

The City of London Investment Trust plc

Update for the half year ended 31 December 2025



59
YEARS
CONTINUOUS
DIVIDEND GROWTH



MANAGED BY
Janus Henderson
INVESTORS

Objective

The Company's objective is to provide long-term growth in income and capital, principally by investment in equities listed on the London Stock Exchange. The Board fully recognises the importance of dividend income to shareholders.

This update contains material extracted from the unaudited half-year results of the Company for the six months ended 31 December 2025. The unabridged results for the half year are available on the Company's website:

www.cityinvestmenttrust.com

Performance

NAV per share

31 Dec 2025	30 June 2025
518.3p	472.5p

NAV per share (debt at fair value)

31 Dec 2025	30 June 2025
523.7p	478.1p

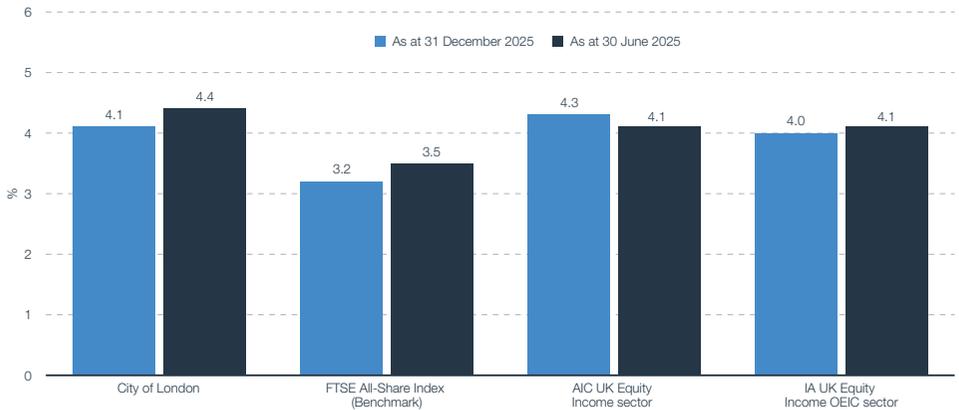
Share price

31 Dec 2025	30 June 2025
528.0p	487.5p

Dividends per share

31 Dec 2025	31 Dec 2024
10.8p	10.5p

Dividend Yields



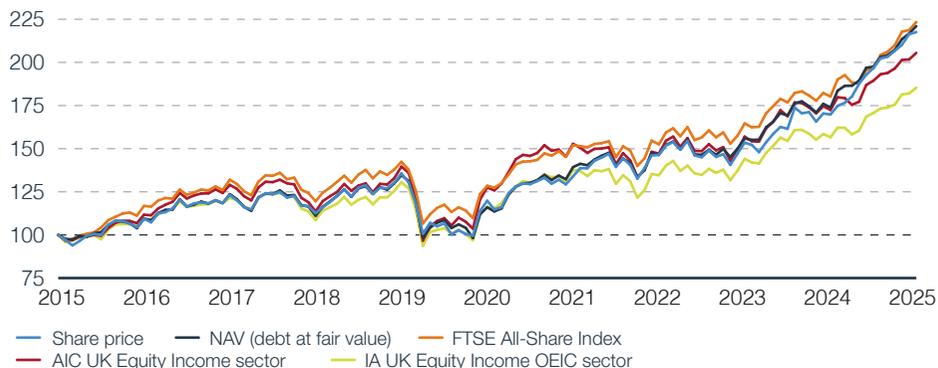
Sources: Morningstar Direct, Janus Henderson, LSEG Datastream

Performance

Total Return Performance to 31 December 2025

	6 months %	1 year %	3 years %	5 years %	10 years %
NAV ¹	11.9	27.2	51.0	90.6	121.0
Share price ²	10.6	28.1	48.6	81.6	117.6
FTSE All-Share Index (Benchmark)	13.7	24.0	46.5	73.9	123.4
AIC UK Equity Income sector ³	7.8	18.3	39.2	62.7	111.8
IA UK Equity Income OEIC sector ⁴	8.6	18.4	37.7	59.4	85.3

Total Return Performance for 10 years to 31 December 2025 (rebased to 100)



Sources: Morningstar Direct, Janus Henderson, LSEG Datastream

- 1 Net asset value ("NAV") per ordinary share total return with debt at fair value (including dividends reinvested)
- 2 Share price total return using mid-market closing price
- 3 AIC UK Equity Income sector size-weighted average NAV total return (shareholders' funds)
- 4 The Investment Association ("IA") peer group average is based on mid-day NAV whereas the returns of the investment trust are calculated using close of business NAV

Chairman's Statement

City of London achieved an 11.9% net asset value total return during the six months, which was behind the FTSE All-Share Index (13.7%), but ahead of the AIC and IA UK Equity Income sector averages (respectively 7.8% and 8.6%). Earnings per share increased by 5.5% compared with the same period in 2024.

The Markets

UK GDP growth slowed, with consumer and business confidence adversely affected by leaks and speculation ahead of the November Budget. The tax rises announced alleviated some of the concerns about the UK's fiscal position. The Bank of England lowered the base rate to 3.75%, through two cuts each of 25 basis points, with consumer price inflation declining but still above the Bank's 2% target. In the US, GDP growth remained robust, helped by the loose fiscal policy and productivity gains attributed to the substantial investment in artificial intelligence. The Federal Reserve made three cuts in interest rates to 3.75%, reflecting concerns about the softening labour market. In Europe, GDP growth was sluggish, with Germany only narrowly avoiding a technical recession. The European Central Bank maintained its key deposit rate at 2.0%.

The UK equity market returned 13.7%, as measured by the FTSE All-Share Index, with large companies outperforming. The mining sector was a notable outperformer reflecting the large gains in metals such as gold and copper. On the other hand, some companies that were expected to suffer from the adoption of artificial intelligence were notable underperformers.

Net Asset Value Total Return

City of London's net asset value total return was 11.9%, which was behind the FTSE All-Share Index

(13.7%) but ahead of the sector averages of the AIC UK Equity Income (7.8%) and the IA UK Equity Income OEIC (8.6%). The biggest sector detractor relative to performance against the FTSE All-Share Index was being underweight mining. The biggest relative stock positive contributors arose from not holding London Stock Exchange and Experian, whose profits were considered to be vulnerable to artificial intelligence. The holding in NatWest was the next biggest stock contributor. The biggest stock detractor was the underweight position in AstraZeneca, followed by the holding in BAE Systems.

Earnings and Dividends

Earnings per share increased by 5.5%, from 8.39p to 8.85p, compared with the same period last year. The banking sector was the biggest contributor to dividend growth in the portfolio.

The Board continues to control expenses tightly. City of London's ongoing charge, which includes the investment management fee and other administrative non-interest expenses as a percentage of shareholder funds, is expected to remain around 0.36% during this financial year. This is low compared with almost all other investment trusts and (non-tracker) managed equity investment products.

City of London has declared two interim dividends to date, each of 5.40p, in respect of this financial year. The Company's diverse portfolio, strong cash flow and revenue reserve give the Board confidence that, in line with its objective to provide long-term income and capital growth, it will be able to increase the total annual dividend for the 60th consecutive year. The level of quarterly dividend will be reviewed by the Board before the third interim dividend is declared in April 2026.

Chairman's Statement (continued)

Share Capital

The Board's stated policy is to issue and buy back shares within a narrow band relative to net asset value. During the six-month period, the Company issued the remaining 9,147,762 shares that had been held in Treasury at the year end, at a small premium, for proceeds of £46.4 million and a further 1,542,238 new shares were issued for proceeds of £8.1 million.

Portfolio Changes

New holdings were bought in Big Yellow, the self-storage Real Estate Investment Trust; ICG, the alternative asset manager that operates in private markets; and Rightmove, the UK's dominant online property portal. Complete sales were made of Anglo American, the miner; Dowlais, the automotive components manufacturer in the process of being taken over by American Axle; Hays, the recruitment company; and XP Power, which makes electrical power components. Significant additions were made to Unilever, the global consumer products company, while the holding in SSE, the UK energy utility, was reduced.

Outlook

Dramatic policy announcements from the US President have continued to challenge the post-Second World War political and economic order. Although some of the President's unsettling proposals have been moderated after negotiation with other countries, the erosion of confidence in US fiscal, trade and security policies has been reflected by a fall in the value of the US dollar and

the rise in the price of gold. In addition, other stock markets have benefited as investors have moved to diversify portfolios away from a heavy concentration on US equities.

The outlook for US economic growth, despite the uncertainties generated from the White House, remains positive as a result of expected productivity gains from artificial intelligence. It should be noted, however, that the scale of its fiscal stimulus would not be sustainable at an equivalent level in most other countries and the prospect of Presidential interference with the independence of the Federal Reserve represents a serious concern.

UK growth is likely to be more pedestrian, despite healthy corporate balance sheets and a high personal savings ratio. The Bank of England has scope to make further cuts in interest rates, although the continuing upward pressure on wages is likely to be a restraining factor.

UK equities performed well in 2025, with their relatively cheap values attracting global investors, including takeover bids from overseas companies and private equity firms. 2026 has started with takeover approaches for two FTSE 100 companies held in the portfolio: Beazley, the specialist insurer, from Zurich Insurance; and Schroders, the asset manager, from Nuveen of the US. The Board considers that UK equities continue to offer good value, with attractive dividend yields compared to opportunities in other stock markets.

Sir Laurie Magnus CBE
Chairman
26 February 2026

Financial Summary

	Half year ended			
	31 December 2025 Revenue return £'000	31 December 2025 Capital return £'000	31 December 2025 Total £'000	31 December 2024 Total £'000
Extract from Income Statement (Unaudited)				
Gains on investments	-	240,685	240,685	18,690
Income from investments	46,999	-	46,999	44,017
Other income	75	-	75	111
Gross revenue and capital gains	47,074	240,685	287,759	62,818
Expenses, finance costs and taxation	(2,737)	(4,393)	(7,130)	(6,883)
Net return after taxation	44,337	236,292	280,629	55,935
Return per ordinary share	8.85p	47.15p	56.00p	11.32p

	31 December 2025 £'000	31 December 2024 £'000	30 June 2025 £'000
Extract from Statement of Financial Position (Unaudited except June 2025 figures)			
Investments held at fair value through profit or loss	2,766,596	2,260,918	2,455,875
Net liabilities	(153,141)	(159,479)	(123,836)
Net assets	2,613,455	2,101,439	2,332,039
Net asset value per ordinary share	518.33p	425.10p	472.53p

Dividends

A first interim dividend of 5.40p per ordinary share was paid on 28 November 2025. The second interim dividend of 5.40p per ordinary share (declared on 4 December 2025) will be paid on 27 February 2026 to shareholders on the register on 23 January 2026. The Company's shares were quoted ex-dividend on 22 January 2026.

Share Capital and Reserves

During the half-year ended 31 December 2025, 9,147,762 ordinary shares were issued from treasury for total proceeds of £46,356,000 and 1,542,238 new ordinary shares were issued for total proceeds of £8,099,000 (half-year ended 31 December 2024: 28,278 ordinary shares were bought back into treasury for a net payment of £119,000; year ended 30 June 2025: 1,685,000 ordinary shares issued from treasury for total proceeds of £7,941,000 and 2,530,895 ordinary shares were bought back into treasury for a net payment of £11,154,000). The number of ordinary shares in issue (excluding shares held in treasury) at 31 December 2025 was 504,207,106 (31 December 2024: 494,334,723; 30 June 2025: 493,517,106). There were no shares in treasury at 31 December 2025 (31 December 2024: 8,330,145 and 30 June 2025: 9,147,762). Since 31 December 2025 to 24 February 2026, a further 3,755,000 ordinary shares have been issued.

At 31 December 2025, the Company's revenue reserve was £39,363,000 (31 December 2024: £36,198,000; 30 June 2025: £48,694,000), and the capital reserve arising on investments sold was £430,385,000 (31 December 2024: £378,509,000; 30 June 2025: £398,422,000). Both reserves are distributable. The capital reserve arising on revaluation of investments held was £925,677,000 (31 December 2024: £485,735,000; 30 June 2025: £683,071,000) and is not distributable.

Portfolio Information at 31 December 2025

Forty Largest Investments

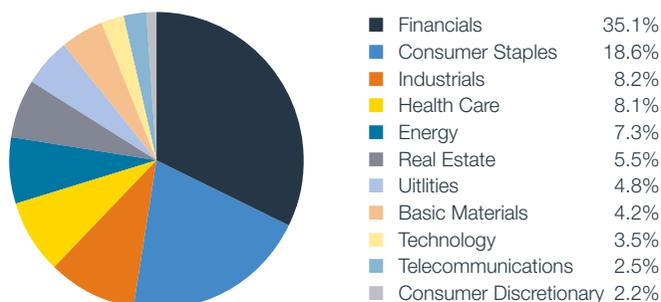
Company	Market value 31 December 2025 £'000	Company	Market value 31 December 2025 £'000
HSBC	157,155	Legal & General	52,360
Shell	117,799	British Land	51,734
NatWest	115,695	Land Securities	51,585
British American Tobacco	111,565	Reckitt Benckiser	39,313
Unilever	101,499	Diageo	36,881
BAE Systems	94,270	Munich Re	35,445
Lloyds Banking	92,346	Severn Trent	33,468
AstraZeneca	91,001	St. James's Place	31,151
Imperial Brands	89,643	Schroders	30,118
Tesco	87,476	Glencore	26,423
RELX	77,129	TotalEnergies	25,479
Barclays	76,850	SSE	24,514
M&G	74,464	Novartis	23,656
Rio Tinto	71,317	BT	22,741
Aviva	63,991	Beazley	20,800
Phoenix	63,707	Segro	20,742
GSK	63,128	Swire Pacific	20,346
National Grid	57,075	Deutsche Telekom	20,012
BP	54,527	Big Yellow	19,575
IG	52,600	Persimmon	19,419

These investments total £2,318,999,000 or 83.8% of the portfolio.

Convertibles and all classes of equity in any one company are treated as one investment.

Sector Exposure

As a percentage of the investment portfolio excluding cash



Source: Janus Henderson

Portfolio Information (continued)

Sector Breakdown of Investments

	Valuation at 31 December 2025 £'000	Valuation at 31 December 2025 £'000
ENERGY		
Oil and Gas		
Shell	117,799	
BP	54,527	
TotalEnergies ¹	25,479	
Harbour Energy	3,539	
	201,344	
Total Energy	201,344	
BASIC MATERIALS		
Chemicals		
Johnson Matthey	13,206	
Victrex	4,912	
	18,118	
Industrial Metals and Mining		
Rio Tinto	71,317	
Glencore	26,423	
	97,740	
Total Basic Materials	115,858	
INDUSTRIALS		
Aerospace and Defence		
BAE Systems	94,270	
	94,270	
Construction and Materials		
Ibstock	11,447	
Marshalls	6,140	
	17,587	
Electronic and Electrical Equipment		
IMI	18,038	
Morgan Advanced Materials	9,047	
Rotork	6,504	
	33,589	
General Industrials		
Swire Pacific ¹	20,346	
Smiths	18,800	
Mondi	9,354	
	48,500	
Industrial Engineering		
Vesuvius	10,515	
	10,515	
Industrial Support Services		
Inchcape	11,912	
PayPoint	11,115	
	23,027	
Total Industrials	227,488	
CONSUMER STAPLES		
Beverages		
Diageo	36,881	
Coca-Cola ¹	11,436	
	48,317	
Food Producers		
Nestlé ¹	18,843	
Tate & Lyle	9,927	
Hilton Food	8,048	
	36,818	
Personal Care, Drug and Grocery Stores		
Unilever	101,499	
Tesco	87,476	
Reckitt Benckiser	39,313	
	228,288	
Tobacco		
British American Tobacco	111,565	
Imperial Brands	89,643	
	201,208	
Total Consumer Staples	514,631	
HEALTH CARE		
Medical Equipment and Services		
Smith & Nephew	15,723	
	15,723	

Portfolio Information (continued)

Sector Breakdown of Investments (continued)

	Valuation at 31 December 2025 £'000	Valuation at 31 December 2025 £'000
Pharmaceuticals and Biotechnology		
AstraZeneca	91,001	
GSK	63,128	
Novartis ¹	23,656	
Johnson & Johnson ¹	16,001	
Merck ¹	14,088	
	207,874	
Total Health Care	223,597	
CONSUMER DISCRETIONARY		
Retailers		
Kingfisher	16,875	
Halfords	4,569	
	21,444	
Household Goods and Home Construction		
Persimmon	19,419	
Taylor Wimpey	13,814	
	33,233	
Travel and Leisure		
Young & Co's Brewery	5,166	
	5,166	
Total Consumer Discretionary	59,843	
TELECOMMUNICATIONS		
Telecommunications Service Providers		
BT	22,741	
Deutsche Telekom ¹	20,012	
Vodafone	15,821	
Verizon Communications ¹	12,119	
	70,693	
Total Telecommunications	70,693	
UTILITIES		
Electricity		
SSE	24,514	
	24,514	
Gas, Water and Multi-utilities		
National Grid	57,075	
Severn Trent	33,468	
United Utilities	17,611	
	108,154	
Total Utilities	132,668	
FINANCIALS		
Banks		
HSBC	157,155	
NatWest	115,695	
Lloyds Banking	92,346	
Barclays	76,850	
Nationwide Building Society		
10.25% Var Perp CCDS	8,507	
	450,553	
Investment Banking and Brokerage Services		
M&G	74,464	
IG	52,600	
St. James's Place	31,151	
Schroders	30,118	
Rathbones	17,352	
TP ICAP	15,022	
3i	12,396	
ICG	8,216	
	241,319	
Life Insurance		
Aviva	63,991	
Phoenix	63,707	
Legal & General	52,360	
Prudential	13,734	
	193,792	
Non-life Insurance		
Munich Re ¹	35,445	
Beazley	20,800	
Hiscox	12,095	
Admiral	11,592	
Sabre Insurance	6,175	
	86,107	
Total Financials	971,771	

Portfolio Information (continued)

Sector Breakdown of Investments (continued)

Valuation at
31 December
2025
£'000

REAL ESTATE

Real Estate Investment Trusts

British Land	51,734
Land Securities	51,585
Segro	20,742
Big Yellow	19,575
	143,636

Real Estate Investment and Services

Rightmove	9,089
	9,089

Total Real Estate	152,725
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TECHNOLOGY

Software and Computer Services

RELX	77,129
Sage	18,502
	95,631

Total Technology	95,631
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TOTAL INVESTMENTS	2,766,249
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UK investments	2,568,824
Overseas investments	197,425

TOTAL INVESTMENTS	2,766,249
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1 Overseas listed

All classes of equity in any one company are treated as one investment.

Additional Information

Principal Risks and Uncertainties

The principal risks and uncertainties associated with the Company's business can be divided into the following main areas:

- Portfolio and market price
- Dividend income
- Investment activity, gearing and performance
- Tax and regulatory
- Operational

Information on these risks and how they are managed is given in the Annual Report for the year ended 30 June 2025. In the view of the Board, these principal risks and uncertainties at the year end remain and are as applicable to the remaining six months of the financial year as they were to the six months under review.

Related Party Transactions

The Company's transactions with related parties during the period were with its Directors and Janus Henderson. There have been no material transactions between the Company and its Directors during the period other than the amounts paid to them in respect of Directors' remuneration.

In relation to the provision of services by Janus Henderson, other than fees payable by the Company in the ordinary course of business and the provision of marketing services, there have been no material transactions with Janus Henderson affecting the financial position of the Company during the period under review.

Going Concern

The assets of the Company consist of securities that are readily realisable. The Directors have also considered the current geopolitical and macroeconomic uncertainties and the potential for sudden catastrophic events such as pandemics, conflict and climate events, including cash flow forecasting, a review of covenant compliance, including the headroom above the most restrictive covenants, and an assessment of the liquidity of the portfolio. They have concluded that the Company is able to meet its financial obligations, including the repayment of the bank overdraft, as they fall due for a period of at least twelve months from the date of approval of the financial statements. Having assessed these factors and the principal risks, the Board has determined that it is appropriate for the financial statements to be prepared on a going concern basis.

Directors' Responsibility Statement

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

- the unaudited condensed set of financial statements has been prepared in accordance with FRS 104 "Interim Financial Reporting";
- the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (indication of important events during the first six months and description of the principal risks and uncertainties for the remaining six months of the year); and
- the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

On behalf of the Board
Sir Laurie Magnus CBE
Chairman
26 February 2026

General Shareholder Information

Performance Details/Share Price Information

Information about the Company's share price and NAV is available on its website, www.cityinvestmenttrust.com and in the London Stock Exchange Daily Official List. The Company's NAV is published daily.

The market price of the Company's ordinary shares is published daily in The Financial Times and other leading newspapers. The Financial Times also shows figures for the estimated NAV and the premium/discount to NAV.

Shareholder Details

Shareholders who hold their shares in certificated form can check their shareholding with the Registrar, Computershare Investor Services PLC, via www.investorcentre.co.uk. To gain access to your details on the Computershare site you will need the holder reference number shown on your share certificate.

Financial Calendar

Annual results: September

Annual General Meeting: October

Half-year results: February

Dividends¹

Ordinary shares:

- first interim payable on 30 November
- second interim payable on 28 February
- third interim payable on 31 May
- fourth interim payable on 31 August

Preference and preferred ordinary stocks:

- payable on 28 February and 31 August

¹ Payments are made on the nearest working day prior to the dates indicated above

Corporate Information

Registered Office

201 Bishopsgate
London EC2M 3AE

Service Providers

Alternative Investment Fund Manager
Janus Henderson Fund Management UK Limited
201 Bishopsgate
London EC2M 3AE

Corporate Secretary

Janus Henderson Secretarial Services UK Limited
201 Bishopsgate
London EC2M 3AE
Telephone: 020 7818 1818
Email: itsecretariat@janushenderson.com

Depository and Custodian

HSBC Bank plc
8 Canada Square
London E14 5HQ

Corporate Broker

Cavendish Capital Markets Limited
1 Bartholomew Close
London EC1A 7BL

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 889 3296
Email: WebCorres@computershare.co.uk

Investors with share certificates (i.e. not those with a share plan or ISA) can check their holding at www.investorcentre.co.uk

Independent Auditor

Ernst & Young LLP
25 Churchill Place
London E14 5EY

Information Sources

For more information about The City of London Investment Trust plc, visit the website at www.cityinvestmenttrust.com. This includes factsheets, interviews, current information on the Company and up-to-date share price and net asset value details.

To sign up for expert insights about investment trusts, updates from our fund managers as well as AGMs and Trust TV episodes, please visit this page:

www.janushenderson.com/en-gb/investor/subscriptions



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Investing

Shares can be purchased in the market via a stockbroker or through share dealing platforms. They can also be held through share plans, ISAs or pensions and links to various providers are included on the website.

Potential investors are reminded that the value of investments and the income from them may go down as well as up and investors may not get back the full amount invested. Tax benefits may vary as a result of statutory changes and their value will depend on individual circumstances.

The City of London Investment Trust plc
201 Bishopsgate London EC2M 3AE

MANAGED BY
Janus Henderson
INVESTORS

aic
The Association of
Investment Companies



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