BMO Private Equity Trust PLC

Interim Report 30 June 2021

Contents

Company Overview

The Company

BMO Private Equity Trust PLC ('the Company') is an investment trust and its Ordinary Shares are traded on the Main Market of the London Stock Exchange.

Objective and Investment Policy

The Company's objective is to achieve long-term capital growth through investment in private equity assets, whilst providing shareholders with a predictable and above average level of dividend funded from a combination of the Company's revenue and realised capital profits.

Dividend Policy

The Company aims to pay quarterly dividends with an annual yield equivalent to not less than four per cent of the average of the published net asset values per Ordinary Share as at the end of each of its last four financial quarters prior to the announcement of the relevant quarterly dividend or, if higher, equal (in terms of pence per share) to the highest quarterly dividend previously paid. All quarterly dividends will be paid as interim dividends. The interim dividends payable in respect of the quarters ended 31 March, 30 June, 30 September and 31 December are expected to be paid in the following July, October, January and April respectively.

Management

The Company's investment manager, BMO Investment Business Limited ('the Manager') is a wholly owned subsidiary of BMO Asset Management (Holdings) PLC.

BMO Asset Management (Holdings) PLC is wholly owned by Bank of Montreal ("BMO") and is part of the BMO Global Asset Management group of companies.

Net Assets as at 30 June 2021

£408.5 million

Capital Structure

73,941,429 Ordinary Shares of 1 pence, each entitled to one vote at a general meeting.

Financial Highlights

15.4%

NAV total return

- NAV of 552.46p per Ordinary Share reflecting a total return for the six months of 15.4 per cent for the Ordinary Shares.

39.1%

Share price total return

- Share price total return for the six months of 39.1 per cent for the Ordinary Shares.

9.12p

Quarterly dividends

- Total quarterly dividends of 9.12p per Ordinary Share.
  - Quarterly dividend of 4.35p per Ordinary Share paid on 30 July 2021.
  - Quarterly dividend of 4.77p per Ordinary Share to be paid on 29 October 2021.

4.4%

Yield

- Dividend yield of 4.4 per cent based on the period end share price[$].

[$]Calculated as dividends of 4.35p paid on 30 July 2021 and 4.77p payable on 29 October 2021 annualised and divided by the Company's share price of 418.0p as at 30 June 2021.

Summary of Performance

Total Returns for the Period*	Six months ended 30 June 2021	Year ended 31 December 2020	% change
Net asset value per Ordinary Share	15.4%	+22.7%	
Ordinary Share price	39.1%	-14.2%	

	As at 30 June 2021	As at 31 December 2020	
Capital Values			
Net assets (£'000)	408,496	359,483	13.6%
Net asset value per Ordinary Share	552.46p	486.17p	13.6%
Ordinary Share price	418.0p	307.50p	35.9%
Discount to net asset value	24.3%	36.8%	
Income			
Revenue return after taxation (£'000)	973	3,490	
Revenue return per Ordinary Share	1.32p	4.72p	
Gearing†	5.7%	14.9%	
Future commitments (£'000)	110,269	125,058	

* Total return is the combined effect of any dividends paid, together with the rise or fall in the net asset value per Ordinary Share or share price. Any dividends are assumed to have been re-invested in either the Company at net asset value or share price.

† Borrowings less cash ÷ total assets less current liabilities (excluding borrowings and cash).

Sources: BMO Investment Business and Refinitiv Eikon

Chairman's Statement

Mark Tennant, Chairman

Introduction

I would first wish to convey that the thoughts of myself and the Board are with you, our fellow Shareholders. Social and economic conditions have remained challenging, but the vaccination programme provides hope that a return to more normal conditions is underway.

This report is for the six-month period ended 30 June 2021. At the period end the Net Asset Value ("NAV") of BMO Private Equity Trust PLC ("the Company") was £408.5 million giving a NAV per share of 552.46p. Taking account of dividends paid the NAV total return for the six-month period was an impressive 15.4%. With the share price discount having reduced from 36.8% at 31 December 2020 to 24.3% at 30 June 2021, the share price total return for the period was 39.1%.

This has been an exceptionally strong period with the Company benefitting from uplifts in valuation driven by improved trading as the recovery from the worst phase of the pandemic takes root. There have also been some improvements in valuation multiples reflecting generally buoyant markets and there have been some significant realisations at above the most recent carrying values. There has been considerable activity in the underlying portfolio with new deals and realisations. After a quieter period last year, when we held back from making many new investments, we have resumed a more normal pace of investment with several new commitments to funds and co-investments being made, mainly just after the period end.

Dividends

In accordance with the Company's stated dividend policy, the Board declares a quarterly dividend of 4.77p per ordinary share, payable on 29 October 2021 to Shareholders on the register on 8 October 2021 with an ex-dividend date of 7 October 2021. For illustrative purposes only, this dividend and that paid on 30 July 2021 represent an annualised yield of 4.4% based on the share price of 418.00p as at 30 June 2021.

Financing

In March 2021 the Company increased its multi-currency revolving credit facility from £75 million to £95 million. In addition, the Company has a term loan of €25 million. At 30 June 2021 exchange rates this results in a total borrowing capacity of approximately £116 million.

As at 30 June 2021, the Company had cash of £19.5 million. With borrowings of £44.2 million under the loan facility, net debt was £24.7 million, equivalent to a gearing level of 5.7%. This is considerably lower than the 14.9% recorded at 31 December 2020. The total of outstanding undrawn commitments at 30 June 2021 was £110 million and, of this, approximately £26 million is to funds where the investment period has expired.

Operations

Since the onset of the pandemic the Board has monitored actively its impact upon the investment and operational performance of the Company. I am pleased to report that the home working arrangements implemented by the Manager and many of our service providers have worked well with no impact upon service delivery and operations.

The Annual General Meeting of the Company was held on 27 May 2021. Due to travel and gathering restrictions arising from the pandemic, Shareholders were not able to attend physically. However, Shareholders were able to view online a presentation by Hamish Mair and participate in a live question and answers session with him and me. I would like to thank those Shareholders who participated, and I look forward to a resumption of our normal practices in 2022 and, if possible, with the additional facility of online attendance for those Shareholders unable to travel.

Since March 2020 the Board has met by videoconference. This has worked well; however, I am pleased to report that at our most recent Board meeting, most Directors were able to attend physically which I consider an important step towards a return to our pre-pandemic practices. In addition, the London and Edinburgh offices of the Manager have reopened, initially on a limited basis.

Ownership of the Manager

On 12 April 2021 BMO announced that it had reached an agreement to sell its asset management business in Europe, the Middle East and Africa. This sale would include the Manager of this Company. Subject to completion, it will become part of Columbia Threadneedle Investments, the global asset management business of Ameriprise Financial, Inc. Details have not yet been finalised and published but both firms have confirmed the importance of maintaining the stability and continuity of the teams which presently support this Company.

The Board is monitoring this situation closely and welcomes this assurance of stability and continuity. We will ensure that Shareholders are kept informed of developments.

Outlook

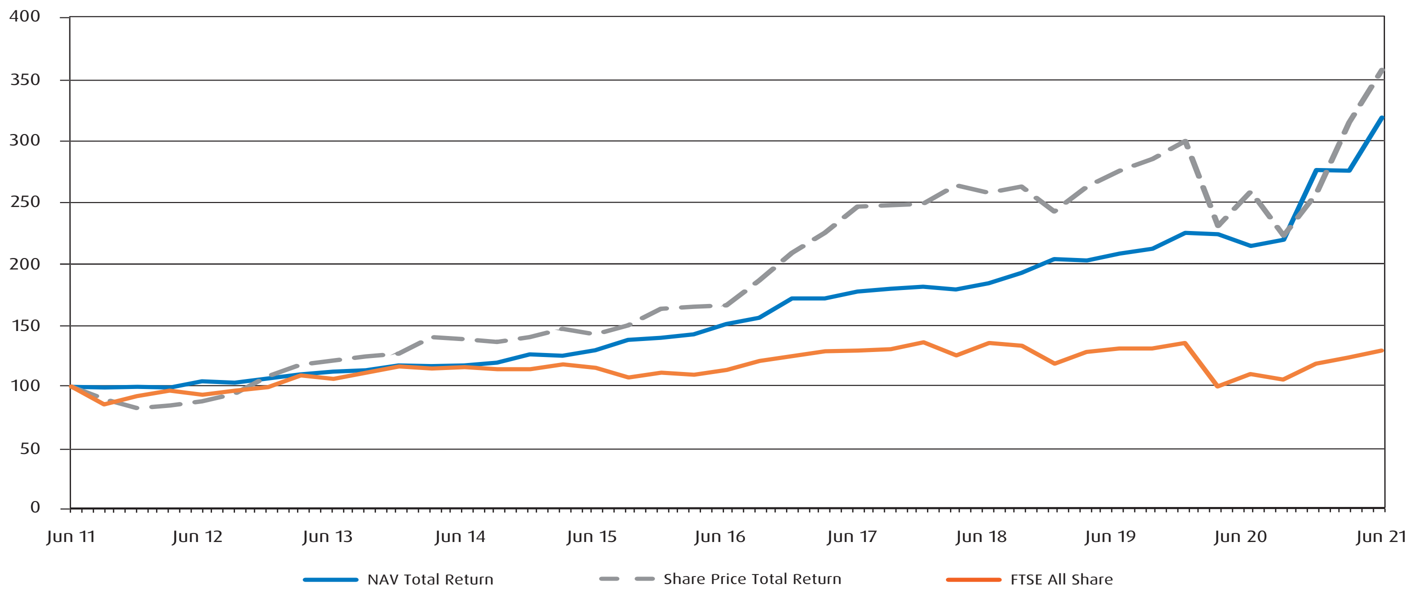
The private equity market has recovered strongly from the worst effects of the pandemic and there has been a very active market since the final quarter of last year. The appetite of the private equity investors for resilient, often tech enabled businesses, has clearly been sharpened. There is also interest in more prosaic but nonetheless robust businesses which have traded well despite the challenges. Fortunately, our portfolio is represented in both categories as shown by the recent strong realisations. The international diversification has also served us well with many of our European and North American holdings trading strongly and several of them achieving or planning exits. Amongst a number of positive features, the increased use of the public markets as an exit route for private equity is noticeable over the course of this year. The combination of the post pandemic recovery, a switch in appetite towards tech enabled and other resilient businesses and the accessibility of the public markets bodes well for the remainder of this year. Confidence amongst our investment partners and their company management teams is high and this in turn gives us confidence that we can deliver further growth for our Shareholders.

Mark Tennant

Chairman

26 August 2021

The Longer Term Rewards



Manager's Review

Introduction

The first six months of 2021 has witnessed a remarkably strong private equity market internationally. The pandemic remains a challenge in all markets but as the vaccination programmes have advanced many of the major economies have resumed a substantial degree of normality. Even where restrictions remain most companies have been able to adapt and operate reasonably well. There are sectors, including travel and hospitality, where big difficulties persist. Over the next two months government support, such as the furlough scheme, will come to an end and there is a risk that this could prove disruptive in the most vulnerable sectors. As noted before, the private equity sector has proved resilient through the pandemic with the managers' ability to intervene and support companies having proved highly constructive. Private Equity investors are showing a distinct preference for companies which have coped well over the last year and a half with technology enabled and healthcare linked businesses attracting interest. In addition, companies which held up well or indeed benefitted from the pandemic are also in demand. The recovering economies coupled with a new appreciation of private equity's strengths is resulting in a very supportive background which we could scarcely have contemplated a year ago.

New Investments

In the first half of the year two new investments were completed. €5 million was committed to the Agilitas 2020 Private Equity Fund, a mid-market buyout fund specialising in North West Europe. £5 million was also committed to Apposite Healthcare Fund III, a European focused lower mid-market healthcare and life sciences fund. In both cases we have a strong prior relationship with the managers which includes successful experience of co-investing.

The deal flow in the year so far has been excellent and much of this came to fruition shortly after the period end when several new investments were completed. These included four funds, four co-investments and one secondary.

Of the new fund investments all the commitments were to funds where we have an existing relationship. In Europe we have committed €5 million to ArchiMed MED III, a €650 million France based mid cap healthcare buy-out fund. ArchiMed invest into well-established profitable companies across six core healthcare sectors internationally; Medtech, Biopharma, Healthcare IT, Diagnostics, Life Sciences and Consumer Health. In the UK we have made a commitment of £7.5 million to FPE Fund III, a mid-market growth equity fund specialising in the B2B software and services sectors. Also, in the growth equity area we have committed £10 million to SEP VI, the latest fund from one of our longest standing investment partners. We have backed another longstanding partner again through Inflexion Buyout Fund VI (£10 million). This fund continues Inflexion's focus on UK mid-market buy-outs.

The co-investments made shortly after the period end are diverse by sector and geography.

£5 million has been invested in JT IoT, the Jersey based 'internet of things' infrastructure provider. The company, which is a spin out of the state owned Jersey Telecom, provides SIMs to a wide range of devices together with a platform that allows connectivity and subscription management services as well as securely connecting IoT devices and controlling SIMs anywhere in the world. The deal is led by the specialist family office backed private equity firm Perwyn.

€5 million has been invested in Prollenium Medical Technologies, a Canadian aesthetic company that develops, produces and distributes injectable hyaluronic acid dermal fillers. The deal is led by ArchiMed. This is a high growth sector internationally which has proved resilient through the pandemic.

£3.0 million has been invested into Habitus, a Denmark based leading private provider of complex social care services for high acuity citizens. The deal is led by Apposite.

£3.4 million has been invested in Contained Air Solutions, the UK market leading producer of clean air containment products for the healthcare, research and pharma sectors. Based in Manchester it manufactures and services biological safety cabinets, fume cupboards, robotic enclosures and filter consumables. The deal is led by the new private equity manager Accord. Lastly, we added £4 million to our position in Capvis III through a secondary transaction.

The funds in our portfolio were active in making new investments during the first half and a total of £22.9 million was called.

Of the underlying new investments, the larger ones give an indication of the sectors that have been attracting private equity investment recently.

The Inflexion funds made several new investments. Inflexion Buyout Fund V and the Inflexion Supplemental Fund V together invested £1.9 million in BES (British Engineering Services), which was a partial reinvestment of a hugely successful exit from the Inflexion 2010 Fund, and in Medik8, a premium skincare brand committed to ethical manufacturing and sustainability. Selling online and through professional channels such as dermatology clinics, spas and beauty salons, Medik8 produces science based anti-ageing products. Inflexion Supplemental Fund V also called £0.6 million for Digital Wholesale Solutions (DWS) an IT and Cloud services wholesaler which provides a wide range of digital communications, IT and cloud services to its 6,000 SME focused reseller partners via its proprietary software platform.

Manager's Review

SEP V invested £2.1 million in three software companies; Glasgow based company AutoRek (financial and regulatory data management software), Basis Technologies (software provider of DevOps solutions for SAP systems) and Fund Apps (risk and reporting software for asset managers). FPE II invested £0.6 million in Codestone (ERP and hosting services). ARX CEE IV also followed a technology theme investing £0.5 million in Instrumentation Technologies, a Slovenia based company making components for particle accelerators.

A number of new investments were made in the healthcare sector. Apposite Healthcare III called a total of £2.7 million, some of which was for Habitus, the Danish complex social care business noted above but also for 1MED, a specialist Clinical Research Organisation that supports the commercialisation of new medical technologies and products by providing regulatory strategy and clinical trial management. MED II, the ArchiMed healthcare fund called £0.4 million for Ad-Tech, a niche US manufacturer of electrodes used in neurodiagnostic and neurosurgery applications. In Sweden, Summa II invested £0.4 million in Sengenics, a proteomics company which produces full length correctly folded functional proteins which are used in the pharma industries and in academic research.

In the consumer sector Piper Private Equity VI was drawn £0.8 million for two investments. The Thinking Traveller is a villa rental business specialising in the Mediterranean. Wattbike is the UK's leading indoor bicycle brand. In the US Blue Point Capital IV invested £0.6 million in Transtar, a distributor of automotive aftermarket products for the driveline and transmission repair market.

Realisations

This has been a very active six months for realisations with total distributions and associated income reaching £69.5 million. This is almost double the total for realisations for the whole of 2020.

As previously reported SEP exited the bulk of their holding in scientific software company Dotmatics through its sale in May to US based Insightful Science. 12% of the value has been retained in Insightful Science which plans a listing in due course. Our co-investment in Dotmatics yielded £30.6 million and our share of the proceeds from SEP V was an additional £3.3 million. The exit represented 8.7x cost and an IRR of 85%, a spectacular outcome over three and a half years.

In addition to Dotmatics there were several other significant exits during the first half originating from many different sectors and geographies. Many of the realisations were in the UK. Inflexion have continued their impressive run of exits. Builders Merchant chain Huws Gray was sold by Inflexion returning £1.4 million across two funds. Shortly after the quarter end we received £18.4 million for our co-investment in Huws Gray, an excellent result after three years and nearly £10 million above the latest carrying value.

BES (British Engineering Services), the engineering testing, inspection and certification services provider has been an exceptional performer and Inflexion's 2010 Fund returned £2.1 million achieving 14.8x cost and an IRR of 60%. As noted above, Inflexion have partially reinvested through their Supplemental Fund V. Inflexion Fund IV returned £2.0 million principally from the sale of Bollington Wilson (insurance brokers) (5.1x, 50% IRR) and Kynetec (agricultural and animal data provider) (3.3x, 28% IRR). Investment consultancy LCP (3.4x, 34% IRR) was sold by Inflexion Partnership Capital I and Inflexion Supplemental Fund IV returning £0.9 million across both funds.

£2.5 million came from our Silverfleet led co-investment in cleanroom consumables company STAXS where there has been a refinancing enabled by the very strong trading resulting from the huge demand for PPE created by the pandemic. This investment has now returned 90% of cost within two years.

FPE II had three exits; IWSR, the data provider for the drinks industry returned £1.0 million (3.6x, 56% IRR), Masstech, the video storage management company for the media and broadcast sector, returned £0.6 million (2.7x including partial reinvestment in the stock of acquirer Telestream) and Questionmark, a SaaS testing and assessment provider, returned £1.1 million (3.5x, 28% IRR).

A significant inflow of £1.5 million came from Pentech Fund II where there has been a partial realisation of sports betting company FanDuel. FanDuel has merged with the US operations of Flutter Entertainment to form a new entity FanDuel Group (FDG), which is listed in the US. Pentech have made over 10x cost so far with further upside possible as the remaining shares in FDG are sold down.

Piper Private Equity achieved a partial exit of online flower company Bloom & Wild which has attracted additional private equity backers from the USA. £0.9 million was returned representing 2.0x cost, with the whole investment achieving 3.6x so far. Piper also achieved an exit for Proper Snacks (£0.2 million, 2.0x, 17% IRR).

The Kester managed fund GCP Europe II returned £1.0 million (3.4x, 30% IRR) following the sale of Frontier Medical, a medical products business based in Wales, to another of our fund holdings Agilitas 2020. Agilitas 2015 Fund returned £2.3 million as the second part of the exit of Exemplar which was sold in November 2020.

The Nordic region has produced some good exits recently. Procuritas V had two exits. £2.1 million came in from Sofaco (6.1x and 54% IRR), an upmarket furniture seller operating through third party online retailers such as Made.com and Wayfair. The fund also distributed £1.3 million from the partial sell down of its shares in vehicle spare parts company Pierce which listed recently on the Stockholm NASDAQ. Summa I returned £1.1 million (8.1x and 82% IRR) from the sale of Sortera, the waste management company, to Nordic Capital plus £0.4m (4.6x and 54% IRR) from the IPO of EcoOnline, the chemical management software provider.

In Iberia, Corpfin IV distributed £1.5 million, most of which relates to the sale of Secna Natural Ingredients (4.4x, 35% IRR). In France Montefiore IV returned £0.8 million from the sale of Groupe Premium, the life and pension insurance broker (7.0x, 87% IRR).

Further afield our longstanding Asian fund holding in AIF III has now sold its final portfolio company CNI, a manufacturer of glass panels and surface metal components for smartphones. Our proceeds were £0.9 million (4.6x, 14% IRR).

There were a number of other smaller distributions reflecting a buoyant exit market internationally.

Valuation Changes

There were many uplifts recorded in the first half. These reflect both improved trading in the wake of the pandemic and a number of the exits noted above or which have occurred since the quarter end.

The largest uplift was £10.6 million from clothing company Weird Fish. This company has experienced a transformation in its fortunes over the last year from a precarious situation at the start of the pandemic to considerably strengthened trading with a substantial and very successful shift to e-commerce boosting profits over the last twelve months. Total Capital Partners, the deal lead, have used a higher, although still modest, multiple of 7.0x EBITDA to revalue the holding. We hold 63% of this company and should make a good return eventually which is excellent given that this was one of our most vulnerable companies at the start of the pandemic.

Another large uplift is for the co-investment in the Inflexion led builders' merchant company Huws Gray, which as noted above was exited with the proceeds from the co-investment being received just after the period end. The exit price represented an uplift of £9.8 million for this quarter.

Manager's Review (continued)

Another major uplift was recorded for Pet Network (TRG Pluto) which is up by £6.1 million reflecting the exit which was agreed after the half year end and which is expected to complete in September. This is expected to represent 4.2x cost and an IRR of over 50%, an excellent outcome after just three years.

Other large uplifts include Inflexion Strategic Partners (+£3.6 million) which has so far significantly exceeded the original plan, Summa II (+£3.1 million) principally reflecting the IPO and partial exit of Olink, the Swedish proteomics company, which was listed at the equivalent of 6.3x cost, an excellent outcome since the holding is only two years old. Summa I was uplifted by £1.4 million reflecting good portfolio progress including the Sortera exit noted above and the IPO on the Euronext Growth in Oslo of EcoOnline, the chemical management software provider. Also, in the Nordics Procuritas V was up by £2.1 million following the exits noted above. In the US our Argand led co-investment Sigma (electrical motors) was up by £1.3 million reflecting rebounding profits. Kester Capital II is up by £1.4 million mainly due to the good progress its e-commerce retailer of horticultural products, YouGarden, has made. STAXS, the Belgium based, Silverfleet led co-investment in cleanroom consumables company which makes PPE amongst other hygiene products continues to trade strongly and is up by £1.2 million.

There were very few downgrades. Our co-investment in Norwegian software company Safran agreed a disappointing exit at just 1.0x cost resulting in a downgrade of £0.5 million. Procuritas IV was down by £0.7 million which is a result of a reduction in value of its large remaining holding in Swedish care company Olivia. Coretrax, the wellbore plug and abandonment co-investment, is down by £0.2 million because of lower growth rates than originally planned for this year.

Financing

At 30 June the Company had net debt of £24.7 million, which represents gearing of 5.7%. This is in comparison to 14.9% as at 31 December 2020. The revolving credit facility and term loan gives overall borrowing capacity of around £116 million, depending on exchange rates, so there is plenty of headroom for new investments. Even after the series of new investments noted above, which were completed after the quarter end, the net debt of the Company is only around £29 million.

Outlook

The Company's portfolio has made an excellent start to 2021. The combination of the ongoing recovery from the pandemic and the strengthening confidence of private equity investors and company managers is providing a remarkably supportive background. Our investment partners have in general excelled themselves in achieving exits after a uniquely challenging period. New deal activity has also been substantial and much of this is focused on companies where technology plays a large part in the investment thesis. If this momentum is maintained in the second half, then there is a good prospect that 2021 will be another successful year for the Company and its Shareholders.

Hamish Mair
Investment Manager
BMO Investment Business Limited

26 August 2021

Portfolio Holdings

Investment	Geographic Focus	Total Valuation £'000	% of Total Portfolio
Buyout Funds – Pan European			
Volpi Capital	Northern Europe	8,485	1.9
Apposite Healthcare II	Europe	6,073	1.4
Astorg VI	Western Europe	5,679	1.3
TDR Capital II	Western Europe	5,253	1.2
Stirling Square Capital II	Europe	5,068	1.2
TDR II Annex Fund	Western Europe	4,236	1.0
Agilitas 2015 Fund	Northern Europe	3,601	0.8
ArchiMed II	Western Europe	2,922	0.7
Apposite Healthcare III	Europe	2,651	0.6
Silverfleet European Dev Fund	Europe	1,880	0.4
Agilitas 2020 Fund	Europe	60	–
Total Buyout Funds – Pan European		**45,908**	**10.5**
Buyout Funds – UK			
Inflexion Strategic Partners	United Kingdom	16,651	3.8
August Equity Partners IV	United Kingdom	10,985	2.5
Inflexion Buyout Fund IV	United Kingdom	4,574	1.0
Inflexion Enterprise Fund IV	United Kingdom	4,324	1.0
Inflexion Supplemental V	United Kingdom	3,864	0.9
Horizon Capital 2013	United Kingdom	3,861	0.9
Kester Capital II	United Kingdom	3,604	0.8
Primary Capital IV	United Kingdom	3,428	0.8
Piper Private Equity VI	United Kingdom	3,417	0.8
Inflexion Buyout Fund V	United Kingdom	3,317	0.8
Dunedin Buyout Fund II	United Kingdom	3,023	0.7
GCP Europe II	United Kingdom	3,019	0.7
Inflexion 2010 Fund	United Kingdom	2,880	0.7
Inflexion 2012 Co-Invest Fund	United Kingdom	2,652	0.6
Inflexion Supplemental IV	United Kingdom	2,568	0.6
RJD Private Equity Fund III	United Kingdom	2,427	0.5
FPE Fund II	United Kingdom	2,422	0.5
Apiary Capital Partners I	United Kingdom	2,276	0.5
Inflexion Partnership Capital I	United Kingdom	1,824	0.4
Inflexion Partnership Capital II	United Kingdom	1,319	0.3
August Equity Partners III	United Kingdom	1,097	0.2
Piper Private Equity V	United Kingdom	958	0.2
August Equity Partners V	United Kingdom	686	0.2
Inflexion Enterprise Fund V	United Kingdom	676	0.1
August Equity Partners II	United Kingdom	–	–
Equity Harvest Fund	United Kingdom	–	–
Total Buyout Funds – UK		**85,852**	**19.5**
Buyout Funds – Continental Europe			
Aliante Equity 3	Italy	9,478	2.2
Bencis V	Benelux	5,929	1.4
Summa II	Nordic	5,836	1.3
Verdane Edda	Nordic	4,504	1.0
Summa I	Nordic	4,058	0.9
Vaaka Partners Buyout Fund III	Finland	3,991	0.9
Procuritas Capital IV	Nordic	3,935	0.9
Procuritas Capital V	Nordic	3,678	0.8
DBAG VII	DACH	3,455	0.8
Italian Portfolio	Italy	3,298	0.8
Corpfin Capital Fund IV	Spain	3,298	0.8
Procuritas VI	Nordic	3,041	0.7
ARX CEE IV	Eastern Europe	2,646	0.6
Montefiore IV	France	2,630	0.6
DBAG Fund VI	DACH	2,420	0.6
NEM Imprese III	Italy	2,169	0.5
Capvis III	DACH	2,002	0.5
Chequers Capital XVII	France	1,867	0.4
Ciclad 5	France	1,737	0.4
Capvis IV	DACH	1,703	0.4
Chequers Capital XVI	France	1,585	0.4
Avallon MBO Fund II	Poland	1,480	0.3
Vaaka II	Finland	1,431	0.3
Ciclad 4	France	1,089	0.2
Portobello Fund III	Spain	1,041	0.2
Avallon MBO Fund III	Poland	983	0.2
PineBridge New Europe II	Eastern Europe	865	0.2
Corpfin V	Spain	853	0.2
DBAG VIIB	DACH	694	0.2
DBAG Fund V	DACH	550	0.1
DBAG VIII	DACH	534	0.1
Montefiore V	France	325	0.1
N+1 Private Equity Fund II	Iberia	65	–
Gilde Buyout Fund III	Benelux	62	–
DBAG VIIIB	DACH	60	–
Herkules Private Equity III	Nordic	4	–
Total Buyout Funds – Continental Europe		**83,296**	**19.0**

Portfolio Holdings

Investment	Geographic Focus	Total Valuation £'000	% of Total Portfolio
Private Equity Funds – USA			
Blue Point Capital IV	North America	4,122	0.9
Blue Point Capital III	North America	3,366	0.8
Graycliff III	United States	3,139	0.7
Camden Partners IV	United States	2,330	0.5
Stellex Capital Partners	North America	1,665	0.4
HealthpointCapital Partners III	United States	1,164	0.3
Graycliff IV	North America	360	0.1
Blue Point Capital II	North America	198	–
Total Private Equity Funds – USA		**16,344**	**3.7**
Private Equity Funds – Global			
PineBridge GEM II	Global	1,530	0.4
F&C Climate Opportunity Partners	Global	633	0.1
AIF Capital Asia III	Asia	408	0.1
Warburg Pincus IX	Global	101	–
PineBridge Latin America II	South America	80	–
Total Private Equity Funds – Global		**2,752**	**0.6**
Venture Capital Funds			
SEP V	United Kingdom	7,251	1.7
SEP IV	United Kingdom	2,047	0.5
Pentech Fund II	United Kingdom	1,812	0.4
MVM V	Global	1,478	0.3
Alta Berkeley VI	Europe	619	0.1
Life Sciences Partners III	Western Europe	557	0.1
SEP II	United Kingdom	438	0.1
Environmental Technologies Fund	Europe	64	–
SEP III	United Kingdom	7	–
Total Venture Capital Funds		**14,273**	**3.2**
Direct – Quoted			
Antero	Global	232	0.1
Laredo Petrolem	USA	37	–
Total Direct – Quoted		**269**	**0.1**
Secondary Funds			
The Aurora Fund	Europe	1,216	0.3
Total Secondary Funds		**1,216**	**0.3**
Direct – Investments/Co-investments			
Huws Gray	United Kingdom	18,405	4.2
Weird Fish	United Kingdom	16,995	3.9
Pet Network	Eastern Europe	14,602	3.3
Sigma	United States	14,553	3.3
Coretrax	United Kingdom	11,379	2.6
Ashtead	United Kingdom	11,080	2.5
Ambio Holdings	United States	9,568	2.2
San Siro	Italy	8,844	2.0
TWMA	United Kingdom	8,270	1.9
STAXS	Netherlands	7,357	1.7
AccuVein	United States	5,791	1.3
Avalon	United Kingdom	5,484	1.2
Jollyes	United Kingdom	5,075	1.2
Swanton	United Kingdom	5,065	1.2
DMC Canotec	United Kingdom	4,690	1.1
Tier1 CRM	Canada	4,351	1.0
RGI	Italy	4,153	0.9
Dotmatics	United Kingdom	4,123	0.9
Amethyst Radiotherapy	Europe	4,010	0.9
Calucem	Croatia	3,996	0.9
Cyberhawk	United Kingdom	3,722	0.8
CETA	United Kingdom	3,561	0.8
Rosa Mexicano	United States	3,384	0.8
Walkers Transport	United Kingdom	3,256	0.7
Collingwood Insurance Group	United Kingdom	3,241	0.7
Babington	United Kingdom	1,457	0.3
Safran	Norway	1,372	0.3
Algeco Scotsman	Europe	1,115	0.3
Meter Provida	United Kingdom	380	0.1
Stone Computers	United Kingdom	318	0.1
Schaetti	Switzerland	–	–
Fox International	United Kingdom	–	–
Total Direct – Investments/Co-investments		**189,597**	**43.1**
Total Portfolio		**439,507**	**100.0**

Statement of Comprehensive Income

	Six months ended 30 June 2021 (unaudited)			Six months ended 30 June 2020 (unaudited)			Year ended 31 December 2020 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income									
(Losses)/gains on investments held at fair value	–	58,112	58,112	–	(9,218)	(9,218)	–	74,076	74,076
Exchange gains/(losses)	–	2,979	2,979	–	(3,730)	(3,730)	–	(2,705)	(2,705)
Investment income	1,762	–	1,762	1,714	–	1,714	4,988	–	4,988
Other income	1	–	1	7	–	7	8	–	8
Total income	1,763	61,091	62,854	1,721	(12,948)	(11,227)	4,996	71,371	76,367
Expenditure									
Investment management fee – basic fee	(181)	(1,631)	(1,812)	(140)	(1,260)	(1,400)	(294)	(2,650)	(2,944)
Investment management fee – performance fee	–	(4,225)	(4,225)	–	–	–	–	(3,007)	(3,007)
Other expenses	(479)	–	(479)	(471)	–	(471)	(952)	–	(952)
Total expenditure	(660)	(5,856)	(6,516)	(611)	(1,260)	(1,871)	(1,246)	(5,657)	(6,903)
Profit/(loss) before finance costs and taxation	1,103	55,235	56,338	1,110	(14,208)	(13,098)	3,750	65,714	69,464
Finance costs	(130)	(1,168)	(1,298)	(116)	(1,044)	(1,160)	(260)	(2,337)	(2,597)
Profit/(loss) before taxation	973	54,067	55,040	994	(15,252)	(14,258)	3,490	63,377	66,867
Taxation	–	–	–	–	–	–	–	–	–
Profit/(loss) for period/total comprehensive income	973	54,067	55,040	994	(15,252)	(14,258)	3,490	63,377	66,867
Return per Ordinary Share	1.32p	73.12p	74.44p	1.34p	(20.62)p	(19.28)p	4.72p	85.71p	90.43p

Amounts Recognised as Dividends

	Six months ended 30 June 2021 (unaudited) £'000	Six months ended 30 June 2020 (unaudited) £'000	Year ended 31 December 2020 (audited) £'000
Quarterly Ordinary Share dividend of 3.87p per share for the quarter ended 30 September 2019	–	2,862	2,862
Quarterly Ordinary Share dividend of 3.92p per share for the quarter ended 31 December 2019	–	2,899	2,899
Quarterly Ordinary Share dividend of 3.99p per share for the quarter ended 31 March 2020	–	–	2,950
Quarterly Ordinary Share dividend of 3.99p per share for the quarter ended 30 June 2020	–	–	2,950
Quarterly Ordinary Share dividend of 3.99p per share for the quarter ended 30 September 2020	2,950	–	–
Quarterly Ordinary Share dividend of 4.16p per share for the quarter ended 31 December 2020	3,077	–	–
	6,027	5,761	11,661

The above table does not form part of the Statement of Comprehensive Income.

Balance Sheet

	As at 30 June 2021 (unaudited) £'000	As at 30 June 2020 (unaudited) £'000	As at 31 December 2020 (audited) £'000
Non-current assets			
Investments at fair value through profit or loss	439,507	348,106	426,249
	439,507	348,106	426,249
Current assets			
Other receivables	213	31	562
Cash and cash equivalents	19,500	2,173	8,344
	19,713	2,204	8,906
Current liabilities			
Other payables	(6,490)	(1,148)	(4,492)
Interest-bearing bank loan	(23,728)	(43,166)	(49,666)
	(30,218)	(44,314)	(54,158)
Net current liabilities	(10,505)	(42,110)	(45,252)
Non-current liabilities			
Interest-bearing bank loan	(20,506)	(21,737)	(21,514)
Net assets	408,496	284,259	359,483
Equity			
Called-up ordinary share capital	739	739	739
Share premium account	2,527	2,527	2,527
Special distributable capital reserve	15,040	15,040	15,040
Special distributable revenue reserve	31,403	31,403	31,403
Capital redemption reserve	1,335	1,335	1,335
Capital reserve	357,452	233,215	308,439
Shareholders' funds	408,496	284,259	359,483
Net asset value per Ordinary Share	552.46p	384.44p	486.17p

Statement of Changes in Equity

	Share Capital £'000	Share Premium Account £'000	Special Distributable Capital Reserve £'000	Special Distributable Revenue Reserve £'000	Capital Redemption Reserve £'000	Capital Reserve £'000	Revenue Reserve £'000	Total £'000
For the six months ended 30 June 2021 (unaudited)								
Net assets at 1 January 2021	739	2,527	15,040	31,403	1,335	308,439	–	359,483
Profit for the period/total comprehensive income	–	–	–	–	–	54,067	973	55,040
Dividends paid	–	–	–	–	–	(5,054)	(973)	(6,027)
Net assets at 30 June 2021	**739**	**2,527**	**15,040**	**31,403**	**1,335**	**357,452**	**–**	**408,496**
For the six months ended 30 June 2020 (unaudited)								
Net assets at 1 January 2020	739	2,527	15,040	31,403	1,335	253,233	–	304,277
(Loss)/profit for the period/total comprehensive income	–	–	–	–	–	(15,252)	994	(14,258)
Dividends paid	–	–	–	–	–	(4,766)	(994)	(5,760)
Net assets at 30 June 2020	**739**	**2,527**	**15,040**	**31,403**	**1,335**	**233,215**	**–**	**284,259**
For the year ended 31 December 2020 (audited)								
Net assets at 1 January 2020	739	2,527	15,040	31,403	1,335	253,233	–	304,277
Profit for the year/total comprehensive income	–	–	–	–	–	63,377	3,490	66,867
Dividends paid	–	–	–	–	–	(8,171)	(3,490)	(11,661)
Net assets at 31 December 2020	**739**	**2,527**	**15,040**	**31,403**	**1,335**	**308,439**	**–**	**359,483**

Statement of Cash Flows

	Six months ended 30 June 2021 (unaudited) £'000	Six months ended 30 June 2020 (unaudited) £'000	Year ended 31 December 2020 (audited) £'000
Operating activities			
Profit/(loss) before taxation	**55,040**	(14,258)	66,867
(Gain)/loss on disposals of investments	**(44,485)**	1,129	(8,954)
(Increase)/decrease in holding gains	**(13,627)**	8,089	(65,122)
Exchange differences	**(2,979)**	3,730	2,705
Interest income	**(1)**	(7)	(8)
Interest received	**1**	7	8
Investment income	**(1,762)**	(1,714)	(4,988)
Investment income received	**1,762**	1,714	4,988
Finance costs	**1,298**	1,160	2,597
(Decrease)/increase in other receivables	**349**	(5)	(536)
Increase/(decrease) in other payables	**2,346**	(1,951)	1,299
Net cash outflow from operating activities	**(2,058)**	(2,106)	(1,144)
Investing activities			
Purchases of investments	**(22,900)**	(21,440)	(36,117)
Sales of investments	**67,754**	12,850	32,588
Net cash inflow/(outflow) from investing activities	**44,854**	(8,590)	(3,529)
Financing activities			
Drawdown of bank loans, net of costs	**–**	13,028	20,208
Repayment of bank loans	**(23,721)**	–	–
Arrangement cost of additional loan facility	**(236)**	–	–
Interest paid	**(1,501)**	(1,065)	(2,194)
Equity dividends paid	**(6,027)**	(5,760)	(11,661)
Net cash (outflow)/inflow from financing activities	**(31,485)**	6,203	6,353
Net decrease in cash and cash equivalents	**11,311**	(4,493)	1,680
Currency (losses)/gains	**(155)**	157	155
Net increase/(decrease) in cash and cash equivalents	**11,156**	(4,336)	1,835
Opening cash and cash equivalents	**8,344**	6,509	6,509
Closing cash and cash equivalents	**19,500**	2,173	8,344

Notes to the Accounts

1 The condensed company financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standard ('IFRS') IAS 34 *'Interim Financial Reporting'* and the accounting policies set out in the statutory accounts for the year ended 31 December 2020. The condensed financial statements do not include all of the information and disclosures required for a complete set of IFRS financial statements and should be read in conjunction with the financial statements for the year ended 31 December 2020, which were prepared under full IFRS requirements.

2 Earnings for the six months to 30 June 2021 should not be taken as a guide to the results for the year to 31 December 2021.

3 Investment management fee

	Six months ended 30 June 2021 (unaudited)			Six months ended 30 June 2020 (unaudited)			Year ended 31 December 2020 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee – basic fee	181	1,631	1,812	140	1,260	1,400	294	2,650	2,944
Investment management fee – performance fee	–	4,225	4,225	–	–	–	–	3,007	3,007
	181	5,856	6,037	140	1,260	1,400	294	5,657	5,951

4 Finance costs

	Six months ended 30 June 2021 (unaudited)			Six months ended 30 June 2020 (unaudited)			Year ended 31 December 2020 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Interest payable on bank loans	130	1,168	1,298	116	1,044	1,160	260	2,337	2,597

5 Returns and net asset values

	Six months ended 30 June 2021 (unaudited)	Six months ended 30 June 2020 (unaudited)	Year ended 31 December 2020 (audited)
The returns and net asset values per share are based on the following figures:			
Revenue return	£973,000	£994,000	£3,490,000
Capital return	£54,067,000	£(15,252,000)	£63,377,000
Net assets attributable to shareholders	£408,496,000	£284,259,000	£359,483,000
Number of shares in issue at end of period	73,941,429	73,941,429	73,941,429
Weighted average number of shares in issue during period	73,941,429	73,941,429	73,941,429

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

Level 1 reflects financial instruments quoted in an active market.

Level 2 reflects financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables includes only data from observable markets.

Notes to the Accounts (continued)

Level 3 reflects financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
30 June 2021				
Financial assets				
Investments	269	–	439,238	439,507
Financial liabilities				
Multi-currency revolving credit facility	–	(23,728)	–	(23,728)
Term loan	–	(21,454)	–	(21,454)
30 June 2020				
Financial assets				
Investments	50	–	348,056	348,106
Financial liabilities				
Multi-currency revolving credit facility	–	(43,166)	–	(43,166)
Term loan	–	(22,739)	–	(22,739)
31 December 2020				
Financial assets				
Investments	93	–	426,156	426,249
Financial liabilities				
Multi-currency revolving credit facility	–	(49,666)	–	(49,666)
Term loan	–	(22,371)	–	(22,371)

There were no transfers between levels in the fair value hierarchy in the period ended 30 June 2021. Transfers between levels of the fair value hierarchy are deemed to have occurred at the date of the event that caused the transfer.

Valuation techniques

Quoted fixed asset investments held are valued at bid prices which equate to their fair values. When fair values of publicly traded equities are based on quoted market prices in an active market without any adjustments, the investments are included within Level 1 of the hierarchy. The Company invests primarily in private equity funds and co-investments via limited partnerships or similar fund structures. Such vehicles are mostly unquoted and in turn invest in unquoted securities. The fair value of a holding is based on the Company's share of the total net asset value of the fund or share of the valuation of the co-investment calculated by the lead private equity manager on a quarterly basis. The lead private equity manager derives the net asset value of a fund from the fair value of underlying investments. The fair value of these underlying investments and the Company's co-investments is calculated using methodology which is consistent with the International Private Equity and Venture Capital Valuation Guidelines ('IPEG'). In accordance with IPEG these investments are generally valued using an appropriate multiple of maintainable earnings, which has been derived from comparable multiples of quoted companies or recent transactions. The BMO private equity team has access to the underlying valuations used by the lead private equity managers including multiples and any adjustments. The BMO private equity team generally values the Company's holdings in line with the lead managers but may make adjustments where they do not believe the underlying managers' valuations represent fair value. On a quarterly basis, the BMO private equity team present the valuations to the Board. This includes a discussion of the major assumptions used in the valuations, which focuses on significant investments and significant changes in the fair value of investments. If considered appropriate, the Board will approve the valuations.

The interest-bearing bank loans are recognised in the Balance Sheet at amortised cost in accordance with IFRS. The fair value of the term loan is based on a marked to market basis. The fair value is calculated using a discounted cash flow technique based on relevant interest rates. The fair value of the multi-currency revolving credit facility is not materially different to the carrying value. The fair values of all of the Company's other financial assets and liabilities are not materially different from their carrying values in the balance sheet.

Significant unobservable inputs for Level 3 valuations

The Company's unlisted investments are all classified as Level 3 investments. The fair values of the unlisted investments have been determined principally by reference to earnings multiples, with adjustments made as appropriate to reflect matters such as the sizes of the holdings and liquidity. The weighted average earnings multiple for the portfolio as at 30 June 2021 was 9.9 times EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) (30 June 2020: 9.2 times EBITDA; 31 December 2020: 10.0 times EBITDA).

The significant unobservable input used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are shown below:

Period end	Input	Sensitivity used*	Effect on fair value £'000
30 June 2021	Weighted average earnings multiple	1x	61,712
30 June 2020	Weighted average earnings multiple	1x	53,547
31 December 2020	Weighted average earnings multiple	1x	59,874

*The sensitivity analysis refers to an amount added or deducted from the input and the effect this has on the fair value.

The fair value of the Company's unlisted investments is sensitive to changes in the assumed earnings multiples. The managers of the underlying funds assume an earnings multiple for each holding. An increase in the weighted average earnings multiple would lead to an increase in the fair value of the investment portfolio and a decrease in the multiple would lead to a decrease in the fair value.

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 between the beginning and the end of the period:

	30 June 2021 £'000	30 June 2020 £'000	31 December 2020 £'000
Balance at beginning of period	**426,156**	348,574	348,574
Purchases	**22,900**	21,531	36,117
Sales	**(67,754)**	(12,850)	(32,588)
Gains on disposal	**44,485**	743	10,826
Holding gains/(losses)	**13,451**	(9,942)	63,227
Balance at end of period	**439,238**	348,056	426,156

7 In assessing the going concern basis of accounting the Directors have had regard to the guidance issued by the Financial Reporting Council. They have considered the current cash position of the Company, the availability of the Company's loan facility and compliance with its banking covenants. They have also considered forecast cashflows, the operational resilience of the Company and its service providers and the annual dividend.

As at 30 June 2021, the Company had outstanding undrawn commitments of £110.3 million. Of this amount, approximately £26.1 million is to funds where the investment period has expired and the Manager would expect very little of this to be drawn. Of the outstanding undrawn commitments remaining within their investment periods, the Manager would expect that a significant amount will not be drawn before these periods expire. The Company has a committed borrowing facility comprising a term loan of €25 million and a revolving credit facility of £95 million. This facility is due to expire on 19 June 2024 when its five-year term concludes.

At 30 June 2021 the Company had fully drawn the term loan of €25 million and had drawn £23.7 million of the revolving credit facility, leaving £71.3 million of the revolving credit facility available. This available proportion of the facility can be used to fund any shortfall between the proceeds received from realisations and drawdowns made from funds in the Company's portfolio or funds required for co-investments. Under normal circumstances this amount of 'headroom' in the facility would be more than adequate to meet any such shortfall.

Notes to the Accounts (continued)

At present the global economy is suffering considerable disruption due to the effects of the COVID-19 pandemic and the Directors have given serious consideration to the consequences of this for the private equity market in general and for the cashflows and asset values of the Company specifically over the next twelve months. The Company has a number of loan covenants and at present the Company's financial situation does not suggest that any of these covenants are close to being breached.

The primary risk is that there is a very substantial decrease in the asset value of the Company in the short or medium term. Given prior experience in the last financial crisis of 2008/2009 and allowing for the breadth of the Company's portfolio and the valuation methodologies of the Company's investment managers and their investment partners, the Directors do not expect that the possible reduction in asset value arising from the shock of the pandemic will be of sufficient magnitude to give rise to a covenant breach.

Furthermore, being aware of the possible risks the Directors have considered in detail a number of remedial measures that are open to the Company which it may take if such a covenant breach appears possible. These include reducing commitments and raising cash through engaging with the private equity secondaries market. The Managers have considerable experience in the private equity secondaries market through the activities of the Company and through the management of other private equity funds. The Directors have considered other actions which the Company may take in the event that a covenant breach was imminent including taking measures to increase the Company's asset base through an issuance of equity either for cash or pursuant to the acquisition of other private equity assets. The Directors have also considered the likelihood of the Company making alternative banking arrangements with its current lender or another lender. Having considered the likelihood of the events which could cause a covenant breach and the remedies available to the Company, the Directors are of the view that Company is well placed to manage such an eventuality satisfactorily.

The Company operates within a robust regulatory environment. The Directors have noted that home working arrangements have been implemented at the Manager and many of the Company's key suppliers without any impact upon service delivery and operations.

Based on this information the Directors believe that the Company has the ability to meet its financial obligations as they fall due for a period of at least twelve months from the date of approval of these financial statements. Accordingly, these financial statements have been prepared on a going concern basis.

8 These are not statutory accounts in terms of Section 434 of the Companies Act 2006 and have not been audited or reviewed by the Company's auditors. The information for the year ended 31 December 2020 has been extracted from the latest published financial statements which received an unqualified audit report and have been filed with the Registrar of Companies. No statutory accounts in respect of any period after 31 December 2020 have been reported on by the Company's auditors or delivered to the Registrar of Companies.

Directors' Statement of Principal Risks and Uncertainties

The principal risks identified in the Annual Report and Accounts for the year ended 31 December 2020 were:

- Economic, macro and political risks;
- Liquidity and capital structure risks;
- Regulatory risks;
- Service delivery failure at the Manager;
- Poor long term investment performance relative to the peer group or other asset classes;
- Share price discount; and
- Fraud and cyber risks.

These risks are described in more detail under the heading "Principal Risks" within the Strategic Report in the Company's Annual Report and Accounts for the year ended 31 December 2020.

Since the beginning of 2020 the global economy has suffered considerable disruption due to the effects of the COVID-19 pandemic. The Directors have reviewed and amended, where appropriate, the key risk matrix for the Company which identifies the risks that the Company is exposed to, the controls in place and the actions being taken to mitigate them.

It is also noted that:

- An analysis of the performance of the Company since 1 January 2021 is included within the Chairman's Statement and the Investment Manager's Review beginning on pages 6 and 8 respectively.
- In addition, the Board has noted that home working arrangements have been implemented at the Manager and many of the Company's key suppliers without any impact upon service delivery and operations.
- The Company's borrowing facility was revised during March 2021. The revised five-year facility is composed of a €25 million term loan and a £95 million multi-currency revolving credit facility. As at 30 June 2021 borrowings were £44.2 million. The interest rate payable is variable.
- Note 7 to the financial statements beginning on page 21 details the Board's consideration for the continued applicability of the principle of Going Concern when preparing this report.

On behalf of the Board

Mark Tennant
Chairman

26 August 2021

Statement of Directors' Responsibilities in Respect of the Half Year Report

In accordance with Chapter 4 of the Disclosure Guidance and Transparency Rules, the Directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with applicable International Financial Reporting Standards on a going concern basis, and gives a true and fair view of the assets, liabilities, financial position and net return of the Company;
- the half-yearly report includes a fair review of the development and performance of the Company and important events that have occurred during the first six months of the financial year and their impact on the financial statements;
- the Directors' Statement of Principal Risks and Uncertainties shown on page 23 is a fair review of the principal risks and uncertainties for the remainder of the financial year; and
- the half-yearly report includes a fair review of the related party transactions that have taken place in the first six months of the financial year.

On behalf of the Board

Mark Tennant
Chairman
26 August 2021

Shareholder Information

Dividends

Shareholders who wish to have dividends paid directly into a bank account rather than by cheque to their registered address can complete a mandate form for the purpose. Mandates may be obtained from Link Asset Services, The Registry, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL on request. Where dividends are paid to shareholders' bank accounts, dividend tax vouchers are sent directly to shareholders' registered addresses.

Dividend Reinvestment Plan

Shareholders who wish to use their dividends to purchase further shares in the Company by participating in the Company's Dividend Reinvestment Plan can complete an application form which may be obtained from Link Asset Services, The Registry, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL on request.

Share Price

The Company's shares are listed on the London Stock Exchange. Prices are given daily in the Financial Times and in other newspapers.

Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to Link Asset Services under the signature of the registered holder.

Website

Additional information regarding the Company may be found at its website address which is: **www.bmoprivateequitytrust.com**

Alternative Performance Measures

Discount (or Premium) – If the share price of an Investment Trust is less than its Net Asset Value per share, the shares are trading at a discount. If the share price is greater than the Net Asset Value per share, the shares are trading at a premium.

Dividend Yield – The dividends declared for the year divided by the share price at the reporting period-end. For quarter and interim period ends the resulting number is annualised.

Gearing – This is the ratio of the borrowings less cash of the Company to its total assets less current liabilities (excluding borrowings and cash). Borrowings may include: preference shares; debentures; overdrafts and short and long-term loans from banks; and derivative contracts.

Total Return – The return to shareholders calculated on a per share basis by adding dividends paid in the period to the increase or decrease in the Share Price or NAV. The dividends are assumed to have been reinvested in the form of Ordinary Shares or Net Assets.

Warning to Shareholders – Beware of Share Fraud

Fraudsters use persuasive and high-pressure tactics to lure investors into scams. They may offer to sell shares that turn out to be worthless or non-existent, or to buy shares at an inflated price in return for an upfront payment.

If you receive unsolicited investment advice or requests:

- Check the Financial Services Register at **www.fca.org.uk** to see if the person or firm contacting you is authorised by the Financial Conduct Authority ('FCA')
- Call the FCA on **0800 111 6768** if the firm does not have contact details on the Register or you are told they are out of date
- Search the list of unauthorised firms to avoid at **www.fca.org.uk/scams**
- Consider that if you buy or sell shares from an unauthorised firm you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme
- Think about getting independent financial and professional advice

If you are approached by fraudsters please tell the FCA by using the share fraud reporting form at **www.fca.org.uk/scams** where you can find out more about investment scams. You can also call the FCA Consumer Helpline on **0800 111 6768**. If you have already paid money to share fraudsters you should contact Action Fraud on **0300 123 2040**.

How to Invest

One of the most convenient ways to invest in BMO Private Equity Trust PLC is through one of the savings plans run by BMO.

BMO ISA
You can use your ISA allowance to make an annual tax-efficient investment of up to £20,000 for the current tax year with a lump sum from £100 or regular savings from £25 a month. You can also transfer any existing ISAs to us whilst maintaining the tax benefits.

BMO Junior ISA (JISA)*
A tax efficient way to invest up to £9,000 per tax year for a child. Contributions start from £100 lump sum or £25 a month. JISAs or CTFs with other providers can be transferred to BMO.

BMO Lifetime ISA (LISA)
For those aged 18-39, a Lifetime ISA could help towards purchasing your first home or retirement in later life. Invest up to £4,000 for the current tax year and receive a 25% Government bonus up to £1,000 per year. Invest with a lump sum from £100 or regular savings from £25 a month.

BMO Child Trust Fund (CTF)*
If your child already has a CTF you can invest up to £9,000 per birthday year, from £100 lump sum or £25 a month. CTFs with other providers can be transferred to BMO.

BMO General Investment Account (GIA)
This is a flexible way to invest in our range of Investment Trusts. There are no maximum contributions, and investments can be made from £100 lump sum or £25 a month.

BMO Junior Investment Account (JIA)
This is a flexible way to save for a child in our range of Investment Trusts. There are no maximum contributions, and the plan can easily be set up under bare trust (where the child is noted as the beneficial owner) or kept in your name if you wish to retain control over the investment. Investments can be made from a £100 lump sum or £25 a month per account. You can also make additional lump sum top-ups at any time from £100 per account.

*The CTF and JISA accounts are opened by parents in the child's name and they have access to the money at age 18. **Calls may be recorded or monitored for training and quality purposes.

Charges
Annual management charges and other charges apply according to the type of plan.

Annual account charge
ISA/LISA: £60+VAT
GIA: £40+VAT
JISA/JIA/CTF: £25+VAT
You can pay the annual charge from your account, or by direct debit (in addition to any annual subscription limits).

Dealing charges
£12 per fund (reduced to £0 for deals placed through the online BMO Investor Portal) for ISA/GIA/LISA/JIA and JISA. There are no dealing charges on a CTF.

Dealing charges apply when shares are bought or sold but not on the reinvestment of dividends or the investment of monthly direct debits.

Government stamp duty of 0.5% also applies on the purchase of shares (where applicable).

The value of investments can go down as well as up and you may not get back your original investment. Tax benefits depend on your individual circumstances and tax allowances and rules may change. Please ensure you have read the full Terms and Conditions, Privacy Policy and relevant Key Features documents before investing. For regulatory purposes, please ensure you have read the Pre-sales Cost & Charges disclosure related to the product you are applying for, and the relevant Key Information Documents (KIDs) for the investment trusts you want to invest into.

How to Invest
To open a new BMO plan, apply online at **bmogam.com/apply**

Online applications are not available if you are transferring an existing plan with another provider to BMO, or if you are applying for a new plan in more than one name but paper applications are available at bmoinvestments.co.uk/documents or by contacting BMO.

New Customers
Call: **0800 136 420**** (8.30am – 5.30pm, weekdays)
Email: **info@bmogam.com**

Existing Plan Holders
Call: **0345 600 3030**** (9.00am – 5.00pm, weekdays)
Email: **investor.enquiries@bmogam.com**
By post: BMO Administration Centre
PO Box 11114
Chelmsford
CM99 2DG

You can also invest in the trust through online dealing platforms for private investors that offer share dealing and ISAs. Companies include: **Barclays Stockbrokers, EQi, Halifax, Hargreaves Lansdown, HSBC, Interactive Investor, Lloyds Bank, The Share Centre**

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0345 600 3030, 9.00am – 5.00pm, weekdays, calls may be recorded or monitored for training and quality purposes.

BMO Asset Management Limited

Corporate Information

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Elizabeth Kennedy†
Audrey Baxter
Tom Burnet
Swantje Conrad
Richard Gray
David Shaw

Company Secretary

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Bankers

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Company Number

Registered in Scotland No: SC179412

* Chairman of the Management Engagement Committee and the Nomination Committee
† Chairman of the Audit Committee

aic The Association of Investment Companies

LPEC LISTED PRIVATE CAPITAL

PREMIUM MAIN MARKET LONDON STOCK EXCHANGE

What Investment Best Alternative Investment Trust 2016

BMO Private Equity Trust PLC
Interim Report 30 June 2021

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