EST. 1889

LawDebenture

HALF YEARLY REPORT

2021

The Law Debenture Corporation p.l.c.

A differentiated investment proposition

A PROUD HISTORY

132 years of value creation for shareholders

STRENGTH AND DIVERSITY OF INCOME

36.0%[1] of dividend funded by our Independent Professional Services business over the past ten years

LONG-TERM DIVIDEND GROWTH

42 years of increasing or maintaining dividends to shareholders (116.5% increase in dividend over the last ten years to 31 December 2020)

CONSISTENT LONG-TERM OUTPERFORMANCE OF OUR BENCHMARK

80.5% outperformance of our benchmark, the FTSE Actuaries All-Share Index, over ten years to 30 June 2021

Key statistics

for the half year ended 30 June 2021

766.9p
NAV per share (31 December 2020: 666.2p)

£936.4m[2]
Net Asset Value (31 December 2020: £787.2m)

11.1%
Benchmark total return for the half year (30 June 2020: -17.5%)

19.4%
NAV total return for the half year (with debt at fair value) (30 June 2020: -18.6%)

16.7%
NAV total return for the half year (with debt at par) (30 June 2020: -16.5%)

5.0%[3]
Independent Professional Services business growth in earnings per share (31 December 2020: 9.5%)

[1] Calculated for the 10 years ended 31 December 2020.
[2] Please refer to pages 19 and 20 for calculation of net asset value.
[3] Calculated for the half year ended 30 June 2021.

LawDebenture

Law Debenture is an investment trust and a leading provider of independent professional services, listed on the London Stock Exchange. From its origins in 1889, it has diversified to become a Group with a unique range of activities in the financial and professional services sectors. The Group has two distinct areas of business:

Investment Portfolio

c. 84% of NAV

Managed by James Henderson and Laura Foll of Janus Henderson

OBJECTIVE: LONG-TERM CAPITAL GROWTH IN REAL TERMS AND STEADILY INCREASING INCOME

- Focused on long-term returns
- Low ongoing charges ratio at 0. 50%[1] compared to industry average of 1.02%[2]
- Contrarian investment style:
  - Out of favour equities standing at valuation discounts to their long-term historical average
  - High quality companies with strong competitive advantage at attractive valuations
- Selective, bottom-up approach
- Diversified portfolio by sector (predominant UK weighting)

Independent Professional Services (IPS) business

c. 16% of NAV

PENSIONS

The longest established and largest UK provider of independent pension trustees

CORPORATE TRUST

A leading independent corporate trustee across international capital markets

CORPORATE SERVICES

Range of outsourced solutions to corporates internationally

INTERNATIONAL PRESENCE:

United Kingdom, New York, Ireland, Hong Kong, Delaware and Channel Islands

All divisions have further potential for growth through the overall market growth for these services and market share gains, alongside better leveraging technology, strong relationships and a high quality brand

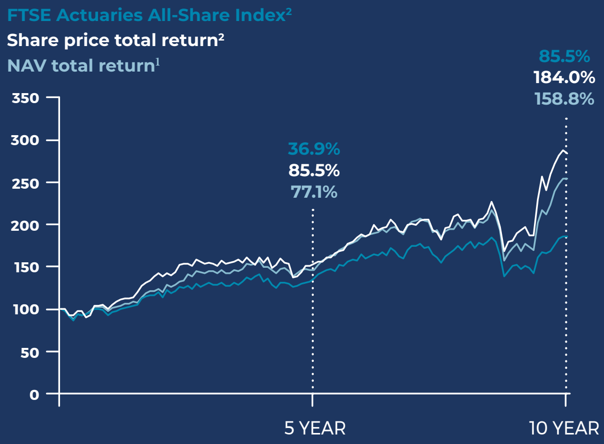
Significant, consistent income contribution from IPS gives greater flexibility in stock selection

1 Calculated based on data held by Law Debenture for the period ended 30 June 2021.
2 Source: Association of Investment Companies (AIC) industry average (excluding 3i) as at 31 December 2020.

Performance

	YTD %	1 year %	3 years %	5 years %	10 years %
NAV total return (with debt at par)[1]*	16.7	41.7	27.5	75.6	167.5
NAV total return (with debt at fair value)[1]*	19.4	46.0	26.5	77.1	158.8
FTSE Actuaries All-Share Index Total Return[2]	11.1	21.5	6.3	36.9	85.5
Share price total return[2]*	10.9	50.0	42.6	85.5	184.0
Change in Retail Price Index[2]	2.9	3.9	8.0	15.5	29.3

Consistent long-term outperformance of benchmark[3]



£10,000 invested in Law Debenture ten years ago would be worth

£28,400

as at 30 June 2021[4]

[1] NAV is calculated in accordance with the Association of Investment Companies (AIC) methodology, based on performance data held by Law Debenture including the fair value of the IPS business and long-term borrowings.
[2] Source: Bloomberg.
[3] The graph shows ten year performance data. The five year data is provided for information only and is not represented by the graph.
[4] Calculated on a total return basis assuming dividend re-investment between 30 June 2011 and 30 June 2021.
* Items marked "*" are considered to be alternative performance measures. For a description of these measures, see page 128 of the annual report and financial statements for the year ended 31 December 2020.

LawDebenture

Financial summary

	30 June 2021 £000	30 June 2020 £000	31 December 2020 £000
Net assets[1]	936,448	642,705	787,219
	Pence	Pence	Pence
Net Asset Value (NAV) per share at fair value[1,2*]	766.89	543.93	666.15
Revenue return per share			
Investment portfolio	8.48	6.33	12.12
Independent professional services	4.39	4.18	9.35
Group charges	—	—	0.09
Group revenue return per share	12.87	10.51	21.56
Capital return/(loss) per share	79.92	(131.86)	(19.06)
Dividends per share[3]	6.875	13.0	27.50
Share price	750.00	517.00	690.00
	%	%	%
Ongoing charges[4*]	0.50	0.48	0.55
Gearing*	11	19	9
(Discount)/Premium*	(2.20)	(5.0)	3.6

* Items marked "*" are considered to be alternative performance measures. For a description of these measures, see page 128 of the annual report and financial statements for the year ended 31 December 2020.
[1] Please refer to pages 19 and 20 for calculation of NAV.
[2] NAV is calculated in accordance with the AIC methodology, based on performance data held by Law Debenture including fair value of IPS business and long-term borrowings. NAV is shown with debt measured at par and with debt measured at fair value.
[3] The second interim dividend is not due to be announced until September 2021 and has not been factored in the calculation presented. The Board have already indicated their intention to pay three interim dividends of 6.875p in respect to 2021, representing a quarter of the total 2020 dividend declared of 27.5p. The final dividend will be declared in February 2022.
[4] Ongoing charges are based on the costs of the investment trust and include the Janus Henderson Investors management fee of 0.30% of NAV of the investment portfolio. There is no performance related element to the fee.

Half yearly management report

Introduction

At the start of Law Debenture's reporting year, the UK entered a third lockdown. This continued the Covid-19 related disruptions to the economy to which we had become all too accustomed in 2020. Despite these challenges, Law Debenture delivered on both of its objectives: producing long-term capital growth and steadily increasing income for our shareholders.

Our Investment Managers have continued their successful long-term record of material outperformance against our benchmark, the FTSE Actuaries All Share Index, over one, three, five and ten years, and drivers of their performance are covered in detail in their report. Our IPS business entered its fourth year of growth, with net revenue up 18.2% and profit before tax up 6.1%, all while retaining its reputation for quality and outstanding client outcomes.

Dividend

We are pleased to continue building on our 42-year track record of maintaining or increasing dividends, and I am extremely proud that we have been able to do so against a backdrop of repeated lockdowns and ensuing economic difficulty. Although the UK dividend outlook is looking increasingly bright, predominantly thanks to the impact of the successful vaccine rollout, some uncertainties in global markets do remain – Law Debenture's unique structure and diversified pool of businesses will be as important as ever.

We recently declared a first interim dividend of 6.875 pence per ordinary share, representing an increase of 5.8% over the prior year's first interim dividend. This once again highlights the benefits of IPS' stable and consistent income stream, as well as the level of our substantial revenue reserves – a crucial feature of investment trusts that enabled us to continue delivering for our shareholders throughout the Covid-19 crisis.

This dividend was paid on 7 July 2021 to shareholders on the register at close of business on 4 June 2021. Based on the current share price, the dividend yield per Law Debenture share is 3.7%. Since the publication of our Annual Report at the end of February 2021, we have issued ~4 million new ordinary shares to existing and new investors, worth £29.2 million. This exceeds the £20 million target to refinance the acquisition of our new company secretarial business.

It is the Board's current intention to recommend that the total dividend in relation to 2021 is an increase on the total 2020 dividend of 27.5p. Our shareholders will be asked to vote on the final dividend at our AGM in April 2022.

IPS performance

The IPS businesses continue to perform well. We are pleased to be reporting strong revenue growth and growth of PBT and EPS in line with our objective of mid to high single digit growth.

Pensions

Following a very strong first half of 2020, I am delighted to report that our Pensions business maintained its positive momentum with revenue growth of 10.7% in the first six months of 2021. There is no doubt that driven by the regulator, and much like listed company governance, professionalism of Pensions Governance in the UK continues to increase. Over the past thirty years, the UK listed company governance journey has seen the publication of The Cadbury Report in 1992; The Greenbury Report in 1995; The Hempel Report in 1995; The Combined Code in 2000; The Higgs Review in 2003; The Walker Review in 2009; The Stewardship code in 2010; and the revised Corporate Governance Code. Whilst the Pensions journey may not quite match that volume of governance changes, echoes

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from it will be heard; regulatory burdens will increase and the demand for high-quality expertise to help navigate through these changes will grow.

Our non-executive Director Trustee offering was established over fifty years ago and is one of the largest independent providers of Pension Trustees in the UK. It is essential that we continue to invest in our expertise in order to stay ahead of the regulatory changes, exceed the expectations of our clients and maintain our leading position in this growing, competitive market. During the first half of the year we secured additional, and highly sought after, legal and restructuring knowledge to both broaden and deepen the skill set our Trustee team offers. During the first half of the year, we welcomed Paul Torsney to the business with a remit to establish a Pensions Trustee offering in Ireland, as that market accelerates its governance enhancements.

It is clear from the meetings that I have attended this year that our Pensions clients place a very high value on the wealth of knowledge and experience that a Law Debenture Trustee brings to discussions. The combined experience of the team, across a large client footprint, takes years to replicate and is a material competitive advantage. As the economic impact of the pandemic was felt, new business enquiries were understandably quiet during the first half of 2020. However, the additions to our business development team made during this time, have produced a strong current pipeline of new opportunities.

> Our IPS business entered its fourth year of growth, with net revenue up 18.2% and profit before tax up 6.1%, all while retaining its reputation for quality and outstanding client outcomes.

Our Pension Executive offering, Pegasus, continues to demonstrate good growth. We have welcomed Sankar Mahalingham as Director of Pegasus. Year on year revenue growth for the first six months was again in excess of 40%. Particularly pleasing is our ability to win new appointments across the broadest range of our product suite from scheme secretarial, at its simplest, through to fully outsourced pensions management and professional sole trustee solutions, at its most complex. The pandemic has increased the focus of Chief Financial Officers on their cost base and the willingness of these potential buyers to outsource critical but non-core activities continues to grow.

Similar to our Trustee offering, we have invested in the expertise required to support our Pension Executive business. In particular, we have added further specialists with experience in GMP equalisation, Buy-out and Buy-in skills to our employee roster as demand for experienced help in these areas of specialism continues to increase.

The Pension business is now four years into a growth journey which so far has yielded compound annual growth of 10.1%. Momentum and operating margins are strong. Our reputation for excellence in execution has been further enhanced as the stresses placed on the pensions eco system, by the pandemic, have needed to be systematically addressed. Our success is hard earned, and we are proud of our progress. We will continue to invest in the people and infrastructure required to be a market leader in this growth business.

Corporate Trust

Given the 19.5% growth recorded in our Corporate Trust business in 2020, comparisons were always going to be tough, and our broadly flat year on year revenues are reflective of that. Last year's excellent performance was underpinned by robust activity in both the capital markets and post issuance work. The impact of 21% growth in debt issuance revenues in European Capital Markets* and a pick up in the counter cyclical post issue work that we undertake to act as a bridge between economically stressed issuers and their bondholders served us well in 2020. Market conditions in the first half of 2021 have been more subdued. Overall debt issuance revenues in Europe (our main market) were flat in the first

* Source: Dealogic

Half yearly management report continued

Independent Professional Services

DIVISION	Revenue[1] 30 June 2021 £000	Revenue[1] 30 June 2020 £000	Growth 2020/2021 %
Pensions	6,462	5,839	10.7%
Corporate Trust	4,937	4,878	1.2%
Corporate Services	8,069	5,753	40.3%
Total	19,468	16,470	18.2%

[1] Revenue shown is net of cost of sales

half of the year*. Despite the tougher operating environment, we have maintained market share. New appointments have included trustee appointments of public deals for Natwest, Hammerson, Gamenet, Santander and Telegram group.

A bi-product of the unprecedented financial support offered to corporates around the world by central governments has been a material reduction in the number of bankruptcies recorded during the period. By way of example, UK Insolvency Service data shows that UK bankruptcies have approximately halved since the onset of the pandemic and are currently running at levels not seen since the economic boom of the late 1980's. This data helps us to understand why following a sharp pick up in post issuance work in the first half of 2020 as the initial impact of the pandemic was felt, our post issuance revenues have not continued to grow as we have experienced in prior economic downturn and recovery cycles. We do not wish ill on any company, but we would not be surprised to see bankruptcies return to more normal or even elevated levels as many of the emergency funding mechanisms provided by central governments are gradually withdrawn. This in turn would support demand for our expertise as issuers work their way through from covenant waivers to default and beyond.

> In today's ever-changing market landscape characterised by emerging public health risks, geopolitical threats and inflation, there is no shortage of difficulties for investors. We are especially pleased with James and Laura's performance. Our portfolio has shown not only resilience during the pandemic, but fundamental strength.

That said, we are not passive, and we continue to invest in the skills necessary to grow this business. During the first half of the year we have hired an incremental business development headcount into our team to support Corporate Trust. This resource is being applied across our full Corporate Trust offering and Escrow appointments have shown strong growth in terms of number, size of underlying transaction, and breadth of underlying purpose.

* Source: Dealogic

Flat year on year revenues in any business never feel good. Given the challenging market conditions detailed above and the substantial growth recorded last year, we consider the results to be satisfactory. Remember too, that approximately two thirds of the annual revenues in our book of business is contractually secured and that over the past three years this business has produced compound annual growth in revenues of 10.9%.

Our operating margins remain strong and we continue to enhance our reputation for speed, innovation and deep domain expertise. We were incorporated in 1889 to act as a bond trustee and remain confident in our ability to produce excellent outcomes for both our clients and our shareholders over time.

Corporate Services

Overall, our revenues across these businesses were up by 40.3% year on year with a material amount of this driven by acquisition as further detailed below.

Structured Finance Services

A very small business at present for us but one that we hope to grow materially over time. The acquired company secretarial business enhances our capabilities and growth opportunities in a sector that we know well, having served clients for over twenty years. We will look to provide an extended product suite to a significantly expanded book of clients as we get to know and understand them.

Experience tells us that the provision of company secretarial services can be right at the start of the corporate journey. If that journey is more of a Special Purpose Vehicle than an operating company, it may offer opportunities for outsourced accounting and transaction management services, both of which we provide. This is particularly the case in the fast growing continuum of the Private Equity/Hedge Fund/ Boutique Asset Manager industries. Structurally long on capital and constrained on headcount, such organisations are frequent adopters of third party services to outsource elements of their underlying asset servicing and this has yielded a number of such appointments in the first half of the year. We will look to accelerate our sales pipeline as we further embed our recent acquisition.

Service of Process

As we mentioned in our latest annual report, this is our operating business with the least recurring amount of contractual revenues. Whilst it seems like a long time ago now, 2020 had actually started very brightly for this business until the pandemic took hold. Consequently, revenues for the first two and half months of 2021 were materially down from the equivalent period in 2020. Happily, as global economic activity started to benefit from the easing of Covid-19 restrictions, we ended the reporting period with our noses in front compared to last year.

Further progress will to some degree be driven by the strength, or otherwise, of global economic activity but again we continue to invest in building a strong growth platform. Ten days ago we rolled out a new technology platform to support this business that will help to scale its operations whilst enhancing control. Whilst we will not be abandoning our traditional distribution channels, the truly global footprint of the product lends itself well to digital distribution channels. Additional focus from the business development team will ensure that we build and maintain a very high profile with our extensive referral partner network as we hopefully emerge from lockdown in the second half of the year.

Safecall

At the year-end we announced that after twenty-two years Graham Long, the Co-founder and CEO of Safecall would be stepping down from his executive responsibilities in 2021 to become the non-executive Chairman of Safecall. We are delighted to announce that Joanna Lewis will be joining us in August to lead this business through the next chapters in its story.

Despite the difficult economic conditions in Europe particularly during the first quarter, the business recorded growth in revenues for the six months to June 2021. We added 70 new clients to the platform including high profile organisations such as ITV, The AA and Great Ormond Street Hospital, which underscore the breadth of appeal of our proposition.

As well as new leadership, we continue to invest in our operating capability. Elevated levels of cases to be handled, from an ever-expanding client base, means that we have added additional call handlers and operations management to the team to allow us to maintain our differentiated high quality offering.

Corporate Secretarial Services Acquisition

The headline here for the first half of 2021 was the acquisition of the corporate secretarial business from Konexo UK, a division of Eversheds Sutherland (International) LLP (Eversheds), a global top 10 law practice. We completed the acquisition at 5pm on Friday 29th January. At 9am on Monday 1st February we started our journey with the same staff, servicing the same clients, on the same commercial terms. It was critical to both us and Eversheds that the highest levels of client service were maintained during the transition. Many of the clients in the newly acquired business still remain key clients of Eversheds' broader law firm offerings.

Five months into the acquisition, we have demonstrated that we can continue to service existing clients well. Moreover, we have demonstrated our ability to win business with notable new relationships including Rio Tinto and Monzo Bank.

Corporate Centre

We are now working out of our new offices at 100 Bishopsgate, London. This new location has been well received by both our people and clients. We continue to invest more widely in our Corporate Centre to support the ongoing growth of our business. We have made investments into new Finance and HR systems and strategic hires in Business Development, HR, Finance and IT.

The acquisition also gave us a regional footprint in the North West and on June 23rd we opened our new office at 2 New Bailey, Manchester. We are in the process of establishing a group shared service centre in the office to support all of our businesses; many of our shared group functions have already transitioned from London to Manchester. We have also taken on our first Pensions staff in Manchester, allowing us to accelerate delivery of a regional offering to a considerable local client base.

We recently welcomed all of our colleagues to our new offices in both London and Manchester when government restrictions were lifted on July 19th.

We continuously strive to ensure our expenditure and investment serves to bring value to our shareholders. We have recently completed a competitive audit tender process and we are delighted to announce our intention to appoint Deloitte LLP as our new external auditors, subject to completion of the engagement process. Throughout the tender process, Deloitte demonstrated the value they would bring to the Group as our external auditors and will be responsible for undertaking the 2021 Group audit.

Half yearly management report continued

> We remain focussed on continuing our unbroken 42-year track record of maintaining or raising the dividend. Our confidence is underpinned by the diversified and highly repeatable nature of the revenues of our IPS business.

Environmental, Social and Governance (ESG)

We continue to give consideration to ESG factors across both the investment portfolio and the IPS business. We will be enhancing our reporting on ESG in the 2021 Annual Report.

Outlook

As we enter the second half of the year, with the UK economy on the path to recovery, we remain confident in our ability to deliver for our shareholders. The attractiveness of Law Debenture's unique offering is stronger than ever and is built to weather difficult periods.

As an important source of income for many of our shareholders, we understand the importance they place on us to deliver regular and reliable income. We remain focussed on continuing our unbroken 42-year track record of maintaining or raising the dividend. Our confidence is underpinned by the diversified and repeatable nature of the revenues of our IPS business. The cash flows from IPS allow James and Laura increased flexibility in portfolio construction to outperform the benchmark over time.

We remain on track with our IPS business, which continues to follow a trajectory of sustainable growth. At Law Debenture we take a long-term view – we build to last. As part of our growth strategy, we are investing in growing our high-quality workforce to support our ambitious plans, enabling us to win new business while retaining our exceptional level of client service that is critical to superior performance. We would like to thank our staff for their continued hard work and focus on delivering skillfully for our clients. As previously stated, we are always alert to opportunities presented by acquisitions, where we believe they could accelerate the growth in returns for our shareholders.

In today's ever-changing market landscape characterised by emerging public health risks, geopolitical threats and inflation, there is no shortage of difficulties for investors. We are especially pleased with James and Laura's performance.

The Board has great confidence in your Company's future and appreciates the enduring trust you place in us with your capital.

Denis Jackson
Chief Executive
29 July 2021


Photo credit: Jason Hawkes

Investment manager's report

Overview

The vaccination rollout which has allowed the economy to slowly reopen has been a positive background for equities. The results from companies have, in aggregate, been at the top end of investor expectations. The forward guidance by companies has been supportive of further upgrades in earnings projections. The relationship between earnings upgrades and share price performance is strong. It has been a more powerful factor in investors' minds than the growing concerns around the pick-up in inflation and any consequent future increases in interest rates. Therefore, in spite of concerns around the economy it has been a good period for growth in assets and earnings.

During the first half of the year we have been net buyers of equities as we respond to the opportunities that have arisen. The weighting in the banking sector, for instance, has been increased as they are benefitting from the increased economic activity with their provisions for bad debts proving overly cautious.

The valuation of the UK market is low in an international context as the UK market has been out of favour with international investors for a number of years as a result of concerns over politics and Brexit. These concerns have receded and sterling has stabilised, which has led to a return of investor interest. This has not just been confined to portfolio managers but also to corporates, where takeover activity has increased. Agreed bids for the insurer RSA (in November 2020) and St Modwen, the property company, have been two notable examples having a positive impact on Law Debenture's portfolio.

Portfolio performance and activity

The first six months of 2021 were a good period for the Trust on an absolute basis and relative to the FTSE All-Share benchmark. The Trust's NAV (keeping debt at par) grew 16.7% in the period. This compares with the FTSE All-Share benchmark which rose 11.1%. We go into more details of the stock-specific drivers of performance in the attribution section below, but broadly the Trust benefitted from its exposure to the domestic and global economic recovery. The industrials sector, which as at the end of the period was 23.8% of the portfolio, was a key contributor to the outperformance. For many of the industrial companies in the portfolio, the sales recovery that has begun in the first half of this year has come at a time when meaningful costs have been taken out following the pandemic. This has led to a faster than expected earnings recovery, a trend which we expect to continue into the second half of the year.

[1] Source: Investec.
[2] Dividends paid to shareholders between 1 July 2010 and 30 June 2021.

Investment manager's report continued

During the first half of the year we were net investors, investing £36.4m (net). The majority of this investment (£29.7m) went into the UK, as this is where we continue to identify the most attractive valuation opportunities. As a result the UK remains the majority of the investment portfolio (82% as at the end of June 2021). North America was the second largest area for net investment (£6.0m), consisting predominantly of a new position in Merck and an addition to the existing position in Schlumberger.

New positions established in the six months included Vertu Motors, iEnergizer, Plant Health Care, Sanofi, Glencore, Convatec and VH Global Sustainable Energy Opportunities. There is deliberately no common end market exposure across these holdings. They range from small domestic companies such as Vertu Motors (a UK motor retailer) to global pharmaceutical companies such as Sanofi. Were there to be a common theme it is that they are market leaders in the areas they operate in, with highly experienced management teams that are focused on growth.

The largest sale during the period was St Modwen Properties, which was sold in June following an increased takeover offer from private equity. This was a trend seen elsewhere in the first half of the year with bids received (that were rejected by the boards) for aerospace components supplier, Senior and speciality chemicals company, Elementis.

Other full sales during the period included British American Tobacco, following which the portfolio has no tobacco exposure. The regulatory outlook for traditional tobacco products and next generation products remains unclear. Therefore despite the high dividend yields available in the sector, in our view there are better opportunities elsewhere. The income provided by Law Debenture's IPS business means that the investment portfolio has flexibility to avoid investing in high dividend yield sectors that are not viewed as attractive total return opportunities, while continuing to provide an attractive dividend yield to shareholders.

Portfolio attribution

In a reversal of performance in the first half of 2020 the industrials sector was the largest positive contributor to performance, and three of the top five best performers seen below are in this sector. While the overall driver of industrial performance was the economic recovery, there were distinct end markets behind each of the holdings. Royal Mail benefitted from heightened ecommerce demand at a time when traditional retailers were often closed, Senior will benefit as the civil aerospace market recovers and Kier is benefitting from strong levels of UK infrastructure spend (such as HS2).

Applied Materials, which designs and manufactures equipment for the semiconductor industry, is seeing good demand as semiconductors are increasingly used in end markets outside of technology (such as cars and white goods). BT was a new position added in November 2020. It is our view that the fibre to the home rollout that is currently underway will provide a visible path to earnings growth over the next decade. Following the final regulatory outcome announced in the first half of this year, this improved growth profile is now beginning to be reflected in the valuation.

Top five contributors

The following five stocks produced the largest absolute contribution to performance in the first half of 2021:

Stock	Share price total return (%)	Contribution (£m)
Royal Mail	71.0	7.3
Senior	69.7	5.3
Applied Materials	65.0	4.3
BT Group	46.7	4.1
Kier	96.7	3.8

Source: Bloomberg calendar year share price total return as at 30 June 2021.

Top five detractors

The following five stocks produced the largest negative impact on portfolio valuation in the first half of 2021:

Stock	Share price total return (%)	Contribution (£m)
SIMEC Atlantis Energy	-77.4	-2.9
Ceres Power	-19.9	-2.8
Provident Financial	-24.4	-1.7
AFC Energy	-20.0	-1.5
Hiscox	-16.3	-1.5

Source: Bloomberg calendar year share price total return as at 30 June 2021.

Three of the five largest detractors from performance this year are in the alternative energy sector (SIMEC Atlantis Energy, Ceres Power, AFC Energy). This sector was among the key drivers of outperformance in 2020, and we had taken significant profits in the area, for example reducing the Ceres Power and ITM Power positions. It remains our view that some of the companies held could be future leaders in large end markets such as fuel cells, but the route to full commercialisation is unlikely to be smooth. The first half of this year saw little material news, but there was a period of share price consolidation following good performance last year.

Provident Financial fell as a result of customer complaints in its home collected credit business, a division which they are currently in the process of exiting (the costs of this exit remain uncertain). The key driver of long-term shareholder value is their credit card business which has grown significantly over the last decade. Hiscox is an insurer primarily for small and medium sized businesses that incurred large events and business interruption insurance claims last year following the pandemic. As the pandemic progressed (for example with further 'lockdowns' in late 2020 and early 2021) further claims levels remained unclear and this has remained an overhang on the shares. On a longer-term basis we continue to view Hiscox as a good quality underwriter and the shares trade on a lower valuation than they have historically, therefore we supported Hiscox in a placing last year and have continued to hold the shares.

Income

It was encouraging to see a rise in investment income during the period, which rose to £11.8m from £9.1m in 2020. Among the key drivers of this growth was the financial sector, particularly the banks which totalled approximately 5% of investment income in the period (having paid nothing in the first half of 2020 as returns to shareholders were suspended by the regulator). The comparable investment income figure in 2019 was £15.1m. Therefore income levels have recovered from the depressed levels of 2020, but have not yet fully recovered to pre-pandemic levels. We expect further income growth from here, driven by a combination of earnings recovery and dividend pay-out ratios rising. For example, continuing to use the banks as an example, while dividends have resumed they are currently based on low pay-out ratios and excess capital positions remain material. Therefore there is further scope for significant dividend growth as company boards gain confidence in the sustainability of the economic recovery.

Outlook

The approach used for running the portfolio is to focus on companies and how they are developing, while being mindful of their valuation. There is, however, a need to remain aware of the macroeconomic outlook. In the short-term, economic growth should continue to positively surprise as activities open up. The bottlenecks in supply will be overcome by increased capital spend, which will in time further aid growth.

An important question is how long and persistent the pick-up in inflation will be, and how high interest rates will need to go in response. In the medium term there will be large costs for the economy in the move towards decarbonisation that could create long-term inflationary pressures. It is necessary in this environment not only to be invested in companies that have pricing power because of the relative uniqueness of their offering, but also to be invested in companies leading the transformation of the economy.

The portfolio is a diverse list of holdings in businesses that are equipped to deal and respond to rapid changes in their operating environments. Part of the evidence for this is how well they have coped with the events of the last eighteen months.

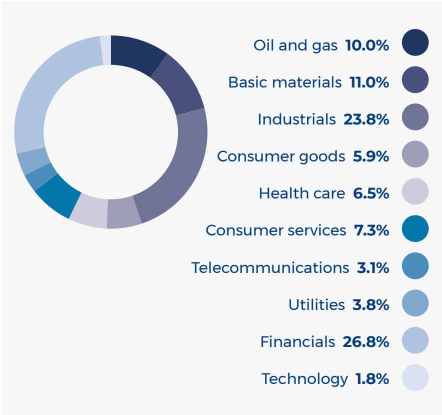
James Henderson and Laura Foll
Investment Managers
29 July 2021

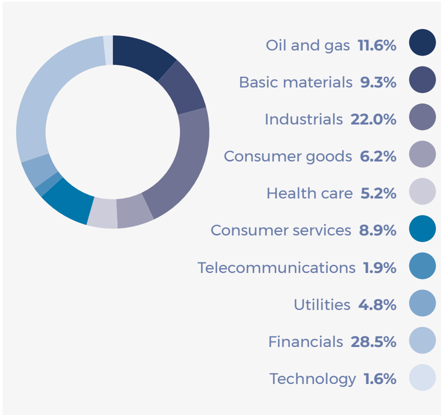
Investment manager's report continued

Sector distribution of portfolio by value

30 June 2021

31 December 2020

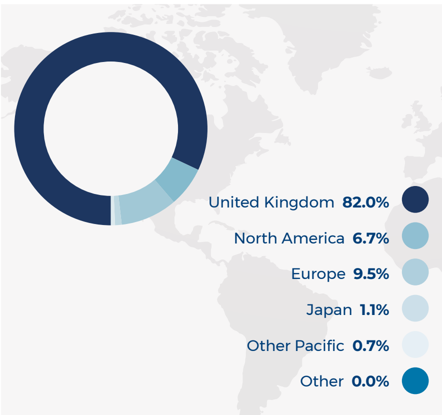


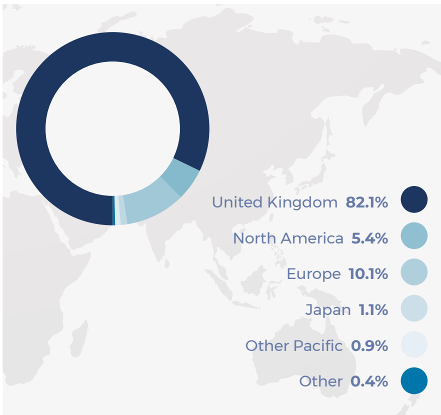


Geographical distribution of portfolio by value

30 June 2021

31 December 2020





Fifteen largest holdings: investment rationale

at 30 June 2021

Rank 2021	Company	Location	% of portfolio	Approx Market Cap.	Valuation 2020 £000	Purchases £000	Sales £000	Appreciation/ (Depreciation) £000	Valuation 2021 £000
1	**GlaxoSmithKline**	UK	2.52	£72bn	22,479	–	–	1,296	23,775

GlaxoSmithKline is one of the world's largest pharmaceutical, vaccine and consumer healthcare companies. GSK currently trades at a discount to the global pharmaceutical sector, as while they have world leading consumer healthcare, HIV and vaccines businesses, the pharmaceutical division has often lagged behind others in, for example, innovative oncology drugs. Under a new management team they are re-investing in R&D and focussing on innovative products. They are also demerging their consumer healthcare division (likely in mid 2022), which could be more highly valued as a standalone business.

Rank 2021	Company	Location	% of portfolio	Approx Market Cap.	Valuation 2020 £000	Purchases £000	Sales £000	Appreciation/ (Depreciation) £000	Valuation 2021 £000
2	**Rio Tinto**	UK	2.37	£76bn	20,513	–	–	1,796	22,309

Rio Tinto is one of the world's largest mining companies with a particular focus on iron ore, aluminium and copper. Their mines are well positioned on the cost curve, often at the lowest cost quartile globally, meaning that they can continue to be highly cash generative despite volatile commodity prices. This cash generation combined with a strong balance sheet has resulted in an attractive ordinary dividend payment combined with some special dividends in recent years.

Following the Juukan Gorge site destruction Janus Henderson extensively engaged with the Rio Tinto board and management team. We continue to be of the view that Rio has high levels of corporate governance relative to mining peers and took appropriate action following the disaster to replace management and improve standards.

Rank 2021	Company	Location	% of portfolio	Approx Market Cap.	Valuation 2020 £000	Purchases £000	Sales £000	Appreciation/ (Depreciation) £000	Valuation 2021 £000
3	**Barclays**	UK	1.96	£29bn	7,261	8,766	–	2,454	18,481

Barclays has a strong retail lending franchise combined with an investment bank. Over time it's strong retail franchise should allow it to generate good returns on capital, however in the past these have not consistently come through because of bad debts and persistently low interest rates. The bad debt provisions appear now to be robust and the direction of interest rates from here is likely to be upwards, therefore the strengths of the bank are expected to come to the fore.

Rank 2021	Company	Location	% of portfolio	Approx Market Cap.	Valuation 2020 £000	Purchases £000	Sales £000	Appreciation/ (Depreciation) £000	Valuation 2021 £000
4	**HSBC**	UK	1.92	£85bn	11,881	5,297	–	917	18,095

HSBC are a global bank with a substantial presence in Hong Kong and mainland China. Their geographic focus brings worthwhile diversity to the portfolio. The new management team also have a 'self-help' opportunity to scale back their relatively lower returning US and European businesses in order to improve the overall group returns.

Rank 2021	Company	Location	% of portfolio	Approx Market Cap.	Valuation 2020 £000	Purchases £000	Sales £000	Appreciation/ (Depreciation) £000	Valuation 2021 £000
5	**BP**	UK	1.91	£63bn	14,524	–	–	3,431	17,955

BP is a vertically integrated oil and gas company. Under a new CEO, BP have announced ambitious plans to reach net zero carbon emissions by 2050 and gradually transition away from fossil fuels towards renewable energy. The cash generation from their oil & gas business should enable this transition to take place, while also continuing to fund cash returns to shareholders via dividends and share buybacks.

Rank 2021	Company	Location	% of portfolio	Approx Market Cap.	Valuation 2020 £000	Purchases £000	Sales £000	Appreciation/ (Depreciation) £000	Valuation 2021 £000
6	**Royal Dutch Shell**	UK	1.86	£60bn	15,743	–	–	1,744	17,487

Royal Dutch Shell is a vertically integrated oil and gas company. Following a fall in the oil price in 2020 the board took the decision to rebase the dividend by two thirds and further reduce capital and operating expenditure. At the rebased level the dividend is comfortably covered by free cash flow and has begun to grow as the oil price recovers. Shell are perceived to be among the leaders within integrated oil & gas companies in the transition to renewable energy.

Rank 2021	Company	Location	% of portfolio	Approx Market Cap.	Valuation 2020 £000	Purchases £000	Sales £000	Appreciation/ (Depreciation) £000	Valuation 2021 £000
7	**Royal Mail**	UK	1.80	£6bn	10,466	–	(745)	7,265	16,986

Royal Mail is a letter and parcel delivery company across the UK and Continental Europe, with a market leading position in the UK. As consumers increasingly shop online, good parcel volume growth has driven strong earnings growth. Royal Mail are also investing heavily in parcel automation that could drive future margin growth.

Rank 2021	Company	Location	% of portfolio	Approx Market Cap.	Valuation 2020 £000	Purchases £000	Sales £000	Appreciation/ (Depreciation) £000	Valuation 2021 £000
8	**Accsys Technologies**	UK	1.72	£339m	11,131	1,372	–	3,802	16,305

The company focuses on the sustainable transformation of wood through acetylation (creating a natural sealant to protect against erosion). It is scaling up production in the Netherlands and has a joint venture to build a new plant in the US.

<table>
<tr><th>Rank 2021</th><th>Company</th><th>Location</th><th>% of portfolio</th><th>Approx Market Cap.</th><th>Valuation 2020 £000</th><th>Purchases £000</th><th>Sales £000</th><th>Appreciation/ (Depreciation) £000</th><th>Valuation 2021 £000</th></tr>
<tr><td>9</td><td>Lloyds Banking Group</td><td>UK</td><td>1.48</td><td>£33bn</td><td>7,652</td><td>3,572</td><td>—</td><td>2,783</td><td>14,007</td></tr>
<tr><td colspan="10">Lloyds are a leading retail and commercial lender in the UK. Following the financial crisis the balance sheet was steadily improved over many years, allowing them to take a conservative estimate of loan losses during the peak of the pandemic. As the domestic economy has recovered faster than many anticipated, these loan loss estimates look increasingly high and as they unwind this could create a tailwind to future earnings (and dividends). The regulatory constraint on bank dividend payments has recently been removed, which will in our view enable Lloyds (along with others in the sector) to pay an attractive dividend yield to shareholders.</td></tr>
<tr><td>10</td><td>Ceres Power</td><td>UK</td><td>1.47</td><td>£2bn</td><td>24,198</td><td>—</td><td>(7,512)</td><td>(2,800)</td><td>13,886</td></tr>
<tr><td colspan="10">The company operates as a fuel cell technology and engineering business. The technology is fuel flexible and the company has licensed out its technology to partners including Bosch, Weichi, Minra and Doosan, therefore strong revenue growth is expected in coming years. The desire to push towards lowering carbon emissions drives the need for fuel cell technology to be adopted. Their fuel cell is being used to power buses in China as well as data centres in the UK. The adoption of this new technology is rapidly spreading.</td></tr>
<tr><td>11</td><td>Aviva</td><td>UK</td><td>1.45</td><td>£16bn</td><td>11,008</td><td>—</td><td>—</td><td>2,732</td><td>13,740</td></tr>
<tr><td colspan="10">Aviva is a diversified insurer that writes life and non-life insurance. Under a new chief executive they are focusing the business on geographies where they have strong market positions and are divesting assets in more peripheral geographies. The shares trade with a conglomerate discount relative to insurance peers, therefore a more focused group would in our view merit a higher valuation. The shares continue to pay an attractive dividend yield to shareholders.</td></tr>
<tr><td>12</td><td>Morgan Advanced Materials</td><td>UK</td><td>1.44</td><td>£1bn</td><td>11,974</td><td>—</td><td>—</td><td>1,616</td><td>13,590</td></tr>
<tr><td colspan="10">Morgan Advanced Materials is a specialist materials producer for a wide variety of end markets including transportation, healthcare, industrials and semiconductors. Under a relatively new management team they have simplified the business via divestments, strengthened the balance sheet and invested in new product development. During 2020 in difficult industrial end markets the business substantially reduced costs, including closing some manufacturing sites. In the first half of 2021 sales have begun to recover and following the cost reduction the business could be structurally higher margin than it has been historically.</td></tr>
<tr><td>13</td><td>Herald Investment Trust</td><td>UK</td><td>1.38</td><td>£2bn</td><td>17,506</td><td>—</td><td>(4,034)</td><td>(392)</td><td>13,080</td></tr>
<tr><td colspan="10">Herald is a global technology focussed Investment Trust managed by Katie Potts (who launched the Trust in 1994). Its technology focus brings worthwhile diversity to the portfolio and it has been an excellent performer over time.</td></tr>
<tr><td>14</td><td>National Grid</td><td>UK</td><td>1.37</td><td>£33bn</td><td>12,189</td><td>—</td><td>—</td><td>787</td><td>12,976</td></tr>
<tr><td colspan="10">National Grid are a regulated utility company with operations in both the UK and the US. The need to reduce global carbon emissions is likely to increase demands on electricity networks and this could lead to faster regulated asset growth in future driven by the need to increase grid capacity. The position brings defensive qualities and continues to pay an attractive dividend yield.</td></tr>
<tr><td>15</td><td>Anglo American</td><td>UK</td><td>1.37</td><td>£41bn</td><td>10,910</td><td>—</td><td>—</td><td>2,016</td><td>12,926</td></tr>
<tr><td colspan="10">Anglo American is a diversified mining company with exposure to commodities including copper, iron ore, diamonds and platinum. It is well positioned to benefit from the need to decarbonise the global economy. For example, it is significantly exposed to copper where demand is likely to grow driven by its use in electric vehicles as well as renewable energy. Anglo American are also among the leaders within the mining sector on environmental targets, aiming to be carbon neutral in their own operations by 2040.</td></tr>
</table>

Investment portfolio valuation
based on market values at 30 June 2021

Law Debenture now publishes details of its full investment portfolio monthly. As at 30 June 2021 the portfolio comprised as follows:

Holding name	Location	Sector	Industry	£000	%
GlaxoSmithKline	UK	Health Care	Pharmaceuticals & biotechnology	23,775	2.52
Rio Tinto	UK	Basic Materials	Mining	22,309	2.37
Barclays	UK	Financials	Banks	18,481	1.96
HSBC	UK	Financials	Banks	18,095	1.92
BP	UK	Oil & Gas	Oil & gas producers	17,955	1.91
Royal Dutch Shell	UK	Oil & Gas	Oil & gas producers	17,487	1.86
Royal Mail	UK	Industrials	Industrial transportation	16,986	1.80
Accsys Technologies	UK	Industrials	Construction & materials	16,305	1.72
Lloyds Banking Group	UK	Financials	Banks	14,007	1.48
Ceres Power	UK	Oil & Gas	Oil equipment services & distribution	13,886	1.47
Aviva	UK	Financials	Life insurance/assurance	13,740	1.45
Morgan Advanced Materials	UK	Industrials	Electronic & electrical equipment	13,590	1.44
Herald Investment Trust	UK	Financials	Equity investment instruments	13,080	1.38
National Grid	UK	Utilities	Gas, water & multiutilities	12,976	1.37
Anglo American	UK	Basic Materials	Mining	12,926	1.37
Senior	UK	Industrials	Aerospace & defence	12,925	1.37
Prudential Corp	UK	Financials	Life insurance/assurance	12,824	1.36
NatWest	UK	Financials	Banks	12,694	1.34
Severn Trent	UK	Utilities	Gas, water & multiutilities	12,505	1.32
BT Group	UK	Telecommunications	Fixed Line Telecommunications	12,122	1.28
Dunelm	UK	Consumer Services	General retailers	11,778	1.25
Smith (DS)	UK	Industrials	General industrials	11,765	1.24
BHP	UK	Basic Materials	Mining	11,715	1.24
Relx	UK	Consumer Services	Media	11,511	1.22
M & G	UK	Financials	Financial services	11,440	1.21
Direct Line Insurance	UK	Financials	Nonlife insurance	10,687	1.13
Kier	UK	Industrials	Construction & materials	10,644	1.13
Vodafone	UK	Telecommunications	Mobile telecommunications	10,617	1.12
Linde	Germany	Basic Materials	Chemicals	10,462	1.11
Toyota Motor Corporation	Japan	Consumer Goods	Automobiles & parts	10,427	1.10
IP Group	UK	Financials	Financial services	10,327	1.09
Applied Materials	USA	Technology	Technology hardware & equipment	10,296	1.09
Land Securities	UK	Financials	Real estate investment trusts	10,288	1.09
AFC Energy	UK	Oil & Gas	Alternative Energy	10,160	1.07
Johnson Service Group	UK	Industrials	Support services	9,899	1.05
Hipgnosis Songs Fund	UK	Financials	Equity investment instruments	9,881	1.05
Tesco	UK	Consumer Goods	Food & Drug Retailers	9,591	1.01
BAE Systems	UK	Industrials	Aerospace & defence	9,396	0.99
ITM Power	UK	Oil & Gas	Oil equipment services & distribution	9,100	0.96
Schlumberger	USA	Oil & Gas	Oil equipment services & distribution	9,048	0.96

Investment portfolio valuation continued

based on market values at 30 June 2021

Holding name	Location	Sector	Industry	£000	%
Mondi	UK	Basic Materials	Forestry & paper	9,030	0.96
Elementis	UK	Basic Materials	Chemicals	8,830	0.93
Standard Chartered	UK	Financials	Banks	8,693	0.92
Balfour Beatty	UK	Industrials	Construction & materials	8,475	0.90
Croda	UK	Basic Materials	Chemicals	8,469	0.90
Hill & Smith	UK	Industrials	Industrial engineering	8,450	0.89
Rolls Royce	UK	Industrials	Aerospace & defence	8,359	0.88
Cummins	USA	Industrials	Industrial engineering	8,286	0.88
Hammerson	UK	Financials	Real estate investment trusts	8,207	0.87
Standard Life Aberdeen	UK	Financials	Financial services	8,147	0.86
General Motors	USA	Consumer Goods	Automobiles & parts	8,130	0.86
Urban Logistics REIT	UK	Financials	Real estate investment trusts	8,083	0.85
Watkin Jones	UK	Consumer Goods	Household goods & home construction	7,955	0.84
Caterpillar	USA	Industrials	Industrial engineering	7,869	0.83
Hiscox	UK	Financials	Nonlife insurance	7,522	0.80
IMI	UK	Industrials	Industrial engineering	7,521	0.80
Marks & Spencer	UK	Consumer Services	General retailers	7,469	0.79
Smith & Nephew	UK	Health Care	Health care equipment & services	7,344	0.78
Scottish Oriental Small Co	Pacific	Financials	Equity investment instruments	6,925	0.73
Spectris	UK	Industrials	Electronic & electrical equipment	6,874	0.73
TT Electronics	UK	Industrials	Electronic & electrical equipment	6,847	0.72
SigmaRoc	UK	Industrials	Construction & materials	6,794	0.72
Halfords	UK	Consumer Services	General retailers	6,684	0.71
Irish Continental Group	Ireland	Consumer Services	Travel & leisure	6,617	0.70
Gibson Energy	Canada	Oil & Gas	Oil & gas producers	6,463	0.68
Unilever	UK	Consumer Goods	Personal goods	6,346	0.67
Convatec Group	UK	Health Care	Health care equipment & services	6,256	0.66
International Personal Finance	UK	Financials	Financial services	6,203	0.66
Marshalls	UK	Industrials	Construction & materials	6,170	0.65
Bristol-Myers Squibb	USA	Health Care	Pharmaceuticals & biotechnology	6,038	0.64
International Consolidated Airlines	UK	Consumer Services	Travel & leisure	5,987	0.63
Sanofi	France	Health Care	Pharmaceuticals & biotechnology	5,681	0.60
Euromoney	UK	Consumer Services	Media	5,626	0.60
Chesnara	UK	Financials	Life insurance/assurance	5,530	0.58
Centrica	UK	Utilities	Gas, water & multiutilities	5,144	0.54
Provident Financial	UK	Financials	Financial services	5,123	0.54
Ibstock	UK	Industrials	Construction & materials	5,114	0.54
Morses Club	UK	Financials	Financial services	5,069	0.54
Oxford Sciences Innovation	UKULM	Financials	Financial services	4,847	0.51
Merck & Co	USA	Health Care	Pharmaceuticals & biotechnology	4,671	0.49

Holding name	Location	Sector	Industry	£000	%
Redde Northgate	UK	Industrials	Support services	4,651	0.49
Glencore	Switzerland	Basic Materials	Mining	4,641	0.49
Meggitt	UK	Industrials	Aerospace & defence	4,612	0.49
Koninklijke DSM	Netherlands	Basic Materials	Chemicals	4,585	0.48
Jubilee Metals Group	UK	Basic Materials	Mining	4,550	0.48
SSE	UK	Utilities	Electricity	4,500	0.48
Studio Retail Group	UK	Consumer Services	General retailers	4,357	0.46
Babcock	UK	Industrials	Aerospace & defence	4,339	0.46
Cellnex Telecom	Spain	Telecommunications	Mobile telecommunications	4,081	0.43
Bawag	Austria	Financials	Banks	3,882	0.41
Indus Gas	UK	Oil & Gas	Oil & gas producers	3,878	0.41
Weir Group	UK	Industrials	Industrial engineering	3,701	0.39
Nestle	Switzerland	Consumer Goods	Food producers	3,668	0.39
Boku	UK	Industrials	Support services	3,640	0.39
Munchener Rueckver	Germany	Financials	Nonlife insurance	3,542	0.37
Ricardo	UK	Industrials	Support services	3,410	0.36
Phoenix Group Holdings	UK	Financials	Life insurance/assurance	3,375	0.36
Grit Real Estate Income Group	Guernsey	Financials	Real estate investment trusts	3,322	0.35
Roche	Switzerland	Health Care	Pharmaceuticals & biotechnology	3,309	0.35
Marstons	UK	Consumer Services	Travel & leisure	3,236	0.34
VH Global Sustainable Energy Opportunities	UK	Other	Sustainable Energy	2,991	0.32
iEnergizer	Guernsey	Industrials	Support services	2,960	0.31
Sig Combibloc	Switzerland	Industrials	General industrials	2,861	0.30
Novo Nordisk	Denmark	Health Care	Pharmaceuticals & biotechnology	2,853	0.30
Augean	UK	Industrials	Support services	2,849	0.30
UniCredit	Italy	Financials	Banks	2,836	0.30
Stellantis	Netherlands	Consumer Goods	Automobiles & parts	2,795	0.30
Amundi	France	Financials	Financial services	2,750	0.29
Worldline	France	Industrials	Support services	2,701	0.29
ASML	Netherlands	Technology	Technology hardware & equipment	2,701	0.29
Bacanora Lithium	UK	Basic Materials	Mining	2,674	0.28
Vertu Motors	UK	Consumer Services	General retailers	2,584	0.27
Plant Health Care	USA	Basic Materials	Chemicals	2,477	0.26
Mirriad Advertising	UK	Consumer Services	Media	2,427	0.26
Plant Health Care	USA	Basic Materials	Chemicals	2,477	0.26
Mirriad Advertising	UK	Consumer Services	Media	2,427	0.26
Prosus	Netherlands	Technology	Software & computer services	2,316	0.24
CNH Industrial	UK	Industrials	Industrial engineering	2,083	0.22
Blue Prism Group	UK	Technology	Software & computer services	2,025	0.21
Nexi	Italy	Industrials	Support services	1,974	0.21

Investment portfolio valuation continued

based on market values at 30 June 2021

Holding name	Location	Sector	Industry	£000	%
Ilika	UK	Oil & Gas	Alternative Energy	1,937	0.20
Allied Minds	UK	Financials	Financial services	1,924	0.20
Moncler	Italy	Consumer Goods	Personal goods	1,906	0.20
Faurecia	France	Consumer Goods	Automobiles & parts	1,805	0.19
Grifols	Spain	Health Care	Pharmaceuticals & biotechnology	1,492	0.16
Longboat Energy	UK	Oil & Gas	Oil & gas producers	1,400	0.15
Renold	UK	Industrials	Industrial engineering	1,291	0.14
Surface Transforms	UK	Consumer Goods	Automobiles & parts	1,240	0.13
Tullow Oil	UK	Oil & Gas	Oil & gas producers	1,189	0.13
Telecom Italia RSP	Italy	Telecommunications	Mobile telecommunications	1,136	0.12
Koninklijke KPN	Netherlands	Telecommunications	Fixed Line Telecommunications	1,064	0.11
Velocys	UK	Oil & Gas	Oil equipment services & distribution	882	0.09
Logistics Development Group	UK	Industrials	Industrial transportation	880	0.09
SIMEC Atlantis Energy	UK	Utilities	Electricity	867	0.09
Harbour Energy	UK	Oil & Gas	Oil & gas producers	707	0.07
Allfunds Group	UK	Other	Other	682	0.07
Carclo	UK	Basic Materials	Chemicals	644	0.07
Danone SA	France	Consumer Goods	Food producers	613	0.06
Embracer Group	Sweden	Consumer Goods	Leisure Goods	604	0.06
Brockhaus Capital Management	Germany	Financials	Financial services	537	0.06
AUTO1 Group	Germany	Other	Financial Technology	453	0.05
LDIC Investments	UK	Financials	Financial services	213	0.02
Providence Resources	UK	Oil & Gas	Oil & gas producers	116	0.01
Thungela Resources	Other	Other	Sustainable Energy	90	0.01
NOW Inc	USA	Oil & Gas	Oil equipment services & distribution	86	0.01
Better Cap	UK	Financials	Equity investment instruments	25	–
Permanent TSB	Ireland	Financials	Banks	4	–
				945,471	100.00

Calculation of net asset value (NAV) per share

Valuation of our IPS business

Accounting standards require us to consolidate the income, costs and taxation of our IPS business into the Group income statement on page 21. The assets and liabilities of the business are also consolidated into the Group column of the statement of financial position on page 22. A segmental analysis is provided on pages 24 and 25 of these accounts, which shows a detailed breakdown of the split between the investment portfolio, IPS business and Group charges.

Consolidating the value of the IPS business in this way failed to recognise the value created for shareholders by the IPS business. To address this, from December 2015, the NAV we have published for the Group has included a fair value for the standalone IPS business.

The current fair value of the IPS business is calculated based on historical earnings before interest, taxation, depreciation and amortisation (EBITDA) for the second half of 2020, and the EBITDA for the half year to June 2021, with an appropriate multiple applied.

The calculation of the IPS valuation and methodology used to derive it are included in the previous annual report at note 14. In determining a calculated basis for the fair valuation of the IPS business, the Directors have taken external professional advice. The multiple applied in valuing IPS is from comparable companies sourced from market data, with appropriate adjustments to reflect the difference between the comparable companies and IPS in respect of size, liquidity, margin and growth. A range of multiples is then provided by the professional valuation firm, from which the Board selects an appropriate multiple to apply. The multiple selected for the current year is 10.1x, which represents a discount of 27% on the mean multiple across the comparable companies to reflect the relative size of the IPS business and the fact that it is unlisted. The comparable companies used, and their recent performance, is shown in the table below:

Company	LTM EV/EBITDA 30 June 2021	Revenue CAGR 2016-2020	EBITDA margin LTM
Law Debenture IPS	10.1x	7%	44%
Intertrust N.V.	10.3x	11%	32%
SEI Investments Company	13.9x	2%	29%
JTC PLC	19.8x	23%	27%
SS&C Technologies Holdings, Inc.	13.0x	30%	41%
EQT Holdings Limited	13.8x	3%	39%
Perpetual Limited	12.3x	-1%	33%

Source: Capital IQ.

It is hoped that our initiatives to inject growth into the IPS business will result in a corresponding increase in valuation over time. As stated above, management is aiming to achieve mid to high single digit growth in 2021. The valuation of the IPS business has increased by £59.2m/65.5% since the first valuation of the business as at 31 December 2015.

Valuation guidelines require the fair value of the IPS business be established on a stand-alone basis. The valuation does not therefore reflect the value of Group tax relief from the investment portfolio to the IPS business.

In order to assist investors, the Company restated its historical NAV in 2015 to include the fair value of the IPS business for the last ten years. This information is provided in the annual report within the 10 year record.

Long-term borrowing

The methodology of fair valuing all long-term borrowings is to benchmark the Group debt against A rated UK corporate bond yields.

Calculation of net asset value (NAV) per share continued

Calculation of NAV per share

The table below shows how the NAV at fair value is calculated. The value of assets already included within the NAV per the Group statement of financial position that relates to IPS is removed (£20.9m) and substituted with the calculation of the fair value and surplus net assets of the business (£128.8m). The fair value of the business has increased by 10.1% as a result of an increased multiple and EBITDA. An adjustment of £41.6m is then made to show the Group's debt at fair value, rather than the book cost that is included in the NAV per the Group statement of financial position. This calculation shows NAV fair value for the Group as at 30 June 2021 of £936.4m or 766.89 pence per share:

	30 June 2021		31 December 2020	
	£000	Pence per share	£000	Pence per share
Net asset value (NAV) per Group statement of financial position	**849,239**	**695.47**	726,994	615.19
Fair valuation of IPS: EBITDA at a multiple of 10.1x (2020: 8.7x)	138,017	113.03	125,349	106.07
Surplus net assets	11,696	9.58	10,605	8.97
Fair value of IPS business	**149,713**	**122.61**	135,954	115.05
Removal of assets already included in NAV per financial statements	(20,938)	(17.15)	(23,547)	(19.93)
Fair value uplift for IPS business	**128,775**	**105.46**	112,407	95.12
Debt fair value adjustment	(41,566)	(34.04)	(52,182)	(44.16)
NAV at fair value	**936,448**	**766.89**	787,219	666.15

Group income statement

for the six months ended 30 June 2021 (unaudited)

	30 June 2021			30 June 2020		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
UK dividends	10,050	—	10,050	6,654	—	6,654
UK special dividends	—	—	—	458	—	458
Overseas dividends	1,789	—	1,789	1,986	—	1,986
Overseas special dividends	—	—	—	—	—	—
Total dividend income	11,839	—	11,839	9,098	—	9,098
Interest income	—	—	—	88	—	88
Independent professional services fees	23,047	—	23,047	18,633	—	18,633
Other income	302	—	302	16	—	16
Total income	35,188	—	35,188	27,835	—	27,835
Net gain/(loss) on investments held at fair value through profit or loss	—	99,170	99,170	—	(152,698)	(152,698)
Total income and capital gains/(losses)	35,188	99,170	134,358	27,835	(152,698)	(124,863)
Cost of sales	(3,579)	—	(3,579)	(2,163)	—	(2,163)
Administrative expenses	(14,826)	(1,105)	(15,931)	(11,943)	(1,145)	(13,088)
Operating profit/(loss)	16,783	98,065	114,848	13,729	(153,843)	(140,114)
Finance costs						
Interest payable	(660)	(1,979)	(2,639)	(660)	(1,979)	(2,639)
Profit/(loss) before taxation	16,123	96,086	112,209	13,069	(155,822)	(142,753)
Taxation	(650)	—	(650)	(650)	—	(650)
Profit/(loss) for the period	15,473	96,086	111,559	12,419	(155,822)	(143,403)
Return per ordinary share (pence)	12.87	79.92	92.79	10.51	(131.86)	(121.35)
Diluted return per ordinary share (pence)	12.87	79.92	92.79	10.51	(131.86)	(121.35)

Statement of comprehensive income

for the six months ended 30 June 2021 (unaudited)

	30 June 2021			30 June 2020		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Profit/(loss) for the period	15,473	96,086	111,559	12,419	(155,822)	(143,403)
Foreign exchange on translation of foreign operations	—	(20)	(20)	—	489	489
Total comprehensive income for the period	15,473	96,066	111,539	12,419	(155,333)	(142,914)

Group statement of financial position

Non-current assets	Unaudited 30 June 2021 £000	Unaudited 30 June 2020 £000	Audited 31 December 2020 £000
Goodwill	20,122	1,966	1,914
Property, plant and equipment	2,202	78	1,088
Right-of-use asset	5,591	5,632	5,413
Other intangible assets	620	73	619
Investments held at fair value through profit or loss	945,471	701,014	812,297
Retirement benefit asset	—	3,180	—
Deferred tax assets	771	—	771
Total non-current assets	974,777	711,943	822,102
Current assets			
Trade and other receivables	12,979	9,208	16,129
Other accrued income and prepaid expenses	9,759	5,822	6,529
Cash and cash equivalents	9,885	25,504	41,762
Total current assets	32,623	40,534	64,420
Total assets	1,007,400	752,477	886,522
Current liabilities			
Trade and other payables	25,490	13,376	27,405
Lease liability	250	240	—
Corporation tax payable	763	814	238
Deferred tax liability	—	150	—
Other taxation including social security	670	714	860
Deferred income	5,305	5,417	4,367
Total current liabilities	32,478	20,711	32,870
Non-current liabilities and deferred income			
Long-term borrowings	114,214	114,179	114,201
Deferred income	3,234	2,451	4,011
Lease liability	5,881	5,803	5,606
Retirement benefit liability	2,354	—	2,840
Provision for onerous contracts	—	127	—
Total non-current liabilities	125,683	122,560	126,658
Total net assets	849,239	609,206	726,994
Equity			
Called up share capital	6,123	5,922	5,923
Share premium	38,346	9,171	9,277
Own shares	(2,003)	(1,533)	(1,461)
Capital redemption	8	8	8
Translation reserve	1,982	2,386	2,002
Capital reserves	770,677	541,297	674,591
Retained earnings	34,106	51,955	36,654
Total equity	849,239	609,206	726,994
Net Asset Value (pence) per share	695.47	515.58	615.19

Group statement of cash flows

	Unaudited 30 June 2021 £000	Unaudited 30 June 2020 £000	Audited 31 December 2020 £000
Operating activities			
Operating profit/(loss) before interest payable and taxation	114,848	(140,114)	9,406
(Gains)/losses on investments	(98,066)	153,843	18,570
Foreign exchange (gains)/losses	–	(26)	19
Depreciation of property, plant and equipment	181	21	37
Depreciation of right-of-use assets	354	572	1,179
Interest on lease liability	257	35	49
Amortisation of intangible assets	–	37	59
Loss on sale of fixed assets	–	–	(15)
(Increase)/decrease in receivables	(80)	(811)	(9,007)
(Decrease)/increase in payables	(1,931)	163	14,926
Transfer from capital reserves	(800)	(798)	(1,341)
Normal pension contributions in excess of cost	(486)	(480)	(960)
Cash generated from operating activities	14,277	12,442	32,922
Taxation	(125)	(479)	(1,103)
Operating cash flow	14,152	11,963	31,819
Investing activities			
Acquisition of property, plant and equipment	(1,295)	(31)	(1,079)
Expenditure on intangible assets	(1)	(6)	(574)
Purchase of investments	(112,370)	(89,827)	(173,831)
Sale of investments	77,980	58,089	166,908
Acquisition of subsidiary undertakings	(18,208)	–	–
Cash flow from investing activities	(53,894)	(31,775)	(8,576)
Financing activities			
Interest paid	(2,639)	(2,639)	(5,278)
Dividends paid	(18,021)	(22,976)	(46,071)
Payment of lease liability	(212)	(613)	(1,163)
Proceeds of increase in share capital	29,269	25	132
Purchase of own shares	(542)	(201)	(129)
Net cash flow from financing activities	7,855	(26,404)	(52,509)
Net decrease in cash and cash equivalents	(31,887)	(46,216)	(29,266)
Cash and cash equivalents at beginning of period	41,762	71,236	71,236
Foreign exchange gains/(losses) on cash and cash equivalents	10	484	(208)
Cash and cash equivalents at end of period	9,885	25,504	41,762

Group statement of changes in equity

	Share capital £000	Share premium £000
Balance at 1 January 2021	5,923	9,277
Net gain for the period	–	–
Foreign exchange	–	–
Total comprehensive income for the period	–	–
Issue of shares	200	29,069
Movement in own shares	–	–
Dividend relating to 2020	–	–
Dividend relating to 2021	–	–
Total equity at 30 June 2021	6,123	38,346

Group segmental analysis

	Investment Portfolio			
	30 June 2021 £000	30 June 2020 £000	31 December 2020 £000	30 June 2021 £000
Revenue				
Segment income	11,839	9,098	17,937	23,047
Other income	299	12	213	3
Cost of sales	–	–	–	(3,579)
Administration costs	(1,289)	(1,034)	(2,570)	(13,537)
Release of onerous contracts	–	–	–	–
	10,849	8,076	15,580	5,934
Interest payable (net)	(660)	(600)	(1,260)	–
Return, including profit on ordinary activities before taxation	10,189	7,476	14,320	5,934
Taxation	–	–	–	(650)
Return, including profit attributable to shareholders	10,189	7,476	14,320	5,284
Return per ordinary share (pence)	8.48	6.33	12.12	4.39
Assets	952,257	714,209	850,255	55,122
Liabilities	(123,977)	(128,105)	(146,992)	(34,184)
Total net assets	828,280	586,104	703,263	20,938

The capital element of the income statement is wholly attributable to the investment portfolio.

Own shares £000	Capital redemption £000	Translation reserve £000	Capital reserves £000	Retained earnings £000	Total £000
(1,461)	8	2,002	674,591	36,654	726,994
—	—	—	96,086	15,473	111,559
—	—	(20)	—	—	(20)
—	—	(20)	96,086	15,473	111,539
—	—	—	—	—	29,269
(542)	—	—	—	—	(542)
—	—	—	—	(9,614)	(9,614)
—	—	—	—	(8,407)	(8,407)
(2,003)	8	1,982	770,677	34,106	849,239

Independent Professional Services		Group charges			Total		
30 June 2020 £000	31 December 2020 £000	30 June 2021 £000	30 June 2020 £000	31 December 2020 £000	30 June 2021 £000	30 June 2020 £000	31 December 2020 £000
18,633	38,898	—	—	—	34,886	27,731	56,835
4	6	—	—	—	302	16	219
(2,163)	(4,405)	—	—	—	(3,579)	(2,163)	(4,405)
(10,909)	(22,301)	—	—	(8)	(14,826)	(11,943)	(24,879)
—	—	—	—	118	—	—	118
5,565	12,198	—	—	110	16,783	13,641	27,888
28	29	—	—	—	(660)	(572)	(1,231)
5,593	12,227	—	—	110	16,123	13,069	26,657
(650)	(1,178)	—	—	—	(650)	(650)	(1,178)
4,943	11,049	—	—	110	15,473	12,419	25,479
4.18	9.35	—	—	0.09	12.87	10.51	21.56
38,218	36,246	21	50	21	1,007,400	752,477	886,522
(15,039)	(12,536)	—	(127)	—	(158,161)	(143,271)	(159,528)
23,179	23,710	21	(77)	21	849,239	609,206	726,994

Principal risks and uncertainties

The principal risks of the Company relate to the investment activities and include market price risk, foreign currency risk, liquidity risk, interest rate risk, credit risk, country/region risk and regulatory risk. These are explained in the notes to the annual accounts for the year ended 31 December 2020. In the view of the Board these risks are as applicable to the remaining six months of the financial year as they were to the period under review.

Since the year end the Board has continued to consider the risks faced by the Corporation arising from the Covid-19 pandemic on both the investment portfolio and the ability of the IPS business to operate. More information on the impact is given in the half yearly management report on pages 4 to 8 and in the Investment Manager's report on pages 9 to 12.

The principal risks of the IPS business arise during the course of defaults, potential defaults and restructurings where we have been appointed to provide services. To mitigate these risks we work closely with our legal advisers and, where appropriate, financial advisers, both in the set up phase to ensure that we have as many protections as practicable, and at all other stages whether or not there is a danger of default.

Related party transactions

There have been no related party transactions during the period which have materially affected the financial position or performance of the Group. During the period, transactions between the Corporation and its subsidiaries have been eliminated on consolidation. Details of related party transactions are given in the notes to the annual accounts for the year ended 31 December 2020.

Directors' responsibility statement

We confirm that to the best of our knowledge:

- the condensed set of financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and gives a true and fair view of the assets, liabilities, financial position and profit of the Group as required by DTR 4.2.4R;
- the half yearly report includes a fair review of the information required by:
  - (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the current financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period.

On behalf of the Board

Robert Hingley
Chairman
29 July 2021

Basis of preparation

The results for the period have been prepared in accordance with International Financial Reporting Standards (IAS 34 – Interim Financial Reporting).

The financial resources available are expected to meet the needs of the Group for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

The Group's accounting policies during the period are the same as in its 2020 annual financial statements, except for those that relate to new standards effective for the first time for periods beginning on (or after) 1 January 2021, and will be adopted in the 2021 annual financial statements.

Notes

1. **Presentation of financial information**
   The financial information presented herein does not amount to full statutory accounts within the meaning of section 435 of the Companies Act 2006 and has neither been audited nor reviewed pursuant to guidance issued by the Auditing Practices Board. The annual report and financial statements for 2020 have been filed with the Registrar of Companies. The independent auditor's report on the annual report and financial statements for 2020 was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report, and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

2. **Calculations of NAV and earnings per share**
   The calculations of NAV and earnings per share are based on:

   NAV: shares at end of the period 122,109,313 (30 June 2020: 118,159,734; 31 December 2020: 118,173,664) being the total number of shares in issue less shares acquired by the ESOT in the open market.

   Income: average shares during the period 120,226,033 (30 June 2020: 118,169,964; 31 December 2020: 118,171,875) being the weighted average number of shares in issue after adjusting for shares held by the ESOT.

3. **Listed investments**
   Listed investments are all traded on active markets and as defined by IFRS 7 are Level 1 financial instruments. As such they are valued at unadjusted quoted bid prices. Unlisted investments are Level 3 financial instruments. They are valued by the Directors using unobservable inputs including the underlying net assets of the instruments.

The Board

Robert Hingley

Chairman of the Board, Independent Non-Executive Director N R

Appointed to the Board on 1 October 2017 and appointed Chairman in April 2018.

A corporate financier with over 30 years' experience, Robert was a partner at Ondra LLP until October 2017. From 2010 until 2015, he was a managing director and later senior advisor, at Lazard. He was previously director-general of The Takeover Panel from 2007 on secondment from Lexicon Partners, where he was vice chairman. Prior to joining Lexicon Partners in 2005, he was co-head of the Global Financial Institutions Group and head of German Investment Banking at Citigroup Global Capital Markets, which acquired the investment banking business of Schroders in 2000. He joined Schroders in 1985 after having qualified as a solicitor with Clifford Chance in 1984.

Robert is currently the chairman of Phoenix Spree Deutschland Limited and of Euroclear UK and Ireland Limited and chairman of Governors at North London Collegiate School. He is also a non-executive director of Marathon Asset Management, a member of the Takeover Panel and a trustee of Park Theatre.

Key skills and experience contributed to the Company include strategy, corporate finance, corporate governance and mergers and acquisitions.

Denis Jackson

Chief Executive Officer

Appointed to the Board on 1 January 2018.

Denis joined Law Debenture in July 2017 as Chief Commercial Officer. He was previously at Capita plc as director of new business enterprise, having been a director at Throgmorton UK Limited (which Capita acquired). Prior to that, he was regional general manager for Europe and the United States at Tibra Trading Europe Limited, a FCA regulated proprietary trading company, which he joined from Citigroup (formerly Salomon Brothers). He spent almost 20 years there in a variety of roles including in Treasury (both in New York and London), as head of the finance desk in Hong Kong, head of fixed income prime brokerage in New York and ultimately, head of EMEA prime brokerage sales.

Key skills and experience contributed to the Company include strategy, commerce, corporate finance and governance and operational and transactional leadership in regional organisations.

Trish Houston

Chief Operating Officer

Appointed to the Board on 2 September 2020.

Trish brings almost twenty years of experience in leadership roles in the financial services industry. Most recently, she was a member of the senior management team at JDX Consulting Limited, where she had executive responsibility for HR, IT and facilities and oversaw the merger of three businesses. Previously, Trish was a partner at Ruffer LLP where she held several roles including global head of HR and global head of Risk. She was also a member of the investment management team in the UK, Australia and Switzerland at PricewaterhouseCoopers LLP.

Key skills and experience contributed to the Company include operational growth, risk management, strategy and human resource management.

Key

R Remuneration Committee
N Nomination Committee
A Audit and Risk Committee
● Committee Chairman

Mark Bridgeman

Independent Non-Executive Director A R N

Appointed to the Board on 15 March 2013.

Mark's background is in fund management. He spent 19 years with Schroders plc as an analyst and then fund manager, rising to become head of global sector research. Previous roles at Schroders included head of Pan European research, head of global sector research and emerging markets fund manager. He was also non-executive director of JP Morgan Brazil Investment Trust plc until November 2020. During his career, he enjoyed successful long-term secondments in Australia and the United States. Mark left Schroders in 2009 to manage a rural estate and farming business in Northumberland and is also on the board of two charities. Mark is currently a director of Country Land and Business Association Limited, Howick Trustees Limited and Otter Arable Limited.

Key skills and experience contributed to the Company include fund management and investment, strategy and corporate finance.

Tim Bond

Independent Non-Executive Director A R N

Appointed to the Board on 14 April 2015.

Tim is currently a partner of Odey Asset Management LLP having joined in 2010 as its head of macroeconomic strategy and currently manages Odey's Odyssey Fund. Before joining Odey, Tim spent 12 years at Barclays Capital as managing director and head of global asset allocation. Tim was editor and principal author of Barclays Capital's Equity Gilt Study and chief advisor to the bank's RADAR Fund. Prior to Barclays, Tim worked at Moore Capital and spent 10 years as a strategist and trader for Tokai Bank Europe, a proprietary trading boutique.

Key skills and experience contributed to the Company include fund management and investment, strategy, corporate finance, ESG matters and distribution to investors.

Claire Finn

Independent Non-Executive Director A R N

Appointed to the Board on 2 September 2019.

Claire's most recent executive experience was at Blackrock, where she spent almost 13 years, becoming managing director and head of UK DC, Unit Linked and Platforms, responsible for strategy, innovation and growth. Previous roles at Blackrock included director/managing director, head of strategic alliances, director of sales and relationship management, and vice president of product development. She previously held roles in product management at Henderson Global Investors (2001 – 2005) and relationship management at Bank of Tokyo-Mitsubishi, London (1999 – 2001). Claire is currently a non-executive director of Artemis Fund Managers Limited, Sparrows Capital Limited and St. Joseph's Catholic Primary School.

Key skills and experience contributed to the Company include fund product development, distribution to retail and institutional investors, strategic innovation and growth in the UK asset management, pensions and insurance industries and corporate governance.

Clare Askem

Independent Non-Executive Director

Appointed to the Board on 10 June 2021.

Clare has extensive background in strategic development and in-depth experience in business change and digital transformation. She is also a non-executive director of Portmeirion Group PLC and Studio Retail Group plc. Previously, Clare was managing director of Habitat at Sainsbury plc and was a director on the Sainsbury's Argos operating board. Prior to her role at Habitat, Clare held a number of executive positions at Home Retail Group plc including director of strategic development, chair of the group's technology committee and director on the operating board for Homebase. Prior to these roles Clare also held other executive positions at Dixons Carphone plc.

Key skills and experience contributed to the Company include strategic development, business change and digital transformation and digital marketing.

Executive Leadership team

Denis Jackson Chief Executive Officer

Appointed to the Board on 1 January 2018.

Denis Jackson's key strengths are in commerce, corporate finance and strategy with significant experience in operational and transactional leadership in regional organisations. He continues to lead the effective implementation of strategy across the Group and has been instrumental in increasing the profits of the IPS business, enhancing shareholder value and increasing income.

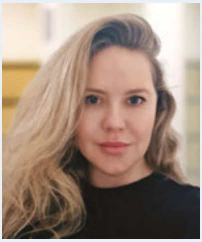
Trish Houston Chief Operating Officer

Appointed to the Board on 2 September 2020.

Trish Houston brings almost twenty years of experience of leadership roles in financial services. Her key strengths are in operational growth, risk management, strategy and human resource management. Trish has already been core to the improvement of the business' operations having spearheaded the implementation of the new HR System for the Group, taken the lead on the relocation of Law Debenture's London Head Office to 100 Bishopsgate and been responsible for the operational aspects of the recent acquisition of Konexo UK's company secretarial business.

Hester Scotton Chief Financial Officer

Hester Scotton qualified at Ernst & Young LLP and has over ten years of experience in a variety of finance and internal audit roles at organisations such as Marks & Spencer PLC, Bupa and Legal and General. Since joining Law Debenture, Hester has been instrumental in the ongoing modernisation of the finance function, provided significant support in the acquisition of the company secretarial business from Konexo UK and overseen the recent audit tender.



Kelly Stobbs General Counsel

Kelly Stobbs brings more than ten years' legal experience having previously held roles in private practice as an M&A lawyer at Herbert Smith Freehills LLP, in-house as a corporate and finance senior executive at HSBC Group and latterly as a legal and tax director at Deloitte LLP. In addition to her responsibilities as the Group's General Counsel, Kelly heads up the Group's compliance, regulatory and company secretarial functions with internal audit also reporting to her at a business level. Some of the key projects undertaken by Kelly so far have been enhancing the risk management, compliance, internal controls and governance systems across the Group, in addition to leading on Law Debenture's acquisition of Konexo UK's company secretarial business.

Photo credit: Charles Hosea

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(Registered in England – No. 00030397)

Shareholder information

Investment trust status
The Company carries on business as an investment trust company as defined in Sections 1158-1159 of the Corporation Tax Act 2010.

Company share information
Information about the Company can be found on its website www.lawdebenture.com. The market price of its ordinary shares is also published daily in the Financial Times.

Registrars
Our registrars, Computershare Investor Services PLC, operate a dedicated telephone service for Law Debenture shareholders – 0370 707 1129. Shareholders can use this number to access holding balances, dividend payment details, share price data, or to request that a form be sent to their registered address.

Share dealing
Computershare Investor Services PLC offers shareholders a share dealing service via the internet or by telephone, details of which are as follows:

www.computershare.trade

T: 0370 703 0084

Commission for the internet service is 1% with a minimum charge of £30 and 1% for the telephone service, plus £50.

The service is available only to those shareholders who hold their shares on the register (i.e. it is not available to those who hold their shares via a nominee).

Shareholders using the internet service will need their Shareholder Reference Number (SRN) and post code to complete their trade. The SRN can be found printed on your proxy card.

Computershare's brokerage services are provided by The Share Centre Ltd, which is a member of the London Stock Exchange and is authorised and regulated by the FCA. The Company is not responsible or liable for anything arising from a shareholder's decision to use the service. The Company is not responsible for, and excludes any and all liability (whether arising under contract, tort (including negligence), statute or otherwise) for any direct, indirect, consequential, special or exemplary loss, liability, damages, costs, expenses and claims (threatened, pending or actual), arising out of or in connection with a shareholder's decision to use or use of the service.

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