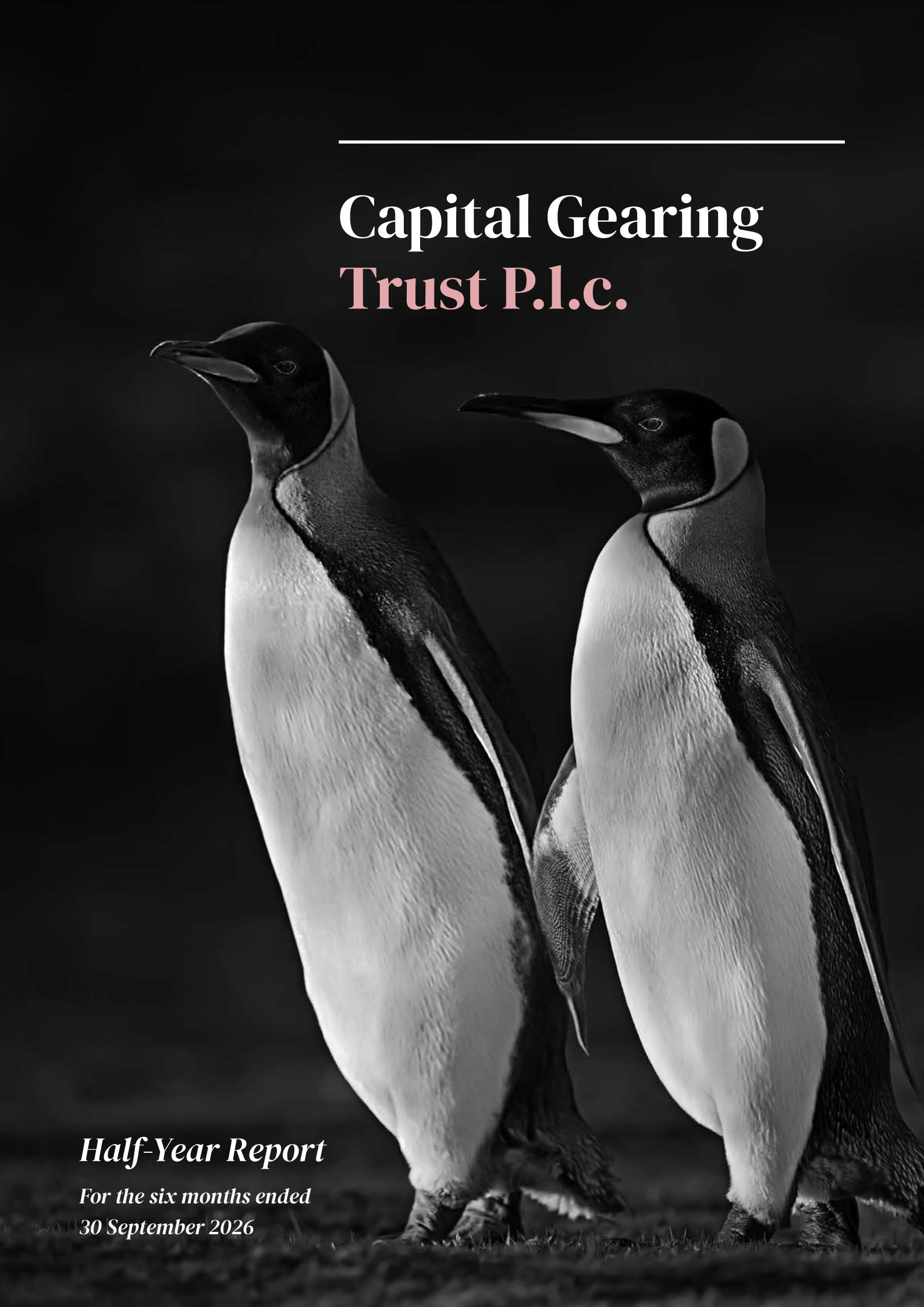
Capital Gearing Trust P.l.c.



Half-Year Report

For the six months ended
30 September 2026

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Beware of Share Fraud

There has been an increase in the number of sophisticated but fraudulent financial scams, including imposter websites. Contact is often by a phone call or email which can originate from outside the UK. Shareholders may receive unsolicited phone calls or correspondence implying a connection to the Company. These are typically from overseas 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high risk shares or to acquire shares in anticipation of a fictitious offer for the Company.

Please note that it is very unlikely that either the Company, or the Company's Registrar, would make unsolicited telephone calls to shareholders and never in respect of 'investor advice'.

If you are contacted, we recommend that you do not respond with any personal information, including access to financial information or bank accounts. If you are in any doubt you should seek financial advice before taking any action. You can find more information about investment scams at the Financial Conduct Authority (FCA) website: www.fca.org.uk/consumer/protect-yourself-scams. You can also call the FCA Consumer Helpline on 0800 111 6768.

There has also been an increase in imposter websites and internet scams. Investors should take care to discriminate between legitimate corporate websites and those that might try to represent corporates, where an objective of the scam would be to data capture private investor information or encourage investors to provide banking information.

Company Summary

The Company

Capital Gearing Trust P.l.c. ('CGT' or the 'Company') is an investment trust whose Ordinary shares are admitted to the closed-ended investment funds category of the Official List of the FCA and traded on the main market of the London Stock Exchange.

Investment Objective

The Company's objective is to preserve and, over time, to grow shareholders' real wealth.

Capital Structure and Voting Rights

In July 2026, shareholders approved a ten-for-one share split at the Annual General Meeting. The share split became effective on 23 July 2026 and did not affect the overall value of shareholders' holdings in the Company, as the reduction in the price per share was offset by a commensurate increase in the number of shares held.

Following the share split, the nominal value of the Company's Ordinary shares has been reduced from 25 pence per share to 2.5 pence per share.

As at 30 September 2026, 265,802,630 shares were in issue, of which 110,128,037 shares were held in treasury.

Discount/Premium Control Policy ('DCP')

The Company aims to purchase or issue shares to ensure, in normal market conditions, that the shares trade consistently close to their underlying net asset value ('NAV') per share.

Website

www.capitalgearingtrust.com

Dividends

The Company pays an annual dividend but focuses on total return rather than any net income level.

Management and Administration

Investment management is carried out by CG Asset Management Limited ('CGAM') for an annual fee of 0.6% of net assets up to £120m, 0.45% on net assets above £120m up to £500m and 0.30% thereafter. CGAM, including Peter Spiller, has managed the Company since 1982. Company secretarial and administrative services are provided by Frostrow Capital LLP. Custodial and depositary services are provided by Northern Trust Investor Services Limited.

ISA

The Company manages its affairs to be a fully qualifying investment trust under the individual savings account ('ISA') rules.

Financial Calendar

Annual Results	May
Annual General Meeting	July
Dividend Payment Date	July
Half-Year Results	November

Keeping up to Date

Scan the QR code to register for email alerts regarding Company updates and to notify when voting events arise:

The Association of Investment Companies

The Company is a member of the Association of Investment Companies.

Information disclaimer

This report is produced for members of the Company to provide them with information relating on the Company and its financial results for the period under review. This report contains subjective opinion, analysis and forward-looking statements which by their nature involve uncertainty. Past performance is no guarantee of future performance. Investments are not guaranteed and you may not get back the amount you originally invested. The Board and its advisers, including CG Asset Management and Frostrow Capital LLP, have produced these accounts in good faith and in accordance with legislation, regulations, reporting standards and to be useful to all stakeholders in the Company.

Key Features

Why Capital Gearing Trust?

Why Capital Gearing Trust?

Capital Gearing Trust is built to preserve and grow investors' real wealth across market environments, delivering long-term returns ahead of inflation with a focus on limiting losses, through active management of three core components:

(i) Specialist risk assets (comprising of investment trusts, ETFs, & property)

(ii) Inflation-linked bonds

(iii) Managed liquidity reserve (cash and short-dated bonds)

This approach allows the Company to be held as a complete portfolio for an investor or alongside other investments.

The Company also operates a discount control policy, to ensure in normal market conditions, that the shares trade consistently close to their underlying NAV per share.

Why CG Asset Management?

CG Asset Management is a specialist investment boutique focused on capital preservation and real returns. The investment team combines deep asset-class expertise with more than 40 years' experience investing in investment trusts, alongside a long-standing specialism in inflation-linked bonds and the active management of inflation and duration.

A disciplined approach underpins the process, with active risk management and flexible asset allocation, allowing the team to respond to changing macroeconomic conditions.

Strong alignment is central, with managers and their families invested alongside shareholders. The team also engages actively with investment trust company boards to protect shareholder value.

Why now?

Markets today face elevated valuations, persistent inflation pressures and rising uncertainty around growth and interest rates. In this environment, resilience matters.

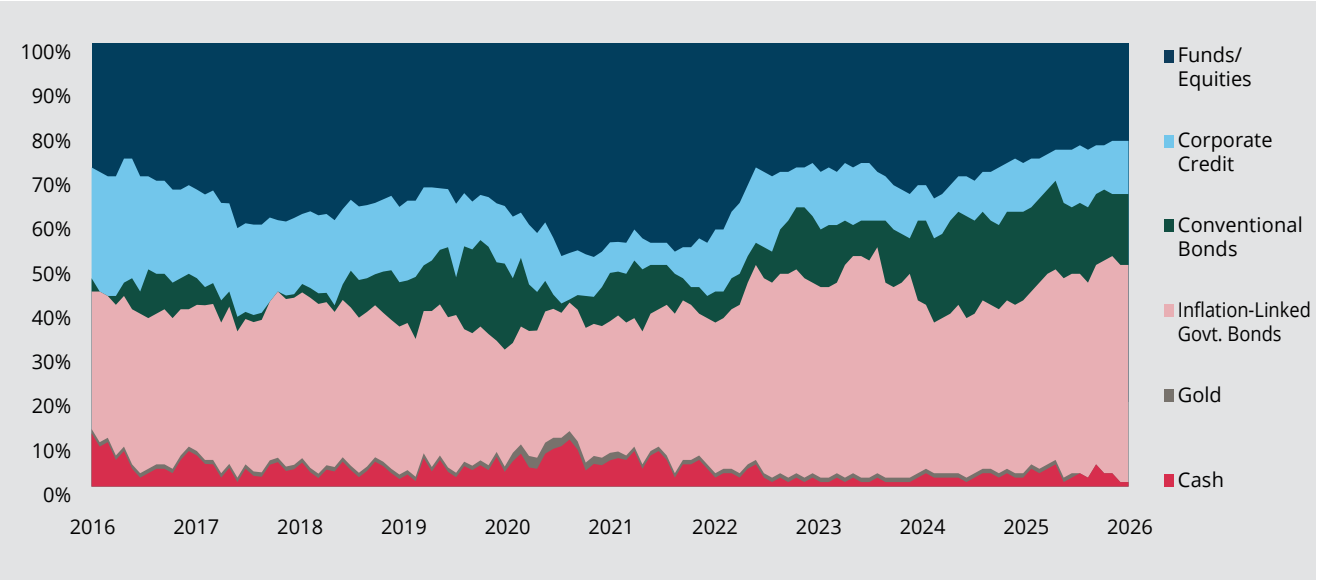
Capital Gearing Trust has a long track record of navigating inflationary periods and market stress with low volatility and limited losses.

By maintaining liquidity and flexibility, the Company is well positioned to protect capital today while remaining ready to seize opportunities as conditions evolve.

This combination of resilience and optionality is particularly valuable in today's uncertain environment.

Active Asset Allocation

The Manager actively allocates to each portfolio component to meet its objectives



Financial Summary

Highlights

	30 September 2026[1]	31 March 2026
Share Price	**518.0p**	4,985.0p
NAV per Share	**519.9p**	5,104.5p
Share Price Discount to NAV per Share[1]	**0.4%**	2.3%
Market Capitalisation	**£806.4m**	£782.6m
Shareholders' Funds	**£809.4m**	£801.3m

[1] On 23 July 2026, the Company completed a share split on the basis of ten new shares for every one share held.

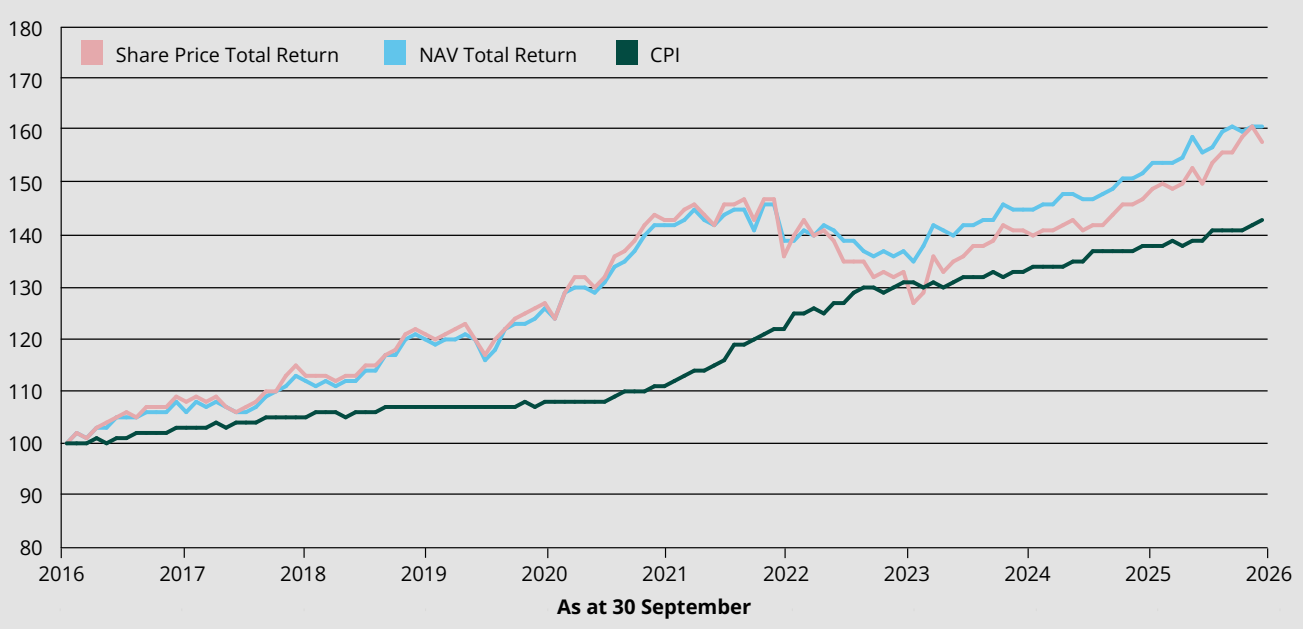
Total Return Performance to 30 September 2026

	6 months (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Share Price[1]	**5.3**	**7.4**	**19.1**	**10.5**	**58.3**
NAV per Share[1]	**3.2**	**5.6**	**17.1**	**13.6**	**60.8**
Consumer Price Index ('CPI')[2]	**2.2**	**3.5**	**9.2**	**28.2**	**42.5**

Source: AIC/LSEG/ONS.

Share Price and NAV Total Return Performance over 10 years to 30 September 2026

Based on mid-market prices, the graph below illustrates the total return to investors in the Company over the past ten years, compared with the Consumer Price Index. Each measure is rebased to 100 in 2016.



Source: LSEG.

[1] Alternative Performance Measure. Please refer to pages 19 to 21 for a description of the Alternative Performance Measures and a glossary of terms and definitions.

[2] The Company does not have a formal benchmark but uses the Consumer Price Index ('CPI') as a relative measure over the medium to longer term.

Chairman's Statement

Performance

Your Company's objective is to preserve and, over time, to grow shareholders' real wealth. It seeks to achieve this by having two subsidiary aims. The first is to protect investors' wealth by cushioning the effect of falling asset prices. The second aim is to beat inflation over the medium term by at least 2%, compounded over time.

Over the six month reporting period to the end of September 2026, the Company delivered a net asset value ('NAV') total return of +3.2%. This compares with inflation of +2.2% over the same period, as measured by the Consumer Price Index ('CPI'). The share price total return over the period was +5.3%.

Further details regarding the market environment and the Company's performance over the six months ended 30 September 2026, together with the Investment Manager's outlook can be found in the Investment Manager's Report on pages 6 and 7.

Investment Management Team

During the period, our Investment Manager, CG Asset Management ("CGAM"), further strengthened its investment team with the appointment of Emma Moriarty as a named Fund Manager for the Company, alongside Peter Spiller and Chris Clothier. Emma has been a member of the CGAM investment team since 2022, having previously spent eight years as a senior economist at the Bank of England, and she has already played an important role in the management of CGAM's portfolios.

Emma's appointment reflects the depth and quality of the investment team and further enhances the resilience of the Company's management structure. Alastair Laing will now focus on his responsibilities as Chief Executive Officer of CGAM, while remaining actively involved in the investment process through his continued membership of CGAM's Asset Allocation Committee.

The Board welcomes Emma's appointment and believes that the complementary skills and experience of Peter, Chris and Emma position the Company well to continue delivering its investment objective.

Share Split

Shareholders approved a ten-for-one share split at the Annual General Meeting held in July 2026. The share split became effective on 23 July 2026 and did not affect the overall value of shareholders' holdings in the Company, as the reduction in the price per share was offset by a commensurate increase in the number of shares held. The Board believes that the share split has made the Company's shares more accessible to a broader range of investors and has the potential to enhance market liquidity.

Discount/Premium Control Policy ('DCP')

Our DCP, which aims to ensure that, in normal market conditions, the Company's ordinary shares trade close to underlying asset value, requires us to buy or sell shares in the Company to maintain a narrow discount or premium. Over the six month period ended 30 September 2026, the Company has repurchased 1,682,737 shares (share repurchases between 1 April and 23 July 2026 adjusted by a factor of ten for the stock split) into Treasury for a total consideration of £8.6 million. This represents a significant reduction on the prior year period, during which the Company repurchased shares for aggregate consideration of £71.6 million. Furthermore, in August 2026 the Company issued 375,000 shares through the sale of Treasury shares, raising total proceeds of £2.0 million to meet investor demand while the shares were trading at a premium to NAV.

Consistent with the Board's commitment to the DCP, the Company will call a general meeting to renew shareholder authorities to buy back, and issue shares should it become likely that the authorities granted at the 2026 Annual General Meeting will be exhausted before the 2027 Annual General Meeting.

Income and Distributions

The Company does not target income but focusses on a total return for investors. However, the Company receives dividends and interest as an outcome of the application of its investment policy, and the amounts distributed to shareholders are designed to satisfy the Company's annual income distribution test to ensure that it maintains its investment trust status. Accordingly, distribution will vary each year.

Chairman's Statement *(continued)*

For the year ended 31 March 2026, the Board recommended a final dividend of 66p per share, which was approved by shareholders. The dividend comprised an interest distribution of 43p per share and a dividend distribution of 23p per share. As in the prior year, the Company took advantage of the UK interest streaming rules, which allow approved investment trusts which have income from interest bearing assets to treat all or part of a distribution as an interest distribution, rather than a conventional dividend. By doing this, the Company received a corresponding deduction in its corporation tax liability.

The distribution recommendation in respect of the Company's year ending 31 March 2027, will be determined by the Board and confirmed to shareholders in May 2027.

Company's Marketing, Promotion and Shareholder Interaction

With the dual aim of arming the Company's existing shareholders with timely and quality information and creating a sustained demand for the Company's shares, our Investment Manager provides regular updates and thought pieces on the Company via various media including video conferences, podcasts and in-person meetings, together with ongoing interaction with national and investment industry journalists.

The Company's website also provides the history and background of the Company, insights, regulatory documents, performance data, shareholder communications, and investor tools. The website can be found here: **https://capitalgearingtrust.com**

The next opportunity to hear from the Investment Manager is on Thursday 19 November 2026 at 2.00 p.m., when the investment team will present the Company's half-year results via Investor Meet Company's webcasting service. Questions can be submitted at any time during the live presentation. Investors and potential investors can sign up to Investor Meet Company for free and add "to meet CG Asset Management" via: **https://www.investormeetcompany.com/cg-asset-management/register-investor**

Investors who already follow CG Asset Management on the Investor Meet Company platform will automatically be invited.

To ensure you get early notification of future presentations and events, you can register for email and news alerts concerning the Company using the following link: **https://capitalgearingtrust.com/contact/#alerts**

The Board is always keen to engage with shareholders. If any shareholder wishes to communicate with me as Chairman or Wendy Colquhoun as Senior Independent Director, please contact our Company Secretary at **info@frostrow.com** or by using the contact details listed on the inside back cover.

Karl Sternberg
Chairman

19 November 2026

Investment Manager's Report

Performance

The Company delivered a NAV total return of 3.2% during the first half of the financial year, exceeding UK inflation of 2.2% over the same period. We were encouraged that all major components of the portfolio outperformed their respective benchmarks.

Equity markets performed strongly over the period, recovering quickly from the negative shock experienced at the outset of the Iran conflict. Bond yields rose across developed markets, with the UK 10-year gilt yield ending the period at 5.4%, more than 0.4% higher than at the start of the six months.

Attribution Analysis

Return on portfolio	**%**	**%**
Cash & treasury-bills	0.4	
Credit	0.2	
Managed Liquidity Reserve		**0.6**
Inflation-linked bonds		**-0.5**
Infrastructure	0.7	
Alternatives	0.2	
Property	0.1	
Equities	2.4	
Risk assets		**3.4**
Gross return		**3.5**
NAV accretion from buyback	0.0	
Management fee and other costs	-0.3	
Net return		**3.2**

The short duration of the bond portfolio stood the Company in good stead. The holdings of US TIPS, UK linkers and corporate credit all outperformed their benchmarks, and *breakevens* on index-linked bonds remain attractive. Against a global backdrop of rising real interest rates, inflation-linked bonds were the sole detractor from the Company's performance over the period. Within this asset class, inflation-linked gilts returned +0.4% versus the benchmark's -2.3% return. The Company's TIPS portfolio returned -2.2%, as US real yields rose sharply, against a benchmark return of -3.2%. In both cases, relative performance was a function of positioning with materially shorter duration than their benchmark indices.

So far, real interest rates have risen in lockstep with nominal interest rates. Some commentators have suggested that this rise in real interest rates is due to the bond market anticipating rising productivity from AI. We think this is wishful thinking and that the reason is rather more prosaic: with ever greater issuance, ever higher yields are required to entice investors to part with their capital.

Given the strong performance of equity markets over the six months, our low weighting was detrimental to the Company's performance. Our equity portfolio returned 18%, outperforming the MSCI World Index by 2.3% in sterling terms and contributing 2.4% to overall performance. We had a relatively large number of investment trust special situations conclude favourably during the period. Pacific Assets finished its strategic review which resulted in a partial cash exit and a rollover into Schroder Asia Total Return, delivering a total return of 21% from our initial investment. Impax Environmental Markets completed its tender in the middle of May which generated a return of 22% over a couple of months. After the end of the reporting period, Brown Advisory US Smaller Companies announced that it would offer a cash exit and a rollover into JPMorgan US Smaller Companies. North Atlantic Smaller Companies, whose underperformance we wrote about in the annual report, delivered a 29% return during the half. This was driven by a mixture of good portfolio performance and by it repurchasing 3.6% of its shares, which we had been advocating for some time. Of course, not everything worked quite as hoped but no stocks in the Company's portfolio underperformed materially.

We saw continued strong performance in our infrastructure holdings, which contributed 0.7% to portfolio performance over the period. The share prices of HICL, INPP and 3IN rose 13%, 8% and 18% respectively. We have been gradually trimming these positions as their values get closer to what we judge to be "fair". Since the end of the reporting period, we have trimmed them further; we were surprised at how resilient they were in the face of rising bond yields, which contrasted starkly with the performance of other assets with similar financial characteristics such as long-lease property.

Our exposure to other risk asset sub-sectors, such as property or hedge funds, is now quite small but in aggregate these delivered a positive contribution and outperformance of their relevant sub-indices.

Outlook

The war in Iran rumbles on and its scope has broadened following the Houthi operations in the Bab al-Mandab strait and attacks on the King Khalid airport in Riyadh. We have no special insight as to what this means for energy prices over the short or medium term. We only note that at the outbreak of the Ukraine War, no-one predicted that it would be continuing four years later with no end in sight. By the time this report is published, the US mid-term elections will have concluded. Any incentive that

Investment Manager's Report *(continued)*

President Trump might have had for a swift resolution of the conflict will be much diminished. For the time being, the world must endure record diesel prices and Europe must endure high gas and electricity prices. This places a squeeze on living standards in Europe, increases fiscal constraints and further erodes Europe's global competitive position in energy-intensive industries.

We have long warned of the risks of a bond market crisis arising from the extraordinary, prolonged and embedded profligacy of governments. The US, UK, Japan and France are the jurisdictions we identified as having the greatest vulnerabilities. For the time being it is France that markets are most focussed on, and with good reason. True, the US has larger fiscal deficits, but its nominal GDP is growing at twice the rate of France and it has much greater fiscal headroom. True, Japan has a higher stock of debt, but it also possesses a vast stock of foreign savings. True, the UK has not got a "whatever it takes" central bank in its corner, but it has a functioning government and will pass a budget of some kind. Having been disciplined by the bond market in 2022, the UK is keenly aware that precious few investors *must* now own gilts (as defined benefit schemes become less and less important).

We suspect that President Macron looks back at De Gaulle's lament – that he could not govern a country with 246 varieties of cheese – rather wistfully. The political centre in France has collapsed. On the left there is Mélenchon who wishes to "set fire" to the country's debt. On the right, and leading in the polls for the upcoming presidential election, is Le Pen whose fiscal credentials rest on renegotiating France's contribution to the EU budget. This seems implausible given the proposed increase to the EU's budget combined with the prospect of France needing to rely on ECB largesse to support its bond market. All the while, school children protest on the streets. France really does appear to be ungovernable.

Then there is the question of the AI investment boom. We have written extensively on this subject and shareholders can find our views on the Insights page of our website[1]. The central premise is simple. Firstly, we are in the middle of a major capex boom. Every previous boom of a comparable scale resulted in overbuilding, followed by a period of sharp retrenchment, financial distress and investor losses. Secondly, we judge that the revenues that would be necessary to support the investment boom are unlikely to materialise. Third, the US stock market has effectively become a one-trick AI pony. Chip companies alone make up 10% of this year's earnings, a figure forecast to grow to 17% next year. Should it become apparent that the revenues that data centres achieve cannot generate a reasonable return on the existing investment, we expect that capex will collapse. This will directly negatively affect the earnings of chip companies, and indirectly impact the earnings of hyperscalers such as Microsoft and Amazon, (as they write down some of their investments and write up the liabilities arising from credit support they have made via off-balance sheet commitments). It is possible to imagine a simultaneous slowdown in corporate spending and private consumption, the latter via a stock-market related wealth effect. This would trigger a recession. Given that the US government is already running a deficit of 6% of GDP, it is hard to imagine what fiscal stabilisers it will be able to offer. The resulting economic slowdown would be very pronounced.

Even if this boom does not end badly, the sheer competition for capital will place upward pressure on bond yields, both corporate and government. Against this backdrop, we proceed with caution, confident that our portfolio offers attractive real yields while taking little interest rate or credit risk.

Chris Clothier **Emma Moriarty** **Peter Spiller**

CG Asset Management

19 November 2026

[1] https://wp-cgam-2025.s3.eu-west-2.amazonaws.com/media/2026/10/AI-Capex-Chris-Clothier.pdf

Portfolio Investments

The top ten[1] investments in each asset category are listed below. The full portfolio listing of the Company as at 30 September 2026 is published on the Company's website www.capitalgearingtrust.com

	30 September 2026 £'000	31 March 2026 £'000
Inflation-Linked Government Bonds		
Index-Linked Bonds - United States	**229,373**	197,938
Index-Linked Bonds - United Kingdom	**166,820**	163,659
	396,193	361,597
Conventional Government Bonds		
Conventional Government Bonds - Japan	**98,142**	105,497
Conventional Government Bonds - United Kingdom	**18,411**	25,427
	116,553	130,924
Preference Shares / Corporate Debt		
Network Rail 1.75% 2027	**16,254**	11,762
Heathrow Finance 3.875% 2027	**5,072**	–
Dwr Cymru (Financing) 3.514% 2030	**4,919**	4,894
RMS IL 2.8332% 2035	**4,340**	4,373
Porterbrook Rail Finance 7.125% 2026	**4,188**	4,229
Tesco 1.982% 2036	**3,573**	3,476
Sydney Airport Finance Company 3.12% 2030	**3,527**	3,482
Yorkshire Water Services 1.75% 2026	**3,483**	3,420
BP Capital 4.25% Perpetual Bond	**3,323**	–
Artesian Finance 3.625% 2032	**3,286**	3,287
Other Preference Shares/Corporate Debt Investments	**52,707**	64,558
	104,672	103,481

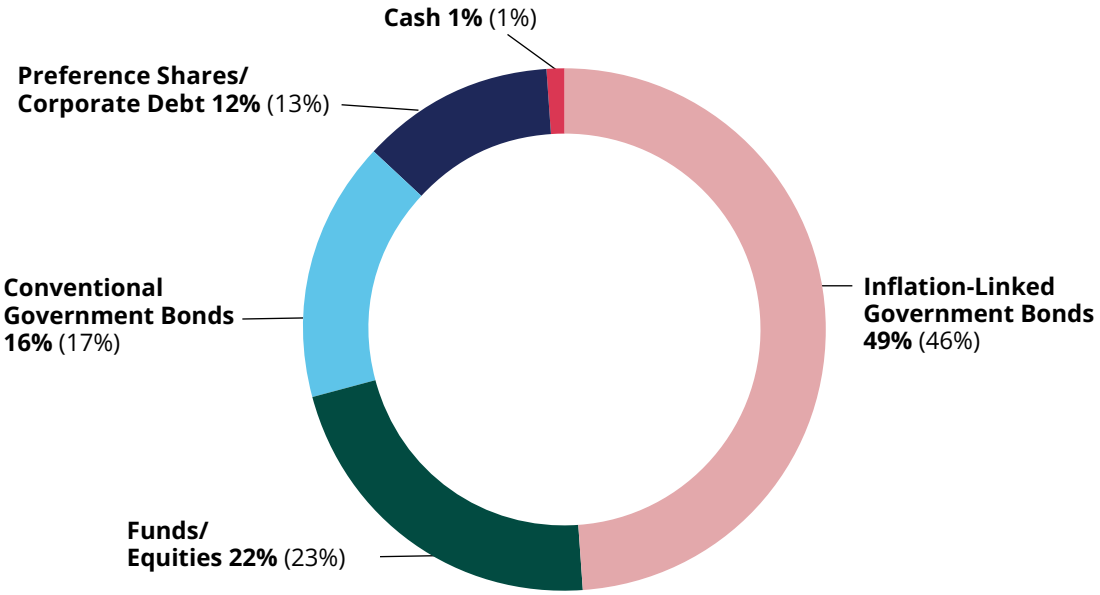
Portfolio Investments *(continued)*

	30 September 2026 £'000	31 March 2026 £'000
Funds/Equities		
Vanguard FTSE 100 UCITS	**24,617**	22,197
North Atlantic Smaller Companies Investment Trust	**18,605**	15,495
UBS Core MSCI World ETF	**17,090**	13,852
JPMorgan Japan Research Enhanced Index Equity Active UCITS ETF	**14,086**	13,356
HICL Infrastructure	**9,424**	10,788
International Public Partnerships	**9,332**	10,134
3i Infrastructure	**7,958**	7,823
TR Property Investment Trust	**5,425**	4,496
GCP Infrastructure Investments	**4,555**	3,993
Triple Point Social Housing REIT	**4,259**	1,763
Other Fund/Equity Investments	**48,480**	76,914
	163,831	180,811
Total Investments	**781,249**	776,813
Cash	**6,181**	7,376
Total	**787,430**	784,189

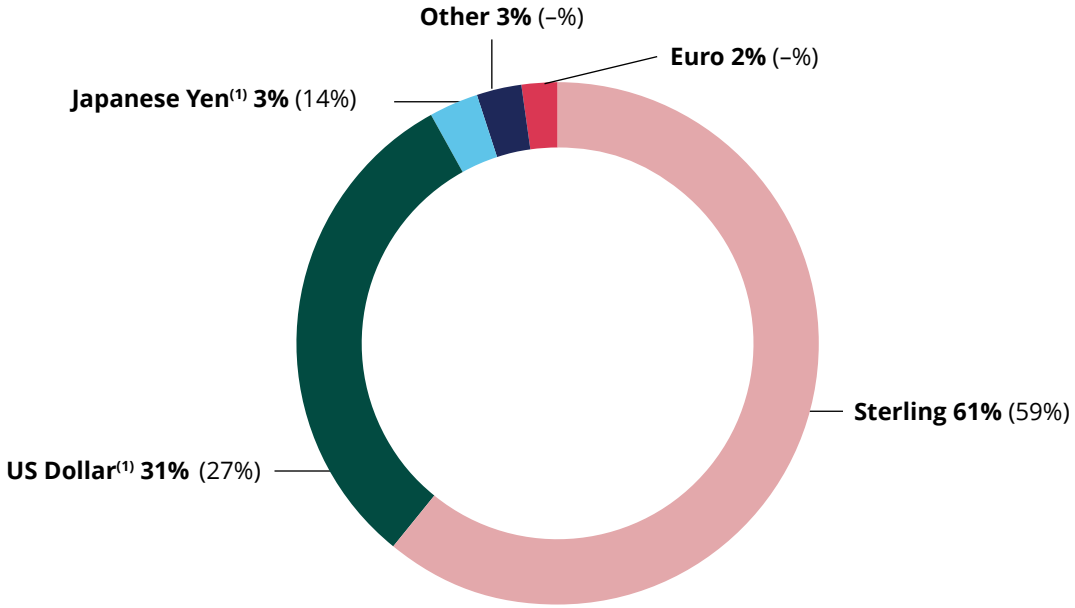
(1) Some asset categories comprise fewer than ten investments.

Portfolio Analysis

Asset Allocation
30 September 2026 (31 March 2026)



Currency Exposure
30 September 2026 (31 March 2026)



(1) Currency exposure as at 30 September 2026 reflects the effect of currency hedging.

Interim Management Report

A review of the half-year and the outlook for the Company can be found in the Chairman's Statement and the Investment Manager's Report.

Principal Risks and Uncertainties

The principal risks faced by the Company fall into the following broad categories: investment strategy and performance; share price premium/discount level; operational risk, regulatory and governance risk, and financial and economic risk. Information on each of these areas is given in the Strategic Review within the Annual Report for the year ended 31 March 2026. The Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remaining six months of the Company's financial year.

The Directors continue to work with the agents and advisers to the Company to manage the risks, including any emerging risks, as best they can.

Related Party Transactions

Details of related party transactions are contained in the Annual Report for the year ended 31 March 2026. There have been no material changes to be reported.

Going Concern

The Company's investment objective and business activities, together with the main trends and factors likely to affect its development and performance are monitored continuously by the Board. The Directors believe that the Company is reasonably well placed to manage its business risks and, having reassessed the principal risks, consider it appropriate to continue to adopt the going concern basis of accounting in preparing the interim financial information.

Statement of Directors' Responsibilities

Each Director confirms that, to the best of their knowledge:

(i) the condensed set of financial statements has been prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting);

(ii) the Half-Year Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year and includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period and any changes in the related party transactions described in the last annual report that could do so; and

(iii) the Half-Year Report, taken as a whole, is fair balanced and understandable and provides information necessary for shareholders to assess the Company's performance, position and strategy.

This Half-Year Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the date of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

For and on behalf of the Board

Karl Sternberg
Chairman
19 November 2026

Condensed Income Statement

	(unaudited) Six months ended 30 September 2026			(unaudited) Six months ended 30 September 2025		
	Revenue £'000	**Capital £'000**	**Total £'000**	**Revenue £'000**	**Capital £'000**	**Total £'000**
Net gains on investments held at fair value	**–**	**17,731**	**17,731**	–	12,561	12,561
Net gains on currency swap contracts	**–**	**1,796**	**1,796**	–	7,483	7,483
Currency translation losses	**–**	**(260)**	**(260)**	–	(66)	(66)
Investment income (note 2)	**8,093**	**–**	**8,093**	9,602	–	9,602
Other income	**60**	**–**	**60**	78	–	78
Gross return	**8,153**	**19,267**	**27,420**	9,680	19,978	29,658
Investment management fee	**(1,842)**	**–**	**(1,842)**	(1,789)	–	(1,789)
Other expenses	**(572)**	**–**	**(572)**	(704)	–	(704)
Net return before tax	**5,739**	**19,267**	**25,006**	7,187	19,978	27,165
Tax charge	**–**	**–**	**–**	–	–	–
Net return attributable to equity shareholders	**5,739**	**19,267**	**25,006**	7,187	19,978	27,165
Net return per share (note 3)	**8.34p**	**28.02p**	**36.36p**	41.51p	115.41p	156.92p

The total column of this statement represents the Income Statement of the Company. The Revenue return and Capital return columns are supplementary to this and are prepared in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies ('AIC SORP').

All revenue and capital items in the above statement derive from continuing operations.

There are no gains or losses other than those recognised in the Income Statement.

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

Condensed Statement of Changes in Equity

For the six months ended 30 September 2026 (unaudited)	Note	Called-up Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve[1] £'000	Unrealised capital reserve[1] £'000	Realised capital reserve[1] £'000	Revenue reserve[1] £'000	Total £'000
Opening balance at 1 April 2026		**6,645**	**–**	**16**	**731,667**	**42,229**	**3,230**	**17,524**	**801,311**
Net return for the period		**–**	**–**	**–**	**–**	**26,308**	**(7,041)**	**5,739**	**25,006**
Repurchase of shares into treasury	6	**–**	**–**	**–**	**(6,627)**	**–**	**–**	**–**	**(6,627)**
Issue of shares from treasury	6	**–**	**208**	**–**	**1,769**	**–**	**–**	**–**	**1,977**
Dividends paid	4	**–**	**–**	**–**	**–**	**–**	**–**	**(10,327)**	**(10,327)**
Closing balance at 30 September 2026		**6,645**	**208**	**16**	**725,040**	**68,537**	**(3,811)**	**12,936**	**809,363**

For the six months ended 30 September 2025 (unaudited)	Note	Called-up Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve[1] £'000	Unrealised capital reserve[1] £'000	Realised capital reserve[1] £'000	Revenue reserve[1] £'000	Total £'000
Opening balance at 1 April 2025		6,645	–	16	842,862	(15,956)	28,875	22,583	885,025
Net return for the period		–	–	–	–	24,499	(4,521)	7,187	27,165
Repurchase of shares into treasury	6	–	–	–	(72,048)	–	–	–	(72,048)
Dividends paid	4	–	–	–	–	–	–	(17,907)	(17,907)
Closing balance at 30 September 2025		6,645	–	16	770,814	8,543	24,354	11,863	822,235

[1] These reserves are available for distribution except for the gains and losses relating to Level 3 investments.

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

Condensed Statement of Financial Position

	(unaudited) 30 September 2026 £'000	(audited) 31 March 2026 £'000
Fixed assets		
Investments held at fair value through profit or loss (note 7)	**781,249**	776,813
Current assets		
Debtors	**10,695**	3,149
Investments - derivative financial instruments	**16,334**	16,439
Cash	**6,181**	7,376
	33,210	26,964
Creditors: amounts falling due within one year	**(5,096)**	(2,466)
Net current assets	**28,114**	24,498
Net assets	**809,363**	801,311
Capital and reserves		
Called-up share capital	**6,645**	6,645
Share premium	**208**	–
Capital redemption reserve	**16**	16
Special reserve	**724,832**	731,667
Capital reserve	**64,726**	45,459
Revenue reserve	**12,936**	17,524
Total equity shareholders' funds	**809,363**	801,311
Net asset value per Ordinary share	**519.9p**	5,104.5p

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

The Half-Year Report for the six months ended 30 September 2026 was approved by the Board of Directors on 19 November 2026 and signed on its behalf by:

Karl Sternberg
Chairman

19 November 2026

Condensed Cash Flow Statement

	(unaudited) Six months ended 30 September 2026 £'000	(unaudited) Six months ended 30 September 2025 £'000
Net cash inflow from operating activities (note 5)	**6,471**	8,510
Purchases of investments	**(275,458)**	(414,353)
Sales of investments	**284,142**	463,700
Settlement received/(paid) on currency swap contracts	**1,900**	(747)
Net cash inflow from investing activities	**10,584**	48,600
Equity dividends paid	**(10,327)**	(17,907)
Repurchase of shares into treasury	**(9,879)**	(70,820)
Issue of shares from treasury	**1,977**	–
Cost of share buybacks paid	**(21)**	(386)
Net cash outflow from financing activities	**(18,250)**	(89,113)
Increase/(decrease) in cash	**(1,195)**	(32,003)
Cash at start of period	**7,376**	42,859
Cash at end of period	**6,181**	10,856

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

Notes to the Financial Statements

1. Basis of preparation

The condensed Financial Statements for the six months to 30 September 2026 comprise the Income Statement, the Statement of Changes in Equity, the Statement of Financial Position and the Cash Flow Statement, together with the notes set out below. They have been prepared in accordance with FRS 104 'Interim Financial Reporting', the AIC's Statement of Recommended Practice issued in 2022 ('AIC SORP'), UK Generally Accepted Accounting Principles ('UK GAAP') and using the same accounting policies as set out in the Company's Annual Report and Accounts at 31 March 2026.

2. Investment income

	(unaudited) Six months ended 30 September 2026 £'000	(unaudited) Six months ended 30 September 2025 £'000
Income from investments		
Interest from UK bonds	**2,680**	3,944
Interest from overseas bonds	**2,552**	1,524
UK dividend income	**1,506**	1,855
Overseas dividend income	**1,355**	2,279
Total income	**8,093**	9,602

3. Net return per share

The calculation of return per share is based on net return for the period divided by the weighted average number of shares in issue during the period, excluding shares held in treasury, of 68,773,687 (31 March 2026: 16,704,520).

The revenue, capital and total returns per share are shown in the Income Statement.

4. Dividends paid

	(unaudited) Six months ended 30 September 2026 £'000	(unaudited) Six months ended 30 September 2025 £'000
2026 Dividend paid 15 July 2026 (66.0p per share)	**10,327**	–
2025 Dividend paid 8 July 2025 (102.0p per share)	**–**	17,907

Notes to the Financial Statements *(continued)*

5. Reconciliation of net return before tax to net cash inflow from operating activities

	(unaudited) Six months ended 30 September 2026 £'000	(unaudited) Six months ended 30 September 2025 £'000
Net return before tax	**25,006**	27,165
Adjustments for:		
Gains on investment held at fair value	**(19,267)**	(19,978)
Decrease in prepayments	**10**	28
Increase/(decrease) in accruals	**5**	9
Tax reclaimed	**7**	715
Decrease in dividends receivable	**543**	684
Decrease/(increase) in accrued interest income	**427**	(47)
Realised losses on foreign currencies	**(260)**	(66)
Net cash inflow from operating activities	**6,471**	8,510

6. Ordinary shares

Shareholders approved a ten-for-one share split at the Annual General Meeting held in July 2026. The share split became effective on 23 July 2026 and did not affect the overall value of shareholders' holdings in the Company, as the reduction in the price per share was offset by a commensurate increase in the number of shares held.

During the period, the Company repurchased 1,682,737 shares (share split adjusted) for a cash consideration of £8,600,000 (six months to 30 September 2025: repurchased 1,487,177 shares for a cash consideration of £71,600,000). The Company issued 375,000 shares (by selling shares from Treasury) for cash proceeds of £1,977,000 during the period (six months ended 30 September 2025: no shares issued (by selling shares from Treasury)).

At 30 September 2026, there were 265,802,630 shares in issue (31 March 2026: 26,580,263) and 110,128,037 shares were held in Treasury (31 March 2026: 10,882,030).

Notes to the Financial Statements *(continued)*

7. Fair value of financial assets and liabilities

Financial Reporting Standard 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Level 2: valued using observable inputs other than quoted prices included within Level 1; and

Level 3: valued using inputs that are unobservable and are valued by the Directors using International Private Equity and Venture Capital Valuation ('IPEV') guidelines, such as earnings multiples, recent transactions and net assets, which equate to their fair values.

The financial assets and liabilities measured at fair value in the Statement of Financial Position are grouped into the fair value hierarchy as follows:

Financial assets held at fair value through profit or loss	Level 1 £000	Level 2 £000	Level 3 £000	(unaudited) As at 30 September 2026 Total £000
Quoted securities	766,843	14,406	–	781,249
Currency swap contracts	–	16,334	–	16,334
Total fair value of financial assets	766,843	30,740	–	797,583

Financial assets held at fair value through profit or loss	Level 1 £000	Level 2 £000	Level 3 £000	(audited) As at 31 March 2026 Total £000
Quoted securities	763,467	13,025	–	776,492
Currency swap contracts	–	16,439	–	16,439
Unquoted securities	–	–	321	321
Total fair value of financial assets	763,467	29,464	321	793,252

8. General information

The financial information contained in this Half-Year Report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the half-years ended 30 September 2026 and 30 September 2025 has not been audited. The financial information for the year ended 31 March 2026 has been extracted from the Company's statutory accounts for that period, which have been filed with the Registrar of Companies. The report of the Auditor on those accounts was unqualified and did not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006.

Alternative Performance Measures

The Alternative Performance Measures ('APMs') detailed below are used by the Board to assess the Company's performance against a range of criteria and are viewed as particularly relevant to an investment trust.

NAV Total Return (APM)

Net asset value total return measures the increase or decrease in net asset value per share plus the dividends paid in the year, which are assumed to be reinvested at the NAV at the time that the shares are quoted ex-dividend.

		Six months to 30 September 2026	One year to 30 September 2026	Three years to 30 September 2026	Five years to 30 September 2026	Ten years to 30 September 2026
Opening NAV per share	A	**5,104.5p**	**4,988.2p**	**4,674.9p**	**4,894.6p**	**3,621.0p**
Closing NAV per share	B	**519.9p**	**519.9p**	**519.9p**	**519.9p**	**519.9p**
% change in NAV (adjusted for the 10 for 1 share split)	C=(B*10−A)/A	**1.9%**	**4.2%**	**11.2%**	**6.2%**	**43.6%**
Impact of dividend reinvestment and share buyback	D	**1.3%**	**1.3%**	**5.9%**	**7.4%**	**17.2%**
NAV total return	E=C+D	**3.2%**	**5.6%**	**17.1%**	**13.6%**	**60.8%**

Share Price Total Return (APM)

Share price total return measures the increase or decrease in share price plus the dividends paid in the year, which are assumed to be reinvested at the share price at the time that the shares are quoted ex-dividend.

		Six months to 30 September 2026	One year to 30 September 2026	Three years to 30 September 2026	Five years to 30 September 2026	Ten years to 30 September 2026
Opening share price	A	**4,985.0p**	**4,885.0p**	**4,585.0p**	**4,995.0p**	**3,664.0p**
Closing share price	B	**518.0p**	**518.0p**	**518.0p**	**518.0p**	**518.0p**
% change in share price (adjusted for the 10 for 1 share split)	C=(B*10 −A)/A	**3.9%**	**6.0%**	**13.0%**	**3.7%**	**41.4%**
Impact of dividend reinvestment	D	**1.4%**	**1.4%**	**6.1%**	**6.8%**	**17.0%**
Share price total return	E=C+D	**5.3%**	**7.4%**	**19.1%**	**10.5%**	**58.3%**

Share Price Premium/ Discount to NAV per Share (APM)

The amount by which the share price is higher/lower than the net asset value per share, expressed as a percentage of the net asset value per share.

		(unaudited) As at 30 September 2026	(audited) As at 31 March 2026
NAV per share	A	**519.9p**	5,104.5p
Share price	B	**518.0p**	4,985.0p
Share price discount to NAV per share	C=(B-A)/A	**0.4%**	2.3%

Annualised Ongoing

Ongoing charges ratio is calculated by taking the Company's annualised operating

Alternative Performance Measures
(continued)

Charges Ratio (APM)

expenses and expressing them as a percentage of the average daily net asset value of the Company over the year. The costs of buying and selling investments are excluded, as are interest costs, taxation, costs of buying back or issuing shares and other non-recurring costs. These items are excluded because if included, they could distort the understanding of the Company's performance for the year and the comparability between periods.

	(unaudited) Six months ended 30 September 2026 £'000	(audited) Year ended 31 March 2026 £'000
Total expenses per the Income Statement	**2,414**	4,929
Total expenses – annualised	**4,828**	4,929
Average net assets during the period	**811,359**	832,245
Ongoing charges ratio	**0.60%**	0.59%

Glossary of Terms and Definitions

Alternative Performance Measures	Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes UK GAAP, including FRS 102, and the AIC SORP. Further information is provided above. These numerical measures are used by the Board to assess the Company's performance against a range of criteria and are viewed as particularly relevant for an investment company.
Discount/Premium Control Policy	A discount and premium control policy ('DCP') that seeks to ensure that the Company's shares trade at close to net asset value, in normal market conditions, through a combination of share buy-backs and share issues. The DCP creates liquidity in the shares and should reduce premium/discount volatility.
Drawdown	A maximum drawdown is the maximum observed negative period of return from a peak to a trough, as measured at month end NAV. Maximum drawdown is an indicator of downside risk that can be used to assess the relative riskiness of one portfolio relative to another.
Earnings per share	The earnings per share ('EPS') is calculated by dividing the net revenue return attributable to equity shareholders by the weighted average number of shares in issue.
Equity ETF	An exchange-traded fund ('ETF') is a type of pooled investment security that operates similarly to a mutual fund. Typically, ETFs will track a particular index, sector, commodity, or other asset, but unlike mutual funds, ETFs can be purchased or sold on a stock exchange in the same way as a regular listed stock. The price of an ETF's shares will change throughout the trading day reflecting the underlying value of the security.
Inflation-Linked Bonds	These government bonds protect against inflation and are a key component of the capital preservation strategy.
Managed Liquidity Reserve	Highly liquid assets such as cash, Treasury Bills and short-term credit holdings.
Market Capitalisation	The value of the total market value of a company's shares. It is calculated by multiplying the total number of shares in issue by the current share price.
Net Asset Value ('NAV')	The value of total assets less liabilities. To calculate the net asset value per share the net asset value is divided by the number of shares in issue.
Risk Assets	Risk assets are any assets that carry an element of risk greater than high quality credit. The term generally refers to any financial security or instrument, such as equities (including investment trusts), commodities, high-yield bonds.
Share Split	A corporate action that increases the number of ordinary shares in issue by subdividing each existing share into a greater number of shares. Shareholders receive additional shares in proportion to their existing holdings and their overall percentage ownership of the Company remains unchanged. A share split does not affect the Company's net assets, market capitalisation or the aggregate value of a shareholder's investment immediately following the split. Share splits are typically undertaken to reduce the market price of individual shares and improve their affordability and liquidity in the market.
Treasury shares	Shares that have been repurchased by the Company but not cancelled. These shares are held in a treasury account and remain part of the Company's share capital but do not carry any rights to receive dividends or vote at general meetings.

Shareholder Information

Financial Reporting

Copies of the Company's Annual and Half-Year Reports may be obtained from the Company Secretary and electronic copies can be accessed on the Company's website www.capitalgearingtrust.com.

Contacting the Board

Any shareholders wishing to communicate directly with the Board should do so via the Company Secretary.

Capital Gains Tax

As at 31 March 1982 the adjusted value for capital gains tax purposes of the 25p Ordinary shares was 21.25p.

Frequency of NAV Publication

Daily

Share Price

The Company's share price can be found on the London Stock Exchange website by using the Company's TIDM code 'CGT' within the price search facility. The share price is also available on the Company's website.

How to Invest

Via your bank, stockbroker, execution only platforms or financial advisor.

ISA

The Company manages its affairs to be a fully qualifying investment trust under the individual savings account ('ISA') rules.

Sources of Further Information

Company's website	www.capitalgearingtrust.com
AIC	www.theaic.co.uk

For registrar queries contact Computershare on 0370 873 5864.

Share Identification Codes

SEDOL:	BT66KP9
ISIN:	GB00BT66KP92
BLOOMBERG:	CGT:LN
TIDM:	CGT
FT:	CGT:LSE
LEI:	213800T2PJTPVF1UGW53

Nominee Share Code

The Company will arrange for copies of shareholder documents to be made available on request to interested parties and operators of nominee accounts.

Substantial Shareholdings

The Disclosure Guidance and Transparency Rules require shareholders of the Company to simultaneously inform the Company and the Financial Conduct Authority (the 'FCA') of changes to major holdings in the Company's shares within two trading days of the change.

For further information, please visit the FCA's website: **https://www.fca.org.uk/markets/primary-markets/regulatory-disclosures/shareholding-notification-disclosure.**

Disability Act

Access for the hard of hearing to the services of the registrar to the Company, Computershare Investor Services PLC, is provided by their contact centre's text phone service on 0370 702 0005. Alternatively, if you prefer to go through a 'typetalk' operator (provided by the RNID) you should dial 18001 followed by the number you wish to dial.

Data Protection

The Company is committed to ensuring the privacy of any personal data provided to us. Further details of the Company's privacy policy can be found on the Company's website www.capitalgearingtrust.com.

Key Information Document

In line with the European regulations for packaged investment products, which came into force in January 2018, a key information document ('KID') has been produced for the Company by its AIFM and is available on the Company's website. The KID, which is not the responsibility of the Company, is produced in a prescribed form, with little scope for deviation. Investors should note that the procedures for calculating risks, costs and potential returns contained in the KID are prescribed by law. These may not reflect the expected returns for the Company and anticipated returns cannot be guaranteed. The costs disclosed in the KID include transaction charges and look through costs, being the operating costs of investee funds, in addition to the ongoing charges of the Company.

Corporate Information

Directors *(all non-executive)*

Karl Sternberg, Chairman
Ravi Anand
Wendy Colquhoun
Paul Yates
Theodora Zemek

Company Secretary and Administrator

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Registered Number

NI005574

Company Website

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AIC

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www.theaic.co.uk

Investment Manager and AIFM

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