

# **MORAY PLACE INVESTMENT COMPANY**

**INVESTMENT MANAGER'S INTERIM REVIEW  
for the six months to 31 March 2025 (unaudited)**



## ABOUT YOUR COMPANY

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Moray Place Investment Company (MPIC) was formed on 2 May 2012 as an open-ended investment company and started trading on 15 May 2012. It is authorised and regulated by the Financial Conduct Authority in the UK as a non-UCITS retail scheme.

The company is intended to be a long-term investment vehicle for like-minded individuals. It is low-cost, straightforward and free of the conflicts of interest that bedevil the money management industry.

MPIC's objective is to preserve and then grow the purchasing power of its investors' capital. The investment manager believes that it is most meaningful to assess MPIC's progress over a full economic cycle, which is typically five to ten years. Over this time frame useful comparators include UK consumer price inflation, the yield on long-dated gilts, and equity indices.

MPIC expects to achieve its objective primarily through owning shares in established companies listed on stock exchanges around the world. It will not borrow, use derivatives, short-sell securities, or invest in property directly.

The investment approach is uncomplicated, disciplined and patient. The investment manager also believes that it is conservative, if idiosyncratic. MPIC is not designed to appeal to a broad constituency. It is only suitable for investors who can evaluate the merits and risks of such an approach: if you cannot, or it makes you uncomfortable, or it simply does not suit your psychology, you should not invest.

<b>Value of company at 31 March 2025</b>	£204m
<b>Authorised Corporate Director (ACD)</b>	Valu-Trac Investment Management Limited
<b>Investment manager</b>	Hollis Capital Limited
<b>Minimum investment</b>	Initial: £200,000 Subsequent: £10,000
<b>Dealing spread</b>	1%
<b>Ongoing charges</b> ( <i>annualised</i> )	0.42%
<b>Performance fee</b>	Not applicable
<b>Initial charges</b>	Not applicable
<b>Redemption charges</b>	5% for sales within 2 years of purchase; 2% for sales between 2 and 5 years of purchase <i>Paid to MPIC, not to the ACD or investment manager</i>
<b>Ex-dividend date</b>	30 September
<b>Dividend date</b>	30 November

## FINANCIAL SUMMARY

	At and for the period ended				
	31 Mar 2025	30 Sept 2024	30 Sept 2023	30 Sept 2022	30 Sept 2021
<b>Value of company</b>	£204.5m	£181.4m	£149.1m	£128.6m	£121.3m
<b>Shares outstanding</b>					
Accumulation	36.2m	35.1m	34.6m	34.8m	33.6m
Income	17.2m	16.2m	14.4m	12.5m	10.5m
<b>NAV per share (mid price)</b>					
Accumulation	400.4p	369.6p	316.1p	279.9p	281.6p
Income	348.0p	321.2p	278.8p	250.4p	255.5p
<b>Dividend per share</b>					
Accumulation	Nil	5.42p	4.31p	4.07p	3.64p
Income	Nil	4.78p	3.85p	3.69p	3.34p
<b>Effective liquidity</b>	16%	14%	14%	14%	14%
<b>Ongoing charges<sup>†</sup></b>	0.42%	0.44%	0.49%	0.49%	0.45%
<b>Portfolio turnover</b>	7%	3%	9%	3%	8%

<sup>†</sup> The Investment Association changed its definition of ongoing charges in 2022 to include the underlying costs of investment fund holdings. Investment trusts were included in this definition in 2022 and 2023 but not thereafter.

### Notes

The company started trading on 15 May 2012 when shares were issued at 100p each.  
Effective liquidity includes the investment in gold. More detail is shown on page 4.  
The ongoing charges figure is based on the average NAV during the period.  
Both the ongoing charges figure and portfolio turnover are annualised.

# LETTER TO SHAREHOLDERS

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Dear fellow shareholders

The company exists to protect and then grow the purchasing power of its investors' capital. I believe that owning businesses is the best way to achieve that aim. MPIC uses stock exchanges as a convenient way to own a variety of businesses.

There are two basic approaches to investing in quoted companies. One is to buy a share in anticipation of a rise in its valuation, sell at a profit, and repeat. This is the behaviour of most managers of other people's money. The second approach is to buy a superior business at a fair price, hold on, and grow with the underlying business. This is the behaviour of the owner of a small, passive stake in an unquoted business.

I favour the owners' approach. But it requires trustworthy business leaders. It also involves patience and inactivity, traits which seem contrary to human instincts. They are especially contrary to the instincts and incentives of financial agents. Even so, I find predicting changes in share valuations more difficult. I agree with Jack Bogle, who said: "The stockmarket is a giant distraction to the business of investing."

I designed MPIC to maximise the influence of owners and minimise the distractions that can occur when agents manage other people's money. Thus, I have most of my savings invested in MPIC. All co-investors have invested their savings in MPIC unaided by agents with fees to justify and careers to protect. Finally, as the investment manager, I seek companies with leaders who think like owners.

Cosmos, Yaoko and Genky are regional food and pharmacy retailers in Japan. All three remain 40% to 50% owned by their founding families. All three share a low profile, a long-term view, and a disregard for investment bankers' advice. All three are led by people who love the business, rather than by mercenaries who love the money.

All three are also uncommonly successful. Their financial success flows from focusing on what is important and controllable: giving great service to their customers. And note: the founding families do not appear to regard political turmoil, recessions or financial panics as reasons to sell their companies. Instead, they act as if troubled times are part of the inevitable ebb and flow of human endeavour.

Owing to these qualities, I judge that these three companies are led by people of purpose and integrity. As owners, they think and act differently. Importantly, they treat public shareholders such as MPIC with respect – not as unthinking money to be discreetly embezzled. Investing in quoted businesses is akin to being in a sidecar bound to a motorbike. I like to sit tight, attached to durable businesses steered by trustworthy owners.

I do not spend my time trading shares or trying to predict fluctuations in financial markets. I do spend my time seeking leaders of purpose and integrity, who think like owners. Exemplars of that ilk lead Cosmos, Yaoko and Genky. Yet, three years ago I had not heard of these companies. Indeed, for three decades I had ignored the whole Japanese stockmarket. That was a mistake. But one can always change, learn and improve. Investing is a craft that one can never master.

I am reminded of the author, Louis L'Amour. He once said, "Writing is a learning process. One never knows enough, and one is never good enough." As with writing, so with investing.

Peter Hollis

## PORTFOLIO AT 31 MARCH 2025

Security	Country	Holding	Value £'000	%	30 Sept 2024
Markel	US	11,500	16,488	8.1%	
Fairfax	Canada	11,000	12,254	6.0%	
Next	UK	100,000	11,065	5.4%	
Progressive Corp	US	44,000	9,623	4.7%	
Heineken Holding	Netherlands	170,000	9,477	4.6%	
BAT	UK	200,000	6,369	3.1%	
Ackermans & van Haaren	Belgium	38,000	6,361	3.1%	
Exor	Netherlands	90,000	6,322	3.1%	
Jardine Matheson Holdings	Singapore	190,000	6,232	3.1%	
Svenska Handelsbanken A	Sweden	650,000	5,661	2.8%	
Franco-Nevada	Canada	42,000	5,067	2.5%	
LG Corp	South Korea	140,000	4,761	2.3%	
JD Wetherspoon	UK	825,000	4,589	2.2%	
Ringkjøbing Landbobank	Denmark	30,000	4,138	2.0%	
U-Haul Holding Company Non-Vtg	US	76,500	3,530	2.0%	
U-Haul Holding Company	US	8,500	433		
Cosmos Pharmaceutical	Japan	100,000	3,886	1.9%	
Philip Morris International	US	30,000	3,661	1.8%	
Texas Pacific Land Trust	US	3,600	3,650	1.8%	
Yaoko	Japan	70,000	3,332	1.6%	
Remgro	South Africa	500,000	3,324	1.6%	
VP	UK	621,141	3,292	1.6%	
Admiral Group	UK	110,000	3,112	1.5%	
Bunzl	UK	90,000	2,669	1.3%	
Winmark	US	10,000	2,436	1.2%	
Investor B	Sweden	100,000	2,302	1.1%	
Jet2	UK	180,000	2,246	1.1%	
RLI	US	36,000	2,235	1.1%	
Ryanair <sup>†</sup>	Ireland	140,000	2,200	1.1%	
Hansa Investment Company A	UK	825,000	1,790	1.0%	
Hansa Investment Company Ord	UK	125,000	294		
Daiei Kankyo	Japan	140,000	2,067	1.0%	
Equity holdings of less than 1% (13)	Various		16,374	8.0%	
<b>Total equities</b>			<b>171,240</b>	<b>83.7%</b>	86.2%
Gold – collective trusts and funds (5)	Various		29,383	14.4%	
Cash and equivalents	Various		4,135	2.0%	
<b>Total effective liquidity</b>			<b>33,518</b>	<b>16.4%</b>	14.0%
<i>Adjustment to revalue assets from mid to bid</i>			-297	-0.1%	
<b>Total portfolio</b>			<b>204,461</b>	<b>100.0%</b>	

<sup>†</sup> A custodial error led to MPIC's Ryanair shares being compulsorily repurchased in September 2024. This error was resolved and reversed in December 2024 for no cost nor long-term consequence to MPIC shareholders.

# CORPORATE DIRECTORY

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**ACD, AIFM and Registrar**

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Authorised and regulated by the Financial Conduct Authority  
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**Investment Manager**

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**Depository**

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Authorised and regulated by the Financial Conduct Authority

**Auditor**

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