

IFSL Marlborough Special Situations Fund

Interim Report and Unaudited Financial Statements
for the six month period ended 20 June 2023

IFSL

— Fund Services —

Marlborough

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND

CONTACT INFORMATION

Authorised Fund Manager (AFM) and Registrar

Investment Fund Services Limited (IFSL)
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Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

Directors of IFSL

Andrew Staley (Non-Executive)
Allan Hamer
Dom Clarke - appointed 30 January 2023
Helen Derbyshire
Helen Redmond
Sally Helston
Guy Sears (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

Investment Manager

Marlborough Investment Management Limited
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Authorised and regulated by the Financial Conduct Authority.

Sub-Investment Manager

Canaccord Genuity Asset Management Limited
88 Wood Street
London
EC2V 7QR

Authorised and regulated by the Financial Conduct Authority.

Depository (in its capacity as 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.

Auditor

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

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND

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IFSL MARLBOROUGH SPECIAL SITUATIONS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 20 June 2023

Performance to 20 June 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Marlborough Special Situations Fund	(0.95)%	(13.03)%	5.20%	(5.96)%
IA UK All Companies sector	5.00%	7.40%	22.94%	8.34%

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

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this unit class is calculated in sterling.

Investment commentary

During the six-month period from 21 December 2022 to 20 June 2023, the price of the Fund's P Accumulation units fell 0.95%. This compared to an increase of 5.00% in the IA UK All Companies sector.

Volatility was once again a major theme throughout the period, with a plethora of mixed economic data points. Global equity markets started the period with a high-risk appetite with stocks rallying, driven principally by improving odds of a soft landing in the US and better prospects in the EU and China. The International Monetary Fund (IMF) raised their world economic forecast for the first time in a year and given many market participants had reduced their allocation to equities during 2022, the improved outlook and subsequent rally in share and index prices forced some investors back into the market, further compounding the rally in certain sectors and stocks.

Rising inflation and household expenditures, rising interest rates and rising taxes amounted to what has been labelled the 'cost-of-living crisis'. This, coupled with a confluence of strike action across multiple sectors throughout the period, contributed to UK consumer confidence hitting record lows. Moreover, Purchasing Managers Index (PMI) readings, a broad measure of economic vitality, deteriorated worldwide, indicating the UK was not the only region under pressure.

The economic data throughout the period continued to suggest that inflation and interest rates were likely to remain higher for longer, particularly in the UK, with inflation hitting a multi-decade high of 10.40% as reported in March. Low unemployment levels and the consumer's propensity to spend on services supported this narrative, however, it is feasible the rapid pace of base rate rises (currently 5.00% in the UK) will result in tightening credit conditions for households and enterprises alike in the coming months, especially as loan terms end and are re-priced at materially higher levels.

Sentiment towards the UK stock market remains muted and policy makers are becoming increasingly vocal regarding potential reforms to the pension system in order to increase domestic ownership of UK assets, along with amendments to the listing regime in order to make the UK a more attractive venue for capital. The Chancellor's recent Mansion House speech outlined a series of measures and reforms, including for defined contribution pension funds to allocate 5% of their funds to unlisted equities by 2030, and we understand that unlisted equities include those traded on the FTSE AIM market. We eagerly await future announcements and consultations but in the interim note that UK Gross Domestic Product (GDP) estimates have been revised up by the IMF and various earnings releases have been better than expected, which could lead to an influx of international capital entering UK markets.

As growth orientated investors, it would be remiss of us not to mention the buzzword of the past few months: AI (artificial intelligence). May saw a flurry of news flow regarding the topic from leading players within the technology industry and many companies' (small and large) share prices moved substantially in response. It is too early to determine the winners and losers from AI but, given the diversified nature of the Fund, we believe we have a handful of stocks that could be major beneficiaries over the coming years.

Biggest winners during the period included Inspecc, Marlowe, Creo Medical, Burford Capital, FD Technologies, Various Eateries, Renold, Trifast, Dechra Pharmaceuticals and Bytes Technology. Largest losers during the period included Kin & Carta, IQE, HealthBeacon, NCC Group, Focusrite, Future, Frontier Developments, Kistos, Spirent Communications and Enteq Technologies.

Winners

Inspecc, the designer and manufacturer of eyewear frames and lenses, rose 151% during the period as the market regained confidence in the company's ability to deliver against expectations and gain market share. Mentioned as falling substantially in the Fund's commentary for the year ended 20 December 2022, Inspecc suffered from several headwinds throughout 2022, including negative foreign exchange effects, coupled with elevated freight, material, and operating costs. The company issued a positive trading update in January 2023, reporting a rebound in European markets and continued growth in other markets as well as nascent opportunities with brands such as Barbour and Superdry. Previously postponed expansion plans for manufacturing facilities in Vietnam are expected to commence in the second half of 2023 and it is purported the company has received interest from its customers to use this additional capacity.

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 20 June 2023

Losers

Kin & Carta, the global digital transformation consultancy, fell 70% during the period following two profit warnings blamed principally on macroeconomic headwinds that impacted client spending and elongated sales cycles. The company has exposure to 'big tech' and large financial institutions in the US and as has been widely reported, these companies have been making redundancies and postponing transformation projects, thus impacting Kin & Carta's financial performance. More positively, the company has reported a growing backlog that should materialise in fiscal year 2024 and is also strengthening its AI capability.

It has been another difficult period with UK assets being indiscriminately shunned by investors, particularly those at the lower end of the market value spectrum. Despite the ongoing macroeconomic turbulence, there are areas of positivity, with select companies continuing to win new contracts and gaining market share. Interestingly, the number of capital raises in the UK has significantly increased in recent weeks, with various companies looking to raise capital from a position of strength and with positive intent, whether it be to acquire competitors or invest in organic growth initiatives. There are, however, inevitably those businesses that are raising money to maintain a going concern. We remain supportive of companies that have favourable medium to long term prospects and aim to take advantage of market inefficiencies.

Canaccord Genuity Asset Management Limited
12 July 2023

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>A Accumulation (pence per unit)</u>				
Net accumulation paid 20 February	0.1820	-	-	-
Net accumulation paid 20 August	4.3648	-	-	-
<u>P Accumulation (pence per unit)</u>				
Net accumulation paid 20 February	7.2258	4.1988	3.2360	4.8660
Net accumulation paid 20 August	11.3653	6.0825	4.0853	1.5825

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
BT Group	8,697,413
Breedon Group	5,912,136
Harbour Energy	5,644,413
Endeavour Mining	5,164,840
Clarkson	3,789,223
IG Design Group	3,573,113
Deliveroo	3,417,180
Smith (DS)	3,367,967
Moonpig Group	3,045,986
Playtech	3,045,476
Other purchases	75,984,683
Total purchases for the period	121,642,430
<u>Largest sales</u>	<u>Proceeds (£)</u>
BT Group	12,861,569
EMIS Group	11,573,760
Jet2	11,106,308
CVS Group	8,862,257
Chemring Group	7,711,213
Cerillion	7,462,630
Oxford Instruments	7,229,097
JD Sports Fashion	7,148,865
Boku 'Reg S'	6,736,738
Volution Group	5,801,042
Other sales	135,915,818
Total sales for the period	222,409,297

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND

AUTHORISED STATUS

IFSL Marlborough Special Situations 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.

GENERAL INFORMATION

Investment objective

The investment objective of the Fund is to provide capital growth, that is, to increase the value of your investment, however, there is no certainty this will be achieved.

Investment policy

At least 80% of the Fund will be invested in the shares of companies listed in the UK, incorporated or domiciled in the UK or with significant business operations in the UK. This will include a range of small, medium and large companies. In any event, at least 60% of the Fund shall be invested in smaller companies, defined as companies with a market capitalisation of less than £2.5bn at the time of purchase.

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, other securities which offer returns linked to the company performance, such as, preference shares, convertible bonds and warrants.

The Fund may, from time to time, hold shares in companies that become unquoted following investment, due to a delisting or other corporate event, for example. The Fund will not make new investment into the shares of companies that are unquoted.

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 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.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The Fund's investment policy puts it in the IA UK All Companies sector. You may want to assess the Fund's performance compared to the performance of this 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.

Changes in prospectus

There have been no significant changes since the last annual report.

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 SPECIAL SITUATIONS 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
16 August 2023

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND
COMPARATIVE TABLE

<u>A Accumulation units</u>	Period to 20.06.2023	Year to 20.12.2022	Year to 20.12.2021	Year to 20.12.2020
Change in net assets per unit	pence	pence	pence	pence
Opening net asset value per unit	1,625.84	2,337.84	1,976.27	1,701.78
Return before operating charges*	(9.03)	(681.99)	397.48	299.52
Operating charges	(12.76)	(30.01)	(35.91)	(25.03)
Return after operating charges*	(21.79)	(712.00)	361.57	274.49
Distributions on accumulation units	(4.36)	(0.18)	-	-
Retained distributions on accumulation units	4.36	0.18	-	-
Closing net asset value per unit	1,604.05	1,625.84	2,337.84	1,976.27

* after direct transaction costs of: 1.38 2.17 3.05 3.10

Performance

Return after charges^A (1.34)% (30.46)% 18.30% 16.13%

Other information

Closing net asset value (£)	33,444,574	207,534,554	345,541,276	320,072,879
Closing number of units	2,085,010	12,764,762	14,780,396	16,195,833
Operating charges	1.54% ^{B,C}	1.54% ^B	1.54% ^B	1.53%
Direct transaction costs	0.16% ^C	0.11%	0.13%	0.19%

Prices (pence per unit)

Highest unit price	1,737.97	2,469.98	2,606.72	1,993.98
Lowest unit price	1,582.14	1,535.33	1,928.70	1,095.14

P Accumulation units

Change in net assets per unit	Period to 20.06.2023	Year to 20.12.2022	Year to 20.12.2021	Year to 20.12.2020
	pence	pence	pence	pence
Opening net asset value per unit	1,752.90	2,500.21	2,098.11	1,793.48
Return before operating charges*	(9.88)	(730.79)	421.77	318.17
Operating charges	(7.06)	(16.52)	(19.67)	(13.54)
Return after operating charges*	(16.94)	(747.31)	402.10	304.63
Distributions on accumulation units	(11.37)	(13.31)	(8.28)	(4.82)
Retained distributions on accumulation units	11.37	13.31	8.28	4.82
Closing net asset value per unit	1,735.96	1,752.90	2,500.21	2,098.11

* after direct transaction costs of: 1.48 2.33 3.26 3.29

Performance

Return after charges^A (0.97)% (29.89)% 19.16% 16.99%

Other information

Closing net asset value (£)	841,631,101	791,907,850	1,315,287,778	1,071,063,750
Closing number of units	48,482,110	45,176,888	52,607,037	51,049,051
Operating charges	0.79% ^{B,C}	0.79% ^B	0.79% ^B	0.78%
Direct transaction costs	0.16% ^C	0.11%	0.13%	0.19%

Prices (pence per unit)

Highest unit price	1,874.41	2,641.42	2,780.91	2,116.17
Lowest unit price	1,708.12	1,652.28	2,047.03	1,156.78

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

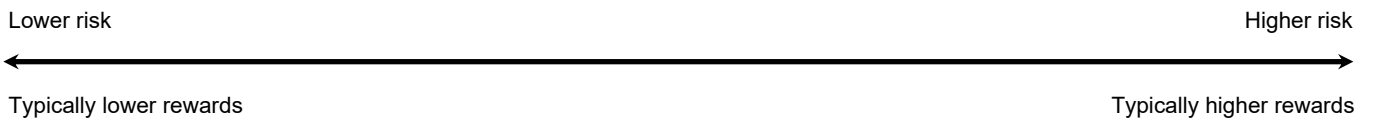
^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^C These figures have been annualised.

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 SPECIAL SITUATIONS FUND

SYNTHETIC RISK AND REWARD INDICATOR (all unit classes)



1	2	3	4	5	6	7
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This indicator aims to give you a measure of the price movement of the Fund 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 are used.

The Fund has been measured as 6 because its investments have experienced high volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND
PORTFOLIO STATEMENT

as at 20 June 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
AEROSPACE AND DEFENSE (20 December 2022 - 2.70%)		
50,000 Avon Rubber	440,000	0.05
1,750,000 Chemring Group	5,171,250	0.59
2,069,500 Cohort	9,664,565	1.10
1,350,000 Melrose Industries	6,804,000	0.78
Total Aerospace and Defense	<u>22,079,815</u>	<u>2.52</u>
BEVERAGES (20 December 2022 - 0.62%)		
450,000 Fevertree Drinks	5,773,500	0.66
240,000 Nichols	2,532,000	0.29
Total Beverages	<u>8,305,500</u>	<u>0.95</u>
CHEMICALS (20 December 2022 - 0.66%)		
1,075,000 Treatt	7,385,250	0.84
Total Chemicals	<u>7,385,250</u>	<u>0.84</u>
CLOSED END INVESTMENTS (20 December 2022 - 0.63%)		
5,854,183 Augmentum Fintech	5,690,266	0.65
Total Closed End Investments	<u>5,690,266</u>	<u>0.65</u>
CONSTRUCTION AND MATERIALS (20 December 2022 - 3.77%)		
2,400,000 Breedon Group	8,076,000	0.92
1,250,000 Marshalls	3,242,500	0.37
3,411,623 Norcros	6,072,689	0.69
500,000 Renew Holdings	3,565,000	0.41
19,000,000 SigmaRoc	11,020,000	1.26
2,325,581 Stelrad Group	2,837,209	0.32
500,000 Volution Group	1,816,000	0.21
Total Construction and Materials	<u>36,629,398</u>	<u>4.18</u>
CONSUMER SERVICES (20 December 2022 - 1.07%)		
100,000 CVS Group	2,130,000	0.24
Total Consumer Services	<u>2,130,000</u>	<u>0.24</u>
ELECTRONIC AND ELECTRICAL EQUIPMENT (20 December 2022 - 2.15%)		
55,000 Judges Scientific	5,225,000	0.60
150,000 Oxford Instruments	4,050,000	0.46
901,487 Porvair	5,985,874	0.68
489,656 Volex	1,353,899	0.15
Total Electronic and Electrical Equipment	<u>16,614,773</u>	<u>1.89</u>
FOOD PRODUCERS (20 December 2022 - 2.81%)		
175,000 Cranswick	5,621,000	0.64
1,000,000 Hilton Food Group	6,470,000	0.74
1,348,632 MP Evans Group	10,249,603	1.17
2,250,000 Premier Foods	2,970,000	0.34
Total Food Producers	<u>25,310,603</u>	<u>2.89</u>
GENERAL INDUSTRIALS (20 December 2022 - 0.88%)		
11,000,000 Coats Group	7,810,000	0.89
250,000 Smith (DS)	771,000	0.09
Total General Industrials	<u>8,581,000</u>	<u>0.98</u>
HEALTH CARE PROVIDERS (20 December 2022 - 0.70%)		
400,000 Craneware	5,920,000	0.68
Total Health Care Providers	<u>5,920,000</u>	<u>0.68</u>
HOUSEHOLD GOODS AND HOME CONSTRUCTION (20 December 2022 - 0.69%)		
2,105,172 ProCook Group	557,871	0.06
Total Household Goods and Home Construction	<u>557,871</u>	<u>0.06</u>

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND

PORTFOLIO STATEMENT

as at 20 June 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
INDUSTRIAL ENGINEERING (20 December 2022 - 2.12%)		
600,000 AB Dynamics	12,000,000	1.37
21,000,000 Renold	6,069,000	0.69
1,500,000 Somero Enterprises	4,275,000	0.49
Total Industrial Engineering	22,344,000	2.55
INDUSTRIAL METALS AND MINING (20 December 2022 - 0.67%)		
2,250,000 Tharisa	1,867,500	0.21
750,000 Yellow Cake	3,121,500	0.36
Total Industrial Metals and Mining	4,989,000	0.57
INDUSTRIAL SUPPORT SERVICES (20 December 2022 - 12.33%)		
1,000,000 Alpha Financial Markets Consulting	4,900,000	0.56
6,750,000 Boku 'Reg S'	9,787,500	1.12
20,000 Diploma	599,200	0.07
2,750,000 Essentra	4,763,000	0.54
900,000 FDM Group (Holdings)	5,796,000	0.66
1,700,000 Marlowe	11,118,000	1.27
2,406,541 Mind Gym	1,395,794	0.16
1,969,000 Restore	4,922,500	0.56
1,750,000 Robert Walters	7,087,500	0.81
4,829,881 RWS Holdings	12,354,836	1.41
2,363,500 Science Group	9,973,970	1.14
1,750,000 Smart Metering Systems	12,600,000	1.44
1,500,000 STthree	5,467,500	0.63
5,750,000 Trifast	4,450,500	0.51
Total Industrial Support Services	95,216,300	10.88
INDUSTRIAL TRANSPORTATION (20 December 2022 - 4.05%)		
205,000 Clarkson	6,027,000	0.69
93,826,750 DX (Group)	28,617,159	3.27
1,342,329 Mercantile Ports & Logistics	46,981	0.01
1,250,000 Vp	8,062,500	0.92
Total Industrial Transportation	42,753,640	4.89
INVESTMENT BANKING AND BROKERAGE SERVICES (20 December 2022 - 6.76%)		
951,500 Alpha Group International	21,028,150	2.40
300,000 Brooks Macdonald Group	5,700,000	0.65
475,000 Burford Capital	4,709,625	0.54
150,000 Hargreaves Lansdown	1,197,600	0.14
687,272 JTC	4,989,595	0.57
500,000 Mattioli Woods	3,100,000	0.35
500,000 Molten Ventures	1,326,000	0.15
4,000,000 Peel Hunt	4,000,000	0.46
7,000,000 TP ICAP Group	10,801,000	1.23
Total Investment Banking and Brokerage Services	56,851,970	6.49
LEISURE GOODS (20 December 2022 - 3.05%)		
1,650,000 Focusrite	7,920,000	0.91
700,000 Frontier Developments	3,934,000	0.45
20,000 Games Workshop Group	2,136,000	0.24
100,000 Keywords Studios	1,891,000	0.22
1,900,000 Team17 Group	6,840,000	0.78
Total Leisure Goods	22,721,000	2.60
MEDIA (20 December 2022 - 6.62%)		
5,500,000 Everyman Media Group	3,410,000	0.39
250,000 Future	1,777,500	0.20
1,350,000 GlobalData	16,875,000	1.93
8,000,000 LBG Media	7,696,000	0.88
750,000 Next 15 Group	5,227,500	0.60

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND
PORTFOLIO STATEMENT

as at 20 June 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
MEDIA (continued)		
9,500,000 Reach	6,683,250	0.76
640,000 Wilmington	1,779,200	0.20
1,100,000 YouGov	11,880,000	1.36
Total Media	<u>55,328,450</u>	<u>6.32</u>
MEDICAL EQUIPMENT AND SERVICES (20 December 2022 - 1.12%)		
2,950,000 Advanced Medical Solutions Group	6,888,250	0.79
22,183,050 Creo Medical Group	7,985,898	0.91
Total Medical Equipment and Services	<u>14,874,148</u>	<u>1.70</u>
OIL, GAS AND COAL (20 December 2022 - 1.59%)		
3,750,000 Diversified Energy Company	3,412,500	0.39
425,000 Energean	4,734,500	0.54
8,800,000 Enteq Upstream	792,000	0.09
200,000 Gulf Keystone Petroleum	276,000	0.03
2,500,000 Harbour Energy	6,232,500	0.71
1,250,000 Kistos Holdings	3,125,000	0.36
2,000,000 PetroTal	800,000	0.09
1,600,000 Serica Energy	3,942,400	0.45
Total Oil, Gas and Coal	<u>23,314,900</u>	<u>2.66</u>
OPEN END AND MISCELLANEOUS INVESTMENT VEHICLES (20 December 2022 - 0.35%)		
1,000,000 Geiger Counter	380,000	0.04
Total Open End and Miscellaneous Investment Vehicles	<u>380,000</u>	<u>0.04</u>
PERSONAL CARE, DRUG AND GROCERY STORES (20 December 2022 - 1.00%)		
50,000 Greggs	1,306,000	0.15
7,000,000 IG Design Group	9,450,000	1.08
Total Personal Care, Drug and Grocery Stores	<u>10,756,000</u>	<u>1.23</u>
PERSONAL GOODS (20 December 2022 - 1.33%)		
8,310,082 Inspecks Group	8,891,788	1.02
3,797,911 Superdry	2,966,168	0.34
950,000 Watches of Switzerland Group	6,170,250	0.71
Total Personal Goods	<u>18,028,206</u>	<u>2.07</u>
PHARMACEUTICALS AND BIOTECHNOLOGY (20 December 2022 - 2.03%)		
13,470,000 Agronomics	1,380,675	0.16
6,770,000 Alliance Pharma	3,696,420	0.42
20,000,000 Benchmark Holdings	7,800,000	0.89
50,000 Dechra Pharmaceuticals	1,812,000	0.21
3,032,000 Destiny Pharma	879,280	0.10
135,000 Genus	3,207,600	0.37
1,250,000 PureTech Health	2,887,500	0.33
Total Pharmaceuticals and Biotechnology	<u>21,663,475</u>	<u>2.48</u>
PRECIOUS METALS AND MINING (20 December 2022 - 0.59%)		
250,000 Endeavour Mining	4,985,000	0.57
55,000,000 Jubilee Metals Group	4,840,000	0.55
10,500,000 Pan African Resources	1,379,700	0.16
Total Precious Metals and Mining	<u>11,204,700</u>	<u>1.28</u>
REAL ESTATE INVESTMENT AND SERVICES (20 December 2022 - 2.82%)		
2,508,000 Lok'nStore Group	21,368,160	2.44
Total Real Estate Investment and Services	<u>21,368,160</u>	<u>2.44</u>
REAL ESTATE INVESTMENT TRUSTS (20 December 2022 - 0.96%)		
50,000 Big Yellow Group	544,500	0.06
700,000 Safestore Holdings	6,191,500	0.71
Total Real Estate Investment Trusts	<u>6,736,000</u>	<u>0.77</u>

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND
PORTFOLIO STATEMENT

as at 20 June 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
RETAILERS (20 December 2022 - 1.18%)		
2,500,000 Moonpig Group	3,535,000	0.40
500,000 WHSmith	8,040,000	0.92
Total Retailers	<u>11,575,000</u>	<u>1.32</u>
SOFTWARE AND COMPUTER SERVICES (20 December 2022 - 15.75%)		
7,598,859 1Spatial	3,647,452	0.42
1,250,000 acceso Technology Group	9,800,000	1.12
3,000,000 Aptitude Software Group	10,170,000	1.16
2,200,000 Big Technologies	5,874,000	0.67
4,493,000 Blancco Technology Group	6,784,430	0.78
400,000 Bytes Technology Group	2,110,000	0.24
879,500 Cerillion	12,752,750	1.46
3,500,000 Deliveroo	3,633,000	0.42
1,884,667 Eagle Eye Solutions Group	10,177,202	1.16
700,000 FD Technologies	13,986,000	1.60
3,500,000 GB Group	9,093,000	1.04
21,035,000 Idox	14,430,010	1.65
2,500,000 K3 Business Technology Group	3,050,000	0.35
2,750,000 Kin and Carta	1,801,250	0.21
10,000,000 NCC Group	9,000,000	1.03
4,500,000 Trustpilot Group	3,444,750	0.39
Total Software and Computer Services	<u>119,753,844</u>	<u>13.70</u>
TECHNOLOGY HARDWARE AND EQUIPMENT (20 December 2022 - 1.42%)		
375,000 Gooch & Housego	2,325,000	0.27
26,000,000 IQE	5,291,000	0.60
Total Technology Hardware and Equipment	<u>7,616,000</u>	<u>0.87</u>
TELECOMMUNICATIONS EQUIPMENT (20 December 2022 - 1.44%)		
5,453,016 Spirent Communications	9,771,805	1.12
Total Telecommunications Equipment	<u>9,771,805</u>	<u>1.12</u>
TELECOMMUNICATIONS SERVICE PROVIDERS (20 December 2022 - 1.23%)		
425,000 Gamma Communications	5,057,500	0.58
100,000 Telecom Plus	1,560,000	0.18
73,637 Zegona Communications	34,609	-
Total Telecommunications Service Providers	<u>6,652,109</u>	<u>0.76</u>
TRAVEL AND LEISURE (20 December 2022 - 6.08%)		
2,000,000 888 Holdings	2,354,000	0.27
300,000 Entain	3,670,500	0.42
600,000 Jet2	7,566,000	0.87
3,000,000 Loungers	5,700,000	0.65
1,250,000 Playtech	7,506,250	0.86
500,000 PPHE Hotel Group	5,350,000	0.61
3,500,000 SSP Group	8,988,000	1.03
4,021,315 The City Pub Group	3,940,889	0.45
8,219,178 Various Eateries	3,534,246	0.40
10,583,333 XP Factory	1,905,000	0.22
465,000 Young & Co's Brewery 'A'	5,649,750	0.65
200,000 Young & Co's Brewery 'NV'	1,616,000	0.18
Total Travel and Leisure	<u>57,780,635</u>	<u>6.61</u>
WASTE AND DISPOSAL SERVICES (20 December 2022 - Nil)		
1,111,111 Franchise Brands	1,955,555	0.22
Total Waste and Disposal Services	<u>1,955,555</u>	<u>0.22</u>

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND

PORTFOLIO STATEMENT

as at 20 June 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
OVERSEAS SECURITIES (20 December 2022 - 0.63%)		
7,500 Chord Energy	890,260	0.10
15,000 Franco-Nevada	1,702,201	0.19
696,889 HealthBeacon	656,185	0.08
500,000 Kosmos Energy	2,432,146	0.28
1,500,000 Var Energi	3,036,602	0.35
150,000 Marathon Oil	2,761,132	0.32
125,000 Wheaton Precious Metals	4,352,251	0.50
30,955 CoTec Holdings	8,072	-
Total Overseas Securities	<u>15,838,849</u>	<u>1.82</u>
UNQUOTED SECURITIES (20 December 2022 - 1.82%)		
2,790,000 AdvancedAdvT ^E	2,232,000	0.26
4,800,000 Genagro ^C	207,015	0.02
3,215,000 Goals Soccer Centres ^B	-	-
3,250,000 HeiQ ^E	656,500	0.08
1,000,000 Lamaune Iron ^A	-	-
10,000,000 Moxico Resources ^C	5,010,000	0.57
1,641,000 New Finsaga ^A	-	-
4,694,056 Patisserie Holdings ^B	-	-
420,018 Red Lambda ^A	-	-
267,604 SCA Investments ^C	9,882,616	1.13
47,532 SCA Investments 'M' ^C	1,755,357	0.20
1,000,000 Tottenham Hotspur ^D	2,100,000	0.24
4,353,545 Tricorn Group ^F	-	-
12,578 Tulla Resources ^C	2,275	-
90,000 Verici Dx Lock Up Shares ^C	9,900	-
11 Walter Energy ^F	-	-
Total Unquoted Securities	<u>21,855,663</u>	<u>2.50</u>
Portfolio of investments	820,533,885	93.77
Net other assets	54,541,790	6.23
Total net assets	<u><u>875,075,675</u></u>	<u><u>100.00</u></u>

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

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

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

^D These shares are delisted and are being valued using 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.

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

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules unless otherwise stated.

PORTFOLIO TRANSACTIONS

for the six month period ended 20 June 2023

	£
Total purchases costs, including transaction charges	121,642,430
Total sales proceeds, net of transaction charges	222,409,297

IFSL MARLBOROUGH SPECIAL SITUATIONS FUND

STATEMENT OF TOTAL RETURN

for the six month period ended 20 June 2023

	20 June 2023		20 June 2022	
	£	£	£	£
Income:				
Net capital losses		(13,613,545)		(321,709,587)
Revenue	9,955,580		9,519,338	
Expenses	<u>(4,434,132)</u>		<u>(6,768,082)</u>	
Net revenue before taxation	5,521,448		2,751,256	
Taxation	<u>(106,122)</u>		<u>(108,911)</u>	
Net revenue after taxation		<u>5,415,326</u>		<u>2,642,345</u>
Total return before distributions		(8,198,219)		(319,067,242)
Distributions		(5,415,326)		(2,954,320)
Change in net assets attributable to unitholders from investment activities		<u><u>(13,613,545)</u></u>		<u><u>(322,021,562)</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the six month period ended 20 June 2023

	20 June 2023		20 June 2022	
	£	£	£	£
Opening net assets attributable to unitholders		^A 999,442,404		1,660,829,054
Amounts receivable on issue of units	1,151,836		9,374,053	
Amounts payable on cancellation of units	(117,312,044)		(150,520,613)	
Amounts payable on unit class conversions	<u>(500,205)</u>		<u>(12,454)</u>	
		(116,660,413)		(141,159,014)
Dilution adjustment		306,102		565,725
Change in net assets attributable to unitholders from investment activities		(13,613,545)		(322,021,562)
Retained distribution on accumulation units		5,601,127		2,889,908
Closing net assets attributable to unitholders		<u><u>875,075,675</u></u>		^A <u><u>1,201,104,111</u></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 SPECIAL SITUATIONS FUND

BALANCE SHEET

as at 20 June 2023

	20 June 2023	20 December 2022
	£	£
Assets:		
Fixed Assets:		
Investments	820,533,885	935,656,331
Current Assets:		
Debtors	3,162,757	1,998,922
Cash and bank balances	56,811,557	63,164,870
Total assets	<u>880,508,199</u>	<u>1,000,820,123</u>
Liabilities:		
Creditors:		
Other creditors	5,432,524	1,377,719
Total liabilities	<u>5,432,524</u>	<u>1,377,719</u>
Net assets attributable to unitholders	<u><u>875,075,675</u></u>	<u><u>999,442,404</u></u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 20 June 2023

Basis for preparation

The interim financial statements have been prepared in compliance with Financial Reporting Standard (FRS) 102 and in accordance with the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (renamed to 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 20 December 2022 and are described in those annual financial statements.

The investments of the Fund have been valued at their fair value at 12 noon on 20 June 2023.

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Registered in England and Wales (company registration number 06110770).
Authorised and regulated by the Financial Conduct Authority and a member of The Investment Association.