The power of investing differently.

Annual Report
31 March
2025

Hansa Investment Company

The power of investing differently.

We are globally diversified, multi-asset class investors who seek to identify compelling investment opportunities in long funds, hedge funds, diversifying funds, direct global equities and private assets. We operate without being constrained by benchmarks, but instead seek to conservatively grow capital over time through investing in a blend of best-in-class public and private equities balanced by more defensive all-weather investments.

Long-term, not short-term

In an investment world that is increasingly short-term in nature and momentum driven, we seek to invest for the longer-term, playing to our multi-generational roots.

Access to the world's elite, best-in-class managers

Our long-term outlook, combined with our desire to form lasting multi-year relationships, makes us an attractive partner to many of the world's elite funds, many of which are unavailable to large institutions and retail investors.

Dare to be different

Rather than seeking to replicate indices we look to identify those areas of the market which offer attractive upside, with careful consideration of risks that may incur a permanent impairment of capital, even if this means being unconventional. Importantly, we are nimble and act quickly when needed priding ourselves on being flexible and independently minded, as illustrated by our investment in Ocean Wilsons Holdings Limited.

Operating outside the bureaucracies of a large institution

By virtue of being a smaller, dedicated fund management group with significant internal investment, we share an alignment of interest and, importantly, are not driven by asset gathering for the sake of profit maximisation.

To see more: www.hansaicl.com

Hansa Investment Company Limited

Registered in Bermuda company number: 54752

Contents

Overview

ii The power of investing differently
2 Financial summary
3 Chairman's report
6 Long-term performance

Portfolio Manager's Review

8 Portfolio Manager's report
25 The portfolio

Strategic Review

28 Investment objective, strategy and performance
31 Shareholder profile
33 Stakeholder engagement
37 Principal risks

Governance

40 The Board of Directors
42 Organisation and objectives
47 Corporate Governance Report
51 Directors' Remuneration Report
55 Nomination Committee Report
57 Report of the Directors
59 Audit Committee Report

Financial Statements

62 Independent auditor's report
67 Income Statement
68 Balance Sheet
69 Statement of Changes in Equity
70 Cash Flow Statement
71 Notes to the Financial Statements

Additional Information

84 Notice of the Annual General Meeting
87 Investor information
89 Glossary of terms

Financial summary

As at 31 March 2025

Net Asset Value (NAV) per share
384.2p

Total net assets
£461.1m

ORDINARY SHARES

Share price
235.0p

Discount
38.8%

Gross yield
1.4%

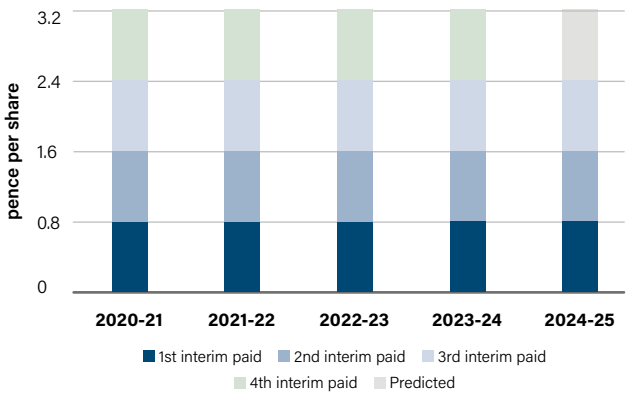
'A' NON-VOTING ORDINARY SHARES

Share price
217.0p

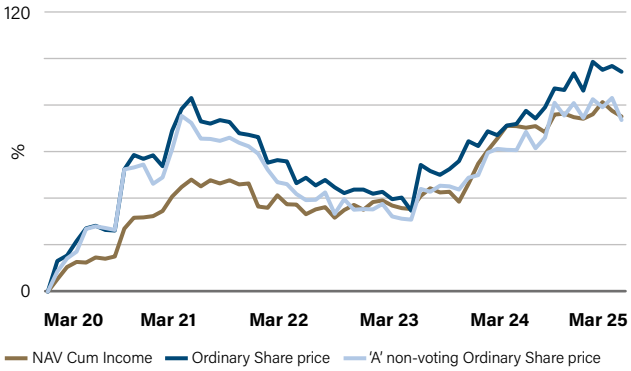
Discount
43.5%

Gross yield
1.5%

Annual dividend payments

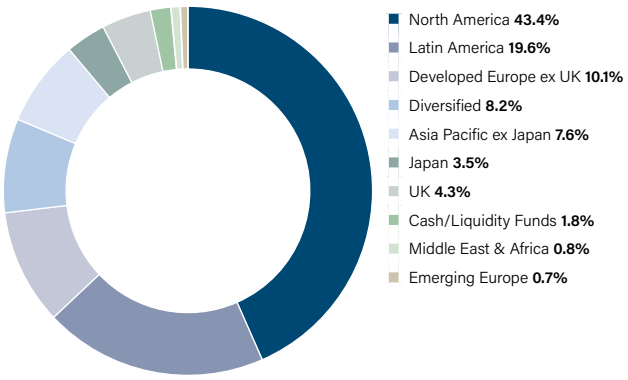


Five year total return cumulative performance

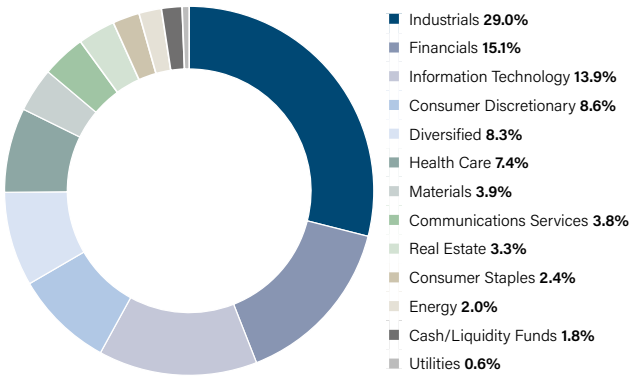


Graphs represent the combined results of the Company with Hansa Trust. To that end, prior to August 2019 where historic information relating to Hansa Trust is quoted on a 'per share' basis, it has been converted to be consistent with the number of Hansa Investment Company Limited shares in issue. There is no benchmark to disclose.

Geographic exposure



Sector exposure



Chairman's report

Dear Shareholder

Jonathan Davie
Chairman

Shareholder returns

Hansa Investment Company Limited (HICL, "the Company") has increased Net Asset Value from 378.8p at 31 March 2024 to 384.2p per share at 31 March 2025. In addition, shareholders have also received dividends of 3.2p per share during the period.

There has been a reduction in the discount from 44.6% to 38.8% for the Ordinary shares and from 46.1% to 43.5% for the 'A' Ordinary shares as at 31 March 2025.

More details about our results and longer-term performance can be found on page 2 as well as in our Portfolio Manager's detailed review of markets and portfolio performance in his report on page 8.

Strategy

Alec Letchfield and his team at Hansa Capital Partners (HCP, "the Manager", "the Portfolio Manager"), supported by the Board, have continued with their strategy of diversification, both as to geographic spread and investment styles, with a strong emphasis on retaining investment in top class managers whilst seeking new opportunities. He continues to keep turnover to a minimum and has avoided overreacting to the present volatile environment.

Ocean Wilsons Holdings Limited

It has been an exceedingly active period for Ocean Wilsons Holdings Limited (OWHL, "Ocean Wilsons"). There are a number of important announcements I should like to update you on.

Sale of Wilson Sons

Ocean Wilsons agreed on 21 October 2024 to sell its 56.47% holding in Wilsons Sons Holdings Brasil S.A. ("Wilson Sons") to SAS Shipping Agencies Services ("SAS"), a wholly owned subsidiary of MSC Mediterranean Shipping Company for R$4.4b – the equivalent of R$17.50 per share. The sale was subject to a number of regulatory approvals, the last of which was received on 20 May 2025, making the sale unconditional. Ocean Wilsons subsequently received approximately US$ 594m net of all costs and relevant Brazilian taxes on 4 June 2025.

Ocean Wilsons tender offer

Following the completion of the sale of Wilson Sons, Ocean Wilsons announced a tender offer for up to 7,072,608 shares in the company, being the maximum that can be purchased without becoming a "close company" under the UK Corporation Tax Act 2010. The tender offer is being run with the strike price set by way of a reverse Dutch auction, whereby OWHL shareholders are able to elect the price at which they tender their shares. The tender offer opened on 18 June 2025 and will close on 18 July 2025 with the result expected to be announced on 21 July 2025. HICL will not participate in the tender offer in light of the possible combination of HICL and Ocean Wilsons as described in more detail below.

Possible combination of the Company with Ocean Wilsons

On 17 June 2025, the Company released a joint statement with Ocean Wilsons to announce we had reached preliminary agreement on the key terms of a possible all-share combination of HICL and Ocean Wilsons, under which HICL would acquire Ocean Wilsons ("the Possible Combination").

Following the announcement of the sale of Wilsons Sons, we had been giving consideration to the options regarding the Company's strategic position in Ocean Wilsons. The Board concluded that the Possible Combination presents an attractive proposition for shareholders. It will create an investment company with total net assets of in excess of £900m under a simplified group structure, which the Board believes will broaden the appeal of the Company among investors and enhance the liquidity of the shares. It will also allow HICL to generate an uplift in the carrying value of Ocean Wilsons by reporting it at net asset value (rather than share price) and simplify its investment proposition.

The Company has also agreed a new tiered investment management fee structure in connection with the Possible Combination. The revised fees will be at a reduced rate of 0.8% of NAV up to £500m and 0.7% of NAV thereafter, as compared to the existing management fee of 1.0%. A combination of cost efficiencies from the increased scale of the Company and the lower blended management fee rate will result in a lower ongoing charges ratio.

The Company is pleased to report early success with its asset reunification project being undertaken in conjunction with Georgeson. Following Georgeson's work, several shareholders have been reunited with their shareholdings and unclaimed dividends.

Further, the Board will, following the proposed Combination, introduce a new capital allocation policy which is expected to enhance returns over time and is outlined below.

We will make further announcements in relation to the Possible Combination in due course.

Capital allocation, share buyback and dividend policies

As promised in my half year report, the Board has given active consideration to its future policies for capital allocation, share buybacks and dividends. As outlined above, as part of the Possible Combination, the Board proposes a Capital Allocation policy that:
(i) prioritises annual share buybacks of between 2% and 4% of its shares; and
(ii) pay dividends only to the extent required to ensure that the new combined company is not treated as a non-mainstream pooled investment. In anticipation of the above, the Company will not announce any interim dividends ahead of any shareholder vote regarding the Possible Combination. The Board would assess the Company's options should the Possible Combination not proceed.

Prospects

Forecasting the future direction of markets has always been perilous; however, the present situation which includes regional conflict wars, unresolved tariff discussions, Presidential challenges to Fed policy and government debt mountains amongst other things, makes it impossible to be confident in forecasting anything.

We have been fortunate to have Alec Letchfield's steady hand on the investment tiller during these times of choppy waters.

I am very optimistic about the proposed Possible Combination and both the immediate and long-term benefits it will bring to all HICL shareholders.

FATCA/CRS

As you will have seen in several of my previous statements, as a Bermudan-incorporated Investment Company, HICL is required to comply with Bermuda's specific laws relating to FATCA and CRS annual filings. For the Company to be compliant with these rules, it must have a record of each direct certificated shareholder's tax residency verified by the individual shareholder themselves. In a continuing effort to comply with these regulations, the Company has started using its powers, within the Amended and Restated Byelaws of the Company adopted on 2 August 2024, to require shareholders to supply it with the relevant information, accordingly, several notices have been served to shareholders who are missing self-certification data.

Asset reunification

The Company is pleased to report early success with its asset reunification project being undertaken in conjunction with Georgeson. Following Georgeson's work, several shareholders have been reunited with their shareholdings and unclaimed dividends. Georgeson also advised the Board of a number of shareholders they were unable to trace. The Board considered those untraceable shareholdings for their eligibility to the Company's share forfeiture process, which sells the shares of untraceable shareholders in the market returning the sales proceeds to the Company. This benefits existing shareholders by returning dormant shares to the freefloat in the market, assisting liquidity, returns the net sale proceeds to the Company and, importantly, improves compliance with FATCA/CRS legislation. The Company's Bye-Laws specify how the process works. For a shareholding to be eligible for forfeiture, there are two key tests to consider during the period of the past six years. Either, that the shareholder has not claimed a dividend during the six year period, despite at least three having become payable. Or, that the shareholder has been uncontactable for at least two calendar years and being the most recent two years of the six year period. Therefore, in accordance with Bye-Law 15.3 and after final notices were sent to their last known contact addresses, their shares have been sold and the net proceeds of the sale, together with any unclaimed dividends, have been forfeited to the Company. During the year to 31 March 2025, the Company has received £76,000 through this process following the sale of 27,525 of shares across both share classes.

Shareholder event

As you may recall, we held a successful shareholder event in London on 25 September 2024. The event was live streamed for those you who could not attend in person. It is our intention to hold a similar event on 23 September 2025. Details will be announced nearer the time.

Pedro brings a wealth of experience in asset management and was also an appointed advisor to the Portuguese Government during the successful changes made to economic policy about ten years ago.

ESG matters

The Board remains responsible for the Company's ESG policies and we continue to adopt our Investment Manager's Responsible Investing Policy. The Manager revised its policy most recently in May 2023 to reflect advancements in ESG principles and to ensure the policy aligns with evolving standards and best practice within the industry.

The Hanseatic Group, of which our Manager is a part, has continued to be a signatory to the UN PRI, the UN-supported initiative which aims to promote ESG factors within investment decision-making. Following a second application during the summer of 2024, I am pleased to report that the Manager again received very favourable feedback from the UN PRI on its policies.

I am also pleased to note that the Company has renewed its Partnership with the Blue Marine Foundation, making another annual donation to support their marine conversation efforts which focus on securing Marine Protected Areas, tackling overfishing, and restoring vulnerable and threatened habitats. More information on their projects and impact can be found on Blue Marine's own website www.bluemarinefoundation.com .

Key Performance Indicators (KPIs)

The Board has completed its annual review of our KPIs and decided to maintain our previous investment stance.

Board composition

As mentioned in my half year report, Nadya Wells chose not to stand for re-election to the HICL Board at the AGM.

Simona Heidempergher, as Chair of our Nominations Committee, worked with an independent search firm to conduct a thorough search for a replacement for Nadya. I am delighted to say that Pedro Goncalves agreed to join our Board and was officially appointed on 6 February 2025. Pedro brings a wealth of experience in asset management and was also an appointed advisor to the Portuguese Government during the successful changes made to economic policy about ten years ago.

Annual General Meeting (AGM)

The Company's AGM will be held on 5 August 2025 in Bermuda. You will find the Notice of AGM and associated notes on page 84 of this Annual Report.

I should like to express my gratitude to my fellow Board members, as well as Alec Letchfield and his team at Hansa Capital Partners, for their dedication during the past year. As always, we appreciate the support of our shareholders and look forward to delivering on the Possible Combination.

Jonathan Davie
Chairman
15 July 2025

Register for updates

To receive the latest news and views on the Company, please register at www.hansaicl.com

Long-term performance

Ten-year company performance statistics

As at 31 March	Shareholders' Funds	Net Asset Value per share – Ordinary and 'A' Ordinary	Annual dividends	Share price (mid)		Discount/(Premium)	
				Ordinary	'A' Ordinary	Ordinary	'A' Ordinary
2025	£461.1m	384.2p	3.2p	235.0p	217.0p	38.8%	43.5%
2024	£454.6m	378.8p	3.2p	210.0p	204.0p	44.6%	46.1%
2023	£367.0m	305.8p	3.2p	174.0p	170.5p	43.1%	44.2%
2022	£382.9m	319.1p	3.2p	198.5p	193.0p	37.8%	39.5%
2021	£367.9m	306.6p	3.2p	198.0p	198.5p	35.4%	35.3%
2020	£276.3m	230.2p	3.2p	130.9p	135.5p	43.1%	41.2%
2019	£337.3m	281.1p	3.2p	195.5p	195.0p	30.5%	30.6%
2018	£323.1m	269.3p	3.2p	198.5p	195.5p	26.3%	27.4%
2017	£307.5m	256.3p	3.2p	173.3p	169.6p	32.4%	33.8%
2016	£255.6m	213.0p	3.2p	146.0p	145.1p	31.5%	31.9%

The table includes information relating to HICL and historic information relating to Hansa Trust. The years ended 2020–2025 notes HICL information. The historic year ends 2016–2019 all relate to Hansa Trust. So that data is consistent and comparable, the historic data in columns "Net Asset Value per share", "Annual dividends" and "Share price (mid)" have been restated to reflect that, as part of the redomicile of the business of Hansa Trust to HICL in August 2019, HICL issued five times as many shares in each share class of HICL as there were in Hansa Trust.

The Company's KPIs can be found further on in the Report.

To 31 March 2025	1 year	3 years	5 years	10 years
Total Return (%)				
Ordinary shares	13.5%	24.3%	94.9%	62.8%
'A' non-voting Ordinary shares	8.0%	18.2%	74.1%	56.7%
NAV	2.3%	23.9%	75.6%	89.6%

Portfolio Manager's Review

Portfolio Manager's report

The Donald Trump Show

Executive Summary

The big story in the last financial year was the return of Donald Trump as President of the USA for the second time. However, a significant amount happened around the world and in markets prior to his second inauguration in January 2025. In the first part of the year the US equity market continued to be the only game in town led by the Magnificent 7 (M7) with the rest of the world trailing (some way) behind. The exception was China which bounced back after a prolonged COVID and real estate-induced economic slowdown. We did have concerns, however, that some market participants were getting slightly complacent and the return of war to Europe and the Middle East had made geopolitics a consideration once again.

The landslide that brought Trump back to power initially led a wave of optimism about the prospects of a bonfire of regulation and a surge of M&A in the US. This quickly subsided when a more vindictive, more ideologically-driven Trump emerged, announcing plans for tariffs and immigration clampdowns which were far more aggressive than expected. These, combined with Trump's unique style of social media diplomacy, unsettled markets which feared that a slowdown in global economic activity would catalyse a recession. In the face of this, many of the tariffs have been paused for negotiation with the next steps highly uncertain.

Against this backdrop, we think it prudent to ask ourselves whether we are witnessing a sea change from the dominance of the US to other parts of the world, namely China and Europe? In the short term it is entirely possible that the US will underperform other regions. Many US companies were priced for perfection while much of the rest of the world looks cheap by comparison. The chaos and uncertainty created by Trump is clearly harming the US economy and once investor sentiment is damaged it is very difficult to repair. On the flip side, Trump views international relations through the prism of a real estate deal and has historically gone in with a maximalist approach before settling somewhere in the middle, seemingly unconcerned about contradicting himself.

However, longer term we still struggle to look past the inherent advantages that the US has over the rest of the world. The US's entrepreneurial spirit, stridently capitalist system and the global dominance of the M7 tech companies will require a massive societal shift that most other regions are highly unlikely to be able to ever fully make. Europe remains dogged by political infighting and high debt levels, while China has reminded the world that a communist system with its central control is not as attractive as capitalism. And, as we always come back to, you bet against the US at your peril!

Clearly, we are entering a period of higher volatility in markets so how do investors mitigate this? We are applying the three D's; Diversification, Don't panic and Don't overtrade. We advocate increased diversification by geography, sector and style, avoiding panicking after the fact and risking being whipsawed as the market rebounds and remembering that we are long-term investors, not short-term volatility traders. While we are aware of the risk of a global recession and a structural market change, we are yet to see enough evidence of either to fully pivot from our long-term strategy favouring the US at this stage.

Alec Letchfield
Portfolio Manager

The calm before the storm

The first half of the financial year was characterised by the broad strength and stability of global markets despite an ominous geopolitical backdrop. The US, and by extension the M7, led the way but most other markets also gained. This backdrop was not however without its risks. Market participants were getting complacent as the VIX, which measures the expected volatility of the US stock market and is commonly referred to as the 'fear gauge', had largely been low for most of the last two years. We also thought credit spreads, the difference between corporate credit and government bond yields, were looking very tight by historic standards.

This was on top of our concerns about geopolitics. This was an area investors had largely been able to ignore for much of the last couple of decades, a period characterised by the absence of major military conflicts and led by US hegemony in its role as the global policeman. Free trade was the order of the day, as countries sought to become increasingly intertwined with the developing nations becoming more prosperous and developed nations benefiting from the inflow of cheap goods and services. However, conflicts in Europe and the Middle East and the rise of more populist parties in the West leading to increased attacks on free trade and globalisation at least gave us cause for concern.

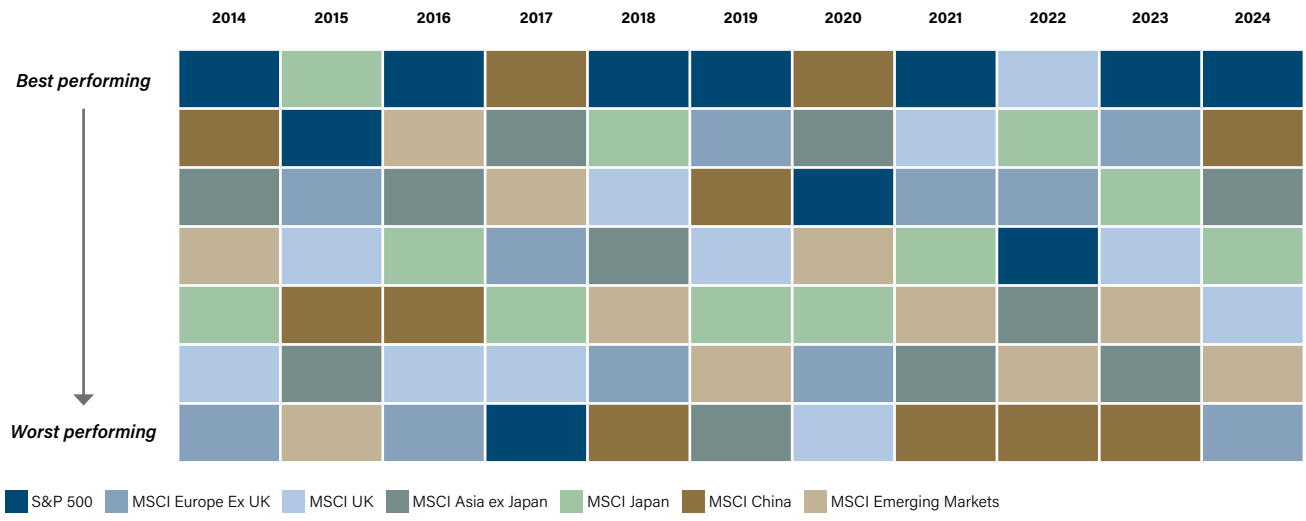
Storm clouds building

The second half of the year was all about the US election. With Joe Biden drifting off the ticket, it became a straight shootout between Kamala Harris and the resurrected Donald Trump. While we were concerned about the risk of tariffs, trade wars and tighter migration policies were Trump to win, we wondered if in reality there would be little difference at the stock market level between a Harris or a Trump presidency, at least initially. Both were advocating additional federal spending and showing no willingness to reduce the US debt overhang. With little desire to tackle this ticking bomb, at least in the near term, markets were likely to remain underpinned by a wall of liquidity.

The election itself confounded the pollsters with Trump winning all the decisive swing states and control of both bodies in Congress. Importantly, Trump inherited a broadly healthy US economy where a soft landing appeared to have been achieved, with interest rates on a downward trajectory as inflation moved back to more acceptable levels. Hence, the US market looked set to remain the pre-eminent global stock market. With the M7 spearheading this dominance and Europe and China mired in structural challenges, another period of the US heading the global stock market leader board looked to be an odds-on certainty. In fact, the key risk appeared to be one of an excess of animal spirits that ultimately culminated in a boom and then bust as these excesses were brought back under control.

Hence, a Trump presidency was meant to be a positive one for the US stock market, albeit with a high degree of volatility if his first term was anything to go by. Having campaigned to Make America Great Again, investors were excited at the prospect of Trump both cutting corporate taxes and instigating a raft of deregulatory

Chart 1: Ranking select global stock markets



Source: Bloomberg.

measures. Whilst he also advocated tariffs and restrictions on immigration, which are both inflationary and damaging to the economy, investors saw these as being largely rhetoric anticipating that overly damaging policies would be quickly reversed if they weighed on the US stock market.

The storm – Trump 2.0

Despite markets initially taking the view that Trump was likely to be positive for global markets, it quickly became apparent that Trump 2.0 was different to the first term. When Trump beat Hilary Clinton in the 2016 election, his victory seemed to be as much of a surprise to him as it was to the rest of the world. This meant he was largely unprepared for power and, in order to quickly form an administration, had to rely on a cadre of people who were largely Republican party stalwarts, who had decades of governance experience but who were not especially devoted to Trump himself or his agenda. During his four years out of power he seems to have identified this as the key problem of his first administration and, with a significantly more organised movement around him, appears to have arrived at his second inauguration with an agenda he wants to quickly enact. This time, personal fealty to Trump seems to be paramount for administration appointees, far ahead of other considerations like policy alignment, experience, moral integrity or competence, so he can get his policies enacted with the minimum amount of internal pushback possible. This has led to a chaotic start to the administration as Trump has begun pursuing his agenda while many of his cabinet are inexperienced in navigating the federal bureaucracy that actually has to enact it.

Whilst wrapped in bluster and rhetoric, it has become apparent that Trump genuinely does think the US has been hard done by globalisation and wants to reshape the global economic order. By levying tariffs on both friend and foe, including China, Mexico, Canada and Europe and approaching a crackdown on immigration with more gusto than initially expected, Trump appears far more determined to achieve his set objectives this time around.

It's also not just Trump. The Department of Government Efficiency (DOGE) under Elon Musk has proved more vocal and pernicious than first thought, cutting government expenditure through laying off large numbers of government employees. Similarly, Treasury Secretary Scott Bessent has stated that he wants to bring down the fiscal deficit from 7% of GDP to 3% over the coming years. Whilst arguably demonstrating commendable and necessary fiscal prudency, cutting the deficit by 1% per annum will likely weigh heavily on GDP and lead to growth falling below the 2.5% potential growth rate. However, despite the noise surrounding DOGE's efforts, it is important to remember that the cuts they are actually making are a rounding error compared to the overall federal budget.

Unsurprisingly, this backdrop has led to a shift in the market's focus. Instead of centring on the positive effects of the anticipated cuts in taxation and deregulation, markets are now focusing on the potential negative effects on US and global growth. Not only do we appear to be entering a renewed global trade war, which will almost inevitably result in global trade flows shrinking in the coming years, the uncertainty created by Trump's policies will weigh heavily on US consumption and the corporate sector.

Trump's actions have also led markets to reconsider their positioning outside of the US. Previously a bias to the US had been something of a "no brainer". On the one hand you had the ultimate capitalist economy, a government founded on stability and globalisation and an entrepreneurial spirit that had seen the rise of the mighty M7 technology companies. Conversely, the two key regions outside of the US, Europe and China, have been characterised by political uncertainty, an often anti-business stance by governments and the technology revolution having almost completely bypassed Europe in recent years.

Now though, such has been the vigour of Trump's actions, not only is it weighing on sentiment within the US, but also acting as a catalyst for change elsewhere in the world. Europe, having become increasingly fractured as political parties became more radical and populist in outlook, has been brought together by a common cause to counteract the measures introduced by Trump. Of particular note is the decision to increase spending on defence, rather than relying on the benevolence of the US to act as the global policeman, leading to Germany moving away from its strict fiscal controls to rearm in a way that hasn't

Instead of centring on the positive effects of the anticipated cuts in taxation and deregulation, markets are now focusing on the potential negative effects on US and global growth.

been seen since the Second World War. Similarly, in China, President Xi has toned down many of his anti-business comments and started to make positive noises on the desire for China to be open for business again. With more stimulus packages likely to follow earlier ones, this is creating a far more compelling investment backdrop.

From a market perspective, the swift and radical change in events has resulted in a significant swing in performance and a clear distinction between the first nine and final three months of the year. The US gained 13.6% over the first nine months of the financial year before falling by 7.3% in the final quarter, taking it to an annual return of 5.4%. In contrast Europe was down 2.5% for the first three quarters but saw a surge in performance in the final quarter, rising by 7.2%, taking its annual return to 4.5%. At the sector level, the US was led down by the M7, which fell by 18.5% in the final quarter, partly due to the geopolitical machinations, but also concerns on competition from Deepseek, a Chinese Artificial Intelligence (AI) company which, if reports are to be believed, has produced an AI model which is both cheaper and provides outcomes at least as good as those produced by the M7 Large Language Models (LLM). However, over the whole year the M7 was still up 17.2%! China saw a notable rebound throughout the year gaining 37.3% following an improvement in investor sentiment after the government announced a large stimulus programme and economic growth slightly picked up.

The contrast is also clearly visible in the global bond sector. With the global economy seeming strong the higher yields on offer in high yield bonds made them much more attractive but, as we entered the final quarter and concerns about tariffs and a global slowdown came to the fore, the defensive characteristics of government bonds became more important. High yield bonds outperformed treasuries in the first nine months of the year (6.7% vs 0.2%), but then underperformed in the final quarter (-1.1% vs -0.5%), leaving their annual returns at 5.6% and -0.3%, respectively.

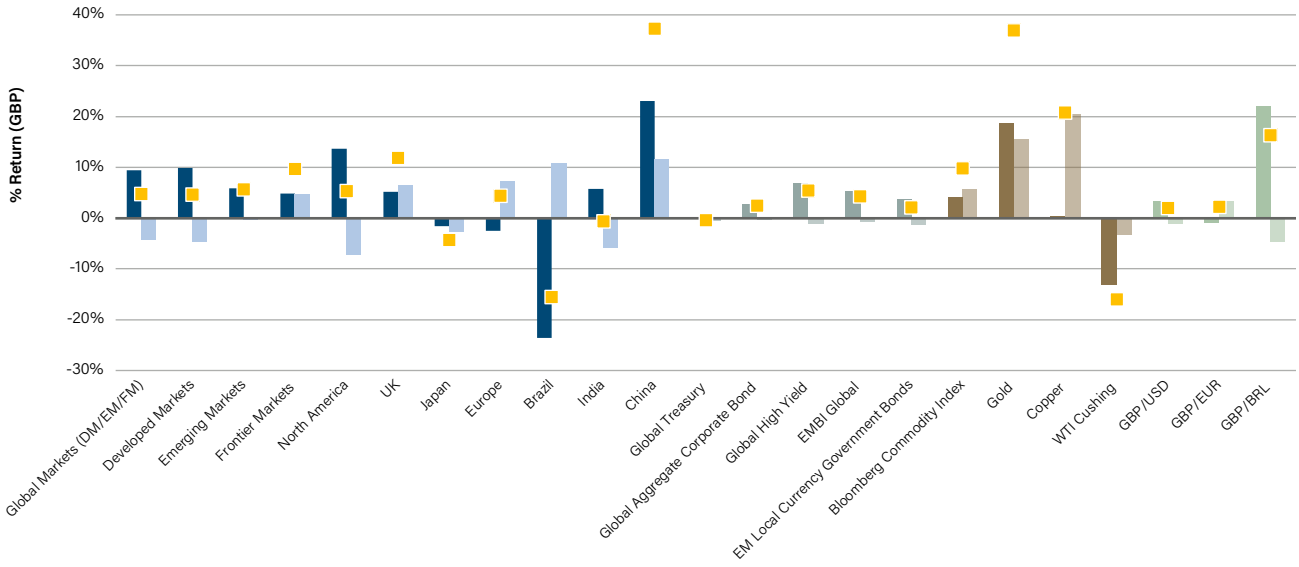
In the alternatives space, the high geopolitical tensions and concerns over the stability of the US dollar under the volatile Trump government saw gold prices hitting new heights, gaining 37.0% over the year. Despite war in the Middle East, oil prices continued to fall (down 15.9%) as oversupply and weak demand both contributed downward pressure.

A change in the US hegemony?

This rather chaotic backdrop raises a number of important questions for stock markets, and, most importantly, the question as to whether we are experiencing a sustainable transition from the status quo of US and M7 dominance to one where the US loses its position as the number one economy and stock market as the rest of the world ("ROW") comes to the fore? Unfortunately, as is generally the case, the answer is a complex one which is both time and action dependent.

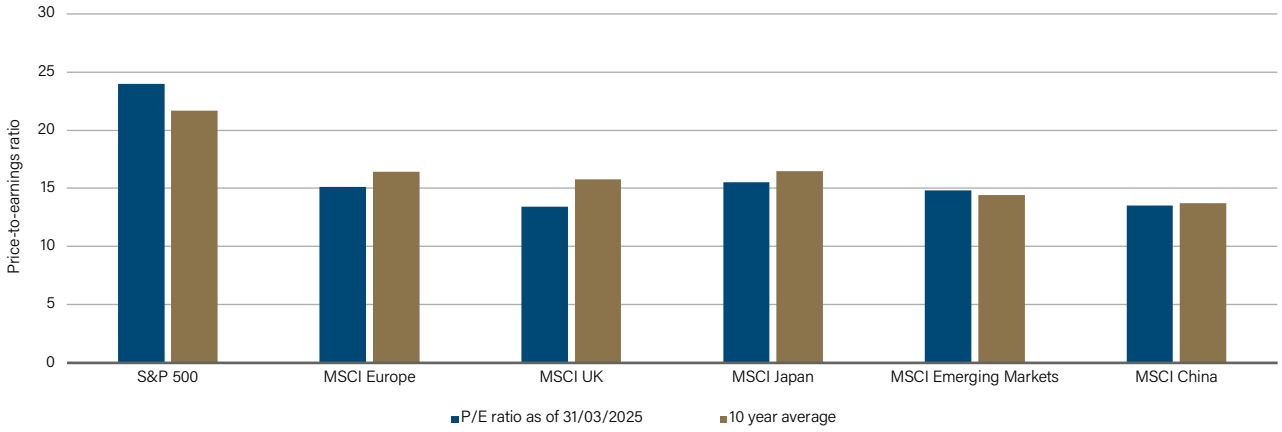
In the short term it is entirely possible that the current rotation out of the US and into regions such as Europe, the emerging markets and China will continue. On the one hand, the US was arguably priced for perfection, trading well above its long-term average valuation, with a potential bubble in the dominant tech sector arguably emerging. On the other hand, the ROW has largely been ignored having been overshadowed by structural growth challenges, geopolitical unrest and having failed to jump on the technology bandwagon. As a result, valuations in the ROW are at or below historic averages. As is often the case however, the outlook is never quite as good as when markets are at their most bullish nor indeed as bad as when valuations are at their lows. Hence, if we see a continuation of Trump pressing the self-destruct button for the US economy, and Europe and China being girded into action to tackle their structural problems, the shift out of the US and from growth to value potentially has a long way to go. Following years of investors overweighting the US and largely able to ignore the ROW and the value sector, the relative positioning would take a long time to unwind.

Chart 2: Performance of countries, sectors and asset classes



Source: Bloomberg. Dark bars represent 9m GBP returns to 31 December 2024. Light bars represent 3m GBP returns to 31 March 2025. ■ represents 12m GBP returns to 31 March 2025.

Chart 3: Valuations in the US are above their 10-year average while most of the ROW are below



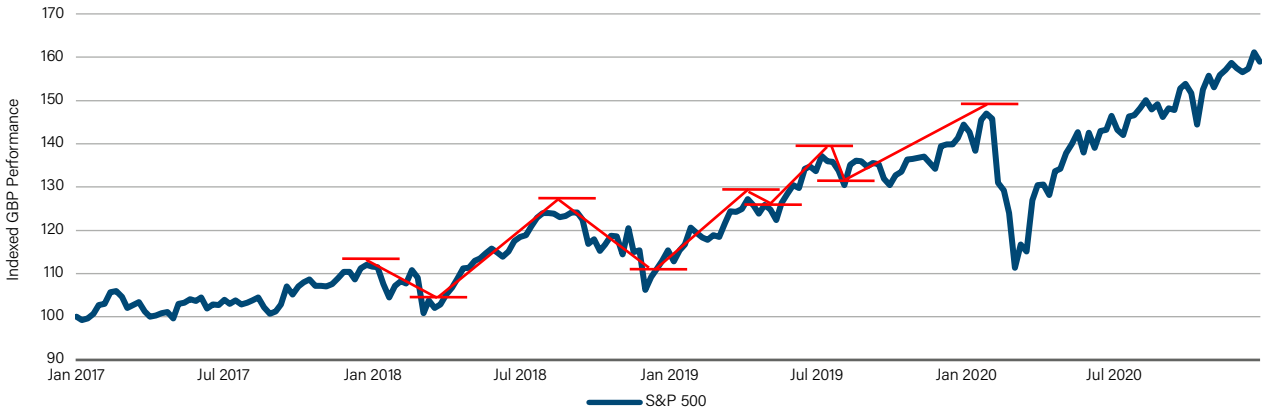
Source: Bloomberg

Unfortunately, the reality is not quite as clear cut. Trump, being a real estate man, views everything as a deal. Often, he enters negotiations hard only to back off again, avoiding the worst-case scenario and, despite his apparent newfound ideology, it appears he is adopting a similar approach this time around. It is for this reason we remain nervous of being whipsawed, chasing trends only to see them reversed as Trump backs down from his more extreme measures. If his first term in power was anything to go by, this outcome has a very high probability. We have long said that we believe timing markets is impossible in the long run and the speed of Trump's social media diplomacy makes this even more difficult.

Most worrying, however, is that even if Trump ultimately backs down and the worst-case scenarios are avoided, the process itself results in both four years of significant volatility and potentially catalyses a recession in the US and a global slowdown. Already we are seeing tentative signs of this. Corporates hate uncertainty almost more than anything else. Most of corporate America was hoping to enjoy a better life under Trump, which they thought would be a pro-growth government and where M&A was back on the agenda having been stymied under a Democratic leadership. However, if the operating backdrop remains so unclear and the volatility so extreme, corporates will likely remain reluctant to invest and both M&A and IPO markets will remain in the doldrums due to an absence of animal spirits.

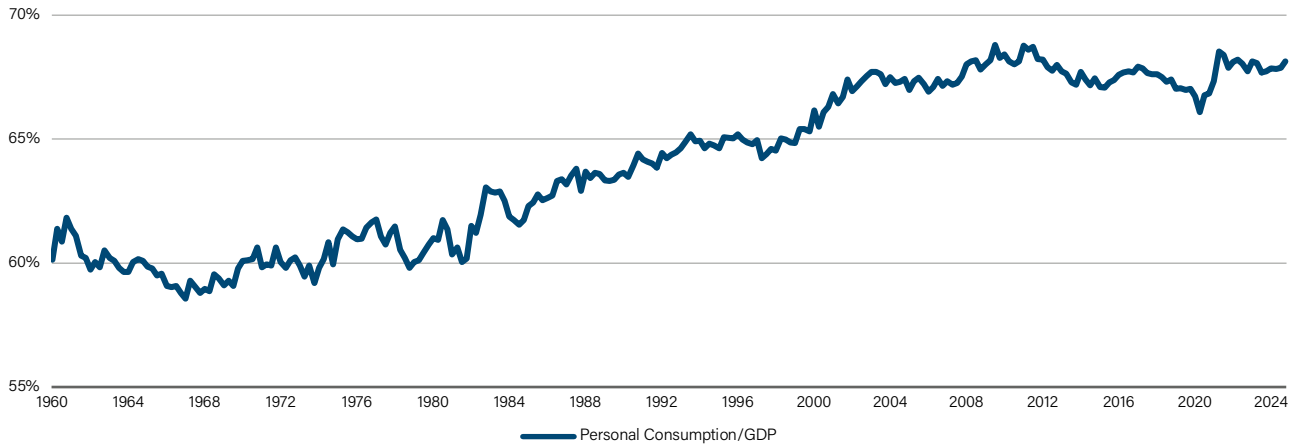
Compounding the problems for the corporate sector, the all-important consumer sector is also showing signs of weakness due to the uncertainty being created under Trump. Whilst Trump is focused on reviving the US manufacturing sector and industrial heartlands through a programme of tariffs and measures to stop immigration, his policies and ways of doing business are starting to weigh on consumer sentiment. Rather naively, the Trump government's attempts to return manufacturing to a mature economy such as the US, where wage levels are naturally uncompetitive versus emerging markets, is

Chart 4: Despite several dips, the broad direction of the US stock market was up in Trump's first term



Source: Bloomberg

Chart 5: Consumption accounts for the majority of US GDP



Source: Federal Reserve Economic Data

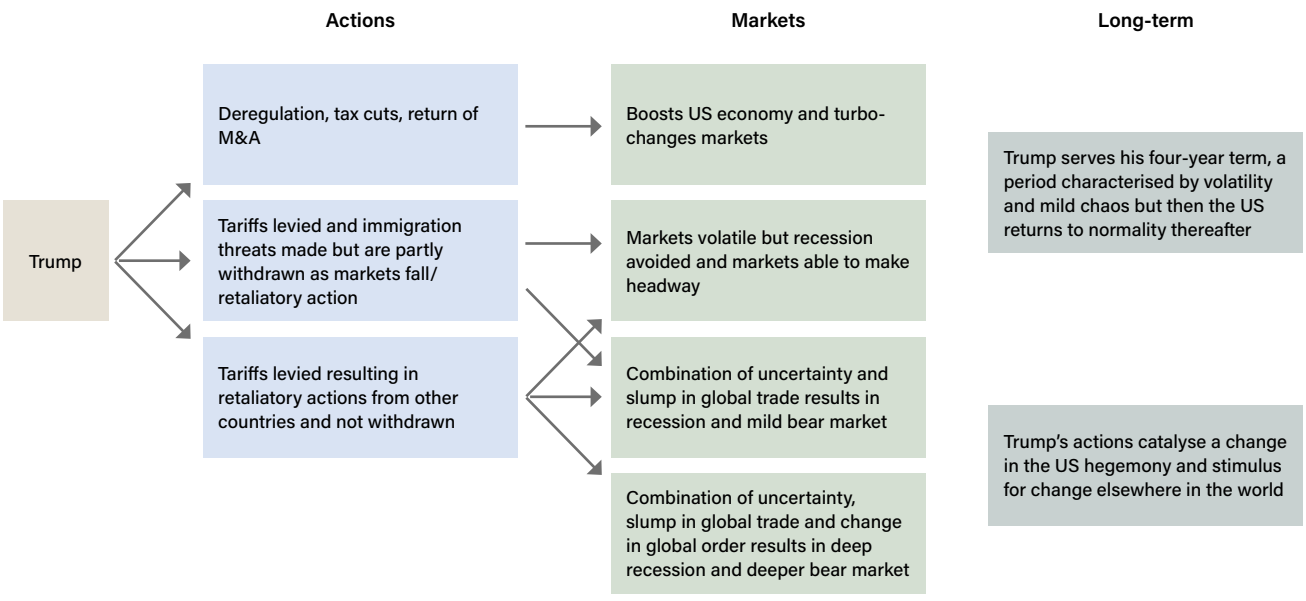
likely to fail and, at the same time, damage the consumer sector which makes up a far more meaningful two thirds of the US economy. While tariffs and an immigration crackdown may be red meat to Trump's voter base, these same US consumers will be the ones who most feel the impacts of the likely resulting higher inflation.

The longer-term outlook is equally uncertain. Whilst in the short-term a rotation out of the US and into the ROW is a possibility, given the deteriorating outlook for the US and improvements elsewhere combined with the relative valuation gap between the two, ultimately longer-term returns will be driven by growth and return fundamentals. Here, it is much harder to see the US's inherent advantages diminishing and the ROW catching up. Ultimately, for the ROW to catch-up with the US's entrepreneurial spirit, inherently capitalist system and to replicate and replace the dominance of the M7 tech companies will require a massive societal shift and likely take a generation. One could possibly argue that it is the direction of travel that matters, and Trump is starting this process, but many have made such claims about the downfall of the US in the past to their ultimate cost. If the direction of travel is genuinely changing we would rather wait for more definitive evidence given the risk of being whipsawed in the short term.

Portfolio Positioning

Distilling this rather chaotic backdrop is challenging! One has to accept we are now in a period that will be characterised by volatility and where a number of different scenarios are possible. Unlike in the past where markets were driven by conventional cycles and where governments and central bankers acted

Chart 6: A complex world with multiple different potential outcomes



in a fairly predictable fashion, now the outlook will be influenced by the actions of one highly volatile individual, Trump, and how the world reacts to these actions.

To position for this new world, we're applying the three D's; Diversification, Don't panic and Don't overtrade:

1. Diversification

Diversification is key both at the country level and by style. We would advocate having a blend of funds playing the US, Europe, Asia and the emerging markets. Similarly, we would seek to own those managers who both focus on different style factors and those who play to different cycles such as insurance. By blending such a group, normally the worst periods of stress can be mitigated. Importantly, with it being hard to predict which countries and regions will come out on top, targeting those managers who focus on company fundamentals will become even more important in driving portfolio returns. Fortunately, this characteristic is the primary driver amongst our active funds.

2. Don't panic

By not panicking and making significant changes to the portfolio we're protecting against the dangers of being whipsawed. As markets rotate as events unfold, it is all too easy to be panicked into chasing the market after the fact. With Trump typically rolling back from comments that elicit large falls in the US stock market, there is a real danger of being whipsawed and compounding the pain as markets normalise after the initial reaction.

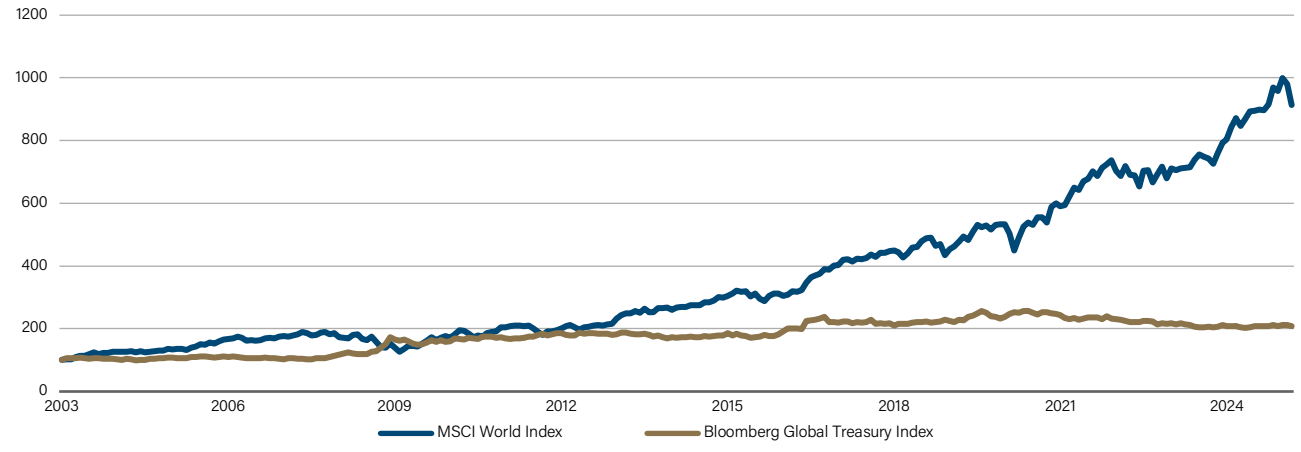
3. Don't overtrade

This is a recognition of Hansa's USP which is the longevity of our time horizon. Ultimately, we are not a trading group and have little skill in calling short-term market movements. Instead, we focus on the long-term, recognising that markets typically recover and what look to be near death experiences in the midst of the storm, end up as mere blips in the chart. Normally, if one had done nothing a better outcome would be achieved. We have long held that consistently timing markets is near impossible.

Hence, at the portfolio level, in terms of country positioning we are not inclined to shift our country allocations at this stage. Having maintained a long-term bias to keep our US position up to weight and overweight in Asia, Japan and the emerging markets, we still find the evidence insufficient to shift our weightings at this stage. Whilst the US has clearly been under pressure towards the end of the year, a rotation back the other way is still a distinct possibility. More concerning to us is that the current situation catalyses a recession in the US which, together with global tariffs, results in a global downturn. Here there will be very few places to hide in any equity market. Again, though, it is too early to make this call with much conviction with a dialling down of the current rhetoric a distinct possibility if history is anything to go by. It is important to remember that during his first term Trump used the stock market as a barometer of success and a weak economy is unlikely to be popular among US voters.

In the diversifying bucket, we remain largely happy with our positioning, continuing to blend a combination of yield, alternative income streams such as insurance, and assets which typically move differently from wider equities markets, including CTA funds and those that trade alternative asset classes such as credit default swaps. In the bond space we have largely focused on non-government bonds, albeit we suspect that even government bonds will serve a function given the higher yields currently on offer, despite ongoing issues over inflation and overall debt levels.

Chart 7: Attempting to time the market normally leads to overtrading at the wrong time



Source: Bloomberg

With few signs of the excesses normally associated with the major bear markets such as during the Global Financial Crisis, the worst-case outcome should be avoided and longer-term portfolios such as ours will be able to ride out such a move.

Helikon Long Short Equity Fund was a particularly strong contributor. Its position in Turkish gold mine operator Eldorado Gold was amongst the best performers in its portfolio.

Photo courtesy of Eldorado Gold.

Summing up

Clearly, we are at an important juncture for global stock markets. Most optimistically, we may simply be in a period of high volatility with the worst-case scenarios being avoided as Trump pulls back on his most extreme measures as he negotiates deals around the world. Here, there may well be money to be made for short-term investors by more active trading between different regions and sectors, but ultimately the status quo and US exceptionalism will remain in place. This remains our core view, albeit with increasing caution, as we believe having a strong US economy ultimately benefits Trump and while he does seem more ideologically driven this time around, he has consistently shown in the past that he will quickly change direction if it is beneficial for him. It is important to remember that Trump has only actually been in office for a matter of months and there was always going to be an adjustment period as he began to enact his election pledges and set out his policy agenda.

More worryingly, a continuation of Trump's current policies and approach may impact both the US corporate and consumer, and damage global trade flows resulting in a global recession. In such an outcome we suspect trading between countries will be a largely fruitless affair and instead all global stock markets will come under pressure. Clearly the probability of such a scenario has increased. At this stage we would argue that such a downturn would be more muted than the more structural bear markets we have seen in the past, given the drivers behind it are political. With few signs of the excesses normally associated with the major bear markets such as during the Global Financial Crisis, the worst-case outcome should be avoided and longer-term portfolios such as ours will be able to ride out such a move.

The most worrying outcome, however, is that we are on the doorstep of a structural change in markets. Here the actions by Trump bring an end to the period of US exceptionalism and the world enters a period of factionalism and lower growth as global trade diminishes. Such a world will necessitate some radical changes in both country selection and the allocation between risk and lower risk asset classes. These structural changes have historically been very difficult to predict and market commentators who have little skin in the game typically call these changes far more frequently than they actually occur. This is not our central scenario but is no longer a zero percent probability.

Such a world will require careful and prudent portfolio management. Diversification will be key and a steady and experienced hand needed on the tiller. We are also fortunate in owning many great managers with experience of investing in more challenging times with the processes in place not to be whipsawed and with a strong focus on robust fundamentals.

Portfolio review and activity

The Company's NAV total return for the financial year was 2.3%. The portfolio's gains over the financial year are in line with the returns a traditional 60:40 equities and bonds portfolio would have achieved (up 2.4%). Removing the outsized impact of the M7 on the MSCI ACWI, the equal weighted 60:40 gained 1.5% over the financial year. For the three KPIs, the returns over the last year were 4.8% for the MSCI ACWI NR Index, 2.6% for UK CPI and -1.2% for the FTSE UK Gilts All Stocks TR Index. Over five years the NAV total return has annualised at a strong 11.9%, ahead of CPI (4.7%) and Gilts (-5.8%) and just a little behind the MSCI ACWI (14.3%). Pleasingly, this return has been significantly ahead of the 60:40 traditional portfolio, whether using the market-weighted equity index (5.9%) or the equal-weighted version (2.8%).

The Company's position in Ocean Wilsons Holdings has been a strong contributor recently and over longer periods. The holding was up 7.0% over the financial year due to its continued strong financial performance and the news that it had agreed the sale of its interest in Wilson Sons to a subsidiary of MSC Mediterranean Shipping Company which now awaits regulatory approval.

The Company's net asset value per share has increased from 378.8p at the end of March 2024 to 384.2p at the end of March 2025, with 3.2p per share having been paid out in dividends during that time.

Core and Thematic Funds

The biggest allocation in the portfolio is to the Core Regional silo which returned 0.5% over the financial year, whilst the Thematic silo was down 2.6%. Over the last three years, the Core Regional silo gained 15.1% and the Thematic silo gained 6.0%. Both silos give exposure to global equity

markets through a selection of world class funds, often difficult or impossible for most investors to access. The Thematic silo allows us to invest in sectors or areas we believe are exceptionally attractive and offer the possibility of outsized returns.

Europe was one of the stronger performing areas this year largely due to the Company's holding in **Helikon Long Short Equity Fund** performing particularly well, gaining 45.5%, since purchase in August 2024. The fund takes both long and short positions, which gave the manager an advantage in the particularly volatile markets we saw towards the end of the year. The portfolio is concentrated with a quality and value bias and currently has a large position in gold miners which has been particularly accretive to performance over the last year. The manager has liked the gold trade as the increase in geopolitical uncertainty over the last couple of years has led investors to seek safety in gold as a store of value. Positions in Endeavour Mining, Eldorado Gold and Collective Mining were amongst the best performers in the portfolio. The manager wanted to invest in these companies based on their fundamentals so also had a short position on a Gold ETF, in order to minimise exposure to movements in the price of the underlying commodity.

Schroder Global Recovery also performed well over the financial year returning 5.1%. This fund has a strict focus on the value factor meaning that they are highly sensitive to the valuations companies are held at. This means they broadly have not held the M7 or many technology companies as their valuations have been too high. They therefore avoided the biggest falls in the market in the latter part of the year. The fund's largest exposure currently is to the healthcare sector where positions in GSK, Sanofi and Bayer have outperformed this year, having been more modestly valued to begin with as the sector has struggled with higher inflation and the consequences of the Inflation Reduction Act in recent years.

The Company's Japanese holdings also performed more robustly with **Simplex Value Up Trust** gaining 11.7% over the year. The trust has shifted to invest in slightly larger cap companies as these firms are now more willing to make governance improvements once the manager engages with management, whereas before a much larger ownership stake was required to drive change. The regulator is encouraging companies to have a price-to-book ratio of at least 1 in order to be listed on the main stock exchange, which has spurred an increase in shareholder engagement from management teams. We decided to fully redeem our position in **Indus Japan Long Only** during the year following a prolonged period of underperformance and a desire to consolidate our Japanese holdings.

Our US holdings had a more difficult year with most being underweight technology and particularly the M7 mainly due to the size of their weighting within the index, but also due to their higher valuations. While this was beneficial in the final quarter, it detracted during the first nine months of the year. The strongest contributor was **Armistice Capital** which gained 14.0% over the year. Armistice is a long-short value-oriented hedge fund with significant exposure to healthcare and consumer sectors. The manager trades quite actively and looks for mispriced companies in their sectors of interest. The strategy includes single stock and index shorts, but it is long-biased and currently has a net exposure to the market of approximately 100%. Its core healthcare long portfolio is driving recent returns, with the manager very optimistic about the outlook for the biotech sector. The **S&P 500 ETF** was still up 4.9% over the financial year despite a significant decline in the final quarter.

Within the Thematic silo the Company's investment in Polar Capital Global Insurance continued to perform well returning 13.1% over the financial year.

Within the Thematic silo the Company's investment in **Polar Capital Global Insurance** continued to perform well returning 13.1% over the financial year. The insurance market continues to see strong pricing for underwriters following a withdrawal of investor capital after several years of losses. This has meant many companies have been generating significant amounts of revenue through charging customers higher premiums. The outlook for the sector continues to look attractive going forward with underwriting margins remaining stable and share buybacks accelerating as companies look to distribute their excess cash. The fund had limited exposure to the Los Angeles wildfires with only two holdings reporting losses which, while meaningful for them, will still fall well within their annual catastrophe budgets.

The Company's technology and healthcare holdings all struggled this year. The technology sector was particularly impacted by the unexpected release of the

DeepSeek AI chatbot which appeared to be at least as capable as the OpenAI and Google equivalents and has supposedly been developed for a fraction of the cost. Investors speculated that this could signal the emergence of alternatives to the dominance of the US mega technology companies.

Diversifying Funds

The role of the diversifying holdings is to provide the portfolio with an alternative source of returns, whilst dampening volatility and displaying low beta to the equity market. They have continued to deliver on this aim during the year, with the Diversifying silo gaining a very pleasing 1.5%. Longer-term performance relative to bonds has compared very favourably given the strongly negative returns from bonds. Over three years, the Diversifying silo has returned 7.6%, far ahead of the 17.3% loss of the Gilts index over that period.

The Company's two multi-strategy credit funds performed well this year. **CQS Credit Multi Asset Fund** gained 6.6% while **Apollo Total Return** gained 7.7%. The CQS fund was purchased in July 2024 to complement the Apollo fund with its more European credit focus contrasting to Apollo's US dominated exposure. Both funds invest more in the high yield and structured credit spaces and so have been able to take advantage of the higher yields on offer as interest rates rose. For CQS most of the return came from positioning in financials and exposure to CLOs and regulatory capital. Apollo's performance was mainly driven by its European high yield exposure, with Europe largely outperforming the US given the uncertainty around the US economic landscape. The **Vanguard US Government Bond Index Fund** gained 3.9% over the year.

Selwood Liquid Credit Strategy continued to perform well this year gaining 8.8%. Selwood sells credit default swap indexes ("CDXs") to investors seeking protection from investment grade bonds defaulting. The manager's thesis is that the real risk of investment grade companies defaulting is much lower than the market implies. This means the fund can generate an attractive coupon-like return from selling these CDXs, while attempting to hedge out the risk of volatility in bond markets by purchasing out-of-the-market payer options. An increase in volatility and concerns about an economic slowdown normally increases demand for CDX protection, which can lead to higher returns for the fund in the future so the current environment is more favourable for the strategy.

Another strong performer in this silo was **Nephila Iron Catastrophe Fund** which gained 9.4%, a very pleasing result given the challenges posed to this strategy by the US hurricanes, Helene and Milton, in September and October 2024. These events justified the manager's decision earlier in the year to hedge against large hurricane loss events and to reduce allocations to peak hurricane risk zones on account of their view that the 2024 hurricane season was likely to see above average hurricane activity. Although the fund did have some exposure to these events the losses were relatively muted. As part of hedging against large hurricane losses, the manager did add some exposure to wildfire risk. This gave them a very small amount of exposure to the California wildfires in early 2025 but the performance impact is expected to be limited. **Hudson Bay**, a macro trading multi-strategy fund, also performed well this year gaining 8.7%.

Private Equity

The investment manager's deep experience and track record of investing in private markets led us to add private equity to the Company's investment strategy in 2023. It was always anticipated this would be a journey as it takes multiple years to get capital into the ground and then even longer before these funds grow in value, realise their investments and start distributing capital back to investors. We have made good progress to-date with nine commitments made to seven top quality managers.

Given that we are unable to commit to a manager until they return to the market to raise a fund, it takes time to flesh out a fully diversified portfolio. The majority of our commitments so far have been in venture capital and the technology sector purely because these managers have been the ones back in the market. **GGV** and **Khosla Ventures** are among the very best venture capital investors in the world, while **TrueBridge** is a venture capital fund-of-fund that diversifies our manager level exposure.

We have also made commitments to some mid-market funds in **BPEA EQT**, a pan-Asia manager, and **Gryphon Partners**, a

GGV and Khosla Ventures are among the very best venture capital investors in the world, while TrueBridge is a venture capital fund-of-fund that diversifies our manager level exposure.

US focused group. Investing in the middle market is one of our favoured areas as we believe these groups often generate more attractive returns as they grow quicker than the mega cap companies who ultimately may end up buying these groups to boost their own growth.

Global Equities

The Global Equities silo of the portfolio is intended to give direct access to a differentiated group of companies which are selected for the quality of their underlying businesses with a keen eye on valuation. The silo rose 15.4% over the financial year, a very pleasing outcome.

At the end of the year it seems prudent to reflect on the silo over the past five years. It is clear we have navigated a wide range of market environments. Our compound annual growth rate of 18.7% over this period was strong, benefiting in part from starting valuations that were unusually low. While such returns may not be easily repeated, we are encouraged by signs that some of the headwinds our portfolio has faced could now be turning into tailwinds.

As bottom-up, fundamentally driven investors, we have found the most compelling opportunities in areas of the market that have been notably out of favour – small caps, value names, and businesses outside the US. These have often been described as the least "fashionable" parts of the market and performance has been hindered by that sentiment. However, we remain confident and excited about the long-term prospects for our businesses.

The past 12 months have been defined by a surge in M&A activity across our portfolio – more so than at any point in our history. This has been somewhat unexpected, particularly as over 75% of our holdings are controlled by either families or strategic long-term shareholders. Yet, the activity highlights the value others are beginning to see in these businesses.

Our largest holding, **GCO**, is being taken private by its controlling family at €50 per share, an 18% premium to the prevailing price. While we believe this significantly undervalues the business and we have communicated our thoughts to the board, we expect the deal to go through. It was a bittersweet moment for us: a short-term gain at the expense of what we believe could have been many years of compounded returns.

Subsea 7, another core holding, announced a planned merger with its rival Saipem to create the global leader in offshore engineering and construction with over €40bn in backlog and a fleet of 60 construction vessels. Importantly, the combined entity will be debt-free and chaired by a nominee of Kristian Siem, Subsea's de facto controlling shareholder and a capital allocator we hold in high regard.

CK Hutchison agreed to sell its ports business to BlackRock for $19bn – more than its entire market cap on the day of the announcement, yet ports only accounted for 8% of group EBITDA. The deal has since become entangled in broader geopolitical tensions between the US and China and we do not know how it will end, but it does highlight the huge undervaluation of the group. The stock now trades at just 0.28x book and at 33% of our estimated intrinsic value. Meanwhile, rumours of a potential London IPO for its European telecom business – which could be worth an additional $15bn – add further optionality.

At **CTT**, two transformational deals were announced in the past six months. The standout was a merger between its Iberian parcel division and DHL Iberia – a transaction valued the parcel business at 80% of CTT's market cap, despite express and parcel services contributing just 35% of last year's EBITDA. **Bergman & Beving** also remained active, completing five bolt-on acquisitions and a rare disposal that has enhanced both its capital efficiency and margin profile.

Looking ahead, regardless of how markets evolve in the coming years, our conviction in the underlying businesses remains strong. These are well-managed, high-quality companies, trading at what we believe is a 40% discount to intrinsic value. This offers one of the most attractive margins of safety we have seen in some time and positions the portfolio well for the long term.

During the year we added to our positions in **Glencore**, **Eurowag**, GCO, **Arch**, **Orion**, CK Hutchison and CTT and reduced our positions in Subsea 7, **EXOR**, Bergman & Beving and **Interactive Brokers**. We also bought and sold **Coats** during the year. We also initiated a new position in **Qualitas**, a Mexican auto insurer.

Subsea 7, another core holding, announced a planned merger with its rival Saipem to create the global leader in offshore engineering and construction with over €40 billion in backlog and a fleet of 60 construction vessels.

Core holding Subsea 7 announced a planned merger with rival Saipem to create the global leader in offshore engineering and construction.

Photo courtesy of Subsea 7.

The Wilson Sons business performed very strongly during the financial year to 31 March 2025. As the largest integrated provider of port and maritime logistics in Brazil, Wilson Sons has a strong competitive position.

Ocean Wilsons Holdings

During the financial year, Ocean Wilsons Holdings consisted of two parts, Wilson Sons, a Brazilian maritime services company, and Ocean Wilsons (Investments) Ltd (OWIL), a portfolio of fund investments.

It was announced in October 2024 that Ocean Wilsons Holdings had agreed to sell its entire 56.47% interest in Wilson Sons to a subsidiary of MSC Mediterranean Shipping Company. The sale is for a cash consideration of R$4.352bn (equivalent to R$17.50 per share). At the time of the announcement, the purchase price was equivalent to US$768m. The sale was subject to a number of regulatory approvals, the last of which was received on 20 May 2025 making the sale unconditional. Ocean Wilsons subsequently received approximately US$ 594m net of all costs and relevant Brazilian taxes on 4 June 2025. Ocean Wilsons Holdings has confirmed that they intend to make a tender offer for up to 7,072,608 ordinary shares, representing 20% of the issued capital of the company. The tender offer is open at the time these financial statements were released and will close on 18 July 2025. The result is expected to be announced around 21 July 2025.

The Wilson Sons business performed very strongly during the financial year to 31 March 2025. As the largest integrated provider of port and maritime logistics in Brazil, Wilson Sons has a strong competitive position. It is the leading provider of towage services in Brazil with the largest and most modern fleet, as well as operating major container terminals in the north and south of the country: Salvador and Rio Grande. The annual results for 2024 released in March 2025 show that revenues grew 20.5% while earnings were up 28.6% to a record R$1.3bn, primarily driven by the container terminal and towage operations businesses. The container terminal performance was due to robust growth in transshipment and gateway flows, while towage benefited from higher volumes and increased special operations. The offshore support vessel business is also performing well, with earnings significantly increased as fleet utilisation and daily rates grew

The other part of Ocean Wilsons Holdings, OWIL, shares many characteristics with the fund portfolio held directly within Hansa Investment Company. The most recent valuation for the investment portfolio was $325.9m in December 2024, slightly down from $327.9m as at the end of September 2024, but up from $310.9m in December 2023. The main difference between the investment portfolios of OWIL and HICL is OWIL's mature private equity book. This can be split into investments made before and after the private equity strategy changed in 2014. The commitments made since 2014 have been predominantly to a smaller group of core buyout managers in developed markets, particularly the US. These include managers like **TA Associates**, **KKR**, **Silver Lake**, **PAI Partners** and **Apollo**. A grouping of more specialist managers has been opportunistically added over time with financials specialist **Reverence Capital Partners** and healthcare specialist **OrbiMed** good examples, while more recently venture capital groups like **Mayfield**, **Khosla Ventures** and **GGV** have been committed to. We continue to believe that the OWIL portfolio strongly complements the Company's own investments with the private equity investments since 2014 creating a significant point of difference. The annual dividend payment to shareholders was made on 14 June 2024, when the board of Ocean Wilsons Holdings increased it from 70 cents to 85 cents per share. As noted in the Chairman's report, HICL and OWHL are currently in talks regarding a possible combination of the businesses that would see the OWIL and HICL portfolios merged, in addition to a deployment of the net sale proceeds of the Wilson Sons post tender offer, giving a combined NAV of circa £900m. An exciting development for the next phase of the Company.

Alec Letchfield
Chief Investment Officer
June 2025

Sunset over the Wilson Sons Salvador container terminal in the state of Bahia, Brazil. Ocean Wilsons Holdings had agreed to sell its entire interest in Wilson Sons to a subsidiary of MSC Mediterranean Shipping Company.

Photo courtesy of Wilson Sons.

Auto insurer Qualitas was a new addition to the portfolio during the year. As well as the largest market share in Mexico, the company has a presence in El Salvador, Costa Rica, the United States, Peru and Colombia.

The portfolio

As at 31 March 2025

Investments	Fair value £000	% of net assets
Core Regional Funds / Thematic Assets		
iShares Core S&P 500 UCITS ETF	48,934	10.6
Findlay Park American Fund	20,967	4.5
Select Equity Offshore Ltd	17,793	3.9
BlackRock Strategic Equity Hedge Fund	16,492	3.6
Pershing Square Holdings Ltd	12,272	2.7
Schroder ISF Asian Total Return	11,620	2.5
Polar Capital Fund - Global Technology	9,646	2.1
Polar Capital Global Insurance Fund	9,441	2..0
Schroder ISF Global Recovery	9,270	2.0
BA Beutel Goodman US Value Fund	8,830	1.9
Helikon Long Short Equity Fund ICAV	8,224	1.8
iShares Expanded Tech Sector ETF	7,837	1.7
iShares Core MSCI Europe UCITS ETF	7,644	1.7
Armistice Capital Offshore Fund Ltd	7,492	1.6
Simplex Value Up Trust	6,407	1.4
Redwheel Next Generation EME Fund	4,919	1.1
iShares Core EM IMI UCITS ETF	4,606	1.0
RA Capital International Healthcare Fund	4,207	0.9
NTAsian Discovery Fund	4,148	0.9
BlackRock Frontiers Investment Trust PLC	3,903	0.8
Arcus Japan Fund	2,987	0.6
Worldwide Healthcare Trust PLC	2,899	0.6
Alma Eikoh Japan Large Cap Equity Fund	2,774	0.6
	233,315	**50.6**
Strategic		
Ocean Wilsons Holdings Limited[1]	132,342	28.7
Wilson Sons	*85,187*	*18.5*
Ocean Wilsons (Investments) Limited	*47,155*	*10.2*
	132,342	**28.7**
Global Equities (direct)		
Grupo Catalana Occidente SA	8,292	1.8
Interactive Brokers Group Inc	7,081	1.5
Arch Capital Group	4,394	1.0
Bergman & Beving	4,323	0.9
CTT Correios de Portugal	3,985	0.9
Subsea 7	3,704	0.8
Orion SA	2,502	0.5
CK Hutchison	2,393	0.5
Coats Group PLC	2,102	0.5
Eurowag	2,086	0.5
Glencore PLC	1,682	0.4
EXOR NV	839	0.2
Qualitas Controladora S.A.B de C.V.	403	0.1
	43,788	**9.5**

Investments	Fair value £000	% of net assets
Diversifying		
DV4 Ltd[2]	7,770	1.7
Global Event Partners Ltd	4,807	1.0
Selwood AM - Liquid Credit Strategy	4,234	0.9
Nephila Iron Catastrophe Fund Ltd	3,435	0.7
Apollo Total Return Fund	3,256	0.7
CQS Credit Multi Asset Fund	3,071	0.7
Prana Absolute Return Fund	2,966	0.6
BioPharma Credit PLC	2,797	0.6
John Street Systematic Fund Limited	2,001	0.4
Winton Trend Fund UCITS	1,923	0.4
Schroder GAIA BlueTrend	1,887	0.4
Vanguard US Government Bond Index Fund	1,550	0.3
Hudson Bay International Fund Ltd	1,432	0.3
Lazard Convertible Global	734	0.2
	41,865	**9.1**
Private Assets[2]		
Khosla Ventures VIII LP	503	0.1
TA Associates XV-B LP	302	0.1
BPEA EQT Mid-Market Growth Partnership	257	0.1
TrueBridge Direct Fund III L.P	165	0.0
GGV Discovery IV-US	157	0.0
TrueBridge Capital Partners Fund VIII L.P	46	0.0
GGV Discovery IV-ASIA L.P	17	0.0
	1,447	**0.3**
Total investments	**452,757**	**98.2**
Net current assets	8,303	1.8
Net assets	**461,060**	**100**

[1] Hansa Investment Company Limited owns 9,352,770 shares in Ocean Wilsons Holdings Limited (OWHL). OWHL operates through two assets: Wilson Sons S.A. and Ocean Wilsons Investments Ltd (OWIL). These are shown separately above. The fair value of Hansa Investment Company Limited's holding in OWHL has been apportioned across the two assets in the ratio of the latest reported NAV of OWIL, that being the NAV of OWIL shown per the 31 December 2024 OWHL quarterly update, to the expected sale proceeds of OWHL's holding in Wilson Sons, net of withholding tax (estimated on a reasonable worst-case basis), as announced by OWHL on 21 October 2024.

[2] The holdings within the private assets silo, as well as DV4 Ltd are unlisted Private Equity holdings. As such, their value is estimated as a Level 3 Asset in note 19. All other valuations are either derived from information supplied by listed sources, or from pricing information supplied by third party fund managers.

Strategic Review

Investment objective, strategy and performance

Investment objective

The Company objective is to grow the net assets of the Company over the medium to long-term by investing in a diversified and multi-strategy portfolio.

Investment policy

The Company seeks to achieve its investment objective by investing in third-party funds, global equities and other international financial securities. The Company may invest in quoted and unquoted securities, directly or indirectly, including private assets through commitments to limited partnerships. The portfolio will usually comprise at least 30 investments.

The Company has no set maximum or minimum exposures to any asset class, geography or sector and will seek to achieve an appropriate spread of risk by investing in a diversified global portfolio of securities and other assets.

The Company currently holds a strategic position in the share capital of OWHL. The Company's current Investment Policy states it will not make further investments into OWHL. If the Possible Combination were to proceed, the Company would seek shareholder approval to amend this policy such that it may acquire further securities in OWHL, including the purchase of the entire issued share capital of OWHL by way of a public offer or otherwise.

Investment restrictions

The Company spreads investment risk by adhering to the following restrictions, calculated at the time of investment (excluding the Company's strategic holding in OWHL and any investments in treasuries, gilts or money market funds):

- no single fund investment (including closed-ended funds and exchange-traded funds) will represent more than 15% of Gross Assets;
- no single direct investment (excluding funds) will represent more than 10% of Gross Assets; and
- no single direct unquoted investment (excluding funds) will represent more than 5% of Gross Assets.

The Company may invest cash held for working capital purposes and awaiting investment in cash deposits, treasuries, gilts and money market funds. The Company will not hold more than 20% of its Gross Assets in any single money market fund. The Company will not invest in derivatives but may hold derivatives for efficient portfolio management and hedging purposes.

No more than 10% of the Company's Gross Assets at the time of investment may be invested in other listed closed-ended investment funds listed on the Official List, save that this restriction shall not apply to investments in listed closed-ended investment funds, which themselves have stated investment policies to invest no more than 15% of their Gross Assets in other listed closed-ended investment funds.

Borrowing Policy

The Company may, from time to time, use borrowings including for investment purposes. Gearing, represented by borrowings, will not exceed 25% of Hansa's NAV, calculated at the time of draw down.

Any material change to the Company's investment policy will require the approval of shareholders by way of an ordinary resolution at a general meeting and the approval of the Financial Conduct Authority.

Investment strategy

The Portfolio Manager, engaged by and acting on behalf of the Company, seeks to build a multi-strategy portfolio by selecting investments across four key investment categories, in addition to the strategic investment in OWHL:

- Core/Thematic – investments, typically through third-party funds, selected by the Portfolio Manager to provide appropriate regional and thematic exposures.
- Diversifying Assets – investments, typically through third-party funds and directly, that create asset diversification within the portfolio.
- Global Equities (direct) – a diversified portfolio of global equities identified by the Portfolio Manager as having long-term growth potential.
- Private Assets – multi-year investments giving access to investments not available in public markets.

Although the Company has no set maximum or minimum exposures to any asset class, geography or sector, the Board establishes

set guidelines which the Portfolio Manager adheres to. These can be adjusted by the Board. While the proportion of the portfolio represented by each of these categories will vary over time, the Board establishes parameters for the Portfolio Manager, based on its view of the global investment environment. The Board has set the following guidelines for each category as a percentage of the portfolio (including the strategic investment in OWHL):

- Core / Thematic: 0-75%
- Diversifying Assets: 0-40%
- Global Equities: 0-40%
- Private Assets: 0-15%

The Portfolio Manager has a strong focus on identifying investments with excellent fundamentals, taking a long-term approach to investing, good alignment and not seeking to replicate a benchmark. These investments range from those sectors benefiting from structurally higher growth, such as technology, to assets which the Company believes stand on unwarranted discounts to their intrinsic value.

The Board has given the Manager a target to develop a long-term, Private Asset portfolio of initially circa 10% of the Company's Net Asset Value. Given the long-term nature of Private Asset investments, the guideline acknowledges that commitments to Private Assets, the timing of their associated cash drawdowns, their associated performance and valuation profiles as well as the performance of the other portfolio silos might lead to short to medium-term variance to this target and, thus, the above guideline seeks to reflect this uncertainty. It is not the wish of the Board that the Manager divests of Private Assets prematurely should the guideline limit be reached. However, if a guideline limit breach occurs, the Board will be informed and can opine on the specific circumstances. If the Possible Combination were to proceed, it is noted that OWHL has an established portfolio of Private Assets complimentary to the portfolio being developed by the Company.

Borrowing limits

The Board considers whether returns may be enhanced if the Company introduces leverage at appropriate times. The Company has an unsecured lending facility through its Custodian, Banque Lombard Odier & Cie SA ("Lombard Odier"), in the amount of £30m, subject to there being sufficient value and diversity within the portfolio to meet the lender's borrowing requirements. The Portfolio Manager is able to utilise this facility as required up to the upper limit available. Gearing, represented by borrowings, will not exceed 25% of the Company's Net Asset Value, calculated at the time of draw down.

No amounts have been drawn from this facility during the year.

Investment monitoring and key performance indicators

We recognise that measuring the performance of portfolios is essential to both determining if they are meeting their return targets and the risks taken in achieving these returns. However, we also passionately believe that the benchmarks and/or comparators against which portfolios are measured should be appropriate for achieving the end objectives, with poorly chosen benchmarks often encouraging short-term actions which more often than not are damaging to meeting the longer-term aspirations.

It is for this reason we believe it right to adopt a handful of KPIs rather than a single benchmark. As long-term multi-asset class investors we are seeking to both preserve and grow the real spending power of our capital over time through the dynamic selection of different countries, assets and sectors. No one benchmark captures this approach and, indeed, the adoption of a single benchmark may result in the fund deviating from its longer-term goals in the pursuit of short-term returns.

Instead, the Board believes that considering the portfolio performance against the following KPIs will provide a more informed understanding of the performance of the portfolio and if it is meeting its longer-term objectives:

Objective	KPI	Indices used
Safe return	UK Government bonds	FTSE Gilts All Stocks TR Index
Growing the real spending power of money through time	Achieve returns that are higher than inflation	UK CPI
Long-term capital growth	Equity market performance	MSCI All Country World Index (both market cap weighted and equally weighted to remove the distorting effect of the M7)

The Board regularly, and at least quarterly, reviews the returns and the performance of the Company with the Portfolio Manager, including an analysis using the KPIs.

Additionally, whilst not specifically a KPI, the cost of managing the Company is monitored against the NAV (the ratio between costs and the NAV is also known as the 'ongoing charges percentage per annum ratio'); and the discount/premium the shares sell at in relation to the NAV are likewise monitored.

The Board of Directors monitors the returns made in absolute and relative terms against the KPIs established. The comparisons are made over 1, 3, 5 and 10 year time horizons.

i) Shareholders and Company – total returns

To 31 March 2025	1 year	3 years	5 years	10 years
Share price total return				
Ordinary shares	13.5%	24.3%	94.9%	62.8%
'A' non-voting Ordinary shares	8.0%	18.2%	74.1%	56.7%
Portfolio NAV	2.3%	23.9%	75.6%	89.6%

ii) Discount/premium*

A comparison is made between the (discount)/premium of the Company's two classes of shares and of the AIC average.

To 31 March 2025	1 year average	3 years average	5 years average	10 years average
(Discount)/Premium				
Ordinary shares	(40.9%)	(40.8%)	(38.4%)	(33.9%)
'A' non-voting Ordinary shares	(43.1%)	(42.4%)	(39.2%)	(35.1%)
AIC	(4.5%)	(9.1%)	(7.5%)	(5.5%)

Whilst there are investment trusts that exhibit one or more similarities to the Company, the Board does not consider the Company to have any direct peers.

iii) Key performance indicators*

The following are the KPIs the Board uses to assess the returns of elements of the portfolio and of the Company as a whole.

To 31 March 2025	1 year	3 years	5 years	10 years
NAV Total Return	2.3%	23.9%	75.6%	89.6%
NAV Total Return (Ex OWHL)	0.5%	11.5%	48.7%	63.3%
FTSE UK Gilts All Stocks TR Index	(1.2%)	(17.3%)	(25.9%)	(6.5%)
UK CPI Inflation	2.6%	16.6%	25.7%	36.9%
MSCI ACWI NR (GBP)	4.8%	24.4%	94.7%	168.2%

iv) Expense ratios*

To 31 March 2025	1 year	3 years	5 years	10 years
Ongoing annual charges (%)	1.1	1.1	1.1	1.1

The Company continues to produce a Key Information Document (KID) for each of its two share classes based on the Packaged Retail and Insurance-based Investment Products Regulation (PRIIP). However, as this is no longer a statutory requirement, it is solely for information purposes and no longer bound by the prescriptive nature of the regulations with regard to how costs are calculated and presented. As such, the calculation of the costs which are disclosed in the KIDs is now aligned with the table above.

* Note: these are considered to be Alternative Performance Measures. Their definition is included in the Glossary on pages 89 and 90.

Shareholder profile

Capital structure

The Company has 40,000,000 Ordinary shares of 1p (1/3 of the total capital) and 80,000,000 'A' non-voting Ordinary shares of 1p (2/3 of the total capital) each in issue. The Ordinary shareholders are entitled to one vote per Ordinary share held. The 'A' non-voting Ordinary shares do not entitle the holders to vote or receive notice of meetings, but in all other respects they have the same rights as the Company's Ordinary shares. See also Note 13 in the Notes to the Financial Statements.

Shareholder profile

The Company's shares owned at 31 March 2025 are as follows:

	Ordinary shares		'A' non-voting Ordinary shares	
Institutional and wealth managers	16,217,743	40.54%	72,637,969	90.80%
Directors	11,220,745	28.05%	3,817,123	4.77%
Private individuals	12,537,139	31.34%	3,484,461	4.36%
Other	24,373	0.07%	60,447	0.07%
	40,000,000		**80,000,000**	

Substantial shareholders

As at 31 March 2025, the Directors were aware of the following interests in the Ordinary shares of the Company, which exceeded 3% of the voting issued share capital of that class.

	No. of voting shares	% of voting shares
Nomolas Ltd	10,347,125	25.87%
Victualia Limited Partnership	10,347,125	25.87%
Sky Hill Limited	1,730,000	4.33%

These holdings are correct as of 31 March 2025 and have not changed as at the signing date of these Financial Statements.

Hansa Investment Company traces its origins back to 1912 when the Alto Paranà Development Company was launched to develop forestry in Brazil. Having become an investment trust company in the late-1940s, the Company became closely associated with the Salomon Family, initially through Sir Walter Salomon, whose family trusts became substantial shareholders. The late-1950s also saw the acquisition of a significant shareholding of Ocean Wilsons Holdings Limited through the issuance of the 'A' non-voting Ordinary shares by the Company's predecessor, Hansa Trust. Over the following decades, the Salomon family helped to build the publicly-owned and independently run investment company we know today, with its focus on delivering reliable long-term asset growth for shareholders.

The wider Salomon family remain significant investors in the Company. William Salomon, Sir Walter's son, a director of HICL and Senior Partner of the Company's Portfolio Manager, is interested in 10,347,125 of the shares held by Victualia Limited Partnership, representing 25.9% of the voting share capital. In addition, William Salomon has further interests in the Company's shares; the total interest is detailed in the Directors' Interests section. Other members of the wider Salomon family, who are also descendants of Sir Walter, are interested in a further 12m shares in the Company.

Restrictions associated within the share classes

The giving of powers to issue or buy back the Company's shares requires an appropriate resolution to be passed by shareholders. Proposals for the renewal of the Board's powers to buy back shares are set out in the Notice of the Annual General Meeting.

There are: no restrictions concerning the transfer of securities in the Company; no agreements between holders of securities regarding their transfer known to the Company; and no agreements between the Company and its Directors concerning compensation for loss of office. Notwithstanding the foregoing, the Company can require any holder of the Ordinary voting shares to transfer some or all of its shares (or otherwise refuse to register any transfer of shares) to avoid the Company, if the Company were a company which was resident for tax purposes in the UK, being regarded as a "close company" as defined in s.439 of the UK Corporation Tax Act 2010, to another person whose holding of such shares, in the sole and conclusive determination of the Board, would not cause the Company to be a close company. Additionally, the Company's Bye-Laws provide for the voting rights of Ordinary shares to be automatically reallocated to other shareholders to prevent the Company becoming a close company.

As at 15 July 2025, the date of signing of the Annual Financial Statements, there have been no disclosures to the Company of changes of interests under DTR 5.

Board and management shareholdings

Directors' Interests

The interests of Directors and their connected parties in the Company at 31 March 2025 are shown below:

	Ordinary shares of 1p each		'A' non-voting ordinary shares of 1p each		Nature of interest
W Salomon	11,169,345	27.92%	3,587,123	4.48%	Beneficial
J Davie	45,000	0.11%	230,000	0.29%	Beneficial
S Heidempergher	6,400	0.02%	–	–	Beneficial
Total	**11,220,745**	**28.05%**	**3,817,123**	**4.77%**	

As at 15 July 2025, the date of signing the Annual Financial Statements, there were no changes to report to the Directors' holdings.

William Salomon is the senior partner of Hansa Capital Partners LLP. Fees payable to Hansa Capital Partners LLP amounted to £3,346,097 (including Portfolio Management and Additional Administrative Services Provider (AASP) functions). During the year, no rights to subscribe for the shares of the Company were granted to, or exercised by Directors, their spouses or infant children.

Portfolio Manager's interests

As at 15 July 2025, the date of signing of this Annual Report, the management and staff of the wider Portfolio Manager's group (Hanseatic Asset Management LBG, an Investment Manager and AIFM located and regulated in Guernsey), excluding the holding of William Salomon, shown above, were interested in circa 10.3m shares in the Company – a mixture of Ordinary and 'A' non-voting Ordinary shares.

Stakeholder engagement

As required by the AIC Code, the Board describes below how the Board has sought to promote the Company for the benefit of its members, how it has taken into account the likely long-term consequences of decisions and how it fosters relationships with stakeholders. The Company is an investment company with an appointed Portfolio Manager. As a result, it has no direct employees or customers. The Board has identified the Company's shareholders, its Portfolio Manager (as well as the Additional Administrative Services Provider, and its other key service providers as its key stakeholders.

STAKEHOLDER	INTERACTION
Shareholders	The shareholder base is a mixture of private investors, wealth managers and asset managers across both classes of the Company's shares. The Board monitors changes in the shareholder base at its Board meetings. The Company communicates through the publication of Annual and Half-Year Financial Statements, through detailed quarterly and monthly factsheets, as well as through the Company's website. The Company also holds periodic shareholder presentations incorporating presentations by the Board and key service providers to keep shareholders informed. The Board seeks to understand the opinions of a wide variety of shareholders. The Company maintains a dedicated email address for shareholders to contact the Board (HICLenquiry@hansacap.com) and shareholder correspondence and feedback is a regular item of discussion at Board meetings. The Company continues to meet shareholders and other interested parties facilitated by its broker, as well as through direct contact. The Portfolio Manager also runs an outreach programme in conjunction with an investor relations specialist. Investors are also kept informed through paid-for editorial pieces and discussion with media organisations. The Board uses online shareholder presentations to enable shareholders to meet with the Board and Portfolio Manager. Whilst the Board believes there is still a place for face-to-face shareholder updates, the strong attendance at the online events encourages the Board that these online events will remain a feature of the Company's shareholder outreach. The next shareholder event is planned for 23 September 2025 as a hybrid online and physical meeting.
Portfolio Manager and AASP	The Board's main working relationship is with the staff of HCP as the Portfolio Manager and the AASP. HCP is responsible for the Company's portfolio management (including asset allocation, stock and sector selection in accordance with guidelines established by the Board). It is also responsible for administrative and operational functions including day-to-day oversight of the other key service providers (Administrators, Custodians, Registrar and Company Secretarial). Successful management of shareholders' assets by the Portfolio Manager is crucial to enable the Company to deliver its investment strategy and meet its objective. The AASP also assists with the preparation of the Annual and Half-Year Financial Statements as well as Factsheets and website updates. The Board works closely with the AASP to approve disclosures made via these publications.
Other key service providers	Key service providers are the Company's Administrator (Apex Fund Administration Services (UK) Ltd to 31 March 2025, Juniper Partners from 1 April 2025), Custodian (Lombard Odier) and the Registrar (Computershare Investor Services (Bermuda) Limited). Whilst the Board looks to the Portfolio Manager and the AASP to keep a day-to-day oversight of these providers, they are contracted directly to the Company. As such, the Board retains ultimate responsibility for their roles. The AASP reports regularly on operational matters. The Board seeks to visit each provider at least annually for a face-to-face meeting to discuss service levels, operations and future developments.

Main areas of engagement

KEY AREA	TOPIC	ENGAGEMENT AND OUTCOMES
Investment strategy and ESG matters	The Investment Strategy incorporates appropriate ESG considerations. For clarity, the Company does not purport to be a "Green" fund. However, through its ESG disclosures and reporting the actions of its Portfolio Manager, it seeks to give clarity to the processes around assessing the Environmental, Social and/or Governance aspects to its investment decisions and ongoing monitoring.	The Board has engaged with the Portfolio Manager and encouraged them to develop a responsible investment policy. The Board notes that the Hanseatic Group, of which the Portfolio Manager is a member, is a signatory to the UN PRI. The Board wholeheartedly supports this policy. See page 43 for further information.
Discount management and share buybacks	It is a great frustration to the Board that the discount has not tightened over the past year. It is also noted that there has been general widening of investment trust spreads due to market volatility and declining retail participation in the markets.	The Board is mindful of, and regularly considers, the share price compared to the NAV and related discount. The Board is of the view that providing transparency and clarity to investors, as well as promoting demand for the Company's shares, should create a positive impact on the discount for the medium to longer-term. To this end, the Board continues to develop the Company's branding and communications strategy with shareholders and potential shareholders alike. The aim is to enhance and broaden the understanding of the Company, with the ultimate objective of widening the shareholder base and deepening the market for shares. The primary objective of the Company is to generate a good economic return over the medium to long-term and create a compelling investment proposition for private investors, enabling them to gain access to investments not readily available. This in due course should increase demand for the Company's shares. Each investment company must consider its own particular circumstances and objectives in assessing what is in the best interests at any particular point in time for the company and its shareholders. The Board continues to focus on the construction of a portfolio to create long-term value including an allocation to Private Equity. On 17 June 2025, the Company jointly announced a Possible Combination of the Company with OWHL. This included the intention to introduce a new capital allocation policy through the implementation of an on-market share buyback of between 2% and 4% of NAV. If the Possible Combination were to proceed, it would represent a significant change for the Company. The Board will review its position with regard to Discount Management, Share Buybacks and Capital Allocation policies following the decision as to whether to proceed or not with the transaction.

KEY AREA	TOPIC	ENGAGEMENT AND OUTCOMES
Capital structure	The Company has two separate share classes, both of which are traded on the LSE. The Ordinary shareholders are entitled to one vote per Ordinary share held. The 'A' non-voting Ordinary shares do not entitle the holders to vote or receive notice of meetings, but in all other respects they have the same rights as the Company's Ordinary shares. Consideration has been given to whether the two share classes could be merged in some way.	The current position of Ordinary and 'A' Ordinary share classes remains unchanged as the majority of Ordinary shareholders have informed the Board they do not wish to alter the present structure at the present time.
Dividends	The Board's stated policy for the year to 31 March 2025, was to maintain the dividend at 3.2p until it is fully covered by net income. At that time it plans to increase it in line with any increase in the net income of the Company.	The portfolio held by the Company is currently constructed for long-term capital appreciation rather than income generation. As a result, the income generated by the portfolio is insufficient to meet this dividend commitment and the shortfall is made up from the Company's reserves. In principle, your Board does not believe it to be in the Company's best interests to use capital as a source from which to pay dividends. On 17 June 2025, HICL announced a Possible Combination of the Company with OWHL. It was stated within that announcement that, should the transaction proceed, the Board would implement a Capital Allocation policy whereby the Company would implement on-market share buybacks of between 2% and 4% of its issued share capital (which may include both voting Ordinary shares and non-voting A Ordinary shares) replacing the Company's existing dividend policy. The Board will review its future dividend policy should the Possible Combination not proceed.
Maintaining levels of service from service providers	The Company does not have direct employees. Rather, its operations are conducted by several key service providers. The Company enters into service-level agreements with each provider. The Board oversees these services to ensure best practice is followed and that the Company is receiving a comprehensive service and value for money.	The independent members of the Board annually review the performance of the Portfolio Manager. Additionally, the day-to-day performance of other key service providers (Administrator, Custodian and Registrar) are monitored by the AASP on behalf of the Board. In addition, there is an annual review of service providers' annual Controls Audit Reports. Members of the Board also visit each key service provider annually to review performance and understand any changes in their businesses. As a result of ongoing monitoring, the Board, in conjunction with feedback from the AASP, has changed the Company's Administrator to Juniper Partners with effect from 1 April 2025.

Notice period for general meetings

The Company's Bye-Laws permit that the Company's general meetings (other than AGMs) may be held on 14 days' notice.

Annual General Meeting

The Company's Notice of Annual General Meeting is included in this Report.

Authority to repurchase 'A' non-voting Ordinary shares

A resolution will be proposed at the forthcoming AGM, seeking shareholder approval for the renewal of the authority for the Company to repurchase its own 'A' non-voting Ordinary shares. The Board believes the ability of the Company to repurchase its own 'A' non-voting Ordinary shares in the market could potentially benefit all equity shareholders of the Company in the long-term.

The Company's Bye-laws are drafted in such a way that the Company may from time to time purchase and cancel its own shares. However, the Company requires that shareholders' approval to repurchase shares be sought. At the AGM the Company will therefore seek the authority to purchase up to 11,992,000 'A' non-voting Ordinary shares (representing 14.99% of the Company's issued 'A' non-voting Ordinary share capital, the maximum permitted under the FCA Listing Rules), at a price not less than 1p per share (the nominal value of each share) and not more than 5% above the average of the middle-market quotations for the five business days preceding the day of purchase or, where a series of transactions have taken place the higher of the last independent trade and current highest independent bid on the trading venue where the purchase(s) will be carried out. The authority being sought, the full text of which can be found in the Notice of Meeting, will last until the date of the next AGM.

The Company is seeking authority to use its realised capital reserve to allow repurchase of shares in the market. The decision as to whether the Company repurchases any shares will be at the absolute discretion of the Board. Any shares purchased will be cancelled.

The Directors consider that all the resolutions to be proposed at the forthcoming AGM, as set out in the Notice of AGM, are in the best interests of shareholders as a whole and unanimously recommend all shareholders to vote in favour. Guidance on how to vote at the AGM can be found in the notes to the Notice of AGM.

If the Board considers a significant proportion of votes have been cast against a resolution at the AGM, the Company will explain, when announcing the results of voting, what action it intends to take to understand the reasons behind the results of the vote.

Principal risks

The Company has risk management processes in place which enables the Board to identify, assess and manage the principal risks faced by the Company. Consistent with the AIC Code and UK Corporate Governance Code, these risks are considered to have the potential to threaten the Company's business model, future performance/returns, solvency, liquidity, reputation, or regulatory status. An integral part of this process is the maintenance and ongoing evaluation of the Company's Risk Assessment & Controls (RAC) Matrix, which identifies both the risks and associated controls operating within the Company and relevant third-party service providers. To ensure emerging risks are assessed on an ongoing basis, the Board reviews the RAC Matrix at each Board meeting, considering HICL's current and future anticipated risk environment. The Board also receives updates at each meeting from the Portfolio Manager and the AASP on operational risk matters. Additionally, as part of the risk management processes, the Company also annually reviews the Custodian, Administrator and Registrar assurance reports of their internal controls (e.g. AAF 01/06, AAF 01/20, ISAE 3402). The impact of any exceptions are considered by the Board.

Consideration of the Company's principal risks and uncertainties, is made in the context of the Company's stated objective of generating superior, but sustainable, long-term growth in shareholder value. The main risk being that over the long-term (determined as greater than five years), shareholders do not make a return from investing in the Company. The Company's closed-ended fund structure is also considered to be in alignment with its stated objective, especially within extremely volatile market conditions. This is due to the portfolio not having to be managed and maintained to manage potential significant redemptions or short-term liquidity needs as open-ended funds would. Additionally, the closed-ended structure can take advantage of less liquid market opportunities as part of its portfolio holdings.

The principal risks and uncertainties identified and associated controls in place to manage these risks are described below:

PRINCIPAL RISKS – EXTERNAL	CONTROLS TO MITIGATE RISKS
Market risk – long-term company share performance *Market risk includes interest rate, currency, equity, credit, inflation, concentration, liquidity and macro geopolitical risks.*	The Board: ▪ has appointed an appropriate Portfolio Manager whose performance for the Company is reviewed and challenged on a quarterly basis; ▪ has set investment guidelines and restrictions, which are reported against by the Portfolio Manager on a monthly basis; ▪ operates an asset allocation model, which is regularly reviewed and discussed with the Portfolio Manager; and ▪ monitors and discusses portfolio construct and performance quarterly.
Performance risk, share price, liquidity and discount monitoring *Low market trading volumes of Company shares and the discount to the NAV becoming inherent in the share price.*	The Board: ▪ regularly reviews the share price, discount level and portfolio performance; ▪ maintains periodic oversight on shareholder-base; ▪ actively seeks feedback both directly from shareholders and indirectly through the Company's Broker or specific outreach programmes involving the Portfolio Manager; ▪ has the ability to buy-back non-voting shares of the Company; and ▪ initiates strategies to reduce discount over the medium term.
Tax, accounting, legal and regulatory risks *Adverse outcomes resulting from legislative changes to tax, legal and regulatory requirements. Adverse outcomes from not meeting ESG expectations.*	The Board: ▪ obtains regular updates and advice from relevant professional advisers; ▪ maintains oversight and receives regular reporting on the legislative and regulatory changes, which impact HICL, as monitored by the Portfolio Manager; ▪ maintains the Company's membership with the Association of Investment Companies; ▪ has adopted the Portfolio Manager's responsible investing policy; ▪ has set explicit expectations on the integration of ESG considerations within the investment process; ▪ continues to develop ESG disclosures in compliance with reporting regulations; and ▪ receives documented confirmation of the Portfolio Manager's adherence to relevant regulatory requirements and emerging sanction risks.
Reputational risk *Negative behaviours, publications or market sentiment impacting the reputation of the Company.*	The Company: ▪ requires the annual selection of Board members, all of whom must have a commitment to governance; ▪ has direct oversight of Portfolio Manager; ▪ communicates with investors and the public in a clear and transparent manner; and ▪ has set pre-approval procedures for accuracy and reliability of such information.

PRINCIPAL RISKS – INTERNAL	CONTROLS TO MITIGATE RISKS
Operational risk *Risks associated with process, system and control failures including those associated with the Company's third-party service providers.* *Operational areas considered includes Liquidity, Safeguarding of Assets and Reliability of Financial Reporting.*	▪ Pre-approval processes are in place prior to the publication of any financial information. ▪ Identification and certification of key controls by AASP compliance team. ▪ Due diligence is undertaken prior to appointing all service providers. Regular performance reviews of third-party providers are made and, where relevant, the Company annually requests independent service provider assurance reports on the operating effectiveness of their internal controls. ▪ An overdraft facility provides a contingency for any short-term liquidity shortfall. A pre-approval payment process is in place as part of an overall cash management process. ▪ An independent Custodian is appointed to safeguard the Company's assets. This Custodian is bound by regulatory and legal contractual obligations and liabilities. Regular reconciliations are undertaken to ensure accuracy of records.
Gearing/balance sheet risk *Risk of over-gearing the balance sheet and creating financial stress on the Company.*	▪ A maximum limit on the overdraft facility is in place. ▪ Any increase in overdraft or credit facility requires Board pre-approval.

Insurance

The Company through its Bye-laws has indemnified its Directors and Officers to the fullest extent permissible by law. During the year the Company also purchased and maintained liability insurance for its Directors and Officers.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, including its financial position, are set out in the Chairman's report and the Portfolio Manager's report within this Annual Report.

After due consideration of the Balance Sheet, estimated liabilities for the 12 months following the signing of this Report and having made appropriate enquiries, the Directors have concluded the Company is a going concern and has adequate resources to continue in operational existence for at least 12 months. Assets of the Company consist of securities, the majority of which are traded on recognised stock exchanges, or open-ended funds run by established managers. The Financial Statements are prepared on a going concern basis.

Longer-term viability statement

In addition to the Statement of Going Concern, the Directors are also required to make a statement concerning the longer-term viability of the Company. The Directors consider 12 months to be a relatively short time frame when considering performance and look to the longer-term for both the performance and risks associated with the Company. The Directors consider a period of five years to be a more representative period, which aligns with the Portfolio Manager's longer-term horizon. This period is sufficiently long to manage short-term market volatility and allow longer-term performance to work through. The Board continually monitors the Investment Strategy and Investment Guidelines issued to the Portfolio Manager and directs the Portfolio Manager to target long-term capital preservation. Further, whilst the Board has sanctioned the use of gearing, the facility available to the Portfolio Manager is relatively small compared to the NAV of the Company. Finally, a number of the more significant costs in each financial year are contracted to be calculated on the basis of the underlying NAV of the Company. As such, in a period of negative portfolio performance, the cost base should also fall.

Barring unforeseen circumstances and taking account of the Company's current position, the principal risks, the longer-term strategy for the portfolio, including a diversified and liquid asset base and the lack of gearing, the Directors confirm they have a reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due for the next five years.

Governance

The Board of Directors

Board members are selected based on their individual and complementary skills and experience and their ability to commit sufficient time to drive the Company's success. The Directors who served the Company during the year to 31 March 2025 are:

Jonathan Davie
Chairman

Jonathan became Chairman of Hansa Investment Company in June 2019. He was a director of Hansa Trust from January 2013 until its liquidation in November 2021. He is also a partner of First Avenue Partners, an alternatives advisory boutique.

Jonathan qualified as a Chartered Accountant and then joined George M. Hill and Co. and became an authorised dealer on the London Stock Exchange. The firm was acquired by Wedd Durlacher Mordaunt and Co. where Jonathan became a partner in 1975. He was the senior dealing partner of the firm on its acquisition by Barclays Bank to form BZW in 1986.

Jonathan developed BZW's Fixed Income business prior to becoming chief executive of the Global Equities Business in 1991. In 1996 he became deputy chairman of BZW and then vice chairman of Credit Suisse First Boston (CSFB) in 1998 on their acquisition of most of BZW's businesses. He focused on the development of CSFB's Middle Eastern business. He retired from CSFB in February 2007.

Pedro Gonçalves

Pedro became a Director of the Company on 6 February 2025. Pedro brings a wealth of experience to the Board. He has been managing director of Movendo Capital BV for the past eight years. Movendo Capital BV is an investment holding company focusing on growth and private equity investments. Pedro has worked in a number of roles in the Financial Services for 20 years including asset management, insurance, banking and investment strategy. During this period, Pedro was seconded into the Portuguese Government as the Secretary of State of Innovation, Investment and Competitiveness from 2013 to 2015.

Currently, Pedro is an industrial advisor to EQT Partners SE. He is also chairman of NovaForum (Nova Business School) and the Honorary Consul of Singapore in Portugal.

Pedro graduated in Economics from Universidade Católica Portuguesa, holds a Masters Degree in Economics (MSc) from Glasgow University, and an MBA from Nova Business School.

Simona Heidempergher

Remuneration Committee Chair
Nomination Committee Chair

Simona became a Director of the Company in June 2019. She is chair of the Remuneration Committee and, following Nadya Wells' decision to not stand for re-election in July 2024, also chairs the Nomination Committee.

Simona has extensive experience as an executive and non-executive director across multiple jurisdictions. For the past 22 years, she has been a director of Merifin Capital, an established, privately-owned European investment company. Prior to this she had roles as Vice President Investments at CDB Webtech, a listed investment vehicle; as research associate at Heidrick & Struggles, a leading executive-level search and leadership consultancy firm; and as project coordinator at Ambrosetti Group, an Italian consulting company.

Currently, Simona is the chair of the board of directors of the Stramongate Group, a Luxembourg public company; director of The European Smaller Companies Trust, a Janus Henderson Asset Management Investment Trust listed on the London Stock Exchange; and director of Industrie Saleri Italo S.p.A., a private Italian company in the automotive supplier sector.

Richard Lightowler

Audit Committee Chairman

Richard became a Director of the Company in June 2019 and chairs the Audit Committee. He is an experienced non-executive director. Richard was previously a partner of KPMG in Bermuda for 20 years where he was head of the firm's Insurance Group in Bermuda for 15 years, a member of the firm's Global Insurance Leadership Team and Global Lead Partner for a number of large international insurance groups listed on the New York and London Stock Exchanges.

Richard has significant regulatory experience, previously advising the Bermuda Monetary Authority and working with clients regulated by the PRA, FRC and FCA, as well as other international regulators. He also has extensive experience in risk and corporate governance and significant transaction experience. Richard is based in Bermuda. Richard also holds non-executive directorships with Aspen Insurance Holdings, Geneva Re, Oakley Capital Investments and Phoenix Re Limited.

William Salomon

William became a Director of the Company in June 2019. He was a Director of Hansa Trust from 1999 until its liquidation in November 2021. He has a significant, long standing, investment in the Company.

William's experience in investments and finance is important to the Board in developing and monitoring investments in special investment themes and in the Company's strategic investment in Ocean Wilsons Holdings Limited.

William is the senior partner of Hansa Capital Partners LLP, the Portfolio Manager and Additional Administrative Services Provider, chairman of Hanseatic Asset Management LBG, the Company's AIFM, and also deputy chairman of Ocean Wilsons Holdings Limited in which he also has a significant, long standing, investment. Until its sale to SAS Shipping Agencies, which completed on 4 June 2025, William was also a director of OWHL's Brazilian listed subsidiary Wilson Sons Holdings Brasil S.A.. William was formerly the vice chairman of Close Asset Management Limited and chairman of the merchant bank Rea Brothers PLC.

Nadya Wells became a Director of the Company in June 2019, retiring her position at the Company's AGM on 2 August 2024.

All Directors will retire at each AGM and offer themselves for consideration for re-election. The Board recommends the re-appointment of each of the five Directors who have put themselves forward, based on their continuing contribution to the Company and its shareholders. The service contracts between the Company and each of the Directors do not allow for any compensation payment in the event of loss of office.

Organisation and objectives

This section explains how the Board has organised the Company and seeks to deliver its objectives.

Board committees and roles

The Directors consider that, in order to fulfil their responsibilities as the Directors of the Company, they should all be members of every sub-committee where possible. Where a Director cannot be a member of a committee, they should attend the meetings unless a conflict exists and it would be inappropriate for them to be present.

Audit Committee

Richard Lightowler is the Chairman of the Audit Committee. The Audit Committee consists of all independent Directors of the Board. The Audit Committee exists to assist the Board in the financial and narrative reporting of information relating to the Company, the review of the Internal Controls and Risk Management systems, the oversight of the Company's annual audit and assessment of the independence, performance and quality of Company's external auditor PricewaterhouseCoopers LLP. The Committee meets at least twice a year – timed to review the Annual and Half-Year Financial Statements prior to their approval and release.

The AIC Code of Corporate Governance ("the AIC Code") indicates that all independent Directors can be members of the Audit Committee including, if agreed by the Board, the Chairman of the Board. The Board is of the opinion that, particularly as the Company has relatively few Directors, shareholders benefit from the views of all Directors. Therefore, Jonathan Davie, as Chairman of the Company, is also a member of this Committee. The Board further acknowledges that the AIC Code states all Committee members should be independent. Therefore, William Salomon is not a member of the Committee although attends as a non-member. The Committee reports its recommendations to the Board for final approval.

See page 59 for the Audit Committee Report

Nomination Committee

Simona Heidempergher is the Chairman of the Nomination Committee. The Committee was previously chaired by Nadya Wells until 14 June 2024 when the Board appointed Ms Heidempergher to chair the Committee and to lead the search for a new independent director following Ms Wells' decision to not stand for re-election. All independent members of the Board are members of the Nomination Committee. William Salomon attends the Committee but is not a member.

The Committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board and makes recommendations to the Board with regard to any changes, as necessary. It also considers succession planning of directors, taking into account tenure and performance of board members as well as challenges and opportunities facing the Company, and what skills and expertise are, therefore, needed on the Board in the future. If a skills-gap or pending vacancy is identified, the Committee is responsible for identifying and nominating candidates to fill Board vacancies as and when they arise.

See page 55 for the Nomination Committee Report.

Management Engagement Committee

The Committee is chaired by Jonathan Davie. All independent members of the Board are members of the Management Engagement Committee. The Committee has two primary roles. Firstly, to review the functional and operational performance of the Portfolio Manager with the Company's investment policy. Secondly, to review annually the performance of any other key service providers to the Company.

The level of management fees, level of service provided and the performance of the Portfolio Manager are reviewed on a regular basis to ensure these remain competitive and in the best interests of shareholders. The Board, after the annual recommendation of this Committee, considers whether the engagement of the Portfolio Manager is in the best interests of the shareholders. The Committee members also carry out periodic visits to the key service providers, as well as seeking feedback on the performance of other service providers from the Portfolio Manager in its capacity as Additional Administrative Service Provider.

The Committee reports its recommendations to the Board for final approval.

Remuneration Committee

The Committee is chaired by Simona Heidempergher. All independent members of the Board are members of the Remuneration Committee. William Salomon attends the Committee but is not a member. The Committee is responsible for the broad policy for the remuneration of the Company's Chairman and non-executive Directors pursuant to the Company's Bye-laws. The Committee takes into account all factors which it deems necessary. When setting the remuneration policy for Directors, the Committee reviews remuneration trends across the wider industry, including the use of external independent surveys, and considers the ongoing appropriateness and relevance of the remuneration policy. The level of directors' fees should be set at a level which attracts and retains high calibre candidates. Fees are monitored against external benchmarks taking specific note of each Director's duties, time commitments to properly fulfil all obligations and duties and also relative to other comparable companies in comparable jurisdictions. No Director sets their own individual remuneration.

The Committee reports its recommendations to the Board for final approval.

See page 51 for the Directors' Remuneration Report.

Long-term impact of decisions – ESG matters

In the natural positive progression of HCP's commitment to further integrating ESG and climate relevant considerations within its investment process, the Hanseatic Group, of which HCP is a member, has become a signatory of the United Nations supported Principles for Responsible Investment (UN PRI).

With ever-growing global concerns and developments surrounding matters such has climate change, social inequalities and ethical corporate strategy and governance, the Board believes there is a communal duty for meaningful and effective action to be taken and are committed to doing so. It is the Board's belief that responsible investing and a well-run sustainable business model aids in generating superior long-term returns.

The Board is responsible for the Company's ESG policy. In 2020, the Board adopted the Portfolio Manager's Responsible Investment Policy, which is applied to all Company investments in funds and companies, in both public and private markets. In line with the evolving nature of ESG's integration within financial services, the Manager continues to review and develop their policy of responsible investing within their investment process. This involves ensuring environmental, social and governance factors are integrated throughout the investment management process, including within the due diligence, decision-making and investment monitoring processes.

As long-term investors, HCP has a natural desire to be a responsible investor and a good corporate citizen. HCP's approach begins by communicating its expectations to fund and company investments that they should take ESG issues seriously, clearly report on them, be responsible owners and to continuously show positive indicators of aspiring to do the right thing.

HCP does not operate an exclusionary policy, as excluding whole sectors or countries is not a sustainable, or reasonable approach to its investment activities. Each fund manager or company is assessed as an individual, taking into account the sector and country within which they operate and their direction of travel in ESG enhancements.

HCP seeks to ensure that all investee managers and companies are thinking longer term and that they are also thinking about their longer-term impacts across the spectrum of their business. This certainly includes the negatives – such as understanding how companies are lowering their carbon emissions, ensuring they are not using forced or child labour in their supply chains, taking care not to deplete natural resources, or be involved in deforestation. But it also includes the positive impacts, for example, knowing if a company is taking advantage of the opportunities it may have from climate change by developing greener energies, recycling used clothing, or designing biodegradable fabrics. HCP's involvement with the managers and companies is ongoing and pushes them to manage the risks and take advantage of the opportunities in a tailored and considered manner. A manner that reaps longer-term benefits for the Company, as well as the environment and the greater society.

The Board is pleased to report that the Manager has received very positive feedback on their second submission to the UN PRI, made in summer 2024, for both their policies and approach adopted. At the time of publication of this Report, the Hanseatic Group is in the process of preparing its 2025 submission to the UN PRI.

Fund investments

HCP seeks to invest in funds who are responsible owners of their investee companies, have specific consideration as to how their investee companies manage their ESG responsibilities and seek to engage with those company boards, if they are failing in their duties. Where a manager is not living up to these standards, HCP will first seek to engage the management team and encourage improvement. If the managers engagement is weak, or if the communicated concerns are not sufficiently addressed and their positive commitment to do so is not apparent, HCP's ultimate action would be to reduce the current investment, exit, or not invest in the first place. Whilst HCP does not seek to exclude fund managers that invest in sectors such as energy or countries such as China, it would, however, expect such managers to properly articulate how they operate in such areas and manage the potential ESG considerations. HCP's investment philosophy favours those fund managers who are typically long-term in their approach and seeks to invest in high-quality, well-managed companies that are often higher-returning. As a result, although we do not set limits, there is a natural bias away from these companies and sectors that score less well on ESG metrics.

Company investments

When considering direct equity investments HCP seeks to ensure that company management teams are responsible custodians of their businesses, report clearly on ESG metrics and seek to improve on those areas in which they are lagging.

Taskforce on Climate-Related Financial Disclosures

As a closed-ended investment company, HICL is exempt from the annual reporting requirement to publish statements in line with the Taskforce on Climate-Related Financial Disclosures' (TCFD) framework of recommendations and recommended disclosures. However, considering the Board and the Manager's approach to responsible investing in conjunction with the Company's core investment objective to generate superior, but sustainable, medium to long-term growth in shareholder value, we have elected to provide relevant information on our approach to the TCFD recommendations.

Governance

Strong corporate governance practices are intrinsic to how the Board operates. The Board oversees a long-term and sustainable approach to business strategy of the Company. This in part is done by adopting a Responsible Investment Policy, which aims to integrate sustainability, climate-related risks and opportunities, social responsibility and strong governance into the Company's investment process. This is consistent with HCP's approach to its ESG assessment of fund managers and company investments.

Risk Management

Climate-related risks within the Company's investments are identified, assessed and managed by HCP as the Portfolio Manager. As part of the portfolio risk management and monitoring process, HCP combines long-term and purpose-driven engagement with underlying fund managers and companies, active voting and setting a clear escalation framework. This approach aims to identify and address climate-related issues and minimise systemic risks that may impact the assets within the portfolio. Engagement can take several forms, including regular and ad hoc meetings with management, formal written

correspondence, or the Portfolio Manager participating in relevant shareholder votes for current investments.

Strategy

The Company's strategic objective is to grow its net assets over the medium to long-term by investing in a diversified and multi-strategy portfolio. In line with this objective, the Board are responsible for pursuing the growth of shareholder value. Responsible investment and the integration of ESG risks and opportunities within the investment process is aligned with the Company's values and heritage. HCP becoming a signatory to UN PRI is part of our overall strategy.

Metrics and targets

In relation to the Portfolio Manager's investment process, a more holistic approach is taken by assessing an investment by their intent and direction of travel, rather than purely by specific targeted metrics. The ESG assessment of a fund manager or company will involve HCP developing a view by utilising their published ESG reporting, the information received through the due diligence and engagement processes and other external research. The Company has no material information to report in relation to metrics and targets.

Ocean Wilsons Holdings Limited

During our financial year, OWHL had two investments – Ocean Wilsons Investments Limited, an investment portfolio and a holding in Wilson Sons Holdings Brasil S.A., a Brazilian maritime business.

From an ESG standpoint, our Portfolio Manager is also the investment advisor to the Ocean Wilsons Investments' portfolio. The Board understands that our Portfolio Manager is engaging with Ocean Wilsons Investments' board on their Responsible Investing Policy.

As noted in the Chairman's report, OWHL agreed on 21 October 2024 to sell its investment in Wilsons Sons to SAS, a wholly owned subsidiary of MSC Mediterranean Shipping Company. The sale was subject to a number of regulatory approvals, the final of which was received on 20 May 2025, making the sale unconditional and it completed on 4 June 2025. Therefore, this is the last time we will give insight into the ESG practices of Wilson Sons. As a Board we receive periodic updates from Wilson Sons, an operating business with several thousand employees, regarding their business including issues relevant to ESG considerations. Wilsons Sons is listed on the Novo Mercado ("New Market") B3 listed segment and is a member of the Carbon Disclosure Project which, in partnership with companies and governments, aims to build a truly sustainable economy, by measuring and understanding the environmental impact. In 2023, Wilson Sons was awarded a grade B performance in the climate change questionnaire for the maritime transportation segment. This is a continuation of the grade achieved in 2022, making Wilson Sons in line with 44% of companies in the maritime sector that publicly disclose their data to CDP. Wilson Sons continues to focus on health & safety, staff wellbeing and the preservation of the environment and communities they operate in. Wilson Sons maintained its "Great Place to Work" certification from the prior year, which is a standard of excellence for work environments. As in many heavy industries, there is a focus on safety and improving working practices to minimise staff injuries. Their commitment to maintaining an increasingly safe working environment is reflected by their continuous trend of reduction in lost-time injuries, which in 2023 was reduced to a frequency rate of 0.20 incidents per one million hours worked. This rate exceeds the world-class benchmark. Additionally, the company has maintained its commitment to proactively publish its Greenhouse Gas (GHG) emissions inventory in the public emissions registry, a platform managed by the Brazilian GHG Protocol programme. In 2023, Wilson Sons maintained their gold seal by the programme. In 2023, Wilson Sons total GHG emissions were up 4.7% over the previous year. This performance reflects a 5.0% increase in direct emissions (scope 1), offset by a 10.3% reduction in indirect emissions associated with the purchase of electricity (scope 2). Despite this, the reduction of GHG emissions remains a focus for Wilson Sons, and they continue to look for new technologies and processes to achieve this. Further information can be seen in their Sustainability Report, published on their website www.wilsonsons.com.br/en.

Environmental charitable support

The Board has continued to sponsor the Blue Marine Foundation, an environmental charity that has direct relevance to Bermuda, our country of domicile. Given its island status, Bermudians are more aware than most of the marine environment. Marine life is under threat from climate change, acidification of the sea, pollution and invasive species. But these threats are compounded by overfishing, which strips the ocean of life, and so reduces its capacity to produce oxygen, absorb carbon dioxide and regulate the climate. It's estimated that almost 94% of commercial fish stocks are fully or overexploited and 90% of large, predatory fish are gone. Overfishing therefore represents a major threat for the food security of millions and could have devastating consequences for Earth's climate if these ecosystems fail. Amongst many worthy organisations, the Blue Marine Foundation is an environmental charity dedicated to restoring the ocean to health by addressing overfishing and supporting marine conservation projects. The ocean is the world's largest carbon sink: by combating overfishing and the associated impact on the wider marine environment, the Blue Marine Foundation aims to help life in the ocean perform its vital function of stabilising the Earth's climate. By partnering with the Foundation, the Company supports their work around the world ultimately benefiting us all and, in particular, maritime communities like Bermuda. The Company has committed to a charitable gift of £15,000 per annum towards Blue Marine's work.

Streamlined Energy and Carbon Reporting (SECR) and Greenhouse Gas Emissions (GGE)

The Company has no direct greenhouse gas emissions to report from the day-to-day operations of its business. However, as noted above, the attendance of Directors at Board meetings in Bermuda means travel related carbon emissions which are "Scope 3 Indirect Emissions" for the purposes of the SECR. The Board has further estimated the emissions associated with the flights to be in the region of 237 tonnes of CO2 in any 'normal' year.

Social, Community, Human Rights, Employee Responsibilities Policy

The Company does not have any employees. The Company has no direct social, community or human rights impact. Its principal responsibility to shareholders is to ensure the investment portfolio is properly invested and managed.

Service providers

Service Provider Policy

The Company has no employees and operates through third party service providers. The Board has contractually delegated to external organisations the management of the investment portfolio, the custodial services which include safeguarding of the assets and the day-to-day accounting and company secretarial requirements. Each of these contracts is only entered into after proper consideration of the quality and cost of services, which are regularly reviewed and monitored.

The key service provider relationship to the Company is Hansa Capital Partners as the Portfolio Manager and AASP to the Company.

The Board carries out the following activities as part of its oversight of third party service providers:

Monitors performance, costs and commitment to a successfully implemented controls environment

The Board, at its regular meetings, reviews reports prepared by both the Portfolio Manager and the Administrator, which enable it to monitor the performance and costs of the third-party suppliers to the Company. The AASP has an ongoing dialogue with each provider to monitor their processes and systems and, in addition, members of the Board meet with key providers at least annually to discuss performance.

Monitors Portfolio Manager performance

The Board reviews reports prepared by the Portfolio Manager at its regular meetings, which enables it to monitor the investment performance, risks and returns. The Portfolio Manager attends each Board meeting where there is an active dialogue on performance, process, risks and opportunities and governance matters.

The Board identifies key controls and regularly monitors them through compliance reports on control effectiveness.

Determines investment strategy, guidelines and restrictions

The Board determines the investment strategy in conjunction with the Portfolio Manager. The strategy is monitored regularly with adjustments made as required.

The Board issues formal investment guidelines and restrictions; compliance with these is reported by the Portfolio Manager's compliance officer quarterly and is also monitored independently by the Administrator.

Determines gearing levels and capital preservation through the use of hedging instruments

The Board, taking account of advice from the Portfolio Manager, determines the maximum level of borrowings the Company will undertake. The Company will not invest in derivatives for speculative gain, but may use derivatives for efficient portfolio management and hedging purposes.

The providers

Portfolio Manager & Additional Administrative Services Provider

Hansa Capital Partners LLP is the Portfolio Manager for the Company. It is responsible for all assets in the portfolio, other than the Company's investment in OWHL. The Board is in regular contact with the investment management team at HCP which is led by Alec Letchfield. Additionally, Alec Letchfield is invited to quarterly meetings of the Board to formally present portfolio updates and discuss market trends. The Portfolio Manager's detailed review of the year can be found on page 8.

HCP charges a portfolio management fee at an annual rate of 1% of the net assets of the Company (after any borrowings) and after deducting the value of the investment in OWHL, on which no fee is payable. The Portfolio Manager has charged £3,346,000 for the year ended 31 March 2025 (year ended 31 March 2024: £2,950,000). Hanseatic Asset Management LBG, a company connected to Hansa Capital Partners, which is also the Alternative Investment Fund Manager (AIFM), separately charges an investment management fee to the investment subsidiary of OWHL.

The terms of the Portfolio Management Agreement permit either party to terminate the agreement by giving to the other not less than 12 months' notice, or such shorter period as is mutually acceptable. There is no agreement between the Company and the Portfolio Manager concerning compensation in respect to the termination of the agreement. In its annual assessment of the Portfolio Manager, the Board concluded that, because of the skills and experience of the management team it is in the best interest of shareholders that the Portfolio Manager remains in place under the present terms. Details of the fees paid to the Portfolio Manager can be found in Note 3 to the Financial Statements.

HCP also acts as the AASP to the Company. This role ensures a number of the day-to-day processes for the Company are carried out, as well as providing oversight of, and a liaison between, a number of the Company's service providers and the Company itself. HCP is paid £115,000 per annum for this service (year ended 31 March 2024: £115,000).

Auditor

The Company's independent Auditor is PricewaterhouseCoopers LLP ("PwC UK"), a firm registered in the United Kingdom. PwC UK was appointed as Auditor for the Company's 2024/2025 Financial Year and replaced PricewaterhouseCoopers Ltd of Bermuda who previously audited the Company since inception. The change of lead Audit firm was made to improve efficiency of the audit. Auditor independence rules restrict the amount and type of non-audit related work that can be performed by a company's Auditor. Any non-audit related work must be pre-approved by the Board. PwC UK did not provide any non-audit services in the year. Further information is given on pages 59 and 60.

Company Secretary

The Company has engaged Conyers Corporate Services (Bermuda) Limited ("Conyers") as its Company Secretary. During the year to 31 March 2025, Conyers charged £15,000 (year ended 31 March 2024: £15,000).

Alternative Investment Fund Manager

As a Bermudan resident, the Company is a non-UK Alternative Investment Fund (AIF) under the UK Alternative Investment Fund Manager's Directive (UK AIFMD). As such, the Company and the AIFM are subject to a more limited set of UK AIFMD requirements, which are largely in relation to marketing the Company's shares into the UK. The Company appointed Hanseatic Asset Management LBG, with effect from 29 August 2019, to act as its AIFM, with responsibilities for the Portfolio Management and Risk Management functions. The AIFM has delegated the provision of Portfolio Management services to Hansa Capital Partners LLP, but remains responsible for the Risk Management function. The AIFM does not charge a direct fee for its services, although it does recharge any third-party fees incurred.

Administrator

The Company engaged Apex Fund Administration Services (UK) Ltd as its Administrator. The Administrator has charged £165,000 for the year ended 31 March 2025 (year ended 31 March 2024: £154,000). Following a review of services, the Company has replaced Apex as the Company's Administrator with Juniper Partners with effect from 1 April 2025.

Custodian

The Company has engaged Banque Lombard Odier & Cie SA as the Company's Custodian. During the year to 31 March 2025, Lombard Odier charged £205,000 for the custodial service (year ended 31 March 2024: £184,000).

Registrar

The Company has engaged Computershare Investor Services (Bermuda) Limited ("Computershare") as the Company's Registrar. During the year, the total Registrar charges were £61,000 for the year ended 31 March 2025 (year ended 31 March 2024: £80,000).

Corporate Governance Report

Corporate Governance Code

Internal Controls

The UK Corporate Governance Code ("UK Code"), requires the directors of UK listed companies to review the effectiveness of the company's risk management and system of internal controls on an annual basis. The Board is committed to sound corporate governance, robust risk management processes and effective systems of internal controls. The Board reviews and considers the effectiveness of internal controls regularly and review exception reporting at least quarterly. The Directors, through the procedures outlined below, keep the system of risk management and internal controls under review.

The Board recognises its ultimate responsibility for the Company's system of risk management and internal controls and for monitoring their effectiveness. In order to perform this responsibility the Board receives regular reports on all aspects of risk management and internal control from the Company's service providers (including financial, operational and compliance controls, risk management and relationships with other service providers); the Board will instigate necessary action in response to any significant failings or weaknesses identified by these reports.

Financial Reporting

The Board has a responsibility to present a fair, balanced and understandable assessment of annual, half-year and other price sensitive public reports and reports to regulators, as well as to provide information required to be presented by statutory requirements. To ensure this responsibility is fulfilled, all such reports are reviewed and approved by the Board prior to their issue.

Other than the Company's announcement on 17 June 2025 of a Possible Combination with OWHL, the outcome of such discussions not being known at the time of publishing this Report, the Board confirms there have been no other specific events since 31 March 2025, of which the Board is aware, which would have a material impact on the Company.

Compliance with the provisions of the UK Corporate Governance Code

The Board of Hansa Investment Company has considered the Principles and Provisions of the AIC Code. The AIC Code addresses the Principles and Provisions set out in the UK Code, as well as setting out additional Provisions on issues that are of specific relevance to the Company.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the FRC in the UK, provides more relevant information to shareholders. The Board notes the release of the new AIC Code in August 2024 for accounting periods beginning on or after 1 January 2025. Therefore, references to the AIC Code in this Annual Report refer to the previous Code document released by the AIC in February 2019.

The Company has complied with the Principles and Provisions of the AIC Code.

The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

Association of Investment Companies Code

The AIC Code has 17 principles. The Company sets out below how it has complied with the Principles and Provisions:

Board Leadership and Purpose

A. A successful company is led by an effective board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society.

The Board is formed of five Directors with a complementary mix of skills and experience to lead the Company. All have significant and relevant experience. All Directors are focused on generating long-term value for shareholders and there is significant share ownership in the Company's shares amongst the Directors. The Board engages at least quarterly with its Portfolio Manager challenging performance, process, risk, cost and strategy.

B. The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.

The Board believes that the Company's purpose, values and strategy are clear: to create long-term growth of shareholder value. The Board fosters a culture that is open to new ideas and is able to influence its service providers through effective challenge and regular robust review of performance. The Board sets the standard for openness and professionalism that the Company's key service providers follow. In particular, there is regular interaction between the Board and the Company's Portfolio Manager and also the AASP for day-to-day liaison with other service providers.

C. The board should ensure that the necessary resources are in place for the company to meet its objectives and measure performance against them. The board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed.

The Board, through the work of its Committees and regular Board meetings ensures regular measurement against the Company's objectives. The adequacy and effectiveness of internal controls is considered at each Board meeting.

D. In order for the company to meet its responsibilities to shareholders and stakeholders, the board should ensure effective engagement with, and encourage participation from, these parties.

The Board considers its stakeholders to be its shareholders and its key service providers. The Board is committed to transparent reporting in all its communications. It actively engages with shareholders via an annual general meeting, periodic shareholder presentations, the next of which will be held on 23 September 2025, quarterly factsheets, website communication and with feedback also received through outreach programmes by the Company's broker and Portfolio Manager, as well as direct one-to-one correspondence. The Board engages with other key service providers through the operations of its AASP on a day-to-day basis, as well as via at least one annual meeting with each to ensure accountability and value-added performance.

Principle E is omitted by the AIC Code.

Division of Responsibilities

F. The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.

The Chairman is Jonathan Davie. The Chairman promotes and encourages active participation from all Directors at Board meetings. Further, whilst adhering to membership guidelines, sub-committees also seek to include as many Directors as possible to ensure a broad range of views. All Directors receive regular monthly and quarterly information prepared by the Portfolio Manager and Administrator, as well as portfolio performance presentations from the Portfolio Manager.

G. The board should consist of an appropriate combination of directors (and, in particular, independent non-executive directors) such that no one individual or small group of individuals dominates the board's decision making.

The Board consists of five Directors. All have a financial background, as set out in their individual biographies on page 40, but each brings complementary individual expertise. Four Directors are deemed independent. The fifth, William Salomon, is the Senior Partner of the Company's Portfolio Manager and, therefore, is deemed non-independent. All Directors are actively involved in decisions and committees unless conflicts exist which preclude this. Accordingly, Mr Salomon does not participate in the evaluation of the performance of the Portfolio Manager due to his role as senior partner of that firm. Nor does he participate in decisions regarding the Company's largest asset (by value) OWHL, due to him being a director of that company. Finally, Mr Salomon is not a member of the Audit, Nomination or Remuneration Committees due to his non-independent status, although he does attend meetings of those Committees. The culture of open and honest communication and forthright discussion means no individual or small group dominate decision making.

The Board has decided to not appoint a Senior Independent Director (SID) from the three independent directors (i.e. excluding Jonathan Davie given his position as Chairman). The Board consists of a small number of individual directors with well-structured and clearly defined Committees. As a result, it was felt that presently the role of the SID is unnecessary given many of its functions clearly sit with existing Committee Chairs. However, this decision will be reviewed annually.

H. Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold third party service providers to account.

The Directors confirm they have sufficient time to meet their responsibilities. Directors consult with the Company before accepting other appointments, to confirm capacity to do so and that no conflict exists. In considering appointments and potential conflicts of interests the Board considers the available time each Director has to commit to the Company. A formal calendar exists for the Board meetings and sub-committees. Ad-hoc meetings may be arranged without advance materials for time-sensitive matters. The Portfolio Manager and AASP report to scheduled Board meetings, giving the Directors the opportunity to challenge performance, raise issues and offer guidance.

I. The board, supported by the company secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.

The Company Secretary and AASP support the Board in identifying and monitoring all governance matters. Additionally, Directors are able to consult external professional advisors to assist them in the performance of their duties as and when required. Board reporting and materials are refined on an ongoing basis.

Composition, succession and evaluation

J. Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

The Board has appointed a Nomination Committee chaired by an independent director, Simona Heidempergher. The Nomination Committee conducts a formal due diligence process on all appointments and considers annually the continued suitability and performance of directors. The Company believes a diverse Board brings many benefits and, as such, there is no restriction placed on Board membership. Inclusivity, diversity, variety of experience and personal strengths are all incorporated in the decision making for director selection and succession planning. The Company will appoint an external Executive Search agency to assist the Nominations Committee with the appointment of a director. The Executive Search agency will be briefed on the Company's policy for board composition before any search.

K. The board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the board as a whole and membership regularly refreshed.

The Directors have a broad range of backgrounds including investment management, finance and banking as well as operational experience. Biographies of all Directors are shown earlier on in the Report. Each director retires and is subject to re-election at the AGM. The decision to propose directors for Nomination at the AGM is made by the Nomination Committee. The Nomination Committee is tasked with maintaining a broad range of skills and experiences at times of succession.

L. Annual evaluation of the board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.

The Nomination Committee is responsible for the ongoing consideration of Board composition and to identify any skills gap, now or in the future. The Nomination Committee considers Board effectiveness annually.

Audit, risk and internal control

M. The board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of external audit functions and satisfy itself on the integrity of financial and narrative statements.

The Board has specifically delegated the appointment and monitoring of the Company's external Auditor to its Audit Committee. The Company's Auditor, PwC UK, was appointed in August 2024. The tender process was led by the Chairman of the Audit Committee. The Audit Committee considers the independence and effectiveness of the external Auditor at least annually. The Company's Auditor does not provide other services to the Company. The Company rigorously follows policy and procedure to ensure effectiveness of the external audit and integrity of financial reporting. Refer also to the Audit Committee Report.

N. The board should present a fair, balanced and understandable assessment of the company's position and prospects.

The Board considers and approves all relevant shareholder communications. The Annual and Half-Year Reports are reviewed by the Board to ensure they present a fair and balanced view including commentary on going concern and long-term viability. The Audit Committee considers the fairness of the Financial Statements before recommending them to the Board for approval.

The Annual and Half-Year Reports provide fair, balanced and understandable commentary on the Company's performance and prospects.

O. The board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives.

Principal risks are identified by the Board and risk appetite established against these risks. Day to day risk management is undertaken by the Portfolio Manager and AASP within the parameters established by the Board. The Board meets with the Portfolio Manager at each scheduled Board meeting where there is opportunity to discuss particular aspects of the portfolio and associated risks. Operational risk and compliance reporting are also regularly discussed by the Board. Emerging risks are monitored and incorporated into the risk appetite framework as they arise.

Remuneration

P. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success.

The remuneration of Directors is overseen by the Remuneration Committee, chaired by Simona Heidempergher. The Directors each receive a fixed annual fee and do not receive any additional element based on performance of the Company. Additionally, Directors offer themselves annually for re-election at the Company's AGM.

Q. A formal and transparent procedure for developing policy on remuneration should be established. No director should be involved in deciding their own remuneration outcome.

The Directors' Remuneration Report notes that each Director is paid a fixed fee representative of their roles and additional responsibilities on the Board. This fee level is reviewed by the Remuneration Committee annually considering performance, time commitments and market conditions. Recommendations are made to the Board for approval. Further detail is provided in the Remuneration Committee Report.

R. Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.

Performance, individual contribution and market conditions are all considered when setting directors' fees.

Compliance with The Financial Conduct Authority Listing Rules

The Directors are responsible for ensuring that:

- Adequate accounting records are kept, 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 the Financial Statements are consistent with the relevant requirements under the UK Companies Act 2006.
- The assets of the Company are safeguarded; and for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- The Report of the Directors and other information included in the Annual Report is prepared in accordance with both Company Law in Bermuda and, where required, the UK. The Directors are also responsible for ensuring the Annual Report includes information required by the Listing Rules of the FCA.
- The Company has effective internal control systems, designed to ensure that adequate accounting records are maintained; and that financial information on which the business decisions are

made, which is issued for publication, is reliable. Such a system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss.
- The Company Financial Statements for each financial year are prepared in accordance with International Financial Reporting Standards (IFRS). IFRS means standards and interpretations issued (or adopted) by the International Accounting Standards Board (IASB). The Directors must not approve the Financial Statements unless they are satisfied they give a true and fair view of the state of affairs and profit or loss of the Company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with International Financial Reporting Standards; and
- prepare the Financial Statements on the going concern basis, unless it is inappropriate to presume the Company will continue in business.

Under the FCA Listing Rules and the UK Code, the Board is responsible for:

- disclosing how it has applied the principles and complied with the provisions of the AIC Code and, thereby, the UK Code, or where not, to explain the reasons for divergence; and
- reviewing the effectiveness of the Company's systems of risk management and internal controls.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website: www.HansaICL.com. Visitors to the website need to be aware that legislation governing the preparation and dissemination of the Financial Statements may differ from legislation in their own jurisdictions.

Responsibility statement

The Directors confirm that:

- The Financial Statements are prepared in accordance with applicable international accounting standards and present fairly, in all material respects, the financial position of Hansa Investment Company.
- The Strategic Report, including the Chairman's report and the Report of the Directors 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 it faces.

The Directors consider the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable. Further commentary demonstrating the Company's performance, business model and strategy has been included within the Annual Report.

For and on behalf of the Board

Jonathan Davie
15 July 2025

Directors' Remuneration Report

Annual statement

The Company has five non-executive Directors. The Board has appointed a Remuneration Committee. The Chairman of this Committee is Simona Heidempergher. All independent members of the Board are members of the Remuneration Committee. William Salomon attends the Committee but is not a member.

Other than Pedro Goncalves who was appointed on 6 February 2025, each of the Directors serving at the year-end was initially appointed during June 2019 following the creation of the Company. Each Director presents themselves for annual re-election at the Company's AGM.

Policy on Directors' remuneration

The Board's policy is that the remuneration of non-executive Directors should be a fixed-fee only. This fee should reflect the experience of each director, time commitment required to fulfil the role, market conditions, financial and reputational risks undertaken and additional responsibilities. The remuneration does not include a performance related element and Directors do not receive bonuses, share options, pensions or long-term incentive schemes. The aggregate remuneration of the Board will be kept within the limits set out in the Company's Bye-laws, as amended from time to time.

In assessing current and future levels of director compensation, the Remuneration Committee seeks external comparative information, such as the use of independent external surveys. This includes the fees paid by other similar companies (both industry and jurisdiction), seeking input from recruitment specialists familiar with the external market, assessing the time commitment for each of the Directors in their appointed roles and considering the responsibilities their roles bring. The increasing demands being placed on all NEDs by shareholders, regulators and markets are also factored.

The fees for the non-executive Directors are within the limits (maximum total fee of $600,000) as set out in the Company's Bye-laws. The maximum is set as a USD amount. The equivalent is £465,000 if translated at the applicable rate on 31 March 2025.

The Remuneration Committee has reviewed the Directors' salaries against available comparables during the year. As advised in the 2024 Annual Report, the Directors' annual salaries were to be $415,000 from 1 April 2024. The Committee concluded that Directors' salaries were to remain unchanged during the remainder of the financial year to 31 March 2025 and to increase from 1 April 2025. The new total annualised salary from 1 April 2025 is $465,000.

Directors' service contracts

It is the Board's policy that every Director has a service contract. None of the service contracts is for a fixed term. The terms of appointment provide that a Director shall retire and be subject to re-election at the first AGM after appointment. The Board has decided each Director will retire annually at the AGM and seek re-election as appropriate. The terms also provide that either party may give three months' notice. In certain circumstances a Director may be removed without notice and compensation will not be due on leaving office. There are no agreements between the Company and its Directors concerning compensation for loss of office.

Policy for notice periods

The current Directors' service contracts stipulate three months' written notice to be given by either the Director or the Company to terminate the services of a Director. The Board consider this is sufficient notice to ensure an orderly hand over between the parties.

Shareholders' views on remuneration policy

The formal views of unconnected shareholders have not been sought in the preparation of this policy.

Employees

The Company does not have any employees, only non-executive Directors.

Annual report on remuneration

Directors' Emoluments (Audited)

The Company does not have any employees, only non-executive Directors who receive only a basic fee, plus repayment of expenses incurred in the course of performing their duties. Therefore, the use of the detailed remuneration table, as prescribed in the legislation, is not appropriate here. A condensed table showing the information relevant to the Directors' remuneration is shown in its place.

The Directors who received fees during the year received the following emoluments in the form of fees. For clarity, these amounts are quoted in the currency as per their service contract. The Director's remuneration is set in USD, as is common for most Bermudan companies. The following table notes the Directors current annual fee as at 31 March 2025. It also notes their fee, in USD, for the current and prior financial years. The equivalent Sterling fees are shown as converted at the relevant pay date of each fee:

	2025 fee $000	2025 fee £000	2024 fee $000	2024 fee £000
Jonathan Davie (Chairman)	110	85	100	79
Simona Heidempergher	90	71	80	65
Richard Lightowler	100	77	90	71
William Salomon[1]	25	19	25	20
Pedro Goncalves[2]	13	10	-	-
Nadya Wells[3]	31	24	80	63
	369	**286**	**375**	**298**

[1] William Salomon is not considered independent due to his role with the Company's Portfolio Manager and is also excluded from decisions relating to the Company's Strategic holding in Ocean Wilsons Holdings Limited. As such, he receives a reduced fee which was not increased during the year.
[2] Pedro Goncalves joined the Board on 6 February 2025.
[3] Nadya Wells retired as a Director at the Company's 2024 AGM on 2 August 2024.

The Company also pays the expenses of the Directors to attend the Board meetings. Directors' travel costs incurred during the year were £178,000 (2024: £126,000).

Statement of shareholder voting

Votes in respect of the resolution to approve the Directors' Remuneration Report at the Company's AGM in August 2024 were cast as follows:

	No. of shares voted	% of votes cast
Votes cast in favour	21,715,112	99.88
Votes cast against	25,028	0.12
Total votes cast	21,740,140	100.00
Votes withheld	0	0.00

Directors' interests (audited)

Directors must seek permission from the Chairman before trading in shares, taking note of any Closed Periods. Other than that, there are no specific rules on Directors' shareholdings.

The interests of Directors and their connected parties in the Company at 31 March 2025 are shown below:

	Ordinary shares of 1p each		'A' non-voting ordinary shares of 1p each		
	2025	2024	2025	2024	Nature of interest
Jonathan Davie	45,000	45,000	230,000	230,000	Beneficial
William Salomon	11,169,345	11,169,345	3,587,123	3,587,123	Beneficial
Simona Heidempergher	6,400	6,400	–	–	Beneficial

As at 15 July 2025, the date of signing of these Annual Financial Statements, there were no changes to report to the Directors' holdings.

William Salomon is the senior partner of Hansa Capital Partners LLP. Fees payable to Hansa Capital Partners LLP amounted to £3,461,000 (including Portfolio Management and AASP functions). During the year, no rights to subscribe for the shares of the Company were granted to, or exercised by Directors, their spouses or infant children.

Your Company's performance

The graph below shows the ten-year cumulative total return to shareholders:

Directors' attendance

The Directors meet as a Board on a quarterly basis and at other times as necessary and the table below sets out the main Board, Strategy and Audit Committee meetings. Additionally, there have been numerous Committee and operational meetings which have been omitted for brevity.

	Board[1]	Strategy Day	Audit Committee
Number of Meetings	**5**	**1**	**2**
Jonathan Davie	5	1	2
Simona Heidempergher	5	1	2
Richard Lightowler	5	1	2
William Salomon[2]	5	1	2
Nadya Wells[3]	1	-	-
Pedro Goncalves[4]	1	1	-

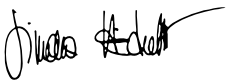
[1] "Board" includes full, timetabled, meetings of the Board, of which there were five held during the year. There have been a number of 'other' meetings and Board calls to discuss aspects of the Potential Combination as well as to consider and approve operational requirements for the Company, such as quarterly dividends. These 'other' meetings are arranged as and when required and require the meeting to be quorate but not necessarily attended by all Directors.
[2] William Salomon is deemed to not be independent. Therefore, he attends as an observer of the Audit and Remuneration Committees but is not a committee member. Further, he attends the Management Engagement Committee when the majority of Service Providers are discussed but exempts himself when the performance of the Portfolio Manager is discussed due to his position as its Senior Partner.
[3] Nadya Wells retired as a director of the Company effective 4 August 2024
[4] Pedro Goncalves joined the Company as a director on 6 February 2025.
Management Engagement (1), Nomination (4) and Remuneration (1) Committee meetings omitted for brevity.

On behalf of the Board, I confirm that the above Report on Directors' Remuneration summarises, as applicable, for the year ended 31 March 2025:

(a) the major decisions on Directors' remuneration;
(b) any substantial changes relating to Directors' remuneration made during the year; and
(c) the context in which those changes occurred and decisions have been taken.

An Ordinary resolution for the approval of this Report will be put to shareholders at the forthcoming AGM.

For and on behalf of the Board



Simona Heidempergher
Chairman of the Remuneration Committee
15 July 2025

Nomination Committee Report

Simona Heidempergher is the Chairman of the Nomination Committee. The Committee was previously chaired by Nadya Wells until 14 June 2024 when the Board appointed Ms Heidempergher to chair the Committee and to lead the search for a new independent director following Ms Wells' decision to not stand for re-election. All independent members of the Board are members of the Nomination Committee. William Salomon attends the Committee but is not a member.

Role

The Committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board and makes recommendations to the Board with regard to any changes, as necessary. It also considers succession planning of directors, taking into account tenure and performance of board members as well as challenges and opportunities facing the Company, and what skills and expertise are, therefore, needed on the Board in the future. If a skills-gap or pending vacancy is identified, the Committee is responsible for identifying and nominating candidates to fill Board vacancies as and when they arise.

Appointments are made after consideration of the skills and experience needed by the Board and against objective criteria in accordance with the AIC Code. The Board considers it is of paramount importance to shareholders that, after consideration of the skills and experience needed by the Board, candidates are chosen on the basis of their contribution to the Company's needs and that there should be no discrimination in the choice of Directors for any reason. The Nomination Committee pays due regard to the rules published by the Financial Conduct Authority in April 2022 in respect of diversity and inclusion on company boards and executive management. The Company believes a diverse Board brings many benefits and, as such, there is no restriction placed on Board membership. Selection and appointment will continue to be based on merit and against a skills matrix to ensure the overall composition of the Board has an appropriate balance of knowledge and experience, whilst remaining cognisant of the relevant geographic and diversity considerations. The Board has determined that all Directors will retire and offer themselves for re-election each year at the AGM and this policy includes any Directors appointed during the year. The Committee reports its recommendations to the Board for final approval.

Activities during the year

The Nomination Committee formally met four times during the year. The Committee maintained a Skills Matrix to summarise the knowledge, skills, experience and overall competence of each Director. This included anonymised feedback from the other Board members as well as feedback from each individual Director themselves. The Skills Matrix considers a wide range of relevant factors when assessing individual and collective competence including knowledge, skills, experience, diversity, geographic considerations, other time and business commitments, as well as their overall performance and contribution during the period in relation to their specific role. Following its review, and in line with the small size, structure and nature of the Company, the Committee concluded that each Director continued to contribute as required, and the Board continued to operate effectively.

The Committee's main focus during the financial year was to find and appoint a new independent director following Nadya Wells' decision to not stand for re-election at the 2024 AGM due to additional professional commitments. The Committee, under the leadership of Simona Heidempergher, defined the broad scope of the knowledge, skills, experience, diversity, geographic considerations, other time and business commitments desirable in a potential candidate. The Committee then met with prospective Executive Search agencies, appointing Schulthess Zimmermann & Jauch (SZ&J), to begin the search. SZ&J then prepared a long-list of potential candidates for further consideration and internal discussion with the Committee members. The long-list was subsequently whittled down to a short-list of four candidates through the process of online and face-to-face interviews. The remaining four candidates on the short-list were then interviewed a second time by all of the Directors. The Committee was supported by the Company Secretary, the AASP, with technical support of the Company's lawyers to consider any technical or operational issues associated with particular candidates. Particular attention was paid to any tax jurisdictional issues raised by any of the candidates.

The Committee then met for a final time to discuss the four remaining candidates before selecting their preferred candidate, Pedro Goncalves.

The Directors acknowledge that, with the appointment of Mr Goncalves, it would mean the Company would not continue to meet some elements of the diversity criteria defined by the UK Listing Rules which it had previously achieved. However, the Directors felt that Mr Goncalves was the best candidate bringing additional experience and knowledge to the Board. Further, the Board composition does demonstrate a diversity of background, a broad base of experience and critical thinking which the Board considers to be of paramount importance to the Company and its shareholders.

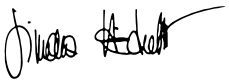
Pedro Goncalves was officially appointed by the Board on 6 February 2025.

Following the annual review of Board Skills, the Nomination Committee was supportive of re-appointing the Directors to the Board within the 2025 AGM.

Succession planning and Board recruitment policy

With the exception of Pedro Goncalves, the current Directors were all originally appointed in June 2019. As part of the Skills Matrix utilised to evaluate Board composition, the Board notes the number of years each Director has served and their expected date of retirement. While the Board does not consider the length of tenure to have a direct negative correlation to the Directors' performance and contribution, the Nomination Committee remains cognisant of the AIC recommendations and therefore still considers this element as part of its overall succession planning. The Company's policy on Board Composition remains unchanged. Namely that, after consideration of the skills and experience needed by the Board, candidates are chosen on the basis of their contribution to the Company's needs and that there should be no discrimination in the choice of Directors for any reason. Selection and appointment will continue to be based on merit and against a skills matrix to ensure the overall composition of the Board has an appropriate balance of knowledge and experience, whilst remaining cognisant of the relevant geographic and diversity considerations.

For and on behalf of the Board



Simona Heidempergher
Chairman of the Nomination Committee
15 July 2025

Report of the Directors

The Directors have chosen to report on some items within the body of the Strategic Review or Governance sections of the Report, while others remain within the Report of the Directors.

Items included within Strategic Review or Governance sections

The following items are listed within the Strategic Review or Governance sections:

- Statement of the existence of qualifying indemnity provisions for Directors.
- Dividend policy and payments made during the year. In particular, this is disclosed in the Chairman's report.
- Names of Directors, at any time in the year and the Directors' details and attendance at Company meetings.
- Streamlined energy and carbon reporting and greenhouse gas emissions.
- Stakeholder engagement – while the Company has no employees, suppliers or customers, the Directors give regular consideration to the need to foster the Company's business relationships with its stakeholders, in particular with shareholders and service providers. The effect of this consideration upon the principal decisions taken by the Company during the financial year is set out in further detail on page 33.

Items reported within the Directors' Report

Disclosure to the Auditor of Relevant Audit Information

The Directors confirm that, so far as they are aware, having made such enquiries and having taken such steps as they consider they reasonably ought, they have provided the Auditor with all the information necessary for it to be able to prepare its Report. In doing so each Director has made themself aware of any information relevant to the Audit and established that the Company's Auditor is aware of that information. The Directors are not aware of any information relevant to the Audit of which the Company's Auditor is unaware.

Board composition and diversity

The Board recognises and is supportive of the new FCA Listing Rules (LR 9.8.6(9)) which aim to improve transparency on the diversity of company boards and executive management teams and was implemented for accounting periods starting on or after 1 April 2022. Accordingly, boards of UK incorporated companies are required to report annually on whether the specific FCA targets have been met, and if they have not been met, the reasons why. The targets applicable to the Company are:

(i) at least 40% of the individuals on its board of directors are women; and
(ii) at least one individual on its board of directors is from a minority ethnic background.

The tables below set out the gender and ethnic diversity composition of the Board as at 31 March 2025. As reported in the 2024 Annual Report, Nadya Wells had decided to not stand for re-election at the Company's 2024 AGM. Following her departure from the Board, Simona Heidempergher was appointed to chair the Nomination Committee and, with it, lead the executive search process to find appoint a suitable candidate to the Board. More detail can be found in the Nomination Committee Report on page 55.

On 6 February 2025, Pedro Goncalves was appointed to the Board.

The Directors acknowledge that, with the appointment of Mr Goncalves, it would mean that the Company would not continue to meet some elements of the diversity criteria defined by the UK Listing Rules which it had previously achieved. However, the Directors felt that Mr Goncalves was the best candidate bringing additional experience and knowledge to the Board. Further, the Board composition does demonstrate a diversity of background, a broad base of experience and critical thinking which the Board considers to be of paramount importance to the Company and its shareholders.

As required by the Listing Rules, the Board reports that one of the five Directors is a woman (20%) but no members of the Board are from minority ethnic backgrounds as defined by the Listing Rules. Whilst LR 9.8.6(9)(a)(ii)) is not applicable to a closed-ended investment company, but it should be noted that two of the four Committee Chairmanships are held by a woman.

As per LR 9.8.6(10), numerical data is disclosed in the tables below, which shows the Company's compliance with the above FCA targets.

Gender Diversity	Number of Board members	Percentage of the Board
Men	4	80%
Women	1	20%
Other	-	-
Not specified/prefer not to say	-	-

Ethnic Diversity	Number of Board members	Percentage of the Board
White British or other White (including minority-white groups)	5	100%
Mixed/Multiple Ethnic Groups	-	-
Asian/Asian British	-	-
Black/African/Caribbean/Black British	-	-
Other ethnic group, including Arab	-	-
Not specified/prefer not to say	-	-

Note, the format and information supplied in the above tables are as prescribed by the FCA's Listing Rules. HICL is a Bermudan incorporated, externally managed closed-ended investment company with three of its five Directors being international and not resident in the UK. Further, HICL does not have any employees or appoint executive board positions.

This data was provided by the individual Directors, at the request of the Committee, asking them to indicate how the Company should categorise their ethnic background for the purposes of the FCA requirements of Board diversity.

The Board has also elected to not formally appoint one of the independent directors as a Senior Independent Director for the time being.

Capital Structure
The Company's Capital Structure is described in the "Shareholder Profile and Engagement" section.

Corporate Governance Report
The Corporate Governance Report, including the Financial Risk Management Review of the Company, is included in this Report.

Approval of the Directors
The Directors consider the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. Further details demonstrating the Company's performance, business model and strategy have been included within the Strategic Report.

For and on behalf of the Board

Jonathan Davie
Chairman
15 July 2025

Audit Committee Report

The Audit Committee comprises solely independent Directors, as required by the AIC Code and endorsed by the FRC. It is chaired by Richard Lightowler. Given the size of the Board and the range of experience they bring, all non-committee Directors are invited to attend the Audit Committee meetings. However, only the independent member Directors are able to vote. Recommendations of the Audit Committee are brought before the whole Board for discussion and ratification.

The Audit Committee ensures fair, balanced and understandable reporting of Company results.

The principal roles of the Audit Committee are to ensure that:

- the integrity of financial reporting within the Annual and Half-Year Reports taken as a whole are fair, balanced and understandable and provide information necessary for shareholders to assess the Company's performance, business model and strategy;
- the independence, objectivity and effectiveness of the external Auditor is maintained and monitored. The Committee also reviews the external Auditor's performance in terms of quality and value; and
- the financial reporting internal controls system of the Company are adequate and effective.

Financial Reporting and Internal Controls

In discharging its duties and, in particular, matters relating to the approval of the Annual Report, Half-Year Report and the review of the Company's internal controls, the Committee considers reports and presentations made by the Company's Auditor, Administrator, Company Secretary, AASP (including those of its Compliance Officer) and legal advisers.

In its review of the Financial Statements, the Committee pays particular attention to the ownership of assets, the valuations of the portfolio and recognition of income. In this regard we receive regular reporting from the Portfolio Manager and AASP, including reports on the effectiveness of internal controls in these areas. In addition, the Committee discusses with, and receives reports from, the Auditor on the nature and scope of work performed on valuation and ownership of assets and on income recognition.

The Company's Custodian confirms title of all assets in its custody. In its consideration of valuations, the Committee notes that 77% of the Investment Portfolio by value is held in assets that are either traded or listed on an exchange or are cash. Further, of the remaining 23% unquoted fund investments, the majority primarily hold traded securities. Valuations for these funds are supplied by third party managers. The Audit Committee recognises that 59% of the total portfolio assets are Level 1 and 39% are Level 2 securities. Given the significant level of externally valued assets, the Committee is satisfied with the valuation process. There is very limited management judgement in determining valuations. The Company holds approximately £9m (2%) in private assets carried at valuations determined by the investment manager. The Audit Committee considers the work done by the Portfolio Manager, including obtaining audited NAVs and the work of the external Auditor in its assessment of fair values reported. Revenue recognition does not involve significant judgement or the use of estimates.

The Audit Committee also considers the potential need for an internal audit function on an annual basis, recognising the FRC guidance on proportionality. The Audit Committee considers internal compliance testing at the Administrator and Portfolio Manager to be sufficiently independent and robust to negate the need for a standalone internal audit function.

No material control weaknesses or incidents of potential fraud were identified. The Company's service providers implement clear whistleblowing, anti-bribery and corruption policies. The Company received direct reporting from service providers on internal controls and audit reports on their internal controls.

The Committee is authorised by the Board to investigate any activity within its terms of reference, to seek any information it requires from any officer or service provider to the Company, to obtain outside legal or other independent professional advice and to secure the attendance of third parties with relevant experience and expertise if it considers this necessary.

The Chairman of the Audit Committee formally reports to the Board following each Audit Committee meeting and on other occasions as requested by the Board.

The Audit Committee confirmed to the Board that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Audit: Independence and quality

The Audit Committee considers the external Auditor's independence, objectivity, scope of work engagement team experience, compliance with relevant ethical and professional standards and overall quality of service through a process of feedback from the Company advisors, including the AASP, the Portfolio Manager and direct discussion with the Auditor. The Committee also meets with the Auditor in an executive session at least annually. The current audit partner is Lauren Cooper of PricewaterhouseCoopers LLP. This is the first year of Lauren's role as PwC's Lead Partner. As a global firm, PwC has been the Company's Auditor since its inception in 2019.

Auditors' remuneration and terms of engagement are approved by the Audit Committee. Any non-audit services must be pre-approved by the Audit Committee to ensure objectivity and independence of the audit is not compromised. No non-audit services are provided by PricewaterhouseCoopers Ltd to the Company. Further information on fees paid to the Auditor is contained in "Other Expenses" within Note 4 of the Financial Statements.

Company Auditor

The Company's independent Auditor is PricewaterhouseCoopers LLP ("PwC UK"), a UK registered firm. As was noted in the 2024 Annual Report, PricewaterhouseCoopers Ltd ("PwC Bermuda") was formally the Company's Auditor and had audited the Company since our incorporation in 2019. Their audit had been supported by PwC UK. To improve the efficiency of the audit, the Directors recommended the appointment of PwC UK as the Company's Auditor for the year ended 31 March 2025. PwC Bermuda has continued to provide support to PwC UK. The Audit Committee and Board remain very satisfied with quality of work by the external auditors. This change in roles is being made for efficiency purposes only.

For and on behalf of the Audit Committee.

Richard Lightowler
Audit Committee Chairman
15 July 2025

Financial Statements

Independent auditor's report

to the directors of Hansa Investment Company Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Hansa Investment Company Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 1981 (Bermuda).

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 March 2025; the Income Statement, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Context

Hansa Investment Company Limited (the "Company") is a standalone Investment Trust Company incorporated in Bermuda that is listed in the United Kingdom and engages Hansa Capital Partners LLP (the "Manager") to manage its assets.

Overview

Audit scope

- We conducted our audit of the financial statements using information from the Manager, the Apex Group (the "Administrator"), Banque Lombard Odier & Cie SA (the "Custodian") and Conyers (the "Company Secretary") to whom the Manager has, with the consent of the Directors, delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.
- We obtained an understanding of the control environment in place at both the Manager and the Administrator, and adopted a fully substantive testing approach using reports obtained from the Administrator.

Key audit matters

- Valuation and Existence of Investments.
- Accuracy, Completeness and Occurrence of Income.

Materiality

- Overall materiality: £4,610,600 based on 1% of Net Assets.
- Performance materiality: £3,457,950.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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 the auditors, 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, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Valuation and existence of investments *Refer to the Audit Committee Report, Accounting policies (c) and Notes to the Financial Statements (Note 8).* We focused on the valuation and existence of listed investments and unlisted investments because the investment portfolio represents the principal element of the net asset value of the Company as disclosed in the Company's balance sheet. The valuation of the assets held in the investment portfolio is the key driver of the Company's net asset value and total return. Incorrect investment valuation could have a significant impact on the return generated by the shareholders. In particular, the unlisted investment portfolio is susceptible to material error due to the investments being unquoted with no market price available and management relying on third party information.	Our approach to addressing the matter involved the following procedures: Listed equity investments: ▪ Tested the valuation of all quoted equity investments as at 31 March 2025 by agreeing the valuation to independent third-party sources; and ▪ Tested the existence of all of the quoted equity investments as at 31 March 2025 by agreeing investment holdings to an independent custodian confirmation. Unquoted investments: ▪ Understood and evaluated the design and implementation of the process and controls surrounding the valuation of the unlisted investments including the final approval of the valuation by the Manager and the Board of Directors. ▪ Recalculated the fair value as at 31 March 2025 and compared to management's valuation. ▪ Tested the existence of the unquoted investments as at 31 March by agreeing holdings to independently obtained external confirmations.. We obtained the most recent audited financial statements for a sample of the unlisted investments. Our sample included the testing of 18 investments, totalling £97.0m. We performed the following procedures where applicable: ▪ Inspected the Generally Accepted Accounting Principles ("GAAP") applied and reviewed accounting policies on key areas impacting the NAV and compared these to the fair value requirements per IFRS Accounting Standards. ▪ Compared the NAV per the audited financial statements to the capital account statements which are coterminous with the financial statements' year end date for a sample of investments with balances which are above our performance materiality. ▪ Determined whether the audit firm signing the financial statements was a recognised audit firm and checked whether there were any modifications made to their audit reports. In addition, for the sample selected we obtained direct confirmation of the price of the investment from each fund administrator. Where the price of the investment used by the manager is not co-terminus with the year-end we have sought supporting evidence and applied appropriate challenge in assessing management's conclusion. No material misstatements were identified from this testing.
Income from investments *Refer to the Audit Committee Report, Accounting Policies (e) and Notes to the Financial Statements (Note 2).* Gains and losses on investments is a material figure in the Income statement and comprises realised and unrealised gains and losses on both listed and unlisted investments. Gains and losses on investments are calculated based on the movement in fair value in the year; whilst the fair value of listed investments is derived from external sources, there is judgment involved in the valuation of unlisted investments (see separate Key Audit Matter above). There is an inherent risk that management may fraudulently manipulate revenue through the posting of journals to meet the Company's fixed dividend target. Currently the income generated by the portfolio is insufficient to meet the dividend commitment, with the shortfall being made up by drawing on the Company's reserves as such we focussed on the classification of dividends between income and capital.	We assessed the accounting policy for income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income had been accounted for in accordance with the stated accounting policy. We found that the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income from investments has been accounted for in accordance with the stated accounting policy. We tested the recognition of dividend income by comparing the dividends recorded in the financial statements to external sources. We also considered the classification of all dividend income, including any special dividends received in the year. We have tested the completeness of dividends by confirming that dividends announced by a sample of listed investments in the year were appropriately recognised by the Company. For unrealised gains and losses, we tested the valuation of the investment portfolio at the year-end (see above), together with testing the reconciliation of opening and closing investments. For realised gains and losses, we tested a sample of disposal proceeds by agreeing the proceeds to bank statements and we re-performed the calculation of a sample of realised gains and losses. No material misstatements were identified from this testing.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

The Company's accounting is delegated to the Administrator who maintains the Company's accounting records and who has implemented controls over those accounting records. We obtained our audit evidence from substantive tests. However, as part of our risk assessment, we understood and assessed the internal controls in place at both the Manager and the Administrator to the extent relevant to our audit. This assessment of the operating and accounting structure in place at both organisations involved obtaining and analysing the relevant controls reports issued by the independent service auditor of the Manager and the Administrator in accordance with generally accepted assurance standards for such work. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the Company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall Company materiality	£4,610,600.
How we determined it	1% of Net Assets
Rationale for benchmark applied	We believe that net assets is the primary measure used by the shareholders in assessing the performance of the entity, and is a generally accepted auditing benchmark for investment company audits. This benchmark provides an appropriate and consistent year on year basis for our audit.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £3,4537,950 for the Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £230,530 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the Directors' risk assessment and considering whether it addressed relevant threats, including wider macroeconomic uncertainty;
- evaluating the Directors' assessment of potential operational impacts, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;
- reviewing the Directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses, their assessment of liquidity as well as their review of the operational resilience of the Company and oversight of key third-party service providers;
- assessing the premium/discount the Company's share price trades as compared to the net asset value per share; and
- assessing the implication of significant reductions in NAV as a result of severe but plausible downside scenarios in the market's performance on the ongoing ability of the Company to operate.

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

From our work on the corporate governance statement described below, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have 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 based on these responsibilities.

Corporate governance statement

As explained in the Corporate Governance Report, the directors have chosen to demonstrate how the Company has met its obligations under the UK Corporate Governance Code ("the Code") by reporting under the 2019 Association of Investment Companies' Code of Corporate Governance ("the AIC Code"). As such, we refer to the AIC Code where we report the matters required under ISAs (UK) in respect of the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the Code, which the Listing Rules of the Financial Conduct Authority specify for review by the auditor. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the "Corporate Governance Report" is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Report of the Directors, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the listing requirements, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the requirements of the Bermudan Companies Act of 1981. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate revenue (investment income and capital gains) or to increase net asset value. Audit procedures performed by the engagement team included:

- Enquiries with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding the controls implemented by Apex Group (the "Administrator") and Banque Lombard Odier & Cie SA (the "Custodian") designed to prevent and detect irregularities;
- Identifying and testing journal entries, in particular year end journal entries posted during the preparation of the financial statements;
- Reviewing relevant meeting minutes, including those of the Audit Committee; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's directors as a body in accordance with Section 90 of the Companies Act 1981 (Bermuda) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

The engagement partner on the audit resulting in this independent auditor's report is Lauren Cooper.

PricewaterhouseCoopers LLP
Chartered Accountants
London
15 July 2025

Income Statement

For the year ended 31 March 2025

	Note	Year ended 31 March 2025 Revenue £000	Capital £000	Total £000	Year ended 31 March 2024 Revenue £000	Capital £000	Total £000
Gains on investments held at fair value through profit or loss	8	-	7,686	7,686	-	88,760	88,760
Foreign Exchange losses		-	(146)	(146)	-	(492)	(492)
Income							
Investment income	2	7,989	9	7,998	7,780	-	7,780
		7,989	**7,549**	**15,538**	**7,780**	**88,268**	**96,048**
Expenses							
Portfolio management fees	3	(3,346)	-	(3,346)	(2,950)	-	(2,950)
Other expenses	4	(1,916)	-	(1,916)	(1,676)	-	(1,676)
		(5,262)	**-**	**(5,262)**	**(4,626)**	**-**	**(4,626)**
Income before finance costs		**2,727**	**7,549**	**10,276**	**3,154**	**88,268**	**91,422**
Income for the year		**2,727**	**7,549**	**10,276**	**3,154**	**88,268**	**91,422**
Return per Ordinary and 'A' non-voting Ordinary share	7	2.3p	6.3p	8.6p	2.6p	73.6p	76.2p

The Company does not have any income or expense not included in the above Statement. Accordingly, the "Income for the Year" is also the "Total Comprehensive Income for the Year", as defined in IAS 1 (revised) and no separate Statement of Comprehensive Income has been presented.

The total column of this Statement represents the Income Statement, prepared in accordance with IFRS Accounting Standards ("IFRS").

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

The accompanying notes on pages 71 to 82 are an integral part of this Statement.

Balance Sheet

As at 31 March 2025

	Note	31 March 2025 £000	31 March 2024 £000
Non-current assets			
Investments held at fair value through profit or loss	8	452,757	449,153
		452,757	**449,153**
Current assets			
Trade and other receivables	10	4,793	1,463
Cash and cash equivalents	11	4,933	4,352
		9,726	**5,815**
Current liabilities			
Trade and other payables	12	(1,423)	(421)
Net current assets		**8,303**	**5,394**
Net assets		**461,060**	**454,547**
Capital and reserves			
Called up share capital	13	1,200	1,200
Contributed surplus	14	322,839	322,839
Retained earnings	15	137,021	130,508
Total shareholders' funds		**461,060**	**454,547**
Net asset value per Ordinary and 'A' non-voting Ordinary share	16	**384.2p**	**378.8p**

The Financial Statements of Hansa Investment Company Limited, registered in Bermuda under company number 54752, set out on pages 67 to 70 were approved by the Board of Directors on 15 July 2025 and were signed on its behalf by

Jonathan Davie
Chairman

The accompanying notes on pages 71 to 82 are an integral part of this Statement.

Statement of Changes in Equity

For the year ended 31 March 2025	Note	Share capital £000	Contributed surplus reserve £000	Retained earnings £000	Total £000
Equity at 1 April 2024		1,200	322,839	130,508	454,547
Sales proceeds of unclaimed shareholdings sold in the market		-	-	61	61
Return of unclaimed dividends relating to shareholdings sold in the market		-	-	16	16
Profit for the year		-	-	10,276	10,276
Dividends	6	-	-	(3,840)	(3,840)
Equity at 31 March 2025		**1,200**	**322,839**	**137,021**	**461,060**

For the year ended 31 March 2024	Note	Share capital £000	Contributed surplus reserve £000	Retained earnings £000	Total £000
Equity at 1 April 2023		1,200	323,799	41,966	366,965
Profit for the year		-	-	91,422	91,422
Dividends	6	-	(960)	(2,880)	(3,840)
Equity at 31 March 2024		**1,200**	**322,839**	**130,508**	**454,547**

The accompanying notes on pages 71 to 82 are an integral part of this Statement.

Cash Flow Statement

For the year ended 31 March 2025

	Note	Year ended 31 March 2025 £000	Year ended 31 March 2024 £000
Cash flows from operating activities			
Income*		10,276	91,422
Adjustments for:			
Realised gains on investments	8	(16,307)	(6,228)
Unrealised losses/(gains) on investments	8	8,621	(82,532)
Foreign exchange		146	492
Increase in trade and other receivables	10	(3,330)	(1,335)
Increase in trade and other payables	12	1,002	9
Purchase of non-current investments		(93,538)	(69,313)
Sale of non-current investments		97,620	62,182
Net cash inflow/(outflow) from operating activities		**4,490**	**(5,303)**
Cash flows from financing activities			
Sales proceeds of unclaimed shareholdings sold in the market		61	-
Return of unclaimed dividends relating to shareholdings sold in the market	6	16	-
Dividends paid		(3,840)	(3,840)
Bank overdraft		(1)	-
Net cash outflow from financing activities		**(3,764)**	**(3,840)**
Increase/(decrease) in cash and cash equivalents		**727**	**(9,143)**
Cash and cash equivalents at start of financial year		4,352	13,987
Effect of foreign exchange rate changes		(146)	(492)
Cash and cash equivalents at end of year	11	**4,933**	**4,352**

* Includes dividends received of £7,653,000 (2024: £7,602,000) and interest received of £nil (2024: £nil).

The accompanying notes on pages 71 to 82 are an integral part of this Statement.

Notes to the Financial Statements

1 Material accounting policy information and other explanatory information

Hansa Investment Company Limited is a company limited by shares, registered and domiciled in Bermuda with its registered office shown on page 87. The principal activity of the Company is an investment vehicle.

(a) Basis of preparation

The Financial Statements of the Company have been prepared in accordance with IFRS Accounting Standards ("IFRS"). IFRS means standards and interpretations issued (or adopted) by the International Accounting Standards Board (they comprise: International Reporting Standards, International Accounting Standards (IAS) and Interpretations developed by the IFRS Interpretations Committee or the former Standing Interpretations Committee (SIC)).

These Financial Statements are presented in sterling because that is the currency of the primary economic environment in which the Company operates. The Financial Statements have been prepared on a going concern basis under the historic cost convention, modified by financial assets held at fair value through profit or loss with the assertion of the Board on page 38. The Financial Statements have also been prepared in accordance with the AIC Statement of Recommended Practice (SORP) for investment trusts, issued by the AIC in July 2022, to the extent that the SORP does not conflict with IFRS. The material accounting policy information adopted is set out below.

(b) Presentation of Income Statement

In order to better reflect the activities of an investment company and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and capital nature, has been presented alongside the Income Statement.

(c) Non-current investments

As the Company's business is investing in financial assets, with a view to profiting from their total return in the form of income received and increases in fair value, investments are classified at fair value through profit in accordance with IFRS 9. The Company manages and evaluates the performance of these investments on a fair value basis, in accordance with its investment strategy and information about the investments is provided on this basis to the Board of Directors.

Investments are recognised and de-recognised on the trade date. For listed investments, fair value is deemed to be bid market prices, or closing prices for SETS stocks sourced from the London Stock Exchange. SETS is the London Stock Exchange's electronic trading service, covering most of the market including all FTSE 100 constituents and most liquid FTSE 250 constituents, along with some other securities.

Fund investments are stated at fair value through profit or loss as determined by using the most recent available valuation which is considered to be fair value at the Balance Sheet date. In some cases, this will be by reference to the most recent valuation statement supplied by the fund's manager. In other cases, values may be available through the fund being listed on an exchange or via pricing sources such as Bloomberg.

Private equity investments are stated at fair value through profit or loss in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Private equity investments are carried at the fair value as reported by the Private Equity Fund Manager (PEFM). In the absence of a valuation by the PEFM at the balance sheet date, additional procedures to determine the reasonableness of the fair value estimate for inclusion in the Financial Statements are performed. These may include direct enquiries of the PEFM of the investment to understand, amongst others, valuation process and techniques used, external experts used in the valuation process and updated details of the underlying portfolio. In addition, the Company can obtain external independent valuation data and benchmarks to validate fair value estimates. Further, recent arms-length market transactions between knowledgeable and willing parties where available might also be considered. Subsequent to the balance sheet date, the Administrator will review subsequent valuations released by the Private Equity fund to look for consistency with the estimations made as described above.

Unrealised gains and losses, arising from changes in fair value, are included in net profit or loss for the period as a capital item in the Income Statement and are ultimately recognised in the Capital Reserves.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, short-term deposits and cash funds with an original maturity of three months or less and are subject to an insignificant risk of changes in capital value.

(e) Investment Income and return of capital

Dividends receivable on equity shares are recognised on the ex-dividend date. Where no ex-dividend date is quoted, dividends are recognised when the Company's right to receive payment is established. Dividends and Real Estate Investment Trusts' (REIT) income are all stated net of withholding tax. In many cases, Bermudan companies cannot recover foreign incurred taxes withheld on dividends and capital transactions. As a result, any such taxes incurred will be charged as an expense and included here.

When an investee company returns capital to the Company, the amount received is treated as a reduction in the book cost of that investment and is classified as sale proceeds.

(f) Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue column of the Income Statement except expenses which are incidental to the acquisition or disposal of an investment which are charged to the capital column of the Income Statement.

(g) Taxation

Under Bermuda law, to the extent the Company remains out of scope of the Corporate Income Tax Act 2023 (the "CIT Act"), the Company is not required to pay taxes in Bermuda on either income or capital gains.

Bermuda enacted the CIT Act on 27 December 2023 with an effective date of 1 January 2025. Entities subject to tax under the CIT Act are the Bermuda constituent entities of multi-national groups. A multi-national group is defined under the CIT Act as a group with entities in more than one jurisdiction with consolidated revenues of at least EUR750m for two out of the four previous fiscal years. If Bermuda constituent entities of a multi-national group are subject to tax under the CIT Act, such tax is charged at a rate of 15% of the net taxable income of such constituent entities as determined in accordance with and subject to the adjustments set out in the CIT Act (including in respect of foreign tax credits applicable to the Bermuda constituent entities).

Consolidated revenues of the Company's group are less than EUR750m in each previous fiscal year. On this basis, the Company is not, and neither is it expected to be, in scope of the CIT Act regime.

(h) Foreign Currencies

Transactions denominated in foreign currencies are recorded in the local currency, at the actual exchange rates as at the date of the transaction. Assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rate of exchange prevailing at the balance sheet date. Any gains or losses arising from a change in exchange rates, subsequent to the date of the transaction, are included as exchange gains or losses in the capital or revenue column of the Income Statement, depending on whether the gains or losses are of a capital or revenue nature respectively.

(i) Retained Earnings

Contributed Surplus

The following are credited or charged to this reserve via the capital column of the Income Statement:

- gains and losses on the disposal of investments;
- exchange differences of a capital nature;
- expenses charged to the capital column of the Income Statement in accordance with the above accounting policies; and
- increases and decreases in the valuation of investments held at the balance sheet date.

Revenue Reserves

The following are credited or charged to this reserve via the revenue column of the Income Statement:

- net revenue recognised in the revenue column of the Income Statement.

Under Bermuda Company Law, Retained Earnings and Contributed Surplus Reserve are both distributable.

(j) Significant Judgements and Estimates

The key significant estimate to report, concerns the Company's valuation of its holding in DV4 Ltd. DV4 is valued using the most recent estimated NAV as advised to the Company by DV4, adjusted for any further drawdowns, distributions or redemptions between the valuation date and 31 March 2025. The most recent valuation statement was received on 23 August 2024 stating the value of the Company's holding as at 31 March 2024. In the absence of a valuation for 31 March 2025 from DV4, the Company performed additional procedures to determine the reasonableness of the fair value estimate for inclusion in the Financial Statements. Direct enquiries of the manager of DV4 were made in July 2020 to understand, amongst others, valuation process and techniques used, external experts used in the valuation process and updated details of underlying property portfolio. It has been confirmed with DV4's manager that the valuation procedures discussed in July 2020 are still the same used now. In addition, the Company has compared the historic valuation movements of DV4 to the FTSE350 Real Estate Index. Based on the information obtained and additional analysis performed the Company is satisfied that DV4 is carried in these Financial Statements at an amount that represents its best estimate of fair value at 31 March 2025. It is believed the value of DV4 as at 31 March 2025 will not be materially different, but this valuation is based on historic valuations by DV4, does not have a readily available third party comparator and, as such, is an estimate. There are no significant judgements.

(k) Adoption of new and revised standards

At the date of authorisation of these Financial Statements there were no standards and amendments to standards, which have not been applied in these Financial Statements.

In the current financial period the Company has applied the following amendments to standards:

- Amendments to IAS 1 – Classification of liabilities as current or non-current (effective 1 January 2024). The IASB has amended IAS 1 Presentation of Financial Statements to clarify its requirement for the presentation of liabilities depending on the rights that exist at the end of the reporting period. The amendment requires liabilities to be classified as non-current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendment no longer refers to unconditional rights.
- Amendments to IAS 1 – Non-current liabilities with covenants (effective 1 January 2024). The IASB has amended IAS 1 Presentation of Financial Statements to introduce additional disclosures for liabilities with covenants within 12 months of the reporting period. The additional disclosures include the nature of covenants, when the entity is required to comply with covenants, the carrying amount of related liabilities and circumstances that may indicate that the entity will have difficulty complying with the covenants.
- Amendments to IAS 8 'Definition of Accounting Estimates' (effective for accounting periods on or after 1 January 2024).
- Amendments to IAS 1 and IFRS Practice Statement 2 'Disclosure of Accounting Policies' (effective for accounting periods on or after 1 January 2024).
- Amendments to IAS 12 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction' (effective for accounting periods on or after 1 January 2024).

There is no material impact on the Financial Statements or the amounts reported from the adoption of these amendments to the standards.

Relevant International Accounting Standards that have yet to be adopted:

Amendments to IAS 21 'Lack of Exchangeability' (effective for accounting periods on or after 1 January 2025). Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026). The IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. Among other amendments, the IASB clarified the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027). The IASB issued the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

(l) Operating Segments

The Company considers it has one operating segment for the purposes of IFRS 8.

2 Investment income

	Revenue Year ended 31 March 2025 £000	Revenue Year ended 31 March 2024 £000
Income from quoted investments		
Dividends	7,998	7,780
Total income	**7,998**	**7,780**

Note: Of the dividend income received during the financial year, £6.3m was received from the Company's Strategic Holding in OWHL by way of a dividend received on 14 June 2024. The remainder was received from holdings within the Global Equity (direct) & Core Regional silos.

3 Portfolio management fee

	Revenue Year ended 31 March 2025 £000	Revenue Year ended 31 March 2024 £000
Portfolio management fee	3,346	2,950
Total management fee	**3,346**	**2,950**

As disclosed on page 45, the portfolio management fee is charged at an annual rate of 1% of the net assets of the Company (after any borrowings), after deducting the value of the investment in OWHL, on which no fee is payable.

4 Other expenses

	Revenue Year ended 31 March 2025 £000	Revenue Year ended 31 March 2024 £000
Administration fees	165	154
Directors' remuneration	286	298
Auditor's remuneration for audit of the Company's Annual Financial Statements	75	92
Printing fees	32	57
Directors' liability insurance	62	67
Marketing	74	75
Registrar's fees	61	80
Banking charges	75	19
Secretarial services	129	159
Travel expenses	290	126
Broker fees	33	32
Stock Exchange listing fees	63	42
Safe custody fees	205	184
Management fee rebate from GAM	(18)	(13)
Other	384	304
Total Other Expenses	**1,916**	**1,676**

5 Finance costs

	Revenue Year ended 31 March 2025 £000	Revenue Year ended 31 March 2024 £000
Interest payable	-	-
Total finance costs	**-**	**-**

As disclosed on page 29, the Company has an unsecured lending facility through its Custodian, Banque Lombard Odier & Cie SA ("Lombard Odier"), in the amount of £30m, subject to there being sufficient value and diversity within the portfolio to meet the lender's borrowing requirements. The facility is used periodically for short-term transactional funding requirements. As a result, the cost incurred in finance fees is not necessarily consistent between financial years.

6 Dividends paid

	Year ended 31 March 2025 £000	Year ended 31 March 2024 £000
Amounts recognised as distributed to shareholders in the year are as follows:		
Fourth interim dividend for 2024 (paid 31 May 2024): 0.8p (2023: 0.8p)	960	960
First interim dividend for 2025 (paid 30 August 2024): 0.8p (2024: 0.8p)	960	960
Second interim dividend for 2025 (paid 31 November 2024): 0.8p (2024: 0.8p)	960	960
Third interim dividend for 2025 (paid 25 February 2025): 0.8p (2024: 0.8p)	960	960
Total dividends paid	**3,840**	**3,840**

Set out below are the total dividends paid and proposed in respect of the current financial year. Where there has been no revenue available for distribution by way of dividend for the year, dividends have been paid from capital reserves, specifically contributed surplus which is permitted by Bermudan company law.

	Year ended 31 March 2025 £000	Year ended 31 March 2024 £000
First interim dividend for 2025 (paid 30 August 2024): 0.8p (2024: 0.8p)	960	960
Second interim dividend for 2025 (paid 31 November 2024): 0.8p (2024: 0.8p)	960	960
Third interim dividend for 2025 (paid 25 February 2025): 0.8p (2024: 0.8p)	960	960
Fourth interim dividend for 2025 (payable 30 May 2025): 0.8p (2024: 0.8p)	960	960
Total dividends paid & proposed	**3,840**	**3,840**

The Board has announced four interim dividends, each of 0.8p per Ordinary and 'A' non-voting Ordinary share, relating to the year ended 31 March 2025. No final dividend is proposed for the year ended 31 March 2025.

7 Return on ordinary shares (equity)

	Revenue year ended 31 March 2025	Capital year ended 31 March 2025	Total year ended 31 March 2025	Revenue year ended 31 March 2024	Capital year ended 31 March 2024	Total year ended 31 March 2024
Return per Ordinary and 'A' non-voting Ordinary share	2.3p	6.3p	8.6p	2.6p	73.6p	76.2p

Returns

Revenue return per share is based on the revenue attributable to equity shareholders of £2,727,000 (2024: £3,154,000).

Capital return per share is based on the capital profit attributable to equity shareholders of £7,626,393 (2024: profit of £88,268,000).

Total return per share is based on a combination of revenue and capital returns attributable to equity shareholders, amounting to net profit of £10,353,393 (2024: profit of £91,422,000).

Both revenue and capital return are based on 40,000,000 Ordinary shares and 80,000,000 'A' non-voting Ordinary shares, in issue throughout the year.

8 Investments held at fair value through profit or loss

	Listed £000	Unquoted £000	2025 Total £000	2024 Total £000
Cost at 1 April	230,152	101,905	332,057	318,698
Investment holding gains at 1 April	94,584	22,512	117,096	34,564
Valuation as at 1 April	**324,736**	**124,417**	**449,153**	**353,262**
Movements in the year:				
Purchases at cost	76,656	16,882	93,538	69,313
Sales – proceeds	(69,213)	(28,406)	(97,620)	(62,182)
Movement in investment holding gains/(losses)	15,606	(7,920)	7,686	88,760
Valuation as at 31 March	**347,786**	**104,972**	**452,757**	**449,153**
Cost as at 31 March	253,902	90,380	344,282	332,057
Investment holding gains	93,884	14,592	108,475	117,096
Valuation as at 31 March	**347,786**	**104,972**	**452,757**	**449,153**

	Year ended 31 March 2025 £000	Year ended 31 March 2024 £000
Gains on sales	16,307	6,228
Movement in investment holding (losses)/gains	(8,621)	82,532
Gains on investments held at fair value through profit or loss	**7,686**	**88,760**

Transaction costs

During the year expenses were incurred in acquiring and disposing of investments classified as fair value through profit or loss.

These have been expensed through capital and are included within gains on investments in the Income Statement. The total costs were as follows:

	2025 £000	2024 £000
Purchases	40	13
Sales	9	11
	49	**24**

9 Significant holdings

The Company's holdings of 10% or more of any class of shares in investment companies and 20% or more of any class of shares in non-investment companies as at 31 March 2025 are detailed below:

					Exc. Minority Interest	
	Country of incorporation or registration	Class of Capital	% of class held	Latest available accounts	Total capital and reserves $000	Profit after tax for the period $000
Ocean Wilsons Holdings Limited	Bermuda	Ordinary	26.5	31.12.2024	627,869	119,120

Ocean Wilsons Holdings Limited is included as part of the investment portfolio in accordance with IAS 28 - Investment in Associates. The holding is not recognised as an Associate because HICL does not exert significant influence over the operations of OWHL. Conflicts between the boards of the two companies are noted – specifically Mr Salomon who is a director of both entities. Mr Salomon does not represent HICL on the board of OWHL and is specifically excluded from decisions of the HICL board in relation to OWHL.

10 Trade and other receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

	2025 £000	2024 £000
Amounts receivable from unsettled trades	101	1,353
Prepayments and accrued income	4,692	110
	4,793	**1,463**

11 Cash and cash equivalents

	2025 £000	2024 £000
Cash at bank	390	348
Cash funds	4,543	4,004
	4,933	**4,352**

12 Trade and other payables

	2025 £000	2024 £000
Amounts payable for unsettled trades	1,069	-
Other creditors and accruals	353	421
	1,422	**421**

13 Called up share capital

	2025 £000	2024 £000
40,000,000 Ordinary shares of 1p (2024: 40,000,000)	400	400
80,000,000 'A' non-voting Ordinary shares of 1p (2024: 80,000,000)	800	800
	1,200	**1,200**

The 'A' non-voting Ordinary shares do not entitle the holders to receive notices or to vote, either in person or by proxy, at any general meeting of the Company, but in all other respects rank pari passu with the Ordinary shares of the Company.

14 Contributed surplus

	2025 £000	2024 £000
Opening balance at 1 April	322,839	323,799
Dividend paid	-	(960)
Closing balance at 31 March	**322,839**	**322,839**

15 Retained earnings

	Reserves				Reserves			
	Revenue 2025 £000	Capital – other 2025 £000	Capital – investment holding profit 2025 £000	Total retained earnings 2025 £000	Revenue 2024 £000	Capital – other 2024 £000	Capital – investment holding profit 2024 £000	Total retained earnings 2024 £000
Opening balance at 1 April	(2,090)	15,502	117,096	130,508	(2,364)	9,766	34,564	41,966
Profit for the year	2,726	16,248	(8,621)	10,353	3,154	5,736	82,532	91,422
Dividend paid	(3,840)	-	-	(3,840)	(2,880)	-	-	(2,880)
Closing balance at 31 March	**(3,204)**	**31,750**	**108,475**	**137,021**	**(2,090)**	**15,502**	**117,096**	**130,508**

16 Net asset value

	2025 £000	2024 £000
Net Asset Value per Ordinary and 'A' non-voting Ordinary share	**384.2p**	**378.8p**

The NAV per Ordinary and 'A' non-voting Ordinary share is based on the net assets attributable to equity shareholders of £461,060,000 (2024: £454,547,000) and on 40,000,000 Ordinary shares (2024: 40,000,000) and 80,000,000 'A' non-voting Ordinary shares (2024: 80,000,000) in issue at 31 March 2025..

17 Commitments and contingencies

The Company has the following outstanding commitments as at 31 March 2025 (2024: £8.3m):

	As at 31 March 2025		As at 31 March 2024	
	Outstanding commitment in local currency	GBP	Outstanding commitment in local currency	GBP
BPEA EQT Mid-Market Growth Partnership	1,567,082	1,214,039	1,774,644	1,404,879
GGV Discovery IV-ASIA, L.P	576,000	446,235	600,000	474,984
GGV Discovery IV-US	390,000	302,138	600,000	474,984
Gryphon VI Top-Up Co-Investment Fund	1,300,000	1,007,127	-	-
Khosla Ventures VIII, LP	612,000	474,125	1,020,000	807,473
TA Associates XV-B, LP	3,168,000	2,454,292	3,600,000	2,849,905
Triton 6 SCSP	1,740,000	1,456,189	1,740,000	1,487,561
TrueBridge Capital Partners Fund VIII, L.P	823,500	637,976	183,000	144,870
TrueBridge Direct Fund III, L.P	75,000	58,104	864,000	683,977
	10,251,582	**8,050,225**	**10,381,644**	**8,328,633**

18 Financial instruments and associated risks

The Company's financial instruments comprise securities, cash balances, debtors and creditors. These assets are classified in the following measurement categories:

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

The financial assets held at amortised cost include trade and other receivables, cash and cash equivalents.

Risk Objectives and Policies

The objective of the Company is to achieve growth of shareholder value commensurate with the risks taken, bearing in mind that the protection of long-term shareholder value is paramount. The policy of the Board is to provide a framework within which the Portfolio Manager can operate and deliver the objectives of the Company. In pursuing its investment objective, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets and/or a reduction of the profits available for dividends.

These risks include those identified by the accounting standard IFRS 7, being market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Directors' approach to the management of these is set out below. The Board, in conjunction with the Portfolio Manager and Company Secretary, oversees the Company's risk management.

Foreign currency risk

Foreign currency risks arise in two distinct areas which affect the valuation of the investment portfolio. 1) the direct exposure where an investment is denominated and paid for in a currency other than Sterling; and 2) the indirect exposure where an investment has substantial non-Sterling underlying investment and/or cash flows. The Company does not normally hedge against foreign currency movements affecting the value of the investment portfolio, but takes account of this risk when making investment decisions. Some of the fund investments into which the Company invests will, in part or in whole, hedge some of their underlying currency risk, but this will be known at the time of investment and will form part of the investment decision. In those cases, the hedging will not remove the exposure to the underlying country or market sector. The Portfolio Manager monitors the effect of foreign currency fluctuations through the pricing of the investments by the various markets.

	Direct foreign currency risk 2025 £000	No direct foreign currency risk 2025 £000	Total 2025 £000	Direct foreign currency risk 2024 £000	No direct foreign currency risk 2024 £000	Total 2024 £000
Investments	165,878	286,879	452,757	135,145	314,008	449,153
Other receivables including prepayments	9	92	101	34	1,319	1,353
Cash at bank	-	4,933	4,933	-	4,352	4,352
Current liabilities	-	(1,423)	(1,423)	(15)	(406)	(421)
	165,887	**290,481**	**456,368**	**135,164**	**319,273**	**454,437**

Note: Direct foreign currency risk includes direct exposure to USD and Euro currencies.

Foreign currency sensitivity

The following table illustrates the sensitivity of the profit/loss for the year and the shareholders' funds in regard to the Company's financial assets and financial liabilities. It assumes a 10% depreciation of Sterling against foreign currencies at 31 March 2025 and 31 March 2024. These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Company's monetary foreign currency financial instruments held at each balance sheet date.

If sterling had weakened by 10% against the currencies shown, this would have had the following effect on the Company:	US$ 2025 £000	Euro 2025 £000	Other 2025 £000	US$ 2024 £000	Euro 2024 £000	Other 2024 £000
Income statement – profit	687	20	14	687	20	22
Equity shareholders funds	13,372	2,135	1,082	10,670	955	1,891
	14,059	**2,155**	**1,096**	**11,357**	**975**	**1,913**

Note: Other includes exposure to foreign currencies excluding US dollar and Euro.

A 10% strengthening of Sterling against the above currencies would result in an equal and opposite effect on the above amounts.

Interest rate risk
Interest rate movements may affect the level of income receivable on cash deposits and the interest payable on the Company's variable rate borrowings.

The Company has a credit facility with Bank Lombard Odier & Co Ltd, Geneva ("the Bank"), which is available for the Portfolio Manager to utilise for purchasing investments; the interest rate for which is variable, and set by the Bank. As at 31 March 2025, the maximum the Company can borrow from the Bank is the equivalent of CHF3m, but the Company can request that this limit is raised at any time. The Board however has set a £30m borrowing limit for the Portfolio Manager to utilise at their discretion. The Company does not normally hedge against interest rate movements affecting the value of the investment portfolio, but takes account of this risk when an investment is made utilising the facility. The level of banking facilities used is monitored by both the Board and the Portfolio Manager on a regular basis. The impact on the returns and net assets of the Company for every 1% change in interest rates, based on the amount drawn down at the Year-End under the facility, would be £nil (2024: £nil). The level of banking facilities utilised at 31 March 2025 was £nil (2024: £nil).

Interest rate changes usually impact equity prices. The level and direction of change in equity prices is subject to prevailing local and world economic conditions as well as market sentiment, all of which are very difficult to predict with any certainty.

	Cash flow interest rate risk 2025 £000	No interest rate risk 2025 £000	Total 2025 £000	Cash flow interest rate risk 2024 £000	No interest rate risk 2024 £000	Total 2024 £000
Investments	-	452,757	452,757	-	449,153	449,153
Other receivables including prepayments	-	4,793	4,793	-	1,463	1,463
Cash at bank	4,933	-	4,933	4,352	-	4,352
Current liabilities	(1,069)	(353)	(1,422)	-	(421)	(421)
	3,864	**457,197**	**461,061**	**4,352**	**450,195**	**454,547**

Other price risk
By the nature of its activities, the Company's investments are exposed to market price fluctuations. NAV is calculated and reported daily to the London Stock Exchange. The Portfolio Manager and the Board monitor the portfolio valuation on a regular basis and consideration is given to hedging the portfolio against large market movements.

The Company's investment in Ocean Wilsons is large both in absolute terms, £132.3m as valued at 31 March 2025 (2024: £130.0m) and as a proportion of the NAV, 28.7% (2024: 28.6%). Shareholders should be aware that if anything of a severe and untoward nature were to happen to this company, it could result in a significant impact on the NAV and share price. However, it should also be noted that as at 31 March 2025 the exposure of Hansa Investment Company Limited to the currency, country and market based risk exposure of Ocean Wilsons was, to an extent, mitigated by the diverse nature of the two investments within Ocean Wilsons. Wilson Sons, has a direct exposure to the Brazilian economy, whereas Ocean Wilsons Investments Limited (OWIL) has a diverse investment portfolio. Ocean Wilsons had agreed the sale of its entire holding of Wilson Sons derisking it somewhat from the Brazilian economy. However, at 31 March 2025, the completion of the sale was still subject to various regulatory approvals. At 31 March 2025 Wilson Sons represented 64.7% of Ocean Wilsons' NAV (based on the expected net proceeds of the sale) and OWIL represented the remaining 35.3% (based on the latest published NAV of the portfolio). The sale of Wilson Sons was subsequently completed in June 2025. It is an investment the Board pays close attention to and it should be pointed out that the risks associated with it are very different from those of the other companies represented in the portfolio. The Board itself regularly undertakes a thorough review of its business and prospects and has determined that its future holds a lot of promise. As a consequence the Board believes the risk involved in the investment is worthwhile. The performance of the portfolio as a whole is not designed to correlate with that of any market index. Should the portfolio of the Company, as detailed on pages 25 and 26, rise or fall in value by 10% from the year end valuation, the effect on the Company's profit and equity would be an equal rise or fall of £45.3m (2024: £44.9m).

Credit risk
The Company only transacts with regulated institutions on normal market terms, which are trade date plus one to three days in the case of equities. Fund investment settlement periods will vary from fund to fund and are defined by the individual managers. The levels of amounts outstanding from brokers and fund managers are regularly reviewed by the Portfolio Manager. The duration of credit risk associated with the investment transactions is the period between the date the transaction took place, the trade date, the date the stock and cash were transferred and the settlement date. The level of risk during the period is the difference between the value of the original transaction and its replacement with a new transaction. The amounts due to/(from) brokers at 31 March 2025 are shown in Note 10 and Note 12 on page 77.

The Company's maximum exposure to credit risk on cash is £0.4m (2024: £0.3m) and on cash funds is £4.5m (2024: £4.0m). Surplus cash is on deposit with the Depositary/Custodian.

Liquidity risk

The liquidity risk to the Company is that it is unable to meet its obligations as they fall due, as a result of a lack of available cash and an inability to dispose of investments in a timely manner. A substantial proportion of the Company's portfolio is held in liquid quoted investments; however, there is a large, Strategic, holding in Ocean Wilsons of 28.7% (2024: 21.2%), unquoted equity investments of 2.0% (2024: 1.8%) and investments into open-ended investment funds with varying liquidity terms of 58.0% (2024: 59.6%).

The Portfolio Manager takes into consideration the liquidity of each investment when purchasing and selling, in order to maximise the returns to shareholders, by placing suitable transaction levels into the market. Special consideration is given to investments representing more than 5% of the investee company. A detailed list of the investments, split by silo, held at 31 March 2025 is shown on pages 25 and 26. This can be used broadly to ascertain the levels of liquidity within the portfolio, although liquidity will vary with each investment – particularly the funds.

Capital management

The Company considers its capital to be its issued share capital and reserves and whilst the Company has access to loan facilities it is not considered or used as core capital, but primarily to meet the cash timing requirements of opportunistic investment strategies and thereby enhance shareholder returns. The Board regularly monitors its share discount policy and the level of discounts and whilst it has the option to repurchase shares, it considers the best means of attaining a good rating for the shares is to concentrate on good shareholder returns.

However, the Board believes the ability of the Company to repurchase its own 'A' non-voting Ordinary shares in the market may potentially enable it to benefit all equity shareholders of the Company. The repurchase of 'A' non-voting Ordinary shares, at a discount to the underlying NAV, would enhance the NAV per share of the remaining equity shares and might also enable the Company to address more effectively any imbalance between supply and demand for the Company's 'A' non-voting Ordinary shares.

19 Fair value hierarchy and financial liabilities

IFRS 13 'Fair Value Measurement' 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: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability not based on observable market data (unobservable inputs).

The financial assets and liabilities, measured at fair value, in the Statement of Financial Position, grouped into the fair value hierarchy and valued in accordance with the accounting policies in Note 1, are detailed below:

As at 31 March 2025	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at fair value through profit or loss				
Quoted equities	198,000	-	-	198,000
Unquoted equities	-	-	9,217	9,217
Fund investments	69,022	176,518	-	245,539
Fair Value	**267,022**	**176,518**	**9,217**	**452,757**

As at 31 March 2024	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets at fair value through profit or loss				
Quoted equities	192,221	-	-	192,221
Unquoted equities	-	-	8,040	8,040
Fund investments	42,692	206,200	-	248,892
Fair Value	**234,913**	**206,200**	**8,040**	**449,153**

The Company's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date of the event or change in circumstances that caused the transfer to occur.

A reconciliation of fair value measurements in Level 3 is set out in the following table:

	2025 equity investments £000	2024 equity investments £000
Opening Balance	8,040	9,132
Transferred from Level 1	-	-
Purchases	1,132	367
Sales (Capital Distribution)	-	(402)
Total gains or losses included in gains on investments in the Income Statement:		
on assets sold	-	-
on assets held at year end	45	(1,057)
Closing Balance	**9,217**	**8,040**

As at 31 March 2025, the investment in DV4 has been classified as Level 3. This is because the investment has been valued using the most recent estimated NAV as advised to the Company by DV4, adjusted for any further drawdowns, distributions or redemptions between the valuation date and 31 March 2025. The most recent valuation statement was received on 12 March 2025 and relates to the DV4 portfolio at 31 December 2024. Additionally, the underlying assets of DV4 are all Real Estate in nature and, as such, there is not a readily comparable market of identical assets for valuation purposes. In the absence of a valuation for 31 March 2025 from DV4, the Company performed additional procedures to determine the reasonableness of the fair value estimate for inclusion in the Financial Statements. Direct enquiries of the manager of DV4 were made in July 2020 to understand, amongst others, valuation process and techniques used, external experts used in the valuation process and updated details of underlying property portfolio. In addition, the Company has obtained external independent valuation data and compared the historic valuation movements of DV4 to that data. It has been confirmed with DV4's manager that the valuation procedures discussed in July 2020 are still the same used now. In addition, the Company has compared the historic valuation movements of DV4 to the CBRE Monthly Property Index. Based on the information obtained and additional analysis performed the Company is satisfied that DV4 is carried in these Financial Statements at an amount that represents its best estimate of fair value at 31 March 2025. It is believed the value of DV4 as at 31 March 2025 will not be materially different, but this valuation is based on historic valuations by DV4, does not have a readily available third party comparator and, as such, is an estimate. If the value of the investment was to increase or decrease by 10%, while all other variables remained constant, the return and net assets attributable to shareholders for the year ended and as at 31 March 2024 would have increased or decreased by £777,000 (2024: £770,000). The Board considers 10% to be a potential movement between valuation periods borne out by historic valuation trends. However, this does not preclude the valuation moving a greater amount than 10% in the future.

20 Related parties and transactions with the portfolio manager

William Salomon is a Director of the Company and Senior Partner of the Company's Portfolio Manager. Details of the relationship between the Company and Hansa Capital Partners LLP, including amounts paid during the year and owing at 31 March 2025, are disclosed in the Governance Section – Service Providers on pages 45 to 46 and in Note 3 on page 74. Details of the relationship between the Company and the Directors, including amounts paid during the period to 31 March 2025, are disclosed in the Governance Section – The Board on page 40 and also in the Directors' Remuneration Report on pages 51 to 54.

21 Controlling parties

At 31 March 2025 Victualia Limited Partnership and Nomolas Ltd each held 25.9% of the issued Ordinary shares. Additional information is disclosed in the Strategic Review – Substantial Shareholders on page 31.

22 Post balance sheet events

There are no significant events that have occurred after the end of the reporting year to the date of this Report which require disclosure.

Additional Information

Notice of the Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Members of the Company will be held at the Hamilton Princess Hotel, 76 Pitts Bay Rd, Pembroke HM 08, Bermuda on Tuesday 5 August 2025 at 9:00 a.m. (Bermuda time) for the following purposes:

Agenda

- To appoint a chairperson of the meeting.
- To confirm notice.

Resolutions

1. To receive and consider the audited Financial Statements and the Reports of the Directors and Auditor for the year ended 31 March 2025.
2. To re-elect Jonathan Davie (a biography and Board endorsement can be found earlier on in the Report) as a Director of the Company.
3. To re-elect Richard Lightowler (a biography and Board endorsement can be found earlier on in the Report) as a Director of the Company.
4. To re-elect William Salomon (a biography and Board endorsement can be found earlier on in the Report) as a Director of the Company.
5. To re-elect Simona Heidempergher (a biography and Board endorsement can be found earlier on in the Report) as a Director of the Company.
6. To re-elect Pedro Gonçalves (a biography and Board endorsement can be found earlier on in the Report) as a Director of the Company.
7. To approve the Directors' Remuneration Report.
8. To approve the Directors' Remuneration Policy and authorise the Board to determine the remuneration of the Directors.
9. To approve the Company's Dividend Policy as can be found earlier on in the Annual Report.
10. To reappoint PricewaterhouseCoopers LLP as Auditor of the Company and to authorise the Directors to determine the remuneration of the Auditor.
11. Approval to repurchase up to 14.99% of the 'A' non-voting Ordinary shares of 1p each in the issued shares capital of the Company (the "Shares").

THAT the Company be and hereby is unconditionally authorised to make market purchases up to an aggregate of 11,992,000 shares at a price (exclusive of expenses) which is:

- not less than 1p per share; and
- not more than the higher of: i) 5% above the average of the middle-market quotations (as derived from and calculated by reference to the Daily Official List of the London Stock Exchange) for 'A' non-voting Ordinary shares of 1p each in the five business days immediately preceding the day on which the share is purchased; and ii) the higher of the last independent trade and the then current highest independent bid.

AND

THAT the approval conferred by this resolution shall expire on the date of the next AGM (except in relation to the purchase of shares, the contract for which was concluded before such date and which might be executed wholly or partly after such date) unless the authority is renewed or revoked at any other general meeting prior to such time.

For and on behalf of Conyers Corporate Services (Bermuda) Limited

Vida Kam
Secretary
15 July 2025

Notes for Shareholders

1 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company 48 hours before the Annual General Meeting (i.e. by close of business UK time on 1 August 2025) (or if the Meeting is adjourned, in the register of members of the Company 48 hours before the date and time of the adjourned meeting) (the "Meeting") shall be entitled to attend or vote at the Meeting in respect of the number of shares registered in their respective names at that time. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the Meeting.

2 Registered members of the Company may vote at the Meeting (whether by show of hands or poll) in person or by proxy or corporate representative. A member may appoint one or more persons as his proxy to attend and vote at the Meeting on his behalf. A proxy need not be a member. Where more than one proxy is appointed the instrument of proxy must specify the number of shares each proxy is entitled to vote.

3 The appointment of a proxy will not affect the right of a member to attend and vote in person at the Meeting or adjourned meeting. A member that is a corporation may appoint a representative to attend and vote on its behalf at the Meeting by delivering evidence of such appointment to the Company's registrar no later than 48 hours before the time fixed for the Meeting (i.e. by 1:00pm UK time on 1 August 2025) or any adjourned meeting.

4 In order to be valid, the proxy appointment (together with any power of attorney or other authority (if any) under which it is signed, or a notarised certified copy of that authority) must be returned by one of the following methods, in each case so as to arrive no later than 1:00pm UK time on 1 August 2025 or, in the case of an adjourned meeting, not less than 48 hours before the time appointed for holding such adjourned meeting (ignoring for these purposes non-working days) or (in the case of a poll taken otherwise than at or on the same day as the Meeting or adjourned meeting) for the taking of the poll at which it is to be used: via www.investorcentre.co.uk/eproxy by using the details on your Form of Proxy; or in hard copy form by post, by courier or by hand to the Company's Registrars, Computershare Investor Services (Bermuda) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY.

   If you need help with voting online or need to request a proxy form, please contact our Registrars, Computershare Investor Services (Bermuda) Limited on +44 (0) 370 702 0000. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. They are open between 9.00am - 5.30pm UK time, Monday to Friday excluding public holidays in England and Wales. Alternatively, Computershare at WebCorres@computershare.co.uk.

Notes for Depositary Interest Holders

1 You will not receive a form of direction for the Annual General Meeting in the post. Depositary interests may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.

   In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent ID 3RA50 by 1:00pm UK time on 31 July 2025. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST, in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

2 In the case of Depositary Interest Holders, a form of direction may be requested and completed in order to instruct Computershare Company Nominees Limited, the Depositary, to vote on the holder's behalf at the Meeting by proxy or, if the Meeting is adjourned, at the adjourned meeting. Requests for a hard copy should be sent to Computershare Investor Services (Bermuda) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99.

3 To be effective, a valid form of direction (and any power of attorney or other authority under which it is signed) must be received electronically or delivered to Computershare Investor Services (Bermuda) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 by no later by 1:00pm UK time on 31 July 2025 or 72 hours before any adjourned Meeting.

4 The Depositary will appoint the Chairman of the meeting as its proxy to cast your votes. The Chairman may also vote

or abstain from voting as he or she thinks fit on any other business (including amendments to resolutions) which may properly come before the meeting.

5 The 'Vote Withheld' option is provided to enable you to abstain from voting on the resolutions. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

6 Depositary Interest holders wishing to attend the meeting should contact the Depositary at Computershare Investor Services (Bermuda) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 or by emailing UKALLDITeam2@computershare.co.uk by no later than by 1:00pm UK time on 31 July 2025.

All holders

1 The quorum for the Annual General Meeting shall be two or more shareholders present in person or by proxy. If within two hours from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to the next business day at the same time and place or to such other time and place as the Directors may determine, and if a quorum is not present at any such adjourned meeting, the meeting shall be dissolved.

2 As of 15 July 2025 the Company's total number of shares in issue is 40,000,000 Ordinary shares of 1p each and 80,000,000 'A' non-voting Ordinary shares of 1p each in issue. The Ordinary shareholders are entitled to one vote per Ordinary share held. The 'A' non-voting Ordinary shares do not entitle the holders to vote or receive notice of meetings, but in all other respects they have the same rights as the Company's Ordinary shares.

3 A copy of this notice and other information can be found at https://www.hansaicl.com/shareholder-information/financial-and-investment-reporting/year-2025.aspx#2025

Investor information

Further information about Hansa Investment Company Limited, including monthly fact sheets, Stock Exchange announcements and shareholder presentations, can be found on the Company's website: www.hansaicl.com

Please contact the Portfolio Manager, as below, if you have any queries concerning the Company's investments or performance.

Portfolio Manager and additional administrative services provider
Hansa Capital Partners LLP
6th Floor North
20 Balderton Street
London
W1K 6TL
United Kingdom
Telephone: +44 (0) 207 647 5750
Email: hiclenquiry@hansacap.com
Website: www.hansagrp.com

Please contact the Registrars, as below, if you have a query about a certificated holding in the Company's shares.

Registrar
Computershare Investor Services (Bermuda) Limited
c/o 13 Castle Street
St Helier
Jersey
JE1 1ES
Telephone: +44 (0) 370 707 4040
Email: info@computershare.co.je
Website: www.computershare.com/je

If you have a query, you can call our Shareholder helpline on +44 (0) 370 707 4040. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 08:30 - 17:30, Monday to Friday excluding public holidays in England and Wales.

Register for updates
To receive the latest news and views on the Company, please register at www.hansaicl.com

Company information

The Company currently manages its affairs so as to be a qualifying investment company for ISA purposes, for both the Ordinary and 'A' non-voting Ordinary shares. It is the present intention that the Company will conduct its affairs so as to continue to qualify for ISA products. In addition, The Company is classified as a Readily Realisable Security under FCA rules and can be recommended by independent financial advisors to ordinary retail investors. Finally, Hansa Investment Company Limited is registered as a Reporting Financial Institution with the US IRS for FATCA purposes.

Capital structure

The Company has 40,000,000 Ordinary shares of 1p each and 80,000,000 'A' non-voting Ordinary shares of 1p each in issue. The Ordinary shareholders are entitled to one vote per Ordinary share held. The 'A' non-voting Ordinary shares do not entitle the holders to vote or receive notice of meetings, but in all other respects they have the same rights as the Company's Ordinary shares.

Secretary and registered office

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street PO Box HM666
Hamilton HM CX Bermuda

Investor disclosure

AIFMD
Hansa Investment Company Limited's AIFMD Investor Disclosure document can be found on its website. The document is a regulatory requirement and summarises key features of the Company for investors.

Packaged Retail and Insurance-based Investment Products (PRIIPs)
Under the PRIIPs Regulation (Regulation (EU) 1286/2014), the manufacturer of any investment company was required to make available a Key Investor Documents (KID). This was formally enforced by new legislation in November 2024 (The Packaged Retails and Insurance Based Investment Products (Retail Disclosure)(Amendment) Regulations 2024). There is no replacement for the KID, and whilst the FCA finalises details in relation to any replacement requirements, KIDs for both the Ordinary and 'A' non-voting Ordinary shares of the Company will continue to be available for all prospective investors. Links to these documents can be found on the Company's website: www.hansaicl.com.

Service providers

Independent Auditor
PricewaterhouseCoopers LLP

Solicitors – Bermuda
Conyers Dill & Pearman Limited

Solicitors – UK
Dentons UK and Middle East LLP

Custodian
Banque Lombard Odier & Cie SA

Stockbroker
Winterflood Investment Trusts

Administrator
Apex Fund Administration Services (UK) Ltd to 31 March 2025. Juniper Partners as of 1 April 2025.

Alternative Investment Fund Manager
Hanseatic Asset Management LBG

Financial calendar

Company year end
31 March

Annual Report released to shareholders
July

Annual General Meeting
August

Announcement of half-year results
November

Half-year Report released to shareholders
December

Interim dividend payments
Historically, August, November, February and May. In anticipation of the Possible Combination of the Company with OWHL. it was stated within the announcement that, should the transaction proceed, the Board would introduce a Capital Allocation policy whereby the Company would implement on-market share buybacks of between 2% and 4% of its issued share capital (which may include both voting Ordinary shares and 'A' non-voting Ordinary shares) replacing the Company's existing dividend policy.

Share price listings

The price of your shares can be found on our website. In addition, share price information for Ordinary shares / 'A' non-voting Ordinary shares can be found via the following codes:

ISIN
BMG428941162 / BMG428941089

SEDOL
BKLFC18 / BKLFC07

Reuters
HAN.L / HANA.L

Bloomberg
HAN LN / HANA LN

TIDM
HAN / HANA

Legal Entity Identifier
213800RS2PWJXS2QDF66

Glossary of terms

Association of Investment Companies (AIC)
The Association of Investment Companies is the UK trade association for closed-ended investment companies (www.theaic.co.uk). Despite the Company not being UK domiciled, the Company is UK listed and operates in most ways in a similar manner to a UK Investment Trust. Therefore, the Company follows the AIC Code of Corporate Governance and the Board considers that the AIC's guidance on issues facing the industry remains very relevant to the operations of the Company.

Alternative Investment Fund Managers Directive (AIFMD)
The AIFMD is a regulatory framework for alternative investment fund managers (AIFMs), including managers of hedge funds, private equity firms and investment trusts. Its scope is broad and, with a few exceptions, covers the management, administration and marketing of alternative investment funds (AIFs). Its focus is on regulating the AIFM rather than the AIFs.

Annual dividend / dividend
The amount paid by the Company to shareholders in dividends (cash or otherwise) relating to a specific financial year of the Company. The Company's dividend policy for the year to 31 March 2025 was to announce its expected level of dividend payment at the start of the financial year. Barring unforeseen circumstances, the Company then made four interim dividend payments each year – at the end of August, November and February during that financial year and at the end of May following the end of the financial year. As part of the potential Combination, the Board proposes a capital allocation policy that: (i) prioritises annual share buybacks of between 2% and 4% of its shares; and (ii) pay dividends only to the extent required to ensure that the new combined company is not treated as a non-mainstream pooled investment. In anticipation of the above, the Company will not announce any interim dividends ahead of any shareholder vote regarding the Possible Combination. The Board would assess the Company's options should the Possible Combination not proceed.

Bid price
The price at which you can sell shares determined by supply and demand.

Capital structure
The stocks and shares that make up a company's capital, i.e. the amount of ordinary and preference shares, debentures and unsecured loan stock etc. which are in issue.

Closed-ended
A company with a fixed number of shares in issue.

Depositary/custodian
A financial institution acting as a holder of securities for safekeeping.

Discount
When the share price is lower than the NAV, it is referred to as trading at a discount. The discount is expressed as a percentage of the NAV.

Expense ratio
An expense ratio is determined through an annual calculation, where the operating expenses are divided by the average NAV. Note there is also a description of an additional PRIIPs KID ongoing charges ratio explained in this Annual Report.

FCA
The Financial Conduct Authority (FCA) is a financial regulatory body in the United Kingdom.

Five-year rolling NAV return (per annum)
The rate at which, compounded for five years, will equal the five year NAV total return to end March, assuming dividends are always reinvested at pay date.

Five-year NAV and share price total return
Rebased from 0% at the start of the five year period, this is the rate at which the Company's NAV and share prices would have returned at any period from that starting point, assuming dividends are always reinvested at pay date. The Company will continue to quote results from its predecessor, Hansa Trust Ltd, as part of that reporting so shareholders can see the longer-term performance of the portfolio.

FRC
The Financial Reporting Council (FRC) is an independent regulator in the UK and Ireland, responsible for regulating auditors, accountants, actuaries, and setting the UK's Corporate Governance and Stewardship Codes.

Gearing
Gearing refers to the level of borrowing related to equity capital.

Hedging
Strategy used to reduce risk of loss from movements in interest rates, equity markets, share prices or currency rates.

Issued share capital
Issued share capital is the total number of shares subscribed to by the shareholders.

Key Information Document (KID)
This is a document of a form previously stipulated under the UK PRIIPs Regulations. It provides basic, pre-contractual, information about the Company and its share classes in a simple and accessible manner. It is not marketing material. At the time of this Annual Report, the UK regulatory authorities have temporarily suspended the requirement for Investment Companies to publish a KID following feedback that the documents were unclear to users – particularly regarding fee disclosures. Whilst this review is ongoing, the Company has continued to publish a KID for each share class in substantially the same form as previously required, but with additional disclosure where it is felt appropriate. The Company awaits further clarification from the UK regulatory authorities.

Key Performance Indicators (KPIs)
A set of quantifiable measures a company uses to gauge its performance over time. These metrics are used to determine a company's progress in achieving its strategic and operational goals and also to compare a company's finances and performance against other businesses within its industry. In the case of historic information, the KPIs will be compared against data of both the Company and, prior to the Company's formation, from Hansa Trust Ltd.

Market capitalisation
The market value of a company's shares in issue. This figure is found by taking the stock price and multiplying it by the total number of shares outstanding.

Mid price
The average of the bid and offer prices of a particular traded share.

Net Asset Value (NAV)
The value of the total assets minus liabilities of a company.

Net Asset Value total return
See Total return.

Offer price
The price at which you can buy shares determined by supply and demand.

Ordinary shares
Shares representing equity ownership in a company allowing investors to receive dividends. Ordinary shareholders have the pro-rata right to a company's residual profits. In other words, they are entitled to receive dividends if any are available after payments to financial lenders and dividends on any preferred shares are paid. They are also entitled to their share of the residual economic value of the company should the business unwind.

Hansa Investment Company Limited has two classes of Ordinary shares – the Ordinary shares (40,000,000 shares) and the 'A' non-voting Ordinary shares (80,000,000 shares). Both have the same financial interest in the underlying assets of the Company and receive the same dividend per share, but differ only in that only the former shares have voting rights, whereas the latter do not. They trade separately on the London Stock Exchange, nominally giving rise to different share prices at any given time.

Premium
When the share price is higher than the NAV it is referred to as trading at a premium. The premium is expressed as a percentage of the NAV.

Packaged Retail and Insurance-based Investment Product (PRIIP)
Packaged retail investment and insurance-based products (PRIIPs) make up a broad category of financial assets that are regularly provided to consumers in the European Union. The term PRIIPs, created by the European Commission to regulate the underlying market, is defined as any product manufactured by the financial services industry, to provide investment opportunities to retail investors, where the amount repayable is subject to fluctuation because of exposure to reference values, or the performance of underlying assets not directly purchased by the retail investor. See also Key Information Document (KID).

PRA
The Prudential Regulation Authority (PRA) is a United Kingdom financial services regulatory body responsible for the prudential regulation and supervision of banks, building societies, credit unions, insurers, and major investment firms.

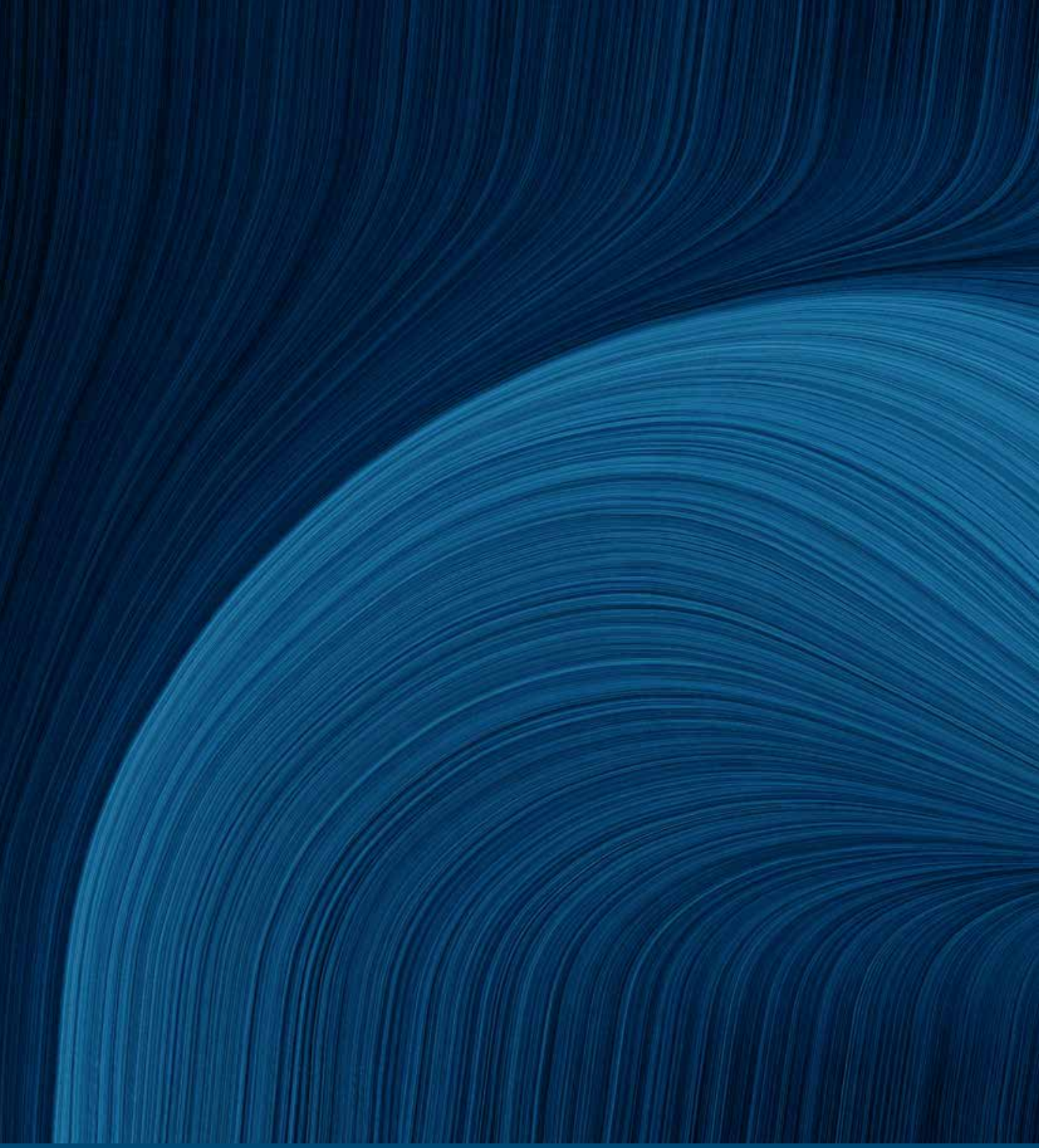
Shareholders' funds/equity shareholders' funds
This value equates to the NAV of the Company. See NAV.

Spread
The difference between the bid and ask price.

Tradable Instrument Display Mnemonics (TIDM)
A short, unique code used to identify UK-listed shares. The TIDM code is unique to each class of share and to each company. It allows the user to ensure they are referring to the right share. Previously known as EPIC.

Total return
When measuring performance, the actual rate of return of an investment or a pool of investments over a given evaluation period. Total return includes interest, capital gains, dividends and distributions realised over a given period of time.

Total return – shareholder
The total return to a shareholder is a measure of the performance of the Company's share price over time. It combines share price appreciation/depreciation and dividends paid to show the total return to the shareholder expressed as an annualised percentage. In the case of historic information, the total return will include data against data of both the Company and, prior to the Company's formation, from Hansa Trust Ltd.



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