

Company Number: 00026351

# **THE BANKERS INVESTMENT TRUST PLC**

## **HALF-YEAR REPORT**

*(unaudited)*

**for the six months ended 30 April 2022**

## THE BANKERS INVESTMENT TRUST PLC (‘the Company’)

### Unaudited results for the half-year ended 30 April 2022

#### INVESTMENT OBJECTIVE

Over the long term, the Company aims to achieve capital growth in excess of the FTSE World Index and dividend growth greater than inflation, as measured by the UK Consumer Price Index (‘CPI’), by investing in companies listed throughout the world.

#### INVESTMENT POLICY

The following investment ranges apply:

- Equities: 80% to 100%
- Debt securities and cash investments: 0% to 20%
- Investment trusts, collective funds and derivatives: 0% to 15%

To achieve an appropriate spread of investment risk the portfolio is broadly diversified by geography, sector and company. The Manager (‘Janus Henderson’) has the flexibility to invest in any geographic region and any sector with no set limits on individual country or sector exposures and, therefore, the make-up and weighting of the portfolio may differ materially from the FTSE World Index.

The Manager primarily employs a bottom-up stock picking investment process, across six regional portfolios, to identify suitable opportunities. While each regional portfolio manager employs their own investment style, they all pay particular regard to cash generation and dividend growth over the medium term.

The Company can, but normally does not, invest up to 15% of its gross assets in any other investment companies (including listed investment trusts).

#### Derivatives

The Company may use financial instruments known as derivatives for the purpose of efficient portfolio management while maintaining a level of risk consistent with the risk profile of the Company.

#### Gearing

The Company can borrow to make additional investments with the aim of achieving a return that is greater than the cost of the borrowing. The Company can borrow up to 20% of net assets at the time of draw down.

#### PERFORMANCE HIGHLIGHTS

	30 April 2022	30 April 2021
<b>Net asset value (‘NAV’) per share</b>	<b>113.0p</b>	114.3p
<b>Share price</b>	<b>105.9p</b>	114.2p
<b>Revenue return per share</b>	<b>1.08p</b>	0.97p
<b>Dividends paid or declared in respect of the period<sup>1</sup></b>	<b>1.128p</b>	1.076p

**Total return performance to 30 April 2022** (including dividends reinvested and excluding transaction costs)

	6 months	1 year	3 years	5 years	10 years
	%	%	%	%	%
<b>NAV<sup>2</sup></b>	<b>-5.6</b>	0.8	29.6	58.2	205.4
<b>Index<sup>3</sup></b>	<b>-2.6</b>	6.1	40.6	66.6	164.2
<b>Share price<sup>4</sup></b>	<b>-6.3</b>	-5.6	24.2	53.9	226.2

<sup>1</sup> The first interim dividend for 2022 was paid on 31 May 2022; the second interim dividend has been declared and will be paid on 31 August 2022

<sup>2</sup> Net asset value total return per share with income reinvested and with debt at par

<sup>3</sup> Composite of FTSE All-Share Index for the period to 31 October 2017 and FTSE World Index from 1 November 2017 to 30 April 2022

<sup>4</sup> Share price total return using mid-market closing price

## **INTERIM MANAGEMENT REPORT**

### **Review**

In February I became Chair and I look forward to working with the Board and the Investment Manager, and to meeting many of our shareholders over the coming years. Founded in 1888, Bankers has a distinguished history. It has experienced a variety of financial and economic crises as well as, of course, its share of bull markets. Its strength has been its ability to adapt to changing circumstances and to grow. I have been involved in the investment trust sector for 30 years and Bankers struck me as interesting for a variety of reasons. First it is an old established and substantial trust. Second it has a sound record on both income and capital growth. Third it is unique in the way in which it manages separate portfolios under the same roof. As a result, it has the ability to appeal to a wide range of investors.

We have entered a more uncertain period for markets, with inflationary pressures everywhere and interest rates being raised to counter price demand for goods and services. Over the six months ended 30 April 2022, the NAV total return was -5.6% and the share price total return was -6.3%, both underperforming the FTSE World Index total return of -2.6%. The underperformance was due to mixed performance from stock selection in various regional sleeves combined with weakness in Asia, particularly China. The accompanying Fund Manager's Report contains more information together with a useful market commentary.

### **Dividends**

The Company's income has continued to recover this year and our investment income for the six months ended 30 April 2022 was £17.8 million compared to £15.6 million for the same period last year, an increase of 14.1%. This increase reflects continued dividend growth, the strengthening US dollar and a resumption in dividends from the few remaining companies who suspended dividends. Our net revenue for the six months was £14.2 million (2021: £12.6 million), equivalent to 1.08p per share (2021: 0.97p).

A first interim dividend of 0.55p per share (2021: 0.538p) was paid on 31 May 2022. The Board has declared a second interim dividend of 0.578p (2021: 0.538p) per share, which will be payable on 31 August 2022 to shareholders on the register on 29 July 2022.

The Company aims over the long-term to grow dividends in excess of inflation, as measured by the UK Consumer Price Index ('CPI'). This year has seen the highest level of CPI inflation in a generation and while it will not be possible to grow our payments in line with inflation this year, Bankers' long-term record is healthy. Over the past 10 years, to 31 October 2021, dividends have grown by 71% compared to a 20% increase in CPI. The improving outlook for our investment income combined with the revenue reserve leads us to increase our forecast for dividend growth for the current financial year, from at least 3% to at least 5%.

### **Share buy-backs**

The market uncertainty has led to the Company's shares trading at a discount which has offered an opportunity to buy back shares from the market. This activity is beneficial to ongoing shareholders, as shares are only purchased below net asset value. A total of 4,243,874 shares were bought back at an average discount of 6% to the net asset value in the six months ended 30 April 2022 (30 April 2021: nil), for a total consideration of £4.5 million. The discount at 30 April 2022 was 6.3% (2021: 0.1%). Since the period end, a further 4,256,126 shares have been bought back, for a total consideration of £4.3 million.

There have been no share issues in the financial year to date.

### **The Board and Investment Manager**

Sue Inglis stepped down from the Board at the Annual General Meeting in February 2022, after nine years on the Board and three years as Chair. I should like to thank her on behalf of the Board for her outstanding contribution. The Board will miss her deep knowledge, experience and understanding of the investment trust world. The search for a new non-executive director has begun and will conclude before the end of the year.

A change in Chair allows the Board to reflect on the operation of the Company. The timing of this is prescient, given the market volatility. In the Board's view there is no requirement to alter our long-term objectives but rather there are opportunities to tighten up the way in which the Company operates, communicates and attracts new investors.

As part of this process the Company's Manager, Janus Henderson, has decided to appoint Mike Kerley as deputy to Alex Crooke. This appointment recognises the size and importance of the Company to Janus Henderson and the provision of this additional resource is welcomed by the Board. Mike has been in the investment management business for 37 years and he has been managing the Bankers' Pacific (ex Japan and China) portfolio since 2006. To support Mike with his portfolio role, Sat Duhra will co-manage the Pacific portfolio. Sat joined Janus Henderson in 2011 and has over 22 years of experience in financial markets. We are fortunate to have access to such experienced and knowledgeable investment professionals within Janus Henderson.

## **Outlook**

Events this past year were impossible to predict. The rapid economic recovery from Covid restrictions created rising demand when there were still supply bottlenecks of goods. The war in the Ukraine places further restrictions on the provision of energy and food supplies. There are some parallels to the economic conditions in the 1970's and 80's but, as is often the case, there are also key differences. Activity will slow this year but market share prices are adjusting to this outturn and, with the banking sector and corporates well capitalised, there should be a solid foundation to rebuild investors' confidence.

**Simon Miller**  
**Chair**  
**24 June 2022**

## **FUND MANAGER'S REPORT**

### **Market review**

The highest level of price inflation for over 30 years and potential central bank reactions have dominated markets throughout the past half year under review. The reasons for inflation touching 10% in the UK are manifold but stem from disruption to both labour movement and supply chains throughout the Covid lockdowns. Goods price inflation has been compounded by rising service prices and, more recently, energy and food prices following the invasion of Ukraine. The equity markets have fallen in value since the end of December, with inflation proving far from transitory as central banks assured investors last year. Historically, such levels of inflation would provoke central banks to raise interest rates rapidly to curtail demand and bring prices back down but investors fear that the increase in rates has been too slow.

Longer term bond yields have also risen over the period, signalling unusual conditions where both bonds and equities have fallen in value. Essentially, market prices are signalling that central banks will not contain inflation quickly and that it is increasingly likely that a recession will follow. Growth equities, especially technology companies, have been especially hard hit, while energy and other defensive sectors such as utilities and healthcare have been relatively better performers. Ironically, corporate profits are proving resilient and are even rising, but the market valuation of those earnings by investors has been derated because of their cautious outlook. Typically, markets derate stocks well ahead of actual earnings falling.

The most resilient stock market has been the UK which has risen in value over the period under review. This has less to do with the strength of the UK economy but rather the high weighting of oil and mining companies and those with large overseas earnings within the market. The US dollar has appreciated by almost 9% over the period against sterling reflecting a flight to quality and the expectation that the Federal Reserve will raise interest rates quicker than the UK. The remaining major markets, the US, Japan and Europe have broadly fallen by the same amount in local currencies, approximately 10% but in sterling terms the US has delivered the better underlying return despite the sell-off in technology shares. China has been a notable laggard in terms of market performance as the policy of zero Covid cases in the community is having a detrimental impact on economic growth. It is proving challenging to understand when this policy will be overturned.

### **Performance**

Overall, the portfolio has lagged the FTSE World Index by 3% which is largely attributable to a lower exposure to the US market and the poor performance of the China portfolio. There has also been underperformance in the US and European portfolios that has impacted the return, as both of these portfolios have a significantly higher weight to growth stocks which have derated in current market conditions. The UK and Asian portfolios have delivered performance ahead of their respective benchmarks attributable to good stock picking and the more value based, cash generative and dividend emphasis of the respective managers. Higher yielding stocks have been a noticeable outperformer in Asian markets this year. Unusually, quality as a factor in stock selection has performed poorly during this period which emphasises how macroeconomic events have driven stock market returns rather than fundamentals.

The portfolio's income has continued to recover with almost all companies reinstating dividends that were withheld through Covid restrictions. The banking and consumer services sectors were the last to return to normal patterns of dividend payments. The challenging economic outlook combined with many companies facing rising labour and input inflation is likely to limit further dividend growth this year. Similarly, the receipt of special dividends is trending lower than last year.

### **Outlook**

While we desperately hope that there will be an end to the conflict in Ukraine, it is clear that energy and food prices are likely to be elevated for some time to come as supply shortages persist. While there is a real risk that economic activity contracts in Europe and elsewhere, purely through demand falling as consumers pay more for basic goods and services, shares are already pricing in a slowing growth outlook. The resilience of the UK stock market should continue despite the uncertainty stemming from UK politics. US interest rates are forecast to rise to over 2% by December, which will have a cooling effect on the US economy, but we still expect US growth to remain positive and therefore US corporate earnings to grow this year. Stock markets will remain volatile until there is a clear downward direction in inflationary pressures and investors can gain confidence in stock valuations.

**Alex Crooke**  
**Fund Manager**  
**24 June 2022**

## **MANAGING OUR RISKS**

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

- Investment Activity and Performance Risks
- Portfolio and Market Risks
- Tax, Legal and Regulatory Risks
- Financial Risks
- Operational and Cyber Risks
- Risks associated with Climate Change

Information on these risks and uncertainties and how they are managed are given in the Annual Report for the year ended 31 October 2021. However, risks associated with the global Covid pandemic and other health emergencies are now considered within Portfolio and Market Risks, a grouping which has been extended to cover risks relating to heightened political and military tensions and inflationary pressures. Following a recent review, the Board believes that these principal risks and uncertainties are as applicable to the remaining six months of the financial year as they were to the six months under review.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors (listed in note 15) confirm that, to the best of their knowledge:

- (a) the unaudited condensed set of financial statements has been prepared in accordance with IAS 34 – Interim Financial Reporting ('IAS 34') and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by Disclosure Guidance and Transparency Rule 4.2.4R;
- (b) 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 principal risks and uncertainties for the remaining six months of the year); and
- (c) 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 that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the Company during the period; and any changes in related party transactions described in the latest annual report that could have an impact in the first six months of the current financial year).

**On behalf of the Board**  
**Simon Miller**  
**Chair**  
**24 June 2022**

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Half-year ended 30 April 2022			(Unaudited) Half-year ended 30 April 2021			(Audited) Year ended 31 October 2021		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
(Losses)/gains on investments held at fair value through profit or loss	-	(100,441)	(100,441)	-	220,218	220,218	-	308,991	308,991
Investment income	17,822	-	17,822	15,610	-	15,610	34,939	-	34,939
Other operating income	62	-	62	53	-	53	88	-	88
<b>Gross revenue and capital (losses)/gains</b>	<b>17,884</b>	<b>(100,441)</b>	<b>(82,557)</b>	<b>15,663</b>	<b>220,218</b>	<b>235,881</b>	<b>35,027</b>	<b>308,991</b>	<b>344,018</b>
<b>Expenses</b>									
Management fees (note 2)	(992)	(2,314)	(3,306)	(880)	(2,055)	(2,935)	(1,843)	(4,300)	(6,143)
Other expenses	(687)	-	(687)	(535)	-	(535)	(1,074)	-	(1,074)
<b>Profit/(loss) before finance costs and taxation</b>	<b>16,205</b>	<b>(102,755)</b>	<b>(86,550)</b>	<b>14,248</b>	<b>218,163</b>	<b>232,411</b>	<b>32,110</b>	<b>304,691</b>	<b>336,801</b>
Finance costs	(695)	(1,550)	(2,245)	(454)	(1,058)	(1,512)	(1,037)	(2,423)	(3,460)
<b>Profit/(loss) before taxation</b>	<b>15,510</b>	<b>(104,305)</b>	<b>(88,795)</b>	<b>13,794</b>	<b>217,105</b>	<b>230,899</b>	<b>31,073</b>	<b>302,268</b>	<b>333,341</b>
Taxation	(1,337)	-	(1,337)	(1,232)	-	(1,232)	(2,705)	-	(2,705)
<b>Profit/(loss) for the period</b>	<b>14,173</b>	<b>(104,305)</b>	<b>(90,132)</b>	<b>12,562</b>	<b>217,105</b>	<b>229,667</b>	<b>28,368</b>	<b>302,268</b>	<b>330,636</b>
<b>Earnings/(loss) per ordinary share (note 3)</b>	<b>1.08p</b>	<b>(7.95)p</b>	<b>(6.87)p</b>	<b>0.97p</b>	<b>16.70p</b>	<b>17.67p</b>	<b>2.17p</b>	<b>23.13p</b>	<b>25.30p</b>

The total columns of this statement represent the Statement of Comprehensive Income, prepared in accordance with UK adopted international accounting standards. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

All income is attributable to the equity shareholders of The Bankers Investment Trust PLC.

The accompanying condensed notes are an integral part of the financial statements.

## CONDENSED STATEMENT OF CHANGES IN EQUITY

Half-year ended 30 April 2022 (Unaudited)	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
Total equity at 1 November 2021	32,827	159,797	12,540	1,343,631	38,589	1,587,384
Buy-back of shares into treasury 2021 (note 5)	51	-	(51)	-	-	-
Total equity at 1 November 2021	32,878	159,797	12,489	1,343,631	38,589	1,587,384
Total comprehensive income:						
(Loss)/profit for the period	-	-	-	(104,305)	14,173	(90,132)
Transactions with owners, recorded directly to equity:						
Buy-back of shares to treasury	-	-	-	(4,533)	-	(4,533)
Ordinary dividends paid	-	-	-	-	(14,289)	(14,289)
Total equity at 30 April 2022	32,878	159,797	12,489	1,234,793	38,473	1,478,430

  

Half-year ended 30 April 2021 (Unaudited)	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
Total equity at 1 November 2020	32,289	134,125	12,489	1,043,682	38,386	1,260,971
Total comprehensive income:						
Profit for the period	-	-	-	217,105	12,562	229,667
Transactions with owners, recorded directly to equity:						
Issue of new shares	471	20,580	-	-	-	21,051
Share issue costs	-	(190)	-	-	-	(190)
Costs relating to sub-division of shares	-	-	-	(45)	-	(45)
Ordinary dividends paid	-	-	-	-	(14,043)	(14,043)
Total equity at 30 April 2021	32,760	154,515	12,489	1,260,742	36,905	1,497,411

  

Year ended 31 October 2021 (Audited)	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
Total equity at 1 November 2020	32,289	134,125	12,489	1,043,682	38,386	1,260,971
Total comprehensive income:						
Profit for the year	-	-	-	302,268	28,368	330,636
Transactions with owners, recorded directly to equity:						
Buy-back of shares to treasury	(51)	-	51	(2,274)	-	(2,274)
Issue of new shares	589	25,862	-	-	-	26,451
Share issue costs	-	(190)	-	-	-	(190)
Costs relating to sub-division of shares	-	-	-	(45)	-	(45)
Ordinary dividends paid	-	-	-	-	(28,165)	(28,165)
Total equity at 31 October 2021	32,827	159,797	12,540	1,343,631	38,589	1,587,384

The accompanying condensed notes are an integral part of the financial statements.



## CONDENSED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 30 April 2022 £'000	(Unaudited) As at 30 April 2021 £'000	(Audited) As at 31 October 2021 £'000
<b>Non-current assets</b>			
Investments held at fair value through profit or loss	1,575,875	1,534,028	1,692,169
<b>Current assets</b>			
Investments held at fair value through profit or loss (note 4)	1	4,230	8,598
Other receivables	7,241	6,042	3,621
Cash and cash equivalents	39,458	21,202	25,429
	<u>46,700</u>	<u>31,474</u>	<u>37,648</u>
<b>Total assets</b>	<u>1,622,575</u>	<u>1,565,502</u>	<u>1,729,817</u>
<b>Current liabilities</b>			
Other payables	(5,649)	(3,255)	(3,750)
<b>Total assets less current liabilities</b>	<u>1,616,926</u>	<u>1,562,247</u>	<u>1,726,067</u>
<b>Non-current liabilities</b>			
Debenture stock	(15,000)	(15,000)	(15,000)
Unsecured loan notes	(123,496)	(49,836)	(123,683)
<b>Net assets</b>	<u>1,478,430</u>	<u>1,497,411</u>	<u>1,587,384</u>
<b>Equity attributable to equity shareholders</b>			
Share capital (note 5)	32,878	32,760	32,827
Share premium account	159,797	154,515	159,797
Capital redemption reserve	12,489	12,489	12,540
Retained earnings:			
Other capital reserves	1,234,793	1,260,742	1,343,631
Revenue reserve	38,473	36,905	38,589
<b>Total equity</b>	<u>1,478,430</u>	<u>1,497,411</u>	<u>1,587,384</u>
<b>Net asset value per ordinary share (note 6)</b>	<u>113.0p</u>	<u>114.3p</u>	<u>120.9p</u>

The accompanying condensed notes are an integral part of the financial statements.

## CONDENSED CASH FLOW STATEMENT

	(Unaudited) Half-year ended 30 April 2022 £'000	(Unaudited) Half-year ended 30 April 2021 £'000	(Audited) Year ended 31 October 2021 £'000
<b>Reconciliation of profit before taxation to net cash flow from operating activities</b>			
<b>Operating activities</b>			
(Loss)/profit before taxation	(88,795)	230,899	333,341
Add back: interest payable ('finance costs')	2,245	1,512	3,460
Losses/(gains) on investments held at fair value through profit or loss	100,441	(220,218)	(308,991)
(Increase)/decrease in accrued income	(2,769)	(2,261)	42
(Increase)/decrease in other receivables	(76)	(54)	2
Increase in other payables	117	61	374
Purchases of investments	(179,198)	(330,735)	(614,490)
Sales of investments	195,164	263,779	478,300
Purchases of current asset investments	(17,498)	(33,066)	(67,151)
Sales of current asset investments	26,095	53,606	83,323
Increase in securities sold for future settlement	(662)	(214)	-
Increase in securities purchased for future settlement	1,807	208	-
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<b>Net cash inflow/(outflow) from operating activities before interest and taxation</b>	<b>36,871</b>	<b>(36,483)</b>	<b>(91,790)</b>
Interest paid	(2,456)	(1,512)	(3,072)
Taxation on investment income	(1,451)	(1,479)	(3,103)
	-----	-----	-----
<b>Net cash inflow/(outflow) from operating activities</b>	<b>32,964</b>	<b>(39,474)</b>	<b>(97,965)</b>
	=====	=====	=====
<b>Financing activities</b>			
Equity dividends paid (net of refund of unclaimed distributions)	(14,289)	(14,043)	(28,165)
Issue of loan notes (net of issue costs)	-	-	74,232
Cash relating to sub-division of shares	-	(45)	(45)
Share issue proceeds	-	21,051	26,451
Share issue costs	-	(190)	(190)
Share buy-backs	(4,533)	-	(2,274)
	-----	-----	-----
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(18,822)</b>	<b>6,773</b>	<b>70,009</b>
	=====	=====	=====
<b>Increase/(decrease) in cash</b>	<b>14,142</b>	<b>(32,701)</b>	<b>(27,956)</b>
Cash and cash equivalents at start of period	25,429	54,221	54,221
Exchange movements	(113)	(318)	(836)
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<b>Cash and cash equivalents at end of period</b>	<b>39,458</b>	<b>21,202</b>	<b>25,429</b>
	=====	=====	=====

The accompanying condensed notes are an integral part of the financial statements.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS:

### 1. Accounting policies

The Bankers Investment Trust PLC ('the Company') is a company incorporated and domiciled in the United Kingdom under the Companies Act 2006.

These condensed financial statements comprise the unaudited results of the Company for the half-year ended 30 April 2022. They have been prepared on a going concern basis and in accordance with UK adopted international accounting standards and with the Statement of Recommended Practice for Investment Trusts ('SORP') dated April 2021, where the SORP is consistent with the requirements of UK adopted international accounting standards.

For the period under review, the Company's accounting policies have not varied from those described in the annual report for the year ended 31 October 2021.

These financial statements have not been either audited or reviewed by the Company's Auditor.

### 2. Management fees

	(Unaudited) Half-year ended 30 April 2022			(Unaudited) Half-year ended 30 April 2021			(Audited) Year ended 31 October 2021		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Investment management	992	2,314	3,306	880	2,055	2,935	1,843	4,300	6,143
	=====	=====	=====	=====	=====	=====	=====	=====	=====

With effect from 1 November 2021 the management fee is charged at a rate of 0.45% per annum on the first £750 million of net assets, 0.40% per annum on net assets in excess of £750 million up to £1.5 billion and 0.35% of net assets in excess of £1.5 billion. For the purposes of the fee calculation, the net assets are as at the last day of the quarter immediately preceding the quarter in which the calculation is made.

Up to 31 October 2021 the management fee was calculated on a quarterly basis as the aggregate of 0.45% per annum of the first £750 million and 0.40% per annum on the excess over £750 million of the value of the net assets on the last day of the quarter immediately preceding the quarter in respect of which the calculation was made.

### 3. Earnings per ordinary share

The earnings per ordinary share figure is based on the net loss for the half-year of £90,132,000 (30 April 2021: net profit of £229,667,000; 31 October 2021: net profit of £330,636,000) and on 1,312,859,609 (30 April 2021: 1,300,003,244; 31 October 2021: 1,306,988,584) ordinary shares, being the weighted average number of ordinary shares in issue excluding treasury shares during the period.

The return per share detailed above can be further analysed between revenue and capital, as below.

	(Unaudited) Half-year ended 30 April 2022 £'000	(Unaudited) Half-year ended 30 April 2021 £'000	(Audited) Year ended 31 October 2021 £'000
Revenue profit	14,173	12,562	28,368
Capital (loss)/profit	(104,305)	217,105	302,268
Total (loss)/profit	(90,132)	229,667	330,636
	=====	=====	=====
Weighted average number of ordinary shares in issue during each period	1,312,859,609	1,300,003,244	1,306,988,584
Revenue earnings per ordinary share	1.08p	0.97p	2.17p
Capital (loss)/earnings per ordinary share	(7.95)p	16.70p	23.13p
Total (loss)/earnings per ordinary share	(6.87)p	17.67p	25.30p
	=====	=====	=====

### 4. Current asset investment

The Company has a holding in the Deutsche Bank Global Liquidity Series Fund, a money market fund which is viewed as a readily disposable store of value and which is used to invest cash balances that would otherwise be placed on short-term deposit. At 30 April 2022 this holding had a value of £1,000 (30 April 2021: £4,230,000; 31 October 2021: £8,598,000).

## 5. Share capital

At 30 April 2022 there were 1,315,102,830 ordinary shares of 2.5p each in issue of which 6,275,628 were held in treasury (with no voting rights) (30 April 2021: 1,310,402,830 and no shares held in treasury; 31 October 2021: 1,315,102,830 of which 2,031,754 shares were held in treasury). During the half-year ended 30 April 2022, 4,243,874 shares were bought back into treasury at a total cost of £4,533,000 (30 April 2021: 975,000 shares were issued prior to the 10 for 1 share split and 13,775,000, following the 10 for 1 share split for proceeds of £26,261,000 and 2,031,754 shares were bought back into treasury for a net payment of £2,274,000. Since the period end, the Company has bought back 4,256,126 new shares for a total cost of £4,335,000.

The nominal value of the share buy-backs which were held in treasury during the year to 31 October 2021 was transferred to the capital redemption reserve but should have remained in share capital. This transfer has been reversed in the current period.

## 6. Net asset value per ordinary share

The net asset value per ordinary share is based on the net assets attributable to equity shareholders of £1,478,430,000 (30 April 2021: £1,497,411,000; 31 October 2021: £1,587,384,000) and on 1,308,827,202 (30 April 2021: 1,310,402,830; 31 October 2021: 1,313,071,076) ordinary shares, being the number of ordinary shares in issue with voting rights at the period end.

## 7. Bank loan

At 30 April 2022, the Company had drawn down £nil (30 April 2021 and 31 October 2021: £nil) of its £20 million multi-currency loan facility with SMBC Bank International plc.

## 8. 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 for which there were no outstanding amounts payable at the period end.

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 sales and marketing services, there have been no transactions with Janus Henderson affecting the financial position or performance of the Company during the period under review.

## 9. Financial instruments

At the period end the carrying value of financial assets approximates their fair value.

### Financial instruments carried at fair value

#### Fair value hierarchy

The debenture stock and unsecured loan notes are valued at par in the Statement of Financial Position. The fair value of the 8% debenture stock at 30 April 2022 was £16,211,000 (30 April 2021: £18,018,000; 31 October 2021: £17,537,000). The fair value of the debenture stock has been calculated using prices quoted on the exchange on which the instrument trades and is categorised as Level 1 as described below. In order to comply with fair value accounting disclosures only, the fair value of the loan notes at 30 April 2022 have been estimated to be £114,900,000 (30 April 2021: £58,785,000; 31 October 2021: £134,199,000) and is categorised as Level 3 in the fair value hierarchy as described below. However, for the purpose of the daily NAV announcements, the unsecured loan notes are valued at amortised cost in the fair value NAV because they are not traded and the Directors expect them to be held to maturity and, accordingly, the Directors have assessed that this is the most appropriate value to be applied for this purpose.

The following table analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used.

Financial assets at fair value through profit or loss at 30 April 2022 (Unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Investments including derivatives:</b>				
- Equity investments	1,575,874	-	-	1,575,874
- Fixed interest investments	-	-	1	1
- Current asset investments	1	-	-	1
	-----	-----	-----	-----
<b>Total financial assets carried at fair value</b>	<b>1,575,875</b>	<b>-</b>	<b>1</b>	<b>1,575,876</b>
	=====	=====	=====	=====

Financial assets at fair value through profit or loss at 30 April 2021 (Unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Investments including derivatives:</b>				
- Equity investments	1,534,027	-	-	1,534,027
- Fixed interest investments	-	-	1	1
- Current asset investments	4,230	-	-	4,230
	-----	-----	-----	-----
<b>Total financial assets carried at fair value</b>	<b>1,538,257</b>	<b>-</b>	<b>1</b>	<b>1,538,258</b>
	=====	=====	=====	=====

Financial assets at fair value through profit or loss at 31 October 2021 (Audited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Investments including derivatives:</b>				
- Equity investments	1,692,168	-	-	1,692,168
- Fixed interest investments	-	-	1	1
- Current asset investments	8,598	-	-	8,598
	-----	-----	-----	-----
<b>Total financial assets carried at fair value</b>	<b>1,700,766</b>	<b>-</b>	<b>1</b>	<b>1,700,767</b>
	=====	=====	=====	=====

<b>Level 3 investments at fair value through profit or loss</b>	<b>(Unaudited) Half-year ended 30 April 2022 £'000</b>	<b>(Unaudited) Half-year ended 30 April 2021 £'000</b>	<b>(Audited) Year ended 31 October 2021 £'000</b>
<b>Opening balance</b>	<b>1</b>	<b>3</b>	<b>3</b>
Disposal proceeds	-	(2)	(2)
	-----	-----	-----
<b>Closing balance</b>	<b>1</b>	<b>1</b>	<b>1</b>
	=====	=====	=====

## 10. Reconciliation of liabilities arising from financing activities

	At 1 November 2021 £'000	Cash flows £'000	Non-cash changes		At 30 April 2022 £'000
			Amortisation of issue costs £'000	Foreign exchange £'000	
<b>Financing activities</b>					
Financing liabilities	138,683	-	11	(198)	138,496
	-----	-----	-----	-----	-----
<b>Closing liabilities from financing activities</b>	<b>138,683</b>	<b>-</b>	<b>11</b>	<b>(198)</b>	<b>138,496</b>
	=====	=====	=====	=====	=====

	At 1 November 2020 £'000	Cash flows £'000	Non-cash changes		At 30 April 2021 £'000
			Amortisation of issue costs £'000	Foreign exchange £'000	
Financing activities					
Financing liabilities	64,832	-	4	-	64,836
	-----	-----	-----	-----	-----
Closing liabilities from financing activities	64,832	-	4	-	64,836
	=====	=====	=====	=====	=====

	At 1 November 2020 £'000	Cash flows £'000	Non-cash changes		At 31 October 2021 £'000
			Amortisation of issue costs £'000	Foreign exchange £'000	
Financing activities					
Financing liabilities	64,832	74,232	13	(394)	138,683
	-----	-----	-----	-----	-----
Closing liabilities from financing activities	64,832	74,232	13	(394)	138,683
	=====	=====	=====	=====	=====

## 11. Going concern

In assessing the Company's going concern, the Directors have considered among other things, cash flow forecasts, a review of covenant compliance including the headroom above the most restrictive covenants, an assessment of the liquidity of the portfolio and the impact of Covid-19. The assets of the Company consist mainly of securities that are listed and readily realisable. Thus, after making due enquiry, the Directors believe that the Company has adequate financial resources to meet its financial obligations, including the repayment of any borrowings, and to continue in operational existence for at least 12 months from the date of approval of the financial statements. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

## 12. Dividends

A first interim dividend of 0.55p (2021: 0.538p) per ordinary share, was paid on 31 May 2022 to shareholders registered on 29 April 2022. The shares were quoted ex-dividend on 28 April 2022. Based on the number of ordinary shares in issue at 30 April 2022 (excluding shares held in treasury) of 1,308,827,202 the cost of this dividend was £7,199,000.

The Directors have declared a second interim dividend of 0.578p (2021: 0.538p) per ordinary share which will be payable on 31 August 2022 to shareholders on the register on 29 July 2022. The shares will be quoted ex-dividend on 28 July 2022. Based on the number of shares in issue excluding shares held in treasury at 24 June 2022 of 1,304,571,076 the cost of this dividend will be £7,540,000.

## 13. Comparative information

The financial information contained in this half-year report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the half-years ended 30 April 2022 and 2021 have not been audited or reviewed by the Auditor.

The figures and financial information for the year ended 31 October 2021 have been extracted from the latest published financial statements of the Company. These financial statements have been delivered to the Registrar of Companies and included the report of the Auditor which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

A glossary of terms and details of alternative performance measures can be found in the Annual Report for the year ended 31 October 2021.

## 14. Half-year Update

The half-year report is available on the Company's website ([www.bankersinvestmenttrust.com](http://www.bankersinvestmenttrust.com)) or in hard copy from the Company's registered office. An abbreviated version of this half-year report, the 'update', will be circulated to shareholders in early July 2022.

## 15. General information

### Company Status

The Company is a UK domiciled investment trust company.

London Stock Exchange Daily Official List (SEDOL): BN4NDR3 / ISIN number: GB00BN4NDR39

London Stock Exchange (TIDM) Code: BNKR

New Zealand Stock Exchange Code: BIT

Global Intermediary Identification Number (GIIN): L5YVFP.99999.SL.826

Legal Entity Identifier (LEI): 213800B9YWXL3X1VMZ69

### Registered Office

UK: 201 Bishopsgate, London EC2M 3AE.

### Company Registration Number

UK: 00026351

NZ: 645360

### Directors

The Directors of the Company are Simon Miller (Chair), Julian Chillingworth (Senior Independent Director), Isobel Sharp (Audit Committee Chair) and Richard West.

### Corporate Secretary

Janus Henderson Secretarial Services UK Limited, represented by Wendy King FCG.

### Website

Details of the Company's share price and net asset value, together with general information about the Company, monthly factsheets and data, copies of announcements, reports and details of general meetings can be found at [www.bankersinvestmenttrust.com](http://www.bankersinvestmenttrust.com).

## 50 Largest Investments

At 30 April 2022

Rank 30 Apr 2022	Rank 31 Oct 2021	Company	Country	Valuation 31 Oct 2021 £'000	Purchases £'000	Sales proceeds £'000	Appreciation/ (depreciation) £'000	Valuation 30 Apr 2022 £'000
1	2	American Express	US	34,616	-	-	3,386	38,002
2	1	Microsoft	US	46,870	-	(5,506)	(4,217)	37,147
3	4	CME	US	30,852	-	-	2,678	33,530
4	5	Automatic Data	US	29,085	-	-	1,777	30,862
5	21	Roper Technologies	US	18,630	9,620	-	1,846	30,096
6	9	Otis Worldwide	US	25,547	5,047	-	(539)	30,055
7	11	Union Pacific	US	24,456	2,967	-	1,449	28,872
8	6	American Tower	US	28,797	-	-	(1,881)	26,916
9	16	AstraZeneca	UK	21,880	-	-	3,838	25,718
10	#	Oracle	US	-	24,963	-	730	25,693
11	13	Visa	US	22,418	-	-	2,188	24,606
12	7	Home Depot	US	27,220	-	-	(3,201)	24,019
13	3	Estée Lauder	US	31,924	-	(5,030)	(3,028)	23,866
14	10	Intercontinental Exchange	US	25,072	-	-	(2,171)	22,901
15	17	MasterCard	US	21,732	-	(2,848)	3,399	22,283
16	19	Diageo	UK	19,733	-	(315)	2,092	21,510
17	14	Sherwin-Williams	US	22,082	-	-	(1,162)	20,920
18	34	Thermo Fisher Scientific	US	14,326	7,129	-	(591)	20,864
19	12	Moody's	US	23,309	-	-	(3,381)	19,928
20	8	Intuit	US	26,526	-	-	(7,149)	19,377
21	15	Alphabet	US	22,024	-	-	(3,412)	18,612
22	22	Toyota Motor	Japan	17,305	-	-	1,244	18,549
23	39	Roche	Switzerland	12,289	5,064	-	935	18,288
24	20	Zoetis	US	19,578	-	-	(2,060)	17,518
25	24	RELX	UK	16,544	-	-	935	17,479



<b>Rank 30 Apr 2022</b>	<b>Rank 31 Oct 2021</b>	<b>Company</b>	<b>Country</b>	<b>Valuation 31 Oct 2021 £'000</b>	<b>Purchases £'000</b>	<b>Sales proceeds £'000</b>	<b>Appreciation/ (depreciation) £'000</b>	<b>Valuation 30 Apr 2022 £'000</b>
26	27	Reckitt Benckiser	UK	15,378	-	-	812	16,190
27	46	British American Tobacco	UK	11,157	-	-	3,526	14,683
28	23	ICON	US	16,947	-	-	(2,335)	14,612
29	35	Nestlé	Switzerland	13,607	-	-	983	14,590
30	26	Lloyds Banking	UK	15,495	-	-	(1,339)	14,156
31	#	Anglo American	UK	10,619	-	-	3,067	13,686
32	40	Compass	UK	12,136	-	-	1,194	13,330
33	30	Novo-Nordisk	Denmark	14,986	-	(3,346)	1,615	13,255
34	#	Total Energies	France	9,791	2,328	-	914	13,033
35	42	Bunzl	UK	11,582	-	(316)	1,700	12,966
36	#	Rio Tinto	UK	10,353	-	-	2,600	12,953
37	41	Macquarie Bank	Australia	12,050	-	-	876	12,926
38	29	Sony	Japan	15,086	-	-	(2,670)	12,416
39	#	Sanofi	France	10,235	-	-	1,689	11,924
40	37	Taiwan Semiconductor Manufacturing	Taiwan	13,339	-	-	(1,433)	11,906
41	18	Apple	US	21,083	-	(12,426)	3,059	11,716
42	36	DSM	Netherlands	13,568	-	-	(2,100)	11,468
43	45	OZ Minerals	Australia	11,233	-	-	185	11,418
44	43	3i	UK	11,481	-	-	(332)	11,149
45	#	RWE	Germany	9,194	-	-	1,713	10,907
46	44	The Cooper Companies	US	11,304	-	-	(620)	10,684
47	#	Daiichi Sankyo	Japan	9,170	493	-	953	10,616
48	#	KPN	Netherlands	8,386	-	-	2,208	10,594
49	28	Bawag	Austria	15,301	-	(2,401)	(2,408)	10,492
50	#	Tokio Marine	Japan	10,260	-	(1,228)	1,309	10,341
				<b>896,556</b>	<b>57,611</b>	<b>(33,416)</b>	<b>8,871</b>	<b>929,622</b>

All securities are equity investments

# Not in top 50 at 31 October 2021

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

## GEOGRAPHICAL DISTRIBUTION

	Valuation of investments	
	30 April 2022	31 October 2021
	%	%
UK	19.7	18.1
Europe (ex UK)	16.6	18.8
North America	35.7	35.4
Japan	11.8	11.8
Pacific (ex Japan and China)	10.5	10.0
China	5.7	5.9
	-----	-----
	100.0	100.0
	=====	=====

Source: Janus Henderson

## REVENUE GENERATED

	30 April 2022	30 April 2021
	£million	£million
UK	6.1	5.6
Europe (ex UK)	4.0	3.4
North America	3.4	2.3
Japan	2.1	2.1
Pacific (ex Japan and China)	2.2	2.0
China	-	0.2
	-----	-----
	17.8	15.6
	=====	=====

Source: Janus Henderson

## SECTOR ANALYSIS

As a percentage of the investment portfolio excluding cash

	30 April 2022	31 October 2021
	%	%
Industrials	19.3	18.8
Financials	18.9	19.4
Consumer Discretionary	14.5	16.9
Technology	14.5	15.6
Health Care	10.7	9.4
Consumer Staples	8.0	7.2
Basic Materials	4.4	4.6
Telecommunications	3.3	3.1
Real Estate	3.0	2.5
Energy	1.8	1.0
Utilities	1.6	1.5
	-----	-----
	100.0	100.0
	=====	=====

Source: Janus Henderson

***Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) are incorporated into, or forms part of, this report.***