

VT Dominium Holdings
Investment Company with Variable Capital

**INVESTMENT MANAGER'S INTERIM REVIEW
for the period ending 30 November 2024 (unaudited)**

SHAREHOLDER INFORMATION

Net assets attributable to shareholders:	£35,750,696
Shares outstanding:	
Accumulation:	22,703,687
Income:	290,804
Net asset value per share ('NAV'):	
Accumulation:	155.8p
Income:	146.3p
Ongoing charges figure ('OCF') (<i>annualised</i>):	0.98%
Redemption charge:	3% for redemptions within three years (payable to VT Dominion Holdings ICVC)
Portfolio turnover (<i>annualised</i>):	7.7%
Minimum initial investment:	£250,000
Minimum subsequent investment:	£20,000
Year end:	31 st May
Ex-dividend date:	31 st May
Dividend distribution date:	31 st July
<i>Authorised Corporate Director (ACD), Alternative Investment Fund Manager (AIFM) and Registrar</i>	Valu-Trac Investment Management Limited Orton, Moray IV32 7QE Telephone: 01343 880217 Email: dominium@valu-trac.com Authorised and regulated by the Financial Conduct Authority
<i>Investment Manager</i>	Inpersca Limited 43 Melville Street, Edinburgh EH3 7JF Authorised and regulated by the Financial Conduct Authority
<i>Depository</i>	NatWest Trustee and Depositary Services Limited House A, Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ Authorised and regulated by the Financial Conduct Authority
<i>Auditor</i>	Johnston Carmichael LLP Strathlossie House, Kirkhill Avenue Elgin IV30 8DE

ABOUT VT DOMINIUM HOLDINGS ICVC

VT Dominion Holdings ICVC ('the Company') is an Open-Ended Investment Company that is authorised and regulated by the United Kingdom's Financial Conduct Authority ('FCA') as a non-UCITS retail scheme. It began operations on 14th July 2017 as a vehicle for business ownership and is only intended for like-minded shareholders who recognise the risks and benefits of its investment objective and approach. The Company does not directly own immovable assets, commodities, derivatives or collective investment schemes, and does not 'short' shares or borrow to invest. For further details, please refer to the 'Additional Information' section on page seven.

Investment Objective

The Company's investment objective is to preserve and grow the purchasing power of shareholders' capital (i.e. for its returns to increase in excess of the UK's Consumer Price Index) over the long-term.

Investment Approach

As investment manager, Inpersca Limited is of the opinion that business ownership offers the best means to protect and grow capital in real terms over time. It provides owners with a claim on the true sources of wealth creation. Participating patiently in the ownership of a limited number of carefully selected businesses, each efficiently providing products and services that effectively satisfy society's needs, is the core of the Company's investment approach. It has no defined time horizon for each but hopes to own them for decades. *Simply put, its goal is to buy well and hold on.*

The Company will seek to partner with competent and honest entrepreneurs or business owners who share with it a community of interest. These individuals have responsibility of overseeing the distribution or reinvestment of the cash flows generated by their businesses, a key determinant of the rate at which the Company's capital will compound over time.

In order that this wealth creation accrues to owners, and is not competed away, each business in which the Company has an ownership participation should have barriers to entry that are scarce and difficult to replicate. They should also operate with capital structures and business models resilient enough to endure life's inevitable vicissitudes.

At Inpersca Limited we believe that neither 'risk' nor 'value' is a number that can be found on a spreadsheet.

Given the sanctity of capital we see 'risk' as the likelihood of permanent capital loss. The careful selection of each business the Company owns is its best protection against this outcome – even then we will make errors of judgement. As long-term business owners we do not view asset price volatility, or illiquidity, as risk. You should know in advance that the Company will not avoid large drops in the share prices of the companies it owns. By understanding its businesses and management partners we hope to have the resilience to survive these falls and the courage to take advantage of them.

We 'value' scarcity, resilience, adaptability, ingenuity, probity and competence. The Company will look to own as much of this as possible for every portion of a business it acquires. Price volatility may provide it with the opportunity to acquire a greater portion of this value relative to the price it is being asked to pay - a welcome outcome.

Cash represents the residual of the investment approach. Suitable investment opportunities do not arise each and every day, or just because we might want them to. When suitable investment candidates are not available cash will be allowed to accumulate, to a maximum of fifteen percent of net asset value. We have no ability to time asset price movements in capital markets and so do not attempt to do so.

We do not believe making comparisons of investment performance with other assets over short periods of time is helpful. Furthermore, the Company's ownership interests are selected without consideration of benchmark weightings and as such performance may deviate substantially from other investment vehicles. A realistic measure of long-term performance would be progress against the UK's Consumer Price Index ('CPI') over at least a rolling five-year period. A world index may provide context to the Company's long-term progress in relation to the share prices of a wide selection of global businesses.

INVESTMENT MANAGER'S BUSINESS PRINCIPLES

As investment manager of the Company Inpersca Limited takes seriously its fiduciary responsibility to your savings. To ensure a community of interest between it and the Company's shareholders, Inpersca Limited is operated on the following broad business principles:

- ❖ We regard the capital entrusted to the Company as irreplaceable. Its long-term preservation, in real terms, is our first priority. A major portion of both the savings of our directors and the capital of Inpersca Limited is invested in the Company. We aim to participate in the underlying progress of the Company alongside its other shareholders, not at their expense.
- ❖ We care about investment returns. Inpersca Limited is dedicated solely to managing the Company and to monitoring the businesses it owns. The Company's size will be limited so as to maximise its opportunity set.
- ❖ As the Company grows it is our intention to share with the Company's shareholders the benefits of scale via a systematic reduction of the ongoing charges figure. In addition, our investment approach seeks to minimise transaction costs, an important and often overlooked expense that impairs long-term investment returns.
- ❖ It is essential that the shareholders of the Company are like-minded investors who share our investment philosophy, perspective of risk, return expectations and time horizon. The longer your investment time horizon the better. If it is less than five years, the Company is very unlikely to be a suitable vehicle for your savings. Our own time horizon is much longer and we only intend to comment on progress over a minimum of a five-year rolling period. Please note a redemption fee of 3% is payable for a redemption of shares made within three years of initial purchase. This fee is payable to the Company, not to the ACD or the investment manager.

LETTER TO SHAREHOLDERS

Dear fellow owners,

Everchanging order

It is tempting to believe that all order must be the result of deliberate arrangement. Yet, in his theory of evolution Charles Darwin explains how, despite its complexity, order in nature emerges organically. It is a ‘blind, unconscious, automatic process’ combining variation with natural selection.¹ Prior to Darwin, Adam Smith had posited that order in human society also occurs spontaneously as individuals endlessly react to one another and their environment. Language, morals, common law and the economy all evolve with no settled final form. In the latter, entrepreneurs are the agents of variation with prices serving the same feedback function as natural selection.

History is littered with attempts by a central authority to impose their idea of order in reaction to crisis, the unknown or distrust in the freedom of individuals to act as they please. Trade tariffs, fiscal deficits, foreign exchange interventions, quantitative easing, subsidies, regulation, lockdowns etc., are all designed to coerce or constrain human action to conform with how they believe resources should best be arranged.

Like a funhouse mirror these distort the feedback signals that guide habits, motivations and ethics in work, consumption and saving. While optimistic that our system of liberty will continue to yield a wonderful bounty, I accept that since at least the financial crisis such interventions have led to some concerning outcomes. They include elevated levels of consumption and indebtedness, a sense that the prosperity of some has been dishonestly earned, declining levels of responsibility, generosity and trust, crony capitalism and misallocations of time and capital. In these circumstances remaining focused on our purpose requires thinking independently.

Suitability for our purpose in ownership

To achieve its objective our Company owns participations in a small, carefully curated collection of businesses. Any commercial activity has the potential for failure. When a business suffers a material and permanent impairment to its capital its directors may be able to raise fresh funding. However, for the original investor no such avenue exists. Their loss is irreversible. As a result, there are many businesses that are not suitable for our purposes due to a misalignment of interests or time horizons, an incompatible corporate ethos, a lack of resilience in their operations or capital structure, or a significant reliance on government. There are also plenty of others where I simply cannot determine their worth. Without this I am unable to gauge the risk to our capital. My cognitive limitations explain why our participations are few in number and simple in concept. Nevertheless, as I described in my last letter, the mundane can be rewarding for those with the right time preference and expectations.

We are engaged in an economic endeavour, not a financial one

Stock exchanges provide a convenient venue to become a shareholder in a business, though the ease of trading has meant many investors now view their portfolios as just an extension of their savings account. To achieve optimal returns at any moment in time some market participants make allocations to financial assets in anticipation of future price movements. Through index funds others use stock exchanges to own a little bit of everything, mostly indifferent to what or who they finance. Daily share price quotes are thus set by a variety of participants that have very different objectives, risk tolerances, sentiments and time frames than we do.

Having acquired an ownership interest in an exceptional business at an attractive price it would not concern me if there was no price quote for an extended length of time. As any proprietor of a farm or private firm understands, a share price is not necessary to assess its risks, its worth, its progress, or the character of its management team. These are subjective matters that depend on the purpose in ownership. Our Company is not buying and selling shares to get rich quickly in a static, moment-in-time financial transaction. Neither is it unconcerned by what and who its capital is funding. Rather, it seeks to facilitate and participate in the broadly shared economic returns that are an outcome of simple, honest, durable commercial effort through time. In effect, to survive life’s vicissitudes its capital has been placed in the care of people who I assess to be resilient and trustworthy, imbued with the energy, enthusiasm and imagination necessary to successfully address society’s constantly changing needs.

Ours is not a simple world of imposed order by top-down human design. Instead, it is a wonderfully complicated one of spontaneous order that evolves via bottom-up human action. There is no simple signal, solution, certainty or ‘homo economicus’. Rather we must deal with imperfect information, trade-offs, uncertainty and real people. It is in this setting that I allocate our precious capital. I am incredibly grateful for this privilege.

Evan Green, December 2024

Note: 1. Richard Dawkins, *The Blind Watchmaker: Why the Evidence of Evolution reveals a World without Design* (Norton & Co, 1986)

VT Dominium Holdings ICVC

Investment Manager’s Interim Review for the period ended 30th November 2024

OWNERSHIP INTERESTS

Portfolio statement as at 30th November 2024

Holding	Security	Currency	Value (£)	% of Net Assets
2,250	Markel Group	USD	3,164,060	8.85%
8,200	Berkshire Hathaway Inc.	USD	3,127,061	8.75%
13,000	Schindler Holding AG	CHF	2,892,191	8.09%
45,000	Heineken Holding NV	EUR	2,239,364	6.26%
15,400	RLI Corp.	USD	2,138,865	5.98%
80,000	Admiral Group plc	GBP	2,058,800	5.76%
62,500	Fielmann Group	EUR	2,027,620	5.67%
20,000	Pernod Ricard SA	EUR	1,762,082	4.93%
60,003	TFF Group	EUR	1,440,643	4.03%
12,358	Compagnie Financiere Richemont SA	CHF	1,349,862	3.78%
1,750	Costco Wholesale Corp.	USD	1,333,757	3.73%
16,000	Exor NV	EUR	1,248,494	3.49%
2,800	Mastercard Inc.	USD	1,174,015	3.28%
12,000	Brown & Brown Inc.	USD	1,067,210	2.99%
15,600	Nestle SA	CHF	1,063,398	2.97%
171,950	A.G. Barr plc	GBP	1,062,651	2.97%
1,400	Rational AG	EUR	1,025,555	2.87%
128,660	Vp plc	GBP	752,661	2.11%
750	Robertet Group	EUR	550,183	1.54%
11,238	Rémy Cointreau SA	EUR	544,306	1.52%
50,000	Compania Cervecerias Unidas SA (ADR)	USD	452,975	1.27%
1,400	Bossard Group	CHF	249,048	0.70%
Total equities (31st May 2024: 94.50%)			32,724,801	91.54%
Cash and equivalents (31 st May 2024: 5.67%)			Various 3,076,082	8.60%
Adjustment to revalue assets from mid to bid (31 st May 2024: (0.17%))			(50,187)	(0.14%)
Total portfolio			35,750,696	100.00%

During the six months to 30th November 2024 there were investment purchases of £1,394,694 and investment sales of £2,183,607.

HISTORICAL DATA

As at or for the period ended	30 th Nov 2024	31 st May 2024	31 st May 2023	31 st May 2022	31 st May 2021
Net assets attributable to the Company	£35.8m	£36.3m	£33.6m	£30.4m	£24.0m
Ongoing charges figure ('OCF')	0.98%	0.98%	0.99%	1.00%	1.00%
Net Asset value per share					
Accumulation	155.8p	158.0p	141.7p	132.9p	126.7p
Income	146.3p	148.3p	134.0p	126.5p	121.5p
Shares outstanding					
Accumulation	22.7m	22.7m	23.5m	22.6m	18.8m
Income	0.3m	0.3m	0.3m	0.3m	0.2m
Dividend per share Total					
Accumulation	Nil	1.1p	0.9p	1.0p	0.4p
Income	Nil	1.0p	0.9p	0.9p	0.4p
Portfolio turnover	7.7%	5.2%	0.0%	1.2%	4.1%
Direct transaction costs	0.01%	0.01%	0.01%	0.02%	0.01%

Notes:

The OCF is capped at 1% p.a. It is reduced to 0.85% p.a. on incremental assets above £30m and 0.75% on incremental assets above £50m. The OCF and portfolio turnover figures are annualised.

ADDITIONAL INFORMATION

A word of caution

This document is an interim review issued by the investment manager, Inpersca Limited, and is only for use by existing shareholders of the Company. A shareholding in the Company is not suitable for everyone. The comments and information contained herein are solely for informational purposes and are not intended as investment advice or to invite, encourage or persuade investors to subscribe for shares in the Company.

There is no certainty that the Company will achieve its investment objective. You should remember that the net asset value of its shares and the dividend income earned on them may go down as well as up. Past progress in net asset value or dividend income is not a guide to future progress. Further information about risk in relation to the Company can be found in its full Prospectus.

This review should be read in conjunction with the latest Key Investor Information Document ('KIID'). Based on past data, the Company is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as detailed in the latest KIID issued by the ACD of the period to 31st May 2024. The Company is given this rank because monthly historical performance data indicates that it has experienced relatively high rises and falls in market prices in the past.

All financial information disclosed in the Portfolio Statement and Historical Data pages is sourced from the ACD.

Interim report and financial statements of the Company

The formal interim report and financial statements of the Company will be available on the ACD's website from January 2025 (www.valu-trac.com/dominium). The interim report contains unaudited financial statements and is approved by the ACD. The Company's Prospectus, Assessment of Value Statement, KIID and prior interim and year-end financial statements are all produced and issued by the ACD and available on its website.

Issue and redemption of shares in the Company

Valu-Trac Investment Management Limited is the ACD and Registrar and will receive requests for the purchase or sale of shares at any time during normal business hours. Instructions may be given by sending an application form by email to dominium@valu-trac.com or by post. Application forms are only available from the Registrar.

The price of shares purchased or sold will be determined by reference to a valuation of the Company's net assets at 4:30pm on the 1st and 15th (or the next business day) of each month.

The ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part. In this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant. Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued.

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point. Settlement is due four business days after the trade date shown on the contract note and should be made to the ACD's dealing account.

Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Certificates will not be issued. Annual statements in respect of distributions of revenue will show the number of shares held by the recipient in respect of which the distribution is paid. Individual statements of a shareholder's shares will also be issued at any time on request by the registered holder.

Where shares are sold, payment will be made not later than the close of business on the fourth business day following the next valuation point. Please note that shares sold within three years of purchase will be subject to a redemption charge. This charge is payable to the Company. It is not paid to the ACD or investment manager.

The most recent prices of shares are published by the ACD on its website.

Taxation of the Company

The Company will pay no corporation tax on its profits for the period and capital gains within the Company will not be taxed.

Shareholder engagement

Inpersca Limited's policies on shareholder engagement and the UK's Stewardship Code are available on request.