

Company Number: 01940906

HENDERSON OPPORTUNITIES TRUST PLC

**Report for the half year ended
30 April 2023**
(unaudited)

www.hendersonopportunitiestrust.com

HENDERSON OPPORTUNITIES TRUST PLC
(the “Company”)

Unaudited results for the half year ended 30 April 2023

Investment Objective

The Company aims to achieve capital growth in excess of the FTSE All-Share Index from a portfolio of primarily UK investments.

Performance summary

	(Unaudited) 30 April 2023	(Unaudited) 30 April 2022	(Audited) 31 October 2022
Net Asset Value ('NAV') per share	1,228.4p	1,471.5p	1,173.7p
Share price	1,050.0p	1,237.5p	1,018.0p
Net assets	£97.0m	£116.2m	£92.7m
Discount ¹ to NAV	14.5%	15.9%	13.3%
NAV total return per share	74.8p	-140.9p	-424.7p
NAV total return	6.3%	-8.7%	-26.4%
Share price total return	4.9%	-9.5%	-24.7%
Revenue return per share – basic and diluted	16.1p	19.5p	40.6p
Dividends per share ²	15.0p	14.0p	34.0p
Net gearing ³	14.9%	15.2%	13.9%

Total Return Performance to 30 April 2023

	6 Months	1 Year	3 Years	5 Years	10 Years
	%	%	%	%	%
NAV ⁴	6.3	-14.3	42.6	9.6	101.8
Benchmark ⁵	12.5	6.0	45.2	24.2	80.7
Share price ⁶	4.9	-12.6	53.3	15.1	123.2
Peer group average NAV ⁷	14.4	-1.2	38.6	10.9	85.1

Sources: Morningstar Direct, Refinitiv Datastream and Janus Henderson

1. Calculated based on the NAV per ordinary share and share price at period end
2. The dividends per ordinary share for the period 1 November 2022 to 30 April 2023 include a first interim dividend payment of 7.5p per ordinary share payable on 23 June 2023 and a second interim dividend payment of 7.5p per ordinary share payable on 22 September 2023. See the Chairman's Statement and Note 3 for further details
3. Net gearing reflects the amount of borrowings (bank loans or overdrafts) the Company has used to invest in the market less cash and investment cash funds, as a percentage of net assets
4. NAV per ordinary share total return (including dividends reinvested)
5. FTSE All-Share Index
6. Share price total return (including dividends reinvested)
7. Association of Investment Companies ('AIC') UK All Companies Sector (based on cumulative fair net asset value returns)

CHAIRMAN'S STATEMENT AND INTERIM MANAGEMENT REPORT

Review

The Net Asset Value total return was 6.3% over the six months while the FTSE All-Share Index (the "Index") benchmark returned 12.5%. The Index returns were substantially driven by large companies while small companies, and AIM stocks in particular, generally lagged the Index advance. The Company has a greater exposure to the AIM market than the Index. While this small company exposure has over time added value, during periods when there is lower investor confidence, smaller companies' share prices tend to be weaker than those of large global stocks. The Company's results for the period therefore reflect the level of its exposure to the AIM market. The falls in UK smaller companies' share prices have, however, left valuations at very attractive levels, which, in the Fund Managers' and the Board's view, will present opportunities for the Company going forward.

At a stock level, the attribution analysis tables below show the largest contributors and detractors. Four of the largest detractors were oil and gas companies. These companies all suffered from oil prices having weakened from the levels they were at at the start of the war in Ukraine and from the windfall tax or Energy Profits Levy introduced by the UK Government. The contributors have come from a variety of sectors and there is no particular underlying theme.

Investment activity

Three new holdings were purchased in the period, **Marshalls**, **Legal and General** and **Hvivo**. These are three very different companies which are all anticipated to grow strongly in coming years and their current valuations are undemanding. Various holdings were also added to based on share price weakness. The largest individual disposal was a result of the takeover of **K3 Capital**. The positions in **Vodafone** and **Haleon** were sold as the Fund Managers believe that there are better growth opportunities.

Gearing

The gearing at the period end was 14.9% (31 October 2022: 13.9%). The gearing level reflects the Fund Managers' belief that the UK equity market currently offers substantial value. While there was a cash balance at the period end this was due to timing and the settlement dates for investment transactions.

Earnings and dividends

The earnings per share for the period under review were 16.1p, which compares with 19.5p for the same period last year. Investee companies' dividends have generally been recovering, but there are not the special dividends that were seen last year as companies seek to preserve cash in what is considered an uncertain economic environment.

We are pleased to declare a second interim dividend of 7.5p per ordinary share for the financial year ending 31 October 2023. This will be payable on 22 September 2023 to shareholders registered at the close of business on 18 August 2023. The Company's shares will be quoted ex-dividend on 17 August 2023. The first interim dividend for the financial year ending 31 October 2023 was declared on 8 March 2023 and will be paid on 23 June 2023.

Your Board remains committed to the Company's progressive dividend policy and over the last five years (to 31 October 2022) the dividend has grown by 61.9%

Economic and market conditions

The valuation of UK equities is at a very low level. A coming together of different factors has been behind the fall in valuations. There has been a lack of capital spend in the economy driven by caution over Brexit and Covid-19. The pension fund industry and various other domestic investors have abstained from buying and have been large disinvestors in UK equities over the last ten years. Overseas buyers have been increasing holdings as domestic holders sell, but their focus is on large global companies, leaving a lack of capital to invest in small, domestic-facing businesses. However, the low valuations are leading to takeover activity picking up.

The AIM market

The AIM market has materially underperformed the FTSE All-Share Index. As at the half year end the portfolio had 48.4% in AIM stocks. In periods of uncertainty, investors are risk averse and AIM stocks have a greater level of risk attached to them as they are relatively immature companies. There is an increasing focus on liquidity as investors are demanding to be able to buy and sell the shares of a company relatively easily and again this works against investors looking at AIM. However, the Fund Managers believe these concerns will come to be seen to be overplayed if the next generation of successful companies emerge from the AIM market. Companies such as **ZOO Digital** or **Boku** are growing rapidly and becoming the established global player in their activities. In the view of the Fund Managers, their current valuations do not in any way reflect their prospects, the current indifference to AIM listed companies will not last and a vibrant AIM market will return as these successful companies become increasingly recognised. This will bring capital to growing companies and will help reinvigorate the UK economy.

1 year FTSE All-Share and FTSE AIM

Data illustrating 1 year FTSE All-Share and FTSE AIM returns:

Date	FTSE AIM return pence	FTSE All-Share return pence
April 2022	100.00	100.00
May 2022	95.45	100.40
June 2022	85.71	94.16
July 2022	90.17	98.13
August 2022	86.35	95.75
September 2022	78.88	89.93
October 2022	78.86	92.63
November 2022	83.01	98.91
December 2022	81.32	97.37
January 2023	84.89	101.69
February 2023	84.07	102.85
March 2023	79.16	99.35
April 2023	81.19	102.36

Source: Bloomberg, Janus Henderson

Note: Price return, rebased to 100 at 30 April 2022

AGM

At the AGM in March this year, 24.2% of the votes cast were voted against the resolution for the continuation of the Company (although only 26.6% of the Company's total voting rights were cast). The Board has therefore been consulting with shareholders, its advisers and the Fund Managers regarding the Company's future. The Company is small in size, but while this can pose challenges for liquidity, it should not affect its ability to deliver strong returns for investors. The Fund Managers and the Board firmly believe that there is a real role for the Company in continuing to do what it is doing and that over time, the approach will create long term value for shareholders as it has done in the past. The UK is generally out of favour and UK smaller, domestic focused companies are being particularly harshly treated by investors. However, at some point the pendulum will swing as the companies that are languishing in share price terms come through with operational growth. The Board therefore believes it is the wrong time to make any major change to the Company's strategy. The Fund Managers will therefore remain focused on attempting to deliver substantial capital appreciation and the Board will continue to communicate with shareholders, consult its advisers and engage with the Fund Managers on strategy in the run up to the next continuation vote in 2026.

In the meantime, in order to assist monthly savers and those who reinvest their dividends, or those who are looking to invest smaller amounts (such as younger investors), the Board is considering proposing a share split of the Company's ordinary shares. Any such sub-division may also (but could not be guaranteed to) assist in improving the liquidity in, and marketability of the Company's shares. Any such scheme would be brought forward for the approval of shareholders at the Company's AGM

in 2024, but will only be proposed if at the relevant time the Board considers this to be in the best interests of the Company's shareholders as a whole.

Discount

During the period the Company's discount to NAV averaged 12.5% and was 14.5% at the period end. In comparison, the average discount across the closed ended funds sector over the last four months was 14.9%. The Board and the Fund Managers are continuing to monitor the discount closely and are examining all possible options for narrowing it. Given the Company's size, it has a limited ability to buy back its shares. It therefore remains the Board's position that if buybacks are to be considered, this will be with the aim of enhancing the NAV for existing shareholders rather than trying to maintain the discount at any particular level. It is the belief of the Board and the Fund Managers that market cyclicality over time, the AIM market returning to favour, an increase in investor confidence in the UK and strong performance by the Company are all likely to be key factors in narrowing the discount.

Outlook

The UK economy is growing but at a very slow pace. The consumer, in spite of the cost of living crisis, has not shown the weakness in spending that some anticipated. Unemployment is low and companies overall are responding well to the demanding circumstances they face. At the same time, many good quality companies that have sound long term plans are trading on very undemanding valuations. The Fund Managers and the Board therefore believe this is a time of substantial opportunity for a fund with the Company's investment approach.

Wendy Colquhoun
Chairman

James Henderson and Laura Foll
Fund Managers

PRINCIPAL RISKS AND UNCERTAINTIES

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

- investment activity and strategy;
- financial instruments and the management of risk;
- operational and cyber;
- accounting, legal and regulatory; and
- failure of Janus Henderson.

Detailed information on these 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 October 2022.

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

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (listed in note 12) confirm that, to the best of their knowledge:

- a) the condensed financial statements for the half year ended 30 April 2023 have been prepared in accordance with Financial Reporting Standard 104 Interim Financial Reporting and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- b) this interim management report and condensed financial statements include a fair review of the information required by the 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) this interim management report includes a fair review of the information required by the Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

On behalf of the Board
Wendy Colquhoun
Chairman

Investment portfolio at 30 April 2023

Company	Valuation £'000	% of portfolio
Barclays	3,916	3.5
Vertu Motors ¹	3,177	2.9
NatWest	3,162	2.8
Boku ¹	3,068	2.8
ZOO Digital ¹	3,056	2.7
Next Fifteen Group ¹	2,944	2.6
Jersey Oil & Gas ¹	2,878	2.6
Springfield Properties ¹	2,754	2.5
Serica Energy ¹	2,730	2.5
Rio Tinto	2,524	2.3
10 largest	30,209	27.2
HSBC	2,471	2.2
Standard Chartered	2,419	2.2
Tracsis ¹	2,418	2.2
Anglo American	2,384	2.1
Oxford Instruments	1,921	1.7
Tesco	1,897	1.7
IQGeo ¹	1,852	1.7
Morgan Advanced Materials	1,836	1.7
SigmaRoc ¹	1,807	1.6
Redcentric ¹	1,789	1.6
20 largest	51,003	45.9
Van Elle ¹	1,776	1.6
Rolls-Royce	1,648	1.5
Flutter Entertainment	1,591	1.4
Redde Northgate	1,565	1.4
Aviva	1,527	1.4
CML Microsystems	1,515	1.4
Prudential	1,514	1.4
Cohort ¹	1,468	1.3
Flowtech ¹	1,437	1.3
Ricardo	1,380	1.2
30 largest	66,424	59.8
Surface Transforms ¹	1,366	1.2
BT Group	1,350	1.2
GlaxoSmithKline	1,326	1.2
Marks & Spencer	1,315	1.2
Babcock	1,190	1.1
RWS Holdings ¹	1,184	1.1
Halfords Group	1,156	1.0
Deltic Energy ¹	1,150	1.0
M&G	1,127	1.0
Marshalls	1,052	0.9
40 largest	78,640	70.7
Workspace	1,052	1.0
Finsbury Food Group ¹	1,045	0.9
STV	1,041	0.9
Senior	1,036	0.9
Marks Electrical ¹	1,026	0.9
Vanquis Banking Group	1,010	0.9
IntegraFin Holdings	1,000	0.9
Johnson Matthey	982	0.9
Reckitt Benckiser	965	0.9
XP Power	946	0.9
50 largest	88,743	79.8

Direct Line Insurance	944	0.8
Hollywood Bowl	935	0.8
AFC Energy ¹	916	0.8
Ilika ¹	893	0.8
Premier Miton Group ¹	891	0.8
Mondi	885	0.8
International Personal Finance	878	0.8
Legal & General	878	0.8
Kier Group	857	0.8
Jubilee Metals ¹	819	0.8
60 largest	97,639	87.8
Jadestone Energy ¹	799	0.7
Renold ¹	795	0.7
IP Group	777	0.7
The Gym Group	763	0.7
Deltex Medical ¹	733	0.7
GB Group ¹	732	0.7
Oxford Nanopore Technology	724	0.7
Hvivo ¹	700	0.6
Ceres Power ¹	699	0.6
Tribal Group ¹	646	0.6
70 largest	105,007	94.5
24 remaining (excluding cash and investments written down to zero)	6,161	5.5
Total	111,168	100.0

¹ Quoted on the Alternative Investment Market ('AIM')

Attribution analysis to 30 April 2023

The table below sets out the top five contributors and top five detractors to NAV:

Top five contributors	Total return (%)	Contribution to NAV (%)
HSBC	32.36	0.75
Rolls-Royce	94.67	0.66
Vertu Motors	28.09	0.58
IQGeo	40.97	0.55
Oxford Instruments	44.56	0.50

Top five detractors	Total return (%)	Contribution to NAV (%)
Tribal Group	-41.50	-0.42
Jersey Oil & Gas	-16.24	-0.42
Orcadian Energy	-76.85	-0.50
Serica Energy	-20.77	-0.57
Deltic Energy	-45.72	-0.83

Source: Janus Henderson

Portfolio by index at 30 April 2023

As a percentage of the portfolio excluding cash

Index	FTSE All-Share Index %	Portfolio %
FTSE 100	83.99	29.57
FTSE 250	12.86	13.22
FTSE SmallCap	2.33	7.56
FTSE AIM	0.10	48.35
Other	0.72	1.30
Total	100.0	100.0

Source: Factset

Portfolio by market capitalisation at 30 April 2023

As a percentage of the portfolio excluding cash

Index	FTSE All-Share Index %	Portfolio %
Greater than £2b	90.28	31.68
£1b - £2b	4.90	3.43
£500m - £1b	2.49	15.73
£200m - £500m	1.89	16.53
£100m - £200m	0.40	13.90
£50m - £100m	0.03	12.13
Less than £50m	--	6.12
Other	0.01	0.48
Total	100.0	100.0

Source: Factset

CONDENSED INCOME STATEMENT

	(Unaudited) Half Year ended 30 April 2023			(Unaudited) Half Year ended 30 April 2022			(Audited) Year ended 31 October 2022		
	Revenue return £'000	Capital return £'000	Total return £'000	Revenue return £'000	Capital return £'000	Total return £'000	Revenue return £'000	Capital return £'000	Total return £'000
Gains/(losses) from investments held at fair value through profit or loss	-	5,083	5,083	-	(12,350)	(12,350)	-	(36,112)	(36,112)
Investment income held at fair value through profit or loss	1,616	-	1,616	1,773	-	1,773	3,715	-	3,715
Interest receivable and other income	108	-	108	109	-	109	205	-	205
Gross revenue and capital gains/(losses)	1,724	5,083	6,807	1,882	(12,350)	(10,468)	3,920	(36,112)	(32,192)
Management fee (note 2)	(78)	(183)	(261)	(99)	(230)	(329)	(173)	(404)	(577)
Administrative expenses	(257)	-	(257)	(199)	-	(199)	(433)	-	(433)
Net return/(loss) before finance costs and taxation	1,389	4,900	6,289	1,584	(12,580)	(10,996)	3,314	(36,516)	(33,202)
Finance costs	(115)	(269)	(384)	(40)	(93)	(133)	(104)	(241)	(345)
Net return/(loss) before taxation	1,274	4,631	5,905	1,544	(12,673)	(11,129)	3,210	(36,757)	(33,547)
Taxation on net return	-	-	-	(1)	-	(1)	(1)	-	(1)
Net return/(loss) after taxation	1,274	4,631	5,905	1,543	(12,673)	(11,130)	3,209	(36,757)	(33,548)
Return/(loss) per ordinary share – basic and diluted (note 4)	16.13p	58.63p	74.76p	19.54p	(160.45p)	(140.91p)	40.63p	(465.37p)	(424.74p)

The total columns of this statement represent the Income Statement of the Company, prepared in accordance with FRS 104.

All revenue and capital items in the above statement derive from continuing operations. The revenue and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. The Company had no recognised gains or losses other than those disclosed in the Income Statement and Statement of Changes in Equity. The accompanying notes are an integral part of the condensed financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY

	(Unaudited)					
	Half Year ended 30 April 2023					
	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total shareholders' funds £'000
At 1 November 2022	2,000	14,838	2,431	70,739	2,693	92,701
Ordinary dividends paid	-	-	-	-	(1,580)	(1,580)
Net return after taxation	-	-	-	4,631	1,274	5,905
At 30 April 2023	2,000	14,838	2,431	75,370	2,387	97,026

	(Unaudited)					
	Half Year ended 30 April 2022					
	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total shareholders' funds £'000
At 1 November 2021	2,000	14,838	2,431	107,496	1,732	128,497
Ordinary dividends paid	-	-	-	-	(1,145)	(1,145)
Return of unclaimed dividends	-	-	-	-	4	4
Net (loss)/return after taxation	-	-	-	(12,673)	1,543	(11,130)
At 30 April 2022	2,000	14,838	2,431	94,823	2,134	116,226

	(Audited)					
	Year ended 31 October 2022					
	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total shareholders' funds £'000
At 1 November 2021	2,000	14,838	2,431	107,496	1,732	128,497
Ordinary dividends paid	-	-	-	-	(2,251)	(2,251)
Refund of unclaimed dividends over 12 years old	-	-	-	-	3	3
Net return after taxation	-	-	-	(36,757)	3,209	(33,548)
At 31 October 2022	2,000	14,838	2,431	70,739	2,693	92,701

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

CONDENSED STATEMENT OF FINANCIAL POSITION

	(Unaudited) Half year ended 30 April 2023 £'000	(Unaudited) Half year ended 30 April 2022 £'000	(Audited) Year ended 31 October 2022 £'000
Fixed assets			
Investments held at fair value through profit or loss			
Listed at market value	58,619	62,981	50,786
Quoted on AIM at market value	52,009	70,286	54,392
Unlisted at market value	540	492	517
	<u>111,168</u>	<u>133,759</u>	<u>105,695</u>
Current assets			
Investments held at fair value through profit or loss	2	2	2
Debtors	591	619	216
Cash at bank and in hand	2,710	1,829	1,219
	<u>3,303</u>	<u>2,450</u>	<u>1,437</u>
Creditors: amounts falling due within one year			
Bank loans	(17,127)	(19,492)	(14,106)
Other creditors	(318)	(491)	(325)
	<u>(14,142)</u>	<u>(17,533)</u>	<u>(12,994)</u>
Net current liabilities	<u>(14,142)</u>	<u>(17,533)</u>	<u>(12,994)</u>
Net assets	<u>97,026</u>	<u>116,226</u>	<u>92,701</u>
Capital and reserves			
Called up share capital (note 6)	2,000	2,000	2,000
Share premium account	14,838	14,838	14,838
Capital redemption reserve	2,431	2,431	2,431
Other capital reserves	75,370	94,823	70,739
Revenue reserves	2,387	2,134	2,693
	<u>97,026</u>	<u>116,226</u>	<u>92,701</u>
Total shareholders' funds	<u>97,026</u>	<u>116,226</u>	<u>92,701</u>
Net asset value per ordinary share – basic and diluted (note 7)	<u>1,228.4p</u>	<u>1,471.5p</u>	<u>1,173.7p</u>

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

CONDENSED STATEMENT OF CASH FLOWS

	(Unaudited) Half Year ended 30 April 2023 £'000	(Unaudited) Half Year ended 30 April 2022 £'000	(Audited) Year ended 31 October 2022 £'000
Cash flows from operating activities			
Net return/(loss) before taxation	5,905	(11,129)	(33,547)
Add back: finance costs	384	133	345
Add: (gains)/losses on investments held at fair value through profit or loss	(5,083)	12,350	36,112
Increase in debtors	(375)	(530)	(127)
Decrease in creditors	(39)	(1,195)	(1,361)
Net cash inflow/(outflow) from operating activities	792	(371)	1,422
Cash flows from investing activities			
Purchase of investments	(6,420)	(11,340)	(15,811)
Sale of investments	6,030	12,336	20,625
Proceeds from capital dividends	-	-	483
Net cash (outflow)/inflow from investing activities	(390)	996	5,297
Cash flows from financing activities			
Equity dividends paid (net of refund or unclaimed distributions and reclaimed distributions)	(1,580)	(1,141)	(2,248)
Net loans drawn down/(repaid)	3,021	1,125	(4,261)
Interest paid	(352)	(140)	(351)
Net cash inflow/(outflow) from financing activities	1,089	(156)	(6,860)
Net increase/(decrease) in cash and cash equivalents	1,491	469	(141)
Cash and cash equivalents at start of year	1,219	1,360	1,360
Cash and cash equivalents at end of period	2,710	1,829	1,219
Comprising:			
Cash at bank	2,710	1,829	1,219

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

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1 Accounting policies – basis of preparation

The condensed set of financial statements has been prepared in accordance with FRS 104, Interim Financial Reporting, FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Statement of Recommended Practice for "Financial Statements of Investment Trust Companies and Venture Capital Trusts", which was updated by the Association of Investment Companies in July 2022.

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 2022.

These financial statements have been neither audited nor reviewed by the Company's auditor.

2 Management and performance fees

Janus Henderson Fund Management UK Limited is appointed to act as the Company's Alternative Investment Fund Manager. Janus Henderson Fund Management UK Limited delegates investment management services to Janus Henderson Investors UK Limited. References to Janus Henderson or the Manager within these results refer to the services provided by both Janus Henderson Fund Management UK Limited and Janus Henderson Investors UK Limited.

Management and performance fees are charged in accordance with the terms of the management agreement and provided for when due. The base management fee is charged at 0.55% of net assets per annum payable quarterly at a rate of 0.1375% based on net assets at the end of the previous quarter. The management agreement also provides for the payment of a performance fee, calculated as 15% of any outperformance of the NAV over the benchmark, subject to a limit on the total management and performance fees payable in any one year of 1.5% of the average net assets (calculated quarterly) during the year. No performance fee will be paid if either the share price or net asset value is lower than their value at the preceding financial year end. Any underperformance relative to the benchmark, or any unrewarded outperformance (for example, as a result of the cap), will be carried forward and set against any outperformance or underperformance respectively in subsequent years. A performance fee of £nil has been accrued as at 30 April 2023 (30 April 2022 and 31 October 2022: £nil).

The Company allocates 70% of its management fees and finance costs to the capital return of the Income Statement with the remaining 30% being allocated to the revenue return. Performance fees payable are allocated 100% to the capital return.

3 Dividends

On 8 March 2023, the Board declared a first interim dividend of 7.5p (2022: 7.0p) per ordinary share, to be paid out of revenue on 23 June 2023 to shareholders on the register of the Company at the close of business on 19 May 2023. The cost of this dividend will be £592,000 (2022: £553,000).

The Board has declared a second interim dividend of 7.5p (2022: 7.0p) per ordinary share, to be paid out of revenue on 22 September 2023 to shareholders on the register of the Company at the close of business on 18 August 2023. The ex-dividend date will be 17 August 2023. Based on the number of ordinary shares in issue on 20 June 2023, the cost of this dividend will be £592,000 (2022: £553,000).

No provision has been made for the interim dividends in these condensed financial statements. The third interim dividend of 7.0p per ordinary share, paid on 16 December 2022 and the final dividend of 13.0p per ordinary share, paid on 24 March 2023 in respect of the year ended 31 October 2022, have been recognised as a distribution in this period.

4 Return/(loss) per ordinary share – basic and diluted

The return/(loss) per ordinary share is based on the following figures:

	(Unaudited) Half Year ended 30 April 2023 £'000	(Unaudited) Half Year ended 30 April 2022 £'000	(Audited) Year ended 31 October 2022 £'000
Revenue return	1,274	1,543	3,209
Capital return/(loss)	4,631	(12,673)	(36,757)
Total return/(loss)	5,905	(11,130)	(33,548)
Weighted average number of ordinary shares in issue for the period	7,898,375	7,898,375	7,898,375
Revenue return per ordinary share	16.13p	19.54p	40.63p
Capital return/(loss) per ordinary share	58.63p	(160.45p)	(465.37p)
Total return/(loss) per ordinary share	74.76p	(140.91p)	(424.74p)

The Company has no securities in issue that could dilute the return per ordinary share. Therefore, the basic and diluted returns per share are the same.

5 Investments held at fair value through profit or loss

The table below analyses fair value measurements for investments held at fair value through profit or loss. These fair value measurements are categorised into different levels in the fair value hierarchy based on the valuation techniques used and are defined as follows under FRS 102:

Level 1: valued using quoted prices in active markets for identical assets

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

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

Investments held at fair value through profit or loss at 30 April 2023 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	110,628	-	540	111,168
Current asset investments	2	-	-	2
Total	110,630	-	540	111,170
Investments held at fair value through profit or loss at 30 April 2022 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	133,267	-	492	133,759
Current asset investments	2	-	-	2
Total	133,269	-	492	133,761
Investments held at fair value through profit or loss at 31 October 2022 (audited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	105,178	-	517	105,695
Current asset investments	2	-	-	2
Total	105,180	-	517	105,697

There have been no transfers between levels of the fair value hierarchy during the period.

The valuation techniques used by the Company are explained in the accounting policies note 1(d) in the Company's Annual Report for the year ended 31 October 2021.

6 Called-up share capital

During the half year ended 30 April 2023, no shares were issued or repurchased (half year ended 30 April 2022 and year ended 31 October 2022: no shares issued or repurchased). At 30 April 2023 there were 8,000,858 ordinary shares of 25p each in issue (30 April 2022 and 31 October 2022: 8,000,858) of which 102,483 were held in treasury (30 April 2022 and 31 October 2022: 102,483 shares held in treasury) resulting in 7,898,375 shares being entitled to a dividend (30 April 2022 and 31 October 2022: 7,898,375).

7 Net asset value per ordinary share – basic and diluted

Net asset value per ordinary share is based on the net assets attributable to the ordinary shares of £97,026,000 (30 April 2022: £116,226,000; 31 October 2022: £92,701,000) and on the 7,898,375 ordinary shares of 25p each in issue at 30 April 2023 (half year ended 30 April 2022 and year ended 31 October 2022: 7,898,375).

8 Transaction costs

Purchase transaction costs for the half year ended 30 April 2023 were £20,000 (30 April 2022: £41,000; 31 October 2022: £61,000); these comprise mainly stamp duty and commissions. Sale transaction costs for the half year ended 30 April 2023 were £1,000 (30 April 2022: £6,000; 31 October 2022: £9,000); these comprise mainly commissions.

9 Related party transactions

The Company's transactions with related parties in the period under review were with the Directors and the Manager. There were no material transactions between the Company and its Directors during the half year other than amounts paid to them in respect of expenses and remuneration for which there are no outstanding amounts payable at the half year period end. Directors' shareholdings as at 31 October 2022 are disclosed in the Annual Report.

In relation to the provision of services by the Manager, other than fees payable by the Company in the ordinary course of business and the facilitation of marketing activities with third parties, there were no material transactions with the Manager affecting the financial position of the Company during the half year period.

10 Going concern

The Company's Articles of Association require that at the Annual General Meeting of the Company held in 2008, and every third year thereafter, an ordinary resolution be put to approve the continuation of the Company. The next triennial continuation resolution will be put to the Annual General Meeting in 2026. The assets of the Company consist almost entirely of securities that are listed (or quoted on AIM) and are readily realisable. Having assessed these factors and the principal risks the Directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the Directors believe that the Company has adequate resources to continue in operational existence for at least twelve months from the date of approval of the financial statements.

11 Net debt reconciliation

	Cash and cash equivalents £'000	Bank loans and overdraft repayable within one year £'000	Total £'000
Net debt as at 31 October 2022	1,219	(14,106)	(12,887)
Cash flows	1,491	(3,021)	(1,530)
Net debt as at 30 April 2023	2,710	(17,127)	(14,417)

	Cash and cash equivalents £'000	Bank loans and overdraft repayable within one year £'000	Total £'000
Net debt as at 31 October 2021	1,360	(18,367)	(17,007)
Cash flows	469	(1,125)	(656)
Net debt as at 30 April 2022	1,829	(19,492)	(17,663)

	Cash and cash equivalents £'000	Bank loans and overdraft repayable within one year £'000	Total £'000
Net debt as at 31 October 2021	1,360	(18,367)	(17,007)
Cash flows	(141)	4,261	4,120
Net debt as at 31 October 2022	1,219	(14,106)	(12,887)

12 General information

Company Status:

Henderson Opportunities Trust plc is registered in England and Wales (No. 01940906), has its registered office at 201 Bishopsgate, London EC2M 3AE and is listed on the London Stock Exchange.

SEDOL/ISIN: 0853657/GB0008536574

London Stock Exchange (TIDM) Code: HOT

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

Legal Entity Identifier (LEI): 2138005D884NPGHFQS77

Directors and Corporate Secretary:

The Directors of the Company are Wendy Colquhoun (Chairman), Frances Daley (Audit and Risk Committee Chairman), Davina Curling and Harry Morgan. The Corporate Secretary is Janus Henderson Secretarial Services UK Limited, represented by Melanie Stoner (Fellow of the Chartered Governance Institute).

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.hendersonopportunitiestrust.com.

13 Comparative information

The financial information contained in the half year report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the half year periods ended 30 April 2023 and 30 April 2022 has not been audited or reviewed by the Company's auditors. The figures and financial information for the year ended 31 October 2022 are an extract based on the latest published accounts and do not constitute statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and included the Independent

Auditor's Report 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 2022.

14 Half Year Report

This half year report is available on the Company's website or from the Company's registered office. An abbreviated version, the 'Update', will be posted to shareholders in June 2023. The Update will also be posted on the Company's website, and hard copies will be available from the Company's registered office.

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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 form part of, this report.