

Achilles Investment Company Limited

Annual Report and Audited Financial Statements

For the period from incorporation on 20 January 2025 to 30 June 2026

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

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Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Highlights

Highlights in the reporting period to 30 June 2026 include:

Four activist campaigns and/or corporate actions successfully concluded

- Urban Logistics REIT plc
- Empiric Student Property plc
- HICL Infrastructure plc
- Life Science REIT plc

Two ongoing, with outcomes expected in the short term

- Aquila European Renewables plc
- Spire Healthcare Group plc

The NAV per Ordinary Share increased by 10.2% from launch on 25 February 2025 (98.5 pence) to 30 June 2026 (108.53 pence), including a rise of 9.6% since 31 December 2025 (98.98 pence). Post period end, the NAV per Ordinary Share increased by a further 3.4% to 112.21 pence (cum income) at 31 August 2026, an increase of 13.9% since launch. Profit after tax for the period was £5,062,000.

The portfolio was diversified during the period through the addition of further real-asset-backed positions trading at discounts to net asset value, consistent with the investment policy, including Unite Group plc, NewRiver REIT plc, Picton Property Income Limited, Real Estate Investors plc and Sequoia Economic Infrastructure Income Fund Limited, alongside a significant increase in the Company's existing holding in HICL Infrastructure plc.

The Company's resources were strengthened during the period with the appointment of Philip Cooper to the Board on 18 June 2026 and Christopher Hills joining as Strategic Adviser to the Company post period end.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Company Overview

Achilles Investment Company Limited (“Achilles” or the “Company”) is a Guernsey-domiciled company, incorporated under The Companies (Guernsey) Law, 2008 (as amended) on 20 January 2025 as a non-cellular company limited by shares with an indefinite life. The Company is registered with the Guernsey Financial Services Commission as a registered closed-ended collective investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 and the Registered Collective Investment Scheme Rules and Guidance, 2021.

The ordinary shares of the Company were admitted to trading on the Specialist Fund Segment of the Main Market on 25 February 2025 (“Initial Admission”).

Investment Objective

The Company’s investment objective is to invest in the shares of companies admitted to trading on a market of the London Stock Exchange and to seek to maximise the value of such investments for shareholders.

Investment Policy

The Company will achieve the investment objective by investing in the shares of closed-ended investment companies, property companies or companies whose valuations are substantially underpinned by real assets, admitted to trading on a market of the London Stock Exchange, with a focus on alternative assets (being assets other than publicly quoted equities) and will seek to maximise returns to Shareholders through the use of constructive activism.

The Company expects to hold a concentrated portfolio of investments and the Company will not seek to reduce concentration risk through diversification. The Company will seek to identify underperforming or undervalued assets and unlock value. The Company will take an active role in engaging with the boards and the investment managers of investment companies within its portfolio. This may include advocating selling the entire company or any or all of its assets, changes in strategy or restructuring.

Investments are expected to be mainly in the form of equity and equity-related instruments. The equity interest in any investment may range from a minority position up to 29.99 per cent. ownership.

Where appropriate, the Investment Manager may seek a position on an investee company’s board. The Company may hold cash in its portfolio from time to time to maintain investment flexibility. There is no limit on the amount of cash which may be held by the Company from time to time.

Investment Restrictions

The Company observes the following investment restrictions:

- there will be no cross-financing between the companies forming part of the portfolio and no operation of a common treasury function between the Company and any of its investee companies;
- the Company will not hold more than 29.99 per cent. of the voting rights of an investee company; and
- the Company will not invest in unquoted companies, however, in order to ensure the maximum realisation of shareholder value, the Company will be permitted to remain invested in an investee company that delists, or its acquiring entity, following a public-to-private transaction.

Each of the restrictions above will be calculated at the time of investment. The Company will not be required to dispose of any asset or to rebalance its portfolio as a result of a change in the respective valuations of its assets or as a result of any portfolio holding ceasing to be admitted to trading on a market of the London Stock Exchange.

Achilles Investment Company Limited

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Company Overview (continued)

Investment Policy (continued)

Shareholder engagement on continuation

Should the Net Asset Value fall below £30 million at any time following Initial Admission, the Board will engage with Shareholders to determine their preference for the Company's continuation. If Shareholders indicate a preference not to proceed, the Board will bring forward proposals to facilitate an orderly return of capital to Shareholders.

Continuation vote

In accordance with the Company's Articles of Incorporation ("Articles"), the Directors are required to propose an ordinary resolution at the Company's third annual general meeting following Initial Admission that the Company continues its business as presently constituted (the "Initial Continuation Resolution"). If passed, the Articles provide that the Directors will propose an ordinary resolution that the Company continues its business as presently constituted at each annual general meeting thereafter (a "Continuation Resolution"). If the Initial Continuation Resolution or any Continuation Resolution is not passed, the Directors will put forward proposals for the reconstruction, reorganisation or winding up of the Company to Shareholders for their approval as soon as reasonably practicable following the date on which the Initial Continuation Resolution or relevant Continuation Resolution (as the case may be) is not passed. These proposals may or may not involve winding up the Company and, accordingly, failure to pass the Initial Continuation Resolution or any Continuation Resolution will not necessarily result in the winding up of the Company.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Chair's Statement

I am pleased to present the first Annual Report and Audited Financial Statements of Achilles Investment Company Limited, covering the period from incorporation on 20 January 2025 to 30 June 2026.

We continue to see a compelling opportunity to deploy capital in listed companies, particularly heavily discounted property, infrastructure and other real-asset-backed shares. Average discounts across the Company's investable universe have narrowed since launch, helped by corporate activity and shareholder pressure, but they remain wide, and well-capitalised strategic buyers are prepared to pay full value for high-quality assets that continue to trade at a material discount in the public market. A number of companies remain at an impasse, with failed sales, stalled wind-downs and boards resistant to change. The Board believes these situations will continue to provide fertile ground for the Company's activist and value-realisation strategy for some time to come.

Achilles launched successfully, raising £54 million at flotation, exceeding the £50 million target. Admission to trading on the Specialist Fund Segment took place on 25 February 2025, at an issue price of 100 pence per share and a starting NAV of 98.5 pence per share. As reported at 31 December 2025, the Company's net asset value had experienced a short period of early weakness, reflecting in particular the position in Spire Healthcare Group plc. The NAV subsequently performed strongly, closing the period at 108.53 pence per share on 30 June 2026, an increase of 10.2% against the flotation NAV, and had increased by a further 3.4% to 112.21 pence per share at 31 August 2026, post period end. Profit after tax for the period was £5,062,000, reflecting net gains on investments of £3,837,000 and investment income of £3,399,000, less expenses of £1,990,000 and withholding tax of £184,000. Further financial detail is set out in the Investment Manager's Report and the Audited Financial Statements.

The Company has two clear objectives. The primary measure of success is delivering strong financial returns for our shareholders. In parallel, the Company targets persistent NAV discounts and inefficient capital allocation in London-listed alternative asset investment and asset-backed companies, using active, constructive shareholder engagement to unlock and realise value. The Investment Manager brings a broader track record of value creation through activism and board involvement.

During the period, four campaigns concluded: Urban Logistics REIT plc, Empiric Student Property plc, HICL Infrastructure plc and Life Science REIT plc. Three generated a positive return; Empiric resulted in a loss of 8.5%. The Company's positions in Spire Healthcare Group plc and Aquila European Renewables plc remained ongoing at the period end. Post period end, on 5 September 2026, a recommended cash offer for Spire Healthcare Group plc at 250 pence per share was announced.

During the period, the Company re-invested proceeds of successful campaigns through the addition of positions in a number of real-asset-backed companies trading at discounts to net asset value, including Unite Group plc, NewRiver REIT plc, Sequoia Economic Infrastructure Income Fund Limited, Picton Property Income Limited and Real Estate Investors plc, together with a significant increase in the Company's holding in HICL Infrastructure plc. Further detail on portfolio activity during the period is set out in the Investment Manager's Report.

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Chair's Statement (continued)

As noted in the Company's prospectus, given the Company's size and the effect of liquidity on capital allocation, a return of capital would be considered following the conclusion of a significant campaign. After the successful outcome in Urban Logistics REIT plc, a return of capital was offered to shareholders and universally declined, a strong endorsement, in the Board's view, of the opportunity to continue compounding returns rather than crystallise them prematurely. With four campaigns concluded during the period, NAV per share up 10.2% since launch and a further 3.4% since the period end, and the portfolio further invested into new, similarly discounted opportunities, the Board and Investment Manager believe the Company's strategy continues to offer shareholders a more compelling route to value than an early return of capital. Nonetheless, consistent with its commitment to shareholders, the Board intends to offer a return of capital on an elective basis once the recommended offer for Spire Healthcare Group plc completes.

Net asset value at the period end was comfortably above the £30 million threshold at which the Board would be required to engage with shareholders regarding the Company's continuation, and the Board does not envisage this being a live issue in the near term.

Board changes

There were changes to the Board's composition during the period. Philip Cooper joined the Board on 18 June 2026, bringing property and surveying expertise as a member of the Royal Institution of Chartered Surveyors. The appointment was made following a competitive process, and the Board was delighted with the calibre of the candidates and has already benefited from Philip's contributions.

Post period end, Christopher Hills joined the Company as Strategic Adviser. Christopher was formerly Chief Investment Officer of Investec Wealth & Investment, with over 40 years' experience managing portfolios across a range of asset classes, and brings extensive listed investment company experience. Chris' engagement began on 1 September 2026 and we look forward to his contribution.

Brett Miller stepped down from the Board during the period, on 5 May 2026. On behalf of the Board, I would like to thank Brett for his wise counsel and support during his tenure.

Shareholder support has been central, for which the Board and Investment Manager are very grateful. Engagement has been thoughtful, collaborative, and valuable. I have very much enjoyed meeting shareholders of the Company and am grateful for the candour with which many of you have expressed your views. The Company remains small, highly focused, and prepared to act constructively but robustly when shareholder value is at stake, with a focused pipeline of further opportunities ahead. Thank you for your support.

Charlotte Denton
Chair
08 October 2026

Investment Manager's Report

Outlook

The Board and Investment Manager remain positive on the outlook for the sector, where discounts to net asset value across listed property, infrastructure and other real-asset-backed companies remain wide. We continue to see excellent value in heavily discounted property stocks. Governance and discounts have firmly come to the fore, and complacency has reduced, a trend we expect to continue until the sector is structurally right-sized. In our view, boards which take positive action will survive; those that do not will invariably face increased scrutiny. The sector-wide narrowing of discounts since launch was the more straightforward phase. What remains are companies at an impasse, where sales have failed, wind-downs have stalled or boards are resistant to change, and where returns depend on engagement rather than on the market.

The scale of the opportunity is underlined by buyers' continued willingness to pay full value for high-quality assets which trade at wide discounts on the public market. We expect this dynamic to continue to drive value realisation through selective disposal of assets and corporate activity across the Company's investable universe.

A recurring theme is the lack of trust in accounting NAV and the gap to realisable value. Fair value accounting through the profit and loss account can look precise. In practice, NAV is often model-dependent. Aggressive assumptions, or non-comparable precedent transactions, can overstate NAV, and adviser incentives often favour higher reported values.

The Company's strategy is built on asset-level work to understand realisable value. This is combined with a detailed understanding of legal and financial considerations, close relationships with other shareholders and disciplined use of cost-effective external advisers to reduce value leakage. The approach is flexible. It stays private and constructive where possible and escalates to formal shareholder actions and media engagement where required.

Six campaigns were pursued in the period to 31 December 2025, as reported at the interim stage. Of these, four have now culminated in successful corporate activity by the investee companies. Spire Healthcare Group plc and Aquila European Renewables plc remained ongoing at the period end; a recommended cash offer for Spire Healthcare Group plc was announced after the period end, on 5 September 2026. We are beginning to acquire positions for our next round of activism.

Portfolio construction is deliberate. Core positions are held where active engagement and escalation are expected to drive outcomes. Incubation and realisation positions are held where stakes are built ahead of potential activism, or where returns are driven by a corporate event.

Macro considerations

There has been a marked repricing of gilts. The 10-year yield has risen by approximately 18%, or 81 basis points, from 4.55% at launch to 5.36% at the time of writing, having recently touched 5.5%, its highest level since July 2007, as markets priced in a shift from anticipated Bank of England rate cuts towards the prospect of rate increases. Valuations in listed real-asset sectors have historically been anchored to the risk-free rate: in the years before the Company's launch, average discounts to net asset value in the infrastructure and renewables sectors moved almost in step with the 10-year gilt yield, with a correlation above 0.9. Since launch that relationship has broken. Although yields have risen, the average discount has narrowed from 32.9% to 22.3% in infrastructure and from 37.2% to 27.4% in renewables, driven by consolidation, capital returns and shareholder engagement rather than by interest rates. Higher yields have nonetheless weighed on share prices across the real estate and renewable infrastructure sectors at times during the period.

We were conscious of the risk of committing capital into a falling market, and allocated capital cautiously, taking advantage of the high returns available on cash during the period of maximum uncertainty.

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Investment Manager's Report (continued)

Macro considerations (continued)

As the period progressed and the picture became clearer, capital was deployed selectively into companies whose underlying assets we considered to be sufficiently discounted to provide a margin of safety against the short-term macro-environment.

New investments

The Company entered the second half of the period with an unusually strong liquidity position, following the successful conclusion of a number of engagement campaigns and the associated realisation of those positions.

The Company deployed further capital during the period into a number of additional real-asset-backed companies: NewRiver REIT plc, Picton Property Income Limited, Real Estate Investors plc, Unite Group plc, and Sequoia Economic Infrastructure Income Fund Limited. Together, these new positions represented approximately 22.4% of NAV at 30 June 2026; individual position summaries are set out in the 'Review of activities' section below. The Company also added significantly to its existing holding in HICL Infrastructure plc during the period, as described further below, and held £11,809,000 in the BlackRock ICS Sterling Liquidity fund pending further deployment. The Company had also been building a position in Schroder Real Estate Investment Trust Limited, of which it held 4,000,000 shares at 30 June 2026. Following the offer for Picton Property Income Limited, the Investment Manager considered that Picton offered a better entry point into Schroder Real Estate Investment Trust, and the direct holding was sold after the period end. On completion of the Picton transaction the Company received 1,900,000 LondonMetric Property plc shares and 8,940,000 Schroder Real Estate Investment Trust shares, both of which it continues to hold.

The Investment Manager continues to maintain an active pipeline of further campaign opportunities, in each case with defined engagement theses and target outcomes, which it stands ready to execute should share prices weaken from current levels or, alternatively, should greater macroeconomic certainty and a downward trajectory in yields provide a clearer catalyst for the re-rating of the sector.

Financial performance

NAV per share recovered from a weak position at the interim stage to close the period at 108.53 pence, an increase of 10.2% against the flotation NAV of 98.5 pence. Post period end, the estimated unaudited NAV per share (calculated in accordance with AIC guidelines) had increased further to 112.21 pence (cum income) at 31 August 2026, an increase of 13.9% against the NAV at flotation.

Net assets at 30 June 2026 were £58,607,000, equivalent to 108.53 pence per Ordinary Share, recovering from £53,448,000 (98.98 pence per share) on 31 December 2025.

Profit after tax for the period from incorporation to 30 June 2026 was £5,062,000. No dividends have been paid. Income for the period comprised dividend income of £2,195,000 (before withholding tax of £184,000), other investment-related income of £1,124,000 and bank interest of £80,000. Net gains on financial assets held at fair value through profit or loss were £3,837,000, comprising realised gains of £3,145,000 and unrealised gains of £692,000. Total expenses for the period were £1,990,000, comprising management fees of £743,000, other expenses of £743,000 and transaction costs and foreign exchange losses of £504,000. Share issue costs of £455,000 were charged directly to equity and are not included in expenses. The ongoing charges figure for the period was 1.39% on an annualised basis, which excludes non-recurring launch expenses of £355,000.

At 30 June 2026, the portfolio comprised listed equity investments of £40,933,000, cash and cash equivalents of £16,725,000, including £11,809,000 held in the BlackRock ICS Sterling Liquidity fund, and other net current assets of £949,000.

Investment Manager's Report (continued)

Challenges

Execution in smaller, less liquid companies can move the market when positions are built, and entry levels can be affected. In many ways, it has been a slightly frustrating period, in which we have begun to build a position only for the shares to re-rate, discouraging further investment. NewRiver REIT plc is a good example, details of which are set out below.

Campaigns demand material time, energy, and coordination across legal, advisory, and shareholder workstreams. As a result, the Company can only undertake a certain number of campaigns at any one time to deliver returns for shareholders. This means the Company holds a concentrated portfolio, which can require elevated cash while catalysts develop, and returns can be dampened during strong markets.

Conclusion

The opportunity to unlock trapped value across London-listed alternative assets remains significant. Alternative asset investment companies continue to trade at wide average discounts to underlying asset value and boards too often fail to take decisive action to realise shareholder value. The structure is intentionally focused and simple, designed to complement, not replicate, shareholder portfolios. Stronger governance and better alignment should narrow discounts over time, reinforcing confidence, improving capital allocation, and driving better outcomes for shareholders. The broadening of the portfolio into further real-asset-backed opportunities during the period reflects the same discipline applied more widely across the investable universe. Following feedback from shareholders, the Investment Manager intends to concentrate the portfolio on a smaller number of positions where engagement can make the greatest difference.

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Review of activities

Completed

Urban Logistics REIT plc (“Urban Logistics”)

Urban Logistics announced an internalisation proposal in March 2025, including initial consideration of £6.8 million and contingent consideration of up to £5.6 million, implying up to £12.4 million in total. When total costs were considered, the economic impact was assessed as materially higher, as much as approximately £32 million. The terms were unattractive. Escalation followed alongside other shareholders, including requisitioning for board change. A recommended cash and share acquisition by LondonMetric was announced on 9 May 2025, providing 0.5612 new LondonMetric shares plus 42.8 pence in cash per Urban Logistics share, valuing Urban Logistics at 150.3 pence per share on the stated basis, with a 4.4 pence dividend expected prior to completion. Entry at 117.5 pence in early March 2025 and sale in July 2025 at 156.3 pence per share gave a return of approximately 33.0%, an IRR of approximately 95.86%, before costs. The Company owned a maximum of 10,000,000 ordinary shares during the period, being 2.12% of Urban Logistics' issued share capital. The Company held no shares in Urban Logistics at 30 June 2026.

Empiric Student Property plc (“Empiric”)

A position was built in April 2025, at an entry price of 85.4 pence per share, with engagement prepared in anticipation of corporate activity. Unite Group announced a possible offer in June 2025, followed by a recommended cash and share offer in August 2025 of 0.085 New Unite Shares and 32 pence in cash, implying a value of 94.2 pence based on the prevailing Unite share price. The Scheme was approved by shareholders on 6 October 2025 and became effective in January 2026. Shortly following approval, Empiric issued a trading update on 3 November 2025 highlighting pressures facing the company and the wider sector; the share price reaction was severe and the Company realised 77.6 pence per share including dividends, a return of approximately minus 8.5%, an IRR of approximately minus 13.4%. The Company owned a maximum of 9,150,000 ordinary shares during the period, being 1.38% of Empiric's issued share capital, and held none at 30 June 2026.

HICL Infrastructure plc (“HICL”)

A position was built in November 2025 after the proposed combination between HICL and The Renewables Infrastructure Group was announced. Shareholder pressure contributed to the proposal being withdrawn in December 2025. Entry at 110.9 pence in November 2025 and a partial sale during December at 119.3 pence, inclusive of dividends, gave a return of approximately 7.6% on the shares sold, an IRR of approximately 166.4%. The Company retained 2,283,277 ordinary shares at 31 December 2025.

The Company added to the position in the new year. At 30 June 2026 the Company held 9,313,500 ordinary shares at a cost of £10,906,000 and a market value of £12,294,000, an unrealised gain of £1,388,000, making HICL the Company's second-largest holding at 21.0% of NAV. The Board and Investment Manager consider that the measures since brought forward by HICL's board, including a refresh of its composition, reduce the scope for further activism. Since the period end the Company has reduced the holding to 7,500,000 shares, selling into share price strength, and it keeps the remaining position under review.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Review of activities (continued)

Completed (continued)

Life Science REIT plc (“Life Science”)

Engagement included coordination with other shareholders, and Robert Naylor joined the board on 3 December 2025. British Land Company plc announced a recommended cash and share offer for Life Science, valuing the shares at approximately 42.8 pence per share at announcement. The Scheme became effective during the period and the Company's holding of 13,000,000 ordinary shares (3.71% of Life Science's issued share capital) was realised in full, against an entry price of 38.9 pence per share. The Company received cash consideration of £1,833,000 and 910,000 British Land shares, which were sold in June 2026. Including the proceeds of those shares and dividends received, the total return was approximately 14.0%, an IRR of approximately 19.5%.

Ongoing

Spire Healthcare Group plc (“Spire”)

Spire is not an investment company, but displays features associated with discounted asset-backed situations, with a substantial freehold property underwriting our entry value and an undervalued occupational health platform. Spire announced a strategic review in September 2025. On 14 May 2026 it announced a possible cash offer from Toscafund Asset Management LLP at 250 pence per share, which the Spire board indicated it would be minded to recommend; no firm offer had been made at the period end. The share price recovered over the period, from 167.0 pence at 31 December 2025 to 215.0 pence at 30 June 2026, though it remains below the Company's average entry price of 221.0 pence. The Company held 6,000,000 ordinary shares (1.49% of Spire's issued share capital) as at the period end, valued at £12,900,000 at 30 June 2026, the Company's largest single holding at 22.0% of NAV. Post period end, on 5 September 2026, a recommended cash offer at 250 pence per share was announced by a consortium including Toscafund. The offer is to be implemented by scheme of arrangement and is expected to complete in the fourth quarter of 2026 or the first quarter of 2027. At 250 pence per share the holding would be realised for £15.0 million, a return of approximately 13% on the Company's average entry price.

Aquila European Renewables plc (“Aquila”)

Robert Naylor joined the board as chairman in November 2025. The investment thesis has been supported by Aquila's managed wind-down and realisation programme, with distributions received under Aquila's B share scheme (9 cents per ordinary share in January 2026 and 5.4 cents in March 2026). The Company held 5,110,000 ordinary shares (1.25% of Aquila's issued share capital) as at the period end. As further capital is returned under the wind-down programme, the residual value of the ordinary shares reduces accordingly; the holding was valued at €0.173 per share at 30 June 2026 (31 December 2025: €0.365).

NewRiver REIT plc

At 30 June 2026 the Company held 2,424,622 ordinary shares at a cost of £1,792,000 and a market value of £1,894,000 (an unrealised gain of £102,000), representing 3.2% of NAV. The Company subsequently sold part of the position following a re-rating in the shares, protecting a profit in a challenging macro-environment; as at 6 October 2026 it held 1,500,000 ordinary shares at a cost of £1,116,000 and a market value of £1,130,000 (an unrealised gain of £14,000).

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Review of activities (continued)

New positions (continued)

NewRiver REIT plc (continued)

Retail property has performed better than the Board and Investment Manager had anticipated, and NewRiver's shares offer an attractive income while the Company is paid to wait for further re-rating. The position was entered at around 74 pence per share, at a discount of approximately 30% to NAV; following a subsequent re-rating, part of the holding was sold at a materially narrower discount. As at 6 October 2026, the shares traded at approximately 75.3 pence, a discount of around 28.3% to NewRiver's last reported EPRA NTA of 105 pence per share (31 March 2026). Overall, the remaining position continues to present good value.

Sequoia Economic Infrastructure Income Fund Limited

At 30 June 2026 the Company held 3,000,000 ordinary shares at a cost of £2,397,000 and a market value of £2,472,000 (an unrealised gain of £75,000), representing 4.2% of NAV. As at 6 October 2026, the holding was unchanged at 3,000,000 ordinary shares held at a cost of £2,400,000 and a market value of £2,505,000 (an unrealised gain of £105,000).

The investment case was that Sequoia offered solid, income-based returns from a diversified portfolio of private and infrastructure debt, trading at a discount to NAV. The Board and Investment Manager consider that Sequoia is taking the right approach in defending its discount. Should this fail to narrow the discount over time, the Investment Manager would look to engage with Sequoia to pursue a formal zero-discount policy.

Picton Property Income Limited

At 30 June 2026 the Company held 1,729,758 ordinary shares at a cost of £1,230,000 and a market value of £1,230,000 (an unrealised gain of less than £1,000), representing 2.1% of NAV. The Company subsequently increased the position materially to 10,000,000 ordinary shares.

The increase reflects a merger-arbitrage trade around the all-share offer for Picton from a consortium of LondonMetric Property plc and Schroder Real Estate Investment Trust Limited, which was announced as a possible offer on 12 May 2026 and recommended on 31 July 2026. The scheme became effective on 10 September 2026, and the Company's holding of 10,000,000 Picton shares was exchanged for 1,900,000 LondonMetric shares and 8,940,000 Schroder Real Estate Investment Trust shares. As at 6 October 2026 the Company continued to hold both: the LondonMetric shares at a cost of £3,493,000 and a market value of £3,302,000 (an unrealised loss of £191,000), and the Schroder Real Estate Investment Trust shares at a cost of £3,801,000 and a market value of £3,576,000 (an unrealised loss of £225,000).

Real Estate Investors plc

At 30 June 2026 the Company held 3,000,000 ordinary shares at a cost of £961,000 and a market value of £930,000 (an unrealised loss of £31,000), representing 1.6% of NAV. As at 6 October 2026, the holding was 5,000,000 ordinary shares, held at a cost of £1,590,000 and a market value of £1,555,000 (an unrealised loss of £35,000).

Real Estate Investors is an internally managed commercial property company focused on the Midlands. Its board is pursuing an orderly sale of the portfolio, with proceeds applied first to repaying debt and then to returning capital to shareholders. At 30 June 2026 it reported EPRA NTA of 47.6 pence per share, a portfolio valued at £111.5 million and a loan-to-value ratio of 24.4% net of cash. Debt has been reduced to £29.1 million and Real Estate Investors expects capital returns to shareholders to begin once the remaining debt has been repaid in 2027. Disposals to date have been achieved at approximately 92% of December 2025 valuations in aggregate, and a fully covered quarterly dividend of 0.375 pence per share continues to be paid. The Company's average entry price of approximately 32 pence per share represents a discount of around one third to EPRA NTA. The board has in effect already adopted the strategy the Company would otherwise advocate, so the investment case rests on the orderly realisation of the portfolio at close to book value. The Investment Manager's role is to hold the board to its timetable.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Review of activities (continued)

New positions (continued)

Real Estate Investors plc (continued)

Unite Group plc (“Unite”)

At 30 June 2026 the Company held 1,300,000 ordinary shares at a cost of £6,595,000 and a market value of £6,610,500 (an unrealised gain of £15,000), representing 11.3% of NAV, the Company’s third-largest holding. As at 6 October 2026, the holding was 1,500,000 ordinary shares, held at a cost of £7,640,000 and a market value of £6,747,000 (an unrealised loss of £893,000).

The purpose-built student accommodation (“PBSA”) sector faces undoubted headwinds, with oversupply in certain markets and reduced demand from overseas students. However, the Board and Investment Manager consider that Unite’s shares were oversold, and that the underlying assets would be attractive to private equity or trade buyers. As a private company, Unite would be free of the constraints a listed vehicle faces in balancing rental growth against occupancy, for example prioritising improved occupancy even where this means flatter rental growth. Separately, the Renters’ Rights Act, from which PBSA is exempt, is expected to reduce the relative attractiveness of small-scale private rented accommodation, reinforcing demand for purpose-built stock. Recent sector divestments have been transacted at only a narrow discount to NAV, supporting the valuation case. The shares currently offer an attractive dividend yield.

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For the period from incorporation on 20 January 2025 to 30 June 2026

Principal Risks and Uncertainties

The Board is committed to maintaining a robust and transparent approach to risk management. Provision 34 of the AIC Code applies to accounting periods beginning on or after 1 January 2026 and is therefore not mandatory for the Company's period beginning on 20 January 2025. In preparation for reporting against Provision 34 in the Annual Report and Audited Financial Statements for the year ending 30 June 2027, the Board, with assistance from the Audit Committee, has considered how its existing risk management and internal control framework will support the forthcoming reporting requirements.

The Audit Committee has considered the approach to the identification of material controls, how assurance will be obtained and the evidence to support the Board's declaration in this regard in the 2027 Annual Report and Financial Statements, building on the Company's existing governance processes.

The Board with the assistance of the Audit Committee has performed a robust assessment of the Company's principal risks and uncertainties and emerging risks during the period under review and has developed and maintained a risk matrix, which identifies the key risks that the Company faces. In evaluating these risks, particular attention has been given to those that may affect the Company's viability. The principal risks are described in the following table:

Principal risk	Description	Mitigation
Investment strategy may not succeed	There can be no assurance that the Company's investment strategy will be successful or that it will result in price appreciation of the relevant portfolio companies' shares and, by extension, the Ordinary Shares.	The Board relies on the Investment Manager's experience and expertise in implementing the Company's investment strategy and monitors the delivery of that strategy through regular reviews of portfolio performance, investment activity and market developments. The Investment Manager maintains a disciplined investment process and has the flexibility to adapt its approach as market conditions evolve.
Portfolio concentration	The value of the Company's portfolio will be dominated by a limited number of assets which may be operating in only one or two sub-sectors of the investment company market. The Board has acknowledged the risk in the investment policy and has disclosed this risk to shareholders.	Investment Manager regularly monitors the portfolio's exposure to individual investments and sub-sectors, including the effect of changes in valuations on concentration levels. The Board receives regular portfolio reports and reviews concentration risk at each scheduled Board meeting. The potential impact on portfolio concentration is considered when making investment and divestment decisions. The Board recognises that a degree of concentration is inherent in the Company's investment strategy and ensures that this risk is clearly disclosed to shareholders. The Investment Manager maintains regular engagement with investee companies and monitors their financial performance, prospects and material developments, enabling emerging risks within the Company's largest holdings to be identified and addressed promptly.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Principal Risks and Uncertainties (continued)

Principal risk (continued)	Description (continued)	Mitigation (continued)
The Investment Manager does not meet Board, or shareholder, expectations	The history of engagement by the Investment Manager's investment professionals with respect to previous investments is not indicative of the Company's future performance or ability to improve the share performance of any portfolio companies. There may be extended periods where the assets of the Company are not fully invested.	The Board regularly reviews the performance of the Investment Manager against the Company's investment objective, investment policy and strategy and specifically at each quarterly Board meeting. This includes consideration of portfolio performance, investment activity, the quality of reporting and shareholder feedback received through the Investment Manager and the Corporate Broker. The Investment Manager operates within a clearly defined investment policy and investment process, and the Board undertakes a formal annual review of its performance. The Board retains the ability to replace the Investment Manager, subject to the terms of the Investment Management Agreement.
Key person risk in Investment Manager	The Company depends on the diligence, skill and business contacts of the Investment Manager's key investment professionals. The Company's future success depends on the continued service of these individuals, who are not obligated to remain employed, or involved with, or engaged by the Investment Manager.	The Investment Manager is expected to maintain team continuity and appropriate succession arrangements. Responsibilities are shared between two named investment managers supported by an experienced investment team. The Board considers succession planning and resourcing as part of its ongoing engagement with the Investment Manager and as part of its annual review of the Investment Manager's performance.
Reliance on key third-party service providers, including the investment manager	The Company is externally managed and has no employees. It is therefore dependent on the Investment Manager and its other key service providers for the effective operation of the Company. A failure by a key service provider to perform its obligations, maintain appropriate systems and controls or retain suitably experienced personnel could adversely affect the Company's operations, investment performance or financial reporting.	The Board undertakes due diligence before appointing key service providers and monitors their performance on an ongoing basis. The Board conducts an annual review of the performance of the Investment Manager and the Company's other principal service providers, including consideration of service levels, reporting, business continuity arrangements and external control reports where available. The Board retains the ability to replace service providers, including the Investment Manager, where performance does not meet expectations.
Cyber risk	The Company's Service Providers' may not have adequate cyber-attack prevention policies, business continuity plans and disaster recovery processes.	The Board performs an annual review of Service Providers' business continuity plans and cyber policies and considers external control and assurance where external control reports are available, to gain assurance that appropriate controls remain in place.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Principal Risks and Uncertainties (continued)

Emerging Risks

The Board regularly considers emerging risks as part of its risk management framework. Emerging risks include changes in the macroeconomic environment, geopolitical developments, regulatory change, cyber threats and developments affecting the Company's investment strategy and service providers. No emerging risks were identified during the period that were considered likely to have a material impact on the Company beyond those already disclosed as principal risks.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Viability Statement

The Board considers viability as part of its ongoing monitoring of the Company's principal and emerging risks. In preparing this Viability Statement, in accordance with the AIC Code, the Directors have assessed the prospects of the Company over a period longer than the 12 months considered in the going concern assessment.

The Board has determined that a period of three years is an appropriate time horizon over which to assess the Company's viability, taking into account the Company's investment objective and strategy, the nature of its investment portfolio and the principal risks facing the Company.

In assessing the Company's viability, the Board has taken a pragmatic approach having regard to the nature of the Company as a closed-ended investment company. The Company invests in listed equities, all of which are classified as Level 1 fair value investments and are readily realisable in an active market. The Company has no unquoted, illiquid or complex investments and is not subject to investor redemption requests. In these circumstances, the Board does not consider that detailed stress scenario analysis or projected cash flow modelling would provide meaningful additional insight into the Company's viability. The readily realisable nature of the Company's investments provides the Company with substantial financial flexibility, with the value of its investment portfolio significantly exceeding the level of its ongoing fixed costs. The Board therefore considers that the Company's financial resources are more than sufficient to meet its ongoing operating costs and other liabilities as they fall due and that the nature of the Company's investments provides an appropriate basis for assessing its viability.

Based on this assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three-year assessment period.

Achilles Investment Company Limited

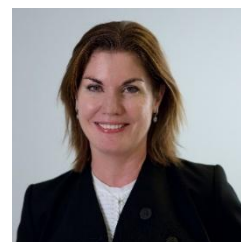
For the period from incorporation on 20 January 2025 to 30 June 2026

Board of Directors

Charlotte Denton

Independent Non-Executive Director
Chair of the Board
Member of the Audit Committee

Appointed 20 January 2025



Charlotte is a Fellow of the Institute of Chartered Accountants in England and Wales and holds a degree in politics from Durham University. She is also a Chartered Director and a Fellow of the Institute of Directors. She has served on boards for over twenty years and is currently a non-executive director of various entities, including the general partner boards of private equity group Hitec, the investment management company for Next Energy and the holding company for Alpha Real Capital. She is also on the board of the FTSE 100 company Pershing Square Holdings Limited. During Charlotte's executive career, she worked in various locations through roles in diverse organisations, including KPMG, Rothschild, Northern Trust, a property development startup and a privately held financial services group.

Helen Green

Independent Non-Executive Director
Chair of the Audit Committee

Appointed 11 February 2025



Helen has served on investment company boards for nearly twenty years. She is currently the Audit Chair of Golden Prospect Precious Metals Limited and Chair of Landore Resources Limited among other non-executive directorships at various entities including the holding company of Alpha Real Capital. Helen's previous non-executive directorships include JPMorgan Global Core Real Assets Limited, CQS Natural Resources Growth and Income Company plc, UK Mortgages Limited and John Laing Infrastructure Fund Limited through which she has extensive experience as a non-executive director, including as Audit and/or Risk Committee Chair and Board Chair. Helen worked for Saffery from 1984 until her retirement in March 2026. She was a Partner in the London office from 1998 until 2000 before relocating to Guernsey where she became a director of Saffery Trust Guernsey. Helen is a Fellow of the Institute of Chartered Accountants in England and Wales, a member of the Institute of Directors and a member of the Society of Trust and Estate Practitioners.

Philip Cooper

Independent Non-Executive Director
Member of the Audit Committee

Appointed 18 June 2026



Philip graduated from Nottingham Trent University with a degree in Urban Estate Surveying and is a member of the Royal Institution of Chartered Surveyors. He has worked in the real estate industry for over 40 years, beginning his career in the Commercial Property team at Schroders before becoming a Partner at Weatherall Green & Smith. After 11 years with the firm, he established BCM Real Estate Ltd, an investment advisory and surveying practice. Philip remains a Director of BCM Real Estate, which has advised and acted on behalf of a wide range of institutional investors, private and publicly quoted property companies, REITs, high-net-worth individuals and private equity funds over the past 30 years. Philip was also a founder and member of the management board of Wichford PLC, a publicly listed property company quoted initially on AIM and later on the Main Market of the London Stock Exchange. During his tenure on the board, the company acquired approximately £1 billion of government-leased UK property before becoming the subject of a reverse takeover by Redefine.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Board Members (continued)

Brett Miller

Former Independent Non-Executive Director

Appointed 20 January 2025

Resigned 5 May 2026

Brett was appointed as a Director of the Company from incorporation on 20 January 2025. He resigned as a Director of the Company on 5 May 2026.

Disclosure of Directorships in Other Public Companies Listed on Recognised Stock Exchanges

Director	Company Name	Stock Exchange
Charlotte Denton	Pershing Square Holdings Limited	London Stock Exchange
Helen Green	Golden Prospect Precious Metals Limited Landore Resources Limited	London Stock Exchange AIM
Philip Cooper	None	-

Compliance with Corporate Governance Codes

The Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) to provide a description of the main features of the Company's internal control and risk management systems in relation to the financial reporting process.

The Board has applied the Principles and Provisions of the AIC Corporate Governance Code published in August 2024 (the "AIC Code") throughout the period under review. The 2024 AIC Code applies to accounting periods beginning on or after 1 January 2025 and adapts the UK Corporate Governance Code 2024 (the "UK Code") for investment companies. The AIC Code addresses the Principles and Provisions of the UK Code and includes additional recommendations relevant to listed investment companies. The Board considers that reporting against the AIC Code provides the most appropriate and informative governance framework for Shareholders.

The AIC Code is available on the AIC's website (www.theaic.co.uk).

The AIC Code has been endorsed by the GFSC and companies which report against the AIC Code are deemed to meet the requirements of the GFSC's Finance Sector Code of Corporate Governance (the "GFSC Code"). Accordingly, the Company has not reported separately against the GFSC Code. The Board remains responsible for ensuring that the Company's governance arrangements satisfy all applicable Guernsey legal and regulatory requirements.

The UK Code includes provisions relating to the role of the chief executive, executive directors' remuneration and the need for an internal audit function. For the reasons set out in the AIC Code, and as explained in the UK Code, the Board considers that these provisions are not relevant to the Company, being an externally managed investment company. The Company has therefore not reported further in respect of these provisions.

The Board considers that, throughout the period ended 30 June 2026, the Company complied with the Principles and applicable Provisions of the AIC Code except as explained below. Having regard to the Company's externally managed structure and the size and composition of the Board, the Directors have not appointed a Senior Independent Director or established separate nomination, remuneration or management engagement committees. The responsibilities that would ordinarily be discharged by those roles and committees are undertaken by the full Board. The Board considers that this structure remains proportionate and effective and will keep the appointment of a Senior Independent Director and the establishment of additional committees under review as the Company develops.

During the period, the Board performed an internal review of the performance of the Board and the Audit Committee, the Chair and individual Directors, and succession planning, following the resignation of Brett Miller and appointment of Philip Cooper as a Non-Executive Director. The Board also reviewed the Directors' remuneration arrangements, and confirmed that it intended to keep these under review. The Board also completed its annual review of the Investment Manager and the Company's principal service providers, concluding that their performance remained satisfactory and that their appointments should continue.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Compliance with Corporate Governance Codes (continued)

Key issues affecting the Company's corporate governance responsibilities, how they are addressed by the Board and application of the AIC Code are presented within these Audited Financial Statements as summarised below:

AIC Code section	Relevant disclosure
1. Board leadership and company purpose	Pages 5 - 6 (Chair's Statement) Pages 7- 9 (Investment Managers' Report) Page 17 (Viability Statement) Pages 22 - 33 (Corporate Governance Statement)
2. Division of Responsibilities	Pages 14 -16 (Principal Risks and Uncertainties) Pages 22 - 33 (Corporate Governance Statement)
3. Composition, Succession and Evaluation	Pages 18 - 19 (Board of Directors) Pages 22 - 33 (Corporate Governance Statement)
4. Audit, Risk and Internal Control	Page 17 (Viability Statement) Pages 38 – 42 (Audit Committee Report) Pages 22 - 33 (Corporate Governance Statement) Page 36 - 37 (Statement of Directors' Responsibilities) Pages 43 - 47 (Independent Auditor's Report) Pages 52 -69 (Notes to the Audited Financial Statements)
5. Remuneration	Page 27 (Corporate Governance Statement) Pages 52 -69 (Notes to the Audited Financial Statements)

As set out in the Company's Prospectus, the Company has voluntarily undertaken to comply with UKLR 6.6 as a matter of best practice and good corporate governance. UKLR 6.6.4R requires the Company to include certain information required under UKLR 6.6.1R in a single identifiable section of these Audited Financial Statements or a cross-reference table indicating where this information is set out. The Board reviewed the specified UKLR matters and confirms no additional disclosures are required for the period.

Corporate Governance Statement

Section 172(1) Statement

Section 172 of the UK Companies Act is not directly applicable to the Company as a non-UK company. However, the intention of Provision 5 in section 5.2 of the AIC Code is that the matters set out in section 172 are reported on by all investment companies, irrespective of domicile, provided that this does not conflict with local company law.

Section 172 states that: A director of a company must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the six items (a) to (f) in the following table.

Section 172(1) Statement
(a) the likely consequences of any decision in the long term
(b) the interests of the Company's employees
(c) the need to foster the Company's business relationships with suppliers, customers and others
(d) the impact of the Company's operations on the community and the environment
(e) the desirability of the Company maintaining a reputation for high standards of business conduct
(f) the need to act fairly as between members of the company

Actions taken by the Board which fall under the scope of Section 172

The Company is an investment company, and its purpose is to invest in the shares of companies admitted to trading on a market of the London Stock Exchange, and to seek to maximise the value of such investments for Shareholders. The Company has no employees.

The Company's approach to investment is explained in the Investment Manager's Report. The Board seeks to promote a culture of openness, integrity and constructive challenge that supports effective decision-making and is aligned with the Company's purpose, values and strategy. The Board monitors this through its oversight of the Investment Manager and other service providers and through its regular Board discussions and annual review processes.

During the period under review, the Board received regular reports from the Investment Manager and the Corporate Broker, providing shareholder views and updates on market conditions and considered shareholder views on the Company's investment policy and portfolio holdings at each quarterly Board meeting.

The Company also has a number of policies and procedures in place to assist with maintaining a culture of good governance including those relating to diversity, conflicts of interest, and dealings in the Company's shares. The Company's policy is to have zero tolerance of corruption, bribery and tax evasion either by the Company and its officers or by its suppliers.

The Board assesses and monitors compliance with these policies regularly through Board meetings and its annual review processes. The Board has appointed appropriate service providers for the Company's needs and annual performance reviews of key service providers are undertaken by the Board. No change to key service providers was required following the annual review undertaken during the period. The Board also considers the culture of the Investment Manager and other service providers through regular reporting as well as through ad hoc interaction.

The Board seeks to keep the Company's costs under control, thereby enhancing performance and returns for the Company's shareholders.

The Board considers impacts on the community and environment and takes a close interest in ESG issues. However, as an externally managed company, the practical implementation of policy rests with the Investment Manager.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Stakeholders

The Company is an externally managed investment company whose activities are all outsourced. It does not have any employees. The Board has identified its key stakeholders, and how the Company engages with them, in the table below:

Stakeholder	Key Considerations	Engagement
Shareholders	Shareholders are, in effect, both the owners and customers, obtaining investment returns from the Company. A well-informed and supportive shareholder base is crucial to the long-term sustainability of the Company. Understanding the views and priorities of shareholders is, therefore, fundamental to retaining their continued support.	A detailed explanation of the Company's approach is set out under Relations with Shareholders below.
Investment Manager	Management of the investment portfolio is delegated to the Investment Manager. Investment performance is crucial to the long-term success of the Company.	The Board engages in regular, open and detailed communication with the Investment Manager. On at least a quarterly basis, the Board reviews in detail the overall performance of the Company and of individual investments. An annual review of the Investment Manager is performed by the Board.
Administrator & Company Secretary and other key service providers.	The Administrator and Company Secretary assist with the effective running of the Company. The Company has a number of other key service providers, each of which provides an important service to the Company and ultimately to its shareholders.	The Company Secretary attends all Board meetings. The Board undertakes an annual review of the key service providers, encompassing performance, level of service and cost. Each provider is an established business, and each is required to have in place suitable policies to ensure that they maintain high standards of business conduct, treat customers fairly, and employ corporate governance best practice. The Company seeks to ensure that supplier invoices are settled promptly and in accordance with contractual terms.

Corporate Governance Statement (continued)

Relations with Shareholders

The share capital of the Company currently consists only of Ordinary Shares and no shares with special rights exist. All holders of Ordinary Shares in the Company have the right to receive notice of, attend and vote at the general meetings of the Company.

The Board aims to provide shareholders with a full understanding of the Company's investment objective, policy and activities, its performance and the principal risks by means of annual and half-yearly financial statements.

The Company has appointed Singer Capital Markets Securities Limited as Corporate Broker. The Corporate Broker and the Investment Manager liaise with major Shareholders on an ongoing basis and report shareholder sentiment, expectations and analyst views to the Board at its quarterly meetings.

The Chair is also available to meet shareholders to discuss the Company's strategy and to understand any issues and concerns which they may have. The Chair maintains regular dialogue with shareholders through meetings and shareholder events. The Board receives regular updates on shareholder engagement and feedback, which are taken into account in its decision-making. During the period, shareholder feedback informed enhancements to the Company's shareholder communications, and the Board agreed to strengthen its approach of shareholder engagement through regular reporting and consideration at each Board meeting.

The Company's website, which is maintained by the Investment Manager, is regularly updated with news and announcements. Information published online is accessible in many countries each with differing legal requirements relating to the preparation and dissemination of financial information. Users of the Company's website are responsible for informing themselves of how the requirements in their own countries may differ from those of Guernsey.

The Directors welcome the views of all shareholders and place considerable importance on communications with them. Shareholders wishing to communicate with the Chair, or any other member of the Board, may do so by writing to the Company, for the attention of the Company Secretary, at the registered office Les Echelons Court, Les Echelons, St Peter Port, Guernsey GY1 1AR.

The Company's annual general meeting also provides a forum for shareholders to meet and discuss matters with the Directors.

Board Proceedings

There is an established Schedule of Matters Reserved for the Board.

The Board is responsible for the determination of the Company's investment policy and strategy and has overall responsibility for the Company's activities, including the review of investment activity, risk management and performance and the control and supervision of the Company's service providers. The Directors, led by the Chair, are also responsible for ensuring effective engagement with, and encouraging participation from, the Company's shareholders and stakeholders.

The Board has delegated the day-to-day management of the Company's investment portfolio and risk management to the Investment Manager under the Investment Management Agreement. The Investment Manager is responsible for identifying, evaluating and executing investment opportunities, and for the ongoing management of the portfolio, within the investment objective, investment policy and investment restrictions approved by the Board. The Board retains responsibility for matters reserved to it, including determining the Company's investment objective, investment policy and strategy, overseeing the performance of the Investment Manager and monitoring the Company's overall risk management and governance framework.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Board Proceedings (continued)

All the Directors are non-executive and independent of the Investment Manager. The Directors meet at least four times a year, and at such other times as may be required, to review and assess, inter alia, the Company's investment policy and strategy, the Company's risk profile, investment performance, the performance of the Company's service providers (including the Investment Manager and the Administrator), and generally to supervise the conduct of the Company's affairs.

The Board has been assembled to provide an appropriate balance of financial, investment company, property, governance, regulatory and commercial experience relevant to the Company's strategy and principal risks. The Board reviews its collective skills and experience as part of succession planning and performance evaluation and considers how any identified gaps should be addressed.

Board Composition

The Directors of the Company who served during the period and to date are set out on pages 18 -19.

There is no Senior Independent Director. Given the small size of the Board and the fact that all Directors are independent and non-executive, the Board considers that it is not necessary to appoint a Senior Independent Director at this time.

Board Diversity

The Board recognises that diversity and inclusion contribute to effective decision-making and good corporate governance. In considering Board composition and succession planning, the Board seeks to maintain an appropriate balance of skills, experience, knowledge, gender, ethnicity, background and diversity of thought, while ensuring that appointments are made on merit against objective criteria and with due regard to the Company's strategic needs.

The Board's objective is to maintain an effective and diverse Board appropriate to the Company's size and stage of development. During the period, these principles were applied as part of the Board's succession planning, including following the resignation of Brett Miller and the appointment of Philip Cooper. The Board remains satisfied that its current composition provides an appropriate balance of skills, experience and diversity and will continue to take diversity and inclusion into account in future succession planning and Board appointments.

The Board voluntarily discloses the following information in relation to diversity. The Company has no executive management so columns relating to executive management have been excluded. The Board has decided that the Company's financial period end date is the most appropriate date for disclosure purposes. The following information has been provided by each Director:

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and chair)*
Men	1	33.3 %	-
Women	2	66.7%	1 - Chair
Prefer not to say	-	-	-
White British or Other White (including minority-white groups)	3	100%	1
Prefer not to say	-	-	

* The Company does not have a CEO or CFO on the Board.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Directors' Interests

The Directors held the following interests in the share capital of the Company either directly or beneficially as at 30 June 2026 and as at the date of signing these Audited Financial Statements:

	Number of Ordinary Shares	% Ordinary Shares in issue as at 30 June 2026
Charlotte Denton	25,000	0.05%
Helen Green	10,000	0.02%
Philip Cooper	20,000	0.04%

None of the Directors nor any persons connected with them had a material interest in any of the Company's transactions, arrangements or agreements at the date of this report and none of the Directors has or had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company, and which was effected by the Company during the reporting period.

At the date of this report, there are no outstanding loans or guarantees between the Company and any Director.

Directors' Share Dealings

The Company has adopted a share dealing code. The Board is responsible for taking all proper and reasonable steps to ensure compliance with this code by the Directors.

Director Attendance

During the period ended 30 June 2026, the Board and Committee meetings held and attended by the Directors were as follows:

	Quarterly Board Meetings	Audit Committee Meetings	Ad-hoc Meetings
Director	Attended/ Eligible	Attended/ Eligible	Attended/ Eligible
Charlotte Denton	5/5	3/3	6/6
Helen Green	5/5	3/3	6/6
Philip Cooper*	1/1	N/A	1/1
Brett Miller**	4/5	2/2	4/4

**Brett Miller resigned as a Director on 5 May 2026

*Philip Cooper was appointed as a Director on 18 June 2026

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Directors' Remuneration

Given the size of the Company, and the fact that the whole Board is comprised of independent non-executive Directors, the Board as a whole currently discharges remuneration responsibilities.

The Company's Articles of Incorporation limit the annual fees payable to the Board of Directors to no more than £150,000 per annum (or such sum as the Company in general meeting shall from time to time determine). The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, Board or committee meetings or otherwise in connection with the performance of their duties.

During the period, the Board considered the Directors' remuneration arrangements and concluded that a further review would be appropriate in due course. Directors' remuneration is reviewed by the Board, taking into account the responsibilities of the role, the Company's circumstances and market practice for comparable investment companies. No Director participates in any decision relating to his or her own remuneration and no performance-related remuneration is payable to the Directors.

Under their terms of appointment, the Directors' total annual remuneration is disclosed below:

	2026 £
Charlotte Denton	25,000
Helen Green	20,000
Philip Cooper*	20,000
Brett Miller**	20,000

** Brett Miller resigned as a Director on 5 May 2026

* Philip Cooper was appointed as a Director on 18 June 2026

Board Responsibilities

The Board comprises three non-executive Directors, who meet at least quarterly to consider the affairs of the Company in a prescribed and structured manner. All Directors are considered independent of the Investment Manager for the purposes of the AIC Code. Biographies of the Directors for the period ended 30 June 2026 appear on pages 18 – 19 which demonstrate the wide range of skills and experience they bring to the Board.

The Directors, in the furtherance of their duties, may take independent professional advice at the Company's expense, which is in accordance with provision 20 of the AIC Code. The Directors also have access to the advice and services of the Company Secretary through its appointed representatives who are responsible to the Board for ensuring that the Board's procedures are followed, and that applicable rules and regulations are complied with.

To enable the Board to function effectively and allow the Directors to discharge their responsibilities, full and timely access is given to all relevant information.

Corporate Governance Statement (continued)

Division of Responsibilities

A formal schedule of matters reserved for the Board is maintained by the Company and can be summarised as follows:

- the Company's overall strategy, investment objective and investment policy;
- risk management, internal controls and corporate governance matters;
- approval of the annual and interim reports and accounts, accounting policies, budgets and other significant financial matters;
- capital structure, financing arrangements, dividends and the issue and repurchase of shares;
- material contracts and transactions, including related party transactions, and the appointment and oversight of key service providers;
- Board and Committee composition, appointments, succession, independence, remuneration and performance evaluation;
- conflicts of interest;
- shareholder meetings and communications, and significant regulatory announcements; and
- other significant corporate matters, including changes to the Company's listing or Articles of Incorporation.

The Directors have also delegated certain functions to other parties such as the Investment Manager, the Administrator, the Company Secretary, the Custodian and the Registrar. In particular, the Investment Manager has been granted discretion over the management of the investments comprising the Company's portfolio.

The Investment Manager reports to the Board on a regular basis both outside of and during quarterly Board and Committee meetings, where the operating and financial performance of the portfolio, together with valuations, are discussed at length between the Board and the Investment Manager. The Directors have responsibility for exercising supervision over the Investment Manager.

Tenure

In accordance with the Company's Tenure and Re-election Policy and the AIC Code, all Directors stand for election or re-election by shareholders at each annual general meeting. The Board expects Directors to serve for no longer than nine years, save in exceptional circumstances where the Board determines that continued service is in the best interests of shareholders. The Chair would not normally serve for more than nine years from the date of their initial appointment to the Board.

In considering succession planning, the Board is mindful of the principles and provisions of the AIC Code relating to Board composition, succession and evaluation. The Board's approach to succession planning is intended to ensure an appropriate balance of skills, experience, knowledge and diversity, while maintaining continuity and supporting the Company's long-term strategy. Diversity and inclusion considerations form an integral part of the Board's succession planning process and will continue to be taken into account in future Board appointments.

The Chair is non-executive and independent and has been since appointment. In accordance with the Company's Tenure and Re-election Policy, the Chair would not normally serve for more than nine years from the date of their initial appointment to the Board. The Chair does not participate in discussions regarding her own succession.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Annual Review of Performance of Board, its Committees, the Chair and Individual Directors

The Board is committed to undertaking an annual performance review of the Board, its Committees, the Chair and the individual Directors in accordance with the AIC Code. Following the resignation of Brett Miller on 5 May 2026, the Board undertook a recruitment process which included a comprehensive assessment of the skills, experience and competencies of each Director required to support the Company's strategic objectives. This process enabled the Board to evaluate its overall composition and identify any areas requiring enhancement. Philip Cooper was subsequently appointed as a Non-Executive Director on 18 June 2026.

In light of the recent Board appointment, the Board has agreed that the next Board performance review will be undertaken during the first quarter of 2027, once Mr Cooper has completed at least six months of service on the Board. The Board considers that this timing will facilitate a more meaningful assessment of the effectiveness of the Board and the contribution of individual Directors.

During the period, the Audit Committee undertook its annual review of its effectiveness in accordance with its Terms of Reference and concluded that it continued to operate effectively.

Board Committees

The Company has established an Audit Committee (the "Committee"). The Terms of Reference are available on the Company's website.

The Board believes that its established Committee is adequately composed, and that each member has the necessary skills and experience to discharge their duties effectively. The actions carried out by the Committee since the previous quarterly Board meeting are reported at each meeting to the Board by the Committee chair. Each Committee meeting is attended by the Company Secretary and minutes are kept, as well as a schedule of the action points arising from each meeting.

The Committee comprises all the Directors and is chaired by Helen Green who is considered to have recent and relevant financial experience. The Committee meets at least twice a year. There are a number of regular attendees at meetings of the Committee, including the Company's external auditor. A full report regarding the Committee's activities during the period can be found in the Audit Committee Report on pages 38 - 42.

Taking into account the size of the Board, the Directors do not consider it appropriate to establish a nomination, remuneration or management engagement committee. The functions that are carried out by these committees are dealt with by the full Board.

Foreign Account Tax Compliance Act ("FATCA")

FATCA requires certain financial institutions outside the United States ("US") to pass information about their US customers to the US tax authorities, the Internal Revenue Service (the "IRS"). A 30% withholding tax is imposed on the US source income and disposal of assets of any financial institution within the scope of the legislation that fails to comply with this requirement.

The Board of the Company has taken all necessary steps to ensure that the Company is FATCA compliant and confirms that the Company is registered and has been issued a Global Intermediary Identification Number ("GIIN") of FET1QP.99999.SL.831 by the IRS. The Company will use its GIIN to identify that it is FATCA compliant to all financial counterparties.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Common Reporting Standard

The Common Reporting Standard is a global standard for the automatic exchange of financial account information developed by the Organisation for Economic Co-operation and Development (“OECD”), which has been adopted in Guernsey, and which came into effect in January 2016.

The Company is subject to Guernsey regulations and guidance on the automatic exchange of tax information, and the Board has taken, and will continue to take, the necessary actions to ensure that the Company is compliant in this regard.

Internal Controls and Risk

The Board takes appropriate steps to manage risks, including ensuring that the Company complies with the investment restrictions provided for in the Prospectus.

The Company has engaged Harwood Capital Management (Gibraltar) Limited (“HCM”) as its Alternative Investment Fund Manager (“AIFM”) to provide portfolio and risk management services to the Company. The Board agrees the strategy for the Company, approves the Company’s risk appetite and, together with the AIFM, monitors the risk profile of the Company. The Board and AIFM maintains a risk management process to identify, monitor and control risk concentration.

Regular risk assessments and reviews of internal controls are undertaken by the Audit Committee. At each meeting, the Audit Committee considers both previously identified and emerging risks. The Administrator and Company Secretary and other service providers are also encouraged to provide their views on emerging risks.

Responsibility for the establishment and maintenance of an appropriate system of internal control rests ultimately with the Board. However, the Board is supported by the Investment Manager, Audit Committee and other service providers to achieve this. In preparation for reporting against Provision 34 of the AIC Code, the Board, with assistance from the Audit Committee, is obtaining the evidence and assurance required to support the Board’s assessment of their effectiveness.

Please refer the principal risk section on page 14.

ESG and Climate Change Risks and Considerations

The Board has regard to ESG and Climate Change Risks matters where relevant to the Company and its investments. Day-to-day management of the investment portfolio is delegated to the Investment Manager, subject to the Board’s overall oversight.

Internal Audit Function

As an externally managed investment company with no employees, the Board does not currently consider that a separate internal audit function is required. The Audit Committee reviews this conclusion annually, taking into account the nature, scale and complexity of the Company, its risk profile and the control arrangements operated by the Investment Manager and other service providers. Following its review for the period ended 30 June 2026, the Audit Committee concluded that a separate internal audit function remained unnecessary.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Ongoing Charges

The ongoing charges figure for the period was 1.39%. The ongoing charges represent annualised ongoing expenses of £783,000 divided by the average Net Asset Value for the period of £56,359,000. The ongoing charges calculation has been prepared in accordance with the recommended methodology provided by the Association of Investment Companies where non-recurring expenses of £355,000 have been excluded and represents the percentage reduction in shareholder returns as a result of recurring operational expenses

Service Providers

Investment Management Agreement and Fees

The Investment Management agreement between the Company and the Investment Manager (the “Investment Management Agreement”) was entered into on 20 February 2025.

Under the terms of the Investment Management Agreement, the Company has appointed the Investment Manager as its AIFM, and to provide portfolio management and risk management services to the Company, in accordance with the AIFM Directive, the Level 2 Regulations (the “AIFMD Rules”).

The Investment Management Agreement may be terminated by the Company or the Investment Manager on not less than six months’ written notice. The agreement may also be terminated with immediate effect in certain circumstances, including insolvency or material breach.

If the Key Man (being Robert Naylor or any replacement approved by the Board) ceases to devote substantially all of his time to the performance of their duties or ceases to be employed by the Investment Manager, the Company may terminate the agreement forthwith by notice in writing.

Under the terms of the Investment Management Agreement, the Investment Manager is entitled to an annual management fee, and in certain circumstances the payment of a Performance Fee, together with reimbursement of all reasonable costs and expenses incurred by it in the performance of its duties. Further detail on the management fee is included in Note 8. As at 30 June 2026, no performance fee is payable by the Company.

The Company has agreed to indemnify the Investment Manager and certain related persons, subject to customary exclusions including negligence, wilful default, fraud or material breach.

Administrator and Company Secretary

Following a competitive tender process for Administrator services, on 20 February 2025, the Company appointed NSM Funds Limited (“NSMF”) as its Administrator and Company Secretary.

Pursuant to the Administration and Secretarial Agreement between NSMF and the Company, NSMF is responsible for the day-to-day administration and company secretarial functions of the Company (including but not limited to the maintenance of the Company’s accounting records, the calculation and publication of the monthly Net Asset Value and the production of the Company’s annual and interim report). Shareholders should note that it is not possible for the Administrator to provide any investment advice to investors.

NSMF is responsible for monitoring regulatory compliance and providing support to the Board’s corporate governance process and its continuing obligations under UK Market Abuse Regulation (UK MAR).

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Administrator and Company Secretary (continued)

NSMF is a Guernsey incorporated company which is licensed by the GFSC under the provisions of the POI Law to conduct certain restricted investment and administrative activities in relation to collective investment schemes. NSMF, for the purposes of the POI Law and the RCIS Rules, is the 'designated administrator' of the Company.

Alternative Investment Fund Managers Directive

On 20 February 2025, the Company appointed the Investment Manager as its AIFM. The AIFM acts as the Company's alternative investment fund manager for the purposes of the UK AIFM Regime and is responsible for establishing and maintaining appropriate risk management policies and procedures in accordance with the applicable regulatory requirements.

Custodian

The Custodian of the Company is Butterfield Bank (Channel Islands) Limited.

Registrar

MUFG Corporate Markets (Guernsey) Limited (previously known as Link Market Services (Guernsey) Limited) was appointed as registrar to the Company pursuant to the Registrar Agreement dated 20 February 2025. In such capacity, the Registrar is responsible for the transfer and settlement of shares held in certificated and uncertificated form. The Register may be inspected at the office of the Registrar.

Share Capital and Rights

All issued shares in the Company are Ordinary Shares with equal rights to vote, receive dividends and participate in distributions. For further information, see note 13.

Substantial Shareholdings

On 6 October 2026, the latest practicable date for disclosure in this report, the Company has been advised of the following beneficial shareholders who owned 5% or more of the issued ordinary share capital of the Company:

Shareholder	Number of Ordinary Shares Held	% Held
Hawksmoor Investment Mgt	5,400,000	10.10
Schroder Investment Mgt	5,356,400	10.02
Alder Investment Mgt	5,000,000	9.35
Waverton Investment Mgt	5,000,000	9.35
Momentum Global Investment Mgt	3,962,500	7.41
Newton Investment Mgt	3,486,376	6.52
Unicorn Asset Mgt	3,000,000	5.61
CG Asset Mgt	2,900,000	5.42
Weiss Asset Mgt	2,887,666	5.40

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Governance Statement (continued)

Going concern

The Directors have adopted the going concern basis in preparing these Audited Financial Statements.

In assessing the going concern basis of accounting, the Directors have assessed the guidance issued by the Financial Reporting Council and considered the Company's own financial position, market volatility, the imposition of tariffs and the impact on global trade and other uncertainties impacting on the financial position and liquidity requirements of the Company's investments.

At period end the Company had a net asset position of £58,607,000 including cash of £16,725,000 and listed investments of £40,933,000.

The Company generates liquidity through the realisation of investments and the receipt of dividend and other investment income. It uses liquidity by making new and follow-on investments and paying company expenses. In assessing its going concern status, the Directors have considered the liquidity of the Company's investments, cash balances and ongoing expenses. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these Audited Financial Statements and, accordingly, they have adopted the going concern basis of accounting in preparing the Audited Financial Statements.

Results and Dividends

The results attributable to shareholders for the period are shown in the Statement of Comprehensive Income on page 48. The Directors have neither declared nor paid a dividend for the period.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Directors' Report

The Directors present their Report and the Audited Financial Statements of the Company for the period ended 30 June 2026.

Principal Activities and Business Review

The investment objective of the Company is to invest in the shares of companies, admitted to trading on a market of the London Stock Exchange, and seek to maximise the value of such investments for Shareholders.

The Directors do not envisage any change in these activities for the foreseeable future. A description of the activities of the Company in the period under review is given in the Chair's Statement and the Investment Manager's Report.

Business and Tax Status

The Company is a Registered Closed-ended Collective Investment Scheme regulated by the Guernsey Financial Services Commission ("GFSC"), with reference number 3082907, pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 2020, as amended and the Registered Collective Investment Scheme Rules and Guidance, 2021. The Company was incorporated in Guernsey on 20 January 2025. The Company operates under The Companies (Guernsey) Law, 2008, as amended.

The Company's shares are admitted to trading on the Specialist Fund Segment ("SFS") of the Main Market of the London Stock Exchange.

The Company's management and administration takes place in Guernsey and the Company has been granted exemption from Guernsey Income Tax by the Director of the Revenue Service under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, as amended. It is the intention of the Directors to continue to operate the Company so that each year this tax-exempt status is maintained.

In respect of the Criminal Finances Act 2017, as amended, and the corporate criminal offence of 'failing to take reasonable steps to prevent the facilitation of tax evasion', the Board confirms that it is committed to zero tolerance towards the criminal facilitation of tax evasion.

Life of the Company

In accordance with the Company's Articles of Incorporation ("Articles"), the Directors are required to propose an ordinary resolution at the Company's third annual general meeting following Initial Admission that the Company continues its business as presently constituted (the "Initial Continuation Resolution"). If passed, the Articles provide that the Directors will propose an ordinary resolution that the Company continue its business as presently constituted at each annual general meeting thereafter (a "Continuation Resolution"). If the Initial Continuation Resolution or any Continuation Resolution is not passed, the Directors will put forward proposals for the reconstruction, reorganisation or winding up of the Company to Shareholders for their approval as soon as reasonably practicable following the date on which the Initial Continuation Resolution or relevant Continuation Resolution (as the case may be) is not passed. These proposals may or may not involve winding up the Company and, accordingly, failure to pass the Initial Continuation Resolution or any Continuation Resolution will not necessarily result in the winding up of the Company.

Should the Net Asset Value fall below £30 million at any time following Initial Admission, the Board will engage with Shareholders to determine their preference for the Company's continuation. If Shareholders indicate a preference not to proceed, the Board will bring forward proposals to facilitate an orderly return of capital to Shareholders.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Directors' Report (continued)

Gearing Policy

The Company does not intend to incur borrowings for investment purposes, although the Company may, from time to time, utilise borrowings over the short term for working capital purposes up to 10 per cent. of Net Asset Value at the time of borrowing. The Company may invest in portfolio companies which themselves employ gearing or incur leverage.

Distribution Policy

The Directors intend to manage the Company's affairs to achieve Shareholder returns through capital growth rather than income. Therefore, it should not be expected that the Company will pay significant dividends, if any.

Redemption Mechanism

The Company's ordinary shares are redeemable.

As a mechanism for returning capital (including realised profits) to Shareholders, the Company may, from time to time, invite Shareholders to tender some or all of their Ordinary Shares for redemption.

Shareholders and prospective Shareholders should note that the operation of the Redemption Mechanism is entirely at the discretion of the Board and no expectation or reliance should be placed on the Directors exercising such discretion at any particular time. When the Board decides to operate the Redemption Mechanism, the Board will promptly announce its intentions, and such announcement will include the following details:

- the date by which Redemption Requests must be received by the Company;
- the Redemption Point (at which the redemption will become effective);
- the maximum size of the proposed redemption; and
- any additional information that the Board deems necessary to include in connection with the redemption.

Share Buybacks

The Directors have been granted the authority to make market buybacks of ordinary shares up to 14.99 % of the ordinary shares in issue following Initial Admission. The Directors will seek renewal of this authority from shareholders annually and at other times should this prove necessary. Any buyback of ordinary shares will be made subject to the Companies Law and at the absolute discretion of the Board.

Post period end, the Board commenced on-market purchases of the Company's Ordinary Shares pursuant to its existing shareholder authority, with a view to narrowing the discount at which the Ordinary Shares were trading to Net Asset Value. Shares purchased are being held in treasury. Further details of purchases made following the period end are set out in Note 18.

Signed on behalf of the Board by:

Charlotte Denton

Chair

08 October 2026

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Statement of Directors' Responsibilities

The Directors are responsible for preparing this Report and Audited Financial Statements in accordance with applicable law and regulations.

The Companies (Guernsey) Law, 2008, as amended, requires the Directors to prepare audited financial statements for each financial period. Under that law they are required to prepare these Audited Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the United Kingdom and applicable law.

Under the Companies Law the Directors must not approve these Audited Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these Audited Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Audited Financial Statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its audited financial statements comply with the Companies Law. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are aware, there is no relevant audit information of which the Company's Auditor is unaware; and that each Director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Statement of Directors' Responsibilities (continued)

Responsibility statement of the Directors in respect of the Report

We confirm that to the best of our knowledge:

- these Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the management report (comprising the Strategic Report and Governance) includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

We consider this Report and the Audited Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Signed on behalf of the Board of Directors of the Company on 08 October 2026.

Charlotte Denton

Chair

08 October 2026

Audit Committee Report

Role and Responsibilities of the Committee

This is the report of the Audit Committee (herein the “Committee”) which has been prepared with reference to the AIC Code and describes the work of the Committee in discharging its responsibilities.

The Committee meets formally at least twice each year and on an ad hoc basis when required and reports to the Board. It has formally delegated duties and responsibilities with written terms of reference which are reviewed and reapproved at least annually. Those terms of reference are published on the Company’s website at [6-Achilles-Audit-Committee-Terms-of-Reference.pdf](#)

The Committee is mandated by the Board to investigate any activity within its terms of reference and to consult externally with legal or other independent professional advisors, as required, to ensure that the Committee adequately discharges its duties and responsibilities, which include:

- Monitoring the integrity of the Company’s audited financial statements, reports, announcements and other published financial information.
- Reviewing and challenging significant accounting judgements, estimates, policies, disclosures and unusual transactions.
- Reviewing annual and half-year reports and providing advice on whether the accounts, taken as a whole, are fair, balanced, understandable and provide the information necessary for shareholders to assess the Company’s position and performance, business model and strategy.
- Following the FRC’s Audit Committees and the External Audit: Minimum Standard.
- Assessing going concern, viability, principal and emerging risks, including stress-testing and scenario planning.
- Reviewing the Company’s internal control and risk management framework, including escalation and reporting procedures.
- Reviewing assurance reports and corrective actions relating to risk, controls and audit recommendations.
- Overseeing compliance, whistleblowing, fraud prevention, anti-bribery, tax-evasion and anti-money laundering controls.
- Considering annually whether an internal audit function is required and explain how internal assurance is achieved.

The Committee may review any matter that it considers appropriate notwithstanding that it is not specifically mentioned in the above list of duties.

Composition

The Committee is comprised of all the Directors with Helen Green acting as Chair. The membership of the Committee and its terms of reference are kept under regular review. All members of the Committee have relevant competence in the sector in which the Company operates in addition to relevant financial experience as required by the Code.

Audit Committee Report (continued)

Composition (continued)

Only independent non-executive Directors serve on the Committee and the members do not have any links with the Company's external auditor. They are also independent of the management teams of the Investment Manager, administrator and all other service providers. Notwithstanding that Charlotte Denton is Chair of the Board, she was independent upon appointment, so is a member of, but may not chair, the Committee.

The Committee meets the external auditor at least twice a year.

Oversight of Controls and Risk Management Systems

The Board, via its Audit Committee, conducts an annual Business Risk Assessment in conjunction with the Investment Manager. The intention of this exercise is to identify and articulate the material risks that might affect the Company and its trading prospects, the likelihood of them occurring and their assessed impact. As part of this process the explicit controls intended to mitigate either or both of the risk of occurrence, or the impact of an occurrence, are also articulated. In this way a residual net impact assessment is derived.

The Audit Committee intends to hold meetings with the Investment Manager and the Administrator on a regular basis, to review and inspect operations.

The Administrator reports formally to the Committee at least annually on their systems of internal controls. In accordance with the provisions of the AIC Code, the Committee has conducted a review of those systems of internal controls and is satisfied that they are sufficient to withstand the risks to which the Company is subject.

As the Company is a closed-ended investment company, all of whose Directors are non-executive, and as all executive functions have been delegated to professional third-party advisors, the Committee does not consider it necessary for the Company to have its own internal audit function. However, the Committee keeps this under annual review. Whilst no reliance can be placed on them, in assessing the outsourced control environment, the Committee considers reporting received directly from the Company's principal service providers and independent assurance reports where available

Whilst the Company does not have any staff, the Committee considers that the arrangements by which staff of the Investment Manager, the AIFM and the Administrator may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters are of great importance. The Committee reviews such arrangements annually and, as required by the AIC Code, is satisfied that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action.

Audit Committee Report (continued)

Significant Risks in Relation to the Report and Audited Financial Statements

In discharging its responsibilities, the Committee has specifically considered the following significant issues relating to the Audited Financial Statements:

Valuation of Investments

The Board reviews portfolio valuations on a regular basis throughout the period, and at quarterly meetings with the Investment Manager seeks assurance that the pricing basis is appropriate and in line with relevant accounting standards. As at period end, the Company does not hold any investments in unquoted investments. The Company's net asset value is calculated on a monthly basis by the Administrator.

Operational and Service Provider Resilience

As an investment company, the Company does not have employees, customers or suppliers in a conventional sense as a trading/operating company does. Reliance is, however, placed on service providers, principally the Investment Manager, the AIFM and the Administrator. The Committee has been kept apprised of business continuity measures enacted by these key service providers and is receiving updates in relation to any emergent risks, vulnerabilities and the continued effectiveness of internal controls. Information flows between the Investment Manager and other advisers have been effective and a key component of oversight in prevailing conditions. Both the Board and the Investment Manager are maintaining dialogue with shareholders in order to provide transparency.

Completeness and accuracy of the disclosures in the Audited Financial Statements

The Committee concluded that all appropriate and required disclosures have been incorporated in the Audited Financial Statements and drew comfort from the fact that multiple layers of oversight exist to achieve this objective. Specifically, the Administrator and Investment Manager have performed their own checks for completeness.

The Committee continues to give particular attention to the extent of disclosures about the Company's underlying portfolio. Risk measures, sensitivities and performance are driven by the make-up of the portfolio and hence detailed disclosures about it are appropriate to permit a full understanding of the accounts.

Presentation of Audited Financial Statements

The Committee considered the complexity of the Audited Financial Statements in their entirety, and the descriptive narrative supporting the financial disclosures. It was recognised that the sophistication of the investment strategy pursued by the Company does not lend itself to description in 'plain English' and that the use of technical terminology was not always consistent with the goals of ensuring transparency and maximising ease of understanding.

On balance the Committee concluded that the benefits of accurate - but detailed - descriptive narrative outweighed the possible benefit of simplified summaries. The nature of the shareholder base (predominantly sophisticated professional investors) was an important factor in reaching this conclusion.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Audit Committee Report (continued)

Performance fee payable to the Investment Manager

The Investment Manager is entitled to receive from the Company a performance fee in respect of each performance fee period in which the total return NAV per share on the performance fee calculation date referable to such performance fee period exceeds the higher of:

- (a) the hurdle NAV per share; or
- (b) the high-water mark.

The performance fee payable in relation to any performance fee period shall be the aggregate of 10 per cent. of the amount (if any) by which the total return NAV per share on the performance fee calculation date exceeds the higher of:

- (a) the hurdle NAV per share; and
- (b) the high-water mark.

This amount will be multiplied by the time-weighted average number of shares in issue during the relevant performance fee period. No performance fee is payable for the period.

For the purpose of the calculation of the performance fee, the above terms have the following meanings:

High watermark

- (a) the highest total return NAV per share by reference to which a performance fee was previously paid; or
- (b) if no performance fee has previously been paid, 100p

Hurdle NAV per share

The hurdle NAV per share, at any performance fee calculation date, is an amount equal to no less than the higher of 10% per annum above:

- (a) the hurdle NAV per share on the last preceding performance fee calculation date; or
- (b) if there has not been a previous performance fee calculation date, 100p.

Going concern

The Committee reviewed the assumptions upon which it is assumed that the Company can continue to operate on a going concern basis as set out in the Directors' Report. In so doing, it assessed outstanding financial obligations and calls on the Company's resources, investment performance and the meeting of shareholders' expectations.

Assessment of the External Audit Process

The Company's external auditor, Baker Tilly CI Audit Limited ("Baker Tilly") was appointed on 14 February 2025. Baker Tilly has been the only external auditor of the Company since incorporation. In line with industry standard, the Committee currently expects the audit to be tendered no later than 2035, subject to applicable audit tendering and rotation requirements.

The period from incorporation to 30 June 2026 was Baker Tilly's first financial reporting period as external auditor and Sandy Cameron's first financial reporting period as the audit engagement partner. The external auditor is required to rotate the audit engagement partner responsible for the audit of the Company every five years.

The Committee, in conjunction with the Board, is committed to reviewing this appointment on a regular basis to ensure that the Company is receiving an optimal level of service. The appointment of the auditor is reviewed on an annual basis.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Audit Committee Report (continued)

Assessment of the External Audit Process (continued)

There are no contractual obligations which restrict the Company's choice of auditor and the Board is satisfied that the auditor remains independent.

Should the Company require non-audit services to be provided by the auditor, these engagements would be considered by the Committee to ensure that the auditor's independence and objectivity is not breached, and a recommendation made to the Board. No non-audit services were provided during the period.

The Committee considered the experience and tenure of the audit partner and staff and the nature and level of services provided. The Committee received confirmation from the auditor that it had complied with the relevant Guernsey professional and regulatory requirements on independence. The Committee considers the nature, scope and results of the auditor's work and monitors the independence of the external auditor. Formal reports are received from the auditor on an annual basis relating to the extent of their work. The work of the auditor in respect of any significant audit issues and consideration of the adequacy of that work is discussed.

The Chair of the Committee liaises with the Investment Manager and the Administrator to discuss the extent of audit work completed to ensure all matters of risk are covered, while the Committee assesses the quality of the draft Financial Statements prepared by the Administrator. The Committee has an active involvement in and oversight of the preparation of both half yearly and annual Financial Statements. Ultimate responsibility for reviewing and approving the Report and Audited Financial Statements remains with the Board.

The table below summarises the remuneration for services provided to the Company by Baker Tilly CI Audit Limited for audit services during the period ended 30 June 2026:

	30 June 2026 £'000
Annual audit fee	45
	45

No non-audit services were provided during the period ended 30 June 2026.

Conclusion in respect of the Report and Audited Financial Statements

The production of the Company's Report and Audited Financial Statements is a comprehensive process requiring input from a number of different parties. One of the key governance requirements is that the Company's Report and Audited Financial Statements be fair, balanced and understandable. The Board has requested that the Committee advise on whether it considers that the Report and Audited Financial Statements fulfil these requirements.

As a result of the work performed, the Committee recommended that the Board should conclude that the Report and Audited Financial Statements for the period, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Directors' Report on pages 34 - 35.

Helen Green

Chair of the Audit Committee
08 October 2026

Independent auditor's report

To the Members of Achilles Investment Company Limited

Opinion

We have audited the financial statements of Achilles Investment Company Limited (the Company), which comprise the statement of financial position as at 30 June 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Company as at 30 June 2026 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the United Kingdom ("IFRS"); and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Guernsey, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the matter	Key observations communicated to those charged with governance
Investment valuation <i>Financial assets at fair value through profit or loss: £40.9 million</i> <i>Relevant disclosures: Notes 2, 3, 12 and 16</i> The Company's investment portfolio represents a significant proportion of its net assets and these are subject to estimation uncertainty and use of	We performed the following audit procedures: 1. Obtained the year-end investment portfolio and reconciled the holdings to the accounting records and independent custodian confirmations. 2. Agreed and challenged the valuation methodology and	Based on the procedures performed, we did not identify any material misstatements in the valuation of the Company's investment portfolio.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

judgement. Errors in prices, quantities, valuation date and/or foreign exchange rates applied, could result in a material misstatement of the carrying value of investments and the related gains or losses recognised in the financial statements.	inputs. We then reperformed the valuation calculations using independently obtained quoted market prices at the reporting date and confirmed investment quantities. 3. Where investments are denominated in foreign currencies, we independently verified the period-end exchange rates used and recalculated the sterling valuation. 4. Investigated any pricing exceptions or differences identified between management/custodian prices and independently obtained market prices and assessed the reasonability of any difference. 5. Reviewed the classification of investments within the fair value hierarchy and the related financial statement disclosures for compliance with the applicable accounting framework. This includes considering the trading volume around the reporting date.	
Existence, ownership and recording of investment transactions <i>Financial assets at fair value through profit or loss: £40.9 million</i> <i>Net gains recognised on investments: £3.8 million</i> <i>Relevant disclosures: Notes 2, 3, 12 and 16</i> There is a risk that investments recognised in the financial statements do not exist or are not owned by the Company. There is also a risk that purchases and disposals of investments are recorded using incorrect quantities, prices or trade dates, resulting in incorrect recognition of investment holdings and associated realised/unrealised gains or losses.	We performed the following audit procedures: 1. Obtained independent confirmation from the custodians of investments held at the reporting date and reconciled confirmed holdings to the Company's accounting records. 2. For investment purchases and disposals during the period, we tested transactions to broker contract notes/custodian records and cash movements, agreeing the security, quantity, price and trade date. 3. Performed cut-off testing over investment transactions around the reporting date to confirm that purchases and disposals have been recognised in the appropriate accounting period.	Based on the procedures performed, we did not identify any material exceptions from our testing of investment ownership, existence, transaction recording, related gains and losses, or period-end cut-off.

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	4. Recalculated the cost and related realised/unrealised gains or losses for selected investment transactions and investigated any differences identified. 5. Investigated material differences or reconciling items between the accounting records and independent custodian records.	
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Our Application of Materiality

Materiality for the financial statements as a whole was set at £1,465,000, determined with reference to a benchmark of net assets, of which it represents 2.5%.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 70% of materiality for the financial statements as a whole, which equates to £1,025,500. We applied this percentage in determining performance materiality because we did not identify factors indicating an elevated risk of uncorrected misstatements exceeding materiality for the financial statements as a whole.

We reported to the Audit Committee any uncorrected omissions or misstatements exceeding £73,250, in addition to those that warranted reporting on qualitative grounds.

Conclusions relating to Going Concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial

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statements themselves. If, based on the work performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to Report by Exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not obtained all information and explanation that, to the best of our knowledge and belief, was necessary for the purposes of our audit.

Responsibilities of the Directors

As explained more fully in the statement of Directors' responsibilities set out on pages 36 and 37, the Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Enquiry of management to identify any instances of non-compliance with laws and regulations, including actual, suspected or alleged fraud;
- Reading minutes of meetings of the Board of Directors;
- Reading compliance reports and key correspondence with regulatory authorities;
- Review of legal invoices;
- Review of management's significant estimates and judgements for evidence of bias;
- Review for undisclosed related party transactions;
- Using analytical procedures to identify any unusual or unexpected relationships; and

Achilles Investment Company Limited

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- Undertaking journal testing, including an analysis of manual journal entries to assess whether there were large and/or unusual entries pointing to irregularities, including fraud.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Other Matters which we are Required to Address

We were appointed by the Board of Directors on 14 February 2025 to audit the financial statements for the period from incorporation on 20 January 2025 to 30 June 2026. This is the first period of our engagement.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee in accordance with ISAs.

Use of this Report

This report is made solely to the Members of the Company, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.

Sandy Cameron

For and on behalf of Baker Tilly CI Audit Limited

Chartered Accountants

St Sampson, Guernsey

Date: 8 October 2026

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Statement of Comprehensive Income

Period from 20
January 2025 to
30 June 2026

	Notes	£'000
Net gains on financial assets held at fair value through profit or loss	12	3,837
Other income	7	1,124
Dividend income	7	2,195
Bank interest	7	80
Other expenses	9	(743)
Management fees	8	(743)
Transaction costs		(499)
Loss on foreign exchange		(5)
Profit before taxation		5,246
Withholding taxes	5	(184)
Profit and total comprehensive income for the period		5,062
Basic and diluted earnings per Ordinary Share (pence)	14	10.06

All items in the above statement derive from continuing operations.

The notes on pages 52 to 69 form an integral part of these Audited Financial Statements.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Statement of Financial Position

		30 June 2026 £'000
	Notes	
Non-current assets		
Financial assets held at fair value through profit or loss	12	26,803
Current assets		
Financial assets held at fair value through profit or loss	12	14,130
Cash and cash equivalents	6	16,725
Amounts due from broker	16	827
Dividends receivable		165
Other receivables	10	67
		31,914
Total assets		58,717
Current liabilities		
Management fee payable	8	(44)
Other payables	11	(66)
Total liabilities		(110)
Net assets		58,607
Shareholders' equity		
Share capital	13	53,545
Retained earnings		5,062
Total Shareholders' equity		58,607
Net Asset Value per Ordinary Share (pence)	15	108.53

Approved by Helen Green and authorised for issue on 08 October 2026 and signed on their behalf:

Helen Green

The notes on pages 52 to 69 form an integral part of these Audited Financial Statements.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Statement of Changes in Equity

	Notes	Share capital £'000	Retained earnings £'000	Total £'000
For the period from incorporation on 20 January 2025 to 30 June 2026				
At incorporation on 20 January 2025		-	-	-
Share issue	13	54,000	-	54,000
Share issue costs	13	(455)	-	(455)
Profit and total comprehensive income for the period		-	5,062	5,062
At 30 June 2026		53,545	5,062	58,607

The notes on pages 52 to 69 form an integral part of these Audited Financial Statements.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Statement of Cash Flows

		Period ended 30 June 2026 £'000
	Notes	
Cash flows from operating activities		
Operating profit after taxation		5,062
Net gains on investments held at fair value through profit or loss		(3,837)
Dividend income		(2,195)
Interest income		(80)
		(1,050)
Dividend income received		2,195
Interest income received		80
Increase in receivables		(232)
Increase in payables		110
Net cash generated from operating activities		1,103
Cash flows from investing activities		
Purchase of financial assets at fair value through profit or loss	12	(88,585)
Sale of financial assets at fair value through profit or loss	12	50,662
Net cash flow used in investing activities		(37,923)
Cash flows from financing activities		
Proceeds from issue of Ordinary Shares	13	53,545
Net cash flow from financing activities		53,545
Increase in cash and cash equivalents		16,725
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period		16,725

The notes on pages 52 to 69 form an integral part of these Audited Financial Statements.

Notes to the Audited Financial Statements

1. Reporting Entity

Achilles Investment Company Limited (the “Company”) is registered in Guernsey and was formed on 20 January 2025, with registered number 75109. The Company’s registered office is Les Echelons Court, Les Echelons, St Peter Port, Guernsey, GY1 1AR. This is the first period in which financial statements have been prepared for the Company therefore there is no comparative financial information. The Audited Financial Statements of the Company are presented for the period from incorporation on 20 January 2025 to 30 June 2026.

The Company is a Registered Closed-ended Collective Investment Scheme regulated by the Guernsey Financial Services Commission (“GFSC”), with reference number 3082907, pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 2020, as amended and the Registered Collective Investment Scheme Rules and Guidance, 2021.

The Company had 54,000,000 shares in issue under ticker AIC, SEDOL BT3GKD0 and ISIN GG00BT3GKD08 on 30 June 2026.

The Company received discretionary management services directly from Harwood Capital Management (Gibraltar) Limited (“HCM”) acting as the Investment Managers and the Alternative Investment Fund Manager, as appointed on 20 February 2025.

2. Material accounting policies

(a) Basis of accounting

The Audited Financial Statements have been prepared in compliance with IFRS Accounting Standards as issued by the IASB (“IFRS”). The Audited Financial Statements give a true and fair view and comply with the Companies (Guernsey) Law, 2008, as amended.

The Audited Financial Statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

(b) Going concern

The Directors have adopted the going concern basis in preparing the Audited Financial Statements.

In assessing the going concern basis of accounting, the Directors have assessed the guidance issued by the Financial Reporting Council and considered the Company’s own financial position, market volatility, the imposition of tariffs and the impact on global trade and other uncertainties impacting on the financial position and liquidity requirements of the Company’s investments.

At period end, the Company had a net asset position of £58,607,000 including cash and cash equivalents of £16,725,000 and listed investments of £40,933,000.

The Company generates liquidity through the realisation of investments and the receipt of dividend and other investment income. It uses liquidity by making new and follow-on investments and paying company expenses. In assessing its going concern status, the Directors have considered the liquidity of the Company’s investments, cash balances and ongoing expenses. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these Audited Financial Statements and, accordingly, they have adopted the going concern basis of accounting in preparing the Audited Financial Statements.

Notes to the Audited Financial Statements (continued)

2. Material accounting policies (continued)

(c) Segmental reporting

The chief operating decision maker is the Board of Directors. The Directors are of the opinion that the Company is engaged in a single segment of business with the primary objective of investing in the shares of closed-ended investment companies, property companies or companies whose valuations are substantially underpinned by real assets, to maximise returns for shareholders. Consequently, no business segmental analysis is provided.

The financial information reviewed by the Board is prepared on the same basis as the financial statements. Accordingly, the Company has one reportable operating segment and no separate operating segment information is presented.

(d) Functional and presentation currency

The Audited Financial Statements of the Company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the Audited Financial Statements, the results and financial position of the Company are expressed in pounds sterling ("£"). All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(e) Income

Income from the BlackRock ICS Sterling Liquidity Fund is recognised as other income when the Company's right to receive payment is established. Cash flows arising from such income are classified as operating activities in the statement of cash flows, as the income is included in the determination of profit or loss.

Bank interest is recognised on an accrual basis.

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably. Dividend income is grossed up at the appropriate rate of tax and withholding tax is shown separately in the primary statement and related note.

(f) Expenses

Expenses are accounted for on an accruals basis.

(g) Performance fee

Performance fee is recognised as an expense in the Statement of Comprehensive Income on an accruals basis in accordance with the terms of the Investment Management Agreement. A corresponding liability is recognised when the relevant performance conditions have been satisfied and the Company has a present obligation to pay the fee. As at 30 June 2026, no performance fee has been recognised. As at 30 June 2026, no performance fee is payable by the Company.

(h) Net gains on financial assets at fair value through profit or loss

Realised gains and losses on the disposal of investments are calculated as the difference between the gross sale proceeds and the weighted average cost of the investments disposed. Unrealised gains and losses comprise changes in the fair value of investments held at the reporting date. Realised and unrealised gains and losses are recognised in the Statement of Comprehensive Income.

Notes to the Audited Financial Statements (continued)

2. Material accounting policies (continued)

(i) Dividends to shareholders

Dividends payable to shareholders are recognised as distributions in equity in the period in which they are approved and the Company has a present obligation to make the payment.

As at 30 June 2026, no dividends have been paid to shareholders.

(j) Taxation

The Company has been granted exemption from Guernsey Income Tax by the Director of the Revenue Service under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, as amended. Exemption is applied for and granted annually and is subject to the payment of a fee which was £1,600 for the period.

(k) Financial instruments

Recognition and derecognition of financial assets

The Company recognises a financial asset at its fair value, plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss ("FVTPL") are expensed in the Statement of Comprehensive Income.

A financial asset (in whole or in part) is derecognised either (i) when the Company has transferred substantially all the risks and rewards of ownership; or (ii) when it has neither transferred nor retained substantially all the risks and rewards and when it no longer has control over the asset or a portion of the asset; or (iii) when the contractual right to receive cash flows has expired. Any gain or loss on derecognition is recognised in 'Net gains on investments held at FVTPL in the Statement of Comprehensive Income.

Classification

The Company's financial assets are classified in the following measurement categories:

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

At initial recognition, the Company measures a financial asset at its fair value, plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Statement of Comprehensive Income.

Financial assets classified at FVTPL include investments that do not meet the criteria for measurement at amortised cost.

Financial assets measured at FVTPL are classified as current assets when they are held primarily for trading, are expected to be realised within twelve months after the reporting date, or are expected to be realised in the Company's normal operating cycle. All other investments are classified as non-current assets.

Subsequent measurement of financial assets

Financial assets held at amortised cost

Assets that are held in order to collect contractual cash flows, and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest, are measured at amortised cost. These assets are subsequently measured at amortised cost using the effective interest method.

The Company has elected to apply the simplified approach permitted by IFRS 9 in respect of trade receivables. This approach requires expected lifetime losses to be recognised from initial recognition of the receivables.

Notes to the Audited Financial Statements (continued)

2. Material accounting policies (continued)

(k) Financial instruments (continued)

Subsequent measurement of financial assets (continued)

Financial assets held at amortised cost

For other receivables and cash and cash equivalents, the Company applies the general impairment approach under IFRS 9. Accordingly, 12-month expected credit losses are recognised when credit risk has not increased significantly since initial recognition. If credit risk has increased significantly since initial recognition, lifetime expected credit losses are recognised.

The Company's financial assets held at amortised cost include trade and other receivables and cash and cash equivalents.

Financial assets at fair value through profit or loss

For investments actively traded in organised financial markets, fair value will generally be determined by reference to Stock Exchange quoted market bid prices at the close of business on the valuation date, without adjustment for transaction costs necessary to realise the asset.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The change in fair value is recognised in profit or loss and is presented within 'Net gains on investments held at fair value through profit or loss' in the Statement of Comprehensive Income.

IFRS requires the Company to measure fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements. IFRS establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of fair value hierarchy under IFRS are 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 include only data from observable markets.
- 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. For investments that are recognised in the Audited Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing the categorisation (based on the lowest material input) at the date of the event that caused the transfer.

There were no unquoted investments at the period end.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. Loss allowances are measured at an amount equal to 12-month expected credit losses unless the credit risk associated with a financial asset has increased significantly since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime expected credit losses.

In assessing expected credit losses, the Company considers reasonable and supportable information available at the reporting date, including the creditworthiness of counterparties, historical experience, current conditions and forecasts of future economic conditions. The Directors have assessed the expected credit losses arising on cash and cash equivalents, amounts due from brokers, dividends receivable and other receivables and consider them to be immaterial. Accordingly, no loss allowance has been recognised.

Notes to the Audited Financial Statements (continued)

2. Material accounting policies (continued)

(k) Financial instruments (continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

(l) Cash and cash equivalents

Cash comprises cash deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, are subject to insignificant risks of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Included in cash and cash equivalents at the period end was cash at bank of £4,916,000 and cash held in the BlackRock ICS Sterling Liquidity Fund of £11,809,000.

The BlackRock ICS Sterling Liquidity Fund is held for the purpose of meeting short-term cash commitments, is redeemable on demand, is readily convertible into a known amount of cash and is subject to an insignificant risk of changes in value. Accordingly, the investment has been classified as a cash equivalent for the purposes of the Statement of Financial Position and Statement of Cash Flows.

(m) Other receivables

Other receivables do not carry interest and are short-term in nature and are accordingly recognised at amortised cost.

(n) Foreign currency

Transactions and balances

At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date fair value is measured. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise. Transactions denominated in foreign currencies are translated into pounds sterling ("£") at the rate of exchange ruling at the date of the transaction.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income.

Where foreign currency items are held at fair value, the foreign currency movements are presented as part of the fair value change.

Notes to the Audited Financial Statements (continued)

2. Material accounting policies (continued)

(o) Investment entities

In accordance with IFRS 10 an investment entity is an entity that:

- Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Directors are satisfied that the Company meets each of these criteria and hence is an investment entity in accordance with IFRS 10.

3. Use of estimates and critical judgements

The preparation of Audited Financial Statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Audited Financial Statements and the reported amounts of income and expenses during the period. Actual results could differ from those estimates and assumptions.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Fair value measurement and levelling of financial assets at FVTPL

Financial assets at FVTPL are measured at fair value in accordance with IFRS 13 and classified within the fair value hierarchy (Levels 1, 2 or 3) based on the lowest level significant input.

Judgement is required in selecting appropriate valuation techniques and determining whether inputs are observable for the purposes of measurement and classification within the fair value hierarchy. Further details of the valuation methodology and key inputs are disclosed in note 16.

Where investments are not quoted in an active market, fair value may be determined by reference to quoted prices in inactive markets or to observable market data for similar instruments (Level 2). Where observable inputs are not available, valuation techniques incorporating unobservable inputs, such as discount rates, forecast cash flows and credit assumptions, are applied (Level 3).

Further details of hierarchy classification are disclosed in note 16.

Information about the significant judgements, estimates and assumptions which are used in the valuation of the investments is discussed below.

a) Valuation of financial assets at FVTPL traded in an active market

The fair values of listed securities are based on quoted market prices at the close of trading on the reporting date. The fair values of securities which are traded on London Stock Exchange ("LSE") are based on published prices at the close of business on the reporting date.

BlackRock ICS Sterling Liquidity Fund

The Company's holding in the BlackRock liquidity fund is held to meet short-term cash commitments as part of its treasury management strategy. The fund is highly liquid, redeemable on demand and readily convertible into known amounts of cash and is subject to an insignificant risk of changes in value. Management has therefore concluded that the holding meets the definition of a cash equivalent under IAS 7.6 and is held for the purpose described in IAS 7.7. Accordingly, the investment is included within cash and cash equivalents.

Notes to the Audited Financial Statements (continued)

3. Use of estimates and critical judgements (continued)

Performance fee

The Investment Manager is entitled to receive from the Company a performance fee in respect of each performance fee period in which the total return NAV per share on the performance fee calculation date referable to such performance fee period exceeds the higher of:

- a) the hurdle NAV per share; or
- b) the high-water mark.

The performance fee payable in relation to any performance fee period shall be the aggregate of 10 per cent. of the amount (if any) by which the total return NAV per share on the performance fee calculation date exceeds the higher of:

- a) the hurdle NAV per share; and
- b) the high-water mark.

This amount will be multiplied by the time-weighted average number of shares in issue during the relevant performance fee period. For the period ended 30 June 2026, no performance fee is payable for the period.

The Directors do not consider that any other judgements made in applying the Company's accounting policies have a significant effect on the amounts recognised in the audited financial statements.

4. New and revised standards

New standards, amendments and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the Company's annual reporting period ended 30 June 2026 and have not been early adopted by the Company.

The key items include:

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments, effective for annual reporting periods beginning on or after 1 January 2026;
- Annual Improvements to IFRS Accounting Standards – Volume 11, effective for annual reporting periods beginning on or after 1 January 2026; and
- IFRS 18 – Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2027.

Management is assessing the effect of IFRS 18 on the Company's audited financial statements. The standard is expected to affect the presentation and disclosure of the Company's audited financial statements but is not expected to affect the recognition or measurement of the Company's assets, liabilities or net assets.

The Directors have assessed the impact of the other amendments and concluded that they are not expected to have a material impact on the Company's audited financial statements for the period ended 30 June 2026.

Standards, amendments and interpretations effective during the period

The following amendment is effective for the period ended 30 June 2026 and has been adopted by the Company:

IAS 21 – Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates), effective for annual reporting periods beginning on or after 1 January 2025.

The amendments clarify when a currency is exchangeable into another currency and specify how an entity estimates the spot exchange rate when exchangeability is lacking, together with related disclosures.

The Directors have assessed the impact of these amendments and concluded that they did not have a material impact on the Company's audited financial statements for the period ended 30 June 2026, as the Company's transactions and exposures are predominantly denominated in currencies that are readily exchangeable.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Notes to the Audited Financial Statements (continued)

4. New and revised standards (continued)

There are no other standards, amendments to standards or interpretations effective for annual reporting periods beginning on or after 1 January 2025 that have had a material effect on the Company's audited financial statements.

5. Taxation

	20 January 2025 to 30 June 2026
	£'000
Withholding tax on dividends	184
Total withholding taxes	184

The Company has been granted exemption from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989, as amended, subject to the payment of an annual exemption fee. Accordingly, the applicable Guernsey income tax rate for the Company is 0%.

The Company is subject to UK withholding tax at 20% on qualifying property income distributions received from UK Real Estate Investment Trusts ("UK REITs"). The withholding tax suffered during the period has been recognised as current tax expense.

The tax expense for the period differs from the amount resulting from applying the applicable Guernsey income tax rate to the profit before taxation as follows:

	20 January 2025 to 30 June 2026
	£'000
Tax on profit before taxation at the applicable Guernsey income tax rate of 0%	-
UK withholding tax on property income distributions	(184)
Total tax charge for the year	(184)

6. Cash and cash equivalents

	30 June 2026
	£'000
Cash held in current account	4,916
Cash equivalent held with BlackRock	11,809
Total cash and cash equivalents	16,725

Cash and cash equivalents comprise cash held in the Company's current account with Butterfield Bank (Channel Islands) Limited and the Company's holding in the BlackRock ICS Sterling Liquidity Fund. The liquidity fund holding is maintained to meet short-term cash commitments, is readily convertible to known amounts of cash and is subject to an insignificant risk of changes in value. Accordingly, it is classified as a cash equivalent.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Notes to the Audited Financial Statements (continued)

7. Income

	20 January 2025 to 30 June 2026
	£'000
Dividend income	2,195
Other income	1,124
Bank interest	80
Total income	3,399

Other income consists of interest income on the BlackRock ICS Sterling Liquidity fund.

8. Management fees

	20 January 2025 to 30 June 2026 £'000
Management fees	743
Total management fees	743

The Company procures management services directly from HCM, under the Investment Management Agreement.

Management fee

The management fee is equal to 1% per annum of the lower of (i) the Net Asset Value (but excluding any accruals for management fee and performance fee); and (ii) the average market capitalisation. The management fee is calculated and paid monthly in arrears.

As at 30 June 2026, an amount of £44,000 was outstanding in respect of management fees. For the period ended 30 June 2026, no performance fee was payable.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Notes to the Audited Financial Statements (continued)

9. Other expenses

20 January 2025 to 30 June 2026

	Non-recurring expenses £'000	Recurring expenses £'000	Total £'000
Legal fee and professional fees	162	32	194
Listing fees	128	12	140
Administration fee	10	111	121
Broker fees	48	48	96
Directors' fees	-	84	84
Audit fees	-	45	45
Other expenses	-	20	20
Registrar fees	-	17	17
Custodian fees	-	13	13
Regulatory fees	7	6	13
Total other expenses	355	388	743

10. Other receivables

	30 June 2026 £'000
Other receivables	54
Prepayments	13
Total other receivables	67

11. Other payables

	30 June 2026 £'000
Accrued expenses	(66)
Total other payables	(66)

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Notes to the Audited Financial Statements (continued)

12. Financial assets at fair value through profit or loss

	30 June 2026 £'000
Opening balance	-
Purchases	88,585
Proceeds from disposals	(51,489)
Net gain on financial assets at FVTPL for the period	3,837
Financial assets held at FVTPL	40,933

As at 30 June 2026, financial assets at FVTPL comprised:

	30 June 2026 £'000
Non-current assets	
Listed equity investments	26,803
Current assets	
Listed equity investments	14,130
Financial assets held at FVTPL	40,933

Current assets are comprised of two listed equity investments which were subject to announced takeover approaches as at 30 June 2026. All other listed equity investments are classified as non-current assets.

As at 30 June 2026, net gain on financial assets at FVTPL for the period comprised:

	30 June 2026 £'000
Gain on realised financial assets at FVTPL	3,145
Gain on unrealised financial assets at FVTPL	692
Net gain on financial assets at FVTPL for the period	3,837

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Notes to the Audited Financial Statements (continued)

13. Share capital

	No of shares	30 June 2026 £'000
Ordinary Shares at no par value		
Opening balance as at 20 January 2025	-	-
Issue of shares	54,000,000	54,000
Share issue costs	-	(455)
At 30 June 2026	54,000,000	53,545

The holders of Ordinary Shares have the right to receive notice of and attend, speak and vote in general meetings of the Company. They are also entitled to participate in any dividends and other distributions of the Company.

14. Basic and diluted earnings per Ordinary Share

	30 June 2026
Profit and total comprehensive income for the period (£'000)	5,062
Weighted average number of shares in issue	50,311,195
Basic and diluted earnings per Ordinary Share (pence)	10.06

15. Net Asset Value per Ordinary Share

The Net Asset Value per Ordinary Share and the Net Asset Value at the period end calculated in accordance with the Articles of Incorporation were as follows:

	30 June 2026	
	NAV per share pence	NAV attributable £'000
Ordinary Shares: basic and diluted	108.53	58,607

The Net Asset Value per Ordinary Share is based on 54,000,000 Ordinary Shares, being the number of Ordinary Shares in issue at the period end.

Notes to the Audited Financial Statements (continued)

16. Financial instruments and capital disclosures

The Company's activities expose it to a variety of financial risks; market risk (which includes price risk and interest rate risk), credit risk and liquidity risk.

The Company measures fair values using the following hierarchy that reflects the significance of the inputs used in making the measurements. Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant assets as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

An active market is a market in which transactions for the asset or liability occur with sufficient frequency and volume on an ongoing basis such that quoted prices reflect prices at which an orderly transaction would take place between market participants at the measurement date. Quoted prices provided by external pricing services, brokers and vendors are included in Level 1, if they reflect actual and regularly occurring market transactions on an arm's length basis.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 2 inputs include the following:

- quoted prices for similar (i.e., not identical) assets in active markets;
- quoted prices for identical or similar assets or liabilities in markets that are not active. Characteristics of an inactive market include a significant decline in the volume and level of trading activity, the available prices vary significantly over time or among market participants or the prices are not current;
- inputs other than quoted prices that are observable for the asset (for example, interest rates and yield curves observable at commonly quoted intervals); and
- inputs that are derived principally from, or corroborated by, observable market data by correlation or other means (market-corroborated inputs).

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

At 30 June 2026	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at FVTPL	40,933	-	-	40,933
	40,933	-	-	40,933

The Company has exposure to level 1 instruments in the current period.

Investments are transferred between levels at the point of the trigger event. During the period, no investments were reclassified.

Notes to the Audited Financial Statements (continued)

16. Financial instruments and capital disclosures (continued)

The main risks that the Company faces arising from its financial instruments are:

(i) market risk, including:

- other price risk, being the risk that the value of investments will fluctuate as a result of changes in market prices;
- interest rate risk, being the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates;

(ii) credit risk, being the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company; and

(iii) liquidity risk, being the risk that the Company will not be able to meet its liabilities when they fall due. This may arise should the Company not be able to liquidate its investments.

Foreign currency risk

The Company may hold financial assets and liabilities denominated in currencies other than its functional currency. At the reporting date, the Company's net exposure to foreign currency risk was not material. Accordingly, the Directors consider that reasonably possible changes in relevant foreign exchange rates would not have a material effect on the Company's net assets or profit or loss, and no sensitivity analysis has been presented.

Market and other price risk

Market risk comprises price risk, foreign exchange risk and interest rate risk. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, interest rates and/or foreign exchange rates.

The investments are subject to market fluctuations and the risk inherent in the purchase, holding or selling of investments and there can be no assurance that appreciation or maintenance in the value of those investments will occur.

The Company invests in listed equity securities and is exposed to market price risk of these securities. All of the equity investments are traded on the LSE.

All securities investments present a risk of loss of capital. This risk is managed through the careful selection of securities and other financial instruments within specified limits. In addition, the performance of investments is monitored by the Investment Manager on a regular basis and reviewed by the Board of Directors.

If the fair value of the Company's investments at the year-end increased or decreased by 10%, then it would have had an impact on the Company's net assets of £4,093,000.

Interest rate risk

The Company's exposure to interest rate risk relates to the Company's cash and cash equivalents. The Company is subject to risk due to fluctuations in the prevailing levels of market interest rates.

Notes to the Audited Financial Statements (continued)

16. Financial instruments and capital disclosures (continued)

Interest rate risk (continued)

The Company's exposure to interest rate risk relates to the Company's cash and cash equivalents. The Company is subject to risk due to fluctuations in the prevailing levels of market interest rates.

The following table details the Company's exposure to interest rate risks:

At 30 June 2026	Floating rate £'000	Fixed rate £'000	Non- interest bearing £'000
Investments held at FVTPL	-	-	40,933
Cash and cash equivalents	16,725	-	-
Other receivables	-	-	1,046
Total liabilities	-	-	(110)
	16,725	-	41,869

If the Company's year-end cash and cash equivalents balance had remained constant throughout the year, a 1% increase or decrease in interest rates would have increased or decreased the Company's net assets by £167,250.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Audit Committee has in place a monitoring procedure in respect of counterparty risk which is reviewed on an ongoing basis.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the Statement of Financial Position date, and the main exposure to credit risk is via Butterfield Bank (Channel Islands) Limited, the Company's Custodian (the "Custodian"), who is responsible for the safeguarding of the Company's cash balances and J.P. Morgan SE (Dublin Branch) who act as custodian of the BlackRock ICS Sterling Liquidity fund.

At the reporting date, the Company's financial assets exposed to credit risk amounted to the following:

	30 June 2026 Total £'000
Cash and cash equivalents	16,725
Amount due from broker	827
Dividends receivable	165
Other receivables	54
Total	17,771

All the assets of the Company which are traded on a recognised exchange are held on its behalf by the Custodian. Bankruptcy or insolvency of the Custodian may cause the Company's rights with respect to securities held by the Custodian to be delayed or limited.

The credit risk on cash is controlled through the use of counterparties or banks with high credit ratings assigned by international credit rating agencies. Bankruptcy or insolvency of such financial institutions may cause the Company's ability to access cash placed on deposit to be delayed, limited or lost.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Notes to the Audited Financial Statements (continued)

16. Financial instruments and capital disclosures (continued)

Credit risk (continued)

Cash of £4,916,000 was held with Butterfield Bank (Channel Islands) Limited and £11,809,000 was held in the BlackRock ICS Sterling Liquidity fund at the period end.

The credit rating of Butterfield Bank (Channel Islands) Limited was A2 at the period end¹.

Liquidity risk

Liquidity risk is defined as the risk that the Company does not have sufficient liquid resources to meet its obligations as they fall due. In managing the Company's assets, the Company will seek to ensure that it holds at all times a portfolio of assets (including cash) to enable the Company to discharge its payment obligations as they fall due.

All investments held by the Company are listed equity securities, which are considered readily realisable, as they are listed on the LSE.

The Company's liquidity risk is managed by the Board in accordance with established policies, procedures and governance structures in place. Cash flow forecasting is reviewed by the Board to ensure that it has sufficient cash to meet obligations as they fall due.

The following table shows the contractual maturity analysis of financial liabilities for IFRS 7 purposes, with assets shown only as supplementary liquidity information:

	30 June 2026			
	Up to 3 months £'000	Between 3 and 12 months £'000	Between 1 and 5 years £'000	Total £'000
2026				
Assets				
Cash and cash equivalents	16,725	–	–	16,725
Amount due from broker	827	–	–	827
Dividends receivable	165	–	–	165
Other receivables	54	–	–	54
Total assets	17,771	–	–	17,771
Liabilities				
Management fees payable	(44)	–	–	(44)
Other payables	(66)	–	–	(66)
Total liabilities	(110)	–	–	(110)

The Board ensures that a robust assessment of the principal risks facing the Company has been undertaken (including those risks that would threaten its business model, future performance, solvency or liquidity) and provide advice on the management and mitigation of those risks.

¹ Credit rating obtained from Moody's. Moody's is a leading index provider and data source of independent credit ratings.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Notes to the Audited Financial Statements (continued)

16. Financial instruments and capital disclosures (continued)

Capital management objectives, policies and procedures

The Company's capital as at 30 June 2026 comprises Ordinary Shares of no par value and retained earnings totalling £58,607,000.

The Company is not subject to any externally imposed capital requirements.

The Board, with the assistance of the Investment Manager, regularly monitors and reviews the broad structure of the Company's capital. These reviews include the monitoring of the Company's capital management objectives:

- to ensure that it is able to continue as a going concern; and
- to generate long-term growth by investing in the shares of closed-ended investment companies, property companies or companies whose valuations are substantially underpinned by real assets, admitted to trading on a market of the LSE, with a focus on alternative assets.

17. Related parties

Harwood Capital Management (Gibraltar) Limited provides investment management services for the Company.

	20 January 2025 to 30 June 2026 £'000
Management fees	
Total management fees charged	743
Management fee outstanding	44
Directors' fees	
Total Directors' fees charged	84
Directors' fees outstanding	-

As at 30 June 2026, the following Directors have holdings in the Company:

Director	Number of Ordinary Shares	% Ordinary Shares in issue as at 30 June 2026
Charlotte Denton	25,000	0.05%
Helen Green	10,000	0.02%
Philip Cooper	20,000	0.04%

Management fees are payable monthly in arrears pursuant to the Investment Management Agreement. The outstanding balance of £44,000 is unsecured, non-interest bearing and settled in cash.

Notes to the Audited Financial Statements (continued)

18. Subsequent events

On 9 September 2026, the Company purchased 20,000 of its ordinary shares at a price of 103.5p on the LSE for a total consideration of £20,783. The shares will be held in treasury.

On 16 September 2026, the Company purchased 50,000 of its ordinary shares at a price of 103.0p on the LSE for a total consideration of £51,629. The shares will be held in treasury.

On 21 September 2026, the Company purchased 100,000 of its ordinary shares at a price of 103.0p on the LSE for a total consideration of £103,206. The shares will be held in treasury.

On 23 September 2026, the Company purchased 50,000 of its ordinary shares at a price of 103.5p on the LSE for a total consideration of £51,879. The shares will be held in treasury.

On 24 September 2026, the Company purchased 50,000 of its ordinary shares at a price of 103.5p on the LSE for a total consideration of £51,879. The shares will be held in treasury.

On 29 September 2026, the Company purchased 50,000 of its ordinary shares at a price of 103.5p on the LSE for a total consideration of £51,881. The shares will be held in treasury.

On 30 September 2026, the Company purchased 100,000 of its ordinary shares at a price of 103.5p on the LSE for a total consideration of £103,707. The shares will be held in treasury.

On 1 October 2026, the Company purchased 50,000 of its ordinary shares at a price of 103.5p on the LSE for a total consideration of £51,879. The shares will be held in treasury.

On 2 October 2026, the Company purchased 50,000 of its ordinary shares at a price of 103.5p on the LSE for a total consideration of £51,879. The shares will be held in treasury.

On 22 September 2026, the Company disposed of 213,500 shares in HICL Infrastructure plc and on 29 September 2026, the Company disposed of a further 1,600,000 shares, reducing the holding from 9,313,500 shares as at 30 June 2026 to 7,500,000 shares post year end.

Except for the matters disclosed above, the Directors are not aware of any other material adjusting or non-adjusting events between 30 June 2026 and the date on which the financial statements were authorised for issue.

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Information

Directors

Charlotte Denton, Chair

Helen Green

Philip Cooper (Appointed on 18 June 2026)

Brett Miller (Resigned on 5 May 2026)

Registered office

Les Echelons Court

Les Echelons

St Peter Port

Guernsey

GY1 1AR

AIFM and Investment Manager

Harwood Capital Management (Gibraltar) Limited

Suite 23

Portland House

Glacis Road

Gibraltar

GX11 1AA

Administrator and Company Secretary

NSM Funds Limited

Les Echelons Court

Les Echelons

St Peter Port

Guernsey

GY1 1AR

Financial Adviser and Sole Bookrunner

Singer Capital Markets Securities Limited

1 Bartholomew Lane

London

EC2N 2AX

Legal Advisers to the Company as to English law

Gowling WLG (UK) LLP

4 More London

Riverside

London

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Legal Advisers to the Company as to Guernsey law

Carey Olsen (Guernsey) LLP

Carey House

Les Banques

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Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Corporate Information (continued)

Solicitors to the Financial Adviser and Sole Bookrunner

Stephenson Harwood LLP
1 Finsbury Circus
London
EC2M 7SH

Custodian

Butterfield Bank (Channel Islands) Limited
Glatigny Esplanade
St Peter Port
Guernsey
GY1 3AP

Registrar

MUFG Corporate Markets (Guernsey) Limited
Mont Crevelt House
Bulwer Avenue
St Sampson
Guernsey
GY2 4LH

Independent Auditor

Baker Tilly CI Audit Limited
Mont Crevelt House
Bulwer Avenue
St Sampson
Guernsey
GY2 4LH

Achilles Investment Company Limited

For the period from incorporation on 20 January 2025 to 30 June 2026

Alternative Performance Measures

For the period ended 30 June 2026

Ongoing charges	The ongoing charges ratio represents the annualised ongoing charges (excluding non-recurring expenses as per Note 9) divided by the average NAV of the Company for the year and has been prepared in accordance with the AIC's recommended methodology. Ongoing charges reflect expenses likely to recur in the foreseeable future. The ongoing charges is calculated as follows: Sum of ongoing general and administration expenses ÷ average NAV for the year Being: $783,000 \div 56,358,750 = 1.39\%$
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