LIONTRUST UK SMALLER COMPANIES FUND

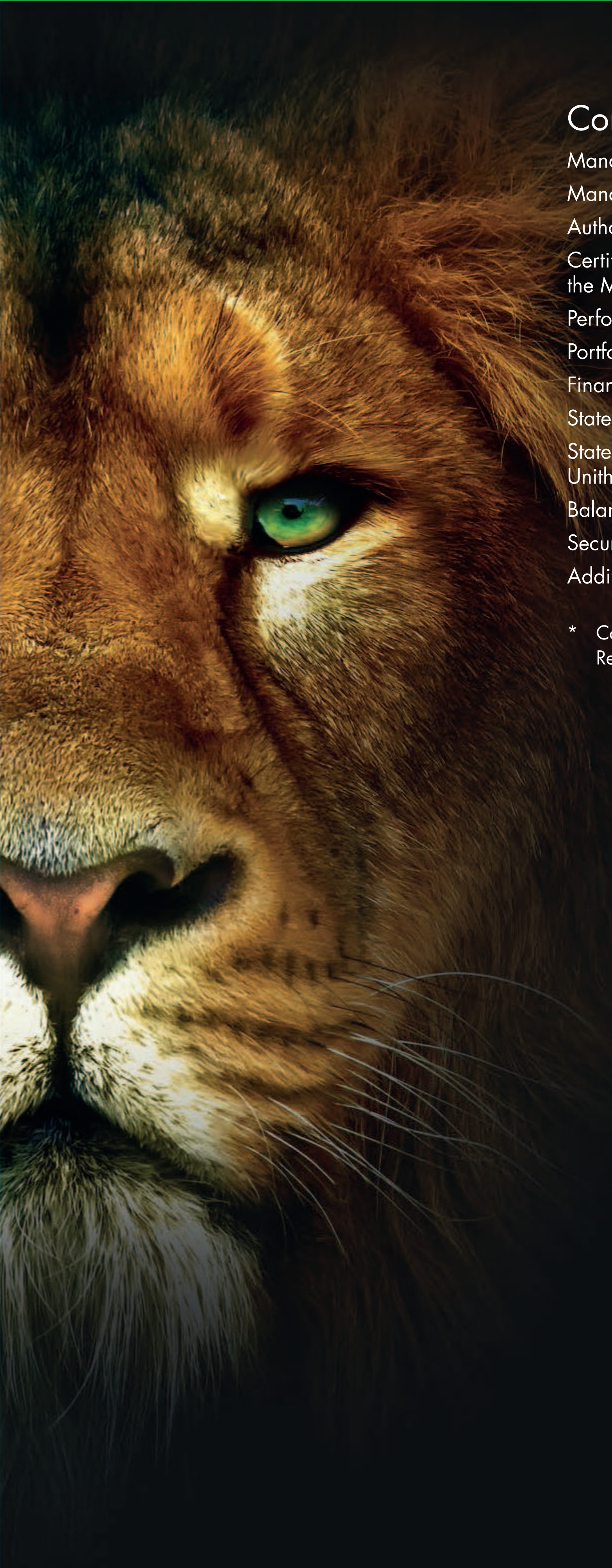
Interim Report &
Financial Statements (unaudited)

For the period:
1 May 2022
to
31 October 2022

Managed in accordance with
The Liontrust Economic Advantage

LIONTRUST FUND PARTNERS LLP

LIONTRUST



Contents

* Collectively, these comprise the Authorised Fund Manager's Report (from herein referred to as the Manager's Report).

Management and Administration

Authorised Fund Manager ("Manager")
Liontrust Fund Partners LLP
2 Savoy Court
London WC2R 0EZ

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Administration and Dealing facsimile 0207 964 2562
Email Liontrustadmin@bnymellon.com
Website www.liontrust.co.uk

The Manager of Liontrust UK Smaller Companies Fund (the "Fund") is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of the Investment Association. The ultimate holding company of the Manager is Liontrust Asset Management PLC ("LAM", "Liontrust" or the "Group") which is incorporated in England.

Investment Adviser
Liontrust Investment Partners LLP
2 Savoy Court
London WC2R 0EZ

Authorised and regulated by the FCA.

Trustee
The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London EC4V 4LA

Authorised by Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA.

Independent Auditor
KPMG LLP
11th Floor
15 Canada Square
Canary Wharf
London
E14 5GL

Administrator and Registrar
The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London
EC4V 4LA

Authorised by PRA and regulated by the FCA and the PRA.

Liontrust UK Smaller Companies Fund

Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist fund management company with £31.7 billion in assets under management as at 30 September 2022 and that takes pride in having a distinct culture and approach to managing money. Our purpose is to have a positive impact on our investors, stakeholders and society. We aim to achieve this by providing the environment which enables our fund managers and employees to flourish, helping our investors achieve their financial goals, supporting companies in generating sustainable growth, and empowering and inspiring the wider community. What makes Liontrust distinct?

- The Company launched in 1995 and was listed on the London Stock Exchange in 1999.
- We are an independent business with no corporate parent, our head office is on the Strand in London and we have offices in Edinburgh and Luxembourg.
- We believe in the benefits of active fund management over the long term and all our fund managers are truly active.
- We focus only on those areas of investment in which we have particular expertise. We have eight fund management teams investing in Global Equities, Global Fixed Income, Sustainable Investment and Multi-Asset portfolios and funds.
- Our fund managers are independent thinkers and have the courage of their convictions in making investment decisions.
- Our fund managers have the freedom to manage their portfolios according to their own investment processes and market views without being distracted by other day-to-day aspects of running a fund management company.
- Each fund management team applies distinct and rigorous investment processes to the management of funds and portfolios that ensure the way we manage money is predictable and repeatable.
- Staying true to their documented investment processes helps to create an in-built risk control for our fund managers, especially in more challenging environments, by preventing them from investing in companies and funds for the wrong reasons.
- We aim to treat investors, clients, members, employees, suppliers and other stakeholders fairly and with respect. We are committed to the Principles of Treating Customers Fairly (TCF) and they are central to how we conduct business across all our functions.

Liontrust Asset Management PLC is the parent company of Liontrust Investment Partners LLP, Liontrust Fund Partners LLP and Liontrust Portfolio Management Limited which are authorised and regulated by the Financial Conduct Authority. Liontrust Asset Management PLC is also the parent company of Liontrust International (Luxembourg) S.A. which is regulated by the Commission de Surveillance du Secteur Financier in Luxembourg. All members of the Liontrust Group sell only Liontrust Group products.

Russia's invasion of Ukraine, the sanctions imposed on Russia as a result and retaliatory action taken by Russia against foreign investors has caused significant volatility in certain financial markets, currency markets and commodities markets worldwide. Economic sanctions and the fallout from the conflict will likely impact companies worldwide operating in a wide variety of sectors, including energy, financial services and defence, amongst others. As a result, the performance of the Fund may also be negatively impacted even if they have no direct exposure to the regions involved in the conflict. The conflict has also resulted in a significantly increased risk of cyber attacks. Your attention is drawn to the section of the Prospectus entitled "Cyber Security Risk" in this regard.

Manager's Investment Report

Investment Objective
The Fund aims to deliver capital growth over the long term (5 years or more).

Investment Policy
The Fund will invest at least 90% in companies which are incorporated, domiciled or conduct significant business in the United Kingdom (UK).

At least 75% of the companies held by the Fund will have a market capitalisation of less than £1bn.

The Fund will typically invest 90% (minimum 80%) in equities or equity related derivatives but may also invest in collective investment schemes (up to 10% of Fund assets), corporate debt securities, other transferable securities, money market instruments, warrants, cash and deposits.

The Fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes. Please refer to the Derivatives sections of the Prospectus for further detail.

The Team
The award-winning Economic Advantage team have an average industry experience of 21 years. Anthony Cross joined Liontrust from Schroders in 1997 and was joined by Julian Fosh in 2008. Julian had previously managed funds at Scottish Amicable Investment Managers, Britannic Investment Managers, Scottish Friendly Assurance Society and Saracen Fund Managers. Victoria Stevens and Matt Tonge joined the team in 2015. Victoria was previously Deputy Head of Corporate Broking at FinnCap, while Matt had spent nine years on the Liontrust dealing desk, latterly winning an industry award for his work in mid and small cap stocks. Alex Wedge joined the team in March 2020 from N+1 Singer, where he had spent over seven years, latterly as a senior member of the equity sales team. Natalie Bell joined the team in August 2022, having previously been a member of the Liontrust Responsible Capitalism team where she led engagement with investee companies.

The Process
The process seeks to identify companies that possess intangible assets which produce barriers to competition and provide a durable competitive advantage that allows the companies to defy industry competition and sustain a higher than average level of profitability for longer than expected.

In the fund managers' experience, the hardest characteristics for competitors to replicate are three classes of intangible asset: intellectual property, strong distribution channels and significant recurring business.

Other less powerful but nonetheless important intangible strengths include franchises and licenses; good customer databases and relationships; effective procedures and formats; strong brands and company culture.

These intangible assets produce barriers to competition, protect margins and are capable, in the opinion of the fund managers, of reaping a financial advantage in the form of cash flow returns in excess of the cost of capital. A company that consistently generates excess cash flow returns will benefit from compounding as it reinvests this excess return into the business.

Every smaller company held in the Economic Advantage funds has at least 3% of its equity held by senior management and main board directors. Companies are also assessed for employee ownership below the senior management and board and changes in equity ownership are monitored.

Manager's Investment Report (continued)

Performance of the Fund

In the six months to 31 October 2022 an investment in the Fund returned -14.3% (retail class) and -14.2% (institutional class). This compares with a return of -17.3% from the FTSE Small Cap (excluding investment trusts) Index, the comparator benchmark index and a -17.7% return from the IA UK Smaller Companies sector average, also a comparator benchmark

Since the manager inception date of the Fund, 8 January 1998, an investment in the Fund has risen by 1,464% (retail class) and 1,503% (institutional class) compared to a 300% return from the FTSE Small Cap (excluding investment trusts) Index and a 641% return from the IA UK Smaller Companies sector comparator benchmarks.

Source: Financial Express, bid-to-bid basis, total return, net of fees, income reinvested, figures show performance up to 31 October 2022. The primary class post-Retail Distribution Review is the institutional class, whereas pre-Retail Distribution Review the bundled Retail class performance history is used, unadjusted for the lower fees of the post Retail Distribution Review classes. Please note that total return has been calculated at midday whereas the financial statements are at close of business.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Manager's Investment Report (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the risk and reward indicator.

Typically lower rewards, lower risk

Typically higher rewards, higher risk

1	2	3	4	5	6	7

- The Synthetic Risk Reward Indicator ("SRRI") is based upon historical data and may not be relied upon to gauge the future risk profile of the Fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Fund or a representative fund or Index's value has moved up and down in the past.
- The Fund is categorised 5 primarily for its exposure to UK small cap equities.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.
- The Fund may, under certain circumstances, invest in derivatives, but it is not intended that their use will materially affect volatility. Derivatives are used to protect against currencies, credit and interest rate moves or for investment purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The use of derivatives may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Fund volatility in both up and down markets by hedging against the general market.
- The Fund may invest in companies listed on the Alternative Investment Market (AIM) which is primarily for emerging or smaller companies. The rules are less demanding than those of the official list of the London Stock Exchange and therefore companies listed on the AIM may carry a greater risk than a company with a full listing.
- As the Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the Fund to defer or suspend redemptions of its units. In addition the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings.
- The Fund may have both Hedged and Unhedged unit classes available. The Hedged unit classes use forward foreign exchange contracts to protect returns in the base currency of the Fund.

Manager's Investment Report (continued)

Risk and Reward profile (continued)

- Outside of normal conditions, the Fund may hold higher levels of cash which may be deposited with several credit counterparties (e.g. international banks). A credit risk arises should one or more of these counterparties be unable to return the deposited cash.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Environmental, Social and Governance (ESG) Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Manager's Investment Report (continued)

The Market

In the six months to 31 October 2022, the FTSE Small Cap ex-Investment Trusts Index returned -17.3%*.

As inflationary pressures mounted, an aggressive central bank response looked increasingly likely to tip the economy into recession. When combined with a volatile geopolitical environment, investor sentiment weakened significantly over the period, sending equity markets lower.

Existing inflationary pressures in the economy were exacerbated over the summer by Russia's restriction of gas supplies to Europe. UK consumer price inflation breached 10% in July and September, prompting the Bank of England to push through 150 basis points of hikes in four separate moves across the six months, mirroring a pace of tightening seen globally from key central banks such as the US Federal Reserve. In its accompanying comments, the Bank noted that the UK is projected to enter recession in the fourth quarter, with real household income expected to fall sharply in 2022 and 2023.

Falling equity markets and rising bond yields were accentuated by the UK government's fiscal actions in September when short-lived UK Chancellor Kwasi Kwarteng's 'mini-budget' took a stimulative stance that was at odds with the Bank of England's economic assessment. As investors anticipated higher public borrowing and additional rate rises, risk assets sold off sharply and the Bank was forced to intervene to stabilise markets – temporarily reinstating its bond-buying quantitative easing efforts – over fears of potential systemic solvency issues for some pension funds.

As sentiment weakened and equities fell, the losses were heaviest lower down the market-cap scale. While the large-cap FTSE 100 lost 4.3%, the mid-cap FTSE 250 dropped 12.3% and the FTSE Small Cap ex-Investment Trusts Index fell by 17.3%.

Fund Review

In the six months to 31 October 2022, the Liontrust UK Smaller Companies Fund returned -14.2% (institutional accumulation class), compared with the FTSE Small Cap ex-Investment Trusts Index comparator benchmark return of -17.3%. The average return of funds in the IA UK Smaller Companies sector, also a comparator benchmark, was -17.7%*.

Earlier in the year, equity market weakness seemed to stem predominantly from ratings contracting – i.e. the 'p' in p/e (price/earnings) levels falling – as investors priced in higher interest rates (and discount rates) on future expected growth. As recessionary forces have built, earnings estimates have now come under pressure too, prompting further share price weakness.

It is understandable that the market might be concerned that mid and small-caps in aggregate would be disproportionately affected by the problems faced by the UK's domestic economy. However, while the fund managers by no means claim that any of the Fund's companies will be immune from a contraction in the UK economy, they have so far been reassured by the trading resilience shown by many of them.

One of the Fund's more resilient stocks over the period was **Big Technologies** (+14%). It issued full-year guidance of at least £48m in revenue with an adjusted EBITDA (earnings before interest, taxation, depreciation and amortisation) margin of more than 58%, ahead of market expectations. The provider of integrated hardware/software solutions for the electronic monitoring of criminal offenders reported a 27% increase in first-half revenues to £22.9m following new contract wins and more business from existing customers.

Investment platform provider **AJ Bell** (+31%) also performed well as investors focused on solid underlying business trends. Although it faced a negative market movement effect of £7.4bn in the year to 30 September, £5.8bn of net inflows helped it restrict the fall in its assets under management to 2% to £69.2bn. The net inflow was underpinned by 16% organic growth in its customer base to over 425,000, with good growth for both its advised channel and its direct-to-consumer offering, while Investors will also note the prospect of improved interest income from client cash balances following recent rate rises.

Specialist advisory firm **FRP Advisory** (+25%) issued an upbeat full-year trading update which raised revenue and profit guidance; tough macroeconomic conditions and the phasing out of the government's Covid business support led to increased demand for FRP's restructuring and insolvency services. It went on to report 21% revenue growth to £95m in the 12 months to 30 April 2022.

Manager's Investment Report (continued)

Fund Review (continued)

There has been some evidence within the Fund that market volatility is leading to corporate and private equity acquirers seeking out undervalued assets. **Clipper Logistics** (-0.1%) received a takeover offer from GXO Logistics earlier in 2022, and the fund managers sold the position ahead of completion of the deal. **CareTech** (+1.5%) also exited the Fund as a founder-led private equity consortium completed a deal proposed in March.

Having announced in April that it was in the early stages of considering a possible offer for **Ideagen** (+49%), private equity investor Cinven subsequently withdrew its interest in May. However, Ideagen disclosed that it had also received proposals regarding cash takeovers from Astorg and Hg. In early May it recommended an offer of 350p a share from Hg, and shares in Ideagen immediately jumped to trade at the offer level. The holding also left the portfolio ahead of deal completion.

Attraqt (-4.8%) also drew bid interest. Shares in the provider of merchandising, search and personalisation software to online retailers had been under pressure due to its exposure to a softening retail outlook. It accepted an offer from US Digital Experience Platform software provider Crownpeak Technology which was at a 71% premium to Attraqt's prior closing price, albeit below the levels it had traded at a several months earlier.

Takeover activity was also a factor for one of the Fund's main detractors, although **Next Fifteen Communications** (-33%) was attempting to act as acquirer rather than target. It made a cash-and-shares offer for media agency M&C Saatchi, which was recommended by its board, trumping interest from AdvancedAdvT Limited, an acquisition vehicle chaired by Vin Murria, also a director of M&C Saatchi. However, Next Fifteen Communications' share price subsequently slid to the point that its implied offer value was worth less than the AdvancedAdvT Limited bid. In response, the Board of M&C Saatchi withdrew its recommendation. Next Fifteen Communications maintained its offer despite the share price fall and loss of Board support, but ultimately failed to win shareholder approval. Investors in Next Fifteen Communications will now be keen for focus to return to underlying trading, which prior to the last six months had been exceptionally strong, driving the shares to an all-time high in March.

The portfolio's other weakest positions included those that are most exposed to softer demand as a result of deteriorating economic conditions.

Eyewear supplier **Inspecs** (-86%) issued two profit warnings across the period and also announced a senior management reshuffle which will include the retirement of its Chairman. Although sales rose 3.7% in organic terms in the first nine months of 2022, the group's order book has fallen 13% compared with a year earlier, as German and French demand in particular has been hit by declining consumer confidence. As a result of the deteriorating outlook, Inspecs is delaying (by at least a year) the planned expansion of its Vietnamese factory as well as investment in a new Portuguese facility. With Inspecs carrying debt on its balance sheet, investors are likely to want evidence of an improvement in trading or a reduction in leverage in order for the share price to recover significantly. Inspecs expects demand headwinds to persist into 2023 and has effectively suspended its 2022 financial guidance until a scheduled January update.

Hilton Food (-49%) also fell heavily after issuing a profit warning. The specialist in processing and packing food for supermarkets said that 2022 profitability is now expected to be below consensus analyst forecasts. It cited volume pressures as consumers become more cost conscious and also flagged that its seafood unit had been hit by "unprecedented" raw material price increases.

Despite the fairly swift reversal of most of its measures, the UK mini-budget heavily knocked sentiment towards the property sector, as it triggered a sharp upwards rebasing of mortgage rates and the withdrawal of swathes of products. A handful of portfolio holdings were exposed to these negative trends. **LSL Property Services** (-41%), for example, had already lost ground following a downbeat AGM statement in May, and it slid further in the mini-budget aftermath. It downgraded its 2022 profits forecast to slightly below 2021's level, having previously expected to match it. It highlighted the role of UK conveyancing bottlenecks in holding up residential transactions and contributing to a reduction in its estate agency revenues.

Mortgage Advice Bureau (-45%) was also affected. During the period, it released interim results showing that although average mainstream adviser numbers rose 19% year-on-year to 1,890, revenue per adviser was down 13% in the first half of 2022. It thinks that purchase activity is set to weaken further, while pipeline conversion is slowing, which fed through to a small downgrade to its full-year financial guidance.

Manager's Investment Report (continued)

Fund Review (continued)

Lastly in the property sector, fintech platform operator **Lendinvest** (-55%) slid on a gloomy short-term outlook for the UK mortgage market. The hybrid alternative asset manager, platform and lender grew funds under management 17% to £3.4bn in the six months to 30 September and it has a further £950m of lending headroom, but it expects buy-to-let in particular to slow in the second half of the year. It now anticipates that full-year profit before tax will only match last year's level, implying a cut of about 25% to analyst expectations.

**Source: Financial Express, bid-to-bid basis, total return, net of fees, income reinvested, 31.10.2022. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Portfolio Activity

A new position was added in **Ergomed**, a global contract research organisation employing over 1400 staff across 140 countries. An expert in providing fully outsourced drug trials to speciality pharma and biotech clients, with specialisms in oncology and rare diseases, it also boasts one of the largest qualified teams of pharmacovigilance professionals globally, helping clients manage the risks around portfolios of approved drugs. The fund managers believe its key intangible asset rests in its distribution network, which is large enough to provide it with global scale but small enough for it to forge close customer partnerships, particularly in the niches of the market in which it operates.

The Fund added a position in **Fevertree Drinks**, a business in which the fund managers see significant long-term competitive advantage arising from the company's strength in distribution. Fevertree Drinks sells to over 80 countries, but is most established in the UK, where it boasts a 50% share of the mixer category in the "on-trade" market (pubs, restaurants, bars and other leisure outlets) and 40% share of the at-home market. Its premium mixers are present in over 15% of households in the UK. It has also been steadily building market share in other territories such as the US, Canada and Europe, and has already achieved number-one positions in a number of these. Fevertree Drinks has also built up valuable relationships with premium spirits partners, with which it actively co-promotes its products to drive further market penetration.

The holdings in **CareTech**, **Ideagen** and **Clipper Logistics** all exited the portfolio upon, or in advance of, completion of acquisitions.

The position in **Medica** was also sold as a consequence of its senior management equity ownership falling below the 3% threshold level required of all smaller companies held under the Economic Advantage process.

In October, the position in **musicMagpie** was sold after the fund managers reappraised the business's possession of core Economic Advantage intangible assets (in this case, intellectual property and a strong distribution network). They found that a new market entrant's aggressive expansion has raised question marks over the strength of its barriers to competition, a key feature expected of all Fund holdings. Additionally, the managers had concerns over the scale of investment in musicMagpie's new rental business and its impact on the company's balance sheet.

Outlook

Clearly, most companies will be vulnerable to share price falls if economic conditions worsen considerably, but the fund mangers would expect the pain to be more acutely felt amongst those more cyclical businesses with low barriers to competition, poor pricing power and weaker balance sheets.

Inevitably, markets use a very broad brush when reacting to economic developments and do not differentiate between different companies until later in the cycle when the successful ones are able to show, by their delivered results, their superiority. The fund managers believe that the Fund is invested in companies which are dependable, consistent businesses in possession of barriers to competition which given them pricing power. This pricing power is likely to prove critical in dealing with cost pressures that look set to persist for some time.

Manager's Investment Report (continued)

Outlook (continued)

The Fund's companies often have a strong owner-manager culture, a consequence of a requirement for at least 3% senior management equity ownership. This tends to be accompanied by a more conservative business ethos focused on organic growth and lower balance sheet gearing. Almost 75% of the Fund's companies are in a position of net cash. In addition, because the Economic Advantage investment process focuses on intangible asset strengths, it also has a bias towards less (physical) asset-intensive businesses. This reduces capital expenditure (capex) requirements.

While heavily indebted, capital-intensive companies are exposed to rising interest costs and inflated capex spending, the Fund's businesses should be able to prioritise capital allocation towards growth and investment. Hopefully, this should set them up to emerge from the current macroeconomic turmoil in decent shape and thrive once conditions normalise.

In the meantime, the fund managers have been trying to view the UK market sell-off as a period of disruption which should present investment opportunities. They will be alert to opportunities to initiate or top-up positions in high quality, strong businesses with Economic Advantage characteristics at materially cheaper levels than were available at the start of the year. Furthermore, market weakness may also lead to more interest from corporate acquirers. One of the features of the Economic Advantage investment process is the frequency with which its holdings have proven attractive to acquirers, and we have seen a number of holdings receive approaches over the last year.

Anthony Cross, Julian Fosh, Victoria Stevens, Matthew Tonge, Alex Wedge and Natalie Bell

Fund Managers

November 2022

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Manager's Investment Report (continued)

Material portfolio changes by value

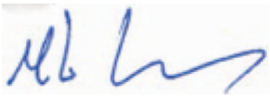
Purchases	Sales
Ergomed	Ideagen
Fevertree Drinks	CareTech
IntegraFin	Medica
On the Beach	Keywords Studios
AB Dynamics	Clipper Logistics
Instem	FRP Advisory
Impax Asset Management	Hilton Food
Learning Technologies	Big Technologies
RWS	JTC
Foresight	Next Fifteen Communications

Authorised Status

The Fund is an authorised unit trust scheme ("the Scheme") under Section 243 of the Financial Services and Markets Act 2000 (authorisation orders) and the Financial Conduct Authority's Collective Investment Schemes Sourcebook and is categorised as a UCITS scheme.

Certification of Financial Statements by Partners of the Manager

We certify that this Manager's Report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook.



Martin Kearney
Partner, Chief Compliance Officer

Antony Morrison
Partner, Head of Finance

Liontrust Fund Partners LLP
14 December 2022

Performance Tables (unaudited)

as at 31 October 2022

Net asset value

Period end	Units in Issue	Net Asset Value (£'000)	Net Asset Value per unit (p)
31 October 2022			
Institutional Accumulation	35,096,681	615,220	1,752.93
Institutional Income	26,012,961	448,687	1,724.86
Retail Income	6,747,910	115,584	1,712.88
30 April 2022			
Institutional Accumulation	34,620,943	708,038	2,045.12
Institutional Income	28,777,024	579,023	2,012.10
Retail Income	7,059,282	141,241	2,000.78
30 April 2021			
Institutional Accumulation	32,935,722	716,463	2,175.34
Institutional Income	31,350,024	671,565	2,142.15
Retail Income	7,547,814	161,019	2,133.32
30 April 2020			
Institutional Accumulation	29,865,855	447,314	1,497.74
Institutional Income	31,427,488	463,551	1,474.98
Retail Income	7,994,734	117,727	1,472.55

Portfolio Statement (unaudited)

as at 31 October 2022

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (92.43%)	**1,077,916**	**91.39**
	UNITED KINGDOM (89.16%)	**1,045,199**	**88.61**
	Advertising (3.89%)	**35,338**	**3.00**
2,807,207	Next Fifteen Communications	24,647	2.09
13,706,345	Pebble	10,691	0.91
	Auto Parts & Equipment (1.09%)	**14,261**	**1.21**
4,600,279	Quartix	14,261	1.21
	Banks (0.97%)	**11,815**	**1.00**
1,409,264	Arbuthnot Banking	11,767	1.00
9,515	Arbuthnot Banking (non-voting)	48	0.00
	Beverages (0.00%)	**10,015**	**0.85**
1,049,231	Fevertree Drinks	10,015	0.85
	Biotechnology (1.10%)	**15,466**	**1.31**
468,668	Bioventix	15,466	1.31
	Commercial Services (15.00%)	**167,621**	**14.20**
903,080	AB Dynamics	14,449	1.23
9,766,093	Fintel	16,065	1.36
11,472,634	Gateley	20,880	1.77
2,621,153	Keystone Law	12,319	1.04
9,601,487	Mind Gym	9,121	0.77
5,761,375	Robert Walters	28,807	2.44
8,189,674	RWS	25,077	2.13
19,239,165	Tribal	12,313	1.04
3,286,263	YouGov	28,590	2.42
	Computers (6.23%)	**82,963**	**7.03**
3,962,212	Cohort	17,830	1.51
27,041,980	Eckoh	11,087	0.94
1,622,075	Kainos	20,049	1.70
4,505,175	Midwich	22,436	1.90
14,098,662	Netcall	11,561	0.98

Portfolio Statement (unaudited) (continued)

as at 31 October 2022

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Diversified Financial Services (18.84%)	**231,959**	**19.67**
6,566,602	AJ Bell	21,328	1.81
1,710,079	Alpha	33,005	2.80
1,208,209	Brooks Macdonald	22,594	1.92
6,170,915	Foresight	21,290	1.81
15,455,306	FRP Advisory	23,956	2.03
3,635,662	Impax Asset Management	24,359	2.07
7,881,692	IntegraFin	19,862	1.68
8,081,350	LendInvest	6,869	0.58
3,669,111	Mattioli Woods	21,281	1.80
2,842,133	Mortgage Advice Bureau	17,792	1.51
5,687,783	Tatton Asset Management	19,623	1.66
	Electrical Components & Equipment (2.23%)	**28,163**	**2.39**
6,936,586	FW Thorpe	28,163	2.39
	Electronics (4.39%)	**57,716**	**4.89**
7,013,138	Concurrent Technologies	5,190	0.44
383,609	Judges Scientific	26,085	2.21
3,612,179	Smart Metering Systems	26,441	2.24
	Food Producers (2.82%)	**25,824**	**2.19**
2,451,962	Hilton Food	14,957	1.27
6,666,667	Kitwave	10,867	0.92
	Forest Products & Paper (0.71%)	**7,836**	**0.66**
921,884	James Cropper	7,836	0.66
	Healthcare Products (1.93%)	**20,233**	**1.72**
40,409,890	EKF Diagnostics	17,659	1.50
5,367,685	Inspecs	2,469	0.21
808,197	Verici Dx	105	0.01
	Healthcare Services (3.91%)	**12,427**	**1.05**
4,212,535	Tristel	12,427	1.05

Portfolio Statement (unaudited) (continued)

as at 31 October 2022

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Home Furnishings (1.49%)	**15,183**	**1.29**
2,335,778	Focusrite	15,183	1.29
	Internet (1.62%)	**17,312**	**1.47**
18,577,506	Attraqt	5,387	0.46
1,887,924	Gear4Music	1,982	0.17
7,420,192	iomart	9,943	0.84
	Investment Companies (2.20%)	**22,780**	**1.93**
3,163,918	Gresham House	22,780	1.93
	Leisure Time (0.92%)	**9,815**	**0.83**
9,510,677	On the Beach	9,815	0.83
	Miscellaneous Manufacturing (1.33%)	**12,762**	**1.08**
5,935,755	Animalcare	12,762	1.08
	Pharmaceuticals (0.00%)	**13,572**	**1.15**
1,106,994	Ergomed	13,572	1.15
	Real Estate Investment & Services (1.66%)	**15,687**	**1.33**
6,880,466	LSL Property Services	15,687	1.33
	Retail (2.06%)	**19,718**	**1.67**
27,011,249	Brickability	19,718	1.67
	Software (12.94%)	**172,220**	**14.61**
7,217,996	Bango	12,992	1.10
9,012,642	Big Technologies	24,064	2.04
1,210,195	Craneware	22,268	1.89
22,602,517	dotdigital	17,178	1.46
947,742	Frontier Developments	12,567	1.07
2,129,708	Instem	12,352	1.05
4,181,971	K3 Business Technology	4,935	0.42
19,450,310	Learning Technologies	20,929	1.77
8,720,000	Microlise	13,952	1.18

Portfolio Statement (unaudited) (continued)

as at 31 October 2022

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Software (continued)		
6,422,411	Quixant	10,918	0.93
4,954,410	Team17	20,065	1.70
	Telecommunications (1.83%)	**24,513**	**2.08**
2,228,440	GlobalData	24,513	2.08
	JERSEY (1.97%)	**23,898**	**2.03**
	Diversified Financial Services (1.97%)	**23,898**	**2.03**
3,423,789	JTC	23,898	2.03
	IRELAND (1.30%)	**8,819**	**0.75**
	Computers (1.30%)	**8,819**	**0.75**
366,237	Keywords Studios	8,819	0.75
	COLLECTIVE INVESTMENT SCHEMES (7.00%)	**82,668**	**7.01**
	IRELAND (3.50%)	**41,334**	**3.50**
41,334,147	HSBC Sterling Liquidity Fund	41,334	3.50
	LUXEMBOURG (3.50%)	**41,334**	**3.51**
41,334,147	JP Morgan Liquidity Fund	41,334	3.51
	Portfolio of investments	**1,160,584**	**98.40**
	Net other assets	**18,907**	**1.60**
	Total net assets	**1,179,491**	**100.00**

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 30 April 2022.

Financial Statements (unaudited)

Statement of Total Return (unaudited)
for the period ended 31 October 2022

	(£'000)	1.5.2022 to 31.10.2022 (£'000)	(£'000)	1.5.2021 to 31.10.2021 (£'000)
Income				
Net capital (losses)/gains		(207,007)		139,767
Revenue	13,738		12,533	
Expenses	(8,865)		(11,764)	
Interest payable and similar charges	–		–	
Net revenue before taxation	4,873		769	
Taxation	–		–	
Net revenue after taxation		4,873		769
Total return before distributions		**(202,134)**		**140,536**
Distributions		(21)		4
Change in net assets attributable to unitholders from investment activities		**(202,155)**		**140,540**

Statement of Change in Net Assets Attributable to Unitholders (unaudited)
for the period ended 31 October 2022

	(£'000)	1.5.2022 to 31.10.2022 (£'000)	(£'000)	1.5.2021 to 31.10.2021 (£'000)
Opening net assets attributable to unitholders		**1,428,302**		**1,549,047**
Amounts received on issue of units	101,727		135,443	
Amounts paid on cancellation of units	(148,383)		(113,631)	
		(46,656)		21,812
Change in net assets attributable to unitholders from investment activities		(202,155)		140,540
Closing net assets attributable to unitholders		**1,179,491**		**1,711,399**

The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

Financial Statements (unaudited) (continued)

Balance Sheet (unaudited)
as at 31 October 2022

	31.10.2022 (£'000)	30.4.2022 (£'000)
Assets		
Fixed assets		
Investments	1,160,584	1,420,184
Current assets:		
Debtors	5,183	5,307
Cash and bank balances	19,298	12,647
Total assets	**1,185,065**	**1,438,138**
Liabilities		
Creditors:		
Distribution payable	–	(594)
Other creditors	(5,574)	(9,242)
Total liabilities	**(5,574)**	**(9,836)**
Net assets attributable to unitholders	**1,179,491**	**1,428,302**

Accounting Policies

The financial statements have been prepared on a going concern basis in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 (the "SORP") and updated in June 2017, the COLL and the Fund's Trust Deed and Prospectus. In applying UK GAAP, the financial statements have been prepared in compliance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102").

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 April 2022 and are described in those financial statements.

Securities Financing Transactions (unaudited)

as at 31 October 2022

Securities Lending

Securities lending transactions entered into by the Fund are subject to a written legal agreement between the Fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), a related party to the Fund, and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of The Bank of New York Mellon (International) Limited ("the Depositary") on behalf of the Fund. Collateral received is segregated from the assets belonging to the Fund's Depositary or the Stock Lending Agent.

The total income earned from securities lending transactions is split between the relevant Fund and the Stock Lending Agent. The Fund receives 70% while the Stock Lending Agent receives 30% of such income, with all operational costs borne out of the Stock Lending Agent's share.

Return and cost

The table below shows the net income earned by the Fund from securities lending activity during the period to 31 October 2022.

	Collective Investment Undertaking (£'000)	Manager of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	17	–	7	24
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Securities lending

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and Net Asset Value (NAV) as at 31 October 2022. The income earned from securities lending are also shown for the period ended 31 October 2022. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction.

Securities on loan		
% of lendable assets	% of NAV	Income earned (£'000)
1.76	1.52	17

Securities Financing Transactions (unaudited)(continued)

as at 31 October 2022

Securities lending (continued)

The following table details the value of securities on loan and associated collateral received, analysed by counterparty as at 31 October 2022.

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
BNP Paribas	France	2,129	2,295
Citigroup Global Markets Limited	UK	4,803	5,232
J.P. Morgan Securities Plc	UK	576	638
Merrill Lynch International	UK	1,415	1,538
The Bank of Nova Scotia	Canada	6,251	6,877
UBS	Switzerland	2,753	3,039
Total		**17,927**	**19,619**

All securities on loan have an open maturity tenor as they are recallable or terminable on a daily basis.

Collateral

The Fund engages in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

The following table provides an analysis by currency of the underlying cash and non-cash collateral received / posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions, as at 31 October 2022.

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Securities lending transactions				
AUD	-	-	28	-
CAD	-	-	38	-
CHF	-	-	389	-
EUR	-	-	4,108	-
GBP	-	-	3,799	-
HKD	-	-	376	-
JPY	-	-	1,238	-
NOK	-	-	2	-
NZD	-	-	5	-
USD	-	-	9,636	-
Total	**-**	**-**	**19,619**	**-**

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

Securities Financing Transactions (unaudited)(continued)

as at 31 October 2022

Collateral (continued)

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received / posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions, as at 31 October 2022.

	Maturity Tenor						
Collateral type and quality	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)	Open transactions (£'000)	Total (£'000)
Collateral received - securities lending							
Fixed income							
Investment grade	–	–	13	321	5,235	–	**5,569**
Equities							
Recognised equity index	–	–	–	–	–	14,050	**14,050**
Total	**–**	**–**	**13**	**321**	**5,235**	**14,050**	**19,619**

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and exchange traded funds (ETFs) received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

As at 31 October 2022, all non-cash collateral received by the Fund in respect of securities lending transactions is held by the Fund's Trustee (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions as at 31 October 2022.

Issuer	Value (£'000)	% of the Sub-fund's NAV
The Bank of Nova Scotia	6,877	0.58
Citigroup Global Markets Limited	5,232	0.44
UBS	3,039	0.26
BNP Paribas	2,295	0.20
Merrill Lynch International	1,538	0.13
J.P. Morgan Securities Plc.	638	0.05
Total	**19,619**	**1.66**

Additional Information (unaudited)

Trust Deed: The Fund was established by a Trust Deed made between the Manager and the Trustee dated 27 July 1995.

Prospectus: Copies of the Fund's Prospectus are available free of charge from the Manager upon request, and from our website, www.liontrust.co.uk.

Unit type: The Fund issues income and accumulation units. Investors can elect at any time to have any income either paid out or automatically reinvested to purchase units at no initial charge.

Pricing and dealing: A buying price (the price at which you have bought the units in the Fund and being the higher) and a selling price (the price at which you can sell the units back to the Manager and being the lower) are always quoted for the Fund. The buying price includes the Manager's initial charge.

Dealing in all unit trusts operated by Liontrust Fund Partners LLP may be carried out between 09.00 and 17.00 hours on any business day. Professional investors and advisers may buy and sell units over the telephone; private investors are required to instruct the Manager in writing for initial purchases, but can deal over the telephone thereafter. Prices are quoted on a 'forward' basis. This means that all deals are based on a price that is calculated at the next valuation point (which is 12.00 hours on each business day) following receipt of instructions. Instructions received before 12.00 hours will be priced at 12.00 hours that day, whilst those deals taken later in the day will receive the next dealing price which is fixed at 12.00 hours on the following business day.

The minimum initial lump sum investment in the Fund is £1,000, the minimum additional investment is £1,000 and the amount you may sell back to the Manager at any one time is £500. Please refer to the Prospectus for more details.

A contract note in respect of any purchase will be issued the day following the dealing date. Unit certificates will not be issued. Instructions to sell your units may be required to be given by telephone and then confirmed in writing to Liontrust Fund Partners LLP at PO Box 373, Darlington, DL1 9RQ. A contract note confirming the instruction to sell will be issued the day following the dealing day. Following receipt of a correctly completed Form of Renunciation, a cheque in settlement will be sent directly to you or your bank/building society, if proof of ownership of the account has been received by us, in four business days. Liontrust does not make or accept payments to or from third parties unauthorised by the Financial Conduct Authority or other financial regulator.

Management charges and spreads: The initial charge and annual management fees per unit class are detailed below.

Initial charge	%	Ongoing charges figure*	%	Included within the OCF is the Annual Management Charge**	%
Institutional Accumulation	Nil	Institutional Accumulation	1.33	Institutional Accumulation	1.25
Institutional Income	Nil	Institutional Income	1.33	Institutional Income	1.25
Retail Income	up to 5	Retail Income	1.58	Retail Income	1.50

* The OCF covers all aspects of operating a Fund during the course of its financial period. These include the annual charge for managing the Fund, administration and independent oversight functions, such as trustee, custody, legal and audit fees. The OCF excludes portfolio transaction costs except for an entry/exit charge paid by the Fund when buying or selling units in another Fund.

** These are the annual costs of running and managing the Fund.

Publication of prices: The price of units in the Fund is quoted on our website, www.liontrust.co.uk and other industry websites such as www.trustnet.com. Daily and historic Fund prices are available from our Dealing and Administration team on 0344 892 0349.

Capital Gains Tax: As an authorised unit trust, any capital gains made within the Fund is exempt from UK Capital Gains Tax. An individual investor is subject to capital gains tax on gains made on their investment, however an individual's first £12,300 of net gains on disposals in the 2022-2023 tax year are exempt from tax (2021-2022: £12,300).

Additional Information (unaudited) (continued)

Income Tax: UK tax resident individuals are now entitled to a new tax-free dividend allowance in place of the dividend tax credit. Consequently, all income from dividend distributions is now regarded as gross income.
UK resident individuals who are not liable to tax are not able to reclaim the tax credits from the HM Revenue and Customs. In the case of UK resident individuals who are liable to starting or basic rate tax only, the tax credit will match his or her liability on the distribution and there will be no further tax to pay and no right to claim repayments from the HM Revenue and Customs. In the case of a higher rate taxpayer, the tax credit will be set against, but not fully match, his or her tax liability on the distribution. Such people will have an additional tax liability to pay.

Assessment of Value: The regulator - the FCA - has asked every asset manager to assess the value of the funds they run. Assessing value goes beyond performance and costs and encompasses a minimum of seven criteria mandated by the FCA. The assessment of value of the Fund and the other UK-domiciled funds managed by Liontrust will be conducted as at 31 August each year. The assessment of value report can be viewed on the Liontrust website www.liontrust.co.uk/learning/assessment-of-value.

Important information: Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. The issue of units may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. You should always regard unit trust investment as long term.

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