiative (FIFIPI) – an investor led, multi stakeholder project involving investors, academics and non-governmental organisations aimed at making the corporate response to modern slavery more effective.

As part of this initiative, we have been engaging with **Keller Group**, the world's largest geotechnical specialist contractor. Given the nature of the business, and operations in more than 40 countries across five continents, we assessed modern slavery as a potential investment risk. Our engagement with the company has been constructive and shown commitment to advancing its approach. The company has taken learnings from its work in improving health and safety practices. Since our engagement commenced in January 2024, Keller has published three updated Modern Slavery statements, annually each February, which set out enhancements to its work in this area, for example through the use of more robust language on supplier requirements and an extended section on compliance, performance and further steps highlighting enhanced due diligence processes.

We have had a number of calls with the CEO and Head of Sustainability on this topic and the progress made has been recognised in the updated FIFIPI assessment of the company (June 2025) with Keller's overall score materially improving and, as a result, Keller has now moved up from Tier 4 to Tier 3 (out of 5) which is defined as 'Meeting and Exceeding minimum expectations'.

Voting example

We voted against a resolution to approve the growth incentive plan at our holding in UK-based travel retailer, **On the Beach Group** (EGM September 2025), due to the plan's lack of a monetary cap, which could result in disproportionately large payouts to the executive directors. The plan's single earnings per share (EPS) target need only be met in any one year of a five-year period, which may reduce motivational effectiveness and lead to awards vesting even if performance declines later, raising concerns about long-term alignment. While mitigated by a five-year holding period, the overall structure was considered too aggressive and insufficiently risk-adjusted. We shared our reservations about the plan with the company ahead of the meeting and our decision to vote against was consistent with that feedback. The proposal received noticeable dissent of 18%.

Portfolio of investments at 31 January 2026

Company	Sector	Market Value £'000	Portfolio Exposure* £'000	Portfolio Exposure* %
IntegraFin Holdings	Investment Banking and Brokerage Services	2,488	4,012^	3.0
GB Group	Software and Computer Services	3,195	3,910^	2.9
Secure Trust Bank	Banks	3,687	3,687	2.7
Mears Group	Industrial Support Services	3,676	3,676	2.6
MONY Group	Software and Computer Services	3,385	3,676^	2.6
Moonpig Group	Retailers	3,137	3,484^	2.5
Coats Group	General Industrials	3,418	3,418	2.4
NCC Group	Software and Computer Services	2,297	3,283^	2.3
Serco Group	Industrial Support Services	3,106	3,106	2.2
Morgan Sindall Group	Construction and Materials	3,090	3,090	2.2
Wilmington	Media	2,227	3,001^	2.1
Hollywood Bowl Group	Travel and Leisure	2,223	2,984^	2.1
Victorian Plumbing Group[AIM]	Retailers	2,916	2,916	2.1
Telecom Plus	Electricity	2,525	2,902^	2.1
Gamma Communications	Telecommunications Service Providers	2,279	2,836^	2.0
Young & Co's Brewery - Non-Voting[AIM]	Travel and Leisure	2,761	2,761	2.0
Next 15 Group[AIM]	Media	2,721	2,721	1.9
Restore[AIM]	Industrial Support Services	2,690	2,690	1.9
4imprint Group	Media	2,651	2,651	1.9
Oxford Instruments	Electronic and Electrical Equipment	2,500	2,500	1.8
DFS Furniture	Retailers	2,478	2,478	1.8
On the Beach Group	Travel and Leisure	2,432	2,432	1.7
Brooks Macdonald Group	Investment Banking and Brokerage Services	2,386	2,386	1.7
Halfords Group	Retailers	2,327	2,327	1.7
Chemring Group	Aerospace and Defence	2,327	2,327	1.7
Norcros	Construction and Materials	1,243	2,297^	1.6
Wickes Group	Retailers	2,261	2,261	1.6
RWS[AIM]	Industrial Support Services	2,234	2,234	1.6
Future	Media	1,118	2,226^	1.6
Avon Technologies	Aerospace and Defence	2,129	2,129	1.5
Greggs	Personal Care, Drug and Grocery Stores	2,128	2,128	1.5
Netcall[AIM]	Software and Computer Services	2,125	2,125	1.5
Dunelm Group	Retailers	2,040	2,040	1.5
GlobalData[AIM]	Industrial Support Services	2,030	2,030	1.5
MJ Gleeson	Household Goods and Home Construction	1,991	1,991	1.4
Tatton Asset Management[AIM]	Investment Banking and Brokerage Services	1,987	1,987	1.4
Kainos Group	Software and Computer Services	1,968	1,968	1.4
Johnson Service Group	Industrial Support Services	1,949	1,949	1.4
YouGov[AIM]	Media	1,862	1,862	1.3
NIOX Group[AIM]	Medical Equipment and Services	1,830	1,830	1.3
Henry Boot	Real Estate Investment and Services	1,161	1,821^	1.3
Ashtead Technology	Oil, Gas and Coal	1,795	1,795	1.3
TT Electronics	Technology Hardware and Equipment	1,792	1,792	1.3
LBG Media[AIM]	Media	1,778	1,778	1.3
Science Group[AIM]	Industrial Support Services	1,764	1,764	1.3
Keller Group	Construction and Materials	1,675	1,675	1.2
discoverIE Group	Electronic and Electrical Equipment	1,663	1,663	1.2
Energean	Oil, Gas and Coal	1,651	1,651	1.2

Company	Sector	Market Value £'000	Portfolio Exposure* £'000	Portfolio Exposure* %
Harworth Group	Real Estate Investment and Services	382	1,630^	1.2
Hilton Food Group	Food Producers	1,606	1,606	1.1
Bloomsbury Publishing	Media	721	1,602^	1.1
J D Wetherspoon	Travel and Leisure	1,543	1,543	1.1
Workspace Group	Real Estate Investment Trusts	1,484	1,484	1.1
Severfield	Construction and Materials	1,387	1,387	1.0
Jadestone Energy[AIM]	Oil, Gas and Coal	1,381	1,381	1.0
Morgan Advanced Materials	Electronic and Electrical Equipment	1,361	1,361	1.0
Accesso Technology Group[AIM]	Software and Computer Services	1,178	1,178	0.8
Beeks Financial Cloud Group[AIM]	Software and Computer Services	1,058	1,058	0.8
CLS	Real Estate Investment and Services	998	998	0.7
M&C Saatchi[AIM]	Media	997	997	0.7
Warpaint London[AIM]	Personal Goods	882	882	0.6
Victrex	Chemicals	806	806	0.6
SIG	Industrial Support Services	717	717	0.5
FDM Group	Industrial Support Services	673	673	0.5
Videndum	Industrial Engineering	162	162	0.1
Total Investments: 65 (31 January 2025: 60)		**128,432**	**139,715**	**100.0**

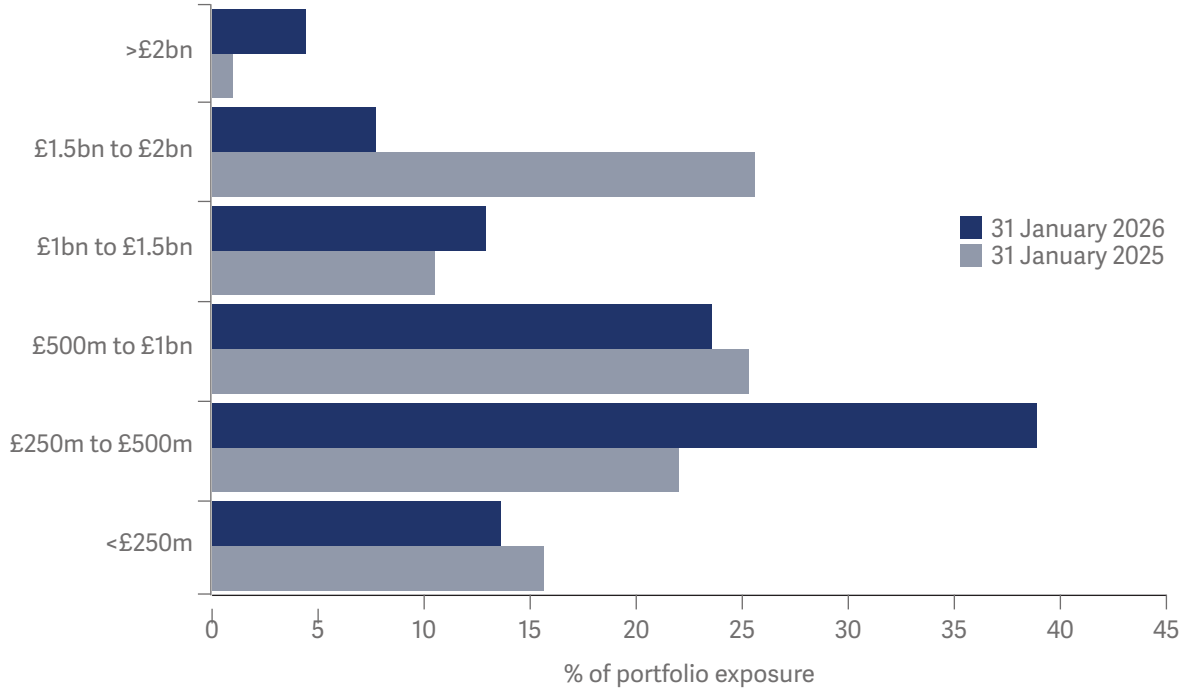
Ordinary shares unless stated otherwise.

* The Portfolio Exposure indicates the impact on market price movements resulting from the ownership of shares and derivative instruments. The Market Value represents the fair value of the portfolio, which is reflected on the Balance Sheet. In the case of holding a Contract for Difference (CFD), the Market Value reflects the profit or loss generated by the contract since its inception, based on the movement of the underlying share price. CFDs provide investors with the benefits and risks of owning a security without actually owning it. There is no delivery of physical goods or securities, which means that CFDs are generally regarded as an easier method of settlement because losses and gains are paid in cash. CFDs are disclosed in Derivative assets/liabilities at market value in the Balance Sheet on page 48. However, when the Company solely holds shares, both the Market Value and the Portfolio Exposure align.

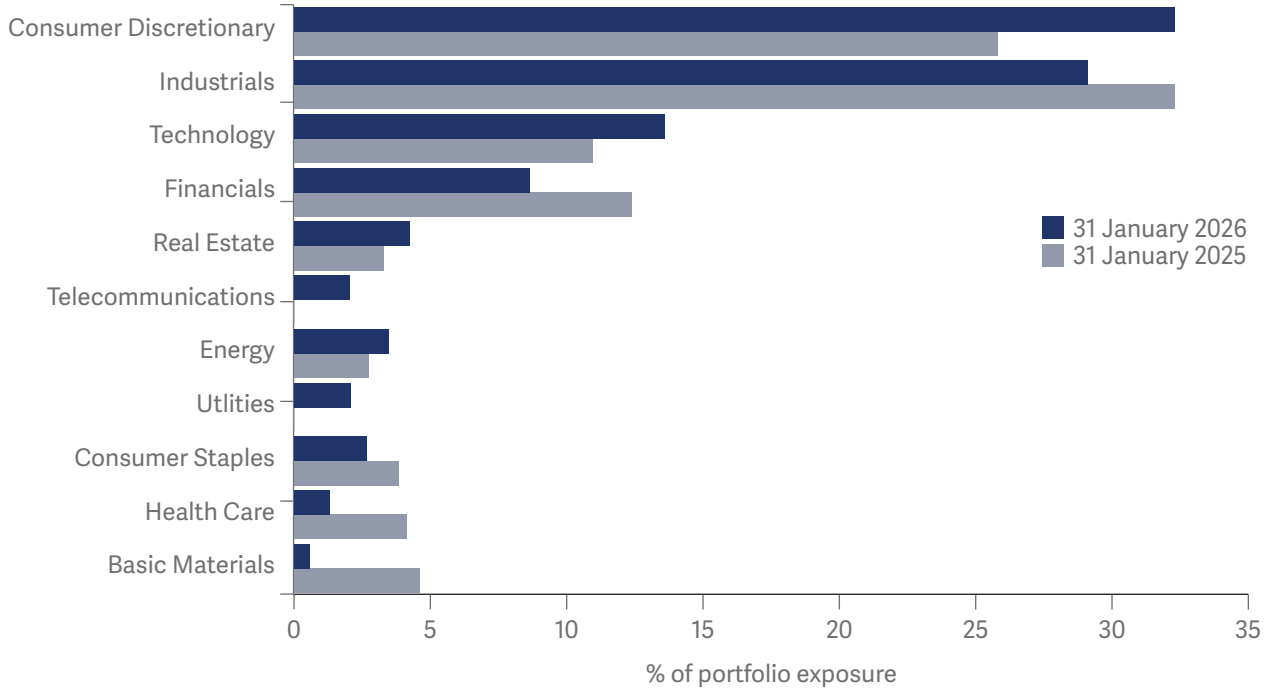
AIM Investments quoted on AIM.

^ Includes CFD position.

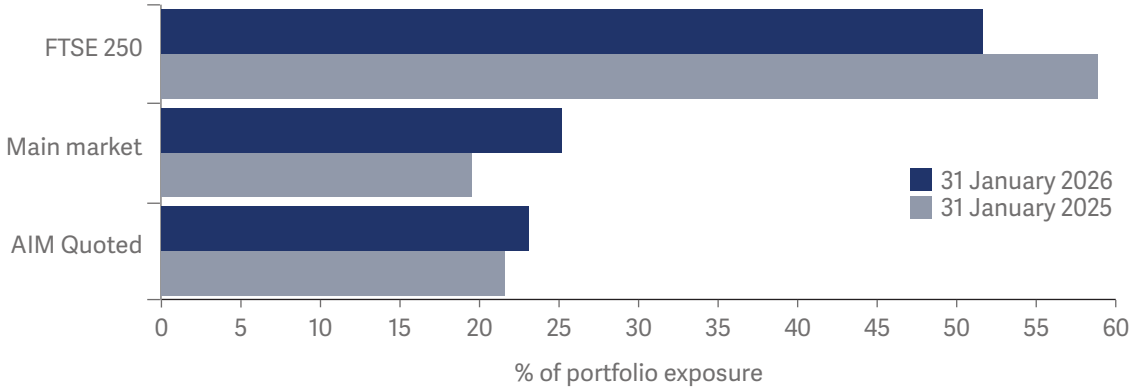
Market cap analysis of the portfolio



Industry analysis of the portfolio



Market analysis of the portfolio



Strategy and business review

Purpose, culture, business model and strategy

Artemis UK Future Leaders plc is an investment company and its investment objective is set out below. The strategy the Board follows to achieve that objective, is to set investment policy and risk guidelines, together with investment limits, and to monitor how they are applied. These are also set out below and have been approved by shareholders.

The Company's purpose is to generate returns for shareholders by investing their pooled capital to achieve the Company's investment objective through the application of its investment policy and with the aim of spreading investment risk.

As the Company has no employees, the business model the Company has adopted to achieve its objective has been to contract its operations to appropriate external service providers. The Board has oversight of the Company's service providers, and monitors them on a formal and regular basis. The Board has a collegiate culture and pursues its fiduciary responsibilities with independence, integrity and diligence, taking advice and outside views as appropriate and constructively challenging and interacting with service providers.

Up until 9 March 2025, the Company had contracted the services of Invesco Fund Managers Limited ('IFML'). IFML had delegated portfolio valuation, fund accounting and administrative services to The Bank of New York Mellon, London Branch. The Bank of New York Mellon (International) Limited ('BNYMIL') were the appointed depositary and custodian.

With effect from 10 March 2025, the Board has appointed Artemis Fund Managers Limited ('Artemis') as the Company's investment manager (the 'Manager') to manage the portfolio in accordance with the Board's strategy and under its oversight. The Portfolio Managers responsible for the day to day management of the portfolio are Mark Niznik and William Tamworth. The Northern Trust Company, London Branch, has been appointed as fund administration service provider. Northern Trust Investor Services Limited are now custody and depositary service provider and finally Northern Trust Secretarial Services (UK) Limited has assumed the role of Company Secretary.

Contractual arrangements remain in place with MUFG Corporate Markets (formerly known as Link Group) to act as registrar.

Investment objective

The Company is an investment trust whose investment objective is to achieve long-term total returns for shareholders, primarily by investment in a broad cross-section of small to medium sized UK quoted companies.

Investment policy

The portfolio primarily comprises shares traded on the London Stock Exchange and those traded on AIM. The Portfolio Managers can also invest in unquoted securities, though these are limited to a maximum of 5% of gross assets at the time of acquisition.

The Manager seeks to outperform its benchmark, the Deutsche Numis Smaller Companies + AIM (excluding Investment Companies) Index with dividends reinvested. As a result, the Manager's approach can, and often does, result in significant overweight or underweight positions in individual stocks or sectors compared with the benchmark. Sector weightings are ultimately determined by stock selection decisions. Risk diversification is sought through a broad exposure to the market, where no single investment may exceed 5% of the Company's gross assets at the time of acquisition. The Company may utilise index futures to hedge risk of no more than 10% and other derivatives (including warrants) of no more than 15%. In addition, the Company will not invest more than 10% in collective investment schemes or investment companies, nor more than 10% in non-UK domiciled companies. All these limits are referenced to gross assets at the time of acquisition.

Borrowings under this investment policy may be used to raise market exposure up to the lower of 30% of NAV and £25 million.

Dividend policy

The Company's dividend policy is to distribute all available revenue earned by the portfolio in the form of dividends to shareholders. In addition, the Board has approved the use of the Company's capital reserves to enhance dividend payments. Therefore, the total dividend, paid to shareholders on a quarterly basis, comprises income received from the portfolio, with the balance coming from realised capital profits. Whilst not guaranteed, in normal circumstances, the dividend for the year ending 31 January is calculated to give a yield of 4% based on the year end share price. It does not include any preliminary charges and investors may be subject to tax on dividends received.

Performance

The Board reviews performance by reference to a number of Key Performance Indicators which include the following:

- the movement in the NAV per share on a total return basis:

  Details on the movement in the NAV per share on a total return basis is provided in the Total returns table on page 3.

- the NAV and share price performance relative to the Benchmark Index and the peer group:

  The Board regularly reviews the Company's performance against the Benchmark Index and the peer group at each Board meeting. Information on the Company's performance can be found in the Chairman's statement on page 4 and the Investment Managers' review from page 6.

- the discount/premium to NAV:

  The Board monitors the price of the Company's shares in relation to their NAV and the premium/discount at which

the shares trade. Further information on the Company's discount to NAV over the course of the year can be found on page 3.

- dividend per share:

  As stated above, the Company's dividend policy includes a target dividend yield of 4% of year end share price. Further information on the three interim dividends and proposed final dividend for the year ended 31 January 2026 are provided in the Chairman's Statement on page 4.

- the ongoing charges:

  The ongoing administrative costs of operating the Company are encapsulated in the ongoing charges ratio, which is calculated in accordance with guidance issued by the Association of Investment Companies ('AIC'). The ongoing charges ratio provides a guide to the effect on performance of annual operating costs. The Board monitors the Company's expenditure at each Board meeting and on an annual basis the Board reviews an analysis which shows a comparison of the Company's ongoing charges and its main expenses with those of its peers.

  The ongoing charges for the year ended 31 January 2026 was 1.00% (2025: 1.03%).

  Further details on the calculation of the ongoing charges is shown on page 3.

Results and dividends

In the year ended 31 January 2026, the NAV total return was –0.0%, compared with a total return on the Benchmark Index of 16.1%. The discount at the year end was 11.2% (2025: 16.6%).

For the year ended 31 January 2026, three interim dividends of 3.85p per share were paid to shareholders in August and December 2025 and March 2026. Subject to shareholder approval, a final dividend of 3.89 per share will be paid on 11 June 2026 to shareholders on the register on 8 May 2025. This will give total dividends for the year of 15.44p (2025: 15.00p), representing a yield of 4.0% based on the share price as at 31 January 2026. Further details are provided in the Chairman's statement on page 4. Of the total dividend, 80.7% (2025: 86.8%) was generated from revenue in the year. The remainder was funded from realised capital reserves and represents 0.7% (2025: 0.3% from realised capital reserves) of the year end net assets.

Capital structure

The capital structure of the Company as at 31 January 2026 consisted of 49,826,436 ordinary shares of 20p each in issue, of which 20,059,743 ordinary shares were held in treasury.

Therefore, the Company's total voting rights were 29,766,693 ordinary shares. The Company bought back into treasury 606,699 ordinary shares at an average price of 372.76p.

Financial position and borrowings

At 31 January 2026, the Company's net assets were valued at £129 million (2025: £137 million), comprising a portfolio of equity investments, CFDs and net current assets, with no borrowings (2025: £12.4 million). Although as mentioned below use of CFDs created gearing of 8.2%.

Borrowings and derivatives are used by the Company for gearing. This may enhance the total return on its shares when the value of the company's assets is rising and exceeds the cost of borrowings, but it may have the opposite effect when the value is falling and when the underlying return is less than the cost of borrowing, thus reducing the total return on the shares. They may also increase the volatility of the returns to shareholders and the net asset value per share. The Company currently utilises Contracts for Difference (CFDs), often referred to as Equity Swaps for the purposes of gearing. Given the current investment policy, this effectively limits gearing to 15% of Net Asset Value. In practice, Board approval would be sought to increase gearing through CFDs above 10%. Net gearing through CFDs was 8.2% as at year end.

Outlook, including the Future of the Company

The main trends and factors likely to affect the future development, performance and position of the Company's business can be found in the Investment Manager's review. A triennial vote is held on the continuation of the Company with the next one being at the AGM in June 2027. Details of the principal risks affecting the Company are set out under 'Principal risks and uncertainties' below.

Principal risks and uncertainties

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. Most of these risks are market related and are similar to those of other investment trusts investing primarily in listed markets. The Audit Committee reviews the Company's risk control summary at each meeting, and as part of this process, gives consideration to identifying emerging risks. Emerging risks, such as evolving cyber threats, geo-political tensions and climate related risks, have been considered during the period as part of the Directors' assessment.

Principal risk description	Mitigating procedures and controls
Market (economic) risk Factors such as fluctuations in stock markets, interest rates and exchange rates are not under the control of the Board or the Portfolio Managers, but may give rise to high levels of volatility in the share prices of investee companies, as well as affecting the Company's own share price and the discount to its NAV. The risk could be triggered by unfavourable developments globally and/or in one or more regions, contemporary examples being the market uncertainty in relation to the wider political developments in Ukraine, the Middle East and the worldwide tariffs implemented by the USA.	The Directors have assessed the market impact of the ongoing uncertainty from the unfavourable developments globally through regular discussions with the Portfolio Managers and the Corporate Broker. The Company's current portfolio consists of companies listed on the main UK equity market and those listed on AIM. To a limited extent, futures can be used to mitigate against market (economic) risk, as can the judicious holding of cash or other very liquid assets. Futures are not currently being used.
Investment risk The Company invests in small and medium-sized companies traded on the London Stock Exchange or on AIM. By their nature, these are generally considered riskier than their larger counterparts and their share prices can be more volatile, with lower liquidity. In addition, as smaller companies may not generally have the financial strength, diversity and resources of larger companies, they may find it more difficult to overcome periods of economic slowdown or recession.	The Portfolio Managers seek to mitigate risk through holding an economically diversified portfolio without concentrated macroeconomic bets. UK Smaller Companies in aggregate earn approximately 60% of their revenues from the domestic UK economy so the portfolio will be sensitive to both the UK macro economic outlook and sentiment towards the UK. The Manager's preference is to invest in companies with strong balance sheets and strong cash generation which should be relatively better positioned to withstand economic shocks. They like companies with market leading positions which tend to be better able to pass through price increases to mitigate cost inflation. The portfolio is constructed without reference to the benchmark. The weighting that a stock is given is a function of anticipated share price upside, the level of conviction and the riskiness of an investment. A single holding will typically not exceed 5% of the portfolio. The factor profile of the portfolio is also principally driven by bottom-up stock picking although our investment risk team generates factor analysis for the investment team to review on a regular basis. Sustainability analysis is a core part of stock analysis in both assessing the opportunities and risks facing companies over the medium to long term. The Manager identifies key ESG metrics for each company and tracks the disclosure and trend of these. Disclosures by companies in the investment universe can often be poor, so this is an area they engage on.

Principal risk description	Mitigating procedures and controls
Investment risk continued	The Portfolio Managers remain cognisant at all times of the potential liquidity of the portfolio. There can be no guarantee that the Company's strategy and business model will be successful in achieving its investment objective. The Board monitors the performance of the Company, giving due consideration to how the Manager has incorporated ESG considerations including climate change into their investment process. The Board also has guidelines in place to ensure that the Managers adhere to the approved investment policy. The continuation of the Manager's mandate is reviewed annually.
Shareholders' risk The value of an investment in the Company may go down as well as up and an investor may not get back the amount invested. In addition, the Company operates within the UK investment trust sector, which has recently experienced increased levels of shareholder activism and other forms of corporate activity targeting listed investment companies. Such activity could create uncertainty regarding the Company's future, increase costs and management distraction, and may result in corporate actions that do not align with the long-term interests of all shareholders.	The Board regularly reviews the Company's investment objective and strategy to ensure they remain appropriate. It also monitors the composition of the shareholder register, peer group performance on both a share price and NAV basis, and the Company's share price discount to NAV per share. The Board and the Portfolio Managers maintain an active dialogue with shareholders and other stakeholders, seeking to ensure that the market rating of the Company's shares reflects the underlying NAV and to understand investor concerns at an early stage. Share buyback and issuance authorities are in place to support the management of the discount and premium as appropriate. The Board remains alert to the potential for shareholder activism and is prepared to respond as necessary, with a focus on protecting the long-term interests of all shareholders.
Reliance on the Manager and other third-party service providers The Company has no employees and the Board comprises non-executive directors only. The Company is therefore reliant upon the performance of third-party service providers for its executive function and service provisions. The Company's operational structure means that all cyber risk (information and physical security) arises at its third-party service providers, including the risk of fraud, sabotage or crime against the Company. The Company's operational capability relies upon the ability of its third-party service providers to continue working throughout the disruption caused by a major event such as the Covid-19 pandemic. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company and could affect the ability of the Company to successfully pursue its investment policy. The Company's main service providers, of which the Manager is the principal provider, are listed on page 75. The Manager may be exposed to reputational risks. In particular, the Manager may be exposed to the risk that litigation, misconduct, operational failures, negative publicity and press speculation, whether or not it is valid, will harm its reputation. Damage to the reputation of the Manager could potentially result in counterparties and third parties being unwilling to deal with the Manager and by extension the Company, which carries the Manager's name. This could have an adverse impact on the ability of the Company to pursue its investment policy successfully.	Third-party service providers are subject to ongoing monitoring by the Manager and the Board. The Manager reviews the performance of all third-party providers regularly through formal and informal meetings. The Audit Committee reviews regularly the performance and internal controls of the Manager and all third-party providers through audited service organisation control reports together with updates on information security, the results of which are reported to the Board. 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 Board receives regular update reports from the Manager and third-party service providers on business continuity processes and has been provided with assurance from them all insofar as possible that measures are in place for them to continue to provide contracted services to the Company.

Principal risk description	Mitigating procedures and controls
Regulatory risk The Company is subject to various laws and regulations by virtue of its status as an investment trust, its listing on the London Stock Exchange and being an Alternative Investment Fund under the UK AIFMD regime. A loss of investment trust status could lead to the Company being subject to corporation tax on the chargeable capital gains arising on the sale of its investments. Other control failures, either by the Manager or any other of the Company's service providers, could result in operational or reputational problems, erroneous disclosures or loss of assets through fraud, as well as breaches of regulations.	The Manager reviews the level of compliance with tax and other financial regulatory requirements on a regular basis. The Board regularly considers all risks, the measures in place to control them and the possibility of any other risks that could arise. The Manager's Risk and Compliance function produce annual reports for review by the Company's Audit Committee. Further details of risks and risk management policies as they relate to the financial assets and liabilities of the Company are detailed in note 16 of this Annual Financial Report.

Long-term viability

Viability statement

In accordance with provision 31 of the UK Corporate Governance Code 2024, the Directors have assessed the prospects of the Company over a longer period than 12 months. The Company is an investment trust, a collective investment vehicle designed and managed for long term investment. While the appropriate period over which to assess the Company's viability may vary from year to year, the long term for the purpose of this viability statement is currently considered by the Board to be at least five years, with the life of the Company not intended to be limited to that or any other period.

The main risks to the Company's continuation are: insufficient liquidity to meet liabilities as they fall due; poor investment performance over an extended period; shareholder dissatisfaction through failure to meet the Company's investment objective; or the investment policy not being appropriate in prevailing market conditions. Accordingly, failure to meet the Company's investment objective, and contributory market and investment risks are deemed by the Board to be principal risks of the Company and are given particular consideration when assessing the Company's long term viability. Despite ongoing geopolitical tensions, including the conflicts in Ukraine and the Middle East and the associated uncertainty in global markets, the Directors remain confident that the Company's investment strategy will continue to serve shareholders well over the longer term.

The investment objective of the Company has been substantially unchanged for many years. The 2015 amendment to the dividend policy gave some additional weight to targeting increased dividend income to shareholders. This change does not affect the total return sought or produced by the Manager but was designed to increase returns distributed to shareholders. The Board considers that the Company's investment objective remains appropriate. This is confirmed by contact with major shareholders.

Performance derives from returns for risk taken. The Investment Manager's review on page 6 sets out their current investment strategy. There has been no material change in the Company's investment objective, however.

Demand for the Company's shares and performance are not things that can be forecast, but there are no current indications that either or both of these may decline substantially over the next five years so as to affect the Company's viability. The Directors have also considered the continuation vote due to take place at the AGM in 2027 and note that the outcome of the vote is dependent on future performance and shareholder sentiment. Based on current conditions and shareholder engagement, the Directors remain confident that the Company's investment strategy will continue to serve shareholders over the longer term. The Directors have a reasonable expectation that the Company will be able to continue to operate and to meet its liabilities as they fall due over the period and that the continuation vote in 2027 will be successful.

The Company is a closed end investment trust and can pursue a long term investment strategy and make use of gearing to enhance returns through investment cycles without the need to maintain liquidity for investor redemptions.

Based on the above analysis, including review of the revenue forecast for future years along with stress testing of the portfolio liquidity and dividend sensitivity analysis, the Directors confirm that they expect the Company will continue to operate and meet its liabilities, as they fall due, during the five years ending January 2031.

Share capital

Shareholders authorised the Company to buyback up to 14.99% of the shares in issue at the 2025 AGM.

During the year, the Company bought back 606,699 ordinary shares. As at 31 January 2026, 20,059,743 ordinary shares are held in treasury.

A resolution to renew the Company's buyback authority will be put to shareholders at the AGM on 2 June 2026.

No ordinary shares were issued during the year.

Duty to promote the success of the Company

The Directors have a statutory duty under Section 172 of the Companies Act 2006 to promote the success of the Company whilst also having regard to certain broader matters, including the need to engage with employees, suppliers, customers and others, and to have regard to their interests. The Company has no employees and no customers in the traditional sense and in accordance with the Company's nature as an investment trust, the Board's principal concern has been, and continues to be, the interests of the Company's shareholders taken as a whole. In doing so, it has due regard to the impact of its actions on other stakeholders including the Manager, other third-party service providers and the impact of the Company's operations on the community and the environment which are all taken into account during all discussions and as part of the Board's decision making.

The Board is committed to maintaining open channels of communication and engagement with stakeholders in a manner which they find most meaningful. The table below sets out how the Board engages with each of its key stakeholders:

Stakeholder	Key considerations and engagement
Shareholders	The Board endeavours to provide shareholders with a full understanding of the Company's activities and reports formally to shareholders each year by way of the Half-Yearly and Annual Financial Reports. This is supplemented by the daily publication of the net asset value of the Company's ordinary shares on the London Stock Exchange website, and monthly factsheets. Shareholders who attend the AGM can meet the Board and the Portfolio Managers and have the opportunity to hear directly from the Portfolio Managers and ask questions. For shareholders who are unable to attend the AGM, a video update from the Portfolio Managers will be available on the Company's website after the AGM. Shareholders can also visit the Company's website, https://www.artemisfunds.com/futureleaders to access copies of Half-Yearly and Annual Financial Reports, shareholder circulars, factsheets and Stock Exchange announcements. There is a regular dialogue between the Board, the Manager and institutional shareholders to discuss aspects of investment performance, governance and strategy and to listen to shareholder views in order to help to develop an understanding of their issues. Meetings between the Manager and institutional shareholders are reported to the Board, which monitors and reviews shareholder communications on a regular basis.
Manager & other key third-party service providers	The Board engages representatives of the Manager at every Board meeting and receives updates from the Portfolio Managers on a regular basis outside of these meetings. At every Board meeting the Directors receive an investor relations update from the Manager, which details any significant changes in the Company's shareholder register, shareholder feedback, as well as notifications of any publications or press articles. In order to function as an investment trust with a premium listing on the London Stock Exchange, the Company relies on a diverse range of reputable advisers for support in meeting all relevant obligations. The Board, through the Manager, maintains regular contact with its key external service providers and receives regular reporting from them, both through the Board and committee meetings, as well as outside of the regular meeting cycle. Their advice, as well as their needs and views are routinely taken into account. The Board (through the Management Engagement Committee) formally assesses the third-party service providers' performance, fees and continuing appointment on an annual basis to ensure that the key service providers continue to function at an acceptable level and are appropriately remunerated to deliver the expected level of service. The Audit Committee reviews and evaluates the financial reporting control environments in place at each service provider.
Investee companies	On the Company's behalf the Investment Manager engages with investee companies, particularly in relation to ESG matters and shares held in the portfolio are voted at general meetings. An example of how the Manager engaged with an investee company during the year can be found on page 10.

Stakeholder	Key considerations and engagement
Association of Investment Companies ('AIC')	The Company is a member of the AIC, which looks after the interests of investment trusts and provides information to the market. Comprehensive information relating to the Company can be found on the AIC website. As a member of AIC, the Company is welcomed to comment on consultations and proposal documents on matters affecting the Company and annually to nominate and vote for future AIC board members.

Some of the key discussions and decisions the Board made during the year were:

- to appoint Artemis Fund Managers Limited from 10 March 2025 following a review of the Company's investment management arrangements.
- to approve the use of CFDs for the purposes of gearing, in place of a revolving credit facility, with a view to providing maximum flexibility at a lower cost. This required a minor change to the investment policy which was approved by shareholders at the 2025 AGM.
- to approve an enhanced share buyback programme in late 2025 to address the persistent discount, improve liquidity and to reduce the threat from activist investors.
- to continue as a three person Board following the resignation of Simon Longfellow as at 31 December 2025.
- in line with the Company's dividend policy and subject to shareholder approval of the final dividend, the Board agreed to pay total dividends for the year ended 31 January 2026 of 15.44p per share. Dividends were paid from a combination of current year revenue and capital reserves. Factors the Board took into consideration in deciding the 2026 dividends included: shareholder expectations, revenue generated by the Company during the year, revenue forecasts for the current financial year and the capacity of the Company to pay dividends out of its reserves.

Board diversity

The Board considers diversity, including the balance of skills, knowledge, experience and gender amongst other factors when reviewing its composition and appointing new directors. The Board continues to recognise the importance of having a range of skilled and experienced individuals with the right knowledge represented on the Board in order to allow it to fulfil its obligations.

In view of its relatively small size, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment. In doing so, the Board will seek to meet the targets set out in the FCA's UK Listing Rule ('UKLR') 6.6.6R (9)(a), which are summarised below.

In accordance with UKLR 6.6.6R (9), (10) and (11) the Board has provided the following information in relation to its diversity as at 31 January 2026, being the financial year end of the Company. The information included in the tables below has been obtained following confirmation from the individual Directors. As shown in the tables, the Company did not meet the FCA gender and ethnic diversity targets as at 31 January 2026. Given its small size, which it considers appropriate, and the infrequency with which appointments are made, the Board is aware that achieving these targets is more challenging. It will be mindful of these targets when making any future appointments and will continue to take all matters of diversity into account as part of its succession planning.

Board Gender as at 31 January 2026

	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in executive management[A]	Percentage of executive management[A]
Men	2	66.6%	1[B]	n/a	n/a
Women	1[B]	33.3%	1[C]	n/a	n/a

A The Company does not disclose the number of directors in executive management as this is not applicable for an investment trust.
B Does not meet the target that at least 40% of Directors are women as set as set out in UKLR 6.6.6R (9)(a)(i).
C The position of Chairman is held by a woman and therefore this meets the target of 1 as set out in UKLR 6.6.6R (9)(a)(ii).

Board Ethnic Background as at 31 January 2026

	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in executive management[A]	Percentage of executive management[A]
White British or other White (including minority-white groups)	3	100%	2	n/a	n/a
Minority ethnic	0[B]	0%	0	n/a	n/a

A The Company does not disclose the number of directors in executive management as this is not applicable for an investment trust.
B Does not meet the target that at least one Director is from a minority ethnic background as set as set out in UKLR 6.6.6R (9)(a)(iii).

There have been no changes since the year end that have affected the Company's ability to meet the targets set in UKLR 6.6.6R (9)(a).

Sustainability and environmental, social and governance ('ESG') matters

The Board recognises that the most material way in which the Company can have an impact on ESG is through responsible ownership of its investments. The Board has appointed Artemis as Investment Manager, who engages actively with investee companies undertaking extensive evaluation and engagement on a variety of matters such as strategy, performance, risk, dividend policy, governance and remuneration. All risks and opportunities are considered as part of the investment process in the context of enhancing the long-term value of shareholders' investments. This will include matters relating to material environmental, human rights and social considerations that will ultimately impact the profitability of a company or its stock market rating and hence these matters are an integral part of Artemis' thinking as investors.

Further details are shown in ESG & stewardship at Artemis on pages 9 and 10.

A greenhouse gas emissions statement is included in the Directors' report on page 29.

Modern Slavery Act 2015

The Company is an investment vehicle and does not provide goods or services in the normal course of business or have customers. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015.

The Strategic Report was approved by the Board of Directors on 28 April 2026.

Northern Trust Secretarial Services (UK) Limited
Corporate Company Secretary

Directors and Corporate Governance

Board of Directors

The Directors of the Company who were in office during the year and up to the date of signing were:

Bridget Guerin

Joined the Board on 8 May 2018 and became Chairman on 8 June 2023. She has spent almost 40 years in the investment industry and has held senior positions as marketing director at Ivory & Sime and Schroders, where she was responsible for the launch and support of several investment trusts. She was also managing director of Matrix Money Management Limited. She is a non-executive director of STS Global Income & Growth Trust plc. Bridget is Chairman of York Racecourse and is a non-executive director of Beverley Racecourse.

Graham Paterson

Joined the Board on 15 October 2019 and was appointed as Chairman of the Audit Committee on 11 June 2020. He is an investment and financial services professional with over 25 years' experience in the private equity industry. A Chartered Accountant, Graham was one of the founding partners of SL Capital Partners LLP (formerly Standard Life Investments (Private Equity) Ltd), where he was a partner and board member until 2010. During his 13 years at SL Capital, he was one of the managers of Standard Life Private Equity Trust plc and was a member of the advisory boards to a number of leading private equity fund managers. In 2013, Graham co-founded TopQ Software Ltd which was acquired by eVestment Inc (now part of NASDAQ Inc) in 2015. Graham is a non-executive director of Baillie Gifford US Growth Trust plc, The Income & Growth VCT plc, Diaceutics Plc and HgCapital Trust Plc. He is also non-executive chairman of Datactics Limited.

All Directors are non-executive, are considered independent and are members of the Audit, Management Engagement, Marketing and Nomination Committees.

Mike Prentis

Joined the Board on 22 February 2021. Mike has 34 years of investment management experience, most recently at BlackRock where he was a Fund Manager and Managing Director. For many years he managed funds investing in listed UK small and mid cap companies. These funds included BlackRock Smaller Companies Trust plc (2002 to 2019) and BlackRock Throgmorton Trust plc (2008 to 2018). He was Head of the BlackRock UK Small and Mid Cap Equities Team (2015 to 2017). Previously, he worked in private equity, mainly helping to put together management buyouts; he was a Local Director for 3i Group plc. Mike qualified as a Chartered Accountant with Peat Marwick Mitchell (now KPMG). He is also Senior Independent Director and Chairman of the Remuneration Committee at Central Asia Metals plc.

Simon Longfellow served during the year until his resignation from the Board on 31 December 2025.

Directors' report

Introduction

The Directors have pleasure in presenting their report, together with the audited financial statements of the Company for the year-ended 31 January 2026.

Business and status

The Company was incorporated and registered in England and Wales on 7 May 1987 as a public limited company, registered number 02129187. 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 and the Investment Trust (Approved Company) (Tax) Regulations 2011. HM Revenue & Customs have 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.

Corporate governance

The Corporate governance statement is set out on page 32 is included in this Directors' report by reference.

The Board

All directors are non-executive and all are regarded by the Board as independent of the Company's Manager. The Directors have a range of business, financial and asset management skills as well as experience relevant to the direction and control of the Company. Brief biographical details of members of the Board are shown on page 24.

When considering the independence of directors, the Board takes into account their experience and whether a director is independent in character and judgement. The Board considers that all directors are independent of the Company's Manager.

Chairman

The Chairman of the Board is Bridget Guerin, and she has been a member of the Board since May 2018 and Chairman since June 2023. Bridget is an independent non-executive director with no conflicting relationships.

Senior Independent Director

The Senior Independent Director is Mike Prentis. He is available to shareholders if they have concerns which contact through the normal channels of Chairman or Manager has failed to resolve or for which such contact is inappropriate. No such issues were raised during the year.

Board responsibilities

The Board has overall responsibility for the Company's affairs. The Directors are equally responsible under United Kingdom law for promoting the success of the Company and for the proper conduct of the Company's affairs taking into consideration the likely consequences of any decision in the long-term; the need to foster business relationships with its Manager and advisers; 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 between shareholders of the Company. This is reported in the Strategy and business review section of the Strategic Report on pages 15 and 16. The Board is committed to the prevention of corruption in the conduct of the Company's affairs and, taking account of the nature of the Company's business and operations, has put in place procedures that the Board considers adequate to prevent persons associated with it from engaging in bribery for and on behalf of the Company and has a zero tolerance approach towards the criminal facilitation of tax evasion. In addition, the Board is responsible for ensuring that the Company's policies and activities are in the interests of the Company's shareholders and that the interests of creditors and suppliers to the Company are properly considered. The long-term success of the Company is promoted by directing and supervising its affairs within a framework of effective controls which enable risk to be assessed and managed.

The schedule of matters reserved for decision by the Board is available at the registered office of the Company and on the Company's website. The main responsibilities include: setting the Company's strategy, and its investment objective and policies; ensuring that the Company's obligations to shareholders and others are understood and complied with; approving accounting policies and dividend policy; managing the capital structure; reviewing investment performance; approving loans and borrowing; and assessing risk and overseeing its mitigation.

The Board also seeks to ensure that shareholders are provided with sufficient information, in order to understand the balance between risk and reward to which they are exposed by holding the Company's shares, through the portfolio details given in the Half-Yearly and Annual Financial Reports, factsheets and daily NAV disclosures.

The Board meets on a regular basis at least four times each year. Additional meetings are arranged as necessary. Board meetings follow a formal agenda, which includes a review of the investment portfolio with a report from the Manager on the current investment position and outlook, strategic direction, performance versus stock market indices and the Company's peer group, asset allocation, gearing policy, cash management, revenue forecasts for the financial year, marketing and shareholder relations, corporate governance, regulatory changes, industry best practice and other issues.

To enable the Directors of the Board to fulfil their roles, the Manager ensures that all Directors have timely access to all relevant management, financial and regulatory information. There is an agreed procedure for Directors, if thought necessary in the furtherance of their duties, to take legal advice at the Company's expense up to an initial cost of £10,000, having first consulted with the Chairman.

The Board as a whole undertakes annually the responsibilities for remuneration. The remuneration of Directors and their shareholdings are reported on in more detail in the Directors' remuneration report on pages 36 to 38.

The Directors confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken steps that he or she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's 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.

The Committees

The Board has four committees: the Audit Committee, Nomination Committee, Management Engagement Committee, and Marketing Committee. Each Committee has written terms of reference, which clearly define each Committee's responsibilities and duties. The terms of reference of each Committee are available for inspection at the AGM, at the registered office address of the Company and also available via the Company's website.

Audit Committee

The composition and activities of the Audit Committee are summarised in the Audit Committee report on pages 33 to 35, which is included in this Directors' report by reference.

Management Engagement Committee

The Board is considered small for the purposes of the AIC Code and therefore the Management Engagement Committee comprises the entire Board under the chairmanship of Mike Prentis. The Committee meets annually to review the investment management agreement with the Manager and to review other key services provided to the Company.

During the year, the Committee continued its oversight of the Company's third party service providers. Following the Board's decision to appoint Artemis Fund Managers Limited as the Company's Investment Manager, the transition, was completed smoothly with minimal disruption to the Company.

The Committee noted that as the new arrangements have only been in place for part of the year, it was too early to carry out a full performance review. The Committee will undertake a full assessment of Artemis Fund Managers Limited once a full year of activity has been completed.

In terms of other third-party providers, the Committee noted the effective and collaborative approach taken by JPM Cazenove, acting as Corporate Broker in ensuring the process ran efficiently and at minimal cost to shareholders. MUFG, the Registrar, continued to provide a consistent service throughout.

Marketing Committee

The Marketing Committee's overall purpose is to oversee the sales and marketing efforts to refresh and expand the Company's shareholder base. The Committee is responsible for: reviewing marketing plans, budgets, results of initiatives and coverage by different channels; appointing and reviewing the arrangements and service levels provided by any third-party appointed to assist in marketing and sales activities.

All Directors are members of the Marketing Committee. Bridget Guerin was appointed as Chair of the Committee on 14 January 2026 to replace Simon Longfellow who resigned from the Board during the year.

During the year, the Committee held informal meetings with the Manager's marketing representatives to discuss marketing activity proposals including budget; the Company's website; and to consider key messaging.

The Committee met once during the year to discuss the proposals from the regular informal meetings and to review the sales and marketing reports from the Manager.

Nomination Committee

The Nomination Committee is responsible for identifying and nominating to the Board suitable candidates taking into consideration any identified requirements and the following: the ability of any new director to devote sufficient time to the Company to carry out his or her own duties effectively; and the benefits of diversity (including gender). All Directors are members of the Nomination Committee under the chairmanship of Mike Prentis who replaced Bridget Guerin as chairman of the Committee on 14 January 2026 .

The Committee meets at least once a year to review the Board's size, composition and structure, and to ensure an appropriate balance of skills, experience, independence and knowledge of the Company. The Committee will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment and that diversity forms part of the Committee's deliberations. Further details on Board diversity are on page 22.

The Committee met once during the year to review succession planning and Board evaluation. During the year the Committee reviewed the performance of the Chairman, the Board and its sub-committees. Succession planning was also reviewed taking into consideration the skills and tenure of the Directors.

No Director has a contract of employment with the Company. Directors' terms and conditions of appointment are set out in letters of appointment which are available for inspection at the registered office of the Company, via the Company's website and will also be available at the AGM.

Appointment, re-election and tenure of Directors

New Directors are appointed by the Board, following recommendation by the Nomination Committee. The Articles of Association require that a Director shall be subject to election at the first AGM after appointment and re-election at least every three years thereafter. However, the Board has resolved that all Directors shall stand for annual re-election at the AGM.

On being appointed to the Board, Directors are fully briefed as to their responsibilities and are frequently updated throughout their term in office on industry and regulatory matters. The Manager and the Board have formulated a programme of induction training for newly appointed Directors. They have also put arrangements in place to address ongoing training requirements of Directors which include briefings from key

members of the Manager's staff and ensure that Directors can keep up to date with regulation, best practice and the changing risk environment.

A Director's tenure of office will normally be for up to nine years, except that the Board may determine otherwise if it is considered that the continued service on the Board of an individual Director is in the best interests of the Company and its shareholders. The Chairman's tenure of office will also normally be for up to nine years, except that the Board may determine otherwise if it is considered that the continued service on the Board of a Chairman, who has in addition served a period of time as a Director, is in the best interests of the Company and its shareholders. In such circumstances, the Chairman may serve up to an aggregate 12 years as an officer of the Company.

Performance appraisal

The Directors recognise the importance of the AIC Code's recommendations in respect of evaluating the performance of the Board as a whole, the Audit Committee and individual Directors.

The performance of the Board, its Committees and individual Directors has been assessed during the year in terms of:

- attendance at Board and Committee meetings;
- the ability of Directors to make an effective contribution to the Board and Committees created by the diversity of skills, knowledge and experience each Director brings to meetings; and
- the Board's ability to challenge independently the Manager's recommendations, to suggest areas of debate and to set the future strategy of the Company.

For the year under review, the Board conducted its performance evaluation through formal questionnaires and discussion between the Directors and the Chairman/Senior Independent Director respectively. The performance of the Chairman is evaluated annually, with discussion of her performance led by the Senior Independent Director.

The results of the most recent evaluation concluded that the Chairman, Board and Committees of the Board are effective, as are individual Directors. The Directors continue to provide a good range of experience and backgrounds and continue to make valuable contributions and demonstrate commitment to their respective roles and in the Board's considered view, all Directors were independent.

Attendance at Board and Committee meetings

All Directors are considered to have a good attendance record at Board and Committee meetings of the Company. The following table sets out the number of Directors' meetings (including Committee meetings) held during the year ended 31 January 2026 and the number of meetings attended by each Director.

Meetings	Board	Audit Committee	Management Engagement Committee	Marketing Committee	Nominations Committee
Number of meetings held	10	3	1	1	1
Meetings Attended:					
Bridget Guerin	10/10	3/3	1/1	1/1	1/1
Simon Longfellow[1]	8/9	3/3			
Graham Paterson	10/10	3/3	1/1	1/1	1/1
Mike Prentis	9/10[2]	3/3	1/1	1/1	1/1

[1] Resigned from the Board on 31 December 2025.
[2] An ad hoc Board meeting was held at short notice which Mike Prentis was unable to attend due to a longstanding personal commitment. Mike provided his feedback in advance of the meeting so that his views could be taken into account in his absence.

Directors' interests in shares

The Directors' interests in the ordinary share capital of the Company are disclosed in the Directors' remuneration report on page 37.

Disclosable interests

No Director was a party to, or had any interests in, any contract or arrangement with the Company at any time during the year or at the year end. The Company has entered into a Deed of Indemnity with each Director, as expanded upon below.

Conflicts of interest

The Articles of Association of the Company give the Directors authority to approve conflicts and potential conflicts of interest, and safeguards apply. First, only Directors who have no interest in the matter being considered will be able to take the relevant decision, and second, in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. Directors who have potential conflicts of interest will not take part in any discussions which relate to any of their potential conflicts. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate.

The Directors have declared any potential conflicts of interest to the Company. The Register of Potential Conflicts of Interests is kept at the registered office of the Company. It is reviewed regularly by the Board and Directors are obliged to advise the Company Secretary as soon as they become aware of any potential conflicts of interest.

Directors' indemnities and insurance

The Company maintains Directors' and Officers' liability insurance which provides appropriate cover for any legal action brought against its Directors. In addition, deeds of

indemnity have been executed on behalf of the Company for each of the Directors under the Company's Articles of Association. Subject to the provisions of UK legislation, these deeds provide that the Directors may be indemnified out of the assets of the Company in respect of liabilities they may sustain or incur in connection with their appointment.

Internal controls and risk management

The Directors acknowledge that they are responsible for ensuring that the Company maintains a sound system of internal controls to safeguard shareholders' investment and the Company's assets. The Audit Committee, on behalf of the Board, has established an ongoing process for identifying and undertaking a robust assessment of the risks and emerging risks to which the Company is exposed by reference to a risk control summary, which maps the risks, mitigating controls in place, and monitoring and reporting of relevant information to it. The Audit Committee reviews, at least annually, the effectiveness of the Manager's system of internal controls, including financial, operational and compliance and risk management systems. The Company's system of internal controls is designed to manage, rather than eliminate, the risk of failure to achieve the Company's objective, and can only provide reasonable, and not absolute, assurance against material misstatement or loss. The Audit Committee confirms that the necessary actions are taken to remedy any significant failings or weaknesses identified from their review.

There are no significant failings or weaknesses that have occurred throughout the year ended 31 January 2026 and up to the date of this Annual Financial Report. The Audit Committee reviews financial reports and performance against revenue forecasts, stock market indices and the Company's peer group. In addition, the Manager and custodian maintain their own systems of internal controls and the Audit Committee receives annual reports from the Risk and Compliance function of the Manager. A formal report from the depositary is reviewed at the year end audit committee; this report sets out the results of the depositary's monitoring throughout the year, including safeguarding of assets and their valuation, and monitoring of cash balances and net asset values.

Formal System and Organisation Controls ('SOC1') reports are also produced on the internal controls and procedures in place for custodial and accounting activities, and these are reviewed annually by the Audit Committee.

Going concern

The financial statements have been prepared on a going concern basis.

The portfolio of investments is comprised entirely of quoted securities and CFDs, and the ongoing charges are 1.0% of net assets.

The Directors consider that the Company has adequate resources to continue in operational existence for a period until 30 April 2027, being taken as at least 12 months after the signing of the balance sheet. In making this assessment, the Directors took into account the liquidity of the portfolio, income forecasts, the Company's ability to meet all of its liabilities and ongoing expenses as they fall due. In addition, these factors were also considered under various stress-test scenarios and the Directors were satisfied that the Company is a going concern. The Company is subject to a continuation vote at the AGM in 2027, which falls outside the period covered by this going concern assessment. The Directors have considered this in their assessment and note that the outcome of the vote is dependent on future performance and shareholder sentiment. Based on current conditions and shareholder engagement, the Directors do not consider this to represent a material uncertainty in respect of the Company's ability to continue as a going concern over the assessment period.

Related party transactions and transactions with the Manager

Note 20 of the Company's 2026 Annual Financial Report gives details of related party transactions and transactions with the Manager. This report is available on the Company's section of the Manager's website at www.artemisfunds.com/futureleaders.

The Manager

Artemis Fund Managers Limited served as the Company's Investment Manager for the majority of the year, following its appointment with effect from 10 March 2025. This change formed part of the Board's review of the Company's investment management arrangements.

Company Secretary

During the year, the Board had access to the advice and support of Northern Trust Secretarial Services (UK) Limited, who acted as the Company's corporate secretary from 10 March 2025. Northern Trust Secretarial Services (UK) Limited is responsible for ensuring that Board and Committee procedures are followed, that the Company complies with all applicable legal and regulatory requirements, and that timely and accurate information is provided to the Board. The Company Secretary also advises the Board, through the Chairman, on governance matters and supports the discharge of the Company's statutory obligations.

Prior to 9 March 2025, company secretarial services were provided by IAML.

Stewardship

The Board considers that the Company has a responsibility as a shareholder to encourage that high standards of Corporate Governance are maintained in the companies in which it invests.

The Company's stewardship functions have been delegated to the Manager who exercises the Company's voting rights on an informed and independent basis. To the extent that voting rights and exercisable votes are cast it is with a view to supporting high standards of corporate governance. The Manager's approach to corporate governance and the UK Stewardship Code can be found on pages 9 and 10 and on the Manager's website at www.artemisfunds.com, together with a copy of the Manager's stewardship and proxy voting policies.

Relations with shareholders

Shareholder relations are given high priority by both the Board and the Manager. The prime medium by which the Company communicates with shareholders is through the Half-Yearly and Annual Financial Reports, which aim to provide shareholders with a full understanding of the Company's activities and their results.

This information is supplemented by the daily publication of the NAV on the London Stock Exchange website, and the monthly factsheets. At each AGM, a presentation is normally made by the Portfolio Managers following the formal business of the meeting and shareholders have the opportunity to communicate directly with the whole Board. All shareholders are encouraged to attend the AGM. For those unable to attend in person, a video update from the Portfolio Managers will be available on the Company's website after the AGM.

Shareholders wishing to lodge questions in advance of the AGM are invited to do so, either on the reverse of the proxy card or in writing to the Company Secretary at the correspondence address given on page 75.

Shareholders can also visit the Company's website in order to access Company specific information, including: the Half-Yearly and Annual Financial Reports; portfolio managers' video updates; pre-investor information; Key Information Documents ('KIDs'); any shareholder circulars; proxy voting results; factsheets; and Stock Exchange announcements.

The Board have been working with the Manager's marketing team to develop an enhanced marketing and communications strategy for the company to help bolster the engagement with shareholders.

Communication with the Board of Directors

There is a clear channel of communication between the Board and the Company's shareholders via the Company Secretary. The Company Secretary has no express authority to respond to enquiries addressed to the Board and all communications, other than junk mail, are redirected to the Chairman for her response.

There is also regular dialogue between the Manager and individual major shareholders to discuss aspects of investment performance, governance and strategy and to listen to shareholder views in order to help develop an understanding of their issues and concerns. Regular insights from the Portfolio Managers will be published on the website throughout the year.

Greenhouse gas emissions

The Company has no employees or property, it does not combust any fuel or operate any facility. The Company does not purchase electricity, heat, steam or cooling for its own use. Accordingly, the quantifiable amount of carbon dioxide equivalent produced by the Company annually is zero tonnes. All services are outsourced on a fee basis that is independent of any energy expended on its behalf and it is not practical, or required, for the Company to attempt to quantify emissions in respect of such proxy energy use.

Taskforce for Climate-Related Financial Disclosures ("TCFD")

In accordance with the FCA's requirements under the Environmental, Social and Governance Sourcebook, Artemis is required to publish disclosures consistent with the Taskforce on Climate-Related Financial Disclosures ("TCFD") for the period 1 January 2024 to 31 December 2024. The entity-level TCFD report contains information about how Artemis manages climate-related risks and opportunities in investment portfolios and across its business operations and the product-level TCFD report contains certain climate related metrics required to be published for Artemis UK Future Leaders plc. These TCFD reports, which were published on 30 June 2025, can be found here: www.artemisfunds.com/tcfd.

Capital structure

At 31 January 2026, the Company's issued share capital consisted of 29,766,693 ordinary shares and 20,059,743 treasury shares.

During the year, the Company had bought back into treasury 606,669 ordinary shares at an average price of 372.78p .

To enable the Board to take action to deal with any significant overhang or shortage of shares in the market, it seeks approval from shareholders each year for the authority to buy back and to issue shares.

Substantial shareholders

The Company has been notified of the following holdings of 3% and over of the Company's share capital carrying unrestricted voting rights:

	As at 31 March 2026		As at 31 January 2026	
Substantial shareholders	Shares	%	Shares	%
Hargreaves Lansdown, stockbrokers (EO)	3,597,710	12.17	3,717,996	12.49
Interactive Investor (EO)	3,028,755	10.24	3,029,502	10.18
1607 Capital Partners	2,947,477	9.97	3,267,374	10.98
West Yorkshire PF	2,354,020	7.96	2,104,020	7.07
London Wealth Management	1,547,006	5.23	–	0.00
AJ Bell, stockbrokers (EO)	1,145,008	3.87	1,124,375	3.78
Charles Stanley	1,108,660	3.75	1,233,276	4.14
Raymond James Investment Services	373,792	1.26	1,751,696	5.88

(EO: Execution Only).

Restrictions

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; and no agreements which the Company is party to that might affect its control following a successful takeover bid.

Voting

At a general meeting of the Company, every shareholder has one vote on a show of hands and, on a poll, one vote for each share held. The notice of general meeting specifies deadlines for exercising voting rights either by proxy or present in person in relation to resolutions to be passed at a general meeting.

Disclosure required by UK Listing Rule 6.6.4

The above rule requires listed companies to report certain information in a single identifiable section of their Annual Financial Report or a cross-reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard for the year to 31 January 2026.

Individual Savings Accounts ('ISA')

The ordinary shares of the Company are qualifying investments under applicable ISA regulations.

Business of the Annual General Meeting ('AGM')

The following summarises resolutions of the forthcoming AGM of the Company, which is to be held on 2 June 2026 at 12.00pm.

The notice of the AGM and related notes can be found on pages 63 to 67. All resolutions are ordinary resolutions unless otherwise identified. The Board encourages shareholder participation at AGMs and for those shareholders unable to attend the AGM in person you are strongly encouraged to lodge your vote either electronically via the Registrar's online portal, contacting your platform provider, or using a Form of Proxy to appoint the Chairman of the AGM as your proxy to vote on your behalf.

Resolution 1 is for members to receive and consider this Annual Financial Report ('AFR'), including the financial statements and auditor's report.

Resolution 2 is to approve the Directors' Remuneration Policy. The Directors' Remuneration Policy is set out on page 36 of this AFR.

Resolution 3 is to approve the Annual Statement and Report on Remuneration. It is mandatory for listed companies to put their Annual Statement and Report on Remuneration to an advisory shareholder vote. The Annual Statement and Report on Remuneration is set out on page 36 of this AFR.

Resolution 4 is to approve the final dividend of 3.89p for the year ended 31 January 2026.

Resolutions 5 to 7 are to elect and re-elect Directors. Biographies of the Directors can be found on page 24.

The directors will stand for re-election by shareholders at the AGM. The Board has determined that each of the Directors is independent, continues to perform effectively and demonstrates commitment to their role. Their balance of knowledge and skills combined with their diversity and business experience makes a major contribution to the functioning of the Board and its Committees.

Bridget Guerin had a long executive career in the investment management industry with investment trust experience and has brought her broad sector and marketing experience to the Board. Graham Paterson is a chartered accountant with extensive experience in the fields of private equity and other early-stage investment vehicles. Mike Prentis has extensive experience as a fund manager in the investment trust sector and asset management industry.

Resolution 8 is to re-appoint Ernst & Young LLP ('EY') as auditor to the Company.

Resolution 9 is to authorise the Audit Committee to determine the auditor's remuneration.

Special Business

Resolution 10 is an ordinary resolution to renew the Directors' authority to allot shares. Your Directors are asking for authority to allot new ordinary shares up to an aggregate nominal value of £589,380 (10% of the Company's issued share capital (excluding Treasury Shares) at 24 April 2026). This will allow Directors to issue shares within the prescribed limits should opportunities to do so arise that they consider would be in shareholders' interests.

This authority will expire at the AGM in 2027 or 15 months following the passing of this resolution, if earlier.

Special Resolution 11 is a special resolution to renew the authority to disapply pre-emption rights. Your Directors are asking for authority to issue new ordinary shares for cash up to an aggregate nominal value of £589,380 (10% of the Company's issued share capital (excluding Treasury Shares) as at 24 April 2026), disapplying pre-emption rights. This will allow shares to be issued to new shareholders without them first having to be offered to existing shareholders, thus potentially broadening the shareholder base of the Company. This authority will not be exercised at a price below NAV (with debt at fair value) and will expire at the AGM in 2027 or 15 months following the passing of this resolution, if earlier.

Special Resolution 12 is to renew the authority for the Company to purchase its own shares. Your Directors are seeking authority for the purchase of up to 14.99% (being 4,417,402 ordinary shares) of the Company's issued ordinary share capital (excluding Treasury Shares) as at 24 April 2026, subject to the restrictions referred to in the notice of the AGM. This authority will expire at the AGM in 2027 or 15 months following the passing of this resolution, if earlier. Your Directors are proposing that shares bought back by the Company either be cancelled or, alternatively, held as treasury shares with a view to their resale, if appropriate, or later cancellation. Any resale of treasury shares will only take place on terms that are

in the best interests of shareholders. The current authority to buy back shares expires at the 2026 AGM.

Special Resolution 13 is to permit the Company to hold general meetings (other than annual general meetings) on at least 14 clear days notice, which is the minimum notice period permitted by the Companies Act 2006. The Company must otherwise give at least 21 clear days notice unless two conditions are met. The first condition is that the Company offers facilities for shareholders to vote by electronic means. The second condition is that there is an annual resolution of shareholders approving the reduction in the minimum notice period from 21 clear days to 14 clear days, hence this resolution being proposed. It is intended that this flexibility will be used only where the Board believes it is in the interests of shareholders as a whole.

The Directors have carefully considered all the resolutions proposed in the notice of AGM and, in their opinion, consider them all to be in the best interests of shareholders as a whole. The Directors therefore recommend that shareholders vote in favour of each resolution, as will the Directors in respect of their own shareholdings. It is recommended that proxy votes are submitted to the Company's Registrar as soon as possible either by proxy form or via electronic voting. Details of this can be found on page 65.

By order of the Board

Northern Trust Secretarial Services (UK) Limited
Corporate Company Secretary
50 Bank Street
Canary Wharf
London
E14 5NT

28 April 2026

Corporate governance report

The Board remains committed to maintaining high standards of corporate governance and is accountable to shareholders for the effective governance of the Company's affairs.

The Board has reviewed and applied the principles and recommendations of the AIC Code of Corporate Governance (the 'AIC Code'). The AIC Code incorporates the principles of the UK Corporate Governance Code 2024 (the 'UK Code'), as well as setting out additional provisions on issues that are of specific relevance to investment trusts. The Board considers that the Company has complied with the AIC Code throughout the year.

The AIC Code is available from the Association of Investment Companies (www.theaic.co.uk) and the UK Code is available from the Financial Reporting Council ('FRC') website (www.frc.org.uk).

The Company has complied with the principles and provisions of the AIC Code and the relevant provisions of the UK Code, except for the provisions relating to:

- the role of the chief executive;
- executive directors' remuneration; and
- the need for an internal audit function.

As an externally managed investment company with no executive employees, these provisions are not relevant to the Company's circumstances; in addition. Accordingly, the Company has not reported further in respect of these provisions, consistent with the AIC Code's adaptation of the UK Code for investment companies.

The UK Code (2024) introduces a requirement (Provision 29) for boards to include in the annual report a declaration on the effectiveness of material internal controls (financial, operational, reporting and compliance). This applies to accounting periods beginning on or after 1 January 2026. As the Company's current financial year commenced on 1 February 2025, Provision 29 is not applicable to this reporting period. The Board is undertaking preparatory work and expects to report in accordance with Provision 29 for the financial year ending 31 January 2027 (see Risk management and internal controls: on page 28)

Where to find key governance information in this report.

- Board composition and operation, and committee structure: page 26; Audit Committee: page 26.
- Risk management and internal controls: page 28.
- Manager: contractual arrangements and the Board's annual assessment: page 26.
- Capital structure and voting rights: pages 29 and 30.
- Substantial shareholders: page 29.
- Directors' appointment and replacement: see the Company's Articles of Association and page 26. There are no agreements between the Company and its Directors concerning compensation for loss of office.
- Shareholder authorities: powers to issue or buy back shares, and amendments to the Articles of Association, are sought by resolution at general meetings in accordance with applicable law and regulation.

By order of the Board

Northern Trust Secretarial Services (UK) Limited
Corporate Company Secretary
50 Bank Street
Canary Wharf
London
E14 5NT

28 April 2026

Audit Committee report for the year ended 31 January 2026

I am pleased to report on the range of work that the Audit Committee has undertaken and the judgements it has exercised during the year. The Committee meets at least three times in the year. It continues to support the Board in fulfilling its oversight responsibilities, reviewing financial reporting, operation of the system of internal controls and management of risk, the audit process and the Company's process for monitoring compliance with laws and regulations.

The Audit Committee is chaired by me, Graham Paterson. The members of the Committee during the year were Bridget Guerin, Simon Longfellow (who served until his resignation from the Board on 31 December 2025) and Mike Prentis. The Chairman of the Board is also a member of the Committee, ensuring that she is kept fully informed of matters arising and enabling her to contribute her financial services experience to the Committee's discussions. The Committee members consider that collectively, they have substantial recent and relevant financial experience to discharge their responsibilities effectively and that the Committee as a whole has competence relevant to the sector. A separate risk committee has not been established; oversight of the Company's risk management processes and internal control framework is overseen by the Audit Committee.

The Audit Committee's responsibilities include, but are not limited to:

- evaluation of the effectiveness of the internal controls and risk management systems, including reports received on the operational controls of the Company's service providers and the Manager's whistleblowing arrangements;
- consideration of the Half-Yearly and Annual Financial Reports prepared by the Manager, of the appropriateness of the accounting policies applied and of any financial judgements and key assumptions therein, together ensuring compliance with relevant statutory and listing requirements;
- advising the Board on whether the Committee believes that the Annual Financial Report, taken as a whole, is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy; and
- managing the relationship with the external auditor, including evaluation of their reports and the scope, effectiveness, independence and objectivity of their audit, as well as their appointment, re-appointment, remuneration and removal.

Representatives of the Manager's Risk and Compliance function attend at least one meeting each year. Representatives of the external auditor, EY, attend two Committee meetings. One at which the audit plan is presented and discussed and the other at which the Company's draft Annual Financial Report is reviewed and are given the opportunity to speak to Committee members without the presence of representatives of the Manager.

The audit programme and timetable are drawn up and agreed with the auditor in advance of the end of the financial period and matters for audit focus are discussed and agreed. The auditor ensures that these matters are given particular attention during the audit process and reports on them, and other matters as required, in their report to the Committee. This report, together with reports from the Manager, the Manager's Risk and Compliance function and the depositary form the basis of the Audit Committee's consideration and discussions with the various parties, prior to approval and signing of the financial statements.

Principal matters considered by the Committee

During the year, the Committee discharged its responsibilities by monitoring, reviewing and, where necessary, challenging. Whilst going concern and viability of the Company are reviewed by the Audit Committee as part of the consideration of the Half-Yearly and Annual Financial Reports, these matters are determined by the Board. The principal matters considered and how these were addressed are shown in the following table.

Principal matters considered	How addressed
Accuracy of the portfolio valuation encompassing proof of existence and ownership of all the portfolio holdings.	Actively traded listed investments and CFDs are valued using stock exchange bid prices provided by third party pricing vendors, in accordance with the accounting policy of the Company. Artemis Fund Managers Limited (AFML) performed reconciliations between the portfolio holdings shown in the accounting records and those held by The Northern Trust Company (TNTC) and Northern Trust Investor Services Limited (NTISL) as custodian and depository. The Committee took comfort from the regular oversight reports received from AFML, and the ongoing monitoring by NTISL as depositary of assets, including both their ownership and valuations. The Committee also reviewed System and Organisation Controls ('SOC1') Reports received from its third-party service providers covering the processes and systems relevant to the recording, reconciliation and valuation of investments.
Income recognition	Revenue projections were monitored during the year to ensure income is complete and correctly accounted for, with emphasis on any special dividends and their classification as either revenue or capital. The Committee also reviewed SOC1 Reports received from its third party service providers covering the processes and systems relevant to the recording of income.
Viability and going concern	The Committee scrutinised assumptions around the viability and going concern statements set out on page 28, especially factors behind investment performance, macro inflation and geo-political disruption and the Company's working capital and financial resources, to satisfy itself of the Company's resilience over the five-year time frame.

These matters were discussed with AFML and the auditor and were satisfactorily addressed through consideration of reports provided by, and discussed with Artemis and the auditor at the conclusion of the audit process. There were no significant matters arising from the audit that needed to be brought to the Board's attention.

Consequently, and following a thorough review process of the Company's 2026 Annual Financial Report, the Audit Committee advised the Board that the report 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.

Review and re-appointment of the external auditor

EY was appointed as the Company's external auditor in 2019 following a tender exercise. Jennifer Rogan is the Senior Statutory Auditor and has held this role since May 2024. Under auditor rotation regulations, an audit tender needs to be undertaken every ten years, the next being in 2029. If successful during this tender process, and re-appointed, EY could continue as external auditor for a further ten years until 2039.

The Committee evaluated the independence, performance and effectiveness of the external auditor and the competitiveness of its fee during the year to 31 January 2026. This included discussions with the Manager, review of the audit planning, execution and reporting, the quality of the audit work and the auditor's independence. Having completed the assessment, the Committee concluded that all the results were satisfactory and recommended to the Board their continuing appointment. EY has indicated its willingness to continue in office and accordingly a resolution to re-appoint EY and for the Audit Committee to determine their remuneration will be put to shareholders at the forthcoming AGM.

Policy on non-audit services

In accordance with the FRC's Ethical Standards, the Company's policy prohibits the majority of non-audit services and requires all non-audit services which are closely linked to the audit itself or required by law or regulation to be approved in advance by the Audit Committee. Prior to any engagement, the Audit Committee would consider whether the skills and experience of the auditor make them a suitable supplier of such services and ensure that there is no threat to objectivity and independence in the conduct of the audit as a result.

No fees were paid or payable to the auditor for non-audit services in the year under review (2025: £nil).

Internal controls and risk management

Details of the Company's internal control and risk management, and the work undertaken by the Audit Committee with respect to them are set out on page 28.

The Board notes the introduction of Provision 29 of the 2024 UK Corporate Governance Code, requiring a formal declaration on the effectiveness of material internal controls for accounting periods beginning on or after 1 January 2026. As the Company's financial year began on 1 February 2025, this requirement does not apply to the current reporting period.

Internal Audit

The Company, being an externally managed investment company, does not have its own internal audit function. However, it places reliance on the reports it receives from the Manager's Rick and Compliance function.

Committee evaluation

The Committee's activities formed part of the review of Board effectiveness performed in the year. Details of this process can be found under 'Board, Committee and Directors' Performance Appraisal' on page 27.

Graham Paterson
Chairman of the Audit Committee

28 April 2026

Directors' remuneration policy and report

The Board presents this remuneration report which has been prepared under the requirements of The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendments) Regulations 2013 and in accordance with the Listing Rules of the Financial Conduct Authority. Ordinary resolutions for the approval of the Directors' remuneration policy (binding) and the annual statement and report on remuneration (advisory) will be put to shareholders at the AGM.

The Company's auditor is required to audit certain sections of the disclosures provided in this report. Where disclosures have been audited, they are clearly indicated in this report. The independent auditor's opinion is included on pages 40 to 45.

Remuneration responsibilities

The Board has resolved that a remuneration committee is not appropriate for a company of this size and nature. Remuneration is therefore regarded as part of the Board's responsibilities to be addressed at least annually. All Directors are non-executive and all participate in meetings of the Board at which Directors' remuneration is considered.

Directors' remuneration policy

The current Directors' Remuneration Policy was approved by shareholders at the AGM on 5 June 2025. The policy is that the remuneration of Directors should be fair and reasonable in relation to that of other comparable investment trust companies and be sufficient to retain and motivate appointees, as well as ensure that candidates of a high calibre are recruited to the Board taking into account the views, where appropriate, of shareholders. Remuneration levels should properly reflect time incurred and responsibility undertaken. Fees for the Directors are determined by the Board within the limits stated in the Company's Articles of Association. The maximum currently dictated by the Company's Articles of Association is £200,000 in aggregate per annum.

The level of remuneration paid to Directors is reviewed annually, although such review will not necessarily result in any changes. The same level of remuneration will apply to any new appointments. 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. 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 and general meetings and committees. Directors are not eligible for bonuses, pension benefits, share options or other incentives or benefits. There are no agreements between the Company and its Directors concerning compensation for loss of office.

Discretionary fees per day are payable to Directors for any additional work undertaken on behalf of the Company, which is outside their normal duties. Any such extra work undertaken is subject to prior approval of the Chairman or, in the case of the Chairman undertaking the extra work, subject to prior approval of the Chairman of the Audit Committee. The Board may amend the level of remuneration paid to Directors within the parameters of the Directors' Remuneration Policy.

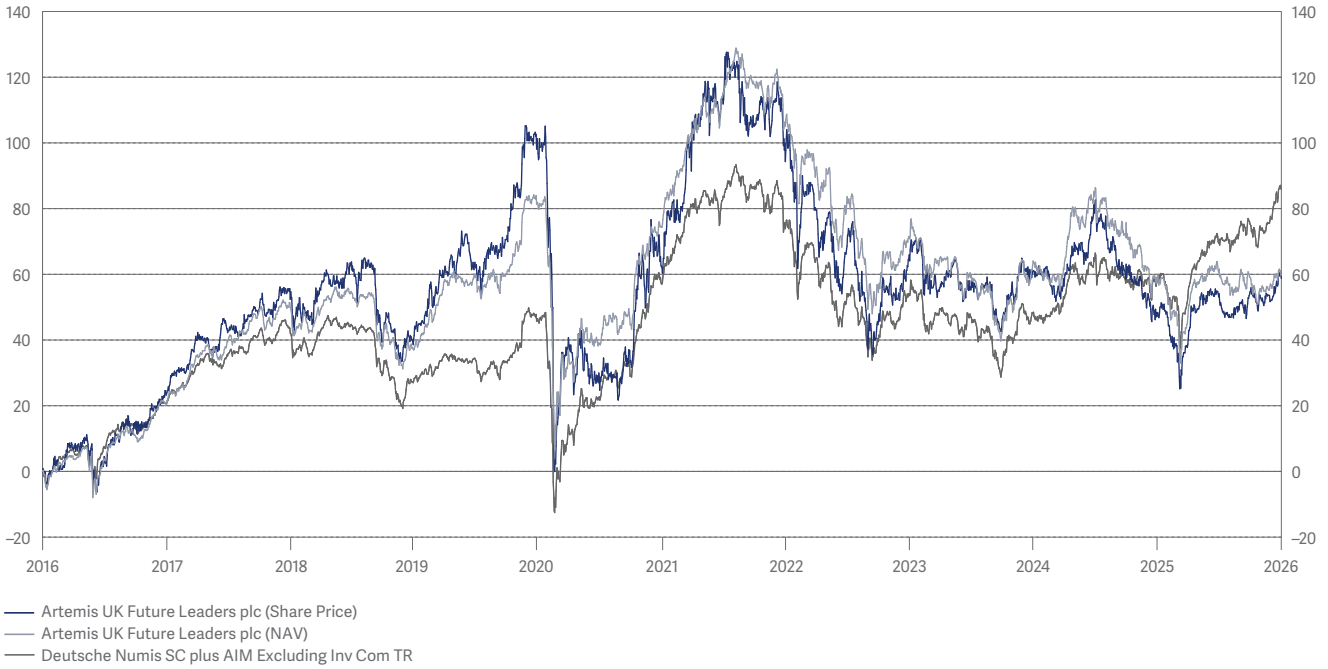
The Company has no employees and consequently has no policy on the remuneration of employees.

Annual statement on Directors' remuneration

The Directors' fee levels applying during the year were as follows: Chairman £41,000; Audit Committee Chairman £33,000; Marketing Committee Chairman £30,000; and other Directors £28,000. Discretionary fees remained at £1,250 per day, and no discretionary payments were made during the year or the prior year.

Following the year end, Directors' fees were reviewed by the Board based on information provided by the Manager and independent industry benchmarks for comparable investment trusts. An inflationary increase to the Chairman and Audit Committee Chairman fees with effect from 1 February 2026 was agreed as follows: Chairman £42,250; Audit Committee Chairman £34,000. The Senior Independent Director was appointed as Chairman of the Nomination Committee on 14 January 2026 and it was agreed that his fees will increase to £33,000 with effect from 1 February 2026, reflecting increased responsibilities. No other material decisions relating to Directors' remuneration were made in the year under review. The Board did not engage an external remuneration consultant.

Total return of share price, net asset value and benchmark index



Single total figure of remuneration for the year (audited)

The single total figure of remuneration for each Director who served during the year is detailed below, together with the prior year comparative.

	2026			2025		
	Fees £	Taxable Benefits[1] £	Total £	Fees £	Taxable Benefits[1] £	Total £
Bridget Guerin – Chairman[2]	41,000	230	41,230	39,750	223	39,973
Graham Paterson – Chairman of the Audit Committee	33,000	1,460	34,460	32,000	4,540	36,540
Mike Prentis	28,000	–	28,000	27,250	–	27,250
Simon Longfellow[3]	27,500	–	27,500	28,250	–	28,250
	129,500	**1,690**	**131,190**	**127,250**	**4,763**	**132,013**

[1] Taxable benefits relate to the grossed up costs of travel.
[2] Also appointed as Chair of the Marketing Committee on 14 January 2026.
[3] From 1 August 2024 appointed Marketing Committee Chairman. Resigned from the board 31 December 2025.

Directors' shareholdings and share interests (audited)

The beneficial interests of the Directors in the ordinary share capital of the Company are shown below:

	31 January 2026	31 January 2025
Bridget Guerin[1]	16,746	16,746
Simon Longfellow[2]	n/a	2,411
Graham Paterson	10,000	4,500
Mike Prentis	27,104	18,104

[1] Bridget Guerin has a non-beneficial interest in 1,588 ordinary shares via a connected person.
[2] Resigned from the board 31 December 2025.

Save as aforesaid, no Director had any other interests, beneficial or otherwise, in the shares of the Company during the year.

No changes to these holdings have been notified up to the date of this report.

Directors hold shares in the Company at their discretion and, although share ownership is encouraged, no guidelines have been set.

Relative importance of spend on pay

The following table compares the remuneration paid to the Directors with aggregate distributions to shareholders for the year to 31 January 2026. Although this disclosure is a statutory requirement. the Directors consider that comparison of Directors' remuneration with annual dividends does not provide a meaningful measure relative to the Company's overall performance as an investment trust with an objective of providing shareholders with long-term total return.

	2026 £'000	2025 £'000	Change £'000	Change %
Aggregate Directors' Remuneration	131	132	(1)	(0.8)
Aggregate Dividends	4,628	4,691	(63)	(1.3)

Annual percentage change in Directors remuneration

The table below sets out the annual percentage change in Directors' remuneration for the past five years.

	Year ended 31 January 2026 Fees %	Year ended 31 January 2025 Fees %	Year ended 31 January 2024 Fees %	Year ended 31 January 2023 Fees %	Year ended 31 January 2022 Fees %
Simon Longfellow[1]	6.2	6.6	n/a	n/a	n/a
Bridget Guerin[2]	3.1	3.2	52.5	5.2	–
Graham Paterson	3.1	3.2	5.1	5.4	–
Mike Prentis	2.8	2.8	5.0	5.2	–

[1] Appointed to the Board on 1 July 2023. From 1 August 2024 appointed Marketing Committee Chairman which paid a higher fee of £30,000 per annum. Resigned from the Board 31 December 2025.
[2] Assumed role of Chairman on 8 June 2023. As at the year ended 31 January 2024, the role paid a higher fee of £30,500 per annum. Also appointed as Chair of the Marketing Committee on 14 January 2026.

Voting at last Annual General Meeting

At the Annual General Meeting of the Company held on 5 June 2025, resolutions approving the Directors' Remuneration Policy and the Annual Statement and Report on Remuneration were passed. The votes cast (including votes cast at the Chairman's discretion) were as follows.

	Votes for	Votes against	Votes withheld
Directors' Remuneration Policy	99.44%	0.56%	57,017
Annual Statement and Report on Remuneration	99.63%	0.37%	50,102

Approval

The Directors' remuneration report was approved by the Board of Directors on 28 April 2026.

Signed on behalf of the Board of Directors

Bridget Guerin
Chairman

Directors' responsibilities statement

The Directors are responsible for preparing the Annual Financial Report in accordance with United Kingdom applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under the law the Directors have elected to prepare financial statements in accordance with UK-adopted international accounting standards. Under company law, the 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 these financial statements, the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- present additional disclosures when compliance with the specific requirements in UK-adopted IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
- state whether UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 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.

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

The Directors of the Company each confirm to the best of their knowledge, that:

- the financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company;
- this Annual Financial 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; and
- they consider that this Annual Financial Report, 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.

Signed on behalf of the Board of Directors

Bridget Guerin
Chairman

28 April 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARTEMIS UK FUTURE LEADERS PLC

Opinion

We have audited the financial statements of Artemis UK Future Leaders plc ("the Company") for the year ended 31 January 2026 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 21, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 January 2026 and of its loss 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.

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 are 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 the 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:

- Confirming our understanding of the Company's going concern assessment process by engaging with the Directors and the Company Secretary to determine the factors that were considered in their assessment.
- Inspecting the Directors' assessment of going concern, including the revenue forecast and liquidity assessment, for the period to 30 April 2027 which is at least 12 months from the date the financial statements are authorised for issue. In preparing the revenue forecast, the Company has concluded that it is able to continue to meet its ongoing costs as they fall due.
- Reviewing the factors and assumptions, including the impact of the current economic environment and other significant events that could give rise to market volatility, applied to the revenue forecast. We considered the appropriateness of the methods used to be able to make an assessment for the Company.
- Considering the mitigating factors included in the revenue forecast that are within the control of the Company. We reviewed the Company's assessment of the liquidity of investments held and evaluated the Company's ability to sell those investments to cover the working capital requirements should revenue decline significantly.
- Reviewing the Company's going concern disclosures included in the annual report in order to assess whether the disclosures were appropriate and in conformity with the reporting standards.

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 to 30 April 2027 which is at least 12 months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how they have 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.

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

Overview of our audit approach

Key audit matters	• Risk of incomplete or inaccurate revenue recognition • Risk of incorrect valuation or ownership of the investment portfolio, including derivatives
Materiality	• Overall materiality of £1.29m which represents 1% of the net asset value

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, the potential impact of climate change and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

Climate change

Stakeholders are increasingly interested in how climate change will impact companies. The Company has determined that the most significant future impacts from climate change on its operations will be from how climate change could affect the Company's investments and overall investment process. This is explained on page 18 in the principal risks and uncertainties section. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

Our audit effort in considering climate change was focused on the adequacy of the Company's disclosures in the financial statements as set out in note 1a(i) and conclusion that there was no further impact of climate change to be taken into account as the investments are valued based on market pricing as required by UK-adopted international accounting standards.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern viability and associated disclosures.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

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. These matters included 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 our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Incomplete or inaccurate revenue recognition (as described on page 34 in the Audit Committee Report and as per the accounting policy set out on page 51). The total revenue for the year to 31 January 2026 was £4.35 million (2025: £4.90 million), consisting primarily of dividend income from listed equity investments and derivative income from contracts for differences (CFDs). There is a risk of incomplete or inaccurate recognition of revenue through the failure to recognise proper income entitlements or to apply an appropriate accounting treatment.	**We performed the following procedures:** We obtained an understanding of the processes and controls surrounding revenue recognition by performing walkthrough procedures. For 100% of dividends received and accrued, we recalculated the dividend income by multiplying the investment holdings at the ex-dividend date, traced from the accounting records, by the dividend per share obtained from an independent data vendor. We agreed a sample of dividend receipts to bank statements. Where dividends are received or accrued in foreign currency, we translated the amount into the reporting currency of the Company using exchange rates sourced from an independent data vendor.	The results of our procedures identified no material misstatement in relation to incomplete or inaccurate revenue recognition.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Additionally, in accordance with the AIC SORP, special dividends received by the Company can be included in either the revenue or capital columns of the Statement of Comprehensive Income depending on the commercial circumstances behind the payments.	For 100% of income from CFDs, we recalculated the investment income by multiplying the notional investment holdings at the ex-dividend date, traced from the accounting records, by the dividend per share for the underlying stock, as agreed to an independent data vendor. We agreed a sample to broker statements. For 100% of dividends and income from CFDs accrued, we reviewed the investee company announcement to assess whether the dividend obligation arose prior to 31 January 2026 and agreed the receipt of dividends to post year end bank statements, where received. To test completeness of recorded income, we verified that all expected dividends and income from CFDs for each investee company held during the year have been recorded as income with reference to investee company announcements obtained from an independent data vendor. For 100% of investments held during the year, we reviewed the type of dividends paid with reference to an external data vendor to identify those which were special and compared those identified to management's special dividend listing. The Company received two special dividends of which one exceeded our testing threshold. For the one special dividend above our testing threshold, we assessed the appropriateness of management's classification as revenue or capital by reviewing the underlying rationale for the distribution.	
Incorrect valuation or ownership of the investment portfolio, including derivatives (as described on page 34 in the Audit Committee Report and as per the accounting policy set out on pages 50 and 51) The value of the investment portfolio on 31 January 2026 was £128.59 million (2025: £143.92 million) consisting of listed investments. The derivative financial assets and liabilities held at fair value through profit or loss amounted to £0.04 million (2025: nil) and (£0.20 million) (2025: nil), respectively.	**We performed the following procedures:** We obtained an understanding of the processes and controls surrounding investment valuation and legal title by performing walkthrough procedures. For 100% of investments in the portfolio, we compared the market prices to an independent pricing vendor and recalculated the investment valuations as at the yearend. For open CFDs at the year end, we compared the market prices of the underlying instrument to an independent pricing vendor and agreed the cost price to the broker confirmation. We recalculated the CFD valuations as at the yearend.	The results of our procedures identified no material misstatement in relation to the risk of incorrect valuation or ownership of the investment portfolio, including derivatives.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
The Company's investment portfolio consists of main market and AIM listed equity investments and CFDs which are held at fair value through profit or loss in line with the Company's accounting policy. The incorrect valuation of the investment portfolio could have a significant impact on the financial statements. In addition, there is a risk of misappropriation of assets and unsecured ownership of the investment portfolio.	We inspected the stale pricing reports produced by the Administrator to identify prices that have not changed around the year end and verified that the listed price is a valid fair value through review of trading activity. We compared the Company's investment holdings on 31 January 2026 to an independent confirmation received directly from the Company's Custodian and Depositary. We agreed the open CFD positions at the year end to confirmations received independently from the Company's broker.	

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £1.29 million (2025: £1.37 million), which is 1% (2025: 1%) of net asset value. We believe that the net asset value provides us with a materiality aligned to the key measure of the Company's performance.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2025: 75%) of our planning materiality, namely £0.97 million (2025: £1.02 million). We have set performance materiality at this percentage due to the fact there have been no misstatements in prior periods.

Revenue Testing Threshold

Given the importance of the distinction between revenue and capital for investment trusts, we have also applied a separate testing threshold for the revenue column of the Statement of Comprehensive Income of £0.19 million (2025: £0.21 million), being 5% (2025: 5%) of the revenue profit before taxation.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.06 million (2025: £0.07 million), which is set at 5% (2025: 5%) of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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 Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 Directors' report.

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

Corporate Governance Statement

We have reviewed 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 by the UK Listing Rules.

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:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 28;
- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 20;
- Director's statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 28;
- Directors' statement on fair, balanced and understandable set out on page 34;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 17 to 19;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 28; and
- The section describing the work of the Audit Committee set out on pages 33 to 35.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 39, 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.

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.

Explanation as to what extent the audit was considered 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 irregularities, including fraud. 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 or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are UK-adopted international accounting standards, the Companies Act 2006, the UK Listing Rules, the UK Corporate Governance Code, the Statement of Recommended Practice for the Financial Statements of Investment Trust Companies as issued by the Association of Investment Companies ('AIC'), The AIC Corporate Governance Code, Section 1158 of the Corporation Tax Act 2010 and The Companies (Miscellaneous Reporting) Regulations 2018.
- We understood how the Company is complying with those frameworks through discussions with the Audit Committee and company secretary and review of board minutes and the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

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

Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the Company on the 1 August 2019 to audit the financial statements for the year ending 31 January 2020 and subsequent financial periods.

  The period of total uninterrupted engagement including previous renewals and reappointments is seven years, covering the years ending 31 January 2020 to 31 January 2026.
- The audit opinion is consistent with the additional report to the Audit Committee.

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.

Jennifer Rogan (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh

28 April 2026

Statement of comprehensive income for the year ended 31 January 2026

	Notes	31 January 2026 Revenue £'000	Capital £'000	Total £'000	31 January 2025 Revenue £'000	Capital £'000	Total £'000
Loss on investments held at fair value	9	–	(3,131)	(3,131)	–	(4,673)	(4,673)
Income	2	4,350	–	4,350	4,902	–	4,902
Net losses on derivatives	10	–	(334)	(334)	–	–	–
Investment management fees	3	(32)	(456)	(488)	(189)	(1,072)	(1,261)
Other expenses	4	(528)	(1)	(529)	(370)	(466)	(836)
Loss before finance costs and taxation		**3,790**	**(3,922)**	**(132)**	**4,343**	**(6,211)**	**(1,868)**
Finance costs	5	(45)	(258)	(303)	(89)	(501)	(590)
Loss before taxation		**3,745**	**(4,180)**	**(435)**	**4,254**	**(6,712)**	**(2,458)**
Taxation	6	–	–	–	–	–	–
Loss after taxation		**3,745**	**(4,180)**	**(435)**	**4,254**	**(6,712)**	**(2,458)**
Return per ordinary share	**7**	**12.37p**	**(13.81)p**	**(1.44)p**	**13.02p**	**(20.54)p**	**(7.52)p**

The total columns of this statement represent the Company's statement of comprehensive income, prepared in accordance with UK-adopted international accounting standards. The loss after taxation is the total comprehensive loss. The supplementary revenue and capital columns are both prepared 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 year.

Statement of changes in equity for the year ended 31 January 2026

	Notes	Share Capital £'000	Share Premium £'000	Capital Redemption Reserve £'000	Capital Reserve £'000	Revenue Reserve £'000	Total £'000
At 31 January 2024		10,642	22,366	3,386	123,147	1,854	161,395
Total comprehensive loss for the year		–	–	–	(6,712)	4,254	(2,458)
Dividends paid	8	–	–	–	(1,278)	(4,328)	(5,606)
Shares bought back and held in treasury	13	–	–	–	(286)	–	(286)
Special dividend paid	8,13	(677)	–	677	(16,401)	–	(16,401)
At 31 January 2025		**9,965**	**22,366**	**4,063**	**98,470**	**1,780**	**136,644**
Total comprehensive loss for the year		–	–	–	(4,180)	3,745	(435)
Dividends paid	8	–	–	–	(437)	(4,112)	(4,549)
Shares bought back and held in treasury	13	–	–	–	(2,275)	–	(2,275)
At 31 January 2026		**9,965**	**22,366**	**4,063**	**91,578**	**1,413**	**129,385**

The accompanying accounting policies and notes are an integral part of these financial statements.

Balance sheet
as at 31 January 2026

	Notes	2026 £'000	2025 £'000
Non-current assets			
Investments held at fair value through profit or loss	9	128,586	143,920
Current assets			
Derivative financial assets held at fair value through profit or loss	10	39	–
Other receivables	11	688	2,839
Cash and cash equivalents		497	2,472
Variation margin receivable		90	–
		1,314	**5,311**
Total assets		**129,900**	**149,231**
Current liabilities			
Derivative financial liabilities held at fair value through profit or loss	10	(193)	–
Other payables	12	(322)	(12,587)
		(515)	**(12,587)**
Total assets less current liabilities		**129,385**	**136,644**
Net assets		**129,385**	**136,644**
Capital and reserves			
Share capital	13	9,965	9,965
Share premium	14	22,366	22,366
Capital redemption reserve	14	4,063	4,063
Capital reserve	14	91,578	98,470
Revenue reserve	14	1,413	1,780
Total shareholders' funds		**129,385**	**136,644**
Net asset value per ordinary share			
Basic and diluted	15	**434.66p**	**449.88p**

The financial statements were approved and authorised for issue by the Board of Directors on 28 April 2026.

Signed on behalf of the Board of Directors

Bridget Guerin
Chairman

The accompanying accounting policies and notes are an integral part of these financial statements.

Statement of cash flows
for the year ended 31 January 2026

	Notes	2026 £'000	2025 £'000
Cash flow from operating activities			
Loss before taxation		(435)	(2,458)
Add back finance costs		22	590
Adjustments for:			
Purchase of investments		(88,577)	(19,030)
Sale of investments		103,051	37,995
Net loss of derivative transactions		334	–
Settlement of derivative transactions		(180)	–
		14,628	18,965
Loss on investments held at fair value		3,131	4,673
Increase in receivables		(209)	(32)
Increase in payables		84	20
Net cash inflow from operating activities		**17,221**	**21,758**
Cash flow from financing activities			
Finance cost paid		(22)	(590)
Dividends paid	8	(4,549)	(5,606)
Decrease in bank overdraft		–	(8,753)
Bank facility (repayment)/drawdown		(12,350)	12,350
Shares bought back and held in treasury		(2,275)	(286)
Special dividend paid	8	–	(16,401)
Net cash outflow from financing activities		**(19,196)**	**(19,286)**
Net (decrease)/increase in cash and cash equivalents		**(1,975)**	**2,472**
Cash and cash equivalents at start of the year		2,472	–
Cash and cash equivalents at the end of the year		497	2,472
Reconciliation of cash and cash equivalents to the Balance Sheet is as follows:			
Cash held at custodian		100	52
Northern Trust Global Funds plc – Sterling, money market fund		397	2,420
Cash and cash equivalents		**497**	**2,472**
Cash flow from operating activities includes:			
Dividends received		4,157	4,825
Interest received		5	5

As the Company did not have any long term debt at both the current and prior year ends, no reconciliation of the financial liabilities position is presented.

The accompanying accounting policies and notes are an integral part of these financial statements.

Notes to the financial statements

1. Principal accounting policies

Accounting policies describe the Company's approach to recognising and measuring transactions during the year and the position of the Company at the year end.

The principal accounting policies adopted in the preparation of these financial statements together with the approach to recognition and measurement are set out below. These policies have been consistently applied during the current year and the preceding year, unless otherwise stated.

The financial statements have been prepared on a going concern basis on the grounds that the Company's investment portfolio is sufficiently liquid and significantly exceeds all balance sheet liabilities. There are no unrecorded commitments or contingencies. The disclosure on going concern on page 28 in the Directors' Report provides further detail. The Directors believe the Company has adequate resources to continue in operational existence for the foreseeable future and has the ability to meet its financial obligations as and when they fall due for a period until at least 30 April 2027.

(a) Basis of preparation

(i) Accounting standards applied

The financial statements have been prepared on a historical cost basis, except for the measurement at fair value of investments and derivative financial instruments, including CFDs, which for the Company are quoted bid prices for investments in active markets at the Balance Sheet date and in accordance with the applicable UK-adopted international accounting standards. The standards are those that are effective at the Company's financial year end.

Where presentational guidance set out in the Statement of Recommended Practice ('SORP') 'Financial Statements of Investment Trust Companies and Venture Capital Trusts', issued by the Association of Investment Companies in December 2025, is consistent with the requirements of UK-adopted international accounting standards, the Directors have prepared the financial statements on a basis compliant with the recommendations of the SORP. The supplementary information which analyses the statement of comprehensive income between items of a revenue and a capital nature is presented in accordance with the SORP.

The Directors have considered the impact of climate change on the value of the listed investments that the Company holds. In the view of the Directors, as the portfolio consists of listed and contracts for difference ('CFD'), their market prices should reflect the impact, if any, of climate change and accordingly no adjustment has been made to take account of climate change in the valuation of the portfolio in these financial statements.

(ii) Critical accounting estimates and judgements

The preparation of the financial statements may require the Directors to make estimations where uncertainty exists. It also requires the Directors to make judgements, estimates and assumptions, in the process of applying the accounting policies. There have been no significant judgements, estimates or assumptions for the current or preceding year.

(b) Foreign currency and segmental reporting

(i) Functional and presentation currency

The financial statements are presented in Sterling, which is the Company's functional and presentation currency and the currency in which the Company's share capital and expenses are denominated, as well as a majority of its assets and liabilities.

(ii) Transactions and balances

Foreign currency assets and liabilities are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currency, are translated into Sterling at the rates of exchange ruling on the dates of such transactions, and profit or loss on translation is taken to revenue or capital depending on whether it is revenue or capital in nature. All are recognised in the statement of comprehensive income.

(iii) Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business of investing in equity, issued by companies operating and generating revenue mainly in the UK.

(c) Financial instruments

(i) Recognition of Financial Assets and Financial Liabilities

The Company recognises financial assets and financial liabilities when the Company becomes a party to the contractual provisions of the instrument. The Company offsets financial assets and financial liabilities if the Company has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

(ii) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial asset that is created or retained by the Company is recognised as an asset.

(iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when its obligations are discharged, cancelled or expired.

(iv) Trade date accounting

Purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the assets.

(v) Classification of financial assets and financial liabilities

Financial assets

The Company classifies its financial assets as measured at amortised cost or measured at fair value through profit or loss on the basis of both: the entity's business model for managing the financial assets; and the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortised cost include cash and debtors.

A financial asset is measured at fair value through profit or loss if its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest ('SPPI') on the principal amount outstanding or it is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. The Company's equity and contracts for difference are classified as fair value through profit or loss as they do not give rise to cash flows that are SPPI.

Financial assets held at fair value through profit or loss are initially recognised at fair value, which is usually the transaction price and are subsequently valued at fair value.

For investments that are actively traded in organised financial markets, fair value is determined by reference to stock exchange quoted bid prices at the balance sheet date.

Financial liabilities

Financial liabilities, including borrowings through the bank facility or formerly the bank overdraft, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, where applicable.

(d) Cash and cash equivalents. Cash and cash equivalents include any cash held at custodian and approved depositories as well as holdings in Northern Trust Global Funds plc– Sterling, a triple-A rated money market fund. Cash and cash equivalents are defined as cash itself or being readily convertible to a known amount of cash and are subject to an insignificant risk of change in value with original maturities of three months or less.

(e) Income. All dividends are taken into account on the date investments are marked ex-dividend; other income from investments is taken into account on an accruals basis. Where the Company elects to receive scrip dividends (i.e. in the form of additional shares rather than cash), the equivalent of the cash dividend foregone is recognised as income in the revenue account and any excess in value of the shares received over the amount of the cash divided recognised in capital. Deposit interest is taken into account on an accruals basis. Special dividends representing a return of capital are allocated to capital in the statement of comprehensive income and then taken to capital reserves. Dividends will generally be recognised as revenue however all special dividends will be reviewed, with consideration given to the facts and circumstances of each case, including the reasons for the underlying distribution, before a decision over whether allocation is to revenue or capital is made.

(f) Expenses and Finance Costs. All expenses and finance costs are accounted for in the statement of comprehensive income on an accruals basis.

The investment management fee and finance costs (including those related to the bank facility, contracts for difference (CFDs), or formerly the bank overdraft) are allocated 85% to capital and 15% to revenue. This is in accordance with the Board's expected long term split of returns, in the form of capital gains and income respectively, from the portfolio.

Investment transaction costs such as brokerage commission and stamp duty are recognised in capital in the statement of comprehensive income. Expenses incurred as a result of the special elective dividend and change of investment manager have been recognised as capital in the statement of comprehensive income. All other expenses are allocated to revenue in the statement of comprehensive income.

(g) Taxation. Tax represents the sum of tax payable, withholding tax suffered and deferred tax. Tax is charged or credited in the statement of comprehensive income. Any tax payable is based on taxable profit for the year, however, as expenses exceed taxable income no corporation tax is due. The Company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered probable that there will be suitable profits from which the future reversal of the temporary differences can be deducted. Deferred tax assets and liabilities are measured at the tax rates expected to apply in the period when the liability is settled or the asset realised.

Investment trusts which have approval under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

(h) Dividends. Dividends are not accrued in the financial statements, unless there is an obligation to pay the dividends at the balance sheet date. Proposed final dividends are recognised in the financial year in which they are approved by the shareholders.

(i) Derivatives. The contracts for difference held in the portfolio are valued based on the price of the underlying security or index which they are purchased to reflect. The nature and intended use of these derivatives is to synthetically allow the Company to go long on an underlying asset without the need to trade the physical securities. They are valued based on the quoted bid price of the underlying security when held long. There are revenue and capital returns to be derived from these instruments. Dividends on contracts for difference are recognised as revenue for long positions when the securities are quoted ex-dividend. Open CFD positions at the year end are shown at fair value in the Statement of financial Position under current assets or current liabilities. Interest on margin accounts held with brokers is included in the revenue return. All other gains/losses and cash flows from derivatives are included in the capital return.

2. Income

This note shows the income generated from the portfolio (investment assets) of the Company and income received from any other source.

	2026 £'000	2025 £'000
Income from investments:		
UK dividends	3,910	4,533
Derivative income from CFDs	184	–
UK special dividends	183	262
Liquidity fund income	41	–
Overseas dividends	27	102
Deposit interest	5	5
Total income	**4,350**	**4,902**

No special dividends have been recognised in capital during the year (2025: nil).

Overseas dividends include dividends received on UK listed investments where the investee company is domiciled outside of the UK.

3. Investment management fee

This note shows the fees due to the Manager. These are made up of the management fee calculated and paid monthly and, for the previous year. This fee is based on the value of the assets being managed.

	Revenue £'000	Capital £'000	2026 Total £'000	Revenue £'000	Capital £'000	2025 Total £'000
Investment management fee	32	456	488	189	1,072	1,261

Details of the investment management and secretarial agreement are given on page 28 in the Directors' Report.

At 31 January 2026, £114,000 (2025: £93,000) was accrued in respect of the investment management fee.

As part of the transition, Artemis agreed to a nine-month fee waiver covering the period from 7 March to 7 December 2025. The waiver fully offset the termination fee paid to Invesco, and in addition meant that the Company benefited from paying no management fee for the period 21 June to 7 December 2025.

4. Other expenses

The other expenses of the Company are presented below; those paid to the Directors and auditor are separately identified.

	Revenue £'000	Capital £'000	2026 Total £'000	Revenue £'000	Capital £'000	2025 Total £'000
Directors' remuneration(i)	130	–	130	132	–	132
Auditor's fees(ii):						
– for audit of the Company's annual financial statements	56	–	56	51	–	51
Other expenses(iii)	342	1	343	187	466	653
	528	**1**	**529**	**370**	**466**	**836**

(i) The Director's Remuneration Report provides further information on Directors' fees.

(ii) Auditor's fees include expenses but excludes VAT. The VAT is included in other expenses.

(iii) Other expenses include:

- £19,000 (2025: £12,500) of employer's National Insurance payable on Directors' remuneration. As at 31 January 2026, the amounts outstanding on employer's National Insurance on Directors' remuneration was £1,300 (2025: £1,100), the amounts outstanding for Directors' fee was £8,700 (2025: £11,200).
- custodian transaction charges of £1,300 (2025: £1,700). These are charged to capital.

- broker, registrar, legal and print costs in connection with the special dividend of £nil (2025: £422,800). These were charged to capital.
- legal costs in connection with the change of Investment Manager £300 (2025: £42,000). These were charged to capital.
- £342,000 (2025: £187,000) represents operational costs paid by the Company and charged to revenue.

5. Finance costs

Finance costs arise on any borrowing facilities the Company has and from the financing element of Contracts for Difference (CFDs).

	Revenue £'000	Capital £'000	2026 Total £'000	Revenue £'000	Capital £'000	2025 Total £'000
Bank facility fee	–	1	1	1	7	8
Interest on bank facility	3	18	21	51	286	337
Overdraft interest	–	–	–	37	208	245
CFD finance cost	42	239	281	–	–	–
	45	**258**	**303**	**89**	**501**	**590**

6. Taxation

As an investment trust the Company pays no tax on capital gains and, as the Company invested principally in UK equities, it has little overseas tax. In addition, no deferred tax is required to provide for tax that is expected to arise in the future due to differences in accounting and tax bases.

(a) Tax charge

	2026 £'000	2025 £'000
Overseas taxation	–	–

(b) Reconciliation of tax charge

	2026 £'000	2025 £'000
Loss before taxation	(435)	(2,458)
Theoretical tax at the current UK Corporation Tax rate of 25% (2025: 25%)	(109)	(615)
Effects of:		
– Non-taxable UK dividends	(961)	(1,102)
– Non-taxable UK special dividends	(46)	(65)
– Non-taxable overseas dividends	(7)	(24)
– Non-taxable loss on investments	866	1,168
– Excess of allowable expenses over taxable income	257	521
– Disallowable expenses	–	117
Tax charge for the year	**–**	**–**

(c) Factors that may affect future tax changes

The Company has cumulative excess management expenses of £49,008,000 (2025: £48,030,000) that are available to offset future taxable revenue.

A deferred tax asset of £12,252,000 (2025: £12,007,000) at 25% (2025: 25%) has not been recognised in respect of these expenses since the Directors believe that there will be no taxable profits in the future against which the deferred tax assets can be offset.

7. Return per ordinary share

Return per ordinary share is the amount of gain or loss generated for the financial year divided by the weighted average number of ordinary shares in issue.

	Revenue £'000	Capital £'000	2026 Total £'000	Revenue £'000	Capital £'000	2025 Total £'000
Return £'000	3,745	(4,180)	(435)	4,254	(6,712)	(2,458)
Return per ordinary share	12.37p	(13.81)p	(1.44)p	13.02p	(20.54)p	(7.52)p

The returns per ordinary share are based on the weighted average number of shares in issue during the year of 30,268,571 (2025: 32,686,825).

8. Dividends on ordinary shares

The Company paid four dividends in the year – three interims and a final.

	Pence	2026 £'000	Pence	2025 £'000
Dividends paid from revenue in the year:				
Third interim (prior year)	3.85	1,170	3.85	1,302
Final (prior year)	2.01	611	1.63	553
First interim	3.85	1,169	3.85	1,302
Second interim	3.85	1,162	3.85	1,171
Total dividends paid from revenue	**13.56**	**4,112**	**13.18**	**4,328**
Dividends paid from capital in the year:				
Final (prior year)	1.44	437	3.78	1,278
Total dividends paid from capital	**1.44**	**437**	**3.78**	**1,278**
Total dividends paid in the year	**15.00**	**4,549**	**16.96**	**5,606**

	Pence	2026 £'000	Pence	2025 £'000
Dividends payable in respect of the year:				
First interim	3.85	1,170	3.85	1,302
Second interim	3.85	1,162	3.85	1,171
Third interim	3.85	1,144	3.85	1,170
Final	3.89	1,152	3.45	1,048
	15.44	**4,628**	**15.00**	**4,691**

The third interim dividend of 3.85p per share, in respect of the year ended 31 January 2026, was paid to shareholders on 6 March 2026. The Company's dividend policy was changed in 2015 so that dividends will be paid firstly from current year revenue and any revenue reserves available, and thereafter from capital reserves. The amount payable in respect of the year is shown below:

	2026 £'000	2025 £'000
Dividends in respect of the year:		
– from revenue reserve	3,745	4,254
– from capital reserve	883	437
	4,628	**4,691**

Dividend payable from the capital reserve of £883,000 (2025: capital reserve of £437,000) as a percentage of year end net assets of £129,385,000 (2025: £136,644,000) is 0.70% (2025: 0.30%). The Company has £105,623,000 (2025: £112,136,000) of realised distributable capital reserves at the year end.

	Pence	2026 £'000	Pence	2025 £'000
Capital returns paid in the year:				
Special Dividend	–	–	484.85	16,401
	–	**–**	**484.85**	**16,401**

A return of capital was offered to Shareholders during the year ended 31 January 2025, in respect of up to 10% of the Company's issued shares (excluding treasury shares). The return of capital was proposed by way of an elective special dividend, where all shareholders had an opportunity to elect in respect of each share held. The value of the special dividend of 484.85p was an amount per share which represented 97.5% of the published unaudited NAV per share of 497.29p as at the net asset value certification date (being 6.00 p.m. on 17 September 2024). The special dividend was paid on 8 October 2024, resulting in 3,382,648 shares being cancelled for no consideration pursuant to the reduction of capital and an amount of £16,401,000 was paid to Shareholders who elected to receive the special dividend.

9. Investments held at fair value through profit and loss

The portfolio is made up of investments which are listed or traded on a primary stock exchange or AIM. Profit and losses in the year include:

- **realised, usually arising when investments are sold; and**
- **unrealised, being the difference from cost on those investments still held at the year end.**

	2026 £'000	2025 £'000
Investments listed on a primary stock exchange	96,393	112,854
AIM quoted investments	32,193	31,066
	128,586	**143,920**
Opening valuation	**143,920**	**169,481**
Movements in year:		
Purchases at cost	88,577	18,982
Sales proceeds	(100,780)	(39,870)
Loss on investments in the year	(3,131)	(4,673)
Closing valuation	**128,586**	**143,920**
Closing book cost	142,631	157,586
Closing investment unrealised loss	(14,045)	(13,666)
Closing valuation	**128,586**	**143,920**

The transaction costs amount to £303,000 (2025: £68,000) on purchases and £23,000 (2025: £20,000) for sales. These amounts are included in determining the loss on investments held at fair value as disclosed in the statement of comprehensive income.

The Company received £100,780,000 (2025: £39,870,000) from investments sold in the year. The book cost of these investments when they were purchased was £103,532,000 (2025: £35,968,000) realising a loss of £2,750,000 (2025: gain of £3,902,000). These investments have been revalued over time and until they were sold any unrealised profits/losses were included in the fair value of the investments.

10. Derivatives

The derivative assets and liabilities held by the Company are presented below.

(a) Valuation of derivatives

All derivative instruments held by the Company comprise contracts for difference (CFDs) and are classified as financial assets and liabilities at fair value through profit or loss. CFDs are initially recognised at fair value on the date the contract is entered into and are subsequently re-measured to fair value at each reporting date, with gains and losses recognised in the statement of comprehensive income. The fair value of CFDs at the year end represents the net unrealised gain or loss on open positions, being the difference between the contract value and the market value at the balance sheet date.

	2026			2025		
	Fair value current assets £'000	Fair value current liabilities £'000	Gross exposure £'000	Fair value current assets £'000	Fair value current liabilities £'000	Gross exposure £'000
Contracts for difference	39	(193)	11,128	–	–	–
	39	**(193)**	**11,128**	**–**	**–**	**–**

(b) Movements in derivatives

The movements in the fair value of derivative instruments during the year comprise realised gains and losses on positions closed during the year and unrealised movements in fair value on open positions at the year end. The total of these movements reconciles to the net losses on derivatives in the statement of comprehensive income.

	2026 Contracts for difference £'000	2025 Contracts for difference £'000
Movements in year:		
Closed contracts – realised losses	(180)	–
– Decrease in fair value	(154)	–
Losses on derivatives in the year	(334)	–

CFD transaction costs on positions opened and closed during the year amounted to £3,000 (2025: £nil).

11. Other receivables

Other receivables are amounts which are due to the Company, such as monies due from brokers for investments sold and income which has been earned (accrued) but not yet received.

	2026 £'000	2025 £'000
Amounts due from brokers	135	2,404
Prepayments and accrued income	553	435
	688	**2,839**

12. Other payables

Other payables are amounts which must be paid by the Company, and include any amounts due to brokers for the purchase of investments, interest in respect of the bank facility or amounts owed to suppliers (accruals), such as the Manager and auditor.

The bank facility provided a specific amount of capital, up to £20 million, over a specified period of time (two years). Unlike a term loan, the revolving nature of the bank facility allowed the Company to drawdown, repay and re-draw loans.

	2026 £'000	2025 £'000
Bank facility*	–	12,350
Accruals	322	237
	322	**12,587**

*The bank facility was fully re-paid with effect 26 February 2025 and the facility withdrawn.

13. Share capital

Share capital represents the total number of shares in issue, including shares held in treasury.

(a) Allotted, called-up and fully paid

	Number	2026 £'000	Number	2025 £'000
Allotted, called-up and fully paid				
Ordinary shares of 20p each	29,766,693	5,953	30,373,362	6,075
Treasury shares of 20p each	20,059,743	4,012	19,453,074	3,890
	49,826,436	**9,965**	**49,826,436**	**9,965**

(b) Share movements

	2026 Ordinary shares	2026 Treasury shares	2025 Ordinary shares	2025 Treasury shares
Number of shares of 20p each at start of year	30,373,362	19,453,074	33,826,929	19,382,155
Special dividend paid	–	–	(3,382,648)	–
Shares bought back and held in treasury	(606,669)	606,669	(70,919)	70,919
Carried forward	**29,766,693**	**20,059,743**	**30,373,362**	**19,453,074**

During the year to 31 January 2026, the Company bought back into treasury, 606,669 (2025: 70,919) ordinary shares at a total cost of £2,275,000 (2025: £286,000). No shares were cancelled during the year (2025: 3,382,648 shares were cancelled as part of the Special Dividend paid on 8 October 2024). Since 31 January 2026 to 24 April 2026, the Company has bought back a further 297,700 ordinary shares into treasury.

14. Reserves

This note explains the different reserves attributable to shareholders. The aggregate of the reserves and share capital (see previous note) make up total shareholders' funds.

The share premium arises whenever shares are issued at a price above the nominal value plus any issue costs. The capital redemption reserve maintains the equity share capital and arises from the nominal value of shares repurchased and cancelled. The share premium and capital redemption reserve are non-distributable.

Capital investment gains and losses are shown in note 9, and form part of the capital reserve. The revenue reserve shows the net revenue retained after payment of dividends. The capital (to the extent that it constitutes realised profits) and revenue reserves are distributable by way of dividend. In addition, the capital reserve is also distributable by way of share buy backs.

15. Net asset value per ordinary share

The Company's total net assets (total assets less total liabilities) are often termed shareholders' funds and are converted into net asset value per ordinary share by dividing by the number of shares in issue.

The net asset value per share and the net asset values attributable at the year end were as follows:

	Net asset value per ordinary share 2026 Pence	Net asset value per ordinary share 2025 Pence	Net assets attributable 2026 £'000	Net assets attributable 2025 £'000
Ordinary shares	434.66	449.88	129,385	136,644

Net asset value per ordinary share is based on net assets at the year end and on 29,766,693 (2025: 30,373,362) ordinary shares, being the number of ordinary shares in issue (excluding treasury) at the year end.

16. Risk management, financial assets and liabilities

Financial instruments comprise the Company's investment portfolio as well as any cash, borrowings, other receivables and other payables.

Financial instruments

The Company's financial instruments comprise equity shares and derivative financial instruments which comprise long contracts for difference (CFDs) (as shown on pages 11 and 12), cash, other receivables and other payables that arise directly from its operations such as sales and purchases awaiting settlement and accrued income. The accounting policies in note 1 include criteria for the recognition and the basis of measurement applied for financial instruments. Note 1 also includes the basis on which income and expenses arising from financial assets and liabilities are recognised and measured.

Risk management policies and procedures

The Directors have delegated to the Manager the responsibility for the day-to-day investment activities of the Company as more fully described in the Directors' report.

As an investment trust the Company invests in equities and other investments for the long-term, so as to meet its investment policy (incorporating the Company's investment objective). In pursuing its investment objective, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets or a reduction of the profits available for dividends. Those related to financial instruments include market risk, liquidity risk and credit risk.

The main risk that the Company faces arising from its financial instruments is market risk – this risk is reviewed in detail below. Since the Company invests mainly in UK equities traded on the London Stock Exchange, liquidity risk and credit risk are not significant. Liquidity risk is minimised as the majority of the Company's investments comprise a diversified portfolio of readily realisable securities which can be sold to meet funding commitments as necessary. In addition, a bank facility (formerly overdraft facility) provided short-term funding flexibility.

Credit and counterparty risk

Credit risk encompasses the failure by counterparties to deliver securities which the Company has paid for, or to pay for securities which the Company has delivered, and cash balances. Counterparty risk is minimised by using only approved counterparties. The Company's ability to operate in the short-term may be adversely affected if the Company's custodian suffers insolvency or other financial difficulties. The appointment of a depositary has substantially lessened this risk. The Board reviews the custodian's annual controls report and the Manager's management of the relationship with the custodian. This was The Bank of New York Mellon (International) Limited, an A-1+ rated financial institution, until 9 March 2025. From 10 March 2025 the custodian was changed to Northern Trust Investor Services Limited, a similarly rated institution. Cash balances are limited to a maximum of 2.5% of net assets with any one deposit taker, with only approved deposit takers being used. A maximum of 4.0% of net assets with The Bank of New York Mellon (International) Limited and a maximum of 7.5% of net assets for holdings in the Invesco Liquidity Funds plc – Sterling, a triple-A rated money market fund, were allowed during the period to 9 March 2025. Post transition, a maximum of 4.0% of net assets is allowed to be placed with Northern Trust Investor Services Limited with a further 10% maximum allowed to be invested in the Northern Trust Global Funds plc - Sterling money market fund.

The Company uses one counterparty for derivative transactions. The Company may enter into transactions in over-the-counter ('OTC') markets that expose it to the credit of its counterparties and their ability to satisfy the terms of such contracts. Where the Company enters into derivative contracts, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of bankruptcy or insolvency of a counterparty, the Company could experience delays in liquidating the position and may incur significant losses. There may be a risk that a counterparty will be unable to meet its obligations with regard to the return of the collateral and may not meet other payments due to the Company. To minimise such risk, the Investment Manager will assess the creditworthiness of any counterparty that it engages. On a daily basis, the Investment Manager assesses the level of assets with each counterparty to ensure that the exposure is within the defined limits.

The derivatives are disclosed in the Portfolio of Investments and J.P. Morgan Securities Plc is the counterparty for contracts for difference. Aside from the custodian, the derivative counterparties and brokers where trades are pending settlement, there were no significant concentrations of credit and counterparty risk as at 31 January 2026 and 31 January 2025.

Counterparty exposure

At the balance sheet date, the Company held only contracts for difference as derivatives instruments.

Details of the individual contracts are disclosed separately in the Portfolio of Investments and the total position by counterparty and the collateral pledged, at the year end, were as follows:

2026	Contracts for difference £'000	Total net exposure £'000	Net collateral held/(pledged) £'000
J.P. Morgan Securities Plc	**11,128**	**(154)**	**–**

At 31 January 2025, the Company did not hold any derivative positions and therefore had no counterparty exposure.

Market risk

The fair value or future cash flows of a financial instrument may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. The Company's Manager assesses the Company's exposure when making each investment decision, and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis. The Board meets at least quarterly to assess risk and review investment performance. The Company may utilise hedging instruments to manage market risk. Gearing is used to enhance returns, however, this will also increase the Company's exposure to market risk and volatility.

1. Currency risk

The exposure to currency risk is considered minor as the Company's financial instruments are mainly denominated in Sterling. At the current and preceding year end, the Company held no foreign currency investments or cash, although a small amount of dividend income was received in foreign currency.

During this and the previous year, the Company did not use forward currency contracts to mitigate currency risk.

2. Interest rate risk

Interest rate movements will affect the level of income receivable on cash deposits and the interest payable on variable rate borrowings. When the Company has cash balances, they are held in variable rate bank accounts yielding rates of interest dependent on the base rate of the Custodians, The Bank of New York Mellon (International) Limited (until 9 March 2025) and Northern Trust Investor Services Limited (from 10 March 2025). Additionally, holdings in Northern Trust Global Funds plc - Sterling are subject to interest rate changes.

The Company did not have any uncommitted bank facility in place at the year end (2025: the Company had an uncommitted bank facility up to a maximum of 30% of the net asset value of the Company or £20 million, whichever was the lower; the interest rate was charged at a margin over the Bank of England base rate). At the prior year end, £12.4 million of the bank facility was drawn down. The bank facility was fully repaid and withdrawn with effect from 26 February 2025.

Interest rate exposure

The Company has no financial assets or liabilities carrying fixed rates of interest. The exposure of financial assets and liabilities to floating interest rates, giving cash flow interest rate risk when rates are reset, is shown below.

	2026 £'000	2025 £'000
Exposure to floating interest rates:		
Cash at bank	100	52
Northern Trust Global Funds plc – Sterling	397	–
Invesco Liquidity Funds plc – Sterling	–	2,420
Bank facility	–	(12,350)
Derivative financial instruments – long CFDs (exposure less fair value)	(11,282)	–
	(10,785)	**(9,878)**

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1% (2025: 1%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions and in light of interest rate increases or decreases during the year. The sensitivity analysis is based on the Company's monetary financial instruments held at the balance sheet date with all other variables held constant.

	2026		2025	
	1% increase	1% decrease	1% increase	1% decrease
Statement of comprehensive income – return after taxation				
Revenue return	5	(5)	6	(6)
Capital return	(113)	113	(105)	105
Total return after taxation for the year	(108)	108	(99)	99
Net assets	**(108)**	**108**	**(99)**	**99**

3. Other price risk

Other price risks (i.e. the risk of changes in market prices, other than those arising from interest rates or currency) may affect the value of the investments.

Other price risk exposure

The Company's total exposure to changes in market prices at 31 January comprises its holdings in equity investments and exposure to CFDs as follows:

	2026 £'000	2025 £'000
Investments held at fair value through profit or loss	128,586	143,920
Exposure to derivative instruments - Long CFDs	11,129	–
Total	**139,715**	**143,920**

The above data is broadly representative of the exposure to other price risk during the current and comparative year.

Management of other price risk

The Directors manage the market price risks inherent in the investment portfolio by meeting regularly to monitor on a formal basis the Manager's compliance with the Company's stated objectives and policies and to review investment performance.

The Company's portfolio is the result of the Manager's investment process and as a result is not correlated with the Company's benchmark or the markets in which the Company invests. Therefore, the value of the portfolio will not move in line with the market but will move as a result of the performance of the company shares within the portfolio.

If the value of the portfolio fell by 10% at the balance sheet date, the loss after tax for the year would increase by £14 million (2025: loss after tax for the year would increase by £14 million). Conversely, if the value of the portfolio rose by 10%, the loss after tax would decrease (2025: loss after tax would decrease) by the same amount.

Concentration of exposure to market price risk

There is a concentration of exposure to the UK, though it should be noted that the Company's investments may not be entirely exposed to economic conditions in the UK, as many UK listed companies do much of their business overseas.

Fair values of financial assets and financial liabilities

The financial assets and financial liabilities are either carried in the balance sheet at their fair value (investments), or the balance sheet amount is a reasonable approximation of fair value (due from brokers, dividends receivable, accrued income, due to brokers, accruals, cash at bank and borrowings).

The fair value of quoted investments is determined using unadjusted quoted prices in active markets at the reporting date, where available.

For financial instruments where quoted market prices are not directly available, fair value is determined using observable market inputs, including prices from recent transactions, broker quotes, or valuation techniques that maximise the use of observable data and minimise the use of unobservable inputs.

Fair value hierarchy disclosures

The Company's financial instruments within the scope of IFRS 13 that are held at fair value comprise its investment portfolio and derivative financial instruments:

Level 1 – The unadjusted quoted price in an active market for identical assets or liabilities 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.

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

	2026		2025	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	128,586	–	143,920	–
Level 2*	39	(193)	–	–
	128,625	**(193)**	**143,920**	**–**

*Consists of the fair value of derivative financial instruments (long CFDs), calculated as the difference between the initial contract price of the CFD and the market value of the underlying investment, and is presented as derivative financial assets or derivative financial liabilities in the Balance Sheet.

17. Maturity analysis of contractual liability cash flows

The contractual liabilities of the Company are shown in note 12 and comprise amounts due to brokers and accruals. All contractual liabilities are settled in accordance with their contractual terms. Amounts due to brokers are generally payable on the purchase date of the investment plus two business days. Accruals are generally payable within three months. The Company did not have any bank facility in place at the year end (2025: the Company had an uncommitted bank facility which was repayable on demand).

18. Capital management

The Company's capital, or equity, is represented by its net assets which are managed to achieve the Company's investment objective set out on page 15.

The main risks to the Company's investments are shown in the Strategic Report under the 'Principal risks and uncertainties' section on pages 17 to 19. These also explain that the Company is able to gear and that gearing will amplify the effect on equity of changes in the value of the portfolio.

The Board can also manage the capital structure directly since it determines dividend payments and has taken the powers, which it is seeking to renew, to buy-back shares, either for cancellation or to be held in treasury, and to issue new shares or sell shares held in treasury.

The Company is subject to externally imposed capital requirements with respect to the obligation and ability to pay dividends by s1158 Corporation Tax Act 2010 and by the Companies Act 2006, respectively, and with respect to the availability of the bank facility (formerly bank overdraft facility) and by the terms imposed by the lender. The Board regularly monitors, and has complied with, the externally imposed capital requirements. This is unchanged from the prior year.

Total equity at 31 January 2026, the composition of which is shown on the balance sheet on page 48, was £129,385,000 (2025: £136,644,000).

19. Contingencies, guarantees and financial commitments

Liabilities the Company is committed to honour but which are dependent on a future circumstance or event occurring would be disclosed in this note if any existed.

There were no contingencies, guarantees or other financial commitments of the Company as at 31 January 2026 (2025: nil).

20. Related party transactions and transactions with manager

A related party is a company or individual who has direct or indirect control or who has significant influence over the Company.

Under UK-adopted international accounting standards the Company has identified the Directors and Manager as related parties.

The Directors' remuneration and interests have been disclosed on page 37 with additional disclosure in note 4. No other related parties have been identified.

The management fee payable to the Manager for the year was £488,000 split between Artemis Fund Managers Limited £114,000 and Invesco Fund Managers Limited £374,000 (2025: Invesco Fund Managers Limited £1,261,000) of which £114,000 (2025: £93,000) was outstanding at the year end.

Details of the Manager's services and fees are disclosed in the Directors' report on page 28 and in note 3.

21. Post balance sheet events

As at 24 April, the Company's share price has decreased from 386.00p at 31 January 2026 to 341.50p. The NAV per share has decreased from 434.66p to 400.53p, reflecting market conditions.

Shareholder Information (Unaudited)

Notice of Annual General Meeting

THIS NOTICE OF ANNUAL GENERAL MEETING IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Artemis UK Future Leaders plc, please forward this document and the accompanying Form of Proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

NOTICE IS GIVEN that the Annual General Meeting ('AGM') of Artemis UK Future Leaders plc will be held at the offices of Artemis Fund Managers Limited at Cassini House, 57 St James's Street, London SW1A 1LD at 12.00 noon on 2 June 2026 for the following purposes:

Ordinary Business

1. To receive and consider the Annual Financial Report for the year ended 31 January 2026.
2. To approve the Directors' Remuneration Policy.
3. To approve the Annual Statement and Report on Remuneration for the year ended 31 January 2026.
4. To approve the final dividend of 3.89p for the year ended 31 January 2026.
5. To re-elect Bridget Guerin as a Director of the Company.
6. To re-elect Graham Paterson as a Director of the Company.
7. To re-elect Mike Prentis as a Director of the Company.
8. To re-appoint the auditor, Ernst & Young LLP.
9. To authorise the Audit Committee to determine the auditor's remuneration.

Special Business

To consider and, if thought fit, to pass the following resolutions of which resolution 10 will be proposed as an ordinary resolution and resolutions 11 to 13 as special resolutions:

Authority to Allot Shares

10. That:

the Directors be generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 as amended from time to time prior to the date of the passing of this resolution (the 'Act') to exercise all powers of the Company to allot shares and grant rights to subscribe for, or convert any securities into, shares up to an aggregate nominal amount (within the meaning of Sections 551(3) and (6) of the Act) of £589,380, this being 10% of the Company's issued ordinary share capital (excluding Treasury Shares) as at 24 April 2026, such authority to expire at the conclusion of the next AGM of the Company or the date 15 months after the passing of this resolution, whichever is the earlier unless the authority is renewed or revoked at any other general meeting prior to such time, but so that this authority shall allow the Company to make offers or agreements before the expiry of this authority which would or might require shares to be allotted, or rights to be granted, after such expiry as if the authority conferred by this resolution had not expired.

Disapplication of Pre-emption Rights

11. That:

the Directors be and are hereby empowered, in accordance with Sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 (1), (2) and (3) of the Act) for cash, either pursuant to the authority given by resolution 10 set out above or (if such allotment constitutes the sale of relevant shares which, immediately before the sale, were held by the Company as treasury shares) otherwise, as if Section 561 of the Act did not apply to any such allotment, provided that this power shall be limited:

(a) to the allotment of equity securities in connection with a rights issue in favour of all holders of a class of equity securities where the equity securities attributable respectively to the interests of all holders of securities of such class are either proportionate (as nearly as may be) to the respective numbers of relevant equity securities held by them or are otherwise allotted in accordance with the rights attaching to such equity securities (subject in either case to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory or otherwise);

(b) to the allotment (otherwise than pursuant to a rights issue) of equity securities up to an aggregate nominal amount of £589,380, this being 10% of the Company's issued ordinary share capital (excluding Treasury Shares) as at 24 April 2026; and

(c) to the allotment of equity securities at a price not less than the net asset value per share (as determined by the Directors), and this power shall expire at the conclusion of the next AGM of the Company or the date 15 months after the passing of this resolution, whichever is the earlier unless the authority is renewed or revoked at any other general meeting prior to such time, but so that this power shall allow the Company to make offers or agreements before the expiry of this power which would or might require equity securities to be allotted after such expiry as if the power conferred by this resolution had not expired; and so that words and expressions defined in or for the purposes of Part 17 of the Act shall bear the same meanings in this resolution.

Authority to Make Market Purchases of Shares

12. That:

the Company be generally and subject as hereinafter appears unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of its issued ordinary shares of 20p each in the capital of the Company ('Shares').

PROVIDED ALWAYS THAT:

(a) the maximum number of Shares hereby authorised to be purchased shall be 14.99% of the Company's issued ordinary shares (excluding Treasury Shares), this being 4,417,402 as at 24 April 2026;

(b) the minimum price which may be paid for a Share shall be 20p;

(c) the maximum price which may be paid for a Share must not be more than the higher of: (i) 5% above the average of the mid-market values of the Shares for the five business days before the purchase is made; and (ii) the higher of the price of the last independent trade in the Shares and the highest then current independent bid for the Shares on the London Stock Exchange;

(d) any purchase of Shares will be made in the market for cash at prices below the prevailing net asset value per Share (as determined by the Directors);

(e) the authority hereby conferred shall expire at the conclusion of the next AGM of the Company or the date 15 months after the passing of this resolution, whichever is the earlier, unless the authority is renewed or revoked at any other general meeting prior to such time;

(f) the Company may make a contract to purchase Shares under the authority hereby conferred prior to the expiry of such authority which will be executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract; and

(g) any Shares so purchased shall be cancelled or, if the Directors so determine and subject to the provisions of Sections 724 to 731 of the Act and any applicable regulations of the United Kingdom Listing Authority, be held (or otherwise dealt with in accordance with Section 727 or 729 of the Act) as treasury shares.

Period of Notice Required for General Meetings

13. THAT

the period of notice required for general meetings of the Company (other than AGMs) shall be not less than 14 clear days.

Dated this 28 April 2026
By order of the Board

Northern Trust Secretarial Services (UK) Limited
Corporate Company Secretary

Notes:

1. A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend, speak and vote in his stead. Where more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to a different share or shares. A proxy need not be a member of the Company. However, if you appoint the Chairman of the AGM as your proxy, this will ensure that your votes are cast in accordance with your wishes. If any other person is appointed as your proxy, they may not be able to attend the meeting to vote on your behalf. In order to be valid an appointment of proxy must be returned by one of the following methods:

   - via the Investor Centre app or at https://uk.investorcentre.mpms.mufg.com/ (see note 4); or
   - via Proxymity (see note 5); or
   - in hard copy form by post, by courier or by hand to the Company's registrars, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL; or
   - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below

   and in each case to be received by the Company not less than 48 hours before the time of the meeting. Shareholders wishing to appoint a proxy should therefore appoint the Chairman of the AGM.

2. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in this document. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any changes of instructions to proxies through CREST should be communicated to the appointee through other means.

   The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s), such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3. A form of appointment of proxy is enclosed. Appointment of a proxy (whether by completion of a form of appointment of proxy, or other instrument appointing a proxy or any CREST Proxy Instruction or appointing a proxy via Proxymity) does not prevent a member from attending and voting at this meeting.

   To be effective, the form of appointment of proxy, duly completed and executed, together with any power of attorney or other authority under which it is signed (or a notarially certified copy thereof) must be lodged at the office of the Company's registrars, MUFG Corporate Markets (formerly known as Link Group), PXS 1, Central Square, 29 Wellington Street, Leeds LS1 4DL, by not later than 12.00 noon on 29 May 2026.

4. Shareholders can vote electronically via the Investor Centre, 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/.

Your vote must be lodged by 12.00 noon on 29 May 2026 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting.

5. 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 visit www.proxymity.io. Your proxy must be lodged by no later than 48 hours before the time of the Annual General Meeting in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting.

   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.

6. Unless otherwise indicated on the Form of Proxy, CREST voting, Proxymity or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

7. If you hold your shares through a platform or nominees, you will need to contact them and ask them to appoint you as a proxy in respect of your shares in order to attend, speak and vote at the AGM.

8. A person entered on the Register of Members at close of business on 29 May 2026 ('a member') is entitled to attend and vote at the Meeting pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001. Any changes to the Register of Members after such time and date shall be disregarded in determining the rights of any person to attend and/or vote at the Meeting. If the Meeting is adjourned, entitlement to attend and vote at the adjourned meeting, and the number of votes which may be cast thereat, will be determined by reference to the Company's Register of Members 48 hours before the time fixed for the adjourned meeting.

9. The Terms of Reference of the Audit Committee, the Management Engagement Committee, the Marketing Committee and the Nomination Committee and the Letters of Appointment for Directors will be available for inspection by request to the Company Secretary.

10. A copy of the Articles of Association are available for inspection by request to the Company Secretary.

11. 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 shareholder 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 shareholder as to the exercise of voting rights.

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

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

13. Any member attending the AGM, should this be permitted by government restrictions at the time, 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.

14. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in this Notice (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

15. As at 24 April 2026 (being the last practicable day prior to the publication of this Notice) the Company's issued share capital consists of 29,468,993 ordinary shares of 20p each carrying one vote each.

16. A copy of this notice, and other information required by Section 311A of the Companies Act 2006, can be found at www.artemisfunds.com/futureleaders

17. Shareholders should note that it is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006 (the 'Act'), the Company may be required 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 to be laid before the AGM; 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 Act (in each case) that the members propose to raise at the relevant AGM. 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 Act. Where the Company is required to place a statement on a website under Section 527 of the Act, 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 AGM includes any statement that the Company has been required under Section 527 of the Act to publish on a website.

18. The following documents may be inspected at the registered office of the Company during business hours on any weekday (Saturdays, Sundays and Bank Holidays excluded) from the date of this Notice of AGM to the date of the AGM and will be available for inspection at the AGM, if appropriate, from 11.45am on 2 June 2026 until the conclusion of the meeting:

    - copies of the letters of appointment of the Non-Executive Directors; and
    - the Current Articles.

    The Current Articles are available to view on the Company's website https://www.artemisfunds.com/futureleaders.

Information for shareholders

Company history

The investment trust was launched in March 1988 (formerly known as Berry Starquest plc). Perpetual took over the management of the investment trust on 1 March 1994. On 13 June 2002, the investment trust's name changed to Invesco Perpetual UK Smaller Companies Investment Trust plc. Artemis assumed management of the trust on 10 March 2025, whereby the Company's name was changed, on 12 March 2025, to Artemis UK Future Leaders plc.

Net Asset Value ('NAV') publication

The NAV of the Company is calculated by the Manager on a daily basis and is notified to the Stock Exchange on the following business day. An estimated NAV is also published daily in the newspapers detailed under Share Price Listings.

How to invest in the Company

The Company's shares are listed and traded on the London Stock Exchange and can be bought or sold through a stockbroker.

You can also buy and sell shares yourself through a wide variety of 'execution-only' investment platforms – where you make the investment decisions and your shares are held electronically in an account on your behalf. These tend to be cheaper than holding paper share certificates and also mean you don't need to worry about losing your certificate.

Most investment platforms allow you to manage your investment trust holdings online, as well as access to a wide range of investment options, however, platforms generally charge fees for holding and trading shares. Platforms featuring Artemis UK Future Leaders include:

– AJ Bell:
www.ajbell.co.uk/markets/investment-trusts

– Barclays Smart Investor:
www.barclays.co.uk/smart-investor

– Charles Stanley Direct:
www.charles-stanley-direct.co.uk

– Fidelity: www.fidelity.co.uk
– Halifax: www.halifax.co.uk/investing

– Hargreaves Lansdown:
www.hl.co.uk/shares/investment-trusts

– interactive investor:
www.ii.co.uk/investment-trusts

The companies above are shown for illustrative purposes only. Other platform providers are available. The links above direct you to external websites operated by each platform provider. Artemis and the Company take no responsibility for the content and information on these third-party sites.

Investor warning

The Company, Artemis 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 below.

Website

Information relating to the Company can be found on the Company's section of the Manager's website, which can be located at https://www.artemisfunds.com/futureleaders.

The contents of websites referred to in this document, or accessible from links within those websites, are not incorporated in to, nor do they form part of this Annual Financial Report.

Financial calendar

The Company publishes information according to the following calendar:

Announcements	
Annual Financial Report	April
Half-Yearly Financial Report	October
Year End	31 January

Dividends	**Payable**
1st interim	September
2nd interim	December
3rd interim	March
Final	June
Annual General Meeting	June

Annual General Meeting

The Annual General Meeting will be held at 12.00 noon on 2nd June 2026 at Cassini House, 57 St James's Street, London SW1A 1LD.

General Data Protection Regulation ('GDPR')

The Company has a privacy notice which sets out what personal data is collected and how and why it is used. The privacy notice can be found at https://www.artemisfunds.com/futureleaders or a copy can be obtained from the Company Secretary whose correspondence address is found on the next page.

Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

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

If so, you might have been contacted by fraudsters.

Avoid investment fraud

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

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

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

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

Report a Scam

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

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

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

FCA
FINANCIAL CONDUCT AUTHORITY

Glossary of Terms and Alternative Performance Measures

Alternative Performance Measure ('APM')

An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the financial statements. The calculations shown in the corresponding tables are for the year ended 31 January 2026 and 2025. The APMs listed here are widely used in reporting within the investment company sector and consequently aid comparability.

Benchmark (or Benchmark Index)

A market index, which averages the performance of companies in any sector, giving a good indication of any rises or falls in the market. The benchmark used in these accounts is the Deutsche Numis Smaller Companies + AIM (excluding Investment Companies) Index, with dividends reinvested.

Capital dividend as a percentage of year end net assets (APM)

The percentage of year end net assets represented by a payment from revenue reserves and capital reserves to fund the annual dividend payable in respect of the year.

		2026 £'000	2025[1] £'000
Dividends paid from capital in respect of the year:			
First interim		–	–
Second interim		–	–
Third interim		–	–
Final		883	437
	a	883	437
Net Assets	b	129,385	136,644
Capital dividend as a percentage of year end net assets	c = a/b	0.7%	0.3%

[1] Excludes the one-off elective special dividend (return of capital) of 484.85p paid to shareholders on 8 October 2024.

(Discount)/Premium (APM)

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 Annual 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.

		2026	2025
Share price	a	386.00p	375.00p
Net asset value per share (note 15)	b	434.66p	449.88p
Discount	c = (a–b)/b	**(11.2)%**	**(16.6)%**

Dividend yield (APM)

The annual dividend payable expressed as a percentage of the year end share price.

		2026	2025[1]
Dividends per share payable in respect of the year (note 8)	a	15.44p	15.00p
Share price	b	386.00p	375.00p
Dividend Yield	c = a/b	**4.0%**	**4.0%**

[1] Excludes the one-off elective special dividend (return of capital) of 484.85p paid to shareholders on 8 October 2024.

Gearing (APM)

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 (APM)

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

During the year, the bank facility was fully re-paid with effect 26 February 2025 and the facility withdrawn. As at 31 January 2026, no bank borrowings were in place, and the Company's leverage was obtained through CFD exposure of £11,128,000 (2025: gross borrowings of £12,350,000 and no CFD exposure).

		2026 £'000	2025 £'000
Gross exposure of CFDs / Bank facility	a	11,128	12,350
Net asset value	b	129,385	136,644
Gross gearing	c = a/b	**8.6%**	**9.0%**

Net gearing or net cash (APM)

Net gearing reflects the amount of net borrowings or net exposure invested, i.e. borrowings or CFD exposure less cash and cash equivalents (including investments in money market funds). It is expressed 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.

		2026 £'000	2025 £'000
Gross exposure of CFDs / Bank facility		11,128	12,350
Less: cash and cash equivalents		(497)	(2,472)
Net exposure	a	10,631	9,878
Net asset value	b	129,385	136,644
Net gearing	c = a/b	**8.2%**	**7.2%**

Maximum authorised gearing

This reflects the maximum authorised borrowings of a company taking into account both any gearing limits laid down in the investment policy and the maximum borrowings laid down in covenants under any borrowing facility and is calculated as follows:

		2026 £'000	2025 £'000
Maximum authorised borrowings as laid down in:			
Investment policy:			
– lower of 30% of net asset value; and	a = 30% x e	38,816	40,993
– £25 million	b	25,000	25,000
Bank facility covenants: fully re-paid with effect 26 February 2025 (2025: bank facility covenants: lower of 30% of net asset value and £20 million)	c	–	20,000
Maximum authorised borrowings (d = lower of a, b and c)	d	25,000	20,000
Net asset value	e	129,385	136,644
Maximum authorised gearing	f = d/e	**19.3%**	**14.6%**

Leverage

Leverage, for the purposes of the Alternative Investment Fund Managers Directive ('AIFMD'), is not synonymous with gearing as defined above. In addition to borrowings, it encompasses anything that increases the Company's exposure, including foreign currency and exposure gained through derivatives. Leverage expresses the Company's exposure as a ratio of the Company's net asset value. Accordingly, if a Company's exposure was equal to its net assets it would have leverage of 100%. Two methods of calculating such exposure are set out in the AIFMD, gross and commitment. Under the gross method, exposure represents the aggregate of all the Company's exposures other than cash balances held in base currency and without any offsetting. The commitment method takes into account hedging and other netting arrangements designed to limit risk, offsetting them against the underlying exposure (see page 74 for further detail on leverage at year end).

Market capitalisation

Is calculated by multiplying the stockmarket price of an ordinary share by the number of ordinary shares in issue.

Net Asset Value ('NAV')

Also described as shareholders' funds, the NAV is the 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 (excluding shares held in treasury). For accounting purposes assets are valued at fair (usually market) value and liabilities are valued at amortised cost (their repayment – often nominal – value).

Ongoing charges ratio (APM)

The ongoing administrative costs of operating the Company are encapsulated in the ongoing charges ratio, which is calculated in accordance with guidance issued by the AIC. The calculation incorporates charges allocated to capital in the financial statements as well as those allocated to revenue, but excludes non-recurring costs, transaction costs of investments, finance costs, taxation, and the costs of buying back or issuing shares. The ongoing charges ratio is the aggregate of these costs expressed as a percentage of the daily average net asset value reported in the year.

		2026 £'000	2025 £'000
Investment management fee (note 3)		488	1,261
Other expenses		–	836
Impact of the management fee waiver[1]		285	–
Less: costs in relation to custody dealing charges and one-off legal and professional costs		–	(466)
Total recurring expenses	a	1,302	1,631
Average daily net assets	b	129,662	158,051
Ongoing charges ratio %	c = a/b	**1.00%**	**1.03%**

[1] As part of the transition, Artemis agreed to a nine-month fee waiver covering the period from 7 March to 7 December 2025. The waiver fully offset the termination fee paid to Invesco, and in addition meant that the Company benefited from paying no management fee for the period 21 June to 7 December 2025.

Return

The return generated in a period from the investments including the increase and decrease in the value of investments over time and the income received.

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 Annual Financial Report these return figures have been sourced from LSEG Data & Analytics who calculate returns on an industry comparative basis. The figures calculated below are one year total returns, however the same calculation would be used for three, five and ten year total returns where quoted in this

report, taking the respective NAVs and Share Prices period for the opening and closing periods and adding the impact of dividend reinvestments for the relevant periods.

Net Asset Value total return (APM)

Total return on net asset value per share, 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 (APM)

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.

2026		**Net Asset Value**	**Share Price**
As at 31 January 2026		434.66p	386.00p
As at 31 January 2025		449.88p	375.00p
Change in year	a	–3.4%	2.9%
Impact of dividend reinvestments[1]	b	3.4%	4.2%
Total return for the year	c = a+b	**0.0%**	**7.1%**

2025		Net Asset Value	Share Price
As at 31 January 2025		449.88p	375.00p
As at 31 January 2024		477.12p	424.00p
Change in year	a	–5.7%	–11.6%
Impact of dividend reinvestments[1]	b	3.3%	3.6%
Total return for the year	c = a+b	–2.4%	–8.0%

[1] Total dividends paid during the year to 31 January 2026 of 15.00p (2025: 16.96p) 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.

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.

Volatility

Volatility refers to the amount of uncertainty or risk about the size of changes in a security's value. It is a statistical measure of the dispersion of returns for a given security or market index measured by using the standard deviation or variance of returns from that same security or market index. Commonly, the higher the volatility, the riskier the security.

Securities Financing Transactions Regulation ("SFTR") (unaudited)

As at 31 January 2026, the Trust may enter into contracts for difference ("CFD") presenting the same characteristics as total return swaps within the meaning of Regulation (EU/2015/2365) on transparency of securities financing transactions and of reuse (the "SFT Regulation").

Global data

Amounts of assets engaged in SFT as at 31 January 2026:

	Currency	Absolute Market Value (Local)	Absolute Market Value £	% of Net Assets
Contracts for difference	GBP	154,459	154,459	0.12%
		154,459	**154,459**	**0.12%**

Concentration data

Counterparty (GBP)	Counterparty's country of incorporation	Market Value £	% of Net Assets
J.P. Morgan Securities Plc	United Kingdom	154,459	0.12%

Aggregate transaction data

Maturity (GBP)	< 1 day	1 day - 1 week	1 week - 1 month	1-3 months	3 months - 1 year	> 1 year	Open Maturity
-	–	–	–	–	154,459	–	–

Collateral

The Trust engages in activities which may require collateral to be provided to a counterparty ('collateral pledged') or may hold collateral received ('collateral held') from a counterparty.

No collateral was pledged or received by the Trust as at 31 January 2026.

Reuse of collateral

There is no collateral received by the Trust in relation to contracts for difference.

Safekeeping

There is no collateral received by the Trust in relation to contracts for difference.

Return and cost analysis

Returns and costs for contracts for difference are received/borne by the Trust. The monetary amounts are disclosed in the statement of comprehensive income as 'Net losses on derivatives', note 2: Income as 'Derivative income' and note 5: Finance costs as 'CFD finance cost'.

Alternative Investment Fund Managers Directive Disclosures (unaudited)

Alternative Investment Fund Manager ('AIFM') and the Alternative Investment Fund Managers Directive (the 'AIFMD', the Directive)

Artemis Fund Managers Limited ("AFML") was appointed by the Company as AIFM with effect from 10 March 2025. In accordance with the Directive, the Company qualifies as an Alternative Investment Fund ('AIF').

Details of the Company's strategy and policies, administration arrangements and risk management and monitoring, required to be made available to investors in the Company before they invest, are available on the Company's website. Any material changes to this information is required to be reported in the Company's Annual Report. There have been no material changes to this information in the year to 31 January 2026. The previously disclosed change of AIFM and Investment Manager, effective from 10 March 2025, remains in place and no further changes have occurred.

In addition, the Directive requires information in relation to the Company's leverage (both 'gross' and 'commitment' – see Glossary on page 71) and the remuneration of the Company's AIFM to be made available to investors.

Accordingly:

- the leverage calculated for the Company at its year end was 108% for both gross and commitment (2025 both 105%). The limits the AIFM has set for the Company remain unchanged at 250% and 200%, respectively;
- the AIFM remuneration paid for the year to 31 December 2025, relating to the period when IFML was AIFM, is set out below.

Remuneration

Artemis Fund Managers Limited ("AFML") as the alternative investment fund manager ("AIFM") is required to disclose certain information relating to remuneration paid by the AIFM during its financial year.

Artemis operates its remuneration policies and practices at a group level which includes both Artemis Investment Management LLP and its subsidiary AFML. Remuneration levels are set to attract, retain and motivate talented partners and staff and align the long term interests of partners and staff with those of the firm's clients.

The remuneration policies which apply to all partners and staff across the group are overseen by the Remuneration Committee. The members of the Remuneration Committee are all non-executive officers. The Remuneration Committee is responsible for setting and overseeing the implementation of Artemis' remuneration policy, including approving the remuneration of partners and other senior staff. The Remuneration Committee regularly reviews the remuneration policy to ensure it remains appropriate. The Remuneration Committee considers inputs from Artemis' Risk & Compliance function when reviewing remuneration matters, including any risk adjustments considered necessary.

The Artemis remuneration period runs from 1 January to 31 December. Certain partners and staff are classified as 'Material Risk Takers' as their professional activities have a material impact on the risk profile of the firm. The payment of some of their variable remuneration (which may include profit share for partners) is deferred. Further, Artemis has the ability to reduce all or part of deferred variable remuneration that has been previously allocated to Material Risk Takers both: (a) before the end of the vesting period; and (b) within two years following the payment of any elements of variable remuneration.

No staff are employed by AFML directly but are employed and remunerated by other Artemis entities. Artemis has apportioned the total amount of remuneration paid to all Artemis partners and staff in respect of AFML's duties performed for the Company based on the number of funds managed. For the year ended 31 December 2025, the total amount of remuneration paid by Artemis to its 205 partners and staff attributable to AFML's management of the Company is estimated to be £529,040, of which £91,890 is fixed remuneration and £437,150 is variable remuneration.

The aggregate amount of remuneration attributable to duties performed in respect of the Company and paid to AIFM Remuneration Code staff and other Material Risk Takers for the year ended 31 December 2025 is £4,687.

Of this amount:

- £2,176 was paid to senior management.
- £2,511 was paid to other staff whose professional activities have a material impact on the risk profile of the AIFM or the Company.

Principal service providers

Registered Office and Company Number

50 Bank Street
Canary Wharf
London
E14 5NT
Website: https://www.artemisfunds.com/futureleaders
Email: artemisukfutureleaders@ntrs.com

Registered in England and Wales
Number 02129187

Investment Manager and Alternative Investment Fund Manager

Artemis Fund Managers Limited
Cassini House
57 St James's Street
London SW1A 1LD
Email: afl@artemisfunds.com

The Investment Manager is authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN.

Company Secretary

Northern Trust Secretarial Services (UK) Limited
Company Secretarial Contact:
AFL mailbox: artemisukfutureleaders@ntrs.com

Independent Auditor

Ernst & Young LLP
3rd Floor
144 Morrison Street
Edinburgh EH3 8EB

Depositary, Custodian and Banker (until 9 March 2025)

The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London EC4V 4LA

Administrator (from 10 March 2025)

The Northern Trust Company, London Branch
50 Bank Street
Canary Wharf
London E14 5NT

Banker & Custodian (from 10 March 2025)

The Northern Trust Company, London Branch
50 Bank Street
Canary Wharf
London E14 5NT

Depositary (from 10 March 2025)

Northern Trust Investor Services Limited
50 Bank Street
Canary Wharf
London E14 5NT

Corporate Broker

JPMorgan Cazenove
25 Bank Street
London E14 5JP

Registrars

MUFG Corporate Markets (formerly known as Link Group)
Central Square
29 Wellington Street
Leeds LS1 4D
☎ 0371 664 0300

If you hold your shares directly as a paper share certificate and not through an investment platform or savings scheme and have queries relating to your shareholding you should contact the company's Registrar, MUFG Corporate Markets, via email on shareholderenquiries@cm.mpms.mufg.com or on: ☎ 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider.

MUFG Corporate Markets provides an on-line and telephone share dealing service for paper share certificates to existing shareholders who are not seeking advice on buying or selling. This service is available at dealing.cm.mpms.mufg.com or ☎ 0371 664 0445. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Lines are open 9.00am to 5.30pm Monday to Friday (excluding Bank Holidays in England and Wales).

Shareholders holding paper share certificates can also access their holding details via the Investor Centre app or the website at uk.investorcentre.mpms.mufg.com. MUFG Corporate Markets is the business name of MUFG Corporate Markets (UK) Limited.

Manager's website

Information relating to the Company can be found on the Company's section of the Manager's website, which can be located at https://www.artemisfunds.com/futureleaders.

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

Artemis Fund Managers Limited
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