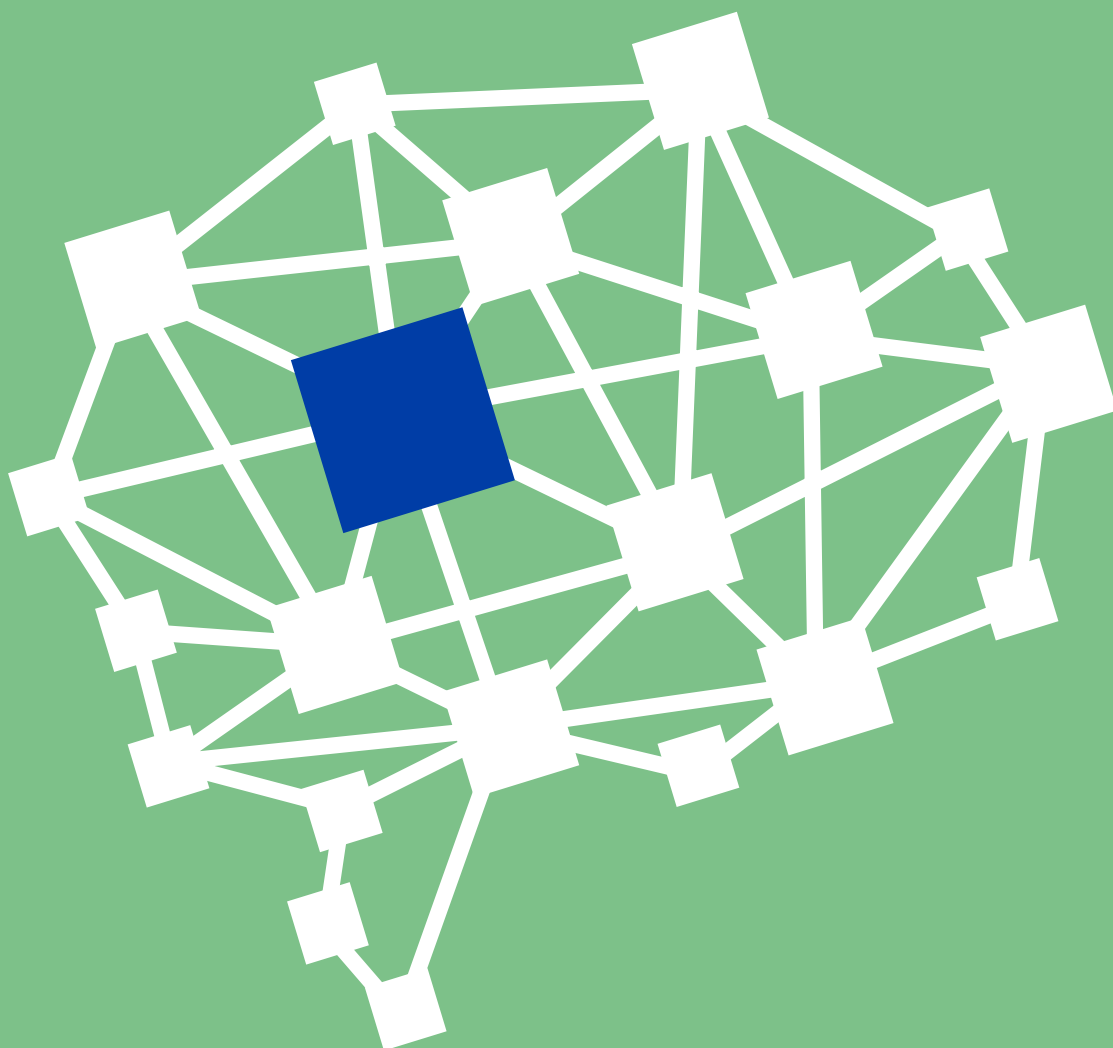


# Collective Wisdom



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02	Performance and financial highlights
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## Our purpose

is to achieve significant growth in our investors' wealth by investing in global equity markets, using a multi-manager approach.

## Our objective

is to achieve an investment total return exceeding that of the Company's benchmark over the long term, together with growth in the dividend ahead of inflation.

## Why choose Witan?

### Long-term

Our approach is fundamentally focused on achieving long-term returns from global equity investment.

### Active

We invest in companies whose business and valuation mark them out as having above-average prospects.

### Opportunistic

Within our long-term approach, we also seek to take advantage of shorter-term opportunities.

### Heritage

Founded in 1909, we have survived boom and bust cycles, wars and political crises, helping put contemporary events into perspective.

### Globally diversified

Our global approach seeks out the best opportunities across a broad range of economies, diluting risks from reliance on a single region.

## Where to find us

Our website has a full range of information about Witan and regular commentary about investment markets.



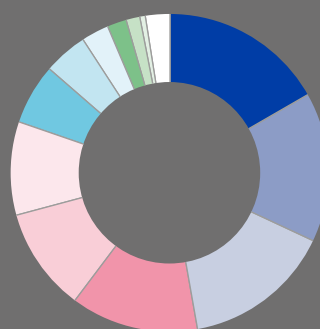
Find us online @ [www.witan.com](http://www.witan.com)

# Globally diversified

## PERCENTAGE OF TOTAL FUNDS



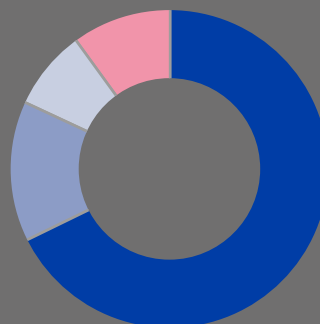
Witan has a portfolio that offers shareholders a wide range of opportunities, giving exposure to the fruits of global economic growth. Owing to our worldwide investment remit and the use of different managers, the portfolio is widely diversified by region, investment sector and at the individual company level. This avoids undue concentration of risks arising from individual companies, sector influences or local economic and political risks. However, the principal driver of our investment decisions is the potential for returns. The country, sector and individual stock weightings arise from decisions about which companies are judged to offer the best prospects, not from a pre-ordained template for the portfolio's structure. The resulting asset mix is, of course, monitored and can be adjusted when considered appropriate.



### SECTOR BREAKDOWN OF THE PORTFOLIO<sup>(2)</sup>

16.7%	Financials
15.5%	Industrials
15.1%	Consumer Services
13.2%	Consumer Goods
10.6%	Collective Investment Schemes
9.2%	Technology
6.1%	Health Care
4.5%	Oil & Gas
2.9%	Basic Materials
1.9%	Telecommunications
1.4%	Utilities
0.6%	Futures
2.3%	Cash

Source: BNP Paribas Securities Services as at 30 June 2019.



### COMPANY SIZE BREAKDOWN OF THE PORTFOLIO<sup>(2)</sup>

68%	Large Cap
14%	Mid Cap
8%	Small Cap
10%	Investment Companies

The top 50 holdings are set out on page 8. They represented 44% of Witan's portfolio at 30 June 2019.

(2) Figures may not sum due to rounding.

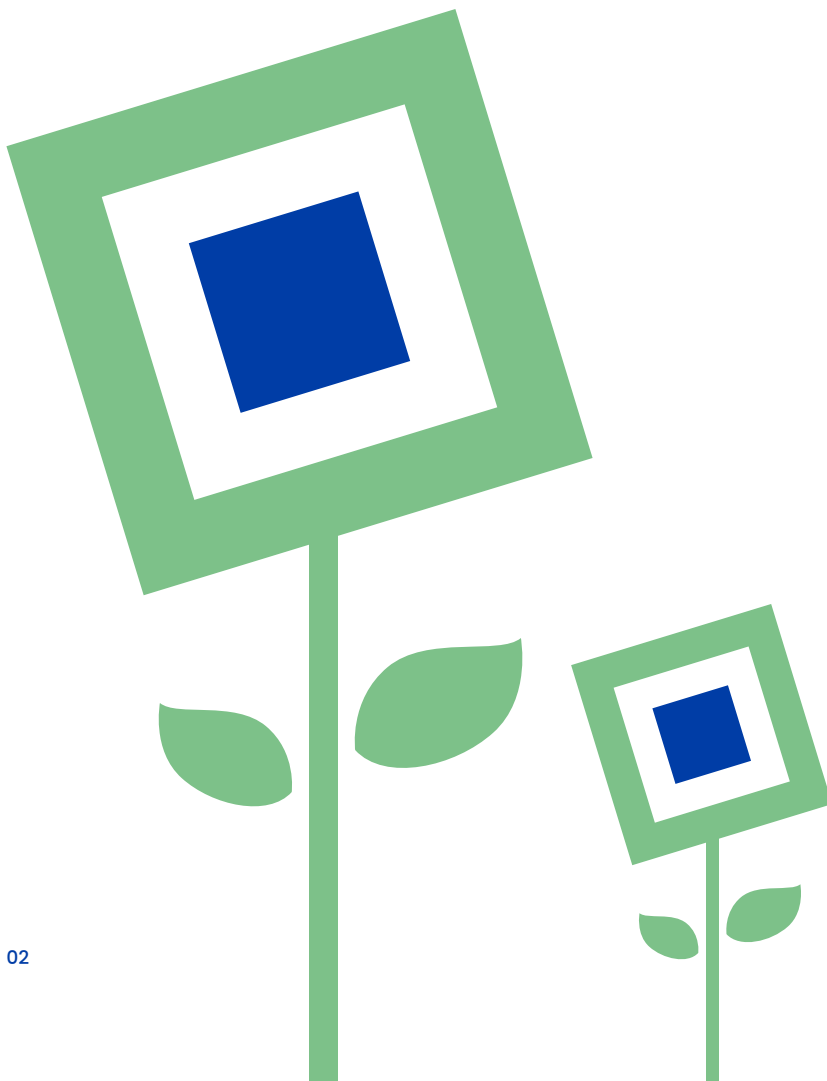
# Buoyant revenue growth

“

Witan shareholders enjoyed a strongly positive NAV total return of 13.5% in the first half of 2019. Our benchmark's return was 14.9%. The share price total return was 11.7%.

Buoyant revenue growth augurs well for a further year of strong real growth in our dividend and since the period end we have agreed to issue long-term debt at a yield which is a record low for the investment trust sector.”

**Harry Henderson**  
Chairman



# 11.7%

SHARE PRICE TOTAL RETURN  
FOR THE SIX MONTHS

# 13.5%

NAV PER SHARE TOTAL RETURN  
FOR THE SIX MONTHS

## KEY DATA

	(Unaudited) 30 June 2019	(Audited) 31 December 2018	Change since 31 December 2018
Share price <sup>(1)</sup>	214.0p	194.2p	10.2%
Net asset value per ordinary share (debt at par value) <sup>(1), (4)</sup>	223.6p	199.0p	12.3%
Net asset value per ordinary share (debt at fair value) <sup>(1), (4)</sup>	220.4p	196.7p	12.1%
Discount (NAV including income, debt at fair value) <sup>(1), (4)</sup>	2.9%	1.3%	–

## TOTAL RETURN PERFORMANCE

	6 months return %	1 year return %	3 years return %	5 years return %
Share price total return <sup>(2), (4)</sup>	11.7	0.6	52.0	68.8
NAV total return <sup>(2), (4)</sup>	13.5	2.8	43.0	70.7
Witan benchmark <sup>(2)</sup>	14.9	6.3	41.2	62.3
FTSE All-Share Index <sup>(3)</sup>	13.0	0.6	29.5	35.8
FTSE All-World Index <sup>(3)</sup>	16.4	10.1	48.1	86.0

## DIVIDEND INFORMATION

	30 June 2019	30 June 2018
Revenue per share <sup>(1)</sup>	3.42p	3.14p
Dividend per share <sup>(1)</sup>	2.35p	2.10p

## OTHER FINANCIAL INFORMATION

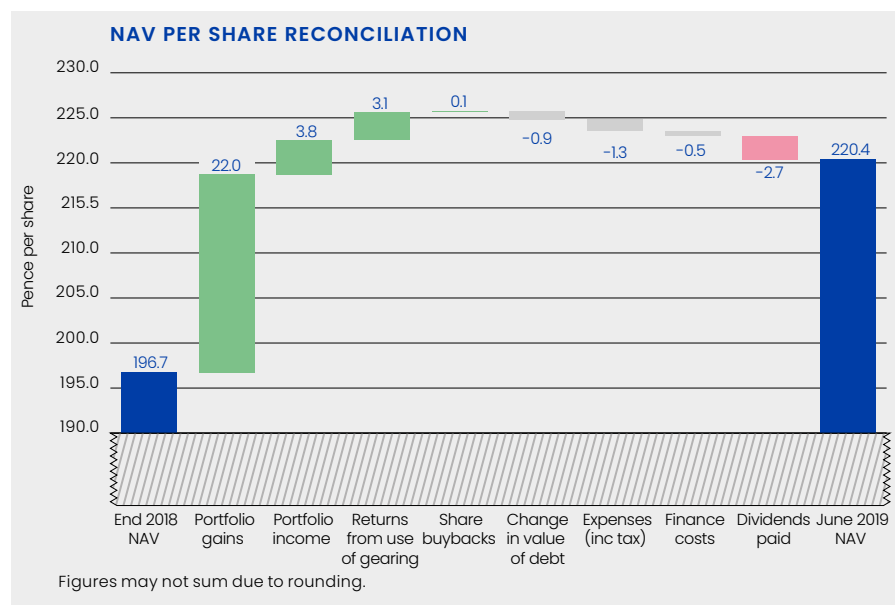
	(Unaudited) 30 June 2019	(Unaudited) 30 June 2018	(Audited) 31 December 2018
Gearing <sup>(4)</sup>	11.3%	10.2%	11.6%
Ongoing charges excluding performance fees <sup>(4)</sup>	0.39%	0.38%	0.75%
Ongoing charges including performance fees <sup>(4)</sup>	0.46%	0.42%	0.83%

(1) Comparative figures for the six months ended 30 June 2018 and year ended 31 December 2018 have been restated due to the sub-division of each existing ordinary share of 25p into five ordinary shares of 5p each on 28 May 2019.

(2) Source: Morningstar.

(3) Source: Morningstar. See also FTSE International for conditions of use ([www.ftse.com](http://www.ftse.com)).

(4) Alternative performance measures (see page 19).



# Equity markets have recovered strongly



### MARKET BACKGROUND

Equity markets have more than reversed 2018's weakness, with first half returns led by the US (+19%) and Europe (+18%). The UK market rose 13%, despite continued uncertainty over Brexit and a changeable political backdrop, although UK smaller companies lagged with a rise of 9%, reflecting domestic concerns. Japan was a relative laggard, up just 8%, affected by worries about slower global economic growth and the unresolved trade dispute between the US and China.

One reason equity markets had been weak in 2018 was decelerating economic growth worldwide, at a time when the US Federal Reserve and other central banks were beginning to tighten monetary policy. Although there has been little improvement in growth in 2019, forecasts have stabilised at low levels, while monetary policy in the US and elsewhere is set to go into reverse. Rate cuts in the US and other centres, allied to hints of resumed quantitative easing by the European Central Bank, have acted to anaesthetise present discomfort over growth. Government bond yields have fallen sharply, often a harbinger of recession but investors have treated this as boosting the relative attractions of equities, looking beyond the downgrades seen for 2019, towards an expectation of better earnings in 2020.

The US-China tariff dispute has had a tangible impact on global trade as well as unsettling confidence in financial markets. Assumptions early in the year that a negotiated settlement was on track were rudely interrupted in May, when the US accused China of backtracking on the draft deal and imposed further tariffs on

## Highlights

- During the first half of 2019, the Company's net asset value ('NAV') total return was 13.5%, 1.4% below the benchmark return of 14.9%
- The share price total return was 11.7%, as the discount widened from 1.3% at the end of 2018 to 2.9% at the end of June
- A second interim quarterly dividend of 1.175p per ordinary share will be paid in September. Total dividends paid in respect of the period are 2.35p per ordinary share (2018: 2.1p)
- 10.8m shares (1.2%) were bought into treasury at an average discount of 2.8%
- Witan has joined the Institutional Investors Group on Climate Change and £20m was invested in a specialist fund which seeks strong returns from efforts to combat or mitigate the effects of climate change
- Witan's shares were sub-divided on 28 May to improve liquidity for regular savers, with shareholders receiving five new shares in place of each old share
- £50m long-term debt to be issued after the period end at a yield of 2.39% which is a record low for the sector

## INVESTMENT MANAGERS' PERFORMANCE

### Assets under management and investment performance as at 30 June 2019

Investment manager	Appointment date	Witan assets managed as at 30.06.19		Performance in the half year (%)		Performance since appointment <sup>(2)</sup> (%)	
		£m	(%) <sup>(1)</sup>	Manager	Benchmark	Manager	Benchmark
Artemis	06.05.08	161.4	7.1	11.3	13.0	8.4	6.1
Heronbridge	17.06.13	142.2	6.3	16.3	13.0	9.1	7.1
Lindsell Train	01.09.10	190.7	8.4	20.5	13.0	16.2	8.6
Lansdowne Partners	14.12.12	335.1	14.8	6.0	16.4	17.1	13.8
Pzena	02.12.13	282.0	12.4	10.7	16.4	10.1	12.6
Veritas	11.11.10	341.2	15.1	16.7	16.4	14.0	11.6
CRUX	26.10.17	107.5	4.7	19.3	17.5	2.6	2.9
S. W. Mitchell	26.10.17	106.1	4.7	25.6	17.5	(0.4)	2.9
Matthews	20.02.13	233.5	10.3	5.4	10.8	9.5	8.7
GQG	16.02.17	114.9	5.1	20.2	10.9	11.0	6.9
Witan Direct Holdings	19.03.10	251.6	11.1	3.3	14.9	10.9	9.1

(1) Percentage of Witan's investments managed and cash balances held centrally by Witan.

(2) Percentages are annualised where the appointment date was more than one year ago.

Source: BNP Paribas Securities Services.

imports from China. This led to a sharp sell-off in equity markets which only came to an end as hopes rose that the US and China would resume negotiations, which they agreed to do towards the end of June.

The trade-related slowdown in Chinese growth was transmitted to lower demand for European industrial goods, spreading the ensuing weakness to Germany and other continental economies.

The first half saw a marked underperformance by economically sensitive sectors worldwide, including financial stocks whose earning capacity was felt to be compromised by the lower interest rate environment or at risk from a recession. So, despite the healthy rise in stock market indices, there was a sharp disparity between stocks offering faster or more dependable growth and lower valued, often more cyclical, sectors. Even so, the modest rate of economic growth and the disruptive influences from new technology, environmental regulation and unpredictable politics would argue for selective rather than wholesale switching into 'value' stocks away from defensive and growth stocks where valuations are high.

## INVESTMENT PERFORMANCE

Although the direction of markets in the first half of 2019 was the reverse of the negative returns endured during the late months of 2018, an unwelcome point of similarity was that investment sentiment was changeable and, with it, the relative performance of some of our managers. At the end of June, Witan's net asset value total return year to date (with debt at fair value) was a healthily positive 13.5% and the performance of our composite benchmark was higher still, at 14.9%. Excluding the impact of lower gilt yields, which increased the fair value of our fixed rate debt securities, our net asset value total return was 13.8%. The share price total return was 11.7%, affected by a widening in our discount from 1.3% to 2.9%.

Witan underperformed during the period, despite a positive market environment in which our gearing delivered a strong positive contribution to returns. The main reason for the shortfall was that our underlying investment portfolio (before the positive contribution from gearing) underperformed the benchmark by 2.0%. Six of our ten external managers outperformed their benchmarks (with particularly strong contributions from GQG, Lindsell Train and SW Mitchell). Returns were pulled back by weak performances from two of our global managers, Lansdowne and Pzena,

Matthews in the Far East and the Direct Holdings portfolio. Performance figures for all of the managers are shown in the table above.

Although the investment approaches of the three external managers who underperformed differ substantially, a common factor was a cyclical bias to their portfolios during the period, whereas despite strong rallies in most regions the market's preference was for growth stocks and more defensive companies. Many stocks in cyclical sectors remain lowly rated, as investors have preferred to concentrate on the immediate beneficiaries of the decline in global interest rates than on the potential improvement in economic growth which the easing in monetary policy is aimed at achieving. The Direct Holdings portfolio was principally held back by a reduction in the premium to NAV of Syncona (whose price fell 17%), as well as a lack of news on portfolio realisations within the listed private equity holdings, leading to dull (though positive) returns.

Our portfolio, despite being highly diversified, differs substantially from the benchmark. The objective is to achieve superior returns in the long term, albeit at the risk of the opposite in the shorter term. We remain focused on trying to deliver good performance in the conditions that

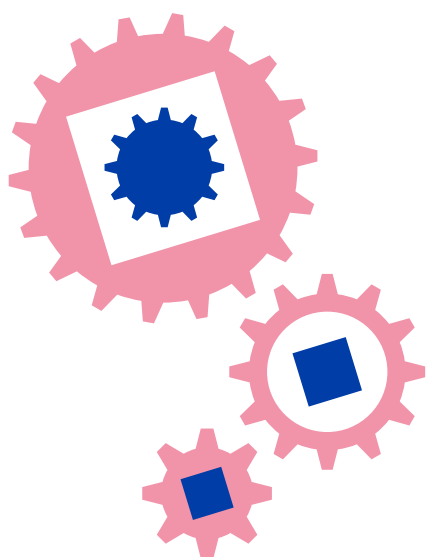
# Interim management report continued

we expect, which may differ from factors preoccupying investors in the short term.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY ('ESG')

A focus on good corporate governance has long been an element of responsible investment management, given both the civic aspects of adhering to appropriate rules and norms and the long-term association of good governance with good investment performance. This is already built into our manager monitoring and reporting to shareholders and is expected to become a greater focus in future.

In particular, an increasingly important and topical political theme is the impact of climate change upon the lives of people in different parts of the world and, consequently, on taxation policies and regulation. This has become a point of interest when assessing our investment managers and Witan's Board has received a number of specialist briefings in this area. Witan has become a member of the Institutional Investors Group on Climate Change, whose purpose is to encourage investor collaboration on climate change and act as a voice for investors in this area. In June, we made an investment of 1% of our assets in a specialist fund whose objective is to generate strong returns by investing in companies benefiting from efforts to mitigate or adapt to climate change.



## PORTFOLIO CHANGES

There were no changes in investment managers during the period and only minor adjustments made to the allocations between them.

The Company invested in equity and bond index futures on a number of occasions during the period, to take advantage of tactical opportunities and for the purposes of efficient portfolio management.

In January, the £25m position in emerging markets futures was sold for a small gain since purchase in Q3 2018, although a significant uplift on the end 2018 level. A £7m investment was made in Japanese index futures, on the view that the market had unreasonably lagged. This was sold for a 5% gain in March, taking the opportunity to trim gearing after the first quarter rally.

In June, we invested 1% of our assets in Japanese index futures following renewed weakness in the Japanese and other equity markets. Towards the end of June, we sold short £10m of UK Gilt-edged futures in order to reduce part of the interest rate risk of the forthcoming private placement debt issue that was subsequently concluded in July 2019. There was a £2.3m realised gain on futures investment in the first half of 2019.

In June, as noted in the ESG section above, a £20m investment was made in the GMO Climate Change Fund. This was the second investment under a new initiative, to invest up to 2.5% of assets in newly-established or more specialist managers viewed as having strong potential to add value.

## INVESTMENT INCOME AND EXPENSES

Revenue earnings per share for the period were 3.4 pence per share, a rise of 9% from the 3.1 pence per share for the first half of 2018. Investment income benefited from higher company pay-outs, portfolio changes since 2018 and a weaker level of sterling against overseas currencies. Investment management base fees paid to external delegated managers were virtually the same as those in the first half of 2018, on an average asset base that was 3% lower than in the first half of 2018, owing to the market falls during late 2018. There was also a £1.6m accrual for performance fees (2018: £0.8m). Including

this, fees due to external investment managers rose by 13% to £6.5m.

Other operational expenses rose by 15%, or £0.5m. This was principally owing to the costs associated with the closure of the Witan Wisdom and Jump savings plans, other costs being little changed in the period. Finance costs fell by £0.2m, owing to improved management of cash balances.

The ongoing charges figure ('OCF') for the six months was 0.39% (2018: 0.38%). Including performance fees, the OCF was 0.46% for the first half of 2019 (2018: 0.42%). These figures apply for the first half and are not annualised. The OCF for the whole of 2018 was 0.75% excluding performance fees and 0.83% including performance fees.

## DIVIDEND

The Board's policy (subject to circumstances) is to grow the dividend ahead of inflation (measured by the UK CPI). The first three interim dividends of the financial year (paid in June, September and December) are, in the absence of unforeseen events, paid at the rate of one quarter of the total payment made in respect of the previous year.

Accordingly, a second interim dividend of 1.175p per ordinary share, being one quarter of the total paid in respect of 2018 (4.7p), will be paid on 18 September 2019. The ex-dividend date will be 22 August 2019. This follows the first interim dividend of 1.175p per ordinary share paid on 24 June 2019. The fourth payment (in March 2020) will be a balancing amount, reflecting the difference between the first three quarterly dividends and the payment decided for the full year. *(Note: the historic dividend numbers have been adjusted for the five for one share sub-division effective 28 May 2019.)*

The Company has increased its dividend every year since 1974 (a 44 year record of increases), recognising the importance for its investors of a reliable and growing income.

The full year's dividend for 2019 is expected to show a further (45th) year of growth. In the absence of unforeseen developments, a rise significantly ahead of inflation is planned, fully funded from current year revenue earnings, with a further addition to revenue reserves.



## GEARING

The Company began the year with gearing of 11.6%. This was reduced to 9.3% at the end of April, following the broad rally in equity markets. Gearing was increased during June, following market weakness in May, amid clearer indications that central banks were embarking upon an easier monetary stance in order to sustain the economic recovery. Gearing contributed substantially to returns during the period, with the variation of gearing designed to respond to the changing attractions of markets as they rose and fell.

Following the period end, the Company agreed to issue £50m of long-term debt repayable in 2051, with an interest rate of 2.39%. This is the lowest issuing yield achieved in the sector in living memory, for such a long maturity. The average interest rate on the Company's fixed rate borrowings will decline from 4.3% to 3.8% following the issue. The Board believes that locking in such historically low yields will be of material benefit to shareholders in future years. The funds raised will be used to reduce the dependence upon variable rate short-term borrowings.

The Company has a £125m short-term multi-currency facility, in addition to its fixed-rate borrowings. The drawn balance at the end of June 2019 was £90m.

## DISCOUNT AND BUYBACKS

One of the Company's key performance indicators is for its shares to trade at a sustainable low discount or a premium to NAV, subject to market circumstances. Witan's shares ended 2018 on a 1.3% discount, which widened to a discount of 2.9% at the end of June 2019.

During the first half of 2019, the Company has continued to buy back shares into Treasury, purchasing 10.8m shares (1.2% of the total) at an average discount of 2.8%. This added £0.5m to the net asset value but, just as importantly, showed that the Company was willing to increase the pace of share buyback activity significantly in response to a modest widening of the discount, because of the benefit for shareholders of their shares trading at or near to net asset value.

The long-term objective is for shareholders to enjoy sustainable liquidity in Witan's shares at or near to asset value. The Company remains prepared to buy back shares, taking account of prevailing

market conditions (which are not under the Board's control), the level of the discount and the impact on the NAV per share. The Company will only issue shares at a premium to NAV.

## BOARD COMPOSITION

As announced to the Stock Exchange in December 2018, I shall be standing down as Chairman at the AGM in April 2020. In March 2019, it was announced that Andrew Ross had been appointed as a Director with effect from 2 May 2019. Andrew recently stepped down as Global Head of Wealth Management at Schroders, after over 30 years spent in the investment management sector. It is expected that he will be appointed Chairman with effect from the AGM in 2020.

## OUTLOOK

In most cases, the significant returns enjoyed by equity markets in the first half of 2019 have done little more than reverse the falls seen in 2018. The US is a notable exception, having gained more than 20% over the 18 months since the end of 2017. Elsewhere, there looks to be greater scope for further upside, if investor faith in economic growth can be rekindled.

The prospects for the rest of 2019 and next year depend to some degree on whether the interest rate cuts and other forms of easier policy are viewed as a form of policy insurance to prolong the economic upswing or as emergency treatment for a moribund global economy. With global growth forecasts low but positive, the former looks more likely, in which case the recent fall in bond yields is probably overdone.

A number of risks to global confidence have outcomes which are currently unpredictable. The most pervasive is probably the trade policy of the current US Administration, particularly in relation to China. The consensus assumption is that a deal will be struck which maintains relatively free-flowing trade between them but this seems likely to be on terms less attractive to China than the previous status quo. This may be hard for them to accept, particularly if President Trump's re-election campaigning leads him to trumpet a 'win' over China (and, for that matter, Mexico and the European Union). Although it is hard to see any benefit for the US from a trade war, the path towards a trade 'peace' could be erratic.

The dispute between the US and Iran could become more heated, creating upward pressure on the oil price. However, unless Iran has the will and capacity to engineer a sustained interruption of tanker traffic through the Straits of Hormuz, there seem sufficient supplies to prevent a damaging spike in oil prices, the source of many past economic slowdowns.

Locally, UK politics and business plans are dominated by the question of Brexit – will the EU amend the offered deal, will Parliament approve a new deal (or the existing thrice-rejected one) or will the UK either leave without a deal or hold another in/out vote (which would require a delay in the departure date)? Each possibility would either require one group or another to change its declared views or a change in the parliamentary arithmetic. It promises to be an eventful few months but making investment decisions on the basis of a particular outcome is more than usually speculative.

With this global, and UK, backdrop, our managers continue to concentrate on individual companies' earnings prospects (and valuations) when selecting investments. Given the distorting effects of QE policies, the recession-signalling qualities of plunging bond yields appear less reliable than in previous cycles, particularly at a time when economic excesses are limited and forecasts for economic growth suggest anaemia rather than rigor mortis. Bond yields at record lows (even negative yields in some countries) may be trusting to chance in extrapolating current low inflation rates and monetary policy decades into the future. Despite subdued inflation in recent years, all trends have cycles and with unemployment low in many developed economies a rise in productivity looks necessary to square the circle of an improvement in economic growth without a pick-up in inflation.

For and on behalf of the Board

**Harry Henderson**  
Chairman

12 August 2019


## Portfolio information

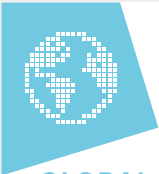
as at 30 June 2019

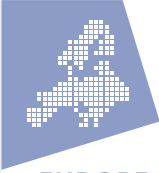
Company	£'m	% of portfolio
Syncona	44.5	2.04
Apax Global Alpha	43.7	2.00
Unilever	37.5	1.72
Vonovia	37.2	1.71
BlackRock World Mining	33.9	1.56
BP	33.3	1.53
Delta Air Lines	28.4	1.30
Tesco	26.2	1.20
Royal Dutch Shell	25.4	1.17
Taiwan Semiconductor Manufacturing	23.1	1.06
Rio Tinto	22.9	1.05
Schroders	21.9	1.01
Relx	21.5	0.98
GMO Climate Change Fund	21.0	0.96
Lloyds Banking	20.9	0.96
Diageo	20.8	0.96
Charter Communications	20.6	0.95
London Stock Exchange	19.8	0.91
Alphabet	18.6	0.85
United Continental	18.2	0.83
Electra Private Equity	17.7	0.81
Princess Private Equity	17.4	0.80
BT	17.3	0.79
Hargreaves Lansdown	17.1	0.78
Deutsche Lufthansa	17.0	0.78
<b>Top 25</b>	<b>625.9</b>	<b>28.71</b>

Company	£'m	% of portfolio
Sage	16.8	0.77
Somerset EM Small Cap Fund	16.1	0.74
Schroder Real Estate	15.6	0.71
Burberry	15.3	0.70
Reckitt Benckiser	15.0	0.69
Airbus	14.0	0.64
International Consolidated Airlines	13.9	0.64
Microsoft	13.9	0.64
Cigna	13.8	0.63
BAE Systems	13.7	0.63
Thermo Fisher Scientific	13.7	0.63
Royal Bank of Scotland	13.6	0.62
Facebook	13.4	0.62
Travis Perkins	12.8	0.59
Vivendi	12.4	0.57
Nestlé	12.2	0.56
Dentsply Sirona	12.0	0.55
AP Moller-Maersk	11.8	0.54
Baxter	11.8	0.54
Safran	11.8	0.54
Mondelēz	11.6	0.53
Spectris	11.2	0.52
ArcelorMittal	11.2	0.51
Volkswagen	10.8	0.49
Biotech Growth Trust	10.7	0.49
<b>Top 50</b>	<b>955.0</b>	<b>43.80</b>


The top ten holdings represent 15.3% of the total portfolio (31 December 2018: 15.9%).  
A full portfolio listing, with a three month lag, is published monthly on the Company's website.


Equity mandate	Investment manager	Investment style	Benchmark (total return)
 <b>THE UK</b>	Artemis	Recovery/special situations	FTSE All-Share
	Heronbridge	Intrinsic value growth	FTSE All-Share
	Lindsell Train	Long-term growth from undervalued brands	FTSE All-Share

 <b>GLOBAL</b>	Lansdowne Partners	Concentrated, benchmark-independent investment in developed markets	FTSE All-World
	Pzena	Systematic value	FTSE All-World
	Veritas	Fundamental value, real return objective	FTSE All-World

 <b>EUROPE (EX-UK)</b>	CRUX	Sound businesses with quality management at attractive valuations	FTSE Europe (ex-UK)
	S.W. Mitchell	High-conviction portfolio of companies which offer unrecognised value	FTSE Europe (ex-UK)

 <b>ASIA PACIFIC (INC. JAPAN)</b>	Matthews Asia	Quality companies with dividend growth	MSCI Asia Pacific Free
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 <b>EMERGING MARKETS</b>	GQG	High-quality companies with attractively priced growth prospects	MSCI Emerging Markets
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 <b>Witan investment trust</b>	Witan Direct Holdings	Undervalued specialist funds and smaller manager mandates	Witan's combined equity benchmark
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# Regulatory disclosures

## GOING CONCERN

The assets of the Company consist mainly of securities that are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future. Therefore, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. In reviewing the position as at the date of this report, the Board has considered the guidance on this matter issued by the Financial Reporting Council.

## RELATED PARTY TRANSACTIONS

During the first six months of the year, no transactions with related parties have taken place which have materially affected the financial position or performance of the Company. Details of related party transactions during 2018 are contained in the Company's Annual Report for the year ended 31 December 2018.

## PRINCIPAL RISKS AND UNCERTAINTIES

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

- ▶ a fall in equity prices;
- ▶ the appropriateness of the corporate objective and strategy;
- ▶ the application of investment strategy: country, currency, industrial sector, stock selection, choice of investment manager; and
- ▶ operational and regulatory risks.

Information on these risks and other risks is given in the Strategic Report and in the Notes to the Financial Statements in the Company's Annual Report for the year ended 31 December 2018.

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

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) the condensed set of financial statements has been prepared in accordance with IAS 34;
- (b) the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (an indication of important events that have occurred during the first six months of the financial year and a description of the principal risks and uncertainties for the remaining six months of the financial 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 and changes therein).

For and on behalf of the Board

**Harry Henderson**  
Chairman

12 August 2019

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# Consolidated Statement of Comprehensive Income

for the half year ended 30 June 2019

	Notes	(Unaudited) Half Year ended 30 June 2019			(Unaudited) Half year ended 30 June 2018			(Audited) Year ended 31 December 2018		
		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 income		36,473	-	36,473	34,458	-	34,458	58,200	-	58,200
Other income		1,415	-	1,415	743	-	743	1,576	-	1,576
Gains/(losses) on investments held at fair value through profit or loss	2	-	219,706	219,706	-	2,410	2,410	-	(194,105)	(194,105)
Foreign exchange losses on cash and cash equivalents		-	(343)	(343)	-	(543)	(543)	-	(1,083)	(1,083)
<b>Total income</b>		<b>37,888</b>	<b>219,363</b>	<b>257,251</b>	<b>35,201</b>	<b>1,867</b>	<b>37,068</b>	<b>59,776</b>	<b>(195,188)</b>	<b>(135,412)</b>
<b>Expenses</b>										
Management and performance fees		(1,250)	(5,301)	(6,551)	(1,255)	(4,547)	(5,802)	(2,535)	(9,163)	(11,698)
Other expenses		(3,589)	(51)	(3,640)	(3,121)	(51)	(3,172)	(5,909)	(101)	(6,010)
<b>Profit/(loss) before finance costs and taxation</b>		<b>33,049</b>	<b>214,011</b>	<b>247,060</b>	<b>30,825</b>	<b>(2,731)</b>	<b>28,094</b>	<b>51,332</b>	<b>(204,452)</b>	<b>(153,120)</b>
Finance costs		(1,021)	(3,046)	(4,067)	(1,087)	(3,130)	(4,217)	(2,156)	(6,217)	(8,373)
<b>Profit/(loss) before taxation</b>		<b>32,028</b>	<b>210,965</b>	<b>242,993</b>	<b>29,738</b>	<b>(5,861)</b>	<b>23,877</b>	<b>49,176</b>	<b>(210,669)</b>	<b>(161,493)</b>
Taxation		(1,726)	-	(1,726)	(1,754)	-	(1,754)	(2,978)	-	(2,978)
<b>Profit/(loss) attributable to equity shareholders of the parent company</b>		<b>30,302</b>	<b>210,965</b>	<b>241,267</b>	<b>27,984</b>	<b>(5,861)</b>	<b>22,123</b>	<b>46,198</b>	<b>(210,669)</b>	<b>(164,471)</b>
<b>Earnings per ordinary share<sup>(i)</sup></b>	3	<b>3.42p</b>	<b>23.80p</b>	<b>27.22p</b>	<b>3.14p</b>	<b>(0.66p)</b>	<b>2.48p</b>	<b>5.18p</b>	<b>(23.63p)</b>	<b>(18.45p)</b>

(i) Comparative figures for the six months ended 30 June 2018 and year ended 31 December 2018 have been restated due to the sub-division of each existing ordinary share of 25p into five ordinary shares of 5p each on 28 May 2019.

The total column of this statement represents the Group's Statement of Comprehensive Income, prepared in accordance with IFRSs as adopted by the European Union.

The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

The Group does not have any other comprehensive income and hence the total profit, as disclosed above, is the same as the Group's total comprehensive income.

All items in the above statement derive from continuing operations.

All income is attributable to the equity holders of Witan Investment Trust plc, the parent company. There are no non-controlling interests.

The notes on pages 15 to 17 form part of these financial statements.

# Consolidated Statement of Changes in Equity

for the half year ended 30 June 2019

Notes	(Unaudited) Half year ended 30 June 2019					
	Ordinary share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 December 2018	50,018	99,251	46,498	1,498,832	78,843	1,773,442
Total comprehensive income:						
Profit for the period	-	-	-	210,965	30,302	241,267
Transactions with owners, recorded directly to equity:						
Ordinary dividends paid	-	-	-	-	(24,143)	(24,143)
Buyback of ordinary shares (held in treasury) 5	-	-	-	(22,603)	-	(22,603)
At 30 June 2019	50,018	99,251	46,498	1,687,194	85,002	1,967,963

(Unaudited) Half year ended 30 June 2018						
At 31 December 2017	50,018	99,251	46,498	1,712,019	72,735	1,980,521
Total comprehensive income:						
(Loss)/profit for the period	-	-	-	(5,861)	27,984	22,123
Transactions with owners, recorded directly to equity:						
Ordinary dividends paid	-	-	-	-	(21,395)	(21,395)
Buyback of ordinary shares (held in treasury) 5	-	-	-	(2,272)	-	(2,272)
At 30 June 2018	50,018	99,251	46,498	1,703,886	79,324	1,978,977

(Audited) Year ended 31 December 2018						
At 31 December 2017	50,018	99,251	46,498	1,712,019	72,735	1,980,521
Total comprehensive income:						
(Loss)/profit for the period	-	-	-	(210,669)	46,198	(164,471)
Transactions with owners, recorded directly to equity:						
Ordinary dividends paid	-	-	-	-	(40,090)	(40,090)
Buyback of ordinary shares (held in treasury) 5	-	-	-	(2,518)	-	(2,518)
At 31 December 2018	50,018	99,251	46,498	1,498,832	78,843	1,773,442

The notes on pages 15 to 17 form part of these financial statements.

# Consolidated Balance Sheet

as at 30 June 2019

	Notes	(Unaudited) 30 June 2019 £'000	(Unaudited) 30 June 2018 £'000	(Audited) 31 December 2018 £'000
<b>Non current assets</b>				
Investments at fair value through profit or loss		2,178,439	2,180,715	1,954,114
<b>Current assets</b>				
Other receivables		10,772	13,117	8,198
Cash and cash equivalents		51,399	52,823	72,246
		62,171	65,940	80,444
<b>Total assets</b>		<b>2,240,610</b>	2,246,655	2,034,558
<b>Current liabilities</b>				
Other payables		(12,001)	(10,000)	(9,660)
Bank loans		(90,000)	(87,000)	(81,000)
		(102,001)	(97,000)	(90,660)
<b>Total assets less current liabilities</b>		<b>2,138,609</b>	2,149,655	1,943,898
<b>Non current liabilities</b>				
Other payables		(197)	(255)	(43)
At amortised cost:				
6.125 per cent. Secured Bonds due 2025		(63,616)	(63,581)	(63,581)
3.29 per cent. Secured Notes due 2035		(20,875)	(20,875)	(20,873)
3.47 per cent. Secured Notes due 2045		(53,651)	(53,659)	(53,653)
2.74 per cent. Secured Notes due 2054		(29,752)	(29,753)	(29,751)
3.4 per cent. cumulative preference shares of £1		(2,055)	(2,055)	(2,055)
2.7 per cent. cumulative preference shares of £1		(500)	(500)	(500)
		(170,646)	(170,678)	(170,456)
<b>Net assets</b>		<b>1,967,963</b>	1,978,977	1,773,442
<b>Equity attributable to equity holders</b>				
Ordinary share capital	5	50,018	50,018	50,018
Share premium account		99,251	99,251	99,251
Capital redemption reserve		46,498	46,498	46,498
Retained earnings:				
Other capital reserves		1,687,194	1,703,886	1,498,832
Revenue reserve		85,002	79,324	78,843
<b>Total equity</b>		<b>1,967,963</b>	1,978,977	1,773,442
<b>Net asset value per ordinary share<sup>(i)</sup></b>	6	<b>223.56p</b>	222.07p	199.03p

(i) Comparative figures for the six months ended 30 June 2018 and year ended 31 December 2018 have been restated due to the sub-division of each existing ordinary share of 25p into five ordinary shares of 5p each on 28 May 2019.

The notes on pages 15 to 17 form part of these financial statements.

# Consolidated Cash Flow Statement

for the half year ended 30 June 2019

	(Unaudited) Half year ended 30 June 2019 £'000	(Unaudited) Half year ended 30 June 2018 £'000	(Audited) Year ended 31 December 2018 £'000
<b>Cash flows from operating activities</b>			
Dividend income received	35,761	31,931	57,202
Interest received	98	76	203
Other income received	910	760	1,712
Operating expenses paid	(7,725)	(9,056)	(19,292)
Taxation on overseas income	(1,722)	(2,036)	(3,102)
Taxation recovered	211	258	271
<b>Net cash inflow from operating activities</b>	<b>27,533</b>	<b>21,933</b>	<b>36,994</b>
<b>Cash flows from investing activities</b>			
Purchases of investments	(458,195)	(395,022)	(801,410)
Sales of investments	448,503	364,108	806,173
Realised gain/(loss) on futures	2,320	437	(1,258)
<b>Net cash (outflow)/inflow from investing activities</b>	<b>(7,372)</b>	<b>(30,477)</b>	<b>3,505</b>
<b>Cash flow from financing activities</b>			
Equity dividends paid	(24,143)	(21,395)	(40,090)
Buybacks of ordinary shares	(21,283)	(2,318)	(2,564)
Interest paid	(4,239)	(4,172)	(8,311)
Drawdown of bank loans	9,000	14,000	8,000
<b>Net cash outflow from financing activities</b>	<b>(40,665)</b>	<b>(13,885)</b>	<b>(42,965)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(20,504)</b>	<b>(22,429)</b>	<b>(2,466)</b>
Cash and cash equivalents at the start of the period	72,246	75,795	75,795
Effect of foreign exchange rate changes	(343)	(543)	(1,083)
<b>Cash and cash equivalents at the end of the period</b>	<b>51,399</b>	<b>52,823</b>	<b>72,246</b>



# Notes to the Financial Statements

for the half year ended 30 June 2019

## 1 BASIS OF PREPARATION

The condensed set of financial statements for the half year ended 30 June 2019 have been prepared on a going concern basis and in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and with the Statement of Recommended Practice of Investment Trust Companies and Venture Capital Trusts ('the SORP') issued by the Association of Investment Companies ('the AIC') dated November 2014, and updated in February 2018 with consequential amendments, where the SORP is consistent with the requirements of International Financial Reporting Standards ('IFRSs').

For the period under review, the Company adopted the following accounting policy: IFRS 16 – Leases; the impact of which is not material.

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

## 2 TRANSACTION COSTS

The gains/(losses) on investments held at fair value through profit or loss include purchase transaction costs of £930,000 (half year ended 30 June 2018: £801,000; year ended 31 December 2018: £1,868,000) and sale transaction costs of £325,000 (half year ended 30 June 2018: £354,000; year ended 31 December 2018: £656,000). The purchase and sale transaction costs comprise mainly stamp duty and commissions.

## 3 EARNINGS PER ORDINARY SHARE

The earnings per ordinary share figure is based on the net profit for the half year of £241,267,000 (half year ended 30 June 2018: £22,123,000; year ended 31 December 2018: loss of £164,471,000) and on 886,389,666 ordinary shares (half year ended 30 June 2018<sup>(i)</sup>: 891,509,200; year ended 31 December 2018<sup>(i)</sup>: 891,325,835) being the weighted average number of ordinary shares in issue during the period.

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

	(Unaudited) Half year ended 30 June 2019 £'000	(Unaudited) Half year ended 30 June 2018 £'000	(Audited) Year ended 31 December 2018 £'000
Net revenue profit	30,302	27,984	46,198
Net capital profit/(loss)	210,965	(5,861)	(210,669)
Net total profit/(loss)	241,267	22,123	(164,471)
Weighted average number of ordinary shares in issue during the period <sup>(i)</sup>	886,389,666	891,509,200	891,325,835
	Pence	Pence	Pence
Revenue earnings per ordinary share <sup>(i)</sup>	3.42	3.14	5.18
Capital earnings per ordinary share <sup>(i)</sup>	23.80	(0.66)	(23.63)
Total earnings per ordinary share <sup>(i)</sup>	27.22	2.48	(18.45)

## 4 INTERIM DIVIDEND

The Directors have declared a second interim dividend of 1.175p per ordinary share (2018: 1.05p<sup>(i)</sup>), payable on 18 September 2019 to shareholders registered on 23 August 2019. The shares will be quoted ex-dividend on 22 August 2019. A first interim dividend of 1.175p (2018: 1.05p<sup>(i)</sup>) was paid on 24 June 2019.

## 5 ORDINARY SHARE CAPITAL

At 30 June 2019 there were 880,265,283 ordinary shares in issue (30 June 2018<sup>(i)</sup>: 891,168,800; 31 December 2018<sup>(i)</sup>: 891,046,840) and 120,089,717 shares held in treasury (30 June 2018<sup>(i)</sup>: 109,186,200; 31 December 2018<sup>(i)</sup>: 109,308,160). During the half year ended 30 June 2019 the Company bought back 10,781,557 of its own ordinary shares (half year ended 30 June 2018<sup>(i)</sup>: 1,079,145; year ended 31 December 2018<sup>(i)</sup>: 1,201,105). The costs of the share buybacks were £22,603,000 (half year ended 30 June 2018: £2,272,000; year ended 31 December 2018: £2,518,000).

(i) Comparative figures for the six months ended 30 June 2018 and year ended 31 December 2018 have been restated due to the sub-division of each existing ordinary share of 25p into five ordinary shares of 5p each on 28 May 2019.

# Notes to the Financial Statements continued

for the half year ended 30 June 2019

## 6 NET ASSET VALUE PER ORDINARY SHARE

The net asset value per ordinary share is based on the net assets attributable to the equity shareholders of £1,967,963,000 (30 June 2018: £1,978,977,000; 31 December 2018: £1,773,442,000) and on 880,265,283 (30 June 2018<sup>(i)</sup>: 891,168,800; 31 December 2018<sup>(i)</sup>: 891,046,840) ordinary shares, being the number of ordinary shares in issue at the period end.

## 7 SUBSIDIARY UNDERTAKING

The Company has an investment in the issued ordinary share capital of its wholly-owned subsidiary undertaking, Witan Investment Services Limited, which was incorporated on 28 October 2004, is registered in England and Wales, operates in the United Kingdom and is regulated by the Financial Conduct Authority.

## 8 FINANCIAL INSTRUMENTS

### Balance Sheet amount versus fair value

At the period end, the carrying value of financial assets and financial liabilities approximates their fair value with the exception of the non current liabilities as detailed below:

	Fair value £'000	Balance Sheet amount £'000
Financial liabilities measured using effective interest method:		
Non current liabilities		
Preference shares	1,354	2,555
Secured bonds	80,297	63,616
Secured notes	116,877	104,278
	<b>198,528</b>	<b>170,449</b>

### Financial instruments carried at fair value

#### Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Financial assets and financial liabilities at fair value through profit or loss at 30 June 2019	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments including derivatives:				
Equity securities designated at fair value through profit or loss	2,141,375	-	-	2,141,375
Investments in other funds	-	37,064	-	37,064
<b>Total financial assets carried at fair value</b>	<b>2,141,375</b>	<b>37,064</b>	<b>-</b>	<b>2,178,439</b>

There were no Level 3 investments during the 6 months to 30 June 2019.

There have been no transfers between levels of the fair value hierarchy during the period. Transfers between levels of fair value hierarchy are deemed to have occurred at the date of the event or change in circumstances that caused the transfer.

(i) Comparative figures for the six months ended 30 June 2018 and year ended 31 December 2018 have been restated due to the sub-division of each existing ordinary share of 25p into five ordinary shares of 5p each on 28 May 2019.

## 8 FINANCIAL INSTRUMENTS CONTINUED

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

Level 1: valued using quoted prices in an active market for identical assets.

Level 2: valued by reference to valuation techniques using observable inputs other than quoted prices included in Level 1.

Included in Level 2 are investments in GMO Climate Change Fund and MI Somerset Emerging Markets Small Cap Fund.

Level 3: valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the Group are explained in the accounting policies in the year end accounts.

## 9 SEGMENT REPORTING

As detailed in the Company's Annual Report for the year ended 31 December 2018, geographical segments are considered to be the Group's primary reporting segment and business segments the secondary reporting segment. The Group has two business segments: (i) its activity as an investment trust, which is the business of the parent company, and (ii) the provision of alternative investment fund manager, executive and marketing management services, which is the business of the subsidiary, Witan Investment Services Limited, and recorded in the accounts of that company. The investment trust is managed by reference to a geographical benchmark, as detailed on page 19; the geographical allocation of the portfolio, as at 30 June 2019, is set out on page 1. The schedule on page 5 summarises the assets under management and investment performance relating to each investment manager. This information is updated and reviewed regularly for internal management purposes and is essential for assessing the structure of the overall portfolio and the performance of each investment manager.

	<b>(Unaudited) Half year ended 30 June 2019</b>		<b>(Unaudited) Half year ended 30 June 2018</b>		<b>(Audited) Year ended 31 December 2018</b>	
	<b>Investment trust £'000</b>	<b>Management services £'000</b>	<b>Investment trust £'000</b>	<b>Management services £'000</b>	<b>Investment trust £'000</b>	<b>Management services £'000</b>
Revenue <sup>(i)</sup>	<b>36,845</b>	<b>1,043</b>	34,641	560	58,691	1,085
Interest expense	<b>4,067</b>	<b>-</b>	4,217	-	8,373	-
Net result	<b>241,267</b>	<b>-</b>	22,123	-	(164,471)	-
Carrying amount of assets	<b>1,966,971</b>	<b>992</b>	1,977,764	1,213	1,772,451	991

(i) The revenue in the investment trust column represents the investment and other income of the parent company.

## 10 COMPARATIVE INFORMATION

The financial information contained in this half year financial 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 June 2019 and 30 June 2018 has neither been audited nor reviewed by the auditors.

The figures and financial information for the year ended 31 December 2018 are extracted from the latest published audited financial statements of the Company and do not constitute the statutory accounts for that year. The audited financial statements for the year ended 31 December 2018 have been filed with the Registrar of Companies. The report of the independent auditors on those accounts contained no qualification or statement under section 498(2) or section 498(3) of the Companies Act 2006.

# Additional Shareholder Information

## ALTERNATIVE INVESTMENT FUND MANAGERS' DIRECTIVE

Witan Investment Trust plc is an 'alternative investment fund' ('AIF') for the purposes of the EU Alternative Investment Fund Managers' Directive (Directive 2011/61/EU) (the 'AIFMD') and the Company has appointed its subsidiary, Witan Investment Services Limited ('WIS'), to act as its AIFM. WIS is authorised and regulated by the United Kingdom Financial Conduct Authority as a 'full scope UK AIFM'.

The Company is required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures that are required to be made pre-investment are included within the Investor Disclosure Document ('IDD') which can be found on the Company's website, [www.witan.com](http://www.witan.com). There have not been any material changes to the disclosures contained within the IDD since it was last updated in December 2018.

The Company and AIFM also wish to make the following disclosures to investors:

- › the investment strategy, geographic and sector investment focus and principal stock exposures are included in the strategic report. A list of the top 50 portfolio holdings is included on page 8;
- › none of the Company's assets is subject to special arrangements arising from their illiquid nature;
- › the strategic report and note 14 to the accounts in the 2018 Annual Report set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected;
- › there are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by the Company;
- › all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code in respect of the AIFM's remuneration. The relevant disclosures required are within the IDD; and
- › information in relation to the Company's leverage is contained within the IDD.

## SHAREHOLDER INFORMATION

### Points of reference

You can follow the progress of your investment through the newspapers. Witan's share price appears daily in the national press stock exchange listings under 'Investment Trusts' or 'Investment Companies' and is also included on the Witan website ([www.witan.com](http://www.witan.com)).

The London Stock Exchange Daily Official List (SEDOL) code is BJTRSD3.

## Dividend

A second interim dividend of 1.175p per share has been declared, payable on 18 September 2019. The record date for the dividend is 23 August 2019 and the ex-dividend date for the dividend is 22 August 2019.

## Dividend tax allowance

From April 2018 individuals have an annual £2,000 tax-free allowance on dividend income across an individual's entire share portfolio. Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company will continue to provide registered shareholders with a confirmation of the dividends it has paid and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

## Capital gains tax

The calculation of the tax on chargeable gains will depend on your personal circumstances. If you are in any doubt about your personal tax position, you are recommended to contact your professional adviser. Please note that tax assumptions may change if the law changes, and the value of tax relief (if any) will depend upon your individual circumstances. Investors should consult their own tax advisers in order to understand any applicable tax consequences.

## Beneficial owners of shares – information rights

Beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under section 146 of the Companies Act 2006 should direct all communications to the registered holder of their shares rather than to the Company's Registrar, Computershare, or to the Company directly.

## HOW TO INVEST

There are various ways to invest in Witan Investment Trust plc. Witan's shares can be traded through any UK stockbroker and most share dealing services and platforms that offer investment trusts (including Hargreaves Lansdown, Alliance Trust Savings, AJ Bell, Interactive Investor, the Share Centre, Fidelity, Barclays Smart Investor and Halifax Share Dealing Limited), as well as Computershare, the Company's Registrars. Advisers who wish to purchase Witan shares for their clients can do so via a stockbroker or via a growing number of dedicated platforms (including Seven Investment Management, Transact and Fidelity FundsNetwork).

The Company conducts its affairs so that its shares can be recommended by independent financial advisers ('IFAs') to retail private investors. The shares are excluded from the Financial Conduct Authority's restrictions which apply to non-mainstream investment products because they are shares in a UK-listed investment trust.

## DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

**Benchmark:** This is a composite of five indices: the FTSE All-Share Index 30%, the FTSE All-World North America Index 25%, the FTSE All-World Europe (ex-UK) Index 20%, the FTSE All-World Asia Pacific Index 20% and the FTSE Emerging Markets Index 5%.

**Gearing:** The difference between shareholders' funds and the total market value of the investments (including the face value of futures positions) expressed as a percentage of shareholders' funds.

**Net asset value per share (debt at par and debt at fair value):** This is the value of total assets less all liabilities of the Company. The Net Asset Value, or NAV, per ordinary share is calculated by dividing this amount by the total number of ordinary shares in issue (excluding those shares held in Treasury).

**Net asset value total return:** Total return on net asset value ('NAV'), on a debt at fair value to debt at fair value basis, assuming that all dividends paid out by the Company were reinvested, without transaction costs, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

	Half year ended 30 June 2019	Half year ended 30 June 2018	Year ended 31 December 2018
<b>NAV total return calculation</b>			
Opening cum income NAV per share (p) (A)	196.7	219.2	219.2
Closing cum income NAV per share (p) (B)	220.4	219.2	196.7
Total dividend adjustment factor <sup>(i)</sup> (C)	1.012973	1.011092	1.020824
Adjusted closing cum income NAV per share (B x C = D)	223.3	221.7	200.8
<b>Net asset value total return (D/A - 1)</b>	<b>13.5%</b>	1.1%	(8.4%)

(i) The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the cum income NAV at the ex-dividend date.

**Ongoing charge:** The ongoing charge reflects those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue as a collective fund, excluding the costs of acquisition and disposal, finance costs and gains or losses arising on investments. The calculation is performed in accordance with the guidelines issued by the AIC.

**Premium/discount:** The amount by which the market price per share is either higher (premium) or lower (discount) than the net asset value per share expressed as a percentage of the net asset value per share.

**Share price total return:** Share price total return, on a last traded price to last traded price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

	Half year ended 30 June 2019	Half year ended 30 June 2018	Year ended 31 December 2018
<b>Share price total return calculation</b>			
Opening share price (p) (A)	194.2	215.8	215.8
Closing share price (p) (B)	214.0	217.6	194.2
Total dividend adjustment factor <sup>(i)</sup> (C)	1.013332	1.011268	1.021141
Adjusted closing share price (B x C = D)	216.9	220.1	198.3
<b>Share price total return (D/A - 1)</b>	<b>11.7%</b>	2.0%	(8.1%)

(i) The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the last traded price quoted at the ex-dividend date.

# Contacts

## DIRECTORS

H M Henderson (Chairman)<sup>(A), (C), (D)</sup>  
A L C Bell (Chief Executive Officer)<sup>(D)</sup>  
S E G A Neubert<sup>(A), (D)</sup>  
R J Oldfield<sup>(A), (C), (D)</sup>  
J S Perry<sup>(A), (B), (D)</sup>  
B C Rogoff<sup>(A)</sup>  
A J S Ross<sup>(A), (D)</sup>  
A Watson  
(Senior Independent Director)<sup>(A), (B), (D)</sup>  
P T Yates<sup>(A), (B), (C), (D)</sup>

- (A) Independent non-executive directors.  
(B) Members of the Audit Committee which is chaired by Mr Perry.  
(C) Members of the Remuneration and Nomination Committee which is chaired by Mr Oldfield.  
(D) Director of Witan Investment Services Limited.

## REGISTERED OFFICE OF THE COMPANY AND ITS SUBSIDIARY, WITAN INVESTMENT SERVICES LIMITED

14 Queen Anne's Gate  
London SW1H 9AA

The Company is a public company limited by shares.

## REGISTERED NUMBER

Registered as an investment company in England and Wales, Number 101625.

## COMPANY SECRETARY

Frostrow Capital LLP  
25 Southampton Buildings  
London WC2A 1AL  
Telephone: 020 3008 4910

## CUSTODIAN, INVESTMENT ADMINISTRATOR AND DEPOSITARY

BNP Paribas Securities Services  
10 Harewood Avenue  
London NW1 6AA

## REGISTRAR

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ  
Telephone: 0370 707 1408<sup>(1)</sup>

- (1) Calls cost no more than calls to geographic numbers (01 or 02) and must be included in inclusive minutes and discount schemes in the same way. Calls from landlines are typically charged up to 9p per minute; calls from mobiles typically cost between 3p and 55p per minute. Calls from landlines and mobiles are included in free call packages.

## AUDITOR

Grant Thornton UK LLP  
30 Finsbury Square  
London EC2P 2YU

## STOCKBROKER

J.P. Morgan Cazenove  
25 Bank Street  
Canary Wharf  
London E14 5JP

## SOLICITORS

Dickson Minto W.S.  
16 Charlotte Square  
Edinburgh EH2 4DF

Herbert Smith Freehills LLP  
Exchange House  
Primrose Street  
London EC2A 2EG

The Company is a member of



**aic**  
The Association of  
Investment Companies

**IIGCC**  
The Institutional Investors  
Group on Climate Change

## DISABILITY ACT

Copies of this annual report and other documents issued by Witan Investment Trust plc are available from the Company Secretary. If needed, copies can be made available in a variety of formats, including Braille, audio tape or larger type as appropriate.

You can contact our Registrar, Computershare Investor Services PLC, which has installed textphones to allow speech and hearing impaired people who have their own telephone to contact them directly, without the need for an intermediate operator, by dialling 0370 702 0005. Specially trained operators are available during normal business hours to answer queries via this service. Alternatively, if you prefer to go through a 'typetalk' operator (provided by The Royal National Institute for Deaf People), you should dial 18001 followed by the number you wish to dial.

## UNSOLICITED APPROACHES FOR SHARES: WARNING TO SHAREHOLDERS

Many companies have become aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high-risk shares in US or UK investments. They can be very persistent and extremely persuasive. Shareholders are therefore advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

Please note that it is very unlikely that either the Company or the Company's Registrar, Computershare Investor Services PLC, would make unsolicited telephone calls to shareholders and that any such calls would relate only to official documentation already circulated to shareholders and never in respect of investment 'advice'.

Shareholders who suspect they may have been approached by fraudsters should advise the Financial Conduct Authority ('FCA') using the share fraud report form at [www.fca.org.uk/scams](http://www.fca.org.uk/scams) or call the FCA Customer Helpline on 0800 111 6768. You may also wish to call either the Company Secretary or the Registrar at the numbers provided above.



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