

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND
(formerly Marlborough UK Micro-Cap Growth Fund)

Interim Report and Unaudited Financial Statements
for the six month period ended 31 January 2022

IFSL

— Fund Services —

Marlborough

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

CONTACT INFORMATION

Authorised Fund Manager and Registrar

(from 26 November 2021)

Investment Fund Services Limited (IFSL)
Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

Directors of Investment Fund Services Limited

Andrew Staley (Non-Executive)
Allan Hamer
Wayne D Green - resigned 24 March 2022
Helen Redmond
Helen Derbyshire
David Kiddie (Non-Executive) - resigned on 2 December 2021
Guy Sears (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

Trustee

HSBC Bank plc
8 Canada Square
London
E14 5HQ

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Investment Adviser

Hargreave Hale Limited
88 Wood Street
London
EC2V 7QR

Authorised and regulated by the Financial Conduct Authority.

Auditor

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Authorised Fund Manager and Registrar

(to 26 November 2021)

Marlborough Fund Managers Ltd
Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Investor Support: (0808) 145 2500 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

Directors of Marlborough Fund Managers Ltd

Andrew Staley (Non-Executive)
Nicholas F J Cooling
Allan Hamer
Wayne D Green
Dom Clarke
Helen Derbyshire
Richard Goodall
Geoffrey Hitchin (Non-Executive)
Guy Sears (Independent Non-Executive)
David Kiddie (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

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IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

AUTHORISED INVESTMENT ADVISER'S REPORT

for the six month period ended 31 January 2022

Percentage change and sector position to 31 January 2022

| | <u>Six months</u> | <u>1 year</u> | <u>3 years</u> | <u>5 years</u> |
|--|-------------------|---------------|----------------|----------------|
| Marlborough UK Micro-Cap Growth Fund | (9.08%) | 11.99% | 59.91% | 91.79% |
| FTSE SmallCap Index (ex. Investment Cos) | (2.52%) | 24.89% | 46.08% | 49.41% |
| IA UK Smaller Companies | (7.31%) | 10.44% | 42.47% | 63.21% |
| Quartile Ranking * | 3 | 3 | 1 | 1 |

* Based on ranking within The Investment Association's UK Smaller Companies sector.

External Source of Economic Data: Morningstar (P Acc - quoted price to quoted price).

During the 6-month period from 1st August 2021 to 31st January 2022, the price of the 'P' class units fell 9.10%. This compared to a fall of 3.63%, 12.48% and 4.45% for the FTSE Small Cap Ex IT, FTSE AIM and FTSE 250 indices respectively.

Despite the uncertainty created by the COVID-19 pandemic, the UK economy showed its resilience for much of the period. Highly accommodative fiscal and monetary policy enabled consumers and businesses to manage through periods of lockdown and maintain solid balance sheets. Furthermore, the UK's admirable vaccination programme allowed society and the real economy to return to some form of normality. However, inflation started to become an issue and subsequently turned out to be less 'transitory' than expected. This negatively impacted markets towards the end of 2021 and the turbulence has continued into 2022, with market consensus now expecting interest rates to increase throughout the year. Given markets are forward-looking, volatility has increased and we have seen a rotation away from many growth-orientated companies towards those with a value tilt, in anticipation of a higher interest rate environment.

The UK stock market continues to represent good value versus other global markets, particularly given valuations were already somewhat depressed due to Brexit and COVID-19. We maintain the view that quality, niche, small and mid-cap UK equities should have the agility to navigate changes, both positive and negative. Many of the fund's holdings, across a variety of sectors, have had a successful six months at an operational level. Indeed, several have been significant beneficiaries of the pandemic. For example, many companies engaging in communications technology, cybersecurity, ecommerce, online gambling, payments, specialist healthcare devices/services and video gaming have thrived. Sectors that were negatively impacted by the pandemic such as travel, retail, and leisure saw their share prices rise as investors pursued 're-opening' trades during the period. Operators with minimal debt and compelling propositions have been better able to bounce back quickly following the success of the vaccination rollout. Energy and mining stocks also performed well due to rising prices in commodity markets.

Moreover, UK equity markets were very active, with a plethora of IPOs and placings during the period. The fund actively participated in this new issuance, taking the view that companies with sound business models and strong management teams should be supported, were they in a position to capitalise on the opportunities ahead. M&A was also prominent throughout the period. A handful of our portfolio companies have been subject to takeovers and approaches; most notably, Sigma Capital was acquired by a private equity firm in August, Wameja was acquired by Mastercard in September, and Augean was acquired by an infrastructure investment manager in November 2021. With no shortage of opportunity, we were able to redeploy some of the proceeds from the transactions into exciting businesses that we believe can become leaders of the future.

Biggest winners during the period included MyCelx, Kistos, Serica Energy, Saietta, Deltic Energy, CentralNic, Minds + Machines, Frenkel Topping, Dianomi and Accesso Technology. Largest losers included IG Design, Simec Atlantis, McColl's Retail, Purplebricks, Best of the Best, Studio Retail, Trackwise Designs, Maxcyte, Renalytix and Joules.

Winners

Serica Energy, the upstream oil and gas company whose principal business is that of exploration, development, and production, rose 64% during the period. The company announced an increase in production throughout the period, however, the main catalyst for the share price was the significant increase in oil and gas prices which inevitably increased revenues and bolstered their cash balance.

Losers

IG Design, the designer and manufacturer of craft goods and consumer gift packaging, fell 82% during the period. The company was significantly impacted by supply chain issues, in conjunction with increased cost headwinds in freight, raw materials and labour. This subsequently led to a profit warning.

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

AUTHORISED INVESTMENT ADVISER'S REPORT

for the six month period ended 31 January 2022

The UK equity market, along with other markets across the globe, has experienced heightened volatility since the end of 2021. This has principally been due to high inflation prints, the prospect of higher interest rates, energy price increases coupled with tax rises, further compounded by an uncertain geopolitical environment. Despite the economic and geopolitical uncertainty, many of our companies continue to issue updates that are in-line or ahead of expectations, with few profit warnings. In many cases, cost increases have been passed on and growth rates maintained, providing evidence that the fundamentals remain intact for now. The speed of the rotation has been very fast. However, we are not in the business of forecasting the macroeconomic environment and will continue to invest in growth-orientated companies that we believe can perform well through the economic cycle.

Guy Feld / Eustace Santa Barbara
Hargreave Hale Limited
11 March 2022

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Distributions (pence per unit)

| | <u>Year 2021</u> | <u>Year 2020</u> | <u>Year 2019</u> | <u>Year 2018</u> |
|--------------------------------|------------------|------------------|------------------|------------------|
| <u>A Accumulation</u> | | | | |
| Accumulation paid 30 September | - | - | - | - |
| <u>P Accumulation</u> | | | | |
| Accumulation paid 30 September | 0.6963 | 2.2652 | 4.4858 | 4.1920 |

Portfolio changes

| | | | | |
|--------------------------------|--|--|--|--------------|
| Largest purchases | | | | Cost (£) |
| Windward | | | | 8,933,718 |
| RWS Holdings | | | | 8,242,654 |
| Horizonte Minerals | | | | 8,000,000 |
| AB Dynamics | | | | 7,153,664 |
| Marlowe | | | | 7,146,295 |
| SigmaRoc | | | | 7,067,950 |
| Smart Metering Systems | | | | 6,916,239 |
| Access Intelligence | | | | 6,619,960 |
| TPXimpact Holdings | | | | 6,487,182 |
| Marks Electrical Group | | | | 6,354,344 |
| Other purchases | | | | 152,438,757 |
| Total purchases for the period | | | | 225,360,763 |
| Largest sales | | | | Proceeds (£) |
| Augean | | | | 46,500,000 |
| Impax Asset Management Group | | | | 31,082,869 |
| S4 Capital | | | | 28,370,335 |
| discoverIE Group | | | | 20,239,796 |
| Wameja | | | | 11,102,000 |
| Serica Energy | | | | 10,526,967 |
| SCA Investments | | | | 10,213,885 |
| Sigma Capital Group | | | | 10,105,000 |
| Liontrust Asset Management | | | | 9,800,361 |
| Zegona Communications | | | | 6,431,338 |
| Other sales | | | | 69,984,714 |
| Total sales for the period | | | | 254,357,265 |

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

AUTHORISED STATUS AND GENERAL INFORMATION

Authorised status

IFSL Marlborough UK Micro-Cap Growth Fund (the Fund) is an authorised unit trust scheme within the meaning of the Financial Services and Markets Act 2000 and is a UCITS scheme operating under the Collective Investment Schemes Sourcebook (COLL) as issued by the Financial Conduct Authority.

Investment objective and policy

The investment objective of the Fund is to increase the value of your investment by more than any increase in the FTSE SmallCap Index (ex-Investment Companies), after any charges have been taken out of the Fund, over any 5 year period. However, there is no certainty this will be achieved.

At least 80% of the Fund will be invested in the shares of smaller companies and investment trusts listed on UK stock exchanges. These will be incorporated/domiciled in the UK or will have significant business operations in the UK. These are companies whose market capitalisation (the market value of a company's shares) is £250m or less at the time the initial purchase is made.

These investments will include very small companies, whose market capitalisation is less than £150m.

The aim of the investment team is to identify companies which they believe show good long-term growth potential, or which appear to be under-valued given their future prospects.

The team consider economic and market conditions, but the main focus is on individual company analysis and selection.

Following the same investment philosophy, the Fund may also invest in companies which are listed on overseas stock exchanges, the shares of larger companies, other securities which offer returns linked to the company performance, such as, preference shares, convertible bonds and warrants, and unquoted companies.

The Fund is actively managed, which means the investment manager decides which investments to buy or sell and when. The Fund invests in a diverse portfolio of investments and is not constrained by any industry or sector.

The Fund may hold cash, government bonds and money market instruments (short terms loans typically issued by governments and banks) to enable ready settlement of liabilities (including the redemption of units), for the efficient management of the Fund and in order to meet its objective.

The Fund's investment policy puts it in the IA UK Smaller Companies sector.

Rights and terms attaching to each unit class

A unit of each class represents a proportional entitlement to the assets of the Fund. The allocation of income and taxation and the rights of each unit in the event the Fund is wound up are on the same proportional basis.

Assessment of value

The Manager is required to carry out an assessment of value at least annually and publish its findings in a report to investors. IFSL Marlborough UK Micro-Cap Growth Fund is assessed and reported on, in a composite report which the Manager publishes on the website www.marlboroughfunds.com.

Changes in prospectus

On the 26 November 2021: the authorised fund manager changed from Marlborough Fund Managers Limited to another Marlborough Group company, Investment Fund Services Limited (IFSL); and the name of the Fund changed from Marlborough UK Micro-Cap Growth Fund to IFSL Marlborough UK Micro-Cap Growth Fund.

Up to date Key Investor Information Documents, Prospectus and Long Reports and Financial Statements for any fund within the AFM's range, can be requested by the investor at any time.

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

DIRECTORS' STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.



**ALLAN HAMER
DIRECTOR**



**HELEN REDMOND
DIRECTOR**

INVESTMENT FUND SERVICES LIMITED
30 March 2022

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND
COMPARATIVE TABLE

| <u>A Accumulation units</u> | Period to 31.01.2022 | Year to 31.07.2021 | Year to 31.07.2020 | Year to 31.07.2019 |
|--|---------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Change in net assets per unit | pence | pence | pence | pence |
| Opening net asset value per unit | 1,149.41 | 737.12 | 715.84 | 730.82 |
| Return before operating charges* | (101.05) | 427.14 | 32.12 | (4.27) |
| Operating charges | (9.21) | (14.85) | (10.84) | (10.71) |
| Return after operating charges* | (110.26) | 412.29 | 21.28 | (14.98) |
| Distributions on accumulation units | - | - | - | - |
| Retained distributions on accumulation units | - | - | - | - |
| Closing net asset value per unit | 1,039.15 | 1,149.41 | 737.12 | 715.84 |
| * after direct transaction costs of: | 0.41 | 0.83 | 0.65 | 0.64 |
| Performance | | | | |
| Return after charges | (9.59)% ^C | 55.93% | 2.97% | -2.05% |
| Other information | | | | |
| Closing net asset value (£) | 136,389,643 | 156,708,967 | 112,517,056 | 121,291,313 |
| Closing number of units | 13,125,104 | 13,633,911 | 15,264,353 | 16,943,839 |
| Operating charges | 1.55% ^{A,B} | 1.56% ^A | 1.53% | 1.53% |
| Direct transaction costs | 0.06% ^B | 0.09% | 0.09% | 0.09% |
| Prices | | | | |
| Highest unit price | 1,247.00p | 1,163.66p | 812.89p | 809.29p |
| Lowest unit price | 1,052.86p | 736.99p | 494.01p | 630.47p |
| <u>P Accumulation units</u> | Period to 31.01.2022 | Year to 31.07.2021 | Year to 31.07.2020 | Year to 31.07.2019 |
| Change in net assets per unit | pence | pence | pence | pence |
| Opening net asset value per unit | 1,227.15 | 781.47 | 753.20 | 763.16 |
| Return before operating charges* | (108.24) | 453.94 | 34.10 | (4.23) |
| Operating charges | (5.10) | (8.26) | (5.83) | (5.73) |
| Return after operating charges* | (113.34) | 445.68 | 28.27 | (9.96) |
| Distributions on accumulation units | - | (0.70) | (2.27) | (4.49) |
| Retained distributions on accumulation units | - | 0.70 | 2.27 | 4.49 |
| Closing net asset value per unit | 1,113.81 | 1,227.15 | 781.47 | 753.20 |
| * after direct transaction costs of: | 0.43 | 0.89 | 0.69 | 0.67 |
| Performance | | | | |
| Return after charges | (9.24)% ^C | 57.03% | 3.75% | -1.31% |
| Other information | | | | |
| Closing net asset value (£) | 1,377,946,744 | 1,569,507,960 | 947,367,412 | 1,115,313,951 |
| Closing number of units | 123,714,446 | 127,898,782 | 121,228,501 | 148,076,186 |
| Operating charges | 0.80% ^{A,B} | 0.81% ^A | 0.78% | 0.78% |
| Direct transaction costs | 0.06% ^B | 0.09% | 0.09% | 0.09% |
| Prices | | | | |
| Highest unit price | 1,331.86p | 1,241.83p | 858.45p | 813.42p |
| Lowest unit price | 1,127.88p | 780.97p | 522.29p | 660.60p |

^A From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by close-ended vehicles such as investment trusts.

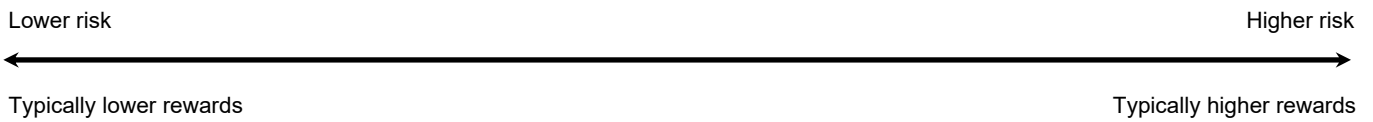
^B These figures have been annualised.

^C The return after charges is calculated using the underlying investments bid prices

Operating charges are the same as the ongoing charges and are the total expenses paid by each unit class in the period. Direct transaction costs are the total charges for the period, included in the purchase and sale of investments in the portfolio of the Fund. These amounts are expressed as a percentage of the average net asset value over the period and the average units in issue for the pence per unit figures.

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

SYNTHETIC RISK AND REWARD INDICATOR (all unit classes)



| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

This indicator aims to give you a measure of the price movement of this share class based on past data. It uses historic returns over the last five years. If five years' data is not available, simulated data based on a representative portfolio is used.

The Fund has been measured as 6 because it has experienced high volatility historically. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2022

| Holding or nominal value | Bid value £ | Percentage of total net assets % |
|---|-------------------|-------------------------------------|
| AEROSPACE AND DEFENCE (31 July 2021 - 0.56%) | | |
| 1,100,000 Cohort | 4,961,000 | 0.33 |
| 81,995,000 TP Group | 2,869,825 | 0.19 |
| Total Aerospace and Defence | <u>7,830,825</u> | <u>0.52</u> |
| ALTERNATIVE ENERGY (31 July 2021 - 0.08%) | | |
| 33,104,426 SIMEC Atlantis Energy | 397,253 | 0.03 |
| Total Alternative Energy | <u>397,253</u> | <u>0.03</u> |
| AUTOMOBILES AND PARTS (31 July 2021 - 0.26%) | | |
| 3,217,000 Saietta Group | 6,755,700 | 0.45 |
| Total Automobiles and Parts | <u>6,755,700</u> | <u>0.45</u> |
| BEVERAGES (31 July 2021 - 0.21%) | | |
| 4,200,000 The Artisanal Spirits Company | 3,570,000 | 0.24 |
| Total Beverages | <u>3,570,000</u> | <u>0.24</u> |
| CHEMICALS (31 July 2021 - 1.46%) | | |
| 1,850,000 Treatt | 19,980,000 | 1.32 |
| Total Chemicals | <u>19,980,000</u> | <u>1.32</u> |
| CLOSED END INVESTMENTS (31 July 2021 - 1.62%) | | |
| 13,250,000 Augmentum Fintech | 17,887,500 | 1.18 |
| 2,350,000 EPE Special Opportunities | 7,144,000 | 0.47 |
| Total Closed End Investments | <u>25,031,500</u> | <u>1.65</u> |
| CONSTRUCTION AND MATERIALS (31 July 2021 - 3.00%) | | |
| 13,500,000 Brickability Group | 12,690,000 | 0.84 |
| 1,023,591 Eurocell | 2,374,731 | 0.16 |
| 3,954,500 Lords Group Trading | 4,073,135 | 0.27 |
| 4,475,000 Michelmersh Brick Holdings | 5,683,250 | 0.38 |
| 4,000,000 Norcros | 12,280,000 | 0.81 |
| 1,060,000 Renew Holdings | 7,557,800 | 0.50 |
| 17,500,000 SigmaRoc | 15,750,000 | 1.04 |
| Total Construction and Materials | <u>60,408,916</u> | <u>4.00</u> |
| ELECTRONIC AND ELECTRICAL EQUIPMENT (31 July 2021 - 1.54%) | | |
| 47,364,986 CAP-XX | 2,368,249 | 0.16 |
| 20,862,500 Fireangel Safety Technology Group | 3,025,063 | 0.20 |
| 640,000 Ilika | 844,800 | 0.06 |
| 1,347,567 SDI Group | 2,385,193 | 0.16 |
| 375,000 Solid State | 3,900,000 | 0.26 |
| 15,724,300 Thruvision Group | 3,931,075 | 0.26 |
| 4,463,021 Volex | 13,098,967 | 0.86 |
| Total Electronic and Electrical Equipment | <u>29,553,347</u> | <u>1.96</u> |
| FINANCE AND CREDIT SERVICES (31 July 2021 - 0.18%) | | |
| 7,000,000 Distribution Finance Capital Holdings | 3,220,000 | 0.21 |
| Total Finance and Credit Services | <u>3,220,000</u> | <u>0.21</u> |
| FOOD PRODUCERS (31 July 2021 - 0.25%) | | |
| 4,675,100 Finsbury Food Group | 4,207,590 | 0.28 |
| Total Food Producers | <u>4,207,590</u> | <u>0.28</u> |
| GAS, WATER AND MULTI-UTILITIES (31 July 2021 - 0.03%) | | |
| GENERAL INDUSTRIALS (31 July 2021 - 0.68%) | | |
| 1,025,000 Hargreaves Services | 5,248,000 | 0.35 |
| 5,150,000 Macfarlane Group | 6,360,250 | 0.42 |
| Total General Industrials | <u>11,608,250</u> | <u>0.77</u> |

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND
PORTFOLIO STATEMENT

as at 31 January 2022

| Holding or nominal value | Bid value £ | Percentage of total net assets % |
|--|--------------------|-------------------------------------|
| HEALTH CARE PROVIDERS (31 July 2021 - 1.98%) | | |
| 2,060,000 Cambridge Cognition Holdings | 2,472,000 | 0.16 |
| 2,650,000 CareTech Holdings | 14,575,000 | 0.96 |
| 5,075,819 Diaceutics | 5,380,368 | 0.36 |
| 900,000 Renalytix AI 'Reg S' | 3,960,000 | 0.26 |
| Total Health Care Providers | <u>26,387,368</u> | <u>1.74</u> |
| HOUSEHOLD GOODS AND HOME CONSTRUCTION (31 July 2021 - 0.66%) | | |
| 2,655,172 ProCook Group | 4,049,137 | 0.27 |
| 5,501,847 Springfield Properties | 8,362,807 | 0.55 |
| 1,395,949 UP Global Sourcing Holdings | 2,582,506 | 0.17 |
| Total Household Goods and Home Construction | <u>14,994,450</u> | <u>0.99</u> |
| INDUSTRIAL ENGINEERING (31 July 2021 - 0.11%) | | |
| 500,000 AB Dynamics | 7,375,000 | 0.49 |
| Total Industrial Engineering | <u>7,375,000</u> | <u>0.49</u> |
| INDUSTRIAL METALS AND MINING (31 July 2021 - 0.97%) | | |
| 230,789,162 Horizonte Minerals | 13,847,350 | 0.91 |
| 340,000 Kenmare Resources | 1,472,200 | 0.10 |
| 7,500,000 Landore Resources | 1,987,500 | 0.13 |
| 8,333,333 Trident Royalties | 3,166,666 | 0.21 |
| Total Industrial Metals and Mining | <u>20,473,716</u> | <u>1.35</u> |
| INDUSTRIAL SUPPORT SERVICES (31 July 2021 - 10.50%) | | |
| 12,700,000 Boku 'Reg S' | 20,320,000 | 1.34 |
| 26,500,000 eEnergy Group | 3,842,500 | 0.25 |
| 3,000,000 Equals Group | 2,280,000 | 0.15 |
| 2,350,000 Frontier IP Group | 2,279,500 | 0.15 |
| 2,042,850 Keystone Law Group | 17,364,225 | 1.15 |
| 3,568,000 Knights Group Holdings | 13,986,560 | 0.92 |
| 3,696,406 Marlowe | 33,119,798 | 2.19 |
| 2,723,683 Mind Gym | 3,813,156 | 0.25 |
| 2,255,000 NWF Group | 4,510,000 | 0.30 |
| 2,232,280 Restore | 10,313,134 | 0.68 |
| 5,500,000 RWS Holdings | 27,390,000 | 1.81 |
| 3,760,580 Science Group | 15,794,436 | 1.04 |
| 3,300,595 Smart Metering Systems | 24,556,427 | 1.62 |
| 2,501,000 Trifast | 3,939,075 | 0.26 |
| 1,395,509 Water Intelligence | 11,861,826 | 0.78 |
| 5,763,689 Windward | 10,374,640 | 0.68 |
| Total Industrial Support Services | <u>205,745,277</u> | <u>13.57</u> |
| INDUSTRIAL TRANSPORTATION (31 July 2021 - 0.24%) | | |
| 5,014,415 Avation | 4,262,253 | 0.28 |
| 4,000,000 Facilities by ADF | 2,640,000 | 0.17 |
| Total Industrial Transportation | <u>6,902,253</u> | <u>0.45</u> |
| INVESTMENT BANKING AND BROKERAGE SERVICES (31 July 2021 - 12.45%) | | |
| 1,673,467 Alpha FX Group | 30,959,140 | 2.04 |
| 1,000,000 Aquis Exchange | 5,700,000 | 0.38 |
| 3,645,000 Curtis Banks Group | 8,748,000 | 0.58 |
| 26,475,000 Duke Royalty | 10,192,875 | 0.67 |
| 5,412,330 Forward Partners Group | 5,249,960 | 0.35 |
| 11,562,000 Frenkel Topping Group | 8,671,500 | 0.57 |
| 1,170,000 Impax Asset Management Group | 12,682,800 | 0.84 |
| 2,030,540 K3 Capital Group | 6,700,782 | 0.44 |
| 730,000 Liontrust Asset Management | 11,621,600 | 0.77 |
| 600,000 Mattioli Woods | 4,620,000 | 0.31 |
| 12,900,000 Mercia Asset Management | 4,515,000 | 0.30 |
| 16,100,000 MJ Hudson Group | 6,440,000 | 0.43 |

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2022

| Holding or nominal value | Bid value £ | Percentage of total net assets % |
|--|--------------------|-------------------------------------|
| INVESTMENT BANKING AND BROKERAGE SERVICES (continued) | | |
| 2,476,000 Molten Ventures | 18,371,920 | 1.21 |
| 3,500,000 Tatton Asset Management | 16,835,000 | 1.11 |
| 100,388 Volvere | 1,154,462 | 0.08 |
| Total Investment Banking and Brokerage Services | <u>152,463,039</u> | <u>10.08</u> |
| LEISURE GOODS (31 July 2021 - 3.03%) | | |
| 1,700,000 Focusrite | 22,270,000 | 1.47 |
| 240,000 Games Workshop Group | 18,804,000 | 1.24 |
| Total Leisure Goods | <u>41,074,000</u> | <u>2.71</u> |
| MEDIA (31 July 2021 - 7.11%) | | |
| 2,789,099 DIANOMI | 10,598,576 | 0.70 |
| 8,500,000 Ebiquity | 4,972,500 | 0.33 |
| 900,000 Future | 28,314,000 | 1.87 |
| 1,400,000 GlobalData | 18,200,000 | 1.20 |
| 2,350,000 S4 Capital | 11,797,000 | 0.78 |
| 3,623,500 The Pebble Group | 3,985,850 | 0.26 |
| 7,500,000 Time Out Group | 4,350,000 | 0.29 |
| 5,409,230 XLMedia | 2,055,507 | 0.14 |
| Total Media | <u>84,273,433</u> | <u>5.57</u> |
| MEDICAL EQUIPMENT AND SERVICES (31 July 2021 - 2.72%) | | |
| 9,584,804 Creo Medical Group | 11,118,373 | 0.73 |
| 26,000,000 EKF Diagnostics Holdings | 16,172,000 | 1.07 |
| 27,000,000 Kromek Group | 4,590,000 | 0.30 |
| 873,000 NetScientific | 715,860 | 0.05 |
| Total Medical Equipment and Services | <u>32,596,233</u> | <u>2.15</u> |
| OIL, GAS AND COAL (31 July 2021 - 2.27%) | | |
| 38,030,400 Deltic Energy | 855,684 | 0.06 |
| 2,250,000 Eco (Atlantic) Oil & Gas | 585,000 | 0.04 |
| 10,000,000 Jadestone Energy | 9,400,000 | 0.62 |
| 3,000,000 Kistos | 11,610,000 | 0.77 |
| 1,500,000 MYCELX Technologies | 1,095,000 | 0.07 |
| 55,450,000 Quadrise Fuels International | 1,131,180 | 0.07 |
| 6,650,000 Serica Energy | 17,090,500 | 1.13 |
| 25,000,000 Serinus Energy | 400,000 | 0.03 |
| 11,389,494 Westmount Energy | 797,265 | 0.05 |
| Total Oil, Gas and Coal | <u>42,964,629</u> | <u>2.84</u> |
| OPEN END AND MISCELLANEOUS INVESTMENT VEHICLES (31 July 2021 - 0.32%) | | |
| 1,458,333 Marwyn Acquisition Company | 21,875 | - |
| Total Open End and Miscellaneous Investment Vehicles | <u>21,875</u> | <u>-</u> |
| PERSONAL CARE, DRUG AND GROCERY STORES (31 July 2021 - 1.31%) | | |
| 3,983,000 IG Design Group | 3,823,680 | 0.25 |
| 7,656,656 McColl's Retail Group | 581,906 | 0.04 |
| 3,250,000 Supreme | 6,370,000 | 0.42 |
| Total Personal Care, Drug and Grocery Stores | <u>10,775,586</u> | <u>0.71</u> |
| PERSONAL GOODS (31 July 2021 - 1.88%) | | |
| 5,764,478 Inspecs Group | 21,328,569 | 1.41 |
| 2,512,000 Seraphine Group | 5,476,160 | 0.36 |
| 400,000 Ted Baker | 341,600 | 0.02 |
| 2,750,000 Warpaint London | 4,125,000 | 0.27 |
| Total Personal Goods | <u>31,271,329</u> | <u>2.06</u> |

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2022

| Holding or nominal value | Bid value £ | Percentage of total net assets % |
|---|-------------------|-------------------------------------|
| PHARMACEUTICALS AND BIOTECHNOLOGY (31 July 2021 - 3.62%) | | |
| 37,272,537 Agronomics | 6,522,694 | 0.43 |
| 1,403,508 Animalcare Group | 4,715,787 | 0.31 |
| 445,600 Destiny Pharma | 378,760 | 0.03 |
| 1,650,000 ECO Animal Health Group | 3,547,500 | 0.23 |
| 1,990,000 MaxCyte | 9,034,600 | 0.60 |
| 5,383,639 PureTech Health | 14,051,298 | 0.93 |
| 1,500,000 Verici Dx | 675,000 | 0.04 |
| Total Pharmaceuticals and Biotechnology | <u>38,925,639</u> | <u>2.57</u> |
| PRECIOUS METALS AND MINING (31 July 2021 - 2.82%) | | |
| 72,693 Caledonia Mining | 639,698 | 0.04 |
| 131,259,211 Jubilee Metals Group | 19,295,104 | 1.27 |
| 55,000,000 Pan African Resources | 9,999,000 | 0.66 |
| 48,000,000 Petropavlovsk | 7,080,000 | 0.47 |
| 200,000 Polymetal International | 2,108,000 | 0.14 |
| 33,600,000 Shanta Gold | 2,268,000 | 0.15 |
| 16,666,667 Thor Explorations | 2,166,667 | 0.14 |
| Total Precious Metals and Mining | <u>43,556,469</u> | <u>2.87</u> |
| REAL ESTATE INVESTMENT AND SERVICES (31 July 2021 - 0.25%) | | |
| 6,000,000 Purplebricks Group | 1,221,000 | 0.08 |
| Total Real Estate Investment and Services | <u>1,221,000</u> | <u>0.08</u> |
| RETAILERS (31 July 2021 - 3.41%) | | |
| 5,544,000 Angling Direct | 2,993,760 | 0.20 |
| 2,900,000 CMO Group | 4,408,000 | 0.29 |
| 5,376,000 Joules Group | 6,101,760 | 0.40 |
| 5,750,000 Marks Electrical Group | 6,440,000 | 0.43 |
| 10,760,000 MusicMagpie | 17,216,000 | 1.14 |
| 700,000 Studio Retail Group | 697,200 | 0.05 |
| 3,500,000 TheWorks.co.uk | 2,177,000 | 0.14 |
| 750,000 Virgin Wines UK | 1,470,000 | 0.10 |
| Total Retailers | <u>41,503,720</u> | <u>2.75</u> |
| SOFTWARE AND COMPUTER SERVICES (31 July 2021 - 17.38%) | | |
| 5,785,556 1Spatial | 2,545,645 | 0.17 |
| 12,225,681 Access Intelligence | 13,692,763 | 0.90 |
| 1,320,000 accesso Technology Group | 9,319,200 | 0.62 |
| 5,750,000 ActiveOps | 9,372,500 | 0.62 |
| 3,100,000 Aptitude Software Group | 16,182,000 | 1.07 |
| 13,056,000 ATTRAQT Group | 3,916,800 | 0.26 |
| 6,200,770 Blackbird | 1,364,169 | 0.09 |
| 5,243,300 Blancco Technology Group | 12,321,755 | 0.81 |
| 16,300,000 CentralNic Group | 20,538,000 | 1.36 |
| 4,051,500 Cerillion | 30,791,400 | 2.03 |
| 5,266,630 D4t4 Solutions | 15,009,896 | 0.99 |
| 1,732,389 Eagle Eye Solutions Group | 10,134,476 | 0.67 |
| 22,779,682 Eckoh | 9,567,466 | 0.63 |
| 6,597,261 essensys | 17,152,879 | 1.13 |
| 8,842,239 GRC International Group | 3,979,007 | 0.26 |
| 7,050,000 Gresham Technologies | 11,985,000 | 0.79 |
| 17,798,335 Idox | 12,067,271 | 0.80 |
| 1,455,000 Instem | 10,621,500 | 0.70 |
| 2,895,689 K3 Business Technology Group | 4,980,585 | 0.33 |
| 1,000,000 Kainos Group | 14,800,000 | 0.98 |
| 6,550,000 Kin and Carta | 15,261,500 | 1.01 |
| 3,328,000 Kooth | 10,583,040 | 0.70 |
| 7,500,000 Learning Technologies Group | 12,277,500 | 0.81 |
| 5,000,000 Made Tech Group | 5,400,000 | 0.36 |
| 5,193,673 Microlise Group | 7,271,142 | 0.48 |

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2022

| Holding or nominal value | | Bid value £ | Percentage of total net assets % |
|--|--|--------------------|--|
| SOFTWARE AND COMPUTER SERVICES (continued) | | | |
| 16,547,918 | Minds + Machines Group | 1,489,313 | 0.10 |
| 2,473,000 | Mirriad Advertising | 445,140 | 0.03 |
| 7,189,535 | Oxford Metrics | 7,692,802 | 0.51 |
| 600,000 | Sopheon | 4,800,000 | 0.32 |
| 4,798,851 | SysGroup | 1,199,713 | 0.08 |
| 7,027,000 | TPXimpact Holdings | 14,405,350 | 0.95 |
| 1,650,000 | Tracsis | 15,675,000 | 1.03 |
| 2,400,000 | Tribal Group | 2,100,000 | 0.14 |
| | Total Software and Computer Services | <u>328,942,812</u> | <u>21.73</u> |
| TECHNOLOGY HARDWARE AND EQUIPMENT (31 July 2021 - 3.29%) | | | |
| 1,993,000 | discoverIE Group | 16,561,830 | 1.09 |
| 260,000 | Gooch & Housego | 2,589,600 | 0.17 |
| 27,500,000 | IQE | 8,497,500 | 0.56 |
| 2,380,491 | Trackwise Designs | 1,904,393 | 0.13 |
| | Total Technology Hardware and Equipment | <u>29,553,323</u> | <u>1.95</u> |
| TELECOMMUNICATIONS EQUIPMENT (31 July 2021 - 0.31%) | | | |
| 6,900,000 | BATM Advanced Communications | 4,209,000 | 0.28 |
| | Total Telecommunications Equipment | <u>4,209,000</u> | <u>0.28</u> |
| TELECOMMUNICATIONS SERVICE PROVIDERS (31 July 2021 - 0.42%) | | | |
| 78,578 | Zegona Communications | 66,791 | - |
| | Total Telecommunications Service Providers | <u>66,791</u> | <u>-</u> |
| TRAVEL AND LEISURE (31 July 2021 - 4.31%) | | | |
| 356,290 | Best of the Best | 1,585,491 | 0.10 |
| 2,750,000 | Cake Box Holdings | 6,325,000 | 0.42 |
| 26,008,126 | DP Poland | 1,378,431 | 0.09 |
| 9,462,198 | Escape Hunt | 2,649,415 | 0.17 |
| 14,000,000 | Gaming Realms | 3,962,000 | 0.26 |
| 1,500,000 | Jet2 | 19,252,500 | 1.27 |
| 6,250,000 | Loungers | 17,187,500 | 1.13 |
| 6,044,039 | Ten Lifestyle Group | 7,252,847 | 0.48 |
| 3,000,000 | The City Pub Group | 3,030,000 | 0.20 |
| 30,470,527 | The Fulham Shore | 5,027,637 | 0.33 |
| 1,500,000 | Tortilla Mexican Grill | 2,715,000 | 0.18 |
| 7,232,876 | Various Eateries | 5,063,013 | 0.33 |
| | Total Travel and Leisure | <u>75,428,834</u> | <u>4.96</u> |
| WASTE AND DISPOSAL SERVICES (31 July 2021 - 2.44%) | | | |
| 4,769,945 | Franchise Brands | 7,154,917 | 0.47 |
| | Total Waste and Disposal Services | <u>7,154,917</u> | <u>0.47</u> |
| OVERSEAS SECURITIES (31 July 2021 - 0.61%) | | | |
| 796,444 | HealthBeacon | 3,447,881 | 0.23 |
| 6,000,000 | Salazar Resources | 1,018,697 | 0.07 |
| 450,000 | Tecogen | 352,507 | 0.02 |
| 1,709,939 | TMT Investments | 7,080,096 | 0.47 |
| | Total Overseas Securities | <u>11,899,181</u> | <u>0.79</u> |

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

PORTFOLIO STATEMENT

as at 31 January 2022

| Holding or nominal value | Bid value £ | Percentage of total net assets % |
|---|----------------------|-------------------------------------|
| UNQUOTED SECURITIES (31 July 2021 - 2.41%) | | |
| 3,500,000 AdvancedAdvT ^E | 3,395,000 | 0.22 |
| 7,937,506 Albert Technologies ^C | - | - |
| 1,891,500 Constellation Healthcare Technologies Promissory Notes ^D | - | - |
| 3,311,071 Crawshaw Group ^B | - | - |
| 3,575,000 Gable Holdings ^B | - | - |
| 4,153,087 HaloSource ^B | - | - |
| 15,917,167 HaloSource 'Reg S' ^B | - | - |
| 17,829 Infinity Reliance ^A | 750,066 | 0.05 |
| 360,000 Lamaune Iron ^D | - | - |
| 14,479,166 Moxico Resources ^A | 5,212,500 | 0.34 |
| 6,999,000 Okullo ^B | - | - |
| 3,490,856 Patisserie Holdings ^B | - | - |
| 540,500 Quadrise Fuels International Warrants | - | - |
| 195,000 SCA Investments ^A | 43,428,450 | 2.87 |
| 1,627,692 Trellus Health ^A | 602,246 | 0.04 |
| 3,729,554 Tricorn Group ^C | - | - |
| 3,083 Tulla Resources ^A | 883 | - |
| Total Unquoted Securities | <u>53,389,145</u> | <u>3.52</u> |
| Portfolio of investments | 1,485,732,400 | 98.11 |
| Net other assets | 28,603,987 | 1.89 |
| Total net assets | <u>1,514,336,387</u> | <u>100.00</u> |

^A These shares are unlisted and are being valued using the latest information received.

^B These shares are valued at zero, as the companies are in administration with no expected return.

^C These shares have been delisted and are valued at zero, based on the latest information received.

^D These shares are unlisted and are valued at zero, based on the latest information received.

^E These shares are suspended and are valued using the latest information received until a resumption in trading or more information is released.

All holdings of warrants have been valued at the exercise price less the price of the underlying ordinary shares.

PORTFOLIO TRANSACTIONS

for the six month period ended 31 January 2022

| | £ |
|---|-------------|
| Total purchases cost, including transaction charges | 225,360,763 |
| Total sales proceeds, net of transaction charges | 254,357,265 |

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

STATEMENT OF TOTAL RETURN

for the six month period ended 31 January 2022

| | 31 January 2022 | | 31 January 2021 | |
|---|--------------------|----------------------|--------------------|--------------------|
| | £ | £ | £ | £ |
| Income: | | | | |
| Net capital (losses)/gains | | (156,193,817) | | 302,186,965 |
| Revenue | 7,188,390 | | 5,503,239 | |
| Expenses | <u>(7,482,663)</u> | | <u>(5,125,937)</u> | |
| Net (expense)/revenue before taxation | | <u>(294,273)</u> | | <u>377,302</u> |
| Taxation | | <u>(46,075)</u> | | <u>(41,809)</u> |
| Net (expense)/revenue after taxation | | <u>(340,348)</u> | | <u>335,493</u> |
| Total return before distributions | | (156,534,165) | | 302,522,458 |
| Distributions | | 21,908 | | 52,877 |
| Change in net assets attributable to unitholders from investment activities | | <u>(156,512,257)</u> | | <u>302,575,335</u> |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the six month period ended 31 January 2022

| | 31 January 2022 | | 31 January 2021 | |
|---|-----------------|----------------------------|-----------------|-----------------------------------|
| | £ | £ | £ | £ |
| Opening net assets attributable to unitholders | | ^A 1,728,347,050 | | 1,063,207,661 |
| Amounts receivable on issue of units | 47,338,243 | | 76,098,638 | |
| Amounts payable on cancellation of units | (105,178,074) | | (63,084,373) | |
| Amounts payable on unit class conversions | <u>(1,929)</u> | | <u>(19,326)</u> | |
| | | (57,841,760) | | 12,994,939 |
| Dilution adjustment | | 343,354 | | - |
| Change in net assets attributable to unitholders from investment activities | | (156,512,257) | | 302,575,335 |
| Closing net assets attributable to unitholders | | <u>1,514,336,387</u> | | ^A <u>1,378,777,935</u> |

^A These figures are not the same as the comparatives are taken from the preceding interim period and not the last final accounts.

IFSL MARLBOROUGH UK MICRO-CAP GROWTH FUND

BALANCE SHEET

as at 31 January 2022

| | 31 January 2022 £ | 31 July 2021 £ |
|---|-----------------------------|-----------------------------|
| Assets: | | |
| Fixed Assets: | | |
| Investments | 1,485,732,400 | 1,671,096,332 |
| Current Assets: | | |
| Debtors | 11,701,543 | 6,271,220 |
| Cash and bank balances | 24,092,498 | 58,130,039 |
| Total assets | <u>1,521,526,441</u> | <u>1,735,497,591</u> |
| Liabilities: | | |
| Creditors: | | |
| Bank overdrafts | 2,585 | - |
| Other creditors | 7,187,469 | 7,150,541 |
| Total liabilities | <u>7,190,054</u> | <u>7,150,541</u> |
| Net assets attributable to unitholders | <u><u>1,514,336,387</u></u> | <u><u>1,728,347,050</u></u> |

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 31 January 2022

Basis for preparation

The interim financial statements have been prepared in compliance with FRS102 and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association in May 2014 and amended in June 2017.

The interim financial statements are prepared in sterling, which is the functional currency of the Fund. Monetary amounts in these financial statements are rounded to the nearest pound.

The interim financial statements have been prepared on the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value.

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2021 and are described in those annual financial statements.

The investments of the Fund have been valued at their fair value at 12 noon on 31 January 2022.

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Investment Fund Services Limited
Registered in England No. 06110770
Authorised and regulated by the Financial Conduct Authority and a
member of The Investment Association.