

Company performance record (unaudited)

The 10-year record of the company's financial performance is as follows:

	Profit/ (loss) for the year £m	Diluted earnings per share p	Annual dividend p	Net assets £m	Diluted NAV per share p	Share price p	Rolling 10 years annualised	
							Total share- holder return %	FTSE All-Share Total Return %
2016	41.1	73.1	52.6	1,644	2890	2285	3.8	4.7
2017	290.1	518.4	54.8	1,899	3395	2750	5.2	5.7
2018	26.5	47.4	57.0	1,837	3285	2650	5.3	6.7
2019	198.2	354.7	59.3	2,002	3582	2980	11.6	11.1
2020	(172.5)	(315.0)	61.1	1,787	3236	2435	6.7	4.4
2021	467.6	837.8	62.9	2,225	4000	2645	7.1	6.0
2022	611.3	1101.5	64.8	2,783	5041	3540	11.9	7.2
2023	144.0	259.0	67.4	2,798	5068	3390	9.5	5.8
2024	203.4	369.0	70.4	2,965	5369	3280	8.6	5.8
2025	66.9	121.3	73.6	2,932	5475	3540	7.5	6.2

1. Annual dividends are stated in relation to the year's results from which they were paid. Dividends for 2017 and 2022 exclude the special dividend of 100.0p and 175.0p.

Investments summary (unaudited)

Holdings over 1% of net assets at 31 March 2025

Name	Pool	Geography	Business	Value £m	Net assets %
Stonehage Fleming	Private Capital	Chan Is.	Family office services	221.4	7.6
AIR-serv Europe	Private Capital	UK	Forecourt vending	197.7	6.7
Cobepa	Private Capital	Europe	Investment company	192.7	6.6
Butcombe Group	Private Capital	Chan Is.	Pubs, bars & inns	136.5	4.7
HighVista Strategies	Funds	US	Funds of funds	99.9	3.4
Philip Morris	Public Companies	US	Tobacco & smoke-free products	90.1	3.1
Watsco	Public Companies	US	Ventilation products	76.6	2.6
Microsoft	Public Companies	US	Software	73.6	2.5
Axiom Asia funds	Funds	Asia	Funds of funds	73.4	2.5
Oracle	Public Companies	US	Software	72.3	2.5
Texas Instruments	Public Companies	US	Semiconductors	64.2	2.2
De Cheng funds	Funds	Asia	Private equity funds	58.5	2.0
Direct Tyre Management	Private Capital	UK	Tyre management services	55.0	1.9
Cooke Optics	Private Capital	UK	Cinematography lenses	44.1	1.5
Fastenal	Public Companies	US	Industrial supplies	43.1	1.5
Charter Communications	Public Companies	US	Cable communications	40.4	1.4
Unicorn funds	Funds	Asia	Funds of funds	39.9	1.4
Thermo Fisher Scientific	Public Companies	US	Pharma and life sciences services	38.7	1.3
Moody's Corporation	Public Companies	US	Financial services	38.3	1.3
Asia Alternatives funds	Funds	Asia	Funds of funds	38.2	1.3
Hill & Smith	Public Companies	UK	Infrastructure	35.6	1.2
Croda International	Public Companies	UK	Speciality chemicals	34.6	1.2
Boyne funds	Funds	US	Private equity funds	33.4	1.1
Pool Corp	Public Companies	US	Pool services	31.9	1.1
Spirax Sarco	Public Companies	UK	Steam engineering	31.0	1.1
AE Industrial funds	Funds	US	Private equity funds	29.0	1.0
Stonepeak funds	Funds	US	Private equity funds	28.6	1.0
CenterOak funds	Funds	US	Private equity funds	28.5	1.0
Alibaba Group	Public Companies	Asia	E-commerce	28.5	1.0
Other assets				757.0	25.5
Investment portfolio				2,732.7	93.2
Cash and other net assets				198.9	6.8
Net assets				2,931.6	100.0

Glossary of terms and alternative performance measures (unaudited)

Alternative performance measures ('APMs')

APMs are not prescribed by accounting standards but are industry specific performance measures which help users of the annual accounts and financial statements to better interpret and understand performance.

Terms in this glossary identified as APMs have been highlighted by the symbol:



Discount

Ordinary shares are quoted on the stock market and can trade at a discount to the NAV of the company. The following discount applied to the shares:

	31 Mar 2025 £m	31 Mar 2024 £m
Share price (b)	3540p	3280p
NAV (a)	5475p	5369p
Discount ((a-b)/a) (expressed as a percentage)	35.3%	38.9%

Distributable profits

Distributable profits include profits distributable under the Companies Act 2006 and include distributable reserves, being realised revenue and capital profits, less any unrealised losses in excess of unrealised profits.

	31 Mar 2025 £m	31 Mar 2024 £m
Retained earnings	104.5	176.3
Distributable capital gains and losses	2,487.0	2,415.2
	2,591.5	2,591.5

Dividend cover

Dividend cover is the ratio of net revenue (as defined below) to the annual dividend payable (excluding special dividends) to shareholders out of profits for the year. It helps to indicate the sustainability of annual dividends.

	31 Mar 2025 £m	31 Mar 2024 £m
Net revenue (b)	30.9	40.5
Dividend payable (a)	39.0	38.3
Dividend cover ((b)/a) (expressed as a percentage)	79%	106%

Ex-dividend date

The date immediately preceding the record date (as described below) for a given dividend. Shareholders who acquire their shares on or after the ex-dividend date will not be eligible to receive the relevant dividend.

Investment and pool returns

The company uses the modified Dietz method as a measure of the performance of an investment or investment pool over a period. This method divides the gain or loss in value plus any income, less any capital cash flows, by the average capital invested over the period of measurement. Average capital takes into account the timing of individual cash flows.

Net assets

Net assets provides a measure of the value of the company to shareholders and is taken from the IFRS group net assets.

Net asset value ('NAV')

NAV is a measure of the value of the company, being its assets – principally investments made in other companies and cash held – minus any liabilities. NAV per share is calculated by dividing net assets by the number of shares in issue, adjusted for shares held by the company's Employee Share Trust and for dilution by the exercise of vested share awards. NAV takes account of dividends payable on the ex-dividend date.

See financial statements note 17.

NAV total return ('NAVTR')

NAVTR is a measure of how the NAV per share has performed over a period, considering both capital returns and dividends paid to shareholders. NAVTR is calculated as the increase in NAV per share between the beginning and end of the period, plus accretion from the assumed dividend reinvestment in the period. We use this measure as it enables comparisons to be drawn against an investment index in order to benchmark performance. The result is plotted on page 23. and the calculation follows the method prescribed by the Association of Investment Companies ('AIC').

See financial statements note 17.

	31 Mar 2025	31 Mar 2024	
Closing NAV per share (p)	5475p	5369p	a
Dividends paid out (p)	71p	241p	b
Effect of re-investing dividends (p)	–	6p	c
Adjusted NAV per share (p)	5446p	5443p	d=a+b+c
Opening NAV per share (p)	5369p	5068p	e
NAV total return (%)	3.3%	7.4%	=(d/e)-1

Glossary of terms and alternative performance measure (unaudited) (continued)

Net revenue

Net revenue comprises income from investments less management expenses, financing costs and tax. Net revenue comprises the revenue column presented in the Group statement of comprehensive income on page 130 and differs from total comprehensive income in excluding gains and losses on investments and other items of a capital nature. The separation of revenue and capital profits and losses is required by the AIC SORP as being of fundamental importance to shareholders and other users of the financial statements of investment trust companies.

Ongoing charges

The total of investment management fees and other expenses as shown in the income statement, as a percentage of the average monthly net asset value, following the guidance provided by the Association of Investment Companies. Expense items included in the ongoing charges calculation comprise recurring costs relating to the operation of the company. Ongoing charges exclude transaction costs, external performance fees and share-based payment expenses, which are directly linked to investment performance, and re-measurement of defined benefit pension schemes, also linked to market movements.

Share-based payments comprise awards under the company's performance share scheme, which vest subject to achieving NAVTR targets, as well as service requirements, plus deferred bonus awards which arise from annual bonus awards over 50% of basic salary, which also relate to the company's investment performance.

Record date

The cut-off date on which a shareholder needs to be beneficially entitled to a share on the company's share register in order to qualify for a forthcoming dividend.

Total Shareholder Return ('TSR')

TSR measures the return to shareholders, taking into account the change in share price over a period of time as well as all the dividends paid during that period. It is assumed that the dividends are reinvested at the time the shares are quoted ex dividend.

	31 Mar 2025 £m	31 Mar 2024 £m
Management expenses (a)	25.9	22.9
Annualised average net assets (b)	2,960.5	2,841.1
Ongoing charges (a)/(b) (expressed as a percentage)	0.87%	0.81%

Annualised average net assets - 31 Mar 2025		£m
Apr 24	2,937.2	
May 24	2,963.1	
Jun 24	2,946.1	
Jul 24	2,978.7	
Aug 24	2,946.8	
Sep 24	2,917.7	
Oct 24	2,950.3	
Nov 24	3,004.5	
Dec 24	2,963.4	
Jan 25	3,007.1	
Feb 25	2,978.9	
Mar 25	2,931.6	
Average	2,960.5	

Annualised average net assets - 31 Mar 2024		£m
Apr 23	2,791.4	
May 23	2,796.1	
Jun 23	2,779.3	
Jul 23	2,781.5	
Aug 23	2,804.1	
Sep 23	2,876.1	
Oct 23	2,854.0	
Nov 23	2,848.3	
Dec 23	2,863.5	
Jan 24	2,859.4	
Feb 24	2,873.7	
Mar 24	2,965.3	
Average	2,841.1	

Valuation methodology

Investments are measured at the directors' estimate of fair value at the reporting date, in accordance with IFRS 13 Fair Value Measurement. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Publicly traded securities

Listed investments in an active market are valued based on the closing bid price on the relevant exchange on the reporting date. When a bid price is unavailable, the price of the most recent transaction will normally be used.

Unquoted securities

Caledonia's valuation methodology for unquoted securities is derived from the International Private Equity and Venture Capital ('IPEV') Valuation Guidelines (December 2022). This guidance came into effect for periods beginning on or after 1 January 2023 and supersedes previous guidance.

Unquoted companies

Unquoted company investments are valued by applying an appropriate valuation technique, which makes maximum use of market-based information, is consistent with models generally used by market participants and is applied consistently from period to period, except where a change would result in a better estimation of fair value.

The value of an unquoted company investment is generally crystallised through the sale or flotation of the entire business, rather than the sale of an individual instrument. Therefore, the estimation of fair value is based on the assumed realisation of the entire enterprise at the reporting date. Recognition is given to the uncertainties inherent in estimating the fair value of unquoted companies and appropriate caution is applied in exercising judgements and in making the necessary estimates.

The valuation methodology applies the following steps:

1. determine the enterprise value using an appropriate valuation technique
2. adjust the enterprise value for factors that a market participant would take into account, such as surplus assets, excess liabilities and other contingencies
3. deduct the value of instruments ranking ahead of those held to derive the attributable value
4. apportion the attributable value between the remaining financial instruments
5. allocate the amounts derived according to the holding in each financial instrument.

Valuation methods

Enterprise value is normally determined using one of the following valuation methodologies:

Multiples

This methodology involves the application of an earnings multiple to the maintainable earnings of the business and is likely to be appropriate for an investment in an established business with an identifiable stream of continuing earnings.

Maintainable earnings are assessed using the latest available financial data. Earnings and balance sheet data are adjusted, where appropriate, for exceptional or non-recurring items and an average of more than one year's earnings may be used to estimate maintainable earnings for cyclical or volatile businesses.

The earnings multiple used is most commonly earnings before interest, tax, depreciation and amortisation ('EBITDA') and is determined by reference to market-based multiples appropriate for the business. Where possible, an average of several appropriate market multiples will be used. The aim is to identify comparator companies that are similar in terms of risk and growth prospects to the company being valued. The transaction multiples of similar comparator unquoted companies may also be considered in determining the earnings multiple.

Multiples of comparable companies may be adjusted individually or in aggregate to reflect points of difference between the comparators and the company being valued, with reference to the risk profile and earnings growth prospects that underpin the earnings multiple. Risk arises from a range of factors, including the nature of the company's operations, markets, competitive position, quality of management and employees and capital structure. Other reasons for adjustment may include the size and diversity of the entity, the rate of growth of earnings, reliance on key employees, diversity of products and customer base, and the level of borrowing. Adjustment will also be considered to the extent that a prospective acquirer would take account of additional risks associated with holding an unquoted share, including their ability to drive a realisation at will.

Net assets

The net assets methodology is likely to be appropriate for a business whose value derives mainly from the underlying value of its assets rather than its ongoing earnings, such as a property holding company or an investment business. It may also be appropriate for a business that is not making an adequate return on assets and for which a greater value can be realised by liquidating the business and selling its assets. A third-party valuation may be used to give the fair value of a certain asset or group of assets, most commonly property assets.

Valuation methodology (continued)

Indicative offers

We regularly receive indications of interest from potential acquirers for our private capital assets, either as part of a structured sale process or in the form of a direct approach. Where we judge it appropriate, the insight gained from such approaches is incorporated into the data sets used in arriving at valuations. Where there is an offer from a credible buyer or buyers, and there is an intention to advance discussions, our practice is to consider fair values derived from an indicative enterprise value based on offers received with an appropriate discount applied. Discounts aim to reflect the unique uncertainty associated with the execution of each transaction and are normally in a range of 5-20%.

Calibration and backtesting

When the price of an initial investment is deemed fair value (which is generally the case if the investment is considered an orderly transaction), the valuation techniques that are expected to be used to estimate fair value in the future are calibrated by using market inputs at the date the investment was made. Calibration validates that the valuation techniques using contemporaneous market inputs will generate fair value at inception and therefore give confidence that subsequent valuations using updated market inputs will generate fair value at each future measurement date.

Backtesting enables the valuer to understand any substantive differences that legitimately occur between the exit price and the previous fair value assessment, by applying the information known at exit to the previous valuation technique. Backtesting is used to help refine the valuation process.

Fund interests

Fund interests refer to participations in externally managed investment vehicles that invest in a wider range of assets than is feasible for an individual investor to value separately.

Open-end funds, including investment companies with variable capital, typically report regular net asset values, which usually provide a reliable basis to estimate fair value. Management periodically assesses whether reported net asset values are fair value based through consideration of a range of information, including but not limited to underlying valuation methodologies, governance and assurance frameworks, and correspondence with third-party managers. If the price reported by the fund is not available at the reporting date, the latest available price is used and may be adjusted to take account of changes or events to the reporting date, if material.

Closed-end funds include unlisted investment companies and limited partnerships. For these investments, the fair value estimate is based on a summation of the estimated fair value of the underlying investments ('fund NAV') attributable to the investor. Fund NAV may be used where there is evidence that the valuation is derived using fair value principles. Fund NAV reports are normally received some time after the reporting date, typically two or three months, but sometimes up to six months. The latest available fund NAV will normally provide the basis of a fair value estimate, adjusted for subsequent investments and realisations. Adjustment may also be necessary for features of the fund agreement not captured in the valuation report, such as performance fees or carried interest. The timing of fund NAV reports creates a risk of changes or events occurring between the fund NAV and reporting dates, which impacts valuation. This issue is monitored carefully and, if of a material nature, can lead to adjustments either at the specific fund level or more broadly across the relevant funds affected by the identified change or event. If a decision has been made to sell the fund interest or portion thereof, the expected sale price would normally provide the best estimate of fair value.

Other investments

Other investments include preference shares, loan notes or facilities, options, warrants and treasury instruments that are not publicly traded and do not form part of an investment in an unlisted company. For such investments, appropriate valuation techniques are adopted and used consistently.

Environmental, Social and Governance factors

Environmental, Social and Governance ('ESG') factors, both quantitative and qualitative, may impact fair value. Our fair estimates therefore incorporate ESG initiatives and the ESG regulatory environment to the extent they are known or knowable.

Information for investors

Registrar

Our Registrar is:
MUFG Corporate Markets ('MUFG')
Central Square
29 Wellington Street
Leeds LS1 4DL

Shareholder enquiries: (open 9.00am to 5.30pm)
0371 664 0300 or +44 371 664 0300 if calling from overseas

Share dealing service: (open 8.00am to 4.30pm)
0371 664 0445 or +44 371 664 0445 if calling from overseas

Calls to 0371 are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate.

MUFG also provide an online service, Signal Shares, through which you can view your shareholding details, transaction and dividend histories, change your address, bank mandate and electronic communication preference and use the online proxy voting service. Signal Shares is available at www.signalshares.com.

Financial calendar

Final dividend ex-dividend date	26 June 2025
Final dividend record date	27 June 2025
Annual general meeting	16 July 2025
Final dividend payment date	7 August 2025
Half-year results announcement	November 2025
Anticipated interim dividend payment date	January 2026
2026 annual results announcement	May 2026
2026 annual report publication	June 2026

Electronic communications

You may elect to receive communications from the company electronically via its website as an alternative to receiving hard copy accounts and circulars. If you would like to change your communication preference, you may do so at www.signalshares.com or by writing to MUFG at FREEPOST SAS, MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds, LS1 4DL (if you are a UK based shareholder) or to SAS, MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds, LS1 4DL. No stamp is required for letters from UK shareholders.

Share price information

The company's ordinary shares are listed on the London Stock Exchange under the SEDOL code of 0163992 or TIDM code of CLDN. Prices are published daily in the Financial Times under the 'Investment Companies' heading and in other leading newspapers and can also be viewed on the company's website at www.caledonia.com.

The ISIN for Caledonia's ordinary shares is GB0001639920.

Monthly net asset value

The company releases a net asset value announcement and publishes a factsheet shortly after each month end. These can be found on the company's website at www.caledonia.com.

Boiler room and other scams

Investment and pension scams are often sophisticated and difficult to spot. Shareholders are advised to be wary of any unexpected offers received by email, post or telephone and to check the Financial Conduct Authority's Warning List if any unsolicited communication is received. Visit www.fca.org.uk/scamsmart for more information.

Directors and advisers

Chair

David C Stewart^{2,3}

Executive directors

Mathew S D Masters (Chief Executive Officer)

Robert W Memmott (Chief Financial Officer)

Jamie M B Cayzer-Colvin

Non-executive directors

Farah A Buckley^{2,3,4}

The Hon Charles W Cayzer²

Guy B Davison^{1,2,4}

M Anne Farlow^{1,2,3,4}

Claire L Fitzalan Howard^{2,3,4}

Lynn R Fordham^{1,2,4}

William P Wyatt²

1. Member of the Audit and Risk Committee

2. Member of the Nomination Committee

3. Member of the Remuneration Committee

4. Member of the Governance Committee

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