SHERBORNE INVESTORS (GUERNSEY) C LIMITED

Interim Report and Unaudited Condensed Consolidated Financial Statements
For the period from 1 January 2023 to 30 June 2023

Company Summary

The Company	Sherborne Investors (Guernsey) C Limited (the "Company") is a Guernsey domiciled limited company and its shares are admitted to trading on the London Stock Exchange's Specialist Fund Segment ("SFS"). The Company was incorporated on 25 May 2017. The Company commenced dealings on the SFS on 12 July 2017.
Investment Objective	To realise capital growth from investment in a target company identified by the Investment Manager, with the aim of generating a significant capital return for Shareholders.
Investment Policy	To invest in a company which is publicly quoted which it considers to be undervalued as a result of operational deficiencies and which it believes can be rectified by the Investment Manager's active involvement, thereby increasing the value of the investment. The Company will only invest in one target company at a time.
Investment Manager	Sherborne Investors Management LP provides investment management services to SIGC LLC. See Note 9 for details of changes in the period.

Chairman's Statement

For the period ended 30 June 2023

Dear Shareholder,

I am pleased to present the Interim Report of Sherborne Investors (Guernsey) C Limited (the "Company") for the period 1 January 2023 to 30 June 2023.

As at 30 June 2023, the net asset value ("NAV") attributable to shareholders of the Company was £570.6 million (30 June 2022: £464.1 million and 31 December 2022: £529.3 million) or 81.5 pence per share (30 June 2022: 66.3 pence per share and 31 December 2022: 75.6 pence per share) (see Note 8).

The Company co-invests in Navient Corporation ("Navient") with other investors through Newbury Investors LLC ("Newbury") which is managed by Sherborne Investors Management LP ("Sherborne Investors"). Newbury currently owns 24% of Navient's outstanding shares, making it the largest shareholder in Navient. Newbury has separately disclosed a 20.7% interest in the outstanding shares of the Company. The Company is pursuing its investment strategy through its indirect shareholding in Navient.

On 15 May 2023, it was announced that Navient's Chief Executive Officer had been terminated and that a member of the board had been appointed Chief Executive Officer. Sherborne Investors has advised the Board that they intend to work with the new Chief Executive Officer to achieve their investment objectives at Navient.

On 18 May 2023, it was announced by the Company that, it has been advised by the Investment Manager, that following the distribution to the Company of any proceeds from the Company's indirect investment in Navient, the Investment Manager does not intend to seek to recall any funds for further investment. To effectuate this, on 24 May 2023, SIGC, LP (Incorporated) (the "Investment Partnership") assigned to the Company the Investment Partnership's interest in SIGC LLC, as the constitutional documents of SIGC LLC do not permit the recall of distributed capital for reinvestment. As a result of the assignment, the Investment Partnership was dissolved by operation of its limited partnership agreement. For further details see Note 1 and Note 9 of the Condensed Consolidated Financial Statements.

For further information on Navient, including their strategy and performance, please refer to their publicly available financial statements and presentations available at www.sec.gov or Navient's website at www.navient.com.

I am pleased to announce that the Company is declaring a 0.5 pence per share dividend to be paid on 6 October 2023 to shareholders of record on 15 September 2023. The present intention is to pay a further 0.5 pence per share to shareholders following the full year results.

On 23 May 2023, the Company announced that all resolutions proposed at the 2023 AGM were passed with the necessary majority. One shareholder however voted against Mr Ash's re-election due to an internal policy regarding board attendance. The Board attempted to engage with the shareholder prior to the AGM without success, and has continued to attempt to engage with the shareholder subsequently.

The principal risks and uncertainties of the Company are in relation to performance risk, market risk, relationship risk and operational risk. These are unchanged from 31 December 2022, and further details may be found in the Directors' Report within the Annual Report and Audited Consolidated Financial Statements of the Company for the year ended 31 December 2022. The Directors will continue to assess the principal risks and uncertainties relating to the Company for the remaining six months of the year but expect these to remain unchanged.

Details of related party transactions during the period are included in Note 9 of the Condensed Consolidated Financial Statements.

We are grateful for your continued support and will keep you informed of the status of our investment as it develops.

Responsibility statement

We confirm that to the best of our knowledge:

- The condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted in the European Union;
- The interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and their impact on the condensed financial statements and description of principal risks and uncertainties for the remaining six months of the year);
- The interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein); and
- The condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or the undertakings included in the consolidation as a whole as required by DTR 4.2.4R.

Going Concern

The Condensed Consolidated Financial Statements have been prepared on the going concern basis. The net current asset position as at 30 June 2023 is £1.6 million. The Directors have considered the impact to the Company, as well as to Navient Corporation's ("Navient") and the Company's stock prices, of the current economic environment, including the current interest rates and inflationary environment, and have concluded that there is no impact on the going concern. At 30 June 2023 the Company had a NAV of £570.6 million. The Company, via its investment in SIGC LLC and other funds (the "Funds"), has sufficient liquid assets to meet expected costs. The Investment Manager, has the full intent and ability to provide the Company with funds as and if required. Therefore, after making enquiries and based on the sufficient cash reserves as at 30 June 2023, the Directors are of the opinion that the Company has adequate resources to continue its operational activities for the foreseeable future. The Board is therefore of the opinion that the going concern basis should be adopted in the preparation of the Condensed Consolidated Financial Statements.

Independent Auditor's Review Report to the Members of Sherborne Investors (Guernsey) C Limited

We have been engaged by the Company to review the condensed consolidated set of financial statements in the half-yearly financial report for the six months ended 30 June 2023 which comprises the condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and related notes 1 to 12.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated set of financial statements in the half-yearly financial report for the six months ended 30 June 2023 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted in the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the company are prepared in accordance with international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 as adopted by the European Union, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, 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.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Condensed Consolidated Statement of Comprehensive Income (Unaudited)

For the period from 1 January 2023 to 30 June 2023

	Notes	1 January 2023 to 30 June 2023 (unaudited) £	£	1 January 2022 to 30 June 2022 (unaudited) £	£	1 January 2022 to 31 December 2022 (audited) £	£
Income	**1(e)**						
Unrealised gain/(loss) on financial assets at fair value through profit or loss	**1(d), 5**		47,380,435		(114,319,958)		(42,799,033)
Interest income			3,237		-		853
Total income/(loss)			47,383,672		(114,319,958)		(42,798,180)
Expenses	**1(f)**						
Management fees	**9**	2,087,689		2,119,512		4,329,768	
Professional fees	**2**	252,614		181,140		342,753	
Directors' fees	**2, 9**	105,791		80,000		160,000	
Administrative fees		73,206		70,539		141,574	
Other fees		2,265		13,167		210,045	
Foreign exchange gain		81,405		(452,033)		(428,695)	
Total operating expenses			2,602,970		2,012,325		4,755,445
Comprehensive income/(loss)			**44,780,702**		**(116,332,283)**		**(47,553,625)**
Comprehensive income/(loss) attributable to:							
Equity Shareholders			**44,771,098**		**(116,309,767)**		**(47,546,039)**
Non-controlling interest (NCI)	**1(b)**		**9,604**		**(22,516)**		**(7,586)**
Weighted average number of shares outstanding	**4**		**700,000,000**		**700,000,000**		**700,000,000**
Basic and diluted (deficit)/earnings per share attributable to shareholders (excluding NCI)	**4**		**6.40p**		**(16.62)p**		**(6.79)p**

All revenue and expenses are derived from continuing operations.

Although not required by IAS 34 – 'Interim Financial Reporting', the comparative figures for the preceding year and the related notes have been included on a voluntary basis.

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Condensed Consolidated Statement of Financial Position (Unaudited)

As at 30 June 2023

	Notes	30 June 2023 (unaudited) £	£	30 June 2022 (unaudited) £	£	31 December 2022 (audited) £	£
Non-Current Assets							
Financial assets at fair value through profit or loss	**1(d), 5**		569,043,450		458,563,506		524,662,582
			569,043,450		**458,563,506**		**524,662,582**

Current Assets							
Cash and cash equivalents	**1(h)**	1,665,200		5,675,805		4,974,113	
Prepaid expenses		50,934		46,864		29,831	
		1,716,314		**5,722,669**		**5,003,944**	
Current Liabilities							
Trade and other payables	**1(i), 6**	149,329		124,953		227,346	
		149,329		**124,953**		**227,346**	
Net Current Assets			**1,566,805**		**5,597,716**		**4,776,598**
Net Assets			**570,610,255**		**464,161,222**		**529,439,180**
Capital and Reserves							
Called up share capital and share premium	**7**		688,939,403		688,939,403		688,939,403
Retained reserves			(118,329,148)		(224,874,682)		(159,610,954)
Equity attributable to the Company			570,610,255		464,064,721		529,328,449
Non-controlling interest (NCI)	**1(b)**		-		96,501		110,731
Total Equity			**570,610,255**		**464,161,222**		**529,439,180**
NAV Per Share (excluding NCI)	**8**		**81.52p**		**66.29p**		**75.62p**

The Condensed Consolidated Financial Statements were approved by the Board of Directors for issue on 25 August 2023.

Although not required by IAS 34 – 'Interim Financial Reporting', the comparative figures for the preceding year and the related notes have been included on a voluntary basis.

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the period from 1 January 2023 to 30 June 2023

	Notes	Share Capital and Share Premium £	Retained Reserves £	Non-Controlling Interest £	Total Equity £
Balance at 1 January 2023 (audited)		**688,939,403**	**(159,610,954)**	**110,731**	**529,439,180**
Comprehensive income		-	44,771,098	9,604	44,780,702
Distributions		-	(3,500,000)	(103,982)	(3,603,982)
Non-Controlling Interest transfer		-	10,708	(16,353)	(5,645)
Balance at 30 June 2023 (unaudited)		**688,939,403**	**(118,329,148)**	**-**	**570,610,255**

	Share Capital and Share Premium £	Retained Reserves £	Non-Controlling Interest £	Total Equity £
Balance at 1 January 2022 (audited)	**688,939,403**	**(112,276,754)**	**3,830,856**	**580,493,505**

	Notes				
Comprehensive loss		-	(116,309,767)	(22,516)	(116,332,283)
Incentive allocation	9	-	3,711,839	(3,711,839)	-
Balance at 30 June 2022 (unaudited)		**688,939,403**	**(224,874,682)**	**96,501**	**464,161,222**

		Share Capital and Share Premium £	Retained Reserves £	Non-Controlling Interest £	Total Equity £
Balance at 1 January 2022 (audited)		**688,939,403**	**(112,276,754)**	**3,830,856**	**580,493,505**
Comprehensive loss		-	(47,546,039)	(7,586)	(47,553,625)
Incentive allocation	9	-	3,711,839	(3,711,839)	-
Distributions		-	(3,500,000)	(700)	(3,500,700)
Balance at 31 December 2022 (audited)		**688,939,403**	**(159,610,954)**	**110,731**	**529,439,180**

Although not required by IAS 34 – 'Interim Financial Reporting', the comparative figures for the preceding year and the related notes have been included on a voluntary basis.

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Condensed Consolidated Statement of Cash Flows (Unaudited)

For the period from 1 January 2023 to 30 June 2023

	Notes	1 January 2023 to 30 June 2023 (unaudited) £	1 January 2022 to 30 June 2022 (unaudited) £	1 January 2022 to 31 December 2022 (audited) £
Net cash flow used in operating activities	See below	**(2,702,090)**	**(2,045,297)**	**(4,668,991)**
Investing activities				
Contribution to investments	5	(633,786)	-	-
Distributions from investments	5	3,633,353	2,694,436	8,116,285
Non-Controlling Interest transfer		(5,645)	-	-
Interest income		3,237	-	853
Net cash flow from investing activities		**2,997,159**	**2,694,436**	**8,117,138**
Financing activities				
Distributions to non-controlling interest	11	(103,982)	-	(700)
Distributions to shareholders	11	(3,500,000)	-	(3,500,000)
Net cash flow used in financing activities		**(3,603,982)**	-	**(3,500,700)**
Net movement in cash and cash equivalents		(3,308,913)	649,139	(52,553)
Opening cash and cash equivalents		4,974,113	5,026,666	5,026,666
Closing cash and cash equivalents		**1,665,200**	**5,675,805**	**4,974,113**

Net cash flow used in operating activities

Comprehensive income/(loss)		44,780,702	(116,332,283)	(47,553,625)
Unrealised (gain)/loss on financial assets at fair value through profit or loss	5	(47,380,435)	114,319,958	42,799,033
Movement in prepaid expenses		(21,103)	(29,275)	(12,242)
Movement in trade and other payables	6	(78,017)	(3,697)	98,696

Interest income	(3,237)	-	(853)
Net cash flow used in operating activities	**(2,702,090)**	**(2,045,297)**	**(4,668,991)**

Although not required by IAS 34 – 'Interim Financial Reporting', the comparative figures for the preceding year and the related notes have been included on a voluntary basis.

The accompanying notes form an integral part of these Condensed Consolidated Financial Statements.

Notes to the Condensed Consolidated Financial Statements

For the period from 1 January 2023 to 30 June 2023

1. Summary of significant accounting policies

Reporting entity

Sherborne Investors (Guernsey) C Limited (the "Company") is a closed-ended investment company with limited liability formed under the Companies (Guernsey) Law, 2008 (as amended). The Company was incorporated and registered in Guernsey on 25 May 2017. The Company commenced dealings on the London Stock Exchange's Specialist Fund Segment on 12 July 2017. The Company's registered office is 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, Channel Islands, GY1 2HL. During the period SIGC Midco Limited, a former wholly-owned subsidiary of the Company, was dissolved and liquidated. Also during the period, the investment manager of SIGC, LP (Incorporated) (the "Investment Partnership"), a subsidiary of the Company, advised the Company that following the distribution to the Company of any proceeds from the Company's indirect investment in Navient Corp., it does not intend to seek to recall any funds for further investment. To effectuate this, the Investment Partnership's investment manager assigned to the Company the Investment Partnership's interest in SIGC LLC, as the constitutional documents of SIGC LLC do not permit the recall of distributed capital for reinvestment. As a result of the assignment, the Investment Partnership was dissolved by operation of its limited partnership agreement. The liquidation of the Investment Partnership's remaining residual net assets is being finalised and as such the Investment Partnership's results for the period are included in these Condensed Consolidated Financial Statements. The "Group" is defined as the Company and its subsidiaries, SIGC, LP (Incorporated) and SIGC Midco Limited (up until its liquidation). Both subsidiaries were established/incorporated in Guernsey.

Basis of preparation

The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted in the European Union. The financial information for the year ended 31 December 2022, as included in this Interim Report, is derived from the financial statements delivered to the Listing Authority and does not constitute statutory accounts as defined by the Companies (Guernsey) Law, 2008 (as amended). The Auditor reported in the statutory financial statements for the year ended 31 December 2022: their report was unqualified; did not draw attention to going concern by way of emphasis; and did not contain a statement under Section 263(2) or 263(3) of the Companies (Guernsey) Law, 2008 (as amended).

The Condensed Consolidated Financial Statements of the Group have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' ("IAS 34") as adopted in the European Union, together with applicable legal and regulatory requirements of Guernsey Law. The Directors of the Company have taken the exemption in Section 244 of the Companies (Guernsey) Law, 2008 (as amended) and have therefore elected to only prepare Condensed Financial Statements for the period.

These Condensed Consolidated Financial Statements have been prepared on the historical cost basis, as modified by the measurement at fair value of investments. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim period.

Going concern

The Condensed Consolidated Financial Statements have been prepared on the going concern basis. The net current asset position as at 30 June 2023 is £1.6 million. The Directors have considered the impact to the Company, as well as to Navient Corporations's ("Navient") and the Company's stock prices, of the current economic environment, including the current interest rates and inflationary environment, and have concluded that there is no impact on the going concern. At 30 June 2023 the Company had a NAV of £570.6 million. The Company, via its investment in SIGC LLC and other funds (the "Funds"), has sufficient liquid assets to meet expected costs. The Investment Manager of the Funds has the full intent and ability to provide the Company with funds as and if required. After making enquiries of Sherborne Investors Management LP, the investment manager of SIGC LLC (the "Investment Manager") and Apex Fund and Corporate Services (Guernsey) Limited (the "Administrator") and based on the sufficient cash reserves as at 30 June 2023, the Directors have a reasonable expectation that the Company has adequate resources to continue its operational activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing these Condensed Consolidated Financial Statements.

Critical accounting judgments and key sources of estimation uncertainty

The preparation of the Group's Condensed Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingencies at the date of the Group's Condensed Consolidated Financial Statements and revenue and expenses during the reported period. Actual results could differ from those estimated.

i) Critical accounting judgement: Incentive allocation

As more fully described in Note 9, until 24 May 2023 when the Investment Partnership was dissolved, the Special Limited Partner was entitled to receive an incentive allocation once aggregate distributions to partners of the Investment Partnership exceed a certain level. The basis of the incentive calculation differs depending on how the investment in the Selected Target Company ("STC") is ultimately characterised (i.e. as a Turnaround or Stake Building Investment). The incentive allocation has been computed on a Stake Building Investment basis, as it does not meet the criteria of a Turnaround investment.

ii) Critical accounting judgement: Consolidation of entities

As described further in Note 5, as of 30 June 2023 the Group holds a non-controlling interest in SIGC LLC (formerly known as Whistle Investors III LLC). Whilst the Group holds a majority interest in SIGC LLC and holds access to the rewards and benefits, it does not exercise control over the day to day operations nor does it have the ability to remove the controlling party. As such, SIGC LLC is not considered a subsidiary and is not consolidated but held at fair value through profit or loss.

iii) Source of estimation uncertainty: Financial assets at fair value through profit or loss

The Group's investments are measured at fair value for financial reporting purposes. The fair value of financial assets are based on the net asset value ("NAV") of the investment. The main contribution to their NAV is the quoted closing price of the STC and the Company at 30 June 2023, together with cash balances. Please see Note 5 for further details.

Adoption of new and revised standards

(i) New standards adopted as at 1 January 2023:

The following standards are effective for the first time for the financial period beginning 1 January 2023 and are relevant to the Group and Company's operations:

- IAS 1 (amended), 'Presentation of Financial Statements',
- IAS 8 (amended), 'Accounting Policies, Changes in Accounting Estimates and Errors'.

The above standards have been adopted and did not have a material impact on the financial statements.

(ii) Standards, amendments and interpretations early adopted by the Group:

There were no standards, amendments and interpretations early adopted by the Group.

(iii) Standards, amendments and interpretations in issue but not yet effective:

Unless stated otherwise, the Directors do not consider the adoption of any new and revised accounting standards and interpretations to have a material impact as the new standards or amendment are not relevant to the operations of the Group.

a. Basis of consolidation

The Condensed Consolidated Financial Statements incorporate the financial statements of the Company and two entities previously controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. Investments where a majority interest is held but control is not achieved are held at fair value through profit or loss.

Non-controlling interests in the net assets of the consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling entities' share of changes in equity since the date of the combination. Losses applicable to the non-controlling entities in excess of their interest in the subsidiaries equity are allocated against their interests to the extent that this would create a negative balance.

Where necessary, adjustments are made to the financial statements of the subsidiary to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances and expenses are eliminated on consolidation.

The Company, via SIGC Midco Limited, a 100% owned subsidiary until its dissolution and liquidation in early 2023, owned 99.98% of the capital interest in the Investment Partnership until its dissolution in May 2023. Whilst the General Partner of the Investment Partnership, a company registered in Delaware, USA, was responsible for directing the day to day operations of the Investment Partnership, the Company, through its majority interest in the Investment Partnership, had the ability to approve the proposed investment of the Investment Partnership and to remove the general partner. The liquidation of the Investment Partnership's remaining residual net assets is being finalised and hence, the Company has consolidated the Investment Partnership and SIGC Midco Limited (up until its liquidation) in its financial statements.

b. Non-controlling interest

The interest of non-controlling parties in the subsidiary is measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

c. Functional currency

Items included in the Condensed Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the entity operates. The Condensed Consolidated Financial Statements are presented in Pound Sterling ("£"), which is the Group's functional and presentational currency. Transactions in currencies other than £ are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the date of the Condensed Consolidated Statement of Financial Position are retranslated into £ at the rate of exchange ruling at that date. Exchange differences are reported in the Condensed Consolidated Statement of Comprehensive Income.

d. Financial assets at fair value through profit or loss

Investments, including equity investments in associates, are designated as fair value through profit or loss in accordance with IFRS 9 'Financial instruments', as the Group's business model is to invest in financial assets with a view to profiting from their total return in the form of interest and changes in fair value. Under International Accounting Standard 28 'Investments in Associates', the fund can hold its investments at fair value through profit or loss rather than as an associate as the Investment Partnership is a closed-ended fund.

Investments in voting shares and derivative contracts are initially recognised at cost and are subsequently re-measured at fair value, as determined by the Directors. Unrealised gains or losses arising from the revaluation of investments in voting shares and derivative contracts are taken directly to the Condensed Consolidated Statement of Comprehensive Income.

The Group's investments are measured at fair value for financial reporting purposes as described earlier in Note 1 under critical accounting judgements and key sources of estimation uncertainty.

In determining fair value in accordance with IFRS 13 'Fair Value Measurement' ("IFRS 13"), investments measured and reported at fair value are classified and disclosed in one of the following categories within the fair value hierarchy:

Level I - An unadjusted quoted price for identical assets and liabilities in an active market provides the most reliable evidence of fair value and is used to measure fair value whenever available. As required by IFRS 13, the Group will not adjust the quoted price for these investments, even in situations where it holds a large position and a sale could reasonably impact the quoted price.

Level II - Inputs are other than unadjusted quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level III - Inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgement or estimation.

The Group's investments are summarised by Level in Note 5. On disposal of shares, cost of investments are allocated on a first in, first out basis.

e. Revenue recognition

Investment income and interest receivable from short-term deposits and Treasury gilts are recognised on an accruals basis. Where receipt of investment income is not likely until the maturity or realisation of an investment then the investment income is accounted for as an increase in the fair value of the investment.

f. Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the Condensed Consolidated Statement of Comprehensive Income in the period in which they occur.

g. Prepaid expenses and trade receivables

Trade and other receivables are initially recognised at fair value and subsequently, where necessary, re-measured at amortised cost using the effective interest method. A provision for impairment of trade receivables is established when there is objective evidence the Group will not be able to collect all amounts due according to the original terms of the receivables. The Group only holds trade receivables with no financing component and which have maturities of less than 12 months at amortised cost and has therefore applied the simplified approach to expected credit loss.

h. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the Condensed Consolidated Statement of Cash Flows. The carrying amount of these assets approximate their fair value, unless otherwise stated.

i. Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently, where necessary, re-measured at amortised cost using the effective interest method.

j. Financial instruments

Financial assets and liabilities are recognised in the Group's Condensed Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

k. Segmental reporting

As the Group invests in one investee company, there is no segregation between industry, currency or geographical location and therefore no further disclosures are required in conjunction with IFRS 8 'Operating Segments'.

l. Incentive allocation

Until 24 May 2023 when the Investment Partnership was dissolved, the incentive allocation was accounted for on an accruals basis (see also Note 9). The incentive allocation was payable to the non-controlling interest and would therefore be recognised in the Condensed Consolidated Statement of Changes in Equity rather than recognised as an expense in the Condensed Consolidated Statement of Comprehensive Income.

2. Comprehensive income/(loss)

The comprehensive income/(loss) has been arrived at after charging:

	1 January 2023 to 30 June 2023	**1 January 2022 to 30 June 2022**	**1 January 2022 to 31 December 2022**
	£	**£**	**£**
Directors' fees	105,791	80,000	160,000
Auditor's remuneration – Audit	47,000	19,806	47,000
Auditor's remuneration – Interim review	28,000	24,150	28,000

3. Tax on ordinary activities

The Company has been granted exemption from income tax in Guernsey under the Income Tax (Exempt Bodies) (Bailiwick of Guernsey) Ordinance 1989 and is liable to pay an annual fee (currently £1,200) under the provisions of the Ordinance. As such it will not be liable to income tax in Guernsey other than on Guernsey source income (excluding deposit interest on funds deposited with a Guernsey bank). No withholding tax is applicable to distributions to Shareholders by the Company.

The Investment Partnership was not itself subject to taxation in Guernsey. No withholding tax is applicable to distributions to partners of the Investment Partnership.

Income which is wholly derived from the business operations conducted on behalf of the Investment Partnership with, and investments made in, persons or companies who are not resident in Guernsey will not be regarded as Guernsey source income. Such income will not therefore be liable to Guernsey tax in the hands of non-Guernsey resident limited partners.

4. Earnings per share

The calculation of basic and diluted earnings per share is based on the return on ordinary activities less total comprehensive income attributable to the non-controlling interest and on there being 700,000,000 weighted average number of shares in issue during the period (30 June 2022: 700,000,000 and 31 December 2022: 700,000,000). The earnings per share attributable to shareholders for the period ended 30 June 2023 amounted to 6.40 pence per share (period ended 30 June 2022: a deficit of 16.62 pence per share and year ended 31 December 2022: a deficit of 6.79 pence per share).

Date	Shares	Days in issue	Weighted Average Shares
30 June 2023	700,000,000	181	700,000,000
31 December 2022	700,000,000	365	700,000,000

5. Financial assets at fair value through profit or loss

	As at 30 June 2023 £	As at 30 June 2022 £	As at 31 December 2022 £
Opening fair value	524,662,582	575,577,900	575,577,900
Contribution to investments	633,786	-	-
Distributions from investments	(3,633,353)	(2,694,436)	(8,116,285)
Unrealised gain/(loss) on financial assets at fair value through profit or loss	47,380,435	(114,319,958)	(42,799,033)
Closing fair value	**569,043,450**	**458,563,506**	**524,662,582**

The following tables summarise by level within the fair value hierarchy the Group's financial assets and liabilities at fair value as follows:

30 June 2023	Level I £	Level II £	Level III £	Total £
Financial assets at fair value through profit and loss	-	-	569,043,450	569,043,450

30 June 2022	Level I £	Level II £	Level III £	Total £
Financial assets at fair value through profit and loss	-	-	458,563,506	458,563,506

31 December 2022	Level I £	Level II £	Level III £	Total £
Financial assets at fair value through profit and loss	-	-	524,662,582	524,662,582

As at 30 June 2023, the Group's investment consists solely of a non-controlling interest in SIGC LLC (formerly Whistle Investors III LLC) which was organised to invest in the STC. With SIGC LLC's balance sheet being measured at fair value, the NAV of SIGC LLC provides the best estimate of fair value for the Company's investment in SIGC LLC. SIGC LLC's investment, via an intermediary, consisted of its non-controlling interest in Newbury Investors LLC ("Newbury"). Newbury's investment in the STC consisted of both common stock of Navient and of the Company. The Investment Manager continually evaluates the optimal allocation of Newbury's ownership of shares in Navient versus those of the Company. The Investment Manager may from time to time buy or sell shares in Navient and the Company to adjust the allocation. Some of the factors in the allocation decision include the relative liquidity of the shares of Navient and the Company, the discount to net asset value at which the Company's shares trade and various tactical considerations, and general market conditions. Furthermore, the level III investments disclosed in the financial statements are solely comprised of the Company's non-controlling interest in SIGC LLC. The value of those investments equated to the Company's maximum exposure to loss from SIGC LLC and Newbury.

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

	As at 30 June 2023 £	As at 30 June 2022 £	As at 31 December 2022 £
Opening fair value	524,662,582	575,577,900	575,577,900

Contribution to investments	633,786	-	-
Distributions from investments	(3,633,353)	(2,694,436)	(8,116,285)
Unrealised gain/(loss) on financial assets at fair value through profit or loss	47,380,435	(114,319,958)	(42,799,033)
Closing fair value	**569,043,450**	**458,563,506**	**524,662,582**

Capital contributions made during the period ended 30 June 2023 were made based on excess cash held at the Investment Partnership prior to its dissolution. Capital distributions made during the period ended 30 June 2023 were made to fund the Company's dividend payment.
Capital distributions made during the year ended 31 December 2022 were made to return excess funds drawn including the funding of the Company's dividend payment.

The key unobservable inputs in the valuation of the Level III investment is the value of SIGC LLC's indirect non-controlling interests in the underlying intermediaries which is impacted by the share price of Navient and the Company.

6. Trade and other payables

	As at 30 June 2023 £	As at 30 June 2022 £	As at 31 December 2022 £
Professional fees payable	29,159	40,151	144,628
Administration fees payable	36,685	33,119	33,633
Audit fees payable	51,500	51,683	47,000
Other payables	31,985	-	2,085
Total	**149,329**	**124,953**	**227,346**

7. Consolidated share capital and share premium

	As at 30 June 2023	As at 30 June 2022	As at 31 December 2022
Authorised share capital	**No.**	**No.**	**No.**
Ordinary Shares of no par value	Unlimited	Unlimited	Unlimited
Issued and fully paid	**No.**	**No.**	**No.**
Ordinary Shares of no par value	700,000,000	700,000,000	700,000,000

	As at 30 June 2023	As at 30 June 2022	As at 31 December 2022
Share premium account	**£**	**£**	**£**
Share premium account upon issue	700,000,000	700,000,000	700,000,000
Less: Costs of issue	(11,060,597)	(11,060,597)	(11,060,597)
Closing balance	**688,939,403**	**688,939,403**	**688,939,403**

8. Net asset value per share attributable to the Company

	No. of Shares	Pence per Share
30 June 2023	700,000,000	81.52
30 June 2022	700,000,000	66.29
31 December 2022	700,000,000	75.62

9. Related party transactions

The Investment Partnership and its General Partner engaged Sherborne Investors Management (Guernsey) LLC to serve as Investment Manager until the Investment Partnership's dissolution as disclosed in Note 1. The Investment Manager was entitled to receive from the Investment Partnership a monthly management fee equal to one-twelfth of 1% of the net asset value of the Investment Partnership, less cash and cash equivalents and certain other adjustments. During the period, management fees of £2,087,689 (period ended 30 June 2022: £2,119,512 and year ended 31 December 2022: £4,329,768) had been paid by the Investment Partnership. No balance was outstanding at the period end (period ended 30 June 2022: £Nil and year ended 31 December 2022: £Nil).

The Special Limited Partner interest was held by Sherborne Investors LP until the Investment Partnership's dissolution as disclosed in Note 1. The Special Limited Partner was entitled to receive an incentive allocation once aggregate distributions to partners of the Investment Partnership, of which one was the Company, exceeded a certain level of capital contributions to the Investment Partnership, excluding amounts contributed attributable to management fees.

For Turnaround investments, the incentive allocation was computed at 10% of the distributions to all partners in excess of 110%, increasing to 20% of the distributions to all partners in excess of 150% and increasing to 25% of the distributions to all partners in excess of 200% of capital contributions, excluding amounts contributed attributable to management fees. An investment was considered a Turnaround investment when a member of the General Partner is appointed chairman of, or accepts an executive role at, the STC.

If, after acquiring a shareholding, the share price of the STC rises to a level at which further investment and the effort of a Turnaround is, in the Investment Manager's opinion, no longer justified or otherwise no longer presents a viable Turnaround opportunity, the Investment Partnership intends to sell (and distribute the proceeds to the Company) or distribute in kind the holding to the limited partners (in each case after deductions for any costs and expenses and for the Investment Partnership's Minimum Capital Requirements and subject to applicable law and regulation), rather than seeking to join the Board of Directors or otherwise engage with the STC (a "Stake Building Investment").

For Stake Building Investments, the incentive allocation was computed at 20% of net returns on the investment of the Investment Partnership, such amount to be payable after each partner in the Investment Partnership has had distributed to it an amount equal to its aggregate capital contribution to the Investment Partnership in respect to the Stake Building Investment (excluding any capital contributions attributable to management fees). The Special Limited Partner may waive or defer all or any part of any incentive allocation otherwise due.

At 30 June 2023, there is no incentive allocation payable by the Investment Partnership. At 30 June 2022 and 31 December 2022, the incentive allocation was calculated based on a stake building basis and amounted to £nil.

The Investment Manager and managing member of SIGC LLC are entitled pursuant to its constitutional documents, to receive a management fee and incentive allocation, respectively, from SIGC LLC on the same economic terms as the Investment Partnership's Investment Manager and the Special Limited Partner.

Each of the Directors (other than the Chairman) receives a fee payable by the Company currently at a rate of £35,000 per annum. The Chairman of the Audit Committee receives £5,000 per annum in addition to such fee. The Chairman receives a fee payable by the Company currently at the rate of £50,000 per annum.

Individually and collectively, the Directors of the Company hold no shares of the Company as at 30 June 2023 (30 June 2022: Nil and 31 December 2022: Nil).

Sherborne Investors GP, LLC has granted to the Company a non-exclusive licence to use the name "Sherborne Investors" in the UK and the Channel Islands in the corporate name of the Company and in connection with the conduct of the Company's business affairs. The Company may not sub-licence or assign its rights under the Trademark Licence Agreement. Sherborne Investors GP, LLC receives a fee of £70,000 per annum for the use of the licenced name.

10. Financial risk factors

The Group's investment objective is to realise capital growth from investment in the STC, identified by the Investment Manager, with the aim of generating significant capital return for Shareholders. Consistent with that objective, the Group's financial instruments mainly comprise an investment in a STC. In addition, the Group holds cash and cash equivalents as well as having trade and other receivables and trade and other payables that arise directly from its operations.

Liquidity risk

The Group's cash and cash equivalents are placed in demand deposits with a range of financial institutions. The listed investment in the STC could be partially redeemed relatively quickly (within 3 months) should the Group need to meet obligations or ongoing expenses as and when they fall due.

The following table details the liquidity analysis for financial liabilities at the date of the Condensed Consolidated Statement of Financial Position:

As at 30 June 2023	Less than 1 month	1 - 12 months	Total

	£	£	£
Trade and other payables	4,000	145,329	149,329
	4,000	**145,329**	**149,329**

As at 30 June 2022	**Less than 1 month** £	**1 - 12 months** £	**Total** £
Trade and other payables	5,014	119,939	124,953
	5,014	**119,939**	**124,953**

As at 31 December 2022	**Less than 1 month** £	**1 - 12 months** £	**Total** £
Trade and other payables	116,928	110,418	227,346
	116,928	**110,418**	**227,346**

Credit risk

The Group is exposed to credit risk in respect of its cash and cash equivalents, arising from possible default of the relevant counterparty, with a maximum exposure equal to the carrying value of those assets. The credit risk on liquid funds is mitigated through the Group depositing cash and cash equivalents across several banks. The Group is exposed to credit risk in respect of its trade receivables and other receivable balances with a maximum exposure equal to the carrying value of those assets. The Bank of New York Mellon currently has a stand-alone credit rating of AA- with Standard & Poor's (31 December 2022: AA- with Standard & Poor's), Royal Bank of Scotland International has a stand-alone credit rating of A- with Standard & Poor's (31 December 2022: A- with Standard & Poor's) whilst Barclays Bank PLC has a standalone credit rating of A with Standard & Poor's (30 June 2022: A with Standard & Poor's and 31 December 2022: A with Standard & Poor's). The Group considers these ratings to be acceptable.

Market price risk

Market price risk arises as a result of the Group's exposure to the future values of the share price of the STC, including the share price of Navient and the Company. It represents the potential loss that the Group may suffer through investing in the STC.

As at 30 June 2023, the share price of Navient and the Company were 18.58 US dollars per share and 59.25 pence per share, respectively, which produced the Group's NAV of £570.6 million. At 30 June 2023 a 10% increase in the share price of Navient and the Company would increase the Group's NAV by approximately £34.6 million. At 30 June 2023 a 10% decrease in the share price of Navient and the Company would decrease the Group's NAV by approximately £53.3 million.

Foreign exchange risk

Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. The Investment Manager monitors the Group's monetary and non-monetary foreign exchange exposure on a regular basis. The Group has limited direct foreign exchange risk exposure. SIGC LLC's investment in the US based STC during the year exposes SIGC LLC to foreign currency risk, however, as a Group this is considered as part of market price risk.

Interest rate risk

The Group is subject to risks associated with changes in interest rates in respect of interest earned on its cash and cash equivalents. The Group seeks to mitigate this risk by monitoring the placement of cash balances on an ongoing basis in order to maximise the interest rates obtained.

As at 30 June 2023	**Interest bearing**				
	Less than 1 month £	**1 month to 3 months** £	**3 months to 1 year** £	**Non- interest bearing** £	**Total** £
Assets					
Cash and cash equivalents	1,665,200	-	-	-	1,665,200

Financial assets at fair value through profit or loss	-	-	-	569,043,450	569,043,450
Prepaid expenses	-	-	-	50,934	50,934
Total Assets	**1,665,200**	**-**	**-**	**569,094,384**	**570,759,584**
Liabilities					
Other payables	-	-	-	149,329	149,329
Total Liabilities	**-**	**-**	**-**	**149,329**	**149,329**

As at 30 June 2022	**Interest bearing**				
	Less than 1 month £	**1 month to 3 months £**	**3 months to 1 year £**	**Non- interest bearing £**	**Total £**
Assets					
Cash and cash equivalents	5,675,805	-	-	-	5,675,805
Financial assets at fair value through profit or loss	-	-	-	458,563,506	458,563,506
Prepaid expenses	-	-	-	46,864	46,864
Total Assets	**5,675,805**	**-**	**-**	**458,610,370**	**464,286,175**
Liabilities					
Other payables	-	-	-	124,953	124,953
Total Liabilities	**-**	**-**	**-**	**124,953**	**124,953**

As at 31 December 2022	**Interest bearing**				
	Less than 1 month £	**1 month to 3 months £**	**3 months to 1 year £**	**Non- interest bearing £**	**Total £**
Assets					
Cash and cash equivalents	4,974,113	-	-	-	4,974,113
Financial assets at fair value through profit or loss	-	-	-	524,662,582	524,662,582
Prepaid expenses	-	-	-	29,831	29,831
Total Assets	**4,974,113**	**-**	**-**	**524,692,413**	**529,666,526**
Liabilities					
Other payables	-	-	-	227,346	227,346
Total Liabilities	**-**	**-**	**-**	**227,346**	**227,346**

As at 30 June 2023, the total interest sensitivity gap for interest bearing items was a surplus of £1,665,200 (30 June 2022: surplus of £5,675,805 and 31 December 2022: surplus of £4,974,113).

As at 30 June 2023, interest rates reported by the Bank of England were 5.0% (30 June 2022: 1.25% and 31 December 2022: 3.5%) which would equate to net income of £83,269 (period ended 30 June 2022: £70,948 and year ended 31 December 2022: £174,094) per annum if interest bearing assets remained constant. If interest rates were to fluctuate by 100 basis points (period ended 30 June 2022: 50 basis points and year ended 31 December 2022: 200 basis points), this would have a positive or negative effect of £16,654 (period ended 30 June 2022 a positive or negative effect of £56,758 and year ended 31 December 2022: a positive or negative effect of £49,741) on the Group's annual income.

Capital risk management

The capital structure of the Company consists of proceeds raised from the issue of Ordinary Shares. As at 30 June 2023, the Group is not subject to any external capital requirement.

The Directors believe that at the date of the Condensed Consolidated Statement of Financial Position there were no other material risks associated with the management of the Group's capital.

11. Distributions

Distributions of £103,982 were paid by the Group to non-controlling interests during the period (period ended 30 June 2022: £Nil and year ended 31 December 2022: £700). Distributions of £3.5 million were paid by the Group to shareholders (period ended 30 June 2022 and year ended 31 December 2022: £3.5 million).

12. Subsequent events

The Company has declared a dividend of 0.5 pence per share, payable on 6 October 2023 to shareholders on the register at 15 September 2023.

During August 2023, SIGC LLC distributed to the company £3.0 million to fund the Company's upcoming dividend payment.

There were no other material subsequent events that require disclosure in the condensed consolidated financial statements.