

abrdn Diversified Income and Growth plc

Registered in Scotland Company Number SC003721

**Interim Accounts
as at 31 January 2026
Section 838 Companies Act 2006**

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abrdn Diversified Income and Growth plc

Condensed Statement of Comprehensive Income (unaudited)

For the period 1 October 2024 to 31 January 2026

	Notes	£'000
Income from investments		
Franked investment income		-
Overseas and unfranked investment income		4,118
Fixed interest bond income		-
Treasury bills		151
Other income		
Money market fund interest		1,437
Other interest receivable and similar income		16
		<u>5,722</u>
Administration expenses		(1,634)
Interest payable		(3)
Revenue before taxation		<u>4,085</u>
Taxation		<u>(879)</u>
Revenue after taxation		<u>3,206</u>
Dividends		
Dividends on Ordinary shares	6	<u>(10,394)</u>
Revenue deficit for the period		<u><u>(7,188)</u></u>

abrdn Diversified Income and Growth plc

Condensed Statement of Financial Position (unaudited)

As at 31 January 2026

	Notes	£'000
Fixed assets		
Investments at realisable value through profit or loss	2	<u>60,841</u>
Current assets		
Debtors and receivables	3	570
Money market funds		18,312
Cash at bank		<u>14,034</u>
		32,916
Creditors: amounts falling due within one year	4	<u>(4,377)</u>
Net current assets		<u>28,539</u>
Net assets		<u><u>89,380</u></u>
Capital and reserves		
Called-up share capital	5	3,238
Capital redemption reserve		15,063
Special distributable reserve		44,228
Capital reserve		5,651
Revenue reserve		<u>21,200</u>
Total shareholders' funds		<u><u>89,380</u></u>

These accounts were approved by the Directors on 23 February 2026 and signed on behalf of the Board of Directors by :

Davina Walter

Davina Walter
Chairman

Notes to the Condensed Financial Statements

For the period 1 October 2024 to 31 January 2026

1. Accounting policies

(a) Basis of preparation

The condensed financial statements have been prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting) and with the Statement of Recommended Practice for 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in July 2022 and with the Disclosure Guidance Transparency Rules issued by the Financial Conduct Authority. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £'000.

Following an extensive review of the Company's strategy and discussions with major shareholders, resolutions were put to and approved by Shareholders at the Annual General Meeting of the Company held on 27 February 2024 adopting a new investment objective and policy, approving a managed wind-down of

The Company further announced on 16 April 2025 that the Board had appointed Campbell Lutyens as an independent broker to market-test demand for the Company's private markets assets and to undertake a secondary sales process with the aim of optimising the value of the Company's investments whilst progressively returning cash to Shareholders. From 1 October 2025 the Company has released several market updates notifying Shareholders of the disposal of several assets through the secondary sales process. As a consequence, the Board determined that the going concern basis of preparation of the financial statements for the six months ended 30 September 2025 was no longer appropriate given that the likely outcome of the current process will ultimately lead to the proposed liquidation of the Company following the sale of the remaining assets and returns of capital deemed likely to take place within a short timeframe from the date of this report. Adjustments to the valuation of the Company's investments to reflect realisable value, and account provisions for the completion of the secondary sales process and ultimate liquidation of the Company are reflected in these s.838 accounts. From 1 October 2025, the Company reverted to reporting NAVs on a monthly basis, applying the amended basis of investment valuation. Subject to an amended basis for investment valuation and liquidation provisions as noted above these s.838 accounts have been prepared using the same accounting policies as the preceding annual financial statements. Investments at 31 January 2026 are held at realisable value and classified as current assets as they are expected to be sold within a short timeframe from the date of this report.

Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of certain significant accounting judgements, estimates and assumptions which requires Directors to exercise their judgement in the process of applying the accounting policies. In accordance with the expectation of the portfolio of investments being sold in the near term, and the Company being placed into members' voluntary liquidation, the financial statements

(b) Income

Dividends receivable on equity shares are treated as revenue for the year on an ex-dividend basis. Where no ex-dividend date is available dividends are recognised on their due date. Provision is made for any dividends not expected to be received. Special dividends are credited to capital or revenue, according to their circumstances.

In some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income. The Company presents the withholding tax separately from the gross investment income in the Condensed Statement of Comprehensive Income under taxation.

Distributions of non-recallable capital received from unlisted holdings during their investment phase, which have been funded through profits being generated, are allocated to revenue in alignment with the nature of the underlying source of income and in accordance with guidance in the AIC SORP.

The fixed returns on debt instruments are recognised using the time apportioned accruals basis and the discount or premium on acquisition is amortised or accreted on a straight line basis. Interest income is accounted for on an accruals basis. Underwriting commission is recognised when the issue underwritten closes.

(c) Expenses

All expenses are accounted for on an accruals basis and are charged to the Condensed Statement of Comprehensive Income. Expenses are charged against revenue except as follows:

- transaction costs on the acquisition or disposal of investments are charged against capital; and
- expenses are treated as a capital item and ultimately recognised in the capital reserve where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect the investment management fee has been allocated 90% to capital and 10% to revenue to reflect the anticipated split of future investment returns during the Managed Wind-Down of the Company.

(d) Taxation

The tax expense represents the sum of tax currently payable and deferred tax. Any tax payable is based on the taxable profit for the year. Taxable profit differs from net return as reported in the Condensed Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that were applicable at the Condensed Statement of Financial Position date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the Condensed Statement of Financial Position date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the Condensed Statement of Financial Position date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the Condensed Statement of Financial Position date.

Due to the Company's status as an investment trust company and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue within the Condensed Statement of Comprehensive Income on the same basis as the particular item to which it relates using the Company's effective rate of tax for the year, based on the marginal basis.

(e) Investments

The Company has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement (as adopted for use in the EU) and investments have been designated upon initial recognition at fair value through profit or loss. This is done because all investments are considered to form part of a group of financial assets which is evaluated on a fair value basis, in accordance with the Company's documented investment strategy, and information about the grouping is provided internally on that basis.

Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are measured at fair value. For listed investments, this is deemed to be bid market prices or closing prices for SETS (London Stock Exchange's electronic trading service) stocks sourced from the London Stock Exchange.

Unlisted investments, including those in Limited Partnerships ('LPs') are valued by the Directors at fair value using International Private Equity and Venture Capital Valuation Guidelines – Edition 2022.

The Company's investments in LPs are subject to the terms and conditions of the respective investee's offering documentation. The investments in LPs are valued based on the reported Net Asset Value ('NAV') of such assets as determined by the administrator or General Partner of the LP and adjusted by the Directors in consultation with the Manager to take account of concerns such as liquidity so as to ensure that investments held at fair value through profit or loss are carried at fair value. The reported NAV is net of applicable fees and expenses including carried interest amounts of the investees and the underlying investments held by each LP are accounted for, as defined in the respective investee's offering documentation. While the underlying fund managers may utilise various model-based approaches to value their investment portfolios, on which the Company's valuations are based, no such models are used directly in the preparation of fair values of the investments. The NAV of LPs reported by the administrators may subsequently be adjusted when such results are subject to audit and audit adjustments may be material to the Company.

Gains and losses arising from changes in fair value are treated in net profit or loss for the period as a capital item in the Condensed Statement of Comprehensive Income and are ultimately recognised in the capital reserve.

(f) Borrowings

Borrowings, which may comprise interest bearing bank loans and unsecured loan notes are recognised initially at the fair value of the consideration received, net of any issue expenses, and subsequently at amortised cost using the effective interest method. The finance costs of such borrowings are accounted for on an accruals basis using the effective interest rate method and are charged 10% to revenue and 90% to capital in the Statement of Comprehensive Income to reflect the anticipated split of future investment returns during the Managed Wind-Down of the Company.

(g) Nature and purpose of reserves

Called Up Share Capital

The Ordinary and B share capital on the Statement of Financial Position relates to the number of shares in issue and in treasury. Only when the shares are cancelled, either from treasury or directly, is a transfer made to the capital redemption reserve. This reserve is not distributable.

Capital redemption reserve

The capital redemption reserve is used to record the amount equivalent to the nominal value of any of the Company's Ordinary and B shares purchased and cancelled in order to maintain the Company's capital. This reserve is not distributable.

Capital reserve

This reserve reflects any gains or losses on investments realised in the period along with any movement in the fair value of investments held that have been recognised in the Statement of Comprehensive Income. These include gains and losses from foreign currency exchange differences. Additionally, expenses, including finance costs, are charged to this reserve in accordance with (c) and (f) above. The capital reserve is distributable to the extent unrealised gains/losses arising from unlisted investments are excluded.

Special distributable reserve

On 7 June 2024 the Court approved the creation of a Special distributable reserve by way of cancelling the £116,556,000 share premium account, the £37,043,000 capital redemption reserve and reducing the nominal value of each of its ordinary shares from 25p to 1p. This reserve is available for the Company to return capital to shareholders via its shareholder-approved B share scheme.

Revenue reserve

This reserve reflects all income and costs which are recognised in the revenue column of the Statement of Comprehensive Income. The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

(h) Foreign currency

Monetary assets and liabilities and non-monetary assets held at fair value denominated in foreign currencies are converted into sterling at the rate of exchange ruling at the reporting date. Transactions during the year involving foreign currencies are converted at the rate of exchange ruling at the transaction date. Gains or losses arising from a change in exchange rates subsequent to the date of a transaction are included as a currency gain or loss in revenue or capital in the Statement of Comprehensive Income, depending on whether the gain or loss is of a revenue or capital nature.

(i) Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business activity, being investment business. Consequently, no business segmental analysis is provided.

(j) Dividends payable

Dividends payable to equity shareholders are recognised in the condensed financial statements when they have been approved by Shareholders and become a liability of the Company. Interim dividends are recognised in the condensed financial statements in the period in which they are paid.

(k) Treasury shares

When the Company purchases the Company's equity share capital to be held as treasury shares, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects, and is recognised as a deduction from the capital reserve. When these shares are sold subsequently, the amount received is recognised as an increase in equity, and any resulting surplus on the transaction is transferred to the share premium account and any resulting deficit is transferred from the capital reserve.

(l) Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of change in value.

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Notes to the Condensed Financial Statements continued

For the period 1 October 2024 to 31 January 2026

2. Investments	£'000
Financial assets at realisable value through profit or loss	
Opening fair value at 1 October 2024	182,525
Opening fair value gains on investments held at 1 October 2024	2,855
Opening book cost at 1 October 2024	179,670
Acquisitions at cost	58,356
Sales proceeds	(135,613)
Gains/(losses) on sales	(16,881)
Dilution of fixed income book cost	58
Closing book cost at 31 January 2026	85,590
Closing fair value gains on investments held at 31 January 2026	(24,749)
Closing fair value at 31 January 2026	<u><u>60,841</u></u>
3. Debtors	£'000
Prepayments and accrued income receivable	49
Taxation recoverable	481
VAT recoverable	-
Other debtors and prepayments	40
	<u><u>570</u></u>
4. Creditors	£'000
Amounts falling due within one year:	
Corporation tax	-
Other creditors	4,377
	<u><u>4,377</u></u>

Notes to the Condensed Financial Statements continued

	Number of shares (incl treasury)	£'000
5. Called up share capital		
Allotted, called up and fully paid Ordinary shares of 1p each	323,751,806	3,238
		<u>3,238</u>
6. Dividends on Ordinary shares		£'000
Equity share dividends:		
Interim dividend of 1.95p paid on 24 October 2024		5,875
Interim dividend of 1.50p paid on 30 October 2025		4,519
		<u>10,394</u>
7. Revenue post final dividend paid for 2024		£'000
B/f revenue reserve at 1 October 2024 per Annual Report		28,388
Less: Interim dividend on Ordinary shares - 1.95p		(5,875)
Adjusted revenue reserves at 1 October 2024 (Companies Act basis)		<u>22,513</u>
Current period (see Statement of Comprehensive Income)		
Revenue after taxation		3,206
Less: Interim dividend on Ordinary shares paid on 30 October 2025 - 1.50p		(4,519)
		<u>(1,313)</u>
Adjusted revenue reserves at 1 October 2024		22,513
Current year revenue reserves after dividends paid/ payable		(1,313)
Revenue reserve post payment of interim dividend for period ending 31 March 2026		<u>21,200</u>